Graphic Documentation of Gold Price Manipulation

It is my hypothesis that the price of gold has been manipulated since August 5, 1993.

This blatant manipulation is obviously taking place in the United States. It is overtly discernible because the price of gold usually declines during the New York session vis-a-vis trading the rest of the day. This strange half-a-day fall in prices leads to anomalies which can be conspicuously displayed in charts.

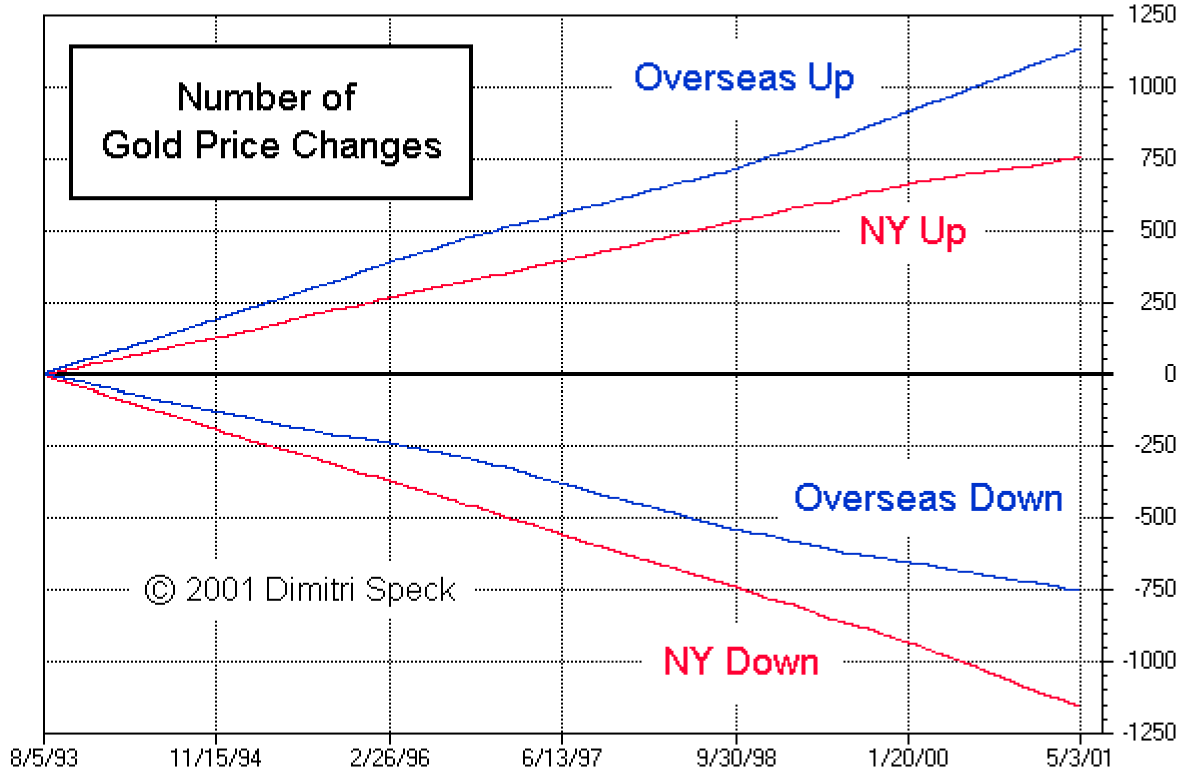
For our calculations we use data by 'Bridge', and from the 'London Bullion Market'. All calculations in this essay are based on original studies by Dr. Harry Clawar (www.gold-eagle.com/research/clawarndx.html). Our calculations encompass the entire period of manipulation from the beginnoing to the present. All data are here graphically displayed.

First, we count the numbers of rising and falling gold prices for both the American trading session, and the session during the remainder of the day. There have been 1,945 trading days since the beginning of the manipulation (August 5, 1993) to May 3, 2001. During this period the gold price rose 760 times during the American session, and fell 1,154 times.

We define the change in price during the American session as the London a.m. fixing deducted from the New York spot closing price, and vice versa for the remainder of the day (London a.m. fix minus New York previous close). So in New York the number of falling prices was 52% higher than the number of rising prices.

Almost an inverse mirror image is the remainder of the day: The price rose 1,137 times and fell 753 times. So during the remainder of the day the number of rising prices was 51% higher than the number of falling prices. This clearly demonstrates that the price of gold is forced down in New York.

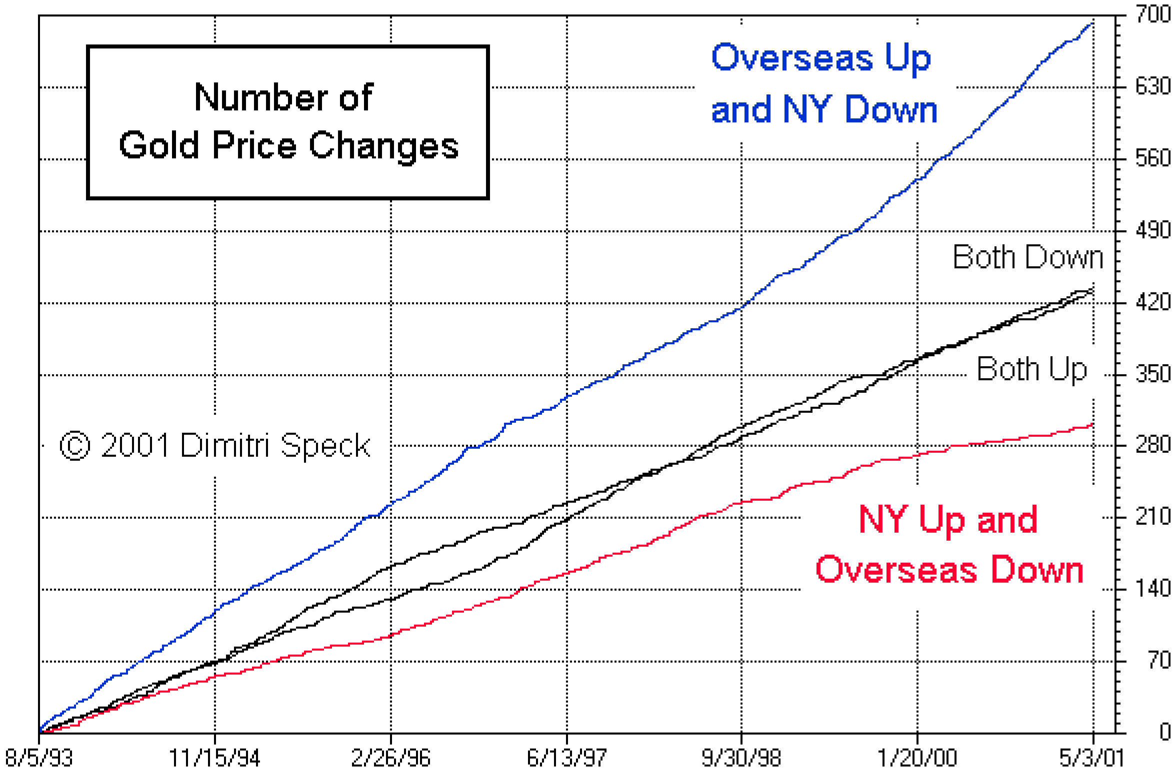
Chart 1 displays data graphicall, e.g., the upper blue line depicts the sum of all price rises which occureded until then during the rest of the day (overseas). Unchanged prices were ignored (31 times and 55 times respectively).



In the first chart we separately add up price movements of both half days. Subsequently, we monitor entire days. We sort the days into four groups: The first group is the number of days during which the prices rose all day. This occured 431 times. The second group represents the days during which the prices fell all day. This occured 432 times.

Now we come to the two interesting groups. The third group consists of the days with falling prices in New York, but rising prices during the remainder of the day. This occured 693 times. The fourth group consists of the days with rising prices in New York, but falling prices during the remainder of the day. This occured 303 times.

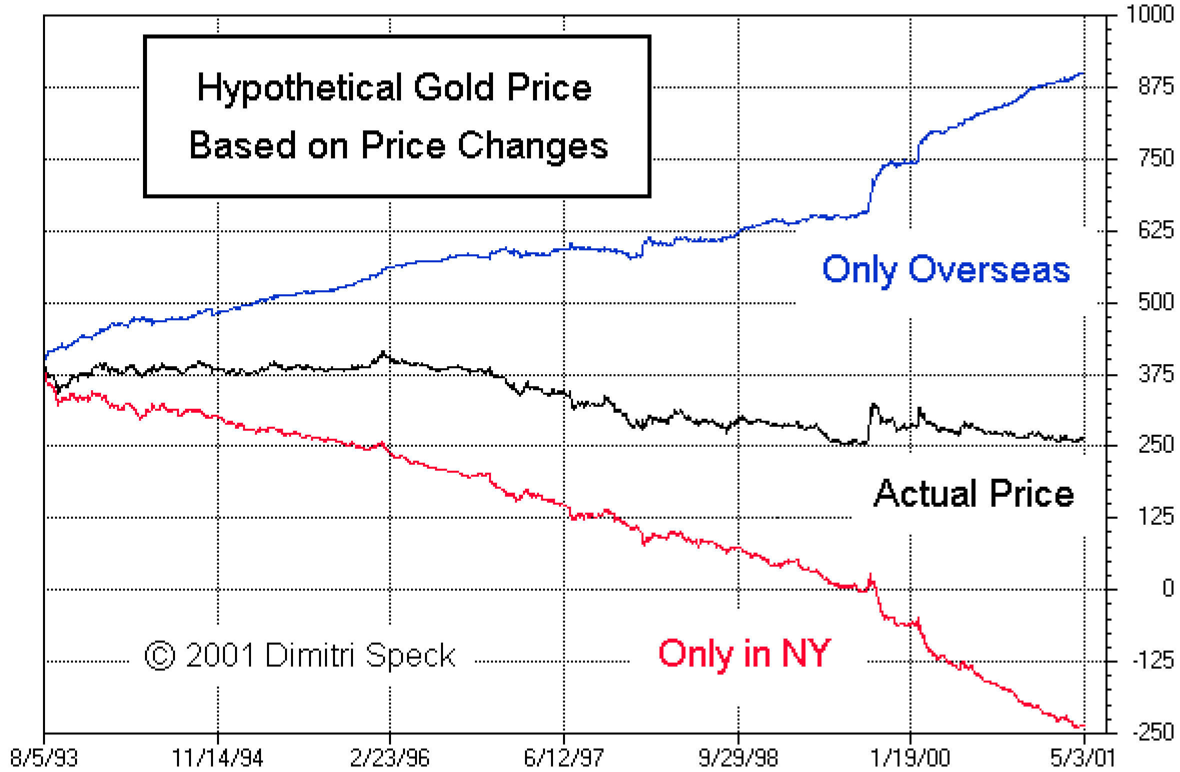
The number of days with falling prices in New York and rising prices during the remainder of the day is more than twice as high as the very opposite. This again demonstrates clearly that the price of gold is depressed in New York. Chart 2 depicts its course.



In our first two charts we showed the number of price movements. Now we focus on their extent. New Yorks's manipulation of the gold price results in a higher number of falling prices in New York compared to the remainder of the world. But another result is that on average prices are falling in New York while rising overseas.

Since August 5, 1993 all price changes in New York amount to a loss of $633, whereas all price movements overseas amount to an increase of $500. Once again this demonstrates that the price of gold is forced down in New York. The following chart demonstrates the course of these sums. We add these sums to the price of gold at the beginning of the manipulation.

Therefore, Chart 3 shows the hypothetical development of the gold price, if there were only price movements in New York and overseas respectively. This hypothetical price of gold is for demonstration purpose only. It does not imply that the gold price would be $900 now without manipulation. The course of the sums clearly shows the extent of the manipulation. The real gold price development is shown as well.



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