



PRECIOUS-Gold firms on lower dollar before U.S. data, set for weekly gain

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* Gold up 2 pct in week, snaps 3-week losing streak

* Dollar, European shares edge down

* Focus on U.S. non-farm payrolls data (Updates throughout, changes dateline from SINGAPORE)

By Clara Denina

LONDON, Jan 9 (Reuters) - Gold rose on Friday as the dollar's rally paused ahead of a closely watched U.S. jobs report and the metal was set to post its first weekly gain in four as political uncertainty in Greece boosted demand for assets perceived as safe.

Spot gold ticked up 0.2 percent to \$1,211.10 an ounce by 1046 GMT, but was still below a three-week high of \$1,222.40 reached on Tuesday.

U.S. gold futures for delivery in February rose 0.3 percent to \$1,211.70 an ounce.

"The perception of an imminent increase in interest rates in the United States, but also the UK, is waning, and that element is supporting gold," ActivTrades senior analyst Carlo Alberto de Casa said.

"Technically, the closest resistance level stands in the \$1,238/1,240 area, but it doesn't look like that is going to be challenged, especially as investors await today's U.S. jobs data."

Spot prices were heading for a 2 percent weekly gain, snapping a three-week losing streak, mostly as global equities slumped at the start of the week on worries over political developments in Greece that could see it leaving the euro zone.

Equities have since recovered, prompting gold to give up some of its gains. Strong U.S. economic data has also hurt.

A jobs report on Thursday showed the number of Americans filing new claims for unemployment benefits fell last week and job cuts declined sharply in December.

Investors expect the U.S. payrolls data due at 1330 GMT on Friday to post a solid increase of 240,000 in December, after surprisingly strong gains of 321,000 in November.

The dollar edged down 0.2 percent against a basket of leading currencies, but remained within reach of its 2005 peak of 92.630.

Despite recent improvements in the job market, the Federal Reserve's latest policy meeting released on Wednesday indicated that the central bank will be patient in raising rates as inflation is expected to be subdued.

In addition to that, Boston Fed President Eric Rosengren, speaking on Thursday, highlighted the Fed's cautious stance, saying the Fed can likely be patient not only on the timing of the first interest rate hike but on the series of subsequent increases.

Gold, which has no yield, tends to suffer in a rising interest rate environment.

Elsewhere, in the physical markets, demand from China has been strong in recent weeks in the build-up to the Lunar New Year holiday in February, when gold is bought for gift-giving.

Premiums on the Shanghai Gold Exchange were hovering between \$5 and \$6 on Friday over the global benchmark, indicating strong buying interest.

Silver was down 0.2 percent at \$16.27 an ounce, while platinum was up 0.5 percent at \$1,220.60 an ounce and palladium rose 0.8 percent to \$792.00 an ounce. (Additional reporting by A. Ananthalakshmi in Singapore; Editing by David Evans)