

Setting a broad, Consumer-Price target in the US Fed's new QEII announcement today "would be very positive for gold prices, given that such a mechanism would inherently take inflation over the unwritten 2% target at some point down the line," says a note today from Mitsui's London metals team.

Meantime, "Seasonal jewelry demand for gold (ahead of Diwali and the Indian wedding season) remains strong, even at current prices, adding weight to our bullish stance over the medium term," says today's update from Standard Bank in London.

Gold imports to India – the world's No.1 consumer market, but with no domestic gold mining output – rose last month by almost one fifth compared with Oct. 2009, says first estimate from trade body the Bombay Bullion Association.

The BBA today elected Prithviraj Kothari, managing director of Riddisiddhi Bullion Ltd, as its president, succeeding Suresh Hundia of Hundia Exports.

"Seeing the growth of [India's] bullion industry, we look forward towards improving the working standards at India's bullion hub, Zaveri Bazaar in Mumbai," said Kothari in a statement.

"The Association would also like to address issues and concerns of the bullion market to the government, especially the varied taxes on bullion products."

Note. Formerly City correspondent for The Daily Reckoning in London and head of editorial at the UK's leading financial advisory for private investors, Adrian Ash is the editor of Gold News and head of research at BullionVault – winner of the Queen's Award for Enterprise Innovation, 2009 and now backed by the mining-sector's World Gold Council research body – where you can buy gold today vaulted in Zurich on US\$3 spreads and 0.8% dealing fees.