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Gold Prices Take a Dip as Market Adjusts to Global Trends

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Gold prices in Pakistan saw a modest decline on Tuesday, reflecting both international market shifts and domestic economic pressures. According to the All Pakistan Sarafa Gems and Jewelers Association, the price of 24-karat gold fell by Rs700 per tola, closing at Rs359,000, down from Rs359,700 the previous day. A similar trend was observed for 10-gram gold prices, indicating broader investor caution and shifting demand.

Specifically, the rate for 10 grams of 24-karat gold dropped by Rs600, landing at Rs307,784 from its previous rate of Rs308,384. Meanwhile, 10 grams of 22-karat gold, a

popular option for buyers in local markets, saw a Rs550 decrease, now trading at Rs282,145 compared to Rs282,695.

Silver prices mirrored the decline in gold. The per tola rate for silver dropped by Rs 73 to Rs 4,0144, while the 10-gram rate decreased by Rs 62, closing at Rs 3,441. These movements are in line with the international market, where gold lost \$7 per ounce, falling from \$3,372 to \$3,365. Silver internationally slipped by \$0.73 to \$38.30 per ounce.

Economic uncertainty and tightening conditions around the globe are playing a role in these adjustments. Investors are treading carefully amid fluctuating interest rates and currency devaluation, especially in countries like Pakistan, where local inflation and foreign exchange volatility continue to erode purchasing power. The decrease in gold's price, often seen as a safe-haven asset, signals that global sentiment is cautiously shifting, perhaps in response to expected monetary policy changes in the United States and Europe.

While the data points to a temporary drop, precious metal traders suggest the situation remains fluid. "The market is reacting to global cues more than anything happening domestically right now," said a Karachi-based gold trader who requested anonymity. "But with rising economic pressure on the middle class, we could see demand shift more aggressively depending on what happens with inflation."

With a lack of clear fiscal direction and policy volatility at home, market stability remains out of reach for many. The drop in precious metal prices may offer brief relief to buyers, but it also underscores the broader economic challenges facing both local consumers and investors in a fragile financial environment.

Key Terms Defined

- *Tola*: A traditional South Asian unit of mass, commonly used to measure gold. One tola equals approximately 11.66 grams.
- *24-Karat Gold*: The purest form of gold, containing no alloyed metals.
- *22-Karat Gold*: A mixture of 91.6% gold with other metals, often used in jewelry.
- *All Pakistan Sarafa Gems and Jewelers Association (APSGJA)*: An official trade body that reports gold and silver rates across Pakistan based on market conditions.

As prices continue to fluctuate, the direction of precious metal markets will depend heavily on how both global monetary policy and local economic governance evolve in the coming

months.