

Gold Futures Rise for Second Day as Dollar Drops; Silver Gains

By Pham-Duy Nguyen

Oct. 30 (Bloomberg) -- Gold futures rose for the second straight day as the dollar declined, boosting the appeal of the precious metal as an alternative investment. Silver also gained.

The dollar fell as much as 2.3 percent against a weighted basket of six major currencies after declining 2.2 percent yesterday. Before today, gold dropped 10 percent this year, while the dollar gained 11 percent.

"The dollar got kicked in the teeth yesterday, and we're seeing some follow-through today," said Matt Zeman, a metals trader at LaSalle Futures Group in Chicago. "With the dollar headed lower and the risk appetite returning, gold and other commodities are going to get a boost."

Gold futures for December delivery climbed \$9, or 1.2 percent, to \$763 an ounce at 9:12 a.m. on the Comex division of the New York Mercantile Exchange. The metal gained 1.8 percent yesterday.

Silver futures for December delivery gained 26 cents, or 2.7 percent, to \$10.065 an ounce. Before today, the metal was down 34 percent this year.

To contact the reporter on this story: Pham-Duy Nguyen in Seattle at pnguyen@bloomberg.net.

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