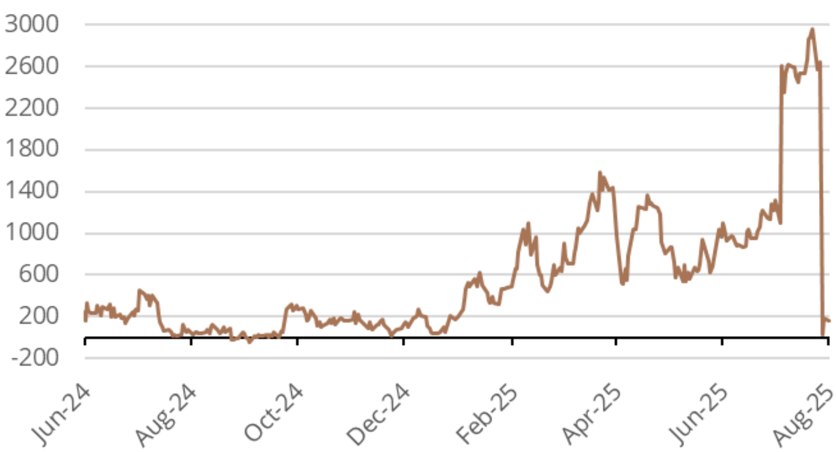
KGHM POLSKA MIEDŹ

Market Overview

as of: 1st August 2025

- **Copper:** A surprise move by President Trump to impose 50% tariffs on copper imports — while exempting refined metal — has upended the global copper market. Prices in the U.S. plunged by a record 22%, erasing one of the most profitable commodity trades in years *(page 2)*.
- **Precious metals:** The People's Bank of China has been increasing its gold reserves for years, but growing evidence suggests that actual purchases may be significantly higher than officially reported. This strategic pivot toward the precious metal is aimed at reducing reliance on the U.S. dollar — especially after the U.S. "weaponized" its currency against Russia and Iran. Analysts suggest that China may already hold more than twice as much gold as it claims *(page 4)*.
- **Euro zone:** The European Central Bank held interest rates steady in July, citing stable inflation and modest growth, despite mounting trade tensions. President Christine Lagarde said the worst of the inflation crisis is over and emphasized a "wait-and-see" approach. With looming U.S. tariffs and rising competition from Asia, investors now brace for deeper cuts by year-end *(page 8)*.

President Trump's decision on the form of tariffs on copper imports to the US cut the COMEX vs LME spread from almost 3000 to around 200 USD/t



Source: Bloomberg, KGHM Polska Miedź S.A.

Key market prices

		Price	1m chng.
	LME (USD/t)		
▼	Copper	9 606.00	-4.3%
▼	Nickel	14 800.00	-1.5%
	LBMA (USD/troz)		
▲	Silver	36.22	0.7%
▲	Gold (PM)	3 298.85	0.3%
	FX		
▼	EURUSD	1.1446	-2.3%
▲	EURPLN	4.2661	0.6%
▲	USDPLN	3.7257	3.0%
▲	USDCAD	1.3844	1.5%
▲	USDCLP	978.07	4.5%
	Stocks		
▼	KGHM	127.80	-0.9%

Source: Bloomberg, KGHM Polska Miedź S.A.; *(more on page 12)*

Important macroeconomic data

	Release	For		
	Industrial prod. (yoy)	Jun	6.8%	▲
	Capacity utilization	Jun	77.6%	▲
	Industr. prod. (wda, yoy)	May	3.7%	▲
	Industrial prod. (yoy)	Jun	4.0%	▲
	Industrial prod. (yoy)	Jun	-0.1%	▼

Source: Bloomberg, KGHM Polska Miedź S.A.; *(more on page 10)*

Market Risk Unit

marketrisk@kghm.com

Base and precious metals | Other commodities

Copper

Trump tariff surprise triggers implosion of massive copper trade

A surprise move by President Trump to impose 50% tariffs on copper imports — while exempting refined metal — has upended the global copper market. Prices in the U.S. plunged by a record 22%, erasing one of the most profitable commodity trades in years.

The global copper market is reeling from its biggest shock yet in a year of policy surprises, violent price swings and unprecedented trade dislocation. US President Donald Trump went ahead with 50% tariffs on copper imports but exempted refined metals, which are the mainstay of international trading. The move triggered a record plunge for US prices after a period of fat profits for traders who hurried metal to America before the levies kicked in. A large premium for New York futures over London evaporated. “The blow-out in the CME-LME spread has been touted as one of the most profitable commodity trades in modern history,” Daniel Ghali of TD Securities Inc. wrote in a note. “In a single session, the White House’s proclamation on copper tariffs annihilated the spread and catalyzed CME copper’s largest intraday fall on record.” Copper futures on Comex in New York fell by 22% as traders recalibrated the value of metal in the US versus the rest of the world. With prices on the London Metal Exchange falling by a much smaller margin, Comex front-month futures swung for a short time to a discount against the LME benchmark from a premium of more than 30% a week ago. The decision to exempt refined copper will roil global trade of the metal, which plays a crucial role in the world economy thanks to its use in electrical wiring. Massive volumes now sit in US warehouses, and there’s already speculation about potential re-exports. When Trump first flagged the likelihood of tariffs early this year, US prices soared relative to the rest of the world, and major traders scurried to get metal to American ports in a trade that some industry veterans said was the biggest of their lifetimes.

Early in July, Trump said the tariff would be a higher-than-expected 50%, ratcheting up the potential rewards. That spurred a last-minute rush, with at least one copper-laden ship heading for Hawaii before the end of this month. “This has badly deviated from market expectations,” said Li Xuezhi, head of research at Chaos Ternary Futures Co., a unit of a commodities hedge fund in Shanghai. Those betting on higher US prices have “wasted all their efforts,” and global copper flows will return to normal, he said. Analysts at Goldman Sachs Group Inc. said they were “surprised” by the exemptions but added that they don’t see it changing market fundamentals and don’t expect large-scale re-exports from the US. The President’s announcement — less than 48 hours before tariffs were due to start — illustrates his white-knuckle approach to trade policy and the challenges he faces in revamping America’s metals industry. Some key players in the US copper sector had argued that the country simply didn't have sufficient capacity to replace all its imports so quickly. The 50% tariff announced Wednesday will apply to semi-finished products such as pipes, wires, rods, sheets and tubes, and to copper-intensive goods like pipe fittings, cables, connectors and electrical components, according to the White House statement. Less-processed goods — including ore, concentrates, mattes, cathodes and anodes — aren't subject to the tariffs. Still, the prospect of import tariffs on refined copper hasn't entirely disappeared. The Department of Commerce instead recommended delayed imposition, with a rate set at 15% starting in 2027 and rising to 30% in 2028. Trump directed the department to provide an update on US copper markets by the end of June 2026. "While we are surprised by the near complete roll-back on the proposed copper tariffs, we think this shows the Trump Administration is still focused on security of supply for copper," the Goldman Sachs analysts, including Eoin Dinsmore, head of industrial metals research, said in the note.

Other important information on copper market:

- MMG says its total copper production reached 140,368 tons in the second quarter, representing a 54% increase y/y. Growth was driven by higher output across all three copper mines Las Bambas achieved its second-highest quarterly production on record, delivering 114,909 tons of copper in copper concentrate, which is a 64% y/y increase Outlook for Las Bambas' copper production for 2025 remains unchanged at 360,000 to 400,000 tons.

- First Quantum Minerals Ltd. expects the final shipment of stockpiled Panamanian copper to be dispatched "shortly," said the Canadian. Copper concentrate stranded since the company was forced to halt production at the Cobre Panama mine in late 2023 began to be shipped out in June. The second and third shipments were dispatched in July. The loading process was slowed by the condition of the stockpile, which had compacted and formed a hard crust during storage. On May 30, the government approved a so-called Preservation and Safe Management plan, clearing the way to ship the stockpiled concentrate. Proceeds from the copper exports are being used on preservation activities, including paying workers and suppliers Those costs averaged $15 million a month in 2Q First Quantum has commenced pre-commissioning inspections of a power plant, which is expected to restart in the fourth quarter The company said a public outreach program continues to boost transparency surrounding Cobre Panama.

Precious Metals

Is China Secretly Hoarding Gold? A Growing Threat to the U.S. Dollar

The People's Bank of China has been increasing its gold reserves for years, but growing evidence suggests that actual purchases may be significantly higher than officially reported. This strategic pivot toward the precious metal is aimed at reducing reliance on the U.S. dollar — especially after the U.S. "weaponized" its currency against Russia and Iran. Analysts suggest that China may already hold more than twice as much gold as it claims.

'Weaponization' of the U.S. dollar helped spur gold buying among global central banks. China's central bank has been buying physical gold to add to its reserves for at least the past three years - and there's growing speculation that the country may be purchasing even more of the metal in secret as part of a strategy to reduce its reliance on the U.S. dollar. The ramp-up in gold purchases by the People's Bank of China (PBoC) began back in 2022 when Russia invaded Ukraine, Jan Nieuwenhuijs, gold analyst at Money Metals, told MarketWatch. The West at the time froze Russia's foreign-exchange reserves - the U.S. dollar and euro . That was the "moment the dollar was weaponized in a way never seen before, which scared foreign central banks and spurred them to buy record amounts of gold," he told MarketWatch. When the West froze Russia's foreign-exchange reserves in the wake of invasion of Ukraine in 2022, that was the 'moment the dollar was weaponized in a way never seen before, which scared foreign central banks and spurred them to buy record amounts of gold.'Jan Nieuwenhuijis, Money Metals In 2022, the PBoC reported the first increase in its gold reserves since September 2019, according to the World Gold Council. But that does not mean the central bank made no purchases of the precious metal for its reserve between those time periods. That's because getting accurate data from China is widely known to be a challenge, as its government is known for its secrecy.

"Given how much gold it's buying, it's quite sensible for China to limit public disclosures where possible," said Stefan Gleason, president and chief executive at Money Metals. "After all, it's not in the interest of any bona-fide buyer to take actions that make its purchases more expensive than they need to be." Still, data reported by China's central bank does show overall additions to its gold reserves in recent years - and analysts say there's good reason for that. The PBoC reported total gold purchases of 62 metric tons in November and December 2022, lifting its total gold reserves to over 2,000 metric tons for the first time, according to the WGC. The following year, the PBoC was the largest single gold buyer among central banks, adding 225 metric tons to its gold reserves in 2023 to total 2,235 metric tons, the WGC said. And in 2024, the PBoC reported buying 44 metric tons of gold, with 29 metric tons of that purchased between January and April. Then, it did not report any changes to the gold reserves until buying resumed in November, the WGC said. It held 2,280 metric tons of gold, representing 5% of total international reserves, at the end of 2024. China and other nations, "especially those that are not close allies of the U.S., want to reduce their reliance on the U.S. dollar for reasons beyond mere diversification," said Money Metals's Gleason, with those nations having seen the U.S. "weaponize the dollar against both Iran and Russia."

The global trade war also suggests that America will be pulling back from foreign trade, so there's "less reason for other nations to hold so many dollars," he said. Since the start of this year, the U.S. dollar index DXY, which measures the value of the U.S. dollar to a basket of foreign currencies, has fallen by more than 9% as of Wednesday. A report from the WGC released Wednesday showed that China's official gold holdings have risen for eight months in a row, through June. The central bank reported a 2 metric-ton purchase in June for total gold holdings of 2,299 metric tons. When asked if the PBoC may be buying more gold than it's disclosing, Joe Cavatoni, market strategist at the WGC, acknowledged that there is ongoing discussion in the market about "whether the PBOC's reported purchases fully capture its activity." However, the WGC has found that "China regularly provides reporting in line with the rules," he said. In some instances, it may be delayed, but it is "always adjusted to reflect the activity." The WGC works with Metals Focus to aggregate data reported by the PBoC, in accordance with the International Monetary Fund guidelines, said Cavatoni. The WGC is "confident" that Metals Focus has "accurate numbers quarterly," he said. Still, Cavatoni admitted that there is "always the case that maybe more is going on than is reported." Covert transactions? Indeed, it's possible there's more to the story of the PBoC's gold-buying than meets the eye. Nieuwenhuijs told MarketWatch that he believes the PBoC, "in reality," held 5,065 metric tons of gold in its reserve at the end of 2024. That compares with the central bank's reported holdings of 2,280 metric tons in 2024, according to WGC data. Nieuwenhuijs said he based his estimate on "unreported purchases" by central banks, as disclosed by the World Gold Council in its quarterly data. The WGC offers estimates for gold purchases that are not reported by central banks, using public data, trade statistics and other sources. "China [is] importing much more gold than what is sold in the private market through the Shanghai Gold Exchange, and what industry insiders have shared with me over the years," Nieuwenhuijs said. Direct gold exports from the U.K. to China "must reflect PBoC purchases," for one, because they continue to be elevated even when gold on the Shanghai Gold Exchange (SGE) trades at a discount to London, he said. He explained in a November 2024 article that when the SGE trades at a steep discount, gold imports into the domestic market are not bought by the private sector. It would not make sense for a bank to import gold to Shanghai to sell at a loss, he said. Nieuwenhuijs brought up the idea that China was covertly buying gold for its central-bank reserves as far back as 2023, in an article for the Gold Observer. His colleague Gleason at Money Metals pointed out that one of the "most compelling pieces of circumstantial evidence" that Nieuwenhuijis has uncovered is export/import data showing large gold flows into China at times when Shanghai was actually trading at a discount to London.

"In that environment, there would be no market incentive for big imports into China when gold is plentiful [and] cheaper locally," he said. "If large amounts of 400 [ounce] bars are exported to China from London at that time, it implies

institutional buying for strategic reasons." Whether Nieuwenhuijs's findings are true or not, China's interest in gold to build its central bank reserves is undeniable. So is the country's ability to move the gold markets, as the world's biggest producer of the metal, and one of its largest consumers. Bart Melek, head of commodity strategy at TD Securities, said China would stock up on gold mainly to diversify its $3.3 trillion foreign-exchange reserve, of which only 6.7% is gold. This is to "protect against the erosion of purchasing power of the U.S. dollar," as China fears that the U.S.'s $37 trillion debt will "grow unsustainably quickly." So "purchasing-power preservation, mitigating sanction risk and adjusting for less trade with the U.S.," as U.S. tariffs lead to less need for U.S. dollar holdings, are key reasons why China would want to move away from reliance on the greenback, Melek told MarketWatch. Gold provides an asset which has "no counter-party risk, has intrinsic value and is an automatic inflation hedge," he said.
Global central banks now hold 20% in gold in their foreign exchange reserves - the highest since the Bretton Woods monetary management system, said Melek. The pact signed in 1944 established a new exchange-rate system, pegging foreign currencies to the U.S. dollar, with the dollar, in turn, pegged to gold. Nieuwenhuijs said gold is the "only asset that can replace the dollar as the prime world reserve asset" because, in part, it is liquid and has been used as a reserve asset for thousands of years. Even so, gold hasn't been able to climb to fresh record highs. Prices for the most-active futures contract (GC00) had traded as high as $3,509.90 on April 22, marking a record intraday high on Comex. The Federal Reserve's postponement of interest-rate cuts was the "excuse gold needed to take a breather and consolidate its massive gains over the past year," said Money Metals's Gleason. The precious metal, however, is likely to head higher again. "Putting aside a black-swan event like a war escalation, new weakness in the stock and bond markets and/or a lurch toward a dovish Fed are the most likely catalysts for higher gold prices," said Gleason. Fed Chairman Jerome Powell's days may be numbered - "and so is his stance against further rate cuts."

Indian investors flock to silver as returns overtake those from gold

Silver prices surged 21% in three months, outperforming gold's 5% rise, prompting Indian investors to pivot from gold to silver.

Indian investors, traditionally obsessed with stockpiling gold, are increasingly turning to silver , which was trading near a 14-year high on Monday [July14], as its returns this year outpaced those of gold. Imports fill most of the demand in the world's largest consumer of silver, where domestic prices touched a record high of 114,875 rupees ($1,336) a kg as a production shortfall spurred investors' hopes for a further rally. "Gold's done pretty well for me over the last couple of years," said Umesh Agarwal, a regular buyer of gold coins, who recently made his first purchase of a one-kilogram bar of silver. "Now I'm hoping silver follows the same path and gives similar returns." Domestic prices of silver have risen 21% in the past three months, outstripping a rise of 5% in gold, as opposed to the scenario of the past year, when gold prices surged 34%, compared to a rise of 23% in silver. Silver prices begin rally after trailing gold recently as investment and industrial demand rises. The appetite for silver is driven both by investment and industry needs in areas such as solar energy and electric vehicles, outpacing production, said Chirag Thakkar, chief executive of Amrapali Group Gujarat, a leading silver importer. "Usually, investors cash in when prices hit record highs, offloading coins and bars or pulling out of exchange-traded funds (ETFs)," he added. "However, this time, even at record highs, people are investing, rather than selling." Silver ETFs attracted inflows of a record 20.04 billion rupees in June, up from 8.53 billion in May, data from the Association of Mutual Funds in India showed. In the June quarter, silver ETFs attracted inflows of 39.25 billion rupees, far outpacing the 23.67 billion flowing into gold ETFs. Such ETFs offer investors a convenient way to gain exposure to silver, which is heavy and costly to store and transport, said Vikram Dhawan, head of commodities and fund manager at Nippon India Mutual Fund, which manages metal ETFs. Traditionally the choice of budget-conscious rural consumers, silver is increasingly attracting urban buyers as an investment. Indian retail investment demand rose 7% in the first half of 2025 on the year, fuelled by expectations of a price rally, the Silver Institute said this month. Silver imports jumped 431% in May on the year to 544.1 tons, while gold imports fell 25% to 30.5 tons, trade ministry data showed.

Global economies | Foreign exchange markets

ECB Pauses as Eurozone Holds Steady — Markets Wait, Risks Multiply

The European Central Bank held interest rates steady in July, citing stable inflation and modest growth, despite mounting trade tensions. President Christine Lagarde said the worst of the inflation crisis is over and emphasized a "wait-and-see" approach. With looming U.S. tariffs and rising competition from Asia, investors now brace for deeper cuts by year-end.

The European Central Bank has kept interest rates on hold as figures showed the eurozone economy maintaining a steady pace of economic growth amid low inflation. In what was widely expected to be a pause before further cuts later in the year, the Frankfurt-based central bank shunned calls to reduce the cost of borrowing and held its main interest rate at 2% and the deposit rate at 2.15%. The ECB's president, Christine Lagarde, said the eurozone was in "a good place" and that the cost of living crisis was in the past. "Our job is now to look at what is coming," she added. The ECB, which has cut interest rates eight times in the last nine months from a high of 4%, is watching to see how the EU is affected by higher tariffs on goods exported to the US, which are expected to be part of a trade deal between Washington and Brussels. This month, Donald Trump threatened a 30% tariff on goods imported from the EU as part of his high-stakes global trade war. Central Bank officials are also concerned that an economic slowdown could be married to a drop in prices should China and other east and south-east Asian countries, also hit by US tariffs, dump cheap goods in European markets. A rise in the value of the euro against a basket of other currencies is likely to make imports to the eurozone cheaper, which could also bring down inflationary pressures. Lagarde said the risks to the economy remained "tilted to the downside" and that among the main threats to growth were a worsening of the conflicts in the Middle East and Ukraine and global trade tensions that could "dampen exports and drag down investment and consumption". However, she said the ECB was "well-positioned to wait and see" because inflation was at 2% and that the central bank's projections pointed to the rate stabilising at that level in the medium term. Lagarde added: "Wage increases are coming down and growth has been developing in a relatively favourable way. It means we are now confident that the inflation shock of the past few years is behind us and our job is to look at what is coming." Mathieu Savary, the chief strategist at BCA Research, said July's decision could be a pause before steep cuts in rates at future meetings to prevent the eurozone economy from stalling and head off a period of deflation. He said: "The ECB stood pat today, but this pause is not the end of the story. Disinflation is already deeply entrenched across the eurozone. Now, with a stronger euro, looming US tariffs, and intensifying Chinese competition, the region faces a new threat: deflation. "The [ECB] governing council may soon find itself forced to cut rates more aggressively than markets currently anticipate." In its report, the ECB said: "The economy has so far proven resilient overall in a challenging global environment. At the same time, the environment remains exceptionally uncertain, especially because of trade disputes." Financial markets expect the the central bank to hold rates at its next meeting in September before cuts resume again in December. The July decision came after surveys of the private sector across the 20-member currency bloc showed a modest rise in output despite a long period of stagnation in its two largest economies of France and Germany. Most countries in the eurozone have historically low levels of unemployment and low inflation, giving them a strong platform for growth. However, the threat of increased tariff from Washington, and a possible 50% levy on exports of steel to the US, has caused many firms to hold back investment and new hiring. Annual inflation in the eurozone was 2% in June, up from 1.9% in May. US inflation rose to 2.7% in June from 2.4% in the previous month while inflation hit 3.6% in the UK in June.

China Budget Gap Hits Record in Spending Blitz to Offset Tariffs

China posted a record budget deficit of 5.25 trillion yuan ($733 billion) in H1 2025 — a 45% surge — as it ramped up domestic spending to offset falling US exports and support growth amid property and deflation pressures.

China's budget deficit climbed to a fresh record in the first half, highlighting intensified government efforts to shore up domestic demand as Donald Trump's tariffs reduce exports to the US. The broad fiscal gap reached 5.25 trillion yuan ($733 billion) in January-June, according to Bloomberg calculations based on data released by the Finance Ministry. The shortfall widened 45% from a year earlier. China's Augmented Budget Deficit WidensGap between broad fiscal spending and income up 45% from a year ago Chinese authorities have front-loaded fiscal stimulus to boost infrastructure investment and household consumption, aiming to support growth in the face of a sluggish property market and mounting deflationary pressures. Despite a recent tariff truce, exports to the US have contracted as average American levies on Chinese goods remain about 30 percentage points higher than last year. Government spending and resilient shipments to markets other than the US underpinned China's growth in the first half, with gross domestic product expanding 5.3% — well above the official annual target of around 5%. Total expenditure increased 9% to 18.8 trillion yuan in the first six months from a year ago, the Finance Ministry's numbers showed. That figure combines spending under the general budget, which mainly includes everyday outlays, with expenditure in the government fund budget, which is weighted more toward capital investment projects. Total income in China's two main fiscal books fell 0.6% on year to 13.5 trillion yuan in the first six months. Tax revenue declined 1.2%. Government income from selling land continued to contract, dropping 6.5% in the first half of the year in reflection of persistent property market woes.

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading [1]		Previous	Consensus [2]
		China					
✪✪✪	01-Jul	Caixin's manufacturing PMI	Jun	50.4	▲	48.3	49.3
✪	07-Jul	Foreign reserves (USD bn)	Jun	3 317	▲	3 285	3 313
✪✪✪✪✪	15-Jul	GDP (yoy)	2Q	5.2%	▼	5.4%	5.1%
✪✪✪✪✪	15-Jul	GDP (sa, qoq)	2Q	1.1%	▼	1.2%	0.9%
✪✪✪✪	15-Jul	Industrial production (yoy)	Jun	6.8%	▲	5.8%	5.6%
✪✪	15-Jul	Fixed assets investments (ytd, yoy)	Jun	2.8%	▼	3.7%	3.6%
✪✪	27-Jul	Industrial profits (yoy)	Jun	-4.3%	▲	-9.1%	--
✪✪✪	31-Jul	Official manufacturing PMI	Jul	49.3	▼	49.7	49.7
		Poland					
✪✪✪	01-Jul	Manufacturing PMI	Jun	44.8	▼	47.1	48.0
✪✪✪✪	21-Jul	Sold industrial production (yoy)‡	Jun	-0.1%	▼	4.0%	1.4%
✪✪	21-Jul	Average gross salary (yoy)	Jun	9.0%	▲	8.4%	8.6%
✪	21-Jul	Employment (yoy)	Jun	-0.8%	-	-0.8%	-0.8%
✪	22-Jul	M3 money supply (yoy)	Jun	10.5%	▲	10.3%	10.2%
✪✪	23-Jul	Unemployment rate	Jun	5.2%	▲	5.0%	5.1%
		US					
✪✪✪	01-Jul	Manufacturing PMI - final data	Jun	52.9	▲	52.0	52.0
✪✪	01-Jul	ISM Manufacturing	Jun	49.0	▲	48.5	48.8
✪✪	03-Jul	Change in non-farm payrolls (ths)‡	Jun	147	▲	19.0	106
✪✪	03-Jul	Underemployment rate (U6)	Jun	7.7%	▼	7.8%	--
✪✪	03-Jul	Unemployment rate	Jun	4.1%	▼	4.2%	4.3%
✪	03-Jul	Average hourly earnings (yoy)‡	Jun	3.7%	▼	3.8%	3.8%
✪✪✪	03-Jul	Composite PMI - final data	Jun	52.9	▼	53.0	52.8
✪✪✪	03-Jul	PMI services - final data	Jun	52.9	▼	53.7	53.1
✪✪	03-Jul	Durable goods orders - final data‡	May	16.4%	▼	16.5%	16.4%
✪✪✪✪	16-Jul	Industrial production (mom)‡	Jun	0.3%	▲	0.0%	0.1%
✪	16-Jul	Capacity utilization‡	Jun	77.6%	▲	77.5%	77.4%
✪✪✪	24-Jul	Composite PMI - preliminary data	Jul	54.6	▲	52.9	52.8
✪✪✪	24-Jul	Manufacturing PMI - preliminary data	Jul	--		52.9	52.7
✪✪✪	24-Jul	PMI services - preliminary data	Jul	55.2	▲	52.9	53.0
✪✪	25-Jul	Durable goods orders - preliminary data‡	Jun	-9.3%	▼	16.5%	-10.7%
✪✪✪✪✪	30-Jul	GDP (annualized, qoq) - estimation	2Q	3.0%	▲	-0.5%	2.6%
✪✪✪✪✪	30-Jul	FOMC base rate decision - upper bound (Fed)	Jul	4.50%	-	4.50%	4.50%
✪✪✪✪✪	30-Jul	FOMC base rate decision - lower bound (Fed)	Jul	4.25%	-	4.25%	4.25%

Weight	Date	Event	For	Reading [1]		Previous	Consensus [2]	
		Eurozone						
●●●	01-Jul	Manufacturing PMI - final data	Jun	49.5	▲	49.4	49.4	◓
●●	02-Jul	Unemployment rate	May	6.3%	▲	6.2%	6.2%	◓
●●●	03-Jul	Composite PMI - final data	Jun	50.6	▲	50.2	50.2	◓
●●●	03-Jul	Services PMI - final data	Jun	50.5	▲	49.7	50.0	◓
●●●●	15-Jul	Industrial production (sa, mom)‡	May	1.7%	▲	-2.2%	1.0%	◓
●●●●	15-Jul	Industrial production (wda, yoy)‡	May	3.7%	▲	0.2%	2.2%	◓
●●●	24-Jul	Composite PMI - preliminary data	Jul	51.0	▲	50.6	50.7	◓
●●●	24-Jul	Manufacturing PMI - preliminary data	Jul	--		49.5	49.8	
●●●	24-Jul	Services PMI - preliminary data	Jul	51.2	▲	50.5	50.6	◓
●●●●●	24-Jul	ECB main refinancing rate	Jul	2.15%	-	2.15%	2.15%	○
●●●●●	24-Jul	ECB deposit facility rate	Jul	2.0%	-	2.0%	2.0%	○
●	25-Jul	M3 money supply (yoy)	Jun	3.3%	▼	3.9%	3.7%	◒
●●●●●	30-Jul	GDP (sa, yoy) - estimation	2Q	1.4%	▼	1.5%	1.2%	◓
●●●●●	30-Jul	GDP (sa, qoq) - estimation	2Q	0.1%	▼	0.6%	0.0%	◓
●●	31-Jul	Unemployment rate‡	Jun	6.2%	-	6.2%	6.3%	◒
		Germany						
●●●	01-Jul	Manufacturing PMI - final data	Jun	49.0	▲	48.3	49.0	○
●●	01-Jul	Unemployment rate	Jun	6.3%	-	6.3%	6.4%	◒
●●●	03-Jul	Composite PMI - final data	Jun	50.4	▲	48.5	50.4	○
●●●	04-Jul	Factory orders (wda, yoy)‡	May	5.3%	▼	5.8%	5.7%	◒
●●●●	07-Jul	Industrial production (wda, yoy)‡	May	1.0%	▲	-2.1%	-0.3%	◓
●●●	24-Jul	Composite PMI - preliminary data	Jul	50.3	▼	50.4	50.7	◒
●●●	24-Jul	Manufacturing PMI - preliminary data	Jul	--		49.0	49.5	
●●●●●	30-Jul	GDP (yoy) - preliminary data‡	2Q	0.0%	-	0.0%	0.1%	◒
●●●●●	30-Jul	GDP (sa, qoq) - preliminary data‡	2Q	-0.1%	▼	0.3%	-0.1%	○
●●	31-Jul	Unemployment rate	Jul	6.3%	-	6.3%	6.3%	○
		France						
●●●	01-Jul	Manufacturing PMI - final data	Jun	48.1	▼	49.8	47.8	◓
●●●	03-Jul	Composite PMI - final data	Jun	49.2	▼	49.3	48.5	◓
●●●●	04-Jul	Industrial production (yoy)‡	May	-0.9%	▲	-1.9%	0.1%	◒
●●●	24-Jul	Composite PMI - preliminary data	Jul	49.6	▲	49.2	49.1	◓
●●●	24-Jul	Manufacturing PMI - preliminary data	Jul	--		48.1	48.5	
●●●●●	30-Jul	GDP (yoy) - preliminary data	2Q	0.7%	▲	0.6%	0.5%	◓
●●●●●	30-Jul	GDP (qoq) - preliminary data	2Q	0.3%	▲	0.1%	0.1%	◓
		Italy						
●●●	01-Jul	Manufacturing PMI	Jun	48.4	▼	49.2	49.5	◒
●●	02-Jul	Unemployment rate‡	May	6.5%	▲	6.1%	6.0%	◓
●●●	03-Jul	Composite PMI	Jun	51.1	▼	52.5	51.6	◒
●●●●	10-Jul	Industrial production (wda, yoy)‡	May	-0.9%	▼	0.1%	0.4%	◒
●●●●●	30-Jul	GDP (wda, yoy) - preliminary data	2Q	0.4%	▼	0.7%	0.6%	◒
●●●●●	30-Jul	GDP (wda, qoq) - preliminary data	2Q	-0.1%	▼	0.3%	0.1%	◒
●●	31-Jul	Unemployment rate	Jun	6.3%	▼	6.5%	6.4%	◒
		UK						
●●●	01-Jul	Manufacturing PMI (sa) - final data	Jun	47.7	▲	46.4	47.7	○
●●●	03-Jul	Composite PMI - final data	Jun	52.0	▲	50.3	50.7	◓
●●●●	11-Jul	Industrial production (yoy)‡	May	-0.3%	▼	0.3%	0.2%	◒
●●	17-Jul	Unemployment rate (ILO, 3-months)	May	4.7%	▲	4.6%	4.6%	◓
●●●	24-Jul	Manufacturing PMI (sa) - preliminary data	Jul	--		47.7	48.0	
●●●	24-Jul	Composite PMI - preliminary data	Jul	51.0	▼	52.0	51.8	◒
		Japan						
●●●	01-Jul	Manufacturing PMI - final data	Jun	50.1	▲	49.4	--	
●●●	03-Jul	Composite PMI - final data	Jun	51.5	▲	50.2	--	
●●●●	14-Jul	Industrial production (yoy) - final data	May	-2.4%	▼	-1.8%	--	
●●●	24-Jul	Composite PMI - preliminary data	Jul	51.5	-	51.5	--	
●●●	24-Jul	Manufacturing PMI - preliminary data	Jul	--		50.1	--	
●●●●	31-Jul	Industrial production (yoy) - preliminary data	Jun	4.0%	▲	-2.4%	1.3%	◓
		Chile						
●●●●	01-Jul	Economic activity (yoy)	May	3.2%	▲	2.5%	3.7%	◒
●●	07-Jul	Nominal wages (yoy)‡	May	8.2%	-	8.2%	--	
		Canada						
●●●●●	30-Jul	BoC base rate decision	Jul	2.75%	-	2.75%	2.75%	○
●●●●●	31-Jul	GDP (yoy)	May	1.2%	▼	1.3%	1.1%	◓

[1] Reading difference to previous release: ▲ = higher than previous; ▼ = lower than previous; - = equal to previous.
[2] Reading difference to consensus: ◓ = higher than consensus; ◒ = lower than consensus; ○ = equal to consensus.
mom = month-on-month; yoy = year-on-year; qoq = quarter on quarter; ytd year-to-date; sa = seasonally adjusted; wda = working days adjusted; ‡ = previous data after revision.
Source: Bloomberg, KGHM Polska Miedź

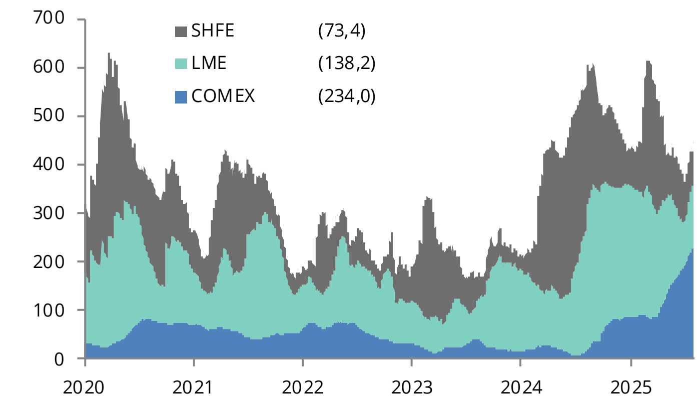
Key market data

Key base & precious metal prices, exchange rates and other important market factors

(as of: 31-Jul-25)	Price	1M	QTD	YTD	1Y	Average	Min	Max
		Price change[1]				From year beginning[2]		
LME (USD/t; Mo in USD/lbs)								
Copper	9 606.00	▼ -4.3%	▼ -4.3%	▲ 10.3%	▲ 6.6%	9 484.96	8 539.00	10 120.00
Molybdenum	23.08	▲ 5.5%	▲ 5.5%	▲ 8.0%	▲	20.94	19.71	23.10
Nickel	14 800.00	▼ -1.5%	▼ -1.5%	▼ -2.0%	▼ -9.0%	15 319.49	13 815.00	16 460.00
Aluminum	2 580.00	▼ -0.5%	▼ -0.5%	▲ 2.5%	▲ 14.6%	2 549.20	2 285.00	2 737.00
Tin	32 800.00	▼ -3.1%	▼ -3.1%	▲ 13.5%	▲ 10.8%	32 362.62	28 225.00	38 575.00
Zinc	2 769.00	▲ 0.2%	▲ 0.2%	▼ -6.9%	▲ 5.1%	2 743.84	2 521.00	2 966.00
Lead	1 940.00	▼ -4.2%	▼ -4.2%	▲ 1.0%	▼ -4.2%	1 964.31	1 820.00	2 081.00
LBMA (USD/troz)								
Silver	36.22	▲ 0.7%	▲ 0.7%	▲ 25.3%	▲ 26.8%	33.53	29.41	39.32
Gold[2]	3 298.85	▲ 0.3%	▲ 0.3%	▲ 26.4%	▲ 36.0%	3 109.11	2 633.35	3 435.35
LPPM (USD/troz)								
Platinum[2]	1 306.00	▼ -3.3%	▼ -3.3%	▲ 42.9%	▲ 34.4%	1 078.97	920.00	1 474.00
Palladium[2]	1 217.00	▲ 7.3%	▲ 7.3%	▲ 33.9%	▲ 31.9%	1 010.54	901.00	1 297.00
FX [3]								
EURUSD	1.1446	▼ -2.3%	▼ -2.3%	▲ 10.2%	▲ 5.7%	1.1044	1.0198	1.1810
EURPLN	4.2661	▲ 0.6%	▲ 0.6%	▼ -0.2%	▼ -0.7%	4.2350	4.1339	4.3033
USDPLN	3.7257	▲ 3.0%	▲ 3.0%	▼ -9.2%	▼ -6.1%	3.8394	3.5930	4.1904
USDCAD	1.3844	▲ 1.5%	▲ 1.5%	▼ -3.8%	▲ 0.3%	1.4034	1.3558	1.4603
USDCNY	7.2000	▲ 0.5%	▲ 0.5%	▼ -1.4%	▼ -0.4%	7.2393	7.1544	7.3463
USDCLP	978.07	▲ 4.5%	▲ 4.5%	▼ -1.4%	▲ 2.2%	955.13	917.76	1 012.76
Money market								
3m SOFR	4.301	▲ 0.01	▲ 0.01	▼ 0.00	▼ -0.94	4.301	4.208	4.333
3m EURIBOR	2.008	▲ 0.06	▲ 0.06	▼ -0.71	▼ -1.64	2.280	1.937	2.789
3m WIBOR	4.930	▼ -0.30	▼ -0.30	▼ -0.91	▼ -0.93	5.512	4.930	5.910
5y USD interest rate swap	3.606	▲ 0.18	▲ 0.18	▼ -0.43	▼ -0.03	3.744	3.354	4.286
5y EUR interest rate swap	3.606	▲ 0.18	▲ 0.18	▼ -0.43	▼ -0.03	2.304	2.115	2.540
5y PLN interest rate swap	4.200	▼ -0.02	▼ -0.02	▼ -0.80	▼ -0.49	4.460	3.891	5.185
Fuel								
WTI Cushing	60.05	▲ 14.9%	▲ 14.9%	▲ 46.6%	▲ 69.2%	45.94	35.79	61.14
Brent	63.89	▲ 14.7%	▲ 14.7%	▲ 46.9%	▲ 80.1%	48.68	37.25	64.74
Diesel NY (ULSD)	1.99	▲ 12.9%	▲ 12.9%	▲ 43.0%	▲ 66.4%	1.59	1.33	2.01
Others								
VIX	16.72	▼ -0.01	▼ -0.01	▼ -0.63	▲ 0.36	20.34	14.77	52.33
BBG Commodity Index	101.18	▼ -0.8%	▼ -0.8%	▲ 2.5%	▲ 4.9%	103.30	97.32	107.71
S&P500	6 339.39	▲ 2.2%	▲ 2.2%	▲ 7.8%	▲ 14.8%	5 886.11	4 982.77	6 389.77
DAX	24 065.47	▲ 0.7%	▲ 0.7%	▲ 20.9%	▲ 30.0%	22 718.09	19 670.88	24 549.56
Shanghai Composite	3 573.21	▲ 3.7%	▲ 3.7%	▲ 6.6%	▲ 21.6%	3 361.47	3 096.58	3 615.72
WIG 20	2 950.42	▲ 3.7%	▲ 3.7%	▲ 34.6%	▲ 21.8%	2 668.53	2 221.30	2 982.18
KGHM	127.80	▼ -0.9%	▼ -0.9%	▲ 11.1%	▼ -6.1%	127.45	106.50	140.75

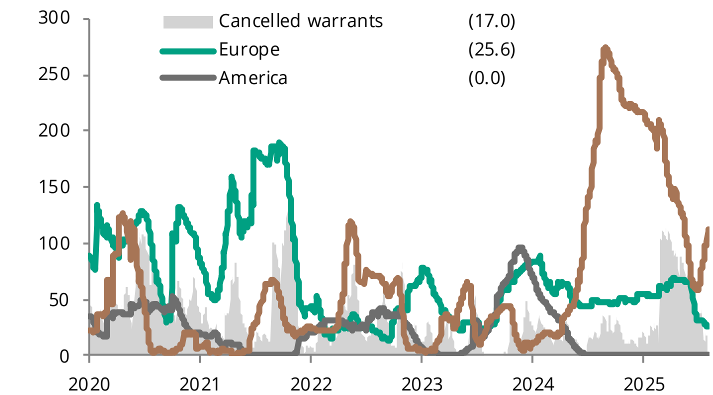
° change over: 2W = two weeks; QTD = quarter-to-day; YTD = year-to-date; 1Y = one year. [1] based on daily closing prices. [2] latest quoted price. [3] central banks' fixing rates (Bank of China HK for USD/CNY). [4].
Source: Bloomberg, KGHM Polska Miedź

Copper: official exchange stocks (thousand tonnes)



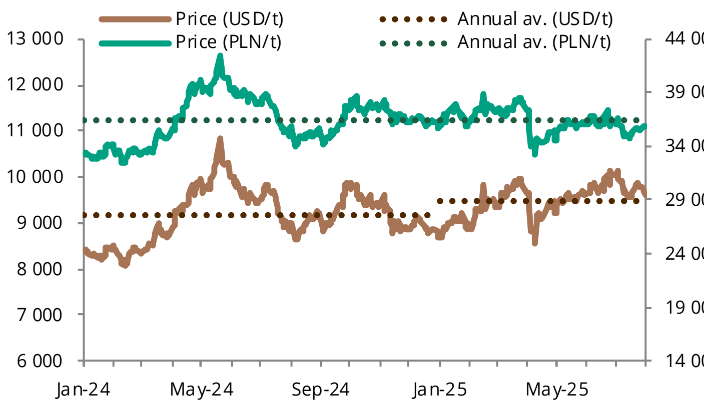
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)



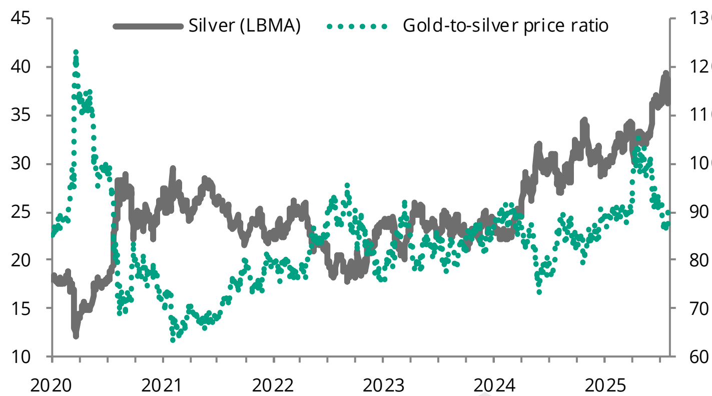
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: price in USD (lhs) and PLN (rhs) per tonne



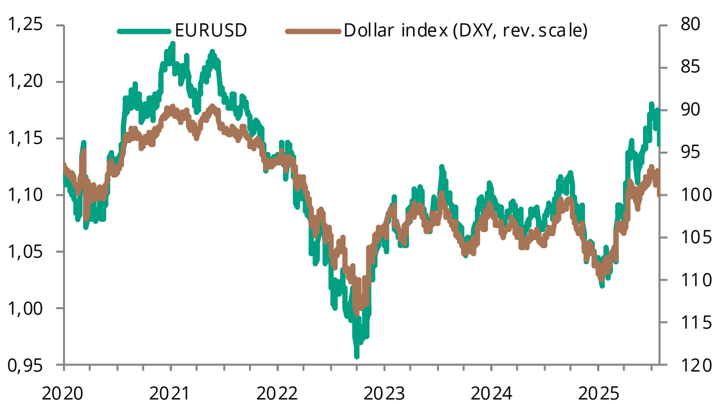
Source: Bloomberg, KGHM Polska Miedź

Silver: price (lhs) and gold ratio (rhs)



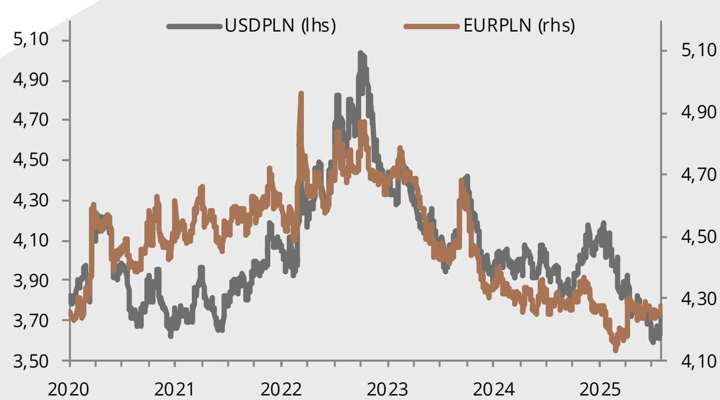
Source: Bloomberg, KGHM Polska Miedź

USD: dollar index (lhs) and ECB-based EURUSD (rhs)



Source: Bloomberg, KGHM Polska Miedź

PLN: NBP-fixing based rate vs. USD (lhs) and EUR (rhs)



Source: Bloomberg, KGHM Polska Miedź

Legal note

This document has been prepared based on the below listed reports, among others, published in the following period: **1 – 31 July 2025.**

▪ Barclays Capital, ▪ BofA Merrill Lynch, ▪ Citi Research, ▪ CRU Group, ▪ Deutsche Bank Markets Research, ▪ GavekalDragonomics, ▪ Goldman Sachs, ▪ JPMorgan, ▪ Macquarie Capital Research, ▪ Mitsui Bussan Commodities, ▪ Morgan Stanley Research, ▪ SMM Information & Technology, ▪ Sharps Pixley.

Moreover, additional information published here was acquired in direct conversations with market dealers, from financial institution reports and from the following websites: ▪ thebulliondesk.com, ▪ lbma.org.uk, ▪ lme.co.uk, ▪ metalbulletin.com, ▪ nbp.pl, , also: Bloomberg and Thomson Reuters.

Official metals prices are available on following websites:

- base metals: www.lme.com/dataprices_products.asp (charge-free logging)
- silver and gold: www.lbma.org.uk/pricing-and-statistics
- platinum and palladium: www.lppm.com/

In case of questions or comments please contact us:

KGHM Polska Miedz (Polish Copper) S.A.
Departament Zabezpieczeń (Hedging Department)
Wydzial Ryzyka Rynkowego (Market Risk Unit)
ul. M. Sklodowskiej-Curie 48
59-301 Lubin, Poland