

Market Overview

as of: 12 October 2015






- Copper:** Copper price has come back from below 4900s to 5300s USD/mt given further output cuts (this time for zinc) from Glencore which drove the whole base metals complex. LME Week is coming, so all the industry will gather in London and start discussing next years' contract details as well as market perspectives in the medium to long term (*page 2*).
- Other metals:** Most of base and precious metals finished last fortnight with solid gains. The biggest contributor to prices increases was Glencore's announcement of big zinc output cuts on October 9, what immediately translated into positive mood towards other metals (*page 5*).
- China:** Chinese authorities continue to battle slowdown of the economy. While looking for a new recipe for growth, the government does not give up on stimulation. The most recent measures aimed at signs of slower demand include PBoC's cut of minimum home down payment required of first-time buyers and a reduction of sales tax on small cars (*page 7*).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▲ Copper	5 319.00	4.3%
▲ Nickel	10 710.00	9.1%
LBMA (USD/troz)		
▲ Silver	15.99	6.7%
▲ Gold (PM)	1 151.55	0.4%
FX		
▲ EUR/USD	1.1362	1.9%
▲ EUR/PLN	4.2170	0.1%
▼ USD/PLN	3.7242	-1.5%
▼ USD/CAD	1.2946	-2.8%
▼ USD/CLP	681.70	-3.4%
Stocks		
▲ KGHM	95.50	17.7%

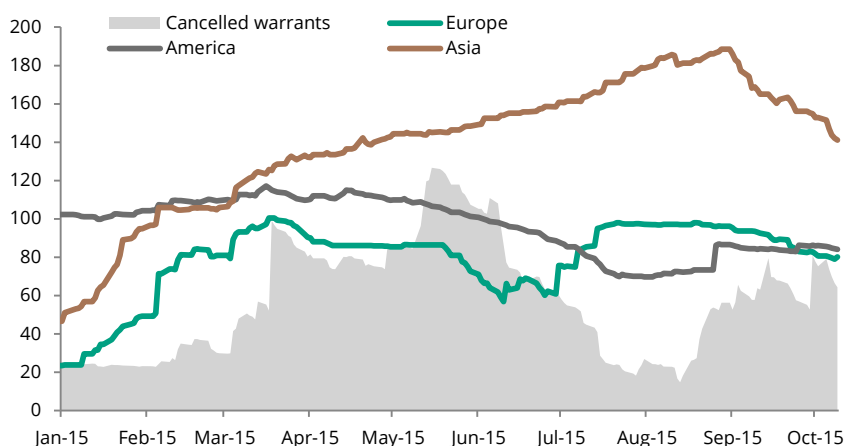
Source: Bloomberg, KGHM; (*more on page 11*)

Important macroeconomic data

Release	For		
 Non-farm payrolls chng.	Sep	142	▲
 Official manuf. PMI	Sep	49.8	▲
 CPI estimate (yoy)	Sep	-0.1%	▼
 Econom. activity (yoy)	Aug	1.1%	▼
 GDP (yoy)	Jul	0.8%	▲

Source: Bloomberg, KGHM; (*more on page 9*)

LME inventories have been declining in Asia, while amount of cancelled warrants have increased (*more on page 4*)



Source: Bloomberg, KGHM

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Base and precious metals | Other commodities

Copper

Copper price has come back from below 4900s to 5300s USD/mt given further output cuts (this time for zinc) from Glencore which drove the whole base metals complex. LME Week is coming, so all the industry will gather in London and start discussing next years' contract details as well as market perspectives in the medium to long term.

Metal Bulletin copper concentrates conference trip notes

Couple of days before the LME Week part of the mining industry has gathered nearby St Paul's in London in order to discuss numerous aspects of the copper concentrate industry. Generally, the sentiment along with the market supply and demand balance were mainly presented by the investment banks, whereas industry participants stayed focused on the supply disruptions, TC/RC, "dirty" concentrates, the way it should be treated and/or blended as well as hide and seek games between mines and smelters. Some banks, however, have completely different attitude and view on the copper market perspectives. On one angle Goldman Sachs (GS) foresees further price decrease most on the back of deleveraging and structural change in Chinese economy (from investment driven to consumption driven) as well as strong US dollar. GS analysts claims that short-term copper consumption indicator shows zero percent growth year-to-date (Jan-Aug). As a consequence, Goldman sees the current cuts in supply as negligible for the market unless there is a pick-up in demand. Completely different view was presented by Standard Chartered (SC) which foresees 171kt deficit in the market next year. SC analysts shown positive demand growth dynamics in China at 4-5% level which looks like a big outlier in comparison with market consensus. More balanced view on the market was presented by Macquarie Bank which sees problems with Chinese demand growth but recent data suggest that Chinese economy is stabilising which in tandem with supply cuts makes the copper market look more and more constructive (price trigger). There are of course bearish scenarios being considered which might depress the price levels further, i.e. hard landing in China, dramatic costs cuts which shift the cost curve lower and demand stagnation but these are perceived as low probability event by the bank. What was the most striking was very little discussion on the price projections. All in all price forecasts were mostly shown on the slides but not really discussed in public by the market participants.

Structural problems in the copper industry has been more priority than price predictions; different views from investment banks on the copper market perspectives

Political instability in Zambia and DRC might delay new mining projects in Africa

One of the most interesting presentations was about mining sector in Democratic Republic of Congo (DRC) and Zambia. Analysis of both these countries presented by Control Risks company points to both political and economic instability. Problems touch not only doing business (e.g. there are regions in which it is hard to determine to whom to pay taxes to) but also energy supplies stability for the mining industry. In Zambia, the energy

infrastructure is outdated as well as not maintained from decades. The incoming elections in DRC are also huge risk factor. Lots of regulations are not being consulted with the stakeholders and at the end of the day, all the regulations are being shown to the public (it includes corporate taxes, mining tax, state participation in the sector, etc.). In DRC the copper production is about 50% of GDP whereas in Zambia about 10%.

Cost discipline is not enough – mining companies started to work on costs reduction

Another topic which was discussed were costs in the industry. Part of copper producers have already entered cost-cutting phase while the others started to work on restructure programmes with external consultants which means that the industry is feeling the low price environment already.

(Too) Optimistic copper output predictions in Chile might lead to even deeper deficit by the end of the decade

Cochilco representative shown assumptions regarding copper output in Chile in the coming years. Taking into consideration all the new mine projects which ramped-up or are about to do it, Chile copper mining sector has experienced structural change towards more concentrate rather than cathode oriented exporter. All the mining projects will contribute to maintain the production in the coming years but these forecasts are treated as (too?) optimistic case according to Cochilco. No new smelter capacity is being open in Chile at the moment. Currently China is taking over refined copper business with the Chilean input as the main supplier. However, conference participants stated that the decisions regarding the smelter investment are rather political than based on business calculations. In response, Chinese producers pointed out that this state of the industry in the Middle Kingdom is constantly changing and much more economy is in the smelter business these days. This is visible when looking at closures of old, unprofitable and highly polluting factories. It is worth mentioning that China smelter industry has achieved the same in 10 years what Western countries have achieved in 20-30 years. Now the Middle Kingdom is focused more on developing the technology rather than implementing foreign patterns.

Arsenic (but not only) content in copper concentrates might have significant influence on TC/RC premiums in 2016

Last but not least was series of presentations regarding the quality of the concentrates in Chilean new mine projects and the ways in which the impurities could be reduced. The amount of arsenic in Codelco's concentrates has risen several times in recent quarters but according to Chilean mining giant representative, it was mostly expected. What was not expected was deterioration in the Chuquicamata grades. Nowadays Codelco blends concentrates mostly in Taiwan in order to lower the arsenic content and have the ability to market the material. Chilean giant admits that "dirty" concentrates overwhelms capacity and lead to bottlenecks in supply instability. According to Codelco, despite lower quality TC/RC conditions for concentrates with higher impurities are close to the conditions for "clean" concentrate. This thesis is at odds with the rest of the industry view. Market participants complain about credibility of last year's TC/RC benchmark (Freeport is said to be both party in the concentrate market – buyer and seller). According to CRU, the most credible company for setting the benchmark would be Antofagasta. Among other market participants ideas one would find the come-back to price participation (PP), dual benchmark system (different for "clean" and "dirty" concentrate) or a

complete abandonment of the benchmark in favour of market TC/RCs. TC/RC expectation vary in the ranges of 95-105 / 9.5-10.5.

Copper inventories decline on Chinese drawdowns

Stockpiles in China lowest since July 2013

Copper inventories in China's bonded warehouses declined to the lowest level in two years in September as traders moved metal to the domestic market. Stockpiles dropped 22%mom to 420 kt, the least since July 2013, according to Bloomberg Intelligence.

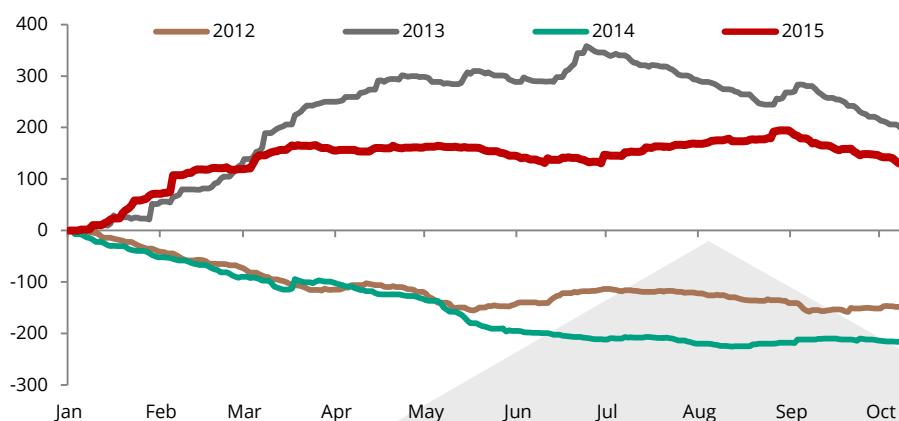
According to the analysis, traders and producers bought the metal on the LME and imported supplies to China for higher prices. Smelters in China, the world's biggest producer and consumer of refined copper, are hoarding the metal as prices at the levels they consider attractive. Bloomberg Intelligence surveyed 13 bonded warehouses, copper traders and industry participants for the September inventories.

LME inventories down by 18% in just 6 weeks

At the same time, orders to withdraw copper from warehouses tracked by LME surged to even 80,850 tonnes on September, 30. Major cancellations came from Rotterdam, South Korea, Malaysia, and Singapore. The amount of available metal in LME warehouses have fallen 18% since this year's highs at the end of August, to 305,225 tonnes.

LME stocks have resumed their downward move

(change of LME inventories since beginning of a year)



Source: Bloomberg, KGHM

Other important information on copper market:

- The biggest European copper smelter Aurubis has cut the 2016 premium for copper cathode to 92 USD/t above London copper prices from 110 USD/t this year. The company said premium reflected their view of the market and their costs. Term premiums are typically negotiated between suppliers and consumers for long-term contracts and deals are discussed during October LME Week, an annual gathering in London of the global metals industry.
- Chile's second-biggest copper mine Collahuasi, owned by Anglo American and Glencore will cut output by 30kt. Company said reductions would affect the leaching plant and associated activities but has not specified a timetable

for the cuts, nor number of associated job losses. The cut represents 7% of the mine's output last year of 470kt.

- First Quantum Minerals has cut its 2015 copper output guidance to 385kt-410kt from the previous 410kt-440kt. The revised figure does not include pre-commercial commissioning production of 30kt-50kt from the company's Sentinel project in Zambia.
- Copper production in Chile fell 8.3% yoy in August due to maintenance stoppages and the effect of labor protests. Compared with July, output slipped 2.6% to 443,285 tonnes. Although a number of new mines have recently begun production in Chile, the country is struggling with decreasing ore grades, depressed prices, and soft demand from China.
- China approved subway projects in three cities, worth a total RMB 464.8bn (USD 73bn). The National Development and Reform Commission (NDRC) approved the second phase of a subway system in Beijing, worth RMB 212.28bn, which is expected to be finished by 2021. The commission also accepted an RMB 179.43bn subway construction plan in Tianjin, and an RMB 73.06bn project in Shenzhen, both due for completion in 2020.
- Codelco announced that it was reducing the number of executives on its payroll by 15.6% to cut. The layoffs, which will take effect November 1, will bring managers headcount down to 255 from a current 302.
- At least one person was killed and 13 wounded in clashes between police and protesters demanding that MMG revise its USD 7.4bn Las Bambas project.

Other metals

Most of base and precious metals finished last fortnight with solid gains. The biggest contributor to prices increases was Glencore's announcement of big zinc output cuts on October, 9, what immediately translated into positive mood towards other metals.

Glencore's zinc output cut seen positive for other metals too

Glencore said on October, 9 that it will cut 500kt of zinc production, which amounts to around 4% of global supply, to withstand weak commodities prices. Zinc prices have fallen 30% since May to 5y lows, but rallied 10% on the news.

The announcement follows recent cuts in copper output and, according to some analysts, could signal metal prices are nearing the bottom of the cycle. The move follows a set of measures the company announced last month to help it slash its USD 30bn net debt by a third, including lower copper production, suspension of its dividends and a sale of new shares.

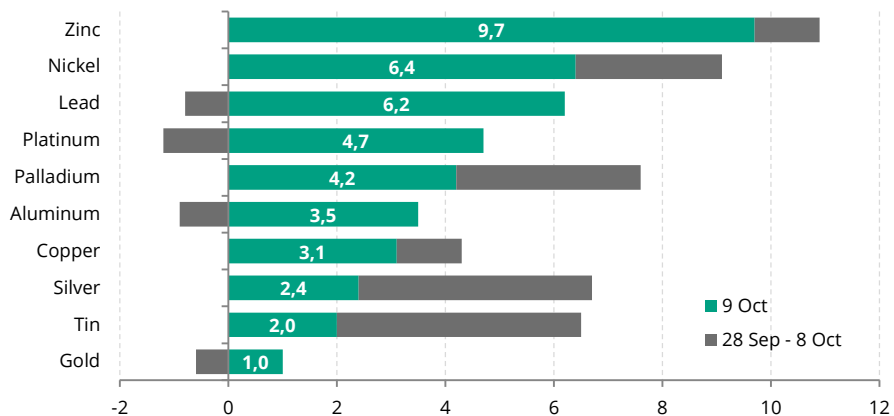
Glencore, the world's largest miner of zinc ore, said the cuts will reduce its annual output by about a third, mostly from mines in Australia, where 535 jobs

Glencore cut equal to 4% of global supply

The cut follows this year's reduction in MMG's Century and Ireland's Lisheen

will be lost, as well as operations in South America and Kazakhstan. Mine supply of zinc was already set to shrink this year due to the closure of MMG's huge Century zinc mine in Australia, which also accounts for about four percent of global supply, and Ireland's Lisheen, owned by Vedanta.

Glencore's cut announcement boosted prices of many other metals
(change of London metals prices on Oct, 9 vs. rest of 2-week period)



Source: Bloomberg, KGHM

Global economies | Foreign exchange markets

China: government introduces new stimulating measures

Chinese authorities continue to battle slowdown of the economy. While looking for a new recipe for growth, the government does not give up on stimulation. The most recent measures aimed at signs of slower demand include PBoC's cut of minimum home down payment required of first-time buyers and a reduction of sales tax on small cars.

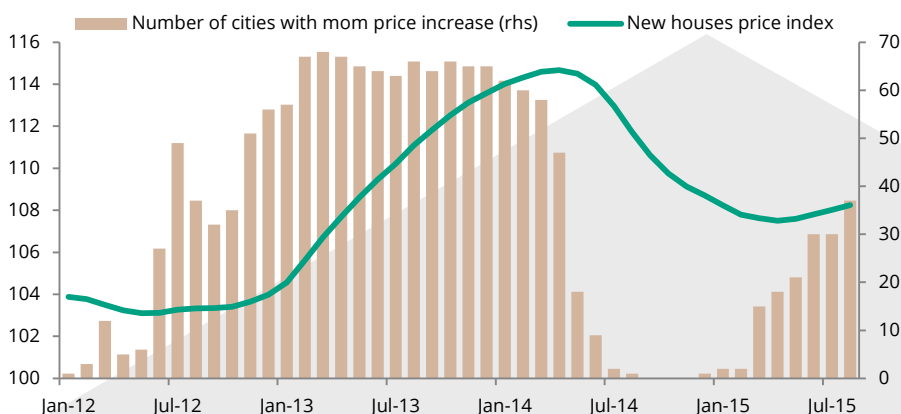
Minimum down payment for buyers in cities without purchase restrictions has been lowered to 25%

Chinese central bank cut the minimum home down payment required of first-time buyers for the first time in five years, stepping up support for the property market, after five interest rate reductions since November failed to reverse an economic slowdown. The minimum down payment for buyers in cities without purchase restrictions has been lowered to 25% from 30%. The previous requirement had been in place since 2010, when the government boosted the ratio from 20% to limit property speculation.

New home prices rose in 37 of 70 cities in Aug, up from only two cities in Feb

The move extends a year of loosening in the property market as Premier Li Keqiang seeks to boost demand in the world's second-largest economy after fiscal and monetary stimulus produced few signs of a rebound. While property investment has remained weak, home sales have recovered after mortgage policy easing and removal of purchase restrictions helped support demand. New home prices rose in 37 of 70 cities in August, up from 30 in July and only two cities in February.

While new houses prices still are at mid-2013 levels, increases are now visible in 37 cities (*index of new houses in 70 Chinese cities*)



Source: Bloomberg, KGHM

Sales tax on small cars has been halved

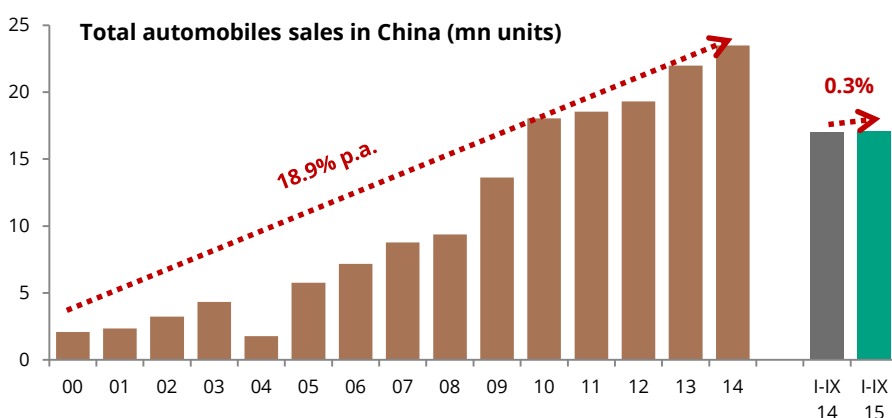
China has also halved its sales tax on small cars. The move mirrors a similar tax cut on cars made during the global economic crisis in 2008 in an effort to save sales and jobs. However, according to some experts it is unclear whether the measure will have much effect this time around, as poor consumer sentiment and economic uncertainty, rather than pricing and affordability, are to blame

Tax cut applies to c. 70% of total car sales and may add 100,000 vehicles per month

for weak demand. Last month, car producers got support from the central bank, when it slashed the amount of reserves auto financing firms needed to hold against loans by 3.5 ppts.

The tax cut applies to vehicles with engines less than 1.6 litre, which account for nearly 70% of total sales in China. The measure is to take effect on October 1 and last to the end of 2016. Automotive Foresight, Shanghai-based consulting firm, estimates that the cut could lead to additional sales of about 100,000 vehicles per month for the rest of the year. About 1.7mn cars were sold in China in August, but more than 2.0mn in September.

While China had been great market for car producers in this century, 2015 sales are at risk of contraction for the first time in decade



Source: Bloomberg, KGHM

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²
China						
☆☆	28-Sep	Industrial profits (yoy)	Aug	-8.8% ▼	-2.9%	--
☆☆☆	01-Oct	Official manufacturing PMI	Sep	49.8 ▲	49.7	49.7 ▲
☆☆☆	01-Oct	Caixin's manufacturing PMI - final data	Sep	47.2 ▲	47.0	47.0 ▲
☆	07-Oct	Foreign reserves (USD bn)	Sep	3 514 ▼	3 557	3 500 ▲
Poland						
☆☆☆☆	30-Sep	Consumer inflation CPI (yoy) - preliminary data	Sep	-0.8% ▼	-0.6%	-0.7% ◐
☆	30-Sep	NBP inflation expectations	Sep	0.2% -	0.2%	0.2% ◐
☆☆☆	01-Oct	Manufacturing PMI	Sep	50.9 ▼	51.1	52.3 ◐
☆☆☆☆	06-Oct	NBP base rate decision	Oct	1.50% -	1.50%	1.50% ◐
US						
☆☆☆☆	28-Sep	Consumer spending inflation PCE (mom)	Aug	0.1% -	0.1%	0.1% ◐
☆☆☆☆	28-Sep	Consumer spending inflation PCE (yoy)	Aug	1.3% ▲	1.2%	1.3% ◐
☆☆	28-Sep	Personal income (sa, mom)‡	Aug	0.3% ▼	0.5%	0.4% ◐
☆☆	28-Sep	Personal spending (sa, mom)‡	Aug	0.4% -	0.4%	0.3% ▲
☆	28-Sep	Dallas Fed manufacturing activity	Sep	- 9.5 ▲	- 15.8	- 10.0 ▲
☆	29-Sep	S&P/CaseShiller home price index‡	Jul	182 ▲	181	183 ◐
☆☆☆	01-Oct	Manufacturing PMI - final data	Sep	53.1 ▲	53.0	53.0 ▲
☆☆	01-Oct	ISM Manufacturing	Sep	50.2 ▼	51.1	50.6 ◐
☆☆	02-Oct	Change in non-farm payrolls (ths)‡	Sep	142 ▲	136	200 ◐
☆☆	02-Oct	Underemployment rate (U6)	Sep	10.0% ▼	10.3%	--
☆☆	02-Oct	Unemployment rate	Sep	5.1% -	5.1%	5.1% ◐
☆	02-Oct	Average hourly earnings (yoy)	Sep	2.2% -	2.2%	2.4% ◐
☆☆☆	05-Oct	Composite PMI - final data	Sep	55.0 ▼	55.3	--
☆☆☆	05-Oct	PMI services - final data	Sep	55.1 ▼	55.6	55.6 ◐
Eurozone						
☆	29-Sep	Economic confidence‡	Sep	106 ▲	104	104 ▲
☆	29-Sep	Industrial confidence	Sep	- 2.2 ▲	- 3.7	- 3.8 ▲
☆	29-Sep	Consumer confidence - final data	Sep	- 7.1 -	- 7.1	- 7.1 ◐
☆	29-Sep	Business climate indicator‡	Sep	0.3 ▲	0.2	0.2 ▲
☆☆☆☆	30-Sep	Core CPI (yoy) - estimation	Sep	0.9% -	0.9%	0.9% ◐
☆☆☆☆	30-Sep	CPI estimate (yoy)	Sep	-0.1% ▼	0.1%	0.0% ◐
☆☆	30-Sep	Unemployment rate‡	Aug	11.0% -	11.0%	10.9% ▲
☆☆☆	01-Oct	Manufacturing PMI - final data	Sep	52.0 -	52.0	52.0 ◐
☆☆	02-Oct	Producer inflation PPI (yoy)	Aug	-2.6% ▼	-2.1%	-2.4% ◐
☆☆☆	05-Oct	Composite PMI - final data	Sep	53.6 ▼	53.9	53.9 ◐
☆☆☆	05-Oct	Services PMI - final data	Sep	53.7 ▼	54.0	54.0 ◐
☆☆	05-Oct	Retail sales (yoy)‡	Aug	2.3% ▼	3.0%	1.7% ▲
Germany						
☆☆☆☆	29-Sep	Harmonized consumer inflation HICP (yoy) - preliminary data	Sep	-0.2% ▼	0.1%	0.0% ◐
☆☆☆☆	29-Sep	Consumer inflation CPI (yoy) - preliminary data	Sep	0.0% ▼	0.2%	0.1% ◐
☆☆☆	30-Sep	Retail sales (yoy)‡	Aug	2.5% ▼	3.8%	3.3% ◐
☆☆	30-Sep	Unemployment rate	Sep	6.4% -	6.4%	6.4% ◐
☆☆☆	01-Oct	Manufacturing PMI - final data	Sep	52.3 ▼	52.5	52.5 ◐
☆☆☆	05-Oct	Composite PMI - final data	Sep	54.1 ▼	54.3	54.3 ◐
☆☆☆	06-Oct	Factory orders (wda, yoy)‡	Aug	1.9% ▲	-1.3%	5.6% ◐
☆☆☆☆	07-Oct	Industrial production (wda, yoy)‡	Aug	2.3% ▲	0.8%	3.3% ◐

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
France							
☆☆☆	01-Oct	Manufacturing PMI - final data	Sep	50.6 ▲	50.4	50.4	▲
☆☆☆	05-Oct	Composite PMI - final data	Sep	51.9 ▲	51.4	51.4	▲
☆☆☆☆	09-Oct	Industrial production (yoy)‡	Aug	1.6% ▲	-0.9%	0.2%	▲
Italy							
☆☆	30-Sep	Unemployment rate - preliminary data	Aug	11.9% ▼	12.0%	12.0%	●
☆☆☆☆	30-Sep	Harmonized consumer inflation HICP (yoy) - preliminary data	Sep	0.2% ▼	0.4%	0.3%	●
☆☆☆	01-Oct	Manufacturing PMI	Sep	52.7 ▼	53.8	53.4	●
☆☆☆	05-Oct	Composite PMI	Sep	53.4 ▼	55.0	--	
☆☆☆☆	09-Oct	Industrial production (wda, yoy)‡	Aug	1.0% ▼	2.8%	1.4%	●
UK							
☆☆☆☆☆	30-Sep	GDP (yoy) - final data	2Q	2.4% ▼	2.6%	2.6%	●
☆☆☆☆☆	30-Sep	GDP (qoq) - final data	2Q	0.7% -	0.7%	0.7%	○
☆☆☆	01-Oct	Manufacturing PMI (sa)‡	Sep	51.5 ▼	51.6	51.3	▲
☆☆☆	05-Oct	Composite PMI‡	Sep	53.3 ▼	55.2	54.9	●
☆☆☆☆	07-Oct	Industrial production (yoy)‡	Aug	1.9% ▲	0.7%	1.2%	▲
☆☆☆☆☆	08-Oct	BoE base rate decision	Oct	0.50% -	0.50%	0.50%	○
☆☆☆☆	08-Oct	BoE asset purchase target (GBP bn)	Oct	375 -	375	375	○
Japan							
☆☆☆☆	30-Sep	Industrial production (yoy) - preliminary data	Aug	0.2% ▲	0.0%	1.8%	●
☆☆☆	01-Oct	Manufacturing PMI - final data	Sep	51.0 ▲	50.9	--	
☆☆☆	05-Oct	Composite PMI	Sep	51.2 ▼	52.9	--	
Chile							
☆☆☆	30-Sep	Total copper production (metric tons)	Aug	443 285 ▼	455 083	--	
☆☆☆	30-Sep	Manufacturing (yoy)	Aug	-1.4% ▼	0.7%	0.5%	●
☆☆☆☆	05-Oct	Economic activity (yoy)	Aug	1.1% ▼	2.5%	2.0%	●
☆☆☆	07-Oct	Copper exports (USD mn)	Sep	2 442 ▲	2 416	--	
☆☆	07-Oct	Nominal wages (yoy)	Aug	5.8% ▼	6.2%	--	
☆☆☆☆	08-Oct	Consumer inflation CPI (yoy)	Sep	4.6% ▼	5.0%	4.9%	●
Canada							
☆☆☆☆☆	30-Sep	GDP (yoy)‡	Jul	0.8% ▲	0.5%	0.7%	▲
☆☆☆	09-Oct	Net change in employment (ths)	Sep	12.1 ▲	12.0	10.0	▲

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

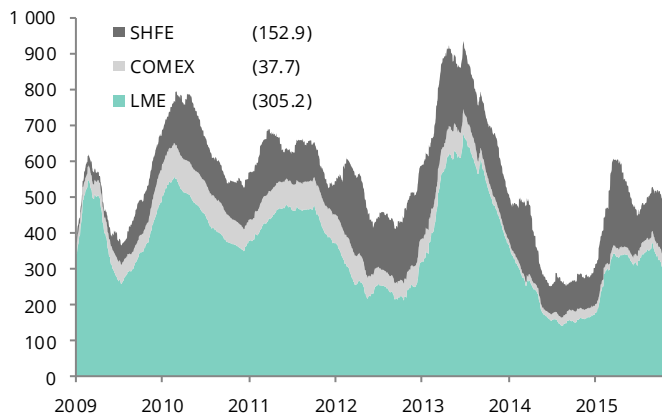
Key market data

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

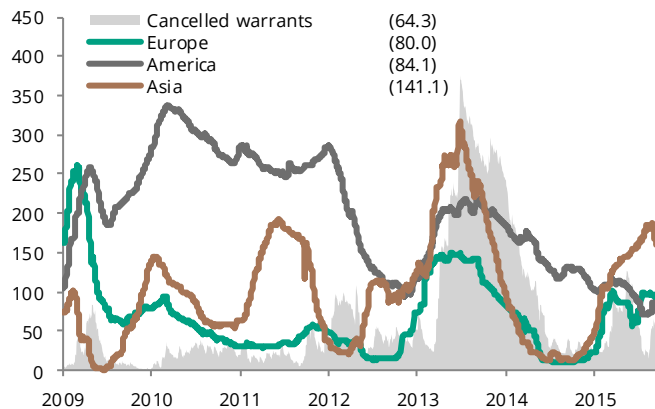
(as of: 09-Oct-15)		Price change °					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t)									
Copper	5 319.00	▲ 4.3%	▲ 4.4%	▼ -16.4%	▼ -21.4%	5 680.24	4 888.00	6 448.00	
Molybdenum	10 700.00	▼ -12.3%	▼ -11.6%	▼ -49.0%	▼ -47.8%	15 939.80	9 250.00	21 500.00	
Nickel	10 710.00	▲ 9.1%	▲ 6.4%	▼ -28.3%	▼ -35.6%	12 522.53	9 305.00	15 455.00	
Aluminum	1 607.00	▲ 2.6%	▲ 2.9%	▼ -12.3%	▼ -16.5%	1 711.39	1 485.50	1 919.00	
Tin	16 325.00	▲ 6.5%	▲ 4.9%	▼ -16.3%	▼ -19.3%	16 378.95	13 895.00	19 750.00	
Zinc	1 824.50	▲ 10.9%	▲ 10.1%	▼ -15.8%	▼ -21.6%	2 022.68	1 586.50	2 405.00	
Lead	1 771.50	▲ 5.4%	▲ 7.0%	▼ -4.4%	▼ -14.9%	1 812.52	1 619.00	2 140.00	
LBMA (USD/troz)									
Silver	15.99	▲ 6.7%	▲ 9.1%	▲ 0.1%	▼ -9.4%	15.96	14.27	18.23	
Gold ¹	1 151.55	▲ 0.4%	▲ 3.4%	▼ -4.0%	▼ -6.1%	1 176.32	1 080.80	1 295.75	
LPPM (USD/troz)									
Platinum ¹	978.00	▲ 3.5%	▲ 7.7%	▼ -19.2%	▼ -23.7%	1 094.11	908.00	1 285.00	
Palladium ¹	723.00	▲ 7.6%	▲ 9.4%	▼ -9.4%	▼ -10.6%	717.91	524.00	831.00	
FX ³									
EUR/USD	1.1362	▲ 1.9%	▲ 1.4%	▼ -6.4%	▼ -11.0%	1.1147	1.0552	1.2043	
EUR/PLN	4.2170	▲ 0.1%	▼ -0.5%	▼ -1.1%	▲ 0.8%	4.1604	3.9822	4.3335	
USD/PLN	3.7242	▼ -1.5%	▼ -1.4%	▲ 6.2%	▲ 13.6%	3.7338	3.5550	3.9260	
USD/CAD	1.2946	▼ -2.8%	▼ -3.3%	▲ 11.6%	▲ 16.1%	1.2618	1.1728	1.3413	
USD/CNY	6.3452	▼ -0.5%	▼ -0.2%	▲ 2.3%	▲ 3.5%	6.2513	6.1883	6.4128	
USD/CLP	681.70	▼ -3.4%	▼ -3.3%	▲ 12.2%	▲ 14.6%	641.32	597.10	706.24	
Money market									
3m LIBOR USD	0.321	▼ -0.02	▼ -0.01	▲ 0.25	▲ 0.40	0.286	0.251	0.345	
3m EURIBOR	-0.049	▲ 0.20	▲ 0.23	▼ -1.63	▼ -1.62	0.002	-0.049	0.076	
3m WIBOR	1.730	▲ 0.01	- 0.00	▼ -0.16	▼ -0.17	1.752	1.650	2.060	
5y USD interest rate swap	1.443	▼ -0.03	▲ 0.04	▼ -0.19	▼ -0.17	1.632	1.313	1.909	
5y EUR interest rate swap	0.366	▼ -0.02	▲ 0.06	▲ 0.02	▼ -0.20	0.364	0.176	0.590	
5y PLN interest rate swap	1.925	▼ -0.04	▼ -0.04	▼ -0.01	▼ -0.07	2.067	1.563	2.643	
Fuel									
WTI Cushing	49.63	▲ 8.6%	▲ 10.1%	▼ -6.8%	▼ -42.1%	50.82	38.09	61.43	
Brent	52.03	▲ 11.5%	▲ 10.4%	▼ -6.7%	▼ -41.1%	55.18	40.74	66.37	
Diesel NY (ULSD)	155.34	▲ 3.7%	▲ 3.9%	▼ -14.9%	▼ -38.7%	175.61	135.84	233.64	
Others									
VIX	17.08	▼ -0.28	▼ -0.30	▼ -0.11	▼ -0.09	16.65	11.95	40.74	
BBG Commodity Index	91.01	▲ 2.8%	▲ 3.6%	▼ -12.8%	▼ -23.4%	97.86	85.14	105.49	
S&P500	2 014.89	▲ 4.3%	▲ 4.9%	▼ -2.1%	▲ 4.5%	2 061.06	1 867.61	2 130.82	
DAX	10 096.60	▲ 4.2%	▲ 4.5%	▲ 3.0%	▲ 12.1%	11 030.65	9 427.64	12 374.73	
Shanghai Composite	3 183.15	▲ 2.9%	▲ 4.3%	▼ -1.6%	▲ 33.2%	3 790.37	2 927.29	5 166.35	
WIG 20	2 143.28	▲ 2.5%	▲ 3.7%	▼ -7.5%	▼ -11.6%	2 311.44	2 036.32	2 549.40	
KGHM	95.50	▲ 17.7%	▲ 16.5%	▼ -12.3%	▼ -24.7%	106.25	71.31	131.00	

° 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

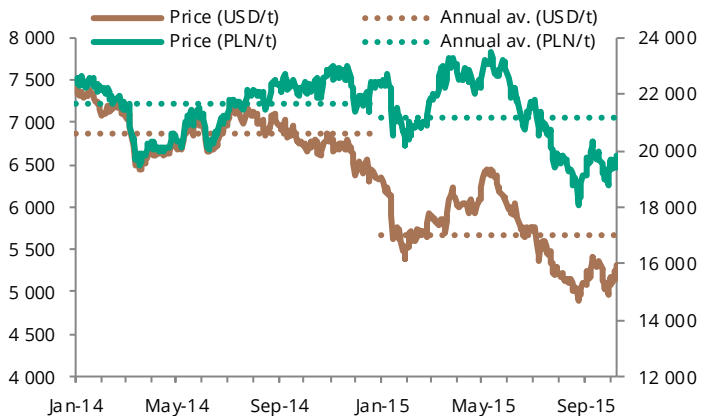
Source: Bloomberg, KGHM

Copper: official exchange stocks (thousand tonnes)


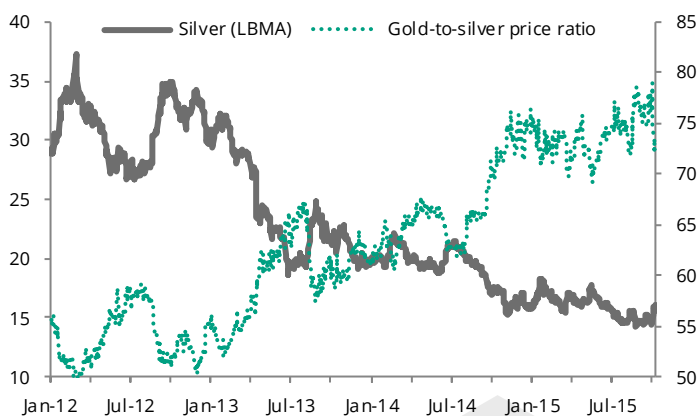
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)


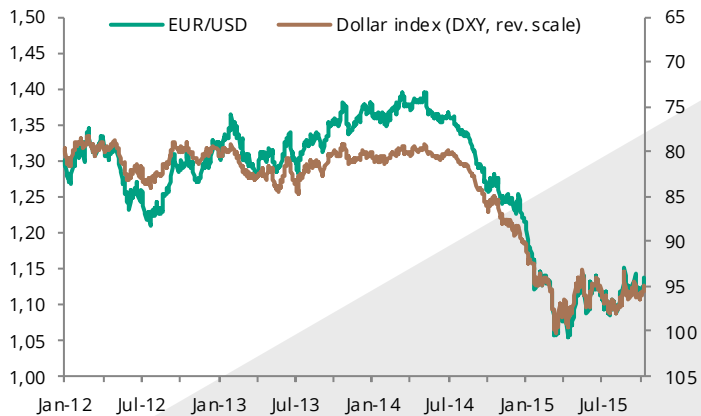
Note: Latest values in brackets. Source: Bloomberg, KGHM

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


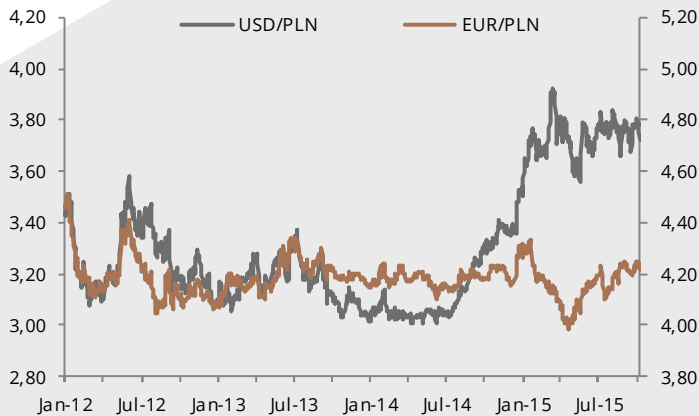
Source: Bloomberg, KGHM

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


Source: Bloomberg, KGHM

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


Source: Bloomberg, KGHM

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


Source: Bloomberg, KGHM

Legal note

This document has been prepared based on the below listed reports, among others, published in the following period:
28 September – 11 October 2015.

- “Commodities Comment” Macquarie Research Metals and Mining, ▪ “Commodities Daily” Standard Bank, ▪ “Commodities Weekly” Barclays Capital Research, ▪ “Metals Market Update” Morgan Stanley, ▪ “Daily Copper Wrap” Mitsui, ▪ “Base and Precious Metals Daily” JPMorgan, ▪ „Codziennik” BZ WBK, ▪ „Tygodnik Ekonomiczny” BZ WBK, ▪ „Raport dzienny” mBank, ▪ „Biuletyn Dzienny” Bank PEKAO S.A., ▪ „Dragonomics: China Research” Gavekal

Moreover, additional information published here was acquired in direct conversations with market dealers, from financial institution reports and from the following websites: ▪ lme.co.uk, ▪ lbma.org.uk, ▪ economy.com/dismal, ▪ thebulliondesk.com, ▪ lbma.org.uk/stats, ▪ crumonitor.com, ▪ metalbulletin.com, ▪ nbportal.pl, ▪ nbp.pl, as well as data providing systems: Thomson Reuters and Bloomberg.

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/statistics.aspx

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