

# Market Overview

as of: 8 February 2016

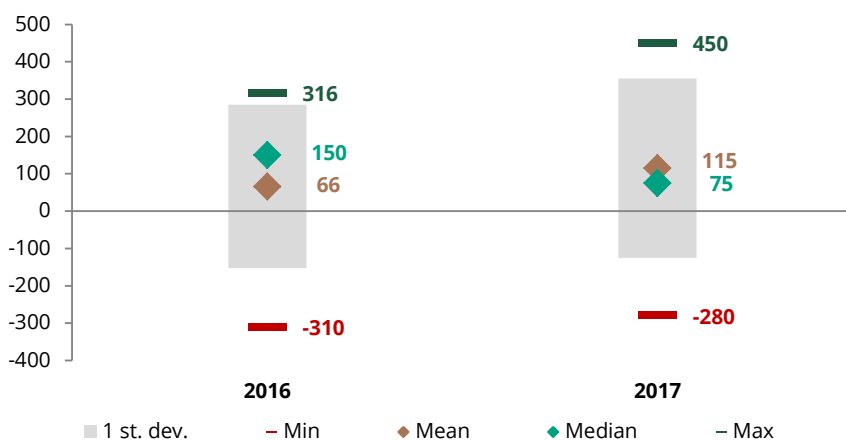
- Copper:** Copper finally posted a solid gain of 4.5% during last two weeks, alongside most other base and precious metals, with the main factor being weakening USD. Freeport McMoRan posted big losses in 2015 and continues to struggle with Indonesian Grasberg mine, where its export ban exception has just expired (*page 2*).
- Precious metals:** The past two weeks have brought a large correction in precious metals prices, which start to attract investors again. In the meantime, the silver market faced problems associated with the process of fixing daily benchmark (LBMA price) (*page 3*).
- Other metals:** Industrial metals gained 3.0% during last fortnight, according to Bloomberg Commodity Index. China announced steel supply cuts, although with no timeframe and highlighted that coal production capacity will be reduced as well (*page 4*).
- China:** After easing down payment in September, the People Bank of China has eased the regulations further in order to stimulate demand and re-draw the attention to the real estate market (*page 6*).

## Key market prices

	Close price	2w chng.
<b>LME (USD/t)</b>		
▲ Copper	4 669.00	4.5%
▼ Nickel	8 485.00	-2.8%
<b>LBMA (USD/troz)</b>		
▲ Silver	14.91	5.2%
▲ Gold (PM)	1 150.35	4.9%
<b>FX</b>		
▲ EUR/USD	1.1202	3.6%
▼ EUR/PLN	4.4135	-0.7%
▼ USD/PLN	3.9420	-3.9%
▼ USD/CAD	1.3876	-1.9%
▼ USD/CLP	698.49	-3.9%
<b>Stocks</b>		
▲ KGHM	61.62	11.6%

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

## Consensus sees marginally oversupplied copper market in next two years, according to Reuter's poll (*market balance forecasts, kt*)



Source: Reuters, KGHM

## Important macroeconomic data

Release	For		
USA GDP (annlzd., qoq)	4Q	0.7%	▼
EU Core CPI (yoy)	Jan	1.0%	▲
USA Non-farm payrolls chng.	Jan	151	▼
China Manufacturing PMI	Jan	50.9	▼
China Industrial profits (yoy)	Dec	-4.7%	▼

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## Base and precious metals | Other commodities

### Copper

**Copper finally posted a solid gain of 4.5% during last two weeks, alongside most other base and precious metals, with the main factor being weakening USD. Freeport McMoRan posted big losses in 2015 and continues to struggle with Indonesian Grasberg mine, where its export ban exception has just expired.**

#### Freeport reports losses for 2015 and struggles with Grasberg

**Net loss amounted to USD 12.2 bn for 2015, down from USD 1.3bn in 2014**

Freeport-McMoRan has launched a series of additional initiatives to accelerate its debt reduction plans, including discussions with third parties regarding potential transactions. The company has presented an evaluation of alternatives for the company's oil and gas business, including a sale of assets and joint venture arrangements, as well as several transactions involving certain mining assets. The producer underscored its clear and immediate objective is to restore its balance sheet and position the company to enhance shareholder value in the current market. This will mean focusing on the company's position in the copper market, with the firm planning to complete "significant asset sale transactions" to reduce debt. Freeport reported a net loss attributable to common stock of USD 4.1bn in 4Q15 and USD 12.2bn in whole 2015. This compares to a net loss of USD 2.9bn in 4Q14 and USD 1.3bn for whole 2014.

**Freeport has been asked to deposit USD 530 mn towards building a smelter**

Separately, Freeport's export license in Indonesia, allowing the US producer to ship concentrates from its Grasberg mine, has expired without extension and the government is waiting for the company to give a detailed response to requests regarding the permit. Freeport had asked for a license to ship 1 mn tonnes over the next six months. Indonesia has asked for a USD 530mn deposit toward building a new smelter in exchange for prolonging the permit, a request that was inconsistent with the company's previous understanding with the government. Freeport, mined USD 2bn of copper and USD 1.4bn of gold in 2014 from Grasberg, also wants to extend its contract to operate in Indonesia.

#### Other important information on copper market:

- Some of the most important players on global copper market released data on their red metal production in 2015:
  - Chile mined 5.79 mn tonnes, a slight 0.2% increase from a year earlier even as some companies responded to a deep rout in metals prices with output cuts;
  - China supplied 7.96 mn tonnes of refined copper, up 4.8% from 2014 level, according to preliminary figures;

- Peru's mined production risen 23% yoy on new projects and a rebound in output from the country's top mine; the country has forecast a 66% jump in copper production in 2016, which should allow the Andean country to overtake China as the world's second miner of the red metal;
- Zambia's copper production inched higher to 711,5kt from 708kt in 2014, despite electricity shortages.
- China Nonferrous Metal Mining Company (CNMC) has signed a non-binding memorandum of understanding with the DR of Congo state mining company Gecamines to build two factories, hoping to boost copper production by around seven times. Under the agreement, CNMC would build factories at two existing mines in southeastern Congo, boosting the current annual output of 15kt of refined copper by more than 100kt.
- The Escondida copper mine in Chile was operating at 50% after workers blocked the access road to the mine to protest the company's plan to lay off employees. The miner is putting in place a plan to reduce the number of employees by 2.4%, which is equivalent to around 90 roles.

## Precious metals

**The past two weeks have brought a large correction in precious metals prices, which start to attract investors again. In the meantime, the silver market faced problems associated with the process of fixing daily benchmark (LBMA price).**

### Investors interested in buying gold again

Gold hit three-month highs last week, extending its biggest weekly rise since July 2013 as sliding stock markets, global growth uncertainty and a softer dollar prompted investors to seek safety in hard assets. The dollar eased as markets reverted to the idea that the U.S. Federal Reserve may not raise interest rates as many times as had previously been expected.

Moreover, an increasingly dovish trend by global central banks, as they battle prolonged economic weakness, could make a solid case to get back into the safe-haven metal.

### Silver benchmark issues spooked the market

The LBMA Silver Price, the crucial daily benchmark used by producers and traders around the world to settle silver products and derivatives contracts, was set at USD 13.58 per ounce on Thursday 28 January, some 6% lower than the spot price at the time of USD 14.42.

In response to this, Thomson Reuters and CME Group introduced a package of measures to further develop the silver benchmark. The benchmark's oversight committee has held two extraordinary meetings since the LBMA silver benchmark settled more than 80 cents below the spot price. Traders expressed

Fed not so "hawkish" anymore

Almost USD 0.80 difference

concerns after the auction that it was too easy for the benchmark to deviate from the current spot price. The companies, who act as benchmark administrator and calculator respectively, said they had been working with the committee to address concerns. The Financial Conduct Authority (FCA) has been kept fully informed.

### Suspensions possible

New measures agreed between CME and Thomson Reuters, along with intellectual property holder the London Bullion Market Association (LBMA), include the suspension of the price-setting process if the administrators believe the integrity of the auction or participants is threatened. They are also aimed at increasing the participation in the auction of firms that are not banks.

### Venezuela needs to cash their gold reserves

Venezuela's central bank has begun negotiations with Deutsche Bank AG to carry out gold swaps to improve the liquidity of its foreign reserves as it faces heavy debt payments this year. Low oil prices and a decaying state-led economic model have weakened the OPEC nation's currency reserves and spurred concerns that it could default on bonds, as it struggles to pay USD 9.5bn in debt service costs this year.

### USD 15.4bn of gold may help restore country's financial stability

Around 64% of Venezuela's USD 15.4bn foreign reserves are held in gold bars, which limits government's ability to quickly mobilise hard currency for imports or debt service. Gold swaps allow central banks to receive cash from financial institutions in exchange for lending gold during a specific period of time. They do not tend to affect gold prices because the gold is still owned by Venezuela and does not enter the market.

## Other metals

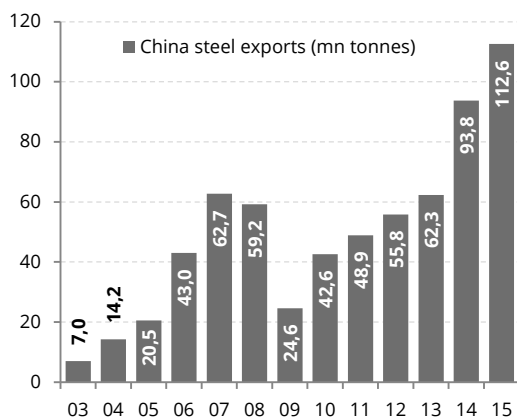
**Industrial metals gained 3.0% during last fortnight, according to Bloomberg Commodity Index. China announced steel supply cuts, although with no timeframe and highlighted that coal production capacity will be reduced as well.**

### China announces steel production cut

### The cut will amount to 100-150 mn tonnes and may result in 400,000 layoffs

China plans to cut its steel production capacity by 100-150 mn tonnes, the official Xinhua news agency reported. The country's State Council, led by Premier Li Keqiang, announced the plan to reduce crude steel capacity by that amount as Beijing fights overcapacity, but no timeframe was given. The cut will lead to the layoff of up to 400,000 workers, according to Li Xinchuang, head of the China Metallurgical Industry Planning and Research Institute. China's steel sector, the world's biggest, has been saddled with excess capacity for years, with some analysts estimating the surplus at around 300 mn tonnes, equivalent to three times the annual output of a second producer – Japan.

### China exported record amount of steel last year



Source: Bloomberg, KGHM

The glut has been felt even more in the past two years as China's steel demand shrinks amid a slowing economy. That is forcing more Chinese steel producers to ship surplus output overseas, with exports rising to a record 112.6 mn tonnes last year, angering producers elsewhere and raising trade tensions with Beijing.

China will raise funds to help workers should they lose their jobs when coal and steel firms close amid campaigns to cut overcapacity, according to Xinhua. Apart from steel, also China's coal production capacity will be reduced by "a relatively large amount". To deal with looming redundancies, an "industrial restructuring fund" was initiated on Jan, 1, pooling money from factories across the nation based on their power consumption. Brokerage Shenwan Hongyuan Securities estimates the fund could draw in RMB 46.8bn (USD 7.11bn), according to Xinhua.

## Global economies | Foreign exchange markets

### China: Down payment requirement to be eased further

**After easing down payment in September, the People Bank of China has eased the regulations further in order to stimulate demand and re-draw the attention to the real estate market.**

#### China to lower the minimum deposit (down payment) for home purchases

China announced it would lower the minimum deposit for home purchases in most cities in order to stimulate demand on the real estate market. The People's Bank of China (PBoC) stated that in cities where there was no home purchase restrictions, down payments for first homes financed by loans from commercial banks will stay at a minimum of 25 percent "in principle," but they can go down as much as 5 percentage points. For those who want to buy a second home with commercial loans but have outstanding loans on their first property, the down payment requirement will be cut to no less than 30 percent from the current 40 percent. Chinese central bank has left the decision to the local governments on the exact amount of deposit requirement "according to their own conditions". However, local governments have to take into consideration guidance of PBoC and China Banking Regulatory Commission. The move, the second adjustment in four months, is intended to support reasonable consumption of housing and promote the stable and healthy development of the market, the central bank and the banking regulator said in a joint statement.

#### The new policy intention is to reduce property inventory

The new policy came as the latest effort from the government to reduce property inventory and revive the sluggish market. China's property sector took a downturn in 2014 due to weak demand and a supply glut. Sales and prices are falling, and investment is slowing, which dented activity in sectors ranging from steel, cement, furniture to home appliances.

#### Rules in Beijing, Shanghai, Guangzhou, Shenzhen and Sanya remain unchanged

In cities where home purchase restrictions still apply, old down payment rules will remain effective, according to the PBoC. Beijing, Shanghai, Guangzhou, Shenzhen and Sanya are the remaining five cities with restrictions on home purchases, which were introduced in 2010 to rein in house prices. The differentiated treatments were due to varied markets conditions in different cities. While several metropolises saw increasing demand, small cities are still in the trough with high inventories. The Chinese government has introduced a slew of measures to support the property sector, cutting interest rates, easing down payment requirements and rolling back home purchase restrictions.

# Macroeconomic calendar

## Important macroeconomic data releases

Weight	Date	Event	For	Reading <sup>1</sup>	Previous	Consensus <sup>2</sup>	
<b>China</b>							
☉☉	27-Jan	Industrial profits (yoy)	Dec	-4.7% ▼	-1.4%	--	
☉☉☉	01-Feb	Official manufacturing PMI	Jan	49.4 ▼	49.7	49.6	☹
☉☉☉	01-Feb	Caixin's manufacturing PMI	Jan	48.4 ▲	48.2	48.1	☺
☉	07-Feb	Foreign reserves (USD bn)	Jan	3 231 ▼	3 330	3 210	☺
<b>Poland</b>							
☉☉	26-Jan	Unemployment rate	Dec	9.8% ▲	9.6%	9.7%	☺
☉	29-Jan	NBP inflation expectations	Jan	0.2% -	0.2%	0.2%	☉
☉☉☉	01-Feb	Manufacturing PMI	Jan	50.9 ▼	52.1	51.8	☹
☉☉☉☉☉	03-Feb	NBP base rate decision	Feb	1.50% -	1.50%	1.50%	☉
<b>US</b>							
☉	25-Jan	Dallas Fed manufacturing activity‡	Jan	- 34.6 ▼	- 21.6	- 14.5	☹
☉	26-Jan	S&P/CaseShiller home price index‡	Nov	183 ▲	183	183	☹
☉☉☉	26-Jan	Composite PMI - preliminary data	Jan	--	54.0	--	
☉☉☉	26-Jan	PMI services - preliminary data	Jan	--	54.3	54.0	
☉	26-Jan	Richmond Fed manufacturing index	Jan	2.0 ▼	6.0	2.0	☉
☉☉☉☉☉	27-Jan	FOMC base rate decision - upper bound (Fed)	Jan	0.50% -	0.50%	0.50%	☉
☉☉☉☉☉	27-Jan	FOMC base rate decision - lower bound (Fed)	Jan	0.25% -	0.25%	0.25%	☉
☉☉	28-Jan	Durable goods orders - preliminary data‡	Dec	-5.1% ▼	-0.5%	-0.7%	☹
☉☉☉☉☉	29-Jan	GDP (annualized, qoq) - estimation	4Q	0.7% ▼	2.0%	0.8%	☹
☉☉	29-Jan	University of Michigan confidence index - final data	Jan	92.0 ▼	93.3	93.0	☹
☉☉☉☉	01-Feb	Consumer spending inflation PCE (mom)‡	Dec	0.0% ▼	0.2%	0.1%	☹
☉☉☉☉	01-Feb	Consumer spending inflation PCE (yoy)‡	Dec	1.4% -	1.4%	1.4%	☉
☉☉	01-Feb	Personal income (sa, mom)	Dec	0.3% -	0.3%	0.2%	☺
☉☉	01-Feb	Personal spending (sa, mom)‡	Dec	0.0% ▼	0.5%	0.1%	☹
☉☉☉	01-Feb	Manufacturing PMI - final data	Jan	52.4 ▼	52.7	52.6	☹
☉☉	01-Feb	ISM Manufacturing‡	Jan	48.2 ▲	48.0	48.4	☹
☉☉☉	03-Feb	PMI services - final data	Jan	53.2 ▼	53.7	53.7	☹
☉☉	05-Feb	Change in non-farm payrolls (ths)‡	Jan	151 ▼	262	190	☹
☉☉	05-Feb	Underemployment rate (U6)	Jan	9.9% -	9.9%	--	
☉☉	05-Feb	Unemployment rate	Jan	4.9% ▼	5.0%	5.0%	☹
☉	05-Feb	Average hourly earnings (yoy)‡	Jan	2.5% ▼	2.7%	2.2%	☺
<b>Eurozone</b>							
☉	28-Jan	Economic confidence‡	Jan	105 ▼	107	106	☹
☉	28-Jan	Industrial confidence	Jan	- 3.2 ▼	- 2.0	- 2.5	☹
☉	28-Jan	Consumer confidence - final data	Jan	- 6.3 -	- 6.3	- 6.3	☉
☉	28-Jan	Business climate indicator‡	Jan	0.3 ▼	0.4	0.4	☹
☉	29-Jan	M3 money supply (yoy)‡	Dec	4.7% ▼	5.0%	5.2%	☹
☉☉☉☉	29-Jan	Core CPI (yoy) - estimation	Jan	1.0% ▲	0.9%	0.9%	☺
☉☉☉☉	29-Jan	CPI estimate (yoy)	Jan	0.4% ▲	0.2%	0.4%	☉
☉☉☉	01-Feb	Manufacturing PMI - final data	Jan	52.3 -	52.3	52.3	☉
☉☉	02-Feb	Unemployment rate	Dec	10.4% ▼	10.5%	10.5%	☹
☉☉	02-Feb	Producer inflation PPI (yoy)	Dec	-3.0% ▲	-3.2%	-2.8%	☹
☉☉☉	03-Feb	Composite PMI - final data	Jan	53.6 ▲	53.5	53.5	☺
☉☉☉	03-Feb	Services PMI - final data	Jan	53.6 -	53.6	53.6	☉
☉☉	03-Feb	Retail sales (yoy)‡	Dec	1.4% ▼	1.6%	1.5%	☹

Weight	Date	Event	For	Reading <sup>1</sup>	Previous	Consensus <sup>2</sup>	
<b>Germany</b>							
☉☉	25-Jan	IFO business climate‡	Jan	107 ▼	109	108	☹
☉☉	27-Jan	GfK consumer confidence	Feb	9.4 -	9.4	9.3	☺
☉☉☉☉	28-Jan	Harmonized consumer inflation HICP (yoy) - preliminary data	Jan	0.4% ▲	0.2%	0.4%	☉
☉☉☉☉	28-Jan	Consumer inflation CPI (yoy) - preliminary data	Jan	0.5% ▲	0.3%	0.4%	☺
☉☉☉	29-Jan	Retail sales (yoy)‡	Dec	1.5% ▼	2.4%	1.9%	☹
☉☉☉	01-Feb	Manufacturing PMI - final data	Jan	52.3 ▲	52.1	52.1	☺
☉☉	02-Feb	Unemployment rate	Jan	6.2% ▼	6.3%	6.3%	☹
☉☉☉	03-Feb	Composite PMI - final data	Jan	54.5 -	54.5	54.5	☉
☉☉☉	05-Feb	Factory orders (wda, yoy)	Dec	-2.7% ▼	2.1%	-1.4%	☹
<b>France</b>							
☉☉☉☉☉	29-Jan	GDP (yoy) - estimation	4Q	1.3% ▲	1.1%	1.2%	☺
☉☉☉☉☉	29-Jan	GDP (qoq) - estimation	4Q	0.2% ▼	0.3%	0.2%	☉
☉☉☉☉	29-Jan	Harmonized consumer inflation HICP (yoy) - preliminary data	Jan	0.4% ▲	0.3%	0.4%	☉
☉☉☉☉	29-Jan	Consumer inflation CPI (yoy) - preliminary data	Jan	0.2% -	0.2%	0.3%	☹
☉☉☉	01-Feb	Manufacturing PMI - final data	Jan	50.0 -	50.0	50.0	☉
☉☉☉	03-Feb	Composite PMI - final data	Jan	50.2 ▼	50.5	50.5	☹
<b>Italy</b>							
☉☉☉	01-Feb	Manufacturing PMI	Jan	53.2 ▼	55.6	54.8	☹
☉☉	02-Feb	Unemployment rate - preliminary data‡	Dec	11.4% -	11.4%	11.2%	☺
☉☉☉	03-Feb	Composite PMI	Jan	53.8 ▼	56.0	--	☹
☉☉☉☉	03-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Jan	0.4% ▲	0.1%	0.3%	☺
<b>UK</b>							
☉☉☉☉☉	28-Jan	GDP (yoy) - estimation	4Q	1.9% ▼	2.1%	1.9%	☉
☉☉☉☉☉	28-Jan	GDP (qoq) - estimation	4Q	0.5% ▲	0.4%	0.5%	☉
☉☉☉	01-Feb	Manufacturing PMI (sa)‡	Jan	52.9 ▲	52.1	51.6	☺
☉☉☉	03-Feb	Composite PMI	Jan	56.1 ▲	55.3	55.0	☺
☉☉☉☉☉	04-Feb	BoE base rate decision	Feb	0.50% -	0.50%	0.50%	☉
☉☉☉☉	04-Feb	BoE asset purchase target (GBP bn)	Feb	375 -	375	375	☉
<b>Japan</b>							
☉☉☉☉	29-Jan	Consumer inflation CPI (yoy)	Dec	0.2% ▼	0.3%	0.2%	☉
☉☉☉☉	29-Jan	Industrial production (yoy) - preliminary data	Dec	-1.6% ▼	1.7%	-0.6%	☹
☉☉☉	01-Feb	Manufacturing PMI - final data	Jan	52.3 ▼	52.4	--	☹
☉☉☉	03-Feb	Composite PMI	Jan	52.6 ▲	52.2	--	☹
<b>Chile</b>							
☉☉☉	29-Jan	Total copper production (metric tons)	Dec	495 953 ▲	486 128	--	☹
☉☉☉	29-Jan	Manufacturing (yoy)	Dec	-2.8% ▼	-0.2%	-2.0%	☹
☉☉☉☉	05-Feb	Economic activity (yoy)	Dec	1.5% ▼	1.8%	0.9%	☺
☉☉	05-Feb	Nominal wages (yoy)	Dec	5.2% ▼	5.5%	5.4%	☹
<b>Canada</b>							
☉☉☉☉☉	29-Jan	GDP (yoy)	Nov	0.2% ▲	-0.2%	0.2%	☉
☉☉☉	05-Feb	Net change in employment (ths)‡	Jan	- 5.7 ▼	24.1	5.5	☹

<sup>1</sup> Reading difference to previous release: ▲ = higher than previous; ▼ = lower than previous; = = equal to previous.

<sup>2</sup> 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



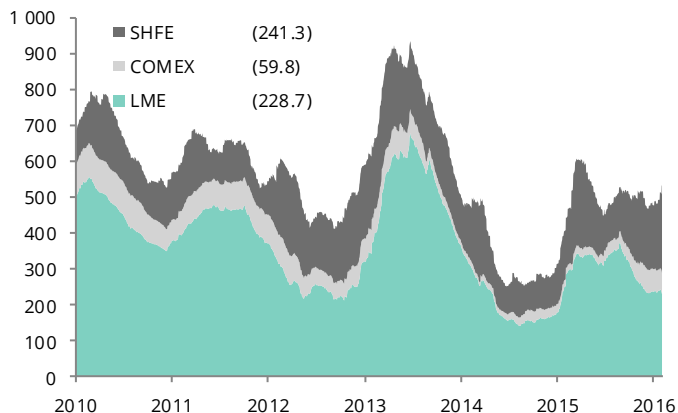
## Key market data

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

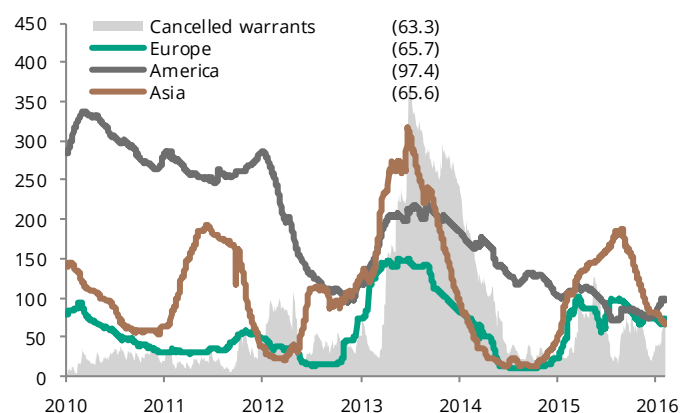
<i>(as of: 05-Feb-16)</i>		Price change °					From year beginning <sup>2</sup>		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
<b>LME (USD/t)</b>									
Copper	4 669.00	▲ 4.5%	▼ -0.7%	▼ -0.7%	▼ -16.6%	4 493.08	4 310.50	4 685.00	
Molybdenum	12 000.00	- 0.0%	- 0.0%	- 0.0%	▼ -36.0%	11 966.00	11 750.00	12 000.00	
Nickel	8 485.00	▼ -2.8%	▼ -2.1%	▼ -2.1%	▼ -42.8%	8 481.60	8 180.00	8 725.00	
Aluminum	1 531.00	▲ 2.2%	▲ 1.6%	▲ 1.6%	▼ -17.2%	1 488.40	1 453.00	1 532.00	
Tin	15 225.00	▲ 11.7%	▲ 4.3%	▲ 4.3%	▼ -19.4%	14 023.60	13 235.00	15 225.00	
Zinc	1 715.50	▲ 12.3%	▲ 7.2%	▲ 7.2%	▼ -18.6%	1 545.68	1 453.50	1 715.50	
Lead	1 789.00	▲ 7.4%	▼ -0.7%	▼ -0.7%	▼ -3.1%	1 672.22	1 597.00	1 818.00	
<b>LBMA (USD/troz)</b>									
Silver	14.91	▲ 5.2%	▲ 7.9%	▲ 7.9%	▼ -12.3%	14.11	13.58	14.91	
Gold <sup>1</sup>	1 150.35	▲ 4.9%	▲ 8.3%	▲ 8.3%	▼ -8.6%	1 105.65	1 077.00	1 156.35	
<b>LPPM (USD/troz)</b>									
Platinum <sup>1</sup>	899.00	▲ 7.9%	▲ 3.1%	▲ 3.1%	▼ -27.2%	858.76	814.00	899.00	
Palladium <sup>1</sup>	509.00	▲ 0.4%	▼ -6.9%	▼ -6.9%	▼ -35.4%	500.24	470.00	550.00	
<b>FX <sup>3</sup></b>									
EUR/USD	1.1202	▲ 3.6%	▲ 2.9%	▲ 2.9%	▼ -1.8%	1.0893	1.0742	1.1206	
EUR/PLN	4.4135	▼ -0.7%	▲ 3.6%	▲ 3.6%	▲ 5.7%	4.4105	4.2935	4.4987	
USD/PLN	3.9420	▼ -3.9%	▲ 1.0%	▲ 1.0%	▲ 7.5%	4.0465	3.9281	4.1475	
USD/CAD	1.3876	▼ -1.9%	▲ 0.3%	▲ 0.3%	▲ 11.7%	1.4158	1.3726	1.4589	
USD/CNY	6.5743	▼ -0.1%	▲ 1.2%	▲ 1.2%	▲ 5.1%	6.5741	6.5159	6.5948	
USD/CLP	698.49	▼ -3.9%	▼ -1.6%	▼ -1.6%	▲ 11.4%	719.41	698.49	730.31	
<b>Money market</b>									
3m LIBOR USD	0.620	▲ 0.00	▲ 0.01	▲ 0.01	▲ 0.36	0.620	0.612	0.624	
3m EURIBOR	-0.167	▼ -0.02	▼ -0.04	▼ -0.04	▼ -0.22	-0.150	-0.167	-0.132	
3m WIBOR	1.690	▼ -0.01	▼ -0.03	▼ -0.03	▼ -0.29	1.704	1.690	1.720	
5y USD interest rate swap	1.216	▼ -0.21	▼ -0.52	▼ -0.52	▼ -0.26	1.406	1.198	1.709	
5y EUR interest rate swap	0.056	▼ -0.10	▼ -0.28	▼ -0.28	▼ -0.26	0.171	0.047	0.309	
5y PLN interest rate swap	1.838	▼ -0.13	▼ -0.15	▼ -0.15	▲ 0.13	1.932	1.815	2.040	
<b>Fuel</b>									
WTI Cushing	30.89	▼ -0.3%	▼ -16.6%	▼ -16.6%	▼ -38.8%	31.49	26.55	36.76	
Brent	33.69	▲ 8.7%	▼ -5.8%	▼ -5.8%	▼ -39.9%	31.17	26.39	36.23	
Diesel NY (ULSD)	104.93	▲ 6.4%	▼ -2.5%	▼ -2.5%	▼ -42.4%	99.22	86.44	108.03	
<b>Others</b>									
VIX	23.38	▲ 1.04	▲ 5.17	▲ 5.17	▲ 6.53	23.31	19.34	27.59	
BBG Commodity Index	75.60	▲ 0.5%	▼ -3.8%	▼ -3.8%	▼ -26.2%	75.48	72.88	77.91	
S&P500	1 880.05	▼ -1.4%	▼ -8.0%	▼ -8.0%	▼ -8.8%	1 916.83	1 859.33	2 016.71	
DAX	9 286.23	▼ -4.9%	▼ -13.6%	▼ -13.6%	▼ -14.8%	9 759.81	9 286.23	10 310.10	
Shanghai Composite	2 763.49	▼ -5.2%	▼ -21.9%	▼ -21.9%	▼ -11.9%	2 935.58	2 655.66	3 361.84	
WIG 20	1 790.87	▲ 3.7%	▼ -3.7%	▼ -3.7%	▼ -23.5%	1 741.59	1 674.57	1 804.42	
KGHM	61.62	▲ 11.6%	▼ -2.9%	▼ -2.9%	▼ -44.2%	56.00	52.29	61.62	

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

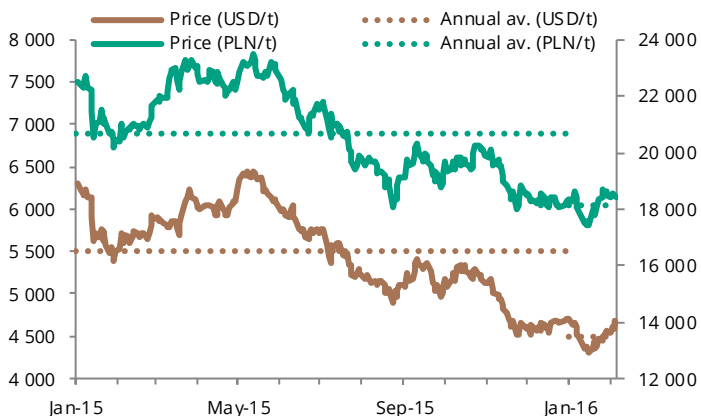
Source: Bloomberg, KGHM

**Copper: official exchange stocks (thousand tonnes)**


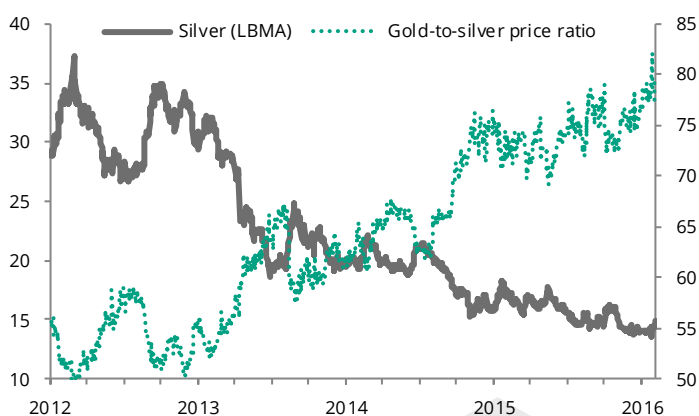
Note: Latest values in brackets. Source: Bloomberg, KGHM

**Copper: official LME stocks (thousand tonnes)**


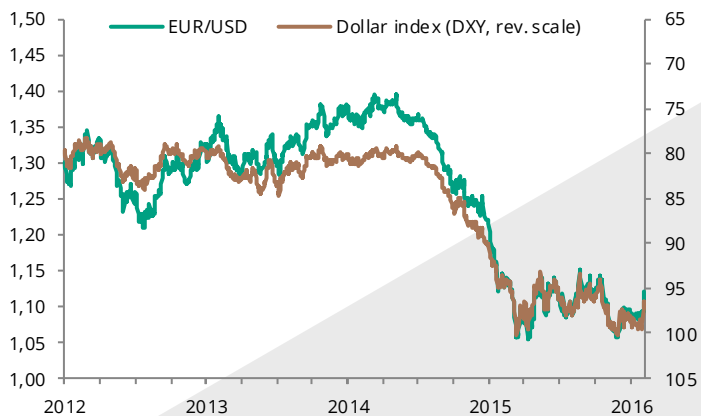
Note: Latest values in brackets. Source: Bloomberg, KGHM

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


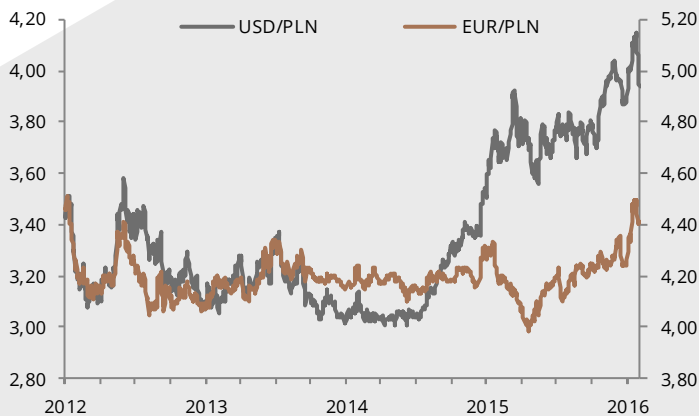
Source: Bloomberg, KGHM

**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:  
**25 January – 8 February 2016.**

- 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, ▪ SNL Metals & Mining, ▪ Wood Mackenzie.

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, a także systemów: Bloomberg oraz Thomson Reuters.

Official metals prices are available on following websites:

- base metals: [www.lme.com/dataprices\\_products.asp](http://www.lme.com/dataprices_products.asp) (charge-free logging)
- silver and gold: [www.lbma.org.uk/pricing-and-statistics](http://www.lbma.org.uk/pricing-and-statistics)
- platinum and palladium: [www.lppm.com/statistics.aspx](http://www.lppm.com/statistics.aspx)

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