

Market Overview

as of: 16 May 2016




- Copper:** Copper hard-landed last fortnight, alongside other metals (with notable exception of molybdenum), falling 7.6%, and is now priced around 2015-end levels. One of negative factors for red metal's price is low level of known mine disruptions – at annualized basis of just 1.9% year to date (*page 2*).
- Precious metals:** In recent two weeks investors' flows into gold ETFs remained strong. U.S. regulatory filings showed that even some influential investors bought into gold through ETFs in the first quarter. George Soros, who once called gold "the ultimate bubble", bought 1.05 million shares in the SPDR gold fund, returning to bullion for the first time in three years. Gold bull John Paulson, however, continued to slash bets on bullion (*page 4*).
- China:** The surge in both housing prices and mortgage lending in 1Q in China poses some risks, even if it has helped alleviate short-term worries about growth. The government's tolerance for this debt-price spiral is detrimental for judging how long the emerging construction cycle will last. Historically, the government has intervened to prevent prices from rising too fast, therefore it is very likely the authorities will soon move to cool down both markets (*page 5*).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▼ Copper	4 660.00	-7.6%
▼ Nickel	8 585.00	-9.2%
LBMA (USD/troz)		
▼ Silver	17.09	-4.3%
▼ Gold (PM)	1 265.90	-1.5%
FX		
▼ EUR/USD	1.1348	-0.5%
▼ EUR/PLN	4.4016	-0.1%
▲ USD/PLN	3.8775	0.1%
▲ USD/CAD	1.2940	3.1%
▲ USD/CLP	682.55	2.9%
Stocks		
▼ KGHM	63.01	-15.3%

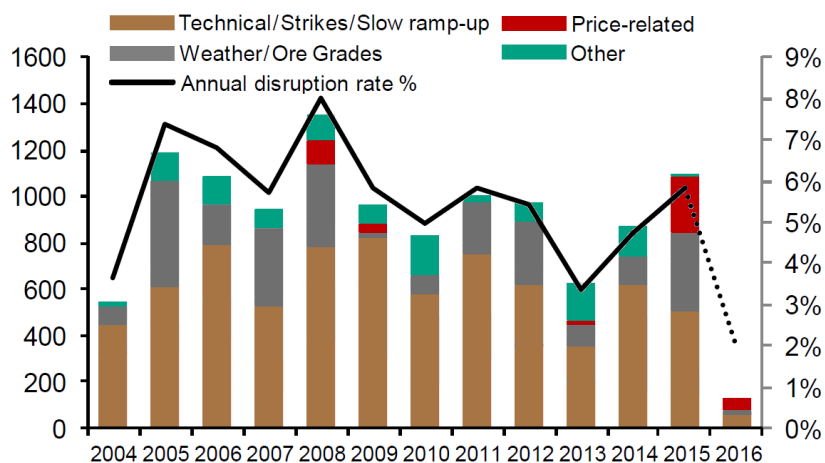
 Source: Bloomberg, KGHM; (*more on page 9*)

Important macroeconomic data

Release	For		
 Industrial prod. (yoy)	Apr	6.0%	▼
 GDP (yoy)	1Q	3.0%	▼
 Non-farm payrolls chng.	Apr	160	▼
 Industr. prod. (wda, yoy)	Mar	0.2%	▼
 New yuan loans	Apr	556	▼

 Source: Bloomberg, KGHM; (*more on page 7*)

Copper mine disruptions to date have been unusually low
 (disruptions versus beginning of 2016 assumptions, kt; *more on page 2*)



Source: Macquarie Research, KGHM

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Base and precious metals | Other commodities

Copper

Copper hard-landed last fortnight, alongside other metals (with notable exception of molybdenum), falling 7.6%, and is now priced around 2015-end levels. One of negative factors for red metal's price is low level of known mine disruptions – at annualized basis of just 1.9% year to date.

Lower disruptions do not support the price

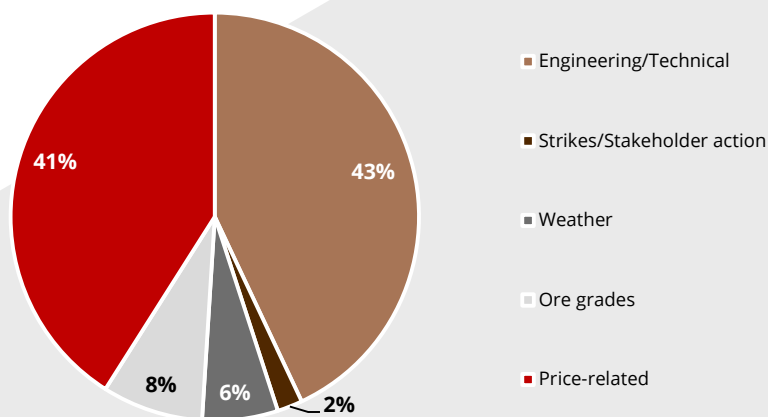
With losses from falling grades, hardening and more complex orebodies, technical outages as well as earthquakes, landslides, strikes or other stakeholder interferences, copper mine output in the last decade was constantly letting expectations down, with disruptions rate usually exceeding 5%. But 2016 is different. Over a third of the way into the year, known disruptions on an annualised basis stand at just 1.9% - versus 2015's full-year rate of 5.8%. While there remains potential for higher levels of outages later in the year, this number is significantly low and may result in supply higher than anticipated, but by not that much.

Annualized rate of disruptions ytd is 1.9% vs. 5.8% in 2015

Price-related cuts, the second biggest force, come mainly from two giants

Historically, the biggest contributors to disruptions were engineering and technical problems, shaving off 1.6% of planned output annually since 2004, out of average rate of 5.6% of total disruptions, while slow project ramp-up difficulties accounted for another 1.1%, strikes and other stakeholders issues 0.9%, and weather 0.3%. This year the second biggest factor behind cuts is price, historically at only 0.2% p.a., but obvious cyclicity prevents from making too many conclusions – especially that these disruptions were built on deep aggressive cuts by one or two miners (Glencore and Freeport McMoRan most notably), rather than the usual numerous cuts at smaller assets.

Price-related cuts is the second biggest source of disruptions year to date



Source: Macquarie Research, KGHM

Additional supply should not impact market too much

Nonetheless, it looks like more copper will be available to the customers than previously thought. Macquarie Research accounts for a 0.8 ppt. reduction in projected disruption and the bank loosed their forecast of market balance by 144k tonnes. This amount, however, will not be available to end users. With the big smelter industry in China committing to capacity cutbacks, the stocking should remain predominantly on the concentrates side, possibly lifting TCRCs and prices in general if less spare metal is seen to be entering the marketplace.

Other important information on copper market:

- Global miner Rio Tinto has given the green light to a 5.3bn USD expansion of the Oyu Tolgoi mine in Mongolia. The Oyu Tolgoi deposit in the South Gobi desert is one of the world's largest, and the expansion of the existing operation is critical, both to Rio Tinto's growth plans and to its shift away from its dependence on iron ore. When the project is completed, it will be the world's third-biggest copper mine. For Mongolia, Oyu Tolgoi is the biggest foreign investment in the history. Early predictions said that at its peak, the mine could account for a third of the country's economy.
- MMG Ltd., the publicly traded unit of China's biggest state-owned metals trader China Minmetals, said it is able to spend as much as 5bn USD on a potential acquisition and is looking at copper and zinc opportunities as struggling producers are forced to sell assets. MMG Ltd. is interested in tier-1, high-quality copper assets in Latin America and Africa, according to the company's CFO Ross Carroll. Barclays capital estimates about 50bn USD worth of assets for sale, which means that the industry has its best market for buyers since the turn of the century.
- Freeport-McMoRan has entered into a definitive agreement to sell its interests in TF Holdings to China Molybdenum. TF Holdings is a Bermuda holding company that indirectly owns an 80% interest in DR of Congo-based copper and cobalt producer Tenke Fungurume Mining. Freeport has a 70% interest in TF Holdings and an effective 56% interest in Tenke. As of December 31, 2015, Tenke had consolidated recoverable reserves totalling 7.2bn lbs of copper and 874mn lbs of cobalt. Freeport reported consolidated Tenke sales for the year 2015 totalling 467mn lb of copper and 35mn lb of cobalt at a net unit cash cost of 1.21 USD/lb of copper. The deal is worth 2.65bn USD in cash and contingent consideration of up to 120mn USD, consisting of 60mn USD if the average copper price exceeds 3.50 USD/lb and 60mn USD if the average cobalt price exceeds 20 USD/lb, both during the 24-month period between 2018 and 2019. According to the company's recent policy, it will use the net proceeds to repay debt. Freeport has also agreed to negotiate exclusively with China Molybdenum to enter into definitive agreements to sell its interests in Freeport Cobalt for 100mn USD and the Kisanfu exploration project in the DRC for 50mn USD. The TF Holdings transaction is expected to close in the fourth quarter of 2016, subject to regulatory approvals, China Molybdenum shareholder approval and other customary closing conditions.

Precious metals

In recent two weeks investors' flows into gold ETFs remained strong. U.S. regulatory filings showed that even some influential investors bought into gold through ETFs in the first quarter. George Soros, who once called gold "the ultimate bubble", bought 1.05 million shares in the SPDR gold fund, returning to bullion for the first time in three years. Gold bull John Paulson, however, continued to slash bets on bullion.

Gold World Council published new demand trends report

Gold demand growth primarily investment driven

Gold demand grew 21% to 1,289.8t – the strongest 1Q on record. Inflows into ETFs of 363.7t were the highest since 1Q09 as sentiment towards gold improved markedly. Having seen regular – and at times substantial – outflows over the last three years, ETFs had a stand-out quarter as gold's investment qualities came back into sharp focus. Inflows reached a seven-year high, close to levels last seen when the sovereign debt crisis was in full swing. Gold found favour for its role as an effective risk diversifier, enhanced by its added benefits of liquidity and relatively low volatility.

Higher price doused jewellery demand on major markets

Global jewellery demand fell 19% yoy to 481.9t, 115t below last year's 596.9t 1Q total. The vast majority (99.3t) of the decline was generated by just two markets: India and China. The sharp rise in the price of gold during the first quarter of the year was a deterrent to jewellery demand, particularly in the price-sensitive markets of Asia and the Middle East where consumers prefer to buy when prices are less volatile. But the unfolding troubles in India proved by far the greater obstacle.

Central banks continue to diversify their reserves into gold

As unconventional monetary policies – including the use of negative interest rates – expand, central banks continue to purchase gold as diversification remains a top priority. Having been particularly evident in the second half of 2015, when purchases amounted to the largest semi-annual total on record, 2016 has begun in similar fashion. In 1Q, central banks purchased – on a net basis – 109.4t, slightly lower (-3%) than the 112.3t in the first quarter of 2015. This is now the 21st consecutive quarter of net purchases, dating back to 2011.

Banks continue to scale down precious metals businesses

ICBC bought gold vault from Barclays

Barclays has signed an agreement to sell its precious metals storage business in the UK to ICBC Standard Bank. ICBC Standard Bank, which is a union of Chinese ICBC and the Standard Bank Group, will acquire the precious metals vaulting business for an undisclosed sum to expand its commodities capabilities in metals clearing and storage services. The vault is one of the largest in Europe and is used to store gold, silver, platinum and palladium in support of the London Market.

Global economies | Foreign exchange markets

China: How long will this real estate recovery last?

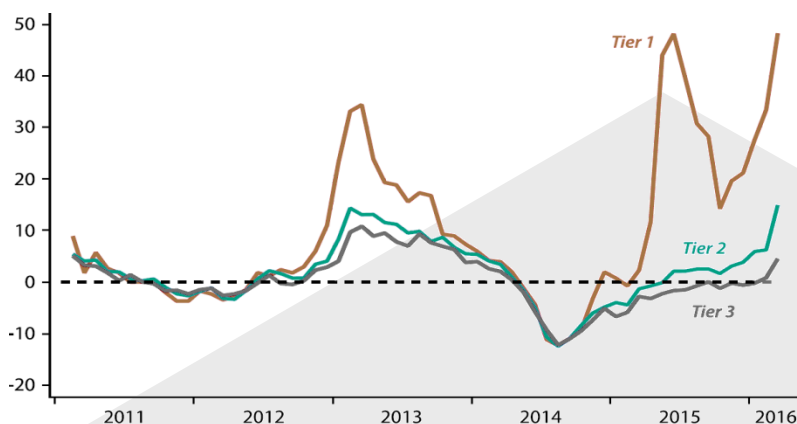
The surge in both housing prices and mortgage lending in 1Q in China poses some risks, even if it has helped alleviate short-term worries about growth. The government's tolerance for this debt-price spiral is detrimental for judging how long the emerging construction cycle will last. Historically, the government has intervened to prevent prices from rising too fast, therefore it is very likely the authorities will soon move to cool down both markets.

New mortgages in 1Q16 were nearly 40% of total new mortgages all of 2015

Housing sales and prices were rising in early 2015, thanks to a series of interest rate cuts and other measures that made mortgages more attractive. But that initial cycle was already starting to cool by Q3, until Xi Jinping's December speech, calling for housing "destocking." This was essentially a green light for local governments to boost housing sales. In February, the minimum downpayment for a mortgage was cut to 20% with transaction taxes reduced. The central bank also supported the idea of boosting mortgages – and mortgage lending jumped by RMB 1.04trn in 1Q alone, compared to the RMB 2.7trn increase for all of 2015. Nationwide housing sales leaped 33% in 1Q, after growing just 2% yoy in December.

Housing prices have rebounded sharply in Tier 1 cities

(average annualized mom change in 70 cities' price index for new housing)



Source: GavekalDragonomics; KGHM

Some of Tier 1 cities have already started to curb the bubble

The accompanying jump in housing prices has been most dramatic in the Tier 1 cities (Beijing, Shanghai, Shenzhen and Guangzhou), which have always been vulnerable to sharp price rises when sentiment is strong. Housing purchase restrictions are thus still in place in Tier 1, though most other cities scrapped them during the downturn of 2014. And these local policies have already been toughened in response to the renewed surge in prices – in late March, Shanghai

and Shenzhen raised downpayments for second homes and tightened other restrictions, while Guangzhou and Beijing stay put – possibly not for long however, as restrictive policies are now also appearing outside Tier 1 cities.

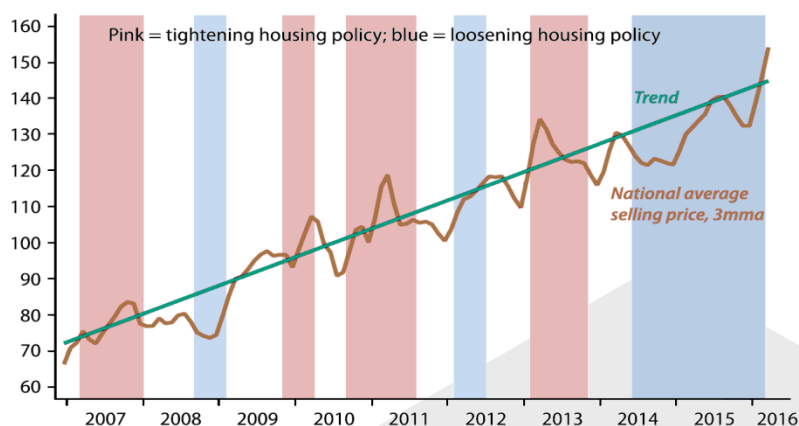
Historically government acted when prices diverged too much from the trend...

The accelerating rise in housing prices is indeed not purely a regional phenomenon that can be addressed by local policies. It is essentially related to a top-level decision to accelerate credit growth, and particularly mortgage lending. Over the past decade the government has reliably tightened housing and credit policies when national average housing prices diverged sharply from their trend, partially due to a strong political commitment to keep housing from becoming too unaffordable for the urban middle class. With prices now rising much faster than the trend, past experience suggests the government will move to cool things down at the margin.

...but radical measures are unlikely

A sharp turnaround in credit growth is, nevertheless, unlikely to be desirable from the leadership's perspective. Many cities still have very high inventories of unsold housing, and they need a way to reduce this overhang. But the risk of the government being in fact not able to precisely fine-tune property market is possible – in that case the cycle in the Chinese housing market could be even more volatile than in the past.

Such a prices jump has historically triggered tightening policy response
(index of average housing selling price, 2010 = 100)



Source: GavekalDragonomics; KGHM

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
China							
☆☆☆	03-May	Caixin's manufacturing PMI	Apr	49.4 ▼	49.7	49.8	📉
☆	07-May	Foreign reserves (USD bn)	Apr	3 219 ▲	3 213	3 202	📈
☆☆	08-May	Trade balance (USD bn)‡	Apr	45.6 ▲	29.9	40.0	📈
☆☆	08-May	Exports (yoy)‡	Apr	-1.8% ▼	11.5%	0.0%	📉
☆☆☆☆	10-May	Consumer inflation CPI (yoy)	Apr	2.3% -	2.3%	2.3%	📊
☆☆	10-May	Producer inflation PPI (yoy)	Apr	-3.4% ▲	-4.3%	-3.7%	📈
☆	13-May	New yuan loans (CNY bn)	Apr	556 ▼	1 370	800	📉
☆☆☆☆	14-May	Industrial production (yoy)	Apr	6.0% ▼	6.8%	6.5%	📉
☆☆	14-May	Fixed assets investments (ytd, yoy)	Apr	10.5% ▼	10.7%	11.0%	📉
☆	14-May	Retail sales (yoy)	Apr	10.1% ▼	10.5%	10.6%	📉
Poland							
☆☆☆	02-May	Manufacturing PMI	Apr	51.0 ▼	53.8	53.0	📉
☆☆☆☆☆	06-May	NBP base rate decision	May	1.50% -	1.50%	1.50%	📊
☆☆☆☆	12-May	Consumer inflation CPI (yoy) - final data	Apr	-1.1% -	-1.1%	--	📊
☆☆☆☆☆	13-May	GDP (yoy) - preliminary data‡	1Q	3.0% ▼	4.3%	3.5%	📉
☆☆☆☆☆	13-May	GDP (qoq) - preliminary data‡	1Q	-0.1% ▼	1.3%	0.6%	📉
☆☆☆☆	13-May	Core CPI (excluding food and energy, yoy)	Apr	-0.4% ▼	-0.2%	-0.3%	📉
☆☆	13-May	Trade balance (EUR mn)‡	Mar	204 ▼	216	325	📉
☆☆	13-May	Exports (EUR mn)‡	Mar	15 417 ▲	14 445	15 417	📊
☆☆	13-May	Current account balance (EUR mn)‡	Mar	- 103 ▲	- 552	345	📈
☆	13-May	M3 money supply (yoy)‡	Apr	11.5% ▲	9.1%	9.7%	📈
US							
☆☆☆	02-May	Manufacturing PMI - final data	Apr	50.8 -	50.8	50.8	📊
☆☆	02-May	ISM Manufacturing	Apr	50.8 ▼	51.8	51.4	📉
☆☆☆	04-May	Composite PMI - final data	Apr	52.4 ▲	51.7	--	📈
☆☆☆	04-May	PMI services - final data	Apr	52.8 ▲	52.1	52.1	📈
☆☆	04-May	Durable goods orders - final data	Mar	0.8% -	0.8%	0.8%	📊
☆☆	06-May	Change in non-farm payrolls (ths)‡	Apr	160 ▼	208	200	📉
☆☆	06-May	Underemployment rate (U6)	Apr	9.7% ▼	9.8%	--	📉
☆☆	06-May	Unemployment rate	Apr	5.0% -	5.0%	4.9%	📈
☆	06-May	Average hourly earnings (yoy)	Apr	2.5% ▲	2.3%	2.4%	📈
☆☆	13-May	Retail sales (excluding autos, mom)‡	Apr	0.8% ▲	0.4%	0.5%	📈
☆☆	13-May	University of Michigan confidence index - preliminary data	May	95.8 ▲	89.0	89.5	📈
Eurozone							
☆☆☆	02-May	Manufacturing PMI - final data	Apr	51.7 ▲	51.5	51.5	📈
☆☆	03-May	Producer inflation PPI (yoy)	Mar	-4.2% -	-4.2%	-4.3%	📈
☆☆☆	04-May	Composite PMI - final data	Apr	53.0 -	53.0	53.0	📊
☆☆☆	04-May	Services PMI - final data	Apr	53.1 ▼	53.2	53.2	📉
☆☆	04-May	Retail sales (yoy)‡	Mar	2.1% ▼	2.7%	2.6%	📉
☆☆☆☆	12-May	Industrial production (sa, mom)‡	Mar	-0.8% ▲	-1.2%	0.0%	📈
☆☆☆☆	12-May	Industrial production (wda, yoy)‡	Mar	0.2% ▼	1.0%	0.9%	📉
☆☆☆☆☆	13-May	GDP (sa, yoy) - preliminary data	1Q	1.5% ▼	1.6%	1.6%	📉
☆☆☆☆☆	13-May	GDP (sa, qoq) - preliminary data	1Q	0.5% ▼	0.6%	0.6%	📉

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
Germany							
☆☆☆	02-May	Manufacturing PMI - final data	Apr	51.8 ▼	51.9	51.9	
☆☆☆	04-May	Composite PMI - final data	Apr	53.6 ▼	53.8	53.8	
☆☆☆	09-May	Factory orders (wda, yoy)‡	Mar	1.7% ▲	0.7%	0.1%	
☆☆☆☆	10-May	Industrial production (wda, yoy)‡	Mar	0.3% ▼	2.0%	1.1%	
☆☆☆☆☆	13-May	GDP (yoy) - preliminary data	1Q	1.3% ▼	2.1%	1.2%	
☆☆☆☆☆	13-May	GDP (sa, qoq) - preliminary data	1Q	0.7% ▲	0.3%	0.6%	
☆☆☆☆	13-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	-0.3% =	-0.3%	-0.3%	
☆☆☆☆	13-May	Consumer inflation CPI (yoy) - final data	Apr	-0.1% =	-0.1%	-0.1%	
France							
☆☆☆	02-May	Manufacturing PMI - final data	Apr	48.0 ▼	48.3	48.3	
☆☆☆	04-May	Composite PMI - final data	Apr	50.2 ▼	50.5	50.5	
☆☆☆☆	10-May	Industrial production (yoy)‡	Mar	-0.8% ▼	0.4%	0.5%	
☆☆☆☆	12-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	-0.1% =	-0.1%	-0.1%	
☆☆☆☆	12-May	Consumer inflation CPI (yoy) - final data	Apr	-0.2% =	-0.2%	-0.2%	
Italy							
☆☆☆	02-May	Manufacturing PMI	Apr	53.9 ▲	53.5	53.0	
☆☆☆	04-May	Composite PMI	Apr	53.1 ▲	52.4	--	
☆☆☆☆	10-May	Industrial production (wda, yoy)‡	Mar	0.5% ▼	1.1%	1.3%	
☆☆☆☆☆	13-May	GDP (wda, yoy) - preliminary data‡	1Q	1.0% ▼	1.1%	0.9%	
☆☆☆☆☆	13-May	GDP (wda, qoq) - preliminary data‡	1Q	0.3% ▲	0.2%	0.3%	
☆☆☆☆	13-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	-0.4% ▼	-0.3%	-0.3%	
UK							
☆☆☆	03-May	Manufacturing PMI (sa)‡	Apr	49.2 ▼	50.7	51.2	
☆☆☆	05-May	Composite PMI	Apr	51.9 ▼	53.6	53.2	
☆☆☆☆	11-May	Industrial production (yoy)‡	Mar	-0.2% ▼	0.1%	-0.4%	
☆☆☆☆☆	12-May	BoE base rate decision	May	0.50% =	0.50%	0.50%	
☆☆☆☆	12-May	BoE asset purchase target (GBP bn)	May	375 =	375	375	
Japan							
☆☆☆	02-May	Manufacturing PMI - final data	Apr	48.2 ▲	48.0	--	
☆☆☆	06-May	Composite PMI	Apr	48.9 ▼	49.9	--	
Chile							
☆☆☆☆	05-May	Economic activity (yoy)	Mar	2.1% ▼	2.8%	2.1%	
☆☆	05-May	Nominal wages (yoy)	Mar	5.4% =	5.4%	5.1%	
☆☆☆☆	06-May	Consumer inflation CPI (yoy)	Apr	4.2% ▼	4.5%	4.2%	
☆☆☆	09-May	Copper exports (USD mn)	Apr	2 166 ▼	2 419	--	
Canada							
☆☆☆	06-May	Net change in employment (ths)	Apr	- 2.1 ▼	40.6	1.0	

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

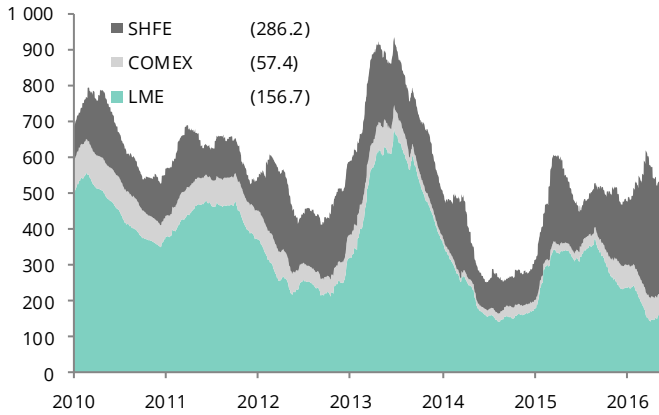
Key market data

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

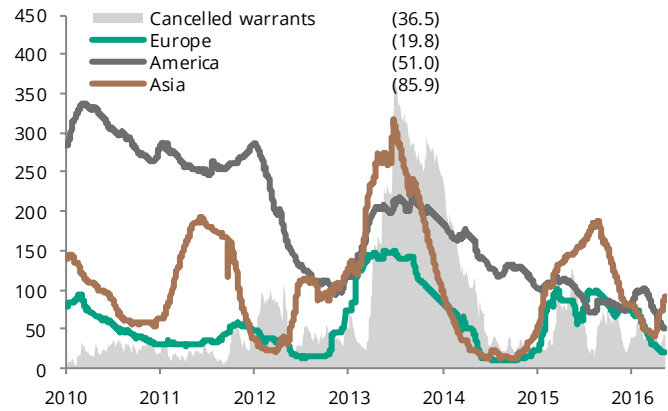
<i>(as of: 13-May-16)</i>		Price change °					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t)									
Copper	4 660.00	▼ -7.6%	▼ -4.0%	▼ -0.9%	▼ -27.2%	4 724.15	4 310.50	5 103.00	
Molybdenum	15 300.00	▲ 12.5%	▲ 25.4%	▲ 27.5%	▼ -11.6%	12 406.52	11 750.00	15 300.00	
Nickel	8 585.00	▼ -9.2%	▲ 3.7%	▼ -0.9%	▼ -37.9%	8 625.65	7 710.00	9 555.00	
Aluminum	1 529.00	▼ -8.6%	▲ 2.5%	▲ 1.4%	▼ -17.2%	1 532.64	1 453.00	1 673.00	
Tin	16 800.00	▼ -3.6%	▼ -0.6%	▲ 15.1%	▲ 6.8%	16 035.76	13 235.00	17 625.00	
Zinc	1 871.00	▼ -3.7%	▲ 4.8%	▲ 16.9%	▼ -19.9%	1 737.22	1 453.50	1 943.00	
Lead	1 724.00	▼ -4.0%	▲ 1.1%	▼ -4.3%	▼ -13.6%	1 741.20	1 597.00	1 896.50	
LBMA (USD/troz)									
Silver	17.09	▼ -4.3%	▲ 11.1%	▲ 23.7%	▼ -1.8%	15.41	13.58	17.86	
Gold ¹	1 265.90	▼ -1.5%	▲ 2.3%	▲ 19.2%	▲ 3.3%	1 205.46	1 077.00	1 294.00	
LPPM (USD/troz)									
Platinum ¹	1 042.00	▼ -2.2%	▲ 6.8%	▲ 19.5%	▼ -9.5%	947.41	814.00	1 081.00	
Palladium ¹	592.00	▼ -5.7%	▲ 4.0%	▲ 8.2%	▼ -24.0%	543.37	470.00	628.00	
FX ³									
EUR/USD	1.1348	▼ -0.5%	▼ -0.3%	▲ 4.2%	▼ -0.6%	1.1137	1.0742	1.1569	
EUR/PLN	4.4016	▼ -0.1%	▲ 3.1%	▲ 3.3%	▲ 7.5%	4.3565	4.2355	4.4987	
USD/PLN	3.8775	▲ 0.1%	▲ 3.2%	▼ -0.6%	▲ 7.9%	3.9126	3.7193	4.1475	
USD/CAD	1.2940	▲ 3.1%	▼ -0.2%	▼ -6.5%	▲ 7.9%	1.3430	1.2544	1.4589	
USD/CNY	6.5320	▲ 0.8%	▲ 1.2%	▲ 0.6%	▲ 5.3%	6.5216	6.4536	6.5948	
USD/CLP	682.55	▲ 2.9%	▲ 1.1%	▼ -3.9%	▲ 13.7%	691.40	657.90	730.31	
Money market									
3m LIBOR USD	0.628	▼ -0.01	▼ 0.00	▲ 0.01	▲ 0.35	0.627	0.612	0.642	
3m EURIBOR	-0.257	▼ -0.01	▼ -0.01	▼ -0.13	▼ -0.25	-0.208	-0.260	-0.132	
3m WIBOR	1.670	- 0.00	- 0.00	▼ -0.05	- 0.00	1.682	1.670	1.720	
5y USD interest rate swap	1.168	▼ -0.10	▼ 0.00	▼ -0.57	▼ -0.48	1.270	1.045	1.709	
5y EUR interest rate swap	-0.003	▼ -0.08	▼ -0.03	▼ -0.33	▼ -0.42	0.068	-0.035	0.309	
5y PLN interest rate swap	1.818	▼ -0.11	▲ 0.04	▼ -0.17	▼ -0.48	1.856	1.735	2.040	
Fuel									
WTI Cushing	46.21	▲ 0.6%	▲ 20.5%	▲ 24.8%	▼ -22.8%	36.38	26.21	46.70	
Brent	47.31	▲ 2.0%	▲ 22.2%	▲ 32.3%	▼ -28.0%	37.34	26.39	47.48	
Diesel NY (ULSD)	140.06	▲ 1.0%	▲ 19.7%	▲ 30.2%	▼ -30.2%	114.16	86.44	140.59	
Others									
VIX	15.04	▼ -0.66	▲ 1.09	▼ -3.17	▲ 2.30	18.47	13.10	28.14	
BBG Commodity Index	84.47	▼ -1.2%	▲ 7.2%	▲ 7.5%	▼ -19.9%	78.51	72.88	85.52	
S&P500	2 046.61	▼ -0.9%	▼ -0.6%	▲ 0.1%	▼ -3.5%	1 991.66	1 829.08	2 102.40	
DAX	9 952.90	▼ -0.9%	▼ -0.1%	▼ -7.4%	▼ -13.9%	9 770.13	8 752.87	10 435.73	
Shanghai Composite	2 827.11	▼ -3.8%	▼ -5.9%	▼ -20.1%	▼ -35.4%	2 927.02	2 655.66	3 361.84	
WIG 20	1 815.38	▼ -4.3%	▼ -9.1%	▼ -2.4%	▼ -27.8%	1 847.86	1 674.57	1 999.93	
KGHM	63.01	▼ -15.3%	▼ -17.2%	▼ -0.8%	▼ -50.6%	66.36	52.29	77.00	

° 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

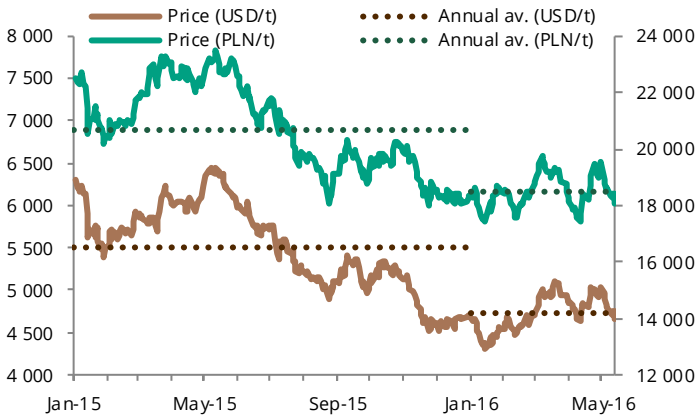
Source: Bloomberg, KGHM

Copper: official exchange stocks (thousand tonnes)


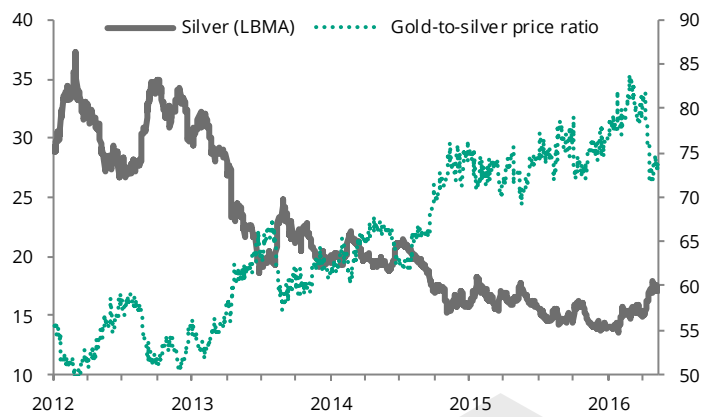
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)


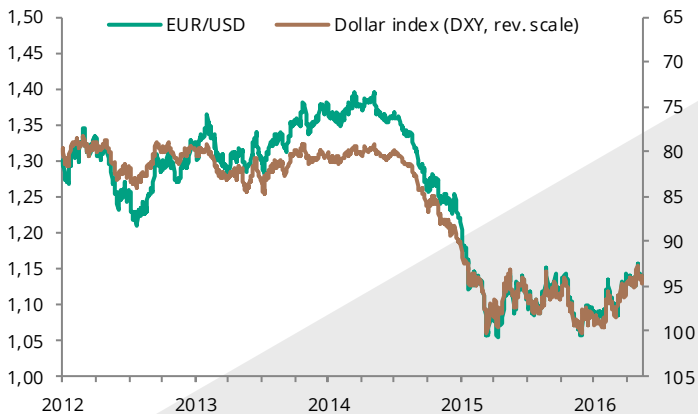
Note: Latest values in brackets. Source: Bloomberg, KGHM

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


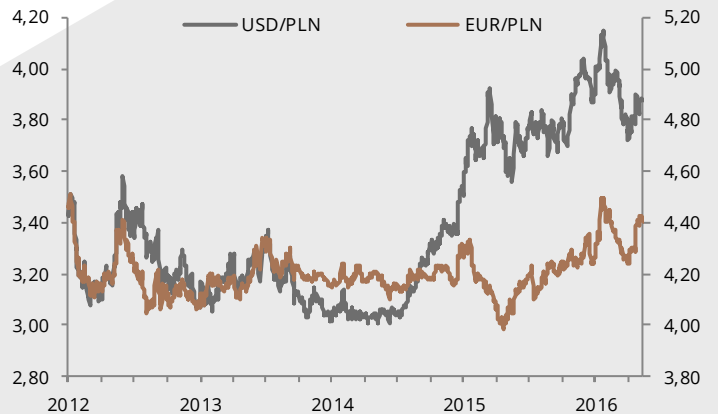
Source: Bloomberg, KGHM

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:
3 May – 15 May 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 (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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