

Market Overview


 as of: 16th October 2017





- Copper:** Peru's production of copper is still rising, but there's a long way ahead of the country if it want to usurp the title of world's biggest copper producer, given a number of problems it has to face. Recent agreements between Escondida's white collar workers, and mines owner BHP offsets the risk of next strike in world's biggest mine (*page 2*).
- Precious metals:** Gold in recent two weeks grew slowly towards 1300 USD/troz level, however it was strongly pressured by profit-taking that is still in force after extended gains from last month. On the support side there were some factors that helped the price to grow such as: ongoing tensions over Iran and North Korea as well as recent weak U.S. economic data that made further US rate growth less certain (*page 5*).
- International Monetary Fund:** The global cyclical upswing that began midway through 2016 continues to gather strength, according to IMF. Only a year and a half ago, the world economy faced stalling growth and financial market turbulence. The picture now is very different, with accelerating growth in Europe, Japan, China, and the United States (*page 7*).

Key market prices

| | Close price | 2w chng. |
|------------------------|-------------|----------|
| LME (USD/t) | | |
| ▲ Copper | 6 858.00 | 5.8% |
| ▲ Nickel | 11 605.00 | 9.6% |
| LBMA (USD/troz) | | |
| ▲ Silver | 17.20 | 2.0% |
| ▲ Gold (PM) | 1 299.60 | 1.3% |
| FX | | |
| ▲ EURUSD | 1.1810 | 0.0% |
| ▼ EURPLN | 4.2603 | -1.1% |
| ▼ USDPLN | 3.6010 | -1.4% |
| ▲ USDCAD | 1.2487 | 0.1% |
| ▼ USDCLP | 624.99 | -1.9% |
| Stocks | | |
| ▲ KGHM | 121.40 | 3.4% |

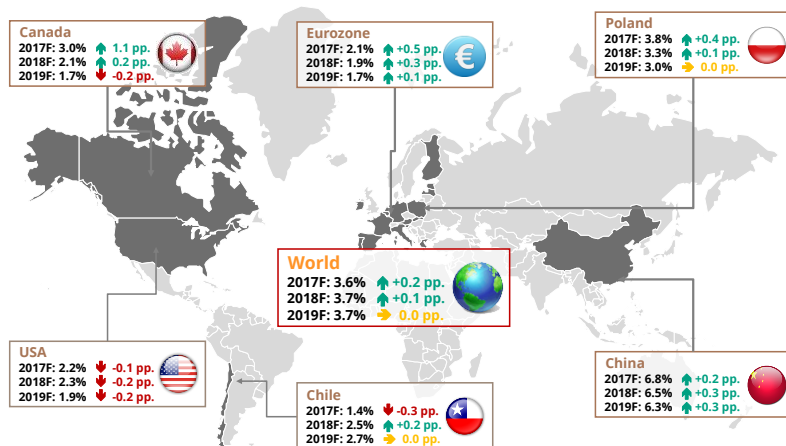
 Source: Bloomberg, KGHM Polska Miedź; (*more on page 10*)

Important macroeconomic data

| Release | For | |
|-----------------------------------------------------------------------------------------------------------------|-----|--------|
|  Industr. prod. (wda, yoy) | Aug | 4.7% ▲ |
|  CPI (yoy) | Sep | 2.2% ▲ |
|  Manufacturing PMI | Sep | 53.7 ▲ |
|  Industr. prod. (wda, yoy) | Aug | 3.8% ▲ |
|  Exports (yoy) | Sep | 8.1% ▲ |

 Source: Bloomberg, KGHM Polska Miedź; (*more on page 8*)

International Monetary Fund has upgraded world real GDP forecasts slightly; China and Eurozone went up, while USA was downgraded



Source: International Monetary Fund, KGHM Polska Miedź

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Base and precious metals | Other commodities

Copper

Peru's production of copper is still rising, but there's a long way ahead of the country if it want to usurp the title of world's biggest copper producer, given a number of problems it has to face. Recent agreements between Escondida's white collar workers, and mines owner BHP offsets the risk of next strike in world's biggest mine.

Peru's dream of usurping Chile as copper king faces roadblocks

President of Peru sees mining industry as a key to reducing poverty

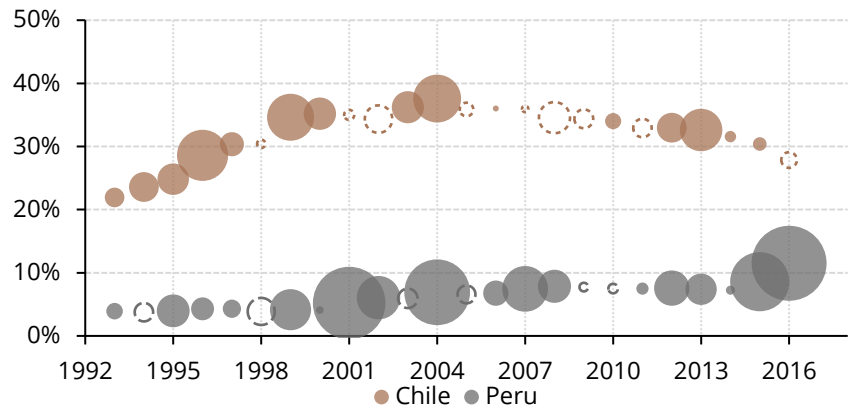
The biggest obstacle to Peru's dream of someday supplanting Chile as the world's biggest copper producer may be Peru itself. Despite higher-grade ores and lower mining costs than neighbouring Chile, the Peruvian government says the country's potential in copper is being restricted by too much bureaucracy. Mine owners also complain about weak infrastructure and strong opposition to projects from people who fear increased environmental risks and disruption to their communities. President Pedro Pablo Kuczynski, who was elected last year, is pushing expansion of the mining industry as a key to stimulating growth and reducing poverty. His government wants to exploit ore reserves that are the third-largest in the world. While output has been rising in the past two years, it remains well below the amount produced in Chile. "We are not saying it will be easy," Peru Mines and Energy Minister Cayetana Aljovín said in an interview, referring to matching Chile's copper output. "We can reach those levels if Peru keeps sending positive signals."

Peru already is the second-largest producer in the world. Last year it boosted output by 35 percent, driven by increases at the Las Bambas mine, run by Chinese-owned MMG Ltd., and by gains at Phoenix-based Freeport-McMoRan Inc.'s Cerro Verde, the largest copper mine in the Andean country. Based on data from the first eight months of 2017, Peru already has surpassed Chile as the largest supplier of mined copper to China, the world's No. 1 metals buyer. The Peruvian government sees more growth ahead, with \$51 billion of new projects slated to start in the next few years as demand from China grows and commodities prices recover. Copper on the London Metal Exchange has rallied 38 percent since the end of 2015, halting a three-year slide, though prices still remain well below their 2011 peak. Peru's production last year of 2.3 million tons of refined copper lagged behind its southern neighbour Chile, which supplied 5.5 million tons. Plus Chile remains an "attractive" place to invest, said Erik Heimlich, a copper analyst at CRU Group. But if Peru can overcome obstacles such as local antipathy to mining, its growth possibilities are huge. "Peru's potential in terms of resources is unquestionable," Heimlich said last week by phone.

Peru's production of copper, zinc and molybdenum rose in August, while lead and tin output declined, the government said Tuesday. Copper output climbed

3.8% to 209,091 mt in August from 201,482 mt a year ago, the Energy and Mines Ministry said in a statement. Freeport-McMoRan's Cerro Verde mine produced 335,649 mt copper through the first eight months, followed by China Minmetals' Las Bambas (293,822 mt), Antamina (289,950 mt), Southern Copper (196,975 mt), Glencore's Antapaccay (127,748 mt), Chinalco's Toromocho (124,625 mt) and Hudbay Minerals' Constancia deposit (78,203 mt), the ministry said. Zinc production was up 7% to 124,282 mt on gains at Antamina, according to the ministry. Molybdenum gained 9.8% to 2,552 mt and arsenic rose 8.8% to 1,972 mt. Lead fell 7.6% to 25,308 mt and tin output at Peru's lone producer Minsur dropped 3.2% to 1,726 mt, according to the ministry.

Last year Peru boosted its copper output by 35 percent, which was mostly driven by increases at the Las Bambas mine



Size of bubble = production growth dynamics, Y-axis = % of global production
 Source: WoodMackenzie, KGHM Polska Miedź

Other important information on copper market:

- Indonesia extended Freeport-McMoRan Inc.'s temporary special mining business license for three months from Tuesday, granting more time to iron out differences over valuation and method of a stake transfer under a framework agreement reached in August. Copper concentrate exports will be allowed for a further three months under the permit, Energy and Mineral Resources Minister Ignasius Jonan told reporters after a parliamentary hearing in Jakarta on Monday. PT Freeport Indonesia is valued at about \$8 billion, based on Freeport's market capitalization of \$20.7 billion and the unit's contribution to its global profit, he earlier told lawmakers. That pegs the value of 51 percent stake in the local unit at about \$4 billion, he said. Freeport has said its long-held goal of keeping management and governance control of the world's second-largest copper mine is "non-negotiable." Jonan reiterated that the government will allow Freeport to continue to run the Grasberg mine and was committed to granting the company two extensions to its mining license through 2041 if the terms on divestment, smelter and state revenue were met. The government plans to tap state pension and insurance companies to

raise the billions needed to fund the purchase of the majority stake in Freeport's local unit and is aiming to wrap up the transaction in 2018, Fajar Harry Sampurno, deputy for mining, media and strategic industries at the State-Owned Enterprises Ministry, said last month.

- BHP Billiton has reached agreement on a collective wage package with white collar staff at the Escondida copper mine in northern Chile, the company said Friday. The deal, negotiated with the No. 2 Union, was reached several months before the existing agreement was due to expire, reducing the risk of a strike. The open pit mine is the world's largest copper operation, producing more than 1 million mt of copper in cathode and concentrates in 2016. Output is set to rise sharply over the coming months as BHP commissions a third concentrator plant at the mine. "The company valued the good spirit in which this mutually beneficial agreement was arrived at, strengthening the collaborative relationship which the parties have developed over time," BHP said. The deal comes just over six months after operators and maintenance workers ended a 44-day strike at the mine, which halted output, costing the company around \$1 billion in lost copper production. As the union ended the strike without a deal, the two sides must begin talks on a new agreement in the coming months.
- The rebuilding effort in and around Houston in the US state of Texas is producing a noticeable impact on the country's copper wire market as people start the arduous process of repairing their homes and replacing flooded cars. "There was a definite surge in orders ... more than usual because of the flooding in Houston," a US wire supplier said, noting that the impact is expected to keep demand robust for several more months. "It's unfortunate for those suffering from the devastating storms, but wire and cable companies benefit." It has been a difficult year for the US copper market, as physical demand has failed to keep pace with the increase in futures prices, and premiums have not budged since May. But demand for bare wire is surging, with 40,000 homes destroyed in the Houston area and upward of 100,000 sustaining some type of damage. The copper industry is also benefiting from the need to replace an estimated 1 million flooded vehicles. It is a substantial number for the wire industry, because vehicles contain an average of roughly 55 lb of copper.
- Kobe Steel has admitted falsifying inspection certificates for over 40,000 mt of aluminum and copper products it supplied to customers such as Toyota Motor and Mitsubishi Heavy Industries, saying in a statement Sunday that "this serious matter has brought overwhelming shame" to the company. Though iron and steel account for a third of Kobe Steel's business, aluminum and copper products provide a substantial 18%. It was data on inspection certificates for aluminum flats, extrusions and castings, and copper strips and tubes, which the company's staff fabricated as having met customer specifications in areas such as tensile strength. An internal audit uncovered the "improper conduct" on products shipped during the 12 months to August 31, Kobe Steel said. As many as 200 companies could be affected, the Nikkei newspaper reported.

- Digital metals trading platform TradeCloud launched on Tuesday October 3, the company said in a release. “The first phase will cover the most commonly traded base metals: copper, aluminium, zinc and nickel. This includes refined metals, refined metal products and scrap,” the company said. TradeCloud’s platform, set up by former Trafigura senior executives Simon Collins and Matthew Botell, is designed to give companies on all sides of the metals market the ability to trade and access an overview of global business in one place. “We are confident that we will see a significant uptake for the product,” ceo Collins said. “Our platform will allow clients to communicate on a multi-channel basis, in a secure and recorded environment. We have some really innovative features that will be appealing to the commercial teams, as well as their compliance, credit, and finance departments,” he added. A key aspect of the TradeCloud platform is the visibility of conversations between companies conducting business with each other and discussions in sales teams, negotiations, bids, offers and deals, organised into one place through a chat function.

Precious Metals

Gold in recent two weeks grew slowly towards 1300 USD/troz level, however it was strongly pressured by profit-taking that is still in force after extended gains from last month. On the support side there were some factors that helped the price to grow such as: ongoing tensions over Iran and North Korea as well as recent weak U.S. economic data that made further US rate growth less certain.

More signs of gold’s digitalization

A subsidiary of Indian brokerage Motilal Oswal Financial Services Ltd (MOFS) and MMTC-PAMP India, the biggest refiner in the country, launched recently a service allowing customers to buy gold on the brokerage’s digital platform. India is the world’s second-biggest consumer of the precious metal, although most of the retail purchases are made offline. Motilal Oswal Securities Ltd., a subsidiary of MOFS, will allow consumers to purchase gold on its digital platform. It will be stored in the vaults of MMTC-PAMP, the companies said in a statement. The country imports about 800 tonnes of gold every year as most Indians prefer to invest in the traditional safe-haven asset, using it to hedge against inflation and as gifts at special occasions. Demand for gold usually strengthens in the December quarter as Indians gear up for the wedding season as well as festivals such as Diwali and Dussehra.

Trading on LME precious grows in volume

The London Metal Exchange expects three more clearing members to join its precious metals contracts by year-end and is looking to expand trading around its gold and silver reference prices, Chief Executive Matthew Chamberlain told recently to the press. Adding further clearing members is a top priority for the

exchange as it looks to expand volumes on LME precious, the suite of gold and silver spot and futures it launched in July. LME has three clearing members who are in the testing environment now. They have done all their documentation and are now configuring their systems to be ready to go. Through the first half of next year there are another six clearing members who are very seriously looking at joining, Chamberlain said at the Reuters Global Commodities Summit. LME precious has 11 clearing members, including Goldman Sachs and Morgan Stanley. Most are members of EOS Precious Metals, a company set up to develop the contracts, which has a 50:50 revenue-sharing deal with the LME. One of the six to be added next year, Chamberlain said, could be one of the “Big Four” gold market institutions not currently involved in LME precious - JPMorgan, HSBC, UBS and Scotia Mocatta.

Global economies | Foreign exchange markets

International Monetary Fund (IMF): World Economic Outlook

The global cyclical upswing that began midway through 2016 continues to gather strength, according to IMF. Only a year and a half ago, the world economy faced stalling growth and financial market turbulence. The picture now is very different, with accelerating growth in Europe, Japan, China, and the United States.

According to the latest IMF's World Economic Outlook publication, financial conditions remain buoyant across the world, and financial markets seem to be expecting little turbulence going forward, even as the Fed continues its monetary normalization process and the European Central Bank inches up to its own.

Global economics is experiencing another growth impulse initiated in the second half of 2016

The global pickup in activity that started in the second half of 2016 gained further momentum in the first half of 2017. Growth is projected to rise over this year and next in emerging market and developing economies, supported by improved external factors—a benign global financial environment and a recovery in advanced economies. Growth in China and other parts of emerging Asia remains strong, and the still-difficult conditions faced by several commodity exporters in Latin America, the Commonwealth of Independent States, and sub-Saharan Africa show some signs of improvement. In advanced economies, the notable 2017 growth pickup is broad based, with stronger activity in the United States and Canada, the euro area, and Japan. Prospects for medium-term growth are more subdued, however, as negative output gaps shrink (leaving less scope for cyclical improvement) and demographic factors and weak productivity weigh on potential growth.

In the short term the continuation of real GDP growth is largely balanced































As IMF experts write in the report, the recovery is not complete: while the baseline outlook is strengthening, growth remains weak in many countries, and inflation is below target in most advanced economies. Commodity exporters, especially of fuel, are particularly hard hit as their adjustment to a sharp stepdown in foreign earnings continues. And while short term risks are broadly balanced, medium-term risks are still tilted to the downside. The welcome cyclical pickup in global activity thus provides an ideal window of opportunity to tackle the key policy challenges—namely to boost potential output while ensuring its benefits are broadly shared, and to build resilience against downside risks.

Risks to growth in the medium term are still skewed to the downside, owing to several potential hazards:

- A more rapid and sizable tightening of global financial conditions;
- Financial turmoil in emerging market economies;
- Persistently low inflation in advanced economies;
- A broad rollback of the improvements in financial regulation and oversight achieved since the global financial crisis;
- An inward shift in policies;
- Noneconomic factors.

Macroeconomic calendar

Important macroeconomic data releases

| Weight | Date | Event | For | Reading ¹ | Previous | Consensus ² | |
|-------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------|-----|----------------------|----------|------------------------|---------------------------------------------------------------------------------------|
| China  | | | | | | | |
| ⊕ | 09-Oct | Foreign reserves (USD bn) | Sep | 3 109 ▲ | 3 092 | 3 100 |  |
| ⊕⊕ | 13-Oct | Trade balance (USD bn)‡ | Sep | 28.5 ▼ | 41.9 | 38.0 |  |
| ⊕⊕ | 13-Oct | Exports (yoy)‡ | Sep | 8.1% ▲ | 5.1% | 10.0% |  |
| ⊕ | 14-Oct | New yuan loans (CNY bn) | Sep | 1 270 ▲ | 1 090 | 1 200 |  |
| Poland  | | | | | | | |
| ⊕⊕⊕ | 02-Oct | Manufacturing PMI | Sep | 53.7 ▲ | 52.5 | 53.0 |  |
| ⊕⊕⊕⊕⊕ | 04-Oct | NBP base rate decision | Oct | 1.50% - | 1.50% | 1.50% |  |
| ⊕⊕⊕⊕ | 12-Oct | Consumer inflation CPI (yoy) - final data | Sep | 2.2% - | 2.2% | -- |  |
| ⊕⊕⊕⊕ | 13-Oct | Core CPI (excluding food and energy, yoy) | Sep | 1.0% ▲ | 0.7% | 0.9% |  |
| US  | | | | | | | |
| ⊕⊕⊕ | 02-Oct | Manufacturing PMI - final data | Sep | 53.1 ▲ | 53.0 | 53.0 |  |
| ⊕⊕ | 02-Oct | ISM Manufacturing | Sep | 60.8 ▲ | 58.8 | 58.1 |  |
| ⊕⊕⊕ | 04-Oct | Composite PMI - final data | Sep | 54.8 ▲ | 54.6 | -- |  |
| ⊕⊕⊕ | 04-Oct | PMI services - final data | Sep | 55.3 ▲ | 55.1 | 55.1 |  |
| ⊕⊕ | 05-Oct | Durable goods orders - final data | Aug | 2.0% ▲ | 1.7% | 1.7% |  |
| ⊕⊕ | 06-Oct | Change in non-farm payrolls (ths)‡ | Sep | - 33.0 ▼ | 169 | 80.0 |  |
| ⊕⊕ | 06-Oct | Underemployment rate (U6) | Sep | 8.3% ▼ | 8.6% | -- |  |
| ⊕⊕ | 06-Oct | Unemployment rate | Sep | 4.2% ▼ | 4.4% | 4.4% |  |
| ⊕ | 06-Oct | Average hourly earnings (yoy)‡ | Sep | 2.9% ▲ | 2.7% | 2.6% |  |
| ⊕⊕⊕⊕ | 13-Oct | Consumer inflation CPI (mom) | Sep | 0.5% ▲ | 0.4% | 0.6% |  |
| ⊕⊕⊕⊕ | 13-Oct | Consumer inflation CPI (yoy) | Sep | 2.2% ▲ | 1.9% | 2.3% |  |
| ⊕⊕ | 13-Oct | Retail sales (excluding autos, mom)‡ | Sep | 1.0% ▲ | 0.5% | 0.9% |  |
| ⊕⊕ | 13-Oct | University of Michigan confidence index - preliminary data | Oct | 101 ▲ | 95.1 | 95.0 |  |
| Eurozone  | | | | | | | |
| ⊕⊕⊕ | 02-Oct | Manufacturing PMI - final data | Sep | 58.1 ▼ | 58.2 | 58.2 |  |
| ⊕⊕ | 02-Oct | Unemployment rate | Aug | 9.1% - | 9.1% | 9.0% |  |
| ⊕⊕ | 03-Oct | Producer inflation PPI (yoy) | Aug | 2.5% ▲ | 2.0% | 2.3% |  |
| ⊕⊕⊕ | 04-Oct | Composite PMI - final data | Sep | 56.7 - | 56.7 | 56.7 |  |
| ⊕⊕⊕ | 04-Oct | Services PMI - final data | Sep | 55.8 ▲ | 55.6 | 55.6 |  |
| ⊕⊕ | 04-Oct | Retail sales (yoy)‡ | Aug | 1.2% ▼ | 2.3% | 2.6% |  |
| ⊕⊕⊕⊕ | 12-Oct | Industrial production (sa, mom)‡ | Aug | 1.4% ▲ | 0.3% | 0.6% |  |
| ⊕⊕⊕⊕ | 12-Oct | Industrial production (wda, yoy)‡ | Aug | 3.8% ▲ | 3.6% | 2.6% |  |
| Germany  | | | | | | | |
| ⊕⊕⊕ | 02-Oct | Manufacturing PMI - final data | Sep | 60.6 - | 60.6 | 60.6 |  |
| ⊕⊕⊕ | 04-Oct | Composite PMI - final data | Sep | 57.7 ▼ | 57.8 | 57.8 |  |
| ⊕⊕⊕ | 06-Oct | Factory orders (wda, yoy)‡ | Aug | 7.8% ▲ | 5.4% | 4.7% |  |
| ⊕⊕⊕⊕ | 09-Oct | Industrial production (wda, yoy)‡ | Aug | 4.7% ▲ | 4.2% | 2.9% |  |
| ⊕⊕⊕⊕ | 13-Oct | Harmonized consumer inflation HICP (yoy) - final data | Sep | 1.8% - | 1.8% | 1.8% |  |
| ⊕⊕⊕⊕ | 13-Oct | Consumer inflation CPI (yoy) - final data | Sep | 1.8% - | 1.8% | 1.8% |  |
| France  | | | | | | | |
| ⊕⊕⊕ | 02-Oct | Manufacturing PMI - final data | Sep | 56.1 ▲ | 56.0 | 56.0 |  |
| ⊕⊕⊕ | 04-Oct | Composite PMI - final data | Sep | 57.1 ▼ | 57.2 | 57.2 |  |
| ⊕⊕⊕⊕ | 10-Oct | Industrial production (yoy)‡ | Aug | 1.1% ▼ | 3.9% | 1.5% |  |
| ⊕⊕⊕⊕ | 12-Oct | Harmonized consumer inflation HICP (yoy) - final data | Sep | 1.1% - | 1.1% | 1.1% |  |
| ⊕⊕⊕⊕ | 12-Oct | Consumer inflation CPI (yoy) - final data | Sep | 1.0% - | 1.0% | 1.0% |  |

| Weight | Date | Event | For | Reading ¹ | Previous | Consensus ² | |
|---------------|--------|-------------------------------------------------------|-----|----------------------|----------|------------------------|---|
| Italy | | | | | | | |
| 🔴🔴🔴 | 02-Oct | Manufacturing PMI | Sep | 56.3 - | 56.3 | 56.8 | 🔴 |
| 🔴🔴 | 02-Oct | Unemployment rate - preliminary data | Aug | 11.2% ▼ | 11.3% | 11.2% | 🟡 |
| 🔴🔴🔴 | 04-Oct | Composite PMI | Sep | 54.3 ▼ | 55.8 | 55.9 | 🔴 |
| 🔴🔴🔴🔴 | 10-Oct | Industrial production (wda, yoy)‡ | Aug | 5.7% ▲ | 4.6% | 2.9% | 🟢 |
| 🔴🔴🔴🔴 | 13-Oct | Harmonized consumer inflation HICP (yoy) - final data | Sep | 1.3% - | 1.3% | 1.3% | 🟡 |
| UK | | | | | | | |
| 🔴🔴🔴 | 02-Oct | Manufacturing PMI (sa)‡ | Sep | 55.9 ▼ | 56.7 | 56.2 | 🔴 |
| 🔴🔴🔴 | 04-Oct | Composite PMI | Sep | 54.1 ▲ | 54.0 | 53.8 | 🟢 |
| 🔴🔴🔴🔴 | 10-Oct | Industrial production (yoy)‡ | Aug | 1.6% ▲ | 1.1% | 0.9% | 🟢 |
| Japan | | | | | | | |
| 🔴🔴🔴 | 02-Oct | Manufacturing PMI - final data | Sep | 52.9 ▲ | 52.6 | -- | 🟢 |
| 🔴🔴🔴 | 04-Oct | Composite PMI | Sep | 51.7 ▼ | 51.9 | -- | 🔴 |
| Chile | | | | | | | |
| 🔴🔴🔴🔴 | 05-Oct | Economic activity (yoy) | Aug | 2.4% ▼ | 2.8% | 2.7% | 🔴 |
| 🔴🔴 | 05-Oct | Nominal wages (yoy) | Aug | 6.0% ▲ | 5.8% | -- | 🟢 |
| 🔴🔴🔴🔴 | 06-Oct | Consumer inflation CPI (yoy) | Sep | 1.5% ▼ | 1.9% | 1.9% | 🔴 |
| 🔴🔴🔴 | 10-Oct | Copper exports (USD mn) | Sep | 3 180 ▲ | 2 994 | -- | 🟢 |
| Canada | | | | | | | |
| 🔴🔴🔴 | 06-Oct | Net change in employment (ths) | Sep | 10.0 ▼ | 22.2 | 12.0 | 🔴 |

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 Polska Miedź

Key market data

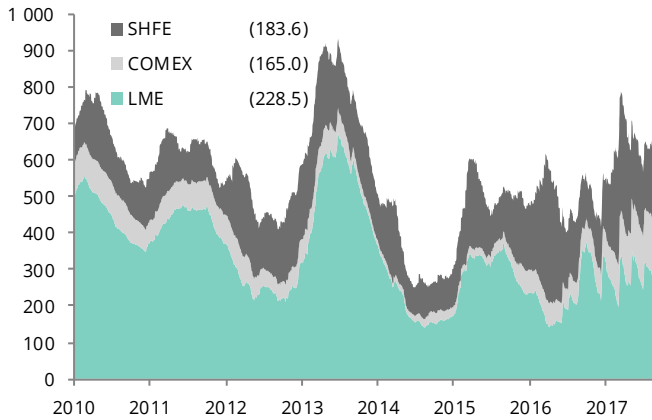
Key base & precious metal prices, exchange rates and other important market factors

| <i>(as of: 13-Oct-17)</i> | | Price change ¹ | | | | | From year beginning ² | | |
|---------------------------|-----------|---------------------------|---------|----------|---------|-----------|----------------------------------|-----------|--|
| | Price | 2W | QTD | YTD | 1Y | Average | Min | Max | |
| LME (USD/t) | | | | | | | | | |
| Copper | 6 858.00 | ▲ 5.8% | ▲ 5.8% | ▲ 24.7% | ▲ 44.2% | 5 984.96 | 5 466.00 | 6 904.00 | |
| Molybdenum | 16 000.00 | - 0.0% | - 0.0% | ▲ 4.9% | ▲ 3.2% | 15 878.14 | 15 250.00 | 17 500.00 | |
| Nickel | 11 605.00 | ▲ 9.6% | ▲ 9.6% | ▲ 15.9% | ▲ 11.4% | 10 060.23 | 8 715.00 | 12 150.00 | |
| Aluminum | 2 140.00 | ▲ 1.4% | ▲ 1.4% | ▲ 24.9% | ▲ 27.3% | 1 934.18 | 1 701.00 | 2 164.00 | |
| Tin | 20 925.00 | ▼ -0.3% | ▼ -0.3% | ▼ -0.8% | ▲ 6.2% | 20 230.45 | 18 760.00 | 21 300.00 | |
| Zinc | 3 325.00 | ▲ 3.4% | ▲ 3.4% | ▲ 29.7% | ▲ 49.1% | 2 809.67 | 2 434.50 | 3 370.00 | |
| Lead | 2 542.00 | ▲ 0.9% | ▲ 0.9% | ▲ 28.1% | ▲ 26.3% | 2 273.10 | 2 007.00 | 2 585.00 | |
| LBMA (USD/troz) | | | | | | | | | |
| Silver | 17.20 | ▲ 2.0% | ▲ 2.0% | ▲ 5.9% | ▼ -2.2% | 17.14 | 15.22 | 18.56 | |
| Gold ² | 1 299.60 | ▲ 1.3% | ▲ 1.3% | ▲ 12.1% | ▲ 3.1% | 1 252.71 | 1 151.00 | 1 346.25 | |
| LPPM (USD/troz) | | | | | | | | | |
| Platinum ² | 941.00 | ▲ 2.3% | ▲ 2.3% | ▲ 3.7% | ▲ 0.6% | 955.43 | 891.00 | 1 033.00 | |
| Palladium ² | 996.00 | ▲ 6.5% | ▲ 6.5% | ▲ 47.3% | ▲ 55.6% | 835.42 | 706.00 | 996.00 | |
| FX ³ | | | | | | | | | |
| EURUSD | 1.1810 | ▲ 0.0% | ▲ 0.0% | ▲ 12.0% | ▲ 7.0% | 1.1175 | 1.0385 | 1.2060 | |
| EURPLN | 4.2603 | ▼ -1.1% | ▼ -1.1% | ▼ -3.7% | ▼ -1.1% | 4.2670 | 4.1737 | 4.4002 | |
| USDPLN | 3.6010 | ▼ -1.4% | ▼ -1.4% | ▼ -13.8% | ▼ -8.1% | 3.8267 | 3.5239 | 4.2271 | |
| USDCAD | 1.2487 | ▲ 0.1% | ▲ 0.1% | - | - | 1.3048 | 1.2128 | 1.3743 | |
| USDCNY | 6.5796 | ▼ -1.1% | ▼ -1.1% | ▼ -5.3% | ▼ -2.2% | 6.7964 | 6.4870 | 6.9640 | |
| USDCLP | 624.99 | ▼ -1.9% | ▼ -1.9% | ▼ -6.3% | ▼ -6.3% | 653.23 | 615.58 | 679.05 | |
| Money market | | | | | | | | | |
| 3m LIBOR USD | 1.353 | ▲ 0.02 | ▲ 0.02 | ▲ 0.36 | ▲ 0.47 | 1.205 | 0.999 | 1.359 | |
| 3m EURIBOR | -0.329 | - 0.00 | - 0.00 | ▼ -0.01 | ▼ -0.02 | -0.329 | -0.332 | -0.319 | |
| 3m WIBOR | 1.730 | - 0.00 | - 0.00 | - 0.00 | ▲ 0.01 | 1.730 | 1.730 | 1.730 | |
| 5y USD interest rate swap | 1.982 | ▼ -0.02 | ▼ -0.02 | ▲ 0.01 | ▲ 0.71 | 1.938 | 1.711 | 2.239 | |
| 5y EUR interest rate swap | 0.213 | ▼ -0.04 | ▼ -0.04 | ▲ 0.14 | ▲ 0.28 | 0.194 | 0.078 | 0.326 | |
| 5y PLN interest rate swap | 2.415 | ▼ -0.03 | ▼ -0.03 | ▲ 0.02 | ▲ 0.35 | 2.398 | 2.165 | 2.625 | |
| Fuel | | | | | | | | | |
| WTI Cushing | 51.45 | ▼ -0.4% | ▼ -0.4% | ▼ -4.2% | ▲ 2.0% | 49.37 | 42.31 | 54.10 | |
| Brent | 57.07 | ▲ 1.0% | ▲ 1.0% | ▲ 3.0% | ▲ 13.3% | 52.17 | 44.21 | 58.86 | |
| Diesel NY (ULSD) | 179.70 | ▼ -0.5% | ▼ -0.5% | ▲ 5.8% | ▲ 14.9% | 158.88 | 135.85 | 185.88 | |
| Others | | | | | | | | | |
| VIX | 9.61 | ▲ 0.10 | ▲ 0.10 | ▼ -4.43 | ▼ -7.08 | 11.27 | 9.19 | 16.04 | |
| BBG Commodity Index | 85.89 | ▲ 1.7% | ▲ 1.7% | ▼ -1.9% | ▼ -0.4% | 84.63 | 79.36 | 89.36 | |
| S&P500 | 2 553.17 | ▲ 1.3% | ▲ 1.3% | ▲ 14.0% | ▲ 19.7% | 2 404.90 | 2 257.83 | 2 555.24 | |
| DAX | 12 991.87 | ▲ 1.3% | ▲ 1.3% | ▲ 13.2% | ▲ 24.8% | 12 262.92 | 11 509.84 | 12 991.87 | |
| Shanghai Composite | 3 390.52 | ▲ 1.2% | ▲ 1.2% | ▲ 9.2% | ▲ 10.8% | 3 219.90 | 3 052.79 | 3 390.52 | |
| WIG 20 | 2 528.16 | ▲ 3.0% | ▲ 3.0% | ▲ 29.8% | ▲ 46.3% | 2 300.90 | 1 989.64 | 2 551.78 | |
| KGHM | 121.40 | ▲ 3.4% | ▲ 3.4% | ▲ 31.3% | ▲ 72.1% | 118.69 | 94.00 | 135.50 | |

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

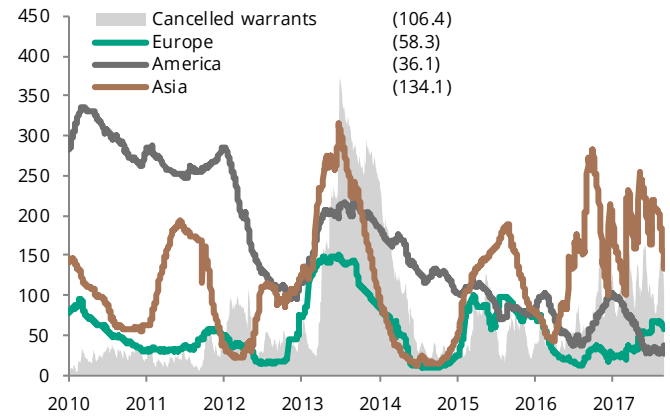
Source: LME, LBMA, LPPM, Central Banks (ECB, Fed, NBP, BCCh, COMEX, Bloomberg, KGHM Polska Miedź)

Copper: official exchange stocks (thousand tonnes)



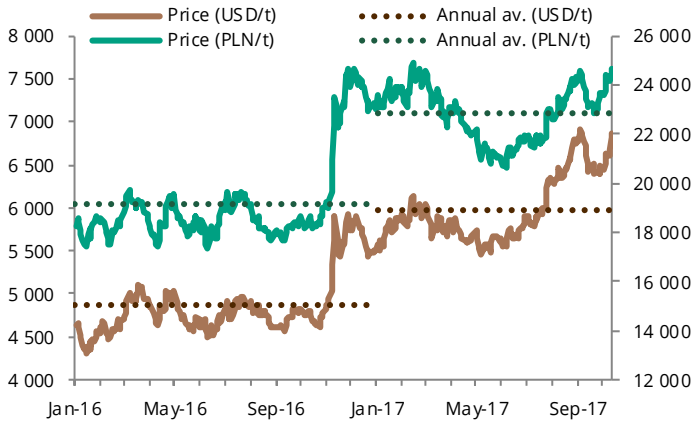
Note: Latest values in brackets. Source: LME, COMEX, SHFE, KGHM

Copper: official LME stocks (thousand tonnes)



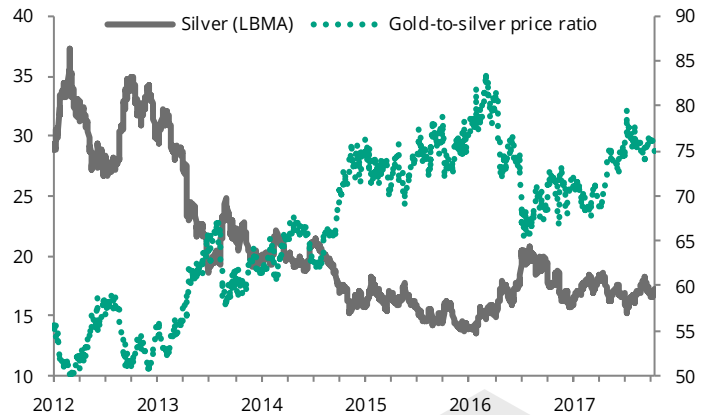
Note: Latest values in brackets. Source: LME, KGHM Polska Miedź

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



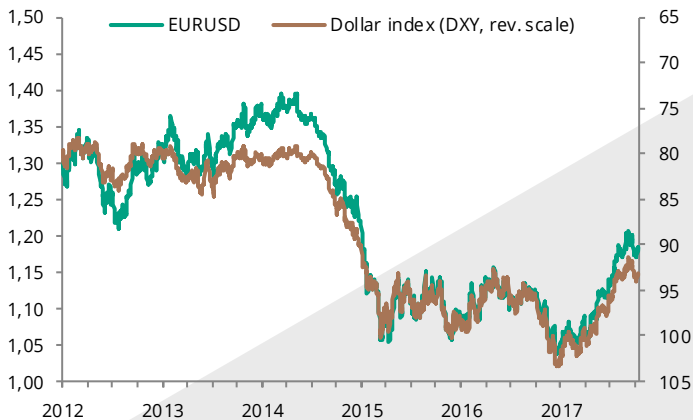
Source: LME, NBP, KGHM Polska Miedź

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



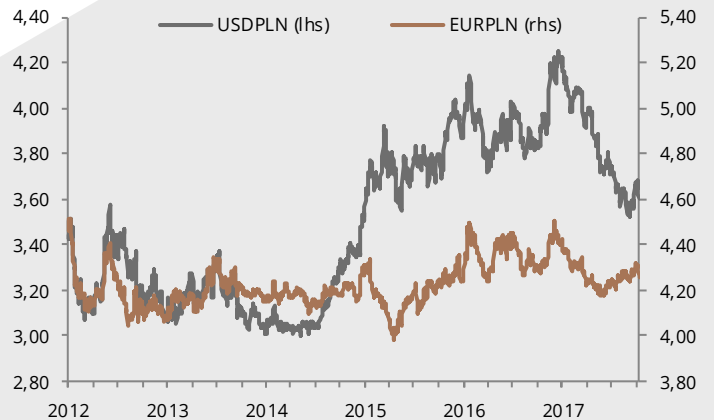
Source: LBMA, Bloomberg, KGHM Polska Miedź

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



Source: ECB, Bloomberg, KGHM Polska Miedź

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



Source: NBP, KGHM Polska Miedź

Legal note

This document has been prepared based on the below listed reports, among others, published in the following period:
2nd – 15th October 2017.

- 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, ▪ Bloomberg, ▪ Reuters.

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/statistics.aspx

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