

Market Overview


 as of: 26th February 2018

- Copper:** Most of the top miners are expected to keep a grip on capital expenditures and maintain lush dividends, but in contrast to that caution, Glencore declared its appetite for growth from acquisitions. Leaders of a breakaway group of workers at Escondida copper mine in Chile secured a new deadline to reach the minimum number of members (*page 2*).
- Precious metals:** Precious metals have been trading sideways, mainly on the back of investors' uncertainty regarding new Fed chairman, Jerome Powell, idea regarding Fed's monetary policy, record India's gold bar imports in January as well as upcoming elections in Italy (*page 4*).
- General commodities markets:** Commodities-related revenue at the 12 biggest investment banks fell by 42% last year to its lowest since at least 2006 (*page 4*).
- International trade:** The U.S. Commerce Department revealed its recommendations that the U.S. impose tariffs or quotas on imports of aluminium and steel. It's been the strongest indication yet, that administration intends to see through its protectionist agenda (*page 6*).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▲ Copper	7 073.50	4.2%
▲ Nickel	13 800.00	6.4%
LBMA (USD/troz)		
▲ Silver	16.61	1.1%
▲ Gold (PM)	1 327.95	0.4%
FX		
▲ EURUSD	1.2299	2.3%
▲ EURPLN	4.1738	0.2%
▼ USDPLN	3.3911	-2.0%
▲ USDCAD	1.2668	1.1%
▼ USDCPL	594.73	-2.4%
Stocks		
▼ KGHM	107.95	-1.3%

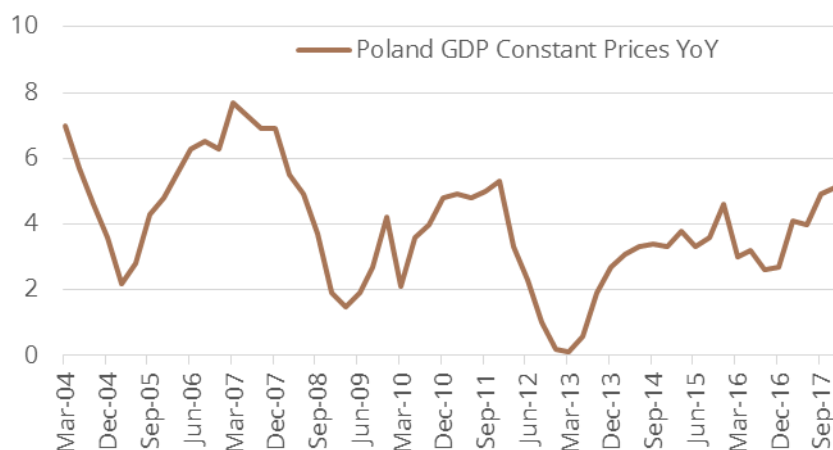
 Source: Bloomberg, KGHM Polska Miedź; (*more on page 10*)

Important macroeconomic data

Release	For		
 GDP (yoy)	4Q	5.1%	▲
 GDP (sa, yoy)	4Q	2.7%	-
 Industrial prod. (mom)	Jan	-0.1%	▼
 GDP (sa, yoy)	4Q	2.3%	-
 GDP (annlzd., sa, qoq)	4Q	0.5%	▼

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

In the 4th quarter of 2017, Polish economy has run at its quickest pace since 2011



Source: GUS, KGHM Polska Miedź

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Base and precious metals | Other commodities

Copper

Most of the top miners are expected to keep a grip on capital expenditures and maintain lush dividends, but in contrast to that caution, Glencore declared its appetite for growth from acquisitions. Leaders of a breakaway group of workers at Escondida copper mine in Chile secured a new deadline to reach the minimum number of members.

As mining investors push caution, Glencore differs from rivals

most miners are not plowing money into mega-mines or big acquisitions

As shareholders push the world's cash-rich miners to maintain lush dividends and make the most of existing assets, Glencore is taking a slightly different tactic that positions it for shrewd acquisitions. Like other big rivals, Glencore is expected to lift its dividend payout when it reports results next week, but the Swiss miner and trader is also "open for business" when it comes to buying mines or companies, its chief financial officer said in December. "Glencore's deal-making is now very strategic. They're trying to find businesses with the highest margin and get into sectors where they will have a competitive advantage," said David Neuhauser, managing director of Livermore Partners, which holds Glencore shares. "They want to do deals where they are not just first movers, but can become leaders," he added. Rising commodity prices, cost cuts and global growth have improved their balance sheets, but most miners are not plowing money into mega-mines or big acquisitions - caution welcomed by investors burned by massive losses in the last downturn. "I don't think they've really got a mandate to do that (spend on major projects) at this stage," said Rohan Walsh, investment manager at Melbourne-based Karara Capital, which holds BHP and Rio shares, a view echoed by multiple investors interviewed by Reuters. "Returning capital is appropriate, particularly after going through a pretty major investment boom we saw a couple of years ago," Walsh added..

"They will have to optimize the capital that has already been invested, run those existing assets pretty effectively and then look for exceptional opportunities going forward." Between 2012 and 2016, the world's top 40 miners booked more than \$200 billion in impairments, according to a recent PwC report, as the value of assets acquired in a deal-making binge crumbled alongside commodity prices. Still smarting, most top miners reporting earnings this month are expected to keep a grip on capital expenditures, even as cash generation improves. In 2016, \$49 billion in capex from the world's top 40 miners was a record low, and none announced new projects, PwC said. Additionally, a series of expected M&A deals failed to materialize as numerous large asset sales were withdrawn, PwC said. In contrast to that caution, Glencore declared its appetite for growth from acquisitions at its annual investor day, alongside expanding existing projects and joint ventures. "I'm supportive of their current M&A strategy," said Neuhauser.

Glencore is banking on battery minerals strength as it holds a dominant position in DRC

"They are focused not just on getting scale but on substance. Once they get scale, they can have a say on price."

Commodity prices are expected to stay strong, and give miners a short-term boost, reflecting under-investment in growth. But long term, miners must invest to replace the commodities they mine out, or face declining production. As a trader, Glencore is well-placed to capitalize on any supply tightness that pushes up prices. It is also banking on battery minerals strength as it holds a dominant position in Democratic Republic of Congo, home to some two-thirds of global cobalt supply. "I think Glencore is more willing to grow than the (other) majors, based on their recent history of buying half of Rio Tinto's thermal coal business," said Clarksons Platou Securities global mining analyst Jeremy Sussman. China's Yancoal won a \$2.7 billion bidding war for Rio's Australian coal mines last year, but Glencore went on to buy a 49 percent stake in the asset via deals with Yancoal and Mitsubishi Corp worth just over \$1.1 billion.

Other important information on copper market:

- Peruvian export volumes of copper, gold, lead and tin fell in December compared with the same month a year earlier, while zinc, silver and molybdenum shipments rose, the country's central bank said Tuesday. Copper exports fell 9% to 235,400 mt from 258,300 mt a year earlier. Gold exports slid 3.2% to 549,500 oz from 567,400 oz a year ago. Lead shipments dropped 11.5% to 76,600 mt from 86,600 mt, while tin shipments from Minsur's San Rafael mine declined by 23% to 1,500 mt from 2,000 mt. Zinc shipments rose 18% to 131,700 mt from 111,700 mt a year earlier, while silver deliveries were up 11.8% to 700,000 oz from 600,000 oz, and molybdenum exports climbed 48% to 2,900 mt from 1,900 mt.
- A Chilean government commission voted unanimously in favor of awarding an environmental permit for a \$1.1 billion project at Antofagasta's Los Pelambres mine, a government official present at the meeting said. The project includes building a desalination plant and other measures to recover and maintain processing capacity of 210,000 tons a day. The project still needs to be approved by the company's board. Production has been impacted by an increase in mineral hardness and water restrictions.
- Leaders of a breakaway group of workers that want to set up a second union at BHP Billiton's Escondida copper mine in Chile say they secured a new deadline to reach the minimum number of members. The group, which needs 10 percent of the workforce or about 250 people, now have until March 8, it said in a text message. Workers were given additional time to sign up due to a shortage of labour authorities to oversee the process, the group said.

Precious Metals

Precious metals have been trading sideways, mainly on the back of investors' uncertainty regarding new Fed chairman, Jerome Powell, idea regarding Fed's monetary policy, record India's gold bar imports in January as well as upcoming elections in Italy.

Venezuelan President Nicolas Maduro to announce new gold-backed cryptocurrency

Venezuela has found a way to go around US sanctions and finance its difficult economic situation

"I don't want to get ahead of things, but we have prepared a surprise, a gold-backed 'petro,' which will have the same parameters as the oil-backed 'petro.' This topic will be raised next week," he said. On Tuesday, Venezuela launched the presale of cryptocurrency tokens supported each by a barrel of Venezuelan oil. Maduro has estimated early gains at \$735 million. The cash-strapped nation has been struggling with political and economic fallout of a global slump in oil prices and US sanctions after Washington blocked its investors from buying Venezuelan debt.

In December, Maduro announced the idea to create a cryptocurrency, backed by the country's oil reserves to "to advance the country's monetary sovereignty." The country has allocated five billion barrels of oil for the cryptocurrency, with reported plans to set the initial price at \$60 per one unit of the currency. Venezuela's President said earlier that urged members of the regional Bolivarian Alliance for the Peoples of Our America-Peoples Trade Treaty to join him in overcoming the "financial blockade" imposed by the US.

General commodities markets

Commodities-related revenue at the 12 biggest investment banks fell by 42% last year to its lowest since at least 2006.

Commodities revenue have fallen by 42% last year and are the lowest since 2006

Revenue from commodity trading, selling derivatives to investors and other activities in the sector fell to \$2.5 billion in 2017 from \$4.3 billion the previous year, financial industry analytics firm Coalition said in the recent report. "Low volatility and subdued client activity, coupled with trading underperformance witnessed in 1H17, led to the overall decline," it said. Revenue was the lowest since Coalition began analyzing bank data in 2006, it said. Banks' commodity revenue has been on a steady downward path in recent years as they have exited or slimmed down their commodity businesses due to heightened government regulation and poor performance from the sector.

A number of firms suffered heavy losses in the first half of 2017 after a slide in natural gas prices, while others lost money in the second half due to swings in oil prices during Hurricane Harvey, analysts have said. Coalition did not mention individual banks, but in the second quarter Goldman Sachs posted the weakest commodities results in its history as a public company. Coalition tracks Bank of

America Merrill Lynch, Barclays, BNP Paribas, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, JPMorgan, Morgan Stanley, Societe Generale and UBS.

Global economies | International Trade

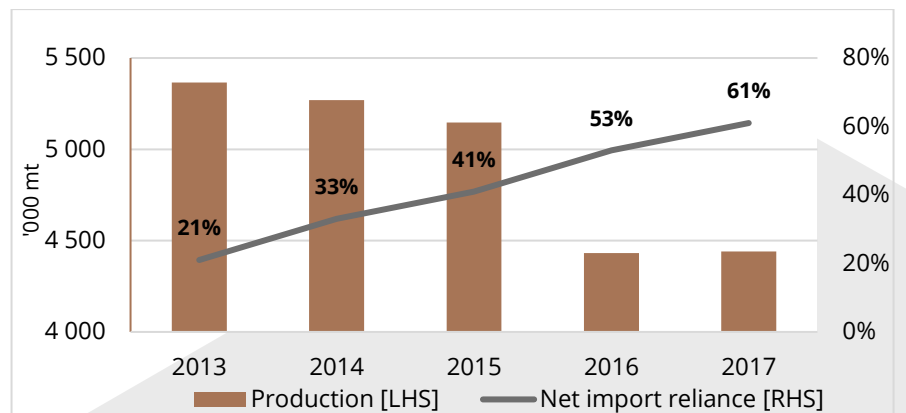
U.S. signals new trade blow with metal tariff proposals

The U.S. Commerce Department revealed its recommendations that the U.S. impose tariffs or quotas on imports of aluminium and steel. It's been the strongest indication yet, that administration intends to see through its protectionist agenda.

Commodities brought into trade conflict

According to U.S. Commerce Department Secretary Wilbur Ross "the quantities and circumstances of steel and aluminum imports threaten to impair the national security". The news spurred gains in metal prices as well shares in Alcoa Corp., Century Aluminum Co. and U.S. Steel Corp. An increase in tariffs could impact consumer prices of everything from beer cans to cars. The recommendations were sent last month to President Donald Trump, who said he was considering tariffs and quotas to protect American industry from the dumping of metals. Beverage companies and carmakers have joined some lawmakers from Trump's own Republican party in opposing tariffs, saying they would threaten U.S. manufacturing jobs. Stocks of Ford Motor Co. and General Motors Co. dropped after the news. The proposed restrictions come weeks after the administration imposed import duties on solar panels and washing machines. Unlike those cases, the recommendations were driven by an obscure section of the 1962 Trade Act that allows the president to impose tariffs without congressional approval if he determines the imports threaten U.S. security.

US aluminium production and net import reliance



Source: U.S. Geological Survey, KGHM Polska Miedz S.A.

Few options to be considered as a mechanism of aluminium and steel sectors' protection

In a briefing with reporters over the results of his department's investigation, Secretary Ross proposed a 24 percent global tariff on steel shipments coming into the U.S. and a 7.7 percent duty on aluminum imports. Trump has the latitude to choose between these types of options or even enter talks with producers to find solutions. He has until about mid-April under the trade law to decide on any potential action. The recommendations were applauded by American

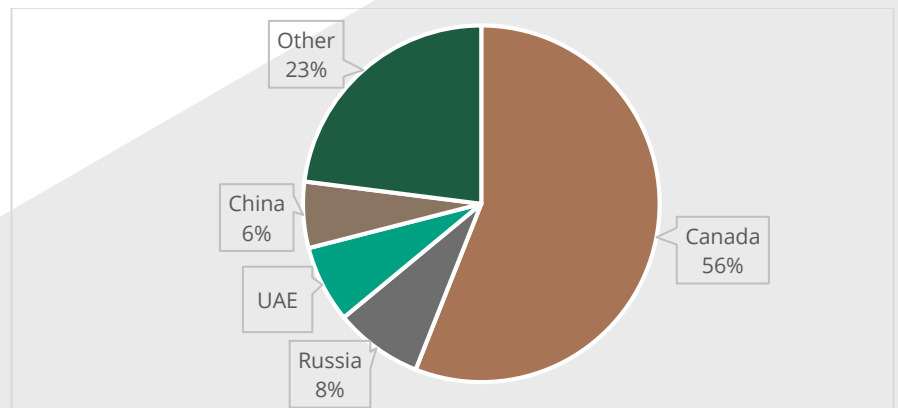
steelworkers and producers, who urged Trump to take immediate action to defend jobs and security. Century shares rose as much as 11 percent, while Alcoa gained 5.5 percent. Aluminium on the London Metal Exchange rose as much as 2.4 percent. Among steelmakers, Nucor Corp., the largest American producer, climbed 6 percent, the biggest intraday increase since November 2016. U.S. Steel advanced as much as 16 percent, the most since late 2016. Secretary Ross also outlined the following alternatives for the President to consider:

- At least a 53 percent tariff on steel imports from Brazil, China, Costa Rica, Egypt, India, Malaysia, Korea, Russia, South Africa, Thailand, Turkey, Vietnam, with a quota by product on steel imports from all other countries equal to 100 percent of their 2017 exports to the U.S.
- Quota on steel imports from all countries up to 63 percent of their 2017 exports to the U.S.
- For aluminum, a 23.6 percent tariff on metal when it comes from China, Russia, Venezuela and Vietnam and Hong Kong,
- An aluminum quota of 86.7 percent of 2017 exports.

High risk of retaliatory measures from other producing countries

Imposing tariffs on such widely used commodities may trigger retaliatory measures from China, the world's biggest producer of steel and aluminum. It could also inflate manufacturing and consumer prices in the U.S., and inflame tensions with allies such as Japan, India, Germany and Canada. Group of 20 economies have pushed back against the threat of steel tariffs, warning such a move could set off a trade war. Additionally Trump is facing resistance to tariffs from lawmakers in his own party. At a meeting this week at the White House, at least seven Republican lawmakers argued against any action that might set off a tit-for-tat response from China or other countries. However the president said the U.S. steel and aluminum industries "are being decimated by dumping and from many countries." The administration is now considering "all options, and part of the options would be tariffs," he told lawmakers at the meeting. Such measures would encourage steel and aluminum producers to come back to the U.S., he said





US aluminium - main import countries 2013 - 2016








Source: U.S. Geological Survey, KGHM Polska Miedź S.A.

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
China 							
⊕	12-Feb	New yuan loans (CNY bn)	Jan	2 900 ▲	584	2 050	▲
Poland 							
⊕⊕	13-Feb	Trade balance (EUR mn)‡	Dec	-1 268 ▼	150	- 377	☹
⊕⊕	13-Feb	Exports (EUR mn)‡	Dec	15 232 ▼	18 253	15 950	☹
⊕⊕	13-Feb	Current account balance (EUR mn)‡	Dec	-1 152 ▼	272	- 425	☹
⊕⊕⊕⊕⊕	14-Feb	GDP (yoy) - preliminary data	4Q	5.1% ▲	4.9%	5.2%	☹
⊕⊕⊕⊕⊕	14-Feb	GDP (qoq) - preliminary data	4Q	1.0% ▼	1.2%	1.2%	☹
⊕⊕⊕⊕	15-Feb	Consumer inflation CPI (yoy)	Jan	1.9% ▼	2.1%	1.9%	⊖
⊕	15-Feb	Budget balance (ytd)	Jan	--	42.7%	--	
⊕⊕	16-Feb	Average gross salary (yoy)	Jan	7.3% -	7.3%	6.9%	▲
⊕	16-Feb	Employment (yoy)	Jan	3.8% ▼	4.6%	3.4%	▲
⊕⊕⊕⊕	20-Feb	Sold industrial production (yoy)‡	Jan	8.6% ▲	2.8%	8.5%	▲
⊕⊕⊕	20-Feb	Retail sales (yoy)	Jan	8.2% ▲	6.0%	6.9%	▲
⊕⊕	20-Feb	Producer inflation PPI (yoy)	Jan	0.2% ▼	0.3%	0.1%	▲
⊕	22-Feb	M3 money supply (yoy)	Jan	4.8% ▲	4.6%	4.9%	☹
⊕⊕	23-Feb	Unemployment rate	Jan	6.9% ▲	6.6%	6.9%	⊖
US 							
⊕⊕⊕⊕	14-Feb	Consumer inflation CPI (mom)‡	Jan	0.5% ▲	0.2%	0.3%	▲
⊕⊕⊕⊕	14-Feb	Consumer inflation CPI (yoy)	Jan	2.1% -	2.1%	1.9%	▲
⊕⊕	14-Feb	Retail sales (excluding autos, mom)‡	Jan	0.0% ▼	0.1%	0.5%	☹
⊕⊕⊕⊕	15-Feb	Industrial production (mom)‡	Jan	-0.1% ▼	0.4%	0.2%	☹
⊕⊕	15-Feb	Philadelphia Fed business outlook	Feb	25.8 ▲	22.2	21.8	▲
⊕	15-Feb	Capacity utilization‡	Jan	77.5% ▼	77.7%	78.0%	☹
⊕⊕	16-Feb	University of Michigan confidence index - preliminary data	Feb	99.9 ▲	95.7	95.5	▲
⊕⊕⊕	21-Feb	Composite PMI - preliminary data	Feb	55.9 ▲	53.8	--	
⊕⊕⊕	21-Feb	Manufacturing PMI - preliminary data	Feb	55.9 ▲	55.5	55.5	▲
⊕⊕⊕	21-Feb	PMI services - preliminary data	Feb	55.9 ▲	53.3	53.7	▲
Eurozone 							
⊕⊕⊕⊕⊕	14-Feb	GDP (sa, yoy) - preliminary data	4Q	2.7% -	2.7%	2.7%	⊖
⊕⊕⊕⊕⊕	14-Feb	GDP (sa, qoq) - preliminary data	4Q	0.6% -	0.6%	0.6%	⊖
⊕⊕⊕⊕	14-Feb	Industrial production (sa, mom)‡	Dec	0.4% ▼	1.3%	0.1%	▲
⊕⊕⊕⊕	14-Feb	Industrial production (wda, yoy)‡	Dec	5.2% ▲	3.7%	4.2%	▲
⊕	15-Feb	Trade balance (EUR mn)	Dec	25.4 ▼	26.3	27.0	☹
⊕	20-Feb	ZEW survey expectations	Feb	29.3 ▼	31.8	--	
⊕	20-Feb	Consumer confidence - estimation‡	Feb	0.1 ▼	1.4	1.0	☹
⊕⊕⊕	21-Feb	Composite PMI - preliminary data	Feb	57.5 ▼	58.8	58.4	☹
⊕⊕⊕	21-Feb	Manufacturing PMI - preliminary data	Feb	58.5 ▼	59.6	59.2	☹
⊕⊕⊕	21-Feb	Services PMI - preliminary data	Feb	56.7 ▼	58.0	57.6	☹
⊕⊕⊕⊕	23-Feb	Consumer inflation CPI (yoy) - final data	Jan	1.3% ▼	1.4%	1.3%	⊖
⊕⊕⊕⊕	23-Feb	Core CPI (yoy) - final data	Jan	1.0% -	1.0%	1.0%	⊖

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
Germany							
⊕⊕⊕⊕⊕	14-Feb	GDP (yoy) - preliminary data	4Q	2.3% -	2.3%	2.2%	▲
⊕⊕⊕⊕⊕	14-Feb	GDP (sa, qoq) - preliminary data	4Q	0.6% ▼	0.8%	0.6%	○
⊕⊕⊕⊕	14-Feb	Harmonized consumer inflation HICP (yoy) - final data	Jan	1.4% -	1.4%	1.4%	○
⊕⊕⊕⊕	14-Feb	Consumer inflation CPI (yoy) - final data	Jan	1.6% -	1.6%	1.6%	○
⊕⊕⊕	21-Feb	Composite PMI - preliminary data	Feb	57.4 ▼	59.0	58.5	◐
⊕⊕⊕	21-Feb	Manufacturing PMI - preliminary data	Feb	60.3 ▼	61.1	60.5	◐
⊕⊕	22-Feb	IFO business climate	Feb	115 ▼	118	117	◐
⊕⊕⊕⊕⊕	23-Feb	GDP (yoy) - final data	4Q	2.3% -	2.3%	2.3%	○
⊕⊕⊕⊕⊕	23-Feb	GDP (sa, qoq) - final data	4Q	0.6% -	0.6%	0.6%	○
⊕⊕	23-Feb	Exports (qoq)‡	4Q	2.7% ▲	1.8%	2.2%	▲
France							
⊕⊕⊕	21-Feb	Composite PMI - preliminary data	Feb	57.8 ▼	59.6	59.2	◐
⊕⊕⊕	21-Feb	Manufacturing PMI - preliminary data	Feb	56.1 ▼	58.4	58.0	◐
⊕⊕⊕⊕	22-Feb	Harmonized consumer inflation HICP (yoy) - final data	Jan	1.5% -	1.5%	1.5%	○
⊕⊕⊕⊕	22-Feb	Consumer inflation CPI (yoy) - final data	Jan	1.3% ▼	1.4%	1.4%	◐
Italy							
⊕⊕⊕⊕⊕	14-Feb	GDP (wda, yoy) - preliminary data	4Q	1.6% ▼	1.7%	1.7%	◐
⊕⊕⊕⊕⊕	14-Feb	GDP (wda, qoq) - preliminary data	4Q	0.3% ▼	0.4%	0.4%	◐
⊕⊕⊕⊕	22-Feb	Harmonized consumer inflation HICP (yoy) - final data	Jan	1.2% ▲	1.1%	1.1%	▲
UK							
⊕⊕⊕⊕	13-Feb	Consumer inflation CPI (yoy)	Jan	3.0% -	3.0%	2.9%	▲
⊕⊕	21-Feb	Unemployment rate (ILO, 3-months)	Dec	4.4% ▲	4.3%	4.3%	▲
⊕⊕⊕⊕⊕	22-Feb	GDP (yoy) - preliminary data‡	4Q	1.4% -	1.4%	1.5%	◐
⊕⊕⊕⊕⊕	22-Feb	GDP (qoq) - preliminary data	4Q	0.4% ▼	0.5%	0.5%	◐
Japan							
⊕⊕⊕⊕⊕	14-Feb	GDP (annualized, qoq) - preliminary data‡	4Q	0.5% ▼	2.2%	1.0%	◐
⊕⊕⊕⊕⊕	14-Feb	GDP (qoq, sa) - preliminary data	4Q	0.1% ▼	0.6%	0.2%	◐
⊕⊕⊕⊕	15-Feb	Industrial production (yoy) - final data	Dec	4.4% ▲	4.2%	--	
⊕⊕⊕	21-Feb	Manufacturing PMI - preliminary data	Feb	54.0 ▼	54.8	--	
⊕⊕⊕⊕	23-Feb	Consumer inflation CPI (yoy)	Jan	1.4% ▲	1.0%	1.3%	▲
Chile							
<i>No major data in the period</i>							
Canada							
⊕⊕⊕⊕	23-Feb	Consumer inflation CPI (yoy)	Jan	1.7% ▼	1.9%	1.5%	▲

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

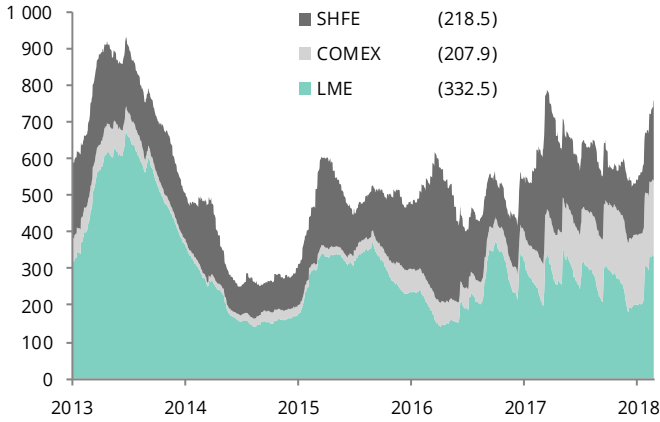
Key base & precious metal prices, exchange rates and other important market factors

<i>(as of: 23-Feb-18)</i>		Price change ¹					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t)									
Copper	7 073.50	▲ 2.4%	▼ -1.2%	▼ -1.2%	▲ 18.1%	7 043.86	6 755.00	7 202.50	
Molybdenum	16 000.00	- 0.0%	- 0.0%	- 0.0%	▲ 4.9%	16 000.00	16 000.00	16 000.00	
Nickel	13 800.00	▲ 4.4%	▲ 12.6%	▲ 12.6%	▲ 29.8%	13 161.67	12 415.00	14 150.00	
Aluminum	2 210.00	▲ 4.1%	▼ -1.4%	▼ -1.4%	▲ 17.4%	2 202.51	2 123.50	2 266.00	
Tin	21 650.00	▲ 0.2%	▲ 8.9%	▲ 8.9%	▲ 13.1%	21 135.13	19 960.00	22 105.00	
Zinc	3 569.00	▲ 2.9%	▲ 7.9%	▲ 7.9%	▲ 25.6%	3 487.19	3 350.50	3 618.00	
Lead	2 533.00	▲ 0.4%	▲ 1.5%	▲ 1.5%	▲ 11.6%	2 586.77	2 511.00	2 683.00	
LBMA (USD/troz)									
Silver	16.61	▲ 0.0%	▼ -1.5%	▼ -1.5%	▼ -7.7%	16.95	16.35	17.52	
Gold ²	1 327.95	▲ 0.2%	▲ 2.4%	▲ 2.4%	▲ 6.4%	1 332.05	1 311.00	1 354.95	
LPPM (USD/troz)									
Platinum ²	990.00	▲ 2.2%	▲ 6.8%	▲ 6.8%	▼ -2.4%	989.47	936.00	1 020.00	
Palladium ²	1 041.00	▲ 4.8%	▼ -1.4%	▼ -1.4%	▲ 33.6%	1 060.56	969.00	1 129.00	
FX³									
EURUSD	1.2299	▼ -0.3%	▲ 2.6%	▲ 2.6%	▲ 16.3%	1.2269	1.1932	1.2493	
EURPLN	4.1738	▼ -0.1%	▲ 0.1%	▲ 0.1%	▼ -3.1%	4.1646	4.1423	4.2024	
USDPLN	3.3911	▼ 0.0%	▼ -2.6%	▼ -2.6%	▼ -17.0%	3.3942	3.3173	3.4999	
USDCAD	1.2668	▲ 0.5%	▲ 1.0%	▲ 1.0%	▼ -3.4%	1.2482	1.2288	1.2709	
USDCNY	6.3372	▼ -0.1%	▼ -2.6%	▼ -2.6%	▼ -7.7%	6.3868	6.2778	6.5297	
USDCLP	594.73	▼ -0.9%	▼ -3.3%	▼ -3.3%	▼ -7.3%	602.31	592.66	614.75	
Money market									
3m LIBOR USD	1.956	▲ 0.12	▲ 0.26	▲ 0.26	▲ 0.90	1.785	1.696	1.956	
3m EURIBOR	-0.328	▲ 0.00	▲ 0.00	▲ 0.00	▲ 0.00	-0.329	-0.329	-0.327	
3m WIBOR	1.720	- 0.00	- 0.00	- 0.00	▼ -0.01	1.720	1.720	1.720	
5y USD interest rate swap	2.725	▲ 0.09	▲ 0.48	▲ 0.48	▲ 0.75	2.547	2.283	2.816	
5y EUR interest rate swap	0.456	▼ -0.02	▲ 0.14	▲ 0.14	▲ 0.36	0.422	0.292	0.509	
5y PLN interest rate swap	2.593	▼ -0.07	▲ 0.09	▲ 0.09	▲ 0.07	2.575	2.400	2.740	
Fuel									
WTI Cushing	63.48	▲ 7.2%	▲ 5.1%	▲ 5.1%	▲ 17.3%	62.97	59.19	66.14	
Brent	67.10	▲ 7.7%	▲ 0.4%	▲ 0.4%	▲ 19.4%	67.44	62.33	70.42	
Diesel NY (ULSD)	196.59	▲ 7.2%	▼ -4.8%	▼ -4.8%	▲ 18.7%	201.45	183.32	212.60	
Others									
VIX	16.49	▼ -8.48	▲ 5.45	▲ 5.45	▲ 4.78	16.35	9.15	37.32	
BBG Commodity Index	88.69	▲ 2.2%	▲ 0.6%	▲ 0.6%	▲ 1.5%	88.54	85.64	90.80	
S&P500	2 747.30	▲ 3.2%	▲ 2.8%	▲ 2.8%	▲ 16.2%	2 749.90	2 581.00	2 872.87	
DAX	12 483.79	▲ 2.4%	▼ -3.4%	▼ -3.4%	▲ 4.5%	12 915.09	12 107.48	13 559.60	
Shanghai Composite	3 289.02	▲ 3.3%	▼ -0.5%	▼ -0.5%	▲ 1.2%	3 400.55	3 129.85	3 559.47	
WIG 20	2 406.11	▼ -1.1%	▼ -2.2%	▼ -2.2%	▲ 6.7%	2 506.63	2 382.79	2 630.37	
KGHM	107.95	▲ 1.0%	▼ -2.9%	▼ -2.9%	▼ -18.8%	110.55	102.25	115.00	

^o 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

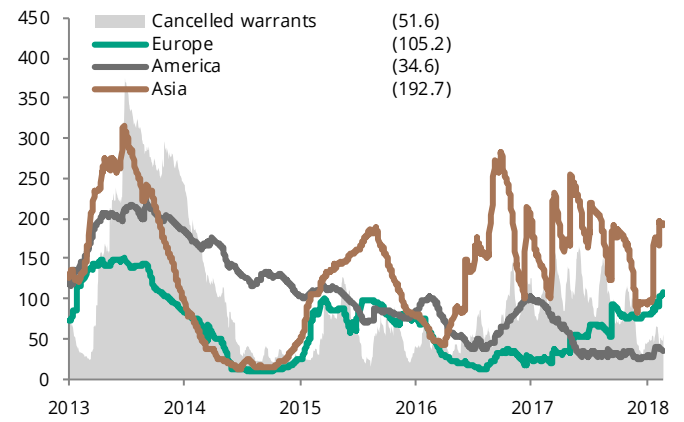
Source: Bloomberg, KGHM

Copper: official exchange stocks (thousand tonnes)



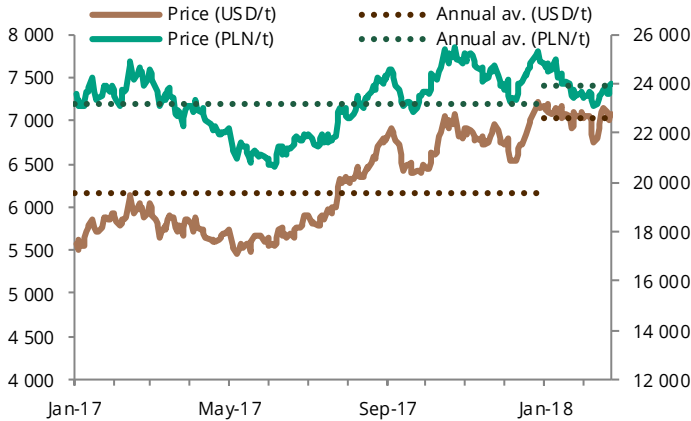
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)



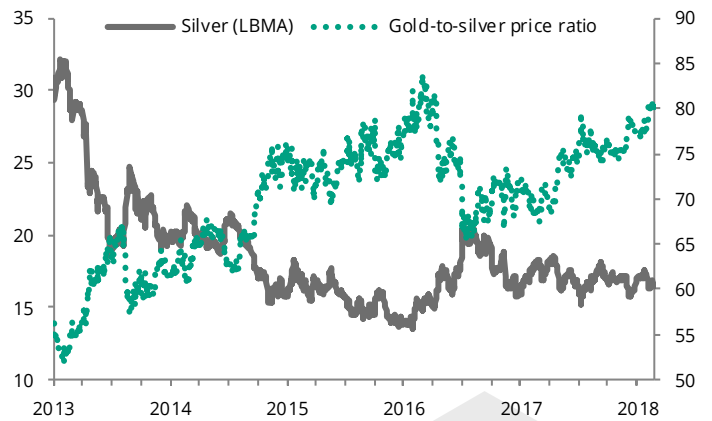
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



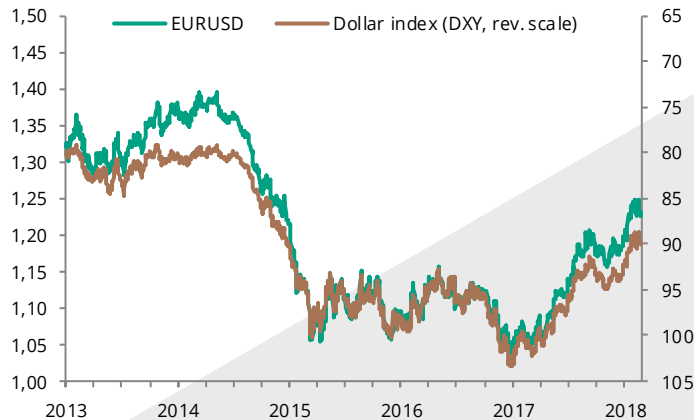
Source: Bloomberg, KGHM Polska Miedź

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



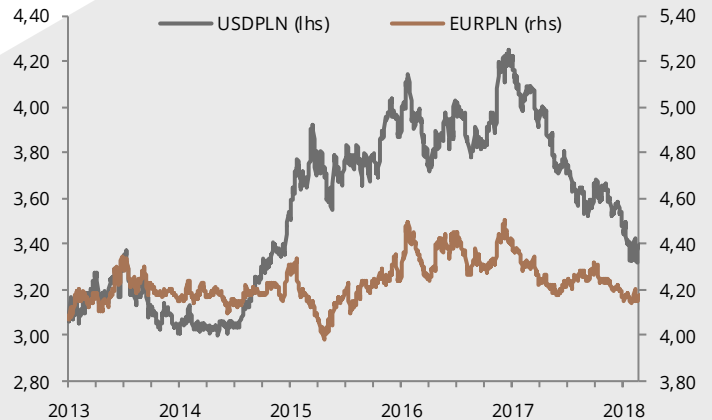
Source: Bloomberg, KGHM Polska Miedź

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



Source: Bloomberg, KGHM Polska Miedź

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



Source: Bloomberg, KGHM Polska Miedź

Legal note

This document has been prepared based on the below listed reports, among others, published in the following period: **12th – 25th February 2018.**

- 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.

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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