

Market Overview

as of: 21st May 2018

- Copper:** Every year around October The London Metal Exchange (LME) organizes a gala dinner that attracts metals' market participants from around the world. After LME takeover by the Hong Kong Exchange a few years ago, the new owner initiated a similar meeting near his Asian headquarters. Initially, it was rather local in nature and the participants were mainly entities operating on the Asian market. Each year, however, the event attracts more and more interest from producers, consumers and investors from other parts of the world. It is also a visible transmission signal, reserved not only to production plants, but more and more often also commercial and financial operations to this part of the world (*page 2*).
- Precious metals:** The US dollar rose to a five-month high against a basket of major currencies on Friday, helped by weakness in the euro as investors fretted about political uncertainty in Italy. Strong dollar has curbed the precious metals' prices and by the end of the recent fortnight gold prices have fallen to the lowest level in 2018 (*page 5*).
- U.S. sanctions:** Oleg Deripaska has resigned from the board of directors of Russia's En+, but he has yet to cede his stake in the group. Rusal's problems have led to the extension of queues for aluminium to some LME warehousesGlobal (str. 6).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▲ Copper	6 783.50	0.0%
▲ Nickel	14 750.00	6.6%
LBMA (USD/troz)		
▼ Silver	16.39	-0.2%
▼ Gold (PM)	1 288.30	-1.6%
FX		
▼ EURUSD	1.1781	-1.0%
▲ EURPLN	4.2958	1.0%
▲ USDPLN	3.6385	2.1%
▲ USDCAD	1.2880	0.1%
▲ USDCPL	632.36	1.8%
Stocks		
▲ KGHM	93.50	1.7%

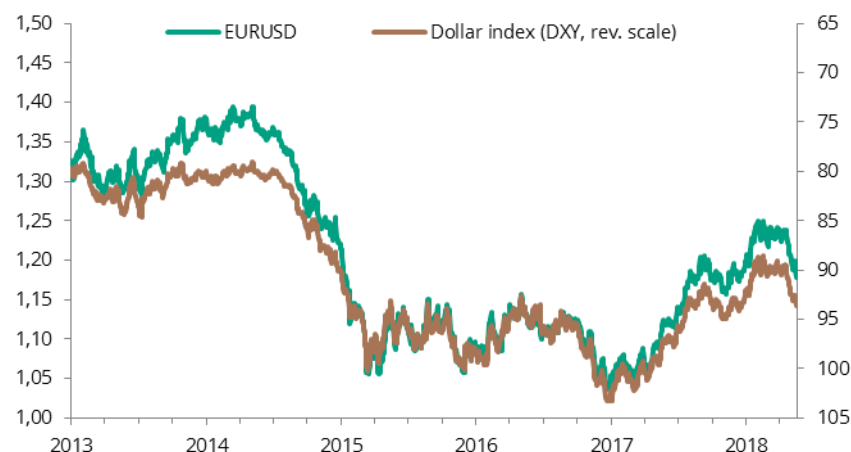
Source: Bloomberg, KGHM Polska Miedź; (*more on page 9*)

Important macroeconomic data

Release	For	
 GDP (annlzd., qoq)	4Q	2.1% ▲
 Core CPI (yoy)	Mar	0.7% ▼
 Official manuf. PMI	Mar	51.8 ▲
 Composite PMI	Mar	57.0 ▲
 Industrial prod. (yoy)	Feb	4.8% ▲

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

US dollar strikes back!



Source: Bloomberg, KGHM Polska Miedź

Market Risk Unit

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Base and precious metals | Other commodities

Copper

Every year around October The London Metal Exchange (LME) organizes a gala dinner that attracts metals' market participants from around the world. After LME takeover by the Hong Kong Exchange a few years ago, the new owner initiated a similar meeting near his Asian headquarters. Initially, it was rather local in nature and the participants were mainly entities operating on the Asian market. Each year, however, the event attracts more and more interest from producers, consumers and investors from other parts of the world. It is also a visible transmission signal, reserved not only to production plants, but more and more often also commercial and financial operations to this part of the world.

LME Asia – key takeaways

This year's meeting took place in the third week of May. LME also organizes thematic seminars during the whole week, where guests from Chinese as well as international corporations and financial institutions discuss current events in the metals' market, Chinese economy, changing legal regulations or the development trends of LME and its new products.

Among the questions to participants of the seminar, there was an assessment of the attractiveness of individual metals' markets. Copper was the most prospective metal (44% of voters), while lead was the least supported (0%). This is a significant change since the LME Week last year in London, where zinc has been rated the most, which story is said to be already done, according to market participants.

One of the topics discussed was the launch of a commodity trading platform by the Shanghai Futures Exchange a few days earlier. It is an entity competing with LME in the Chinese market. Until now, this competition was limited to the futures market, but soon the option to settle financial transactions with physical delivery of material, which until now was the LME domain, should appear. Potential new price benchmark in China will appear, which may strengthen competition between the internal Chinese entity and the one located in the vestibule of the Middle Kingdom. The topic raises legitimate concerns and doubts of LME.

One of the most hottest topics was connected with restrictions on the processing of copper scrap recently introduced by the Chinese government with a view to protecting the environment. Imports of low quality materials have been banned. Some time ago, the discussions were overwhelmed by the expectations of a quick adjustment of the market to new requirements. It was expected that low-quality material would be pre-processed in newly established plants in nearby countries and would go to Chinese smelters as a higher-class material or entire production plants would partially transfer their activities to neighboring countries. However, these changes are not progressing as quickly as expected. It is hardly surprising

that the countries in the region are not eager to accept in their borders a part of production recognized in another country as harmful to the environment. Investors are afraid of adapting legal regulations and regulations, therefore they are not in a hurry to shift production. This situation generates a significant increase in the demand for higher class scrap, which Chinese imports from the US, Japan and Europe have clearly increased in recent months.

Other topics discussed more in the lobby and during less formal meetings were customs tariffs imposed on China and economic sanctions against Russia. It is still very hard to clearly determine the consistency of these activities, especially since some of them are indirect. For example, the limitation of the aluminum producer's (Rusal) possibility of action began to raise concerns of the governments of several European countries about the continuity of operation of a part of production plants dependent to a large extent on the supply of this company. In addition to aluminum, Russian company also recovers certain chemical compounds from production waste, which are used in the production processes of other plants in Europe.

ShFE Plans Commodities Platform To Set Physical Prices

Shanghai Futures Exchange (ShFE) said on Tuesday it would launch China's first real-time platform for trading physical commodities from copper to chemicals, as it seeks to improve transparency and challenge rivals in the global futures market. The platform will set physical premiums and discounts for cash-settled futures warrants depending on the commodity's location, quality and brand. In commodities trading, buyers typically pay a premium on top of or receive a discount from the underlying futures price for the physical delivery of the product. "The trade aims to promote a premium and discount pricing mechanism among different brands, grades and delivery regions of the commodities, and improve efficiency of commodities trading," ShFE said in a statement. It did not give a date for the launch. All ShFE's futures products - from ferrous and base metals to precious metals, energy and chemicals - would be available on the platform but only companies would be allowed to participate not individuals, it said. That suggests the bourse wants to limit the platform to industrial users, such as copper fabricators, aluminium smelters or chemical makers, helping avoid big physical price swings. Small commodities trading platform investors tend to trade on a short-term basis, often causing price volatility.

ShFE's planned platform aimed to make trading more transparent and reduce risks, the bourse said. Margins would not be applied, with full payment required upfront, it said. The move mirrors that of its U.S. rival CME Group Inc, which has launched cash-settled U.S. premium contracts for aluminium and copper in recent years. The London Metal Exchange, the world's oldest and largest metals marketplace, has said it also plans to introduce cash-settled regional aluminium premiums in the future. The initiative also comes as China's commodities derivatives exchanges have started opening up to foreign investors for the first time, part of an long-term effort to increase their influence over global prices of

everything from oil to copper. In March, Shanghai launched a crude oil contract, the first commodity derivatives futures market to be open to international investors. This month, Dalian Commodity Exchange took a similar step, giving foreign players access to its iron ore futures. In the past decade, the Shanghai exchange has captured a greater share of global metals futures trading volumes from the LME as the country has grown into the world's top consumer and producer of metals.

Other important information on copper market:

- Chile's copper production increased 18.9 percent in the first quarter of 2018 from the same period a year earlier, Chilean copper commission Cochilco said on Tuesday. Production this year was boosted by a low basis for comparison following an historic strike last year at BHP's Escondida copper mine, the world's largest. Escondida tripled its production in the first quarter of 2018 to 322,700 tonnes, Cochilco said. Between January and March, Chile, the world's top copper producer and exporter, produced 1.42 million tonnes of the red metal, Cochilco said. In March, the South American country's copper production increased 30.8 percent year-on-year to 487,900 tonnes. State miner Codelco produced 446,300 tonnes of copper in the first quarter, according to Cochilco's statistics, which marked a 7.2 percent increase over the previous year. The Collahuasi copper mine in northern Chile, owned by Anglo American Plc and Glencore Plc increased production by 5 percent in the first quarter to 137,600 tonnes, Cochilco said.
- Peru's production of copper, zinc, tin and molybdenum all gained in March, while precious metals and lead fell, the government said Thursday. Copper output rose 5.8% YOY to 200,482 mt in March from 189,426 mt a year ago, the Energy & Mines Ministry said in a statement. Zinc production gained 7.2% to 117,753 mt, while tin at Peru's lone producer Minsur rose 4.5% to 1,421 mt, the ministry said. Molybdenum jumped 38.6% to 2,482 mt and cadmium production at Nexa Resources' Cajamarquilla refinery rose 4.1% to 50 mt, according to the ministry. Gold production dropped 4.9% to 11,148 kg from 11,720 kg a year ago, the ministry said. Gold output declined at mines operated by Newmont and Barrick. Silver production slid 2.8% to 349,310 kg and lead fell 10.6% to 23,163 mt.
- The commission appointed to draft the regulations required for the Democratic Republic of Congo's (DRC) new mining code has completed its work and will now report back to the Minister of Mines, major international mining companies active in the country said. According to industry representatives, the minister will then work with the inter-ministerial commission ahead of presenting the new code to government for approval. A legal and technical team representing Randgold Resources, AngloGold Ashanti, Glencore plc, Ivanhoe Mines, Gold Mountain International/Zijin Mining Group, MMG (PTY) Ltd, Crystal River Global Ltd and China Molybdenum Co Ltd (CMOC) has been in the DRC to negotiate with the government since mid-March.

- Average daily volumes (ADV) on the London Metal Exchange rocketed as much as 63.2% year on year for the month of April, with aluminium's ADV difference soaring 117.5% higher, according to the bourse's latest monthly trading report. The LME's monthly trading report includes a breakdown of ADV, with its latest report excluding unallocated trades (UNA) for each metal. An UNA trade is a new service that enables LME members to efficiently book their give-up trades in compliance with the new Markets in Financial Instruments Directive (MiFID) II regulation, the LME explained.

Precious Metals

The US dollar rose to a five-month high against a basket of major currencies on Friday, helped by weakness in the euro as investors fretted about political uncertainty in Italy. Strong dollar has curbed the precious metals' prices and by the end of the recent fortnight gold prices have fallen to the lowest level in 2018.

LBMA suspends Russian precious metals refinery from 'good delivery' lists

The London Bullion Market Association said on Tuesday it had suspended the Ekaterinburg Non-Ferrous Metals Processing Plant from its gold and silver good delivery lists due to "ownership related issues". The refinery in Russia is controlled by Moscow-based conglomerate Renova Group, which along with its key shareholder, billionaire Viktor Vekselberg, was sanctioned by the United States on April 6. The LBMA said in a notice the refinery would be removed from its active good delivery lists from May 14. The good delivery lists contain refineries whose gold and silver bars meet the required standard for acceptability in the London bullion market, the world's largest. The London Bullion Market Association did not comment when asked whether the suspension was linked directly to the sanctions. "Due diligence in regard to the credibility of the lists is continuously reviewed on an ongoing basis," LBMA chief executive Ruth Crowell said. Suspension from the list makes it harder for buyers and sellers to trade bars in the mainstream precious metals market, traders said. "Our company would not touch any bars that are not LBMA-accredited," one trader at a major precious metals house said. "Most probably they are going to be in a secondary market." The impact of the suspension on the global market was likely to be muted, traders said, as the bulk of Russian gold production remains in the Russian domestic market. Russia produced 272 tonnes of gold last year, data from consultancy Metals Focus showed. The Russian central bank alone added 224 tonnes of bullion to its gold reserves in that time, while domestic jewelry consumption reached nearly 40 tonnes.

Global economies | Foreign exchange markets

Moscow May Provide Some Support For Deripaska's Rusal

Oleg Deripaska has resigned from the board of directors of Russia's En+, but he has yet to cede his stake in the group. Rusal's problems have led to the extension of queues for aluminium to some LME warehouses.

The Russian government has pledged to assist Russian companies that experience financial troubles because of the U.S. sanctions






Russian sanctions-hit businessman Oleg Deripaska has resigned from the board of directors of Russia's En+, in a move that could help alleviate sanctions pressure on the firm. Washington imposed sweeping sanctions last month on some of Russia's biggest companies and businessmen, including En+, striking at allies of President Vladimir Putin to punish Moscow for alleged meddling in the 2016 U.S. presidential election and other so-called malign activities. En+, which manages Deripaska's aluminium and hydropower businesses, said it would propose that Philippe Mailfait, an independent director at the group, replace Deripaska on the board of directors of Rusal, Russia's largest aluminium producer. The group said the long-term effects of the U.S. move and the threat of additional sanctions were difficult to determine. The group's chairman said this month it was working on a plan it hoped would lead the United States to lift the sanctions. Deripaska has tried to distance himself from the companies. He agreed last month to lower his stake in En+ Group to less than 50 percent, after Washington said it could lift the sanctions against the company if he relinquished control. But Deripaska has yet to cede his stake in the group.







The Russian government has pledged to assist Russian companies that experience financial troubles because of the U.S. sanctions. But lately, Finance Minister Anton Siluanov said Russia will not go as far as buying stakes in those firms. "The issue of credit support to Rusal and GAZ by Promsvyazbank (PSB) is being worked out," Siluanov told reporters, but did not disclose how much support might be available. Sberbank, Russia's top bank, and VTB, the country's second largest, are key lenders to Deripaska's empire. Both are controlled by the state in one form or another.

Rusal's difficult situation related to sanctions led to the extension of queues to some LME warehouses. A 109-day queue for aluminium out of the ISTIM warehouse in Port Klang developed last month following a series of large cancelations on the London Metal Exchange, according to LME data released on Thursday May 10. On-warrant aluminium stocks in Port Klang fell 66% during April leaving just 110,496 of available stock at the ISTIM warehouse. The cancelations followed the announcement of US sanctions against Rusal, leading to traders trying to get hold of non-Russian metal which was held in Asian warehouses. With the large cancelations, it is not surprising the queue has formed – but over a 100 days is very significant and if it sustains for a long period of time it may cause serious problems. This is the longest queue for aluminium since early 2017.

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
China							
⊕	07-May	Foreign reserves (USD bn)	Apr	3 125 ▼	3 143	3 131	📉
⊕⊕	08-May	Trade balance (USD bn)	Apr	28.8 ▲	- 5.0	27.8	📈
⊕⊕	08-May	Exports (yoy)	Apr	12.9% ▲	-2.7%	8.0%	📈
⊕⊕⊕⊕	10-May	Consumer inflation CPI (yoy)	Apr	1.8% ▼	2.1%	1.9%	📉
⊕⊕	10-May	Producer inflation PPI (yoy)	Apr	3.4% ▲	3.1%	3.4%	📊
⊕	11-May	New yuan loans (CNY bn)	Apr	1 180 ▲	1 120	1 100	📈
⊕⊕⊕⊕	15-May	Industrial production (yoy)	Apr	7.0% ▲	6.0%	6.4%	📈
⊕⊕	15-May	Fixed assets investments (ytd, yoy)	Apr	7.0% ▼	7.5%	7.4%	📉
⊕	15-May	Retail sales (yoy)	Apr	9.4% ▼	10.1%	10.0%	📉
Poland							
⊕⊕	14-May	Trade balance (EUR mn)‡	Mar	- 317 ▲	- 601	- 502	📈
⊕⊕	14-May	Exports (EUR mn)‡	Mar	18 117 ▲	16 239	18 075	📈
⊕⊕	14-May	Current account balance (EUR mn)‡	Mar	- 982 ▼	- 972	-1 088	📈
⊕⊕⊕⊕⊕	15-May	GDP (yoy) - preliminary data‡	1Q	5.1% ▲	4.9%	4.8%	📈
⊕⊕⊕⊕⊕	15-May	GDP (qoq) - preliminary data‡	1Q	1.6% ▲	1.0%	1.3%	📈
⊕⊕⊕⊕	15-May	Consumer inflation CPI (yoy) - final data	Apr	1.6% -	1.6%	--	📊
⊕⊕⊕⊕⊕	16-May	NBP base rate decision	May	1.50% -	1.50%	1.50%	📊
⊕⊕⊕⊕	16-May	Core CPI (excluding food and energy, yoy)	Apr	0.6% ▼	0.7%	0.6%	📉
⊕⊕	18-May	Average gross salary (yoy)	Apr	7.8% ▲	6.7%	7.2%	📈
⊕	18-May	Employment (yoy)	Apr	3.7% -	3.7%	3.7%	📊
US							
⊕⊕⊕⊕	10-May	Consumer inflation CPI (mom)	Apr	0.2% ▲	-0.1%	0.3%	📈
⊕⊕⊕⊕	10-May	Consumer inflation CPI (yoy)	Apr	2.5% ▲	2.4%	2.5%	📊
⊕⊕	11-May	University of Michigan confidence index - preliminary data	May	98.8 -	98.8	98.3	📈
⊕⊕	15-May	Retail sales (excluding autos, mom)‡	Apr	0.3% ▼	0.4%	0.5%	📉
⊕⊕⊕⊕	16-May	Industrial production (mom)‡	Apr	0.7% -	0.7%	0.6%	📈
⊕	16-May	Capacity utilization‡	Apr	78.0% ▲	77.6%	78.4%	📈
⊕⊕	17-May	Philadelphia Fed business outlook	May	34.4 ▲	23.2	21.0	📈
Eurozone							
⊕⊕⊕⊕⊕	15-May	GDP (sa, yoy) - preliminary data	1Q	2.5% -	2.5%	2.5%	📊
⊕⊕⊕⊕⊕	15-May	GDP (sa, qoq) - preliminary data	1Q	0.4% -	0.4%	0.4%	📊
⊕⊕⊕⊕	15-May	Industrial production (sa, mom)‡	Mar	0.5% ▲	-0.9%	0.7%	📈
⊕⊕⊕⊕	15-May	Industrial production (wda, yoy)‡	Mar	3.0% ▲	2.6%	3.6%	📈
⊕	15-May	ZEW survey expectations	May	2.4 ▲	1.9	--	📈
⊕⊕⊕⊕	16-May	Consumer inflation CPI (yoy) - final data	Apr	1.2% ▼	1.3%	1.2%	📉
⊕⊕⊕⊕	16-May	Core CPI (yoy) - final data	Apr	0.7% -	0.7%	0.7%	📊
⊕	18-May	Trade balance (EUR mn)	Mar	26.9 ▲	18.9	--	📈
Germany							
⊕⊕⊕	07-May	Factory orders (wda, yoy)‡	Mar	3.1% ▲	3.0%	5.0%	📈
⊕⊕⊕⊕	08-May	Industrial production (wda, yoy)‡	Mar	3.2% ▲	2.2%	3.0%	📈
⊕⊕⊕⊕⊕	15-May	GDP (yoy) - preliminary data	1Q	1.6% ▼	2.3%	1.7%	📉
⊕⊕⊕⊕⊕	15-May	GDP (sa, qoq) - preliminary data	1Q	0.3% ▼	0.6%	0.4%	📉
⊕⊕⊕⊕	16-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	1.4% -	1.4%	1.4%	📊
⊕⊕⊕⊕	16-May	Consumer inflation CPI (yoy) - final data	Apr	1.6% -	1.6%	1.6%	📊

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²
France 						
🔔🔔🔔🔔	09-May	Industrial production (yoy)‡	Mar	1.8% ▼	3.8%	2.8% ◡
🔔🔔🔔🔔	15-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	1.8% -	1.8%	1.8% ○
🔔🔔🔔🔔	15-May	Consumer inflation CPI (yoy) - final data	Apr	1.6% -	1.6%	1.6% ○
Italy 						
🔔🔔🔔🔔	10-May	Industrial production (wda, yoy)	Mar	3.6% ▲	2.5%	2.3% ◢
🔔🔔🔔🔔	16-May	Harmonized consumer inflation HICP (yoy) - final data	Apr	0.6% -	0.6%	0.6% ○
UK 						
🔔🔔🔔🔔🔔	10-May	BoE base rate decision	May	0.50% -	0.50%	0.50% ○
🔔🔔🔔🔔	10-May	Industrial production (yoy)‡	Mar	2.9% ▲	2.1%	3.1% ◡
🔔🔔🔔🔔	10-May	BoE asset purchase target (GBP bn)	May	435 -	435	435 ○
🔔🔔	15-May	Unemployment rate (ILO, 3-months)	Mar	4.2% -	4.2%	4.2% ○
Japan 						
🔔🔔🔔🔔🔔	16-May	GDP (annualized, qoq) - preliminary data‡	1Q	-0.6% ▼	0.6%	-0.1% ◡
🔔🔔🔔🔔🔔	16-May	GDP (qoq, sa) - preliminary data‡	1Q	-0.2% ▼	0.1%	0.0% ◡
🔔🔔🔔🔔	16-May	Industrial production (yoy) - final data‡	Mar	2.4% -	2.4%	--
🔔🔔🔔🔔	18-May	Consumer inflation CPI (yoy)	Apr	0.6% ▼	1.1%	0.7% ◡
Chile 						
🔔🔔🔔🔔	07-May	Economic activity (yoy)	Mar	4.6% ▲	4.0%	3.9% ◢
🔔🔔🔔	07-May	Copper exports (USD mn)‡	Apr	3 002 ▼	3 369	--
🔔🔔	07-May	Nominal wages (yoy)	Mar	3.7% -	3.7%	3.7% ○
🔔🔔🔔🔔	08-May	Consumer inflation CPI (yoy)	Apr	1.9% ▲	1.8%	1.7% ◢
🔔🔔🔔🔔🔔	18-May	GDP (yoy)‡	1Q	4.2% ▲	3.3%	4.0% ◢
Canada 						
🔔🔔🔔	11-May	Net change in employment (thrs)	Apr	- 1.1 ▼	32.3	20.0 ◡
🔔🔔🔔🔔	18-May	Consumer inflation CPI (yoy)	Apr	2.2% ▼	2.3%	2.3% ◡

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

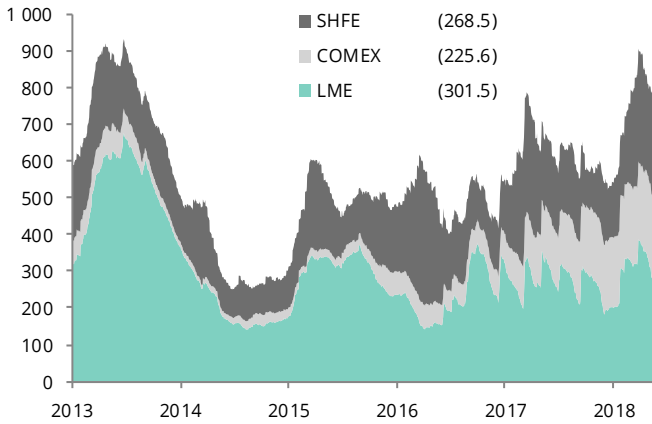
Key base & precious metal prices, exchange rates and other important market factors

<i>(as of: 18-May-18)</i>		Price change ¹					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t)									
Copper	6 783.50	▲ 0.0%	▲ 1.5%	▼ -5.2%	▲ 23.6%	6 914.08	6 500.00	7 202.50	
Molybdenum	26 000.00	- 0.0%	- 0.0%	▲ 62.5%	▲ 48.6%	20 588.54	16 000.00	26 000.00	
Nickel	14 750.00	▲ 6.6%	▲ 11.4%	▲ 20.3%	▲ 63.8%	13 525.10	12 415.00	15 710.00	
Aluminum	2 297.00	▼ -0.8%	▲ 15.0%	▲ 2.5%	▲ 20.6%	2 197.07	1 967.00	2 602.50	
Tin	20 675.00	▼ -3.3%	▼ -2.1%	▲ 4.0%	▲ 0.1%	21 205.83	19 960.00	22 105.00	
Zinc	3 080.50	▲ 3.8%	▼ -7.5%	▼ -6.9%	▲ 25.1%	3 323.52	2 968.00	3 618.00	
Lead	2 330.50	▲ 2.5%	▼ -3.3%	▼ -6.6%	▲ 13.6%	2 460.54	2 274.00	2 683.00	
LBMA (USD/troz)									
Silver	16.39	▼ -0.2%	▲ 0.7%	▼ -2.8%	▼ -2.5%	16.70	16.25	17.52	
Gold ²	1 288.30	▼ -1.6%	▼ -2.7%	▼ -0.6%	▲ 2.6%	1 327.32	1 288.30	1 354.95	
LPPM (USD/troz)									
Platinum ²	884.00	▼ -1.9%	▼ -5.6%	▼ -4.6%	▼ -5.4%	956.64	884.00	1 020.00	
Palladium ²	981.00	▲ 1.9%	▲ 1.1%	▼ -7.1%	▲ 28.2%	1 014.60	909.00	1 129.00	
FX ³									
EURUSD	1.1781	▼ -1.0%	▼ -4.4%	▼ -1.8%	▲ 5.9%	1.2235	1.1781	1.2493	
EURPLN	4.2958	▲ 1.0%	▲ 2.1%	▲ 3.0%	▲ 1.8%	4.1948	4.1423	4.2958	
USDPLN	3.6385	▲ 2.1%	▲ 6.6%	▲ 4.5%	▼ -4.1%	3.4277	3.3173	3.6385	
USDCAD	1.2880	▲ 0.1%	▼ -0.1%	▲ 2.7%	▼ -5.4%	1.2694	1.2288	1.3088	
USDCNY	6.3800	▲ 0.2%	▲ 1.7%	▼ -1.9%	▼ -7.4%	6.3471	6.2690	6.5297	
USDCPL	632.36	▲ 1.8%	▲ 4.8%	▲ 2.8%	▼ -5.4%	604.94	588.28	636.00	
Money market									
3m LIBOR USD	2.329	▼ -0.04	▲ 0.02	▲ 0.64	▲ 1.16	2.070	1.696	2.369	
3m EURIBOR	-0.326	▲ 0.00	▲ 0.00	▲ 0.00	▲ 0.01	-0.328	-0.329	-0.326	
3m WIBOR	1.700	- 0.00	- 0.00	▼ -0.02	▼ -0.03	1.710	1.700	1.720	
5y USD interest rate swap	2.987	▲ 0.07	▲ 0.28	▲ 0.74	▲ 1.15	2.718	2.283	3.036	
5y EUR interest rate swap	0.411	▲ 0.04	▲ 0.04	▲ 0.10	▲ 0.22	0.413	0.292	0.509	
5y PLN interest rate swap	2.555	▲ 0.15	▲ 0.19	▲ 0.06	▲ 0.19	2.481	2.280	2.740	
Fuel									
WTI Cushing	71.28	▲ 0.8%	▲ 9.8%	▲ 18.0%	▲ 44.4%	64.71	59.19	71.49	
Brent	78.09	▲ 3.5%	▲ 13.0%	▲ 16.9%	▲ 50.3%	69.31	62.33	78.87	
Diesel NY (ULSD)	227.30	▲ 3.2%	▲ 12.6%	▲ 10.1%	▲ 47.8%	203.52	183.32	229.33	
Others									
VIX	13.42	▼ -1.33	▼ -6.55	▲ 2.38	▼ -1.24	17.09	9.15	37.32	
BBG Commodity Index	90.41	▲ 0.7%	▲ 3.4%	▲ 2.5%	▲ 8.4%	88.59	85.64	90.80	
S&P500	2 712.97	▲ 1.5%	▲ 2.7%	▲ 1.5%	▲ 14.7%	2 709.81	2 581.00	2 872.87	
DAX	13 077.72	▲ 1.0%	▲ 8.1%	▲ 1.2%	▲ 3.9%	12 636.82	11 787.26	13 559.60	
Shanghai Composite	3 193.30	▲ 1.8%	▲ 0.8%	▼ -3.4%	▲ 3.3%	3 268.20	3 066.80	3 559.47	
WIG 20	2 230.32	▲ 0.7%	▲ 0.9%	▼ -9.4%	▼ -2.8%	2 378.54	2 200.99	2 630.37	
KGHM	93.50	▲ 1.7%	▲ 7.7%	▼ -15.9%	▼ -16.7%	101.48	84.20	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

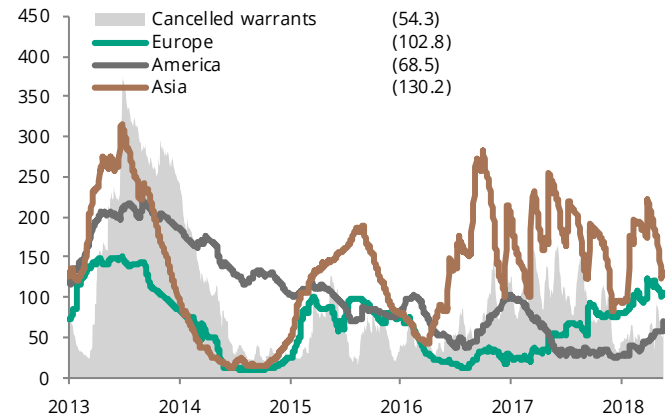
Source: Bloomberg, KGHM

Copper: official exchange stocks (thousand tonnes)



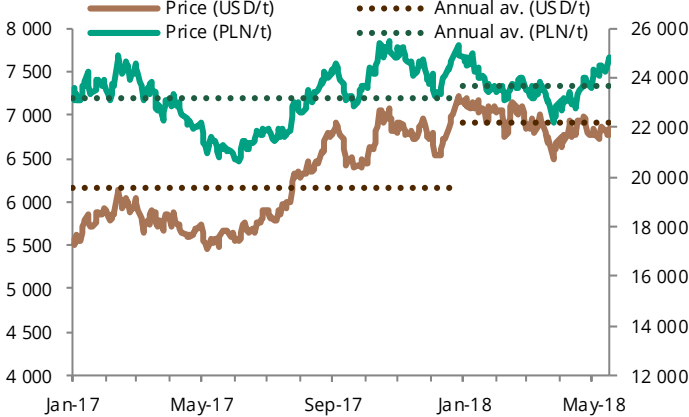
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)



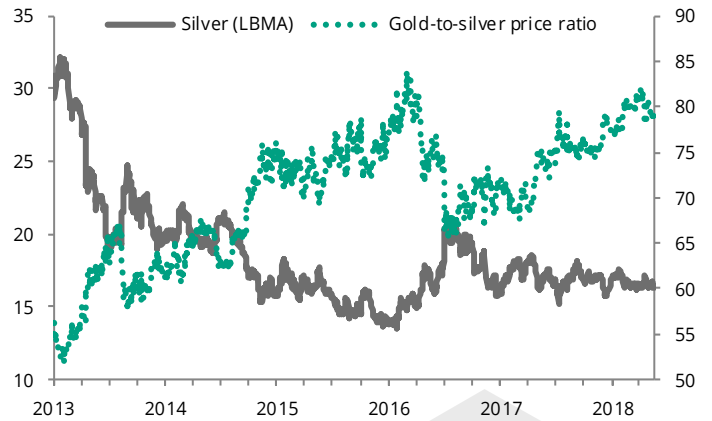
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



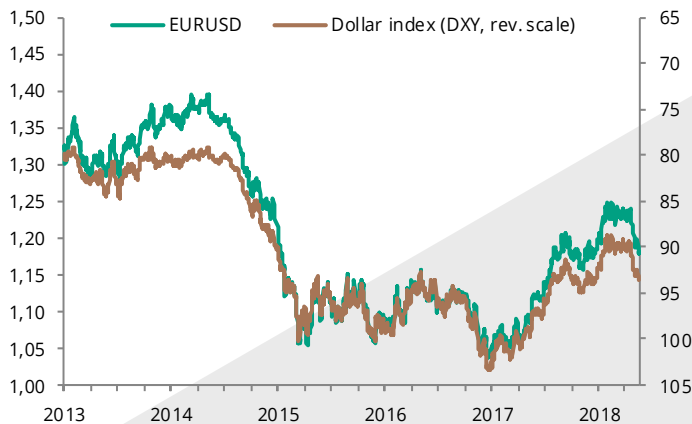
Source: Bloomberg, KGHM Polska Miedź

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



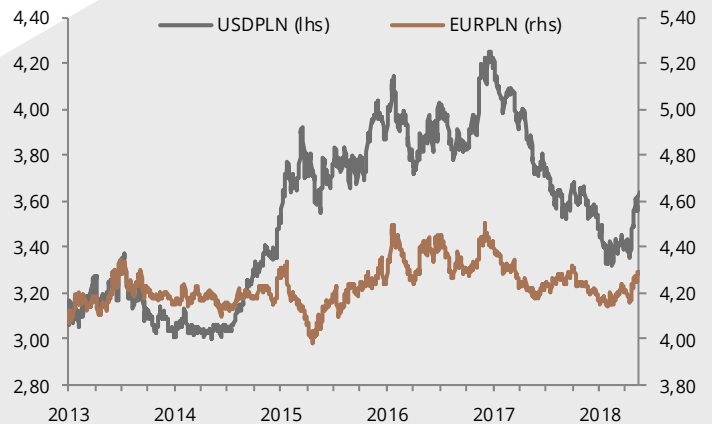
Source: Bloomberg, KGHM Polska Miedź

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



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:
7th – 20th May 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, ▪ Sharps Pixley.

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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