

# Market Overview

as of: 11<sup>th</sup> March 2019






- **Copper:** Closure of the copper smelter owned by Vedanta in India has already cost the company 200 million USD, but it does not discourage company from further investments in this country. In Indonesia, the government issued a permit for the export of copper concentrate for PT Freeport Indonesia and PT Amman (*page 2*).
- **Precious metals:** Barrick Gold Corp. is going hostile in its bid to acquire Newmont Mining Corp. and create the world's largest gold producer, offering \$17.8 billion for the company in an all-share deal. In PGMs space, Zimbabwean Finance Minister Mthuli Ncube said a rule requiring local investors to control platinum mines will be scrapped and foreigners will be allowed to own 100 percent in a bid to revive investment (*page 4*).
- **China:** Rarely seen on the Chinese market, the recommendation of sales from the largest brokerage office in the country had a loud echo on the stock market. The recommendation was issued after the shares in Shanghai for five consecutive days increased by the maximum value allowed by the exchange (*page 6*).

## Key market prices

	Close price	2w chng.
<b>LME (USD/t)</b>		
▼ Copper	6 398.50	-2.3%
▲ Nickel	13 040.00	0.8%
<b>LBMA (USD/troz)</b>		
▼ Silver	15.12	-5.3%
▼ Gold (PM)	1 296.75	-2.6%
<b>FX</b>		
▼ EURUSD	1.1222	-1.2%
▼ EURPLN	4.3068	-0.8%
▲ USDPLN	3.8409	0.4%
▲ USDCAD	1.3422	1.9%
▲ USDCLP	662.19	1.7%
<b>Stocks</b>		
▼ KGHM	98.80	-3.4%

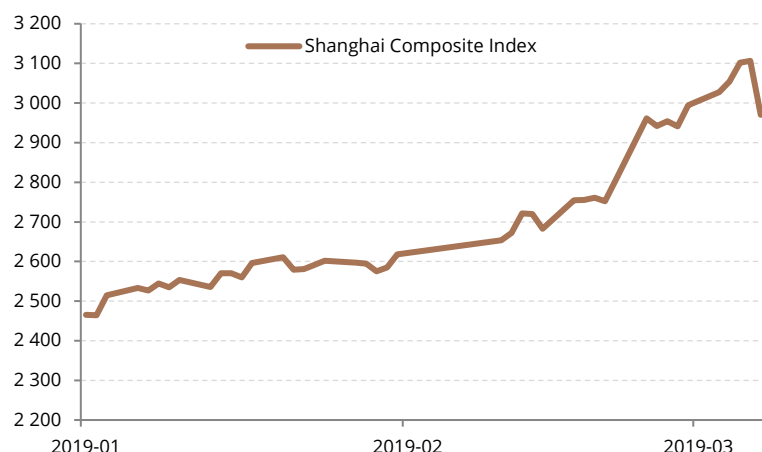
Source: Bloomberg, KGHM Polska Miedź; (*more on page 10*)

## Important macroeconomic data

Release	For		
 GDP (annlzd., qoq)	4Q	2.6%	▼
 New yuan loans	Feb	886	▼
 Manufacturing PMI	Feb	47.6	▼
 Factory orders (wda, yoy)	Jan	-3.9%	▲
 Manufacturing PMI	Feb	49.3	▲

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

## First signs of overheating on Shanghai Exchange in 2019?



Source: KGHM Polska Miedź, Bloomberg

## Market Risk Unit

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## Base and precious metals | Other commodities

### Copper

**Closure of the copper smelter owned by Vedanta in India has already cost the company 200 million USD, but it does not discourage company from further investments in this country. In Indonesia, the government issued a permit for the export of copper concentrate for PT Freeport Indonesia and PT Amman.**

### Vedanta's Daily Losses Since Smelter Shutdown Total Nearly \$200M

Vedanta Ltd told an Indian court it has been losing 50 million rupees (\$706,000) a day ever since the closure of one of its copper smelters in May, after police fired on protesters against the plant and killed 13 people. The government of Tamil Nadu state ordered the smelter shut permanently on May 28 last year after bloody protests at the plant in the city of Thoothukudi culminated in police opening fire on demonstrators. The "unit has been and is continuing to suffer a daily loss of about Rs 5 crores (50 million rupees)," Vedanta said in a petition to the Madras High Court reviewed by Reuters. That translates to a loss of about 13.8 billion rupees (\$195 million) since the plant was shut nine months ago. Vedanta Group Chairman Anil Agarwal had said in July the company could lose \$100 million if the plant was shut for a year. The case, in which the company is seeking to reopen the smelter, is due to open in the Madras High Court on Friday. Vedanta won a favourable judgment in December from India's Natural Green Tribunal (NGT), clearing the way to reopen the smelter, but India's Supreme Court ruled in February that the NGT did not have the jurisdiction to grant relief. In addition to a potentially long legal battle, reopening the smelter could face further complications with federal elections due in May. The two main political parties in Tamil Nadu are against reopening the smelter, increasing the likelihood that the shutdown will continue. Vedanta is also seeking to gain access to its plant, which has been maintained by the government since the shutdown, and said it would need tens of millions of rupees to restore it. The company "would be subjected to irreparable harm and hardship, not capable of being compensated in monetary terms if the interim reliefs (for access) ... are not granted," Vedanta said in its petition. Chairman Agarwal is betting big on India despite the troubles over its Tamil Nadu smelter, and plans to invest \$8.4 billion in the country over the next three years.

### Other important information on copper market:

- The Indonesian government issued one-year export recommendations for copper concentrate to miners PT Freeport Indonesia and PT Amman Mineral Nusa Tenggara, officials from the Ministry of Energy and Mineral Resources

said on Friday. Freeport was given an allowance of 198,282 wet tonnes of copper concentrate, while Amman was given 336,100 wet tonnes, said Yunus Saifulhak, director of minerals at the energy and mining ministry. Indonesia's Ministry of Trade will issue the export permits according to the recommendation from mining ministry.

- Canada's Teck Resources is pursuing no fewer than eight copper projects as it looks to rebalance its portfolio to increase copper's revenue contribution to that of its lucrative steelmaking coal business, Donald Lindsay, president and CEO of the Vancouver-based company, said Monday. "Copper is our preferred commodity for growth, and we have eight projects, some not very far along," Lindsay told the 28th annual BMO Global Metals & Mining Conference in Hollywood, Florida. While Teck's Quebrada Blanca-2 copper mine in northern Chile, on which construction recently began, has amassed most of the ink in recent months, the company also is moving forward with its proposed open-pit Zafranal copper-gold project in southern Peru. Lindsay said a feasibility study for Zafranal should be completed soon. He did not provide a development timetable for the mine. The overall estimate to bring the mine into production is \$1.15 billion. It is expected to have a life of 19 years. Zafranal is estimated to have 401 million mt of reserves, grading 0.4% copper, and 0.07% gold. QB-2, in which Japan's Sumitomo recently became a partner with Teck, is one of the world's largest copper projects. Production is scheduled to begin in 2021.
- China's plan to cut the rate of value-added tax on nonferrous metals is expected to widen the price gap between near-and long-term futures contracts traded on the Shanghai Futures Exchange, Chinese industry sources said this week. They said "long run" futures contract prices -- for example, those due to settle in early 2020 -- could be lower once the VAT cut is factored into production costs. This would be the case especially for copper, nickel, lead and zinc traded on the SHFE. Near-term contracts are those due in coming months. During the National People's Congress this week, China announced it would cut the VAT rate for nonferrous metals to 13% from 16% currently. Following the VAT cut news, the SHFE's most active 1905 (May 2019) copper futures contracts price on Wednesday fell Yuan 150/mt to Yuan 49,400/mt (\$7,362/mt). The most active 1905 aluminum futures contract dipped Yuan 75/mt on Wednesday to Yuan 13,505/mt (\$2,013/mt) from Tuesday, SHFE data showed. On Wednesday, the price gap for 1904 (April 2019) and 1905 (May 2019) copper and aluminum futures contract were both at Yuan 440/mt. Shanghai-based Chinese brokerage Donghai Futures said Wednesday that the VAT cut would trigger higher spot and near-term futures contract prices, but could push down long-run contract prices. The brokerage said the VAT cut, which most market players see taking effect around May or June, would favor producers' profits

## Precious Metals

**Barrick Gold Corp. is going hostile in its bid to acquire Newmont Mining Corp. and create the world's largest gold producer, offering \$17.8 billion for the company in an all-share deal. In PGMs space, Zimbabwean Finance Minister Mthuli Ncube said a rule requiring local investors to control platinum mines will be scrapped and foreigners will be allowed to own 100 percent in a bid to revive investment.**

### **Barrick Gold places hostile bid worth \$17.8 bn against Newmont Mining**

#### **Barrick Gold makes hostile \$17.8 bn bid for Newmont Mining**

Barrick Gold Corp. is going hostile in its bid to acquire Newmont Mining Corp. and create the world's largest gold producer, offering \$17.8 billion for the company in an all-share deal. The proposed purchase, which is a discount to Newmont's closing price at the time bid has been communicated, raises the potential for a three-way fight between some of the world's largest gold miners. Newmont said its board would review the deal but made clear its previously announced plan to take over Goldcorp Inc. offers better benefits.

Newmont Chief Executive Officer Gary Goldberg isn't giving up his company without a fight. The Colorado-based miner that's currently the world's largest gold producer isn't ruling out turning the tables on Barrick with his own run at the company.

"We did over the last several years take a look at either acquiring Barrick or Randgold and we just couldn't see the value potential," Goldberg said in a Bloomberg TV interview Monday. Asked whether his company would reconsider now – and if it would have the firepower to take a run at Barrick without a partner – he said, "I think at this stage all options are open and we'll see where we go."

The Barrick bid, if completed, would derail Newmont's own \$10 billion takeover of rival Goldcorp, announced last month, putting a big question mark over the future of three large gold miners. It would also put an end to years of on-again, off-again talks to merge Barrick and Newmont, the latest of which collapsed in 2014.

"Newmont has previously determined that Barrick's risk and return profile is inferior on many fronts, including factoring Barrick's comparatively ineffective operating model, poor track record on delivering shareholder returns and unfavorable jurisdictional risk," Newmont said in a statement.

#### **Zimbabwe to scrap platinum and diamond mine ownership rules**

### **Zimbabwe is removing rule which is discouraging foreign direct investment**

Zimbabwean Finance Minister Mthuli Ncube said a rule requiring local investors to control platinum mines will be scrapped and foreigners will be allowed to own 100 percent in a bid to revive investment. "We are removing that indigenization rule, which is discouraging foreign direct investment," Ncube said in an interview

with Bloomberg Television in Washington. “We say Zimbabwe is open for business; you can only be open if you allow ownership of 100 percent.”

The new rules could be extended to diamond mining, Mines Minister Winston Chitando said in a separate interview. The change to policies introduced by former President Robert Mugabe will increase the appeal of Zimbabwe to the world’s top platinum producers, including Anglo American Platinum Ltd., and could generate interest from Russian diamond miner Alrosa PJSC.

Abandoning the requirement to transfer a 51 percent stake to locals is part of wider efforts to stimulate the southern African nation’s economy. President Emmerson Mnangagwa has sought to water down some of the contentious rules of his predecessor as mining investment dried up.

Zimbabwe holds the world’s second-largest known reserves of platinum-group metals after South Africa, plus substantial deposits of gold, diamonds, lithium, iron ore, coal, chrome and nickel. The changes to the ownership rules would need to be ratified by parliament.

## Global economies | Foreign exchange markets

### China stocks sink most in 2019 as rare sell rating stuns traders

**Rarely seen on the Chinese market, the recommendation of sales from the largest brokerage office in the country had a loud echo on the stock market. The recommendation was issued after the shares in Shanghai for five consecutive days increased by the maximum value allowed by the exchange.**

Chinese stocks tumbled the most in nearly five months as traders took a rare sell rating from the nation's largest brokerage as a sign that the government wants to slow down the rally. The Shanghai Composite Index lost 4.4 percent to close below the key 3,000 point level. People's Insurance Company (Group) of China Ltd., which had become a poster child of the ramp-up in equities, saw its A shares sink by the 10 percent daily limit. Citic Securities Co. advised clients to sell the shares, saying they are "significantly overvalued" and could decline more than 50 percent over the next year. The stock had surged by the maximum allowed by the exchange for five straight days. "Such a sell rating must have been authorized by the regulators," said Yang Wei, a fund manager at Longwin Investment Management Co.

"The stock market is overheating, there is too much speculation. Regulators want to see a slow bull market, not a mad bull market." Chinese stocks have been unstoppable this year, gaining the past eight weeks to beat every other national market in the world. The government's focus on economic growth, the new securities regulator's less stringent take on financial risk and optimism over China's relationship with the U.S. have combined to revive investor confidence. The \$1.8 trillion rally since January has been so fast it triggered signs of overheating in all of the country's major benchmarks. PICC Group listed in Shanghai in November, and the shares had almost quadrupled through Thursday to close at 12.83 yuan. The "rational" price is between 4.71 and 5.38 yuan, Citic Securities analysts including Tong Chengdun wrote in a note. PICC Group's Hong Kong-listed shares, which trade at a discount of about 74 percent, fell as much as 3.6 percent Friday. The \$65 billion firm, which was the first insurer to list on the mainland in seven years, had become the 11th most valuable company on the Shanghai Composite.




Goldman Sachs Group Inc. and JPMorgan Chase & Co. also have negative ratings on the yuan-denominated stock. China's new securities watchdog is removing many of the curbs designed to keep out speculators, signaling an end to the highly restrictive era that started when a boom in the country's stocks turned to bust in 2015. The resulting appetite for risk has sent the ChiNext, Shanghai Composite, Shenzhen Composite Index and CSI 300 Index all into bull markets and triggered a surge in turnover not seen in years. "The market in China can never find stability on its own, it's either reaching for the sky or in the doldrums,"

said Dong Baozhen, a fund manager at Beijing Lingtong shengtai Asset Management. "The government needs to be very adept and subtle in its words to moderate the market. If they stay aloof, risks will pile up."

Losses extended Friday after trade data showed China's economy was weaker than expected in February. Economists forecast both exports and imports would shrink, although not by as much. It's not the first time a specific stock has been targeted by the state. In November 2017, China's official media singled out a rally in Kweichow Moutai Co., saying the shares should rise at a slower pace. The result was the liquor maker's biggest one-day decline in over two years. This time, it's financial stocks which have been some of the biggest beneficiaries of China's soaring equity market. Securities firms were among the biggest losers on Friday -- a Bloomberg index tracking the stocks slumped 9.2 percent, paring its annual advance to 52 percent. Citic Securities fell by the 10 percent daily limit, the most on China's large-cap gauge. Turnover on China's exchanges totaled 1.18 trillion yuan (\$176 billion), the most since November 2015. "This sell rating is like a depth charge for the market," said Lin Qi, fund manager at Lingze Capital. "The unwritten rule is that a securities firm will not be short on the market, much less single out a specific company. Given the size and importance of Citic Securities, such a move is significant."

## Macroeconomic calendar

### Important macroeconomic data releases

Weight	Date	Event	For	Reading <sup>1</sup>	Previous	Consensus <sup>2</sup>
<b>China</b> 						
***	28-Feb	Official manufacturing PMI	Feb	49.2 ▼	49.5	49.5 ◡
***	01-Mar	Caixin's manufacturing PMI	Feb	49.9 ▲	48.3	48.5 ◢
*	07-Mar	Foreign reserves (USD bn)	Feb	3 090 ▲	3 088	3 088 ◢
**	08-Mar	Trade balance (USD bn)	Feb	4.1 ▼	39.2	26.2 ◡
**	08-Mar	Exports (yoy)	Feb	-20.7% ▼	9.1%	-5.0% ◡
*****	09-Mar	Consumer inflation CPI (yoy)	Feb	1.5% ▼	1.7%	1.5% ◡
**	09-Mar	Producer inflation PPI (yoy)	Feb	0.1% -	0.1%	0.2% ◡
*	10-Mar	New yuan loans (CNY bn)	Feb	886 ▼	3 230	950 ◡
<b>Poland</b> 						
**	25-Feb	Unemployment rate	Jan	6.1% ▲	5.8%	6.1% ◡
*****	28-Feb	GDP (yoy) - final data	4Q	4.9% -	4.9%	--
*****	28-Feb	GDP (qoq) - final data	4Q	0.5% -	0.5%	--
**	01-Mar	Manufacturing PMI	Feb	47.6 ▼	48.2	48.3 ◡
*****	06-Mar	NBP base rate decision	Mar	1.50% -	1.50%	1.50% ◡
<b>US</b> 						
*	25-Feb	Dallas Fed manufacturing activity	Feb	13.1 ▲	1.0	4.7 ◢
*	26-Feb	Richmond Fed manufacturing index	Feb	16.0 ▲	- 2.0	5.0 ◢
*	26-Feb	S&P/CaseShiller home price index‡	Dec	213 ▼	213	--
**	27-Feb	Durable goods orders - final data‡	Dec	1.2% ▼	1.3%	--
*****	28-Feb	GDP (annualized, qoq) - estimation	4Q	2.6% ▼	3.4%	2.2% ◢
*****	01-Mar	Consumer spending inflation PCE (mom)‡	Dec	0.2% -	0.2%	0.2% ◡
*****	01-Mar	Consumer spending inflation PCE (yoy)	Dec	1.9% -	1.9%	1.9% ◡
**	01-Mar	Manufacturing PMI - final data	Feb	53.0 ▼	53.7	53.7 ◡
**	01-Mar	ISM Manufacturing	Feb	54.2 ▼	56.6	55.8 ◡
**	01-Mar	Personal income (sa, mom)‡	Dec	1.0% ▲	0.3%	0.4% ◢
**	01-Mar	Personal income (sa, mom)‡	Jan	-0.1% ▼	1.0%	0.3% ◡
**	01-Mar	Personal spending (sa, mom)‡	Dec	-0.5% ▼	0.6%	-0.3% ◡
**	01-Mar	University of Michigan confidence index - final data	Feb	93.8 ▼	95.5	95.9 ◡
***	05-Mar	Composite PMI - final data	Feb	55.5 ▼	55.8	--
***	05-Mar	PMI services - final data	Feb	56.0 ▼	56.2	56.2 ◡
**	08-Mar	Change in non-farm payrolls (ths)‡	Feb	20.0 ▼	311	180 ◡
**	08-Mar	Underemployment rate (U6)	Feb	7.3% ▼	8.1%	--
**	08-Mar	Unemployment rate	Feb	3.8% ▼	4.0%	3.9% ◡
*	08-Mar	Average hourly earnings (yoy)‡	Feb	3.4% ▲	3.1%	3.3% ◢



Weight	Date	Event	For	Reading <sup>1</sup>	Previous	Consensus <sup>2</sup>
<b>Eurozone</b> 						
⊛	27-Feb	M3 money supply (yoy)	Jan	3.8% ▼	4.1%	4.0% ◡
⊛	27-Feb	Economic confidence‡	Feb	106 ▼	106	106 ◢
⊛	27-Feb	Industrial confidence‡	Feb	-0.4 ▼	0.6	0.1 ◡
⊛	27-Feb	Consumer confidence - final data	Feb	-7.4 =	-7.4	-7.4 ○
⊛	27-Feb	Business climate indicator	Feb	0.7 =	0.7	0.7 ◢
⊛⊛⊛⊛	01-Mar	Core CPI (yoy) - estimation	Feb	1.0% ▼	1.1%	1.1% ◡
⊛⊛⊛⊛	01-Mar	CPI estimate (yoy)	Feb	1.5% ▲	1.4%	1.5% ○
⊛⊛⊛	01-Mar	Manufacturing PMI - final data	Feb	49.3 ▲	49.2	49.2 ◢
⊛⊛	01-Mar	Unemployment rate‡	Jan	7.8% =	7.8%	7.9% ◡
⊛⊛	04-Mar	Producer inflation PPI (yoy)	Jan	3.0% =	3.0%	2.9% ◢
⊛⊛⊛	05-Mar	Composite PMI - final data	Feb	51.9 ▲	51.4	51.4 ◢
⊛⊛⊛	05-Mar	Services PMI - final data	Feb	52.8 ▲	52.3	52.3 ◢
⊛⊛	05-Mar	Retail sales (yoy)‡	Jan	2.2% ▲	0.3%	2.1% ◢
⊛⊛⊛⊛⊛⊛	07-Mar	ECB main refinancing rate	Mar	0.00% =	0.00%	0.00% ○
⊛⊛⊛⊛⊛⊛	07-Mar	ECB deposit facility rate	Mar	-0.4% =	-0.4%	-0.4% ○
⊛⊛⊛⊛⊛⊛	07-Mar	GDP (sa, yoy) - final data	4Q	1.1% ▼	1.2%	1.2% ◡
⊛⊛⊛⊛⊛⊛	07-Mar	GDP (sa, qoq) - final data	4Q	0.2% =	0.2%	0.2% ○
⊛⊛⊛	07-Mar	Gross fixed capital (qoq)‡	4Q	0.6% =	0.6%	0.3% ◢
⊛⊛⊛	07-Mar	Households consumption (qoq)	4Q	0.2% ▲	0.1%	0.2% ○
<b>Germany</b> 						
⊛⊛	26-Feb	GfK consumer confidence	Mar	10.8 =	10.8	10.8 ○
⊛⊛⊛⊛⊛	28-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Feb	1.7% =	1.7%	1.7% ○
⊛⊛⊛⊛⊛	28-Feb	Consumer inflation CPI (yoy) - preliminary data	Feb	1.6% ▲	1.4%	1.5% ◢
⊛⊛⊛	01-Mar	Manufacturing PMI - final data	Feb	47.6 =	47.6	47.6 ○
⊛⊛⊛	01-Mar	Retail sales (yoy)‡	Jan	2.6% ▲	-1.6%	1.2% ◢
⊛⊛	01-Mar	Unemployment rate	Feb	5.0% =	5.0%	5.0% ○
⊛⊛⊛	05-Mar	Composite PMI - final data	Feb	52.8 ▲	52.7	52.7 ◢
⊛⊛⊛	08-Mar	Factory orders (wda, yoy)‡	Jan	-3.9% ▲	-4.5%	-3.2% ◡
<b>France</b> 						
⊛⊛⊛⊛⊛⊛	28-Feb	GDP (yoy) - preliminary data	4Q	0.9% =	0.9%	0.9% ○
⊛⊛⊛⊛⊛⊛	28-Feb	GDP (qoq) - preliminary data	4Q	0.3% =	0.3%	0.3% ○
⊛⊛⊛⊛⊛⊛	28-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Feb	1.5% ▲	1.4%	1.7% ◡
⊛⊛⊛⊛⊛⊛	28-Feb	Consumer inflation CPI (yoy) - preliminary data	Feb	1.3% ▲	1.2%	1.5% ◡
⊛⊛⊛	01-Mar	Manufacturing PMI - final data	Feb	51.5 ▲	51.4	51.4 ◢
⊛⊛⊛	05-Mar	Composite PMI - final data	Feb	50.4 ▲	49.9	49.9 ◢
⊛⊛⊛⊛	08-Mar	Industrial production (yoy)‡	Jan	1.7% ▲	-2.5%	0.5% ◢
<b>Italy</b> 						
⊛⊛⊛⊛⊛	28-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Feb	1.2% ▲	0.9%	1.2% ○
⊛⊛⊛	01-Mar	Manufacturing PMI	Feb	47.7 ▼	47.8	47.2 ◢
⊛⊛	01-Mar	Unemployment rate - preliminary data‡	Jan	10.5% ▲	10.4%	10.4% ◢
⊛⊛⊛⊛⊛⊛	05-Mar	GDP (wda, yoy) - final data‡	4Q	0.0% =	0.0%	0.1% ◡
⊛⊛⊛⊛⊛⊛	05-Mar	GDP (wda, qoq) - final data	4Q	-0.1% ▲	-0.2%	-0.2% ◢
⊛⊛⊛	05-Mar	Composite PMI	Feb	49.6 ▲	48.8	48.6 ◢
⊛⊛⊛⊛	08-Mar	Industrial production (wda, yoy)	Jan	-0.8% ▲	-5.5%	-3.0% ◢

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

<sup>2</sup> Reading difference to consensus: ◢ = higher than consensus; ◡ = lower than consensus; ○ = equal to consensus.

mom = month-on-month; yoy = year-on-year; qoq = quarter on quarter; ytd year-to-date; sa = seasonally adjusted; wda = working days adjusted; ‡ = previous data after revision.

Source: Bloomberg, KGHM Polska Miedź

## Key market data

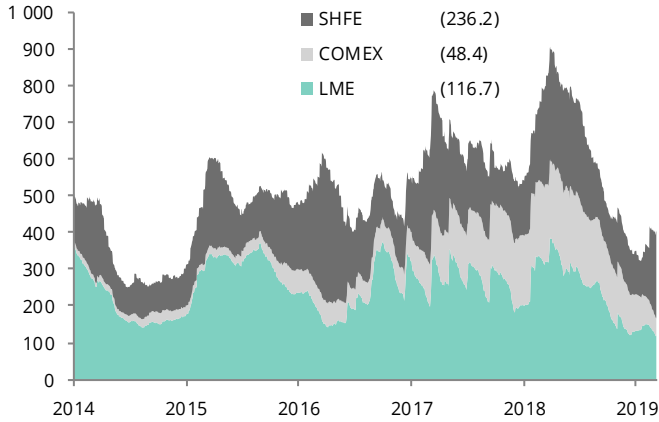
### Key base & precious metal prices, exchange rates and other important market factors

<i>(as of: 08-Mar-19)</i>		Price change <sup>1</sup>					From year beginning <sup>2</sup>		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
<b>LME (USD/t)</b>									
Copper	6 398.50	▼ -2.3%	▲ 7.3%	▲ 7.3%	▼ -6.3%	6 145.32	5 811.00	6 572.00	
Molybdenum	26 000.00	- 0.0%	- 0.0%	- 0.0%	▲ 36.8%	26 000.00	26 000.00	26 000.00	
Nickel	13 040.00	▲ 0.8%	▲ 23.1%	▲ 23.1%	▼ -1.6%	12 183.23	10 440.00	13 610.00	
Aluminum	1 848.00	▼ -2.0%	▼ -1.2%	▼ -1.2%	▼ -11.3%	1 853.21	1 775.50	1 898.50	
Tin	21 410.00	▼ -1.8%	▲ 9.8%	▲ 9.8%	▼ -1.1%	20 949.06	19 500.00	21 925.00	
Zinc	2 706.00	▼ -1.3%	▲ 7.8%	▲ 7.8%	▼ -16.5%	2 647.22	2 462.00	2 839.50	
Lead	2 072.00	▼ 0.0%	▲ 3.1%	▲ 3.1%	▼ -12.6%	2 035.92	1 934.50	2 154.00	
<b>LBMA (USD/troz)</b>									
Silver	15.12	▼ -5.3%	▼ -2.3%	▼ -2.3%	▼ -8.3%	15.63	15.08	16.08	
Gold <sup>2</sup>	1 296.75	▼ -2.6%	▲ 1.2%	▲ 1.2%	▼ -1.8%	1 303.52	1 279.55	1 343.75	
<b>LPPM (USD/troz)</b>									
Platinum <sup>2</sup>	818.00	▼ -4.1%	▲ 3.0%	▲ 3.0%	▼ -14.3%	815.19	782.00	871.00	
Palladium <sup>2</sup>	1 509.00	▼ -1.2%	▲ 19.5%	▲ 19.5%	▲ 53.2%	1 402.56	1 267.00	1 558.00	
<b>FX<sup>3</sup></b>									
EURUSD	1.1222	▼ -1.2%	▼ -2.0%	▼ -2.0%	▼ -9.7%	1.1376	1.1222	1.1535	
EURPLN	4.3068	▼ -0.8%	▲ 0.2%	▲ 0.2%	▲ 2.5%	4.3053	4.2706	4.3402	
USDPLN	3.8409	▲ 0.4%	▲ 2.2%	▲ 2.2%	▲ 13.2%	3.7845	3.7243	3.8516	
USDCAD	1.3422	▲ 1.9%	▼ -1.6%	▼ -1.6%	▲ 3.8%	1.3271	1.3095	1.3600	
USDCNY	6.7214	▲ 0.5%	▼ -2.3%	▼ -2.3%	▲ 6.0%	6.7596	6.6872	6.8721	
USDCPL	662.19	▲ 1.7%	▼ -4.7%	▼ -4.7%	▲ 10.0%	665.98	649.22	697.64	
<b>Money market</b>									
3m LIBOR USD	2.597	▼ -0.04	▼ -0.21	▼ -0.21	▲ 0.53	2.712	2.595	2.804	
3m EURIBOR	-0.308	▲ 0.00	▲ 0.00	▲ 0.00	▲ 0.02	-0.308	-0.310	-0.306	
3m WIBOR	1.720	- 0.00	- 0.00	- 0.00	▲ 0.01	1.720	1.720	1.720	
5y USD interest rate swap	2.506	▼ -0.02	▼ -0.06	▼ -0.06	▼ -0.25	2.590	2.419	2.715	
5y EUR interest rate swap	0.080	▼ -0.04	▼ -0.12	▼ -0.12	▼ -0.37	0.154	0.076	0.222	
5y PLN interest rate swap	2.003	▼ -0.06	▼ -0.11	▼ -0.11	▼ -0.44	2.046	1.935	2.140	
<b>Fuel</b>									
WTI Cushing	56.07	▲ 1.3%	▲ 23.5%	▲ 23.5%	▼ -6.7%	53.57	46.54	57.22	
Brent	65.16	▲ 1.3%	▲ 22.6%	▲ 22.6%	▲ 2.5%	62.15	53.83	66.66	
Diesel NY (ULSD)	200.13	▲ 1.5%	▲ 19.0%	▲ 19.0%	▲ 8.5%	191.77	170.01	203.26	
<b>Others</b>									
VIX	16.05	▲ 1.20	▼ -9.37	▼ -9.37	▼ -0.49	17.21	13.51	25.45	
BBG Commodity Index	80.47	▼ -1.0%	▲ 4.9%	▲ 4.9%	▼ -8.1%	80.37	76.99	82.12	
S&P500	2 743.07	▼ -1.9%	▲ 9.4%	▲ 9.4%	▲ 0.1%	2 690.16	2 447.89	2 803.69	
DAX	11 457.84	▼ -0.4%	▲ 8.5%	▲ 8.5%	▼ -7.3%	11 173.14	10 416.66	11 620.74	
Shanghai Composite	2 969.86	▲ 0.3%	▲ 19.1%	▲ 19.1%	▼ -9.7%	2 703.06	2 464.36	3 106.42	
WIG 20	2 298.97	▼ -3.1%	▲ 1.0%	▲ 1.0%	▼ -1.0%	2 349.68	2 247.22	2 414.41	
KGHM	98.80	▼ -3.4%	▲ 11.2%	▲ 11.2%	▼ -3.5%	95.02	86.12	103.95	

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

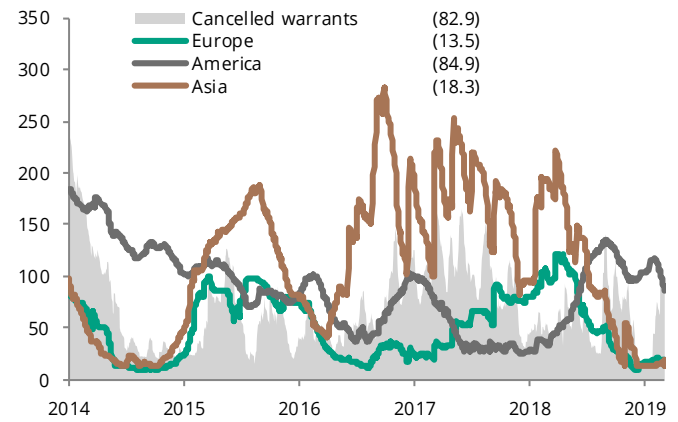
Source: Bloomberg, KGHM Polska Miedź

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



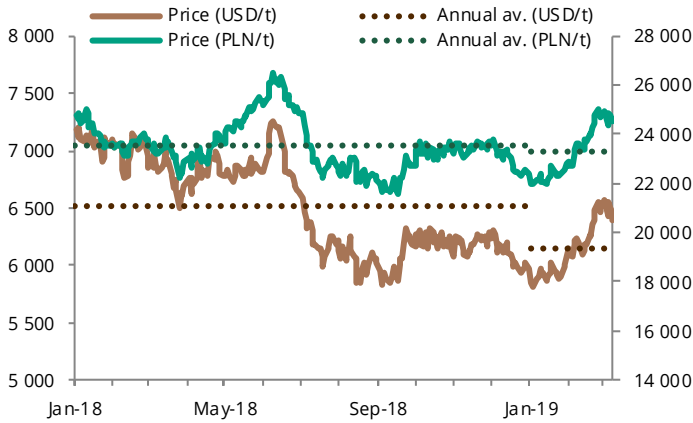
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



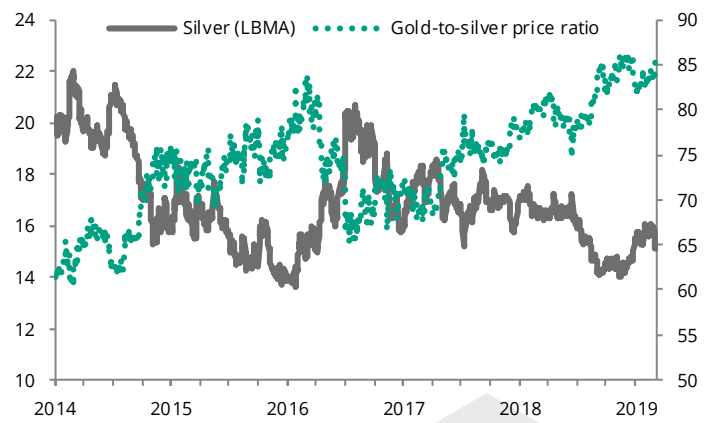
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



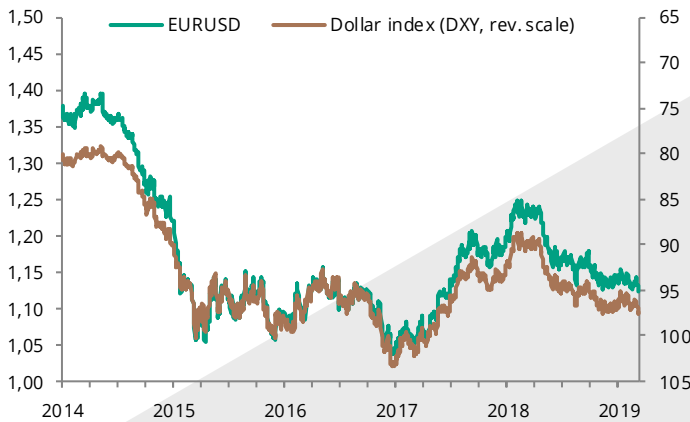
Source: Bloomberg, KGHM Polska Miedź

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



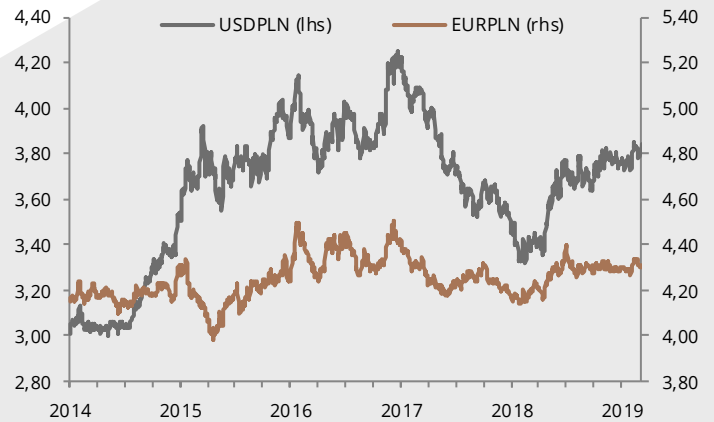
Source: Bloomberg, KGHM Polska Miedź

**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:  
**25<sup>th</sup> February – 10<sup>th</sup> March 2019.**

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

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