

Market Overview



as of: 17th August 2020

- **Copper:** One of the biggest smelter in Chile is coming back to the normal production levels after almost 2 months. Moreover due to the falling number of new coronavirus cases, Codelco wants to restart 2 projects in Chuquibambilla and El Teniente mines to increase the resources base (page 2).
- **Precious metals:** Precious metals prices have been experiencing a real rollercoaster ride during the last fortnight. The dynamic price action on the silver market which topped locally at around 30 USD/troz has been corrected all the way down to 24 USD/troz and then jumped back again to nearly 27 USD/troz. The rally has been driven by US dollar weakness, safe haven assets demand as well as positive ETF flows. On the physical gold market, LBMA cleared Perth Mint of serious wrongdoing. However, the mint must make improvements to its sourcing procedures and have these scrutinised by an outside auditor (page 4).
- **Macro:** Fed may move to average inflation targeting, such an announcement would provide the market confidence in the Fed's commitment to keep rates low for a long time and would spur activity and push up inflation (page 6).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▼ Copper	6 342.50	-1.5%
▲ Nickel	14 235.00	4.0%
LBMA (USD/troz)		
▲ Silver	26.71	10.2%
▼ Gold (PM)	1 944.75	-0.7%
FX		
▲ EURUSD	1.1813	0.7%
▼ EURPLN	4.3988	-0.4%
▼ USDPLN	3.7227	-0.7%
▼ USDCAD	1.3250	-1.1%
▲ USDCPL	793.32	4.8%
Stocks		
▲ KGHM	132.00	1.4%

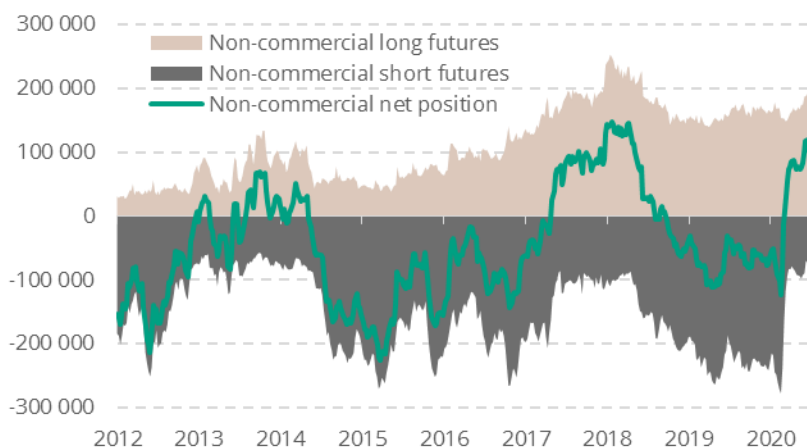
Source: Bloomberg, KGHM Polska Miedz S.A.; (more on page 10)

Important macroeconomic data

	Release	For	
	GDP (yoy)	2Q	-8.2% ▼
	GDP (sa, yoy)	2Q	-15.0% -
	GDP (yoy)	2Q	-21.7% ▼
	Caixin's manuf. PMI	Jul	52.8 ▲
	CPI (yoy)	Jul	1.0% ▲

Source: Bloomberg, KGHM Polska Miedz S.A.; (more on page 8)

In recent months long speculative positions in the EUR market have gained a historically big advantage over short positions



Source: Bloomberg, KGHM Polska Miedz S.A.

Market Risk Unit

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Base and precious metals | Other commodities

Copper

One of the biggest smelter in Chile is coming back to the normal production levels after almost 2 months. Moreover due to the falling number of new coronavirus cases, Codelco wants to restart 2 projects in Chuquicamata and El Teniente mines to increase the resources base.

Even though the management is cautious of infection risk and wants to minimise it, the Chile's biggest copper producer is going to restart the work in a smelter and 2 mine projects.

Codelco Restarts Copper Smelter and Mine Projects

Chile's Codelco has begun to restart the smelter at its Chuquicamata complex as well as giant construction projects at its Chuquicamata and El Teniente mines as the number of positive novel coronavirus cases among its workforce appears to be falling. All three were halted in late June and early July as the state-owned miner strove to contain outbreaks at different sites. Codelco began heating furnaces at the Chuquicamata smelter over the Aug. 1-2 weekend while workers have already begun to return to the underground mine at the site, the company said in a statement. Meanwhile, the company's management is working on plans to resume construction of an additional mine level at El Teniente in the coming weeks. Most of Chile's giant mining industry has continued to operate despite the country being buffeted by the pandemic. To reduce the risk of infection, the number of workers onsite was drastically reduced from March onward, shift cycles have been lengthened and many auxiliary activities, including mine development and maintenance, have been suspended. However, following a spike in the number of cases in June, unions at Codelco threatened stoppages unless more was done to contain the pandemic, prompting more radical measures. The smelter at Chuquicamata is one of Chile's largest with the capacity to handle 1.65 mln mt/year of copper concentrates and processes production from Codelco's Chuquicamata, Ministro Hales and Radomiro Tomic mines. Launched in 2019, the Chuquicamata underground mine is designed to maintain production from the porphyry deposit as the existing open pit becomes too deep to mine. The additional mine level at El Teniente will keep the world's largest underground copper mine in production into the second half of the current century. To reduce the risk of infection, Codelco said it will continue to avoid using the airport at Calama, the nearest airport to Chuquicamata, and move workers from outside the city in sealed buses from airports in the nearby cities of Antofagasta and Iquique.

Congo To Debate Copper Concentrate Export Waivers

Mining companies and copper and cobalt buyers have been invited to a meeting in Kinshasa to discuss if there is a way to maintain waivers to an export ban that are meant to expire in September, the mining minister said. Congo, Africa's biggest copper producer, banned exports of copper and cobalt concentrates in 2013 to encourage miners to process and refine the ore within its borders. But the country does not have enough smelting capacity and has repeatedly

issued waivers. A full-scale ban would lead to a drastic fall in Congo's copper exports. It would also deliver a heavy blow to neighbouring Zambia, which processes Congolese copper and cobalt. "There have been exemptions for certain reasons. Each time, we analyse the file with all the technical data. The applications are submitted with the justifications," mines minister Willy Kitobo told Reuters. "These mining companies and the processors interested in purchasing these concentrates have been invited to Kinshasa on 20th of August to see what can be done." In January, China's state-owned mining company CNMC launched Congo's first large-scale smelter, the Lualaba Copper Smelter (LCS). The government joint venture is capable of processing 400,000 mt of copper concentrate and producing around 120,000 mt of copper blister per year. But even at full capacity, the LCS cannot process all Congo's copper production. Congo produced 765,000 mt of copper concentrate in the first half of the year alone, the central bank said, up 13.4% year-on-year. "Our initial take is that they'll fill Lualaba's capacity and then issue waivers for the rest," said Indigo Ellis, head of Africa research at Verisk Maplecroft, a risk analytics company. "But it's not a sustainable option, the harm that it'll cause for the industry and investment environment is negative." Congo Chamber of Mines president Louis Watum said he understands the government wants to boost beneficiation in-country, because of the revenue it generates, but said most mining companies cannot smelt in Congo because of inadequate electricity supply.

Other important information on copper market:

- The China Nonferrous Metals Industry Association's CMRA recycling branch (CMRA) is urging shippers to continue carrying copper and aluminum scrap, citing concern over potential raw material shortages. New standards for high-grade copper and aluminum scrap have been effective since July 1, but authorities have yet to provide detailed guidance on implementation. Furthermore, new solid waste regulations that come into effect in September have also prompted many foreign shippers to stop accepting orders for solid waste for fear of non-redemption, the CMRA said, citing companies at an industry meeting on Aug. 7. The world's top container shipping firm A.P. Moller-Maersk last month said it would stop accepting solid waste shipments bound for China and Hong Kong from September. "If the situation continues companies will face serious issues like raw material shortage, production halts and business shutdowns," the CMRA's statement said, adding that it will report on the problems to Chinese authorities as soon as possible. China has so far approved 2020 import quotas for 728,610 mt of copper scrap, 694,769 mt of aluminum scrap and 20,500 mt of steel scrap, Reuters calculations show.
- Chilean exports of copper concentrates rose to 1.113 mln mt in July, up 34.2% from the same month of 2019, customs data showed Aug 10. The figure suggests that mining companies have continued to boost shipments of the country's principal export despite restrictions on operations imposed by the coronavirus pandemic. Exports of concentrates reached 7.7 mln mt during the first seven months, up 7.8% from the same period

of 2019, data showed. Companies have slashed the number of workers on site by around 30%, halted major construction projects and closed some operations in a bid to contain the spread of the disease. However, last week, state-owned Codelco, Chile's biggest copper producer, announced that it was restarting the smelter at its Chuquicamata and resuming work on two of its biggest mine expansion projects. Exports of copper metal totaled 234,706 mt in July, down 13.3% from 12 months earlier, although exports during the first seven months of the year rose 8.6% to 1.561 mln mt. The rise this year in exports of both cathode and concentrate have been led by shipments to China, the world's largest consumer of the red metal, offsetting declines in most other markets. Exports of concentrate to China reached 4.57 mln mt in the year to July, up 16.7% from a year ago, while exports of refined copper totaled 780,335 mt, up 35.7% from 12 months earlier. By contrast, shipment of copper concentrate to Japan, Chile's second largest market for the product, fell 5.1% to 1.5 mln mt and exports of copper cathode to the US fell 2.5% to 243,334 mt.

Precious Metals

Precious metals prices have been experiencing a real rollercoaster ride during the last fortnight. The dynamic price action on the silver market which topped locally at around 30 USD/troz has been corrected all the way down to 24 USD/troz and then jumped back again to nearly 27 USD/troz. The rally has been driven by US dollar weakness, safe haven assets demand as well as positive ETF flows. On the physical gold market, LBMA cleared Perth Mint of serious wrongdoing. However, the mint must make improvements to its sourcing procedures and have these scrutinised by an outside auditor.

Russia's Gold Export Up Almost 5-fold

According to Russian Foreign Trade Customs Statistics online service, in Q1 2020 Russia exported 28 tons of gold, up 4.8-fold compared to the first quarter of 2019. Russian gold was shipped to 8 countries in January-March 2020, the major importer being the UK. During the first quarter of 2020, gold export to the UK surged to 25.7 tons. Export to Switzerland made 1.8 tons of gold, twice as much as during the first quarter of 2019. Turkey imported 0.1 tons.

LBMA clears Perth Mint of serious wrongdoing

The London Bullion Market Association (LBMA) said it would continue to accredit the Perth Mint after an investigation into allegations that it processed unethically sourced gold found no significant wrongdoing. The withdrawal of accreditation would have hurt the mint, one of the world's largest gold refiners. The LBMA's guidelines aim to ensure that refiners do not process material whose production or trade contributes to human rights abuses, conflict, crime or environmental degradation. The Australian Financial Review newspaper said in June the Perth

Mint had refined gold from small-scale gold miners in Papua New Guinea who used child labour and toxic mercury. The mint, owned by the government of Western Australia, has insisted it acted legally and ethically. The LBMA said its investigation had revealed no “zero-tolerance non-conformance,” and that the Perth Mint would therefore remain on its “good delivery” list of refiners. The mint must make improvements to its sourcing procedures and have these scrutinised by an outside auditor, the LBMA said. Perth Mint CEO Richard Hayes said the LBMA had confirmed the rigour and integrity of the mint’s procedures and that its recommendations would be implemented. He said a minority of the major banks that take gold from the mint had paused purchases during the LBMA investigation. Following the Australian Financial Review report the Perth Mint said it would stop processing metal from artisanal and small-scale miners. Hayes said such gold accounted for 0.3% of the refinery’s throughput.

Global economies | Foreign exchange markets

Yellen Says Fed Will Likely Adopt Average Inflation Targeting

Fed may move to average inflation targeting, such an announcement would provide the market confidence in the Fed's commitment to keep rates low for a long time and would spur activity and push up inflation.

The whole market awaits what FED is going to say about the framework update

The Federal Reserve's framework review will probably conclude by September and may see the central bank move to average inflation targeting, former Fed Chair Janet Yellen said. "Instead of saying that it's always aiming for 2% inflation, regardless of how inflation has actually behaved and evolved in the past, I anticipate that it will indicate a desire for inflation to average roughly 2% over time" Such an announcement would provide the market confidence in the Fed's commitment to keep rates low for a long time and would spur activity and push up inflation. The Fed is wrapping up a year-long review of its policies. Conclusion delayed by pandemic but will be done in near future. Under average inflation targeting the Fed would consider it positively desirable to overshoot 2% somewhat. Reducing the Fed's inflation goal from 2% to a lower figure would be "extremely unwise and very dangerous" and would hamper the power of monetary policy because nominal rates would fall along with inflation. The Fed may well do more in coming months as reopening proceeds and its outlook for inflation, jobs and growth becomes somewhat clearer. "To maintain downward pressure on longer-term interest rates, I expect the Federal Open Market Committee to provide forward guidance about the economic conditions it would need to see before it considers raising its target rate as well as clarifying its plans for further securities purchases" The Fed's emergency lending programs "actually have not extended much credit so far but that does not mean they have not succeeded. By establishing these programs, the Fed has given private investors the confidence to reengage" It's too early to judge the success of the Main Street Lending Program, which so far has had low take up from small and mid-size businesses, the Fed and Treasury may have to further adjust terms for borrowers and increase incentives for banks for this program to have the desired effects.

Extension of Jobless Benefits to Buoy Growth




The increased benefits, while it may have made it harder for certain individual businesses to hire, it's helped create jobs because it's helped bolster consumer spending, so the net effect still has probably been positive for the economy and for employment.



A continuation of some form of extra unemployment benefits would bolster economic growth, Federal Reserve Bank of Dallas President Robert Kaplan said. The extra \$600 per week of jobless aid passed by Congress in March amid the start of the coronavirus pandemic ran out at the end of July. Lawmakers debating the next round of stimulus are at a stalemate over whether, and in what

form, to extend the benefits. “The increased incomes, while it may have made it harder for certain individual businesses to hire, it’s helped create jobs because it’s helped bolster consumer spending, so the net effect still has probably been positive for the economy and for employment.” If unemployment insurance isn’t boosted further, it could weaken growth, Kaplan said. He sees the economy contracting 4.5% to 5% this year, but rebounding strongly in the third and fourth quarters. U.S. gross domestic product shrank 32.9% on an annualized basis in the second quarter. The Fed has revised its Main Street Lending Program several times, decreasing the minimum loan size to make it accessible to more businesses, and most recently proposing an expansion to nonprofit entities. Despite these tweaks, the program has only bought \$82 mln of loans so far. Kaplan said he doesn’t favor changing forward guidance to specifically tie future rate increases to inflation running above 2%, something some economists have argued the Fed may be able to do without seeing inordinate price increases. Kaplan said he prefers to keep tying forward guidance to both inflation and unemployment, as the Fed currently does. But he added that the central bank has learned that it can let the economy run a bit hotter than previously thought without sparking unwanted price pressures, and that by doing so, it pulls marginalized workers back into the labor force.

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²
China 						
⊕⊕⊕	03-Aug	Caixin's manufacturing PMI	Jul	52.8 ▲	51.2	51.1 ▲
⊕⊕	07-Aug	Trade balance (USD bn)	Jul	62.3 ▲	46.4	42.6 ▲
⊕⊕	07-Aug	Exports (yoy)	Jul	7.2% ▲	0.5%	-0.6% ▲
⊕	07-Aug	Foreign reserves (USD bn)	Jul	3 154 ▲	3 112	3 140 ▲
⊕⊕⊕⊕	10-Aug	Consumer inflation CPI (yoy)	Jul	2.7% ▲	2.5%	2.6% ▲
⊕⊕	10-Aug	Producer inflation PPI (yoy)	Jul	-2.4% ▲	-3.0%	-2.5% ▲
⊕	11-Aug	New yuan loans (CNY bn)‡	Jul	993 ▼	1 811	1 200 ▼
⊕⊕⊕⊕	14-Aug	Industrial production (yoy)	Jul	4.8% -	4.8%	5.2% ▼
⊕⊕	14-Aug	Fixed assets investments (ytd, yoy)	Jul	-1.6% ▲	-3.1%	-1.6% ○
⊕	14-Aug	Retail sales (yoy)	Jul	-1.1% ▲	-1.8%	0.1% ▼
Poland 						
⊕⊕⊕	03-Aug	Manufacturing PMI	Jul	52.8 ▲	47.2	50.0 ▲
⊕⊕	13-Aug	Trade balance (EUR mn)‡	Jun	2 666 ▲	1 389	1 210 ▲
⊕⊕	13-Aug	Exports (EUR mn)‡	Jun	18 689 ▲	15 793	18 186 ▲
⊕⊕	13-Aug	Current account balance (EUR mn)‡	Jun	2 842 ▲	2 321	2 219 ▲
⊕⊕⊕⊕⊕	14-Aug	GDP (yoy) - preliminary data	2Q	-8.2% ▼	2.0%	-9.0% ▲
⊕⊕⊕⊕⊕	14-Aug	GDP (qoq) - preliminary data	2Q	-8.9% ▼	-0.4%	-9.5% ▲
⊕⊕⊕⊕	14-Aug	Consumer inflation CPI (yoy) - final data	Jul	3.0% ▼	3.1%	--
US 						
⊕⊕⊕	03-Aug	Manufacturing PMI - final data	Jul	50.9 ▼	51.3	51.3 ▼
⊕⊕	03-Aug	ISM Manufacturing	Jul	54.2 ▲	52.6	53.6 ▲
⊕⊕	04-Aug	Durable goods orders - final data	Jun	7.6% ▲	7.3%	7.3% ▲
⊕⊕⊕	05-Aug	Composite PMI - final data	Jul	50.3 ▲	50.0	--
⊕⊕⊕	05-Aug	PMI services - final data	Jul	50.0 ▲	49.6	49.6 ▲
⊕⊕	07-Aug	Change in non-farm payrolls (ths)‡	Jul	1 763 ▼	4 791	1 480 ▲
⊕⊕	07-Aug	Underemployment rate (U6)	Jul	16.5% ▼	18.0%	--
⊕⊕	07-Aug	Unemployment rate	Jul	10.2% ▼	11.1%	10.6% ▼
⊕	07-Aug	Average hourly earnings (yoy)‡	Jul	4.8% ▼	4.9%	4.2% ▲
⊕⊕⊕⊕	12-Aug	Consumer inflation CPI (mom)	Jul	0.6% -	0.6%	0.3% ▲
⊕⊕⊕⊕	12-Aug	Consumer inflation CPI (yoy)	Jul	1.0% ▲	0.6%	0.7% ▲
⊕⊕⊕⊕	14-Aug	Industrial production (mom)‡	Jul	3.0% ▼	5.7%	3.0% ○
⊕⊕	14-Aug	Retail sales (excluding autos, mom)‡	Jul	1.9% ▼	8.3%	1.3% ▲
⊕⊕	14-Aug	University of Michigan confidence index - preliminary data	Aug	72.8 ▲	72.5	72.0 ▲
⊕	14-Aug	Capacity utilization‡	Jul	70.6% ▲	68.5%	70.3% ▲
Eurozone 						
⊕⊕⊕	03-Aug	Manufacturing PMI - final data‡	Jul	51.8 -	51.8	51.1 ▲
⊕⊕	04-Aug	Producer inflation PPI (yoy)	Jun	-3.7% ▲	-5.0%	-3.8% ▲
⊕⊕⊕	05-Aug	Composite PMI - final data‡	Jul	54.9 -	54.9	54.8 ▲
⊕⊕⊕	05-Aug	Services PMI - final data‡	Jul	54.7 -	54.7	55.1 ▼
⊕⊕	05-Aug	Retail sales (yoy)‡	Jun	1.3% ▲	-3.1%	-0.2% ▲
⊕	11-Aug	ZEW survey expectations	Aug	64.0 ▲	59.6	--
⊕⊕⊕⊕	12-Aug	Industrial production (sa, mom)‡	Jun	9.1% ▼	12.3%	10.0% ▼
⊕⊕⊕⊕	12-Aug	Industrial production (wda, yoy)‡	Jun	-12.3% ▲	-20.4%	-11.6% ▼
⊕⊕⊕⊕⊕	14-Aug	GDP (sa, yoy) - preliminary data	2Q	-15.0% -	-15.0%	-15.0% ○

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
Germany							
🔔🔔🔔	03-Aug	Manufacturing PMI - final data‡	Jul	51.0 -	51.0	50.0	🟢
🔔🔔🔔	05-Aug	Composite PMI - final data‡	Jul	55.3 -	55.3	55.5	🔴
🔔🔔🔔	06-Aug	Factory orders (wda, yoy)	Jun	-11.3% ▲	-29.3%	-18.5%	🟢
🔔🔔🔔🔔	07-Aug	Industrial production (wda, yoy)‡	Jun	-11.7% ▲	-19.5%	-11.4%	🔴
🔔🔔🔔🔔	13-Aug	Harmonized consumer inflation HICP (yoy) - final data	Jul	0.0% -	0.0%	0.0%	🟡
🔔🔔🔔🔔	13-Aug	Consumer inflation CPI (yoy) - final data	Jul	-0.1% -	-0.1%	-0.1%	🟡
France							
🔔🔔🔔	03-Aug	Manufacturing PMI - final data‡	Jul	52.4 -	52.4	52.0	🟢
🔔🔔🔔	05-Aug	Composite PMI - final data‡	Jul	57.3 -	57.3	57.6	🔴
🔔🔔🔔🔔	07-Aug	Industrial production (yoy)	Jun	-11.7% ▲	-23.4%	-12.9%	🟢
🔔🔔🔔🔔	14-Aug	Harmonized consumer inflation HICP (yoy) - final data	Jul	0.9% -	0.9%	0.9%	🟡
🔔🔔🔔🔔	14-Aug	Consumer inflation CPI (yoy) - final data	Jul	0.8% -	0.8%	0.8%	🟡
Italy							
🔔🔔🔔	03-Aug	Manufacturing PMI	Jul	51.9 ▲	47.5	51.2	🟢
🔔🔔🔔	05-Aug	Composite PMI	Jul	52.5 ▲	47.6	51.8	🟢
🔔🔔🔔🔔	06-Aug	Industrial production (wda, yoy)‡	Jun	-13.7% ▲	-20.5%	-16.0%	🟢
🔔🔔🔔🔔	12-Aug	Harmonized consumer inflation HICP (yoy) - final data	Jul	0.8% ▼	0.9%	0.9%	🔴
UK							
🔔🔔🔔	03-Aug	Manufacturing PMI (sa) - final data‡	Jul	53.3 -	53.3	53.6	🔴
🔔🔔🔔	05-Aug	Composite PMI - final data‡	Jul	57.0 -	57.0	57.1	🔴
🔔🔔🔔🔔🔔	06-Aug	BoE base rate decision	Aug	0.10% -	0.10%	0.10%	🟡
🔔🔔	11-Aug	Unemployment rate (ILO, 3-months)	Jun	3.9% -	3.9%	4.2%	🔴
🔔🔔🔔🔔	12-Aug	GDP (yoy) - preliminary data	2Q	-21.7% ▼	-1.7%	-22.3%	🟢
🔔🔔🔔🔔	12-Aug	GDP (qoq) - preliminary data	2Q	-20.4% ▼	-2.2%	-20.7%	🟢
🔔🔔🔔	12-Aug	Industrial production (yoy)	Jun	-12.5% ▲	-20.0%	-13.1%	🟢
Japan							
🔔🔔🔔🔔🔔	03-Aug	GDP (annualized, qoq) - final data	1Q	-2.2% -	-2.2%	-2.8%	🟢
🔔🔔🔔🔔🔔	03-Aug	GDP (qoq, sa) - final data	1Q	-0.6% -	-0.6%	-0.7%	🟢
🔔🔔🔔	03-Aug	Manufacturing PMI - final data‡	Jul	45.2 -	45.2	--	
🔔🔔🔔	05-Aug	Composite PMI - final data‡	Jul	44.9 -	44.9	--	
Chile							
🔔🔔🔔🔔	03-Aug	Economic activity (yoy)	Jun	-12.4% ▲	-15.3%	-15.0%	🟢
🔔🔔	06-Aug	Nominal wages (yoy)	Jun	2.7% ▲	2.6%	--	
🔔🔔🔔	07-Aug	Copper exports (USD mn)‡	Jul	3 116 ▲	2 898	--	
Canada							
🔔🔔🔔	07-Aug	Net change in employment (ths)	Jul	419 ▼	953	380	🟢

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

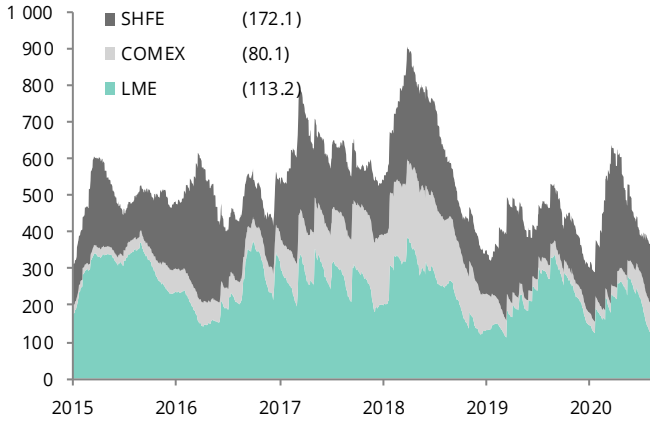
Key base & precious metal prices, exchange rates and other important market factors

<i>(as of: 14-Aug-20)</i>		Price change ¹					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t; Mo in USD/lbs)									
Copper	6 342.50	▼ -1.5%	▲ 5.0%	▲ 3.0%	▲ 11.3%	5 681.88	4 617.50	6 545.00	
Molybdenum	7.84	▲ 8.4%	▲ 6.2%	▼ -14.8%	▼	8.65	7.00	10.90	
Nickel	14 235.00	▲ 4.0%	▲ 11.3%	▲ 1.7%	▼ -11.0%	12 705.97	11 055.00	14 381.00	
Aluminum	1 730.00	▲ 3.0%	▲ 8.0%	▼ -3.9%	▼ -0.7%	1 610.30	1 421.50	1 810.50	
Tin	17 665.00	▼ -1.6%	▲ 4.9%	▲ 4.8%	▲ 4.7%	16 357.93	13 400.00	18 195.00	
Zinc	2 360.00	▲ 3.2%	▲ 14.8%	▲ 2.9%	▲ 4.3%	2 083.12	1 773.50	2 466.50	
Lead	1 946.00	▲ 4.3%	▲ 8.8%	▲ 1.2%	▼ -4.8%	1 778.04	1 576.50	2 027.00	
LBMA (USD/troz)									
Silver	26.71	▲ 10.2%	▲ 49.6%	▲ 48.0%	▲ 54.5%	17.83	12.01	28.33	
Gold ²	1 944.75	▼ -0.7%	▲ 10.0%	▲ 27.7%	▲ 28.3%	1 695.96	1 474.25	2 067.15	
LPPM (USD/troz)									
Platinum ²	952.00	▲ 4.7%	▲ 17.0%	▼ -2.0%	▲ 13.7%	855.70	593.00	1 017.00	
Palladium ²	2 146.00	▲ 1.2%	▲ 12.7%	▲ 11.8%	▲ 48.7%	2 117.51	1 557.00	2 781.00	
FX³									
EURUSD	1.1813	▲ 0.7%	▲ 5.5%	▲ 5.2%	▲ 5.9%	1.1133	1.0707	1.1854	
EURPLN	4.3988	▼ -0.4%	▼ -1.5%	▲ 3.3%	▲ 1.2%	4.4191	4.2279	4.6044	
USDPLN	3.7227	▼ -0.7%	▼ -6.5%	▼ -2.0%	▼ -4.3%	3.9732	3.7143	4.2654	
USDCAD	1.3250	▼ -1.1%	▼ -2.8%	▲ 2.0%	▼ -0.6%	1.3609	1.2970	1.4496	
USDCNY	6.9504	▼ -0.4%	▼ -1.6%	▼ -0.2%	▼ -1.2%	7.0259	6.8598	7.1671	
USDCLP	793.32	▲ 4.8%	▼ -2.8%	▲ 6.5%	▲ 11.7%	807.14	748.74	867.83	
Money market									
3m LIBOR USD	0.270	▲ 0.02	▼ -0.03	▼ -1.64	▼ -1.85	0.905	0.242	1.900	
3m EURIBOR	-0.482	▼ -0.01	▼ -0.06	▼ -0.10	▼ -0.08	-0.376	-0.489	-0.161	
3m WIBOR	0.230	-	▼ -0.03	▼ -1.48	▼ -1.49	0.926	0.230	1.710	
5y USD interest rate swap	0.353	▲ 0.09	▲ 0.03	▼ -1.38	▼ -1.01	0.702	0.243	1.693	
5y EUR interest rate swap	-0.347	▲ 0.05	▲ 0.01	▼ -0.24	▲ 0.21	-0.286	-0.453	-0.090	
5y PLN interest rate swap	0.593	▲ 0.09	▲ 0.06	▼ -1.19	▼ -0.88	0.981	0.480	2.050	
Fuel									
WTI Cushing	42.01	▲ 2.4%	▲ 7.0%	▼ -31.2%	▼ -22.9%	37.59	-37.63	63.27	
Brent	43.93	▲ 1.9%	▲ 7.4%	▼ -33.9%	▼ -24.5%	41.30	17.32	69.02	
Diesel NY (ULSD)	121.29	▼ -2.1%	▲ 2.5%	▼ -40.2%	▼ -32.6%	124.73	60.67	206.01	
Others									
VIX	22.05	▼ -2.23	▼ -8.38	▲ 8.27	▲ 0.87	31.39	12.10	82.69	
BBG Commodity Index	70.81	▲ 1.3%	▲ 9.0%	▼ -12.5%	▼ -7.7%	67.86	59.48	81.64	
S&P500	3 372.85	▲ 2.4%	▲ 8.8%	▲ 4.4%	▲ 18.4%	3 045.72	2 237.40	3 386.15	
DAX	12 901.34	▲ 2.0%	▲ 4.8%	▼ -2.6%	▲ 13.0%	11 951.09	8 441.71	13 789.00	
Shanghai Composite	3 360.10	▼ -0.2%	▲ 12.6%	▲ 10.2%	▲ 19.3%	2 995.29	2 660.17	3 450.59	
WIG 20	1 856.56	▲ 2.9%	▲ 5.6%	▼ -13.7%	▼ -10.7%	1 796.57	1 305.73	2 200.10	
KGHM	132.00	▲ 1.4%	▲ 45.2%	▲ 38.1%	▲ 66.5%	88.47	49.40	139.35	

° 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

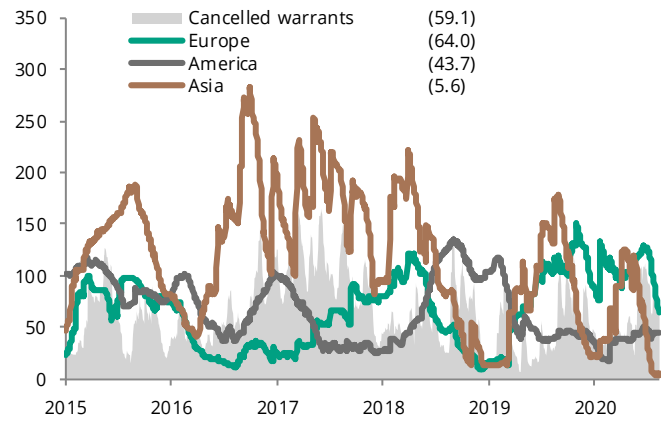
Source: Bloomberg, KGHM Polska Miedź

Copper: official exchange stocks (thousand mt)



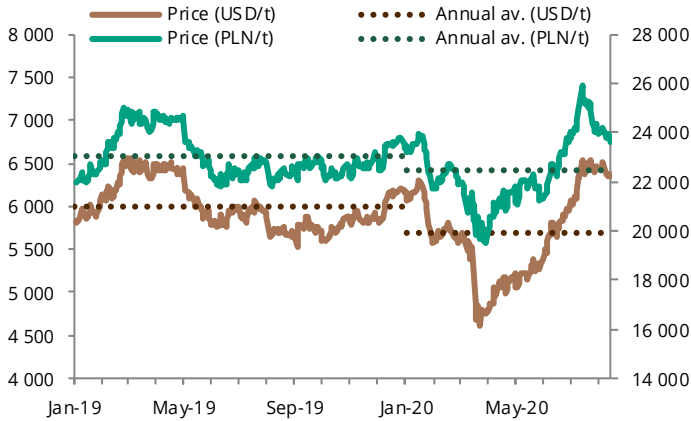
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand mt)



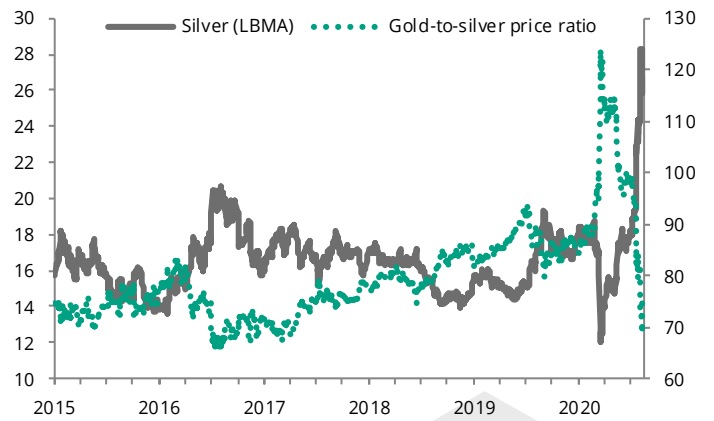
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



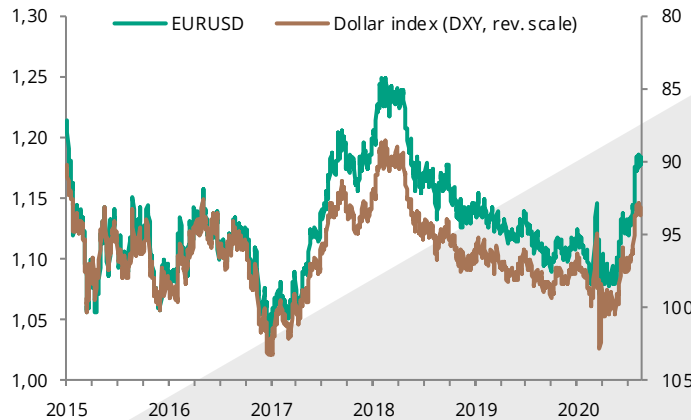
Source: Bloomberg, KGHM Polska Miedź

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



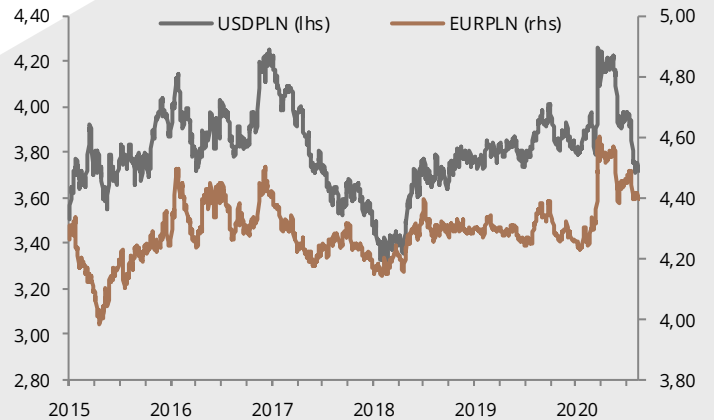
Source: Bloomberg, KGHM Polska Miedź

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:
3 – 16 August 2020.

- 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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