

Market Overview



as of: 15th February 2021




- **Copper:** As a result of strong demand from factories, which maintain high operating figures during the usually slow holiday period, China's copper inventories are reaching an almost ten-year low (*page 2*).
- **Precious metals:** The price disproportionate to palladium, as well as the tightening of emission regulations, have raised expectations that platinum consumption will increase. Platinum has outperformed many of its peers this year after spending most of 2020 lagging behind and reached Six-Year High (*page 5*).
- **Crude oil:** On Friday (February 12), oil prices rose by more than 2%, reaching their highest levels in over a year. The most important support for black gold prices are the expectations related to the stimulus package announced by Joe Biden in the US and the production cuts agreed by the OPEC + (*page 6*).
- **USA:** The new US treasury secretary officially announced that the government in the United States has changed, along with the approach to various economic topics. Janet Yellen calls for increased fiscal packages, changes the US position 180 degrees on the IMF reserve fund, and wants to work out a joint, intercontinental solution for digital taxation (*page 7*).

Key market prices

	Close price	2w chng.
LME (USD/t)		
▲ Copper	8 270.50	5.0%
▲ Nickel	18 363.00	3.6%
LBMA (USD/troz)		
▼ Silver	27.07	-1.3%
▼ Gold (PM)	1 816.35	-2.5%
FX		
▼ EURUSD	1.2108	-0.2%
▼ EURPLN	4.5029	-0.8%
▼ USDPLN	3.7186	-0.7%
▼ USDCAD	1.2711	-0.5%
▼ USDCLP	722.52	-2.5%
Stocks		
▲ KGHM	189.45	0.6%

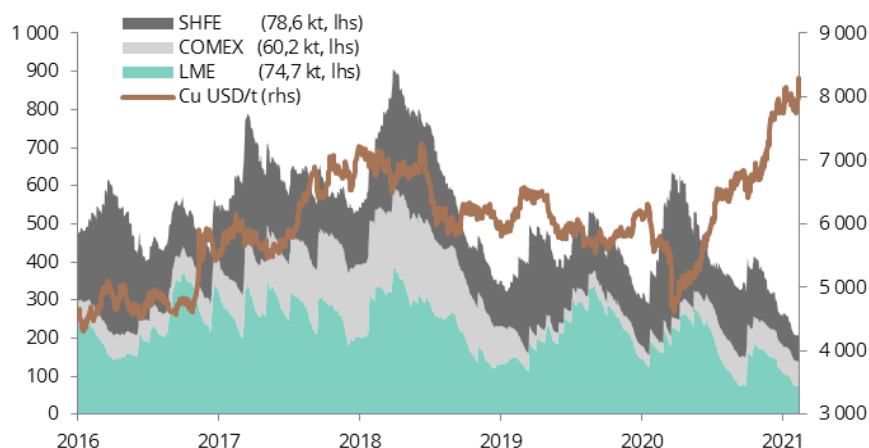
Source: Bloomberg, KGHM Polska Miedź S.A.; (*more on page 10*)

Important macroeconomic data

Release	For		
 Composite PMI	Jan	47.8	▲
 Non-farm payrolls chng.	Jan	49.0	▲
 New yuan loans	Jan	3 580	▲
 GDP (yoy)	4Q	-2.8%	▼
 Copper exports (\$)	Jan	2 733	▼

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

The decline in copper inventories in stock exchange warehouses is accompanied by an increase in the price of red metal



Source: Bloomberg, KGHM Polska Miedź S.A. Latest stocks values in brackets

Market Risk Unit

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Base and precious metals | Other commodities

Copper

China's Holiday-Skipping Factories Give Copper Bullish Start To Year Of The Ox

As a result of strong demand from factories, which maintain high operating figures during the usually slow holiday period, China's copper inventories are reaching an almost ten-year low.

Copper inventories in warehouses monitored by the Shanghai Stock Exchange fell to 68,588 tons, near their lowest since 2011

Instead of increasing, as they usually do in the run up to the Lunar New Year, copper inventories in China have dropped to near decade lows on robust demand from factories that are maintaining high operating rates over the usually slow holiday period. Copper demand in China, the world's top metal consumer, typically softens as businesses close for the week-long Spring Festival, which starts on Feb. 11 and ushers in the Year of the Ox. But with migrant workers largely heeding Beijing's call to avoid travel this year to curb the spread of the coronavirus, factories with strong order books have shortened planned shutdowns and are hoarding copper for their own use as visible exchange stocks dwindle. Refined copper inventories in warehouses tracked by the Shanghai Futures Exchange were at 68,588 tonnes on Feb. 5, near their lowest since 2011. "Most of our plants in China have no more than two days holiday this Chinese New Year," said a source with a major copper tube manufacturer, adding some were not stopping at all. The manufacturer, which supplies the air conditioning industry, will increase purchases of copper cathodes "by 20% compared to a normal year," the source added. "We think the peak season will be earlier this year," the person said, adding that orders should be good in the coming months because air conditioning plants need to stock up for summer sales. Makers of semi-fabricated copper products "have increased their stocks of raw materials before the holiday to almost double the normal level," said copper analyst He Tianyu of consultancy CRU Group.

Mantos Copper Secures \$847 Million For Chile Mantoverde Mine Expansion

The implementation of the project will allow production to continue until at least 2041. Average production in the years 2023-2030 is estimated at 110,000 tonnes of copper and 33 000 ounces of gold per year.

Copper producer Mantos Copper has secured an \$847 million financing package to fund the expansion of its Mantoverde copper mine in northern Chile. The funds will finance a \$784 million project to build a copper concentrator and associated infrastructure at the mine to process ore from sulfide deposit at Mantoverde and expand the existing oxide operation, allowing production to continue until at least 2041. The mine is expected to produce an average of 110,000 mt/year of copper and 33,000 oz/year of gold between 2023 and 2030.

"The project will expand Mantoverde into a world class copper mine , and bring material benefit to all of its stakeholders, including employees, contractors, suppliers, customers and local communities," said Mantos Copper's executive chairman, John MacKenzie, in a statement. The financing deal includes a \$571.6 million debt financing package with a syndicate of international banks and export credit agencies, including a 12-year \$520 million debt facility plus a 10-year \$51.6 million bonding facility. These will compliment \$275 million earned through the sale of a 30% stake in the Mantoverde mine to Mitsubishi Materials Corp agreed last year and completed Feb. 11. The Japanese company also agreed a \$60 million cost overrun facility in exchange for additional deliveries of copper concentrate. As a result, MMC said it expects entitlement to 42% of the concentrate produced by the mine. Project financing was provided by Chile's BCI, BNP Paribas, Export Finance Australia, ING Capital, MUFG Bank, Natixis and Societe Generale. while Finland's export credit agency Finnvera issued a raw material guarantee for \$250 million. Owned by Orion Mine Finance, Mantos Copper acquired the Mantos Blancos and Mantoverde copper mines from Anglo American in 2015 for \$300 million. "Mantos Copper is well advanced in realizing our strategy in becoming a world class sustainable copper business with total copper production approaching 200,000 mt/year," Mackenzie said.

Other important information on copper market:

- Mineracao Vale Verde has raised \$140 million in debt financing to bring its Serrote copper and gold mine project in Alagoas, Brazil, said project backer Appian Natural Resources Fund II. Construction of the mine is now 94% complete with first production expected in second-half 2021. The project is expected to about 20,000 mt/year of copper equivalent over an initial 14-year mine life from a low-strip, open pit mine supplying a 4.1 million mt/year processing plant. Serrote's initial life of mine will exploit a mineral reserve of 52.65 million mt grading 0.6% copper, with a potential expansion into a larger 108.85 million mt measured and indicated resource at Serrote as well as through the potential at some of the nearby satellite deposits. The funds needed to complete the project were raised with ING Capital, Natixis, and Societe Generale. The transaction is the largest greenfield mining project finance transaction to have reached completion since the beginning of 2020, and the onset of COVID-19, highlighting the strong underlying fundamentals of the project. As part of the overall project funding package, Appian Natural Resources Fund II will acquire a royalty over a portion of the project's gold by-product production.
- Rough seas and a shortage of containers have bogged down shipments of copper cathodes from Chile and may continue to slow exports, according to a senior mining executive and local industry analysts. In January, Chile's top copper shipping port at Mejillones was largely shuttered as ocean swells hammered docking facilities, making it impossible to load ships. Exports of copper concentrate and cathodes, and inputs such as sulfuric acid have all been affected, the sources said. The industry analysts said the container shortage was continuing to plague cathode shipments. "Containers are still tight, and they are very expensive," said Juan Carlos Guajardo, executive director of the consulting

firm Plusmining. The container situation has driven up freight costs in the market and put pressure on copper processing premiums in Asia. In January, Codelco told Reuters the slowdown due to bad weather had lasted longer than in years past, but said it had successfully adjusted delivery plans to meet customer needs.

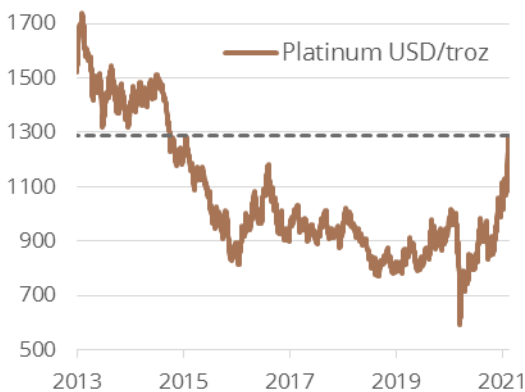
- China's major copper smelters cut output by 10.5% month-on-month in January after racing to meet annual targets in December state-backed research house Antaika said. Cathode production from 22 companies surveyed was 735,500 tonnes last month, up 10% from a year ago. Most smelters have no maintenance plans for February, according to Antaika. Meanwhile, Antaika's China lead survey showed 75 primary and secondary producers churned out 382,000 tonnes of refined lead in January, up 14.3% year-on-year (y/y) but down by 39,000 tonnes month-on-month (m/m). February lead production is seen slipping to 340,000 tonnes as recyclers reduce output for the Lunar New Year holiday beginning on Feb. 11.
- Peruvian production of copper showed signs of recovery in December, while lead, precious metals and molybdenum all declined, Energy and Mines Ministry data showed. Copper output slid 1.6% to 221,980 mt from 225,496 mt a year ago but still registered the highest monthly figure of 2020. Production fell at China Minmetals' Las Bambas, Freeport-McMoRan's Cerro Verde unit and HudbayMinerals' Constancia mine. Gold production dropped 15% to 8,548 kg from 10,063 kg a year ago, while silver was down 8.3% to 317,682 kg as output dropped at Newmont's Yanacocha unit, Canada's Pan American Silver and local firm Buenaventura. Lead fell 10% to 24,519 mt due to declines at Volcan and El Brocal, while molybdenum dropped 12% to 2,985 mt amid sagging output at Cerro Verde and Antamina. Copper production for the full year 2020 dropped 12.5% to 2.15 million mt and lead was down 22% to 240,732 mt. Gold (minus 32%) and silver (minus 22.5%) totaled 87,303 kg and 2.99 million kg, respectively, while molybdenum rose 5.7% to 32,185 mt.
- Chilean state copper giant Codelco saw its production of the red metal plunge in December, while other top mines in Chile also saw output drop off, government figures released showed. Cochilco said that output at Codelco, the world's largest copper miner, fell 16% year-on-year to 157,800 tonnes for the month. Total 2020 production for the miner inched up 1.2% over the previous year. Escondida - the largest copper deposit in the world controlled by BHP - fell 0.7% year-on-year to 104,900 tons. Production in 2020 remained flat with the previous year. Collahuasi - a partnership between Glencore and Anglo American with Japanese firms - posted a 22% year-on-year decrease in production to 44,200 tons in December. Overall 2020 production jumped 11.3% versus 2019, the statistics show.
- Mining companies interested in bidding for potential exploration and development permissions in Colombia should register from Feb. 11 as it continues efforts to diversify mineral output. Colombia has long hailed its as-yet largely untapped deposits of gold and copper, among other minerals, as the future of its mining industry. Contracts for four areas with potential copper and polymetal in the northern provinces of La Guajira and Cesar will be on offer in the first round, which is set for Feb. 25, the statement said.

Precious Metals

Platinum Surges to Six-Year High on Industrial Bounceback Bets

The price disproportionate to palladium, as well as the tightening of emission regulations, have raised expectations that platinum consumption will increase. Platinum has outperformed many of its peers this year after spending most of 2020 lagging behind and reached Six-Year High.

Platinum price reach out levels last seen in 2015



Źródło: Bloomberg, KGHM Polska Miedź S.A.

Platinum rallied to a six-year high on bets that a recovery in industrial demand and stricter emissions rules will tighten supply of the metal used to curb pollution from cars and trucks. The commodity has been trading at a big discount to sister-metal palladium, which is also used primarily in catalytic converters. The price disparity between the two, as well as tougher regulations on emissions, has raised expectations that platinum will see greater use. Platinum has outperformed many of its peers this year after spending most of 2020 lagging behind. The metal's price outlook was improved significantly by disruption at a key South African refinery, which likely will keep the market in deficit this year, according to the World Platinum Investment Council. Strong investment demand from those expecting a catch-up to gold and palladium also has been supportive. Autocatalyst maker Johnson Matthey said that it expects platinum's share of demand to increase after a 15-year decline. The gain will mostly be driven by higher demand from heavy-duty Chinese vehicles, though a recovery in car production generally will boost demand for all platinum-group metals, it said. "Oil is going up and commodities in general are going up," Johan Theron, spokesman for Impala Platinum Holdings Ltd. "On a relative basis platinum is low on a historical level. So it's definitely receiving a lot of investor attention and not necessarily that anything fundamentally has changed in the short-term outlook." On the 10th Feb platinum for immediate delivery gained as much as 6% to \$1,252.84 an ounce, the highest since Feb. 6, 2015.

Crude oil

Oil edges higher on U.S. stimulus hopes

On Friday (February 12), oil prices rose by more than 2%, reaching their highest levels in over a year. The most important support for black gold prices are the expectations related to the stimulus package announced by Joe Biden in the US and the production cuts agreed by the OPEC +.

Brent gained \$ 1.29 at the close on February 12, reaching \$ 62.43 a barrel. WTI closed the session with an increase of \$ 1.23 to \$ 59.47

Oil prices climbed more than 2% on Friday (Feb 12), hitting the highest levels in more than a year on hopes a U.S. stimulus will boost the economy and fuel demand, as supplies tighten due largely to output cuts by top producing countries. Brent crude settled up \$1.29, or 2.1%, at \$62.43 a barrel after rising to a session high of \$62.83, the highest since Jan. 22, 2020. U.S. oil ended the session up \$1.23, or 2.1%, at \$59.47 after rising to a session high of \$59.82, the highest since Jan. 9, 2020. U.S. crude notched a weekly gain of about 4.7% while Brent rose 5.3% on the week. U.S. President Joe Biden will meet with a bipartisan group of mayors and governors as he keeps pushing for approval of a \$1.9 trillion coronavirus relief plan to bolster economic growth and help millions of unemployed workers. All three major U.S. stock indexes were on course for their second straight weekly rise. A sharp drop in new COVID-19 cases and hospitalizations buoyed hopes life will eventually return to normal. "Expected U.S. stimulus and ongoing vaccine progress is likely to maintain appetite for risky assets in offering support to the oil market," said Jim Ritterbusch, president of Ritterbusch and Associates in Galena, Illinois. Oil prices have risen over recent weeks due partly to production cuts from the Organization of the Petroleum Exporting Countries (OPEC) and allied producers in the group OPEC+. "Oil prices held onto their recent gains this week, buoyed by further signs that crude stocks, particularly in the U.S., are falling," Capital Economics analysts said in a note. "We anticipate that inventories will fall further later this year as transport fuel demand revives in tandem with the easing of virus-related restrictions on travel." Still, OPEC this week ratcheted down expectations for global oil demand to recover in 2021, trimming its forecast by 110,000 barrels per day (bpd) to 5.79 million bpd. The International Energy Agency (IEA) said oil supply was still outstripping global demand, though COVID-19 vaccines are expected to support a demand recovery. "The (IEA) report paints a more pessimistic picture than market participants have presumably been envisaging given the current high prices," Commerzbank said. Demand data from the world's biggest oil importer also paints a bleak picture. The number of people who travelled in China ahead of Lunar New Year holidays plummeted by 70% from two years ago. Rebalancing in the market could also face headwinds if U.S. production rises. U.S. drillers this week added oil and natural gas rigs for a 12th week in a row, the longest streak of additions since June 2017, according to Baker Hughes data.

Global economies | Foreign exchange markets

Yellen Takes 'Go Big' Message to G-7 to Aid Global Recovery






The new US treasury secretary officially announced that the government in the United States has changed, along with the approach to various economic topics. Janet Yellen calls for increased fiscal packages, changes the US position 180 degrees on the IMF reserve fund, and wants to work out a joint, intercontinental solution for digital taxation.







The U.S. is leaning toward backing an increase in the IMF's special drawing rights, or SDRs, by as much as \$500 billion

Treasury Secretary Janet Yellen stressed the need for the Group of Seven countries to "go big" with fiscal stimulus to support economic recovery from the global pandemic. In her first call with foreign counterparts and central bankers from the G-7, Yellen said that "the time to go big is now" and that the group should focus on how to help the economy. The online gathering of finance chiefs from the world's top industrial economies addressed a proposed expansion in the International Monetary Fund's lending firepower along with digital taxation and climate change. The U.S. is leaning toward backing an increase in the IMF's special drawing rights, or SDRs, by as much as \$500 billion, Bloomberg News reported earlier this month. The fund has been lobbying for more help to support developing nations against the Covid-19 crisis. The U.S. has a de-facto veto in the IMF on the decision, and former Treasury Secretary Steven Mnuchin had previously blocked the fund's requests to boost its special drawing rights. Yellen highlighted in the call that there's a new tone out of Washington. The U.S. "places a high priority on deepening our international engagement and strengthening our alliances," she said, according to the Treasury's statement. On fiscal policy, the U.S. is among the most aggressive, with the Biden administration pursuing a \$1.9 trillion package in Congress. French Finance Minister Bruno Le Maire said the world's biggest economies must coordinate stimulus plans and policies in an effort to reduce key risks including trade tensions and inequality. The finance chiefs also discussed the continuing effort to find international consensus on taxing internet giants such as Facebook Inc. Japanese Finance Minister Taro Aso told reporters that given how the talks went there's an increasing possibility of a compromise on the international taxation issue. The group will hold another meeting next month, Aso said. Biden "believes the largest corporations should pay their fair share in taxes," White House Press Secretary Jen Psaki said Friday at a briefing. She said Biden is "committed" to reaching a multilateral agreement. "We have to come to an agreement this summer," on the matter, Le Maire said, according to the French finance ministry.

Macroeconomic calendar

Important macroeconomic data releases

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²	
China							
***	01-Feb	Caixin's manufacturing PMI	Jan	51.5 ▼	53.0	52.6	🔴
*	07-Feb	Foreign reserves (USD bn)	Jan	3 211 ▼	3 217	3 222	🔴
*	09-Feb	New yuan loans (CNY bn)‡	Jan	3 580 ▲	1 255	3 500	🟢
****	10-Feb	Consumer inflation CPI (yoy)	Jan	-0.3% ▼	0.2%	0.0%	🔴
**	10-Feb	Producer inflation PPI (yoy)	Jan	0.3% ▲	-0.4%	0.3%	🟡
Poland							
***	01-Feb	Manufacturing PMI	Jan	51.9 ▲	51.7	51.3	🟢
*****	03-Feb	NBP base rate decision	Feb	0.10% -	0.10%	0.10%	🟡
*****	12-Feb	GDP (yoy) - preliminary data	4Q	-2.8% ▼	-1.5%	-3.0%	🟢
*****	12-Feb	GDP (qoq) - preliminary data	4Q	-0.7% ▼	7.9%	-1.0%	🟢
US							
***	01-Feb	Manufacturing PMI - final data	Jan	59.2 ▲	59.1	59.1	🟢
**	01-Feb	ISM Manufacturing‡	Jan	58.7 ▼	60.5	60.0	🔴
***	03-Feb	Composite PMI - final data	Jan	58.7 ▲	58.0	--	🟢
***	03-Feb	PMI services - final data	Jan	58.3 ▲	57.5	57.4	🟢
**	04-Feb	Durable goods orders - final data	Dec	0.5% ▲	0.2%	0.2%	🟢
**	05-Feb	Change in non-farm payrolls (ths)‡	Jan	49.0 ▲	- 227	105	🔴
**	05-Feb	Underemployment rate (U6)	Jan	11.1% ▼	11.7%	--	🔴
**	05-Feb	Unemployment rate	Jan	6.3% ▼	6.7%	6.7%	🔴
*	05-Feb	Average hourly earnings (yoy)‡	Jan	5.4% -	5.4%	5.0%	🟢
****	10-Feb	Consumer inflation CPI (mom)‡	Jan	0.3% ▲	0.2%	0.3%	🟡
****	10-Feb	Consumer inflation CPI (yoy)	Jan	1.4% -	1.4%	1.5%	🔴
**	12-Feb	University of Michigan confidence index - preliminary data	Feb	76.2 ▼	79.0	80.9	🔴
Eurozone							
***	01-Feb	Manufacturing PMI - final data	Jan	54.8 ▲	54.7	54.7	🟢
**	01-Feb	Unemployment rate	Dec	8.3% -	8.3%	8.3%	🟡
*****	02-Feb	GDP (sa, yoy) - estimation	4Q	-5.1% ▼	-4.3%	-5.3%	🟢
*****	02-Feb	GDP (sa, qoq) - estimation‡	4Q	-0.7% ▼	12.4%	-0.9%	🟢
****	03-Feb	Core CPI (yoy) - preliminary data	Jan	1.4% ▲	0.2%	0.9%	🟢
****	03-Feb	CPI estimate (yoy)	Jan	0.9% ▲	-0.3%	0.6%	🟢
***	03-Feb	Composite PMI - final data	Jan	47.8 ▲	47.5	47.5	🟢
***	03-Feb	Services PMI - final data	Jan	45.4 ▲	45.0	45.0	🟢
**	03-Feb	Producer inflation PPI (yoy)	Dec	-1.1% ▲	-1.9%	-1.2%	🟢
**	04-Feb	Retail sales (yoy)‡	Dec	0.6% ▲	-2.2%	1.2%	🔴
Germany							
***	01-Feb	Manufacturing PMI - final data	Jan	57.1 ▲	57.0	57.0	🟢
***	01-Feb	Retail sales (yoy)‡	Dec	1.5% ▼	5.0%	4.7%	🔴
***	03-Feb	Composite PMI - final data	Jan	50.8 -	50.8	50.8	🟡
***	05-Feb	Factory orders (wda, yoy)‡	Dec	6.4% ▼	6.7%	6.7%	🔴
****	08-Feb	Industrial production (wda, yoy)‡	Dec	-1.0% ▲	-2.5%	-1.0%	🟡
****	10-Feb	Harmonized consumer inflation HICP (yoy) - final data	Jan	1.6% -	1.6%	1.6%	🟡
****	10-Feb	Consumer inflation CPI (yoy) - final data	Jan	1.0% -	1.0%	1.0%	🟡

Weight	Date	Event	For	Reading ¹	Previous	Consensus ²
France 						
🔔🔔🔔	01-Feb	Manufacturing PMI - final data	Jan	51.6 ▲	51.5	51.5 ▲
🔔🔔🔔🔔	02-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Jan	0.8% ▲	0.0%	0.5% ▲
🔔🔔🔔🔔	02-Feb	Consumer inflation CPI (yoy) - preliminary data	Jan	0.6% ▲	0.0%	0.3% ▲
🔔🔔🔔	03-Feb	Composite PMI - final data	Jan	47.7 ▲	47.0	47.0 ▲
🔔🔔🔔🔔	10-Feb	Industrial production (yoy)‡	Dec	-3.0% ▲	-4.5%	-1.7% 📉
Italy 						
🔔🔔🔔	01-Feb	Manufacturing PMI	Jan	55.1 ▲	52.8	52.4 ▲
🔔🔔	01-Feb	Unemployment rate - preliminary data‡	Dec	9.0% ▲	8.8%	9.0% ○
🔔🔔🔔🔔🔔	02-Feb	GDP (wda, yoy) - preliminary data‡	4Q	-6.6% ▼	-5.1%	-6.6% ○
🔔🔔🔔🔔🔔	02-Feb	GDP (wda, qoq) - preliminary data‡	4Q	-2.0% ▼	16.0%	-2.0% ○
🔔🔔🔔🔔	03-Feb	Harmonized consumer inflation HICP (yoy) - preliminary data	Jan	0.5% ▲	-0.3%	0.2% ▲
🔔🔔🔔	03-Feb	Composite PMI	Jan	47.2 ▲	43.0	42.9 ▲
🔔🔔🔔🔔	09-Feb	Industrial production (wda, yoy)	Dec	-2.0% ▲	-4.2%	-1.4% 📉
UK 						
🔔🔔🔔	01-Feb	Manufacturing PMI (sa) - final data	Jan	54.1 ▲	52.9	52.9 ▲
🔔🔔🔔	03-Feb	Composite PMI - final data	Jan	41.2 ▲	40.6	40.6 ▲
🔔🔔🔔🔔🔔	04-Feb	BoE base rate decision	Feb	0.10% -	0.10%	0.10% ○
🔔🔔🔔🔔	04-Feb	BoE asset purchase target (GBP bn)	Feb	875 -	875	875 ○
🔔🔔🔔🔔🔔	12-Feb	GDP (yoy) - preliminary data	4Q	-7.8% ▲	-8.6%	-8.1% ▲
🔔🔔🔔🔔🔔	12-Feb	GDP (qoq) - preliminary data	4Q	1.0% ▼	16.0%	0.5% ▲
🔔🔔🔔🔔	12-Feb	Industrial production (yoy)‡	Dec	-3.3% ▲	-3.9%	-3.7% ▲
Japan 						
🔔🔔🔔	01-Feb	Manufacturing PMI - final data	Jan	49.8 ▲	49.7	--
🔔🔔🔔	03-Feb	Composite PMI - final data	Jan	47.1 ▲	46.7	--
Chile 						
🔔🔔🔔🔔	01-Feb	Economic activity (yoy)	Dec	-0.4% ▼	0.3%	-2.3% 📉
🔔🔔	05-Feb	Nominal wages (yoy)	Dec	4.0% ▼	4.6%	--
🔔🔔🔔	08-Feb	Copper exports (USD mn)	Jan	2 733 ▼	3 747	--
Canada 						
🔔🔔🔔	05-Feb	Net change in employment (ths)‡	Jan	- 213 ▼	- 52.7	- 40.0 📉

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

² Reading difference to consensus: ▲ = higher than consensus; 📉 = lower than consensus; ○ = equal to consensus.

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

Source: Bloomberg, KGHM Polska Miedź

Key market data

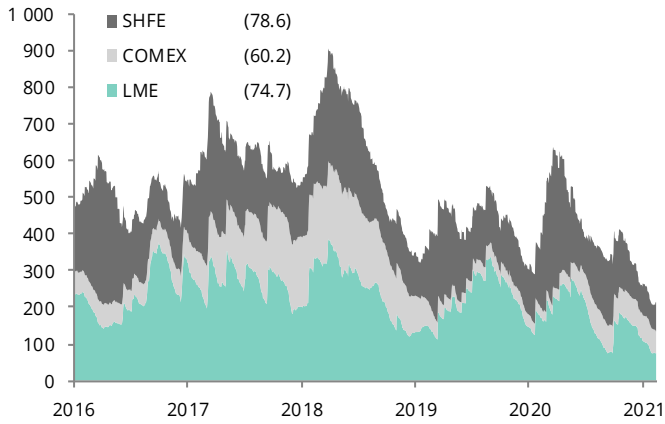
Key base & precious metal prices, exchange rates and other important market factors

<i>(as of: 12-Feb-21)</i>		Price change ¹					From year beginning ²		
	Price	2W	QTD	YTD	1Y	Average	Min	Max	
LME (USD/t; Mo in USD/lbs)									
Copper	8 270.50	▲ 5.0%	▲ 6.8%	▲ 6.8%	▲ 44.7%	7 986.35	7 755.50	8 292.00	
Molybdenum	11.71	▲ 9.4%	▲ 16.7%	▲ 16.7%	▲	10.61	9.95	11.71	
Nickel	18 363.00	▲ 3.6%	▲ 11.0%	▲ 11.0%	▲ 40.6%	17 915.93	17 164.00	18 599.00	
Aluminum	2 076.00	▲ 4.5%	▲ 5.0%	▲ 5.0%	▲ 22.0%	2 009.08	1 951.50	2 076.00	
Tin	25 290.00	▲ 6.9%	▲ 23.1%	▲ 23.1%	▲ 53.0%	22 865.83	20 965.00	25 568.00	
Zinc	2 793.50	▲ 8.9%	▲ 2.6%	▲ 2.6%	▲ 29.5%	2 686.25	2 539.00	2 838.00	
Lead	2 116.50	▲ 5.1%	▲ 7.3%	▲ 7.3%	▲ 12.8%	2 026.38	1 963.50	2 116.50	
LBMA (USD/troz)									
Silver	27.07	▼ -1.3%	▲ 2.2%	▲ 2.2%	▲ 53.5%	26.36	24.87	29.59	
Gold ²	1 816.35	▼ -2.5%	▼ -4.0%	▼ -4.0%	▲ 15.3%	1 854.47	1 785.90	1 943.20	
LPPM (USD/troz)									
Platinum ²	1 221.00	▲ 10.0%	▲ 13.6%	▲ 13.6%	▲ 26.5%	1 112.93	1 016.00	1 239.00	
Palladium ²	2 355.00	▲ 1.2%	▼ -0.6%	▼ -0.6%	▼ -2.4%	2 356.57	2 258.00	2 454.00	
FX ³									
EURUSD	1.2108	▼ -0.2%	▼ -1.3%	▼ -1.3%	▲ 11.4%	1.2135	1.1983	1.2338	
EURPLN	4.5029	▼ -0.8%	▼ -2.4%	▼ -2.4%	▲ 5.8%	4.5217	4.4773	4.5497	
USDPLN	3.7186	▼ -0.7%	▼ -1.1%	▼ -1.1%	▼ -4.9%	3.7277	3.6656	3.7699	
USDCAD	1.2711	▼ -0.5%	▼ -0.2%	▼ -0.2%	▼ -4.1%	1.2736	1.2627	1.2828	
USDCNY	6.4582	▲ 0.5%	▼ -1.1%	▼ -1.1%	▼ -7.4%	6.4663	6.4283	6.4928	
USDCLP	722.52	▼ -2.5%	▲ 1.6%	▲ 1.6%	▼ -8.3%	726.54	696.18	741.40	
Money market									
3m LIBOR USD	0.194	▼ -0.01	▼ -0.04	▼ -0.04	▼ -1.50	0.214	0.191	0.241	
3m EURIBOR	-0.547	▲ 0.00	▼ 0.00	▼ 0.00	▼ -0.14	-0.545	-0.556	-0.535	
3m WIBOR	0.210	-	0.00	-	0.00	0.210	0.210	0.210	
5y USD interest rate swap	0.617	▲ 0.10	▲ 0.19	▲ 0.19	▼ -0.82	0.539	0.416	0.617	
5y EUR interest rate swap	-0.394	▲ 0.05	▲ 0.07	▲ 0.07	▼ -0.11	-0.436	-0.485	-0.394	
5y PLN interest rate swap	0.925	▲ 0.23	▲ 0.31	▲ 0.31	▼ -0.96	0.700	0.583	0.925	
Fuel									
WTI Cushing	59.47	▲ 13.9%	▲ 22.6%	▲ 22.6%	▲ 15.7%	53.78	47.62	59.47	
Brent	62.85	▲ 14.6%	▲ 22.8%	▲ 22.8%	▲ 11.5%	56.37	50.02	62.85	
Diesel NY (ULSD)	177.64	▲ 11.0%	▲ 20.2%	▲ 20.2%	▲ 5.8%	162.74	146.07	177.64	
Others									
VIX	19.97	▼ -13.12	▼ -2.78	▼ -2.78	▲ 5.82	24.16	19.97	37.21	
BBG Commodity Index	84.06	▲ 4.9%	▲ 7.7%	▲ 7.7%	▲ 11.6%	81.03	78.64	84.06	
S&P500	3 934.83	▲ 5.9%	▲ 4.8%	▲ 4.8%	▲ 16.6%	3 822.69	3 700.65	3 934.83	
DAX	14 049.89	▲ 4.6%	▲ 2.4%	▲ 2.4%	▲ 2.2%	13 868.95	13 432.87	14 060.29	
Shanghai Composite	3 655.09	▲ 4.9%	▲ 5.2%	▲ 5.2%	▲ 25.8%	3 559.79	3 483.07	3 655.09	
WIG 20	1 937.07	▼ -0.6%	▼ -2.4%	▼ -2.4%	▼ -8.6%	1 981.22	1 917.54	2 074.11	
KGHM	189.45	▲ 0.6%	▲ 3.5%	▲ 3.5%	▲ 100.1%	194.35	175.05	215.90	

[°] 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

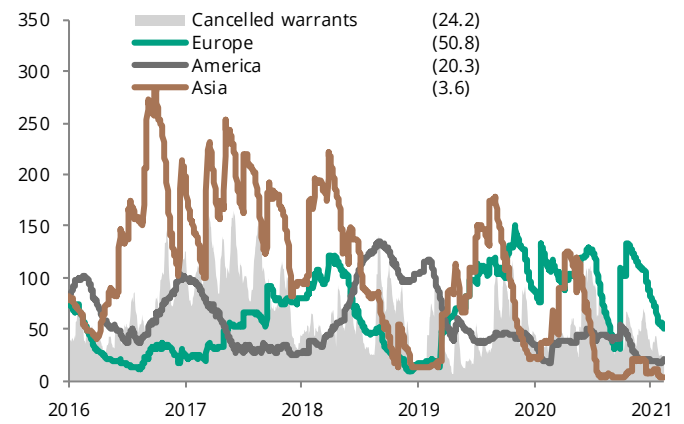
Source: Bloomberg, KGHM Polska Miedź

Copper: official exchange stocks (thousand tonnes)



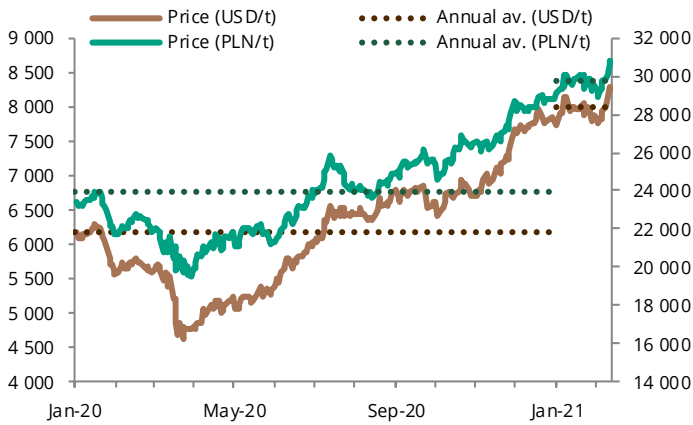
Note: Latest values in brackets. Source: Bloomberg, KGHM

Copper: official LME stocks (thousand tonnes)



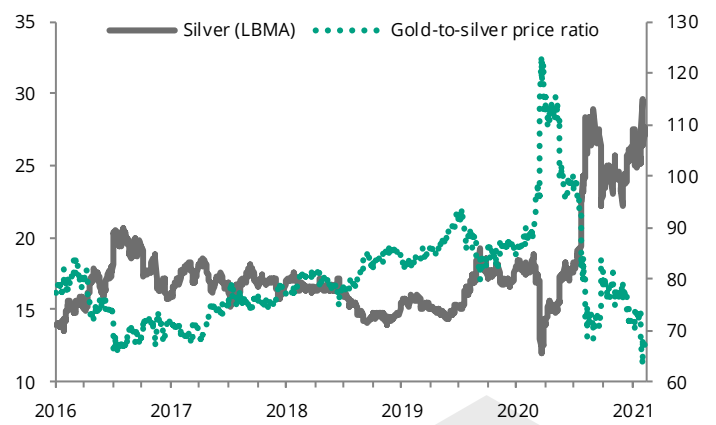
Note: Latest values in brackets. Source: Bloomberg, KGHM

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



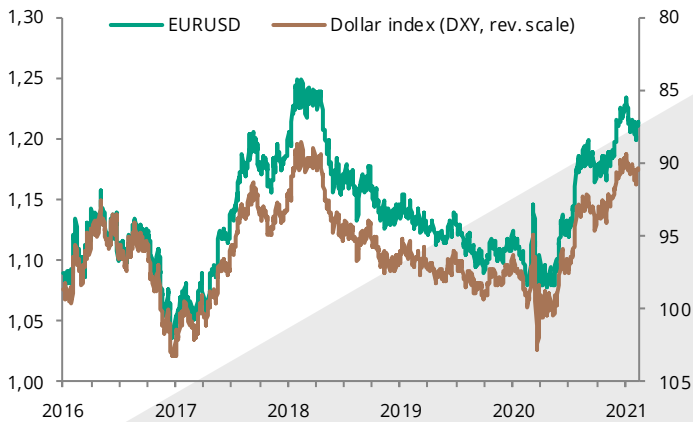
Source: Bloomberg, KGHM Polska Miedź

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



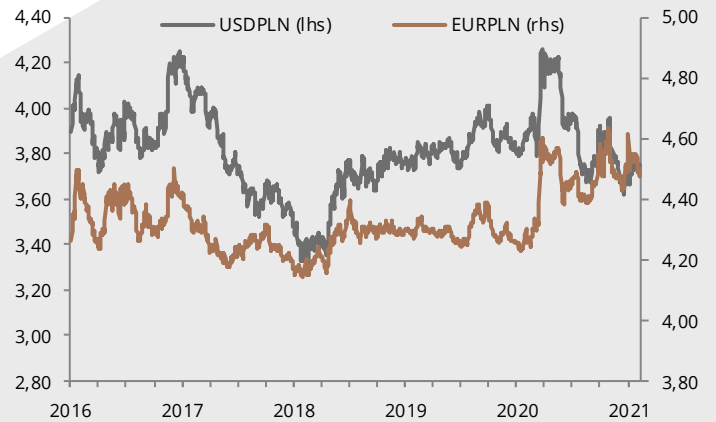
Source: Bloomberg, KGHM Polska Miedź

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:
1 – 14 February 2021.

- 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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