BLUGLANCE™







27-Nov-26

GLOBAL ZINC MARKET PULSE

Global Zinc Market:

A product of Bluglance Consulting

Prices, Spreads, Premiums & Strategies

Daily Report

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Zinc Price Table

	Open	High	Low	Close	% Change	5 Day % Change	YTD % Change
LME Cash (USD/MT)	3655	3655	3645	3629	3.27%	-2.73%	17.76%
LME 3M FWD (USD/MT)	3444	3571	3431	3505	3.33%	-1.79%	12.43%
LME Fut. (USD/MT)	3504	3586	3504	3545	3.53%	-1.96%	14.59%
SHFE Fut. (CNY/MT)	23320	23725	23210	23545	-0.30%	-2.42%	1.27%
MCX Fut. (INR/KG)	359.10	364.00	358.60	361.80	1.30%	-7.82%	17.64%

Nyrstar's Budel Smelter Shutdown Raises European Supply Concerns Amid Improving Global Sentiment

Zinc witnessed a strong recovery on 26 November, with LME 3-month forward outperforming other major exchanges amid renewed supply concerns and improving sentiment across the base metals complex. LME 3-month zinc advanced 3.33% to close at $3,505/MT, while the cash contract gained 3.27% to $3,629/MT. The US Dollar Index weakened from 104.53 to 103.66, providing additional support to dollar-denominated commodities. Overall, base metals have recovered from their recent lows over the past two sessions, indicating an improvement in short-term market sentiment.

The recovery was less pronounced across Asian exchanges. SHFE zinc futures declined 0.30% to CNY 23,545/MT, while MCX zinc futures gained 1.30% to close at ₹361.80/kg, underperforming the international market. This divergence highlights stronger buying interest in the LME market, primarily driven by European supply-side developments, while Chinese domestic prices remain relatively subdued.

The major fundamental development is Nyrstar's announcement to halt zinc production at its Budel smelter in the Netherlands from 30 November 2026. The facility has an annual refined zinc production capacity of 315,000 tonnes, with the decision driven by escalating energy costs and challenging smelting economics. According to SMM estimates, if the facility remains offline throughout 2027, the potential refined zinc supply loss could reach 200,000–220,000 tonnes. Budel primarily serves northwestern European markets, including the Netherlands, Belgium, Germany and northern France. The shutdown could tighten regional availability, support physical premiums and increase import demand. However, the ramp-up of Norway's Odda expansion and potential Chinese exports could partially offset the supply disruption over time.

Exchange inventory data showed combined stocks across LME, MCX and SHFE declining by 8,840 MT to 255,150 MT. LME inventories edged lower by 125 MT to 143,325 MT, . In contrast, MCX inventories increased by 175 MT to 549 MT. The overall drawdown, particularly across SHFE, provides additional support to the tightening supply narrative.

The LME cash-to-3-month spread remained in backwardation at $124/MT, highlighting continued nearby physical tightness. On MCX, zinc futures traded at an indicated premium of approximately $82/MT over adjusted LME cash import parity after applicable duty and conversion adjustments, reflecting a domestic premium over international parity.

Overall, European smelter disruptions, declining exchange inventories, a weaker dollar and improving broader base metals sentiment provide a constructive near-term backdrop. However, the divergence between LME, SHFE and MCX performance warrants monitoring.

Expected Range for the day : LME Zinc 3-m $3,500–3,600/MT

Exchange Inventory

Exchange Inventory (MT)					
LME	**26-Nov**	**25-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	143325	143450	-125	-17950	35700
MCX	**25-Nov**	**24-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	549	374	175	32	-1176
SHFE	**20-Nov**	**13-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	111276	120166	-8890	-23639	41483
Total	**255150**	**263990**	**-8840**	**-41557**	**76007**

Ratio Analysis

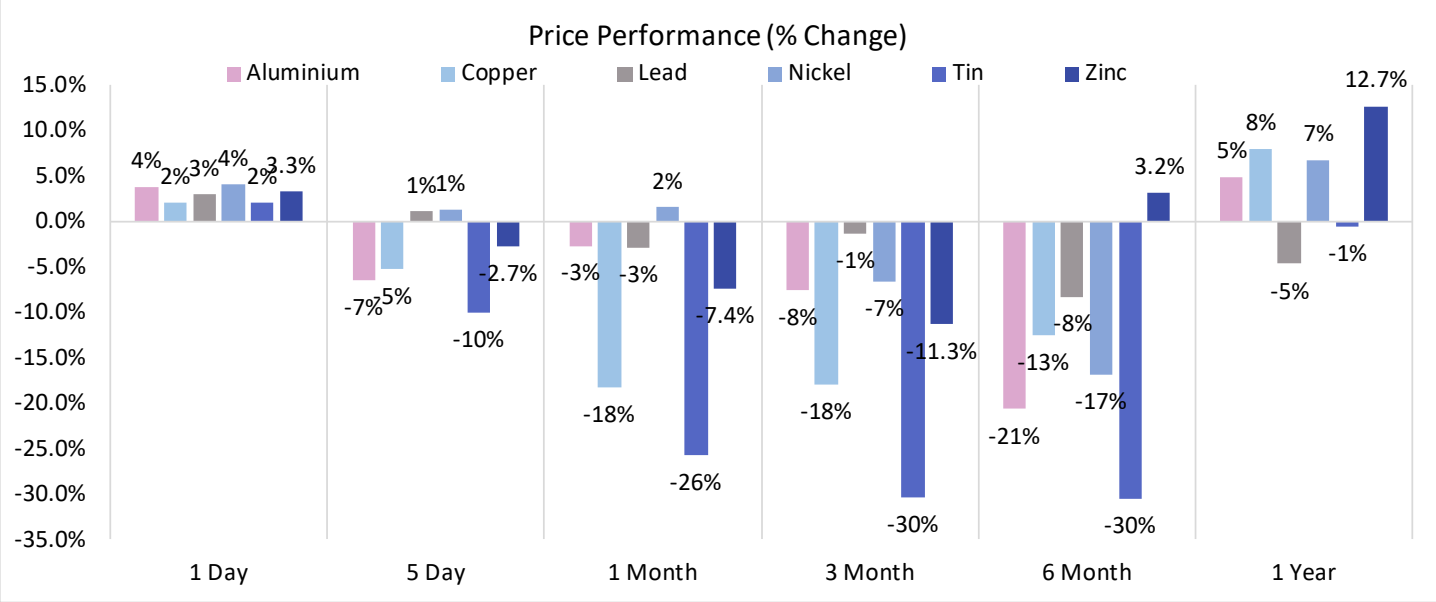
	Commodity	26-Nov-26	31-Dec-25	% Change
Mining Resources	Zinc	3505	3118	12.4%
	Lead	1871	2011	-7.0%
	Zinc/Lead	1.87	1.55	
Macro Relation	Zinc	3505	3118	12.4%
	Silver	41.55	71.66	-42.0%
	Copper/ Lead	84.36	43.50	

Spread Analysis

Contract	Price (USD/MT)			
LME Cash	3629			
SHFE Future	3535	-566		
MCX Future	3914		82	
LME Zinc Futures				
Contract	**Price (USD/MT)**	**Change (%)**	**Spread**	**Annu. Carry %**
Near	3545	3.53%	-18.00	-6.18
Next	3527	3.46%		
SHFE Zinc Futures				
Contract	**Price (CNY/MT)**	**Change (%)**	**Spread**	**Annu. Carry %**
Near	23545	-0.30%	-205	-10.59
Next	23340	-0.70%		
Far	23245	-0.45%	-300	-7.75
MCX Zinc Futures				
Contract	**Price (₹/kg)**	**Change (%)**	**Spread**	**Annu.Carry %**
Near	361.80	1.30%	-4.60	-15.47
Next	357.20	1.71%		
Far	342.30	3.82%	-19.50	-32.79
Note: Net Spread (USD/MT) MCX: Price + Prem. $203/MT (5% BCD + $40), SHFE: Price+13% Prem.				

Source: Bloomberg, Bluglance

Price Performance



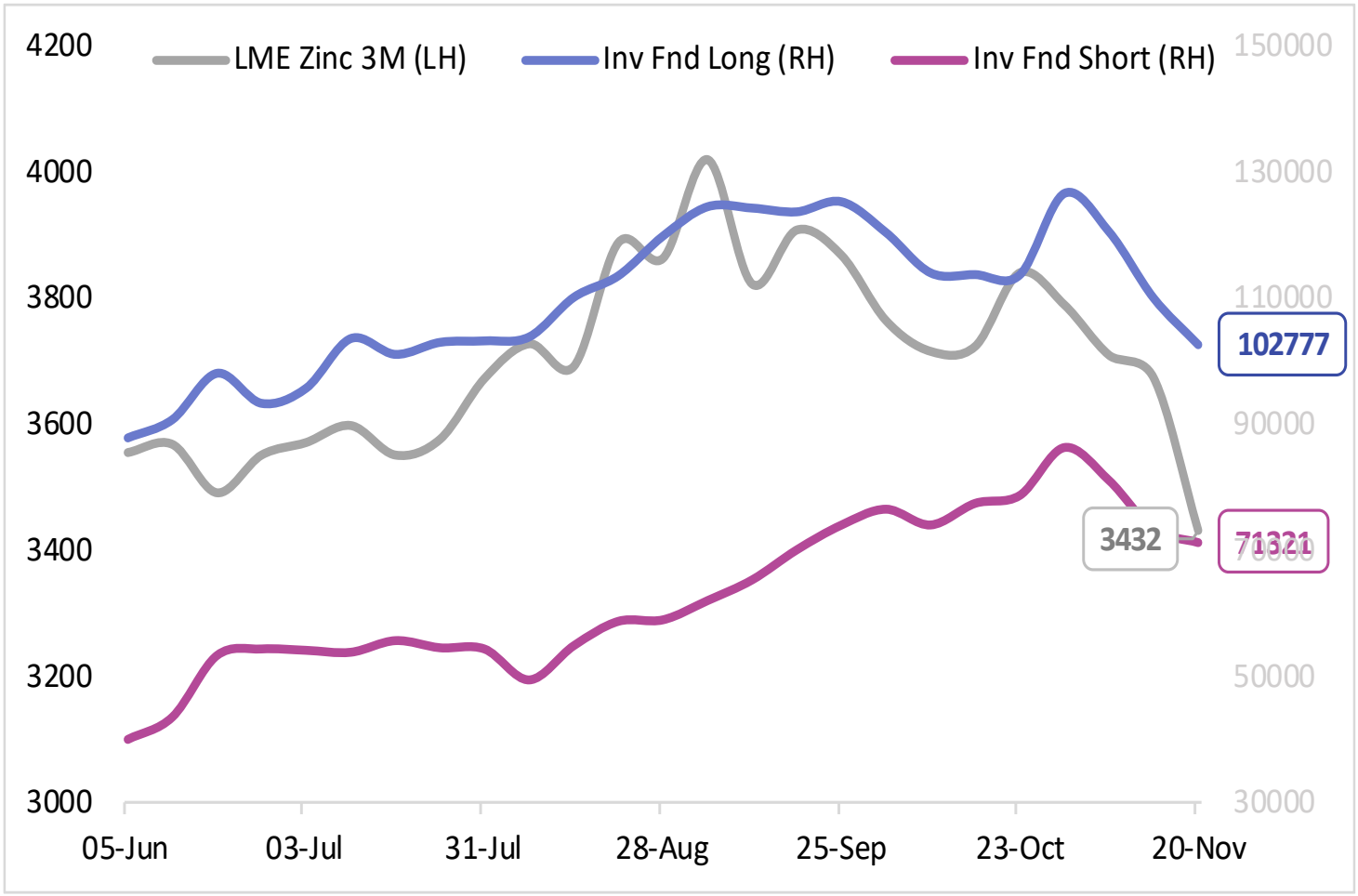
Technical Analysis:



Technical Support & Resistance:

	Close	Pivot	Support2	Support1	Resi.1	Resi. 2
LME Cash (USD/MT)	3629	3643	3633	3631	3641	3653
LME 3M FWD (USD/MT)	3505	3502	3362	3434	3574	3642
LME Fut. (USD/MT)	3545	3545	3463	3504	3586	3627
SHFE Fut. (CNY/MT)	23545	23493	22978	23262	23777	24008
MCX Fut. (INR/KG)	361.8	361.5	356.1	358.9	364.3	366.9

Commitment of Traders Report



Economic Events						
Time	**Relevance**	**Country**	**Event**	**Period**	**Survey**	**Prior**
07:00	China		Industrial Profits YoY	Oct	--	14.40%
15:30	EC		Consumer Confidence	Nov F	-16.9	-16.9
19:00	US		Wholesale Inventories MoM	Oct P	0.50%	0.70%

Source: Bluglance

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