BLUGLANCE™

24-Jul-26

GLOBAL COPPER MARKET PULSE

Global Copper Market:

A product of Bluglance Consulting

Prices, Spreads, Premiums & Strategies

Daily Report

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Market Vibes: Current Environment

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Copper in Local Currencies

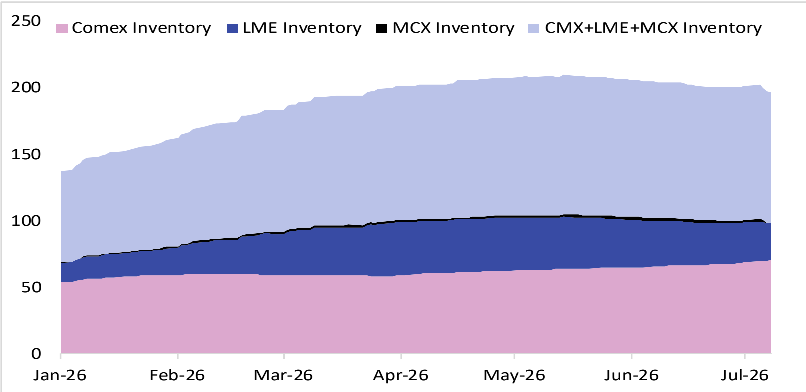
	23-Jul	22-Jul	% Change	YTD % Chg.
LME 3M	13595	13808	-1.55	9.43
CME	6.3050	6.4510	-2.26	9.88
MCX	1319.3	1336.7	-1.31	2.95
SHFE	106010	106110	-0.09	8.00

Copper in US$ (Without Duty in MT)

	23-Jul	22-Jul	% Change	YTD % Chg
LME 3M	13595	13808	-1.55	9.43
CME	13900	14222	-2.26	9.88
MCX	13661	13842	-1.31	-4.19
SHFE	15645	15663	-0.12	11.41

Note: Prices Regional Exchange Closing Time

Comex vs LME Global Inventory ('000 MT)



Exchange Inventory

Exchange Inventory (MT)				
LME	**23-Jul**	**22-Jul**	**Change**	**YTD Chg.**
	281425	284175	-2750	134000
CME	**23-Jul**	**22-Jul**	**Change**	**YTD Chg.**
	704539	702498	2041	213817
MCX	**22-Jul**	**21-Jul**	**Change**	**YTD Chg.**
	19903	19664	240	17228
SHFE	**17-Jul**	**10-Jul**	**Change**	**YTD Chg.**
	79909	100271	-20362	-65433
Total	1085776	1106608	-20831	299612

Copper Arbitrage Windows

Arbitrage Windows		
	Price	**Import**
Changjing Price	106630	106630
LME Spot	13599.10	
USDCNY	6.7760	92148
Import Cost (13%)	13822.13	105970
Arbitrage Ratio (LME vs SHFE)		**1.0062**

If the Arbitrage Ratio >1, imports are Profitable and the arbitrage window is open
If the Arbitrage Ratio < 1, imports are profitable and the arbitrage window is closed

Copper Market Update: Profit Booking Emerges Near $14,000

As highlighted in our earlier reports, copper prices have witnessed sharp profit booking near the $14,000/mt mark. While market rumours regarding Chinese State Reserve Bureau (SRB) buying may have temporarily faded, downstream demand appears to have slowed, leading to a healthy round of profit-taking, particularly across derivative markets.

Trading volumes and open interest across major exchanges suggest that a portion of speculative long positions has been unwound. At the same time, a stronger U.S. dollar and a sharp rise in crude oil prices have triggered a broader risk-off sentiment across commodity markets.

Copper Remains Highly Sensitive to Macro Factors

Among the base metals complex, copper recorded the sharpest decline, reflecting its high sensitivity to macroeconomic developments. The combination of a stronger dollar, rising energy prices, and growing geopolitical uncertainty weighed heavily on sentiment, resulting in a significant correction during Thursday's session.

As of 8:00 AM today, LME 3-Month Copper is trading around $13,600/mt, remaining comfortably within our previously stated trading range of $13,500–14,000/mt. At this stage, the broader market structure remains unchanged despite the recent correction.

Demand Remains Hand-to-Mouth: Physical demand continues to be largely hand-to-mouth, with limited evidence of aggressive restocking activity at current price levels. The rally towards $14,000 appears to have reduced immediate buying interest from downstream consumers, contributing to the recent pullback.

Inventory Trends Continue to Support the Market: Despite softer demand, inventory dynamics remain constructive. LME stocks in Asia have been declining steadily over recent weeks, while cancelled warrants continue to rise. This suggests that material is being withdrawn from exchange warehouses and moving into physical consumption channels, particularly in China and other Asian markets.

The ongoing drawdown in available inventories remains a supportive factor and could limit the downside if macro pressures begin to ease.

Outlook: Range Remains Unchanged

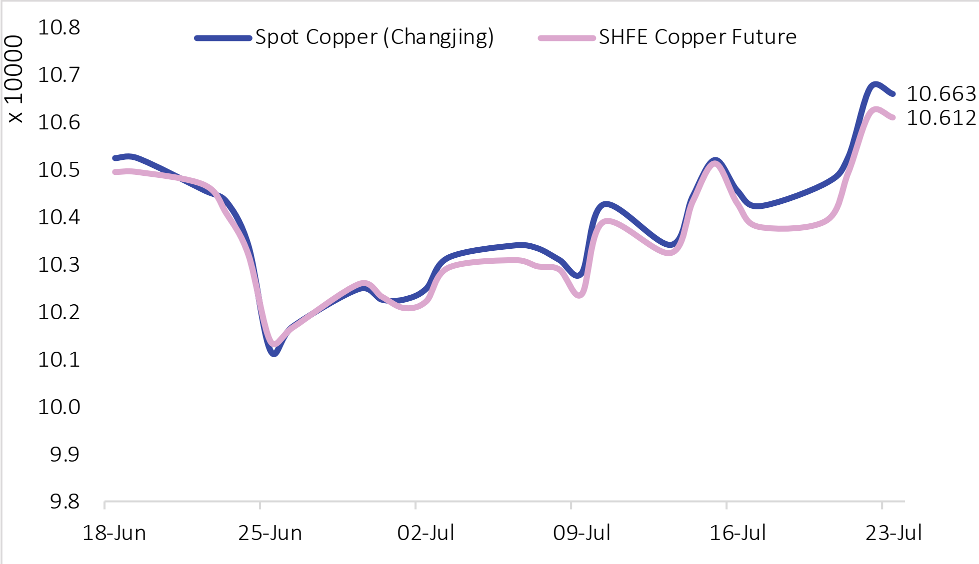
With prices now trading closer to the lower end of the $13,500–14,000/mt band, renewed buying interest could emerge, particularly if the U.S. dollar softens or crude oil prices—which have risen more than 10% this week—begin to correct.

For now, we maintain our trading range of $13,500–14,000/mt. The market will closely monitor developments surrounding U.S.-Iran geopolitical tensions over the weekend, along with broader macro signals, for clues on the next directional move. Until then, the existing range remains valid.

Source: Bloomberg, Bluglance

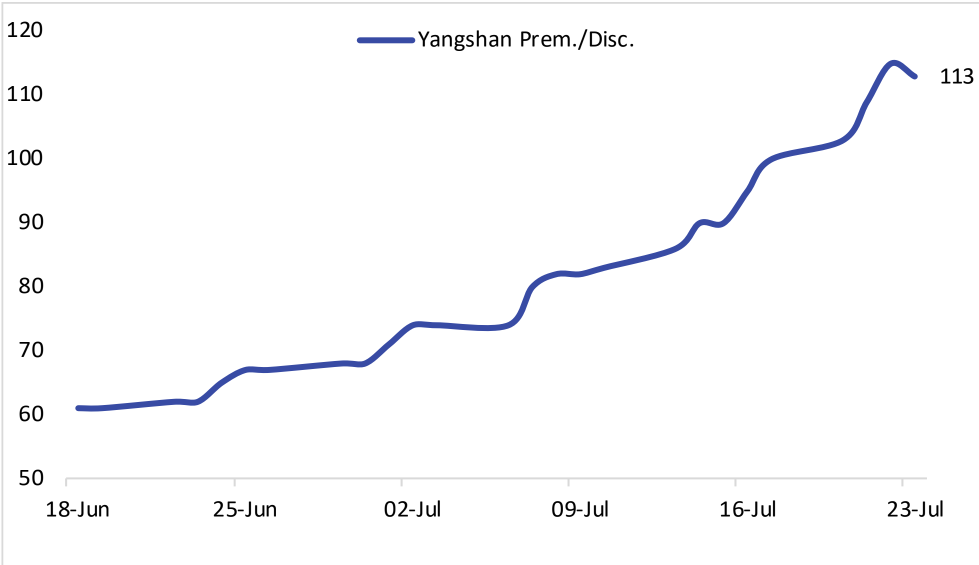
China Spot Copper Changjiang vs SHFE Copper Fut.

The Chinese spot demand has been higher in recent days, and action is also visible on the SHFE prices. However, the C1 and C2 data set Copper at SHFE holds a Contango of about 180 Yuan/MT amid higher stocks



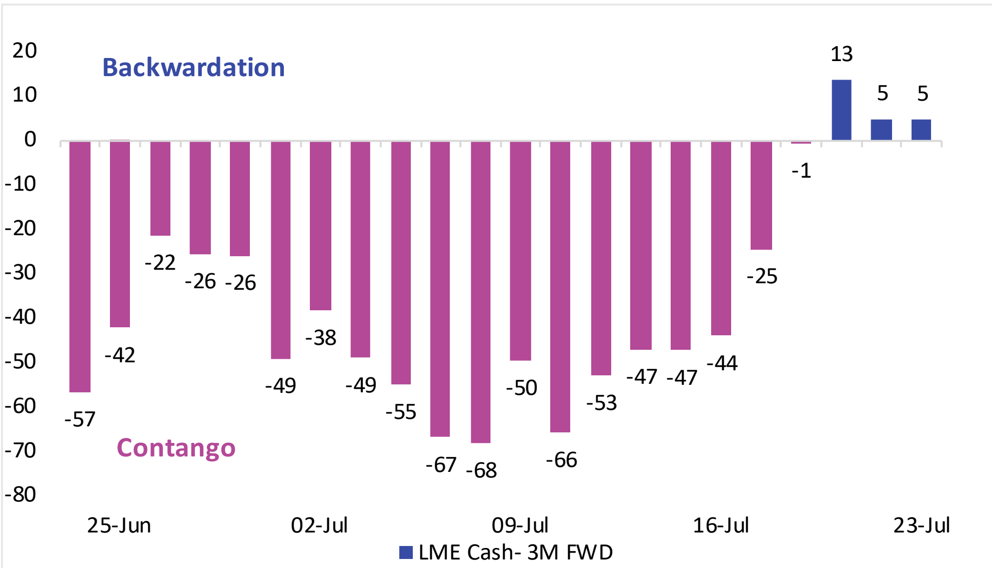
Yangshan Copper Prem. / Disc. vs Spot LME Copper

The premium is holding strong above $113/MT, adding a lot more conviction that copper demand in China is very robust, especially the (ore and concentrate + refined Cu)



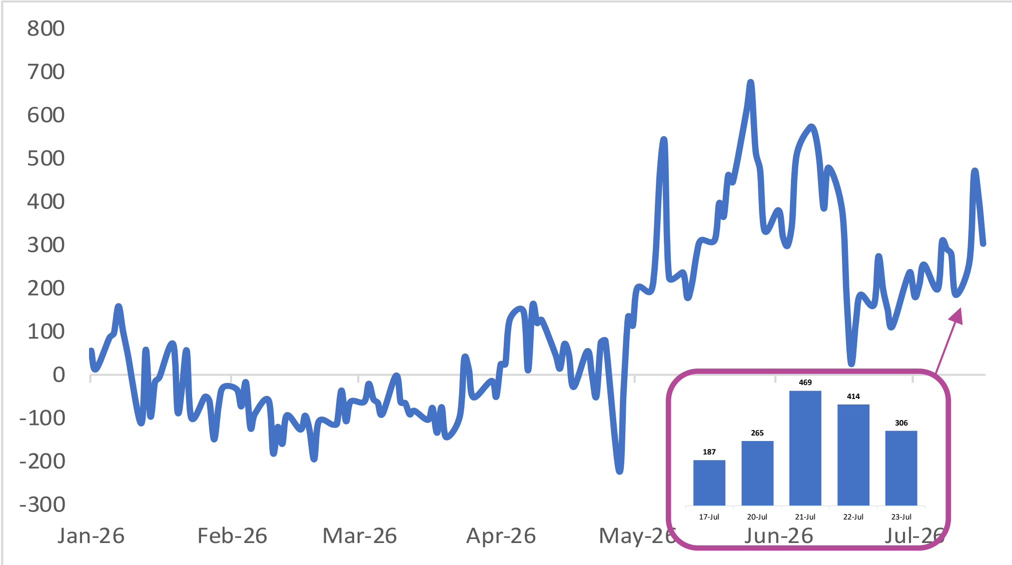
LME Cash - 3M FWD Spread

The contango has reduced considerably to $5/MT, and is likely to remain tight if good demand continues to come from China. Amid the higher inventory, the C structure is still supportive, else we would have been seeing copper in backwardation by now



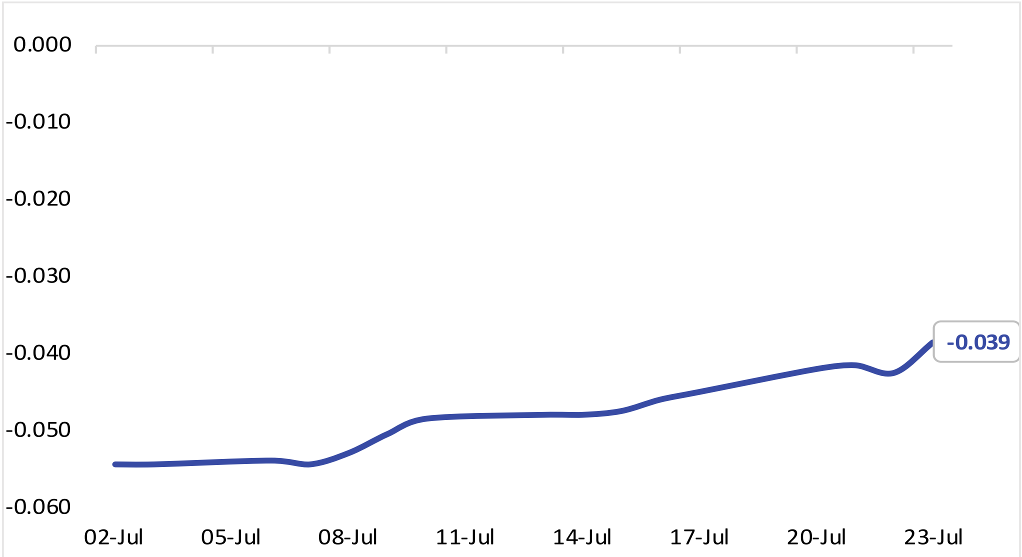
Source: Bloomberg, Bluglance

CME Near Month LME 3M Spread (US$/MT)



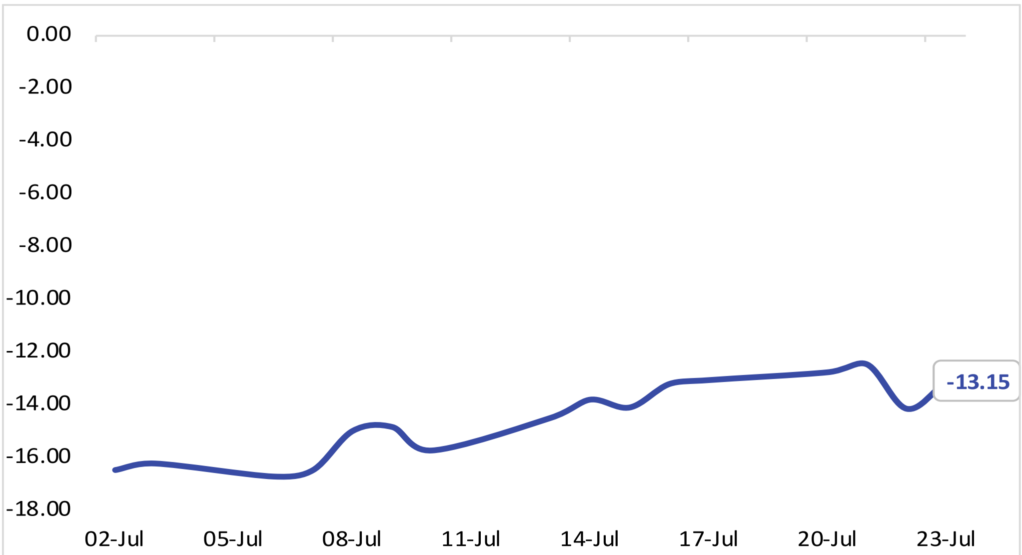
The Spread The CME-LME 3M spread has surged to +$306/MT, the highest in the current series. The sharp reversal from negative territory around early May reflects tightening US domestic fundamentals, with COMEX copper now trading at a significant premium to LME, driven by regional demand strength and supply side constraints expected to contract further

CME Near-Next Spread (US$/lb)



CME Calendar Spread is in negative/contango no major change in the spread unless stocks gets release

MCX Near - Next Spread (Rs./Kg.)



MCX spread is around ₹14 (~14% annualized carry). Despite a drawdown of over 2,000 MT from exchange warehouses, likely driven by domestic consumption, post March delivery outflows remain limited.

Meanwhile, LME–MCX spread dynamics suggest potential fresh stock inflows, as earlier booked import cargoes are expected to arrive and be tendered this month. Going forward, copper spreads will hinge on the balance between warehouse withdrawals and incoming inventories.

Source: Bloomberg, Bluglance

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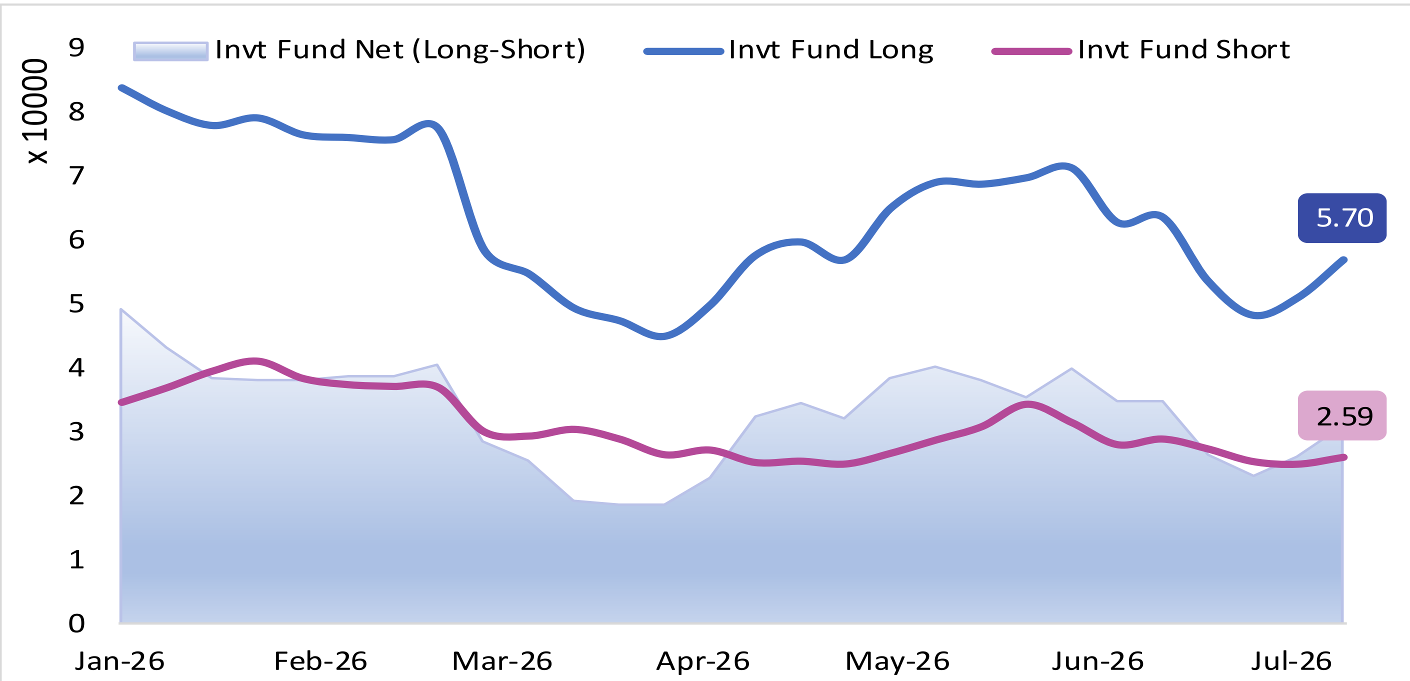
Technical Analysis

Pivot Levels

	Open	High	Low	Close	Pivot	Supt.2	Supt.1	Resi.1	Resi.2
LME 3M FWD Copper	13796	13874	13560	13595	13676	13363	13479	13792	13990

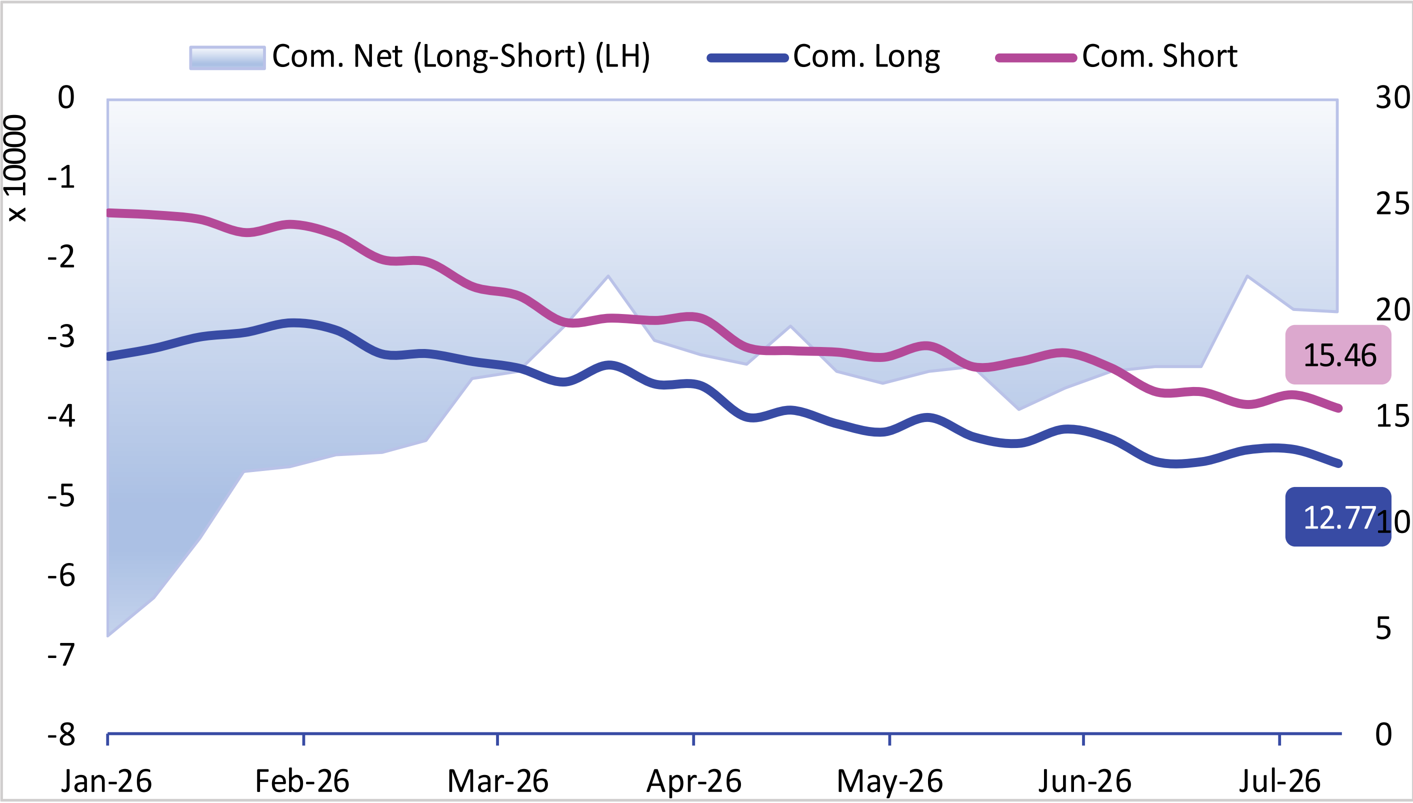
LME Commitment of Traders Report (COTR)

Investment Funds COTR



Source: Bloomberg, Bluglance

Commercial Undertaking COTR



Economic Events						
Time	**Country**	**Relevance**	**Event**	**Period**	**Survey**	**Prior**
10:30	India		HSBC India PMI Composite	Jul P	--	57.1
11:30	UK		Retail Sales Ex Auto Fuel YoY	Jun	3.30%	4.60%
13:30	EC		S&P Global Eurozone Composite PMI	Jul P	50.3	50
14:00	UK		S&P Global UK Composite PMI	Jul P	49.7	49.3
19:15	US		S&P Global US Composite PMI	Jul P	51.6	51.9
19:30	US		New Home Sales	Jun	605k	580k

Source: Bloomberg, Bluglance

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