BLUGLANCE™



27-Nov-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

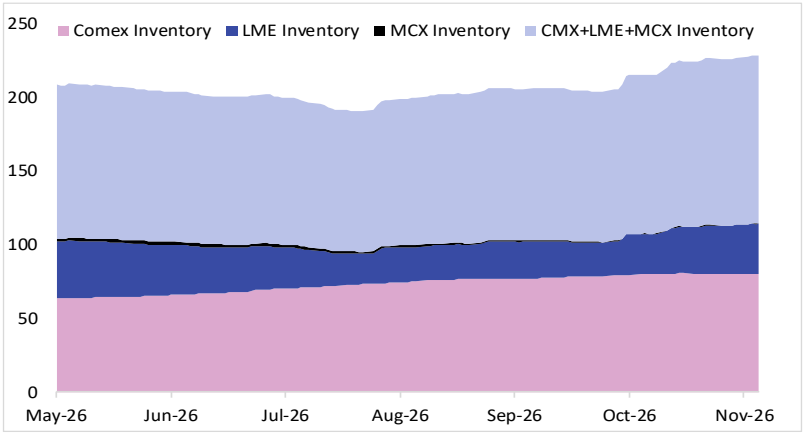
	26-Nov	25-Nov	% Change	YTD % Chg.
LME 3M	11872	11650	1.91	-4.44
CME	5.3365	5.3365	0.00	-7.00
MCX	1129.3	1131.3	-0.17	-11.88
SHFE	91610	92360	-0.81	-7.14

Copper in US$ (Without Duty in MT)

	26-Nov	25-Nov	% Change	YTD % Chg
LME 3M	11872	11650	1.91	-4.44
CME	11765	11765	0.00	-7.00
MCX	12216	12265	-0.40	-14.32
SHFE	13754	13847	-0.68	-2.55

Note: Prices Regional Exchange Closing Time

Comex vs LME Global Inventory ('000 MT)



Exchange Inventory

Exchange Inventory (MT)					
LME	**26-Nov**	**25-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	337925	336750	1175	63925	190500
CME	**26-Nov**	**25-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	806735	806735	0	4049	316013
MCX	**25-Nov**	**24-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	2488	2327	162	-2490	-187
SHFE	**20-Nov**	**13-Nov**	**Change**	**MTD Chg.**	**YTD Chg.**
	30846	27642	3204	-13766	-114496
Total	1177994	1173454	4541	51718	391830

Copper Arbitrage Windows

Arbitrage Windows		
	Price	**Import**
Changjing Price	95090	95090
LME Spot	11863.06	
USDCNY	6.6607	79016
Import Cost (13%)	11852.44	90869
Arbitrage Ratio (LME vs SHFE)		**1.0465**

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 & NEAR-TERM PERSPECTIVE

Global Market Perspective this morning: Copper is witnessing a recovery in early Asian trading, supported by improved global risk sentiment, gains across Asian equity markets and follow-up buying after November's sharp correction. The broader recovery across industrial metals appears largely driven by technical buying and short covering rather than a significant fresh fundamental trigger.

COMEX–LME Arbitrage and Inventory Movement: COMEX copper is currently trading at approximately $100/MT discount to LME cash. This creates a potential incentive for metal to move from COMEX warehouses into LME warehouses, particularly within the US. Recent LME inventory additions, without a corresponding significant decline in COMEX stocks, suggest that some of the additional metal could be coming from previously unreported social inventories. If this discount persists, further LME inventory accumulation cannot be ruled out.

LME Cash-to-3M Structure: Following the recent price correction, copper's cash-to-3M spread has moved into contango, potentially reflecting fresh inventory additions and easing nearby tightness. However, copper's transitions between contango and backwardation have been considerably faster and more volatile than in other base metals, particularly aluminium. The nearby spread remains an important indicator of underlying physical market conditions.

Chinese Physical Market and Import Demand: Chinese import premiums remain elevated despite the Yangshan premium cooling from approximately $500/MT to the $340–400/MT range. The import window continues to remain attractive, suggesting that Chinese buyers retain the incentive to source additional copper from international markets. This provides underlying support to global demand, although recent inventory additions need monitoring.

Indian Domestic Market – MCX: MCX copper inventories have increased from approximately 1,300 MT to 2,400 MT, potentially reflecting fresh deposits by domestic primary producers attracted by favourable domestic parity. Consequently, the November–December spread has shifted from approximately ₹2 backwardation to ₹3 contango. We expect limited expansion before expiry, potentially towards ₹5–6. The more important indicator will be the December–January spread, as further inventory additions could widen the contango structure.

Price Action and Technical Perspective: The $12,000/MT level appears to have established a near-term support base, despite brief movements below it. The $11,500/MT level remains a critical downside support. This morning's recovery across industrial metals is providing some comfort to participants who bought at higher levels or averaged their positions during the correction.

Near-Term Perspective: Until the US dollar corrects meaningfully, volatility is likely to persist, particularly ahead of the FOMC meeting in the first week of December. The recent recovery offers some comfort, but a sustained upward move will require confirmation from Chinese physical demand, inventory trends and broader macroeconomic conditions.

LME 3M Copper – Indicative Price Range: With copper currently trading around $12,300/MT, we maintain a preliminary trading range of $12,100–12,450/MT for today's session and early next week.

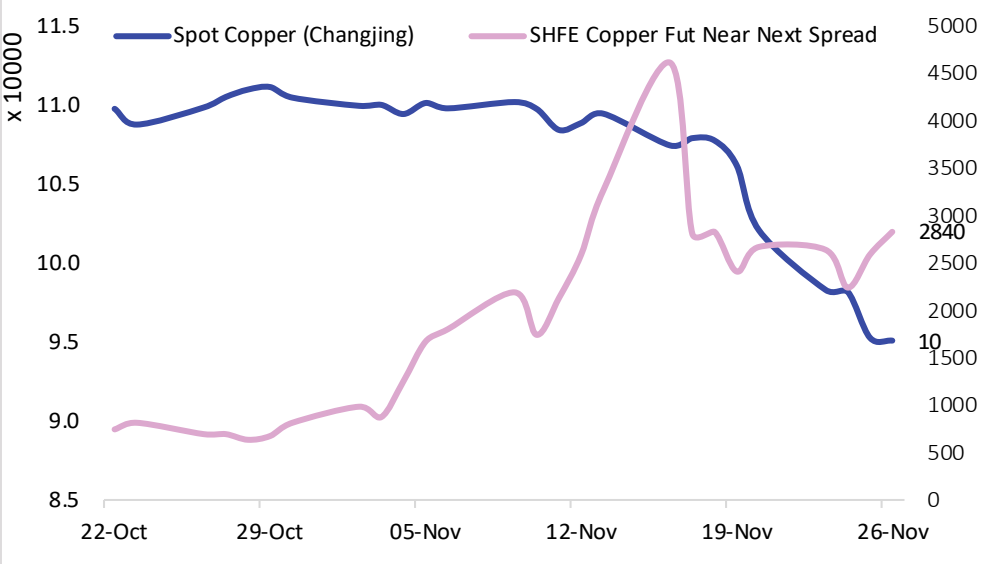
While we remain cautiously constructive on a technical rebound towards $12,450/MT, a structural reversal is not yet confirmed. COMEX–LME arbitrage, Chinese import premiums, global inventory movements and MCX December–January spreads will be key indicators in establishing the next directional move. A more comprehensive outlook for the coming week will follow in our weekly report over the weekend.

Source: Bluglance

The Basis Brief: Premia/Discount

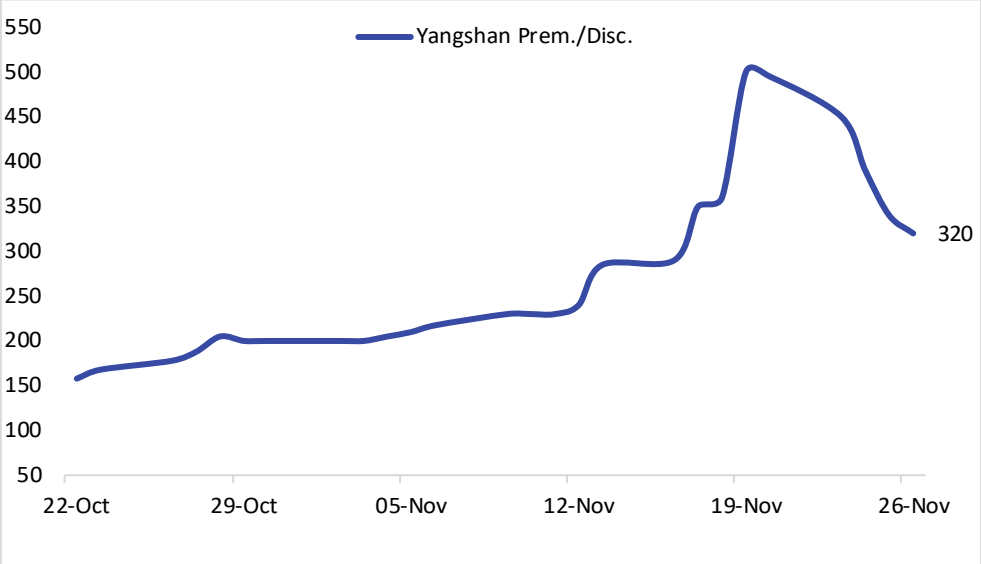
China Spot Copper Changjiang vs SHFE Copper Calendar Spread (CNY/MT)

Shanghai spot copper continues to trade at a premium over SHFE futures, with the near month spread strengthening sharply to around 2240 CNY/MT. This reflects resilient physical demand and increasingly firm nearby market conditions in China.



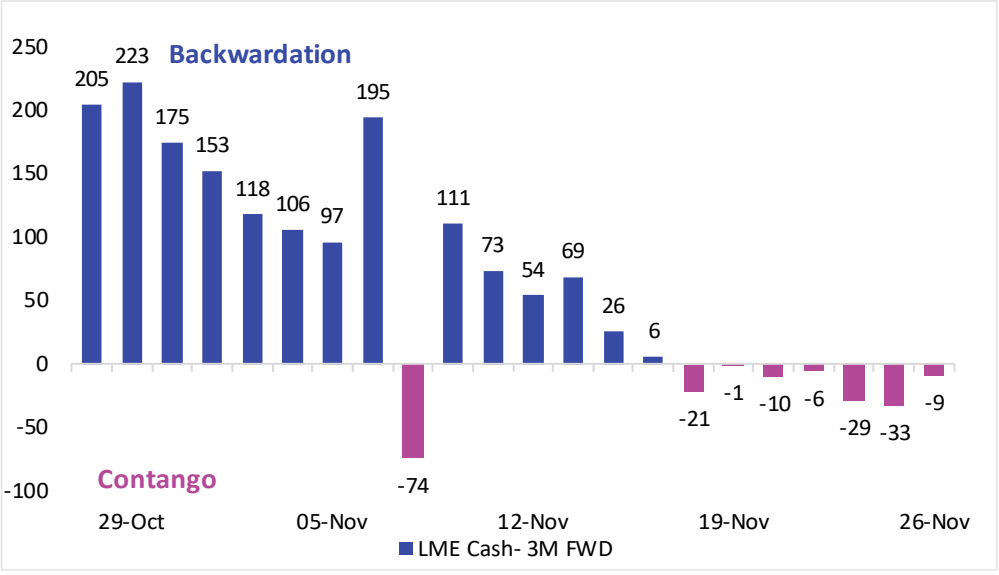
Yangshan Copper Prem. / Disc. vs Spot LME Copper

The Yangshan copper premium remains elevated at around $320/MT, indicating sustained demand for imported copper. Despite the recent moderation from its peak, the premium continues to signal firm physical buying interest in China.



LME Cash - 3M FWD Spread

The LME Cash–3M spread has shifted from backwardation into $-9/MT contango, indicating an easing of nearby supply tightness. This reversal suggests softer prompt market conditions and reduced immediate buying pressure, limiting support from the physical market.



Source: Bluglance

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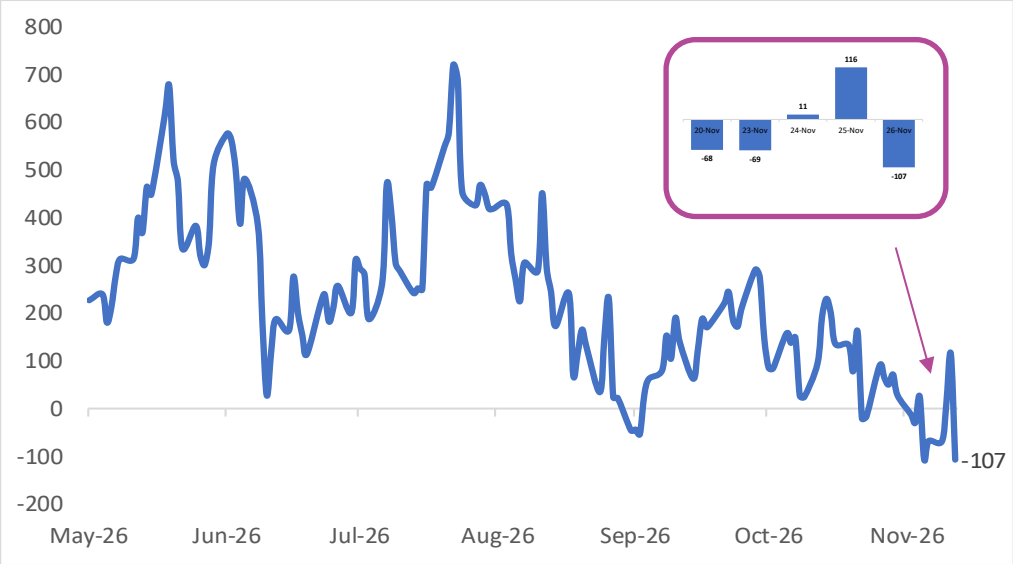
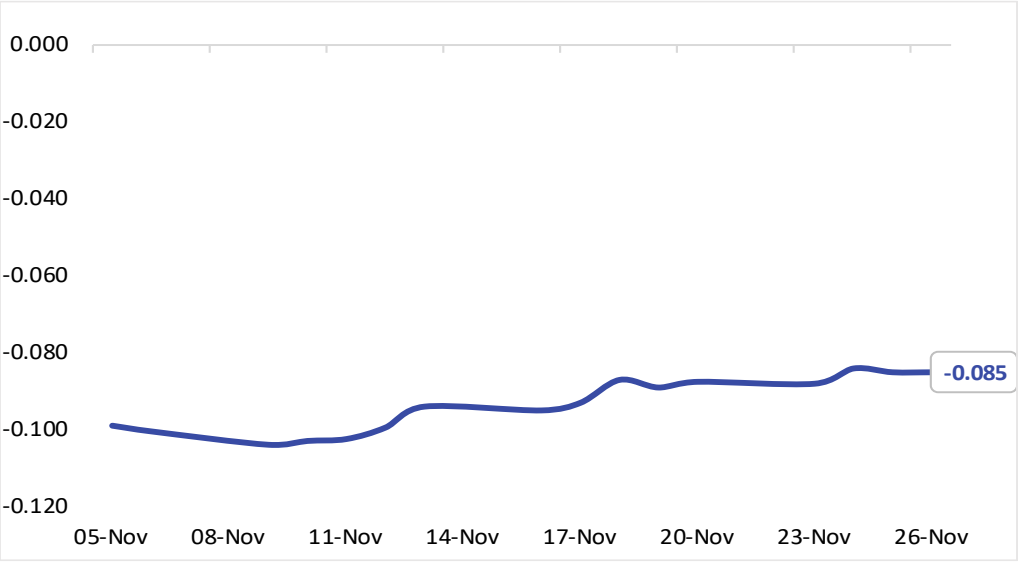
CME Near Month LME 3M Spread (US$/MT)

The CME–LME copper spread has narrowed sharply from its recent highs and is currently trading near - $107/MT, indicating a return towards discount territory. This reflects a reversal from the earlier premium, highlighting renewed convergence between CME and LME pricing. Further movements will likely depend on exchange inventory flows, regional supply-demand conditions and developments in US trade policy.



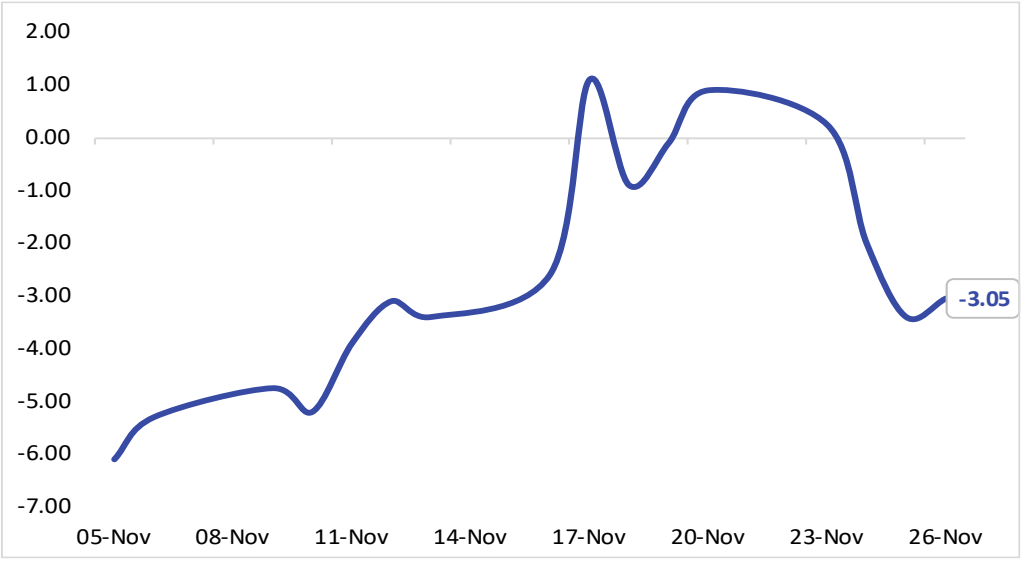
CME Near-Next Spread (US$/lb)

CME Calendar Spread is in the negative, but no major change yet however, believe as we now have to observe the inflow/outflow trend of copper stock at the exchange, the spread between near and next may get distorted is in negative.



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

The MCX calendar spread has widened sharply into contango, with the near to next spread reaching approximately -₹3/kg. This suggests increased carrying pressure in the nearby structure; however, declining MCX inventories and potential distortions in MCX–LME parity warrant close monitoring is in negative.



Source: Bluglance

Trade Logic: Technical & COTR

Technical Analysis

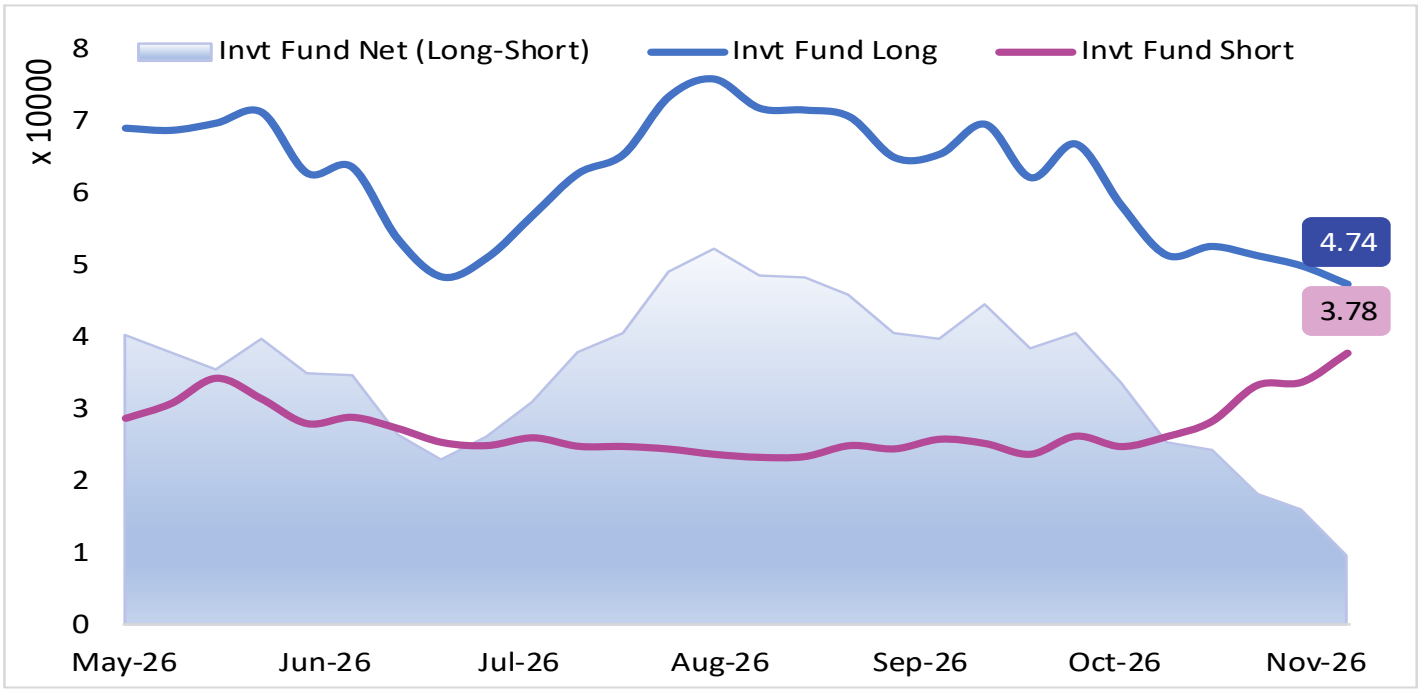


Pivot Levels

	Open	High	Low	Close	Pivot	Supt.2	Supt.1	Resi.1	Resi.2
LME 3M FWD Copper	11910	12089	11823	11872	11928	11661	11767	12033	12194

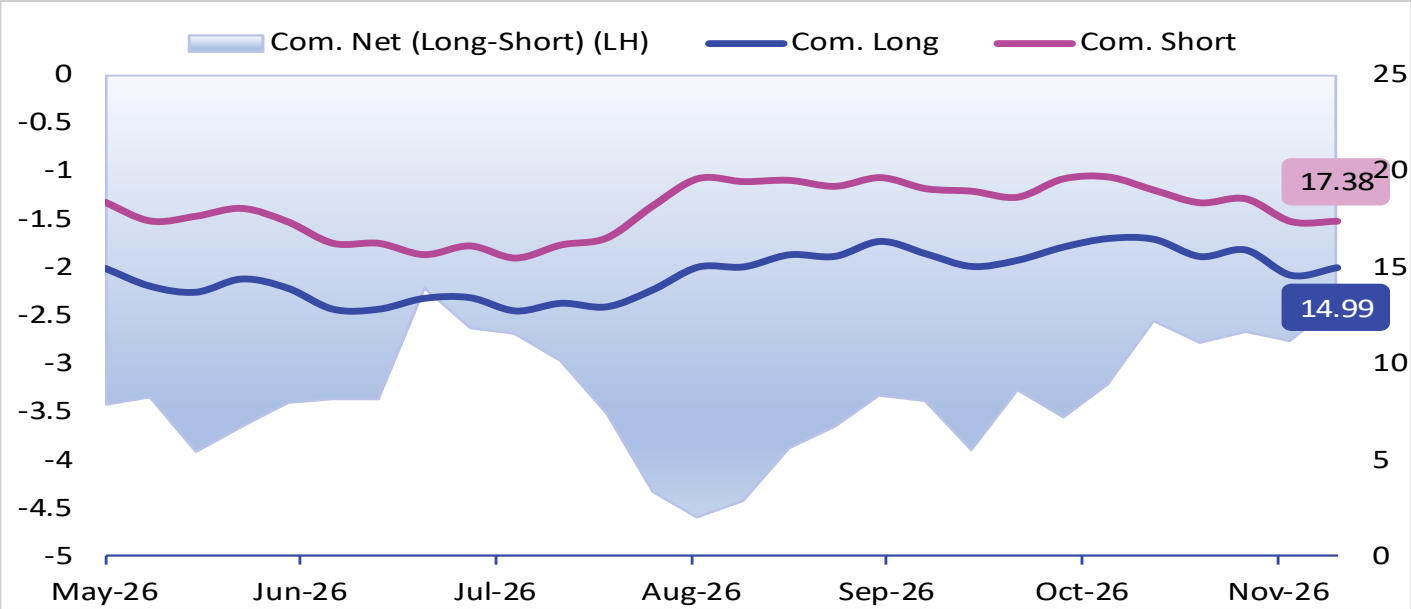
LME Commitment of Traders Report (COTR)

Investment Funds COTR



Source: Bluglance

Commercial Undertaking COTR



Commitment of Traders:

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%

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Source: Bluglance