



16-Dec-25

GLOBAL COPPER MARKET PULSE

Global Copper Market:

A product of Bluglance Consulting
Prices, Spreads, Premiums & Strategies

Daily Report

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Copper in Local Currencies

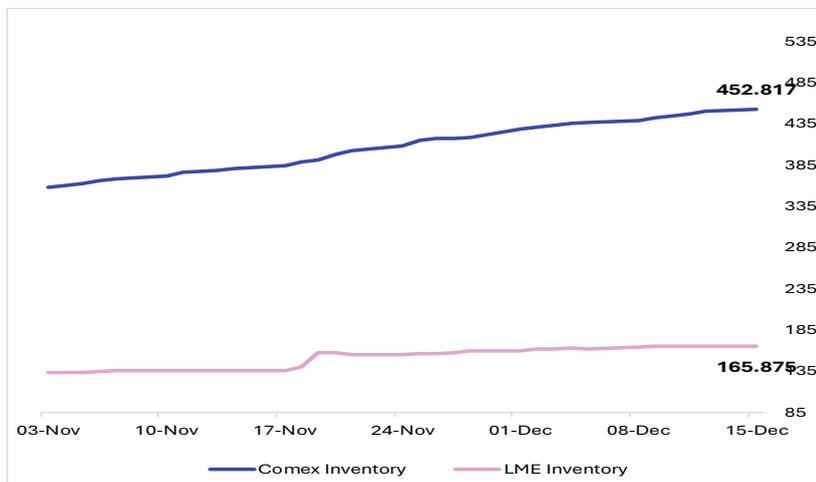
| | 15-Dec | 12-Dec | % Change | YTD % Chg. |
|--------|--------|--------|----------|------------|
| LME 3M | 11656 | 11515 | 1.22 | 32.93 |
| CME | 5.4120 | 5.3590 | 0.99 | 32.32 |
| MCX | 1109.7 | 1096.8 | 1.18 | 39.45 |
| SHFE | 92650 | 93640 | -1.06 | 25.54 |

Copper in US\$ (Without Duty in MT)

| | 15-Dec | 12-Dec | % Change | YTD % Chg. |
|--------|--------|--------|----------|------------|
| LME 3M | 11656 | 11515 | 1.22 | 32.93 |
| CME | 11932 | 11815 | 0.99 | 32.32 |
| MCX | 12230 | 12130 | 0.83 | 31.58 |
| SHFE | 13146 | 13273 | -0.96 | 30.02 |

Note: Prices Regional Exchange Closing Time

Comex vs LME Global Inventory ('000)



Exchange Inventory

| Exchange Inventory (MT) | | | | |
|-------------------------|--------|--------|--------|----------|
| | 15-Dec | 12-Dec | Change | YTD Chg. |
| LME | 165875 | 165900 | -25 | -105525 |
| CME | 452817 | 450618 | 2199 | 433467 |
| MCX | 14-Dec | 13-Dec | Change | YTD Chg. |
| | 2313 | 2313 | 0 | 1479 |
| SHFE | 12-Dec | 05-Dec | Change | YTD Chg. |
| | 89389 | 88905 | 484 | 15217 |

Copper Arbitrage Windows

| Arbitrage Windows | | |
|--------------------------------------|----------|---------------|
| | Price | Import |
| Changjing Price | 92460 | 92460 |
| LME Spot | 11651.11 | |
| USDCNY | 7.0480 | 82117 |
| Import Cost (13%) | 12317.55 | 94435 |
| Arbitrage Ratio (LME vs SHFE) | | 0.9791 |

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

Source: Bloomberg, Bluglance

The Copper market continues to struggle to decisively break above the \$12,000/MT level (LME 3M). Over the past two weeks, prices have made multiple attempts to move higher but have failed to sustain gains above this psychological resistance. This hesitation reflects a combination of profit booking at elevated levels, weak downstream demand, and ongoing macro uncertainty.

Volatility remains elevated, though market participation and trading volumes are expected to taper as we move into the latter half of December, which could result in wider but less directional price moves.

As of 9:00 AM IST, LME 3M Copper is trading at \$11,570/MT, down 0.75% from the previous close, and is likely to continue trading in a broad range-bound fashion in the near term.

Macro & Fundamental Drivers:

FED's Stance: Market focus has shifted from rate cuts to uncertainty over the future policy path, with clear divergence within the US Fed. Decisions remain strictly data-dependent, adding to uncertainty.

China policy: Supportive signals from the Central Economic Work Conference provided some sentiment support but have not translated into stronger physical demand.

Supply: Although arrivals remain limited, year-end funding pressure and futures delivery have encouraged suppliers to sell aggressively, loosening spot availability.

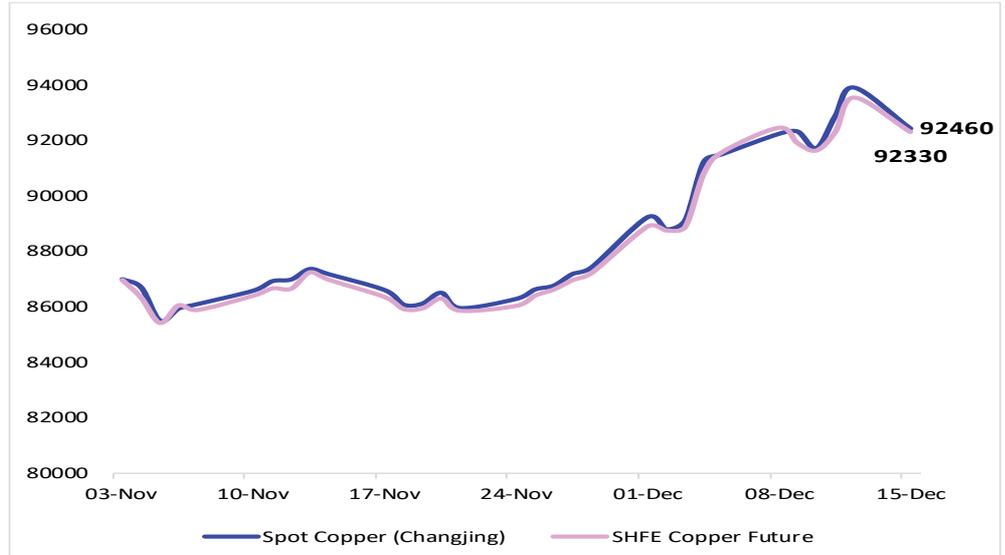
Demand: Persistently high copper prices continue to suppress downstream purchasing, particularly in China. (Contradicting to other countries like India).

Near-term view:

Copper prices are expected to remain volatile but with limited upside, as resistance near \$12,000/MT continues to cap rallies. Seasonal demand weakness, inventory stabilisation, and macro uncertainty suggest that any recovery attempts are likely to face selling pressure.

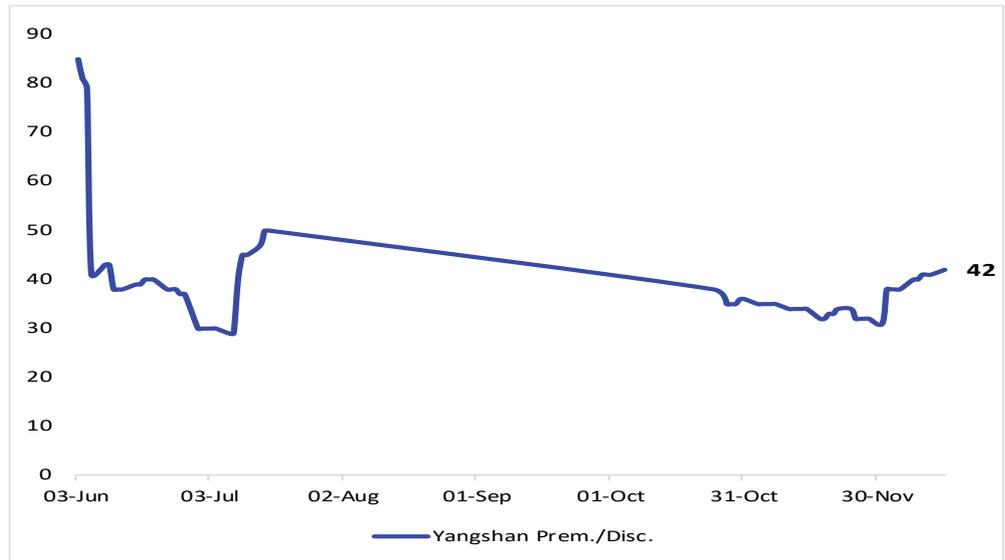
We are not seeing a major change in Chinese markets; however, SHFE futures continue to trade in contango.

China Spot Copper Changjiang vs SHFE Copper Fut.



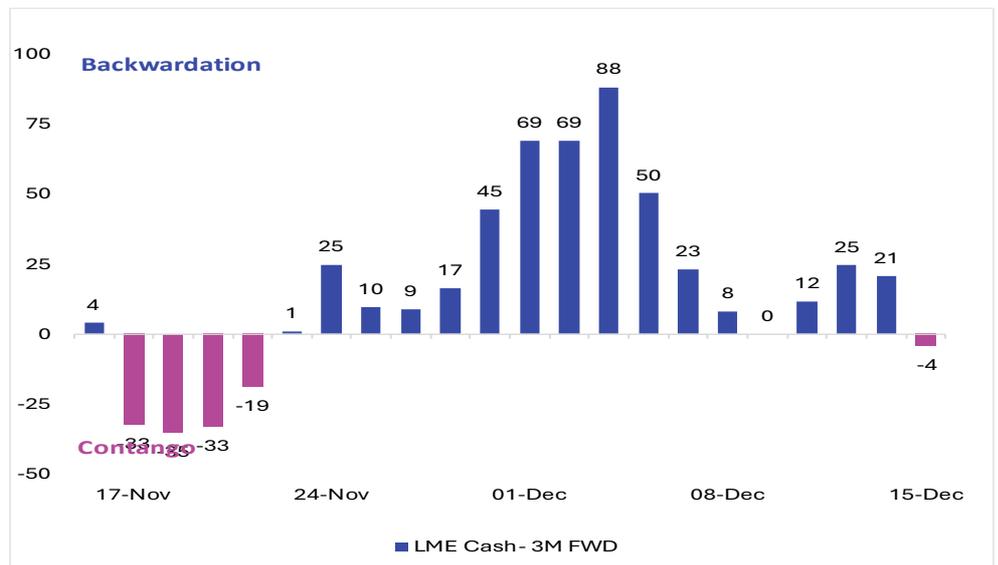
Yangshan premiums are based on physical spot trades, so if no deals or quotes occur, prices are left blank instead of filled. The numbers are slightly rising.

Yangshan Copper Prem. / Disc. vs Spot LME Copper



The cash to 3m moved into contango briefly amid the 3rd Wednesday expiry, which falls on 17th, but 2 days prior to the market gets into the delivery phase. We believe this will fall in line.

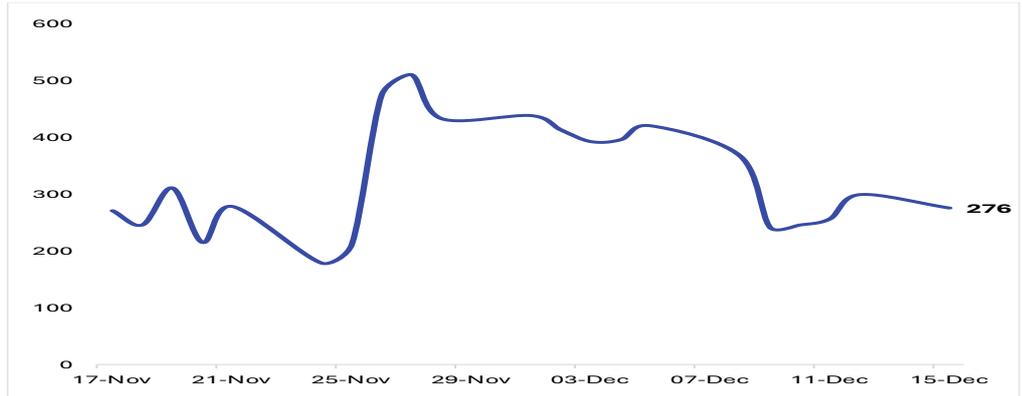
LME Cash - 3M FWD Spread



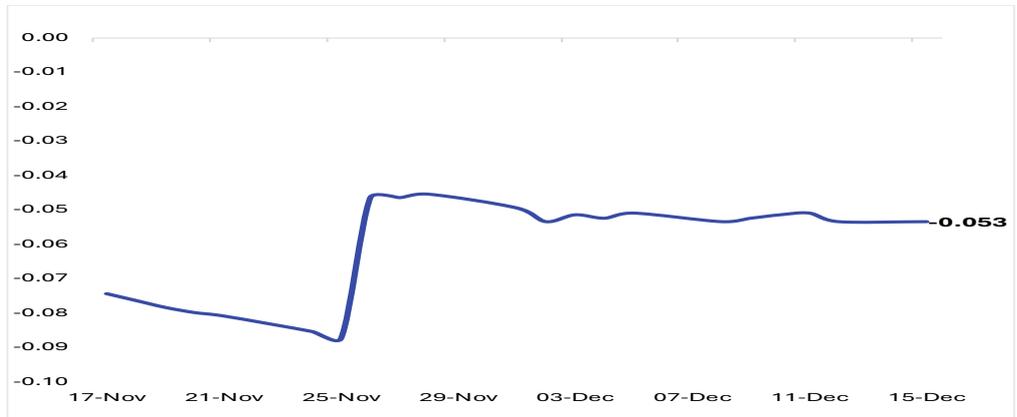
Source: Bloomberg, Bluglance

The spread has been volatile and likely to remain in the same range unless any clarity comes from the US on tariffs, or stocks start to decline from the CME warehouse.

CME March LME 3M Spread (US\$/MT)

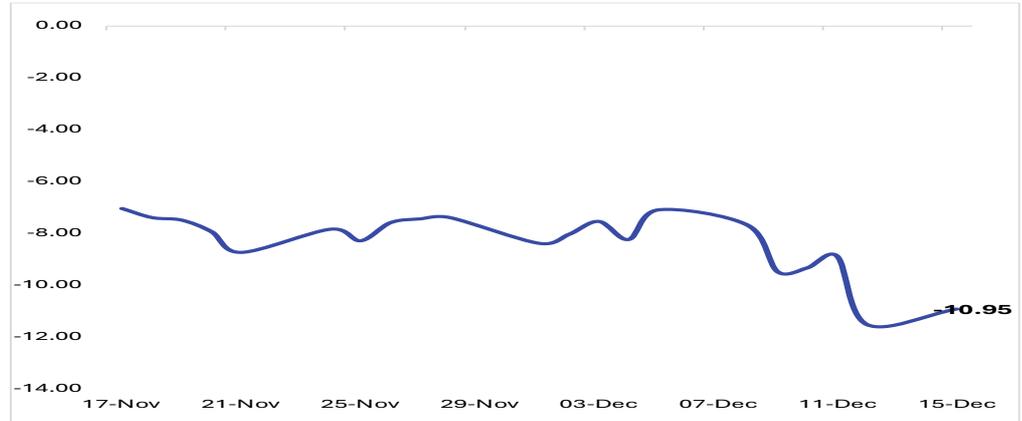


CME Near-Next Spread (US\$/lb)



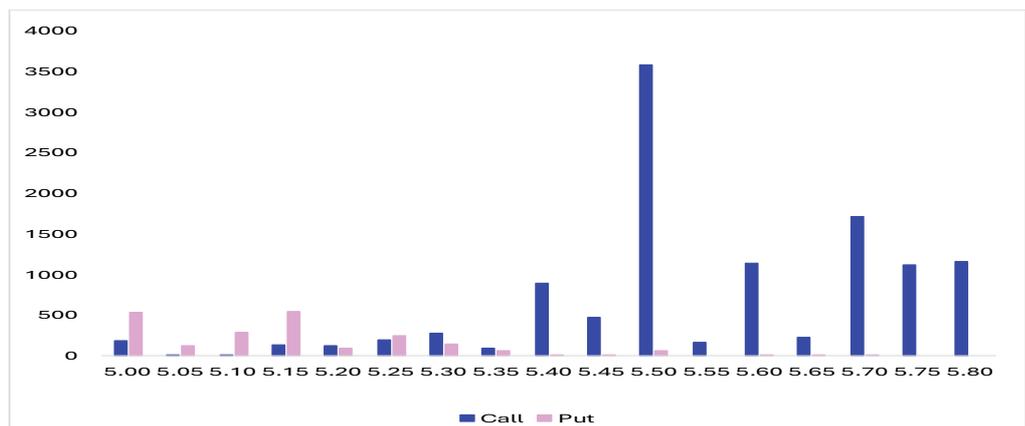
CME Calendar Spread is in a negative /contango steady state move

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



MCX Calendar Spread in negative/contango is hovering around Rs. 11 and is likely to see further rise amid expectations of more stocks coming into the warehouse.

CME March Month Option Distribution (Open Interest)



| Strike | Call | Put | Total OI |
|------------------|------|------|----------|
| 5.50 | 3592 | 67 | 3659 |
| 6.00 | 3378 | 1 | 3379 |
| 5.70 | 1722 | 2 | 1724 |
| 4.60 | 990 | 506 | 1496 |
| 4.50 | 25 | 1231 | 1256 |
| Call OI Addition | | 5.60 | 92 |
| Put OI Addition | | 5.25 | 70 |

Source: Bloomberg, Bluglance

Technical Analysis



Economic Calendar

| Economic Calendar | | | | |
|-------------------|-----------------------------|--------|--------|-------|
| Country | Event | Period | Survey | Prior |
| UK | Claimant Count Rate | Nov | -- | 4.40% |
| UK | Jobless Claims Change | Nov | -- | 29.0k |
| EC | Trade Balance SA | Oct | -- | 18.7b |
| US | Change in Nonfarm Payrolls | Nov | 50k | -- |
| US | Unemployment Rate | Nov | 4.40% | -- |
| US | S&P Global US Composite PMI | Dec P | -- | 54.2 |

Pivot Levels

| LME 3M FWD Copper | |
|-------------------|--------|
| Close | 11,656 |
| Pivot | 11,696 |
| Supt.2 | 11,347 |
| Supt.1 | 11,501 |
| Resi.1 | 11,850 |
| Resi.2 | 12,045 |

Ratio Analysis

| Ratio | Last | 1 Day | 5 Day | 1 Month | 3 Month | 6 Month | 1 Year |
|-----------------|--------|--------|--------|---------|---------|---------|--------|
| Copper/Gold | 2.71 | 2.68 | 2.77 | 2.68 | 2.74 | 2.87 | 3.37 |
| Copper/Silver | 181.80 | 186.18 | 191.92 | 216.17 | 237.87 | 267.63 | 292.65 |
| Copper/Platinum | 6.50 | 6.60 | 6.88 | 7.06 | 7.23 | 7.78 | 9.51 |
| Copper/Crude | 192.39 | 188.74 | 186.33 | 168.60 | 150.13 | 130.92 | 120.02 |
| Copper/SPX | 1.71 | 1.69 | 1.70 | 1.61 | 1.53 | 1.63 | 1.48 |
| Copper/Alumi. | 4.13 | 4.07 | 4.08 | 3.84 | 3.74 | 3.88 | 3.48 |
| Copper/Steel | 12.85 | 12.72 | 12.82 | 12.70 | 12.53 | 11.27 | 13.25 |
| Copper/Nickel | 0.82 | 0.80 | 0.79 | 0.74 | 0.66 | 0.65 | 0.57 |
| Copper/Zinc | 3.81 | 3.59 | 3.54 | 3.40 | 3.37 | 3.74 | 2.91 |
| Copper/LMEX | 2.42 | 2.40 | 2.44 | 2.36 | 2.32 | 2.35 | 2.23 |
| Copper/DXY | 118.51 | 117.23 | 117.51 | 109.32 | 104.06 | 98.99 | 83.56 |
| Copper/Tesla | 24.51 | 25.13 | 26.49 | 26.85 | 24.69 | 29.87 | 20.49 |

Dark shade = Copper outperformance; Light shade = Copper underperformance