



BLUGLANCE TM

17-Mar-26

GLOBAL COPPER MARKET PULSE

Global Copper Market:

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

Daily Report

www.bluglance.com



Copper in Local Currencies

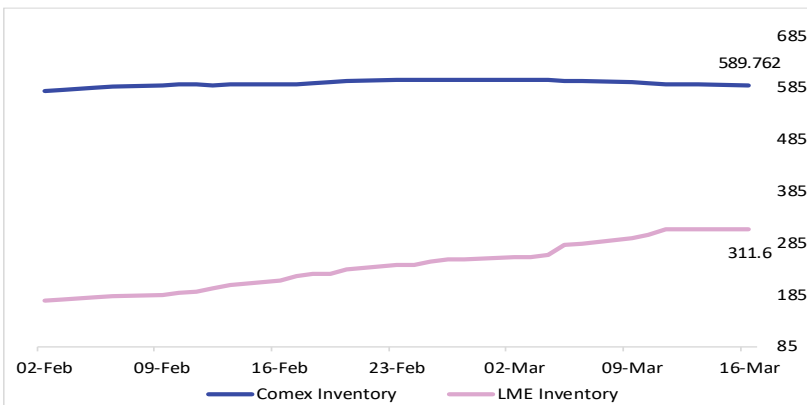
	16-Mar	13-Mar	% Change	YTD % Chg.
LME 3M	12856	12781	0.59	3.48
CME	5.8315	5.7570	1.29	0.70
MCX	1181.4	1187.4	-0.51	-10.61
SHFE	99720	100750	-1.02	0.93

Copper in US\$ (Without Duty in MT)

	16-Mar	13-Mar	% Change	YTD % Chg
LME 3M	12856	12781	0.59	3.48
CME	12856	12692	1.29	0.70
MCX	12782	12842	-0.47	-13.07
SHFE	14470	14594	-0.85	2.37

Note: Prices Regional Exchange Closing Time

Comex vs LME Global Inventory ('000)



Exchange Inventory

Exchange Inventory (MT)				
	16-Mar	13-Mar	Change	YTD Chg.
LME	311600	311825	-225	164175
CME	589762	591645	-1883	99040
MCX	14557.6	14750.9	-193	11883
SHFE	433458	425145	8313	288116
Total	1349378	1343366	6012	563214

Copper Arbitrage Windows

Arbitrage Windows		
	Price	Import
Changjing Price	99450	99450
LME Spot	12753.50	
USDCNY	6.8917	87893
Import Cost (13%)	13183.99	101077
Arbitrage Ratio (LME vs SHFE)		0.9839

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

Price Performance & Global Divergence

Copper markets continue to show divergence across regions. Prices on the LME are up around 3% year-to-date, while CME copper remains largely flat. Shanghai copper has gained nearly 1% YTD.

In contrast, the domestic market in India has underperformed significantly despite INR weakness against the USD, MCX copper is down by nearly 10%, highlighting a clear disconnect from global trends.

Exchange Parity & Arbitrage Trends

Shifting parity between exchanges has been a key driver of price divergence:

CME vs LME: CME, which was trading at a discount for nearly a month, has now moved back to parity with LME (as of 16th March).

MCX vs LME: MCX copper moved from a premium of nearly \$2500/ton to parity, and is currently trading at a discount of around \$100.

These shifts indicate active arbitrage and cross-exchange inventory movements.

Inventory Positioning

Global copper inventories remain elevated at 1.34 million tonnes, a multi-year high. Stocks are largely concentrated in CME, SHFE, followed by LME.

In India MCX, around 14,500 tonnes of inventory remains, with more imports expected. However, with MCX currently trading at a discount, incentives for fresh exchange deposits remain limited unless parity is restored.

Macro & Price Trend

Ongoing geopolitical tensions, particularly in the Middle East, continue to support the dollar and weigh on metals.

Copper (3M LME) recently dipped below \$12,750 but has recovered to trade above \$12,900. The market has largely remained range-bound between \$12,500 and \$13,500 over the past two and a half months, with increasing daily volatility.

Outlook & Strategy

The trading range is gradually narrowing to \$12,700 to \$13,000-\$13,100

A break below \$12,500 could push prices towards \$12,000. For now, the market remains stable within range. (caution note)

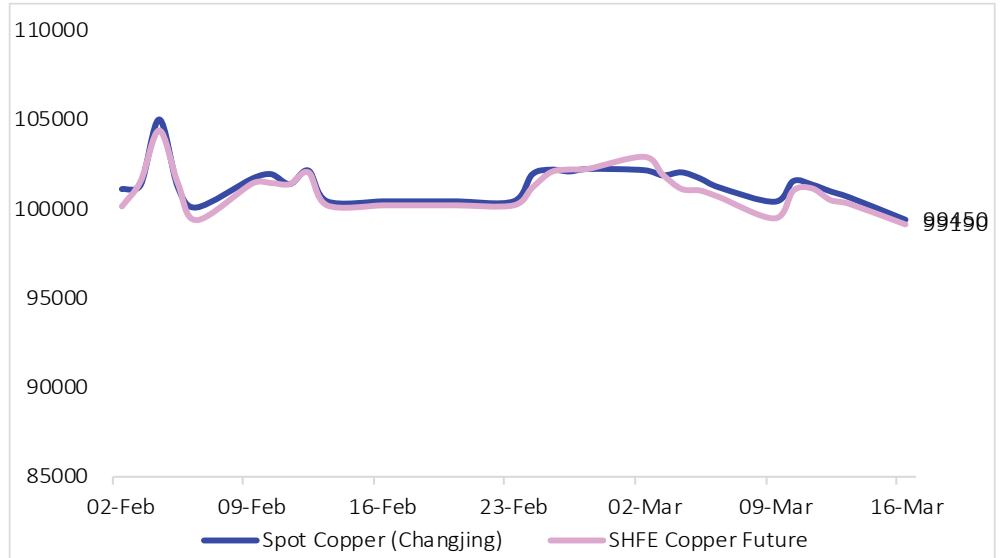
Strategy:

- Focus on short-term, range trading
- Prefer back-to-back physical deals
- Maintain strict hedging discipline
- Avoid directional exposure in a volatile environment

Copper markets remain fragmented due to regional disparities, elevated inventories, and macro uncertainty. Until a clear breakout emerges, a cautious, tactical approach remains the most effective strategy.

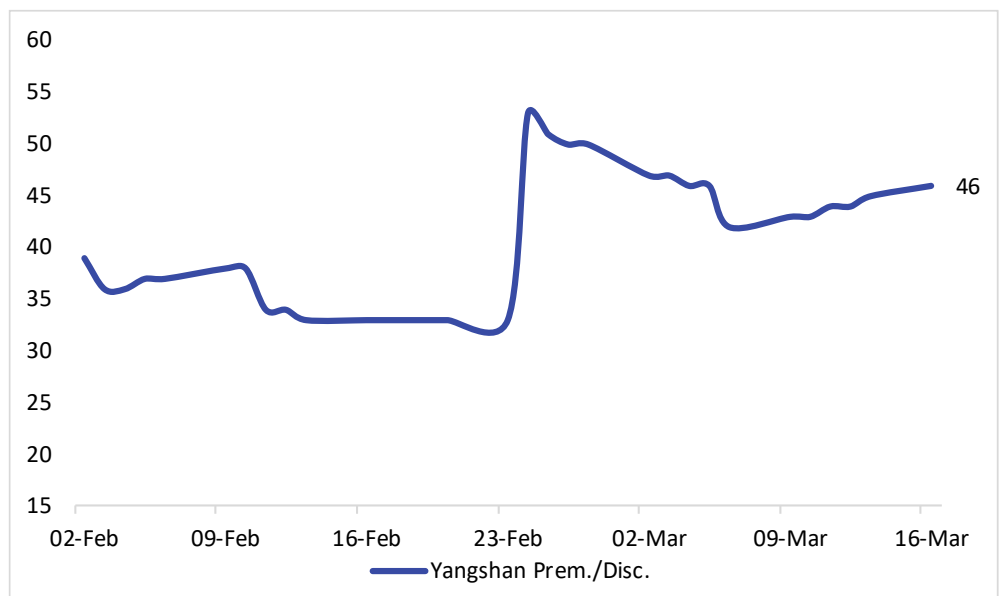
The forward curve is in contango, with futures trading above spot prices.

China Spot Copper Changjiang vs SHFE Copper Fut.



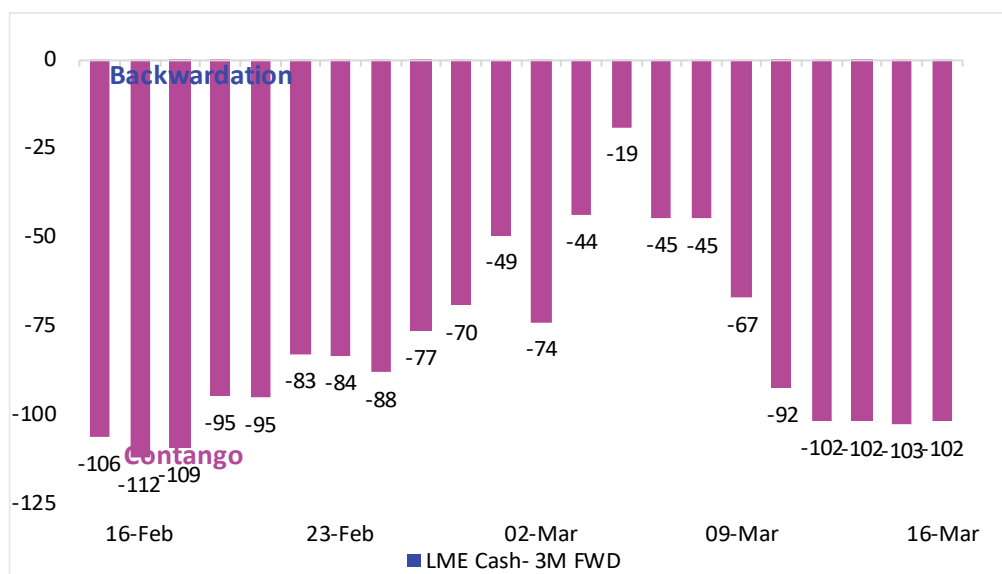
Yangshan premiums are based on physical spot trades, so if no deals or quotes occur, prices are left blank instead of filled. A notable development is the sharp rise in the Yangshan copper premium to \$45/mt from \$33/mt post holiday, indicating improved import appetite and potentially stronger bonded demand. If sustained, this could translate into stronger, refined copper inflows into China in the coming weeks.

Yangshan Copper Prem. / Disc. vs Spot LME Copper



Cash to three months contango is widening and it's a reflection of exchange warehouse stocks suggesting no rush to take out stocks from the exchange keeping the market in contango structure.

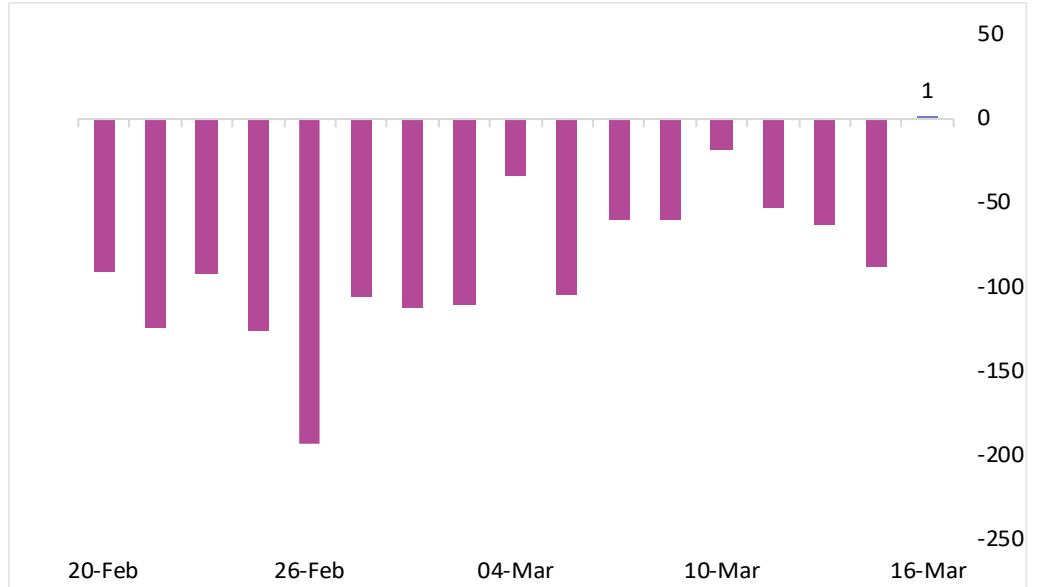
LME Cash - 3M FWD Spread



Source: Bloomberg, Bluglance

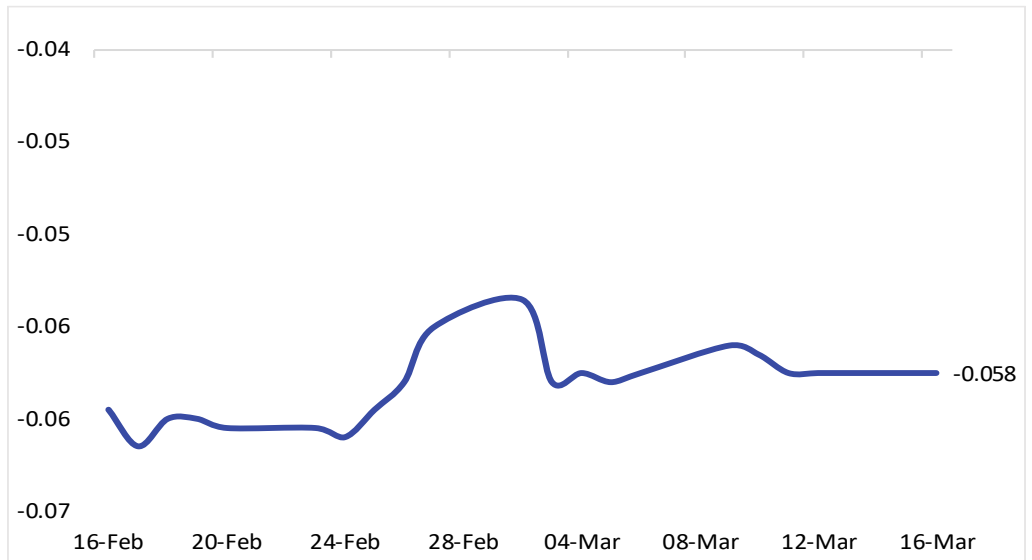
After trading at a discount for nearly a month, CME prices have now returned to parity with LME as of 16 March.

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



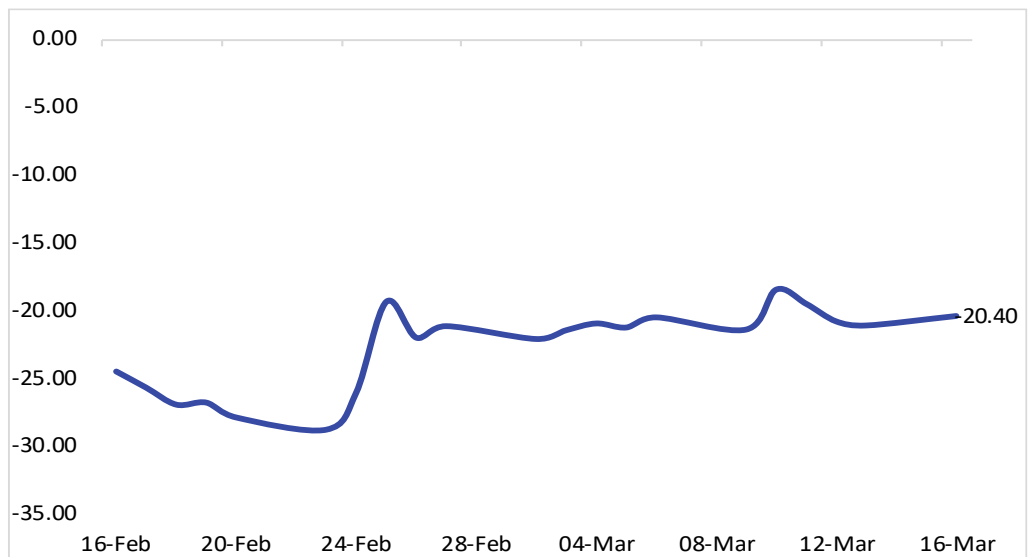
CME Calendar Spread is in negative/contango with a flattish structure.

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



MCX Calendar Spread is in negative/contango. This is the March/April Spread. We may see this spread widening in the near term amid a large number of stocks lying on the exchange.

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



Source: Bloomberg, Bluglance

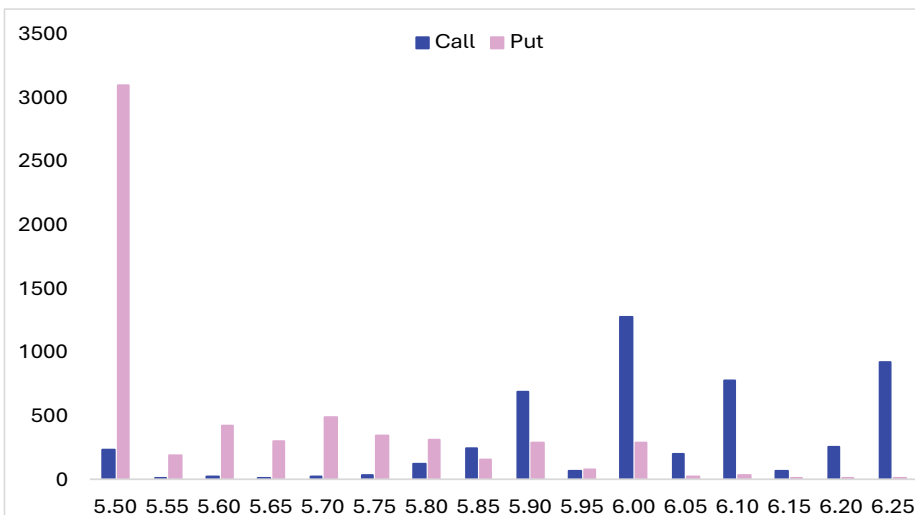
Technical Analysis



Pivot Levels

	Open	High	Low	Close	Pivot	Supt.2	Supt.1	Resi.1	Resi.2
LME 3M FWD Copper	12720	12940	12667	12856	12821	12548	12702	12975	13094

CME April Month Option Distribution (Open Interest)

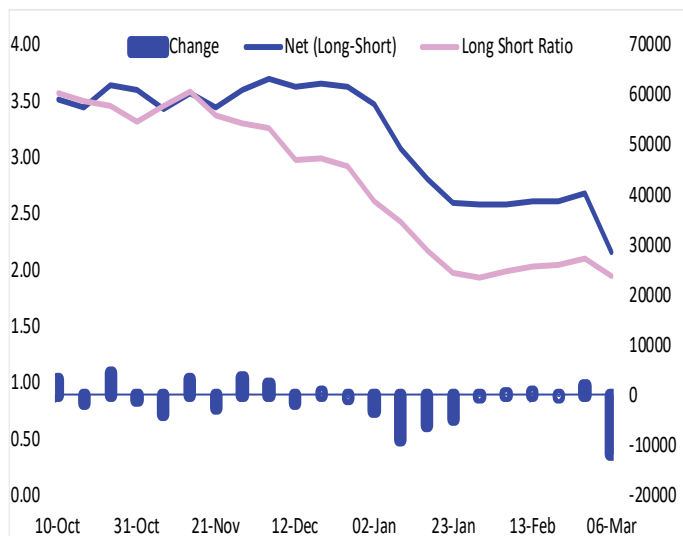


Strike	Call	Put	Total OI
5.50	230	3102	3332
7.25	2749	0	2749
7.40	2706	0	2706
6.00	1274	290	1564
6.50	1255	19	1274
Call OI Addition		6.00	21
Put OI Addition		5.35	120
Call OI Reduction		6.25	-30
Put OI Reduction		5.50	-54

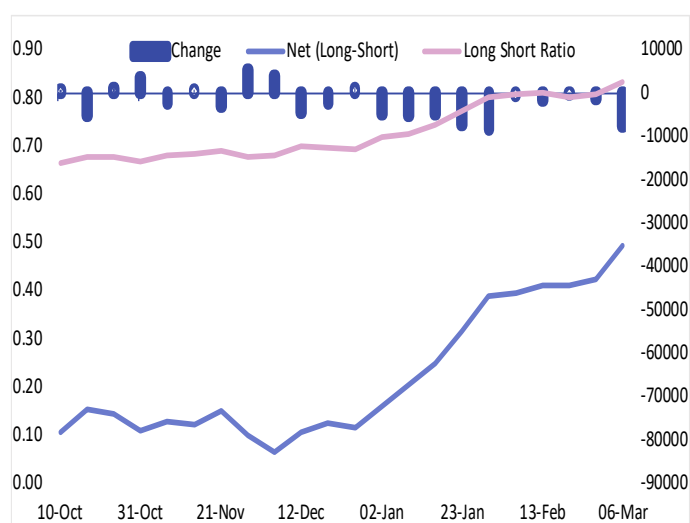
Source: Bloomberg, Bluglance

LME Commitment of Traders Report (COTR)

Investment Funds COTR



Commercial Undertaking COTR



Ratio Analysis

Ratio	Last	1 Day	5 Day	1 Month	3 Month	6 Month	1 Year
Copper/Gold	2.55	2.53	2.48	2.61	2.67	2.75	3.24
Copper/Silver	157.88	157.31	145.90	173.25	174.79	241.57	287.39
Copper/Platinum	6.03	6.25	5.85	6.34	6.09	7.35	9.68
Copper/Crude	127.27	122.92	130.22	185.56	196.58	147.03	137.88
Copper/SPX	1.90	1.91	1.90	1.86	1.70	1.52	1.73
Copper/Alumi.	3.72	3.65	3.78	4.22	4.09	3.68	3.60
Copper/Steel	12.55	12.54	12.67	13.01	12.77	12.43	10.36
Copper/Nickel	0.74	0.74	0.75	0.75	0.82	0.66	0.60
Copper/Zinc	3.95	3.90	3.90	3.91	3.83	3.32	3.29
Copper/LMEX	2.36	2.35	2.34	2.45	2.38	2.34	2.26
Copper/DXY	127.91	126.32	130.39	131.11	117.74	103.93	94.15
Copper/Tesla	32.24	32.41	32.32	30.52	23.64	23.88	38.93

Dark shade = Copper outperformance; Light shade = Copper underperformance

Economic Events

Country	Event	Period	Survey	Prior
US	ADP Weekly Employment Change	28-Feb	--	15.500k
US	Leading Index	Feb	-0.10%	-0.20%
US	Pending Home Sales MoM	Feb	-0.70%	-0.80%