



BLUGLANCE TM

23-Mar-26

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

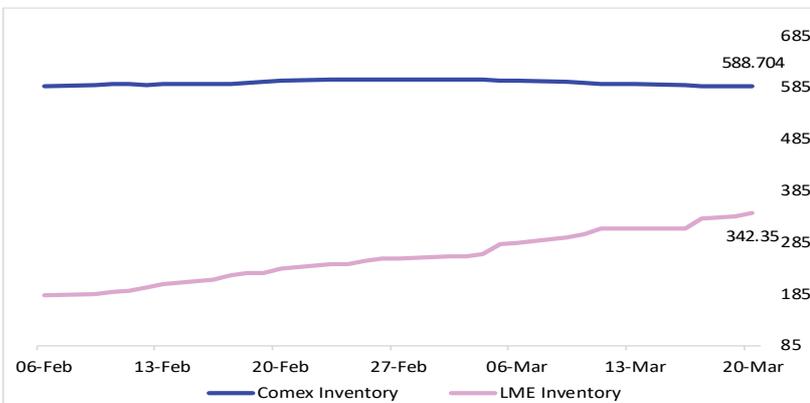
	20-Mar	19-Mar	% Change	YTD % Chg.
LME 3M	11930	12147	-1.79	-3.97
CME	5.3745	5.4690	-1.73	-7.19
MCX	1108.0	1112.0	-0.36	-16.16
SHFE	94400	95790	-1.45	-4.45

Copper in US\$ (Without Duty in MT)

	20-Mar	19-Mar	% Change	YTD % Chg
LME 3M	11930	12147	-1.79	-3.97
CME	11849	12057	-1.73	-7.19
MCX	11823	12003	-1.50	-19.59
SHFE	13674	13901	-1.63	-3.26

Note: Prices Regional Exchange Closing Time

Comex vs LME Global Inventory ('000)



Exchange Inventory

Exchange Inventory (MT)				
	20-Mar	19-Mar	Change	YTD Chg.
LME	342350	335425	6925	194925
CME	588704	588804	-100	97982
MCX	16016.0	15597.2	419	13341
SHFE	411121	433458	-22337	265779
Total	1358191	1373284	-15093	572027

Copper Arbitrage Windows

Arbitrage Windows		
	Price	Import
Changjing Price	95890	95890
LME Spot	11834.73	
USDCNY	6.9036	81702
Import Cost (13%)	12255.34	93958
Arbitrage Ratio (LME vs SHFE)		1.0206

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 global narrative continues to be dominated by war, now entering its fourth week with no signs of a truce. The prolonged uncertainty is keeping markets in a clear risk-off mode, impacting energy flows, pushing oil prices and the US dollar higher, and in turn weighing on base metals.

Copper has been a direct casualty. Prices have corrected sharply from highs of \$13,300 to around \$11,800, breaking below the critical \$12,500-\$13,500 range. Technically, this breakdown has shifted the entire price band lower, and we now see copper operating in a revised range of \$11,650 to \$12,000 in the near term.

Macro signals remain weak Asian equities are under pressure, the dollar remains firm, and global sentiment continues to be fragile. While comments from Donald Trump around support via Fannie Mae and Freddie Mac provide a mild positive undertone, history suggests such measures only cushion downside during stress periods rather than reverse trends.

On the domestic front, a record weak INR above 93 is partially offsetting the global decline, but MCX copper continues to trade at a discount to LME. This opens up an opportunity for physical players and OEMs to lift inventory from the exchange, especially with stocks around 15,000 tonnes. We are already seeing calendar spreads narrowing, indicating improving physical offtake.

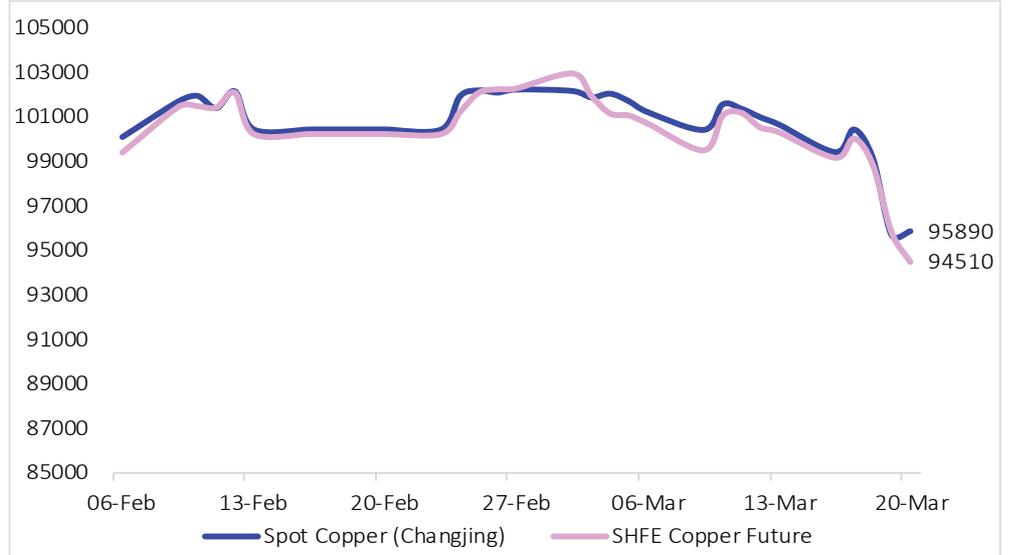
Globally, LME copper remains in contango of about \$100, reflecting comfortable inventory levels. The broader pressure from high stocks, strong dollar, and risk aversion continues to dominate price action.

The only cushion so far has been Chinese buying at lower levels, which is preventing a sharper fall. Otherwise, prices could have easily slipped below \$11,000.

To conclude, the outlook remains range-bound with a negative bias. The working range for the week is \$11,650 to \$12,000, and while downside risks persist, any sharp dips are likely to attract buying interest.

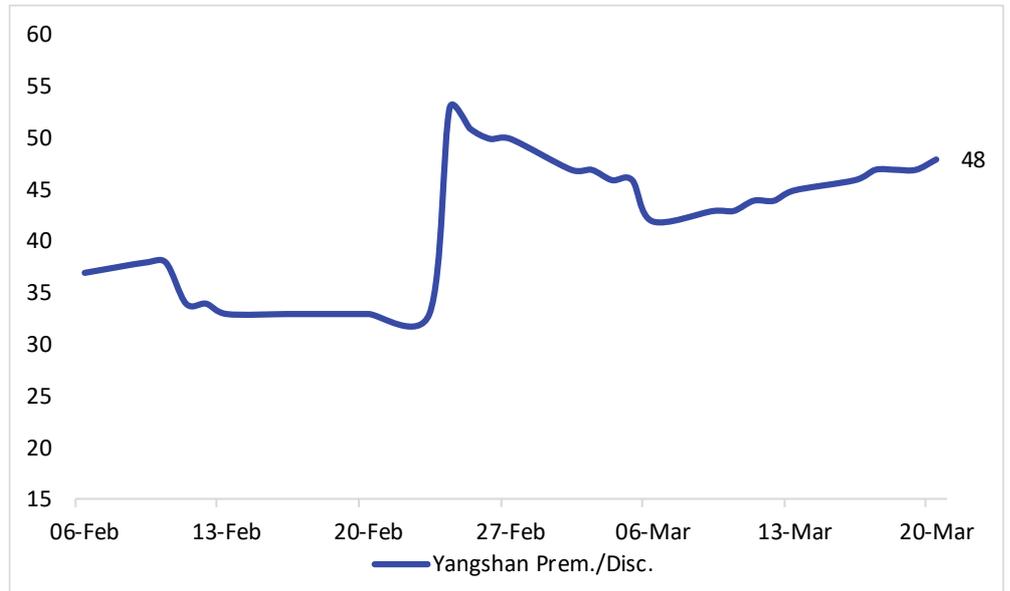
The forward curve is in contango, with futures trading above spot prices.

China Spot Copper Changjiang vs SHFE Copper Fut.



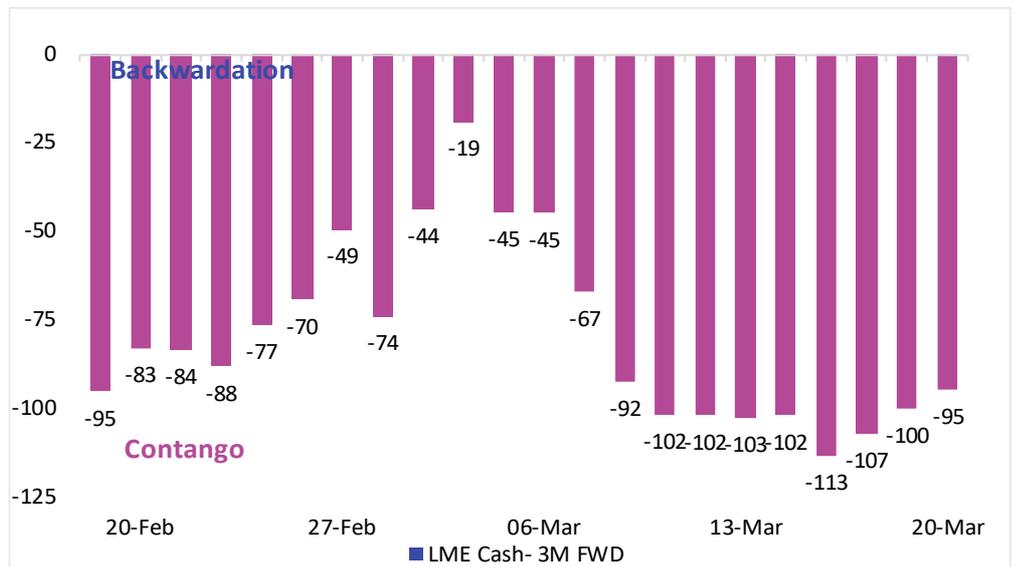
Yangshan premiums are based on physical spot trades, so if no deals or quotes occur, prices are left blank instead of filled. A notable development is the sharp rise in the Yangshan copper premium to \$48/mt from \$33/mt post holiday, indicating improved import appetite and potentially stronger bonded 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 3M Forward Contango widened amid 3rd Wednesday expiry Amid rising inventories on the LME, the cash-to-three month spread widened sharply into a contango of over \$120, partly influenced by the third Wednesday contract expiry. This led to an exaggerated spread, which appears unsustainable at current levels. While elevated stocks could justify a contango closer to \$100, the \$120 level seems overstretched. However, if prices fall below \$12,500, the market structure could shift, potentially keeping the contango wider for a longer period.

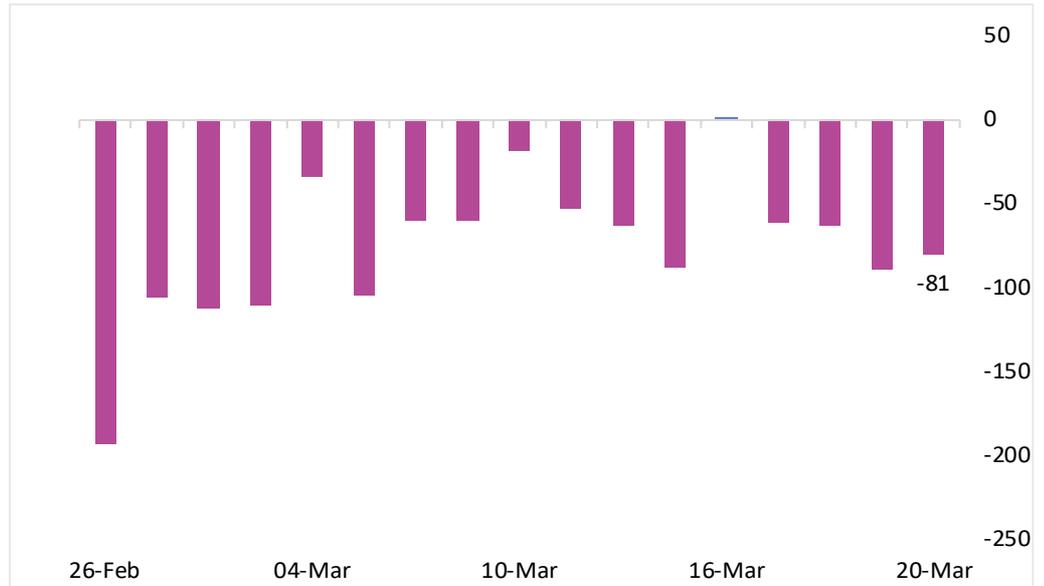
LME Cash - 3M FWD Spread



Source: Bloomberg, Bluglance

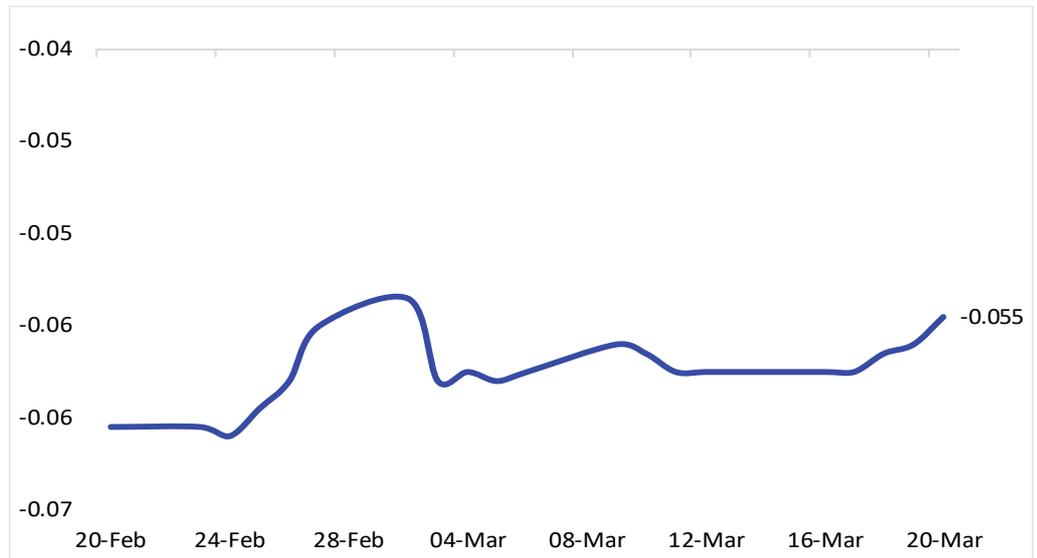
After trading at a discount for nearly a month, CME prices have now returned to parity with LME as of 16th March. This shift signals a tightening in regional pricing dynamics, indicating improved alignment between US and global aluminium markets.

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



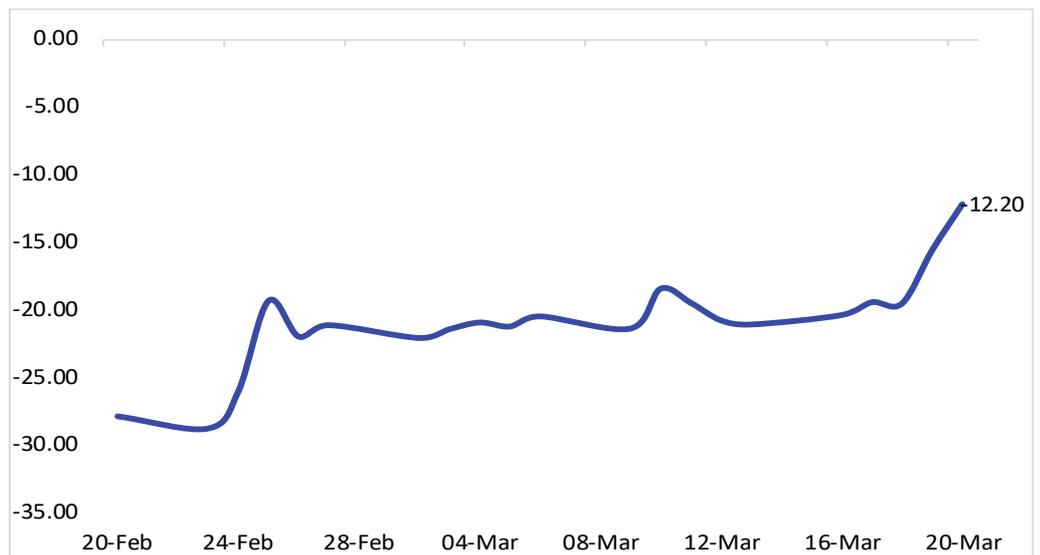
CME Calendar Spread is in negative/contango with a flattish structure.

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



On the domestic front, MCX copper is currently trading at a discount to LME cash, with exchange inventories around 14,000–15,000 tons. In dollar terms, MCX is relatively cheaper compared to imported or LME-branded copper, which is likely to attract physical offtake from manufacturers. This is already reflecting in spreads, with the March–April spread narrowing from ₹20–22 to ~₹15. If MCX continues to trade at a discount and deliveries are lifted, exchange stocks may decline further, leading to even tighter spreads in the near term.

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



Source: Bloomberg, Bluglance

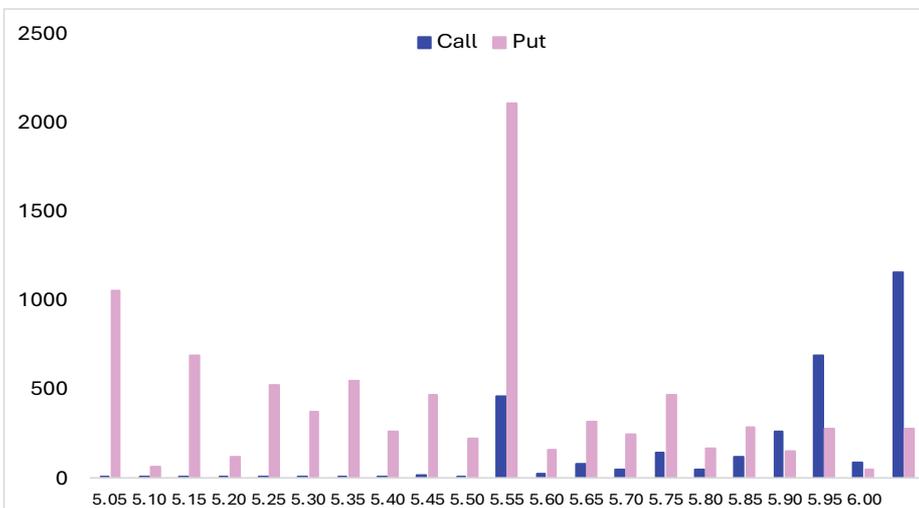
Technical Analysis



Pivot Levels

	Open	High	Low	Close	Pivot	Supt.2	Supt.1	Resi.1	Resi.2
LME 3M FWD Copper	12233	12354	11833	11930	12039	11518	11724	12245	12560

CME April Month Option Distribution (Open Interest)

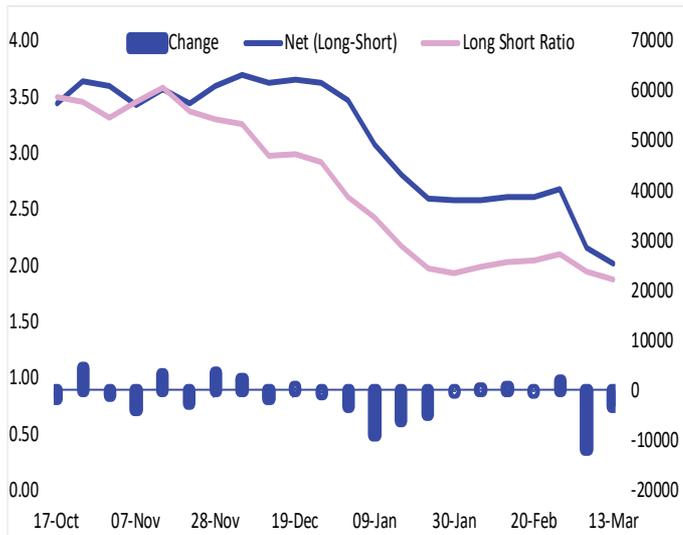


Strike	Call	Put	Total OI
7.25	2749	0	2749
7.40	2706	0	2706
5.50	458	2111	2569
6.00	1159	278	1437
7.00	1232	0	1232
Call OI Addition		5.50	228
Put OI Addition		5.00	142
Call OI Reduction		6.00	-21
Put OI Reduction		5.50	-1331

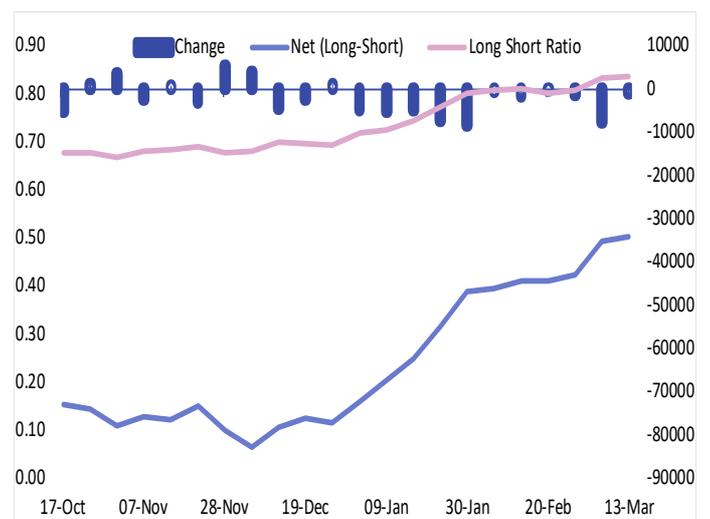
Source: Bloomberg, Bluglance

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	2.63	2.59	2.53	2.52	2.67	2.65	3.25
Copper/Silver	174.18	165.42	157.31	152.17	172.17	225.23	294.28
Copper/Platinum	6.14	6.11	6.25	5.97	5.58	6.99	9.99
Copper/Crude	105.49	110.87	122.92	179.50	196.56	148.83	137.30
Copper/SPX	1.82	1.82	1.91	1.88	1.72	1.49	1.74
Copper/Alumi.	3.64	3.66	3.65	4.18	4.09	3.71	3.69
Copper/Steel	11.69	11.94	12.54	13.13	13.10	12.22	10.54
Copper/Nickel	0.70	0.72	0.74	0.75	0.81	0.66	0.62
Copper/Zinc	3.89	3.97	3.90	3.84	3.91	3.38	3.42
Copper/LMEX	2.34	2.35	2.35	2.43	2.38	2.32	2.32
Copper/DXY	118.76	121.40	126.32	131.71	120.55	101.64	95.19
Copper/Tesla	32.16	31.68	32.41	31.28	24.70	23.29	39.75

Dark shade = Copper outperformance; Light shade = Copper underperformance

Economic Events

Country	Event	Period	Survey	Prior
US	Chicago Fed Nat Activity Index	Feb	0.04	0.18
US	Construction Spending MoM	Jan	0.10%	0.30%
EC	Consumer Confidence	Mar P	-14.2	-12.2