



BLUGLANCETM

Aluminium at a Breaking Point

The Global Supply Rupture

Presented By : Bluglance Research Team



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73.784 Mt

2025 Global Production

1.06%

YoY Growth (Slowest in 5 years, down from 3.24%)

6.16 Mt

The Gulf Keystone (The backbone of Western industrial supply)

Growth at 5-year lows. The market is heavy, but stagnant.

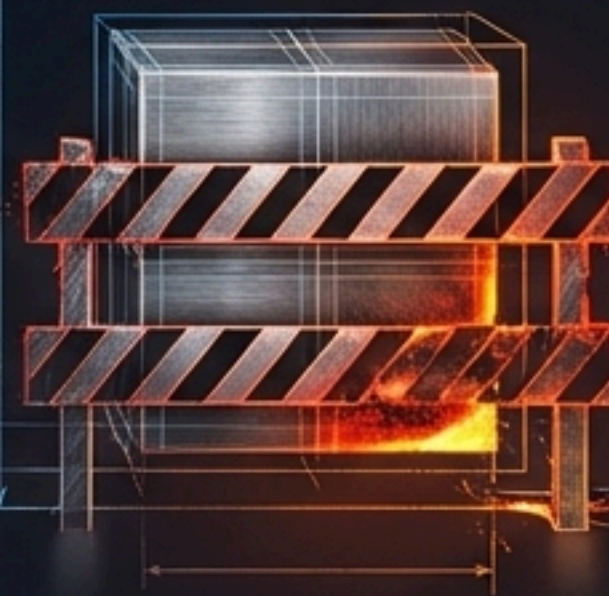
THE CLOSED TAP

45 Mt/year

China's permanent sovereign capacity ceiling.

INDONESIA

Locked by Energy Cost
& Regulation



ZERO SPARE CAPACITY. • ZERO SWING PRODUCER. • ZERO BUFFER.

This is not a quota. It is a permanent dam wall.

THE STRAIT OF HORMUZ BLOCKADE

5 Mt

Annual flow trapped.

23%

Non-China supply dependent on this route.

100%

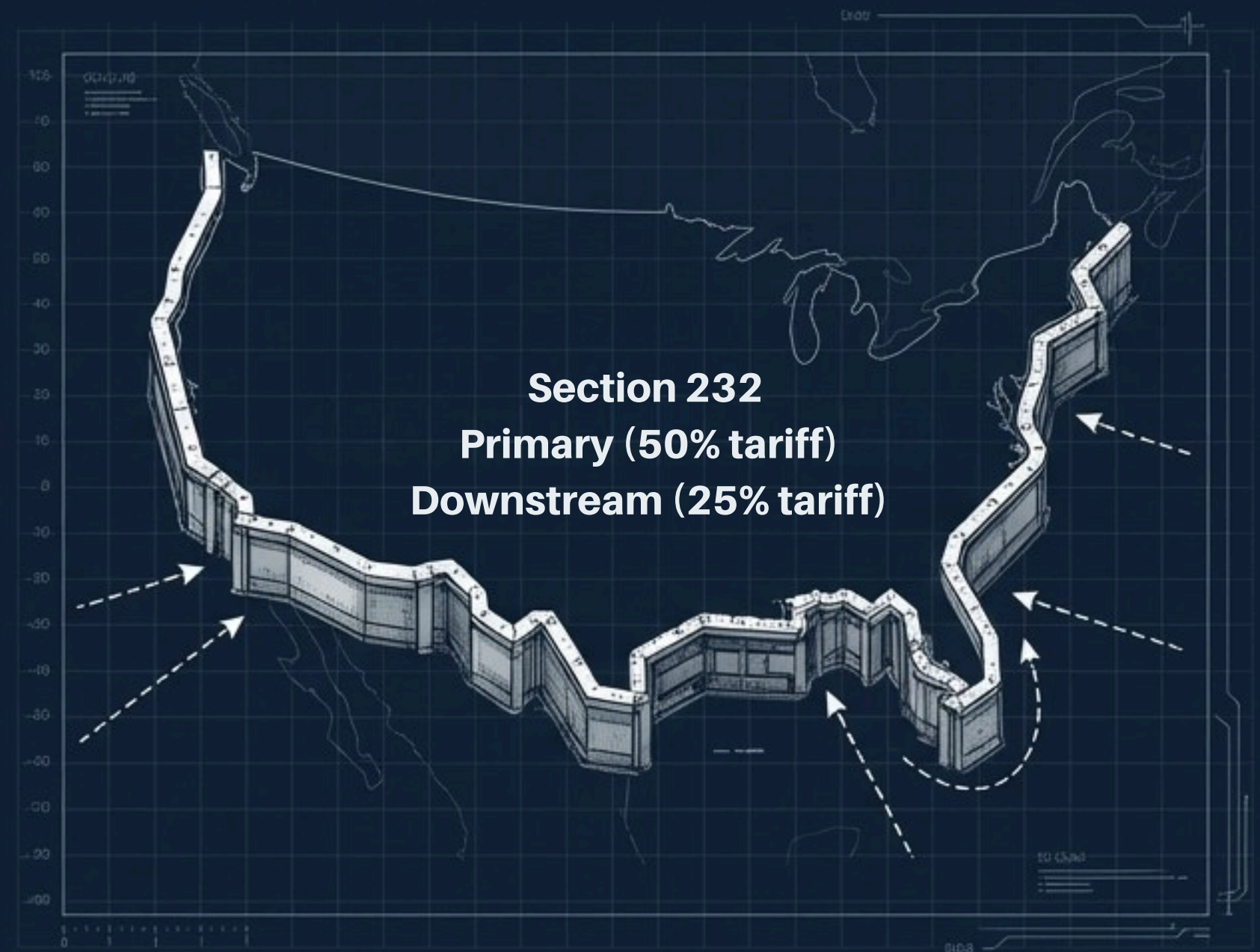
Gulf exports forced through the strait.



Lost Russia. Lost the Gulf. Now paying the price.



- Europe relied on Gulf metal to replace Russia.
- EU CBAM penalises coal-based alternatives heavily.



- US relies deeply on trapped Middle East imports.
- 25% Section 232 tariff walls off US buyers.

Premium spike = physical shortage, not sentiment.

Region	Challenge	Premium
United States	Gulf cutoff + 25% tariff (Downstream)	~\$2,400/t
Europe	Clean metal gone + CBAM	€400–450/t
Asia	Rerouting + freight costs	\$250–350/t
India	LME/MCX surge crushing MSMEs	₹340–360/kg

- Physical shortage confirmed across all major geographies.
- Downstream MSMEs face severe margin pressure globally.
- Integrated producers like Hindalco and Vedanta gain advantage.

The war was the trigger, The deficit was already there



- Logistics dependency drives a stronger rally than copper.
- Panic stocking and contract renegotiations visible globally.
- Buyers prioritise supply security over price optimisation.

THE INVENTORY ILLUSION: CONTAMINATED RESERVES

530,000t

End-2025 LME Stock

463,550t

March 2026

SHFE inventory at
lowest since July 2025

**BANNED
RUSSIAN
METAL**

-13% YTD

Total LME Stock decline.

58%

Percentage of remaining stock
that is banned Russian metal.

The inventory illusion. 58% of remaining LME stock is banned Russian metal.
The real usable buffer is far thinner than headline numbers suggest.

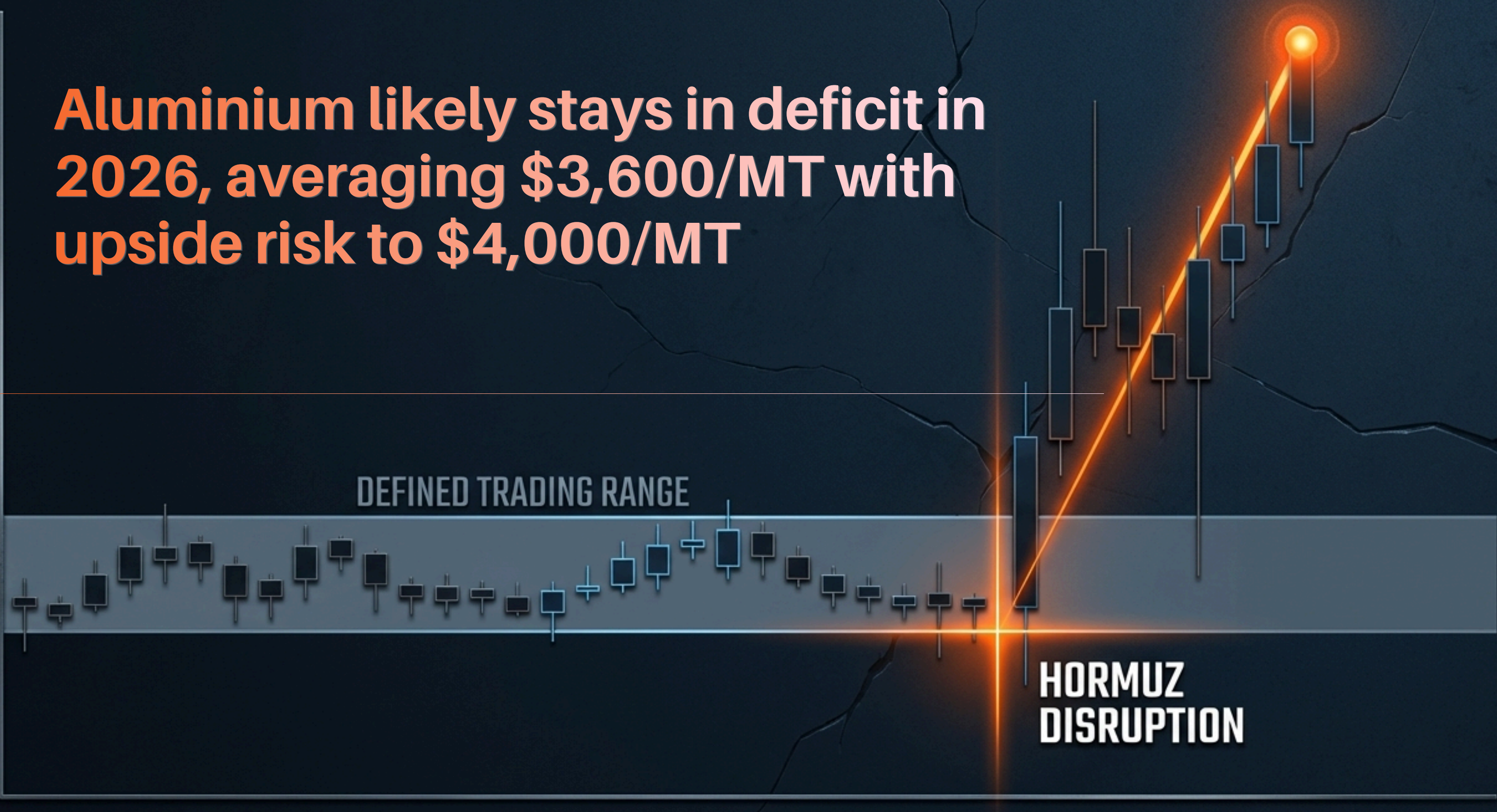
DATA AS ART



The March 2026 candle is the tallest in recorded history.
The market has not seen a backwardation of this magnitude — ever.

Aluminium likely stays in deficit in 2026, averaging \$3,600/MT with upside risk to \$4,000/MT

LME Aluminium Price



January 2026

February 2026

March 2026

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