

25-Jun-25

Global Copper Market Daily Pulse

Global Copper Market – A product of Bluglance Consulting
Prices, Spreads, Premiums & Strategies



BLUGLANCE

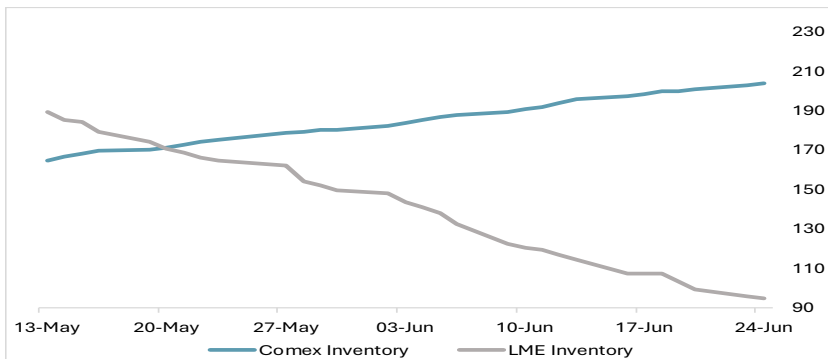
Copper in Local Currencies

	24-Jun	23-Jun	% Change	YTD % Chg.
LME 3M	9669	9668	0.02	10.28
CME	4.8725	4.8495	0.47	20.01
MCX	874.6	881.1	-0.73	9.91
SHFE	78270	78130	0.18	6.06

Copper in US \$ (Without Duty in MT)

	24-Jun	23-Jun	% Change	YTD % Chg.
LME 3M	9669	9668	0.02	10.28
CME	10742	10691	0.47	20.01
MCX	10173	10156	0.17	9.45
SHFE	10914	10883	0.28	7.95

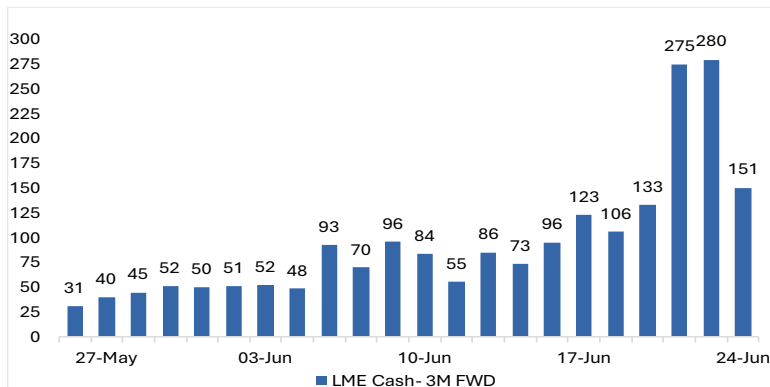
Comex vs LME Global Inventory ('000)



Exchange Inventory (MT)

LME	24-Jun	23-Jun	Change	YTD Chg.
	94675	95875	-1200	-176725
CME	24-Jun	23-Jun	Change	YTD Chg.
	204316	203335	981	184966
MCX	23-Jun	21-Jun	Change	YTD Chg.
	961	961	0	127
SHFE	20-Jun	13-Jun	Change	YTD Chg.
	100814	101943	-1129	26642

LME Cash - 3M FWD Spread



Our Current View on the Copper Market:

The copper market is experiencing a disconnect between price action and spread behavior. While the underlying price has remained relatively rangebound, the rate of change in premiums has been far more aggressive. Notably, the cash-to-3-month (C/3M) spread has slipped sharply from \$280 to \$150 on a closing basis, with significant intraday volatility. Meanwhile, the Tom/Next spread surged to \$69/ton earlier this week — a level witnessed only once before during the infamous 2021 short squeeze — before easing to \$25.

We believe the current B-structure in the LME is likely to persist, albeit at an extended cost. In contrast, both CME and MCX are maintaining a C-structure, highlighting an unusual divergence. This discrepancy is largely driven by expectations of fresh stock inflows domestically — expectations which seem misplaced given the physical tightness in India, as evidenced by the mere 961 MT of stocks at MCX.

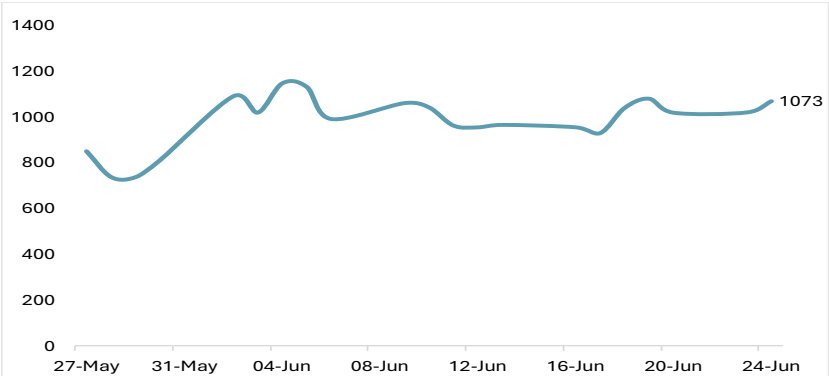
This domestic tightness likely reflects institutional long positions being rolled over and a dominance of long hedgers. It may also suggest that domestic corporates, especially on the sell side, are yet to migrate positions from international to domestic markets — a transition that is taking longer than expected. However, we anticipate eventual alignment in market structures across platforms.

On the international front, LME's pronounced spread volatility stems primarily from a dramatic 80% drop in available inventories this year, reinforcing the perception of a physically squeezed market.

Price Perspective: Copper is currently trading around \$9,700/MT after recently testing a high of \$9,760. We maintain a near-term price band of \$9,600 to \$9,800 for the 3-month forward and remain constructive on prices staying firm within this range.

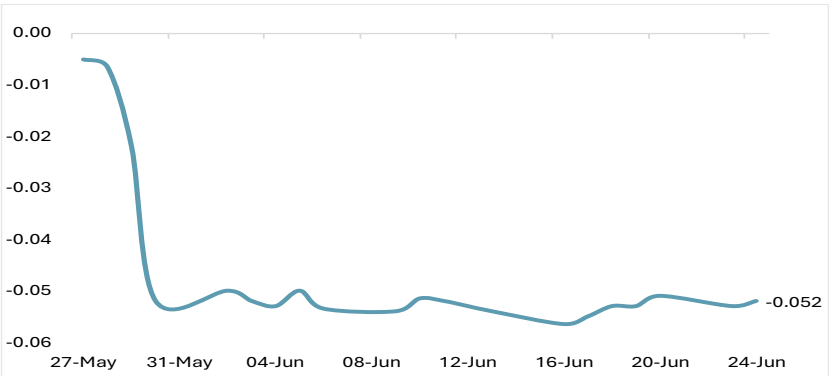
We are seeing a muted movement in the spread between CME and LME. We believe this may continue to prolong until any tariff-related fresh development emerges.

CME Jul LME 3M Spread



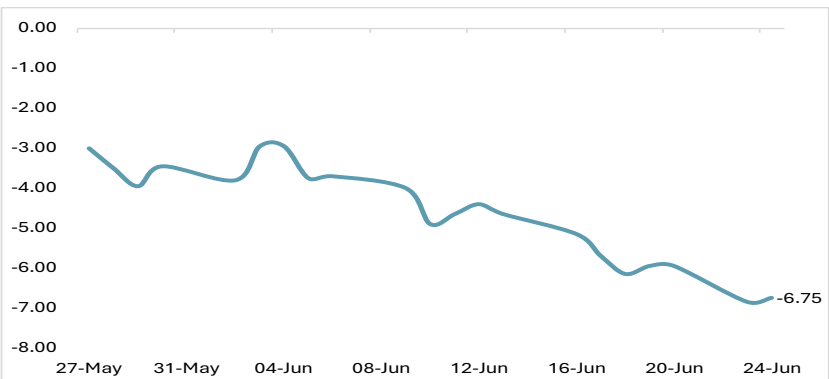
CME Calendar Spread is in negative /CONTANGO continues to hold around 4 to 4.50% carry cost, good enough for SHORT hedgers

CME Near- Next Spread



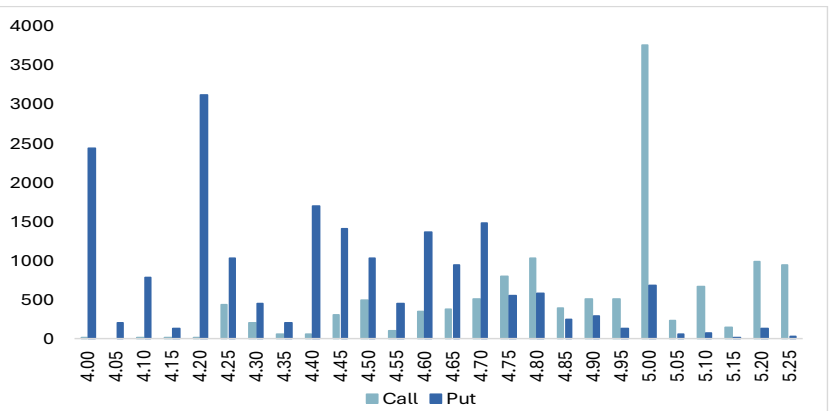
MCX Calendar Spread in negative/Contango. This is coming ahead of its delivery notice period starting from the 26th. We believe the spread of Rs. 6 at 961 MT still doesn't seem aligned, but it looks like some action could be comprehended this week.

MCX Near - Next Spread

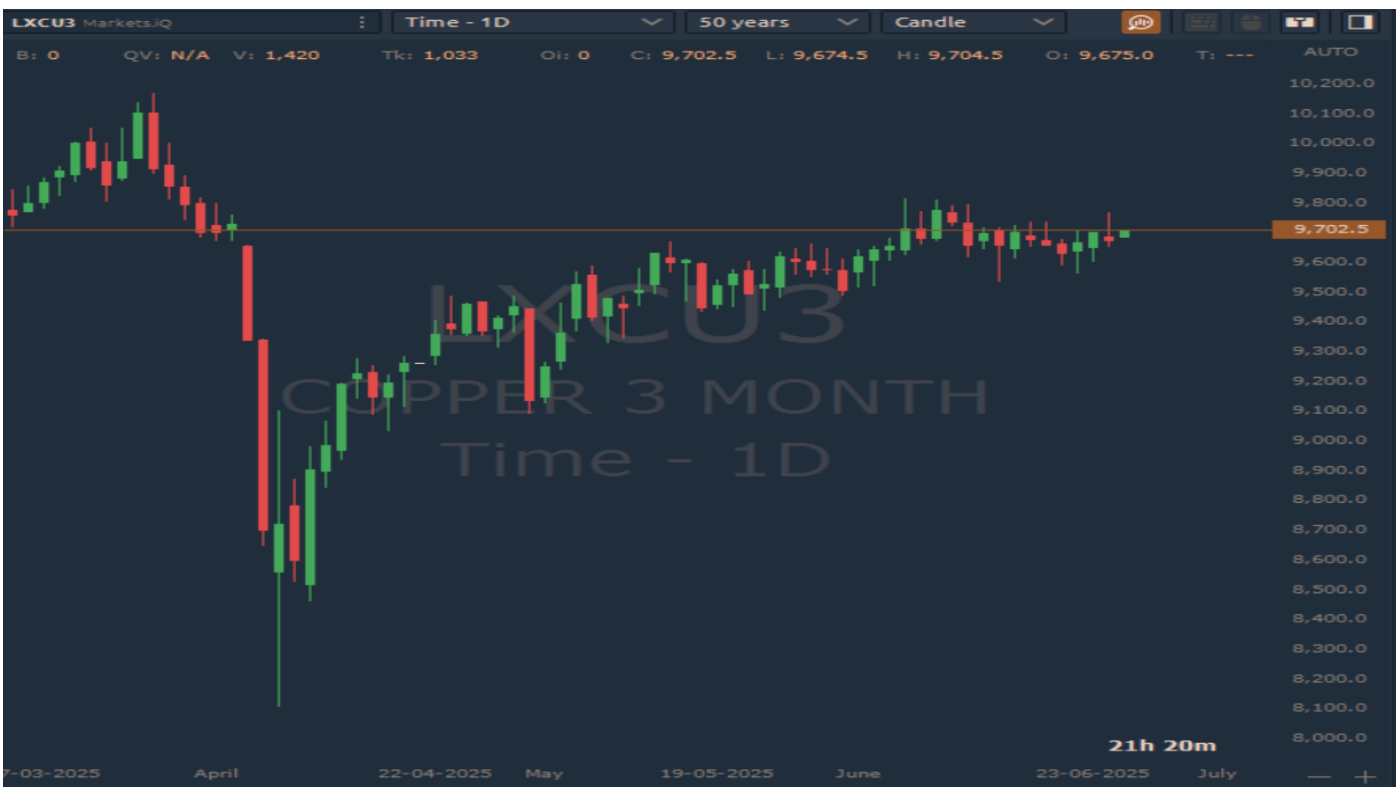


Maximum OI is at 4.20 Put and a 5.00 Call

CME Jul Month Option Distribution



Technical Analysis



Economic Calendar				
Country	Event	Period	Survey	Prior
US	MBA Mortgage Applications	20-Jun	--	-2.60%
US	New Home Sales	May	693k	743k
US	Building Permits	May F	--	1393k

LME 3M FWD Copper	
Close	9,669
Pivot	9,693
Supt.2	9,581
Supt.1	9,625
Resi.1	9,737
Resi.2	9,804

Ratio Analysis

Ratio	Last	1 Day	5 Day	1 Month	3 Month	6 Month	1 Year
Copper/Gold	2.95	2.95	2.91	2.88	3.28	3.38	4.10
Copper/Silver	273.39	275.56	266.55	287.88	293.99	298.23	329.05
Copper/Platinum	7.44	7.67	7.41	8.78	10.11	9.35	9.63
Copper/Crude	146.26	139.16	127.66	148.83	135.80	120.22	111.91
Copper/SPX	1.61	1.65	1.62	1.66	1.72	1.46	1.75
Copper/Alumi.	3.81	3.83	3.83	3.92	3.78	3.48	3.87
Copper/Steel	11.26	11.41	11.33	10.68	10.62	12.99	13.27
Copper/Nickel	0.67	0.68	0.67	0.63	0.63	0.58	0.56
Copper/Zinc	3.69	3.73	3.75	3.60	3.38	2.92	3.41
Copper/LMEX	2.37	2.39	2.37	2.35	2.29	2.23	2.30
Copper/DXY	100.35	101.07	99.09	97.28	95.19	81.71	90.08
Copper/Tesla	28.84	28.53	29.75	28.41	35.62	19.14	52.10

Dark shade = Copper outperformance; Light shade = Copper underperformance