



五矿期货有限公司

Geopolitical volatility in the Middle East persists, while macro headwinds remain.

Copper Monthly Report

April 3, 2026

Wu Kunjin (Non-Ferrous Metal Group)

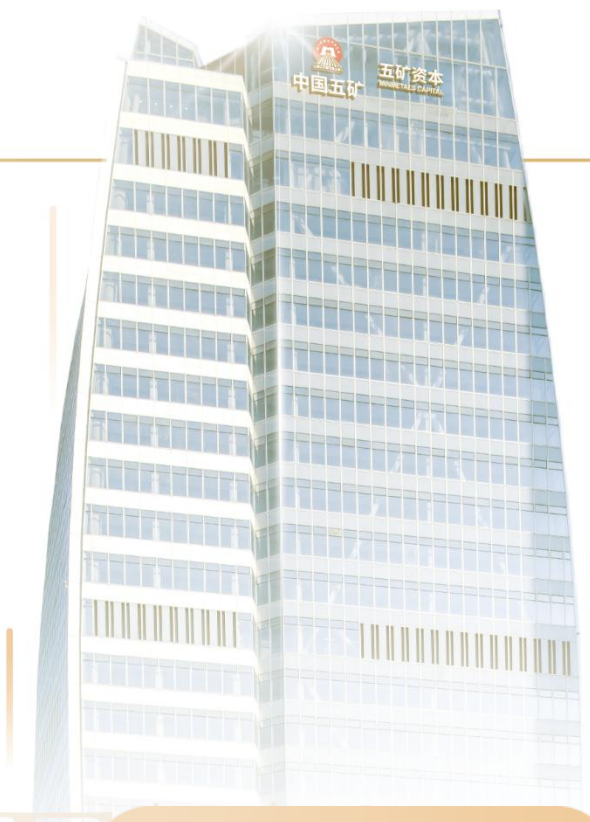
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Monthly Review

Monthly Assessment and Strategy Recommendation

- ◆ **Supply:** Copper concentrate supply maintains a tight pattern, blister copper supply is marginally tightening, and treatment charges have fallen sharply. March 2026 domestic refined copper production increased MoM, while smelter maintenance rises in April-May, with output expected to decline MoM.
- ◆ **Demand:** March 2026 China's refined copper apparent consumption is estimated to have risen significantly YoY. April enters a relatively strong demand season, with apparent consumption likely to remain at elevated levels, though YoY declines are expected against last year's high base. Overseas manufacturing sentiment is mixed, with Middle East tensions weakening demand expectations.
- ◆ **Import/Export:** The SHFE copper spot import window opened briefly in March 2026. The spread between COMEX copper and LME copper fluctuated, and COMEX inventories continued to move into LME North American warehouses.
- ◆ **Inventory:** Inventories across the three major exchanges diverged in March 2026. SHFE inventories fell notably, LME inventories increased significantly, and COMEX inventories edged down. Bonded zone stocks were drawn down. Total stocks rose first and then declined. China's destocking is expected to continue in April, while overseas inventory accumulation is set to slow.
- ◆ **Outlook:** As April begins, China's refined copper output is expected to decline. Downstream sectors are entering a relatively busy season, while the substitution advantage of scrap copper is diminishing, leading to an anticipated persistent supply shortage. Overseas demand expectations are diverging amid a weakening economic outlook, yet pressure from inventory accumulation is projected to ease. On the macro front, the situation in the Middle East still carries short-term escalation risks, which are expected to cool in mid-to-late April, though whether the conflict will become protracted remains uncertain. A rapid de-escalation in the near term would likely allow the market to recover relatively quickly after the initial shock. Conversely, a prolonged conflict would intensify downward economic pressure and further weigh on market sentiment. From an industrial perspective, the tight raw material supply situation continues to underpin copper prices. Overall, it is recommended to monitor developments in the Middle East and wait for clear signals before taking trading positions. Range reference: SHFE main contract 92,000-100,000 CNY/MT; LME 3M 11,800-13,000 USD/MT.

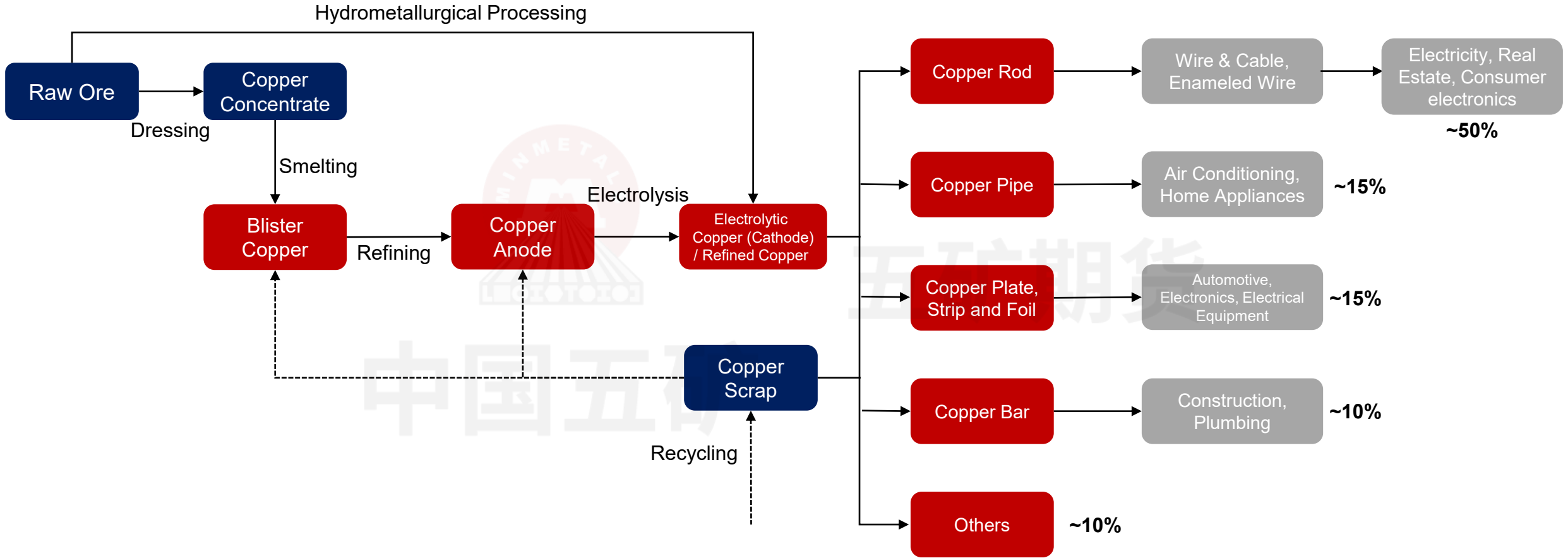
China Refined Copper Supply-Demand Balance (10,000 MT)



五矿期货有限公司

2024	Production	Import	Export	Net Import	SHFE Inventory	Change	Outside SHFE	Change	Bond Inventory	Change	Apparent Demand	yoy	Cumulative	Apparent Demand	yoy	Inventory/Demand
Jan	97.0	37.8	0.9	37.0	5.0	1.9	5.2	1.8	0.8	0.2	130.0	35.4%	130.0	130.0	35.4%	0.8%
Feb	95.0	26.7	1.4	25.3	18.1	13.1	10.8	5.6	3.4	2.6	99.1	3.9%	229.1	229.1	19.7%	2.3%
Mar	100.0	31.7	2.3	29.4	29.0	10.9	9.1	(1.7)	6.1	2.8	117.5	-7.8%	346.5	346.5	8.7%	3.2%
Apr	98.5	30.6	2.5	28.1	28.8	(0.2)	10.0	0.9	8.0	1.9	124.0	-1.5%	470.5	470.5	5.8%	3.3%
May	100.8	34.7	7.3	27.4	32.2	3.4	12.1	2.1	7.8	(0.2)	123.0	-6.2%	593.5	593.5	3.1%	3.7%
Jun	100.5	30.9	15.8	15.1	32.0	(0.2)	8.4	(3.7)	7.8	0.0	119.5	-3.6%	713.0	713.0	1.9%	3.4%
Jul	102.8	29.9	7.0	22.9	30.1	(1.9)	4.5	(3.9)	7.3	(0.5)	131.9	7.7%	845.0	845.0	2.8%	3.0%
Aug	101.3	27.6	3.1	24.5	24.2	(5.9)	3.2	(1.3)	6.0	(1.4)	134.4	0.9%	979.3	979.3	2.5%	2.4%
Sep	100.5	34.8	1.6	33.2	14.2	(10.0)	2.1	(1.1)	4.6	(1.4)	146.2	7.2%	1125.5	1125.5	3.1%	1.5%
Oct	99.6	38.6	1.0	37.6	15.3	1.1	5.5	3.4	5.7	1.1	131.6	-2.6%	1257.1	1257.1	2.3%	1.9%
Nov	100.5	39.8	1.2	38.6	10.9	(4.4)	2.5	(3.0)	5.3	(0.4)	146.9	9.2%	1404.0	1404.0	2.8%	1.3%
Dec	112.0	40.8	1.7	39.1	7.4	(3.5)	3.0	0.5	1.4	(3.9)	158.0	20.6%	1562.0	1562.0	4.1%	0.8%
2025	Production	Import	Export	Net Import	SHFE Inventory	Change	Outside SHFE	Change	Bond Inventory	Change	Apparent Demand	yoy	Cumulative	Apparent Demand	yoy	Inventory/Demand
Jan	101.3	29.7	1.7	28.0	10.9	3.5	5.7	2.7	1.3	(0.1)	123.2	-5.3%	123.2	123.2	-5.3%	1.3%
Feb	105.8	30.5	3.2	27.3	26.8	15.9	10.9	5.2	4.4	3.1	108.9	9.9%	232.1	232.1	1.3%	3.0%
Mar	112.2	35.4	6.8	28.6	23.5	(3.3)	10.4	(0.5)	11.1	6.7	137.9	17.4%	370.0	370.0	6.8%	3.2%
Apr	112.6	30.0	7.8	22.2	8.9	(14.6)	4.4	(6.0)	9.4	(1.7)	157.1	26.7%	527.1	527.1	12.0%	1.6%
May	113.8	29.3	3.4	25.9	10.5	1.6	3.4	(1.0)	5.3	(4.1)	143.2	16.4%	670.3	670.3	12.9%	1.4%
Jun	113.5	33.7	7.9	25.8	8.2	(2.3)	5.0	1.6	6.3	1.0	139.0	16.3%	809.3	809.3	13.5%	1.4%
Jul	117.5	33.6	11.8	21.8	7.3	(0.9)	4.8	(0.2)	7.5	1.2	139.2	5.5%	948.5	948.5	12.3%	1.4%
Aug	117.2	30.7	3.7	27.0	8.0	0.7	4.8	0.0	8.4	0.9	142.6	6.1%	1091.1	1091.1	11.4%	1.5%
Sep	112.0	37.4	2.6	34.8	9.5	1.5	6.2	1.4	8.1	(0.4)	144.3	-1.3%	1235.4	1235.4	9.8%	1.7%
Oct	109.2	32.3	6.6	25.7	11.6	2.1	7.6	1.4	10.7	2.7	128.8	-2.2%	1364.1	1364.1	8.5%	2.1%
Nov	108.8	30.5	14.3	16.2	9.8	(1.8)	7.4	(0.2)	10.6	(0.1)	127.1	-13.5%	1491.2	1491.2	6.2%	2.0%
Dec	112.0	30.0	10.0	20.0	11.2	1.4	9.0	1.6	9.7	(1.0)	130.0	-17.8%	1621.2	1621.2	3.8%	2.1%
2026	Production	Import	Export	Net Import	SHFE Inventory	Change	Outside SHFE	Change	Bond Inventory	Change	Apparent Demand	yoy	Cumulative	Apparent Demand	yoy	Inventory/Demand
Jan	117.9	25.1	9.3	15.8	23.3	12.1	10.3	1.3	9.9	0.2	120.1	-2.5%	120.1	120.1	5.5%	3.1%
Feb	114.4	20.7	7.8	12.9	39.2	15.9	14.5	4.2	8.9	(1.0)	108.3	-0.6%	228.4	228.4	-1.6%	4.5%
Mar	120.0			22.0	35.9	(3.3)	5.4	(9.1)	5.9	(3.0)	157.3	14.0%	385.6	385.6	4.2%	
Apr	117.0			22.0							148.0	-5.8%	533.6	533.6	1.2%	

Industrial Chain



— Upstream — Midstream — Downstream

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Spot Market & Futures Market

Figure 1: SHFE Copper Main Continuous Contract Trend (CNY/MT)



Sources: Wenhua, Minmetals Futures

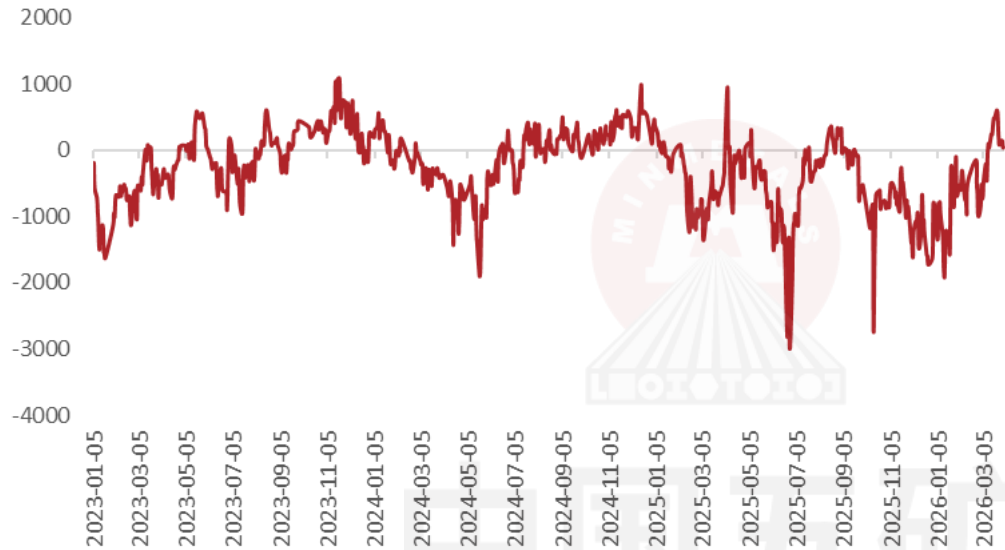
Figure 2: LME 3M Copper Price Trend (USD/MT)



Sources: Wenhua, Minmetals Futures

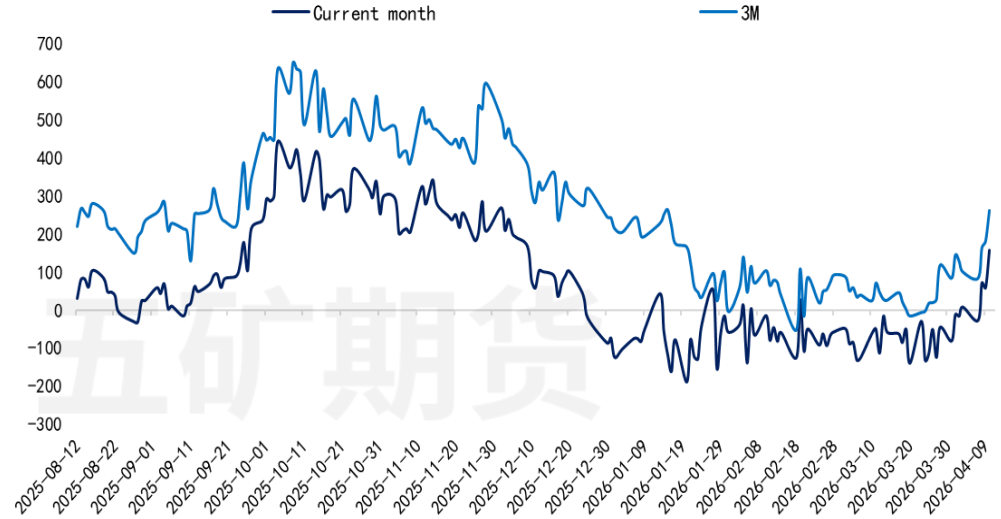
- Copper prices declined significantly in March 2026, as deepening Middle East conflicts heightened inflation and economic weakening risks, triggering broad-based risk asset sell-offs.
- During the month, the most active SHFE copper contract fell by 8.26%, and the LME 3M copper contract declined by 6.87%. The US Dollar Index rebounded over the period, while the offshore RMB depreciated.

Figure 3: China Electrolytic Copper Import Profit/Loss (CNY/MT)



Sources: SMM, Minmetals Futures

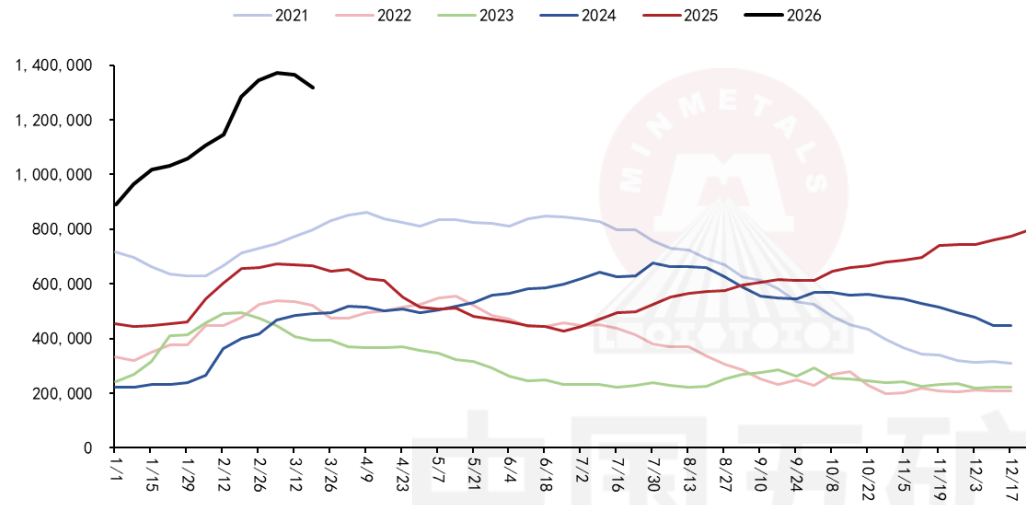
Figure 4: COMEX Copper vs LME Copper Price Spread (USD/MT)



Sources: WIND, Minmetals Futures

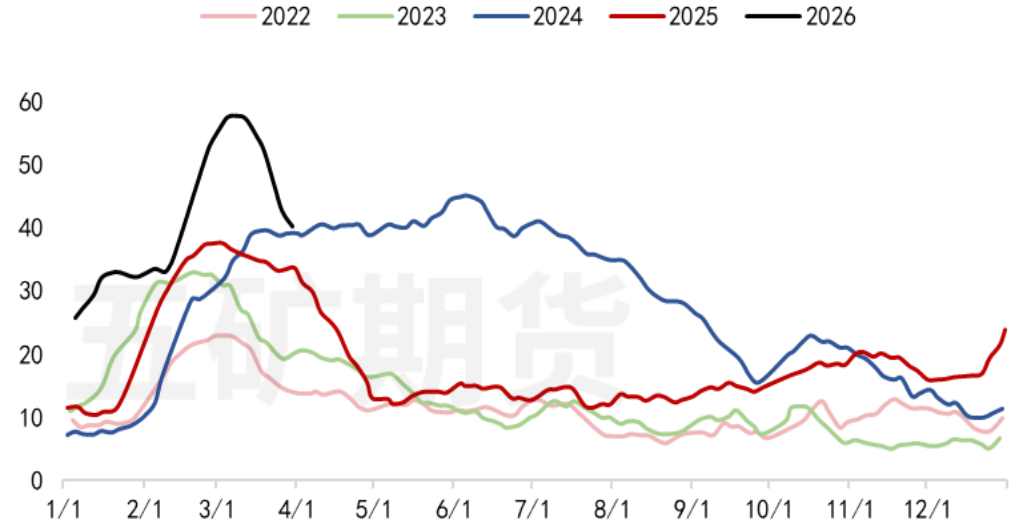
- The Shanghai copper spot import window opened briefly in March 2026, with spot import around breakeven by early April. The COMEX-LME copper spread fluctuated in March, with a slight rebound recorded in early April. The US White House issued a notice adjusting and optimizing copper, aluminum and steel tariffs, exempting derivative products with metal content below 15%, while maintaining existing copper product tariffs. Currently, expectations for US refined copper tariffs remain unresolved.

Figure 5: Copper Inventory at Three Major Exchanges Plus Shanghai Bonded Zone (MT)



Sources: LME, SHFE, COMEX, MYMETAL, Minmetals Futures

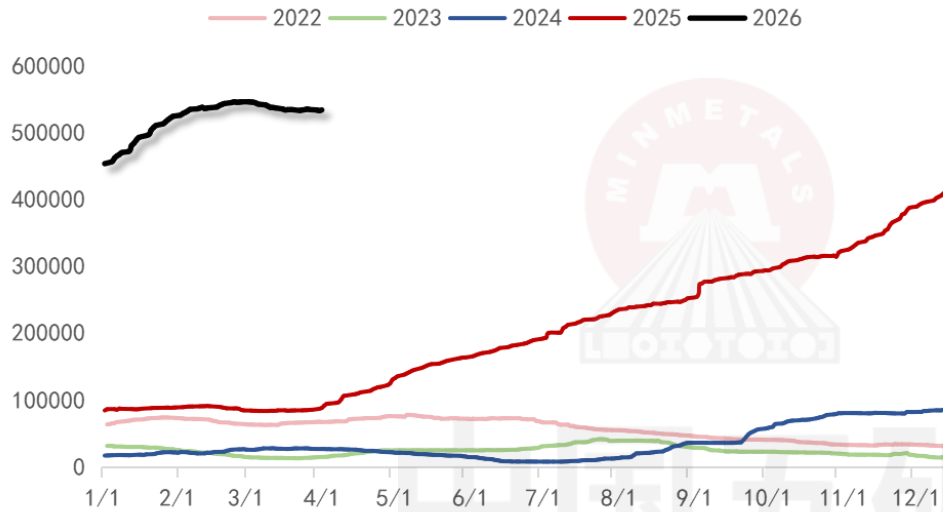
Figure 6: China Electrolytic Copper Social Inventory (10,000 MT)



Sources: SMM, Minmetals Futures

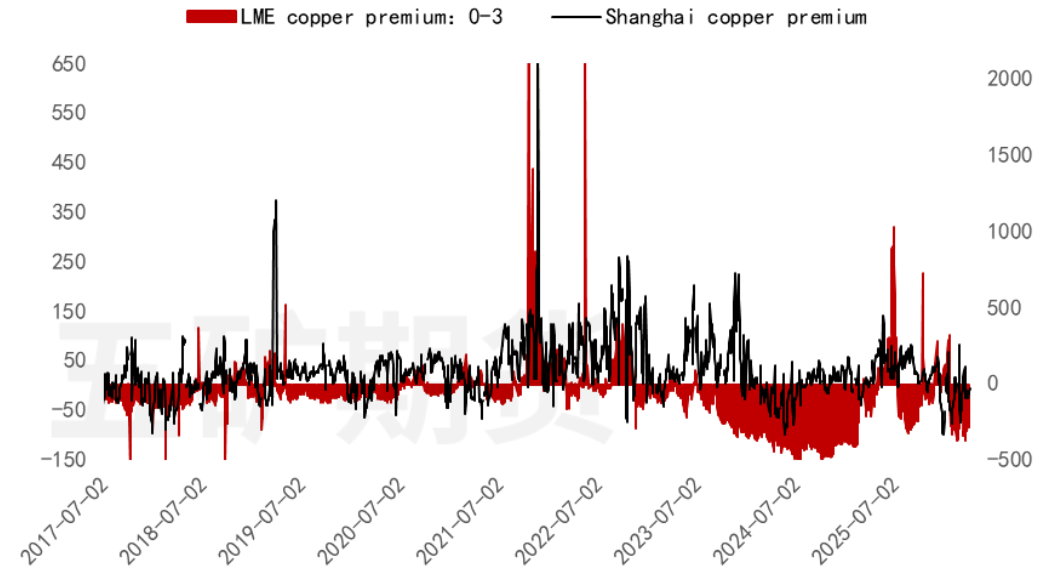
- By end-March, combined inventory of the three major exchanges plus Shanghai bonded zone totaled approximately 1.318 million MT, up 34,000 MT from end-February, with structural inventory issues persisting (COMEX inventory share high at approximately 41%). China copper inventory rose then fell during the month, with exchange inventory at approximately 359,000 MT by end-March, down 32,000 MT from end-February, and off-exchange inventory at approximately 44,000 MT. Bonded zone inventory declined, with end-March absolute level at approximately 63,000 MT, down 26,000 MT from end-February.

Figure 7: COMEX Copper Inventory (MT)



Sources: WIND, Minmetals Futures

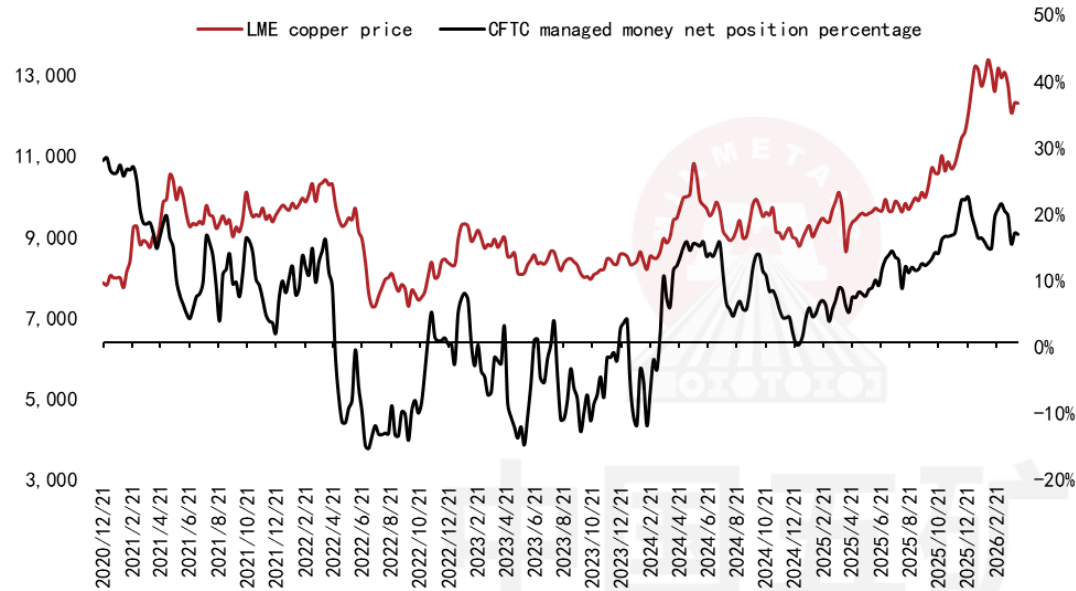
Figure 8: Domestic and Overseas Copper Basis (USD/MT, CNY/MT)



Sources: LME, WIND, Minmetals Futures

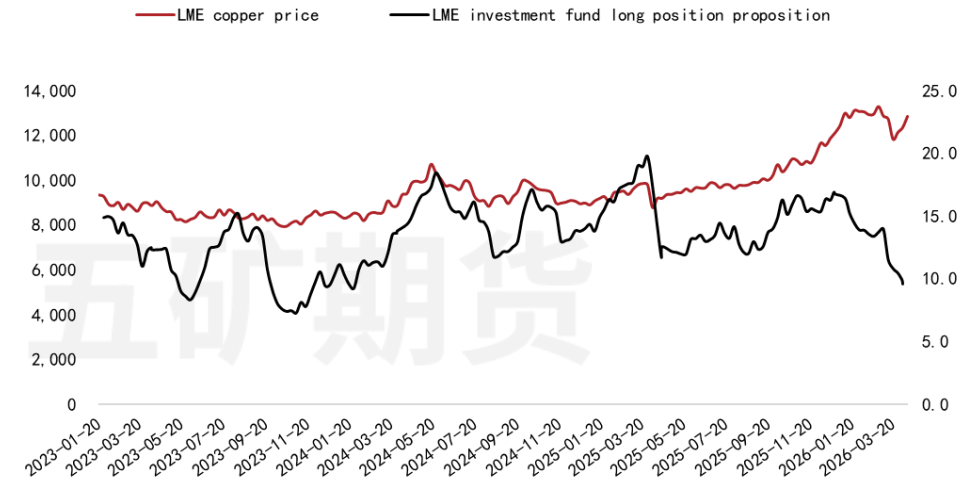
- LME copper inventory increased in March, reaching approximately 360,000 MT by month-end, up 102,000 MT from end-February, with increases mainly from American and Asian warehouses, including 65,000 MT added to LME North American inventory. COMEX copper inventory peaked and declined, reaching approximately 534,000 MT in March, down 11,000 MT MoM.
- On the basis front, the LME market Cash/3M discount widened with fluctuations in March 2026. Domestic basis recovered, with spot discount to futures narrowing to approximately 50 CNY/MT by end-March.

Figure 9: COMEX Copper Fund Net Position Ratio and Copper Price Trend (USD/MT)



Sources: WIND, Minmetals Futures

Figure 10: LME Investment Fund Long Position Ratio



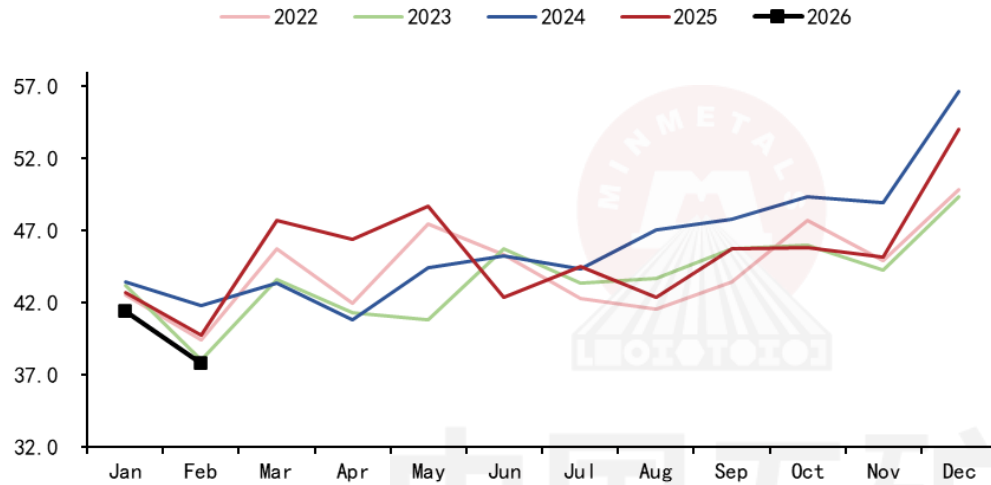
Sources: WIND, Minmetals Futures

- By late March 2026, CFTC fund positions maintained net long, with net long ratio falling to 15.5%; LME investment fund long position share trended lower. Speculative sentiment is bearish-leaning.
- Entering April, market sentiment impacts will primarily stem from geopolitical developments, mine-side news, and inventory changes.

03

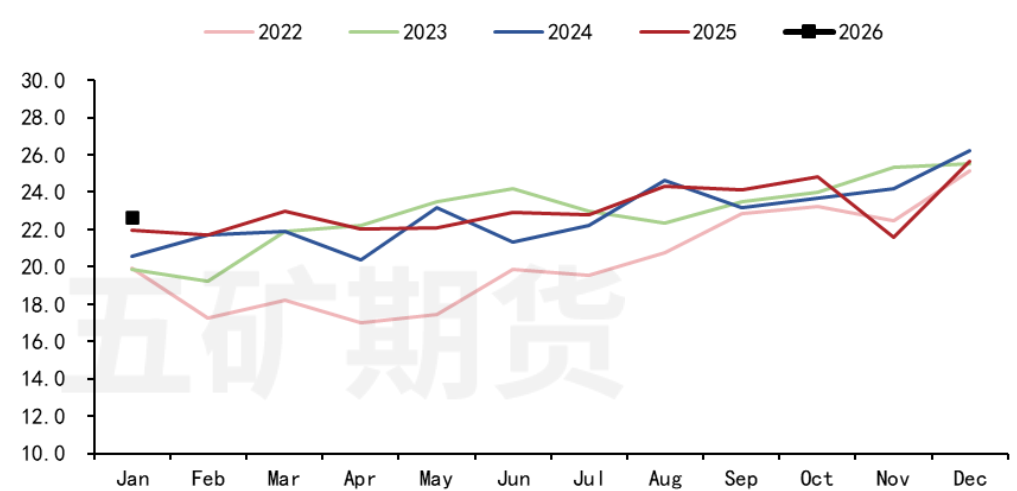
Supply and Demand Analysis

Figure 11: Chile Copper Mine Output (10,000 MT)



Sources: Chilean National Statistics Institute, Minmetals Futures

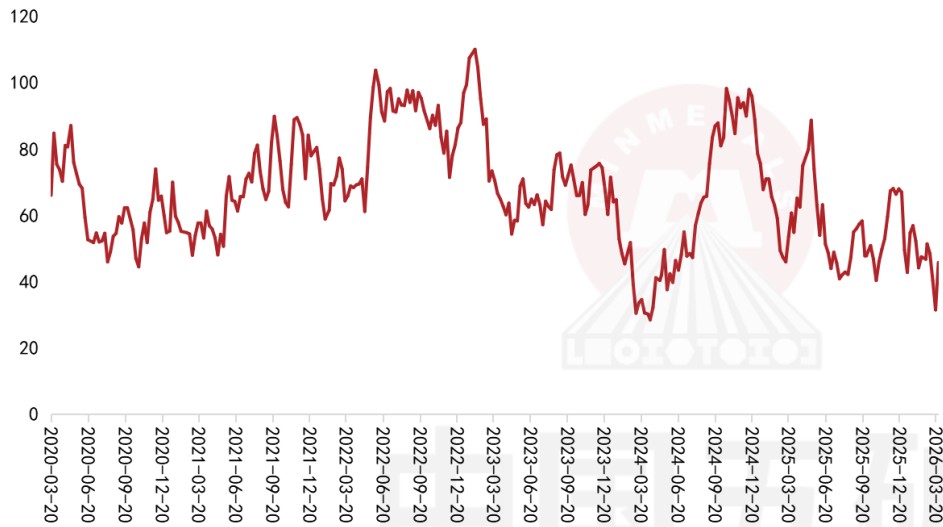
Figure 12: Peru Copper Mine Output (10,000 MT)



Sources: Peru Ministry of Energy and Mines, Minmetals Futures

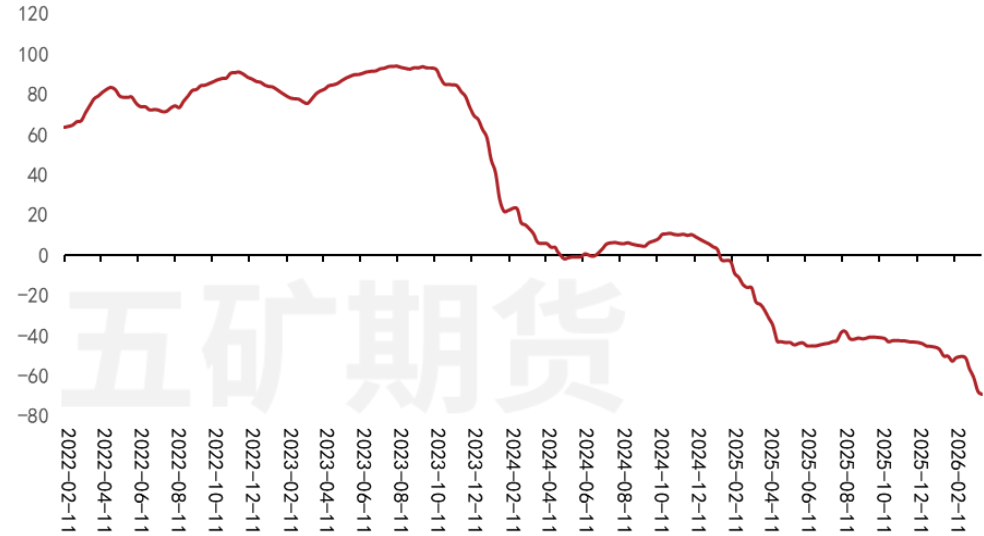
- Copper output from top producer Chile fell 4.8% YoY to 379,000 MT in February 2026, continuing January's decline trend, with ore grade degradation and underperformance at major mines keeping output at low levels.
- In January 2026, Peru's copper output rose 3% YoY to 226,000 MT, with production from major copper mining companies remaining relatively stable.

Figure 13: China Major Ports Copper Concentrate Inventory (10,000 MT)



Sources: IFIND, Minmetals Futures

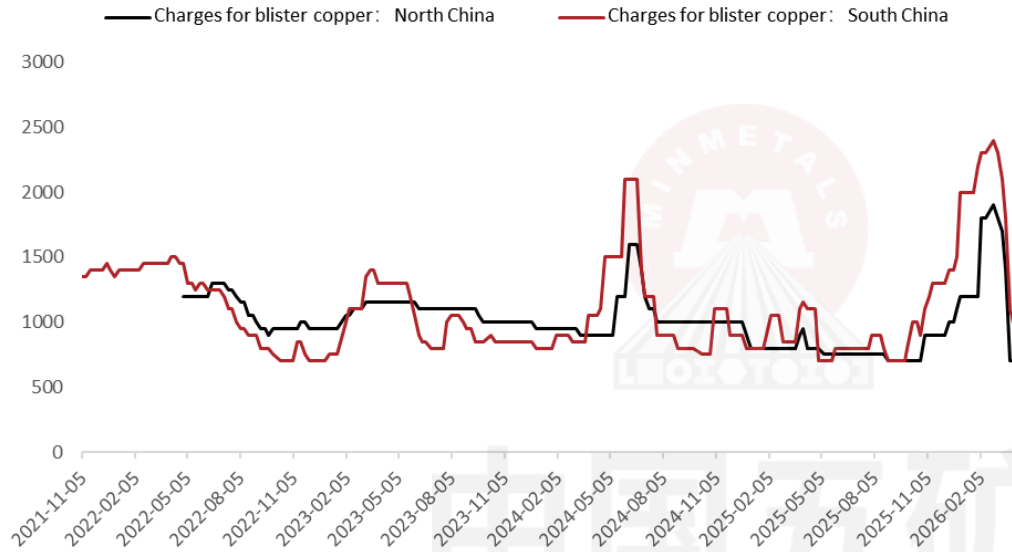
Figure 14: Imported Copper Concentrate Smelting TC (USD/MT)



Sources: SMM, Minmetals Futures

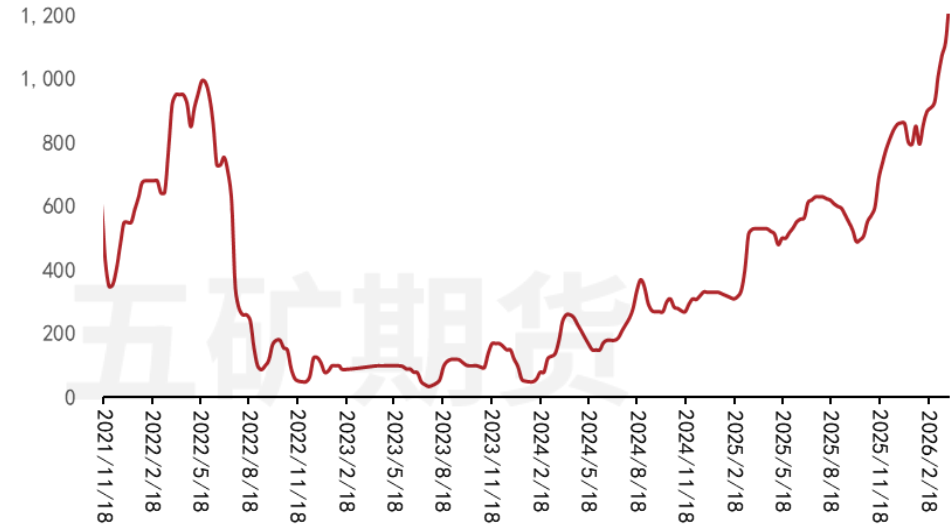
- Inventory fluctuated and declined, with port spot supply remaining tight. On treatment charges, copper concentrate spot TC fell to historic lows in March 2026.

Figure 15: Blister Copper Processing Fee (CNY/MT, USD/MT)



Sources: SMM, Minmetals Futures

Figure 16: China Mainstream Region Smelting Acid Price (CNY/MT)



Sources: WIND, Minmetals Futures

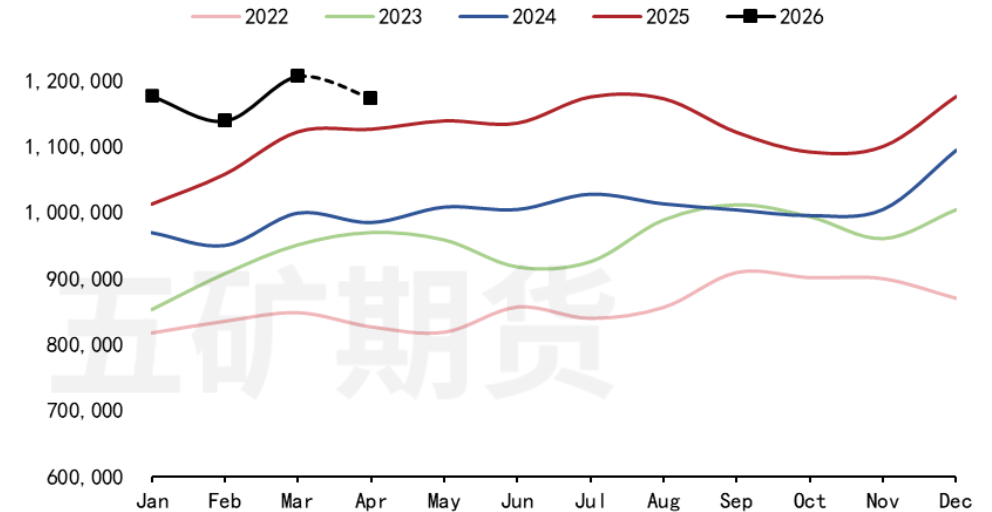
- Domestic blister copper treatment charges fell sharply in March 2026, with cold feed supply marginally tightening. Domestic major regions smelter byproduct sulfuric acid prices continued rising, contributing positively to smelter revenues.

Figure 17: China Copper Smelter Maintenance Schedule (10,000 MT)

Company	Smelter Capacity	Refinery Capacity	Start Time	End Time
1	15	40	Mar	Mar
2	40	40	Mar	Mar
3	30	60	Mar	Apr
4	0	30	Mar	Apr
5	10	20	Apr	Apr
6	40	50	Apr	May
7	35	40	Apr	Apr
8	48	40	Apr	Jun
9	20	20	May	May
10	40	50	May	Jun
11	40	55	Jun	Jun
12	40	70	Jun	Jul

Sources: MYSTEEL, SMM, Baiinfo, Minmetals Futures

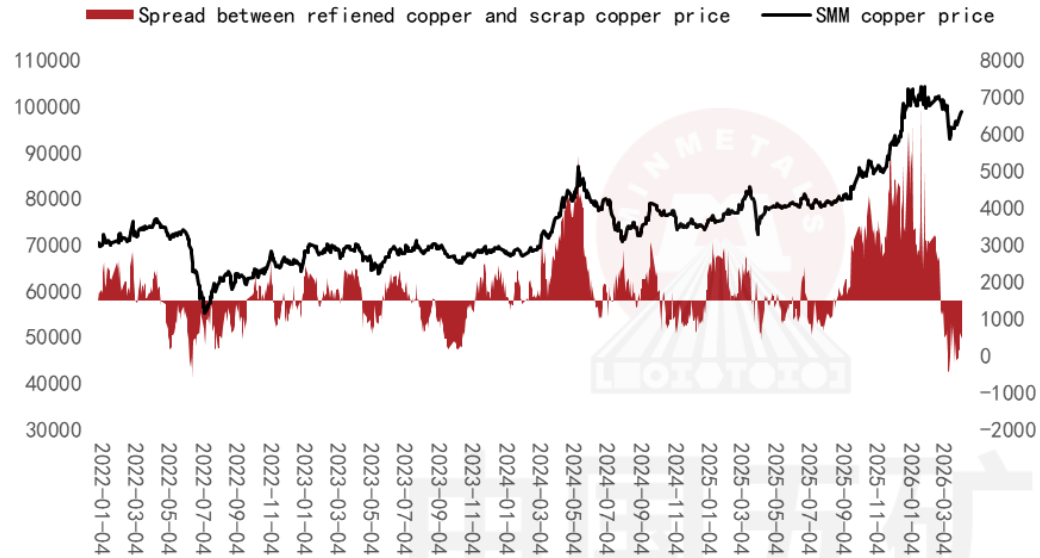
Figure 18: China Refined Copper Monthly Output (10,000 MT)



Sources: SMM, Minmetals Futures

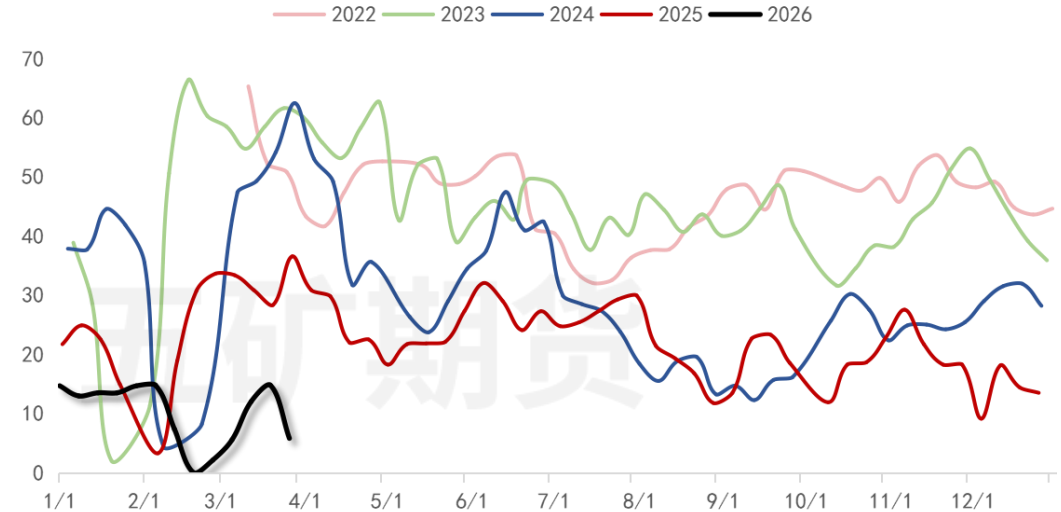
- China copper smelter maintenance activity was limited in March, with refined copper output rising seasonally, in line with expectations. Entering April, smelters enter traditional maintenance season, with production impact increasing, plus blister copper raw material supply tightening, output is estimated to decline MoM by approximately 30,000 MT.

Figure 19: China Electrolytic Copper vs. #1 Bright Copper Price Spread (CNY/MT)



Sources: SMM, WIND, Minmetals Futures

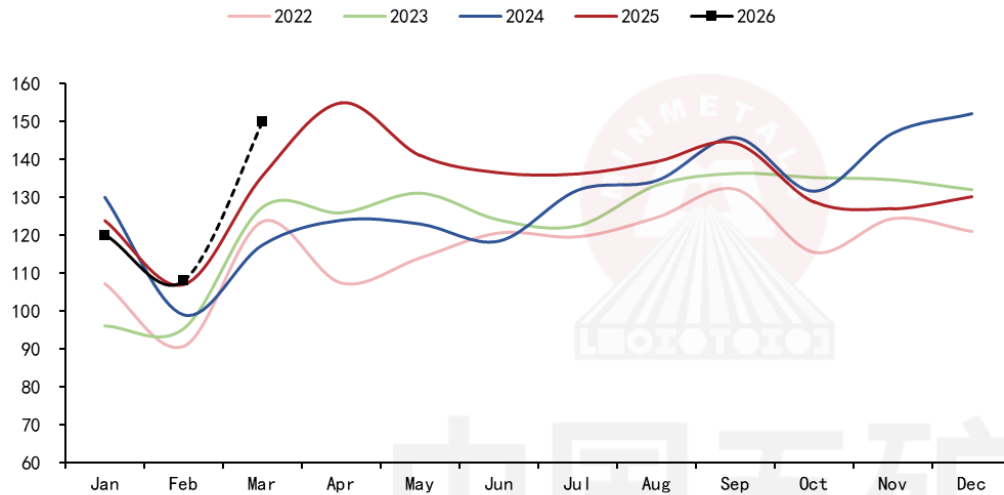
Figure 20: China Recycled Copper Rod Enterprise Weekly Operating Rate



Sources: SMM, Minmetals Futures

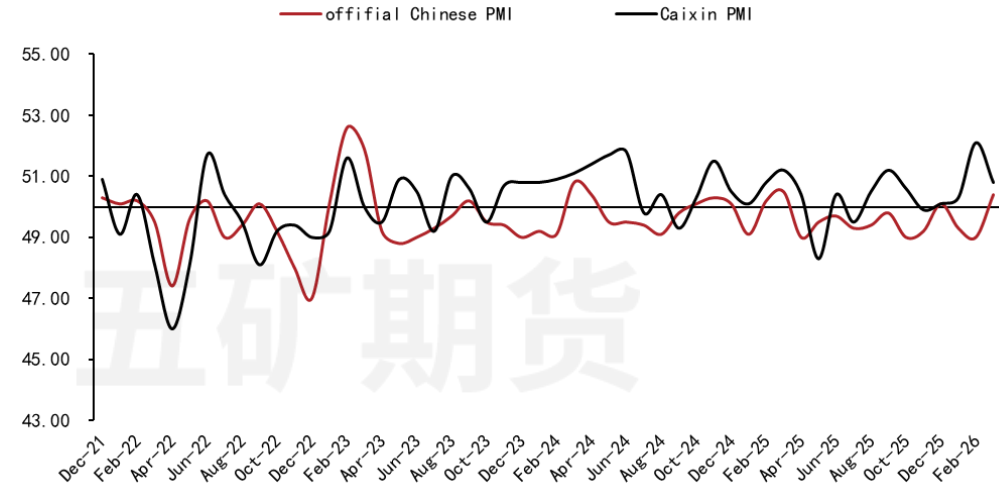
- Domestic refined-scrap copper spread averaged approximately 805 CNY/MT in March 2026, narrowing significantly MoM, with copper price declines and tight invoiced scrap supply being the main reasons for spread contraction.
- Recycled copper rod producer operating rates rose then fell in March, with tax rebate policies and scrap flowing more to smelting continuing to constrain recycled copper rod production, with direct scrap substitution remaining limited.

Figure 21: China Refined Copper Monthly Apparent Consumption (10,000 MT)



Sources: Customs, SMM, MYMETAL, Minmetals Futures

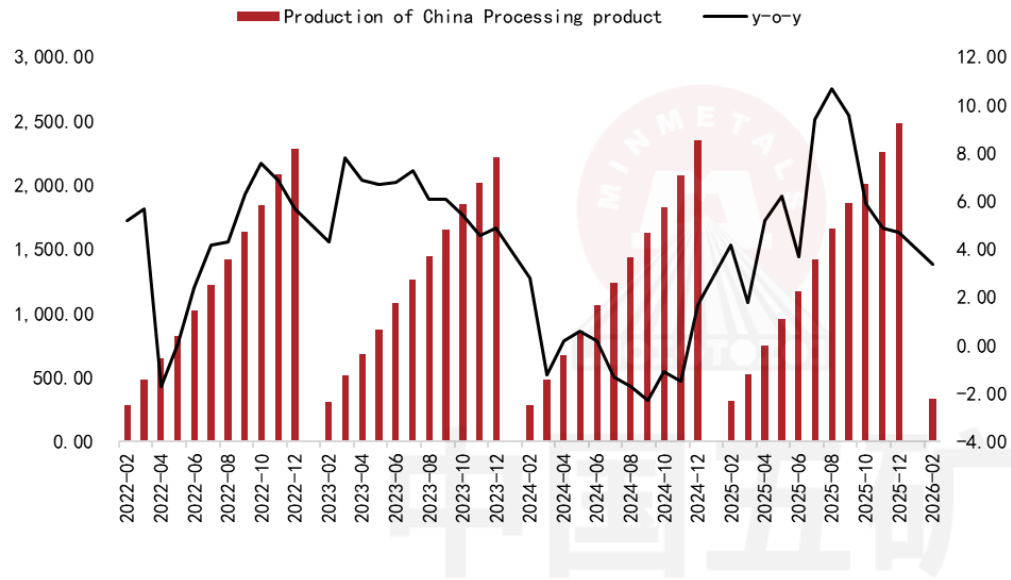
Figure 22: China Manufacturing PMI



Sources: WIND, Minmetals Futures

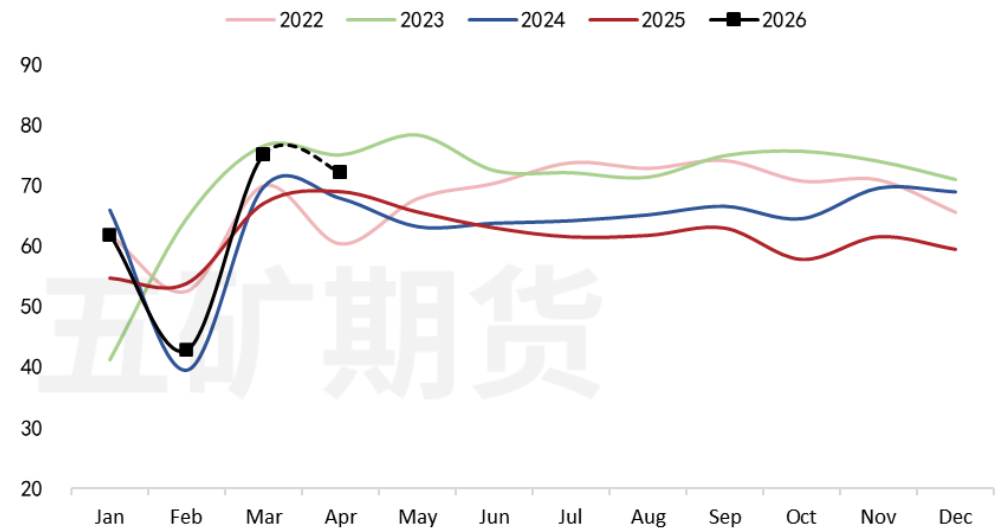
- Assuming net imports increased MoM, March domestic refined copper apparent consumption is estimated at 1.50 million MT, with significant YoY and MoM improvement, and Jan-Mar 2026 cumulative apparent consumption at approximately 3.78 million MT, up 2.2% YoY.
- From economic leading indicators, official manufacturing PMI recovered above the expansion threshold in March 2026, with RatingDog manufacturing PMI maintaining above the expansion threshold, indicating acceptable manufacturing sentiment.

Figure 23: China Copper Products Cumulative Output & YoY Growth Rate (10,000 MT, %)



Sources: WIND, Minmetals Futures

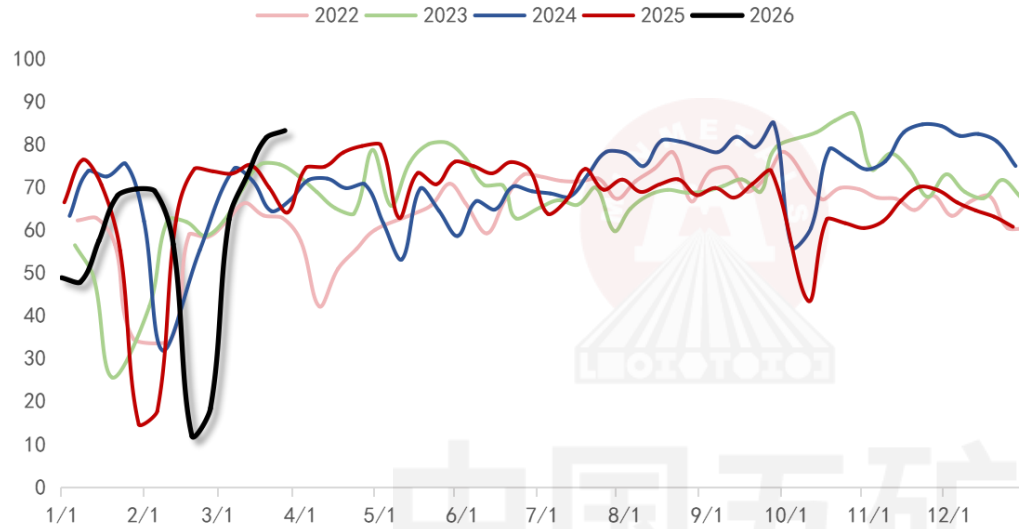
Figure 24: China Copper Material Enterprise Average Operating Rate (%)



Sources: SMM, Minmetals Futures

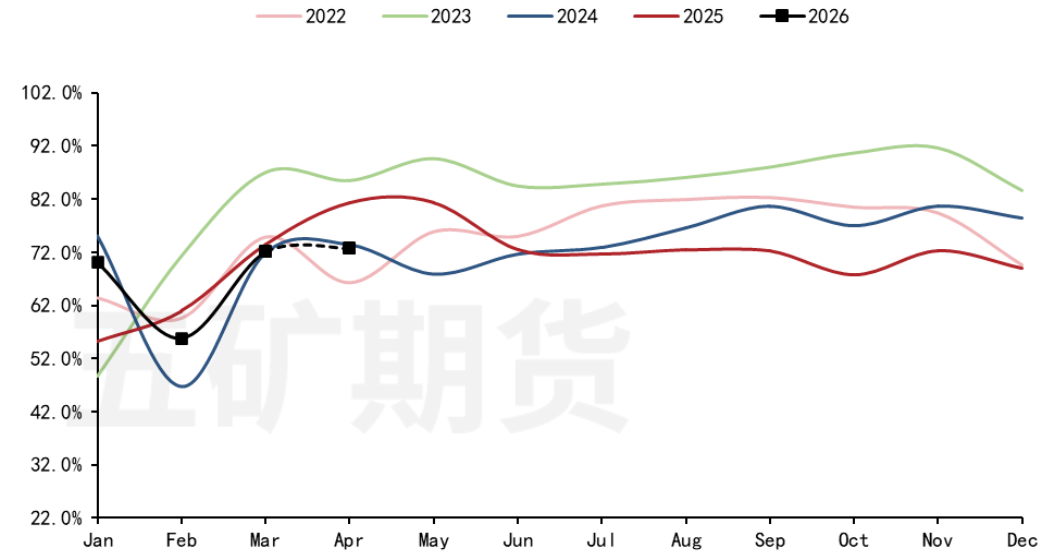
- China copper products output grew approximately 3.4% cumulatively in Jan-Feb 2026, with growth rate declining from the same period in 2025. According to SMM data, copper products average operating rate recovered better than expected in March 2026, with April operating rate potentially declining somewhat.

Figure 25: China Electrolytic Copper Rod Producer Weekly Operating Rate (%)



Sources: SMM, Minmetals Futures

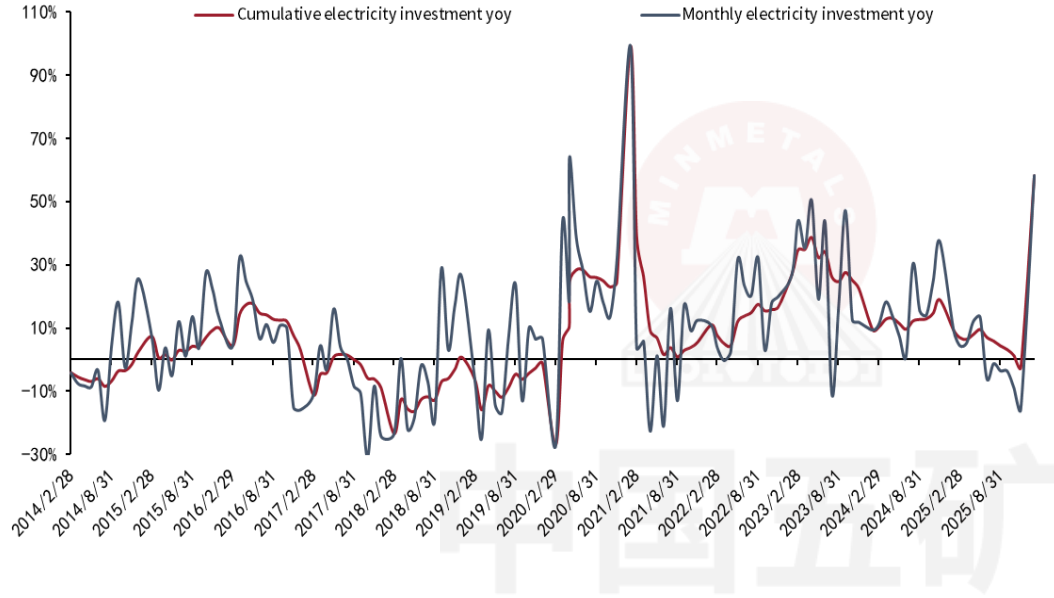
Figure 26: China Wire & Cable Producer Operating Rate (%)



Sources: SMM, Minmetals Futures

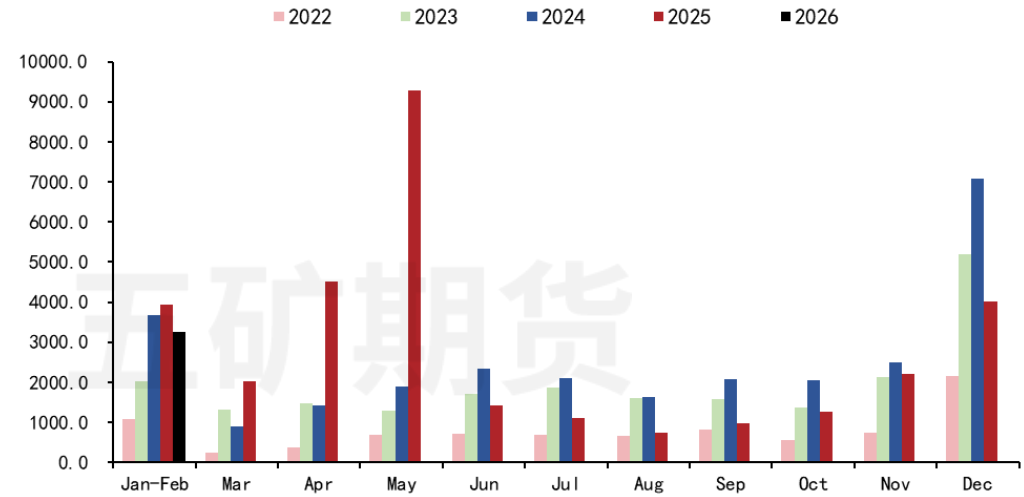
- China refined copper rod producer operating rates rose seasonally in March 2026, with average operating rates gradually exceeding last year's levels. Domestic wire & cable producer operating conditions were slightly better than expected in the month, with April operating rates expected to continue rising but weaker than last year.

Figure 27: Domestic Power + Grid Investment YoY Growth Rate



Sources: NEA, Minmetals Futures

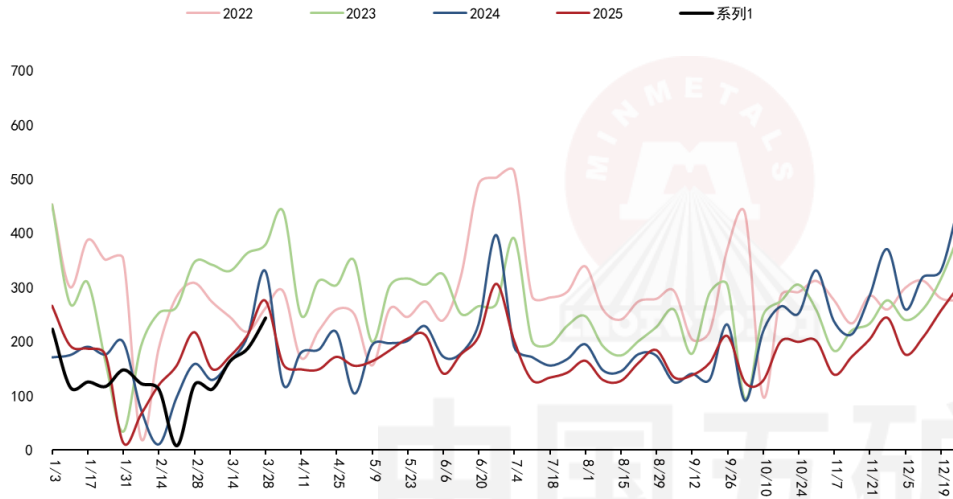
Figure 28: Photovoltaic New Installed Capacity (10,000 kW)



Sources: NEA, Minmetals Futures

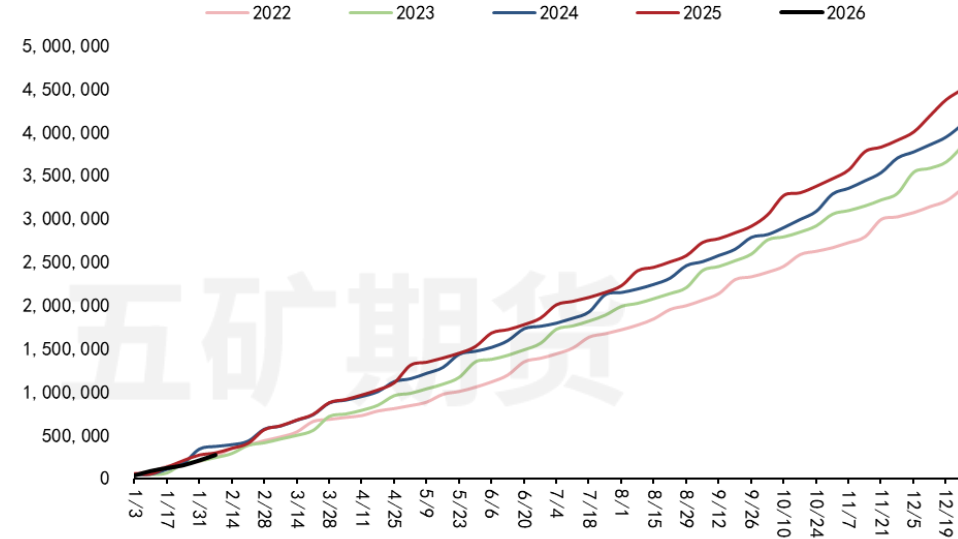
- Downstream, power investment (power source + grid) grew significantly YoY in Jan-Feb 2026. Photovoltaic new installed capacity declined YoY, while wind power new installed capacity continued growing YoY, with related demand maintaining strong support.
- Entering April-May, photovoltaic and wind power new installed capacity face high base effects, likely weaker than last year.

Figure 29: 30 Major Cities Commercial Housing Transaction Area (10,000 sqm)



Sources: WIND, Minmetals Futures

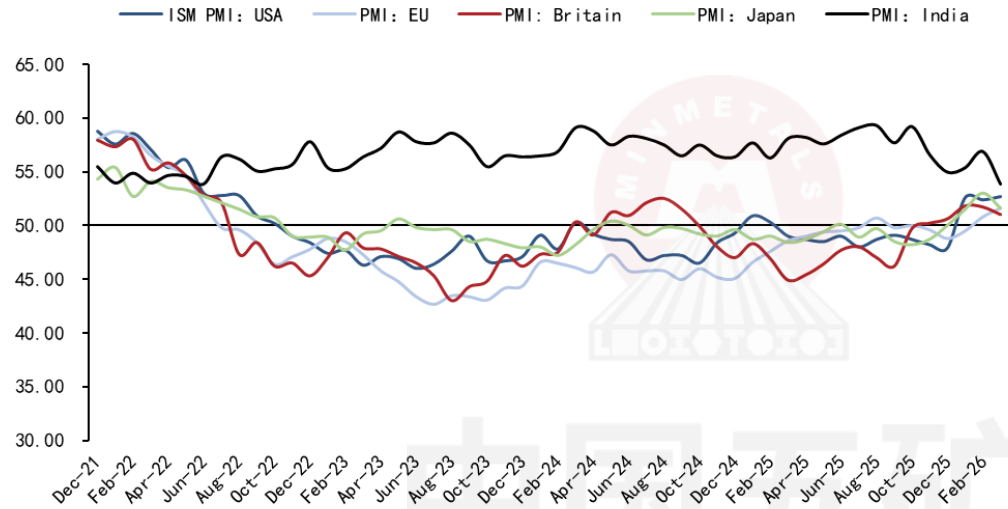
Figure 30: Passenger Vehicle Weekly Sales: Manufacturer Wholesale: Cumulative (units)



Sources: WIND, Minmetals Futures

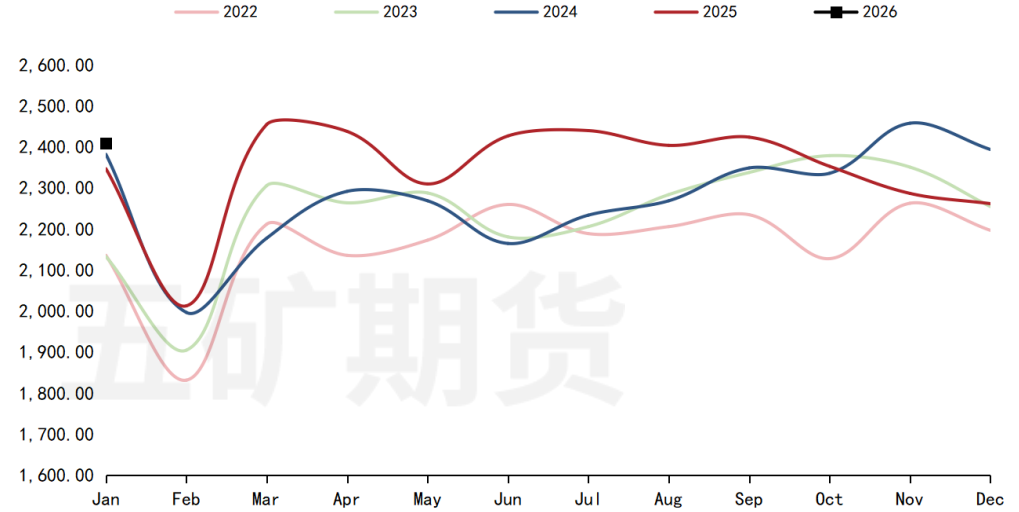
- High-frequency data indicates domestic real estate transaction data was slightly weaker than last year in March 2026. April home appliance scheduling data for post-real estate continues weak. March auto sales high-frequency data was weaker than last year.

Figure 31: Overseas Major Countries Manufacturing PMI



Sources: WIND, Minmetals Futures

Figure 32: Global Refined Copper Consumption Seasonality (1,000 MT)



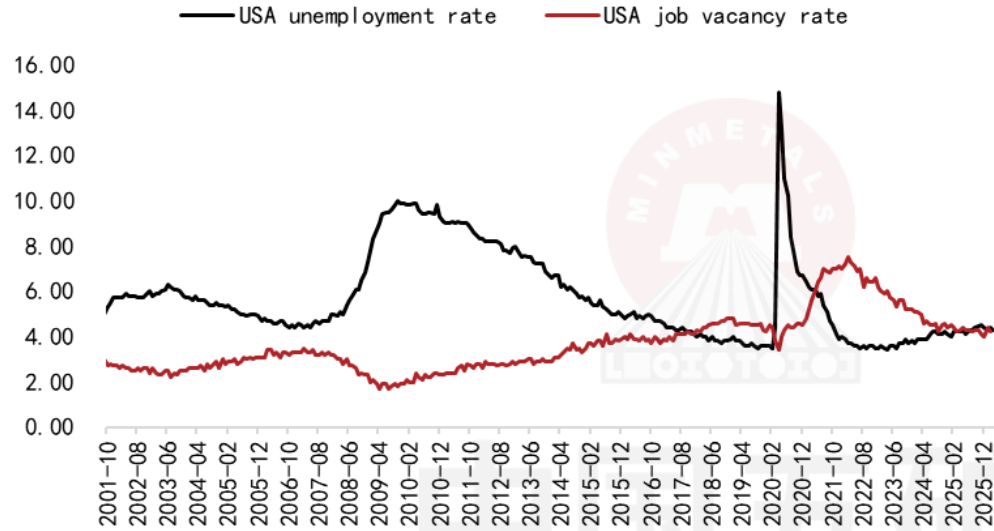
Sources: WIND, ICSG, Minmetals Futures

- Overseas major economies manufacturing sentiment was mixed in March 2026, with US and Eurozone manufacturing PMI strengthening, while UK, Japan and India manufacturing PMI weakened.
- According to ICSG data, global refined copper consumption rose 2.6% YoY in January 2026, and increased by approximately 3.1% for the full year of 2025.

04

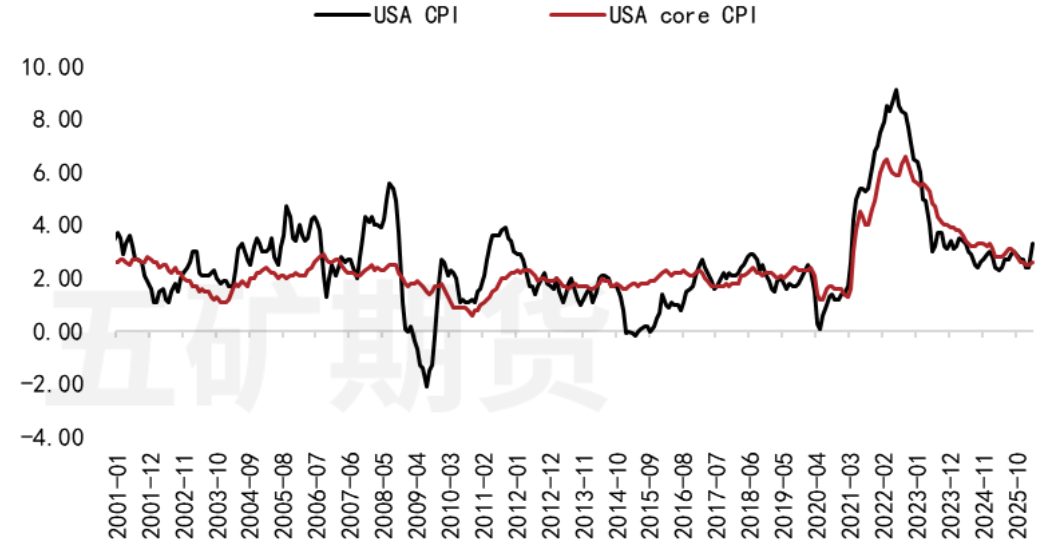
Macro Analysis

Figure 33: US Unemployment Rate & Job Openings Rate (%)



Sources: WIND, Minmetals Futures

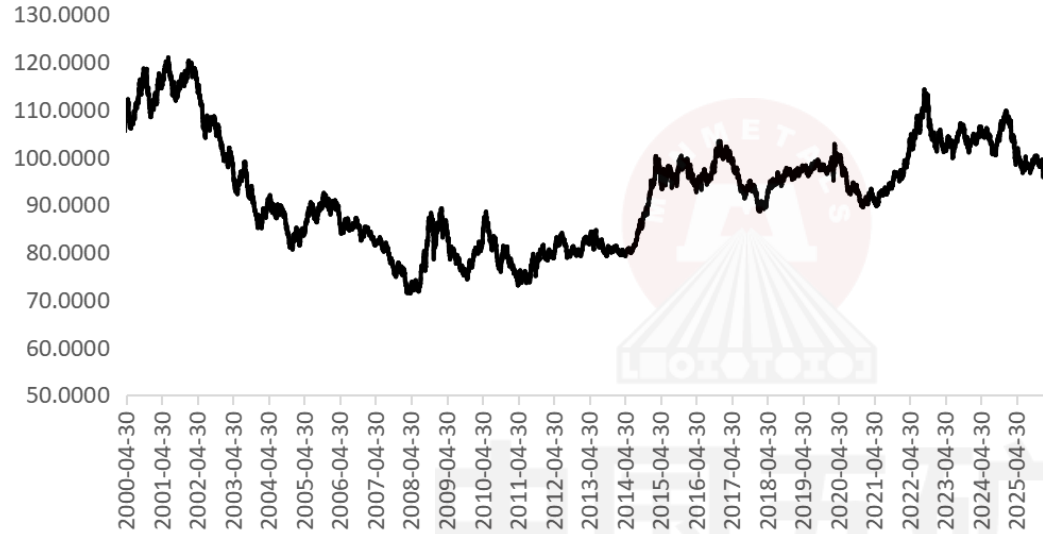
Figure 34: US Core CPI YoY & CPI YoY (%)



Sources: WIND, Minmetals Futures

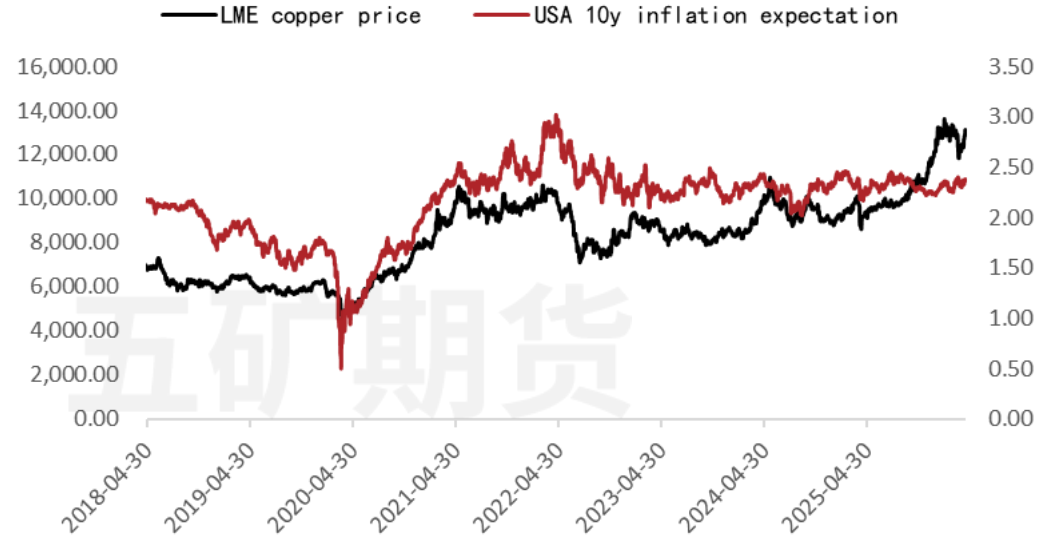
- US unemployment rate rose in February 2026, with inflation data stable. Middle East tensions continued to increase US goods inflation pressure in March, with Federal Reserve monetary policy also more constrained. Focus on the impact of March US inflation data release on monetary policy expectations.

Figure 35: US Dollar Index



Sources: WIND, Minmetals Futures

Figure 36: LME Copper Price & US 10-Year Inflation Expectation (USD/MT, %)



Sources: WIND, Minmetals Futures

- The US Dollar Index recovered in March 2026, with short-term market risk appetite poor, the US Dollar Index is expected to remain relatively strong. US 10-year inflation expectations fluctuated, remaining relatively disconnected from copper price trends.

Please refer to international@minfutures.com for any comment or suggestion.

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