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## MARKET ANALYSIS

### Base Metals Price Move - 22nd Dec to 26th Dec 2025

Commodity	Exchange	Contract	High	Low	Close	PCP	Change	% Change
Copper	LME (USD/ Tonne)	3-M Forward	12282	11873	12162.5	11881.5	281	2.37%
	MCX (Rs/Kg)	31-Dec-25	1260.65	1117.45	1259.3	1114.85	144.45	12.96%
Lead	LME (USD/ Tonne)	3-M Forward	2000	1965	1994.5	1984.5	10	0.50%
	MCX (Rs/Kg)	31-Dec-25	184	180.95	183.1	181.8	1.3	0.72%
Zinc	LME (USD/ Tonne)	3-M Forward	3135	3064	3090.5	3072.5	18	0.59%
	MCX (Rs/Kg)	31-Dec-25	312	301.35	311.65	301.4	10.25	3.40%
Aluminium	LME (USD/ Tonne)	3-M Forward	2969.5	2926	2960.5	2945	15.5	0.53%
	MCX (Rs/Kg)	31-Dec-25	302.65	283.7	299.05	283.9	15.15	5.34%
Nickel	LME (USD/ Tonne)	3-M Forward	15980	14855	15786	14803	983	6.64%
	MCX (Rs/Kg)	31-Dec-25	1561	1342.1	1529.7	1327.5	202.2	15.23%

Source - Bloomberg

Base metals settled on a solid footing, buoyed by a softer dollar and tightening supply conditions.

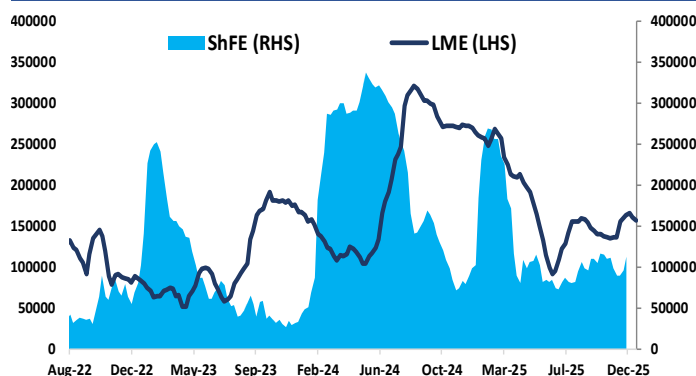
**Copper-** Copper closed the holiday-shortened week on a strong footing, extending its year-end rally amid thin liquidity and supply-driven momentum. Prices on the LME climbed to fresh record highs near \$12,160/ton, while domestic MCX copper posted sharp double-digit weekly gains, reflecting aggressive buying interest into the final sessions of the year. The move was underpinned by a softer U.S. dollar, continued pre-emptive stockpiling into U.S. warehouses ahead of potential tariff reviews in 2026, and persistent stress across the global supply chain. Disruptions at key mines in Chile, Indonesia, and the DRC, coupled with years of underinvestment, have materially tightened concentrate availability, forcing Chinese smelters to accept zero treatment charges for 2026, an unprecedented signal of miner leverage. Looking ahead, attention increasingly turns to how these supply constraints interact with macro and policy signals in early 2026. Structural demand linked to electrification, power grids, renewable energy, and AI-related infrastructure remains a durable support, even as broader global growth shows signs of moderation. On the supply side, planned output cuts by Chinese smelters and limited scope for new mine capacity suggest tight balances to persist into next year. Meanwhile, US trade policy uncertainty and expectations of further monetary easing could continue to distort trade flows and support prices. After the sharp and unprecedented rally, copper prices may enter a phase of consolidation, especially amid holiday-thinned trading where elevated levels could prompt short-term profit-taking and softer buying interest. That said, the broader tone remains constructive. Attention now turns to the FOMC minutes, as markets transition into 2026 with copper still anchored by a structurally constrained supply backdrop. Trading range for the week is ₹1176 – ₹1,420.

**Aluminium-** Aluminium delivered a firm performance over the past week, extending its recovery as supply-side constraints continued to dominate price action. LME aluminium edged higher to close near \$2,960/ton, while the MCX significantly outperformed with gains of over 5%, reflecting tighter domestic availability and stronger regional positioning. Sentiment was supported by fresh supply risks after South32 announced plans to place its Mozal smelter in Mozambique under care and maintenance by 2026 due to power constraints, alongside ongoing disruptions at one of Iceland's smelter. These developments reinforced the narrative of limited spare capacity outside China. Meanwhile, declining inventories at major Japanese ports and firmer physical premiums for early-2026 shipments underscored tightening spot market conditions. In China, reaffirmation of the 45-million-ton production cap kept output growth constrained, contributing to a sharp fall in aluminium exports as smelters prioritized domestic supply. Looking ahead, aluminium's outlook remains increasingly supply-driven. With China's production ceiling limiting incremental output, overseas expansion plans facing delays, and global inventories trending lower, the market appears vulnerable to even minor disruptions. While demand conditions remain uneven, particularly given lingering weakness in China's property and manufacturing sectors, structural tightness is likely to act as a buffer against deeper corrections. Trading range for the week is ₹285 – ₹315.

Weekly Stock Change			LME Stock Change from		ShFE Stock Change from	
Exchange	LME	Shanghai	52-week High	52-week Low	52-week High	52-week Low
Copper	-2.10%	16.59%	-51.07%	51.79%	-66.85%	237.17%
Aluminum	0.28%	6.64%	-53.67%	23.60%	-63.62%	32.98%
Lead	-3.76%	-2.80%	-77.87%	124.89%	-92.33%	14.43%
Nickel	0.45%	-1.82%	-77.27%	296.21%	-87.41%	230.17%
Zinc	6.98%	-4.02%	-90.50%	-10.45%	-79.34%	255.93%

Source - Bloomberg, KS Commodity Research

### Copper Stock Movement

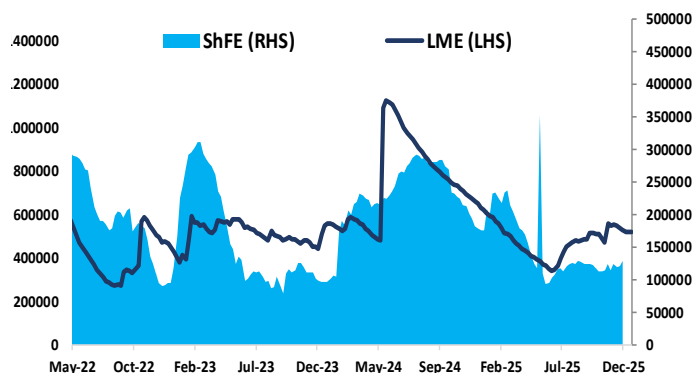


### LME Copper Cash to 3M Forward

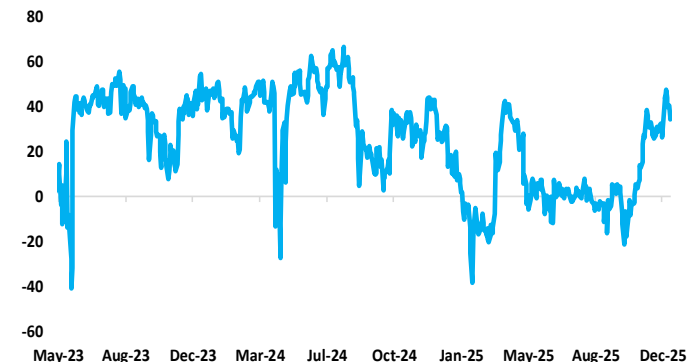


Source - Bloomberg, KS Commodity Research

### Aluminium Stock Movement

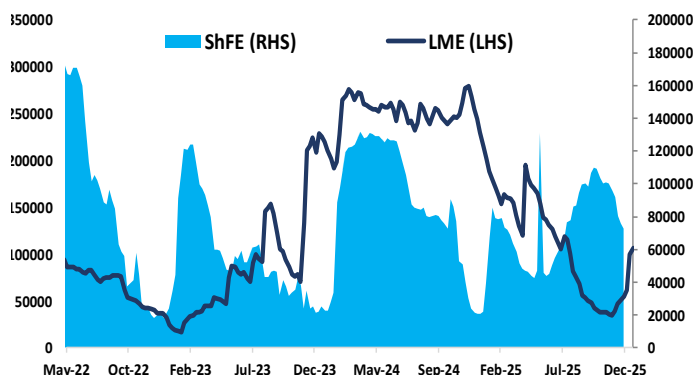


### LME Aluminium Cash to 3M Forward

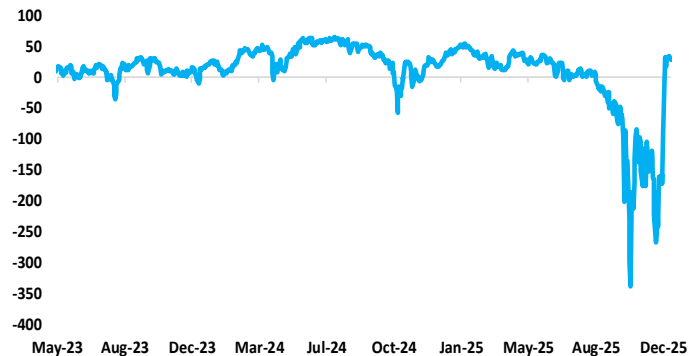


Source - Bloomberg, KS Commodity Research

### Zinc Stock Movement



### LME Zinc Cash to 3M Forward



Source - Bloomberg, KS Commodity Research

## TECHNICAL OUTLOOK

## MCX Copper (JAN) RANGE: 1176–1420



Source:- Tradingview.com, KS Commodity Research

On the four-hour timeframe, MCX Copper futures (back-adjusted) opened with a gap-up and rallied sharply to register a fresh all-time high of 1392.95. However, prices failed to sustain at higher levels and witnessed a sharp correction, declining to 1211.05, where support near the Supertrend (7,3) was successfully held, followed by a rebound. The price is currently trading above both the 20 EMA and Supertrend (7,3), indicating that the short-term bullish trend remains intact. We expect the bullish momentum to continue, although prices may encounter resistance near 1393, followed by 1418.50. On the downside, immediate support is placed at 1211, with the next support at 1176. Overall, we expect prices to trade in the range of **1176–1420 with a bullish bias**.

## MCX ZINC (JAN) RANGE: 300–324



Source:- Tradingview.com, KS Commodity Research

On the four-hour chart, MCX Zinc futures remain within a broader uptrend, supported by a rising trendline near the 300–303 zone. After a sharp correction from recent highs, prices rebounded from this support, indicating buying interest at lower levels. Price is currently trading above the Supertrend (7,3), suggesting the short-term trend remains positive. On the upside, immediate resistance is placed at 322.25, followed by 324.40. On the downside, key support lies at 303.25 and 300. As long as prices hold above the trendline support, we expect Zinc futures to trade in the range of **300–324 with a mild bullish bias**.

## RATING SCALE FOR WEEKLY REPORT

<b>BUY</b>	We expect the commodity to deliver 2% or more returns
<b>SELL</b>	We expect the commodity to deliver (-2%) or more returns
<b>SIDEWAYS</b>	We expect the commodity to trade in the range of (+/-) 2%
NOTE - The recommendations are valid for one week from the date of issue of the report, subject to mentioned stop loss, if any	

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