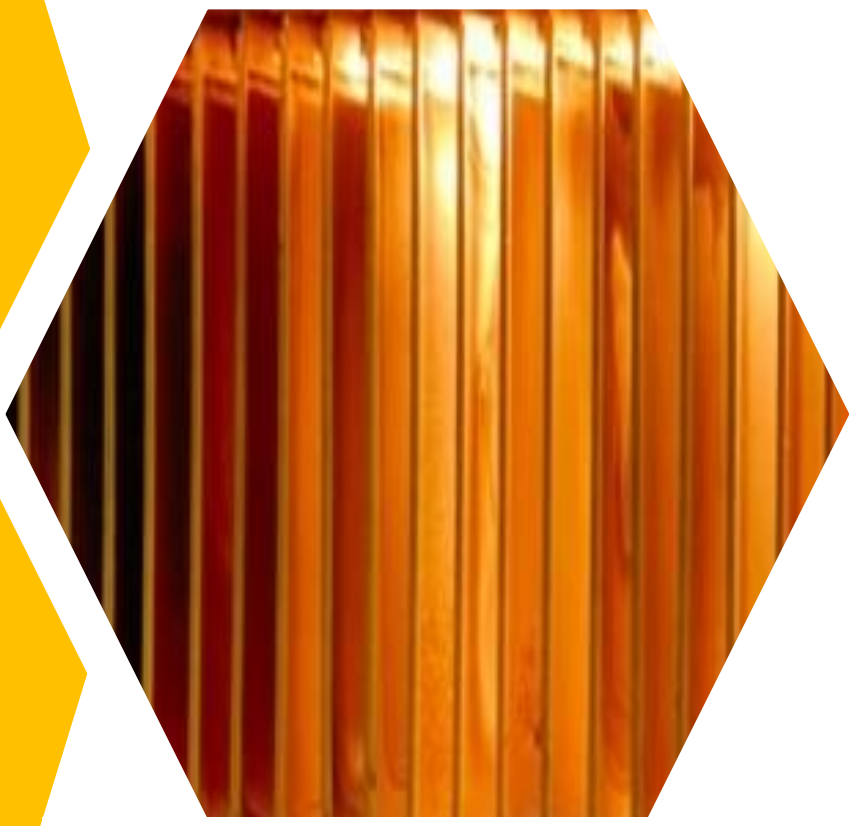


NSE COPPER DERIVATIVES

Performance Review

2025-26

Table of Contents

Performance Review of Commodity Derivatives - FY 2025-26

Copper Futures & Copper Options on Futures

1. Background

a. Brief about the commodity such as sample picture, lifecycle and various varieties/grade of the commodity found in India

Copper is usually found in nature in association with sulfur. Copper has been in use at least 10,000 years, but more than 95% of all copper ever mined and smelted has been extracted since 1900. As with many natural resources, the total amount of copper on Earth is vast (around 1014 tons just in the top kilometre of Earth's crust, or about 5 million years' worth at the current rate of extraction). However, only a tiny fraction of these reserves is economically viable, given present-day prices and technologies. Various estimates of existing copper reserves available for mining vary from 25 years to 60 years, depending on core assumptions such as the growth rate. Recycling is a major source of copper in the modern world. Due to the rising economies of China and India, the demand for copper is growing rapidly. These booming economies require enormous quantities of copper in order to continue their development, which will drive up the prices. The remaining copper deposits are limited and current calculations determine they will be depleted between fifty and sixty years.

b. Commodity fundamentals and balance sheet as per the following format (to be prepared based on publicly available information on best effort basis):

Table – Fundamentals & Balance Sheet (Thousand metric tons)

Global Scenario	2024	2025
Primary Refined Copper Production	22,708	23,319
Secondary Refined Copper Production	4,705	5,345
Total Supply (Primary & Secondary)	27,413	28,664
World Refined Copper Usage	27,420	28,195
World Refined Copper Stocks End of Period	1,399	1,774

Source: ICSG (International Copper Study Group)

Table - Indian Balance Sheet (In Tonnes)

Indian Scenario	2024-25	2025-26
Copper Cathode Production	5,73,000	7,04,000
Copper Ores & Conc. Export	16,426	12,710
Copper Ores & Conc. Import	11,75,592	15,71,888

Source: Ministry of Mines, Government of India (mines.gov.in), Ministry of Commerce and Industry

Top 10 major producing countries (Thousand Metric Tons)

Countries	2024	2025
Chile	5300	NA
Congo	3300	NA
Peru	2600	NA
China	1800	NA
United States	1100	NA
Indonesia	1100	NA
Russia	930	NA
Australia	800	NA
Mexico	700	NA
Zambia	680	NA

Source: Source: Mineral Commodity Summaries 2025, U.S. Geological Survey

Top 10 major consuming countries (Thousand metric tons)

Country wise consumption data is not available in public domain.

Top 10 major exporting countries (in US $ million)

Name of Country	2024	2025
CHINA	14,012	NA
DEM. REP. OF THE CONGO	NA	NA
ZAMBIA	7,591	NA
POLAND	5,842	NA
CHILE	20,004	20,432
GERMANY	14,952	17,029
JAPAN	13,364	14,836
USA	12,220	12,613
REP. OF KOREA	5,764	6,653
ITALY	5,712	6,413

Source: UN Comtrade Database, HS Code: 74

Top 10 major importing countries (in US $ million)

Countries	2024	2025
CHINA	72,567	NA
THAILAND	5,743	NA

USA	17,373	25,083
GERMANY	12,834	14,764
INDIA	10,637	11,840
ITALY	9,720	10,884
REP. OF KOREA	7,322	8,219
TURKEY	6,013	7,494
BELGIUM	5,108	6,143
MEXICO	5,299	5,523

Source: UN Comtrade Database, HS Code: 74

Top producing states in India

As per the latest available data, the provisional production of copper concentrate in India stood at 125 thousand tonnes during 2023-24, registering an increase of approximately 11.1% over the previous year. Rajasthan and Madhya Pradesh were the sole producers of copper concentrate in the country

c. Major changes in the polices governing trade in the spot markets of the commodity

Several important trade policy measures have affected the copper spot market in India for the FY26, although no specific law or policy was passed to directly address the spot trading mechanisms-related issues. The decision to reduce the Basic Customs Duty (BCD) on copper scrap to zero in the Union Budget 2025-26 to promote recycling in the country, improving raw material availability and reducing the costs of inputs for downstream processes.

The Directorate General of Trade Remedies (DGTR) under the Ministry of Commerce and Industry extended and recalibrated countervailing duty (CVD) on imports of the copper wire rod (CWR) from Indonesia, Malaysia, Thailand and Vietnam with the revised rates ranging up to 10.27% based on the exporter, through a Gazette notification dated July 2, 2025.

Customs authorities also intensified scrutiny of copper tubes and pipes imported from Vietnam under the ASEAN-India Free Trade Agreement (AIFTA) preferences, issuing notices over suspected non-compliance with rules of origin and Regional Value Content (RVC) requirements, particularly where copper inputs may have been sourced from non-ASEAN countries.

The Ministry of Mines introduced Quality Control Orders (QCOs) in August 2023 and April 2025 to mandate compulsory certification under the Bureau of Indian Standards (BIS) for several non-ferrous metals, including aluminium, copper, nickel, zinc, lead and tin. The objective was to ensure product quality, curb imports of sub-standard materials, promote fair trade practices and align domestic products with Indian Standards.

Subsequently, in November 2025, the Ministry of Mines withdrew these QCOs after consultation with the Bureau of Indian Standards, thereby removing the mandatory BIS certification requirement for the affected metals. The withdrawal was undertaken in the public interest and provided regulatory relief to manufacturers, importers and downstream industries, while preserving the validity of actions already taken under the earlier orders.

Geopolitical issues in the commodity and its impact on Indian scenario

In FY26, the copper market faced major geopolitical and supply shocks. LME copper prices hit a record >USD 14,500 per tonnes in Jan 2026, driven by the U.S. 50% tariff on semi-finished copper (Proclamation 10962, effective August 1, 2025 under Section 232), which triggered a pre-emptive buying rush into the U.S., widening the COMEX–LME price spread and tightening stocks outside the U.S. Supply disruptions intensified from major mine outages at El Teniente (Chile) and Grasberg (Indonesia). The International Copper Study Group (ICSG), revised its outlook in October 2025, narrowing its projected 2025 refined copper surplus to 178,000 tonnes from 289,000 tonnes earlier, while projecting the market to swing into a 150,000-tonne deficit in 2026 due to slower refined production growth and mine disruptions in Indonesia, Chile and Congo.

India's bid to explore a block of 9,000 sq. km for copper-cobalt in Zambia, being headed by the Geological Survey of India, is also facing uncertainty in FY 2025-26, with negotiations on unanswered assurances about mining rights still hanging. The talks have been revived in India. Domestically, Hindustan Copper Limited (HCL) executed the Rakha and Kendadih mine lease deeds in September and October 2025, respectively, for a period of 20 years, which is a significant progress towards reviving the domestic capacity for ore production.

2. Trading related parameter

NSE had the following Copper derivatives available for trading on its Commodity Derivatives Segment in FY 2025-26.

- Copper Futures
- Copper Options on Futures

a. Monthly and Annual traded volume (quantity in appropriate units)

The traded volume for Copper derivatives in FY 25-26 was NIL.

b. Annual traded volume as proportion of total deliverable supply (quantity in appropriate units)

The traded volume for Copper derivatives in FY 25-26 was NIL.

c. Annual traded volume as proportion of total annual production (quantity in appropriate units)

The traded volume for Copper derivatives in FY 25-26 was NIL.

d. Annual average Open interest as proportion of total production

The traded volume for Copper derivatives in FY 25-26 was NIL.

e. Annual average Open interest as proportion of total deliverable supply

The traded volume for Copper derivatives in FY 25-26 was NIL.

f. Monthly and Annual value of trade (in Rs. Crores)

The traded volume for Copper derivatives in FY 25-26 was NIL.

g. Monthly and Annual quantity of delivery (in appropriate units)

The deliveries for Copper derivatives in FY 25-26 was NIL.

h. Monthly and Annual value of delivery (in Rs. Crores)

The deliveries for Copper derivatives in FY 25-26 was NIL.

i. Monthly and Annual Average Open Interest (OI) (in appropriate units)

The traded volume for Copper derivatives in FY 25-26 was NIL.

j. Annual average volume to open interest ratio

The traded volume for Copper derivatives in FY 25-26 was NIL.

k. Total number of unique members and clients who have traded during the financial year

The traded volume for Copper derivatives in FY 25-26 was NIL.

l. Ratio of open interest by FPOs/farmers/Hedge/VCP positions to total open interest (Annual average as well as maximum daily value)

The traded volume for Copper derivatives in FY 25-26 was NIL.

m. Number of unique FPOs / farmers and VCPs/hedgers who traded in the financial year

The traded volume for Copper derivatives in FY 25-26 was NIL.

n. Algorithmic trading as percentage of total trading

The traded volume for Copper derivatives in FY 25-26 was NIL.

o. Delivery defaults
i. Number of instances
ii. Quantity involved
iii. Value involved

The deliveries for Copper derivatives in FY 25-26 was NIL.

3. Price movements

a. Comparison, correlation and ratio of standard deviation of Exchange futures price vis-à-vis international futures price (wherever relevant comparable are available)

The traded volume for Copper derivatives in FY 25-26 was NIL.

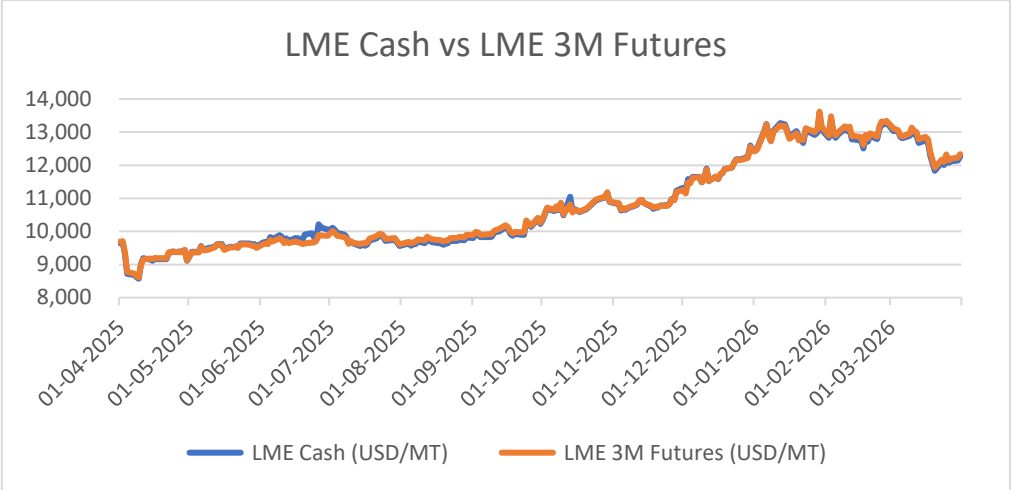
b. Comparison, correlation and ratio of standard deviation of Exchange futures price vis-à-vis international spot price (wherever relevant comparable are available) and domestic spot price (exchange polled price).

The traded volume for Copper derivatives in FY 25-26 was NIL.

c. Correlation between exchange futures & domestic spot prices along with ratio of standard deviation.

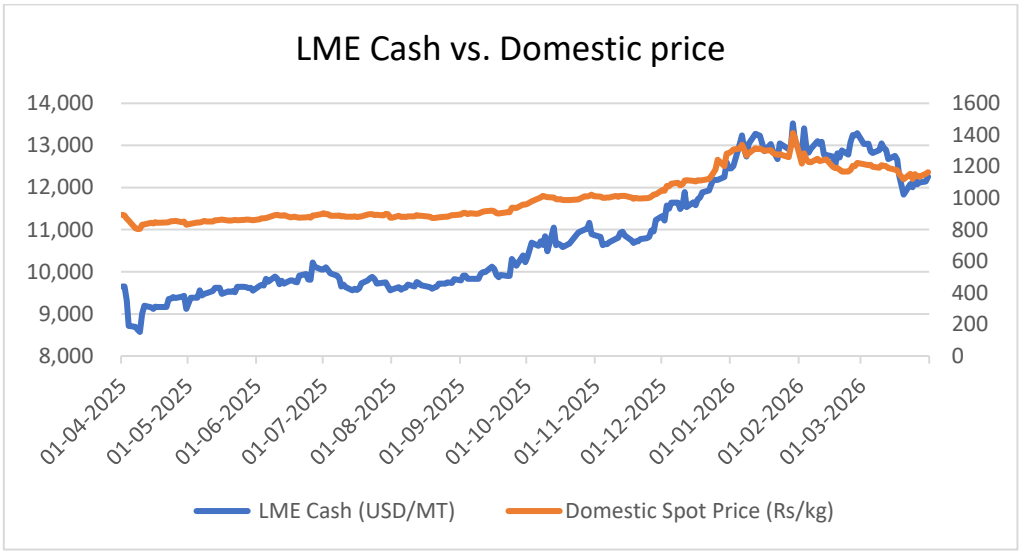
The traded volume for Copper derivatives in FY 25-26 was NIL.

d. Correlation between international futures & international spot prices along with ratio of standard deviation (wherever relevant comparable are available).



Correlation: 99.86% | Ratio of Std Deviation: 0.988

e. Comparison of Exchange polled price and mandi price (in case of agricultural commodities) / other relevant price (in case non-agricultural commodities) at basis centre.



Correlation: 98.20% | Ratio of Std Deviation: 8.78

f. Maximum & Minimum value of daily futures price volatility and spot price volatility along with disclosure of methodology adopted for computing the volatility.

The traded volume for Copper derivatives in FY 25-26 was NIL.

Commodity	Max Volatility in Futures Prices (%)	Min Volatility in Futures Prices (%)	Max Volatility in Spot Prices (%)	Min Volatility in Spot Prices (%)
Copper	NA	NA	11.47%	0.00%

Volatility calculation: (Day – Previous day's price)/Previous day's price

g. Number of times the futures contract was in backwardation/contango by more than 4% for the near month contract in the period under review.

The traded volume for Copper derivatives in FY 25-26 was NIL.

4. Other parameters

a. Qualitative and quantitative measure for Hedge effectiveness ratio and basis Risk (Volatility of Basis) along with disclosure of methodology adopted for such calculations.

The traded volume for Copper derivatives in FY 25-26 was NIL.

b. Details about major physical markets of the commodity vis-à-vis market reach in terms of availability of delivery centers (information to be provided state-wise and UT-wise).

With regards to imported copper cathodes, Mumbai Nhava Sheva port is one of the major entry points and accordingly physical market movement from Mumbai port to the Exchange warehouse location at Bhiwandi is quite convenient due to its proximity.

With respect to transport from domestic refineries, Hindalco's Dahej Harbor and Infrastructure Limited (DHIL) operates an all-weather jetty in the Gulf of Khambhat on the west coast of India to different port cities in west coast as well as east coast. Apart from that it is linked with a six-lane road with NH-8, and broad-gauge rail connection at Bharuch with good rake loading facilities. Good availability of trucks makes it well connected with the hinterland. Though quite an ideal place for customers from Maharashtra, Punjab, Madhya Pradesh, Gujarat, and Rajasthan, far off states also take deliveries.

c. Details about major physical markets of the commodity and average Open Interest for each month generated from those regions.

Major physical markets data provided in the point 4b. The traded volume for Copper derivatives in FY 25-26 was NIL.

d. Details, such as number and target audience, of stakeholders' awareness programs carried out by the exchange.

A total of 62 Commodity IAPs were conducted reaching out to 1987 participants. These participants included General public, faculties of educational institutes corporate employees, FPOs, Police officers and Women.

e. Steps taken / to be undertaken to improve hedging effectiveness of the contracts as well as to improve the performance of illiquid contracts

NSE is constantly striving to encourage hedgers to participate in the Copper contracts. We have value chain participants and associations such as Bombay Metal Exchange, Hindalco Ltd, Vedanta, Rashtriya Metal industries, etc. as part of our Base Metals PAC, who guide us on how to get more participation from physical market participants.

5. Any other information to be disclosed as deemed important by the exchange or as suggested by the PAC.