

October 2025

Why Copper? Why COPX?

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Why Copper?

Demand: Becoming Increasingly Structural

- Copper's exceptional electrical conductivity, high ductility, corrosion resistance, and low cost make it the preferred industrial metal for electrical applications.
- Traditionally, copper's main uses have been more tied to construction, transportation, and machinery, making demand historically very correlated with the global economic cycle.¹
- We expect the demand drivers for copper to continue evolving over the coming years. New structural trends such as electrification, urbanization, and artificial intelligence are likely to see outsized growth, increasing the total copper market as they become a larger share of the overall demand picture.²

Supply: Becoming Increasing Challenged

- We see production from current operations as challenged, with declining grades globally (meaning miners must process larger amounts of ore to obtain the same amount of metal), aging mines, and rising jurisdictional risks all pressuring the supply outlook.³
- Macro factors have also weighed on the outlook for new supply, with high levels of mining inflation (rising labor, equipment, and logistics costs, as well as elevated taxes/royalties in some areas) and the sharp rise in interest rates deteriorating the return profile for new projects. As a result, inorganic growth will likely require a higher incentive price moving forward.

Prices: Likely to Become Less Tied to the Economic Cycle Over Time

- Although we expect copper prices to remain tied to the business cycle over the short-to-medium term, the rapid growth from these more structural demand drivers could not only help reduce volatility but also support prices during times of economic weakness.
- We continue to believe the electrification trend remains very much in the early stages both globally and in the United States, with U.S. electricity demand forecasted to grow 25% by 2030 and 54% by 2040.⁴

Why COPX?

Focused on Miners

- Due to their high fixed costs, miners have historically offered more leverage to a change in the underlying commodity price (i.e., a rise in the commodity prices typically increases profitability more than the move in the commodity), making them a potentially attractive exposure given our bullish outlook for copper prices.⁵
- Miners also may offer dividends as a form of income, providing a potential cushion for investors.
- Despite the weak global macroeconomic environment, copper's favorable supply-demand balance has historically allowed miners to generate cash throughout the entire business cycle, reducing balance sheet risks and supporting capital allocation budgets.

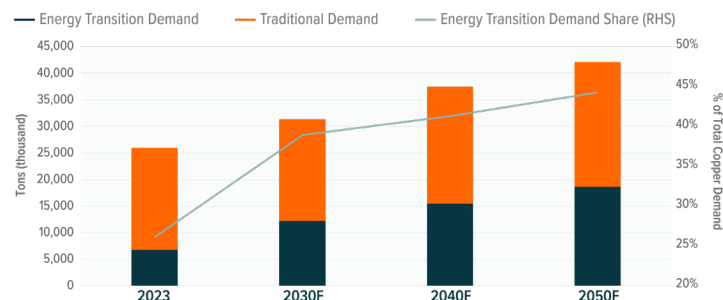
Varied Exposures

- COPX provides investors with a varied set of holdings across numerous countries, potentially reducing idiosyncratic production risks associated with individual companies.

A Client Friendly Structure

- COPX offers the liquidity and transparency of the ETF structure for a total expense ratio of 0.65%.

STRUCTURAL DEMAND DRIVERS ARE EXPECTED TO GAIN SHARE OF TOTAL COPPER DEMAND



Source: Global X ETFs with information derived from Ampofo, Dr. Kwasi. Bloomberg NEF. (2024, Oct 3). Transition Metals Outlook 2024.

Related ETF

COPX – Global X Copper Miners ETF



FOOTNOTES

1. Faster Capital. (2024, Jun 11). Economic Indicators: Decoding Dr. Copper's Prophecy.
2. Ampofo, Dr. Kwasi. Bloomberg NEF. (2024, October 3). Transition Metals Outlook 2024.
3. Farrel, Sam. Whitton, Laura. BHP. (2024, September 30). BHP Insights: How Copper Will Shape the Future.
4. Lalit Batra, Deb Harris, George Katsigiannakis, Justin Mackovyak, Himali Parmar & Maria Scheller. ICF. (2025, Jun 9). U.S. Electricity Demand Expected to Grow 25% by 2030.
5. Global X ETFs with information derived from Bloomberg LP. Based on earnings-per-share for the Solactive Global Copper Miners Index versus year-over-year copper price return (measured using LP1 COMDTY). Data from January 1, 2019, through June 30, 2025.

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Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Investing involves risk, including the possible loss of principal. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Narrowly focused investments may be subject to higher volatility. There are additional risks associated with investing in copper and the copper mining industry. COPX is non-diversified.

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