

FIS Aluminium Premiums

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Good morning,

Monday saw six premiums trades clear on the CME block.

On the front end Midwest premium, June traded at 38.50 in 40x, closely followed by July at 38.50 in 25x. Cal23 AUP printed at 35.75 in just 5x with selling cares on the follow. There was general interest to sell 2H22 but no firm levels were seen.

On the Euros, liquidity remained focused on the duty paid contract. Q3 traded twice at 510 in 10-15x and was offered at 520 in 7x on the follow, with Q2 offered at 535 in 40x but not countered. Q4 printed at 500 in just 6x and was offered on at this level in 20-40x on the follow. On the unpaid, there was interest to sell Cal23 but no bids were found.

The conflict and tightening penalties against Russia have clouded the outlook for aluminium, making it harder to negotiate prices and sparking supply fears for Japan’s aluminium buyers, pressuring them to pay the highest fees in seven years (Russia is Japan’s second-biggest source of aluminium, trailing Australia). Japanese prices reflect soaring spot premiums in Europe and North America amid fears that disruptions to supplies will further tighten the market. Aluminium on the LME also hit an all-time high on March 4, as the geopolitical crisis drives up prices of commodities including oil, nickel and wheat.

Monday’s Trades:

AUP

Jun @ 38.50 40x

Jul @ 38.40 25x

Cal23 @ 37.75 5x

EDP

Q3 @ 510 10-15x, 10-15x

Q4 @ 500 6x

AUP Curve	Bid	Offer	Val
Q222	39.15	39.30	39.23
Q322	38.40	38.55	38.48
Q422	37.30	37.45	37.38
2H22	37.85	38.00	37.93
1H23	36.10	36.25	36.18
Cal23	35.70	35.85	35.78

EDP Curve	Bid	Offer	Val
Q222	525	535	530
Q322	505	515	510
Q422	495	505	500
2H22	500	510	505
Cal23	460	470	465

AEP Curve	Bid	Offer	Val
Q222	420	430	425
Q322	405	415	410
Q422	390	400	395
2H22	395	405	400
Cal23	330	340	335