Aluminium Premiums

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Good morning,

Tuesday saw seven premiums trades clear on the CME block.

On the front end Midwest premium, activity was focused on the front end. Q2 traded twice at 39.00 in 40x and 10x respectively then down at 38.75 in 20x and was left 39.00 offered in 40x on the follow. April later traded at 39.00 in 22x and 20x with buying cares on the follow. 2H AUP was offered at 38.25 in 20x but no counters were round.

Euro trading was muted as traders weighed up the impact of recent moves in spot. Q3 traded at 505 in 10-15x and was offered at 520 in 7x on the follow, Q2 EDP was offered at 535 in 40x but no firm bids were seen. There was interest to spread Q2 v 3 at 15b in 130x and selling cares for the Cal23 strip for both euro contracts but neither tenor traded.

Base metals slid as coronavirus outbreaks in China threatened to curtail the country's economic output, hitting demand in the world's top consumer of raw materials. Aluminium led declines on the London Metal Exchange, falling as much as 3% after dropping on Monday with Nickel trading resuming today. Long-lasting curbs on movement and manufacturing would present a severe headwind to metals demand due to China's high proportion of global consumption.

Tuesday's Trades:

AUP Q2 @ 39.00 40x, 10x, 38.75 20x Apr @ 39.00 22x, 20x

EDP Q3 @ 505 10-15x

MJP Apr-Dec @ 140 20x

AUP Curve	Bid	Offer	Val
Q222	38.85	39.00	38.93
Q322	37.90	38.10	38.00
Q422	37.25	37.40	37.33
2H22	37.60	37.75	37.68
1H23	36.10	36.25	36.18
Cal23	35.70	35.85	35.78

EDP Curve	Bid	Offer	Val
Q222	530	540	535
Q322	510	520	515
Q422	495	505	500
2H22	500	510	505
Cal23	460	470	465

AEP Curve	Bid	Offer	Val
Q222	420	430	425
Q322	410	420	415
Q422	400	410	405
2H22	405	410	407.5
Cal23	340	350	345

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is a uthorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has su bsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at <u>freightinvestorservices.com</u>