Aluminium Premiums

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Good morning,

Tuesday saw another quiet day on the premiums with just one trade clearing on the CME block.

On the Midwest premium, there were offers down the curve but no bids were found. Q2 was offered at last done—39.25 in 20x, with 2H offered at 37.50 and Cal23 at 35.50 in 10x. Spot rose 10 points to 40.10.

On the euros, Apr vs May EDP traded at 30b in 40x (520/490), with April bid at 515 independently in 20x but not countered. Further down the curve there was interest to sell Q4 at 495 in 20x and ongoing spread interest for Q2 v 3 at 15b in 50x. On the duty unpaid, 2H was offered at 410 in 20x with little engagement.

United Co. Rusal International PJSC delivered a stark assessment of the threats the aluminium giant faces amid Russia's growing economic isolation, from potential raw materials shortages to the irreplaceable loss of markets and higher financing costs. The world's No. 3 aluminium producer also said investments may be postponed due to equipment shortages. EU aluminium importers could pay about 10 euro cents for each euro of aluminium imported when the future EU Cross-Border Adjustment Mechanism is fully in place and if the Emissions Trading Scheme (ETS) allowance price remains at current levels (75 euros a metric ton). The tax would heighten decarbonization pressure on exporters willing to remain competitive on the EU market, in particular Russia

Tuesday's Trades:

EDP Apr v May EDP @ 30b in 40x (520 v 490)

AUP Curve	Bid	Offer	Val
Q222	39.15	39.25	39.20
Q322	37.50	37.65	37.58
Q422	36.00	36.15	36.08
2H22	36.75	36.90	36.83
1H23	35.50	35.65	35.58
Cal23	35.00	35.15	35.08

EDP Curve	Bid	Offer	Val
Q222	520	530	525
Q322	495	505	500
Q422	485	495	490
2H22	490	500	495
Cal23	430	440	435

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

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