

FIS Aluminium Premiums

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Good morning,

Monday was a quieter day on the premiums, with five premiums trades clearing on the CME block.

For the Midwest, there was bidding interest for the front end, with Q3 bid and 29.50 and Q4 at 29.25 in 20x respectively, however no offers were seen. Further down the curve, Q123 printed at 29.00 in 20x and was offered on at this level in 20x, with 1H23 later offered and lifted at 28.75 in 10x and left 28.50/29.00 on the follow.

On the euros, Q422 EDP traded at 450 in 20x with selling cares on the follow. Q123 AEP vs EDP traded at 70b (380 vs 310) and Q423 duty unpaid at 310 in 20x. On the front end, July AEP got to 445/485 in 100x but did not get close enough to trade.

Base metals surged after China slashed quarantine requirements for inbound travellers, marking the biggest relaxation yet of its strict Covid Zero policies. While the latest move to cut quarantine won't directly impact metals, it shows the government is moving to relax restrictions that have held back sentiment. Authorities are confident they can ensure steady growth while also sticking to "dynamic Covid Zero," officials from the top economic planning body said earlier Tuesday. The move "could lead to a bottoming out of commodities from base metals to iron ore," said Zhan Dapeng, an analyst with Everbright Futures Co. "It means investors probably shouldn't worry too much about the Chinese economy in the third quarter."

Monday's Trades:

AUP

Q123 @ 29.00 20x

1H23 @ 28.75 10x

EDP

Q422 @ 450 20x

Q123 EDP v AEP @ 70b 20x (380 v 310)

AEP

Q423 @ 310 20x

AUP Curve	Bid	Offer	Val
Jun'22	32.00	32.15	32.08
Jul'22	30.90	31.05	30.98
Q322	30.10	30.25	30.18
Q422	29.90	30.05	29.98
2H22	30.00	30.25	30.13
1H23	28.70	28.95	28.83
Cal23	28.45	28.60	28.53

AEP Curve	Bid	Offer	Val
Jun'22	490	505	498
Jul'22	460	475	468
Q322	410	425	417.5
Q422	390	405	397.5
2H22	400	415	407.5
1H23	370	385	377.5
Cal23	340	355	347.5

EDP Curve	Bid	Offer	Val
Jun'22	590	600	595
Jul'22	550	565	558
Q322	480	495	488
Q422	445	460	453
2H22	463	478	471
1H23	375	390	383
Cal23	345	360	353