EMISSIONS | OIL | FERROUS | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT

FIS

Aluminium Premiums

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Good morning,

Tuesday saw seven premiums trades clear on the CME block.

Liquidity was solely focused on the Midwest contract. Oct22-Jan23 printed twice at 29.75 in 5x respectively, with Q422 getting to 29.50/30.50 in 20x but not trading. Further down the curve, April23 was bid and hit at 28.75 in 40x, with Q123 was bid and hit at 29.00 in 120x total, with buying cares on the follow.

There were no trades for euro premiums. On the front end, July EDP was offered at 565 in 100x and July AEP got to 445/485 in 100x with neither trading. We saw ongoing spread lending interest for August and Sep vs Q422 at 100-110b for both duty paid and unpaid but no bids were seen.

In physical news, Chinese aluminium prices could come under more pressure over the summer if power supplies hold up and Russia ends up shipping more of the metal eastward because of sanctions. Production in China hit an all-time high last month of 3.42 million tons. It stands in contrast to the energy shortages afflicting smelters elsewhere in the world after the spike in costs caused by the war in Ukraine.

Tuesday's Trades:

AUP Oct22-Jan23 @ 29.75 5x, 5x Sep22 v Dec22 @ 0.9b 14x Apr23 @ 28.75 40x Q123 @ 29.00 40x, 40x, 40x

| AUP Curve | Bid | Offer | Val |
|------------------|-------|-------|-------|
| Jun'22 | 32.00 | 32.15 | 32.08 |
| Jul'22 | 30.90 | 31.05 | 30.98 |
| Q322 | 30.20 | 30.35 | 30.28 |
| Q422 | 29.60 | 29.85 | 29.73 |
| 2H22 | 29.90 | 30.05 | 29.98 |
| 1H23 | 28.80 | 28.90 | 28.85 |
| 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 Cu | rve | Bid | Offer | Val |
|--------|-----|-----|-------|-----|
| Jun'2 | 2 | 590 | 600 | 595 |
| Jul'2 | 2 | 550 | 565 | 558 |
| Q322 | 2 | 480 | 495 | 488 |
| Q422 | 2 | 445 | 460 | 453 |
| 2H22 | 2 | 463 | 478 | 471 |
| 1H23 | 3 | 375 | 390 | 383 |
| Cal2 | 3 | 345 | 360 | 353 |

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