

FIS Aluminium Premiums

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Good morning,

Friday saw just give premiums trades clear on the CME block.

On the Midwest premium, Aug22-May23 printed at 27.60 in 8x and Oct22-Mar23 at 27.25 in 15x. Later in the day, Q422 AUP traded at 27.25 in 10x with buying cares on the follow. There was buying interest for 1H23 at 26.50 and the full Cal strip at 26.00 in 20x (0C0) but no bids were found. Spot premium fell 30 points to 27.90.

On the European premiums, liquidity remained focused on the duty paid contract. Q422 printed twice at 375 in 20x respectively with buying cares on the follow, the cal23 strip was bid at 300 in 5x but no offers were found. On the front end, August duty paid was bid at 480 in 80x and unpaid at 390 in 80-100x with little counter appetite.

The global commodity complex has suffered as slowdown concerns course through markets and the Fed wakes up to the severity of the inflation threat. Among them, aluminium has shed more than a third of its value since March, but signs are emerging that prices could see renewed support. Shares of Aluminium Corp. of China Ltd. rose Monday after the company agreed to increase its stake in Yunnan Aluminium Co., which analysts said will make the company the world's largest aluminium producer. Analysts at Citigroup said the acquisition will make Chalco the world's largest aluminium producer with a smelting capacity of about 7.5 million metric tons a year. Chalco's cost of producing the base metal could also decrease thanks to lower costs in Yunnan, a province in southwestern China, they added.

Friday's Trades:

AUP

Q422 @ 27.25 10x

Aug22-May23 @ 27.60 8x

Oct22-Mar23 @ 27.25 15x

EDP

Q422 @ 375 20x, 20x

AUP Curve	Bid	Offer	Val
Jul'22	28.00	28.50	28.25
Q322	27.50	27.75	27.63
Q422	27.00	27.25	27.13
2H22	27.25	27.50	27.38
1H23	26.50	26.75	26.63
Cal23	26.00	26.25	26.13

EDP Curve	Bid	Offer	Val
Jul'22	550	560	555
Q322	475	485	480
Q422	370	380	375
2H22	425	435	430
1H23	310	320	315
Cal23	300	310	305

AEP Curve	Bid	Offer	Val
Jul'22	450	460	455
Q322	375	390	382.5
Q422	360	375	367.5
2H22	367	382	374.5
1H23	210	220	215
Cal23	200	210	205

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