Aluminium Premiums

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Good morning,

Wednesday was another fairly busy day on the premiums, with 11 trades clearing on the CME block.

The Midwest contract again enjoyed the majority of the liquidity. On the front end, Mar23 traded twice at 27.50 in 50x total with Q223 trading at 27.75 in 10x and later 50x. Further out, Q323 printed at 27.75 in 5x and got to 27.75/27.85 in 15x on the follow, with 2H23 offered and lifted at 28.00 in 10x before trading at 27.50 and 27.85 in 5x and 40x respectively. Longer dated strips also traded, with Mar-Sep23 printing at 27.95 in 5x, the full Cal23 at 28.15 in 10x and Cal24 28.50 in 80x where it was offered on in 40x. Spot AUP rose 30 points to 26.10.

On the Euro premiums, activity was more muted than yesterday. The only trade was for Q223 EDP, which traded at 310 in 10x. On the duty unpaid, Q223 AEP got to 225/228 in 20x but did not trade. There was also interest to sell Q123 ALA but no bids were found.

In physical news, Aluminium Dunkerque Industries France is ramping up output at the European Union's largest aluminium smelter back to full capacity as declining power prices lower costs. Saudi Arabian Mining Co. reduced production at the aluminium smelter it owns with Alcoa Corp. after experiencing operational problems, but is now ramping output back up, according to the company's chief executive officer.

Wednesday's Trades:

EDP Q223 @ 310 10x

AUP Mar23 @ 27.50 30x, 20x Q223 @ 27.75 10x, 50x Q323 @ 27.75 5x 2H23 @ 28.00 10x, 27.50 5x, 27.85 40x Mar-Sep23 @ 27.95 5x Cal23 @ 28.15 20x Cal24 @ 28.50 80x

AUP Curve	Bid	Offer	Val
Q123	27.25	27.75	27.50
Q223	27.50	28.00	27.75
Q323	27.75	28.25	28.00
Q423	28.00	28.50	28.25
Cal23	27.65	28.15	27.90
Cal24	28.25	28.70	28.48

AEP Curve	Bid	Offer	Val
Q123	210	225	205
Q223	220	235	227.5
Q323	225	240	232.5
Q423	230	245	237.5
Cal23	221	236	228.5
Cal24	240	260	250

EDP Curve	Bid	Offer	Val
Q123	300	310	305
Q223	305	315	310
Q323	310	320	315
Q423	315	325	320
Cal23	307	317	312
Cal24	320	340	330

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