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

FIS

Aluminium Premiums

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Good morning,

Thursday was a quieter day on the premiums, with just four trades clearing on the CME block.

The Midwest remained the most liquid contract. On the front end Feb23 traded at 25.00 in 36x and was bid on at the same level in 40x. Further out, 2H23 traded at 26.75 in 10x where it was bid on in the same size, with the full Cal strip getting to 26.15/26.75 and Feb-Dec23 eventually printing at 26.50 in 8x. Spot AUP rose 100 points to 24.55.

On the Euro premiums, there was continuing interest to borrow AEP v EDP for any '23 quarter at 75\$ but no counters were found. Q223 EDP was bid at 285 and AEP at 210 both in 20x, however the only activity on the euros was for 2H23, 2H23 EDP traded at 295 in 10x where it was bid on in an additional 10x.

LME aluminium opened at \$2,257.5/mt on Thursday, with its high and low at \$2,267/mt and \$2,255.5/mt respectively before closing at \$2,256/mt, flat from the previous trading day. The impact of power rationing in south-west China continued to expand. Guizhou Province is about to impose a third round of power rationing on local aluminium smelters due to high electricity consumption during the heating season. This will further drag down the domestic operating aluminium capacity and ease oversupply pressure in south-west China. (source: SMM)

Thursday's Trades:

AUP Feb23 @ 25.00 36x 2H23 @ 26.75 10x Feb-Dec23 @ 26.50 8x

EDP 2H23 EDP 295 20x

AUP Curve	Bid	Offer	Val
Q123	25.70	26.15	25.93
Q223	26.20	26.80	26.50
Q323	26.75	27.25	27.00
Q423	27.25	27.75	27.50
Cal23	26.50	27.00	26.75
Cal24	27.40	27.90	27.65

EDP Curve	Bid	Offer	Val
Q123	280	290	285
Q223	290	300	295
Q323	295	305	300
Q423	300	310	305
Cal23	290	300	295
Cal24	305	320	313

AEP Curve	Bid	Offer	Val
Q123	200	210	205
Q223	205	215	210
Q323	210	220	215
Q423	215	225	220
Cal23	208	218	213
Cal24	220	240	230

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at <u>freightinvestorservices.com</u>