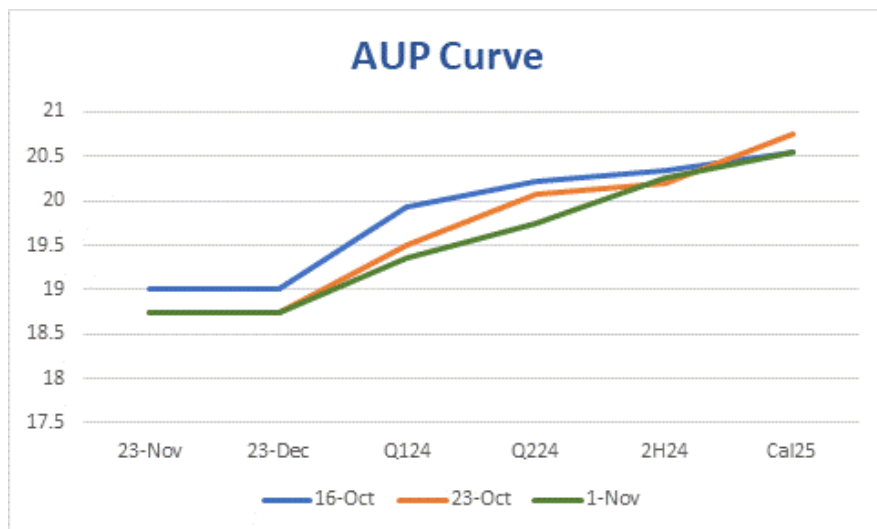


11/01/23



FIS AUP Curve 11/01			
Period	Bid	Offer	Midpoint
23-Nov	18.50	19.00	18.75
23-Dec	18.50	19.00	18.75
24-Jan	18.90	19.40	19.15
Nov-Dec	18.50	19.00	18.75
Q124	19.10	19.60	19.35
Q224	19.50	20.00	19.75
Q324	19.85	20.35	20.10
1H24	19.30	19.80	19.55
2H24	20.00	20.50	20.25
Cal24	19.65	20.15	19.90
Cal25	20.30	20.80	20.55

Commentary:

There was little activity today on the CME block. No AUP traded. The curve remains unchanged. Expect more as the week goes on.

China is on track to produce a record amount of aluminum this year despite a drought in its main manufacturing hub of Yunnan province trimming hydropower generation. Supply growth coinciding with economic woes in China’s construction sector and a jump in aluminum imports could lead to an oversupply in the market in the near-term, lowering prices. China produces 58% of the world’s primary aluminum and its market share is likely to increase as Europe shuns the sector due to its high energy costs and associated emissions. Europe’s primary aluminum production will drop from 3.4 million metric tons in 2019 to 2.6 million tons in 2023. Speira GmbH and Aluminium Dunkerque Industries, among others, are reported to have cut output. China, meanwhile, has increased its primary production by 1.5 million tons in 2023 from last year. Aluminum demand in China will reach 42.5 million tons this year, according to BloombergNEF. At the same time, the country will produce 42.4 million tons domestically. Theoretically, China consumes most of its production.

Still, the market will be over supplied in China this year due to a rise in imports. China’s net imports of primary aluminum reached 843,200 tons between January and September, an increase of 396% compared to the same period in 2022. The biggest share came from Russia. The market surplus will exert downward pressure on prices in the coming months.

(Source: Bloomberg)

Platts “Heards”:

Platts Aluminum: US: 99.7% P1020: DDP US average-freight Midwest: Company A (Trader) reports offer at 19.50 cents/lb over LME average for next 30 days, delivery within 7-30 days, 500 mt, sow/T-bar shape, non-Russian brand acceptable to buyer, net-30 terms;

Platts Aluminum: US: 99.7% P1020: Delivered US Midwest: Indicative value heard at 19-19.5 cents/lb premium over LME cash settlement, spot delivery, net-30: trader

Platts Aluminum: US: 99.7% P1020: Delivered US Midwest: Indicative value heard at 17-18 cents/lb premium over LME cash settlement, spot delivery, net-30: trader



Aluminum Premium Report

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FIS AEP Curve 11/01			
Period	Bid	Offer	Midpoint
23-Oct	160	180	170
23-Nov	160	180	170
23-Dec	145	165	155
Q423	155	175	165
Q124	145	165	155
Q224	145	165	155
1H24	145	165	155
2H24	170	190	180
Cal24	158	178	168
Cal25	170	190	180

FIS EDP Curve 11/01			
Period	Bid	Offer	Midpoint
23-Oct	200	230	215
23-Nov	190	220	205
23-Dec	190	220	205
Q423	193	223	208
Q124	192	222	207
Q224	195	225	210
1H24	194	224	209
2H24	205	235	220
Cal24	199	229	214
Cal 25	233	263	248

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