

INTRODUCTION TO NON-FERROUS METALS CASH-TO-FORWARD PREMIA ANALYSIS

Date: 22-05-2025

This report provides a detailed analysis of the cash-to-3M spreads and premium movements across key non-ferrous metals. The cash-to-premium structure reflects near-term supply-demand dynamics, offering critical insights into physical market tightness, investor sentiment, and potential price risks. Monitoring shifts between contango and backwardation helps market participants assess inventory pressures, trade flows, and spot market appetite. The data is pertaining to LME markets.



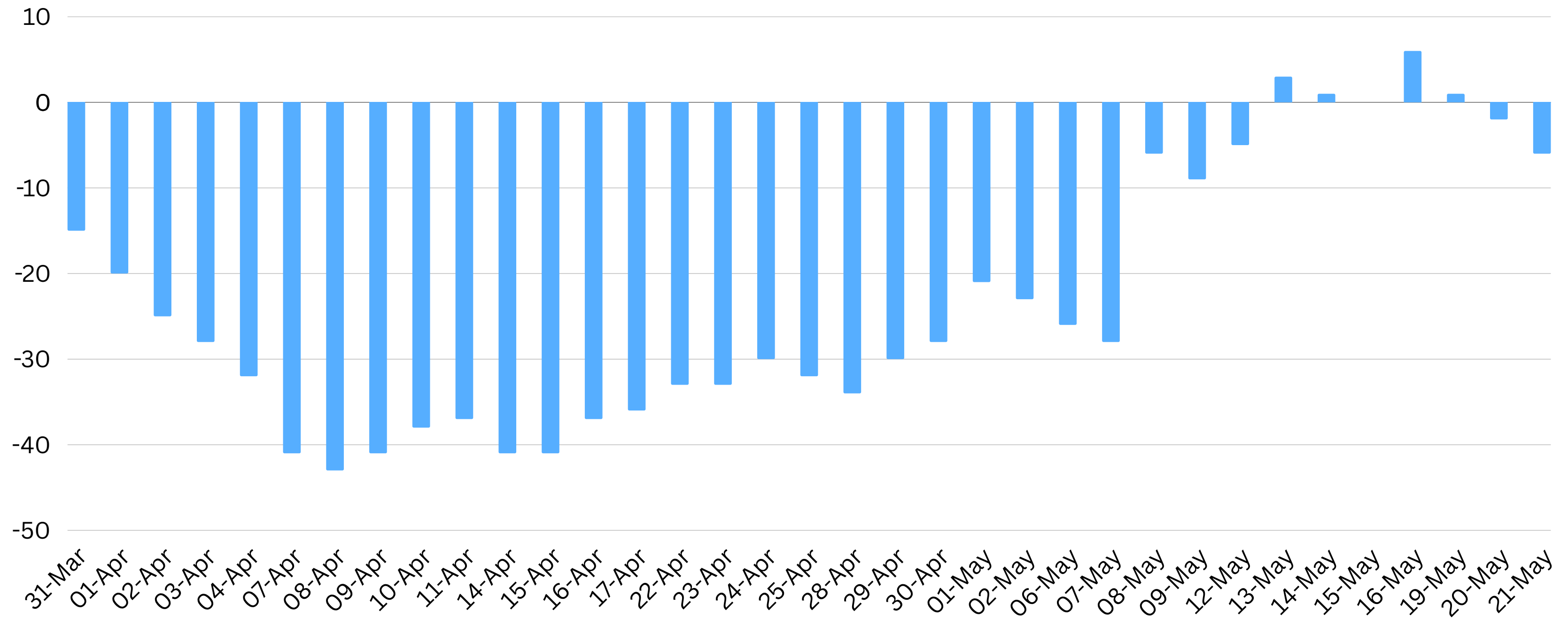
HOW TO ACT ON THE REPORT?

Traders, hedgers, and procurement managers should use the cash-to-premium trends to fine-tune their inventory strategies, time physical purchases or sales, and adjust hedging positions. A tightening spread (moving into backwardation) suggests stronger near-term demand or supply constraints, signaling opportunities to secure material early or consider bullish positioning. Conversely, a widening contango may indicate loosening market conditions, favoring deferred procurement strategies or defensive hedging adjustments.

Commodity	21-04-25	20-04-25	Change
Al	2465	2470	-0.20%
Cu	9548	9523	0.26%
Pb	1948	1956	-0.41%
Zn	2664	2681	-0.63%
Ni	15401	15314	0.57%
Sn	32747	33048	-0.91%

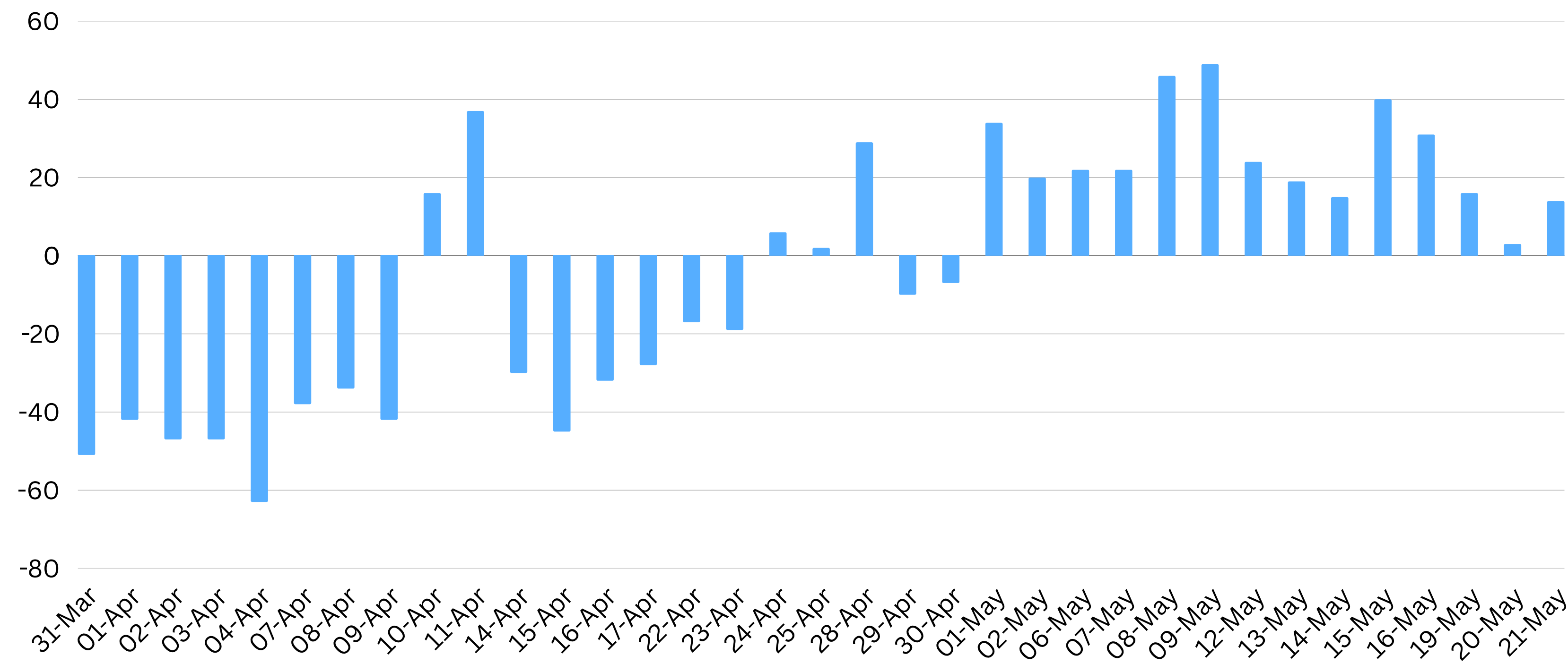
Source: Bloomberg, 3 Month Forward price of LME

LME Aluminium: Cash / 3M Forward Spread



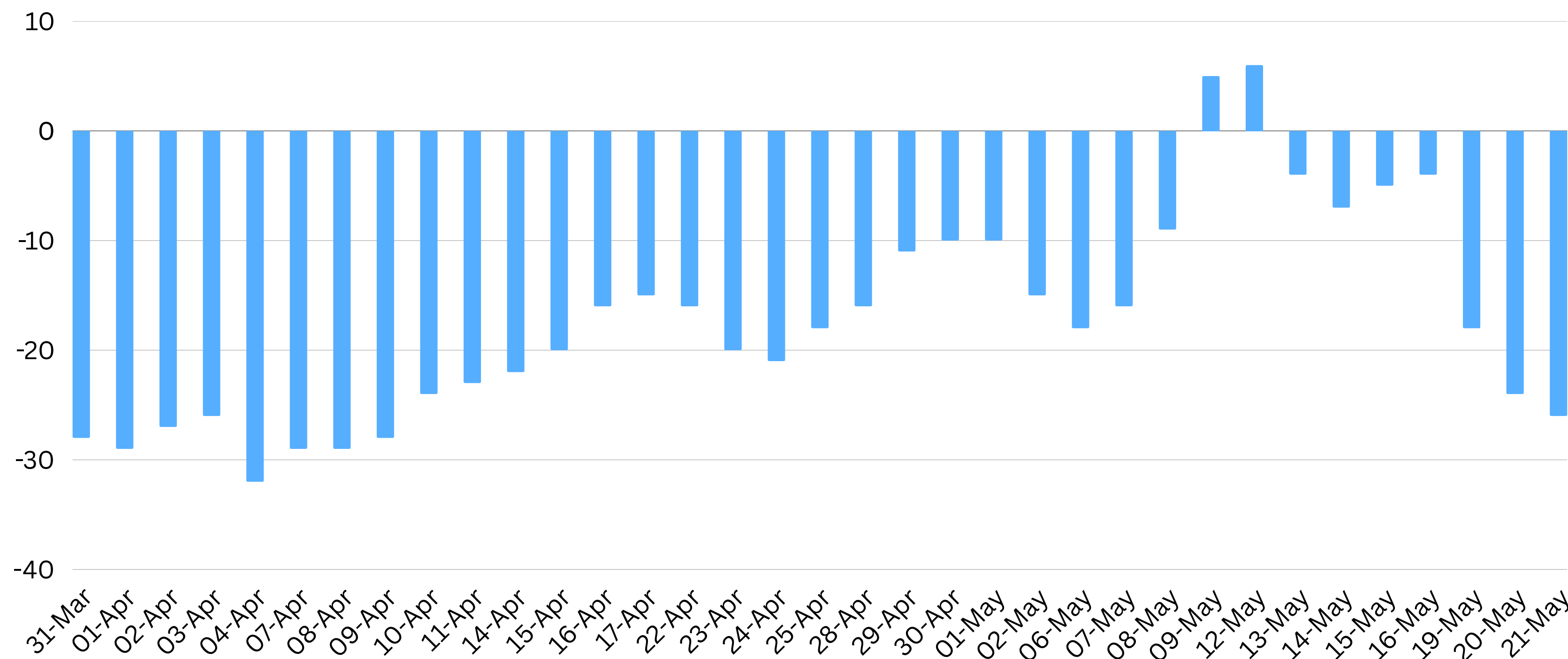
Negative number denotes Contango and positive Backwardation.

LME Copper: Cash / 3M Forward Spread



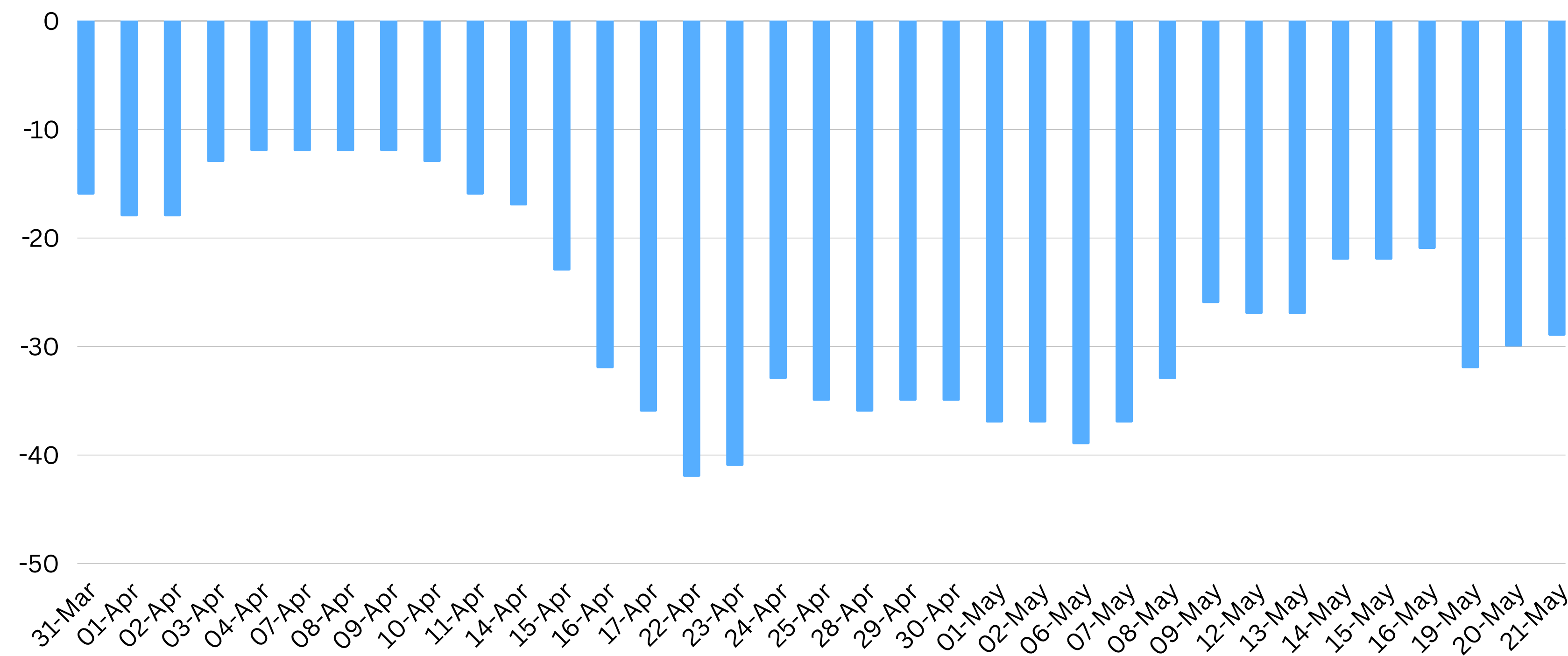
Negative number denotes Contango and positive Backwardation.

LME Lead: Cash / 3M Forward Spread



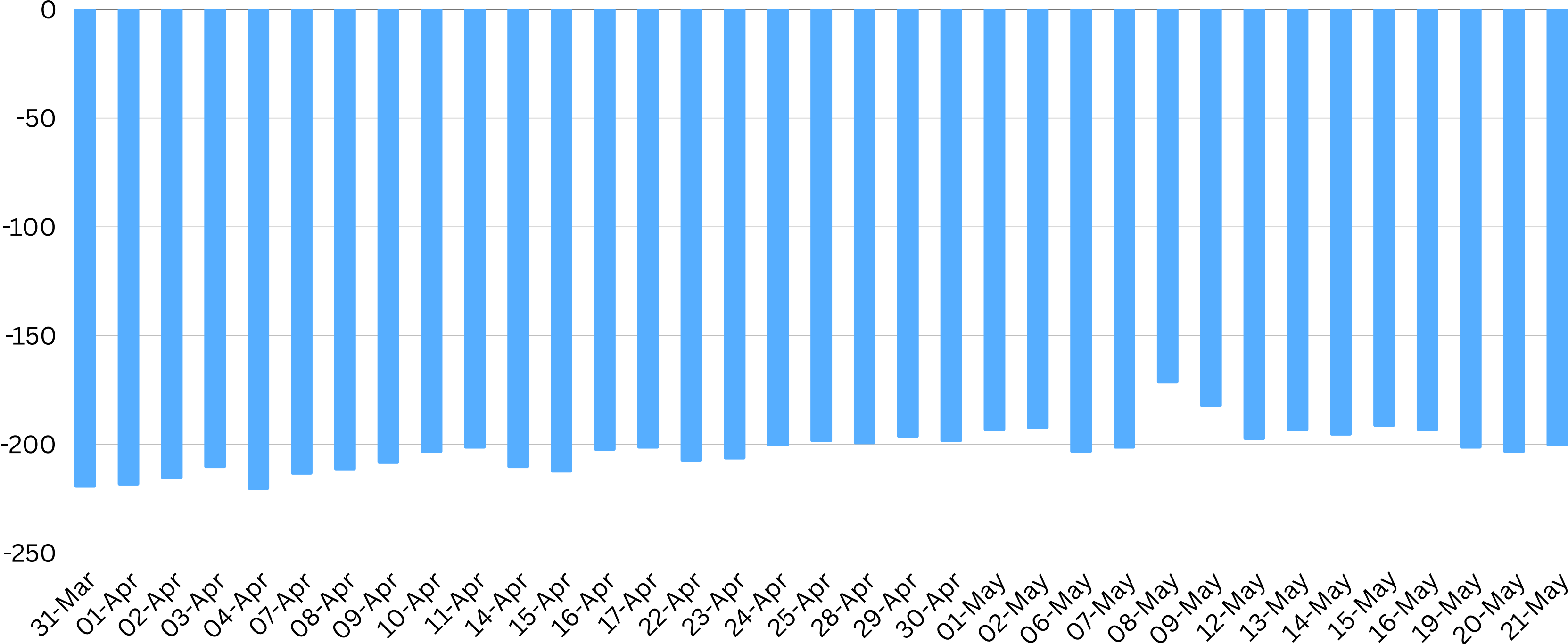
Negative number denotes Contango and positive Backwardation.

LME Zinc: Cash / 3M Forward Spread



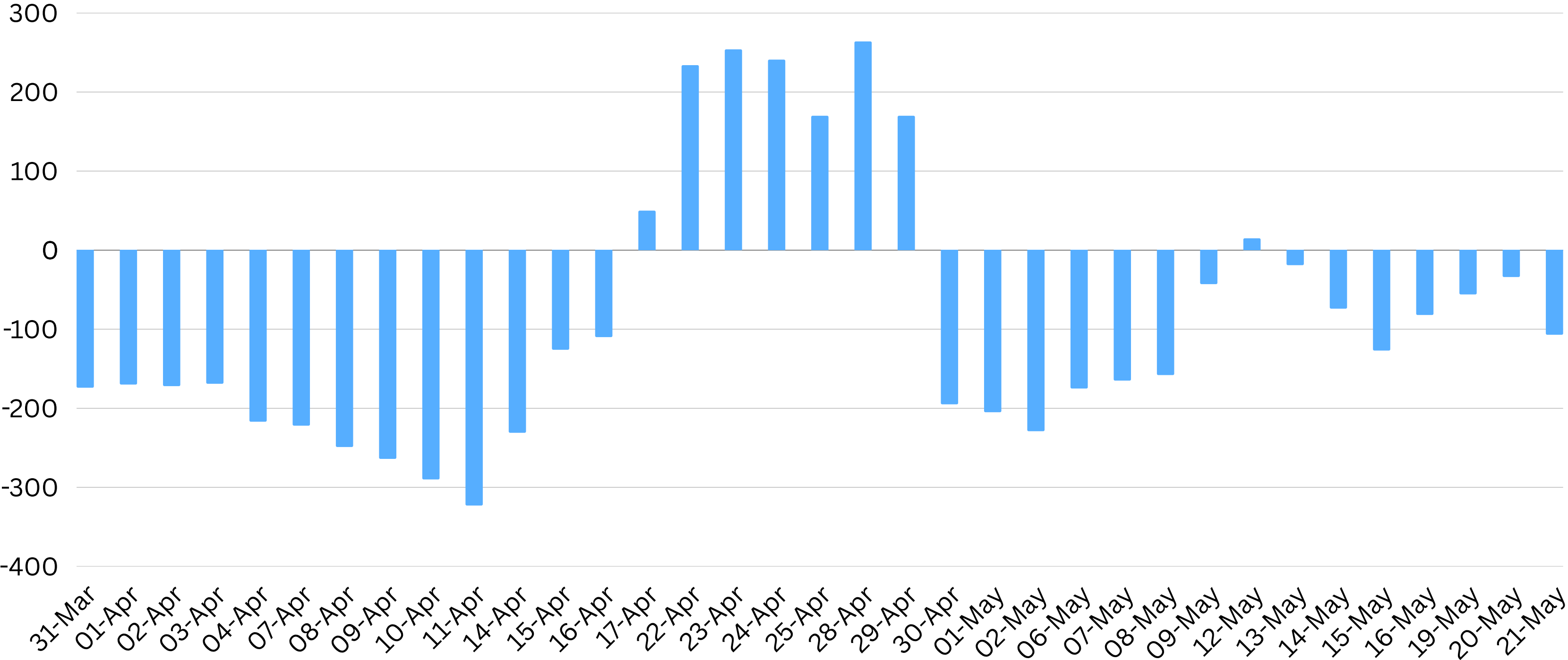
Negative number denotes Contango and positive Backwardation.

LME Nickel: Cash / 3M Forward Spread



Negative number denotes Contango and positive Backwardation.

LME Tin: Cash / 3M Forward Spread



Negative number denotes Contango and positive Backwardation.



Thank You

For Your Attention

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