

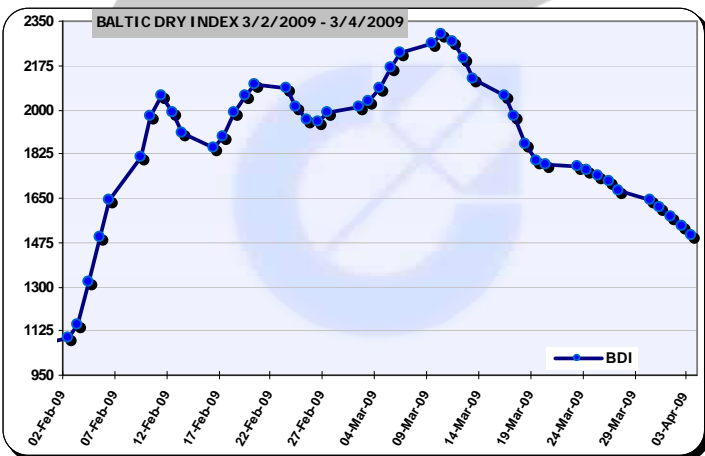
14th Week - Dry Cargo Market "Highlights"

Despite the euphoric atmosphere from the G-20 "Global Plan for recovery and reform" and the positive worldwide reaction of all Financial Markets during the previous week, the Dry Bulk Market continued to suffer daily losses. At the London Summit the leaders of the world's largest economies promised to inject the market over the next 2 years, with a total amount of nearly 1.1 trillion U.S. dollars in order to support credit recovery and job creation in the global economies.

Both Wall Street and European markets welcomed with enthusiasm, G20's decision. The weekly raise for the Dow Jones was 3.1%, for the NASDAQ 5% and for the S&P 3.3%. The Dow Jones index finally closed at 8,017 units in the second sequence, despite the apparent absence of strong purchasing interest from investors because of macroeconomic data and the unemployment indicator ISM. Also in Europe the Stoxx 600 earned 5.08% during this week.

The Asian markets also climbed up, following the agreement reached by G20 leaders on the measures to be taken to combat the global downturn, backed by the overwhelming impact of the positive data announced by China for manufacturing.

The Euro fell to the level of \$ 1.3427, while in the meeting of Thursday it broke the barrier of \$ 1.35, as the market witnessed that the ECB does not act decisively in the crisis. Meanwhile, low weekly earnings have the price of oil at \$ 52.46 per barrel. In the meantime gold price fell below \$900 per ounce.



Nevertheless an overall negative trend has dominated again the Dry Bulk Market for the week ending 3rd April 2009. The Baltic Exchange Dry Index (BDI) lost at a constant pace from day to day this week a total of about **-10.25 %** or **-172** points. The index is down from 1,678, the previous closing of 27th of March, closing last Friday 3rd April 09 at **1,506** points.

The oversupply of tonnage and the lack of a sufficient amount of cargoes was the main cause that distanced further the BDI.

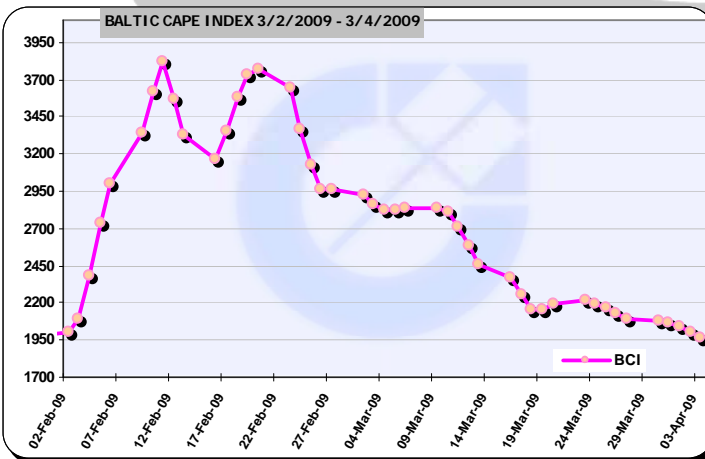
A steady downturn trend characterized also the Dry Bulk sale and purchase market activity this week. Few deals were concluded this week in all segments. The prices remain

steady in previously reported levels.

Renegotiation of Loan Covenants should be the number one item in the agenda of a great number of Owners. The Banks after passing silently the first quarter of 2009, will surely need to..., not necessarily want to..., but Banks will still feel the pressure and will NEED to touch on this issue... We don't know what weight this pressure will have... but as is foreseeable it will not be featherlight....!!!

CAPE SIZE MARKET

The Baltic Cape Index (BCI) made daily steady losses, and closed with an overall loss of about **-6.2%** or **-130** points this week. The



BCI closed at **1,962 on Friday 3rd of April**, down from 2,092 which was last Friday's the 27th of March figure. The most obvious reason for this constant drop of the index that has started 1 ½ month ago, is the Chinese Iron Ore demand that declined heavily.

According to the general secretary of the Chinese Iron and Steel Association (CISA), some mining companies reached an agreement with Chinese steel producers to provide a discount of 30 - 40% over the prices of iron according to the 2008 contract. The new iron ore price for 2009 remains under negotiation. Other CISA source declared that Vale (RIO) accepted it. The deal is retroactive to January 2009.

This Month's Capesize T/C average rate which is calculated by N. Cotzias Shipping from all T/C fixture data that are reported during the current running month, declined to \$17,229 during this week, from \$26,146 which was last week's average. The daily rates as seen in our separate fixtures report for Capesizes this week, ranged from \$13,250 (M/V "Front Striver" 169k/92blt/Rio Tinto) up to \$26,250 (M/V "Formosabulk Energy" 170k/02blt /Cosco).

Activity in the Pacific basin remains weak, with a good number of spot fixtures 5 T/C's concluded especially in West Coast Australia (Dampier/Rio Tinto & Port Hedland/BHP Billiton) to China (Qingdao) routes, with rates range from \$6.20/t up to \$6.60/t. In routes from East Cost South America (Tubarao / Vale – Brazil & Pan Ocean Shi) to China (Qingdao) the rates range at \$15.5/t region.

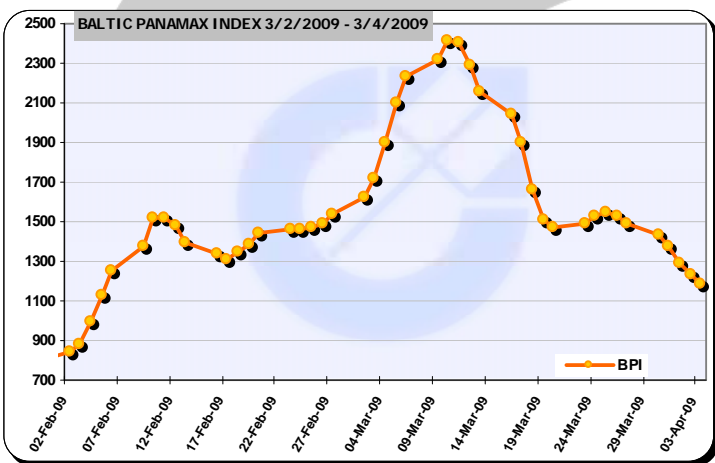
Regarding the Sales activity of the past week we can report the sale of the following vessels: of the M/V **"Lady Madonna"** (Toyo Sanguo/Japan) 141.6k/90 – NKK Corp Japan Built which was resold for \$20.0m to Greek buyers as the initial sale to TMT failed.

What is interesting is the sale of the M/V **"Mineral Viking"** (CMB/Belgium owned) 172k/01 – NKK Corp Built which was finally sold for \$42.0m-\$41.0m to Chinese buyers (Grand Chinese Shipping) – FYI she was reported last month as sold to Chinese buyers at a level of ~\$48mil USD, which we presume was a failed deal. However it remains unclear if new reported sale is a renegotiated deal with same Chinese buyers, or is a new "freshly minted" deal. In any case it is the first sale of a Cape sized ship built within this century that we have seen reported since June 2008, and this is the first real example of the current price for this size and age of vessel. We will inform you as soon as we get this sale verified.

There are some reports that the M/V **"Akagisan"** (Sumitomo/Japan) 179k/98 – Hyundai Korea built is sold to Brazil's Vale for \$36mil. This level clearly indicates that sale prices have softened this month and are about 1-2mil less for comparable Capes than last month, clearly following the reduced freight level earnings of same. Her Sister vessel M/V **"Pacific Prosperity"** (Sumitomo/Japan) 179k/98 – Hyundai Korea blt, was sold last month to Greek Buyers for \$40mil.

PANAMAX MARKET

In the global downward trend of the Dry Sector the Panamax Market was more seriously affected. The Baltic Panamax Index



(BPI) closed on **Friday 3rd April** at **1,186** by **-20.5 %**, or **-306** points down from 1,492 which was last Friday's 27th of March closing. There is a strong supply of tonnage in the Market.

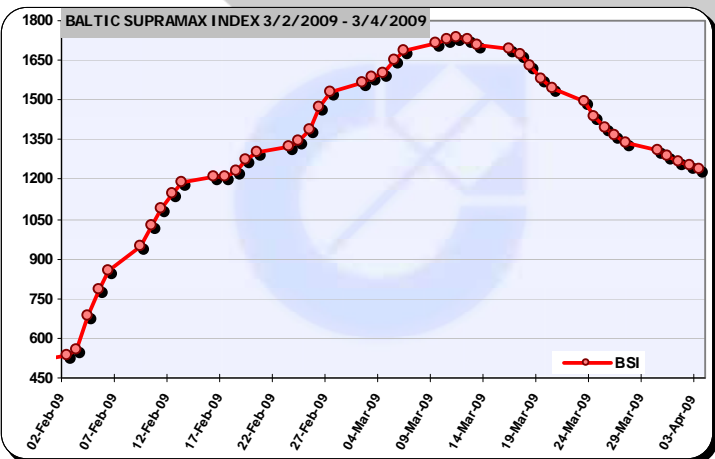
This Month the Cotzias calculated Panamax T/C average rate went down significantly, this week to \$12,080 from \$15,798 which was last week's Panamax average. The daily rates as seen in our separate fixtures report for Panamaxes this week, ranged from \$3,500 (M/V **"Betis"** 77k/04blt/ United) up to \$23,000 (M/V **"Yong Li"** 74k/00blt/Swiss Marine).

In the Atlantic Region round trip rates dropped about \$3k and range and kept in the \$11k region due to the presence of few cargos in the area and the increasing amount of tonnage. In the Pacific and Far East, market rates went also down and ranged, for a Pacific round trip, in the \$7.5k region. For T/C trips from Continent to Far East the Panamax rates ranged in the \$17k region, while for the Far East/Continent T/C trip the Panamax rates range in the \$4.8k region down slightly from \$5.8k which was the average of last week.

Regarding the Panamax sales activity of the past week we have the sale of the the M/V **"Energy"** (Augustea/Italy) 69.2k/93 – Imabari Built was sold (Basis Charter free Delivery Oct. 2009) for \$15.10m to Chinese Buyers, and the sale of the older M/V **"Armonikos"** (Mayamar Marine Ent./Greece) 61k/84 – Hitachi Zosen Japan built that was sold for \$4.5mil to Chinese undisclosed buyers.

SUPRAMAX & HANDYMAX MARKET

The Baltic Supramax Index (BSI) continued its steady drop and close at **1,236** points on **Friday 3rd April 2009**. This represents a **-7.6 %** decrease or **-102** points from the closing of 1,338 we had at the end of week 13, last Friday (27th of March).

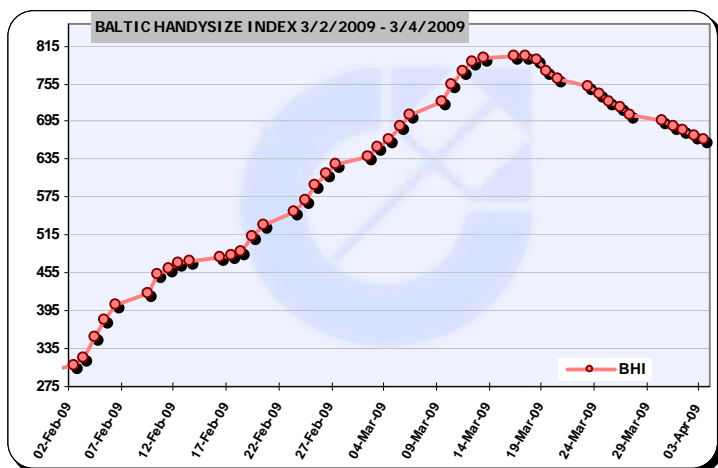


The demand for tonnage in the Atlantic region remains steady, with the rates ranging in the \$22k/day region for voyages from the Continent to the Far East. In the Atlantic Region round trip rates range also in the \$22.5k region whilst in the Pacific Region round trip rates declined about \$1k from last week, despite the increase of new cargos, and range somewhere in the \$5k region.

This Month's Supramax Time Charter Cotzias rate average was calculated to be greatly reduced down to \$11,933 from \$15,832 which was last week's Supramax average. The daily rates for Supramaxes ranged from \$5,750 (for the M/V **"Ding**

Xiang Hai" 48k/00 blt/Bertling) up to \$22,500 (for the M/V **"Stove Trader"** 46.2k/99blt/EMR).

The Baltic Handysize index (BHI) closed on **Friday 3rd of April at 666** points. In total it decreased by **-5.8%** or **-41** points down from 707 which was last week's closing figure. This Month's Handysize Time Charter went down to \$12,823 from \$15,629 which was last week's average. This week's T/C daily rates for Handysizes ranged from \$6,300 (for the M/V "*Fesco Ob*" 36.7k/86blt/Cnr) up to \$18,000 for the (M/V "*Samanta*" 39.1k/92blt/Armada).



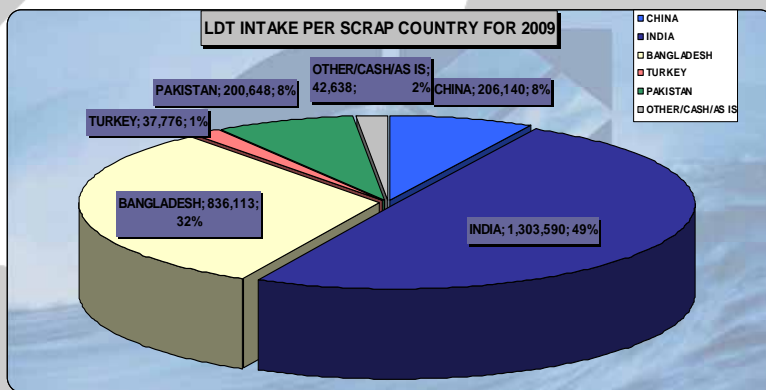
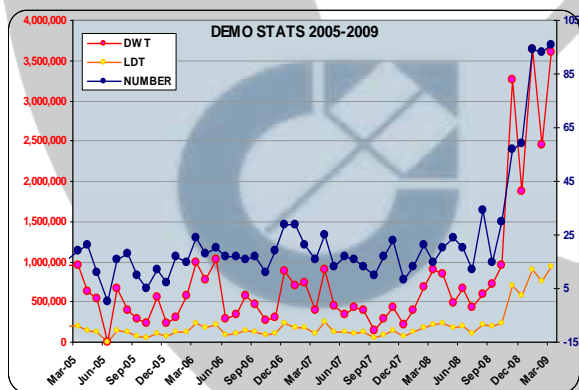
Regarding the Handies and Supra's Sales activity of the past week we can report the sale of the following vessels: the M/V "*Jin Pu*" 55.5k/08 & the M/V "*Jin Man*" (Jinhvi Shipping Trans / Hong Kong China) – Oshima built sold Enbloc for \$30.0m each to Nisshin Shipping / Japan & Assoc Co Ratu Shipping / Japan and the M/V "*Salome*" (British Marine / UK) 44.9k/83 Mitsui Tamano Built sold for \$4.45m to Vietnamese Buyers. The M/V "*Angel Arrow*" 32k/04 Kanda Built (Japanese Owners – Keymax Group) – was sold to clients of Dockendale (MUR Group) for \$22mil.

DEMOLITION MARKET

As we had mentioned in our monthly report, the Bangladesh Ship Breakers' Association had made an appeal against the High Court's decision. Latest news state that the BSBA has received a 3 weeks grace period, in which they should submit their side of the story, finding legal grounds to counter the High Court's preliminary decision. This still can't be ruled as a solution to the total prevailing uncertainty in the Bangladesh and the overall Sub-Continent Scrap industry, but nevertheless we expect that such an important industry will find ways out of such a harsh decision.

The supply for tonnage for scrap slightly fell during this past week (week14) and the average prices offered by scrap dealers remained softened at marginally lower levels. Bangladesh average has gone down by \$20-\$30 per ldt. This has brought the price offered marginally down below \$300/ldt at \$283/ldt. Last week we had seen a surge in the prices offered by Bangladesh as this was the only way to secure business taking into consideration the overall uncertainty of the Bangladesh market.

India's average level remains at \$266/ldt while Pakistan at a much lower average level of \$255/ldt, and China at \$214/ldt.



BREAKER – STATS '2009			
BREAKER	UNITS	LDT TAKEN	AV. SCRP PRICE
CHINA	25	206,140	\$214
INDIA	155	1,303,590	\$266
BANGLADESH	73	836,113	\$283
TURKEY	6	37,776	\$200
PAKISTAN	25	200,648	\$255
OTHER/CASH/AS IS	4	42,638	\$108
TOTAL	288	2,626,905	\$208

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