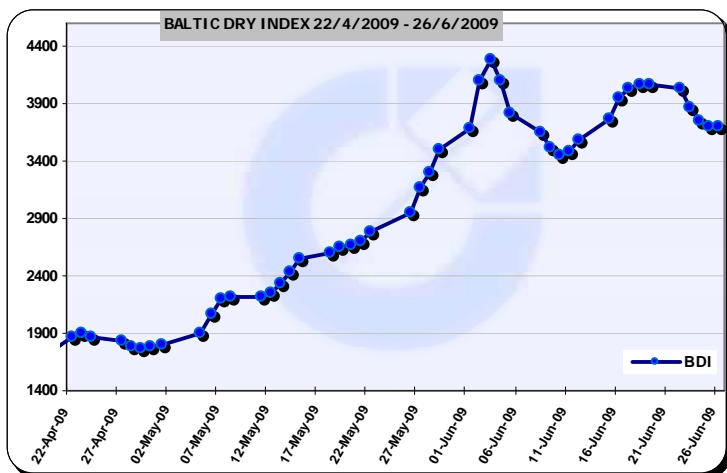


26th Week - Dry Cargo Market “Highlights”

The Dry Bulk Market during the past four weeks has been gradually “correcting” after several months of continued increase with the ship trade demand keeping firm and the actual freight Market levels rising further. **The Baltic dry index (BDI)** finally closed on Friday the 26th of June 2009, with losses of **-9.02%** or **-367** points during this week. The Baltic Dry Index dropped for the fifth consecutive day to **3,703** points, as a fall in capesize rates dragged down the index. The BDI was down from 4,070 which was the previous closing of Friday 19th of June.



We noted the decline of the **dollar** against other currencies, after the invitation by China to create a new currency independent of the national economies. The dollar slipped further, against the euro and the rate has been adjusted at the closing of 26th of June at **\$ 1.4071** from \$1.3988 the previous day, with a weekly decline of 0.9%.

Oil continued to lose ground this week. The Light Crude Oil (Jul 09) closed at \$69.43 a barrel, with a daily high at \$71.29, while the Brent Crude Oil (Jul 09), closed at \$69.15 a barrel, with a daily high at \$71.29 on Friday the 26th of June 2009.

In the Dry Bulk sale and purchase market we see that some activity was eminent this week. Some surprising deals have been concluded in the Cape tonnage segment this week, and will be outlined below in the Cape section. We have identified also an increasing activity in smaller tonnage segments (Panamax & Supramax) while the vessel prices remained at the established rather increased levels seen during previous 2-3 weeks. An example of the increase in vessel prices is the sale this week of an 85 built handy vessel the M/V “Epiphany” 38k 1985 built Hitachi Japan, which was sold to Chinese buyers for \$6.8 million USD. If we go back in our sales records we see that her sister the M/V “Team Effort” 38k 1985 built Hitachi Japan, was then sold at \$4.8mil to Greek Buyers. This price increase in just 4 months is nearly 42% higher!!!!!!

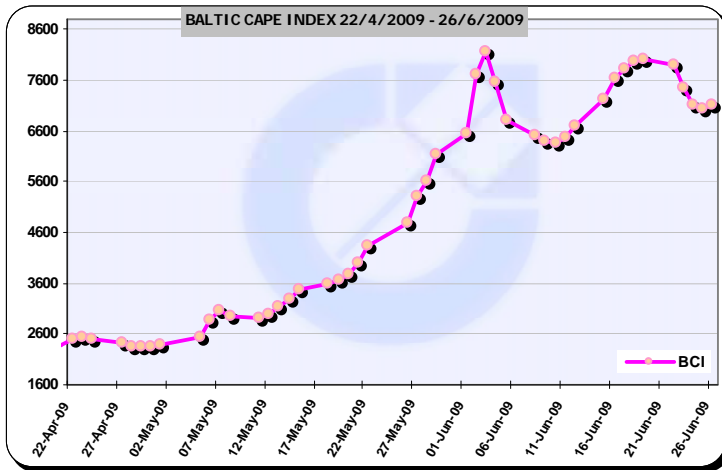
INDEX	THIS WEEK	LAST WEEK	% CHANGE	POINT DIFF	TREND
BDI	3703	4070	-9.02%	-367	▼
BCI	7106	7996	-11.13%	-890	▼
BPI	2817	3125	-9.86%	-308	▼
BSI	1734	1749	-0.86%	-15	▼
BHI	764	780	-2.05%	-16	▼

DRY BULK TIME CHARTER EARNING OUTLOOK					
VSL TYPE	THIS WEEK	LAST WEEK	% CHANGE	DIFF	TREND
CAPESES	\$71,154	\$71,140	0.02%	\$14	▲
PANAMAX	\$24,219	\$24,244	-0.10%	-\$25	▼
SUPRAMAX	\$19,477	\$19,258	1.14%	\$219	▲
HANDYMAX	\$16,735	\$16,244	3.02%	\$491	▲

INDEX	THIS WEEK	LAST WEEK	% CHANGE	POINT DIFF	TREND
S&P500	918.90	921.23	-0.25%	-2.33	▼
DOW-Ind	8438.39	8476.02	-0.44%	-37.63	▼
NASDAQ	1838.22	1827.47	0.59%	10.75	▲
FTSE 100	4241.01	4345.90	-2.41%	-104.89	▼
£ - \$	1.6521	1.6446	0.46%	0.00753	▲
US\$-Yen	95.1200	96.7844	-1.72%	-1.6644	▼
Eur-US\$	1.4069	1.3932	0.98%	0.0137	▲
Brent Oil	68.92	71.45	-3.54%	-2.53	▼
WTI Spot Price	69.16	69.60	-0.63%	-0.44	▼

CAPE SIZE MARKET

The **Baltic Cape Index (BCI)** in total decreased about **-11.13%** or **-890** points during this week. The BCI fell all this week and closed at **7,106** on Friday 26th June 2009, down from 7,996, which was last Friday's the 19th of June 09 closing figure. The low "fixing" activity and lack of cargo enquiries gave a downward push on freight rates during the past week.



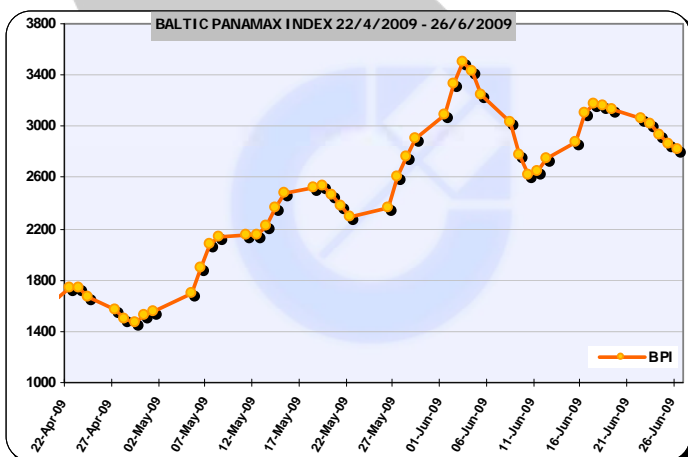
This Month's Capesize T/C average rate which is calculated by N. Cotzias Shipping Consultants from all T/C fixture data that are reported during the current running month increased by **0.02%**, to **\$71,154** during this week, from \$71,140 which was last week's average. The daily rates, as seen in our separate fixtures report for Capesizes this week, ranged strongly from \$45,500 p/d (M/V **"Iron Brothers"** 151K/91blt / CTC) up to \$92,000 p/d (M/V **"Alpha Millennium"** 170.4k/00blt / Transatlantic Route - Cosbult Relet).

Regarding the Sales activity in Capesize segment of the past week we had the following "impressive" resale deal of **"Navios Maritime Holdings"** which is going to acquire four 180k Capes ordered at South Korea's **Sungdong Shipbuilding & Marine Engineering** (where Navios already has 3 capesizes under construction for delivery later this year) for **\$324m**. That makes a price of \$81 mil per unit, which is 9mil less per unit than the original \$90mil price that they were ordered at). Another important issue is that three of these vessels would be purchased by companies controlled by Commerzbank while the fourth vessel have been left at the yard's hands. Regarding the deliveries these will take place gradually from the Aug-Sept of 2010 until Feb of 2011. (Charter rates of T/C's included will be included in our monthly report coming out in a few days.)

In a rumoured deal, **"Oman Shipping Company"** is going to build four VLOC (Very Large Ore Carriers) at Chinese shipbuilder Jiangsu Rongsheng Heavy Industries. This quartet deal of these very large ore carriers is budgeted at **\$484m** (\$121mil per unit) with deliveries planned for last quarter of 2011 and first half of 2012. These 4 vessels will transport iron-ore in a route from Brazil to Oman, for Brazil's VALE. The imported Iron Ore will be destined to go to the Omani Iron-ore Pellet plant that is currently being built by Vale.

PANAMAX MARKET

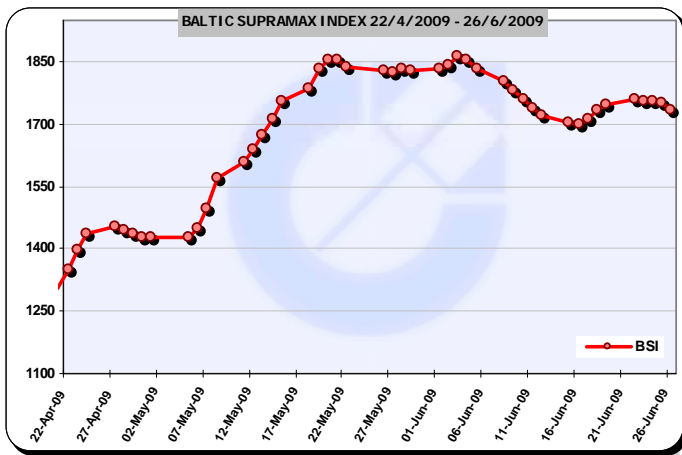
Inevitably the weekly fall in capesize rates, was also correlated to the smaller size dry bulk vessel sector. The Baltic Panamax Index (BPI) ended its weekly run on Friday 26th of June at **2,817** down by **-9.86%** or **-308** points lower from 3,125 which was last Friday's 19th of June closing.



For this running month the Cotzias calculated Panamax T/C average rate, as expected, went down by **-0.10%** this week to **\$24,219** from \$24,244 which was last week's Panamax average. The daily rates as seen in our separate fixtures report for Panamaxes this week, ranged from \$8,000 (M/V **"Palini"** 64.6k/80blt/ C.N.R.) up to \$45,000 (M/V **"F.D. Gennaro Aurilia"** 74.4/07blt/ Trip vi black sea Transgrain).

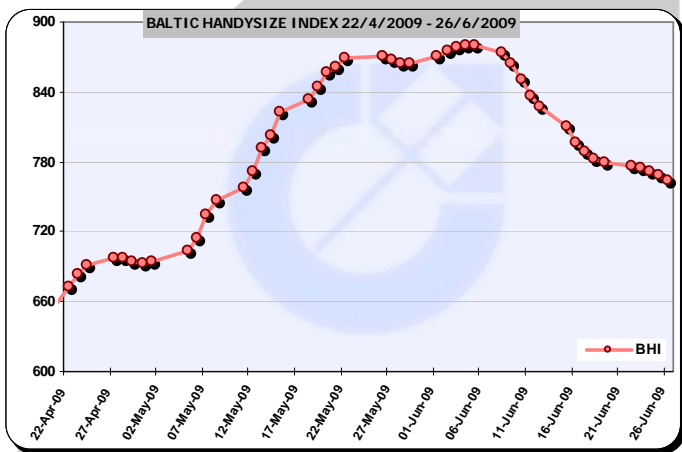
Regarding the Panamax sales activity of the past week we had the following sales: of the M/V **"Maple Valley"** 76.6k/ 05blt – Imabari built sold for \$30.0mil to East Med / Greece, of the M/V **"Spring Peacock"** 72.4k/03blt – Imabari built sold for \$25.2.0mil to Undisclosed Buyers Korean Buyers, of the M/V **"Nikos O"** 63.1k/82blt – Taiwan built sold for \$4.0mil to Chinese buyers and of the M/V **"Akronos"** 65k/81blt – Hitachi built sold for \$3.9mil to Chinese buyers.

SUPRAMAX & HANDYMAX MARKET



The Baltic Supramax Index (BSI) closed at **1,734** points on Friday 26th June 2009. This represents a decrease of **-0.86%** or **-15** points from the closing of 1,749 points we had last Friday, 19th June 09. Spot rates for supramax and handymax vessels have been marginally weak for the past week, as they tend to react with a more “neutral” move against the volatile trends that have characterized the major Dry Bulk segments.

This Month’s Supramax Time Charter Cotzias rate average is calculated at **\$19,447** or **1.14%** up from \$19,258 which was last week’s Supramax average. The daily rates in the fixtures reported this week, for Supramaxes ranged from \$14,500 (for the M/V “*Spot*” 53.1k/08 blt/ AWB) up to \$30,500 (for the M/V “*Tomoshio*” 55.6k/09 blt / WindRose).



The Baltic Handysize index (BHI) which closed on Friday 26th June 2009 at **764** points. During week 26 it lost in total **-2.05%** or **-16** points down from 780 which was last week’s Friday closing figure. This Month’s Handysize Time Charter surprisingly and despite the Index dropping steadily everyday of the week, went up by **3.02%** to **\$16,735** from \$16,244 which was last week’s average. This week’s T/C daily rates fixtures for Handy sized vessels ranged from \$10,000 (for the M/V “*Hui Sheng*” 37.6k/84 blt / Progress Bulk) up to \$24,500 (for the M/V “*Zhong Hai*” 45.1k / 96 blt / Windrose).

Regarding the Handies’ and Supras’ Sales activity of the past week we saw that mostly 80’s built smaller sized cheaper priced vessels were the ones that gave momentum to the Secondhand sale and purchase market. We can report the sale

of the following vessels: of the M/V “*Darya Dhyam*” 50.1k/01blt (Chellaram Shipping / China) – Mitsui Shiba built, sold for \$24.5mil to JME Navigation / Greece, of the M/V “*London Bridge*” 45.7k/94blt – Tsuneishi built sold for \$16.0mil to Undisclosed Buyers, of the M/V “*Kolocep*” 41.7k/96blt – Croatia built sold for \$14.0mil to Chinese Buyers, we report the interesting sale of the already mentioned in our prologue section of this report M/V “*Epiphany*” 37.7k/85blt – Hitachi built sold for \$6.8mil to Chinese Buyers, the sale of the M/V “*Go Pride*” 35k/82blt – Tohoku built sold for \$2.5mil to Undisclosed Chinese Buyers, the M/V “*DS Pioneer*” 29k/78blt – Sasebo built sold for \$1.8mil to Chinese Buyers, the M/V “*New Guardian*” 28.7k/95blt – NKK Corp built sold for \$13.50mil to Undisclosed Buyers, the M/V “*Ist*” 24k/81blt – Imabari built sold for \$1.9mil to Undisclosed Chinese Buyers, the M/V “*Duck Fortune*” 22k/81blt – IHI built sold for \$1.5mil to Undisclosed Buyers and the M/V “*Pawitra Naree*” 22k/85blt – Shin Yamamoto built sold for \$4.2mil to Undisclosed Greek Buyers.

DEMOLITION MARKET

The supply of dry bulk tonnage (BC, MPP, Tween) for scrap remained in very low levels this past week. The best price offered this week was for the M/V “*SINAI*” which was sold for \$261/ldt to be broken in the Indian Market.

For week 26 we have an only 4 reported Dry Bulk demolition sales/deals:

Vessel Name	Type	Year	Capacity (DWT)	Price (\$)	Market
LOVESTAR	BC	1976	41,051	8,222	INDIA
HUA GUAN	BC	1981	53,521	11,195	CHINA
SINAI	TWEEN	1977	16,746	7,204	INDIA
NAYAB II	TWEEN	1981	19,035	8,858	PAKISTAN

BREAKERS DRY BULK AVERAGE PRICE STATS				
BREAKER	MAY 2009	JUNE 2009	DIFF	TREND
CHINA	\$226	\$245	\$19	▲
INDIA	\$233	\$258	\$25	▲
BANGLADESH	\$240	\$260	\$20	▲
PAKISTAN	\$248	\$251	\$3	▲

It is worth noting that since Jan 2009, and until 26th June we have recorded more than 34 PURE CAR CARRIERS exceeding 300,000 DWT TONNES of carrying capacity have been scrapped. Average Age of all 34 scrapped PCC’S is 28 YEARS.

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