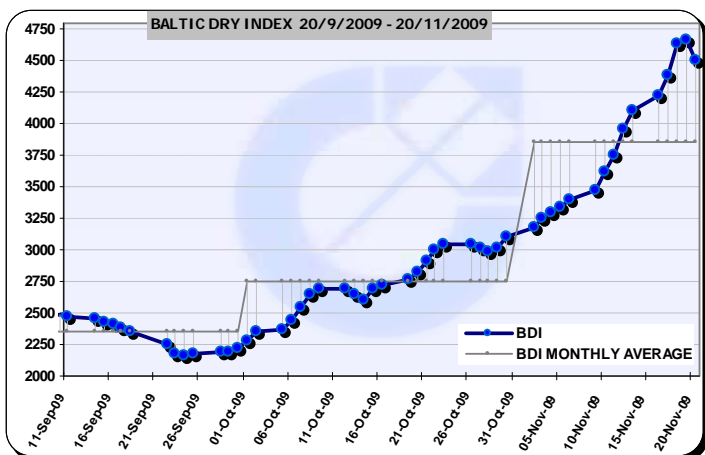


## 47<sup>th</sup> Week - Dry Cargo Market “Highlights” – 13/11/2009 until 20/11/2009

■ **Has the Baltic Dry Index (BDI)** reached a peak? Has it spiked after a rally and is now heading for a correction? Was the recent



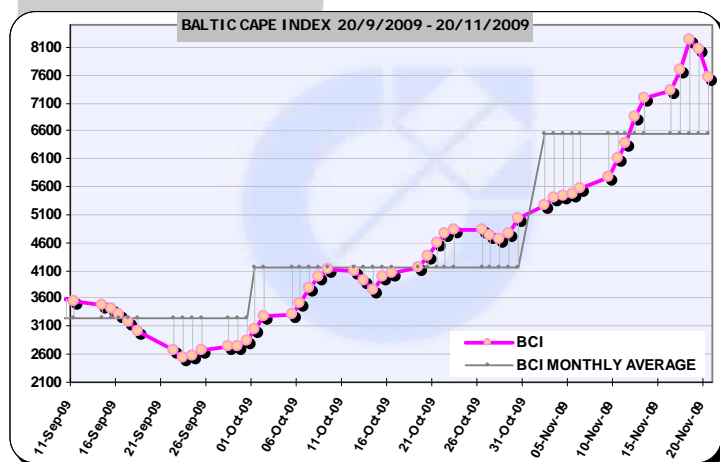
port congestion in China and the sudden Grain trade demand from USA just a short lived event that gave a more than welcome boost to our industry? Our assumptions remain to be seen. However when you have such strong factors affecting the market in such a dramatic percentage then one can easily assume that we are facing a shipping market with great volatility that off-course. It is a well known fact that shipping markets are never going to return back to their old behavioural cyclical patterns with at least 2 year cycle periods etc etc. We will be facing and are already facing, a new era, a new trend with possible 2-3 month cycles, and these may well be led by seasonality and fundamentals as well as a great degree of market psychology, an aspect well known in all financial markets. The shipping industry is facing the same characteristics as the financial markets do. So Psychology and

risk profile of the individuals involved and invested in Shipping plays a dominant role to guide us into how the markets will proceed. Therefore volatility is a keyword that will dominate our market, and this could well be a golden opportunity for both “income” and “growth” type of investments to generate positive results in the near future.

The BDI for nearly 2 months has been on a steady rise. It had another very good week with overall gains, but towards the end of the week gave it suffered a slowdown. It closed on Friday the 20<sup>th</sup> of November 2009 beyond the 4.5k mark, at **4507** points with a very strong overall weekly gain of **9.63%** or **396** points. It reached its record 2009 peak levels on 19<sup>th</sup> Nov 2009 climbing at 4661 points.

### CAPE SIZE MARKET

■ The **Baltic Cape Index (BCI)** closed on Friday the 20<sup>th</sup> of November 2009 following the same exact pattern as the BDI with an overall gain beyond the 7.5k points mark, at **7,542** points which represents a gain of **5.00%** or **359** points. Previous week’s closing on Friday the 13<sup>th</sup> Nov was 7183 points. The yearly average of the BCI currently stands at 4017 points which is again improved by 90 points over last week’s calculated annual average.



During the past four weeks the BCI has practically recovered a great part of the losses that had incurred during the last 3 full months. From 23<sup>rd</sup> Sep 2009 and until 20<sup>th</sup> Nov 2009 on a comparison we see a 196% increase in the BCI (from 2545 we are up to 7542 points!!!). The BCI had peaked to its 2009 record level on Nov 18<sup>th</sup> 2009 when it reached 8243 points. Freight levels both spot and T/C’s have followed too, we have seen some period charters reaching and passing the \$100k per day mark, and this week’s Capesize T/C average rate calculated by our N.

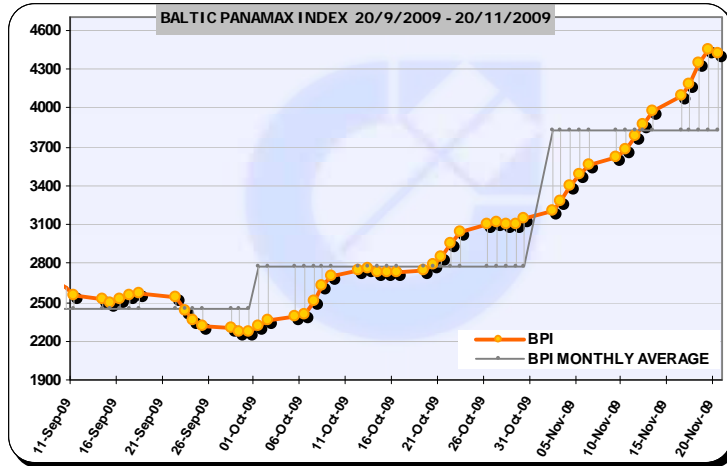
Cotzias Shipping Consultants from all T/C fixture data reported during the current running week increased by **17.6%**, to above the 65k mark at **\$65,051** during this week, from \$55,468 which was last week’s average. Following the rising trend of last week, the numbers of Capes fixed on T/C over the past weeks this week we also see a very good number of **twenty-eight (28)** units of capesize vessel T/C fixtures were fixed on T/C. The daily rates as seen in our separate fixtures report for Capes this week, high/low margins ranged greatly improved over last week from \$36,000 (M/V “**Genco Claudius**” 180k/09blt/Cargill – for 10.5 to 12.5 months trading) up to \$116,000 (M/V “**Gracious Eternity**” 180k/09blt/ MOSK – with Transatlantic option round \$90,000 per day – Swiss Marine relet for a trip via Brazil.

For this week we also had 11 T/C fixtures at above 98k levels

<b>Gracious Eternity</b>	180,199	2009	Fos 26/30 Nov	Singapore-Japan	<b>\$116,000</b>	<b>MOSK</b>	option transatlantic round 90000 - Swiss Marine relet - trip via Brazil
<b>Aquamarine</b>	180,000	2009	Cape Passero end Nov	China	<b>\$100,000</b>	<b>Noble</b>	SK Shipping relet - trip via Brazil
<b>Five Stars Fujian</b>	179,869	2009	Singapore 19/20 Nov	China approx	<b>\$106,000</b>	<b>BHP Billiton</b>	trip via West Australia
<b>Hanjin Cape Lambert</b>	179,000	2009	Cape Passero 29/30 Nov	China	<b>\$112,500</b>	<b>Cetrappa</b>	trip via Tubarao
<b>Bright Century</b>	178,739	1997	Fangcheng 29/31 Nov	China	<b>\$98,500</b>	<b>BHP Billiton</b>	trip via West Australia
<b>Houheng Sunrise</b>	176,295	2003	Zhoushan 24/26 Nov	China approx	<b>\$105,000</b>	<b>BHP Billiton</b>	ex Lowlands Sunrise - trip via West Australia
<b>China Venture</b>	175,000	2005	Qingdao 18/19 Nov	China	<b>\$110,000</b>	<b>BHP Billiton</b>	trip via West Australia
<b>Anangel Prosperity</b>	174,240	2006	Haili 2/7 Dec	China	<b>\$100,000</b>	<b>Seawin</b>	trip via West Australia
<b>Nisshin Trader</b>	172,517	2001	Villaneuva end Nov	China	<b>\$95,000</b>	<b>BHP Billiton</b>	trip via West Australia
<b>Ce-Alliance</b>	172,499	2001	Caofeidian 22/25 Nov	China	<b>\$100,000</b>	<b>BHP Billiton</b>	trip via West Australia
<b>Cape Sun</b>	171,746	1999	retro Bayuquan 13 Nov	China	<b>\$98,000</b>	<b>BHP Billiton</b>	trip via West Australia

## PANAMAX MARKET

■ The Baltic Panamax Index (BPI) closed on Friday the 20<sup>th</sup> of November just below the 4.5k mark, greatly improved, up at **4,424** which represents a good increase of **11.21%** or **446** points more than 3978 points which was last Friday's the 13<sup>th</sup> of November closing. The BPI had reached the record levels for 2009 on Nov 19<sup>th</sup> 2009, when it reached 4453 points.



Just like last week, for this running week the Cotzias calculated Panamax T/C average rate went up by the smallest percentage of all size segments. It improved by **7.27%** this week to **\$29,278** from \$27,295 which was last week's Panamax average. Pacific Market remained firm and continued to be strong just like 2-3 past weeks, while Atlantic Panamax market had another positive week with period activity on a stronger and improved freight levels.

Looking at units chartered on period this week we are still very strong and greatly improved over last week, we are back to normal T/C activity with **seventy-nine (79)**

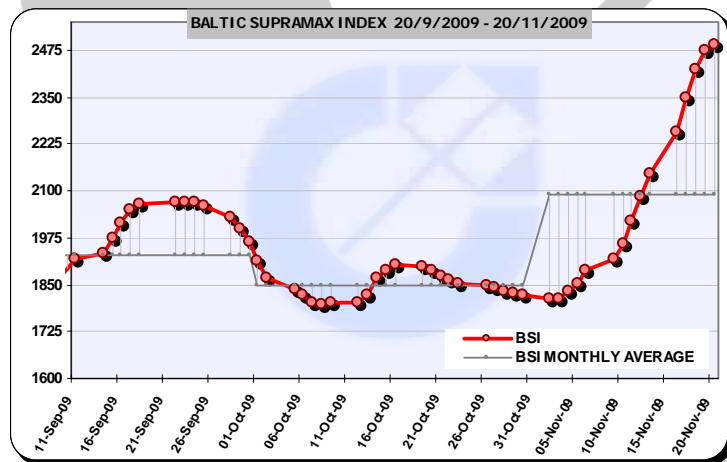
Panamax vessels being chartered on Period and T/C's this week (week47). The daily rates as seen in our separate fixtures report for Panamaxes this week, with better levels compared to last week ranged from \$19,250 (M/V **"Alpha Effort"** 72k/99blt/ Glencore for a 2 years trading) up to \$48,000 for the (M/V **"Chiara D'Amato"** 92.5k/09blt/ NYK – for a T/C trip via Indonesia).

### Panamax vessels we reported sold this week:

The M/V **"Fortune Ocean"**, 76.8k/Sasebo HI Japan 2006 blt, sold together with the M/V **"Fortune Princess"**, 76.6k/Oshima Japan 2006 blt sold to Dryships for \$38.76mil and \$37mil respectively, while the M/V **"Maria Salamon"**, 74k/Imabari Japan 2001 blt, and the M/V **"Getrude Salamon"**, 74k/Imabari Japan 2000 blt together with the M/V **"Willi Salamon"**, 74k/Imabari Japan 2000 blt sold to Vogemann of Germany for \$28, \$27 and \$27mil each unit. We also had the M/V **"Ernst Salamon"**, 74k/Imabari Japan 1999 blt sold to Norwegian buyers for slightly less due to the age difference at \$26mil usd. The M/V **"Global Challenger"**, 73k/Samsung Korea 1996 blt was sold to Chinese buyers for \$24mil usd while the M/V **"Consul Poppe"**, 68.6k/Sasebo Sasebo Jpan 1995 blt went to Undisclosed buyers for \$22mil usd. The older **"Cape Courage"** 63.7k/Kasado Japana 1982 blt went to Chinese buyers for \$4.5mil usd.

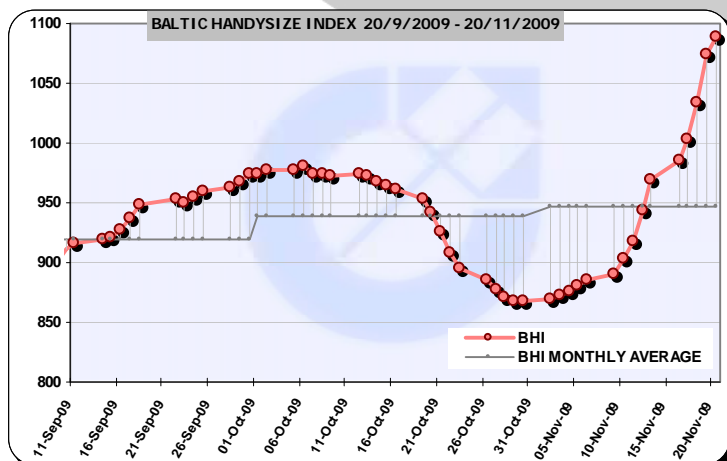
## SUPRAMAX & HANDYMAX MARKET

■ A small deceleration was seen in the Supramax index which slowed down its uprise towards the end of the week. More specifically the Baltic Supramax Index (BSI), closed at **2487** points, this week on Friday the 20<sup>th</sup> of November, gaining **15.84%** or **340** points based on the previous closing of 2147 points we had last Friday 13<sup>th</sup> of November 2009.



For this week following the rise of the Baltic Supramax Index, this week's Supramax Time Charter Cotzias rate average absorbed the increase in the index and is calculated well up at **\$23,301** or **11.83%** up from \$20,836 which was last week's Supramax average.

Improved demand for a much greater than average number of **twenty-six (26)** Supramaxes were on T/C this week, which in terms of volume/rate is improved greatly over previous week's stats. The daily rates in the fixtures reported this week, for Supramaxes ranged from \$21,000 (for the M/V **"Davakis G"** 53.8k/08blt/ Dreyfus for a T/C of 12 months trading) up to \$50,200 (for the M/V **"Nord Reliable"** 58.8k/08 blt / EDF Trading for a T/C trip via the US Gulf



■ The Baltic Handysize index (BHI) is still going on a steep increase and seems to be moving steadily to surpass the 1.1k mark. It closed on Friday the 20<sup>th</sup> November 2009 up at **1088** points and this represents a good and positive gain of **12.16%** or **118** points. This week's Handysize Time Charter that is calculated by NCSC went up by **4.51%** this week to **\$21,425** from \$20,500 which was last week's average.

A great deal less emphasis was given on Handymax fixed this week, and a good improved number of **ten (10)** Handymax vessels were reported on T/C this week with their weekly T/C daily rates for Handy sized vessels ranging on improved levels from \$17,250 (for the M/V **"Solon"** 42k/87 blt / IVSI for a T/C trip) up to \$38,000 (for the M/V **"Clean Seas"** 46.6k/95 blt / Noble for a T/C trip).

Following last week we still experienced a large number of sale and purchase transactions this week, with a great number of interesting sale and purchase deals reported this week too. It is clearly obvious that the rising indexes made potential willing buyers to rush into deals they were otherwise "stalling" and delaying expecting somehow to negotiate further on these deals, by trying hard to reduce the seller's appetite, but that has changed as the market has improved so much in one week that deals were accelerated.

**Sales of Supramaxes and Handymaxes this week include:**

<b>TRITON EAGLE</b>	BC	<b>2003</b>	TOYOHASHI SHIPBUILDING	<b>52,579</b>	4X30.5T	<b>\$25.65m</b>		<b>GREEK BUYERS</b>
<b>NEW EMINENCE</b>	BC	<b>1994</b>	KOYO MIHARA	<b>45,830</b>	4X25T	<b>\$17.30m</b>		<b>CHINESE BUYERS</b>
<b>MARYBELLE</b>	BC	<b>1987</b>	MITSUI TAMANO	<b>42,569</b>	4X25T	<b>\$10.80m</b>		<b>TURKISH BUYERS</b>
<b>SANKO REJOICE</b>	MP P	<b>1994</b>	NAMURA IMARI	<b>42,529</b>	4X30T	<b>\$14.50m</b>		<b>CHINESE BUYERS</b>
<b>SANKO ROSE</b>	MP P	<b>1995</b>	NAMURA IMARI	<b>42,529</b>	4X30T	<b>\$14.30m</b>	SOLD ENBLOC SANKO ROSE AND SANKO RELIANCE FOR \$14.3m EACH UNIT	<b>CHINESE BUYERS</b>
<b>SANKO RELIANCE</b>	MP P	<b>1995</b>	NAMURA IMARI	<b>42,529</b>	4X30T	<b>\$14.30m</b>	SOLD ENBLOC SANKO ROSE AND SANKO RELIANCE FOR \$14.3m EACH UNIT	<b>CHINESE BUYERS</b>
<b>ULCAS</b>	BC	<b>1985</b>	MITSUBISHI NAGASAKI	<b>42,244</b>	4X24.5T, 915 TEU	<b>\$8.50m</b>		<b>SOUTH AMERICAN BUYERS</b>
<b>WORLD TRADER I</b>	BC	<b>1986</b>	HYUNDAI HEAVY INDUSTRIES	<b>41,800</b>	4X25T, 836 TEU	<b>\$8.90m</b>		<b>CHINESE BUYERS</b>
<b>SILVER SEN</b>	BC	<b>1982</b>	NIPPONKAI HI	<b>41,454</b>	4X20T	<b>\$5.10m</b>		<b>HONG KONG BASED BUYERS</b>
<b>MOON SEA</b>	BC	<b>1984</b>	KAWASAKI HEAVY INDUSTRY	<b>38,313</b>	4X25T, 140 TEU	<b>\$6.90m</b>		<b>UNDISCLOSED BUYERS</b>
<b>CLIPPER LANCASTER</b>	BC	<b>1996</b>	JAPAN	<b>28,249</b>	4X30.5T		P&C DEAL	<b>UNDISCLOSED BUYERS</b>

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