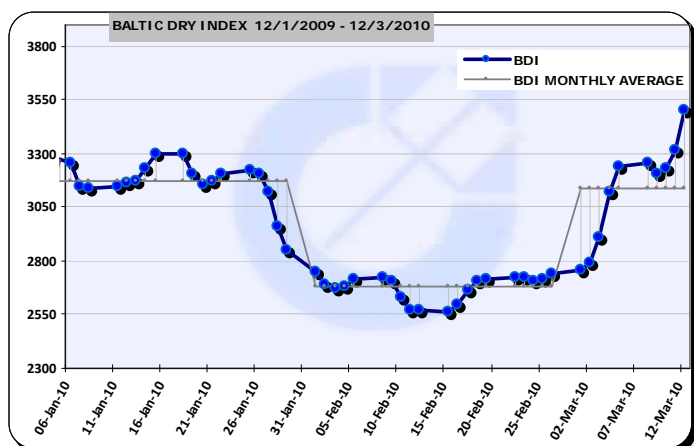


## 10<sup>h</sup> Week - Dry Cargo Market “Highlights” – 8/3/2010 until 12/3/2010

The *Baltic Dry Index* closed on Friday the 12th of March 2010 shooting just above the 3,500 point mark continuing this week too



one of the strongest weekly gains of the year. On this level it has been showing some signs of increased momentum and closed at **3506** points with an overall substantially high gain of **8.14%** or **264** points. (Last Friday's the 5th of February 2010 closing value was **3242** points). The index had a corrective downfall at the start of the week but Wednesday onwards made a positive turn which was enhanced by Friday's sky jumping rising figures.

We mentioned last week of the possible IPO of Peter Georgiopoulos newly founded setup named “Baltic Trading” reported to have acquired 2 Capes 177,000 dwt from SWS China possibly belonging to Centrofin (\$72mil each) and 4 Supramax vessels from Daeyang China initially ordered by Geden of Turkey (\$35mil each) which are subject to SEC

approval and have 4 months to materialise. Well this week we saw reports of another 6 Handies being acquired by “Baltic Trading” and these include 6 Hakodate built vessels all built from 2002-2009 and Orion Bulker GmbH of Germany are said to be the sellers having got \$160mil for all 6 units. It is great to see that the capital markets and the stock market are back in action and support strongly our Shipping industry. It is comforting to see that big trusty names have the ability at these ever-changing times to raise such capital from the financial markets.

Nasdaq rose to a yearly high, the London FTSE and the Swiss SMI made yearly high this week too. The SMI of Switzerland seems to be one of the strongest movers and best performer this year, and we can say the the global financial markets are bearish, with intermarket divergence, especially in Asia and the Pacific Rim, where Australia, Hang Seng, India's Nifty and Japan's Nikkei all had a very good week closing strong. Crude oil looks stuck on the \$80 per barrel mark, and Brent closed just above at \$80.03/barrel hitting \$81.09 on Wednesday 10<sup>th</sup>, only a fraction lower that \$81.67 which was the year's peak on Jan 7<sup>th</sup> 2010.. Gold closed at \$1,106.25 per ounce and that is down compared to last week's closing.

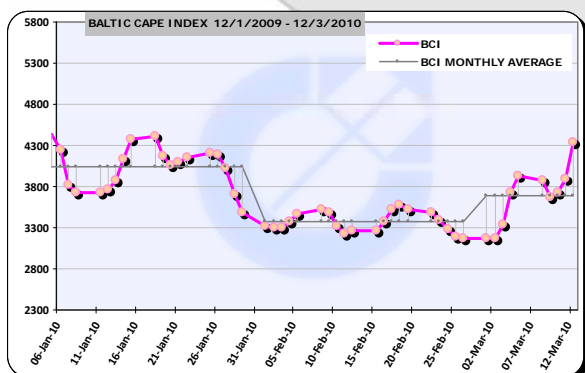
Port Congestion is still delaying by up to 2 weeks mainly Panamax vessels and that has further increased the freight levels. What is interesting to note is that less period charters (T/C and T/C trips) have been reported this week. Out of 111 T/C fixtures reported our N. Cotzias Shipping Consultant analysts have observed that only 10 were for periods longer than 8 months. This declining tendency by Charterers to commit themselves for longer periods may well show an overall expectation of a slowdown in freight rates during the next 2-3 weeks.

In summary form: (week 09) BDI, **gain, 8.14%**, BCI, **gain, 10.32%**, BPI, **gain, 4.35%**, BSI, **gain, 10.48%**, BHI, **gain, 6.36%**

DRY BULK TIME CHARTER EARNING OUTLOOK - WEEK10					
VSL TYPE	THIS WEEK	LAST WEEK	% CHANGE	DIFF	TREND
CAPEES	\$33,238	\$34,858	-4.65%	-\$1,621	▼
PANAMAX	\$30,823	\$30,240	1.93%	\$583	▲
SUPRAMAX	\$28,294	\$28,578	-1.00%	-\$284	▼
HANDYMAX	\$28,500	\$27,357	4.18%	\$1,143	▲

### CAPE SIZE MARKET

➤ The *Baltic Cape Index (BCI)* closed on Friday the 12th of March 2010 below the 4,500k mark, at **4328** points posing a very



strong **gain of 10.32%** or **405** points over previous week's closing on Friday the 5<sup>th</sup> February which was **3923** points. It is interesting to note that by Thursday the BCI was posing a loss of -0.6% and Friday's closing figures gave it a daily gain of nearly 11%!!!!

China's exports grew by 46 per cent in February, its biggest rise in three years, signalling a revival in global demand following months of steep declines as a result of the financial crisis. China's exports, down by 16 per cent last year on account of falling demand from the West, have now grown for three straight months, the country's General Administration of Customs (GAC) said last week. While exports were up 46 per cent to \$ 94.5 billion, imports also rose by 45 per cent, driven by rising oil demand on account of the government's continued stimulus

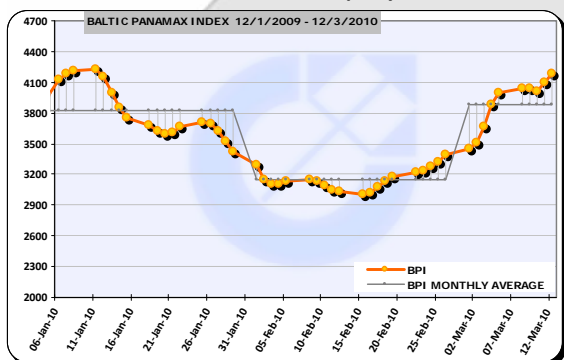
spending on infrastructure projects. Over the first two months of 2010, China's trade surplus has fallen by more than 50 per cent to \$22 billion, the GAC said. Wednesday's data showed a revival in demand from the European Union and the United States, China's two biggest trade partners. Trade with the EU grew 35 per cent to \$66 billion in the first two months of this year, while

trade with U.S. was up 25 per cent to \$49 billion. China's trade with India was up by 55 per cent to \$9 billion, following a year which saw India's trade deficit with the country widen to a record \$ 16 billion. This strong revival in the Global demand may well trigger the desire of the Chinese central Bank to slowly test the Chinese economy to stand on its own feet, slowly reducing the effects of the Stimulus package. (*The Hindu*)

The yearly average of the BCI is improved and currently stands at **3700**. The Capesize T/C average rate calculated every week by N. Cotzias Shipping Consultants from this week T/C fixtures didn't match the rise of the index & went down this week by **-4.65%**, still well below the 40k mark at **\$33,238**. Previous week's T/C figure was **\$34,858**. However we had a good number of reported cape fixtures of **seventeen (17)** units that were fixed on T/C this week. The daily min/max rate as seen in our fixtures report for was **reduced** over last week from **\$21,000** (M/V "Riva", 132016 dwt, built 1981, dely Nantong 10/12 Mar, redely China, \$21000, Noble, for a trip via India) up to **\$42,000** (M/V "Athenian Phoenix", 197223 dwt, built 2009, dely Cape Passero 14/16 Mar, redely Cape Passero, \$42000, SK Shipping, for a trip via NC South America). A Newbuilding Cape vessel of Friedriksen's Golden Ocean up on delivery from Chinese yard of Jin Haiwan was chartered by HongXiang Shipping for 3 years at a good rate of \$29,000 per day, while other rumoured fixture wants another Golden ocean vessel the Cape "Golden Future" to be chartered by Cosbulk for 3 years too at \$33,000 per day.

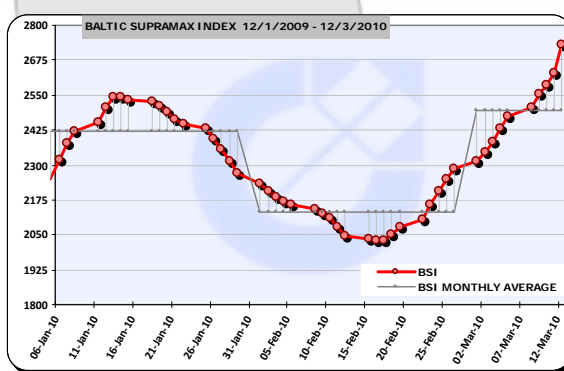
### PANAMAX MARKET

➤ The **Baltic Panamax Index (BPI)** closed on Friday the 12th of March 2010 well above the 4,000 point mark at **4177** which



represents a decent **gain of 4.35%** or **174** points compared to **4003** points which was last Friday the 5<sup>th</sup> February 2010 closing. The Yearly average of the BPI currently stands improved at **3569** points. The NCSC Panamax T/C average rate went **up** by **1.93%** to **\$30,823** from **\$30,240** which was last week's Panamax T/C av. An average number of **fiftyeight (58)** Panamax vessels were being chartered this week on Period and T/C's and this shows the added momentum and demand by Charterers. The daily rates as seen in our separate fixtures report for Panamaxes this week, with **improved** levels compared to last week ranged from **\$18,500** (M/V "Fratzescos M", 63409 dwt, built 1981, dely Huangpu spot, redely Singapore-Japan rge, \$18500, Raffles, for a trip via EC South America) up to **\$50,500** for the (M/V "Lake Dahlia", 78802 dwt, built 2009, dely Mundra prompt, redely China, \$50500, North China Shipping, for a trip via WCIndia) & the (M/V "Ribbon", 74522 dwt, built 1998, dely Mundra 20/30 Mar, redely Japan, \$50500, Oldendorff, for a Giuseppe Bottiglieri relet - trip via WC India)

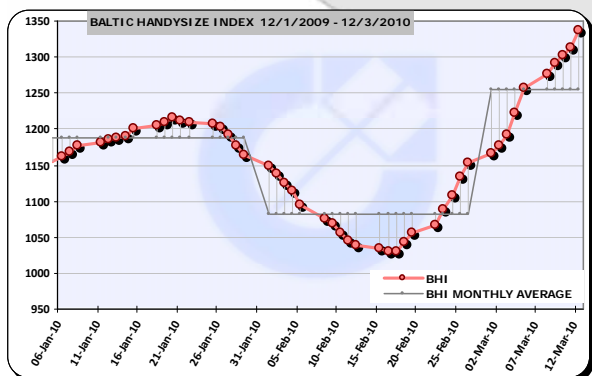
### SUPRAMAX MARKET



➤ The **Baltic Supramax Index (BSI)**, closed on Friday the 12th of March 2010, at **2731** points a **gain of a good 10.48%** or **259** points based on the previous **2472** points we had last Friday the 5<sup>th</sup> February 2010 closing. The yearly average for the BSI currently stands up at **2320** points. For this week the Supramax Time Charter average rate calculated by NCSC is **down** at **\$28,294** or **-1.00%** based on **\$28,578** which was last week's Supramax average. Once more we were above last week's average, with **twentyfour (24)** Supramaxes that were on T/C this week. The daily rates in the fixtures reported this week, for Supramaxes were **improved** over last week and ranged from **\$18,000** (M/V "Safeer Express", 54500 dwt, built 1984, dely Zhoushan 9/11 March, redely China, \$18000, Chart Not Rep, for a trip via Indonesia) up to **\$48,000** (M/V "Yasa Kaptan Erbil", 56169 dwt, built 2010, dely East Coast Mexico spot, redely Singapore-Japan, \$48000, Cargill, for a trip via USGulf).

### HANDYSIZE MARKET

➤ The **Baltic Handysize index (BHI)** closed on Friday the 12th of March 2010 with a serious gain at **1338** points and this



represents a strong percentage gain of **6.36%** or a gain of **80** points. The yearly average for the BHI currently stands at **1159** points. This week's Handysize Time Charter that is calculated by NCSC went **up** too by **4.18%** this week to **\$28,500** from **\$27,357** which was last week's average. A low number of only **five (5)** only Handymax vessel were reported on T/C this week with their weekly T/C daily rates for Handy sized vessels ranging on **improved** levels than last week from **\$22,000** (M/V "Tai Shun Hai", 47000 dwt, built 1991, dely South China spot, redely worldwide approx, \$22000, AWB, for a 3/5 months trading) up to **\$43,500** (M/V "Genco Success", 47000 dwt, built 1997, dely aps USGulf mid March, redely Continent approx, \$43500, Energy, for a trip).

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