



Dry Cargo Ocean Freight Report

- Fonasba AGM
- Opatija, Croatia

October 17, 2008

Unprecedented

**Global demand for
raw materials**

Freight rates

Fuel Prices

Commodity Prices

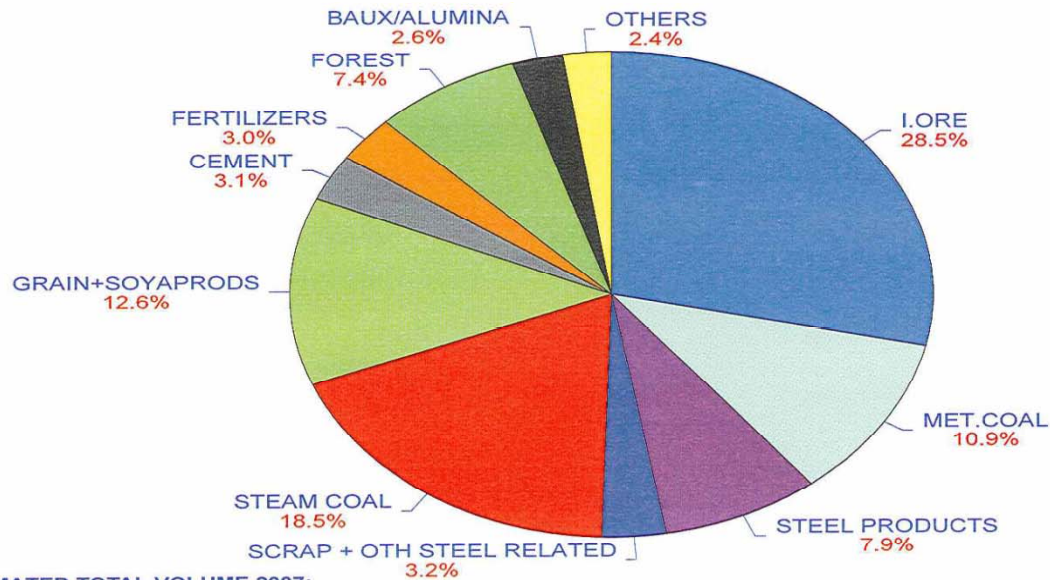
Ship Prices

***Uncontrollable
(unreasonable?)***

Unsustainable

GLOBAL Seaborne Trade About 2.780 million tons in 2007

WORLD SEABORNE TRADE 2007
DRY BULK COMMODITIES



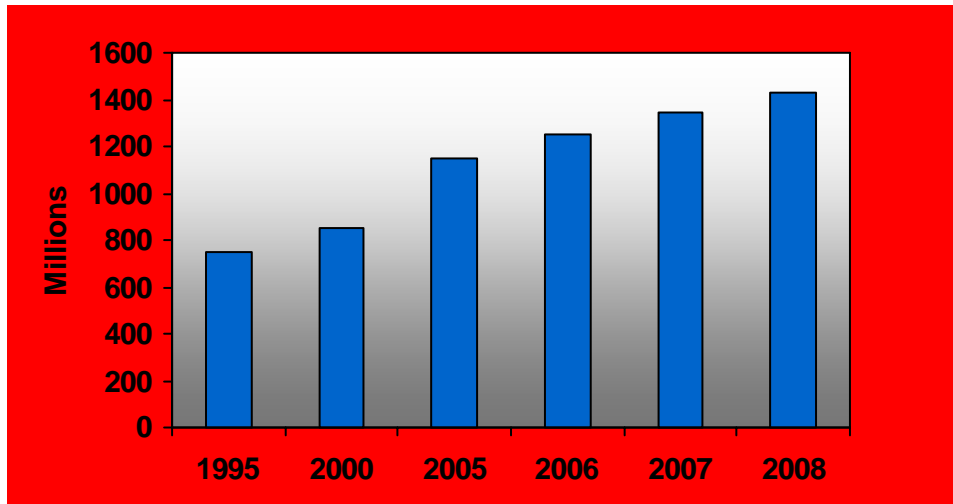
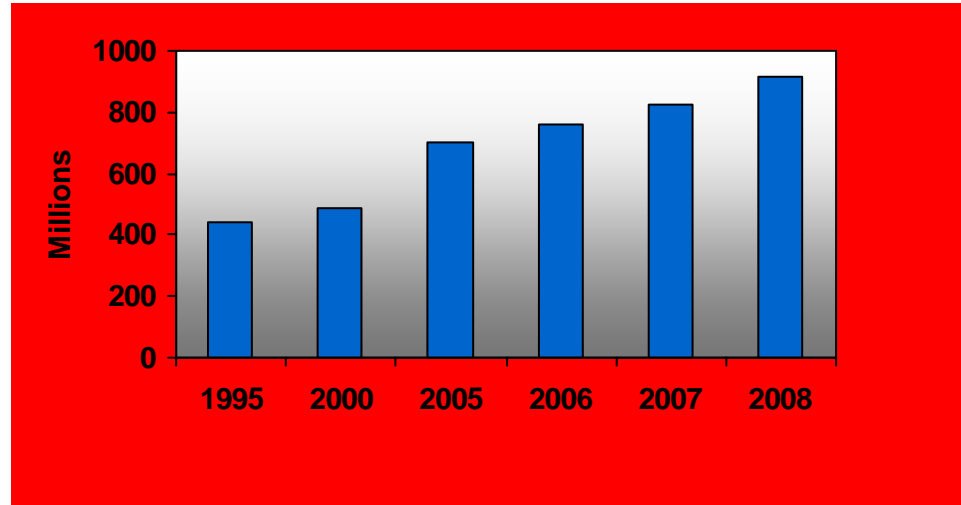
ESTIMATED TOTAL VOLUME 2007:
2780 MILL TONNES

Seaborne Iron Ore

2000 : 485 MMT

2007 : 826 MMT

2008 : 915?? MMT



Steel Production

2000: 850 MMT

2007: 1.35 MMT

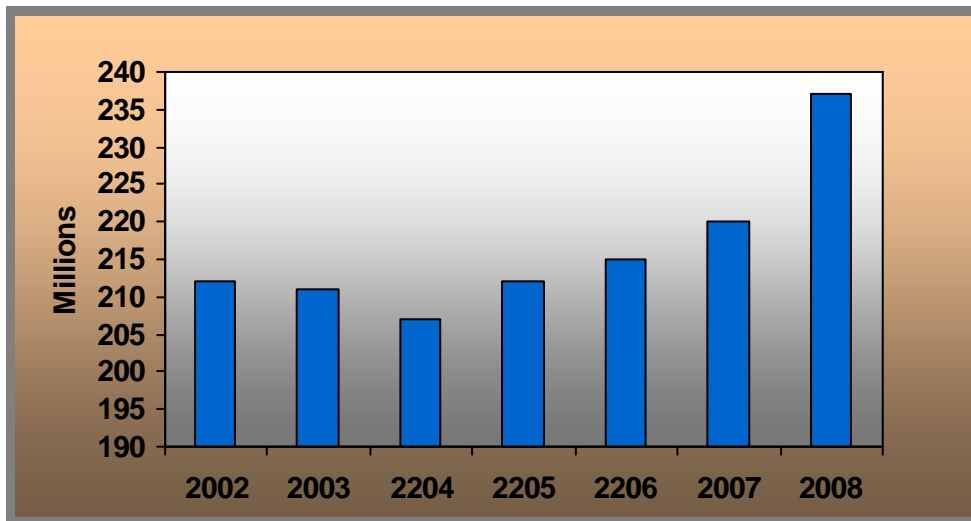
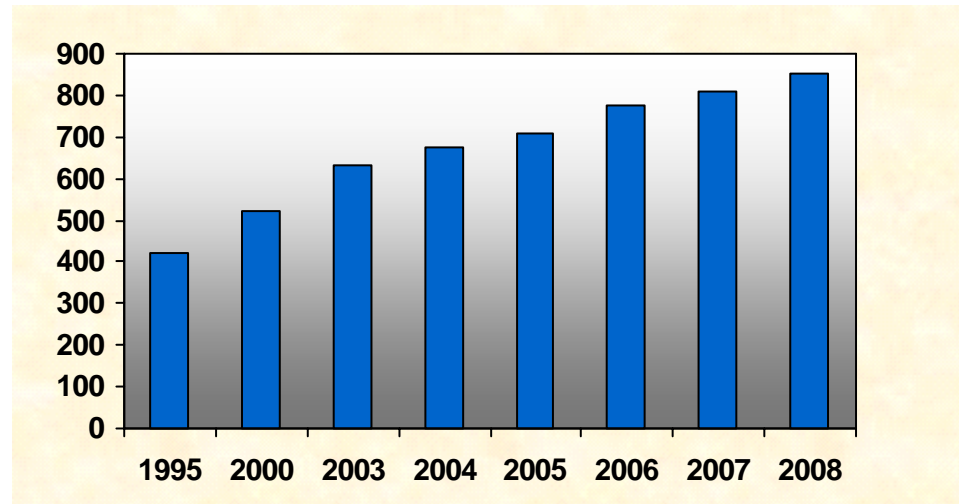
2008 1.425??

Seaborne Coal

2000 - 2008

525 850

Million Metric Tons

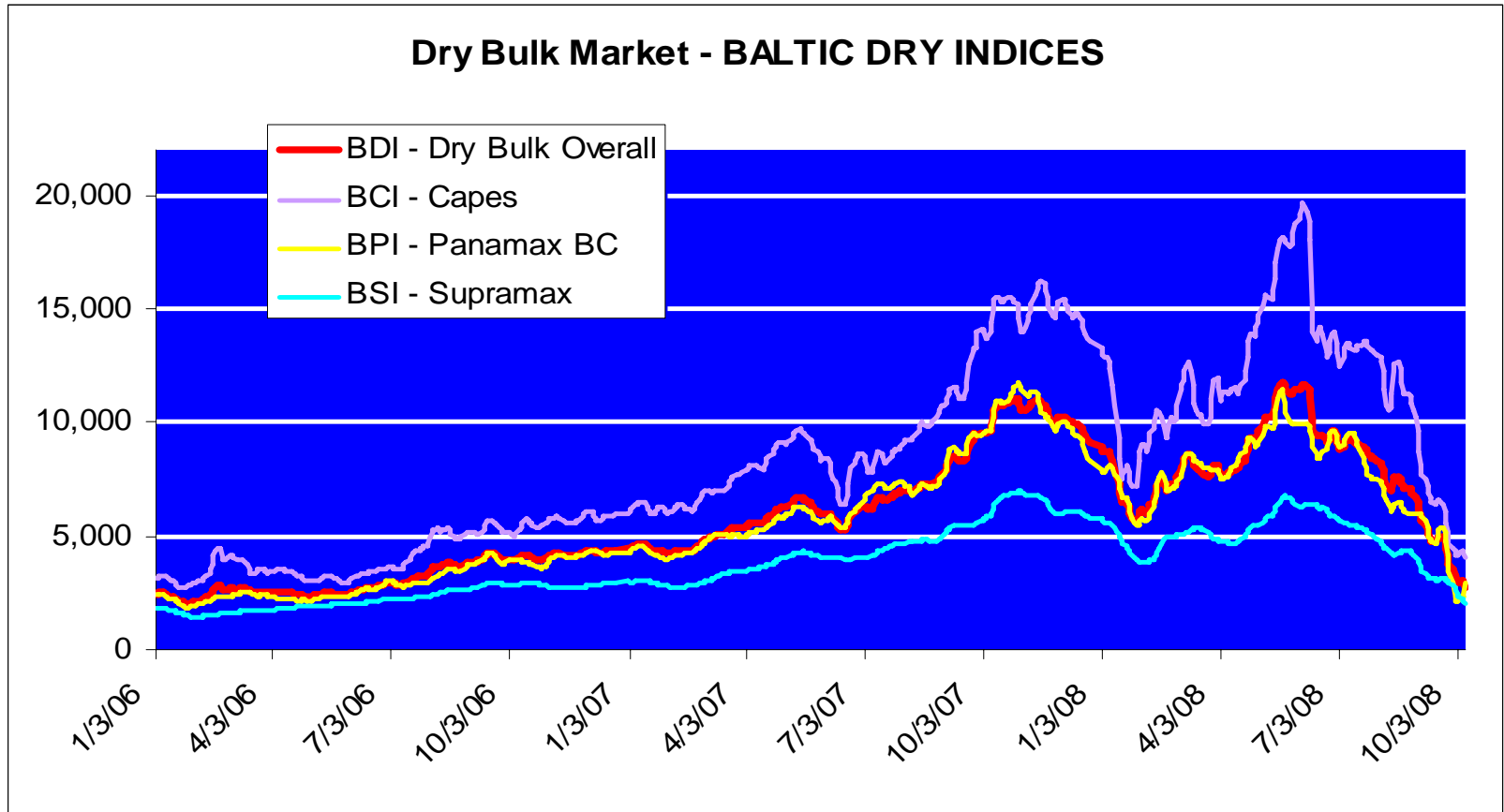


Grain Exports

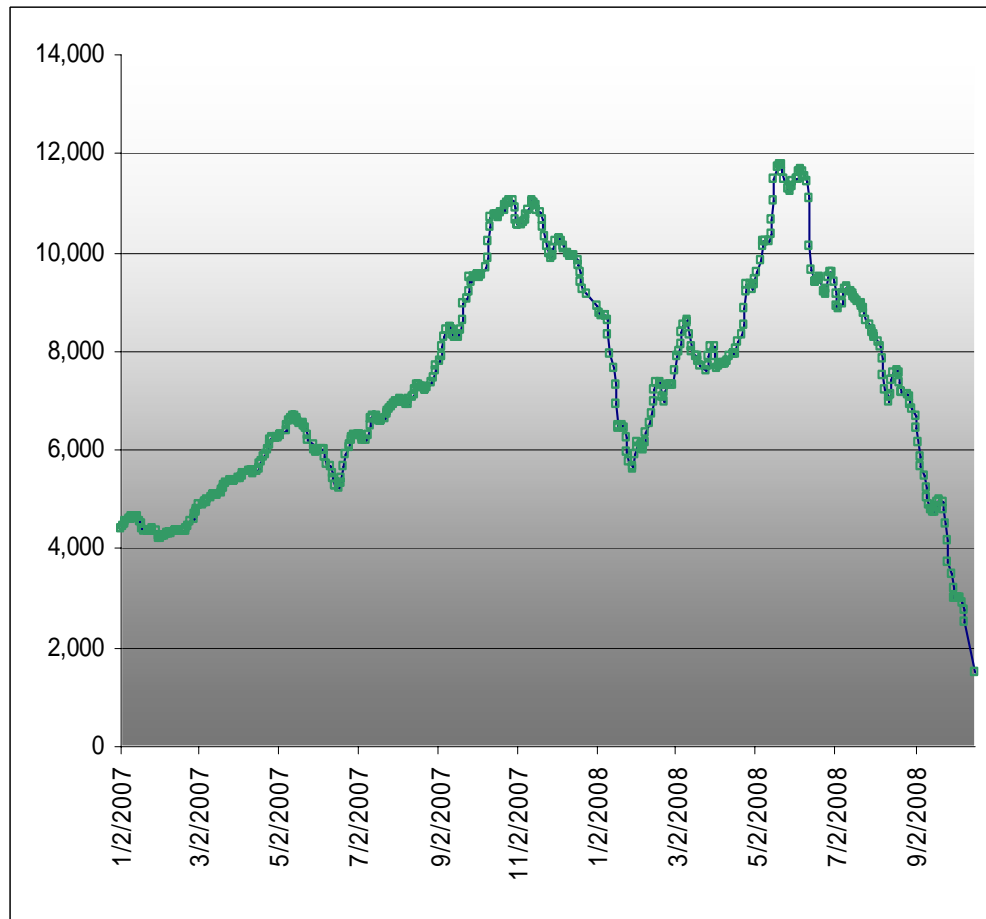
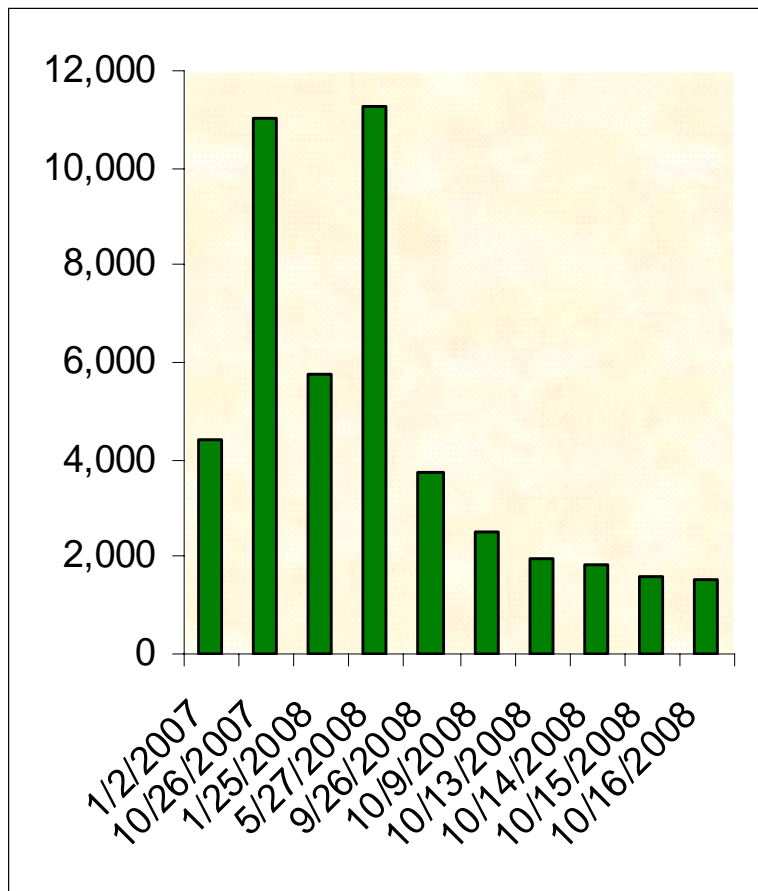
2002 - 2008

Million Metric Tons

Longer term look at the Indices



MY oh MY, the BDI



RATES GONE WILD

Highs and Lows 2008

- USG/JPN Grain US\$ 135.00 – 48.00
- USWC/JPN US\$ 82.00 – 56.00
- Tubarao/Rotterdam US\$ 58.50 – 13.00
- Tubarao /China US\$ 98.00 - 15.00?
- Aussie /Rotterdam US\$ 69.00 - 9.90

12 Months Timecharter

- Vessel Size
170,000 dwt
- High 2008 – Today
170,000 / 39,000
- Trip Cont/Far East
285,000 / 16-17
- 75,000 dwt
84000 / 21000
- 53,000 dwt
63,500 / 15,000

2002 – Before the Big Bang

170,000 Dwt Cont to Far East: US\$12,000 / daily

150,000 Dwt Cont to Far East: US\$ 9,900/daily

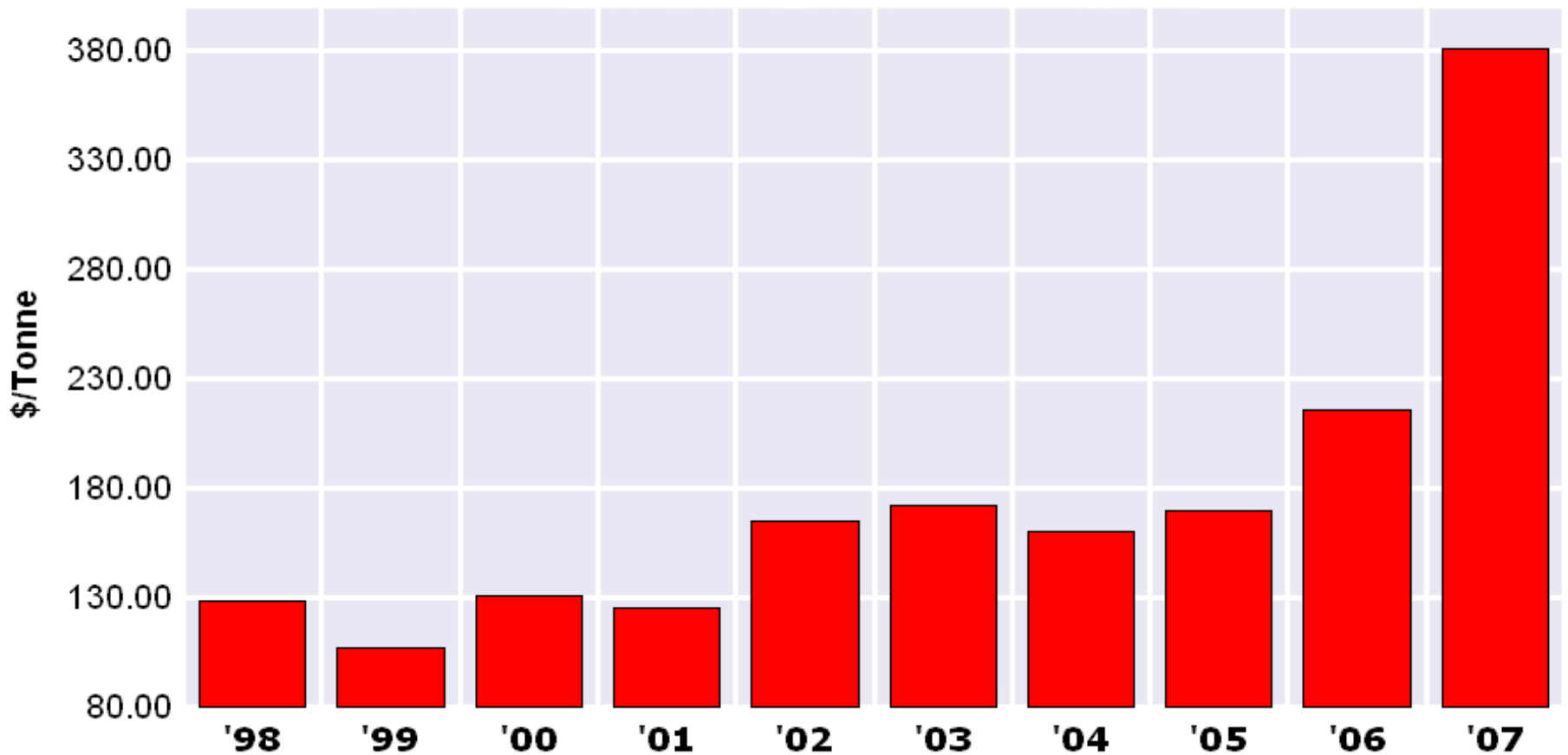
Panamax T/A Round: US\$6,800/ daily

:

Panamax Pacific R/V: US\$ 6,500 / daily

Rising Commodity Prices

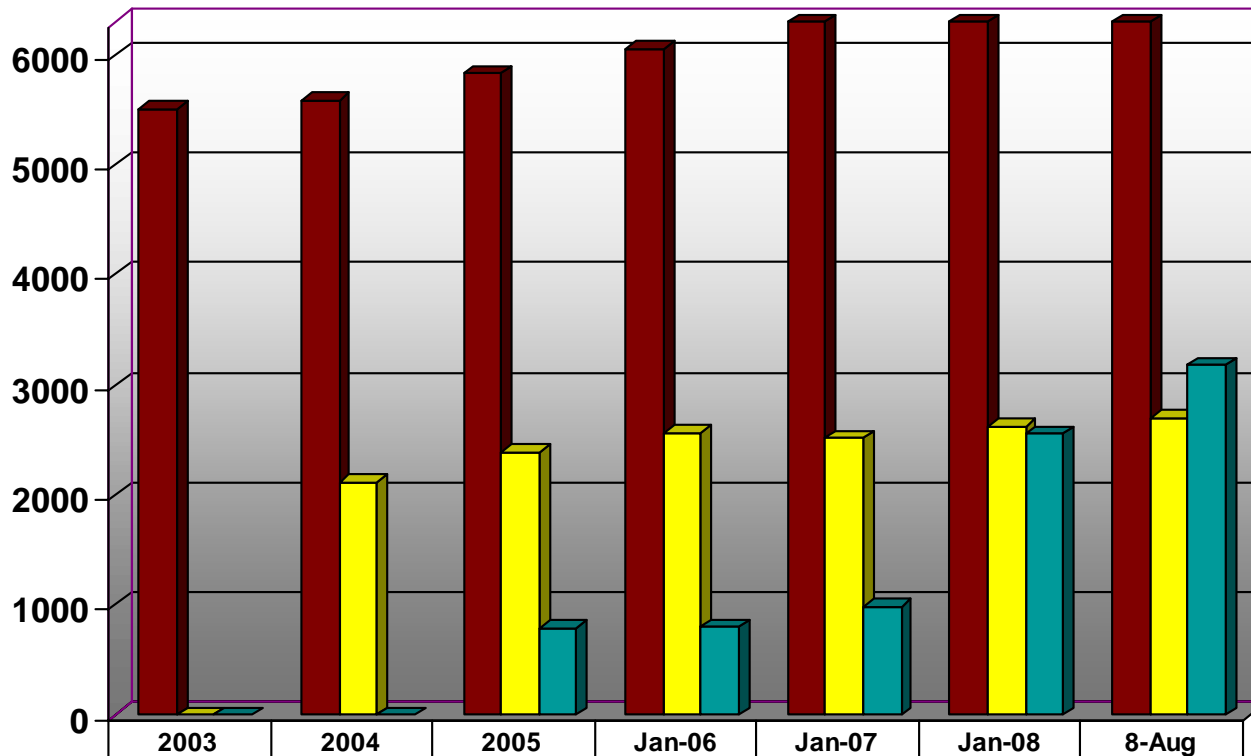
US Gulf Wheat Price \$/Tonne



Source: Clarkson Research Services Limited

BULK CARRIER FLEET

Present Fleet + Orderbook



Bulkers	5511	5588	5830	6055	6300	6596	6867
Bulkers over 20	0	2111	2393	2569	2518	2618	2703
Bulkers on order	0	0	787	802	986	2557	3176

Lloyd's List Bulletin Oct 16, 2008

- Industrial Carriers files for bankruptcy
- Noble to sue STX for \$8m over charter party breach
- Dry bulk rates slide again as tight credit lines hit shipments

UNPRECEDENTED
Astronomically

UNCONTROLLABLE
Asbsolutely

UNSUSTAINABLE
Totally



NEVER

Never Say Never