

APR 23, 2009

Average Day Rates (as of 4/23)

Capesize: \$23,954 **+25%** wow
 Panamax: \$14,036 **+24%** wow
 Supramax: \$14,600 **+16%** wow
 Handysize: \$9,815 **+9%** wow

Spot Indian iron ore export prices have fallen to \$51/ton FOB, a decrease of \$5 (-9%) from last week

68.51 million tons of iron ore currently stockpiled at China's ports, 60,000 tons (-0.08%) less than last week

Chinese mills produced 45.1mt of crude steel in March, 4.6mt (11.3%) more than February

After taking into account additional calendar days in March compared to February, daily crude steel production actually maintained the same level in March and February (1.45mt/day)

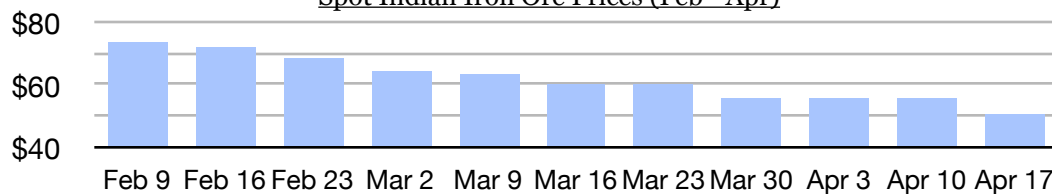
Dry Bulk Rally Might be Coming to an End

After rising for nine straight days, rallying dry bulk freight rates may finally be cooling off. The BDI increased by 1.5% today, considerably less than a 3.8% average seen during the last six index days. Panamax rates have reversed their own nine-day rise, falling \$18 today and settling at an average of \$14,036/day. Although small, a larger fall may be in our future if FFAs have any bearing. FFA prices, shaky yesterday, are currently falling.

Indian Iron Ore Prices Down From Last Week

Indian iron ore export prices, steady during the last three weeks, have fallen. Spot iron ore from India is currently trading at an average of \$51/ton FOB, a decrease of \$5 (-9%) from a week ago. Prices peaked this year at \$74/ton FOB in early February.

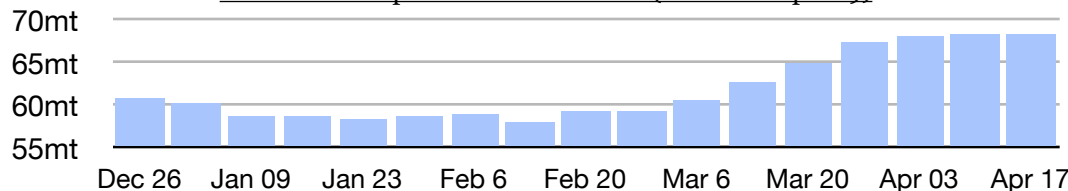
Spot Indian Iron Ore Prices (Feb - Apr)



Chinese Iron Ore Stockpiles Down Slightly

Chinese iron ore port stockpiles now total 68.51 million tons, a decrease of 60,000 tons (-0.08%) from last week. Stockpiles had previously risen for six straight weeks.

Iron Ore Stockpiles at Chinese Ports (Dec '08 - Apr '09)



Chinese Steel Production Firm Last Month

Recently revised data shows China produced 45.1mt of crude steel in March, an increase of 4.6mt (11.3%) from February. After taking into account three additional calendar days in March compared to February, crude steel production actually maintained the same 1.45mt/day level in both March and February. Crude steel production peaked last June at 46.96mt (1.57mt/day).

Chinese Crude Steel Production (Jan '08 - Mar '09)

