

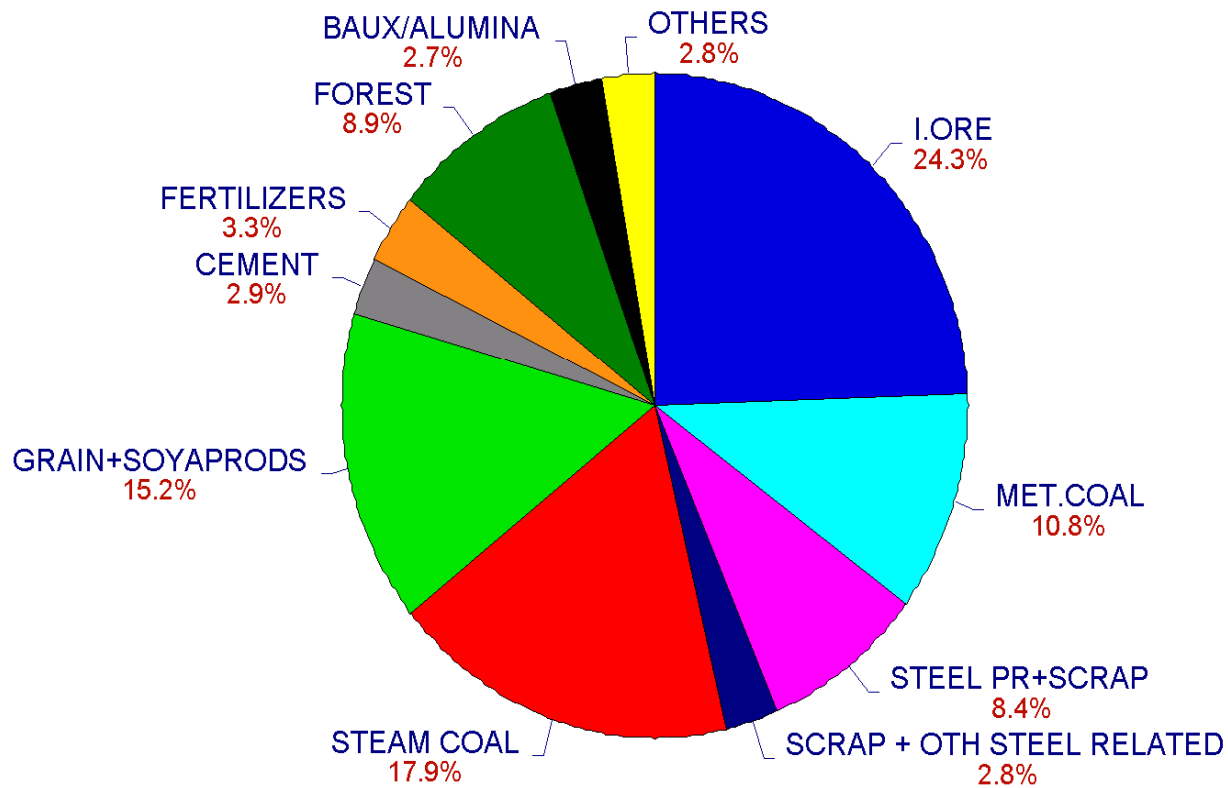


# The Outlook for Dry Bulk Shipping

2005 FERTILIZER OUTLOOK AND TECHNOLOGY CONFERENCE  
ANNAPOLIS OCT. 26<sup>th</sup>, 2005



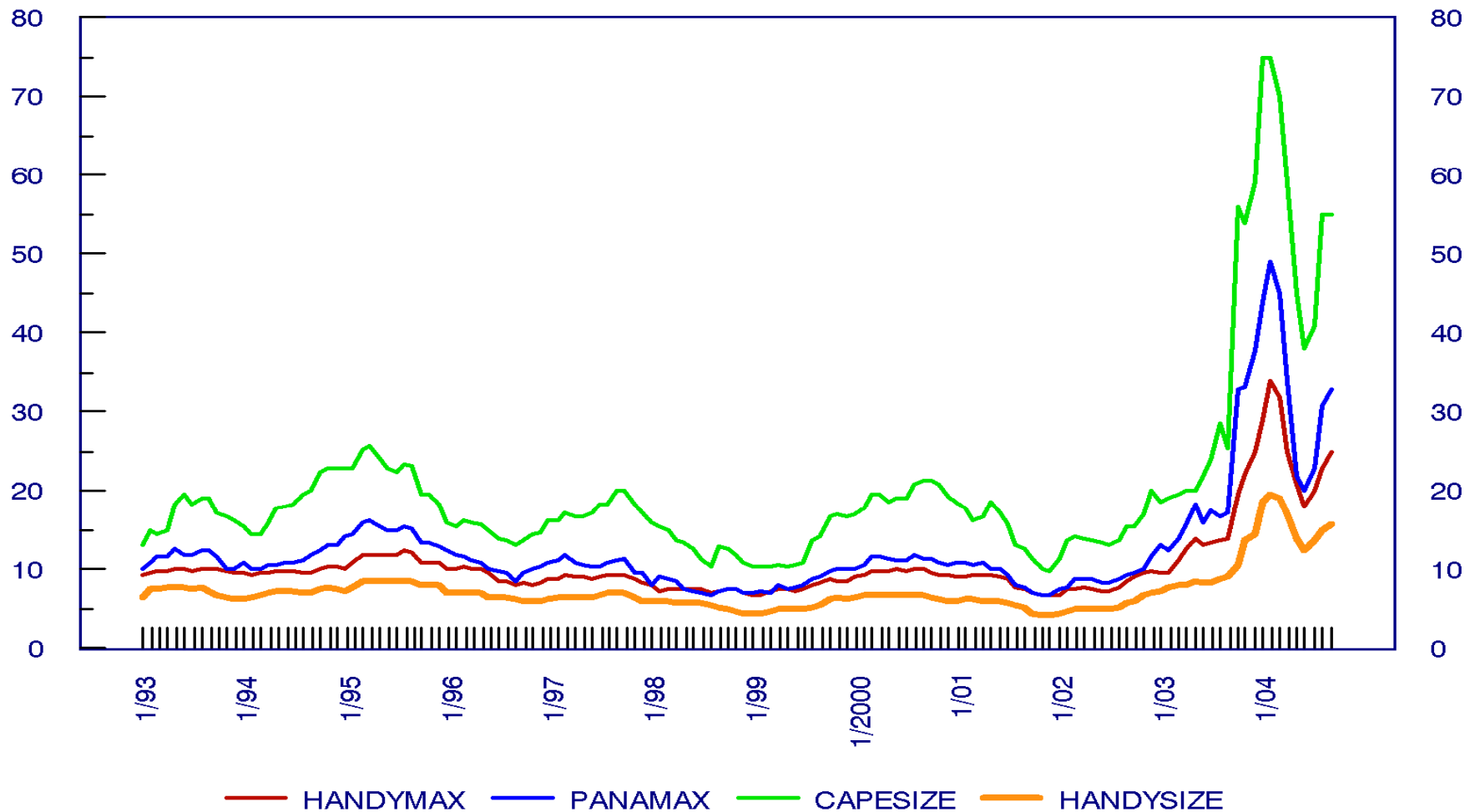
## ESTIMATED WORLD SEABORNE TRADE IN 2003



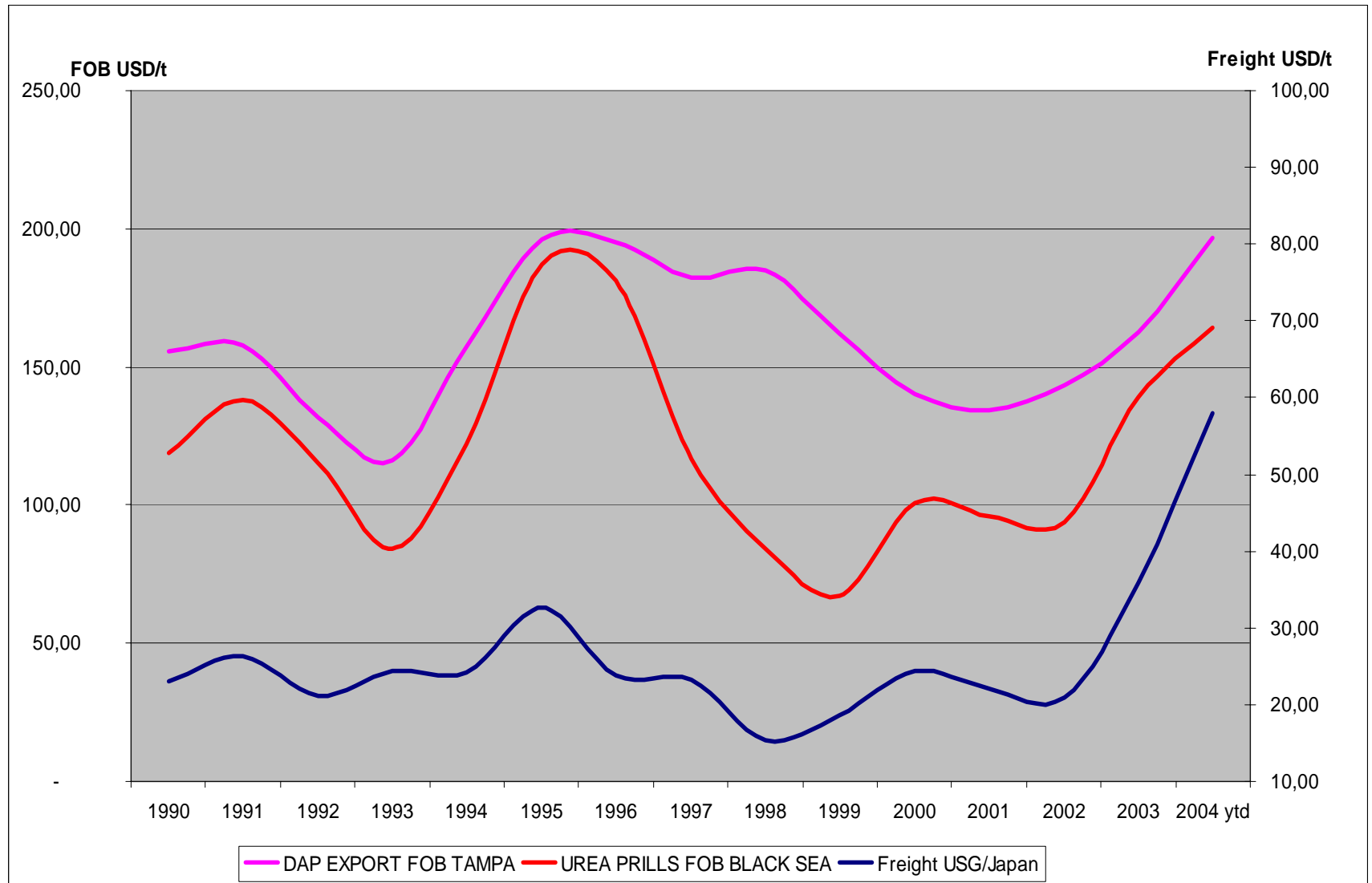
PLEASE NOTE THIS IS PRELIMINARY FIGURES

# 12 MONTHS T/C RATES FOR BULK CARRIERS

1000 \$/DAY



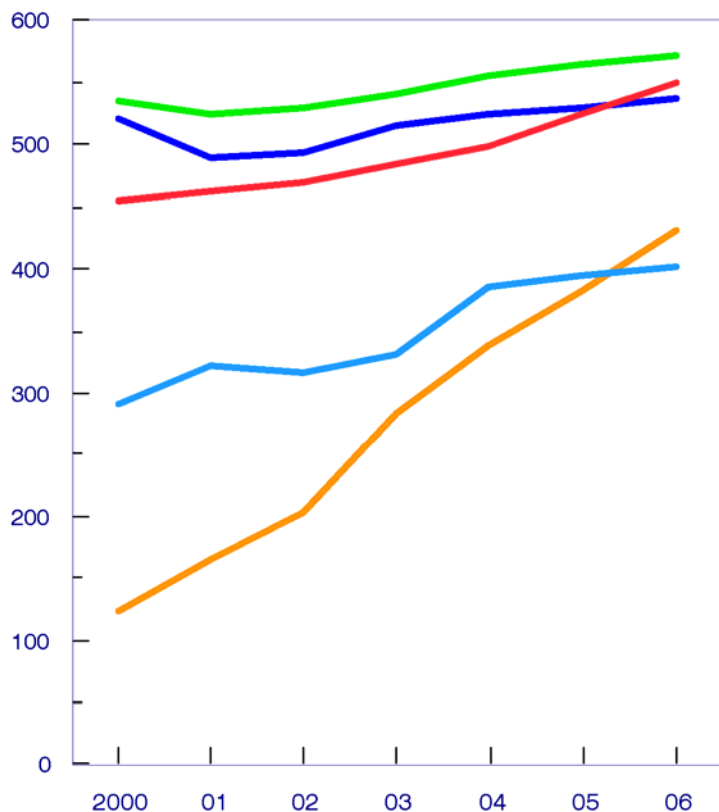
# Freight versus FOB prices



# ESTIMATED CHANGES IN SEABORNE TRADE

## REGIONAL IMPORTS

MILL. TONNES



CHINA W. EUROPE OTHERS  
JAPAN OTHER ASIA

## ANNUAL CHANGES IN %

	2003	2004	2005	2006
STEEL RELATED	8.7	8.9	4.2	4.1
STEAM COAL	7.7	8.8	6.5	6.1
GRAIN	-0.7	0.9	1.5	2.2
SOYABEANS/MEALS	23.6	-2.1	5.7	8.1
FOREST	4.1	4.3	3.9	5.2
OTHER BULKS	5.1	4.9	2.8	2.5
TOTAL VOLUME	7.1	6.8	4.2	4.0
<b>TONNAGE DEMAND</b>	<b>10.6</b>	<b>9.0</b>	<b>2.9</b>	<b>1.7</b>



# ECONOMIC GROWTH FORECASTS

	<u>2003</u>	<u>2004</u>	<u>2005</u>
US	+3.0	+4.3	+3.6
EU	+0.9	+2.2	+2.3
JAPAN	+2.5	+4.2	+1.8
CHINA	+9.1	+9.0	+7.8
KOREA	+3.1	+5.4	+5.0
SE ASIA	+4.5	+5.9	+5.1
L AMERICA	+1.6	+4.9	+3.5
-----			
WORLD	+3.9	+4.6	+4.1
-(IMF 4/04)	+3.9	+4.6	+4.4

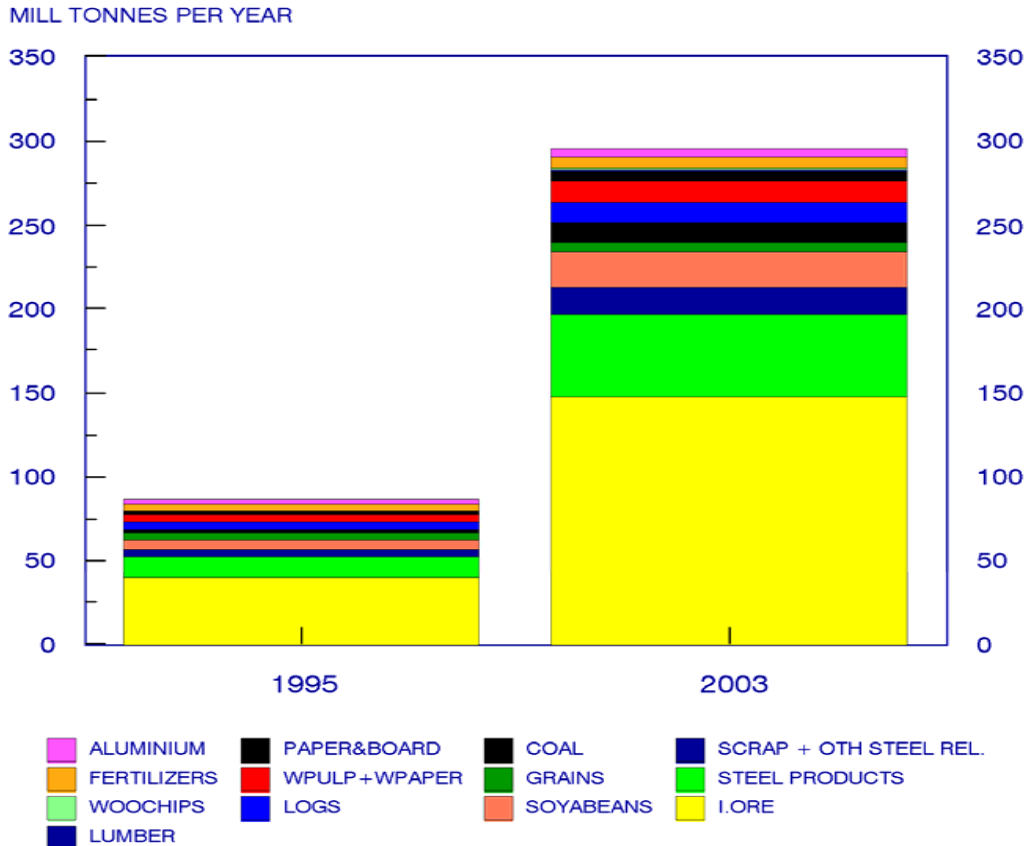
-----

Forecasts are mainly based on Sep 04

Consensus Forecasts



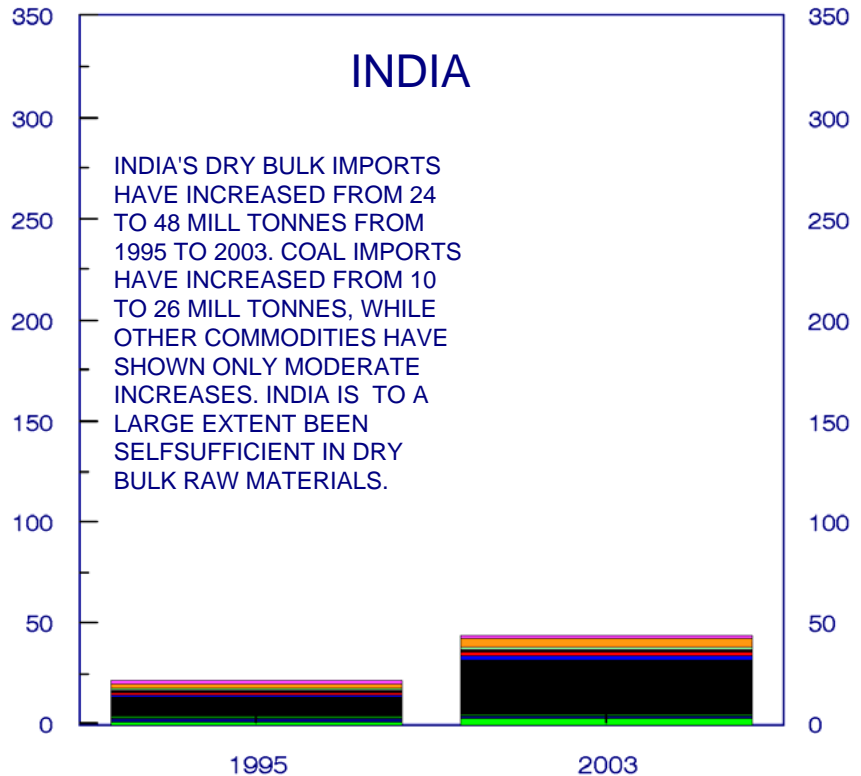
# CHINAS DRY BULK IMPORTS



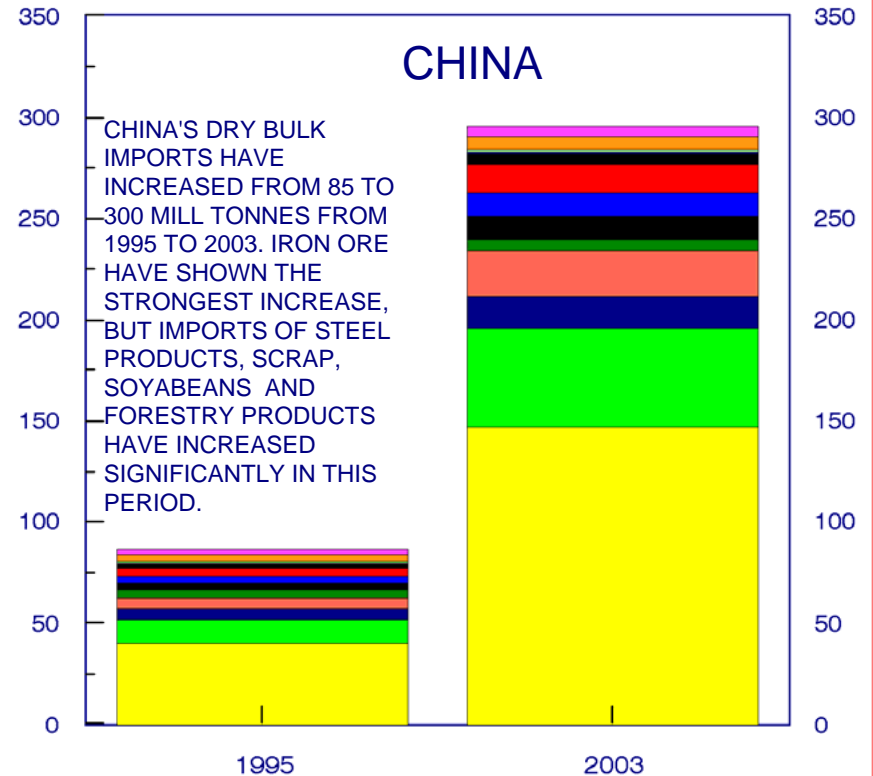
CHINA'S DRY BULK IMPORTS HAVE INCREASED FROM 85 TO 300 MILL TONNES FROM 1995 TO 2003. IRON ORE HAVE SHOWN THE STRONGEST INCREASE, BUT IMPORTS OF STEEL PRODUCTS, SCRAP, SOYABEANS AND FORESTRY PRODUCTS HAVE INCREASED SIGNIFICANTLY IN THIS PERIOD.

# INDIA VS CHINA IN DRY BULK IMPORTS

MILL TONNES PER YEAR



MILL TONNES PER YEAR

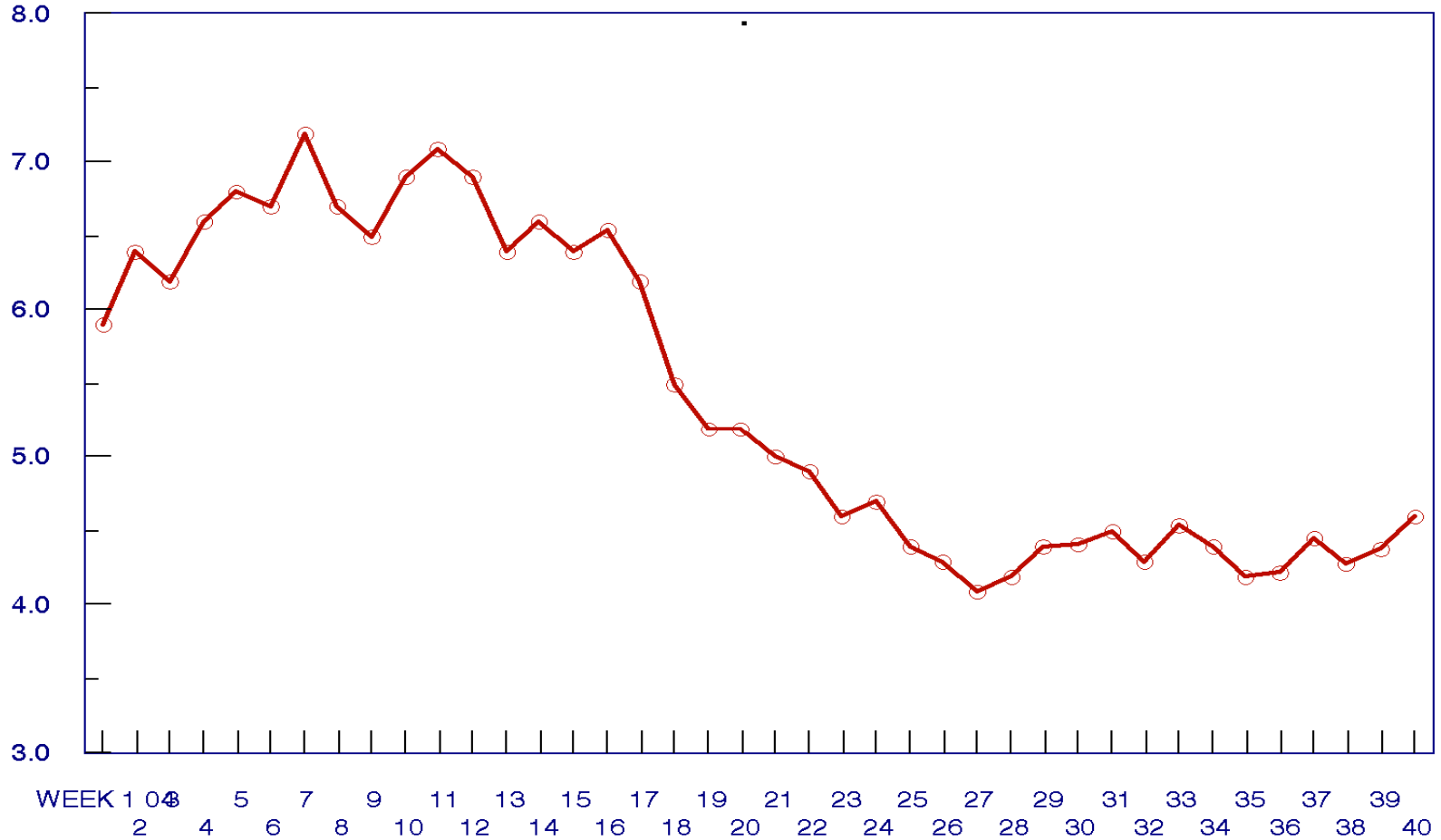




# CONGESTION OF BULK SHIPS

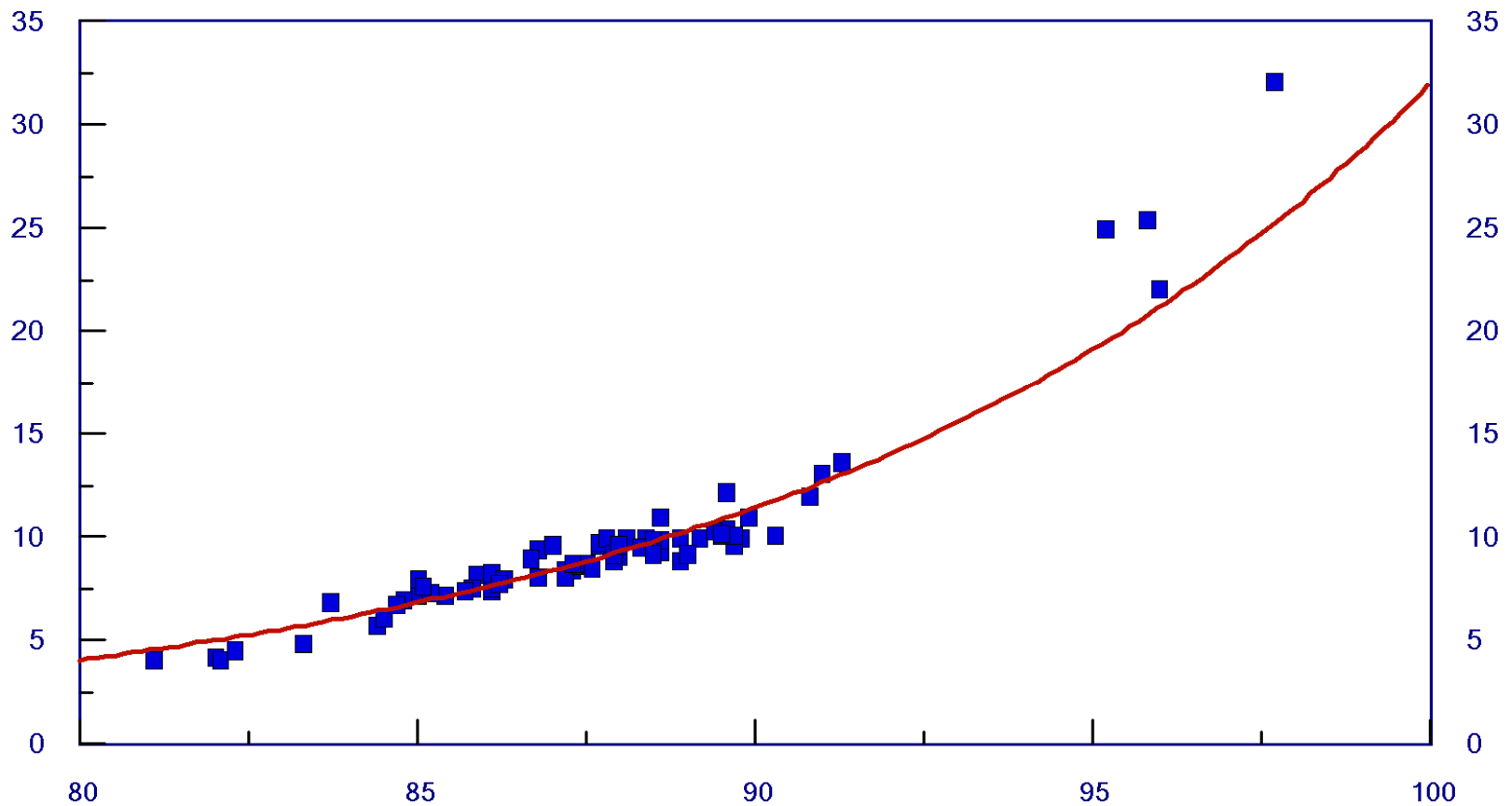
## PERCENT OF TOTAL FLEET TIED UP IN EXTRAORDINARY CONGESTION

PERCENT



# FREIGHT RATES VS UTILIZATION RATE HANDYMAX

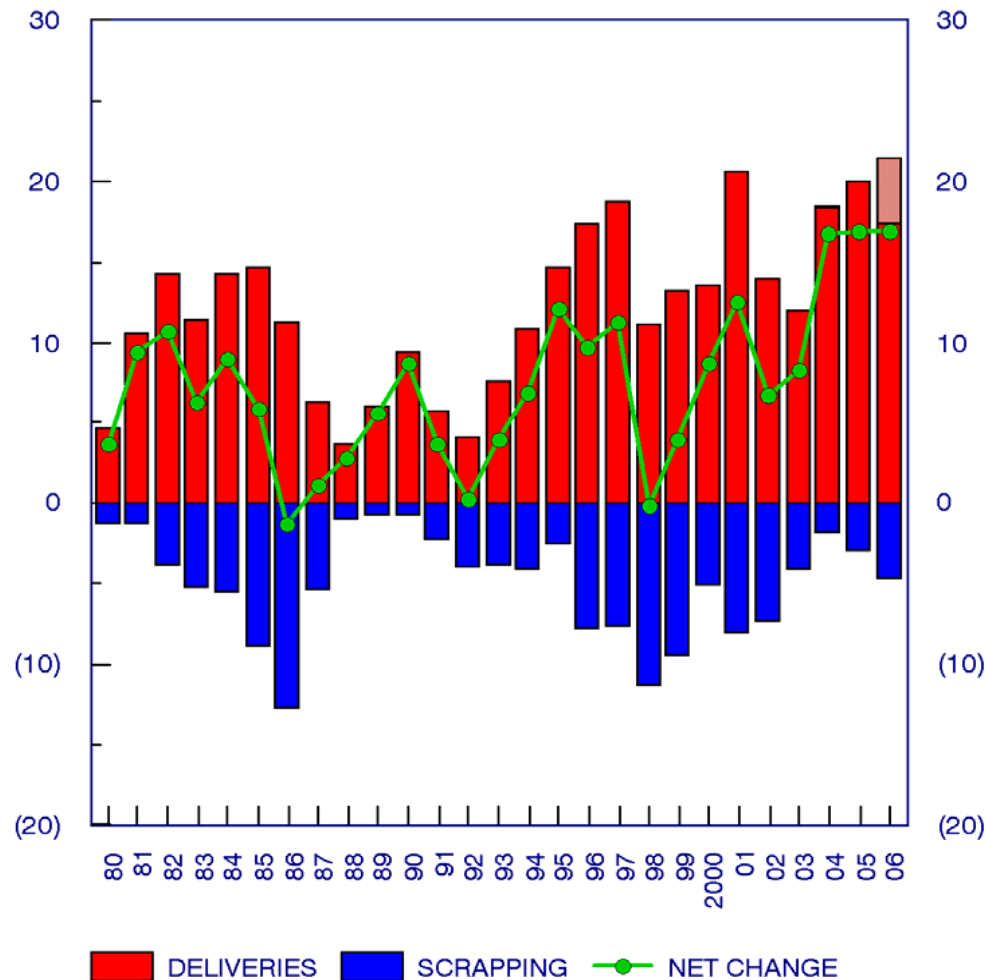
1000 \$/DAY



R-square = 0.889 # pts = 71  
 $y = 0.0011e^{0.103x}$

# THE DRY BULK CARRIER FLEET TREND

MILL. DWT

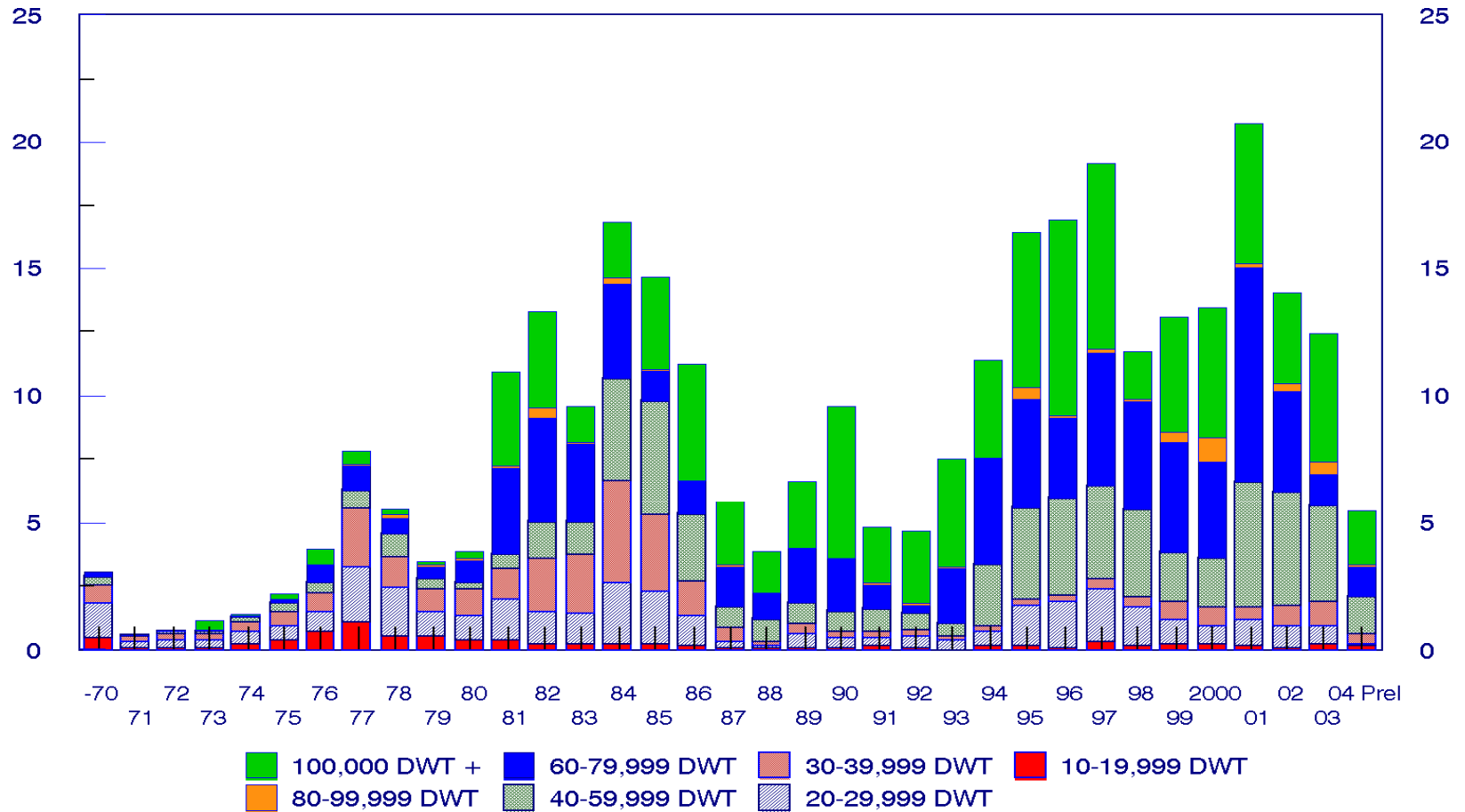


ANNUAL CHANGES IN % (YEARLY AVERAGE):

	2000	01	02	03	04	05	06
HANDY	1.1	1.5	2.0	1.9	3.3	4.5	3.3
PANAMAX	3.8	6.7	6.0	1.0	2.5	6.0	4.7
CAPE INC COMB	1.8	5.4	2.4	4.3	7.6	6.5	7.9
TOTAL	2.0	4.0	3.2	2.4	4.5	5.5	5.2

# AGE PROFILE OF BULK CARRIERS AS AT 1.7.2004

MILL . DWT



# SUPPLY, DEMAND AND UTILIZATION RATE

## DRY BULK FLEET 10.000 DWT +

MILL DWT

UTILIZATION RATE

