BRS BARRY ROGLIANO SALLES
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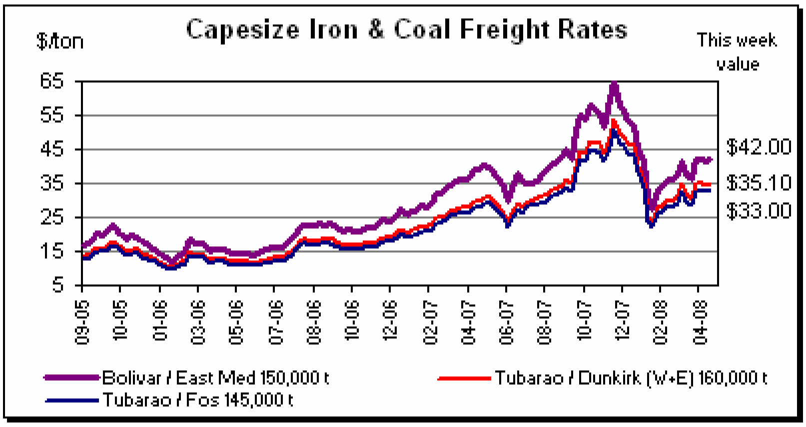
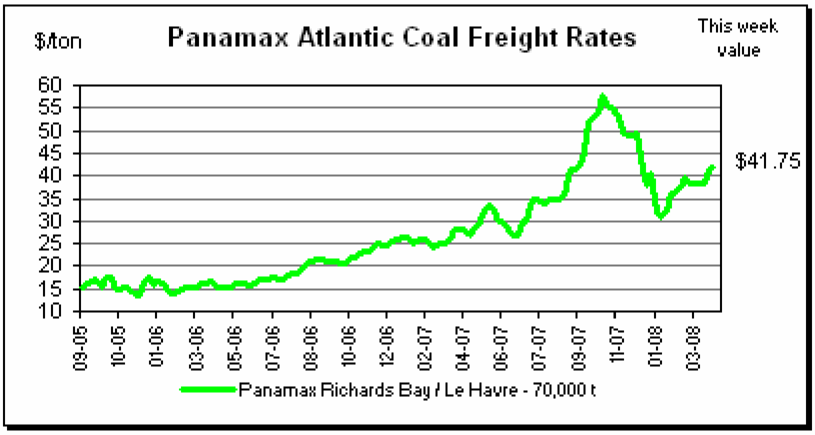
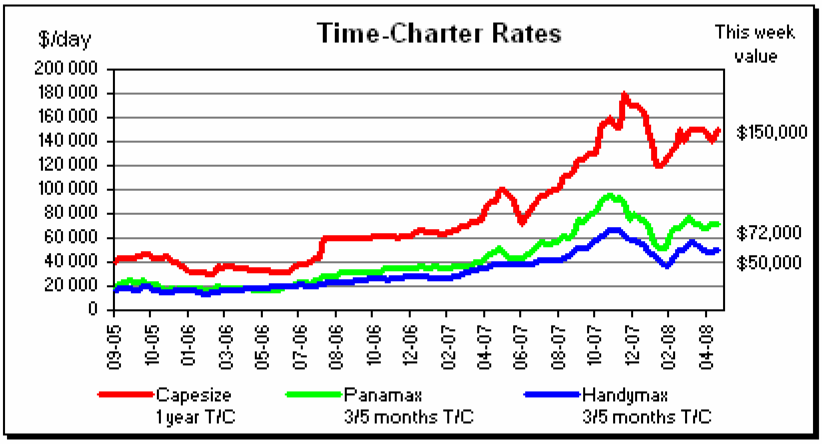
DRYBULK NEWSLETTER

BRS Dry Bulk Newsletter is a summary for BRS clients of current market trends and developments.

N° 582 – April 21st, 2008







Trends

- Capesize Atlantic ↗
- Capesize Pacific ↗
- Panamax Atlantic ↗
- Panamax Pacific ↗
- HandyMax Pacific ↗
- HandyMax Atlantic ↗

Capesize FFA Market Assessment

(as of April 18th, 2008)

	Bid	Offer
C4 ~ Richards Bay / Rotterdam		
Apr 08	37,75	38,00
May 08	38,25	38,50
June 08	37,75	38,00
July 08	37,00	37,50
Aug 08	37,00	37,25
Sep 08	36,75	37,00
Oct 08	36,75	37,25
Nov 08	34,25	34,75
Dec 08	34,00	34,25
Cal 09	29,75	30,25
Cal 10	23,00	23,25
Cal 11	19,75	20,00
C7 ~ Puerto Bolivar / Rotterdam		
Apr 08	36,50	36,75
May 08	37,25	37,75
June 08	37,00	37,25
July 08	36,50	37,00
Aug 08	36,25	36,75
Sep 08	36,00	36,25
Oct 08	35,75	36,00
Nov 08	34,50	34,75
Dec 08	34,00	34,50
Cal 09	30,00	30,25
Cal 10	23,00	23,25
Cal 11	19,75	20,00
Average 4 Timecharter routes		
Apr 08	134 000	134 500
May 08	133 500	135 000
Q2 08	138 000	138 500
Q3 08	135 000	136 000
Q4 08	132 500	133 000
Q1 09	113 000	113 500
Cal 09	94 500	94 750
Cal 10	65 250	65 750
Cal 11	47 000	47 500

Source: BRS Futures Limited
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At a Glance ... DRY BULK *Market* ... At a Glance

N° 582 – April 21st, 2008

Trends ... DRY BULK *Market* ... Trends

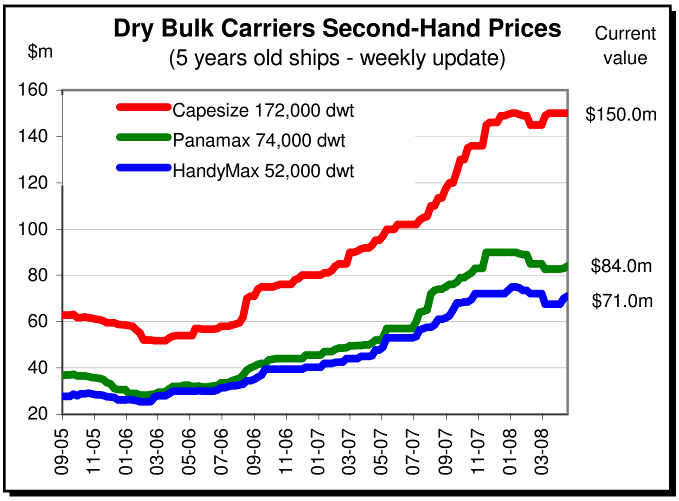
More reports of VLCC conversions this week, despite news that the growth in Chinese iron ore imports slowed to just 6.6% in March. While speculative conversions have largely dried up, South Korea operator Polaris Shipping reportedly bought four single-hull tankers for transformation into bulkers. The company appears to have Posco backing for the move. Meanwhile Cosco Shipyard also announced it had completed the first conversion contract in the recent wave. The Hosco-owned Hebei Success is reported to have come in at budget, at $25m, while work took seven months, somewhat higher than the three-to-six months suggested by many commentators when the trend for conversion projects first emerged. Indeed since then we have seen some owners such as TMT opt for demolition over conversion. Players looking at future conversions will have to weigh up future iron ore prospects, with Chinese authorities already predicting a fall in steel production growth from 16% in 2007, to between 6%-10% this year. Meanwhile tense contract talks between the mining groups and Chinese steel producers opened up a new possibility this week. BHP confirmed if prices were not agreed by 30 June, it would shift some sales onto spot prices, and in some cases could be legally entitled to walk away from contracts. This 'wild card' will no doubt make up another part of owners' conversion calculations.

After softening early on, the **Capesize** market rebounded firmly in the second half of the week, driven by activity in the Atlantic. The four time charter average rose US$2,210 over the week to finish at US$135,080 and there was again more evidence of long-term contracting. A 10-year period deal was reported signed at $38,500/day (probably gross) for forward delivery in mid-2011. Meanwhile a firm $150,000/day was paid for a one-year charter with prompt delivery in the Atlantic. The Baltic Capesize Index leapt another 288 points on Monday, underlining the surge in confidence.

The Baltic **Panamax** Index went up by 522 points last week, finishing at 8,601. The Panamax four time charter average gained US$4,200, inching up to US$70,000. Strong activity in the Atlantic, where plenty of fresh requirements hit the market, prompted rates to jump from the low US$70,000s to the high US$70,000s. In the Pacific, the activity was mainly driven by the NOPAC round via Australia and coal from Indonesia to China. The NOPAC round gained US$5,000/day to reach the low-mid US$60,000s. This market was also supported by a strong interest in period. Interest on LMEs for short period was standing at US$70,000 for Pacific vessels and high US$70,000s in the Atlantic. Some players also found interest in long period. One 69,000 dwt built in 1984 was reported fixed for five years with delivery Singapore-Japan June/Nov 2008 and redelivery worldwide at US$35,000. There were also rumours of a 76,000 dwt for delivery 2008 fixed for 10 years at US$25,500/day.

Handies and **Supras** started moving in the Atlantic on the back of intense trading from South America.
Handymaxes for transatlantic round voyage ended the week in the low/mid US$50,000s. Smaller sized units managed to get in the low US$30,000s for similar trade. By contrast, the situation in the east is far from bright. There is some business around but available spot/prompt tonnage is still plentiful. The Great Mary (31,000 dwt, built 2000) was fixed at US$30,000 delivery Singapore for west coast Australia round voyage, after having failed numerous times and a long ballast from Japan. It looks like the newbuilding deliveries are already taking their toll and are weighing hard on the market over there. Local trips still pay in the low US$40,000s. India remains stable since trips west coast to China are still holding in the mid US$60,000s.

S&P market:
All dry bulk indices ended the week up and most owners remain cautiously optimistic at least for the next few months. Modern Panamax and Supramax vessels continue to attract firm prices. There was one Cape bulker sale last week: the 'Castle Peak' (150,000 dwt, built 1990 in Japan) at US$73m to Indian buyers. On the Panamax front and continuing from our last week's report we can now advise that the Fednav-controlled Panamax 'Federal Maple' (76,000 dwt, built 2004 in Japan) has been sold to Dryships for a price in the region of US$87m. In the Supramax segment, we can confirm JinHui Holdings have sold the 'Jin Feng and 'Jin Ying' (53,000 dwt, built 2/2008 & 11/2007 in Japan) enbloc for US$81m and US$79m to clients of Magna Marine/Panagopulos Group. The ships will be delivered charterfree in May/June 2008. Meanwhile French owners Setaf-Saget are reported to have sold their 'Fructidor' (53,000 dwt, built 2005 in China) together with a 'Dolphin 57' type newbuilding (57,000 dwt, built end 2008 in China) for an enbloc U$126.4m to Peter Doehle-controlled Splosna Plovda in Slovenia.



Dry Bulk Carriers Orderbook

Dry Bulk Carriers Orderbook
21/04/2008 (Source: BRS) Number of ships

	2008 (deliv.)	2008*	2009	2010	2011	2012	2013+	Total on order
VLOC		8	16	28	38	21	2	**113**
Capesize	(8)	37	129	266	99	12	10	**553**
Small Cape	(1)	10	50	102	90	22		**274**
Panamax	(22)	70	96	150	90	27	2	**435**
Supramax	(31)	157	272	300	176	40	2	**947**
Handysize	(16)	111	212	195	130	35		**683**
Total	**(78)**	**393**	**775**	**1041**	**623**	**157**	**16**	**3005**

* Includes delayed 2007 vessels
VLOC: >220k dwt
Cape: 120k-219k dwt
Small Cape: 83k-120 dwt or >32,3 beam
Panamax: 60-80k dwt & <=32,3 beam
Supramax: 40-60k dwt
Handysize: 24-40k dwt