



NORDIA BULK A/S

- WORLD WIDE DRY BULK OPERATORS

Order Book and Freight Challenges

by
Michael Hojsgaard

OrderBook

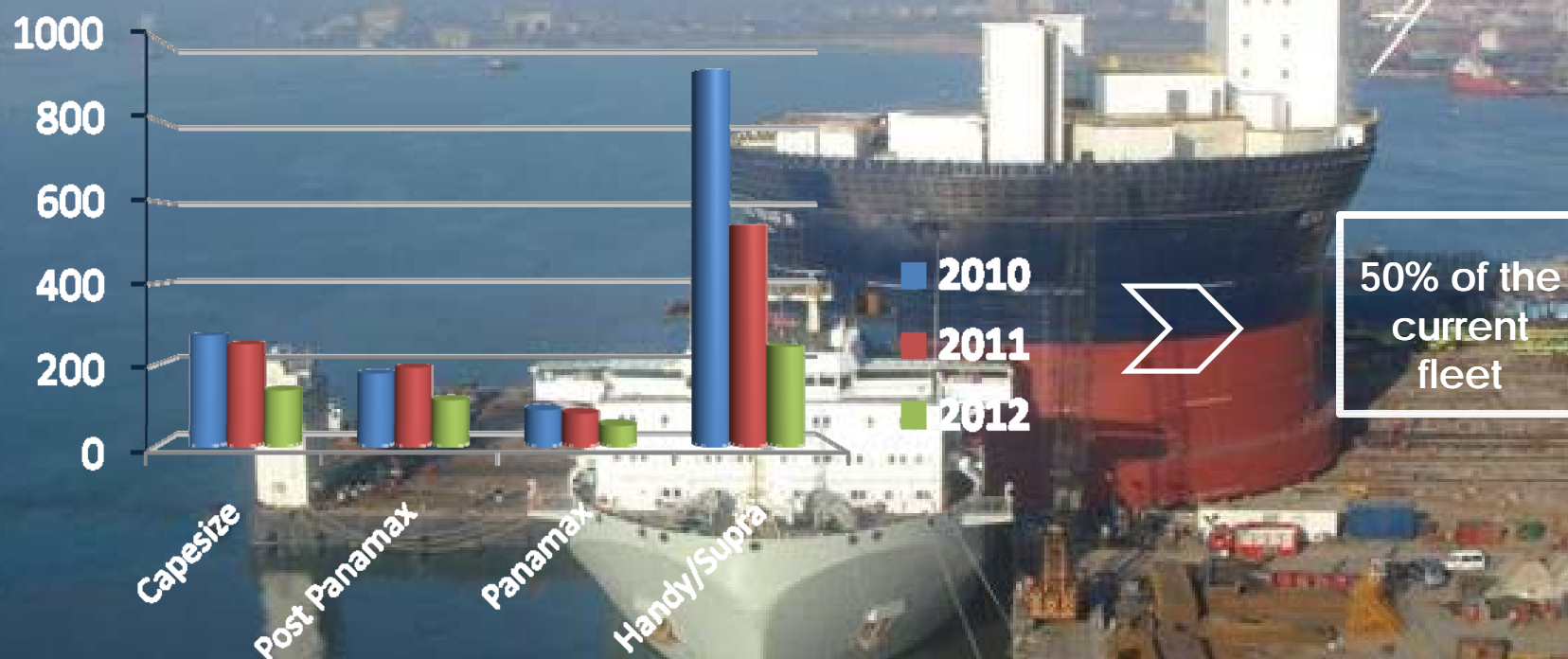


Inaccurate Chinese information feed

China Shipyards



Dry Bulk Orderbook from 2010 to 2012



Total Cape additions: 649 Ships
Total PostPanamax : 473
Total Panamax : 208
Total Handy-Supra : 1706

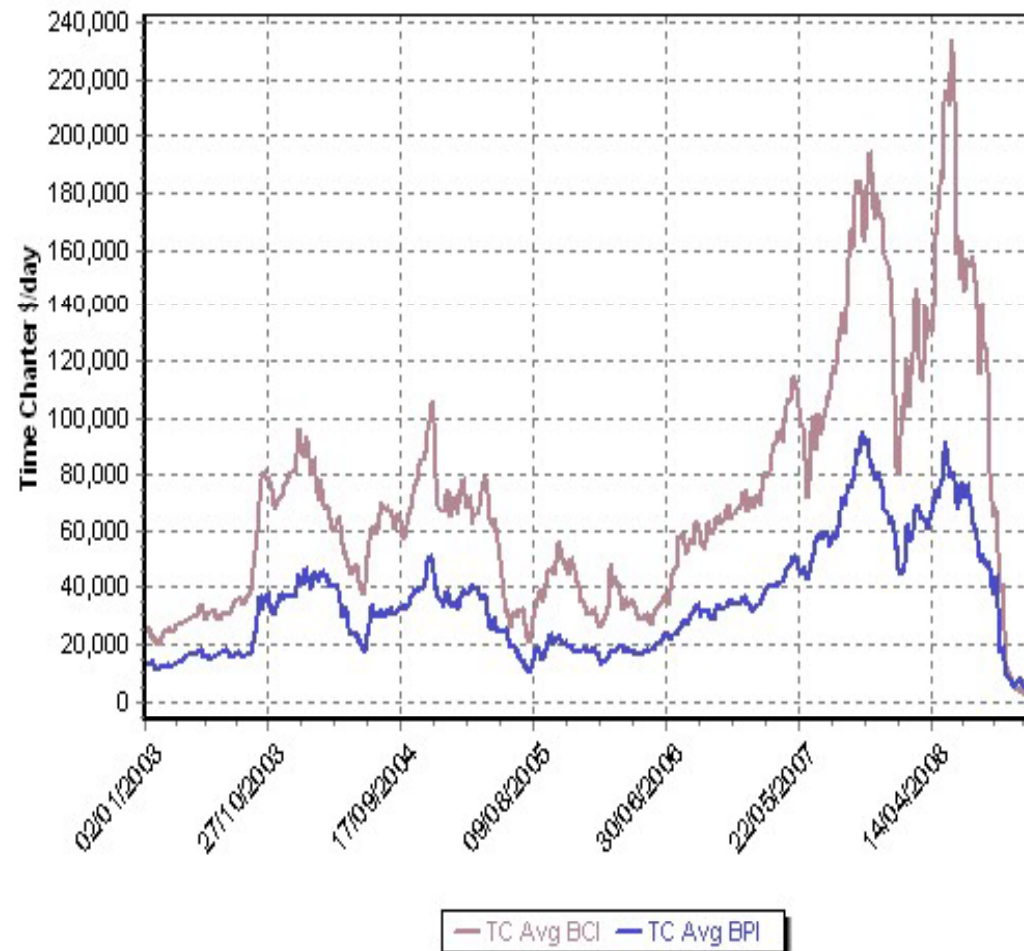
- Huge amount of ships being ordered between 2007 to 2009
- Ships available to the market from 2009

new Yards were being built
mainly in **China**
but also **Vietnam**
and **India** followed

Fourth quarter 2008 saw the
Shipping Market, as well as other
Financial Markets *collapse*

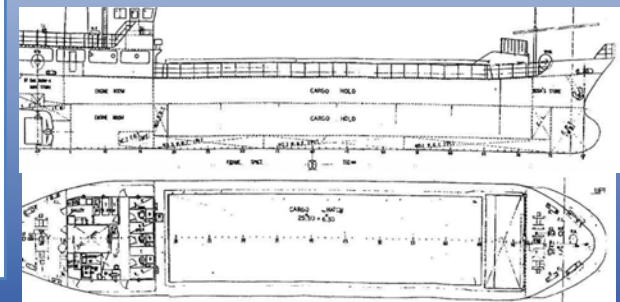
DROP in Freight Rates

Baltic Indices and Routes



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The Shipping market
went down
95 % from the high
(approximately)



7% fleet increase in 2009
7% fleet scrapping in 2009

0% fleet expansion

- 40% of the OrderBook for 2009 Cancelled
- Total volume of the OrderBook for 2010 \Rightarrow 100/125 million tones DWT
- 50% of the OrderBook going forward will hit the Market
- 8 - 12 % of the fleet in 2010 \Rightarrow scrapping
- 4% increase in World GDP from 2009/2010
- 9% jump in World Steel demand
- a net fleet Growth of 9/11 % *(in 2010)*
- 20% of the current fleet is 20 years old or older \Rightarrow more scrapping

Demand : global economic growth is forecasted to accelerate in 2010

With such a huge Overbook How can the shipping market stay Afloat ?

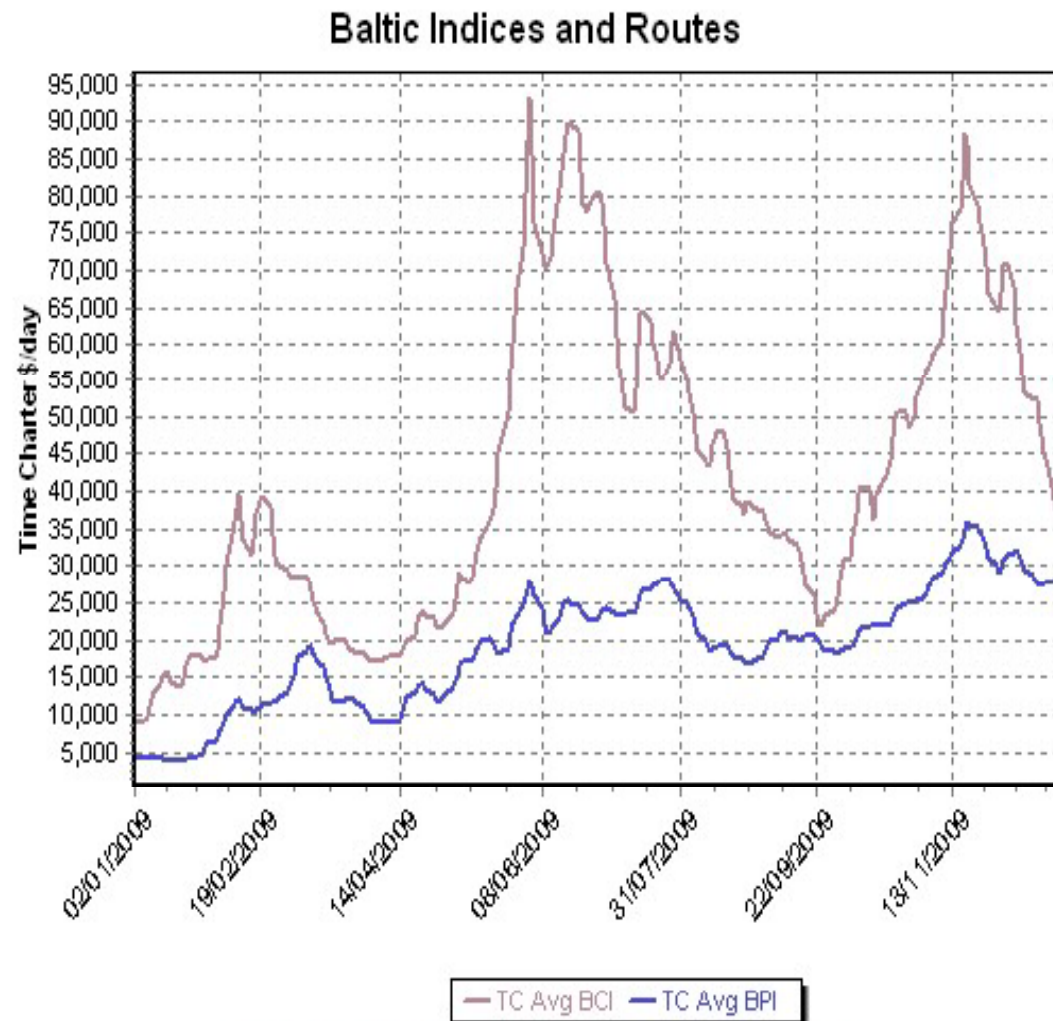
Freight Challenges



4th Quarter 2008 ➤ Collapse

- Credit Crisis
- Re-negotiating of Charter Parties
- Contracts of Affreightment Cancelled
- Operators Default

May 2009 RECOVERY



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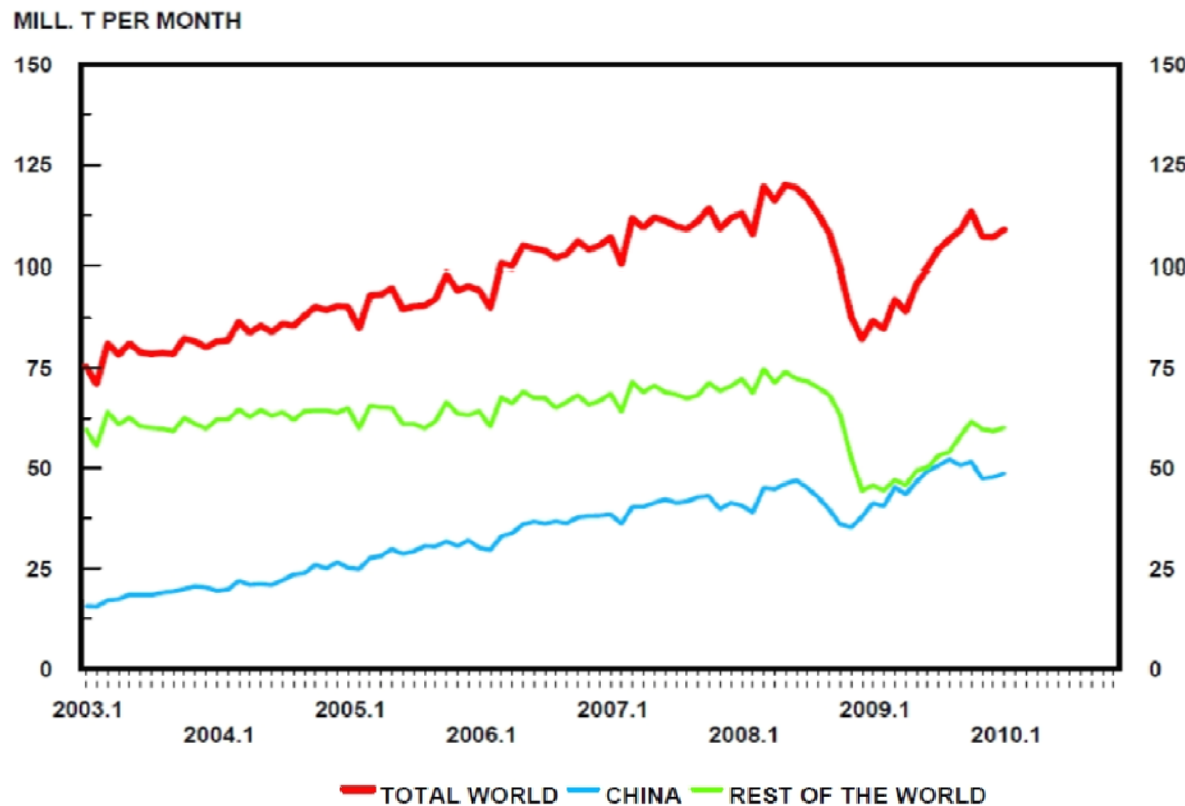
Market took off again



Iron Ore – Still Going Strong

Iron Ore and Coal demand from China will drive the market

WORLD STEEL PRODUCTION



Iron Ore (steel) ➤
steel for Building Industry
Coal ➤
Power Utility Companies

Iron Ore suppliers:
Australia
India
Brazil



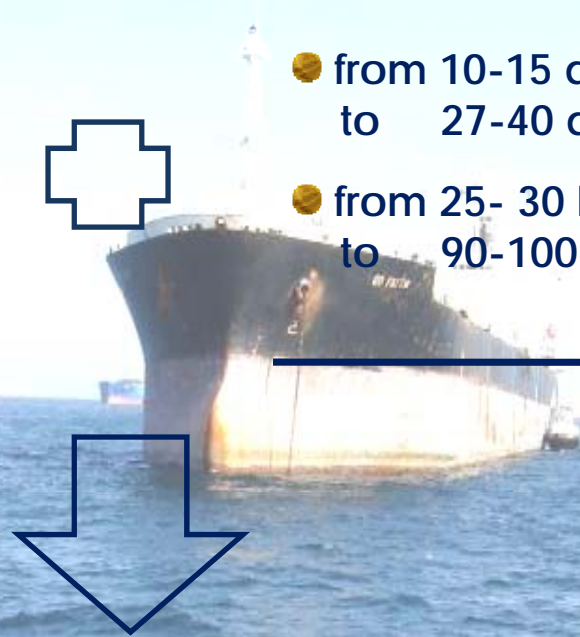
Bad Utilization of the Fleet

● Iron Ore (import) from the
Baltic / Black Sea / West Africa

● Panamax in ballast from
the Far East / East Coast
S.America / USG

● from 10-15 days trip
to 27-40 days

● from 25- 30 Round trip*
to 90-100 Round trip
**including ballast*



Increase the Tonne-Mile Ratio

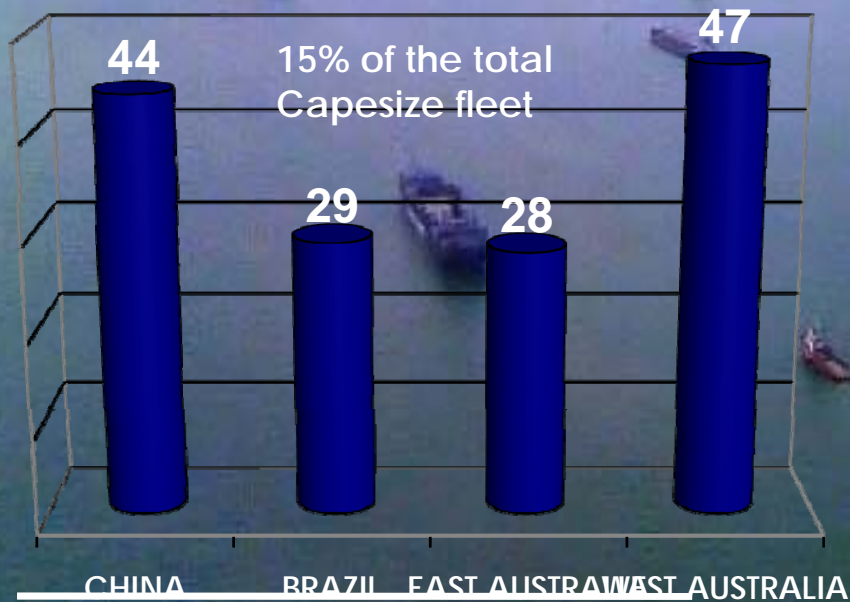
Congestion

↑ Demand of raw materials ⇒ congestion rise from 0/5 days to 30 days

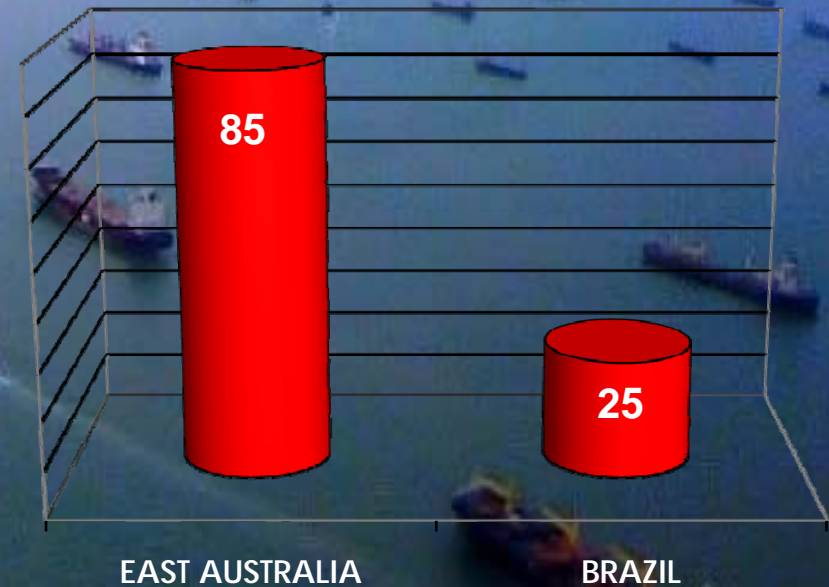
Ships
currently
in congestion

Capesize

Panamax



West Australia – Iron Ore ports
East Australia – Coal Ports



East Australia – Coal Ports
Brazil – Grain Ports

Conclusion

many Ships entering the Market

Increased volatility in the Shipping Market

↑ Demand
from China/Japan/India/S.America/
S.Africa/ S.Korea / Asia

Will the Market be able to absorb the
extra capacity ?

Stay Calm and Buy into the Shipping Market