UMETAL WEEKLY

Iron Ore

Vol. 1 No. 122 Sep 26- Sep 30, 2011

Weekly Publication for Your Trade Exploration

Published each Monday except National Holidays

Weekly Port Stocks (Sep 23)

Total Stocks at 19 Ports (Mt)	7-day Change (t)
99.88	+253,000

Note: *Iron ore stockpiles in the table cover 34 Chinese Ports from previous 30 starting June 17, 2011.

TOP HEADLINES

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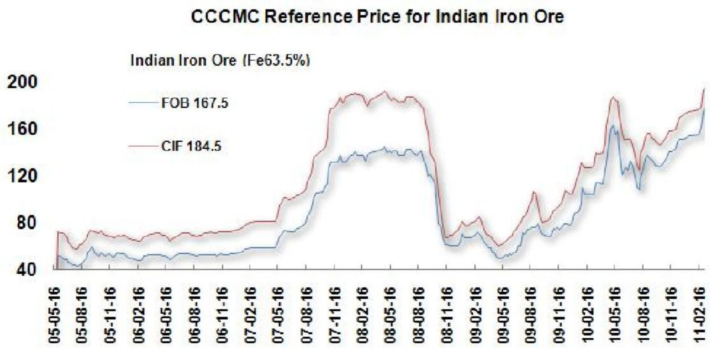
India- China Route Rate (Sep 29)

Vizag Port - Qingdao Port	
Ocean Freight (US$/t)	7-day Change
15.63	-0.03

CCCMC Reference Prices

Date	Indian Ores	High	Low	Unit
2011-9-28	FOB	168	167	$/t
2011-9-2/	CIF	185	184	$/t



Reference Prices for Indian IOF Contracts on Offer

Grade (Indian Iron Ore Fines)	CFR ($/T)					Port of Loading	Remark
	Sep 26	Sep 27	Sep 28	Sep 29	Sep 30		
63.5/63	183-185	182-184	180-182	179-181	178-180	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
63/62	177-179	176-178	174-176	173-175	172-174	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
62/61	172-174	171-173	169-171	168-170	167-169	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
61/60	165-167	164-166	162-164	161-163	160-162	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
60/59	159-161	158-160	156-158	155-157	154-156	Goa/Mangalore	Moisture: 8%; To be loaded at one Indian port
59/58	153-155	152-154	151-153	150-152	149-151	Goa/Mangalore	Moisture: 8%; To be loaded at one Indian port; To be unloaded at Chinese Northern ports

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Top Industry Stories

FMG: Iron Ore Production to Surpass 12 mln Tonnes in September Quarter

Australian iron ore producer Fortescue Metals Group (FMG) said on Friday production for the September quarter had been strong and shipped volumes would be more than 12 million tonnes.

The average selling price for the period would be around AUd160/tonne subject to final adjustments, company said in a statement.

The firm also said its iron ore expansion programme was progressing on time and on budget. (Editing by Mike Lei)

Russia's Severstal Aims to Be Top 5 Largest Steelmakers

Russia's Severstal aims to become one of the world's five largest steelmakers in terms of core profit, betting on further growth in global steel prices, the company said on Thursday.

Severstal, Russia's biggest steelmaker, was the world's number eight in 2010 in terms of earnings before interest, taxation, depreciation and amortisation, which stood at US$3.3 billion last year. (Editing by Mike Lei)

Vale Holds Informal Talks with Chinese Steelmakers in Qingdao

Vale, the world's largest iron ore producer, has held informal discussions with Chinese companies to help develop a steel plant project in Brazil, reflecting its optimistic outlook for global demand.

"We had several meetings here yesterday, but talks are prospective," Jose Carlos Martins, the Rio de Janeiro-based company's executive director for marketing, sales and strategy, told reporters today in Qingdao. "We are open to talks."

Global iron ore demand will remain strong as supply falls short of forecasts and the sales outlook for steelmaking raw material is "very good" because of infrastructure expansions in China, India and other emerging countries, Martins said yesterday at the conference.

The supply-demand will become more balanced during the 2015-2017 period when new iron ore capacity comes on stream and prices may be "a bit down then stable," he said today.

Iron-ore prices may average US$170/tonne next year, US$160/tonne in 2013 and US$125/tonne in 2014, Goldman Sachs Group Inc. mining analyst Marcelo Aguiar said this week. (Editing by Mike Lei)

India: Tata Metaliks to Add Facilities at Sinter Plant

After entering into an agreement to sell its Redi plant in Maharashtra, Tata Metaliks, a part of Tata Steel, is looking to add facilities at its Sinter plant.

"Coke oven batteries would be added at Kharagpur", Tata Metaliks chairman, Koushik Chatterjee, said, on the sidelines of the company's annual general meeting. The capital expenditure programme for Kharagpur has not been finalized as yet, but is expected to happen by the end of the year. (Editing by Mike Lei)

Russian Company to Seek More Raw Materials

OAO Severstal, Russia's second- biggest steelmaker, will invest about US$1.5 billion to US$2 billion a year to raise output and mine more raw materials, feeding its own plants while expanding sales at home and abroad.

"Mining is an essential part of our company, a very strong generator of revenues and earnings," Chief Executive Officer Alexey Mordashov said today in an interview in London. "The contribution of mining will be bigger in the future."

Severstal is seeking to almost triple iron ore output from last year to 38.2 million metric tonnes by 2020 as it starts mining in Latin America and Africa, the company said today in a presentation. Coking-coal volumes will rise to 17.9 million tonnes from 7.3 million tonnes, helping Severstal increase steel output by a third to 19.6 million tonnes, it said.

The company has snapped up iron ore deposits in Brazil and West Africa as it seeks to counter rising raw-material costs. After selling three unprofitable steel mills in the U.S. in March and separating its Italian Lucchini SpA unit last year, Severstal has followed competitors in tapping emerging markets, where demand growth has outpaced expansion elsewhere.

"Our strategy is about upstream integration into raw materials and presence on the markets with good opportunities to grow," Mordashov said. (Editing by Mike Lei)

Australian Iron Ore Capacity to be Oversupplied

UMETAL-CHINA, Brett Russell Sadler, acting deputy director of West Australian Department of State Development said at an industrial conference that Australian iron ore capacity will show an oversupply in the coming years, along with large-scale investment in iron ore project.

He noted that eight iron ore projects are being developed in West Australia now and the quarterly investments approach 3 billion Australian dollars. Additionally, there are also another thirty projects being evaluated, with a total investment exceeding 65 billion Australian dollars. Newly-added iron ore capacity annually will reach 1 billion tonnes in the following ten years.

Sadler added that Australian iron ore capacity will touch 870 million tonnes in 2015 and even hit 1.4 billion tonnes till 2020. However, the potential iron ore demand is only expected to stand at 600-685 million tonnes and 805-1034 million tonnes respectively in 2015 and 2020. (Editing by Susan Chen)

August Iron Ore Exports Jump by 8.9% YoY in Brazil

Statistics showed Brazil exported 32,479 tonnes of iron ore in August, jumped by 8.9% compared with 29,834 tonnes in last August.

Moreover, the country's exports of iron ore totaled 207,202 tonnes in the first eight months of this year, up by 5.4% from 196,517 tonnes over the same period of last year.

Among the total export, 101,445 tonnes were exported to China, up by 11.4%; 21,933 tonnes were to Japan, down by 10%; 17,420 tonnes were to Netherland, soared by 113%; 8,103 tons were to Germany, dropped by 45.5% and 8,073 tonnes were to South Korea, rose by 27.8%; all compared to that in the same period of last year. (Editing by Susan Chen)

BHP to Raise Iron Ore Output in Pilbara

UMETAL-CHINA, As reported already, mining giant BHP Billiton unveiled plans on Wednesday to increase its iron-ore production in the Pilbara region - the heart of Australia's iron ore mining to 450-million tonnes a year by adding infrastructure and building new mines.

BHP's current iron-ore production capacity is 155 million tonnes a year in the Pilbara, while rival Rio Tinto's capacity is 225 million tonnes a year. Rio Tinto announced a fortnight ago that it wants to grow output to 333 million tonnes by 2015. (Compiling by Helen Liu)

BREE: Australian Iron Ore Export Value to Increase in 2011-2012

Australia's resources and energy commodity export earnings are forecast to reach a record $215 billion in 2011?C12, according to the Resources and Energy Quarterly?CSeptember quarter 2011, released today by the Bureau of Resources and Energy Economics (BREE).

"The 21 per cent increase in resources and energy export earnings reflects strong increases for most commodities including coal, iron ore, oil and gas, base metals and gold" said Professor Quentin Grafton, BREE's Executive Director and Chief Economist.

The growth in earnings in 2011-12 is forecast to be underpinned by increases in export values for: iron ore (up 26 per cent to $68 billion); metallurgical coal (up 29 per cent to $37 billion); gold (up 47 per cent to $19 billion); thermal coal (up 29 per cent to $18 billion); crude oil and condensate (up 13 per cent to $13 billion); and liquefied natural gas (up 11 per cent to $12 billion).

Export volumes for the majority of minerals and energy commodities are forecast to increase including for metallurgical and thermal coal, iron ore, gold, copper and nickel.

"The increase in export volumes for many minerals and energy commodities reflects increased mine and infrastructure capacity, particularly for iron ore and coal," said Professor Grafton.

In 2011-12, increases in export volumes are forecast for: gold (up 12 per cent to 338 tonnes); metallurgical coal (up 11 per cent to 156 million tonnes); iron ore (up 10 per cent to 449 million tonnes); thermal coal (up 8 per cent to 155 million tonnes); and copper (up 12 per cent to 950 000 tonnes).

However, prices are forecast to ease for a number of commodities reflecting assumed weak economic growth, particularly in north America and Europe. Prices for iron ore, metallurgical and thermal coal, aluminium and nickel are forecast to decrease in 2012 compared with 2011.

"While prices for a number of commodities are forecast to ease in 2012, it should be noted that in some cases they are coming off record high levels and still indicate a very positive outlook for the industry," said Professor Grafton. (Source: http://bree.gov.au/)

Baosteel: Iron Ore Price Mechanisms Need Improvement

Dai Zhihao, vice president of Baosteel, said in the 11th China Int'l Steel & Raw Materials Conference 2011 in Qingdao Wednesday that mechanisms used to price iron ore that came into use last year remain in transition and need to be improved.

Pricing iron ore quarterly based on retrospective prices gives rise to greater risk and potential non-performance, especially when spot and contract prices diverge during the quarter of delivery, Dai Zhihao told in the conference.

In addition, the pricing of lump ore and pellet should not be based on the degree in which fines prices have changed, as that peg may not reflect market conditions for those products, Dai said.

"While we don't expect a return to annual iron ore pricing," current pricing mechanisms remain problematic, he added.

The world's two biggest iron ore miners, Brazil's Vale and Anglo- Australian Rio Tinto, switched in early 2010 to setting iron ore prices for a quarter based on the average of spot price index values over the preceding three months, departing from a 40-year system of mutually negotiated annual pricing.

Rio Tinto then departed from pegging the price of lump ore to the percentage change in the price of fines for the third quarter of 2011, as steelmakers refused to accept that way of pricing due to a weak market for lump, Platts reported in July.

Dai also questioned the methodologies of the indexes that underlie contract pricing, noting that they are "assessments," which may be influenced by the market.

"I recognize that index providers have a wealth of experience assessing markets, but faced with the complicated iron ore market that is China, the question is coming up with values that are to the satisfaction of both buyers and sellers," Dai added.

Dai questioned whether the financial community should have a say in the pricing of iron ore through the use of financial derivatives like paper swaps as it was solely profit driven, and neither produces nor consumes iron ore.

The current economic environment of high credit risk, including the unfolding sovereign debt crisis, should make steelmakers reconsider participating in the swaps market, Dai said. "We should prevent iron ore from becoming Wall Street's second speculative tool after oil," he added. (Compiling by Helen Liu)

Australia's Iron Ore Miners Deny Experiencing Shipment Delays

Order books for the biggest iron ore producers in Australia remain full and the companies say they aren't experiencing delays to shipments of the raw steelmaking commodity, although the market remains concerned over demand and support for what had been strongly rising prices.

Rio Tinto is experiencing no delays to shipments, Alan Davies, president of the Anglo-Australian mining company's international operations, said Wednesday at an industry conference in China. Perth-based Fortescue Metals Group Ltd. (FMG) likewise has had no delays or deferral requests from its customers, spokeswoman Elizabeth Gosch told Dow Jones Newswires.

BHP Billiton (BHP) said demand remains strong for iron ore, coking coal, copper and other metals in China, a major market for the commodities.

Order books for both Rio and BHP, the two largest producers of iron ore in Australia's remote western Pilbara region that ships much of its ore directly to China, remain full. However, traders say there is a great deal of skepticism in the market over where prices for iron ore are headed amid concerns faltering economic growth in the U.S. and Europe could spread to Asia.

"There is talk that some customers have asked exporters to hold off loading some ships," Peter Esho, chief market analyst at City Index in Sydney, said.

Rio, BHP and Fortescue are investing billions of dollars to ramp up production capacity in the Pilbara, which accounts for roughly 40% of the world's trade in iron ore by sea.

Rio last week told investors in London and New York commodity prices were still robust, although there was increased volatility and markets are weaker than they were six months ago. BHP executives had a similar message for investors this week during a tour of its operations in Western Australia, saying urbanization and industrialization in China, India and elsewhere would drive long-term commodity demand.

Fortescue's shares ended Wednesday down 7.9% at A$4.52, while BHP rose 0.5% to A$35.52 and Rio's shares advanced 1% to A$64.05. (Compiling by Helen Liu)

Another Illegal Mining Scam in Orissa

Another Illegal mining scam, this time in Orissa's Keonhjar district, has been unearthed. With an estimated worth of Rs 3 lakh crore, it could dwarf the Bellary mining scam.

The Sirajuddin Mines, Rungta Mines and the Indrani Patnaik Mines are three of the five companies chargesheeted by Orissa's Vigilance Dept for illegal mining. They are also among the 243 mines where work was suspended after an uproar in the Orissa Assembly in 2009.

But has illegal mining actually stopped? CNN-IBN travelled to these top three mines to investigate.

At the Sirajuddin Mines at Balda, truckloads of illegally mined iron ore emerged from the main gates. The loot goes on 24X7 - even at night trucks leave loaded with illegally mined ore.

At the Indrani Patnaik mines at Unchabali, illegal mining have been taking place at a grand scale.

At the Rungta mines at Jajang, even more illegal mining have been traced.

According to the state vigilance chargesheet, illegal iron ore mining at the three mines alone has caused a loss of a staggering Rs 2,352 crore to the state exchequer.

"We have issued show cause notice to these mines owners and have seized their equipments and have told them to stop work immediately till the investigation is complete. It's now for the mines dept to ensure that they do not operate. If they still operate, it's illegal," said Anup Patnaik, Director, Vigilance, Orissa.

It is estimated that till date, illegally mined iron ore worth Rs 3 lakh crore rupees has made it in thousands of trucks to Orissa's Paradeep port to feed the industrial boom in China.

Each ton of ore fetches the mining company Rs 8,000.

The government's measly royalty of Rs 26 per ton was set when prices were just Rs 1,200 per ton. Yet the state mines department prefers to defend the charge sheeted mine owners.

"The minerals are accounted for as royalty are paid, so it is not illegal in that sense. It's a violation of technical norm that they have done. We have asked Indian Bureau of Mines (IBM) to tell us what to do in these matters," said Manoj Ahuja, secretary, steel and mines, Orissa.

Last year the Indian Bureau of Mines did issue a show cause notice to these mines but took no further action. Only 13 minor officials have been arrested so far and not a single big fish has been touched. While the illegal mining, as CNN-IBN found out, simply goes on.

In April this year the Orissa High Court finished its hearing on the demand for CBI enquiry in the mining scam. The verdict is kept reserved. Many believe that only an independent, impartial enquiry can actually expose the alleged nexus between politicians, bureaucrats and mine owners.

India: Congress to Probe Illegal Mining in Goa

The Congress is likely to send a team to Goa to look into the allegations of illegal mining. CNN IBN had reported the INR 8000 crore iron ore mining loot on September 25th 2011.

According to Congress sources, no action will be taken against Goa chief minister Mr Digambar Kamat till the mining report is submitted in Assembly. The Opposition has alleged that the Goa CM colluded with the mining mafia.

Earlier, former Karnataka Lokayukta Justice Mr Santosh Hegde asked the Goa government to investigate who was responsible for allowing ore from the neighboring state to be illegally exported through its ports. Mr Hegde said that almost 4.5 million tonnes of ore was exported through Mormugao Port Trust, a port in South Goa. He alleged that "The ore which was being brought under pretext of consumption for local units was being exported through the port illegally."

According to Mr Hegde, this could not have been possible without the involvement of local people. He said that "This cannot happen innocently. This has been done in collusion with the locals. It is for the Goa government to investigate into who were these people who allowed the ore to be exported."

He said that the illegal exports were evident from the fact that ore of 62% to 64% ferrous content was exported from Goa port. He added that "Goa does not have such a high grade ore. So the question is from where the ore has come, and we say that it has come from Karnataka."

Mr Hegde's report had indicted then Karnataka chief minister Mr BS Yeddyurappa and others for carrying out mining activities illegally. He said that "It's not difficult for Goa to investigate into the illegalities as there are proper permits issued while ore is brought in from across the border. Every lot of ore brought in has certain identification."

Asian Steel Giants Unite to Increase Speaking Power in Global Iron Ore Market

UMETAL-CHINA, "China steel industry's dependence on imported iron ore stays at 65%, while Japan and South Korea's dependence degree reaches as high as 100%. " market sources said at Asia Steel Forum 2011, held in Shanghai on Sep 26-28, 2011.

Steel industry giants from China, Japan and South Korea appealed at the forum that steel companies from the three countries should cooperate and work together to curb sharply rising raw material prices. However, the detailed collaborative model has not been formed and the three parties still need more time to conclude an agreement.

Statistics from Global Steel Association showed that Asia's crude steel production totaled 881.197 million tonnes in 2010. China, Japan, India and South Korea's crude steel productions all rank the top 10 among the world total. Asia's crude steel production accounts for almost two thirds of world total and therefore Asia is the largest steel production base in the world.

However, huge crude steel production hasn't generated strong speaking power in international iron ore negotiations. The three countries have a high dependence on Australian and Brazilian's raw materials like iron ore & coke and are at a disadvantage in international pricing negotiations.

Specifically, China imported 334.25 million tonnes of iron ore in the first half year of 2011, up by 24.97 million tonnes OR 8.1% YoY. Meanwhile, purchasing prices for imported iron ore see a yearly growth of 37.4% over the same period. China has spent US$53.777 billion on imported iron ore purchases in H1 this year, increasing by US$19.293 billion YoY. Japan and South Korea steel industries also face the same problem.

Although Asian countries have suffered high-cost raw material, the export trade between Asian countries remain brisk. China imported 8.0331 million tonnes of steel products in H1, among which 73% came from Japan and South Korea. Over the same period, China's steel products export amounted to 24.3258 million tonnes, among which 23.05% was exported to South Korea.

SongYoonsoon, vice president from South Korea's Hyundai Steel said that China, Japan and South Korea should work together to curb the sharp increase in raw material prices and meantime the three parties should conduct regular communication to discuss how to prevent trade disputes between each other. Xu Le Jiang, Baosteel Group Chairman also said the three countries should enhance the depth of cooperation in the industrial field.

However, China steel industry faces the problem of low concentration among steel companies and Japan & South Korea also have their own development characteristics.Hu Yanping, analyst with Umetal said that current cooperation will focus on trade exchange and steel industries in Japan and South Korea are better developed than China. The three parties need more time to conclude an agreement on cooperation.

Some market sources at the forum said that the cooperation should be promoted by a non-governmental organization and should firstly discuss how to increase the speaking power in international negotiations. (Reporting by Li Tingting, Editing by Susan Chen)

Vale: Iron Ore Market Supply to be Tight on Strong Crude Steel Output in China

UMETAL-CHINA, Global iron ore market supply is expected to keep tight given strong crude steel production in China, even if developed countries face the risk of economic recession, said by the delegate from Vale at the industrial conference in Qingdao.

Jose Carlos Martins, Vale's executive officer for Marketing Sales and Strategy said at the conference that steel industry's economic fundamentals remain good on account of rising demand from newly emerging economies. (Reporting by Nick Zhang; Editing by Susan Chen)

China Spends 48% more Foreign Currencies on Iron Ore Imports

UMETAL-CHINA, China has been spending 48% more foreign currencies annually averagely in the past decades on its iron ore import, most of which were paid by domestic buyers, said by deputy Head of the Price Department of the National Development and Reform Commission.

China's iron ore imports totaled 448 million tonnes in the first eight months this year, rising by 42.71% year on year.

According to the statistics, the country paid US$20.05 billion more foreign currencies on the 37.5% price surge. (Editing by Susan Chen)

Rio Raises Stakes in Ivanhoe Mines to 49%

Global miner Rio Tinto has bought another 3.7 million shares of Ivanhoe Mines Ltd. raising its stake in the Vancouver-based gold and copper miner to 49 per cent.

Rio Tinto said Tuesday it had increased its holdings to the maximum level allowed under a deal between the two companies. The transaction involved a private share purchase that cost the company just over C$73 million and increased its stake by half a percentage point.

"The acquisition of Ivanhoe shares was made in compliance with existing contractual arrangements between Rio Tinto and Ivanhoe Mines that permits share purchases in certain circumstances and subject to certain limits," the British-Australian miner said in a release early Tuesday.

"Under the terms of these agreements and subject to certain exceptions, Rio Tinto's current maximum permitted shareholding in Ivanhoe Mines is 49 per cent." (Compiling by Helen Liu)

Anglo American Buys Stakes in Earaheedy Iron Ore

Joint venture participants Cazaly Resources and Vector Resources have signed a $71 million farm-in agreement that will see global mining house Anglo American take up to a 75 per cent stake in the Earaheedy iron ore project near Wiluna.

Under the agreement, Anglo American will initially take a 51 per cent interest in the project in return for a $1 million cash payment and project investment of $20 million over four years, after completing at least 7,500 metres of exploration drilling at Earaheedy.

Anglo American would be able to up its stake to 75 per cent on the completion of a bankable feasibility study (BFS) and a further cash payment of $5 million.

Also, following delivery of a positive BFS, Anglo will pay a further $45 million "success payment" to the Earaheedy joint venture.

Cazaly Resources managing director Clive Jones said the agreement recognised the "substantial" potential of the Earaheedy project.

"Earaheedy is a potentially major iron ore province and it needs the resources and expertise of a major player to develop it," Mr Jones said in a statement.

"Anglo American has the resources to invest in the development of this project, and we, and our JV partner, are very happy to have their support."

Cazaly and Vector will retain the full rights to the southern portion of the Earaheedy project area.

Meanwhile, Cazaly also announced that it had extended the due diligence and exclusivity period for an unnamed investment group to evaluate the Parker Range iron ore project, by 45 days.

"Both parties are satisfied that significant and positive progress has been made on due diligence and progressing the financing plan for the Parker Range project, noting that the investment group requires clarification of the time frame to define port access," Cazaly said in a statement. (Compiling by Helen Liu)

Update: Australian Lawmakers Seek to Harden Mining Tax

Australia's influential Greens, who wield the balance of power in the upper house, want the government to widen a planned resources profits tax to include gold mining, but will not insist on changes to pass the laws, leader Bob Brown said on Wednesday.

Green and independent lawmakers, whose support is vital for Prime Minister Julia Gillard's minority government, are becoming increasingly critical of the tax as the government looks for budget savings to help deliver a promised surplus in fiscal year 2012-13.

Brown said a decision by Gillard last year to limit the tax to coal and iron ore miners had robbed the budget of billion of dollars of potential revenue, as soaring world gold prices could reap A$3.5 billion extra in revenue over three years.

"We are not going to block the government's tax. But we do know that A$100 billion will be lost over the next 10 years on average through not taking Treasury's advice, as the Greens want to," Brown told Australian radio.

The contentious 30 percent tax on mining profits, aimed at big iron ore and coal firms, is forecast to reap A$7.7 billion ($8.2 billion) in its first two years from July 1, 2012, helping the budget return to surplus.

A broader 40 percent tax put forward by former prime minister Kevin Rudd was dumped last year after miners launched a concerted campaign against it. Gillard ousted an embattled Rudd in a party coup and negotiated a narrower 30 percent tax with global miners BHP Billiton, Rio Tinto and Xstrata .

Treasurer Wayne Swan, who has repeatedly ruled out changes to the tax, warned this week that global market volatility and an expected economic slowdown would make reaching a politically vital budget surplus more difficult.

Brown said while gold was Australia's third-largest resource export, most producers were foreign owned with most of the profits leaving Australia.

Top gold miners in Australia, which is projected to produce 277 tonnes of gold in fiscal 2012, include Newcrest Mining .

The Greens leaders said he would push for changes to the tax, which is being closely looked at by other resource-rich countries in Africa and South America, at a national tax summit planned by the government in the capital Canberra next week.

"Australia is facing a squeeze in government spending," Brown said. "Why shouldn't we be properly taxing the current resources boom, where the money is largely otherwise going to flow overseas."

Independents Rob Oakeshott and Andrew Wilkie are both critical of the tax and have said they plan to work with the government to improve it, the Sydney Morning Herald newspaper reported.

The government recently released a second draft of the mining tax legislation and ruled out its inclusion, along with a planned carbon tax, at next week's tax summit to avoid sparking new fights with business groups. (Source: Reuters)

Palmer's Australasian to Raise $1.1bln for Ore Mine

Australasian Resources Ltd. (ARH), an iron ore developer controlled by billionaire Clive Palmer, is in talks to raise about $1.1 billion to build a mine in Western Australia. The shares rose the most in more than four years.

Australasian, through its International Minerals Pty unit, may sell $500 million of high-yield notes through Royal Bank of Scotland Group Plc, the Brisbane-based company said today in a statement to the Australian stock exchange. It is also in talks with a "major trading house" for a $600 million investment in the mine, it said.

Palmer, who holds 64 percent of Australasian, is seeking to develop a number of iron ore and coal projects in Australia, including the Balmoral iron ore development covered by the agreement between Palmer's Mineralogy Pty and Australasian.

The mining magnate earlier this year withdrew a plan to list his iron ore and coal company Resourcehouse Ltd. in Hong Kong to help raise funds for projects expected to cost in excess of $10 billion to build. The Resourcehouse listing plan included the Balmoral project.

Australasian agreed to an initial accord with Palmer's Mineralogy Pty to access 2 billion tons of iron ore for the mine. China Metallurgical Group Corp. has agreed to raise 75 percent of the project costs through an export credit from Chinese banks, the statement said.

A study of the development costs is under way, it said. (Compiling by Helen Liu)

Cliffs to Sell its Biomass Plant

Cleveland, Ohio-based iron ore miner Cliffs Natural Resources Inc. announced Tuesday that its Board of Directors has approved plans to seek a potential sale and to idle the operations of its Michigan renewafuel biomass production facility.

The Marquette, Michigan facility was built to produce high-energy, low-emission biofuel cubes from wood and agricultural feed stocks, but initial production at the plant has not performed to its design capacity, nor a production level that justifies continued operation.

David Blake, Cliffs' Senior Vice President, North American Iron Ore and the Cliffs executive with operational responsibility for renewaFUEL, said in a press release: "Over recent years Cliffs executed a strategy focused on expanding its portfolio of steelmaking raw material assets. Cliffs continues to successfully grow its core iron mining business with a number of expansion projects underway. With this, it is essential that our management focus and allocation of capital resources be deployed where we can have the most impact for all stakeholders."

Blake added, "While we believe the renewaFUEL business model remains viable, the business is likely to have better prospects with a company more experienced in the area of biofuels that can develop renewaFUEL to its full potential." (Compiling by Helen Liu)

Brazilian Iron Ore Exports Rose 11% in July

According to the statistics provided by Brazil's National Union of the Industry of Extraction of Iron and Base Metals (Sinferbase), in July this year Brazil's iron ore exports amounted to 23.73 million metric tons, rising by 11 percent year on year.

The share of the world's largest iron ore exporter Vale in Brazil's total iron ore exports in July equalled 93.04 percent, amounting to 22.08 million metric tons, up 14.86 percent year on year.

Meanwhile in the first seven months of 2011 Brazilian iron ore exports rose by 4.76 percent year on year, reaching 157.33 million metric tons.

Vale's share in Brazil's total iron ore exports in the January-July period of this year reached 91.75 percent, amounting to 144.36 million metric tons, up 7.28 percent compared to the corresponding period of 2010. (Compiling by Helen Liu)

A Grim Outlook for Q4 Iron Ore Market, Say Insiders

UMETAL-CHINA, The "2011 High-end Forum on Iron Ore Market", organized by UMETAL, was held in Qingdao on September 27 to discuss future iron ore market trend, as well as opportunities and challenges.

16 major Chinese steelmakers spoke at the forum this morning, while most of them delivered grim outlook for the iron ore market in Q4, but they declined to comment on whether iron ore prices would drop sharply in the following months.

According to a survey conducted among the participants in the forum, about 50% of the respondents reported a bleak look-out for iron ore industry, 38% said the market would continue to adjust shocks and only 12% felt an optimism.

As a whole, the mood of pessimism has been starting to sweep the industry owing to the European debt crisis, uncertainty about Chinese economy, slumped US consumer confidence, as well as recent price decrease of commodities.

We also learnt that the country of origin for imported iron ore has been diversified, the consumption of non-mainstream iron ore has increased. To some extent, the higher iron ore price has promoted the development of steelmaking technology.

As we know, Indian iron ore export to China has declined greatly this year, but the price gap between domestic iron ore and imported iron ore has narrowed to less than US$10 from previous US$15- US$20. Presently, iron ore stockpiles at Chinese ports nearly reach 100 million tonnes, which is regarded as a "normal level" in consideration of high steel production and a decrease of 1-2 percentage points in iron ore grade. Moreover, the current inventory level of steelmakers will be 10 days operation. (Reporting by Nick Zhang; Compiling by Helen Liu)

UMETAL EXPRESS-September 27

September 27, 2011

* There are 5 vessels awaiting at Jingtang Port's anchor ground, with 2 days congestion.

* Transaction of one Australian miner's 105,000 tonnes of iron ore fines (Fe57%) was closed at US$146.5/DMT.

* Transaction of one Australian miner's 162,000 tonnes of iron ore fines (Fe61.5%) was closed at US$170/DMT.

(Editing by Helen Liu)

ArcelorMittal SA Ends Talks with Kumba Iron Ore

ArcelorMittal South Africa (ACLJ.J), a unit of the world's largest steelmaker, said it would not proceed with a much-criticized black economic empowerment deal after its conditions were not met.

The plan to sell 26 percent of its shares to black investors in a deal valued last year at 9.1 billion rand ($1.13 billion) faced harsh criticism from the company's shareholders for not being done in a transparent way and for favoring political elites.

ArcelorMittal said the parties negotiating the deal failed to extend their talks.

"Shareholders are advised that the parties involved in the black economic empowerment transaction have not agreed on an extension for the satisfaction of the conditions precedent and that the subscription and shareholders' agreement has therefore lapsed," the company said in a statement.

The proposed deal was linked to a dispute over iron ore supplies between ArcelorMittal and Kumba Iron Ore (KIOJ.J), a unit of global miner Anglo American Plc (AAL.L), that has been dragging on for over a year.

Kumba and ArcelorMittal have been at loggerheads over a preferential iron ore supply deal since early 2010 after ArcelorMittal, which had mineral rights over a 21.4 percent stake in Kumba's Sishen mine, failed to convert its rights as required by law.

Kumba has since argued that ArcelorMittal was no longer entitled to source iron ore at a discount. The dispute will be argued in arbitration next year. (Compiling by Helen Liu)

Evraz May Buy 51% Stake in Timir Iron Ore Mine

Evraz Group SA (EVR), the largest Russian steelmaker, is considering buying a 51 percent stake in the Timir iron ore project in Yakutia from OAO Alrosa, the country's diamond mining monopoly.

Evraz declined to comment further in an e-mailed statement this Monday.

The company may pay 5 billion rubles ($170 million) to buy half of the Timir mine, Kommersant said in June. (Compiling by Helen Liu)

JSW Cuts Output on Raw Material Shortage

India's third- biggest producer JSW Steel Ltd. (JSTL) cut production at its Karnataka plant after the nation's top court limited iron ore sales in the southern state to online auctions.

The Vijayanagar plant is operating at 30 percent of capacity after the nation's top court rendered long-term iron ore purchase contracts with NMDC Ltd. (NMDC) void, Mumbai-based JSW said today in an e-mailed statement. NMDC, the only miner allowed to operate in the state, must conduct its sales through online auctions, the Supreme Court ordered on Sept.

23.

JSW has faced a raw-material shortage after the Supreme Court banned mining in the three districts of Karnataka that produce most of the state's iron ore. The company, which buys more than 80 percent of the raw material from NMDC and other miners in the state, had to cut output last month as supplies dried up following the ban. The court allowed state-run NMDC to restart mining last month.

The auctions will take place irrespective of the long-term contracts entered into by NMDC, the order said.

JSW Steel, which operates a 10 million metric ton factory at Vijayanagar in the state, has requested a court-appointed panel to ensure adequate supply of iron ore at a fair price to restore normal production, it said in the statement today. (Compiling by Helen Liu)

ArcelorMittal: Underlying China Iron Ore Demand Strong

Underlying Chinese demand for iron ore is still strong despite evidence of more cautious behavior from some buyers, ArcelorMittal told investors, adding it expects buying activity to restart in the fourth quarter.

"There has certainly been a longer period of stockholding in China at the mills this summer than the last couple of summers. What we are seeing is people taking a wait-and see approach in China, but the underlying demand is still very strong," Simon Wandke, chief commercial officer of ArcelorMittal's mining operations, said during an investor meeting.

In answer to a question, he said rumors of cancelled shipments to China related to small mills.

"People are taking a wait-and-see (approach) for a month or two, then you will see some buying activity coming back again," he said. (Compiling by Helen Liu)

Analysts Say Global Iron Ore Market to Run into Oversupply by 2015

Booming global iron ore markets could run into oversupply and a price correction by 2015, with a heavy impact on the three leading producers, Vale, BHP and Rio Tinto, some analysts are saying.

If they are right, expansion projects worth billions of dollars in Australia, Africa, Latin America and in Quebec could be delayed or scaled back. All are based on projections of Chinese and Asian demand continuing to rise steadily through 2020.

Ten analysts surveyed by Bloomberg News said average iron ore prices could decline by 30 per cent from the current $180 to $200 U.S. a tonne to around $125 U.S. by 2015, because global mine supply will surge by 50 per cent by then.

At the same time, Chinese demand, which has driven expansion in Quebec-Labrador since 2005 as well as in Australia and Brazil, will probably slow in the next few years, said Goldman Sachs & Partners in Australia. By 2015, BHP and Vale earnings will be down about 50 per cent from this year's record levels.

"Iron ore is now the largest single contributor to the Big Three's profits and sagging prices would reduce their overall profitability," said Tony Robson, analyst with BMO Capital Markets in Toronto.

The Big Three control two-thirds of the total seaborne trade in iron ore ?C tonnages moving from producers to big consumer markets mostly on contract ?C but recent high prices have encouraged the Chinese to consider building new "captive" mines in Australia, Brazil and Africa to sidetrack future price volatility.

BHP is spending $7.4 billion U.S. to lift annual capacity at its Pilbara mines in Australia to 220 million tonnes. Rio Tinto plans to raise capacity in the same region to 283 million tonnes by 2013 and 333 million tonnes by 2015 ?C up 50 per cent from 2011.

But the China Iron and Steel Association says annual growth in Chinese steel consumption could ease to 2.4 per cent annually through 2015, down from 2011's 4.6 per cent.

"We see a continuing flattening of Chinese steel production," said Peter Hickson, UBS commodity research director. "The primary issue is significant new iron ore supply ahead."

Ian Henderson, managing $9 billion U.S. of resource assets at JPMorgan Chase & Co. in London, urged caution in assessing supply additions. New projects may be slated to add 600 million tonnes to global annual supply by 2015, "but in reality very few of them are likely to be up and running on time or produce as much as people thought," he said.

"We forecast a surplus of iron ore in 2014," Citigroup analyst Daniel Hynes told. "Demand growth is easing while several new projects in the western hemisphere and in Western Australia will be coming on stream concurrently." (Compiling by Helen Liu)

ArcelorMittal Exports 1st Liberian Iron Ore Shipment

ArcelorMittal (MT) exported its first shipment of iron ore from its Liberian project late Friday, the head of the company's mining division said.

The iron ore will be delivered to Europe, the primary customer-base for ArcelorMittal's Liberian iron ore production.

Peter Kukielski also said at the investor day conference that the company is on track to meet its target of producing 100 million metric tons of iron ore annually by 2015, including from its strategic contracts, and could potentially produce more than that during the same time period through its pipeline of brownfield and greenfield projects.

"Under flat iron ore pricing assumption Ebitda could double by 2015, driven by growth in marketable tons," he said in his presentation. Ebitda stands for Earnings before interest, taxes, depreciation and amortization.

The Liberian iron ore project is expected to produce 1 million tons of iron ore in 2011 and ramp up to 4 million tons in 2012. (Compiling by Helen Liu)

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32 of 54 Iron Ore Mines in Goa Illegal

Fresh revelations show that 32 of the 54 working iron ore mines in forest areas do not have the mandatory clearances under conservation laws. Official records also show 21 mines operating within the 10-km protected zone around wildlife sanctuaries without environmental clearances.

Documents accessed by HT show the Goa government has been complicit in the illegal mining.

"Nearly 1.4 lakh trees have been butchered to make way for mines in forest areas," said Manohar Parrikar, opposition leader and chairman of the PAC probing the illegal mining. The PAC will submit its report on

October 5 or 6.

Principal chief conservator of forests Shashi Kumar defended his decision to allow mines to operate close to wildlife sanctuaries. "We sought legal opinion from the Advocate General, who said mines could be allowed to operate temporarily," he said. (Source: Hindustan Times)

NMDC to Purchase 50% Stake in Legacy Iron

NMDC has reached an agreement with Western-Australia-based exploring company Legacy Iron Ore to acquire its 50% stake for approximately $18.89 million (about Rs 92.98 crore). This is NMDC's first investment outside of India.

The Legacy board approved the proposal on Thursday. Now, it is subject to the approval of Legacy shareholders, who are likely to vote on the proposal in November. "We are awaiting the approval from shareholders. This amount would be mopped from internal accruals. Some of the Legacy mines are already developed and some need to be developed," a senior NMDC official said. He declined to be identified.

"We are delighted to have secured India's NMDC as a corner stone investor in Legacy. After extensive due diligence on Legacy, NMDC have concluded that we are the ideal entry point for them into the Australian iron ore and resource sector," Legacy CEO Sharon Heng said in a notification filed to the ASX.

With cash injection, Legacy's ongoing funding obligations under various joint venture agreements would be met apart from developing its assets, accessing new opportunities through a strategic relationship with NMDC. Legacy plans to consider a spin-off of certain assets into a new entity to be listed on ASX.

With this, NMDC will have right to nominate the majority of directors to the Legacy board.

NMDC will get a minimum of 238 million shares of Legacy and the final number of shares to be issued will be subject to conversion of options. For NMDC to receive a 50% shareholding in Legacy, it will also receive options equal to 120 million options on issue now. (Compiling by Helen Liu)

Iron Ore Stocks Gulping Fertile Landmass in Goa

Long stretches of fertile paddy fields in villages of Navelim-Kudnem-Sankhalim in North Goa, have turned into big dusty grounds with piles of iron ore stocked on it.

Locals claim that illegal mining industry is rapidly gulping landmasses, which were earlier fertile territories.

Farming is slowly turning into an unviable profession and farmers are becoming businessmen overnight. The mining industry is increasingly using these plots to stock the extracted ore, which is later transported illegally through built jetties on Mandovi river.

The lands have converted from fertile fields to iron ore stock yards overnight and environmentalists point out that every year more landmass is being converted illegally.

State Mines and Geology Department figures procured under Right to Information (RTI) by environmentalists claim that there are only 15 plots registered with the department to be used for ore-stocking.

But the reality is different.

"There are several hundred plots which have come up in this area since last seven years," local Congress legislator Pratap Gawas told PTI.

Gawas alleged that there is a nexus between local panchayats and plot owners.

"Its for panchayats to stop this abuse of land but they don't act. We checked the records but panchayats have not given any NOC for such a use of land," he said.

These plots usually are situated outside the mining lease so that any illegally extracted ore can be dumped here.

According to renowned environmentalist Ramesh Gawas these plots are also being used to set up machines which crush lumps of ore into fines.

"Authorities like Mines and Geology department, Goa State Pollution Control Board or Town and Country planning department should have acted against these illegalities but they are being given protection," Gawas said.

Whats worse is that mine owners in connivance with locals have turned the banks of Mandovi river into godown for iron ore stocking.

"Almost 25-kilometer-long stretch of Mandovi River has ore piled on its bank. The ore is washed into the river silting it and polluting it," Gawas said.

Locals claim that mining dumps were never allowed till China boom emerged.

"It was somewhere in 2005-06 when there was a mad demand for empty plots from the mine owners," Gajanan Gaonkar, an elderly from Navelim village said.

"Initially, the barren lands were being used to dump the ore. We thought that it is temporary phenomenon. But later people began giving up their fields for stocking the ore," Gaonkar said adding that farmers turned into businessmen overnight.

"The mine companies were paying hefty sums to allow the ore to be stocked," he recalls.

Environmentalist Gawas said that due to huge availability of illegal ore, the illegal jetties also surfaced on Mandovi river bank.

"There are four to five jetties which have come up illegally and operating. No authorities are acting against them. These jetties are one of the main gateways for illegal ore transportation," he said.

Goa has 90 mining leases and state exports 54 million metric tonnes of iron ore annually.

The Central government-appointed Justice MB Shah Commission is inquiring into the illegal iron ore trade, which is pegged somewhere around Rs1,200-10,000 crore. (Source: PTI)

Vale: Quarterly Iron Ore Pricing is Still Reasonable

UMETAL-CHINA, Mr. Jose Carlos Martins, Executive Director, Marketing, Sales and Strategy of Vale S.A. said in the 11th China Int'l Steel & Raw Materials Conference 2011 in Qingdao today that quarterly iron ore pricing system is relatively fair and reasonable, not only can it reflect actual market prices, but also can forecast market tendency, which is good for steel mills to control production cost.

"Vale will respect for market and clients, we may change to monthly pricing if market need it," said Mr.

Jose Carlos Martins in the Umetal spot interview. (Editing by Tracy Li)

Baosteel: Global Iron Ore Supply-Demand Situation to Reverse

UMETAL-CHINA, Dai Zhihao, vice president of Baosteel, said in the 11th China Int'l Steel & Raw Materials Conference 2011 in Qingdao today that global iron ore supply-demand situation has already revsered.

"Over recent years, the soaring iron ore prices have solicited large amount of investment in iron ore mining industry, which would generate a huge production capacity in the next few years," Dai pointed out, "For example, Vale's iron ore capacity will reach 469 million tonnes by 2015, much higher than the current planned output of 332 million tonnes; Rio Tinto will realize a 330 million tonnes iron ore capacity in 2015, while this year its output will probably be around 230 million tonnes; BHP will also expand the capacity to 300 million tonnes by 2015."

He also revealed that Baosteel has visited overseas iron ore mines recently and found many countries have been investing iron ore on a large scale. "Total iron ore capacity of Brazilian CSN, Anglo American and MMX will reach 150 million tonnes; capacity of SNIM/Xstrata, Arcelor Mittal and African Minerals in West Africa will hit 200 million tonnes; capacity of Australian FMG, RoyHill, CITIC, Karara and Jack Hills will be up to 200 million tonnes too," said Dai.

"Although the iron ore supply-demand situation is expected to reverse soon, Baosteel does not give up its overseas investment plan," he added, "Baosteel will keep focus on Australian, Brazilian and Canadian mines and actively seek new chances for investment in African iron ore mining." (Editing by Helen Liu)

CISA: China Steel Industry Facing Several Problems

UMETAL-CHINA, Zhang Changfu, vice-chairman of CISA, spoke in the 11th China Int'l Steel & Raw Materials Conference 2011 in Qingdao today.

According to his speech, Chinese steel industry has been facing several problems as following.

Firstly, the industrial structure is unreasonable and the concentration ratio of the industry is very low; secondly, it is hard to guarantee continuity of iron ore supply, with high dependence on imported ore and less equity ore; thirdly, average energy consumption of the industry is 10% higher than developed countries; fourthly, independent innovation capacity is weak and the country has to improve the self-renovation capability. (Reporting by Nick Zhang; Editing by Helen Liu)

Baosteel: Chinese Steelmakers be Cautious on Iron Ore Swaps

Baosteel Group has urged Chinese mills to exercise caution in using iron ore swaps as a way to hedge against price volatility, citing credit risks as well as miners' ability to influence prices.

With most of iron ore swap contracts currently settled against the TSI index, Dai Zhihao, vice-president of Baosteel, said "miners were able to influence the indices by controlling the spot market".

"My view is that Chinese steelmakers should be cautious when trading iron ore swaps," Dai told at an industry conference held in Qingdao.

Dai said steel mills should also be wary of counterparty risks arising from swaps that are traded over-the-counter, because the participating members could default on their contracts.

The breakdown of the decades-old annual benchmark system in iron ore pricing last year has encouraged some Chinese firms to start trading in the nascent swaps market.

Dai's comments highlight deep concerns by steel mills that a growing acceptance of iron ore derivatives would further erode their price-setting power, as they continue to question whether the spot market truly reflects supply and demand fundamentals.

In a bid to wrest back some pricing power, China the world's top iron ore consumer, plans to launch its own iron ore price index from October this year, which it hopes will also be used as the basis of quarterly contract prices set by Rio Tinto , BHP Billiton and Vale .

Dai also said China's iron ore production would see limited growth due to declining ore quality and rising labour costs.

However, he added that the current iron ore supply crunch could soon ease as more mines come onstream globally.

The CME group, Singapore Exchange, London Clearing House and the Indian Commodities Exchange all offer cleared swaps based on the Steel Index's (TSI) iron ore transaction data. The CME also offers a Platts-based swap in addition to the TSI swap clearing. (Editing by Susan Chen)

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(Editing by Helen Liu)

China: WISCO to Improve Investment on Overseas Mineral Resources

UMETAL-CHINA, Peng Chen, general manager of WISCO, said on a conference held on September 26 that WISCO would continue to expand overseas mineral resources and build an organized steel trading network. Meanwhile, they would promote the construction of overseas steel bases.

Reportedly, WISCO has got mineral rights of several million tonnes of iron ore products abroad. According to their plan, they will continue to carry out the construction of overseas steel bases and promote the development of four bases in North America, Africa, Australia and South America.

Besides, WISCO will take measures to build a complete steel trading network. What is noticeable is that WISCO signed an agreement with Brazil LLX Logistica and planned to build a joint steel company in

Brazil. Due to some uncertainties, WISCO slows down the pace and become more cautious on the following steps. (Source: Bulk Commodity Nets; Compiling by Simon Liu)

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There is no congestion at Port Caofeidian, where 5 of the 6 berths have been working on uploading.

Strike in Shougang's Peruvian Unit Ended

Striking miners at Shougang Corp.'s Peruvian iron-ore unit have ended a three-week strike for better wages, citing a union leader from the company.

Shougang Hierro Peru SAA workers had been on strike since August 31. (Compiling by Helen Liu)

Freight News

World Maritime Day 2011- "Piracy: Orchestrating the Response"

Yesterday (29 September 2011) marked the 34th celebration of World Maritime Day. This year's theme is: "Piracy: orchestrating the response", a theme chosen by the International Maritime Organization (IMO) to provide the international community and the shipping industry with an opportunity to highlight and reflect upon the efforts made to meet the challenges of modern-day piracy.

In his World Maritime Day message, IMO Secretary-General Efthimios E. Mitropoulos said that the United Nations, alliances (political and defence) of States, Governments acting collectively or individually, military forces, shipping companies, ship operators and ships' crews, all had a crucial part to play in order to rid the world of the threat posed by piracy in the vast expanse of the Indian Ocean.

"To alleviate this unacceptable situation, no effort should be spared. Shipping companies must ensure that their ships rigorously apply the IMO guidance and industry-developed Best Management Practices in their entirety, so that, when venturing into the western Indian Ocean region, they comply with all the recommended measures: no ship is invulnerable, in particular those with relatively low freeboards and slow steaming speeds. And Governments need to back up their oft-stated concern over the situation by deploying military and other resources commensurate, in numbers and technology, with the scale of the problem and with a realistic chance of dealing with it effectively," Mr. Mitropoulos said.

"While IMO has positioned itself in the epicentre of the concerted efforts being made, it cannot alone supply an instant solution to the issue ?C particularly since, although piracy manifests itself at sea, the roots of the problem are to be found ashore. Nevertheless, through our action plan and other initiatives, and in collaboration with other interested parties, equally determined and committed as ourselves, we feel confident we will be able to make a difference where the problem is being most acutely felt ?C at sea," he added.

Mr. Mitropoulos noted that some success in thwarting pirate attacks can already be claimed, as can be seen from the falling percentage of attacks that prove successful. "Nevertheless, as the statistics so bleakly indicate, piracy and armed robbery against ships remain real and ever-present dangers to those who use the seas for peaceful purposes. So long as pirates continue harassing shipping, hijacking ships and seafarers, we are neither proud of, nor content with, the results achieved so far," he said.

Concluding his World Maritime Day message, Mr. Mitropoulos said: "More needs to be done, including the capture, prosecution and punishment of all those involved in piracy; the tracing of ransom money; and the confiscation of proceeds of crime derived from hijacked ships, if the ultimate goal of consigning piracy to the realms of history is to be achieved. We hope that our choice of the theme for 2011 will provide an appropriate rallying point around which all those who can make a difference can focus their efforts.

"In the meantime, our thoughts and prayers are with those seafarers, who, at present, are in the hands of pirates. May they all be released unharmed and returned to their families soon."

World Maritime Day Parallel Event in Italy

Italy is hosting the 2011 IMO World Maritime Day Parallel Event, with celebrations being held in Rome on 13 and 14 October 2011. The Parallel Event will focus on this year's World Maritime Day theme: "Piracy: orchestrating the response" and the first day will consist of a seminar, divided into two sessions. The first session will address "Anti-piracy Measures and Best Practices", while the second will focus on "International Co-operation against Piracy".

On the second day, various activities will take place around the Civitavecchia harbour.

The event will be preceded by a regional meeting to discuss a draft memorandum of understanding on concerted procedures relating to the disembarkation of persons rescued at sea, many of whom turn out to be trafficked and undocumented migrants. (Source: IMO；Compiling by Nick Zhang)

Bulk-Shipping Faces Difficult 2012 as Global Fleet Expands, U-Ming Says

U-Ming Marine Transport Corp. (2606), the Taiwanese operator of dry-bulk ships, expects 2012 to be a "difficult year" for the market because of the launch of more large ships and higher iron-ore production in China.

"Next year there will be another wave of big ships coming in," President C.K. Ong said yesterday in Singapore. It is "going to be a difficult year."

Capesize vessels are already headed for their worst year in more than a decade in 2011 as expansion in the global fleet outpaces Chinese demand for commodity shipments. Iron-ore prices that have doubled since the end of 2008 are also prompting Chinese investment in local mines, paring the country's reliance on imports.

"We have a pretty tough market ahead of us," said Dale Ploughman, chief executive officer of Athens-based dry-bulk operator Seanergy Maritime Holdings Corp. (SHIP)

About 46.4 million deadweight tons of capesize ships, enough to carry more than 100,000 tons of commodities, are expected to be delivered in 2012, according to Clarkson Plc, the world's largest shipbroker. That's a 47 percent increase from a projected 31.6 million tons this year, it said.

A total of 232 bulk carriers, equivalent to 17.6 million tons, were ordered in the first eight months of this year, Clarkson data showed. The tally includes 29 capesize ships. Capesize rates have averaged $11,165 a day this year, based on data from the London-based Baltic Exchange.

China, the world's biggest buyer of iron ore, imported 447.57 million tons of the material in the first eight months, 11 percent more than a year earlier, the General Customs office said on Sept. 24. (Compiling by Nick Zhang)

Shipping Industry Transactions Will Accelerate, Says Wilbur Ross

Following are comments from Wilbur Ross, chairman of private-equity firm WL Ross & Co., made at a Bloomberg Dealmakers Summit in New York. The 73-year-old is part of a group spending $900 million on 30 ships hauling gasoline, diesel and other refined products, his first investment in the industry. That transaction closed at midnight yesterday, he said.

"The deal is the same and I think you're going to see more transactions in shipping. Shipping is a very capital intensive industry, a global industry, but highly fragmented.

"We'll have altogether 38 tankers between crude tankers and petroleum product tankers. That's one of the larger fleets that there is. And yet there are thousands of vessels on the water. That's one of the problems of the industry. It's too fragmented.

"So what made the opportunity for us, a few years back charter rates went to the moon, round about 2007. Everybody over-ordered vessels. Those are now coming through and there's over-supply there. People can't meet their purchase commitments, things like that. That's obviously the reason we went into the business." (Compiling by Helen Liu)

Vale's 3rd VLOC to Serve Brazil - Italy Iron Ore Trade

Vale will take delivery of another 400,000 DWT VLOC next month, its third after the 'Vale Brasil' and 'Vale Rio de Janeiro.' Surprisingly, the first of Vale's mega-bulkers to be named for a foreign trading partner does not carry the name of one of its Asian customers. Instead, the 'Vale Italia' will be used primarily to carry iron ore from Brazil to the port of Taranto in southern Italy.

Italy's iron ore imports plummeted in 2008 following the financial crisis, but its steel industry has begun to recover, producing 18.7 MT of crude steel so far this year - 11% higher year-on-year and approaching pre-recession output levels. Its iron ore imports have followed a similar trend, and shipments from Brazil have risen 37% year-to-date. Italy has been a bright spot for Brazil's iron ore exporters in Europe this year, as weaker buying from Germany and France has actually seen overall exports to the EU down 3.5% year-to-date.

Based on the pace of exports in the first eight months of the year, Brazil is on track to ship more than 11 MT of iron ore to Italy this year for the first time since 2007. While it remains to be seen what impact the current European debt crisis will have on the Italian steel sector in the coming months, current softer iron ore prices and the reduced freight costs that a VLOC should offer could further support Italian iron ore buying in Q4 - as long as demand for steel holds steady. (Compiling by Helen Liu)

Dry Bulk Market Falls Mid-week

The dry bulk market, as reflected by the Baltic Dry Index (BDI) retreated by 0.36% yesterday reaching 1,920 points, with the Capesize segment suffering the main losses. The Baltic Capesize Index (BPI) was down by 1.51% yesterday, ending the session at 3,268 points. By contrast, the Panamax segment fared much better, rising by 1.02% to reach 1,681 points.

According to the latest weekly report from shipbroker Fearnley's, "a psychological barrier seems to kick in every time spot levels for the capesize segment climb close to usd 30k. A robust strengthening on high volume is turning into a soft slide as activity cools down and nervousness spread. Despite last few days' developments, average daily earnings are still up 12% w-o-w at usd 28k, and fundamental parametres still appear robust for transatlantic and pacific trades. Period activity has been fair on the back of paper support - most recently exemplified by 2 x 206kdwt newcastlemax NBs delivering Feb+April 2012 for about 4 years to major energy producers at usd 18k, 175kdwt/built 2010 delivering Japan early Oct done for 4-6 months at usd 19k and also 176kdwt/built 2010 delivering N.China early Oct for 4-6 months at usd 18k" said Fearnley's.

In a separate report, commenting on the Capesize market, Piraeus-based shipbroker Shiptrade Services said that "the Atlantic market was relatively active, especially for prompt positions. Rates increased significantly, and at week's closing fixtures reported at USD 33.000 per day Transatlantic round, while on the Front haul trade, fixtures reported at USD 50.000 per day. On the Tubarao/Qingdao trade, levels followed the same trend, and eventually concluded at USD 27.00pmt. Activity in the Pacific basin was even stronger than in the Atlantic. Cargo volume increased as new cargoes emerged from S.Africa, and India, but rates for pacific round voyage remained at same levels, i.e USD 24.000 per day. On the Australia/China trade, the iron ore majors covered about 15 vessels at levels close to USD 11.50pmt" said Shiptrade.

Meanwhile, according to Fearnley's "the Panamax market started this week on a quiet note with only USG fronthaul giving some fuel to the levels. In the Atlantic the market is firming up, tighter with tonnage and some fresh minerals and grains requirements entering the market. TA rounds are now fetching ard usd 14,500 while some claim to have seen usd 16k for the shorter Baltic rounds. The fronthauls closer to mid 20's with additional premium for shorter trips via Aden. In the Pacific activity is slowing down in all areas. Some analysts warn that China's emergency coal reserve provision is too small, and they might pick up the pase they had earlier on Indonesian coal. Mid week the Pac rounds are being fixed at ard usd 11k while the backhauls are getting ard usd 4,500. The period market has shown some activity with a few short period fixtures in the mid 12k range. With the coming holidays in China activity and levels could suffer next week" mentioned the shipbroker.

Shiptrade's comment on the Panamax market was that there were not many fresh enquiries, combined with prompt tonnage building up, and rates sliding. "In the Atlantic basin we saw plenty of fixtures but rates didn't manage to increase, as there were not so many fresh enquiries, especially for Transatlantic round. At week's closing, rates for Transatlantic round concluded at USD 14.000 per day, while on the Front haul trade rates declined at USD 24.000 per day, with the majority of cargoes coming from USG. Pacific remained a bit quiet with not many enquiries in the market, and many prompt vessels looking for suitable cargoes. Rates declined, and at week's closing, rates for Pacific round concluded around USD 11.000 ?C 11.500per day basis N.China delivery, or close to USD 13.000per day basis S.China ?C S.E.Asia delivery. Rates for trips Ex NOPAC concluded at levels around USD 10.500 ?C 11.500per day basis N.china/Japan range for BPI type vessel (M/V Eleftheria 76.134/01'), concluded Shiptrade.

Yesterday, Commodore Research & Consultancy issued an update on the state of coal stockpiles at the port of Qinhuangdao, China's largest coal port, which have come under a large amount of pressure as we have anticipated. "At present, stockpiles stand at approximately 5.1 million tons, 2.2mt (-30%) less than at the start of the month. The stockpiles have come under a large amount of pressure as maintenance to China's coal dedicated Daqin Railway (which stretches from coal-rich western China to Qinhuangdao) has coincided with robust demand for thermal coal and electricity On Tuesday September 20th, coal stockpiles at Qinhuangdao stood about 7.1mt. Maintenance to the Daqin Railway, which began on Wednesday September 21st, has resulted in the line being down for approximately 3 hours each day. The 12-day period of maintenance is scheduled to end on Monday October 3rd. Going forward, we expect that the Daqin Railway will transport 30-33mt of coal in September, which would be moderately lower than the 36.94mt of coal that was transported in August. We anticipate Qinhuangdao coal stockpiles will remain below 7mt during at least the next two weeks, which is likely to lead to a continued increase in Chinese thermal coal fixtures (Chinese thermal coal fixtures have already begun to increase this week). Regional thermal coal import prices also remain very attractive compared with Chinese domestic thermal coal prices" concluded Commodore. (Compiling by Helen Liu)

Dry Bulk Market-BDI Drops on Rising Vessel Supply

The Baltic Exchange's main sea freight index , which tracks rates to ship dry commodities, dropped on Tuesday on rising vessel supply..

Brokers said growing vessel supply, which was outpacing commodity demand, was set to cap dry bulk freight rate gains in the coming months with growing challenges to the world economy adding to headwinds.

The overall index slipped by 0.05% or 1 point to 1,927 points. The index had risen to its highest level in nearly nine months earlier this month.

RS Platou Markets said that capesize freight rate in Australia-China route grows, while the rate in Brazil-China route is slipping

The recent rally has been driven by firmer coal and iron exports from Australia and Brazil to China, which boosted the larger capesize market. Coal imports into Japan have also picked up.

The Baltic's capesize index fell 0.78% on Tuesday with average daily earnings slipping to US$28,650 a day after five consecutive days' increase previously.

Average earnings reached their highest level in nine months earlier last week. Capesizes typically haul 150,000 tonne cargoes such as iron ore and coal.

The Baltic's panamax index went up 0.63%. Average daily earnings for panamaxes, which usually transport 60,000-70,000 tonne cargoes of coal or grains, reached US$13,323.

Worries over the health of the world economy have signaled more pain in the coming months for dry bulk ship owners. (Compiling by Susan Chen)

Standard Chartered: Global Shipping Portfolio At $3 Billion

Standard Chartered PLC's shipping portfolio has grown to US$3 billion in less than five years and it looks to continue expanding rapidly in the coming years, Nigel Anton,

Managing Director of Shipping Finance, told Dow Jones Newswires Tuesday.

The bank, which entered the marine finance market in 2007, is one of the few that lends shipping lines both money and vessels, in a bid to diversify its portfolio amid volatile market conditions.

"We began our leasing business in 2010...and we have more than four ships now," he said on the sidelines of a conference.

About half of the bank's fleet comprises offshore ships for upstream energy projects, such as platform supply vessels, while tankers, containers and dry bulks make up the rest.

Anton didn't give a specific target for fleet size in the coming year, but said the bank will "rapidly" meet the needs of its customers in a changing business environment.

Standard Chartered has more than 20 staffers globally in its shipping desks, located in Shanghai, Hong Kong, Singapore, Dubai, London and New York. (Compiling by Helen Liu)

Glencore May Cut Oil Tanker Fleet

Glencore's shipping unit, ST Shipping, may reduce the number of oil tankers in its fleet over the next six months because rock-bottom freight rates have cut into profit margins, a company executive said on Tuesday.

ST Shipping is looking at returning several crude oil tankers to owners when long-term contracts expire in the next few months due to negative freight rates, said company director Kent Paulli.

"(Our fleet) could very well shrink over the next three to six months," Pauli told reporters on the sidelines of an industry conference.

"As we have time charters maturing, we are very likely to be giving ships back unless we see deals that make sense."

He declined to specify how many crude oil vessels, also known as dirty tankers, could be cut.

"I'm not going to say that we will definitely re-deliver 50 ships (to their owners). We will have to see how the market plays out," Paulli said.

The majority of ST Shipping's fleet are clean tankers, which transport diesel, naphtha and other fuel products, while a smaller portion is comprised of dirty tankers.

ST Shipping is expected to receive three Long Range 1 tankers, which typically carry 55,000-tonne loads, from Korean shipyards in the next three months and does not plan on ordering more vessels in the near term.

Crude oil tanker earnings on the benchmark Middle East route have stayed in negative territory for most of the past two months, trading at -$1,826 a day on Monday.

In other words, ship owners are paying $1,826 more a day in bunker fuel and other variable voyage costs than they received from companies using their very large crude carriers (VLCCs) to ship crude oil from the Middle East to Japan. (Compiling by Helen Liu)

Vessel Oversupply May Weigh down Freight Rates

The recent spike in freight rates for dry bulk trade seems to be a temporary phenomenon with the rally unlikely to be sustained in the near term. Baltic Dry Index, the benchmark for dry bulk trade, has risen 27% in the past three months, mainly due to an increase in iron-ore imports from China.

Analysts are of the opinion that though there may be further increases in imports by China, the freight rates are unlikely to go up substantially in the near future. With the current oversupply situation in this sector, freight rates are likely to be capped on the higher side. It is estimated that there would be a 10-15% increase in fleet capacity next year as many new ships are expected to be delivered.

The Baltic Clean and Dry Tanker index, the benchmark for freight rates in the tanker segment, has however remained flat in the past three months since oversupply of vessels is the highest in this segment. In addition, the slowdown in Europe is likely to reduce crude consumption. The situation is becoming a double whammy for shipping companies. On the one hand, oversupply of vessels has put downward pressure on the freight rates, rising bunker costs on the other hand have led to an increase in operating costs.

This has led to companies making losses at the operating level. The demand in offshore vessels is expected to increase with oil exploration companies increasing presence in deep water drilling. The utilisation of these vessels is expected to increase as deep water drilling is profitable for any price of crude above $90.

In the near term, the shipping companies are unlikely to improve their bottomline as oversupply is likely to prevail at least till the next two years. Companies with a modern fleet will be able to perform better due to operational efficiency.

GE Shipping, which has a strong balance sheet and significant presence in offshore segment, is likely to perform better than others. The company has a healthy debt-toequity ratio of 0.96 and cash and bank balance of Rs 1,326 crore as of March 2011.

With the asset prices currently at attractive levels, the company can leverage its strong balance sheet. On a trailing 12-month basis, SCI and GE Shipping are trading a P/E multiple of 10.98 and 8.65, respectively. (Compiling by Helen Liu)

China Shipbuilding Orders Dropped

Orders won by Chinese shipbuilders dropped more than 6% in the first seven months of this year due mainly to prolonged uncertainties in the global economy, an industry association said Tuesday.

The China Association of the National Shipbuilding Industry said its members clinched orders totaling 176.08 million deadweight tons (DWTs) in the January-July period, down 6.4% from a year earlier.

The shipbuilders' new orders fell 29.2% year-on-year to 23.58 million DWTs during the period, it said.

The association attributed the drop to ongoing turmoil in the global economy.

China rose as the world's top shipbuilder in 2009, outpacing South Korea in the number of new orders received and order backlogs as its builders attracted new custom with relatively cheaper prices.

South Korea, however, regained its position of having the most new shipbuilding orders in the first half of this year, by securing deals for large, value-added vessels, according to global market researcher Clarkson Research Services.

South Korean firms have continued to focus on high-priced vessels such as liquefied natural gas (LNG) carriers and offshore facilities.

Zhang Changtao, a researcher at the China Ship Marketing Research Center, said China's shipbuilders need to raise their technical and management skills in order to stay competitive amid increased volatility in the world economy. (Compiling by Helen Liu)

Dry Bulk Market-BDI Rises for 5th Day, Rally Slows down

The Baltic Exchange's main sea freight index, which tracks rates to ship dry commodities, rose for a fifth session on Friday on Monday contributed by iron ore cargo bookings to China, but the gains slow down.

Brokers said growing vessel supply, which was outpacing commodity demand, was set to cap dry bulk freight rate gains in the coming months.

The overall index rose 0.42 percent or 8 points to 1,982 points. The index had risen to its highest level in nearly nine months earlier last week. (Compiling by Helen Liu)

Shipping Industry Confidence Dips To All-Time Low

Overall confidence levels in the shipping industry fell to their lowest level for three and a half years in the three months ended August 2011, according to the latest shipping confidence survey by leading accountant and shipping adviser Moore Stephens. Fears about overtonnaging, and continuing uncertainty about the global economy, were the main reasons for the decline in confidence. The rising cost of marine fuels was also a cause for concern.

In August 2011, the average confidence level expressed by respondents in the markets in which they operate was 5.3 on a scale of 1 (low) to 10 (high), compared to 5.6 in the previous survey in May 2011. This is the lowest figure recorded since the survey was launched in May 2008 with a confidence rating of 6.8, which remains the highest rating achieved thus far.

Confidence over the three-month period covered by the latest survey fell most noticeably on the part of owners, down from 5.8 to 5.1, the lowest owner rating recorded during the life of the survey to date. Confidence levels among charterers were even lower at 5.0, but the fall in comparison with the previous survey (from 5.4) was less than that for owners. Confidence on the part of managers fell from 5.8 to 5.6, while brokers held on to their already comparatively low rating of 5.1. Geographically, confidence remained lowest in Europe, falling from 5.5 to 5.0, its lowest level since the survey was launched. Asia, meanwhile, held steady at 5.7.

One respondent observed, "Until recently, things looked quite optimistic, but recent doubts over US loan credibility and EU financial worries have severely dented confidence." Others referred to "the most unpredictable period since the beginning of the global financial crisis" and suggested that the market was "back to levels last seen in 2001." Few could see a short-term solution to the difficulties.

Overtonnaging was a recurrent theme throughout the comments. "Markets are at rock-bottom," said one respondent, "and will stay there for some time because of the large number of new vessels due to come into service. Older vessels and speculative investors, as well as low-grade operators, will have to disappear before the situation can start to improve." Another respondent noted, "The situation looks pretty grim, given the massive amount of over-ordering."

Expectations on the part of respondents of making a major investment or significant development over the next twelve months fell, on a scale of 1 to 10, from 5.6 to 5.1 ?C the lowest level since the same figure was recorded in November 2009. Just one year ago, in August 2010, respondents recorded the highest figure (6.0) in the life of the survey to date. This time, owners recorded the biggest drop in this regard, while managers and charterers were also less confident. Geographically, expectations of making a major investment were down across all the main regions covered by the survey.

Having dropped out of the top three for the first time in the last survey, finance costs returned as one of the top three factors which respondents expected to influence performance most significantly over the coming twelve months. Demand trends and competition, meanwhile, maintained their ever-present record in the top three.

Overall, 22 per cent of respondents (down from 23 per cent last time) cited demand trends as the most significant performance-affecting factor, while 17 per cent (19 per cent) identified competition in this regard. Meanwhile, 16 per cent of respondents, (14 per cent), opted for finance costs. The percentage of respondents overall who identified fuel costs as having a significant effect on performance was down by 4 percentage points to 12 per cent.

For owners, demand trends continued to be the dominating factor, despite a fall from 28 per cent to 24 per cent in the number of owners who put it in first place overall, ahead of finance costs and tonnage supply. The top three performance-influencing factors for managers were competition and demand trends ?C both cited by 17 per cent of respondents in that category and both up by two percentage points on last time ?C followed by operating costs. For charterers, meanwhile, demand trends and competition made up the top three, ahead of fuel costs.

Geographically, demand trends emerged as the most significant factor for operators in Asia, Europe and North America (19 per cent, 23 per cent and 30 per cent, respectively), with competition and finance costs making up the remainder of the top three.

Fewer respondents expected an increase in finance costs over the coming year ?C 52 per cent compared to 59 per cent in the previous survey. This was the case across all categories of respondent and in all geographical areas covered by the survey. Meanwhile, the number of charterers who were anticipating finance costs to fall over the next year was up from 9 per cent to 15 per cent, the highest figure since May 2009. Geographically, the biggest change was to be found in Asia, where the 50 per cent of respondents anticipating higher finance cost was twelve percentage points down on the 62 per cent recorded in May 2011.

There was a big fall in the numbers of respondents expecting rates in the tanker sector to increase over the next twelve months ?C down overall from 44 per cent last time to the lowest level since February 2009, at 34 per cent. Just 30 per cent of owners, the lowest total for more than two years, thought that rates were likely to increase, compared to 50 per cent in May 2011. Similarly, the numbers of managers and charterers who were anticipating tanker rate increases were the lowest since February 2009. Meanwhile, the overall number of respondents who thought that tanker rates were likely to fall over the coming year was up by 7 percentage points to 19 per cent. In the case of owners, 23 per cent thought that rates were likely to come down, compared to just 8 per cent last time. For charterers, the figure rose from 20 per cent to 26 per cent.

In the dry bulk sector, the number of respondents expecting rate increases over the next twelve months was down from 37 per cent to 27 per cent, an all-time low in the life of the survey. The number of owners who shared this opinion also hit an all-time low, while the 8 per cent of charterers of like mind was easily the lowest in three-and-a-half years.

The container ship market saw the biggest shift in opinion. In May 2011, there was a 28 percentage-point difference between the numbers anticipating higher rates and those who thought that rates would go down. Now, the gap has closed completely. Just 28 per cent of respondents overall thought that rate increases were likely over the coming year ?C the lowest figure since November 2009 ?C and 28 per cent expected rates to come down. Charterers were the only category of respondent recording an increase in expectations of higher rates. Owners and managers recorded the lowest figures in this regard since August 2009. In Asia, expectations of container ship rate increases were down from 41 per cent to 26 per cent, while in Europe the fall was from 44 per cent to 27 per cent.

Moore Stephens shipping partner, Richard Greiner, says, "The drop in shipping confidence to a record low is a disappointment. But it has been coming. Given what has been happening in the world, and in the industry, confidence remained surprisingly high last year, but it has started to slip in 2011. Indeed, in many ways, it is back to the levels of two years ago.

"We are starting to see now what many had predicted would happen much earlier. Banks are calling in their loans, shipping companies are filing for bankruptcy protection, ships are being arrested and auctioned around the world, and the courts and arbitration tribunals are starting to see an increase in their workloads. Financiers wants their money, and are ready to take what they can get now rather than wait in the hope that the markets will recover and enable them to achieve a return on their investment. This results in a situation in which everybody loses something. Financiers need to continue to work together with shipping companies and external financial advisers to find a way forward for viable long-term businesses, perhaps exploring the opportunities offered by independent business reviews.

"Meanwhile, costs are going up all the time. Bunker prices are the big worry. The cost of fuel has to be met and passed down the chain, at a time when money is tight for everybody. After a lull, the indications are that operating costs are once again likely to increase. The cost of raw materials also continues to rise. At the same time, freight rates are tumbling through the floor, stock markets are falling around the world, the US and European economies continue to stutter unsatisfactorily, political unrest in the Middle East shows no sign of abating, and the general economic gloom deepens.

"Our survey revealed, unsurprisingly, that the industry is much less confident now of being in a position to make a major investment over the next twelve months. With access to credit very tight, you cannot spend what you do not have. Most respondents to our survey were adamant that we do not need any more ships, and indeed that we already have too many to carry the level of trade on offer. The survey also showed, however, a fall in the number of respondents who expected finance costs to increase over the coming year. So, despite all the difficulties, now is a good time to buy, for those with access to money and a sound business plan. No industry can grow without continuing investment.

"There could be some nasty surprises, and some tough decisions, in the months ahead for operators and investors alike. But those who are in shipping for the long term will ride it out, and many will have had previous experience of doing just that. The international nature of the industry may be working against shipping at the moment, but it will once again prove to be its strength in less troubled times." (Compiling by Helen Liu)

Brazil's Ports Face Trade Demand Pressures

For one thing, the country needs to open up bottlenecks and gets ready for a future increase. Brazil's ports are spending more on infrastructure to increase trade with China, and there is a lot at stake both for the ports, their operators and the country.

Some observers have pointed out that, if international trade continues to grow at today's rate, the country's ports may not be able to handle the load in two years.

The country has 7,491 kilometers of coastline and its ports are the entry and exit point for more than 80 percent of the goods traded.

In 2010, they handled almost 800 million tons of freight. In 2015, the volume is expected to reach more than a billion tons, and a staggering 1.7 billion tons by 2022. So plans now call for increased investment, opening up of bottlenecks, and getting ready for an increase in trade.

Around $17 billion in spending is planned, with $14 billion of that coming from the private sector, and $3 billion from the state. This is expected to be completed by 2015.

This investment may seem to be heavily weighted toward the private sector but, when we consider that Brazil has 34 public maritime ports and 129 private ones, we can begin to appreciate the importance of private sector investment.

Deepwater

One thing the new investment will mean is that deepwater ports are being built as far north and as far inland as Manaus, in the state of Amazonas, and as far south as Espirito Santo in the far southeast. This reflects both the changing nature of Brazil's economy and its preparations for the future.

In addition, more than $700 million is being spent on dredging at a number of ports. This will allow access for larger ships, but according to industry experts an additional $700 million will still be needed in the near future.

One example of the forward thinking for the next shipping era can be found at the Port of Imbituba, in the state of Santa Catarina.

A private operator, Santos Brasil recently bought two Chinese cranes to serve ultra-large container ships.

The port's chief commercial officer, Mauro Salgado, explained that "Shipping now really needs to cater both to current needs and to those of the future."

Santos Brasil has already spent more than $1 billion on infrastructure and, with further capital injections, may be able to triple its capacity within seven years.

Already, in the first four months of this year, Brazil's trade with China has increased 45 percent, compared with the same last year period, meaning that any investment aimed at handling large vessels from China is a clear priority.

In all this infrastructure improvement, Brazil's goal is not simply to increase trade and competitiveness, but also to prepare for the two major global events it will be hosting in the next five years.

One of these is the 2014 World Cup, for which it is spending almost $500 million on passenger terminal expansions to prepare for the expected visitors.

With all this revitalization and the potential in profiting from cargo handling on the rise, there is no short supply of investors.

The port of Santos, which is the country's busiest by value of goods shipped, is looking for funds to help it cut the delays and change the terminal into a high-tech example of efficiency, to better serve bilateral trade with Asia.

Earlier this year the port announced that it had secured a $679-million loan, arranged by the International Finance Corporation (IFC), to build a new container terminal. This is the biggest investment IFC has ever made in port development and shows the confidence in Brazil and in the port's future.

Both Brazilian and Chinese companies have shown an eagerness to inject capital into these projects so they can transport goods more efficiently and more cost-effectively.

One such Brazilian company is Asia Shipping, which has specialized in freight forwarding. This young but highly successful company is already a leading trader between Asia and South America, with 20 offices worldwide, seven of them in China.

Its commercial director, Alexandre Pimenta, has commented, "Ever since we began operations, our main market segment has been trade between China and Brazil."

This forward-looking company is building on its reputation as a leading agent for cargo handling in Asia-Brazil trade and has invested in high-tech solutions to improve logistics and customer services. (Compiling by Helen Liu)

MISC Says Outlook for Shipping Industry to Remain Bleak

MISC Bhd, one of the world's biggest energy shippers, warned investors that the outlook for the shipping industry remained "bleak" on depressed charter rates.

But the group expects to remain profitable this year, buoyed by steady long-term contract from parent company Petronas and rising income from its heavy engineering division.

At present, 22 of its 29 liquefied natural gas (LNG) vessels are contracted to Petronas. The shipper also owns 66.5% of Malaysia Marine & Heavy Engineering Holdings Bhd (MHB) and a profitable tank terminal business.

"If we were a pure shipping company, we will be in trouble," chairman Datuk George Manharlal Ratilal told a press conference after MISC's AGM Thursday.

The company saw a 71% drop in net profit to RM121 million during the first quarter ended June 30.

Ratilal said the shipping industry is in an "entrenched downturn" due to an oversupply of ships and weakening trend in global trade.

He said charter rates were so low that MISC had even lost money in its petroleum shipping business for the first time last year.

The dire situation in the industry contributed to the recent downgrade on MISC's debts rating by Moody's Investors Services.

"Yes, it will have an impact on future fundraising, but the important thing is that we are still in investment grade," Ratilal said.

Amid the uncertainties, MISC remained committed to its long-term capital spending, having allocated between RM5 billion and RM6 billion over the next three years to pay for 11 new ships to be delivered by 2013, as well as for other capacity expansion.

The company's cash reserves stood at RM3 billion.

"As far as capex is concerned, we may defer some intended spending to focus on those already committed to," MISC president and CEO Datuk Nasarudin Md Idris said.

The money will come in handy for future asset acquisitions, although there are no immediate plans to do so. On the other hand, the group is continuously reviewing its portfolio of assets.

"We will not shy away from taking big decisions," Nasarudin said.

But the company may have to wait to make new acquisitions, as shipping asset prices remained relatively stable despite the economic downturn that began in mid-2009. (Compiling by Helen Liu)

Dry Bulk Market-BDI Rises on Iron Ore and Coal Exports to Asia

The Baltic Exchange's main sea freight index , which tracks rates to ship dry commodities, rose for a fourth session on Friday helped by continued iron ore and coal cargo bookings to Asia.

Brokers said growing vessel supply, which was outpacing commodity demand, was set to cap dry bulk freight rate gains in the coming months with growing challenges to the world economy adding to headwinds.

"The current strength in the spot market is likely to extend through next week. Capesize Atlantic basin availability remains tight and overall spot chartering activity is expected to remain firm," said Jeffrey Landsberg, managing director of dry bulk consultancy Commodore Research.

The overall index rose 1.91% or 36 points to 1,920 points. The index had risen to its highest level in nearly nine months earlier last week.

The recent rally has been driven by firmer coal and iron exports from Australia and Brazil to China, which boosted the larger capesize market.

Coal imports into Japan have also picked up while active freight derivatives trading prior to a paper sell-off in the middle of last week had also bolstered sentiment.

Manufacturing in Australia had been disrupted earlier this year by floods, while Japanese import demand had been affected by an earthquake.

Last month, the index, which gauges the cost of shipping commodities including iron ore, coal and grain, dropped to its lowest in more than three months after falling for 18 consecutive sessions. It has remained erratic and is still over 35% down from the same period last year.

Landsberg said there were signs that Chinese steel production was slightly exceeding demand with steel stockpiles increasing.

"Despite this development, there has been no decline in Chinese spot iron ore demand yet," Landsberg said.

"Overall, though, Chinese industrial demand remains strong as the decline in steel prices and rise in stockpiles have not been extreme. We expect no decline in Chinese coal demand."

The Baltic's capesize index rose 2.81% on Friday with average daily earnings reaching $28,888 a day in a fourth session of gains and at their highest in a week.

Average earnings reached their highest level in nine months earlier last week. Capesizes typically haul 150,000 tonne cargoes such as iron ore and coal.

The Baltic's panamax index fell 0.06%. Average daily earnings for panamaxes, which usually transport 60,000-70,000 tonne cargoes of coal or grains, reached $13,142.

Worries over the health of the world economy have signalled more pain in the coming months for dry bulk ship owners, who face a glut of new vessels ordered when times were good.

World stocks fell but were off lows and commodities declined on Friday as a pledge by leading economies to shore up the financial system failed to alleviate fears of a Greek default and global economic slump.

The latest quarterly shipping survey by accountancy and advisory firm Moore Stephens showed confidence in the industry slid to an all-time low, with growing economic worries and oversupply battering sentiment.

"There could be some nasty surprises, and some tough decisions, in the months ahead for operators and investors alike. But those who are in shipping for the long term will ride it out," said Moore Stephens shipping partner Richard Greiner. (Compiling by Helen Liu)

Shipping Corporation of India to Invest on 24 New Vessels

The state-run Shipping Corporation of India on Friday said that it would invest Rs 3,700 crore in the ongoing fiscal to acquire 24 new vessels across categories.

"Our capital expenditure for 2011-12 is Rs 3,700 crore and this will be used for acquiring 24 vessels," SCI Finance Director B K Mandal told the company's 61st annual general meeting here.

The 24 ships will be equally spread across categories like bulk carriers, crude carriers, etc, in which, the company operates, he said.

The new ships exclude the 29 ships that are already under construction at various yards and the delivery of which is expected in the next four years, he added.

The average age profile of the shipping giant's vessels is 14 years at present, which will fall below 13 years once the new vessels are inducted, Chairman S Hajara said.

Hajara also hinted at going slow on its plan to acquire minority stakes in private shipyards, but stressed that the company has not reversed the decision.

In 2007, during the days of excess demand for ships, SCI was keen on buying into the private companies, which would enable it to get a preferential treatment in construction, he said, adding the scenario has since changed for the worse.

"When your bottom lines are under pressure, I cannot say when the plan will be implemented," he quipped when a shareholder asked about the status of the acquisition plan.

Hajara also said that he expects freight rates to improve going forward, but did not give any number on it. At the same time, he doubted the profitability of entering the passenger ferry segment and said SCI for now does not have any plans of entering the inland passenger service business.

To prevent any piracy-related events against its ships, SCI is "seriously considering" to deploy armed guards on the vessels passing through troubled waters as per the permission given by the authorities recently, Hajara said. (Source: Economic Times India)

Seanergy Maritime: Scraping of Older Vessels for Easing Oversupply

The record levels of scrapping activity seen this year are going to be a catalyst for alleviating the industry's oversupply problems by balancing supply and demand says Christina Anagnostara, Chief Financial Officer with New York-listed shipowner Seanergy Maritime Holdings.

In an interview with Hellenic Shipping News Worldwide, Anagnostara said that "recently an international broker estimated that if all vessels built before 1985 were scrapped before the end of 2013 it would bring net annual fleet growth to 6.3%, compared to gross growth of roughly 12% and an estimated annual rise in demand for dry bulk transportation of about 5.2%. If this materializes, we should see a gradual stabilization of the demand and supply dynamics going forward" she said.

Could you provide us with the latest figures regarding Seanergy's performance during the first half of the year?

We reported our 2011 six months earnings with an increase in revenues and net income compared to the same period last year. Net Revenues were $53 million, up 30% from last year's $40.8 million. EBITDA for the first half of the year was $26.5 million as opposed to $20.9 million in the same period of 2010.

For the second quarter of 2011 Net Revenues were $27.8 million as compared to $22.6 million in 2010. EBITDA was $13 million and Net Profit was $650 thousand, as compared to a net loss of $290 thousand in the same period of 2010.

For the first six months of 2011, we owned and operated 20 vessels, achieving fleet utilization of 94.4%. This compares to an average of 13 vessels and a fleet utilization of 95.2%. TCE was equal to $14,991, as compared to $17,729 in the same period in 2010.

In May 2011, we announced the reorganization of our Hong Kong office, as it offers advantages for further growth in the Far East, a region of critical significance for dry bulk shipping.

As of June 30th, 2011 our cash reserves, inclusive restricted cash, were $45 million and our total assets amounted to $660 million.

How would you evaluate the company's performance so far in the year and which are your expectations for the remainder of 2011?

Considering the current weak market environment, we were able to improve our revenues due to the increase in the size of our wholly owned fleet. In addition, as per our fleet employment strategy, we are maintaining a portfolio of fixed and floating rate contracts as well as profit sharing agreements that provide us with cash flow stability and protection against the volatile freight rate environment which has hampered the industry in 2011.

We anticipate that the following months will continue to be characterized by volatility, as there are a multitude of factors that can affect the market, which are hard to predict. At the same time, our increased exposure to the less volatile Handysize segment along with our balanced chartering strategy is likely to go a long way towards moderating the negative effects of increased volatility in the shipping market. It is worth noting that all of our vessels are fixed with what we believe to be highly reputable charterers. We would therefore expect the Company's performance to remain largely in line with what we experienced during the first half of the year.

During the past couple of weeks, the dry bulk market experienced a rally for the first time in months. What developments triggered this rise and do you expect this trend to continue as reports are indicating that scrapping levels of ageing bulkers are increasing?

The rally in the shipping market has mainly taken place in the capesize segment, which took the hardest hit over the first months of 2011. The most important driver of this was high demand for Brazilian iron ore imports into China and increased coal imports into Japan. It is worth noting that over the first months of 2011, iron ore inventories in China were quite high, which had also contributed to lower activity and lower rates paid for capesize tonnage. Furthermore, the fact that many new ships have been delivered in the Pacific since the beginning of the year has caused a relative shortage of tonnage in the Atlantic, which led to higher rates.

Most industry sources point to the fact that fundamentally, supply and demand dynamics have not changed that much and so the spike in rates is likely to be transitory. As a result we expect freight environment to remain soft for the next 18 months.

Going forward, the record levels of scrapping activity seen this year are going to be a catalyst for alleviating the industry's oversupply problems by balancing supply and demand. Recently an international broker estimated that if all vessels built before 1985 were scrapped before the end of 2013 it would bring net annual fleet growth to 6.3%, compared to gross growth of roughly 12% and an estimated annual rise in demand for dry bulk transportation of about 5.2%. If this materializes, we should see a gradual stabilization of the demand and supply dynamics going forward.

How well positioned is Seanergy Maritime Holdings in order to benefit from a longer term recovery of the dry bulk market to more sustainable levels?

Since 2009 we have managed to increase our fleet from 6 to 20 vessels proving our ability to deal with unfavorable market fundamentals. We have managed to increase our revenues and we are poised to benefit from any future recovery in the dry bulk shipping and continue to grow.

At the same time, the Company's increased exposure to the Handysize vessel segment means that it has the capacity to withstand a weak market environment, as spot rates for smaller vessels are not expected to come under the same pressure as the larger ones given the market fundamentals.

Furthermore, as asset values decline we will continue to review business opportunities as they become available.

Having secured period employment of 93% for 2011 and 64% for 2012 all with what we believe to be credible and reliable counterparties puts us in a position where we enjoy cash flow visibility for the coming months, while we are able to take advantage of short term spikes in freight rates in order to increase profitability.

How do you see the market behaving until the end of the year?

As already mentioned, the market is likely to remain at low levels for the rest of 2011, yet seasonal factors in worldwide commodities trading and any sudden growth in demand attributable to such factors has the capacity to affect rates positively, as seen in the last weeks. We therefore expect the market to remain volatile, albeit at relatively low levels.

Which are your estimates about freight rates going forward to 2012?

We expect the freight rate environment in 2012 to remain at the same levels as in 2011. The pace of new deliveries, scrapping and slippage will play a key role as increased vessel supply is going to lead to lower rates.

When do you expect oversupply issues to start alleviating?

As things currently stand, the bulk of new vessel deliveries is going to take place in 2011 and 2012, while from 2013 the pace of expected deliveries is likely to subside considerably. Even as we expect some deliveries to be pushed back in time due to financing and other difficulties, it is unlikely that after 2013 the industry is going to be facing the problem of oversupply as intensely as it does so today.

An important assumption to be made here is that orders for new dry bulk vessels are not going to increase significantly, to the extent that they did in the years leading up to 2009 as that may prove detrimental for market fundamentals in the future.

Are you still on the market for more vessel purchases?

We would engage in acquisitions as long as they are expected to be accretive to earnings and in line with our investment criteria. The broad based reduction in asset prices caused by weak market fundamentals makes it likely that investment opportunities with high expected returns may arise.

Do you favor second-hand vessels or newbuilding orders at this stage?

Despite the fact that prices for new-building vessels have generally fallen, high prices for raw materials such as steel makes further decline unlikely. On the other hand, due to adverse and deteriorating market conditions high-quality second-hand vessels and new-building vessels on resale may become attractive investments.

In general, vessel acquisitions are reviewed on a case by case basis.

Which dry bulk sector will prove the more resilient in the long term?

Long term fundamentals seem to be more favorable for Handysize vessels, for two reasons. Firstly and most importantly, demand and supply dynamics are a lot more promising compared to larger vessel segments. The outstanding orderbook for Handysize vessels stands at approximately 27%, with the total fleet having grown at an estimated rate of about 5% year on year according to industry sources. By comparison, for Capesize and Panamax vessels the outstanding orderbook is closer to 50% of the current fleet, while fleet growth year on year is expected to surpass 10%. Furthermore, Handysize vessels represent on average the oldest fleet, as approximately 45% of the world Handysize fleet is over 20 years. This should translate in more intense scrapping activity that can further tilt the supply and demand balance in favor of ship owners.

Secondly, Handysize vessels enjoy unparalleled operational versatility, in terms of the types of cargo that they can carry and the ports they can access. In this respect, it should be noted that demand for transportation of minor bulks, including steel products and fertilizer raw materials is generally more diversified as there is no need to rely on demand for a single type of cargo. Furthermore, areas of increasing importance for dry bulk shipping, such as most countries in the African continent, Indonesia and even India generally lack the infrastructure to accommodate large vessels.

We therefore believe that in the long term Handysize vessels are likely to enjoy the most resilient market fundamentals, leading to reduced volatility in freight rates as compared to larger vessel types. (Source: Hellenic Shipping News Worldwide)

Ore-Ship Rents Hit 10-month High Amid Atlantic Scarcity

Rents for capesize ships that haul iron ore and coal rose to the highest level in almost 10 months as rates paid on one route reached $50,000, the most paid since November.

Average hire costs climbed 4.2% to $28,888 a day today, the highest level since Dec. 6, according to the Baltic Exchange, a London-based provider of freight rates on 29 dry- bulk routes. The Baltic Dry Index, a broader measure of commodity-shipping costs, gained 1.9% to 1,920.

A shortage of immediately available ships in the Atlantic Ocean region pushed the last recorded booking for a trip to China from Brazil to $50,000 a day, according to the exchange. Rents last exceeded that level on Nov. 24, based on a list tallied by the exchange. Rates on the route were as low as $16,000 in early July, the list showed.

Capesize rates have more than tripled since Aug. 1. The rally is continuing because the three top iron-ore producers are seeking more ships to export cargoes, with some bookings as far ahead as the middle of October, the exchange said in a report e- mailed today.

Vale, Rio and BHP accounted for 58% of the 989 million metric tons of ore shipped by sea in 2010, according to a July report by the United Nations Conference on Trade and Development. The ore is a steelmaking raw material, and China is the top global steel producer. Vale is based in Rio de Janeiro.

The world dry-bulk fleet contains 1,291 capesizes that make up about 40% of total capacity, according to Clarkson Research Services Ltd., a unit of the world's biggest shipbroker.

The index has averaged about 1,414 this year, data compiled by Bloomberg show. The dry-bulk fleet of more than 8,500 ships faces a vessel glut that depressed the gauge to average levels last seen eight years ago, Bank of America Merrill Lynch said last month. Too many new vessels were ordered when rates boomed, and demand is unlikely to catch up with supply until 2014, the bank said.

Rents for the three dry-bulk vessel types smaller than capesizes tracked by the gauge averaged the lowest levels to date this quarter since the first three months of 2009, according to the exchange.

Panamaxes, the largest ships that can navigate the Panama Canal, have averaged $12,818 this quarter, data compiled by Bloomberg show. Rates averaged $10,009 for handysizes and $13,864 for supramaxes. By contrast, average capesize rents are almost double last quarter and the highest level in six months at $16,236.

Daily panamax rents slipped 0.1% to $13,142 today, according to the exchange. Supramaxes, which carry about 25% less cargo, gained 0.5% to $15,460 and handysizes, the smallest ships tracked by the index, rose 0.5% to $10,194. (Compiling by Helen Liu)

URC Comment and Analysis

Imported Iron Ore Market Silent in Port Fangcheng

UMETAL-CHINA, Spot market prices remain weak today in port Fangcheng. Many Australian, Brazilian and Ukrainian iron ore resources have arrived at port Fangcheng. Steelmakers are waiting for good chance to make purchase facing continuously slipping prices. Moreover, partial steelmakers are conducting maintenance and show low desire to purchase imported iron ore.

The price decline in steel market also places an influence on southwest market, although where the transportation is not convenient. Imported iron ore market demand is weak in southwest area at present and steelmakers will consider purchasing domestic iron ore firstly to maintain their normal production even if imported iron ore prices drop sharply. Imported iron ore market in Fangcheng port is predicted to remain weak after the National Day holiday. (Editing by Susan Chen)

UMETAL: Indian Iron Ore Loses Ground in Hebei

UMETAL-CHINA, Indian iron ore was once favored by many private steelmakers in Hebei who have high dependence on imported iron ore. Indian iron ore market shares also once accounted for about one fourth of total iron ore import in China. However, India iron ore resources in China and Hebei province are shrinking along with India's export tax restriction measures. Specifically, Indian iron ore resources in Caofeidian port have seen six consecutive months' decline.

Indian Iron Ore Import Slipped by 9.26% YoY in First Eight Months

Latest statistics showed that iron ore imports in port Caofeidian totaled 50 million tonnes during the first eight months of this year, valuing at US$7.36 billion. Import amount and value rose by 42% and 98% respectively. About 90% of Hebei steelmakers' total iron ore import comes from Australia, Brazil and India. According to the data, Indian iron ore import in port Caofeidian amounted to 9.33 million tonnes during the first eight months of 2011, down by 9.26% YoY and which was the six consecutive months' decline YoY.

Other ports in China also face the same problem of Indian iron ore import shrinkage. Indian iron ore imports accounted for 14.9% among China's total iron ore import in the first half year of 2011, down 6% over the same period of last year. Iron ore import amount fell by 15.03 million tonnes YoY.

Indian Iron Ore Loses Ground

The decrease of Indian iron ore import is mainly attributable to Indian government's export duty growth. Currently, Indian government is planning to unite with Tata Steel and POSCO to build two large steel plants and therefore Indian iron ore export is expected to drop further in the future. A market insider predicted that Indian iron ore market shares in China will continue to decrease in the coming market.

Indian Iron Ore Loses Price Advantage

Since the second half of year 2010, variously bearish factors have posted severe pressure on Hebei-based private steel mills which totally depend on low-priced Indian iron ore.

Since Mar 1, 2011, Indian Government has uplifted the export tariff from 15% to 20% for iron ore lumps, and from 5% to 20% for iron ore fines.

Due to the growth of Indian iron ore export tariff, import cost for Hebei-based private steelmakers gained a US$30/tonne increase, or RMB200/tonne. In early September, foreign quotation of 63.5% Indian fines has reached US$190/tonne, while the average import cost for the private mills was around US$167/tonne in August.

Analysts indicate the increase of Indian iron ore export tariff dented Indian iron ore's advantage of long-term cost performance, and also dampened Chinese steelmakers' enthusiasm.

contracted ore had to depend on the import from countries such as India and Vietnam as these countries' iron ore resources were relatively scattered and were more flexible to conclude trading agreements. However, in tandem with the implement of quarterly or monthly contract, small and medium sized steel mills got more chance to acquire Australian and Brazilian iron ore, which gradually weakened Indian ore's advantage of price performance.

Furthermore, during the annual contract era, small steel mills that are unqualified to purchase

Quality of Indian Iron Ore Hard to Guarantee

Besides the diminished price advantage, decreasing quality of Indian iron ore is also a problem. According to the statistics compiled by Hebei Exit Inspection and Quarantine Bureau, Port Caofeidian imported 238 batches of Indian iron ore totaled 8.23 million tonnes in the first half of 2011, while percent defective is far higher than Australian and Brazilian ore, reaching 65% with various defective items including ferrum (Fe), moisture, particle size, sulphur (S), phosphorus (P), aluminum oxide (Al2O3) and silica (SiO2). Moreover, inspection result is obviously different between discharge port and loading port.

Reportedly, Indian steel industry has pacing into a rapidly developing phase. Indian government states that its domestic steel output will reach 120 million tonnes by the end of financial year 2012. Meanwhile, Indian steel enterprises are persuading the government to prior utilize Indian iron or on domestic iron and steel industry development.

In recent period, Indian media reported that India Ministry of Steel was poised to request Ministry of Financial to further uplift iron ore export tariff from 20% to 30% in order to guarantee the sufficiency of iron ore supply for domestic steel industry. Insiders indicated that, Steel Minister Beni Prasad Verma has approved the proposal increasing export tariff of iron ore once again which was to be submitted for approval of the Indian Ministry of Finance. It is learnt that, the hike in export tariff emphasizes that iron ore stockpiles of Indian steel mills see steep downtrend and accordingly Indian needs to further restrict iron ore exports. (Editing by Susan Chen and Athina Wang)

Imported Iron Ore Market-Transactions Stagnant on Coming Holiday

UMETAL-CHINA, Market transactions for imported iron ore are seldom today in Shandong. Many market insiders gather at CISA's conference held in Qindao in recent two days, aiming to boost market transactions. However, the market sees no improvement and steelmakers expressed that they will not replenish stocks in a large amount before National Day Holiday. Market dealers and steel mills are both distressed under slipping prices in imported iron ore and steel products. Steelmakers bear great pressures on tight capitals and they can only control the cost by increasing the usage of domestic iron ore and containing expenditure.

Ansteel intends to invest a mill in India. India is a large source for spot market resources, but Indian iron ore quality and amount all see a decline at present. India aims to largely develop its infrastructural construction, which will undoubtedly result in a large demand of raw material and accordingly iron ore exports will drop. China steel industry has been better developed than India. Therefore, building steel plant in India is a forward-looking move for Chinese steel companies to get raw materials nearby and widen profit source from oversea market. (Editing by Susan Chen)

Imported Iron Ore Market- Prices Move down Further

UMETAL-CHINA, Iron ore prices continue to drop today, with few transactions. Many market players predict that prices will maintain the downturn before the National Day holiday. Most steel mills have reported losses on largely slipping steel product prices. Additionally, steel mills bear great capital pressures at present and some of them have basically suspended purchases.

Moreover, traders mainly hold high-cost resources and are not active to make offers. Indian iron ore resources are in tight supply and the price decline is relatively slowing. However, domestic market demand stays sluggish and very few transactions have been witnessed. Some medium & small-sized miners offer their resources at low prices to promote transactions, but get unfavorable result. The majority of traders holds a pessimistic attitude toward the coming market and predicted that iron ore prices will edge lower in the subsequent market. (Editing by Susan Chen)

Daily: Iron Ore Price Drops in Handan and Xingtai (Sep 14)

UMETAL-CHINA, Following the weakness during the Mid Autumn Day, the domestic iron ore price in Handan and Xingtai today starts to drop, so does the transaction.

Data show the transaction volume in this region reached 181,000 tonnes last week, almost doubled the average 80,000-90,000 tonnes. So the insiders believe the transaction is bound to fall.

As for the local steelmakers, they are trying to take advantage of this opportunity to cut the purchase price as the current steel market is stagnant, coupled with the upcoming replenishment for winter season.

Compared to the shrinking trend in North China, market in East China and South China basically sees no changes. Plus, strong wait and see sentiments fill the market in South China. (Editing by Mike Lei)

Umetal: Whether Iron Ore Prices will Drop in Q4

UMETAL-CHINA, Bulk commodities like copper prices have dropped by a large margin in recent two days as top three credit rating agencies have cut the rating frequently in recent two weeks. Against such a backdrop, steel products especially billet prices have been heavily affected. HRC and rebar prices also follow the downtrend.

Billet prices have almost dropped by RMB290/tonne in recent two weeks, while HR steel and rebar prices also have seen a decline of RMB200/tonne above. However, iron ore prices only have fallen by RMB20/tonne and the reasons can be concluded as follows.

-- Private companies mainly supply billet in Tangshan market and accordingly the prices see larger changes owing to capital chases. Market demand from downstream industries like real estate and machine industry has decreased and steel market has been slack in traditional peak season of September and October, leading to decreased demand in strip and rebar. In particular, billet prices have fallen by almost RMB300/tonne in recent two weeks.

--HRC is mainly produced by large & middle-sized state-owned companies. HRC saw limited drop in the week before last supported by cost. However, HRC prices had dipped by a larger margin during the week ending Sep 23, 2011. Most steel mills incurred losses.

--Presently, mainstream iron ore resources show few transactions and non-mainstream resources are championed in some local areas. Spot market prices for Indian iron ore fines have only dropped by RMB20/tonne (Fe: 63.5%) in recent two weeks in port Tianjin, but transactions are hardly concluded over the same period. Umetal analyst cited the reasons as that mainstream iron ore resources are mainly held by large traders with sufficient capitals and medium & small traders have no stocks. Iron ore market prices have witnessed small fluctuations since the third quarter and market players' profit has dropped. Additionally, capital cost is increasing continuously. It's reported that the discount rate of *acceptance* bill for large amount has risen to 11.3‰ per month. Therefore, market participants play waiting games. Steelmakers are basically not willing to make purchases at present and they only plan to purchase some non-mainstream iron ore resources to replenish stocks. Currently, non-mainstream iron ore output sees limited amount. Spot market stocks for low grade Indian iron ore keep at a low level influenced by the monsoon in India and market resources are favored at present. However, according to Umetal's survey, low grade Indian iron ore (Fe: 50-55%) will be shipped to China during middle October and the tight supply of low grade iron ore will be eased in late October.

Price Changes in Recent Two Weeks				
-	Sep 23	Sp 9	Change Unit: RMB/tonne	%
Rebar Futures 1201	4,514	4,791	-277	-5.78%
HR E-transaction 1111	4,508	4,789	-281	-5.87%
20mm HRB335 in Shanghai	4,560	4,770	-210	-4.40%
6.0mm HRC in Shanghai	4,530	4,770	-240	-5.03%
Billet in Tangshan	4,170	4,460	-290	-6.50%
Indian fines (Fe: 63.5%) in Tianjin	1,340	1,360	-20	-1.47%

Based on Platts' index for June, July and August, iron ore long-term contract price is expected to drop by US$1.5/tonne in the fourth quarter than Q3. Although, the decline is limited, the price decrease in steel product has approached steelmakers' cost and some companies have incurred losses. Steelmakers may face the problem of maintenance and production cut in the coming market, which will reduce the steel production. Therefore, spot market prices for iron ore face great risk in current market.

Daily crude steel output stayed at 1.964 million tonnes in early September, up 59,000 tonnes from late August. Daily crude iron ore output has maintained 1.9 million tonnes above since late February this year. Although steel product prices have shown frequent changes in recent eight months, large-scale production reduction is not witnessed in steelmakers, which results in high iron ore price over the same period.

Current slipping steel prices mainly place an influence on iron ore market transactions. Currently, iron ore prices edge lower slightly and transactions stay poor. However, steelmakers only pay close attention to steel production. If steel product output goes through obvious decline, iron ore prices will be much likely to go down in Q4. Iron ore prices face increased risks of decline in the short term. Along with weakening iron ore prices, steelmakers' cost is decreasing and the price trend in Q4 mainly depends on steel product output. (USD 1=RMB 6.3735; Contributing by Zhang Jiabin; Editing by Susan Chen)

Imported Iron Ore Market Expected to be Bearish Facing the Holiday

UMETAL-CHINA, Spot market prices see downward trend today in port Tianjin. Market transactions stayed dull at the weekend. Domestic iron ore concentrate prices in north China have begun to show decline since middle September and the largest drop has exceeded RMB100/tonne. Thus, price gap between domestic iron ore and imported iron ore is enlarging. Some steelmakers have increased their usage of domestic iron ore in their production to cut costs. Under the circumstances, market demand for imported iron ore may be restricted given the increased usage of domestic iron ore.

Australian iron ore resources have increased recently along with frequent invitation of tender from top three mining giants and market supply is sufficient. However, traders mainly hold high-cost resources and show low enthusiasm for cutting prices at present, in the hope of market rebound after National Day Holiday. Current market remains weak and spot market prices have fallen to some extent. Market sources said that imported iron ore market still faces great pressures and the market after the festival is not optimistic as debt crisis in Europe is deepening gradually, US Fed have not implemented the QE3, steel product prices have dropped continuously in China domestic market and transactions also remain dull. (Editing by Susan Chen)

Market Hard to See Obvious Improvement before the Holiday

UMETAL-CHINA, Market participants mainly keep a strong wait-and-see attitude toward the iron ore concentrate market in Anhui and partial market prices see small corrections in some areas. Steel mills have issued their prices for October and most still perform the same prices as the beginning of September.

Market prices remain weak amid stability in Anhui at present. Sellers and buyers show different attitude under continuously slipping steel prices and weakening iron ore market in Northern China. Sellers have weak desire to make shipment given cost, while buyers wait for further price decline. Therefore, there are seldom transactions. It's expected that iron ore concentrate market prices will remain weak amid corrections after National Day Holiday. (Editing by Susan Chen)

Iron Ore Concentrate Prices Remain Slack in Liaoning

UMETAL-CHINA, Steel market prices have dropped sharply recently, influenced by which billet prices also edge lower gradually. Under the circumstances, iron ore concentrate prices also show downward trend in Liaoning. A strong wait-and-see attitude can be witnessed at present and there are seldom transactions.

Steel mills have low expectation on the following market and some of them have kept their inventories at low level. Individual steel mills show low desire to purchases before the holiday since they still hold a large amount of domestic iron ore.

As for miners, large miners in Liaoning still keep their offers firm and are not willing to make shipments at low prices, with a hope of market recovery after the festival. On the contrary, small-sized mining companies are active to undersell their resources to withdraw capitals and reduce market risk.

Meantime, partial traders begin to undersell under sharply slipping iron ore concentrate prices. But most traders are still on the fence and are cautious toward operations. Against such a backdrop, domestic iron ore market is much likely to keep weak amid stability before the holiday. (Editing by Susan Chen)

Iron Ore Concentrate Prices Dip Slightly in Shandong

UMETAL-CHINA, Iron ore concentrate prices fall by a small margin today in Shandong, with favorable transactions. Three large miners have cut their iron ore concentrate EXW prices last week, which has been accepted by market players. Market transactions tend to stabilize and see fair performance. However, bulk commodity prices have dived recently influenced by price downtrend in steel market. Thus, market players still sit on the fence and some traders have suspended their deals, in the hope of regeneration after the holiday. (Editing by Susan Chen)

umetal www.umetal.net

Iron Ore Concentrate Prices Stable in Guangdong

UMETAL-CHINA, Iron ore concentrate market prices keep stable temporarily in Guangdong today influenced by price decline in steel product prices. Steelmakers' pressures on capitals have increased and they are cautious toward purchases. More and more market participants keep a wait-and-see attitude. Traders' offers are slightly higher than miners.

Steel product prices continue to go down today. Most dealers have cut their inventories and accordingly market prices edge lower continuously. Market players show no desire to stabilize prices and conclude transactions. Some of them have begun to undersell their goods. Against such a backdrop, capitals held by market participants are really tight

Miners' transactions dropped obviously. Some miners have stopped production and begun to conduct maintenance facing coming National Day holiday and miners' regulation measures on safety and detonator. Additionally, iron ore market demand keeps weak and transactions are dull. Steelmakers are cautious toward purchases and market enquiries decrease under tight capitals.

Many traders play waiting games and most have stopped operations under slipping market prices. Market enquiries are also dull.

It's expected that steel prices may continue to maintain fluctuations and inventories will grow. Market demand has difficulties in improvement and iron ore concentrate market will be influenced. Iron ore concentrate prices are likely to see vibrations amid stability in the short term. (Editing by Susan Chen)

Spot Iron Ore Market in China

Sales Prices of Imported Iron Ore at Chinese Ports

Port	Iron Ore	Grades	RMB/WMT(tax included,17%)				
			Sep 26	Sep 27	Sep 28	Sep 29	Remark
Tianjin	Indian fines	63.5%	1,340	1,340	1,340	1,330	-10
	PB fines	62%	1,270	1,270	1,270	1,250	-20
Qingdao	Indian fines	59%	1,090	1,090	1,090	1,080	-10
	Indian fines	62%	1,230	1,230	1,230	1,220	-10
	Robe River fines	56-57%	1,130	1,120	1,120	1,100	-30
	Brazilian fines	65%	1,350	1,340	1,340	1,330	-20
	PB fines	62%	1,260	1,250	1,250	1,230	-30
	Brazilian concentrate	67%	1,440	1,430	1,430	1,420	-20
Rizhao	Indian fines	61%	1,200	1,190	1,190	1,180	-20
	Indian fines	62%	1,240	1,230	1,230	1,220	-20
	Yandi fines	58%	1,160	1,150	1,150	1,130	-30
	Australian lump	62%	1,360	1,350	1,350	1,330	-30
	Iranian hematite fines	61%	1190	1190	1190	1190	-
	Iranian hematite fines	60%	1090	1090	1090	1090	-
	Iranian hematite fines	59%	1140	1140	1140	1140	-
	Iranian magnetite fines	61%	1200	1200	1200	1200	-
	Iranian magnetite fines	60%	1160	1160	1160	1160	-
	Iranian magnetite fines	59%	1110	1110	1110	1110	-

CCCMC Reference Prices

Date	Indian Ores (63.5%)	High Prices	Low Prices	Unit
2011-09-28	FOB	168	167	$/t
2011-09-28	CIF	185	184	$/t

Iron Ore In Stock of Major China Ports (Update: Sep 23, 2011)

Port	Cargo In Stock (tonne)	QTY Change (tonne)	Stock Capacity (tonne)
Dalian	3,500,000	-100,000	40,000
Jingtang	3,100,000	-100,000	70,000
Tianjin	6,400,000	100,000	100,000
Qingdao	14,150,000	-150,000	250,000
Rizhao	14,800,000	-	300,000
Lanshan	2,000,000	-400,000	30,000

Port	Cargo In Stock (tonne)	QTY Change (tonne)	Stock Capacity (tonne)
Lianyungang	7,300,000	-	70,000
Beilun	2,800,000	100,000	80,000
Yantai	1,750,000	0	0
Caofeidian	13,000,000	-230,000	250,000
Shanghai	1,800,000	-200,000	40,000
Nantong	2,330,000	30,000	0
Qinhuangdao	1,600,000	-	20,000
Zhanjiang	2,200,000	-100,000	250,000
Majishan	3,450,000	-100,000	*
Baoshan	1,250,000	-	*
Yingkou	3,000,000	100,000	*
Zhenjiang	3,500,000	-50,000	*
Fangcheng	3,000,000	-	55,000
Dandong	280,000	-	*
Jiangyin	1,000,000	-	*
Guangzhou	150,000	-	10,000
Fuzhou	350,000	-	*
Xiamen	950,000	-50,000	20,000
Nanjing	1,000,000	-	*
Longkou	450,000	-30,000	20,000
Zhangjiagang	800,000	-	*
Changzhou	300,000	20,000	10,000
Suzhou	890,000	-	*
Quanzhou	400,000	-	10,000
Qinzhou	80,000	-	*
Taicang	1,900,000	-100,000	60,000
Jinzhou	200,000	-50,000	10,000
Shenzhen	200,000	-	10,000
Total	99,880,000	2,530,000	*

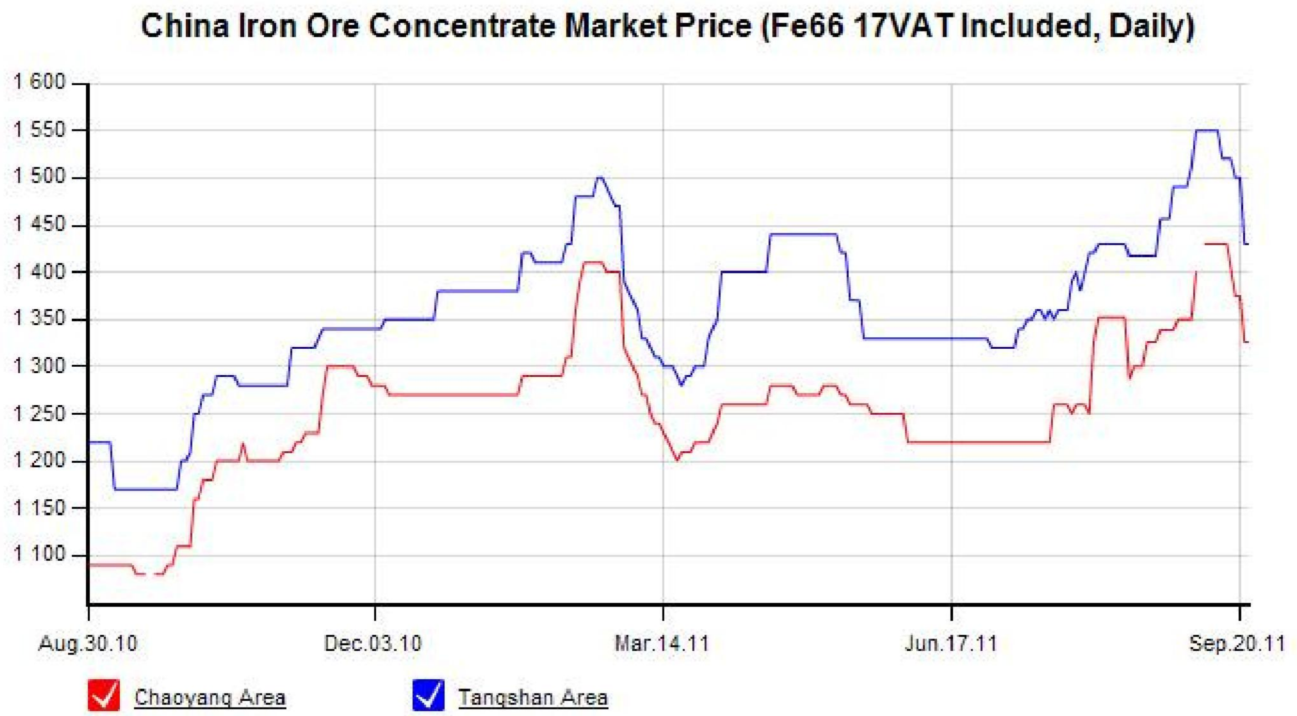
Foreign Quotes for Imported Iron Ore in China 2011-9-30

Country	Product	% Grade	CFR ($/T)	FOB ($/T)	Port of Loading	Remark
Australia	PB fines	61.5	167-169	156-158	Dampier/Hedland	Moisture: 8%;To be unloaded at Chinese major ports
Australia	Newman fines	62	172-174	161-163	Dampier/Hedland	Moisture: 8%;To be unloaded at Chinese major ports
Australia	YANDI fines	58	148-150	137-139	Dampier/Hedland	Moisture: 8%;To be unloaded at Chinese major ports
Australia	MAC fines	62	165-167	154-156	Dampier/Hedland	Moisture: 8%;To be unloaded at Chinese major ports

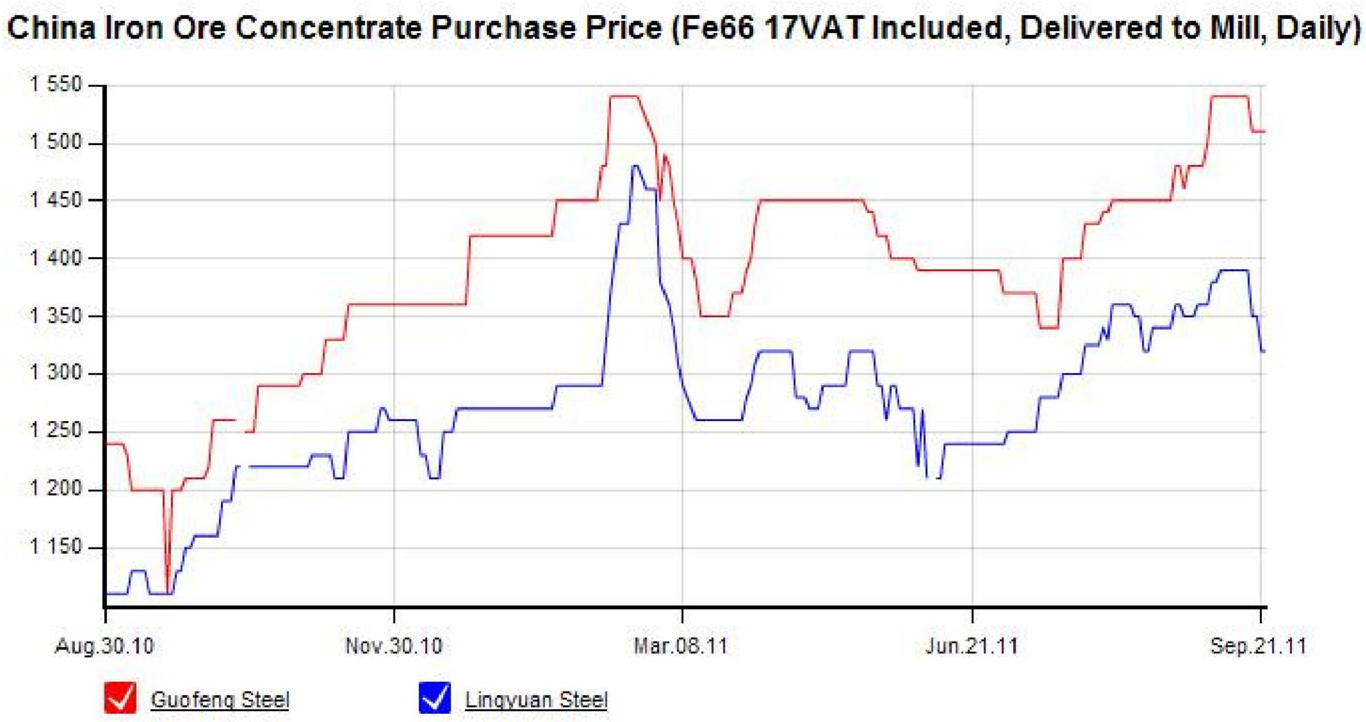
Country	Product	% Grade	CFR ($/T)	FOB ($/T)	Port of Loading	Remark
Australia	Newman lumps	63	178-180	167-169	Dampier/Hedland	Moisture: 3%;To be unloaded at Chinese major ports
Australia	YANDI lumps	58	158-160	147-149	Dampier/Hedland	Moisture: 3%;To be unloaded at Chinese major ports
Australia	MAC lumps	62	175-177	164-166	Dampier/Hedland	Moisture: 3%;To be unloaded at Chinese major ports
Australia	PB lumps	62	176-178	165-167	Dampier/Hedland	Moisture: 3%;To be unloaded at Chinese major ports
Australia	Robe River fines	56	145-147	134-136	Dampier/Hedland	Moisture: 8%;To be unloaded at Chinese major ports
Brazil	SFCJ	66	191-193	164-166	Tubarao/PDM	Moisture: 8%;To be unloaded at Chinese major ports
Brazil	SFOT	63	175-177	148-150	Tubarao/PDM	Moisture: 8%;To be unloaded at Chinese major ports
Brazil	Lumps	65	191-193	164-166	Tubarao/PDM	Moisture: 3%;To be unloaded at Chinese major ports
Brazil	Pellets	66	199-201	172-174	Tubarao/PDM	Moisture: 3%;To be unloaded at Chinese major ports
Brazil	SSFT	65	188-190	161-163	Tubarao/PDM	Moisture: 8%;To be unloaded at Chinese major ports
India	Iron Ore Fines	63.5/63	178-180	161-163	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	61/60	160-162	143-145	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	63/62	172-174	155-157	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	62/61	167-169	150-152	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	60/59	154-156	137-139	Chennai/Paradip	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	59/58	149-151	130-132	Goa/Mangalore	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	58/57	142-144	123-125	Goa/Mangalore	Moisture: 8%; To be loaded at one Indian port; To be unloaded at Chinese Northern ports
India	Iron Ore Fines	55/54	125-127	106-108	Goa	Moisture: 8%; To be loaded at one Indian port
India	Iron Ore Fines	53/52	109-111	90-92	Goa	Moisture: 8%; To be loaded at one Indian port
Iran	Hematites	62/61	161-163	133-135	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Hematites	61/60	156-158	128-130	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk

Country	Product	% Grade	CFR ($/T)	FOB ($/T)	Port of Loading	Remark
Iran	Hematites	60/59	150-152	122-124	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Hematites	59/58	141-143	113-115	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Magnetite	62/61	163-165	135-137	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Magnetite	61/60	158-160	130-132	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Magnetite	60/59	152-154	122-125	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Iran	Magnetite	59/58	143-145	115-117	BANDA ABBAS	6%Si,2%Al,0.2%P,0.2%S; By bulk
Russia	Iron Ore Concentrates	67	198-200	-	Black Sea	Moisture: 8%; China Major Ports
Russia	Iron Ore Concentrates	65	192-194	-	Black Sea	Moisture: 8%; China Major Ports
Russia	Iron Ore Concentrates	63.5	189-191	-	Murmansk	Moisture: 8%; China Major Ports
Russia	Iron Ore Pellets	63	190-192	-	Black Sea	Moisture: 8%; China Major Ports
Russia	Iron Ore Pellets	65	201-203	-	Black Sea	Moisture: 8%; China Major Ports

China Iron Ore Market Prices



China Iron Ore Purchase Prices



Transaction Reports

China's Report of Imported Iron Ore Transaction

Date	Description	Grade	Price	Quantity	Company	Delivery Place	Remark
Sep 28	Indian fines	63.5%	RMB 1320	5,000 tonnes	Undisclosed	Tianjin Port	WMT
	Ukranie Pellets	62%	RMB 1480	10,000 tonnes	Undisclosed	Qingdao Port	WMT
Sep 27	Australian fines	57%	CFR 146.5	105,000 tonnes	Undisclosed	China Major Port	DMT
	PB fines	61.5%	CFR 170	162,000 tonnes	Undisclosed	China Major Port	DMT
Sep 26	Rocket fines	57%	RMB 1080	30,000 tonnes	Undisclosed	Lianyungang Port	WMT

Shipping & Logistics

Int'l Shipping Prices

Average Ocean Freight Rate in India-China Route

Date	Handymax (52,454 tonnes): Length ≤ 190M. Full Loaded Sail at a Speed of 14 Knots. Fuel consumption 30 tonnes.	
	Vizag Port - Qingdao Port	
	Price (US$/tonne)	Change (US$/tonne)
Sep 29, 2011	15.63	-0.03
Sep 28, 2011	15.66	+0.09
Sep 27, 2011	15.57	-0.13
Sep 26, 2011	15.70	-0.06
Sep 23, 2011	15.76	+0.03

Daily Bunker Fuel Oil Prices in Singapore

Date	IFO380 (heavy oil)		IFO180 (heavy oil)		MDO(light oil)	
	Price($/t)	Chg($/t)	Price($/t)	Chg($/t)	Price($/t)	Chg($/t)
Sep 29, 2011	645	-	654.5	-0.5	891.5	+10.5
Sep 28, 2011	645	+2	655	+2.5	881	+1.5
Sep 27, 2011	643	+10.5	652.5	+10	879.5	10.5
Sep 26, 2011	632	-11.5	642.5	-9.5	869	-19
Sep 23, 2011	644	-4	652	-4	888	-6.5

Vessel Lineup

Shipments of Iron Ore at Main Brazil Ports for Sep 19-Oct 2, 2011

28 vessels are scheduled to arrive at port Tubarao for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 4.222 million tonnes.

TUBARAO PIER ONE

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Bottiglieri Giulio Borrielo	19/09/2011	20/09/2011	22/09/2011	90
Graceful Madonna	19/09/2011	20/09/2011	22/09/2011	170
Krakow	07/09/2011	22/09/2011	23/09/2011	55

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Ore Belo Horizonte	17/09/2011	22/09/2011	23/09/2011	155
Great Zhou	22/09/2011	24/09/2011	25/09/2011	160
Welfine	07/09/2011	24/09/2011	25/09/2011	85
Shinyo Ayush	07/09/2011	25/09/2011	26/09/2011	45
Koho	24/09/2011	25/09/2011	27/09/2011	160
Atlantic Bridge	15/09/2011	27/09/2011	28/09/2011	155
Darya Moti	11/09/2011	27/09/2011	28/09/2011	45
Costanza	11/09/2011	28/09/2011	29/09/2011	90
Saar N	27/09/2011	28/09/2011	29/09/2011	120
SKS Mersey	20/09/2011	29/09/2011	30/09/2011	115
Lowlands Queen	31/08/2011	30/09/2011	01/10/2011	60
Ore Bayovar	21/09/2011	30/09/2011	01/10/2011	170
Ocean Leader	15/09/2011	01/10/2011	02/10/2011	50
Daphne Schulte	24/09/2011	02/10/2011	03/10/2011	83
RBD Mediterraneo	17/09/2011	02/10/2011	03/10/2011	34

TUBARAO PIER TWO

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Mariperla	11/09/2011	19/09/2011	19/09/2011	170
Zheng Jie	19/09/2011	19/09/2011	20/09/2011	260
Abigail N	17/09/2011	20/09/2011	22/09/2011	290
Monemvasia	21/09/2011	23/09/2011	24/09/2011	170
Berge Fjord	24/09/2011	24/09/2011	26/09/2011	285
Steven N	18/09/2011	26/09/2011	27/09/2011	290
Berge Bureya	27/09/2011	28/09/2011	29/09/2011	220
Spring Sweetbrier	08/09/2011	29/09/2011	30/09/2011	220
Onozuru Maru	13/09/2011	30/09/2011	01/10/2011	185
Ore Salobo	21/09/2011	01/10/2011	03/10/2011	290

9 vessels are scheduled to arrive at port PONTA DO UBU for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 914,000 tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Spring Zephyr	19/09/2011	19/09/2011	21/09/2011	179
Stalo	21/09/2011	21/09/2011	22/09/2011	60
Washington Trader	21/09/2011	22/09/2011	22/09/2011	45
Alpha Friendship	22/09/2011	23/09/2011	24/09/2011	141
SOPOT	26/09/2011	26/09/2011	27/09/2011	55
AM Tubarao	26/09/2011	27/09/2011	28/09/2011	57
Pedhoulas Merchant	27/09/2011	28/09/2011	29/09/2011	45
Mineral Belgium	28/09/2011	29/09/2011	01/10/2011	166

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Phoenix Beauty	30/09/2011	01/10/2011	03/10/2011	166

11 vessels are scheduled to arrive at port GIT for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 1.608 million tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY
King Robbert	11/09/2011	19/09/2011	21/09/2011	162700
Churchill Bulker	13/09/2011	20/09/2011	22/09/2011	176160
Niki	18/09/2011	23/09/2011	24/09/2011	100000
SC Lotta	22/09/2011	28/09/2011	30/09/2011	160000
Nord Vela	21/09/2011	24/09/2011	25/09/2011	115000
Maria GO	22/09/2011	25/09/2011	26/09/2011	84950
China Steel Team	24/09/2011	25/09/2011	27/09/2011	199500
Cape Istanbul	24/09/2011	26/09/2011	30/09/2011	170000
Great Pheasant	24/09/2011	27/09/2011	29/09/2011	160000
Baosteel Expedition	26/09/2011	29/09/2011	01/10/2011	200000
Lady Maria Luisa	29/09/2011	02/10/2011	03/10/2011	80000

6 vessels are scheduled to arrive at port CPBS for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 968,000 tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY
Fengli 1	07/09/2011	21/09/2011	23/09/2011	144000
Heythrop	11/09/2011	20/09/2011	23/09/2011	155073
C. Blosson	18/09/2011	23/09/2011	28/09/2011	161650
Maha Anosha	25/09/2011	28/09/2011	30/09/2011	150000
Bulk Spain	30/09/2011	02/10/2011	04/10/2011	160000
Centrans Leader	26/09/2011	30/09/2011	02/10/2011	198000

9 vessels are scheduled to arrive at port CSN for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 1.386 million tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY
Shin Koho	19/09/2011	20/09/2011	21/09/2011	150700
Jag Arjun	20/09/2011	23/09/2011	24/09/2011	154500
Alpha Action	20/09/2011	22/09/2011	23/09/2011	147510
Cape Wisteria	22/09/2011	25/09/2011	26/09/2011	159960
China Act	23/09/2011	26/09/2011	28/09/2011	150000
Ocean Cosmos	26/09/2011	28/09/2011	29/09/2011	158500
Lowlands Phoenix	27/09/2011	29/09/2011	1/10/2011	161975
Sucessor	29/09/2011	01/10/2011	02/10/2011	150000
Iron King	30/09/2011	02/10/2011	03/10/2011	153100

26 vessels are scheduled to arrive at port PDM for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 4.507 million tonnes.

PONTA DA MADEIRA PIER ONE

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Sakura	15/09/2011	19/09/2011	20/09/2011	220
Baosteel Elaboration	05/09/2011	20/09/2011	22/09/2011	290
Shin - Rei	21/09/2011	22/09/2011	23/09/2011	190
Stellar Galaxy	23/09/2011	23/09/2011	24/09/2011	250
Guofeng Enterprise	24/09/2011	25/09/2011	26/09/2011	250
Navix Astral	27/09/2011	28/09/2011	29/09/2011	240
Handan Steel	25/09/2011	29/09/2011	01/10/2011	240
Hanjin Dampier	28/09/2011	01/10/2011	02/10/2011	183
Ore Urucum	28/09/2011	02/10/2011	03/10/2011	290

PONTA DA MADEIRA PIER TWO

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Tana Sea	16/09/2011	21/09/2011	24/09/2011	80
Westgate	18/09/2011	24/09/2011	25/09/2011	27

PONTA DA MADEIRA PIER THREE

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Bulk Japan - Pier North	11/09/2011	21/09/2011	22/09/2011	82
Vogerunner - Pier South	13/09/2011	22/09/2011	24/09/2011	160
Asian Blossom - Pier North	18/09/2011	23/09/2011	24/09/2011	160
Bulk China - Pier South	16/09/2011	23/09/2011	25/09/2011	160
Great Song - Pier South	18/09/2011	25/09/2011	26/09/2011	160
Atlantic Tiger - Pier South	19/09/2011	26/09/2011	28/09/2011	150
Hebei Triumph - Pier North	19/09/2011	27/09/2011	28/09/2011	160
Frontier Mirage - Pier South	18/09/2011	28/09/2011	29/09/2011	170
Golden Zhoushan - Pier North	23/09/2011	28/09/2011	30/09/2011	160
E.R. Borneo - Pier North	25/09/2011	29/09/2011	01/10/2011	170
Navios Hapiness - Pier South	18/09/2011	29/09/2011	01/10/2011	160
Lian Hua Feng - Pier North	26/09/2011	30/09/2011	01/10/2011	70
Bulk Mexico - Pier North	27/09/2011	01/10/2011	02/10/2011	160

VESSEL	ETA	ETB	ETD	CGO QTY *1,000
Berge Atlantic - Pier South	23/09/2011	01/10/2011	03/10/2011	155
Montecristo - Pier South	28/09/2011	02/10/2011	04/10/2011	170

Shipments of Iron Ore at Main Australia Ports for Sep 19-Oct 2, 2011

30 vessels are scheduled to arrive at port DAMPIER for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are more than 4.702 million tonnes.

EAST INTERCOURSE ISLAND

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
STX CHAMPION.	2024/17	09	1700/23	*	*	158F	*
DIONE	1130/19	09	2030/24	CHINA	60L	105F	*
CAPE CENTURY	1154/20	09	2300/25	CHINA	40L	120F	*
ER BEUNOS AIRES	1720/20	09	0130/27	CHINA	60L	100F	*
SHINZAN MARU	1800/23	09	0800/28	JAPAN	150L	40F	*
CAPE DREAM	1400/24	09	1030/29	CHINA	*	165F	*
CAPE ASIA	1700/24	09	1400/30	JAPAN	110L	60F	*
PACIFIC RESOURCE	0500/27	09	1630/01	TBA	70L	95F	*
STELLAR FAIR	2300/28	09	1900/02	TBA	*	*	160TBA
SG CAPITAL	0500/29	09	0330/04	CHINA	100L	100F	*

PARKER POINT BERTH 2 & BERTH 3

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
SA FORTIUS	1230/17	09	0700/24	CHINA	*	169F	*
ROYAL OASIS	1642/19	09	0730/25	CHINA	70L	90F	*
OCEAN COMMANDER	1040/21	09	0800/26	JAPAN	160L	*	*
ETERNUS	1600/19	09	0930/27	CHINA	*	165F	*
CAPE SATURN	0809/21	09	1100/28	CHINA	40L	125F	*
MINERAL SINES	1500/25	09	1215/29	CHINA	60L	100F	*
MARTZOUKOS A	0800/24	09	1345/30	CHINA	40L	120F	*
CSK FORTUNE	1900/24	09	2325/01	CHINA	*	*	160TBA
CAPTAIN PETROS H	1201/27	09	0000/03	TBA	*	*	160TBA
AQUAHOPE	1900/28	09	0040/04	TBA	*	160F	*

PARKER POINT BERTH 4 & BERTH 5

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
TENSHU MARU	1625/19	09	0730/24	CHINA	180L	*	*
FRONT CLIMBER	0812/18	09	0730/25	CHINA	60L	105F	*
POS BRAVERY	1430/18	09	2000/26	KOREA	50L	140F	*
TIAN LU HAI	2200/19	09	2110/27	CHINA	*	*	160TBA

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
BAOSTEEL EMOTION	0800/26	09	2345/28	CHINA	220L	*	*
STELLAR FORTUNE	1816/21	09	2330/29	CHINA	80L	70F	*
CENTRANS CENTURY	1400/23	09	0100/01	CHINA	*	160F	*
CAPE STAR	0500/25	09	0215/02	CHINA	*	165F	*
FIRST EMU	2200/27	09	1230/03	JAPAN	130	30	*
CAPE SAMPAGITA	0000/30	09	1410/04	JAPAN	*	*	160TBA

20 vessels are scheduled to arrive at port HEDLAND for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 3.751 million tonnes.

MOUNT NEWMAN "A" BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
K. ASTER	0030/23	0445/23	1930/24	KOREA	*	93MF	113Y
PACIFIC OAK	1210/20	2030/24	2100/26	*	70L	*	130Y
K. DAPHNE	0915/22	2230/26	*	*	91ML	*	79Y

FINUCANE ISLAND "B" BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
BEGONIA	0820/20	9	0700/25	KOREA	95ML	*	76Y
C. ATLAS	1700/18	9	2130/26	*	82L	94MF	*
MARILOULA	1300/21	9	*	*	98ML	78MF	*

FINUCANE ISLAND "C" BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
IRON FORTUNE	1825/18	9	0830/25	CHINA	80MF	95F	*
HYDRA WARRIOR	1555/21	9	*	*	*	80F	97Y

WEST YARD "D" BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
SONIA	0955/19	9	0600/24	CHINA	*	97F	78Y
BAOSTEEL EVOLUTION	1718/19	9	2015/26	CHINA	*	113F	91Y

ANDERSON POINT NO. 1 BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000
SHAGANG HONGFA	2248/17	9	0630/24	CHINA	174S
DONGA A OKNOS	0633/15	9	0700/25	CHINA	176R
BET PRINCE	1145/17	9	0800/26	CHINA	161R
CSB PROPITIOUSNESS	2033/20	9	0815/27	CHINA	225S

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000
ALIKI	0745/17	9	0830/28	CHINA	178S
PERCIVAL	1518/18	9	0930/29	CHINA	175R
OCEAN CHINA	0800/27	9	1000/30	CHINA	225BCI/S
MYSTIC	0500/29	9	1100/01	CHINA	168S

UTAH POINT BERTH

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000
NORD HERCULES	0600/23	9	1230/25	*	109
EDGAR	1100/25	9	1430/27	*	110
LUCIANA DELLA GATTA	PM/25	9	2000/29	*	110
GL XIUSHAN	2000/25	9	2200/31	*	100

18 vessels are scheduled to arrive at port WALCOTT for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 1.764 million tonnes.

Berth 1 & Berth 2

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
K.COSMOS	1140/20	0420/22	2025/24	KOREA	*	*	239Y
SEN OKU	0900/24	0930/24	0905/26	JAPAN	50L	*	140Y
AZALEA ISLAND	0900/25	1100/25	2045/26	JAPAN	*	*	100Y
ER BEILUN	1540/20	1120/26	2110/27	CHINA	40L	120F	*
SHIN ONDO	1200/25	2300/26	2145/28	JAPAN	*	35F	125Y
CECILIA	1000/26	2325/27	2215/29	CHINA	*	170F	*
SPRING PRIDE	1800/28	0000/29	1040/30	CHINA	60L	40F	*
CHINA STEEL GROWTH	0800/28	0030/30	1120/01	TBA	*	*	*
OCEAN CELEBRITY	2000/29	1255/30	0000/03	JAPAN	60L	30F	80Y
GLOBAL VICTORY	2200/28	1335/01	0040/04	TBA	*	*	*

Berth 3 & Berth 4

VESSEL	ETA		ETD	Destination	CGO/ QTY *1,000		
PITSA D	1035/21	09	1905/23	CHINA	*	165F	*
GOLDEN BELL	0800/22	09	1935/24	KOREA	*	100F	85Y
CAPE SOPHIA	1030/24	09	0815/26	JAPAN	*	45F	55Y
BAOGANG GLORY	1215/25	09	0900/27	CHINA	*	*	190Y
SILVER BELL	1800/26	09	0935/28	KOREA	*	*	190Y
SHIN SETO	2200/27	09	2215/29	JAPAN	60L	*	125Y
SHIN EI	1900/28	09	2250/30	JAPAN	*	55F	155Y
AZUL FORTUNA	1201/30	09	1155/02	JAPAN	*	30F	155Y

1 vessels are scheduled to arrive at port ESPERANCE for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 160,000 tonnes.

VESSEL	ETA	ETD	Destination	CGO/ QTY *1,000
ADRIADNE	0130/22	1500/25	CHINA	160

4 vessels are scheduled to arrive at port GERALDTON for operation for Sep 19-Oct 2, 2011. The outward cargo volumes are 240,000 tonnes.

VESSEL	ETA	ETD	Destination	CGO/ QTY *1,000
JOYOUS AGE	Anchorage	1200/23	CHINA	60F
HANJIN NEW ORLEANS	Anchorage	0930/24	CHINA	60
YUE DIAN 8	Anchorage	/27	CHINA	60F
DONG QING HAI	0800/28	/28	CHINA	60

Shipments of Iron Ore at Main India Ports for Sep 19-Oct 2, 2011

4 vessel are scheduled to arrive at port GOA for operation for Sep 19-Oct 2, 2011. The total cargo volumes are 210,000 tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY	Deliver	Destination
LYCAVITOS	28.08.11	29.08.11	21.09.11	55000	SAMRUDDHA RES	CHINA
TRIPLE STAR	06.09.11	20.09.2011	25.09.11	50000	PRIME MINERALS	CHINA
YASA GULTEN	17.09.11	19.09.11	25.09.11	55000	PANDURANG TIMBLO	CHINA
PORT MORESBY	17.09.11	20.09.11	26.09.11	50000	SESA	CHINA

7 vessels are scheduled to arrive at port PARADIP for operation for Sep 19-Oct 2, 2011. The total cargo volumes are 321,000 tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY	Deliver	Destination
MV. SPAR LYRA	26-Aug-2011	20-Sep-2011	24-Sep-2011	52000	BAGADIA/ANURAG/SAROJINI	CHINA
MV. AN YUAN	2-Sep-2011	21-Sep-2011	25-Sep-2011	50000	BAGADIA	CHINA
MV. BULK AVENIR	4-Sep-2011	24-Sep-2011	26-Sep-2011	34000	DSPL+SUSHANT MINERAL	CHINA
MV. STAR KAPA	4-Sep-2011	24-Sep-2011	28-Sep-2011	50000	GIMPEX LIMITED	CHINA
MV. BASHUNDHARA 2	5-Sep-2011	21-Sep-2011	25-Sep-2011	46000	SUSHANT MINERAL	CHINA
MV. JAHAN MONY	21-Sep-2011	26-Sep-2011	30-Sep-2011	43200	GRM+KASHVI + SAROJINI	CHINA
MV. UNITED	26-Sep-2011	30-Sep-2011	5-Oct-2011	46000	ATHA MINES	CHINA

12 vessels are scheduled to arrive at port VIZAG for operation for Sep 19-Oct 2, 2011. The total cargo volumes are 854,000 tonnes.

VESSEL	ETA	ETB	ETD	CGO QTY	Deliver	Destination
MAHAVIR PRASAD	13.09.11	19.09.11	22.09.11	130000	ESSAR	CHINA
SUN ENTERPRISES	12.09.11	17.09.11	24.09.11	50679	RK BEHURIA	CHINA
VLAZAKIS 1	17.09.11	20.09.11	22.09.11	40500	ISPAT INDUSTRIES	CHINA
PRINCESS KATHERINE	12.06.11	22.09.11	24.09.11	99700	PISCES	CHINA
REUNION	10.09.11	24.09.11	26.09.11	138600	MMTC	CHINA
PRIMROSE	13.09.11	26.09.11	27.09.11	50000	RUNGTA	CHINA
U SEA PROSPERITY	15.09.11	27.09.11	28.09.11	45000	RUNGTA	CHINA
MATILDA	16.09.11	29.09.11	30.09.11	50000	RUNGTA	CHINA
U SEA DYNAMIC	20.09.11	28.09.11	29.09.11	35000	RUNGTA	CHINA
GOVIND PRASAD	22.09.11	30.09.11	02.10.11	130000	ESSAR	CHINA
ERACLEA	20.09.11	22.09.11	25.09.11	41000	ISPAT INDUSTRIES	CHINA
HAMMONIA KORSIKA	20.09.11	23.09.11	26.09.11	44000	WELSPUN MAXSTEEL LTD	CHINA

Arrivals of Imported Iron Ores at Main China Ports for Sep 19-Oct 2, 2011

14 vessels are scheduled to arrive at port Beilun for Sep 19-Oct 2, 2011. The arrived cargo volumes are expected to reach 2.31 million tonnes. The unloading volumes are 1.727 million tonnes.

VESSEL	ETA	CGO QTY *1,000	Unloading Volumes (in 1,000 tonnes)	Loading Port	Receiver
MARIJEANNIE	20-Sep	163	68	DAMPIER	BM
LOWLANDS BRILLIANCE	20-Sep	166	90	PORT OF HEDLAND	ZHONGTIAN
CAPE HERON	23-Sep	160	85	AUSTRALIA	SHAGANG
NAVIOS LUMEN	22-Sep	177	100	DAMPIER	PINGGANG
NORD STEEL	22-Sep	179	90	CANADA	WUGANG
HANJIN DANGJIN	20-Sep	173	173	NORWAY	JIANFA
NAVIOS AURORA ii	21-Sep	176	90	CANADA	WUGANG
TAMOU	26-Sep	175	90	DAMPIER	NANGANG
HEBEI GENIUS	26-Sep	132	132	CHILE	XINYU
ZHONG TENG HAI	29-Sep	165	165	SAN NICOLAS	SHOUGANG
CAPE AMERICA	30-Sep	147	147	DAMPIER	NINGGANG
STAR ENTERPRISE	1-Oct	160	160	BRAZIL	HUAXI
ANANGEL TRANSPORTER	2-Oct	167	167	WALCOTT	NANGANG
AQUA BONANZA	2-Oct	170	170	SAN NICOLAS	SHOUGANG

22 vessels are scheduled to arrive at port Qingdao for Sep 19-Oct 2, 2011. The arrived cargo volumes are 2.535 million tonnes.

VESSEL	ETA	CGO QTY *1,000	Loading Port	Receiver
RED IRIS	20-Sep	60	AUS	LAIGANG
SUNNY PRIDE	20-Sep	61	AUS	CHIPING
CHANG HANG AN HAI	22-Sep	89	CANADA	QINGGANG
ZOSCO TAIZHOU	20-Sep	154	AUS	?
HOUHENG SUNRISE	20-Sep	169	AUS	GUANGFU
PACIFIC SUCCESS	20-Sep	166	AUS	TRADING
NAVIOS MELODIA	20-Sep	80	AUS	RUIGANGLIAN
HARMONY CARRIER	22-Sep	60	S.AFRICA	KUMBA
DA DAN XIA	23-Sep	25	IRAN	TRADING
UBC ORISTANO	23-Sep	110	AUS	?
ROBUSTO	23-Sep	167	AUS	WEIGANG
FMG CLOUD BREAK	24-Sep	177	AUS	FENGLI
AEOLIAN GLORY	25-Sep	60	UKRAINE	?
WISDOM OF THE SEA 1	25-Sep	177	AUS	JIUYANG
BRAVE HARALAMBOS	25-Sep	176	AUS	JIGANG
TIAN YU FENG	27-Sep	60	AUS	CHIPING
UNTA	27-Sep	103	?	?
ORE VITORIA	28-Sep	58	BRAZIL	?
ORE SOSSEGO	28-Sep	129	BRAZIL	LAIGANG YONGFENG
MG SHIPPING	28-Sep	245	BRAZIL	MAGANG
KASTRO	30-Sep	48	BRAZIL	LAIGANG
ANANGEL SPLENDOUR	30-Sep	159	AUS	ANTAI

29 vessels are scheduled to arrive at port Caofeidian for Sep 19-Oct 2, 2011. The arrived cargo volumes are expected to be more than 2.835 million tonnes.

VESSEL	ETA	CGO QTY *1,000	Loading Port
FULL COMFORT	19-Sep	68	?
BINTAN STAR	19-Sep	57	?
SARGA RATAN	20-Sep	54	?
OCEAN GALAXY	21-Sep	24	?
HUA TAI	19-Sep	57	?
KAIYO	19-Sep	80	AUS
GREAT PRAISE	22-Sep	49	?
CHINA PROGRESS	22-Sep	166	AUS
HUATU	22-Sep	147	?
BERLIN	21-Sep	75	?
SHENG DA HAI	20-Sep	54	?
JIA XIN SHAN	24-Sep	56	?

VESSEL	ETA	CGO QTY *1,000	Loading Port
KOSMOS	24-Sep	21	?
EVERCHANCE	24-Sep	60	?
AVOCA	24-Sep	74	?
STELLAR HERMES	25-Sep	130	BRAZIL
ILIA	25-Sep	59	?
BREEZE ISLAND	26-Sep	24	?
TRITON SWIFT	26-Sep	54	?
PACIFIC ENDURANDE	28-Sep	178	AUS
ANTONIS ANGELICOUSSIS	29-Sep	40	?
PORT SHANGHAI	29-Sep	51	?
ATLANTIC FRONTIER	29-Sep	241	?
BLUE LHOTSE	30-Sep	150	AUS
SHOU NING HAI	1-Oct	43	?
CSB FORTUNE	1-Oct	220	?
GREAT NAVIGATOR	2-Oct	173	?
ANANGEL GRACE	2-Oct	160	?
YUHUAHAI	2-Oct	270	?

26 vessels are scheduled to arrive at port Tianjin for Sep 19-Oct 2, 2011. The arrived cargo volumes are expected to reach 3.053 million tonnes.

VESSEL	ETA	CGO QTY *1,000	Receiver	Loading Port
SKS TORRENS	20-Sep	106	TAIHANG TRADER	?
CHANG SHAN HAI	19-Sep	51	SINO STEEL	INDIA
D WHALE	21-Sep	235	HANGANG	BARZIL
STX ACACIA	22-Sep	160	SHOUGANG	AUS
XIN WANG HAI	23-Sep	159	SINO STEEL	AUS
DONG A ERATO	24-Sep	176	TIANGANG	?
PACIFIC CENTURY	22-Sep	91	TRADING	CANADA
ANANGEL ETERNITY	22-Sep	160	TAIGANG	AUS
ZHONG XING HAI	23-Sep	200	DAYI	AUS
MEDI FIRENZE	23-Sep	56	SINO STEEL	INDIA
LAKE DOLPHIN	25-Sep	170	RONGCHENG	BRAZIL
DA BIE SHAN	25-Sep	30	DOMESTIC	BASUO
HONESTY OCEAN	25-Sep	43	SINO STEEL	?
KANPUR	25-Sep	46	GENERAL NICE	INDIA
KAGHAN	26-Sep	61	SINO STEEL	INDIA
HAI AN CHENG	26-Sep	20	TRADING	VENEZUELA
STX DREAM	26-Sep	172	TRADING	?
SUSE	27-Sep	55	TRADING	INDIA
SG PROSTERITY	28-Sep	206	TRADING	?
CHS COSMOS	28-Sep	164	BAOGANG	AUS

VESSEL	ETA	CGO QTY *1,000	Receiver	Loading Port
GOLDEN KIJI	30-Sep	49	HEBEI PUYANG	?
SHINING BLISS	30-Sep	75	TRADING	?
PROSPEROUS	1-Oct	70	TRADING	?
CAPE HAWK	1-Oct	158	TRADING	?
BONAFIDE	1-Oct	170	TRADING	?
ANANGEL DESTINY	2-Oct	170	TRADING	?

26 vessels are scheduled to arrive at port Rizhao for Sep 19-Oct 2, 2011. The arrived cargo volumes are expected to reach 3.7 million tonnes.

VESSEL	ETA	CGO QTY *1,000	Loading Port
JIN SHAN HAI	20-Sep	31	JINZHOU
HE PING	19-Sep	260	BRAZIL
C UTOPIA	20-Sep	170	AUSTRALIA
GLORYHANGZHOU	21-Sep	18	RUSSIAN
STELLAR EAGLE	22-Sep	256	BRAZIL
BAOSTEEL EDUCATION	22-Sep	160	AUSTRALIA
BAOSTEEL ELEVATION	22-Sep	160	AUSTRALIA
CAMILLA BULKER	22-Sep	177	AUSTRALIA
E.R. BAYERN	23-Sep	167	?
HANJIN ALBANY	23-Sep	52	AUSTRALIA
HUA QIANG	24-Sep	44	SPAIN
PACIFIC CRYSTAL	24-Sep	250	BRAZIL
HUI SHUN HAI	25-Sep	36	MALAYSIA
NEMTAS-4	27-Sep	54	AUSTRALIA
ANANGEL SAILOR	27-Sep	147	S.AFRICA
CHANGHANG BOHAI	28-Sep	55	INDONESIA
QUORN	28-Sep	176	BRAZIL
NIAN FENG HAI	28-Sep	170	AUSTRALIA
FRONT DRIVER	28-Sep	170	?
DONG A ETHER	29-Sep	175	?
MINERAL BEIJING	30-Sep	170	?
HAINA	30-Sep	170	?
MINERAL OAK	30-Sep	170	AUSTRALIA
HEBEI AMBITION	30-Sep	264	BRAZIL
ARTHUR N	1-Oct	110	?
FEDERICO II	2-Oct	88	FINLAND

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