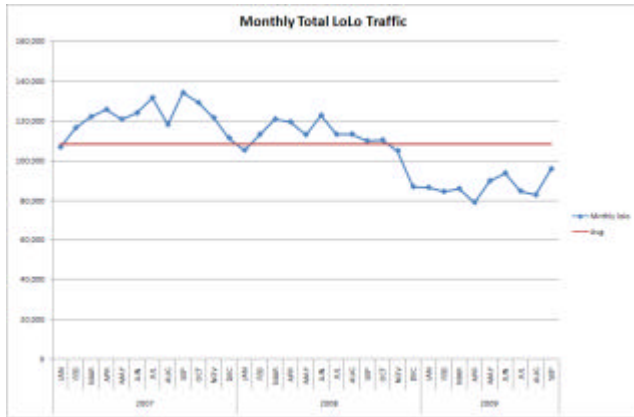
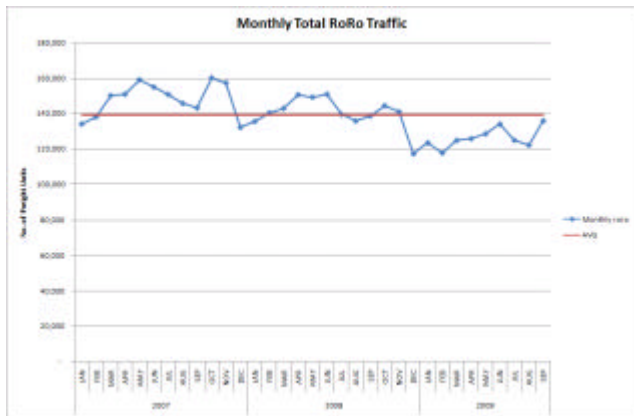


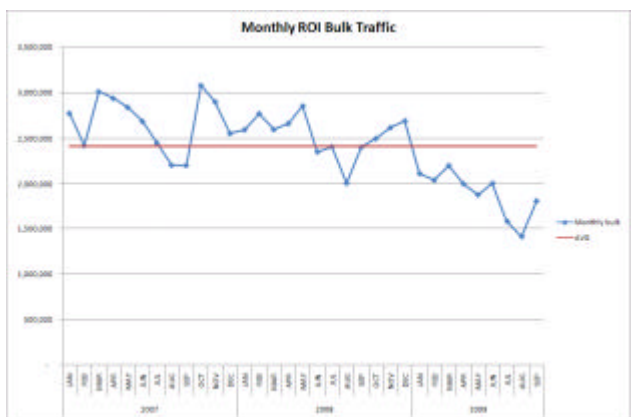
Maritime Transport Statistics



Source: IMDO, 2009



Source: IMDO, 2009



Source: IMDO, 2009

Rate of shipping decline eases but market conditions still testing

	Lo/Lo	Ro/Ro	Bulk
3rd Quarter			
2008	-12%	-6%	-1%
2009	-20%	-8%	-29%

The 3rd quarter shipping and port statistics published by the Irish Maritime Development Office indicates that rate and pace of the decline in shipping traffic volume continued to ease during the 3rd quarter of 2009. Despite this, the sector has recorded its 7th consecutive quarter of traffic volume decline.

Lift-on/lift-off (lo/lo) traffic fell by 20% in the third quarter to 268,357 TEU which resulted in more than 50,000 fewer laden units being carried over this quarter compared to the same period in 2008. Two thirds of laden volumes were previously made up of imports, in particular from Asia. Lo/lo container volumes slumped over the past 18 months due to an abrupt correction in consumer demand and slowdown in the domestic construction sector. Seasonal factors related to Christmas demand resulted in a slight rise in imports, by 5% in September from August. Exports were up also up 22% month on month between September and August. These seasonal factors were absent in 2008 when volumes continued to fall at an accelerated rate of decline from the middle of the year. We forecast a total decline of 23% in lo/lo volumes to the year end.

Roll-on/roll-off (ro/ro) traffic, which is largely weighted towards shipping services to and from the UK, fell by 8% between July and September with 385,259 units being handled. On a monthly basis we observed the typical seasonal pattern with falls in volume during July and August followed by a rise in September. Volumes on the direct continental ro/ro routes increased by 64% to 8,044 units in the third quarter of 2009. Overall in the ro/ro sector, 35,000 less freight units were carried on all routes when compared to same quarter in 2008, with a total of 152,000 units less for the first 9 months of the year.

Dry bulk volumes declined by 34% in quarter three 2009. The dry bulk markets have seen heavy volume erosion since the volume peaks recorded in mid 2007. Since this point there is now 4 million tons less of dry bulk cargoes being shipped through Irish Ports. However there has been some notable volume recovery during the period July to September. Improved global demand for alumina and ores has boosted volume throughput during the last quarter, this was also helped by modest domestic increases in agricultural fertilizers and grains. The breakbulk sector that is predominantly weighted in transport of construction related materials remained subdued with a further 45 per cent decline in volumes during the 3rd quarter. Tanker volumes declined by 22% in the third quarter 2009 when compared to the same period in 2008.

The main shipping routes have continued to make short run adjustments to the supply of shipping capacity in 2009 while there has also been some notable structural route consolidation in the market by some operators. We estimate that total available capacity has been reduced by a further 13% in the third quarter, which has been implemented by a reduction of frequency on certain routes and reduction in vessel sizes. Shipowners and operators will remain cautious of the inflationary impact of the upward trend of bunker fuel prices. The price of bunker fuel has doubled since the

Q3 2009 Irish Ports + Shipping Traffic

beginning of 2009 from \$229 to over \$460 per mt, with continued price increases likely.

While all market segments have not returned to the previous 30 month volume lows that were recorded earlier this year, the severe volume deterioration that has occurred over this period is likely to result in traffic volumes returning to pre 2003 levels by the end of this year. Depressed freight rates, lower volume demand coupled with increases in fuel and bunker costs will provide a challenging environment for shipping operators over the winter months. Underlying weaker domestic consumer demand is likely to continue to suppress import volumes while the strength of the euro against the dollar and sterling will continue to put pressure on export volumes to our key markets.

Statement issued by
Director
Glenn Murphy

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Notes to Editor

The Irish Maritime Development Office

The Irish Maritime Development Office is the national agency responsible for undertaking the following activities through its statutory remit:

- To promote and assist the development of Irish shipping and Irish shipping services and seafarer training,
- To liaise with, support and market the shipping and shipping services sector,
- To advise the Minister on the development and co-ordination of policy in the shipping and shipping services sector so as to protect and create employment,
- To carry out policy as may be specified by the Minister relating to the shipping and shipping services sector and seafarer training,
- To promote the registration of ships in the State by any person entitled to so register

The Department of Transport assumed responsibility for the IMDO in January 2006.

All information available on: www.imdo.ie

Shipping Notes:

TEU= Twenty Foot Equivalent Units.

Ro/Ro = Roll-on/Roll-off container units

Lo/Lo = Load-on/Load-off container units

Ro/ro services operate on the main corridors between Ireland and the UK both from Northern Ireland and Southern Ireland and to the continent from Southern Ireland. Ireland has three main corridors; Northern, Central and Southern.

Lo/lo services from Ireland are intra-European services that are both Shortsea and feeder in nature. Some services are purely Shortsea i.e. only provide a service for boxes in the European market, other services are purely feeder in nature i.e. serve ports and provide a schedule that co-ordinates with deepsea vessels from a port in Europe destined for the Far East or USA. Some lo/lo services cater for both the Shortsea and feeder market.

Bulk traffic is made up of liquid, dry and breakbulk cargoes. Liquid Bulk primarily consists of petroleum and petroleum products

Dry Bulk is primarily ores, aggregates and agri-products

Breakbulk consists of out of gauge cargo such as project cargo, timber, construction material, scrap metal and other such general cargo