First Supramax S7 timecharter FFA trade

March 12
For immediate release

London. The first FFA trade on the Supramax India-China timecharter route has been completed between principals Morgan Stanley and Cargill International SA Geneva, just days after the Baltic Exchange began the trial of a spot voyage estimator for this emerging iron ore route.

The trade, for the Q3 contract was fixed between counterparts Cargill International and Morgan Stanley, brokered by Freight Investor Services.

Francesco Ronsisvalle and Joe Radmore of Morgan Stanley said: "Morgan Stanley sees considerable opportunity in the India-China routes for timecharter and spot business. This has the potential to be a very useful tool for traders of iron ore as well as freight and iron ore swaps."

John Banaszkiewicz, managing director of Freight Investor Services said: "This is a kick-start for the S7 route and vindicates our belief that there is demand for this from our customers. FIS has been pushing the importance of the individual Baltic routes for paper and iron ore hedging and we think there's a lot more liquidity to come."

On March 10, the Baltic Exchange commenced the trial of an implied iron ore Voyage Equivalent rate based on the S7 India-China supramax iron ore timecharter route, following lobbying by brokers and principals to develop a spot price for this crucial swing supply route.

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Notes to editors

About FIS
FIS is a leading provider of impartial and accurate risk management advice to customers in freight, iron ore and fertilizer derivative markets and also provides physical commodity and shipbroking services. Founded in 2002, FIS has enjoyed sustained growth in each year of its operation and has expanded via its network of trading associates and branch offices to offer coverage in the United States, Greece, Japan and Singapore. The company is registered and regulated by the Financial Services Authority (FSA) in UK. Learn more about FIS at: www.freightinvestor.com. Follow us on Twitter: http://twitter.com/freightinvestor

About the Iron Ore Swap
The FIS cleared iron ore derivative contract operates as an over-the-counter, cash-settled agreement, with settlement against The Steel Index TSI and clearing at LCH.Clearnet. Trades can also be settled against the Platts Iron Ore Index or Metal Bulletin MBIO. The contract is for 62% FE content iron ore delivery CFR North China. Trades can be made on a per month, per quarter or per calendar year basis and prices quoted up to 24 months forward.