

## Freight brokers hold firm over LME proposal to Baltic

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London, 01 March 2010 - A freight brokers industry group held a telephone conference at the end of last week to discuss the London Metal Exchange's proposal for a joint venture, reiterating its stance that everything that needs to be said has been said, sources told FastMarkets.

"A meeting of the FFABA, which was attended by The Baltic Exchange, was called today to discuss the recent proposal made to The Baltic Exchange by the LME," Freight Forward Agreement Brokers Association dry chairman Dorian Benson said in an emailed statement to members.

"We - as users, panellists, data providers and members - have made our viewpoints clear to The Baltic Exchange which we consider to be the correct channel of communication," it said in the statement to FFABA members, obtained by FastMarkets on Monday.

The FFABA is not interested in reviewing in depth the LME's new proposal, sent in an open letter to the Baltic Exchange on February 18, several sources told FastMarkets.

The proposal involves bringing the predominantly voice-brokered dry-bulk FFA market on to a new joint venture exchange.

"It is not in the brokers' interest to allow any platform onto the market which could potentially reduce their commissions. However, this attitude is detrimental to the wider industry and the people trading it and taking risks," a trader said.