

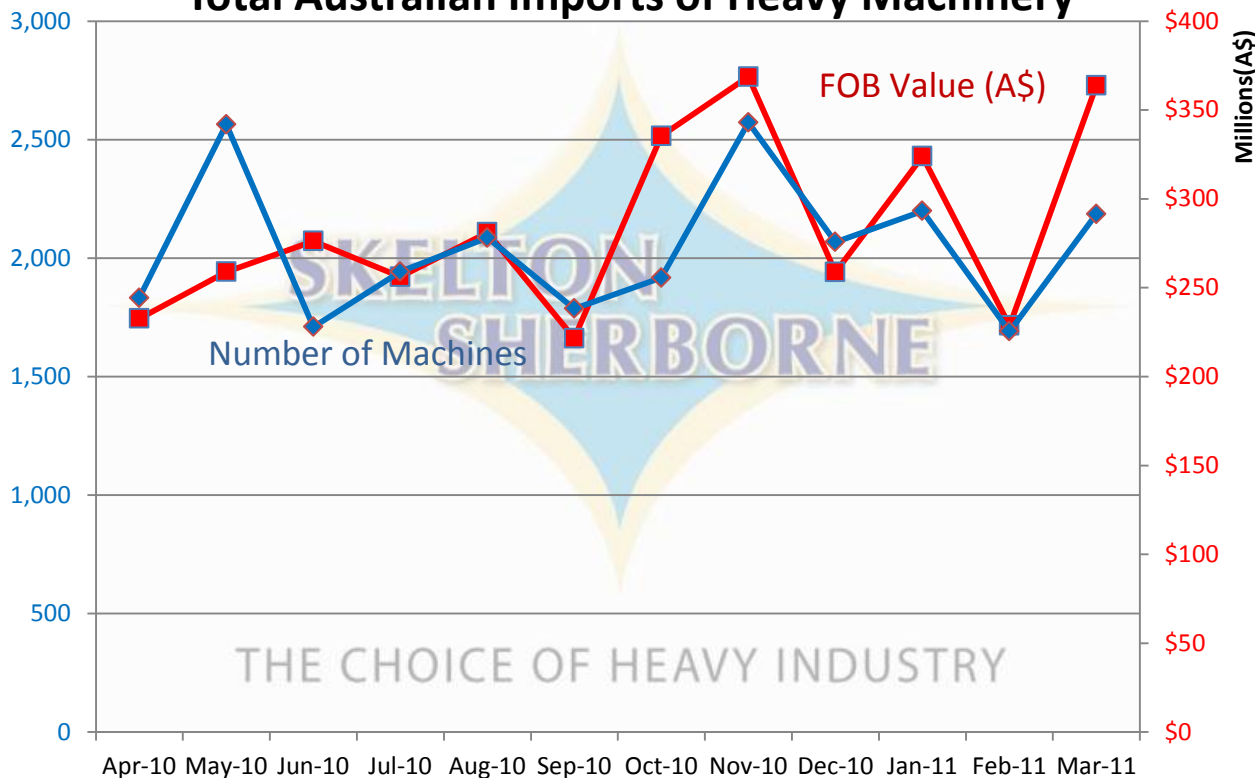


THE CHOICE OF HEAVY INDUSTRY

Skelton Sherborne Shipping Index

March 2011

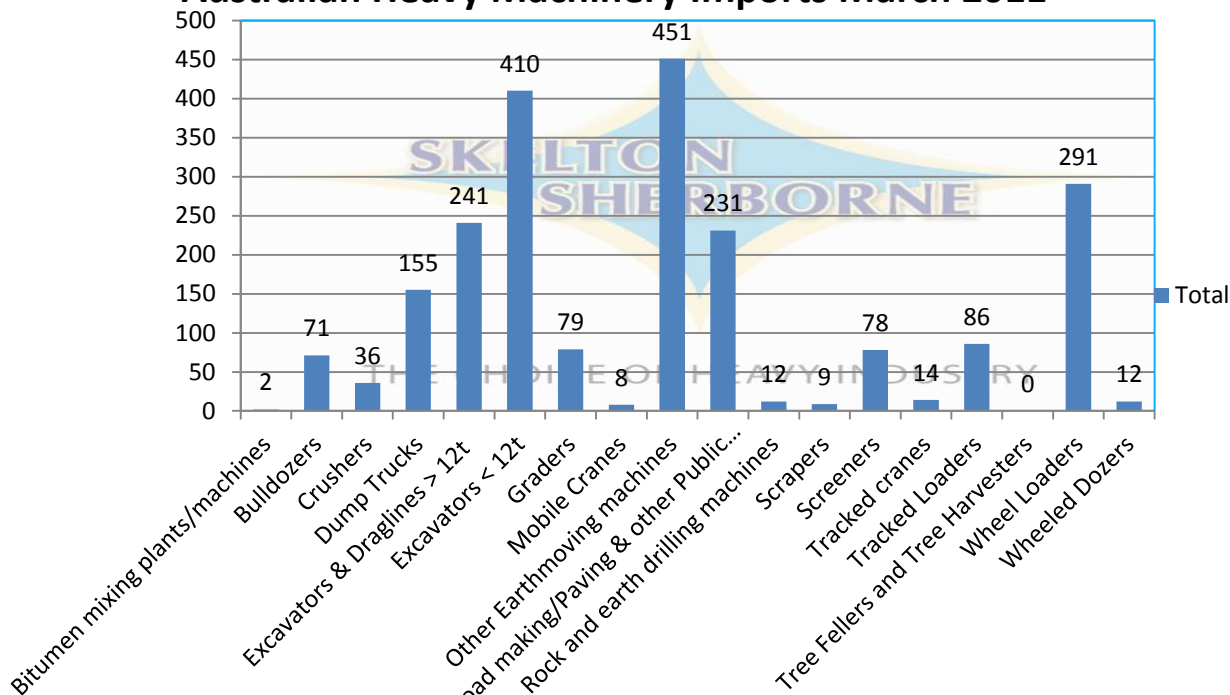
Total Australian Imports of Heavy Machinery



Apr-10 May-10 Jun-10 Jul-10 Aug-10 Sep-10 Oct-10 Nov-10 Dec-10 Jan-11 Feb-11 Mar-11

Data source : A.B.S. and Skelton Sherborne "The Choice of Heavy Industry"
Australia's largest international freight forwarder of mining & construction equipment www.SkeltonSherborne.com

Australian Heavy Machinery Imports March 2011



Data source : A.B.S. and Skelton Sherborne "The Choice of Heavy Industry"
Australia's largest international freight forwarder of mining & construction equipment www.SkeltonSherborne.com

So far as the law allows, B.V.Skelton Ptd Ltd T/A Skelton Sherborne ABN 53623160619 ("Skelton Sherborne") disclaims any warranty or representations to the accuracy or reliability of the information and statements in this document. Skelton Sherborne expressly advises that it shall not be liable in any way whatsoever (whether in negligence or otherwise) for any loss or damage which may be suffered by any person relying upon such information or any opinions, recommendations or conclusions contained in this document or otherwise arising in connection with the contents of or any omission from this document except where a liability is made non-excludable by legislation. Recipients should not rely upon the contents of this document but should make their own assessment and evaluation, undertake investigation and enquire and seek advice to enable them to make any decision concerning their own interest.



THE CHOICE OF HEAVY INDUSTRY

Skelton Sherborne Shipping Index

March 2011

- Import volumes in March increased by 29% to 2168 units, with FOB values also increasing by 59%. As forecast last month volumes have increased in March despite continued supply issues persisting with some Japanese manufacturers impacted by the Tsunami and earthquakes. Interestingly dump truck volumes are still way down on pre-GFC volumes. We recall that single manufacturers alone, pre-GFC, were importing more units per month than the current monthly total for ALL manufacturers plus used machinery. The Federal Govt is declaring a mining boom Mark II, however while volumes are slowly improving, import volumes don't align with boom conditions we and our customers have previously seen.
- The Customs FOB value climbed from \$229m in February to \$364m in March.
- Significant movements in various categories are as follows:

Bitumen mixing plants/machines	DOWN	66%
Other Earthmoving machines	UP	478%
Excavators & Draglines > 12t	UP	93%
Tracked Cranes	UP	1300%
Wheeled Dozers	UP	300%
Bulldozers	UP	58%
Dump Trucks	UP	52%

- New finance contracts for Construction and Earthmoving equipment have stayed low in February at only \$4m.

	AUD
August 2010	4m
September 2010	4m
October 2010	19m
November 2010	33m
December 2010	29m
January 2011	4m
February 2011	4m

- The [Baltic Shipping Index](#) has fallen from 1,543 since our last report to 1,271 as of April 20th. While the index is falling we are not seeing lower rates with liner operators. In fact the reverse is occurring with carriers increasing surcharges. Some sectors of shipping are really suffering. In particular the tweendeck tramper market is very low and still at about half-price to pre-GFC charter rates.
- To be notified of the release of the next Skelton Sherborne Shipping Index automatically you can [subscribe](#) to our news feeds
- Have you subscribed to The Shipping Blokes Blog yet? Go to www.TheShippingBloke.com
- More specific information is available from Skelton Sherborne on request. Please note that we take confidentiality of our customers business very seriously. Only general and unrestricted information will be released and no particular importer/make/model will ever be identified. For further information please contact: Brad Skelton brad@skeltonsherborne.com Ph: + 61 7 3348 7810