

Baltic Dry Index should have more Asia trade emphasis: Wei

Friday July 16 2004 Lloydslist.com 英国劳氏日报



CITING the dramatic shift in bulk shipping towards Asia seen in the past five years, **the head of China's largest shipping company has called for the Baltic Dry Index to be realigned.**

Captain Wei Jiafu, president and chief executive of China Ocean Shipping Co, speaking in Beijing at the World Shipping (China) Summit, noted that China has posted an average annual growth of 19% in major dry bulk seaborne trades in the past three years. He said: " I would like to see a change in the Baltic Dry Index. As demand from Asia, particularly China, continues to grow we should consider putting more weight on the index to Asia trade, especially for the capesize index."

The London based Baltic Dry Index hit a record high of 5,681 points on February 4, 2.4 times the previous historic high set in May 1995, "mainly due to Chinese demand".

China consumed 260m tonnes of steel in 2003, up 30% year-on-year and imported 148m tonnes of iron ore. China imported over 20 m tonnes of soybean last year, up 90%, accounting for half of the world soybean shipment. According to Capt Wei, the mainland has accounted for 50% of global bulk growth since 1999.