WEBERCOMPASS
(HELLAS) S.A.
SALE & PURCHASE, TANKER CHARTERING, MARINE PROJECTS & FINANCE

TELEPHONE: +30 210 453 9000
SALE & PURCHASE FAX: +30 210 452 6700
SALES@WEBERCOMPASS.COM
CHARTERING FAX: +30 210 452 6100
CHARTERING@WEBERCOMPASS.COM
WWW.WEBERCOMPASS.COM

WEEKLY MARKET REPORT

October 12th, 2007 / Week 41

The Baltic Dry Index rose every day this week (and passed the 10,000 mark on Wednesday for the first time ever), closing up almost 9% for the week. The paper market seems to provide a cushion/floor for the physical but the current numbers are causing some old guard shipping observers to be nervous (although there still is a lot of sentiment for the "new era" of shipping where supply will be absorbed by the growing world economic development led by China/India).

A large number of bulk carriers were sold (again) this week with a fair amount of high capital ships sold to publicly traded companies that seem to be dominating the "purchase" part of the sale and purchase market. Prices are rising on a daily basis and most observers are realistic to believe that freight rates and stock prices of shipping companies will likely drop at some point; for now, it appears that even if we see a strong correction in dry cargo charter rates it may take a long time for ship prices to start adjusting/correcting. We have seen the formula for tanker values to be falling charter rates well below levels seen a few years ago but values of quality double hull tankers have actually RISEN during the past year because there are so many keen buyers. It seems that the same will apply to bulker values, especially since we now have 20+ public dry cargo companies with massive market caps and strong balance sheets with the declared strategy to expand their fleets "through selective, timely accretive vessel acquisitions".

The Cape sector continues to be the hottest and the sale of the 12 year old M/V "TIGER LILY" (149,190 DWT / built 1995 CSBC Taiwan) at $90 mill. reflects a price increase of some 50% in the last 6 months compared to the May 2007 sale of the M/V "SPRING BRAVE" (151,066 DWT / built 1995 Japan) at $60 mill.

There were several more single hull tankers sold this week for conversion to bulk carriers and not just VLCC's are being converted - this week we also saw Aframaxes and Suezmaxes bought for that purpose.

The "credit crunch" is still being closely watched but in shipping it appears that quality, well structured deals can find a home as this week Teekay Tanker's two trenches $800 mill. secured revolver was syndicated and priced at LIBOR + 55 basis points and LIBOR + 60 basis points which is extremely attractive.

Even the classification societies are getting into the IPO business - Bureau Veritas (owned by Wendel Investissement of France which is a private equity investment company) launched an IPO on the Euronext in Paris to raise some EURO 1.15 BILLION! In addition, U.B.S. has spent around USD 270 mill acquiring a stake of 5.5% into South Korean bulker owner STX Pan Ocean.

TANKERS:

“FRONT DUCHESS” 284,480/93 - HYUNDAI - B&W 29,772 - SBT - IGS - COW - SH
Sold for $56 mill. to European buyer (for conversion).

“TRIWATI” 147,275/91 - SPAIN - B&W 20,940 - COILED - SBT - IGS - COW - SH
Sold for $30 mill. to Chinese buyer (HOSCO).

“SPIRIT II” 100,336/91 - ONOMICHI - B&W 17,850 - COILED - SBT - IGS - COW – SH
“LOTUS” 100,314/91 - ONOMICHI - B&W 17,850 - COILED - SBT - IGS - COW - SH
Sold for $29 mill. each to Chinese buyer (for conversion).

“EMERALD SKY” 70,894/88 - TSUNEISHI - MITSUBISHI 10,670 - COATED - COILED - SBT - IGS - COW - DS
Sold for $20 mill. to Chinese buyer.

“MIKA M” 14,402/88 - INCHON - WARTSILA 4,975 - COATED - COILED - IGS - IMO 2/3 - DB
Sold for $10 mill. to Ecuador based buyer.

“TUGCE-T” 6,237/85 - FINLAND - B&W 5,384 - COATED - COILED - IGS - DB
Sold for $2.7 mill. to Turkish buyer.

BULKERS:

“THALASSINI NIKI” 170,800/05 - DAEWOO - B&W 25,370 - 9HH
“THALASSINI KYRA” 164,218/02 - TAIWAN - B&W 22,920 - 9HH
Sold for $275 mill. en bloc to Greek buyer. Sale includes t/c for 5 years at $55,000/day for M/V ‘Thalassini Niki’.

“TIGER LILY” 149,190/95 - TAIWAN - B&W 16,900 - 9HH
Sold for $90 mill. to Greek buyer.

“EDCO STAR” 64,059/82 - DENMARK - B&W 12,600 - 7HH - 12,310 LDT
Sold for $16 mill. to undisclosed buyer. Sold in an auction on “as is” basis.

“AEGEAN HAWK” 50,326/00 - MITSUI - B&W 10,999 - 5HH - C 4X30.5T
Sold for $62.3 mill. to Greek buyer.

“FELIZ I” 30,000/80 - BULGARIA - B&W 15,000 - 7HH - C 4X25T
Sold for $15 mill. to undisclosed buyer.

2 x **“TSUJI RESALES”** 30,000/09/10 - TSUJI - B&W 8,300 - 5HH
Sold for $60 mill. en bloc to Greek buyer.

“DURUMATA” 27,192/82 - KANASASHI - SUL 13,230 - 5HH - C 5X15T - 6,451 LDT
Sold for $12 mill. to European buyer.

“MARBLUE” 26,523/74 - NAMURA - SUL 11,550 - 5HH - C 5X10T
Sold for $3.8 mill. to undisclosed buyer.

“REGAL STAR” 18,411/84 - GUANGZHOU - B&W 6,700 - 5HH - C 4X15T - 4,500 LDT
Sold for $11 mill.to undisclosed buyer.

“INTER CREST” 11,283/82 - TAIHEI AKITSU - MITSUBISHI 6,000 - 3HH - D 4X15T
Sold for $5.9 mill. to undisclosed buyer.

“MAI S” 8,183/76 - WATANABE - MITSUBISHI 6,200 - 3HH - D 2X20T, 3X15T
Sold for $2.65 mill. to undisclosed buyer.

TWEENDECKERS:

“OCEAN FRONTIER” 22,034/81 - GERMANY - MAN 11,200 - 4HO/8HA - C 6X25T - 1,009 TEU
Sold for $8.9 mill. to Iranian buyer (Iran Marine Service).

“REEF MAHE” 5,344/79 - BRAZIL - MAN 4,375 - 3HH - D 4X22T - 105 TEU
Sold for $2 mill. to UAE based buyer.

CONTAINERS:

“COMORIN PRIDE” 7,330/86 - GERMANY - MWM 2,581 - 1HH - C 2X35T - 580 TEU
Sold for $6 mill. to Indian buyer.

* Please note that in the report of previous week we mentioned that the containers “Amasis”/“Eos I” where built in 1984 instead of 1996 and 1997 respectively, which is the correct year of built.

ROROS:

“MMM MERSEY” 4,725/83 - USUKI - MITSUBISHI 8,000 - 1,168 LM
Sold for $6 mill. to Far East buyer (old sale).

NEW SHIPS FOR SALE:

TANKERS:

“TRIBUANA” 147,500/89 - HYUNDAI - B&W 17,990 - COILED - SBT - IGS - COW - SH
Tribuana: ex drydock Qingdao 10th November. Will be soon inspectable.

BULKERS:

“LANZAROTE” 73,008/96 - HUDONG - MAN/B&W 16,641 - 7HH
Vessel is promptly inspectable in Ningbo, China where it is scheduled to discharge between 15-19th October.

“ADHUA” 63,560/82 - KASADO - MITSUBISHI 12,000 - 7HH
Vessel is trading in the Far East, where can be inspectable by arrangement.

“DONG SHENG OCEAN” 61,390/81 - HITACHI - SUL 13,500 - 7HH
Vessel on t/c for 11-13 months (commenced in December 2006).

“LAKE MAINE” 53,531/01 - IMABARI - B&W 12,889 - 5HH - C 4X30T
Vessel can give charter free delivery in March/April 2008.

“ELPIS” 46,654/97 - MITSUI - B&W 11,640 - 5HH - C 4X30.5T
Vessel is presently in Xingang, ETC 14-15th October to load for Kaohsiung to discharge, ETA 18th October.

“EFFY N” 41,824/83 - MITSUBISHI - MAN 10,550 - 5HH - C 4X25T
Vessel is presently at anchorage off Durban waiting to berth for discharge, ETB 14 October, ETC/D 18 October.

“DOROTHEA” 22,024/84 - TOHOKU - B&W 7,550 - 4HH - C 4X25T
Vessel presently en route to China, passed Suez 6th October with ETA Fangcheng 28th October.

TWEENDECKERS:

“KATHARINA” 18,234/82 - POLAND - SUL 10,800 - 5HO 9HA - C 2X25T, 4X12.5T - 412 TEU
Vessel currently in Bar, Montenegro where will discharge bagged sugar, .ETC 22th October.

NEWBUILDINGS

NEWBUILDING STATISTICS							
TYPE OF SHIP	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	*** TOTAL ORDERBOOK**
ULCC/VLCC	7	36	69	42	15	3		172 (0)
SUEZMAX	4	20	58	42	15			139 (0)
AFRAMAX	10	74	110	80	20			294 (0)
PANAMAX	12	40	50	18	2			122 (-1)
MR	60	195	201	149	31			636 (+2)
0-35,000 DWT	123	182	181	98	21	1		606 (0)
CAPESIZE	12	50	106	215	111	13		507 (+6)
80-100,000 DWT	12	40	63	115	77	8		313 (+4)
PANAMAX	16	68	43	57	19	7		210 (-1)
SUPRAMAX	47	143	222	188	80	11		691 (+8)
HANDYSIZE	32	104	183	125	42	9	3	498 (-1)

**** Includes ALL vessels on order***

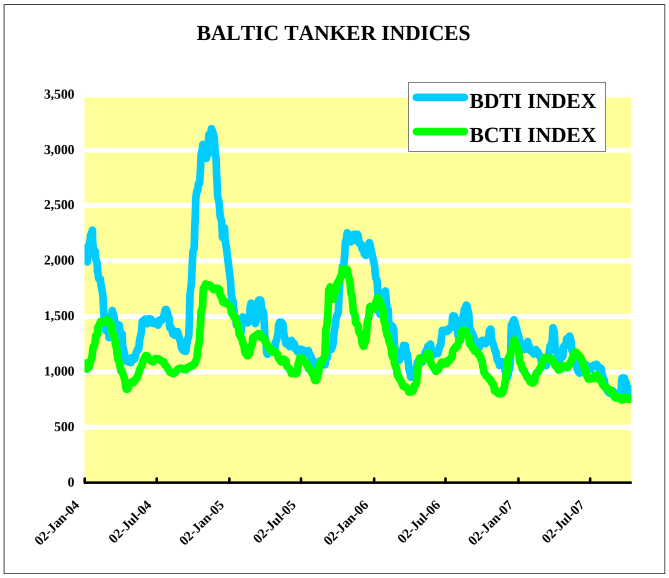
NEWBUILDING CONTRACTS

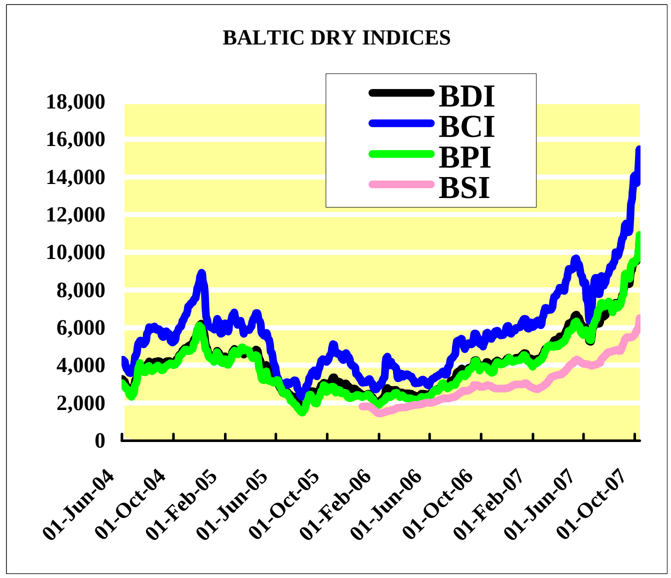
No.	Size	Type	Yard	Delivery	Price (mill)	Owners	Comm.
1 x	51,000 dwt	Prod	STX	2010		E.T.A.	
2 x	45,000 dwt	Prod	Aker	2010/11	$117	Aker American Shpg.	
2 x	19,700 dwt	Chem	Soli	2009		Soli Shipyard	
2 x	17,000 dwt	Prod	Sekwang	2010		Seatramp	
3 x	14,000 dwt	Prod	Shenglong	2009	$25	Capital Ship Mgmt.	
2 x	13,000 dwt	Prod	Ilheung	2009		Sungwoo	
5 x	13,000 dwt	Chem	Pha Rung	2010		Iason Hellnic Shpg.	
1 x	12,000 dwt	Chem	Tersan	2008		Lauranne Shpg.	
2 x	8,700 dwt	Chem	Kwang Sung	2009	$20	Daewoo Logistics	
2 x	8,000 dwt	Chem	Nantong Mingde	2010	$19.5	Herning	
3 x	160,000 cbm	LNG	Jinling	2011		Sonangola	
2 x	180,000 dwt	Bulk	Korea	2009		Masters Shipmanagement	
2 x	180,000 dwt	Bulk	Hyundai H.I.	2011		J. Lauritzen	
2 x	180,000 dwt	Bulk	Odense Lindo	2010		Carras Hellas	
4 x	176,000 dwt	Bulk	Jiangsu Rong Sheng	2011		DS Schiffarts	
2 x	170,000 dwt	Bulk	Daehan	2009		Keoyang Shipping	
2 x	92,500 dwt	Bulk	Mitsubishi	2010		Mitsui O.S.K.	
2 x	92,500 dwt	Bulk	China	2009		Vroon	
4 x	81,000 dwt	Bulk	C&Heavy Ind.	2010/11		Siba Ships	

10 x	33,500 dwt Bulk	Daewoo	2009/10		Bocimar
4 x	57,000 dwt Bulk	Jiangsu Xiangshui	2009/10		Konig&Cie
2 x	55,500 dwt Bulk	Bulyard	2009/10	$41	Korfez Denizcilik
2+8	8,100 dwt Bulk	Jiangsu	2010/11	$15	Canadry
4 x	7,100 dwt Mpp	Ananda	2009		Tom Woerden
4 x	4,500 dwt Mpp	Volgograd	2009		Unimars Group
2 x	4,500 dwt Mpp	Onega Shipyard	2008/9		Estinova Ltd.
2 x	4,500 dwt Mpp	Onega Shipyard	2009		Orimi Group

KEY INDICATORS

INDICES				
RATE OF EXCHANGE	**BALTIC EXCHANGE RATES**			
		THIS WEEK	***LAST WEEK***	***CHANGE***
$ / Won: 916.6100	**Baltic Dry Index**	10695	9535	+1160
$ / Nok: 5.416900	**Baltic Capesize**	15477	13664	+1813
Euro / $: 1.417300	**Baltic Panamax**	10913	9635	+1278
Stlg / $: 2.034700	**Baltic Supramax**	6501	5860	+641
$ / Yen: 117.4900	**Baltic Handysize**	2980	2822	+158
LIBOR (3-mos) / 5.24%	**Brent Crude**	$79.74	$79.19	+0.55





ESTIMATED VALUES						
TANKERS	**NB**	**PROMPT RESALE**	**5 YEARS**	**10 YEARS**	**20 YEARS**	**12 MONTH T/C**
VLCC 300,000 dwt	$143.0m	$153.0m	$133.0m	$105m (DH)	$33.0m (SH)	$50,000 PD
Suezmax 150,000 dwt	$88.0m	$105.0m	$96.0m	$75.0m (DH)	$26.0m	$42,000 PD
Aframax 105,000 dwt	$70.0m	$78.0m	$67.0m	$55.0m (DH)	$20.0m (SH)	$32,000 PD
Panamax 70,000 dwt	$64.0m	$66.0m	$56.0m	$48.0m (DH)	$17.0m	$27,500 PD
Product 47,000 dwt	$52. 0m	$58.0m	$53.0m	$43.0m (DH)	$17.0m	$25,000 PD
BULK CARRIERS						
Capesize 170 – 180,000 dwt	$96.0m	$160.0m	$133.0m	$101.0m	$72.0m	$185,000 PD
Panamax 74 – 76,000 dwt	$50.0m	$100.0m	$84.0m	$71.0m	$40.0m	$89,000 PD
Supramax 52 – 59,000 dwt	$43.0m	$84.0m	$72.0m	$56.0m	$34.0m	$67,000 PD

BUNKER PRICES				
FUEL GRADES	**ROTTERDAM**	**FUJAIRAH**	**PIRAEUS**	**SINGAPORE**
380cst:	$394.00	$411.00	$405.00	$414.00
180cst:	$413.00	$422.00	$433.00	$423.00
MGO:	$680.00	$717.50	$711.00	$692.50

DEMOLITION

DEMOLITION STATISTICS				
TYPE OF SHIP	***THIS DATE 2007***	***THIS DATE 2006***	***2006 TOTAL***	***2005 TOTAL***
ULCC/VLCC	1	0	0	1
SUEZMAX	1	0	0	2
AFRAMAX	8	12	14	15
PANAMAX TANKER	3	3	7	15
CAPE/COMBO (100,000 dwt +)	0	3	3	2
PANAMAX BULKER	*2 (*1 pmax+1 post pmax)	13	13	5

ESTIMATED DEMOLITION PRICES			
LOCATION	***TANKERS 6-10,000 LT***	***TANKERS 15-20,000 LT***	***BULK CARRIERS***
CHINA	295	300	260
SUB-CONTINENT	535	545	490

DEMOLITION:

PAKISTAN:

MT "CYNTHIA" 10,039/71 - 3,420 LDT - USD 495/LDT

WEBERCOMPASS CONTACTS

SALE & PURCHASE	MOBILE PHONE NUMBER
Bobby Mitropoulos	6936-530005
Tom Protonotarios	6936-530006
Nicholas Sfinias	6944-343488
John Stamatakis	6936-853258
Spyros Karamassis	6945-776757

TANKER CHARTERING

Basil Mavroleon	6932-644983
Christos Kalogeras	6944-514420
Lefteris Mystriotis	6946-762010
Dionysios Mitsotakis	6944-720337

ADMINISTRATION

Yannis Mitropoulos	6936-530007
Ourania Savvaki	6934-257746

Very Truly Yours,

WEBERCOMPASS (HELLAS) S.A.