



WEBERCOMPASS

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WEEKLY MARKET REPORT

January 25th, 2008 / Week 4



Few sales to report the dry and wet sectors this week as in both cases the market seems to be adjusting itself currently.

ON THE DRY we have noted quite few negotiations that failed to conclude. A prime example this week was the sale of the M/V Nord Wave which failed to conclude, while the Vietnamese, who are the most active buyers currently, are now also reluctant to pay Sellers' asking prices after this week's continued decline in the freight rates.

The BDI is at similar levels as that of end of April 2007. At that time a 6 year old panamax bulk carrier was worth shade lower than USD 50 mill, whereas today the asking price for the same vessel would be xs USD 80 mill. That is about 60% more. We have noted that the vast majority of prospective sellers still holding on their price ideas in line with the freight market of the 4th Q 2007. Nevertheless, some sellers are re-considering their position and seem to be prepared to sell for less, but again not for a price that reflects the present market. This has lead buyers to adopt a "wait and see" attitude thus shrinking the demand for vessel acquisitions.

The main reason is the optimism that 2008 will be a good year after all, even though the start was not a promising one. Shipowners, are now used to the high volatility of the dry market which is driven by the Chinese economy, the growth of which is unprecedented and breaks new records every year in all respects.

For the moment, the usual slow down in activity every 1st Q of the New Year, is enhanced by the following reasons:



- Incidents in the port and logistic infrastructure of the two largest exporting countries of raw materials to the Chinese economy (Australia / Brazil), lead to the canceling of major shipments of iron ore and mined coal used for steel production, fact that caused unexpected release of capesize tonnage (mainly), into the market which charterers have "nicely" utilized to push down the freight rates to a greater extent.

- The ongoing negotiations for iron ore prices between mining companies and steel makers, with Chinese still holding strong against the alleged 70-75% increases brought on the table by the producers. Commodity prices in general, keep soaring which indicates that demand is still very strong but on the other hand it also indicates that growth of the world economy may be slowed down by various counter measures applied by governmental intervention to keep prices and consequently inflation under control (referring to our last week's report, we described such counter-measures applied by the Chinese government). Further Chinese iron ore inventories are said to suffice for their immediate internal needs, and government intervened to prudently allocate same by trying to cut-down steel exports, fact that has slowed down the activity for shipping as far as steel trade is concerned.

- Uncertainty about the impact in the world growth of a possible recession in the U.S. economy cause by the recent credit crisis.

ON THE WET market it is worth reporting the acquisition of the 50% of FR8 Ltd., by DS Torm for USD 125 mill. FR8 Holdings Pte Ltd from FR8 Limited is a subsidiary of an international oil trader Projector, for USD 125 mill. The FR8 group controls 25 vessels and has long-term charters on a number of product tankers.

The downward trend continued this week with rates falling towards to the mid '70s for westbound voyages and the ws90 level for eastern business on VLCCs. Tonnage has been in sufficient supply to satisfy any fresh enquiry, in fact there was little room for owners to fight the downward trend up until a major operator took 3 modern DH VLCCs from competitive owners for 90-120 days that boosted owners confidence a little and discontinued the falling trend.

Suezmaxes ex Wafr followed a slowly firming trend from WS 127.5 at the beginning of the week to WS 137.5, earning around USD 42,300 per day. In the med the week started on a steady note, only to get slightly firmer and date sensitive by the end of the week.

Aframaxes in the caribs remained steady all week, whereas in the continent the market remains quiet and to be tested. Med activity was fairly limited causing the market to slightly soften. In the East, the softening trend continued throughout the week, showing very little activity and having abundance of tonnage competing on every single cargo.

TANKERS:

“OVERSEAS AQUAMAR” 47,236/98 - CAMPANELLA - B&W 11,640 - COILED - COATED - IGS - SBT - COW - DH

Sold for \$43.5 mill. to Greek buyer.

“BRITISH ENVIRONMENT”/ “BRITISH EXCELLENCE”

37,389/04/03 - HYUNDAI MIPO - B&W 12,889 - COILED - COATED - IGS - SBT - COW - DH - IMO 3

Sold for \$47 mill. each to Greek buyers.



BULKERS:

“MOKSHEIM”/“NORHEIM”

6,847/00 - RUSSIA - B&W 4,554 - 3HH - 343 TEU - ICE CLASS 1A

Sold for \$9.5 mill. each to Russian buyer.

TWEENDECKERS:

“ASIAN ROSE” 9,077/96 - SHIN KURUSHIMA - B&W 5,280 - 2HH - 40 TEU - C 1X50T, 2X25T

Sold for \$15.33 mill. to Korean buyer.

CONTAINERS:

2 x **“XIAMEN RESALES”** 34,500/08 - XIAMEN - ` SUL 29,312 - 2,578 TEU

Sold for \$ 100 mill. en bloc to U.K. based buyer (Marine Capital).

“ACX MIMOSA” 24,497/92 - KANASHASI - MITSUBISHI 18,700 - 6HO 19HA - 1,461 TEU

Sold for \$21.5 mill. to undisclosed buyer.

“BERNHARD S” 14,454/95 - GERMANY - B&W 13,609 - 3HO 7HA - C 2X45T - 1,104 TEU

Sold for Euro 14 mill. to Danish buyer.

NEW SHIPS FOR SALE:

TANKERS:

“FAULTLESS” 154,970/92 - HYUNDAI - B&W 19,980 - COILED - IGS - SBT - COW - DH

Vessel is presently in US Gulf.

“DAUNTLESS” 46,168/99 - HYUNDAI - B&W 10,440 - COILED - COATED - IGS - SBT - COW - DH

Vessel will partly discharge in Port Lorient, then in Port Santander and will complete discharging in Port La Corunna.

“SEYCHELLES PRELUDE”/“SEYCHELLES PATRIOT”

45,000/07/08 - GERMANY - MAN 8,400 - COILED - COATED - IGS - SBT - COW - DH - IMO 2/3

“SEYCHELLES PIONEER”/“SEYCHELLES PROGRESS”

37,700/05 - GERMANY - MAN 11,338 - COILED - COATED - IGS - DH - IMO 2/3

“SEYCHELLES PRIDE” 32,580/02 - GERMANY - MAN 11,338 - COILED - COATED - IGS - DH - IMO 2/3

BULKERS:

“INDIAN CHALLENGER” 23,542/85 - UWAJIMA ZOSENSHO - MITSUBISHI 6,250 - 4HH - C 2X25T, D 2X25T

Vessel en route to Haiphong to discharge, ETA 28th January. Thereafter will proceed for drydock and upgrade in China.

NEWBUILDINGS



NEWBUILDING STATISTICS

NEWBUILDING STATISTICS							
TYPE OF SHIP	2008	2009	2010	2011	2012	2013	* TOTAL ORDERBOOK
ULCC/VLCC	37	66	49	19	4		175
SUEZMAX	19	59	47	14			139
AFRAMAX	71	106	83	27			287
PANAMAX	43	50	18	22			133
MR	217	204	152	47	4		624
0-35,000 DWT	253	190	125	30	4		602
CAPE SIZE	46	137	281	136	30	4	634
80-100,000 DWT	39	79	141	103	14	1	377
PANAMAX	68	45	66	26	2		207
SUPRAMAX	157	241	231	115	19		643
HANDYSIZE	121	205	184	96	12	3	621

* Includes ALL vessels on order

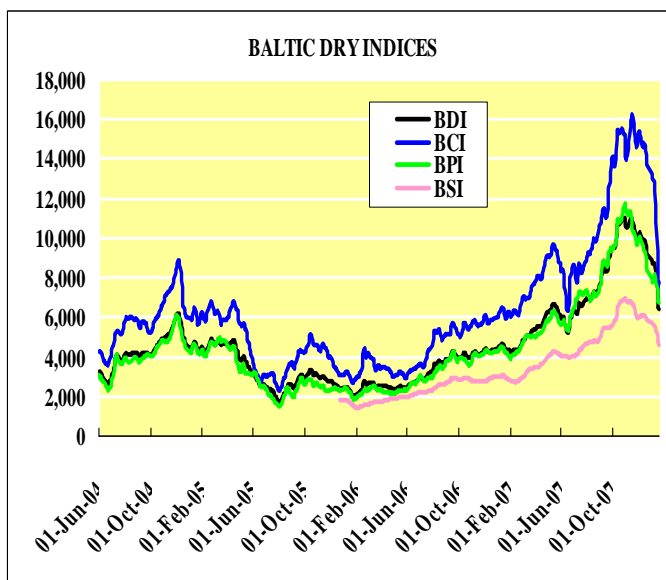
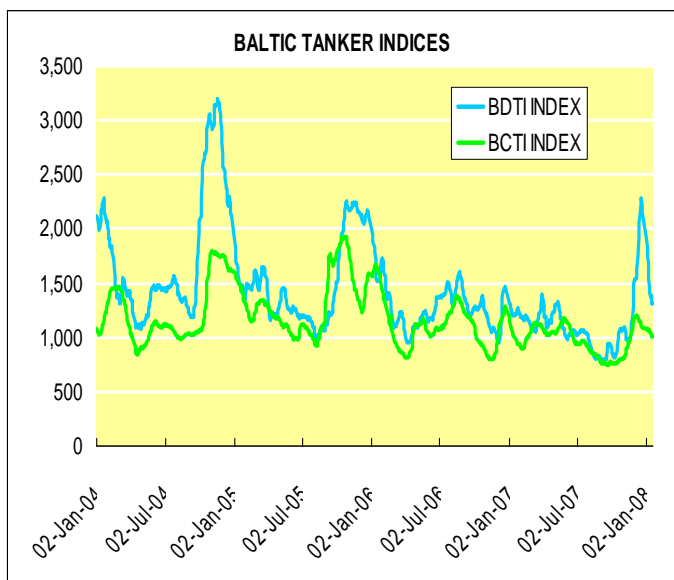
NEWBUILDING CONTRACTS

<u>No.</u>	<u>Size</u>	<u>Type</u>	<u>Yard</u>	<u>Delivery</u>	<u>Price (mill)</u>	<u>Owners</u>	<u>Comm.</u>
2 x	115,000 dwt	Tank	Sasebo	2010	\$49	Tanker Pacific	
3 x	47,000 dwt	Tank	Hyundai Mipo	2010/11	\$49	ST Shipping	
7 x	37,000 dwt	Tank	Hyundai Mipo	2010/11	\$46	ST Shipping	
10 x	37,000 dwt	Chem	Hyundai Mipo	2010/11		Irsl	
8 x	300,000 dwt	Vloc	Dalian	2011/12	\$114-116	China Shipping Development	
2 x	205,000 dwt	Bulk	Universal	2012/13		Korea Line	
2 x	177,000 dwt	Bulk	Universal	2012/13		Korea Line	
3 x	116,000 dwt	Bulk	Sanoyas	2012/13		MOL	
2 x	92,500 dwt	Bulk	Yangfan	2010	\$60	Wulff Hermann	
4 x	92,500 dwt	Bulk	Cosco Dalian	2010/11	\$61	Vroon	
6 x	76,000 dwt	Bulk	Guangzhou	2010/11		Grand Bulk Shipping	
2 x	59,000 dwt	Bulk	SSP	2011	\$49	Gestioni Armatoliari	
2 x	57,700 dwt	Bulk	STX	2011	\$48.8	Samudera	
1 x	57,000 dwt	Bulk	Cosco Zhousan	2010	\$50	Golden Lines	
2 x	34,000 dwt	Bulk	21 st Century	2012	\$35	N. Moundreas	
2 x	34,000 dwt	Bulk	21 st Century	2012	\$35	Kirgen	
3 x	850 Teu	Cont	Hegemann Rolandwerft	2009		Global Mare Shipping	

KEY INDICATORS

INDICES

RATE OF EXCHANGE	BALTIC EXCHANGE RATES				
		THIS WEEK	LAST WEEK	CHANGE	CHANGE %
\$ / Won: 949.2000	Baltic Dry Index	5780	6462	-682	-10.55%
\$ / Nok: 5.450600	Baltic Capesize	7202	7754	-552	-7.11%
Euro / \$: 1.470700	Baltic Panamax	5783	6721	-938	-16.21%
Stlg / \$: 1.978100	Baltic Supramax	4129	4622	-493	-10.67%
\$ / Yen: 107.4400	Baltic Handysize	2274	2578	-304	-11.79%
LIBOR (3-mos) / 3.72%	Brent Crude	\$89.07	\$90.13	-1.06	-1.18%



ESTIMATED VALUES

TANKERS	NB	PROMPT RESALE	5 YEARS	10 YEARS	20 YEARS	12 MONTH T/C
VLCC 300,000 dwt	\$141.0m	\$150.0m	\$132.0m	\$108m (DH)	\$42.0m (SH)	\$65,000 PD
Suezmax 150,000 dwt	\$89.0m	\$105.0m	\$95.0m	\$77.0m (DH)	\$37.0m	\$50,000 PD
Aframax 105,000 dwt	\$73.0m	\$78.0m	\$69.0m	\$57.0m (DH)	\$17.0m (SH)	\$33,000 PD
Panamax 70,000 dwt	\$63.0m	\$68.0m	\$63.0m	\$50.0m (DH)	\$12.0m	\$30,000 PD
Product 47,000 dwt	\$52.0m	\$59.0m	\$53.0m	\$43.0m (DH)	\$11.0m	\$24,000 PD
BULK CARRIERS						
Capesize 170 – 180,000 dwt	\$97.0m	\$151.0m	\$125.0m	\$100.0m	\$65.0m	\$117,500 PD
Panamax 74 – 76,000 dwt	\$55.0m	\$96.0m	\$87.0m	\$72.0m	\$42.0m	\$60,000 PD
Supramax 52 – 59,000 dwt	\$48.0m	\$85.0m	\$75.0m	\$64.0m	\$38.0m	\$46,500 PD

BUNKER PRICES

FUEL GRADES	ROTTERDAM	FUJAIRAH	PIRAEUS	SINGAPORE
380cst:	\$421.00	\$461.00	\$424.50	\$439.00
180cst:	\$439.00	\$485.00	\$457.00	\$451.00
MGO:	\$790.00	\$832.50	\$795.00	\$767.50

DEMOLITION



DEMOLITION STATISTICS				
<i>TYPE OF SHIP</i>	<i>THIS DATE 2008</i>	<i>THIS DATE 2007</i>	<i>2007 TOTAL</i>	<i>2006 TOTAL</i>
ULCC/VLCC	0	0	1	0
SUEZMAX	0	0	1	0
AFRAMAX	0	1	8	14
PANAMAX TANKER	1	0	5	7
<hr/>				
CAPE/COMBO (100,000 dwt +)	0	0	0	3
PANAMAX BULKER	0	0	2	13

ESTIMATED DEMOLITION PRICES			
<i>LOCATION</i>	<i>TANKERS 6-10,000 LT</i>	<i>TANKERS 15-20,000 LT</i>	<i>BULK CARRIERS</i>
CHINA	320	325	280
SUB-CONTINENT	530	535	490

DEMOLITION:

BANGLADESH

M/T "WASET STAR" 67,980/82 - 16,500 LDT - Sold on P&C terms

INDIA

M/T "SEABULK POWER" 37,166/69 - 8,390 LDT - USD 545/LDT (As is Fujairah with bunkers)

M/T "MRC CORAL" (stainless steel) 8,067/78 - 2,696 LDT - USD 1000/LDT

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.

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Lloyd's List



GREEK SHIPPING AWARDS 2007

SHIPBROKER
of the Year