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WEEKLY MARKET REPORT

November 9th, 2007 / Week 45

A wild week in stock markets around the world but dry bulk prices and freight rates remain strong, with a number of interesting S&P transactions and charters still being concluded at high levels. Dry freight indices rebounded from last week's dropoff but have not returned to the peak levels, with capesizes (as usual) leading the way and panamaxs in hot pursuit. Capesize freight rates are extremely strong paying as high as \$245,000 per day for a trip Brazil to China and \$165,000 per day for a 12 month T/C.

Dryships reportedly sold their M/V "NETADOLA" (149,475 DWT/Built China Shipbuilding 1993) for \$97 mill. basis delivery May/June 2008 (they purchased her in November 2004 for \$37.4 mill. basis delivery in May 2005). The 24 year old M/V "EFFY N" (41,824 DWT/Built Mitsubishi 1983 - MAN "V type" main engine - Cranes 4/25 tons) obtained a fantastic price reportedly excess \$30 mill. which certainly moves the bar up, once again, for vintage handymax bulkers. Golden Ocean flipped 6 x Panamax bulk carrier resales (75,000 DWT/Delivery from Pipavav Shipyard in India during 2009/2010) for about \$58.8 mill. each, having ordered them last year for about \$37.6 mill. each.

No real change in the tanker market as freight rates remain low/steady (for example VLCC rates in the Middle East are hovering around the \$17,000/day levels) which has kept values flat. Imports are dropping everywhere including Asia as refiners sell off their inventories (purchased at lower prices and realizing nice profits today) but as these draw down, shipowners remain optimistic for the seasonal winter charter rate rise. There are few tanker sales to report but public companies like First Ship Lease and Nordic American Tankers (NATS) continue to expand their fleets.

Newbuilding prices remain at record high levels with berths for 2010 rapidly disappearing for most sizes and types, therefore we do not expect any price declines in the foreseeable future.

Despite the woes on Wall Street this week, a large number of shipping deals continue to come to the market with OSG America leading the way raising some \$142.5 mill. on Thursday. Navios Partners MLP looking for about \$200 mill. and is set to price next week and the Global Ship Lease IPO (CMA CGM) is looking to raise about \$335 mill. (and borrow another \$172 mill.) to finance the purchase of its fleet for \$573 mill. The SeaCastle (Fortress) container IPO and Teekay Tankers MLP will also come to market shortly. On the port side, DP World of Dubai is looking to raise over \$4.32 BILLION by selling about 20% of the state-owned company (valuing it at as much as \$21.6 BILLION).

TANKERS:

2 x **"BOHAI NB RESALE"** 159,000/09/10 - BOHAI

Sold for \$90 mill. to N.A.T.S.

"NIKA I"/"VERONA I"

46,980/05/06 - HYUNDAI MIPO - B&W 15,015 - COILED - COATED - IGS - SBT - DH

Sold for \$56 & 57 mill. respectively to FSL. Including BB back to sellers.

"ATLANTIC WIND"

13,845/82 - DENMARK - B&W 4,935 - COILED - COATED - IGS - IMO III - DS - 4,499 LDT

Sold for \$6 mill. to South American buyer.

"ALAATTIN BEY"/"HANZA EFE BEY"/"M CAN BEY"

11,300/06 - TURKEY - MAN B&W 4,000 - COILED - MARINELINE COATED - IGS - IMO III - DH

Sold for \$30 mill. each to Danish buyer (Erria).

"CHERAS" 6,720/86 - HAKATA - HANSHIN 4,000 - COILED - COATED - SBT - IMO III - DB

Sold for \$3.1 mill. to undisclosed buyer.

LPG **"GAS NEMESIS"** 4,998/95 - WATANABE - B&W 4,400 - 5,016 CBM

LPG **"GAS RENOVATIO"** 3,940/97 - KANREI NARUTO - B&W 3,270 - 3,312 CBM

LPG **"GAS ORACLE"** 3,594/90 - TERAOKA - HANSHIN 3,345 - 2,940 CBM

Sold for \$10.5, 10.5& 6.5 mill. respectively to Greek buyer.

BULKERS:

"NETADOLA" 149,475/93 - TAIWAN - B&W 16,899 - 9HH

Sold for \$97 mill. to Far Eastern buyer basis delivery 05/06 2008.

"CAPTAIN VANGELIS L" 145,856/92 - ITALY - SUL 22,377 - 9HH

Sold for \$87.5 mill. to undisclosed buyer. Sale includes t/c until 6/2008 at \$24,000/day.

"CPT COSTAS" 124,292/81 - HITACHI NAGASU - B&W 19,900 - 9HH - 19,789 LDT

Sold for \$25.5 mill. to Chinese buyer. Delivery 03/2008

"SUNG DONG 1039+ 1040" 91,800/09/10 - SUNG DONG - B&W 15,037 - 7HH

Sold for \$76.5 + \$71.5 mill. respectively to undisclosed buyer.

"DONG YA OCEAN" 75,714/82 - GERMANY - MAN 16,533 - 9HH

Sold for \$26.2 mill. to undisclosed buyer. (Old sale)

"LONGDAR" 75,590/82 - GERMANY - MAN 16,500 - 9HH

Sold for \$26.2 mill. to undisclosed buyer.

6 x **"PIPAVAV RESALES"** 75,000/09/10 - INDIA - 7HH

Sold for \$353 mill. en bloc to undisclosed buyer.

“CSK EMINENCE” 73,606/97 - JIANGNAN - B&W 16,640 - 7HH - 225.00M LOA
Sold for \$58.5 mill. to Greek buyer. Sale includes t/c until 8-12/2008 at \$20,000/day

“ELPIS” 46,645/97 - MITSUI - B&W 11,640 - 5HH - C 4X30.5T
Sold for \$61 mill. to Korean buyer.

“EFFY N” 41,824/83 - MITSUBISHI - MAN 10,550 - 5HH - C 4X25T - 7,957 LDT
Sold for excess \$30 mill. to undisclosed buyer.

“JADE BREEZE” 33,220/82 - POLAND - SUL 12,000 - 7HO/9HA - C 4X15T - GRABS - 8,680 LDT
Sold for \$15 mill. to Turkish buyer.

“BLUE STONE” 7,810/79 - GERMANY - MAN 5,400 - 2HH - C 4X22.5T - 258 TEU - 3,600 LDT
Sold for \$3.65 mill. to undisclosed buyer.

“MIRICA L” 6,182/82 - NETHERLANDS - WERKSPoor 3,400 - 1HH - C 2X28T - 210 TEU
Sold for \$3.55 mill. to Greek buyer.

TWEENDECKERS:

“VIVIEN” 20,544/76 - MITSUBISHI - MITSUBISHI 12,800 - 4HO 7HA - C 1X25T, 2X20T, 2X15T - 398 TEU
Sold for \$6.7 mill. to European buyer.

“AFRICAN SANDERLING” 20,412/84 - HAYASHIKANE - B&W 9,598 - 4HH - C2X30T - 678 TEU
Sold for \$18.3 mill. to U.S. buyer (TBS).

“APOLLO LIMA” 8,629/94 - SHIN KURUSHIMA - B&W 4,200 - 2HH - C 1X30T, D 2X20T
Sold for \$10 mill. to Korean buyer.

CONTAINERS:

“EL BRAVO”/“EL GORDO”/“EL FLACO”
13,760/06/06/07 - JINLING - MAN 21,490 - 5HH - C2X45T - 1,118 TEU
Sold for \$87.9 mill. en bloc to Chinese buyer.

“RITA” 11,200/06 - GERMANY - MAK 11,420 - 868 TEU
Sold for Euro 21 mill. to German buyer.

“BITU MOUNTAIN”/“BITU SEA”
7,660/07 - SHANDONG - 2 x DAIHATSU 5,500 - 3HH - C 2X40T - 629 TEU
Sold for \$50.25 mill. en bloc to Greek buyer.

“AMERICA FEEDER” 7,300/97 - TURKEY - MAN 7,953 - 3HO 6HA - C 2X40T - 584 TEU
Sold for \$12.75 mill. to Lithuanian buyer. Sale includes t/c until 5/2008 at \$11,400/day.

REEFERS:

“ALGECICAS CARRIER” 15,200/79 - SWEDEN - B&W 20,500 - 4HO 7HA - C 4X16T - 605,405 CBF
Sold for \$6.5 mill. to Russian buyer (Baltic Shipping).

“CAPE COD / CAPE CAVO” 6,801/90/91 - SHANGHAI - SUL 9,049 - 4HH - D 8X10T - 300,106 CBF
Sold for \$9 mill. each to Norwegian buyer (Silver Sea).

ROROS:

“FINNFOREST” 8,800/78 - HYUNDAI – 2 x PIELSTICK 15,600 - 2,150 LM - 481 TEU
Sold for Euro 7 mill. to undisclosed buyer. Sale includes t/c for 2 years at undisclosed rate.

“RR CHALLENGE” 5,758/98 - SPAIN - 2 x WARTSILA 10,196 - 1,140 LM - 266 TEU

“RR SHIELD” 5,700/99 - SPAIN - 2 x WARTSILA 10,196 - 1,140 LM - 266 TEU

Sold for Euro 30 mill. en bloc to Greek buyer (Attica). Sale includes t/c until January 2008 (for RR Challenge) / October 2008 (for RR Shield) at euro 10,000/day. (Old sale)

“RR TRIUMPH” 5,758/97 - SPAIN - 2 x WARTSILA 10,196 - 1,140 LM - 266 TEU

“RR ARROW” 5,656/98 - SPAIN - 2 x WARTSILA 10,196 - 1,140 LM - 266 TEU

Sold for Euro 30 mill. en bloc to Danish buyer (Seatruck Ferries). Sale includes t/c until March 2009 (for RR Triumph) / April 2009 (for RR Arrow) at euro 10,000/day. (Old sale)

NEW SHIPS FOR SALE:

BULKERS:

“AGIOS RAPHAEL” 75,485/82 - BRAZIL - MAN 17,960 - 7HH

Vessel ETA Lumut to discharge pm 18th November where ETB 19th November and ETC 20-21th November.

“TANGO GLORY” 48,193/01 - OSHIMA - SUL 10,119 - 5HH - C 4X30T

Vessel is currently in drydock in Qingdao, China with latest ETC/D 13-14th November. Thereafter, she will load in China and at the 1st loading port (not yet fixed).

“XI RUI 5” 40,478/85 - MITSUI - B&W 10,801 - 5HH - C 5X25T

Vessel is currently passing intermediate survey in Xinya shipyard, Zhoushan, China where can be inspected in the next couple of weeks. Dry docking is expected to be completed around 5-6th December.

“SVETI VLAHO” 39,443/84 - HITACHI - B&W 13,000 - 5HH - C 5X25T

Vessel will be inspectable in Greenore, Ireland where now awaiting to berth, ETB 12th November and ETS 14th November to discharge.

NEWBUILDINGS

NEWBUILDING STATISTICS

<i>TYPE OF SHIP</i>	2007	2008	2009	2010	2011	2012	2013	* TOTAL ORDERBOOK
ULCC/VLCC	5	36	69	42	15	3		170 (-2)
SUEZMAX	3	20	59	44	15			141 (-1)
AFRAMAX	9	73	107	81	20			290 (0)
PANAMAX	10	40	50	19	9			128 (0)
MR	45	194	204	157	37	1		637 (-8)
0-35,000 DWT	107	189	193	116	29	6		640 (-1)
CAPE SIZE	9	50	130	245	125	15	2	576 (+8)
80-100,000 DWT	11	39	68	119	88	12		337 (+3)
PANAMAX	14	67	45	65	26	7		224 (-1)
SUPRAMAX	35	148	225	209	89	11		717 (+8)
HANDYSIZE	30	103	189	138	50	11	3	524 (0)

* Includes ALL vessels on order

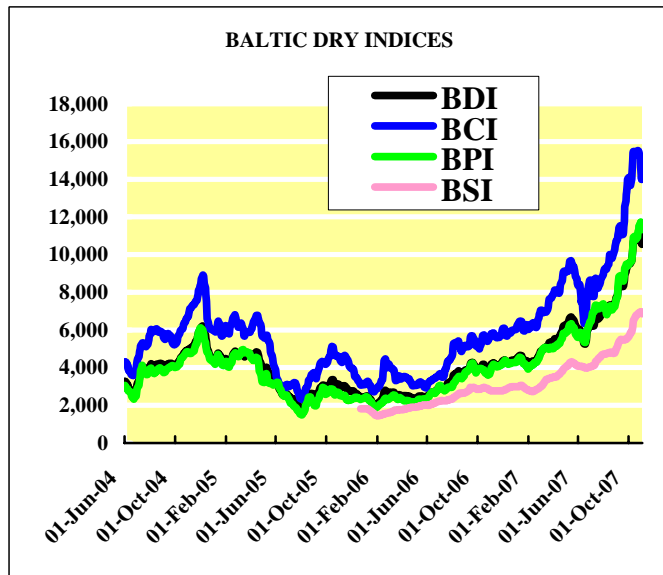
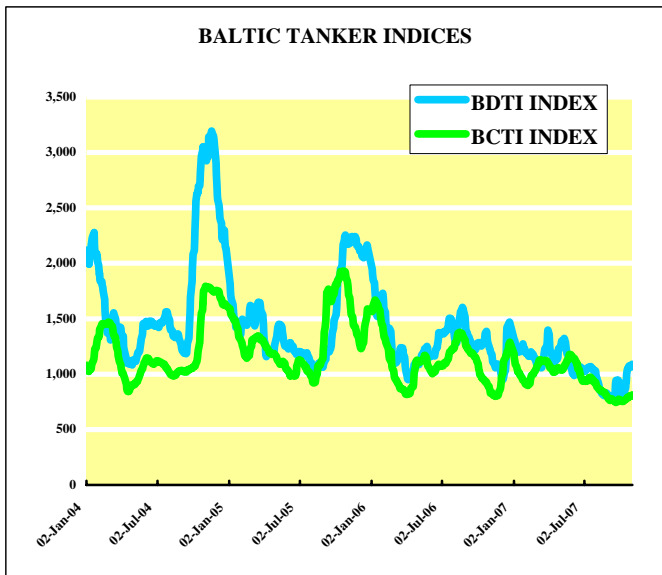
NEWBUILDING CONTRACTS

<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	112,000 dwt	Tank	HHI	2011		Cido	
2 x	110,000 dwt	Tank	Hudong	2009	\$60	Orion	
4 x	52,000 dwt	Prod	SLS	2009/11	\$60	UAC	
10 x	52,900 dwt	Prod	H. Mipo	2011/12	\$53	Latvian Shipping	
1 x	19,900 dwt	Chem	Shitanoe	2010		Taiheiyo Kaiun	
3 x	316,000 dwt	Bulk	Hyundai	2010/11		TMT Co.	OBO's
2 x	180,000 dwt	Bulk	Dalian New Shpyd	2010	\$90	Ocean Longevity	
2 x	180,000 dwt	Bulk	HHI	2010/11		Hanjin Shpg.	
3 x	180,000 dwt	Bulk	Dalian New Shpyd	2010	\$90	Transfield	
2 x	98,000 dwt	Bulk	STX Dalian	2011	\$60	STX Pan Ocean	
8 x	80,000 dwt	Bulk	Zhoushan	2009/11	\$51.25	Golden Ocean	
1 x	60,500 dwt	Bulk	Oshima	2012		Jinhui Shpg.	
10 x	58,000 dwt	Bulk	Hyundai Vinashin	2009/11	\$48	E/R. Schiffahrt	
4 x	35,000 dwt	Bulk	SPP	2011	\$38	F. D'Amato	
2 x	35,000 dwt	Bulk	SPP	2011/12	\$38	Apex Marine	
2 x	34,000 dwt	Bulk	Brother Shpbldg	2009		Parkroad Corp.	
2 x	32,000 dwt	Bulk	Guangzhou	2010		Sinotrans/ MOL j/v	
4 x	4,900 teu	Cont	Hyundai	2012	\$85	N.Y.K. Line	
4 x	1,000 teu	Cont	SaintySB China	2010/11	\$25	Nordic Hamburg	

KEY INDICATORS

INDICES

RATE OF EXCHANGE	BALTIC EXCHANGE RATES			
		<i>THIS WEEK</i>	<i>LAST WEEK</i>	<i>CHANGE</i>
\$ / Won: 904.8400	Baltic Dry Index	10867	10548	+319
\$ / Nok: 5.322800	Baltic Capesize	15252	14021	+1231
Euro / \$: 1.467800	Baltic Panamax	11355	11334	+21
Stlg / \$: 2.094900	Baltic Supramax	6790	6852	-62
\$ / Yen: 111.1800	Baltic Handysize	3051	3170	-119
LIBOR (3-mos) / 4.89%	Crude - WTI	\$95.46	\$94.72	+0.74



ESTIMATED VALUES

TANKERS	NB	PROMPT RESALE	5 YEARS	10 YEARS	20 YEARS	12 MONTH T/C
VLCC 300,000 dwt	\$140.0m	\$145.0m	\$130.0m	\$108m (DH)	\$35.0m (SH)	\$45,000 PD
Suezmax 150,000 dwt	\$87.0m	\$105.0m	\$96.0m	\$76.0m (DH)	\$24.0m	\$40,000 PD
Aframax 105,000 dwt	\$69.0m	\$78.0m	\$67.0m	\$56.0m (DH)	\$17.0m (SH)	\$31,000 PD
Panamax 70,000 dwt	\$63.0m	\$66.0m	\$57.0m	\$48.0m (DH)	\$14.0m	\$26,000 PD
Product 47,000 dwt	\$52.0m	\$58.0m	\$53.0m	\$43.0m (DH)	\$13.0m	\$23,000 PD
BULK CARRIERS						
Capesize 170,000 dwt	\$94.0m	\$160.0m	\$135.0m	\$100.0m	\$64.0m	\$164,000 PD
Panamax 74,000 dwt	\$52.0m	\$103.0m	\$88.0m	\$77.0m	\$42.0m	\$83,000 PD
Supramax 52,000 dwt	\$45.0m	\$85.0m	\$75.0m	\$61.0m	\$39.0m	\$70,000 PD

BUNKER PRICES

FUEL GRADES	ROTTERDAM	FUJAIRAH	PIRAEUS	SINGAPORE
380cst:	\$494.00	\$512.00	\$513.50	\$514.00
180cst:	\$514.00	\$528.00	\$545.00	\$529.00
MGO:	\$815.00	\$817.50	\$872.50	\$810.00

DEMOLITION

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

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	305	310	275
SUB-CONTINENT	535	545	500

DEMOLITION:

INDIA:

MV "ZHEN HUA 2" (heavy lift) 24,560/71 - 16,598 LDT - USD 502/LDT

COMPASS CONTACTS

SALE & PURCHASE

MOBILE PHONE NUMBER

AOH

Terry Chance	201-463-3834	908-232-5574
Bart Lawrence	201-463-3835	914-997-7599
Tom Linter	201-463-3826	973-949-4218
Tom O'Toole	845-597-4150	845-783-9092
Tom Roberts	201-463-3832	914-242-5436
Sophus Schanche	201-463-3831	973-283-2848

PROJECTS & FINANCE

Basil Karatzas	201-463-3828	713-545-5990
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ADMINISTRATION

Joseph Kaufmann	201-463-3833	845-628-0469
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Very Truly Yours,

COMPASS MARITIME SERVICES, LLC

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