

Petrofin Research©

2nd part of Petrofin Research©:

2013 Greek fleet statistics

In this 2nd part of Petrofin research, the Greek Fleet Statistics, we analyse the composition of the Greek fleet, in terms of vessel size, vessel type and vessel age.

Research Criteria

- a. All Greek-owned / Greek-based vessels, of whichever flag are taken into account.
- b. The Greek-based / Greek-owned fleet is analysed and presented initially as a whole, in terms of Numbers of Vessels, Age of Vessels and DWT.
- c. Then a cut-off DWT is used of 10,000DWT to measure the number of companies that run vessels above this tonnage. This is done for the whole fleet, then for Bulkers, Tankers and Containers. This cut-off eliminates the vast number of very small and usually over aged vessels that unduly influence the Greek fleet analysis.
- d. A further cut-off DWT point of 20,000DWT is used for the whole fleet, the Bulkers, the Tankers and the Containers. This shows the effect that a higher cut-off has on the fleet and its main sectors.
- e. Newbuildings are only taken into account if they have a scheduled delivery year of up to and inclusive of 2014. This results in a more accurate assessment of today's fleet closer to reality, as many of the impressive number of newbuilding orders have delivery dates of 2015 and beyond. In the current economic climate, a very substantial number of newbuilding orders may be susceptible to cancellations, postponements and re-sales, and may thus distort the current picture of the size of Greek companies, the age of their fleets and of vessels actually trading or about to be delivered to Greek-based / Greek-owned companies.
- f. Under the "Tanker" term we have included only crude oil Tankers, ULCCs and VLCCs and not other types of tankers. Bulk carriers include bulkers only and not general cargo vessels. Container vessels are pure cellular vessels. Consequently, this 2nd part of our research does not produce data for other types, such as chemical tankers, product carriers, LNGs, OBOs, Container/bulkers, etc.

Main results

- 1. The overall number of Greek vessels has remained steady this year.**
- 2. BUT tonnage is up by 17,832,563 tons DWT or 6.8%.**
- 3. Age is also down, from 14.7 to 14.05, despite a slowdown in vessel ordering.**
- 4. Using a 20,000 DWT cutoff, the average age of the Greek fleet has fallen to 9.83 years.**
- 5. Tanker fleet age is slightly up due to a slowdown in new orders.**
- 6. Container fleet age is steady whereas that of bulkers has continued to fall.**
- 7. All sectors show a rise in DWT terms.**
- 8. The nature of the development of Greek shipping is evolutionary and this is supported by this year's research.**

SECTION A: Vital Statistics of the Entire Greek Fleet

Entire Greek fleet

Despite the low freights, the stagnating S&P market and the bank lending restrictions, the Greek fleet showed an impressive performance in terms of numbers, age and size. Confidence in shipping is still there and strategic movements are at work to render it ready when the market recovers. The data obtained from our research is indicative of a very active market, a positive outlook for the future and continuous emphasis towards larger and younger vessels.

The overall number of Greek vessels has gone down by only 4 in 2013 compared to a 137 vessel drop in 2012.

Table 1

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of vessels in the Greek-based, Greek-owned fleet	4110	4142	4085	4184	3970	4164	4346	4545	4763	4655	4714	4577	4573
Change from previous year		32	-57	99	-214	194	182	199	218	-108	59	-137	-4

Petrofin Research © October 2013

The fleet’s DWT, however, is growing unperturbed, whereas the age is dropping equally steadily, albeit a smaller drop this year. It is evident, therefore, that the Greek fleet’s numerical decrease is insignificant, when compared to the increase in DWT.

These vessels are managed by 690 companies, down from 718 companies in 2012, 762 in 2011 and 758 shipping companies in 2010 (1st Part of Petrofin research©).

Table 2

YEAR	DWT	AVERAGE AGE	AVERAGE VESSEL DWT
2001	150,978,565	21.41	36,734
2002	166,931,748	20.58	40,302
2003	171,448,133	20.51	41,970
2004	184,288,917	20.12	44,046
2005	176,411,750	19.9	44,436
2006	194,486,455	19.14	46,707
2007	208,001,159	18.7	47,860
2008	222,368,331	18.4	48,926
2009	237,288,216	17.6	49,820
2010	242,802,092	16.4	52,160
2011	256,174,041	15.92	54,343
2012	263,635,420	14.7	57,600
2013	281,467,983	14.055	61,550
Petrofin Research ©		September 2013	

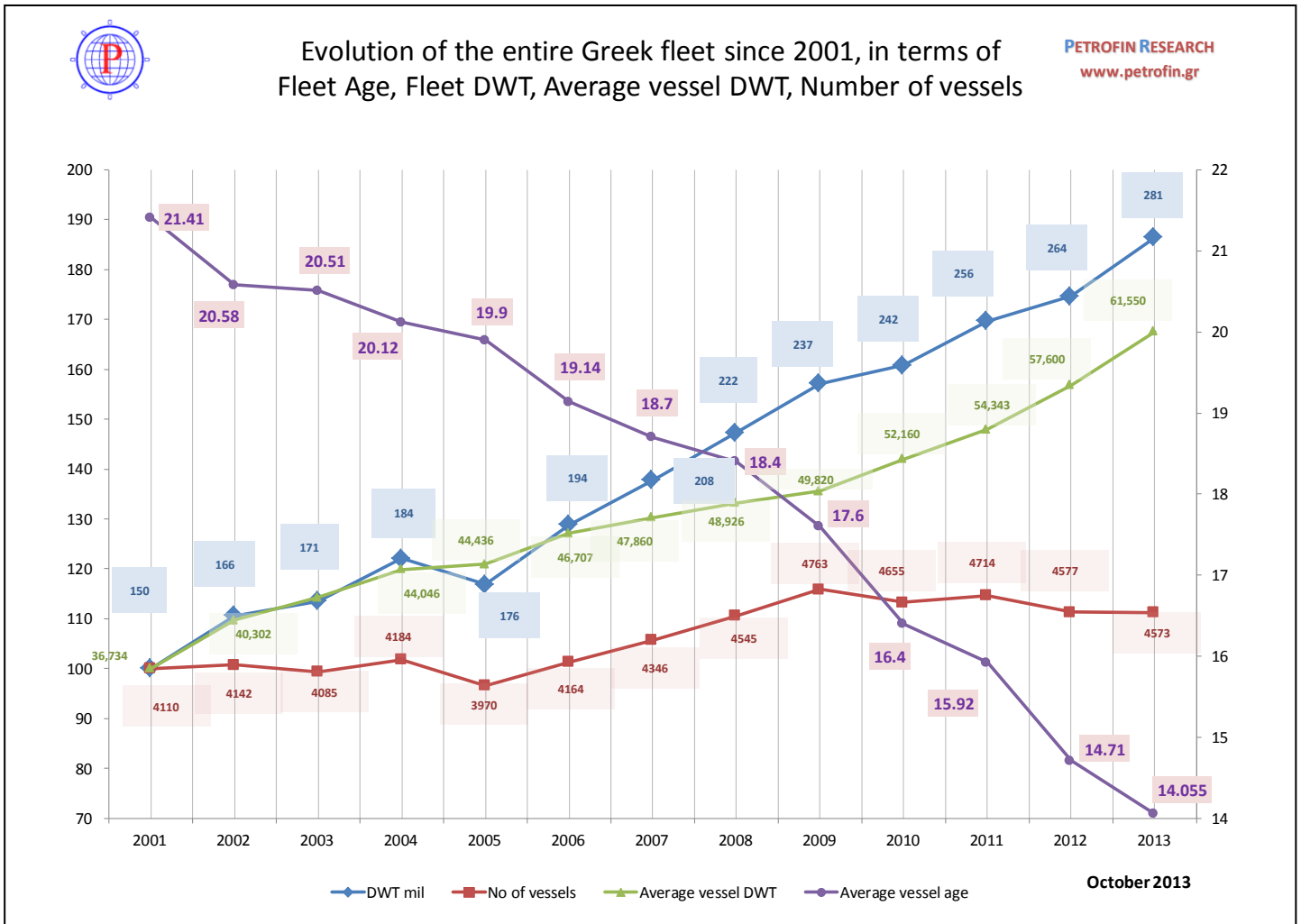
The average vessel DWT is up and has reached 61,550 tons DWT, 57,600 tons DWT per vessel, i.e. a rise of 6.4%, as opposed to a rise in DWT of 4.2% last year. The new additions to the fleet are bigger and the smaller existing vessels are gradually going. The latter can be sold even at reduced prices, as most of them are paid off, and can subsidize the new purchases.

The increase in vessel size continues uninterrupted since 2001.

Average age has dropped significantly down to 14.05 in 2013 from 14.7 years in 2012, down from 15.92 in 2011 (Table 2, above). It should be noted that this is the average age of the entire Greek fleet, covering all sizes, types and activities. Some very old ships are included in this fleet, which makes the drop in years even more significant (please see additional research for all vessels over 10,000 DWT and 20,000 DWT)

We have summarised in Graph 1 all the above findings, over a 13 year period, to show their development.

Graph 1



DWT, Average Vessel DWT, and Number of Greek vessels figures are shown on an index scale using year 2001 as 100. The actual figures are also recorded for each year.

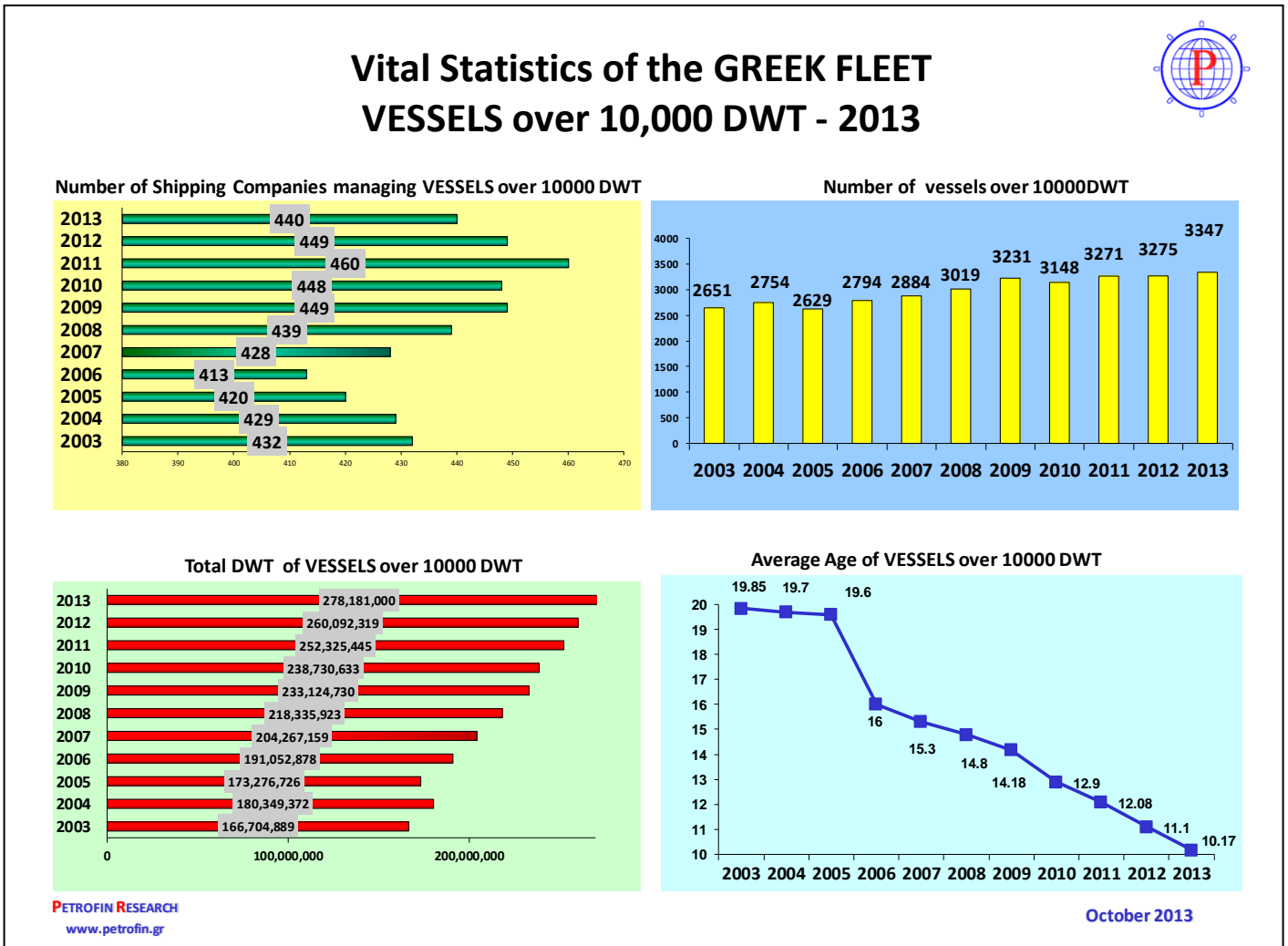
In order to concentrate on the real strength of Greek shipping, we use two cut-off DWT points, one of vessels over 10,000 tons DWT and the other of vessels over 20,000 tons DWT. This way, the Greek fleet is stripped of a large number of overage very small vessels of relatively little significance that operate mostly locally. Hence, we concentrate on the global aspect of the Greek fleet.

Vessels of over 10,000 DWT

Comparisons between 2003 and 2013

Graph 2 below shows the fluctuation in the number of companies that manage vessels over 10,000 DWT, the number of ALL these vessels, their age and their DWT. ('ALL vessels' means everything that floats and is under Greek control):

Graph 2



- This year, the increase in vessels over 10,000 DWT is significant in number of units (72). The increase in DWT, however is even more significant: 18m DWT have been added to the over 10,000 DWT fleet (a 7% increase). It should be noted that these vessels account for over 73% of the Greek fleet.
- Vessels over 10,000 DWT are owned by 9 less companies than last year.

PETROFIN RESEARCH – Greek Fleet Stats ©
October 2013

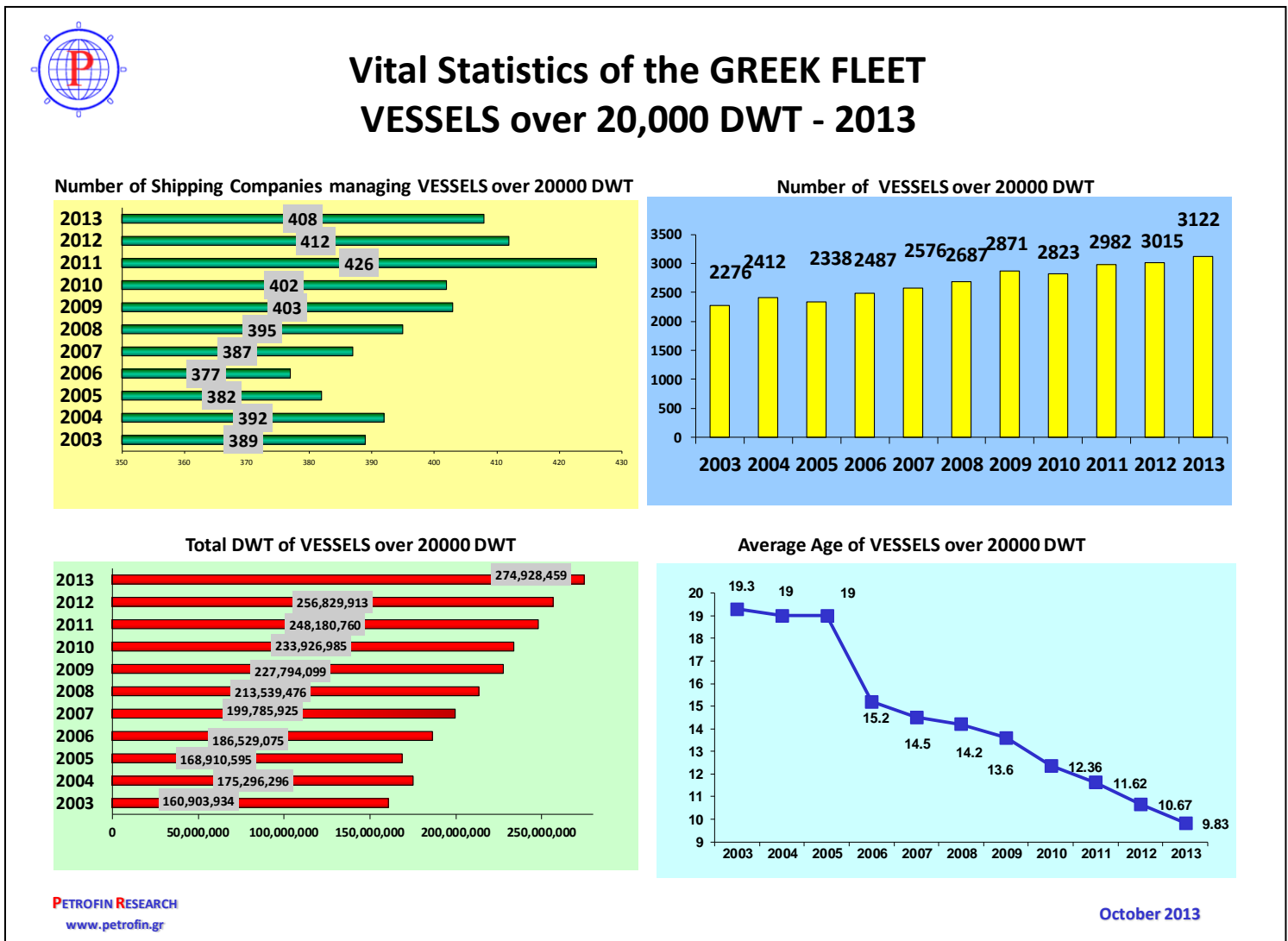
- The rise in tonnage continues its uninterrupted route since 2005.
- The average vessel DWT is now 83,113 tons DWT, compared to 79,417 tons DWT last year, 77,140 in 2011, 75,836 in 2010.
- The Greek fleet's age continues to improve impressively for this tonnage category. The influx of the newbuildings has brought the age fleet down to 10.17, down from 11.1 years in 2012, 12.08 in 2011 and 12.9 years in 2010.

Vessels of over 20,000 DWT

Comparisons between 2003 and 2013

Graph 3 below shows the fluctuation in the number of companies that manage vessels over 20,000 DWT, the number of ALL these vessels, their age and their DWT. ('ALL vessels' means everything that floats and is under Greek control):

Graph 3



- Similar results for the over 20,000 tons DWT. Following closely the situation with the over 10,000 DWT vessels, companies that run over 20,000 tonners have gone down by 4.
- Their vessels are up by 107, compared to a rise of only 33 in 2012, (159 in 2011), and an increase of 18m tons DWT in tonnage.
- The average DWT of each vessel is 88,062 in 2013, compared to 85,184 tons DWT in 2012, up from 83,226 in 2011, 82,865 in 2010, 79,343 in 2009, 79,471 DWT in 2008, 77,557 DWT in 2007 and 75,000 DWT in 2006.

- The average age has reduced again, significantly down to 9.83 in 2013 from 10.67 years of age in 2012, 11.62 in 2011, down from 12.36 in 2010 and 13.6 years in 2009, 14.2 in 2008 and 14.5 in 2007.

Summary of results

In Table 3 below, we present the development over time of the Greek fleet using the DWT fleet thresholds of 10,000 DWT and 20,000 DWT in terms of 5 key criteria:

- a) Total fleet DWT
- b) Number of vessels
- c) Average DWT
- d) Average age of the fleet, and
- e) Number of shipping companies

Table 3

Analysis of the Greek fleet

	Total Fleet DWT	No. of vessels	Average DWT	Average Age	No. of Cos.
Ships over 20,000 DWT 2013	274,928,459	3,122	88,062	9.83	408
Ships over 20,000 DWT 2012	256,829,913	3,015	85,002	10.67	412
Ships over 20,000 DWT 2011	248,180,760	2,982	83,226	11.62	426
Ships over 20,000 DWT 2010	233,926,985	2,823	82,865	12.36	402
Ships over 20,000 DWT 2009	227,794,099	2,871	79,343	13.6	403
Ships over 20,000 DWT 2008	213,539,476	2,687	79,471	14.2	395
Ships over 20,000 DWT 2007	199,785,925	2,576	77,557	14.5	387
Ships over 20,000 DWT 2006	186,529,075	2,487	75,002	15.2	377
Ships over 20,000 DWT 2005	168,910,595	2,338	72,246	19	382
Ships over 20,000 DWT 2004	175,296,296	2,412	72,677	19	392
Ships over 20,000 DWT 2003	160,903,934	2,276	70,696	19.3	389
Ships over 10,000 DWT 2013	278,181,000	3,347	83,113	10.2	440
Ships over 10,000 DWT 2012	260,092,319	3,275	79,417	11.09	449
Ships over 10,000 DWT 2011	252,325,445	3,271	77,140	12.08	460
Ships over 10,000 DWT 2010	238,730,633	3,148	75,836	12.9	448
Ships over 10,000 DWT 2009	233,124,730	3,231	72,152	14.18	449
Ships over 10,000 DWT 2008	218,335,923	3,019	72,321	14.8	439
Ships over 10,000 DWT 2007	204,267,159	2,884	70,828	15.3	428
Ships over 10,000 DWT 2006	191,052,878	2,794	68,380	16	413
Ships over 10,000 DWT 2005	173,276,726	2,629	65,910	19.4	420
Ships over 10,000 DWT 2004	180,349,372	2,754	65,486	19.6	429
Ships over 10,000 DWT 2003	166,704,889	2,651	62,884	19.85	432
Ships over 10,000 DWT 2002*	166,117,271	3,451	48,136	20.75	487
Ships over 10,000 DWT 2001*	152,092,312	3,491	43,567	21.13	505
Petrofin Research ©			October 2013		

* Data available only for over 10,000 tons DWT vessels.

Table 4: Top fleets in DWT terms

Top owners and the percentage they hold of the total of Greek fleet in DWT ton terms				
	Top 30 owners	Top 50 owners	Top 70 owners	Total fleet DWT
2007	104,049,575	106,551,097	147,429,915	208,001,159
	50.02%	51.23%	70.88%	
2008	111,643,505	139,772,288	157,349,073	222,368,331
	50.21%	62.86%	70.76%	
2009	118,473,829	147,699,624	166,380,212	237,288,216
	49.93%	62.24%	70.12%	
2010	123,195,698	157,247,298	175,831,037	242,802,092
	50.74%	64.76%	72.42%	
2011	133,219,034	164,584,202	185,644,178	256,174,041
	52.00%	64.25%	72.47%	
2012	139,088,078	172,621,328	193,407,161	263,635,420
	52.76%	65.48%	73.36%	
2013	155,066,892	188,918,600	209,510,387	281,467,983
	55.09%	67.12%	74.3%	
Petrofin Research ©			October 2013	

The top 30 owners now own 55% of the Greek fleet, strengthening their position even further. The change is upwards for both top 50 and top 70 fleets. Interestingly, the trend has accelerated in the difficult years of 2009 onwards.

SECTION B: Analyses by type of vessel

The Greek fleet of bulker vessels over 10,000 dwt each

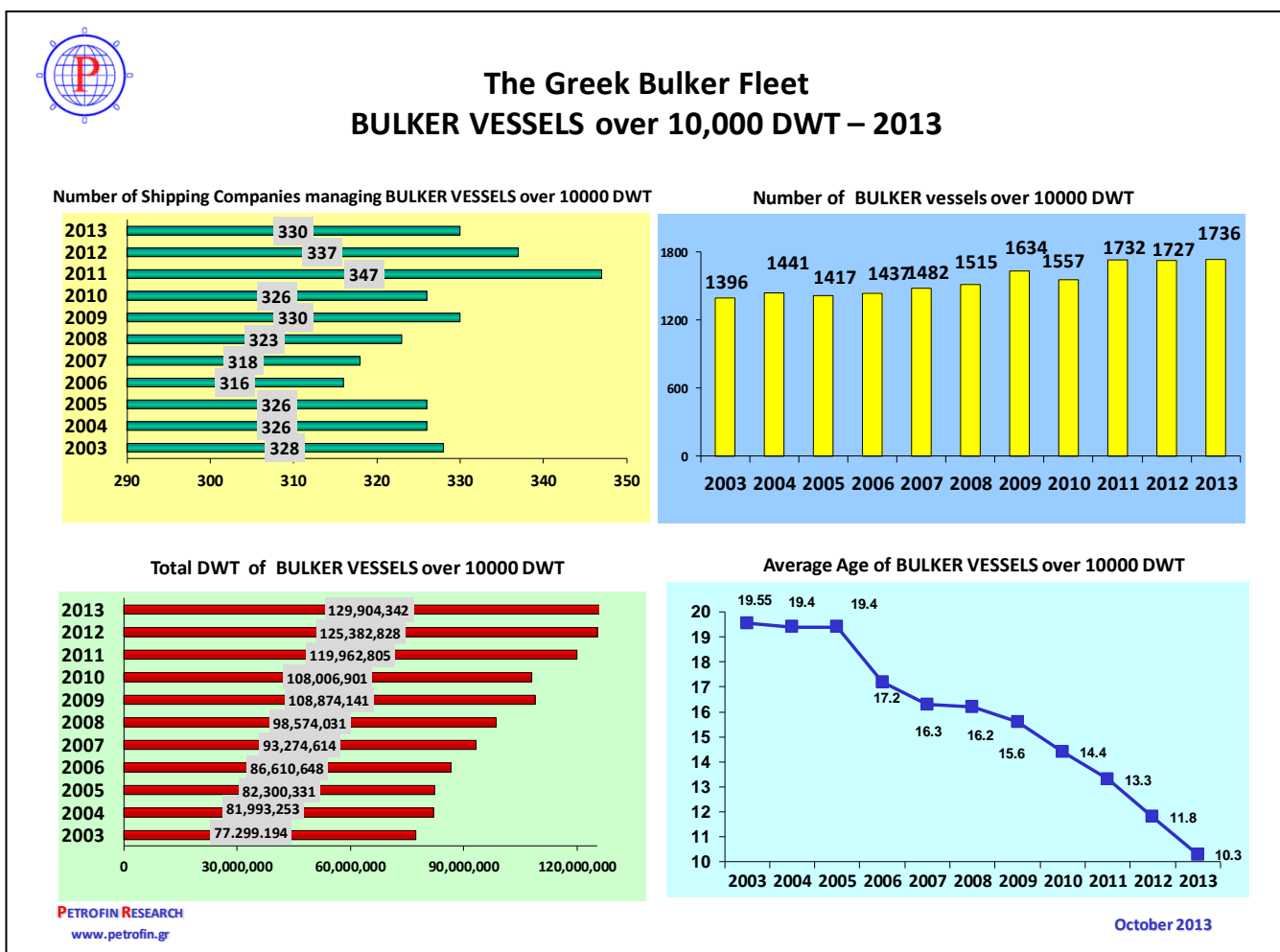
Comparisons between 2003 and 2013

The graph below shows that the number of companies has gone down, following the trend, thus far, by 7 companies, continuing last year's trend. Bulk carriers over 10,000DWT have gone up, however, by 9 vessels.

The age keeps falling, now down to 10.3, down from 11.8, reflecting the further influx of newbuildings and the trend for newer vessels, in this traditionally 'old' sector.

This, traditionally most popular, sector in Greek shipping, occupies now 46.15% of the entire fleet, down from 47.56%. A slight wavering in the Greek commitment to bulk carriers, although the existing fleet is younger and larger.

Graph 4



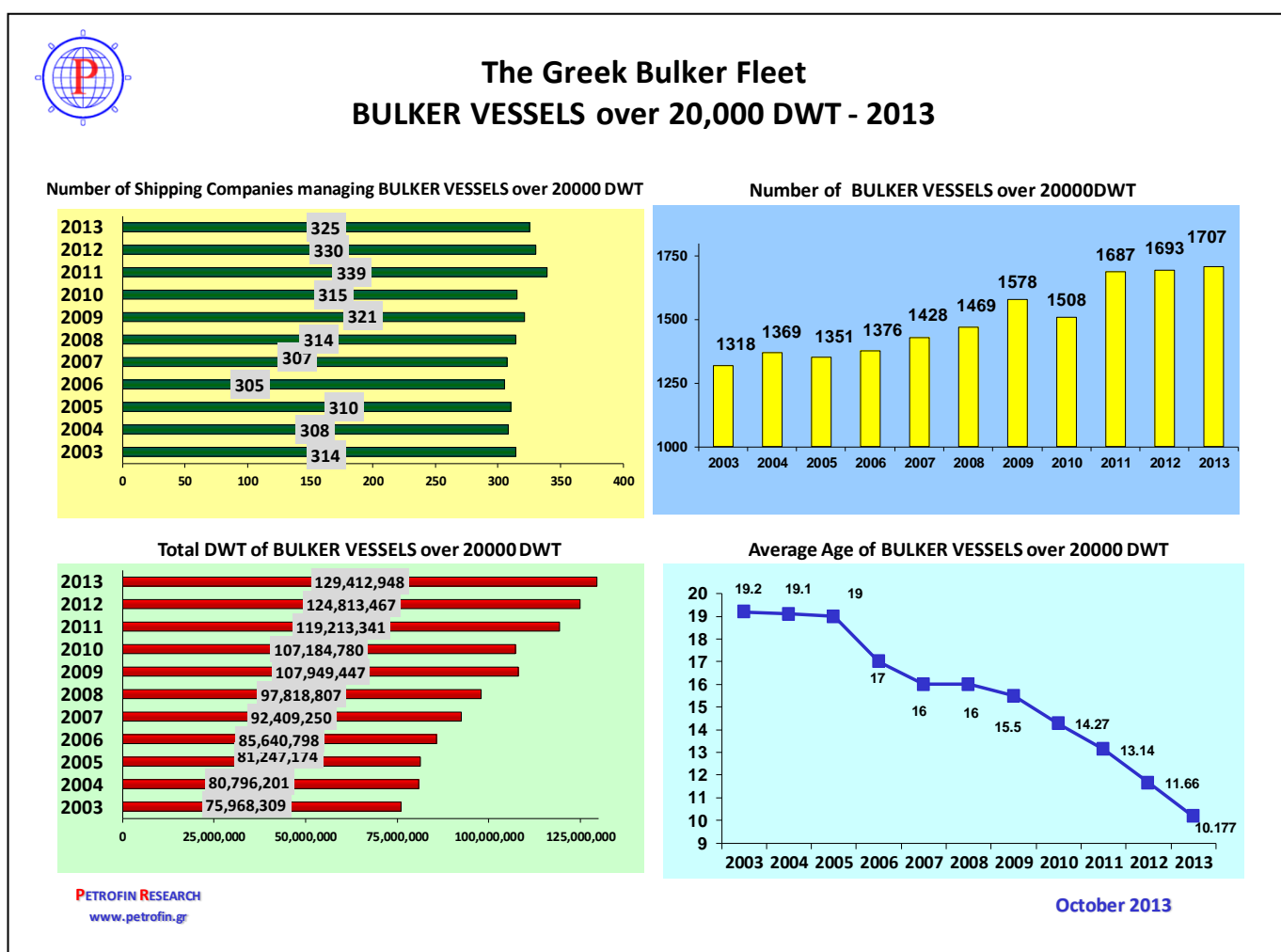
The Greek fleet of bulker vessels over 20,000 dwt each

Comparisons between 2003 and 2013

Similar trends here also. After last year's rise, we note a drop in companies by 5. The bigger bulkers continue to rise by 14 this year, compared to 6 in 2012 and 179 units in 2011. The difference between 10,000 DWT bulkers and 20,000 DWT is down to only 29 vessels, from 34 vessels in 2012 and 45 last year. So the bulk of the fleet is indeed bigger bulkers.

Furthermore, tonnage is up by 4,599,481, whereas in 2012 the increase was 5,600,126, and in 2011 12,028,561. Age is down to 10.2 in 2013 from 11.66 years in 2012 and 13.14 years in 2011.

Graph 5



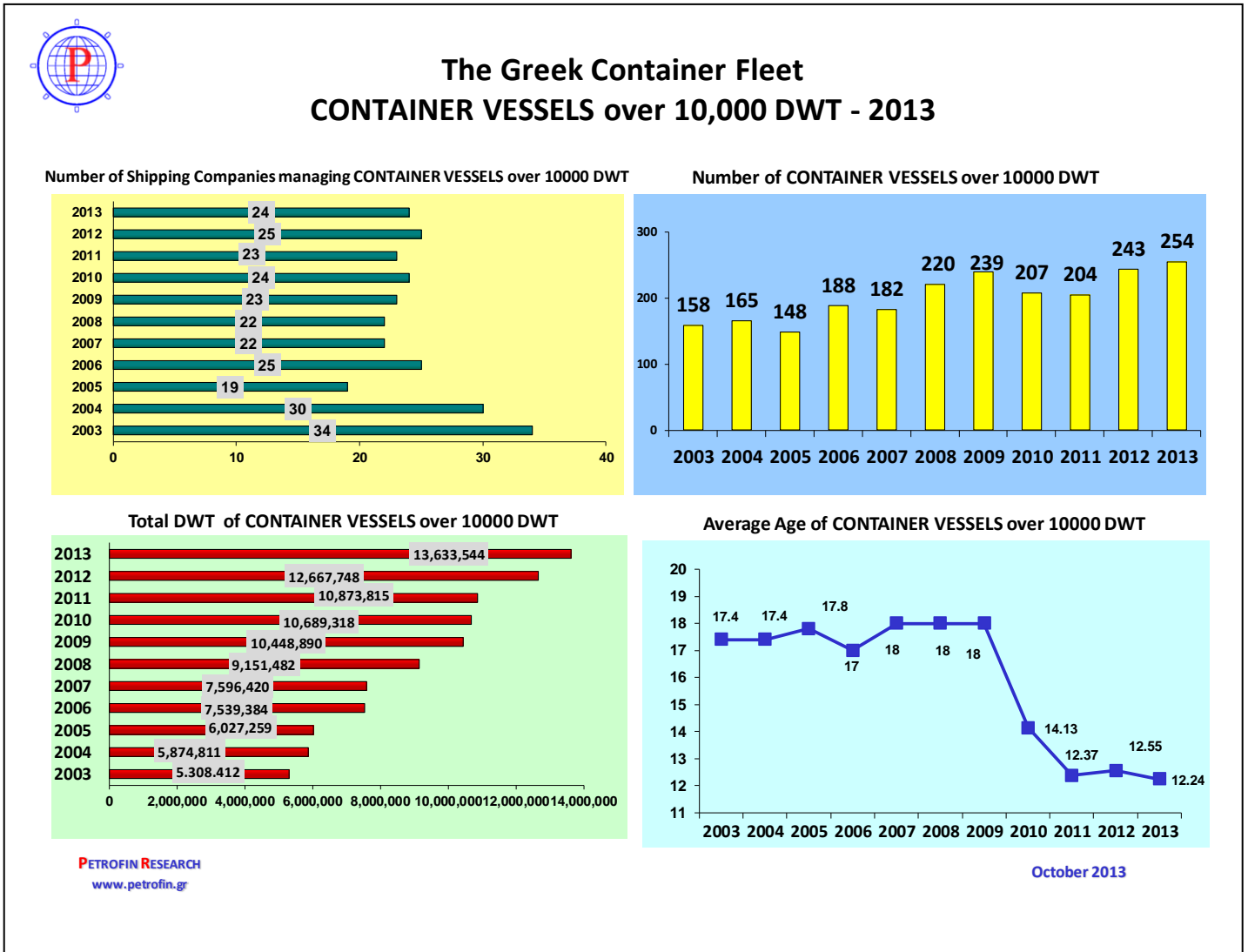
Average vessel size is 75,813 DWT, compared to 73,723 DWT in 2012 and 70,665 in 2011.

The Greek fleet of container vessels over 10,000 dwt each

Comparisons between 2003 and 2013

The container sector has always been a volatile market. Although not always following the general fleet trends, this year they seem to move alongside the other sectors. Companies are down by 1, vessels are up by 11 and tonnage is up by almost 1m tons DWT.

Graph 6

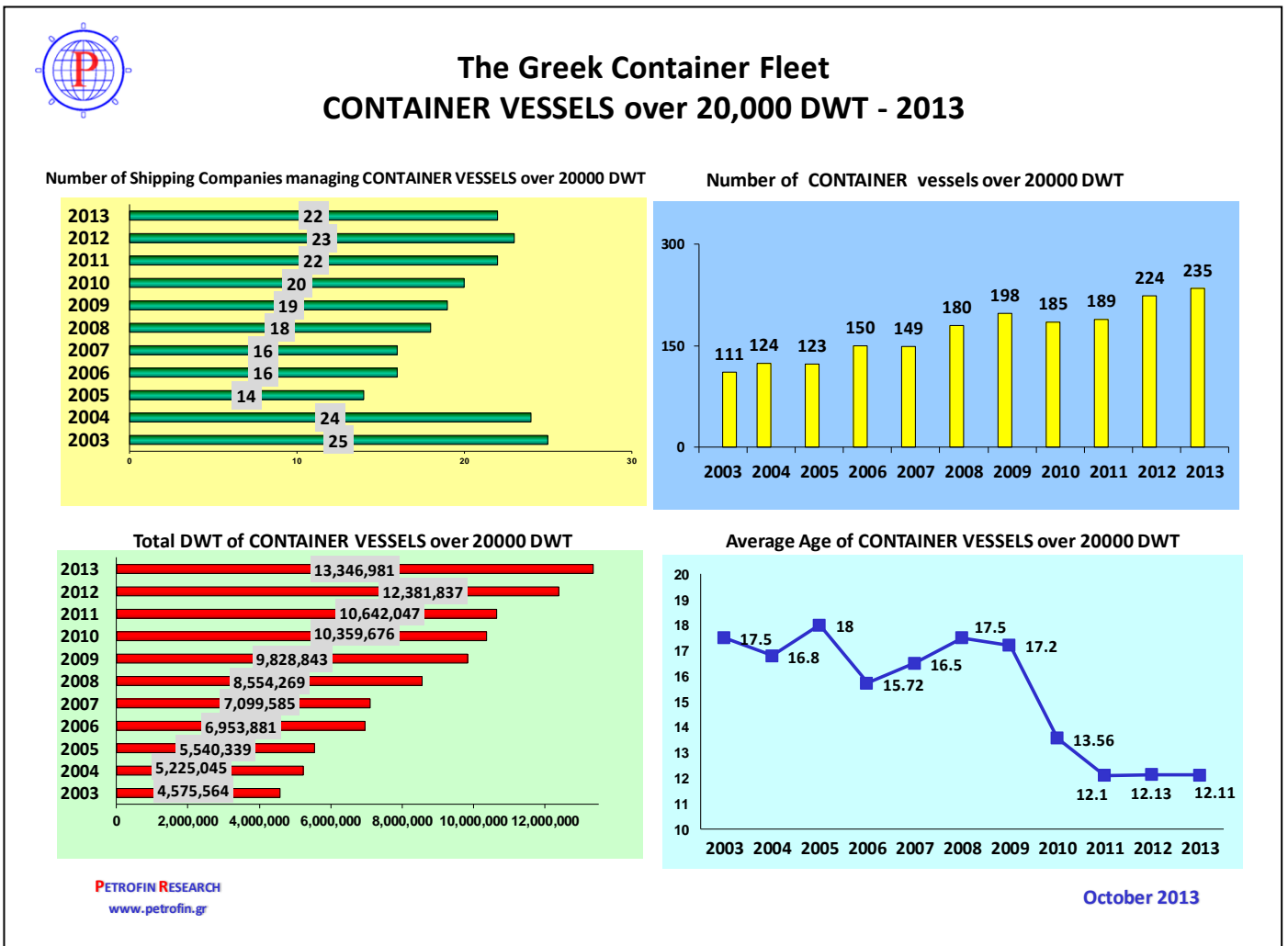


The Greek fleet of container vessels over 20,000 dwt each

Comparisons between 2003 and 2013

Practically no difference exists between the over 10,000 and the over 20,000 tons DWT, which renders small containers almost obsolete in the Greek fleet.

Graph 7



Average vessel size is 56,796 DWT in 2013.

The Greek fleet of tanker vessels over 10,000 dwt each

Comparisons between 2003 and 2013

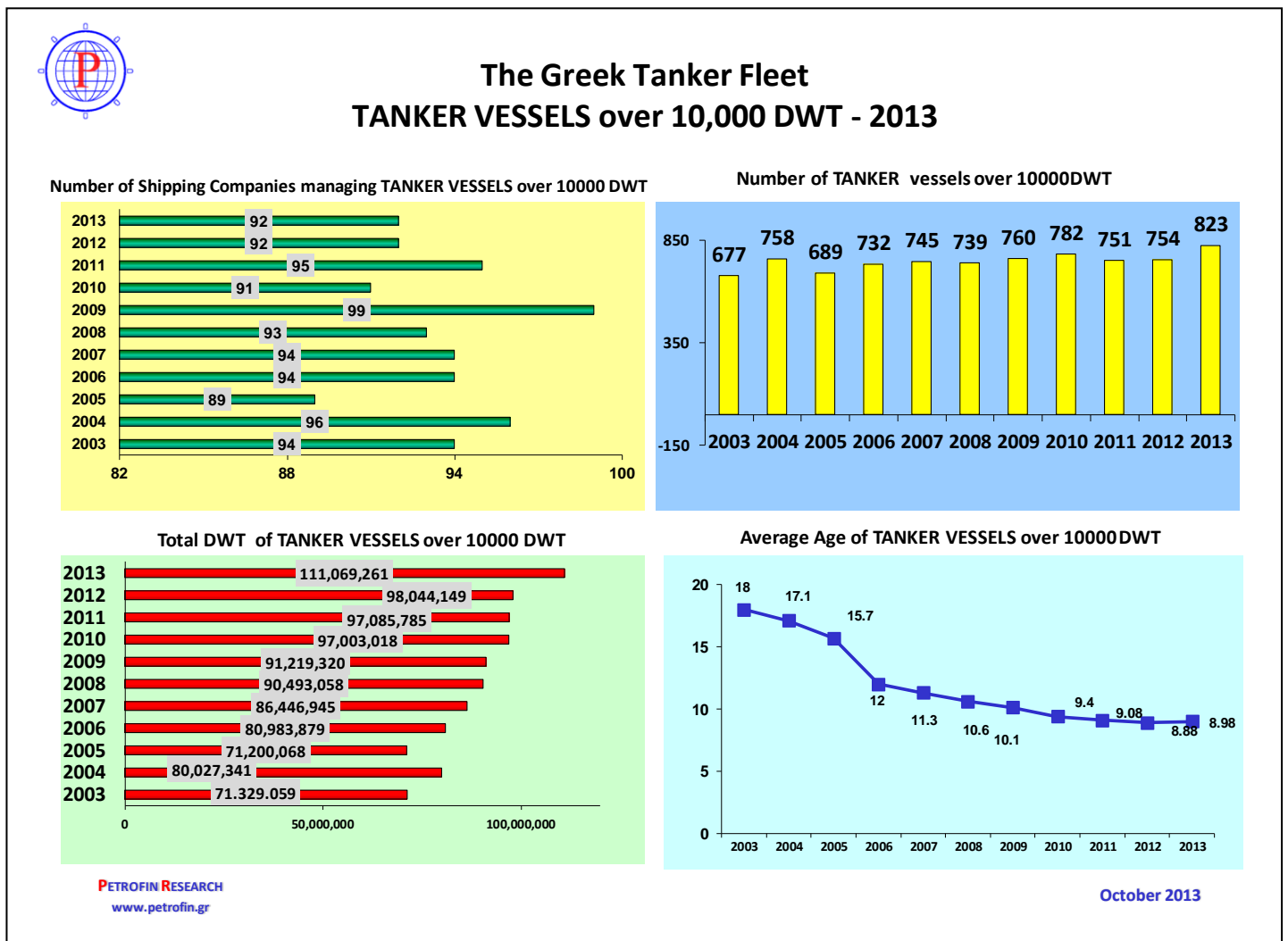
Tanker companies are the same as last year, compared to a reduction by 3 in 2012. Dramatically, vessels are up by 69 compared to the insignificant increase of last year. Tonnage is up by 13,025,112 tons DWT, compared to the hardly 1m tons DWT of 2012.

The unexpected (no) change is in the age. It is even up by 0.1%. This shows a heavy S&P period, second-hand as well as newbuildings.

Tanker trade is picking up and owners are purchasing vessels. Rates are rising, and this is what is pushing the figures upwards.

Average unit size: 134,957 DWT, compared to 130,032 tons DWT in 2012

Graph 8



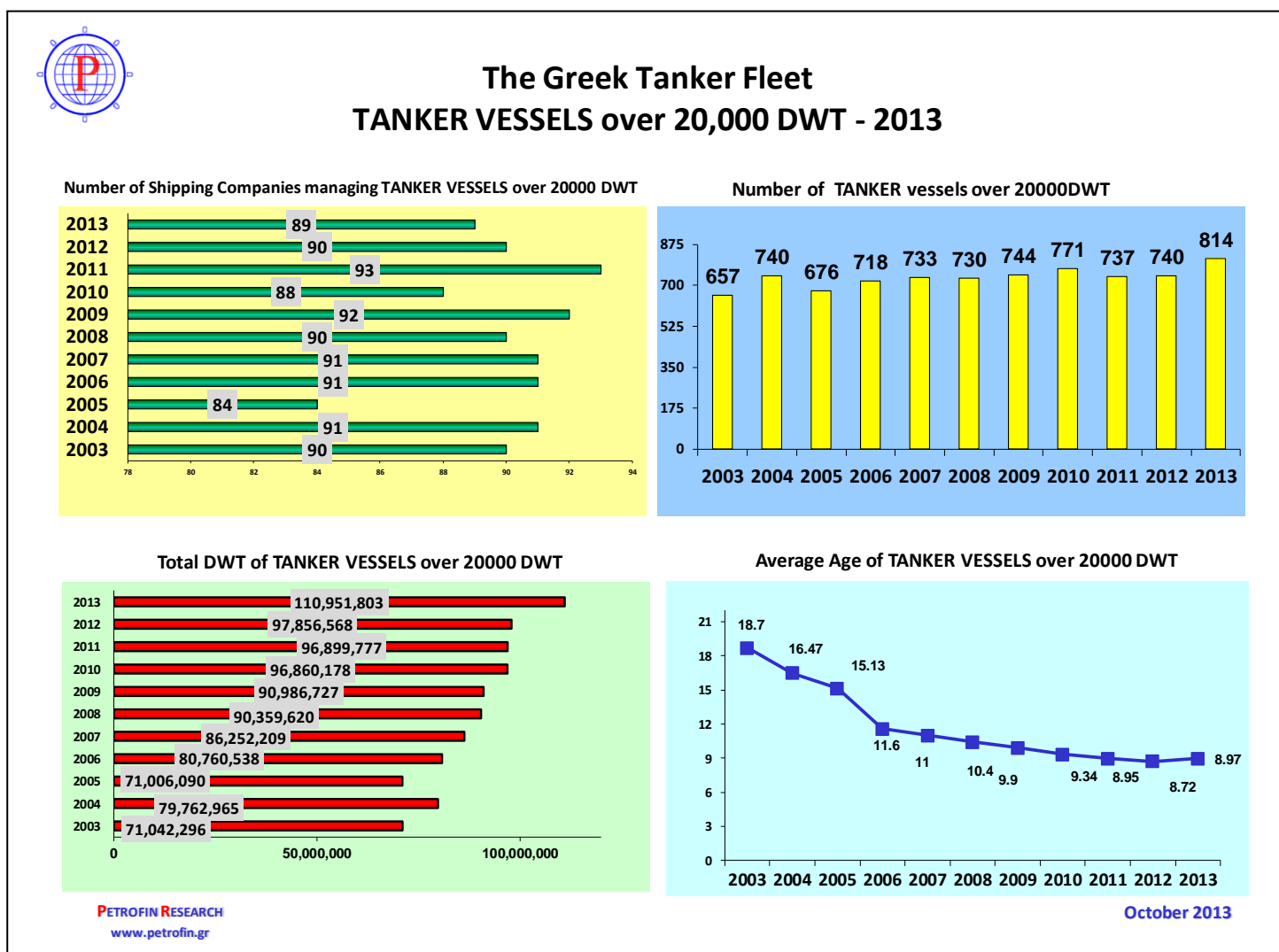
The Greek fleet of tanker vessels over 20,000 dwt each

Comparisons between 2003 and 2013

Similar trends apply in the over 20,000 DWT tankers. The vessels here are up by 74 from 740 to 813, showing a buying spree after the large ones. One company down, but 13m DWT up.

The average unit now measures 136,304 tons DWT, compared to 132,239 in 2012 and 131,478 tons DWT in 2011. This represents a continuing increasing trend in vessel size (125,629 DWT in 2010 and 122,293 in 2009).

Graph 9



The sector occupies now occupies 39.4% of the entire Greek fleet, from 37.12% in 2012, 37.82% in 2011 and 39.9% in 2010. Although still below the bulkers in popularity, levels are rising.

Commentary

The Greek fleet numbers 4 vessels less than last year. However, tonnage is up by 3%. Also the average vessel DWT is up by 6.8% and the average vessel age is down to 14 years of age from 14.7.

Hence, the Greek fleet continued with its evolution despite poor market conditions and ship finance.

With the exception of the tanker sector, all other sector fleets are younger. Tonnage has gone up across all sectors.

The overall number of Greek vessels is affected by three main forces:

- 1) the rate of newbuilding deliveries, which is slowing down
- 2) the rate of vessel scrapping, which has peaked
- 3) the sale and purchase of second-hand vessels

The number of Greek vessels peaked in 2009 at 4763, as a consequence of a booming shipping market in which all 3 of the above forces played their contributory part. The decline in 2010 to 4655 represents the commencement of the shock effects of the banking and shipping crises. However, as shipping recovered in 2009/2010, the above forces turned positive once again, resulting in the recovery shown in 2011 at 4714. The above effect wore off in 2012, as the total number fell once again to 4577, thus reasserting the trend. However, last year the Greek fleet in terms of numbers remained steady in anticipation of a market recovery to come in the next few years.

Currently, conditions in shipping remain poor across all sectors (LNG and offshore excluded), but overall confidence is rising. There can be little doubt, on the ever rising Greek fleet's DWT, which shall continue to grow as Greeks favour larger vessels. Turning to the age profile, we anticipate a slowdown of the pace in which the fleet's age is declining, as scrapping will be matched by the newbuilding slowdown.

The most popular sector for Greeks has always been that of dry bulk, but in 2013 this has slightly wavered. This year, 330 owners run 1736 vessels, compared to 337 owners running 1727 vessels. This year, less owners run 13,025,112 DWT more, whose total DWT age has fallen down to 10.3, compared to almost 12 years last year.

Tankers, on the other hand, now occupy 39.46% of the Greek fleet, compared to 37.2% last year. The over 20,000 DWT tankers are up by 74 units, or by 13m DWT. The slight rise in age marks the race for obtaining more vessels.

Containers show the same pattern of rise in tonnage, a reduction by 1 in the companies and a rise by almost 1m DWT in tonnage. The age is held at the same levels as in the last two years with a slight downward trend.

The development of the Greek fleet despite the uncertain global financial and shipping environment has been remarkable. Greeks have continued to provide enormous sums as capital for the building of new vessels and for the modernization of their fleets. It is clear that the Greek strategy involves bigger and younger vessels, designed to meet the requirements of charterers, banks and to provide satisfactory economic returns.

The new challenges facing Greek shipping are linked to the existing surpluses, sizeable order book, the lack of finance and adverse effects of the shipping market on vessel values and cashflows. Such trying conditions are usually exploited by Greek owners. Market conditions are especially favourable for large owners to grow even bigger and we anticipate that the percentage of the Greek fleet held by the top Greek names shall increase further.

The one area of uncertainty concerns the support of banks towards Greek shipping. As vessel values and cashflows are insufficient for most owners to meet their banking obligations, maintaining the Greek fleet is to an increasing extent reliant on the continuing support of the banks. Thus far, the banks have continued to support Greek owners, as this is also in the banks' own interests.

It is largely anticipated (though not supported by the facts) that a ship recovery is expected in the next couple of years. This is long awaited by owners and banks alike to provide much needed positive cashflow back into shipping and the ability to meet its financial obligations, as well as build up cash reserves.