



What is the current attitude to risk among top bankers? Top Bankers' Survey conducted in November 2014

- What are the prospects for the world economy, international trade and shipping?

- When is the recovery expected to come?

- Is ship finance expected to recover?

- How much of a problem are loans?



Bankers' Survey

Results of a Top International Ship Finance Bankers'
survey,
conducted by Petrofin Research ©
November 2014

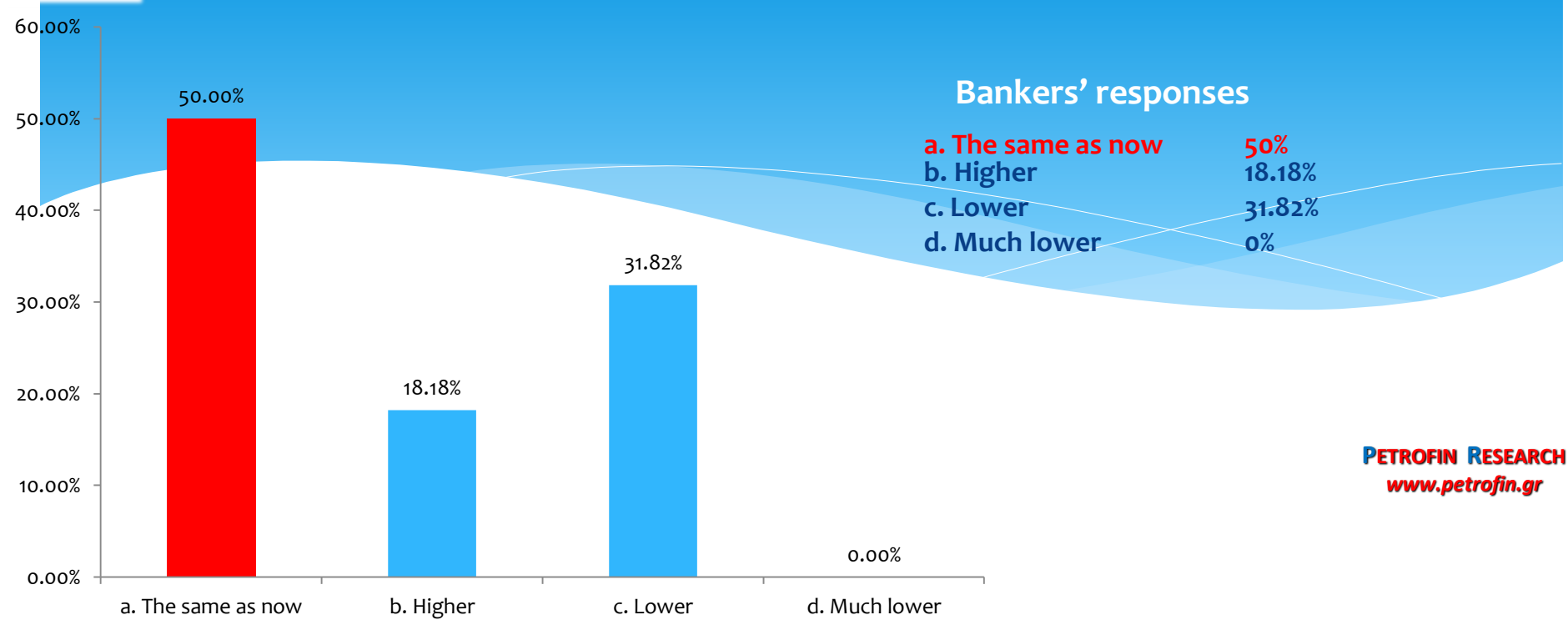


We posed, in October/November, 16 questions to 22 top ship finance bankers, who collectively hold about \$219bn in shipping loan portfolios, or approx. 56% of top 40 international bank shipfinance totals (\$391.45bn) or 46% of global shipfinance (approx 475bn).

The results are as follows:



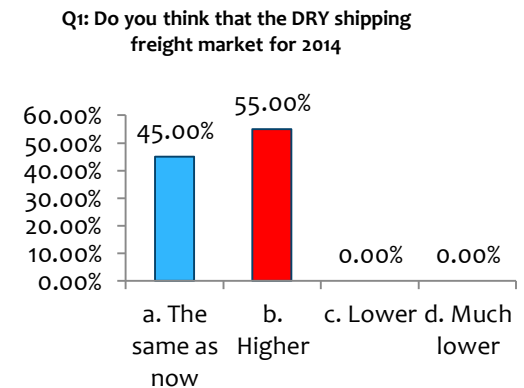
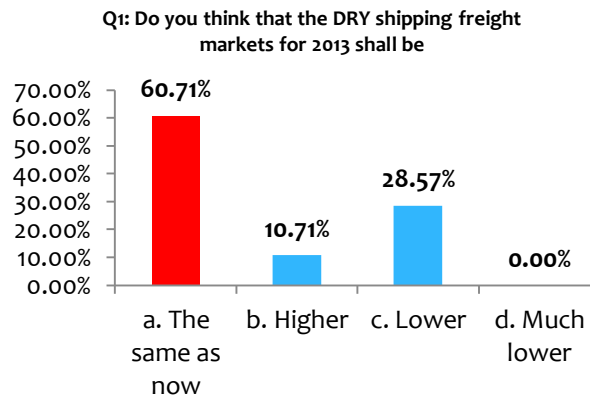
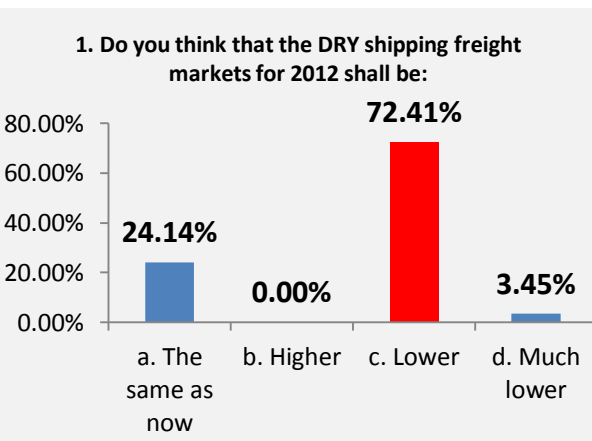
Q1: Do you think that the DRY shipping freight market for 2015



Responses - 2011

Responses - 2012

Responses - 2013



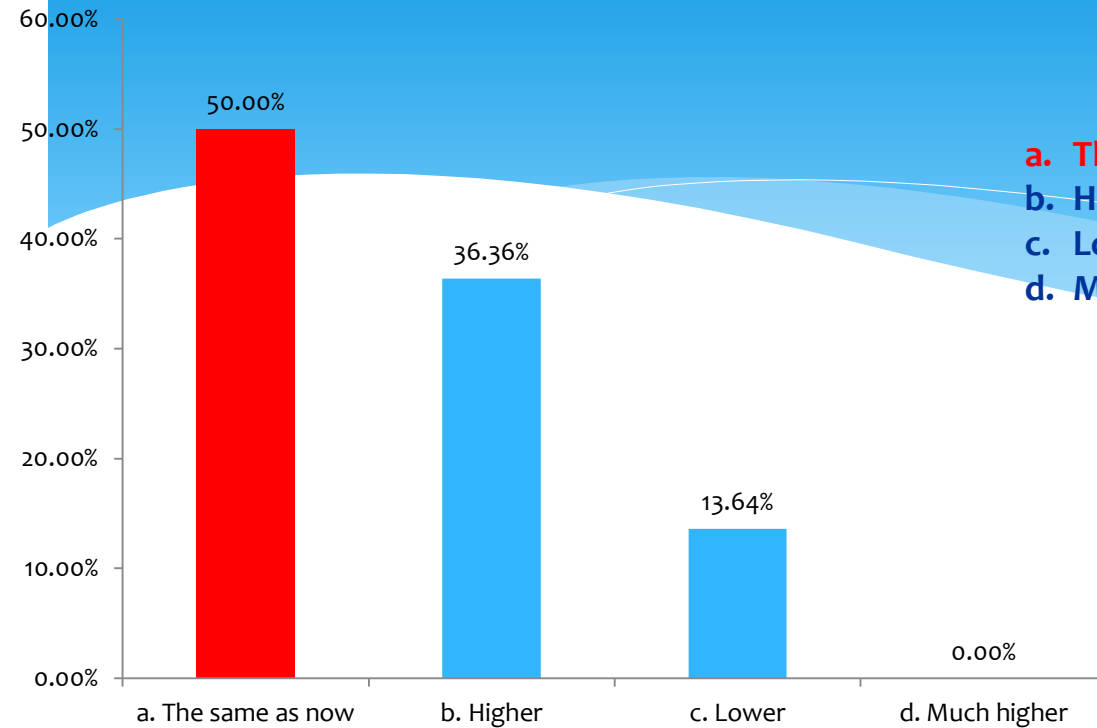


Q2: Do you think that the TANKERS shipping freight markets for 2015 shall be:

Bankers' responses

- a. The same as now **50%**
- b. Higher **36.36%**
- c. Lower **13.64%**
- d. Much higher **0%**

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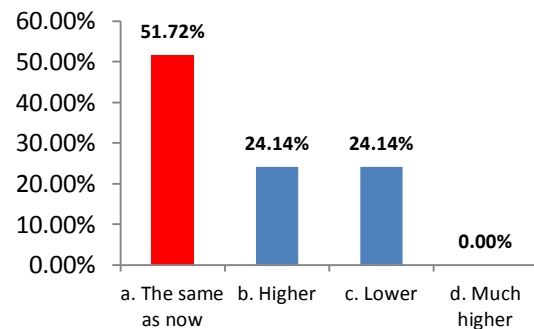


Responses - 2011

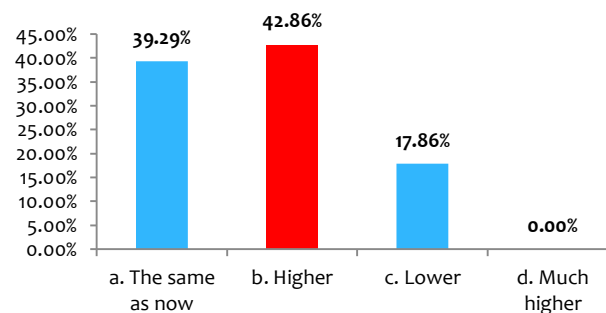
Responses - 2012

Responses - 2013

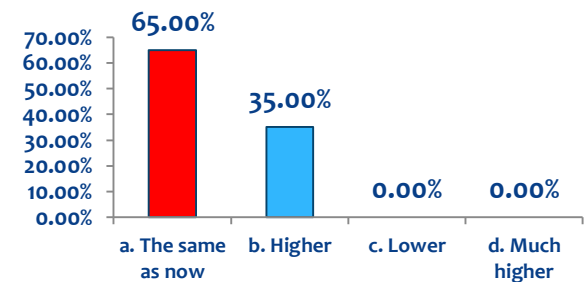
2. Do you think that the TANKERS shipping freight markets for 2012 shall be:



Q2: Do you think that the TANKER shipping freight markets for 2013 shall be



Q2: Do you think that the TANKERS shipping freight markets for 2014 shall be:



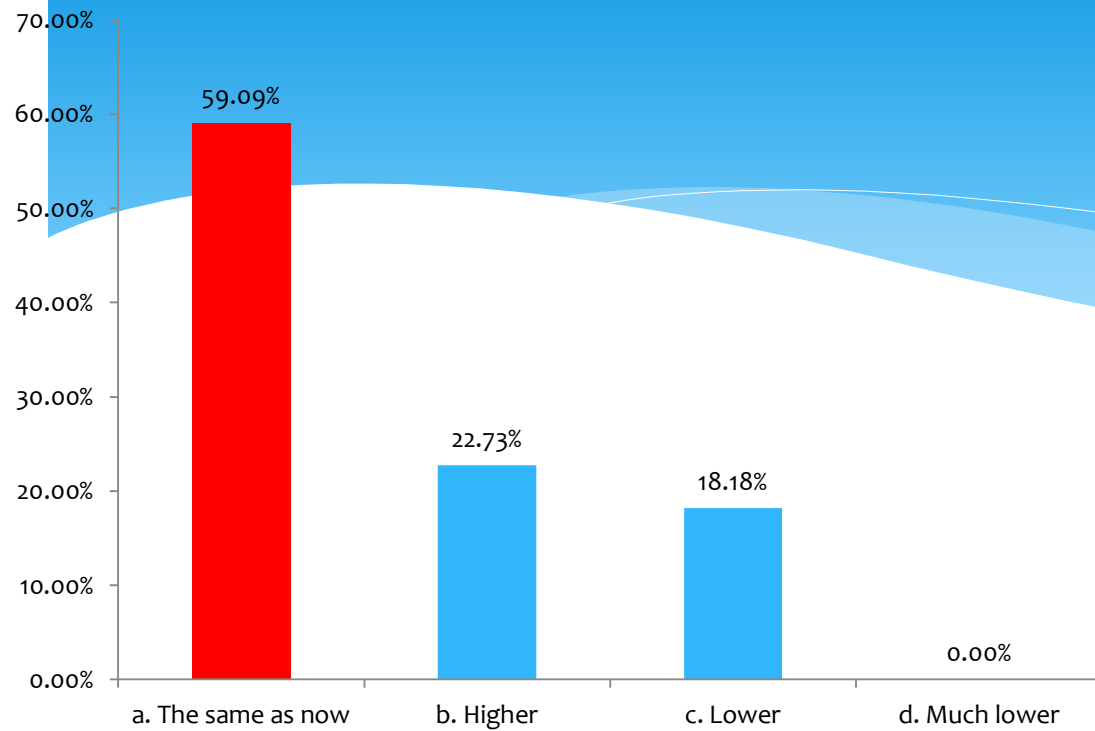


Q3: Do you think that the CONTAINER shipping freight markets for 2015 shall be

Bankers' responses

- a. The same as now **59.09%**
- b. Higher **22.73%**
- c. Lower **18.18%**
- d. Much lower **0%**

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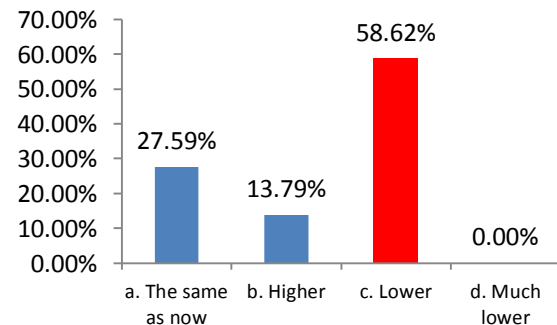


Responses - 2011

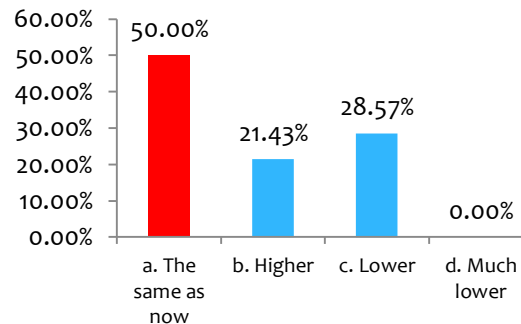
Responses - 2012

Responses - 2013

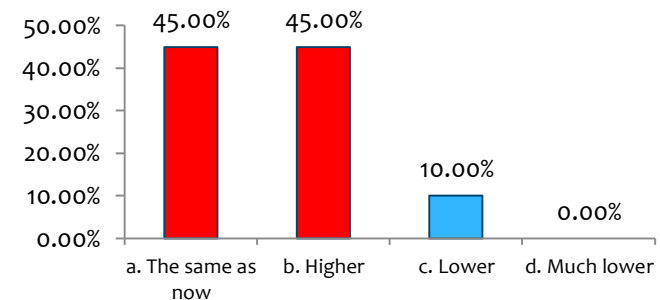
3. Do you think that the CONTAINER shipping freight markets for 2012 shall be:



Q3: Do you think that the CONTAINER shipping freight markets for 2013 shall be



Q3: Do you think that the CONTAINER shipping freight markets for 2014 shall be



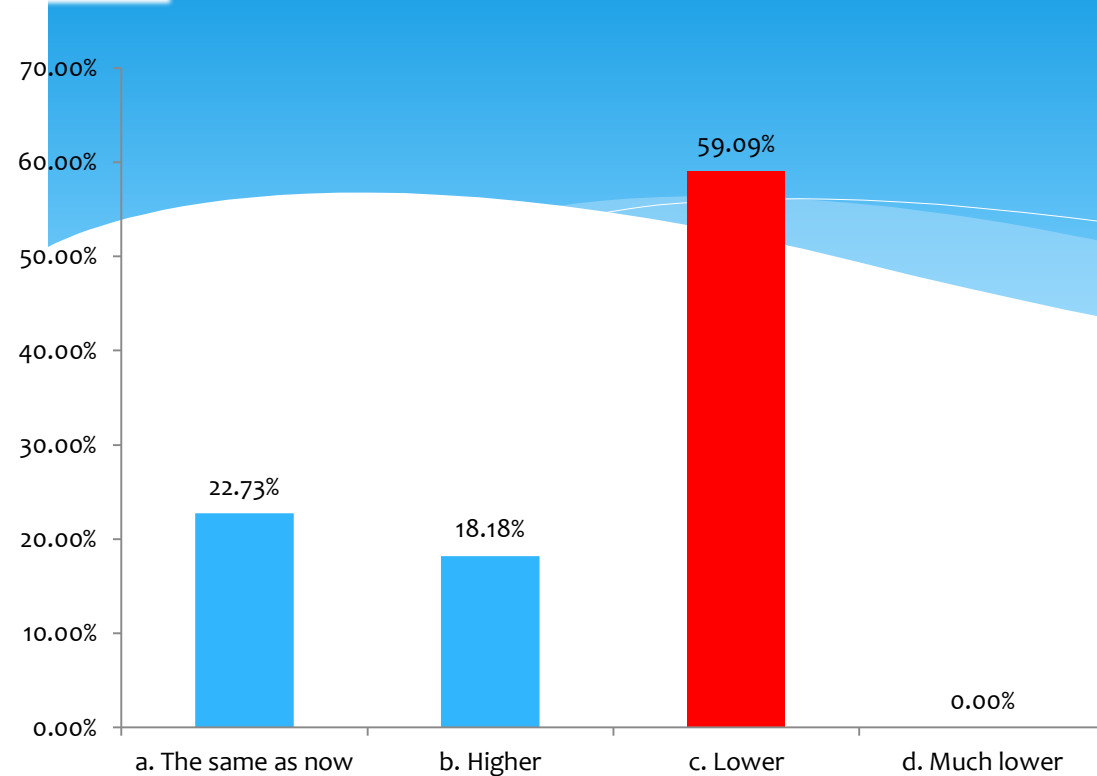


Q4: Do you think that second hand vessel prices for dry bulk for 2015 shall be:

Bankers' responses

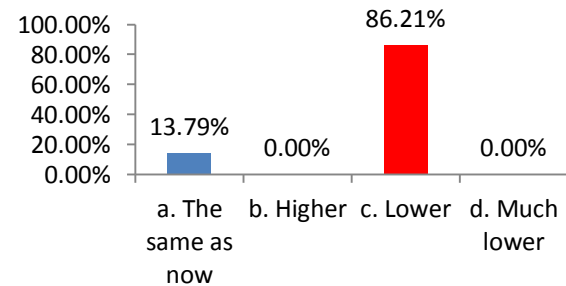
- a. The same as now 22.73%
- b. Higher 18.18%
- c. Lower 59.09%
- d. Much lower 0%

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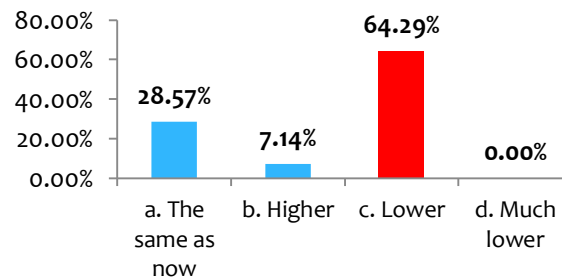
Responses - 2011

4. Do you think that second hand vessel prices for Dry bulk for 2012 shall be:



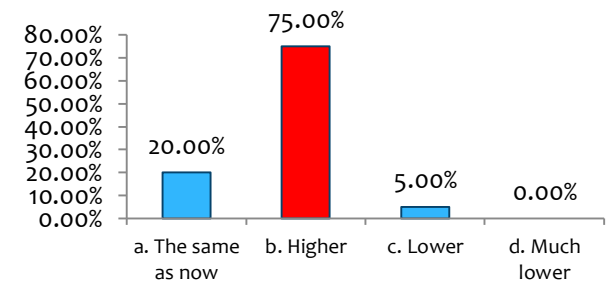
Responses - 2012

Q4: Do you think that second hand vessel prices for dry bulk for 2013 shall be



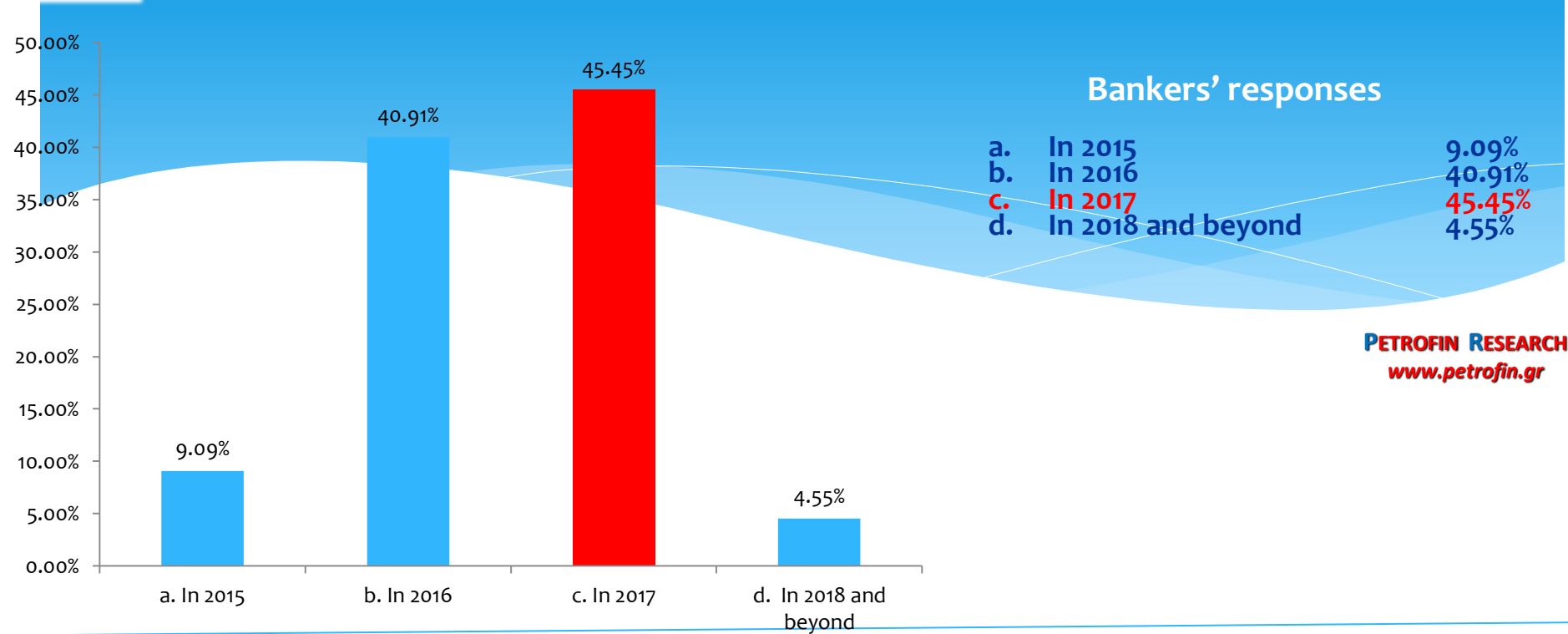
Responses - 2013

Q4: Do you think that second hand vessel prices for dry bulk for 2014 shall be:

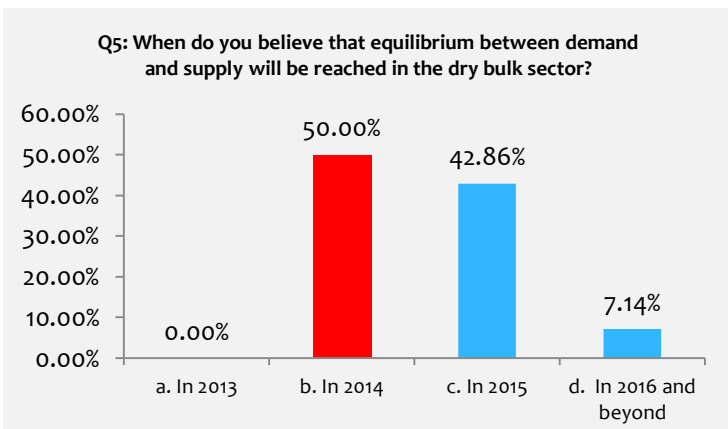




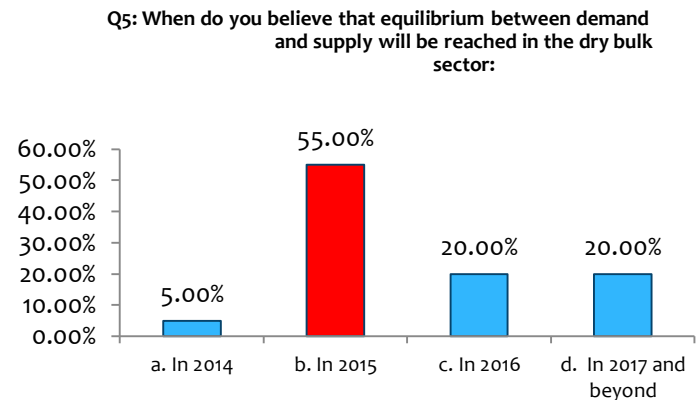
Q5: When do you believe that equilibrium between demand and supply will be reached in the dry bulk sector:



Responses - 2012



Responses - 2013



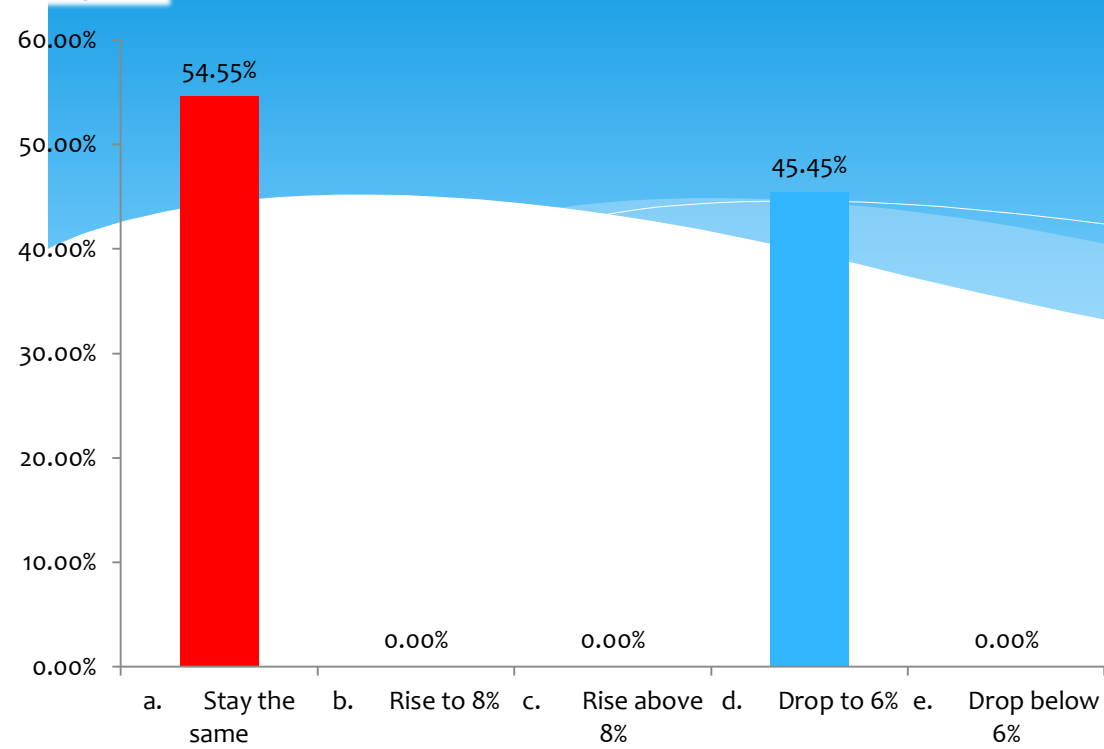


Q6: Do you expect China's growth, currently running at about 7%, in 2015 to:

Bankers' responses

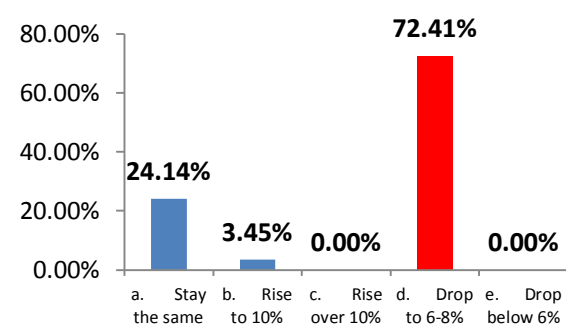
- a. Stay the same **54.55%**
- b. Rise to 8% **0%**
- c. Rise above 8% **0%**
- d. Drop to 6% **45.45%**
- e. Drop below 6% **0%**

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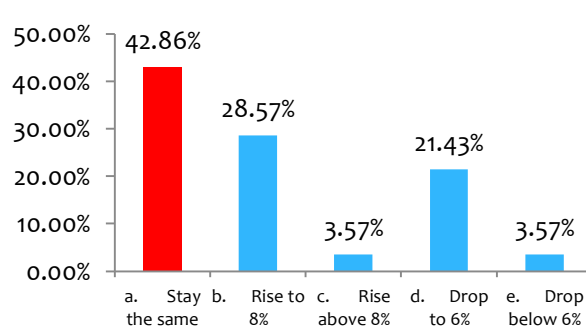
Responses - 2011

6. Do you expect China's growth currently at about 9.5%, in the next 12 months to:



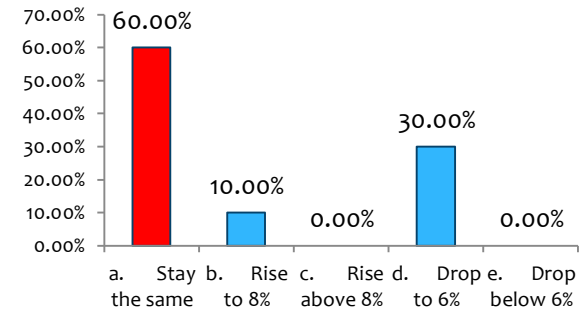
Responses - 2012

Q6: Do you expect China's growth, currently at about 7%, in the next 12 months to



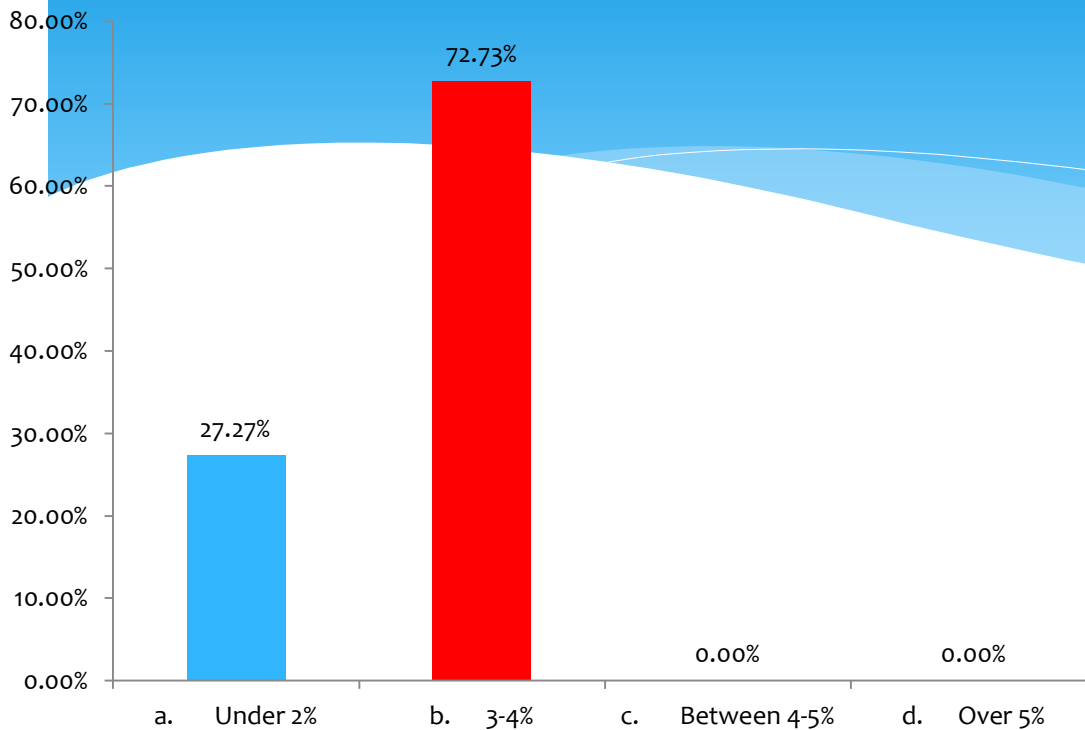
Responses - 2013

Q6: Do you expect China's growth, currently running at about 7.5%, in the next 12 months to:





Q7: Do you think that global economic growth over the period 2015-2016 will be:



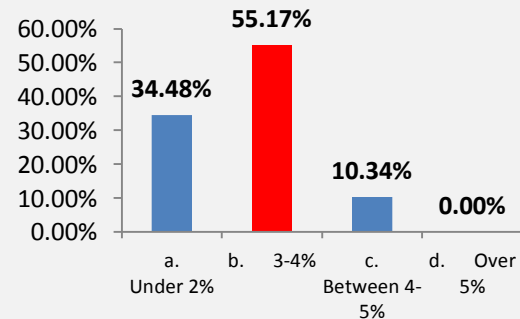
Bankers' responses

a.	Under 2%	27.27%
b.	3-4%	72.73%
c.	Between 4-5%	0%
d.	Over 5%	0%

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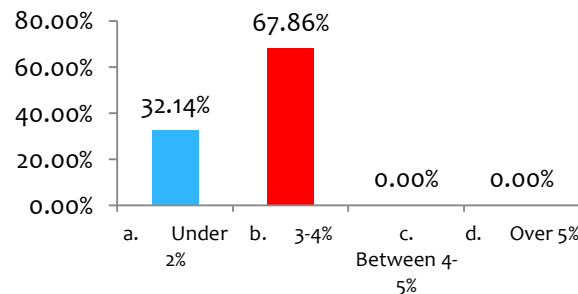
Responses - 2011

7. Do you think that global economic growth over the period 2012-2013 will be:



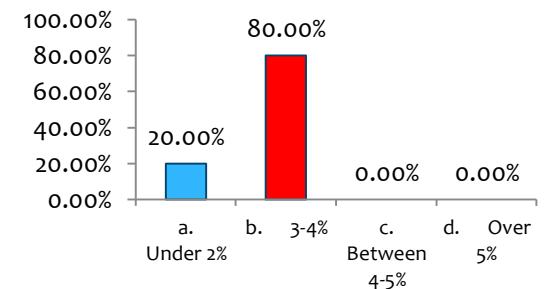
Responses - 2012

Q7: Do you think that global economic growth over the period 2013-2014 will be:



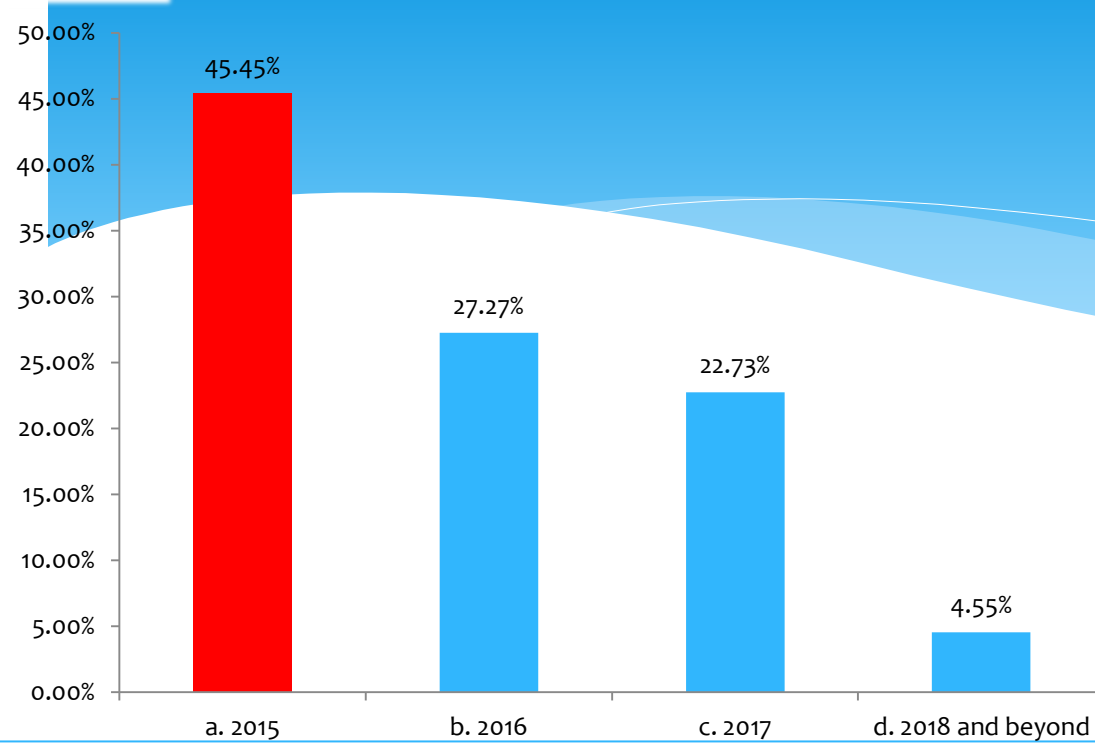
Responses - 2013

Q7: Do you think that global economic growth over the period 2014-2015 will be:





Q8: Do you think that European ship finance activity will revive in:



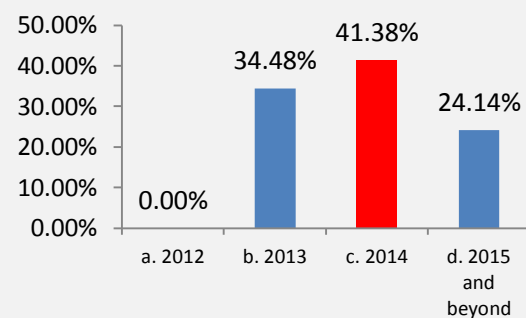
Bankers' responses

a.	2015	45.45%
b.	2016	27.27%
c.	2017	22.73%
d.	2018 and beyond	4.55%

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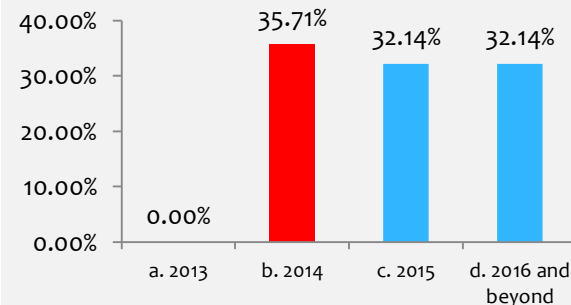
Responses - 2011

8. Do you think that European ship finance activity will revive in:



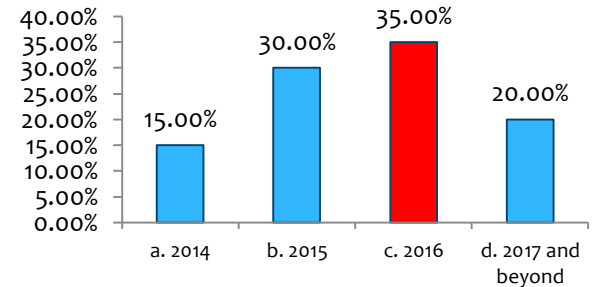
Responses - 2012

Q8: Do you think that European ship finance activity will revive in



Responses - 2013

Q8: Do you think that European ship finance activity will revive in:



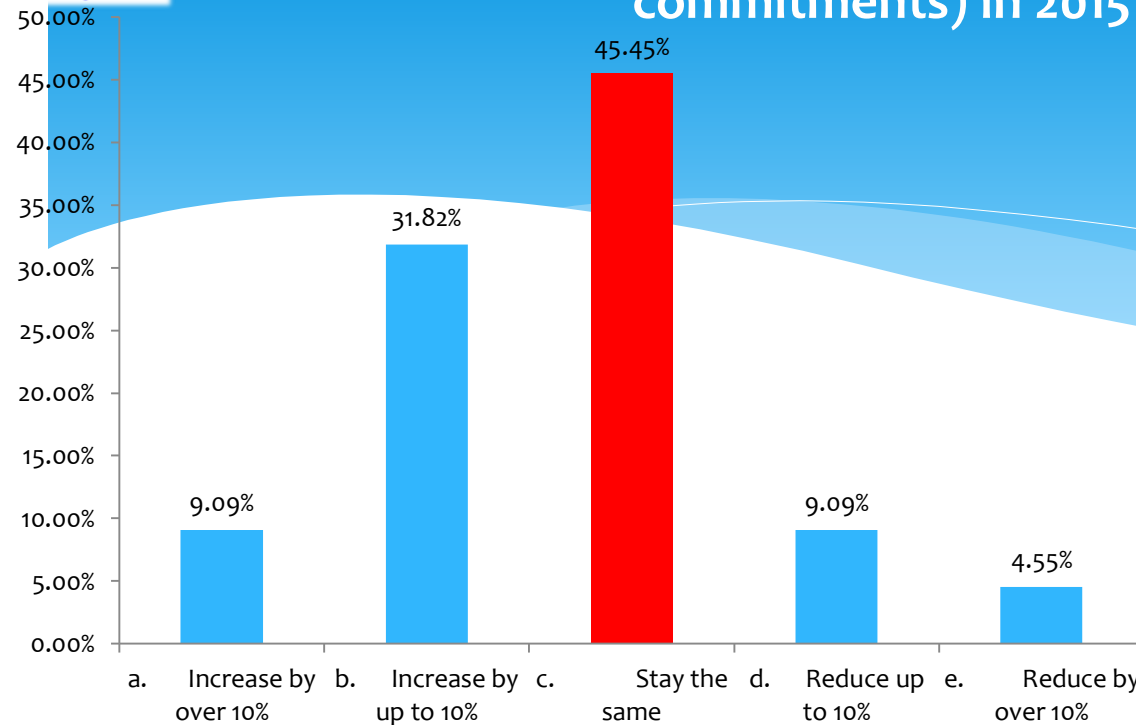


Q9: Do you expect the overall global ship finance loan portfolio (loans + commitments) in 2015 to:

Bankers' responses

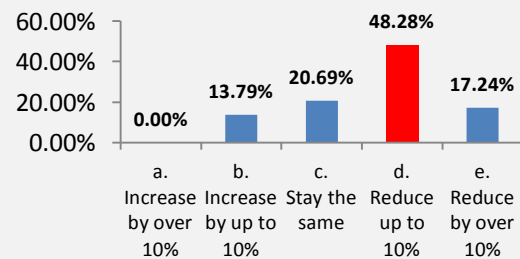
- a. Increase by over 10% 9.09%
- b. Increase by up to 10% 31.82%
- c. **Stay the same** **45.45%**
- d. Reduce up to 10% 9.09%
- e. Reduce by over 10% 4.55%

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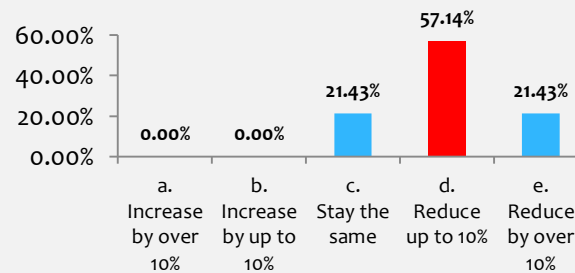
Responses - 2011

9. Do you expect the overall global ship finance loan portfolio (loans+commitments) in 2012 to:

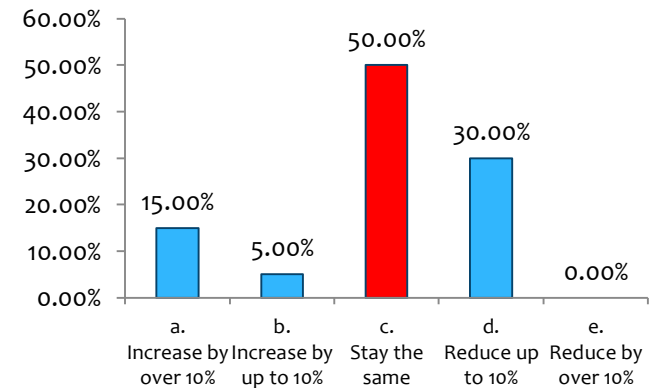


Responses - 2012

Q9: Do you expect the overall global ship finance loan portfolio (loans + commitments) in 2013 to:

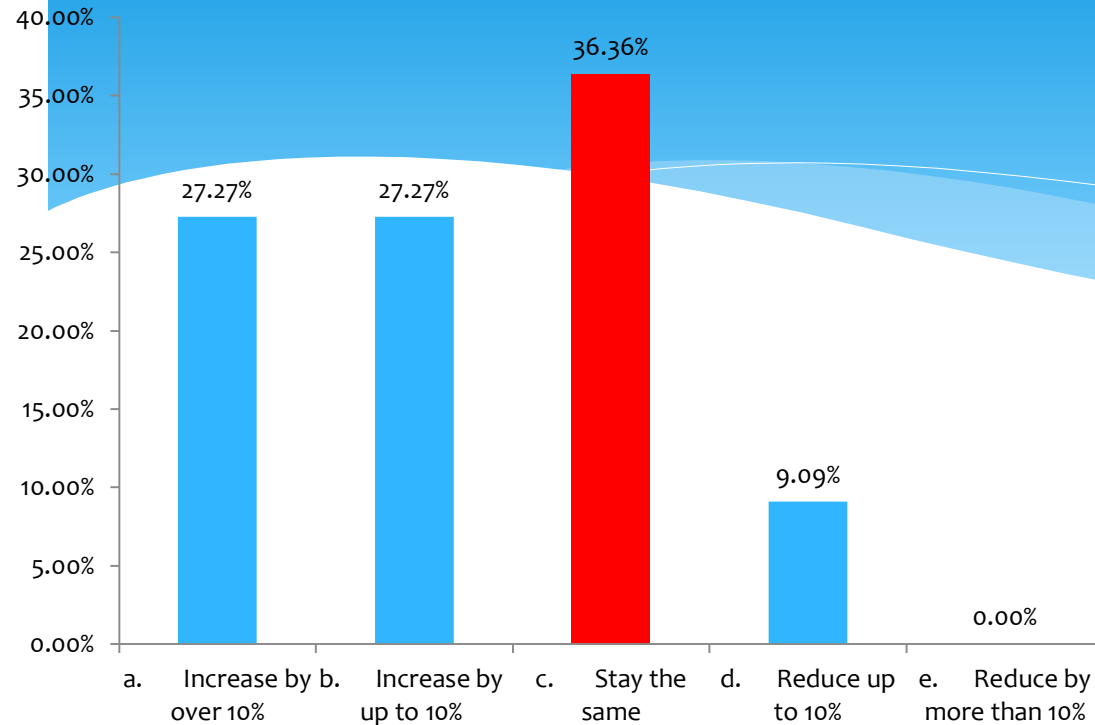


Responses - 2013





Q10: For your own institution, do you expect your ship finance portfolio (loans + commitments) in 2015 to



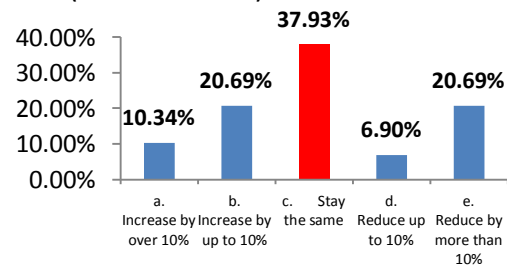
Bankers' responses

- a. Increase by over 10% 27.27%
- b. Increase by up to 10% 27.27%
- c. **Stay the same** 36.36%
- d. Reduce up to 10% 9.09%
- e. Reduce by more than 10% 0%

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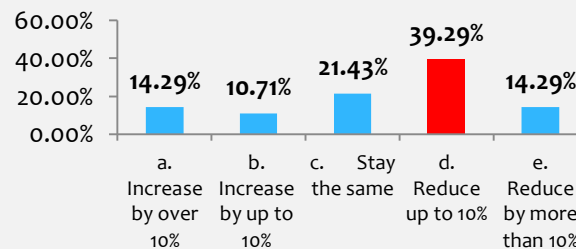
Responses - 2011

10. For your own institution, do you expect your ship finance portfolio (loans+commitments) in 12 months' time to:



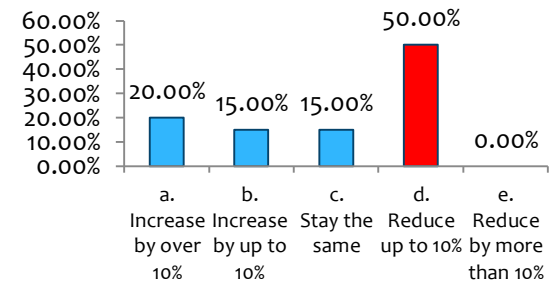
Responses - 2012

Q10: For your own institution, do you expect your ship finance portfolio (loans + commitments) in 12 months' time to:



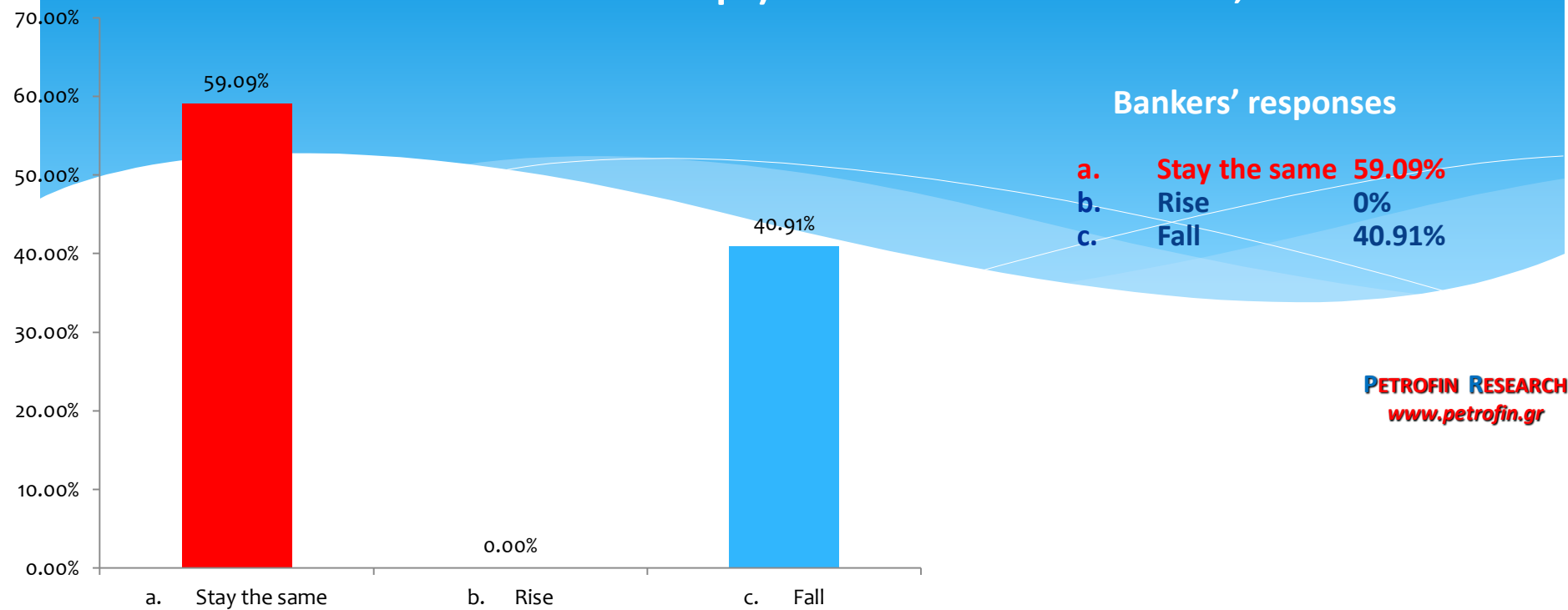
Responses - 2013

Q10: For your own institution, do you expect your ship finance portfolio (loans + commitments) in 12 months' time to:



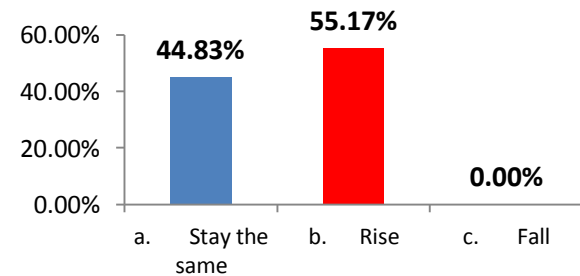


Q11: Do you expect loan spreads for new shipping loans (currently about 250-400bps) over the next 12 months, to:



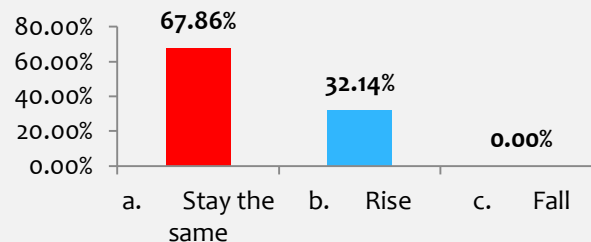
Responses - 2011

11. Assuming for new shipping loans that loan spreads (currently about 300-750bps) over the next months, do you expect loan spreads to:



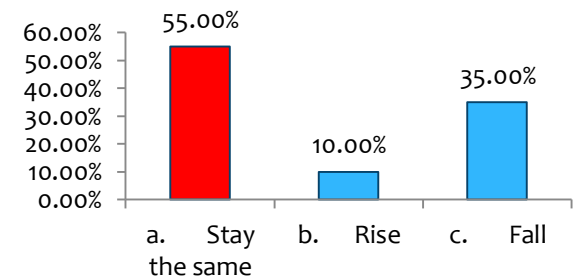
Responses - 2012

Q11: Do you expect that loan spreads (currently about 300-750bps) over the next 12 months, to



Responses - 2013

Q11: Do you expect loan spreads for new shipping loans (currently about 300-450bps) over the next 12 months, to:



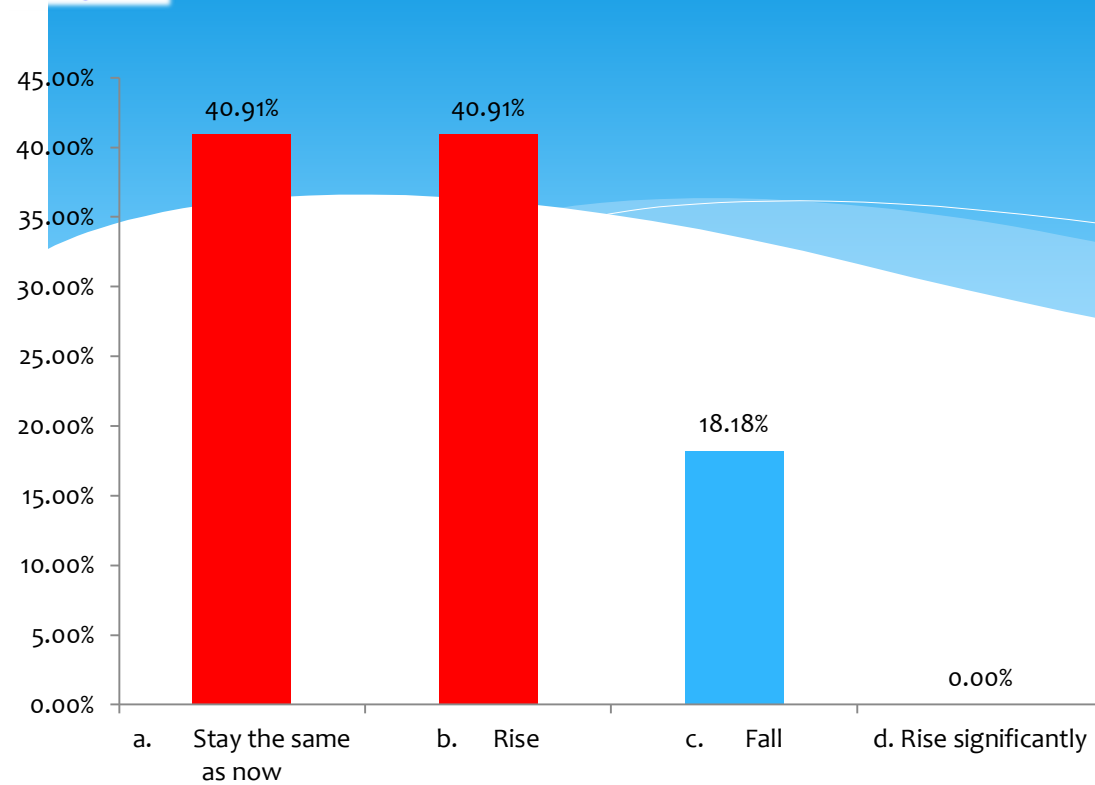


Q12: Do you foresee for 2015 non-performing loans to

Bankers' responses

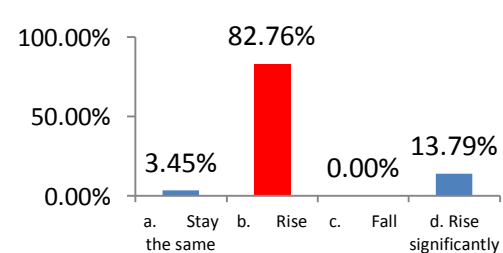
- a. Stay the same 40.91%
- b. Rise 40.91%
- c. Fall 18.18%
- d. Rise significantly 0%

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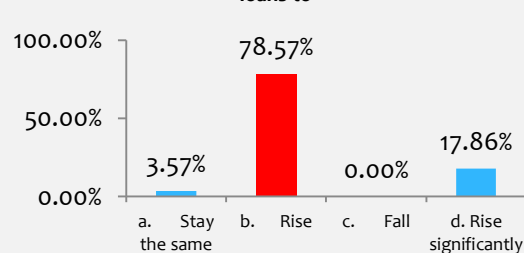
Responses - 2011

12. Do you foresee for 2012 non-performing loans to:



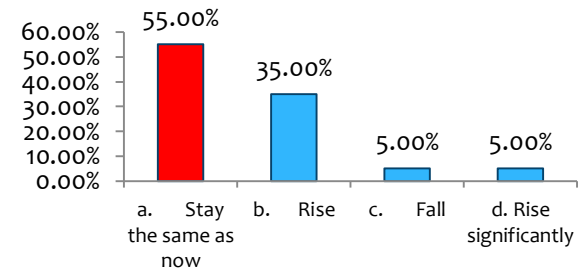
Responses - 2012

Q12: Do you foresee for 2013 non-performing loans to



Responses - 2013

Q12: Do you foresee for 2014 non-performing loans



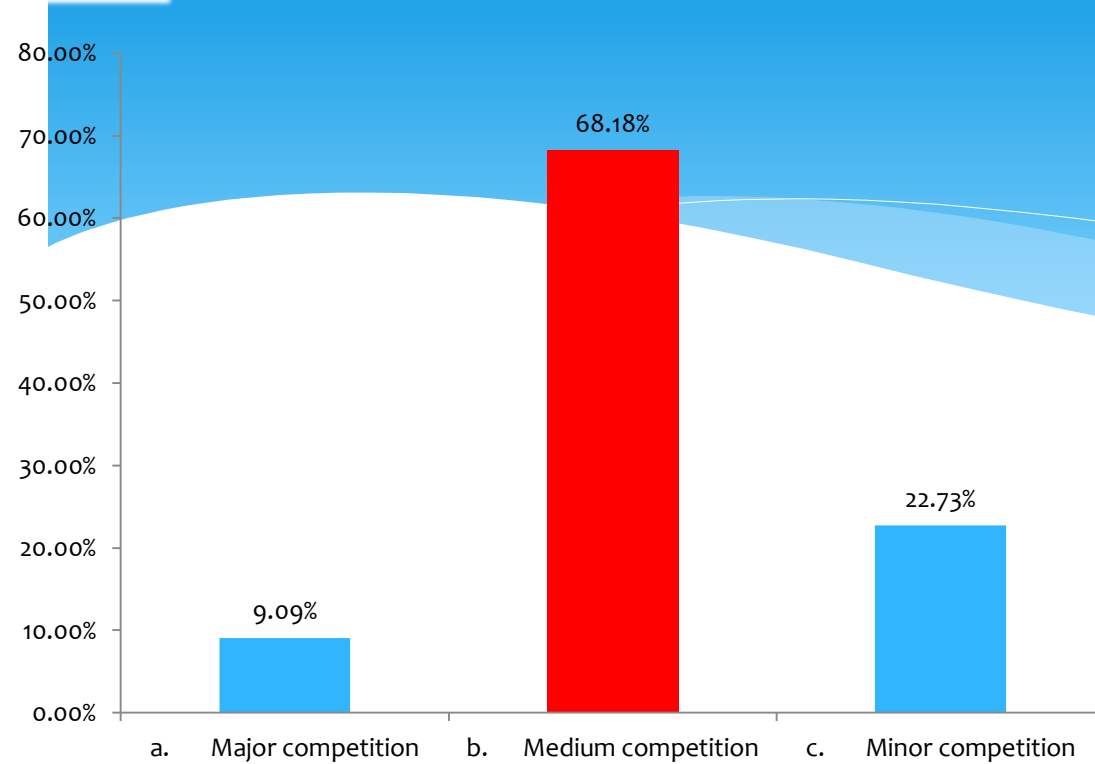


Q13: Do you foresee Far Eastern banks to develop over the next 3-5 years into:

Bankers' responses

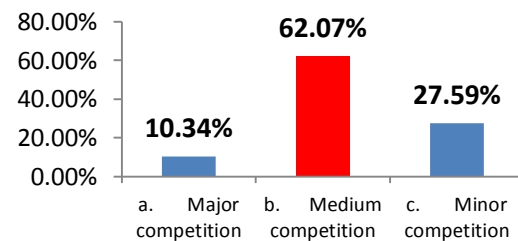
- a. Major competition 9.09%
- b. Medium competition 68.18%
- c. Minor competition 22.73%

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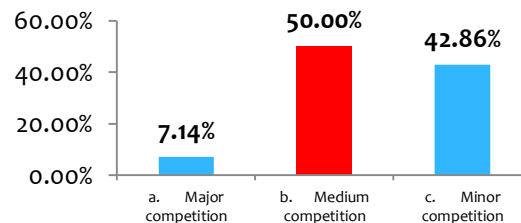
Responses - 2011

13. Do you foresee Far Eastern banks to develop over the next 3-5 years into:



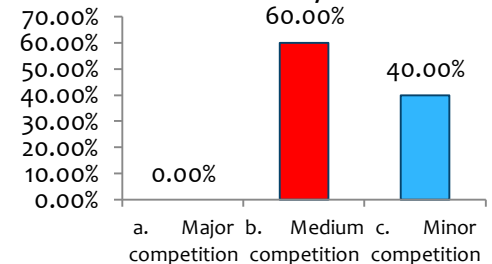
Responses - 2012

Q13: Do you foresee Far Eastern banks to develop over the next 3-5 years into:



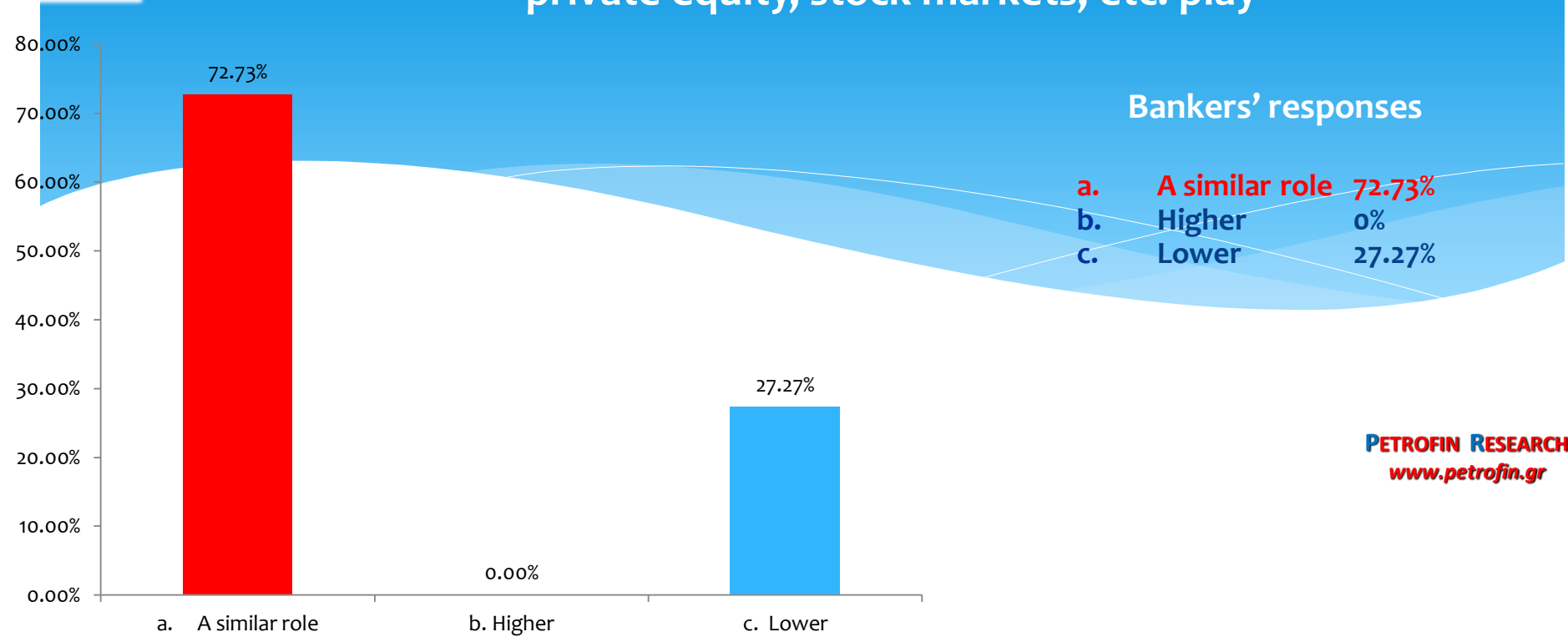
Responses - 2013

Q13: Do you foresee Far Eastern banks to develop over the next 3-5 years into:



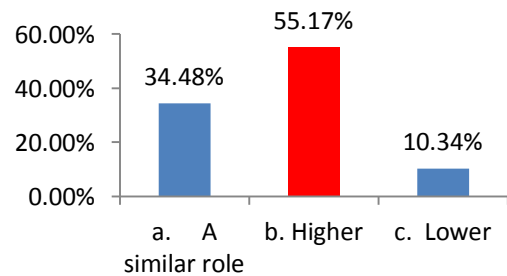


Q14: Over the next 2-3 years, will ship finance from non-bank sources, i.e. private equity, stock markets, etc. play



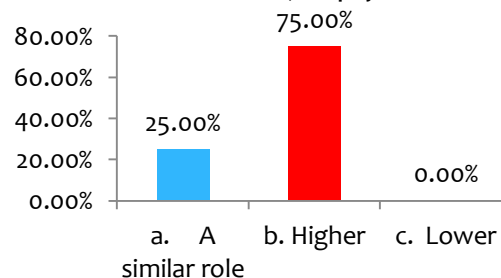
Responses - 2011

14. Over the next 2-3 years, will ship finance from non-bank sources, i.e. private equity, stock markets, etc. play



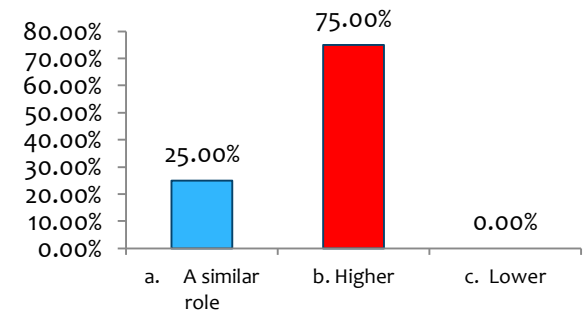
Responses - 2012

Q14: Over the next 2-3 years, will ship finance from non-bank sources, i.e. private equity, stock markets, etc. play



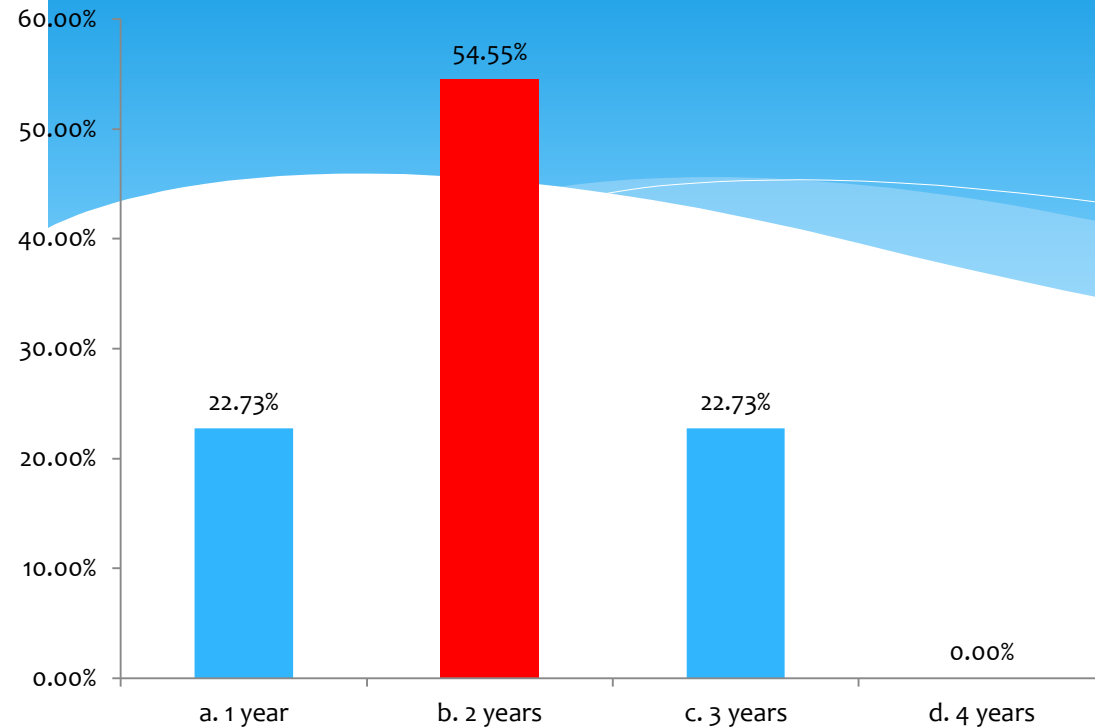
Responses - 2013

Q14: Over the next 2-3 years, will ship finance from non-bank sources, i.e. private equity, stock markets, etc. play





Q15: Do you foresee the current shipping crisis (across all sectors) to last for a further:

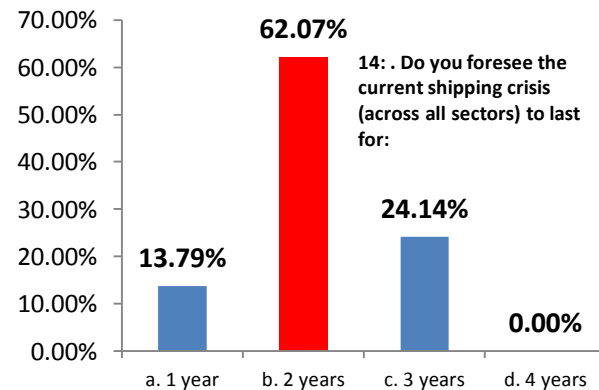


Bankers' responses

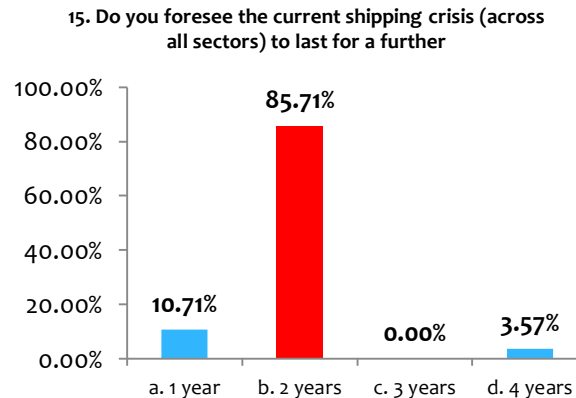
a.	1 year	22.73%
b.	2 years	54.55%
c.	3 years	22.73%
d.	4 years	0%

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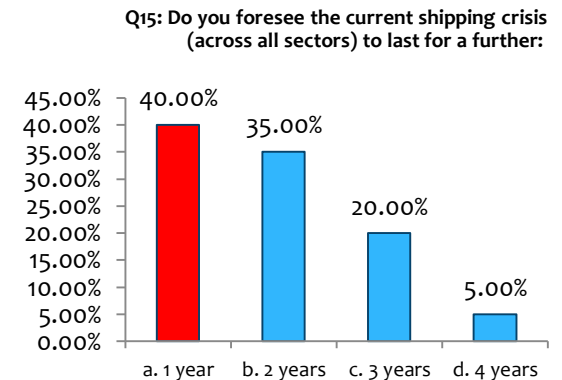
Responses - 2011



Responses - 2012



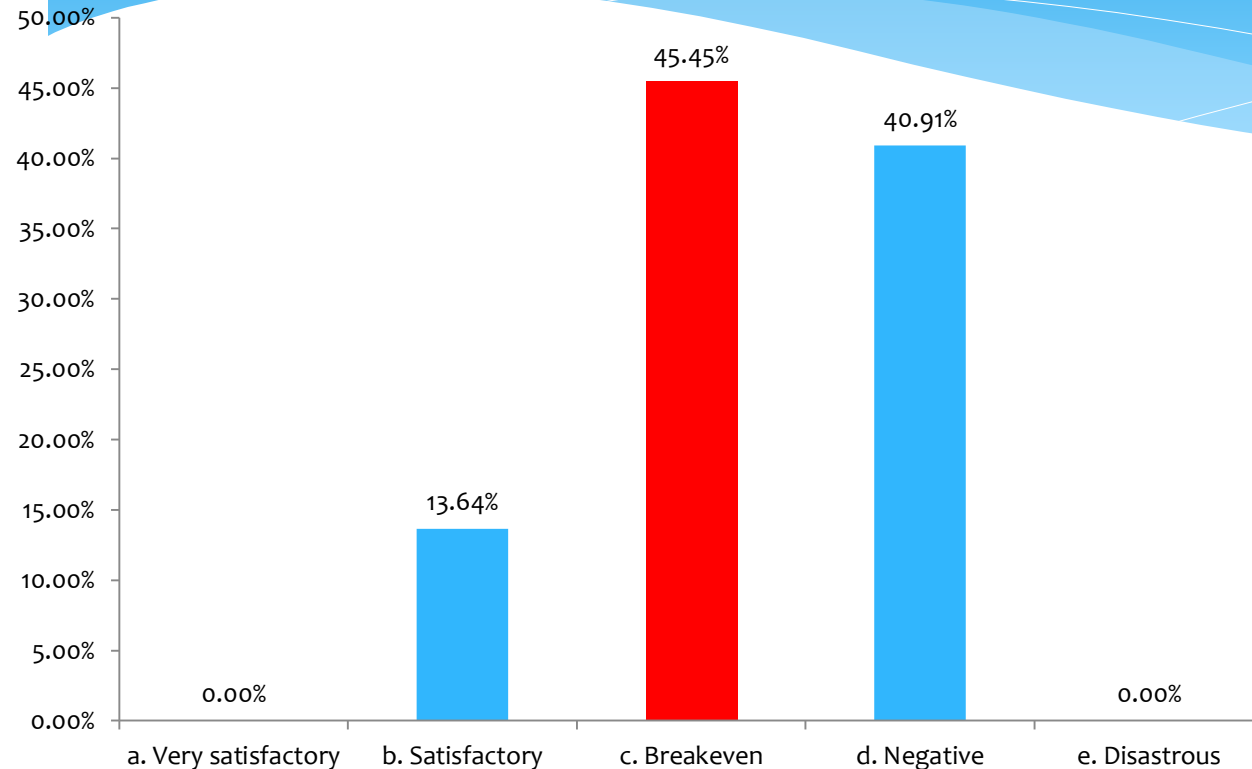
Responses - 2013





Q16: In the light of massive investments in shipping over the last 2 years by US Equity Funds, do you consider that such funds' investment returns in the next 3-5 years shall be:

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a.	Very satisfactory	0%
b.	Satisfactory	13.64%
c.	Breakeven	45.45%
d.	Negative	40.91%
e.	Disastrous	0%

Question 16 asked this year for the first time