

Hellenic Shipping News Dry Bulk Forum

Piraeus

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Financing Greek purchases

presented by

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Head

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The demand for bank lending

The demand for bank lending

- Due to lack of information about contract prices, ascertaining the value of the Greek order book is difficult.
- Additional factors that also affect the figures are:
 1. Cancellations
 2. Postponements
 3. Conversions
 4. New orders
- Let us look closely into the order book for the years 2010, 2011, 2011, 2013.



• **The Greek orders over the period 2010-2011-2012-2013 :**

Greek Order book							
2010							
	No of vessels	Total DWT	Average size	South Korea builder	China builder	Japan builder	Other country builder
Dry Bulk	269	25,929,040	96,390	41.26%	49.44%	4.83%	4.46%
Tanker	41	7,510,587	183,185	58.54%	26.83%	14.63%	0.00%
All orders	443	37,685,166	85,068	46.50%	44.92%	4.74%	3.84%
2011							
	No of vessels	Total DWT	Average size	South Korea builder	China builder	Japan builder	Other country builder
Dry Bulk	184	14,824,700	80,570	39.67%	49.46%	3.80%	7.07%
Tanker	57	10,855,979	190,456	91.23%	3.51%	5.26%	0.00%
All orders	287	28,150,833	98,086	54.01%	36.59%	4.53%	4.88%
2012							
	No of vessels	Total DWT	Average size	South Korea builder	China builder	Japan builder	Other country builder
Dry Bulk	41	3,246,000	79,171	65.85%	26.83%	7.32%	0.00%
Tanker	12	2,298,000	191,500	100.00%	0.00%	0.00%	0.00%
All orders	67	6,952,100	103,763	67.16%	25.37%	7.46%	0.00%
2013							
	No of vessels	Total DWT	Average size	South Korea builder	China builder	Japan builder	Other country builder
Dry Bulk	3	159,000	53,000	0.00%	0.00%	100.00%	0.00%
Tanker	7	1,424,000	203,428	100.00%	0.00%	0.00%	0.00%
All orders	11	1,789,000	162,636	63.64%	9.09%	27.27%	0.00%
4-year Totals	808	74,577,099					

based on data by Clarksons April 2010



Estimating bank loan requirements for the period 2010-2013 for Greek shipping

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Existing order book

	N/bs order book – Estimated value \$bn	Minus estimated slippage %	Estimated delivered value	New finance requirements at 65%	Existing finance	Net estimated additional bank loan requirements
2010	19.9	30%	13.53	9.05	10.3 (Petrofin's estimate of Committed but Undrawn funds relating to n/bs)	7.3
2011	12.5	20%	10	6.5		
2012	2.9	10%	2.61	1.7		
2013	0.6	10%	0.54	0.35		
	35.9		27.08	17.6		

New orders

	N/bs order book – Estimated value \$bn	Minus estimated slippage %	Estimated delivered value	New finance requirements at 65%	Existing finance	Net estimated additional bank loan requirements
2011	6	10	5.4	3.51	-	
2012	9	10	8.1	5.27	-	
2013	15	10	13.5	8.78	-	
	30		27	17.56	-	17.56

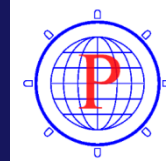
Estimating bank loan requirements for the period 2010-2013 for Greek shipping



Second hand purchases

	Total estimated cost in \$bn	New finance requirements	Total estimated requirements in \$bn
2010	8.5	50%	4.25
2011	10	60%	6
2012	12	65%	7.8
2013	15	65%	9.75
	45.5		27.8

Estimating bank loan requirements for the period 2010-2013 for Greek shipping



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Using the available data and current assumptions (which may change profoundly over the years) we estimate that Greek shipping may require a total of approx **\$52.66bn** in net new bank loans over the 4 years period of 2010-2013. As this estimate is based on escalating orders and sale and purchase activity, and does not contain the effects of any shipping slump over the 4-year period, it represents a top of the range expectation.

The above represents 78.6% of the existing Greek loan portfolio or 19.64% per annum over the 4-year period.

Year	New bank loan demand - \$bn	Minus existing finance - \$bn	Net new bank loan demand - \$bn	% of existing Greek bank loan portfolio
2010	13.3	5.15	8.15	12.16%
2011	16.01	3.09	12.92	19.27%
2012	14.77	2.06	12.71	18.96%
2013	18.88		18.88	28.17%



Drawn Portfolios and Committed but Undrawn portfolios – financing Greek shipping with a total of \$67.020bn

Drawn Portfolios - end 2009		
1	Royal Bank of Scotland	\$11,279
2	HSH Nordbank	\$4,583
3	Deutsche Schiffsbank	\$4,046
4	Credit Suisse*	\$3,000
5	National Bank of Greece	\$2,374
6	Alpha Bank	\$2,275
7	DNB Nor	2257
8	Emporiki Bank	\$2,010
9	Marfin Egnatia	\$1,900
10	Piraeus Bank*	\$1,700
11	HVB/Unicredit	\$1,562
12	Commerzbank/ex-Dresdner	\$1,540
13	Calyon*	\$1,500
14	HSBC	\$1,450
15	DVB	\$1,309
16	Fortis Bank Belgium	\$1,250
17	EFG Eurobank	\$1,181
18	LBG Shipping Finance - (ex-Lloyds/Bank of Scotland)	\$1,145
19	DB - Deutsche shipping	\$1,122
20	Citibank	\$875
21	First Business Bank	\$815
22	Nordea	\$800
23	BNP Paribas	\$750
24	Nord LB	\$580
25	Bremer Landesbank	\$468
26	Natixis	\$440
27	Bank of Cyprus	\$430
28	Aegean Baltic	\$308
29	KFW*	\$350
30	Bank of Ireland	\$195
31	ING	\$180
32	KEXIM*	\$150
33	CHINA EXIM*	\$150
34	Fortis Bank NL	\$135
35	Proton Bank	\$105
36	Deka*	\$100
37	Beremberg*	\$100
38	Agricultural Bank of Greece	\$68
39	Aspis Bank	\$63
40	Santander/Abbey-ex Alliance and Leicester	\$35
41	Cornèr Bank*	\$25
Drawn totals		\$54,607
* Market estimates		

Committed but Undrawn portfolios - end 2009		
1	Royal Bank of Scotland	\$2,023
2	Credit Suisse*	\$1,000
3	Deutsche Schiffsbank	\$923
4	National Bank of Greece	\$843
5	HSH Nordbank	\$619
6	Emporiki Bank	\$610
7	Marfin Egnatia	\$550
8	Calyon*	\$500
9	BNP Paribas	\$499
10	Bremer Landesbank	\$491
11	Alpha Bank	\$400
12	HVB/Unicredit	\$389
13	CHINA EXIM*	\$350
14	DB - Deutsche shipping	\$327
15	DNB Nor	\$287
16	LBG Shipping Finance - (Lloyds/Bank of Scotland)	\$250
17	Fortis Bank Belgium	\$250
18	KEXIM*	\$250
19	HSBC	\$200
20	EFG Eurobank	\$192
21	DVB	\$161
22	KFW*	\$250
23	Commerzbank/ex-Dresdner	\$144
24	Fortis Bank NL	\$116
25	Piraeus Bank*	\$110
26	Nordea	\$100
27	Deka*	\$100
28	Nord LB	\$94
29	First Business Bank	\$81
30	Natixis	\$78
31	Citibank	\$65
32	Bank of Cyprus	\$60
33	Aegean Baltic	\$31
34	Proton Bank	\$22
35	Bank of Ireland	\$18
36	ING	\$17
37	Aspis Bank	\$12
38	Agricultural Bank of Greece	\$0
39	Santander/Abbey-ex Alliance and Leicester	\$0
40	Beremberg*	\$0
41	Cornèr Bank*	\$0
Committed but Undrawn Totals		\$12,413
* Market estimates		



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Summary and Conclusions