

# Lloyd's List

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## Lending spreads need stability

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To Petrofin Bank Research's managing director, Ted Petropoulos, this is a "justifiable concern" although concerns about the market "do not mean too much at the moment as it is within acceptable bands, and most bank fleets".



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are sitting on very healthy asset-to-loan ratios with modern

A subject of cut-throat competition, the analyst suggests, is "retaining their clients' liquidity within the bank".

Many shipping banks, it is said, have been offering competitive plans for target shipowners whereby the client can earn more than from typical deposit interest rates.

These are said to include guaranteed capital back funds that offer increased gains but limit the owner's risk to interest earnings, as well as deposits against which owners can readily borrow up to nearly the same amount if necessary, although there are numerous possible wrinkles.

"The threat is that otherwise banks may lose custom to whatever bank comes in with an aggressive private banking approach or an attractive new product," Mr Petropoulos notes.

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