

Lloyd's List

Banks' support for Greek shipping continues surge

- | Monday 03 May 2004
- | by [Sector 'has maintained its dynamism with a number of banks entering and withdrawing from the market', writes Nigel Lowry in Athens](#)

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Petrofin Bank Research's new study shows the total portfolio of 54 banks said to be involved in Greek ship finance increased from \$21.2bn in January last year to \$25.5bn at the end of December.



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Most of the increase in lending, including committed loans that had not been drawn down, came in the first half of last year.

Petrofin says that portfolios grew by 3% in the second half.

"It is perhaps surprising that the growth is not more," said analyst Ted Petropoulos, managing director of Petrofin SA.

The firm attributed the slow-down in lending growth to Greeks' emphasis on newbuildings requiring future rather than present loans as well as loan repayments as a result of the sale of older vessels.

"Greek ship finance has maintained its dynamism with a number of banks entering and withdrawing from the market," concluded Petrofin.

"Overall, the robust performance of Greek shipping over the years and its attractive risk-reward characteristics, as well as the positive market outlook, has encouraged new entrants whose contribution is expected to grow."

The study counted 10 foreign banks with a physical presence in Greece with a total portfolio of \$10.1bn in loans to Greek owners, a 7% increase in the second half of last year.

In contrast, the number of non-Greek banks active in the market, but without a presence in the country, was reduced from 33 to 29 institutions, while their collective shipping lending portfolio fell 3% to \$9.8bn.

Meanwhile, the total of Greek banks involved in ship finance rose from 12 to 15 by the end of last year. Their portfolio also increased by nearly 7%, to reach \$5.6bn.

The Royal Bank of Scotland remained the largest individual lender to Greek-owned shipping with a portfolio of \$4.5bn.

In Petrofin's table of the top banks it was followed by Deutsche Schiffsbank, each with portfolios of more than \$2bn, and then National Bank of Greece, Alpha Bank and Cr dit Agricole Indosuez, all with individual portfolios topping \$1bn at

Article from Lloyd's List

<http://www.lloydslist.com/ll/sector/ship-operations/article117862.ece>

Published: Monday 03 May 2004

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