



Shippers May Get More Loans in Two Years, Petrofin Survey Shows

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By Paul Tugwell

Nov. 3 (Bloomberg) -- Lending to ship owners will increase over the next two years, according to a survey by Athens-based research company [Petrofin SA](#).

Of the world's 27 top ship finance banks surveyed, 42 percent expect an increase in lending to ship owners within six to 12 months, Ted Petropoulos, Petrofin managing director, said today at a Seatrade/Tradewinds conference in Athens. Some 31 percent expect a rise in lending over the next one to two years.

Owners of merchant ships currently face a funding shortfall of \$20 billion to \$30 billion a year after lending shrank since the beginning of the financial crisis, according to [Nordea Bank AB](#), the biggest coordinator of loans to the industry.

Petrofin surveyed 27 banks at the end of October in its International Ship Finance survey. These lenders account for \$287.7 billion in shipping loans, or 70 percent of the world's total shipping loan portfolio, Petropoulos said.

According to the survey, 29.6 percent of the bankers questioned see the size of the shipping loan portfolio at their own institutions staying at the same size in 2010 while almost 26 percent see a reduction of as much as 10 percent.

These forecasts seem to contradict expectations for a rise in lending for the 27 banks as a whole, Petropoulos said. "Many bankers try to talk down ship financing to get ship owners to cancel orders for new ships so that their institutions can later loan at increased rates," he said.

Just over 70 percent of the survey respondents expect the global economy to expand by between 1 and 2 percent over the next two years, Petropoulos said.

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