

# Key Developments and Growth in Greek Ship-Finance

June 2019

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**Petrofin Bank Research**© presents, for the 18<sup>th</sup> year running, an overview and an in-depth analysis of the bank loan portfolios to Greek shipping, as of 31<sup>st</sup> December 2018.

Petrofin wish to thank all participating banks for their steadfast support, without which this research would not have been possible.

The portfolios show both the shipping loans outstanding, as well as loans committed but undrawn. The committed but undrawn loans may be viewed as an indication of each bank's ship lending momentum and / or the extent of its involvement in newbuilding finance.

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## 1. Main findings

Highlight points of this year's results for Greek ship finance are as follows:

\* Bank shipfinance for Greek shipping slowed down its contraction to a rate of -1.52% during 2018 from -5.62% in 2017 and -8.77% during 2016.

\* **The Petrofin Index for Greek Shipfinance**, which commenced at 100 in 2001 and peaked at 443 in 2008, fell from 327 to 322. This is a smaller fall than last year.

\* The overall Greek loans (both drawn and committed but undrawn) booked both in Greece and worldwide as of 31/12/2018 fell to \$53,176.32 from \$53,994.96 in 2017 and \$57,211.35m in 2016.

\* Specifically, Drawn loans are down by only -1.12% compared to -3.69% in 2017 and -5.34% the year before. Also, Commitments seem to have slowed down their downward trend and in 2018 they were down by -8.8% compared to a drop of -30.63% in 2017 and -38% in 2016.

\* Greek banks continue the upward trend that started in 2017 and their portfolios are up by 8.03%. Eurobank is leading in terms of rate of growth with an increase of 20.73%. All banks show growth and this year we have added two more banks in the Groups, which are based in Cyprus. Traditionally, we have always included Cypriot Banks in the Greek group. Piraeus is up 3.27%, Alpha by 5.17%, NBG by 1.05%. Greek banks' share of Greek ship finance has gone up to 18.47% from 16.84% in 2018, 15.25% in 2016 and 14.63% in 2015. This is a resilient performance by Greek banks despite continuing domestic problems and underlines the commitment of Greek banks to shipping.

\* International banks WITH a Greek presence continued to reduce their exposure, in 2018 by -14.13%, compared to -10.52% in 2017, -6.5% in 2016, - 4.96% in 2015. HSBC and BNP Paribas are the only two which showed growth.

\* The International Banks WITHOUT a Greek presence have risen for the first time since 2015, by 6.34%, compared to a -2% decline in 2017.

\* The number of banks involved in Greek shipfinance has gone up to 52 from 51. RBS is not featured anymore and there are two new entries: Bank of Cyprus and Hellenic bank.

\* Credit Suisse remains in the top position with an increased portfolio by almost 13%, overturning last year's reduction of -4.17%.

\* The top 10 Greek ship financing banks have reversed last year's reduction and show a small increase of 1.14% and their share of the total Greek portfolio has gone up to 57.69% from 56.17% in 2017 and 55.19% in 2016. This is understandable, as these banks are those that are committed to shipping.

\* European banks still account for the vast majority of total loans at 76.9%, down from 78.70% in 2017, 81.04% in 2016. For the year 2015, they held 81.23% of the total Greek portfolio, compared to 85.44% in 2014 and 90% the year before.

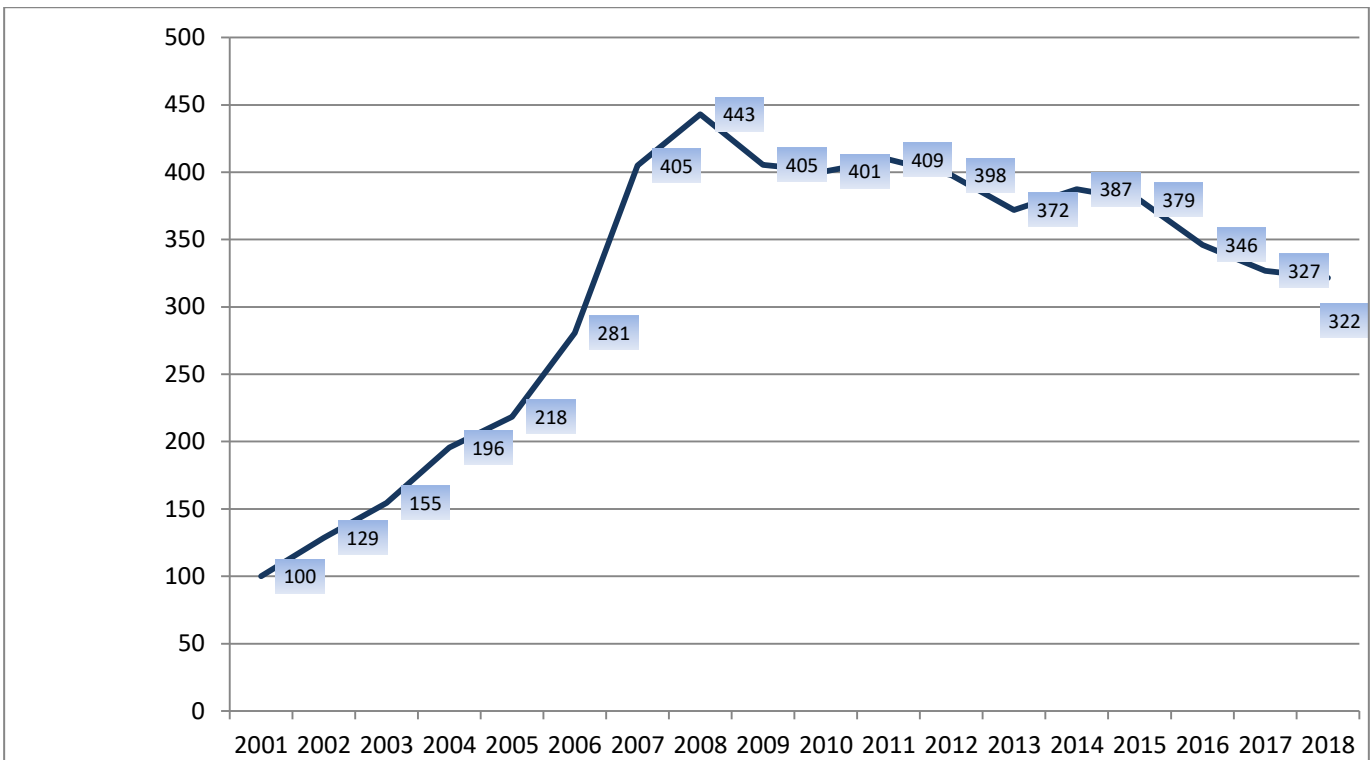
\* The Lead Managers are up by 9.21%, turning round last year's drop of -29.32%.

\* Forward commitments, which by definition show the position of trust in the future of Greek shipping, continue their downward slide down to \$2bn from \$2.4bn last year and \$3.55bn in 2016. Forward commitments to new buildings are down by -18.09% showing that there is less emphasis in newbuilding finance, compared to second hand vessel finance.

## 2. Petrofin Index of Greek ship finance

The Petrofin Index for Greek ship finance published by Petrofin Research © is down to 322 from 327 last year.

Graph 1: Petrofin Index



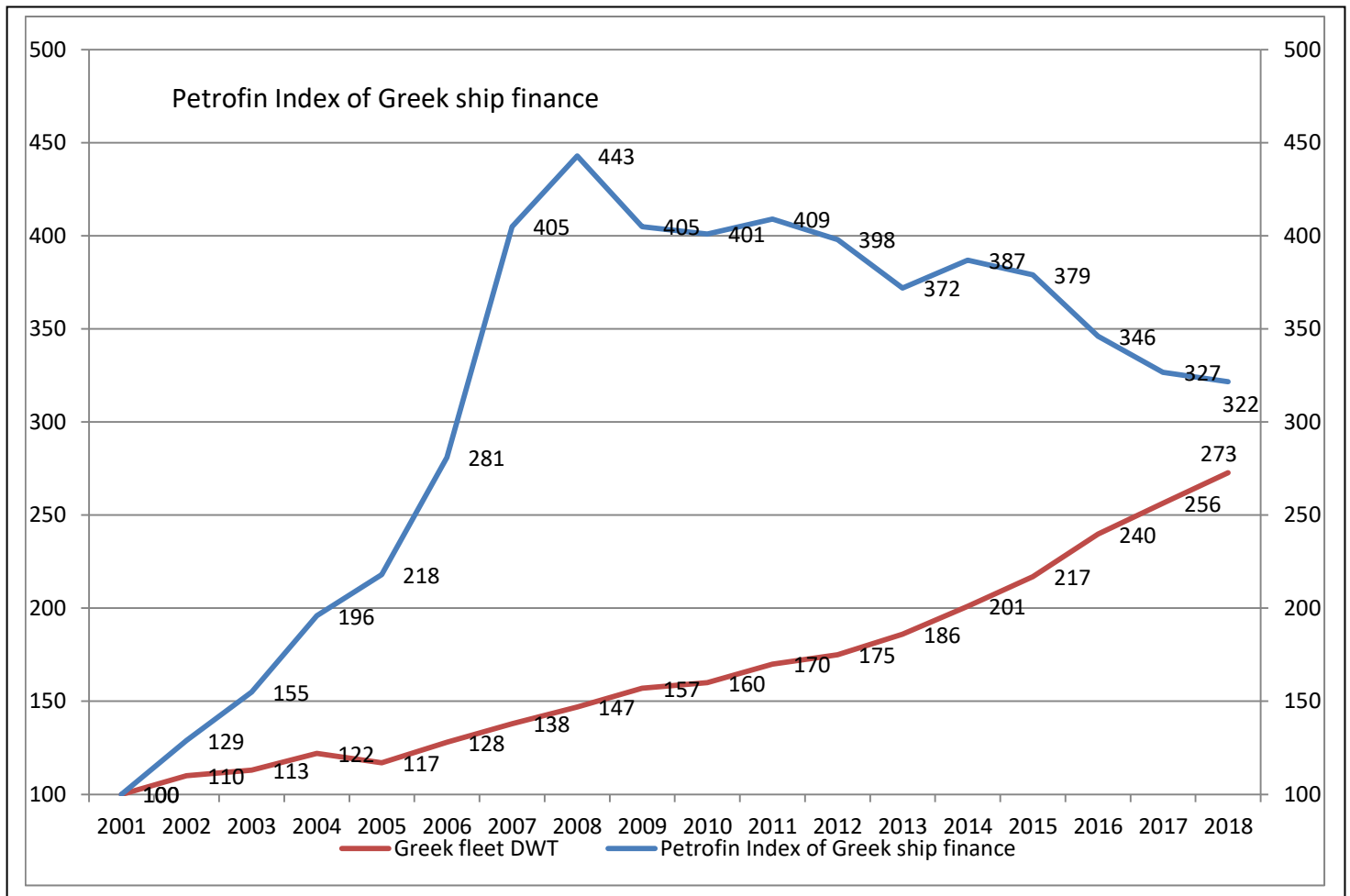
Petrofin Index of Greek ship finance

Petrofin Bank Research© - as of end 2018, June 2019

The Petrofin Index of the Greek shipping portfolios since 2001 has fallen from a high of 443 in 2008 to 322, i.e. -27.3% over the last 11 years. This is in contrast to the rise of the Greek fleet from 222m tons DWT in 2008 to 412m tons DWT in 2018.

We also compared the Petrofin Index of Greek ship finance with the evolution of the Greek fleet DWT tonnage.

Graph 2



Petrofin Bank Research© - as of end 2018, June 2019

The Greek fleet continued its expansion and it stood at 412m DWT at the end of 2018 (Petrofin Research © - [www.petrofin.gr](http://www.petrofin.gr)). At the same time, Greek ship finance is still on a downward trend, although this trend is diminishing, as shown in end 2018 bank portfolios.

### 3. Total Greek shipfinance portfolio as of end 2018 Petrofin Bank Research ©

The annual results by Petrofin Bank Research ©, now released for the 18th year running, reflect the exposure of all banks engaged in lending to Greek owners, at the end of 2018.

In **Table 1** below, we cite the development of Greek ship finance over the last 18 years.

Table 1: Greek shipfinance portfolios

	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18
Growth %		28.66%	20.19%	26.61%	11.62%	28.45%	44.31%	9.39%	-8.48%	-1.17%	2.20%	-2.83%	-6.51%	4.10%	-2.04%	-8.77%	-5.62%	-1.52%
Totals in USm	\$16,525m	\$21,261m	\$25,554m	\$32,353m	\$36,112m	\$46,387m	\$66,941m	\$73,228m	\$67,020m	\$66,235m	\$67,694m	\$65,780m	\$61,498m	\$64,019.47m	\$62,712m	\$57,211m	\$53,995m	\$53,176.32m
Petrofin Bank Research © - June 2019																		

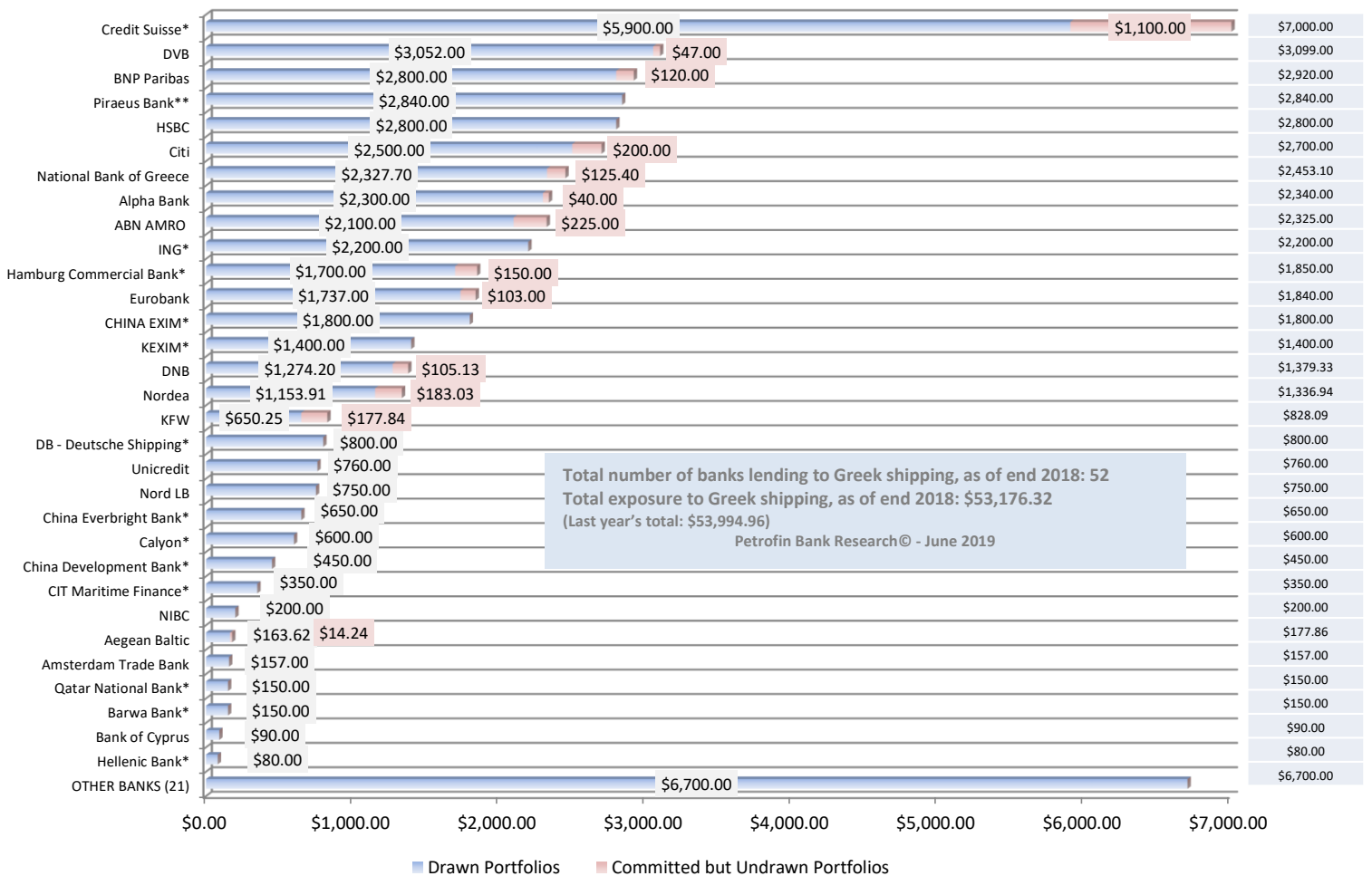
The downward trend is continuing as exposure to Greek shipping has dropped by a further -1.5%. However, this trend has been slowing down in the last 2 years and 2018 is marked by a more positive view of shipping finance by the remaining banks and the diminution of exposure by banks leaving the industry.

Graph 3: All banks ranked in terms of their Greek portfolios (in US\$m):

June 2019

All banks financing Greek shipping – ranked portfolios in US\$m

Petrofin Bank Research ©



Total number of banks lending to Greek shipping, as of end 2018: 52  
 Total exposure to Greek shipping, as of end 2018: \$53,176.32  
 (Last year's total: \$53,994.96)  
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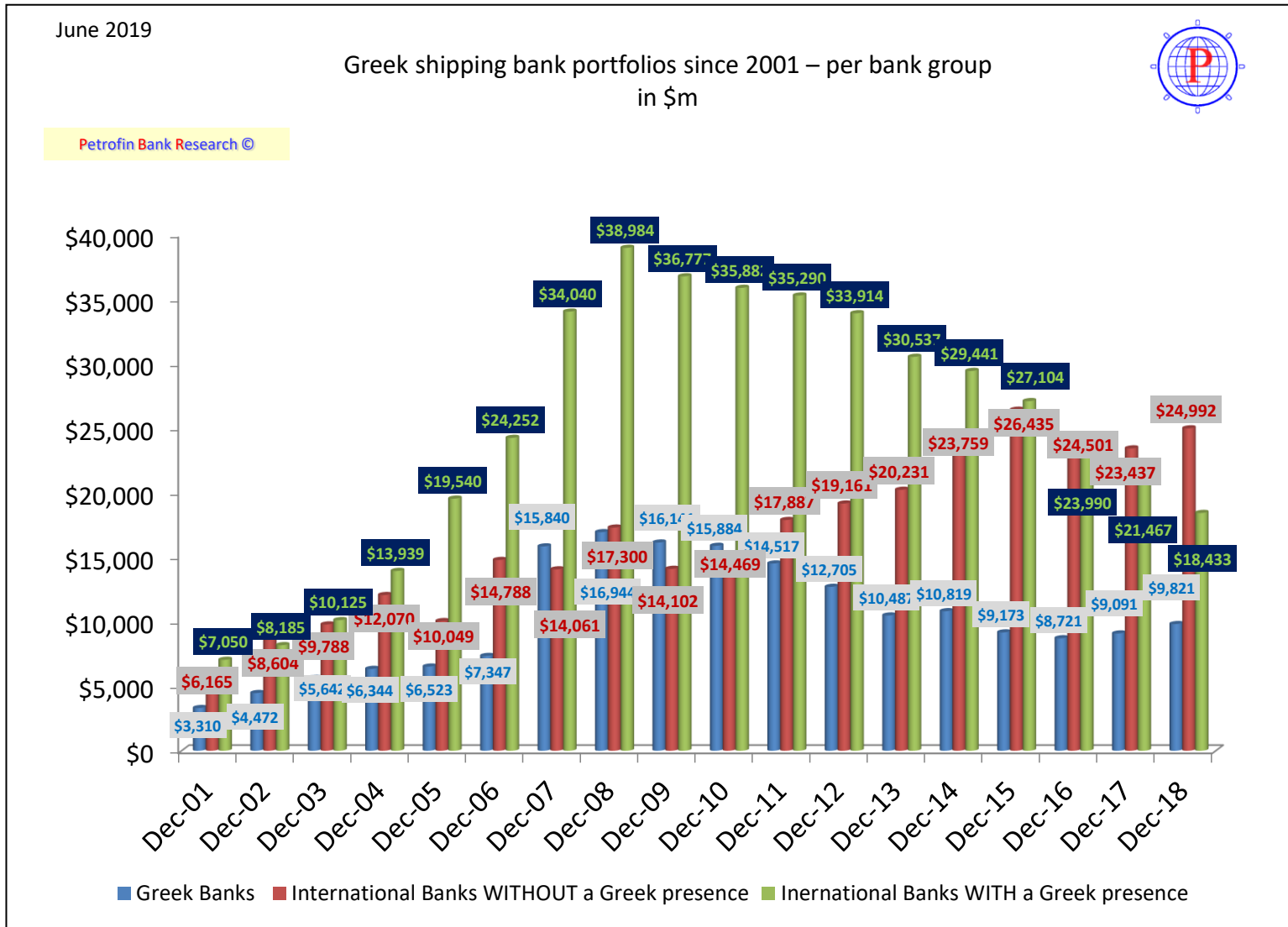
\* Market estimate      \*\*Excluding ferries

Credit Suisse\* stands at the top for the fifth year running with DVB in second place. There follow a number of banks in the \$1.5-3bn area. New entrants are Bank of Cyprus and Hellenic Bank.

## 4. Research and Analysis

### A. The Greek shipfinance market as of end 2018

Graph 4: Bank exposure in terms of bank groups is as follows:



Greek banks and banks without a Greek presence rose last year whilst banks with a Greek presence continued their decline.

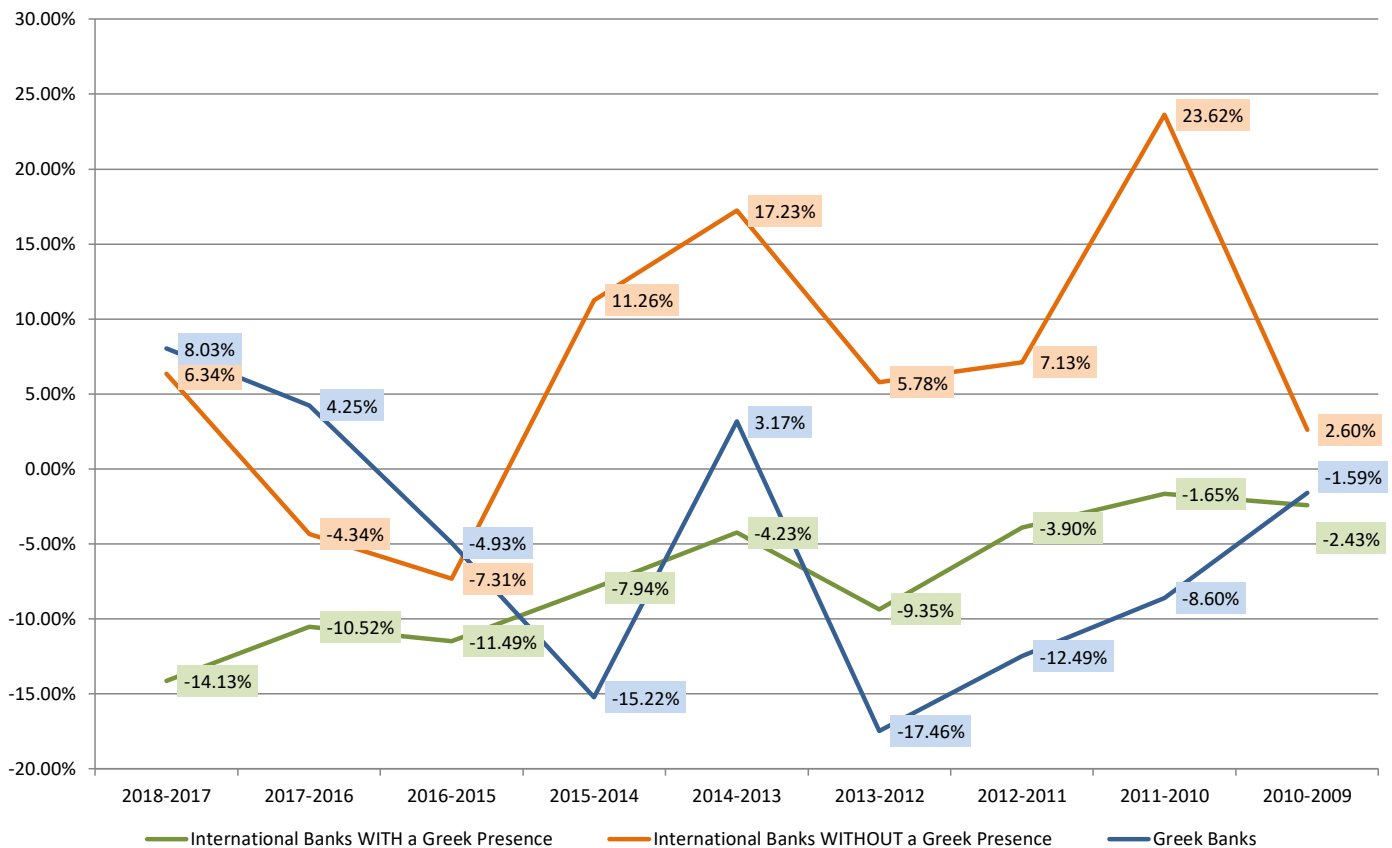
In Graph 5 below we observe the overall growth evolution in Greek ship lending as a whole as well as for the three bank groups:

Graph 5: Year on Year Portfolio Growth of: International Banks WITH a Greek Presence  
International Banks WITHOUT a Greek Presence  
Greek Banks

June 2019

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### Year on Year Growth of Greek shipping portfolios per bank group



The trends are clearly shown in the above Graph. Banks with a Greek presence have been declining over 10 years. The banks without a Greek presence show various percentages of growth with small portfolio reductions in 2016 and 2017 rising again in 2018. Greek shipping banks, after a period of consolidation have grown their portfolios in the last two years.

Table 2: Actual Drawn and Undrawn Commitments for the 3 bank groups

DRAWN							
	Drawn loan portfolio as of end 2018	Drawn loan portfolio as of end 2017	Drawn loan portfolio as of end 2016	Drawn loan portfolio as of end 2015	Drawn loan portfolio as of end 2014	Drawn loan portfolio as of end 2013	Drawn loan portfolio as of end 2012
<b>International Banks WITH a Greek presence</b>	\$17,586	\$20,169	\$21,425	\$25,329	\$27,070	\$28,467	\$31,160
<b>International Banks WITHOUT a Greek presence</b>	\$23,461	\$22,199	\$23,204	\$21,841	\$20,551	\$17,623	\$16,536
<b>Greek banks</b>	\$9,538	\$8,785	\$8,485	\$8,941	\$10,378	\$10,310	\$12,318
<b>Total</b>	<b>\$50,586</b>	<b>\$51,153</b>	<b>\$53,114</b>	<b>\$56,111</b>	<b>\$57,998</b>	<b>\$56,400</b>	<b>\$60,014</b>
COMMITTED BUT UNDRAWN							
	Committed but Undrawn loan portfolio as of end 2018	Committed but Undrawn loan portfolio as of end 2017	Committed but Undrawn loan portfolio as of end 2016	Committed but Undrawn loan portfolio as of end 2015	Committed but Undrawn loan portfolio as of end 2014	Committed but Undrawn loan portfolio as of end 2013	Committed but Undrawn loan portfolio as of end 2012
<b>International Banks WITH a Greek presence</b>	\$847	\$1,298	\$2,565	\$1,775	\$2,371	\$2,276	\$2,754
<b>International Banks WITHOUT a Greek presence</b>	\$1,461	\$1,238	\$1,297	\$4,594	\$3,208	\$2,645	\$2,625
<b>Greek banks</b>	\$283	\$306	\$236	\$232	\$442	\$177	\$386
<b>Total</b>	<b>\$2,591</b>	<b>\$2,842</b>	<b>\$4,098</b>	<b>\$6,600</b>	<b>\$6,021</b>	<b>\$5,098</b>	<b>\$5,765</b>

In terms of Drawn and Committed but Undrawn portfolios, there are a number of significant developments: Drawn loans reflect the growth in Greek and International banks without a Greek presence, thus slowing down the overall rate of reduction.

Interestingly, although the committed but undrawn exposure is down once again, the fall has been reduced to -8.8% compared to a -30.64% fall last year.

Table 3: Bank ranking – in US\$m

## Greek shipping portfolios as of end 2018

Rank	Bank	Drawn	Committed but Undrawn	Total
1	Credit Suisse*	\$5,900.00	\$1,100.00	\$7,000.00
2	DVB	\$3,052.00	\$47.00	\$3,099.00
3	BNP Paribas	\$2,800.00	\$120.00	\$2,920.00
4	Piraeus Bank**	\$2,840.00	\$0.00	\$2,840.00
5	HSBC	\$2,800.00	\$0.00	\$2,800.00
6	Citi	\$2,500.00	\$200.00	\$2,700.00
7	National Bank of Greece	\$2,327.70	\$125.40	\$2,453.10
8	Alpha Bank	\$2,300.00	\$40.00	\$2,340.00
9	ABN AMRO	\$2,100.00	\$225.00	\$2,325.00
10	ING*	\$2,200.00	\$0.00	\$2,200.00
11	Hamburg Commercial Bank*	\$1,700.00	\$150.00	\$1,850.00
12	Eurobank	\$1,737.00	\$103.00	\$1,840.00
13	CHINA EXIM*	\$1,800.00	\$0.00	\$1,800.00
14	KEXIM*	\$1,400.00	\$0.00	\$1,400.00
15	DNB	\$1,274.20	\$105.13	\$1,379.33
16	Nordea	\$1,153.91	\$183.03	\$1,336.94
17	KFW	\$650.25	\$177.84	\$828.09
18	DB - Deutsche Shipping*	\$800.00	\$0.00	\$800.00
19	Unicredit	\$760.00	\$0.00	\$760.00
20	Nord LB	\$750.00	\$0.00	\$750.00
21	China Everbright Bank*	\$650.00	\$0.00	\$650.00
22	Calyon*	\$600.00	\$0.00	\$600.00
23	China Development Bank*	\$450.00	\$0.00	\$450.00
24	CIT Maritime Finance*	\$350.00	\$0.00	\$350.00
25	NIBC	\$200.00	\$0.00	\$200.00
26	Aegean Baltic	\$163.62	\$14.24	\$177.86
27	Amsterdam Trade Bank	\$157.00	\$0.00	\$157.00
28	Qatar National Bank*	\$150.00	\$0.00	\$150.00
29	Barwa Bank*	\$150.00	\$0.00	\$150.00
30	Bank of Cyprus	\$90.00	\$0.00	\$90.00
31	Hellenic Bank*	\$80.00	\$0.00	\$80.00
	OTHER BANKS (21)	\$6,700.00	\$0.00	\$6,700.00
	<b>Total Greek portfolio</b>	<b>\$50,585.7</b>	<b>\$2,590.6</b>	<b>\$53,176.32</b>
	Overall number of banks	52		
	* Market estimate	** Excluding ferries		

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The top 10 banks' ranking order follows in Table 4

Table 4: Top ten banks ranked by portfolio size (in US\$m) – last 4 years

Rank	As of end 2018			As of end 2017			As of end 2016			As of end 2015		
	Bank	Total exposure in \$m	Market share % of Greek portfolio	Bank	Total exposure in \$m	Market share % of Greek portfolio	Bank	Total exposure in \$m	Market share % of Greek portfolio	Bank	Total exposure in \$m	Market share % of Greek portfolio
1	Credit Suisse*	\$7,000.00	13.16%	Credit Suisse*	\$6,200	11.48%	Credit Suisse*	\$6,470	11.31%	Credit Suisse*	\$6,720	10.72%
2	DVB	\$3,099.00	5.83%	DVB	\$4,308	7.98%	DVB	\$4,310	7.53%	Royal Bank of Scotland	\$5,200	8.29%
3	BNP Paribas	\$2,920.00	5.49%	BNP Paribas	\$2,800	5.19%	Royal Bank of Scotland~*	\$3,000	5.24%	DVB	\$4,542	7.24%
4	Piraeus Bank**	\$2,840.00	5.34%	Piraeus Bank**	\$2,750	5.09%	HSBC*	\$3,000	5.24%	Piraeus Bankε	\$3,000	4.78%
5	HSBC	\$2,800.00	5.27%	Citi	\$2,700	5.00%	Piraeus Bank**	\$2,730	4.77%	National Bank of Greece	\$2,640	4.21%
6	Citi	\$2,700.00	5.08%	HSBC*	\$2,500	4.63%	ABN AMRO	\$2,525	4.41%	DNB	\$2,341	3.73%
7	National Bank of Greece	\$2,453.10	4.61%	National Bank of Greece	\$2,428	4.50%	Citibank	\$2,500	4.37%	HSH Nordbank <sup>1*</sup>	\$2,340.7	3.73%
8	Alpha Bank	\$2,340.00	4.40%	ABN AMRO	\$2,350	4.35%	BNP Paribas	\$2,481	4.34%	CHINA EXIM*	\$2,300	3.67%
9	ABN AMRO	\$2,325.00	4.37%	Alpha Bank	\$2,225	4.12%	National Bank of Greece	\$2,368	4.14%	BNP Paribas	\$2,220	3.54%
10	ING*	\$2,200.00	4.14%	ING	\$2,069	3.83%	Alpha Bank	\$2,190	3.83%	Citibank	\$2,200	3.51%
<b>Totals</b>		<b>\$30,677.10</b>	<b>57.69%</b>	<b>Totals</b>	<b>\$30,330</b>	<b>56.17%</b>	<b>Total</b>	<b>\$31,580</b>	<b>55.19%</b>	<b>Totals</b>	<b>\$33,504</b>	<b>53.43%</b>

\* Market estimate

\*\* Excluding ferries

Credit Suisse\* remains at the top with an increased share from 11.48% to 13.16%. DVB's share is down but still retains the second position. A small increase is observed for BNP Paribas and Piraeus bank alike. National Bank of Greece retains its 7<sup>th</sup> place with a small increase, as well.

HSBC has surpassed Citi and moves from the 6<sup>th</sup> to the 5<sup>th</sup> position and Alpha Bank switches with ABN AMRO from 9<sup>th</sup> position to 8<sup>th</sup>.

All in all, the rankings have stayed relatively the same last year.

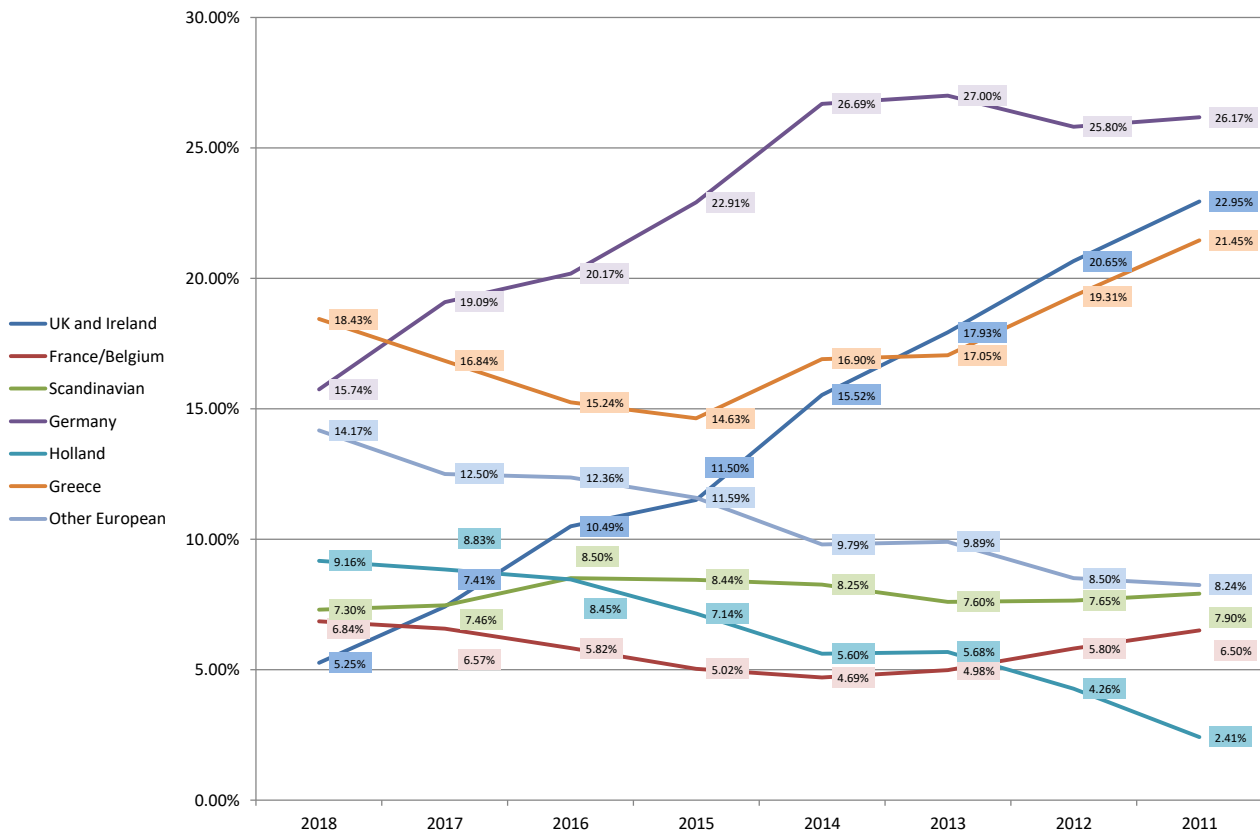
# Nationality of banks

Graph 6: European banks and their Greek shipping loan portfolio share percentage since 2011

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European portfolio rate of growth – 2011-2018  
US\$m

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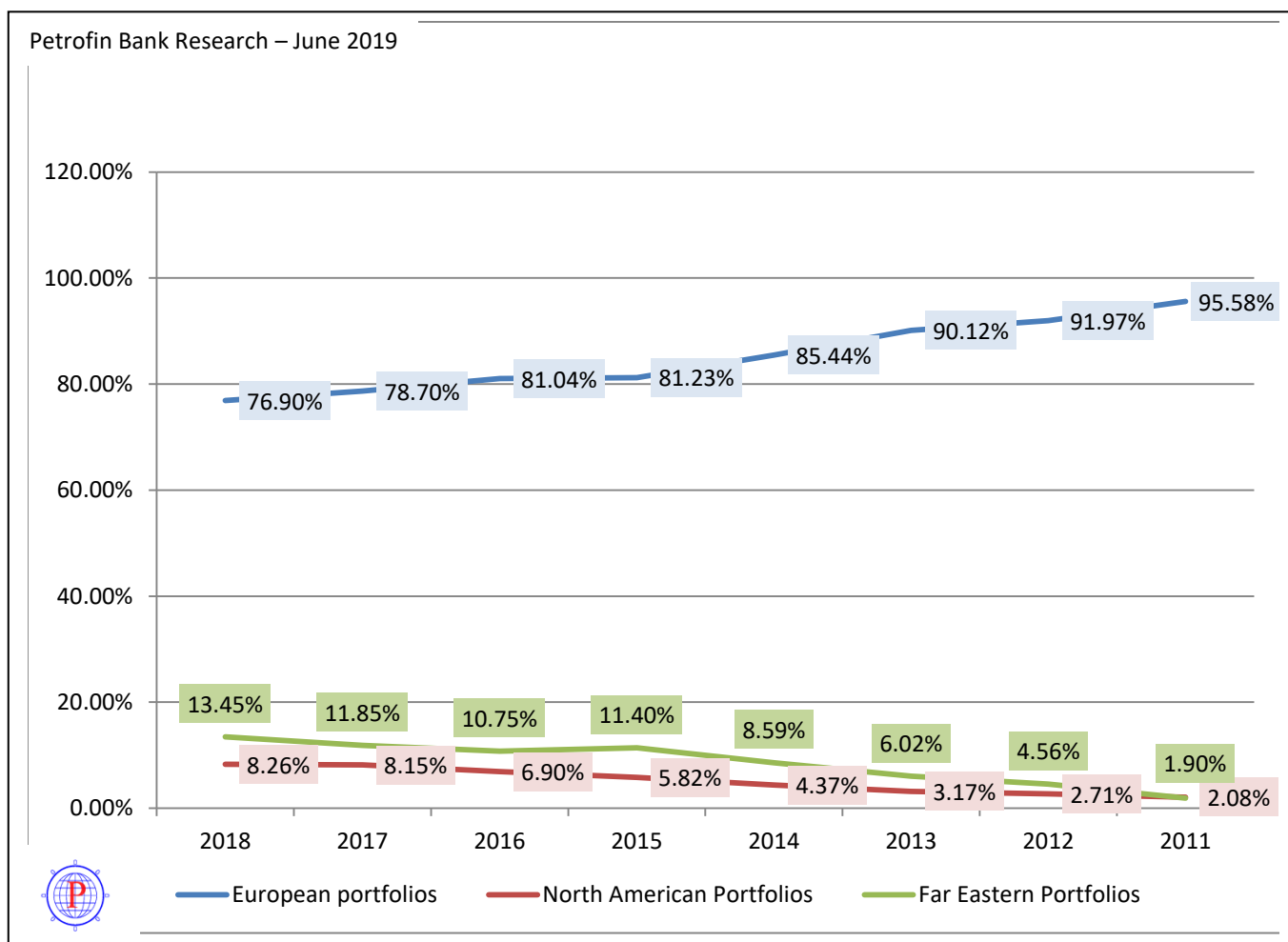
The European total amounts to \$41,085.62. France has returned to its 2012 totals. Germany continues to decline. Other European, led by Credit Suisse\* are increasing their share. Holland is also on the rise, as well as Greece. UK and Ireland on the decline.

Table 5: European portfolios per country since 2011

	UK & Ireland	France & Belgium	Scandinavian	Germany	Holland	Greece	Other European	TOTALS
2018	\$2,800.00	\$3,645.00	\$3,891.27	\$8,387.09	\$4,882.00	\$9,820.96	\$7,550	\$40,976.32
2017	\$4,000.00	\$3,550.00	\$4,027.00	\$10,309.00	\$4,767.80	\$9,091.00	\$6,750	\$42,494.80
2016	\$6,000.00	\$3,331.00	\$4,864.00	\$11,542.00	\$4,834.00	\$8,721.00	\$7,070	\$46,362.00
2015	\$7,210.00	\$3,145.00	\$5,293.00	\$14,370.00	\$4,480.00	\$9,173.00	\$7,270	\$50,941.00
2014	\$9,933.00	\$3,005.00	\$5,280.00	\$15,805.00	\$3,588.00	\$10,819.00	\$6,269	\$54,699.00
2013	\$11,029.00	\$3,065.00	\$4,676.00	\$16,617	\$3,493.00	\$10,487.00	\$6,080	\$55,447.00
2012	\$13,581.00	\$3,813.00	\$5,029.00	\$17,006	\$2,800.00	\$12,704.00	\$5,566	\$60,499.00
2011	\$15,533.00	\$4,401.00	\$5,325.00	\$17,717	\$1,632.00	\$14,517.00	\$5,575	\$64,700.00

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Graph 7: The following Graph depicts the larger geographical rate of growth for Greek ship finance.



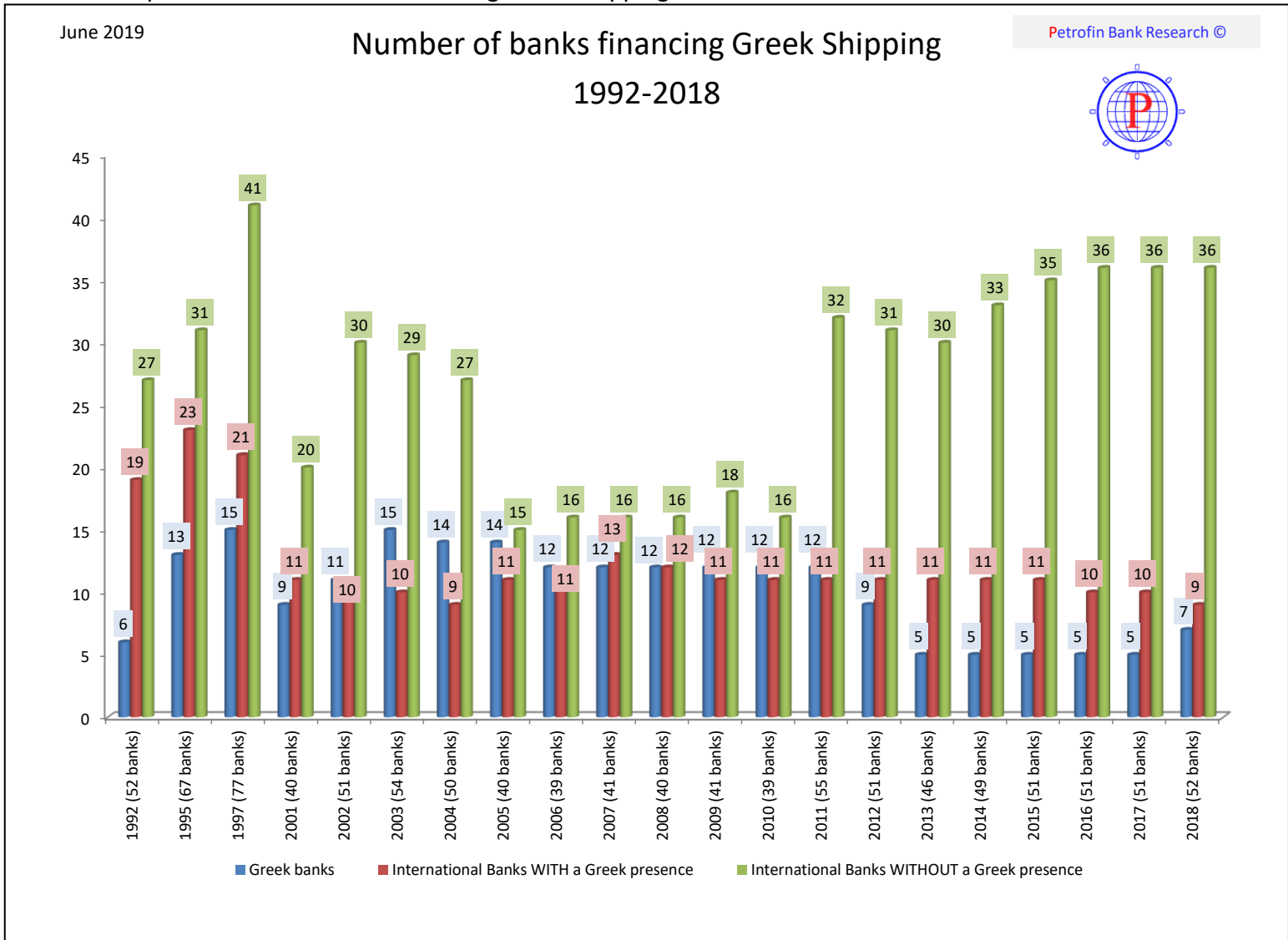
Far Eastern Portfolios are steadily rising.

Table 6: Portfolios per geographical area

	European	North America	Far East	Middle East	Australia	TOTALS
2018	\$40,976.32	\$4,400.00	\$7,150.00	\$300.00	\$350.00	\$53,176.32
2017	\$42,495.00	\$4,400.00	\$6,400.00	\$400.00	\$300.00	\$53,995.00
2016	\$46,362.00	\$3,950.00	\$6,150.00	\$500.00	\$250.00	\$57,212.00
2015	\$50,942.00	\$3,650.00	\$7,150.00	\$670.00	\$300.00	\$62,712.00
2014	\$54,669.00	\$2,800.00	\$5,500.00	\$670.00	\$350.00	\$63,989.00
2013	\$55,447.00	\$1,950.00	\$3,700.00		\$400.00	\$61,497.00
2012	\$60,500.00	\$1,780.00	\$3,000.00		\$500.00	\$65,780.00
2011	\$64,700.00	\$1,408.00	\$1,286.00		\$300.00	\$67,694.00

The evolution of the number of banks financing Greek shipping in the last 26 years is as follows:

Graph 8: Number of banks financing Greek Shipping – 1992-2018



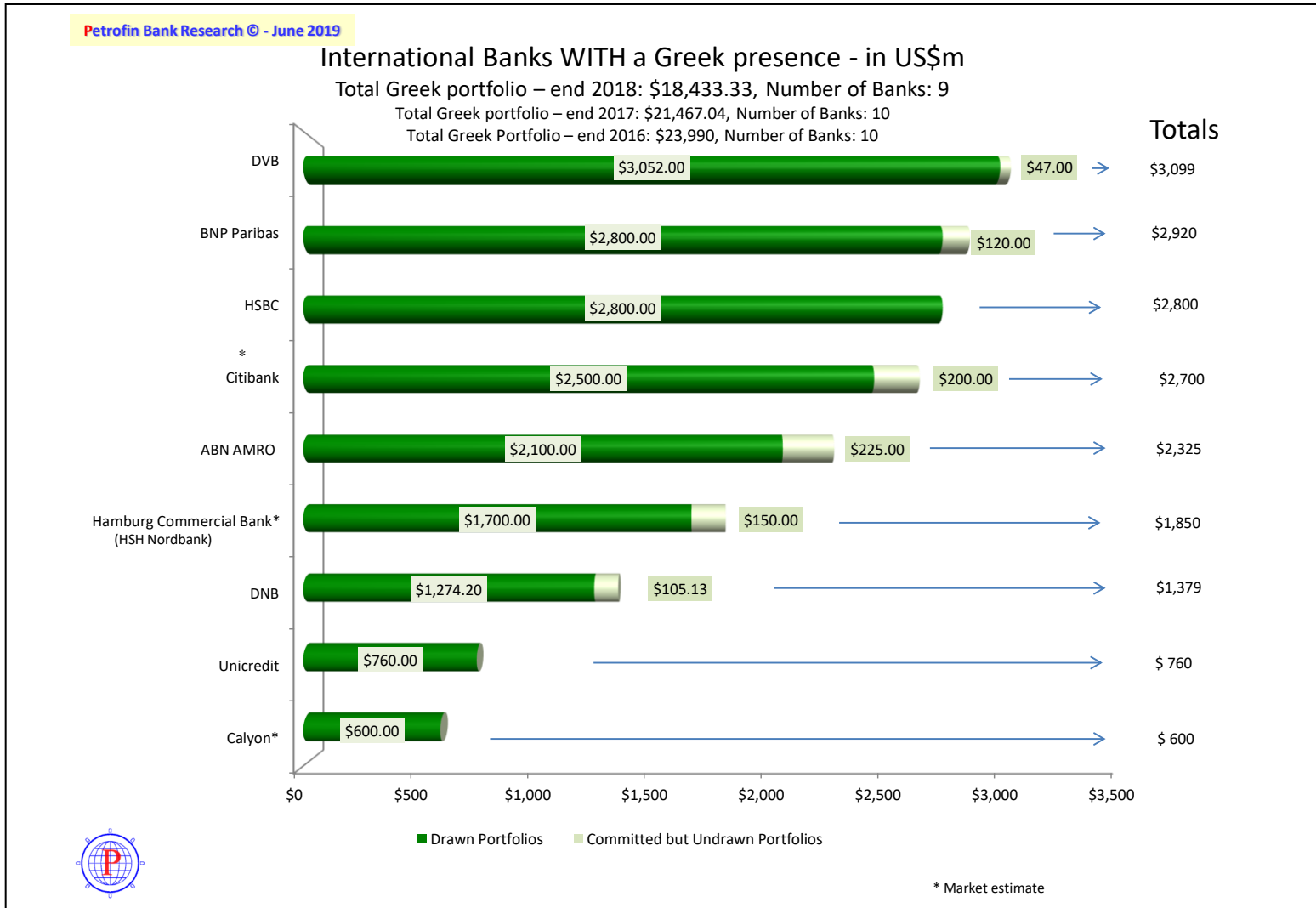
Two Greek Cypriot banks were added during 2018. Bank of Cyprus is re-entering the shipping market. The Hellenic bank is also gradually increasing its exposure. AstroBank, based in Cyprus, is also beginning to lend to Greek shipping and we are hoping to be able to include them next year. Traditionally, we have always included Cypriot banks in the Greek group.



**B. Analysis of the 3 bank groups**

**International Banks WITH a Greek Presence**

Graph 9: International banks with a Greek presence



In this bank group, all banks but BNP Paribas and Citi, are showing declining portfolios.



In the following Tables 7, 8 and 9 we note the differences between Total portfolios, Drawn loans and Committed but Undrawn loans over a period of 8 years for the Banks WITH a Greek presence:

Table 7: International Banks with a Greek presence – Total Greek portfolios

International Banks WITH a Greek presence - Total Greek portfolios (in US\$m)										
	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018	Individual Bank Share
Hamburg Commercial Bank (HSH Nordbank)*	\$1,850.00	\$1,950.00	\$1,950.00	\$2,340.71	\$2,567.58	\$2,354.87	\$2,297.33	\$2,220.00	-5.13%	3.48%
Calyon*	\$600.00	\$650.00	\$750.00	\$800.00	\$800.00	\$1,100.00	\$1,400.00	\$1,550.00	-7.69%	1.13%
Unicredit	\$760.00	\$1,100.00	\$1,360.00	\$1,800.00	\$1,573.00	\$1,755.35	\$1,860.44	\$2,040.00	-30.91%	1.43%
DVB	\$3,099.00	\$4,308.00	\$4,310.00	\$4,542.00	\$4,547.00	\$3,700.00	\$2,949.00	\$2,831.00	-28.06%	5.83%
ABN AMRO	\$2,325.00	\$2,350.04	\$2,524.70	\$2,160.30	\$1,988.00	\$1,693.00	\$1,450.00	\$1,132.00	-1.07%	4.37%
HSBC	\$2,800.00	\$2,500.00	\$3,000.00	\$2,000.00	\$2,000.00	\$1,750.00	\$2,000.00	\$2,400.00	12.00%	5.27%
BNP Paribas	\$2,920.00	\$2,800.00	\$2,481.00	\$2,220.00	\$1,955.00	\$1,600.00	\$1,948.31	\$2,101.00	4.29%	5.49%
Citi	\$2,700.00	\$2,700.00	\$2,500.00	\$2,200.00	\$1,600.00	\$1,400.00	\$1,500.00	\$1,108.00	0.00%	5.08%
DNB	\$1,379.33	\$1,609.00	\$2,114.00	\$2,341.00	\$2,310.00	\$2,576.00	\$2,754.00	\$2,850.00	-14.27%	2.59%
<b>Total</b>	<b>\$18,433</b>	<b>\$21,467</b>	<b>\$23,990</b>	<b>\$25,604</b>	<b>\$26,941</b>	<b>\$26,742</b>	<b>\$28,714</b>	<b>\$29,687</b>	<b>-14.13%</b>	<b>34.66%</b>

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Table 8: International banks WITH a Greek presence – Drawn loans

International Banks WITH a Greek presence – Drawn Loans (in US\$m)									
Bank	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018
Hamburg Commercial Bank (HSH Nordbank) *	\$1,700.00	\$1,850.00	\$1,850	\$2,156	\$2,171	\$1,993	\$2,087	\$2,180.00	-8.11%
Calyon*	\$600.00	\$650.00	\$750	\$800	\$800	\$1,000	\$1,200	\$1,250.00	-7.69%
Unicredit	\$760.00	\$1,000.00	\$1,190	\$1,500	\$1,480	\$1,680	\$1,836	\$1,820.00	-24.00%
DVB	\$3,052.00	\$4,289.00	\$4,230	\$4,400	\$4,200	\$3,200	\$2,700	\$2,500.00	-28.84%
ABN AMRO	\$2,100.00	\$2,220.00	\$1,933	\$2,047	\$1,725	\$1,462	\$1,100	\$815.00	-5.41%
HSBC	\$2,800.00	\$2,500.00	\$2,600	\$2,000	\$2,000	\$1,750	\$2,000	\$2,200.00	12.00%
BNP Paribas	\$2,800.00	\$2,400.00	\$2,072	\$1,927	\$1,644	\$1,600	\$1,920	\$2,015.00	16.67%
Citi	\$2,500.00	\$2,200.00	\$1,800	\$1,600	\$1,100	\$1,100	\$1,000	\$911.00	13.64%
DNB	\$1,274.20	\$1,560.00	\$2,000	\$2,200	\$1,850	\$2,082	\$1,947	\$2,136.00	-18.32%
<b>Total</b>	<b>\$17,586.20</b>	<b>\$18,669.00</b>	<b>\$18,425</b>	<b>\$18,629</b>	<b>\$16,970</b>	<b>\$15,866.88</b>	<b>\$15,790.23</b>	<b>\$31,620.25</b>	<b>-12.81%</b>

Petrofin Bank Research © - June 2019      \*Market estimate

Table 9: International Banks WITH a Greek presence – Committed but Undrawn loans

International bank WITH a Greek presence - Committed but Undrawn loans (in US\$m)									
	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018
Hamburg Commercial Bank (HSH Nordbank) *	\$150.00	\$100.00	\$100	\$185	\$397	\$362	\$210	\$40.00	50.00%
Calyon*	\$0.00	\$0.00		\$0	\$0	\$100	\$200	\$300.00	0.00%
Unicredit	\$0.00	\$100.00	\$170	\$300	\$93	\$75	\$24	\$220.00	-100.00%
DVB	\$47.00	\$19.00	\$80	\$142	\$347	\$500	\$249	\$331.00	147.37%
ABN AMRO	\$225.00	\$130.04	\$592	\$114	\$263	\$231	\$350	\$317.00	73.02%
HSBC	\$0.00	\$0.00	\$400	\$0	\$0	\$0	\$0	\$200.00	0.00%
BNP Paribas	\$120.00	\$400.00	\$409	\$293	\$311	\$0	\$28	\$86.00	-70.00%
Citi	\$200.00	\$500.00	\$700	\$600	\$500	\$300	\$500	\$197.00	-60.00%
DNB	\$105.13	\$49.00	\$114	\$141	\$460	\$494	\$807	\$714.00	114.56%
<b>Total</b>	<b>\$847.13</b>	<b>\$1,298.04</b>	<b>\$2,565</b>	<b>1774.6</b>	<b>2371.1</b>	<b>\$2,062.34</b>	<b>\$2,368.85</b>	<b>\$3,670.22</b>	<b>-34.74%</b>

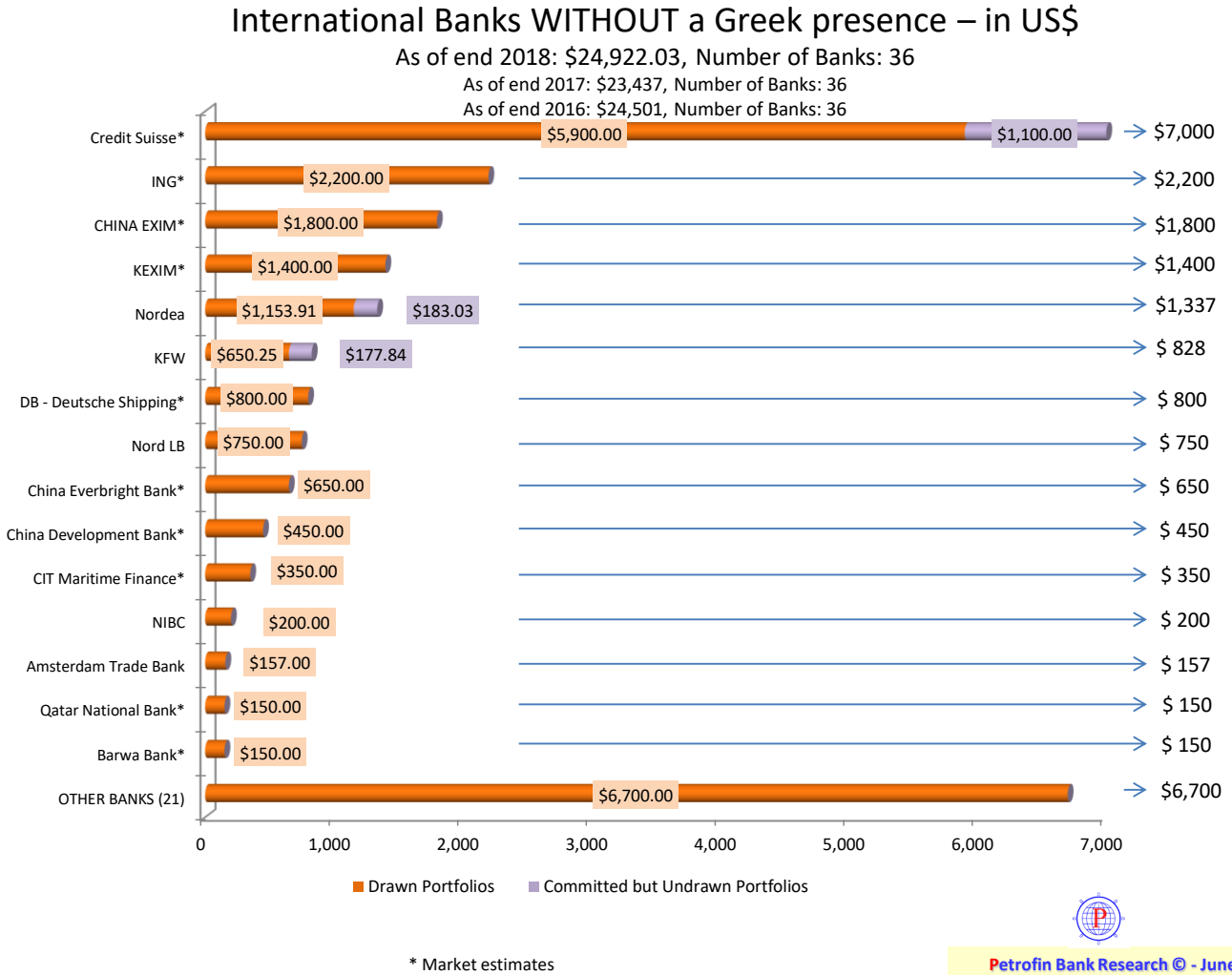
Petrofin Bank Research © - June 2019      \*Market estimate

The forward book is on a continuous decline showing a steady decrease in lending and a negative momentum.



### International Banks WITHOUT a Greek Presence

Graph 10: International banks without a Greek presence



The biggest risers are Credit Suisse\* and China Exim\*. DB and KfW show a decline.



The banks that have been included in this year's research, as a collective entry, are the following:

Table 10: Other banks

Japan Bank for International Co-operation*
Nippon Export and Investment Insurance*
Danish Ship Finance*
Danske*
Fokus*
KBC Bank*
SEB*
ITF*
Scotia Bank*
Banque Lblux*
Bank of America*
Commonwealth Bank of Australia*
Berenberg**
Deka*
IIG Bank Malta*
FIMbank Malta*
Sumitomo Mitsui Trust Banking*
Mitsubishi UFG*
ICBC*
Bank of China*
Bank of Communications*
<b>Total portfolio: \$6,700</b>
Petrofin Bank Research © - June 2019      *Market estimate

These banks are up, since Japan and Korea show an increased interest in Greek shipping.



Table 11: International Banks WITHOUT a Greek presence – Total Greek portfolios

International banks WITHOUT a Greek presence – Total Greek portfolios (in US\$m)										
Bank	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018	Individual Bank Share
Credit Suisse*	\$7,000.00	\$6,200	\$6,470	\$6,720	\$5,919	\$5,700	\$5,211	\$5,000	12.90%	13.16%
DB - Deutsche Shipping*	\$800.00	\$1,000	\$1,500	\$1,800	\$2,000	\$2,000	\$2,000	\$2,323	-20.00%	1.50%
Nordea	\$1,336.94	\$1,393	\$1,600	\$1,702	\$1,620	\$1,060	\$1,160	\$1,050	-4.02%	2.51%
Nord LB	\$750.00	\$710	\$500	\$605	\$655	\$855	\$805	\$593	5.63%	1.41%
CHINA EXIM*	\$1,800.00	\$1,600	\$1,600	\$2,300	\$2,000	\$1,450	\$1,200	\$850	12.50%	3.38%
KFW	\$828.09	\$941	\$1,042	\$1,008	\$932	\$899	\$905	\$400	-12.01%	1.56%
ING*	\$2,200.00	\$2,069	\$2,109	\$2,120	\$1,350	\$1,500	\$1,200	\$1,200	6.33%	4.14%
KEXIM*	\$1,400.00	\$1,300	\$1,300	\$1,150	\$1,000	\$700	\$600	\$500	7.69%	2.63%
China Everbright Bank*	\$650.00	\$600	\$600	\$650	\$500	\$350	\$300	\$150	8.33%	1.22%
NIBC	\$200.00	\$200	\$200	\$200	\$250	\$300	\$0	\$0	0.00%	0.38%
China Development Bank*	\$450.00	\$400	\$400	\$1,850	\$1,600	\$1,000	\$800	\$500	12.50%	0.85%
CIT Maritime Finance*	\$350.00	\$350	\$400	\$500	\$400	\$0	\$0	\$0	0.00%	0.66%
Qatar National Bank*	\$150.00	\$200	\$250	\$335	\$335	\$0	\$0	\$0	-25.00%	0.28%
Barwa Bank*	\$150.00	\$200	\$250	\$335	\$335	\$0	\$0	\$0	-25.00%	0.28%
Amsterdam Trade Bank	\$157.00	\$149	\$0	\$0	\$0	\$0	\$0	\$0	5.55%	0.30%
OTHER BANKS (21)	\$6,700.00	\$6,125	\$5,700	\$4,475	\$3,600	\$2,885	\$2,655	\$2,710	9.39%	12.60%
<b>Total</b>	<b>\$24,922.03</b>	<b>\$23,437</b>	<b>\$23,921</b>	<b>\$25,750</b>	<b>\$22,496</b>	<b>\$18,699</b>	<b>\$19,161</b>	<b>\$17,886</b>	<b>6.34%</b>	<b>46.87%</b>

Petrofin Bank Research © - June 2019 \*Market estimate

Overall these banks are up by 6.34%. The OTHER BANKS, comprised primarily of Far Eastern Banks, are up by 9.34%



Table 12: International banks WITHOUT a Greek presence – Drawn loans

International banks WITHOUT a Greek presence – DRAWN LOANS (in US\$m)									
	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017-2018
Credit Suisse*	\$5,900.00	\$5,800	\$5,935	\$5,580	\$5,300	\$4,800	\$4,308	\$4,000	1.72%
DB - Deutsche Shipping*	\$800.00	\$1,000	\$1,500	\$1,800	\$2,000	\$2,000	\$2,000	\$2,100	-20.00%
Nordea	\$1,153.91	\$1,304	\$1,300	\$1,335	\$1,160	\$800	\$750	\$800	-11.51%
Nord LB	\$750.00	\$710	\$500	\$552	\$615	\$759	\$715	\$573	5.63%
CHINA EXIM*	\$1,800.00	\$1,600	\$1,600	\$1,600	\$1,400	\$1,000	\$850	\$600	12.50%
KFW	\$650.25	\$663	\$799	\$644	\$617	\$752	\$661	\$350	-1.89%
ING*	\$2,200.00	\$1,630	\$1,890	\$1,400	\$1,350	\$1,500	\$1,200	\$1,000	34.97%
KEXIM*	\$1,400.00	\$1,300	\$1,300	\$700	\$600	\$400	\$350	\$300	7.69%
China Everbright Bank*	\$650.00	\$600	\$600	\$450	\$350	\$250	\$200	\$100	8.33%
NIBC	\$200.00	\$200	\$200	\$200	\$163	\$250	\$150		0.00%
China Development Bank*	\$450.00	\$400	\$400	\$1,250	\$1,100	\$700	\$550	\$350	12.50%
CIT Maritime Bank*	\$350.00	\$350	\$400	\$500	\$400				0.00%
Qatar National Bank*	\$150.00	\$200	\$250	\$335	\$335				-25.00%
Barwa*	\$150.00	\$200	\$250	\$335	\$335				-25.00%
Amsterdam Trade Bank	\$157.00	\$117							34.48%
OTHER BANKS (21)	\$6,700.00	\$6,125	\$5,700	\$4,475	\$3,600	\$2,885	\$2,655	\$2,710	9.39%
Total	\$23,461.16	\$22,199	\$22,624	\$21,156	\$20,551	\$17,623	\$16,536	\$15,334	5.69%
Petrofin Bank Research © - June 2019					*Market estimate				

Drawn loans in International Banks without Greek representation are up by 5.7%. Almost all banks are up.



Table 13: International Banks WITHOUT a Greek presence – Committed but Undrawn loans

International banks WITHOUT a Greek presence - Committed but Undrawn Loans (in USm)									
Bank	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018
Credit Suisse*	\$1,100.00	\$400.00	\$535	\$1,140	\$619	\$900	\$903	\$1,000	175.00%
DB - Deutsche Shipping*	\$0.00	\$0.00	\$0	0	0	0	0	\$223.00	
Nordea	\$183.03	\$89.00	\$300	\$367	\$460	\$260	\$410	\$250.00	105.65%
Nord LB	\$0.00	\$0.00	\$0	\$53	\$40	\$97		\$20.00	
CHINA EXIM*	\$0.00	\$0.00	\$0	\$700	\$600	\$450	\$350	\$250.00	
KFW	\$177.84	\$278.34	\$243	\$364	\$316	\$148	\$244	\$50.00	-36.11%
ING*	\$0.00	\$439.00	\$219	\$720	0	0	0	\$200.00	
KEXIM*	\$0.00	\$0.00	\$0	\$450	\$400	\$300	\$250	\$200.00	
China Everbright Bank*	\$0.00	\$0.00	\$0	\$200	\$150	\$100	\$100	\$50.00	
China Development Bank*	\$0.00	\$0.00	\$0	\$600	\$500	\$300	\$250	\$150.00	
NIBC	\$0.00	\$0.00	\$0	0	\$88	\$50	0		
CIT Maritime Finance*	\$0.00	\$0.00	\$0	0	0				
Qatar National Bank*	\$0.00	\$0.00	\$0	0	0				
Barwa Bank*	\$0.00	\$0.00	\$0	0	0				
Amsterdam Trade Bank	\$0.00	\$32.00							
<b>Total</b>	<b>\$1,460.88</b>	<b>\$1,238.34</b>	<b>\$1,297</b>	<b>\$4,594</b>	<b>\$3,208</b>	<b>\$2,645</b>	<b>\$2,625</b>	<b>\$2,552</b>	<b>17.97%</b>

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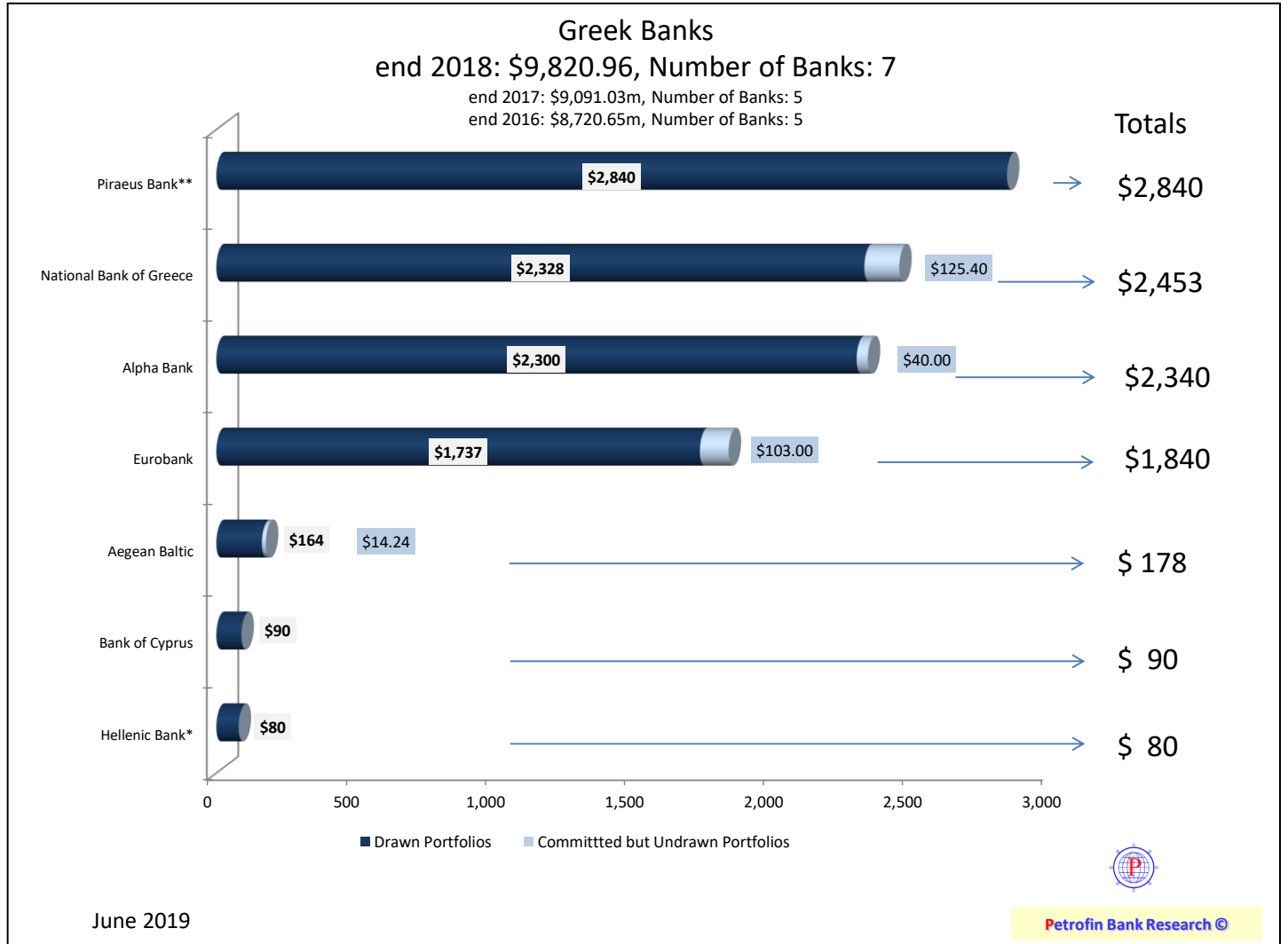
The upwards momentum is shown in the higher totals in Committed but Undrawn loans with Credit Suisse\* having the biggest rise.



## Greek Banks

Greek Banks as a whole show a growth of 8.03%.

Graph 11: Greek banks



\*\*Excluding ferries

The top 4 continue to dominate Greek shipping finance



Table 14: Total Greek bank portfolios

Greek Banks - Total portfolios (in US\$m)

	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018	Individual bank share
Piraeus Bank **	\$2,840	\$2,750	\$2,730	\$3,000	\$3,850	\$3,900	\$1,860	\$1,950	3.27%	5.34%
National Bank of Greece	\$2,453	\$2,428	\$2,368	\$2,640	\$2,933	\$2,733	\$2,389	\$2,566	1.05%	4.61%
Alpha Bank	\$2,340	\$2,225	\$2,190	\$2,100	\$2,420	\$2,435	\$1,715	\$2,050	5.17%	4.40%
Eurobank	\$1,840	\$1,524	\$1,227	\$1,196	\$1,315	\$1,150	\$1,054	\$1,266	20.73%	3.46%
Aegean Baltic	\$178	\$164	\$205	\$237	\$301	\$269	\$308	\$362	8.17%	0.33%
Bank of Cyprus	\$90									0.17%
Hellenic Bank*	\$80									0.15%
<b>Total</b>	<b>\$9,820.96</b>	<b>\$9,091</b>	<b>\$8,721</b>	<b>\$9,173</b>	<b>\$10,819</b>	<b>\$10,487</b>	<b>\$12,705</b>	<b>\$14,517.07</b>	<b>8.03%</b>	<b>18.47%</b>
Petrofin Bank Research © - June 2019			*Market estimate			**Excluding ferries				

Greek banks as a group are up in their exposure to Greek shipping by 8%. All banks display increases.

Table 15: Greek banks – Drawn loans

Greek Banks - Drawn Loans (in US\$m)

	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018	
Piraeus Bank **	\$2,840	\$2,750	\$2,730	\$3,000	\$3,850	\$3,900	\$1,850	\$1,900	3.27%	
National Bank of Greece	\$2,328	\$2,302	\$2,355	\$2,515	\$2,652	\$2,592	\$2,232	\$2,432	1.10%	
Alpha Bank	\$2,300	\$2,100	\$2,100	\$2,100	\$2,420	\$2,400	\$1,700	\$1,950	9.52%	
Eurobank	\$1,737	\$1,470	\$1,100	\$1,089	\$1,160	\$1,150	\$1,054	\$1,188	18.16%	
Aegean Baltic	\$163.62	\$162.55	\$200	\$237	\$296	\$268	\$304	\$326	0.66%	
Bank of Cyprus	\$90.00									
Hellenic Bank*	\$80.00									
<b>Total</b>	<b>\$9,538.32</b>	<b>\$8,785</b>	<b>\$8,485</b>	<b>\$8,941</b>	<b>\$10,378</b>	<b>\$10,310</b>	<b>\$12,318</b>	<b>\$13,625</b>	<b>8.58%</b>	
Petrofin Bank Research © - June 2019			*Market estimate			**Excluding ferries				

All banks have higher drawn loan portfolios.



Table 16: Greek Banks – Committed but Undrawn loans

Greek Banks - Committed but Undrawn loans (in US\$m)									
	end 2018	end 2017	end 2016	end 2015	end 2014	end 2013	end 2012	end 2011	Change between 2017 and 2018
Piraeus Bank **	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$10	\$50	
National Bank of Greece	\$125.4	\$125.2	\$13.2	\$125.0	\$281.0	\$141.0	\$157	\$134	0.16%
Alpha Bank	\$40.0	\$125.0	\$90.0	\$0.0	\$0.0	\$35.0	\$15	\$100	-68.00%
Eurobank	\$103.0	\$54.0	\$127.0	\$107.0	\$155.0	\$0.0	\$0	\$78	90.74%
Aegean Baltic	\$14.2	\$1.9	\$5.8	\$0.0	\$5.5	\$1.2	\$4	\$36	659.20%
Bank of Cyprus	\$0.0								
Hellenic Bank*	\$0.0								
<b>Total</b>	<b>\$282.6</b>	<b>\$306.1</b>	<b>\$236.00</b>	<b>\$232.00</b>	<b>\$441.50</b>	<b>\$177.15</b>	<b>\$386.30</b>	<b>\$892.46</b>	<b>-7.66%</b>
Petrofin Bank Research © - June 2019				*Market estimate			**Excluding ferries		

Here, all banks are showing increased undrawn loans, except for Alpha bank.



Table 17: summarises in one table the comparative statistics for the Greek ship-finance market over the last 18 years.

	Number of Banks				Total Portfolios			
	International banks WITH a Greek presence	International banks WITHOUT a Greek presence	Greek banks	Total Number of Banks	International banks WITH a Greek presence	International banks WITHOUT a Greek presence	Greek banks	Total Yearly Bank Exposure
Dec-01	11	20	9	40	\$7.05	\$6.17	\$6.17	\$16.53
Dec-02	10	30	11	51	\$8.19	\$8.60	\$4.47	\$21.26
Dec-03	10	29	15	54	\$10.12	\$9.79	\$5.64	\$25.55
Dec-04	9	27	14	50	\$13.94	\$12.07	\$6.34	\$32.35
Dec-05	11	15	14	40	\$19.45	\$10.05	\$6.52	\$36.02
Dec-06	11	16	12	39	\$24.25	\$14.79	\$7.34	\$46.38
Dec-07	13	16	12	41	\$37.04	\$14.06	\$15.84	\$66.94
Dec-08	12	16	12	40	\$38.98	\$17.30	\$16.94	\$73.22
Dec-09	11	18	12	41	\$36.78	\$14.10	\$16.14	\$67.02
Dec-10	11	16	12	39	\$35.88	\$14.47	\$15.88	\$66.23
Dec-11	11	32	12	55	\$35.29	\$17.89	\$14.52	\$67.70
Dec-12	11	31	9	51	\$33.90	\$19.16	\$12.70	\$65.76
Dec-13	11	30	5	46	\$30.74	\$20.27	\$10.49	\$61.50
Dec-14	11	33	5	49	\$29.44	\$23.76	\$10.82	\$64.02
Dec-15	11	35	5	51	\$27.10	\$26.44	\$9.17	\$62.71
Dec-16	10	36	5	51	\$23.99	\$24.50	\$8.72	\$57.21
Dec-17	10	36	5	51	\$21.47	\$23.44	\$9.09	\$54.00
<b>Dec-18</b>	<b>9</b>	<b>36</b>	<b>7</b>	<b>52</b>	<b>\$18.43</b>	<b>\$24.92</b>	<b>\$9.82</b>	<b>\$53.17</b>

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The number of banks engaged in Greek ship finance has remained remarkably steady although there have been notable departees: RBS, Commerzbank and others that have announced their departure from shipping. There have also been some new entries in the Greek group: Bank of Cyprus and Hellenic bank.



### C. Newbuilding finance research

Table 18: Newbuilding finance – in US\$m

Bank	end 2016			end 2017			Change in % allocation to Newbuildings between 2016 and 2017	end 2018			Change in % allocation to Newbuildings between 2017 and 2018
	Committed but Undrawn portfolio (in \$m)	% of N/Bs	Amount for N/Bs	Committed but Undrawn portfolio (in \$m)	% of N/Bs	Amount for N/Bs		Committed but Undrawn portfolio (in \$m)	% of N/Bs	Amount for N/Bs	
Credit Suisse*	\$535.00	44%	\$236.00	\$400.00	80%	\$320.00	36%	\$1,100.00	60%	\$660.00	-20%
National Bank of Greece	\$13.20	100%	\$13.20	\$125.20	31.50%	\$39.44	-69%	\$125.40	9.00%	\$11.29	-23%
BNP Paribas	\$409.00	100%	\$409.00	\$400.00	87.00%	\$348.00	-13%	\$120.00	55.00%	\$66.00	-32%
DVB	\$80.00	81%	\$64.80	\$19.00	48.00%	\$9.12	-33%	\$47.00	84.00%	\$39.48	36%
ABN AMRO	\$591.68	89%	\$523.64	\$130.04	67.00%	\$87.13	-22%	\$225.00	82.00%	\$184.50	15%
CITI	\$700.00	90%	\$630.00	\$500.00	90.00%	\$450.00	0%	\$200.00	90.00%	\$180.00	0%
Alpha	\$90.00	100%	\$90.00	\$125.00	80.00%	\$100.00	-20%	\$40.00	100.00%	\$40.00	20%
Totals	\$3549 <sup>^</sup>	74.87%	\$2657 <sup>^</sup>	2413.24 <sup>^</sup>	76.94%	1856.69 <sup>^</sup>	2.07%	\$2,007	58.85%	\$1,181	-18.09%

Forward commitments to newbuildings are down in 2018 by -18% reversing last year's increase of 2.07%. The overall newbuilding allocated portfolio of \$1,181m is down by -36%.



## D. The Greek shipping Syndications Market

Table 19: Syndication Leaders (US\$m)

Bank	2010	2011	2012	2013	2014	2015	2016	2017	2018	Change in the last year
CITI	\$2,390	\$300	\$2,000	\$2,000	\$2,500	\$3,500	\$5,500	\$5,000	\$5,500	10.00%
NORDEA	\$2,100	\$1,100	\$2,500	\$1,510	\$510	\$1,491	\$1,500	\$2,370	\$3,069	29.48%
AEGEAN BALTIC	\$1,497	\$1,399	\$1,346	\$1,291	\$1,270	\$1,066	\$890	\$867	\$819	-5.53%
Hamburg Commercial Bank* (HSH Nordbank)	\$469	\$822	\$623	\$673	\$504	\$414	\$500	\$500	\$500	0.00%
UNICREDIT	\$281	\$246	\$227	\$210	\$341	\$150	\$100	\$100	\$10	-90.00%
NATIONAL BANK OF GRECE	\$490	\$447	\$427	\$451	\$360	\$336	\$317	\$259	\$107	-58.64%
ABN AMRO	\$123	\$278	n/a	\$121	\$1,299	\$1,463	\$1,390	\$730	\$835	14.36%
BNP PARIBAS	\$255	\$473	\$665	\$580	\$545	\$442	\$321	\$357	\$242	-32.12%
KFW	\$45	n/a	\$402	\$312	\$311	\$338	\$273	\$64	\$109	70.24%
Totals	\$12,856.33	\$10,275.83	\$11,512.48	\$9,897.21	\$9,713.29	\$11,935.06	\$13,790.65	\$10,247.04	\$11,191.23	9.21%

\* Market estimate

^ Totals include banks not featured anymore

The syndication market is rising. Citi, Nordea, KfW and ABN are the biggest risers.



## 5. The outlook for 2019 and beyond

2018 was a year of contrasts. The German ship finance market continued its fall by -18.64% with few banks remaining committed to shipping. Although the pace of decline has been slowing down, there were still surprises to be had, as was the decision by Nord LB to abandon shipping altogether. Interestingly, HSH became Hamburg Commercial Bank owned by private Equity Funds with a reduced loan portfolio but still willing to continue to serve its clients.

The notable outperformers last year were Credit Suisse and BNP Paribas, closely followed by HSBC, Citi, ABN Amro and ING in the top 10.

Greek banks, on the other hand, against all odds, showed a robust performance, even though they are still handicapped by the Greek economy and a high percentage of nonperforming loans in the non-shipping sectors.

The Far East and North American shares continued to rise, failing though, to fully counterbalance the decline of German and UK banks.

The main competition to banks lies in Far East leasing. Chinese lessors have strongly developed and have also begun to address the requirements of smaller owners. The number of Chinese leasing companies has grown enormously and in the meantime their offered finance cost has declined now being on par or even lower than banks.

The response by banks has been one of primarily dealing with their own proven clientele, thus hardly considering any new clients. Often owners have no choice but to rely on leasing to finance their newbuildings or modern acquisitions. Over the past couple of years, Japanese leasing companies have selectively provided finance to Japan linked clients, favouring those with a long record in dealing with Japanese shipyards and banks.

Among owners, the two tier lending market continues to dominate as a lending model. The top owners achieve low cost facilities with flexible terms whilst the smaller owners struggle to secure finance. The presence of private Equity Funds in Greek ship finance has been subdued largely because of their high cost despite offering higher loans than banks. Overall, bank margins have begun to slide as the emphasis is focused on size and quality. On the whole, however, most banks have enjoyed a secure loan portfolio with few nonperforming loans in respect of loans provided in recent years. Banks which have nurtured bad loans for a number of years, have continued to offload them primarily to private Equity Funds. Some private Equity Funds, e.g. Cerberus, developed enormous fleets of managed/controlled vessels on the basis of which they hope to make exciting returns.

All banks that recently entered the ship finance market are experiencing solid growth. These include Amsterdam Trade Bank, Bank of Cyprus, Hellenic Bank, M&M



and, recently, AstroBank. It should be noted that many smaller national Far Eastern and Middle Eastern banks are also developing their shipping presence.

The shipping markets in 2018 were not inspiring but did provide some support to banks. The dry bulk and LNG sectors witnessed good performances. As the year developed, there was (and still is) growing concerns on the impact of trade wars and restrictions, the effects of Brexit, the mounting geopolitical tensions, as well as the effects of the Vale dam disaster which has severely curtailed the Brazilian iron ore production and exports.

Banks are becoming increasingly worried of the slowdown in international trade growth as a result of the higher tariffs imposed by the US and China and how this could impact international trade in the coming years.

A slowdown in newbuilding orders and deliveries has helped counterbalance the declining international trade growth but scrapping is still relatively low levels.

The new 2020 fuel regulations, as well as the implementation of the Ballast Water Management system have added to the challenges of the shipping industry and the banks. Banks have also begun to look into the environmental issues related to shipping and their clients. As a result, loan approvals have become longer and uncertainty has grown further.

Despite all the above restraining factors, Greek shipping has continued to grow and this underpins the interest of banks in Greek shipping.

Over the last years, the Norwegian capital and banking market has developed strongly and has provided some solutions to Greek owners in financing, investment support, leasing/bareboat and joint ventures. Consisting mainly of current and ex shipping parties, Norwegian investors have displayed good timing and shipping experience. This has attracted many Greek owners, e.g. Alafouzos and others.

What of the outlook for shipping banks in the next years?

The adjustment process by overleveraged and aggressive banks has come to near its end after 10 years since the 2009 financial crisis, with few banks nowadays nurturing sizeable bad shipping loans. As a consequence, both the survivors of the above contraction and the recent entries are expected to once again drive ship finance higher. The recovery though is expected to be slow, as banks are still constrained by capital restrictions and develop increasingly demanding risk and compliance departments.

To a large extent, it is the performance of the various shipping sectors, as well as the overall global economic and geopolitical factors, that will determine the immediate future and commitment of shipping banks. Owners' appetite for additional newbuildings and second hand purchases will also be dependent on the above



factors. However, interest in LNGs and tanker vessels continues unabated, seemingly unaffected by global economic and geopolitical issues.