

Marco Fiori points to clear signs of products tanker upturn

Market read comes after initial indications of improvement in the third quarter.

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Marco Fiori called out clear signs of an improvement in the products tanker market as d'Amico International Shipping reported a third quarter loss today.

Milan-listed DIS finished the three months to the end of September \$7.4m in the red, almost unchanged from a year ago.

Fiori, the company's chief executive, says the rebound analysts have been expecting has not yet materialized but some initial indicators can be found in the third quarter.

He pointed to the near 20% year-on-year rise in the spot rates recorded by the company.

"We believe we will see a much healthier spot market in the following months and this is the reason why we are not taking additional time charter coverage at the moment, as we want to maximise our returns in a growing product tanker market," Fiori says.

"I think there are clear signs of market improvement driven by both supply and demand."

He believes product inventories are approaching a more balanced level, with the global economy expected to provide further demand growth in 2018.

"Thanks to our investment strategy together with the sale of some of our oldest ships, DIS will enter next year with one of the youngest and most versatile product tanker fleet in the world and a higher spot exposure, due also to the addition of our LRIs," he said.

DIS raised \$37.9m from a share sale in the second quarter and has sold and chartered back six vessels this year to help fund its capital expenditure.

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