

Buy Rating on d'Amico International Shipping Amid Strong Market Demand and Positive Financial Prospects

TipRanks

Jul. 29, 2024, 02:41 AM

d'Amico International Shipping S.A. ([B7Co](#) – [Research Report](#)), the Industrials sector company, was revisited by a Wall Street analyst today. Analyst [Daniele Alibrandi](#) from Stifel Nicolaus maintained a Buy rating on the stock and has a €8.20 price target.

Daniele Alibrandi has given his Buy rating due to a combination of factors impacting d'Amico International Shipping S.A.'s financial outlook. The first paragraph of this response will detail Alibrandi's analysis of the company's expected strong performance in the upcoming quarterly report. The second paragraph will explain the broader market conditions and future expectations that underpin the Buy rating.

Alibrandi anticipates a sequential increase in spot rates leading to an uptick in Time Charter Equivalent (TCE) earnings and adjusted net income for d'Amico International Shipping S.A. This forecasted improvement is grounded in a healthy market demand for product tankers, which is likely to drive a significant cash generation for the company. The strong operating leverage should also result in robust EBITDA growth year-on-year. This positive financial performance is reflected in Alibrandi's upward revision of the full-year earnings per share estimate and an increased price target, taking into account the updated net asset value and adjustments for foreign exchange and fleet profile changes.

The broader market dynamics are also favorable, with demand for product tankers being bolstered by geopolitical factors such as sanctions on Russian oil and the Suez Canal's disruptions, which elongate shipping routes. Supply growth remains constrained due to high new ship prices and delayed deliveries of new tankers until 2026. Alibrandi expects these conditions to maintain moderately tight markets and healthy rates, barring any major shifts in trade patterns. Additionally, the company's focus on shareholder returns and the strategic management of its fleet, including the recent cancellation of a ship purchase, supports the expectation of continued share price appreciation. These factors collectively justify Alibrandi's conviction in recommending d'Amico International Shipping S.A. as a Buy.

[See today's best-performing stocks on TipRanks >>](#)

Based on the recent corporate insider activity of 9 insiders, corporate insider sentiment is neutral on the stock.

TipRanks tracks over 100,000 company insiders, identifying the select few who excel in timing their transactions. By upgrading to TipRanks Premium, you will gain access to this exclusive data and discover crucial insights to guide your investment decisions. Begin your [TipRanks Premium](#) journey today.

d'Amico International Shipping S.A. (B7Co) Company Description:

d'Amico International Shipping SA is an international marine transportation company. It provides transportation services of refined petroleum products and vegetable oil. It operates a flexible fleet of product/chemical tankers. The product tankers transport refined oil products through various double-hulled vessels. It serves oil companies and trading houses. Its revenue is generated from the employment of the vessels of its fleet under spot contracts and time charters, for the marine transportation of refined petroleum products. Geographically the activities are performed throughout Luxembourg.

SHARE THIS POST
