

D'Amico eyes leasebacks but order talk is 'fake news'

Chief executive explains sale-and-leasebacks are in the works but newbuildings are not.

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D'Amico International Shipping is looking to execute more sale-and-leaseback deals but those expecting it to put the money into newbuildings look likely to be disappointed.

Milan-listed D'Amico is working on a leaseback deal for two older vessels which have been held for sale and is also likely to enter a similar transaction for a more modern tanker, its chief executive says.

Marco Fiori says cash from the deals will be set aside and could be used to support additional chartering activity.

Rumours in the tanker market this week had connected the owner with an order for up to 12 newbuildings at Hyundai Vinashin, split evenly between firm slots and options.

A jovial Fiori quipped the chatter was “fake news” and urged owners to keep their cheque books in the drawer.

“They are not our ships. We have a very modern fleet so for the time being we will be pausing on that front,” Fiori said. “Be calm at this time and enjoy the good market that is coming.”

Fiori was talking with TradeWinds after D'Amico reported a profit of \$1.8m in the opening three months of 2017, compared with a gain of \$7.1m a year ago.

He says the products tanker market this year will not be as bad as some bearish commentators had feared.

“I don't think we will have another year like 2015 but we started the first quarter in the black which is a good thing,” he said.

