



d'Amico International Shipping's chairman and chief executive is Paolo d'Amico. The company owns product tankers. Photo: d'Amico International Shipping

d'Amico beats spot market for 'very profitable' seven-year LR1 charter

Italian owner says bareboat deal has increasing rates over its term in tough markets

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By [Gary Dixon](#) in **London**

Milan-listed d'Amico International Shipping (DIS) has fixed out a modern LR1 tanker for up to seven years.

The bareboat charter for the 75,000-teu Cielo di Londra (built 2019) is to a reputable industrial counterparty, the company said.

The firm term of five years is at a "very profitable" undisclosed rate for DIS.



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The charterer can extend the deal for another two years at increasingly higher earnings levels.

The firm rate is at a "significantly higher level" than can be achieved today on the spot market, the company added.

Product tanker spot rates have been in the doldrums. UK shipbroker Howe Robinson Partners assesses a Middle East to Japan run at just \$3,879 per day for a non-eco vessel, and \$9,426 for the most modern ships.

DIS' fleet comprises 38 double-hulled product tankers, of which 20 are owned.

The shipowner's chief executive and chairman Paolo d'Amico said: "This deal is fully in line with DIS' commercial strategy, based on a balanced mix of contract coverage and spot exposure, allowing our company to navigate through different market cycles."

Nothing wrong with the fundamentals

He added that the charter highlights the strong fundamentals of the market.

"It also confirms that the market recognises a substantial premium for modern and 'eco' product tanker vessels, which thanks to the large investment plan we implemented in the last years represents the large majority of DIS' current fleet," the CEO said.

In July, DIS said its executive pay will be linked to sustainability performances this year in yet another example of the shipping industry's increasing focus on environmental, social and governance standards.

The amended pay policy explicitly states remuneration would be related to sustainability criteria, including those laid out by Borsa Italiana's Corporate Governance Code. [\(Copyright\)](#)

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