

D'amico promises shareholders high returns for years to come

Italian product tanker company d'Amico International Shipping is very optimistic about the future of the sector and has thus purchased several vessels.



Photo: D'amico

BY TOMAS KRISTIANSEN

The first of the large product tanker shipping companies, Italian d'Amico International Shipping, has presented figures for the first half of 2023 that confirm the sector's upturn.

The company, headed by the d'Amico family, **posted a profit for the first six months of the year** of USD 100m as opposed to USD 19.2m in the same period of 2022.

Although there has been a slight downward trend in the market in the second quarter, the company made a profit in the last three months of USD 45.7m — or almost twice as much as the same quarter last year.

Throughout the first half of 2023, the product tanker market has remained at historically strong levels, despite an increase in volatility and some softer trends experienced towards the end of Q2," said Paolo d'Amico, chair and CEO of d'Amico International Shipping, commenting on the figures.

In line with other product tanker companies that which are benefiting from the sanctions imposed by the EU on trade in Russian oil, d'Amico has paid an extraordinary dividend of USD 22m to shareholders.

Paolo d'Amico states that he is optimistic about the future and expects to be able to pay good dividends "in the coming quarters and years."

The party continues

In the first half of the year, the company operated a fleet of 36 vessels at average TCE rates of USD 32,434. However, they were strongest in the first three months with the rate level in the most recent quarter being USD 30,831.

In the second quarter, the company exercised purchase options on three chartered-in vessels, which followed a similar agreement for two vessels between December 2022 and January 2023.

During the first half of the year, the company has reduced its net debt by approximately USD 100m to just over 300m, according to the financial statements.

The company also justifies its optimism with the expectation from the latest report from the International Energy Agency. Here, it expects oil demand to increase by 2.2 million barrels per day to end up at 102 million barrels for the full year.

In addition, the company believes — with reference to figures from Clarksons — that fleet growth will continue to be low, except for LR2, which DIS does not have vessels in.

It was a slightly different tone yesterday from Bimco, which announced that orders for new product tankers in June amounted to 8.9 million dwt.

This means that more product tankers have already been ordered in the first half of 2023 than in the whole of 2022.

(Translated using DeepL with additional editing by Christian Radich Hoffman)