

Marco Fiori: 'The best has yet to come'

d'Amico International Shipping chief says summer slump is not the start of products down-cycle.

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Marco Fiori has dismissed the slump in products tanker rates as seasonal and tipped earnings to rebound in the fourth quarter before performing better over the next two years.

Fiori, chief executive of Milan-listed d'Amico International Shipping, says 2016 is a transitional year before another peak in rates.

Speaking to TradeWinds after the company reported its second quarter results today he dismissed the idea that the sector was now heading into a down-cycle.

"I think the best has yet to come," he said. "I think 2017 will be a good year and 2018, there are no new ships coming out and no orders while trade is continuing to grow.

"I think everything is stacked for better years ahead."

With that in mind, DIS will now avoid growing its charter book, Fiori explains.

His comments came after the shipowner recorded a profit of \$6.4m in the second quarter of 2016, down from \$18.7m at the same stage in 2015.

Revenue fell from \$81.2m to \$69.4m year-on-year.

"There are years you make money and there are years where you build up to make money in future years. This is one of those," he said.

Despite the availability of cheap newbuilding slots and a slump in asset values, Fiori explains the owner is not chasing major transactions given it has growth inbuilt via its existing orderbook.

"On the newbuildings I don't think there are any prices as nobody is doing anything," he said. "There has been a little lull on the secondhand as there is no financing."

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