

The Costas Grammenos Centre for Shipping 5th Athens Triennial Meeting

7 – 9 October 2024
Tanker Panel

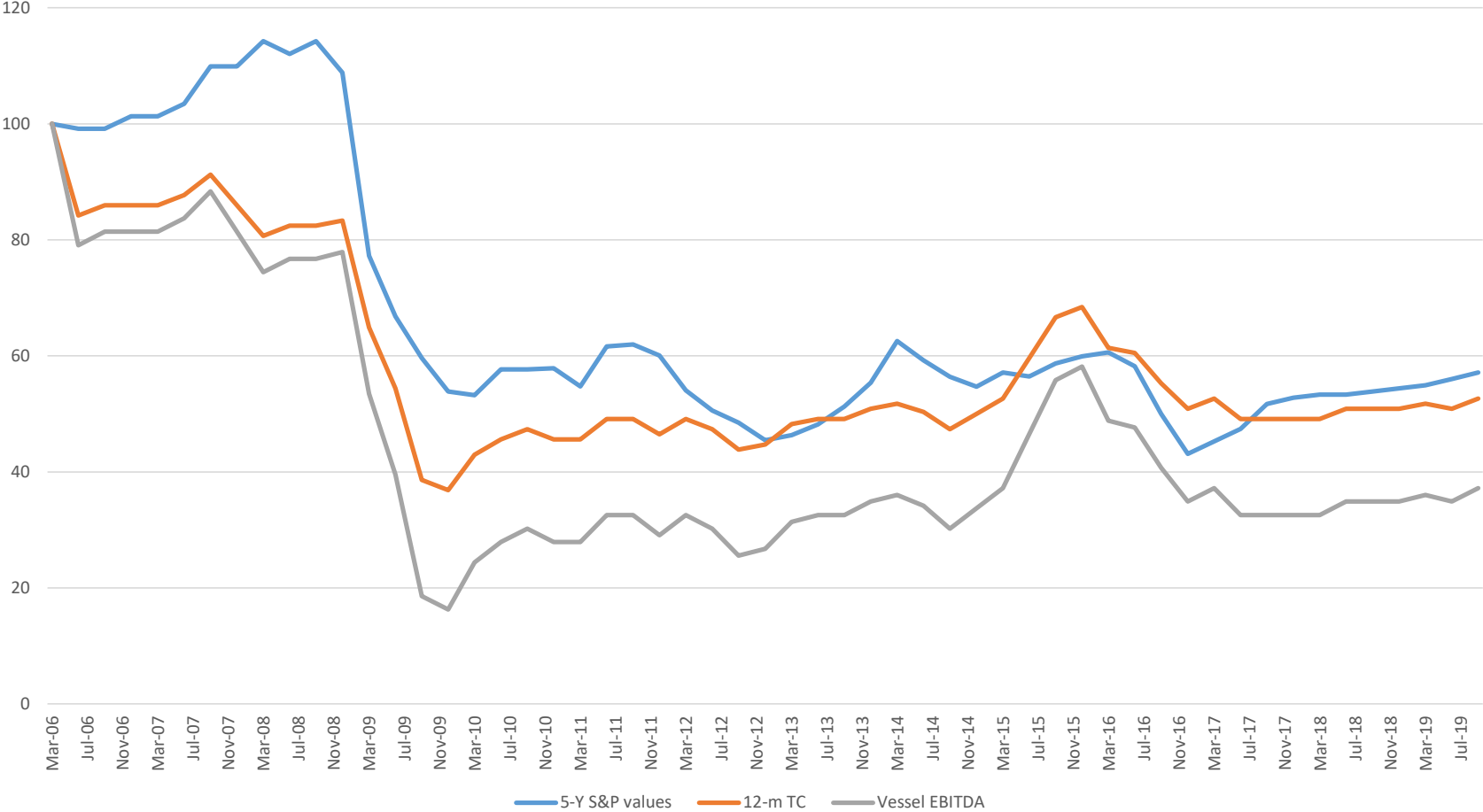
Asset play Vs. Yield: Recent developments of the tanker market

Laurent BOZZONI

CEO | SOCATRA Group

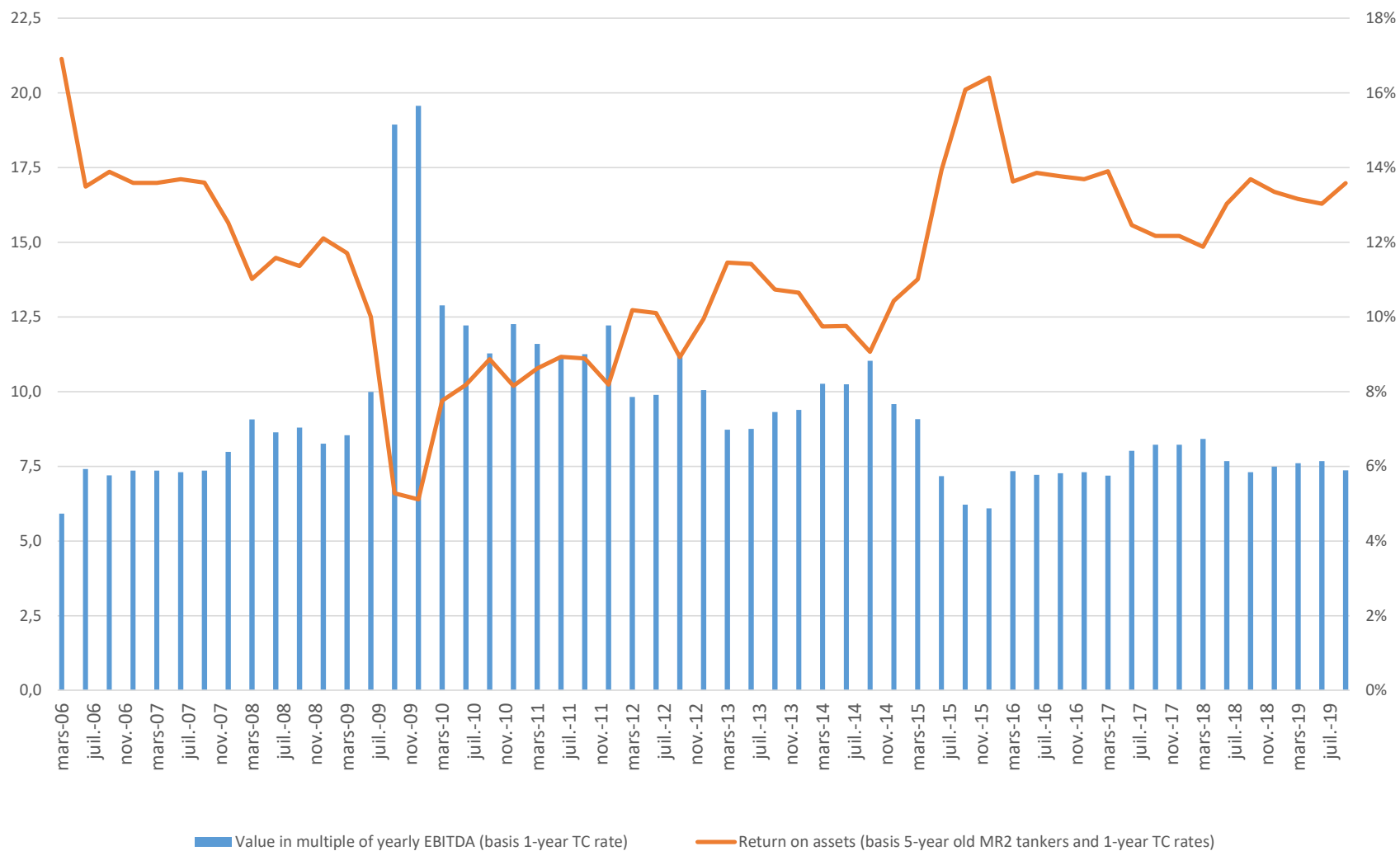
- The correlation between freight rates and market values has been affected since the beginning of the super-cycle (mid 2000's).
- This led to asset values being repriced (relative to freight rates), especially following the financial crisis of 2008.
- Now, from financial crisis, to COVID, to geopolitical disruption, what happened since 2016?
- Has shipping really become a yield business? Or is asset play still the main characteristic of the tanker market?

MR Product tankers
 Charter rates and Asset values 2006 - 2019
 (Basis 100 - Q1 2006)

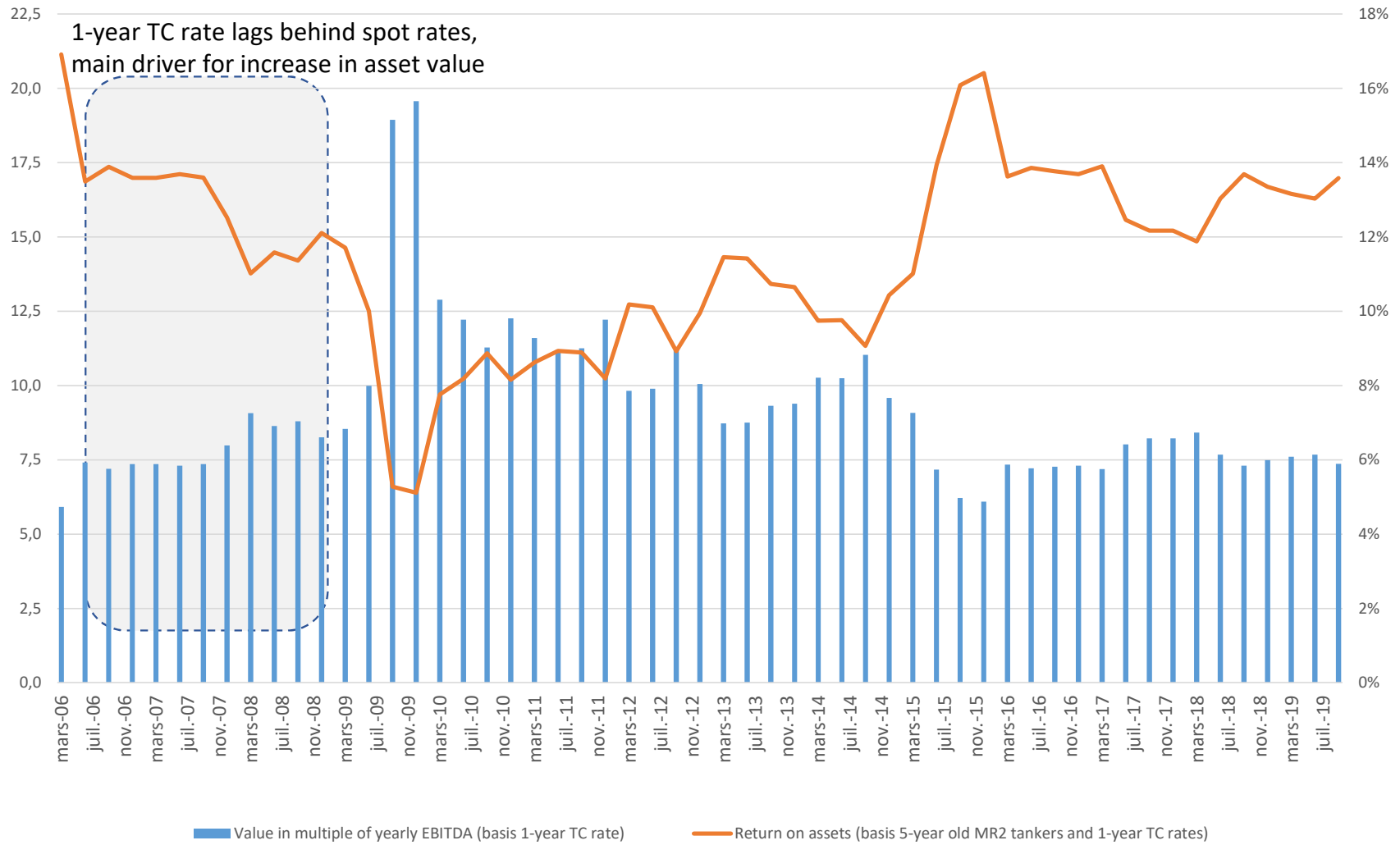


Sources: Allied, Galbraith, Braemar-ACM

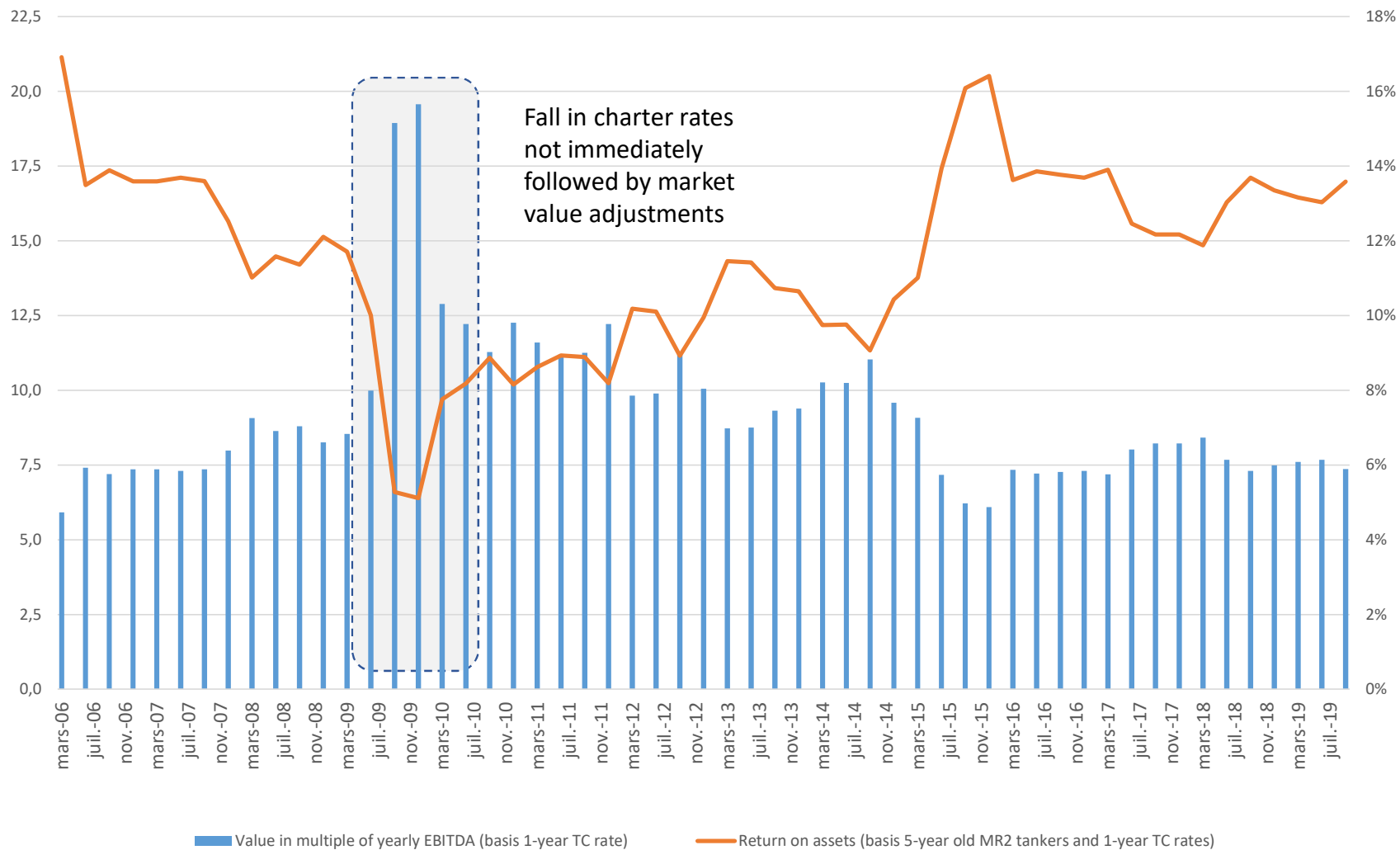
5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



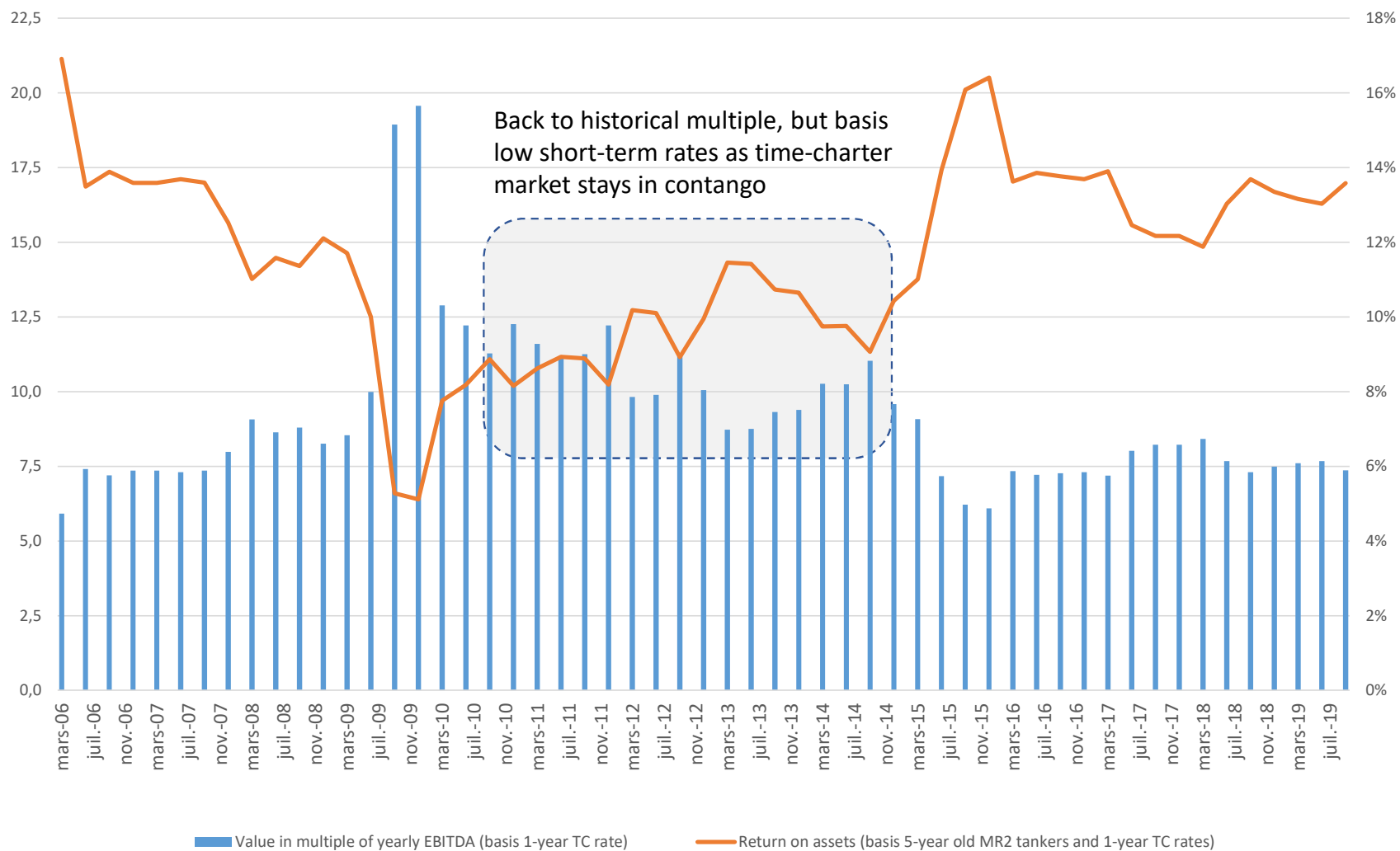
5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



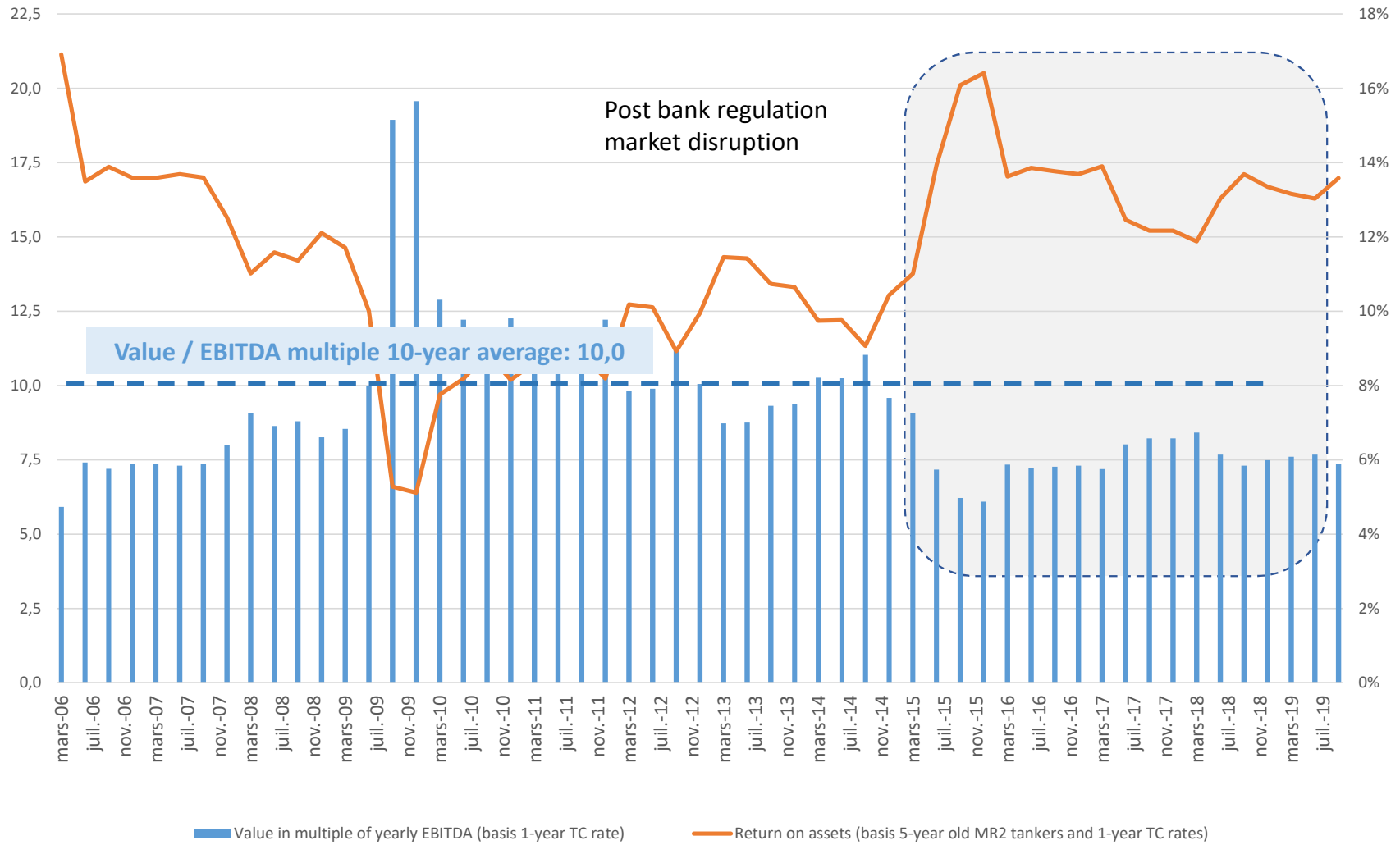
5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



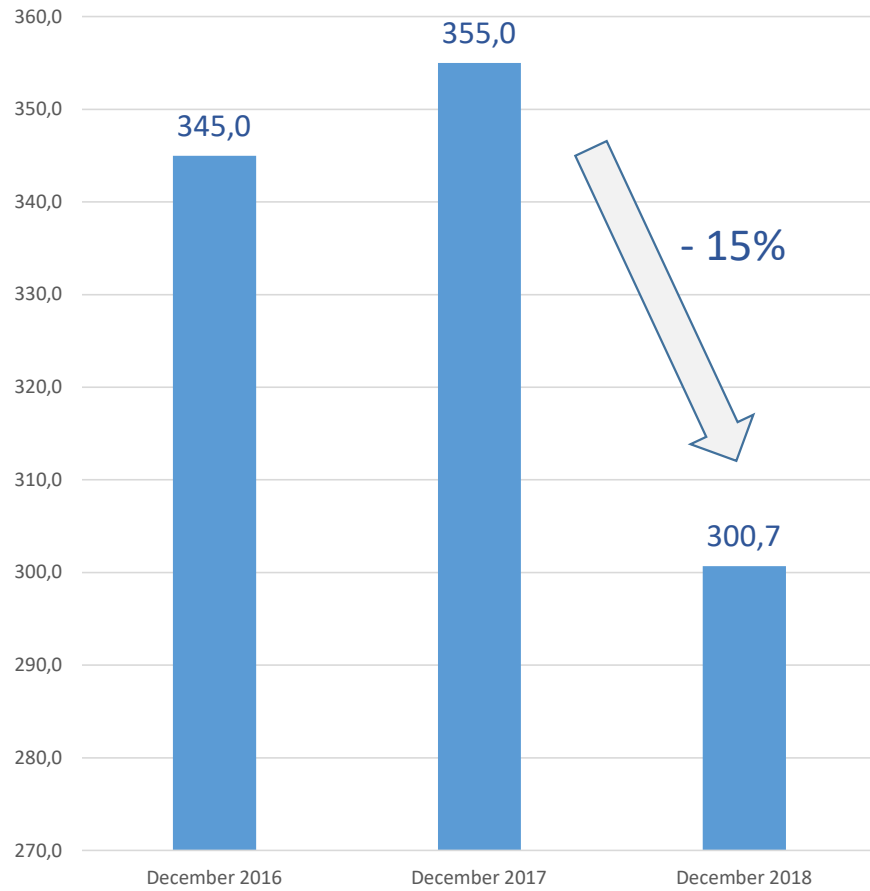
5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



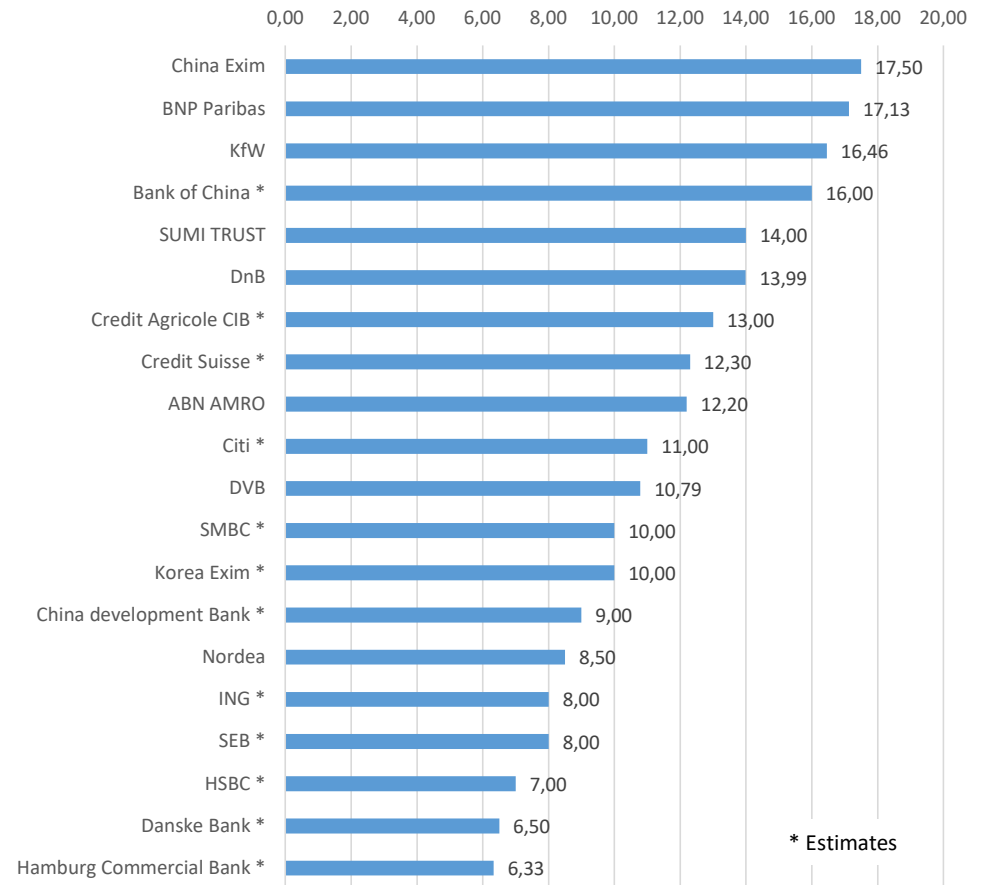
5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



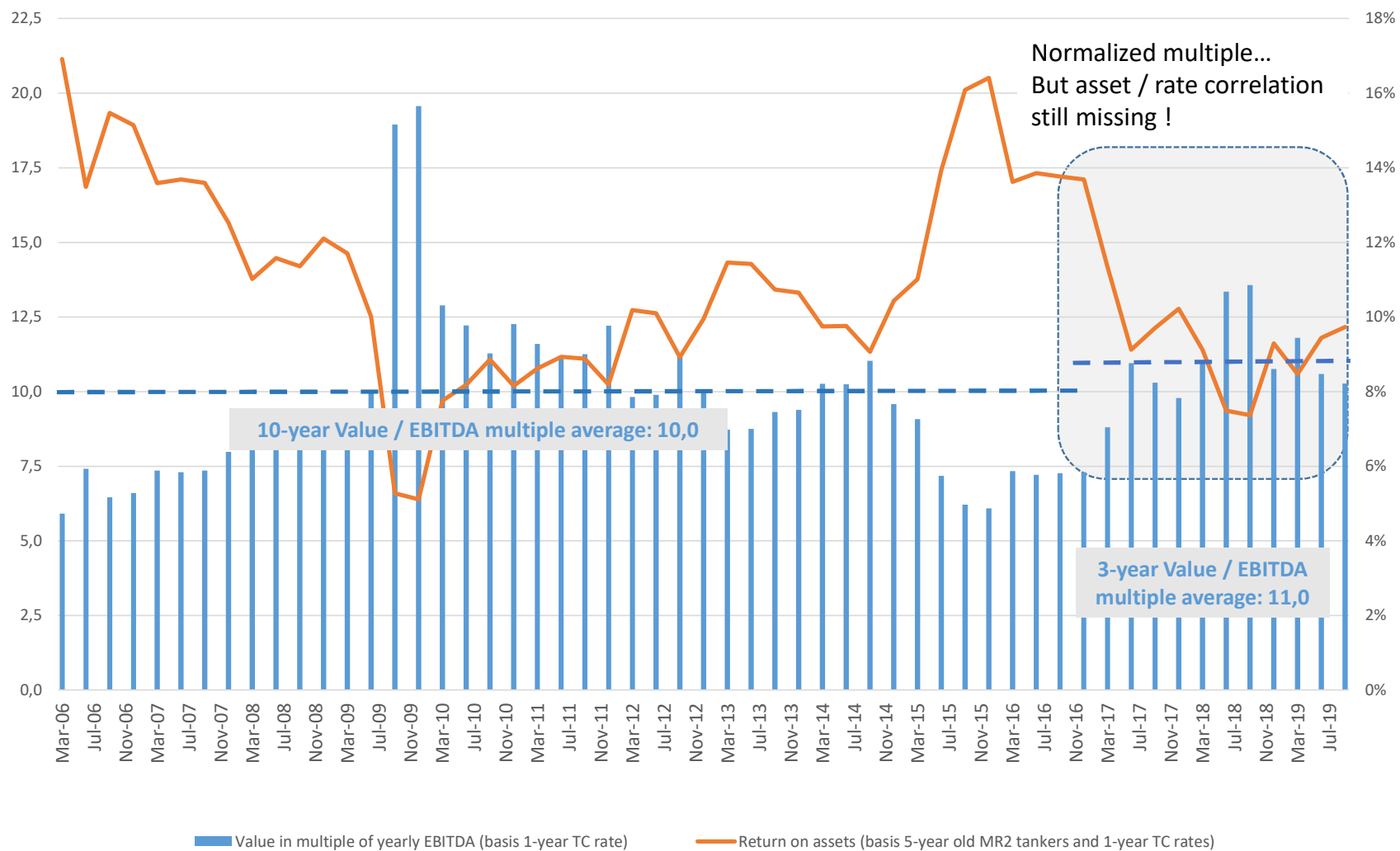
Loan portfolio of 40 largest shipping banks (\$bn)



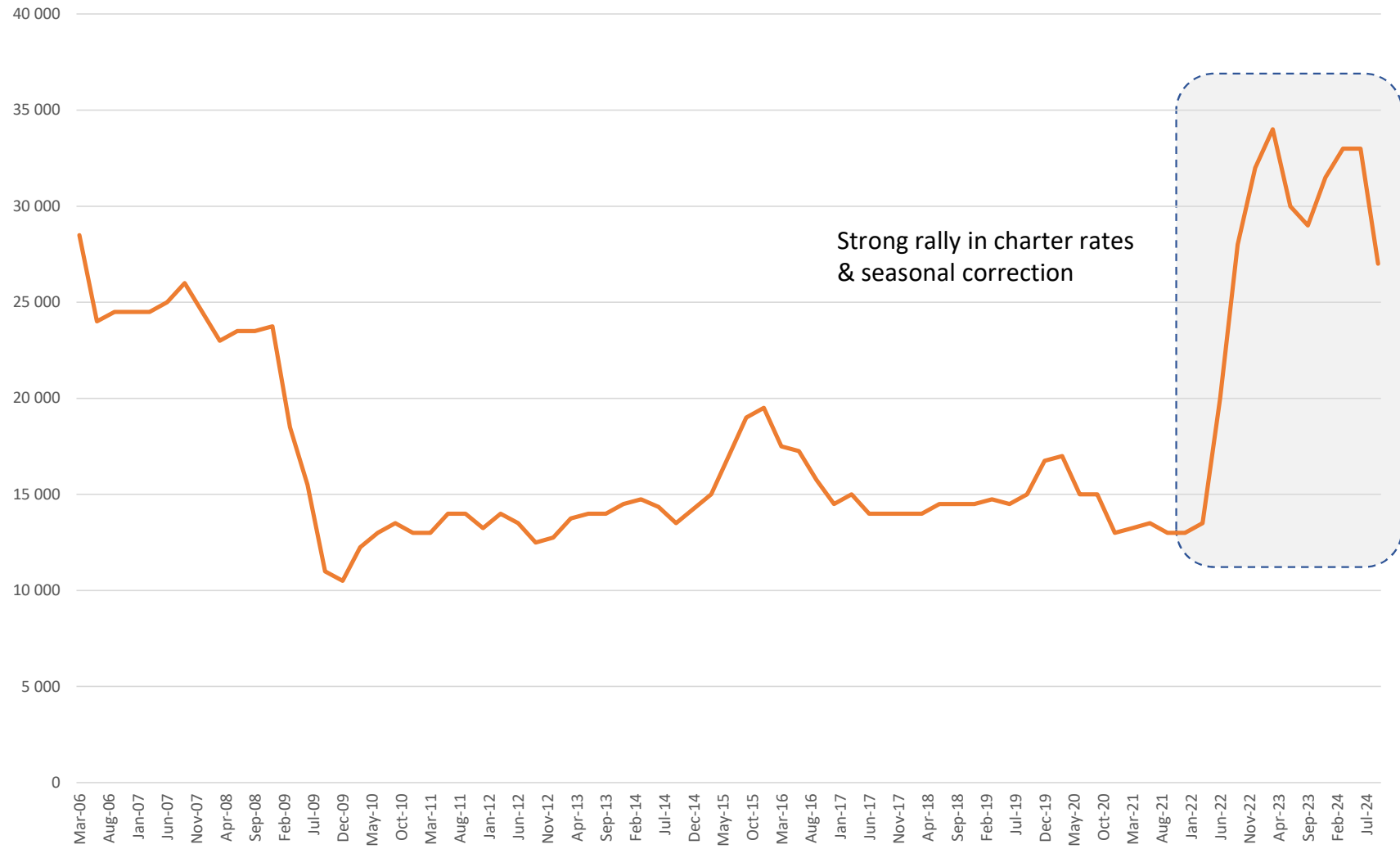
20 largest bank shipping portfolios (\$bn, End Dec. 2018)



5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA

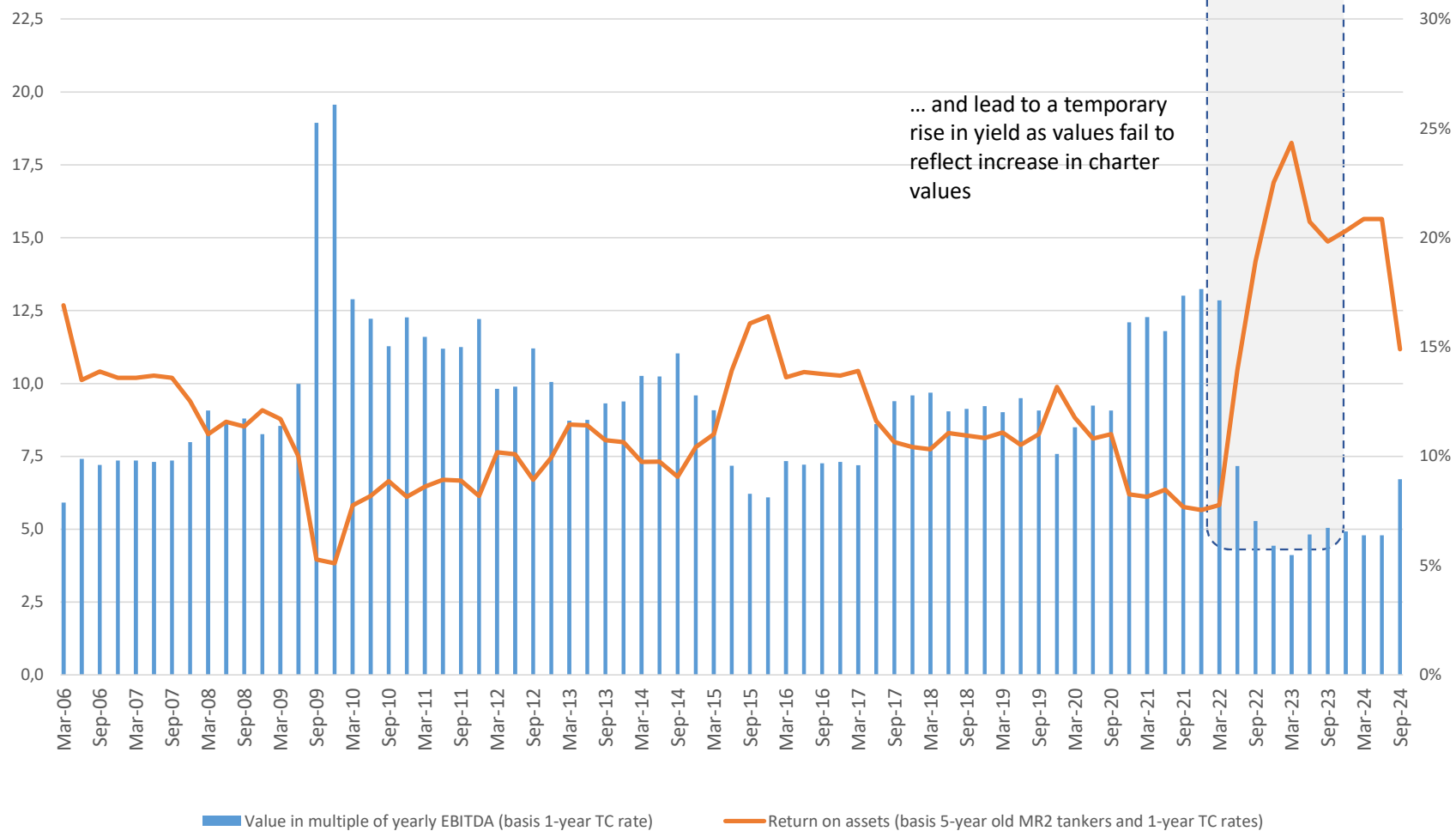


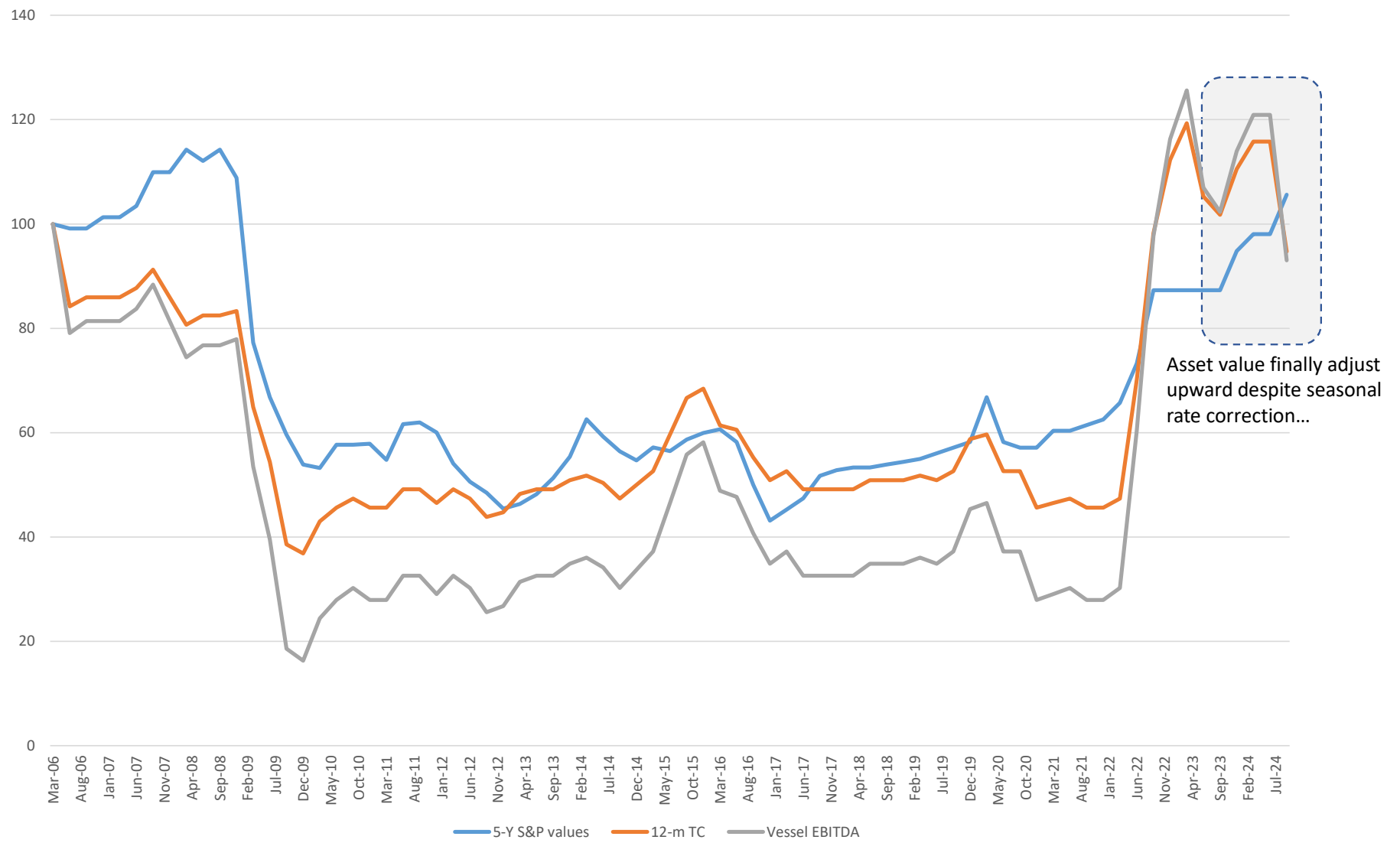
MR 12-m Time Charter Rates (\$/Day)



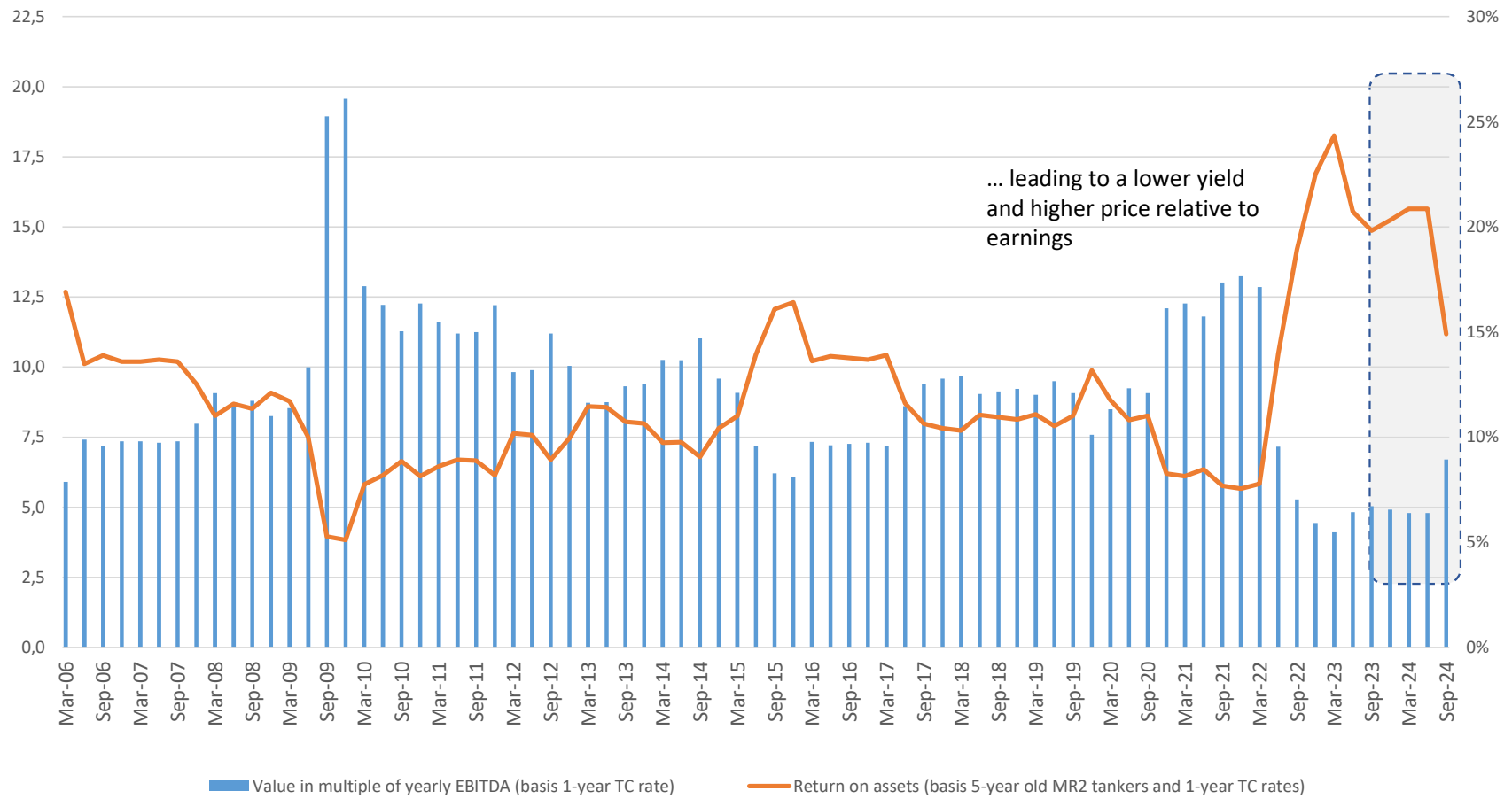


5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA

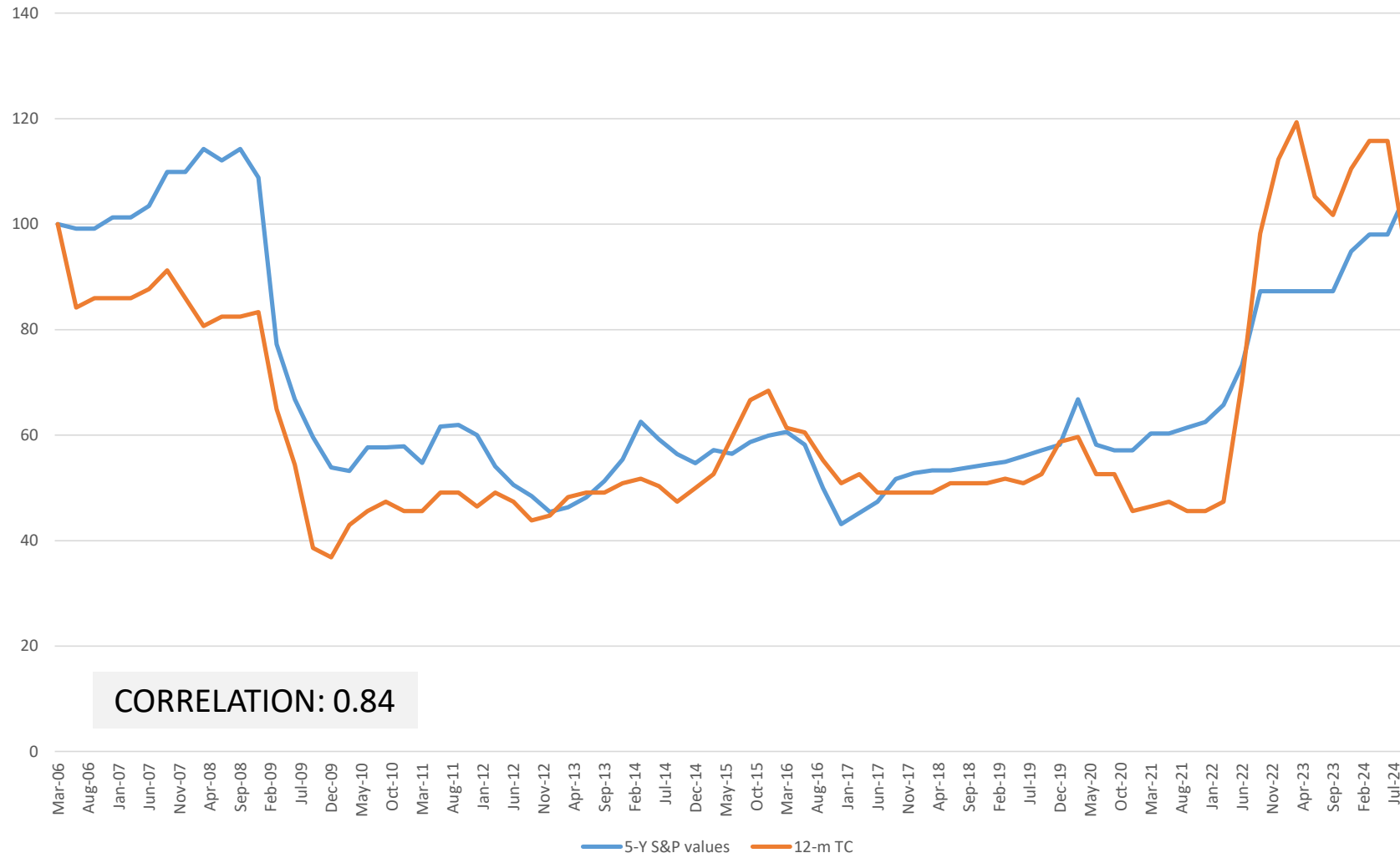




5-year old MR2 tankers Vs. 1-year Time Charter rates: EBITDA multiple & RoA



Values & rate correlation



CORRELATION: 0.84