

# d'Amico adjusts LR1 arrivals with market set to spring back

Chief executive Marco Fiori confirms three of the six newbuilds are now fixed.

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d'Amico International Shipping has reworked the delivery schedule of a series of LR1s under construction in Vietnam.



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Milan-listed DIS inked the sextet at \$44m per copy in the summer of 2015, with delivery initially penciled in from the second quarter of 2017 through to the third quarter of 2018.

Early last year, the first tanker in the series was bumped from April to October 2017 at the request of the charterer, who holds an 18 month contract on the tanker. At the same time the remaining five ships were inched back slightly.

The first two tankers have now been delivered. However, the remaining schedule has been adjusted again, with two more tankers now due in July 2018 and the last two in January 2019, the shipowner's fourth quarter report said.

Marco Fiori, chief executive of the Italian shipowner, said: "Everybody agreed in having a later delivery. Part is on the yard and part is we are happy with a later delivery in this kind of market."



Hyundai Mipo Dockyard (HMD) president and chief executive YS Han at Hyundai Vinsahin Shipyard (HVS) being interviewed by Italian press Photo: Andy Pierce

TradeWinds has reported time charter contracts for two more of the tankers of late.

Fiori confirmed three of the ships are now fixed and three are open. “We did a very good one [charter] in the high teens to be delivered in July,” he said.

Fiori was talking after DIS reported a loss of \$38.1m for 2017, reduced to \$27.2m if impairments of vessels held for sale and stripped out.

“It defies every common sense this lack of a recovery,” Fiori said of the product tanker market.



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“The more and more it is delayed, this recovery, the more I feel it is like loading a spring and it will be stronger when it comes.”

DIS booked a number of sale and leaseback deals last year as it raised the final funds for a \$755m newbuilding project spanning 22 new vessels.

By the end of 2017, 17 of those ships had been delivered.

Fiori said he would like to think the company is done with the leasebacks for now.

“We will have to wait and see how the market develops,” he said. “We have access to the Japanese market, that is very positive.”