



CAPITAL LINK FORUM- THE VOICE OF OUR YOUNG EXECUTIVES

CHINESE LEASING

Even during these difficult times of the coronavirus, Chinese leasing continued its normal operations. According to Chinese leasing companies' representatives, there was no substantial impact on their day to day business, this is due to the fact that by working from home, they stayed connected with their colleagues and remained focused on their projects. They maintained their face to face interactions with their clients through modern technology which fortunately, allowed for transactions to be done without physical presence

My opinion for the future of the shipping leasing industry is that there is currently no intention from the leasing companies to proceed with new operating leasing deals. Their goal is to operate as financial institutions and not building portfolios of vessels. One of the largest Chinese leasing companies, CMB, used to have a form of operating leasing but now, their focus and profit lever remains to be in financial leasing. Furthermore, it is difficult for leasing companies to proceed to ship ownership as it requires technical background of the ships and vessels.

Finally, the sources of funding are getting more and more diversified and there is a variety of them, including traditional banks, trading in the bond market by issuing bonds and other fund providers. The European banks play a very crucial role on the funding as they have several commercial angles that can support such type of financing.



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