

Paragon likes liner

Michael Bodouroglou says the reason Paragon invested in containerships was because they provided the best investment opportunity at the time.

“The company had liquidity, we wanted to grow the company and we thought 2010 was a good year to do it,” he tells TradeWinds WebTV.

“But we thought dry bulk prices were inflated. So the sector which I though presented the best opportunity was containerships, which is why we have done it.”

“And it is no coincidence that you have seen a number of Greek shipowners entering the containership market for the first time,” Bodouroglou said.

Paragon bought two 3,400-teu containerships from Germany’s Howardtwerke-Deutsche Werft in June this year for about \$49m each.

The two ships have subsequently been chartered to Chilean liner company CSAV for two years for two years at an undisclosed rate.

“When we brought them it was not only that they would be accretive to our earnings, but that we could look forward to significant upside potential in the years to come.”

Bodouroglou, speaking at the TradeWinds Shipping China conference in Beijing, believes we have seen the worst in the containership sector. “I think this is the consensus,” he says.

He adds: “We have seen a dramatic increase in rates since the beginning of this year accompanied by a dramatic increase in second hand values.”

By Dale Wainwright in Beijing.