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ditmitris well known secret from ten years ago. - sorry According to Martin Stopford, an economist with Clarksons, the world's largest shipbroker, the secret of the Greek success is not, as you might expect, that Greeks are good at running ships. They leave the grind of finding cargoes to specialists: they excel, instead, at managing risk. The Greek shipping fortunes are based on buying ships cheaply and selling them dear. They have an impressive record of spotting the tops and bottoms of the market.

Foolishness to the Greeks

That is in sharp contrast to certain other perennial investors in shipping: on the waterfront of Piraeus, where owners and their agents mingle, they say that, while God gave the Saudi Arabians oil, he fortunately gave the Greeks the Norwegians. Needless to say, Norwegians disagree. After all, the world's largest tanker owner is a Norwegian company. Nor is it just Norwegians who are the fall guys. The price of second-hand bulk carriers started to fall this spring as freight rates declined, catching out some firms. On July 21st, Jinhui, a Chinese shipping company listed in, er, Oslo, issued a profit warning for precisely that reason.

Greeks buy and sell ships far more often than others in the industry. *Naftiliaki*, a trade magazine, says that of 535 ship trades from January until mid-May 2004, 264 involved Greeks. Most of the 733 Greek shipowning firms are small, with only a few ships. But the industry is consolidating fast—which may limit the ability of firms to time the market so well in future (at investment vehicles such as hedge funds, bigger generally means worse). The 46 largest Greek shipping firms now control 70% of the fleet. Although the fleet has grown, the number of firms is down by 25% since 1998.

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