

COURSE OUTLINE

(1) General information

FACULTY/SCHOOL	Maritime and Industrial Studies		
DEPARTMENT	Maritime Studies		
LEVEL OF STUDY	Undergraduate		
COURSE UNIT CODE	NAAIT45	SEMESTER	Spring semester elective
COURSE TITLE	RISK MANAGEMENT IN SHIPPING AND TRANSPORT		
INDEPENDENT TEACHING ACTIVITIES <i>in case credits are awarded for separate components/parts of the course, e.g. in lectures, laboratory exercises, etc. If credits are awarded for the entire course, give the weekly teaching hours and the total credits</i>	WEEKLY TEACHING HOURS	CREDITS	
	4	6	
<i>Add rows if necessary. The organization of teaching and the teaching methods used are described in detail under section 4</i>			
COURSE TYPE <i>Background knowledge, Scientific expertise, General Knowledge, Skills Development</i>	Scientific expertise		
PREREQUISITE COURSES:			
LANGUAGE OF INSTRUCTION:	English		
LANGUAGE OF EXAMINATION/ASSESSMENT:	English		
THE COURSE IS OFFERED TO ERASMUS STUDENTS	Yes		
COURSE WEBSITE (URL)			

(2) LEARNING OUTCOMES

Learning Outcomes

The course learning outcomes, specific knowledge, skills and competences of an appropriate (certain) level, which students will acquire upon successful completion of the course, are described in detail.

It is necessary to consult:

APPENDIX A

- *Description of the level of learning outcomes for each level of study, in accordance with the European Higher Education Qualifications' Framework.*
- *Descriptive indicators for Levels 6, 7 & 8 of the European Qualifications Framework for Lifelong Learning and*

APPENDIX B

- *Guidelines for writing Learning Outcomes*

General Competences

Taking into consideration the general competences that students/graduates must acquire (as those are described in the Diploma Supplement and are mentioned below), at which of the following does the course attendance aim?

<i>Search for, analysis and synthesis of data and information by the use of appropriate technologies,</i>	<i>Project planning and management</i>
<i>Adapting to new situations</i>	<i>Respect for diversity and multiculturalism</i>
<i>Decision-making</i>	<i>Environmental awareness</i>
<i>Individual/Independent work</i>	<i>Social, professional and ethical responsibility and sensitivity to gender issues</i>
<i>Group/Team work</i>	<i>Critical thinking</i>
<i>Working in an international environment</i>	<i>Development of free, creative and inductive thinking</i>
<i>Working in an interdisciplinary environment</i>	<i>.....</i>
<i>Introduction of innovative research</i>	<i>(Other.....citizenship, spiritual freedom, social awareness, altruism etc.)</i>
	<i>.....</i>

By the end of the module, it is expected that the students will be able to:

- Understand risk-return trade-offs and identify the sources of business risks in the shipping markets.
- Explore the underlying assets of shipping derivatives and evaluate a wide set of such derivatives products.
- Implement hedging strategies by trading derivatives products in shipping.
- Manage shipping related risk exposures by evaluating the hedging effectiveness of shipping derivatives.
- Develop, appraise and implement shipping related risk management strategies.
- Apply advanced option trading strategies in shipping.

(3) COURSE CONTENT

- Sources of Business Risks in Shipping and Traditional Risk Management
Business Risk, Physical Risk, Freight Rate Risk, Vessel Price Risk, Credit Risk, Interest rate Risk, Currency Risk
- Underlying Assets of Shipping Derivatives
Baltic Exchange Indices, Routes, Vessels, Container Markets
- Freight Rate Risk Management: Dry-bulk, Tanker and Container FFAs,
Freight Futures & Derivatives Exchanges
Freight Futures, Clearing Houses, Trading FFA's, FFA Brokers
- Basis Risk, Settlement Risk and Hedging Error
Differences of FFA's with underlying markets, Hedging Efficiency
- Freight Options Contracts and their Mechanics
Freight Option Trading Strategies
- Bunker Rate Risk Management
Bunker Markets, Singapore, Rotterdam, Crude Oil
- Credit Risk and Market Risk in Shipping Markets

Types of Credit risk, Value at Risk, Expected Shortfall, Credit Derivatives, Interest Rate and Foreign Exchange Derivatives

(4) TEACHING METHODS--ASSESSMENT

<p>MODES OF DELIVERY <i>Face-to-face, in-class lecturing, distance teaching and distance learning etc.</i></p>	Face to face	
<p>USE OF INFORMATION AND COMMUNICATION TECHNOLOGY <i>Use of ICT in teaching, Laboratory Education, Communication with students</i></p>	TBD	
<p>COURSE DESIGN <i>Description of teaching techniques, practices and methods: Lectures, seminars, laboratory practice, fieldwork, study and analysis of bibliography, tutorials, Internship, Art Workshop, Interactive teaching, Educational visits, projects, Essay writing, Artistic creativity, etc.</i></p> <p><i>The study hours for each learning activity as well as the hours of self-directed study are given following the principles of the ECTS.</i></p>	<p>Activity/Method</p>	<p>Semester workload</p>
	Lecture	46
	Non-guided study	79
	Total	125
<p>STUDENT PERFORMANCE EVALUATION/ASSESSMENT METHODS <i>Detailed description of the evaluation procedures:</i></p> <p><i>Language of evaluation, assessment methods, formative or summative (conclusive), multiple choice tests, short- answer questions, open-ended questions, problem solving, written work, essay/report, oral exam, presentation, laboratory work, other.....etc.</i></p> <p><i>Specifically defined evaluation criteria are stated, as well as if and where</i></p>	Final Exam 100%.	

they are accessible by the students.	
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(5) SUGGESTED BIBLIOGRAPHY:

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| <ul style="list-style-type: none">- <i>Suggested bibliography:</i>• Kavussanos, M. and Visvikis, I (2006), <i>Derivatives and Risk Management in Shipping</i>, Witherbys Publishing and Seamanship International, UK.
- <i>Other Textbooks and Key References</i>• Kavussanos M.G. and Tsouknidis D.A., (2019), "Credit Risk Analysis, Measurement and Management in the Shipping Industry", in P. M. Panayides (Ed), <i>Handbook in Maritime Management</i>, Routledge Taylor and Francis.• Kavussanos, M.G., Visvikis, I.D., (2016), <i>The International Handbook of Shipping Finance: Theory and Practice</i>. Chapter 15. Palgrave Macmillan Publishers, London.• Kavussanos, M. and Visvikis, I (2011), <i>Theory and Practice of Shipping Freight Derivatives</i>, Risk Books, Incisive Media, UK.• Kavussanos, M., Visvikis, I. and Dimitrakopoulos, D. (2015): "Freight Markets and Products", (In Eds.) Roncoroni, A., Fusai, G. and Cummins, M., <i>The Handbook of Multi-Commodity Markets and Products: Structuring, Trading and Risk Management</i>, John Wiley & Sons Limited. |
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