

**MSc International Shipping and Finance (1 year) (full-time)**  
**For students entering in 2017/8**

|   |   |
|---|---|
| Awarding Institution:                       | University of Reading                     |
| Teaching Institution:                       | University of Reading                     |
| Relevant QAA subject Benchmarking group(s): |   |
| Faculty:                                    | Henley Business School at Univ of Reading |
| Programme length:                           | 1 year                                    |
| Date of specification:                      | 06/Dec/2017                               |
| Programme Director:                         |   |
| Programme Advisor:                          |   |
| Board of Studies:                           | ICMA                                      |
| Accreditation:                              |   |

**Summary of programme aims**

The programme combines three main components/areas: finance, shipping finance and general shipping. Its ultimate aim is to prepare graduates for a career in the finance area of the shipping industry as well as in the wider shipping and finance industries. Indicative career paths in the shipping industry are: chartering, operations, finance, accounting and risk management departments of shipping (and transportation) companies, ship-broking firms (including derivatives desks), shipping divisions of banks, shipping consulting companies and ship finance arrangers. Moreover, students may pursue careers in the wider finance sector.

The programme provides participants with the opportunity to develop and demonstrate their understanding of both the theory and practical applications of mainstream shipping, finance and shipping finance. It also aspires to respond to the continuous growth in the shipping industry, in traditional shipping markets, such as Greece, United Kingdom, Belgium, Denmark, Norway, Germany, Netherlands and Italy, but also emerging shipping markets, such as India, China and other Asian countries.

It primarily aims to equip students with the fundamentals of shipping and international trade, finance and corporate finance and then build up this knowledge base with more specialised shipping finance and general shipping related elements.

The MSc programme will be offered on a full-time residential basis. Students will study in Reading from October until March and then attend the rest of the second term from March to April at ALBA Graduate Business School. ALBA is a top European Business School with world-renowned academic faculty and is widely recognised by both the business community and accreditation/professional bodies, such as AMBA, EFMD/EPAS, CFA, ICS and others. Most importantly, it specialises in shipping finance and shipping-related courses, is well linked with the local and international shipping industry and is based in Athens, Greece, which is a country with a long standing tradition in shipping and one of the largest maritime clusters in the world.

The format can be summarised as follows:

- **Term 1 (Autumn):** Students attend University of Reading - ICMA Centre modules (50 credits) and also 2 shipping-related modules (30 credits) delivered in Reading by ALBA faculty members. They also attend other practical shipping related masterclasses aiming to enrich their practical knowledge. Students sit all Part 1 modules in January.

- **Term 2 (Spring: January-March):** Students take 40 compulsory credits (20 delivered by ALBA faculty). Students on the 9-month programme also take also select two 10 credit options (10 credits offered by ALBA and 50 credits offered by the ICMA Centre). In term 2 all students also attend 2 practical masterclasses.

- **Term 2 (Spring: March-April):** Students attend ALBA in Athens. Students take 2 ALBA shipping finance and general shipping-related modules (two 20 credit modules) delivered by ALBA faculty. Students sit all term 2 modules in Reading (May-June).

- For the 12 month programme students take a 20 credit module taught in Reading over the summer.

- Graduation takes place in July for the 9 month programme and December for the 12 month one

**Transferable skills**

Like all our MSc programmes, students will have the opportunity to enhance their skills relating to numeracy, problem-solving, communication, information handling and the use of information technology, time management, team working and career planning.

Again, consistent with our other MSc programmes, the quantitative skills developed, including the use of statistical and econometrics software, are much in demand in the financial sector, but are readily transferable to other business and organizational contexts like the shipping sector. All other skills are transferable and therefore

not specific to particular companies or industries. Students will have the opportunity to improve their communication skills both in the preparation of written assignments and during the interaction with their classmates in the classroom/seminar discussions that support their learning. The Securities, Futures and Options and Fixed Income and Equity Investment modules, for example, will require them to organize and interpret data. The significant role of spreadsheet modelling, in particular, will enhance the use of information technology in the programme.

The programme will help the students understand techniques in finance and risk management in shipping. It will enable applied knowledge of the problems, issues and alternative methods involved in shipping finance, together with a strong understanding of the general shipping and maritime logistics environment through mainstream shipping-related courses. The programme focuses on the general principles of financial management by shipowning and ship operating companies and the impact of economic variables on the financial operations of shipping business organizations. The end goal is to provide students with the tools necessary to conduct accurate financial analysis for investment purposes and to construct effective risk management solutions in the shipping industry. At the end of the programme, the students will be able to develop, appraise, negotiate and choose among alternative investment and risk management proposals which exist in the shipping industry

### **Programme content**

Students study 180 credits in total. Part 1 consists of 80 compulsory credits and three not-for credit day masterclasses Overview of Shipping Markets, Technical Aspects in Shipping and Careers in Shipping. At Part 2 in Reading, they study 60 credits consisting of one 30 credit compulsory module, one 10 credit compulsory module and a compulsory 20 credit module. They also attend two not-for credit day masterclasses, Shipping Strategy and Shipbroking and Chartering Practice. At Part 2, in Athens they study additional two 20 credit compulsory modules and attend two day masterclasses Maritime Accounting and Shipping Strategy. Overall, students take 90 credits of Reading compulsory modules and 90 credits of ALBA modules.

|        |   |     |
|--------|---|-----|
| ICM107 | Securities, Futures and Options                     | 207 |
| ICM108 | Fixed Income and Equity Investments                 | 207 |
| ICM124 | Introductory Quantitative Methods for Finance       | 107 |
| ICM125 | Maritime Business and Economics                     | 207 |
| ICM126 | International Maritime Trade                        | 107 |
| ICM283 | Economic Modelling and Analysis of Shipping Markets | 107 |
| ICM303 | Shipping Finance and Investment                     | 307 |
| ICM300 | Chartering and Charterparty Analysis                | 207 |

Students must choose optional modules to take their total credits to 180. A complete list of optional modules will be available from the Programme Director and a list of current options can be found in the relevant Programme Handbook.

**Part-time or modular arrangements**

N/A

**Progression requirements**

N/A

**Summary of Teaching and Assessment**

Teaching is organised in modules. The method of delivery varies among modules, especially in terms of the proportions of time allocated to lectures, seminars, workshops and dealing-room sessions. All modules are part-assessed via a multiple-choice test or coursework that can take a variety of forms. Final assessment normally involves a written examination, and also incorporates coursework marks.

The full-time programme is taught over one 11-week term and one 15-week term split between Reading and Athens. Part 1 starts in late September / early October of each year. Examinations for Part 1 modules are held in Week 1 of the following spring term. Part 2 up to the end of February (7 weeks) takes place in Reading and the remaining Part 2 (4 weeks in March and April) in Athens. Examinations for Part 2 are normally held in late May / early June in Reading.

The University's taught postgraduate marks classification is as follows:

Mark Interpretation

70 &ndash; 100% Distinction

60 &ndash; 69% Merit

50 &ndash; 59% Good standard (Pass)

Failing categories

40 &ndash; 49% Work below threshold standard

0 &ndash; 39% Unsatisfactory Work

**For Masters Degrees (180 credits)**

To pass the MSc, students must gain an average mark of 50 or more overall. In addition the total credit value of all modules marked below 40 must not exceed 30 credits and for all modules marked below 50 must not exceed 55 credits.\*

Students who gain an average mark of 70 or more overall and have no mark below 40 will be eligible for a Distinction. Those gaining an average mark of 60 or more overall and have no mark below 40 will be eligible for a Merit.

**For PG Diplomas (120 credits)**

To pass the Postgraduate Diploma students must gain an average mark of 50 or more. In addition the total credit value of all modules marked below 40 must not exceed 30 credits and for all modules marked below 50 must not exceed 55 credits.\*

Students who gain an average mark of 70 or more and have no mark below 40 will be eligible for the award of a Distinction. Those gaining an average mark of 60 or more and have no mark below 40 will be awarded eligible for a Merit.

For PG Certificate (60 credits)

To pass the Postgraduate Certificate students must gain an average mark of 50 or more. In addition the total credit value of all modules marked below 40 must not exceed 10 credits.\*

\*The provision to permit a candidate to be passed overall with a profile containing marks below 40 is made subject to the condition that there is evidence that the candidate applied his or herself to the work of those modules with reasonable diligence and has not been absent from the examination without reasonable cause

**Admission requirements**

Normal admissions procedures apply to full-time applicants. The entry requirements are as follows:

**Undergraduate Degree**

Minimum 2:1 or the equivalent from an overseas institution.

**Degree Discipline**

Any

**English**

If the applicant's native language is not English, then proof of proficiency is required. The two approved tests are:

• **TOEFL** (Test of English as a Foreign Language) - Overall score of 100 for the internet based test, with no less than 22 in Reading, 21 in Listening, 23 in Speaking and 21 in Writing.

• **IELTS** (British Council International English Language Test) - Score of 7.0 overall with no component in the test less than 6.5.

**Admissions Tutor:** Dr Simone Varotto

### **Support for students and their learning**

University support for students and their learning falls into two categories. Learning support is provided by a wide array of services across the University, including: the University Library, In-sessional English Support Programme, the Study Advice and Mathematics Support teams and IT Services. There are language laboratory facilities both for those students studying on a language degree and for those taking modules offered by the Institution-wide Language Programme. Student guidance and welfare support is provided by Personal Tutors, School Senior Tutors, the Students' Union, the Medical Practice and the Support Centres. If a student has a general enquiry and is unsure where to seek help, they should visit their Support Centre. There are five Support Centres across the University, including one based at the London Road Campus. The Support Centre will be able to advise on matters such as extenuating circumstances, module selection, suspensions, withdrawals, timetable queries and transferring programme. The Support Centre will also be able to signpost students to Carrington building where other University services related to disability, financial support, counselling and wellbeing, accommodation and careers can be found. More information on what student services are available can be found here: <http://student.reading.ac.uk/essentials>.

University support for students and their learning falls into two categories. Learning support includes IT Services, which has several hundred computers and the University Library, which across its three sites holds over a million volumes, subscribes to around 4,000 current periodicals, has a range of electronic sources of information and houses the Student Access to Independent Learning (S@IL) computer-based teaching and learning facilities. There are language laboratory facilities both for those students studying on a language degree and for those taking modules offered by the Institution-wide Language Programme. Student guidance and welfare support is provided by Personal Tutors, School Senior Tutors, the Students' Union, the Medical Practice and the Student Services Centre. The Student Services Centre is housed in the Carrington Building and includes the Careers Advisory Service, the Disability Advisory Service, Accommodation Advisory Team, Student Financial Support, Counselling and Study Advisors. Student Services has a Helpdesk available for enquiries made in person or online ([www.risisweb.reading.ac.uk](http://www.risisweb.reading.ac.uk)), or by calling the central enquiry number on (0118) 378 5555. Students can get key information and guidance from the team of Helpdesk Advisers, or make an appointment with a specialist adviser; Student Services also offer drop-in sessions on everything from accommodation to finance. The Carrington Building is open between 8:30 and 17:30 Monday to Thursday (17:00 Friday and during vacation periods). Further information can be found in the Student Diary (given to students at enrolment) or on the Student website ([www.reading.ac.uk/student](http://www.reading.ac.uk/student)). In addition, the ICMA Centre provides three purpose-built dealing rooms that include Reuters and Bloomberg terminals and high-specification PCs that students routinely use for INVEST trading simulations and course work. Furthermore, the ICMA Centre has its own library that holds journals specialising in finance that are not available in the main university library. Each student is given a hand-held calculator for use throughout their studies. The ICMA Centre's Continuing Professional Development Unit provides specialised careers advice targeted at the investment banking industry as part of a non-credit Continuing Professional Development (CPD) module.

Learning support also includes a student handbook containing full details of the programme structure and administration. Blackboard Learning Management System is utilised to manage teaching and learning and to monitor student progress. Blackboard community also provides students and staff with on-line access to personal timetables, seminar group allocations, examinations marks and careers advice.

ALBA Graduate Business School also provides significant support for students and their learning. Learning support includes PC equipped study rooms, specialized software and simulations, library, databases, wireless network, careers advice and a Blackboard system. Students will also be assigned an advisor, while at ALBA, responsible for providing support on general, as well as, academic related issues.

### **Career prospects**

Graduates of the ICMA Centre have an enviable record of attainment when it comes to gaining employment in the financial services industry. Since its inception in 1994, at least 75% of our graduates each year have secured employment within three months of graduation. Recently the Centre has been ranked within the top 3 in the UK for careers and employment by the Financial Times for its Masters in Finance programmes. In 2012 90% of the shipping programme's graduates were employed within six months of graduation. Our graduates leave us equipped with knowledge and transferable skills that are also prized by employers outside of the traditional shipping sector. Many of our graduates are currently enjoying successful careers with shipping companies, ship-brokers, shipping analysis and consulting firms, government agencies and regulatory organisations throughout

the world. Others are working with specialist IT firms, multinational companies and global consulting organisations. Increasingly, students join us to obtain specific technical and financial skills to enable them to join small financial boutiques, including venture capitalists, proprietary trading firms and hedge funds. Others are working in the area of e-commerce, especially small, entrepreneurial firms that seek to exploit the opportunities for internet-based securities sales and trading.

ALBA Graduate Business School has established strong relations with the shipping industry and most of its graduates are employed either in the wider finance sector or the shipping industry. ALBA's agenda of career related activities is to a large extent similar to ICMA Centre's and includes career coaching/advice, skills, career development events, fairs, guest speakers etc.

There is currently a growing worldwide interest in Shipping Finance. The shipping industry is continuously expanding, and emerging shipping markets, such as China, India and Brazil are experiencing particularly high growth. Shipping is also thriving in Europe, particularly in Scandinavian countries, The Netherlands, Monte Carlo, Germany and of course Greece that has the largest fleet in the world.

The process of ship financing has recently evolved and new innovative financing methods, such as tax-based leasing, securitisation, mezzanine, government-backed ship finance schemes have been added to traditional ship mortgage finance. Along these lines, investment banks have launched specialised ship finance departments and desks to support these functions. Moreover, shipping derivatives have been developed in order to manage risks, emanating from fluctuations in freight rates, bunker prices, vessel prices, scrap prices, interest rates, and foreign exchange rates, more effectively, in a cheaper and more flexible manner. As a result, there is an increasing demand from shipping companies, consulting firms and investment banks for graduates that specialise in shipping finance knowledge.

Students may also pursue careers in the wider finance sector. The global investment banking and securities markets attract the very best applicants and competition for entry/mid-level positions remains intense. Despite the volatile nature of the financial and shipping markets, demand for well-qualified recruits remains high. We expect many of our graduates to enter the industry at either the "Analyst" level, as graduate trainees, or "Associates", who tend to have several years of relevant professional experience.

### **Opportunities for study abroad or for placements**

Students will spend eight weeks from March to April studying, and "experiencing" the Greek shipping environment, at ALBA Graduate Business School in Athens. The top graduating students (up to 20%) will be offered the opportunity to enter into internships with shipping companies.

### **Programme Outcomes**

#### **Educational aims of the programme**

Each module sets explicit objectives and learning outcomes in a limited and well-defined area of the course syllabus. Some of these learning outcomes relate to key theoretical concepts, and are achieved through directed study supported by lectures, seminars and trading simulations in which students uncover theoretical and practical concepts through their own actions. Achievement of these outcomes is assessed through written examinations.

Other objectives require students to demonstrate that they can apply specific techniques introduced in the module to new problems. These learning outcomes are achieved in part through seminar work based on exercises and problems set by lecturers and led by course tutors. They are also achieved through group and individual project work. Achievement of these outcomes is assessed through written examinations, and in some modules, graded project work.

On completion of the Masters degree students should be able to demonstrate extensive knowledge of how the shipping and financial markets interact and complement each other. They will specialise in the analysis of shipping markets and cycles, chartering and ship-broking practices, international trade processes and maritime logistics systems. In addition they will gain an in-depth understanding of international strategies for the appraisal, analysis and critical selection among alternative shipping finance methods and techniques, including bank loan issuance and credit analysis, capital budgeting, investment appraisal, raising public and private equity and/or debt, portfolio theory, capital structure and cost of capital, valuation, and trading of equities and bonds and other financial securities and other more specialised issues. Moreover, students will also be able to develop, appraise and implement the different risk management strategies, with the use of derivatives products, which exist for the shipping industry and understand how shipping and financial markets interact and complement each other. They should also have acquired transferable core skills in computing and quantitative analysis.

The programme provides opportunities for students to develop and demonstrate knowledge and understanding, skills, qualities and other attributes in the following areas:

#### **Knowledge and Understanding**

## **A. Knowledge and understanding of:**

A Knowledge and understanding of:

1. Fundamental techniques for portfolio selection, valuation of risky assets and financial decision-making
2. Practical techniques for developing strategies for the analysis of debt, equity and derivative securities
3. Analytical techniques used routinely in the finance research literature
4. Techniques in econometrics comprising model estimation and interpretation, hypothesis testing, and regression framework
5. Structures and functions within the global financial securities and shipping industry
6. Principles and theories unpinning shipping finance
7. Methods and strategies in shipping risk management
8. Chartering analysis and strategy formulation
9. International Commodity Trade and Transport Routes
10. Approaches utilised by shipping companies
11. Processes associated with maritime Logistics and Supply Chain Management
12. Research methods and modelling processes used in maritime economics

## **Teaching/learning methods and strategies**

Formal lectures, practical (including dealing-room) sessions and conventional classes, supervisions supported by directed and assessed self-study. Feedback and guidance are an important part of the process.

Case study based teaching will also be an important building block of both shipping finance and some finance modules.

This body of knowledge is communicated by detailed, paper-based lecture notes. These are supported by lectures and a Learning Management System (LMS). The LMS provides the students with the ability to participate in online discussion.

### *Assessment*

Knowledge is tested via multiple-choice tests, tutor-marked assignments, and unseen written examinations.

Courses are assessed through a combination of coursework and unseen examinations. Practical project work is also assessed and provides a source of feedback on performance to students.

## **Skills and other attributes**

### **B. Intellectual skills - *able to*:**

1. Gather, analyse and interpret data
2. Read, understand and discuss the relevant literature in refereed academic journals
3. Think logically and apply analytical principles to a range of problems in finance and shipping finance
4. Interpret news events and assess their potential effects upon the global financial and shipping markets

### **Teaching/learning methods and strategies**

Substantive problems are illustrated in lectures and smaller group seminars. Essays, project work, case study based work and problem sets provide related opportunities for problem solving. Lectures supported by essays and seminar discussions provide the basis of ensuring the growing knowledge base becomes comprehensible.

These skills are developed by each of the core modules, which are supported by key milestones and submission of tutor-marked assignments. Students will be presented with financial and shipping related datasets and required to analyse them and to draw appropriate inferences

### *Assessment*

Through tutor-marked assignments, project work, problem sets and unseen written examinations.

### **C. Practical skills - *able to*:**

5. Use Information Technology effectively
6. Communicate ideas online
7. Utilise Reuters and Bloomberg business information and analytical tools
8. Utilise Information from the Shipping

### **Teaching/learning methods and strategies**

Practical skills are introduced in lectures, developed in supporting tutorials, computer-based sessions and dealing-room sessions, and reinforced by case study work, problem sets and supervised project work.

Teaching is supported by a Learning Management System that requires students to participate in asynchronous online discussions.

Intelligence Network, Lloyd's list and other shipping databases/resources.

9. Use spreadsheet software to analyse complex practical problems in maritime business, finance and shipping finance

10. Operate effectively in a simulated dealing-room environment

**D. Transferable skills - *able to*:**

1. Contribute to online group discussions
2. Gather and interpret data, and present results
3. Work in teams
4. Demonstrate familiarity with the workings of the international financial and shipping markets
5. Use IT, including word processing, data exchange, graphics, spreadsheet and directed website searches
6. Communicate orally and in writing
7. Use library and web-based resources
8. Manage time to achieve goals

Spreadsheet tasks and software modelling are included in the teaching of modules such as Securities Futures and Options, Ship Finance and Investment and Economic Modelling and Analysis of Shipping Market

*Assessment*

These are assessed through INVEST dealing-room sessions, computer-based sessions and tutorials.

**Teaching/learning methods and strategies**

The use of IT is an integral part of the practical side of the course. It is encouraged through applications that require economic and financial analysis. These involve spreadsheet-modelling exercises, website searches, use of library resources, the presentation of word-processed documents including graphics displays. Communication skills are assessed at several points throughout the programme.

Communication, presentation and team-working skills are specifically emphasised in CPD. Good time management is essential for organising a timetable to complete project work.

Seminar sessions (1) and (3). Assignments.

Presentations by prominent guest speakers from the City of London (4).

Students will also be required to work on shipping related case studies (2) and (3)

*Assessment*

Assessment of transferable skills is incorporated at several points in the programme. (3) contributes towards assessed work in projects, problem sets and dealing-room sessions. These are also assessed by means of unseen written examinations and tutor-marked assignments.

**Please note - This specification provides a concise summary of the main features of the programme and the learning outcomes that a typical student might reasonably be expected to achieve and demonstrate if he/she takes full advantage of the learning opportunities that are provided. More detailed information on the learning outcomes, content and teaching, learning and assessment methods of each module can be found in the module description and in the programme handbook. The University reserves the right to modify this specification in unforeseen circumstances, or where the process of academic development and feedback from students, quality assurance process or external sources, such as professional bodies, requires a change to be made. In such circumstances, a revised specification will be issued.**