



"The seminar gives a full understanding of many of the risks in the shipping industry"

(Gearbulk, 2008)

Utilise hedging techniques designed to eliminate or reduce risk

Lloyd's Maritime Academy introduces additional seminar to the Ship Finance series

DERIVATIVES & RISK MANAGEMENT IN SHIPPING

UTILISE DERIVATIVES AND EXECUTE EFFECTIVE STRATEGIES TO MINIMISE RISKS

Monday 7th – Tuesday 8th December 2009

Bonhill House, London

★ BOOK BY FRIDAY 9TH OCTOBER AND SAVE £200

ESSENTIAL TRAINING TO FULLY UNDERSTAND AND APPLY RISK MANAGEMENT STRATEGIES TO YOUR BUSINESS:

- ✓ Identify the full range of **potential risks to your business**
- ✓ Examine and compare traditional **methods of risk management**
- ✓ Discover **current trends** and learn how to apply these to your business
- ✓ Explore the **latest derivative tools** used in shipping
- ✓ Assess the best use of **freight futures and FFAs**
- ✓ **Analyse the effect of fluctuations** in freight rates, bunker prices, interest rates, foreign exchange rates and vessel value prices
- ✓ Analyse the **sources of risk** in the shipping business

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Registration Number: +44 (0)20 7017 5510
www.lloydsmaritimeacademy.com/derivatives

DERIVATIVES & RISK MANAGEMENT IN SHIPPING

Monday 7th – Tuesday 8th December 2009

Bonhill House, London

UTILISE DERIVATIVES AND EXECUTE EFFECTIVE STRATEGIES TO MINIMISE RISKS

In today's highly volatile and risky business environment it is imperative for businesses to be able to accurately identify sources of risk and be armed with the tools to deal with them effectively.

Attend Lloyd's Maritime Academy's **Derivatives & Risk Management in Shipping** seminar and learn how to use freight derivatives in the current market, and effectively apply them to manage risk to your financial advantage. **Discover the latest developments** and current trends, including the tradable version of the BDI, and the provision of Time Charter Equivalent rates for the tanker market. Acquire essential skills to **execute effective risk management strategies** in your own working environment.

In addition, this unique seminar addresses counterparty risk, contract size, spreading trading FFAs against other securities and derivatives, FFA options, and the use of floating rate time charter agreements.

Implementing risk management strategies in our increasingly sophisticated and competitive environment can often make the difference between surviving or failing, and almost certainly gives companies a competitive advantage and the ability to increase profitability. **Attend this seminar and maximise opportunities to your financial gain.**

ESSENTIAL TRAINING FOR SHIPPING PROFESSIONALS:

- | | |
|-----------------------|---------------------------|
| ✓ Shipowners and CEOs | ✓ Treasurers and CFOs |
| ✓ Ship Operators | ✓ Chartering Managers |
| ✓ Shipbrokers | ✓ Maritime Lawyers |
| ✓ Accountants | ✓ Financial Analysts |
| ✓ Bankers | ✓ Shipping Fund Investors |
| ✓ Traders | ✓ Risk and Asset Managers |

LLOYD'S MARITIME ACADEMY

Celebrating over 30 years of providing training for the maritime industry, Lloyd's Maritime Academy works with leading academic and professional bodies to deliver a broad portfolio of seminars, masterclasses, distance learning courses and tailored training programmes, offering unrivalled learning opportunities to over 5,000 international participants every year.



SPONSORSHIP & EXHIBITION OPPORTUNITIES

Our sponsorship and exhibition packages are specifically tailored to help you meet your business objectives

For further details please contact Sarah Williams

Email: sarah.williams@informa.com or call +44 (0)20 7017 5087

DAY 1: MONDAY 7TH DECEMBER 2009

- 09.15 Registration and morning coffee
- 09.45 **Chairman's welcome and opening remarks**
Duncan Dunn, Business Development Director, **Simpson Spence & Young Ltd**
- 10.00 **Examining the freight derivatives market – setting the scene**
 - Market analysis of 2009
 - Practicalities of tradingSenior representative from **Freight Investor Services (FIS)**
- 11.00 Coffee and networking break
- 11.20 **The Baltic Index Method and opportunities to use freight derivatives to avoid using credit in the physical market**
 - How does the Baltic index work?
 - Production process and panel selection
 - Index specification process
 - Identifying opportunities in a volatile market
 - Using freight to avoid using credit in the physical market**Jeremy Penn**, Chief Executive, **The Baltic Exchange**
- 12.00 **FFAs options and the derivatives market overview**
 - FFA recap
 - Options profiles at expiration
 - Buying options
 - Selling options
 - Options in freight portfolios**Duncan Dunn**, Business Development Director, **Simpson Spence & Young Ltd**
- 12.45 Lunch
- 13.45 **FFA and freight option trading in volatile periods**
 - Dry-bulk cleared and OTC hedges
 - Tanker cleared and OTC hedges
 - FFAs in ship finance
 - Options vs. FFAs
 - Freight option strategies in ship finance**Dr. Ilias Visvikis**, Academic Director, MBA in Shipping, **ALBA Graduate Business School**
- 14.45 **Is there a link between FFA and Commodity Derivatives Markets?**
 - The economic link between the markets
 - Current empirical evidence
 - Direction of information spillovers between FFA and Commodity Markets Practical Implications**Professor Manolis Kavussanos**, Director, MSc/PhD Program in Accounting and Finance, **Athens University of Economics and Business**
- 15.45 Tea and networking break
- 16.15 **Technical analysis of the advantages of freight derivatives**
 - Trading techniques for FFAs
 - Using technical analysis in the FFA market to make money
 - What is technical analysis?
 - Types of technical analysis used in the FFA markets
 - A technical perspective on the current markets**Duncan Dunn**, Business Development Director, **Simpson Spence & Young Ltd**
- 17.00 **Close of day one**

BUY THE SEMINAR
PAPERS! See back page for details



To register call the Booking Hotline: +44 (0)20 7017 5510

DAY 2: TUESDAY 8TH DECEMBER 2009

- 09.00 Morning coffee
- 09.30 Chairman's opening remark
Jeffrey McGee, Director, **Simpson Spence & Young Ltd**
- 09.35 **FFAs in the clearing environment**
- Importance of clearing
 - Role of the clearing house
 - Should you only use cleared contracts?
- Isabella Kurek-Smith**, Director, Head of Energy and Freight, **LCH.Clearnet**
- 10.15 **FFA trading – a legal perspective**
- Trends and legal developments affecting market participants
 - Insolvency and default
 - Credit support and its uses
- Damian Honey**, Partner, **Holman Fenwick Willan**
- 11.00 Coffee and networking break
- 11.20 **Tax and Accounting for FFAs**
- Hedging and speculation – accounting requirements
 - Risk management in practice
 - Tax and financial accounting implications for FFA's
 - Taxation of FFAs under tonnage tax regimes
 - Trading with FFAs
 - Identifying the correct accounting model for each contract
 - 2010 changes
- Richard Moore**, Director, Financial Reporting Group, **Ernst & Young**
Julian Broughton, Senior Tax Manager, **Ernst & Young**
- 12.15 Lunch
- 13.15 **PRACTICAL SESSION**
- A mock FFA sample contract**
This session will take delegates through a sample FFA contract, building on the knowledge learned over the two days. There will be lots of scope for questions and discussion
- How to handle the contract
 - Invoicing
 - Receiving payments
 - Software available
- Please visit www.lloydsmaritimeacademy.com/derivatives
- 14.00 **Developing a sound risk management strategy**
- Risk management – integral to corporate strategy in shipping?
 - Behavioural economics, risk appetites and decision making
 - Identifying and quantifying risks to the organisation
 - Risk models – valuable tool or wrong focus?
 - Risk management systems – putting it all together
 - Mitigating the risk
 - Market risks
 - Operating risks
 - Transaction risks
 - Hedging Bunker, currency and interest rate
 - Examples of structured finance using derivatives
- Jeffrey McGee**, Director, **Simpson Spence & Young Ltd**
- 14.45 **CASE STUDY Risk mitigation**
Practical techniques and skills practically to mitigate the risk: using a 'real' scenario
- Jeffrey McGee**, Director, **Simpson Spence & Young Ltd**
- 15.15 Tea and networking break
- 15.30 **Advanced trading strategies and techniques for identifying profitable market opportunities**
- Spreading Trading FFA's against other securities and derivatives
 - BDI Contract
 - Floating Rate Time Charter vs FFA
 - Counterparty risk
- Please visit www.lloydsmaritimeacademy.com/derivatives
- 16.30 **DISCUSSION SESSION Future prospects for 2010**
- Short term risks
 - Long term risks
 - What does the fundamental research predict?
 - What does the FFA market tell us?
 - Where will new opportunities come from?
- 17.00 Close of seminar

READ THE EXCELLENT FEEDBACK FROM PREVIOUS RISK MANAGEMENT SEMINARS:

"Good for a theoretical foundation of the basics of shipping derivatives" (Allocean Ltd)

"Technically demanding but well worth the effort, very satisfying" (Alliance & Leicester)

"Very useful" (Lloyds MIU)

"I wish I had come on this course 12 months ago, very good course" (Shipowner)

"The seminar gives a good understanding of many of the risks in the shipping industry" (Gearbulk)

ALSO PART OF LLOYD'S MARITIME ACADEMY'S SHIP FINANCE SERIES:

SHIP FINANCE MASTERCLASS

Advanced level ship finance training for senior shipping professionals

Wednesday 14th - Thursday 15th October 2009, Ledra Marriott Hotel, Athens

This ship finance course has been specifically designed to provide shipping professionals with the essential skills and expertise to maximise opportunities in a difficult market. This is combined with analytical training and practical tools to strengthen your skill set and knowledge. Benefit from techniques acquired to confront difficulties and problems within the current financial landscape. Furthermore, profit from our industry experts and optimise your business strategy for the short and long term future.

Essential practical training for effective credit management and risk mitigation

- Examine **current trends** in debt restructuring
- **Analyse credit assessment** in today's market
- **Explore solutions** to problem shipping loans
- Learn key skills for **effective credit management**
- Gain analytical techniques for credit assessment, risk mitigation and **restructuring terms**
- **Profit** from applying financing techniques and theory practically, to maximise opportunities
- Benefit from **assessing the future** of ship finance to strategise through the crisis

"Excellent speakers and very good networking opportunity" (Golden)

"A wonderful experience, a must for maritime bankers who want to succeed in this dynamic business terrain" (Oceanic)

www.lloydsmaritimeacademy.com/shipfinanceathens

SHIP FINANCE 2009

The ultimate survival guide for shipping professionals

Winter School: Monday 7th - Friday 11th December 2009

Bonhill House, London

Never before has understanding ship finance been more critical to surviving the downturn in the shipping industry!

This five day course, is designed to be fully comprehensive, and will provide you with a complete understanding to ship finance and the global market today, essential to surviving the downturn.

Essential learning to survive the recession

- Explore options for **financing ships** in a difficult market place
- **Practically structure debt financing** within the current market
- Attain updates of the **latest lending methods** and how these can be obtained
- Consider capital markets and discover how shipping funds operate
- **Analyse credit risk assessment** and management during a recession
- Examine the sale and purchase of second hand tonnage
- Review vessel types and ship management and how this relates to financing
- **Experience the reality of ship financing** first hand in today's market

"A full package within a few days, like a five-day MBA on maritime finance with all the fun" (Skye Bank)

www.lloydsmaritimeacademy.com/shipfinance

20% speaker discount
Please quote VIP code KS0146EMSPK

Event Code
KS0146

**Profit
from fully
understanding
the freight
market!**



DOCUMENTATION AVAILABLE

☐ I am unable to attend, but please reserve me ___ set(s) of documentation @ £380 per set (£400 overseas)
If you are unable to attend you can purchase the DERIVATIVES & RISK MANAGEMENT IN SHIPPING documentation.
For further information call: +44 (0) 20 7017 5522 Fax: +44 (0) 20 7017 4745 or email: papers.info@informa.com

STEP 1: SELECT YOUR PACKAGE (please tick option)

	Register by 9th October 2009	Register by 6th November 2009	Register after 6th November 2009
DERIVATIVES & RISK MANAGEMENT IN SHIPPING (KS0146)	☐ £1249 (+VAT@15%) = £1436.35 SAVE £200!	☐ £1349 (+VAT@15%) = £1551.35 SAVE £100!	☐ £1449 (+VAT@15%) = £1666.35

GROUP DISCOUNTS AVAILABLE! £200 discount for 3rd and subsequently registered delegates from the same company

All discounts can only be claimed at the time of registration and multi-booking discounts cannot be combined with other discounts that may be available. Further discounts are subject to approval. Please note the seminar fee does not include travel or hotel accommodation costs.

A donation from the fee for each delegate participating in our 2009 maritime events will be made to Centres For Seafarers



STEP 2: DELEGATE DETAILS

1st Delegate Mr/Mrs/Ms Job title _____ Department _____ Company _____ Address _____ _____ Telephone _____ Fax _____ Email _____ Nature of Business _____ Billing Address (If different from above address) _____ _____ Yes! I would like to receive information about upcoming events by email. By giving you my email address I am giving ONLY Informa companies the permission to contact me by email ☐ Yes! I would like to receive information about future events and services via fax Signature: _____ 2nd Delegate Mr/Mrs/Ms Job title/Dept _____ Company _____ Address _____ _____	Telephone _____ Fax _____ Email _____ Yes! I would like to receive information about upcoming events by email. By giving you my email address I am giving ONLY Informa companies the permission to contact me by email 3rd Delegate Mr/Mrs/Ms Job title/Dept _____ Company _____ Address _____ _____ Telephone _____ Fax _____ Email _____ Yes! I would like to receive information about upcoming events by email. By giving you my email address I am giving ONLY Informa companies the permission to contact me by email Line Manager Mr/Mrs/Ms Job title/Dept _____ Telephone _____ Fax _____ Email _____ Booking Contact Mr/Mrs/Ms Job title/Dept _____ Telephone _____ Fax _____ Email _____
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☐ Enclosed is a **cheque** made payable to **Informa UK Ltd** (Ref: KS0146)

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(CVV: Last 3 digits on signature strip on back of credit card. AMEX - 4 digit number on front of card)

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Delegates who do not pay with their booking are requested to provide a copy of their credit card / cheque details to help payment allocation. Staff at the event will request a credit card guarantee for delegates without proof of payment.

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5 EASY WAYS TO REGISTER

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KT14 6WL, United Kingdom

VENUE DETAILS

Bonhill House

1-3 Bonhill Street
London EC2A 4BX

Tel: +44 (0)20 7588 2334 Fax: +44 (0)20 7588 2326

Nearest Underground station – Old Street or Moorgate

ACCOMMODATION DETAILS

The cost of accommodation is not included in the event fee. As a free service, reduced rate hotel accommodation can be arranged by contacting Zibrant.

Tel: +44 (0)1332 285590

Email: informa@zibrant.co.uk

www.zibrant.co.uk/lloydsmaritimeacademy

SPECIAL REQUIREMENTS

Please list below any special requirements you may have

TERMS AND CONDITIONS

FEE: This includes all sessions, lunch, refreshments and available documentation. Bookings made within 2 weeks of the event start date must be accompanied by a credit card confirmation.

VAT: Under EU legislation delegates from all countries are required to pay VAT at the relevant rate on any event taking place in an EU member state. Delegates from outside the EU member states may be entitled to reclaim this cost. Informa, in conjunction with Meridian VAT Reclaim, the world's leading VAT recovery organisation, can help you to make a significant reduction on your attendance costs. A claim form will be sent to you with your booking confirmation.

CONTINUING PROFESSIONAL DEVELOPMENT: This event carries 12 hours under the Solicitors Regulation Authority CPD Scheme. Level: Intermediate / Update. CPD Reference - EV/LSSL. For enquiries contact the registered company Informa UK Ltd.

CANCELLATIONS: Cancellations received in writing two weeks before the event will be subject to a service charge of £200. It is regretted that cancellations received after this time cannot be accepted and are subject to the full event fee. Substitutions are welcome at any time. It may be necessary for reasons beyond the control of the organisers to alter the content and timing of the programme or the identity of the speakers. In the unfortunate event that an event is cancelled Informa are not liable for any costs incurred by delegates in connection with their attendance. This contract is subject to English Law.

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