MASTER OF ARTS IN INTERNATIONAL TRADING, COMMODITY FINANCE & SHIPPING
CONTENTS
05 WELCOME
06 GENEVA TRADING HUB
09 CURRICULUM
10 INVEST IN YOUR CAREER
12 SEMESTER 1
14 SEMESTER 2
18 SEMESTER 3
20 MASTER VS DIPLOMA
22 FACULTY
23 ADVISORY BOARD
26 ADMISSIONS
28 TEACHING PHILOSOPHY
30 PRACTICAL INFORMATION
The University of Geneva
Founded in 1559, the University of Geneva has gained its international reputation through its academic programs as well as its research. Over the past two decades, the University has also developed its executive education. The Master of Arts in International Trading, Commodity Finance and Shipping is at the crossroads between a purely academic and an executive program and, as such, it benefits from the tradition of excellence of an institution with over 450 years of academic experience and the network of professionals from the commodity trading community.

“Welcome to the Master of Arts in International Trading, Commodity Finance and Shipping.

Created with professionals, this program is designed and conducted to best fit with the demands of working while studying. Students follow this academic program liaised with a mandatory internship in one of Geneva’s many trading or trading-related companies. To ensure that the Master fulfills the expectations of both participants and employers, we have worked closely with professionals in the field of commodity trading to create a rich, wide and incisive curriculum that explores the core issues of commodity trading.

Geneva is not only one of the world’s key commodity trading hubs, it is also a great location in which to live. Here students have excellent local internship and networking opportunities.”

Bernard Mouned
Dean of the Faculty of Economic and Social Sciences
University of Geneva
The Geneva area has attracted a steady stream of traders of physical commodities since the middle of the 20th century. Today, all the major trading houses have offices on the shores of Lake Geneva. In the past few years Geneva has indeed become the world’s most important centre for physical trading of commodities.

Geneva, a Cluster of International Trading Firms

The Geneva Area is not only the house of key players in the trading of physical commodities, but it also offers support structures that have built up around trading houses over decades.

Geneva and its surroundings count about 500 companies with activities directly related to shipping and trading.
Oliver Scherrer, Switzerland (2009-2011 intake)

MA in International Trading, Commodity Finance & Shipping

“...proved to be a perfect addition to the work experience, which allowed me not just to acquire practical experience, but also to gain a deeper understanding of the topics and to see further than the reach of my company. It helped to gain useful cross-commodity insights.”

Taught fully in English by internationally recognised professors from leading universities around the world, usually complemented by local guest speakers from the industry, the Master of Arts in International Trading, Commodity Finance and Shipping is an intensive 18-month academic program undertaken in conjunction with part-time internship at one of the many trading, shipping, specialised commodity finance banks or services companies related to these activities, based in the Lake Geneva region.

The curriculum is composed of 24 modules taught over three semesters, at the end of which, students submit a mini thesis. Courses are modular: they last 24 hours each, have an exam attached to them and are run over three or four days. Presence at each module is absolutely compulsory or else the module will not be validated in that learning is highly participatory and group work is encouraged.

The format is a mix of lectures and case studies, plus field research for the thesis. Classes are small (max 30 students) which enhances participation and interaction.

Curriculum

Taught fully in English by internationally recognised professors from leading universities around the world, usually complemented by local guest speakers from the industry, the Master of Arts in International Trading, Commodity Finance and Shipping is an intensive 18-month academic program undertaken in conjunction with part-time internship at one of the many trading, shipping, specialised commodity finance banks or services companies related to these activities, based in the Lake Geneva region.

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Curriculum
A specialist Masters degree from the University of Geneva is already per se a highly recognised qualification. As this program was designed in partnership with professionals from the trading sector, it has also become a must for a successful career in commodity trading both in the Geneva area and internationally.

“We are proud of our involvement with the Master in International Trading, Commodity Finance and Shipping since its inception five years ago. Building the talent pool, locally, is extremely important for us at SGS. We have sponsored six students so far three of whom continue to work for SGS after obtaining their Masters. We look forward to continuing our investment, in collaboration with GTSA, in tomorrow’s players in the domain of international trading, shipping and finance such an important part of the Geneva business landscape.”

Chris Kirk, Chief Executive Officer, SGS

“When we first became involved with the Master program it was as guest speakers. We soon discovered a number of excellent and highly motivated students, so much so that this convinced us to sponsor one of them and feel very happy about this decision. The Master program has the great advantage of teaching very specific commodity related subjects hence providing students with a very high level qualification for their future career in commodity trading. We look forward to seeing this Master program continue to develop and we are committed to keep on supporting it as much as we can.”

Bertrand Bosc, Lansing Trade Group International

“Commodity Trading and Shipping are important parts of the commercial fabric of Geneva and key to the city’s future economic success. As a professional services firm, supporting our clients to achieve their goals, KPMG must be at the cutting edge of knowledge for the sector. Having participants in the program is a key element of that obligation.”

Paul Rivesley, Partner, KPMG

“There is no better place than the University of Geneva to grow your business. The quality and variety of teaching style is simply outstanding and the sheer quantity of top notch guest speakers from the trade has given our class the unique chance of creating a network of key decision makers in the commodity trading sector in just 18 months. I would recommend this program to potential candidates with a strong academic background and a high degree of motivation as, during the very intense 18 months, finding a balance between academic, professional and private life is quite challenging... but definitely worth it!”


**The quality and variety of teaching style is simply outstanding**
SEMESTER 1

BASICS OF COMMODITY TRADING, WORLDWIDE TRADE FLOWS
* Commodities, modes of trading and players in the industry
* Basic microeconomic tools for commodity market analysis
* Policies affecting trade in commodities
* Commodity sectors and markets: S&D analysis
* The macroeconomic context of commodities trade
* Commodities trade and the broader political context

ENERGY PRODUCTS MARKET
Oil & Gas
* Market organization, price discovery, major determinants of prices
* What are the products, supplies/ reserves?
* How do they differ: quantity, qualities, refining processes?
* How are they treated, processed, transported?

AGRI-COMMODITIES MARKET
* What are the products, supplies?
* How do they differ: quantity, qualities, refining processes?
* How are they treated/processed, transported?
* Superintendence
* Emissions trading: how does the system function and what are the compliance issues?

METALS, ORES AND MINERALS
* What are the products, supplies?
* How do they differ: quantity, qualities, refining processes?
* How are they treated/processed, transported?
* Superintendence

SHIPPING, TRANSPORT AND LOGISTICS
* Introduction to international trade and world shipping
* Shipping freight market: supply demand and freight formation
* The market for ships: second-hand, newbuilding and scrap
* Ship chartering I: chartering process, type of contracts and charter parties
* Ship chartering II: voyage estimation, cargo measurement and laytime calculation
* Introduction to shipping risk management
* Linear and container shipping operations
* Port and terminal operations and management
* Introduction to oil and gas pipelines

APPLIED MATHEMATICS
* Time value of money & finance
* Fixed income assets – bonds
* Commodity derivative contracts - options
* Excel Functions and VBA Excel
* Time series econometrics and commodity price analysis

APPLIED STATISTICS AND PROBABILITY
* Basic Statistics
* Data
* Excel VBA

CORPORATE SUSTAINABILITY AND RESPONSIBILITY
* Corporate Social Responsibility and Commodity Trading
* Sustainability: constraints and opportunities
* Environment and shipping
* Carbon trading

35% 15% 20% 10%

International trade of grains
Geneva area
Singapore
North & South America
Other Europe

*Estimated figures from various sources including Financial Times and GTSA
HEDGING TOOLS AND TECHNIQUES
- Forward contracts
- Commodity futures
- Commodity futures markets
- Financial commodity swaps
- Exchanges and clearinghouses
- Hedging and derivatives fit

COMMODOITY PRICE MECHANISMS
- Prices and Indices
- Exchanges:
  - ICE, CME Group-NYMEX, The Baltic Exchange
- Role of indices
- Future markets and price discovery
- Formula based pricing
- Average nature of forward curves
- Importance of spreads
- General overview of instruments:
  - Trading and clearing mechanisms
- A taxonomy of commodities:
  - Seasonability forwards, futures, swaps
- Price dynamics and spot and forward prices
- Spot price behaviour
- Mean reversion
- Volatility and seasonality
- Role of the forward when trading
- Shape of the forward curve and relationship with spot prices

TECHNICAL ANALYSIS
- Japanese candle structure and trading strategies
- Inter-dynamics of Japanese candle characteristics
- Trading strategy identification, evaluation and implementation
- Price Overlay Studies (Moving Averages, Parabolics, Bollinger Bands)
- Range Based and Zero Based Oscillator Studies (Stochastics, RSI, MACD)
- Market Profile structure and trading strategies
- Fundamental analysis categories
- How fundamental global market conditions influence price behavior

OPTIONS
- What are options?
- How to value options using different models, such as Black Scholes, binomial model, Monte Carlo
- Option strategies

COMMODOITY PRICE RISK I
- Global risk approach in commodity trading
- Fundamentals of commodity price risk management
- Assessing and measuring price related risks
- Hedging with commodity structured transactions
- Limits and fallbacks of pricing models and hedging mechanism

COMMODOITY PRICE RISK II
- Option as a component of physical risk exposure
- Review of option pricing assumptions
- Understanding option risks, delta and gamma hedging
- Real options vs. financial options
- Three approaches to computing the Value-at-Risk
- Risk identification, mitigation and management
- Analysing recent rogue trading incidents
- Implementing robust trading controls and processes

INTERNATIONAL TRADE OF COFFEE*
- Geneva area
- Hamburg
- Zürich
- Singapore
- New York
- Other
- *Estimated figures from various sources including Financial Times and GTSA

INTERNATIONAL TRADE OF SUGAR*
- Geneva area
- London
- Paris
- USA & Brazil
- Other
- *Estimated figures from various sources including Financial Times and GTSA

SERMESTER 2
SHIPPING MARKET RISK & RISK MANAGEMENT

* Introduction to the freight market
* Introduction to freight derivatives
* Forward freight agreements (FFA)
* FFA clearing and margining
* Technical analysis & freight trading
* Ship price risk management
* Modelling freight rate volatility
* Risk management using option I
* Value at risk of shipping freight rates
* Real options in shipping

LEGAL ASPECTS I

Trading goods internationally, an overview of contracts for sale of goods on shipment terms
* Features and characteristics of trading goods internationally: the basics
* The bill of lading and its key function as a document of title
* Documentary sales on shipment terms CIF and FOB: the main duties
* INCOTERMS® 2010
* Basic principles of payment by letter of credit under UCP 600

Carriage of goods by sea: bills of lading and charterparty contracts
* Mandatory provisions applicable to cargo claims: the Hague-Visby Rules and Hamburg Rules
* The carrier’s main obligations, rights and immunities under the Hague-Visby Rules
* Charterparties: General features and standard charterparty forms
* Bills of lading issued under charterparty
* Principal clauses in time and voyage charterparties: overview and comparative analysis

hands-on learning experiences, often brought by guest speakers from the trade, who will give you the opportunity to bridge academic theory and real-world practice
**LEGAL ASPECTS II**
- Basic contract law and the Sale of Goods Act
- Legal provisions relating to sales contract terms
- Legal relationships between the different actors in the trade transaction
- Rights, duties and remedies of sellers and buyers
- International conventions
- E-trading
- Dispute resolution and mediation
- Enforcement

**TRADE FINANCE BANKING INSTRUMENTS**
- "The flow of a typical trade finance transaction"
- Methods of payment
- UCP 600
- Transport documents
- Letters of credit
- Transferable, back-to-back, revolving, "green/ red clause" documentary credit
- Deed of assignment
- Suretyship guarantees (bonds / "cautions")
- Bid & performance bonds
- Payment guarantees and stand-by
- Letters of credit

**ACCOUNTING AND FINANCIAL STATEMENTS ANALYSIS**
- "Mechanisms and Fundamentals Financial statements"
- Financial Statements Analysis – Performance & Value creation, Credit risk analysis
- Issues with internal Audit

**PAVEMENT ENERGY**
- Coal, supply, demand and markets
- Interplay of energy sources in grid integration
- Biofuels
- Carbon trading

**type of financing for commodity trading companies**
- Transactional Trade Finance
- Inventory financing, repurchase agreements
- Similar structures
- Borrowing Base Facilities
- Reserve Based Lending ("RBL")
- "Freelance" ("PREF") vs. Pre-Export Finance ("PFO")
- Payment Risk Assumption ("PRA")
- Project Finance
- Asset Finance – Acquisition Finance – Bridge Loan
- Revolving Credit Facility ("SCF")

**CREDIT RISK: DECISION-MAKING, PRICING AND MANAGEMENT**
- What is special with Credit Risk?
- "Traditional" and "modern" approaches to evaluate Credit Risk
- How to manage Credit Risk in a company?
- Covenants and credit events
- Selling and buying Credit Risk
- "Time value of money & finance"

**BUSINESS ETHICS**
- Social Responsibility
- "Virtue ethics/Deontology/Utilitarianism"
- Ethics in Trading

**TAX AND REGULATION**
- Corporate taxation
- "Auxiliary company status"
- "Transfer pricing"
- "Non-financial firms"
- "Derivatives regulations"
- "Sanctions and embargoes"

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**Renate Bochner, Brazil (2010-2012 intake)**
Bachelor of Laws, Trainee in the Legal Department Trading Company, ethanol and special chemicals

"The Master of Arts in International Trading, Commodity Finance and Shipping is very demanding. However, the effort is worthwhile, because the program is no more demanding than the trading industry itself. The professors give fresh perspectives on the challenges faced in this field. Likewise, the guest speakers, share their experiences in the world of international trading, commodity finance and shipping. As a class, we come from 3 different continents, speak more than 10 languages, and our educational backgrounds range from political science to civil engineering. This diversity creates a stimulating environment in class, which welcomes foreigners like me."
MASTER VS DIPLOMA

The University of Geneva offers two programs in the area of commodity trading: a master’s degree and an executive program. Both take place on Fridays and Saturdays but they are destined to different audiences.

MASTER

- Young students who have recently completed their BA and who have between 0 and 3 years of work experience
- 2-year program (3 semesters of classes + 1 semester for the thesis)
- Tuition fees invoiced to the company / administrative fees invoiced to the student
- BA and GMAT required

DIPLOMA

- Professionals with a minimum of 3 years of work experience
- 1-year program
- Tuition & administrative fees invoiced to the participant
- BA only required if taken as specialization year of the University of Geneva’s MBA

“While the entire Faculty, guest speakers, and recruiting companies make a joint effort in providing you with the best learning conditions, it is in the collective attitude of each intake of students that lies the success of this program. In order for this Master’s degree to continue growing in quality and reputation, we need highly motivated students who are ready to work in teams and who take the initiative to learn beyond the classroom.”

Eliane Palivoda Herren
Program Coordinator

www.tradingmaster.ch
www.commoditytrading.ch
"The program gives students a thorough understanding of commodity trading and an excellent preparation for different jobs in this fascinating world. As it contains courses for which a sound knowledge of mathematics, statistics and Excel is required, students are assumed to have this knowledge or expected to obtain it."

**Faculty**

Dr. Kris Waumans
Adjunct Professor
Vlerick Leuven Gent Management School & University of Geneva

Prof. Frank Missioner-Piera
HEC University of Geneva

Prof. Bernard Morard
Dean of the Faculty of Economics and Social Sciences, University of Geneva

Prof. Jean-Paul Vullietty
HEC University of Geneva

**Advisory Board**

Dr. Regina Asariotis
Chief, Policy and Legislation
Section, Division on Technology and Logistics, UNCTAD

Dr. Stéphane Graber
Secretary General, GTSA

Rafael Huber
Chief People Officer, Tora Citrus S.A.

Bernhard Lippuner
Commodity Finance expert

Vincent Subilia
Economic Development Officer
DARES, Economic Development Office, Canton of Geneva

Cornelis Vrins
Director, Allseeds

Dr. Kris Waumans
Adjunct Professor
Vlerick Leuven Gent Management School & University of Geneva

The courses are taught by distinguished scholars from leading universities around the world.
Michael Lepper, Switzerland (2011-2013 intake)
MA in International Trading, Commodity Finance & Shipping
Class Representative of the 4th Intake

"The commodity industry is at the crossroads of international trade, finance, politics, law and development. As a result of its multi-disciplinary approach and rigorous content, the master offers in-depth knowledge of the industry. Geneva has become a world centre of commodity trading and all the companies have one thing in common: the need for specialized, continual training in the sector located in Geneva. Thanks to this Master, there are now young professionals in the industry."

The Master of Arts in International Trading, Commodity Finance & Shipping is a necessary advanced academic degree program in today’s fast-moving and ever-changing Trading Industry, both at the local and international levels.
The admission process is quite long and is divided into three stages:

**Stage 1: University Admission**
An undergraduate degree with a minimum average of 8 on the ECTS scale or higher. Officially certified copies of your university and high school degrees. An officially certified copy of your transcript of grades. A copy of your GMAT score (minimum 500 points). Our institution code for reporting your GMAT score is 651-QT-61. Two letters of recommendation (academic or professional) in French or English. Very good knowledge of the English language (both oral and written).

Enrolment conditions may slightly vary from year to year. The most updated and reliable version can be found at unige.ch/dife/immatriculation/Immatenglish.html. The first stage of enrolment is managed by the University of Geneva’s Admissions’ Office and your complete file needs to be sent by February 28th at the following postal address:

Université de Genève
Service des Admissions
Uni Dufour
24 rue du Général-Dufour
CH-1211 Genève 4
Bureau 222

Applications received after this date will not be taken into account.

**Stage 2: Students Selection**
Students’ applications are carefully studied by a team of experts and, by the end of April, the Scientific Committee will select the students who can potentially attend the Master of Arts program. You will receive an e-mail from the Program Coordinator informing you of your conditional acceptance (or refusal) by the beginning of May. An official letter from the University will follow. Only provisionally accepted students will reach stage 3.

**Stage 3: Obtain Part-time Internship**
Provisionally accepted students are requested to send the following documents by e-mail to the Program Coordinator, within one week of the conditional acceptance.

Cover Letter to potential employers and CV (with picture), both in English, as one single PDF document.

The OTSA will post, on its password protected webpage, the CVs of students who have been conditionally accepted to the University and who have attained the minimum of 500 points on the GMAT. Students are encouraged to seek relevant internship themselves, under the terms and conditions - as stipulated in the confirmation letter from the University - of this Master’s program.

A speed-recruiting session may also be organized in order for students to meet as many recruiting companies as possible in one or two days. More detailed information will be sent to the provisionally accepted students.

Part-time internship in a trading, shipping, specialised commodity finance bank or services company related to these activities, needs to be secured and confirmed by the company in a letter to the Program Coordinator by July 31st. The letter must indicate that the company is hiring the candidate under the terms and conditions - as stipulated in the acceptance letter from the University - of the Master of Arts in International Trading, Commodity Finance and Shipping.

Students from countries outside the Schengen area need to secure their job by July 15th as the OCP (Office Cantonal de la Population) takes up to 3 months to deliver a work permit. N.B. Neither the University nor the OTSA can provide any visa services. Moreover, only the OCP (Office Cantonal de la Population) can deliver work permits, neither the University nor the OTSA can influence the OCP’s decision to deliver (or not) a work permit. Applicants accepted to the program will be given a letter confirming their admission to the University, which the candidate would then use to obtain their visa/work permit where necessary.

If a student does not manage to secure internship in a recognised firm by July 31st, the student’s candidacy will be lost, even after having been accepted to the University. Applicants can however be maintained for the following academic year, provided a copy of the acceptance letter is joined when applying again the following year, but without any certainty that the candidacy will be accepted again. Class size is limited to 30 places.

If, during the course of study, a student leaves his/her place of internship, he/she needs to find a new job in the same sector, within one month or else leave the program. Moreover, the new company needs to take over his/her tuition fees.
Throughout the 18 months, you will be exposed to a variety of teaching styles. The majority of teaching is in the form of structured lectures, however class discussions are highly encouraged and, where applicable, case studies are analysed either in groups or collectively. Moreover, as the class size is limited to 30 students, it enables us to provide our students with hands-on learning experiences, often brought by guest speakers from the trade, who will give you the opportunity to bridge academic theory and real-world practice.

EXAMS AND MARKS
Exams take place after each module in the form of a sit-in exam, an individual or a group paper, or an individual/group presentation. In any case, class participation is key and taken into account for the final grade. Exams are marked from one (1) to six (6); four (4) is the passing grade. To obtain the degree, you need to obtain 90 ECTS credits and an overall average of 4. Three marks for a module between 3 and 4 are accepted throughout the program; modules with marks less than 3 are not credited. In case of module failure, a candidate may take an alternate exam with the Professor’s approval. The second (which may not be the best grade) will be taken into account.

ATTENDANCE
Participants must attend all modules and arrive on time. The module will not be validated for unjustified absences and/or absences which have not been accepted by the Master of Arts in International Trading, Commodity Finance and Shipping Office and by the Professor in charge of the module.

class size is limited to 30 students and enables us to provide our students with hands-on learning experiences
PRACTICAL INFORMATION

WHERE
Courses are held at UNI MAIL.

There are eight modules per semester. Each module lasts 24 hours. An exam takes place after each module. The module is run either over four days (two Friday afternoons and two Saturday mornings) or over three days (all day Thursday, Friday afternoon and Saturday morning).

The times are as follows:
- Thursdays from 8.30 a.m until 6.30 p.m.
- Fridays from 2.00 p.m. until 9 p.m.
- Saturdays from 8.15 a.m. until 1 p.m.

The Program runs for three semesters and includes a thesis.

CONTACT

The Master of Arts in International Trading, Commodity Finance and Shipping
University of Geneva
UNI MAIL
Bd du Pont-d’Arve 40
CH-1211 GENEVE 4

Program coordinator:
Eliane.Herren@unige.ch
+41 22 379 94 16

TUTION

Students are invoiced 500 CHF of administrative fees per semester.

Tuition fees are invoiced to companies hiring the student.

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