



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF BUSINESS ADMINISTRATION

UNIVERSITY EXAMINATION FOR:

DEGREE IN MARITIME MANAGEMENT

BMM 4101: MARITIME AND SHIPPING ECONOMICS

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 2 HOURS

DATE: Pick Date Dec 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE

- A) Discuss the effects of international conflicts such as wars in the Middle East on the demand and supply for shipping services. (15 Marks)
- B) The biggest container vessel in operation in the world is over 19000 TEUs. Explain the reason for the huge size of modern ships today. (15 Marks)

Question TWO

Explain the following shipping terms

1. Arrived ship
2. Notice of readiness
3. Statement of Facts
4. Dispatch
5. Demurrage

(20 Marks)

Question THREE (3)

International shipping is organized into two distinct markets structures, tramp shipping and liner shipping. Discuss the types of contracts engaged in both the tramp shipping and liner trades.

(20 Marks)

Question FOUR

Define the following shipping Terms

- (i) Derived demand -
- (ii) TEU
- (iii) NAABSA
- (iv) AA
- (v) LOLO

(20 Marks)

Question FIVE

The ship scrapping market is one of the most important shipping business segments in the maritime sector. Some Shipowners have been known to scrap their brand new vessels straight from the ship yard. Discuss the circumstances under which makes Shipowners to scrap their vessels

(20 Marks)