



Cyprus
University of
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Faculty of Management
and Economics

Master's Thesis

**THE IMPACT OF CEO CHARACTERISTICS IN
SHIPPING FIRM'S STOCK PRICE CRASHES**

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Limassol, December 2018

CYPRUS UNIVERSITY OF TECHNOLOGY
FACULTY OF MANAGEMENT AND ECONOMICS
DEPARTMENT OF COMMERCE, FINANCE AND SHIPPING

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ABSTRACT

This study investigates the stock price crashes in various shipping companies, considering the impact of some biographic characteristics of the company's CEO on these crashes. Besides the CEO characteristics, this study also investigates the impact of using hedging activities, on stock price crashes. In addition, it examines whether the number of fleet in a company can impact either stock crashes or hedging activities. The biographic characteristics under study are CEOs age, experience in the specific field of shipping and maritime services, the years as a CEO in the firm and the CEO's education in shipping studies. The general purpose of this research is to study whether the choice of admission of CEO can prevent future possible crashes, and whether it mitigates the risk of stock price failure by making the correct decisions in management positioning and management strategies. This research did not find any significant relation between CEO characteristics to stock price crashes.

Keywords: crash, CEO, shipping companies, CEO characteristics, hedging activities