

Title: Corporate Financial Risk Management of China Eastern Airlines Corporation Limited

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ABSTRACT

This study explores the financial risk management practices of China Eastern Airlines Corporation Limited (CEA), one of China's major airlines. Given the inherent volatility and capital-intensive nature of the airline industry, effective financial risk management is crucial for ensuring corporate stability and sustainability. The research aims to identify and analyze the various financial risks faced by CEA, including market risks such as fuel price volatility and currency exchange rate fluctuations, as well as credit, liquidity, and operational risks. The study evaluates the specific strategies and tools employed by CEA to manage these risks, such as hedging practices and the use of financial derivatives.

Through a comprehensive literature review, the research situates CEA's risk management practices within the broader context of the airline industry, drawing on empirical studies and case analyses. The study also examines the impact of global events, such as the COVID-19 pandemic, on CEA's financial risk management strategies, highlighting the importance of adaptability and resilience in crisis situations.

Overall, this study contributes to the academic literature on financial risk management in the airline industry, offering practical applications for industry practitioners and policy recommendations to support the financial resilience of airlines. The insights gained from CEA's experiences underscore the critical role of effective risk management in navigating the complexities and uncertainties of the aviation sector.

Keyword: Financial risk management, Airline industry, China Eastern Airlines Corporation Limited

