## BE AT THE HELM

## Seize opportunities in the changing competition

## **AEL NINGBO TEAM**

Anticipate market trends

Develop strategies

Optimize shipping costs

Target sales of products

The shipping market, which had to detour due to the Red Sea crisis, officially kicked off a price hike drama since May this year; after several months of increase, sea freight prices experienced a decline in late July. As mid August approaches, carriers are occasionally offering discounted cabins while also announcing plans to increase prices in late August. Combined with the announcement by the United States at the end of May to impose tariffs on Chinese electric vehicles, batteries, chips, and other products starting from August, many foreign traders rushed to ship early, and the peak season was at least one month earlier than usual, accompanied by a wave of price increases.

In such a rapidly changing environment, passive follow-up will inevitably hurt your competitiveness. How to avoid being trapped by high ocean rates?

With every spot + contract option in front of us to compare and book, we gain advantage of varying prices from carriers, ensuring us quote the best options to our customers. Control the costs and make our margins predictable.

AEL Ningbo team, as a role model, seized the opportunity and carried out a series of smooth operations based on their profound operational experience.





In today's rapidly changing business environment, companies that can accurately predict market trends and make strategic decisions often have a competitive advantage. Taking the European route as an example, AEL Ningbo team make accurate predictions from the following aspects:

A. FOB booking status

By analyzing the FOB booking data from the previous year, the team can observe the trend of changes in the amount of goods received. Once the data increases, it indicates that the trade volume is gradually recovering, especially in the European market, where the period of increased volume is particularly significant.

B. Shipping company's sailing schedule and availability of space

The supply and demand relationship in the market is a key factor affecting price fluctuations. Current market analysis indicates that although demand in certain industries remains strong, the availability of shipping schedules and space will also affect changes in market prices. This supply-demand imbalance will to some extent push up prices.

C. Empty container equipment situation

The allocation of empty container equipment was particularly prominent in the route changes caused by the Red Sea incident. This change not only increases the range, but also raises transportation costs. The insufficient transportation capacity of some key routes has led to a shortage of empty container equipment and increasingly severe port congestion.

D. European Index Futures

The European index futures market showed high volatility and uncertainty after the Red Sea event. Changes in flight routes and rising transportation costs will affect the futures index, and we need to closely monitor the subsequent development to adjust and respond to possible market changes in a timely manner.

After making judgments on market related demands, find the best container spot rates that will optimize the shipping and operational costs.

Selection of shipping company: Mainly choose OOCL in the OA alliance, which has the advantages of good service, short voyage, high market acceptance, and obvious competitive advantages.

Selection of destination ports: Mainly select from the UK, the Netherlands, and Germany, because we have our own FOB goods as the basic demand for these three countries.

Targeted product sales

A. Prepaid Market - Strengthen market research, regularly collect and analyze feedback on the prepaid market in order to respond more quickly to market changes.

B. Overseas Agent - Providing competitive shipping rates to enhance the competitiveness.

AEL believes that continuous optimization of these strategies will further enhance team's market insight. The market is changing, services are improving, and we are always at the forefront, becoming the helm of the voyage!

## COMPANY LEADING STAFF



Talents are the first productive force for the development of an enterprise.

Grace's own career development proves that AEL-Berkman is an "Employer of Choice" that values and is willing to cultivate its employees and provide promotion opportunities wherever and whenever possible.



In 2013, Grace Xiao graduated as a postgraduate from a leading university in the UK with the honor of the best performance in the major of Supply Chain Management. After graduation Grace worked for a year at China Shipping Gazette as key account manager East China as the first step into the shipping and logistics industry. During this period of time, Grace has built up a good business relationship with various shipping companies and freight forwarders and participated in organizing various large-scale events in the industry, thereby accumulated a certain amount of account management experience and opened up her horizons. In this context, Grace met the former China Country Manager at AEL-Berkman at an industry gathering and was invited by him to join AB Shanghai in 2015.

Grace started in the business development department for a year, and was promoted to PA to CEO and HR Admin Manager after onboarding of the group CEO Mr. Sven Kothe. With great support from Sven, Grace has learnt from the bottom of HR knowledge and lead the team now developed towards a learning organization by implementing different kinds of staff training on each level. Grace also assists CEO in sales management during the absence of China sales manager for a period of time and take care of the company biggest freehand client until now. She is the leader of AEL-Berkman Data Security Committee and took lead in China data export security assessment project, after a series of internal rectification work, AEL-Berkman is now well on track and fully compliance with relevant China laws and regulations. Besides the forementioned roles, Grace is also a member of CargoWise Steering Committee, she was deeply involved in the decision making and implementation process of the company software change, which empowered AEL-Berkman move towards next level.

Clear vision and goals, innovative strategies, strong teams and leadership, sound financial management, high customer satisfaction, and the ability to continuously improve and adapt are elements Grace believes help AEL-Berkman stand firm in such competitive marketplace, and also keys to driving the long-term growth and success.