

24 November 2016

Mr Gavin Crooks
Case Manager
Operations 3
Anti-Dumping Commission
Level 35
55 Collins Street
Melbourne Victoria 3000

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Public File

Dear Mr Crooks

Re Investigation No. 362 – Press Metal Aluminium (Australia) Pty Ltd

Press Metal Aluminium (Australia) Pty Ltd (“PMAA”) is the Australian importer of aluminium extrusions from its affiliated company in Malaysia, Press Metal Berhad (“PMB”). Capral Limited (“Capral”) notes the recent submission dated 26 October 2016 made on behalf of PMAA. The submission indicates that information provided by PMB on 19 October addresses the shortcomings of earlier information supplied and that a negative dumping margin therefore applies to exports by PMB to Australia.

The information supplied by PMB was provided following the publication of Preliminary Affirmative Determination (“PAD”) No. 362 dated 17 October 2016.

Capral would like to raise with the Anti-Dumping Commission (“the Commission”) its concerns as they apply to [export prices] during the investigation period. [Pricing quotations in investigation period]. This pricing is based as follows¹:

Mill finish for [grades] alloy

- Ave 3 month sell LME (Feb 16): US\$xxxxxx
- Ave A\$:US\$ conversion (Feb 16): rate
- Ave 3 month seller in A\$ (Feb 16): A\$ xxxxxx
- Manufacturer margin rate: A\$ xxxxxx
- March 2016 Price per tonne: A\$ xxxxxx (i.e. A\$ xxxx per kg).

[Applicable discounts].

The [source of quotation] is considered to have been extremely low in light of market prices at the time. However, Capral’s examination of Australian Bureau of Statistics (“ABS”) prices for imports from Vietnam confirms pricing at the FOB level for some shipments below A\$ xxxx per kg.

Capral has obtained [independent incomes statements] for the periods [years] (no later dates available, company). The income statements submitted that [details on company income] for each of the report years. Please refer to Confidential Attachments 1 and 2.

¹ Refer correspondence of 28 June 2016

It is Capral's position that [*company performance*] for its sales activities in Australia which include the importation and sale of aluminium extrusions from [*source of imports*] demonstrate that [*company*] is selling the aluminium extrusions in Australia at a loss. On this basis, export prices for [*company*] cannot be considered to be 'arms length' (in accordance with subsection 269TAA(1)(b)) and must be determined on the deductive export prices basis.

Capral acknowledges that it does not have access to [*company, recent returns*] for the investigation period. However, Capral would highlight that Australian market prices for aluminium extrusions have experienced increased competition from exports from Malaysia (other than from [*company*]) and Vietnam, as well as a devaluation of the Australian dollar. On the basis of a decline in currency, the purchase price for raw material aluminium logs (based on the LME) have increased in 2015 and the investigation period. Declines in export prices to Australia, therefore, were not sustainable throughout the investigation period (and the remainder of 2016).

Capral is seeking the Commission to fully examine PMAA's selling prices for purchased aluminium extrusions through the 2015/16 investigation period to establish:

- Whether PMAA's sales were at a loss; and
- Whether PMB has provided any reimbursement to its affiliated importer during the investigation period.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 8222 0113 or Capral's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely



Luke Hawkins
General Manager – Supply and Industrial Solutions