



Consideration Reports No. 540 & No. 541

Applications for dumping duty notices submitted by Capral Limited in relation to:

- Mill finish aluminium extrusions; and
- Surface finish aluminium extrusions.

Exported to Australia from Malaysia by:

- Press Metal Sdn Bhd;
- Milleon Extruder Sdn Bhd;
- LB Aluminium Sdn Bhd;
- Kamco Aluminium Sdn Bhd;
- Superb Aluminium Industries Sdn Bhd; and
- Genesis Aluminium Industries Sdn Bhd.

Contents

1	Findings and recommendations	2
1.1	Findings	2
1.2	Recommendations	2
2	The applications and the Australian industries	4
2.1	Lodgement of applications	4
2.2	Compliance with section 269TB(4).....	5
2.3	Current measures	7
2.4	The goods comprising the subject of the applications	8
2.5	Like goods and the Australian industry.....	9
2.6	Australian industries' information.....	12
3	Reasonable Grounds – dumping	15
3.1	Findings	15
3.2	Legislative framework	15
3.3	Export price.....	15
3.4	Normal value.....	16
3.5	Dumping margins.....	18
4	Reasonable grounds – injury to the Australian industry.....	19
4.1	Findings	19
4.2	Legislative framework	19
4.3	The Applicant's claims	19
4.4	Approach to injury analysis	19
4.5	Volume effects	20
4.6	Price effects	25
4.7	Profit and profitability effects	27
4.8	Other injury factors.....	28
5	Reasonable grounds – causation factors.....	29
5.1	Findings	29
5.2	Cause of injury to the Australian industry	29
5.3	The Applicant's claims	29
6	Appendices and attachments.....	32

Abbreviations

Abbreviations/short form	Full reference
ABF	Australian Border Force
the Act	<i>Customs Act 1901</i>
AS/NZS	Australia and New Zealand Standard
the Commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
CTMS	cost to make and sell
EPR	electronic public record
FOB	Free on Board
Capral or Applicant	Capral Limited
the goods	the goods the subject of the applications
ALEX	aluminium extrusions
the Manual	Dumping and Subsidy Manual
the Material Injury Direction	<i>Ministerial Direction on Material Injury 2012</i>
the Minister	Minister for Industry, Science and Technology
REP	Final Report
SG&A	selling, general and administrative
SEF	Statement of Essential Facts

1 Findings and recommendations

This document incorporates and combines two reports and includes the results of the consideration by the Anti-Dumping Commission (the Commission) of two applications dated 6 January 2020 under section 269TB(1) of the *Customs Act 1901*¹ (the Act) by Capral Limited (Capral or the Applicant) for the publication of dumping duty notices in respect of mill finish and surface finish aluminium extrusions that have been imported into Australia from the following exporters covered by these applications:

- Press Metal Sdn Bhd;
- Milleon Extruder Sdn Bhd;
- LB Aluminium Sdn Bhd;
- Kamco Aluminium Sdn Bhd;
- Superb Aluminium Industries Sdn Bhd; and
- Genesis Aluminium Industries Sdn Bhd.

Capral alleges that the Australian industries for both mill finish and surface finish aluminium extrusions have suffered material injury caused by the respective goods exported to Australia from the exporters covered by these applications at dumped prices.

Anti-dumping measures currently apply to aluminium extrusions (all surface types) from Malaysia. However, the current measure² does not apply to the six exporters named above. Further information is provided at section 2.4.

The legislative framework that underpins the making of an application and the Commission's consideration of an application is contained in Divisions 1 and 2 of Part XVB of the Act.

1.1 Findings

In accordance with section 269TC(1), the Commission has examined the applications and is satisfied that:

- the applications comply with the requirements of section 269TB(4) (as set out in section 2.2 below)
- there is an Australian industry in respect of like goods for both applications (as set out in section 2.4 below)
- there appear to be reasonable grounds for the publication of a dumping duty notice in respect of the goods comprising the subject of both applications (as set out in sections 3, 4 and 5 below).

1.2 Recommendations

Based on the above findings, the Commission recommends that the Commissioner of the Anti-Dumping Commission (the Commissioner) decide not to reject the applications and initiate separate investigations to determine whether dumping duty notices should be published.

The Commission further recommends that for both investigations:

- exports to Australia during the period 1 January 2019 to 31 December 2019 be examined for dumping, and

¹All legislative references in this report are to the *Customs Act 1901* unless otherwise specified.

² ADN No. 2017/73.

PUBLIC RECORD

- details of the Australian market from 1 January 2016 be examined for injury analysis purposes.

If the Commissioner agrees with these recommendations, the Commissioner must give public notice of the decisions (**Non-Confidential Attachments 1 and 2**) in accordance with the requirements set out in section 269TC(4).

2 The applications and the Australian industries

2.1 Lodgement of applications

2.1.1 Legislative framework

The procedures for lodging an application are set out in section 269TB.

The procedures and timeframes for the Commissioner's consideration of the applications are set out in section 269TC.

2.1.2 The Commissioner's timeframe

Event	Date	Details
Applications lodged & received by the Commissioner under sections 269TB(1) and (5)	6 January 2020	The Commission received two separate applications from Capral who allege that the Australian industries for mill finish and surface finish aluminium extrusions have experienced and may continue to experience material injury caused by the respective goods imported into Australia from the exporters covered by these applications at dumped prices.
Applicant provided further information in support of the applications under section 269TC(2A)	9 January 2020	The Applicant provided further information in support of the applications for mill finish and surface finish aluminium extrusions without having been requested to do so. As provided in section 269TC(2A), the further information was taken to have been lodged and received from the last date that the further information was provided. This restarted the 20 day period for consideration of the two applications.
	13 January 2020	The Applicant provided further information for both mill finish and surface finish applications in response to the deficiency advice dated 10 January 2020 from the Commission. As provided in section 269TC(2A), the further information was taken to have been lodged and received from the last date that the further information was provided. This restarted the 20 day period for consideration of the two applications.
	31 January 2020	The Applicant provided further information for both mill finish and surface finish applications in response to the deficiency advice dated 24 January 2020 from the Commission. As provided in section 269TC(2A), the further information was taken to have been lodged and received from the last date that the further information was provided. This restarted the 20 day period for consideration of the two applications.

PUBLIC RECORD

Event	Date	Details
Consideration decision due under section 269TC(1)	20 February 2020	The Commissioner shall decide whether to reject, or not reject the applications within 20 days after the Applicant provided further information.

Table 1: Application assessment timeline

2.2 Compliance with section 269TB(4)

2.2.1 Finding

Based on the information submitted by the Applicant, the Commission considers that both of the applications comply with section 269TB(4).

2.2.2 Legislative framework

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that the application complies with section 269TB(4).

2.2.3 The Commission's assessment

The table below summarises the Commission's assessment of compliance with section 269TB(4) for each of the applications received.

Requirement for the application	Details
Lodged in writing under section 269TB(4)(a)	The Applicant lodged confidential and non-confidential versions of the applications in writing. The non-confidential version of the applications can be found on the respective electronic public records on the Commission's website. ³
Lodged in an approved form under section 269TB(4)(b)	The applications are in the approved form (Form B108) for the purpose of making an application under section 269TB(1).
Contains such information as the form requires under section 269TB(4)(c)	For both applications, the Applicant provided: <ul style="list-style-type: none"> • a completed declaration; • answers to all questions that were required to be answered by the Applicant; • completed all appendices; and • provided sufficient detail in the non-confidential version of the applications to enable a reasonable understanding of the substance of the information submitted in confidence.
Signed in the manner indicated in the form under section 269TB(4)(d)	The applications were signed in the manner indicated in Form B108 by a representative of the Applicant.

³ The Commission's website is at: www.adcommission.gov.au

PUBLIC RECORD

Requirement for the application	Details
Supported by a sufficient part of the Australian industry under section 269TB(4)(e) and determined in accordance with section 269TB(6)	<p>As set out in section 2.5, the Commission is satisfied that there are two separate Australian industries producing like goods - mill finish and surface finish aluminium extrusions.</p> <p><i>(a) Mill finish</i></p> <p>The application provides information concerning Capral's production volumes of mill finish aluminium extrusions and states that Capral is the largest Australian manufacturer of mill finish aluminium extrusions. The available information before the Commission from prior cases supports this statement.</p> <p>Capral asserts in its application that there are eight other Australian manufacturers of like goods. The majority of these entities provided letters of support⁴ for these applications and indicated that they are impacted by the imports from Malaysia.</p> <p>The Commission considers that the application is supported by a sufficient part of the Australian industry under section 269TB(4)(e) and complies with the requirements of sections 269TB(6)(a) and (b).</p> <p><i>(b) Surface finish</i></p> <p>The application provides information concerning Capral's production volumes of surface finish aluminium extrusions.</p> <p>Capral also asserts in its application that there are eight other Australian manufacturers of like goods. The majority of these entities provided letters of support⁵ for these applications and indicated that they are impacted by the imports from Malaysia.</p> <p>The Commission considers that the application is supported by a sufficient part of the Australian industry under section 269TB(4)(e) and complies with the requirements of sections 269TB(6)(a) and (b).</p>
Lodged in the manner approved under section 269SMS for the purposes of section 269TB(4)(f)	The applications were lodged in a manner approved in the Commission's instrument made under section 269SMS, being by email to an address nominated in that instrument. ⁶ The applications were therefore lodged in a manner approved under section 269SMS(2).

Table 2: Assessment of compliance with section 269TB(4)

⁴ Confidential attachment 2.

⁵ Confidential attachment 2.

⁶ *Form and manner of lodging and withdrawing applications relating to anti-dumping matters: Instrument under section 269SMS of the Customs Act 1901*, 23 November 2018.

2.3 Current measures

Anti-dumping measures currently apply to aluminium extrusions exported to Australia from the People’s Republic of China (China),⁷ Malaysia⁸⁹ and Vietnam.¹⁰ A history of the main cases relating to aluminium extrusions exported to Australia from Malaysia is summarised below in Table 3.

Further information is also available on the public record for these cases on the Commission website.¹¹

Previous Investigations	
2016	The Commissioner initiated an investigation, following an application from Capral Limited, into the alleged dumping and subsidisation of aluminium extrusions exported to Australia from Malaysia and Vietnam. On 27 June 2017, the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science published a dumping notice in respect of the goods exported from Malaysia and Vietnam and a countervailing notice in respect of Malaysia, following consideration of <i>Anti-Dumping Commission Report No. 362</i> (REP 362). Certain aspects of this decision were subject to review by the Anti-Dumping Review Panel (ADRP). ¹²
2018	The Commissioner initiated a revocation review and review of variable factors in relation to aluminium extrusions exported from Malaysia by Alumac Industries Sdn Bhd (Alumac). The review examined the period 1 July 2017 to 30 June 2018 to determine whether the variable factors relevant to the taking of the existing anti-dumping measures in relation to Malaysia, as they affect Alumac, have changed, and whether revoking the measures would lead, or be likely to lead, to a continuation of, or a recurrence of, the dumping or subsidisation and the material injury that the measures were intended to prevent. Following the conclusion of this review, the countervailing duty notice was revoked in relation to aluminium extrusions exported to Australia from Malaysia by Alumac, with effect from 24 August 2018. ¹³
2019	The Commissioner initiated a review of variable factors in relation to aluminium extrusions exported from Malaysia by Everpress Aluminium Industries Sdn Bhd (Everpress).

⁷ The anti-dumping measures in respect of China (in the form of a dumping duty notice and a countervailing duty notice) apply to all exporters with the exception of Guangdong Jiangsheng Aluminium Co. Ltd. and Guangdong Zhongya Aluminium Co Ltd.

⁸ In the form of a dumping duty notice and a countervailing duty notice for all exporters except Press Metal Berhad, LB Aluminium Berhad, Superb Aluminium Industries Sdn Bhd, Kamco Aluminium Sdn Bhd, Milleon Extruder Sdn Bhd and Genesis Aluminium Industries Sdn Bhd. These exporters were not subject to the notice due to a finding of no dumping or negligible dumping/countervailing.

⁹ The countervailing duty notice against Alumac industries Sdn Bhd has been revoked following Review No. 490 (ADN No. 2019/61) with effect from 24 August 2018.

¹⁰ In the form of a dumping duty notice for all exporters.

¹¹ The Commission’s website is at: www.adcommission.gov.au

¹² ADRP Review No. 61, available at: www.adreviewpanel.gov.au

¹³ Review No. 490; ADN No. 2019/61.

PUBLIC RECORD

	<p>The review examined the period 1 April 2018 to 31 March 2019 to assess the variable factors and obtained additional information from 1 April 2015.</p> <p>Following the conclusion of this review, the countervailing duty notice was revoked in relation to aluminium extrusions exported to Australia from Malaysia by EverPress with effect from 26 April 2019.¹⁴</p>
--	--

Table 3 – History of anti-dumping measures in relation to Malaysia

The Commission note that the description of the goods in those two applications are captured by the current measures¹⁵ that were implemented following the previous investigation¹⁶. However, this is the first investigation into the aluminium extrusions as described in the goods descriptions below.

2.4 The goods comprising the subject of the applications

The tables below set out the goods as described in each of the applications.

Full description of the goods the subject of the application – Mill Finish
Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents), with the finish being as extruded (mill) (excluding all other surface finishes) , whether or not worked, having a wall thickness or diameter greater than 0.5 mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421 mm.

Table 4: Goods the subject of the application mill finish aluminium extrusions

Full description of the goods the subject of the application – Surface Finish
Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents), with the finish being mechanical, painted, powder coated, anodised or otherwise coated (excluding mill-finish) , whether or not worked, having a wall thickness or diameter greater than 0.5 mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421 mm.

Table 5: Goods the subject of the application surface finish aluminium extrusions

The table below outlines the tariff classifications¹⁷ that are applicable to the goods at the time of importation:

Tariff classification (<i>Schedule 3 of the Customs Tariff Act 1995</i>)			
Tariff code	Statistical code	Unit	Description
7604.10.00	06	Kg	Non alloyed aluminium bars, rods and profiles
7604.21.00	07	Kg	Aluminium alloy hollow angles and other shapes

¹⁴ REP509; ADN No. 2020/05.

¹⁵ REP362; ADN No. 2017/73.

¹⁶ Investigation 362.

¹⁷ These tariff classifications and statistical codes are used when imports are declared to the Australian custom and may include goods that are both subject and not subject to this investigation. The listings of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description.

PUBLIC RECORD

7604.21.00	08	Kg	Aluminium alloy hollow profiles
7604.29.00	09	Kg	Aluminium alloy non hollow angles and other shapes
7604.29.00	10	Kg	Aluminium alloy non hollow profiles
7608.10.00	09	Kg	Aluminium tubes and pipes, not alloyed
7608.20.00	10	Kg	Aluminium tubes and pipes, alloyed
7610.10.00	12	Kg	Aluminium doors, windows and their frames and thresholds for doors
7610.90.00	13	Kg	Other aluminium structures and parts thereof

Table 6: Tariff classifications

2.5 Like goods and the Australian industry

2.5.1 Finding

The Commission is satisfied that there are Australian industries producing like goods to the goods under consideration (the subject of each of the applications) on the basis that:

- Capral produces goods that are identical in all respects or have characteristics that closely resemble each of the goods under consideration (the subject of each of the applications); and
- each of the goods are wholly or partly manufactured in Australia.

2.5.2 Legislative framework

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there is, or is likely to be established, an Australian industry in respect of like goods.

Like goods are defined under section 269T(1). Sections 269T(2), 269T(3), 269T(4) and 269T(4A) are also used to determine whether the like goods are produced in Australia and whether there is an Australian industry.

2.5.3 Locally produced like goods

The table below summarises the Commission's assessment of whether, for both mill finish and surface finish aluminium extrusions, the locally produced goods are identical to, or closely resemble, the goods the subject of the applications and are therefore like goods.

PUBLIC RECORD

Factor	The Applicant's claims	The Commission's assessment
Physical likeness	The Applicant claims that both mill finish and surface finish aluminium extrusions produced by the Australian industries are physically alike to the imported goods.	<p>Both applications include an extract from an importer publication describing the imported goods.¹⁸ The Commission observes that the goods described in the extract are similar in specification to the locally manufactured goods.</p> <p>The Commission is satisfied that:</p> <ul style="list-style-type: none"> • both mill finish and surface finish goods produced by Capral are physically alike to the imported mill finish and surface finish goods in all aspects; • both imported mill finish and surface finish aluminium extrusions are subject to the same Australian standard requirements as the domestically produced goods; and • both imported mill finish and surface finish aluminium extrusions and the domestically produced goods are alike in appearance and supplied in similar dimensions and appear to be of similar strength. <p>The Commission is, therefore, satisfied that both mill finish and surface finish goods that are imported are physically alike to domestically produced goods.</p>

¹⁸ At section A-3 of the application

PUBLIC RECORD

Factor	The Applicant's claims	The Commission's assessment
Commercial likeness	For each of the goods (mill finish and surface finish), the Applicant claims that the imported goods and domestically produced goods are commercially alike, as they are sold to common users and directly compete in the same market.	<p>The information provided by the Applicant in both applications indicates that for both mill finish and surface finish aluminium extrusions:</p> <ul style="list-style-type: none"> • close price competition exists in the Australian market between the imported goods and the domestically produced goods; and • end users (particularly in the large building market) are willing to switch between the domestically produced goods and the imported goods based on price. <p>The Commission is satisfied for both mill finish and surface finish goods, that the imported goods and the domestically produced goods are commercially alike.</p>
Functional likeness	For each of the goods (mill finish and surface finish), the Applicant claims that the imported goods and domestically produced goods are functionally alike, as they have a similar range of end-uses.	The Commission is satisfied that for both mill finish and surface finish goods, that the imported goods and the domestically produced goods have the same (or similar) end-uses and are functionally substitutable.
Production likeness	For each of the goods (mill finish and surface finish), the Applicant claims that the domestically produced goods are manufactured in a similar manner to the imported goods, using the same or similar raw materials to the imported goods. Capral's production process is described at section 2.4.4 below.	Based on the available information, the Commission considers that domestically produced goods are manufactured in a similar process (e.g. aluminium billet through a single or multiple shaped die to produce long length of the material with its cross-section copying the various shapes of the die), using the same or similar raw materials (i.e. aluminium billet) to that of the imported goods. The process to bring about either a mill finish or surface finish is also similar for domestically produced goods and imported goods.
Commission's assessment		
Based on the above assessment, the Commission is satisfied for both mill finish and surface finish goods, that the domestically produced goods closely resemble the goods (the subject of the applications) and are, therefore, like goods.		

Table 7: Like goods assessment

2.5.4 Manufacture in Australia

The table below summarises the Commission's assessment of each application and whether the like goods are considered to have been manufactured in Australia.

PUBLIC RECORD

The Applicant's claims
<p>In the mill extrusion production process, raw material in the form of aluminium billet is substantially transformed into aluminium extrusions via a capital-intensive extrusion manufacturing process.</p> <p>The Applicant claims that its aluminium extrusions are fully manufactured in Australia using Australian and imported raw materials. The major raw material used in producing mill finish aluminium extrusions is aluminium billet, which is substantially transformed into aluminium extrusions via a capital intensive extrusion manufacturing process.</p>
The Commission's assessment
<p>Based on the description of the manufacturing process provided by the Applicant, the Commission's previous verification visits to Capral's manufacturing sites and understanding of the manufacturing process, and the fact that these processes take place at manufacturing facilities in Australia, the Commission is satisfied that aluminium extrusions are manufactured in Australia with at least one substantial process in the manufacture of these goods being carried out in Australia.</p>

Table 8: Manufacturing in Australia

2.6 Australian industries' information

The table below summarises the Commission's assessment of whether Capral has provided sufficient information in the applications to analyse the performance of the Australian industry for each of the goods.

Have the relevant appendices to the applications been completed?		
A1	Australian production	Yes
A2	Australian market	Yes
A3	Sales turnover	Yes
A4	Domestic sales	Yes
A5	Sales of other production	Yes
A6.1	Cost to make and sell (& profit) – Domestic sales	Yes
A6.2	Cost to make and sell (& profit) – Export sales	Yes
A7	Other injury factors	Yes
General administration and accounting information		
Ownership	The Applicant is a publicly listed company on the Australian Securities Exchange (ASX code: CAA). As a listed company, Capral's shareholders change. However, it provided in both of its applications the details of substantial shareholders as at 13 th November 2019.	
Operations	The Applicant is a major extruder and distributor of aluminium products. The manufacturing business produces extrusion products at five sites in Queensland, New South Wales, Victoria, South Australia and Western Australia. It operates eight major distribution centres and ten 'Capral Aluminium Centres' across Australia.	
Financial year	Capral's financial year is from 1 January to 31 December.	
Audited accounts	<p>The Applicant states that its accounts comply with Australian accounting standards as certified by independent auditors in the 2018 Annual Report.</p> <p>Both applications were furnished with copies of the Applicant's publicly available annual reports for 2017 and 2018, as well as a semi-annual report for 2019.</p>	
Profit and loss statements	The Applicant provided internal financial statements that detail profit and loss for each of the five manufacturing operations for March, June and September 2019.	

PUBLIC RECORD

Production and sales information	Cost to make and sell information	Other injury factors
<p>Capral provided sales information for the period 1 July 2015 to 30 September 2019 that is identical for both mill finish and surface finish goods.</p> <p>Capral provided separated production information on mill finish and surface finish goods for the period of 1 October 2015 to 30 September 2019.</p>	<p>Capral provided quarterly consolidated cost to make and sell (CTMS) information for the period 1 January 2014 to 30 September 2019 as well as separate information on domestic CTMS and export CTMS of mill finish and surface finish goods for the same period.</p>	<p>Capral provided data in relation to other injury factors for the period 30 September 2015 to 30 September 2019.</p>
The Commission's assessment		
<p>Based on the information in the applications, the Commission is satisfied that there is sufficient data on which to analyse the performance of the Australian industry for mill finish and surface finish aluminium extrusions for the purposes of this report. The analysis in chapters 3, 4 and 5 has relied on the data submitted by the applicant in the current two applications.</p> <p>As noted at section 1.2, the proposed injury analysis period for both investigations is from 1 January 2016 and the proposed investigation period is from 1 January 2019 to 31 December 2019.</p>		

Table 9: Sufficiency of Capral's data for both applications

2.6.1 Market size

The Applicant has estimated the volume of mill finish and surface finish aluminium extrusions based on:

- its own production volumes of mill finish and surface finish aluminium extrusions, and the share of total sales that each good represents;
- an estimate of the production volumes for other domestic producers; and
- import data from the Australian Bureau of Statistics (ABS).

This is set out in Confidential Appendix A2 of its application.

The Applicant's approach to import data

When determining the size of the market made up by imports from Malaysia, the Applicant noted that ABS data could not be isolated by finish type of aluminium extrusions, as all aluminium extrusion profiles (both the goods and non-goods) are within the same tariff classifications and statistical codes.

The Applicant has estimated the import volume of mill finish aluminium extrusions from Malaysia based on its share of mill finish sales and total domestic sales in the Australian market then applied the rest of its market share proportion to estimate the market volume of surface finish aluminium extrusions.

The Commission has examined Capral's approach and considers that the estimates of market size are based on a reasonable approach given the limited information available to the applicant.

The Commission also examined information from the Australian Border Force (ABF) import database and found that imports of aluminium extrusions from Malaysia cannot be filtered by mill finish or surface finish. The Commission tested the approach taken by Capral by considering verified data from an exporter that

participated in Anti-Circumvention Inquiry 447.¹⁹ This verified data supported the result of the approach taken by Capral for the purposes of estimating import volumes of the goods.

Accordingly, the Commission considers the methodology suggested by Capral, and the use of their data, is appropriate for the below analysis.

The Applicant's estimation of the market size for mill finish and surface finish aluminium extrusions is depicted at Figure 1 and Figure 2 below.

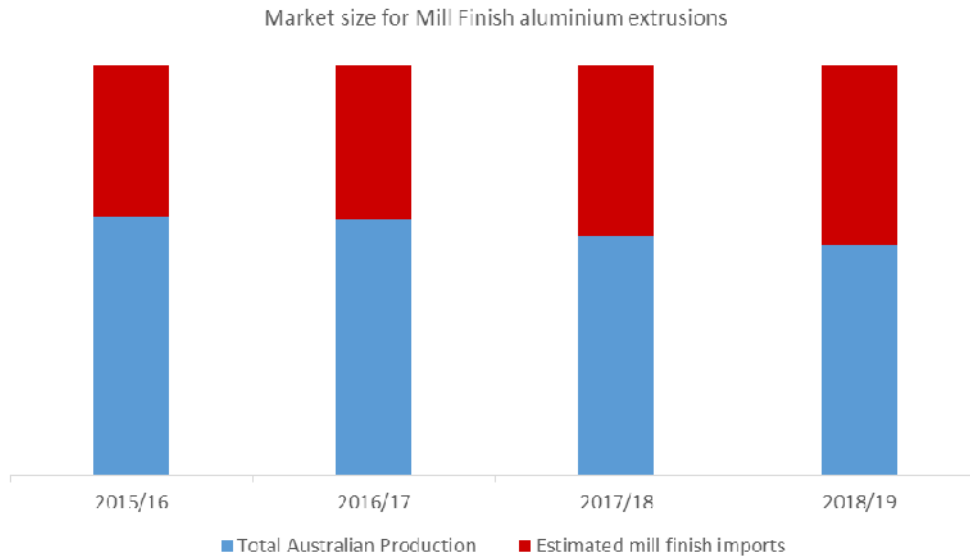


Figure 1: Australian market for mill-finish aluminium extrusions (T)

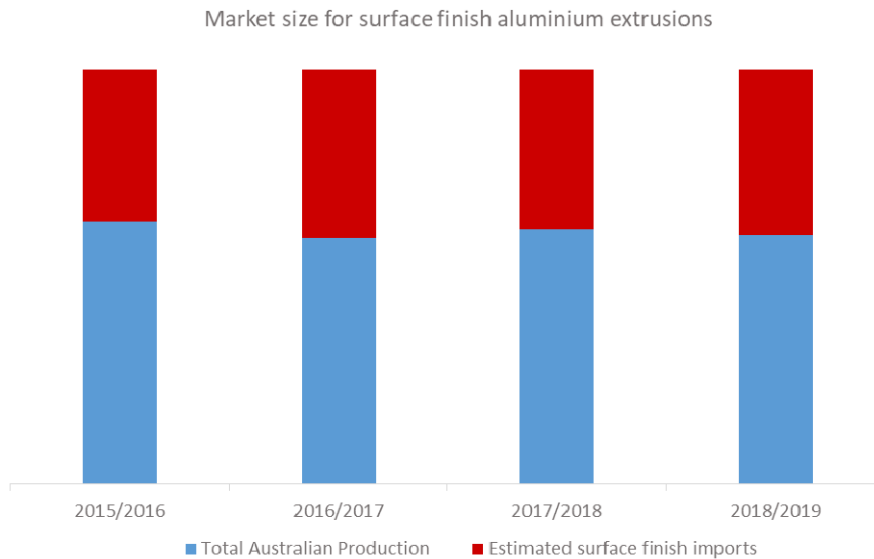


Figure 2: Australian market for surface finish aluminium extrusions (T)

Note: Throughout this report, a reference to a year is a reference to a year ending in 30 September.

¹⁹ Anti-Circumvention - Aluminium extrusions from China. Refer to EPR 447 for further information.

The Commission will reconsider the size of each market during the course of each investigation, based on verified data from interested parties.

The Commission's analysis of the Australian market size for both mill finish and surface finish aluminium extrusions is contained in **Confidential Appendix 1**.

3 Reasonable Grounds – dumping

3.1 Findings

Pursuant to section 269TC(1)(c), the Commission considers that there appear to be reasonable grounds to support Capral's claims that:

- both mill finish and surface finish goods have been exported to Australia from the exporters covered by these applications at dumped prices;
- the estimated dumping margin for exports of each of the goods from the exporters covered by these applications is greater than 2 per cent and therefore is not negligible, and
- the estimated volume of each of the goods from the exporters covered by these applications that appear to have been dumped is greater than 3 per cent of the total Australian import volume of those goods and therefore is not negligible.

3.2 Legislative framework

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there appear to be reasonable grounds for the publication of a dumping duty notice.

Under section 269TG, one of the matters that the Minister for Industry, Science and Technology (the Minister) must be satisfied of, in order to publish a dumping duty notice, is that the export price of goods that have been exported to Australia is less than the normal value of those goods, (i.e. that dumping has taken place to an extent that is not negligible). This issue is considered in the following sections.

3.3 Export price

3.3.1 Legislative framework

Export price is determined by applying the requirements in section 269TAB taking into account whether the purchase or sale of goods was an 'arms length' transaction under section 269TAA.

3.3.2 The Applicant's estimate

The table below summarises the approach taken by the Applicant to estimate export prices and the evidence relied upon for both mill finish and surface finish aluminium extrusions.

PUBLIC RECORD

Country	Basis of estimate	Details
Malaysia (the exporters covered by these applications)	Deductive export price calculation at the FOB level based on offers/quotes as per section 269TAB(1)(c).	<p>Capral has calculated its deductive export price for both mill and surface finish aluminium extrusions at FOB point (Malaysian port) using price offers from Malaysian exporters who are subject to these applications.</p> <p><u>Limitation</u></p> <ul style="list-style-type: none"> • Capral has not relied upon ABS import data for the determination of Malaysian FOB export prices for the goods exported to Australia as it aggregates aluminium extrusions irrespective of finish (mill and surface finish goods i.e. mill finish, powder coated, anodised are all aggregated in relevant classification). • Capral does not have information concerning inland freight costs for each manufacturer for the transportation of the goods from factory to port of export.

Table 10: Applicant's export price estimate

3.3.3 The Commission's assessment

The Commission examined export price calculations and supporting evidence provided by Capral and the Commission considers that the applicant's approach to estimating export prices for each application is reasonable given limited nature of the information available to the applicant.

To verify the reliability of the export price calculated by Capral, the Commission compared the export price in the applications to verified data obtained from an exporter in Review 509 on aluminium extrusions exported from Malaysia.

In undertaking this comparison, the Commission notes that this data does not cover the entire investigation period. The Commission has applied a linear projection of prices based on ABF data to estimate a price for the remaining period of the investigation period, while maintaining price and volume differentials for different finishes, as per the verified data available to the Commission.

The Commission notes that there is a significant variance between Capral's estimated FOB export price in these applications, the export prices in Review 509 and ABF import data which is consolidated information on mill and surface finish goods that cannot be filtered by finish type. As such, the Commission considers a combination of verified data and ABF data to be preferable for the purposes of estimating export prices.

Please refer to **Confidential Appendix 2** for the Commission's assessment of export price calculations by the Applicant and the Commission.

3.4 Normal value

3.4.1 Legislative framework

Normal value is determined by applying the requirements in section 269TAC taking into account whether:

- the purchase or sale of the goods was an 'arms length' transaction under section 269TAA;
- the goods were sold in the ordinary course of trade under section 269TAAD;

PUBLIC RECORD

- there has been an absence or low volume of sales of like goods in the country of export; and
- whether the situation in the market of the country of export is such that sales in that country are not suitable for determining normal value under section 269TAC(1).

3.4.2 The Applicant's estimate

The table below summarises the approach taken by the Applicant to estimate normal values for both mill finish and surface finish goods, and the evidence relied upon.

Basis of estimate	Details
<p>The Applicant was unable to obtain domestic selling price information for mill finish and surface finish aluminium extrusions sold in Malaysia by the exporters covered by these applications.</p> <p>As normal values cannot be determined under section 269TAC(1), the Applicant has constructed normal values in accordance with section 269TAC(2)(c).</p>	<p>Capral has been unable to obtain selling prices for mill and surface finish aluminium extrusions sold domestically in Malaysia. Manufacturers of locally produced alloy finish aluminium extrusions hold domestic pricing close for commercial sensitivity reasons. Selling prices are not broadly known or published.</p> <p>In the absence of domestic pricing information, the Applicant constructed packed, ex-factory selling prices for both mill finish and surface finish aluminium extrusions sold by the exporters covered by these applications in Malaysia based upon:</p> <p><u>Cost to make</u> Prevailing price of aluminium ingots (ex LME); the Major Japanese Port (MJP) premium; billet premium and alloy premium, together with conversion costs (Capral's CTM with adjustment).</p> <p><u>SG&A expenses</u> Cost of selling (including estimated cost of packaging such as stillages); distribution; administration; finance, and other costs.</p> <p><u>Profit</u> Net sales revenue less cost to make and SG&A expenses.</p> <p><u>Adjustments</u> Labour costs have been adjusted to reflect lower per capita income for Malaysia (the 2018 Malaysian per capita income amount has been used – source World Bank Data).</p> <p><u>Limitations</u> Capral does not have actual costs for domestic inland freight in Malaysia or credit terms and expenses relating to differences in domestic and export sales, hence adjustments for these expenses have not been made to the prima facie normal values.</p>

Table 11: Applicant's normal value estimate

3.4.3 The Commission's assessment

The Commission must determine whether there appear to be reasonable grounds for supporting a claim that the goods have been exported to Australia at dumped prices. The Commission is therefore required to assess whether the normal value estimation provided in the applications are reasonable.

Acknowledging that Capral's ability to access required data to estimate the costs in the country of production accurately is limited, the Commission considers that it is

reasonable to rely upon verified exporter data from a previous case²⁰ that covers part of the proposed investigation period for both the mill finish and surface finish applications.

For the remaining period of the investigation period, to determine normal values for the purposes of this consideration, the Commission used a linear projection based on the key cost driver²¹ to extrapolate normal values.

The Applicant's calculation of normal value and the Commission's assessment are contained in **Confidential Appendix 3**.

3.5 Dumping margins

3.5.1 Legislative framework

Dumping margins are determined in accordance with the requirements of section 269TACB.

Dumping margins and dumping volumes cannot be negligible, otherwise the investigation is terminated. Whether the dumping margins and dumping volumes are negligible is assessed under section 269TDA.

3.5.2 The Commission's assessment

The table below summarises the dumping margins estimated by the Applicant and the dumping margins calculated by the Commission (based on normal values as described at section 3.4.3 above, and export prices as described at section 3.3.3). Dumping margins are expressed as a percentage of the export price.

Country	The Applicant's estimate	The Commission's estimate
Malaysia (the exporters covered by these applications)	57.23% (Mill finish) 37.14% (Surface finish)	13% (Mill finish) 12% (Surface finish)

Table 12: Dumping margin estimates

The Commission is satisfied that the figures above demonstrate dumping margins that are not negligible.

A comparison of the Applicant's dumping margin and the Commission's dumping margin calculations is at **Confidential Appendix 4**.

The Commission notes that ABF data for aluminium extrusions cannot be filtered by finish type. The Commission is satisfied that the methodology applied by the Applicant to estimate the import volumes of each of the goods is reasonable, having regard for the limitations in the ABF data. The Commission is also satisfied that the import volumes for both mill finish and surface finish aluminium extrusions from the exporters covered by these applications is greater than three per cent of the total Australian import volume for the respective goods, and therefore not negligible for the purposes of section 269TDA(4). The Commission's volume analysis is at **Confidential Appendix 1**.

²⁰ REV 509.

²¹ Being the London Metal Exchange (LME) base price plus billet premiums, and MJP premium for mill finish goods and added conversion costs, profit, freight to customer plus finish extras for surface finish goods.

4 Reasonable grounds – injury to the Australian industry

4.1 Findings

Pursuant to section 269TC(1)(c), having regard to the matters contained in the applications, and to other information considered relevant, the Commission considers that there appear to be reasonable grounds to support the claims that the Australian industries for mill finish and surface finish aluminium extrusions have experienced injury in the form of:

- loss of sales volume;
- loss of market share;
- price suppression;
- loss of profit; and
- reduced profitability.

4.2 Legislative framework

Under section 269TG, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that the Australian industry has experienced material injury. This issue is considered in the following sections.

The matters that may be considered in determining whether the Australian industry has experienced material injury are set out in section 269TAE. In assessing the materiality of the claimed injury, the Commission has also had regard to the *Ministerial Direction on Material Injury 2012* (the Direction).²²

4.3 The Applicant's claims

The Applicant claims that it has sustained material injury in both mill finish and surface finish aluminium extrusions caused by the dumping of exported goods from the exporters covered by these applications.

The Applicant claims in both applications that it has been injured through:

- reduced sales volume;
- reduced market share;
- price suppression;
- price depression;
- reduced profit and profitability;
- reduced revenues;
- reduced return on investment;
- reduced capacity utilisation;
- reduced employment and
- reduced wages.

4.4 Approach to injury analysis

This chapter analyses the economic condition of the Australian mill finish and surface finish aluminium extrusion industries and provides an assessment as to whether there appear to be reasonable grounds to support a claim that the two Australian industries have suffered injury.

²² *Ministerial Direction on Material Injury 2012*, available at: www.adcommission.gov.au

In its analysis of volume effects and market share for both applications, the Commission has used data provided by the applicant²³ in respect of Australian industry sales, and import data from the ABF imports database.

The analysis detailed in this section is a preliminary analysis, based on information provided by the Applicant in support of its two applications, including quarterly production, cost, sales and other financial data. The Commission also had regard to the ABF import database and other available information that is considered relevant.

Given that Capral represent the majority in the Australian industry for each of the mill finish and surface finish aluminium extrusions, the Commission considers that data provided by Capral is a suitable indicator of the performance of the entire Australian industries for each of the mill finish and surface finish goods.

The Commission will be in contact with other producers following initiation of the investigations.

4.4.1 Injury analysis period

The purpose of the injury analysis period is to enable the Commission to identify and examine trends in the Australian market, which in turn assists the Commission in its examination of whether material injury has been caused by dumping. The Commission will consider the period from 1 January 2016 for the purposes of injury analysis.

4.5 Volume effects

Capral claims that injury from dumping of both mill finish and surface finish aluminium extrusions commenced in 2015. Across both applications, it claims that:

- Increasing export volumes of both mill finish and surface finish aluminium extrusions from the exporters covered by these applications have caused Capral to lose sales volumes since October 2015/16;
- This decline in sales volumes and market shares of both products is most evident in 2018/19;
- Over this period, the Australian market for mill finish aluminium extrusions has increased in volume and the Australian market for surface finish aluminium extrusions has declined; and
- Capral considers that, as the largest Australian manufacturer of like goods in both applications, its position would be reflected by other Australian producers who have also experienced reductions in sales volume and market share for both products.

4.5.1 Sales volume

For mill finish aluminium extrusions, Capral claims that the impact of the increasing export volumes from the six Malaysian exporters who are not subject to the current measures have caused a decline of Capral's sales volume of approximately 9 per cent and a reduction of market share by 4.3 per cent despite the Australian market for mill finish goods growing by approximately 8 per cent since 2015/16 year ending 30 September.

²³ Confidential Appendix 1.

PUBLIC RECORD

Capral claims that it experienced injury from the dumped exports of mill finish aluminium extrusions from the Malaysian exporters not the subject of current anti-dumping measures during 2018. The material injury from the dumped exports became noticeably apparent in Capral's profit and profitability during 2018/19.

Figure 3 below, shows that Capral's domestic sales volumes of mill finish aluminium extrusions have declined since 2015/16. While the decline in sales volumes was minimal from 2015/16 to 2017/18, there was a sharp decline in 2018/19.

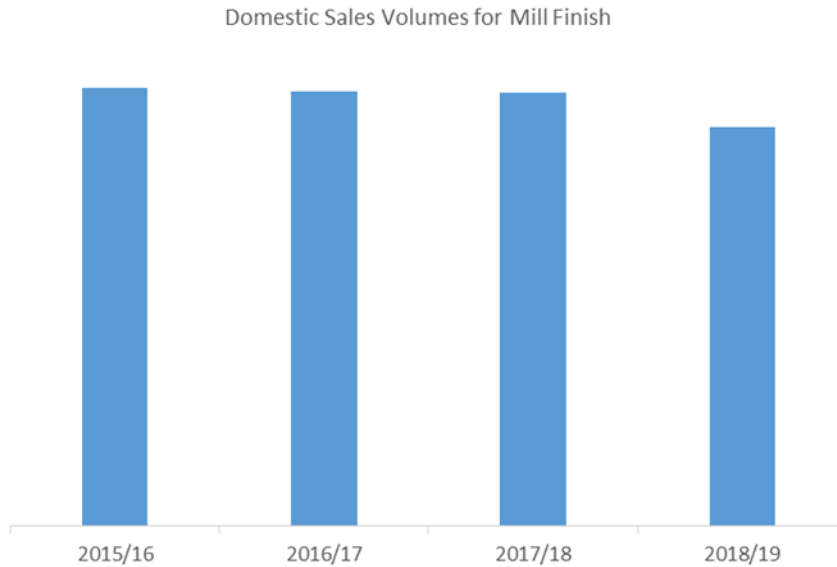


Figure 3: Capral's domestic sales volume of mill finished aluminium extrusions (T)

Capral claims that a decrease in production level of 9 percent had occurred in 2018/2019.

Figure 4 below shows Capral's domestic sales volumes of surface finish aluminium extrusions have declined in each year from 2015/2016.

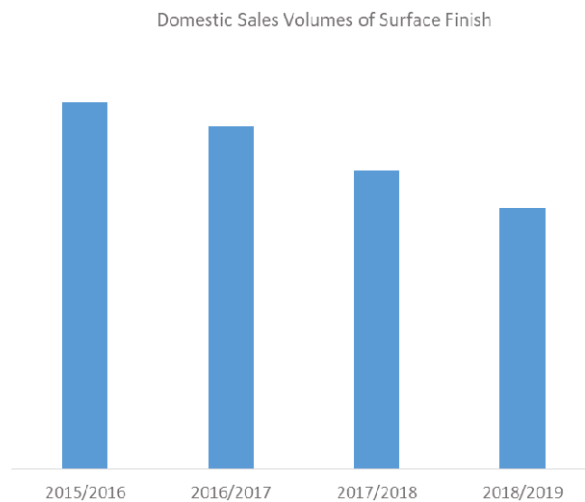


Figure 4: Capral's domestic sales volume of surface finish aluminium extrusions (T)

Capral claims production levels of surface finish aluminium extrusions have declined 30 per cent over the four-year period.

4.5.2 Market share

The Applicant claimed that the Australian market for mill finish aluminium extrusions has grown over the period from 2015/16 to 2018/19. Its own sales volumes, however, have not experienced an increase from 2015/16 onwards. Capral also claims that it has experienced a reduction in market share in each of the three subsequent years, and it has been unable to secure increased market share growth, due to the lower-priced dumped imports from the subject country and exporters.

The Applicant has claimed an 8 per cent decrease in market share from 2015/2016 to the 2018/2019.

Figure 5 illustrates that Capral's share of the market for mill finish aluminium extrusions declined each year from 2015/16.

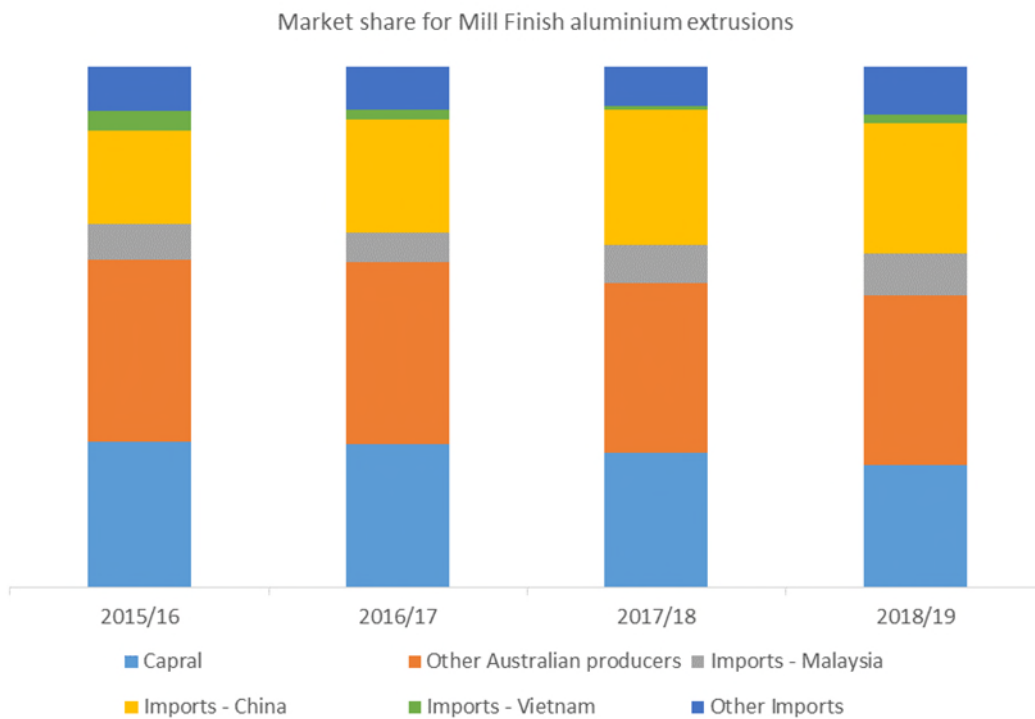


Figure 5: Australian market share for mill finish aluminium extrusions

*includes imports from Malaysian exporters subject to measures

#Other Australian producers is an estimate

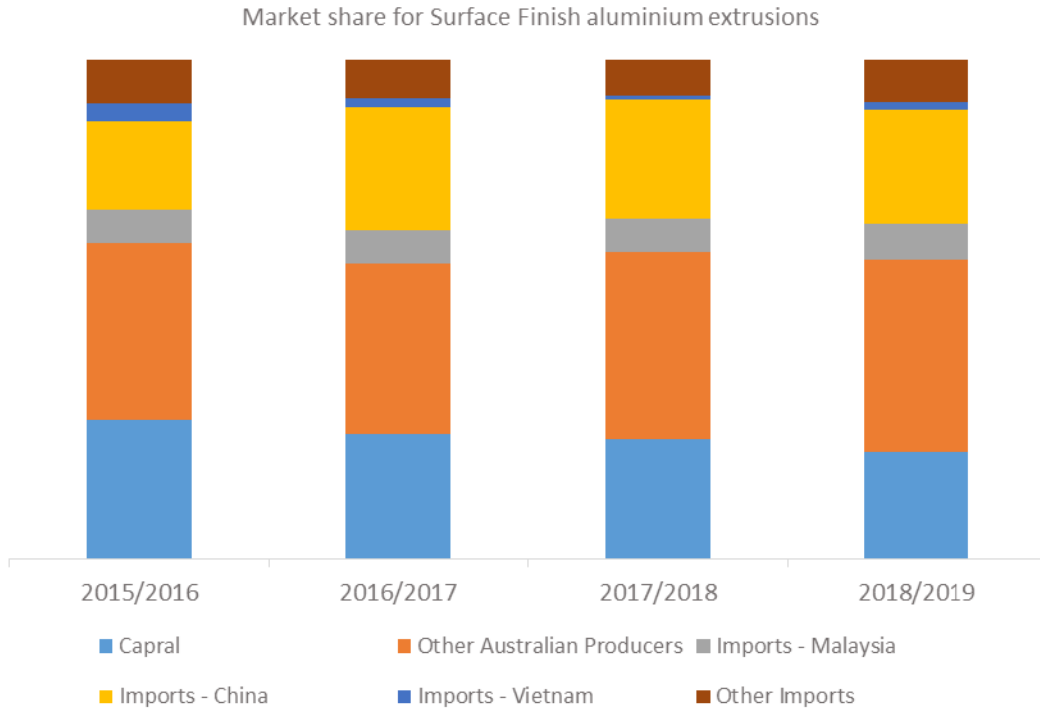


Figure 6: Australian market share for surface finish aluminium extrusions

Figure 6 above highlights the declining market share of the Applicant for surface finish compared to imported goods.

Capral outlined that the Australian market for surface finish aluminium extrusions suffered approximately an 8 per cent decline since 2015/2016. In particular, Capral observed that 2018/2019 showed a visible decline in its market share coinciding with a contracting Australian market.

4.5.3 Import volumes

Figure 7, below, shows Capral's estimates (see section 2.6.1) of import volumes for mill finish aluminium extrusions for the injury analysis period. It illustrates that:

- import volumes of mill finish aluminium extrusions from Vietnam, China and other countries (excluding Malaysia) increased from 2015/16 to 2018/19; and
- import volumes of mill finish aluminium extrusions from Malaysia (including exporters currently subject to measures) decreased marginally between 2015/16 and 2016/17 before increasing in 2017/18 and 2018/19. Import volumes in 2018/19 from Malaysia were higher than the import volumes in 2015/16.

PUBLIC RECORD

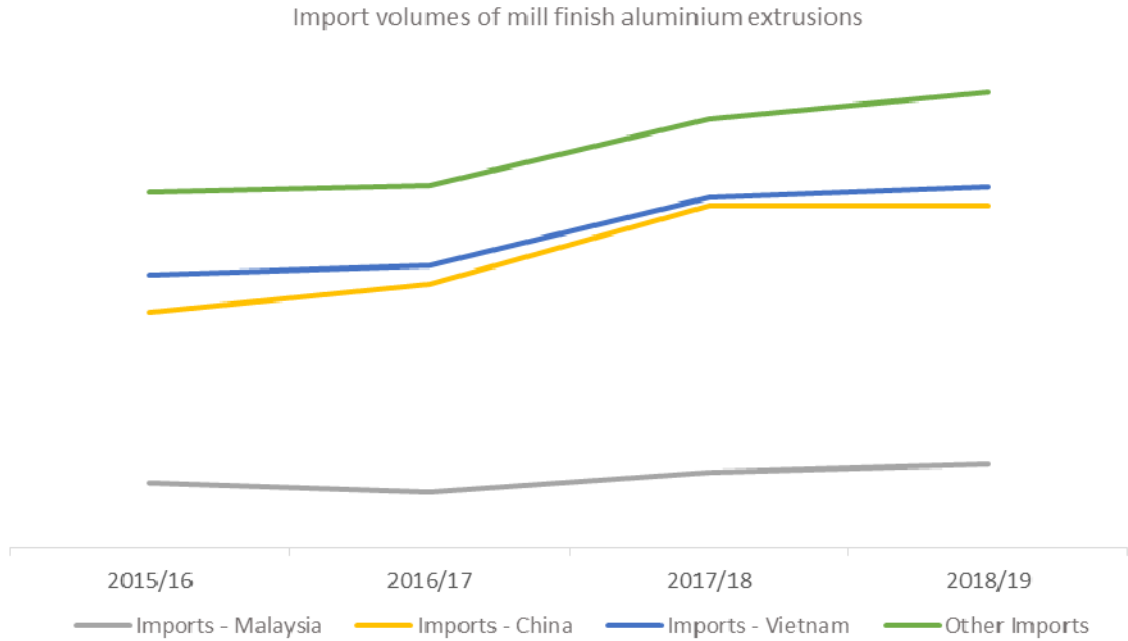


Figure 7: Import volumes of mill finish aluminium extrusions by country (based on tonnes)

*includes imports from Malaysian exporters subject to measures

Figure 8, below, shows Capral's estimates (see section 2.6.1) of import volumes for surface finish aluminium extrusions for the injury analysis period. It illustrates that:

- import volumes of surface finish aluminium extrusions from Vietnam, China and other countries (excluding Malaysia) declined from 2016/17 to 2018/19; and
- import volumes of surface finish aluminium extrusions from Malaysia (including exporters currently subject to measures) remained relatively consistent throughout the injury analysis period.

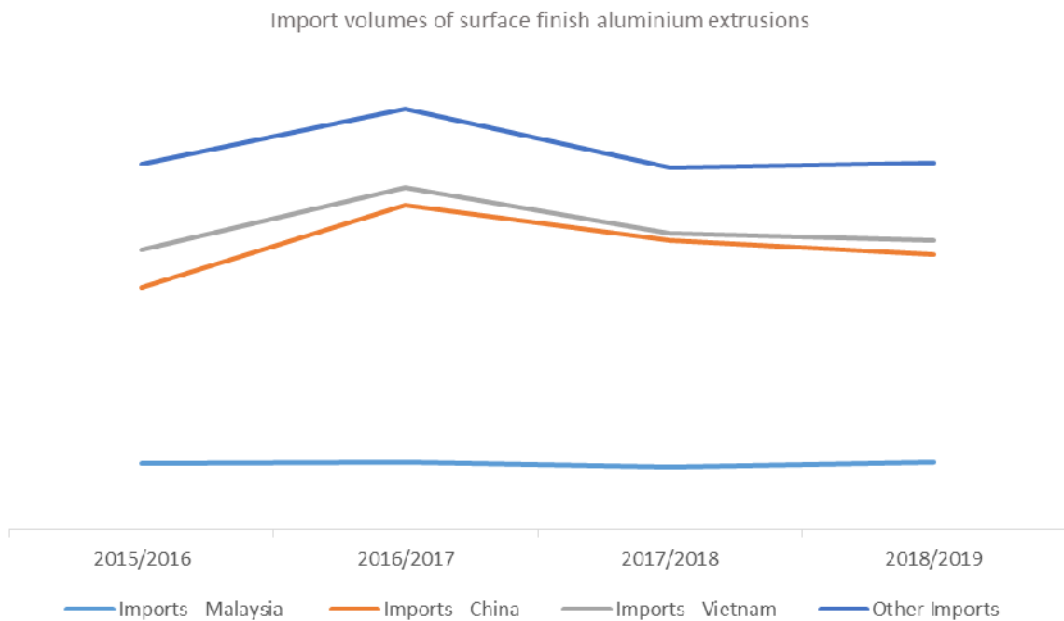


Figure 8: Import volumes of surface finished aluminium extrusions by country (T)

4.5.4 Conclusion – volume effects

The Commission’s analysis indicates that Capral has experienced a reduction in market share for both mill finish and surface finish aluminium extrusions.

During the proposed investigation period there has been an increase in the volume of imports of mill finish aluminium extrusions from the Malaysian exporters covered by these applications, while the volume of imports of surface finish aluminium extrusions from the Malaysian exporters covered by these applications have remained stable despite a contracting market. In both markets, the relevant Australian industries have lost market share. The Commission notes that in relation to the six exporters named in the applications, the total export volumes increased significantly from 2017 onwards.

Based on this assessment, there appear to be reasonable grounds to support the claim that the Australian industries for both mill finish and surface finish aluminium extrusions have suffered injury in the form of a loss of market share.

4.6 Price effects

Price depression occurs when a company, for some reason, lowers its prices. Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs.

The figures below show the movement in the weighted average unit cost to make and sell (CTMS) and unit selling prices for mill finish and surface finish aluminium extrusions provided by Capral over the injury analysis period.

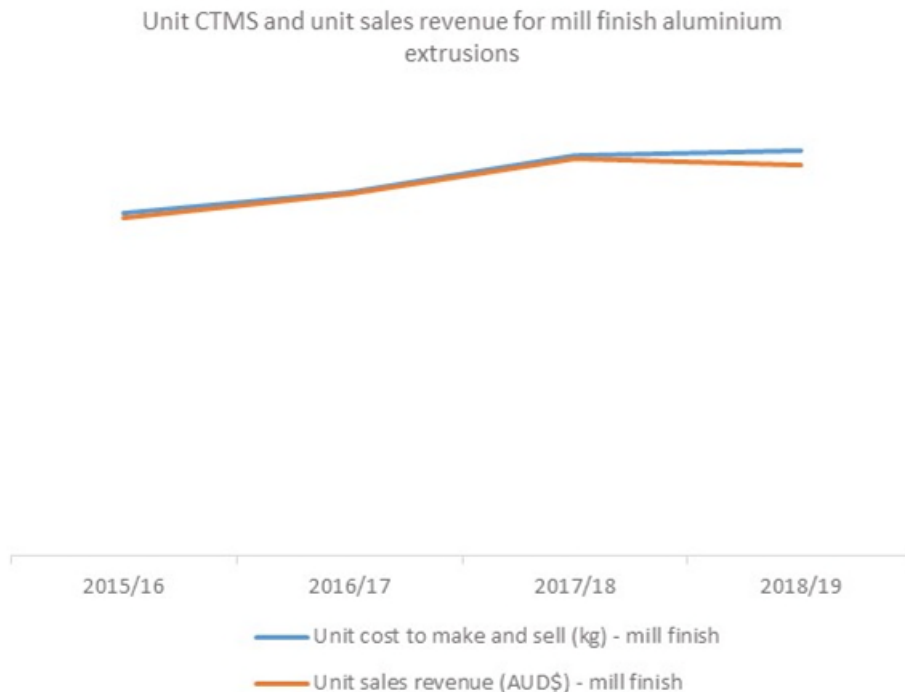


Figure 9: Capral’s unit CTMS and unit price for mill finish aluminium extrusions

Figure 9 above illustrates that:

PUBLIC RECORD

- Capral's unit selling price for mill finished aluminium extrusions increased from 2015/15 through to 2017/18 but decreased in 2018/19;
- Capral's unit CTMS increased year on year through to 2018/19 where sales were not profitable due to unit CTMS exceeding selling price.

Unit CTMS and unit sales revenue for surface finish aluminium extrusions

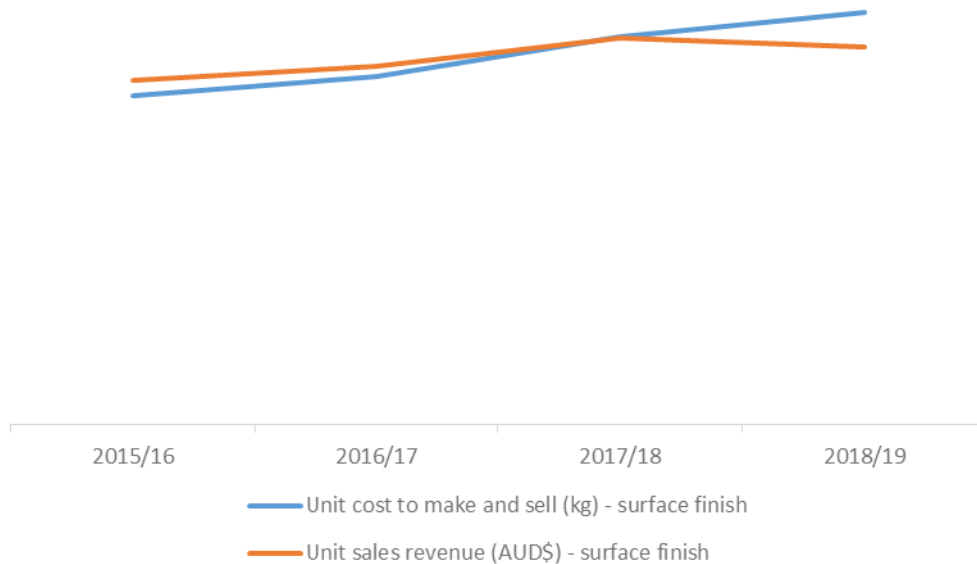


Figure 10: Capral's unit CTMS and unit price for surface finish aluminium extrusions

Figure 10 above illustrates that:

- Capral's unit selling price for surface finish aluminium extrusions increased from 2015/16 through to 2017/18 before declining in the 2018/19 year;
- Capral's unit CTMS increased in each year from 2015/16 onwards such that from 2017/18 onwards Capral was not profitable on sales of these goods.

The Commission's analysis of price effects is at **Confidential Appendix 1**.

4.6.1 Conclusion – price effects

Based on the assessment described above, the Commission considers that there appear to be reasonable grounds to support the claim that Capral has suffered injury in the form of price suppression and depression for both mill finish and surface finish aluminium extrusions.

4.7 Profit and profitability effects

The Commission’s analysis of profits and profitability is at **Confidential Appendix 1**.

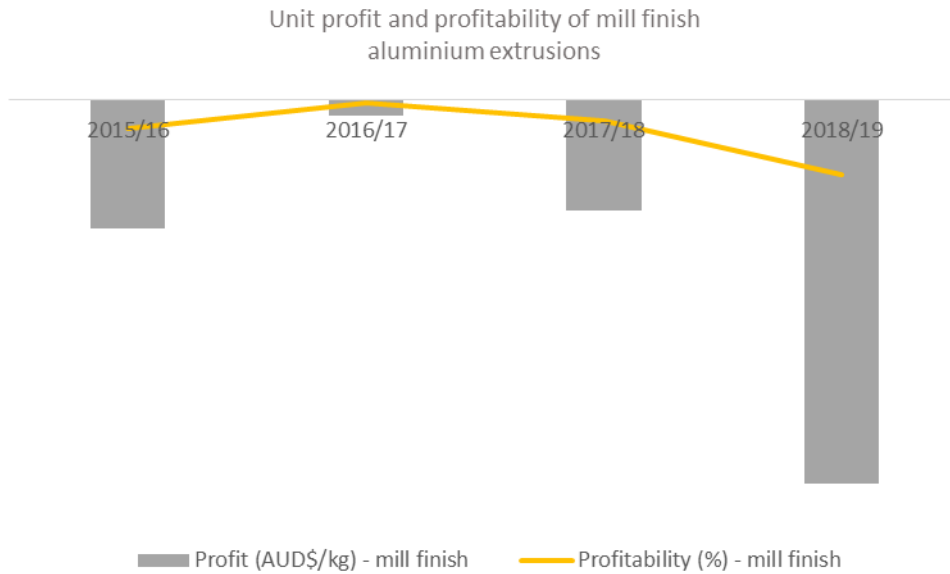


Figure 11: Capral’s unit profit and profitability for mill finished aluminium extrusions

Figure 11, above, shows that Capral's profit and profitability for mill finish aluminium extrusions was negative throughout 2015/16 to 2018/19. In 2016/17 there was an improvement in profitability but this was followed by a sharp decline in profitability through to the 2018/19 year.

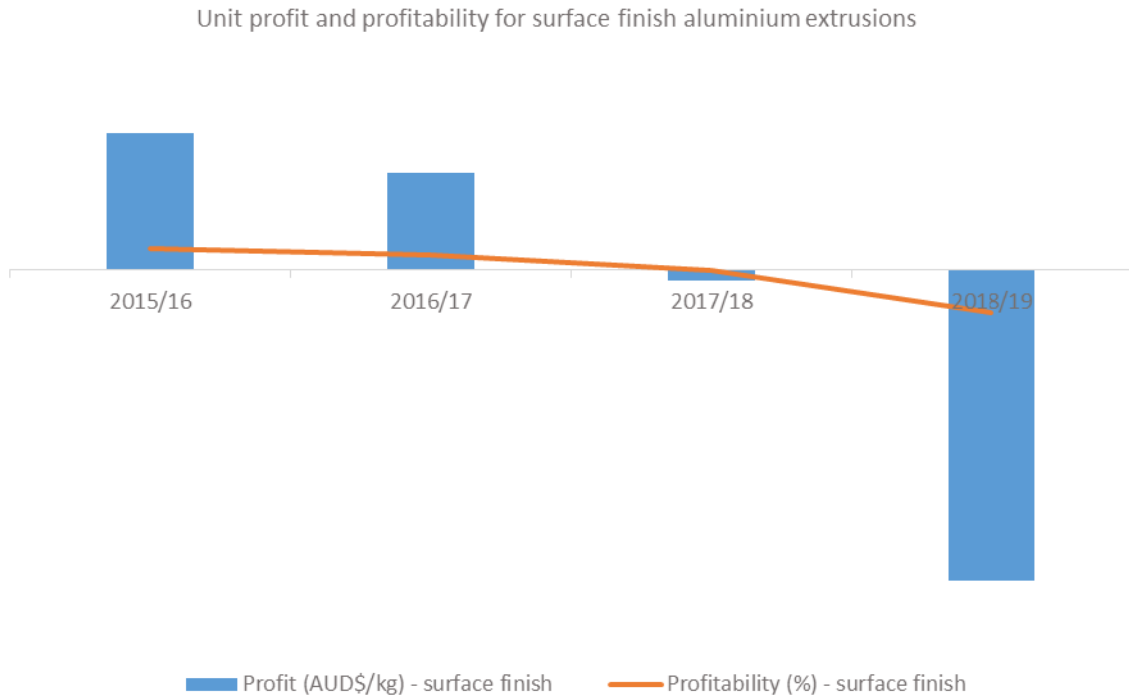


Figure 12: Capral’s unit profit and profitability for surface finish aluminium extrusions

The figure above shows that Capral's profit and profitability for surface finish aluminium extrusions decreased in each year from 2015/16 onwards and was negative in 2018/19.

4.7.1 Conclusion – profit and profitability effects

Based on the above analysis, the Commission considers that there appear to be reasonable grounds to support Capral's claims that it has experienced injury in the form of reduced profits and reduced profitability for both mill finish and surface finish aluminium extrusions.

4.8 Other injury factors

In both applications, Capral claimed injury from other factors including suppressed return on investment and provided confidential data (at Appendix A7 of its applications) in support of its claims. The Commission notes that Capral's confidential data at A7 is for all aluminium extrusions, i.e. it has not been categorised as mill finish aluminium extrusions and surface finish aluminium extrusions. Upon initiation of the two investigations, the Commission will request data specific to each of the goods for the purposes of further injury analysis.

Noting the above, the following analysis is limited to all aluminium extrusions.

Assets

The value of assets applied to the production of aluminium extrusions has decreased from 1 January 2016 to 30 December 2019.

Capital expenditure

Capral's investment declined in 2016/17 before increase noticeably in 2018/19.

Capacity and capacity utilisation

Capral's capacity has remained stable over the injury assessment period 2016 to 2019. Capral's capacity utilisation fluctuated throughout the period, before settling, with a rise in part of 2016 and declines in the following years.

Return on investment

Return on investment fluctuated over the injury assessment period with positive returns in part of 2016 through to 2017. The largest negative return on investment was in 2018/19.

Employment numbers

Employment numbers fluctuated over through 2017/18 before decreasing in the period through to 2018/19.

Revenue

Capral's revenue for sales of aluminium extrusions increased from a part of 2016 before decreasing in 2018/19.

4.8.1 Conclusion – other injury factors

The Commission will consider these injury factors further during the course of the two investigations.

5 Reasonable grounds – causation factors

5.1 Findings

Having regard to the matters contained in the applications, and other information considered relevant, the Commission considers that there appear to be reasonable grounds to support the claims that the Australian industries for both mill finish and surface finish aluminium extrusions have suffered injury caused by dumping, and that the injury caused by dumping is material.

5.2 Cause of injury to the Australian industry

5.2.1 Legislative framework

Under section 269TG, one of the matters that the Minister must be satisfied of, in order to publish a dumping duty notice, is that the material injury suffered by the Australian industry was caused by dumping. This issue is considered in the following sections.

Matters that may be considered in determining whether the Australian industry has suffered material injury caused by dumped or subsidised goods are set out in section 269TAE.

5.3 The Applicant's claims

The table below summarises the causation claims of the Applicant:

Injury caused by dumping
<p><u>Volume effects</u></p> <p>Capral claims that increasing export volumes of mill finish aluminium extrusions and surface finish aluminium extrusions from the exporters covered by these applications have caused Capral to lose sales volumes and a reduction in market share.</p> <p>Capral, as the largest Australian manufacturer of like goods for both applications, considers that its position would be reflected by the other Australian producers who have also experienced reductions in sales volumes and market shares.</p> <p><u>Price effects</u></p> <p>Capral's applications state that it experienced sharp declines in sales volumes of mill finish and surface finish aluminium extrusions in 2018/19.</p> <p>Capral states that, during this time, the Australian market for mill finish aluminium extrusions was relatively buoyant and exports of mill finish aluminium extrusions from Malaysia including the exporters covered by these applications increased by more than 12 per cent. The increase from 2016/17 was approximately 40 per cent.</p> <p>Capral also states that the overall market for surface finish aluminium extrusions contracted over this period and that exports of surface finish aluminium extrusions increased by more than six per cent from 2017/18 to 2018/19.</p> <p>Capral states that Chinese exporters were subject to a review of measures inquiry that ran from 2018 to 2019, provided the Malaysian exporters covered by these applications a window of an opportunity to increase exports to Australia at prices that were below those of Chinese exporters.</p> <p>Capral claimed that it has not been able to recover its increased costs, due to the rise in the London Metals Exchange (LME) cash price for raw material aluminium ingot, amid the increase in Malaysian export volumes to Australia.</p> <p><u>Price undercutting</u></p> <p>Capral states that it has market intelligence that confirms the exporters covered by these applications undercut the relevant Australian Industries by supplying mill finish and surface finish products to Australian customers allegedly at dumped price .Capral provided six confidential case studies that demonstrate price undercutting on both products.</p>

Table 13: Applicant's injury claims

5.3.1 Volume injury

The Commission considers that the volume of imports of aluminium extrusions (both mill finish and surface finish) from the Malaysian exporters including those who are covered by the applications, are considered to have impacted the relevant Australian industries substantially, as the overall volume sold by those Australian industries has declined, while volumes of Malaysian imports have increased. As discussed at section 2.6.1 above, ABF data cannot be separated into mill finish and surface finish aluminium extrusions, and the Commission will rely on data provided by exporters and importers to analyse volumes further during the course of the investigations.

5.3.2 Price injury

Based on previous investigations, reviews and inquiries, the Commission has established that the two Australian markets for aluminium extrusions (mill finish and surface finish) are price sensitive and that both Australian industries are required to respond to the price of imports in order to remain price competitive.

Price undercutting occurs when the imported products are sold at a price below that of the like goods sold by the Australian Industries.

Capral has provided six examples where it indicated that there is price undercutting by the exporters covered by these applications, and a declining sales volume to customers who have switched to supply from these exporters.

In each example Capral provided information regarding its experience where the prices offered by Capral at which it could sell the goods were found to be not competitive against allegedly dumped imports from the exporters covered by these applications for mill finish and surface finish aluminium extrusions. The Commission considers this supports a conclusion that not only is Capral incapable of increasing its prices, it has been forced to reduce prices in order to secure sales volumes.

The Commission has noted (at section 4.6) that Capral's unit selling prices for both mill finish and surface finish aluminium extrusions have fluctuated throughout the entire injury period, but was below its CTMS during the 2018/19 year.

During the course of both investigations, the Commission anticipates that it will obtain more detailed information to enable a more precise comparison of export prices to the Australian industries prices.

Based on the information provided by Capral, the Commission considers that there appear to be reasonable grounds to support its claims that the imports from the exporters covered by the applications have caused injury to the relevant Australian industry in the form of price suppression and price depression. The Commission considers that it is reasonable to conclude that the price pressures caused by imports of both mill finish and surface finish aluminium extrusions appear to have prevented the Australian industries from increasing prices sufficiently to counter rising costs.

The Commission's price undercutting analysis is at **Confidential Appendix 1**.

5.3.3 Profit and profitability

Based on the findings regarding volume and price injury above (at sections 5.3.1 and 5.3.2) , the Commission considers that there appear to be reasonable grounds to support Capral's claims that the loss of profits and profitability that it experienced in 2018/19 were caused by the allegedly dumped imports of both mill finish and surface finish aluminium extrusions.

5.3.4 Injury caused by factors other than dumping

In both applications, Capral claims that no other factors impacted the Australian industries during the proposed investigation periods. The Commission will review the market for each of the goods during the injury analysis period and investigate any other factors that may have impacted the Australian industries producing like goods.

5.3.5 Conclusion – material injury caused by dumping

Based on the available information in relation to the Malaysian exporters, the subject of these applications, the Commission considers that:

- the potential levels of dumping as identified;
- the preliminary assessment of sales volumes and market share;
- the preliminary assessment of price depression and price suppression; and
- the preliminary assessment of deteriorated profit and profitability

support the applicant's claims that there appear to be reasonable grounds that dumping by the exporters covered by these applications have caused material injury to the Australian industries for both mill finish and surface finish aluminium extrusions.

The Commissioner will also examine whether the dumped goods provide a basis for a dumping duty notice to apply retrospectively, pursuant to section 269TN.

6 Appendices and attachments

Appendices	Title
Confidential Appendix 1	Analysis – volume, price, profit and profitability
Confidential Appendix 2	Export price – comparison and calculation
Confidential Appendix 3	Normal value – comparison and calculation
Confidential Appendix 4	Dumping margin calculations

Attachment	Title
Non-Confidential Attachment 1	Public notice of initiation (ADN No. 2020/18) mill finished
Non-Confidential Attachment 2	Public notice of initiation (ADN No. 2020/19) surface finished
Confidential Attachment 3	Letter of support from Australian industry members