

Application for Korea and Taiwan Aluminium Zinc Coated Steel  
Anti-Dumping Duties

New Zealand Steel Limited

25 February 2021

## Application

1 This application seeks anti-dumping duties on dumped and injurious imports of zinc aluminium<sup>1</sup> (ZnAl) coated steel from Korea<sup>2</sup> and Taiwan. Provisional anti-dumping duties are also requested.

## Document

2 This application follows the information requirements of the Ministry's document titled "Dumping Investigation Application Form".<sup>3</sup> That document is referred to in this application as the Ministry template. In certain areas this document provides more information than the Ministry template, the purpose being to assist the Ministry.

3 Any highlights in the various screenshots in this application have been added by NZS.

### 1. The Applicant

4 This and the following three paragraphs address the Ministry template at 1.1 to 1.8. This application is made by New Zealand Steel Limited ("NZS") whose address is 131 Mission Bush Rd, Glenbrook, Private Bag 92121, Auckland 2681. The applicant contact name is

*[Confidential information and details]*

5 The applicant's accounting years end on 30 June.

6 Company Ownership: NZS is New Zealand Company Office company number 68953, NZBN: 9429040649184. This company is 100% owned by New Zealand Steel Holdings Limited, whose parent company is Australian listed company BlueScope Steel Limited (ASX: BSL).<sup>4</sup>

7 The goods like those imported that are produced in New Zealand and sold on the New Zealand market are not suitable to be listed. They singularly comprise flat rolled iron and steel products (whether or not containing alloys), plated or coated with principally aluminium-zinc alloys, not painted, and whether or not including resin coating.

### 2. Other New Zealand Producers

8 This paragraph addresses the Ministry template at 2.1 to 2.8. There are no other known New Zealand producers of like goods, so NZS represents the entire New Zealand industry.<sup>5</sup> The "goods like those imported that are produced in New Zealand and sold on the New Zealand"<sup>6</sup> are not suitable to be listed. **Ministry template 2.8 is addressed in NZS' response** at paragraph 7 above.

### 3. Summary of New Zealand Producers (and period)

9 Period: The Ministry template in 3.1 identifies the relevant period as "... the most recent representative period (preferably an annual period but not less than 6 months)". NZS has used the most recent completed 12 months, being the 12 months ending 30 September 2020. NZS' total domestic production of like goods in the 12 months ending 30 September 2020 was *[Operating information of the NZS plant at Glenbrook. This information is commercially sensitive because it would provide a competitor with a competitive advantage]* tonnes,<sup>7</sup> which is 100% of New Zealand production because there are no other domestic New Zealand producers of the goods. The tables in Ministry template at 3.1 are thus not relevant

---

<sup>1</sup> Like and dutiable goods in this application include those which may also have magnesium or silicon (or perhaps other elements) in the coating mix.

<sup>2</sup> **Everything in this application identified as "Korea" means South Korea (the Republic of Korea). NZS is not anywhere in this application referring to North Korea (the Democratic People's Republic of Korea).**

<sup>3</sup> **Document titled "Dumping Investigation Application Form". Some exceptions exist. The Ministry may wish to refer to Indonesia China 2020 galvanised wire public file document 001 at footnote 35 on page 20.**

<sup>4</sup> <https://www.bluescope.com/about-us/> **BlueScope has several subsidiaries and JV's. Details thereof are in its FY2019 Annual Full Financial Report, including the level of equity holding in each subsidiary company.**

<sup>5</sup> Ministry template at Declaration on page 23 is not answered in the manner required there for the 100% representation reason in this paragraph.

<sup>6</sup> Ministry template at 2.8.

<sup>7</sup> This includes all ZnAl goods, the like goods. Some is further processed in the Glenbrook paint line into painted ZnAl, *[Operating information of the NZS plant at Glenbrook. This information is commercially sensitive because it would provide a competitor with a competitive advantage]* tonnes is sold to the domestic New Zealand segment as ZnAl, and some is exported.

to this application. The total A amount as a % of Total E in the last row of the last table on page 5 of the Ministry template is 100%.

#### 4. The Goods

10 **Description:** Paragraphs 10 to 15 address the Ministry template at 4.1. The goods the subject of the investigation comprise flat rolled iron and steel products (whether or not containing alloys), plated or coated with principally aluminium-zinc alloys (but the plating or coating may contain other alloys), not painted, and whether or not including resin coating or other surface treatment. The subject goods are abbreviated in this application as ZnAl.

11 Trade or further generic names used to describe the subject goods include: Zinalume® steel; Galvalume® steel; Aluzinc, Supalume, Superlume, ZAM, Galfan, Zinc aluminium coated steel; Aluminium zinc coated steel, Durable; – Aluminium zinc magnesium coated steel; – Alu-Zinc Steel sheet in Coils; – Al/Zn; and – Hot Dipped 55% Aluminium-Zinc Alloy coated steel sheet in coil.

12 Surface treatment encompasses whether passivated (sometimes referred to as chromated) or not passivated, resin coated (sometimes referred to as Anti-Finger Print ("AFP") or not resin coated, oiled or not oiled, skin-passed or not skin-passed, or other surface treatment.

13 The amount of aluminium zinc coating on the steel is described as its coating mass and is in grammes per square metre (g/m<sup>2</sup>), with the prefix being AZ (Aluminium Zinc). The ZnAl coating mix may hold small amounts of other elements such as magnesium, silicon etc, sometimes as a control element. Goods prefix AM is a reference to an aluminium-zinc coating which includes magnesium. Such goods are included in the goods description.

14 NZS' ZnAl product brochure and website on the goods is at Appendix Five. This is not the dumped goods brochure as we **don't have that**, but we feel that this information may assist the Ministry on this goods topic. Further product and goods information is at paragraph 19 below and at Appendix Ten and Appendix Eleven.

15 There are several standards for aluminium zinc coated steel, covering the range of products via specific grade designations and including properties of each of product grades. Some are noted in the table below "Some Standards-Related Information". This table of information does not assert any standards similarity or definitive like goods guidance. Only goods which meet an identified standard in every respect can claim such standard.<sup>8</sup>

Figure 1: Some Standards-Related Information

Standard	Product Grades
<i>General and Commercial Grades</i>	
AS1397:2011	G1, G2
ASTM A792	CS, type A, B and C
EN 10346	DX51D, DX52D
JIS 3321	SGLCC
<i>Forming, Pressing and Drawing Grades</i>	
AS1397:2011	G3
ASTM A792	FS, DS
EN 10346	DX53D, DX54D
JIS 3321	SGLCD, SGLCDD
<i>Structural Grades</i>	
AS1397:2011	G250, G300, G350, G450, G550
ASTM A792	33(230), 37(255), 40(275), 50(340), 55(380), 80(550)
EN 10346	S220GD, S250GD, S280GD, S320GD, S350GD, S550GD
JIS 3321	SGLC400, SGLC440, SGLC490, SGLC57

16 **Tariff Classification:** These paragraphs address the Ministry template at 4.2. The subject goods may be imported under a number of tariff codes in The Working Tariff Document of New Zealand. NZS is not a party effecting code selection (that party will likely be the importer and/or its customs agent/adviser) for

<sup>8</sup> In NZS' field (ZnAl in this case), the relevant New Zealand standard is salient, not standards elsewhere; and manufacturers meet (or don't meet) a relevant and stated standard by its terms, not something else.

the New Zealand imports of the dumped goods, and so we are not able to completely illuminate this matter.

17 It is very important to recognise that (as the Ministry has found in other investigations, i.e. post the **Ministry's case initiation**), all the subject goods volume and value may not be entering New Zealand in accordance with **the Ministry's pre-initiation analysis**. This matter is returned to at Appendix Seventeen.

18 Codes:<sup>9</sup> Following is a non-exhaustive group of codes which we consider may be being used to import subject goods. Other codes might also be used – albeit incorrectly. Some of the codes below are better and more accurate for ZnAl: 7210.49.31 09, 10E, 13K, 15F, 17B, 23G, 25C, 27K, 31H, 33D, 35L, 37G, 41E, 43A, 45H, 47D, 49L, 51B, 53J, 81D, 83L, 85G, 87C, 89K, 99G; 7210.49.39 09, 10F, 13L, 15G, 17C, 23H, 25D, 27L, 31J, 33E, 35A, 37H, 41F, 43B, 45J, 47E, 49A, 51C, 53K, 81E, 83A, 85H, 87D, 89L, 99H; 7210.61.10 19E, 19B, 39G; 7210.61.20 09L; 7210.61.30 09F; 7210.61.90 19F; 7210.69.10 19J, 39C; 7210.69.20 09G; 7210.69.30 09B; 7210.69.90 19B; 7210.90.01 09B; 7210.90.11 09H; 7212.20.10 09B; 7212.20.20 00D; 7212.20.30 09C; 7212.20.90 01L, 09F; 7212.30.01 01A, 10L, 12G, 13E, 14C, 15A, 16K, 17H, 20H, 21<sup>10</sup>, 22D, 23B, 24L, 25J, 26G, 27E, 33K, 34H, 35F, 36D, 37B, 38L, 40B; 43G, 44E, 45C, 46A, 47K, 48H, 50K, 53D, 54B, 55L, 56J, 57G, 58E, 59C, 62C, 63A, 64K, 65H, 66F, 67D, 68B, 73J, 74G, 75E, 76C, 77A, 78K, 79H, 82H, 83F, 84D, 85B, 86L, 87J, 88G; 7212.30.11 09B, 7212.30.19 49B; 7212.30.21 00D; 7212.30.29 09J, 49H, 79K; 7212.50.09 10J, 13C, 15K, 17F, 19B, 21D, 23L; 7212.50.18 01J, 19A; 7212.60.01 00D; 7212.60.09 01C, 09J; 7212.60.18 01B, 19E; 7225.11.10 00A; 7225.11.90 01C; 09J; 7225.19.10 00H; 7225.19.90 01K, 05B, 09E; 7225.30.01 00E; 7225.30.09 00F; 7225.30.19 00A; 7225.40.01 99J; 7225.40.09 00K; 7225.40.19 19F; 7225.50.01 00B; 7225.50.09 13E, 19D; 7225.50.19 10F, 19K; 7225.91.10 19A; 7225.91.90 10A, 17J, 25K, 27F, 39K; 7225.92.10 19F; 7225.92.90 10F, 13L, 17C, 25D, 27L, 39D; 7225.99.10 10D, 19H; 7225.99.90 10H, 13B, 17E, 25F, 27B, 39F; 7226.99.18 39A. The yellow highlight codes are subject to a Statistics New Zealand confidentiality order. The five green highlight codes are referred to in paragraph 34.

19 Like Goods Description: These paragraphs and references to Appendices address the Ministry template at 4.3. The goods subject to this application are type of carbon steel. The picture below shows the goods in coiled form with a white-coloured label which contains information such as manufacturer, grade, dimensions, coil weight etc. An end-use picture of ZnAl from an NZ importers website is at Appendix Eleven. NZS product technical datasheets of G300 and G550<sup>11</sup> ZnAl are at Appendix Ten. Applications such as roofing sheets tend to be made of higher MPa grades such as G550. NZS' ZnAl product brochure is at Appendix Five. The three most typical New Zealand segment ZnAl goods are: mm thick by mm wide ; mm thick by mm wide ; and mm thick by mm wide . *[Marketing information and insights. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*



20 Likeness: These paragraphs address the Ministry template at 4.4. NZS produces goods that have characteristics which closely resemble the goods the subject of the application. The substantial process in the manufacture of those goods is carried out in New Zealand. The goods produced by the New Zealand industry are like the dumped imports in the respects discussed in Figure 2 below:

#### Figure 2: Likeness Explanation

<sup>9</sup> The yellow highlighted codes are subject to 24-month New Zealand-side import data confidentiality orders arising from Statistics New Zealand's operation of the International Merchandise Trade Statistics confidentiality policy. That prevents disclosure of confidential information in published international trade statistics. Statistics NZ suppression orders on certain tariff codes obscure such data.

<sup>10</sup> Shows as a suppressed item at <https://www.stats.govt.nz/about-us/legislation-policies-and-guidelines/trade-confidentiality#confidential-items-imports>

<sup>11</sup> The numbers G300 and G550 refer to the ZnAl goods minimum yield strength in MPa, e.g. 300MPa.

Factor	Explanation
Manufacturing Method	<p>The local and imported goods are manufactured in a similar manner, using similar items of large metallurgical equipment. The raw HRC raw material is near-identical and the method of manufacturing is the same – that is, it comprises the steps and flow shown in Figure 3 below. To be more specific, the local and imported goods are both:</p> <ul style="list-style-type: none"> <li>a) Carbon steel which is cold-reduced in thickness. That is a transformation by mechanical means at ambient which converts the base steel semi-finished HRC into CRC.</li> <li>b) Cleaned with cleaning agent(s) and edge trimmed.</li> <li>c) Fed into and out of a coating bath with motor power under stringent speed, tension, and alignment control. This is the main metal coating line (MCL) aspect of the production process.</li> <li>d) Handled in the MCL line with entry and exit rolls and accumulator equipment.</li> <li>e) Subject to certain flatness etc controls.</li> <li>f) Made in plants with a mix of automation and manual control systems.</li> <li>g) Wrapped/strapped and labelled.</li> <li>h) Handled with either vertical or horizontal bore.</li> </ul> <p>NZS undertakes more than one substantial process of manufacture in the production of the subject goods by manufacturing aluminium zinc coated steel from cold rolled coil which it has transformed from hot rolled coil (HRC) which it manufactures from principally high iron-content sand, and coal.</p>
Physical Characteristics	<p>Products made locally in New Zealand by NZS have a physical likeness to the goods exported from Korea and Taiwan because they are both made of carbon steel - initially as molten iron, then carbon steel slabs, then HRC. The local and imported goods are near-identical in cross-sectional composition.</p> <p>Both the local and imported ZnAl goods are coated in a liquid mix of mostly aluminium and zinc. When cool their appearance is alike. It can be difficult to distinguish between goods of different coating mix.</p> <p><b>NZS’ locally produced</b> ZnAl coated steel and the imported goods are manufactured to certain standards. The steel grades are similar, as are the coating types, widths, thicknesses, length and coil sizes.</p>
Commercial	<p><b>The New Zealand industry’s aluminium zinc coated steel competes directly with imported</b> ZnAl coated steel in the New Zealand market. That arises due to NZS selling its ZnAl coated steel to local New Zealand customers <i>[Marketing information and intelligence. This information is commercially sensitive, and it would provide a competitor with a competitive advantage]</i> who all also buy the imported aluminium zinc coated goods. Those companies substitute the local-made goods for imported goods. There is direct competition in the New Zealand market for aluminium zinc coated steel between the imported and locally produced goods on the basis that they compete for sales to the same customers. This underpins their very strong commercial likeness.</p> <p>That likeness is supported by the following example</p> <p><i>[Marketing information and insights. This information is commercially sensitive because it would provide a competitor with a competitive advantage]</i></p> <p>Commercial likeness is further evidenced by customers behaviour, whereby they can either purchase locally, or import the subject goods per the following channels: direct from the overseas mill; via an international trader; and/or via a New Zealand-based stockist/reseller.</p>
Functional and End Use	<p>Typical product uses are: Roofing and Flashings, Wall Cladding, Gutters and Downpipes (rainwater goods), Fences, Garage Doors, and Garden and Other Sheds.</p> <p>Both the local and imported goods have comparable or identical end uses. That is, they are an interchangeable substrate for producing the downstream goods identified in the preceding paragraph.</p> <p>Functional likeness is further support by the imported ZnAl goods having same end use as the domestic New Zealand made ZnAl goods. That is evidenced by pictures in Appendix Five which show New Zealand made ZnAl in use, and same for the imported ZnAl in Appendix Eleven. Both have been roll formed into roofing. The in-use picture in Appendix Eleven is known to be roofing because the fastener is on the standing ridge, not in the trough.</p> <p>Functional likeness example is</p> <p><i>[Marketing information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]</i> That is a choice of stage 2 supply into stage 3 at figure 4 below. Hence the local and imported ZnAl goods are functionally alike.</p> <p>When ZnAl goods reach the building owner at stage 4 on figure 4 below, roofers are known to assert ambivalence as to the source of the goods at both stage 1 or 2 on figure 4.<sup>12</sup> This is further evidence of functional likeness between the domestic-made ZnAl and imported ZnAl.</p>

<sup>12</sup> NZS refers to an example involving the circumstance was

	ZnAl is made to different coat formulations, some with zinc and aluminium, and some with zinc and aluminium and magnesium (or other). Such goods are used interchangeably in the same end-use applications and compete directly for supply with the same end-use customers.
Marketing	The key marketing issue is illustrated by figure 4 below. By stage 3 in the left to right flow, any delineation between local or import ZnAl is lost. The local or import component is indistinguishable.  Some New Zealand marketing literature by participants at stage 3 refers to NZ raw materials insofar as that being correct re stage 2 goods, but those same goods may or may not be NZ-made at stage 1.  Main use areas for the goods in stage 4 are: Residential construction. Specifically, residential new dwelling construction, and investment in residential alterations and additions construction; Commercial and industrial construction; and substitution into segments previously with strong usage of other materials including replacing timber for residential framing and for structural framing in the commercial / industrial internal partitioning and walling market.
Distribution Channels	The place of local and import ZnAl coil is shown in Figure 4 below. The two goods are sourced into the NZ marketplace at stage 1, are substitutable at stage 2, and not distinguished (unless desired to be so) at stages 3 and 4. Without testing, by stage 4 the goods are indistinguishable. The physical distribution and logistics arrangements for NZ and imported ZnAl are the same.

21 Certain market substitutes for both the NZ-produced and imported like goods exist. These fall into one of two categories, being other coated steel substitutes or inter-material substitutes.

22 The other coated steel substitutes include:

22.1 Zinc coated (galvanised) steel products might be used in some product applications; and

22.2 Painted metallic coated steel. This could include either painted aluminium zinc coated steel (e.g. COLORSTEEL® steel) or painted galvanized steel.

23 Inter-material substitutes depend on end use. They can include: In domestic roofing applications - steel, clay and cement roof tile products, and aluminium; In industrial building walling/cladding - concrete panel and masonry brick products; In rainwater goods - plastic and aluminium gutters and downpipes; and In residential or industrial/commercial structural framing applications (e.g. roof or wall framing), timber may be used as a ZnAl substitute.

24 Notwithstanding the identified substitutes, ZnAl steel is considered by end-users as a fit-for-purpose product which because of its superior value proposition is better suited in the identified key applications.

25 A descriptive summary of manufacturing method is provided below as Figure 3, followed by an illustration of generalised segment marketing and distribution channels as Figure 4.

25.1 The input steel product is carbon steel. NZS makes this from iron sand and other raw materials at the Mission Bush Road site near Waiuku. That liquid material is refined and then continually cast into steel slab form.

25.2 Slab is heated in a furnace to around 1,200 degrees Celsius then reduced in thickness from 230mm to less than 5mm by passing the slab through a series of rollers at very high pressure. This squeezes the slab lengthways as the thickness reduces. The material is then control-

being specified on building plans See Appendix Fifteen for screenshot from . This evidences that ColorSteel® was specified. Those plans were submitted to relevant council. In furtherance of that job however,

was delivered to building site for roof installation.

The advice by the to the homeowner when the goods arrived on the building site was, quote, "It's the same". Hence, ZnAl substrate whether local New Zealand-made or imported is at stage 4 on Figure 4 taken to the New Zealand market as indistinguishable and substitutable.

NZS is aware of other similar circumstances in event. In one, the same phrase quoted above was spoken by the installer. One 2020 event Auckland. Another was in . [Marketing and roofing installation information. This information is confidential and commercially sensitive]

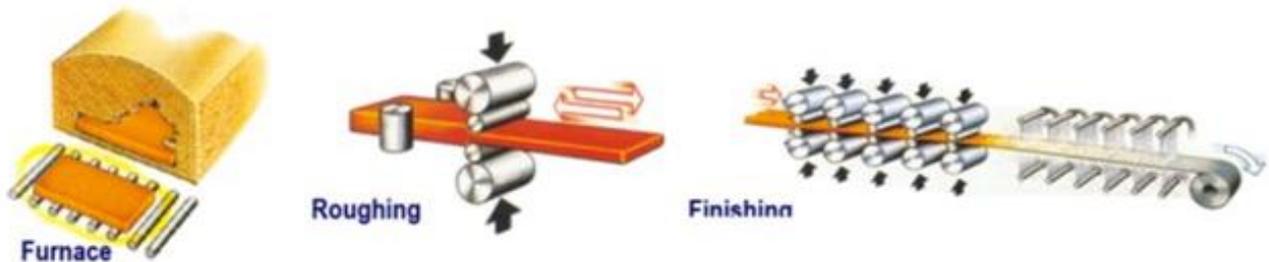
cooled and wound up as a coil of steel (known as hot rolled coil ("HRC"), or sometimes hot rolled band ("HRB")). HRB is an Americanism for HRC.

- 25.3 The HRC is then further processed by passing through acid baths to remove surface scale and other surface contaminants. It is then edge trimmed to the customer-specified width.
- 25.4 The cold rolling process then begins. Cold rolling is a similar process to hot rolling but is undertaken at ambient temperature, i.e. the metal is not hot. During this process the coil is reduced in thickness to the customer's requirements, generally 0.30 to 3.5mm BMT.
- 25.5 The cold rolled steel coil is used as the input feed material to the continuous coating line. During this process, the coil is run continuously through several key stages:
- The coil is cleaned; followed by an annealing process;
  - It is then passed through a molten bath mixture of principally zinc and aluminium;
  - Once coated the product can receive various surface treatments depending on the customer's specific requirements.
- 25.6 Product options include a "skin passed" or "un-skin passed" surface, chromated or un-chromated surface, an "oiled surface" or "dry surface, or "resin coated" or "not resin coated". Either resin application process delivers the required characteristics which will assist the customer's further processing due to its lubricant properties and it will also protect the surface during customer handling of the product. Resin coating is also sometimes referred to as Anti-Finger Print coating (AFP).

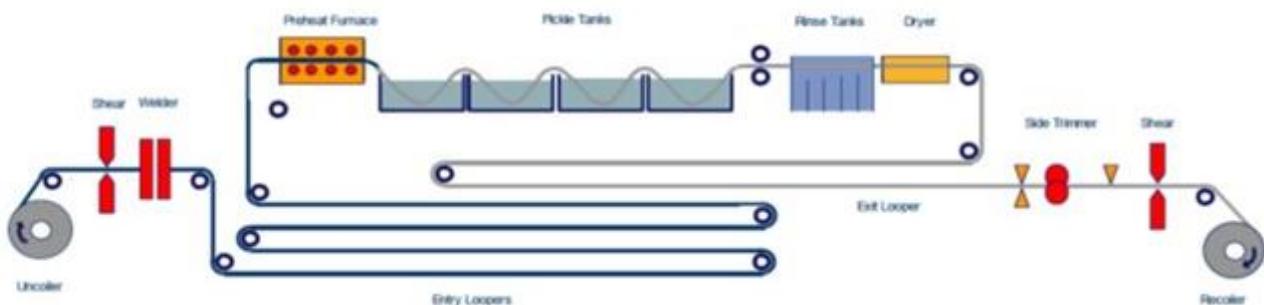
Figure 3: ZnAl Manufacturing Method Illustration (four stages are shown below, the pic flows to next page)

### Diagrammatic representation of Slab conversion to Zinc coated (Galvanised) steel

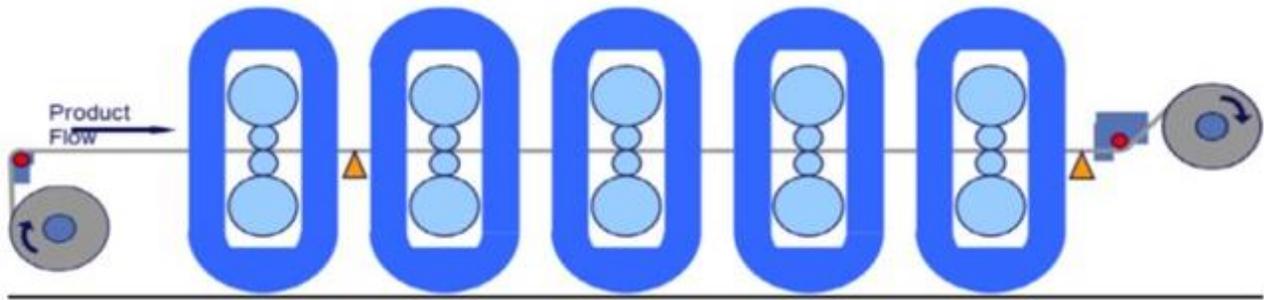
#### Slab is converted to Hot Roll Coil (HRC) at the Hot Strip Mill



#### HRC has its surface scale removed and is side trimmed Hot Roll Coil at the Pickle line



Pickled and sidetrimmed HRC is then cold reduced in thickness to customer requirement



The Cold Rolled coil is then cleaned, annealed and hot dip coated with zinc

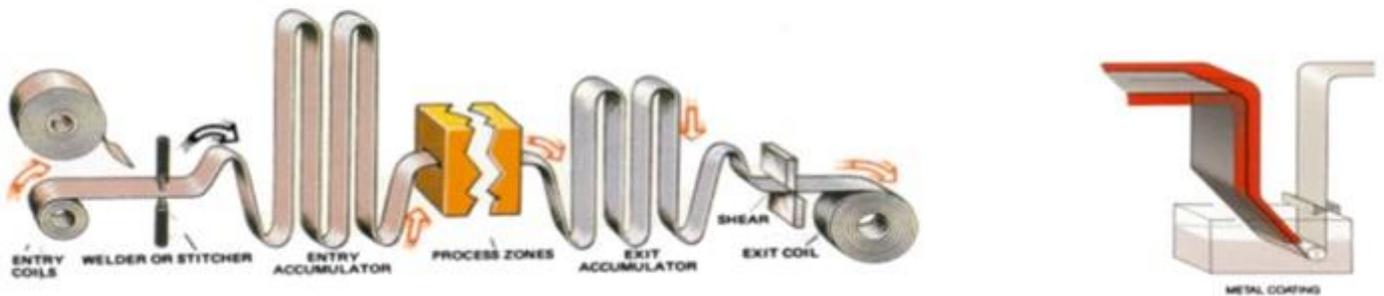
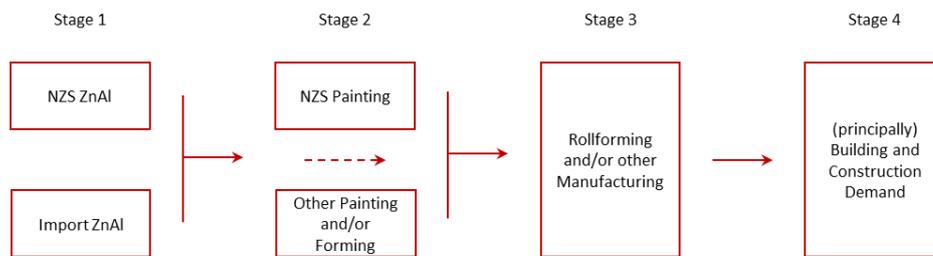


Figure 4: Generalised Segment Marketing and Distribution Channels



26 Some flow exists directly between stages 1 and 3. That is shown by the dotted line in Figure 4.

27 NZS (present in Stages 1 and 2 above) has a shareholding interest in Steel and Tube Holdings Limited which operates in Stage 3 of the channel. Further relevant information on that matter is at <https://steelandtube.co.nz>. This topic has been subject to MBIE inquiry and discussion during the Pacific Steel galvanized wire verification visit to 21 Beach Road, Otahuhu, Auckland in June 2020. NZS and Pacific Steel effect product sales only at arms-length in the channel shown at Figure 4. We refer the Ministry to its June 2020 discussion with Pacific Steel and the notes which the Ministry made at the time.

28 The subject goods manufactured by NZS are coiled for supply to customers. The goods may later be cut into sheets, or longitudinally slit into widths narrower than the origin coil.

29 New Zealand Segment: Information on the New Zealand market segment for the goods (source of segment demand growth etc) is not required by the Ministry's template for an anti-dumping case application, but some information is nonetheless provided here:

- 29.1 Factors contributing to overall segment growth or decline are: Availability of capital for infrastructure spending – government and private; General macro-economic factors such as bank interest rates directly impact on investment decisions by home buyers, investors and developers; Global and domestic economic conditions (GDP, unemployment, inflation, interest rates); and global and domestic business and consumer confidence.
- 29.2 Developments in technology affecting either demand or production are not significant.
- 29.3 Short term pricing movement is affected by pressure on New Zealand manufacturing to compete with imported finished products. This can influence purchasing decisions on inventory levels. It is also influenced by the global steel capacity utilisation rate.
- 29.4 Customers can purchase imported subject goods material either: Direct from overseas mill; via an international trader; and/or via an aligned/non-aligned NZ-based stockiest/reseller.
- 29.5 Although NZS is the sole domestic producer, New Zealand is a small open economy, and competition is introduced to the market through international trade. NZS does not set monopolistic prices, as importers compete by sourcing the subject goods internationally.
- 29.6 New Zealand customers use the (dumped, we say) import offers to depress and suppress NZS pricing. Some of the New Zealand Commerce Commission's conclusions on this topic in their 2014 report<sup>13</sup> are relevant. For example:
- (a) *"95. ... Similarly, Pacific Steel and Easysteel <an importer/distributor, now unrelated to Pacific Steel – bracket added here by NZS> have both advised us that close attention is paid to imports when setting domestic prices. For domestic steel products, a [                      ]."* ;
  - (b) *"96. Customers of NZS and Pacific Steel stated that they specifically refer to imports when negotiating. Several distributors of steel products currently import substantial amounts of steel product. ..."* ;
  - (c) *"98. Distributors interviewed by the Commission have advised that they have regular pricing meetings with both NZS and Pacific Steel and they come to these meetings knowing the pricing that they can obtain from international suppliers. They stated that IPP is discussed and used to ensure that the prices they obtain are reasonable."*
- 29.7 Those 2014 Commerce Commission views remain correct today. They are consistent with and relevant to the injury from dumped ZnAl alleged by NZS in this case.

## 5. Alleged Dumped Imports

30 Ministry template 5.1. The countries of export of the alleged dumped imports are Korea and Taiwan.

31 The Ministry template at 5.2 asks the applicant to identify whether the named countries of export of the dumped import goods are also the countries of origin of the goods. We strongly believe that the aforementioned named countries of export of the goods are also the countries of origin of the goods. We have no reason to think that this is not so but are not certain and feel that we cannot assist further since we did not produce those goods and we are not privy to the goods manufacture or logistics detail.

32 Calculating the volume of imports to establish possible negligibility is substantially hindered by confidentiality orders in place on several items of subject and like goods within Statistics NZ's import data<sup>14</sup>, and other known inaccuracies in New Zealand-side import information. NZS cannot see full and accurate information on New Zealand's ZnAl steel goods imports (indeed, nor can the Ministry be sure that it is seeing satisfactorily accurate goods import information until after it has made inquiry to importing parties). The New Zealand-side import data available to NZS is thus not accurate, is incomplete and impossible to rely on and use for Ministry template section 5.3 / table 5.1 negligibility analysis in this application.

<sup>13</sup> [https://comcom.govt.nz/\\_data/assets/pdf\\_file/0029/76448/1743718-2014-NZCC-8-Bluescope-Steel-NZ-Limited-and-Pacific-Steel-Group-clearance-determination-15-April-2014-Public-version.PDF](https://comcom.govt.nz/_data/assets/pdf_file/0029/76448/1743718-2014-NZCC-8-Bluescope-Steel-NZ-Limited-and-Pacific-Steel-Group-clearance-determination-15-April-2014-Public-version.PDF) at paragraphs 93 to 99.

<sup>14</sup> The New Zealand import data confidentiality is itemised at [http://archive.stats.govt.nz/about\\_us/legisln-policies-protocols/trade-confidentiality/confidential-items-imports.aspx#gsc.tab=0](http://archive.stats.govt.nz/about_us/legisln-policies-protocols/trade-confidentiality/confidential-items-imports.aspx#gsc.tab=0)

33 Import Data Source - ISSB: Certain areas of this application therefore rely on data sourced from the steel import-export and other data specialist, the International Steel Statistics Bureau<sup>15</sup> (ISSB) which on the export FOB-side is not subject to the New Zealand-side confidentiality orders administered by Statistics New Zealand. That ISSB export data is also more likely to be free of the source country error (China versus Taiwan) like that previously found by the Ministry.<sup>16</sup> Freedom from source country error, and freedom from **data confidentiality is NZS' reasonable basis to use ISSB's export**-side information, as well as the fact that ISSB is a steel industry specialist. NZS has used five ISSB codes considered relevant to ZnAl. These are: 721061,<sup>17</sup> 721069,<sup>18</sup> 721250,<sup>19</sup> 722599<sup>20</sup> and 722699<sup>21</sup>. They are the five codes highlighted in green at paragraph 18. One of these contains several codes which at ten digits on the import side are suppressed by Statistics New Zealand. This group of codes is necessarily selective.

34 These five ISSB codes are used for the ZnAl export and import analysis in this application. They are **NZS' best assessment of which codes in ISSB's suite encompass ZnAl goods**. This ZnAl group is consistent in all analysis in this document except for Figure 25. The group is known to be imperfect<sup>22</sup> but it is reasonably available information. Significant ZnAl import volume, value or source conclusions will not be able to be drawn by the Ministry until full New Zealand-side ZnAl import documents are able to be examined, and verified and matched, with the importer, to the ZnAl goods on the ground in New Zealand.

35 Set out below is **NZS' best estimate of dumped ZnAl goods import negligibility**.

Figure 6: Negligibility. Exports of ZnAl to New Zealand, tonnes & percent<sup>23</sup>

Exporter	2019-Q4	2018-Q1	2020-Q2	2020-Q3	YTD 30 Sept 2020	YTD Sept 2020
	Volume to NZ	Share				
World	Base	Smaller	Smaller	Larger		100%
Australia	Base	Larger	Smaller	Smaller		
China	Base	Smaller	Smaller	Larger		
Italy	Base		Larger	Smaller		
Poland	Base		Same	Larger		
South Korea	Base	Smaller	Smaller	Larger		
Spain			Larger			
Taiwan	Base	Smaller		Larger		
USA	Base		Smaller			
UK			Larger			

<sup>15</sup> Source is <https://www.issb.co.uk/> "Established over 40 years ago, ISSB Ltd is a leading supplier of global trade data for steel and raw materials, offering monthly import and export data for over 80 countries split by tariff codes, covering hundreds of steel products. Our extensive online database enables us to provide accurate and up to date statistical information which can be used as an economic indicator of apparent consumption, UK demand and the UK steel industry as a whole. The level of detail we provide is utilised by steel producers, trade associations and Government bodies to support the UK steel industry that is so vital to our economy. Whatever your steel related data requirements, ISSB is here to work with you and add value to your business." <quote at <https://www.issb.co.uk/>

<sup>16</sup> Galvanised Coil 2017 PF146, dated 10 March 2017.<sup>16</sup> That is correspondence to the Ministry from a New Zealand importer. Until the correction was made, the Customs China export volume and value records were wrong. The China records were wrongly high, and the Taiwan records were commensurately (and wrongly) low. **The Ministry's pre-initiation work on the Customs data had not found this subject goods volume and unit value of Taiwan-made coated flat carbon steel coil.** Indeed, the fact of NZ Customs Taiwan import records being wrong was only apparent to the Ministry nearly 3 months after it had initiated that investigation. Relevant dates evidencing this assertion are: The case was initiated on 19 December 2016, and the Ministry was notified of the error via an incoming email at 2:52 p.m. on 10 March 2017.

<sup>17</sup> ISSB refer to this as the group "AL/ZN COATED SHEET".

<sup>18</sup> ISSB refer to this as the group "ALUMINIUM COATED SHEET:NA".

<sup>19</sup> ISSB refer to this as the group "O/METAL COATED STRIP: <600MM".

<sup>20</sup> ISSB refer to this as the group "F/W PLATE/SHEET: O/ALLOY".

<sup>21</sup> ISSB refer to this as the group "F/W STRIP: <600MM O/ALLOY".

<sup>22</sup> This group excludes the code 721049 which would ordinarily include galvanized (i.e. majority Zn) product but we are not confident that code 721049 into NZ does not include some ZnAl goods.

<sup>23</sup> Source is <https://www.issb.co.uk/>. In confidential Excel **attachment "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21"**.

36 On this Figure 6 negligibility analysis, Korea and Taiwan comprise and share of NZ imports respectively in YTD 30.9.20. Neither percentage is negligible. They comprise a combined of total imports in the segment. NZS has looked for but not found a credible data permutation for the goods which would suggest that the imports from either Korea or Taiwan are anywhere near an individually negligible import volume. Australia is estimated not negligible. *[Import information. The information is summarised where possible by indications of period-to-period change. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS]*

37 Certain other information on this topic suggests that Taiwan’s volume is not negligible. *[Confidential information]* on the basis of both Customs data and Stats NZ data, imports under 721061 and 721260 represented <only> an eighth of imports of the subject goods from Taiwan. The Taiwan volume is thus eight times larger than, at a minimum, *[Import information. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS]* tonnes in YTD 30.9.20. That is consistent with the above Taiwan ZnAl import share into New Zealand. We also draw attention to Taiwan’s ZnAl exports to New Zealand having a strongly elevated *[Import information. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS]* tonne volume in the calendar 2020 Q3 quarter. We lastly draw attention to the following statement at Figure 2 above:

*[Marketing information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*

38 The Ministry template table 5.1 is provided below as Figure 7.

Figure 7: Template Table 5.1: Negligibility

Negligibility	YTD 30.9.20 Estimated ZnAl Volume
Alleged dumped goods (tonnes)	Base
Imports from other countries (tonnes)	Smaller
Total imports (tonnes)	Larger
Alleged dumped imports as a % of total imports	

*[Import information reading top to bottom in the right hand column. The information is summarised where possible by indications of row-to-row value change reading from top to bottom. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary NZS information. It is a third party commercial information source]*

39 Overseas Producers and/or Exporters: Ministry template 5.4. NZS does not have perfect information for response to item 5.4 because NZS is not the importer of the goods and is thus not privy to the source information. Information on foreign suppliers will not always be reasonably available to an applicant. Set out below is a list of the companies which we nonetheless understand have been and may still be the overseas producers and/or exporter of the ZnAl goods.

- 39.1 Union Steel. Union Steel Building 890 Daechin-Dong, Gangnam-Gu, Seoul, 135-524 Korea.
- 39.2 Dongbu Steel. Dongbu Centre. 891-10 Daechi-dong, Gangnam-Gu, Seoul, 135-524 Korea.
- 39.3 Dongkuk Steel. Ferrum Tower, 19 Eulji-ro 5-gil, Jung-gu Seoul, South Korea.
- 39.4 Hyundai Steel Company. 231, Yangjae-dong, Seocho-gu, Seoul, 137-938 South Korea.
- 39.5 Posco Steel. POSCO Centre 892, Daechi-4-dong, Gangnam-gu, Seoul 135-777, South Korea.
- 39.6 Yieh Phui Corp. No.6, E-Da Road, Yanchao Township, Kaohsiung Country, Taiwan.
- 39.7 Sheng Yu (Sysco). No. 11, Chung Lin Road Hsiaokan District, Kaohsiung, Taiwan.
- 39.8 China Steel Corp (CSC). 1 Chung Kang Road, Siaogang District, Kaohsiung 81233, Taiwan.

40 Importers: Some information on non-NZS companies appears below and in certain other places in this application. May we note that such information is present in this application document because the New Zealand Ministry’s dumping application template requires that an applicant provides it.

41 NZS understands that the following companies, and perhaps others, import the ZnAl goods from Korea or Taiwan. Most of the below information is from the company public websites. An exception is information on where those companies are considered by NZS to be present in the Figure 4 segment overview. The two sentences below that are in italic and quote marks are web-sourced statements that have been made by the identified importer. See Appendix Eleven. This information addresses Ministry template 5.5:

- 41.1 Kiwi Steel NZ Ltd. Address is 12 Hautu Dr, Wiri, Auckland 2104. *“Kiwi Steel operates as an international steel merchant, trader, and processor”*. It is at stage 3 in Figure 4.
- 41.2 Pacific Coilcoaters, a subsidiary of Fletcher Steel Ltd. Address is 968 Great South Road, PO Box 12 046, Penrose, Auckland 1642. This company is a manufacturer of painted flat ferrous and non-ferrous goods. It is at stage 2 in Figure 4.
- 41.3 R. C. Macdonald Ltd. (RCM) Level 7, CallActive House, 15 Willeston Street, Wellington 6011. PO Box 1201 Wellington 6140. *“RCM is an international trading house based in New Zealand.”*
- 41.4 Ross Roof Group Ltd. Address is PO Box 72062, Papakura 2244, 1 Inlet Road, Takanini 2112, Auckland. This company is a manufacturer of roofing material. It is at stage 3 in Figure 4.
- 41.5 Roof Tile Group Ltd. 90-104 Felton Mathew Ave, St Johns, Auckland 1072. Address for service is TMF Group, Level 11, 41 Shortland Street, Auckland, 1010. This company is a roofing product manufacturer which operates at stage 3 in Figure 4.
- 41.6 Tiger Steel Ltd. Address is 22 Hiria Crescent, Papamoa Beach, Papamoa, 3118. This company is a steel goods importer. **Tiger’s** web representation of imported ZnAl is at Appendix Eleven.

42 First Cause of Injury? This addresses the Ministry template at 5.6: Since there is no precise definition of material injury there can be no precise point at which that condition first existed. We do not discern a clear delineation or event - say there being no Korean or Taiwanese goods present at one juncture, then very high and sustained volume immediately following. That said, NZS considers that there has been a particularly injurious effect from the dumped Korean and Taiwanese goods in the illustrated Figure 8 periods below for YTD 30.9.20 and YTD 30.9.19, relative to YTD 30.9.17 and YTD 30.9.18, but that there have also been injurious effects earlier than YTD 30.9.17 and YTD 30.9.18 as the Korean and Taiwanese **goods have grown segment share via their dumped pricing which has undercut NZS’ pricing. NZS’ prices** have been obliged to respond to that growing, dumped, import flow from Korea and Taiwan. As will be seen below in Figure 8, the import volume patterns into NZ from Korea and Taiwan have both been in an upward direction. The Figure 8 trendline<sup>24</sup> formulae evidencing that fact are \_\_\_\_\_ and \_\_\_\_\_ respectively. *[Import information. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS. It is from a third party commercial information source]*

Figure 8: New Zealand imports of ZnAl, Export-side records. FOB tonnes <sup>25</sup>

Country	YTD 30.9.12	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Korea	Base	Higher	Lower	Lower	Higher	Higher	Higher	Higher	Lower
Taiwan	Base	Higher	Higher	Lower	Higher	Higher	Lower	Lower	Higher

*[Import information. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS. It is from a third party commercial information source]*

<sup>24</sup> Trendline formulae are used to describe trends because such formulae exist for that purpose, i.e. to study information behaviour and to see whether there is a pattern in the data. Evidence is in the following **statement** *“Definition of a Trend Line. A trend line, often referred to as a line of best fit, is a line that is used to represent the behaviour of a set of data to determine if there is a certain pattern.”* See <https://study.com/academy/lesson/what-is-a-trend-line-in-math-definition-equation-analysis.html>.

<sup>25</sup> Source is <https://www.issb.co.uk/>. In confidential Excel attachment “ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21”.

43 In our view the Ministry template item 5.6 is not well linked to the other matters in Ministry template section 5. It is more related to injury matters which are in Ministry template section 9. That said, and due to the need to answer the Ministry template 5.6 (first cause injury) question here, we suggest that the material injury from the dumped goods, with hindsight, is apparent in the steep growth in YTD 30.9.17 and YTD 30.9.18, into YTD 30.9.19 and YTD 30.9.20. The volume of Korean material in particular has risen steeply at an average *[Import information. This information is commercially sensitive because it would provide a competitor with a competitive advantage and it is proprietary information of NZS]* tonnes per annum in the period YTD 30.9.12 to YTD 30.9.20 inclusive. The Korean trajectory altered markedly upward in 2016/17. NZS considers that there has been a particularly injurious effect from the dumped Korean and Taiwanese goods in YTD 30.9.19 and into YTD 30.9.20, relative to YTD 30.9.17 and YTD 30.9.18, but that there have also been injurious effects earlier than YTD 30.9.17 and YTD 30.9.18 as the Korean and Taiwanese goods have strongly grown segment share via their dumped pricing which has **undercut NZS’ pricing. NZS’ prices have been obliged to respond to that growing, dumped, import flow** from Korea and Taiwan.

### 6. Export Prices

44 Addressing Ministry template 6.1: NZS does not have the commercial information suggested by the Ministry template 6.1 bullet one first sub-sentence. NZS is not an importer so cannot provide that aspect of the required Ministry template evidence; NZS does not have the information suggested at Ministry template 6.1 bullet one second sub-sentence; In the absence of better available information NZS has therefore turned to a constructed export price.

45 We consider that trade information on the ZnAl product group identified at paragraph 33 is the most relevant source of data for a construction of the Korean and Taiwanese goods export prices to NZ. The NZ-side records feature suppression of goods data with that group, so we have based the following export prices on origin-side ISSB FOB data. That source and group is as representative as NZS can find in its effort to meet the Ministry’s 6.3a. template requirement.

46 The Ministry template at 6.3b requests information over a recent one-year period. Some guidance is offered below 6.3b in two further sentences.<sup>26</sup> We submit that the most relevant one-year period is the 12 months ending 30 September 2020.

47 The level of trade is as per the Ministry template at last sentence on page 8, being ex-factory.

48 Figures 9 & 10 below (and their references) are the information required by Ministry template item 6.2, Table 6.1 Export Prices.

Figure 9: Template Table 6.1: Korea ZnAl Export Price Construction and Basis/Assumptions <sup>27</sup>

Korea: YTD 30.9.20	Data
Total Value (US\$ FOB).	
Total Volume (t). See Figure 6.	
Unit Value (US\$ FOB per tonne). Calculated from the above two rows.	
Cost of Credit: days at 0.9%, being the relevant period estimated interest rate from trading economics.com Bank of Korea at Appendix Two, in US\$/t. days is NZS’ commercial estimate. We do not have specific further information but concur with the Ministry’s assessment at paragraphs 74 to 76 of the China and Indonesia galvanised wire initiation report. Pacific Steel’s assessment and estimate is replicated here by NZS as reasonable and sufficient evidence for this adjustment for the purposes of initiation. Some export sale credit term information in the Indonesia China galv wire investigation Public File document PF037 at question 17(f) (being the information concerned) suggests that this cost of credit estimate is reasonable.	
<u>Export Packaging:</u> The imported ZnAl coil is typically steel wrapped circumferentially and steel end-capped like that shown in Appendix Twelve. We understand that Asian country ZnAl for domestic sale would not be steel wrapped, but as per NZS’ domestic, plastic wrapped. This is NZS’ commercial cost estimate for the steel wrap packaging.	
<u>Inland Freight:</u> It is unclear whether or what amount of freight cost deduction from FOB to ex-works is necessary as NZS does not have necessary plant/site information on the goods being dispatched to NZ. We do not know which foreign plant(s) of which companies made the goods. NZS has therefore made a reasonable estimate of the like amount in the 2020 Pacific Wire	

<sup>26</sup> We think the second of those sentences is an error, and that the Ministry template intends to mean the opposite of what it says (ditto on page 12 of the Ministry template).

<sup>27</sup> Source is <https://www.issb.co.uk/>. In confidential Excel attachment “ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21”.

Korea: YTD 30.9.20		Data
Indonesia China investigation. See the first page of Appendix Three. Calculation is US\$ /24 tonnes.		
Exporting Charges: The basis for this US\$/t estimate of items		
The calculation is US\$ /24 tonnes.		
Subtotal (US\$ per tonne)		
Estimated Ex-Factory Export Price (US\$ per tonne)		Vicinity \$700

[Various information data and sources of information and insight for export price construction. The information is summarised thus: The Korea export price above at the last row is in the vicinity of \$700 and is very near the same as the Taiwan export price in figure 10. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates, and some is subject to an obligation to maintain confidentiality, and some of it is NZS proprietary information]

Figure 10: Template Table 6.1: Taiwan ZnAl Export Price Construction and Basis/Assumptions <sup>28</sup>

Taiwan: YTD 30.9.20		Data
Total Value (US\$ FOB)		
Total Volume (t). See Figure 6.		
Unit Value (US\$ FOB per tonne). Calculated from the above two rows.		
Cost of Credit. days at 1.25%, being the relevant period estimated interest rate from trading economics.com Central Bank of Taiwan at Appendix Two. Ditto the other comments in Figure 9.		
<b>Export Packaging: Ditto Korea Figure 9 above. NZS understands that the Taiwan's export packing type and adjustment will be very near the same as Korea. NZS does not have better available information.</b>		
Inland Freight: Ditto comments at Korea above in Figure 9. NZS does not have better information.		
Exporting Charges are ditto the Korea information above in Figure 9.		
Subtotal (US\$ per tonne)		
Estimated Ex-Factory Export Price (US\$ per tonne)		Vicinity \$700

[Various information data and sources of information and insight for export price construction. The information is summarised thus: The Taiwan export price above at the last row is in the vicinity of \$700 and is very near the same as the Korea export price in figure 9. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates, and some is subject to an obligation to maintain confidentiality, and some of it is NZS proprietary information]

49 Contextual Support: The Korean ex-factory figure estimated above by NZS is supported by certain information. Below is

too is contextual support for the above US\$ per tonne being a reasonable estimate within the period YTD 30.9.20. This

<sup>28</sup> Source is <https://www.issb.co.uk/>. In confidential Excel attachment "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21".

50 The Figure 9 and Figure 10 NZS estimates are also supported by and consistent with the New Zealand-side undercutting and IPP pricing circumstance generally. That is,

versus

the NZS goods when the imports are presented for sale in New Zealand.

*[Marketing information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*

### 7. Normal Values

51 Addressing Ministry template 7.1: It is difficult to obtain evidence of the wholesale level of trade prices for the domestically sold subject goods. The difficulties include: As far as NZS can tell, none of the Korean or Taiwanese makers of ZnAl publish price-identifying information such as invoices and terms of trade. Nor might relevant invoices be readily available to non-insiders (such as, in this case, NZS) to a particular trade; Public Korean and Taiwanese subject goods price lists cannot be found; End-user selling prices of the subject goods (for example the precursor subject goods converted to a different form on which pricing were obtained, but from which some conversion costs and margin may then be deducted in order to derive a normal value for the subject goods) cannot be found; While some makers of ZnAl are public companies, segmental pricing information on the subject goods is not available; Also as far as NZS can tell, no domestic customers of the Korean and Taiwanese domestic ZnAl publish any normal value information, i.e., their buy price; We have not found a relevant association which publishes suitable normal value price information.

52 In respect of Ministry template b. on page 12, we submit that the most relevant one-year period (and the most recent one in which full data is available) is the year ending 30 September 2020. **We don't feel** able to respond to the Ministry template last sentence on page 12 because we think that the Ministry template intends to mean the opposite of what it says.<sup>26</sup>

53 NZS has developed Korea and Taiwan normal values using the constructed approach (per the Ministry template at table 7.2 on page 11) and as provided for in section 10(3)(i) of the Act using commercial information, adjusted where necessary. ZnAl goods are made via the method at Figure 3 above (rows 2, 3 and 4 thereof). Hot rolled coil (HRC, a form of semi-finished primary carbon steel)) is converted via trim, clean, cold roll, and coated at a Metal Coating Line (MCL) in principally zinc and aluminium. NZS has added to such cost sub-total a reasonable amount for SGA on domestic sales, plus a reasonable profit margin on domestic sales of the same general category of goods. This Ministry template table 7.2 construction is provided below as Figure 11. The matters required by the Ministry template at 7.2, 7.3 and 7.4 are addressed above, or in the table below and its references.

Figure 11: Template Table 7.2: Constructed ZnAl Normal Values, US\$ per tonne.

Item	Details	Korea	Taiwan
A: Cost of production	<p>This comprises semi-finished HRC steel cost, plus clean, trim, cold roll and metallic coat (which consumes aluminium ingot and zinc ingot) in the MCL. The major inputs are the HRC and aluminium and zinc. The commercial information HRC cost base source in this constructed normal value is <i>[Independent steel industry subscription service, confidential]</i></p> <p>.<sup>29</sup></p> <p>See Appendix Six for the <i>[Independent steel industry subscription service, confidential]</i> HRC commercial information and Appendix Seven for the other commercial cost information.</p> <p>In response to Ministry template 7.3 and 7.4, the information contained here (and in the Appendices) is a fair comparison between the sales made in the country of export with similar goods exported to New Zealand because we are unable to find any good grounds to distinguish, or otherwise to make a fairer comparison. The itemised components of cost construction are believed identical as between sales made in the country of export and similar goods exported to New Zealand.</p> <p>The Ministry will be able to sight the various component parts of the data at right, in Appendix Six and Appendix Seven.</p>	Near same as Taiwan	Near same as Korea

<sup>29</sup> *[Independent steel industry subscription service, confidential]*

Item	Details	Korea	Taiwan
	NZS considers that raw material (HRC) costs using HRC selling prices in Korea and Taiwan sourced from an independent steel industry subscription service are reasonable.		
B: SGA	<b>Reasonable amount for SGA on domestic sales. This is based on NZS' costs for this row item in YTD 30.9.20 (NZ\$ per tonne), converted to US\$ at the exchange rate at Appendix Thirteen. NZS has not been able to find a better proxy on which to rely.</b>	Same	Same
C: Subtotal	Sum of rows A and B above.	Near same as Taiwan	Near same as Korea
D: Profit	<p>A reasonable estimate is required. Profit data relevant to each country is at Appendix Four. That includes screenshot evidence of data published by investing.com. The companies there are Yieh Phui Corp, Sheng Yu and China Steel (SCS) (Taiwan); and Dongbu, Dongkuk, Hyundai and Posco (Korea). The figures are the average of four quarters in YTD 30.9.20 which then average to <b>the lower right green cell at each table on Appendix Four's first page.</b></p> <p>The selection of not less than three companies in each country (albeit not all of <b>the companies listed there may in fact be exporting the goods to NZ</b>) is NZS' reasonable basis for profit estimation in quarters in YTD 30.9.20. Other companies may be the relevant exporters and might have published relevant information, but we don't know of either matter. NZS is not able to find a ZnAl-specific Asian profit estimation, so the material at Appendix Four is NZS' most reasonably available information.</p> <p>The calculation of this item D is able to be read arising in Appendix Four (example Korea 8.167%) into upper left pink cells in Appendix Seven. NZS notes an MBIE view to deduct an SGA value (the above) to avoid double counting. NZS does not consider that there is sufficient confirmed information to allow that approach.</p>	Higher than Taiwan	Lower than Korea
E Constr. normal value	Estimation. Calculation of row C plus D. This row E information level of trade is per the Ministry template at table 7.2, being ex-factory.	Vicinity \$900	Vicinity \$900

[Various information data and sources of information and commercial insight for normal value construction. The information is summarised thus: The Korea and Taiwan normal value above at the last row is in the vicinity of \$900. The Korea normal value in the bottom row is a small amount higher than the Taiwan normal value. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates, and some is subject to an obligation to maintain confidentiality, and some of it is NZS proprietary information that has been sourced from a third party]

## 8. Dumping Margins

Figure 12: Template Table 8.1: ZnAl Dumping Margin Calculation, US\$ per tonne and percent

Type/Model	Korea	Taiwan
Normal Value (A)	Vicinity \$900	Vicinity \$900
Export Price (B)	Vicinity \$700	Vicinity \$700
Dumping Margin (A-B)	Mid \$200's	Mid \$200's
Dumping Margin as a % of Export Price (B)	Upper 30%'s	Mid 30%'s

[Import and cost information. The information is summarised thus: The Korea normal value is a small amount greater than Taiwan. The Korea export price is very near the Taiwan export price level. The dumping margin \$ is a little higher for Korea than for Taiwan. The Korea dumping margin percent is about one tenth higher than Taiwan. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it is proprietary information of NZS sourced from a confidential source]

54 Ministry template 8.2: The dumping margin has been calculated at the ex-factory level for both the normal value and export price. The estimated margins are Korea and Taiwan. These are significant margins. [Trade information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]

55 In our view it is relevant that significant dumping margins also exist if tested against the conservative data at paragraph 49. That data was noted in . A US\$ per tonne Korea export price implies a Korean dumping margin of around US\$ per tonne, or [Trade

information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]

## 9. Material Injury

56 New Zealand Industry: Ministry template page 14: NZS comprises the NZ industry because there are no other New Zealand manufacturers of ZnAl goods like those made at the NZS MCL plant at Mission Bush Road, Glenbrook, Auckland.

57 Provisional Duties: Ministry template at page 15: These can be applied at any time from 60 days after an investigation is initiated provided there is reasonable cause to believe that the goods are dumped and causing or threatening to cause material injury, and provided such action is necessary to prevent material injury being caused during the remainder of the investigation. NZS considers that this circumstance applies to the New Zealand industry now and we therefore request provisional duties. **NZS’ view regarding** provisional duties is that when warranted, they should be applied as quickly as possible.<sup>30</sup>

58 Level of Trade: New Zealand buyers can obtain the goods from NZS or from an import source at CIF. **An importer’s presentation** of its import-sourced ZnAl is at Appendix Eleven **and an importer’s perspective** (consistent with CIF) appears in the screenshot at paragraph 49 above. NZS does not have any information to suggest a different level of trade conclusion than ex-wharf/ex-factory. That is the purchase-choice and commercial circumstance apparent in Figure 4 where the supplier (either NZS or import) of ZnAl is at stage 1, and buyers are at stages 2 and 3. This ex-wharf/ex-factory level of trade is also that found in all the New Zealand **Ministry’s** eleven previous New Zealand steel product investigations or reviews. NZS is not aware of any new information giving cause for that level of trade view to now change.

59 Import Volumes into New Zealand: Answering the table 9.1 requirement is difficult due to the data suppression matters described above. NZS has therefore adopted here the same approach as Figure 6. This is not perfect, but it is the most reasonable information available to NZS. The column/row form below is not presented per the Ministry template, because that is not how the source data is available. Mirroring Ministry template table 9.1 would make it more difficult for MBIE to verify and cross-match the information to the original source. The information required at **the Ministry’s** table 9.1 is nonetheless all provided below, except for production.<sup>31</sup>

Figure 15: Template Table 9.1: ZnAl Import Volumes. Exporter Side Records <sup>32</sup>

Quantity (t)	YTD 30.9.12	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Imports of alleged dumped goods (DG) – Korea	Base	Higher	Lower	Lower	Higher	Higher	Higher	Higher	Lower
Imports of alleged dumped goods – Taiwan	Base	Higher	Higher	Lower	Higher	Higher	Lower	Lower	Higher
Total imports of the alleged dumped goods	Base	Higher	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports from other countries	Base	Lower	Lower	Lower	Lower	Higher	Higher	Higher	Lower
NZ industry sales of like goods for domestic sale		Base	Lower	Lower	Lower	Lower	Lower	Higher	Lower
Total NZ segment		Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower
Imports of alleged DG as % of NZ industry sales		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports of alleged DG as a % of total NZ segment		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Value (NZ\$,000)	YTD 30.9.12	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Imports of alleged dumped goods – Korea	Base	Higher	Lower	Lower	Higher	Higher	Higher	Higher	Lower

<sup>30</sup> Further explanation of that view is at paragraphs 2 to 8 of the Pacific Steel submission PF068 in the 2019 Indonesia China galvanised wire investigation.

<sup>31</sup> The table Figure 15 / template 9.1 called for domestic production which is then taken to total New Zealand market. Sales (as has been provided) is considered more appropriate for four reasons: First, NZS makes to order so there is an immaterial difference in sales versus production; Second, any negligible difference is below any margin of error in the horizon examined; Third, the table 9.1 drives to segment **share matters, which is always in measured at sales, not production; Fourth, production doesn’t have an injury-relevant value until the goods are sold.** Prior to that it only has cost(s) and variances thereto so the value section of Ministry template table 9.1 must be measured at sales not production.

<sup>32</sup> Source is <https://www.issb.co.uk/>. In confidential Excel attachment “ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21”.

Imports of alleged dumped goods - Taiwan	Base	Higher	Higher	Lower	Higher	Higher	Higher	Lower	Higher
Total imports of the alleged dumped goods	Base	Higher	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports from other countries	Base	Higher	Lower	Lower	Lower	Higher	Higher	Higher	Lower
NZ industry sales of like goods for domestic sale		Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower
Total NZ segment		Base	Lower	Lower	Lower	Lower	Higher	Higher	Lower
Imports of alleged DG as % of NZ industry sales		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports of alleged DG as a % of total NZ segment		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower

[Information and calculations insight as per the row labels. The information is summarised by indications of period-to-period change in all the rows. Dumped Korea volume in row two has grown five-fold over that horizon. Taiwan growth in row three rounds to a three-fold increase. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]

60 Question 9.2: NZS does not discern a clear delineation or event regarding onset of import ZnAl injury - say there being no dumped goods present at one juncture but then a very large sudden flow afterward. The overall dumped import growth has been of solid overall upward direction. That said, NZS considers that there has been a particularly notable and injurious effect from the dumped Korean and Taiwanese goods in YTD 30.9.19 and into YTD 30.9.20, but for the dumping, relative to YTD 30.9.17 and YTD 30.9.18, but that there have also been injurious effects earlier than YTD 30.9.17 and YTD 30.9.18 as the Korean and Taiwanese goods have strongly grown segment share via their dumped pricing which has undercut **NZS’ pricing. NZS’ prices have been obliged to respond to that growing, dumped, import flow from Korea and Taiwan.**

61 As shown above, the dumped goods from Korea and Taiwan have grown in absolute terms from tonnes in YTD 30.9.17, to tonnes in YTD 30.9.18. That is a very significant absolute upward growth of during a time when the New Zealand industry sales volume That was followed by another step-up in dumped goods import volume from tonnes in YTD 30.9.18 to tonnes in YTD 30.9.19. That is very significant year-on-year volume growth, which the growth in the New Zealand segment over the same period. [Import data information and insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on **NZS’ proprietary and confidential-source information**]

62 From a share and trendline perspective the dumped goods have grown segment share between YTD 30.9.17 to YTD 30.9.20, as evidenced at Figure 15 above, from in YTD 30.9.17 rising to as roughly steady growth at , while across the same period **NZS’** output declined from tonnes to tonnes at , again notwithstanding NZS Steel having the capability to supply the New Zealand demand for the ZnAl goods. Imports from other sources have risen off a small base from tonnes in YTD 30.9.17 to tonnes in YTD 30.9.20 at . [Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on **NZS’ proprietary and confidential-source information**]

63 Taking a longer-term view, the trendline formulae evidencing the fact of significant dumped goods import growth are Korea and Taiwan was . The volume of Korean material in particular has risen steeply at an average tonnes per annum in the period YTD 30.9.12 to YTD 30.9.20 inclusive. The Korean trajectory altered markedly upward in YTD 30.9.16 and was at a highly material level in YTD 30.9.19. Taiwan was higher in YTD 30.9.20 across the period in all years except one, which was YTD 30.9.14, and that year was only fractionally higher than YTD 30.9.20. [Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on **NZS’ proprietary and confidential-source information**]

64 Dumped goods % of the NZ industry sales volume has risen from in YTD 30.9.13 to YTD 30.9.20. Highest data point is YTD 30.9.19’s The trend is upward at ; and there is a near same pattern in the dumped goods as a percent of NZS sales value. That is rising in as roughly steady growth at . It is also notable that the dumped goods grew in absolute terms in YTD 30.9.13 to YTD 30.9.20 at whereas the Other goods declined near reciprocally in absolute terms at . That is consistent with dumped goods gaining share (which has happened) pursuant to their pricing into the New Zealand segment being built on dumped economics. [Information and calculations insight. This information is commercially sensitive because it

would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information]

65 Put slightly differently, Figure 15 provides positive evidence that the dumped ZnAl goods share in the New Zealand segment grew while at the same time the non-dumped ZnAl goods shrank. This is an outcome consistent with the dumped import goods successfully using dumped economics to grow share at the expense of local New Zealand industry and the non-dumped foreign suppliers. This precisely aligns with **the foundation of the AD Agreement in its use of the term "condemned" in clause 1 of Article VI of the General Agreement on Tariffs and Trade (GATT 1994).**

66 We turn now to counterfactual analysis.<sup>33</sup> This indicates that but for the grown sales of Korean and Taiwanese goods via their unfair trade and undercutting, and examining YTD 30.9.20 against YTD 30.9.17, those sources have grown significantly and may have comprised perhaps of the NZ segment volume, which is points lower than YTD 30.9.20's actual . Counterfactual analysis shows an even more significant effect when considering the imports of the dumped goods as a percent of the New Zealand industry's sales. **The dumped goods have grown weight from** in YTD 30.9.17 to very significant in YTD 30.9.20. That has been enabled by those import ZnAl goods being dumped and undercutting the New Zealand industry. *[Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information]*

## 10. Price Effects

### Price Undercutting

67 This addresses Ministry template at 10.1: Significant backdrop to this matter is the nature of steel price competition. This is underpinned by import parity<sup>34</sup> and is canvassed in the following paragraphs. Some very recent MBIE comment (with which NZS concurs and considers relevant to this case) is:

*"361. MBIE notes that a relevant factor affecting domestic prices is Pacific Steel's import parity pricing process, which takes into account feedback on prices of imports and international prices, in establishing prices for its customers. To the extent that these prices are affected by dumping, they will have an impact on the prices for goods sold by the domestic industry."*<sup>35</sup>

68 NZS too, competes with global steel pricing. Steel products are not sold on a cost-plus basis. NZS' pricing approach is also based on the import parity pricing construct. Movement in prices of international traded steel, world scrap prices, and import offers are used by independent customers in pricing discussions and in regular interactions with NZS.

69 We note that price-effect injury such as identified at MBIE's para 361 above, and economic impact can occur without material undercutting because of price information opacity in the market and the manner in which prices are set in this industry. New Zealand-side manufacturing has some pricing information but does not have perfect and complete information on the import pricing against which it competes. A business might thus not be undercut but nonetheless have been injured in the price-levered<sup>36</sup> path toward any nil or even any negative price undercutting. The latter state can exist and be injurious. As MBIE states at 361, it is whether prices have been affected (emphasis added) by dumping. This is where the mandatory **"but for" analysis at section 8** of the Act (referred to in paragraph 66 above and its footnote) will be conducted by the Ministry.

<sup>33</sup> This is a mandatory requirement per section 8 of the Trade (Anti-dumping and Countervailing Duties) Act 1988, and it formed part of proceedings in the High Court (Wellington Registry) matter number CP301/96. **As the Ministry agreed with a party to those proceedings, "In determining whether or not any material injury to an industry has been or is being caused or is threatened in accordance with Section 8 of the Act, Commerce must have regard to the position the industry would or would likely be in but for the dumping."** **"But for" is the counterfactual** approach which requires a comparison between outcomes that have occurred as a result of dumping (the factual) to those that would have occurred in the absence of dumping (the counterfactual).

<sup>34</sup> See Appendix Nine for a definition. The IPP concept referred to by NZS in this application is the same as that examined by the Ministry in eleven previous steel goods applications.

<sup>35</sup> **MBIE's Essential Facts and Conclusions. Malaysia galvanised wire sunset review. August 2020. Para 361. Similar commentary and themes are in MBIE's NZS reports.**

<sup>36</sup> We refer to commercial leverage. See [https://en.wikipedia.org/wiki/Leverage\\_\(negotiation\)](https://en.wikipedia.org/wiki/Leverage_(negotiation)).

70 Figure 16 below (Ministry template at 10.1) is the NZS ZnAl price at ex-factory versus estimated ex-wharf for imports. The goods from Korea and Taiwan are estimated to both materially undercut NZS.

Figure 16: Template Table 10.1: Price Undercutting

YTD 30.9.20 Measure (NZ\$/t, apart from row B)	Korea	Taiwan
A. NZS at ex-factory. This is net of average YTD 30.9.20's per tonne freight cost		
B. Exports at FOB, country of origin (from Figures 9 to 11 in USD)		
C. Exports at FOB, country of origin (from Figures 9 to 11 converted to NZ\$ at 1.564725. See Appendix Thirteen)		
D. Ocean freight to New Zealand <sup>37</sup>		
E. Imports at CIF New Zealand (sum of the two rows above)		
F. Adjustment from CIF to ex-wharf New Zealand-side <sup>38</sup>		
G. Imports at ex-wharf New Zealand		
H. Amount of undercutting (A minus B)		
I. Price undercutting as a % of NZS' price (H as % of A)		

[Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage, and in some cases is subject to an obligation to maintain confidentiality, and some of it based on proprietary information of NZS from a confidential source]

Price Depression

71 Ministry template at 10.2: Price depression occurs when prices are lower than those unaffected by the unfairly traded goods. Or where this has been reduced because of the dumped goods. Price effects generally seek to establish whether the unfairly traded goods pricing has had significant effects on the prices of the New Zealand industry's goods. Over the longest period examined (YTD 30.9.13 to YTD 30.9.20), NZS' prices are up . [Commercial information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information] More recently however, following the strong Korea and Taiwan volume growth in the segment in YTD 30.9.17 and YTD 30.9.18 over the YTD 30.9.16 position, NZS' prices were then markedly down in YTD 30.9.20. NZS submits that its prices in YTD 30.9.19 and YTD 30.9.20 have been depressed, that is, reduced, because of the dumped goods whose volume in the New Zealand segment had grown strongly in the two previous years. YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen.

Figure 17: Template Table 10.2: Price Depression. NZS ZnAl Price (NZ\$ per tonne, Net, FIS) <sup>39</sup>

Period	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
NZS ZnAl Price								

[NZS operating data. This information is not capable of summary. It is commercially sensitive because it would provide a competitor with a competitive advantage]

72 In determining whether or not any material injury to an industry has been or is being caused or is threatened in accordance with Section 8 of the Act, the Ministry must have regard to the position the industry would or would likely be in but for the dumping. That requirement presents here. In the circumstance of IPP-based pricing which the Ministry has previously verified and which continues today, we

<sup>37</sup> Source of this adjustment value

Primary information is on the second page of Appendix Three. It is the [Commercially sensitive information]

<sup>38</sup> Source of this adjustment

[Commercially sensitive information]

Use of that is considered timing-reasonable information]

[Commercially sensitive

<sup>39</sup> The in Figure 17 is higher than the in Figure 16. The difference is the average YTD 30.9.20 per unit domestic ZnAl freight cost. [Commercially sensitive information]

submit that the NZS prices have been depressed by the dumped goods from Korea and Taiwan as their pricing has been brought to bear on NZS.

Price Suppression

73 Addressing Ministry template at 10.3: Price suppression occurs when New Zealand producers are unable to increase prices due to the presence of the unfairly traded goods. This is evident below in the period YTD 30.9.19 and YTD 30.9.20 over YTD 30.9.17 and YTD 30.9.18. The cost of production as a percent of revenue over those four years has increased from an average in YTD 30.9.17 and YTD 30.9.18 to an average in YTD 30.9.19 and YTD 30.9.20. *[NZS operating data. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

74 We have added a further suppression-related row to template table 10.3. This is the squeeze in **variable margin where NZS’ unit variable has risen from** and of sales in YTD 30.9.17 and YTD 30.9.18, to and in YTD 30.9.19 and YTD 30.9.20 respectively. This is further evidence that cost increases on the goods have not been fully recovered. *[NZS operating data. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

75 YTD 30.9.20’s unit variable % of sales is the highest level in the data series which is consistent with **NZS’ ZnAl price being suppressed by a very large volume of undercutting** imported dumped goods.

Figure 18: Template Table 10.3: Price Suppression

Year	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Average Selling Price (NZ\$/t FIS)								
Cost of Production (NZ\$/t)	Base	Lower	Higher	Higher	Lower	Higher	Higher	Higher
Selling and Admin (NZ\$/t)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher
Total Costs (Cost of Sales) (NZ\$/t)	Base	Lower	Higher	Lower	Lower	Higher	Higher	Higher
Total Costs as % of Av. Sell Price	Base	Lower	Higher	Higher	91.4%	Lower	Higher	Higher
Unit Variable Cost (NZ\$/t)	Base	Lower	Higher	Lower	Higher	Higher	Higher	Higher
Unit Variable % of Sales	Base	Lower	Higher	Higher	Lower	Lower	Higher	Higher

*[NZS operating data. The information is summarised where possible by indications of period-to-period change. It is commercially sensitive because it would provide a competitor with a competitive advantage]*

76 YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen.

11. Economic Impact

77 Set out below is the Injury Summary from YTD 30.9.13 onward, addressing the Ministry template tables 11.1 and 11.2, with an additional row in Figure 20. These are 12-month periods, not quarter or month. That is for data efficiency reasons and also because we do not point to any seasonality, month-month or quarter-quarter material event or trend.

78 The economic impact in this application focusses on the years ending 30 September 2017, 2018, 2019 and 2020. In the latter two of those years the very elevated import volumes from Korea and Taiwan, and **their undercutting of NZS’ goods from their dumping**, has had a significant economic impact. We consider that there has been a particularly injurious effect from the dumped Korean and Taiwanese goods in YTD 30.9.19 and into YTD 30.9.20, over YTD 30.9.17 and YTD 30.9.18. One aspect of that is the squeeze in variable margin in Figures 18 and 20 (last row) **where NZS’ unit variable cost has risen from** and in YTD 30.9.17 and YTD 30.9.18, to and in YTD 30.9.19 and YTD 30.9.20. YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen. *[NZS operating data. The information is summarised where possible by indications of period-to-period change. It is commercially sensitive because it would provide a competitor with a competitive advantage]*

Figure 19: Template Table 11.1: Injury Summary

ZnAl Product Group	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20

Output (total production tonnes) <sup>40</sup>	Base	Higher	Higher	Lower	Higher	Lower	Higher	Lower
Domestic ZnAl (sales tonnes)	Base	Lower	Lower	Lower	Lower	Lower	Higher	Lower
Domestic ZnAl (\$,000)	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Revenue (FIS)	Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower
Cost of production	Base	Lower	Lower	Lower	Lower	Higher	Higher	Lower
Gross profit	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower
Selling and administration	Base	Higher	Lower	Lower	Lower	Higher	Higher	Lower
EBIT (domestic sold ZnAl only)	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower
Domestic ZnAl (\$/sales t)	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Revenue (FIS)								
Cost of production	Base	Lower	Higher	Higher	Lower	Higher	Higher	Higher
Gross profit	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower
Selling and Admin	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher
EBIT	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower

[NZS operating data. The information is summarised where possible by indications of period-to-period change. It is commercially sensitive because it would provide a competitor with a competitive advantage]

Figure 20: Template Table 11.2: Cost of Production Summary

Domestic ZnAl (i.e. on the tonnes YTD 30.9.20 sales volume) (NZ\$,000)	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Variable costs (specify) <sup>41</sup>	Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower
Fixed costs (specify) <sup>42</sup>	Base	Higher	Higher	Lower	Lower	Lower	Higher	Lower
Unit variable cost as % of sales	Base	Lower	Higher	Higher	Lower	Higher	Higher	Higher

[NZS operating data. The information is summarised where possible by indications of period-to-period change. It is commercially sensitive because it would provide a competitor with a competitive advantage]

Output and Sales

79 This addresses the Ministry template at 11.3 to 11.5. There has been an adverse economic impact in output and sales. The decline in output and sales is linked to the dumped ZnAl from Korea and Taiwan as those goods have grown their ZnAl segment share. As shown above at Figure 15, the dumped goods from Korea and Taiwan have grown in absolute terms from tonnes in YTD 30.9.17, to tonnes in YTD 30.9.18. That is a very significant absolute upward growth of , during a time when the New Zealand industry sales volume has declined in absolute terms. That was followed by another step-up in dumped goods import volume from tonnes in YTD 30.9.18 to tonnes in YTD 30.9.19. That is very significant year-on-year volume growth. That is a growth rate which far exceeds the overall growth in the New Zealand segment in the same period. [Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS’ proprietary and confidential-source information]

80 From a share and trendline perspective the dumped goods have grown segment share between YTD 30.9.17 to YTD 30.9.20, as evidenced at Figure 15 above, from in YTD 30.9.17 rising to as roughly steady growth at , while across the same period NZS’ output declined from tonnes to tonnes at , again notwithstanding NZS Steel having the capability to supply the New Zealand demand for the ZnAl goods. Imports from other sources have risen off a small base from tonnes in YTD 30.9.17 to tonnes in YTD 30.9.20 at .

<sup>40</sup> This includes all ZnAl goods made at the NZS Glenbrook site in the MCL line. Some of those goods are further processed in the Glenbrook paint line into painted ZnAl, [NZS operating data. It is commercially sensitive because it would provide a competitor with a competitive advantage] tonnes were sold in YTD 30.9.20 to the domestic New Zealand segment as ZnAl, and some is exported. File Tue 19/01/2021 5: 17 PM. [Confidential information]

<sup>41</sup> These items and their approximate % share thereof are: upstream RM , electricity , gases , consumables , zinc , aluminium . [NZS operating information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]

<sup>42</sup> These items and their approximate % share in the cost category are: depreciation , internal charges , fixed services , upstream RM , electricity , gases , consumables . [NZS operating information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]

*[Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information]*

81 Taking a longer-term view, the trendline formulae evidencing the fact of significant dumped goods import growth are Korea and Taiwan was . The volume of Korean material in particular has risen steeply at an average tonnes per annum in the period YTD 30.9.12 to YTD 30.9.20 inclusive. The Korean trajectory altered markedly upward in YTD 30.9.16 and was at a highly material level in YTD 30.9.19. Taiwan was higher in YTD 30.9.20 across the period in all years except one, which was YTD 30.9.14, and that year was only fractionally higher than YTD 30.9.20.

*[Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information]*

82 Dumped goods % of NZ sales volume has risen from a total of in YTD 30.9.13 to in YTD 30.9.20. Highest data point is **YTD 30.9.19's** . The trend is upward at ; and there is a near same pattern in the dumped goods as a percent of NZS sales value. That is rising to as roughly steady growth at . It is also notable that the dumped goods grew in absolute terms in YTD 30.9.13 to YTD 30.9.20 at whereas the Other goods declined in absolute terms at

That is consistent with dumped goods gaining share (which has happened) pursuant to their pricing into the New Zealand segment being built on dumped economics. Pricing pressure from the import dumped goods has led to that circumstance. *[Information and calculations insight. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on NZS' proprietary and confidential-source information]*

83 NZS does not have the information requested by the Ministry template at 11.6.

84 Further economic impact is felt by NZS as its selling price is suppressed and depressed by the pricing of the alternative dumped goods (that is brought to bear on NZS in its price discussions with domestic New Zealand ZnAl customers), and as the Korean and Taiwanese dumped goods have grown New Zealand segment share and displaced sales by the New Zealand industry.

*[NZS operating information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*

85 The economic impact on these two fronts is a significant matter and can be estimated as follows:

85.1 The cost at output in YTD 30.9.18, YTD 30.9.19 and YTD 30.9.20 over YTD 30.9.17 is an incremental and tonnes respectively.<sup>43</sup> That total is tonnes foregone sales tonnes

<sup>44</sup>

<sup>45</sup> *[NZS operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

85.2 The in YTD 30.9.18, YTD 30.9.19 and YTD 30.9.20 over YTD 30.9.17 is at least the level of undercutting . That is YTD 30.9.18, YTD **30.9.19 and YTD 30.9.20's** tonnes at the average per tonne undercutting in Figure 16, which is at EBIT. In YTD 30.9.20 that relevant amount is EBIT foregone.<sup>46</sup> *[NZS operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

<sup>43</sup> **Data calculations at sheet F21 in file "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21" See cells G14 to L20.**

<sup>44</sup>

*[NZS operating information. This information is commercially sensitive]*

<sup>45</sup> \$ EBIT over average assets at Figure 23 is percent. *[NZS operating information. This information is commercially sensitive]*

<sup>46</sup> **Data calculations at sheet F21 in file "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21". See cells K22 to L27.**

85.3

*[NZS operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

Segment Share

86 This addresses the Ministry template at 11.7 and 11.8. There has been an adverse economic impact in segment share. Below is the segment share information as requested at item Table 9.1 Import Volumes, with the last two rows X and Y added.

Figure 21: ZnAI Segment Share Information (Data is per Figure 15 above, with last rows X and Y added)

Quantity t, or %	YTD 30.9.12	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Imports of alleged dumped goods (DG) – Korea	Base	Higher	Lower	Lower	Higher	Higher	Higher	Higher	Lower
Imports of alleged dumped goods - Taiwan	Base	Higher	Higher	Lower	Higher	Higher	Lower	Lower	Higher
Total imports of the alleged dumped goods	Base	Higher	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports from other countries	Base	Lower	Lower	Lower	Lower	Higher	Higher	Higher	Lower
NZ industry sales of like goods for domestic sale		Base	Lower	Lower	Lower	Lower	Lower	Higher	Lower
Total NZ segment		Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower
Imports of alleged DG as % of NZ industry sales		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower
Imports of alleged DG as a % of total NZ segment		Base	Higher	Lower	Higher	Higher	Higher	Higher	Lower
<b>X New Zealand industry's ZnAI segment share</b>		Base	Higher	Higher	Lower	Lower	Lower	Lower	Higher
<b>Y Imports from other countries segment share</b>		Base	Lower	Lower	Lower	Higher	Higher	Higher	Lower

*[Information and calculations insight as per the row labels. The information is summarised by indications of period-to-period change in all the rows. Dumped Korea volume in row two has grown five-fold over that horizon. Taiwan growth in row three rounds to a three-fold increase. This information is commercially sensitive because it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

87 The New Zealand industry estimated segment share has declined in near linear manner from YTD 30.9.13's to YTD 30.9.20's . Line formula is . *[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

88 NZS considers that there has been a particularly injurious effect from the dumped Korean and Taiwanese goods in YTD 30.9.19 and into YTD 30.9.20, over the position in YTD 30.9.17 and YTD 30.9.18. That is born out in the data at row X where **NZS'** average segment share across YTD 30.9.17 and YTD 30.9.18 was but it declined to an average in YTD 30.9.19 and YTD 30.9.20. *[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

89 That is mirrored by the growth in dumped goods from Korea and Taiwan who have grown their combined share from average in YTD 30.9.17 and YTD 30.9.18, to in YTD 30.9.19 and YTD 30.9.20. That strong upward trend is over the full horizon in Figure 21, occasioned by undercutting and dumping. *[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

90 The segment share held by ZnAI goods from other countries is shown above as row Y. In the last four years that share is an average and has only been above once, in 2019. The estimated volume share held by other sources other than Australia (which is non-injurious on price), is considered negligible, **but it wasn't always which is an indicator that the Korean and Taiwanese volume and segment share growth at the expense of both the domestic New Zealand industry and other import supply countries has been due to the Korean and Taiwanese dumping.** *[NZS operating and market information. This information*

*is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

91 Counterfactual analysis of YTD 30.9.20 against YTD 30.9.17 indicates that the Korean and Taiwanese goods have grown significantly. They hold [redacted] points higher segment share than otherwise. That growth has been enabled by the dumped economics which underpin the Korean and Taiwanese sales of ZnAl to New Zealand, and the IPP price leverage which those goods apply upon the New Zealand industry. *[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]*

### Profits

92 This addresses the Ministry template at 11.9. There has been an adverse economic impact on NZS profits. As per Figure 19 (Ministry template table 11.1) above, NZS

*[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and some of it based on proprietary information of NZS sourced from a confidential source]* wherein the variable margin squeeze in Figure 20 has taken effect. That squeeze has been occasioned by the now very elevated import volumes of dumped Korean and Taiwanese goods bringing their price pressure to bear upon NZS' domestic-sold goods.

93 The Ministry must consider the circumstance of the domestic industry but for the dumping of the Korean and Taiwan goods.<sup>47</sup> The relevant information is the circumstance in YTD 30.9.19 and YTD 30.9.20 (which had total dumped import volume from Korea and Taiwan of [redacted] tonnes) versus YTD 30.9.17 and YTD 30.9.18's total of [redacted] tonnes. If the average profitability in YTD 30.9.19 and YTD 30.9.20 had been reflective of YTD 30.9.17 and YTD 30.9.18, then NZS would have had materially higher YTD 30.9.19 and YTD 30.9.20 EBIT. Some calculations illustrating this are:<sup>48</sup> *[NZS operating information. This information is commercially sensitive]*

93.1 Average YTD 30.9.17 and YTD 30.9.18 EBIT was [redacted] per tonne but YTD 30.9.19 and YTD 30.9.20 was [redacted] per tonne, which is [redacted] per tonne lower than the prior period. *[NZS operating information. This information is commercially sensitive]*

93.2 NZS domestic volume sold in YTD 30.9.19 and YTD 30.9.20 was [redacted] tonnes. [redacted] tonnes times [redacted] per tonne = [redacted] economic impact at the EBIT level. *[NZS operating information. This information is commercially sensitive]*

93.3 The economic impact from segment share on EBIT profit (but for the Korean and Taiwanese goods growing their share on the basis of dumped economics in an IPP environment), is additional to the above. On the basis of dumped economics, in YTD 30.9.19 and YTD 30.9.20 Korea and Taiwan sold an additional [redacted] tonnes over their YTD 30.9.17 and YTD 30.9.18 level.

*[redacted]*.<sup>49</sup> *[NZS operating information. This information is commercially sensitive]*

### Productivity

<sup>47</sup> This is a mandatory requirement per section 8 of the Trade (Anti-dumping and Countervailing Duties) Act 1988, and it formed part of proceedings in the High Court (Wellington Registry) matter number CP301/96. As the Ministry agreed with a party **to those proceedings**, *"In determining whether or not any material injury to an industry has been or is being caused or is threatened in accordance with Section 8 of the Act, Commerce must have regard to the position the industry would or would likely be in but for the dumping."*

<sup>47</sup> See Appendix Nine for a definition. The IPP concept referred to by NZS in this application is the same as that examined by the Ministry in eleven previous steel goods applications.

<sup>48</sup> **Data calculations at sheet F19 in file "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21"**. See cells H19 to L31.

<sup>49</sup> **In NZS' view this materially understates this economic impact, and so it is conservative.** As evidence we refer to Figure 21 which shows the very elevated market share held by Korea and Taiwan. Focus on the last four years omits, for instance, the average [redacted] tonnes dumped goods volume to New Zealand in YTD 30.9.12 to YTD 30.9.16, or the total [redacted] tonnes in the period shown in Figure 21. *[NZS operating and market information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage and it is based on proprietary information of NZS sourced from a confidential source]*

94 This addresses the Ministry template at 11.10 and 11.11. There has been an adverse economic impact in productivity. Average productivity in YTD 30.9.17 and YTD 30.9.18 was tonnes per FTE whereas in YTD 30.9.19 and YTD 30.9.20 it had declined to an average of . The lowest over the full horizon was the most recent YTD 30.9.20 year’s tonnes per FTE. YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen. *[NZS operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

Figure 22: Productivity (volume of ZnAl sold per ZnAl-allocated FTE)

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Productivity	Base	Lower	Lower	Lower	Lower	Lower	Higher	Lower

*[NZS operating information. This information is commercially sensitive, and it would provide a competitor with a competitive advantage. The information is summarised by indication of period-to-period change]*

Return on Investments

95 This addresses the Ministry template at 11.12 and 11.13. There has been an adverse economic impact in ROI. Average ROI in YTD 30.9.17 and YTD 30.9.18 was whereas in YTD 30.9.19 and YTD 30.9.20 it had declined to an average . 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen. *[NZS operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

Figure 23: ROI (ZnAl EBIT as % of ZnAl average assets) <sup>50</sup>

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Av. Assets (\$m)	Base	Higher	Same	Higher	Higher	Higher	Higher	Lower
ROI	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower

*[NZS operating information. This information is commercially sensitive, and it would provide a competitor with a competitive advantage. The information is summarised by indication of period-to-period change]*

Use of Production Capacity

96 This addresses the Ministry template at 11.14 and 11.15. Assessment of capacity utilisation is a topic somewhat constrained by assumptions on the denominator - capacity. That is a theoretical notion in steel (which is measured in mass per unit of time) because it depends on the mass and run rate of the range of goods assumed to be made. Goods can run, i.e. be produced, at different machine speeds and they can also be of different thickness or cross-sectional area which for carbon steel is directly proportional to mass. Certain run speed information is used for product throughput measures, but that is not the same as plant capacity in the context which we think the Ministry template seeks to consider.

97 Range complexity can also have an effect since an MCL plant can theoretically make only one heavy mass (i.e. large cross-sectional area) and fast line speed ZnAl product for many continual months, with production interrupted only for planned maintenance. That circumstance would imply a very elevated but commercially unrealistic plant capacity which would be out of the ordinary and we think not relevant to the Ministry template.

98 NZS considers that the Glenbrook MCL line has tonnes per annum notional capacity of coated goods. That tonnes of capacity can make either galv or ZnAl, or as currently, a mix of galv and ZnAl. The NZS MCL capacity figure has not materially changed in recent years so is assumed constant in this application. As to the ZnAl capacity figure itself, the highest annual ZnAl output in recent years was YTD 30.9.17’s tonnes so this is notionally taken **the NZS’ annual ZnAl capacity for the purposes of** this application. The proportion tonnes out of tonnes is used for the productivity calculations in this application. Productivity of domestic-sold ZnAl has been affected by the dumped ZnAl over the full horizon. *[NZS financial and operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]*

99 The **table below tracks NZS’ domestic sales of ZnAl as a percent of** tonnes. Note that there are three destinations for the Glenbrook ZnAl goods, being a) internal transfer at Glenbrook to become

<sup>50</sup> Ref v6 (19.1.21 ) rows 57-68. *[Sensitive information]*

100 painted ZnAl, b) external sale from Glenbrook as bare ZnAl, and c) export sale from Glenbrook as bare ZnAl. Figure 24 below tracks destination b).

100 There is

. YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen. [NZS financial and operating information. This information is commercially sensitive and some of it would provide a competitor with a competitive advantage]

Figure 24: Table 15: Production Capacity Utilisation (average annual percent on domestic ZnAl goods)

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
P. Capacity Utilisation	Base	Same	Lower	Lower	Lower	Same	Higher	Lower

#### Other Adverse Effects

101 The items of evidence in the following paragraphs 102 to 108 below support NZS' view of there being likely forward injurious effects from the dumping. This information **also supports NZS' claim for provisional duties** as it suggests that Korea (and, as will be seen, Taiwan) will be highly motivated to continued exports of dumped steel in order to maintain their domestic Korean and Taiwan plant throughput.

102 As a starting point **we note that Korea's steel industry** specifically seeks to grow its export volume. That fact is evidenced by the following recent statement by the Chairman of KOSA<sup>51</sup> (the Korea Iron and Steel Association). Chairman Mr Choi Jeong-Woo (emphasis added) says: "*By promoting the development of the steel industry and promoting steel export, KOSA strives to continue itself to the development of the Korean economy and the prosperity of people's lives.*"<sup>52</sup>

103 The Korean steel export aspect of the above KOSA statement is reported to have occurred. As evidence, the Australian Iron and Steel Institute recently observed: "*South Korean steel exporters have **also reported that they will be increasing steel exports to replace their own soft domestic demand.***"<sup>53</sup>

104 We also note that the Financial Times recently reports: "*The South Korea economy is on track to deliver one of its worst two-year growth periods in more than half a century, impacted by China's economic slowdown and uncertainties over the trade war between Beijing and Washington.*"<sup>54</sup> Korea's home steel market is clearly facing weak demand conditions, which has led, and will continue to lead to an increased reliance on exports such as those being dispatched to New Zealand.

105 The Financial Times also stated: "*As an export-driven economy, South Korea delivered growth of only 2 per cent for 2019, down from an expected 2.6 per cent forecast at the beginning of the year. and "Consumption and export contributed primarily to this small GDP movement, however private consumption rates decreased on the back of a slowdown in household income growth".*<sup>55</sup> and "*According to central bank records dating back to 1954, there has been no consecutive two-year period with growth lower than 2.5 percent. During the global financial crisis, GDP growth slipped from 2.8 per cent in 2008 to 0.7 per cent in 2009 before recovering to 6.5% the following year.*"<sup>56</sup>

106 The OECD reported that Korea's "*Construction and investment exhibited a continuous negative growth rate due to a slump in new construction projects.*"<sup>57</sup> Korea has clearly been focused on production

<sup>51</sup> Four of the five Korean companies listed at paragraph 39 are listed as members of KOSA. The fifth company (Union Steel) we believe is a KOSA member via its ownership by Dongkuk. See Wikipedia screenshot at Appendix Fourteen.

<sup>52</sup> See screenshot in Appendix Fourteen.

<sup>53</sup> Ibid.

<sup>54</sup> Financial Times, "South Korea set for one of its worst growth periods in half a century", 30 November 2019. See Appendix Fourteen.

<sup>55</sup> Ibid.

<sup>56</sup> Ibid.

<sup>57</sup> Korean Iron & Steel Association, presentation at the 86th OECD Steel Committee meeting, "Korean Steel Market", slide 2. See Appendix Fourteen.

irrespective of domestic demand. The production imperative associated with steel manufacturing will drive Korean ZnAl producers to increase production for export, and to export the subject goods at any price above their marginal cost in order to contribute to fixed production costs. This production imperative, combined with the above-noted trade restrictions in major markets such as the EU and U.S., **in NZS' view** will further drive Korean exports to highly open markets such as NZ at volumes above and beyond the volumes seen so far. That current and forward NZS concern is bolstered by the fact that Korea (and Taiwan) had already been very significant net exporters of ZnAl. That fact is evidenced below for both Korea and Taiwan. The data source for Figure 25 is TradeMap at Appendix One. This Figure 25 analysis uses a representative ZnAl goods definition comprising codes 721661 and 721260. As can be seen in Figure 25, the balance for both countries is grossly export, that is, in the hundreds of thousands of tonnes.

Figure 25: Korea and Taiwan ZnAl Trade Balance (tonnes calendar year, and percent)

Metric	2015	2016	2017	2018	2019
Korean Exports (A)	Base	Higher	Lower	Higher	Lower
Korean Imports (B)	Base	Higher	Lower	Lower	Higher
Korea Balance (C) (tonnes, A minus B)	Base	Lower	Lower	Higher	Lower
Korea Balance (D) (% , A as % of B)	Base	Lower	Higher	Higher	Lower
Taiwan Exports (E)	Base	Higher	Lower	Lower	Lower
Taiwan Imports (F)	Base	Lower	Lower	Lower	Higher
Taiwan Balance (G) (tonnes, E minus F)	Base	Higher	Higher	Lower	Lower
Taiwan Balance (H) (% , E as % of F)	Base	Higher	Higher	Higher	Lower

*[NZS market information. This information is based on proprietary information of NZS sourced from a confidential source]*

107 The same circumstances described for Korea also exists with Taiwan. Taiwan's trade balance data is provided in Figure 25. The narrative is also similar, with comments **such as "Taiwan Ratings' annual review of the island economy's top 50 enterprises by revenue shows significant deterioration in financial performance in 2019. The most significant factors underlining this decline in creditworthiness were a slowdown in global demand and volatile trade tensions between the U.S. and China."**<sup>58</sup>

108 On the above evidence Taiwan has a slowing economy and it is foreseeable and imminent that Taiwan will continue its propensity to export and continue increasing its exports of ZnAl to New Zealand during the POI of the anticipated MBIE investigation. Contextual support for this assertion appears as the italic information at paragraph 37 above. This further supports the NZS request for provisional measures on the Taiwanese (and Korean) ZnAl goods.

Other Adverse Effects - Cashflow

109 This addresses the Ministry template at 11.16. There has been an adverse economic impact on cashflow. This site manufactures both galv and ZnAl coil. cashflow effect from the Korea and Taiwan dumping and undercutting quite in the manner contemplated by the Ministry guide at 11.16 - which refers back to table 11.1. Certain conclusions can nonetheless be **drawn under "but for"** analysis. The Korean undercutting is estimated at Figure 16 to be per tonne. Taiwan is estimated at per tonne. Average is per tonne. All other things being equal this suggests an adverse NZS ZnAl cashflow effect if Korea and Taiwan were not undercutting, of about in YTD 30.9.20.<sup>59</sup> Volume effect on cashflow of the unfairly traded goods is in addition to the price effect.

*[Financial and operating information. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*

110 Cashflow information is nonetheless below. This shows declining cashflow from YTD 30.9.18 and into YTD 30.9.19 and YTD 30.9.20.

<sup>58</sup> <https://www.spglobal.com/ratings/en/research/articles/200908-taiwan-top-50-corporates-credit-profiles-extend-their-downward-trend-amid-covid-19-11635581> See Appendix Fourteen.

<sup>59</sup> Data calculations at sheet F26 and F28 in file "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21".

Figure 26: Cashflow (\$,000, ZnAl from operations) <sup>60</sup>

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Cashflow (\$,000)	Base	Higher	Lower	Lower	Higher	Higher	Lower	Lower

*[Financial information. The information is summarised by indications of period-to-period change. This information is commercially sensitive because it would provide a competitor with a competitive advantage]*

111 YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen.

#### Other Adverse Effects - Inventories

112 This addresses the Ministry template at 11.17. NZS does not point to materially injurious economic effect insofar as inventories. This is because the ZnAl goods are made to order.

#### Other Adverse Effects - Employment

113 This addresses the Ministry template at 11.18. NZS does not claim an adverse effect on employment.

Figure 27: Headcount (FTE)

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
Average Headcount	Base	Lower	Lower	Lower	Lower	Higher	Higher	Higher

*[Operating information. The information is summarised by indications of period-to-period change. This information is commercially sensitive, and it would provide a competitor with a competitive advantage]*

114 YTD 30.9.17 to YTD 30.9.20 in quarters is at Appendix Sixteen.

#### Other Adverse Effects - Wages

115 This addresses the Ministry template at 11.19. NZS does not claim an adverse effect on ZnAl wages.

#### Other Adverse Effects - Growth

116 This addresses the Ministry template at 11.20. **NZS's** growth is adversely affected by the price undercutting from the Korean and Taiwanese goods and the economic effects therefrom.

117 NZS considers that remedies being available on all unfair (dumped, subsidised and injurious) trade is a very important part of the global and New Zealand domestic economy. Full recourse to trade remedies needs to be reliably available in a timely manner if local businesses are to be able to compete on a level playing field in New Zealand against international competitors. If trade remedies are not available, commerce will form an adverse view of growth in the manufacturing of goods in New Zealand, relative to manufacturing locations where recourse is available.

#### Other Adverse Effects - Ability to Raise Capital, and Investments

118 This addresses the Ministry template at 11.21 and 11.22. NZS considers that the current dumping and injury from the Korean and Taiwanese goods challenges the availability investment capital for the Glenbrook business. Commerce (in any geography) takes its own view of a **country's** manufacturing environment and the policy settings which it observes being effected by trade regulators in that country, and makes its own choice on where to place its investment capital. Any visible risk to a fairly traded economic environment from trade measures being unavailable in New Zealand is a significant negative when commerce considers further investment in New Zealand.

119 The key issue is that when considered from a commercial perspective the ability to raise capital and investments is the outcome-end of injury. It is where major consequences from all the preceding price etc circumstances take their effect. If a manufacturing enterprise cannot be confident of operating in a fairly traded environment (i.e. it suffers price and/or volume injury from dumped goods, which goes to EBIT, and cannot be addressed) then significant commercial decisions impacting the public interest will present. Stay in Business capex (i.e. capital) will not be able to be justified in such circumstances, and plants may be closed and manufacturing investments written off. Alternatively, if fair trade measures are available then the New Zealand public interest in New Zealand manufacturing enterprise(s) staying open and remaining able to employ people is more likely.

<sup>60</sup> Ref v6 (19.1.21 ) rows 57-62. *[Sensitive information]*

120 We cite two examples to evidence this outcome-end of trade remedies:

120.1 The NZS hollows mill at Glenbrook was in NZS' view suffering material injury from unfairly traded Chinese hollows. MBIE however, recommended that unfair trade measures on Chinese hollows be declined.<sup>61</sup> Fair trade not being available in the New Zealand hollows segment was material to NZS' decision in 2020 to close that Auckland hollows manufacturing plant, to the detriment of its New Zealand employment capability and other aspects of New Zealand's public interest;

120.2 The Pacific Steel galvanised wire circumstance is similar but to opposite effect. Some measure of unfair trade relief has provisionally been obtained for this New Zealand manufacturing plant. Without any dumping duty on galvanised wire imports there was a high likelihood of closure of those New Zealand wire mill operations.

#### Other Adverse Effects - Impact of Margin of Dumping

121 This addresses the Ministry template at 11.23. This matter is considered significant. The Korean and Taiwanese dumping margins are estimated at Figure 12 (Ministry template table 8.1) at and respectively. These margins are currently taken through the segment via Import Parity Price (IPP) price pressure in the price discussions which NZS has with domestic New Zealand ZnAl customers. and are significant dumping margins and they are significantly injurious to NZS due to the manner in which those dumped goods prices are used in price discussions in the New Zealand segment. *[Information and calculations insight. This information is commercially sensitive]*

## 12. Other Causes of Injury

#### Volume and Prices of Non-Dumped Like Goods

122 This addresses the Ministry template at 12.1. Data suppression creates certain difficulties for this exercise which NZS is not able to overcome. The data at Figure 6 shows that only Korea, Taiwan and Australia are currently estimated to export to NZ an individual volume of ZnAl greater than negligible. The total of the individually negligible volume supplying countries is estimated to be tonnes in YTD 30.9.20, or a total of total segment imports. See Figure 7. The AD Agreement does not provide any guidance on negligibility in the context of injury.<sup>62</sup> With the current information NZS is therefore not able to assess or indicate under Ministry template 12.1 whether or not negligible-level goods from China (or perhaps elsewhere) are a cause of injury through their volume and/or price. *[Trade data. This is proprietary information of NZS sourced from a confidential source]*

123 The goods from Australia are priced materially higher than the goods from Korea and Taiwan. The goods from Australia are not considered injurious.

#### Demand Reduction, Consumption Pattern Change

124 This addresses the Ministry template at 12.2. It relates to the pattern of consumption or a reduction in demand as a cause of material injury to the New Zealand industry. NZS notes some estimated decline in segment size in YTD 30.9.20 over YTD 30.9.19. NZS notes however, that the average tonnes estimated segment size in YTD 30.9.17 and YTD 30.9.18 is not dissimilar to YTD 30.9.19 and YTD 30.9.20's average tonnes. The latter most recent two-year period average is greater than the average of the two prior years. This is driven by YTD 30.9.19 being higher than the average across YTD 30.9.17 and YTD 30.9.18, and YTD 30.9.20 being lower than the average across YTD 30.9.17 and YTD 30.9.18. The net difference is effectively nil. NZS therefore does not attribute demand reduction or change in YTD 30.9.19 and YTD 30.9.20 relative to YTD 30.9.17 and YTD 30.9.18 as a cause of injury. The material injury, rather, is the dumped Korean and Taiwanese ZnAl goods being present at very elevated volumes in New Zealand which causes price pressure upon NZS, and the effect of NZS losing domestic sales volume as discussed in paragraphs 79 to 85, 91 to 95, and 100. *[NZS operating and market information. This information is commercially sensitive and some of it based on proprietary information of NZS sourced from a confidential source]*

<sup>61</sup> See <https://www.mbie.govt.nz/assets/3296d5f36b/non-confidential-final-report-subsidy-investigation-hollow-steel-sections-from-china.pdf> and <https://www.mbie.govt.nz/assets/da57507e1a/non-confidential-final-report-dumping-investigation-hollow-steel-sections-november-2018.pdf>

<sup>62</sup> Czako et al. A Handbook on Anti-Dumping Investigations. 2008. Page 34.

125 While there is an uplift in ZnAl volume in the last quarter of the data (see appendix Sixteen)<sup>63</sup> NZS does not discern a change in the pattern of ZnAl consumption relevant to the injury matters from the dumped Korean and Taiwan goods which is discussed in this application.

Restrictive Trade Practices

126 This addresses the Ministry template at 12.3. It relates to restrictive trade practices of, and competition between, overseas and New Zealand producers. NZS does not have any information on, or consider that, restrictive trade practices or other such matters have caused injury to the NZ industry.

Technology Development

127 This addresses the Ministry template at 12.4. NZS does not have any information suggesting that developments in technology by **NZS'** overseas competitors, or technology matters, have been a cause of injury to NZS.

Export Performance

128 This addresses the Ministry template at 12.5. NZS exports ZnAl. . That is discussed in the output and sales section commencing at paragraph 79.

*[NZS operating and market information. This information is commercially sensitive]*

Figure 28: NZS MCL Exports <sup>64</sup>

Metric	YTD 30.9.13	YTD 30.9.14	YTD 30.9.15	YTD 30.9.16	YTD 30.9.17	YTD 30.9.18	YTD 30.9.19	YTD 30.9.20
MCL Export Volume (t)	Base	Higher	Lower	Higher	Lower	Higher	Lower	Higher
MCL Exp. Value (average NZ\$/t)	Base	Lower	Higher	Lower	Higher	Higher	Lower	Lower
Domestic ZnAl Sales Volume (t)	Base	Lower	Lower	Lower	Lower	Lower	Higher	Lower

*[Operating information. The information is summarised by indications of period-to-period change. This information is commercially sensitive, and it would provide a competitor with a competitive advantage]*

Imports by the New Zealand Industry

129 This addresses the Ministry template at 12.6. NZS has not of late imported subject goods to any **material level**. NZS' YTD 30.9.20 ZnAl imports were tonnes.<sup>65</sup> *[Operating information. This information is commercially sensitive, and it would provide a competitor with a competitive advantage]*

### 13. Causal Link

130 Significant elements in the causal link are:

130.1 NZS has had to reduce its selling prices to near the dumped goods import price level in YTD 30.9.19 and YTD 30.9.20 in order to maintain plant volume as the domestically produced goods and the imported goods compete in the same market and are substituted for one another. The information at footnote 12 illustrates this taking place.

130.2 The other sources of import goods (other than Australia which source is not considered injurious) are on current information estimated to be of negligible import volume. The AD Agreement does not provide any guidance on negligibility in the context of injury, so the undercutting and injurious price pressure upon NZS is from the Korean and Taiwanese ZnAl goods – hence causal link.

130.3 The dumped goods from Korea and Taiwan have grown in absolute terms from tonnes in YTD 30.9.17, to tonnes in YTD 30.9.18. That is a very significant absolute upward growth of during a time when the New Zealand industry sales volume has declined in absolute terms. That was followed by another step-up in dumped goods import volume from

<sup>63</sup> Q3 2020 is ZnAl tonnes, which is above the average tonnes over the previous 15 quarters. *[Operating information. This information is commercially sensitive, and it would provide a competitor with a competitive advantage]*

<sup>64</sup> **Data in sheet F28 in file "ZnAl Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21".**

<sup>65</sup> 20.1.21. *[Sensitive information]*

tonnes in YTD 30.9.18, to        tonnes in YTD 30.9.19. That is very significant year-on-year volume growth, which far exceeds the        growth in the New Zealand segment over the same period. That is very significant year-on-year volume growth which has been enabled by dumped economics. *[Trade information. This information is commercially sensitive because it would provide a competitor with a competitive advantage. It is also proprietary information of NZS sourced from a confidential source]*

130.4 But for their dumping and undercutting activity, the Korean and Taiwanese goods will have had a much smaller segment share, and so their economic impact on NZS will have been much smaller. YTD 30.9.17 Korean and Taiwanese segment share was        whereas YTD 30.9.20 was        points higher than that. *[Trade information. This information is commercially sensitive because it would provide a competitor with a competitive advantage. It is also proprietary information of NZS sourced from a confidential source]*

130.5 Counterfactual analysis shows an even more significant effect when considering the imports of the dumped goods **as a percent of the New Zealand industry's sales. The dumped goods have** grown weight from        in YTD 30.9.17, to very significant        in YTD 30.9.20, supported by those ZnAl goods from Korea and Taiwan being dumped, and undercutting the New Zealand industry. *[Trade information. This information is commercially sensitive because it would provide a competitor with a competitive advantage. It is also proprietary information of NZS sourced from a confidential source]*

130.6 Price pressure in the ZnAl segment (dumped import goods versus NZS goods) takes place via the IPP pricing circumstance with which the Ministry is familiar.

130.7 Downward pressure on prices has caused loss in the business in absolute terms, and also relative to a circumstance but for the dumping.

## Declaration

### Dumping and Countervailing Duties Act 1988 <sup>66</sup>

131 I hereby apply for the initiation of an investigation into the dumping of ZnAl from the countries of origin Korea and Taiwan.

132 In support of this application I attach evidence of:

132.1 (i) dumping; and

132.2 (ii) material injury to the industry; and

132.3 (iii) a causal link between the alleged dumping and the material injury;

and such information as is reasonably available to me in relation to the matters referred to in section 10(2)(b) of the Dumping and Countervailing Duties Act 1988. This application is made [by] NZS [on behalf of] the New Zealand industry producing like goods to those subject to the application.

*[Sensitive information]*

New Zealand Steel Limited  
131 Mission Bush Rd, Glenbrook,  
Private Bag 92121,  
Auckland 2681.

Date: 25 February 2021

---

<sup>66</sup> This Act is cited here because it is the Act specified by the Ministry template. As per communication to the Ministry on 13 December 2019 (Indonesia China 2020 galvanised wire public file document 001 at footnote 35 on page 20), the Ministry template needs updating in about four places so that it refers to the correct Act. See <https://www.mbie.govt.nz/assets/c4d13a5d45/dumping-investigation-application-form.pdf>

## Appendix One: Confidential Import/Export Information

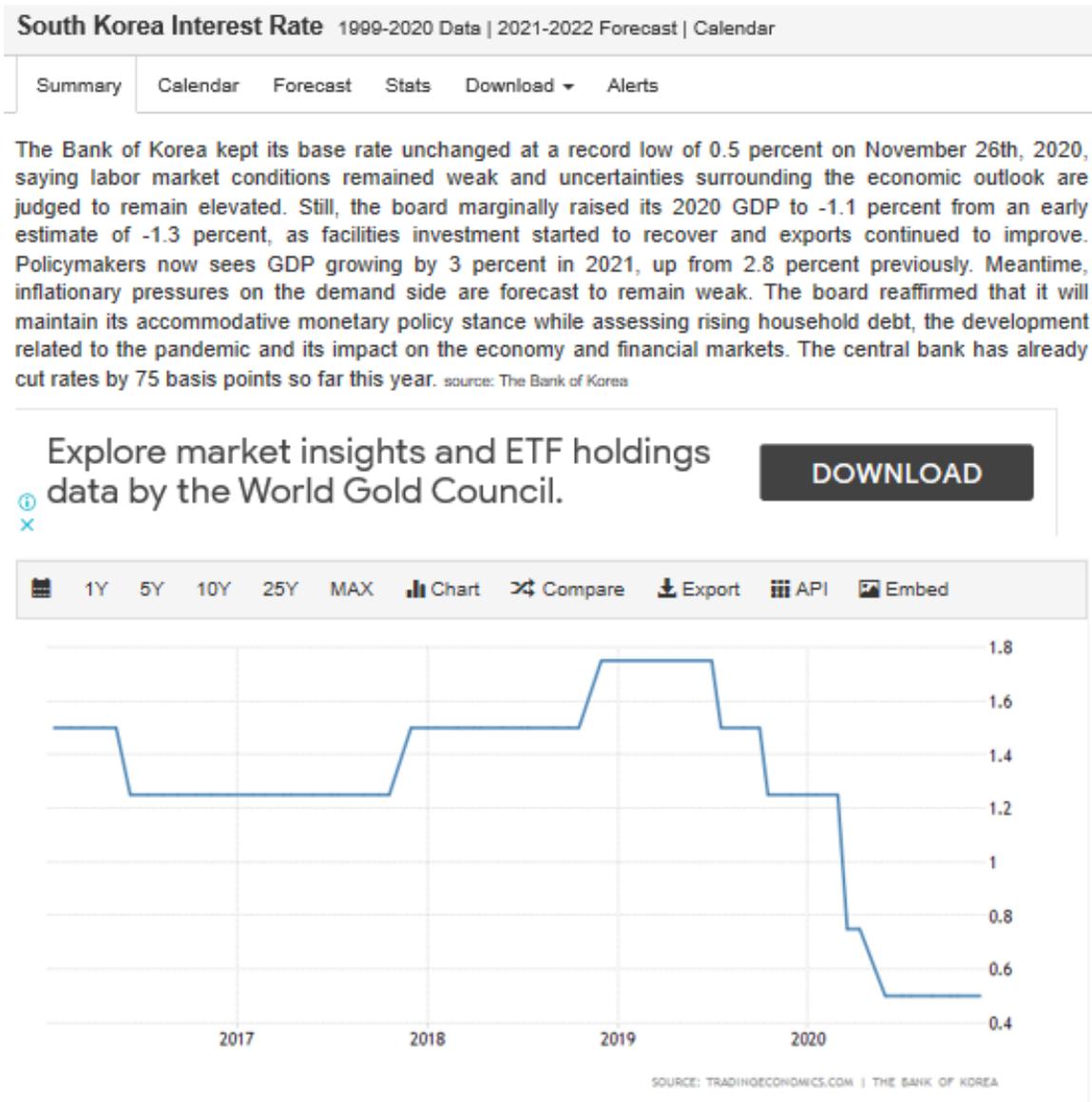
### FOB – CIF

All of TradeMap’s import data is recorded at CIF. Export recorded at FOB. See screenshot below from [https://www.trademap.org/stFAQ.aspx?nvpm=1%7c554%7c%7c%7c%7c721720%7c%7c%7c6%7c1%7c1%7c2%7c2%7c2%7c2%7c1#li\\_Answer1\\_1](https://www.trademap.org/stFAQ.aspx?nvpm=1%7c554%7c%7c%7c%7c721720%7c%7c%7c6%7c1%7c1%7c2%7c2%7c2%7c2%7c1#li_Answer1_1)

- **Transportation and insurance costs** are included in the reported import value (CIF: Cost Insurance Freight) but are excluded from the reported export value (FOB: Free On Board).

*[Trade information. This information is not capable of summary, and it is proprietary information of NZS sourced from a confidential source]*

## Appendix Two: Interest Rate Information<sup>67</sup>



<sup>67</sup> <https://tradingeconomics.com/south-korea/interest-rate> and <https://tradingeconomics.com/taiwan/interest-rate>

## Taiwan Interest Rate 2000-2020 Data | 2021-2022 Forecast | Calendar | Historical

Summary Calendar Forecast Stats Download Alerts

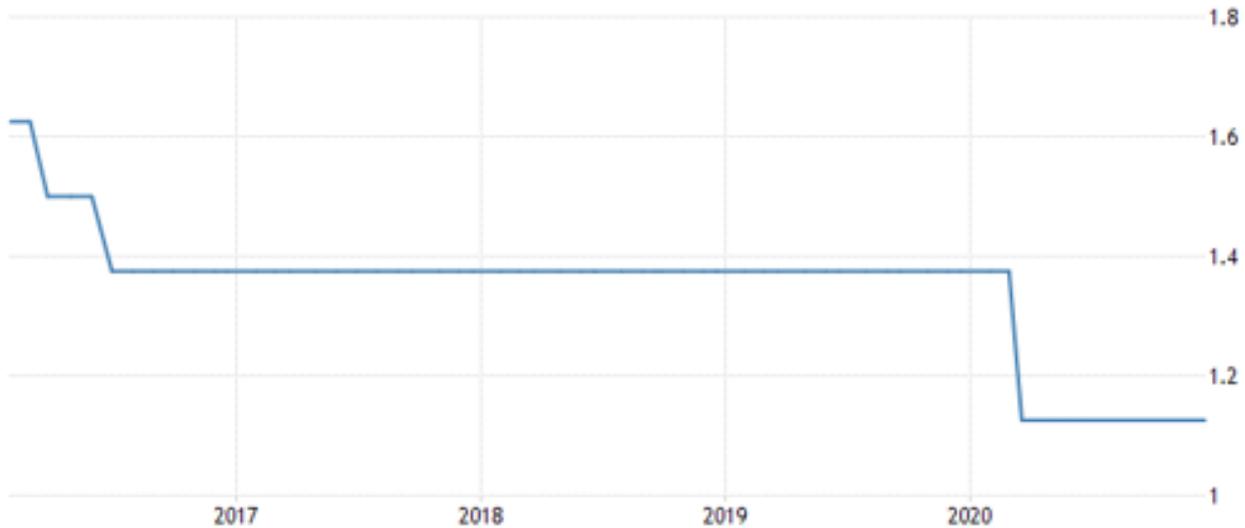
The Central Bank of the Republic of Taiwan held its key discount rate at a record low of 1.125 percent on December 17th 2020, as widely expected. Policymakers said would pay close attention to the pandemic outbreak, geopolitical risks and the changing US-China relationship. The central bank also raised GDP growth forecasts for 2020 (2.58 percent vs 1.6 percent predicted in September) and 2021 (3.68 percent vs 3.28 percent). source: Central Bank of the Republic of China (Taiwan)

World Gold Council

DOWNLOAD

## Gold-backed ETF Data

1Y 5Y 10Y 25Y MAX Chart Compare Export API Embed



SOURCE: TRADINGECONOMICS.COM | CENTRAL BANK OF THE REPUBLIC OF CHINA (TAIWAN)

### Appendix Three: Logistics Information

[Cost construction data and information which is not capable of summary. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates]

### Appendix Four: Constructed Normal Value Profit Rate Information

The source data in the table below comes from the investing.com screenshots on the following seven pages. Source: <https://www.investing.com/equities/dongbu-steel-financial-summary> (etc - i.e. and so on - for the other six stocks).

Korea													
Dongbu													
Period Ending:	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Jun 30, 2019	YTD 30.9.20 Average	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	YTD 30.9.20 Average	
Total Revenue	586979.6	567436.7	596218.4	537666.6	604002.8	1286581		586979.6	567436.7	596218.4	537666.6	1286581	
Gross Profit	55594.05	51021.12	57321.26	56322.95	34374.02	48226.91		55594.05	51021.12	57321.26	56322.95	48226.91	
Percent	9%	9%	10%	10%	6%	4%		9%	9%	10%	10%	9.64%	
Dongkuk													
Period Ending:	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Jun 30, 2019	YTD 30.9.20 Average	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	YTD 30.9.20 Average	
Total Revenue	1297540	1301900	1228376	1358253	1430378	1494932		1297540	1301900	1228376	1358253	1494932	
Gross Profit	158135.7	172129.6	126686.3	84585.48	132885.4	162478.2		158135.7	172129.6	126686.3	84585.48	162478.2	
Percent	12%	13%	10%	6%	9%	11%		12%	13%	10%	6%	10.49%	
Hyundai													
Period Ending:	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Jun 30, 2019	YTD 30.9.20 Average	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	YTD 30.9.20 Average	
Total Revenue	4461584	4113255	4667990	4821836	5047286	5571934		4461584	4113255	4667990	4821836	5571934	
Gross Profit	277823.5	265169.5	232056.7	103830.8	317850.4	517808.4		277823.5	265169.5	232056.7	103830.8	517808.4	
Percent	6%	6%	5%	2%	6%	9%		6%	6%	5%	2%	4.95%	
Posco													
Period Ending:	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Jun 30, 2019	YTD 30.9.20 Average	Sept 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	YTD 30.9.20 Average	
Total Revenue	14261218	13721554	14545813	16043049	15988227	16321335		14261218	13721554	14545813	16043049	16321335	
Gross Profit	1207139	733942.4	1310283	1210183	1612627	1614172		1207139	733942.4	1310283	1210183	1614172	
Percent	8%	5%	9%	8%	10%	10%		8%	5%	9%	8%	7.59%	
<b>Taiwan Average</b>							<b>5.36%</b>						<b>8.167%</b>

# Dongbu Steel Co Ltd (016380)

Seoul

Add to Portfolio

Create Alert

↓ **10,650** -100 (-0.93%)

01:49:00 - Closed. Currency in KRW (Disclaimer)

Type: Equity  
Market: South Korea  
ISIN: KR7016380008

Volume: 224,843 | Bid/Ask: 10,650 / 10,700 | Day's Range: 10,300 - 10,950

**Buy** **Sell**

AD | 76.4% of retail CFD accounts lose money

General Chart News & Analysis Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

## 016380 Financial Summary

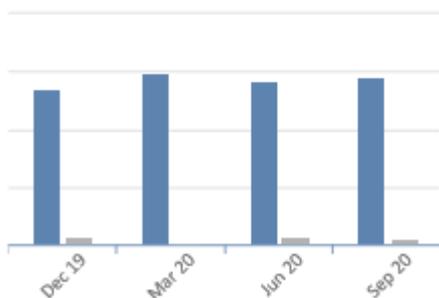


For the nine months ended 30 September 2020, KGDongbuSteel Co Ltd revenues decreased 7% to W1.751T. Net income applicable to common stockholders totaled W55.57Bvs. loss of W32.03B. Revenues reflect a decrease in demand for the Company's products and services due to unfavorable market conditions. Net Income reflects Interest Expense decrease of 65% to W32.51B (expense). Gain on Disposal of PPE increase from W28M to W15.17B (income).

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 016380 Income Statement »



Gross margin TTM	9.63%
Operating margin TTM	5.38%
Net Profit margin TTM	3.59%
Return on Investment TTM	4.65%

■ Total Revenue ■ Net Income

	Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
<b>Total Revenue</b>		586979.57	567436.72	596218.43	537666.61
<b>Gross Profit</b>		55594.05	51021.12	57321.28	56322.95
<b>Operating Income</b>		33919.73	27961.08	28676.05	32580.84
<b>Net Income</b>		23407.14	27613.1	4582.55	26810.53

# Dongkuk Steel Mill Co Ltd (001230)

Seoul

Add to Portfolio

Create Alert

7,820 +40 (+0.51%)

01:58:00 - Closed. Currency in KRW (Disclaimer)

Type: Equity  
Market: South Korea  
ISIN: KR7001230002

Volume: 538,744 | Bid/Ask: 7,810 / 7,820 | Day's Range: 7,640 - 7,900

Buy Sell

[AD] 76.4% of retail CFD accounts lose money

General Chart Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

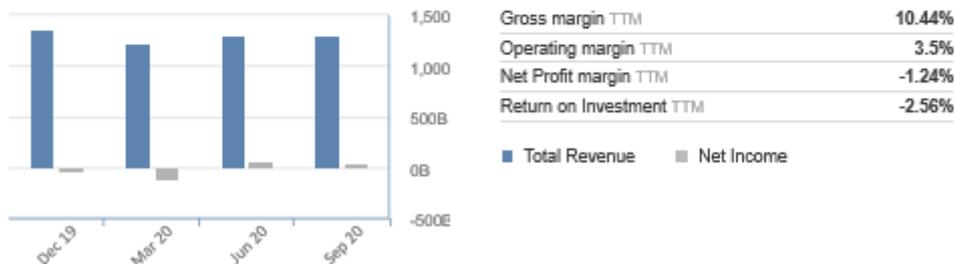
## 001230 Financial Summary

For the nine months ended 30 September 2020, DongkukSteel Mill Co., Ltd revenues decreased 11% to W3.828T. Netloss decreased 40% to W21.5B. Revenues reflect SteelManufacturing segment decrease of 20% to W3.334T, Logisticssegment decrease of 52% to W170.44B, Trade segment decreaseof 27% to W229.23B, Domestic segment decrease of 13% toW3.254T, Other Foreign Country segment decrease of 17% toW107.11B, United States segment decrease of 9% to W199.17B.

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 001230 Income Statement >>



Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Total Revenue	1297539.86	1301899.98	1228376.45	1358252.93
Gross Profit	158135.65	172129.61	126686.34	84585.48
Operating Income	85041.82	99799.61	56169.89	-59377.79
Net Income	36538.15	62373.63	-120409.07	-32872.24

# Hyundai Steel (004020)

Seoul

Add to Portfolio

Create Alert

↑ **38,050** +700 (+1.87%)

01:59:00 - Closed. Currency in KRW (Disclaimer)

Type: Equity  
Market: South Korea  
ISIN: KR7004020004

Volume: 1,163,018 | Bid/Ask: 38,050 / 38,100 | Day's Range: 36,800 - 38,650

Buy Sell

AD | 75% of retail investor accounts lose money when trading CFDs with this provider.

General Chart News & Analysis Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

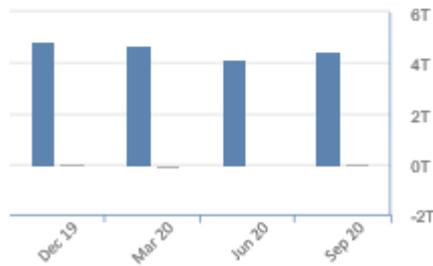
## 004020 Financial Summary

For the nine months ended 30 September 2020, HyundaiSteel Co revenues decreased 16% to W13.243T. Net loss totaled W171.77B vs. income of W91.7B. Revenues reflect South Korea segment decrease of 14% to W11.468T, Americas (Region) segment decrease of 30% to W591.59B, Asia (Region) segment decrease of 22% to W761.14B. Net loss reflects South Korea segment income decrease of 96% to W18.29B.

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 004020 Income Statement »



Gross margin TTM	4.87%
Operating margin TTM	-0.77%
Net Profit margin TTM	-1.37%
Return on Investment TTM	-0.89%

■ Total Revenue ■ Net Income

Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Total Revenue	4461583.91	4113255.14	4667990	4821835.7
Gross Profit	277823.54	265169.54	232056.72	103830.84
Operating Income	33376.5	13966.33	-29702.24	-156189.64
Net Income	-45281.66	-11123.18	-115367.74	-74597.55

# Posco Inc (005490)

Seoul

Add to Portfolio

Create Alert

267,500 0 (0.00%)

01:55:00 - Closed. Currency in KRW (Disclaimer)

Type: Equity  
Market: South Korea  
ISIN: KR7005490008

Volume: 289,342 | Bid/Ask: 267,500 / 268,000 | Day's Range: 263,000 - 269,500

Buy

Sell

AD | 75% of retail investor accounts lose money when trading CFDs with this provider.

General Chart News & Analysis Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

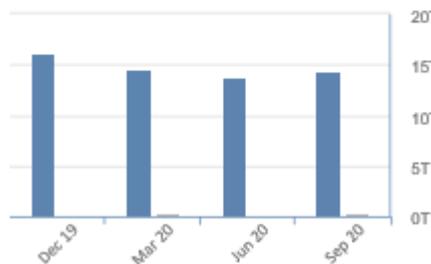
## 005490 Financial Summary

For the nine months ended 30 September 2020, POSCO revenues decreased 12% to W42.529T. Net income applicable to common stockholders decreased 50% to W896.12B. Revenues reflect a decrease in demand for the Company's products and services due to unfavorable market conditions. Net income also reflects Loss Foreign Exchange Transactions increase of 29% to W691.01B (expense). Gain/Loss under Equity Method decrease of 53% to W109.03B (income).

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 005490 Income Statement »



Gross margin TTM	7.62%
Operating margin TTM	3.01%
Net Profit margin TTM	1.84%
Return on Investment TTM	1.8%

Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Total Revenue	14261217.58	13721554.43	14545812.81	18043048.84
Gross Profit	1207139.01	733942.37	1310282.83	1210182.88
Operating Income	664879.27	173613.29	704189.57	220668.82
Net Income	465457.49	40281.85	395392.7	50672.14

# Yieh Phui Enterprise Co Ltd (2023)

Taiwan

Add to Portfolio

Create Alert

↑ **13.35** +0.05 (+0.38%)

01:38:00 - Closed. Currency in TWD (Disclaimer)

Type: Equity  
Market: Taiwan  
ISIN: TW0002023009  
S/N: 2023

Volume: 18,724,489 | Bid/Ask: 13.35 / 13.40 | Day's Range: 13.00 - 13.65

Buy

Sell

AD | 75.4% of retail CFD accounts lose money

General Chart News & Analysis Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

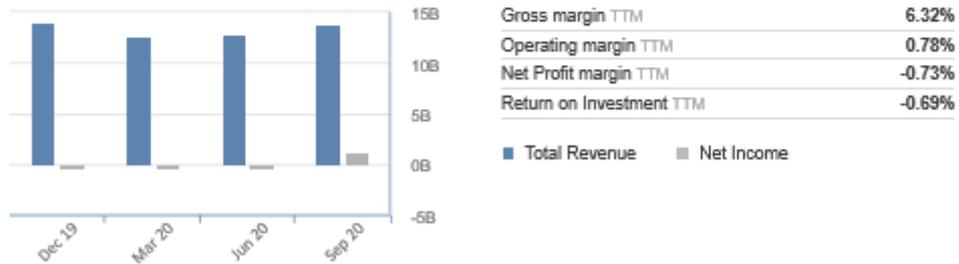
## 2023 Financial Summary

For the six months ended 30 June 2020, Yieh Phui Enterprise Co Ltd revenues decreased 16% to NT\$25.36B. Net loss increased 3% to NT\$841M. Revenues reflect Yieh Phui segment decrease of 25% to NT\$10.31B, Yieh Phui (China) segment decrease of 9% to NT\$10.02B, Yieh Yu segment decrease of 22% to NT\$2.79B. Higher net loss reflects Other Company segment loss totaling NT\$104.4M vs. income of NT\$52.3M.

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 2023 Income Statement >>



Gross margin TTM	6.32%
Operating margin TTM	0.78%
Net Profit margin TTM	-0.73%
Return on Investment TTM	-0.69%

	Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
<b>Total Revenue</b>		13769.88	12710.65	12853.19	14009.04
<b>Gross Profit</b>		1208.53	802.85	896.32	449.77
<b>Operating Income</b>		581.22	73.29	29.31	-249.81
<b>Net Income</b>		1147.05	-527.58	-313.46	-415.72

# Sheng Yu Steel Co Ltd (2029)

Taiwan

Add to Portfolio

Create Alert

↑ **23.20** +0.40 (+1.75%)

00:30:00 - Closed. Currency in TWD (Disclaimer)

Type: Equity  
Market: Taiwan  
ISIN: TW0002029008  
S/N: 2029

Volume: 1,419,169 | Bid/Ask: 23.15 / 23.20 | Day's Range: 22.25 - 23.50

**Buy** **Sell**

[AD] 76.4% of retail CFD accounts lose money

General Chart News & Analysis Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

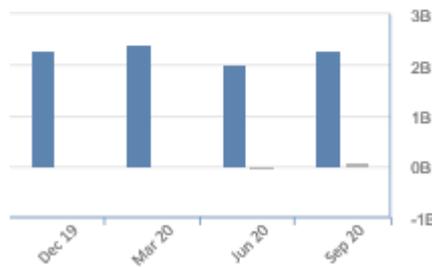
## 2029 Financial Summary

For the six months ended 30 June 2020, Sheng YuSteel Co., Ltd. revenues decreased 10% to NT\$4.41B. Net loss totaled NT\$25.5M vs. income of NT\$58.6M. Revenues reflect Shengyu Department segment decrease of 12% to NT\$4.11B. Net loss reflects Shengyu Department segment loss totaling NT\$18.6M vs. income of NT\$75.5M. Basic Earnings per Share excluding Extraordinary Items decreased from NT\$0.18 to -NT\$0.08.

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

### 2029 Income Statement »



Gross margin TTM	6.88%
Operating margin TTM	1.42%
Net Profit margin TTM	0.41%
Return on Investment TTM	0.42%

Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Total Revenue	2278.04	2004.31	2403.71	2291.3
Gross Profit	247.74	99.62	121.24	148.8
Operating Income	114.61	-8.21	0.52	20.22
Net Income	68.15	-23.33	-2.12	-9.93

# China Steel Corp (2002)

Taiwan

Add to Portfolio

Create Alert

↓ **24.40** -0.10 (-0.41%)

⌚ 01:30:00 - Closed. Currency in TWD (Disclaimer)

Type: Equity  
Market: Taiwan  
ISIN: TW0002002003  
S/N: 2002

Volume: 29,833,921 | Bid/Ask: 24.35 / 24.40 | Day's Range: 24.00 - 24.40

Buy Sell

AD | 76.4% of retail CFD accounts lose money

General Chart Financials Technical Forum

Financial Summary | Income Statement | Balance Sheet | Cash Flow | Ratios | Dividends | Earnings

## 2002 Financial Summary

For the nine months ended 30 September 2020, ChinaSteel Corporation revenues decreased 19% to NT\$227.18B. Net loss applicable to common stockholders totaled NT\$4.36B vs. income of NT\$9.3B. Revenues reflect Steel segment decrease of 17% to NT\$179.72B, Construction segment decrease of 58% to NT\$7.01B, Other Segment decrease of 17% to NT\$37.98B. Net loss reflects Steel segment loss totaling NT\$8.37B vs. income of NT\$5.24B.

Annual Quarterly

TTM = Trailing Twelve Months | MRQ = Most Recent Quarter

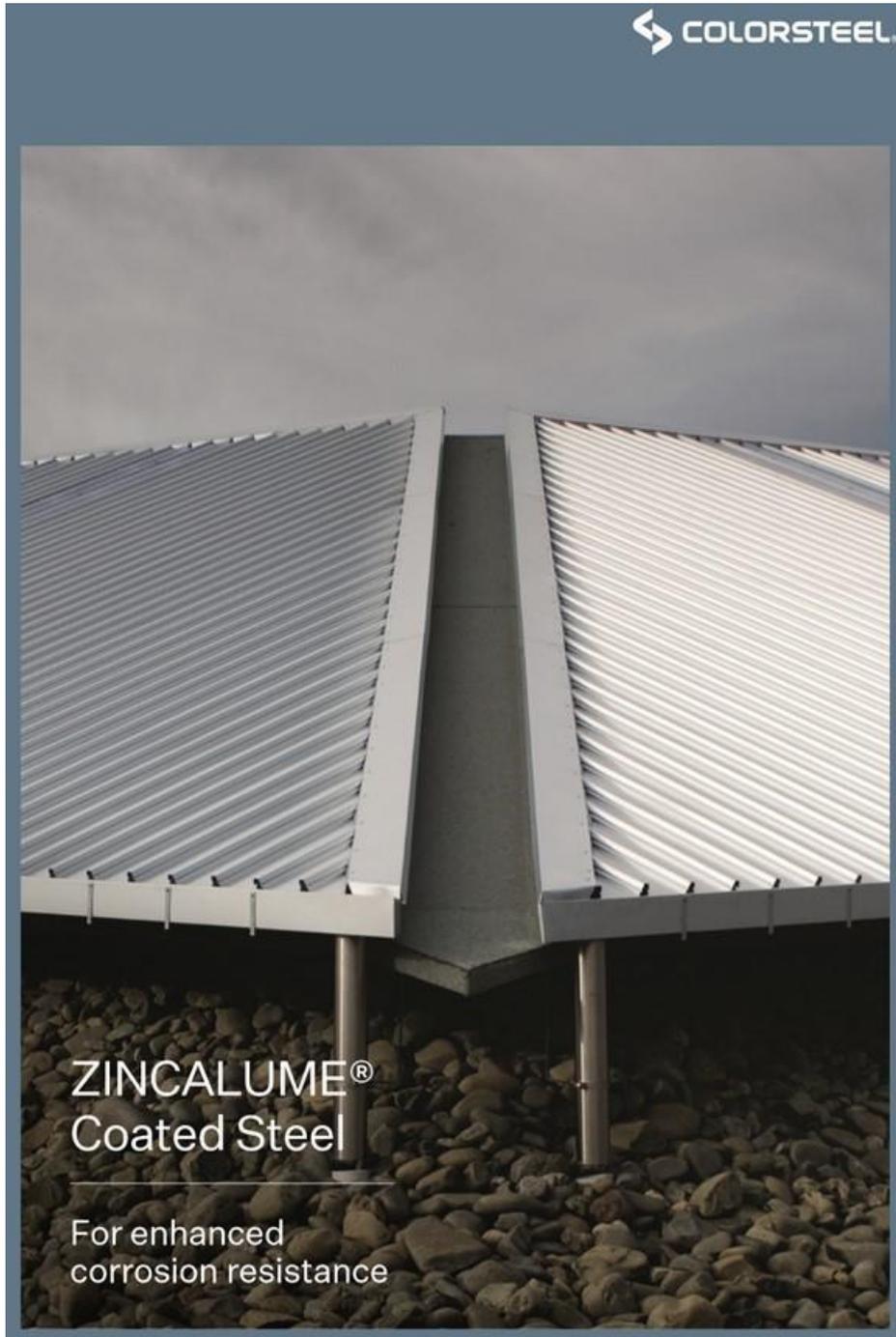
### 2002 Income Statement »



Gross margin TTM	2.9%
Operating margin TTM	-1.31%
Net Profit margin TTM	-1.45%
Return on Investment TTM	-0.97%

Period Ending:	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Total Revenue	76649.04	72609.41	77918.88	84435.09
Gross Profit	3261.19	1917.08	913.05	2946.13
Operating Income	-155.06	-1036.59	-2379.43	-505.53
Net Income	-696.69	-1407.84	-2255.54	-527.77

Appendix Five: Ministry Template 4.1 and 4.3 Information<sup>68</sup>



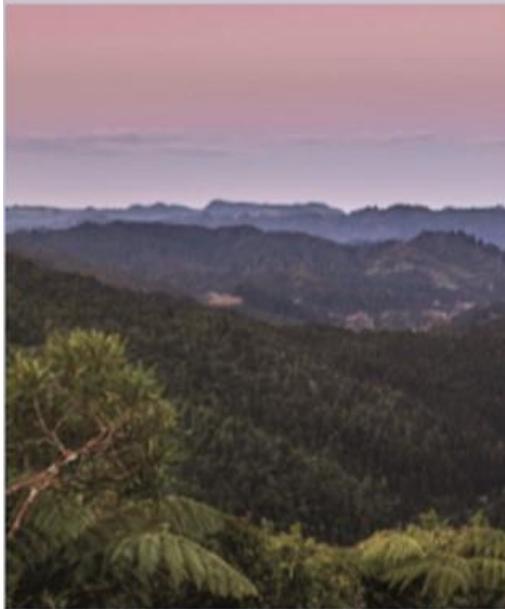
<sup>68</sup> Ref. <https://www.nzsteel.co.nz/assets/Uploads/Files/NZS0005-103-Zincalume-Coated-Steel.pdf>

# Continuing a tradition of dependability

ZINCALUME® coated steel combines the barrier protection of aluminum with the sacrificial protection of zinc, giving the advantages of both metals. The resulting alloy coating enhances corrosion resistance, making it ideal for applications like roofing and cladding.

COLORSTEEL® consists of a ZINCALUME® steel substrate to which a pre-painted finish system is applied. This system offers additional corrosion resistance while providing a range of colours to compliment any project. COLORSTEEL® Endura® is ideal for many applications, while COLORSTEEL® Maxx® is specifically developed to withstand higher atmospheric salt concentrations and is incredibly resistant to corrosion.

Please refer to the Environmental Categories & Product Maintenance Recommendations Brochure for detailed information on our warranties and the environments they are offered in.



## Appearance

ZINCALUME® coated steel has a finely spangled silvery matt finish. After exposure the surface finish darkens over time as the resin coating weathers away. This can occur at varying rates due to differences in aspect, degree of shading and the effect of rain rivulets over the ZINCALUME® surface.

This change is a natural one and is visual only. The protective properties of the product are not affected.

COLORSTEEL® is available in a wide variety of colours to suit every project.

While COLORSTEEL® products are designed for durability, all paint coatings will deteriorate over time. Therefore, at some stage, it will be necessary to repaint to avoid serious deterioration of the product. The main consideration is the paint coating integrity to perform a suitable bond for the overpainted system so that the durability of the new coating system is maintained. New Zealand Steel's experience would indicate that this period to first repaint is around 15 years. However, local climatic conditions, building design and paint colour can have a significant influence on the performance of the paint system. Therefore you may need to consult New Zealand Steel or paint suppliers, to help assess the most suitable time to repaint. COLORSTEEL® products may be readily over painted, after suitable preparation, for aesthetic reasons.

### WEATHERING OF COLORSTEEL® PRODUCTS

All building products will weather over time. The weathering of COLORSTEEL® products will result in changes to gloss and colour. Factors which influence the change are environmental pollution, UV levels, building orientation and paint colour. When adding to an existing building, consideration should be given to the weathered appearance of the COLORSTEEL® products in the older part of the building.



## Painting ZINCALUME® coated steel

ZINCALUME® coated steel is readily paintable using good quality primers and water-based acrylic topcoats. Paint manufacturers' instructions should be followed.

Dirt, grease and any loose material must be cleaned off so the surface is clean and dry prior to the first coat being applied.

However, it is important to note the ZINCALUME® coated steel warranty does not cover failure caused by post paint systems. Where painted roofing or cladding is desired New Zealand Steel recommends the use of COLORSTEEL® specified for the environmental category of the building project.

## Corrosion resistance

ZINCALUME® coated steel has long term, corrosion resistance in many atmospheric conditions.

Test sites from around the world have provided a wealth of information over the past 50 years on the comparative performance of galvanised steel versus ZINCALUME® coated steel products.

Corrosion rates are determined by exposing samples of ZINCALUME® coated steel and galvanised steel on standard test racks and regularly monitoring the coating performance over a number of years.

Though corrosion rates vary according to the severity of conditions, ZINCALUME® coated steel out-performs galvanised coatings in almost all environments.

## Flashings and accessories

Flashings and ridge capping should be manufactured from the same coating system as used for the main roof. Extended ridge caps, soft zinc, or practices such as cutting and notching are recommended.

Where penetration flashings are required, neoprene or silicone rubber, EPDM, aluminium or soft zinc all give excellent performance. Lead is not compatible with ZINCALUME® coated steel and COLORSTEEL® so must not be used as it will promote corrosion.



## Marking

Black lead pencils must never be used for marking ZINCALUME® coated steel or COLORSTEEL® products. The carbon in the pencil promotes corrosion that will etch the surface, leaving a permanent mark.

## Where not to use

- Formwork in contact with wet concrete
- Embedded in concrete
- Animal shelters where ammonia levels are constantly high
- Fertiliser storage sheds and containers
- Culverts, or where the product is buried in the ground
- Water tanks
- Highly alkaline environments (e.g. cement manufacture)
- Coolroom products.

## Agricultural Use

ZINCALUME® coated steel and COLORSTEEL® can be used for roofing and cladding in most agricultural buildings. However, some intensive animal farming methods used for animals such as poultry, calves or pigs result in the animals being enclosed for significant periods of the year.

These conditions will result in the development of an alkaline environment due to the ammonia generated by the animal waste. In these conditions, ZINCALUME® coated steel or COLORSTEEL® prepainted steel should not be used. Contact New Zealand Steel Limited for specialist advice.

Other farming methods involve the occasional shedding of animals for a limited period. Buildings involved in these processes include cow sheds, shearing sheds and covered yards. Typically these buildings house animals for only short periods of the year and/or include very high levels of ventilation.

In a non-intensive environment the build up of ammonia is essentially non-existent. Under these conditions ZINCALUME® steel and COLORSTEEL® products will perform as well or better than galvanised steel. For information about warranties and your shed, contact New Zealand Steel Limited.

Top dressing chemicals are generally a mixture of lime (calcium carbonate) and fertiliser (superphosphate). Limestone is alkaline and superphosphate is acidic. The reaction with ZINCALUME® steel and COLORSTEEL® products is therefore dependent on the combination of chemicals applied.

## Maintenance

All roofing and cladding products are subject to the cumulative effects of weather, dust and other deposits. Normal rain washing will remove most accumulated atmospheric contaminants from roofs. Refer to the Environmental Categories & Product Maintenance Recommendations Brochure for more information.

### UNWASHED AREAS

ZINCALUME® coated steel and COLORSTEEL® performs well in most areas not regularly washed by rainwater. However, as with any steel based product, regular washing of areas not naturally rain washed is essential to ensure that a satisfactory life is realised from the product.



## Working with ZINCALUME® and COLORSTEEL®

### PROTECTION AT CUT EDGES

At the cut edge, ZINCALUME® coated steel provides similar protection to galvanised coatings. The zinc/aluminium alloy coating of ZINCALUME® coated steel provides galvanic protection to bare steel exposed at cut edges and by deep scratches.

### PASSIVATION

Surface passivation enhances the protection of the ZINCALUME® coated steel product during storage, forming, handling and fixing. It largely eliminates the need for rollforming oils, offers improved wet stack corrosion resistance and generally makes the product more mark resistant during handling and fixing.

### HANDLING AND STORAGE

If ZINCALUME® coated steel or COLORSTEEL® becomes wet during storage, the product should be immediately separated, wiped with a clean cloth and placed in a position where it can completely air dry.

### FORMING

ZINCALUME® coated steel is suitable for all but the most severe forming operations. With ZINCALUME® coated steel, the passivation system acts as a dry lubricant and in most cases will eliminate the need for additional lubrication in most forming operations. Solvent-based lubricants must not be used.

With COLORSTEEL®, tight tension bends in the finished product should be avoided as small cracks may be formed which expose the metal substrate to the atmosphere. For optimum corrosion performance no visible microcracking should be present in the finished product. There are many factors, substrate, paint, bend diameter and forming practice, that affect the tendency to microcrack. Therefore, it is not practical to have a fixed bend diameter that guarantees no microcracking. Most products, formed in well designed and operated equipment, will not have microcracks at tension bends. Solvent-based lubricants must not be used. It is important that visual

checks for microcracking be made on the finished product to ensure a high quality standard is maintained. Products with microcracking on the tension bends will show earlier signs of corrosion when used in unwashed areas in severe environments. The use of corrugated profiles in severe and 'special conditions' (e.g. Geothermal) will help to ensure greater durability.

### JOINING AND SEALING

ZINCALUME® coated steel and COLORSTEEL® cannot be soldered. To join use a neutral cure silicone sealant in conjunction with mechanical fasteners such as blind rivets. Care should be exercised in the choice of rivets. Aluminium rivets are recommended. Monel, stainless steel and carbon steel rivets must not be used. Edge sealing of COLORSTEEL® products is not recommended.

### FASTENERS

The fastener durability should equal or exceed that of the roofing or cladding product. Fasteners provided by external suppliers should conform with the requirements of AS3566 (and Amendments) "Screws – Self Drilling for the Building and Construction Industries". Fasteners should be suitable for the environment and comply with the following conditions:

- Stainless steel fasteners should not be used with ZINCALUME® or COLORSTEEL® coated steel in any environment
- Lead headed nails must not be used
- Use low carbon (<15%) non-conductive sealing washers
- Fasteners with heavy zinc or zinc-tin coatings or zinc alloy coated heads complying with AS3566 Class 3 and 4 are fully compatible with all products.
- Fasteners used on COLORSTEEL® products should be factory coated to provide an accurate colour match with COLORSTEEL® finishes.

For more information about COLORSTEEL® Products call **0800 697 833** or visit **colorsteel.co.nz**

**NOTE:** Buyers and users of New Zealand Steel Limited products and services must make their own assessment of the products for their own conditions. All queries regarding product specification, purpose or application should be directed to New Zealand Steel Limited, phone 0800 697 833. New Zealand Steel Limited reserves the right to modify products, techniques, equipment and statements to reflect improvements in the manufacture and application of its products. The information contained in this brochure is supplied without prejudice to New Zealand Steel Limited's standard terms and conditions of sale. In the event of conflict between this information and the standard terms and conditions, the standard terms and conditions prevail. COLORSTEEL®, COLORSTEEL® Maxx® and COLORSTEEL® Endura® are registered trademarks of New Zealand Steel Limited. ZINCALUME® is a registered trademark of BlueScope Steel Limited.

Copyright © New Zealand Steel Limited, October 2018. 113916.



NEW ZEALAND STEEL

NEWS & MEDIA | FAQS | CAREERS | CUSTOMER LOGIN

Home | New Zealand Steel | Steel by Industry | Products | Technical Resources | Project Gallery | Sustainability

# Zincalume®

Continuing a tradition of dependability

**ZINCALUME®**

New Zealand Steel introduced ZINCALUME®, zinc/aluminium alloy coated steel in 1994 and it's been popular with architects and homeowners ever since for its durability and aesthetic qualities.

**ZINCALUME® PRODUCT USES:**

- Roofing and Flashings
- Wall Cladding
- Gutters and Downpipes
- Fences
- Garage Doors
- Garden Sheets

**ZINCALUME® COATING:**

The ZINCALUME® coated steel has been formulated to give a significantly longer service life than a galvanised coating. This is of particular value in New Zealand where the prevailing winds carry corrosive salt laden air many kilometres inland.

The ZINCALUME® steel coating combines the corrosion protection of aluminium with the sacrificial protection of zinc to create an alloy that's ideal for roofing and cladding in New Zealand's demanding environment.

**ZINCALUME® COATED STEEL BROCHURE**

Download a digital copy or have one posted to you

DOWNLOAD PDF | POST ME ONE

**FIND A SUPPLIER** | NEW ZEALAND MADE

News & Media | Products | The Story of Steel | Technical Resources

NEW ZEALAND STEEL | COLORSTEEL | ZINCALUME | AXIIS | GALVSTEEL

9:04 AM 5/08/2020

Ref: <https://www.nzsteel.co.nz/products/zincalume/>

## Appendix Six: Figure 11 CNV Information

[The information in this Appendix Six is derived from commercial-in-confidence information of NZS. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates. Some is from an independent steel industry subscription service]

## Appendix Seven: Other Figure 11 Cost of Production Information, Assumptions and Description

[Cost construction data and information. This information that has been redacted is not capable of summary. The information is derived from commercial-in-confidence information from NZS and from other sources. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates, and in some cases it is subject to an obligation to maintain confidentiality. Some is from an independent steel industry subscription service]

## Appendix Nine: Import Parity Price Definition<sup>69</sup>



<sup>69</sup> <http://www-personal.umich.edu/~alandear/glossary/i.html#ImportParityPrice>

Appendix Ten: NZS ZnAl Technical Sheets<sup>70</sup>

Data Sheet

**G300****Metal-Coated – ZINCALUME® – Structural**

Revision: 31/1/2012

MC

**GENERAL DESCRIPTION**

ZINCALUME® G300 steel is a hot-dipped zinc/aluminium alloy-coated structural steel with guaranteed minimum yield strength of 300MPa with good ductility. Suitable for roll forming to a minimum internal diameter of 1t.

**APPLICATIONS**

- Rainwater goods
- Gutters
- Garden sheds
- Roofing
- Cladding

**STANDARDS**

- AS 1397:2011
- AS/NZS 1365:1996

CHEMICAL COMPOSITION	≤0.8mm	>0.8mm	≤0.80mm	>0.80mm
	TYPICAL (wt %)		EXPECTED MAXIMUM (wt %) <sup>[1]</sup>	
Carbon (C)	0.035 - 0.070	0.06 - 0.100	0.07	0.10
Manganese (Mn)	0.14 - 0.25	0.50 - 0.70	0.25	0.70
Sulphur (S)	0.01 - 0.02	0.00 - 0.02	0.03	0.03
Phosphorus (P)	0.01 - 0.02	0.00 - 0.02	0.03	0.03
Silicon (Si)	0.00 - 0.03	0.00 - 0.02	0.03	0.03
Aluminium (Al)	0.03 - 0.07	0.03 - 0.07	0.08	0.08

<sup>[1]</sup> Values shown refer to relevant Australian/ New Zealand standards unless tighter internal limits are applied

MECHANICAL PROPERTIES	EXPECTED MINIMUM
Yield strength, MPa	300
Tensile strength, MPa	340
Elongation, % on L <sub>0</sub> = 50mm (≥0.6mm)	20
180° transverse bend	1t

Typical Mechanical Properties are based on typical product dispatched to customers. Note that ductility will decline through a natural aging process during storage and/or paint stoving cycle.

COATING ADHESION - 180° BEND TEST	
COATING CLASS	GUARANTEED
AZ150	1t

Other coating classes may be available by enquiry

DIMENSION CAPABILITIES	
THICKNESS RANGE (mm)	WIDTH RANGE (mm)
0.35 – 0.39	70 – 1082
0.39 – 0.40	70 – 1193
0.40 – 0.99	70 – 1250

Slitting and shearing available on request from New Zealand Steel.

These dimensions are a reflection of technical capability to produce. Supply conditions may be subject to dimensional restrictions and is subject to New Zealand Steel Marketing confirmation. Other dimensional combinations may be available by enquiry.

ZINCALUME® is a registered trademark of BlueScope Steel Limited.

**New Zealand Steel Limited**

Auckland  
Tel. +64 9 375 8999  
Fax. +64 9 375 8213  
A BlueScope Steel Company

www.nzsteel.co.nz  
nzsteel@bluescopesteel.com  
Copyright © 2012 New Zealand Steel Limited

<sup>70</sup> <https://www.nzsteel.co.nz/assets/media/94853/ZINCALUME®%20G300%20steel.pdf>  
<https://www.nzsteel.co.nz/assets/media/94856/ZINCALUME®%20G550%20steel.pdf>

FABRICATING PERFORMANCE 1 = Limited 5 = Excellent	
Method	Rating
Drawing	2
Pressing	2
Bending	5
Roll-forming	5
Welding	4
Painting (Pre-treatment)	5

AVAILABLE FINISHES		
	NORMAL	OPTIONAL
Surface Condition	Finely spangled	-
Surface Treatment	Passivated & Resin coated	Oiled
Branding	Branded	Unbranded

Material should be used promptly (within 6 months) to avoid the possibility of storage related corrosion.

Mechanical properties are guaranteed at ambient/room temperatures. Please consult technical representatives at New Zealand Steel for high/low temperature use.

In the as-oiled state long-term corrosion, resistance cannot be guaranteed. Further surface treatment/coating is required.

**PACKING**

Despatched material will be packed appropriately providing protection against weather and transit damage.

**TYPICAL PROPERTY RANGES**

Thickness mm	Yield Strength & Tensile Strength MPa																	
	300	310	320	330	340	350	360	370	380	390	400	410	420	430	440	450	460	470
0.35																		
0.40																		
0.55																		
0.75																		
0.95																		

Key		Yield Strength (YS)		Tensile strength (UTS)
-----	--	---------------------	--	------------------------

Thickness mm	Total Elongation (%) GL= 50mm																
	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
0.35																	
0.40																	
0.55																	
0.75																	
0.95																	

ZINCALUME<sup>®</sup> is a registered trademark of BlueScope Steel Limited.

**New Zealand Steel Limited**

Auckland  
Tel. +64 9 375 8999  
Fax. +64 9 375 8213  
A BlueScope Steel Company

www.nzsteel.co.nz  
nzsteel@bluescopesteel.com  
Copyright © 2012 New Zealand Steel Limited



Data Sheet

# G550

Metal-Coated – ZINCALUME® – Structural

Revision: 31/1/2012

MC

**GENERAL DESCRIPTION**

ZINCALUME® G550 steel is a hot-dipped zinc/aluminium alloy-coated structural steel with a regular spangle surface and guaranteed minimum yield strength of 550MPa with limited ductility. Suitable for roll forming to a minimum internal diameter of 4t.

**APPLICATIONS**

- Roofing
- Cladding
- Roll-formed sections for structural applications

**STANDARDS**

- AS 1397:2011
- AS/NZS 1365:1996

CHEMICAL COMPOSITION	TYPICAL (wt %)	EXPECTED MAXIMUM (wt %) <sup>[1]</sup>
Carbon (C)	0.020 – 0.070	0.050
Manganese (Mn)	0.14 – 0.22	0.220
Sulphur (S)	0.01 – 0.02	0.025
Phosphorus (P)	0.01 – 0.02	0.020
Silicon (Si)	0.00 – 0.02	0.025
Aluminium (Al)	0.03 – 0.06	0.060

<sup>[1]</sup> Values shown refer to relevant Australian/ New Zealand standards unless tighter internal limits are applied

MECHANICAL PROPERTIES	EXPECTED MINIMUM
Yield strength, MPa	550
Tensile strength, MPa	550
Elongation, % on L <sub>0</sub> = 50mm (≥0.6mm)	2

Typical Mechanical Properties are based on typical product dispatched to customers. Note that ductility will decline through a natural aging process during storage and/or paint stoving cycle.

COATING ADHESION - 180° BEND TEST	
COATING CLASS	GUARANTEED
AZ150	2t

Other coating classes may be available by enquiry

DIMENSION CAPABILITIES	
THICKNESS RANGE (mm)	WIDTH RANGE (mm)
0.32 – 0.33	70 – 940
0.33 – 0.35	70 – 1050
0.35 – 0.40	70 – 1176
0.40 – 1.000*	70 – 1230

\*Products above 0.95mm are only suitable for non-critical surface finish application as resin blushing and rough coating metal finishes can be present.

Slitting is available on request from New Zealand Steel.

These dimensions are a reflection of technical capability to produce. Supply conditions may be subject to dimensional restrictions and is subject to New Zealand Steel Marketing confirmation. Other dimensional combinations may be available by enquiry.

ZINCALUME® is a registered trademark of BlueScope Steel Limited.

**New Zealand Steel Limited**

Auckland  
Tel. +64 9 375 8999  
Fax. +64 9 375 8213  
A BlueScope Steel Company

www.nzsteel.co.nz  
nzsteel@bluescopesteel.com  
Copyright © 2012 New Zealand Steel Limited

AVAILABLE FINISHES		
	NORMAL	OPTIONAL
Surface Condition	Finely spangled	-
Surface Treatment	Passivated & Resin coated	Oiled
Branding	Branded	Unbranded

Material should be used promptly (within 6 months) to avoid the possibility of storage related corrosion.

Mechanical properties are guaranteed at ambient/room temperatures. Please consult technical representatives at New Zealand Steel for high/low temperature use.

In the as-oiled state long-term corrosion resistance cannot be guaranteed. Further surface treatment/coating is required.

**PACKING**

Despatched material will be packed appropriately providing protection against weather and transit damage.

FABRICATING PERFORMANCE	
1 = Limited 5 = Excellent NR = Not Recommended	
Method	Rating
Drawing	NR
Pressing	NR
Bending	1
Roll-forming	3
Welding	4*
Painting (Pre-treatment)	5

\* Design must allow for some strength reduction near welds

**TYPICAL PROPERTY RANGES**

Thickness mm	Yield Strength & Tensile Strength MPa																					
	560	570	580	590	600	610	620	630	640	650	660	670	680	690	700	710	720	730	740	750	760	
0.350																						
0.400																						
0.420																						
0.480																						
0.550																						
0.750																						
0.950																						

Key      Yield Strength (YS)      Tensile strength (UTS)

Thickness mm	Total Elongation (%) GL= 50mm											
	2	3	4	5	6	7	8	9	10	11	12	13
0.350												
0.400												
0.420												
0.480												
0.550												
0.750												
0.950												

ZINCALUME® is a registered trademark of BlueScope Steel Limited.

**New Zealand Steel Limited**

Auckland  
 Tel. +64 9 375 8999  
 Fax. +64 9 375 8213  
 A BlueScope Steel Company

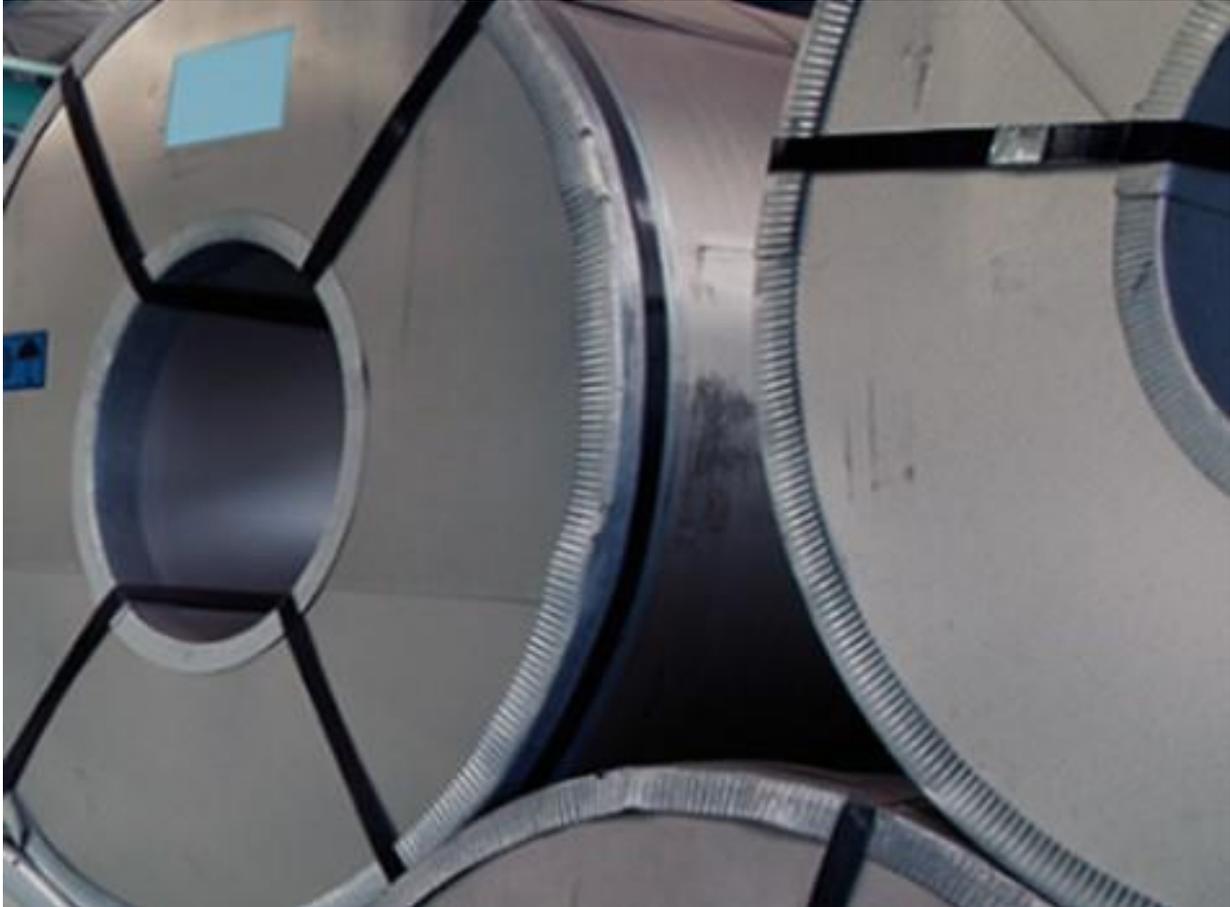
www.nzsteel.co.nz  
 nzsteel@bluescopesteel.com  
 Copyright © 2012 New Zealand Steel Limited

### Appendix Eleven: Example New Zealand Promotion of Import ZnAl, etc.

The below two screenshots identify a New Zealand importer of ZnAl, and (the second picture) that importer's ZnAl being used for roofing.

*[Importer information which is not capable of summary. The information is confidential because it is commercially sensitive]*

### Appendix Twelve: Export Packing Type (example pictures)



## Appendix Thirteen: Exchange Rate Information

Source is <https://www.ofx.com/en-ca/forex-news/historical-exchange-rates/monthly-average-rates/>

31-Jan-19	1.475016
28-Feb-19	1.463612
31-Mar-19	1.464173
30-Apr-19	1.489867
31-May-19	1.523215
30-Jun-19	1.515076
31-Jul-19	1.497325
31-Aug-19	1.554004
30-Sep-19	1.577168
31-Oct-19	1.578046
30-Nov-19	1.563502
31-Dec-19	1.516277
31-Jan-20	1.512571
29-Feb-20	1.564402
31-Mar-20	1.653902
30-Apr-20	1.663227
31-May-20	1.640905
30-Jun-20	1.551031
31-Jul-20	1.518336
31-Aug-20	1.51447
30-Sep-20	1.500035
31-Oct-20	1.505769
30-Nov-20	1.456273
22-Dec-20	1.412522

\*\*1 UNIT of USD = X UNITS of NZD

<https://www.ofx.com/en-ca/forex-news/historical-exchange-rates/monthly-average-rates/>

# Appendix Fourteen: Korea and Taiwan Public Information<sup>71</sup>

The screenshot shows the website for the Korea Iron & Steel Association (KOSA). The browser address bar displays [www.kosa.or.kr/sub/eng/introduction/sub01.jsp](http://www.kosa.or.kr/sub/eng/introduction/sub01.jsp). The navigation menu includes 'Introduction', 'About KOSA', 'Members', and 'Steel statistics'. The 'About KOSA' section is active, with sub-links for 'History&Activities', 'Organization', and 'Location&Telephone'. The main banner features a cable-stayed bridge and hot air balloons, with the text: *Hello? Thank you for visiting KOSA. As a backbone industry of Korea, the steel industry has been leading the development of the Korean economy by providing the rice of the industry, steel for the machinery, automobile, construction, shipbuilding and electronic industries.*

The 'Chairman's Message' section is highlighted in the left sidebar. The main content area shows a message from Choi, Jeong-Woo, Chairman of KOSA. It includes a portrait of the chairman and the following text:

*Hello? Thank you for visiting KOSA.*

As a backbone industry of Korea, the steel industry has been leading the development of the Korean economy by providing the rice of the industry, steel for the machinery, automobile, construction, shipbuilding and electronic industries.

Also, from small needs to artificial satellites which travel infinite space, steel has indispensable relationships with our lives and makes a huge contribution to improving our living conditions.

By promoting the development of the steel industry and promoting steel export, KOSA strives to contribute itself to the development of the Korean economy and the prosperity of people's lives.

**KOSA Choi, Jeong-Woo** This homepage contains general information on the steel industry as well as various data and statistics on the steel industry and will be used to listen to your diverse opinions.

Your participation and attention are needed for this homepage to grow into a open space for the development of the steel industry. So, your love

The footer of the page shows the date and time: 1:37 PM, 14/09/2020.

<sup>71</sup> <http://www.kosa.or.kr/sub/eng/introduction/sub01.jsp>  
[http://www.kosa.or.kr/sub/eng/member/member\\_list.jsp](http://www.kosa.or.kr/sub/eng/member/member_list.jsp) [https://en.wikipedia.org/wiki/Dongkuk\\_Steel](https://en.wikipedia.org/wiki/Dongkuk_Steel)  
<https://www.steel.org.au/advocacy/anti-dumping/trade-related-issues-caused-by-covid-19/>  
<https://www.oecd.org/sti/ind/86th%20Steel%20Committee%20meeting%20%20Presentation%20by%20KISA,%20Korean%20Steel%20Market.pdf> <https://www.spglobal.com/ratings/en/research/articles/200908-taiwan-top-50-corporates-credit-profiles-extend-their-downward-trend-amid-covid-19-11635581>

**Members**

- States of Members
- Major Producers
- Location of Steel Works

**States of Members** Home > Members > States Of Members

**Regular Members**

company	
DaehanSteel Co., Ltd.	DB Metal Co., Ltd.
Dongil Ind. Co., Ltd.	Dongil Steel Mfg. Co., Ltd.
DONGKUK INDUSTRIES Co.	Dongkuk Steel Mill Co.
Dongyang Steel Pipe Co., Ltd.	DSR Wire Corp.
FINE BESTEEL	Hankum
HISTEEL	HUSTEEL CO., LTD.
Hwangyoung Steel Ind. Co., Ltd.	Hyundai BNG Steel
HYUNDAI STEEL COMPANY	ILJIN Steel Corporation
JEIL STEEL MFG. CO. LTD.	KG Dongbu Steel Co., Ltd.
KISWIRE Ltd.	Korea Cast Iron Pipe Ind. Co., Ltd.
Korea Iron & Steel Co., Ltd.	KOSCO
KOSTEEL Co., Ltd.	Kumkang Industrial Co., Ltd.
Manho Rope & Wire, Ltd.	Nastech Co., Ltd.
NEXTEEL CO.,LTD	POSCO
POSCO Coated & Color Steel Co., Ltd.	SeAH Besteel Coporation
SeAH CSS Corp.	SeAH M&S
SeAH Steel Corp.	SIMPAC METAL
TAE KYUNG INDUSTRIAL., LTD	Taechang Steel Co., Ltd.
TCC Steel co.	YK Steel Coporation
YOUNGWIRE Co., Ltd.	

**Associate Members**

company	
POSCO INTERNATIONAL	The Korean Institute of Metals and Materials
korea steel scrap industry association	Pohang Institute of Metal Industry Advancement
S&M Media	Steel&Steel

ADDRESS: 15th Fl, East Bldg of IT Venture Tower, 135, JungSeo-ro, Songpa-gu, Seoul, Korea TEL: 02-559-3500 FAX: 02-559-3508-9  
Copyright © 2010 KOSA. All rights reserved.

1:48 PM  
14/09/2020

**WIKIPEDIA**  
The Free Encyclopedia

- Main page
- Contents
- Current events
- Random article
- About Wikipedia
- Contact us
- Donate
- Contribute
- Help
- Community portal
- Recent changes
- Upload file

## Dongkuk Steel

From Wikipedia, the free encyclopedia



This article **does not cite any sources**. Please help improve this article by adding citations to reliable sources. Unsourced material may be challenged and removed.  
Find sources: "Dongkuk Steel" — news — newspapers — books — scholar — JSTOR (January 2020) (Learn how and when to remove this template message)

**Dongkuk Steel Mill Co. Ltd.** (KRX: 001200F) is a steel company with its headquarters in the city of Seoul, South Korea. Its manufacturing plants are located in Pohang, Incheon, Dangjin and Busan. Main products are steel plates mainly for shipbuilding, beams, sections and bars mainly for construction. Dongkuk Steel is the parent company of the Dongkuk Steel Group with several subsidiaries including Union Steel. Dongkuk Steel Mill is the second largest EAF steel producer in Korea behind Hyundai Steel. Also Dongkuk Steel mill is world's forty-ninth largest steel maker among ISI member companies (2009). The current chairman is Mr. Sae Joo Chang. The company is a member of the Dongkuk Steel Group.

### Competitors [[edit](#)]

- Hyundai Steel (the new name of Hyundai IHI Steel)
- POSCO

Dongkuk Steel	
DX DONGKUK STEEL	
Korean name	
Hangul	동국제강
Hanja	東國製鐵
Revised Romanization	Dongguk Jeongang
McCune-Reischauer	Tongguk Chegang

→ ↻ 🏠 🔒 <https://www.steel.org.au/advocacy/anti-dumping/trade-related-issues-caused-by-covid-19/> 📄 ☆ ⋮ 📌 📄

---

n page | KJorean | No results | < > Options ▾



increased exports of steel. Quoting from the World Steel Association China Monthly reporting of this announcement, 'This increase was decided by the Chinese government to counter the effects of the coronavirus.'

**South Korean steel exporters have also reported that they will be increasing steel exports to replace their own soft domestic demand.**

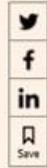
<https://www.ft.com/content/17bc3560-1289-11ea-a225-db2f231cfeae>

---

South Korea Economy [+ Add to myFT](#)

## South Korea set for one of worst growth periods in half a century

Bellwether slashes forecasts as US-China trade war and tech slowdown take toll



The South Korean government in Seoul is now rolling out its biggest fiscal stimulus programme since the global financial crisis © Bloomberg

Edward White in Seoul NOVEMBER 30 2019



The South Korean economy is on track for one of its worst two-year growth periods in more than half a century, battered by China's economic slowdown, uncertainties over the trade war between Beijing and Washington and a downturn in the computer chip market.

The export-driven [economy](#), seen as a bellwether for the region's technology supply chain, is expected to deliver growth of 2 per cent in 2019, a fall from the 2.6 per cent forecast at the beginning of the year, South Korea's central bank said on Friday. That would mark its lowest level since the global financial crisis a decade ago.

I

General Economy

GDP

- ◆ ('19<sup>e</sup>) With the expansion of government fiscal policy, GDP is expected to grow by 2.6%, mostly driven by consumption and export

Private Consumption

- ◆ ('19<sup>e</sup>) Empowered by government policy, private consumption will show steady growth trend, but compared to '18, decreased growth rate is expected, due to slowdown in growth of household income

Equipment Investment

- ◆ ('19<sup>e</sup>) Due to recovery in global semiconductor consumption, equipment investment is expected to show positive growth rate, focused in IT manufacturing industry

Construction Investment

- ◆ ('19<sup>e</sup>) Expected to show continuous negative growth rate due to slump in new construction orders

Exports

- ◆ ('19<sup>e</sup>) Forecasted to show slight decrease in growth compared to '18, due to slowdown in world economic growth and global trade disputes

Economic Indicators in Korea

\* Source : Bank of Korea

	2016	2017	2018	2019(e)			2020(e)
				1H	2H	TOTAL	
<b>GDP</b>	2.8	3.1	2.7	2.5	2.8	2.6	2.6
<b>Private Consumption</b>	2.5	2.6	2.8	2.5	2.7	2.6	2.6
<b>Equipment Investment</b>	-2.3	14.6	-1.7	-2.1	6.3	2.0	2.3
<b>Construction Investment</b>	10.7	7.6	-4.0	-6.1	-0.5	-3.2	-2.0
<b>Exports</b>	2.2	3.8	3.9	2.4	3.8	3.1	3.0
<b>Imports</b>	3.6	7.4	1.7	0.6	4.0	2.3	2.5

\* Source : Bank of Korea

https://www.ft.com/content/17bc3560-1289-11ea-a225-db2f231cfeae

☰

🔍

[HOME](#) [WORLD](#) [US](#) [COMPANIES](#) [TECH](#) [MARKETS](#) [GRAPHICS](#) [OPINION](#) [WORK & CAREERS](#) [LIFE & ARTS](#) [HOW TO SPEND IT](#)

The export-driven **economy**, seen as a bellwether for the region's technology supply chain, is expected to deliver growth of 2 per cent in 2019, a fall from the 2.6 per cent forecast at the beginning of the year, South Korea's central bank said on Friday. That would mark its lowest level since the global financial crisis a decade ago.

The fate of Asia's fourth-largest economy is closely tied to global electronics demand and China, with exports representing 45 per cent of the country's GDP and China accounting for a quarter of the country's outbound shipments.

The Bank of Korea trimmed its growth outlook for 2020 to 2.3 per cent from its 2.5 per cent forecast in July, even as it said months of declines in exports and investments in new factories would end next year.

According to central bank records dating back to 1954, there has been no consecutive two-year period with growth lower than 2.5 per cent. During the global financial crisis, GDP growth slipped from 2.8 per cent in 2008 to 0.7 per cent in 2009 before recovering to 6.5 per cent the following year.

Page 59

<https://www.spglobal.com/ratings/en/research/articles/200908-taiwan-top-50-corporates-credit-profiles-extend-their-downward-trend-amid-covid-19-11635581>

**THIS LIST**

**COMMENTS**

**Taiwan Top 50 Corporates: Credit Profiles Extend Their Downward Trend Amid COVID-19**

**COMMENTS**

**Checks And Imbalances: Delayed Australian State Government Budgets Will Embrace More COVID-19 Stimulus**

Taiwan corporates face another year of weakening credit profiles amid few signs of improving global demand. Taiwan Ratings Corp. expects the COVID-19 pandemic and global trade tension to prolong market volatility and cloud corporates' recovery timeframe well into 2021. In particular, Taiwan's leading exporters will see their profitability and operating cash flow extend declines recorded over the past year. This could nudge up debt leverage for some firms, given their scheduled increases in capital spending in 2020-2021. However, we expect average debt leverage to remain moderate among Taiwan's top enterprises, with headroom for additional volatility.

Taiwan Ratings' annual review of the island economy's top 50 enterprises by revenue shows significant deterioration in financial performance in 2019. The most significant factors underlining this decline in creditworthiness were a slowdown in global demand and volatile trade tensions between the U.S. and China. Significant downside risk persists throughout 2020 and into 2021, especially in light of the still evolving COVID-19 crisis. But a likely escalation in strategic competition between the U.S. and China over trade and technology threaten more disruption before a demand recovery can take hold.

Appendix Fifteen: Extract from (see footnote 12) [Sensitive information]

*[The information in this Appendix Fifteen is commercial-in-confidence information. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates]*

Appendix Sixteen: Quarterly Information <sup>72</sup>

Metric	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3
Average Selling Price (NZ\$/t FIS)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Higher	Lower	Lower	Higher	Lower	Lower	Lower	Lower
Cost of Production (NZ\$/t)	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Lower
Selling and Admin (NZ\$/t)	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher
Total Costs (Cost of Sales) (NZ\$/t)	Base	Higher	Higher	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher	Higher	Higher	Lower	Lower
Total Costs as % of Av. Sell Price	Base	Lower	Lower	Higher	Higher	Lower	Lower	Higher	Lower	Higher	Higher	Higher	Higher	Higher	Same	Lower
Unit Variable Cost (NZ\$/t)	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Higher	Higher	Same	Same	Same	Same
Unit Variable % of Sales	Base	Lower	Lower	Higher	Higher	Lower	Lower	Higher	Lower	Higher						
Output (total production tonnes)	Base	Lower	Lower	Higher	Lower	Higher	Lower	Higher	Higher	Lower	Higher	Higher	Higher	Lower	Lower	Higher
Domestic ZnAI (sales tonnes)	Base	Lower	Higher	Lower	Lower	Higher	Lower	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Higher	Higher
Revenue (FIS) (,000)																
Cost of production (,000)	Base	Lower	Higher	Lower	Lower	Higher	Lower	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
Gross profit (,000)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Higher						
Selling and administration (,000)	Base	Lower	Higher	Higher	Lower	Higher	Higher	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
EBIT (domestic sold ZnAI only) (,000)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Higher						
Revenue (FIS) (\$/t)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Lower	Lower	Higher	Lower	Lower	Lower	Lower
Cost of production (\$/t)	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Lower
Gross profit (\$/t)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Higher						
Selling and Admin (\$/t)	Base	Higher	Higher	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher
EBIT (\$/t)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Higher						
Variable costs (,000)	Base	Lower	Higher	Lower	Lower	Higher	Lower	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
Fixed costs (,000)	Base	Lower	Higher	Lower	Higher	Higher	Lower	Lower	Lower	Higher						
Unit variable cost as % of sales	Base	Lower	Lower	Higher	Higher	Lower	Lower	Higher	Lower	Higher	Higher	Higher	Lower	Lower	Lower	Higher
Productivity	Base	Lower	Higher	Lower	Lower	Higher	Lower	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
ROD (%)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
Average assets \$m (ZnAI only)	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Lower
P. Capacity Utilisation (%)	Base	Higher	Higher	Lower	Lower	Higher	Lower	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Higher
Cashflow (\$,000)	Base	Higher	Higher	Lower	Lower	Higher	Higher	Higher	Lower	Lower	Higher	Higher	Lower	Lower	Lower	Lower
Average headcount	Base	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Higher	Same	Same	Same	Same

[NZS operating data. The information is summarised where possible by indications of period-to-period change. It is commercially sensitive because it would provide a competitor with a competitive advantage]

Appendix Seventeen:

[Confidential information. The information is confidential because making the information available would have a significantly adverse effect on the parties to whom the information relates]

<sup>72</sup> Data is in sheet A16 in file "ZnAI Trade and Export Price and Normal Value and Undercutting and FX Data and Injury etc Confidential 12.2.21" which is from "Zincalume case 2020 v6" 19.1.21. [Sensitive information]