

**ELECTROLYTIC MANGANESE DIOXIDE  
FROM AUSTRALIA AND CHINA  
731-TA-1124 & 1125 (Final)**

**PETITIONER'S HEARING  
EXHIBITS**

**JULY 24, 2008**

**EXHIBIT 1**

## **Delta's View of the EMD Market:**

### **Cost-Price Squeeze**

**“Global demand for alkaline grade EMD continues to be more than satisfied by existing production capacity, particularly with additional capacity in China. Consequently, pricing remains very competitive, and market selling prices have not afforded the recovery of higher ore costs and other cost increases.”**

**“{T}he response of battery manufacturers has been to suppress the prices of . . . EMD, taking advantage of the global over-supply of EMD and their strong purchasing power in the negotiation with EMD suppliers.”**

Source: Petitioner's Prehearing Br. at 3 (quoting Delta's 1H-2007 Interim Report and its March 2008 submission to the Commerce Department).

**EXHIBIT 2**

## **The Chinese View of the EMD Market: Structural Oversupply and Severe Price Pressure**

**“The entry of China’s alkaline EMD into the world market, which is traditionally dominated by producers from developed countries, has structurally altered the dynamics of global EMD/battery industries.”**

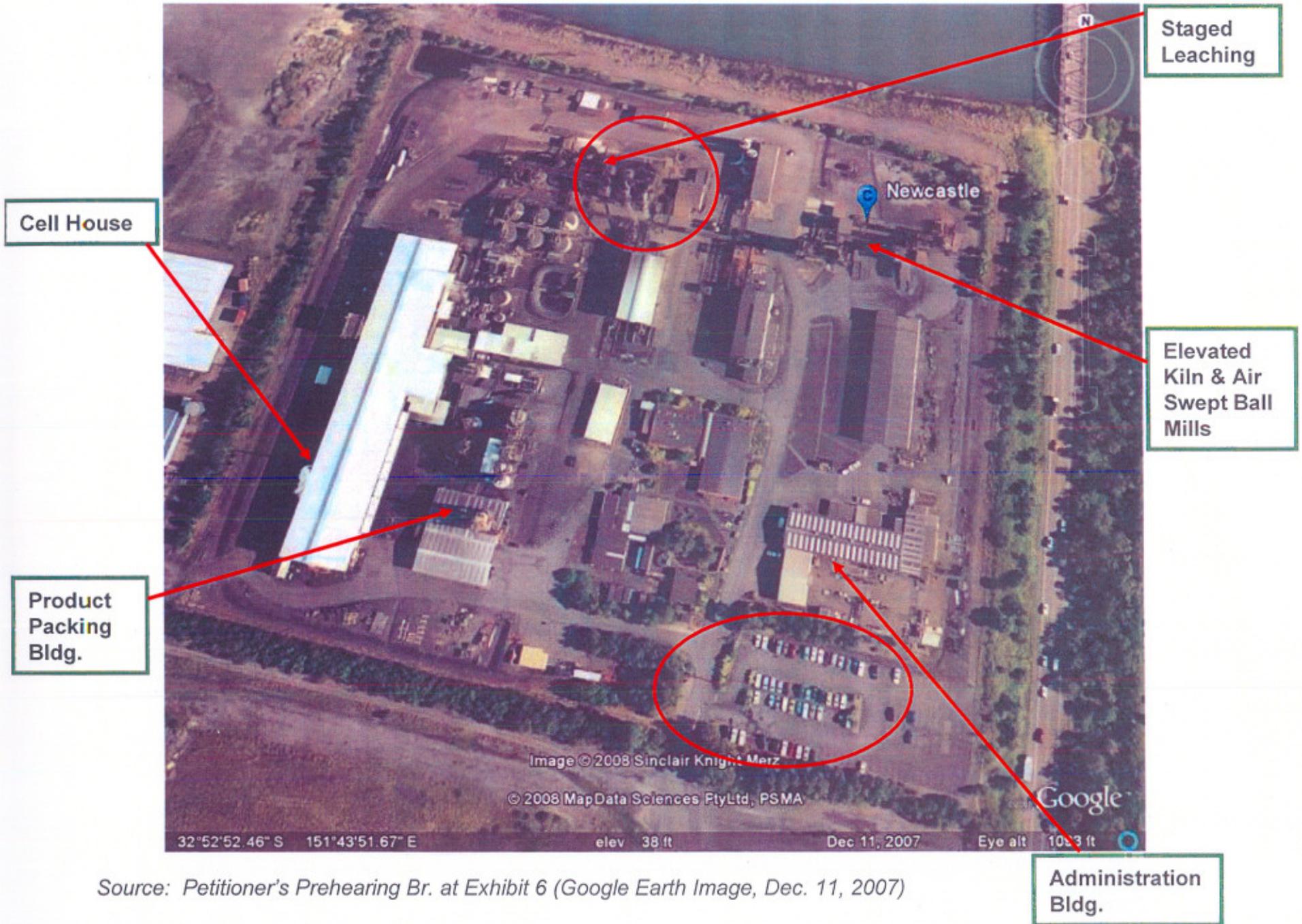
**“The global EMD market remained over-supplied in 2007, and pricing was very competitive. The market selling prices have not afforded the recovery of higher ore cost and other inputs cost increases.”**

**“The situation of {the} global EMD business will be extremely competitive and increasingly severe in the coming years.”**

Source: Petitioner’s Prehearing Br. at 3 (quoting Citic Dameng, 2006-2008)

**EXHIBIT 3**

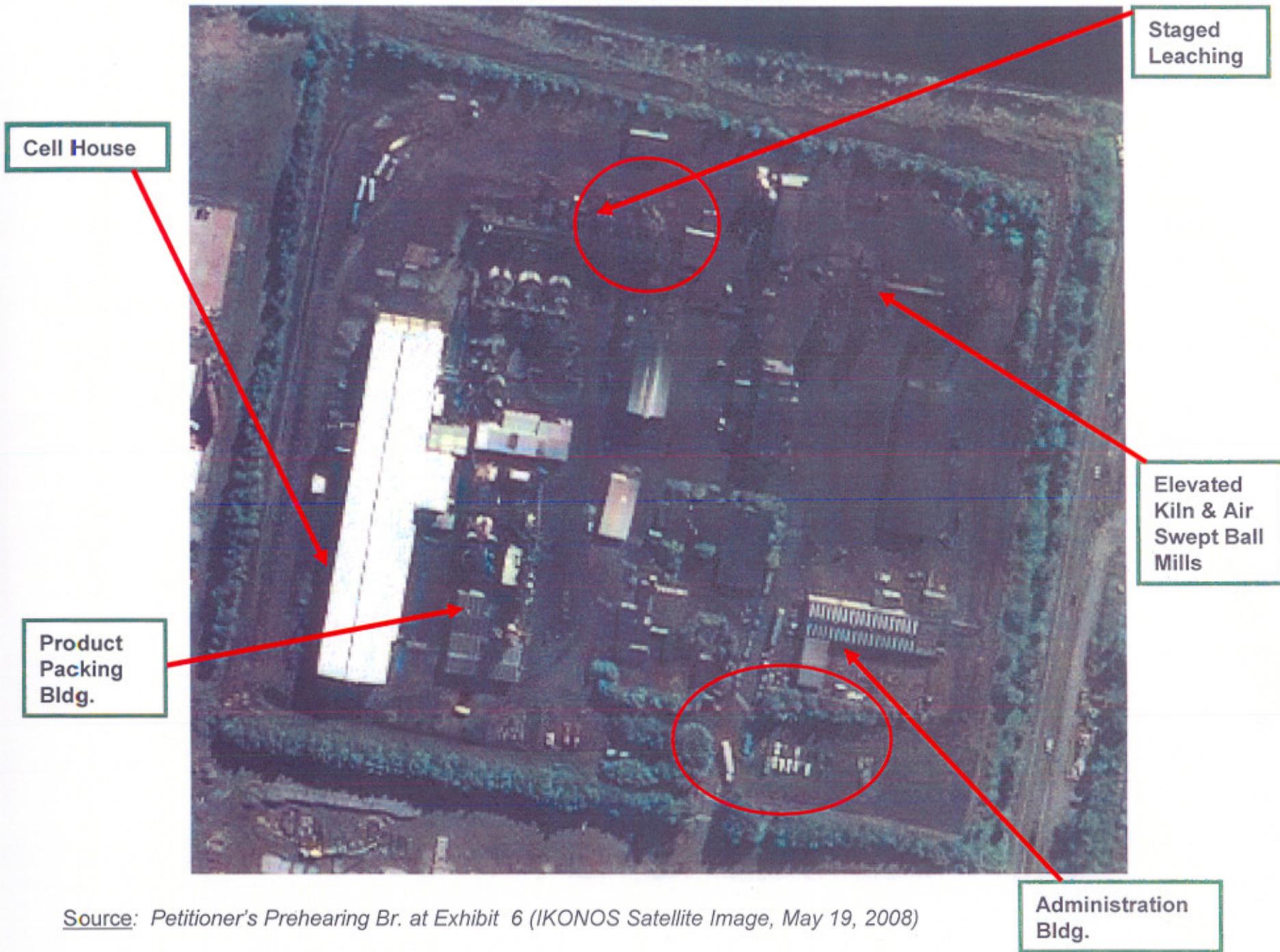
# DELTA EMD AUSTRALIA



Source: Petitioner's Prehearing Br. at Exhibit 6 (Google Earth Image, Dec. 11, 2007)

**EXHIBIT 4**

# DELTA EMD AUSTRALIA



Source: *Petitioner's Prehearing Br. at Exhibit 6 (IKONOS Satellite Image, May 19, 2008)*

**EXHIBIT 5**

## U.S. IMPORTS OF EMD FROM AUSTRALIA

<u>Month</u>	<u>QTY (ST)</u>	<u>3-Month Period</u>	<u>4-Month Period</u>	<u>5-Month Period</u>	<u>6-Month Period</u>
Mar-07	763				
Apr-07	3,868				
May-07	1,266				
Jun-07	42				
Jul-07	2,070	2,832	4,098	7,966	8,728
Aug-07	720				
Sep-07	3,000	6,810	7,110	10,470	11,940
Oct-07	960				
Nov-07	2,850				
Dec-07	300				
Jan-08	3,360				
Feb-08	1,470				
<b>Increase in Imports</b>		<b>140.5%</b>	<b>73.5%</b>	<b>31.4%</b>	<b>36.8%</b>

Source: ITC Dataweb, HTSUS 2820.10.00.00, Imports for Consumption