

# **Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine**

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Domestic Industry Hearing Presentation

April 22, 2014

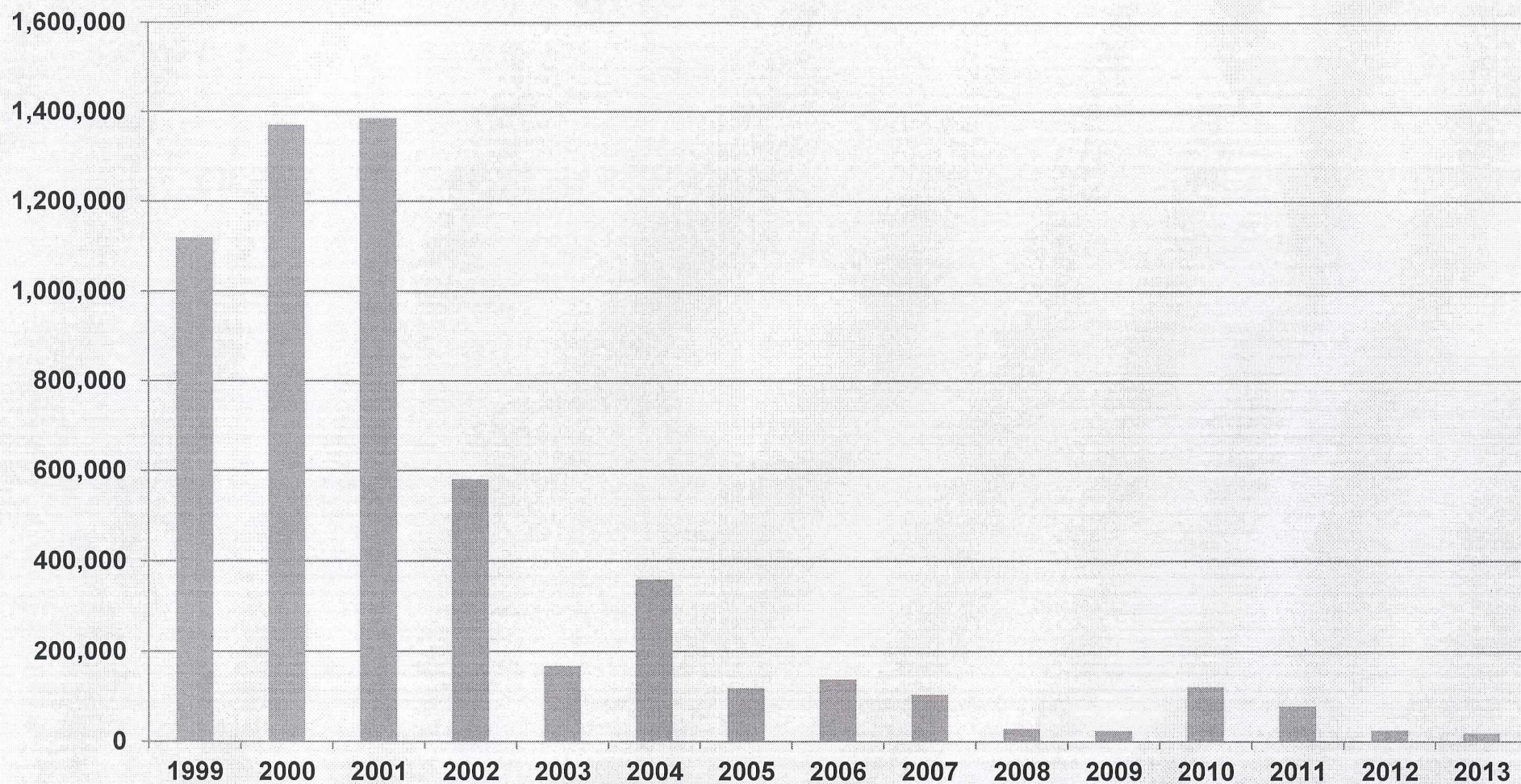
**KELLEY**  

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**DRYE**



# Subject Mills Cannot Make Significant Sales Here Without Dumping





## Underselling by CASWR Imports in Original Investigation

Source	Underselling Based on Quarterly Comparisons
Brazil	38 of 47
Indonesia	3 of 3
Mexico	37 of 46
Moldova	19 of 22
Trinidad & Tobago	36 of 52
Ukraine	21 of 22
Total	154 of 192 (or 80%)



## Underselling by CASWR Imports in First Review

Source	Underselling Based on Quarterly Comparisons
Brazil	3 of 3
Indonesia	3 of 3
Mexico	26 of 54
Moldova	5 of 5
Trinidad & Tobago	8 of 14
Ukraine	6 of 6
Total	51 of 85 (or 60%)



## Underselling by CASWR Imports in Second Review

Source	Underselling Based on Quarterly Comparisons
Mexico	30 of 37 (or 81 percent)

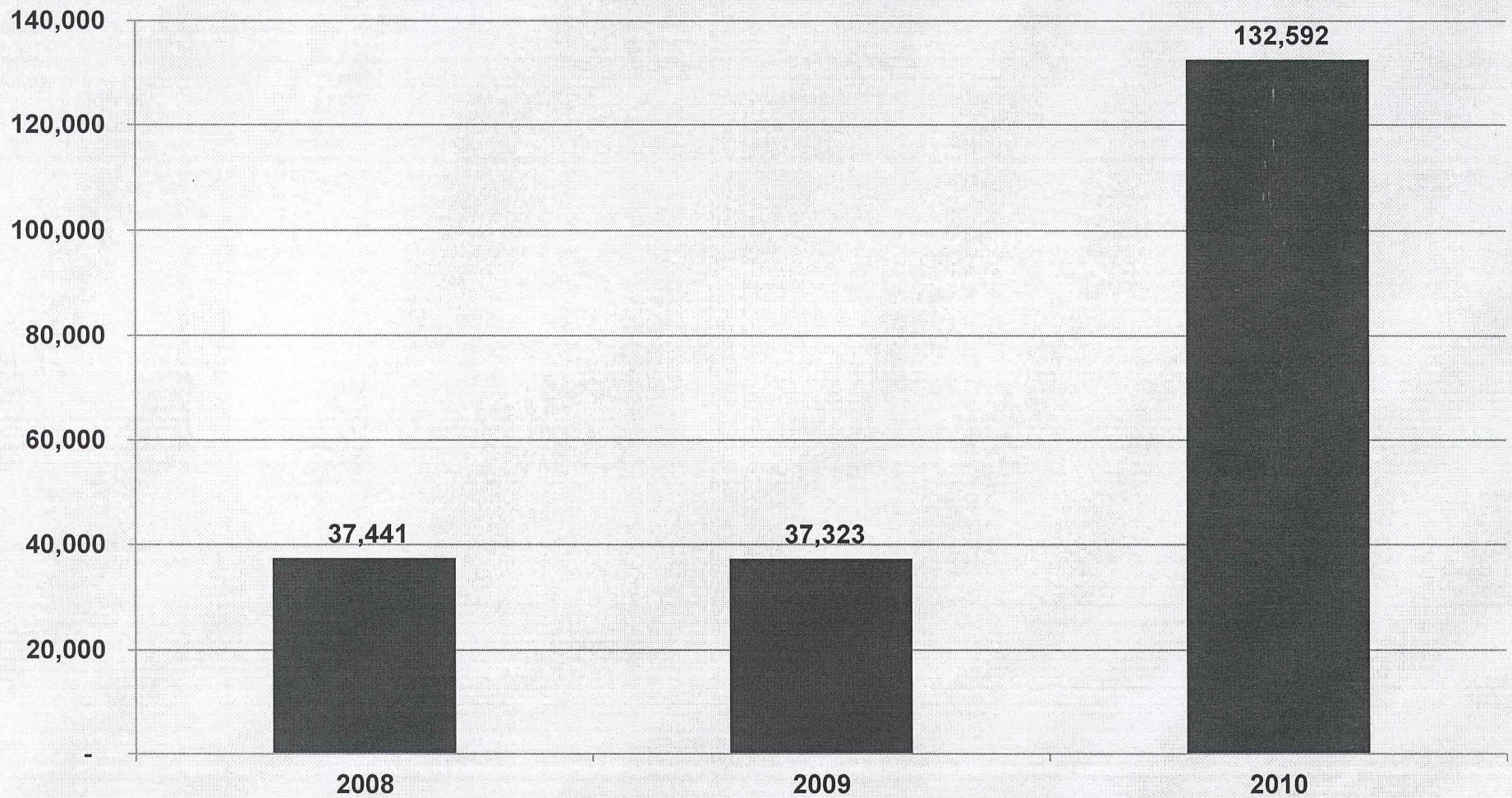


## Importance of Price to Purchasers

Factor	Very Important	Somewhat Important	Not Important
Price	35	1	0

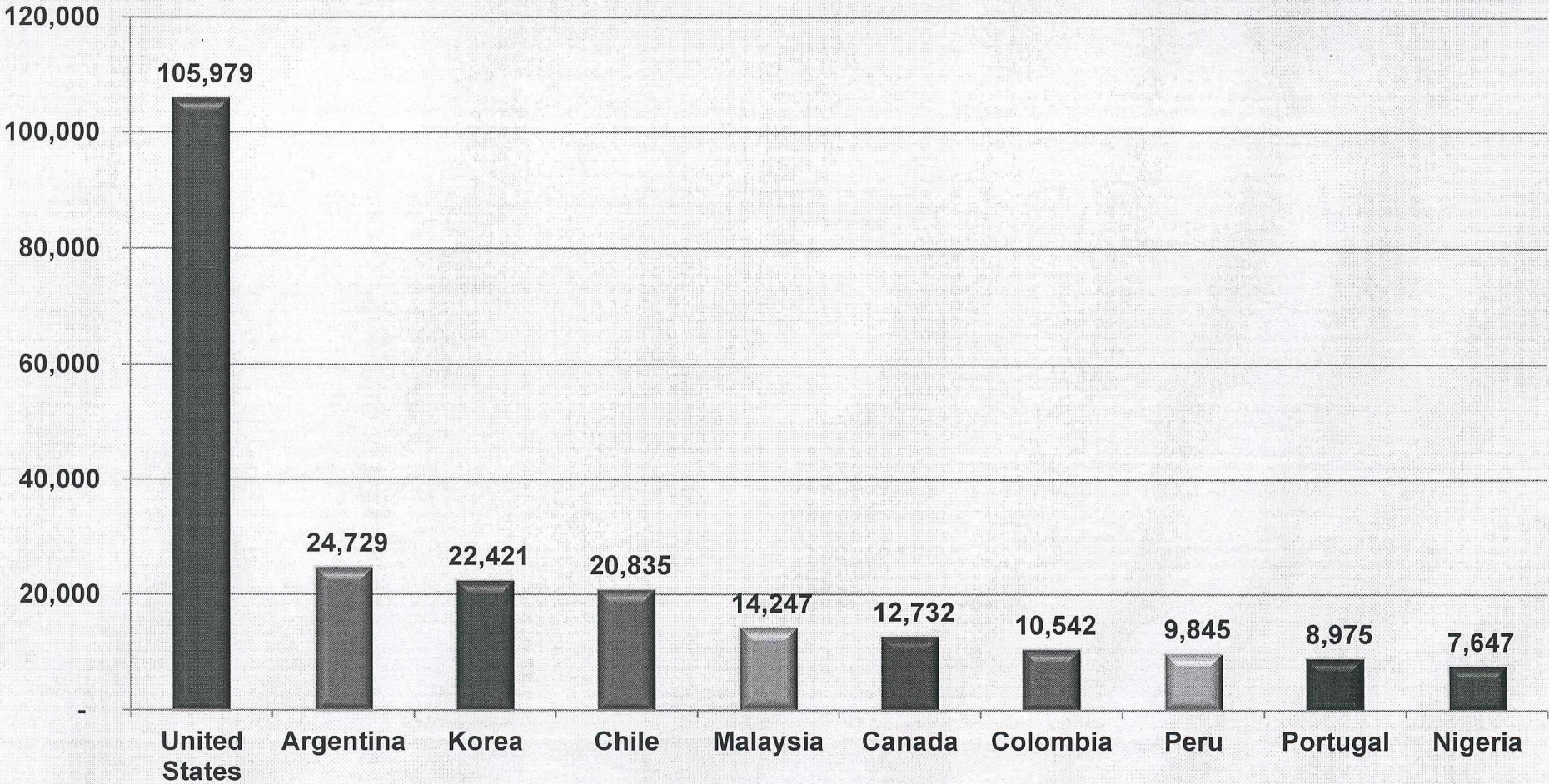


# Surge in Imports from Mexico When Evading Duties (short tons)



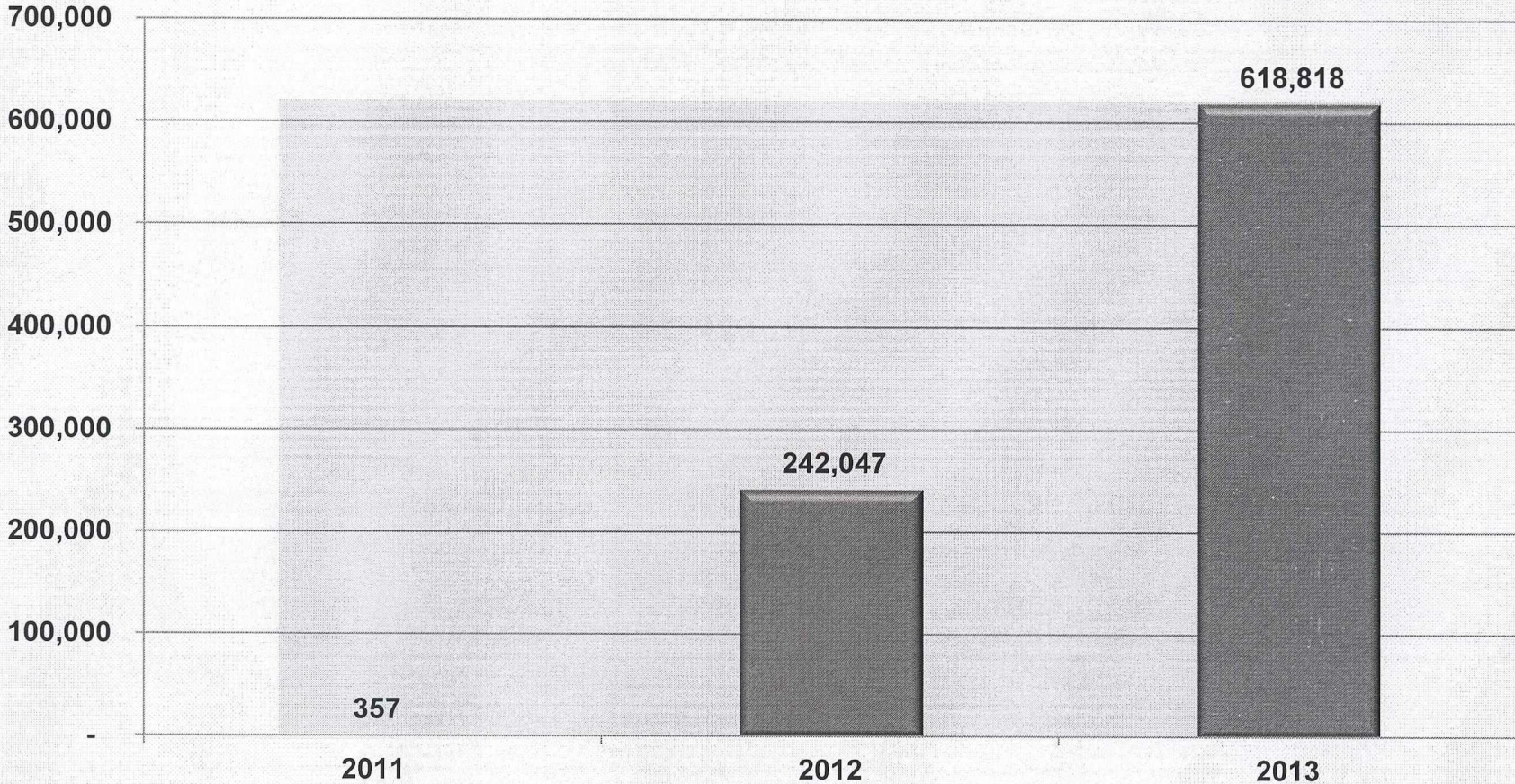


# Brazilian Top 10 Export Markets for Wire Rod (2013)





# Surge in Imports From China (short tons)



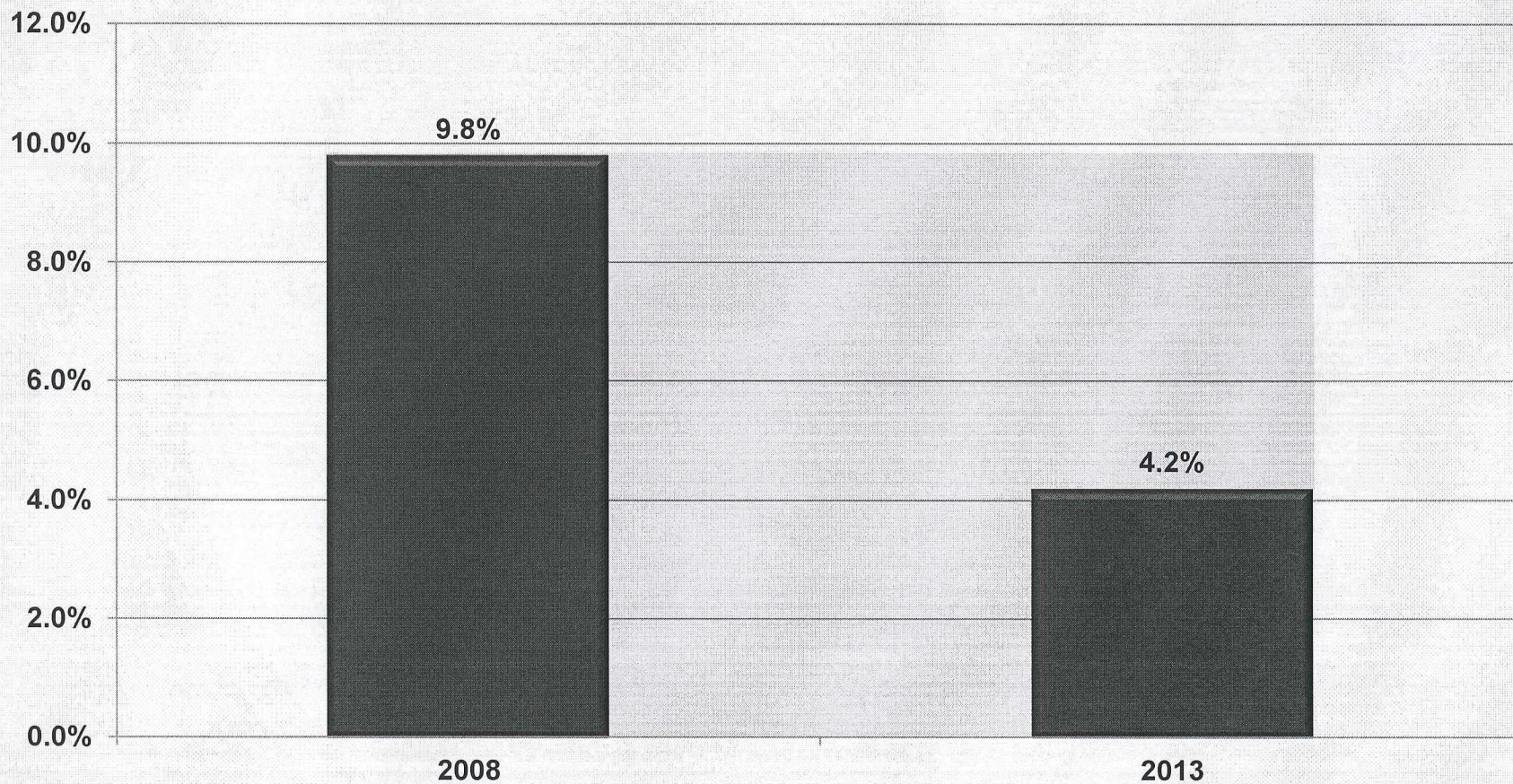


# China Exports Huge Volumes of Wire Rod Globally (short tons)



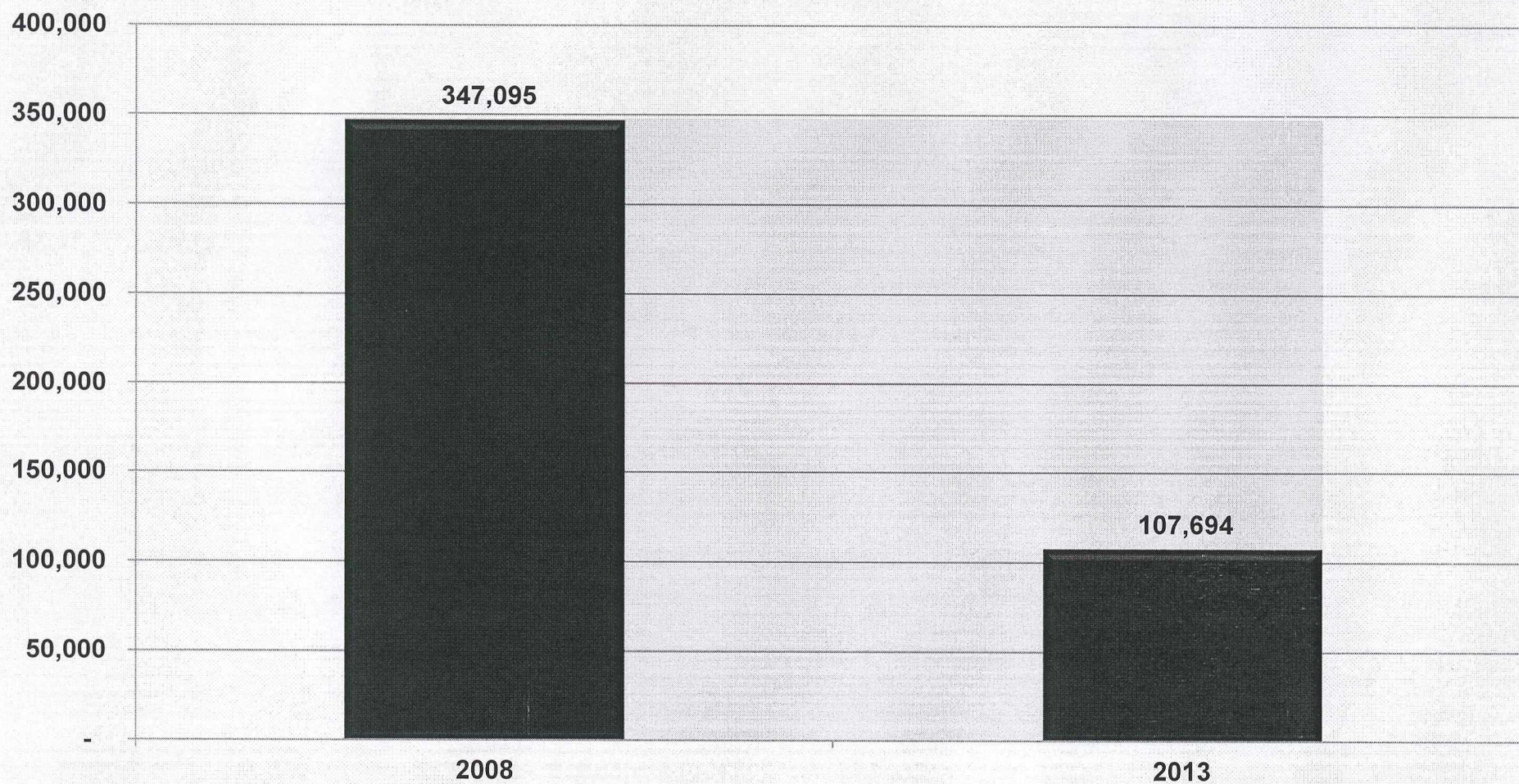


## Declining U.S. Producers' Operating Income as a Ratio of Sales





# Declining U.S. Producers' Operating Income (\$1,000s)





## By Almost Every Measure, U.S. Producers Performance Is Worse Now than in 2008

Factor	Trend from 2008-2013
Capacity	↓
Production	↓
Capacity Utilization	↓
Shipments (quantity, value and AUV)	↓
Production and Related Workers ("PRWs")	↓
Wages Paid to PRWs	↓
Hours Worked by PRWs	↓
Sales (quantity, value and AUV)	↓
Operating Income	↓
Operating Income to Net Sales Ratio	↓