

Metals & Mining

Our View on Anti-Dumping Expectations for Brazil Steelmakers

Gecex Released Definitive Anti-Dumping Duties On Carbon Steel Sheets

Yesterday, [Gecex released the definitive anti-dumping duties on imports of carbon steel sheets from China](#), a **positive development for CSN**, as the only local supplier in Brazil (*although provisional anti-dumping measures have already been in place since Oct'24*), with **no direct impacts for Usiminas** (*no exposure to such products*). While the recent news has fueled optimism around the possibility of further protectionism-related mechanisms for the steel industry in Brazil, **we do not account for additional anti-dumping duties in our base-case scenario**, given the potential inflationary immediate effect of such measures and other (*potentially less effective*) alternatives to tackle steel imports. **We maintain our [preference for Gerdau](#) in the sector.**

In recent days, **we have noted several discussions on trade defense**, with key steel players commenting about the need of anti-dumping measures and/or adjustments in the quota-tariff system, with MDIC/Gecex facing pressure to implement protectionism-related mechanisms against imported steel, with multiple investigations currently underway, but also counting with the possibility of postponements (see Figure 1 on the next page).

Our take: although current ongoing dumping investigations and yesterday's decision to implement anti-dumping duties on steel sheets have fueled optimism about potential further protectionism-related mechanisms in the steel industry, we do not account for additional anti-dumping duties in our base-case scenario. In that regard, we believe that the [inflationary immediate effect of such measures](#) could influence the government's decision, given the opposing reaction of the consumer sector, possibly seeking for other (potentially less effective) alternatives to tackle steel imports, such as a more restrictive quota-tariff system, in our view. That said, **we maintain [Gerdau as our top pick in the sector](#)** (although investors' concerns about potential tariff exemptions for Mexico and Canada in the U.S. have become more frequent), **while we remain Neutral on Usiminas and CSN**, but highlight that [Usiminas would be the main beneficiary of potential anti-dumping measures](#), if implemented, as noted in our recent update.

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A Summary of Steel-Related Protectionism Measures

Definitive Duties on Imports of Tinplate

Figure 1: Summary of Anti-Dumping Investigations

Steel Type	Category	Requesters	Investigated Countries	Current Status	Start Date	Last Update	Next Update	% of Imports YTD ¹	Link
Flat	Tinplate	CSN	China	Implemented	1-Mar-24	27-Aug-25	-	3.5%	Link
Flat	Tinplate	CSN	Germany, Japan and Netherlands	Started Investigation	30-May-25	30-May-25	-	3.5%	Link
Flat	Cold Rolled Coil	Usiminas	China	Final Investigation	19-Aug-24	11-Jun-25	15-Aug to 18-Nov	16.7%	Link
Flat	Hot Rolled Coil	Arcelor, Gerdau and Usiminas	China	Started Investigation	2-Jun-25	2-Jun-25	-	28.6%	Link
Flat	Hot Dip Galvanized Sheets	Arcelor, CSN and Usiminas	China	Final Investigation	2-Sep-24	2-Apr-25	9-Oct-25 to 12-Jan-26	36.7%	Link
Flat	Pre-Painted	CSN	China and India	Postponed by 18 months	19-Sep-24	23-Apr-25	13-Mar-26	9.1%	Link
Flat	Heavy Plates	Gerdau and Usiminas	South Africa, South Korea, China, Ukraine	Postponed by 12 months	2-Oct-24	28-May-25	23-May-26	0.4%	Link
Long	Wire Rod	Arcelor and Gerdau	China and Russia	Started Investigation	17-Jun-25	17-Jun-25	-	6.4%	Link

Figure 2: Summary of Quota-Tariff System

Requesters	Anti Dumping Requested?	Product	Type	Current Quota	Previous Quota	Current Tariff	Tariff Increase	Average Imports (2020-22)	Current Quota/ Av. Imports 2020-22 (%)	Previous Quota/ Av. Imports 2020-22 (%)
Flat Steel										
IABr	Yes	Coiled Plates	Quota	3.85	23.89	10.8%	25.0%	18.38	21.0%	130.0%
IABr	Yes	Hot Rolled Coil	Quota	9.33	19.15	10.8%	25.0%	14.73	63.4%	130.0%
IABr	Yes	Hot Rolled Coil	Quota	28.56	29.12	9.0%	25.0%	22.40	127.5%	130.0%
IABr	Yes	Hot Rolled Coil	Quota	70.47	113.83	10.8%	25.0%	87.56	80.5%	130.0%
IABr	Yes	Cold Rolled Coil	Quota	143.85	177.36	10.8%	25.0%	136.43	105.4%	130.0%
IABr	Yes	Cold Rolled Coil	Quota	108.77	124.32	10.8%	25.0%	95.63	113.7%	130.0%
IABr	Yes	Hot Dip Galvanized Sheets	Quota	432.86	470.13	10.8%	25.0%	361.63	119.7%	130.0%
IABr	Yes	Sheets Coated with Aluminum-Zinc	Quota	441.12	467.68	10.8%	25.0%	359.75	122.6%	130.0%
IABr	Yes	Other Alloy Steel Sheets and Coils	Quota	29.40	-	12.6%	25.0%	22.78	129.1%	n.m.
IABr	Yes	Other Alloy Steel Sheets and Coils	Quota	27.82	-	12.6%	25.0%	21.43	129.8%	n.m.
IABr	Yes	Other Alloy Steel Sheets and Coils	Quota	5.74	-	12.6%	25.0%	5.57	103.2%	n.m.
IABr	Yes	Other Alloy Steel Sheets and Coils	Quota	1.40	-	12.6%	25.0%	1.33	105.7%	n.m.
Long Steel										
IABr	Yes	Wire Rod	Quota	97.60	158.93	10.8%	25.0%	122.25	79.8%	130.0%
Abitam	No	Shapes and Seamless Tubes	Quota	18.88	-	16.0%	25.0%	18.02	104.8%	n.m.
Abitam	No	Shapes and Seamless Tubes	Quota	1.47	1.69	12.6%	25.0%	1.30	113.2%	130.0%
Abitam	No	Shapes and Seamless Tubes	Quota	1.26	1.26	12.6%	25.0%	0.97	130.0%	130.0%
Sicetel	No	Shapes and Seamless Tubes	Quota	5.04	-	12.6%	25.0%	0.00	n.m.	n.m.
IABr	No	Shapes and Seamless Tubes	Quota	42.80	-	10.8%	25.0%	17.85	239.8%	n.m.
IABr	No	Shapes and Seamless Tubes	Quota	10.50	-	10.8%	25.0%	2.65	397.1%	n.m.

Comps Sheet

Figure 3: Comps Sheet

Companies	Current Price	Rating	Market Cap (\$ mi)	ADTV (\$ mi)	P/E		EV/EBITDA		Dividend Yield	
					2025	2026	2025	2026	2025	2026
Diversified Miners					12.7x	12.4x	5.9x	5.4x	3.7%	3.8%
Vale	55.38	Neutral	46,401	205.8	6.8x	6.5x	4.5x	4.4x	6.4%	6.4%
Rio Tinto PLC	4,570.00	N.C.	105,222	187.5	10.9x	10.9x	5.6x	5.4x	5.4%	5.4%
BHP Group Ltd	43.01	N.C.	142,076	202.5	13.7x	13.7x	6.1x	6.2x	3.7%	3.8%
Anglo American PLC	2,201.00	N.C.	34,996	140.4	34.8x	19.7x	8.2x	6.9x	1.0%	2.2%
Glencore	293.40	N.C.	47,078	162.6	24.5x	13.1x	6.5x	5.4x	2.7%	3.8%
South 32	139.40	N.C.	7,909	0.4	11.6x	11.6x	4.4x	4.6x	3.6%	3.6%
Iron Ore					11.3x	13.3x	5.1x	5.7x	6.3%	5.1%
CSN Mineração	5.11	Neutral	5,174	4.3	14.4x	27.1x	6.9x	9.2x	6.2%	3.0%
Fortescue Metals Group Ltd	19.34	N.C.	38,729	86.5	11.3x	13.3x	5.1x	5.7x	6.3%	5.1%
Kumba Iron	30,086.00	N.C.	5,500	15.8	7.6x	8.8x	3.3x	3.7x	10.1%	7.4%
Latam Steel					9.7x	7.9x	4.4x	3.6x	4.3%	4.1%
Gerdau	16.78	Buy	5,987	25.7	9.6x	7.6x	4.2x	3.6x	3.5%	4.2%
Usiminas	4.21	Neutral	995	10.8	11.8x	14.1x	3.1x	3.0x	0.4%	1.8%
CSN	7.38	Neutral	1,807	11.7	4.1x	5.5x	4.5x	4.9x	5.1%	4.0%
Ternium	32.51	N.C.	6,517	7.8	9.8x	8.2x	5.3x	4.3x	8.1%	7.3%
US Steel					17.8x	12.3x	9.1x	7.4x	1.5%	1.5%
Nucor	150.33	N.C.	34,506	223.1	17.8x	13.2x	9.1x	7.8x	1.5%	1.5%
United States Steel Corp	n.a.	N.C.	12,417	721.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Steel Dynamics	132.70	N.C.	19,534	163.1	14.7x	10.6x	9.7x	7.4x	1.5%	1.6%
Commercial Metals	57.01	N.C.	6,381	49.3	21.4x	12.3x	8.2x	6.7x	1.3%	1.3%
Asia Steel					31.7x	13.9x	8.6x	6.8x	0.0x	2.8%
POSCO Holding	288,000.00	N.C.	16,733	54.5	17.7x	11.4x	6.0x	5.1x	3.3%	3.3%
Baoshan Iron & Steel	7.02	N.C.	21,375	86.6	14.2x	12.3x	6.2x	5.8x	4.3%	4.9%
China Steel Corp	20.15	N.C.	10,431	17.2	120.9x	45.2x	15.4x	12.7x	1.3%	1.8%
Tata Steel	153.63	N.C.	21,883	41.0	45.7x	15.5x	11.0x	7.7x	2.2%	2.4%
Japan Steel					7.8x	12.3x	6.8x	7.2x	5.2%	4.1%
Nippon Steel	3,120.00	N.C.	22,750	103.6	10.0x	17.1x	8.2x	8.6x	4.9%	3.9%
Kobe Steel	1,820.00	N.C.	4,894	23.4	5.5x	7.4x	5.4x	5.8x	5.4%	4.3%
Europe Steel					14.0x	8.2x	5.6x	3.5x	1.8%	1.8%
Arcelor Mittal	28.37	N.C.	28,155	52.5	9.7x	8.0x	5.7x	4.8x	1.5%	1.6%
Thyssenkrupp AG	8.94	N.C.	6,476	35.0	18.0x	11.5x	1.5x	1.2x	1.8%	1.8%
Salzgitter AG	22.32	N.C.	1,562	4.3	n.a.	8.2x	6.4x	3.5x	1.2%	1.3%
Voestalpine AG	28.36	N.C.	5,895	8.8	19.3x	13.4x	5.6x	5.2x	2.0%	2.5%
SSAB AB	55.80	N.C.	5,726	3.8	9.9x	7.8x	4.0x	3.3x	3.9%	4.8%



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