GLOBAL

Growth for earthmoving equipment

The latest Samsoni Outlook report, developed by the Vancouver trade show, suggests that one million earthmoving machines will be purchased globally in 2020, with North America and China tying for top place.

The Samsoni report, developed in collaboration with Ponstein and Umca, was presented during the fourth edition of Samsoni Day. North America was expected to see 7% more orders in 2020, backed up by investments in building, increasing by 17% per year on average.

In Europe, thanks to a strong growth in demand for construction equipment of 5% between 2018 and 2020, a return to 2007 levels was expected. The outlook for emerging markets was construction accelerating in Latin America, with the relative demand for construction machinery estimated at 17% increase between 2019 and 2020.

The report said that China — the second world market with a 21% market share — was expected to stabilize at around 180,000 units sold, for an average growth rate of 2.9%, effectively bringing the level with North America.

Central and Eastern Europe will post a record of 54,000 machines in 2020 - a rise of 11% — half of which will be bought by Russia. Good growth of approximately 12% is also forecast for India, with 50,000 units expected to be bought in 2020.

US

Strong first quarter from Cat

Sales and revenue jump by 31% and profit per share reaches record level

Caterpillar has announced a 31% rise in its sales and revenues, from US$9.8 billion in the first quarter of 2017 to US$12.9 million in the first quarter of 2018. Also, profit per share rose to $2.74, which was said to be a first-quarter record. Profit per share was $0.32 in the same period of the previous year.

Adjusted profit per share rose more than doubled, from $1.28 in the first quarter of 2017 to $2.58 in the first quarter of 2018. During the four quarters, Caterpillar's Machinery, Energy & Transportation operating cash flow was $8.8 billion, and the company repurchased $500 million of Caterpillar common stocks.

CEO Jim Umpleby said, "The combination of strength in many of our end markets and our team's continued focus on operational excellence - including strong cost control - has led to improved margins and a record first-quarter profit.

"Based on our strong first-quarter results and higher demand across all regions and most end markets, we are raising our outlook for 2018." Compared to the outlook provided in January, Caterpillar increased its profit per share outlook by $2, in a range of between $9.75 and $10.75. This was prompted primarily by growing demand for the company's products and services.

In Caterpillar's construction industries segment, broad-based growth has been forecast in all regions for 2018. This is expected to come predominantly from the continued strength of construction activity in North America and infrastructure development in China.

FINLAND

New CEO at Metso

Finland-based equipment and services supplier Metso Corporation has named Pekka Vauramo its new president and CEO. The company says he will take up the role in November at the latest.

Most recently president and CEO of Finroc, his CV includes more than 20 years at Sandvik as well as senior management positions.

"Pekka Vauramo has a proven track record in leading businesses facing competitive global markets, and he has long and extensive experience in the mining industry, and in an international business environment," said Mikael Linnart, the chair of Metso's board of directors. "His experience is a good fit for Metso, which has achieved solid momentum this year with its new and goal-oriented organization and management teams."

Eeva Pirttila, who has held the interim CEO role since February, will continue in that position until Pekka Vauramo (joint Metso before returning to his post as CEO).

CHILE/MEXICO

Astaldi wins contracts in Chile and Mexico

Astaldi Group has been awarded two new construction contracts worth a combined total of $190 million (US$231 million) for projects in Chile and Mexico.

The new construction contracts relate to two projects: the first of which is an Intermodal Hub at Mexico City's new International Airport. The engineering, procurement and construction (EPC) contract is worth US$350 million, of which US$20 million (US$214 million) refers to Astaldi Group's stake.

The contract provides for the construction of a land transport facility, which will be used as a hub for land transport connected to the city's new International airport. The hub will have a total surface area of 450,000 square meters.

The second project is in Chile — the Recuerse Norte Mining Project — and the construction contract is worth US$75 million (US$87 million). The works are part of the project for the underground development of the El Teniente copper mine, stretching between elevations of 1,300 and 1,900 meters in the Andes, 800 km south of Santiago de Chile. The work is expected to be completed by 2022.

The project involves designing and building new tunnels — one for access, the other for transport materials — allowing personnel and equipment to travel along 3km in length. The phase-two works, valued at $43 million (US$51.5 million), refers to building an additional 2km of access tunnel.

US

$1 billion residential plan

A joint venture between Canadian-based Brookfield Properties and US-based Park Tower Group is set to develop two new rental properties in New York City, US, for US$1 billion.

The development will be located at Greenpoint Landing, a waterfront site along a 0.8km stretch of East River.

The buildings will house 1,840 units, a third of which will be affordable housing, and part of the project the waterfront promenade will be extended.

With construction work expected to begin in 2019, Brookfield Properties said the aim was to create a fully-integrated community with housing units, public spaces, parks and a public school.

This development will add to the two new waterfront projects along the waterfront. In total, the two firms are now developing more than 2,000 units across four sites.