Investment project report example

Business, Company



Summary

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This forecast is mainly based on analyzing the performance and predicting the future of AECON Group Incorporation, Bird Corporation Incorporation and Boyuan Construction Group Incorporation. These are construction companies which have played a significant role in developing the progressively expanding Canadian infrastructure. The forecast reports that these companies have been demonstrating a steady growth because of the high demand of their services in the country. They have been involved in the construction of road, airports, bridges, highways, sky scrapers and hydroelectric dams.

AECON Group Incorporation mainly deals in the designing and construction of highways, hydro-electric dams and utility corridors. Because of this, it has realized a tremendous growth in the past. For instance, in the 2012 financial year, it made a profit of \$ 110 million. This was a 10% increase from that of the preceding year. On the other hand, Bird Corporation Incorporation also offers construction services across the whole country. It has also been registering a steady growth in its operations. For instance, in the 2012fiscal year, it made total net revenue of \$58. 25 million. This doubled what it had made in the previous year. Meanwhile, Boyuan Construction Group, Incorporation also deals in the construction business, but specializes in commercial, residential and municipal infrastructure across the country. In the 2012 fiscal year, it realized a net income of \$9.35.

These companies have managed to register a steady growth in their

business because the market favors their operations. However, the analysis indicates that it has not been easy to do this. This is due to the fact that there are very many factors which influence their development. These include the inflation rate in the country which does not only affect prices, but leads to the reduction of their profits. Basically, inflation increases the costs of operations, materials and tools used in the construction business. Besides, they are affected by the stiff competition in this sector. The lucrative nature of this business has resulted into an influx of construction industries in the country. This has posed a very stiff competition on these firms and explains why Boyuan Construction Group Inc finds it so challenging to expand. Lastly, their performance is dependant on the compensation enhancement programs which determines the performance of the employees who play an integral part in the industry.

Inflation in Canada: "A measure of price movements produced by Statistics
Canada and obtained by comparing the retail prices of a representative "
shopping basket" of goods and services at two different points in time."(a)
These are very accurate analyses which give the true picture of the nature of
construction business in Canada. The good performance of these
organizations' shares in the stock market is a clear indication that they have
an assured future. After all, they have become dominant firms in this
industry. Therefore, I would like to recommend that they should come up
with innovative and creative strategies to enable them grow as expected.
First, they should identify and concentrate on infrastructural developments
that are currently relevant to the society and are in high demand.
Meanwhile, they should consider adopting expansionist strategies to help

them enjoy economies of scale. This is the only way through which they will overcome competition and survive in this market. After all, construction is a very viable sector which should be optimally exploited. This is the only way through which companies like Boyuan Construction Group Inc will be able to appeal to the investors and coax them to buy its shares.