

Finance Colombia Rates Tecnoglass a Buy With a \$48 Price Target

Tariffs and currency, not demand, explain the margin compression

October 1, 2026

By [Loren Moss](#), Publisher and Chief Analyst



Tecnoglass Chief Operating Officer Christian Daes (left) and Chief Executive Officer José Manuel Daes. (Photo courtesy Tecnoglass, Inc.)

Investment Summary

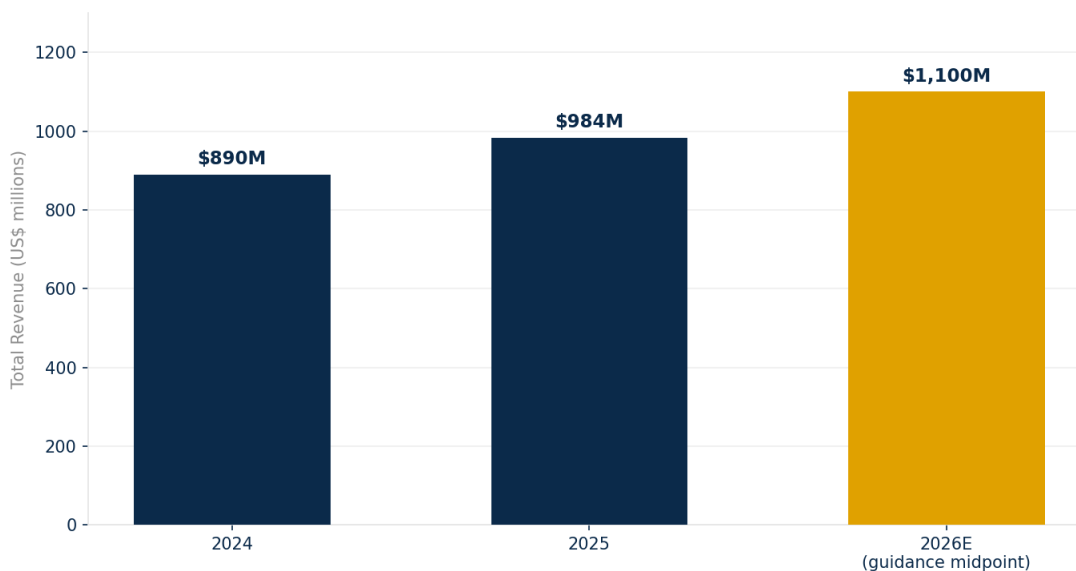
[Tecnoglass Holdings Inc.](#) (NYSE: TGLS), the Miami-headquartered manufacturer of architectural glass and aluminum and vinyl windows, which it produces at its manufacturing complex in Barranquilla, Colombia, [reported record second-quarter 2026 revenue](#) of \$295.3 million USD on August 6, up 15.6% year-over-year, while Adjusted EBITDA fell to \$51.7 million USD, or 17.5% of revenue, from \$79.8 million USD, or 31.2% of revenue, a year earlier. The stock has continued to decline since the results, closing at \$35.52 USD on September 30, near its 52-week low of \$34.05 USD and roughly half its 52-week high of \$68.36 USD.

Finance Colombia rates Tecnoglass a Buy with a 12-month base-case price target of \$48.00 USD, implying approximately 35% upside from the September 30 closing price. The core of the thesis is not that Tecnoglass's operating performance has weakened — revenue and backlog both set records in the quarter — but that a specific, identifiable and largely external cost shock, US tariffs on imported aluminum combined with a stronger Colombian peso, has compressed margins, and in Finance Colombia's assessment the share price reflects that compression as permanent. Management has laid out a concrete, dated plan (pricing actions already in orders since May, automation savings, full tariff offset targeted for 2027) to rebuild margin, and a change in Colombia's national government in August 2026 introduces a plausible, if uncertain, currency and investment-climate tailwind working in the opposite direction of the cost pressures that hit the June quarter. This is not a story about Tecnoglass out-executing a soft market; it is a story about a company with structurally strong returns on capital absorbing a cost shock from US

tariffs, aluminum prices and a stronger peso that management has committed to fully offsetting in 2027.

Tecnoglass Revenue Growth Has Not Slowed

Record revenue every year despite 2026 margin pressure from tariffs and FX



Source: Tecnoglass Q2 2026 earnings release; FY26 figure is company guidance midpoint. Finance Colombia.

Tecnoglass has posted record revenue every year since 2024, and FY2026 guidance implies another increase.

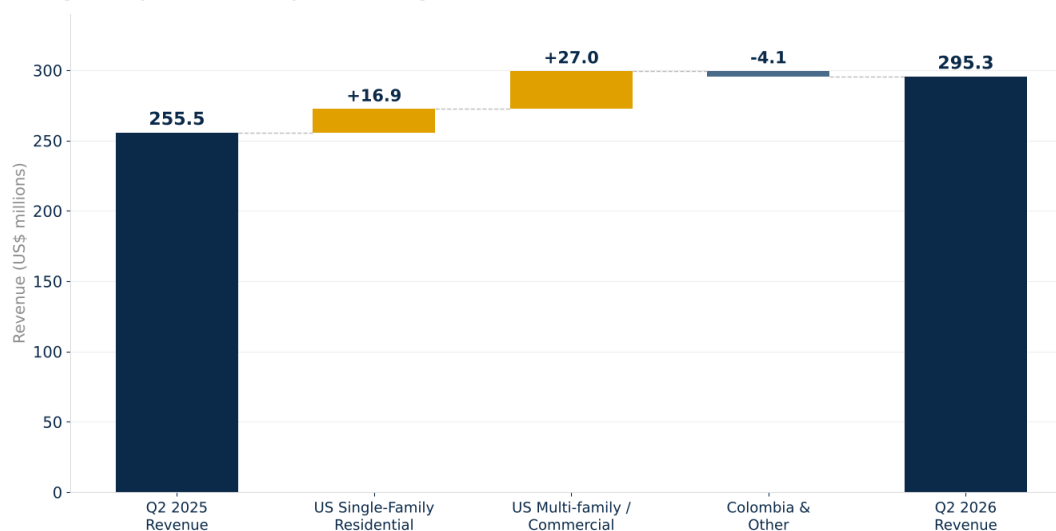
This is a bullish view built on the same publicly disclosed numbers management provided, not a claim that the company is immune from risk. The company said its revised 2026 guidance reflects sustained high aluminum costs and a stronger peso, and full tariff offset is not targeted until 2027. Readers should weigh the Risk Factors section of this report as carefully as the bull case, and institutional readers should note the commercial relationship described in the Disclosures section before relying on this report for investment decisions.

Second-Quarter 2026 Results in Detail

Total revenue for the quarter ended June 30, 2026, was \$295.3 million USD, up 15.6% from \$255.5 million USD in the second quarter of 2025. Growth was broad-based: multi-family and commercial revenue grew 15.7% year-over-year to a record \$168.8 million USD, and single-family residential revenue grew 15.4% to a record \$126.5 million USD, the latter partly reflecting orders placed ahead of the May pricing actions. By geography, US revenue, which represents the large majority of the business, grew 18.1% year-over-year to \$286.2 million USD, while Colombia revenue declined 7.1% to \$6.2 million USD and other-country revenue fell 55.9% to \$2.9 million USD — both small pieces of a business that now derives more than 95% of revenue from the United States.

US Residential and Commercial Demand Drove the Growth

US single-family and multi-family/commercial gains more than offset a decline in Colombia and other markets



Source: Tecnoglass Q2 2026 earnings release and presentation. Finance Colombia.

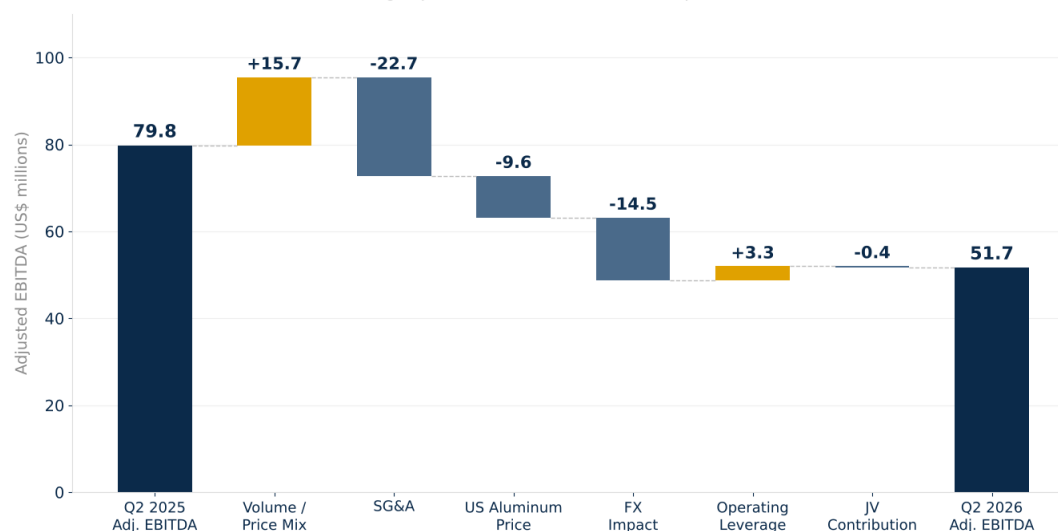
US single-family and multi-family/commercial demand drove the growth.

Profitability moved in the opposite direction. Gross profit was \$110.0 million USD, a 37.3% gross margin, down from \$114.3 million USD and 44.7% a year earlier. Management attributed the decline primarily to a roughly 77% year-over-year increase in the average all-in US aluminum price (including the Midwest premium), higher labor costs from the annual Colombian minimum-wage adjustment, and a roughly 14% year-over-year appreciation of the Colombian peso, partly offset by operating leverage on higher volume; approximately \$0.7 million USD in severance tied to the company's own headcount reduction also weighed on the quarter. Selling, general and administrative expense (SG&A) rose to \$73.5 million USD, or 24.9% of revenue, from \$53.1 million USD, or 20.8% of revenue, an increase management said reflected roughly \$17.0 million USD in costs tied directly to Section 232 tariffs on finished aluminum window imports, plus higher transportation and commission costs on the higher revenue base.

Adjusted EBITDA fell to \$51.7 million USD from \$79.8 million USD, a decline of \$28.1 million USD. The company's own reconciliation breaks that decline into six components: higher sales volume and price/mix added \$15.7 million USD; SG&A growth, mostly tariff-related, subtracted \$22.7 million USD; the higher US aluminum price subtracted \$9.6 million USD; foreign-exchange impact (the stronger peso) subtracted \$14.5 million USD; operating leverage added \$3.3 million USD; and the company's Vidrio Andino joint venture with [Saint-Gobain](#) (Euronext Paris: SGO) subtracted \$0.4 million USD, according to the company's earnings presentation (components may not sum due to rounding).

What Actually Drove the Margin Decline

Tariff-related SG&A, aluminum and a stronger peso, not weaker demand, explain the \$28.1M decline



Source: Tecnoglass Q2 2026 earnings presentation. Components may not sum due to rounding. Finance Colombia.

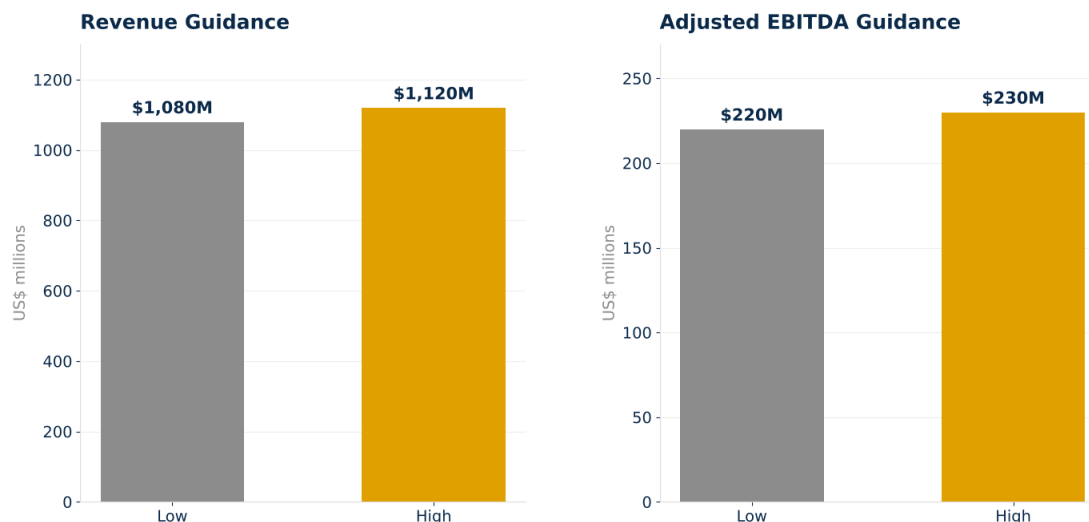
Tariff-related costs, aluminum prices and a stronger peso, not weaker demand, explain nearly all of the Adjusted EBITDA decline.

Two items in that bridge are worth separating. The aluminum price and SG&A headwinds total a combined \$32.3 million USD, of which roughly \$17.0 million USD is SG&A the company tied directly to Section 232 tariffs, and management said it is addressing them through pricing actions, logistics optimization and accelerated automation. The peso appreciation (\$14.5 million USD headwind) is tied to Colombia's currency, not to US trade policy, and is the item this report connects to the political transition discussed later. Net income for the quarter was \$24.6 million USD, or \$0.55 USD per diluted share, down from \$44.1 million USD, or \$0.94 USD per diluted share, a year earlier; both periods include non-cash foreign-exchange re-measurement gains (\$5.2 million USD in 2026 versus \$0.8 million USD in 2025) tied to US-dollar-denominated balances against the peso. Adjusted net income, which excludes those and other non-core items, was \$23.8 million USD, or \$0.54 USD per diluted share, versus \$48.5 million USD, or \$1.03 USD per diluted share, a year earlier.

Chief Financial Officer Santiago Giraldo said the company is narrowing its full-year 2026 revenue outlook to \$1.08 billion USD to \$1.12 billion USD, with Adjusted EBITDA of \$220 million USD to \$230 million USD. "The revision primarily reflects sustained high aluminum costs and a Colombian peso that has strengthened beyond our prior assumptions, not a change in the demand for our products," Giraldo said in the company's [August 6 earnings release](#), adding that management is "committed to fully offsetting the impact of tariffs in 2027, as automation savings and full-year pricing are realized." By Finance Colombia's calculation, the guidance midpoint implies a full-year Adjusted EBITDA margin of roughly 20.5%, compared with 31.2% in the second quarter of 2025 and roughly 31% in the first half of 2025, based on the release's six-month figures. The revision is the second guidance change this year: on April 10, after the White House expanded Section 232 metals tariffs to finished goods and certain derivative products, Tecnoglass [cut its 2026 Adjusted EBITDA guidance](#) to \$225 million USD to \$245 million USD, a range it [reiterated with first-quarter results](#) alongside revenue guidance of \$1.06 billion USD to \$1.13 billion USD.

Full-Year 2026 Guidance, Revised

Management revised FY26 ranges after Q2, citing aluminum costs and a stronger peso, not demand



Source: Tecnoglass Q2 2026 earnings release. Finance Colombia.

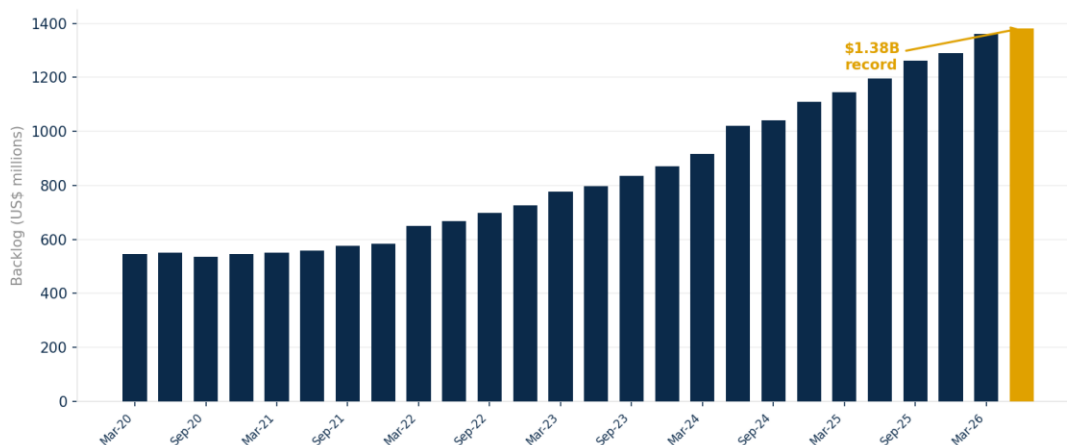
Management revised FY2026 guidance with second-quarter results, adjusting the revenue range and lowering the Adjusted EBITDA range.

Backlog and Demand Quality

Backlog, representing signed orders not yet recognized as revenue, grew 15.6% year-over-year to a record \$1.38 billion USD, roughly 1.25 times the midpoint of the company's own FY26 revenue guidance. Chief Operating Officer Christian Daes said the increase extended "our track record of sequential quarter growth since 2021," and said the record reflected execution on a growing multi-family and commercial project pipeline, while new showrooms, an expanding dealer network and vinyl lines helped raise the share of single-family revenue generated outside Florida. Management also disclosed that its automation and efficiency program "enabled a 10% headcount reduction as of the end of June, with additional automation expected to be operational by year end," and said the program preserves its capacity to serve the order book.

Backlog Reaches a Record \$1.38 Billion

Backlog has grown sequentially every quarter since 2021, per the company



Source: Tecnoglass Q2 2026 earnings presentation. Finance Colombia.

Backlog reached a record \$1.38 billion USD, extending sequential quarterly growth the company dates to 2021.

A growing backlog does not, by itself, guarantee margin recovery. According to the company, "pricing actions implemented in May began flowing into orders late in the quarter, with the revenue benefit beginning in the third quarter," meaning the second-quarter results largely predate any pricing offset. Chief Executive Officer José Manuel Daes said the company expects "these actions to progressively benefit results in the second half of the year as we work toward a more optimized cost position entering 2027." Third-quarter results, which StockAnalysis.com estimates for November 5, 2026, will be the first to show whether that offset is materializing.



One Thousand Museum (center) in Miami, one of the US projects featuring Tecnoglass products. (Photo courtesy Tecnoglass, Inc.)

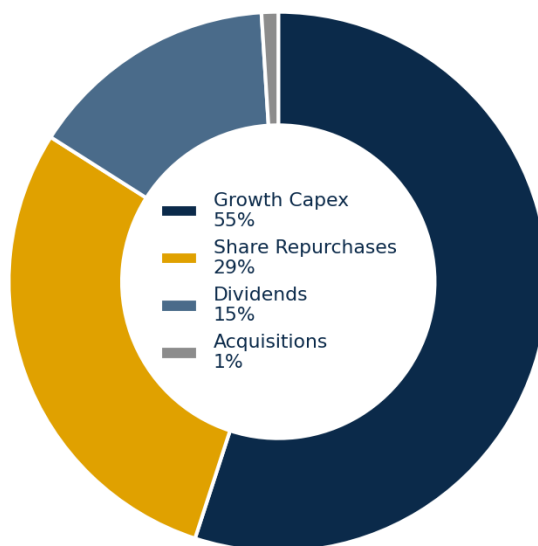
Balance Sheet, Liquidity and Capital Allocation

Tecnoglass ended the quarter with total liquidity of approximately \$360 million USD, comprising \$80.8 million USD in cash and cash equivalents and \$280.0 million USD of availability under [revolving credit facilities](#), against total debt of \$225.4 million USD. Management puts net debt to trailing-twelve-month Adjusted EBITDA at approximately 0.6 times, which the company describes as "a conservative leverage profile." Operating cash flow for the quarter was approximately \$4.4 million USD, which the company attributed to the seasonal timing of Colombian income tax payments, tariff-related cash outlays, and continued strategic purchases of US-sourced aluminum as part of its own tariff-mitigation strategy; those US-sourced purchases are relevant to a June 2026 revision to Section 232 rules (discussed below) that lowered the US-content threshold required for reduced tariff treatment on derivative products from 95% to 85%.

The company returned \$6.7 million USD to shareholders in dividends during the quarter and had approximately \$92.5 million USD remaining under its share repurchase authorization as of August 6. Since 2023, Tecnoglass has deployed a cumulative \$542 million USD of capital, split roughly 55% to growth capital expenditures, 29% to share repurchases, 15% to dividends and 1% to acquisitions, according to the company's own investor materials, a mix weighted toward reinvestment in the business.

How Tecnoglass Has Deployed \$542 Million Since 2023

The majority still goes to growth capex, not just buybacks and dividends



Source: Tecnoglass Q2 2026 earnings presentation. Finance Colombia.

The majority of the \$542 million USD deployed since 2023 has gone to growth capital expenditures.

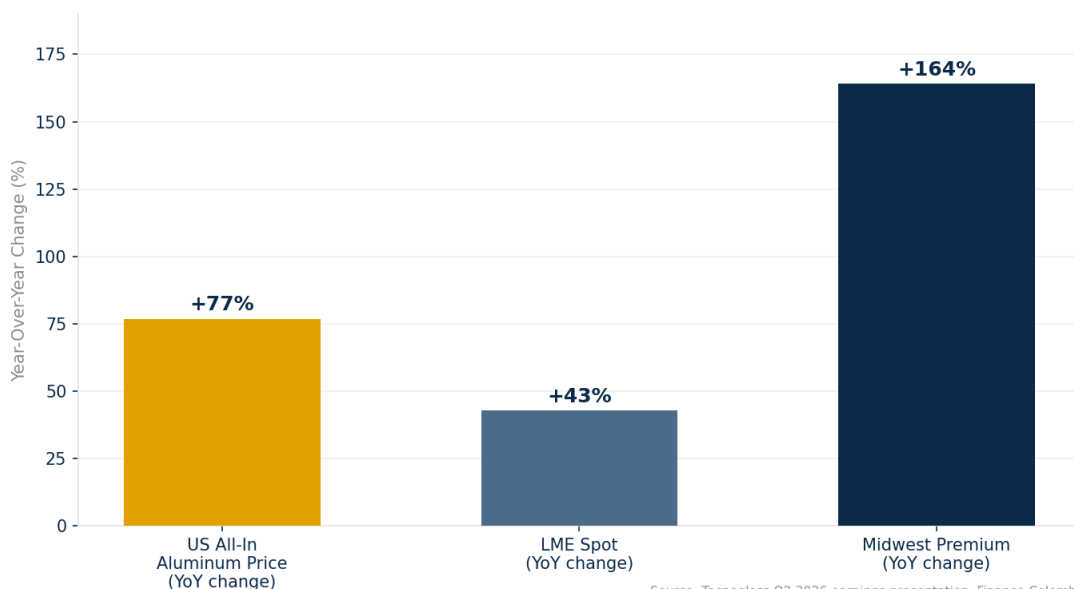
Understanding the Tariff Shock

In Finance Colombia's assessment, US trade policy on imported aluminum is a central variable for the company, and its mechanics are worth explaining in more detail than the company's

press release provides. On April 2, 2026, the administration issued Proclamation 11021, substantially restructuring Section 232 tariffs on imported steel, aluminum and copper, extending coverage to finished "derivative" products, and applying tariffs to the full customs value of the finished product rather than only its metal content, according to a summary published by law firm [Troutman Pepper Locke](#). That proclamation set a tiered structure that includes a 50% rate on products made entirely or almost entirely of the covered metals, a 25% rate on derivative products only "substantially composed" of them, and a reduced 10% rate for derivative products made entirely — defined at the time as at least 95% of the metal content — of US-smelted, cast or poured metal. Tecnoglass's April 10 guidance update, [as Finance Colombia reported at the time](#), attributed the cut to a newly applied 10% tariff on certain finished aluminum window imports into the US market; in Finance Colombia's assessment, that rate matches the reduced 10% tier Troutman Pepper Locke describes, though neither the company's update nor the firm's summary states this directly. On June 1, 2026, effective June 8, the administration revised the framework again, lowering the US-content threshold required to qualify for that reduced rate from 95% to 85% of the metal content, according to Troutman Pepper Locke.

The Real Story Is an Input-Cost Shock, Not a Demand Problem

US aluminum costs rose sharply through Q2 2026, led by the Midwest premium



Source: Tecnoglass Q2 2026 earnings presentation. Finance Colombia.

The real story is an input-cost shock, not a demand problem.

Two things follow from this. First, in Finance Colombia's assessment, the tariff exposure is structural to Tecnoglass's product category rather than a one-time cost; the regime, as Troutman Pepper Locke summarizes it, covers derivative products made of the covered metals. Second, the company's stated practice of continued strategic purchases of US-sourced aluminum, which it describes as part of its tariff-mitigation strategy, could, in Finance Colombia's assessment, be easier to translate into reduced-tier treatment following the June reduction in the US-content threshold from 95% to 85%. Those purchases do not eliminate the tariff exposure, and the sources cited here do not show how the company's shipments are assessed. Neither point removes the current cost: the company's August 6 release attributed approximately \$17.0 million USD of second-quarter SG&A to expenses associated with the recently implemented Section 232 tariffs. The company's own stated basis for offsetting tariffs in 2027 is separate from these two points: Giraldo cited automation savings and full-year pricing.

Redomiciliation and Index Eligibility

Effective July 7, 2026, Tecnoglass completed a [previously announced](#) redomiciliation from the Cayman Islands to the US, reincorporating in the state of Florida, following shareholder approval at its annual general meeting. The company remains headquartered in Miami and continues to trade on the [New York Stock Exchange](#) under the ticker TGLS. In its August 6 release, management said the move simplifies the company's organizational and regulatory structure, improves the tax efficiency of dividend distributions, and broadens its potential investor base to include investors limited to US-domiciled companies. The release also said the move improves the company's eligibility for indices. Whether and when Tecnoglass enters any specific index depends on each index provider's own eligibility rules, which this report does not attempt to predict; readers evaluating the stock on index-inclusion grounds should confirm current criteria directly with the relevant index provider.



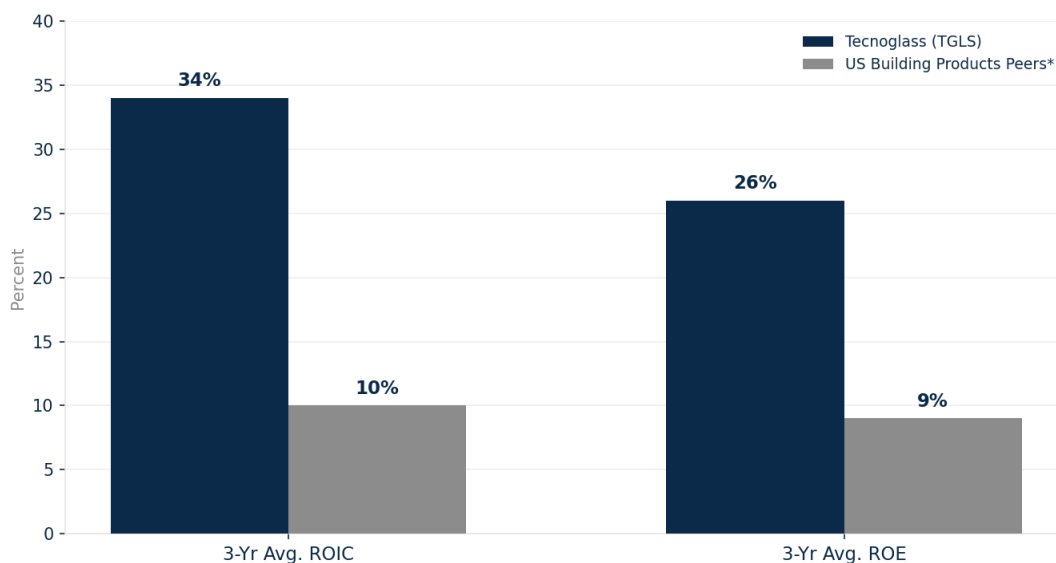
Tecnoglass executives and guests at the New York Stock Exchange opening bell on June 6, 2022. (Photo courtesy Tecnoglass, Inc.)

Peer Comparison and Valuation Methodology

Tecnoglass discloses its own peer set for benchmarking purposes in its investor materials: [American Woodmark Corp.](#) (formerly NASDAQ: AMWD; acquired by MasterBrand in May 2026), [Apogee Enterprises Inc.](#) (NASDAQ: APOG), [Armstrong World Industries Inc.](#) (NYSE: AWI), [Acuity Inc.](#) (formerly Acuity Brands; NYSE: AYI), [Fortune Brands Innovations Inc.](#) (NYSE: FBIN), [Janus International Group Inc.](#) (NYSE: JBI), [JELD-WEN Holding Inc.](#) (NYSE: JELD), [MasterBrand Inc.](#) (NYSE: MBC), [Quanex Building Products Corp.](#) (NYSE: NX), [Gibraltar Industries Inc.](#) (NASDAQ: ROCK), [Simpson Manufacturing Co. Inc.](#) (NYSE: SSD), and [Interface Inc.](#) (NASDAQ: TILE), sourced by the company via [FactSet](#) (NYSE: FDS; NASDAQ: FDS). Against that group, Tecnoglass discloses a three-year average return on invested capital of 34% and return on equity of 26%, versus roughly 10% and 9%, respectively, for the peer average, measured as a three-year average rather than a single year.

Tecnoglass Returns on Capital vs. Peer Average

TGLS 3-year average returns on capital run about three times the peer average



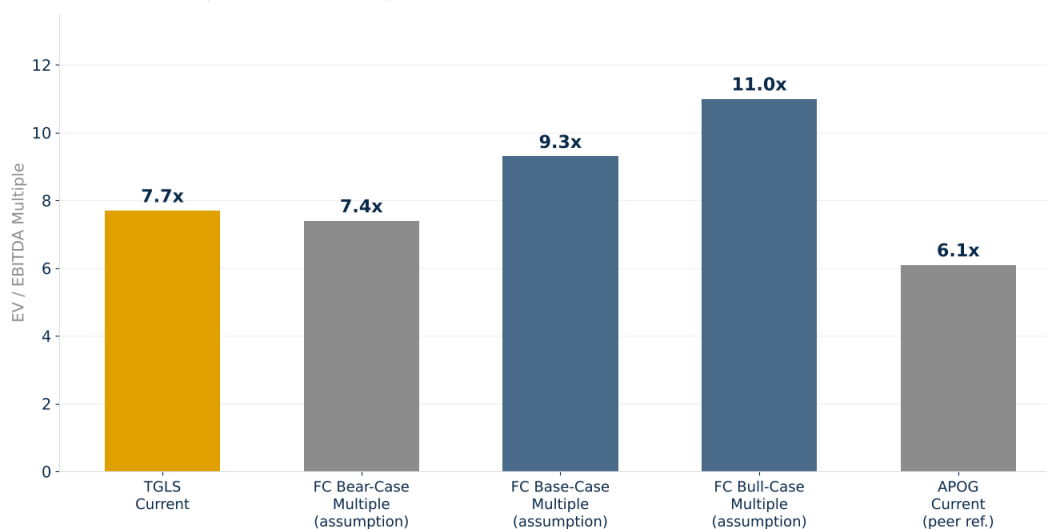
*AMWD, APOG, AWI, AYI, FBIN, JBI, JELD, MBC, NX, ROCK, SSD, TILE. Source: Tecnoglass Q2 2026 earnings presentation (FactSet). Finance Colombia.

Tecnoglass's three-year average returns on capital run roughly three times the peer average, per company-disclosed FactSet data.

On multiple, Tecnoglass currently trades at approximately 7.7 times enterprise value to trailing Adjusted EBITDA, according to [StockAnalysis.com](https://www.stockanalysis.com) as of the September 30, 2026 close, down from approximately 8.6 times on August 13, according to StockAnalysis.com data retrieved that day, as the share price has fallen toward its 52-week low. Using the current share price, share count, cash and debt levels against the midpoint of FY26 guidance instead of trailing EBITDA, Finance Colombia's own back-of-envelope calculation lands in a similar range of roughly 7.5 to 8 times, corroborating the figure. Finance Colombia was not able to independently verify a precise five-year average or peak historical multiple for the stock from public disclosures; the price-target scenarios below use 7.4 to 11.0 times as Finance Colombia's own illustrative range, and readers should treat those specific multiples as the author's assumption rather than a company-disclosed data point. For reference, Apogee Enterprises trades around 6.1 times EV/EBITDA, according to StockAnalysis.com.

TGLS's Multiple vs. Finance Colombia's Scenario Assumptions

Current EV/EBITDA compared with the multiples used in the bear, base and bull cases



TGLS (Sep 30, 2026 close) and APOG (Sep 29, 2026) multiples per StockAnalysis.com; bear/base/bull are Finance Colombia assumptions, not company data.

Tecnoglass's current EV/EBITDA multiple compared with the multiples assumed in Finance Colombia's scenarios.

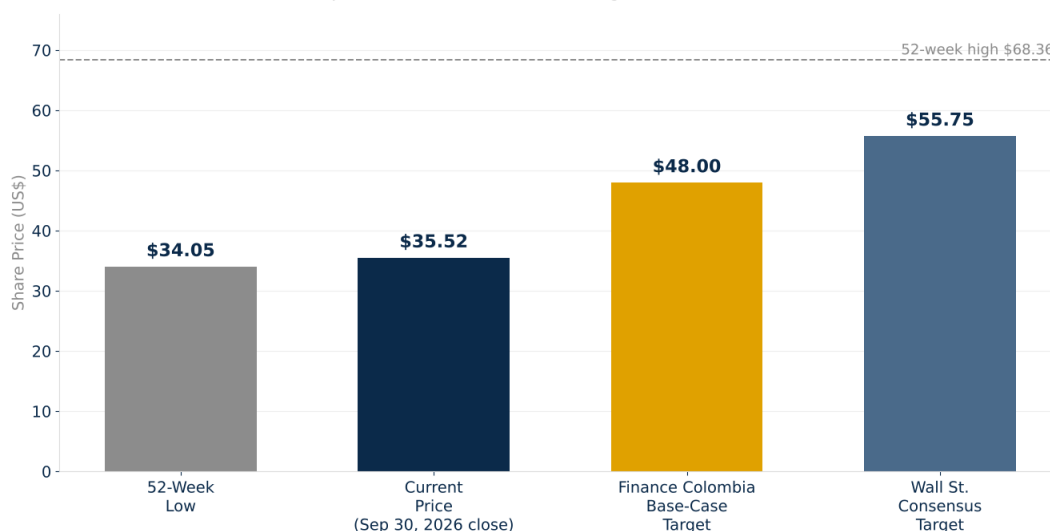
Valuation and Price Target

Finance Colombia's \$48.00 USD base-case 12-month price target is derived from a straightforward EV/EBITDA framework applied to a Finance Colombia estimate of FY2027 Adjusted EBITDA, not from company guidance, which does not extend past 2026. The methodology and the assumptions behind it are disclosed here in full so readers can substitute their own judgment.

Base case: Finance Colombia assumes FY2027 revenue of approximately \$1.20 billion USD, growth of roughly 9% off the FY2026 guidance midpoint and below the approximately 13% growth the company's 2026 outlook implies over 2025, a level Finance Colombia considers supported by the record \$1.38 billion USD backlog; and an Adjusted EBITDA margin of roughly 20%, holding near the approximately 20.5% implied by the FY2026 guidance midpoint and the roughly 20.8% implied by the company's first-half 2026 results, on the assumption that the pricing actions implemented in May, continued US-sourced aluminum purchases under the June Section 232 revision, and automation savings broadly offset continued tariff and currency pressure, implying FY2027E Adjusted EBITDA of approximately \$240 million USD. Applying an enterprise value to Adjusted EBITDA multiple of 9.3 times, Finance Colombia's own assumption for a partial re-rating from current levels (not a company-disclosed or verified historical figure — see the Peer Comparison and Valuation Methodology section above), implies an enterprise value of approximately \$2.23 billion USD. Netting an assumed FY2027 net debt position of approximately \$120 million USD (versus \$144.6 million USD at June 30 by Finance Colombia's calculation, from the release's total debt of \$225.4 million USD less \$80.8 million USD in cash) implies an equity value of approximately \$2.11 billion USD, or approximately \$48.00 USD per share on an assumed diluted share count of approximately 44.0 million shares (versus 44.4 million shares outstanding at June 30 and a second-quarter diluted weighted-average count of 44.4 million, per the release).

The Stock Has Not Kept Pace With the Business

TGLS trades near its 52-week low despite record revenue and backlog



Source: StockAnalysis.com (Sep 30, 2026 close); consensus of four covering analysts. Finance Colombia estimate is illustrative, not a guarantee.

The stock trades well below both Wall Street's consensus target and its 52-week high.

Bear case: assumes FY2027 Adjusted EBITDA of \$200 million USD, reflecting further margin pressure, and a 7.4 times multiple, slightly below the current level of approximately 7.7 times (no re-rating), implying a value of approximately \$30.91 USD per share, roughly 13% below the current price. Bull case: assumes FY2027 Adjusted EBITDA of \$280 million USD, reflecting fuller demand conversion from the current backlog plus successful full-cost offset, applied to an 11.0 times multiple, a fuller re-rating that is likewise a Finance Colombia assumption rather than a historical reference point, implying a value of approximately \$67.27 USD per share, roughly 89% above the current price. All three scenarios use the same net debt and share-count assumptions.

Finance Colombia 12-Month Price Target: \$48 ("Buy")

Base case applies a 9.3x multiple (a Finance Colombia assumption) to FC FY2027E Adjusted EBITDA



Illustrative scenario analysis based on Finance Colombia estimates, not a guarantee of future performance. See disclosures. Finance Colombia.

Finance Colombia 12-month price target: \$48.00 USD ("Buy").

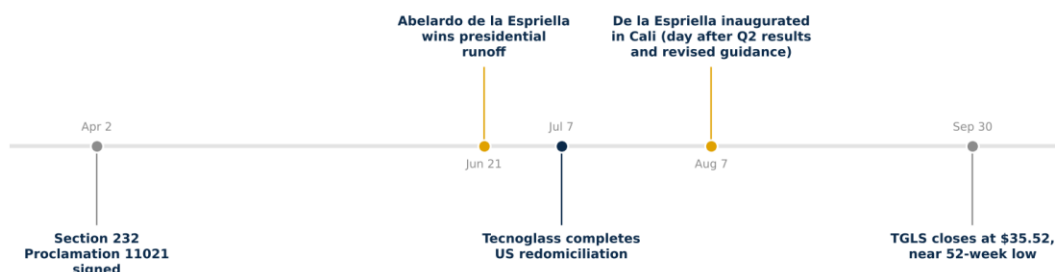
For reference, the four sell-side analysts currently covering the stock hold an average price target of \$55.75 USD, according to [StockAnalysis.com](https://www.stockanalysis.com), above Finance Colombia's base case. Finance Colombia's target is intentionally more conservative than sell-side consensus: it assumes revenue growth with margins holding near the FY2026 guidance level of about 20% and only a partial multiple re-rating. Readers should treat all three scenarios, and the sell-side consensus figure, as estimates subject to the risks described below, not as guarantees.

Colombia's Political Transition: An External Catalyst, Not a Certainty

Abelardo de la Espriella won a narrow June 21, 2026, runoff for the Colombian presidency, defeating Pacto Histórico candidate Iván Cepeda by less than one percentage point (49.66% to 48.70%), and was [inaugurated](#) August 7 in Cali, the first Colombian presidential inauguration held outside Bogotá since 1898. His campaign combined a hardline security agenda with a smaller state, a broadened tax base, renewed support for hydrocarbons and a more explicitly market-oriented economic policy, according to a note published by law firm [Herbert Smith Freehills Kramer](#). Writing for the [Atlantic Council](#), Kristie Pellecchia Loiacono, founder and a principal at Pellecchia International, who served on the Atlantic Council's US-Colombia Task Force, said the election of de la Espriella and Vice President José Manuel Restrepo "should mark the return of capital into Colombia," citing more visibility on security, sound fiscal and investment policies, and a renewed relationship with the United States.

2026 Timeline: Tariff Headwind Meets a Political Shift

Higher input costs and a more market-oriented Colombian government arrived in the same year



Source: Company disclosures; Troutman Pepper Locke; Wikipedia (election and inauguration); StockAnalysis.com. Finance Colombia.

Higher input costs and a more market-oriented Colombian government arrived in the same year.

For Tecnoglass specifically, the relevant transmission channel is the Colombian peso, not Colombian revenue directly; Colombia represents only about 2% of total company revenue, but the company's 5.8-million-square-foot manufacturing complex is in Barranquilla, and the company cites the stronger peso as one of the main drivers of the quarter's margin decline. A roughly 14% year-over-year peso appreciation subtracted \$14.5 million USD from second-quarter Adjusted EBITDA. If a more market-oriented, US-aligned government contributes to a more stable or weaker peso relative to the dollar over the next 12 to 18 months, that would work directly in Tecnoglass's favor on the cost side; if instead the peso continues to appreciate or Colombia's fiscal position deteriorates further, the currency effect could remain a headwind regardless of the change in government. Fiscal news has already moved the currency: the peso [weakened 1.8% against the dollar in August](#) after the government's 2027 budget raised its projected fiscal deficit to 7.2% of GDP for 2026 and 9.4% for 2027, from 5.3% and 4.5%, respectively.



Aerial view of Tecnoglass's manufacturing complex in Barranquilla. (Photo courtesy Tecnoglass, Inc.)

This catalyst should not be overstated. Herbert Smith Freehills Kramer's own analysis flagged that Colombia's fiscal deficit is estimated at 7% to 8% of GDP, that Congress remains fragmented, that outgoing President Gustavo Petro questioned the legitimacy of the election result, and that on July 7, 2026, President-elect de la Espriella instructed his team to suspend the formal handover process with the outgoing Petro administration. De la Espriella took office as scheduled on August 7. As [Finance Colombia reported in July](#), his *Salvación Nacional* (National Salvation) movement holds three Senate seats and one House seat in a Congress of 103 senators and 183 representatives, and the outgoing government suspended Colombia's fiscal rule through 2027. Herbert Smith Freehills Kramer concluded that "the investment outlook is therefore likely to be shaped less by the direction of policy than by the incoming administration's capacity to build coalitions, restore fiscal credibility and provide regulatory certainty in sectors such as energy, infrastructure and mining." Finance Colombia treats the political transition as a genuine, directionally favorable variable for Tecnoglass's cost structure, but not as a resolved or guaranteed tailwind, and it is not the primary basis for this report's Buy rating, which rests principally on the valuation gap and management's stated plan to offset the tariff impact in 2027.

Risk Factors

Tariff persistence or escalation. Section 232 tariff rates and product coverage have already been revised twice in 2026 and could change again; a further increase in rates or a reversal of the June content-threshold relief would directly undercut management's stated 2027 margin-recovery plan and would invalidate both this report's base case and its bull case.

Currency risk cuts both ways. The same peso appreciation that hurt the second quarter could continue or worsen regardless of Colombia's political transition; currency forecasting is not this report's area of expertise, and readers should not treat the political catalyst discussed above as a currency forecast.

Execution risk on cost actions. In Finance Colombia's assessment, the base case depends on pricing actions holding in a competitive market, additional automation becoming operational by year-end as the company expects, and US-sourced aluminum purchases qualifying for reduced-tier tariff treatment, which is Finance Colombia's assumption rather than a company statement; any of these could fall short.

Colombia political and fiscal risk. As detailed above, Colombia's fiscal deficit, a divided Congress, and the friction surrounding the transition create meaningful execution risk around the new administration's own agenda, independent of Tecnoglass. Political instability could also introduce broader Colombia country risk that outweighs any currency benefit.

Demand risk. More than 95% of Tecnoglass's revenue comes from the United States, concentrated in single-family residential and multi-family/commercial construction, both of which are sensitive to US interest rates, housing starts and commercial construction activity; a US construction downturn would pressure the backlog-conversion assumptions underlying this report's base case regardless of the tariff and currency dynamics discussed above.

Valuation and estimate risk. The price targets in this report rely on Finance Colombia's own FY2027 estimates and multiple assumptions, which are not company guidance and could prove too optimistic or too conservative in either direction; the bear case above illustrates the magnitude of downside if cost recovery falls short.

Commercial relationship. As noted in the Disclosures section, Tecnoglass is an advertiser with Finance Colombia, a relationship readers should weigh when assessing the objectivity of this report.

Conclusion

Tecnoglass's second-quarter results describe a company whose core business, record backlog, company-reported market share gains and returns on capital, remains intact while its reported profitability absorbs a large, identifiable cost shock driven by tariffs, aluminum prices and the peso. The stock's continued decline to near its 52-week low since the results looks, in Finance Colombia's assessment, more consistent with the market pricing that shock as permanent than as a cost shock that management has committed to fully offsetting in 2027. Finance Colombia rates Tecnoglass a Buy with a 12-month base-case price target of \$48.00 USD, a target intentionally set below current sell-side consensus and built on margins holding near the FY2026 guidance level of about 20% and a partial multiple re-rating. The Colombia political transition represents a genuine, if uncertain, secondary catalyst on the currency side, layered on top of a valuation case that does not depend on it. Investors considering this report alongside Tecnoglass's own [SEC](#) filings and earnings materials should weigh the risk factors above, including the tariff, currency, execution, Colombia country-risk and commercial-relationship considerations, as carefully as the upside case.

Report Summary

Company	Tecnoglass Holdings Inc. (NYSE: TGLS)
Rating	Buy
12-Month Price Target	\$48.00 USD (base case; see Valuation and Price Target section)
Price as of September 30, 2026 (close)	\$35.52 USD
Implied Upside, Base Case	Approximately 35%
52-Week Range	\$34.05 USD – \$68.36 USD
Sector	Building Products / Architectural Glass and Aluminum Systems
Author	Loren Moss, Publisher and Chief Analyst, Finance Colombia
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By [Loren Moss](#), Publisher and Chief Analyst

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About the Author

Loren Moss is publisher of Finance Colombia and host of Colombia Business News, and has built and operated a Colombia-based media and consulting group since 2014 whose clients have included national government investment-promotion agencies on three continents and multinational corporations. He previously held FINRA Series 7 and SEC investment-adviser-

representative registrations, along with multistate insurance licensure, in a securities, insurance and registered-investment-advisory practice serving more than 1,000 clients across four US states. He is also the author of an [Amazon](#) (NASDAQ: AMZN) number-one category bestselling business guide and has been cited as a subject-matter expert in [Gartner](#) (NYSE: IT) research.

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