

Boeing shares gain on report of 737 MAX production boost plans

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Reuters reported Friday that Boeing could take its Max production output to 42 jets per month by the fall of next year, well ahead of the planemaker's current target of a "gradual" increase to 31 planes per month by the spring of next year.

Boeing had cautioned earlier this year that it doesn't expect global airline passenger traffic to return to 2019 levels for at least another two years, adding that airline customers continue to adjust their operations and fleet planning based on those projections.

That view was echoed by the head of the International Air Transport Association lobby group, Willie Walsh, who told reporters in Dublin earlier this week that staff cuts and a dearth in new aircraft supply means the "ability for the industry to recover to the 2019 levels of capacity quickly is now impossible", adding the return may in fact take several years.

Boeing shares were marked 3.1% higher in early trading Friday to change hands at \$234.70 each, a move that would extend the stock's year-to-date gain to around 9%.

Boeing posted its sixth consecutive quarterly loss last month as it cautioned that the COVID pandemic continues to challenge the global aircraft market and unveiled a pause in 737 MAX deliveries linked to an electrical fault.

Its March quarter backlog, however, was tabbed at \$364 billion, and Boeing said it secured net new orders for the second consecutive month in March as its clients prepare for a post-pandemic rebound in global passenger traffic.

Boeing said its net new orders for March totaled 40 new aircraft, lifting the first quarter tally to 69. Gross orders for the quarter were pegged at 282 planes, Boeing said, after shifting a total of 77 planes over the first quarter, including 7 widebody aircraft and 22 737s last month, a 55% increase from the same period last year.

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