

American Airlines confirms 2024 forecast despite Q1 loss

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American Airlines cited recovering business travel as a supportive factor as it confirmed its full-year profit forecast.

American Airlines reported a quarterly loss Thursday on an uptick in labor and other operating costs as the carrier confirmed its full-year financial forecast.

The big US airline lost \$312 million in the [first quarter](#) even as revenues rose 3.1 percent to \$12.6 billion. Executives pointed to a recovery in business travel as a positive sign.

But operating expenses jumped 6.9 percent. Categories with significant increases included salaries, wages and benefits; and maintenance, materials and repairs.

Labor has been tight throughout the US aviation industry, leading to broad-based pay increases and constraining the industry's ability to meet surging post-lockdown demand.

The quarter does not include the boost from the ratification of a new pilots contract that the Allied Pilots Association said would immediately increase pay by more than 21 percent.

American is also immersed in negotiations with a flight attendants union over a new contract.

Chief Executive Robert Isom said the carrier is determined to pay staff at "the top of the industry" and would match a recent pay at rival Delta.

American is on track to boost aviation capacity in 2024 by "above single-mid digits" compared with the year-ago period, Chief Financial Officer Devon said on a conference call with analysts.

May said American is less affected by the [delays](#) in new aircraft deliveries compared with rivals after earlier investments.

Delays to Boeing deliveries in the wake of safety issues "have been largely offset" by American's use of regional carriers, May said.

American confirmed its full-year profit forecast range of between \$2.25

and \$3.25 per share. The company also projected a profitable second quarter.

Shares rose 0.7 percent in mid-morning trading.

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