

Boeing shares tumble as company lowers 2024 cash forecast

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Boeing shares fell after the company's CFO lowered the company's cash forecast.

Boeing shares were hammered Thursday after a top company official predicted another quarter of meager plane deliveries, likely resulting in negative cash for all of 2024.

Shortly after midday in New York, shares of the aviation giant were down 5.3 percent after Chief Financial Officer Brian West said the second quarter's cash performance could be "a little worse" than the [first quarter](#) during which Boeing burned through \$3.9 billion in cash due to heavy operating costs and minimal incoming revenue because of reduced plane deliveries.

Boeing had previously projected positive cash generation in the low-single digit billions for 2024. But on Thursday, West withdrew that forecast, indicating the company would likely have negative cash generation for the year.

West said the second half of 2024 should itself be positive in terms of cashflow, owing to higher plane deliveries, increased receipts from a key military contract and lower costs tied to keeping planes in inventory.

But the gains are not expected to offset the losses in the first half of 2024, according to West.

Boeing's weak financial outlook is tied to a reduced production cadence for the 737 MAX after a near-catastrophic incident January 5 on an Alaska Airlines [plane](#).

In the wake of that problem, in which a panel on the fuselage blew out mid-flight, Boeing has modified its manufacturing procedures, added more quality control checks and undertaken temporary production pauses to emphasize safety.

In addition, Boeing has also halted deliveries to China recently due to an issue with a [lithium battery](#) raised by Chinese aviation officials, West said.

Boeing is working with Chinese officials "but that will very likely have

an impact in the quarter on deliveries in our [cash flow](#)," West said.

Boeing has been under heavy scrutiny from regulators at the Federal Aviation Administration, which has required the company to present a comprehensive action plan to address safety concerns by the end of May.

West said Boeing expects to "get some good feedback" next week from the FAA on improvements, which have included greater oversight and cooperation with the contractor Spirit AeroSystems.

Boeing has been working on a deal to acquire Spirit, which was once part of Boeing before being spun out in 2005.

West said he is hopeful to "get something signed" on a deal in the [second quarter](#) to acquire Spirit, which also performs work for Boeing rival Airbus.

West said Spirit still needs to address the future of programs for other customers.

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