



Boeing (NYSE:BA) Stock Price Jumps as CEO Suddenly Resigns

Description

What a turbulent year it's been for **Boeing** ([NYSE:BA](#)). The news that the aerospace giant has lost its CEO initially boosted its share price and comes after a drawn-out scandal over its 737 Max jets plus a botched space mission that played out over the weekend.

CEO Dennis Muilenburg resigned Monday, effective immediately. The firm swapped out its chairman, David Calhoun, as CEO and president, with Lawrence Kellner taking over board leadership. The market welcomed the potential for the troubled aviator to turn its fortunes around, with its share price immediately jumping almost 4%.

Boeing's *annus horribilis* comes to an end

Monday's press release was brief, with Kellner announcing: "On behalf of the entire board of directors, I am pleased that Dave has agreed to lead Boeing at this critical juncture. Dave has deep industry experience and a proven track record of strong leadership, and he recognizes the challenges we must confront."

Highlighting the company's awareness that a complete about-turn was required, Kellner added, "The board and I look forward to working with him and the rest of the Boeing team to ensure that today marks a new way forward for our company."

Investors tend to dislike management changes, especially sudden ones, meaning that Boeing stock has the potential to decline over the holiday period, opening a possible value opportunity. Current investors with a long-range vision may want to tough it out, as Boeing claws back its reputation, however, while newcomers with little aviation or transportation exposure may want to buy a ticket.

As the company limps out of the year with a sudden leadership change, bargain investors could soon have an opportunity to add one of the world's [most recognized aerospace names](#) to a value-focused portfolio light on transport stocks.

A strong play for space industry exposure

Though the Starliner capsule returned safely, its launch did not go as planned. An anomaly meant that the uncrewed spacecraft failed to dock with the International Space Station. The spacecraft was designed in partnership with NASA's Commercial Crew Program in a string of industry partnerships that has helped buoy the partially event-driven trajectory of the company's share price.

As a NASA partner, Boeing presents entry into a growth sector that has few big players at present. **Rio Tinto** and **Virgin Galactic** also offer investors a [route to space industry exposure](#), with the world-class miner having floated plans for extraterrestrial mineral extraction, and the Richard Branson spinoff company offering a space tourism pure play.

Investors seeking another NASA connection should consider **Maxar Technologies** for its involvement in the rebooted crewed Moon program as well as upside potential from the new satellite maintenance industry.

The bottom line

As the 737 Max controversy played out, investors had patiently waited for improvement, with developments in the space segment of the aviator's business offering some hope. If Boeing stock declines, newcomers to aviation and space industry stocks could have a value opportunity to buy into a company with ample room to improve under new leadership in the new year.

CATEGORY

1. Investing
2. Stocks for Beginners
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:BA (The Boeing Company)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing
2. Stocks for Beginners
3. Tech Stocks

Date

2025/09/21
Date Created
2019/12/24
Author
vhetherington

default watermark

default watermark