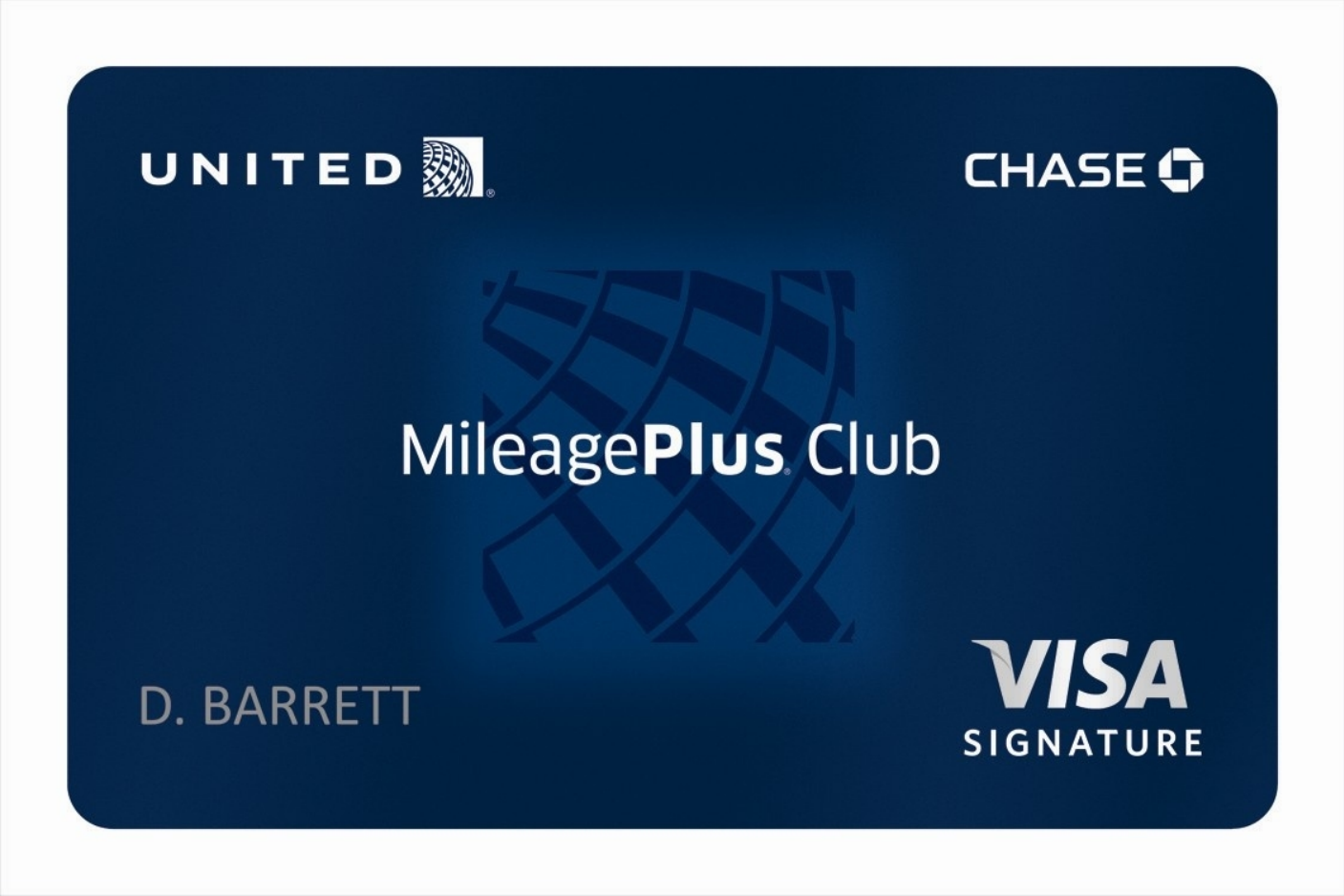
UNITED AIRLINES EXTENDS DEAL WITH CHASE FOR MILEAGEPLUS CREDIT CARDS

News / Airlines, Finance



Shares of **United Airlines'** parent soared Thursday after the company announced new credit-card agreements that analysts said could boost earnings.

United Continental Holdings Inc. announced Wednesday that it had extended deals with Visa and JPMorgan Chase for cards that let members of United's **MileagePlus** loyalty program earn miles by using their credit card for purchases. The airline said in a regulatory filing that the deal would boost revenue in the second half of 2015 by about $200 million.

Helane Becker, an analyst for Cowen and Co., called the agreements "major positive news" that could increase United's earnings by $1 per share. That could help offset recent weakening in pricing of flights, she wrote in a note to clients.

UBS analyst Darryl Genovesi raised his forecast of United's 2015 earnings because of the deals but said any gain in 2016 would be offset by the cost of anticipated new labor contracts and a slightly lower outlook for passenger revenue.

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

In the past two years, Southwest, Delta and Alaska also have announced new agreements on their credit cards, which are seen as lucrative, high-margin deals for the airlines.

United Continental shares were up $3.55, or 6.1 percent, to $61.50 in late-afternoon trading.

18 SEPTEMBER 2015

SOURCE: SKIFT
ARTICLE LINK:
https://50skyshades.com/news/airlines/united-airlines-extends-deal-with-chase-for-mileageplus-credit-cards

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.