Ford to release first-quarter earnings

BY MICHAEL MARTINEZ

Ford Motor Co. on Tuesday is expected to report higher earnings than this time a year ago as the automaker starts to reap some rewards from the plant downtime and added costs associated with last year's numerous vehicle rollouts.

Some analysts are expecting Ford to post first-quarter earnings per share of 26 cents, up from 25 cents per share during the same period a year ago. Analysts predict quarterly revenue could hit $33.92 billion, slightly higher than the $33.90 billion from the same time last year.

"We believe the new model launches around the world, particularly the ramp-up of the F-150, are beginning to take effect and will provide a much needed jump-start to the stock's performance this year," David Kudla, CEO and chief investment strategist of Mainstay Capital Management, LLC, said in an investor note.

While the bulk of Ford's profits will come from North America, Europe and South America are two areas of concern. President and CEO Mark Fields has said Russia will continue to be a drag on Ford's earnings for the foreseeable future, and Ford has predicted losing more than $250 million in Europe this year, despite previously expecting to turn a profit there this year.

Last year, Ford earned $3.2 billion in 2014, down from $7.2 billion the year before, and pretax profits fell $2.3 billion to $6.3 billion.

"2015 is going to be a breakthrough year for Ford," Fields told reporters and analysts in January.

Ford has predicted better outlooks this year for nearly every region it operates in, although it has worsened its forecast for Europe. Ford predicts a pre-tax profit of $8.5 billion-$9.5 billion in 2015.

"With automotive industry sales on track to sell a solid 17 million vehicles, the company should be poised for steady growth in 2015 and beyond," Kudla said. "This should likewise reflect in the stock price this year."