Maine Stock Index, Week of February 5th

We were all hoping that the start of the new year large adjustment was over and that we would see some improvement in the market. Instead, The Maine Stock Index closed at its worst week yet, down a whopping 4.43 points or 4.37%, to 96.78. Maine Stock Index seemed similar to the Standard & Poor 500 which was down approximately 4% this week. The four big changers who were the leading cause in this large decrease were: **Athenahealth (ATHN)** with the largest decrease 12.55%, or $17.80 a share, to $124.00. That stock also had a humongous effect on the index with a decrease of 1.003%, the largest seen so far. **Bar Harbor Bankshares (BHB), Camden National (CAC), and Bank of America (BAC)** all took a big hit, down between 8-10% and collectively decreasing the index by 0.452%. **Valero Energy (VLO)** was down 15.84%, or $10.75 a share, to $57.12.

**Athenahealth (ATHN)** Sales grew at a solid pace. That's the good news. But the bad news was that Athenahealth's GAAP earnings slipped year-over-year. Non-GAAP earnings also fell to $17.8 million, or $0.45 per diluted share, from Q4 2014's $22.5 million, or $0.58 per diluted share. The problem was that Athenahealth spent a lot more money. Direct operating expenses rose 28% compared to the prior year period. Selling and marketing costs soared 30%. Even with a large decrease this week, the stock price is back to where it was about one year ago. Some research points towards a turnaround for the company.

**Bar Harbor Bankshares (BHB), Camden National (CAC), and Bank of America (BAC)** It seems like the increase in interest rates from the Federal Reserve bank are actually effecting banks in a negative way. Banks also seem to get effected by low price of oil and are affected by struggle of loan loss margin. It seems has Maine Banks are having problems with the repayment of personal loans.

**Valero Energy (VLO)** came out with better-than-expected fourth quarter earnings on the back of higher refining throughput volumes, which increased to 2.85 million barrels per day, higher than the year-earlier level by 34,000 barrels per day. This was partly offset by the decline in company-wide throughput margins - to $10.87 per barrel from the year-ago level of $11.17 per barrel. While total operating cost per barrel fell 1.5% year over year to $5.23 during the quarter, refining operating expense per barrel was $3.47 compared with $3.76 in the year-ago quarter. Low oil barrel price playing a huge impact on **(VLO)** stock price.

The Maine Stock Index was developed by Marie Kenney, while a student at Husson University, in consultation with Associate Professor J. Douglas Wellington. The index is currently being tracked and analyzed by Husson student Samuel Thomas. The index tracks and analyzes 28 companies that are considered to have an effect on the Maine economy. These companies are either based in Maine or have an influence on the Maine economy through employment, number of consumers, and overall presence in the State.  This price-weighted index offers a numerical break down of Maine’s economy. The analysis looks into the events of the week and finds the likely reasons the index was up or down.

References

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