Maine Stock Index, Week of January 8th

What a way to start the New Year! The Maine Stock Index closed at its worst week yet, down a whopping 4.10 points or 3.92%, to 100.76. Not only was Maine effected but according to a Bloomberg Business article by Brendan Coffey and Jack Witzig, the world’s richest people lost $194 billion in the first trading week of 2016. This might be scaring new investors. Almost all stocks were down except three who seemed to not be overly affected by the big sell-off in the Chinese market. The four stocks with the biggest impact in this New Year were **WEX (WEX),** the largest decrease in percent change for an individual stock of 13.00%, or $11.49 a share, to $76.91 this week. **WEX** not only had the largest price change but also the greatest effect on the Index, a decrease of 0.625%. **Hilton Worldwide (HLT)** had a decrease of 10.51%, or $2.25 a share, to $19.15. **Bank of America (BAC)** hada decrease of 9.69%, or $1.63 a share, to $15.20. **Home Depot (HD)** also had a large effect on the total stock index, a decrease of 0.454% and a decrease in price of $8.35 a share, to $123.90.

**WEX (WEX)** 2015 has proven to be somewhat challenging with regards to the dramatic slide we have seen in gasoline prices. Through the third quarter, WEX reported average domestic gasoline prices of $2.64 per gallon, down 28% from a $3.67 average a year ago. Year to date, through the third quarter, WEX has seen a 15% reduction in fuel-related payment processing revenue, but only a 5% reduction in total revenue.

**Hilton Worldwide (HLT)** fell about 4.3% on Thursday to post a new 52-week low of $19.14 against a high of $31.60. The stock closed at $20.00 last Wednesday night. Volume rose to more than 24 million, about 4 times higher than the daily average of around 6.6 million shares traded. The stock is on a three days’ consecutive drop. The hotel and resort operator had no specific news on subject matter.

**Bank of America (BAC)** Several executives, including Bank of America chief Brian Moynihan, last month issued downbeat predictions of fourth-quarter trading revenue. The Fed’s rate increase came just two weeks before the end of the quarter, limiting its positive impact on the financial results.

**Home Depot (HD)** the 30-day trend in its share price performance of -4.05% is now around the peer median suggesting that the company’s recent performance has faded relative to peers. Even though Home Depot might look like it is fading it still is operating at a higher performance level then its peers.

The Maine Stock Index was developed by students of Husson University. 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. The index and analysis help provide a better understanding of Maine’s economy and offer an explanation of significant changes in the stock prices of the companies that comprise the Maine Stock Index.

References

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