HSI Week Ended February 10th, 2017

The Husson Stock Index (HSI) increased 1.04% from the week ended February 3rd. The HSI on February 3rd was 123.04 and is now 124.32. The HSI had didn’t have a lot of big movers in the index this week. There were only two significant increases, those being Darden Restaurants and Rite Aid. Darden Restaurants (DRI) increased 6.21% from $71.82 to $76.28. This increase is attributed to Darden making the decision to attempt an expansion project. Rite Aid (RAD) increased 6.45% from $5.27 to $5.61, this increase is attributed to investors feeling confident that the Walgreens buyout deal will occur.

Darden Restaurants (DRI): Darden Restaurants has seen an increase in the value of their stock due to their growth potential. Darden Restaurants may attempt an expansion project as explained by Lindsay Rittenhouse of the Street, “As Darden Restaurants ([DRI](https://www.thestreet.com/quote/DRI.html)), the operator of the Olive Garden and LongHorn Steakhouse restaurant chains, explores options to expand acquisition activity once again, a familiar target may come back into the fold.” “…Darden could be on the hunt for a deal and a growth concept such as BJ's [Restaurants], which has locations in 24 states including in New York, Arizona, and Virginia, an Ebitda of about $128 million, could be just the boost Darden needs to kickstart growth, KeyBanc Capital Markets' Chris O'Cull and David Carlson said in a research note Monday.”

Rite Aid (RAD): Rite Aid has seen an increase in the value of its stock because investors believe the Walgreens buyout is likely to occur. This is explained by Chiradeep BasuMallick of The Street, “But now, the deal seems more likely to occur, largely because Walgreens has said it is [willing to divest itself](http://www.thestreet.com/story/13970897/1/rite-aid-plummets-after-walgreens-slashes-offer-price-by-nearly-2-billion.html) of a larger number of Rite Aid's stores than it had previously said it would -- more than a quarter of Rite Aid's current locations. A combined Walgreens-Rite Aid would also not be much larger than its next biggest competitor. All this could bode well for investors.”

The Husson 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 Justin Hallowell. 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 Husson Stock Index.

Rittenhouse, Lindsay. The Street. (2017, February 8). *Olive Garden Parent Company Darden Is Ready for a Blockbuster Deal.*Retrieved From: <https://www.thestreet.com/story/13993863/1/olive-garden-parent-company-darden-is-ready-for-a-blockbuster-deal.html?puc=yahoo&cm_ven=YAHOO&yptr=yahoo>

BasuMillack, Chiradeep. The Street. (2017, February 10).*Buy Rite Aid Because It's Very Likely to Be Owned by Walgreens Soon.*Retrieved from: <https://www.thestreet.com/story/13997207/1/buy-shares-of-drugstore-chain-rite-aid-walgreens-merger-seems-more-likely.html?puc=yahoo&cm_ven=YAHOO&yptr=yahoo>