HSI Week Ended March 24th, 2017

The Husson Stock Index (HSI) decreased 1.49% from the week ended March 17th. The HSI on March 17th was 128.24 and is now 126.34. Athenahealth (ATHN) decreased 5.57% from $115.01 to $108.60. Bank of America (BAC) decreased 7.00% from $24.86 to $23.12. First Bancorp (FNLC) decreased 10.71% from $29.32 to $26.18. The banking industry saw an average of a 5% loss in their shares on March 21st. This is due to investors being worried that the markets have been overoptimistic about the Trump Administration. Penn National Gaming (PENN) increased 11.76% from $15.82 to $17.68. Penn National Gaming has seen an increase in their share value due to their recent updated first quarter projections.

Athenahealth (ATHN): We were unable to find any conclusive evidence for Athenahealth’s recent decrease in stock value.

Bank of America (BAC): Bank of America, as well as a lot of American banks, took a big hit on March 21st. Jordan Wathen of the Motley Fool explains the reasoning for this March 21st drop in banking stocks, “Some investors also seem worried that the markets were overoptimistic about a potential cut in corporate income taxes. The Trump administration is having a hard time rounding up support for a GOP-proposed healthcare bill, suggesting that other campaign promises -- corporate tax cuts and infrastructure spending, for example -- may meet similar roadblocks.” Additionally he notes that, “data from the Federal Reserve pointed to a contraction in bank credit, as year-over-year growth in commercial and industrial loans turned negative in February.”

The First Bancorp (FNLC): The decrease in the stock price of The First Bancorp may be related to Bank of America’s decrease in value.

Penn National Gaming (PENN): Penn National Gaming has seen an increase in their shares due to their recent updated first quarter projection. These projections as will be explained are much higher than originally anticipated. This in turn led to an 11.6% share increase following there announcement. This is explained by Travis Hoium of the Motley Fool, “Management said they now expect first quarter 2017 revenue to be between $770 million and $771 million, up from a previous estimate of $761 million. Adjusted EBITDA is now expected to be $222 million to $223 million, up from $209.3 million guidance. And when you pull out the master lease payments on properties, the net adjusted EBITDA is expected to be $110 million to $111 million, up from $97.4 million.”

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.

Wathen, Jordan. Motley Fool. (2017, March 21). *Why Bank of America Shares Are Down 5% Today.*Retrieved from: <https://www.fool.com/investing/2017/03/21/why-bank-of-america-shares-are-down-5-today.aspx?yptr=yahoo>

Hoium, Travis. Motley Fool. (2017, March 23). *Why Penn National Gaming, Inc's Shares Popped 11% Today.*Retrieved from: <https://www.fool.com/investing/2017/03/23/why-penn-national-gaming-incs-shares-popped-11-tod.aspx?yptr=yahoo>