

Husson Stock Index

Week Ended July 31, 2020

For the week ended July 31, 2020, the Husson Stock Index (HSI) finished the week up 2.18%, closing at 175.14. In comparison, the S&P 500 finished the week up 1.73%. Year-to-date, the HSI is up 2.09%, whereas the S&P 500 is up 0.96%.¹

Summary

Northeast Bancorp (NBN: NASDAQ) had a very significant increase this week, rising 25.35%, or \$3.85 per share. The company announced its fourth quarter and year-end earnings this week. NBN reported \$11.2 million net income for the quarter compared to \$603 thousand dollar loss in the fourth quarter of the prior year. Numbers for the year ended June 30, 2020 were favorable as well, reporting \$22.7 million net income, up significantly from \$13.9 million net income last year. The company also declared a dividend of \$0.01 per share made payable on August 28th based on an August 14th date of record (Northeast Bancorp, 2020).

United Parcel Services, Inc. (UPS: NYSE) also had a significant increase this week, rising 20.63%. UPS reported second quarter earnings on Thursday, resulting in the largest increase in UPS stock value since the day of the company's IPO in 1999. The earnings showed 13% increase in revenue due to virus related demand for delivery services. A UPS executive said the earnings numbers are a result of "unprecedented demand and record-high volume levels". (Black, 2020).

ImmuCell Corporation (ICCC: NASDAQ) had the highest percentage decrease in the HSI for the second week in a row, decreasing 13.54%, or \$0.78. Simply Wall Street published an

¹ Calculations for week-to-week and year-to-date are calculated using end-of-week totals. The year-to-date percentage increases use the end of December 27, 2018 as the starting point, and not December 31, 2018.

article analyzing the company on Friday, making note of the use of debt and the high liabilities the company has listed on their balance sheet. It appears the majority of the decrease did occur on Friday.

The second highest decrease in the HSI was Raytheon Technologies Corporation (RTX: NYSE) decreasing 8.68%. RTX released second quarter financials this week. The company's earnings per share were favorable compared to many top analysts estimates but underperformed the prior year second quarter earnings per share by 67.7%. RTX sales were also down 24.1% compared to prior year. Overall, the Defense and Aerospace sector had a tough week with many others having poor quarterly results, including another HSI stock, General Dynamics (GD: NYSE) with a decrease of 2.27% (Zack's Equity Research, 2020).

Overview

The HSI 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, Caitlin Cushman. The HSI tracks and analyzes the stocks of 29 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 or consumer spending. This price-weighted index offers a numerical breakdown of Maine's economy. The analysis looks into the events of the week and finds the likely reasons the index went up or down. This index and analysis help provide a better understanding of Maine's economy as well as explain significant changes in stock prices of the companies that comprise the HSI.

References

Northeast Bank. (2020, July 29). Northeast Bank Reports Record Fourth Quarter Results and Declares Dividend. Retrieved from <https://www.globenewswire.com/news-release/2020/07/29/2069818/0/en/Northeast-Bank-Reports-Record-Fourth-Quarter-Results-and-Declares-Dividend.html>

Black, T. (2020, July 30). UPS Surges Most Since 1999 on Delivery Boom Spurred by Virus. Retrieved from <https://www.bloomberg.com/news/articles/2020-07-30/ups-soars-as-virus-related-deliveries-send-revenue-climbing>

Simply Wall St. (2020, July 31). ImmuCell (NASDAQ:ICCC) Is Making Moderate Use Of Debt. Retrieved from <https://simplywall.st/stocks/us/pharmaceuticals-biotech/nasdaq-iccc/immucell/news/immucell-nasdaqiccc-is-making-moderate-use-of-debt/>

Zacks Equity Research. (2020, July 31). Defense Stock Roundup: RTX, GD, NOC Beat on Q2 Earnings, BA Misses. Retrieved from <https://www.zacks.com/stock/news/1028994/defense-stock-roundup-rtx-gd-noc-beat-on-q2-earnings-ba-misses>

Composition of the Husson Stock Index (HSI)

Ticker Symbol: Exchange	Stock	Maine Affiliation	Sector
AGR: NYSE	Avangrid, Inc.	Presence	Utilities
ANCUF: TSX	Alimentation Couche-Tard Inc Class B	Presence	Consumer Staples
BAC: NYSE	Bank of America Corporation	Presence	Financials
BHB: NYSE	Bar Harbor Bank	Maine-based	Financials
CAC: NASDAQ	Camden National Corporation	Maine-based	Financials
CHTR: NASDAQ	Charter Communications, Inc.	Presence	Communications Services

CL: NYSE	Colgate-Palmolive Company	Maine-based	Consumer Staples
CVET: NASDAQ	Covetrus, Inc.	Maine-based	Health Care
DRI: NYSE	Darden Restaurants, Inc.	Presence	Consumer Discretionaries
FNLC: NASDAQ	The First Bancorp, Inc.	Maine-based	Financials
GD: NYSE	General Dynamics Corporation	Presence	Industrials
HLT: NYSE	Hilton Worldwide Holdings, Inc.	Presence	Consumer Discretionaries
HD: NYSE	The Home Depot, Inc.	Presence	Consumer Discretionaries
ICCC: NASDAQ	ImmuCell Corporation	Maine-based	Health Care
IDXX: NASDAQ	IDEXX Laboratories, Inc.	Maine-based	Health Care
LOW: NYSE	Lowe's Companies, Inc.	Presence	Consumer Discretionaries

MCD: NYSE	McDonald's Corporation	Presence	Consumer Discretionaries
NBN: NASDAQ	Northeast Bank	Maine-based	Financials
PENN: NASDAQ	Penn National Gaming, Inc.	Presence	Consumer Discretionaries
RAD: NYSE	Rite Aid Corporation	Presence	Consumer Staples
RTX:NYSE	Raytheon Technologies Corporation	Presence	Industrials
TD: NYSE	The Toronto-Dominion Bank	Presence	Financials
TMUS: NASDAQ	T-Mobile US, Inc.	Presence	Consumer Services
UPS; NYSE	United Parcel Service, Inc.	Presence	Industrials
UNM: NYSE	Unum Group	Presence	Financials
VLO: NYSE	Valero Energy Corporation	Presence	Energy

WMT: NYSE	Walmart Inc.	Presence	Consumer Staples
WEX: NYSE	WEX Inc.	Presence	Information Technology
WBA: NASDAQ	Walgreens Boots Alliance, Inc.	Presence	Consumer Staples