MSI Week Ended December 9th

The Maine Stock Index ended with an increase this week. The increase was quite significant, up 2.52% to 115.65. The stock index has turned around from the small decrease last week. There were very many significant increases this week. Bank of America (BAC) increased to $22.93 by 8.01% and Bar Harbor Bankshares (BHB) increased by 12.54% to $49.01. Penn National Gaming (PENN) increased by 7.55% to $14.38. However, Valero Energy (VLO) decreased to by 8.88% to $66.92.

Bank of America (BAC): Since the presidential election Bank of America’s stock has been on a steady rise. Its gain has seen a thirty percent gain over one month. “The last time Bank of America’s shares were priced above $22 a share was in the fourth quarter of 2008” (Motley Fool). Last year was the best year in earnings for Bank of America since the financial crisis in 2008.

Bar Harbor Bankshares (BHB): Although there has been no specific news related to this bank, the KBW Bank Index has risen 20% since the presidential election.

Penn National Gaming (PENN): “We care hedge fund sentiment because historically hedge funds’ stock picks delivered strong risk adjusted returns” (Insider Monkey). In the third quarter of 2016 26 hedge funds tracked by Insider Monkey owned Penn National Gaming stock, a drop of 4% from the second quarter and down from 29 hedge funds at the beginning of the year.

Valero Energy (VLO): The company’s gross refining margin fell to $9.10 per barrel in the third quarter of 2016, compared to $14.40 per barrel in the same period of 2015.

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 Zoe Nielsen. 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.

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