MSI Week Ended October 14th

The Maine Stock Index ended with a decrease this week. The decrease was 0.29% to 108.92. Gas Natural (EGAS) increased by 63.28% to $12.54. Penn National Gaming (PENN) decreased to 13.54 by 5.64%, which was just about the same percentage that it increased by last week.

Gas Natural (EGAS): On October10, 2016, EGAS announced that it had reached a definitive agreement for First Reserve to acquire all outstanding shares of EGAS in a transaction valued at approximately $196 million. Under the terms of the agreement, EGAS shareholders will receive $13.10 in cash for each EGAS share they own. WeissLaw LLP announced that it is investigating whether EGAS's Board acted to maximize shareholder value prior to entering into the agreement.

Penn National Gaming (PENN): According to Peggy Holloway, a Senior Vice President at Moody's, "The [gaming] sector faces fundamental long-term challenge, including oversupply conditions, changing consumer preferences and population demographics that do not necessarily favor casino gaming," Moody’s is saying that PENN will need to improve its leverage in order to maintain its existing rating (Ba3 stable).

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.

PR Newswire. (2016, October 14) Gas Natural Inc. Acquisition May Not Be in the Best Interests of EGAS Shareholders. Retrieved from <http://www.prnewswire.com/news-releases/gas-natural-inc-acquisition-may-not-be-in-the-best-interests-of-egas-shareholders-300344371.html>

Moody’s. (2016, October 5) Momentum of ratings upgrades in US gaming industry set to slow through 2017. Retrieved from <https://www.moodys.com/research/Moodys-Momentum-of-ratings-upgrades-in-US-gaming-industry-set--PR_356096?WT.mc_id=AM~RmluYW56ZW4ubmV0X1JTQl9SYXRpbmdzX05ld3NfTm9fVHJhbnNsYXRpb25z~20161005_PR_356096>