HSI Week Ended January 27th, 2017

The Husson Stock Index (HSI) increased 1.74% from the week ended January 20th. The HSI on January 20th was 121.19 and now sits at 123.29. There were four significant changes over this period. The most significant increases from January 20th to January 27th was First Bancorp (FNLC), which increased 7.71% to $28.92. This increase was a result of the announcement of their record setting 2016 year. Bar Harbor Bankshares (BHB) increased 5.95% to 45.02, this is due to the fact that Bar Harbor Bankshares recently completed a merger with Lake Sunapee Bank. There were also two major decreases during this time period, Rite Aid (RAD) decreased 7.10% to $6.93. Rite Aid’s continued decrease in value is due to the FTC still not accepting the Walgreens buyout. Colgate-Palmolive (CL) decreased 5.25% to $64.68.

First Bancorp (FNLC): First Bancorp stocks have risen in due to their recent announcement of their operating results from 2016. Business Wire explains in more detail the year that First Bancorp had saying, “Net income was $18.0 million, up $1.8 million or 11.1% from the $16.2 million reported for the year ended December 31, 2015.” First Bancorp’s President and CEO Tony C. McKim also talked about the company’s yearly performance saying, “This was the best annual performance in the Company’s history.”

Bar Harbor Bankshares (BHB): Bar Harbor Bankshares has seen a growth in the value of their stock due to their recent merger with the Lake Sunapee Bank. Bar Harbor Bankshares President and CEO, Curtis C. Simard explains what this means for the banks future, “The merger creates value for shareholders, customers and employees by creating efficiencies and strategic growth opportunities, allowing the combined organization to draw on various customer service, product, and technological strengths.”

Rite Aid (RAD): Rite Aid continues to lose value in its stock due to the possibility of the Federal Trade Commision blocking the Walgreens buyout of Rite Aid. Walgreens and Rite Aid are working hard to get this deal completed according to John Luciew of Pennlive.com saying, “The takeover would combine Walgreens' 8,200 stores, with locations in each state, and Rite Aid's 4,600 stores in 31 states, except for those 865 stores Rite Aid is selling to Fred's Inc. in order to satisfy antitrust concerns.”

Colgate-Palmolive (CL): Colgate-Palmolive’s stock fell 4.81% in value because of the announcement of their fourth quarter earnings. “Colgate-Palmolive fell 5% after reporting its fourth-quarter earnings results Friday morning. The consumer-products giant said that it managed to boost adjusted earnings by 2% from year-ago levels, which matched investor expectations. But sales fell by nearly 5% on a substantial drop in global unit volume” (Caplinger).

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.

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