

Stocks fluctuate as uncertainty reigns

Matthew Daneman • Staff writer • May 23, 2010

Things are looking up in the economy. Jobs are being created. New York's and the Rochester region's unemployment rates are dropping. The gross domestic product has grown three quarters in a row.

But not every area company is enjoying a springtime rebound from the Great Recession. **Graham Corp.**, for example, seems mired in the fall of 2009.

The Batavia-based maker of heavy equipment for the oil and petrochemical industries last week announced the results of a hard fiscal year 2009, with its **sales** off 38.5 percent and its profits down 63.6 percent.

CEO James Lines, in a **conference call** last week with investors, said the collapse of its markets during the company's fiscal 2009 brought about a sizable drop in business in fiscal 2010.

And **business** is expected to stay weak and erratic at least into this fall before it starts to pick up, Lines said.

This time two years ago, Graham shares were trading at around \$66. But a two-for-one stock split in October 2008, followed by the onset of the recession, have kept shares in the teens for most of the time since then. Graham shares closed Friday at \$15.38, down 11 percent for the week.

- Last week overall was a bouncy one for investors, with a big drop Thursday followed by a partial rebound Friday. The three **major stock indexes** all finished down between 3 percent and 4 percent Thursday with further losses Friday morning before regaining some of that lost ground by the close of the trading day Friday. That whipsaw effect is due to uncertainty in where the economy is going, according to Christian Tiu, professor of finance at the State **University** of New York at Buffalo's School of Management. And while investors guess, their guesses and suppositions can be widely different, hence a stock market that bounces like a racquetball.

- Stocks to watch this week include **Monro Muffler Brake Inc.**, **Harris Corp.** and **PAETEC Holding Corp.** Harris' Rochester subsidiary Harris RF Communications is hosting the corporation's annual analyst **meeting** Monday. And PAETEC's annual shareholder meeting will be Thursday outside Philadelphia. Monro, meanwhile, will announce its quarterly earnings Thursday. Wall Street analysts, on average, are expecting some pretty good results from the Rochester-based chain — profits up 67 percent over the same quarter a year earlier and revenues up more than 23 percent. Since the year's start, Monro shares are up about 10 percent, closing Friday at \$36.82.
MDANEMAN@DemocratandChronicle.com

Index watch

- S&P 500: 1,087.69, down 4.2% week, down 2.5% year.
- Dow Industrials: 10,193.39, down 4% week, down 2.3% year.
- Nasdaq: 2,229.04, down 5% week, down 1.8% year.

Advertisement



Mom Dilemma #36:
Your daughter insists on wearing her princess costume to the grocery store. Allow it or not?

YES, at least she's dressed!

NO, I have some rules!

momslike.me.com
where Local moms meet

Print Powered By  FormatDynamics™