Facebook Had a Very Bad Week Last Week, and Things Did Not Improve Today

The social media giant’s stock price has been suffering from a raft of bad headlines in the past week.

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Between executive departures, network outages and the live broadcast of a New Zealand terrorist attack on its network, it’s no wonder that Needham analyst Laura Martin downgraded Facebook to a hold this morning, citing the recent departures of eleven senior managers at the company as an ominous sign for the social media giant. The stock fell 3.32 percent, the second biggest drop on the Entrepreneur Index™ today.

The broader market posted moderate gains as economic data suggested businesses are still in growth mode. The Bureau of Labor Statistics reported that job vacancies jumped to 7.6 million in January, significantly above estimates and a sign that companies are not yet anticipating a slowdown in their business. The S&P 500 and Nasdaq Composite indexes were up 0.37 percent and 0.34 percent respectively, while the Dow index, dragged down in part by a 1.77 percent drop in Boeing shares, was up 0.25 percent. The Entrepreneur Index™ closed the day with a gain of 0.51 percent.

L Brands had the biggest gain on the Entrepreneur Index™ today, rising 3.27 percent. The company announced that its Victoria’s Secret brand would resume selling previously

discontinued swimwear online because of “overwhelming demand.” The stock has been particularly volatile of late as investors anticipate a restructuring of the company because of poor sales at Victoria’s Secret. It is up 6.9 percent this year and down 32.3 percent over the last twelve months.

Fedex corp. was up 2.48 percent today. The delivery giant, a good proxy for global economic growth, will report earnings tomorrow. There is growing concern in the analyst community that Amazon‘s plans to deliver more of its own packages with its growing fleet of vans and airplanes will eventually hurt Fedex and UPS. Fedex shares are down 27.6 percent in the last year.

Other notable gains on the Entrepreneur Index™ included investment bank Jefferies Financial Group (2.42 percent) and clothing-maker Ralph Lauren Corp. (2.84 percent). Chipotle Mexican Grill was also up 2.63 percent after a Piper Jaffray analyst reaffirmed an overweight rating on the stock and set a price target of $725. It currently trades at $656.

Medical device maker Boston Scientific had the biggest decline on the Entrepreneur Index™ today, falling 5.57 percent. The drop was apparently in response to positive results from the testing of non-invasive heart valve replacement procedures by competitors Edwards LifeSciences and Medtronic that were reported over the weekend. Both companies released data that suggested lower mortality and stroke rates among patients than those receiving valve replacements with Boston Scientific’s Lotus Edge system.

Other major declines on the Entrepreneur Index™ included Tesla (-2.14 percent) and retailer Bed Bath & Beyond (-1.96 percent). Drug-makers Regeneron Pharmaceuticals (-1.66 percent) and Alexion Pharmaceuticals (-1.9 percent) were down sharply as well. The REIT sector was also weak today with Apartment Investment and Management Co. (-1.95 percent) and Essex Property Trust (-1.09 percent) posting the biggest

declines.

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