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Trending: Black Friday damp squib

Share Information

MarketTopic Synopsis:

The Trending report is a summary of the most interesting corporate stories of the day, including the most popular stock exchange statements, the hottest topics on message boards, the biggest movers of the day as well as rumours and speculation.

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Although a half-day for Wall Street on account of the Thanksgiving leftovers resulted in thin volumes, spurious leaders among gainers, and another flurry of record high closes for tickers, that all masked an underwhelming day for the retail sector which opened its doors to the Black Friday discounted shopping extravaganza.

The gains by retail stocks just like the discriminate few shoppers who turned out at the malls. Yes, shoppers opened their wallets but all that widely or for long, as bargains among red-hot retail stocks could be elusive, especially as profit growth proves a mirage for many big names.

Wal-Mart Stores (NYSE:WMT) was one of the best gainers, but only just outpacing the 0.4% gain by the S&P 500 market bellwether. Wal-Mart shares closed up 0.6% at $71.23.

Others which captured the upside included Dollar Tree Inc (NASDAQ:DLTR), up 0.4% at $89.18. The stores are already deep discounters even before Black Friday.

Dollar General Corp (NYSE:DG) closed up 0.44% at $80.06.

But the best gainer on the S&P Retail Variety Store sector index was, ironically given its name, Tuesday Morning Co (NASDAQ:TUES) up 1.96% at $5.20.

The other gainers were Target Corp (NYSE:TGT) up 0.2% at $78.61 and Costco Wholesale (NASDAQ:COST) up 0.2% to $151.88.

But there were also losers. Five Below Inc (NASDAQ:FIVE) closed down 1.8% at $42.33, the worst performer of the S&P Retail Variety sector.

The hits were savage for some stocks which had traded higher pre-market on Friday. The top example of that was J C Penney (NYSE:JCP), down 1.4% at $9.68.

J C Penney kicked off in-store Black Friday on Thanksgiving Day, opening its doors at 3 p.m. to long lines of shoppers. This year, the retailer offered to match customer purchases of over $10 and up to $500. But the share price slid during the day.

Amazon.com (NASDAQ:AMZN) shares rose slightly in thin pre-market trading as the online retailer offered a range of discounted electronics and other amenities to Black Friday shoppers. But the shares ended the session flat at $780.37.

Macy's (NYSE:M), the department store, welcomed some 16,000 shoppers to its Herald Square flagship location when it opened at 5 pm on Thursday, 1,000 more than last year. But it was unable to keep footfall among investors. The shares ended down 1.7% at $44.14 on Friday.

Nordstrom (NYSE:JWN), the fashion retailer, opened at 8 am on Black Friday, offering discounts of over 50% on selected items like shoes and dresses. But the shares closed down 1.2% at $57.85.

Meanwhile, L Brands (NYSE:LB) found that sales momentum for the retail company was on the rise leading up to the

Black Friday weekend. Same store sales are expected to see a 1.4% year over year increase for the month of November. But shares closed down 0.4% at $71.81.

Retailers, including Best Buy (NYSE:BBY), down 0.8% to $46.58, Kohls Corp (NYSE:KSS) down 1.3% to $54.81 and Macy's, that were pummeled in last year's disappointing holiday quarter have seen their shares surge recently on expectations that the worst is over, and that an improved economy will send more shoppers into their stores.

Indeed, those gains in recent days have helped push the S&P 500 to a record high.

But as today's share price performance shows, some investors believe a healthy holiday shopping season and higher sales are already built into share prices, with some surging in the past few weeks.

The emphasis was on the word Black in Black Friday.

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