



Netflix 2017 Stock Performance

Deep Dive for Netflix Stock
Profile Team by Sean Cohen

Key Analyses

As a consultant to the Netflix Stock Profile Team, we performed a deep dive into stock price distributions and determined the following key analyses should drive investments decision making in 2018.

- 2017 Stock Price Distribution
- Stock and Revenue Last 4 Quarters
- EPS Estimates vs. Actuals
- Performance vs. Market 2017

Approach:

Data collection and data visualization performed in Python

Key Takeaways and Learnings

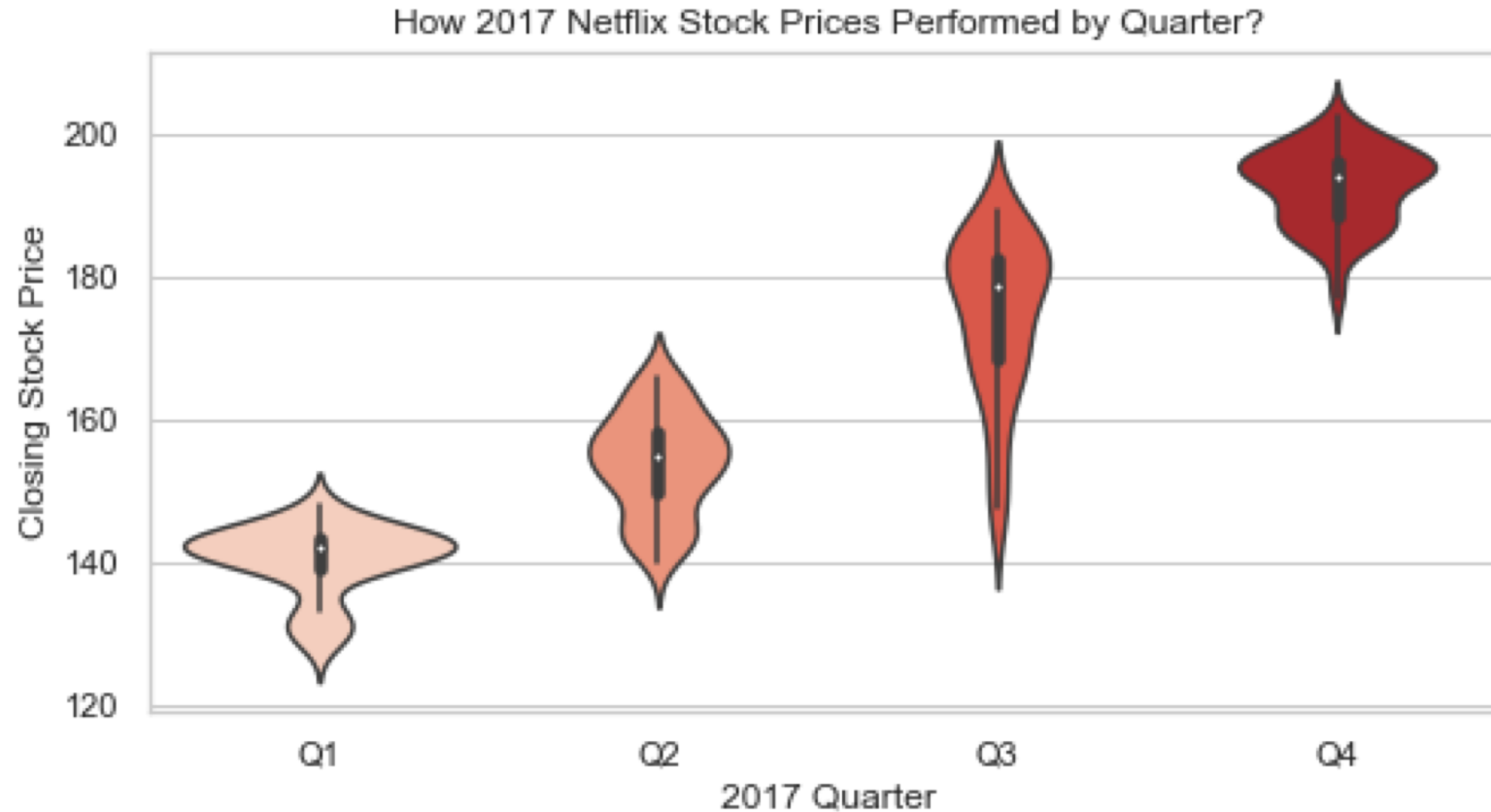
- Q4 represented the highest stock price, with a high of \$204.38 on 10.17.17 while Q3 was the most volatile
- From Q2 2017 to Q1 2018, revenue has increased 33%, compared to earnings increasing 342%
- Earning surprises occurred in Q1 and Q3 of 2017, Q1 outperformed estimates while Q3 underperformed.
- Netflix performed similarly to the Dow Jones, though showed more volatility mid year due to a Q2 2017 \$0.15 EPS



2017 Stock Price Distribution



Stock Price is Overperforming QoQ



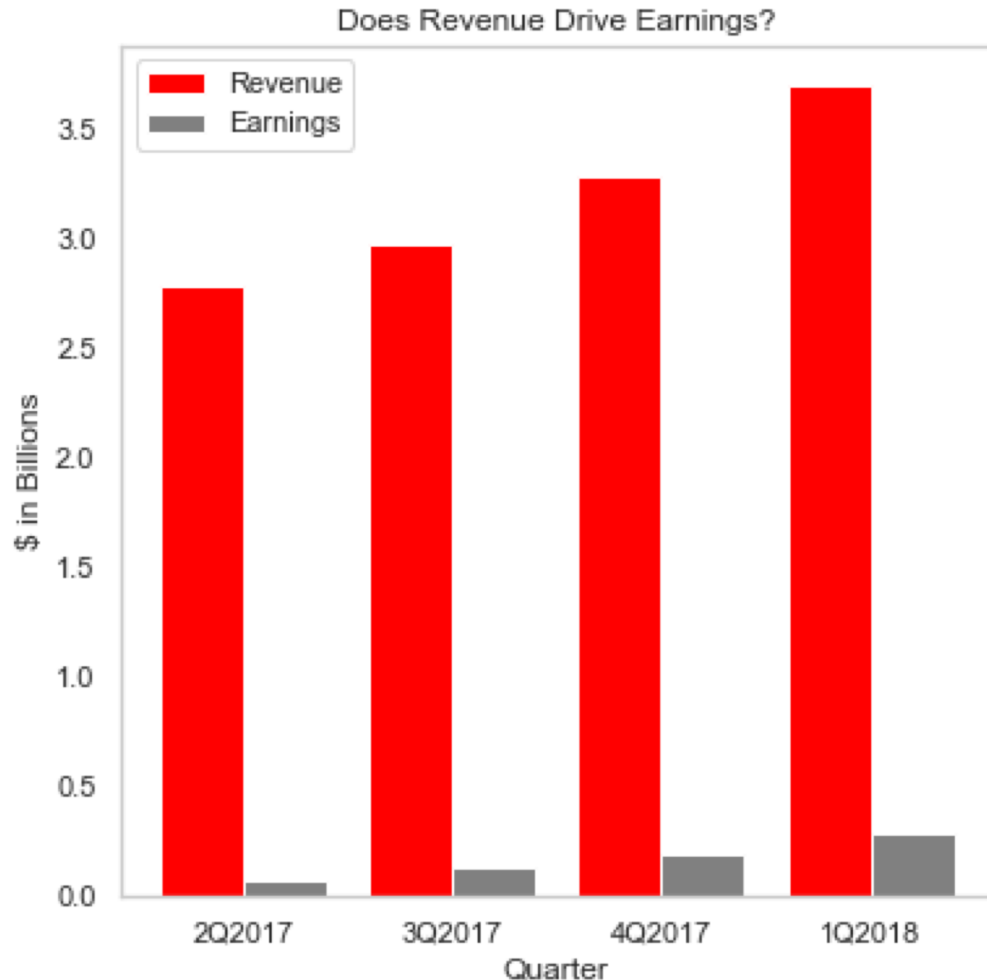
- Q4 represented the highest stock price, with a high of \$204.38 on 10.17.17
- The lowest stock price was on 1.3.18 at \$124.00
- Q3 saw the widest range in price due to quarterly EPS results



Stock and Revenue Last Four Quarters



Earnings have tripled in from Q2 2017 to Q1 in 2018



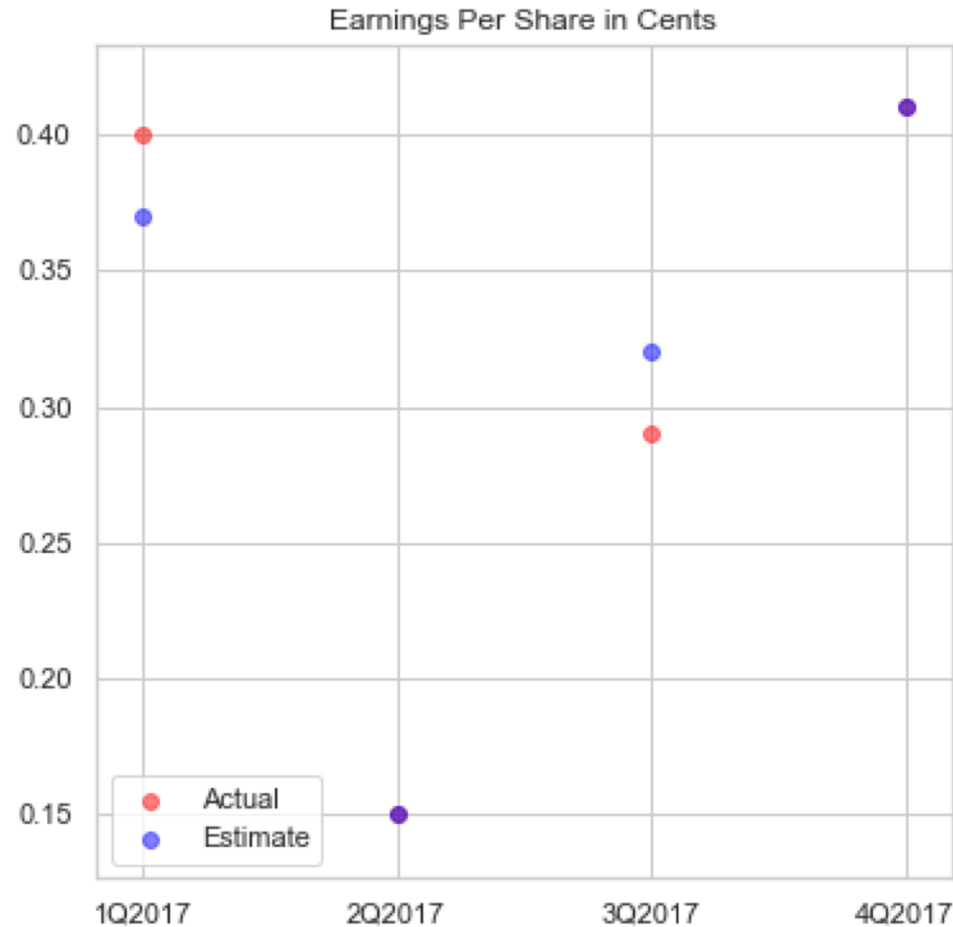
- From Q2 2017 to Q1 2018, revenue has increased 33%, compared to earnings increasing 342%
- This quarterly gain in earnings led to increasing stock prices in 2017
- Q1 2018 represented a high in both Revenue and Earnings



Estimates vs. Actual EPS



Actual EPS outperformed Estimate in Q1 2017



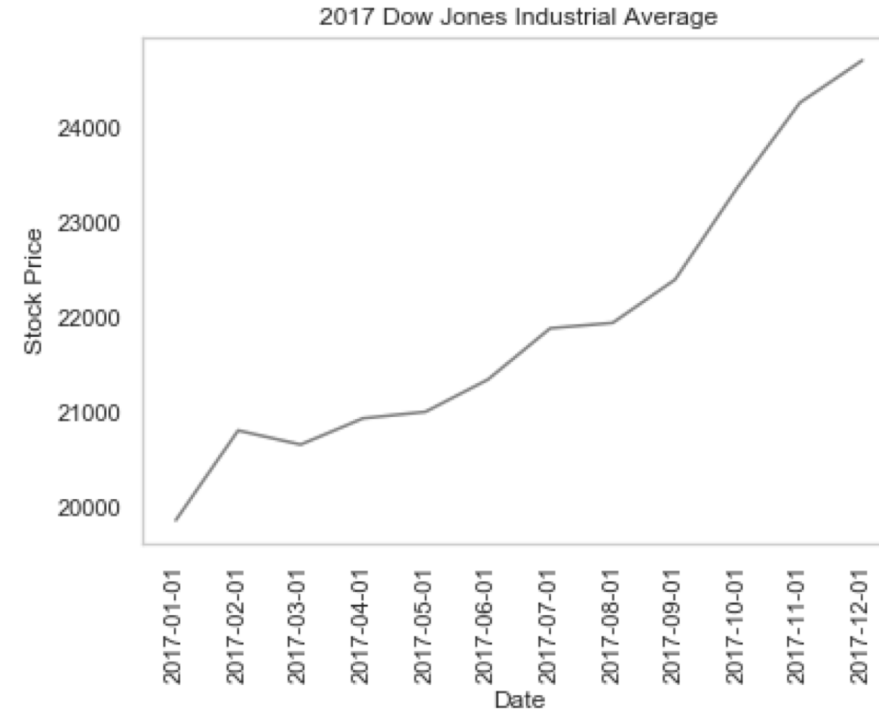
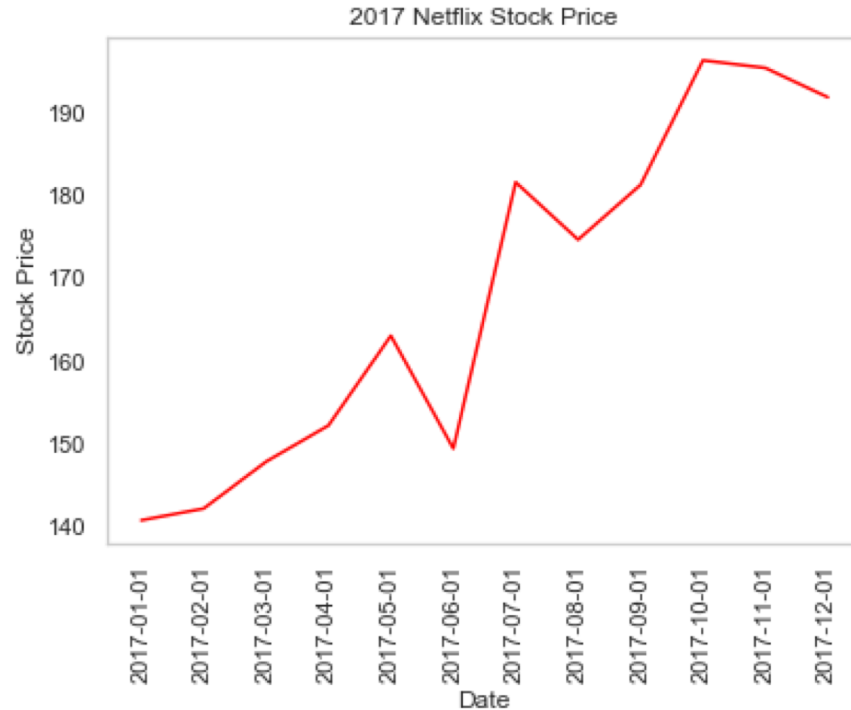
- Earning surprises occurred in Q1 and Q3 of 2017, Q1 outperformed estimates while Q3 underperformed.
- Q2 and Q4 EPS estimates and actuals were equal
- Q4 represented the highest overall EPS



Performance vs. Market 2017



Stock has followed Dow Jones, though shows some volatility due to earnings



- Netflix performed similarly to the Dow Jones, though showed more volatility mid year due to a Q2 2017 \$0.15 EPS
- Netflix shows a downward trend at the end of 2017 as the Dow is on the rise