

Post-pandemic, which is a Better Investment? Movie Streaming Services or Movie Theatres?

Audience: Prospective Stock Market Investors

For the project I decided to show how the Covid pandemic has made it clear that it would be smarter to invest in the Movie streaming industry than the Movie theater industry. This presentation is intended for prospective stock market investors in the U.S and people who have never previously invested in the stock market. To make the research more relatable and specific, I decided to pick the most popular streaming service in the country-Netflix, and the most popular movie theatres- AMC theatres and Cinemark theatres. I was going to add Hulu (Second most popular streaming service), but their shares are not open to the public.

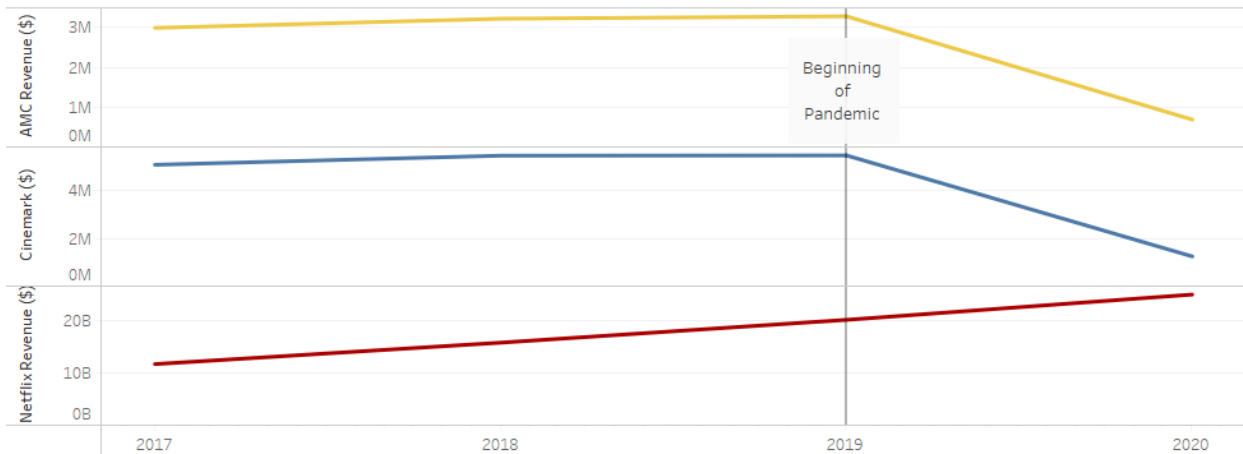
To find out what data to get, I did some research on what makes a company have a high value stock. I found out that important things to consider were yearly revenue, yearly profit, and trends in share value. I explored data from Yahoo Finance to show data about those attributes for each of the companies over the past 4 years.

To explore the data about yearly revenue, I created a line graph to show the trends in the data for each company over the last 4 years and to specifically show the impact the pandemic had on those figures.

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Revenue Generated Over the last 4 years

Both AMC and Cinemark generated significantly less revenue in 2020 while Netflix generated more.

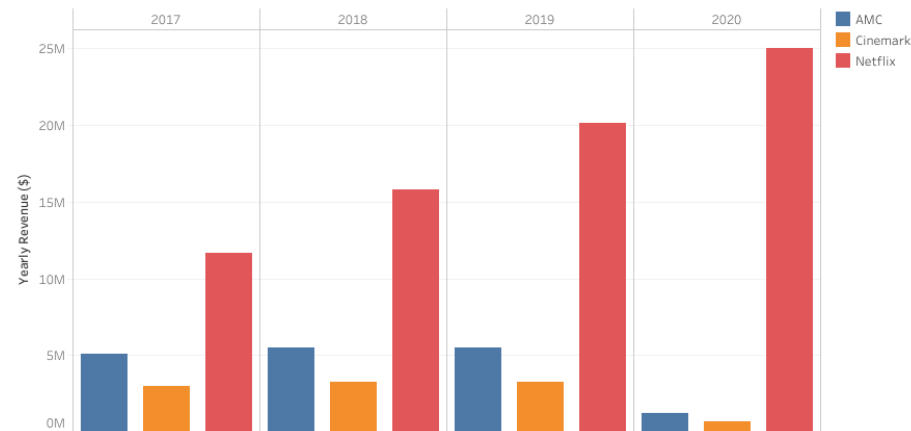


Source: [AMC 39.61 -1.63 -3.95% : AMC Entertainment Holdings, Inc. - Yahoo Finance](#)
[Cinemark Holdings Inc Cinemark \(CNK\) Income Statement - Yahoo Finance](#)
[Netflix, Inc. \(NFLX\) Income Statement - Yahoo Finance](#)

In a previous version, I had used a bar chart to display this data but after feedback from my peers, I decided to use a line graph as it more accurately depicts a trend. Below is a previous version of the graph where Netflix's revenue is wrongly scaled to the millions instead of billions.

Revenue Generated Over the last 4 years

Both AMC and Cinemark generated significantly less revenue in 2020 than in other years while Netflix generated more.



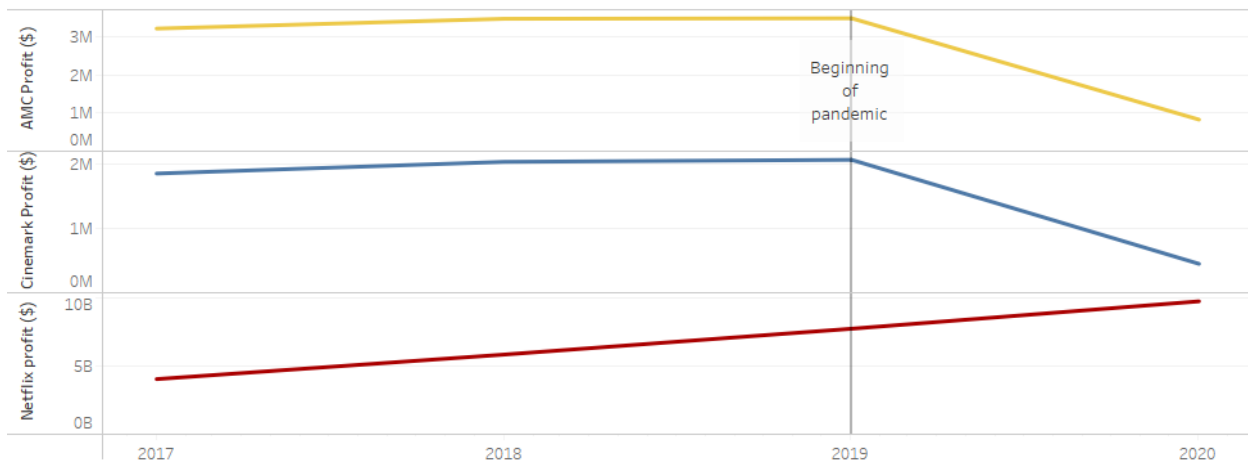
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To explore the data about yearly profits, I also created a line graph to show the trends for each company over the last 4 years and to also show the impact the pandemic had on those figures.

Profit Made Over The Last 4 Years

Profit for both AMC and Cinemark dropped significantly in 2020 while that of Netflix increased.



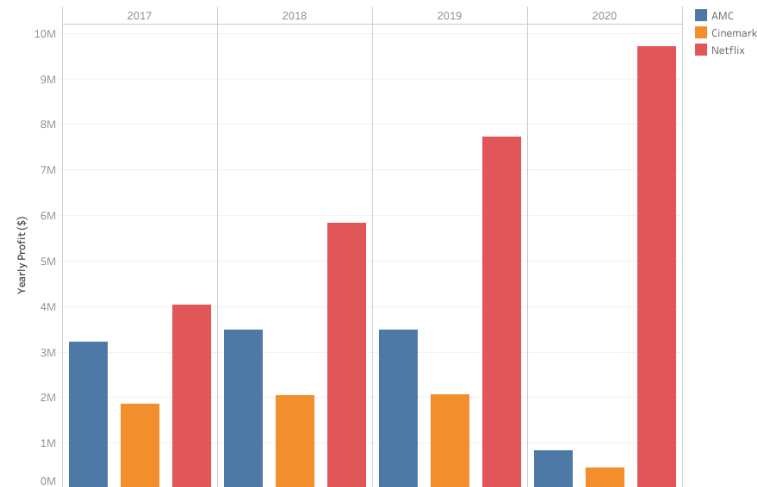
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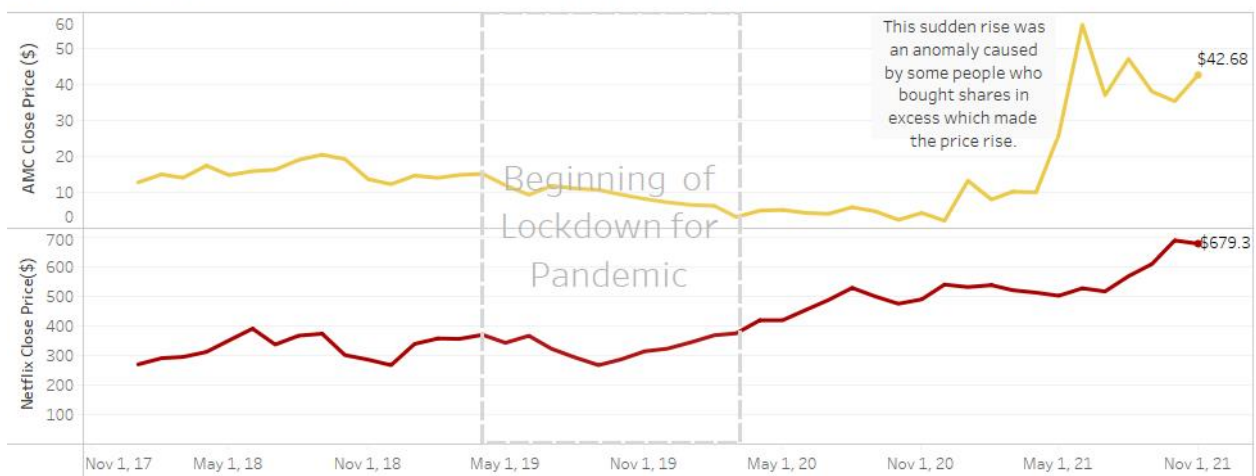


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To explore the data about the share values I used a line graph to plot data about the closing price of the shares for each company and compared them to Netflix to first see how the movie theatres were affected by the lockdown relative to the streaming service and to see which has been more valuable over the years.

Comparison of share prices from 2017-2021 for Netflix and AMC

Netflix Share prices rose through the lockdown while AMC reduced.

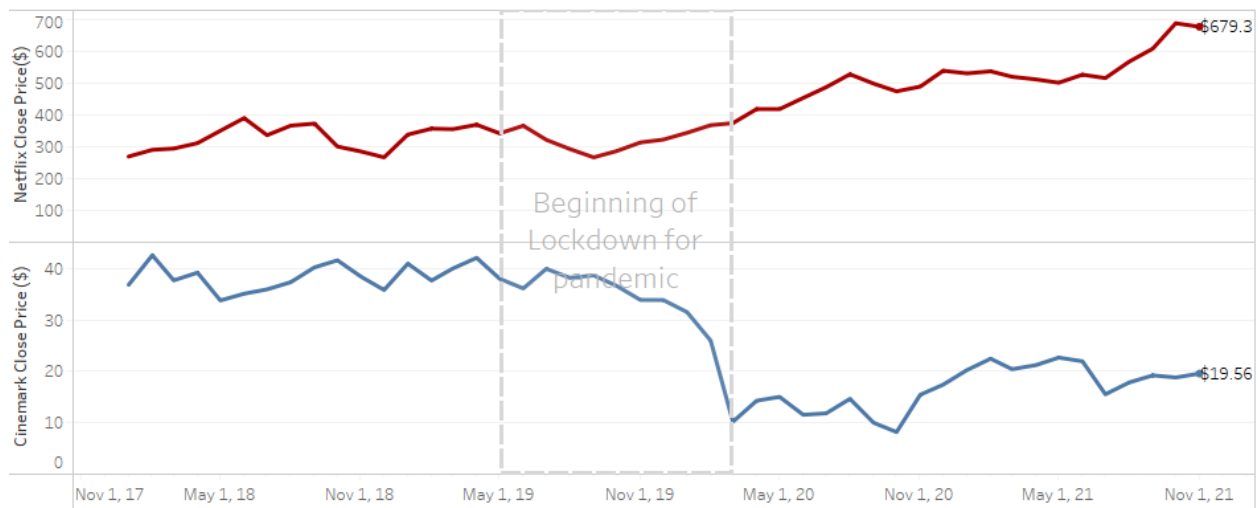


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Comparison of share prices from 2017-2021 for Netflix and Cinemark

Netflix Share prices rose through the lockdown while that of cinemark dropped.



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Generally, I am satisfied with my findings and the results. It shows that streaming services seem to be a safe investment for the future from possible pandemics. This is probably because quarantines/lockdowns inhibit people from going to movie theatres and promote the use of streaming services as safety precautions. Also, more people nowadays generally prefer to stay in the comfort of their homes to watch movies than to drive all the way to a cinema and pay extravagant amounts for snacks. These reasons help us see that Movie streaming services are better investments than movie theatres.