

NETFLIX STOCK PROFILE

STOCK JAN 2017 - DEC 2017

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NETFLIX STOCK PROFILE

The following is a stock profile (series of studies, visualizations and analyses that dive into different aspects a publicly traded company's data) of Netflix.

The analysis and visualizations are based on Netflix and Dow Jones data from 2017.

This presentation utilizes the following Python libraries:

- Pandas
- Matplotlib
- Seaborn

Code and visualizations prepped using jupyter notebook.

TOPICS COVERED

Stock Health

Distribution of Netflix stock prices throughout 2017, broken down by quarter.

EPS Review

Review of estimated vs. actual earnings per share, broken down by quarter.

Revenue vs. Earnings

Review of Netflix' influx of revenue and subsequent losses or profits throughout the fiscal year.

Stock vs. Market

Comparing Netflix' stock growth against the Dow Jones Index.

FORMAT

Visualization

Visualization(s) of the underlying data.

--> Presented in tandem with findings.

Findings

Assertions and conclusions reached based on the aforementioned visualizations.

--> Presented in tandem with Visualizations.

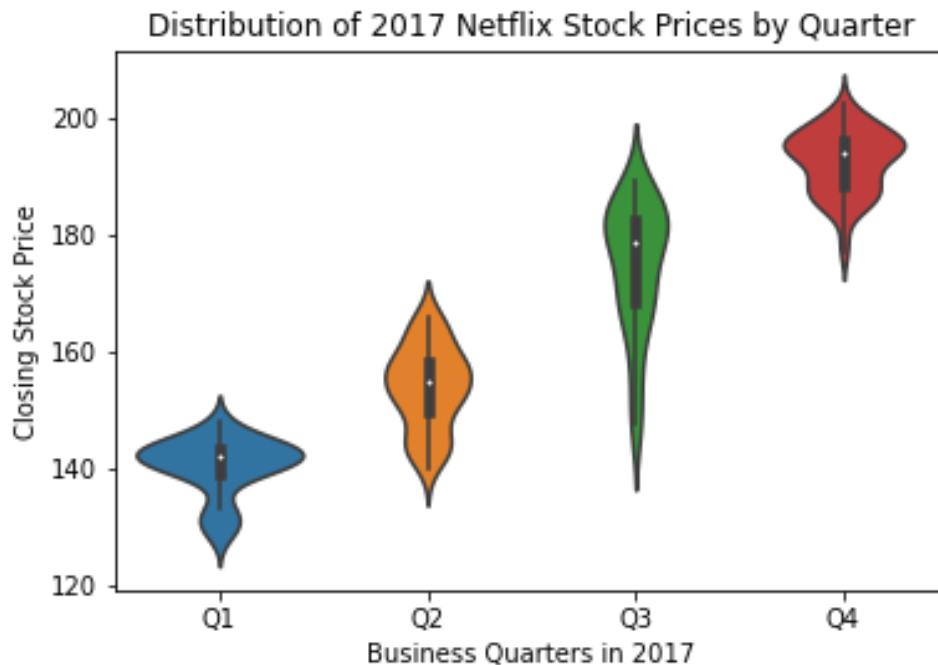
Code Review

A section that would certainly be absent in a presentation of financial health (i.e. to non-tech users), Code Review includes any relevant notes for the purposes of fact-checking and optimization.

NETFLIX

Name:	Netflix
Ticker:	NFLX
Foundation:	29th of August, 1997
Registered Office:	Los Gatos, California, USA
Management:	Reed Hastings (Chairman, Co-CEO), Ted Sarandos (Co-CEO, CCO), Greg Peters (COO, CPO)
Employees:	12'000 (2020)
Revenue:	USD 25 Billion (2020)
Industry:	Tech & Entertainment, Mass media

STOCK HEALTH



Mostly steady growth throughout the year, as indicated by:

- Each quarter occupying a higher and higher position (relative to CSP)
- Most quarters occupying a relatively equal spread from lowest to highest stock value

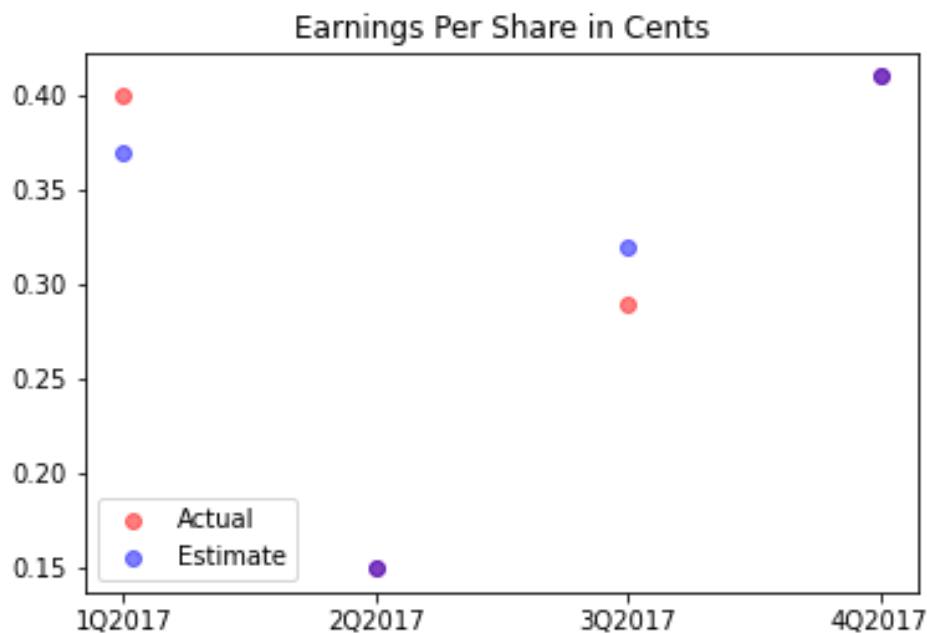
Stock's Closing Price mostly sat between \$130 and \$200, with extremes at:

- Lowest \$127.48
- Highest \$202.67

While most quarters were relatively steady, Q3 saw the greatest degree of volatility, indicated by:

- Wide distribution of Closing Stock Prices

EPS REVIEW

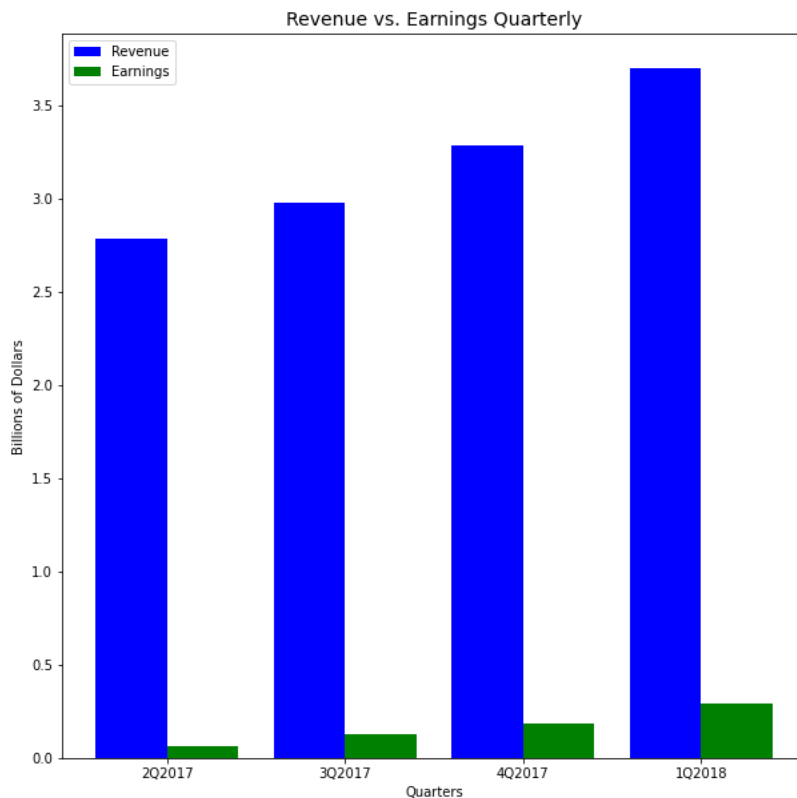


EPS, as predicted by Yahoo, was accurate in 2/4 quarters (indicated with purple dot):

- Q2
- Q4

Netflix EPS outperformed estimated in Q1, but underperformed in Q3.

REVENUE VS. EARNINGS



Both revenue and earnings saw a consistent upward trend throughout the fiscal year:

- Start
 - Revenue: 2.79 (billion)
 - Earnings: 0.065 (billion)
- End
 - Revenue: 3.7 (billion)
 - Earnings: 0.29 (billion)

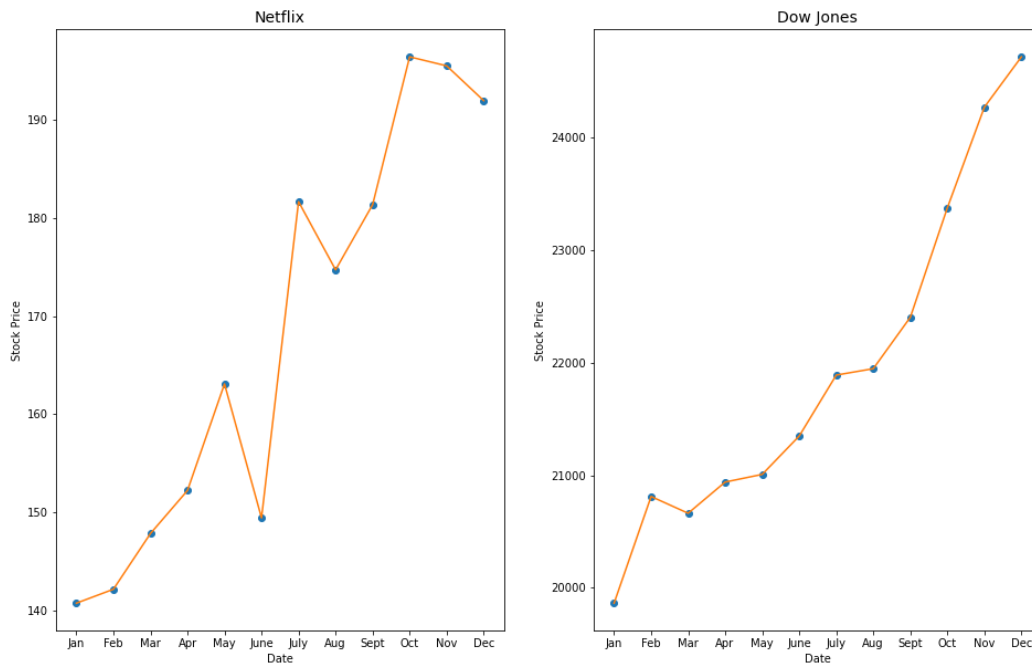
The ratio of earnings against revenue also increased:

- Q1 = 2.3%
- Q2 = 4.3%
- Q3 = 5.6%
- Q4 = 7.8%

Netflix increased their footprint while making themselves leaner and more profitable

STOCK VS DJIA

How did Netflix do relative to the Dow Jones Index?



Overall, both Netflix stock value and the Dow Jones rose throughout 2017.

However, Netflix stock was far more volatile, seeing downturns in Q2, Q3 and Q4.

- In comparison, the Dow Jones only saw a brief downturn in Q1

This means:

- Netflix stock overall was more volatile than the general stock market
- The stock's volatility was likely not caused by the market

Netflix accounts for less than 1% of the Dow Jones stock price, suggesting it has little material impact on the overall stock market.