

# NETFLIX STOCK ANALYSIS 2017

# CONTENT

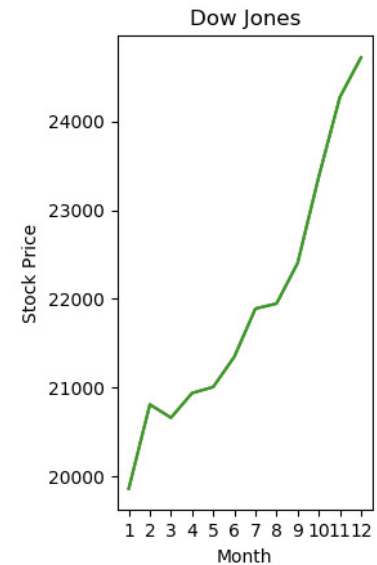
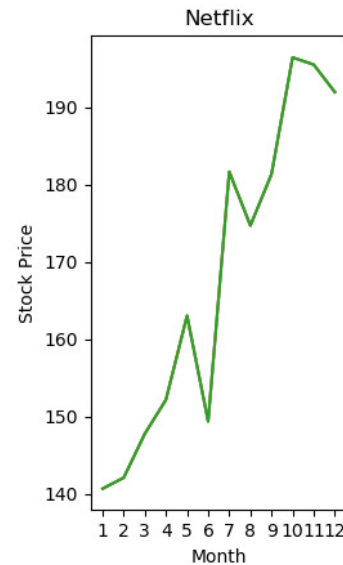
## Charts and comments:

- Stock Price Comparison: Netflix vs Dow Jones Industrial
- Netflix Stock Price Quarterly Distribution
- Quarterly Revenue and Earnings for Netflix in 2017
- Earning Per Shares: Actual vs Estimate

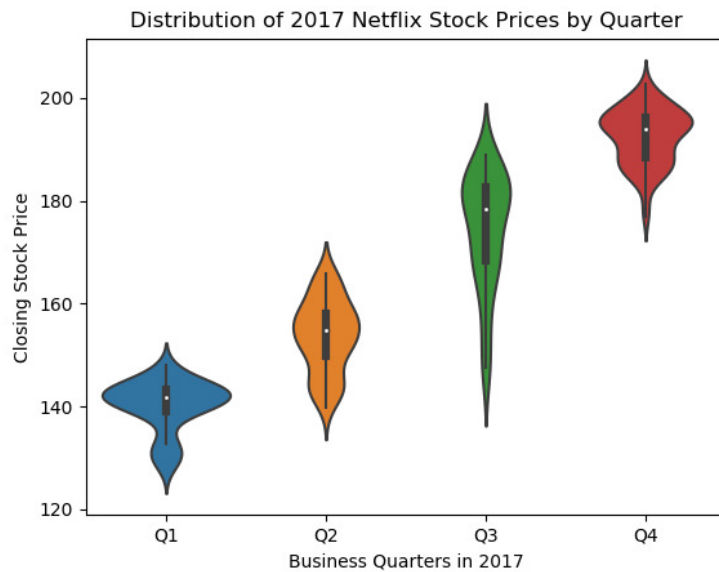
Role: financial analysis

# NETFLIX: A RISKY HIGH PERFORMING STOCK

- Dow Jones index increased by around 20% in 2017
- Over the same period, Netflix stock price increased by almost 40%
- However, increased performance is compensated by high volatility and significant downside risk
- The stock lost around 10% during May-June while the Dow Jones gained slightly



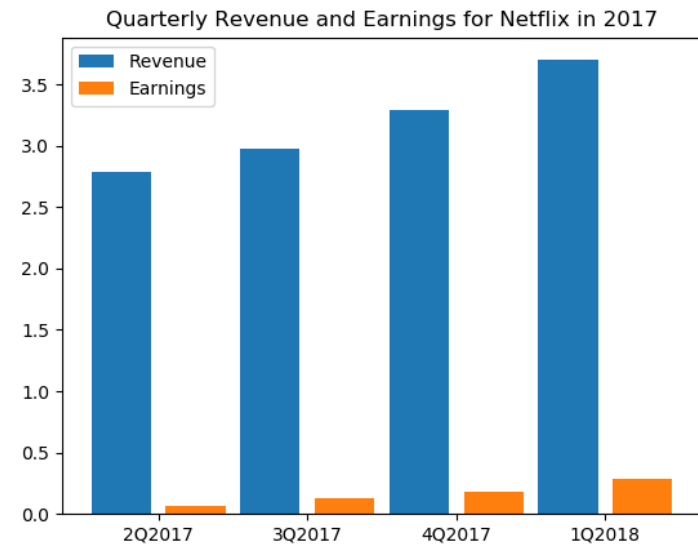
# NETFLIX: A STRONG UPWARD TREND



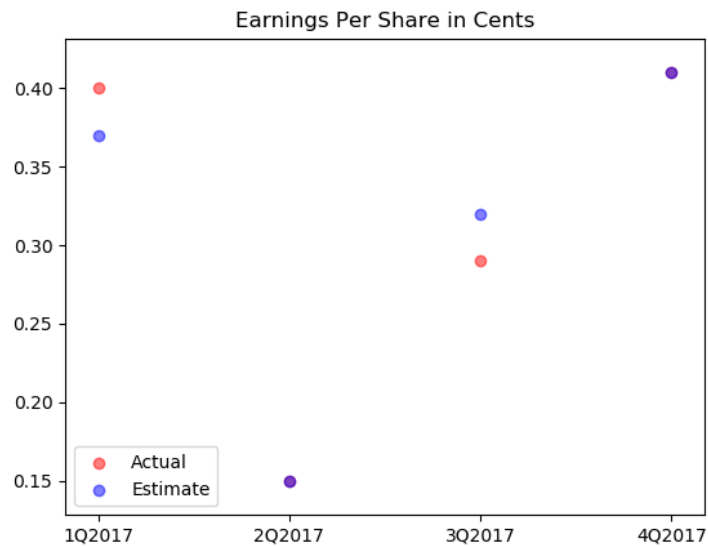
- Strong upward trend, with quarterly mean increasing by almost 40%
- Distribution is positively skewed
- Significant downside risk
- High dispersion of price especially during Q3 where price climbed from 140 to around 200

# AN EXPONENTIAL GROWTH WITH STEADY OPERATIONAL MARGIN

- Strong quarterly growth of revenue
- Revenue translated into quarterly earnings with around 10% operating margin
- Lack of seasonality in revenues and profits



# NETFLIX EARNINGS ARE LARGELY PREDICTABLE



- Overall, estimate earnings per share were close to the actual ones, showing predictability in financial results and strong business model
- Average earning per share per quarter around 0.30 cts