How Does Netflix Compare to the Dow Jones?

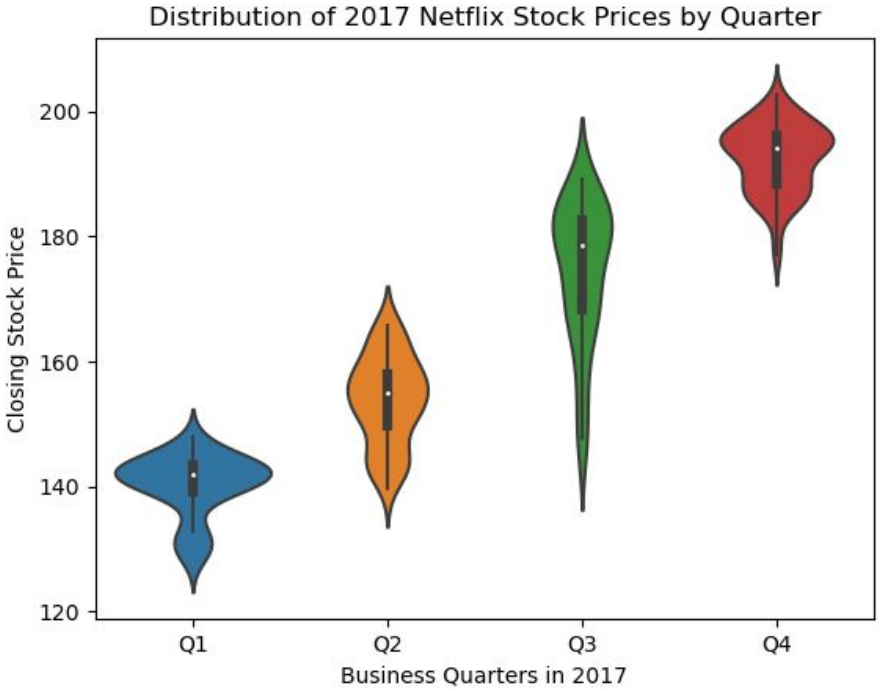
Data Analysis of 2017 Stock Performance Using Python

Presentation Overview

- Work as a hypothetical Yahoo! Finance employee to analyze data from Netflix & Dow Jones stocks
- We will create visualizations to further explore the 2017 stock performances using Python
- Visualizations:
    - Quarterly Distribution
    - Quarterly Earnings Per Share
    - Quarterly Revenue & Earnings
    - Price Performance

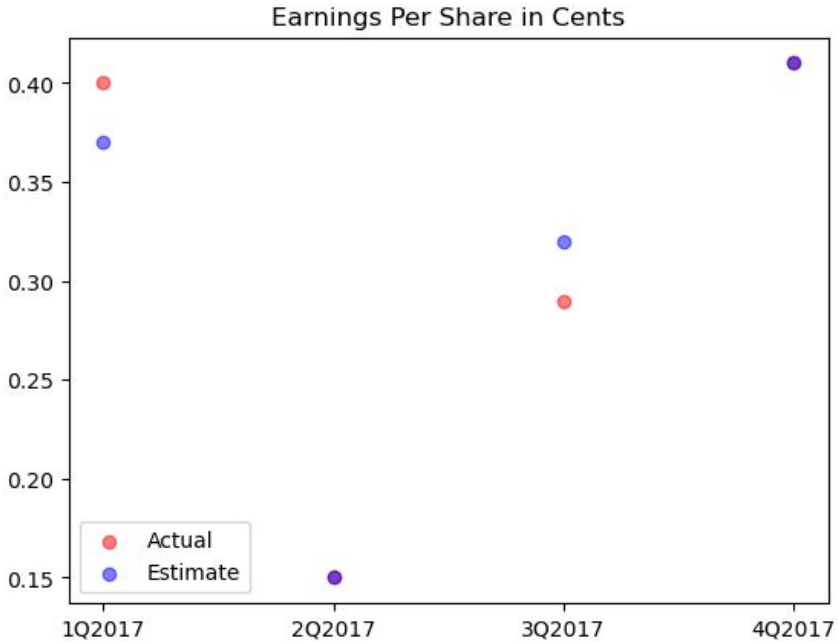
2017 Quarterly Distribution

- Netflix's closing stock prices increased every quarter of the year
- The closing stock price ranged from:
  - $127.49 (Q1)
  - $202.68 (Q4)
- The widest distribution range was seen in Q3, however, the other quarters did not experience such a drastic range
- Overall, this type of trend shows positive growth for the closing stock prices of Netflix



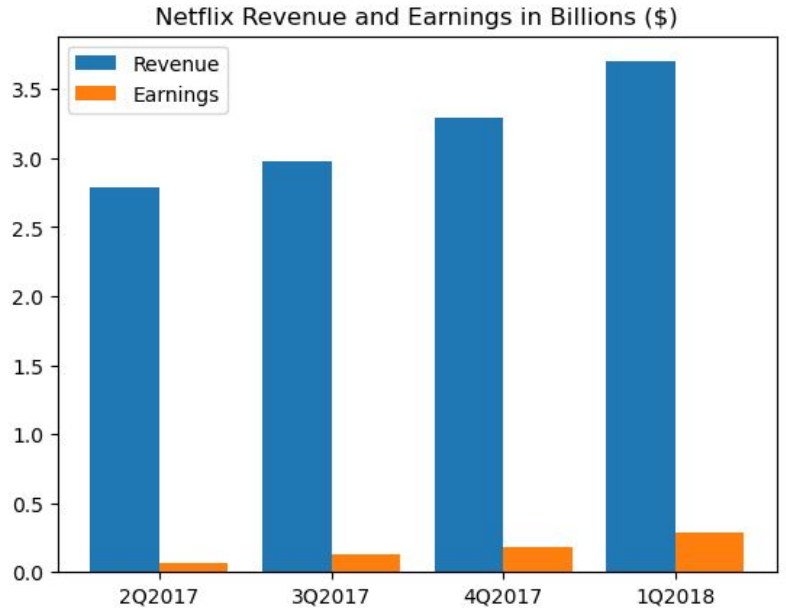
2017 Quarterly Earnings Per Share

- The actual earnings per share were very close to the estimated earnings per share
- In half of the cases, the actual and estimated earnings per share were equal
- In Q1, the actual performed worse than the estimated
- In Q3, the actual performed better than the estimated
- The estimated models provided accurate insight to what the actual earnings per share would be in 2017



2017 Quarterly Revenue & Earnings

- Each quarter, the revenue and earnings both experienced an increase
- This is a positive trend, as every quarter Netflix had increased their earnings along with their revenue
- Throughout the year, the average profit margin was 5.3%



2017 Stock Price of Netflix & Dow Jones

- Netflix had more volatility than the Dow Jones in 2017
- Netflix had outperformed the Dow Jones by nearly 10%
- Both of these stocks have trends that any company wishes to achieve, as they continually see positive trends in their stocks every quarter (in this sample)
- However, given the volatility of Netflix, it would be interesting to work with more data to see if similar volatility is common