
Capstone Project: Netflix Data

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Overview

Helping the “Netflix Stock Profile team” creating:

- Distribution of the stock prices for the past year
 - Netflix's earnings and revenue in the last four quarters
 - The actual vs. estimated earnings per share for the four quarters in 2017
 - A comparison of the Netflix Stock price vs the Dow Jones Industrial Average price in 2017
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The data

We are using Netflix and Dow Jones dataset:

- We are using the adjusted close: adjusted close price adjusted for both dividends and splits
 - The Dow Jones Industrial Average is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.
 - We are using monthly and quarterly data
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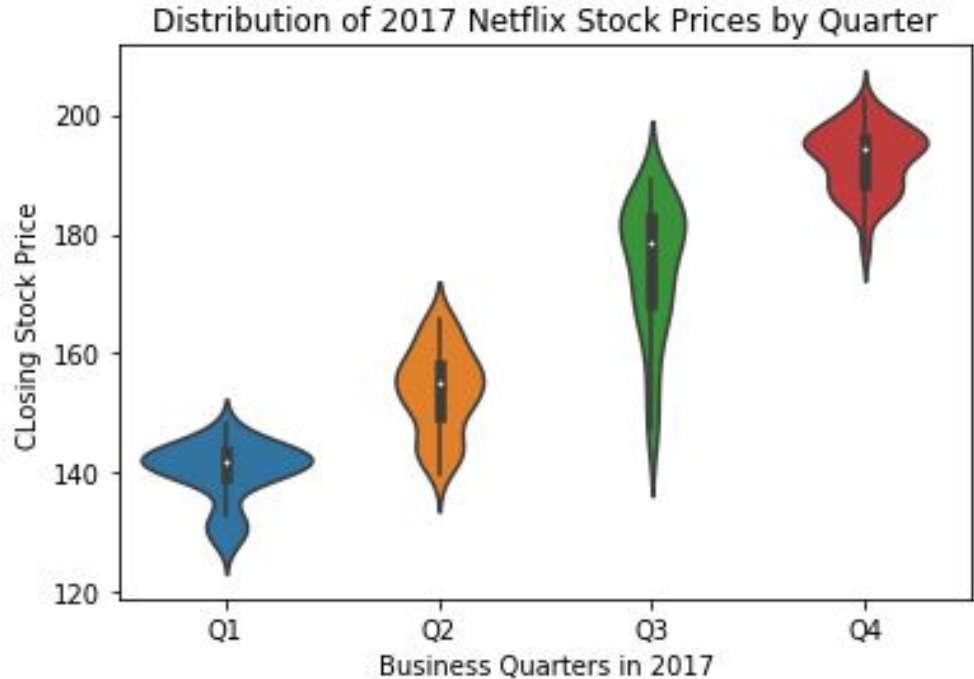
Data Visualization

Distribution of the stock prices for the past year



Clear uptrend during 2017

- Q1: low fluctuation with price mostly traded around \$ 140. Min above \$ 120.
- Q2: bigger fluctuation with price climbing above \$ 160
- Q3: strong fluctuation, price moving between \$ 140 to almost \$ 200
- Q4: Small fluctuation, price settles around \$ 200

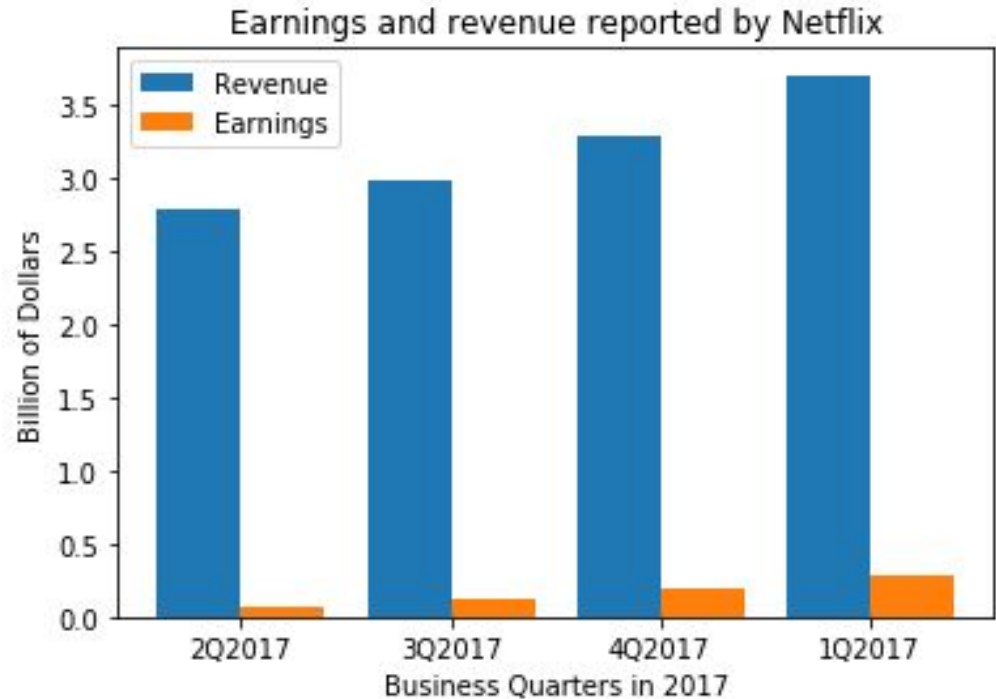


Netflix's earnings and revenue in the last four quarters

↑ Both Revenue and Earnings follow a upward trend in 2017.

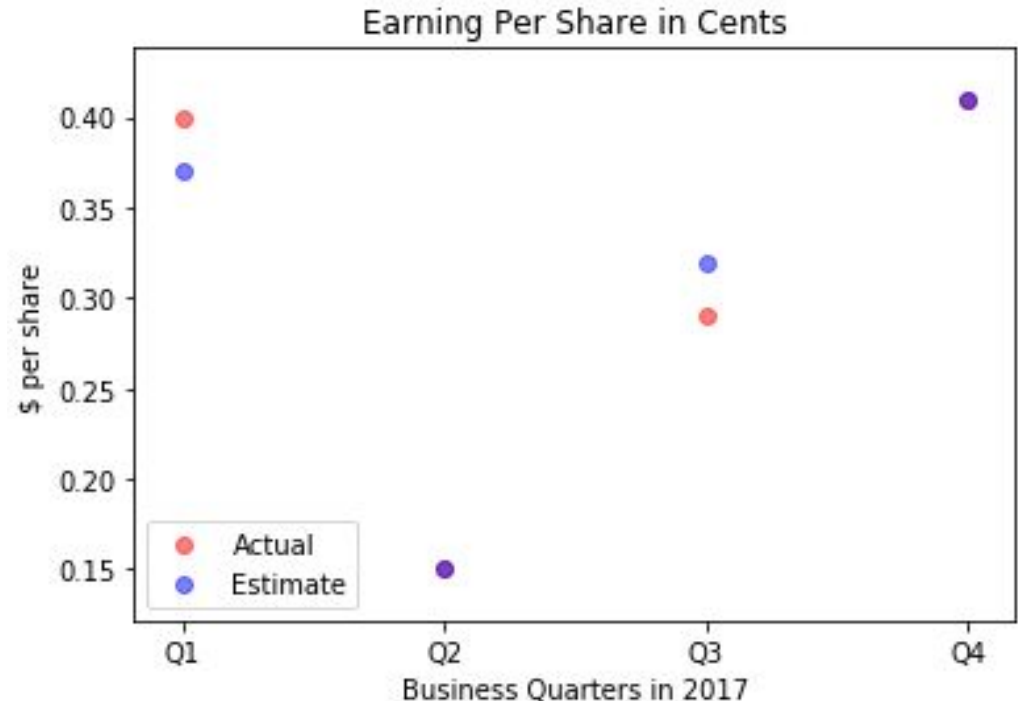
↑ The revenue increases from 2.79 billions to 3.7 billions (+32 %) and the earnings increase from 65.6 millions to 290.12 millions (+ 342 %).

↑ At the beginning of the year the earnings represented 2.35 % but at the end of the year represents 7.84 %.



Actual vs. estimated earnings per share in 2017

- Q1: actual earnings were better than expected (0.40 vs 0.37)
- Q2: actual and expected earnings were the same, much lower than in Q1 (0.15)
- Q3: actual earnings were worse than expected (0.29 vs 0.32)
- Q4: actual and expected earnings were the same, much higher than in Q3 (0.41)



Netflix Stock price vs Dow Jones Industrial Average

- Both stock have a clear uptrend
- Netflix performed better climbing around 35% vs 25%
- The fact that the performance of Netflix is better it is also in line with the fact that has more volatility as we would expect.

