

Netflix boosts tech shares as US stocks rise

October 19 2016



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Technology shares led US stocks higher Tuesday after Netflix surged on strong subscriber growth and Google parent Alphabet hit an all-time high as its new Pixel phone garnered positive reviews.

Netflix soared 19.0 percent after reporting 3.57 million in new subscribers for the third quarter and projecting a gain of 5.2 million in the fourth quarter, much better than expected.

The results boosted hopes that other tech earnings may also be strong in the coming weeks. Google parent Alphabet, Tesla Motors and Electronic Arts all rose two percent or more. Amazon and Facebook also rose.

The tech-rich Nasdaq Composite jumped 0.9 percent to 5,243.84.

The Dow Jones Industrial Average rose 0.4 percent to 18,161.94, while the broad-based S&P 500 gained 0.6 percent to 2,139.60.

UnitedHealth was the biggest gainer in the Dow, climbing 7.1 percent after reporting that third-quarter earnings jumped 23.2 percent to \$2.0 billion, due in part to a strong performance in its Optum consulting and data analysis business.

Other health insurers also moved higher, with Aetna winning 2.6 percent and Cigna 4.2 percent.

Goldman Sachs climbed 2.2 percent as it reported a 58 percent jump in third-quarter earnings to \$2.1 billion due in part to a strong performance in its trading division.



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But IBM lost 2.6 percent despite reporting better-than-expected earnings with some analysts expressing disappointment in the tech giant's profit margins. Revenues also fell for the 18th straight quarter.

Johnson & Johnson fell 2.7 percent on concerns about new competition from Pfizer and other drugmakers with J&J's blockbuster arthritis treatment Remicade. Chief financial officer Dominic Caruso predicted "modest" impact on Remicade sales due to the new competitors.

Dow member Visa fell 0.7 percent on the surprise news that chief executive Charlie Scharf would resign in December and be replaced with Alfred Kelly, Jr., a former president of American Express.

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Citation: Netflix boosts tech shares as US stocks rise (2016, October 19) retrieved 8 May 2024 from <https://phys.org/news/2016-10-netflix-boosts-tech-stocks.html>

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