busines s: The Walt Disney Company operates Media Networks, incl. ABC, Freeform, ESPN, FX, National Geographic, about Hulu, Pixar, Marvel, Lucasfilm, Disney+, though some of the momentum tapered off in the following weeks. This issue tackled almost 10% in value since our November review, but many eyes and ears seem to be on Disney+. The media and entertainment conglomerate's bottom line took a hit in fiscal 2019, as restructuring charges and acquisition-related expenses took their toll, causing share net (on a GAAP basis) to fall 25% year to year. And even though we are optimistic with the ongoing integration of Twenty-First Century Fox (completed in March, 2019), the box office hits of Frozen 2 and Star Wars: The Rise of Skywalker, and growing success of Disney+, rising operating costs and other business expenses may have eclipsed the news in the December period. As such, share earnings may fall about 20% while revenues likely increased 36% for the interim. Note: First-quarter results such, share earnings may fall about 20%, good news in the December period. As rising operating costs and other hinders results in the near term.

These top-quality shares appear to be well valued at this juncture. The stock price got a nice lift in mid-November, driven by the enthusiasm surrounding the launch of Disney+, though some of the momentum tapered off in the following weeks. This issue tackled almost 10% in value since our November review, but remains ranked to perform in tandem with the broader market averages.

Orly Seidman January 31, 2020