Netflix Inc. (NFLX)

$425.56 (As of 06/11/20)

Price Target (6-12 Months): **$447.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 07/11/18) Prior Recommendation: Underperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**2-Buy**
	Zacks Style Scores:	VGM:C
	Value: C | Growth: B | Momentum: F	

Summary

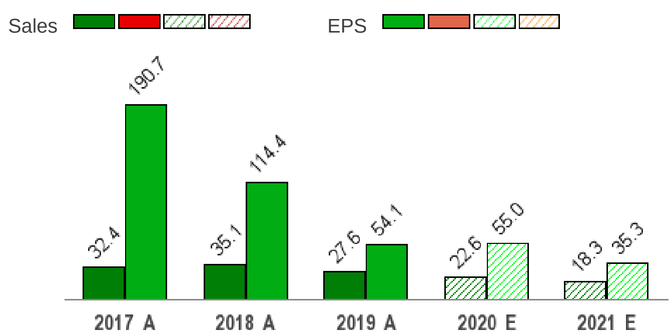
Netflix is dominating the streaming space, courtesy of its diversified content portfolio, which is attributable to heavy investments in the production and distribution of localized, foreign-language content. Its regional programming focus have expanded user base. The launch of low-priced mobile plans in India, Indonesia, Malaysia, Philippines and Thailand is also expected to expand the subscriber base in the Asia Pacific. Notably, shares have outperformed the industry on a year-to-date basis. However, Netflix expects viewing and subscriber growth to decline once the coronavirus-related lockdowns and movement restrictions are lifted. Moreover, absence of new seasons for popular shows like *Money Heist* and *Stranger Things* is expected to affect subscriber growth in the third and fourth quarter of 2020 amid increasing competition.

Price, Consensus & Surprise

Data Overview

52 Week High-Low	**$458.97 - $252.28**
20 Day Average Volume (sh)	**5,815,845**
Market Cap	**$187.2 B**
YTD Price Change	**31.5%**
Beta	**0.94**
Dividend / Div Yld	**$0.00 / 0.0%**
Industry	**Broadcast Radio and Television**
Zacks Industry Rank	**Top 36% (91 out of 252)**
Last EPS Surprise	**-2.5%**
Last Sales Surprise	**1.1%**
EPS F1 Est- 4 week change	**-0.7%**
Expected Report Date	**07/15/2020**
Earnings ESP	**0.0%**
P/E TTM	**86.2**
P/E F1	**66.6**
PEG F1	**2.2**
P/S TTM	**8.7**

Sales and EPS Growth Rates (Y/Y %)



Sales Estimates (millions of $)

	Q1	Q2	Q3	Q4	Annual*
2021	6,808 E	6,984 E	7,214 E	7,438 E	29,224 E
2020	5,768 A	6,071 E	6,344 E	6,539 E	24,709 E
2019	4,521 A	4,923 A	5,245 A	5,467 A	20,156 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2021	$2.25 E	$2.16 E	$2.41 E	$1.65 E	$8.66 E
2020	$1.57 A	$1.83 E	$1.98 E	$1.08 E	$6.40 E
2019	$0.76 A	$0.60 A	$1.47 A	$1.30 A	$4.13 A

*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 06/11/2020. The reports text is as of 06/12/2020.

Overview

Netflix is considered a pioneer in the streaming space. The company evolved from a small DVD-rental provider to a dominant streaming service provider, courtesy of its wide-ranging content portfolio and a fortified international footprint. At the end of first-quarter 2020, the company had 182.86 million paid subscribers globally.

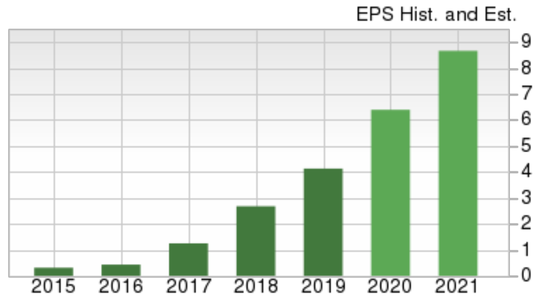
Netflix has been spending aggressively on building its original show portfolio. This is helping it sustain its leading position despite the launch of new services like Disney+ and Apple TV+ as well as the existing services like Amazon prime video.

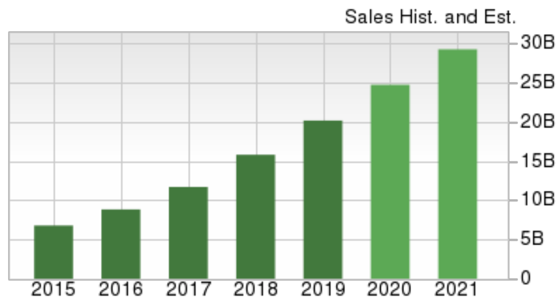
Netflix streams movies, television shows and documentaries across a wide variety of genres and languages. Subscribers, both domestic and international, can watch them on a host of internet-connected devices, including television sets, computers and mobile devices.

The Los Gatos, CA-based company reported revenues of $20.16 billion in 2019.

Beginning fourth-quarter 2019, Netflix started disclosing revenues and membership data by regions — the Asia Pacific (APAC); Europe, Middle East & Africa (EMEA); Latin America (LATAM); and the United States and Canada (UCAN).

UCAN accounted for 48.9% of total revenues in 2019. At the end of first-quarter 2020, the company had 69.97 million paid subscribers.





EMEA accounted for 28.6% of total revenues in 2019. At the end of first-quarter 2020, the company had 58.73 million paid subscribers.

LATAM contributed 13.6% of total revenues in 2019. The company had 34.32 million paid subscribers in the region at the end of the first-quarter 2020.

APAC accounted for 7.6% of total revenues in 2019. The company had 19.84 million paid subscribers in the region at the end of the first-quarter 2020.

In the Domestic DVD segment, Netflix delivers DVDs through the U.S. postal service from distribution centers located in major U.S. cities. Revenues from the DVD segment accounted for 1.5% of total revenues in 2019.

Reasons To Buy:

Netflix's growing subscriber base, driven by content strength, focus on originals across various genres and languages, rapid international expansion and partnerships with telcos are key drivers.

- Netflix's solid content portfolio cushioned it successfully against the coronavirus-led stock market rout in first-quarter 2020. Courtesy of its diversified content portfolio, which is attributable to its heavy investments in the production and distribution of localized, foreign-language content and an expanding international footprint the company is dominating streaming space despite the launch of new services like Disney+ and Apple TV+ as well as the existing services like Amazon prime video.

- Netflix's efforts to attract viewers through investing in more regional programming have added significantly to its user base. Moreover, partnerships with telcos like Telefonica in Spain, KDDI in Japan, AT&T, Comcast, DISH, Verizon, Charter, Altice and T-Mobile in the United States, Canal+ in France and Sky in the U.K., Germany and Italy are expected to enhance subscriber base in international markets.

- Netflix's focus on originals — both movies and TV shows — has been the major growth driver behind the company's surging subscriber base. Further, the company's endeavor to offer content catering to various genres has been a key catalyst in driving user engagement. The impressive content quality has helped the company win awards and accolades. The company's change in strategy to give its original movies more theatrical exposure is expected to boost its chances for winning the much-coveted Oscar.

- The success of *Roma*, *Bird Box*, *Triple Frontier*, *Murder Mystery* and *The Irishman* surely validates the company's evolution as a major movie studio. Netflix views Oscar contention as a selling point to A-list talent. A dominant year at the Academy Awards is expected to be a strong recruiting tool while competition intensifies in the streaming space. The growing involvement of well-known Hollywood stars definitely makes the movies and shows more attractive.

- Rapid international expansion has paid off for Netflix. The company's focus on streaming regional content has been leading to international growth. Netflix is diversifying its content portfolio and also working on projects across India, Mexico, Spain, Italy, Germany, Brazil, France, Turkey and the entire Middle East. In fact, Netflix stated that local originals were the most popular titles in many countries, including India, Korea, Japan, Turkey, Thailand, Sweden and the United Kingdom in 2019. Notably, the company has launched low-priced mobile plans in India, Indonesia, Malaysia, Philippines and Thailand. This is expected to further boost its subscriber base in APAC.

Reasons To Sell:

- Netflix expects viewing and subscriber growth to decline once the coronavirus-related lockdowns and movement restrictions are lifted. Moreover, the company expects accelerated growth in user base amid the lockdown in the first quarter to hurt near term user growth on a country-by-country basis once the lockdowns and social isolation measures are lifted. The company also expects the halt in content production due to lockdowns to delay releases of new titles, at least by a quarter. Moreover, absence of new seasons for popular shows like *Money Heist* and *Stranger Things* is expected to affect subscriber growth in the third and fourth quarter of 2020.

Stiff competition from the likes of Apple TV+, Disney+, Amazon prime video, Hulu, YouTube and HBO into the streaming space along with higher marketing expenses andand cash flow burn are major concerns.

- Netflix faces stiff competition from Apple TV+, Disney+, Amazon prime video, Hulu, YouTube and HBO. Upcoming rollouts like Comcast's Peacock and AT&T's HBO Max are expected to intensify competition. Given the scope for growth in the market, all players are ramping up their efforts to expand subscriber base. Most players are investing heavily to develop original content, which has become a differentiator for attracting new subscribers. Competition is heating up further with players like Facebook, Snapchat and Twitter making efforts to improve video viewing on their platform.

- International expansion and content additions resulted in cost escalations in the form of technology investments and marketing expenses. The company is estimated to spend around $17 billion on total content in 2020. In order to sustain market share amid intensifying competition, content strength is the primary focus, which requires significant investments in 2020 and beyond. We believe that Netflix's ability to effectively manage costs will dictate its future prospects.

- Cash flow burn is here to stay. The company now expects 2020 free cash outflow to be roughly $1 billion. Although the fresh content will help drive the subscriber base rapidly, higher cash burn does not augur well for investors. Long-term debt was $14.17 billion as of Mar 31, 2020. Netflix raised nearly $1 billion in debt through the issue of unsecured notes in April. Moreover, streaming content obligations were $19.2 billion at the end of first-quarter 2020.

Last Earnings Report

Netflix's Q1 Earnings Miss, Coronavirus Aids User Growth

Quarter Ending	03/2020
Report Date	Apr 21, 2020
Sales Surprise	1.14%
EPS Surprise	-2.48%
Quarterly EPS	1.57
Annual EPS (TTM)	4.94

Netflix reported first-quarter 2020 earnings of $1.57 per share, missing the Zacks Consensus Estimate by 2.5%. However, the figure jumped 106.6% year over year.

Revenues of $5.77 billion increased 27.6% year over year and also beat the consensus mark of $5.70 billion. Excluding an unfavorable forex impact of $115 million, streaming ARPU grew 8% from the year-ago quarter.

Netflix's first-quarter results benefited from strong subscriber growth as more and more people were compelled to stay at home due to the coronavirus (COVID-19) pandemic. The streaming giant added 15.77 million paid subscribers globally, which surged 64.3% year over year and was better than its guidance of 7 million paid subscriber addition.

At the end of the first quarter, Netflix had 182.86 million paid subscribers globally, up 22.8% from the year-ago quarter and ahead of management's expectation of 174.09 million paid subscribers.

Segmental Revenue Details

United States and Canada (UCAN) reported revenues of $2.70 billion, which rose 19.8% year over year and accounted for 46.9% of total revenues. ARPU grew 14% from the year-ago quarter on a foreign-exchange neutral basis.

Paid subscriber base increased 5% from the year-ago quarter to 69.97 million. The company added 2.31 million paid subscribers, up 22.9% year over year.

Europe, Middle East & Africa (EMEA) reported revenues of $1.72 billion, which surged 39.7% year over year and accounted for 29.9% of total revenues. ARPU grew 4% from the year-ago quarter on a foreign-exchange neutral basis.

Paid subscriber base increased 38.1% from the year-ago quarter to 58.73 million. The company added 6.96 million paid subscribers, up 47.5% year over year.

Latin America's (LATAM) revenues of $793 million increased 25.9% year over year, contributing to 13.7% of total revenues. ARPU grew 12% from the year-ago quarter on a foreign-exchange neutral basis.

Paid subscriber base rose 24.6% from the year-ago quarter to 34.32 million. The company added 2.9 million paid subscribers, up 97.3% year over year.

Asia Pacific's (APAC) revenues of $484 million rose 51.3% year over year and accounted for 8.4% of total revenues. ARPU dipped 3% year over year on a foreign-exchange neutral basis.

Paid subscriber base soared 63.4% from the year-ago quarter to 19.84 million. The company added 3.6 million paid subscribers, up 135.3% year over year.

Content Details

Netflix's first-quarter content slate included *Ozark* season 3, *Tiger King: Murder, Mayhem and Madness*, and *Love is Blind*. The company also released original film *Spenser Confidential*.

Content slate for the second quarter of 2020 includes the fourth season of *Money Heist* (*La Casa de Papel*), which released in early April. Other shows include *Space Force*, T*oo Hot to Handle, #BlackAF* from Kenya Barris and *The Last Dance* outside the United States.

Notably, Netflix co-produced *The Last Dance*, a Michael Jordan documentary with Disney's ESPN. The show will be launched on Netflix in the United States on Jul 19.

Moreover, notable second-quarter releases include *Hollywood* from Ryan Murphy and *Extraction*, starring Chris Hemsworth.

Netflix also strengthened its 2020 content portfolio with the acquisition of Paramount and Media Rights Capital's *The Lovebirds* and Legendary Pictures' *Enola Holmes*.

Operating Details

Marketing expenses declined 18.3% year over year to $503.8 million. As a percentage of revenues, marketing expenses decreased 490 basis points (bps) to 8.7%.

Moreover, consolidated operating income skyrocketed 108.7% year over year to $958.3 million. Consolidated operating margin expanded 650 bps on a year-over-year basis to 16.6%.

Balance Sheet & Free Cash Flow

Netflix had $5.15 billion of cash and cash equivalents as of Mar 31, 2020 compared with $4.44 billion as of Dec 31, 2019.

Long-term debt was $14.17 billion as of Mar 31, 2020, down from $14.76 billion as of Dec 31, 2019.

Streaming content obligations were $19.2 billion compared with $19.5 billion at the end of the previous quarter.

Netflix reported free cash flow of $162 million against free cash outflow $1.67 billion in the previous quarter.

Guidance

For the second quarter of 2020, Netflix forecasts earnings of $1.81 per share.

Netflix expects to add 7.50 million paid subscribers, much higher than 2.70 million added in the year-ago quarter. The company expects to end the second quarter of 2020 with 190.36 million paid subscribers globally, up 25.6% from the year-ago quarter.

Total revenues are anticipated to be $6.05 billion, up 22.8% year over year.

Operating margin is projected at 17.9%, up from 14.3% in the year-ago quarter.

For 2020, the company still expects operating margin of 16%. However, it expects to set a modest operating margin growth target for 2021 on currency headwind due to the strong U.S. dollar is anticipated to persistently impact Netflix's international business.

Moreover, Netflix now expects 2020 free cash outflow to be $1 billion or less than its prior free cash flow expectation of $2.5 billion. Netflix reported free cash outflow of $3.3 billion in 2019.

Recent News

On Jun 12, Netflix announced a multi-title partnership deal with Mo Abudu, an acclaimed Nigerian producer. Mo Abudu's EbonyLife Media will create two Netflix Original series as well as multiple Netflix branded films and a series that was licensed to the service.

On May 7, Netflix announced the introduction of a *Made in Africa* collection, a curated list of African series, films and documentaries to celebrate Africa Month.

On Apr 29, Netflix and DR, the Danish Broadcasting Corporation, jointly announced that the first three seasons of *Borgen* will be available on the streaming platform globally later this year. New episodes of this critically acclaimed political drama will be beamed in 2022.

On Apr 23, Netflix and The Pokemon Company International announced that the upcoming seasons of the iconic *Pokemon* animated series will premiere exclusively on the streaming platform in the United States. The first 12 episodes of the new 23rd season of the series can be watched on Jun 12, 2020.

On Apr 21, Netflix announced that it acquired global rights, excluding China, to *Enola Holmes* movie from Legendary Entertainment.

On Mar 11, Netflix announced six projects in Turkey that include renewal of the third season of the popular series, *The Gift*. Netflix is set to release the second season of *The Gift* in September 2020.

On Mar 5, Netflix signed Academy Award-winning film-maker Taika Waititi to write, direct, and executively produce two original animated series based on characters created by Roald Dahl. The deal is part of the collaboration between Netflix and The Roald Dahl Story Company.

Valuation

Netflix shares are up 31.5% in the year-to-date period and 23.9% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Consumer Discretionary sector are down 0.6% and 9.2% in the year-to-date period, respectively. Over the past year, the Zacks sub-industry is up 3.2%, while the sector is down 2.5%.

The S&P 500 index is down 1% in the year-to-date period but up 10.3% in the past year.

The stock is currently trading at 7X forward 12-month sales, which compares to 7.26X for the Zacks sub-industry, 2.27X for the Zacks sector and 3.58X for the S&P 500 index.

Over the past five years, the stock has traded as high as 10.05X and as low as 3.69X, with a 5-year median of 5.82X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our $447 price target reflects 7.35X forward 12-month sales.

The table below shows summary valuation data for NFLX

Valuation Multiples - NFLX

		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	7	7.26	2.27	3.58
	5-Year High	10.05	13.45	3.19	3.58
	5-Year Low	3.69	6.12	1.67	2.53
	5-Year Median	5.82	9.52	2.51	3.02
EV/Sales TTM	Current	9.17	8.68	2.95	3.13
	5-Year High	14.51	15.84	4.02	3.46
	5-Year Low	4.9	6.8	2.26	2.14
	5-Year Median	7.82	10.98	3.38	2.82
EV/EBITDA TTM	Current	21.5	22.9	10.34	11.82
	5-Year High	41.06	32.68	17.63	12.85
	5-Year Low	7.98	17.58	8.29	8.25
	5-Year Median	13.04	22.84	12.24	10.81

As of 06/11/2020

Industry Analysis Zacks Industry Rank: Top 36% (91 out of 252)

Top Peers

Company (Ticker)	Rec	Rank
Apple Inc. **(AAPL)**	Neutral	3
Amazon.com, Inc. **(AMZN)**	Neutral	3
Comcast Corporation **(CMCSA)**	Neutral	4
The Walt Disney Company **(DIS)**	Neutral	3
Discovery, Inc. **(DISCA)**	Neutral	3
Alphabet Inc. **(GOOGL)**	Neutral	3
Sirius XM Holdings Inc. **(SIRI)**	Neutral	2
ATT Inc. **(T)**	Neutral	3

Industry Comparison Industry: Broadcast Radio And Television

	NFLX	X Industry	S&P 500	AAPL	AMZN	DIS
				Industry Peers		
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	3	3	3
VGM Score	C	-	-	B	D	D
Market Cap	187.16 B	560.76 M	21.32 B	1,455.90 B	1,275.85 B	203.46 B
# of Analysts	12	2	14	12	13	6
Dividend Yield	0.00%	0.00%	1.99%	0.98%	0.00%	1.56%
Value Score	C	-	-	C	F	C
Cash/Price	0.03	0.18	0.06	0.07	0.04	0.06
EV/EBITDA	16.34	5.17	12.31	18.53	33.45	12.15
PEG Ratio	2.22	0.61	2.88	2.56	5.23	13.33
Price/Book (P/B)	22.26	0.96	2.92	18.56	19.55	2.14
Price/Cash Flow (P/CF)	16.69	2.63	11.24	22.01	38.15	14.24
P/E (F1)	66.60	6.89	20.84	27.32	128.00	67.92
Price/Sales (P/S)	8.74	0.60	2.24	5.43	4.31	2.60
Earnings Yield	1.50%	-1.29%	4.64%	3.66%	0.78%	1.47%
Debt/Equity	1.69	1.39	0.76	1.14	0.36	0.45
Cash Flow ($/share)	25.49	1.76	7.01	15.26	67.05	7.91
Growth Score	B	-	-	B	C	D
Hist. EPS Growth (3-5 yrs)	92.67%	15.85%	10.87%	9.79%	102.38%	2.68%
Proj. EPS Growth (F1/F0)	54.84%	-31.26%	-10.81%	3.41%	-13.15%	-71.26%
Curr. Cash Flow Growth	26.74%	-0.97%	5.46%	-3.74%	31.33%	4.37%
Hist. Cash Flow Growth (3-5 yrs)	30.03%	13.08%	8.55%	7.40%	49.26%	7.57%
Current Ratio	0.82	1.73	1.29	1.50	1.08	0.94
Debt/Capital	62.76%	58.90%	44.75%	53.18%	26.42%	35.35%
Net Margin	10.43%	5.06%	10.54%	21.35%	3.56%	6.88%
Return on Equity	30.83%	7.11%	16.08%	64.49%	17.83%	9.09%
Sales/Assets	0.66	0.41	0.55	0.81	1.42	0.39
Proj. Sales Growth (F1/F0)	22.59%	0.00%	-2.60%	0.79%	24.13%	-3.66%
Momentum Score	F	-	-	B	A	C
Daily Price Chg	-2.05%	-5.95%	-6.44%	-4.80%	-3.38%	-7.81%
1 Week Price Chg	-0.03%	12.70%	7.51%	4.26%	1.66%	6.41%
4 Week Price Chg	-3.71%	8.89%	8.40%	8.52%	7.08%	6.35%
12 Week Price Chg	28.17%	18.64%	25.04%	37.22%	35.99%	18.66%
52 Week Price Chg	23.92%	-25.55%	-6.33%	73.01%	36.77%	-20.53%
20 Day Average Volume	5,815,845	156,770	2,634,935	29,186,704	3,726,762	17,102,562
(F1) EPS Est 1 week change	-0.43%	0.00%	0.00%	0.00%	1.05%	0.00%
(F1) EPS Est 4 week change	-0.66%	0.00%	0.00%	-0.08%	1.20%	-20.81%
(F1) EPS Est 12 week change	5.60%	-48.48%	-15.86%	-8.23%	-27.63%	-66.16%
(Q1) EPS Est Mthly Chg	-0.08%	0.00%	0.00%	0.98%	4.51%	-26.40%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	B
Momentum Score	F
VGM Score	C

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

Disclosures

This report contains independent commentary to be used for informational purposes only. The analysts contributing to this report do not hold any shares of this stock. The analysts contributing to this report do not serve on the board of the company that issued this stock.The EPS and revenue forecasts are the Zacks Consensus estimates, unless indicated otherwise on the reports first page. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts personal views as to the subject securities and issuers. ZIR certifies that no part of the analysts compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the report.

Additional information on the securities mentioned in this report is available upon request. This report is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Any opinions expressed herein are subject to change.

ZIR is not an investment advisor and the report should not be construed as advice designed to meet the particular investment needs of any investor. Prior to making any investment decision, you are advised to consult with your broker, investment advisor, or other appropriate tax or financial professional to determine the suitability of any investment.This report and others like it are published regularly and not in response to episodic market activity or events affecting the securities industry.

This report is not to be construed as an offer or the solicitation of an offer to buy or sell the securities herein mentioned. ZIR or its officers, employees or customers may have a position long or short in the securities mentioned and buy or sell the securities from time to time.ZIR is not a broker-dealer.ZIR may enter into arms-length agreements with broker-dealers to provide this research to their clients.Zacks and its staff are not involved in investment banking activities for the stock issuer covered in this report.

ZIR uses the following rating system for the securities it covers. **Outperform-** ZIR expects that the subject company will outperform the broader U.S. equities markets over the next six to twelve months. **Neutral-** ZIR expects that the company will perform in line with the broader U.S. equities markets over the next six to twelve months. **Underperform-** ZIR expects the company will underperform the broader U.S. equities markets over the next six to twelve months.