



iQiyi Stock Jumps 12.6% on Wednesday

Description

What happened

Shares of Chinese streaming-video company **iQiyi** ([NASDAQ: IQ](#)) jumped on Wednesday, rising as much as 12.6%. As of 12:10 p.m. EDT, the stock was up 10.5%.

It's not entirely clear why this [tech stock](#) is trading higher on Wednesday, but the gain does follow a press release on Wednesday morning that was related to the company.

So what

A [press release](#) on Wednesday said that Academy of Broadcasting Planning (ABP) and iQiyi, in cooperation with other industry peers, have formed a task force to develop industry "specifications of the internet interactive video data format" (referred to as "Specifications") for the China market.

"By defining and standardizing interactive video-related terminologies, functions, production processes and data formats," iQiyi wrote in the press release, "the *Specifications* will help content creators produce high-quality interactive entertainment content more conveniently and efficiently, accelerating the process of interactive videos from experimental to industrialized."

Now what

This press release doesn't seem like a good enough reason to move the stock of a company as big as iQiyi this much, particularly since it was on Sept. 6 that iQiyi and ABP jointly held a meeting for the development of these specifications with other industry peers. In other words, it was already known that the two entities were aiming to develop industry standards.

There are likely other factors beyond this press release influencing the stock's gain on Wednesday. Investors should stay focused on iQiyi's underlying business performance and the stock's long-term prospects.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Syndicated

TICKERS GLOBAL

1. NASDAQ:IQ (iQIYI, Inc.)

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