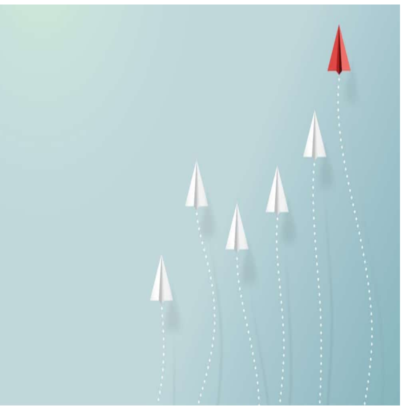

The 2 Biggest Stocks Canadian Media Investors Need to Watch

Description

Television and movies have always been big business. As society shifts to a decidedly more introverted paradigm, however, home entertainment looks like a growth sector set to explode.

We've already seen the birth of the esports industry, valued roughly at around $2 billion, and which now even has its own dedicated ETF. We've now seen that streaming can add huge growth to even the biggest players.

The streaming wars have finally begun

Walt Disney (NYSE:DIS) has seen its stock rocket almost 30% since unveiling plans for its content streaming service, Disney+, this time last year. This has easily beaten the performance of its closest competitor in the streaming space, **Netflix** (NASDAQ:NFLX), which has seen a drop of more than 10% since last November.

Disney+ is already facing some challenges, though, with #DisneyFail trending on **Twitter** within hours of the service going live after users had issues signing in and a whole host of countries realized that the service wasn't even available in their regions.

However, social media can be a poor bellwether for investment trends, and Disney smashed the **Dow Jones Industrial Average** the day of its streaming debut with immediate +7% gains after hitting analysts' expected 10 million subscribers for the Disney+ service. It marked an all all-time high for stock in the House of Mouse.

Disney soars — but Netflix is still king

From key industry deals to big name creative collaborations, Netflix is still where it's at for content streaming, however. Boasting a huge back catalogue plus an ever-evolving roster of new movies and binge-worthy shows, Netflix is still the industry leader for streaming. One reason for this is that while Netflix, like most of its rivals, makes its own content, it isn't reliant on it.

Although Netflix has lost more than 10% in the last 12 months, the platform is breaking new ground and spearheading the streaming industry. Netflix even cleaned up at the Oscars this year in an industry first, shaking up the status quo and ruffling some feathers at the Academy.

Should Canadian media investors be worried? While Canada doesn't have a service that can match Netflix, it does boast its own sports media empire controlled by **Rogers Communications**, as well as a solid content streaming offering from **BCE** in the form of TV and movie platform Crave. Both could potentially lose market share as the streaming wars intensify.

While either Canadian business would be suit an investor seeking **TSX** stocks that grant exposure to the content streaming and mass media industries, current investors will want to keep a close on developments in the world of content streaming.

Although the field is dominated at present by two big American names, the entertainment space could look very different in just a few years' time.

The bottom line

Should Canadians holding shares in our biggest media companies be concerned? Probably not yet, but soon. Disney is putting all of its eggs in its own basket and ensuring it grows and extracts the most revenue from its IP.

Canadian media investors may therefore want to be more wary of Netflix, as its broader appeal and increasing involvement with the entertainment industry make it a force to contend with.

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1. NASDAQ:NFLX (Netflix, Inc.)
2. NYSE:DIS (The Walt Disney Company)

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