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COVID19 Snapshot

US Desperate For A Vaccine Ahead of 2020/21 Winter

Daily Summary					
New Cases of COVID19	19-May-20	18-May-20	17-May-20	16-May-20	15-May-20
Global	83,376	85,715	77,655	95,599	99,405
# countries >500 new	11	8	10	10	13
Most new infections	USA	USA	USA	USA	USA
#	16,995	21,106	18,357	23,488	26,692
Countries recording fewer new cases than the previous day	18	12	18	21	10
Active Cases (total infections less deaths and clearances)					
Global	2,696,676	2,662,703	2,628,901	2,593,947	2,556,601
Countries with fewer active cases than the previous day	9	13	11	12	11
Top 5 Countries with active case load					
USA	1,111,538	1,102,642	1,090,395	1,078,428	1,068,027
Russia	220,974	217,747	211,748	206,340	202,199
Brazil	147,597	136,969	133,749	127,837	118,436
France	90,224	89,960	90,248	90,674	91,529
Italy	65,129	66,553	68,351	70,187	72,070
Fewest Active Cases					
Austria	1,011	1,026	1,050	1,048	1,010
South Korea	938	898	900	924	937
Australia Active Cases					
New Infections	8	15	9	17	30
Active cases	555	569	580	576	584

SOURCE: WORLDOMETER

South American countries continue to experience large increases in new cases of Coronavirus with Brazil recording more than 10,000 new infections yesterday. The UK is no longer maintaining a record of active cases and is only recording new infections, hence we dropped the UK from the register of the top 5 countries with active case load.

In other developments, several promising vaccine candidates will shortly commence phase II clinical trials. We have previously mentioned Moderna Therapeutics and its candidate mRNA-1273. Moderna has the benefit of its own manufacturing plant as well as a decade of experience in the development of vaccines. The safety data from the phase I study is due to be released shortly along with the pre-clinical data from animal studies. In these preclinical studies animals (we assume mice) were treated with the vaccine and then re-challenged with a high dose of the virus. We understand the outcome were promising.

mRNA-1273 is an mRNA vaccine and quite different from the traditional approach to vaccines developed during the 20th Century. The drug uses snippets of a virus's genetic material rather than the dead or weakened virus itself—to build the proteins that trigger the body's protective immune response.

To date, no type of mRNA vaccine has been licensed for use in humans, but leading scientists including Dr. Tony Fauci – Director of US National Institute of Allergy and Infectious Disease has effectively endorsed the development of this approach. Moderna is likely to commence phase II studies in 600 hundred patients next month. The company is working very closely with the FDA to expedite the commencement of the trial. The US is desperate to develop a vaccine ahead next winter. For more reading on this topic please refer to the following link: <https://www.nationalgeographic.com/science/2020/05/anthony-fauci-no-scientific-evidence-the-coronavirus-was-made-in-a-chinese-lab-cvd/>

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Recommendation structure

Buy: Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

Hold: Expect total return between -5% and 15% on a 12 month view

Sell: Expect <-5% total return on a 12 month view

Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.

Such investments may carry an exceptionally high level of capital risk and volatility of returns.

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