

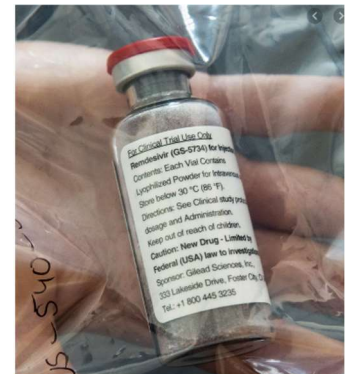
Remdesivir Shows the Coronavirus is Not Bulletproof
April 29, 2020



Stocks surged Wednesday as the Director of the National Institute of Allergy and Infectious Disease announced positive or “clear cut significant” results of the antiviral Remdesivir. The Dow Jones Industrial Average leaped 532 points, or 2.2% to 24,633 and the S&P 500 gained 76 points, or 2.7% to close at 2939. The Nasdaq Composite re-established leadership rising 307 points to 8915 and is remarkably only 57 points from where it sat at the beginning of the year. The Russell 2000 maintained its momentum as it grew 63 points or 4.8%. It’s the kind of day we could get used to.



Anthony Fauci, MD, Director of the National Institute of Allergy and Infectious Diseases confirmed today the results of a highly anticipated study of Gilead Science, antiviral drug named Remdesivir. The study was a randomized placebo-controlled trial with 1090 participants administered in



various places throughout the globe. The first highly powered, randomized placebo-controlled trial that was studying, as the primary endpoint, time to recovery. The Data and Safety board, which is an independent body designed to analyze the data, determined that Remdesivir has a “clear cut, significant, positive effect in diminishing the time to recover.” Patients on Remdesivir recovered in 11 days compared to the control group of 15 days with a highly statistically significant confidence level.



The most significant outcome of the study is that a drug can block the coronavirus. It doesn’t wipe it out completely, but it does block it. Remdesivir is designed to attack the virus in a specific way. According to Dr. Fauci, Remdesivir blocs an enzyme that the virus uses, other antiviral therapies are being developed that would attack the virus differently. Future standard of care may include multiple antiviral therapies used in a “cocktail” to address the coronavirus.

The significance for the economy is that consumers can begin to feel more comfortable that even without a vaccine, we are beginning to build a toolbox that can be used against the virus. It is only one drug and it is only one study and it is currently not being used anywhere currently and we don’t know much about the side effects, but it is statistically significant and “clear cut” positive.

Today, Federal Reserve Chairman Jay Powell assured investors that the Fed will hold interest rates at near zero and affirmed its open-ended asset purchase program. Chairman Powell also called on Congress to “...use the great fiscal power of the United States to do what we can do to support the economy...” He specifically called on Congress to do more direct support to businesses that the Fed can’t reach under its statutory authority.