

March, More of the Many Moments

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The month started with the long anticipated Novo Nordisk capital market day. While the extensive information on the future of weight loss drugs did not disappoint the market, a more differentiated view will be needed in the future as also indicated by the US federal agencies' update on the reimbursement of these drugs. Macro-financial news continued to be supportive of cyclical market sectors. In healthcare this was reflected by solid performance of the higher-growth Tools subsegment, which is among the leading groups in terms of year-to-date performance.



Chinese CDMO worries

This month saw further discussion of proposed US legislation aimed at decreasing business of US entities with contract development and manufacturing (CDMO) companies based in China. This proposed bill is still far from being passed into law and is but the most recent of several failed attempts to curb US CDMO use.

Nonetheless it has already made waves, with some industry participants signalling that the mere uncertainty about the implementation of such a bill was enough to re-evaluate contracting options.

This highlights the global nature of the biopharma value and its exposure to geopolitical tensions.



Liver disease progress

The US FDA approved the first drug to treat non-alcoholic steatohepatitis (NASH), a disease in which the liver stores excess fat. Over time, this leads to tissue scarring, inflammation and progressive loss of liver function. NASH is a relatively common disease, affecting ca 6-8 million people in the US or ca 3% of adults. The prevalence is rising with the increasing number of diabetic and obese adults as both conditions are the main risk factors of developing NASH.

After decades of clinical trial failures in this indication, this approval demonstrates that although innovation can be a slow and frustrating process, solutions can almost always be found.

Source: Bloomberg Finance L.P., Kieger

Performance Overview

	1M	3M	YTD	12M
Healthcare	2.4%	7.5%	7.5%	13.3%
Medtech	2.3%	8.6%	8.6%	14.0%
Services	2.8%	2.3%	2.3%	13.8%
Pharma	2.1%	10.0%	10.0%	17.7%
Biotech	2.8%	3.2%	3.2%	7.5%
Tools	2.5%	9.2%	9.2%	2.9%
World	3.2%	8.9%	8.9%	25.1%

Top 5 this month

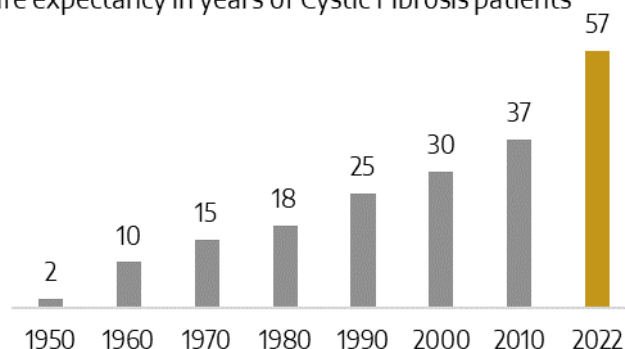
1	Dexcom Inc	21%	New product, peer data
2	Bachem Holding AG	20%	Earnings
3	Exact Sciences Corp	20%	Easing competitive fears
4	Moderna Inc	16%	Start of new study
5	Lonza Group AG	15%	Guidance raise and deal

Bottom 5 this month

1	Asahi Intecc Co Ltd	-16%	No specific news
2	Zoetis Inc	-15%	Earnings
3	Kyowa Kirin Co Ltd	-10%	No specific news
4	EBOS Group Ltd	-9%	No specific news
5	Terumo Corp	-7%	No specific news

Chart of the Month

Life expectancy in years of Cystic Fibrosis patients



Cystic Fibrosis is a genetic disorder which results in the production of thick mucus which clogs airways and leads to respiratory infections. In the 1950s, the life expectancy of people with cystic fibrosis was tragically low, with many affected individuals not surviving beyond childhood. Thanks to significant advancements in medical care, early diagnosis, and targeted treatments, the life expectancy of people with CF has dramatically improved.

Check out our video on this subject [here](#).

Kieger Healthcare Team



Dr Maria Specogna

Lead Manager,
Sustainable Healthcare Fund



Urban Fritsche

Lead Manager,
Impact Healthcare Fund



Raphael Oesch, CFA

Lead Manager,
Blue Chip Healthcare Fund



Flavio Mancino, CFA

Research Analyst



Camille Rigaud, CFA

Research Analyst



Guy Bettschart, CFA, CAIA

Research Analyst



For a comprehensive overview of our investment strategies please contact us:

 +41 44 444 18 44

 www.kieger.com

 info@kieger.com

 Dianastrasse 5,
8002 Zürich

 Kieger AG

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