

Newsflash: Positive early signs for vaccine

Tuesday 19 May

Country Equity	Index	Year to Date	Currency	Price	Year to Date
SA Equities (ZAR)	FTSE/JSE ALSI	-10.0%	Gold (USD)	1,737*	+14.5%
US Equities (USD)	S&P 500	-8.6%	Platinum (USD)	813*	-14.5%
UK Equities (GBP)	FTSE 100	-19.8%	Oil (USD)	34.84*	-47.3%
German Equities (EUR)	DAX	-17.7%	USD/ZAR	18.39*	-23.7%*
Japanese Equities (JPY)	NIKKEI 225	-14.9%	GBP/ZAR	22.41*	-17.2%*
Chinese Equities (CNY)	SHANGHAI SE	-5.7%	EUR/ZAR	20.05*	-21.3%*

Source: Morningstar Direct, Bloomberg, *time of writing 06h20, 2020-05-19

Early results of an experimental vaccine from US biotechnology company Moderna Inc. have given some positive results. In the initial phase testing of the potential vaccine, researchers found evidence of an increase in antibodies that could theoretically fight off the virus. Only in later stages of trials involving thousands of patients starting July will the potential vaccine be tested against Covid-19 more definitively.

Global equity markets jumped the most in almost six weeks, as did the oil price and bond yields with the Moderna Inc. vaccine results. Speculation that economies could recover quickly was evident in industries heavily damaged by the coronavirus. Delta Air Lines jumped 13%, as did energy producers which increased by 7.5%. The West Texas oil price rose above USD 30 for the first time in two months, and gold which was at its highest level retreated with the positive speculation on the initial vaccine results. US Federal Reserve Chairman Jerome Powell also helped raise markets when he said that economic policymakers are "not out of ammunition by a long shot."

President Donald Trump surprised reporters at an event when he said he was taking hydroxychloroquine to ward off the virus. "I'm taking it for about a week and a half now, and I'm still here, I'm still here." The malaria and lupus medication's effectiveness on Covid-19 is disputed, but clinical trials are underway.

Total deaths attributed to the virus have risen by 80 in the last seven days to 286. South Africa has recorded the 43rd most deaths globally, and we are reporting the 36th most positive cases. Russia and Brazil have seen the most significant increase in fatalities recently and are second only to the US in positive confirmed cases. This as the US and many countries in Europe see rates decline even while they ease their lockdowns.

Sources: BBC.com, Bloomberg.com, News24.co.za, MoneyWeb.co.za

Coronavirus Numbers Update

Global Confirmed	Global Deaths	Total Test Results in US
4,804,167	318,527	11,834,508

Source: Center for Systems Science and Engineering (CSSE) at Johns Hopkins University

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South Africa

Total Confirmed  16,433	Total Recovered  7,298
Active Cases  8,849	Total Deaths  286

Source: National Institute of Communicable Diseases

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