Pfizer vaccine trial success signals breakthrough in pandemic battle

REUTERS

Pfizer Inc's experimental COVID-19 vaccine is more than 90 per cent effective based on initial trial results, the drugmaker said on Monday, a major victory in the war against a virus that has killed over a million people and battered the world's economy.

Scientists, public health officials and investors welcomed the first successful interim data from a large-scale clinical test as a watershed moment that could help turn the tide of the pandemic if the full trial results pan out. However, mass roll-outs, which needs regulatory approval, will not happen this year and several vaccines are seen as necessary to meet massive global needs.

Pfizer and German partner BioNTech said they had found no serious safety concerns yet and expected to seek US emergency use authorization this month, raising the chance of a regulatory decision as soon as December.

If granted, the companies estimate they can roll out up to 50 million doses this year, enough to protect 25 million people, and then produce up to 1.3 billion doses in 2021.

"Today is a great day for science and humanity," said Pfizer Chief Executive Albert Bourla, noting the data milestone comes with "infection rates setting new records, hospitals nearing over-capacity and economies struggling to reopen."

Experts said they wanted to see the full trial data, but the preliminary results looked encouraging.

"This news made me smile from ear to ear. It is a relief to see such positive results on this vaccine and bodes well for COVID-19 vaccines in general," said Peter Horby, professor of emerging infectious diseases at the University of Oxford.

There are still many questions, such as how effective the vaccine is by ethnicity or age and how long immunity may last.

"But the bottom line is, as a vaccine it's more than 90 per cent effective, which is extraordinary," top US infectious diseases expert Dr. Anthony Fauci told CNN.

Pfizer expects to seek US emergency use authorization for people aged 16 to 85. To do so, it will need two months of follow-up safety data to assure no side effects crop up. That is expected to be available in the third week of November.

US Health and Human Services Secretary Alex Azar said it would take several weeks for US regulators to receive and process the data before a potential approval.

The prospect of a vaccine electrified world markets with the S&P 500 and Dow hitting record highs. JPMorgan said on Monday it expected the S&P 500 index to hit 4,000 points by early 2021 and called Pfizer's COVID-19 vaccine and called Pfizer Inc's COVID-19 vaccine update "one of the best backdrops for sustained gains in years."

Spain to get first Pfizer vaccines in early 2021, Health Minister says

Israel asks for US help in getting potential Pfizer COVID-19 vaccine

Stock of theme park and film company Walt Disney rose 12 per cent and movie chain operator AMC Entertainment Holdings was up 51 per cent. Shares in companies that have thrived during lockdowns, such as Netflix Inc and conferencing platform Zoom Video tumbled. Gun stocks sold off on higher hopes for a return to normal and a lack of civil unrest.

Pfizer shares jumped more than 8 per cent to their highest since July last year, while BioNTech's stock hit a record high. Mizuho Securities analyst Vamil Divan forecast the vaccine may generate sales in excess of $8.5 billion for Pfizer in 2020-2021 alone.

Shares of other vaccine developers in the final stage of testing also rose with Johnson & Johnson up nearly 4 per cent and Moderna Inc, whose vaccine uses a similar technology as the Pfizer shot, up more than 8 per cent. Britain's AstraZeneca, however, fell 2 per cent.

Moderna is expected to report results from its large-scale trial later this month. "It's likely that we're going to have more than one vaccine that's effective," Fauci said.

William Schaffner, infectious diseases expert at Vanderbilt University School of Medicine in Nashville, Tennessee, called the Pfizer results better than most anticipated. "The study isn't completed yet, but nonetheless the data look very solid."

US President Donald Trump welcomed the test results, and the market boost: "STOCK MARKET UP BIG, VACCINE COMING SOON. REPORT 90 per cent EFFECTIVE. SUCH GREAT NEWS!" he tweeted.

President-elect Joe Biden said the news was excellent but did not change the fact that face masks, social distancing and other health measures would be needed well into next year.

The World Health Organization called the results very positive but warned there was a funding gap of $4.5 billion that could slow access to tests, medicines and vaccines in low- and middle-income countries.

There are other challenges as well that could affect less affluent countries. The Pfizer vaccine must be shipped and stored at an extremely cold temperature, which requires necessary infrastructure. Even many US hospitals lack these super cold storage units, which may impact when and where the vaccine becomes available in many US rural areas as well.

That highlights the need for more traditional vaccines in development, such as J&J's candidate.

Still, there was cause for jubilation.

"I'm near ecstatic," Bill Gruber, one of Pfizer's top vaccine scientists, said in an interview. "This is a great day for public health and for the potential to get us all out of the circumstances we're now in."

REUTERS/FILE

Pfizer's logo is reflected in a drop on a syringe needle in this illustration.

US renewable fuels legislation could garner bipartisan support under Biden

REUTERS, *New York*

Renewable fuels are a niche market for now, but with Democratic President-Elect Joe Biden set to enter office with a divided Congress, legislation supporting demand for products like renewable diesel could garner bipartisan support.

Biden, elected president last week, defeating Republican Donald Trump, has pledged to move the United States to a zero-carbon emissions scheme by 2050. Under a divided Congress, however, ambitious plans to tackle rising emissions may be put on ice.

Renewable fuels, however, may be different: their development is supported by some in both the oil and green energy industries.

Some refiners have been investing in cleaner fuels derived from feedstocks like cooking oil, taking advantage of state subsidies designed to reduce carbon emissions. State and federal incentives could expand that market, giving energy companies revenue opportunities while reducing carbon emissions.

"I don't see any reason why a divided Congress would have a problem encouraging renewable fuels, as it affects key states that Democrats and Republicans are motivated in," said Bill Barnes, director of energy consultancy Pisgah Partners.

The United States consumes roughly 21 million barrels of renewable diesel per year, compared with 4.1 million barrels used every day for conventional distillate fuel oil, according to US Energy Department data.

Legislators from Farm Belt states such as Minnesota, Iowa and Illinois could see the market as a way to help boost demand for their constituents' products.

It is unclear whether renewable fuels legislation could pass a Republican-led Senate. Senators representing oil states would be less likely to push for legislation that transitions away from the oil industry.

The US oil market has been hit hard by the coronavirus pandemic. Demand for motor gasoline has dropped 13% so far in 2020, forcing several refineries to close or convert operations to produce more biodiesel.

Many refiners announced plans this year to convert facilities for renewable diesel production, supported by state incentives. In California, refiners can generate tradable credits by producing renewable diesel because it has a lower carbon intensity than fossil fuels, and sell them on to other fuel producers.

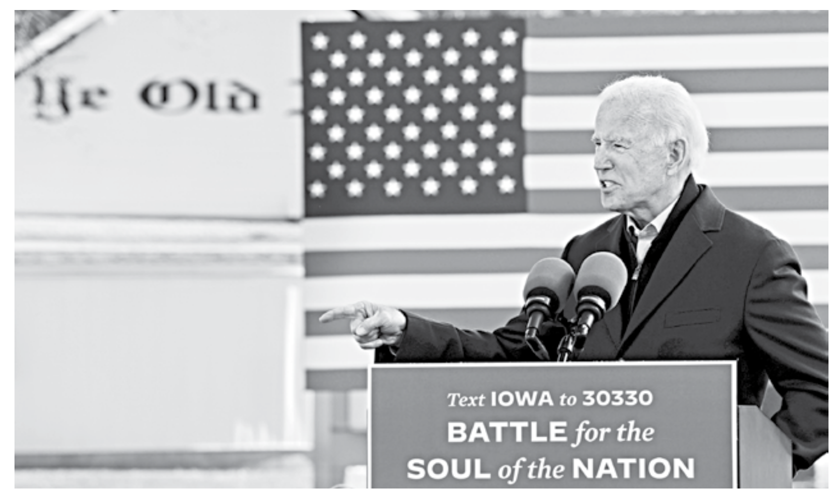
Oregon has a similar program, and several other US states are also developing standards for renewable diesel.

The oil industry was braced for more federal incentives for renewables if Biden won the presidency.

In August, Biden stated that "a Biden-Harris Administration will promote and advance renewable energy, ethanol, and other biofuels to help rural America and our nation's farmers, and will honor the critical role the renewable fuel industry plays in supporting the rural economy and the leadership role American agriculture will play in our fight against climate change."

Producing renewable diesel also helps refiners reduce their exposure to costs to comply with U.S. biofuel blending obligations.

"If you have something optically ESG-friendly, that probably carries more weight today than it used to," said Stewart Glickman, energy equity analyst at CFRA Research.



REUTERS/FILE

Joe Biden points a finger as he speaks during a drive-in campaign stop, in Des Moines, Iowa, US.

Dealers in India consider legal action against Harley Davidson

REUTERS, *New Delhi*

Dealers in India for Harley-Davidson Inc said on Tuesday they are exploring legal action against the iconic American motorcycle brand after it effectively abandoned the market as part of a broader restructuring plan.

The dealers have hired leading Indian law firm AZB & Partners to review their paperwork with Harley-Davidson and suggest if there is a legal remedy, Rishi Aggarwal, a dealer for the motorcycle company, told reporters.

"Harley has to compensate us for our losses. That is the only bone of contention. AZB is studying the case," he said during a press conference organised by The Federation of Automobile Dealers Association (FADA) in India. Harley-Davidson did not immediately respond to a request for comment.

Harley-Davidson in September said it would discontinue its sales and manufacturing operations in India in a move it said would involve $75 million in restructuring costs, some 70 redundancies and the closure of its Bawal plant in northern India.