

Asco event analyser - Puma investors' Aphinity for Roche data



[Jonathan Gardner](#)

The big stock market winner from Asco 2017 backed into the title. Puma Biotechnology in part has disappointing data from breast cancer rival Roche to thank for its steep rise in valuation, and in part FDA staff and outside advisers who were willing to look past flaws in neratinib's pivotal trial.

Roche, of course, took a massive hit, with \$11.7bn in market capitalisation wiped away when the Aphinity trial showed only a small benefit for Perjeta and Herceptin in adjuvant treatment. In the battle of clinical-stage companies, Loxo Oncology took away the top prize, with a biomarker-driven research strategy that aims for a tumour-agnostic label.

With a little help from the feds

To measure the effect of Asco-related share movement, *EP Vantage* analysed changes from the market's close on May 16, after which the meeting's abstracts were released, through June 6, the final day of the conference. Companies are ranked by percentage change in share price.

Within this intra-Asco period was the FDA advisory committee meeting on Puma's neratinib, in which the agency's outside advisers voted 12-4 to recommend approval, an event that caused shares to more than double over a week in May ([Puma pulls within sight of FDA OK, May 24, 2017](#)).

In advance of Asco, many believed that positive data from the Aphinity trial combining Perjeta and Herceptin in a similar setting to neratinib would make Puma's project, now tradenamed Nerlynx, irrelevant in the world of post-surgical treatment of HER2-positive breast cancer. The 1 percentage point benefit for the combination versus Herceptin alone, however, called into question its clinical relevance and value ([Asco - Aphinity and Roche's 1% solution, June 5, 2017](#)).

Notable Asco-related share price risers

Company	% Change in share price	Change in market cap (\$m)
Puma Biotechnology	158%	1863
GlycoMimetics	129%	248
Loxo Oncology	51%	622
Dynavax Technologies	25%	69
CytRx	24%	16
Syndax Pharmaceuticals	16%	68
Clovis Oncology	16%	344
Radius Health	13%	191
ArQule	12%	8
Aveo Oncology	11%	7
TG Therapeutics	11%	84
Bluebird Bio	11%	393

Source: EvaluatePharma

The meeting itself was dominated by news of expanding uses for marketed agents, especially in immuno-oncology, making it difficult for clinical-stage projects to gain visibility. Some of those that did were firmly in the immuno-oncology category, although that did not always mean the news was good or, even if it was, massive share price rises accrued and persisted.

Take the field of IDO inhibition. Incyte's numerous abstracts on epacadostat in combination with Merck & Co's Keytruda saw its shares rise 15% by May 25, only to sell off sharply as the meeting itself got under way ([Asco – Solid progress for IDO inhibitors, June 6, 2017](#)). Rival Newlink, meanwhile, could not shake the impression it is falling behind, underscored by today's news that Roche intends to return rights to RG6078 – during the intra-Asco period, it was one of the top fallers, and has sunk another 33% today.

A similar dyad was found in Loxo and Ignyta in TRK inhibition. Loxo's late-breaking data on larotrectinib impressed investors, who drove shares up 39% on Monday, the first trading day following its presentation. Hopes have been sparked for a tumour-agnostic filing by the end of the year or early 2018, which meant disappointment for shareholders in Ignyta, which probably will not be able to respond until later next year ([Asco – Loxo nudges ahead of Ignyta with tumour-agnostic therapy, June 3, 2017](#)).

In the Parp inhibition wars, Clovis Oncology was the surprising victor among investors. Asco featured data from several trials of Rubraca, but its 16% rise was likely down to positive results with other Parps – most notably, AstraZeneca's Lynparza in the new indication of breast cancer ([Asco – Lynparza gets Parp edge in breast cancer, June 4, 2017](#)).

Breast cancer is “an important area of exploration” for Clovis, a spokesperson told *EP Vantage*, pointing to the investigator-sponsored phase II Ruby trial, presented in an Asco poster session, and an ongoing study of Rubraca in combination with Roche's Tecentriq that will soon be expanded into triple-negative breast cancer.

The biggest upcoming catalyst for Rubraca, however, is readout from the Ariel 3 trial in ovarian cancer maintenance, expected by the end of June. Clovis bulls no doubt hope that positive results here could spur acquisition interest.

Minnow Glycomimetics was the second-biggest riser on promising phase I/II data with its E-selectin antagonist GMI-1271 in acute myeloid leukaemia. But the study compared outcomes with those from historic controls, and AML has proven a tricky indication for drug development. GMI-1271 also received breakthrough designation from the FDA on May 17.

Notable Asco-related share price fallers

Company	% Change in share price	Change in market cap (\$m)
Endocyte	-42%	-51
NewLink Genetics	-33%	-156
Jounce Therapeutics	-29%	-237
TRACON Pharmaceuticals	-26%	-14
Celldex Therapeutics	-25%	-99
Epizyme	-21%	-195
ZIOPHARM Oncology	-20%	-203
Leap Therapeutics	-18%	-13
Halozyme Therapeutics	-12%	-106
Ignyta	-10%	-45
Juno Therapeutics	-8%	-228
Roche	-8%	-11700
Agios Pharmaceuticals	-8%	-201
Bristol-Myers Squibb	-5%	-4498

Genes and cells

Asco was a mixed bag for pre-commercial companies working in cell and gene therapies. Bluebird Bio saw

some benefit – its investors did not seem too worried about its new Chinese rival, Nanjing Legend Biotech.

Bluebird's share price rose 11% on more positive data from the first-in-human trial of its BCMA-targeting CAR-T project bb2121. Leerink analysts described data with Nanjing Legend's competitor, LCAR-B38M, as impressive but pointed to "many open questions" including what CAR construct was used and what prior treatments patients received ([Asco – Mystery Chinese group gives Bluebird a run for its money, June 5, 2017](#)).

The performance of Nanjing Legend's candidate in a planned US trial will be important to confirm its promise – but for now, Bluebird and its partner Celgene remain well positioned. However, more competition in BCMA is looming from the likes of Novartis, Kite, Juno and Autolus.

Others promoting advanced therapies were not so lucky: Ziopharm and Juno both had positive efficacy data for their respective projects spotlighted at Asco, but both raised side effect or safety issues.

Bristol-Myers Squibb's presence on this list is worthy of note. Strictly speaking, no negative news came out, but the overall impression that it was unable to keep pace with Merck in immuno-oncology was responsible for a massive fall ([Asco – Bristol-Myers fails to stem the losses, June 6, 2017](#)).

In a supercharged environment like the world's biggest medical meeting, negative sentiment can be as damaging as negative data.

An EP Vantage staff report. To contact the writers of this story email news@epvantage.com or follow [@EPVantage](#) on Twitter

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