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Gilead gets a Veklury gift, but will this boost sales?

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Undeterred by another unconvincing performance, this time in the Solidarity trial, US regulators have granted Gilead's Veklury full approval with a remarkably generous label. The antiviral is indicated for any hospitalised Covid-19 patients over 12, despite very weak evidence of benefit in those deemed modestly ill. The FDA defended its apparent dismissal of the Solidarity trial in an FAQ sheet, describing it as an open-label study of mortality benefit – none was found – while ACTT-1, on which Veklury's approval was largely based, was a "rigorously" designed assessment of time to recovery. Raymond James analysts point out that the FDA also chose to ignore two negative Chinese trials. Still, postmarketing requirements suggest that the regulator has an eye on a post-pandemic world, once political scrutiny of its actions has lessened. Whether full approval will mean greater use of Veklury is a separate question. Gilead's stock opened 3.5% higher today, indicating that investors believe so, though physicians will perhaps be less easily swayed by a broad label. All eyes now turn to Gilead's earnings next week, when recent demand will be scrutinised, to see if the sellside's blockbuster sales forecasts can be met. Consensus for third-quarter sales sits at around $800m.