

Asco Event Analyzer - 2013's winners and losers



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As the dust settles from Asco it is becoming clear which companies have gained and which have lost thanks to presentations made at the meeting or the knock-on effect of news from competitors.

On percentage share price change the winner is Clovis Oncology while the loser is Synta Pharmaceuticals (see tables below). But a far more pronounced effect has been felt by much bigger stocks, some of which have gained billions of dollars in market cap terms. The analysis also reveals some of the unsung heroes of what is now arguably the most important medical conference for investors.

The tables below compare the share prices of Asco-relevant stocks between market close on May 15, after which the first Asco abstracts were released, and the close of the meeting on June 4.

PD1s steal the show

Clovis jumped ahead as Asco 2013 neared its end thanks to a double success in studies of CO-1685 in lung cancer patients with the T790M resistance mutation, and its PARP 1/2 inhibitor rucaparib ([Asco - Clovis price is twice as nice following double cancer win, June 4, 2013](#)). Neither was a late breaker, but it was the presentation of detailed data at scientific sessions that caught analysts' and investors' imagination.

Still, the overriding theme of Asco was immunotherapy, specifically the presentation of early data on the anti-PD1 antibodies, and melanoma ([Asco therapeutic focus - Spigot turned on melanoma agents, June 4, 2013](#)).

Interestingly, when the abstracts were first unveiled it was Bristol-Myers Squibb's nivolumab - particularly in combination with Yervoy - that caused the biggest buzz. But the actual presentation of Merck & Co's phase I lambrolizumab data at Asco, by extrapolation suggesting efficacy approaching that of the Bristol combo, caused Merck to gain the upper hand in market cap terms.

The two companies added a combined \$12bn of valuation thanks to Asco. A less prominent beneficiary was the Japanese company Ono Pharmaceutical, nivolumab's originator, which climbed 6%, adding \$472m to its market cap. The much smaller Celldex Therapeutics, which boasts several early-stage immunotherapies, might also have benefited, though it likely gained more from bio run-up momentum around its phase III cancer vaccine rindopepimut.

US approvals two days before Asco for two GlaxoSmithKline melanoma drugs, Tafinlar and Mekinist, were hotly touted by the FDA itself at the meeting, and did prompt a spike on May 28, but subsequent share price drift means the UK firm does not feature in *EP Vantage's* analysis.

Not so for Algeta, whose prostate cancer drug Xofigo got approved just after the abstracts were unveiled. While there were no significant further data, the Norwegian company maintained a high profile at Asco, through a prominent trade stand and huge DTC advertisements, and boasted a 10% share price increase.

In chronic lymphocytic leukaemia Pharmacyclics was up on incremental positive results of ibrutinib, while Genmab reported a phase III study of Arzerra in combination with chlorambucil. The overall loser in this space was Infinity Pharmaceuticals, the second hardest faller ([EP Vantage interview - Infinity takes stock of Asco free fall, June 5, 2013](#)).

Top gains (%) ranked on change in share price (4 Jun vs 15 May)

Rank	Company	% chg	Currency	Share price 4 Jun 13	Market cap (\$m)	Market cap change (\$m)
1	Clovis Oncology	+98%	\$	73.91	1,941	+961
2	MolMed	+43%	€	0.60	174	+52
3	Immunomedics	+27%	\$	3.86	319	+68
4	Genmab	+21%	DKr	206.30	1,831	+332
5	Algeta	+10%	NKr	229.60	1,739	+208
6	NewLink Genetics	+7%	\$	17.05	437	+27
7	Merck & Co	+6%	\$	49.44	149,290	+8,184
8	Ono Pharmaceutical	+6%	¥	6,950.00	8,639	+472
9	Bristol-Myers Squibb	+6%	\$	46.83	76,921	+4,090
10	Pharmacyclics	+4%	\$	87.88	6,396	+271
11	Celldex Therapeutics	+3%	\$	13.47	1,089	+34
12	ImmunoGen	+3%	\$	16.90	1,429	+41

While antibody-drug conjugates were not as prominent as in 2012, the recent approval of Roche's Kadcyra continued to reverberate, with Immunomedics and ImmunoGen – developer of the technology behind Kadcyra – the main beneficiaries. At Asco ImmunoGen presented the first clinical data for IMG853, in development for ovarian and other cancers.

Among the smaller gainers, Italy's MolMed presented long-term data that it said confirmed prolonged survival in leukaemia patients treated with its TK-expressing donor lymphocyte infusion, while NewLink Genetics likely benefited from the phase III failure of KAE1-GemVax's cancer vaccine GV1001.

Ganetespib bombs

On the debit side, Asco marked the moment investors finally fell out of love with Synta Pharmaceuticals, whose stock had shown earlier resilience despite several warning signs during the phase II Galaxy trial of its HSP90 inhibitor ganetespib in lung cancer.

The latest cut of the results – presented at a Monday late-breaker and touted as highly positive – actually suggested a deterioration of the dataset. With this taken as a bad omen for the larger phase III Galaxy-2 trial, which specifically excludes rapid-progressing patients, investors took flight and Synta's stock lost 33% in a day.

Less equivocal failures were reported by Oncothyreon and ArQule. Although the failures of their projects – Stimuvax and tivantinib respectively – had already been announced last December, the full data at Asco left little doubt. Oncothyreon investors left particularly disappointed by the lack of explanation of a previously touted subgroup benefit.

Top losses (%) ranked on change in share price (4 Jun vs. 15 May)

Rank	Company	% Chg.	Currency	Share price 4 Jun 13	Market Cap (\$m)	Market Cap change (\$m)
1	Synta Pharmaceuticals	-38%	\$	4.97	344	-213
2	Infinity Pharmaceuticals	-36%	\$	20.26	969	-535
3	Oncothyreon	-34%	\$	1.73	108	-41
4	Curis	-19%	\$	3.56	287	-67
5	Daiichi Sankyo	-17%	¥	1,663.00	12,437	-2,505
6	ArQule	-14%	\$	2.43	152	-26
7	BioMarin Pharmaceutical	-12%	\$	59.82	8,316	-1,110
8	Array BioPharma	-10%	\$	5.32	622	-70
9	Endocyte	-10%	\$	13.05	469	-53
10	Amgen	-9%	\$	97.29	72,965	-7,598
11	Onyx Pharmaceuticals	-9%	\$	89.60	6,517	-665
12	Celgene	-9%	\$	117.77	49,124	-4,948
13	Gilead Sciences	-7%	\$	52.32	79,807	-6,162
14	Roche	-6%	SFr	232.10	211,554	-14,309

ArQule's tivantinib partner Daiichi Sankyo also fell, as did Array BioPharma, whose AstraZeneca-partnered selumetinib looks increasingly unlikely to find a space in melanoma after Asco. BioMarin did report a positive study of its PARP inhibitor BMN673, but the data failed to meet heightened expectations.

Far bigger than all of these fallers was Amgen - down a staggering \$7.5bn over the Asco period - though surely only part of this was due to the underwhelming performance of its oncolytic virus project T-Vec ([Asco - Despite promise, future of oncolytic viruses remains clouded, June 3, 2013](#)).

More likely, Amgen and several other big stocks suffered as investors switched out of them and into the likes of Merck and Bristol. This must surely also account for the very poor performance of Onyx Pharmaceuticals, Roche, Gilead Sciences and Celgene.

All four had posted positive data at Asco - in Roche's case relating to an anti-PDL-1 antibody, MPDL3280A, that had seized many early headlines - but by the end of the conference their shares had been hammered.

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