

The race for a cure took big strides toward the finish line this week, with the announcement by Pfizer that their Phase 3 trial concluded with the vaccine for Covid-19 showing a 90% effective rate. This is significantly higher than the 60% to 70% that was predicated earlier in the year, and the announcement itself has come earlier too (I called a February announcement). Now, to be sure there are hurdles yet to clear, including actually receiving FDA approval, before production can start. Still, this development represents a turning point in the fight against the virus, and one which positions the world for a full recovery in the years ahead.



Much like re-building after a war, where the wreckage is considerable and there is a challenging road ahead for sure, there will be much to do and it will take longer than we would like. Yet secure in the knowledge that the worst is behind us, it is our position that this announcement together with record low interest rates and pent-up consumer demand sets the stage for a very good 2021. As the article in Guardian Capital <[here](#)> summarizes:

The presence of a vaccine will remove various impediments to the operation of many businesses, improving their relative prospects and, rightly, should support the valuations of their equities. As a vaccine becomes more of a reality, the negative tail risks priced into the market (i.e. failure to develop a vaccine) will fade further. That would appear to suggest ample scope to play some catch up, meaning there may well be more days like Monday in the near future.

Monday if you remember, saw broader markets post sharp gains, reflecting brightening optimism among investors. This optimism is grounded in economic reality and it appears that the income support programs by governments have achieved their goal of underwriting individuals and businesses exactly when it was needed.

And as we reflect back on the battle against Covid-19, let's also reflect on those that risked their lives in wars gone by and remember their sacrifices for us and future generations to come. Today marks the 75th anniversary since the end of the Second World War. It is my hope that it also marks the end of the **last** World War. A link to Flanders Fields can be found <[here](#)>. Lest we forget, lest we forget.

Be safe, be well!

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