



Biotech Daily

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Special Edition

2018: BDI-40 DOWN 16%; ASX200 DOWN 7%, BIG CAPS UP 30%, NBI DOWN 9%

There is no gilding the lily – December and the year to December 31, 2018 were not good for biotech. Or what CEOs, directors and brokers call “a buying opportunity”.

The Biotech Daily Top-40 Index (BDI-40) lost 16.3 percent in the 12 months to December 31, 2018 compared to the S&P ASX200 falling 6.9 percent and the Nasdaq Biotechnology Index (NBI) down 9.3 percent, while the unstoppable three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) climbed 30.4 percent for the year.

In the month to December 31, 2018, the BDI-40 shed 3.3 percent, the ASX200 lost 0.4 percent, the NBI fell 11.2 percent, but the Big Caps recovered 4.6 percent.

Just seven of the Biotech Daily Top 40 companies were up in December, 12 fell and one was unchanged. The most notable December rises were Cynata (28.7%), Avita (21.8%), Pharmaxis (21.8%) and Genetic Signatures (18.6%); while the worst falls were Impedimed (25.8%), Airxpanders (25%), Optiscan (24.0%), Starpharma (23.5%), Benitec (22.9%), Imugene (21.7%), Proteomics (20.5%) and Orthocell (17.6%).

But for the 12 months to December 31, it was a different picture, with 22 up and 18 down.

Paradigm was the BDI-40 best, up 332.4 percent from \$34 million to \$147 million. Volpara climbed 198.5 percent to \$197 million, followed by Genetic Signatures (151.5%), Dimerix (132.1%), Clinuvel (121.5%), Proteomics (93.75%), Oncosil (53.9%) and Avita (52.2%).

The four US-based companies in the BDI-40 led the falls for the year and it is hard to understand whether it is a ‘Trump effect’, people not buying their innovations or something more substantial.

While Impedimed lost the most in 2018, shedding \$312 million of its market capitalization (81.25%) to \$72 million, Airxpanders was the worst, tumbling 89.0 percent or \$186 million from \$209 million to \$15 million – despite having a very compelling post-mastectomy breast implant technology. Reva lost 77.9 percent to \$62 million with sluggish sales of its state-of-the-art bioresorbable coronary stent, and a similar story for Osprey’s cardiac dye reduction system, with the company falling 64.0 percent to \$50 million.

Neuren fell 56.0 percent, followed by Optiscan (55.8%), Prana (52.6%), Orthocell (48.1%) and Medical Developments (31.9%).

Outside the BDI-40, nine companies were up by more than 100 percent for the year, mostly from very low bases, while 12 fell more than 50 percent.

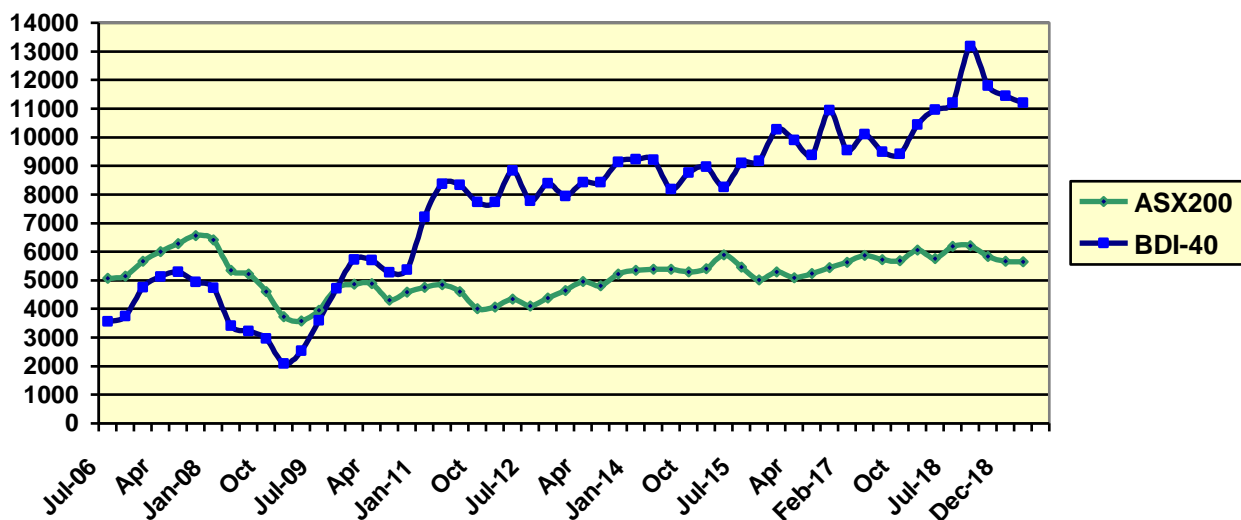
Invin was the best, up 1,000 percent from \$9 million to \$99 million followed by Biotron (518.2%), Bard1 (450.0%), Memphasys (233.3%), Respiro (157.9%), Recce (128.6%), Botanix (112.0%), Alcidion (100%) and Simavita (100%).

Factor led the falls, down 94.6 percent, followed by Medibio (94.2%), ITL (79.5%), Anantara (72.9%), Phosphagenics (70.4%), Bionomics (69.4%), Rhythm Bio (66.7%), Adherium (64.7%), Race (64.7%), Visioneering (63.4%), OBJ (54.2%) and Admedus (50.7%).

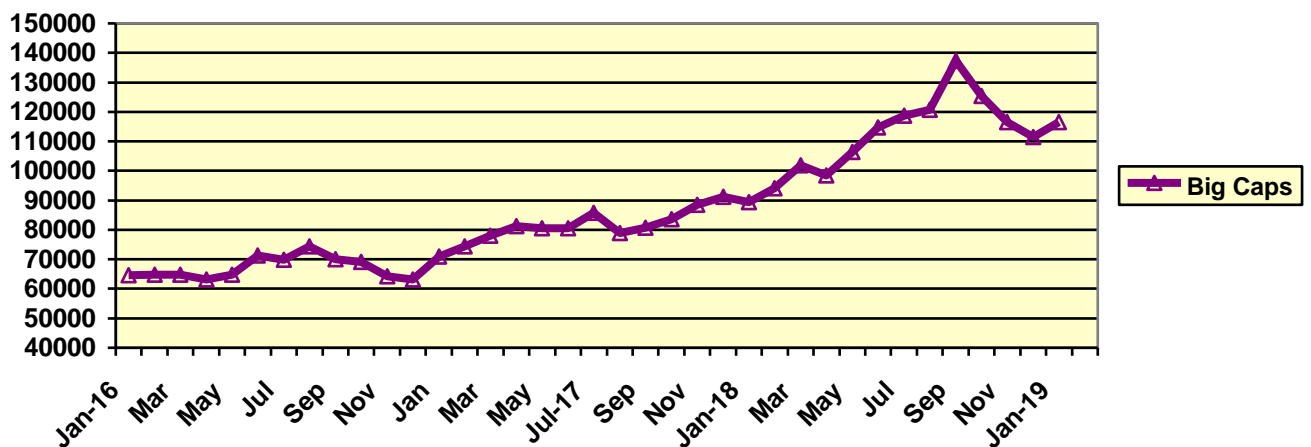
The collective value of the 15 Cannabis Corner companies was the lowest for the year at \$1,176 million having peaked in February at \$1,700 million. Thirteen of the 15 fell, with just Elixinol Global (yet to begin its promised medical marijuana research and development) up 88.5 percent since January 31, 2018 and Botanix up 112 percent for the year.

On the Nasdaq, Vaxart (formerly Aviragen, Biota) fell to \$19 million, while Queensland's Protagonist slumped 57.6 percent to \$231 million. Eyepoint (formerly Psivida) climbed 279.1 percent to \$254 million and Redhill rose 43.6 percent to \$201 million.

BDI-40 v ASX200 Jun 30, 2006 to Dec 31, 2018 – Adjusted



Big Caps \$m (Cochlear, CSL, Resmed) Dec 31, 2015 – Dec 31, 2018



Biotech Daily Top 40 with Market Capitalization

Company \$Am	Jan-18	Dec-18	Jan-19
Cochlear	9,854	9,770	10,018
CSL	63,906	80,355	83,870
Resmed	15,635	21,360	22,685
BDI-20			
Avita	64	110	134
Clinuvel	391	814	866
Compumedics	74	68	71
Cyclopharm	65	78	76
Ellex	138	101	99
Impedimed	384	97	72
LBT Innovations	28	18	18
Medical Developments	423	279	288
Mesoblast	687	659	577
Nanosonics	829	939	852
Neuren	318	138	140
Opthea	141	119	145
Pharmaxis	82	112	104
Polynovo	340	395	393
Immutep	53	111	94
Pro Medicus	901	1,045	1,127
Reva	280	83	62
Starpharma	504	575	440
Telix	120	148	142
Volpara	66	222	197
Second 20			
Actinogen	29	49	50
Airxpanders	209	20	15
Antisense	4	12	10
Benitec	41	35	27
Cynata	56	101	130
Dimerix	12	15	14
Genetic Signatures	33	70	83
Imugene	43	83	65
Kazia (Novogen)	22	25	23
Oncosil	76	114	117
Optiscan	43	25	19
Orthocell	27	17	14
Osprey	139	54	50
Patrys	18	29	29
Paradigm	34	152	147
Prescient	14	17	15
Prana	38	20	18
Proteomics	16	39	31
Universal Biosensors	53	44	39
Uscom	29	20	20

* Biotech Daily editor, David Langsam, owns shares in Acrux, Amplia, Benitec, Cynata, Mesoblast, Nanosonics, Neuren, Patrys, Polynovo, Prana, Telix, Volpara and non-biotechnology stocks. Through Australian Ethical Superannuation he has an indirect interest in other biotechnology companies: <http://www.australianethical.com.au/who-we-invest-in>. These holdings are liable to change.

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