

THE ALCIVAX

Alcimed assesses the Omicron factor, raising questions about why milder is not necessarily better economically or pandemically.

www.alcimed.com



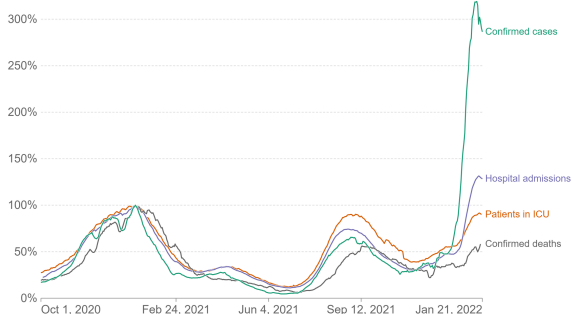
Edition #49 - Jan, 26 2022

Is Omicron moving toward endemic?

"In three words I can sum up everything I have learned about life: it goes on." - Robert Frost. And so do coronavirus variants. When and how does a pandemic end? Typically the answer is herd immunity, and we are globally far from there with only 52% of the world population vaccinated. The speed with which the omicron variant has become the dominant strain has far outpaced its predecessors.

How do key COVID-19 metrics compare to the early 2021 peak in the United States?

Each metric is shown as a percentage of its peak value in early 2021, and is shifted to account for the observed delay between case confirmation, hospital admission, ICU admission, and death.



Source: Centers for Disease Control and Prevention

OurWorldInData.org/coronavirus • CC BY



Image Credit: [Chappatte](#)

So is there a way to decipher which way Omicron is going? There are already reports of a 2nd circulating Omicron variant that has already spread from Asia to 40 countries, including the US and Europe, and spreads faster than the original Omicron variant.

Typically, viruses that spread faster have a higher viral load, meaning they release more infectious particles into the environment, but current research says this is not applicable to Omicron. Rather, it seems that Omicron's ability to evade the immune system is what in reality is giving it a leg up.

This immune evasion is evident in the drop in vaccine effectiveness at preventing infection (though still protect against serious infection). The ability of Omicron to thwart immunity from prior infection is very similar to the seasonal coronavirus strain 229E as well as influenza. How often COVID vaccines will need to be updated to keep up with the circulating strain is unclear, Pfizer/BioNTech are already testing Omicron vaccines.

Omicron decoupled the link between infection rates and hospitalization or death. This milder version has given people hope that the virus is moving from being an active pandemic to an endemic infection that comes back year after year.

Is endemic better?

There are many endemic respiratory viruses. There are even 4 endemic strains of Coronavirus. Becoming endemic won't necessarily prevent SARS-CoV-2 from significantly impacting the global healthcare system year after year. 1.5M people still die of malaria every year. Evolutionarily, there is also no guarantee that each new variant will be milder than the next. The second wave of the 1918 influenza strain was far deadlier than its predecessor, for example.

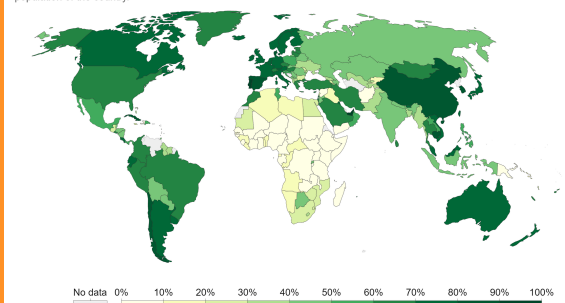


Image Credit: [Steve Sack](#)

The COVID Vaccine Race In Graphs

Vaccination rates in Africa range from 62% in Morocco down to 0.7% in Chad.

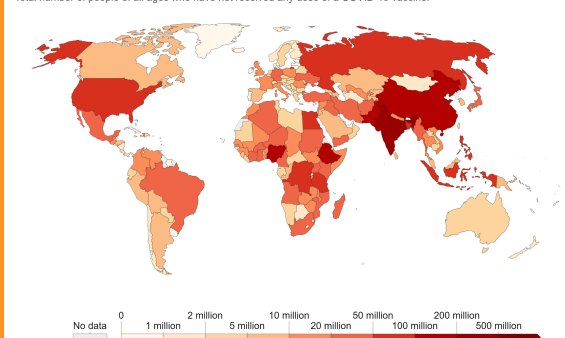
Share of the population fully vaccinated against COVID-19, Jan 25, 2022
Total number of people who received all doses prescribed by the initial vaccination protocol, divided by the total population of the country.



Source: Official data collated by Our World in Data - Last updated 26 January 2022, 07:40 (London time)
Note: Alternative definitions of a full vaccination, e.g. having been infected with SARS-CoV-2 and having 1 dose of a 2-dose protocol, are ignored to maximize comparability between countries.
OurWorldInData.org/coronavirus • CC BY

Despite extensive vaccine efforts, like the US, over 24% of the population remains unvaccinated.

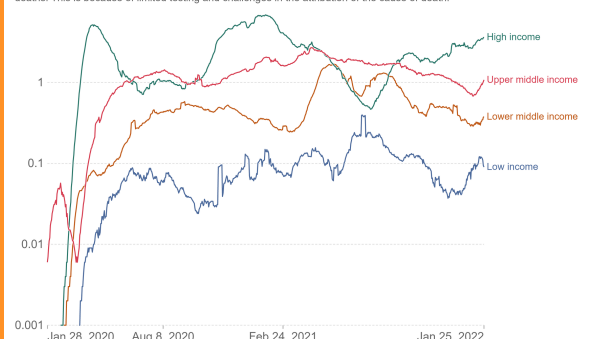
COVID-19: Where are the world's unvaccinated people?, Jan 25, 2022
Total number of people of all ages who have not received any dose of a COVID-19 vaccine.



Source: Official data collated by Our World in Data - Last updated 26 January 2022, 07:40 (London time)
OurWorldInData.org/coronavirus • CC BY

COVID deaths have remained constant since the beginning of the pandemic across all income groups.

Daily new confirmed COVID-19 deaths per million people
7-day rolling average. For some countries the number of confirmed deaths is much lower than the true number of deaths. This is because of limited testing and challenges in the attribution of the cause of death.



Source: Johns Hopkins University CSSE COVID-19 Data

CC BY



Omicron's Economic Impact

Milder variants can have just as much impact on the economy as its more severe cousins. When news of the vastly more infectious Omicron sweeping the globe hit, global stock markets took a 5 % hit. Markets had recovered toward the new year as hospitalizations didn't spike with Omicron case numbers. But the new year has not been as kind. The NASDAQ composite

The winter blues

Stockmarket indices, first day of trading 2022* = 100



The Economist

Image Credit: The Economist

has taken a sharp downturn compared to the FTSE 100, as tech stocks have not performed well this year compared to commodities such as oil. Moderna stocks have fallen 20% in value over the last week due to drop in vaccine efficacy against the new mutant.

Inflation is still very high and staffing shortages continue. The latest International Labour Organization (ILO) report suggests that the global labor market will still have 207 M people without jobs in 2022, compared to the 186 M in 2019.

Less growth is expected in 2022 dropping to 4.4%.

Omicron, supply chain issues, and inflation have prompted IMF to lower GDP forecasts for 2022, signaling that the fluctuation goes beyond the markets and more economic turmoil could be in store depending on interest rate changes and how long the supply chain issues subsist.

A turn for the worse

GDP forecasts, 2022, selected economies % increase on a year earlier

Forecast made in: Oct 2021 → Jan 2022

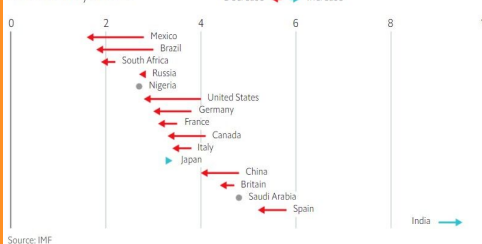


Image Credit: The Economist

Learning from our Mistakes

As the COVID-19 pandemic enters its 3rd year, it is clear that we have all made mistakes, we have learned from them, and we may have more to make. But the changes in Africa are really hard to miss.

Here are the positive signs of improvement:

- WHO chief Tedros is running for re-election unopposed. This suggests that the world leadership largely sees his handling of the pandemic in a positive light. The pressure the WHO faced at the beginning of the pandemic and he has put on high-income countries to not hoard vaccines, but Tedros and the WHO seem to remain in a good place.
- Africa is learning to fend for itself. Based on lessons learned during the 2014-16 Ebola crisis, drove the African Union to establish the Africa CDC, which was quickly able to organize a Africa Task Force for Coronavirus (AFTCOR) in February 2020 to manage the pandemic, including containment measures, vaccine acquisition, and increased genomic surveillance of circulating virus.

- Africa still has a long way to go. It still needs to vaccinate much of its population.
- It also needs to invest more financial resources into its healthcare system and develop the capacity to make more of its own medications and vaccines.
- After COVAX, Africa also may need to rethink foreign aid.



Image Credit: Tim Campbell



Supply Chain Struggles

Disruptions in the supply chain are getting worse, not better, and reaching historical highs, seen by increased shipping times and the growing deviations from the mean in supply chain metrics.

The 2011 Tsunami in Japan caused a 1.7 standard deviation, the previous record. A 4.4 deviation at the end of 2021 suggests that the G7 labor and product shortages increase pressure on the system.

Omicron continues to circulate causing workers to be out due to illness, raising questions about whether ports can actually clear the backlog.

Slow, slow, slow your boat

Shipping times*, days



Measures of supply-chain strains

Standard deviations from average



*Days between cargo being taken to port of origin and its pickup from destination port
Average: †1997-2021 ‡1992-2021
Sources: Flexport Research; Capital Economics; New York Fed

The Economist

Image Credit: The Economist



All joking aside

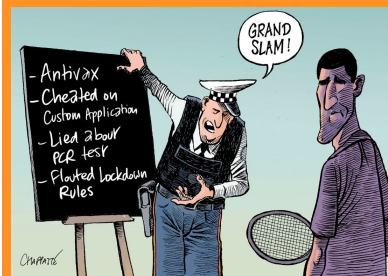


Image Credit: Chappatte



Image Credit: Chappatte

Sports have encapsulated some of the pandemics' biggest follies. China's dynamic zero-COVID-19 policy will face its most significant challenge to date as Beijing City is in final preparation for the winter 2022 Olympics. Next month we'll be able to tell you how well they performed the omicron slalom. Until then we leave you with the biggest sports faux pas to date.

Omicron's Biggest Symptoms: Fear and Fatigue

Inequitable Recharging

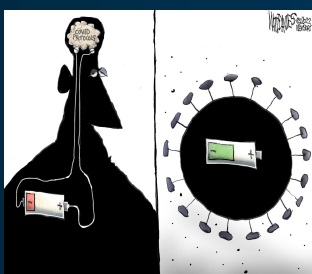


Image Credit: Matt Davies

READY Player 1!

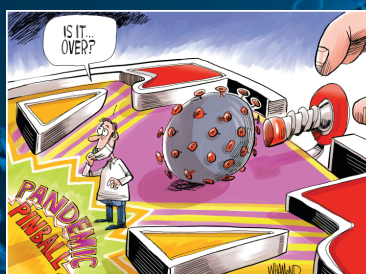


Image Credit: Dave Whamond

The COMING HCP Pandemic

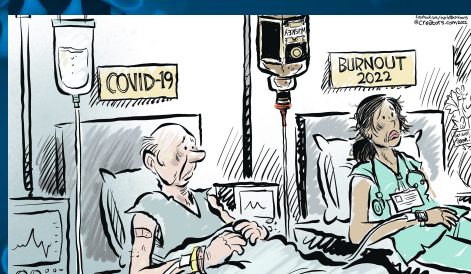


Image Credit: Andy Marlette

The coming variants

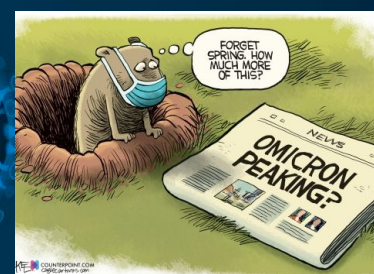


Image Credit: Ivan Lajara



Alcimed
EXPLORE AND DEVELOP UNCHARTED TERRITORIES