

Media Coverage

Company: AusBiotech
Date: 22 October 2010
Publication: Australian Life Scientist
Page: Online

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Market report: Healthcare index ends the week up as AusBiotech 2010 draws to a close

ChemGenex rallies 16 percent on announcement of Cephalon investment

David Binning (Australian Life Scientist)

The heavy back-slapping and self-congratulations at this week's AusBiotech 2010 shindig in Melbourne may have rubbed off a little on the S&P/ASX 200 Healthcare Index, which managed to claw back most of last week's losses.

The annual event saw a whose-who of local and international research institutes, biotechs, big pharma and financial institutions converge in a celebration of the achievements and potential of the local sector.

The index closed the day on 8198.1, up 144 points for the week, following a strong rise of almost one percent today.

That was largely due to a strong day for all three majors, with all but one up for the week.

Cochlear broke back through the \$70.00 barrier, adding around \$1.39 to close the week on \$71.72. Market leader CSL added 88 cents to \$32.80, while ResMed ended the week down nine cents to \$31.59.

Highlight of the day, and the week, was the announcement by Melbourne leukaemia specialists ChemGenex that US pharma Cephalon had agreed to make a substantial investment in the company. Its shares rocketed 16 percent to close the day on \$0.505, on volumes of almost 1.3 million. Another strong performer today was cardio specialists CathRx, up 8.3 percent to \$0.26.

Today's losers included Clinuvel, down a cent to close at \$0.18. with biologics company Circadian Technologies down 4.76 percent to \$0.60.

Looking at the wider market, the S&P ASX 200 just managed to claw its way back into positive territory today but failed to maintain its run of weeks in the black, closing down almost a percent for the week at 4648.2, although that's up around seven percent since mid-August. In contrast, the broader All Ordinaries Index rose 23.2 points, or 0.5 per cent, to 4719.6, up 38.6 points for the week.