



CONCENTURE
WEALTH MANAGEMENT

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IF A VACCINE WORKS... WHAT'S NEXT?

Vaccines usually take years to develop. Pharma giants have promised one in months, using cutting-edge technology that has never been implemented at this kind of scale. Scientists are excited ... and nervous.

Johnson & Johnson recently faced a shutdown of their human trial program when an adverse reaction cropped up, but developers have been racing to meet a promised target of October for final testing. In case you haven't checked your calendar, that's this month.

What if a vaccine were approved tomorrow? What would happen? Would the pandemic be over, with a snap of the fingers?

If a vaccine were approved tomorrow ...
... it would still have to be manufactured and distributed around the world. The US had a deal to pay Johnson & Johnson \$1 billion for 100 million doses of their now-halted vaccine to be distributed by the end of 2020, with plans for 1 billion more doses in 2021.

China is targeting 1 billion vaccine doses by 2021; AstraZeneca is talking 2 billion. There are about 7.6 billion humans on the planet. Health care workers will likely get the first doses, followed by high-risk demographics and potential super-spreaders.

What would that mean for ...

- **Jobs?** With a vaccine taking time to distribute, as well as having confidence hurdles to jump over, no magic switch will turn the jobs back on. People will come back to restaurants and retail stores when they think it is safe. In other words, it's not enough that an approved vaccine is out there—consumers have to be confident that the vaccine is in the person next to them in line. Economists estimate six months to a year before the job market looks something like normal, even with a vaccine approved.
- **Markets?** Stock markets would likely surge on the news of an approved vaccine and price expectations of future prosperity into today's prices. However, it is worth noting that stocks surged in August based on the mere notion of a vaccine as pharma companies moved from animal to human trials.
- **Schools?** The closing of schools has been one of the biggest disruptions of the COVID era. A vaccine effort would probably focus heavily on getting schools up and running. Children miss key development and socialization windows when cooped up at home. The effectiveness of remote schooling is very much up in the air. Additionally, closed schools place a huge burden of child-supervision on working parents.
- **Offices?** Employees are sharply divided on work-from-home. Some see it as a blessing, others a curse. If a vaccine were to work tomorrow, companies would consider a staggered return to the office, probably starting with the employees who are most eager to get back to in-person collaboration in an office.
- **Foreign Travel?** Airlines face huge cash crunches, but demand for air travel is recovering. We're already

approaching a million US passengers in the air every day ... down from 2.9 million, but way up compared to the empty flights of the early pandemic. United is the first US airline to offer terminal COVID testing. Several countries are open to US travelers, including Mexico, Turkey, and the Maldives.

*Will things EVER return to normal?
Many things have returned to normal,
give or take a masks-in-public mandate.
Restaurants and retail stores are reopening,
universities, parks, nightclubs.*

All of this has happened gradually as the initial panic phase of the pandemic has subsided. New treatments have been developed, better information is available, and consumers can take steps to be proactive in protecting themselves and others.

Mass gatherings like sports games and festivals are still missing, and will probably have to wait until widespread vaccine distribution.

But it may not even take a vaccine. If coronavirus infection levels subside due to natural forces, we may be back at ballgames with no vaccine. It's too early to tell ... but hope springs eternal.