

COVID-19 cases hit 2 million, a look at coronavirus prevention companies

COVID-19 cases globally have hit 2 million! There are now 2,000,231 reported COVID-19 cases worldwide, with 126,758 deaths and 484,729 recovered, as of April 15, 2020. The US continues to lead with a total of 614,246 cases and 26,064 deaths. Today we look at some of the companies involved in COVID-19 prevention.

Global coronavirus cases hit 2 million of which almost 1.4 million cases are still active

Coronavirus Cases:

2,000,231

[view by country](#)

Deaths:

126,758

Recovered:

484,729

ACTIVE CASES

1,388,744

Currently Infected Patients

1,337,141 (96%)

in Mild Condition

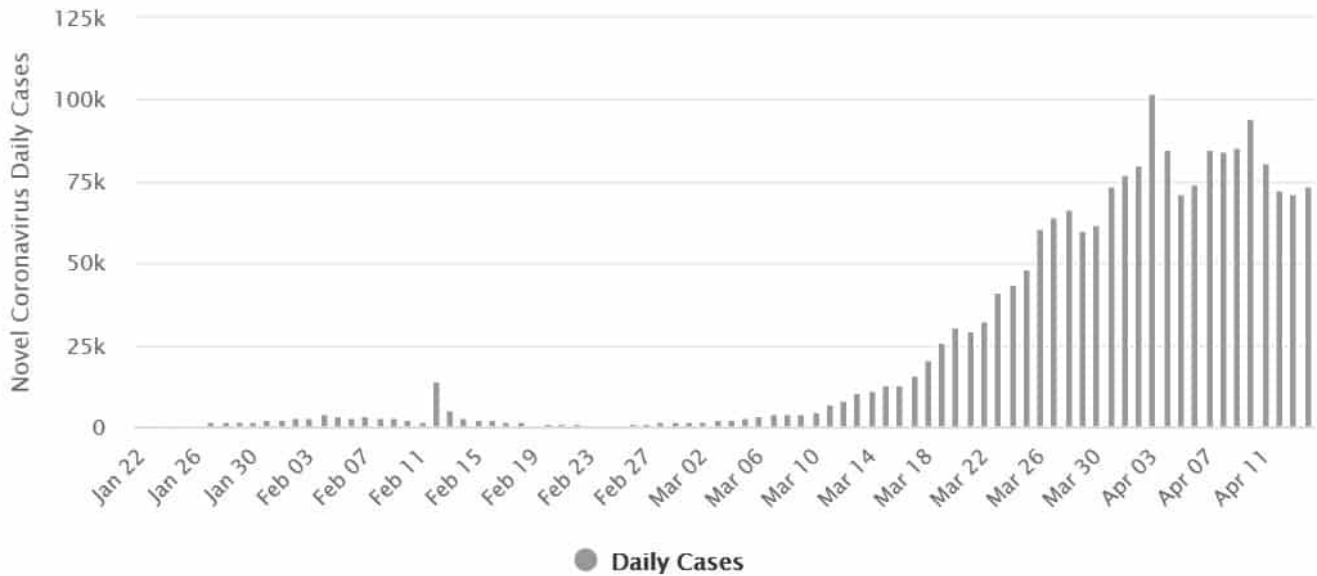
51,603 (4%)

Serious or Critical

Global daily coronavirus cases appear to be plateauing and maybe decreasing

Daily New Cases

Cases per Day
Data as of 0:00 GMT+0



Source

What's next with coronavirus?

Previously we discussed the coronavirus treatment companies, and those leading the race to make vaccines. Today we look at some different ways to prevent coronavirus and the companies involved.

CORONAVIRUS (COVID-19) PREVENTION



Coronavirus prevention companies

Face mask and protective clothing companies (ideally the N95

face mask)

The N95 (or higher, E.g: N99) face masks are the industry standard of masks that are effective at blocking coronavirus. The global N95 mask market is forecast to grow to US\$382 million and at a CAGR of 9% from 2020 to 2024.

- **3M Company (NYSE: MMM)** – The U.S. government and 3M have a plan to produce 166.5 million masks over the next three months to support health-care workers in the United States. They will primarily come from its manufacturing facility in China. 3M plans to make 2 billion N95 masks globally within the next year.
- **Honeywell International Inc. (NYSE: HON)** – Is a world leading brand in personal protection equipment including protection from airborne particulates, and the manufacture of N95 masks.
- **Kimberly-Clark Corporation (NYSE: KMB)** – An American company that manufactures diapers, tissues, paper towels, incontinence care products, surgical gowns, and disposable face masks.
- **Prestige Ameritech (private)** – An American manufacturer of face masks, respirators, medical goggles, surgeons masks, and other products.
- **Alpha Pro Tech Ltd. (NYSE: APT)** – Is a Canadian company developing, manufacturing and marketing a line of disposable protective apparel and infection control products for the clean room, industrial, pharmaceutical, medical and dental markets. They also make face masks.
- **Lakeland Industries Inc. (NASDAQ: LAKE)** – Is an international protective clothing provider. Its key products include disposable protective clothing, chemical protective suits, fire fighting and heat protective apparel, as well as face masks.
- **Teleflex Incorporated (NYSE: TFX)** – Manufactures diagnostic and therapeutic procedures in critical care and surgical applications, as well as a face mask maker.

Even GM has starting making face masks, as well as numerous other global companies, many based in China.

Some hand sanitizer companies

The global hand sanitizer market is expected to grow from US\$ 1.2 billion in 2019 to US\$ 2.14 billion by 2027, at a CARG of 7.5% during the forecast period 2019-2027.

- **Edgewell Personal Care Company (NYSE: EPC)** – The maker of ‘Wet Ones’. They also make feminine, skin, pet and sun care product.
- **Reckitt Benckiser Group PLC (LN: RB | OTC: RBGLY)** – The maker of well known products Dettol and Lysol.
- **Johnson & Johnson (NYSE: JNJ)** – As a global leading personal care manufacturer they make sanitizers and disinfectants.
- **Unilever PLC (NYSE: UL | LN: UN)** – Is a global leading consumer products company. They own a huge number of well known brands. They make soap and hand sanitizer.
- **The Procter & Gamble Company (NYSE: PG)** – Is a well known American maker of diapers, home cleaning supplies, including hand sanitizers.

Even France’s Danone (FR: BN | OTCQX: DAN0Y) and New Zealand’s Fonterra Co-operative Group Limited (NZ: FCG) have started to get involved. Other well known but private companies are Haggard & Stocking Associates Inc., Gojo Industries Inc. and Vi-Jon Inc.

Closing remarks/What’s next?

New daily global coronavirus cases have started to plateau and perhaps even decrease. With much of the global economy crippled, governments are looking at ways to loosen restrictions and re-start their economies. China and South Korea have both led the way in terms of ‘flattening the curve’, and the Chinese economy is now back to work. A few European countries are now loosening restrictions. Those

countries include Italy, Spain, Austria, the Czech Republic and Denmark.

As restrictions are lifted the importance of personal protection using face masks, hand sanitizers, and the use of social distancing will become more important. The companies involved in these areas should do well over the next 6 months as the world tries to get back to normal again.

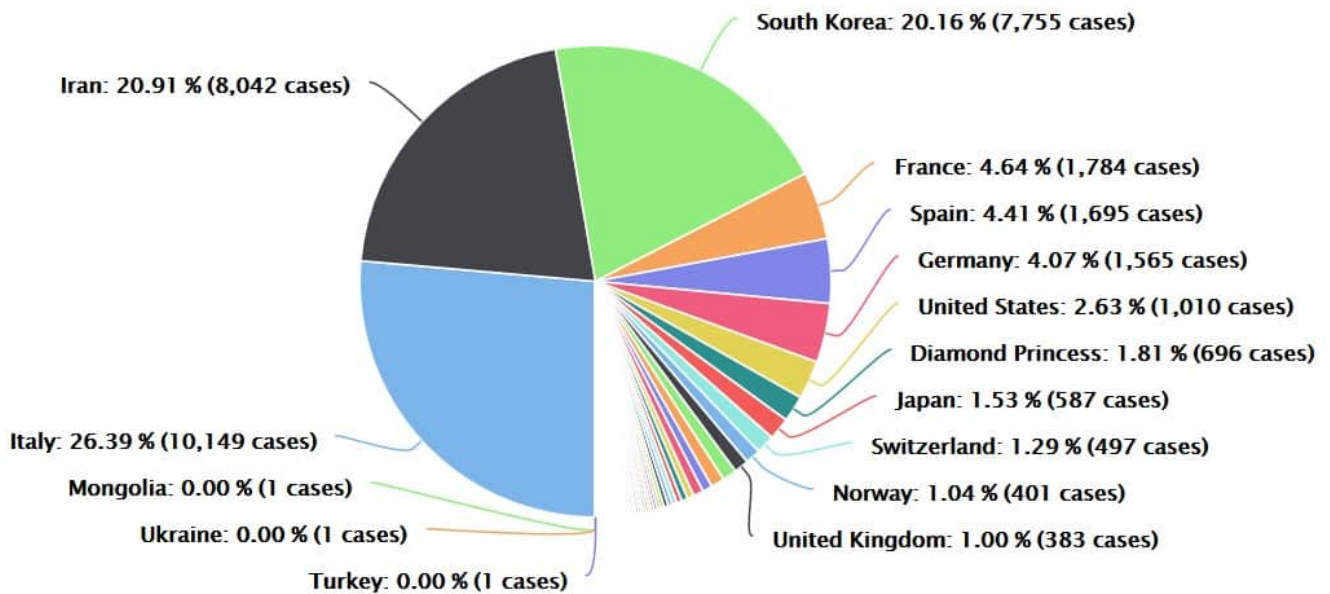
Coronavirus crisis or economic crisis? What sectors and stocks will outperform if things get worse?

Globally investors right now are not sure what to do. There is a way for investors to still do well if we get both a global coronavirus health crisis and an economic crisis.

Governments are deciding how to manage the coronavirus, as it is now in 119 countries with 119,246 confirmed cases and 4,300 deaths. If they lock down their citizens, as China and Italy have done, then that will cause severe economic hardship. If they don't lockdown then they risk a severe outbreak and even more deaths. This is the current government and investor's conundrum – Coronavirus crisis or economic crisis? Or both?

Distribution of coronavirus cases outside mainland China

Distribution of cases outside of mainland China



Source

Governments will spend billions in the fight against coronavirus

The governments globally are already starting to promise large funding to support their health care systems. This will mean billions will go towards hospitals, medical centers, staff, pharmaceuticals, testing and prevention.

Some headlines from the past 8 days include:

- March 3, 2020 – South Korea announced a stimulus package of 11.7 trillion won (\$9.8 billion).
- March 4, 2020 – Chinese stocks lead gains as IMF announces \$50 billion package to fight coronavirus.
- March 5, 2020 – China commits \$16bn to fund fight against coronavirus.
- March 5, 2020 – Sweeping Senate vote sends Trump \$8.3B bill to fight virus.
- March 7, 2020 – The (Italian) government announced a huge support package of 7.5 billion euros.
- March 10, 2020 – Japan unveils \$4 billion coronavirus

package.

- March 11, 2020 – Trump tells GOP he wants payroll tax waived through election.
- March 11, 2020 – (Australian) PM announces a \$2.4 billion health package for coronavirus (video)

The above announcements just in the last week or so add up to a massive \$100 billion of government rescue packages to support the fight against coronavirus. Some of those funds will go to businesses in the hardest-hit areas such as travel and tourism; however, a very significant amount is heading to health care. The above list of 'coronavirus packages' is likely to grow extensively in the coming months.

The health care sector will likely be the big winner from the coronavirus

As the global coronavirus outbreak continues to get worse the one sector that will be the busiest and hence the most profitable is health care and prevention. This means investors should consider buying health care funds, hospital funds, critical medical supply companies (notably testing kits), and of course 'big pharma'. One of the biggest winners in all this chaos is likely to be the big pharmaceutical companies. These companies will supply the drugs to both fight and manage the coronavirus disease.

It should also be remembered that currently, 88% of coronavirus cases are non-critical, like simple flu. These cases will require simpler treatments, such as medicines for the common cold, hand sanitizers, paracetamol etc. Added to this is the rest of the population who will increase their use of preventative measures such as hand sanitizers, hand washing and so on. Companies such as Johnson & Johnson (NYSE: JNJ) that have a massive global presence will do well as the majority of people will likely be buying several J&J health care products in the next few months. Others that may do well are Clorox disinfectant owner Procter & Gamble Company (NYSE:

PG), or Lysol disinfectant owner Reckitt Benckiser Group Plc (LON: RB). Finally, the global leading vitamin manufacturers can do well. In particular companies such as Blackmores (ASX: BKL | OTC: BLMMF) and others that supply vitamins into China or the worst affected countries. For example, zinc is one of the best minerals to boost your immune system to prevent viruses.

EPA approved disinfectants to kill coronavirus include Clorox & Lysol



Source

A global health care fund to consider

- The iShares Global Healthcare ETF (IXJ) is made up of the biggest global names in healthcare including global pharmaceutical giants Roche (SIX: ROG | OTCQX: OTCQX), Novartis (NYSE: NVS), Merck (NYSE: MRK), Pfizer (NYSE: PFE), and Bristol Meyers Squibb (NYSE: BMY). Others are actively developing or have drugs to treat coronavirus (Eg: Gilead Sciences (NASDAQ: GILD), AbbVie Inc. (NYSE: ABBV)) or are working on vaccines and test kits. Others

include the largest selling personal and healthcare related products company in the world, Johnson & Johnson. The fund trades on a PE ratio of 22, which is only 10% above the US S&P500 PE of 20.

iShares Global Healthcare ETF top ten holdings

Ticker	Name	Sector	Location	Weight (%)	Notional Value
JNJ	JOHNSON & JOHNSON	Health Care	United States	6.88	147,336,455.44
UNH	UNITEDHEALTH GROUP INC	Health Care	United States	5.00	106,980,340.54
ROG	ROCHE HOLDING PAR AG	Health Care	Switzerland	4.43	94,925,757.94
NOVN	NOVARTIS AG	Health Care	Switzerland	4.02	86,150,687.67
MRK	MERCK & CO INC	Health Care	United States	3.85	82,419,577.02
PFE	PFIZER INC	Health Care	United States	3.67	78,596,954.80
ABT	ABBOTT LABORATORIES	Health Care	United States	2.64	56,607,786.38
BMJ	BRISTOL MYERS SQUIBB	Health Care	United States	2.63	56,238,522.60
MDT	MEDTRONIC PLC	Health Care	United States	2.53	54,174,980.25
ABBV	ABBVIE INC	Health Care	United States	2.47	52,938,465.50

A home health care junior to consider

- Nova Leap Health Corp. (TSXV: NLH) is a Canadian small-cap stock with a focus on home health care. **With coronavirus causing a scare in the aged care sector many clients may decide home health care is safer than being in an aged care facility.** You can read more about Nova Leap in our recent article: "Home health care set to boom as coronavirus affects aged care facilities."

Gold

Gold and quality gold stocks usually perform best in bad times and when interest rates are falling. Right now rates are so low that investors are getting almost zero return on their money, making gold a more attractive investment. Gold juniors in particular are still well valued and can see a large upside if the gold price moves higher or if they find more gold. InvestorIntel recently discussed 10 gold mining juniors that

we like here.

Closing remarks

Sometimes in investing we just need to use common sense. In a major health crisis, it makes sense to buy the health care sector. Valuations are reasonable right now and if the coronavirus continues to ravage the global community then the health care sector will be one of the only sectors where earnings are growing. Conversely, if the coronavirus quickly fades away the global health care sector will still do well buoyed by the strong aging demographics. Finally don't forget to have some cash and gold in your portfolio as an insurance measure.