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Market's Virus Swoon, ACE2 & Nankai University?

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We invite thoughts from readers about this somewhat technical commentary. But first, please consider what it means when the narrative is controlled by and censored by politicians whether in China, in United States or elsewhere. For many history students, me included, censorship in America is a really distressing thought when it comes to public health issues. It may be necessary in a shooting war but is harmful when the enemy is a virus. We believe that truth and a good vaccine are the two very best defenses for a virus attack.



Note how the anti-Trump social and general media concluded that Dr. Anthony Fauci was muzzled by the Pence committee. That is the same media which prominently interviewed Michael Avenatti over 100 times.

Please also note how Dr. Fauci denied that he was censored in the most credible way during the Saturday press conference. I believe Fauci. He is an absolutely credible professional and has a history of public service with impeccable credentials.

This does not excuse Trump's belligerent and Roy Cohn-esque combative style which is so viciously divisive. Remember Roy Cohn was Trump's lawyer in Trump's formative days and after Cohn established his legal combative style working for McCarthy. Readers are invited to take the time to review that history and they will have insight into Trump's operational methods.

We offer this quote from the *Economist's* "this week special edition on the new coronavirus."

Editor-In-Chief Zanny Minton Beddoes wrote:

"A pandemic is more than a disease. It tests a society's health systems, its government and politicians, and its economy. We hope that our coverage prepares you for what to expect." Dear readers: we recommend reading the entire issue and please remember it is assembled by a worldwide premier English language weekly publication.

Now let's get to the subject of today's missive.

Markets were spooked by the international spread of COVID-19 this past week and by new reports that the virus has "binding characteristics" that are much feared by epidemiologists. On Thursday, Feb. 27, the *South China Morning Post* (SCMP) reported that the new coronavirus has a mutated gene similar to those found in HIV and Ebola, according to new research conducted by a

team from China's Nankai University. The mutation means that the virus's ability to bind with human cells could be up to 1,000 times stronger than that of the SARS virus, and this finding could go a long way toward explaining why the infection rate of COVID-19 is so much higher than experts initially expected.

This development is an excellent example of the sort of news flow that can change risk analysis and therefore move markets. But because of the technical epidemiological issues involved, many market agents don't immediately appreciate the potential impact of such reports.

The Nankai University team found that the infection pathway for the COVID-19 virus more closely resembles that of HIV and Ebola than that of SARS. Readers who want to study the detailed epidemiological biochemistry involved will find a good general explanation in the *South China Morning Post* report (February 27), "Coronavirus far more likely than Sars to bond to human cells due to HIV-like mutation, scientists say," (<https://www.scmp.com/news/china/society/article/3052495/coronavirus-far-more-likely-sars-bond-human-cells-scientists-say>), and there are more technical explanations in articles we cite below. Hat tip Jim Ringold.

For readers of Chinese language, the report by Professor Ruan Jishou and his team at Nankai University in Tianjin was published earlier this month on [Chinaxiv.org](http://chinaxiv.org), a platform used by the Chinese Academy of Sciences to release scientific research papers that have not yet been peer-reviewed. In the two weeks since its release, the paper has already become the study most viewed on Chinaxiv.

The *SCMP* article notes that the Nankai results have been confirmed by a research team led by Professor Li Hua from Huazhong University of Science and Technology in Wuhan, Hubei Province. This could be "the reason why [the COVID-19 virus] is more infectious than other coronaviruses," Prof. Li wrote in a paper published on Chinaxiv on Sunday, Feb. 23.

Prof. Li's team surmised that replication of the COVID-19 virus in the human body could be hindered by one or more of "a series of HIV-1 therapeutic drugs such as Indinavir, Tenofovir Alafenamide, Tenofovir Disoproxil and Dolutegravir and hepatitis C therapeutic drugs including Boceprevir and Telaprevir." However, this suggestion requires clinical testing.

Additionally, says the *SCMP*, a study by Dr. Etienne Decroly at France's Aix-Marseille University, published Feb. 10 in the journal *Antiviral Research*, also found the same key result that sets the COVID-19 virus apart from other coronaviruses in terms of its infectiousness.

Research by other organizations had already contained hints of a likely missing piece in our understanding of the transmission of COVID-19:

"Comparative genetic analysis of the novel coronavirus (2019-nCoV/SARS-CoV-2) receptor ACE2 in different populations," *Cell Discovery*, Feb. 24, 2020, <https://www.nature.com/articles/s41421-020-0147-1>. (Hat tip to Michael Drury, who writes, "The article suggests expression of ACE2 cells is higher among Chinese and East Asians than Europeans and Americans. Also higher among Asian males than females. Other studies show ACE2 higher in smokers. I wonder if that is true in pollution breathers as well? Actual deaths in China higher among males, especially smokers.") Dear Readers: this article has fully curated references about the "angiotensin-converting enzyme-2, which has been proved to be the receptor for both the SARs-coronavirus and the human respiratory coronavirus NL63. Recent studies indicate that ACE2 could be the host receptor of the novel coronavirus 2019-nCoV/SARS-CoV-2."

"The novel coronavirus 2019 (2019-nCoV) uses the SARS-coronavirus receptor 1 ACE2 and the cellular protease TMPRSS2 for entry into target cell," bioRxiv, Jan. 31, 2020, <https://www.biorxiv.org/content/10.1101/2020.01.31.929042v1.full.pdf>. This is a serious German academic research paper.

A good, somewhat technical overview of the cellular activity of coronaviruses can be found here: "COVID-19 Vaccine Will Close in on the Spikes," DNA Science Blog, Feb. 20, 2020, <https://blogs.plos.org/dnascience/2020/02/20/covid-19-vaccine-will-close-in-on-the-spikes/>

Here is additional reading on what we know to date about COVID-19. Especially important is the new report from the World Health Organization, based on the WHO team's recent work in China: "Report of the WHO-China Joint Mission on Coronavirus Disease 2019 (COVID-19)," Feb. 25, 2020, <https://www.who.int/docs/default-source/coronaviruse/who-china-joint-mission-on-covid-19-final-report.pdf>

In explaining WHO's international mission to China (Feb. 16–24), team leader Dr. Bruce Aylward provides an excellent summary of new COVID-19 findings (a quick read): "New data from China buttress fears about high coronavirus fatality rate, WHO expert says," STAT, Feb. 25, 2020, <https://www.statnews.com/2020/02/25/new-data-from-china-buttress-fears-about-high-coronavirus-fatality-rate-who-expert-says/>

This is an older but important study of 44,000+ cases in China from the Chinese CDC, with case fatality rates (CFR) by age, in and beyond Hubei Province: "The Epidemiological Characteristics of an Outbreak of 2019 Novel Coronavirus Diseases (COVID-19) — China, 2020," *China CDC Weekly*, Feb. 8, 2020 (FYI: very slow link, highly cited and hosted in China <http://weekly.chinacdc.cn/en/article/id/e53946e2-c6c4-41e9-9a9b-fea8db1a8f51> or abstract hosted at NIH, <https://pubmed.ncbi.nlm.nih.gov/32064853-the-epidemiological-characteristics-of-an-outbreak-of-2019-novel-coronavirus-diseases-covid-19-in-china/>).

Finally, here is essential reading and listening in the form of a telebriefing from the CDC's Nancy Messonnier on February 26: "Transcript for the CDC Telebriefing Update on COVID-19" (includes link to audio), CDC, Feb. 26, 2020, <https://www.cdc.gov/media/releases/2020/t0225-cdc-telebriefing-covid-19.html>

Meanwhile, the partisan politicians and their media lackeys media continue to undermine a unified American war against this virus.

Example: Fox News on February 28. Tucker Carlson: "US is vulnerable to coronavirus because libs care more about identity politics than your life." You can find the whole Carlson diatribe on the Fox News website.

Not to be outdone, here's the Tampa Bay Times: <https://www.tampabay.com/florida-politics/buzz/2020/02/28/whats-on-mike-pences-schedule-as-coronavirus-point-man-a-fundraiser-in-florida/>. We witnessed the traffic tie up in front of our office as the motorcade made its way from the Sarasota airport to Congressman Vern Buchanan's house. Dinner anyone? \$25000 was the price tag. What wasn't reported and, perhaps, not known was that Pence also met with Florida's governor and state health officials. We learned of that from Pence during the Saturday press conference on February 29.

Secondly. Dr. Messonnier tweeted an offer for a weekly coronavirus update from [@CDCgov](https://twitter.com/CDCgov). There was a long thread of detractors asking if these new missive release schedules now need prior approval of the Pence-led committee before release? And social media asks if the censors are required to pass political loyalty oaths before their hiring.

I hope not.

History lesson anyone? Ladies and Gentlemen: what I'm writing here and worrying about is not a "hoax".

To paraphrase George Santayana "Those who forget their history are condemned to repeat it."

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