



## Moderna Stock Crash: Losses Top \$140 Billion As Insiders Sell Millions Of Dollars In Shares

### Description

Shares of Moderna plummeted Monday as Covid-19 vaccine-makers led a turbulent market decline, pushing the stock to its lowest level in nearly a year after disappointing study results and a slew of sales from the firm's top executives added to concerns that have made one of last year's top-performing stocks crash more than 70%.

One of last year's best-performing stocks, Moderna has plummeted more than 70% from its all-time ... [+] high six months ago.

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### Key Facts

Moderna stock fell as much as 13% on Monday to a 10-month low of less than \$140, pushing shares down more than 30% over the past month amid a sell-off largely [centered](#) on technology and healthcare firms that skyrocketed in value during the pandemic.

The rout has been particularly bad for Covid-19-related stocks in recent weeks, says Bank of America analyst Geoff Meacham, who points out pharmaceutical giant Pfizer, down 2% Monday, has also been caught in the mix despite the promise of its [Covid antiviral pill](#) after it warned in its fourth-quarter earnings [report](#) that vaccine sales will decelerate this year.

With Covid cases plummeting from all-time highs, experts have increasingly [questioned](#) whether vaccines will be a sustainable revenue stream in the years to come, and adding to the concerns, a [study](#) released Friday by the Centers for Disease Control and Prevention showed Moderna and Pfizer booster shots [lost](#) substantial effectiveness after about four months.

Moderna's recent losses also follow a slew of regulatory filings [released](#) Friday evening which showed four Moderna executives—including billionaire CEO [Stéphane Bancel](#)—sold a combined 23,281 shares for about \$3.6 million last week.

Making up a majority of the total sales, Bancel [offloaded](#) 19,000 shares for about \$155 apiece to net about \$3 million in pre-tax proceeds as part of a trading plan that has helped the 49-year-old sell more than 2 million shares during the pandemic.

In a statement, a Moderna spokesperson said Bancel “personally invested in every single one” of the firm's funding rounds before its initial public offering in 2018 and remains an owner of 21.8 million shares of Moderna's common stock.

## Surprising Fact

Monday's worst-performing stock in the S&P 500, Moderna has plunged 72% from an all-time closing high of \$484 on August 9, wiping out more than \$140 billion from the firm's market capitalization, which now stands at less than \$57 billion.

## Big Number

\$4.6 billion. That's how much Bancel, who joined the firm in 2011 and was at one point worth more than \$12 billion, is worth Monday after shedding some \$660 million during the one-day stock plunge, according to *Forbes*. Even after his pandemic share sales, the French native owns a nearly 8% stake in Moderna, including exercisable options.

## What To Watch For

Moderna is slated to release its fourth-quarter earnings on February 24. Analysts expect the Massachusetts-based firm will report \$6.8 billion in revenue, up 1,090% from one year prior.

## Key Background

Covid-19 vaccines have proven to be highly effective in preventing serious illness and hospitalization, but experts have increasingly warned that overly high [revenue expectations](#) set last year may not be

sustainable as the pandemic wanes. Last month, Jefferies analyst Michael Yee [said](#) Moderna's recent stock drawback has helped put its valuation in line with other biotechnology competitors, but he pointed out analysts increasingly expect Covid vaccine sales—currently Moderna's sole revenue source from a commercialized product—will fall over the next few years as the pandemic becomes [endemic](#) and competition [heats up](#) among treatment and prevention options. As Moderna shares plunged in January, Meacham upgraded the stock from underperform to neutral and lifted his price target to \$180 from \$135, telling investors the firm's valuation was finally “back to earth.”

by Jonathan Ponciano

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