



Pfizer Loses \$40 Billion of Value in Worst Month Since 2020

Description

- Drugmaker's stock has fallen about 14% to start the year
- Yearly sales outlook for Covid pill, shot missed estimates

Shares of Pfizer Inc. suffered their biggest monthly decline since June 2020 as investors anticipated a troubled path ahead for the drugmaker's Covid products.

The stock slumped 14% this month, erasing US\$40 billion in market value. In its earnings report on Tuesday, Pfizer presented a weaker-than-estimated sales outlook for its Covid vaccine and pill. Shares fluctuated between gains and losses before ending the day higher by 1.4% amid a broader market rally.

"PFE was already widely expected to guide below consensus – and the '23 guide delivered on that," Barclays analyst Carter Gould, who has a hold-equivalent rating on the stock, wrote in a note. Given the stock's decline so far this month, "there had been hope for a bounce once the print was out of the way, however, we're skeptical that will materialize in the near-term."

Pfizer's shares got a boost throughout the pandemic as its Covid-19 vaccine and pill brought in billions of dollars in sales.

The 2023 guidance miss was "widely anticipated" and was the reason shares had been weak heading into the report, Cantor Fitzgerald analyst Louise Chen, who holds a buy-equivalent rating on the stock, wrote in a note.

by Breanna Bradham

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