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The coronavirus pandemic has thrown a spotlight on biotech shares, as the industry continues

to make progress in three critical areas of disease control: testing, treatments and vaccines.

Most large-cap biotech firms presented better-than-expected quarterly results and positive clinical and regulatory news flow, helping biotech to maintain its positive momentum. We should never forget that life sciences saw a nearly uninterrupted boom in venture investment, with capital investing nearly tripling, while deal volume more than doubled in the last 10 years. What we experience today is the harvest of yesterday's investments.

The biotech sector continues to be one of the best-performing since the beginning of the year. As seen in the last few months, the sector's defensive qualities come to the fore in times of stock market volatility. We believe that the pandemic has reinforced many of the positive attributes the sector has to offer and we expect investor interest to remain high.

Our favourites are Swiss-headquartered Roche and Lonza as core investments, and HBM Healthcare Investments, Siegfried and Genmab as satellites. We also hold bonds from Unilabs and Synlab, both managed by far-sighted private equity investors.