

4 Coronavirus Vaccine Stocks the Bill & Melinda Gates Foundation Is Betting On

Are any of these stocks good bets for other investors?



 **Keith Speights** (TMFFishBiz)

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 [Author Bio](#)

No one has to tell Bill Gates to put his money where his mouth is. The billionaire **Microsoft** cofounder and his wife Melinda have been vocal proponents of fighting infectious diseases for decades. They've donated over \$45 billion to charitable organizations since 1994, with much of that amount going to the Bill & Melinda Gates Foundation.

The Gates Foundation has been instrumental this year in funding coronavirus vaccine programs. But the foundation hasn't just handed money over to drugmakers; it's also invested in a few of them. Here are four coronavirus vaccine stocks that the Gates Foundation is betting on.



IMAGE SOURCE: GETTY IMAGES.

Pfizer

Bill Gates recently stated that he views **Pfizer** ([NYSE:PFE](#)) as [the leader in the coronavirus vaccine race](#). In a CNBC interview, he said, "The only vaccine that, if everything went perfectly, might seek the emergency use license by the end of October, would be Pfizer."

The Gates Foundation also owns shares of the big drugmaker. However, this investment wasn't initiated because of Pfizer's coronavirus program. Actually, the foundation first bought a stake in Pfizer back in 2002 with the stated intention of "expand[ing] access to the pharmaceutical company's all-in-one injectable contraceptive, Sayana Press, giving women in the developing world an affordable option."

Gates is probably correct in assessing Pfizer as the coronavirus vaccine leader. The company expects to report initial results next month from a late-stage study of BNT162b2, the COVID-19 vaccine candidate that it's developing with **BioNTech** ([NASDAQ:BNTX](#)). If all goes well, BNT162b2 could very well become the first coronavirus vaccine available to Americans.

BioNTech

It's not surprising that the Bill & Melinda Gates Foundation also owns shares of BioNTech. Again, though, the nonprofit foundation didn't invest in the German [biotech stock](#) because of its coronavirus program.

The Gates Foundation first bought a position in BioNTech in September 2019, well before the COVID-19 pandemic hit. It invested \$55 million in the biotech, with the potential for total funding to reach \$100 million. The foundation's goal with this investment was to work with BioNTech to develop vaccines and immunotherapies for preventing HIV and tuberculosis (TB) infection.

BioNTech began developing its BNT162 COVID-19 vaccine program earlier this year. It had already made significant progress with this program when it announced a partnership with Pfizer in March.

CureVac

BioNTech wasn't the first German biotech to attract the attention of the Gates Foundation. In 2015, the foundation committed to investing \$52 million in **CureVac** ([NASDAQ:CVAC](#)). In addition, the Gates Foundation agreed to provide separate funding for several projects to develop vaccines based on CureVac's messenger RNA (mRNA) platform.

CureVac listed its shares on the **Nasdaq** stock exchange in August 2020. The company is currently evaluating its mRNA COVID-19 vaccine in early stage clinical studies.

Vir Biotechnology

The Gates Foundation was one of the lead investors in **Vir Biotechnology** ([NASDAQ:VIR](#)) at the biotech's launch in late 2016 and early 2017. The foundation's goal with its position in Vir was to "support the development of affordable and accessible HIV and TB prophylactic vaccine programs, and support the development of a new partner in the infectious disease space."

Vir's pipeline now includes several coronavirus-focused programs. The company [recently began a phase 2/3 clinical study](#) with its partner, **GlaxoSmithKline**, evaluating an antibody therapy targeting COVID-19. Vir expects to initiate a phase 2 study of another COVID-19 antibody therapy, VIR-7832, later this year. VIR-7832 could potentially be used to treat COVID-19 and as a vaccine to prevent infection. In addition, the biotech is conducting preclinical studies of an inhaled therapy targeting COVID-19.

Best bets?

All four of these coronavirus vaccine stocks owned by the Gates Foundation could be winners over the long term. However, my view is that the best bets for investors among the group are Pfizer and BioNTech. The two companies are farther along in clinical testing with their coronavirus vaccine program than CureVac and Vir.

For investors who are more risk-averse, Pfizer is the best pick. Though a COVID-19 vaccine could certainly boost Pfizer's fortunes, the big drugmaker's future success doesn't depend on it.

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Teresa Kersten, an employee of LinkedIn, a Microsoft subsidiary, is a member of The Motley Fool's board of directors. [Keith Speights](#) owns shares of Microsoft and Pfizer. The Motley Fool owns shares of and recommends Microsoft. The Motley Fool recommends Nasdaq and recommends the following options: long January 2021 \$85 calls on Microsoft and short January 2021 \$115 calls on Microsoft. The Motley Fool has a [disclosure policy](#).

