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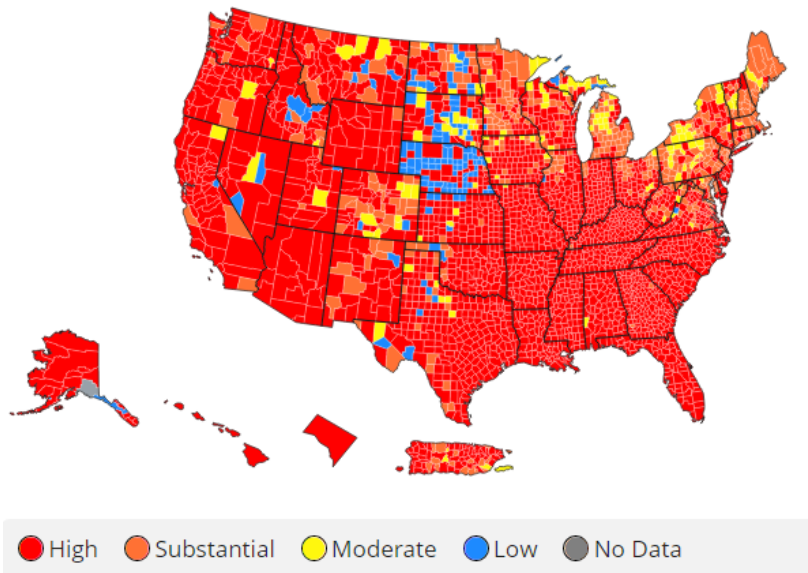
## Markets and Economy

# Bearish and bullish COVID-19 developments: Alarming surge in COVID cases among children

By: Marshall L. Stocker, Ph.D., CFA | August 12, 2021

**Boston** - As the number of U.S. communities with high levels of COVID-19 transmission keeps rising, here's our review of the health policy responses and the bearish or bullish developments related to the pandemic for the second week of August.

## CDC's COVID-19 Integrated County View shows level of community transmission



Source: Centers for Disease Control (CDC), Time Period: Wed Aug 04 2021 to Tue Aug 10 2021.

## Health policy responses

- Canada opened on August 9 to fully vaccinated U.S. citizens and permanent residents.
- Germany will end free COVID-19 testing for the unvaccinated, hoping to encourage more residents to get vaccinated.
- Melbourne, Australia, has extended the current lockdown — the city's sixth — by one week.
- China's CDC said that there is no need for people who have been vaccinated within one year to receive a booster shot, even though a pre-publication study released in July found that neutralizing antibodies produced by Sinovac's vaccine declined markedly after six months.
- Russia's daily COVID-19 deaths reached a record high of 799 for the fourth time. Russia has recorded almost exactly the same number of deaths per day for the last month, but never over 800.
- COVID vaccination will be required of U.S. military forces. Current vaccination rates vary across the services, with the Navy at more than 74% and the Air Force at more than 65% of active duty personnel, while the Army appears closer to 50%.
- California is mandating COVID-19 vaccines for indoor health care workers, largely removing a testing alternative, and California is also the first state to require teachers to be vaccinated or tested weekly for COVID-19.
- New York City is still planning to reopen classrooms full-time, without a remote option, while New Jersey will require K-12 students to wear masks.

## Bearish virus developments

- Daily new cases in the U.K. have started to trend upward again.
- Average virus cases reached a six-month high in the U.S. The number of Americans hospitalized with COVID also reached a six-month high at 65,000.
- ABC described the surge in COVID cases among children as "alarming." Children's Hospital of New Orleans reported that 20% of hospitalized children are COVID patients, up from 1% of hospitalizations.
- Delta-plus variant has been detected in the Bay Area. "We believe that it's at least as bad as Delta," said Dr. Peter Chin-Hong, an infectious disease specialist at the University of California San Francisco.

- The virus may now be transmitting outdoors in tightly packed crowds: Health officials are investigating COVID-19 outbreaks tied to two recent outdoor music festivals in Michigan and Oregon, while an Australian health official issued a warning after virus transmission was recorded at a beach gathering.
- Scientists have found that 60% of people aged 60 and over have difficulty thinking three to six months after COVID infection, and a researcher noted that "persistent lack of smell is associated with brain changes."

### Bullish virus developments

- The CDC endorsed COVID vaccinations during pregnancy.
- Australia provisionally approved Moderna's vaccine, making it the country's third approved vaccine.
- According a New York Times analysis of data from 40 states, fully immunized people accounted for fewer than 5% of hospitalizations and fewer than 6% of deaths from COVID-19.
- In CDC data of U.S. adults, every state with a high hospitalization rate has a lower vaccination rate.
- A Mayo Clinic study of 50,000 people found the Moderna vaccine to be significantly more effective than Pfizer's against the Delta variant. Moderna said it expects booster shots to be necessary ahead of the winter season as antibody levels are expected to wane.
- Pfizer/BioNTech said that repeat shots of its COVID-19 vaccine would be a better strategy than tailoring the vaccine to new variants, while Moderna reiterated plans to start testing a vaccine adjusted to the Delta variant on humans this month.

### Other developments

- The Delta variant has a significantly shorter incubation period. The time interval from exposure to positive PCR test ranged from three to five days, with a peak at 3.71 days. By contrast, data from the 2020 outbreak indicated an average of six days from exposure to positive test, with a range of five to eight days and a peak at 5.61.
- Unvaccinated people who have had COVID-19 may be more than twice as likely to get re-infected as those who tested positive and bolstered their natural immunity with a vaccine, according to a small CDC study.

Source of all data: Eaton Vance Research as of August 12, 2021 unless otherwise specified.

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["Unvaccinated people who have had COVID-19 may be more than twice as likely to get re-infected as those who tested positive and bolstered their natural immunity with a vaccine."](#)

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