

Neuberger Berman Equity Research Team

SENIOR HEALTH CARE ANALYST: Terri Towers, PhD

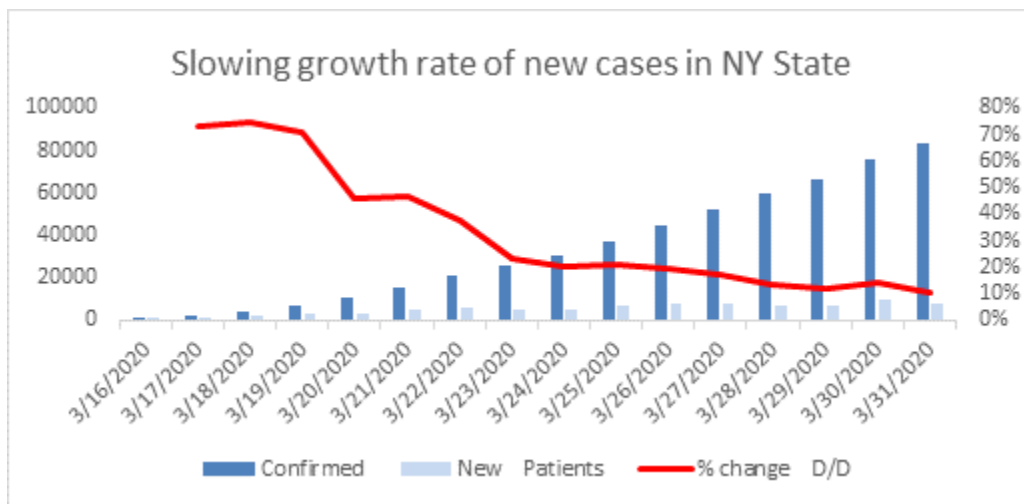
Update: COVID-19 Cases in New York State

Growth in new cases is slowing, suggesting the potential approach of equilibrium.

Mid-week update of COVID-19 cases in New York State: We thought we would share a few charts that show some encouraging signs locally regarding the progress of the coronavirus outbreak post a depressing press conference out of the Trump administration on March 31.

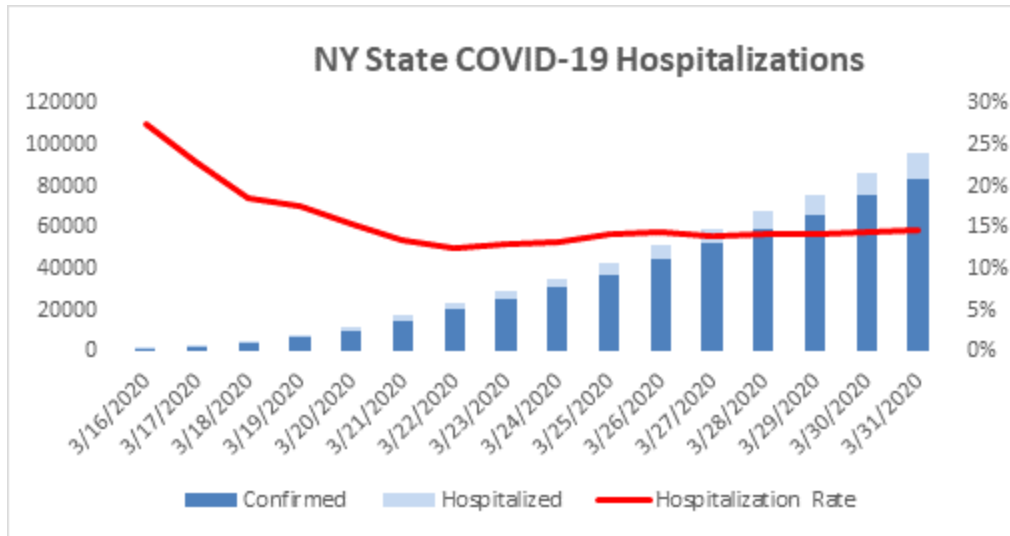
While we are thankful the tone and level of seriousness has moved more toward reality, we think the CDC officials may have gone a bit overboard in citing the potential for 100,000 to 240,000 deaths with social distancing measures. Notably, these estimates are likely predicated on additional states facing a similar reality to what New York is experiencing. Perhaps we are optimists, but we believe other states will hopefully learn from New York and mobilize earlier, implement stricter measures on schools and social distancing, and benefit from what we hope will likely be routine, point-of-care testing for the virus, as well as a reliable serological test for antibodies in both afflicted and asymptomatic individuals.

The graph below shows that growth rate of new positive patients (red line) is slowing across New York State to roughly 10%. While total patient numbers continue to grow, the slowing pace of new positive patients suggests that we are progressing through the backlog of testing and hopefully will reach equilibrium in the coming week(s). Governor Cuomo reiterated the apex of cases is projected for late April, we are hopeful it arrives by the third week of the month.



Source: Neuberger Berman estimates from Cuomo press conferences.

The next graph depicts the hospitalization rate across the state (red line), which appears to be flattening at about 14%. As of the April 1 press conference, the governor noted that 12,226 COVID-19 patients had been hospitalized and that 3,022 were in ICU. Most importantly, 6,142 patients have been discharged from the hospital, up over 20% day/day.



Source: Neuberger Berman estimates from Cuomo press conferences.

While we know we are not out of the woods, we now have consistently reported data points to start putting out charts like these every few days. Using New York State as an anchor (it represents about 43% of cases nationally), they can help frame where we stand in the U.S. overall.

This material is provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. This material is general in nature and is not directed to any category of investors and should not be regarded as individualized, a recommendation, investment advice or a suggestion to engage in or refrain from any investment-related course of action. Investment decisions and the appropriateness of this material should be made based on an investor's individual objectives and circumstances and in consultation with his or her advisors. Information is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability. All information is current as of the date of this material and is subject to change without notice. Any views or opinions expressed may not reflect those of the firm as a whole. This material may include estimates, outlooks, projections and other "forward-looking statements." Due to a variety of factors, actual events may differ significantly from those presented. Neuberger Berman products and services may not be available in all jurisdictions or to all client types. Diversification does not guarantee profit or protect against loss in declining markets. Investing entails risks, including possible loss of principal. Indexes are unmanaged and are not available for direct investment. **Past performance is no guarantee of future results.**

Discussions of any specific sectors and companies are for informational purposes only. This material is not intended as a formal research report and should not be relied upon as a basis for making an investment decision. The firm, its employees and advisory accounts may hold positions of any companies discussed. Nothing herein constitutes a recommendation to buy, sell or hold a security. Specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were or will be profitable.

Models are discussed for informational and educational purposes only, and are based on various assumptions, projections or other information. Actual results can be significantly different than those predicted by the models.

For more information on COVID-19, please refer to the Center for Disease Control and Prevention at [cdc.gov](https://www.cdc.gov).

This material is being issued on a limited basis through various global subsidiaries and affiliates of Neuberger Berman Group LLC. Please visit www.nb.com/disclosure-global-communications for the specific entities and jurisdictional limitations and restrictions

The "Neuberger Berman" name and logo are registered service marks of Neuberger Berman Group LLC.

457445 © 2020 Neuberger Berman Group LLC. All rights reserved.