Merck & Co

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Merck gets Keytruda go-ahead as a first line lung cancer treatment

Merck & Co (NYSE:MRK) has been given approval for flagship immunotherapy treatment Keytruda to be a first line treatment for lung cancer, further consolidating its lead over rivals Bristol Myers- Squibb and Astra Zeneca.

Shares in the pharma giant raced up 4% after hours on the news and are set to open higher again as analysts said the recommendation opens up potential revenues of billions of dollars for the drug.

Lung cancer in the US alone is a market worth at least US$12bn a year.

Merck's success has been in marked contrast to its rivals and especially Bristol Myers, which saw its value slump by a fifth last year when its immunotherapy star Opdivo failed to hit its endpoint in a non-small cell lung cancer trial.

Astra Zeneca's hopes, meanwhile, are pinned on its ongoing Mystic trial, which is a combination therapy using tremelimumumab, an experimental combination therapy based around CTLA-4 therapy.

Merck rushed through its application for Keytruda as a first line lung cancer treatment following an enhanced phase II trial that halved the rate of disease progression and reduced the number of deaths by 40%.

In combination with established chemotherapy drugs, meanwhile, it was twice as effective as chemotherapy alone.

Price: US$82.46

Market Cap: US$212305.18M

1 Year Share Price Graph

Share Information

Code: MRK
Listing: NYSE

52 week
High $83.81
Low $59.81

Sector: Pharmaceuticals
Website: www.merck.com

Company Synopsis:

Merck & Co., Inc. is a research-driven pharmaceutical company that discovers, develops, manufactures and markets a range of innovative products to improve human and animal health, directly and through its joint ventures.

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