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J.P. Morgan Healthcare Conference: signals for a re-rating of the sector are gaining momentum

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The global healthcare sector is once again moving into sharper strategic focus for investors. The J.P. Morgan Healthcare Conference 2026 in San Francisco – the most important investor conference in the healthcare space at the start of the year – conveyed a picture of increasing stabilization and clearer differentiation. Following a period of political uncertainty and volatile valuations, investor attention is shifting back toward fundamental factors. Operational execution, innovative strength and disciplined capital allocation are gaining importance. For long-term-oriented investors, this creates an environment in which the healthcare sector offers not only defensive characteristics, but also selective growth opportunities. This development provides the foundation for a strategic re-rating of the sector.

More predictability, less pricing pressure

A key signal from the conference was the clear easing of concerns around price regulation, particularly in the US. Leading pharmaceutical companies reported that recent agreements with the US government are viewed as limited in scope and manageable. This increases planning visibility for the coming years and reduces a key macro risk. Developments in Europe point in a similar direction. Political pressure is growing to ensure appropriate remuneration for medical innovation, especially for new product launches. As a result, companies are gaining negotiating leverage, and launch strategies are being managed more actively. Pricing issues are therefore losing their dominant influence on valuations, while innovation and commercial execution are moving further into focus.

Biotech: operational progress supports sentiment

In the biotech and pharma sector, the focus was less on takeover speculation and more on operational progress. Following a pronounced M&A phase in the previous year, the conference saw limited activity in terms of new deals, but the overall operational signals were constructive. Preliminary financial figures and updated guidance provided a degree of stability. From an investor perspective, visible progress in product launches and pipelines was key. BridgeBio demonstrated increasing market traction with Attruby in the treatment of ATTR cardiomyopathy and has several near-term clinical catalysts. Madrigal reinforced confidence in the sustainable demand for Rezdiffra, supported by rising diagnosis rates in liver diseases and the build-out of a long-term, scalable franchise. BioNTech stood out with the breadth and depth of its oncology pipeline and a high density of late-stage clinical programs. Overall, innovation is once again being assessed in a more differentiated manner, with operational execution increasingly shaping investor confidence.

Medtech: Penumbra acquisition sets a marker

The medtech sector confirmed its structural strength and operational stability. Discussions with large companies indicated that business trends remain largely on track and that full-year targets appear achievable. Intuitive Surgical reported a marked increase in procedure volumes, underscoring robust underlying medical demand. A clear strategic signal was set by Boston Scientific with the USD 14.5 bn acquisition of Penumbra, a provider of innovative therapies with strong growth potential. In addition, Penumbra significantly exceeded market expectations in terms of revenue growth. Positive momentum is also evident in adjacent segments. Companies that had previously shown weaker performance are returning to a growth trajectory, while life science tools providers are benefiting from a gradual recovery in demand. Overall, the segment remains a key innovation driver within the healthcare system.

Conclusion: attractive valuations require active selection

The healthcare sector currently offers investors an attractive entry point. Despite improving operational visibility and strengthening fundamentals, many companies continue to trade at valuation discounts relative to the broader equity market. At the same time, dispersion within the sector remains pronounced. While some companies are benefiting from innovation, successful product launches and structural growth, others are lagging behind. For investors, this means that broad market exposure falls short. Value creation increasingly depends on active selection and in-depth analysis of business models, pipeline quality and execution capabilities. In this environment, healthcare can once again be positioned as a strategically relevant core allocation that combines stability with growth.

Detailed information about our healthcare investment solutions can be found on our website.

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