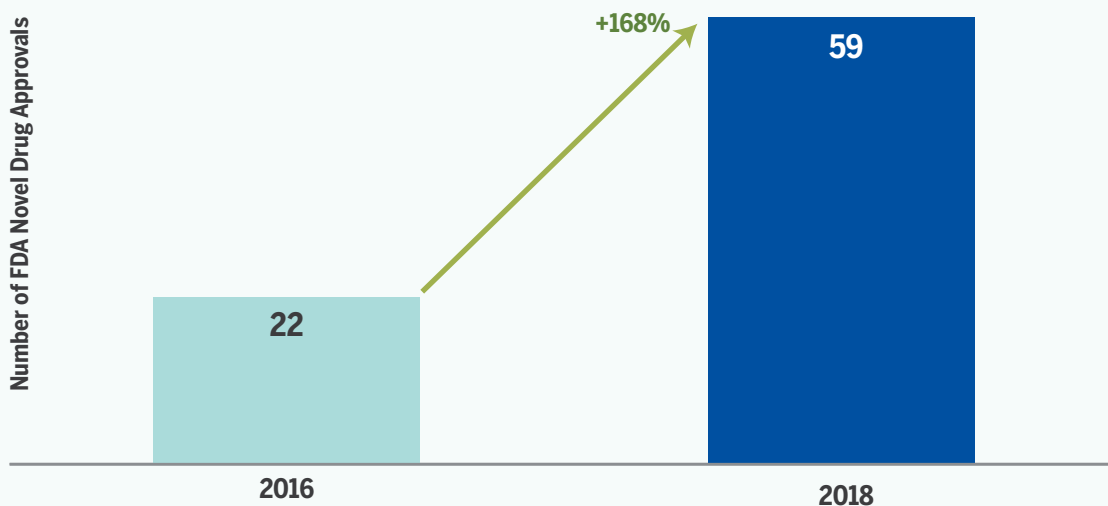


The FDA Comes Around

Innovation in the health care sector is accelerating due in part to a more accommodating U.S. regulatory environment for new approaches to medical treatment. Tracking which companies are participating in novel drug manufacturing may be important for health care investors.

The FDA is Increasingly Fostering Innovation



Source: www.FDA.gov.

Note: According to the FDA, novel drugs are "innovative products that serve previously unmet medical needs or otherwise significantly help to advance patient care and public health."

- In an effort to foster competition through innovation, the U.S. Food and Drug Administration (FDA) has approved 168% more novel drugs in 2018 than in 2016.
- Often perceived as a regulatory roadblock, the FDA has become a facilitator of innovation by trying to reduce the regulatory burden on new and novel drugs and devices that address unmet medical needs.
- The FDA is also collaborating with companies in a more proactive way during the development process. The agency is offering more guidance and engaging in more interactive exchanges with companies prior to a product filing. In certain cases, submissions are permitted on a rolling basis as data or modules are completed, as opposed to one complete submission at the end of data collection and analysis.
- We believe that what is taking place in health care is not only hopeful to consumers and patients, but also attractive from an investment perspective. Novel drug manufacturers and medical device companies as well as those businesses that sell products and services to aid in new product innovation are potential beneficiaries.

The views expressed are the views of Fred Alger Management, Inc. ("FAM") and Alger Management, Ltd. ("AML") as of February 2019. These views are subject to change at any time and they do not guarantee the future performance of the markets, any security or any funds managed by Fred Alger Management, Inc. These views are not meant to provide investment advice and should not be considered a recommendation to purchase or sell securities. FAM serves as sub-advisor to AML.

Risk Disclosure: Investing in the stock market involves risks, and may not be suitable for all investors. Growth stocks tend to be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. Healthcare companies may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Funds authorized by the Swiss Financial Market Supervisory Authority FINMA for distributing their shares publicly in Switzerland: for interested parties, fund regulations or the articles of incorporation, the key investor information document (KIID) and the full prospectus, in their current versions, as well as the annual and semi-annual reports are provided free of charge at the representative in Switzerland. ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich. Paying agent in Switzerland is Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zürich.

Important information for UK investors: Fred Alger & Company, Incorporated is not an authorised person for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA") and the information shown has not been approved by an authorised person for the purposes of Section 21(2)(b) of the FSMA. The presentation of this information in the United Kingdom is restricted by law. Accordingly, this information is directed only at persons in the United Kingdom reasonably believed to be of a kind to whom such promotions may be communicated by an unauthorised person pursuant to an exemption under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO"). Such persons include: (a) persons having professional experience in matters relating to investments and (b) high net worth bodies corporate, partnerships, unincorporated associations, trusts, etc. falling within Article 49 of the FPO. The services provided by Fred Alger & Company, Incorporated and its affiliated entities and the investment opportunities to which this information relates are available only to such persons, and persons of any other description may not rely on it. Most of the rules made under the FSMA for the protection of retail clients do not apply, and compensation under the United Kingdom Financial Services Compensation Scheme will not be available.

Alger Management, Ltd. (company house number 8634056, domiciled at 78 Brook Street, London W1K 5EF, UK) is authorised and regulated by the Financial Conduct Authority, for the distribution of regulated financial products and services. La Française AM International has a signed agreement with Alger Management Ltd., whereby La Française AM International is authorized to distribute Fred Alger Management, Inc. products in Europe.