GS Healthcare Trading Preview 7.29.26

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GS HEALTHCARE | Morning Trading Preview

All references to "we/us/our" refer to the views and observations of the desk.

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U.S. Healthcare Trading Preview

Wednesday, July 29, 2026

The HC Focus: A particularly messy tape yesterday – where SMH weakness/momentum unwinds continued to cascade across risk, adding complexity t bps by EOD) and causing frustration around corners of elevated short length in the group (INCY +9.3%, HCA +7.3%, etc). Macro overlays remaining rele HC EPS so far this season (HUM -7.7% on only inline MLR, BSX +2.5% 2Q beat + guide lower, GEHC +12%, TEVA, etc). GIR also out with thoughts on hea program sunsetting.

HC Highlights

BSX - 2Q at Upper End of Organic Guide, Familiar Beat + Guide Rebase Amidst Dynamic Environment: 2Q Ahead with Revs of $5.44B (vs. $5.36B c EPS $0.86 (vs. $0.83 cons). Watchman $507M (recall mgmt. rebased expectations here intra-qtr) +4.2% organic, US +3%, International +18% -- cited L clinical evidence impacting referral patterns. EP $916M +9.1% organic, US +3% vs. Int'l +23%. FY2026 Guidance organic to 5% to 6% (vs. 6.5% to 8% p $0.80 to $0.82 (vs. $0.84 cons).

HUM - Largely Consistent MLR + Guide Reaffirmation Contends with Elevated Recent Expectations: Shares are lower pre-mkt (-7%) after the com with mgmt. guidance of slightly above 91% and reaffirmed its guidance – with recent strength in Medicare results from peers and strong stock perform 8 AM ET.

TEVA – 2Q Well Ahead with Momentum Across Key Brands, Rev Guidance Tweaked Higher + Pursuing NYSE Direct Listing: 2Q revs $4.14B (vs. $4.(Austedo and Ajovy well ahead of street. The company raised its rev guidance to $16.5B to $16.85B (vs. $16.4B to $16.8B prior) and reaffirmed EBITDA its ADS program with a direct listing of its ordinary shares on the NYSE on 9/14/2026.

BIIB – Q2 top and bottom line beat driven by Tysabri, Spinraza, Skyclarys, anti-CD20 programs. Q2 EPS $3.60 vs $2.89 est. Q2 rev $2.74B vs $2.47 revs $402M vs $388M est. Skyclarys Q2 revs $168M vs $158M est. Non-GAAP OpEx higher than consensus on higher COGS (driven primarily by produc

GEHC – Bid up 12% after a Q2 beat across the board on both the top and bottom line; mgmt maintains guidance. Q2 adj EPS above expectations ($5.27B est). Adj EBIT $750M vs $733M est. FY26 guidance was maintained (adj. EPS $4.80–$5.00 vs. $4.87 est., organic growth 3–4%, adj. EBIT margin

Managed Care - CMS Part D Premium Stabilization Program to Expire After 2026: Revisiting Our Part D Thesis and Implications. On 7/28/26, CM a development with potential significant implications for PDP carriers, announced its intent to terminate the Medicare Part D premium stabilization prc provide ~$3.6 billion of federal subsidies in 2026 to help suppress the underlying inflationary impact on standalone PDP premiums of IRA-based statut shift Part D cost liability to carriers and away from beneficiaries and the federal government.

IONS - Announces Frank Bennett, chief scientific officer, to retire. Bennett will serve as a strategic consultant for a period after his retirement to sup by Eric Swayze, Ph.D., EVP, head of research.

Most Active Names Prior Trading Day: UNH, OPCH, ACHC, RVMD, CELC, OPCH, SLDB

Notable Street Actions:
MASS Rated New Buy at Roth Capital Partners; PT $11
MMED Rated New Buy at UBS; PT $25
IRD Rated New Buy at TD Cowen;

Research:
Centene Corp. (CNC): 2Q26 Recap: 1H26 Margin Recovery Ahead of Schedule; Medicaid & PDP Still Anchor Multi-Year Turnaround Risks Link
Incyte Corp. (INCY): Execution on 2H+ catalysts is key to the revenue replacement strategy Link
Summit Therapeutics Inc. (SMMT): KOL frames a positive setup for global ivo Phase 3 lung cancer data in 2H Link
GSK Plc (GSK.L): 2Q26 First Take: Earnings execution continues with top and bottom line beat; focus on growth event Link
Kiniksa Pharmaceuticals (KNSA): 2Q26 First Take: Strong beat and raise; KPL-387 advances into Phase 3 Link
Incyte Corp. (INCY): First Take: 2Q beat and raise driven by one-time item; Revenue replacement strategy remains the key focus Link
Keymed Biosciences (2162.HK): Phase III success validates CLDN18.2 ADC: OS benefit achieved, while 2L opportunity remains uncertain Link
EssilorLuxottica (ESLX.PA): H1 26 revenue growth a little light vs expectations; solid EBIT beat but partly supported by tariff refunds Link
Elekta AB (EKTAb.ST): Lowering growth and margin outlook; maintain Sell ahead of Q1 27 Link
Philips (PHG.AS): Rising costs and tougher comps; remain Buy but acknowledge more challenging set up into H2 26 Link
Tenet Healthcare Corp. (THC): 2Q26 Recap: Optimized Execution on Compelling L-T Strategy Transforms 2Q Earnings into a Decisive Stock Catalyst Li

Dr. Sulaiman Al Habib Med Group (4013.SE): 2Q26 conference call takeaways and estimate changes Link
Centene Corp. (CNC): First Take 2Q26: Stronger Marketplace and Medicare Margins Drive Significant Beat-and-Raise Quarter Link

GS Event Calendar:

- Galderma Group AG (GALD) In-Person NDR w/ CEO, CFO | 28 July | Boston
- Boston Biotech Bus Tour | 4-6 August | Boston
- Novo Nordisk (NVO) In-Person NDR w/ CEO | 10 August | New York
- Goldman Sachs Asia Leaders Conference 2026 | 31 Aug - 2 Sep | Hong Kong
- European Medtech & Healthcare Services Conference | 9 - 10 September | London
- China Biopharma Trip | 22 - 24 September | Shanghai
- Asia Healthcare CDMO Day | 23 - 25 September | GS Office Singapore
- GS Healthcare Private Company Conference | 19 October | GS NYC Headquarters

Charts of the Day

HC Earnings – Desk Positioning Scores

Ticker	Industry Group	Next Report Date	Implied Move	Positioning Score**	YTD
UHS	HC Facilities	7/27/2026	8.3%	3	-28%
IQV	CRO	7/28/2026	7.2%	5	-7%
CNC	Managed Care	7/28/2026	8.7%	6	53%
ACHC	HC Facilities	7/28/2026	11.6%	7	144%
RGEN	Tools	7/28/2026	8.6%	7	-19%
ICLR	CRO	7/29/2026	6.8%	3	-8%
BSX	Large Cap Medtech	7/29/2026	6.8%	4	-53%
HUM	Managed Care	7/29/2026	7.6%	7	52%
TDOC	Healthcare IT	7/29/2026	10.6%	4	27%
ALGN	Dental	7/29/2026	9.6%	6	8%
GKOS	SMID Medtech	7/29/2026	10.5%	8	36%
TEVA	Spec Pharma	7/29/2026	7.5%	8	-1%
BIIB	Large Biotech	7/29/2026	5.5%	8	15%
AVTR	Tools	7/29/2026	9.4%	2	1%
NBIX	SMID Biotech	7/30/2026	8.1%	8	24%
GH	Labs/Diagnostics	7/30/2026	9.5%	8	45%
LH	Labs/Diagnostics	7/30/2026	4.1%	6	19%
DXCM	SMID Medtech	7/30/2026	8.1%	7	8%
BMY	Large Cap Pharma	7/30/2026	3.6%	6	15%
BAX	Large Cap Medtech	7/30/2026	8.3%	2	18%
CI	Managed Care	7/30/2026	5.9%	5	5%
SYK	Large Cap Medtech	7/30/2026	4.9%	6	-6%
ILMN	Tools	7/30/2026	7.2%	7	49%
REGN	Large Biotech	7/30/2026	6.1%	4	-15%
ALNY	SMID Biotech	7/30/2026	3.7%	2	-32%
MDGL	SMID Biotech	7/30/2026	7.7%	7	-7%
MRNA	SMID Biotech	7/31/2026	4.2%	5	84%
ABBV	Large Cap Pharma	7/31/2026	4.2%	7	13%

Source: Goldman Sachs FICC and Equities as of 7/20/2026. Past Performance is not indicative of Future Results

Healthcare % of S&P 500 – % Weight (10Y)

While the XLV hit an all-time-high day yesterday, amidst broader market volatility + weakness in Semis/TMT, while the weighing of HC in the S&P





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