



Keep surprising yourself

By Mario Giannini, CEO | 17 February 2021

Key Takeaways

- It is remarkable how quickly cases and deaths are declining with just a small number of people vaccinated globally. It is also remarkable how quickly, particularly in the EU and the U.S., massive additional amounts of vaccines will be delivered and people vaccinated. (p. 3)
- A small group of countries, with 16% of the world's population, have locked up 60% of the vaccine supply, with the U.S. alone securing five times as many doses as it has people, with no agreement to give or sell any of those doses to any other country in the world. This is a problem for everyone. (p. 6)
- I had mentioned the GameStop saga in my last update. The best was Senator Elizabeth Warren, never one to let a good headline go to waste, who issued a manifesto in which the number one problem in the public markets was...wait for it... private equity. Why not? (p. 7)
- I'll go out on a thick, sturdy limb and make a prediction about 2021. Fundraising will be the biggest it has been in the history of private markets. Everyone wants to raise money and pipelines are quickly filling up through the year. (p. 8)

COVID-19

Vaccines

1. **Johnson & Johnson ("J&J")**. The biggest news was J&J's strong Phase 3 global trial results. The vaccine was 66% effective in preventing moderate and severe cases. It was 85% effective in preventing hospitalization and death. The effectiveness against moderate and severe disease ranged from 72% in the U.S. to 66% in Latin America and 57% in South Africa, measured from one month after the shot was given. The reaction tells us a great deal about how warped we have become around reporting and measuring success with COVID-19. Generally, the news was greeted with disappointment. The narrative was that the J&J vaccine was ineffective since it didn't reach the 95% efficacy numbers that Moderna and Pfizer achieved. OK, people,

REALITYCHECK

- If I had told you two months ago that we had a single-dose vaccine with 70% effectiveness, we'd all be celebrating. If it's 90% or bust for you, remember that these vaccines develop more antibodies over time and it would not be surprising for the effectiveness to increase after a few more weeks.
- The real net result of the trial, apart from its effectiveness, is that it appears to have rendered cases of COVID-19 no worse than a mild flu. There were no hospitalizations or deaths in vaccinated participants. Again, if two months ago I said there



was a shot that meant, even if you got COVID-19, you'd have the flu, we'd all be happy. Instead, we're figuring out ways to get the mRNA vaccine (yes, the one we didn't want two months ago because it was "unproven technology") and fob the J&J vaccine onto someone else.

- I'll say again, this is a single dose vaccine and that makes a huge difference when speed to vaccination is critical to blunt the spread. It's also noteworthy that J&J continues to test adding a second booster dose, and some have speculated that would make the vaccine as effective as Moderna's and Pfizer's. Hmm, hadn't seen that one coming.
 - The vaccine does not need special cold storage. As one person noted, that means that this vaccine can go to people rather than people going to the vaccine. The difference that makes in achieving widespread vaccination is enormous.
 - J&J has said it will be able to deliver 100 million doses to the U.S. by the end of June. That's almost one-third of the population. J&J has also said they will have one billion doses globally in 2021. Did I mention it's a single-dose vaccine?
 - The only concerning feature is the significantly less effective numbers in South Africa. If that is because the South African variant is that much more resistant to this type of vaccine (more on this later), then that is both something that vaccines will need to address and another reason to vaccinate as much of the world population as quickly as possible.
- 2. Novavax.** The company published interim data on its vaccine and said it showed "significant clinical efficacy" against the two virus variants in the UK with 89% efficacy. In a more detailed analysis, Novavax said it was 95.6% effective against the original strain in the UK and 85.6% effective against the variant strain. They will first file for approval in the UK, but said that might take two to three months for the trial to be completed. That would mean second half of 2021 vaccine delivery. Novavax is still enrolling people in its U.S. and Mexico trials and is discussing with the U.S. FDA whether data from outside the U.S. can be used to obtain an emergency use authorization for the vaccine.

- 3. Sputnik-V.** The Sputnik-V vaccine developed by Russia showed 91.7% efficacy in Phase 3 trial data. The vaccine is an adenoviral vaccine, similar to AstraZeneca's and J&J's. It is a two-dose vaccine and uses two different types of virus, which the Russians say accounts for its high efficacy. They believe that using a different vector for the second dose boosts immunity and prevents the virus from building any immunity. If true, this is important, because this vaccine has been administered to over two million people already and is being shipped to numerous countries as their primary form of vaccine.

{Let me provide a cautionary note on this vaccine. Brazil has reported that the 91.7% cannot be used for approvals in that country because the storage conditions for the vaccine used in the trial are not storage conditions used anywhere for the vaccine. The effectiveness was from vaccines maintained in very cold storage conditions, which is not the case for real-world application of the vaccine. It is unclear whether this will impact the vaccine's effectiveness.}

- 4. AstraZeneca.** This vaccine is a puzzle. It is in wide use in the UK, with strong results from actual experience. A study has been published showing evidence that the vaccine not only is effective in preventing infections, but it stops the spread of the virus, something no other vaccine has claimed thus far. (The study was not peer-reviewed and has been met with some scientific doubt.) It will also be the most widely-used vaccine in the world, certainly in 2021, with approval just received from the WHO. Yet, its approval in some parts of the world is muddled.
- The EU has approved the vaccine, but many countries refuse to use it in older populations, claiming the trial results do not provide enough evidence that the vaccine is effective for that age cohort. It is hard to know if this is an accurate reading of the data or based on the EU's anger with AstraZeneca (more on that later).
 - Switzerland has refused to authorize the vaccine.
 - The U.S. has already expressed skepticism about the data provided for the vaccine earlier during the summer and I expect that it will receive far greater scrutiny than any of the other vaccines before any U.S. approval.
 - South Africa has suspended use of the vaccine because of a study there that indicated it provided



“minimal” protection against the South African variant. AstraZeneca said it expects to have a re-formulated vaccine by later in the year that will be effective against that variant. The South African researchers then backtracked a little and said there is “still some hope” the vaccine will be effective against the variant. They didn’t specify the circumstances and South Africa said it was only “pausing” use of the vaccine. I’m not sure what the difference is between pausing and suspending.

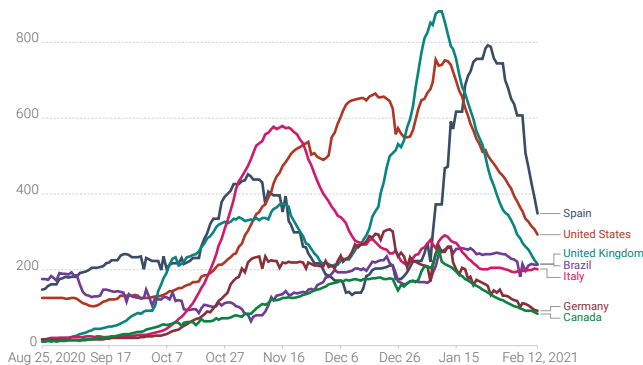
Where Are We Now?

You’ve just tuned in to CNN or BBC or Newsmax (if that last one, from your Doomsday Bunker) and you hear that vaccinations are too slow, supplies are way behind, the virus is raging everywhere, mutations are occurring every minute.



OK, let me get the punch lines out first: It is remarkable how quickly cases and deaths are declining with just a small number of people vaccinated globally. It is also remarkable how quickly, particularly in the EU and the U.S., massive additional amounts of vaccines will be delivered and people vaccinated, arguing for significant progress in those areas reducing the virus’ impact. There, that needed to be said. (Here’s one example of what we’ll be seeing: Pfizer’s vaccine manufacturing facility in Kalamazoo, Michigan expects that it will shortly have the production cycle for the vaccine down to 60 days from the 110 it took when they first started making the vaccine.) But we don’t need to wait for good news. It’s happening now. Let’s look at cases.

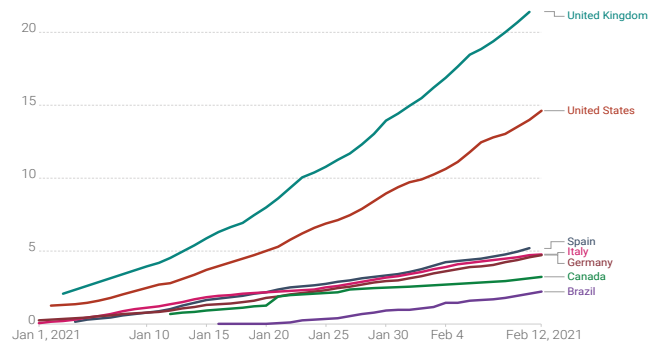
Daily new confirmed COVID-19 cases per million people



Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing. Source: Johns Hopkins University CSSE COVID-19 Data – Last updated 13 February, 09:02 (London time)

Hmmm, that doesn’t look like what I’m hearing... Cases are down everywhere. I picked a somewhat random series of countries, but the decline is apparent in all of them, although less so in Brazil and Italy. Lockdowns are a factor and many of these countries have restrictions in place that have reduced cases. However, recall that those same restrictions weren’t doing much a month ago and it is also important to note that the U.S. has changed very few restrictions. In fact, many places like California have eased restrictions. Yet, the U.S. is seeing a precipitous decline in cases. I will argue that even the moderate start of vaccinations has had a much more pronounced impact than we imagined. Here’s a chart of those same countries with their vaccination pace.

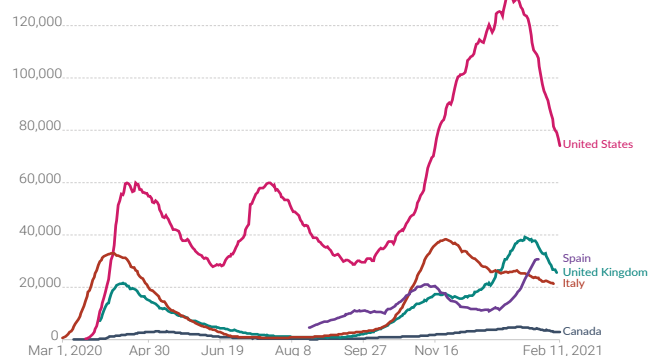
Cumulative COVID-19 vaccination doses administered per 100 people



This is counted as a single dose, and may not equal the total number of people vaccinated, depending on the specific dose regime (e.g. people receive multiple doses). Source: Official data collated by Our World in Data – Last updated 13 February, 11:40 (London time)

I don’t think it is coincidental that the UK and the U.S., with the highest vaccination rate among these countries, are also ones with such steep case declines. I have more good news when we look at hospitalizations in many of those same countries (not all countries have that data).

Number of COVID-19 patients in hospital

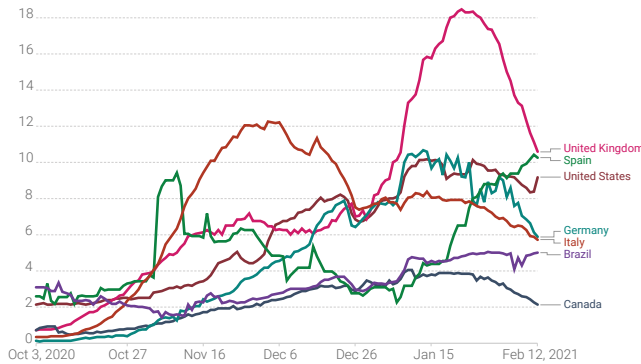


Source: European CDC for EU countries, government sources for other countries



That pattern is not as clear with hospitalizations and it's hard to interpret why Spain is an outlier, but the UK and, in particular, the U.S., show a marked decline in hospitalizations. Recall that this should normally follow a decline in cases by some weeks, but that is not the pattern we see as hospitalizations have turned down in both countries almost concurrently with the decline in cases. What about deaths?

Daily new confirmed COVID-19 deaths per million people



Shown is the rolling 7-day average. Limited testing and challenges in the attribution of the cause of death means that the number of confirmed deaths may not be an accurate count of the true number of deaths from COVID-19. Source: Johns Hopkins University CSSE COVID-19 Data – Last updated 13 February, 09:02 (London time)

The trajectory has shifted in most countries, although Spain remains an outlier in the data. Other countries are trending down. While that in itself is good news, it is particularly encouraging because we should be seeing a large spike in deaths to reflect the large spike in cases in all these countries a few weeks ago. It hasn't happened.

But there's more.

- In Israel, 75% of residents over 60 have been vaccinated. In that age group, despite rising cases throughout the country, cases have fallen 50% and critical illness has fallen 29% over the last three weeks.
- In the U.S., data published by the U.S. Centers for Medicare and Medicaid Services ("CMS") and analyzed by CNN shows cases among nursing home residents and staff have dropped more than 50% in the four weeks ending January 24. A separate analysis by the American Health Care Association and National Center for Assisted Living found that new COVID-19 cases have dropped twice as fast in those nursing homes that held early vaccination clinics. A federal program to vaccinate long-term care facility residents and staff held its first vaccination clinics during the week of December 19. Three weeks later,

new COVID-19 cases among residents had declined 48% in nursing homes that participated in the first week of vaccine clinics, compared to a 21% decline in nursing homes that did not have a clinic that first week. Similarly, new COVID-19 cases among staff declined 33% in those facilities that participated in the first week of vaccine clinics, compared to 18% in those that did not have a clinic that first week. Don't get too excited because CMS said it was too soon to link the ongoing decreases in nursing home cases to vaccination efforts. Well, yes, get excited because CMS has to say that. A 50% drop in four weeks! That deserves a rarely used exclamation mark!

Where does that leave us? In a good place. The trend here is clearly your friend and the trend is declining cases, hospitalizations and deaths. It makes sense, doesn't it? Haven't we seen, from the start of this pandemic, that COVID-19 was a demographic-seeking missile, aimed at older populations? As you vaccinate those populations first, you will impact the part of the population that is most vulnerable to becoming infected, being hospitalized and dying. Most countries, even those with slow vaccination levels like Germany, have substantially vaccinated most of their nursing home residents. That causes a significant difference in the number of cases, particularly serious ones, and deaths. Here we are, barely two months from the moment when the UK vaccinated the first person, and we are seeing evidence that we are changing the narrative on the pandemic. We are still far from the end and this may prove to be illusory and those experts telling us that a hurricane is coming, that the virus will mutate its way to another wave, or whatever calamity is next, may prove to be right. But I'll mention that they haven't been all that correct for the last year and while caution is important and warranted, so is a look at actual data and a moment of optimism.

There's been no shortage during this pandemic of concerns that vaccination would turn into a food fight among countries for access.

- Who would have guessed that the most aggressive, and one of the first, places to declare war would be the EU? Yes, that very same EU that, early in the pandemic, solemnly vowed to help the world vaccinate and took shots at countries such as the U.S. and India that discussed ensuring supplies to their own nation. It didn't take long for that to go out la fenêtre in a blaze of nationalistic, and often sadly incompetent, fury.
 - Pfizer delayed supplies for a couple of weeks as it closed its Belgian facility to increase future



production. The EU was incensed that Pfizer would undertake such an action and delay current supplies. This led to threats of lawsuits and a delegation of EU officials decamping at the plant to be sure that nothing nefarious was happening. You would love to be a fly on the wall, listening as politicians point to machinery and ask probing question such as, "Is this where the vaccine comes out?" while pointing to a faucet.

- Insult was added to injury when AstraZeneca said deliveries to the EU would be slower than anticipated, while the UK would be supplied with all their expected doses. The EU was outraged, with antics such as publishing the AstraZeneca contract showing that the contract for supplies was ironclad. (It actually showed the opposite).
- Politicians faced pressure in member states because of the poor vaccination rollout and key EU states such as France and Germany criticized the EU for its purchase patterns. (In fact, just as some member countries were prepared to sign contracts earlier in the year, the EU stepped in and claimed they were the only ones allowed to sign contracts for all member states and proceeded to be last to sign agreements with manufacturers.) Well, you can't take responsibility if you are EU officials, so what do you do? Off with the heads of those horrible drug companies and their cronies in the UK. What did the UK do to deserve this treatment? They had the audacity to fund most of the AstraZeneca vaccine program, ensure that vaccine facilities existed in the country and signed contracts that had delivery guarantees. What were they thinking showing off their competence?
- When pressed on the criticism that the EU simply took too long to negotiate contracts for vaccines and so ended up at the back of the queue, officials bristled at such a misconception. Of course, this quote may undercut that bristling, as the EU Health Minister said the length of time taken to negotiate the vaccines was mainly because of haggling with companies over who would be responsible for problems with the vaccines. "Doing a contract with that speed is not necessarily so easy. Liability and indemnification – these were really very important for us." Let me translate that: No, we weren't late. Well, yes we were late, but it's because we valued legal protections (ones that the rest of the world didn't appear to need) over the speed needed to

combat a pandemic. Too bad someone can't say, "We messed up."

- The EU has banned export of vaccines without prior authorization. When they first issued the order, they inexplicably did so by restricting vaccines into Northern Ireland, thus creating a hard border on the island of Ireland, the very thing that had consumed Brexit negotiators and upon which the EU had refused to yield. They blew it up in a heartbeat for a vaccine. They did this without consulting anyone in London, Belfast or Dublin. Oops. They reversed themselves on this blunder, with all sorts of reasons given for the mistake. However, as with the delay in procuring vaccines, there is no doubt this was intentional and designed to ensure that the EU (ex, apparently, Ireland), comes first. The EU head of trade said, "From a trade perspective, there were concerns about unintended consequences of using such a mechanism, but there were overriding considerations of public health." I love that. "Unintended consequences." What a bland way of saying, "You blew up a treaty." "Public health." I want my vaccine and I want it now and contracts be damned!
- We have learned in this pandemic that the only thing more difficult to eliminate than COVID-19 is a bureaucrat. Amidst an enormous amount of criticism against European Commission President Ursula Von der Leyen for botching contract negotiations, creating a chaotic response to slow deliveries and generally failing to meet the moment, Ms. Von der Leyen said that the fight against COVID-19 is a marathon and not a sprint, and that she has been cautious in order to protect against the inevitable variants that render current vaccines ineffective.

Her member country governments must be reassured to know that they aren't moving quickly so EU bureaucracy can contemplate an unknown threat whose existence is made more likely by the fact that they are moving slowly. As Dr. Fauci in the U.S. said, the virus can't mutate if it can't replicate.

- With the UK far ahead of any EU country in pace of vaccination, various EU politicians have taken to criticizing the UK's lack of scientific rigor, lack of care for the health of its citizens, refusal to conform with international standards of medical care, etc. See, the U.S. isn't the only place where the only politicians left in the room are petulant children.



- Apparently, the J&J vaccine manufactured in Europe is sent to the U.S. for filling and packaging and then sent back to Europe. The EU has seized on that and is demanding an investigation to understand why that is being done and to ensure that the supply isn't being used in the U.S. and prevented from being sent back to the EU. I think the EU missed the U.S. election results.

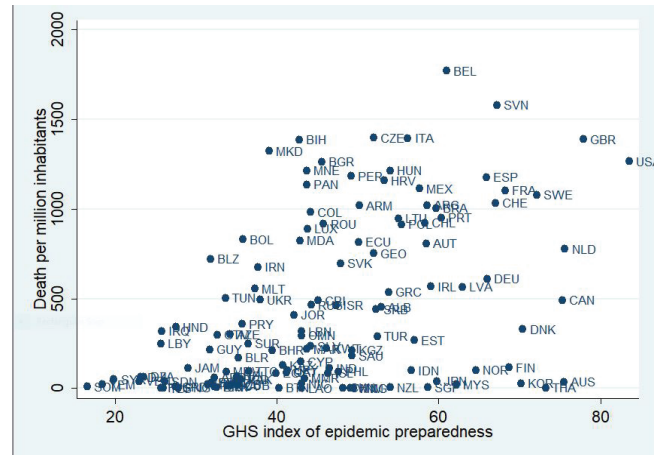
B. Canada, while not formally declaring war a la EU, is weathering its share of criticism when we learned that it was in line to receive the first vaccines from the COVAX Facility. The facility, under the WHO's auspices, is funded by wealthy nations to purchase vaccines to be provided to poorer countries around the world. How did Canada manage to get in the early queue to receive vaccines from that facility? It surely couldn't be because its government was facing criticism about its less-than-effective vaccine rollout? Oh, you cynics. No, the Canadian government solemnly informed everyone that it donated \$400 million to COVAX with the express provision that half of that would be used to provide vaccines to Canadians. It was all part of a master vaccine procurement strategy, they said, designed to assure access for Canadians. (It's interesting to note that Canada has preordered vaccines enough to jab its population six times over.) As the only G7 nation to receive vaccines from COVAX, particularly in the first shipments, this is either blatant nationalism to gain political points at home or a strategy worthy of grandmaster status in the game of vaccine chess.

C. The vaccine war is not limited to the EU and Canada. A small group of countries, with 16% of the world's population, have locked up 60% of the vaccine supply, with the U.S. alone securing five times as many doses as it has people, with no agreement to give or sell any of those doses to any other country in the world. This is a problem for everyone. As the head of a group involved in pandemic control said, "Until everybody in the world is safe, no one is safe. This is a pandemic. If one country is left unvaccinated, this disease will bounce back and forth. And all of us will be constantly besieged by it."

And the first shall be last

In 2019, with a fair amount of press, Johns Hopkins prepared a global health security index. It measured, on a variety of scales, a country's preparedness to deal with a global pandemic. In the chart below, countries were ranked based on their GHS score and their deaths

per million inhabitants to COVID-19. The U.S., which was ranked first in the GHS index, was ranked 145th by deaths, with only eight countries worse. The UK, ranked second in the GHS index, was 149th.





vulnerable received the vaccine. The Bakers arrived at the mobile clinic and posed as local motel employees. They received the vaccine and immediately went back to the airport to head home. Someone reported them and they were detained and now face fines and an outraged public.

The Public Markets

1. I have mentioned how good Carlyle's monthly "Economic Indicators" letter is and I'll borrow (i.e., steal) a few things from their latest missive. One comment I found particularly relevant was this one: "Traditional cyclical indicators are of limited informational value in a pandemic." So much said in so few words. (Something that person writing Hamilton Lane's updates can never be accused of doing...) The letter points out a number of normal indicators that aren't applicable in today's environment, so that using average or aggregate economic numbers fails to capture the vast dispersion of performance.
 - In the U.S., fixed residential investment and commercial air travel were once correlated indicators that provided insight into economic direction. Now, one is at its highest level in 15 years and one is down 60% from a year ago.
 - Also in the U.S., business spending continues to move up, while household spending has weakened.
 - Global economic activity has increased, while "experience-based" categories remain weak, with consumer spending in Europe continuing to weaken and retail sales in China also weak in January.
 - In China, property prices have remained flat, while transaction volume has increased and inventories have declined. That is unusual.
2. I had mentioned the GameStop saga in my last update and it dominated the U.S. news cycle for our obligatory 3-5 day attention span, pushing such mundane topics as COVID-19 out of the limelight. It is not really a story about stock market trading, but rather is a Rorschach test that says more about the commentators than it says about the subject matter.
 - a. Conservative outlets like Fox News seized on the story as further proof that the liberal establishment was out to get the 1%. It was unclear who the establishment was and how they were getting the 1%.
 - b. CNN confirmed that the story was another example of "Trumpism" at work. (You think I'm making all these up, don't you? They're all real stories.)
 - c. For the segment of the press that wasn't ideologically shackled to one outcome or another, the story was portrayed as a David and Goliath theme.
 - d. Many a Reddit trader said this was a saga of the inside Wall Street club getting their come-uppance and this wasn't about money at all. It was unclear to me how they got their come-uppance without money, but I'd also note that most of the writing from the traders was so profanity-laced that I almost take them at their word, as anger seemed a more powerful force for some than greed.
 - e. Lost in most of the discussion was the idea that a "short squeeze," the movement of stocks up when short sellers are forced to cover (Tesla, anyone – and, gee, wonder why Elon Musk was so giddy about this story?), has been part of Wall Street parlance for a very long time. It was not invented for the Reddit crowd. Everything now has to be a morality play and part of a bigger story. Nothing can be simply what it is: A bunch of funds who have shorted stocks and tried to make money by spreading stories and rumors about companies that may or may not be true got crushed by a bunch of traders who bought those stocks by spreading stories and rumors that may or may not be true. It just so happens that the traders employed a form of communication – social media – that had formerly not been used because those funds were more accustomed to spreading their stories through news sources, analysts and other insiders. We also learned that short sellers are a small group with not much money compared to thousands of individual traders. Bummer. That's the way the market works. On that score, Neel Kashkari, a Fed board governor, said that if two groups of speculators want to do battle over a stock, "God bless them." He also said, "That's for them to do, and if they make money, fine. And if they lose money, that's on them. I'm not at all thinking about modifying my views on monetary policy because of speculators in these individual stocks."
 - f. Not to be left behind, of course, were the politicians who arrived like paparazzi to publicity and used the tale to pillory their favorite bad actor in the world, ranging from hedge funds to Silicon Valley



to capitalism in general. The best was Senator Elizabeth Warren, never one to let a good headline go to waste, who issued a manifesto in which the number one problem in the public markets was... wait for it...private equity. Why not? In the age when conspiracy theories substitute for reality, it only makes sense that the investment area that has nothing to do with public equity trading must be the mastermind behind every issue encountered in the stock market. But don't you sense there's more here? We all know that Senator Warren is not prone to hyperbole about players in the financial markets, so I'm confident private equity as the prime culprit in the public market story is just the start of a much wider inquiry.

The Private Markets

A. I'll go out on a thick, sturdy limb and make a prediction about 2021. Fundraising will be the biggest it has been in the history of private markets. Why do I say that?

- Anecdotally, you can feel it. Everyone wants to raise money and pipelines are quickly filling up through the year.
- Many smaller groups that delayed fundraising because of COVID are now coming to market.
- Groups that were more aggressive with deployment are coming back even faster.
- Groups that aren't prepared to fundraise today are angling to get on LP radars for the second half of the year.
- Many groups are trying to create a sense of urgency by calling for a one-and-done close.
- While no GP will say this for attribution, there is a FOMO on the rising tide of fundraising and no one knows when the tide will end, but no one wants to be caught on the other side of that timeline.

B. Thanks to my colleague John Stake for some interesting insights about capital calls and distributions in Q4 2020.

- The hype was that Q4 was a massive quarter for deployment. Well, capital calls in Q4 of 2017, 2018 and 2019 each, respectively, set records for dollars deployed and Q4 2020 fell short of all three, and is even lower on a relative basis when you compare to the growing unfunded levels.
- Distributions, on the other hand, set a new record

on a dollar basis by a fairly wide margin (about 10%). However, that's on an absolute basis. Relative to the increasing amount of NAV in portfolios, it fell below average levels.

- Everyone is expecting this quarter to be an active one, but, over the last decade, Q1 capital calls compared to Q4 average only 75% and distributions average 77%.

C. OK, if you read no other part of this endless update, read this: As those of you who have followed this update no doubt know by now, the person who should really be writing the Private Markets section is my colleague Christian Kallen, as I have stolen, borrowed and lifted so many of his insights over these 31 updates. Here's one that all LPs and GPs need to consider. Christian was commenting on the incredible performance some managers have posted for 2020. He mentioned one that had an almost 100% return on their overall portfolio and over 150% return on their flagship fund. (This is not a micro or small-cap manager; we are talking about billions of dollars deployed and returned.) His comment was, "2020 may end up being the most dispersed year, performance-wise, in a long time. Everyone is benefiting from the current trends, but it looks like you are just an overpriced beta play if you are up 10-20% for the year."

Conclusion

*"There's a certain slant of light,
On winter afternoons,
That oppresses, like the weight
Of cathedral tunes."*

— Emily Dickinson

For those of us that live in countries where COVID, or fear of COVID, runs pretty rampant, this is all getting really old, isn't it? Here we are, a year into this pandemic, and the vaccines are frustratingly out of reach. Yes, some are getting vaccinated, but not as many as we want, and it sounds like supplies are going to take a while to make vaccines as plentiful as aspirin. We read that a variety of countries, Australia, New Zealand, the UK, are saying people might not travel in and out of those countries for the rest of 2021. That doesn't sound like progress. Restaurants, bars, sporting events, weddings, name your social event and it's just not looking like we're bringing back old times soon enough for most of us. The virus is still roaming relatively free and everything seems so damn far away. Sure, we can get together with other people in our bubble, whether people that are safe or



people that are vaccinated or people that have given up worrying about it. But that's a different thing from just not worrying about it, isn't it? You're always aware, there's always a layer of worry, of caution, of concern. There's always a limit on what you want to do, want to do NOW.

I read something an athlete said, I believe it was Serena Williams, about a key to her success not tied to skill or luck or talent. She said everyone at her level had those qualities in enough doses to be the best. The difference came down to pain management. It was a matter of who can deal with the pain that comes with pushing forward and dealing with adversity at those moments when the match or the contest has reached what feels like your limit or threshold. That, for her, separated the ultimate winners. This was not the pain of injuries that keeps you from competing, but the pain of fatigue, of hitting the wall, of endurance, of the body and mind saying, "I can't take anymore." Some deal with it by ignoring the pain, some by embracing the pain, some by using the pain as motivation. Some give in to the pain or are unable to overcome it. We watch this when we all tune in to the Olympics, we see it at most sporting events. You see it on the athletes' faces. It is part of sport.

It is also part of life.

Physical pain is easy to identify and we choose to handle it in our own ways. Now, many of us feel as though we are reaching a mental pain point in terms of enduring the pandemic. OK, we have dealt with this for a long time, remarkably well if we are willing to congratulate ourselves. But this is the time for which athletes train. This is the point at which you think you can't go farther, that it has to end, that you'll make it end. But I have a piece of advice for you. Surprise yourself. Push through this part of the pandemic's cycle and push through to the end, when we are vaccinated and we slowly, like someone blinking out of a slumber, return to some old patterns, some old habits. When we randomly sit down with someone and share a cup of coffee, a laugh, a conversation. You will get to that other side and you will be impressed with yourself, with those around you. That's how athletes become great. They know there are moments when it seems like there is nothing left to give and they find more. You'll find more, we'll find more. It's not that much longer and we've already learned so much about what matters to us and what we are capable of doing when things are challenging.

Keep surprising yourself.