

June 21, 2013

EQUITY RESEARCH MORNING RESEARCH SUMMARY

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Company	Ticker	Prev	Curr	Prev	Curr	Prev	Curr	Prev	Curr	
Antares Pharma, Inc.	ATRS (0.10)	(0.14)	(0.01)	(0.04)		O	O	\$5.00	\$6.00	
Celldex Therapeutics	CLDX (0.92)	(0.92)	--	--		O	O	\$14.00	\$16.00	
Demandware	DWRE (0.36)	(0.36)	(0.12)	(0.11)		O	O	\$35.00	\$40.00	
Endo Health Solutions	ENDP	4.58	4.22	4.18	4.09	P	P	NA	NA	
Oracle Corporation	ORCL	2.94	2.89	3.20	3.16	O	O	\$40.00	\$37.00	
Questcor Pharmaceuticals	QCOR	3.16	3.32	4.44	4.61	P	O	NA	\$57.00	

Focus Items

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Endo Health Solutions (ENDP) Akiva Felt
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Zogenix (ZGNX) Akiva Felt
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The Medicines Company (MDCO) Akiva Felt
[Assuming Coverage With A Perform Rating \(From Outperform\)](#)

Antares Pharma, Inc. (ATRS) Akiva Felt
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HEALTHCARE David Ferreiro, Ph.D.
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[Analyst Day Elelyso & Pipeline Update; Outperform](#)

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Synutra International Inc.	SYUT	(1.15)	(1.11)	0.05	0.34	P	P	NA	NA
The Medicines Company	MDCO	1.81	1.80	2.07	2.05	O	P	\$38.00	NA
ViroPharma	VPHM	(0.70)	(0.72)	0.86	0.84	O	O	\$36.00	\$35.00
Zogenix	ZGNX	(0.67)	(0.60)	(0.47)	(0.57)	P	P	NA	NA

Oracle Corporation (ORCL)

Brian Schwartz

[Secular Challenges and Execution Issues Linger; Lowering Estimates](#)

COMMUNICATION AND CLOUD

Timothy Horan, CFA

[Daily Datatimes, June 21, 2013](#)

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Rick Schafer

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[Mixed Results, But Management Believes Recovery Is Around the Corner](#)

CHINA

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[China Food and Beverage Industry Monitor 15](#)

CHINA

Andy Yeung, CFA

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Snap Commentaries - Equities Updates

TECHNOLOGY

[Brian Schwartz](#)

415-399-5732

Demandware (DWRE - \$36.36)

SaaS/Applications Software

Rating	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E	2014E / Prior
O	\$1,096.7M	\$40.00 / \$35.00	EPS	(0.04)	(0.36)	(0.11) / (0.12)

Strengthening Trends; Raising Price Target to \$40

We reiterate our Outperform rating and raise our PT to \$40 (was \$35) on DWRE shares following two events that bolster our confidence in steady, upward growth revisions driven by faster share gains. Specifically, recent industry consolidation trends should positively impact Demandware's market positioning, and the move organically into the Internet Retailer segment expands DWRE's TAM by at least \$2B in 2018, based on our estimates. These two positive events come on the heels of our intra-quarter customer survey work that suggested Demandware's momentum and technology vision were accelerating. **Conclusion:** Demandware currently has strong momentum and we see an attractive runway to further share gains at a faster pace than we previously thought. Hence, we raise our growth forecast and target.

HEALTHCARE

[Boris Peaker, Ph.D., CFA](#)

212 667-8564

Celldex Therapeutics (CLDX - \$14.29)

Biotechnology

Rating	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E	
O	\$1,155.6M	\$16.00 / \$14.00	EPS	(1.02)	(0.92)	--

Revisiting Celldex, Raising Price Target, Reiterating Outperform

In this report we review the key clinical milestones and the associated trials that are anticipated in 2H13. We believe that investors will be focused on the Rindo studies in brain cancer as well as initial data for CDX-1135 and CDX-1127. Additionally, we performed further due diligence on CDX-1135 and we are adding this compound to our valuation. This is the basis for our price target increase of \$2/share (from \$14 to \$16). We have not made any changes to our valuation for Rindo or CDX-011. We continue to see significant upside to our Celldex model pending positive clinical outcomes from the ongoing studies and reiterate the name as our top pick.

CHINA[Ingrid Yin, Ph.D.](#)

212-667-7194

WuXi PharmaTech Inc. (WX - \$20.22)**Healthcare**

Rating	Market Cap	Price Target	Earnings Type	2012A	2013E	2014E
O	\$1,423.3M	\$25.00	EPS	1.40	1.53	1.77

[Recent Mgmt Meeting and Ambrx/ZMC Deal Validate Integrated Service Model](#)

We hosted investor meetings for WX's Edward Hu, CFO, and Ron Aldridge, IR Director, recently. Very positive about its business as outsourcing trend to Asia continues, management believes biologics business, its fastest growing segment, could break even as early as end of 2014. WX believes labor cost growth will drop to 7-8% in 2014 vs. 10% in recent years. What's more, recent Ambrx/ZMC deal further validates integrated service model value as WX is the only China CRO that could offer the integrated service that Ambrx/ZMC need to develop their ADC-based breast cancer drug. We believe WX can deliver above guidance in 2013, and the current 12x P/E on FY14E EPS is very compelling compared with peers' 19x (Exhibit 1).

HEALTHCARE[Akiva Felt](#)

415-399-5728

Questcor Pharmaceuticals (QCOR - \$47.46)**Bio and Specialty Pharmaceuticals**

Rating / Prior	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E / Prior	2014E / Prior
O / P	\$2,778.7M	\$57.00 / NA	EPS	3.33	3.32 / 3.16	4.61 / 4.44

[Assuming Coverage: Raising Rating To Outperform With \\$57 PT](#)

We are assuming coverage of Questcor Pharmaceuticals and raising our rating to Outperform from Perform, with a 12-18-month price target of \$57. We believe QCOR's lead asset Acthar, actively marketed for several indications, remains an attractive long-term growth opportunity. We estimate a top-line CAGR of ~22% through 2016. QCOR currently trades at 10x our 2014E EPS, a ~54% discount to the peer group, reflecting lingering concerns around Acthar reimbursement and potential competition. Although these concerns are warranted, we believe they are disproportionately reflected in QCOR shares. In our view, the upside potential from continued top-line growth and eventual realignment of multiples presents a compelling opportunity despite elevated risks.

HEALTHCARE[Akiva Felt](#)

415-399-5728

Intercept Pharmaceuticals (ICPT - \$38.41)**Bio and Specialty Pharmaceuticals**

Rating	Market Cap	Price Target / Prior	Earnings Type	2012A / Prior	2013E / Prior	2014E / Prior
O	\$714.5M	\$60.00 /	EPS	(7.36) / --	(1.83) / --	(1.92) / --

[Bullish on PBC and Follow-On Indications; Initiating at Outperform With \\$60 PT](#)

We are initiating coverage of Intercept (ICPT) with an Outperform rating and \$60 price target. We believe Intercept is emerging as a leader in liver disease therapies, with obeticholic acid (OCA) likely to deliver positive Phase 3 results in 2Q14 for the treatment of Primary Biliary Cirrhosis (PBC), an orphan indication with a strong unmet medical need. Meanwhile, smaller proof-of-concept studies in a number of follow-on indications

provide the opportunity for further share appreciation, in our view. Our bullish stance on ICPT is based on anticipated success in the Phase 3 PBC trial as well as our expectation that the shares will move higher as investors begin to assign value to OCA's follow-on indications.

[Akiva Felt](#)

415-399-5728

HEALTHCARE

ViroPharma (VPHM - \$28.80)

Bio and Specialty Pharmaceuticals

Rating	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E / Prior	2014E / Prior
O	\$1,881.0M	\$35.00 / \$36.00	EPS	0.07	(0.72) / (0.70)	0.84 / 0.86

[Assuming Coverage At Outperform And \\$35 PT](#)

We are assuming coverage of ViroPharma and maintain our Outperform rating and \$35 price target. For the most part, VPHM shares have not participated in the recent biotech rally, which we attribute to tough year/year growth comparisons due to loss of Vancocin revenues (generic launch in 2Q12) as well as concerns regarding Cinryze's long-term viability. In our view, VPHM's outlook should improve in 2H13-2014 as a result of continued Cinryze growth (lapping the comps on Vancocin) and continued news flow from the pipeline. In particular, the revitalization of Maribavir development, not widely valued by the Street, represents a call option with near-term catalyst potential.

[Akiva Felt](#)

415-399-5728

HEALTHCARE

Endo Health Solutions (ENDP - \$38.52)

Bio and Specialty Pharmaceuticals

Rating	Market Cap	Price Target	Earnings Type	2012A	2013E / Prior	2014E / Prior
P	\$4,274.7M	NA	EPS	5.12	4.22 / 4.58	4.09 / 4.18

[Assuming Coverage With A Perform Rating](#)

We are assuming coverage of Endo Health Solutions (ENDP) with a Perform rating. We remain on the sidelines as the company undergoes an operational restructuring prompted by the upcoming loss of revenues from three main assets (45% of total 2012 sales), by mid-2014. Given these circumstances, Endo expects to conduct 2-3 bolt-on acquisitions with an aggregate value as high as \$1.5B over the next 12-18 months. While we are encouraged by these intentions, it may prove difficult to locate quality assets at a reasonable price. With ENDP shares up 48% YTD, we believe the stock is fairly valued at current levels. We would look to revisit our current thesis after gauging ENDP's initial execution of its restructuring plan.

[Akiva Felt](#)

415-399-5728

HEALTHCARE

Zogenix (ZGNX - \$1.56)

Bio and Specialty Pharmaceuticals

Rating	Market Cap	Price Target	Earnings Type	2012A	2013E / Prior	2014E / Prior
P	\$157.3M	NA	EPS	(0.79)	(0.60) / (0.67)	(0.57) / (0.47)

[Assuming Coverage With A Perform Rating](#)

We are assuming coverage of Zogenix with a Perform rating as we believe shares are fairly priced at current levels, largely reflecting uncertainties around the potential approval of the company's lead asset, Zohydro ER. Management expects an FDA decision in the next 1-3 months.

Headwinds to approval largely relate to the lack of tamper-resistant (TR) technology in Zohydro ER. However, the FDA's decision to allow generic Opana ER (which does not have TR properties as the branded version), appears to run counter to that belief, rendering the Zohydro outcome as a toss-up, in our view. Zogenix also markets Sumavel DosePro for the treatment of migraines. Although Sumavel sales have been somewhat below expectations, the product may attract strategic interest.

[Akiva Felt](#)

415-399-5728

HEALTHCARE

The Medicines Company (MDCO - \$33.52)

Bio and Specialty Pharmaceuticals

Rating / Prior	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E / Prior	2014E / Prior
P / O	\$1,876.9M	NA / \$38.00	EPS	1.96	1.80 / 1.81	2.05 / 2.07

Assuming Coverage With A Perform Rating (From Outperform)

We are assuming coverage of The Medicines Company (MDCO) with a Perform rating as we believe current valuation levels accurately reflect our expectations for MDCO's commercial and development assets. In the face of declining PCI/PCTA procedures, we believe further Angiomax growth will largely be driven by price increases vs. increased penetration. However, we expect Angiomax to provide solid cash flows to fund BD activities. MDCO's lead development assets, Cangrelor and Oritavancin, may face hurdles to attain management's peak penetration estimates. While the Phase 3 data sets for both assets were promising, we believe commercial uptake may be somewhat challenging owing to a largely overcrowded market (Oritavancin) or one that is dominated by well performing generics (Cangrelor).

[Akiva Felt](#)

415-399-5728

HEALTHCARE

Antares Pharma, Inc. (ATRS - \$4.10)

Bio and Specialty Pharmaceuticals

Rating	Market Cap	Price Target / Prior	Earnings Type	2012A	2013E / Prior	2014E / Prior
O	\$517.3M	\$6.00 / \$5.00	EPS	(0.10)	(0.14) / (0.10)	(0.04) / (0.01)

Assuming Coverage At Outperform; \$6 PT

We are assuming coverage of Antares Pharma (ATRS) with an Outperform rating and a 12- to 18-month price target of \$6. Antares' lead asset, OTREXUP (expected launch in early-2014), represents a transformational opportunity for the company as it will be its first internally marketed product, allowing the company to realize significantly better economics and attract greater visibility among healthcare investors, in our view. We are also optimistic about the opportunity of Vibex QST to compete in the rapidly expanding testosterone replacement therapy (TRT) market and provide a second leg of growth after OTREXUP. Meanwhile, we believe Antares' core business built around its injectable technology platform provides ample revenue opportunities via either proprietary development or additional partnerships. We are adjusting our estimates to reflect expected spend ahead of the potential OTREXUP launch in early 2014.

[David Ferreiro, Ph.D.](#)

212-667-8163

HEALTHCARE

FDA Pushes Back on IDIX's Preclinical Nuc

The FDA has blocked advancement of IDIX's preclinical nucleotide IDX20963 and requested additional safety data. As a result, the drug, originally expected to enter the clinic this year, will now be delayed. We note this setback has occurred even though 1) IDX20963 is a uridine analog deemed safer than other nucs, and 2) IDIX has unique experience navigating FDA scrutiny over the safety of the nucleotide class. We believe this signifies that the preclinical/clinical development of any nuc is likely even more challenging than anticipated. Consequently, we

continue to hold low expectations for IDX20963's ultimate success. Without IDX20963, IDIX's HCV portfolio is less attractive, with NS5a inhibitor IDX719 being the only compound in play. We reiterate Perform.

[Boris Peaker, Ph.D., CFA](#)

212 667-8564

HEALTHCARE

Protalix BioTherapeutics (PLX - \$5.04)

Biotechnology

Rating	Market Cap	Price Target	Earnings Type	2012A	2013E	2014E
O	\$471.3M	\$7.00	EPS	(0.04)	(0.16)	(0.02)

[Analyst Day Elelyso & Pipeline Update; Outperform](#)

We came away from the Protalix Analyst Event with increased confidence in the Uplyso Brazilian opportunity along with broader Elelyso/Uplyso launch. We highlight our belief that the Brazilian agreement aligns all parties in support of the Elelyso/Uplyso launch. Additionally, Protalix is making excellent progress in its pipeline with an announcement of three new compounds (PRX-106, PRX-110, and PRX-107). Protalix's second most advanced compound, PRX-102, is in a Phase I/II study for Fabry disease. Overall, we continue to believe that Protalix has a unique platform that has many potential opportunities and likely no generic/biosimilar competitors in the foreseeable future. We reiterate our Outperform rating on Protalix.

[Brian Schwartz](#)

415-399-5732

TECHNOLOGY

Oracle Corporation (ORCL - \$33.21)

SaaS/Applications Software

Rating	Market Cap	Price Target / Prior	Earnings Type	2013A / Prior	2014E / Prior	2015E / Prior
O	\$156,441.0M	\$37.00 / \$40.00	EPS	2.68 / 2.69	2.89 / 2.94	3.16 / 3.20

[Secular Challenges and Execution Issues Linger; Lowering Estimates](#)

Oracle reported disappointing 4Q software results and guidance owing to "macro weakness in Americas and AsiaPac," consistent with our preview commentary that suggested the overall enterprise software market has not improved since last quarter. We believe something more secular (not cyclical) is currently pressuring the enterprise software market as cloud computing increasingly entices CIOs to defer investments on large-ticket on-premise software, maintenance and infrastructure in favor of investment decisions to re-architect legacy systems to the cloud. A proof point is that transaction size (not volume) was lower than anticipated in 4Q. Additionally, software purchasing is becoming more decentralized, in our opinion, with decision-making power shifting away from IT and weakening Oracle's selling advantage as a "one-shop supplier." Maintain Outperform on valuation.

COMMUNICATION AND CLOUD

[Timothy Horan, CFA](#)

212-667-8137

[Daily Datatimes, June 21, 2013](#)

Clearwire and Sprint appear to agree to a \$5.00 per share takeover price. S raised its offer for CLWR to \$5.00 per share, valuing CLWR at \$14B. The revised offer represents a 47% premium over S's prior offer and a 14% premium over DISH's recent tender offer. Sprint has voting commitments from stockholders who own 45% of the CLWR voting shares not affiliated with S, so while not a done deal, it looks likely to be accepted. While the \$750 million or so increased price tag takes away from badly needed CAPX, this is more than offset by complete control of CLWR. We believe that DISH is largely out of the bidding war for Sprint and CLWR, which makes it likely they will seek to merge with TMUS.

TECHNOLOGY[Rick Schafer](#)

720-554-1119

[Daily Chip Clips](#)

- 28-nm SoC Development Costs Doubled Over 40-nm
- Windbond, Macronix Shipping NOR Flash Chips for Xbox One and PS4
- 10GBase-T Gains Traction, but Still Too Power Hungry

FINANCIAL INSTITUTIONS[Terry McEvoy, CFA](#)

207-775-4926

[Oppenheimer Regional Bank Update](#)

This edition of our Regional Bank Update looks at the Mid-Atlantic & New England regions of the country. The report provides an overview of the Mid-Atlantic & New England banking industry, including current trading valuations, company news and fundamentals, price performance, loan growth and merger & acquisition trends. We also look at economic and housing data specific to the region.

CHINA[Ingrid Yin, Ph.D.](#)

212-667-7194

Synutra International Inc. (SYUT - \$5.28)**China: Consumer**

Rating	Market Cap	Price Target	Earnings Type		2013E / Prior	2014E / Prior
P	\$302.6M	NA	EPS	--	(1.11) / (1.15)	0.34 / 0.05

[Mixed Results, But Management Believes Recovery Is Around the Corner](#)

SYUT reported mixed 4Q13/FY13 results. In 4Q13, sales of \$72.9M missed OPCO/consensus estimate of \$79M, although GAAP EPADS of \$0.06 beat our estimate of \$0.03. For FY13, although sales of \$266M missed consensus/guidance of \$272M/\$275-280M, GAAP EPADS of - \$1.11 beat OPCO/consensus of \$1.15 loss. With gold-mining program completed, management expected to improve OPM/NM sequentially. SYUT will continue to improve sales volume per store and product mix. We expect its business to stabilize post distributor restructuring and grow above market rate.

CHINA[Ingrid Yin, Ph.D.](#)

212-667-7194

[China Food and Beverage Industry Monitor 15](#)**Industry:**

- Average Pork Retail Price Increased ~2.8% from June 1 to June 10

News:

- 2319-HK & 1230-HK: China Mengniu Offers \$1.6 Billion to Buy Carlyle-Backed Yashili
- 002570-CN: Beingmate Partners with 360Buy to Lead Baby Products E-commerce Industry
- SFD: Big Investor Urges Smithfield Breakup Over Buyout
- SFD: Smithfield Bid for Meat Business Prior to Shuanghui Deal

Regulation:

- Food Safety Law Amendments to Be Completed within the Year
- MIIT: Milk OEMs May Be Halted

CHINA

[Andy Yeung, CFA](#)

212-667-8130

[Found In Translation](#)

Macro:

- China Flash PMI Hits Nine-Month Low in June
- China Cash Squeeze Gets Tighter

Internet & Media:

- SINA: SINA and Alibaba Team Up to Develop Taobao Version of Weibo
- Taotaosou, Image-Based Shopping Search Engine, Completes Series B Financing

E-Commerce:

- Membership of Alibaba's Domestic B2B Website in China Exceeds 100M

Tech & Telecom:

- China's Mobile Subscribers Up 0.9% at 1.17B in May

Oppenheimer Marketing Events

June 25-26 - 13th Annual Consumer Conference (Boston)--*starts next Tuesday*

August 13-14 - 16th Annual Technology, Internet & Communications Conference (Boston)

September 17 - 1st Emerging Innovations Conference: Next Gen Display & Touch Technologies (New York)

November 4 - Bi-Annual NY Internet Investor Day (New York)

December 10-11 - 24th Annual Healthcare Conference (New York)

Important Disclosures and Certifications

Other companies mentioned in this report: 002329-CN 002329-CN 002570-CN 002570-CN 1112-HK 1112-HK 1117-HK 1117-HK 1230-HK 1230-HK 2319-HK 2319-HK 2337.TW 600597-CN 600597-CN 600887-CN 600887-CN 6758.JP 728-HKG 762-HKG 941-HKG ABBV ABT ABT ACHN ACNB ACT ALPMY ALXN AMRN AMRN AMRN AMRN AMRN AMRN AMRN AMZN AMZN APPL AROQ ASRV ATRS ATRS ATRS ATRS ATRS AZN BCBP BCSB BDGE BDSI BERK BK BMTC BMY BPFH BRCM BRKL CAC CBST CBU CCNE CHMG CLDX CLWR CNBC CNBKA CNOB COV CPBC CRL CRRB CUBI CVD CVLY CZNC DANOF DANOF DISH DNBFB DWRE EBTC EGBN EMCF ENDP ENDP ENDP ENDP ENDP EQIX ESBK FBP FCCY FCF FFIC FISI FLIC FNB FNFG FNLC FRBK FRX FULT FUNC GILD GLBZ GSK HALO HBMD HSP HVB IBCA IBM ICLR ICPT ICPT ICPT ICPT ICPT ICPT IDIX INDB INTC IPXL JNJ LBAI MBVT MDCO MDCO MDCO MDCO MDCO METR MJN MPB MSFT MTB MUN MYL MYL NBN NBTB

NPBC	NSRGY	NSRGY	NVS	NVS	NVS	NWFL	OLBK	ORCL	ORRF	PFE	PFE	PFE	PFE	PFE
PGC	PKBK	PLX	PNBK	PNC	PRXL	PWOD	Q	QCOR	QCOR	QCOR	QCOR	QCOR	QCOR	QCOR
QCOR	RAX	RBPA	RHHBY	S	SAL	SAP	SASR	SBBX	SBNY	SFD	SHBI	SHPG	SINA	SNBC
SSFN	STBA	STL	SUBK	SUSQ	SYUT	SYUT	T	TBBK	TEVA	TEVA	TEVA	TMUS	TSC	TSRX
UNB	UNTY	UVSP	VLV	VPHM	VPHM	VPHM	VPHM	VPHM	VPHM	VRTX	VSNB	VZ	WASH	
WBS	WLP	WX	ZGNX	ZGNX	ZGNX	ZGNX	ZGNX	ZGNZ	ZGNZ					

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by Oppenheimer & Co. Inc.:

Stock Prices as of June 21, 2013

Synutra International Inc. (SYUT - NASDAQ, 5.37, PERFORM)

Synutra International Inc. (SYUT - NASDAQ, 5.28, PERFORM)

Broadcom Corporation (BRCM - NASDAQ, 33.43, OUTPERFORM)

Intel Corp. (INTC - NASDAQ, 24.19, PERFORM)

Microsoft Corporation (MSFT - NASDAQ, 33.49, OUTPERFORM)

Sina Corporation (SINA - NASDAQ, 55.05, OUTPERFORM)

Antares Pharma, Inc. (ATRS - NASDAQ, 4.10, OUTPERFORM)

Endo Health Solutions (ENDP - NASDAQ, 38.52, PERFORM)

The Medicines Company (MDCO - NASDAQ, 33.52, PERFORM)

Questcor Pharmaceuticals (QCOR - NASDAQ, 47.46, OUTPERFORM)

Teva Pharmaceutical (TEVA - OTC, 39.30, PERFORM)

ViroPharma (VPHM - NASDAQ, 28.80, OUTPERFORM)

Zogenix (ZGNX - NASDAQ, 1.56, PERFORM)

Achillion Pharmaceuticals (ACHN - NASDAQ, 8.13, PERFORM)

Gilead Sciences (GILD - NASDAQ, 50.60, OUTPERFORM)

Idenix Pharmaceuticals (IDIX - NASDAQ, 5.29, PERFORM)

PNC Financial Services Group (PNC - NYSE, 71.05, OUTPERFORM)

Signature Bank (SBNY - NASDAQ, 79.40, PERFORM)

Antares Pharma, Inc. (ATRS - NASDAQ, 4.10, OUTPERFORM)

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Questcor Pharmaceuticals (QCOR - NASDAQ, 47.46, OUTPERFORM)

ViroPharma (VPHM - NASDAQ, 28.80, OUTPERFORM)

Zogenix (ZGNX - NASDAQ, 1.56, PERFORM)

Alexion Pharmaceuticals (ALXN - NASDAQ, 88.47, OUTPERFORM)

Celldex Therapeutics (CLDX - NASDAQ, 14.29, OUTPERFORM)

Antares Pharma, Inc. (ATRS - NASDAQ, 4.10, OUTPERFORM)

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 ViroPharma (VPHM - NASDAQ, 28.80, OUTPERFORM)
 Zogenix (ZGNX - NASDAQ, 1.56, PERFORM)
 Amazon.Com, Inc. (AMZN - NASDAQ, 273.44, OUTPERFORM)
 Equinix Inc. (EQIX - NASDAQ, 177.55, PERFORM)
 Rackspace Hosting, Inc. (RAX - NYSE, 35.12, PERFORM)
 Sprint Nextel (S - NYSE, 7.07, PERFORM)
 AT&T, Inc. (T - NYSE, 34.35, OUTPERFORM)
 MetroPCS Communications Inc. (TMUS - NYSE, 22.93, UNDERPERFORM)
 Verizon (VZ - NYSE, 48.96, OUTPERFORM)
 Amazon.Com, Inc. (AMZN - NASDAQ, 273.44, OUTPERFORM)
 Demandware (DWRE - NYSE, 36.36, OUTPERFORM)
 Oracle Corporation (ORCL - NASDAQ, 33.21, OUTPERFORM)
 SAP AG (SAP - NYSE, 74.56, PERFORM)
 WellPoint, Inc. (WLP - NYSE, 77.48, OUTPERFORM)
 The Medicines Company (MDCO - NASDAQ, 33.52, PERFORM)
 ViroPharma (VPHM - NASDAQ, 28.80, OUTPERFORM)
 Questcor Pharmaceuticals (QCOR - NASDAQ, 47.46, OUTPERFORM)
 Endo Health Solutions (ENDP - NASDAQ, 38.52, PERFORM)
 Amarin Corp. (AMRN - NASDAQ, 6.47, PERFORM)
 Antares Pharma, Inc. (ATRS - NASDAQ, 4.10, OUTPERFORM)
 WuXi PharmaTech Inc. (WX - NYSE, 20.22, OUTPERFORM)
 Protalix BioTherapeutics (PLX - AMEX, 5.04, OUTPERFORM)

All price targets displayed in the chart above are for a 12- to- 18-month period. Prior to March 30, 2004, Oppenheimer & Co. Inc. used 6-, 12-, 12- to 18-, and 12- to 24-month price targets and ranges. For more information about target price histories, please write to Oppenheimer & Co. Inc., 85 Broad Street, New York, NY 10004, Attention: Equity Research Department, Business Manager.

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Outperform(O) - Stock expected to outperform the S&P 500 within the next 12-18 months.

Perform (P) - Stock expected to perform in line with the S&P 500 within the next 12-18 months.

Underperform (U) - Stock expected to underperform the S&P 500 within the next 12-18 months.

Not Rated (NR) - Oppenheimer & Co. Inc. does not maintain coverage of the stock or is restricted from doing so due to a potential conflict of interest.

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Neutral - anticipates that the shares will trade at or near their current price and generally in line with the leading market averages due to a perceived absence of strong dynamics that would cause volatility either to the upside or downside, and/or will perform less well than higher rated companies within its peer group. Our readers should be aware that when a rating change occurs to Neutral from Buy, aggressive trading accounts might decide to liquidate their positions to employ the funds elsewhere.

Sell - anticipates that the shares will depreciate 10% or more in price within the next 12 months, due to fundamental weakness perceived in the company or for valuation reasons, or are expected to perform significantly worse than equities within the peer group.

**Distribution of Ratings/IB Services
Oppenheimer & Co. Inc.**

Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
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HOLD [N/P/SP]	277	47.84	97	35.02
SELL [UP/S/U]	10	1.73	3	30.00

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