COMPANY NOTE

Target Change

USA | Healthcare | Biotechnology

January 21, 2014

Jefferies

OncoMed (OMED)

ASCO GI: Incremental Data From OMED's Notch 2/3 And Demcizumab

BUY

Price target $50.00
(from $46.00)
Price $37.00

EQUITY RESEARCH AMERICAS

Key Takeaway

We attended the ASCO GI meeting, where data was presented for OMED's anti-Notch2/3 OMP-59R5 and anti-DLL4 demcizumab in pancreatic cancer. Both show promising response rates, and we believe that the data for the next cohort of patients in each study is tracking favorably.

Next Dose Cohort Of Demcizumab-Gem-Abraxane in Pancreatic Cancer Also Showing Good Responses. Data from the Phase 1b trial of OMED's anti-DLL4 demcizumab (initial cohort at 2.5 mg/kg every two weeks, q2w) in combination with gemcitabine and Abraxane (gem-Abraxane) in the treatment of pancreatic cancer demonstrated 50% (3/6 patients) partial response (PR), higher than the 23% response rate in the pivotal trial of gem-Abraxane. Of note, no demcizumab-related cardiotoxicity events have occurred with the implementation of the truncated treatment approach and regular monitoring. Notably, the data in the poster contains only triple-therapy patients treated prior to November 20, but we learned that the company is now dosing up to 3.5 mg/kg q2w and we believe that responses have been comparable at this dose. We believe a randomized Phase 2 trial of demcizumab at this dose with gem-Abraxane may start in 2H14.

Next Cohort of OMP-59R5-Gem-Abraxane Likely To Show Strong Safety Observed. In the Phase 1b/2 ALPINE trial of its anti-Notch2/3 antibody OMP-59R5 in combination with gem-Abraxane for untreated metastatic pancreatic cancer, OMP-59R5-gem-Abraxane demonstrated a 46% (6/13 patients achieved a partial response) response rate. The response rate of 46% in the triple combination arms is also promising relative to historical gem-Abraxane data, but the investigator noted that the OMP-59R5 patients may be slightly less sick than those in the gem-Abraxane pivotal trial. No dose-limiting toxicities were observed up to 12.5 mg/kg of 59R5, despite the fact that the maximum tolerated dose with single agent was 7.5 mg/kg. Dose escalation has proceeded to 15 mg/kg in 10 patients. We believe dosing will be stopped at 15 mg/kg as this is thought to be the targeted maximum efficacious dose based on biomarker data, and if safe, this will be the dose taken into the Phase 2 portion of the ALPINE study, expected to begin in 2Q14.

Valuation/Risks

We are raising our price target from $46 to $50 ($21 to $23 demcizumab + $4 to $5 GSK + $4 Bayer + $7 CELG + $11 cash) to reflect a modest increase in the probability of demcizumab and Notch 2/3 success. Risks include: clinical, regulatory, commercial.

Financial Summary	
Net Debt (MM):	**($140.0)**
Cash/Share:	**$60.20**
Market Data	
52 Week Range:	**$42.34 - $12.07**
Total Entprs. Value (MM):	**$888.6**
Market Cap. (MM):	**$1,028.6**
Shares Out. (MM):	**27.8**
Float (MM):	**6.2**
Avg. Daily Vol.:	**350,562**

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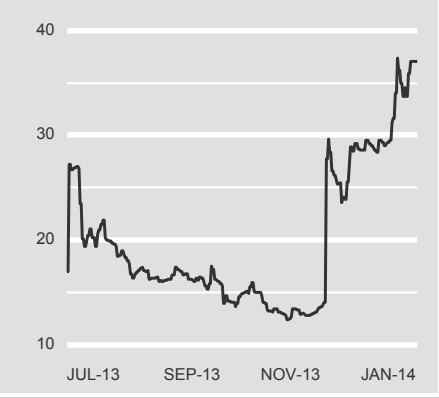
USD	*Prev.*	**2012A**	*Prev.*	**2013E**	*Prev.*	**2014E**	*Prev.*	**2015E**
Rev. (MM)	--	24.7	--	39.9	--	124.0	--	183.0
EPS								
Mar	--	--	--	(0.39)A	--	--	--	--
Jun	--	--	--	(0.43)A	--	--	--	--
Sep	--	--	--	(0.15)A	--	--	--	--
Dec	--	--	--	0.05	--	--	--	--
FY Dec	*(21.58)*	(21.25)	--	(0.84)	--	0.65	--	2.61

Price Performance



OncoMed Pharmaceuticals, Inc.

BUY: $50 Price Target

THE LONG VIEW

Scenarios

Target Investment Thesis

- We believe OMED is a leader in cancer stem cell (CSC) targeting drugs
- We are encouraged by single agent activity with demcizumab in pancreatic and lung
- We see the GSK, Celgene, and Bayer collaborations as lucrative and validating the technology
- Target Price: $50 = $23 demcizumab + $5 GSK + $4 Bayer + $7 CELG + $11 cash

Upside Scenario

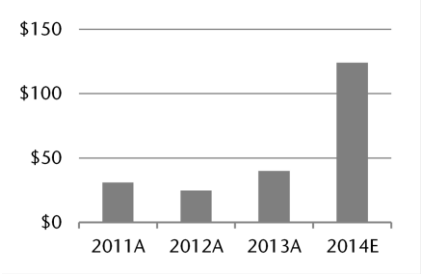
- We believe with CELG support, demcizumab could be a leading add-on to conventional chemotherapy
- Positive Phase 2 data and pivotal trials could increase the probability of success across programs
- No cost upside with GSK and Bayer covering costs of late stage development and commercialization
- Target Price: $65 = $27 demcizumab + $9 GSK + $9 Bayer + $9 CELG + $11 cash

Downside Scenarios

- All programs are early stage
- Historical CV issues with demcizumab may persist or give FDA pause
- Collaborators may not opt-in to development programs
- Target Price: $11 = $7 demcizumab + $0 GSK + $0 Bayer + $0 CELG + $4 cash

Long Term Analysis

Revenue (millions)



Source: Company data, Jefferies

Long Term Financial Model Drivers

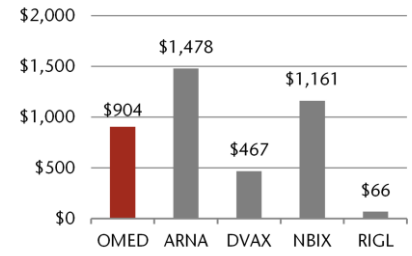
5-Year Revenue CAGR	**66%**

Other Considerations

With several eagerly anticipated product launches, anemic pipelines at large cap biotech and pharma, and an increasingly conservative FDA stance, we believe mid-cap biotech could lead sector performance in 2014. We see a premium placed on late-stage and marketed products. M&A interest could also factor into the performance of the sector, particularly among small-cap and mid-cap companies with later stage programs.

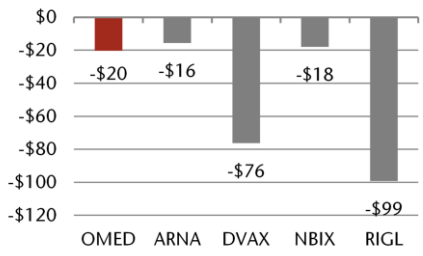
Peer Group

Group EVs



Source: FactSet

Net Income



Source: Company data

Recommendation / Price Target

Ticker	Recommendation	PT
OMED	**BUY**	**$50**
ARNA	BUY	$12
DVAX	BUY	$3
NBIX	BUY	$23
RIGL	BUY	$6

Catalysts

- 2H13/1H14 – Bayer initiates vantictumab Ph1b trials
- 2H13/1H14 – Bayer initiates OMP-54F28 Ph1b trials
- 2Q14 - Vantictumab Ph1a data at ASCO
- 2H14 – Final Ph2 data from ALPINE trial of OMP-59R5 in pancreatic

Company Description

OncoMed Pharmaceuticals (OMED) is a Redwood City, CA-based biopharmaceutical company that is a leader in the science behind cancer stem cells (CSCs), which are thought to drive cancer progression, metastasis, and chemotherapy resistance. Using proprietary technology, OMED has generated five clinical stage candidates targeting CSC pathways. Many of these compounds are being developed under pharmaceutical partnerships with GSK, Bayer, and Celgene. The lead drug is demcizumab, an antiDLL4 antibody currently in Phase 1b trials in pancreatic, lung and ovarian cancer. Close behind in development are OMP-59R5, an anti-Notch2/3 antibody, OMP-52M51, an antiNotch1 antibody, vantictumab, an anti-Fzd7 antibody, and OMP-54F28, a Fzd8-Fc fusion protein.

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Demcizumab Truncated Dosing Background: Phase 1b Trial Was Modified To Include Truncated Dosing Regimen Following Cardio Toxicity Signal. Oncomed's demcizumab is currently in Phase 1b combination therapy trials in patients with non-small cell lung cancer (NSCLC) and pancreatic cancer and a Phase 1b/2 trial in combination with paclitaxel in ovarian cancer. Phase 2 trials are on track to start in 2014. As a reminder, a key concern has been the association between demcizumab and cardiovascular toxicity. Following several interventions to try to lower the rate of heart failure and pulmonary hypertension, the Data Safety Monitoring Board (DSMB) recommended that the protocol be revised to allow only up to 70 days of demcizumab with chemotherapy, followed by chemotherapy alone. Thus far, there have not been any CV toxicity issues following implementation of the truncated dosing, although we still need to see whether the truncated dosing will be safe at higher doses and whether such a short course of therapy will be effective on improving responses, and ultimately, overall survival.

ASCO GI Demcizumab Update: Abraxane Combination Cohort Looks Promising At Next Dose. Data from truncated demcizumab in combination with Abraxane and gemcitiabine was encouraging and OMED expects to begin Phase 2 trials in pancreatic cancer in 2H14. The investigator noted that it was too early to comment on durability of response, but that 150 days or more would be a meaningful benchmark. Further, he commented that the study had a similar patient demographic as in the Phase 3 Abraxane studies, noting comparable age and level of disease, which could make the cross trial comparison on response rates more meaningful. The investigator also commented that he would not expect to dose beyond 3.5 mg/kg every two weeks, which is the next level of dosing that is currently being used. Nine patients are currently being treated with triple therapy, and the three patients on triple therapy not reported on the poster appear to be doing well thus far, with responses expected to be in line with the six patients reported on the poster.

OMP-59R5 Data At ASGO GI. Patients were dosed with 2.5-12.5mg/kg OMP-59R5 in combination with 1,000mg/m2 gem and 125 mg/m2 Abraxane. The investigator commented that it was too early to gauge durability of response, but that we should have more details at the next data readout. Regarding the patient demographics, the investigator noted the patients in this trial are perhaps slightly less sick than those in the Phase 3 Abraxane study, though she added there are many other factors to take into consideration, such as studies done in eastern Europe where you see significant variation of outcomes based on the standard-of-care, including palliative care and the maintenance of the patient's stents, for example. The investigator further commented that the safety profile of the triple combo is primarily driven by the adverse events associated with the chemotherapy part of the therapy, with diarrhea and some fatigue being the only side effects attributable to OMP-59R5. No dose limiting toxicity has been observed in any of the 27 patients treated thus far, and dosing up to 15 mg/kg (the highest dose to be tested in Phase 1, and the likely dose for the Phase 2 studies) is ongoing.

OMP-59R5 Safety Actually Improving When Chemo Is Added - Infusion Site Reaction Seems To Be Fixed. Although single agent trials of OMP-59R5 have shown grade 3 diarrhea as the main dose-limiting toxicity (DLT) with a maximum tolerated dose (MTD) of 7.5mg/kg every other week, OMP-59R5 is a rare instance where safety actually looks better in combination with chemotherapy. Specifically, the Phase 1b has already dosed to 12.5 mg/kg OMP-59R5 in combination with gem+Abraxane with none of the patients evaluable for safety having experienced a DLT and cases of diarrhea to date all being mild-to-moderate and manageable. This confirms the company's hypothesis that OMP-59R5 diarrhea is a function of cells in the GI tract that are eliminated by

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chemotherapy. As a result, the company has continued dose escalation to 15 mg/kg, with the goal of defining a dose for the start of the randomized Phase 2 portion by mid-2014. The investigator commented that they expect to dose 10 patients at 15 mg/kg OMP-59R5. There are currently three patients on therapy at this dose and they are adding three additional patients. If there are no dose limiting toxicities in those six patients, an additional four patients will be enrolled at the 15 mg/kg dose. There is no expectation to dose higher than 15 mg/kg, as that is already far beyond their initial expectation and they do not expect to see additional efficacy at doses beyond 15 mg/kg based on their predicted biomarker and preclinical data. Lastly, following a change in the infusion protocol (slower, more diluted infusion), the investigator has not encountered any issues with infusion site reaction and feels that the problem has been fully addressed.

OMP-59R5 - Data On Notch 3 Overexpression. There was also favorable data on Notch 3 overexpression (which occurs in 70% of pancreatic cancer patients) and its correlation with efficacy of anti-Notch2/3, but the company has not done a formal analysis quantifying the level of Notch 3 overexpression to response and we believe may require additional patients enrolled. A strong correlation may create one of the first instances of a biomarker-driven drug in pancreatic cancer and even further enhance an already-promising response rate. We believe these data may be more mature at the next update, likely at the ASCO meeting in June. The investigator at the poster noted that high expression of Notch 3 typically correlates with a lack of response to classic chemotherapy although it is unclear why. That said, the company has hypothesized that the antibody may be helping to overcome resistance to chemotherapy, as demonstrated by the fact that OMP-59R5+gem had superior responses than gem alone in all Notch 3 overexpressing tumors. While OMED is currently enrolling all-comers, the company intends for the Phase 3 study to focus solely on the patient population that overexpresses Notch 3 and develop a companion diagnostic to determine the levels of Notch 3 overexpression prior to initiating treatment. The randomized, placebo-controlled Phase 2 study expected to begin in 2Q14 will have progression free survival as the primary endpoint, which will be evaluated in the Notch 3 high-expression patients as well as in all patients.

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OMED: Historical and Projected Revenue and Earnings

December 31 Fiscal Year ($000s)	2012A	1Q13A	2Q13A	3Q13A	4Q13E	2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E
Demcizumab Sales															
U.S. Demcizumab Sales	0	0	0	0	0	0	0	0	0	0	101,592	431,341	752,003	1,331,096	1,732,391
International Demcizumab Sales	0	0	0	0	0	0	0	0	0	0	0	40,637	258,804	601,603	1,064,877
WW Demcizumab Sales	0	0	0	0	0	0	0	0	0	0	101,592	471,977	1,010,808	1,932,699	2,797,268
Y/Y Change	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	365%	114%	91%	45%
U.S. Demcizumab Gross Profit Split to Oncomed							0	0	0	0	44,446	194,103	347,802	615,632	801,231
WW Demcizumab Revenue to Oncomed	0	0	0	0	0	0	0	0	0	0	0	4,876	31,057	76,256	152,975
% Of Sales	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	0%	1%	3%	4%	5%
GSK/Bayer/CELG Royalties to Oncomed	0	0	0	0	0	0	0	0	0	0	29,232	146,970	324,073	477,287	642,124
Demcizumab Upfront/Milestone Payments	0	0	0	0	3,163	3,163	57,959	77,959	87,959	107,959	130,000	90,000	90,000	75,000	45,000
GSK/Bayer/CELG Upfront/Milestone Payments	24,659	2,932	2,932	12,932	17,932	36,728	66,000	105,000	167,000	203,797	320,676	329,173	481,455	445,971	402,081
Other Revenues	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**24,681**	**2,932**	**2,932**	**12,932**	**21,095**	**39,891**	**123,959**	**182,959**	**254,959**	**311,756**	**524,354**	**765,123**	**1,274,386**	**1,690,146**	**2,043,411**
Y/Y Change	NM	17%	-61%	67%	204%	62%	211%	48%	39%	22%	68%	46%	67%	33%	21%
COGS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
% Product sales	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Research and Development	39,396	9,436	10,341	12,882	16,000	48,659	75,000	35,000	45,500	59,150	76,895	99,964	129,953	168,938	219,620
Y/Y Change	NM	-16%	9%	37%	71%	24%	54%	-53%	30%	30%	30%	30%	30%	30%	30%
% Total Revenue	NM	NM	NM	NM	NM	NM	61%	19%	18%	19%	15%	13%	10%	10%	11%
Selling, General and Administrative	6,818	1,900	1,821	2,927	3,500	10,148	15,400	16,632	18,295	24,699	33,343	36,677	49,514	66,844	73,529
Y/Y Change	NM	13%	12%	60%	108%	49%	52%	8%	10%	35%	35%	10%	35%	35%	10%
% Total Revenue	28%	65%	62%	23%	17%	25%	12%	9%	7%	8%	6%	5%	4%	4%	4%
Total Operating Expenses	**46,214**	**11,336**	**12,162**	**15,809**	**19,500**	**58,807**	**90,400**	**51,632**	**63,795**	**83,849**	**110,238**	**136,641**	**179,467**	**235,783**	**293,149**
Income From Operations	**(21,533)**	**(8,404)**	**(9,230)**	**(2,877)**	**1,595**	**(18,916)**	**33,559**	**131,327**	**191,164**	**227,908**	**414,116**	**628,482**	**1,094,919**	**1,454,364**	**1,750,263**
Operating margin	NM	NM	NM	NM	8%	NM	27%	72%	75%	73%	79%	82%	86%	86%	86%
Total Other Income (Expense), Net	134	31	(149)	(117)	229	(6)	1,650	1,959	2,322	2,753	3,586	5,084	7,547	11,270	16,133
Interest income	140	31	(149)	(117)	229	-6	1,650	1,959	2,322	2,753	3,586	5,084	7,547	11,270	16,133
Interest expense	-6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pretax-Income	(21,399)	(8,373)	(9,379)	(2,994)	1,825	(18,921)	35,210	133,286	193,486	230,661	417,702	633,566	1,102,466	1,465,633	1,766,396
Income Tax Expense	0	0	0	0	0	0	13,028	49,316	71,590	85,345	154,550	234,420	407,913	542,284	653,566
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%
Non-GAAP Net Income	**(21,399)**	**(8,373)**	**(9,379)**	**(2,994)**	**1,825**	**(18,921)**	**22,182**	**83,970**	**121,896**	**145,316**	**263,152**	**399,147**	**694,554**	**923,349**	**1,112,829**
Y/Y Change	NM	-19%	164%	-13%	-145%	-12%	-217%	279%	45%	19%	81%	52%	74%	33%	21%
Shares Outstanding	1,044	22,265	22,272	23,179	28,398	24,028	32,704	31,723	34,110	32,173	34,623	32,723	35,236	33,373	35,936
Non-GAAP EPS	**($20.49)**	**($0.38)**	**($0.42)**	**($0.13)**	**$0.06**	**($0.79)**	**$0.68**	**$2.65**	**$3.57**	**$4.52**	**$7.60**	**$12.20**	**$19.71**	**$27.67**	**$30.97**
Y/Y Change	NM	NM	NM	NM	NM	NM	NM	NM	NM	71%	113%	170%	159%	127%	57%
Options Expense	786	225	265	492	350	1,332	1,598	1,918	2,302	2,762	3,314	3,977	4,773	5,727	6,873
% Operating Income	NM	NM	NM	NM	21.9%	NM	4.8%	1.5%	1.2%	1.2%	0.8%	0.6%	0.4%	0.4%	0.4%
GAAP EPS	**($21.25)**	**($0.39)**	**($0.43)**	**($0.15)**	**$0.05**	**($0.84)**	**$0.65**	**$2.61**	**$3.53**	**$4.46**	**$7.54**	**$12.12**	**$19.63**	**$27.56**	**$30.85**

Source: Company data, Jefferies LLC estimates
December 3, 2013

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OMED: Historical and Projected Changes in Financial Position

December 31 Fiscal Year ($000s)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net income	**(21,399)**	**(18,921)**	**22,182**	**83,970**	**121,896**	**145,316**	**263,152**	**399,147**	**694,554**	**923,349**	**1,112,829**
Adjustments to reconcile net cash flows from operating activities:											
Depreciation and amortization	1,295	1,395	1,595	1,695	1,995	2,195	2,495	2,695	2,995	3,195	3,495
Deferred rent and other long-term liabilities	(12)										
Utilization of NOL carryforwards	-	-	13,028	35,524	-	-	-	-	-	-	-
Upfront/milestone payments	-	151,837	(37,959)	(37,959)	(37,959)	(37,959)	-	-	-	-	-
Total Adjustments	**1,283**	**153,232**	**(23,337)**	**(740)**	**(35,964)**	**(35,764)**	**2,495**	**2,695**	**2,995**	**3,195**	**3,495**
Changes in operating assets and liabilities:											
Accounts receivable	(4,023)	(2,535)	(14,011)	(9,833)	(12,000)	(9,466)	(35,433)	(40,128)	(84,877)	(69,293)	(58,877)
Prepaid expenses and other current	(3,411)										
Accounts payable and accrued liabilities	(3,184)										
Deferred revenue	(2,165)										
Other	(446)	(7,000)									
Net cash flows provided by operating activities	**(33,345)**	**124,775**	**(15,166)**	**73,397**	**73,932**	**100,086**	**230,214**	**361,714**	**612,672**	**857,251**	**1,057,447**
Cash flows from investing activities:											
Acquisitions, net of cash acquired	-										
Capital Expenditure	(714)	(1,000)	(2,000)	(3,000)	(4,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Net cash flows used in investing activities	**(714)**	**(1,000)**	**(2,000)**	**(3,000)**	**(4,000)**	**(5,000)**	**(5,000)**	**(5,000)**	**(5,000)**	**(5,000)**	**(5,000)**
Cash flows from financing activities:											
Proceeds (repurchases) from common stock	156	110,443	68,285	2,012	2,943	4,251	8,671	8,622	12,142	16,999	23,677
Proceeds (repayments) from borrowings	(346)										
Other	-										
Net cash flows used in financing activities	**(190)**	**110,443**	**68,285**	**2,012**	**2,943**	**4,251**	**8,671**	**8,622**	**12,142**	**16,999**	**23,677**
Net increase (decrease) in cash and cash equivalents	**(34,249)**	**234,218**	**51,119**	**72,410**	**72,875**	**99,337**	**233,885**	**365,335**	**619,814**	**869,250**	**1,076,124**
Exchange rate changes			-	-	-	-	-	-	-	-	-
Cash and cash equivalents, beginning of the year	**104,554**	**70,305**	**304,523**	**355,642**	**428,052**	**500,927**	**600,265**	**834,150**	**1,199,485**	**1,819,298**	**2,688,548**
Cash and cash equivalents, end of the year	**70,305**	**304,523**	**355,642**	**428,052**	**500,927**	**600,265**	**834,150**	**1,199,485**	**1,819,298**	**2,688,548**	**3,764,672**

Source: Company data, Jefferies LLC estimates
December 3, 2013

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OMED: Historical Condensed Balance Sheets

	12/31/2012	3/31/2013	6/30/2013	9/30/2013
Current assets:				
Cash and cash equivalents	16,263	9,937	16,173	11,092
Short-term investments	49,976	50,282	40,291	117,554
Receivables – related parties	4,023	23	23	23
Prepaid and other current assets	1,123	1,222	1,224	11,929
Total current assets	71,385	61,464	57,711	140,598
Property and equipment, net	5,462	5,190	4,884	4,569
Other assets	2,921	3,170	3,639	43
Total assets	79,768	69,824	66,234	145,210
Current liabilities:				
Accounts payable	849	809	812	2,101
Accrued liabilities	3,798	5,348	6,008	6,865
Current portion of deferred revenue	14,726	14,726	22,726	22,726
Current portion of deferred rent	560	579	596	610
Liability for shares issued with repurchase rights	14	12	11	10
Convertible preferred stock warrant liability	182	161	328	0
Total current liabilities	20,129	21,635	30,481	32,312
Deferred revenue, less current portion	17,320	14,388	11,457	8,525
Deferred rent, less current portion	3,750	3,598	3,460	3,303
Liability for shares issued with repurchase rights, less current portion	23	21	18	16
Total liabilities	41,222	39,642	45,416	44,156
Stockholder equity	-144,227	30,182	20,818	101,054
Total liabilities and stockholder equity	79,768	69,824	66,234	145,210

Source: Company data, Jefferies LLC estimates
December 3, 2013

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Company Description

OncoMed Pharmaceuticals (OMED) is a Redwood City, CA-based biopharmaceutical company that is a leader in the science behind cancer stem cells (CSCs), which are thought to drive cancer progression, metastasis, and chemotherapy resistance. Using proprietary technology, OMED has generated five clinical stage candidates targeting CSC pathways. Four of these compounds are being developed under two pharmaceutical partnerships with GSK and Bayer. The lead wholly owned drug is demcizumab, an anti-DLL4 antibody currently in Phase 1b trials in pancreatic, lung and ovarian cancer. Close behind in development are OMP-59R5, an anti-Notch2/3 antibody, OMP-52M51, an anti-Notch1 antibody, vantictumab, an anti-Fzd7 antibody, and OMP-54F28, a Fzd8-Fc fusion protein.

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Underperform - Describes stocks that we expect to provide a total negative return (price appreciation plus yield) of 10% or more within a 12-month period.

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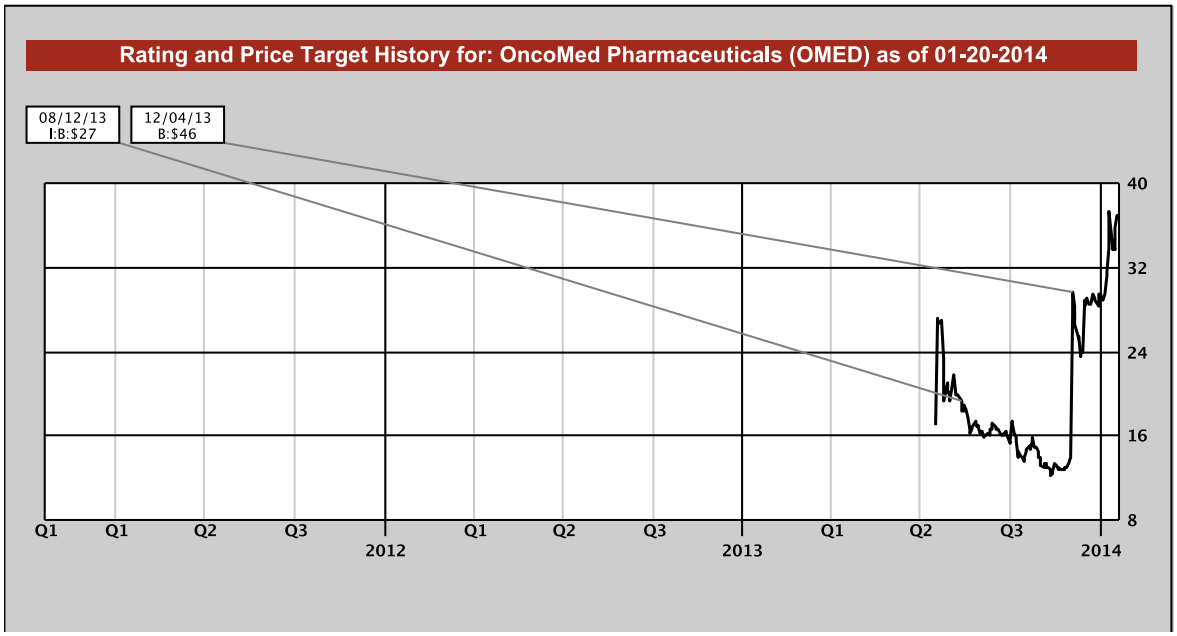
- Arena Pharmaceuticals, Inc. (ARNA: $7.26, BUY)
- Bayer AG (BAYN GR: €102.26, BUY)
- Celgene Corporation (CELG: $167.04, BUY)
- Dynavax Technologies Inc. (DVAX: $2.07, BUY)
- GlaxoSmithKline Plc (GSK LN: p1,663.00, HOLD)
- Neurocrine Biosciences (NBIX: $19.65, BUY)
- Rigel Pharmaceuticals, Inc. (RIGL: $3.40, BUY)



Distribution of Ratings

Rating	Count	Percent	IB Serv./Past 12 Mos. Count	IB Serv./Past 12 Mos. Percent
BUY	888	49.01%	205	23.09%
HOLD	775	42.77%	123	15.87%
UNDERPERFORM	149	8.22%	4	2.68%

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