



## MID-DAY SUMMARY | EQUITY RESEARCH | November 19, 2013

Mid-Day Summary is compiled from research reports and summary comments published by ROTH Capital. Please click on the headline of each comment to access a copy of the full research report (including applicable disclosures).

### Consumer

#### Urban Outfitters Results Demonstrate The Varying Trends By Retailer - King, CFA Retail & Consumer Products

Urban Outfitters (URBN, NC) reported better-than-expected results with overall comps up 7%, above consensus of 5.1%. By division, comparable stores sales increased 30% at Free People (estimated up 13.6%), 13% at Anthropologie (estimated up 6.6%), and declined 1% at Urban Outfitters (estimated up 2.1%). This highlights that trends not only vary by retailer in this challenging environment, but also by division and brand, as those with trend-right assortments continue to outperform. Meanwhile, we believe strong results at Free People bode well for PacSun (PSUN, Neutral) with its Brandy Melville offering. We worry about the coming Holiday season and remain selective with our longer-term retail stock picks. We like Zumiez (ZUMZ, Buy) longer-term for its business model, cash flows, and underappreciated international growth opportunity, Tilly's (TLYS, Buy) for its meaningful unit growth potential, and American Apparel (APP, Buy) as an attractive turnaround story.

### Healthcare

#### IPCI: Focalin XR Generic Approval Starts the Engine; PT to \$6 - Henry, CFA Intellipharma Int'l Inc., Buy, \$6.00 PT, Estimate Change, \$40.1 Mkt. Cap. (mil)

Last night, IPCI announced the approval of Focalin XR generics, which are soon to be sold by Par Pharmaceutical. This approval included 180-day exclusivity for the 15 mg strength, which was ahead of our expectations. We reiterate our Buy rating, and we are raising our price target to \$6/share based on these events.

#### RTRX: 3Q13 Results; "Going Pivotal" Soon; Expect Fast Answers; Reiterate Buy - Pantginis, Ph.D.

##### Retrophin, Inc., Buy, \$15.00 PT, Estimate Change, \$108.5 Mkt. Cap.(mil)

RTRX posted 3Q13 results with EPS of \$(0.71) versus our estimate of \$(0.18). The loss differential was attributable to change in fair value of derivative instruments. The lead product RE-021 for FSGS is progressing nicely, with the pivotal Phase II trial starting shortly. The FDA has indicated that the Phase II may serve as a basis for accelerated approval. Reiterate Buy.

#### STML: SL-701 Sneaking Back into the Limelight; Rightly So; Reiterate Buy - Pantginis, Ph.D.

##### Stemline Therapeutics, Inc., Buy, \$55.00 PT, \$257.5 Mkt. Cap.(mil)

With the majority of investor focus currently on SL-401 and its pivotal plans in BPDCN and 3rd-line AML next year, we are enthusiastic on the renewed focus on SL-701 as a compelling cancer immunotherapy candidate for glioblastoma. Potential accelerated approval studies could start next year based on positive data to date and a continuing unmet medical need. Reiterate Buy.

### Earnings Calendar

Nov 20 (AMC): GMCR, PLNR  
Nov 21 (BMO): LQDT, PERY  
Nov 26 (AMC): TLYS  
Nov 29 (BMO): AVL-TO

### Upcoming Events

Dec 9-10:  
PSIX Facility Tour & ROTH Industrial  
Growth Corporate Access Day, Chicago  
Dec 12-13: Consumer Facility Tour, Park  
City, UT (BDE, FC, LFN, SKUL, USNA)

### Non-Deal Roadshows

Nov 19: PCCC | NY  
Nov 19: PTN | NY  
Nov 20: ALXA | London  
Nov 20: ENPH | San Diego, LA  
Nov 20-21: UPI | MN, Milwaukee  
Nov 20-21: AAOI | SF, Portland  
Nov 21: PLT | NY  
Nov: 21-22: ZAGG | Boston, NY  
Nov 25-26: DEST | Montreal, Toronto  
Dec 3-4: ININ | Seattle, Portland  
Dec 4: PCYO | NY  
Dec 4: SCTY Investor Day | San Mateo  
Dec 4: SNAK | SF  
Dec 4-5: APP | SLC, Denver, SF  
Dec 4-5: MBII | Zurich, London  
Dec 11: SNAK | Boston  
Dec 12-13: RTRX | NY, Boston  
Dec 17-18: POWR | NY

## Disclosures

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ROTH and/or its employees, officers, directors and owners own options, rights or warrants to purchase shares of Retrophin, Inc., Power Solutions International and Palatin Technologies, Inc. stock.

Within the last twelve months, ROTH has received compensation for investment banking services from Retrophin, Inc., Intellipharma Int'l Inc., Stemline Therapeutics, Inc., Applied Optoelectronics Inc, American Apparel, Marrone Bio Innovations, Inc., PowerSecure International, Inc., Power Solutions International, Palatin Technologies, Inc. and SolarCity Corporation.

ROTH makes a market in shares of Retrophin, Inc., Intellipharma Int'l Inc., Stemline Therapeutics, Inc., Applied Optoelectronics Inc, Alexza Pharmaceuticals Inc., American Apparel, Avalon Rare Metals Inc., Black Diamond, Enphase Energy, Inc., Franklin Covey Co., Green Mountain Coffee Roasters, Inc., Interactive Intelligence, Liquidity Services Inc, Marrone Bio Innovations, Inc., PC Connection, Inc., Perry Ellis International, Inc., Planar Systems, Inc., PowerSecure International, Inc., Power Solutions International, Pacific Sunwear of California, Inc., Palatin Technologies, Inc., SolarCity Corporation, Skullcandy, Inc., Inventure Foods, Inc., Tilly's, Inc., ZAGG Incorporated and Zumiez, Inc. and as such, buys and sells from customers on a principal basis.

Shares of Retrophin, Inc., Intellipharma Int'l Inc., Alexza Pharmaceuticals Inc., American Apparel, Avalon Rare Metals Inc., Planar Systems, Inc., Pacific Sunwear of California, Inc., Palatin Technologies, Inc., Uroplasty, Inc and ZAGG Incorporated may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities.

Within the last twelve months, ROTH has managed or co-managed a public offering for Stemline Therapeutics, Inc., Applied Optoelectronics Inc, American Apparel, Marrone Bio Innovations, Inc., PowerSecure International, Inc., Power Solutions International and SolarCity Corporation.

Shares of Retrophin, Inc. may not be eligible for sale in one or more states.

A Research Analyst and/or a member of the Analyst's household own(s) shares of Alexza Pharmaceuticals Inc. and Palatin Technologies, Inc. stock.

**On September 28, 2010, ROTH changed its rating system in order to replace the Hold rating with Neutral.**

**On May 26, 2011, ROTH changed its rating system in order to incorporate coverage that is Under Review.**

### Distribution of IB Services Firmwide

Rating	Count	Percent	IB Serv./Past 12 Mos. as of 11/19/13	
			Count	Percent
Buy [B]	157	70.40	86	54.78
Neutral [N]	37	16.59	11	29.73
Sell [S]	2	0.90	0	0
Under Review [UR]	26	11.66	10	38.46

Our rating system attempts to incorporate industry, company and/or overall market risk and volatility. Consequently, at any given point in time, our investment rating on a stock and its implied price movement may not correspond to the stated 12-month price target.

Ratings System Definitions - ROTH employs a rating system based on the following:

**Buy:** A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return of at least 10% over the next 12 months.

**Neutral:** A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return between negative 10% and 10% over the next 12 months.

**Sell:** A rating, which at the time it is instituted and or reiterated, that indicates an expectation that the price will depreciate by more than 10% over the next 12 months.

**Under Review [UR]:** A rating, which at the time it is instituted and or reiterated, indicates the temporary removal of the prior rating, price target and estimates for the security. Prior rating, price target and estimates should no longer be relied upon for UR-rated securities.

**Not Covered [NC]:** ROTH does not publish research or have an opinion about this security.

For important disclosure information regarding the companies in this summary report, please contact: The Director of Research at (800) 678-9147 or write to: ROTH Capital Partners, LLC, Attention: Director of Research, 888 San Clemente Drive, Newport Beach, CA 92660

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