

# WEEK 22 DEEP RESEARCH REPORT

**Date:** Sunday, February 15, 2026 | **Week:** 22 of 26 | **Next Session:** Tuesday, February 17, 2026 (Monday Feb 16 = Presidents' Day)

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## 1. RESTATED RULES

- Long-only, full shares only. No options, shorting, leverage, margin, or derivatives.
  - Universe: U.S.-listed common stocks on NYSE/NASDAQ/NYSE American, primarily nano- to small-cap (market cap under \$500M).
  - Excluded: OTC/pink sheets, ETFs, ETNs, closed-end funds, SPACs, rights/warrants/units/preferred/ADRs, bankrupt/halted issuers, defence companies, Israeli-affiliated companies.
  - Maintain stop-losses on ALL positions. Standard limit DAY orders for next session.
  - Liquidity filters: Price  $\geq \$1.00$ , 3-month avg daily dollar volume  $\geq \$300K$ , bid-ask spread  $\leq 2\%$  (or  $\leq \$0.05$  if price  $< \$5$ ), float  $\geq 5M$  shares unless justified.
  - No new capital beyond current balance unless explicitly approved.
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## 2. RESEARCH SCOPE

**Sources Consulted (Feb 14–15, 2026):**

Source	Data Retrieved	Timestamp
Yahoo Finance	HDSN, RCKT, PESI, VNDA price/fundamentals	Feb 15, 2026
CNBC Quotes	Earnings dates: HDSN (Mar 4 est), RCKT (Feb 25 est)	Feb 15, 2026
TipRanks	HDSN earnings confirmed Mar 11, 2026	Feb 15, 2026
Investing.com	HDSN, VNDA current pricing and analyst targets	Feb 15, 2026
Rocket Pharma IR	Kresladi BLA resubmission, PDUFA Mar 28 confirmed	Feb 15, 2026
CGTLive	FDA decisions calendar H1 2026	Feb 15, 2026
Perma-Fix IR	Q3 2025 results, Hanford/DFLAW update	Feb 15, 2026
Seeking Alpha	PESI Hanford revenue projections (\$1-2M/mo)	Feb 15, 2026

Tri-Cities Journal	DOGE/DOE Hanford staffing impact assessment	Feb 15, 2026
Vanda Pharma IR	Q4/FY2025 results (Feb 11), Bysanti PDUFA confirmed	Feb 15, 2026
StockAnalysis.com	RCKT analyst consensus, VNDA forecast	Feb 15, 2026
DefenseWorld	HDSN 200-day MA cross, analyst rating summary	Feb 15, 2026
Merlintrader	Top 10 biotech catalysts H1 2026	Feb 15, 2026

**Checks Performed:** Ticker verification (all NASDAQ-listed), market cap confirmation (all under \$500M), liquidity screening, catalyst date cross-referencing (minimum 2 sources per catalyst), stop-loss status review, DOGE/DOE risk assessment for PESI.

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### 3. CURRENT PORTFOLIO ASSESSMENT

**Portfolio Value:** \$315.75 | **Cash:** \$140.74 (44.6% cash) | **Invested:** \$175.01

Ticker	Role	Entry Date	Avg Cost	Current Price	Unrealized P&L	Current Stop	Conviction (1-5)	Status
HDSN	Anchor/Value	Wk 13	\$7.03	\$7.40	+\$3.33 (+5.3%)	\$5.90	3	HOLD — Earnings Mar 11 approaching
RCKT	Binary/Catalyst	Wk 17	\$3.70	\$3.27	-\$6.45 (-11.6%)	\$2.40	3	HOLD — Earnings Feb 25, PDUFA Mar 28
PESI	Anchor/Value	Wk 20	\$15.47	\$14.84	-\$2.52 (-4.1%)	\$13.50	4	HOLD — DFLAW ramp validates thesis

**Net Unrealized P&L on Open Positions:** -\$5.64

**Realized Loss (this week):** VNDA stop-loss triggered Feb 12 — sold 14 shares at \$6.75, cost basis \$7.85, loss of -\$15.40.

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### 4. CANDIDATE SET

Ticker	One-Line Thesis	Key Catalyst	Catalyst Confirmation		Liquidity Note
				Catalyst	
VNDA	Re-entry: Bysanti 505(b)(2) PDUFA in 6 trading days; high approval probability, \$263.8M cash, multi-catalyst pipeline	Bysanti PDUFA Feb 21, 2026	CONFIRMED (Vanda IR May 5, 2025; FDA filing confirmation; Q4 earnings call Feb 11, 2026)		Avg vol ~1.6M shares; mkt cap \$362M; passes all filters
ALDX	Reproxalap PDUFA Mar 16 for dry eye disease; multiple prior CRLs reduce conviction	PDUFA Mar 16, 2026	CONFIRMED (Merlintrader; BioPharmCatalyst)		Small cap; history of CRLs lowers probability — NOT RECOMMENDED at this time

## 5. PORTFOLIO ACTIONS

**Keep: HDSN** — Thesis intact. Trading below 200-day MA (\$8.39) but above 50-day MA (\$7.22). DLA \$210.4M contract was awarded (Nov 13). Refrigerants Inc. acquisition adds scale. Q4 earnings Mar 11 is next catalyst. \$89.7M cash, zero debt. Buyback active. Canaccord \$10 target (Buy), Craig-Hallum \$9 (Hold). Stop at \$5.90 provides 20% downside buffer — no change warranted.

**Keep: RCKT** — Kresladi PDUFA Mar 28 remains the defining catalyst. Earnings Feb 25 will update cash runway. Prior CRL was CMC-only (manufacturing, not clinical); clinical data is pristine (100% OS, all endpoints met, no treatment-related SAEs). Market cap \$376M fits universe. Analyst consensus Buy with \$30+ average target (though stale). At \$3.27, total position value is only \$49.05 (15.5% of portfolio) — appropriate sizing for binary risk. Stop at \$2.40 provides 27% downside protection. Recommend: tighten stop to \$2.75 after earnings if results are neutral.

**Keep: PESI** — Thesis strengthening. Key developments: (a) Hanford received RECORD \$3.2B FY2026 budget (Jan 15, 2026 — \$200M increase), significantly mitigating DOGE risk; (b) DFLAW began hot commissioning Oct 15, 2025; (c) Management projected \$1-2M/month Hanford revenue starting early 2026; (d) PFAS Gen-2 unit (3x capacity) on track for Q1 2026 commissioning; (e) Treatment segment revenue +45% YoY in Q3 with gross margin improving to 17.3% from 4.5%. Earnings Mar 12-19. Stop at \$13.50 provides 9% buffer from \$14.84 close. Craig-Hallum \$20 target intact.

**Candidate — VNDA Re-Entry:** This is a tactical decision requiring careful consideration. The Bysanti PDUFA (Feb 21) is imminent — only 4 trading days away (Tue Feb 17 through Fri Feb 20). The 505(b)(2) pathway with "no potential review issues identified" suggests approval probability in the 75-85% range. VNDA was stopped out at \$6.75 on Feb 12 after earnings disappointed (Q4 EPS -\$2.39 vs -\$2.18 est, but largely driven by non-cash \$113.7M tax valuation allowance). The stock closed at \$6.23 on Feb 13 — 8% below our exit price.

Arguments FOR re-entry: (1) Original catalyst thesis is unchanged — stop was triggered by earnings reaction, not Bysanti-related news; (2) Approval would likely drive stock to \$9-14 range (analyst targets \$7.50-\$22, median ~\$13.63); (3) 505(b)(2) is among the highest-probability FDA pathways; (4) Entering at \$6.23 provides better risk/reward than our original \$7.85 entry; (5) FY2025 Fanapt sales +24% and NEREUS approval validate commercial execution.

Arguments AGAINST re-entry: (1) Just got stopped out — re-entering in days could indicate lack of discipline; (2) Filed \$200M mixed securities shelf Feb 12 (potential future dilution signal); (3) Cash burn increasing — expects 2026 burn > 2025; (4) Q4 earnings miss creates overhang; (5) Pomerantz Law investigation adds legal risk.

**RECOMMENDATION:** Given the experiment has only 4 weeks remaining and the binary PDUFA catalyst is days away, a SMALL re-entry position in VNDA is justified IF the user accepts the binary risk. Suggested: 10 shares at limit \$6.30 (~\$63), with tight stop at \$5.25 (16% downside). This risks \$10.50 of capital for potential \$30-80 upside on approval. If the user prefers discipline over the stop-out, hold cash.

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## 6. EXACT ORDERS

### Order 1: VNDA Re-Entry (CONDITIONAL — requires user approval of binary risk)

Action:	BUY
Ticker:	VNDA
Shares:	10
Order Type:	LIMIT
Limit Price:	\$6.30
Time in Force:	DAY
Intended Execution:	2026-02-17 (Tuesday — first open session)
Stop Loss:	\$5.25 — Placed 16% below entry; below 52-week support zone of \$5.50; provides clear invalidation level if broader selloff occurs post-PDUFA
Stop Limit:	\$5.15
Special Instructions:	PDUFA is Feb 21 (Saturday) — FDA decision likely by Fri Feb 20. This is an explicit binary event trade. If not filled by Tuesday close, cancel.
Rationale:	505(b)(2) approval probability ~75-85%; risk/reward asymmetric at \$6.30 entry with \$9-14 approval upside vs \$4-5 downside.

## No Other Orders This Week

All existing positions maintain current stops:

- HDSN: Stop \$5.90 (unchanged)
- RCKT: Stop \$2.40 (unchanged — review after Feb 25 earnings)
- PESI: Stop \$13.50 (unchanged)

## 7. RISK AND LIQUIDITY CHECKS

### Position Concentration (Post-Trade, if VNDA order fills)

Ticker	Value	% of Portfolio
HDSN	\$66.60	17.6%
VNDA	\$63.00	16.6%
PESI	\$59.36	15.7%
RCKT	\$49.05	12.9%
Cash	\$77.74	20.5%
<b>Total</b>	<b>\$378.75</b>	<b>Note: portfolio value shown assumes \$63 buy</b>

**Correction:** Cash post-trade = \$140.74 - \$63.00 = \$77.74 (24.6% of \$315.75 equity equivalent). No single position exceeds 22% of total portfolio. Concentration acceptable.

### If VNDA order does NOT fill / user declines:

Ticker	Value	% of Portfolio
HDSN	\$66.60	21.1%
PESI	\$59.36	18.8%
RCKT	\$49.05	15.5%
Cash	\$140.74	44.6%

Cash remains elevated at 44.6%. This is conservative with 4 weeks remaining but appropriate given three binary catalysts (VNDA PDUFA Feb 21, RCKT earnings Feb 25, RCKT PDUFA Mar 28) and two additional earnings events (HDSN Mar 11, PESI Mar 12-19).

### Per-Order Volume Check

VNDA: 10 shares × \$6.30 = \$63.00. VNDA trades ~~1.6M shares/day~~ (\$10M daily dollar volume). Order is 0.0006% of daily volume — negligible market impact.

## **8. MONITORING PLAN**

### **Week of Feb 17–21, 2026**

#### **VNDA (if re-entered):**

- **CRITICAL:** Bysanti PDUFA target action date is Feb 21 (Saturday). FDA decisions typically come during the business week, most commonly Thursday/Friday. Monitor for FDA press releases, Vanda IR announcements, and stock halt notifications starting Tuesday Feb 17.
- Watch for any pre-PDUFA FDA correspondence or advisory committee scheduling (none expected for 505(b)(2)).
- Stop at \$5.25 active immediately upon fill.

#### **RCKT:**

- Earnings release estimated Feb 25 (after market). Watch for: (a) cash runway update — critical for survival to PDUFA; (b) any FDA communication regarding Kresladi BLA review; (c) Danon disease Phase 2 dosing updates.
- Pre-earnings, monitor for any analyst note revisions or insider activity.
- Current stop \$2.40 — consider tightening to \$2.75 post-earnings if results are neutral/positive. If earnings reveal cash crisis or negative FDA signal, evaluate immediate exit.

#### **HDSN:**

- Refrigerant pricing environment — monitor R-410A and R-22 spot prices. Spring cooling season approaching (positive for demand).
- Any DLA contract updates or bid protest resolution news.
- Buyback activity — check for 10b-18 reports.
- Earnings Mar 11 approaching — listen for any pre-announcement or guidance.

#### **PESI:**

- Hanford DFLAW operational updates — any DOE press releases on vitrification plant progress.
- PFAS Gen-2 unit commissioning status (on track for Q1 2026).
- Federal government shutdown risk — continue monitoring appropriations status. Hanford has funding through FY2026 at record levels.
- Any DOE/DOGE-related procurement delays.
- Earnings Mar 12-19 — expect first evidence of DFLAW revenue contribution.

## Macro:

- Fed minutes/communication — watch for rate guidance changes.
  - Small-cap sentiment: IWM (+1.32% last week) and IWO (+1.10%) both showing positive momentum.
  - XBI (-0.26%) underperforming broader indices — biotech sector slightly cautious.
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## 9. THESIS REVIEW SUMMARY

### HDSN — Value Anchor (Conviction: 3/5)

**Forward thesis:** Hold through Q4 earnings (Mar 11). The investment case rests on HFC phasedown tailwinds (AIM Act driving refrigerant prices higher), the confirmed \$210.4M DLA contract, CARB REFRESH pilot participation, and the Refrigerants Inc. acquisition. The \$89.7M cash / zero debt balance sheet provides downside protection. The stock is trading at 14.8x trailing earnings with \$9.50-\$10 analyst targets (28-35% upside). Primary risk: Q4 earnings miss driving below the 50-day MA (\$7.22). The DLA contract overhang from the bid protest has been resolved. The new CEO Kenneth Gaglione provides operational continuity.

**Thesis intact but not accelerating — maintain position and stop.**

### RCKT — Binary Catalyst (Conviction: 3/5)

**Forward thesis:** The next 6 weeks define this position. Earnings Feb 25 will update the financial picture, but the thesis lives or dies on the Kresladi PDUFA Mar 28. The clinical case is about as clean as it gets for gene therapy: 100% overall survival, all endpoints met, no treatment-related SAEs, in a disease that is near-uniformly fatal in childhood. The prior CRL was exclusively CMC-related — a more addressable concern than clinical failure. FDA acceptance of the BLA resubmission itself is a positive signal. Upon approval, the Rare Pediatric Disease PRV (\$100-150M value) would be immediately accretive. At \$3.27, the market is pricing in significant doubt about approval. **If approved: \$5-10+ target range. If rejected: likely sub-\$2.00.** Position sized at \$49.05 (15.5% of portfolio) — appropriate for binary risk. **Thesis unchanged — hold through PDUFA.**

### PESI — Value/Growth Inflection (Conviction: 4/5 — UPGRADED from 3/5)

**Forward thesis: STRENGTHENING.** Three key developments since last review: (1) Hanford received a RECORD \$3.2B FY2026 budget, a \$200M increase, significantly de-risking the DOGE overhang. (2) DFLAW began hot commissioning Oct 15, 2025, and management expects waste receipts by late Q4 2025 or early 2026 — this is the transformative revenue catalyst. (3) PFAS Gen-2 unit (3x capacity) on track for Q1 2026 commissioning. Treatment segment showed 45% YoY revenue growth in Q3 with margin expansion from 4.5% to 17.3%. Insider alignment strong (five insiders bought in 2025 at \$7-9, now sitting on 60-100%+ gains). The Hanford Settlement Agreement provides legal backing for decades of cleanup revenue. Craig-Hallum maintains \$20 target (35% upside). **Primary risk: project delays, which have historically plagued DOE cleanup timelines.** Q4 earnings (Mar 12-19) should provide first concrete evidence of DFLAW revenue contribution. **Upgrading conviction on budget de-risking.**

## VNDA — Tactical Re-Entry Candidate (Conviction: 3/5 if entered)

**Forward thesis:** Bysanti is a 505(b)(2) NDA for bipolar I disorder and schizophrenia, referencing already-approved iloperidone. The FDA filing explicitly noted "no potential review issues identified." FY2025 showed strong Fanapt momentum (+24% sales) and NEREUS approval validates pipeline execution. If Bysanti is approved, it extends exclusivity into the 2040s and expands the psychiatry franchise into the ~\$20B global antipsychotic market. The multi-catalyst pipeline (Bysanti, imidolimab BLA, tradipitant GLP-1 study, VQW-765 for social anxiety) provides ongoing optionality. **Risk: the Q4 earnings miss, widening cash burn, and \$200M shelf filing introduce financing uncertainty. The Pomerantz investigation adds noise. But the Bysanti approval decision is binary and imminent — the stock's current price likely reflects post-earnings weakness more than Bysanti risk.**

### Overall Portfolio Thesis

The portfolio is entering a **catalyst-dense final stretch** with three FDA-related binary events (VNDA Feb 21, RCKT Mar 28) and four earnings catalysts (RCKT Feb 25, HDSN Mar 11, PESI Mar 12-19) in the remaining 4 weeks. The 44.6% cash position provides significant optionality and protection. The PESI thesis is strengthening with the record Hanford budget. The RCKT position is appropriately sized for binary risk. The HDSN position provides stability. The key strategic question is whether to deploy cash into the VNDA PDUFA or preserve it for post-catalyst reallocation.

### Portfolio Performance vs Benchmark:

- Portfolio Equity: \$315.75
- S&P Equivalent: \$355.23
- Tracking deficit: -\$39.48 (-11.1%)
- Annualized Alpha: +1151% (but  $R^2 = 0.054$ , so this metric is statistically unreliable)
- Sharpe Ratio: 2.20 (strong risk-adjusted return)
- Sortino Ratio: 6.13 (excellent downside risk management)

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## 10. CONFIRM CASH AND CONSTRAINTS

**Current Cash Balance:** \$140.74

**Post-Trade Cash (if VNDA fills at \$6.30 × 10):** \$140.74 - \$63.00 = **\$77.74**

**Post-Trade Cash (if no VNDA order):** \$140.74

### Constraint Verification:

- All positions are long-only common stock on NASDAQ
- All positions use full shares (no fractional)

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  - No options, shorting, leverage, margin, or derivatives
  - All holdings under \$500M market cap (HDSN ~\$318M, RCKT ~\$376M, PESI ~\$275M, VNDA ~\$362M)
  - No excluded security types (ETFs, ADRs, etc.)
  - No defence or Israeli-affiliated companies
  - Stop-losses set on all positions
  - Minimum cash buffer maintained (>20% in all scenarios)
  - All catalysts confirmed by ≥2 independent sources
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## APPENDIX: CATALYST CALENDAR (Remaining Experiment Weeks 22–26)

Date	Event	Ticker	Binary?	Impact Est.
Feb 17–20	Bysanti PDUFA window (target Feb 21)	VNDA	YES	High
Feb 25	Q4 Earnings	RCKT	No	Medium
Mar 4/11	Q4 Earnings	HDSN	No	Medium
Mar 12–19	Q4 Earnings	PESI	No	Medium-High
Mar 28	Kresladi PDUFA	RCKT	YES	Very High