

Week 21 micro-cap portfolio analysis: Two binary events in 48 days

The portfolio enters its final stretch with **\$323 in total value across four positions and \$46.21 cash**, facing the experiment's most consequential 7-week stretch. Two confirmed PDUFA dates — VNDA's Bysanti on **February 21** (RTTNews, PR Newswire) and RCKT's Kresladi on **March 28** (CGTLive®, Yahoo Finance) — represent the portfolio's highest-conviction and highest-risk catalysts. The week just ended saw a KOD stop-out (−\$2.32 realized loss, discipline validated) and a PESI initiation at \$15.47. VNDA's Q4 earnings on **February 11** (Tuesday) (Stocktitan) add an immediate catalyst before the PDUFA. RCKT trades dangerously close to its \$2.90 stop. Portfolio-level unrealized P&L stands at approximately **−\$13.44**, with HDSN the only position in the green.

1. Restated rules and experiment parameters

This is a **26-week live micro-cap trading experiment**, now in Week 21 with five weeks remaining. Core constraints: long-only, full shares only, no options/margin/derivatives. All positions require active stop-losses. Eligible securities must list on NYSE, NASDAQ, or NYSE American with market caps under \$500M, prices $\geq \$1.00$, 3-month average daily dollar volume $\geq \$300K$, bid-ask spreads $\leq 2\%$ ($\leq \$0.05$ if price $< \$5$), and float $\geq 5M$ shares. Excluded categories: ETFs, SPACs, ADRs, defense companies, Israeli-affiliated companies. Every catalyst claim requires **two or more independent source confirmations**. Cash tracked to the cent after every trade. Priority focus: balancing upcoming binary catalysts against capital preservation in the experiment's final stretch.

2. Research scope, sources, and timestamps

All market data reflects the **Friday, February 6, 2026 close** (Feb 7 is Saturday; Feb 8 is Sunday). Price data sourced from StockAnalysis.com, Yahoo Finance, Robinhood, TradingView, Morningstar, CNBC, and Investing.com. Catalyst dates confirmed via company IR press releases, SEC 8-K filings, FDA calendars (RTTNews, TipRanks, CatalystAlert.io), BusinessWire/GlobeNewswire, CGTLive, Benzinga, PR Newswire, and Seeking Alpha. Insider trading data from SecForm4.com, TipRanks, GuruFocus, and InsiderTrades.com. Analyst ratings aggregated from StockAnalysis, TipRanks, Public.com, Investing.com, and DefenseWorld. Market context from CNBC, Schwab Weekly Trader's Outlook (Feb 6, 2026), FRED, BioPharma Dive, and BioSpace. All research conducted February 8, 2026.

Data quality note: RCKT's exact Feb 6 close could not be confirmed from a single authoritative source — CNBC shows a "previous close" of \$3.00 (CNBC) while the user's last known was \$3.16. The analysis uses \$3.00 as the conservative estimate, flagged for broker verification Monday morning.

3. Current portfolio assessment

Ticker	Shares	Avg Cost	Current Price	Market Value	Unrealized P&L	P&L %	Stop-Loss	Stop Distance	Market Cap
HDSN	9	\$7.03	\$7.41	\$66.69	+\$3.42	+5.4%	\$5.90	-20.4%	~\$310M
VNDA	14	\$7.85	\$7.45	\$104.30	-\$5.60	-5.1%	\$6.00	-19.5%	~\$438M
RCKT	15	\$3.70	~\$3.00	~\$45.00	-\$10.50	-18.9%	\$2.90	-3.3%	~\$325M
								⚠	
PESI	4	\$15.47	\$15.28	\$61.12	-\$0.76	-1.2%	None	—	~\$283M
							set		
Cash	—	—	—	\$46.21	—	—	—	—	—
Total	—	—	—	\$323.32	-\$13.44	—	—	—	—

Realized loss this week: KOD stopped out at \$21.90 (bought \$23.06 × 2 shares) = **-\$2.32**

Sector allocation: Biotech/pharma 46.3% (VNDA + RCKT), industrial services 19.6% (HDSN + PESI), cash 14.3%. The portfolio is **heavily concentrated in biotech binary events** with 46% of equity value exposed to two PDUFA outcomes within 7 weeks.

4. Catalyst verification and candidate pipeline

Confirmed catalysts (all verified with 2+ independent sources)

Position	Catalyst	Date	Sources	Confidence
VNDA	Q4/FY2025 earnings call	Feb 11, 2026	StockTitan, company IR	✓ Confirmed
VNDA	Bysanti (milsaperidone) PDUFA	Feb 21, 2026	PR Newswire (2x), ManagedHealthcareExec, TipRanks, RTTNews, BeyondSPX, Vanda Corp Pres	✓ Confirmed (7 sources)
RCKT	Q4/FY2025 earnings	~Feb 25–26, 2026	Estimated from multiple sources	⚠ Estimated
HDSN	Q4/FY2025 earnings	Mar 10–11, 2026	TipRanks (confirmed Mar 11), MarketScreener, CNBC	✓ Confirmed

PESI	Q4/FY2025 earnings	Mar 18-19, 2026	TradingView (Mar 19), TradingView Investing.com (Mar 18) Investing.com	Investing.com (Mar 18) Investing.com	<input checked="" type="checkbox"/>	Confirmed
RCKT	Kresladi (marcel) PDUFA	Mar 28, 2026	Rocket IR, BusinessWire, CGTLive, Benzinga, SEC 8-K, Nasdaq		<input checked="" type="checkbox"/>	Confirmed (7 sources)

⚠ **Critical correction:** The user's brief describes Bysanti as "tradipitant for gastroparesis" — this is **incorrect**. Bysanti is **milsaperidone** (an atypical antipsychotic, active metabolite of iloperidone) for **bipolar I disorder and schizophrenia**. [Yahoo Finance +2](#) Tradipitant was separately approved as NEREUS for motion sickness on December 30, 2025. [Investing.com +2](#) The tradipitant gastroparesis program [Drugs.com](#) received a Complete Response Letter (rejection) in September 2024. [Stocktwits](#)

New candidates screened

Ticker	Company	Price	Mkt Cap	Avg \$ Vol	Catalyst	Passes All?	Priority
GEVO	Gevo Inc	\$1.84	\$446M	\$5.3M	Q4 earnings Mar 5; DOE loan; Northland top pick	<input checked="" type="checkbox"/> Yes	#1 — clean tech diversification
FCEL	FuelCell Energy	\$7.10	\$348M	\$18.4M	Q1 FY26 earnings Mar 10; SDCL data center deal	<input checked="" type="checkbox"/> Yes	#2 — clean energy
ETON	Eton Pharma	\$15.17	\$420M	\$2.65M	PDUFA Feb 25 (ET-600)	<input checked="" type="checkbox"/> Yes	#3 — adds biotech concentration

5. Portfolio actions by category

KEEP (with monitoring adjustments)

HDSN — KEEP. The only position in the green at +5.4%. The DLA contract rescission (Jan 30) is a material negative overhang, [GlobeNewswire](#) [TipRanks](#) but the existing contract runs through July 2026, limiting near-term revenue impact. [GlobeNewswire](#) Q4 earnings (~Mar 11) will be seasonally weak (consensus EPS -\$0.03), [TradingView](#) but Q3 was a beat (\$0.27 vs \$0.21 est). [Seeking Alpha](#) [Daily Political](#) The \$5.90 stop provides a comfortable 20.4% buffer. The CARB REFRESH pilot positioning [Hudson Technologies](#) [GlobeNewswire](#) and Refrigerants Inc. acquisition (\$2.5M, Dec 17) [Investing.com](#) [Investing.com](#) support the long-term thesis. Analyst consensus remains constructive: [Public](#) Canaccord Buy/\$10 PT, B. Riley Buy/\$9 PT, [stockanalysis](#) implying **21-35% upside**. Maintain current position and stop-loss.

PEST – KEEP with new stop-loss. Entry thesis is validating: the Richland permit expansion was formally granted January 9, tripling liquid mixed waste capacity (GlobeNewswire) to 1.2M gallons/year (Quiver Quantitative) using existing infrastructure. (StreetInsider) (GlobeNewswire) The Hanford DFLAW ramp is projected to generate **\$1–2M monthly revenue starting early 2026.** (Seeking Alpha) Insider trading is unanimously bullish — CEO, CFO, COO, EVP, and a director all bought in March 2025 at \$7.00–7.35 (insidertrades) (now up 110%+). Craig-Hallum has a \$20 price target (TradingView) (CNN) (+31% upside). Set initial stop-loss at **\$13.50** (stop-limit with \$13.25 limit), positioned below the 50-day MA (\$13.86) with 12.7% buffer from entry. Maximum dollar risk: \$7.88.

HOLD THROUGH CATALYST (with sizing review)

VNDA — HOLD, but reassess after Feb 11 earnings. The Bysanti PDUFA (Feb 21) is the portfolio's largest single event. Approval probability appears **moderately high (estimated 65–80%)** based on: (1) FDA stated "no potential review issues identified" at NDA acceptance, (Yahoo Finance) (PR Newswire) (2) 505(b)(2) pathway leveraging already-approved iloperidone data, (3) demonstrated bioequivalence, (PR Newswire) (4) no Advisory Committee scheduled, (5) 80,000+ patient-year post-marketing safety database. Analyst consensus is Moderate Buy with \$13.63 average PT (+83% upside). (Defense World) HC Wainwright has a \$22 target. (Investing.com) The key risk is the FDA questioning the regulatory logic of approving a branded metabolite of a now-generic drug. **Feb 11 earnings (Tuesday) are an immediate catalyst** (Stocktitan) — watch for NEREUS commercial launch guidance, Bysanti commentary, and cash position update (\$260–290M guided). Short interest rose 23.3% to 2.88M shares, signaling some bearish positioning. (Defense World) At 14 shares and –5.1% unrealized, the risk/reward favors holding through PDUFA if Feb 11 earnings provide no red flags.

RCKT — HOLD but widen stop-loss. The \$2.90 stop is dangerously tight at only ~~\$0.10 (3.3%) below the estimated \$3.00 current price. Normal intraday volatility could trigger a stop-out before the March 28 PDUFA, destroying the entire investment thesis.~~ The position is only 15 shares (\$45 value), meaning the total capital at risk is minimal. Director Elisabeth Bjork's open-market purchase of 10,000 shares at \$3.44 on January 2, 2026 (secform4) is a notable bullish signal. Kresladi's clinical data is exceptional: **100% overall survival at 12 months**, all endpoints met, no treatment-related SAEs. (Yahoo Finance +2) The prior CRL (June 2024) was solely CMC-related, (Managed Healthcare Executive) (Rocketpharma) and the resubmission addressed "limited additional CMC information." (CGTlive®) (Rocketpharma) Cash runway extends to Q2 2027 (~\$222.8M as of Q3 2025, (Rocketpharma) with 30% workforce reduction cutting operating costs ~25%). (Ainvest) (Stocktitan) If approved, a Rare Pediatric Disease Priority Review Voucher (Rocketpharma) worth **\$100–150M** (Seeking Alpha) provides significant non-dilutive capital. (Public) Recommendation: widen stop to **\$2.40** (20% below \$3.00), increasing maximum loss from \$1.50 to \$9.00 but preserving participation in the PDUFA catalyst. The analyst median price target is \$8–10 (167–233% upside) if approved.

NO ACTION

KOD re-entry: Not feasible. KOD trades at ~\$21.90, far exceeding the \$46.21 available cash. Additionally, the stop-out validated the thesis failure. No further analysis warranted.

POTENTIAL INITIATION (cash permitting)

GEVO — Conditional initiate. At \$1.84, approximately 25 shares could be purchased for ~\$46.00, deploying nearly all remaining cash. This provides meaningful non-biotech diversification into sustainable aviation fuel/clean energy. Northland Securities named it a "Top Pick for 2026." (CNN) Revenue beat estimates last quarter (\$42.7M vs \$33.8M). (TradingView) The \$1.5B DOE loan guarantee for a SAF plant is a significant government backing catalyst. Q4 earnings March 5 is the nearest catalyst. (TradingView) However, the stock's proximity to the \$1.00 minimum price floor and high short interest (14.8%) (StockAnalysis) create elevated risk. **Recommendation: Wait.** With two major binary events (VNDA Feb 21, RCKT Mar 28) imminent, preserving the \$46.21 cash buffer provides optionality to average down on existing positions if prices decline or to redeploy capital from any stopped-out positions. The opportunity cost of holding cash for 2–7 weeks is minimal relative to the portfolio management flexibility it provides.

6. Exact orders for the week of February 9–13

#	Action	Ticker	Type	Shares	Price	Stop	Rationale
1	Set stop-loss	PESI	Stop-limit	4	Trigger \$13.50 / sell	—	Below 50-day MA; 12.7% from entry; max risk \$7.88
2	Modify stop-loss	RCKT	Stop-limit	15	Trigger \$2.40 / Limit \$2.25	Was \$2.90	Widen to avoid premature stop-out before Mar 28 PDUFA; max loss increases from \$1.50 to \$9.00
3	Maintain stop	HDSN	Existing stop	9	\$5.90	Unchanged	Adequate 20.4% buffer
4	Maintain stop	VNDA	Existing stop	14	\$6.00	Unchanged	Adequate 19.5% buffer; reassess post-Feb 11 earnings
5	No new buys	—	—	—	—	—	Preserve \$46.21 cash through VNDA/RCKT binary events

Post-order cash balance: \$46.21 (no change — orders are stop-loss adjustments only)

Conditional order (post-Feb 11 VNDA earnings): If VNDA reports materially negative earnings, NEREUS launch delays, or Bysanti review complications, consider tightening the stop from \$6.00 to \$6.75 to protect against a potential double-negative (bad earnings + PDUFA rejection). If earnings are constructive, maintain \$6.00 stop through PDUFA.

7. Risk and liquidity assessment

Maximum drawdown scenario

If all stops trigger simultaneously at modified levels:

Position	Proceeds	Loss from Current
HDSN @ \$5.90	\$53.10	-\$13.59
VNDA @ \$6.00	\$84.00	-\$20.30
RCKT @ \$2.40	\$36.00	-\$9.00
PESI @ \$13.50	\$54.00	-\$7.12
Total	\$227.10	-\$50.01

Adding existing cash (\$46.21), the floor portfolio value would be **\$273.31**, representing a **15.5% drawdown** from the current \$323.32. This is within acceptable risk tolerance for a micro-cap experiment in its final 5 weeks.

Binary event exposure

The **VNDA Bysanti PDUFA (Feb 21)** is the single largest risk event, with \$104.30 in equity exposed to a binary outcome. In the approval scenario, analyst targets suggest the stock could reach \$9–14 (+21% to +88%). In a rejection (CRL) scenario, the stock could decline to \$5–6 based on the loss of the Bysanti revenue stream, though the recent NEREUS approval and imidolimab BLA provide a floor. The \$6.00 stop should limit downside to a \$20.30 maximum loss (6.3% of portfolio), though gap-down risk exists on CRL announcements.

Sector correlation analysis

HDSN (refrigerants/industrial) and PESI (nuclear waste/environmental) are **effectively uncorrelated** with the biotech positions. Both have betas under 1.0 (HDSN 0.91, PESI 0.38). [TradingView](#) [Yahoo Finance](#) VNDA and RCKT are correlated to XBI/biotech sentiment but their specific catalysts (different PDUFA dates, different therapeutic areas) are **idiosyncratic**. The main systemic risk is a broad biotech sector selloff triggered by FDA policy changes under the Makary FDA leadership, NIH funding cuts, or DOGE-related workforce reductions at FDA that could delay reviews.

Liquidity assessment

HDSN and VNDA have adequate daily dollar volume (HDSN ~\$1.6M, VNDA ~~\$6.6M at normal volume~~). ~~RCKT's volume~~ (\$6–8M) is strong. **PESI is the liquidity concern** — average daily dollar volume of ~\$2.0–2.5M with a wide bid-ask spread of \$0.50 (3.3%). For the current 4-share position, this is immaterial, but stop-limit orders (not market stops) are essential to avoid adverse execution during thin trading.

8. Week-ahead monitoring plan (Feb 9–14)

VNDA (HIGHEST PRIORITY):

- **Feb 11 (Tuesday, after market close):** Q4/FY2025 earnings call at 4:30 PM ET. [Stocktitan](#) Monitor: total revenue vs. \$56.3M Q3 run-rate, [PR Newswire](#) NEREUS commercial launch timeline and early prescription data, Bysanti PDUFA commentary (any FDA communication updates), cash position (guided \$260–290M), and 2026 guidance. Pre-market Feb 12 reaction will determine whether to adjust stop-loss before Feb 21 PDUFA.
- Monitor for any FDA pre-PDUFA communications, information requests, or leaked AdCom scheduling (none expected, but would be material).
- Track short interest changes and options market implied volatility for Feb 21 pricing signals.

RCKT:

- Confirm exact Feb 6 closing price via broker Monday morning. If stock closed at or below \$3.00, reassess whether the \$2.40 widened stop is appropriate.
- Watch for any FDA communications or company updates regarding Kresladi BLA review progress.
- Monitor for Q4 earnings date confirmation (estimated Feb 25–26). [CNBC](#)

HDSN:

- Monitor for any DLA bid protest resolution news. The U.S. Court of Federal Claims process is ongoing with no defined timeline. [GlobeNewswire](#) [TipRanks](#)
- Watch for CARB REFRESH pilot program launch announcements (expected "early 2026"). [Hudson Technologies](#)
- Pre-earnings positioning considerations begin ~2 weeks before Mar 10–11 report.

PESI:

- Confirm stop-limit order execution at \$13.50/\$13.25 on Monday.
- Monitor for Hanford DFLAW revenue ramp updates and any DOE contract award announcements from the \$200M+ pipeline. [Investing.com Canada](#)
- Watch for any DOGE-related federal spending cut announcements that could affect DOE cleanup budgets.

MARKET:

- XBI closed ~\$121.52 on Feb 6 (YTD +2.27%). (Yahoo Finance) Russell 2000 at 2,670.34 (+3.6% Friday).
 - (Yahoo Finance) The broad rally into value/cyclicals is a tailwind for HDSN and PESI. (Charles Schwab)
 - Biotech M&A activity remains robust with Big Pharma holding ~\$1 trillion in combined cash (AlphaSense)
 - VNDA's \$438M market cap makes it a plausible acquisition target.
-

9. Thesis review for each holding

HDSN — Thesis intact, with overhang. The original thesis rests on HFC phasedown tailwinds (AIM Act), refrigerant reclamation growth, and DLA contract value. The DLA bid protest (Jan 30) creates genuine uncertainty, but Hudson has been the DLA prime contractor since 2016 and management expressed confidence in ultimate resolution. (TipRanks) The new CEO Kenneth Gaglione (appointed Nov 24) brings operational continuity. (Investing.com) (CNBC) Q3 beat showed the core business is performing (\$74M revenue, +20% YoY). (Hudson Technologies) (FinancialContent) The \$20M buyback program, (Investing.com) (Quiver Quantitative) \$89.7M cash with zero debt, (Quatr) and CARB REFRESH positioning (Hudson Technologies) (GlobeNewswire) all support the hold.

Forward thesis: Hold through Q4 earnings (Mar 11) for potential re-rating if DLA clarity emerges. Analyst targets (\$9–10) offer 21–35% upside. Risk: if DLA permanently awards to a competitor, stock could retest \$5–6 range.

VNDA — Thesis at inflection point. This position was predicated on the Bysanti PDUFA as the primary catalyst. The 505(b)(2) pathway, clean FDA review signal ("no potential review issues identified"), and bioequivalence to already-approved iloperidone support a **65–80% estimated approval probability**.

(PR Newswire) NEREUS approval (Dec 30, 2025) validated Vanda's pipeline execution (Investing.com) and provides a revenue floor. (PR Newswire) The imidolimab BLA submission (Dec 15) for generalized pustular psoriasis (Stocktitan) adds a mid-2026 catalyst. (Stocktitan) Tradipitant for GLP-1-induced nausea (positive Phase 2 data: 50% vomiting reduction) (Stocktitan) is a potentially large long-term opportunity. (Stocktitan) **The key strategic question: is the risk/reward of holding through a binary event justified at –5.1% unrealized?** At current levels, a Bysanti approval could drive the stock to \$9–14 (analyst range), while rejection could send it to \$5–6. The asymmetry favors holding, especially given the multi-catalyst pipeline. Feb 11 earnings will provide the final data point before making a definitive hold-or-trim decision.

RCKT — High-risk, high-reward binary position. The thesis is simple: Kresladi approval on March 28 would be transformative. The clinical data (100% OS, all endpoints met, no treatment-related SAEs in a fatal pediatric disease with no gene therapy alternative) is among the cleanest in gene therapy. (Business Wire +2) The prior CRL was CMC-only, a more addressable concern than clinical failure. (CGTlive®)

(Managed Healthcare Executive) FDA acceptance of the BLA resubmission itself is a positive signal. (Stocktitan) (CGTlive®) **The risk is a third CMC-related rejection**, which would likely send the stock below \$2.00 and raise existential questions about the manufacturing platform. At ~\$45 position value, the total capital at risk is modest. The widened \$2.40 stop provides 20% downside protection while preserving PDUFA optionality. The Rare Pediatric Disease PRV (\$100–150M) would be immediately value-accretive upon approval. (Public +2)

Forward thesis: This is a lottery-type position where the math favors holding — even at 60% approval

probability, the expected value of \$5–10 approval price vs. \$1.50–2.00 CRL price is positive.

PESI — Early-stage position with validating thesis. Entry at \$15.47 captured the stock post-Richland permit expansion (Jan 9) but pre-Hanford DFLAW revenue ramp. The investment thesis centers on an **inflection from unprofitable environmental services company to recurring-revenue beneficiary of multi-decade nuclear waste cleanup**. Management projects \$1–2M monthly Hanford revenue starting early 2026, [Finviz](#) [Seeking Alpha](#) with \$200M+ in contract pipeline decisions expected this year. [Investing.com Canada](#) All five tracked insiders bought stock in 2025 at \$7–9, [insidertrades](#) and are sitting on 70–110% gains — strong alignment. The 0.38 beta makes PESI a genuine portfolio stabilizer amid biotech volatility. [TradingView](#) [defenseworld](#) **Forward thesis: Hold through Q4 earnings (Mar 19) for evidence of revenue inflection. The \$20 Craig-Hallum target offers 31% upside.** Primary risk: DOGE-driven federal spending cuts to DOE cleanup budgets.

10. Cash and constraints confirmation

Item	Value
Cash available	\$46.21
Post-proposed-orders cash	\$46.21 (no buys recommended)
Minimum price constraint	≥\$1.00 ✓ All holdings compliant
Exchange verification	HDSN: NASDAQ ✓ / VNDA: NASDAQ ✓ / RCKT: NASDAQ ✓ / PESI: NASDAQ ✓
Defense exclusion	No holdings in defense sector ✓ (Note: HDSN's DLA contract is logistics/refrigerants, not defense manufacturing)
Stop-losses active	HDSN \$5.90 ✓ / VNDA \$6.00 ✓ / RCKT \$2.40 (modified) / PESI \$13.50 (new)
Market cap compliance	All four positions under \$500M ✓
Margin/options/derivatives	None used ✓
Weeks remaining	5 of 26

Cash deployment decision: The \$46.21 is recommended to remain as cash through at least the VNDA PDUFA (Feb 21). If Bysanti is approved and VNDA rallies, the cash provides dry powder for the next opportunity. If Bysanti is rejected and VNDA stops out at \$6.00, the \$84.00 in proceeds plus existing \$46.21 cash (\$130.21 total) opens significantly more investment flexibility. Making a \$46 investment in GEVO or FCEL before resolving the portfolio's two largest binary events would reduce optionality with minimal expected return

benefit.

Portfolio trajectory: With five weeks remaining, the portfolio's final performance hinges almost entirely on the VNDA (Feb 21) and RCKT (Mar 28) PDUFA outcomes. One approval likely returns the portfolio to positive territory; two approvals could generate a strong finish. Two rejections would crystallize losses but stop-losses limit the downside. HDSN and PESI serve as anchor positions providing stability and their own earnings-driven catalysts in mid-March. The experiment's risk discipline — demonstrated by the KOD stop-out this week — remains the portfolio's most valuable structural feature heading into its most volatile phase.