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Arrowhead Research (Nasdaq/ARWR/Buy/\$2.82)

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1) Arrowhead Research (Nasdaq/ARWR/Buy/\$2.82) – Arrowhead Research announced this morning the initiation of dosing in their Phase 1 clinical trial of ARC-520 for the treatment of chronic hepatitis B virus infection. The objectives of the single-center, randomized, double-blind, placebo-controlled, single-dose escalation, first-in-human study of ARC-520 administered intravenously to healthy adult volunteers in Melbourne, Australia are to determine the safety profile and maximum dose of ARC-520 and evaluate pharmacokinetics. Each dose of the Phase 1 trial will contain 6 subjects and the Company expects the trial to be completed in Q4/2013 with a Phase 2a trial in chronic HBV patients set to begin in 2014. Arrowhead shares have performed well this summer in part due to anticipation of the ARC-520 clinical trials beginning but also due to a considerable amount of positive industry news, including news of a renewed emphasis on the Hep B market by Gilead Sciences (Nasdaq/GILD/Not Rated) as well as a recent analyst day held by fellow RNAi therapeutic developer Alnylam (Nasdaq/ALNY/NR) and positive news released earlier this month on their ongoing Phase 1 trial of ALN TTRsc (subcutaneous injection) for the treatment of TTR-Mediated Amyloidosis. We currently rate ARWR shares a BUY with a 12-18 month price target of \$4. **RMW**

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	# of Companies	% of Total	# of Companies	% of Totals
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Market Perform (Neutral)	3	18%	2	67%
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Total	17	100%	10	59%

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