

*November 4, 2013***Atossa Genetics (Nasdaq/ATOS/Buy/\$2.10)**

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1) **Atossa Genetics (Nasdaq/ATOS/Buy/\$2.10)** – Last Friday afternoon, Atossa Genetics filed an 8-K form with the SEC stating that the Company has scheduled a pre-510(k) submission meeting with the US FDA for Thursday, November 14th, 2013 related to its ForeCYTE Breast Health Test. The purpose of the meeting was stated as “to discuss regulatory pathway and data requirements to support Atossa’s planned Premarket Notification 510(k) Notice submission for the reintroduction of the ForeCYTE Breast Health Test System.” The Company did not provide any more detail related to their voluntary recall of the product, but the timing of the meeting is such that Atossa may be able to provide more information following the FDA meeting at the time of their conference call to discuss third quarter financial results. The Company may also be able to relate more regarding the financial impact of the recall at the time of their third quarter results announcement. Our best estimate of the timeline for re-launch of ForeCYTE would be for the Company to file the 510(k) by the end of this year for review and potential approval by the FDA sometime early in 2014. We currently rate ATOS shares a Buy with a price target of \$8.75. **RMW**

2) **Arrowhead Research (Nasdaq/ARWR/Buy/\$7.10)** – Arrowhead presented new data on ARC-520 demonstrating that intravenous administration of two doses (2 mg/kg and 3 mg/kg) of ARC-520 in a chronically-HBV infected chimpanzee resulted in substantial and sustained reductions in HBV DNA, HBeAg and HBsAg which did not return to baseline until study day 43, 43 and 71, respectively, as well as an increase in serum alanine transaminase (ALT). These new data suggest the effect of a therapeutic immunological flare at later stages of the therapy. The Company had previously not reported data from this study past day 29. The data were presented at the ongoing AASLD Annual Meeting in Washington, DS. We currently rate ARWR shares a Buy with a price target of \$6.50. **RMW**

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