

16:00 12 May 2017

## Ardelyx takes a licking after unconvincing IBS trial results

Wedbush has responded to the near 40% price crash of Ardelyx Inc (NASDAQ:ARDX) by slashing its price target to US\$14 from US\$24.

That still leaves plenty of upside, as Ardelyx's shares currently trade at US\$7.45 after top-line results from its T3MPO-1 trial evaluating its tenapanor treatment for irritable bowel syndrome (IBS) failed to wow.

The broker thinks the drug will still get approved, but it appears not to be as efficacious as Linzess or as well-tolerated as Trulance - two rival, established treatments.

This was only the first constipation-focused IBS trial, and Wedbush said it would await the read-out from the second trial before making a more definitive projection of tenapanor's potential, but its off-the-cuff reaction was to reduce penetration of the IBS constipation market from 18% to 15%, with a more gradual uptake - assuming it makes it to market.

Eight Capital has slashed its price target for software company Redknee Solutions Inc (TSE:RKN) from C\$1.30 to C\$0.75, while its neutral stance comes with a caveat: avoid the stock until there is final visibility on the company's financing plans.

The shares shed 11% today at 75 cents after what the broker termed "lackluster results".

"On the company's conference call, the interim CEO was positive that the company can be turned around, but it will take some time. She also stated that the company will be slow on restructuring until the board selects the financing package it deems best suitable before it initiates its ambitious plan," the broker noted.

Rodman & Renshaw has reiterated its 'buy' recommendation for VolitionRx (NYSEMKT:VNRX) after the cancer diagnostics group's in-line first quarter results yesterday.

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"At the end of March 2017, the company had \$18.5M in cash, which should fund operations into 2018. We estimate the company's quarterly operating cash burn to be \$2.5-3.0M in 2017," the broker said.

The broker observed that the company recently started a study of its Nu.Q triage test in Taiwan, involving 383 subjects.

The trial could be completed in a matter of months and the company aim to submit the test for regulatory approval in Singapore and Taiwan.

"Potential approval in Singapore would allow the test to be marketed in nine other countries in the Association of South-East Asian Nations (ASEAN)," Rodman & Renshaw noted.

Online travel resource Tripadvisor Inc (NASDAQ:TRIP) has got a recommendation from Hilliard Lyons.

The broker has got off the fence and moved to a "long term buy" rating.

Conversely, it has got on the fence in respect of computer games publisher Electronic Arts Inc (NASDAQ:EA), which

had a good run earlier this week following first quarter results.

The broker downgraded the stock to 'neutral' from 'long term buy'.

Sticking with the geeky PC scene, computer graphics chip designer Nvidia Corp (NASDAQ:NVDA) was feeling loved up, as analysts drooled over the company's Tesla Volta server processor architecture.

It seems all you have to do these days to get the market excited is stick the name Tesla in there somewhere.

RBC Capital Markets hiked its price target to US\$150 from US\$138 yesterday afternoon, saying it was now much more confident about the computer chip company's ability to achieve growth in the data-center space.

Canaccord Genuity had also been doing some number crunching following Nvidia's recent sparkling results, and it responded by raising its price target to US\$155 from US\$125.

The shares currently trade at around US\$127 and are fully valued at this price, according to JP Morgan's Harlan Sur.

Vehicle parts maker Visteon Corp (NYSE:VC) was fast away from the grid on Friday as Morgan Stanley upgraded it to 'overweight' from 'equal weight'.

The broker's price target was raised to US\$115 from US\$103, indicating about US\$10 upside.

The upgrade came after impressive first quarter results from Visteon.

Morgan Stanley caught up with events on Visteon's sector peer Delphi Automotive PLC (NYSE:DLPH), raising its target price to US\$80 from US\$60; that's still more than US\$6 below the current trading level.

Apple Inc (NASDAQ:AAPL) has received another target price hike - this time from Goldman Sachs, which expects the tech giant will unveil its first US\$1,000 iPhone in September.

The iPhone maker became the first company to see its market capitalization surpass US\$800bn on Monday after Drexel Hamilton raised its target price to US\$202 a share from US\$185, giving the company an estimated US\$1trn valuation.

Now Goldman Sachs has joined in on the Apple love, lifting its target price to US\$170 from US\$164bn and reiterating a 'buy' rating on the stock.

The bank said Apple's pricier iPhones to be released later this year, including a 128 gigabyte model for at US\$999 and a 256 gigabyte model for US\$1,099, could boost average selling prices and gross margins.

Goldman believes this would "drive meaningful upside" to the stock and raised its 2018 and 2019 earnings estimates to reflect its positive outlook.

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