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## Hedge Funds and Other Investors, Including Armistice Capital, Back Biotech and Entertainment Companies

By Tycoonstory



Multiple research firms raised their target price for global biopharmaceutical company PTC Therapeutics recently — a company that organizations such as Armistice Capital, Vanguard Group Inc. and Janus Henderson Group PLC have invested in.

PTC Therapeutics develops rare disease-related therapies. Its work has focused on treatments for aromatic L-amino acid decarboxylase deficiency, a genetic disorder that affects the brain; Duchenne muscular dystrophy, which occurs when a mutation in the dystrophin gene prevents the cell from making a functional dystrophin protein, and phenylketonuria, an inherited metabolic disease.

In a research note for investors published on Nov. 11, Barclays [increased its target price estimate for PTC Therapeutics](#) from \$31 to \$43, according to MarketBeat.

The Robert W. Baird firm also upped its target share price for the company from \$44 to \$48, giving the stock an outperform rating the previous Friday; Morgan Stanley also raised its target price for PTC Therapeutics in a report issued the same day — increasing it from \$32 to \$45 and labeling the biotech company's stock as having an equal weight rating.

Other entities that have weighed in on the stock in recent months include UBS Group, which gave PTC Therapeutics a buy rating in late August, with a \$47 target share price, MarketBeat said. The quarterly earnings information PTC Therapeutics released on Aug. 8 listed a \$186.70 million revenue for the quarter and \$1.16 earnings per share.

Some of the institutional investors and hedge funds that have made initial purchases of the company's stock or grown their holdings of it include global value-oriented and event-driven hedge fund Armistice Capital, which increased its total number of shares by 2.9% in the second quarter, bringing its total to 6,962,227 shares of PTC Therapeutics.

Vanguard Group Inc.'s share total rose by 6.5% in the first quarter of the year. Vanguard has owns 9,369,014 shares of the company's stock following a purchase of 568,171 more shares.

Cowen AND Company LLC also added more shares in the second quarter — 30,843 — bringing its ownership up to owns 3,756,469 shares of the company's stock.

Janus Henderson Group PLC purchased 1,057,223 shares, bringing its total shares of the biopharmaceutical company's stock to 3,669,816, a more than 40% increase, according to MarketBeat.

Jacobs Levy Equity Management Inc. also grew its ownership of PTC Therapeutics in the first quarter. Its 21.3% increase in shares of the company's stock, achieved by adding 282,422 shares, brought its holdings to 1,605,841 shares.

## An Appetite for Eating-Oriented Stocks



Food-related investments — including packaged goods companies and food service providers — have been another area of institutional investor activity this year.

Companies like Performance Food Group — a [food service](#) distribution provider with more than 150 locations in North America — have garnered attention from investors in recent month.

Norges Bank, for example, owned 1,811,434 shares of the company as of June 30, and Armistice Capital grew its ownership of Performance Food Group by more than 56%, holding a total of 240,887 shares, according to Nasdaq.

Performance Food Group is headquartered in Richmond, Virginia, and provides food and related products to more than 300,000 locations — ranging from independent and chain restaurants to businesses, schools and vending and office coffee service distributors.

Vanguard Group Inc., Geode Capital Management and other investors have also increased their stake in the company, Nasdaq says.

Similarly, some investors have shown an interest in Flowers Foods stock ownership; 75.45% of the company's stock is owned by hedge funds and other institutional investors, MarketBeat reported in June.

In the fourth quarter of 2023, investors like Armistice Capital obtained new positions in the company; Armistice purchased 37,274 shares of Flowers Foods stock, with a value of approximately \$839,000.

Armistice Capital recently added 86,497 shares of the company's stock, for a total of 240,887 shares as of June 30, according to Nasdaq data.

Norges Bank purchased an additional amount of Flowers Foods' stock this year and now owns 1,811,434 shares.

The foodservice industry — including fast food and other restaurants — has also held allure for investors. Armistice Capital, for instance, purchased more than 236,000 shares of the fast-casual burger chain Shake Shack this year. As of the most recent business quarter, the hedge fund held 579,904 shares of the company's stock, according to Nasdaq.

Geode Capital Management also obtained 26,620 more shares of the chain's stock, giving it a total of 876,380 shares, per Nasdaq data; and State Street Corp increased its holdings by 11,302 shares for a total of 1,403,412 shares.

Wasatch Advisors increased its holdings by about 42% with the purchase of 170,851 shares. The investment firm now owns 580,027 shares.

Shake Shack began as a hot dog cart in New York City's Madison Square Park — but now serves premium burgers, crinkle-cut fries, shakes, and frozen custard. The chain has grown to include more than 530 locations in the U.S., London, Hong Kong and Singapore.