

Q4 '22 Biotech Hedge Fund Deeper Analysis

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SUMMARY

- Hedge fund holdings can help you discover new investment ideas
- We added Deep Track to our list of followed hedge funds in Q4, making our total hedge funds followed 36
- In Q4 2022, ISEE, HZNP, and VRNA appear in the Top 20 holdings in 11/36 top life sciences hedge funds
- VRDN and MRTX are in the Top 20 holdings in 10/35 of the funds
- PRME, IMVT, and FULC were newly acquired in 5 funds
- See our [Google Sheet](#) for info on the Top 20 holdings in each hedge fund
- See our new [hedge fund screener](#) to search any ticker across 35 biopharma hedge funds

Q4 2022 13F filings were made available on or just before February 14, 2023. At BPIQ we track quarterly 13F filings for the biopharma-focused hedge funds with substantial holdings in mid-cap biopharma. These not only include some of the largest, best known biotech hedge funds, but all the \$100M or larger mid-cap biopharma funds that we could identify. We identified 36 hedge funds that met this profile. As an aside, if you click the Hedge Fund link in our new app.bpiq.com site you can search for any ticker to instantly find whether any of these funds held that ticker at the end of last quarter (FIG. 1). Accordingly, this quarter we provide data for, and analyzed all 36 funds (See FIG. 1). This includes all 35 funds we focused on for Q3 2022 as well as the additional newly added Deep Track Fund.

Like most biotech investors, most of these funds had a tough year in 2021 (See "[Hedge Funds Suffer Big Losses in Biotech Rout](#)" (The Wall Street Journal 12/6/21)) and likely lost money in the 1st half of 2022, as headwinds from the biotech sector pushed hard against even the most experienced biotech investors. However, biotech's resurgence since mid-June 2022 has probably led to some positive returns for these funds as well. The Quarter over Quarter change in the value of the stocks that are invested in by the funds, shows that many of the funds stock holdings had positive returns in Q4 (FIG. 1).

FIG 1.

Hedge Funds

At BPIQ, we track quarterly 13F filings for some of the largest biotech hedge funds. These filings provide valuable information and let you discover which big investors are holding specific companies, their performance, and other details.

Fund Name	Stocks Held	Market Value	Largest Holding	QoQ Change
BAKER BROS. ADVISORS	113	\$16.65B	Seagen Inc.	9.05%
ORBIMED ADVISORS LLC	116	\$5.227B	SINOVAC BIOTECH LTD	-2.96%
PERCEPTIVE ADVISORS LLC	96	\$3.561B	AMICUS THERAPEUTICS INC	3.35%
EcoR1 Capital, LLC	66	\$3.286B	PROTHENA CORP PLC	-3.03%
RA CAPITAL MANAGEMENT, L.P.	70	\$4.931B	ASCENDIS PHARMA A/S	5.19%
Opaleye Management Inc.	40	\$287.6M	HARROW HEALTH INC	18.77%
NEA Management Company, LLC	57	\$1.779B	COURSERA INC	-11.18%
Redmile Group, LLC	69	\$2.445B	AMICUS THERAPEUTICS INC	-5.17%
Logos Global Management LP	40	\$853.6M	IDEAYA BIOSCIENCES INC	4.94%
Vivo Capital, LLC	48	\$868.5M	Harmony Biosciences Holdings Inc	-4.11%
Casdin Capital, LLC	46	\$1.291B	SAREPTA THERAPEUTICS INC	-15.22%
Frazier Life Sciences Management, L.P.	44	\$1.608B	HILLEVAX INC	23.85%

Check out our subscriber-only [Q3 2022 Biotech Hedge Fund Analysis Google Sheet HERE](#), and our free Q3 2022 Biotech Hedge Fund [blog post HERE](#). Check back because we will be updating our analysis and this article regularly.

Here are our findings thus far:

Top 20 Holdings

We analyzed the Top 20 holdings in all top biotech funds to find which tickers are top holdings of multiple biotech hedge funds (Table 1). We also determined the Top 20 occurrences for these tickers in Q3 to compare. ISEE, VRNA and HZNP are the only holdings in the Top 20 of 11 funds. VRDN and MRTX are the only holdings in the Top 20 of 10 funds. KDNY, MDGL, and SRPT are in the Top 20 in 8 hedge funds. CRNX, COGT, PCVX, RXDX, ARGX, CYTK, ASND, CLDX, SNDX, APLS, SGEN, XENE, DICE, and RYTM are held in the Top 20 of 6 or 7 of the hedge funds at the end of Q4.

Many of the top held tickers this past quarter were also seen in many Top 20s in Q3. See Table 1 for a list of these top held tickers as well as the number of Top 20 hedge funds they were in for Q3 2022.

Then see Tables 2a and 2b for all Top 20s in the 36 Hedge Funds we have analyzed.

Table 1. Top occurrences of companies in Top 20 of Hedge Funds*

Ticker	Top 20 Occurrences at end Q4	Top 20 Occurrences at end Q3
ISEE	11	9
HZNP	11	5
VRNA	11	8
VRDN	10	8
MRTX	10	11
KDNY	8	5
MDGL	8	0
SRPT	8	6
CRNX	7	6
COGT	7	8
PCVX	7	5
RDX	7	7
ARGX	7	6
CYTK	7	6
ASND	7	9
CLDX	6	5
SNDX	6	7
APLS	6	5
SGEN	6	7
XENE	6	0
DICE	6	5
RYTM	6	6
ACET	5	0
RNA	5	0
ANAB	5	0
UTHR	5	5
ALNY	5	5
BIIB	5	8
ALPN	5	5
TERN	5	0
AVTE	5	0
ACRS	5	5
IMVT	5	0
AKRO	5	0
BMRN	5	6
RVM D	5	0
SWTX	5	0
AXSM	5	5
FOLD	5	5

*Note that the Q3 2022 numbers were from 35 followed hedge funds, we added the additional Deep Track hedge fund this quarter

Table 2a. Top 20 stock positions held by biotech hedge funds in Q4 2022**

Ikarian	TCG	Decheng	CHI	RTW	Abingworth	Int'l Bio	Samsara	Bioimpact	Kynam	Octagon	5AM	J&J	Fairmount	DAFNA	Deep Track
MDGL	ISEE	ALPN	RXDX	ALNY	PCVX	HZNP	KDNY	CGEM	HZNP	APLS	CINC	LEGN	AXSM	XBI	IMVT
RXDX	MDGL	ZNTL	PLRX	RXDX	VRNA	SGEN	SRRK	ITOS	NTRA	KDNY	TRDA	CVRX	NUVL	STXS	ISEE
IMVT	COGT	RXDX	VECT	RCKT	VERA	INCY	ACLX	INBX	CLDX	VRNA	VOR	MGTX	VRNA	ASND	JAZZ
KRYS	CBAY	HLTH	RPTX	IMCR	HLVX	ALKS	GRPH	RPTX	SNDX	RCUS	RLYB	FATE	BGNE	KRTX	TVTX
PCVX	GERN	RCUS	CGEM	TMO	ACET	HRMY	VRNA	ISEE	PCVX	MRTX	IDYA	PTGX	VRDN	IBB	ASND
CLDX	SLN	ILMN	LRMR	AXSM	PHAT	QURE	RAIN	QURE	VRDN	CLDX	PEAR	XNCR	NBIX	ISEE	INSM
ESPR	AVTE	ALBO	CMPX	MASI	RPHM	SUPN	ISEE	GERN	UTHR	ISEE	SCPH	PRCT	COGT	XENE	BCYC
BHVN	VRDN	TXG	KZR	PTCT	SIEN	ITCI	NKTX	NLA	VERA	VRDN	CRNX	FUSN	BCRX	BPMC	VRNA
RXDX	VTYX	PACB	KROS	RARE	JSPR	MRTX	STRO	VERV	CNCE	TNDM	RNA	HLTH	ATXS	RVMD	BIIB
HZNP	KALV	BYSI	OMGA	ARGX	SLNO	ILMN	ZYME	RGNX	GSK	AVTE	IRON	ARWR	ARGX	SNDX	SWTX
ATXS	VECT	HZNP	RLYB	MRTX	NCNA	ALNY	ACRS	IOVA	BNR	XBI	ANAB	PNT	TERN	NBIX	KDNY
ALT	ACRS	TERN	IKNA	ESTA	EFTR	KDNY	HLVX	PRVB	APLS	VERA	ARVN	VOR	ANNX	IDYA	SRPT
XBI	KURA	AADI	DTIL	PEN	SPRB	ECEL	RYTM	INSM	AMRN	ITCI	IMPL	ACET	TRM	CYTK	AGEN
XBI	IMVT	MRSN	TSVT	CLDX	PRTK	REGN	PRME	MDGL	LQDA	CBAY	COGT	ALDX	DBVT	DXCM	FDMT
ESPR	TYRA	ACET	ORTX	RNA	CBAY	RARE	PEPG	HRMY	COGT	FDMT	VRDN	NNOX	TYRA	SAGE	HZNP
ISEE	MLTX	EQ	INZY	CYTK	XCUR	TVTX	ICPT	RETA	TVTX	ALPN	ISEE	SLGC	IMRA	EWTX	HZNP
RETA	TRDA	AURA	FRLN	ILMN	AGLE	DYN	DICE	CRNX	WVE	ITOS	PHVS	PHGE		NRIX	DICE
TERN	MRUS	SGEN	CRVS	NTRA	MTEM	SNY	LYRA	TVTX	MRTX	VKTX	JANX	CLSD		ACET	VRDN
BLU	CABA	ARGX	GTHX	VCEL	OBSV	BIIB	CNTA	HOWL	PTGX	RNA	FIXX	TCON		FATE	ETNB
VRNA	ALPN	ATRC	OVD	CUTR		PTCT	JANX	FOLD	OLMA	BBIO	FGEN	SENS		BHVN	BEAM

Table 2b. Top 20 stock positions held by biotech hedge funds in Q4 2022**

Orb	Percep	Ecorf	BB	Logos	Vivo	RA	Opal	NEA	Redmile	Casdin	Frazier	Palo	Sofi	Boxer	BVF	Avoro
SINX	FOLD	PRTA	SGEN	IDYA	HRMY	ASND	HROW	COUR	FOLD	SRPT	HLVX	BMRN	KRTX	RXDX	MLTX	UTHR
UNH	AMLX	SRPT	INCY	APLS	TERN	PCVX	TELA	ACLX	KRYS	BLFS	IMGO	UTHR	NTRA	BGNE	AXSM	HZNP
BMV	MDGL	APLS	BGNE	CYTK	VRDN	AVTE	RYTM	VRNA	AKRO	EQRX	ARQT	FOLD	AVTE	CYTK	RPTX	APLS
BSX	CERE	ANAB	BMRN	IMVT	ALXO	DICE	OCUL	RYTM	REPL	ALNY	KDNY	INSM	ASND	RVMD	KYMR	MDGL
HUM	RXDX	GLPG	ACAD	ALLK	GERN	VRNA	CRNX	BHG	FATE	ILMN	NAMS	BIIB	SNY	MRTX	GHRS	ARGX
BMRN	VRNA	XNCR	ASND	BCYC	IMPL	RYTM	CYTK	NET	ISEE	BPMC	SNDX	PRTA	CINC	SWTX	FDMT	SRPT
ISRG	HZNP	ARVN	MDGL	XENE	VTYX	DAWN	MIRM	XENE	RVMD	PHAT	RVNC	MRK	APLS	CGEM	ASND	
SWTX	MRTX	RVMD	RYTM	ISEE	SINX	VOR	PCVX	ZFOX	CLDX	MXCT	KRYS	STAA	VERA	AMLX	RVMD	BMRN
EWTX	LIAN	MORF	BCRX	KRTX	ALLK	BIIB	BHVN	OYST	PLRX	RLAY	MIRM	ACAD	HZNP	TNGX	PNT	FOLD
SRPT	MDGL	ACAD	IMCR	VRDN	TARS	CTKB	FDMT	CRSP	BEAM	VERV	VRNA	SAGE	VRTX	TYRA	XOMA	ALNY
VRNA	SRPT	SWTX	AKRO	DSGN	PCVX	LEGN	TARA	GLUE	KYMR	DNLI	PCVX	KPTI	AZN	RETA	RLAY	MRTX
SYK	INBX	KURA	REPL	IMCR	ATXS	RNA	TCON	ALLK	LIVN	PLRX	RYTM	ALKS	BMRN	AKRO	CTIC	SGEN
SGEN	ACLX	ZLAB	KOD	SRPT	COGT	WVE	LRMR	IONQ	DCPH	SLGC	ALLK	ALGN	RETA	ITOS	ACRS	XENE
CMPX	ALDX	RLAY	HZNP	ALXO	KDNY	JANX	KALV	CVRX	IGMS	EXAS	ANAB	SNDX	SRPT	SAGE	XENE	ISEE
TMO	XENE	ZYME	ARGX	DYN	VECT	ETNB	ETON	GERN	ARGX	ABCL	TARS	ANAB	CTIC	ANAB	CRNX	KRYS
THRX	CRNX	ALEC	ABCL	AKRO	AVDL	PEPG	EWTX	SVRA	JAZZ	TWST	CRNX	EHTH	INBX	IDYA	RCUS	BCRX
NBIX	BLU	NGM	KYMR	VTYX	CMPX	IMGN	PRQR	GLYC	PEN	MRTX	REPL	VNDA	UTHR	CNTA	KURA	KYMR
KROS	SWTX	ACET	KDNY	ARQT	ACRS	BLU	PHAT	ADAP	ZYME	FATE	COGT	CYTK	ALNY	NUVL	ZYME	DICE
EVH	NUVL	EWTX	TRDA	DICE	LEGN	INBX	XOMA	NN	RGNX	RNA	ALPN	KZR	CYTK	RLAY	MRUS	SNDX
VRTX	IOVA	TNGX	MRTX	MDGL	AMRS	CLDX	CDXS	BGRY	IMGN	TSVT	KALV	PRVB	KDNY	AXSM	IMVT	CBAY

**Tables 2a and 2b are color coded based on the prevalence of the ticker in the hedge funds Top 20s. Darker green colored cells have the highest occurrence (with the darkest green showing 11 occurrences) and lighter yellow colored cells have less occurrences (with the lightest yellow showing 5 occurrences). Refer to Table 1 to see specific numbers of occurrences for each ticker.

We analyzed returns from each of these companies since the end of Q3, the end of Q4, and during Q4 to determine if there was a pattern in returns of these commonly held ticker. See Table 3 for returns from these tickers. Also included in Table 3 is info on the company enterprise value, quarters of cash on hand, and short term investments.

Table 3. Returns from each quarter in Top 20 holdings

Ticker	Move in Q4	Move since end of Q4	Move since end of Q3	Move since end of Q2	Market Cap	Enterprise Value	Institutional Holdings	Quarters Cash on Hand	Short Interest
ISEE	19.34%	-7.10%	10.87%	106.76%	\$2,721,516,000	\$2,229,000,000		9.4	7.74%
HZNP	83.87%	-3.70%	77.07%	37.40%	\$25,036,265,895	\$25,380,000,000	96.89%		1.51%
VRNA	155.68%	-15.15%	116.93%	429.12%	\$1,661,427,810	\$1,476,000,000	71.04%	13.3	0.00%
VRDN	42.42%	11.74%	59.14%	182.11%	\$1,322,557,519	\$1,043,000,000	99.43%	22.6	6.12%
MRTX	-35.12%	3.51%	-32.85%	-30.14%	\$2,724,435,371	\$1,672,000,000		8.3	20.49%
KDNY	33.27%	-15.95%	12.00%	25.90%	\$1,408,612,122	\$1,178,000,000		14.5	5.31%
MDGL	346.61%	1.29%	352.35%	310.70%	\$5,059,295,909	\$4,484,000,000	83.00%	2.9	6.42%
SRPT	17.22%	-5.44%	10.85%	63.46%	\$10,713,860,495	\$10,080,000,000	90.31%	31.6	8.01%
CRNX	-6.82%	9.23%	1.78%	7.18%	\$1,082,666,500	\$713,900,000		14.3	7.49%
COGT	-22.52%	14.62%	-11.19%	46.90%	\$918,399,694	\$713,900,000		10.5	7.29%
PCVX	99.79%	-9.26%	81.29%	99.95%	\$3,441,956,389	\$3,057,000,000	85.93%	9.3	7.12%
RXDX	86.41%	9.43%	103.98%	326.39%	\$5,602,958,539	\$4,894,000,000	75.14%	10	9.39%
ARGX	7.30%	-2.46%	4.66%	-2.48%	\$20,528,931,762	\$17,920,000,000	57.49%		0.00%
CYTK	-5.43%	-3.01%	-8.28%	13.11%	\$4,176,066,131	\$4,025,000,000		14.1	14.64%
ASND	18.27%	-9.11%	7.50%	19.41%	\$6,350,553,481	\$5,997,000,000		7.7	0.00%
CLDX	58.56%	-5.12%	50.44%	56.86%	\$1,994,206,809	\$1,686,000,000		13.4	8.31%
SNDX	5.91%	0.51%	6.45%	32.95%	\$1,742,021,528	\$1,181,000,000	98.67%	139.3	8.16%
APLS	-24.29%	-0.02%	-24.30%	14.33%	\$5,739,974,188	\$5,145,000,000	89.04%	5.8	11.15%
SGEN	-6.08%	26.07%	18.40%	-8.44%	\$29,875,339,738	\$24,440,000,000	91.61%	10.7	2.28%
XENE	9.22%	-2.99%	5.96%	25.74%	\$2,389,806,182	\$1,853,000,000	97.76%	29.5	4.90%
DICE	53.85%	-5.26%	45.76%	90.46%	\$1,396,288,905	\$1,148,000,000	90.34%	17.5	14.52%
RYTM	18.86%	-11.16%	5.59%	523.37%	\$1,452,659,986	\$1,190,000,000		7.7	19.36%
ACET	-37.13%	-10.85%	-43.95%	-45.41%	\$338,096,987	\$95,130,000		28.7	9.94%
RNA	35.88%	8.74%	47.76%	66.07%	\$1,603,357,126	\$893,200,000		13.2	13.05%
ANAB	21.48%	-16.49%	1.45%	27.49%	\$737,800,820	\$314,700,000		20.1	21.06%
UTHR	32.82%	-9.50%	20.20%	6.80%	\$11,460,326,452	\$9,722,000,000			2.82%
ALNY	18.73%	-7.67%	9.62%	50.44%	\$27,047,750,520	\$26,410,000,000	99.87%	16.2	5.09%
BIIB	3.72%	-1.91%	1.74%	33.20%	\$39,100,672,813	\$43,540,000,000	90.00%		1.47%
ALPN	2.08%	11.16%	13.47%	-4.00%	\$376,957,389	\$127,600,000	88.94%	23.9	2.45%
TERN	72.84%	1.96%	76.23%	318.55%	\$498,823,709	\$167,700,000	97.56%	15.4	3.23%
AVTE	76.72%	-9.86%	59.29%	68.97%	\$659,169,847	\$439,300,000		15.3	20.66%
ACRS	0.06%	-17.46%	-17.41%	-6.88%	\$872,216,120	\$656,500,000	99.87%	15.1	4.12%
IMVT	218.10%	0.62%	220.07%	357.95%	\$2,330,088,337	\$1,972,000,000	36.68%	10.5	4.14%
AKRO	60.94%	-18.78%	30.72%	371.01%	\$2,094,054,695	\$1,706,000,000		16	9.63%
BMRN	22.08%	4.12%	27.11%	30.02%	\$19,939,717,922	\$20,080,000,000			3.53%
RVMD	20.79%	5.75%	27.74%	29.25%	\$2,262,389,288	\$1,678,000,000		13	9.30%
SWTX	-8.83%	12.80%	2.84%	19.17%	\$1,844,643,704	\$1,258,000,000		17	29.62%
AXSM	72.86%	-16.52%	44.31%	68.12%	\$2,780,576,971	\$2,567,000,000	64.53%	7.7	21.56%
FOLD	16.95%	5.65%	23.56%	20.11%	\$3,610,145,927	\$3,647,000,000		9.1	7.03%

Returns are current as of 2/16/23

In Q4 the average return from the companies in 5 or more hedge fund Top 20s was 41% and the average return from companies in 6 or more hedge fund Top 20s was 43%. The return from XBI in Q4 was 5%.

[See our forum post](#) after subscribing to see our final table including info on the indication area of these companies, next readouts coming, and if they are BPIQ Big Movers!

New Positions

Next, we analyzed the positions that were newly acquired by these biotech hedge funds in Q4 2022. PRME, IMVT, and FULC were newly acquired in 5 funds. RNA, HZNP, BCAB, VRNA, ACRV, NAMS, IMUX, VECT, and AXSM were newly acquired in 4 funds. See Table 4 for all newly acquired positions in at least 4 funds, and see our [Google Sheet](#) for a breakdown of newly acquired companies by hedge fund.

Table 4. Newly acquired positions by top biotech hedge funds in Q4 2022

New ticker holdings	Occurrences	Market cap
PRME	5	\$1,845,986,734
IMVT	5	\$2,330,088,337
FULC	5	\$784,382,505
RNA	4	\$1,603,357,126
HZNP	4	\$25,036,265,895
BCAB	4	\$169,414,152
VRNA	4	\$1,661,427,810
ACRV	4	
NAMS	4	\$1,075,772,936
IMUX	4	\$87,829,019
VECT	4	\$496,820,179
AXSM	4	\$2,780,576,971

Deeper analysis:

See our [Google Sheet](#) for more info on the Top 20 companies in all 36 hedge funds

Further analysis of hedge funds including look at market cap and clinical trials

- The most widely held stocks were from Phase 3 trials, PDUFA approval decisions or NDA submissions as their latest stage assets (not including approved assets)
- Market caps ranged from ~\$930M-\$30B for companies in the Top 20 of at least 6 funds
- Of the 3 most common newly added companies (PRME, IMVT, and FULC all newly added to 5 funds) IMVT and FULC have Phase 3 trials and the market caps range from \$800M-\$2.3B
- The most common indications in the companies in the most Top 20s are eye diseases, rare/rheumatic diseases, and cancer
- ISEE, HZNP, and VRNA (the tickers held in the most Top 20s) did very well in Q4: ISEE +19%, HZNP +84%, and VRNA +156%. XBI only had a return of 5% in Q4. Unfortunately all three of these tickers have had negative moves since the end of Q4 (see Table 3)
- See Table 3 for all returns in Q4, since the end of Q4, since the end of Q3, and since the end of Q2
- The hedge fund with the most holdings in a single company is Baker Bros which held 36.2% of portfolio in SGEN (moved -6% in Q4 and 27% since the end of Q4)
- The biggest movers since the end of Q4 as of this writing (Feb 16, 2023) and widely held in funds (in at least 5 funds) are: SGEN (27%, in 6 funds), COGT (15%, in 7 funds), SWTX (15%, in 5 funds), and ALPN (14%, in 5 funds).
- In Q4 the biggest movers in the Top 20 of at least 5 funds were MDGL (347%, in 8 funds), IMVT (218%, in 5 funds), VRNA (156%, in 11 funds), and PCVX (100%, in 7 funds).
- The large return from IMVT could have led to the 5 funds adding this company
- Average Q4 return of stocks in 6+ funds: 43%;
- Average Q4 return of stocks in 5+ funds: 41%;
- XBI return in Q4: 5%

This article is NOT legal, investment or tax advice. Please do your own diligence before making any investments.

Article history:

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