

## Young Investors: 3 Biotech Stocks That Can Electrify Your TFSA

### Description

According to a 2017 report from Grand View Research, the global biotechnology market is projected to be worth \$727.1 billion by 2025. This represents a compound annual growth rate (CAGR) of 7.4%. The potential of the biotech market should be a major point of attention, particularly for young investors.

Today we'll look at three stocks in this market. Should you scoop up any or all of these stocks today? Let's dive in.

#### **Zymeworks Inc.** ([TSX:ZYME](#))(NYSE:ZYME)

Zymeworks is a Vancouver-based clinical-stage biopharmaceutical company that specializes in cancer treatment. Shares of Zymeworks have surged over 125% in 2018 as of close on June 21. The stock reached an all-time high of \$30.36 in early June, but has since tapered off. In the beginning of this month, I'd warned investors to be [cautious with this high valuation](#).

Its high valuation aside, the potential of Zymeworks' flagship product – ZW25 – is [worth getting excited about](#). The company recently unveiled more data from its phase 1 clinical trial of the drug. This drug demonstrated a response rate of 36% as a single-agent treatment in HER2-expressing cancers. A more encouraging result saw 68% of overall patients demonstrating a decrease in their target lesions.

Zymeworks hopes to later pair ZW25 with chemotherapies in lines of treatment for HER2-high gastroesophageal and breast cancers. The company has forged partnerships with six major pharmaceuticals including **Merck & Co. Inc.** and **Eli Lilly & Co.** Sales are not expected to materialize for several years, making this a speculative buy with tremendous promise.

#### **Aptose Biosciences Inc.** ([TSX:APS](#))([NASDAQ:APTO](#))

Aptose Biosciences is a Mississauga-based biotech that develops targeted medicines and personalized therapies for cancer treatment. Shares of Aptose have climbed 94.6% in 2018 thus far. The stock is up over 240% year over year.

The company released its first-quarter results on May 10. It posted a net loss of \$6.8 million, or \$0.23 per share compared to a net loss of \$3.3 million or \$0.19 per share in the prior year. Its product CG-806, a pan-FLT3/pan-BTK inhibitor, was demonstrated to kill malignant cells in samples freshly collected from patients.

On June 14 Aptose announced a licensing agreement with South Korea's CrystalGenomics Inc. to sell CG-806 in China, Hong Kong, and Macau. The total deal value in Chinese territory could be worth up to \$125 million.

#### **Resverlogix Corp.** ([TSX:RVX](#))

Resverlogix is a Calgary-based clinical stage cardiovascular company. It is currently developing RVX-

208, a small molecule used for the treatment of atherosclerosis. Atherosclerosis is a disease in which plaque builds up inside the arteries.

On June 14 Resverlogix announced that it had received confirmation from the U.S. Food and Drug Administration that BETonMACE would likely find support for the filing of an approval of a New Drug Application if the Phase 3 study is successful.

There is promise here, but also a gamble on the commercial success or failure of its products.

## **CATEGORY**

1. Investing

## **TICKERS GLOBAL**

1. NASDAQ:ZYME (Zymeworks)

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1. Investing

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