



## 2 Top Biotech Stocks Defying the Bear Market

### Description

Certain [stock market sectors](#) perform well, regardless of whether the market is in a bull or [bear market](#). Biotech is one of these sectors. When you decide to seek medical attention, macroeconomic conditions and investor sentiment play little to no role.

Healthcare demand exists, even in the most difficult economic conditions, even when stock prices plummet.

Making the right choices when investing in biotech stocks is critical. So, what are the best biotech stocks right now on the market? **Vertex Pharmaceuticals** ([NASDAQ:VRTX](#)) and **Axsome Therapeutics** ([NASDAQ:AXSM](#)) are two biotech stocks defying the bear market. Let's look at these two companies in more detail.

### Vertex Pharmaceuticals

Looking for companies with upcoming PDUFA (Prescription Drug User Fee Act) dates is one of my favourite ways to invest in biotech stocks. These are the deadlines for the Food and Drug Administration (FDA) in the United States to approve or reject a New Drug Application (NDA). This allows me to invest before the news and make a quick profit.

Vertex Pharmaceuticals is one such company that I'm keeping an eye on.

ORKAMBI, a drug used to treat specific cases of cystic fibrosis, is a popular product from the company. The drug is already approved for a large number of people, but Vertex intends to expand that number.

The company recently submitted a supplemental NDA to the FDA to broaden the treatment's target population to children aged 12 to 24 months. If the FDA approves the application, the stock could skyrocket, as investors anticipate increased ORKAMBI revenue.

In addition, the company has a robust pipeline of drugs aimed at eight high-value indications, including several rare diseases. Any of these therapeutics could become a blockbuster if approved, which is why the stock is trading like a growth stock in a bear market.

Vertex Pharmaceuticals's current and future prospects are impressive no matter how you slice it. This company is thus an excellent biotech stock for your growth portfolio.

Vertex share price is up 40% year to date and nearly 70% over one year. Over the last five years, the stock has increased by more than 107%.

## Axsome Therapeutics

Axsome is a small biotech company, but don't let that trick you; it could have a blockbuster drug on the market in no time.

The company's lead candidate is AXS-05, which is being developed to treat depression and Alzheimer's disease-related agitation. The drug is also being developed as a smoking-cessation aid.

The company has already filed for approval in the first of these indications: depression. The FDA, however, rejected it, citing two manufacturing flaws. The company is working with the regulatory agency to address these issues and anticipates a positive outcome.

If the drug is approved for all indications, it could become a huge success. Analysts estimate that AXS-05 will generate \$2.6 billion in annual revenue at its peak.

The company's pipeline also includes two more late-stage candidates, one for migraine headaches and the other for the treatment of fibromyalgia. Analysts expect the company to generate an additional \$1 billion to \$1.5 billion in revenue as a result of the two. That's not bad for a company with a market capitalization of less than \$2 billion.

Yes, there are obvious dangers here. These therapeutics may never reach the market, and any investment in Axsome Therapeutics may prove to be a loss.

But that does not appear to be the case. The company has generated a large amount of positive clinical data, and the only reason its NDA was rejected was due to manufacturing inefficiencies that are likely to be easily remedied. So, if you have a healthy appetite for risk, Axsome stock is worth serious consideration.

Axsome shares are up 8% year to date, nearly 4% year on year, and over 720% in the last five years.

### CATEGORY

1. Investing

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1. NASDAQ:AXSM (Axsome Therapeutics Inc.)
2. NASDAQ:VRTX (Vertex Pharmaceuticals Incorporated)

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## **Category**

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## **Date**

2025/06/28

## **Date Created**

2022/10/27

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