Ассоциация Международных Фармацевтических Производителей

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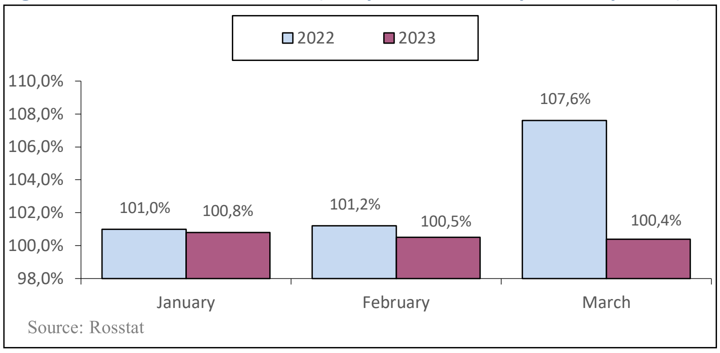
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.4% in March 2023 compared to the previous month, and 101.7% against December 2023.

In March 2023, Industrial Producer Price Index was 102.6% as compared to the previous month, in the month-earlier period it had amounted to 100.9%. The index accounted for 102.6% as against December 2022.

Figure 1. Consumer Price Index (compared with the previous period)



Living standard

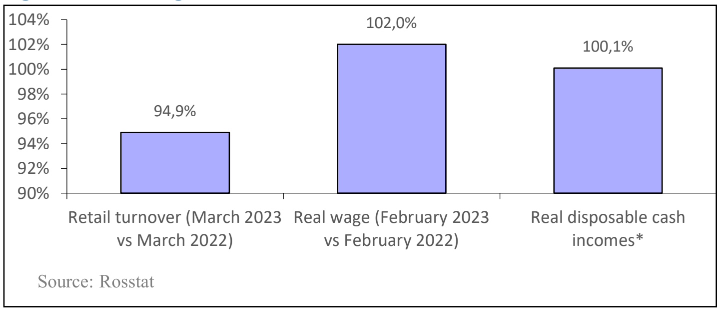
In February of 2023, a gross monthly average wage of corporate employees reached RUB 65,094 (USD 891.70), and accounted for 113.2% as compared to February of 2022, and 101.9% as compared to the previous period. In February 2023, the real gross wage accounted for 102.0% as compared to February 2022, and 101.4% against the prior period.

According to estimates[1], real disposable cash incomes decreased by 100.1% in the first quarter of 2023 as compared to the first half of 2022 (Fig. 2).

Retail turnover

In March 2023, the retail turnover was equal to RUB 3665.9 bil. or 94.9% (in comparable prices) against the respective period of the previous year, in the first quarter of 2023 - RUB 10372.4 bil. or 92.7% (Fig. 2).

Figure 2. Real wage and retail turnover



* In January-March 2023 vs January-March 2022

Industrial Production

According to Federal State Statistics Service's data, in March 2023 Industrial Production Index accounted for 101.2% compared to the same period in the previous year, and 99.1% in January-March 2023.

According to Federal State Statistics Service's data, Industrial Production Index of drugs and medical products in March 2023 accounted for 89.0% compared to the relevant period of 2022 and 86.5% in January-March 2023.

Domestic production

Table 1 provides the top 10 domestic pharmaceutical manufacturers according to their volumes of sales in all segments of the market based on the results for March of 2023.

Table 1. The top ten Russian chemical and pharmaceutical manufacturers by sales in March 2023

Rank	Manufacturer	RUB mil.
1	Otcpharm	3946.4
2	Stada	3816.9
3	Binnopharm	3107.5
4	Pharmstandart	2679.4
5	Biocad	2393.1
6	Servier	2274.3
7	Valenta	2257.6
8	Generium	2020.9
9	Vertex	1913.1
10	Grotex	1888.5

Source: IQVIA

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In February 2023 compared to January, growth in sales (in terms of roubles) was observed in most of the regions. The highest performance was observed in Voronezh Oblast (+10%), the lowest one in Krasnoyarsk Krai (+3%). Four regions showed reduction in sales, with the most perceptible one in Perm (-11%).

Table 2. Pharmacy sales in the regions, 2022-2023

Region	Pharmacy sales, $ mil. (Wholesale prices)			Growth gain, % (RUB)		
	December 2022	January 2023	February 2023	December /November 22	January 23/ December 22	February/January 23
Moscow	301.1	178.9	182.5	23%	-37%	8%
St. Petersburg	133.1	87.0	82.1	37%	-31%	-0.4%
Krasnodar Krai	74.2	59.4	55.8	4%	-15%	-1%
Krasnoyarsk Krai	43.4	30.9	30.1	35%	-25%	3%
Tatarstan	40.9	30.5	30.3	19%	-21%	5%
Rostov Region	47.9	35.1	33.3	27%	-22%	-0.1%
Novosibirsk Region	42.2	27.2	27.9	36%	-32%	8%
Voronezh Region	32.3	22.1	23.0	27%	-28%	10%
Perm	12.4	10.4	8.8	25%	-12%	-11%
Tyumen	15.6	10.6	10.7	33%	-28%	7%

Advertising

The largest advertisers and pharmaceutical brand names highly publicized in mass media (TV, radio, press, outdoor advertising) are shown in Tables 3 & 4.

Table 3. Top five advertisers in mass media in March of 2023

Rank	Company*	Amount of broadcasts
1	Otcpharm	12,977
2	Materia Medica	10,264
3	Evalar	9,238
4	Binnopharm Group	7,870
5	KRKA	4,290

Source - Remedium according to Mediascope's data

Table 4. Top five brands in mass media in March of 2023

Rank	Brand*	Amount of broadcasts
1	Evalar	9,101
2	Rengalin	2,636
3	Pentalgin	2,614
4	Rafamin	2,469
5	Renewal	2,461

Source - Remedium according to Mediascope's data

* Only drugs registered with the National Medicine Register were considered.

[1] Due to switching of Federal State Statistics Service to the updated methodology for calculating real disposable cash incomes of the population, the data are published once a quarter.

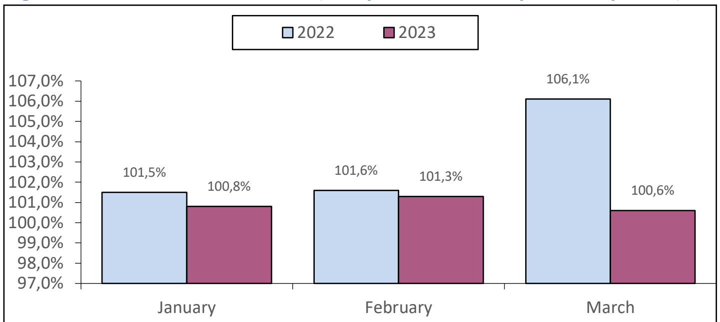
MACROECONOMIC INDICES OF THE REPUBLIC OF BELARUS

Inflation

According to data of the Committee for Statistics of the National Statistical Committee of Belarus, the Consumer Price Index was estimated at 100.6% in March 2023, 102.6% against December 2022. The Consumer Price Index was 109.8% in January-March of 2023 as compared to the first quarter of 2022.

The Industrial Producer Price Index was 100.3% in March 2023 as compared to the previous month, and 101.6% against December 2022. In January-March 2023, the Industrial Producer Price Index was 110.7% as compared to January-March 2022.

Figure 1. Consumer Price Index (compared with the previous period)



Source: National Statistical Committee of Belarus (Belstat)

Living standard

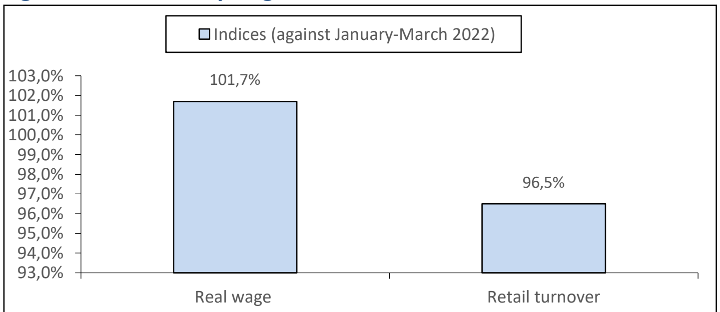
According to the preliminary Belstat's data, in March of 2023 the average monthly nominal accrued wage of the corporate workers of the Republic of Belarus was equal to BYR 1,814.2 (USD 638.31[2]), in the first quarter of 2023 - BYR 1,731.2 (USD 628.38) in January-December 2022, which accounted for 113.5% and 111.7% against the same periods in 2022. In March 2023, the real wage accounted for 107,1% as compared to the same period of 2022, and 101.7% in the first quarter of 2023 (Fig. 2).

According to Belstat's data, the real disposable cash incomes accounted for 98.9% in January-February of 2023 as against January-February 2022.

Retail turnover

In March 2023, the retail turnover was estimated at BYR 6,094.7 mil., which accounted for 117.0% as compared to the previous month and 96.4% as compared to the respective period of 2022. Based on the results for the first quarter of 2023, it amounted to RUB 16,598.5 mil. or 96.5% at comparable prices as compared to the 2022 level. (Fig. 2).

Figure 2. Real monthly wage and retail turnover, 2023



Source: National Statistical Committee of Belarus (Belstat)

Industrial Production

According to the Statistical Committee of the Republic of Belarus, the industrial output by economic activities "Mining industry", "Processing Industry" and "Supply of electricity, gas, steam, hot water and conditioned air" and "Water supply; sewerage, waste management and remediation activities" amounted to BYR 15,818.5 mil. in current prices in March of 2023, BYR 44,151.9 mil. in the first quarter of 2023, or 109.2% and 101.8% in comparable prices as compared to the respective period of 2022.

From May 2022, Belstat's data on production volumes are presented for the whole manufacturing industry, without allocation of smaller groups, including manufacturing of essential medicines and pharmaceuticals.

[2] The official arithmetical average exchange rate to calculate the above indices was taken from the website of the National Bank of the Republic of Belarus www.nbrb.by.

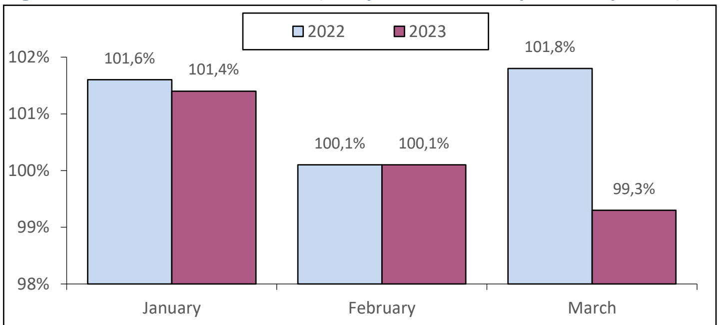
MACROECONOMIC INDICES OF THE REPUBLIC OF ARMENIA

Inflation

According to the National Statistics Committee of the Republic of Armenia, in March 2023 the consumer price index amounted to 99.3% compared to the previous month and 100.8% against December 2022. The Consumer Price Index accounted for 107.2% in January-March of 2023 as compared to the same period in 2022.

The Industrial Producer Price Index was 66.3% in March 2023, as compared to the previous month, and 104.2% against December 2022. In January-March of 2023, the index accounted for 99.6% as compared to 2022.

Figure 1. Consumer Price Index (compared with the previous period)



Source: National Statistics Committee of the Republic of Armenia

Living standard

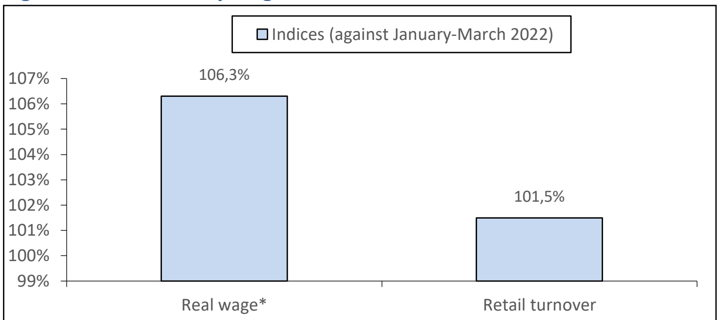
According to the preliminary data of the Statistics Committee of RA, in March 2023 the average monthly nominal wage of the workers of the Republic of Armenia was Dram 284,547 (USD 732), which accounted for 113.8% compared to the previous period and 125.3% compared to the same period of 2022. In January – March of 2023, the average monthly nominal wage per worker was Dram 261,495 (USD 666.08) or 122.9% against January-March of 2022.

The real wage in January-December 2022 (according to the Eurasian Economic Commission) accounted for 106.3% as compared to 2021 (Fig. 2).

Retail turnover

The retail turnover amounted to Dram 131,985.1 mil. in March of 2023, and Dram 365,143.1 mil. in January-March 2023, which accounted for 102.5% and 101.5% as compared to the same period of the previous year, respectively (Fig. 2).

Figure 2. Real monthly wage and retail turnover, 2023



Source: National Statistics Committee of the Republic of Armenia

* Data for January-December 2022

Industrial Production

According to the preliminary data of the Statistics Committee of RA, in March of 2023 the industrial output by economic activities "Mining industry", "Processing Industry" and "Supply (service) of electricity, gas, steam and conditioned air" and "Water supply, sewage water, management and disposal of waste" at current prices amounted to Dram 193,904.1 mil., in the January-March 2023 Dram 556,545.8 mil. or 108,6% and 103,6% respectively against the same periods of 2022.

According to Statistics Committee of the Republic of Armenia, the manufacture of basic pharmaceutical products and drugs was estimated at AMD 879.9 mil. in March of 2023, and AMD 2,757.6 mil. from the beginning of the year, which accounted for 66.9% and 82.4% as compared to the respective periods 2022.

MACROECONOMIC INDICES OF THE REPUBLIC OF KAZAKHSTAN

Inflation

According to the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, in March of 2023 the Consumer Price Index was estimated at 100.9% as compared to the prior month, 103.2% against December 2022. In January-March of 2023, the index reached 120.0% as compared to January-March of 2022.

The Industrial Producer Price Index was 99.3% in March 2023, as compared to the previous month, 97.9% against December 2022. In January-March of 2023, the prices of manufacturers of industrial products increased by 0.9% as compared to 2022.

Figure 1. Consumer Price Index (compared with the previous period)

Source: Bureau of National Statistics of ASPR of the Republic of Kazakhstan

Living standard

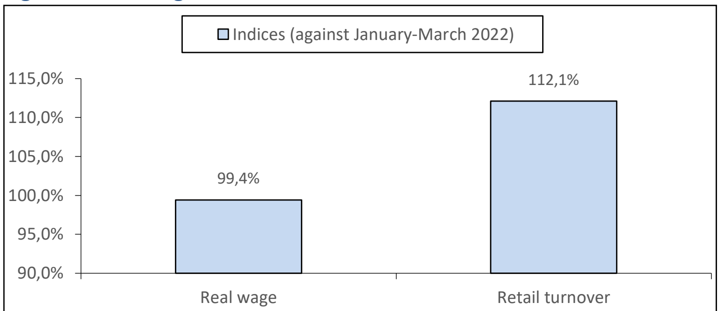
According to the preliminary data of the Bureau of National Statistics of RK, the gross monthly average nominal wage per worker reached KZT 343,594 (USD 763.563) in March 2023, KZT 340,636 (USD 748.77) in the first quarter of 2023. The Nominal Wage Index against the respective period of the previous year accounted for – 118.7% in March 2023, 119.3% in January-March 2023. The real wage index in March 2023 vs March 2022 – 100.5%, in January-March 2023 vs January-March 2021 – 99,4% (Fig. 2).

According to the preliminary data, the real cash income index in January-February 2023 was 98.9% compared to January-March of 2021.

Retail turnover

The retail turnover in March 2023 was KZT 1406,2 bil., which accounted for 111,3% compared to March 2022. In January-March of 2023, it amounted to KZT 3614,5 bil., which was 12.1% more than the indicator of the same period of 2022 (in comparable prices) (Fig. 2).

Figure 2. Real wage index and retail turnover in 2023



Source: Bureau of National Statistics of ASPR of the Republic of Kazakhstan

Industrial Production

According to the Bureau of National Statistics of RK, in March 2023 the industrial output was KZT 4,100.2 bil., in January-March of 2023 – KZT 11,234 bil. As compared to the same period of 2022, the indices accounted for 105.2% and 102.8%, respectively.

According to the Bureau of National Statistics of the RK, the industrial output of essential pharmaceutical products and pharmaceutical drugs amounted to KZT 44,116 mil. in January-March 2023, and KZT 12,325 mil. in March of 2023. In January-March 2023, the Industrial Production Volume Index for Pharmaceuticals was – 108.1% as compared to the same period in 2022, and 91.0% in March 2023 against 2022.

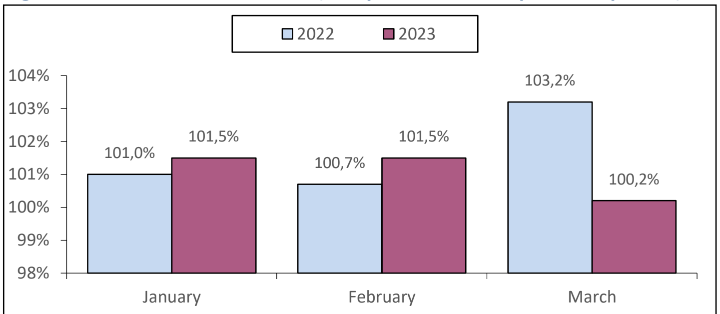
MACROECONOMIC INDICES OF THE KYRGYZ REPUBLIC

Inflation

According to the National Statistics Committee of the Kyrgyz Republic, the Consumer Price Index was estimated at 100.2% in March of 2023 as compared to the previous month, 103.2% against December 2022. In January-March of 2023, the index accounted for 114.7% as compared to the same period in 2022.

In March of 2023, the Producer Price Index for industrial production and services was 101.0% as compared to the previous month, 108.7% against December 2022. Throughout the Republic, in January-March 2023 the prices of producers for industrial products and services increased by 0.4% compared to 2022.

Figure 1. Consumer Price Index (compared with the previous period)



Source: Committee for Statistics of the Kyrgyz Republic

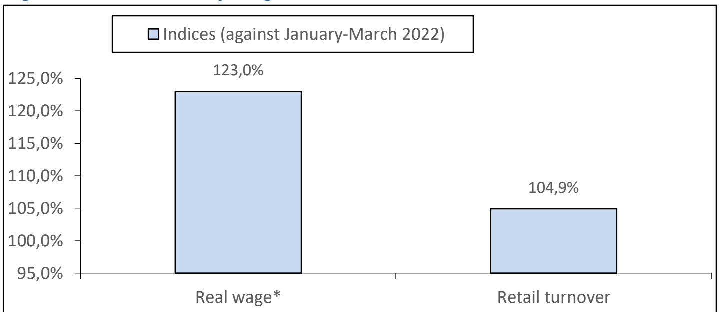
Living standard

According to data of the Committee for Statistics of the Kyrgyz Republic, in February of 2022 the average monthly nominal wage per worker was KGS 30,273 (USD 346.29), in January-February 2023 – KGS 30,093 (USD 348.4), which accounted for 143.4% and 142.4% compared to the relevant period of the previous year, respectively. In January-February 2023, the real wage accounted for 123.0% as compared to January-February of 2022, – 123,4% in February 2023 against February 2022 (Fig. 2).

Retail turnover

In March 2023, the retail turnover (without cars and motorcycles sales) reached KGS 26,891.0 mil, and KGS 70,795.3 mil. in January-March 2022. The Retail Turnover Volume Index accounted for 104.8% and 104.9%, as compared to the same period of the previous year, respectively (Fig.2).

Figure 2. Real monthly wage and retail turnover, 2023



Source: Committee for Statistics of the Kyrgyz Republic

* Data for January-February of 2023

Industrial Production

According to the National Committee for Statistics of the Kyrgyz Republic, in March of 2023 the industrial output was KGS 37,494.3 mil., and in January-March 2023 — KGS 92,530.6 mil. The Physical Index of Industrial Production accounted for 105.0% and 107.6% as compared to the same periods of 2022, respectively.

According to the National Committee for Statistics of the Kyrgyz Republic, the pharmaceutical output amounted to KGS 43.0 mil. in March 2023, and KGS 113.6 mil. from the start of the year. At the end of March 2023, the Physical Index of for Pharmaceuticals was 139.2% as compared to the same period of 2022, 150.8% compared to February, and 119.8% in January-March of 2023 as compared to the same period of 2022.

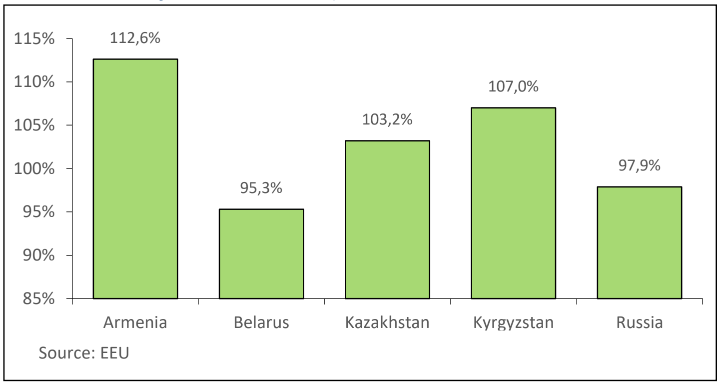
[3] The average exchange rate to calculate the above indices was used from the official website of the National Bank of Kazakhstan www.nationalbank.kz

COMPARATIVE MACROECONOMIC INDICES OF THE EURASIAN ECONOMIC UNION (EAEU)

GDP

According to Eurasian Economic Commission (EAEC), in January-December of 2022 GDP of EAEU member-states reached USD 2569.1 bil. Index of the physical volume of production accounted for 98.4% as compared to 2021. In the analysed period, GDP growth was recorded in three EAEU member-states: in Armenia (+12.6%), Kazakhstan (+3.2%), and Kyrgyzstan (+7.0%). GDP declined in Belarus (+95.3%) and Russia (97.9%) (Fig. 1).

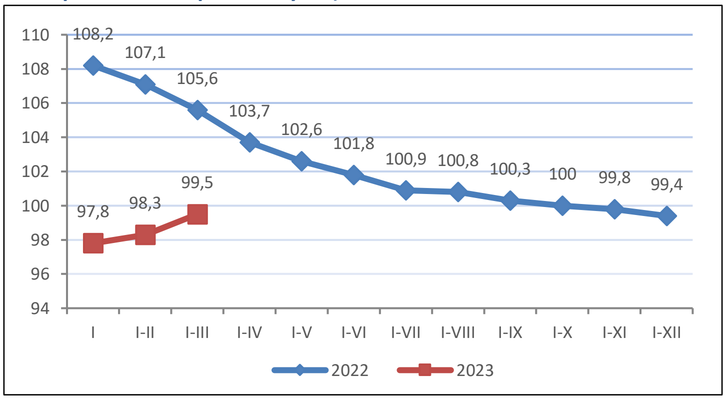
Figure 1. GDP growth in the EAEU member-states (January-December 2022 vs. January-December 2021)



Industrial Production

The industrial output of the EAEU in January-March 2023 was USD 348.2 bil., which accounted for 99.5% vs January-March 2022 (Fig. 2). In individual countries, the Industrial Production Index was 103.6% in Armenia, 101.8% in Belarus, 102.8% in Kazakhstan, 107.6% in Kyrgyzstan and 99.1% in Russia.

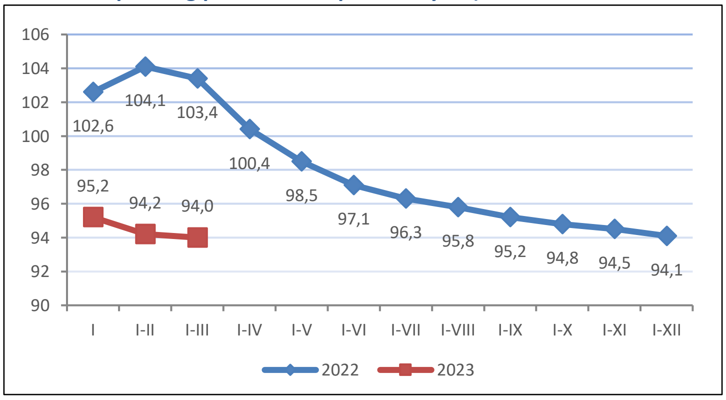
Figure 2. Industrial output indices movement in EAEU (as % over the same period of the previous year)



Retail turnover

According to the EEC, the retail trade turnover (through all sales channels) of EEU member-states in January– March 2023 amounted to USD 158.6 bil., which was 6.0% lower than in January-March of 2022. In the analysed period, an increase in retail trade turnover was observed in Armenia (105.2%), Kazakhstan (112.1%) and Kyrgyzstan (102.1%). Retail sales continued to decline in Belarus (96.5%) and Russia (92.7%).

Figure 3. Retail turnover indices movement in the EAEU (as a percentage over corresponding period of the previous year)



Nominal and real wage

According to the ECE, in 2022 as compared to 2021, the gross monthly average wage increased in all EAEU member-states. The highest growth rates of nominal and real (adjusted for the consumer price index for goods and services) average monthly wage were recorded in Kyrgyzstan (131.8% and 115.7%, respectively) and in Kazakhstan (123.8% and 107.7%).

Table 1. Nominal and real wage in January-December 2022

Country	Real wage, as % of the respective period of 2021	Nominal real wage	
		as % of the respective period of 2021	USD
Armenia	106.3	115.5	541
Belarus	98.2	113.1	622
Kazakhstan	107.7	123.8	669
Kyrgyzstan	115.7	131.8	316
Russia	99.0	112.6	952

Budget implementation

According to the EAC, in 2022 the revenue part of the republican budgets in all EAEU member states demonstrated a high growth (excluding data for the Republic of Belarus). Government's revenue grew by 23% in Armenia, 27% in Kazakhstan, 44% in Kyrgyzstan, 10% in Russia. Due to the excess of expenditures over revenues, the republican budgets of the countries were implemented with a deficit. Compared to last year, the budget deficit in Armenia decreased by 1.8 times, in Kazakhstan - by 5.4%, in Kyrgyzstan it increased by 3.7 times. The Russia fiscal position has moved from surplus to deficit.

The growth rates of the republican budget indicators as compared with the respective period of the last year were as follows: revenues — 123% in Armenia, 127% in Kazakhstan, 144% in Kyrgyzstan and 110% in Russia; expenditures — 112% in Armenia, 122% in Kazakhstan, 148% in Kyrgyzstan, 126 % in Russia.

Table 2. Republican budget in 2022

Country	USD bil.		
	Income	Expenditure	Deficit (surplus)
Armenia	4.7	5.1	-0.4
Belarus	N/A	N/A	N/A
Kazakhstan	35.1	40.2	-5.2
Kyrgyzstan	3.2	3.4	-0.2
Russia	412.5	461.3	-48.8

The Consumer Price Indices of the EAEU member-states in 2023

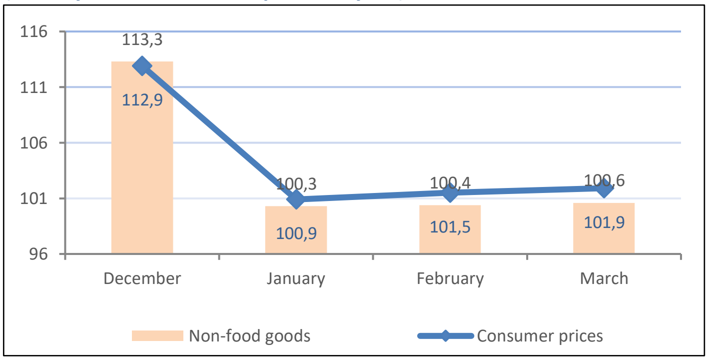
The consumer price index for goods and services throughout EAEU in March 2023 was 101.9% as compared to December 2022, and 100.4% as compared to the previous month of 2023. For January-March 2023 against the same period of 2022, it accounted for 110.1%.

Table 3. The Consumer Price Indices of the EAEU member-states in 2022 (as % by December of the previous year)

Country	December 2022	January	February	March
EAEU	***112.9***	***100.9***	***101.5***	***101.9***
Armenia	108.3	101.4	101.5	100.8
Belarus	112.8	100.8	102.0	102.6
Kazakhstan	120.3	101.1	102.3	103.2
Kyrgyzstan	114.7	101.5	103.0	103.2
Russia	111.9	100.8	101.3	101.7

A significant increase in prices for paid services (2.8%) and for food products (2.5%) was reported throughout the EAEU in March 2023 vs December 2022. Prices for non-food goods over that period increased by 0.6% (Fig. 4).

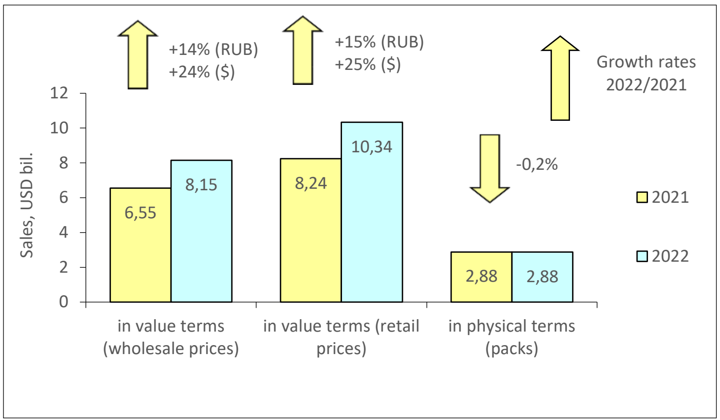
Figure 4. The Consumer Price Indices for goods and services in the EEU (as % by December of the previous year)



PHARMACY OTC MARKET IN RUSSIA: 2022 RESULTS

According to the results of the Retail Audit of Over-the-Counter (OTC) Drugs in Russian Federation™, at year-end 2022 the sales of OTC drugs in physical terms in the pharmacies of Russia showed almost zero growth rates (0.2%) and amounted to 2.875 bil. packs. In money terms, the OTC-segment increased by 14% in rouble terms and by 24% in dollar terms and reached RUB 548.728 bil. (USD 8.152 bil.) in wholesale prices (Fig. 1). The share of Over-the-Counter (OTC) drugs accounted for 59.5% of sales in physical terms and 45.5% in retail prices in terms of roubles. At year-end 2022, the average cost of an OTC pack was USD 3.60 at retail prices, whereas in the year-earlier period its cost was USD 2.86. In the analysed period, Russians spent an average of USD 71.02 on the purchase of OTC drugs in the pharmacies.

Figure 1. Russian OTC pharmacy market in 2021 – 2022.*



According to the results for 2022, OTCPHARM (+5%[4]) and STADA (+17%) continued to demonstrate the largest sales volumes of OTC drugs in the pharmacies of Russia (Table 1). HALEON (+16%) moved up to rank three, shifting to this rank from rank five, and displaced SANOFI (+7%) and BAYER (+1%) down one rank. VALENTA (+30%) and BINNOPHARM (+36%) showing the strongest positive growth rates moved up to ranks eight and nine, respectively. On top of that, the latter became the only newcomer of the top 10 ranking. The less dynamic TEVA (+6%) and JOHNSON&JOHNSON (+2%) kept their previous ranks six and seven, whereas SANDOZ that reduced its sales by 15% moved down to the bottom rank of the top ten ranking. The total share of the top 10 drug manufacturers accounted for 39.6% in 2022, while it was 41.4% in the year-earlier period.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
2022	2021		2022	2021
1	1	OTCPHARM	7.5	8.1
2	2	**STADA**	5.6	5.5
3	5	HALEON	4.2	4.1
4	3	**SANOFI**	4.1	4.3
5	4	**BAYER**	3.7	4.1
6	6	**TEVA**	3.2	3.4
7	7	**JOHNSON & JOHNSON**	3.1	3.4
8	9	VALENTA	3.0	2.7
9	11	BINNOPHARM GROUP	2.9	2.4
10	8	**SANDOZ**	2.4	3.3
Total			39.6	41.4

*AIPM members are in bold

ARBIDOL (-5%) and DETRALEX (+13%) held the top two positions in the top-10 brands ranking (Table 2). Also, PENTALGIN (+15%) and CANEPHRON (+11%) held their previous ranks six and ten. Six brands shifted their positions, three of them managed to move up. INGAVIRIN (+17%) moved up one rank, to number three, the more dynamic THERAFLU (+38%) moved up two ranks, coming in at number five. With a 58% increase in sales, GRAMMIDIN broke into the top ten ranking for the first time, moving up to rank eight. The less dynamic NUROFEN (+8%), CARDIOMAGNYL (+5%) and MIRAMISTIN (+4%) moved down to ranks four, seven and nine, respectively The total share of the top 10 brands reduced from 13.1% to 12.9%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
2022	2021		2022	2021
1	1	ARBIDOL	2.2	2.7
2	2	DETRALEX	1.5	1.5
3	4	INGAVIRIN	1.4	1.4
4	3	NUROFEN	1.4	1.5
5	7	THERAFLU	1.3	1.1
6	6	PENTALGIN	1.1	1.1
7	5	CARDIOMAGNYL	1.1	1.2
8	18	GRAMMIDIN	1.0	0.7
9	8	MIRAMISTIN	1.0	1.1
10	10	CANEPHRON	0.9	0.9
Total			12.9	13.1

One newcomer also broke into the top 10 INN and group names ranking: the most dynamic among the top-ten ranking composition PARACETAMOL*ASCORBIC ACID* PHENIRAMINE*PHENYLEPHRINE (+38%) moved up to rank ten from 17 (Table 3). In addition to it, due to the outstripping growth rates, two more members of the top ten were able to improve their positions. These were INN XYLOMETAZOLINE (+21%), which headed it, as well as the combination MAGNESIUM*PYRIDOXINE (+17%), which moved up to rank eight. The markets of DIOSMIN* HESPERIDIN (+19%), IBUPROFEN (+20%) and IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+17%) developed at a high pace and held their previous ranks three, four and six, respectively. The less dynamic PANCREATIN (+8%) also remained at the previous rank five, while UMIFENOVIR (-1%) and INTERFERON ALFA-2B (-2%), which reduced sales, moved down to ranks two and nine, respectively. The total share of the top-10 reduced from 18.6% to 18.4%.

Table 3. The top 10 INNs and grouping names by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
2022	2021		2022	2021
1	2	XYLOMETAZOLINE	3.2	3.0
2	1	UMIFENOVIR	2.6	3.0
3	3	DIOSMIN*HESPERIDIN	2.4	2.3
4	4	IBUPROFEN	2.3	2.2
5	5	PANCREATIN	1.9	2.0
6	6	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.4	1.4
7	8	ACETYLSALICYLIC ACID*MAGNESIUM	1.2	1.3
8	10	MAGNESIUM*PYRIDOXINE	1.2	1.1
9	7	INTERFERON ALFA-2B	1.1	1.3
10	17	PARACETAMOL*ASCORBIC ACID* PHENIRAMINE*PHENYLEPHRINE	1.1	0.9
Total			18.4	18.6

N02 Analgesics (+25%) that moved up to rank one from two, displacing J05 Antivirals for systemic use (+13%), became the bestselling group among the OTC-drugs based on the results for the year (Table 4). The groups R05 Cough and cold preparations (+22%), R01 Nasal preparations (+22%) and M01 Anti-inflammatory and antirheumatic products (+19%) improved their positions by one rank, coming in at numbers three, four and eight, respectively. The most dynamic group R02 Throat preparations (+43%) moved up to rank seven from ten. At the same time, C05 Vasoprotectives (+14%), L03 Immunostimulants (+4%) and A11 Vitamins (+6%) moved two ranks down, coming in at numbers five and two bottom ranks. The group A07 Antidiarrheals (+7%) held its previous rank six in the top ten ranking. In total, the top ten ATC groups accounted for 50.0% of the market, which was 1.2 p.p. more than in the year-earlier period.

Table 4. The top ten ATC groups by pharmacy sales

Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
2022	2021			2022	2021
1	2	N02	ANALGESICS	6.4	5.8
2	1	J05	ANTIVIRALS FOR SYSTEMIC USE	6.3	6.4
3	4	R05	COUGH AND COLD PREPARATIONS	5.9	5.6
4	5	R01	NASAL PREPARATIONS	5.8	5.4
5	3	C05	VASOPROTECTIVES	5.6	5.6
6	6	A07	ANTIDIARRHEALS, INTESTINAL ANTIINFLAMMATORY/ANTIINFECTIVE AGENTS	4.6	4.9
7	10	R02	THROAT PREPARATIONS	4.1	3.3
8	9	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	3.9	3.7
9	7	L03	IMMUNOSTIMULANTS	3.8	4.2
10	8	A11	VITAMINS	3.6	3.8
Total				50.0	48.8

Conclusion. At year-end 2022, the OTC retail pharmacy market of Russia brought in RUB 695.372 bil. (USD 10.338 bil), At the same time, the market behaviour remained positive both in rouble (+15%) and dollar (+25%) terms. In pack terms, the market didn't virtually change (-0.2%) and achieved 2.875 mil. packs. The average cost of OTC-pack in the Russian pharmacies based on the results for 2022 was USD 3.60, which was higher than that in a year earlier period (USD 2.86). The average expenses of the Russian Federation residents for purchase of OTC drugs in the pharmacies in the analysed period increased as well: USD 71.02 vs. USD 56.38.

* Here and elsewhere IQVIA's data are used

[4] Hereinafter unless otherwise stated, growth gains are estimated in terms of roubles.

PRICE ANALYSIS, 1 quarter 2023. KEY INDICATORS

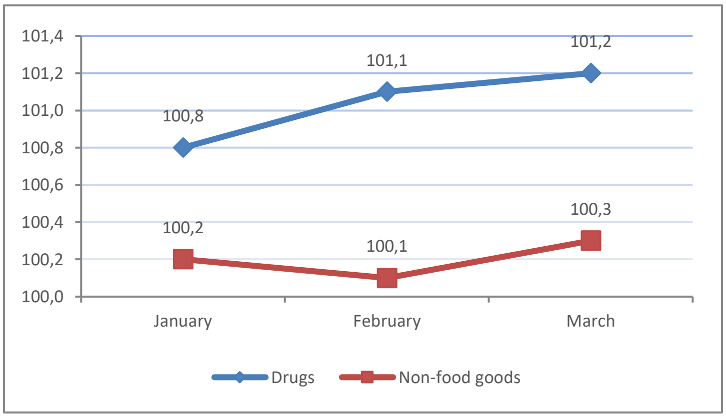
Price Indices

Table 1. Inflation rates in the Russian Federation in December 2023

	March 2023 vs December 2022	March-January 2023 vs March-January 2022
CPI	101.7	108.6
CPI for non-food products	100.3	
CPI for medications	101.2	107.5

Rosstat data

Figure 1. Movement of the price index for non-food items and drugs vs. December 2022



Rosstat data

Indicators of movement of prices and retail margins (according to retail audit data)

Figure 2. Movement of weighted average prices and retail margins in 1 Q 2022 -1 Q 2023*

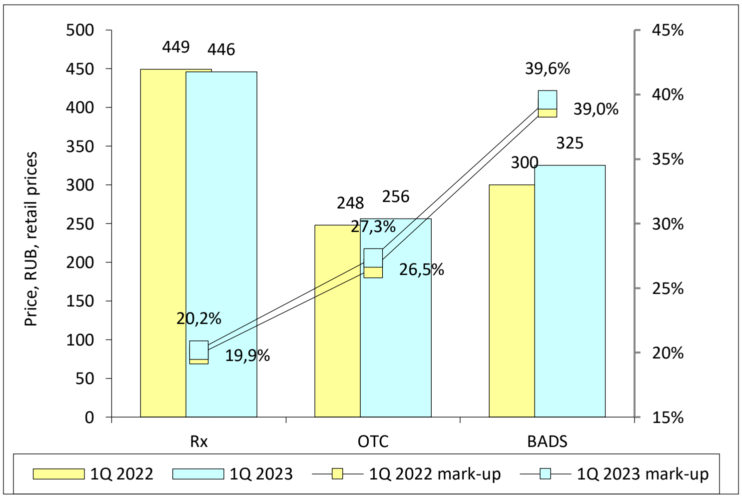


Figure 3. Movement of weighted average prices and retail margins in 1 Q 2022 -1 Q 2023

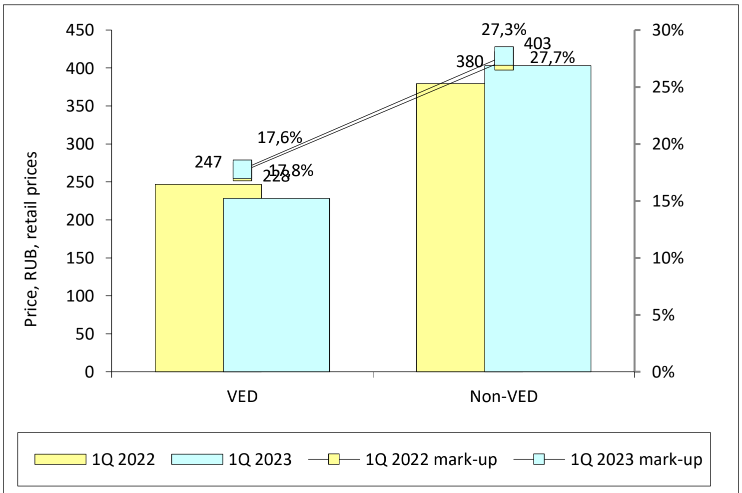
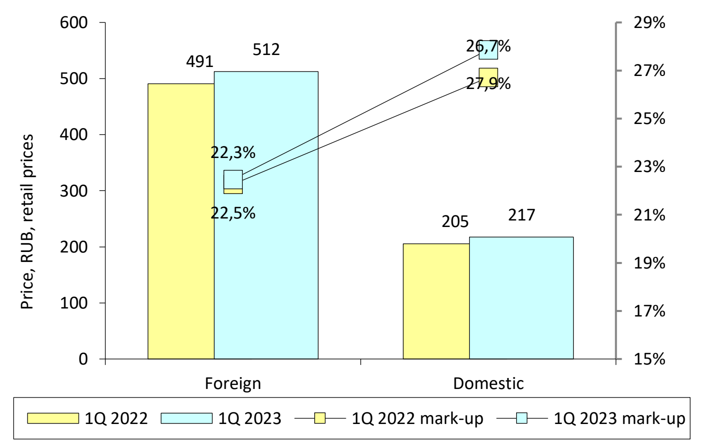


Figure 4. Movement of weighted average prices and retail margins in 1 Q 2022 -1 Q 2023



Indicators of price movement in the reimbursable market segment

Figure 5. Movement of weighted average purchase prices in 1 Q 2022 -1 Q 2023

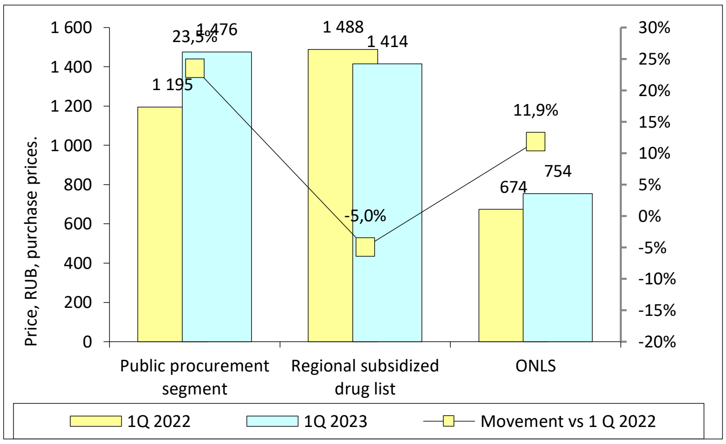


Figure 6. Movement of weighted average purchase prices for domestic drugs in 1Q 2022 -1Q 2023

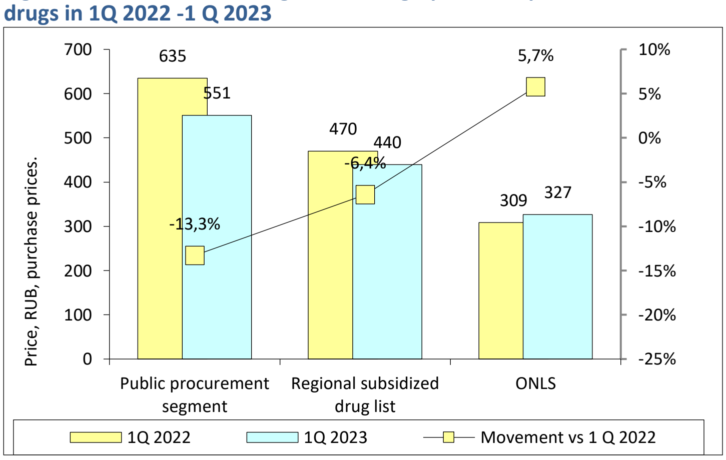
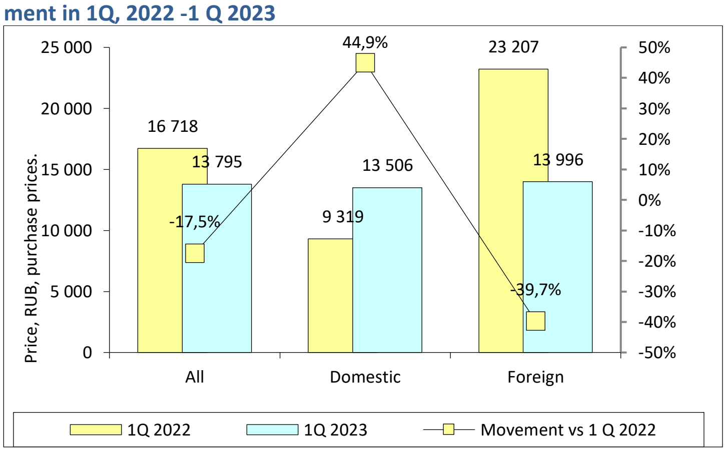


Figure 7 Movement of weighted average purchase prices in the VZN segment in 1Q, 2022 -1 Q 2023

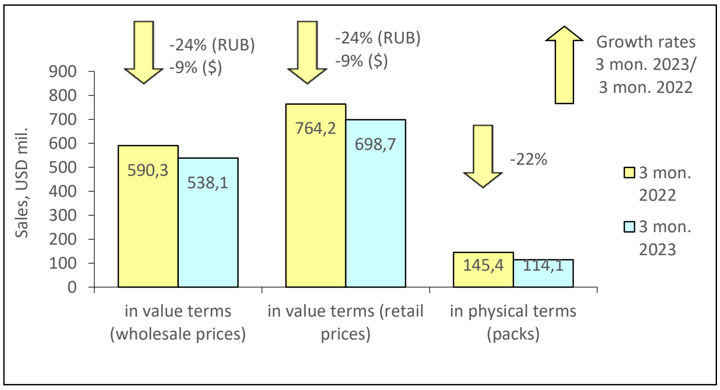


* Here and elsewhere IQVIA's data are used

MOSCOW CITY PHARMACY MARKET: 2023 FIRST THREE MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2023 Moscow's estimated population amounted to 13.104 mil., which accounted for 8.9% of the total Russian Federation population and 32.6% of the Central Federal District (CFD). According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, in January-March 2023, the Moscow pharmacies sold 114.108 mil. FPP packs, which was 22% less than the sales indicator of the same period in 2022. In money terms, the market also showed negative growth rates both in rouble (-24%) terms and in dollar terms (-9%), and amounted to RUB 39.301 bil. (USD 538.131 mil.) in wholesale prices (Fig. 1). The region market share accounted for 12.9% of the Russian pharmacy retail sales. At the end of 2015, the average cost of a finished pharma product (FPP) pack in the Moscow pharmacies was USD 6.12 vs. USD 5.26 in the year earlier period. For three months of 2023, the average amount spent by Moscow residents of the city for drugs in the pharmacies amounted to USD 53.32.

Figure 1. Moscow pharmacy market for 3 months of 2022 – 3 months of 2023*



Just as the regional market as a whole, all of the top 10 leading manufacturers in the Moscow retail market showed negative growth rates based on the results for the first quarter of 2023 (Table 1) BAYER (-44%) that retained its leadership, as well as SANOFI (-33%), SERVIER (-40%), BERLIN-CHEMIE / MENARINI (-38%) and OTCPHARM (-47%) reduced sales significantly more than the market as a whole, and moved down to ranks three, six, eight and last, respectively. At the same time, despite the negative growth rates, four drug manufacturers rose in the ranks. STADA (-23%) and TEVA (-13%) moved up to ranks two and five, and the newcomers HALEON (-19%) and JOHNSON & JOHNSON (-24%) broke into the ranks of the top ten ranking for the first time, coming in at numbers seven and nine. ABBOTT that reduced sales by 29% kept its previous rank five. In total, the top ten ATC groups accumulated 30.6% of the market, whereas in the year-earlier period they did by 4 p.p. more.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	**BAYER**	4.4	6.1
2	4	**STADA**	3.5	3.5
3	2	**SANOFI**	3.5	4.0
4	8	**TEVA**	3.3	2.9
5	5	**ABBOTT**	3.2	3.4
6	3	**SERVIER**	3.0	3.7
7	11	HALEON	2.5	2.4
8	7	**BERLIN-CHEMIE/MENARINI**	2.5	3.0
9	12	**JOHNSON & JOHNSON**	2.3	2.3
10	6	OTCPHARM	2.3	3.3
Total			30.6	34.6

*AIPM members are in bold

Two from top ten brands showed positive growth rates (Table 2). GRAMMIDIN (+21%) and OTRIVIN (+10%) broke into the top ten ranking, moving up to ranks five and eight. Another two newcomers HEPTRAL and MAGNE B6 moved up to ranks six and nine, despite the reduction in sales by 27% and 7%, respectively. Another three of the top ten brands managed to improve their positions. NUROFEN (-9%) moved up to rank two from six, INGAVIRIN (-28%) moved up to rank four from five, and THERAFLU (-32%) - from rank eight to six. DETRALEX (-41%) and MIRAMISTIN reduced sales by more than 40% and moved down to ranks three and the last one. The anti-thrombotic agent XARELTO held its leading position in the top ten ranking, though its sales reduced by 64% in the analysed ranking In total, the top-ten brands accumulated 7.0 % of sales, 8.0% in the year-earlier period.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	XARELTO	1.0	2.1
2	6	NUROFEN	0.9	0.8
3	2	DETRALEX	0.8	1.0
4	5	INGAVIRIN	0.8	0.8
5	19	GRAMMIDIN	0.7	0.4
6	8	THERAFLU	0.6	0.7
7	11	HEPTRAL	0.6	0.6
8	21	OTRIVIN	0.6	0.4
9	20	MAGNE B6	0.5	0.4
10	7	MIRAMISTIN	0.5	0.7
Total			7.0	8.0

Following the respective brand, INN RIVAROXABAN reduced sales by 64%, which resulted in the loss of five ranks - INN moved down from rank one to six (Table 3). ROSUVASTATIN that reduced sales by 43% also moved to the lower rank five from two. XYLOMETAZOLINE (-2%) and IBUPROFEN (-4%) moved up to the first positions from four and five, and the composition DIOSMIN* HESPERIDIN (-34%) continued to hold rank three. In addition to the leaders, HYALURONIC ACID (-5%), PANCREATIN (-20%) and MOMETASONE (+19%) also demonstrated the rating progress, moving up to ranks four, seven and nine. On top of that, the latter broke into the ranks of the top 10 ranking for the first time. INNs NIMESULIDE (-22%) and IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-28%) held their previous ranks eight and ten. The cumulative share of the top 10 under review decreased from 11.0% to 10.6%.

Table 3. The top 10 INNs and grouping names by pharmacy sales

Rank in the top ten		INN/Grouping name	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	4	XYLOMETAZOLINE	1.7	1.3
2	5	IBUPROFEN	1.2	0.9
3	3	DIOSMIN*HESPERIDIN	1.1	1.3
4	7	HYALURONIC ACID	1.1	0.9
5	2	ROSUVASTATIN	1.1	1.5
6	1	RIVAROXABAN	1.0	2.1
7	9	PANCREATIN	0.9	0.9
8	8	NIMESULIDE	0.9	0.9
9	22	MOMETASONE	0.8	0.5
10	10	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.8	0.8
Total			10.6	11.0

R01 Nasal preparations (+5%) and M01 Anti-inflammatory and antirheumatic drugs (-16%) moved up to the leading positions in the regional ATC groups rating (Table 4). It should be noted that the first group showed positive growth rates, while the second one reduced them. In addition to the leader, the market of another top ten ATC group developed at a positive pace. J01 Antibacterials for systemic use (+26%) moved up from rank 21 to eight and became one of two newcomers. The second newcomer A07 Antidiarrheals (-18%) rounded out the top 10 ranking. Also, N06 Psychoanaleptics (-22%), N02 Analgesics (-19%) and C05 Vasoprotectives (-21%) moved up to ranks four, six and nine. Three groups with a pronounced drop in sales, C09 Agents acting on the renin-angiotensin system (-47%), J05 Antivirals for systemic use (-51%) and G03 Sex hormones (-36%), moved down to ranks three, five and seven, respectively. The total share of the top 10 ATC groups reduced by 0.5 p.p. to 35.2%.

Table 4. The top ten ATC groups by pharmacy sales

Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022			3 mon. 2023	3 mon. 2022
1	7	R01	NASAL PREPARATIONS	4.8	3.5
2	5	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.2	3.8
3	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.0	5.7
4	6	N06	PSYCHOANALEPTICS	3.6	3.5
5	2	J05	ANTIVIRALS FOR SYSTEMIC USE	3.3	5.1
6	9	N02	ANALGESICS	3.2	3.0
7	4	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.2	3.8
8	21	J01	ANTIBACTERIALS FOR SYST USE	3.0	1.8
9	10	C05	VASOPROTECTIVES	3.0	2.9
10	11	A07	ANTIDIARRHEALS, INTESTINAL ANTI-INFLAMMATORY/ANTIINFECTIVE AGENTS	2.9	2.6
Total				35.2	35.7

Conclusion. In three months of 2023, the Moscow pharmacies sold drugs worth of RUB 51.022 bil. (USD 698.730 mil.), which was 24% less in terms of roubles and 9% in terms of dollars as compared to the figure for the same period in 2022. In pack terms, the market reduced by 22% and amounted to 114.108 mil. packs. The average cost of OTC pack in the city pharmacies based on the results for the first quarter of 2023 was USD 6.12 which was more than the 2022 figure (USE 5.26), and the national average (USD 4.51). The average expenses of the regional residents for the purchase of drugs in pharmacies were higher than national average (USD 53.32 vs. USD 37.04).

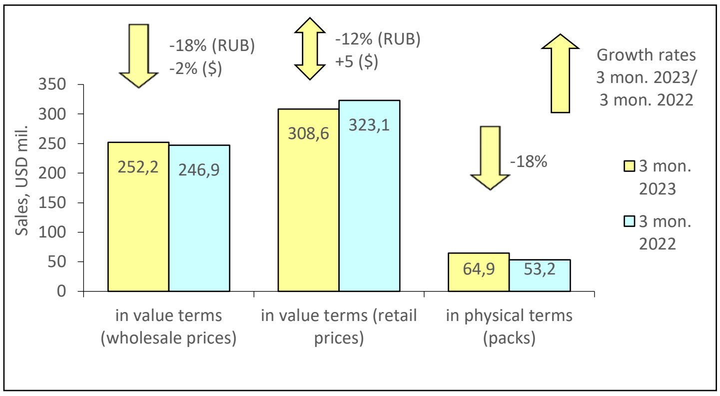
* Here and elsewhere IQVIA's data are used

SAINT PETERSBURG PHARMACY MARKET: 2023 FIRST THREE MONTHS RESULTS

According to Federal State Statistics Service, St. Petersburg's population as of January 1, 2023 was estimated at 5.600 mil., which accounted for 3.8% of the total Russian Federation population and 40.4% of North West FD (NWFD).

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™, at the end of January-March of 2023 the sales of drugs in physical terms in St. Petersburg saw a 18% increase to 53.249 mil. packs as compared to the same period of 2022. In value terms, the market saw a 18% decrease in terms of roubles and 2% in terms of dollars. At the same time, the volume of the market achieved RUB 18.021 bil. (USD 246.928 mil.) in wholesale prices (Fig. 1). The regional market share accounted for 6.0% of the Russian pharmacy sales (in terms of roubles). In the first quarter of 2023, the average cost of a pack in retail prices was USD 6.07, in the year-earlier period it was USD 4.75. For 3 months of 20223, the average amount spent by residents of the city for drugs in the pharmacies amounted to USD 57.70.

Figure 1. St. Petersburg pharmacy market 3 months 2022 – 3 months 2023*



BAYER (-31%) and SERVIER (-26%) retained its leadership in terms of pharmacy sales among the manufacturers on the regional market based on the results for the first quarter of 2023 (Table 1). In addition to them, SANOFI (-25%) held its previous rank six in the top ten. The remaining manufacturers from the top 10 drug ranking shifted their ranks; moreover, five of them improved them. ABBOTT (-24%), STADA (-22%) and TEVA (-20%) moved one rank up, coming in at numbers three, four and seven. The newcomers HALEON (-12%) and GEDEON RICHTER (-9%) broke into the ranks of the top ten, moving up to the bottom two ranks. At the same time, KRKA (-28%) and OTCPHARM (-37%) moved down to ranks five and eight, respectively. The total share of the top 10 drug manufacturers reduced by 3 p.p. to 32.1%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	**BAYER**	4.9	5.8
2	2	**SERVIER**	3.5	3.9
3	4	**ABBOTT**	3.4	3.7
4	5	**STADA**	3.4	3.6
5	3	**KRKA**	3.2	3.7
6	6	**SANOFI**	3.2	3.5
7	8	**TEVA**	3.1	3.2
8	7	OTCPHARM	2.6	3.4
9	11	HALEON	2.4	2.2
10	14	GEDEON RICHTER	2.3	2.1
Total			32.1	35.1

*AIPM members are in bold

Despite significant drop in sales, the anti-thrombotic agents XARELTO (-45%) and ELIQUIS (-56%) remained the leaders of the retail sales in the regional market (Table 2). They were followed by NUROFEN (-29%), THERAFLU (-21%) and DETRALEX (-25%), which improved their positions. The brands rounding out the top ten also rose in the ranks. EPTRAL (-22%) moved up one rank, to number seven, and the newcomers GRAMMIDIN (+23%), EDARBI (-27%) and FEMOSTON (-17%) broke into the top ten ranking, coming in at the bottom three ranks of the ranking. And only INGAVIRIN (-30%) lost one rank and moved down to rank six. In total, the top ten brands accumulated 8.1% of the pharmacy sales in the region, and 9.9% in the year– earlier period.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	XARELTO	1.5	2.2
2	2	ELIQUIS	1.0	1.9
3	4	NUROFEN	0.8	0.9
4	7	THERAFLU	0.8	0.8
5	6	DETRALEX	0.8	0.9
6	5	INGAVIRIN	0.8	0.9
7	8	HEPTRAL	0.7	0.8
8	21	GRAMMIDIN	0.6	0.4
9	12	EDARBI	0.5	0.6
10	15	FEMOSTON	0.5	0.5
Total			8.1	9.9

* Here and elsewhere IQVIA's data are used

The top 10 INN and grouping names ranking changed its leader: XYLOMETAZOLINE (-13%) moved up to rank one from three, displacing RIVAROXABAN (-45%) one rank down (Table 3). IBUPROFEN (-12%) and ROSUVASTATIN (-18%), the combination DIOSMIN*HESPERIDIN (-17%), as well as HYALURONIC ACID (+2%), which broke into the top 10 INN and grouping names ranking for the first time, moved up to ranks three through six, respectively. One more newcomer PANCREATIN (-9%) moved up to rank nine. APIXABAN (-56%) that cut sales in half lost five ranking positions and moved down to rank seven, whereas NIMESULIDE (-25%) and ADEMETIONINE (-23%) continued to hold ranks eight and ten. In total, ten INNs and group names accounted for 11.2% of the market vs 12.5% in the year-earlier period.

Table 3. The top 10 INNs and grouping names by pharmacy sales

Rank in the top ten		INN/Grouping name	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	3	XYLOMETAZOLINE	1.5	1.4
2	1	RIVAROXABAN	1.5	2.2
3	6	IBUPROFEN	1.2	1.2
4	5	ROSUVASTATIN	1.2	1.2
5	7	DIOSMIN*HESPERIDIN	1.1	1.1
6	13	HYALURONIC ACID	1.0	0.8
7	2	APIXABAN	1.0	1.9
8	8	NIMESULIDE	1.0	1.0
9	14	PANCREATIN	0.9	0.8
10	10	ADEMETIONINE	0.9	0.9
Total			11.2	12.5

C09 Agents acting on the rennin-angiotensin system (-33%) continued to be the best-selling group in the regional market (Table 4). The remaining ATC groups from the top 10 ranking shifted their positions; moreover, six of them improved them. M01 Anti-inflammatory and antirheumatic drugs (-14%), R01 Nasal preparations (+7%) and G03 Sex hormones (-20%) moved up to ranks two through four. Group N02 Analgesics (-12%) moved up from rank seven to six, N06 Psychoanaleptics (-9%) – from ten to eight. The newcomer A11 Vitamins (-3%) broke into the ranks of the top ten, coming in at number nine. In contrast, three groups with stronger reduction in sales rates fell in the ranks. Thus, B01 Antithrombotic agents (-49%) and J05 Antivirals for systemic use (-39%) moved down from ranks two and three to five and seven, while R05 Cough and cold preparations (-22) moved down from rank eight to last one. The total share of top ten ATC groups reduced by 3 p.p. to 37.6%

Table 4. The top ten ATC groups by pharmacy sales

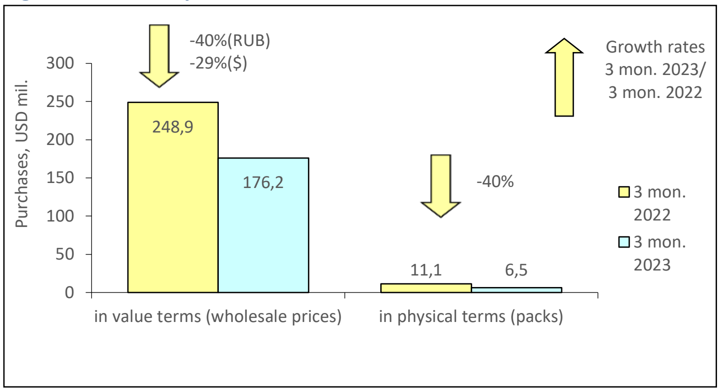
Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2023	3 mon. 2022			3 mon. 2023	3 mon. 2022
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.2	6.3
2	4	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.4	4.2
3	6	R01	NASAL PREPARATIONS	4.3	3.3
4	5	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.9	4.0
5	2	B01	ANTITHROMBOTIC AGENTS	3.9	6.3
6	7	N02	ANALGESICS	3.5	3.3
7	3	J05	ANTIVIRALS FOR SYSTEMIC USE	3.4	4.6
8	10	N06	PSYCHOANALEPTICS	3.3	3.0
9	13	A11	VITAMINS	2.9	2.5
10	8	R05	COUGH AND COLD PREPARATIONS	2.8	3.0
Total				37.6	40.4

Conclusion. On the basis of the results for quarter I, 2023, the pharmacy market of St Petersburg brought in RUB 23.582 bil. (USD 323.115 mil.) at retail prices. For three months, pharmacies sold 12% less in terms of roubles and 5% more in terms of dollars than in the same period of 2022. In natural terms, the sales decreased by 18% and amounted to 53.249 mil. packs. Based on the results for January-March of 2023, the average cost of an OTC pack in the city pharmacies increased as compared to the previous year (USD 6.07 vs. USD 4.75), and was higher than the average figures in Russia (USD 4.51). The average medicine expenses of St. Petersburg residents in the pharmacies were higher than the national average expenses in Russia (USD 57.70 vs. USD 37.04).

MOSCOW CITY HOSPITAL MARKET: 2023 FIRST THREE MONTHS RESULTS

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional benefit), based on the results for January-March 2023 the Moscow public procurement segment in physical terms reduced by 42% as compared to the same period of 2022 and amounted to 6.493 mil. packs. In money terms, the market showed a 40% decline in terms of roubles and 29% in terms of dollars, and its volume achieved RUB 12.868 bil. (USD 176.223 mil.), At the end of the first quarter of 2023, the average cost of an FPP pack in the public procurement segment of Moscow was USD 27.14, whereas in the year-earlier period its cost was USD 22.33.

Figure 1. Moscow public sector 3 months of 2022 – 3 months 2023*



Based on the results of the first three months of 2023, BIOCAD (-72%) and MSD (-66%) showed a pronounced negative trend and moved down from the first two ranks in the top ten manufacturers rating to ranks five and four, respectively. It allowed NOVARTIS to move from rank three to number one despite a 15% decline in purchase volumes. BRISTOL MYERS (-16%), which moved up from rank seven to six, also managed to improve its rating despite the negative trend. The remaining manufacturers of the top 10 rating showed positive growth rates, while three of them increased their purchases by several times. JOHNSON & JOHNSON (3-fold growth in purchases), PTC THERAPEUTICS (8.5-fold growth) and MICROGEN (5.6-fold growth) broke into the ranks of the top ten for the first time, moving up to ranks three, eight and ten, respectively. Another newcomer was SANOFI (+41%), which moved up to rank nine. ROCHE (+51%) and BAYER (+6%) also moved up to higher ranks two and seven. In total, the top ten manufacturers accounted for 57.7% of the market, which was 14.5 p.p. higher than the figure for the same period in 2022.

Table 1. The top 10 drug manufacturers of the public procurement segment

Rank in the top ten		Manufacturer*	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	3	**NOVARTIS**	13.0	9.2
2	6	**ROCHE**	9.3	3.7
3	15	**JOHNSON & JOHNSON**	5.9	1.2
4	2	**MSD**	5.7	10.0
5	1	BIOCAD RF	5.4	11.5
6	7	BRISTOL MYERS SQU	5.0	3.6
7	10	**BAYER**	3.8	2.1
8	36	PTC THERAPEUTICS	3.5	0.2
9	14	**SANOFI**	3.3	1.4
10	35	MICROGEN	2.7	0.3
Total			57.7	43.2

*AIPM members are in bold

The leader of the top 10 leading brands ZOLGENSMA (-22%), as well as OPDIVO (-14%) at its previous rank three, held their own in the ranking (Table 2). Six drug manufacturers from the top 10 rose in the ranks. The newcomers SPINRAZA (15-fold growth in purchases), EVRYSDI (4.2-fold growth), TRANSLARNA (8.5-fold growth), SOVIGRIPP (over 58-thousand-fold growth) and PEMBRORIA broke into the top ten brands ranking, coming in at numbers two, four, six, eight and ten. EYLEA (2.2-fold growth) moved one rank up, to number seven. At the same time, KEYTRUDA (-26%) and PERJETA (-2%) moved down to the lower ranks five and nine. The total share of the top 10 increased by more than 21 p.p. to 38.1%.

Table 2. The top 10 brands by public segment volume

Rank in the top ten		Brand	Share in total public segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	ZOLGENSMA	10.7	8.2
2	34	SPINRAZA	4.4	0.2
3	3	OPDIVO	3.9	2.8
4	14	EVRYSDI	3.6	0.5
5	2	KEYTRUDA	3.6	2.9
6	26	TRANSLARNA	3.5	0.2
7	8	EYLEA	2.4	0.7
8	45	SOVIGRIPP	2.3	0.0
9	4	PERJETA	2.1	1.3
10	N/A	PEMBRORIA	1.6	N/A
Total			38.1	16.7

ONASEMNOGENE ABEPARVOVEC (-22%) and PEMBROLIZUMAB (+7%) held and reinforced the first two positions in the top ten ranking (Table 3). Moreover, the former managed to do this despite the negative growth rates. NIVOLUMAB (-14%) and PERTUZUMAB (-2%) also showed decline in purchase volumes, moving down to ranks four and nine, respectively. The remaining INNs of the top ten ranking, on the contrary, showed a pronounced positive trend. Five INNs broke into the ranking for the first time: NUSINERSEN (15-fold growth in purchases), RISDIPLAM (4.2-fold growth), ATALUREN (8.5-fold growth), VACCINE, INFLUENZA (694-fold growth) and VACCINE, PNEUMOCOCCAL (6.1-fold growth) moved up to ranks three, five through seven and ten, respectively. At the same time, they displaced AFLIBERCEPT one rank down (2.2-fold growth), despite the high growth rates it demonstrated. The cumulative share of the top 10 under review increased by over 2 times, from 17% to 40.9%.

Table 3. The top ten INNs and grouping names by public procurement sector volume

Rank in the top ten		INN/Grouping name	Share in total public segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	ONASEMNOGENE ABEPARVOVEC	10.7	8.2
2	2	PEMBROLIZUMAB	5.2	2.9
3	39	NUSINERSEN	4.4	0.2
4	3	NIVOLUMAB	3.9	2.8
5	17	RISDIPLAM	3.6	0.5
6	34	ATALUREN	3.5	0.2
7	48	VACCINE, INFLUENZA	3.1	0.0
8	7	AFLIBERCEPT	2.7	0.8
9	4	PERTUZUMAB	2.1	1.3
10	40	VACCINE, PNEUMOCOCCAL	1.7	0.2
Total			40.9	17.0

Based on the results for the first quarter of 2023, the top ten ATC groups changed its leader (Table 4). J05 Antiviral drugs for systemic use (-93%), which topped it earlier, moved down to rank six due to pronounced negative trend, which allowed L01 Antineoplastic agents (-0.1%) to move to rank number one in the top ten despite almost zero growth rates. M09 Other drugs for disorders of the musculo-skeletal system (+45%) moved up to rank two from four. J07 Vaccines (+90%), J01 Antibacterials for systemic use (-33%) and S01 Ophthalmologicals (+81%) also were ranked among the top five ATC groups. Note that the latter became one of the two newcomers of the top ten rating. V08 Contrast media (+10%) became the second newcomer, which moved up to rank nine. B05 Blood substitutes and perfusion solutions (-24%) and A16 Other alimentary tract and metabolism products (+27%) moved two ranks up, coming in at numbers seven and eight, respectively. L04 Immunosuppressants (-90%) rounded out the top ten, moving down to rank ten from three. The total share of the top ten ATC groups reduced from 83.2% to 81.5%.

Table 4. The top 10 ATC groups by public procurement segment

Rank in the top ten		ATC code	ATC group	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022			3 mon. 2023	3 mon. 2022
1	2	L01	ANTINEOPLASTIC AGENTS	26.9	16.2
2	4	M09	OTHER DRUGS FOR DISORDERS OF THE MUSCULO-SKELETAL SYSTEM	22.3	9.2
3	8	J07	VACCINES	9.3	2.9
4	6	J01	ANTIBACTERIALS FOR SYST USE	5.1	4.6
5	11	S01	OPHTHALMOLOGICALS	4.1	1.4
6	1	J05	ANTIVIRALS FOR SYSTEMIC USE	3.3	30.2
7	9	B05	BLOOD SUBSTITUTES AND PERFUSION SOLUTIONS	3.1	2.5
8	10	A16	OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS	3.0	1.4
9	12	V08	CONTRAST MEDIA	2.2	1.2
10	3	L04	IMMUNOSUPPRESSANTS	2.2	13.6
Total				81.5	83.2

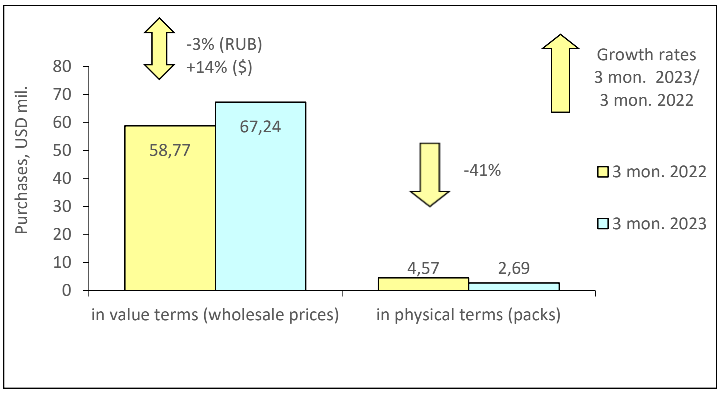
Conclusion. The Moscow public procurement segment in the first quarter of 2023 reduced both in rouble (-40%) and dollar terms (-29%) as compared to the same period of 2022. At the same time, its volume achieved RUB 12.868 bil. (USD 176. 223 mil.). Based on the results for January-March of 2023, the average cost of an FPP pack in the public procurement segment of Moscow was USD 27.14, whereas in the year-earlier period it was USD 22.33.

* Here and elsewhere IQVIA's data are used

SAINT PETERSBURG HOSPITAL MARKET: 2023 FIRST THREE MONTHS RESULTS

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional benefit), St. Petersburg public procurement segment continued to show the negative trend (-41%) in physical terms, and its volume amounted to 2.691 mil. packs for three months of 2023. In value terms, the volume of purchases in rouble terms decreased by 3%, but increased by 14% in dollar terms. The segment achieved RUB 4.925 bil. (USD 67.240 mil.) at wholesale prices. Based on the results for January-March of 2022, the average cost of an OTC pack in the city hospitals was USD 24.98, whereas in the year-earlier period its cost was USD 12.87.

Figure 1. St. Petersburg public procurement segment for 3 months 2022 – 3 months 2023*



Based on the results for three months of 2023, most of the top ten manufacturers ranking in public procurement segment of St. Petersburg showed positive growth rates (Table 1). Among them were the leader of the top ten ROCHE (+77%), NOVARTIS (+55%) and JOHNSON & JOHNSON (+70%). Note that the latter broke into the ranks of the top -10 for the first time. Another three newcomers PTC THERAPEUTICS, MICROGEN (12.2-fold growth) and ASTRAZENECA (+28%) moved up to ranks five, seven and nine, respectively. The remaining four manufacturers of the top ten ranking showed negative growth rates. The last year leader BIOCAD reduced purchases by 41%, MSD placed at rank 3 — by 31%, BRISTOL MYERS — by 40%. Based on the results for January-March 2023, these companies moved down to ranks four, six and ten, respectively. GLAXOSMITHKLINE (-2%) managed to hold its previous rank eight in the top ten. The total share of the top 10 manufacturers increased from 40.2% to 53.9%.

Table 1. The top 10 manufacturers by public procurement segment volume

Rank in the top ten		Manufacturer*	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	2	**ROCHE**	12.4	6.8
2	4	**NOVARTIS**	9.3	5.8
3	12	**JOHNSON & JOHNSON**	5.0	2.9
4	1	BIOCAD RF	4.8	7.8
5	N/A	PTC THERAPEUTICS	4.6	N/A
6	3	**MSD**	4.2	5.9
7	42	MICROGEN	3.8	0.3
8	8	**GLAXOSMITHKLINE**	3.6	3.6
9	13	**ASTRAZENECA**	3.3	2.5
10	6	BRISTOL MYERS SQU	2.9	4.7
Total			53.9	40.2

*AIPM members are in bold

The top ten brand ranking was half updated – five brans broke into the top ten brands ranking for the first time (Table 2). TRANSLARNA, SOVIGRIPP, ORKAMBI (4.5-fold growth in purchases), KOSELUGO and STRENSIG (3.7-fold growth) moved up to ranks three, and five through eight, respectively. The market of ZOLGENSMA (+67%), which retained and strengthened its leadership, and of EVRYSDI (4.3-fold growth), which moved up to rank two, also developed at a fast pace. Despite the positive growth rates and expansion of its market share, TIVICAY (+1%) lost one rating point, being shifted by a newcomer one point down. KEYTRUDA (-32%) and OPDIVO (-50%), which moved down from ranks four and two, rounded out the top ten ranking. In total, the top ten brands accumulated 37.7% of the regional public procurement segment, whereas in the year-earlier period their share was 17.0%.

Table 2. The top 10 brands by public procurement segment volume

Rank in the top ten		Brand	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	ZOLGENSMA	7.5	4.3
2	7	EVRYSDI	7.0	1.6
3	N/A	TRANSLARNA	4.6	N/A
4	3	TIVICAY	3.6	3.4
5	N/A	SOVIGRIPP	3.3	N/A
6	22	ORKAMBI	2.6	0.6
7	N/A	KOSELUGO	2.6	N/A
8	21	STRENSIG	2.5	0.6
9	4	KEYTRUDA	2.0	2.8
10	2	OPDIVO	1.9	3.7
Total			37.7	17.0

ONASEMNOGENE ABEPARVOVEC (+67%) held and reinforced its leadership in the top ten INN and generic names ranking (Table 3). RISDIPLAM (4.3-fold growth in purchases) moved up from rank nine to two, followed by two of four newcomers, VACCINE, INFLUENZA (6386-fold growth) and ATALUREN. In addition, newcomers INNs SELUMETINIB and ASFOTASE ALFA (3.7-fold growth) broke into the top ten ranking for the first time, moving up to numbers seven and eight. At the same time, INNs DOLUTEGRAVIR (+1%), PEMBROLIZUMAB (-5%), NIVOLUMAB (-50%) and TRASTUZUMAB EMTANSINE (+11%) moved down to ranks five, six and the bottom two, respectively. The total share accumulated by the top-ten INNs and grouping names increased by over 2 p.p. to 39.1%.

Table 3. The top ten INNs and grouping names by public procurement segment volume

Rank in the top ten		INN/Grouping name	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022		3 mon. 2023	3 mon. 2022
1	1	ONASEMNOGENE ABEPARVOVEC	7.5	4.3
2	9	RISDIPLAM	7.0	1.6
3	47	VACCINE, INFLUENZA	4.8	0.0
4	N/A	ATALUREN	4.6	N/A
5	3	DOLUTEGRAVIR	3.6	3.4
6	4	PEMBROLIZUMAB	2.7	2.8
7	N/A	SELUMETINIB	2.6	N/A
8	22	ASFOTASE ALFA	2.5	0.6
9	2	NIVOLUMAB	1.9	3.7
10	8	TRASTUZUMAB EMTANSINE	1.8	1.6
Total			39.1	18.1

The top ten ATC groups changed their leader – L01 Neoplastic agents (+9%) moved up from rank two to one (Table 4). M09 Other drugs for disorders of the musculo-skeletal system moved up to rank two from five (3.4-fold growth in purchases). The newcomers J07 Vaccines (8.3-fold growth), A16 Other alimentary tract and metabolism products (3.2-fold growth) and R07 Other respiratory system products (3.4-fold growth), which broke into the top ten ranking for the first time, also registered high growth rates and boosted their rating, coming in at numbers four, six and nine, respectively. In contrast, the remaining INNs from the top ten showed negative growth rates. For example, the last year's leader J05 Antivirals for systemic use (-51%) halved the volume of purchases and moved to rank three only. Groups L04 Immunosuppressants (-60%) and B01 Antithrombotic agents (-71%) moved down from ranks four and three to eight and ten, respectively. B05 Blood substitutes and perfusion solutions (-27%) held their previous rank seven, while J01 Antibacterials for systemic use (-35%), despite the negative trend, moved one rank up, to number five. In total, the top ten ATC groups accumulated 84.4% of the regional market, whereas in the year-earlier period it accounted for 81.7%.

Table 4. The top 10 ATC groups by public procurement segment

Rank in the top ten		ATC code	ATC group	Share in total public procurement segment, %	
3 mon. 2023	3 mon. 2022			3 mon. 2023	3 mon. 2022
1	2	L01	ANTINEOPLASTIC AGENTS	25.1	22.3
2	5	M09	OTHER DRUGS FOR DISORDERS OF THE MUSCULO-SKELETAL SYSTEM	20.5	5.9
3	1	J05	ANTIVIRALS FOR SYSTEMIC USE	13.7	26.9
4	18	J07	VACCINES	6.7	0.8
5	6	J01	ANTIBACTERIALS FOR SYST USE	3.8	5.6
6	13	A16	OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS	3.5	1.1
7	7	B05	BLOOD SUBSTITUTES AND PERFUSION SOLUTIONS	3.3	4.3
8	4	L04	IMMUNOSUPPRESSANTS	2.8	6.7
9	17	R07	OTHER RESPIRATORY SYSTEM PRODUCTS	2.8	0.8
10	3	B01	ANTITHROMBOTIC AGENTS	2.2	7.2
Total				84.4	81.7

Conclusion. Based on the results for the first quarter of 2023, the St. Petersburg public procurement segment reduced by 3% in terms of roubles and increased by 14% in terms of dollars. Its volume was equal to RUB 4.925 bil. (USD 67.240 mil.). In pack terms, the market reduced by 41%, and its volume amounted to 2.691 mil. packs. In January-March of 2023, the average cost of an FPP pack in the public procurement segment of the city was higher than that in the year-earlier period (USD 24.98 vs. USD 12.87).

* Here and elsewhere IQVIA's data are used