СОВМЕСТНАЯ ПУБЛИКАЦИЯ
АССОЦИАЦИИ МЕЖДУНАРОДНЫХ ФАРМАЦЕВТИЧЕСКИХ ПРОИЗВОДИТЕЛЕЙ И ГК РЕМЕДИУМ

РЕМЕДИУМ
ГРУППА КОМПАНИЙ

AIPM®
Association of International Pharmaceutical Manufacturers
Ассоциация международных фармацевтических производителей

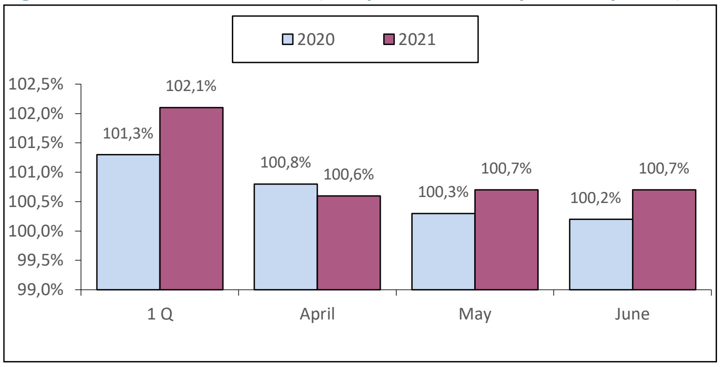
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.7% in June 2021 as compared to the previous month, 104.2% vs December 2020.

In June 2021, the Industrial Producer Price Index was 102.9% as compared to the previous month, in the month-earlier period it had amounted to 102.3%. The index accounted for 119.9% against December of 2020.

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



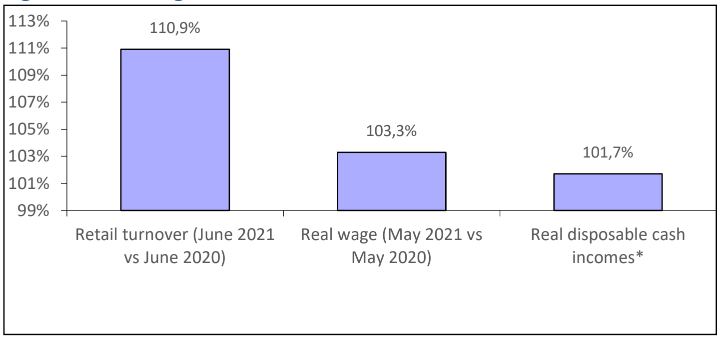
Living standard

In May 2021, a gross monthly average wage of corporate employees reached RUB 56,171 (USD 758.66). It accounted for 109.5% compared to May 2020, and 99.0% compared to the previous period. In May 2021, the real gross wage accounted for 103.3% as compared to May 2020, and 98.3% against the prior period. According to estimates[1], real disposable cash incomes increased by 1.7% in the first half of 2021 as compared to the first half of 2020 (Fig. 2).

Retail turnover

In June 2021, the retail turnover was equal to RUB 3185.4 bil. or 110.9% (in comparable prices) against the respective period of the previous year, in the first half of 2021 - RUB 18090.5 bil. or 110.2% (Fig. 2).

Figure 2. Real wage and retail turnover



* First half of 2021 vs first half of 2020

Industrial Production

According to Federal State Statistics Service's data, Industrial Production Index accounted for 110.4% in June of 2021 as compared to the same period in the previous year, and 104.4% in January-June of 2021.

According to Federal State Statistics Service's data, Industrial Production Index for drugs and medical products accounted for 109.2% in June 2021 as compared to the same period of 2020, and 120.7% in January-June against January-June 2020.

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 June of 2021.

Table 1. The top ten Russian chemical and pharmaceutical manufacturers by sales volume in June 2021

Rank	Manufacturer	RUB mil.
1	Otcpharm	2740.2
2	Biocad	2597.0
3	Stada	2419.9
4	Pharmstandart	1876.1
5	Binnopharm	1827.0
6	Microgen	1478.0
7	R-Pharm	1461.2
8	Pharmasyntez	1426.2
9	Grotex	1241.3
10	Atoll	1135.0

Source - Remedium according to IQVIA's data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In May 2021, the sales (in terms of roubles) continued to reduce in all regions as compared to the previous month. The most pronounced growth in sales was observed in St. Petersburg (-15%), the least one – in Krasnodarsky Krai, Rostov and Voronezh regions (-9% each).

Table 2. Pharmacy sales in the regions, 2021

Region	Pharmacy sales, USD mil. (wholesale prices)			Growth gain, % (roubles)		
	March 2021	April 2021	May 2021	March / February 21	April/ March 21	May/ April 21
Moscow	194.9	150.5	136.2	40%	-21%	-12%
St. Petersburg	74.4	61.6	53.8	44%	-15%	-15%
Krasnodar Krai	48.2	40.7	38.0	39%	-14%	-9%
Krasnoyarsk Krai	26.7	23.2	21.2	23%	-11%	-11%
Tatarstan	20.6	19.7	17.9	12%	-2%	-12%
Rostov Region	29.0	24.1	22.6	19%	-15%	-9%
Novosibirsk Region	23.4	20.5	18.7	16%	-11%	-11%
Voronezh Region	17.0	13.8	12.9	40%	-17%	-9%
Perm	10.6	9.4	8.3	12%	-10%	-13%
Tyumen	9.5	8.3	7.7	23%	-11%	-10%

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 June 2021

Rank	Company*	Quantity of broadcasts
1	Sanofi	6,718
2	Otcpharm	6,035
3	Sandoz	5,691
4	Dr. Reddy's Laboratories	4,873
5	Berlin-Chemie/Menarini	4,085

Source - Remedium according to Mediascope's data

Table 4. The top five brands in mass media in June 2021

Rank	Brand*	Quantity of broadcasts
1	Polisorb	2,579
2	Pentalgin	2,557
3	Essentiale	2,406
4	Exoderil	2,005
5	Phlebopha	1,776

Source - Remedium according to Mediascope's data

* Only drugs registered with 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.

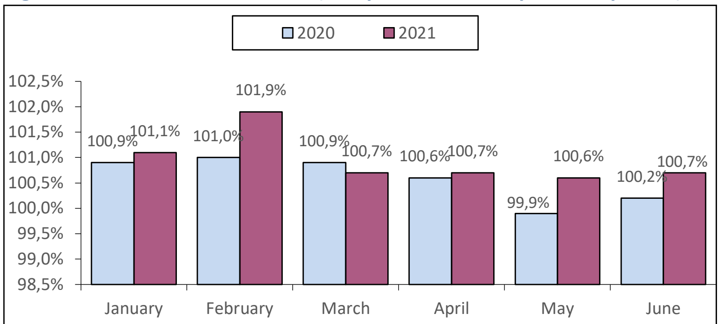
MACROECONOMIC INDICES OF THE REPUBLIC OF BELARUS

Inflation

According to the Committee for Statistics of the National Statistical Committee of Belarus, the Consumer Price Index was estimated at 100.7% in June 2021, 105.8% vs December of 2020. The Consumer Price Index was 108.8% in January-June of 2021 as compared to January-June of 2020.

In June 2021, the Industrial Producer Price Index was 101.2% compared to May 2021, and 109.1% vs December of 2020. In the first half of 2021, the Industrial Producer Price Index was 110.6% as compared to 2020.

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



Source: Belstat

Living standard

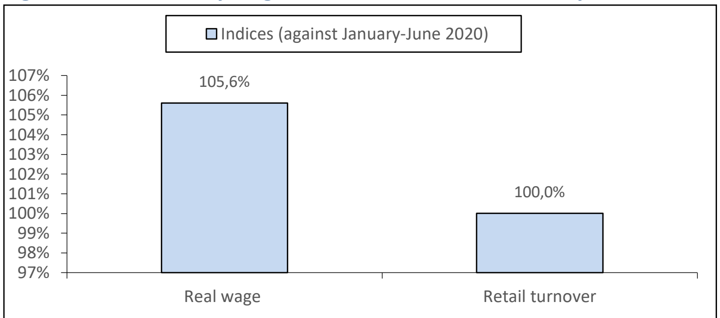
According to the preliminary Belstat's data, in June 2021 the average monthly nominal accrued wage of the workers in the Republic of Belarus was BYR 1433.40 (USD 566.34[2]), in the first half of 2021 - BYR 1369.10 (USD 536.10), which accounted for 114.3% and 114.9% against the same periods in 2020. In June 2021, the real wage accounted for 104,0% as compared to the same period of 2020, and 105.6% in January-June of 2021 (Fig. 2).

According to Belstat's data, in January-May 2021 the real disposable cash income accounted for 103.5% against January-May 2020.

Retail turnover

In June 2021, the retail turnover was estimated at RUB 5091.1 mil., which accounted for 103.2% as compared to the previous month and 103.4% as compared to the respective period of 2020. In the first half of 2021, it amounted to RUB 27.9 bil. or 100.01% in comparable prices as compared to the 2020 level (Fig. 2).

Figure 2. Real monthly wage and retail turnover in January-June 2021



Source: 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 12592.0 mil. in current prices in June of 2021, BYR 71.13 bil. in the first half of 2021, or 106.9% and 110.4% in comparable prices as compared to the respective period of 2020.

According to Belstat's data, in January-June of 2021 the pharmaceutical production output of essential pharmaceutical products and pharmaceutical preparations was estimated at BYR 945.6 mil., which accounted for 109.4% against the indicator of the same period in comparable prices in 2020.

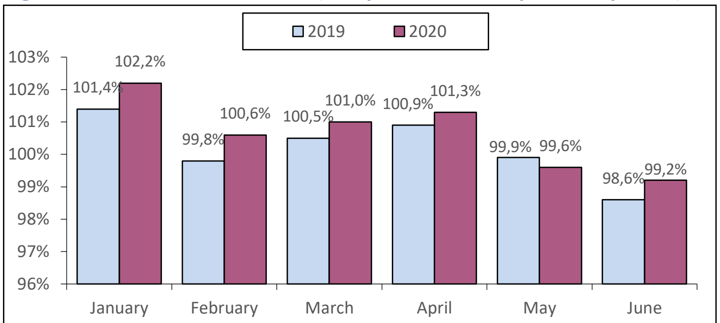
MACROECONOMIC INDICES OF THE REPUBLIC OF ARMENIA

Inflation

According to data of National Service of the Republic of Armenia, in June 2021 the consumer price index amounted to 99.2% against the previous month and 103.8% vs December of 2020. The Consumer Price Index accounted for 105.7% in January-June of 2021 as compared to the same period in 2020.

The Industrial Producer Price Index was 103.1% in June 2021 as compared to the previous month, and 108.1% vs December of 2020. In January-June of 2021, the index accounted for 110.0% as compared to 2020.

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



Source: National Statistical Service of RA

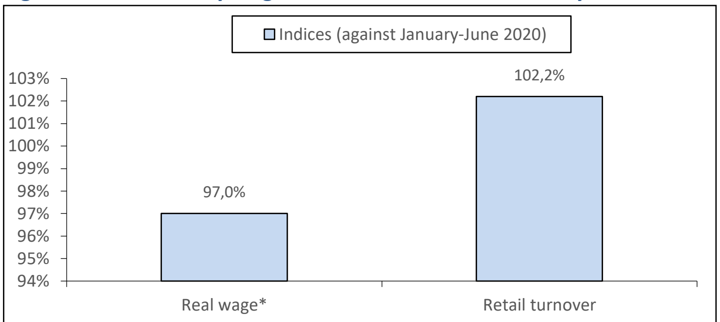
Living standard

According to preliminary estimates of the National Statistical Service of RA, in June 2021 the average monthly nominal wage of the workers of the Republic of Armenia was Dram 201,197 (USD 392.13), which accounted for 102.0% compared to the previous period and 110.5% compared to the same period of 2020. In January-June of 2021, the average monthly nominal wage per worker was Dram 196,440 (USD 376.26) or 105.4% against January-June of 2020. The real wage (according to Eurasian Economic Commission) accounted for 97.0% in January-March 2021 as compared to January-March 2020.

Retail turnover

The retail turnover amounted to Dram 116974.9 mil. in June 2021, and Dram 639976.4 mil. in January-June 2020, which accounted for 103.2% and 102.2% respectively, as compared to the same period of the previous year (Fig. 2).

Figure 2. Real monthly wage and retail turnover in January-June 2021



Source: National Statistical Service of RA

* data for January-March of 2021

Industrial Production

According to the preliminary data of Statistics Committee of the Republic of Armenia, in June 2021 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 AMD 195818.1 mil., and AMD 1.037 bil. in the first half of 2021 or 101.3% and 102.1% against the same periods in 2020, respectively.

According to Statistics Committee of the Republic of Armenia, the manufacture of basic pharmaceutical products and drugs was estimated at AMD 624.6 mil. in June of 2021, and AMD 5496.3 mil. from the beginning of the year, which accounted for 72.6% and 102.0% as compared to the respective periods 2020.

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

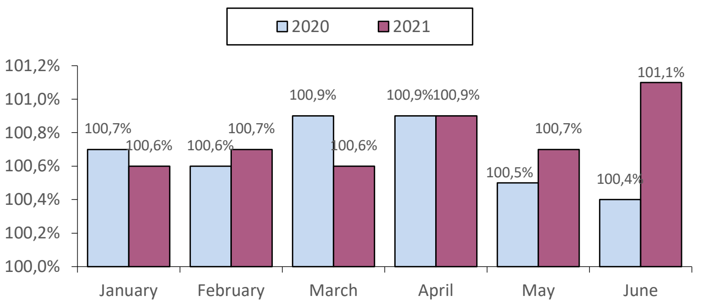
MACROECONOMIC INDICES OF THE REPUBLIC OF KAZAKHSTAN

Inflation

According to the Committee of the Ministry of National Economy for Statistics of the Republic of Kazakhstan, in June of 2021 the Consumer Price Index was estimated at 101.1% as compared to the prior month, 104.6% vs December of 2020. In January-June 2019, the Index reached 107.3% as compared to January-June 2020.

The Industrial Producer Price Index was 103.1% in June 2021, as compared to the previous month, 128.4% vs December of 2020. In January-June of 2021, the prices of manufacturers of industrial products increased by 22.3% as compared to 2020.

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



Source: RK Committee on Statistics

Living standard

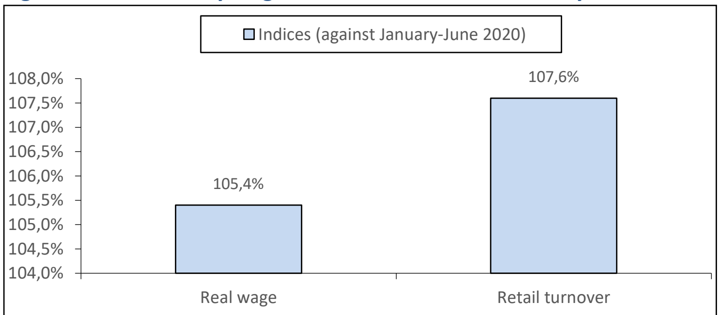
According to the preliminary data of the RK Committee on Statistics, the gross monthly average salary per worker reached KZT 242542 (USD 566,21.[3]) in June 2021, KZT 233116 (USD 549.62) in January-June of 2021. The Nominal Wage Index against the respective period of the previous year accounted for in June 2021 - 109.0%, in January-June 2021 113.1%, and the real wage index in June of 2021 was 101.0% vs June of 2020, 105.4% in the first half of 2021 vs 2020.

According to the preliminary data, in January-May 2021 the real cash income index was 101.7% compared to the same period of 2020 (Fig. 2).

Retail turnover

The retail turnover in June 2021 was KZT 1246,5 bil., which is 107.5% against June 2020. In the first half of 2021, its volume amounted to KZT 5345.4 bil. or 107.6% against the respective period in 2020 (in comparable prices) (Fig. 2).

Figure 2. Real monthly wage and retail turnover in January-June 2021



Source: RK Committee on Statistics

Industrial Production

According to data of the Committee for Statistics of RK, in June 2021 the industrial output was KZT 3061.6 bil., in January-June of 2021 – KZT 17080.8 bil. As compared to the same period of 2020, the indices accounted for 101.7% and 101.5%, respectively.

According to the Statistics Committee of RK, in January-June 2021 the industrial output of basic pharmaceutical products amounted to KZT 99.27 bil., in June of 2021 KZT 24,839 mil. in March of 2021. In January-June 2021, the Industrial Production Volume Index for Pharmaceuticals was 131.1% compared to the respective period of 2020, 158.3% in June of 2021 vs June of 2020.

[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

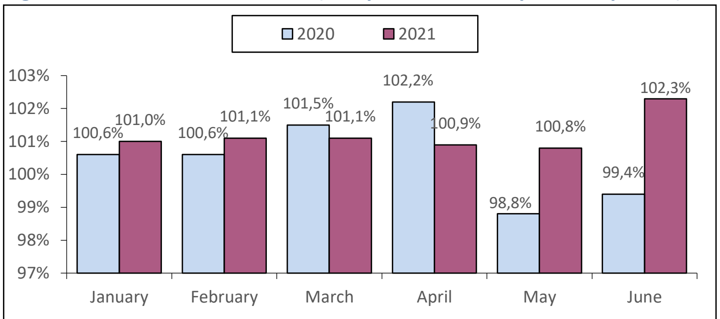
MACROECONOMIC INDICES OF THE KYRGYZ REPUBLIC

Inflation

According to the National Statistics Committee of the Kyrgyz Republic, the Consumer Price Index was estimated at 102.3% in June of 2021 as compared to the previous month, 107.3% in June of 2021 vs June of 2020. In January-June of 2021, the index accounted for 110.8% as compared to 2020.

In June 2021, the Producer Price Index for industrial production and services was 101.9% as compared to the previous month, 104.1% vs December of 2020. In January-June 2021, the prices of producers for industrial products and services throughout the Republic increased by 18.6% compared to January-June 2020.

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



Source: National Committee for Statistics of the Kyrgyz Republic

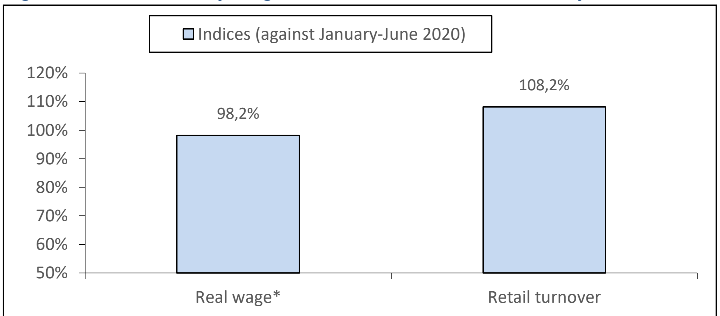
Living standard

According to data of the Committee for Statistics of the Kyrgyz Republic, in May 2021 the average monthly nominal wage per worker was KGS 19996 (USD 237.28), in January-May 2020 - KGS 19165 (USD 226.80), which accounted for 112.3% and 108.1% compared to the relevant period of the previous year, respectively. In January-May of 2021, the real wage accounted for 98.2% as compared to January-May of 2020, and 101.3% in May 2021 vs May of 2020 (Fig. 2).

Retail turnover

In June 2021, the retail turnover (without cars and motorcycles sales) amounted to KGS 22,753.2 mil., in January-June 2021 - KGS 114,418.3 mil. in January-June of 2019. The Retail Turnover Volume Index accounted for 109.4% and 108.2% compared to the same period of the previous year (Fig.2).

Figure 2. Real monthly wage and retail turnover in January-June 2021



Source: National Committee for Statistics of the Kyrgyz

* - data for January-May 2021

Industrial Production

According to data of the National Committee for Statistics of the Kyrgyz Republic, in June 2021 the industrial output was KGS 27,409.0 mil., KGS 154,029.3 mil. in January-June of 2021. The Physical Index of Industrial Production accounted for 85.0% and 89.4% as compared to the same periods of 2020, respectively.

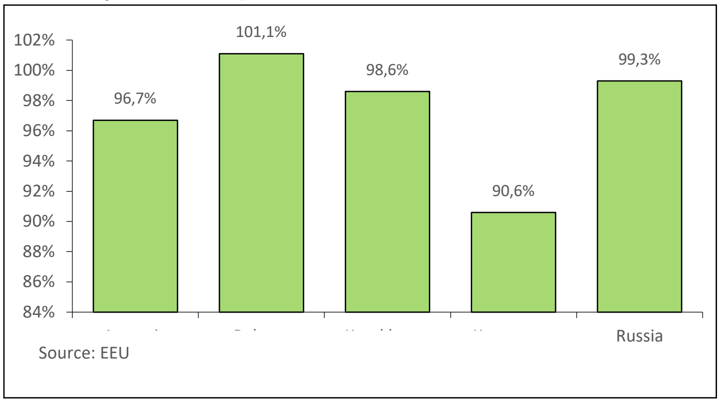
According to the National Committee for Statistics of the Kyrgyz Republic, the pharmaceutical output amounted to KGS 33.4 mil. in June 2021, and KGS 314.6 mil. from the start of the year. At month-end June 2021, the Physical Index of Industrial Production for Pharmaceuticals was 113.8% as compared to the same period of 2020, and 63.5% in the first half of 2021 as compared to the respective period of 2020.

COMPARATIVE MACROECONOMIC INDICES OF THE EURASIAN ECONOMIC UNION (EAEU)

GDP

According to Eurasian Economic Commission (EAEC), in January-March of 2021 GDP of EAEU member-states amounted to USD 416.2 bil. The Volume of Industrial Products index accounted for 99.3% as compared to January-March 2020. A decrease in GDP was reported in all EAEU member countries: (-3.3%) in Armenia, (-1.4%) in Kazakhstan), (-9.4%) in Kyrgyzstan and (-0.7%) in Russia. And only in Belarus, GDP decreased by 1.1% (Fig. 1).

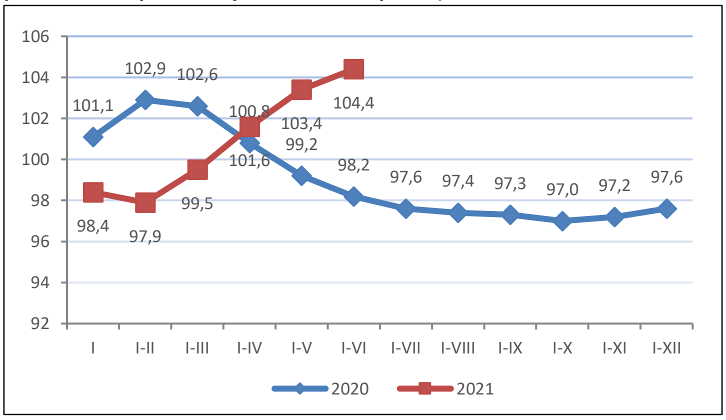
Figure 1. GDP growth in the EAEU member-states (January-March 2021 vs. January-March 2020)



Industrial Production

The industrial output of the EAEU in January – June 2021 amounted to 619.8 bil. USD and increased by 4.4% compared to January-June 2020 (Fig. 2). In individual countries, the Industrial Production Index accounted for: 102.1% in Armenia, 110.4% in Belarus, 101.5% in Kazakhstan, 89.4% in Kyrgyzstan and 104.4% in Russia.

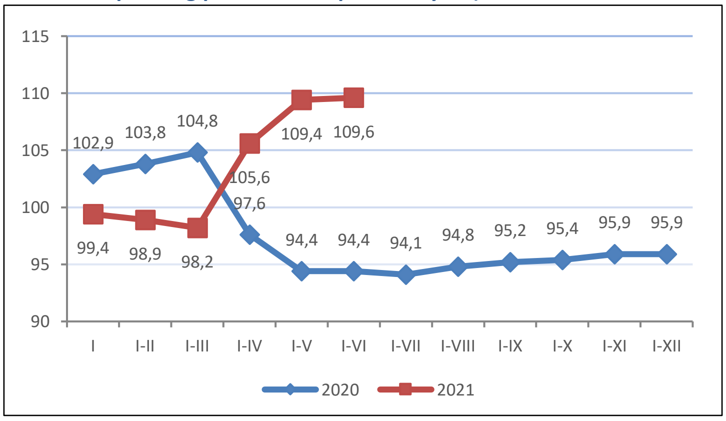
Figure 2. Dynamics of the industrial output in EAEU (as % over the same period of the previous year; constant prices)



Retail turnover

According to the EEC, the retail turnover (through all sales channels) of EEU member-states in January-June 2021 amounted to USD 270.0 bil. Compared with the same period of 2020, the volume of retail sales increased by 9.6%. In the analysed period, most of the member-states showed an increase in the retail turnover. In this case, the indices accounted for 102.2% in Armenia, 100.0% in Belarus, 107.6% in Kazakhstan 111.0% Kyrgyzstan and 110.2% in Russia (Fig. 2).

Figure 3. The dynamics of the retail turnover in the EAEU (as a percentage over corresponding period of the previous year)



Nominal and real wage

According to the ECE, in January-March of 2021 as compared to the respective period of 2020, 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 Kazakhstan (115.2% and 107.4%, respectively) and in Belarus (114.1% and 105.4%). Real wages showed a decrease in Armenia and Kyrgyzstan (by 3.0% and 3.7%, respectively).

Table 1. Nominal and real wage in January-March 2021

Country	Real wage, % against the same period of 2020	Nominal wage, USD
Armenia	97	370
Belarus	105.4	508
Kazakhstan	107.4	550
Kyrgyzstan	96.3	223
Russia	101.6	701

Budget performance

According to the EEC, in January-March of 2021, the republican budget in all EEU member-states except for Russia was implemented with a deficit. At the same time, the budget surplus was replaced by a deficit in Armenia and Belarus as compared to the respective period of the last year. The deficit in Kazakhstan increased by 3.5 times. In Russia, the budget surplus grew 2.5 times.

The growth rates of the republican (federal) budget saw a variety of trends in comparison with the relative period of the last year. The growth rates of the republican budgets were revenues - 94% in Armenia, 109% in Belarus, 95% in Kazakhstan, 128% Kyrgyzstan and 112% Russia; expenditures - 122% in Armenia, 151% in Belarus, 119% in Kazakhstan, 118% in Kyrgyzstan, 109% in Russia.

Table 2. Republican budget in January-March 2021

Country	USD bil.		
	Income	Expenditure	Deficit (surplus)
Armenia	0.7	0.8	-0.1
Belarus	2.2	2.9	-0.7
Kazakhstan	6.1	8.4	-2.3
Kyrgyzstan	0.4	0.5	-0.1
Russia	71.3	67.4	3.9
EAEU	**80.6**	**79.9**	**0.7**

Mutual trade of EAEU member-states in January – May of 2021

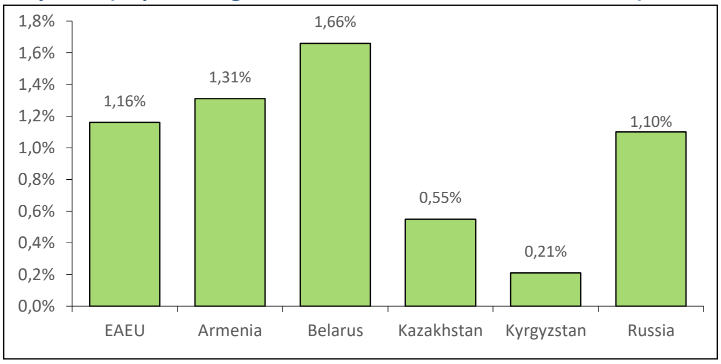
The volume of mutual trade in commodities of EAEU member-states in January-May 2021 amounted to USD 26.8 bil. or 132.9% as against the same period of 2020.

Table 3. Export volumes of the EAEU member-states in the mutual trade in January-May 2021

Countries	USD bil.	% vs January-May 2020.	Share in total, %
EAEU	**26,828.00**	**132.9**	**100.0**
Armenia	300.3	130.4	1.1
Russia	288.7	130.7	96.1
Belarus	6,393.2	121.2	23.8
Russia	6,011.7	121.0	94.0
Kazakhstan	2,860.1	136.5	10.7
Russia	2,589.9	140.3	90.6
Kyrgyzstan	371.8	174.7	1.4
Russia	154.7	151.9	41.6

Pharmaceutical products account for a small share in the structure of mutual trade (Figure 4).

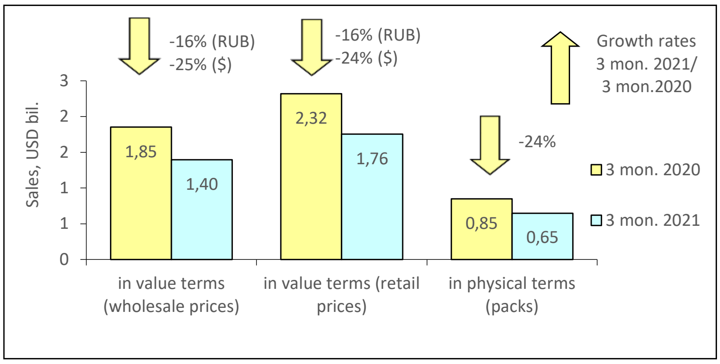
Figure 4. The mutual trade pattern of EAEU member-states within the Customs Commodity Code group "Pharmaceutical products" for January-May 2021 (as percentage over the total volume of mutual trade)



PHARMACY OTC MARKET IN RUSSIA: FIRST THREE MONTHS RESULTS 2021

According to the results of the IQVIA Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, at the end of the first three months of 2021 the sales of OTC drugs in natural terms in pharmacies of Russia saw a 24% decrease to 646.345 mil. packs. In money terms, the OTC drugs market decreased by 16% in rouble terms and by 25% in dollar terms and reached RUB 103.845 bil. (USD 1.397 bil.) in wholesale prices (Fig. 1). The share of Over the Counter (OTC) drugs accounted for 63.4% of sales in physical terms and 48.5% in retail prices in terms of roubles. At the end of January-March of 2021, the average cost of an OTC pack was USD 2.72 at retail prices, whereas in the year-earlier period its cost was USD 2.74. In the analysed period, Russians spent an average of USD 12.01 on the purchase of OTC drugs in the pharmacies.

Figure 1. Russian pharmacy OTC market for 3 months of 2020 – 3 months 2021



At the end of the first quarter of 2021, the top three manufacturers in OTC-market remained unchanged (Table 1). The companies OTCPHARM (-7%[4]), STADA (-13%) and BAYER (-9%) managed to strengthen their positions despite the negative growth rates. Note that all the rest drug manufacturers showed reduction in sales, which however did not prevent three of them from rising in the ranks. Thus, SANOFI (-16%) moved one rank up, to number 5, while GLAXOSMITHKLINE (-22%), which held it earlier, lost one position due to a more pronounced decline in sales. The same shifts took place in the lower part of the top ten: TEVA, which showed a 10% decrease in sales, moved up to rank six from eight, while SANDOZ, which reduced sales by 32%, moved down from rank six to eight. The only newcomer of the top ten (-9%) broke into the ranks of the top ten, coming in at number nine. JOHNSON&JOHNSON and BERLIN-CHEMIE/MENARINI (-17% each) held their previous ranks seven and ten. The total share of the top 10 drug manufacturers accounted for 41.5%, while it was 40.7% 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, %	
3 mon. 2021	3 mon. 2020		3 mon. 2021	3 mon. 2020
1	1	OTCPHARM	8.1	7.3
2	2	**STADA**	5.6	5.4
3	3	**BAYER**	4.5	4.2
4	5	**SANOFI**	4.1	4.1
5	4	**GLAXOSMITHKLINE**	3.9	4.1
6	8	**TEVA**	3.6	3.3
7	7	**JOHNSON & JOHNSON**	3.5	3.5
8	6	**SANDOZ**	3.1	3.8
9	12	**ABBOTT**	2.6	2.4
10	10	**BERLIN-CHEMIE/MENARINI**	2.5	2.5
Total			41.5	40.7

*AIPM members are in bold

The leaders of the top 10 brand names ranking were changed: ARBIDOL (+35%) and DETRALEX (-5%) moved up to the first two ranks from four and five (Tab. 2). NUROFEN (-29%) held its previous rank three. The last year's leader INGAVIRIN (-49%) cut sales by almost half and only moved to rank four. The brand THERAFLU (-32%), which lost one position, also showed high negative dynamics. The rest of the top 10, in contrast, increased their rankings. PENTALGIN (-5%) and CARDIOMAGNYL (-15%) moved up to ranks 5 and 6 from nine and eight, while ESSENTIALE (-7%), HEPTRAL (+35%) and CANEPHRON (-5%) moved up to the bottom three ranks. The total share of the top 10 brands increased from 11.7% to 12.2%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2021	3 mon. 2020		3 mon. 2021	3 mon. 2020
1	4	ARBIDOL	2.1	1.3
2	5	DETRALEX	1.5	1.3
3	3	NUROFEN	1.3	1.5
4	1	INGAVIRIN	1.2	1.9
5	9	PENTALGIN	1.2	1.0
6	8	CARDIOMAGNYL	1.1	1.1
7	6	THERAFLU	1.0	1.2
8	12	ESSENTIALE	1.0	0.9
9	25	HEPTRAL	0.9	0.6
10	15	CANEPHRON	0.9	0.8
Total			12.2	11.7

[4]Hereinafter, unless otherwise stated, growth gains are stated in the rouble equivalent or national currency.

Two newcomers broke into the ranks of the top ten INN and group names ranking (Table 3). INN INTERFERON ALFA-2B (+11%) and the composition MAGNESIUM*PYRIDOXINE (-2%) moved up to ranks seven and ten. Apart from the above mentioned, the other four INNs from the top ten INNs and group names ranking moved up to the higher positions. UMIFENOVIR (+28%) moved up to rank two from 7 (Table 3). The compositions DIOSMIN*HESPERIDIN (+3%) and ACETYLSALICYLIC ACID* MAGNESIUM (-14%) moved two ranks up to ranks three and six, respectively, while INN DICLOFENAC (-14%) improved its position by one rank, coming in at number nine. At the same time, PANCREATIN (-8%), IBUPROFEN (-17%) and IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-49%) moved down to the lower ranks. INN XYLOMETAZOLINE (-14%) remained the leader of the top ten. The total share of the top 10 has increased from 16.6% to 18.0%.

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

Rank in the top ten		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2021	3 mon. 2020		3 mon. 2021	3 mon. 2020
1	1	XYLOMETAZOLINE	3.2	3.1
2	7	UMIFENOVIR	2.3	1.5
3	5	DIOSMIN*HESPERIDIN	2.3	1.9
4	3	PANCREATIN	2.2	2.0
5	2	IBUPROFEN	2.0	2.0
6	8	ACETYLSALICYLIC ACID* MAGNESIUM	1.2	1.2
7	20	INTERFERON ALFA-2B	1.2	0.9
8	4	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.2	1.9
9	10	DICLOFENAC	1.1	1.1
10	15	MAGNESIUM*PYRIDOXINE	1.1	1.0
Total			18.0	16.6

According to the results for January-March 2021, R01 Nasal preparations and N02 Analgesics were the bestselling OTC drug groups, which reduced sales by 19% (Table 4). C05 Vasoprotectives (-4%) were ranked third in terms of sales. Due to significant negative growth rates, the former leading group of the top ten J05 Antivirals for system use (-34%) and R05 Cough and cold preparations (-31%) moved down to ranks 4 and 5, respectively. Sales of groups L03 Immunostimulants (-28%) and M01 Anti-inflammatory and antirheumatic drugs (-24%) decreased more significantly than the market as a whole. At the same time, the former lost two ranking points, while the latter held its previously position. The other names of the top ten rose in the ranks. A07 Antidiarreals, intestinal antiinflammatory /antiinfective agents (-15%) and A11 Vitamins (+1%) moved up to ranks six and seven, while the only newcomer M02 Topical products for joint and muscular pain (-11%) broke into the top ten ranking, coming in at the bottom rank of the top ten ranking. The share of top-ten ATC groups accumulated 48.0% of the market, which was 2.4 p.p. less 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, %	
3 mon. 2021	3 mon. 2020			3 mon. 2021	3 mon. 2020
1	3	R01	NASAL PREPARATIONS	6.0	6.2
2	4	N02	ANALGESICS	5.8	6.0
3	5	C05	VASOPROTECTIVES	5.7	4.9
4	1	J05	ANTIVIRALS FOR SYSTEMIC USE	5.4	6.9
5	2	R05	COUGH AND COLD PREPARATIONS	5.3	6.5
6	7	A07	ANTIDIARR.,INTEST. ANTIINFL./ ANTIINFECT. AGENTS	4.7	4.7
7	10	A11	VITAMINS	4.4	3.7
8	6	L03	IMMUNOSTIMULANTS	4.0	4.7
9	9	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	3.5	3.8
10	12	M02	TOPICAL PRODUCTS FOR JOINT AND MUSCULAR PAIN	3.2	3.0
Total				48.0	50.4

Conclusion. Based on the results for the first quarter of 2021, the OTC retail market of Russia amounted to RUB 130.467 bil. (USD 1.756 bil.). At the same time, the market behaviour was negative both in rouble (-16%) and dollar (-24%) terms. In pack terms, the market reduced by 24% and amounted to 646.345 bil. packs. The average cost of OTC-pack in the pharmacies of Russia was USD 2.72 based on the results for the first three months of 2021, which was lower than the 2020 figure (USD 2.74). The average expenses of the Russian Federation residents for purchase of OTC drugs in the pharmacies in the analysed period reduced: USD 12.01 vs. USD 15.81.

PRICE ANALYSIS, 1-2 QUARTER 2021 KEY PERFORMANCE INDICATORS

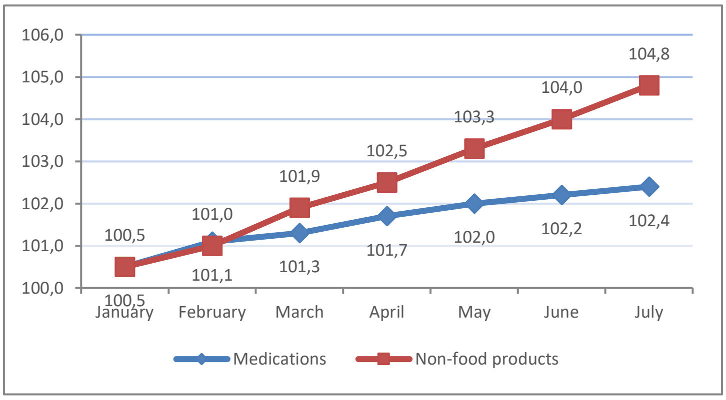
Price Indices

Table 1. Inflation rates in the Russian Federation, July 2021

	July 2021 to December 2020	January-July 2021 vs. January-July 2020
CPI	104.5	105.9
CPI for non-food products	104.8	106.3
CPI for medications	102.4	107.5

Rosstat data

Figure 1. Movement of the price index for non-food items and drugs vs. December 2020



Rosstat data

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

Figure 2. Dynamics of weighted average prices and retail margins in 1-2 Q 2020 – 1-2 Q 2021

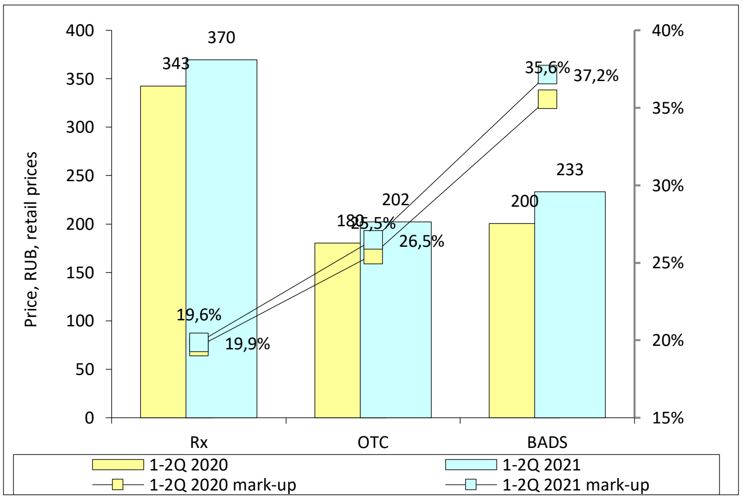


Figure 3. Dynamics of weighted average prices and retail margins in 1-2 Q 2020 – 1-2 Q 2021

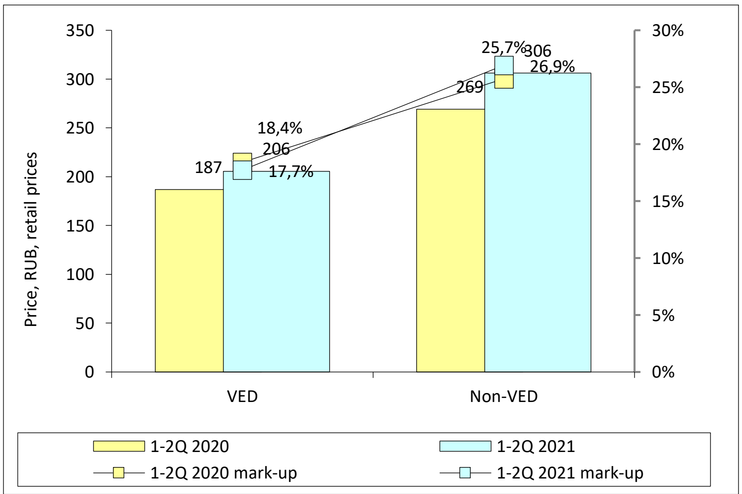
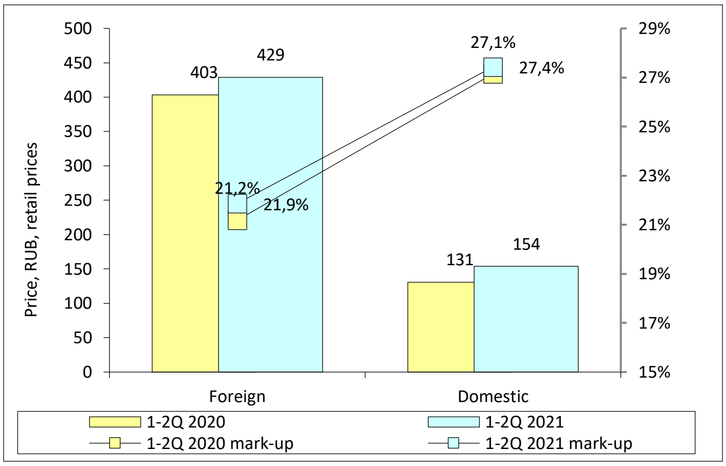


Figure 4. Dynamics of weighted average prices and retail margins in 1-2 Q 2020 – 1-2 Q 2021



Indicators of price movement in the reimbursable market segment (according to IQVIA data)

Figure 5. Dynamics of weighted average purchase prices in 1-2 Q 2020 – 1-2 Q 2021

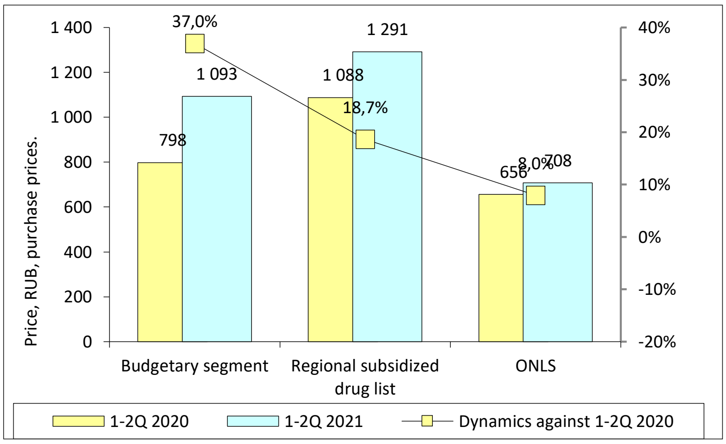


Figure 6. Dynamics of weighted average purchase prices for domestic drugs in 1-2 Q 2020 – 1-2 Q 2021

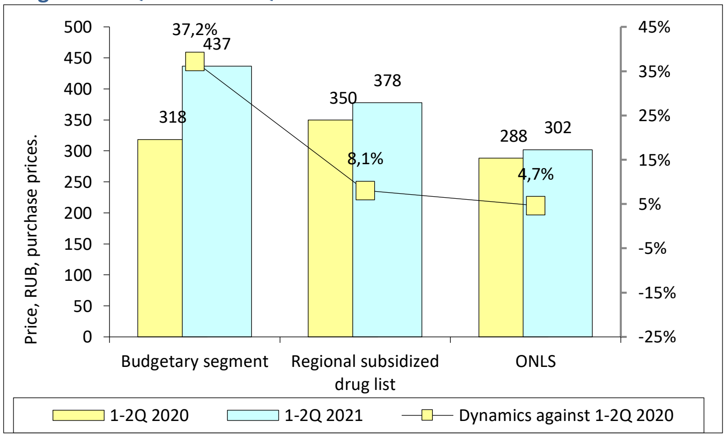
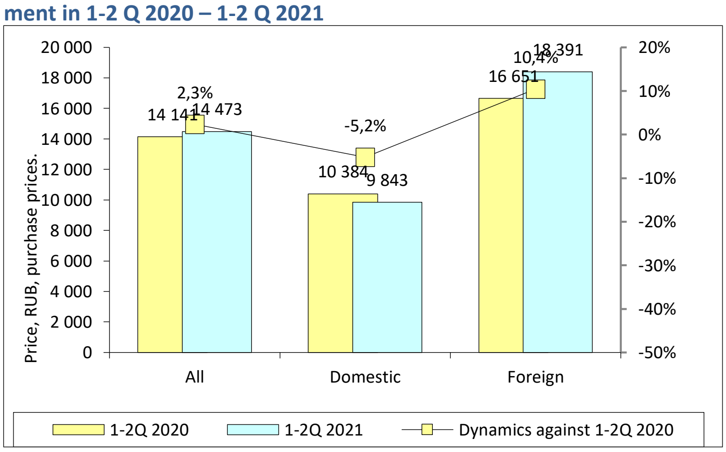


Figure 7 Dynamics of weighted average purchase prices in the VZN segment in 1-2 Q 2020 – 1-2 Q 2021

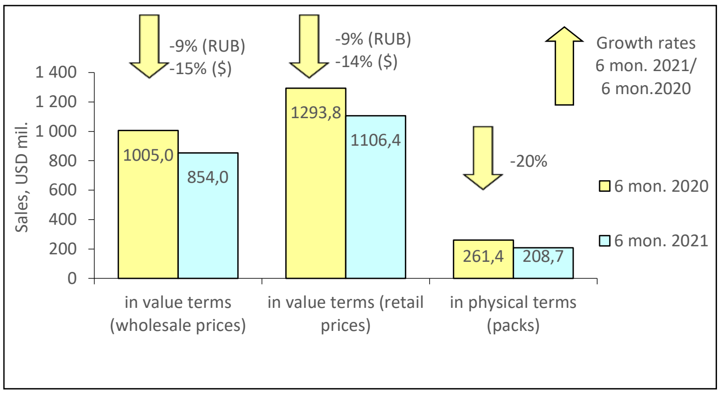


MOSCOW CITY PHARMACY MARKET: 2021 FIRST SIX MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2021, Moscow's estimated population amounted to 12.655 mil., which accounted for 8.7% of the total Russian Federation population and 32.2% of the Central Federal District (CFD).

According to the results of the IQVIA Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, the sales of OTC drugs in physical terms in the pharmacies of Moscow saw a 20% decrease to 208.718 mil. packs at the end of the first six months of 2021. In money terms, the market also showed negative growth rates both in rouble (-9%) terms and in dollar terms (-15%) and amounted to RUB 63.419 bil. (USD 853.992 mil.) in wholesale prices (Fig. 1). The region market share accounted for 14.2% of the Russian pharmacy retail sales. An average retail cost of a pack accounted to USD 5.30 vs USD 4.95 in the respective period of the previous year. At half I-end 2021, the average amount spent by residents of Moscow for medicinal drugs in pharmacies amounted to USD 87.43.

Figure 1. Moscow pharmacy market for 6 months of 2020 – 6 months of 2021



BAYER (+16%) and SANOFI (-24%) remained the leading manufacturers of the top ten manufacturers ranking in the retail market of Moscow according to the results for the first six months of 2021 although the latter has reduced its sales by almost a fourth (Table 1). It should be noted that all other manufacturers from the top ten also showed negative dynamics, but most of them managed to rise in the ranks. GLAXOSMITHKLINE (-7%), TEVA and ABBOTT (-9% each), as well as STADA (-13%) moved up to ranks three through six. BERLIN-CHEMIE / MENARINI (-6%) moved up from the last rank to eighth, and the only newcomer JOHNSON & JOHNSON (-11%) rounded out the top ten ranking. And only SERVIER (-23%) and SANDOZ (-37%) moved down to ranks seven and nine, respectively. In total, top ten manufacturers accumulated 35.6% of the market, whereas in the year-earlier period they accounted for 36.8%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	**BAYER**	6.4	5.0
2	2	**SANOFI**	4.2	5.0
3	5	**GLAXOSMITHKLINE**	3.6	3.5
4	6	**TEVA**	3.4	3.4
5	8	**ABBOTT**	3.3	3.3
6	7	**STADA**	3.2	3.4
7	4	**SERVIER**	3.1	3.7
8	10	**BERLIN-CHEMIE/MENARINI**	3.1	3.0
9	3	**SANDOZ**	2.8	4.1
10	11	**JOHNSON & JOHNSON**	2.5	2.5
Total			35.6	36.8

*AIPM members are in bold

XARELTO (+73%) held and reinforced its previous rank number one in the top ten brands ranking (Table 2). DETRALEX moved up to rank two despite a 17% decrease in sales. ELIQUIS became the third of three newcomers (2.0-fold increase in sales). In addition to it, HEPTRAL (+29%) and VOLTAREN (-4%) broke into the top ten ranking, coming in at numbers five and nine, respectively. CONCOR (+3%) also showed positive growth rates and rose in the ranks. NUROFEN and CRESTOR, which reduced their sales by 12% and 15%, held their previous ranks four and nine, respectively. The MIRAMISTIN (-41%) and CIALIS (-16%) brands moved down to ranks six and eight. In total, the top-ten brands accumulated 8.6 % of pharmacy sales, 7.4% 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, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	XARELTO	2.3	1.2
2	3	DETRALEX	0.8	0.9
3	30	ELIQUIS	0.8	0.4
4	4	NUROFEN	0.8	0.8
5	14	HEPTRAL	0.8	0.5
6	2	MIRAMISTIN	0.7	1.1
7	8	CONCOR	0.7	0.6
8	6	CIALIS	0.6	0.7
9	9	CRESTOR	0.6	0.6
10	12	VOLTAREN	0.6	0.5
Total			8.6	7.4

In contrast to the previous top ten rankings, the top ten INNs and group names ranking changed its leader (Table 3). At the end of the first half of 2021, RIVAROXABAN (+73%) became a leader, displacing XYLOMETAZOLINE (-15%) down to rank two. In addition to the leader, another four manufacturers from the top ten ranking showed positive growth rates and rose in the ranks. HYALURONIC ACID (+21%) and NIMESULIDE (+4%) moved up to ranks three and six, while the newcomers BISOPROLOL (+3%) and ADEMETIONINE (+25%) rounded out the top ten ranking. DIOSMIN*HESPERIDIN and IBUPROFEN (-9% each), as well as ROSUVASTATIN (-4%) held their previous positions. INN PANCREATIN (-14%) moved down from rank six to eight. The cumulative share of the top 10 under review increased by 2 p.p. to 11.9%.

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

Rank in the top ten		INNs/Grouping Names	Share in total pharmacy sales, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	3	RIVAROXABAN	2.3	1.2
2	1	XYLOMETAZOLINE	1.4	1.5
3	8	HYALURONIC ACID	1.3	0.9
4	4	DIOSMIN*HESPERIDIN	1.2	1.2
5	5	ROSUVASTATIN	1.2	1.1
6	9	NIMESULIDE	1.0	0.9
7	7	IBUPROFEN	1.0	1.0
8	6	PANCREATIN	0.9	1.0
9	11	BISOPROLOL	0.9	0.8
10	18	ADEMETIONINE	0.8	0.6
Total			12.0	10.1

Antithrombotic agents (+32%), which moved up to rank one from five became the leader in terms of sales and growth rates among the top ten ATC groups (Table 4). C09 Agents acting on the renin-angiotensin system (-16%), which were previously ranked first, moved down to rank two, while M01 Anti-inflammatory and antirheumatic drugs (-3%) and R01 Nasal preparations (-14%) continued to hold rank three and four. G03 Sex hormones (+9%) and N06 Psychoanaleptics (+5%), which showed positive growth rates, moved up to ranks five and six. On top of that, the former became one of two newcomers of the top 10 ranking. The latter, G04 Urologicals (-2%), moved to rank nine. C05 Vasoprotectives (-5%) moved two ranks up, coming in at number eight, while A07 Antidiarrheals, intestinal anti-inflammatory and antimicrobials (-5%), which showed the same growth rates, continued to hold rank seven. The group N02 Analgesics (-18%) reduced sales utmost and moved down to the last rank. The total share of the top ten ATC groups accounted for 36.4% vs 33,8% in a 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, %	
6 mon. 2021	6 mon. 2020			6 mon. 2021	6 mon. 2020
1	5	B01	ANTITHROMBOTIC AGENTS	5.2	3.6
2	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.6	5.0
3	3	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.2	3.9
4	4	R01	NASAL PREPARATIONS	3.6	3.9
5	11	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.5	2.9
6	8	N06	PSYCHOANALEPTICS	3.5	3.0
7	7	A07	ANTIDIARR.,INTEST. ANTI-INFL./ANTIINFECT. AGENTS	3.2	3.1
8	10	C05	VASOPROTECTIVES	3.0	2.9
9	14	G04	UROLOGICALS	2.8	2.6
10	9	N02	ANALGESICS	2.7	3.0
Total				36.4	33.8

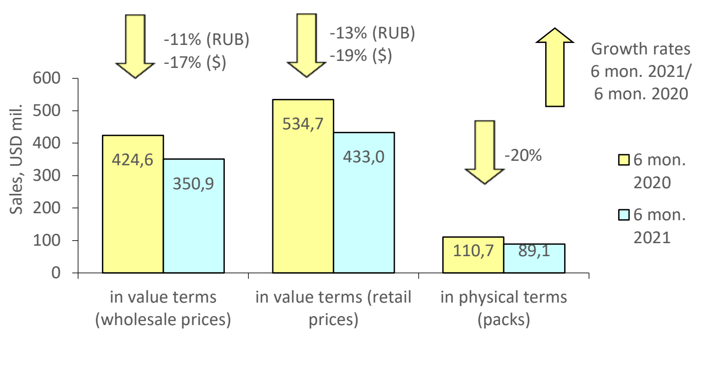
Conclusion. Based on the results for the first six months of 2021, the pharmacy market of Moscow brought in RUB 82.158 bil. (USD 1.106 bil.). This is lower than the last year's figure by 9% in terms of roubles and by 14% in terms of dollars. In pack terms, the market reduced by 20% and amounted to 208.718 mil. packs. The average cost of an FPP pack in the city pharmacies based on the results for January-June of 2021 was USD 5.30, which is more than the 2020 figure (USE 4.95), but less than the average across the country (USD 3.55). The average expenses of the regional residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 87.43 vs. USD 53.26).

SAINT PETERSBURG PHARMACY MARKET: 2021 FIRST SIX MONTHS RESULTS

According to Federal State Statistics Service, St. Petersburg's population as of January 1, 2021 was estimated at 5.384 mil., which accounted for 3.7% of the total Russian Federation population and 38.6% of North West FD (NWFD).

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™ IQVIA, at the end of the first half of 2021 the sales of drugs in natural terms in St. Petersburg pharmacies saw a 20% decrease to 89.066 mil. packs. In value terms, the market also continued to decline, albeit at a slower pace than in the first quarter of this year: by 11% in terms of roubles and 17% in terms of dollars. At the same time, the volume of the market achieved RUB 26.045 bil. (USD 350.950 mil.) in wholesale prices (Fig. 1). The regional market share accounted for 5.6% of the Russian pharmacy sales (in terms of roubles). The average cost of a pack at retail prices did not virtually change as compared to the same period of 2020 (USD 4.84) and reached USD 4.86. The average amount spent by residents of the city for drugs in the pharmacies in January-June 2021 amounted to USD 80.42.

Figure 1. St. Petersburg pharmacy market for 6 months 2020 – 6 months 2021



Based on the results for the first six months of 2021, the negative sales dynamics affected the top ten manufacturers ranking - all ten of its participants reduced sales volumes as compared with the same period in the last year (Table 1). However, despite this, four companies rose in the ranks. SERVIER and BERLIN-CHEMIE / MENARINI moved up to ranks two and five (+11% each), as well as STADA and GLAXOSMITHKLINE (+10%) moved one rank up and rounded out the top ten ranking. On top of that, the latter became the only newcomer of the top 10 ranking. BAYER and ABBOTT, which reduced sales by 13%, held their previous ranks one and seven, while SANOFI (-25%) and KRKA (-16%) held their previous ranks three and six. And only two manufacturers, SANDOZ (-30%) and TEVA (-25%) moved down to the lower ranks four and eight, respectively. The total share of the top 10 manufacturers reduced from 39.9% to 37.4%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	**BAYER**	6.1	6.2
2	4	**SERVIER**	3.9	3.9
3	3	**SANOFI**	3.8	4.5
4	2	**SANDOZ**	3.8	4.8
5	8	**BERLIN-CHEMIE/MENARINI**	3.5	3.5
6	6	**KRKA**	3.4	3.6
7	7	**ABBOTT**	3.4	3.5
8	5	**TEVA**	3.2	3.8
9	10	**STADA**	3.2	3.1
10	11	**GLAXOSMITHKLINE**	3.1	3.0
Total			37.4	39.9

*AIPM members are in bold

Among the top ten brands, PRADAXA (+47%) and NIMESIL (+2%), which were broke into and rounded out the top ten ranking, showed positive growth rates (Table 2). Another newcomer, NOLIPREL moved up to number eight from 12 despite an 8% decline in sales. DETRALEX and CONCOR (-2% each), HEPTRAL and ARBIDOL (-4% each) also moved up to the higher ranks, coming in at numbers three, four, six and seven, respectively. At the same time, the NUROFEN brand (-30%) moved two ranks down to rank five. XARELTO (-18%) and ELIQUIS (-6%) retained their leading positions. In the first half of 2021, the top ten ATC groups accumulated 8.3% of the pharmacy market, whereas 7.9% 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, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	XARELTO	1.7	1.8
2	2	ELIQUIS	1.1	1.0
3	4	DETRALEX	0.9	0.8
4	5	CONCOR	0.8	0.7
5	3	NUROFEN	0.7	0.8
6	9	HEPTRAL	0.7	0.6
7	10	ARBIDOL	0.7	0.6
8	12	NOLIPREL	0.6	0.6
9	32	PRADAXA	0.6	0.4
10	16	NIMESIL	0.6	0.5
Total			8.3	7.9

The top INN and group names leader managed to hold its own in the ranking: RIVAROXABAN held rank number one despite an 18% decrease in sales (Table 3). DIOSMIN*HESPERIDIN (+12%) and ROSUVASTATIN (+10%), which showed positive growth rates, moved up to ranks two and three. INN HYALURONIC ACID (+90%), which almost doubled its sales, moved up from rank 32 to nine and became the only new member of the top ten. APIXABAN (-6%) and BISOPROLOL (-5%) moved one rank up to numbers five and eight. At the same time, they displaced XYLOMETAZOLINE (-19%) two ranks down and NIMESULIDE (-10%) one rank down. INNs CONCOR (-9%) and ATORVASTATIN (-8%) held their previous ranks seven and ten. In total, ten INNs and group names accounted for 11.3% of the market vs 10.4% in the year-earlier period.

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

Rank in the top ten		INNs/Grouping Names	Share in total pharmacy sales, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	RIVAROXABAN	1.7	1.8
2	3	DIOSMIN*HESPERIDIN	1.4	1.1
3	8	ROSUVASTATIN	1.2	0.9
4	2	XYLOMETAZOLINE	1.2	1.3
5	6	APIXABAN	1.1	1.0
6	5	NIMESULIDE	1.0	1.0
7	7	PANCREATIN	1.0	1.0
8	9	BISOPROLOL	1.0	0.9
9	32	HYALURONIC ACID	1.0	0.4
10	10	ATORVASTATIN	0.9	0.9
Total			11.3	10.4

According to the results for the first half of the year, C09 Agents acting on the renin-angiotensin system (-14%), B01 Antithrombotic agents (-10%), M01 Anti-inflammatory and antirheumatic products (-15%) and G03 Sex hormones (+5%) continued to be the best-selling groups in the regional market (Table 4). R01 Nasal preparations (-16%) kept their previous rank six. The other brands of the top 10 ranking shifted their ranks; moreover, three of them rose in the ranks. C05 Vasoprotectives (-4%) moved four ranks up, A07 Antidiarrheals, intestinal anti-inflammatory and antimicrobial drugs (-8%) moved three ranks up, coming in at numbers five and seven, respectively. The only newcomer S01 Ophthalmologicals (-8%) broke into the top ten ranking, moving up to rank nine. At the same time, J01 Antibacterials for systemic use (-25%), which reduced sales by a quarter, moved one rank down, and J05 Antivirals for systemic use, which reduced sales by 32%, lost five ranks and rounded out the top ten ranking. The total share of the top 10 ATC groups increased by 0.6 p.p. to 37.6%.

Table 4. The top ten ATC Groups by pharmacy sales

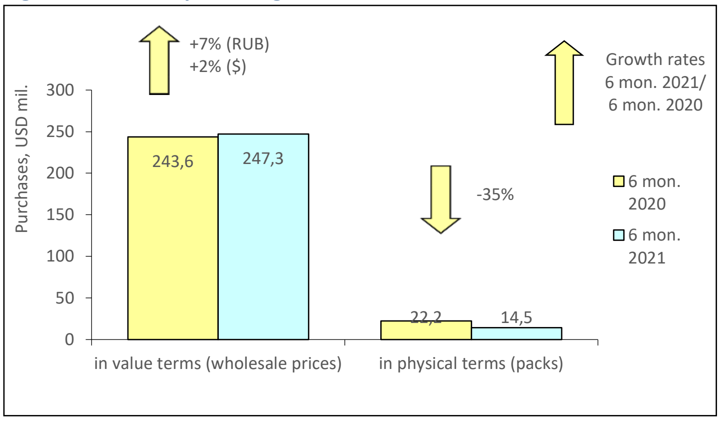
Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
6 mon. 2021	6 mon. 2020			6 mon. 2021	6 mon. 2020
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	6.2	6.4
2	2	B01	ANTITHROMBOTIC AGENTS	4.9	4.8
3	3	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.4	4.6
4	4	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	4.3	3.6
5	9	C05	VASOPROTECTIVES	3.4	3.1
6	6	R01	NASAL PREPARATIONS	3.2	3.4
7	10	A07	ANTIDIARR.,INTEST. ANTI-INFL./ANTIINFECT. AGENTS	2.9	2.8
8	7	J01	ANTIBACTERIALS FOR SYST USE	2.8	3.3
9	12	S01	OPHTHALMOLOGICALS	2.7	2.6
10	5	J05	ANTIVIRALS FOR SYSTEMIC USE	2.7	3.5
Total				37.6	38.2

Conclusion. At the end of January-June 2021, the pharmacy market of St. Petersburg brought in RUB 32.133 bil. (USD 432.989 mil.) at retail prices. In the first half of 2021, pharmacies sold 13% in terms of roubles and 19% in terms of dollars less than in the same period of the last year. In physical terms, the sales increased by 20% and amounted to 89.066 mil. packs. Based on the results for the first half of 2021, the average cost of an FPP pack in the city pharmacies was USD 4.86 did not virtually change as compared to the year-earlier period (USD 4.84) but exceeded the national average (USD 3.55). The average medicine expenses of St. Petersburg residents in the pharmacies were higher than the national average expenses in Russia (USD 80.42 vs. USD 53.26).

MOSCOW CITY HOSPITAL MARKET: 2021 FIRST SIX MONTHS RESULTS

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation, at the end of the first six months of 2021 the Moscow public segment in the physical terms reduced by 35% as compared to the same period of 2020 and amounted to 14.456 mil. packs. In money terms, the market showed positive growth rates both in terms of roubles (+7%) and in terms of dollars (+2%) and reached RUB 18.361 bil. (USD 247.307 mil.) in wholesale prices. In the first half of 2021, the average cost of an FPP pack in the Moscow public segment was USD 17.11, whereas it was USD 10.96 in the year-earlier period.

Figure 1. Moscow public segment for 6 months 2020 – 6 months 2021



JOHNSON & JOHNSON became the leader in the top ten manufacturers ranking of the Moscow public segment in January-June 2021, which moved up from rank ten to one due to a 4.5-fold increase in purchases (Table 1). ROCHE, which increased purchases by a third, moved up to rank two, displacing MSD (-14%) one rank down. BRISTOL MYERS (+29%), BIOCAD (+84%) and PFIZER (+59%) held and strengthened their ranks four, five and seven. The newcomer NOVARTIS, which broke into the top ten ranking for the first time, increasing purchases by 3.8 times, was ranked sixth. ABBVIE (-2%), BAYER (+10%) and SANOFI (-81%), which, on the contrary, fell in the ranks, rounded out the top ten ranking. In total, based on the results for the first half of 2021, the top ten manufacturers accounted for 53.2% of the market, while they accounted for 49.6% in a year earlier period.

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

Rank in the top ten		Manufacturer*	Share in total public segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	10	**JOHNSON & JOHNSON**	8.8	2.1
2	3	**ROCHE**	6.9	5.7
3	2	**MSD**	6.8	8.5
4	4	**BRISTOL MYERS SQU**	6.4	5.3
5	5	BIOCAD RF	6.1	3.6
6	13	**NOVARTIS**	5.2	1.5
7	7	**PFIZER**	4.6	3.1
8	6	**ABBVIE**	3.0	3.3
9	8	**BAYER**	3.0	2.9
10	1	**SANOFI**	2.3	13.6
Total			53.2	49.6

*AIPM members are in bold

The newcomer SPINRAZA took the lead in the top ten brands ranking (14-fold growth in purchases), displacing last year's leader OPDIVO (+50%) one rank down (Table 2). Two more newcomers, ZOLGENSMA and ARTLEGIA, which increased supplies by 480 times, moved up to ranks three and nine, respectively. PREVENAR (2.2-fold growth) also demonstrated high growth rates and rose in the ranks, moving up to rank five from eight. KADCYLA and AVEGRA (+34% each) brands continued to hold ranks six and ten. The less dynamic KEYTRUDA (+17%), PERJETA (+27%) and SYNAGIS (+0.1%) moved down to ranks four, seven and eight, respectively. The total share of the top 10 increased twice, and reached 31.8%.

Table 2. The top 10 brands by public segment volume

Rank in the top ten		Brand	Share in total public segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	24	SPINRAZA	7.1	0.6
2	1	OPDIVO	5.2	3.7
3	N/A	ZOLGENSMA	4.1	N/A
4	2	KEYTRUDA	3.8	3.5
5	8	PREVENAR 13	2.3	1.1
6	6	KADCYLA	2.3	1.8
7	5	PERJETA	2.2	1.8
8	4	SYNAGIS	2.1	2.3
9	45	ARTLEGIA	1.3	0.0
10	10	AVEGRA BIOCAD	1.3	1.1
Total			31.8	15.9

The top three INN and group names managed to hold its own in the ranking (Table 3). Following the corresponding brand, NUSINERSEN became its leader (14-fold growth in purchases). Two more newcomers, ONASEMNOGENE ABEPARVOVEC and TRASTUZUMAB (+54%), moved up to ranks three and ten, respectively. INN VACCINE, PNEUMOCOCCAL CONJUGATE moved up from rank ten to five (2.2-fold growth in purchases). Most of the remaining INNs moved to the lower ranks. The former leader NIVOLUMAB (+50%), as well as the INNs PEMBROLIZUMAB (+17%), PERTUZUMAB (+27%), PALIVIZUMAB (+0.1%) and AFLIBERCEPT (+14%), which moved down to ranks two, four, as well as from rank seven through nine. TRASTUZUMAB EMTANSINE (+34%) kept its previous rank six. The total share of the analysed top ten also increased to 32.1% from 17.2%.

Table 3. The Budget segment INNs and grouping names by public segment volume

Rank in the top ten		INNs/Grouping Names	Share in total public segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	30	NUSINERSEN	7.1	0.6
2	1	NIVOLUMAB	5.2	3.7
3	N/A	ONASEMNOGENE ABEPARVOVEC	4.1	N/A
4	2	PEMBROLIZUMAB	3.8	3.5
5	10	VACCINE, PNEUMOCOCCAL CONJUGATE	2.3	1.1
6	6	TRASTUZUMAB EMTANSINE	2.3	1.8
7	5	PERTUZUMAB	2.2	1.8
8	3	PALIVIZUMAB	2.1	2.3
9	7	AFLIBERCEPT	1.5	1.4
10	18	TRASTUZUMAB	1.4	1.0
Total			32.1	17.2

L01 Antineoplastic agents (+28%) held and strengthened rank number one in the top ten ATC groups ranking (Table 4). The most dynamic group of the top ten ranking M09 Other drugs for disorders of the musculo-skeletal system (22-fold growth in purchases) became its only newcomer. It should be noted that the markets of groups L04 Immunosuppressants (2.1-fold growth) and B01 Antithrombotic agents (+67%) also developed at a fast pace, which allowed the former to move up to rank five, and the latter to held its previous rank eight. The dynamics of the remaining six ATC groups of the top ten ranking was negative. This resulted in the loss of two ranks by the groups J07 Vaccines (-66%), J05 Antivirals for systemic use (-4%) and B05 Blood substitutes and perfusion solutions (-3%), while J06 Immune sera and immunoglobulins (-23%) and V08 Contrast media (-19%) moved three ranks down and rounded out the top 10 ranking. J01 Antibacterials for systemic use (-3%) held their previous rank three. The total share of the top 10 ATC groups increased by 2.2 p.p. to 79.8%.

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

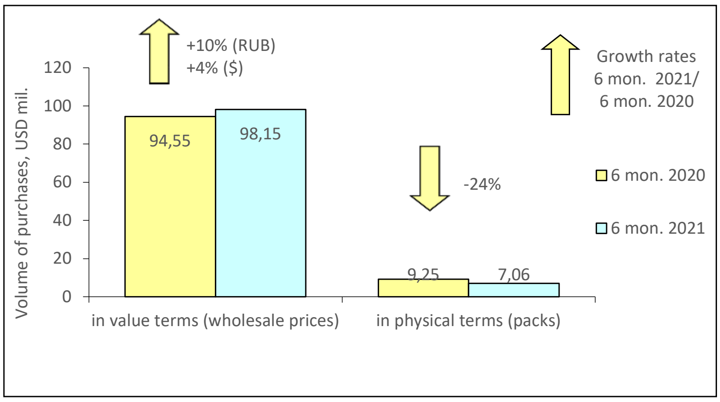
Rank in the top ten		ATC code	ATC group	Share in total public segment, %	
6 mon. 2021	6 mon. 2020			6 mon. 2021	6 mon. 2020
1	1	L01	ANTINEOPLASTIC AGENTS	28.4	23.8
2	19	M09	OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST	11.8	0.6
3	3	J01	ANTIBACTERIALS FOR SYST USE	6.8	7.5
4	2	J07	VACCINES	6.5	20.4
5	9	L04	IMMUNOSUPPRESSANTS	5.5	2.9
6	4	J05	ANTIVIRALS FOR SYSTEMIC USE	5.5	6.2
7	5	B05	PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS	4.7	5.2
8	8	B01	ANTITHROMBOTIC AGENTS	4.7	3.0
9	6	J06	IMMUNE SERA & IMMUNOGLOBULIN	3.5	4.8
10	7	V08	CONTRAST MEDIA	2.5	3.3
Total				79.8	77.6

Conclusion. Based on the results for the first half of 2021, the Moscow public procurement segment increased by 7% in rouble terms and by 2% in dollar terms and brought in RUB 18.361 bil. (USD 247.307 mil.). In pack terms, the market reduced by 35% and amounted to 14.456 mil. packs. Based on the results for January-June of 2021, the average cost of an FPP pack in the public procurement segment of Moscow was USD 17.11, whereas in the year-earlier period it was USD 10.96.

SAINT PETERSBURG HOSPITAL MARKET: 2021 FIRST SIX MONTHS RESULTS

According to the results of the Budget Audit of FPPs in the Russian Federation (without DLO and regional benefit), in the first half of 2021 the St. Petersburg public procurement segment reduced by 24% in physical terms and amounted to 7.058 mil. packs. In money terms, the hospital purchases growth rates were positive both in terms of roubles (+10%) and in terms of dollars (+4%), and its volume amounted to RUB 7.280 bil. (USD 98.149 mil.) in wholesale prices. Based on the results for January-June of 2021, the average cost of an FPP pack in the city hospitals was USD 13.91, whereas in the year-earlier period it was USD 10.22.

Figure 1. St. Petersburg public sector for 6 months of 2020 – 6 months 2021



Two newcomers broke into the top ten INN and group names ranking in the St. Petersburg public procurement segment based on the results for first six months of 2021 (Table 1). R-PHARM increased its purchases by 17 times and moved up from the fifth ten to rank seven, and NOVARTIS (+91%) moved three ranks up, coming in at number nine. Another six manufacturers from the top ten ranking showed the outstripping growth rates. Among them was ROCHE (+15%) which held and reinforced its rank two. Due to a 36% increase in purchases, BIOCAD moved one rank up to number three, displacing the less dynamic BRISTOL MYERS (+29%) one rank down. PFIZER (+11%), JOHNSON & JOHNSON (+30%) and BAYER (+49%) moved up to ranks five, six and eight. MSD (-3%) and GLAXOSMITHKLINE (-34%), which showed negative growth rates, took the lead and rounded out the ranking. And if the former held this rank, the former moved down to it from rank five. The total share of the top ten manufacturers increased by 6 p.p. and accounted for 47.7%.

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

Rank in the top ten		Manufacturer*	Share in total public segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	1	**MSD**	7.0	7.9
2	2	**ROCHE**	6.7	6.3
3	4	BIOCAD RF	6.5	5.2
4	3	**BRISTOL MYERS SQU**	6.3	5.3
5	7	**PFIZER**	4.5	4.4
6	9	**JOHNSON & JOHNSON**	3.6	3.1
7	47	**R-PHARM ZAO RF**	3.6	0.2
8	10	**BAYER**	3.6	2.6
9	12	**NOVARTIS**	3.1	1.8
10	5	**GLAXOSMITHKLINE**	2.8	4.7
Total			47.7	41.7

*AIPM members are in bold

The leaders of the top 10 brand names ranking were changed: OPDIVO (+45%) and KEYTRUDA (+50%) improved their positions by one rank, moving up to the top two ranks. 2). The last year's leader TIVICAY (-28%) was the only one among the top ten, which showed a downward trend and moved down to rank three. Six newcomers broke in the top-10 ranking: KADCYLA (+92%), ZOLGENSMA, CORONAVIR, ILSIRA, PREVENAR 13 (2.2-fold growth in purchases) and AREPLIVIR, which moved up to ranks four and five, as well as ranks from seven through ten, respectively. The PERJETA brand (+12%) lost one ranking position, as displaced by the more dynamic newcomers, and moved down to rank six. In total, the top ten brands accounted for 24.8% of the regional public procurement segment, whereas in the year-earlier period their share was 14.5%.

Table 2. The top 10 brands by public segment volume

Rank in the top ten		Brand	Share in total public procurement segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	2	OPDIVO	4.8	3.7
2	3	KEYTRUDA	3.8	2.8
3	1	TIVICAY	2.6	4.0
4	11	KADCYLA	2.2	1.3
5	N/A	ZOLGENSMA	2.1	N/A
6	5	PERJETA	1.9	1.9
7	N/A	CORONAVIR	1.9	N/A
8	N/A	ILSIRA	1.9	N/A
9	19	PREVENAR 13	1.8	0.9
10	46	AREPLIVIR	1.8	0.0
Total			24.8	14.5

The top ten INN and group names ranking was noticeably updated: six newcomers broke into the top ten INN and group names ranking (Table 3). FAVIPIRAVIR (984-fold growth in purchases), TRASTUZUMAB EMTANSINE (+92%), ONASEMNOGENE ABEPARVOVEC and LEVILIMAB, as well as VACCINE, PNEUMOCOCCAL CONJUGATE (2.2-fold growth) and ENOXAPARIN SODIUM (+79%), moved up to ranks two, six, seven and three bottom ranks, respectively. The leader of the top ten changed. NIVOLUMAB (+45%) moved up to rank one from two (Table 3). Due to 28% reduction in sales, DOLUTEGRAVIR that had been placed at that rank earlier moved down to rank four. Despite the positive growth rates, PERTUZUMAB (+12%) also lost one ranking point. INN PEMBROLIZUMAB (+50%) held its previous rank three. The total share accumulated by the top-ten INNs and grouping names increased from 15.5% to 27.5%.

Table 3. The Budget segment INNs and grouping names by public segment volume

Rank in the top ten		INNs/Grouping Names	Share in total public segment, %	
6 mon. 2021	6 mon. 2020		6 mon. 2021	6 mon. 2020
1	2	NIVOLUMAB	4.8	3.7
2	48	FAVIPIRAVIR	4.8	0.0
3	3	PEMBROLIZUMAB	3.8	2.8
4	1	DOLUTEGRAVIR	2.6	4.0
5	13	TRASTUZUMAB EMTANSINE	2.2	1.3
6	N/A	ONASEMNOGENE ABEPARVOVEC	2.1	N/A
7	6	PERTUZUMAB	1.9	1.9
8	N/A	LEVILIMAB	1.9	N/A
9	24	VACCINE, PNEUMOCOCCAL CONJUGATE	1.8	0.9
10	20	ENOXAPARIN SODIUM	1.6	1.0
Total			27.5	15.5

The groups L01 Antineoplastic agents (+1%) and J05 Antivirals for systemic use (+13%) continued to show the largest purchases within the budget segment (Table 4). They were followed by L04 Immunosuppressants (2.6-fold growth) and B01 Antithrombotic agents (2.7-fold growth) that increased their purchases by almost 3 times and moved up from ranks 7 and 8. Even more dynamic newcomers M09 Other drugs for disorders of the musculo-skeletal system (70-fold growth in purchases) moved up to rank nine. The growth rates of the other groups were negative, which resulted in the loss of the ranking positions. Thus, J01 Antibacterials for systemic use (-9%), B05 Blood substitutes and perfusion solutions (-14%), J07 Vaccines (-1%) and V08 Contrast media (-31%) moved two ranks down, coming in at numbers five through eight, and N01 Anaesthetics (-12%) lost one rank and rounded out the top 10 ranking. In total, the top ten ATC groups accumulated 82.6% of the regional market, whereas in the year-earlier period - 78.6%.

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

Rank in the top ten		ATC code	ATC group	Share in total public segment, %	
6 mon. 2021	6 mon. 2020			6 mon. 2021	6 mon. 2020
1	1	L01	ANTINEOPLASTIC AGENTS	28.5	31.1
2	2	J05	ANTIVIRALS FOR SYSTEMIC USE	19.0	18.5
3	7	L04	IMMUNOSUPPRESSANTS	7.6	3.2
4	8	B01	ANTITHROMBOTIC AGENTS	7.0	2.8
5	3	J01	ANTIBACTERIALS FOR SYST USE	6.3	7.5
6	4	B05	PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS	4.1	5.2
7	5	J07	VACCINES	3.9	4.4
8	6	V08	CONTRAST MEDIA	2.4	3.8
9	49	M09	OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST	2.1	0.0
10	9	N01	ANESTHETICS	1.8	2.2
Total				82.6	78.6

Conclusion. At the end of the first six months of 2021, the St. Petersburg public procurement segment increased by 10% in terms of roubles and by 4% in terms of dollars. Its volume was equal to RUB 7.280 bil. (USD 98.149 mil.). In pack terms, the market showed negative growth rates (-24%) and amounted to 7.058 mil. packs. At the end of the first half of 2021, the average cost of an FPP pack in the public procurement segment was higher than that in the year-earlier period (USD 13.91 vs. USD 10.22)