СОВМЕСТНАЯ ПУБЛИКАЦИЯ
АССОЦИАЦИИ МЕЖДУНАРОДНЫХ
ФАРМАЦЕВТИЧЕСКИХ
ПРОИЗВОДИТЕЛЕЙ
И ГК РЕМЕДИУМ

РЕМЕДИУМ
ГРУППА КОМПАНИЙ

AIPM®
Association of International Pharmaceutical Manufacturers
Ассоциация международных фармацевтических производителей

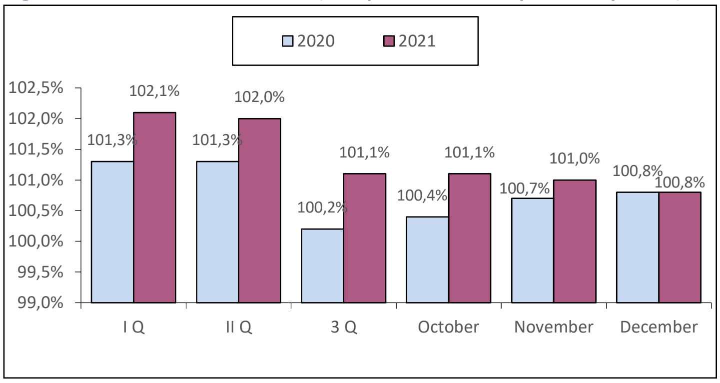
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.8% in December 2021 compared to the previous month, 108.4% vs. December of 2020.

In December 2021, Industrial Producer Price Index was 100.8% as compared to the previous month, in the month-earlier period it had amounted to 102.7%. The index accounted for 128.5% against December of 2020.

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



Living standard

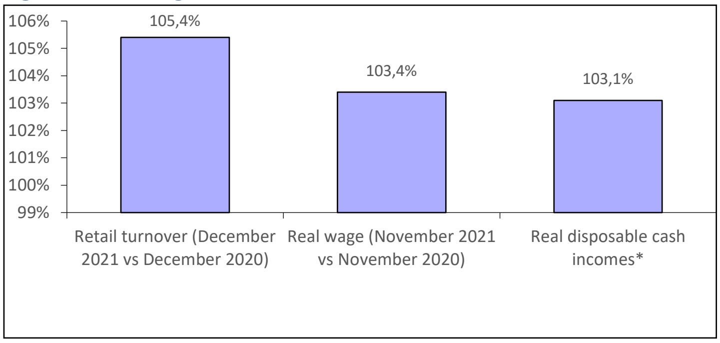
In November 2021, a gross monthly average wage of corporate employees reached RUB 55639 (USD 766.48). It accounted for 112.1% as compared to November 2020, and 101.7% as compared to the previous period. In November 2021, the real gross wage accounted for 103.4% as compared to November of 2020, and 100.7% against the prior period.

According to estimates[1], real disposable cash incomes increased by 3.1% in 2021 as compared to 2020 (Fig. 2).

Retail turnover

In December 2021, the retail turnover was equal to RUB 4160.6 bil. or 105.4% (in comparable prices) against the respective period of the previous year, in 2021 - RUB 39257.4 bil. or 107.3% (Fig. 2).

Figure 2. Real wage and retail turnover



* January-December 2021 vs. January-December 2020.

Industrial Production

According to Federal State Statistics Service's data, in December 2021 Industrial Production Index accounted for 106.1% as compared to the same period a year ago, 105.3% based on the results for 2021.

According to Federal State Statistics Service's data, Industrial Production Index of drugs and medical products in December 2021 accounted for 99.9% compared to the relevant period of 2020, and 111.5% based in the results for 2021 vs. December of 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 December 2021.

Table 1. Top ten Russian chemical and pharmaceutical manufacturers by sales, December 2021

Rank	Manufacturer	RUB mil.
1	Biocad	7366.0
2	Pharmasyntez	5859.1
3	Otcpharm	5426.8
4	Promomed	4007.8
5	R-Pharm	3416.2
6	Stada	3132.5
7	Binnopharm	2626.3
8	Valenta	1921.9
9	Grotex	1861.8
10	Pharmstandart	1848.7

Source - Remedium according to IQVIA's data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In November 2021 as compared to the previous year, reduction in pharmacy sales (in terms of roubles) was observed in most analysed regions. The highest growth was observed in Voronezh region (-20%), the lowest one in Rostov Region (-3%). The growth in sales was reported in Moscow (+3%), St. Petersburg, Krasnoyarsk Krai and Novosibirsk Region (+4% each).

Table 2. Pharmacy sales in the regions, 2021

Region	Pharmacy sales, $ mil. (wholesale prices)			Growth gain, % (roubles)		
	September 2021	October 2021	November 2021	September/ August 21	October/September 21	November/ October 21
Moscow	212.2	196.5	198.6	50%	-9%	3%
St. Petersburg	108.4	90.5	92.6	61%	-18%	4%
Krasnodar Krai	60.6	60.0	51.7	-7%	-3%	-13%
Krasnoyarsk Krai	28.9	30.2	31.1	20%	3%	4%
Tatarstan	31.8	35.3	29.9	24%	9%	-14%
Rostov Region	35.8	37.1	33.0	11%	2%	-10%
Novosibirsk Region	31.2	29.8	30.4	35%	-6%	4%
Voronezh Region	20.9	25.8	20.4	23%	21%	-20%
Perm	10.6	11.4	10.5	16%	6%	-6%
Tyumen	10.5	11.0	10.5	8%	3%	-3%

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 December 2021

Rank	Company*	Quantity of broadcasts
1	Reckitt Benckiser	12,825
2	Berlin-Chemie/Menarini	7,044
3	Sanofi	6,994
4	GSK Consumer Healthcare	6,050
5	Bayer	5,796

Source - Remedium according to Mediascope's data

Table 4. Top five trade names in mass media in December, 2021

Rank	Brand*	Quantity of broadcasts
1	Strepsils	5,226
2	Evalar	4,115
3	Nurofen	3,971
4	Gaviscon	3,628
5	Respero Myrtol	1,900

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.

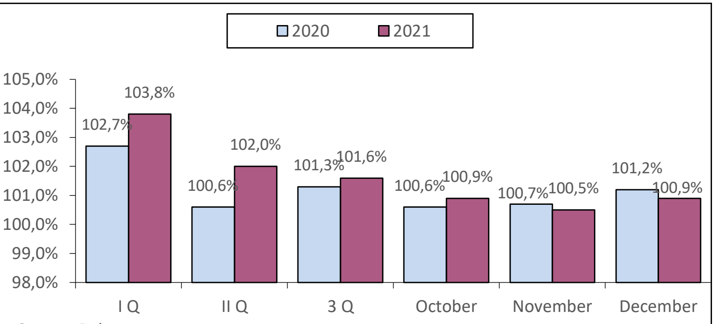
MACROECONOMIC INDICES OF THE REPUBLIC OF BELARUS

Inflation

According to the Committee for Statistics of the National Statistical Committee of Belarus, the Consumer Price Index was estimated at 100.9% in December 2021, 109.97% vs. December of 2020. In 2021, the Consumer Price Index was 109.5% as compared to 2020.

The Industrial Producer Price Index was 101.1% in December 2021 as compared to the previous month, and 114.3% vs. December of 2020. In 2021, Industrial Producer Price Index was 112.2% as compared to 2020.

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



Source: Belstat

Living standard

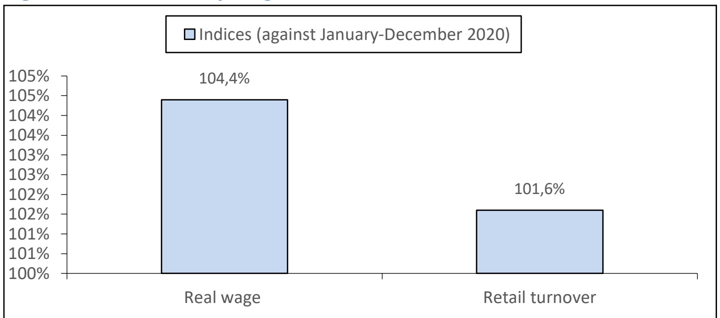
According to the preliminary Belstat's data, in December 2021 the average monthly nominal accrued wage of the corporate workers of the Republic of Belarus was equal to BYR 1675.30 (USD 661.99[2]), - BYR 1434.40 (USD 565.08) in 2021, which accounted for 113.0% and 114.3% against the same periods in 2020. In December 2021, the real wage accounted for 102,7% as compared to the same period of 2020, and 104.4% in January-December 2021 (Fig. 2).

According to Belstat's data, in January-November 2021 the real disposable cash income accounted for 102.0% as compared to January-November 2020.

Retail turnover

In December 2021, the retail turnover was estimated at RUB 6015.0 mil. which accounted for 117.8% as compared to the previous month and 104.3% as compared to the respective period of 2020. In 2021, it amounted to RUB 60 bil. or 101.6% in comparable prices as compared to the 2020 level (Fig. 2).

Figure 2. Real monthly wage and retail turnover, 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 14,550.6 mil. in current prices in December of 2021, BYR 154.44 bil. in 2021, or 104.3% and 106.5% in comparable prices as compared to the respective period of 2020.

According to Belstat's data, in January-December of 2021 the pharmaceutical production output of essential pharmaceutical products and pharmaceutical preparations was estimated at BYR 1920.1 mil., which accounted for 109.8% against the indicator of the same period in comparable prices in 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.

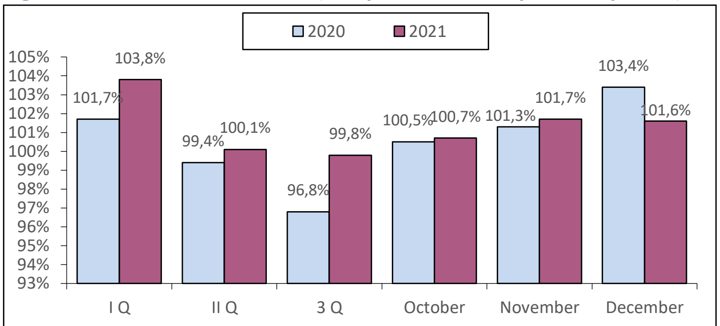
MACROECONOMIC INDICES OF THE REPUBLIC OF ARMENIA

Inflation

According to data of Statistics Committee of the Republic of Armenia, in December 2021 the consumer price index amounted to 101.6% against the previous month and 107.7% vs. December of 2020. The Consumer Price Index accounted for 107.2% in January-December of 2021 as compared to the same period in 2020.

The Industrial Producer Price Index was 101.8% in December 2021, as compared to the previous month, and 109.0% vs. December of 2020. In January-December of 2021, the index accounted for 109.0% as compared to 2020.

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



Source: the Statistics Committee of RA

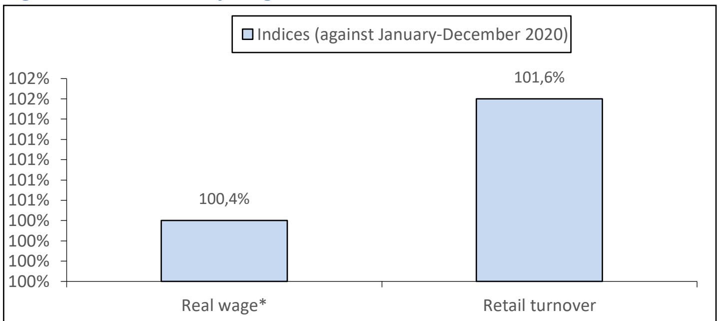
Living standard

According to preliminary estimates of the Statistics Committee of RA, in December 2021 the average monthly nominal wage of the workers of the Republic of Armenia was Dram 255663 (USD 526.99) which accounted for 126.4% compared to the previous period and 112.0% compared to the same period of 2020. In January-December of 2021, the average monthly nominal wage per worker was Dram 204048 (USD 405.04) or 107.6% against January-December of 2020. The real wage (according to the preliminary data of Eurasian Economic Commission) accounted for 100.4% in 2021 as compared to 2019 (Fig. 2).

Retail turnover

The retail turnover amounted to Dram 171,530.9 mil. in December of 2021, and Dram 1,452 1,452 mil. in January-December 2021, which accounted for 102.1% and 101.6% respectively, as compared to the same period of the previous year (Fig. 2).

Figure 2. Real monthly wage and retail turnover, 2021



Source: the Statistics Committee of RA

* - preliminary data for 2021.

Industrial Production

According to the preliminary data of Statistics Committee of the Republic of Armenia, in December of 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 280,805.9 mil., and AMD 2.386 bil. in January-December of 2021 or 107.9% and 103.3% 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 1,114.5 mil. in December 2021, and AMD 12,486.6 mil. from the beginning of the year, which accounted for 88.7% and 102.3% as compared to the respective periods 2020.

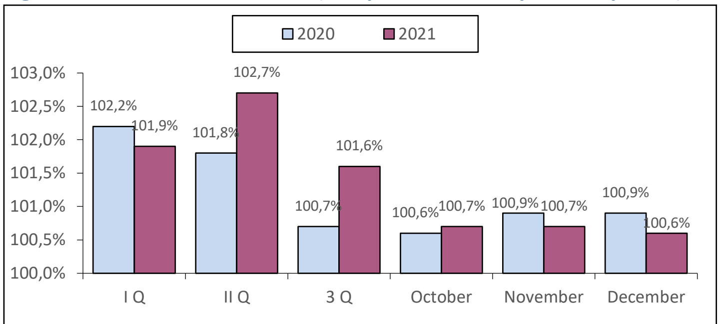
MACROECONOMIC INDICES OF THE REPUBLIC OF KAZAKHSTAN

Inflation

According to the Committee of the Ministry of National Economy for Statistics of the Republic of Kazakhstan, in December 2021 the Consumer Price Index was estimated at 100.6% as compared to the prior month, 108.4% vs. December of 2020. In January-December 2021, the Index reached 108% as compared 2020.

The Industrial Producer Price Index was 100.8% in December 2021 as compared to the previous month, and 146.1% vs. December of 2020. In 2021, the prices of manufacturers of industrial products increased by 32.5% as compared to 2020.

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



Source: Committee for Statistics of the Republic of Kazakhstan

Living standard

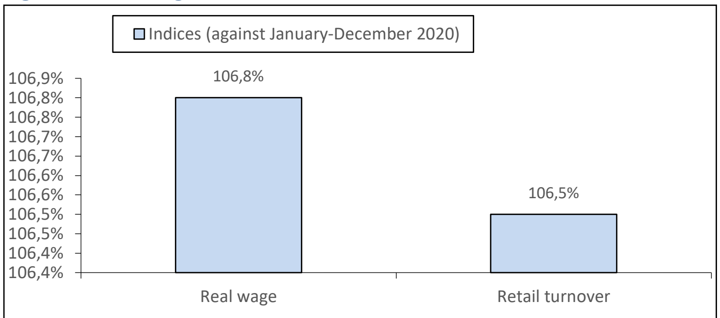
According to the preliminary data of the RK Committee on Statistics, the gross monthly average wage per worker reached KZT 268,051 (USD 617,46[3]) in December 2021, and KZT 245,103 (USD 575.32) in January-December of 2021. The Nominal Wage Index against the respective period of the previous year accounted for in December 2021 – 109.7%, 115.3% based on the results for 2021, and the real wage index in December 2021 was 101.2% as compared to December 2020, and 106.8% in January-December 2021 vs 2020 (Fig. 2).

According to the preliminary data, in January-November 2021 the real cash income index was 103.1% compared to the same period of 2020.

Retail turnover

The retail turnover in December 2021 was KZT 1708,8 bil., which accounts for 106.4% against December 2020. At year-end 2021, its volume amounted to KZT 13363.7 bil. or 106.5% against the respective period in 2020 (in comparable prices) (Fig. 2).

Figure 2. Real wage index and retail turnover in 2021



Source: Committee for Statistics of the Republic of Kazakhstan

Industrial Production

According to the Committee for Statistics of RK, in December 2021 the industrial output was KZT 3,922.2 bil., in January- December of 2021 it amounted to KZT 37047.6 bil. As compared to the same period of 2020, the indices accounted for 108.9% and 103.8%, respectively.

According to the Statistics Committee of RK, in January-December of 2021 the industrial output of basic pharmaceutical products amounted to KZT 198706 mil., KZT 11145 mil. in December of 2021. In January-December 2021, the Industrial Production Volume Index for Pharmaceuticals was 123.9% as compared to respective period in 2020, 79.8% in December 2021 vs. December 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

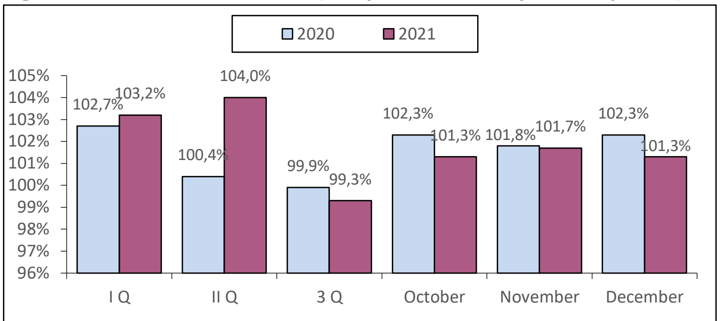
MACROECONOMIC INDICES OF THE KYRGYZ REPUBLIC

Inflation

According to the National Statistics Committee of the Kyrgyz Republic, the Consumer Price Index was estimated at 101.3% in December of 2021 as compared to the previous month, 111.2% in December 2021 vs. December of 2020. In January-December of 2021, the index accounted for 111.9% as compared to 2020.

In December 2021, the Producer Price Index for industrial production and services was 99.4% as compared to the previous month, 104.9% vs. December of 2020. In 2021 the prices of producers for industrial products and services throughout the Republic increased by 12.0% compared to 2020.

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



Source: National Statistics Committee of the Kyrgyz Republic

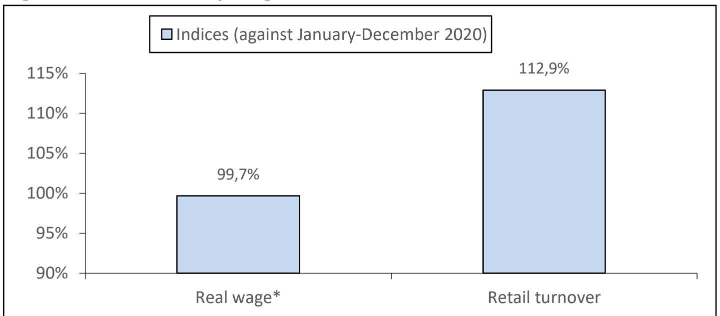
Living standard

According to data of the Committee for Statistics of the Kyrgyz Republic, in November 2021 the average monthly nominal wage per worker was KGS 19,668 (USD 231.96), in January-November 2021 - KGS 19,662 (USD 232.30), which accounted for 112.2% and 109.6% compared to the relevant period of the previous year, respectively. In January-November of 2021, the real wage accounted for 97.9% as compared to January-November of 2019, in November of 2021 and 99.9% in November 2021 vs November 2020 (Fig. 2).

Retail turnover

In December of 2021, the retail turnover (without cars and motorcycles sales) reached KGS 71033.0 mil, in January-December of 2021 - KGS 357,340.8 mil. The Retail Turnover Volume Index accounted for 117.5% and 112.9% compared to the same period of the previous year (Fig.2).

Figure 2. Real monthly wage and retail turnover, 2021



Source: National Statistics Committee of the Kyrgyz Republic

* Data for January-November 2021

Industrial Production

According to the National Committee for Statistics of the Kyrgyz Republic, in December 2021 the industrial output was KGS 44517.6 mil., and KGS 357176.5 mil. in January-December 2021. The Physical Index of Industrial Production accounted for 181.8% and 109.0% as compared to the same periods of 2020, respectively.

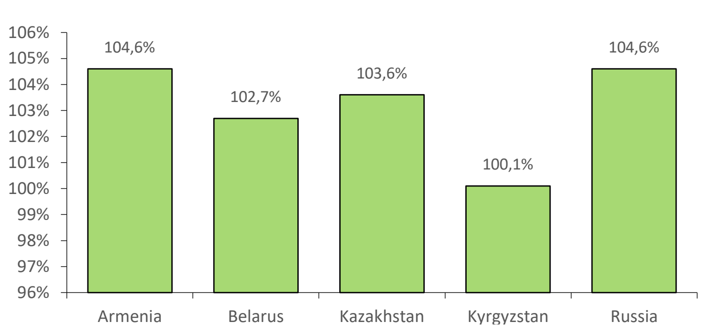
According to the National Committee for Statistics of the Kyrgyz Republic, the pharmaceutical output amounted to KGS 239.0 mil. in December 2021, and KGS 979.7 mil. from the start of the year. At the end of December 2021, the Physical Index of Industrial Production for Pharmaceuticals was 79.5% as compared to the same period of 2020, and 64.2% in January-December of 2021 as compared to 2020.

COMPARATIVE MACROECONOMIC INDICES OF THE EURASIAN ECONOMIC UNION (EAEU)

GDP

According to Eurasian Economic Commission (EAEC), in January-September of 2021 GDP of EAEU member-states reached USD 1425.9 bil. The Volume of Industrial Products Index accounted for 96.7% as compared to January-September 2020. An increase in GDP was observed in all EAEU member countries: in Armenia (+4.6%), in Belarus (+2.7%), in Kazakhstan (+3.6%) Kyrgyzstan (+0.1%) and Russia (+4.6%) (Fig. 1).

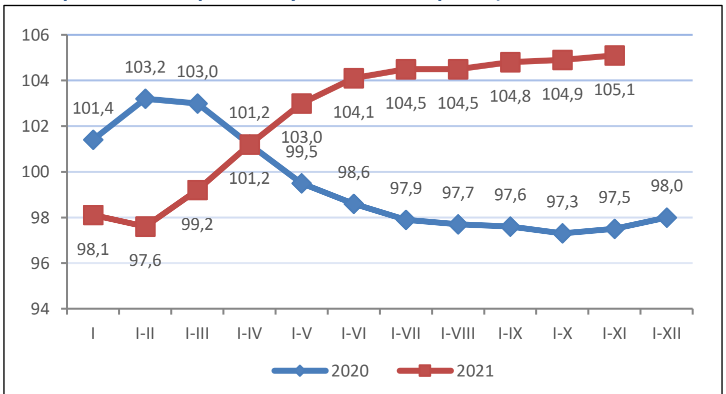
Figure 1. GDP growth rates in the EAEU member-states (January-September 2021 vs. January-September 2020)



Industrial Production

The industrial output of the EAEU in January – November 2021 amounted to 1.2 tril. USD and grew by 5.1% as compared to January-November 2020 (Fig. 2). In individual countries, the Industrial Production Index accounted for: 102.7% in Armenia, 106.7% in Belarus, 103.3% in Kazakhstan, 103.4% in Kyrgyzstan and 105.2% in Russia.

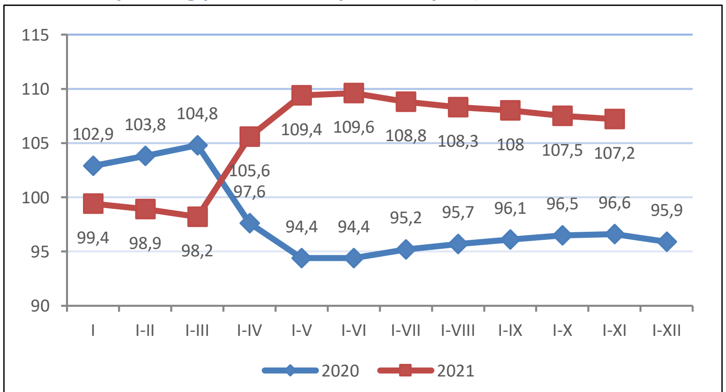
Figure 2. Industrial output indices movement in EAEU (as % over the same period of the previous year; constant prices)



Retail turnover

According to the EEC, the retail trade turnover (through all sales channels) of EEU member-states in January – November 2021 amounted to USD 532.2 bil. Compared with the same period of 2020, the volume of retail sales increased by 7.2%. In the analysed period, all member-states showed an increase in the retail turnover. In this case, the indices accounted for 102.6% in Armenia, 101.3% in Belarus, 106.5% in Kazakhstan 114.6% Kyrgyzstan and 107.5% in Russia (Fig. 2).

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 January-September 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 (117.3% and 108.8%, respectively) and in Belarus (114.6% and 104.9%). Note that real wages decreased in Armenia and Kyrgyzstan (by 0.3% and 2.1%, respectively).

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

Country	Real wage, % against the same period of 2020	Nominal wage, USD
Armenia	99.7	389
Belarus	104.9	547
Kazakhstan	108.8	568
Kyrgyzstan	97.9	232
Russia	103.0	734

Budget performance

According to the ECE, in January- September 2021 the republican budget was executed with a deficit in Armenia, Belarus and Kazakhstan. Compared to the corresponding period last year, Armenia and Belarus saw a decrease in the deficit, while in Kyrgyzstan and Russia, the budget deficit was replaced by a surplus.

Compared to the corresponding period last year, Armenia, Belarus and Russia saw an increase in the growth rates of revenues and a decrease in the growth rates of expenditures of the republican budget. In Kazakhstan, there was a slowdown in the growth of income and expenditure, while in Kyrgyzstan both indicators grew at an accelerated pace. The growth rates of the republican budgets were revenues - 112% in Armenia, 121% in Belarus, 107% in Kazakhstan, 143% Kyrgyzstan and 138% Russia; expenditures - 110% in Armenia, 115% in Belarus, 107% in Kazakhstan, 120% in Kyrgyzstan, 110% in Russia.

Table 2. Republican budget in January-September 2021

Country	USD bil.		
	Income	Expenditure	Deficit (surplus)
Armenia	2.4	2.6	-0.3
Belarus	7.7	8.1	-0.4
Kazakhstan	21.2	25.8	-4.6
Kyrgyzstan	1.5	1.5	0.0
Russia	242.3	220.3	22.0
EAEU	**275.1**	**258.4**	**16.7**

Mutual trade of EAEU member-states in 2021

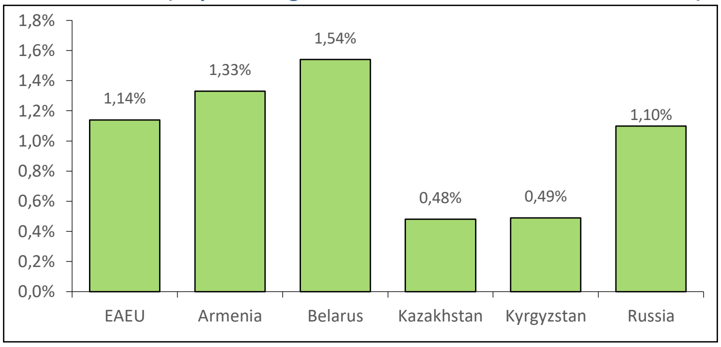
The volume of mutual trade in commodities of EAEU member-states in January-December 2021 amounted to USD 72.6 bil. or 131.9% as against the 2020 level.

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

Countries	USD bil.	As percentage of 2020	Share in total, %
EAEU	**72611.3**	**131.9**	**100.0**
Armenia	888.8	125.2	1.2
Russia	847.3	124.5	95.3
Belarus	17464.0	124.7	24.1
Russia	16397.4	124.6	93.9
Kazakhstan	7648.9	134.9	10.5
Russia	6916.7	138.1	90.4
Kyrgyzstan	803.2	144.9	1.1
Russia	412.9	160.5	51.4

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

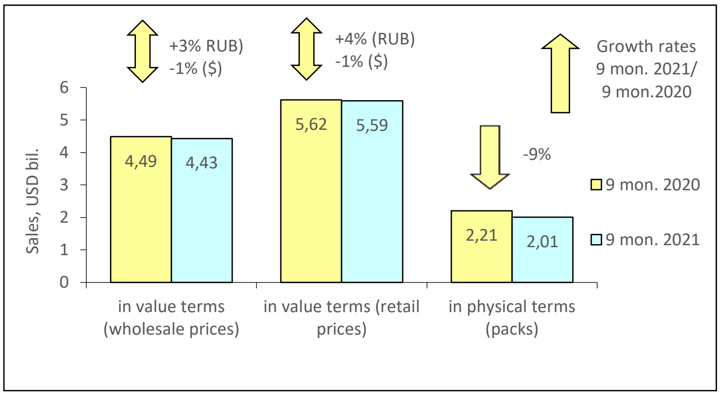
Figure 4. The mutual trade pattern of EAEU member-states within the Customs Commodity Code group "Pharmaceutical products" for January-December 2021 (as percentage over the total volume of mutual trade)



PHARMACY OTC MARKET IN RUSSIA: 2021 FIRST NINE MONTHS RESULTS

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™ IQVIA, at the end of the first nine months of 2021 the sales of OTC drugs in natural terms in pharmacies of Russia saw a 9% decrease to 2.013 bil. packs. In money terms, the OTC-segment expended by 3% in rouble terms and reduced by 1% in dollar terms and reached RUB 327.689 bil. (USD 4.432 bil.) in wholesale prices (Fig. 1). The share of Over-the-Counter (OTC) drugs accounted for 63.7% of sales in physical terms and 48.5% in retail prices in terms of roubles. At the end of January-September of 2021, the average cost of an OTC pack was USD 2.78 at retail prices, whereas in the year-earlier period its cost was USD 2.55. In the analysed period, Russians spent an average of USD 38.23 on the purchase of OTC drugs in the pharmacies.

Figure 1. Russian pharmacy OTC market for 9 months of 2020 – 9 months 2021



At the end of 2021 OTCPHARM (+6%[4]) and STADA (+10%) maintained and strengthened their leadership in the top ten manufacturers ranking in the OTC-drug market (Table 1). The other three INNs also showed outperformance. GLAXOSMITHKLINE (+7%), which held its previous rank five, as well as a newcomer ABBOTT (+14%) and SERVIER (+5%), which broke into the top 10 ranking for the first time and rounded it out. BAYER, TEVA and JOHNSON&JOHNSON increased their sales by 2%. At the same time, the first one moved one rank up, while the other two continued to hold ranks six and seven. SANDOZ (+1%) kept its previous rank eight and only SANOFI, which reduced its sales by 2%, moved down to a lower rank four. The total share of the top 10 drug manufacturers accounted for 41.7%, while it was 41.2% 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, %	
9 mon. 2021	9 mon. 2020		9 mon. 2021	9 mon. 2020
1	1	OTCPHARM	7.8	7.7
2	2	**STADA**	5.6	5.2
3	4	**BAYER**	4.4	4.4
4	3	**SANOFI**	4.3	4.5
5	5	**GLAXOSMITHKLINE**	4.2	4.0
6	6	**TEVA**	3.6	3.6
7	7	**JOHNSON & JOHNSON**	3.4	3.5
8	8	**SANDOZ**	3.3	3.4
9	13	**ABBOTT**	2.6	2.3
10	12	**SERVIER**	2.5	2.5
Total			41.7	41.2

*AIPM members are in bold

The leader of the top-10 brands has changed (Table 2). The former leader INGAVIRIN cut its sales by 24% and moved down to rank four, giving way to ARBIDOL (+40%), DETRALEX и NUROFEN (+7% each) moved up to the top three ranks. PENTALGIN (+4%), CARDIOMAGNYL (+11%), CANEPHRON (+10%) and KREON (+12%) also improved their positions by one rank, coming in at numbers five, six, nine and ten, respectively Due to 13% reduction in sales, MIRAMISTIN moved down from rank five to seven. Only THERAFLU (+2%) managed to keep its position unchanged. The total share of the top 10 brands increased from 12.6% to 12.8%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
9 mon. 2021	9 mon. 2020		9 mon. 2021	9 mon. 2020
1	2	ARBIDOL	2.2	1.6
2	3	DETRALEX	1.6	1.5
3	4	NUROFEN	1.5	1.4
4	1	INGAVIRIN	1.3	1.7
5	6	PENTALGIN	1.2	1.2
6	7	CARDIOMAGNYL	1.2	1.1
7	5	MIRAMISTIN	1.1	1.3
8	8	THERAFLU	1.0	1.0
9	10	CANEPHRON	0.9	0.9
10	11	KREON	0.9	0.8
Total			12.8	12.6

Two newcomers broke into the ranks of the top ten INN and group names ranking (Table 3). INN INTERFERON ALFA-2B (+16%) and the composition MAGNESIUM*PYRIDOXINE (+15%) rounded out the top ten ranking. UMIFENOVIR (+41%), ACETYLSALICYLIC ACID* MAGNESIUM (+10%) and DICLOFENAC (-+%) also moved up to the higher ranks two, six and eight. At the same time, they pushed DIOSMIN*HESPERIDIN (+10%), IBUPROFEN (+9%), PANCREATIN (+6%) and IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-24%) one rank down. INN XYLOMETAZOLINE (+4%) held its previous rank six. The total share of the top 10 has increased from 17.5% to 18.3%.

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, %	
9 mon. 2021	9 mon. 2020		9 mon. 2021	9 mon. 2020
1	1	XYLOMETAZOLINE	3.0	3.0
2	5	UMIFENOVIR	2.5	1.8
3	2	DIOSMIN*HESPERIDIN	2.4	2.3
4	3	IBUPROFEN	2.2	2.1
5	4	PANCREATIN	2.0	2.0
6	8	ACETYLSALICYLIC ACID*MAGNESIUM	1.3	1.2
7	6	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.3	1.7
8	9	DICLOFENAC	1.2	1.2
9	12	INTERFERON ALFA-2B	1.2	1.1
10	13	MAGNESIUM*PYRIDOXINE	1.2	1.0
Total			18.3	17.5

The top ten INNs and grouping names showed high stability: Most of the top ten ATC groups held their own in the ranking (Table 4). The groups N02 Analgesics (+1%), R01 Nasal preparations (+2%), L03 Immunostimulants (-2%), M01 Anti-inflammatory and antirheumatic drugs (+2%), A11 Vitamins (+6%) and M02 Topical products for joint and muscular pain (+1%) held their previous ranks two, four and four bottom ranks, respectively. The best-selling group of OTC drugs was C05 Vasoprotectives, which showed a 7% increase in sales (Table 4). A07 Antidiarrheals (+12%) also improved their rankings, moving up from rank six to five, displacing R05 Cough and cold preparations (+4%). J05 Antivirals for systemic use (-6%), which reduced their sales, moved down to a lower rank three. In total, the top - ten ATC groups accumulated 47.8% of the market, whereas in the year– earlier period they accounted for 48.1%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2021	9 mon. 2020			9 mon. 2021	9 mon. 2020
1	3	C05	VASOPROTECTIVES	6.1	5.9
2	2	N02	ANALGESICS	5.7	5.9
3	1	J05	ANTIVIRALS FOR SYSTEMIC USE	5.5	6.0
4	4	R01	NASAL PREPARATIONS	5.4	5.5
5	6	A07	ANTIDIARR.,INTEST. ANTIINFL./ ANTIINFECT. AGENTS	5.2	4.8
6	5	R05	COUGH AND COLD PREPARATIONS	5.0	5.0
7	7	L03	IMMUNOSTIMULANTS	3.8	4.1
8	8	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	3.8	3.8
9	9	A11	VITAMINS	3.8	3.7
10	10	M02	TOPICAL PRODUCTS FOR JOINT AND MUSCULAR PAIN	3.3	3.4
Total				47.8	48.1

Conclusion. Based on the results for 9 months of 2021, the over-the-counter retail market of the country achieved RUB 413.083 bil. (USD 5.588 bil.). At the same time, its behaviour was positive in rouble terms (+4%) and negative in dollar (-1%) terms. In pack terms, the market reduced by 9% and amounted to 2.013 bil. packs. The average cost of OTC-pack in the pharmacies of Russia was USD 2.78 based on the results for the first six months of 2021, which was more than the 2020 figure (USD 2.55). The average expenses of the Russian Federation residents for purchase of OTC drugs in the pharmacies in the analysed period slightly reduced: USD 38.23 vs. USD 38.30.

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

2021 PRICE ANALYSIS KEY PERFORMANCE INDICATORS

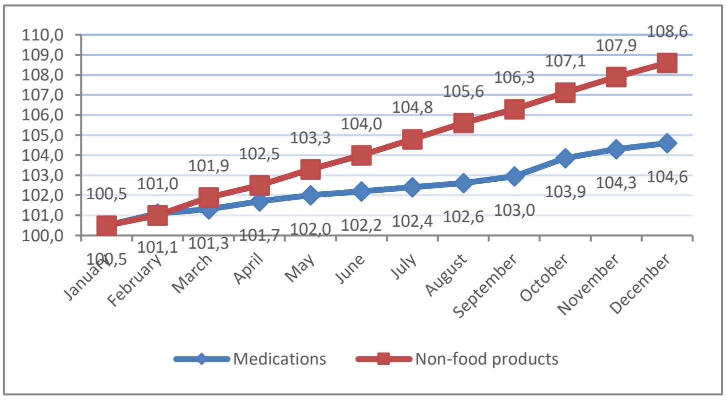
Price Indices

Table 1. Inflation rates in the Russian Federation in December 2021

	December 2021 vs December 2020	January-December 2021 vs January-December 2020
CPI	108.4	106.7
CPI for non-food products	108.6	107.1
CPI for medications	104.6	106.6

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 retail audit data)

Figure 2. Movement of weighted average prices and retail margins in 2020-2021

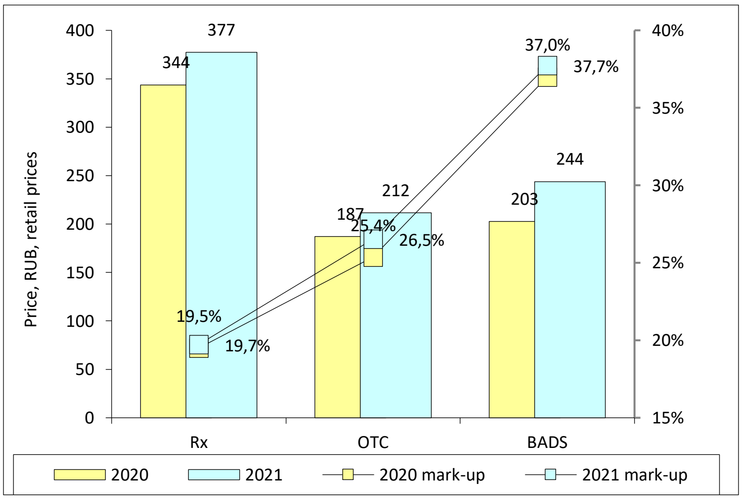


Figure 3. Movement of weighted average prices and retail margins in 2020-2021

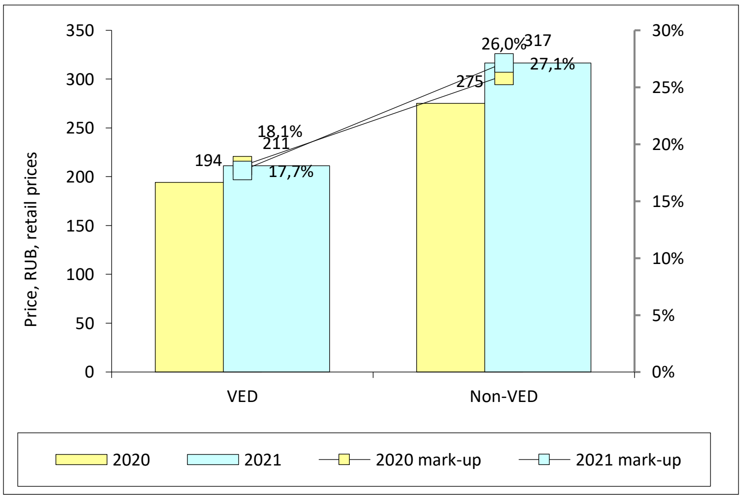
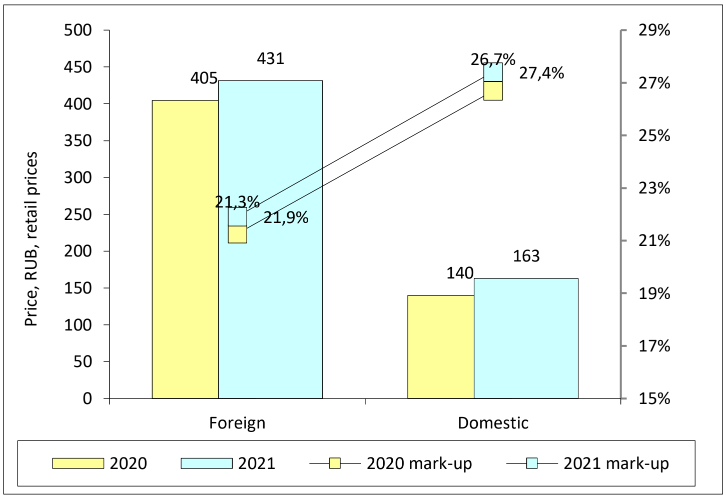


Figure 4. Movement of weighted average prices and retail margins in 2020-2021



Indicators of price movement in the reimbursable market segment

Figure 5. Movement of weighted average purchase prices in 2020– 2021

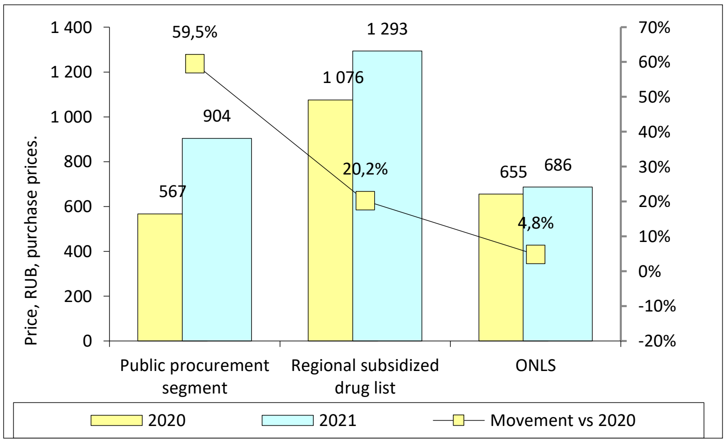


Figure 6. Movement of weighted average purchase prices for domestic drugs in 2020 – 2021

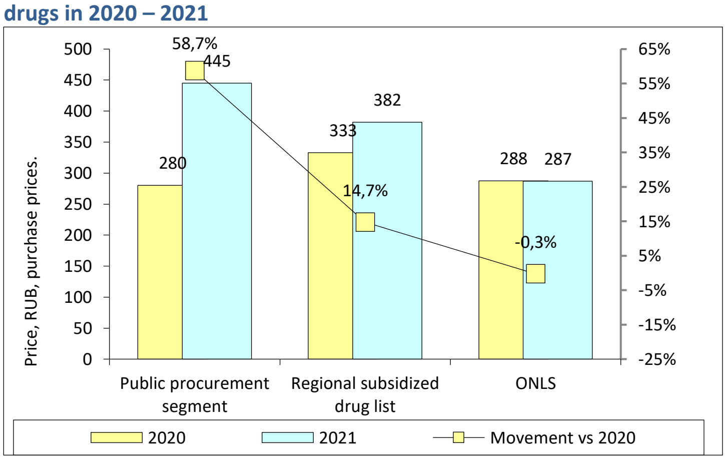
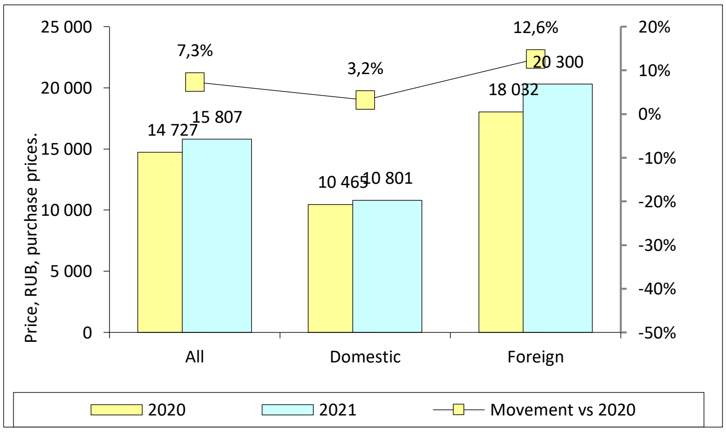


Figure 7 Movement of weighted average purchase prices in the VZN segment in 2020 – 2021

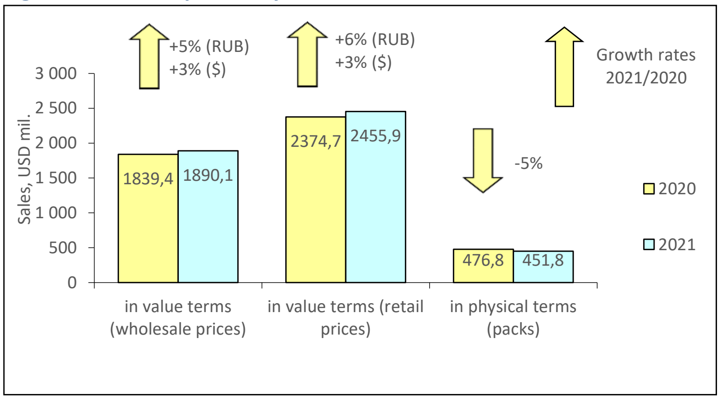


MOSCOW CITY PHARMACY MARKET: 2021 RESULTS

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 Retail Audit of Finished Pharma Product (FPP) in Russian Federation™ IQVIA, at year-end 2021, the city pharmacies sold 451.819 mil. FPP packs, which is 5% less than the sales indicator in 2020. In money terms, the market managed to show positive growth rates both in rouble (+5%) terms and in dollar terms (+3%) and amounted to RUB 139.046 bil. (USD 1.890 bil.) in wholesale prices (Fig. 1). The region market share accounted for 13.7% of the Russian pharmacy retail sales. An average retail cost of a pack accounted to USD 5.44 vs USD 4.98. in 2021. In 2021, the average amount spent by residents of Moscow for medications in pharmacies amounted to USD 194.07.

Figure 1. Moscow pharmacy market in 2020 – 2021



BAYER (+19%) and SANOFI (-10%) remained the leading manufacturers of the top ten manufacturers ranking in the retail market of Moscow according to the results for 2021 although the latter continued to reduce its sales (Table 1). Two more representatives of the top ten, SERVIER (-13%) and SANDOZ (-7%) demonstrated negative growth rates at the end of the year. And if the former lost four ranking positions, the letter continued to hold rank nine. ABBOTT (+2%) and TEVA (+3%) also held their own in the ranking, while the remaining manufacturers from the top ten rose in the ranks. Thus, GLAXOSMITHKLINE (+12%) moved up to rank three from six, the manufacturers STADA and BERLIN-CHEMIE/MENARINI (+7% each) moved up two ranks, coming in at numbers six and eight, respectively. The only newcomer JOHNSON & JOHNSON (+8%) broke into the ranks of the top ten, coming in at number ten. In total, top ten manufacturers accumulated 35.1% of the market, whereas in the year-earlier period they accounted for 35.8%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
2021	2020		2021	2020
1	1	**BAYER**	6.0	5.3
2	2	**SANOFI**	4.1	4.8
3	6	**GLAXOSMITHKLINE**	3.6	3.4
4	4	**ABBOTT**	3.4	3.5
5	5	**TEVA**	3.3	3.4
6	8	**STADA**	3.3	3.3
7	3	**SERVIER**	3.0	3.6
8	10	**BERLIN-CHEMIE/MENARINI**	2.9	2.9
9	9	**SANDOZ**	2.8	3.2
10	11	**JOHNSON & JOHNSON**	2.5	2.5
Total			35.1	35.8

*AIPM members are in bold

Two newcomers broke into the ranks of the top ten ranking (table 2). ELIQUIS (2.0-fold growth in sales) and THERAFLU (+22%) moved up to ranks three and nine. In addition to them, another three brands from the top ten ranking showed growth in sales: NUROFEN (+22%) moved up to rank two from five, HEPTRAL (+28%) moved up to rank six from eight, and CIALIS (+8%) moved up to rank eight from nine. The top-10 leader XARELTO (+44%), as well as DETRALEX (-7%), CONCOR (+0.1%) and CRESTOR (+6%) held their previous positions. And only MIRAMISTIN that reduced sales by 20% moved down from rank two to five. In total, the top-ten brands accumulated 8.4 % of pharmacy sales, 7.5% 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, %	
2021	2020		2021	2020
1	1	XARELTO	2.0	1.4
2	5	NUROFEN	0.9	0.8
3	26	ELIQUIS	0.8	0.4
4	4	DETRALEX	0.8	0.9
5	2	MIRAMISTIN	0.8	1.0
6	8	HEPTRAL	0.8	0.6
7	7	CONCOR	0.7	0.7
8	9	CIALIS	0.6	0.6
9	13	THERAFLU	0.6	0.5
10	10	CRESTOR	0.6	0.6
Total			8.4	7.5

In contrast to the above rankings, the leader of the top ten INNs and grouping names ranking changed (Table 3). RIVAROXABAN (+44%) moved up to rank one from two, displacing XYLOMETAZOLINE (+3%) one rank down. INNs HYALURONIC ACID (+23%) and ROSUVASTATIN (+13%) also moved up one rank, coming in at numbers three and four. IBUPROFEN (+20%) and NIMESULIDE (+14%) moved up to ranks six and seven, while the newcomer ADEMETIONINE (+28%) rounded out the top ten ranking. At the same time, the less dynamic DIOSMIN*HESPERIDIN (+1%) и PANCREATIN (+2%), as well as MIRAMISTIN (-18%), which reduced its sales, moved down to ranks five, eight and nine, respectively. The cumulative share of the top 10 under review increased from 10.9% to 11.7%.

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, %	
2021	2020		2021	2020
1	2	RIVAROXABAN	2.0	1.4
2	1	XYLOMETAZOLINE	1.5	1.5
3	4	HYALURONIC ACID	1.3	1.1
4	5	ROSUVASTATIN	1.1	1.1
5	3	DIOSMIN*HESPERIDIN	1.1	1.2
6	8	IBUPROFEN	1.1	1.0
7	10	NIMESULIDE	1.0	0.9
8	7	PANCREATIN	0.9	1.0
9	6	MIRAMISTIN	0.8	1.1
10	14	ADEMETIONINE	0.8	0.7
Total			11.7	10.9

Most of the drug groups of the top-10 ATC groups ranking rose in the ranks (Table 4). B01 Antithrombotic agents (+24%) that moved up to rank one from three became the leader in terms of sales and growth rates. The Groups M01 Anti-inflammatory and antirheumatic drugs, N06 Psychoanaleptics, G03 Sex hormones and G04 Urologicals saw a 13% increase in sales, which allowed them to move up to ranks two, five, seven and ten, respectively. On top of that, the latter became the only newcomer of the top ten ranking. R01 Nasal preparations (+5%), A07 Antidiarrheals, intestinal anti-inflammatory and antimicrobials (+10%) and C05 Vasoprotectives (+6%) moved up one rank, coming in at numbers four, eight and nine. On the contrary, C09 Agents acting on the renin-angiotensin system (-9%) and J05 Antivirals for systemic use (-21%), which showed a decrease in sales, moved down from the top two ranks to ranks three and six. The total share of the top 10 ATC groups didn't virtually change and accounted for 36.1%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
2021	2020			2021	2020
1	3	B01	ANTITHROMBOTIC AGENTS	4.8	4.0
2	4	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.3	4.0
3	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.2	4.9
4	5	R01	NASAL PREPARATIONS	3.7	3.7
5	7	N06	PSYCHOANALEPTICS	3.5	3.3
6	2	J05	ANTIVIRALS FOR SYSTEMIC USE	3.4	4.5
7	8	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.4	3.1
8	9	A07	ANTIDIARR.,INTEST. ANTIINFL./ ANTIINFECT. AGENTS	3.2	3.0
9	10	C05	VASOPROTECTIVES	2.9	2.9
10	12	G04	UROLOGICALS	2.8	2.6
Total				36.1	36.0

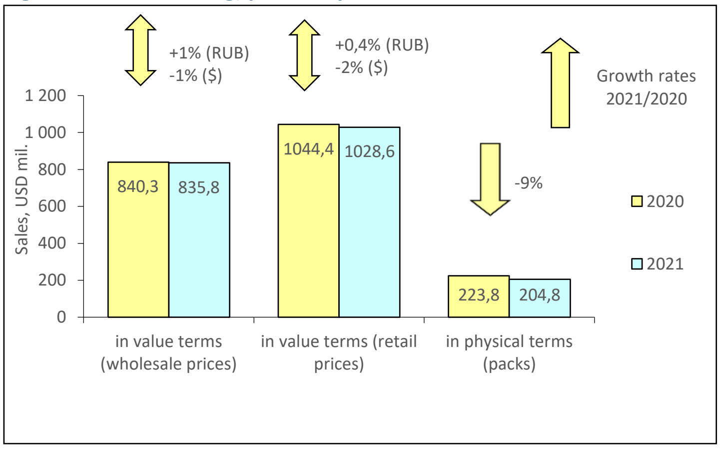
Conclusion. At the end of 2021, the pharmacy market of Moscow brought in RUB 180.667 bil. (USD 2.456 bil.). This is higher than the 2020 year's figure by 6% in terms of roubles and by 3% in terms of dollars. In pack terms, the market reduced by 5% and amounted to 451.819 mil. packs. The average cost of FPP pack in the regional pharmacies based on the results for January-December of 2021 was USD 5.44, which was more than the 2020 figure (USE 4.98), and the average across the country (USD 3.69). The average expenses of the regional residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 194.07 vs. USD 122.28).

SAINT PETERSBURG PHARMACY MARKET: 2021 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 Northwest FD (NWFD).

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™ IQVIA, at year-end 2021 the sales of drugs in natural terms in St. Petersburg pharmacies saw a 9% decrease to 204.780 mil. packs. In money terms, the market saw a 1% increase in terms of roubles and a 1% decrease in terms of dollars. At the same time, the volume of the market achieved RUB 61.435 bil. (USD 835.778 mil.) in wholesale prices (Fig. 1). The regional market share accounted for 5.8% of the Russian pharmacy sales (in terms of roubles). The average cost of an OTC pack in retail prices increased as compared to 2020 (USD 4.67) and reached USD 5.02. For 3 months 2021, the average amount spent by residents of the city for drugs in the pharmacies amounted to USD 191.04.

Figure 1. St. Petersburg) pharmacy market in 2020 – 2021



Most of the top ten manufacturers of the top ten, as the market in whole, continued to show negative sales rates based on the results for 2021 (Table 1). Among them were the leaders of the top ten BAYER (-0.2%), SANDOZ (-21%), SANOFI (-14%) and SERVIER (-4%), as well as TEVA (-5%) holding its previous rank six and KRKA (-9%) moving down to rank seven. ABBOTT (+6%), STADA (+3%) and GLAXOSMITHKLINE (+11%) showed outpacing positive growth rates and moved up to ranks five, seven and eight respectively. On top of that, the latter became the only newcomer of the top 10 ranking. OTCPHARM (+1%) rounded out the top ten ranking. The total share of the top 10 manufacturers reduced from 39.2% to 37.1%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
2021	2020		2021	2020
1	1	**BAYER**	5.8	5.9
2	2	**SANDOZ**	3.9	5.0
3	3	**SANOFI**	3.7	4.3
4	4	**SERVIER**	3.6	3.8
5	8	**ABBOTT**	3.6	3.4
6	6	**TEVA**	3.5	3.7
7	5	**KRKA**	3.4	3.8
8	9	**STADA**	3.4	3.3
9	11	**GLAXOSMITHKLINE**	3.3	3.0
10	10	OTCPHARM	3.0	3.0
Total			37.1	39.2

*AIPM members are in bold

Anticoagulants XARELTO (+10%) and ELIQUIS (+35%) continued to remain the best-selling brands in the regional market (Table 2). The brands that demonstrated ranking growth rates moved to ranks three through seven: DETRALEX (-0.5%), NUROFEN (-2%), ARBIDOL (+35%), CONCOR (+3%) and HEPTRAL (+20%). The only new member of the top 10 NOLIPREL (+1%) moved up to rank nine. The brands INGAVIRIN (-35%) and LINEX (-38%), which moved down to ranks eight and ten, respectively, showed a pronounced decrease in sales and loss of ranking positions. In general, the top ten brands accounted for 8.7% of pharmacy sales as in the previous year.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
2021	2020		2021	2020
1	1	XARELTO	1.7	1.6
2	2	ELIQUIS	1.3	1.0
3	5	DETRALEX	0.8	0.9
4	6	NUROFEN	0.8	0.8
5	10	ARBIDOL	0.8	0.6
6	7	CONCOR	0.8	0.7
7	9	HEPTRAL	0.7	0.6
8	4	INGAVIRIN	0.6	0.9
9	11	NOLIPREL	0.6	0.6
10	3	LINEX	0.6	0.9
Total			8.7	8.7

In the ranking of the top ten INNs and grouping names, the leader RIVAROXABAN (+10%) and BISOPROLOL (-2%) rounding it out held their own (Table 3). Only three members of the top ten were able to rose in the ranks. APIXABAN (+35%) and ROSUVASTATIN (+22%) moved up to ranks two and five, as well as HYALURONIC ACID (+63%) broke into the ranking for the first time, moving up to rank six. At the same time, they moved the less dynamic XYLOMETAZOLINE (+2%), DIOSMIN*HESPERIDIN (+4%) and IBUPROFEN (+2%) one rank down. IBUPROFEN (-7%) and PANCREATIN (-15%), which reduced sales, moved down to the bottom of the ranking, coming in at ranks eight and nine, respectively in total, ten INNs and group names accounted for 11.7% of the market vs 10.9% 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, %	
2021	2020		2021	2020
1	1	RIVAROXABAN	1.7	1.6
2	7	APIXABAN	1.3	1.0
3	2	XYLOMETAZOLINE	1.3	1.3
4	3	DIOSMIN*HESPERIDIN	1.3	1.2
5	8	ROSUVASTATIN	1.2	1.0
6	19	HYALURONIC ACID	1.1	0.7
7	6	IBUPROFEN	1.0	1.0
8	4	NIMESULIDE	1.0	1.1
9	5	PANCREATIN	0.9	1.1
10	10	BISOPROLOL	0.9	0.9
Total			11.7	10.9

Most of the ATC drug groups of the top-10 ranking showed negative growth rates (Table 4). Among them were C09 Medications acting on the renin-angiotensin system (-10%), continuing to head the top ten ranking. R01 Nasal preparations (-1%), C05 Vasoprotectives, A07 Antidiarrheals and R05 Cough and cold preparations (-3% each in all three groups) managed to improve their ratings despite a decrease in sales, moving up to ranks five and seven through nine respectively. Three groups with a more pronounced decline in sales: M01 Anti-inflammatory and antirheumatic drugs (-5%), J05 Antivirals for systemic use (-10%) and J01 Antibacterials for systemic use (-15%), on the contrary, moved down to ranks three, six and last, respectively. The markets of groups B01 Anticoagulants (+14%) and G03 Sex hormones (+12%) were characterized by pronounced positive growth rates, which allowed them to move up to ranks two and four, respectively. The total share of the top 10 ATC groups increased by 1.5 p.p. to 37.6%.

Table 4. The top ten ATC Groups by pharmacy sales

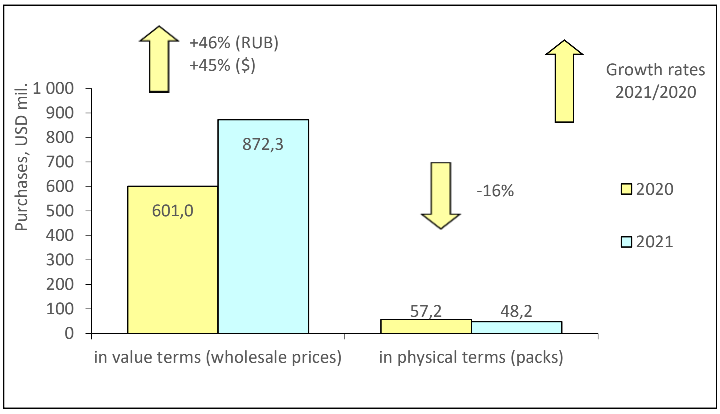
Rank in the top ten		ATC code	ATC group	Share in total pharmacy sales, %	
2021	2020			2021	2020
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.5	6.2
2	3	B01	ANTITHROMBOTIC AGENTS	5.2	4.6
3	2	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.4	4.7
4	5	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	4.0	3.6
5	6	R01	NASAL PREPARATIONS	3.4	3.5
6	4	J05	ANTIVIRALS FOR SYSTEMIC USE	3.2	3.7
7	8	C05	VASOPROTECTIVES	3.1	3.2
8	9	A07	ANTIDIARR.,INTEST. ANTIINFL./ANTIINFECT. AGENTS	3.0	3.1
9	10	R05	COUGH AND COLD PREPARATIONS	2.9	3.1
10	7	J01	ANTIBACTERIALS FOR SYST USE	2.8	3.4
Total				37.6	39.1

Conclusion. At the end of 2021, the pharmacy market of St. Petersburg brought in RUB 75.612 bil. (USD 1.029 bil.) at retail prices. For twelve months of 2021, pharmacies sold 0.4% more in terms of roubles and 2% in terms of dollars less than in 2020 year. In physical terms, the sales increased by 9% and amounted to 204.780 mil. packs. Based on the results for 2021, the average cost of an OTC pack in the city pharmacies amounted to USD 5.02 vs. USD 4.67 in a year earlier period and exceeded the average figures in Russia (USD 3.69). The average medicine expenses of St. Petersburg residents in the pharmacies were higher than the national average expenses in Russia (USD 191.04 vs. USD 122.28).

MOSCOW CITY HOSPITAL MARKET: 2021 RESULTS

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional subsidized drug list) IQVIA, at the end of 2021 the Moscow public procurement segment in physical terms continued to reduce (-16%) as compared to the previous year and amounted to 48.157 mil. packs. In money terms, the market showed high positive growth rates both in terms of roubles (+46%) and in terms of dollars (+45%) and reached RUB 64.012 bil. (USD 872.337 mil.) in wholesale prices. In 2021, the average cost of an FPP pack in the Moscow budget segment was USD 18.11, whereas it was USD 10.51 in the year-earlier period.

Figure 1. Moscow public sector in 2020 – 2021



At the end of 2021 NOVARTIS became the leader in the top ten manufacturers ranking in the budget segment of Moscow, which, thanks to a 10.4-fold increase in purchases, rose from the second group of ten to rank one (Table 1). BIOCAD, which showed a three-fold increase in purchase volumes, moved up to rank two from five, while ROCHE (+66%) held and strengthened rank three. In addition to those listed above, the markets of JOHNSON & JOHNSON (+52%) and PHARMASYNTEZ (3.4-fold growth in purchases) also developed at a fast pace. At the same time, if the former moved one rank up, coming in at number six, the later broke into the top 10 ranking for the first time, moving up to rank seven. At the same time, less dynamic MSD (+23%), BRISTOL MYERS (+47%), PFIZER (+32%) and BAYER (+50%), as well as SANOFI, which decreased sales by 54%, on the contrary, fell to more lower ranks four, five and the last three. In total, based on the results for 2021, the top ten manufacturers accounted for 54.8% of the market, while a year earlier they accounted for 47.4%.

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

Rank in the top ten		Manufacturer*	Share in total public segment, %	
2021	2020		2021	2020
1	15	**NOVARTIS**	9.9	1.4
2	5	BIOCAD RF	8.5	4.1
3	3	**ROCHE**	6.8	6.0
4	2	**MSD**	6.8	8.0
5	4	**BRISTOL MYERS SQU**	5.9	5.9
6	7	**JOHNSON & JOHNSON**	3.9	3.7
7	11	PHARMASYNTEZ	3.6	1.5
8	6	**PFIZER**	3.4	3.8
9	1	**SANOFI**	3.3	10.3
10	9	**BAYER**	2.7	2.6
Total			54.8	47.4

*AIPM members are in bold

As the above ranking, the top ten brands ranking was topped by a newcomer (Table 2). Based on the year's results it was ZOLGENSMA, which accounted for more than 9% of the public procurement segment. OPDIVO (+46%) held and strengthened its previous rank two, while another newcomer of ILSIRA moved up to rank three (36-fold increase in purchases). At the same time, the latter displaced the brands KEYTRUDA (+58%) and SPINRAZA (+66%), which also showed outperforming rates, down one rank. At the same time, PERJETA (+54%) and KADCYLA (+49%), which showed outstripping but slightly lower growth in purchases, moved up one rank, to numbers six and seven. The newcomers REMDEFORM and REGKIRONA moved up to ranks eight and ten. Due to negative growth rates, the brand SOVIGRIPP (-2%) moved down to rank nine from five. The total share of the top 10 increased by almost 16 p.p. and accounted for 32.9%.

Table 2. The top 10 brands by public segment volume

Rank in the top ten		Brand	Share in total public segment, %	
2021	2020		2021	2020
1	N/A	ZOLGENSMA	8.6	N/A
2	2	OPDIVO	4.8	4.7
3	37	ILSIRA	4.6	0.2
4	3	KEYTRUDA	3.8	3.5
5	4	SPINRAZA	2.6	2.3
6	7	PERJETA	2.0	1.9
7	8	KADCYLA	2.0	1.9
8	N/A	REMDEFORM	1.7	N/A
9	5	SOVIGRIPP	1.5	2.2
10	N/A	REGKIRONA	1.4	N/A
Total			32.9	16.8

Four newcomers broke into the ranks of the top ten INN and group names ranking (Table 3). Among them were ONASEMNOGENE ABEPARVOVEC, which topped the top ten, as well as LEVILIMAB (36-fold increase in purchases) and FAVIPIRAVIR (15-fold growth in purchases), which moved up to ranks three and seven, as well as REMDESIVIR, rounding out the top 10 (712-fold growth). The markets of NIVOLUMAB (+47%), PEMBROLIZUMAB (+58%), NUSINERSEN (+66%), PERTUZUMAB (+54%) and TRASTUZUMAB EMTANSINE (+49%) also developed at a fast pace. However, if the first two held their ranks two and four, the rest ones lost one rating point each. INN VACCINE, INFLUENZA (+22%) also moved down two ranks, showing the lowest growth rates among the leaders. The total share of the analysed "ten" has almost doubled: 35,5% vs 18,6% in the year-earlier period.

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

Rank in the top ten		INNs/Grouping Names	Share in total public segment, %	
2021	2020		2021	2020
1	N/A	ONASEMNOGENE ABEPARVOVEC	8.6	N/A
2	2	NIVOLUMAB	4.8	4.7
3	41	LEVILIMAB	4.6	0.2
4	4	PEMBROLIZUMAB	3.8	3.5
5	3	VACCINE, INFLUENZA	3.2	3.8
6	5	NUSINERSEN	2.6	2.3
7	40	FAVIPIRAVIR	2.3	0.2
8	7	PERTUZUMAB	2.0	1.9
9	8	TRASTUZUMAB EMTANSINE	2.0	1.9
10	45	REMDESIVIR	1.7	0.0
Total			35.5	18.6

In contrast to the above rankings, the leader of the top ten ATC groups ranking did not change: L01 Antineoplastic agents (+45%) held its previous rank one (Table 4). Some shifts took place in the lower part of the top ten ranking, due to which four ATC brands rose in the ranks. Thus, M09 Other drugs for disorders of the musculo-skeletal system moved up from rank ten to two (8-fold increase in purchases). L04 Immunosuppressants (3.6-fold growth) and J05 Antivirals for systemic use (3.3-fold growth) moved two ranks up, coming in at numbers four and five, B01 Antithrombotic agents (2-fold growth) moved one rank up. J07 Vaccines (-33%) and V08 Contrast media (-13%) showed negative growth rates, losing one rating point each, while groups J01 Antibacterials for systemic use (+13%), B05 Plasma substitutes and perfusion solutions (+12%) and J06 Immune sera and immunoglobulins (+20%) moved down to ranks six, eight and ninth, respectively. The total share of the top ten ATC groups increased from 77.8% to 83.5%.

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

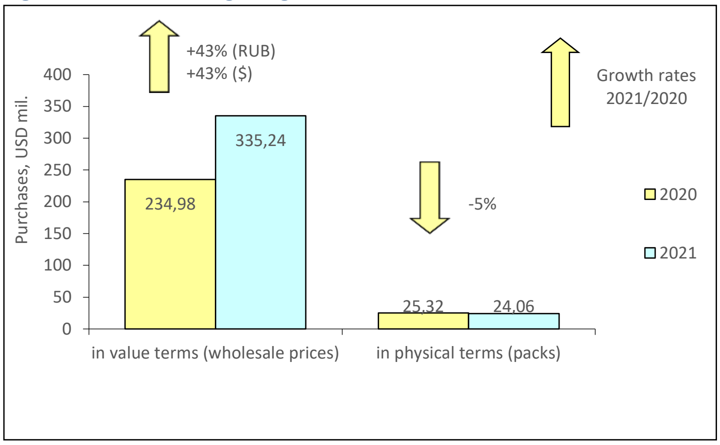
Rank in the top ten		ATC code	ATC group	Share in total public segment, %	
2021	2020			2021	2020
1	1	L01	ANTINEOPLASTIC AGENTS	25.3	25.5
2	10	M09	OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST	12.7	2.3
3	2	J07	VACCINES	9.3	20.3
4	6	L04	IMMUNOSUPPRESSANTS	8.8	3.6
5	7	J05	ANTIVIRALS FOR SYSTEMIC USE	8.2	3.6
6	3	J01	ANTIBACTERIALS FOR SYST USE	5.7	7.4
7	8	B01	ANTITHROMBOTIC AGENTS	4.8	3.4
8	4	B05	PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS	3.9	5.0
9	5	J06	IMMUNE SERA & IMMUNOGLOBULIN	3.0	3.6
10	9	V08	CONTRAST MEDIA	1.8	3.0
Total				83.5	77.8

Conclusion. Based on the results of 2021, the Moscow public procurement segment grew by 46% in rouble terms and by 45% in dollar terms and brought in RUB 64.012 bil. (USD 872.337 mil.). In pack terms, the market reduced by 16% and amounted to 48.157 mil. packs. At year-end 2021, the average cost of an FPP pack in the Moscow budget segment was USD 18.11, whereas it was USD 10.51 in the year-earlier period.

SAINT PETERSBURG HOSPITAL MARKET: 2021 RESULTS

According to the results of the Public Procurement Audit of FPPs in the Russian Federation (without State Reimbursement Program (DLO) IQVIA and regional subsidized drug list), the St. Petersburg public procurement segment decreased by 5% in physical terms and amounted to 24.060 mil. packs in 2021. The movement of hospital purchases in value terms was positive and high, accounting for 43% in both rouble and dollar terms. The volume of the segment achieved RUB 24.607 bil. (USD 335.243 mil.) at wholesale prices. Based on the results for 2021, the average cost of an OTC pack in the city hospitals was USD 13.93, and in the year-earlier period its cost was USD 9.28.

Figure 1. St. Petersburg budget sector in 2020 – 2021



The Russian BIOCAD became the leader of the top 10 manufacturers in the budget segment of St. Petersburg in 2021, moving to rank one from three due to an 85% increase in purchases (Table 1). The markets of JOHNSON & JOHNSON (2.2-fold growth in purchases) and PHARMASYNTEZ (+99%), which moved up to ranks six and seven (2.2-fold growth), as well as of the newcomer R-PHARM (2.4-fold growth) and NOVARTIS (2.5-fold growth) developed at a fast pace. BRISTOL MYERS (+51%) and BAYER (+61%) demonstrated not so high, but outperforming growth rates. At the same time, the former held its previous rank four, and the latter moved down to rank eight, being squeezed out by the more dynamic newcomers. The last year's leaders, ROCHE (+40%) and MSD (+42%), lost one position each, while the less dynamic PFIZER (+19%) held its previous rank five. The total share of the top ten brands increased by more than 6 p.p. to 48.1%.

Table 1. The top 10 manufacturers by public segment volume

Rank in the top ten		Manufacturer*	Share in total public segment, %	
2021	2020		2021	2020
1	3	BIOCAD RF	8.2	6.3
2	1	**ROCHE**	7.0	7.2
3	2	**MSD**	6.5	6.5
4	4	**BRISTOL MYERS SQU**	6.3	5.9
5	5	**PFIZER**	4.0	4.7
6	7	**JOHNSON & JOHNSON**	4.0	2.6
7	9	PHARMASYNTEZ	3.4	2.4
8	6	**BAYER**	3.2	2.8
9	13	**R-PHARM ZAO RF**	3.0	1.8
10	16	**NOVARTIS**	2.6	1.5
Total			48.1	41.8

*AIPM members are in bold

The leader of the top ten brands ranking didn't change: OPDIVO (+49%) and KEYTRUDA (+68%) held and reinforced the higher ranks. 2). The newcomer brand ILSIRA, which broke into the top ten for the first time, showing a 10-fold increase in purchases, moved up to rank three. Four more newcomers, ARTLEGIA (2.5-fold growth in purchases), AREPLIVIR (4.2-fold growth), ZOLGENSMA and EVRYSDI, moved up to ranks five, six, eight and the last one, respectively. The TIVICAY brand (+97%), which showed an almost two-fold increase in purchases, managed to improve its positions by two points. On the contrary, PERJETA (+29%) and KADCYLA (+38%) showed below-market growth rates and loss of rating positions. In total, the top ten brands accumulated 24.8% of the regional public procurement segment, whereas in the year-earlier period it accounted for 15.7%.

Table 2. The top 10 brands by public segment volume

Rank in the top ten		Brand	Share in total public segment volume, %	
2021	2020		2021	2020
1	1	OPDIVO	4.9	4.7
2	2	KEYTRUDA	4.3	3.7
3	33	ILSIRA	3.3	0.5
4	6	TIVICAY	2.3	1.6
5	15	ARTLEGIA	1.9	1.1
6	28	AREPLIVIR	1.8	0.6
7	3	PERJETA	1.8	2.0
8	N/A	ZOLGENSMA	1.7	N/A
9	7	KADCYLA	1.5	1.5
10	N/A	EVRYSDI	1.4	N/A
Total			24.8	15.7

Most of the top INN and grouping names ranking showed outperformance rates (Table 3). They were especially high in the newcomers. There were four of them: INNs FAVIPIRAVIR (4.4-fold growth in purchases), LEVILIMAB (10-fold growth), OLOKIZUMAB (2.5-fold growth) and the ONASEMNOGENE ABEPARVOVEC, which moved up to ranks three, four, seven and nine, respectively. DOLUTEGRAVIR (+97%), which almost doubled its purchases, moved up from rank nine to five. The leaders of the ranking, NIVOLUMAB (+49%) and PEMBROLIZUMAB (+68%), also showed above-average growth rates, holding and strengthening their ranks. INN VACCINE, INFLUENZA (-10%) showed a decrease in purchase volumes and ranking positions. Due to lagging behind the growth rates, PERTUZUMAB (+29%) and ENOXAPARIN SODIUM (+42%) moved down to the lower ranks eight and ten. The total share accumulated by the top-ten INNs and grouping names increased by 8 p.p. to 27.9%.

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

Rank in the top ten		INNs/Grouping Names	Share in total public segment, %	
2021	2020		2021	2020
1	1	NIVOLUMAB	4.9	4.7
2	2	PEMBROLIZUMAB	4.3	3.7
3	12	FAVIPIRAVIR	3.9	1.3
4	38	LEVILIMAB	3.3	0.5
5	9	DOLUTEGRAVIR	2.3	1.6
6	3	VACCINE, INFLUENZA	2.1	3.3
7	16	OLOKIZUMAB	1.9	1.1
8	5	PERTUZUMAB	1.8	2.0
9	N/A	ONASEMNOGENE ABEPARVOVEC	1.7	N/A
10	8	ENOXAPARIN SODIUM	1.7	1.7
Total			27.9	19.9

The groups L01 Antineoplastic agents (+18%) and J05 Antivirals for systemic use (+100%) traditionally continued to show the largest volumes of purchases within the public procurement segment in the region (Table 4). Four newcomers of the top 10 rose in the ranks. L04 Immunosuppressants (2.6-fold increase in purchases) and B01 Antithrombotic agents (2.2-fold growth) moved up to ranks three and four from five and seven, while M09 Other drugs for disorders of the musculo-skeletal system moved up to ranks six and ten (392-fold growth in purchases) and L03 Immunostimulants (+98%). At the same time, groups J01 Antibacterials for systemic use (+9%), J07 Vaccines (-3%), B05 Plasma substitutes and perfusion solutions (+7%) and V08 Contrast media (-4%) moved down to the lower ranks five and seven through nine, respectively. In total, the top ten ATC groups accumulated 78.7% of the regional market, whereas in the year-earlier period it was 82.6%.

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, %	
2021	2020			2021	2020
1	1	L01	ANTINEOPLASTIC AGENTS	27.7	33.7
2	2	J05	ANTIVIRALS FOR SYSTEMIC USE	15.4	11.0
3	5	L04	IMMUNOSUPPRESSANTS	9.3	5.3
4	7	B01	ANTITHROMBOTIC AGENTS	6.6	4.4
5	3	J01	ANTIBACTERIALS FOR SYST USE	6.3	8.3
6	50	M09	OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST	5.3	0.0
7	4	J07	VACCINES	4.5	6.7
8	6	B05	PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS	3.8	5.1
9	8	V08	CONTRAST MEDIA	2.1	3.1
10	13	L03	IMMUNOSTIMULANTS	1.7	1.2
Total				82.6	78.7

Conclusion. The public procurement segment of St. Petersburg increased by 43% both in terms of roubles and in terms of dollars according to the results for 2021. Its volume was equal to RUB 24.607 bil. (USD 335.243 mil.). In pack terms, the market showed low growth rates (-5%) and achieved 24.060 mil. packs. Following the results for January-December of 2021, the average cost of an FPP pack in the public procurement segment was higher than that in the year-earlier period (USD 18.11 vs. USD 10.51).