СОВМЕСТНАЯ ПУБЛИКАЦИЯ
АССОЦИАЦИИ МЕЖДУНАРОДНЫХ
ФАРМАЦЕВТИЧЕСКИХ
ПРОИЗВОДИТЕЛЕЙ
И ГК РЕМЕДИУМ

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AIPM®

Association of International Pharmaceutical Manufacturers

Ассоциация международных фармацевтических производителей

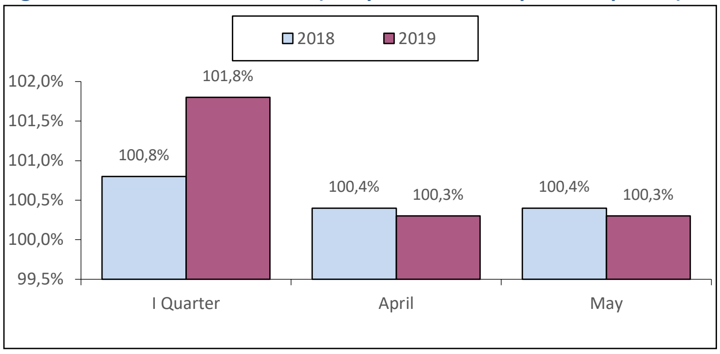
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.3% in May of 2019 as compared to April, 102.4% as compared to December of 2018.

In May of 2019, Industrial Producer Price Index (for goods intended for sale on the domestic market) was 101.8%, whereas in the month-earlier period it had amounted to 100.5%. The index accounted for 101.2% against December of 2017.

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



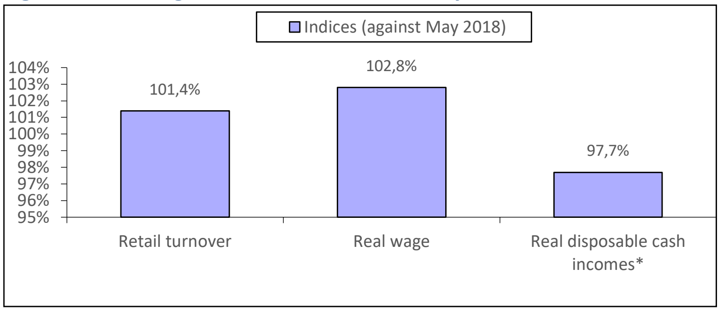
Living standard

According to Federal State Statistics Service's data, in May of 2019 a gross monthly average wage of corporate employees reached RUB 48510 (USD 748.38), and increased by 8.1% compared to the same period in the previous year, and by 1.0% compared to the previous period. In May of 2019, the real gross wage accounted for 102.8% as compared to May of 2018, and 100.7% against the prior period. According to estimates[1], in the first quarter of 2019 real disposable cash incomes decreased by 2.3% compared to the same period of the previous year (Fig. 2).

Retail turnover

In May 2019, the retail turnover was equal to RUB 2688.9 bil 2019 101.4% (in comparable prices) against the level of the same period of the previous year, in- May 2019 - RUB 12956.5 bil. or 101.7% (Fig. 2).

Figure 2. Real wage and retail turnover in May 2019.



* Quarter I 2019 vs Quarter I 2018

Industrial Production

According to Federal State Statistics Service's data, in May 2019 Industrial Production Index accounted for 100.9% compared to the same period in the previous year, and 102.4% in January-May 2019.

According to Federal State Statistics Service's data, Industrial Production Index for drugs and medical products accounted for 96.1% in May 2019 compared to the same period of 2018, and 116.3% in January-May as compared to January-May of 2018.

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 May 2019.

Table 1. The top ten Russian chemical and pharmaceutical manufacturers by sales, May 2019

Rank	Manufacturer	RUB mil.
1	Biocad	2341.3
2	Otcpharm	1501.7
3	Pharmstandart	1471.0
4	Generium	1339.4
5	Stada	990.4
6	Veropharm	975.8
7	Akrikhin Pharma	793.2
8	Sotex	772.8
9	Valenta	754.2
10	Vertex	699.6

Source - Remedium according to IQVIA data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In April 2019, sales (in terms of roubles) decreased in virtually all regions as compared to the previous month. The highest reduction was observed in Saint Petersburg and Perm (-13%), the lowest one in Rostov Region (-2%). In Moscow, the sales showed virtually zero growth rates (+0.2%).

Table 2. Pharmacy sales in the regions, 2019

Region	Pharmacy sales, $ mil. (wholesale prices)			Growth gain, % (roubles)		
	February 2019	March 2019	April 2019	February/ January 19	March/ February 19	April/ March 19
Moscow	156.6	179.1	180.9	9%	13%	0.2%
St. Petersburg	65.9	74.4	65.1	22%	12%	-13%
Krasnodar Krai	34.0	34.4	33.4	15%	0.3%	-4%
Krasnoyarsk Krai	28.6	31.8	29.7	4%	10%	-7%
Tatarstan	21.1	21.1	19.9	21%	-1%	-6%
Rostov Region	24.2	23.0	22.7	16%	-6%	-2%
Novosibirsk Region	19.5	23.3	22.1	-4%	18%	-6%
Voronezh Region	14.0	14.3	12.8	6%	1%	-11%
Perm	7.2	7.9	6.9	-6%	9%	-13%
Tyumen	6.6	7.0	6.8	-3%	6%	-4%

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 May 2019

Rank	Company*	Quantity of broadcasts
1	GSK Consumer Healthcare	9,313
2	Sandoz	9,096
3	Berlin-Chemie/Menarini	8,767
4	Sanofi	8,352
5	Otcpharm	8,084

Source - Remedium according to Mediascope's data

Table 4. Top five brand names in mass media in May, 2019

Rank	Brand*	Quantity of broadcasts
1	Exoderil	3,862
2	Flixonase	3,208
3	Lioton 1000	2,884
4	Fenistil	2,825
5	Evalar	2,589

Source - Remedium according to Mediascope's data

* Only products registered with State Register of Medicines 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 will be published once a quarter.

STATE REIMBURSEMENT PROGRAM (DLO) IN THE RUSSIAN FEDERATION: FIRST THREE MONTHS RESULTS 2019

According to DLO in RF™, the drugs supplies under the Federal Program amounted to RUB 29.210 bil. on the basis of the results for the first three months of 2019 (USD 442.620 mil.) in contractual prices[2]. The sector volume increased by 2 times in terms of roubles, and 73% - in terms of dollars as compared to the same period of the previous year. Scope of supplies in pack terms increased by 5% to 18.981 mil. packs. The average cost of a FPP pack through the DLO program was USD 23.32 in contractual prices (a year ago it was USD 14.14). Due to 9-fold increase in supply, SHIRE became the leader of the DLO segment[3] in the first quarter of 2019 (Table 1). OCTAPHARMA, which showed the same dynamics, moved up from rank 21 to three, and became one of three newcomers. Two more "newcomers", ROCHE (3.6-fold increase in shipments) and GENERIUM (6.3-fold increase) were placed at ranks seven and nine. CELGENE also rose in the ranks (3-fold growth in purchases), moving up from rank eight to five. The remaining manufacturers of the top ten ranking showed high dynamics, but it lagged behind the segment growth rates as a whole. At the same time, the manufacturers BIOCAD (+40%), NOVARTIS (+93%), NOVO NORDISK (+20%) and JOHNSON & JOHNSON (+83%) moved down to ranks four, six, eight and ten, respectively. Only SANOFI (+89%) continued to hold its previous rank two. The total share of the top ten drug manufacturers under DLO Programme expanded by more than 14 p.p. to 55.4%.

Table 1. The top 10 drug manufacturers for DLO

Rank		Manufacturer*	Share in total DLO volume, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	10	**SHIRE**	11.8	2.7
2	2	**SANOFI**	6.9	7.3
3	21	OCTAPHARMA	5.8	1.3
4	1	BIOCAD RF	5.6	8.0
5	8	**CELGENE**	5.1	3.5
6	5	**NOVARTIS**	4.6	4.7
7	11	**ROCHE**	4.2	2.4
8	3	**NOVO NORDISK**	3.8	6.4
9	23	GENERIUM ZAO RF	3.8	1.2
10	7	**JOHNSON & JOHNSON**	3.8	4.1
Total			55.4	41.6

*AIPM members are in bold

Six newcomers broke into the ranks of the top-ten brand names (Table 2). OCTANATE (13-growth in supplies), SOLIRIS (56-fold growth) and ELAPRASE moved up to ranks three, four and six, and FEIBA (11-fold growth), INFIBETA (8-fold growth) and WILATE (10-fold growth) also moved up to the three bottom ranks of the top ten ranking. The other two brands moved up to yet higher ranks. REVLIMIDE (3.2-fold growth) and ADVATE (5.1-fold growth) moved up to ranks the top two ranks from three and nine. At the same time, ACELLBIA (-3%) that reduced its purchases and TOUJEO SOLOSTAR (+66%) that showed dynamics rates lower than the market growth rates, moved down from the top ranks to five and seven respectively. The total share of the top 10 expanded from 15% to 29.4%.

Table 2. The top 10 Brands in DLO segment

Rank in the top ten		Brand	Share in total DLO volume, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	3	REVLIMIDE	4.7	2.9
2	9	ADVATE	4.1	1.6
3	27	OCTANATE	3.3	0.5
4	41	SOLIRIS	3.2	0.1
5	1	ACELLBIA	2.6	5.4
6	49	ELAPRASE	2.5	0.0
7	2	TOUJEO SOLOSTAR	2.5	3.1
8	30	FEIBA	2.4	0.4
9	24	INFIBETA	2.2	0.6
10	32	WILATE	1.9	0.4
Total			29.4	15.0

The top ten INN and group names ranking was noticeably updated: six newcomers broke into the ranks of the top ten trade names (table 3). One of them, FACTOR VIII (12-fold growth in purchases), became its leader. OCTOCOG ALFA (5-fold growth) moved up to rank four, and INTERFERON BETA-1A (4-fold growth), ECULIZUMAB (56-fold growth), INTERFERON BETA-1B (8-fold growth), IDURSULFASE and FACTOR VIII INHIBITOR BYPASSING FRACTION (11-fold growth) moved up to ranks six through ten respectively. LENALIDOMIDE (3.2-fold growth) also demonstrated outperformance rates and rose in the ranks, coming in at rank two. Due to lagging behind the growth rates, the former leader RITUXIMAB (+46%) and INSULIN GLARGINE (+35%) moved down to ranks three and five, respectively. In total, ten INNs and group names accounted for 37.3% against 19.5% in the year-earlier period.

Table 3. The top ten INN and group names in DLO segment

Rank in the top ten		INNs/Grouping Names	Share in total DLO volume, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	20	FACTOR VIII	6.2	1.1
2	3	LENALIDOMIDE	4.7	2.9
3	1	RITUXIMAB	4.3	5.9
4	14	OCTOCOG ALFA	4.1	1.6
5	2	INSULIN GLARGINE	3.5	5.2
6	16	INTERFERON BETA-1A	3.3	1.5
7	45	ECULIZUMAB	3.2	0.1
8	27	INTERFERON BETA-1B	3.1	0.8
9	50	IDURSULFASE	2.5	0.0
10	37	FACTOR VIII INHIBITOR BYPASSING FRACTION	2.4	0.4
Total			37.3	19.5

The leaders of the top ten ATC groups also changed: L04 Immunosuppressants (3.2-fold growth in purchases) and B02 Antihemorrhagics (6-fold growth) moved up to the top ranks for the first time (Table 4). The former leaders, but not so dynamic L01 Antineoplastic drugs (+ 41%) and A10 Drugs used to treat diabetes (+ 19%) moved down to rank three and four. L03 Immunostimulants (4.5-fold growth) and the newcomer A16 Other drugs for the treatment of gastrointestinal diseases and metabolic disorders (12-fold growth) moved up to ranks five and six. They displaced the groups L02 Sex preparations (+ 42%), R03 Drugs for obstructive airway diseases (-17%), B03 Antianemic preparations (+ 10%) and H01 Hypothalamic-Pituitary Hormones and their analogues (+ 26%) down to the lower part of the top ten ranking. The total share of the top 10 ranking increased by 9 p.p. to 88.3%.

Table 4. The top ten ATC groups in DLO segment

Rank		ATC code	ATC group	Share in total DLO volume, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	3	L04	IMMUNOSUPPRESSANTS	20.0	12.5
2	4	B02	ANTIHEMORRHAGICS	19.5	6.5
3	1	L01	ANTINEOPLASTIC AGENTS	15.4	21.9
4	2	A10	DRUGS USED IN DIABETES	10.9	18.4
5	8	L03	IMMUNOSTIMULANTS	7.8	3.4
6	14	A16	OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS	6.1	1.0
7	6	L02	ENDOCRINE THERAPY	2.7	3.7
8	5	R03	DRUGS FOR OBSTRUCTIVE AIRWAY DISEASES	2.3	5.6
9	7	B03	ANTIANEMIC PREPARATIONS	1.9	3.4
10	9	H01	PITUITARY, HYPOTHALAMIC HORMONES AND ANALOGUES	1.7	2.7
Total				88.3	79.2

Data on supplies to the top ten regions of Russia under State Reimbursement Program (DLO) are shown in Table 5. Moscow continued to hold the largest volumes of purchases. Moreover, although its share decreased due to low dynamics (+ 13%), it continues to account for 19% of the segment. Due to high growth rates, the newcomers Moscow Region and Krasnodar Territory broke into the ranks of the top ten, coming in at numbers two and three. It should be noted that the increase in purchases under the DLO program by several times (from 2 to 20) was observed in most regions, which allowed another three regions to get into the Top 10 for the first time. The dynamics of purchases was negative only in St. Petersburg. The top ten regions accumulated 48.6% of the DLO market.

Table 5. The top ten regions by sales in DLO segment

Rank		Region	Share in total DLO volume, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	Moscow	19.2	34.1
2	26	Moscow Region	4.7	1.1
3	45	Krasnodar Krai	4.0	0.4
4	2	Saint Petersburg	3.6	7.5
5	4	Tatarstan Republic	3.6	3.5
6	6	North Caucasian FD, Rest	3.5	1.9
7	20	Sverdlovsk Region	2.7	1.2
8	13	Novosibirsk Region	2.5	1.7
9	9	Rostov Region	2.4	1.9
10	16	Krasnoyarsk Region	2.4	1.5
Total			48.6	54.9

Conclusion. Based on the results for the first quarter 2019, the DLO segment of Russia brought in RUB 29.210 bil. (USD 442.620 mil.) at contract prices, which is by 100% in terms of roubles and by 73% in terms of dollars more than in the same period of 2018. In pack terms, the supplies increased by 5% to 18.981 mil. packs. The average cost of FPP included in the DLO Programme increased as compared to the past year (USD 23.32 vs USD 14.14).

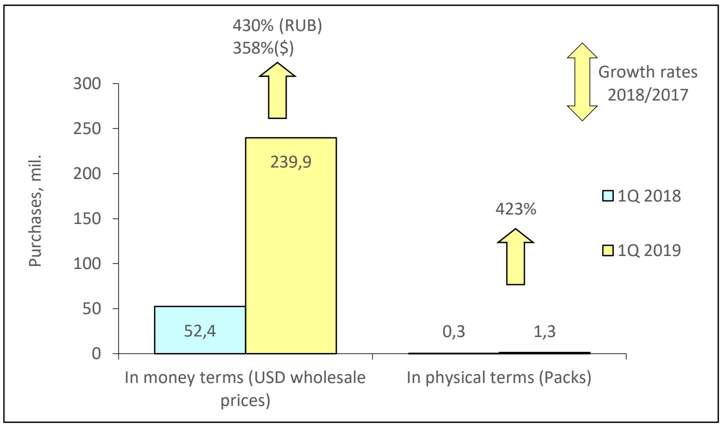
[2] From 2008 until now, data on DLO have been provided as information about shipments in contractual prices: prices at which the government will reimburse moneys to the distributor.

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

COST DEMANDING NOSOLOGIES (VZN) PROGRAM, Q 1, 2019

Purchases under the expanded List of Nosologies began in the first quarter of 2019. Eight new INNs to treat three diseases have been included in the VZN program: hemolytic-uremic syndrome, mucopolysaccharidosis type I, II and VI, and systemic-onset juvenile arthritis. The inclusion of new drugs and a low level of purchases in the first quarter of 2018 resulted in a significant increase in indicators in Q 1, 2019. Based on the results for the first quarter of 2019, the purchases under VZN Program in physical terms (packs) increased by 423% (Fig. 1) in terms of national currency and by 358% in terms of dollars compared with the same period of the previous year (Fig. 1). The purchase volume amounted to RUB 15,804.9 mil. or USD 239.8 mil.

Figure 1. Supplies trend under the DLO Program in Q 1, 2019 against Q 1, 2018



The groups of drugs to treat Gaucher disease (820%), oncohematological drugs (625%) and drugs to treat multiple sclerosis (503%) showed the largest increase in purchases in terms of rubles (among comparable "old" groups of nosologies) as compared to the same period of the previous year. The sales of these groups in terms of packs also increased proportionally to the value parameters. The oncohematological drugs (- 28%) reduced their share, whereas the drugs used to treat haemophilia (+10%) slightly increased their share in the overall purchase pattern (Table 1). The group of drugs to treat hemophilia remained the leader of the purchases rating, the drugs to treat multiple sclerosis moved up to rank two, displacing the hematological drugs down to rank three. The purchases of the new groups of drugs accounted for 18% of total purchases. On top of that, the drugs to treat mucopolysaccharides (7.7%) showed the largest share.

Table 1. Supplies pattern under the VZN Program

Nosologies	INN	Share in total VZN supplies (RUB), %	
		1Q 2019	1Q 2018
Haemophilia		35.3	25.8
	FACTOR VIII	11.4	5.2
	OCTOCOG ALFA	7.5	7.9
	FACTOR VON WILLEBRAND*FACTOR VIII	6.1	5.0
	FACTOR VIII INHIBITOR BYPASSING FRACTION	4.5	2.0
	EPTACOG ALFA (ACTIVATED)	2.8	3.0
	FACTOR IX	2.5	2.2
	NONACOG ALFA	0.4	0.0
	MOROCTOCOG ALFA	0.3	0.7
Sclerosis Multiplex		19.8	17.4
	INTERFERON BETA-1A	6.1	7.3
	INTERFERON BETA-1B	5.8	4.0
	NATALIZUMAB	3.4	2.6
	TERIFLUNOMIDE	2.5	0.0
	GLATIRAMER ACETATE	2.0	3.6
	PEGINTERFERON BETA-1A	0.0	
Oncohematology		18.9	47.4
	LENALIDOMIDE	8.7	14.4
	RITUXIMAB	7.5	27.3
	BORTEZOMIB	2.2	4.6
	FLUDARABINE	0.4	0.1
	IMATINIB	0.1	1.1
Mucopolysaccharidosis type I, II and VI		7.7	
	IDURSULFASE	4.7	
	LARONIDASE	2.9	
	GALSULFASE	0.1	
Systemic-onset juvenile arthritis		6.0	
	CANAKINUMAB	3.3	
	TOCILIZUMAB	2.6	
	ETANERCEPT	0.1	
	ADALIMUMAB	0.0	
Hemolytic-uremic syndrome		4.6	
	ECULIZUMAB	4.6	
Gaucher disease		2.7	1.6
	VELAGLUCERASE ALFA	1.5	0.1
	IMIGLUCERASE	0.0	0.0
Mucoviscidosis		0.0	0.0
	DORNASE ALFA	0.0	0.0
Transplantology		0.0	0.0
	TACROLIMUS	0.0	0.0
	MYCOPHENOLIC ACID	0.0	0.0
	CICLOSPORIN	0.0	0.0
	MYCOPHENOLATE MOFETIL	0.0	0.0
Pituitary dwarfism		0.0	0.0
	SOMATROPIN	0.0	0.0

According to the results for three months of 2019, the original drug Revlimid (INN Lenalidomide, Celgene) moved up to rank number one and Advate (INN Octocog alfa, Shire) moved up to rank two in the brands ranking by value sales. Octanate (INN Factor VIII), a localized drug of Octapharma, moved up from rank ten to three. The first purchased drug to treat mucopolysaccharide Elaprase (INN Idursulfase, Shire) and the drug to treat hemolytic-uremic syndrome Soliris (INN Eculizumab, Alexion Pharma) moved up to rank 4 and 5 in the ranking, respectively.

Table 2. Top ten brand names by purchases under the VZN Program

Rank		Brand	Share in total VZN supplies, %	
1Q 2019	1Q 2018		1Q 2019	1Q 2018
1	2	REVLIMIDE	8.7	14.4
2	3	ADVATE	7.5	7.9
3	10	OCTANATE	6.1	2.5
4		ELAPRASE	4.7	
5		SOLIRIS	4.6	
6	13	FEIBA	4.5	2.0
7	1	ACELLBIA	4.3	24.8
8	7	INFIBETA	4.1	2.8
9	14	WILATE	3.5	1.9
10	9	TYSABRI	3.4	2.6
Total			51.3	69.0

Due to 8-fold increase in sales and inclusion of Elaprase in the VZN program, Shire headed the drug manufacturers rating (Table 3). The supplier of blood factors Octapharma improved its position in the ranking by increasing its share in total sales by almost 5% and moved up to rank two from five. The purchases of Soliris (INN Eculizumab) forced Alexion Pharma to move up to rank eight in the drug manufacturers ranking for the first time.

In total, the drugs of foreign manufacturers prevailed in the top brands ranking (Table 2). A total share of the top 10 brand names and the top ten manufacturers slightly reduced, as compared to the same period of the previous year (Table 2 and 3).

Table 3. Top ten manufacturers by purchases under the VZN Program

Rank in the top ten		Manufacturer*	Share in total VZN supplies, %	
1Q 2019	1Q 2018		1Q 2019	1Q 2018
1	3	**SHIRE**	21.8	12.3
2	5	OCTAPHARMA	10.6	5.9
3	2	**CELGENE**	8.7	14.4
4	1	BIOCAD RF	8.2	26.1
5	6	GENERIUM ZAO RF	7.0	5.9
6	12	**ROCHE**	5.5	1.8
7	13	**CSL BEHRING GMBH**	5.3	1.8
8		**ALEXION PHARMA SW**	4.6	
9	14	**SANOFI-AVENTIS**	4.4	1.4
10	8	**JOHNSON & JOHNSON**	3.6	3.3
			79.8	85.3

*AIPM members are in bold

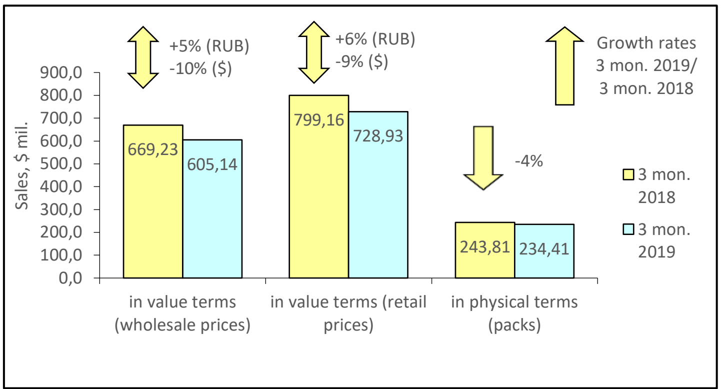
Conclusion. The drugs added to the VZN program (8 INNs) were purchased for the first time in the first quarter of 2019. This resulted in a significant increase in the indicators as compared to the same period of the previous year (along with a low level of purchases in Q1, 2018). Adding new INNs brought about changes in the purchases pattern. The share of domestic drugs in the purchases pattern in value terms reduced and accounted for 21%, the share of localized products (the final manufacturing stages) increased from 46% to 50%. The share of imported drugs increased from 12% to 29%.

CFD PHARMACY MARKET (WITHOUT MOSCOW): FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Central Federal District (CFD) (without Moscow) was 26.763 mil., which accounted for 18.2% of the total Russian Federation population. According to Federal State Statistics Service's data, based on the results for the first quarter of 2019 the average wage in the CFD (inc. of Moscow) was RUB 56051 (USD 847.84), which was 28% higher than the average wage in Russia (RUB 43944).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first three months of 2019 the sales of drugs in physical terms in the CFD (without Moscow) saw a 4% decrease to 234.407 mil. packs. In money terms, the market saw a 5% increase in terms of roubles and 10% decrease in terms of dollars. At the same time, the volume of the market achieved RUB 39.982 bil. (USD 605.142 mil.) at wholesale prices (Fig. 1). The region market share accounted for 19.9% of the Russian pharmacy retail sales. The average cost of a pack slightly decreased as compared to the same period of 2018: USD 3.11 vs. USD 3.28 in retail prices. At the end of the first quarter 2019, the average amount spent by the residents of the region for FPPs in pharmacies amounted to USD 27.24.

Figure 1. The CFD (without Moscow) pharmacy market for 3 months of 2018 – 3 months 2019



BAYER (+2%), SANOFI (+6%), TEVA (-5%) and SERVIER (+1%) succeeded in holding the leading positions in the top 10 manufacturers ranking on the pharmacy market of the Central Federal District (without Moscow) based on the results for January-March 2019 (Table 1). BERLIN-CHEMIE/MENARINI (+6%) also maintained its previous rank six. The remaining five manufacturers shifted their ranks; moreover, three of them improved them. KRKA (+20%) moved up from rank seven to five, GLAXOSMITHKLINE (+5%) moved up from rank nine to eight, and the only newcomer ABBOTT (+8%) moved up to the bottom rank in the top ten ranking. OTCPHARM (-8%), which reduced its sales, and SANDOZ, which showed zero growth rates, fell in the ranks. The consolidated share of the top 10 reduced from 34.6% to 33.9%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**BAYER**	4.7	4.8
2	2	**SANOFI**	4.3	4.3
3	3	**TEVA**	3.7	4.1
4	4	**SERVIER**	3.5	3.6
5	7	**KRKA**	3.3	2.9
6	6	**BERLIN-CHEMIE/MENARINI**	3.2	3.2
7	5	OTCPHARM	3.1	3.5
8	9	**GLAXOSMITHKLINE**	2.8	2.8
9	8	**SANDOZ**	2.7	2.8
10	11	**ABBOTT**	2.6	2.6
Total			33.9	34.6

*AIPM members are in bold

The top-10 brands ranking did not change in composition; however, numerous shifts took place in it (Table 2). XARELTO (+41%) and KAGOCEL (+16%) moved up to the top ranks from three and four. In addition, only NUROFEN (+20%) rose in the ranks, moving up from rank eight to five. In contrast, five brands from the top 10 moved down to the lower ranks. INGAVIRIN (-11%) and MEXIDOL (-1%) reduced their sales, and CONCOR, ACTOVEGIN (+2% each) and DETRALEX (+4%) showed low growth rates. CARDIOMAGNYL (+4%) and PENTALGIN (+3%) retained their ranks nine and ten. The total share of the top 10 brands increased from 7.2% to 7.5%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	3	XARELTO	1.1	0.8
2	4	KAGOCEL	0.8	0.8
3	1	INGAVIRIN	0.8	0.9
4	2	MEXIDOL	0.8	0.8
5	8	NUROFEN	0.8	0.7
6	5	CONCOR	0.7	0.7
7	6	ACTOVEGIN	0.7	0.7
8	7	DETRALEX	0.7	0.7
9	9	CARDIOMAGNYL	0.6	0.6
10	10	PENTALGIN	0.6	0.6
Total			7.5	7.2

XYLOMETAZOLINE (+2%) and IBUPROFEN (+13%) remained the leaders of the top ten INN and group names ranking (Table 3). The most dynamic among the leaders RIVAROXABAN (+41%) moved up to rank three from nine, displacing BISOPROLOL (+9%), PANCREATIN, NIMESULIDE and DIOSMIN*HESPERIDIN (+11% in each of three) and ETHYLMETHYLHYDROXYPYRIDINE (-1%) down one rank. The only newcomer of the top ten KAGOCEL (+16%) moved up to rank nine. IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-11%) moved down to the bottom rank due to pronounced negative growth rates. The cumulative share of the top 10 under review increased by 0.4 to 10.6%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.8	1.9
2	2	IBUPROFEN	1.1	1.1
3	9	RIVAROXABAN	1.1	0.8
4	3	BISOPROLOL	1.1	1.0
5	4	PANCREATIN	1.0	1.0
6	5	NIMESULIDE	1.0	1.0
7	6	DIOSMIN*HESPERIDIN	1.0	0.9
8	7	ETHYLMETHYLHYDROXYPYRIDINE	0.9	0.9
9	11	KAGOCEL	0.8	0.8
10	8	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.8	0.9
Total			10.6	10.2

The top ten ATC - groups ranking did not change its leaders either (Table 4). C09 Agents acting on the rennin-angiotensin system (+17%), M01 Anti-inflammatory and antirheumatic products (+9%) and R01 Nasal preparations (+4%). In addition, G03 Sex hormones and A07 Antidiarrheals, intestinal anti-inflammatory/antiinfective agents (+4% each) maintained their two bottom previous ranks in the top ten. Some moves took place in the middle part of the top-10 ranking as well. Due to outperformance growth rates, J05 Antivirals for systemic use (+6%) and B01 Antithrombotic agents (+15%) moved up to ranks four and six. At the same time, J01 Antibacterials for systemic use (+0.3%) that showed zero sales rates, R05 Cough and cold preparations (-3%) and N02 Analgesics (-1%) that reduced sales moved down to ranks five, seven and eight, respectively. In total, the top ten ATC groups accumulated 38.4% of the regional market, whereas in the year-earlier period they accounted for 38%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.4	4.8
2	2	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.9	4.7
3	3	R01	NASAL PREPARATIONS	4.1	4.1
4	6	J05	ANTIVIRALS FOR SYSTEMIC USE	3.8	3.7
5	4	J01	ANTIBACTERIALS FOR SYST USE	3.7	3.9
6	8	B01	ANTITHROMBOTIC AGENTS	3.6	3.3
7	5	R05	COUGH AND COLD PREPARATIONS	3.5	3.8
8	7	N02	ANALGESICS	3.4	3.6
9	9	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.2	3.2
10	10	A07	ANTIDIARR.,INTEST. ANTI-INFL./ANTIINFECT. AGENTS	2.8	2.9
Total				38.4	38.0

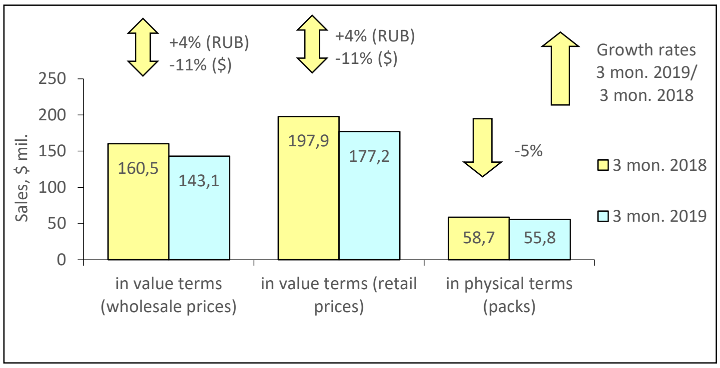
Conclusion. Based on the results for January-March of 2019, the retail pharmacy market of CFD (excl. of Moscow) brought in RUB 48.157 bil. (USD 728.930 mil.), which was 6% more in terms of roubles and 9% less in terms of dollars than in the same period of 2018. In pack terms, the market reduced by 4% and amounted to 234.407 mil. packs. According to the results for the first three months of 2019, the average cost of an FPP pack in the regional pharmacies was USD 3.11, which was lower than in the year-earlier period (USD 3.28), and less than the national average (USD 3.26). However, the average medicine expenses of the CFD residents were higher than the national average expenses in Russia (USD 27.24 vs. USD 24.94).

NWFD (EXCLUS. OF SAINT PETERSBURG) PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the North-Western Federal District (NWFD) (excl. of St. Petersburg) was 8.588 mil., which accounted for 5.9% of the total Russian Federation population. According to Federal State Statistics Service's data, based on the results for January-March 2019 the average wage in NWFD (inc. of St. Petersburg) was RUB 49628 (USD 750.69), which was 14% higher than the average wage in Russia (RUB 43944).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in the Russian Federation™, at the end of the first quarter of 2019 the sales of FPPs in physical terms in pharmacies of NWFD (without St. Petersburg) saw a 5% decrease to 55.762 mil. packs. In money terms, the market saw a 4% increase in terms of roubles and 11% decrease in terms of dollars. At the same time, the volume of the market achieved RUB 9.453 bil. (USD 143.092 mil.) at wholesale prices (Fig. 1). The share of the region accounted for 4.8% of the Russian retail pharmacy sales. The average cost of an OTC pack in the pharmacies decreased as compared to the same period of the previous year (USD 3.37) and reached USD 3.18 in retail prices. In January-March 2019, an average amount spent by the region residents for FPPs in the pharmacies amounted to USD 20.63.

Figure 1. The NWFD (without St. Petersburg) pharmacy market for 3 months of 2018 – 3 months 2019



At the end of the first three months of 2019, the top three manufacturers on the pharmacy market of the North-Western Federal District (NWFD) (excl. of St. Petersburg) held its own in the ranking (Table 1). BAYER (-3%), SANOFI (+3%) and OTCPHARM (-1%) continued to hold the first ranks, despite the reduction in their shares in the market. GLAXOSMITHKLINE (+5%) also held its own in the ranking. Three manufacturers from the top 10 rose in the ranks. TEVA (+0.2%) moved up to ranks four from five, KRKA (+21%) – from rank eight to six, and its only newcomer BERLIN-CHEMIE/MENARINI (+8%) moved up to the bottom rank in the top ten ranking. At the same time, SERVIER (-8%), GEDEON RICHTER (-4%) and SANDOZ (-1%) that reduced their sales moved down to ranks five, seven and eight, respectively. The total share of the top 10 drug manufacturers reduced by one p.p. to 36.4%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**BAYER**	4.7	4.9
2	2	**SANOFI**	4.4	4.5
3	3	OTCPHARM	4.0	4.2
4	5	**TEVA**	3.8	3.9
5	4	**SERVIER**	3.8	4.2
6	8	**KRKA**	3.4	3.0
7	6	GEDEON RICHTER	3.4	3.6
8	7	**SANDOZ**	3.4	3.5
9	9	**GLAXOSMITHKLINE**	2.8	2.8
10	11	**BERLIN-CHEMIE/MENARINI**	2.7	2.6
Total			36.4	37.3

*AIPM members are in bold

The top 10 brands turned out to be less stable - none of its brands held their own (Table 2). At the same time, half of brands managed to rise in the ranks. Thus, KAGOCEL (+41%) moved up to rank one from three, XARELTO (+36%) and CARDIOMAGNYL (+25%) moved up to rank four and five from six and seven. The newcomers ESSENTIALE (+17%) and ERGOFERON (+47%) broke into the ranks of the top ten, coming in at numbers eight and nine. At the same time, five brands of the top ten fell in the ranks. The last year leaders NUROFEN (+7%) and INGAVIRIN (-6%) moved down one rank, whereas the brands CONCOR and DETRALEX (-6% each), and LORISTA (+12%) lost two ranks each and moved down to numbers six, seven and ten respectively. The total share of the top ten brands increased by 0.8 p.p. and accounted for 7.9%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	3	KAGOCEL	1.2	0.9
2	1	NUROFEN	1.0	0.9
3	2	INGAVIRIN	0.8	0.9
4	6	XARELTO	0.8	0.6
5	7	CARDIOMAGNYL	0.7	0.6
6	4	CONCOR	0.7	0.8
7	5	DETRALEX	0.7	0.7
8	12	ESSENTIALE	0.6	0.6
9	24	ERGOFERON	0.6	0.5
10	8	LORISTA	0.6	0.6
Total			7.9	7.1

Despite the numerous shifts in the previous ranking, the top 10 INN and grouping names raking did not change their leaders (Table 3). INNs XYLOMETAZOLINE (+ -8%) and IBUPROFEN (+ 12%) held the lead in the top ten ranking. On top of that, the composition DIOSMIN*HESPERIDIN and INN NIMESULIDE (+6% each) also held their previous ranks four and seven. KAGOCEL (+41%), PANCREATIN (+18%) and LOSARTAN (+11%) that showed outstripping rates moved up to ranks three, six and nine, respectively. In contrast, BISOPROLOL (+3%), IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-6%) and AMOXICILLIN*CLAVULANIC ACID (+5%), which moved down to ranks five, eight and ten, showed reduction in the ranks. In total, ten INNs and group names accounted for 10.7% against 10.3% in the year-earlier period.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.6	1.8
2	2	IBUPROFEN	1.4	1.3
3	6	KAGOCEL	1.2	0.9
4	4	DIOSMIN*HESPERIDIN	1.1	1.0
5	3	BISOPROLOL	1.1	1.1
6	8	PANCREATIN	1.0	0.9
7	7	NIMESULIDE	0.9	0.9
8	5	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.8	0.9
9	10	LOSARTAN	0.8	0.8
10	9	AMOXICILLIN*CLAVULANIC ACID	0.8	0.8
Total			10.7	10.3

C09 Agents acting on the rennin-angiotensin system (+12%) and M01 Anti-inflammatory and antirheumatic products (+4%) continued to remain the most in-demand groups on the regional market (Table 4). N02 Analgesics (+3%) held their previous rank six. The groups J05 Antivirals for systemic use (+22%), G03 Sex hormones (+5%) and B01 Antithrombotic agents (+15%) showed outperformance rates, moving up to ranks three, seven and nine respectively. Note that the latter became the only newcomer of the top 10 ranking. The group R05 Cough and cold preparations (-4%), R01 Nasal preparations (-1%), J01 Antibacterials for systemic use (+1%) and A11 Vitamins (-7%) moved down one rank. In total, the top - ten ATC groups accumulated 40.5% of the retail market, whereas in the year-earlier period they accounted for 39.9%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.5	5.1
2	2	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.9	4.9
3	5	J05	ANTIVIRALS FOR SYSTEMIC USE	4.6	3.9
4	3	R05	COUGH AND COLD PREPARATIONS	4.2	4.5
5	4	R01	NASAL PREPARATIONS	4.0	4.1
6	6	N02	ANALGESICS	3.8	3.8
7	8	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.8	3.7
8	7	J01	ANTIBACTERIALS FOR SYST USE	3.6	3.7
9	11	B01	ANTITHROMBOTIC AGENTS	3.2	2.8
10	9	A11	VITAMINS	3.1	3.4
Total				40.5	39.9

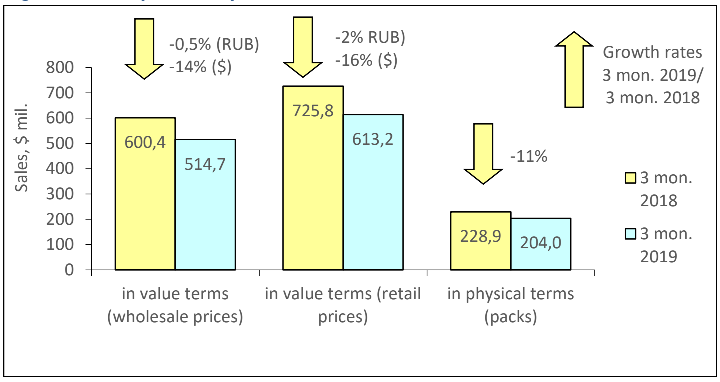
Conclusion. Based on the results for the first quarter of 2019, the pharmacy market of the NWFD (excl. of St Petersburg) brought in RUB 11.622 bil. (USD 177.155 mil.), which was 4% more in terms of roubles and 11% less in terms of dollars than in the same period of 2018. In pack terms, the market reduced by 5% and amounted to 55.762 mil. packs. According to the results for January-March 2019, the average cost of an FPP pack in the regional pharmacies was USD 3.18, which is less than 2018 indicators (USE 3.37) and average across the country (USD 3.26). The medicine expenses of the district residents were lower than the national average expenses in Russia (20.63 USD vs. USD 24.94).

VFD PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Volga Federal District (VFD) was 29.397 mil., which accounted for 20.0% of the total Russian Federation population. According to Federal State Statistics Service's data, in January-March 2019, the average salary in the VFD was RUB 31641 (USD 478.61), which was 28% lower than the national average wage in Russia (RUB 43944).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in the first three months of 2019 the pharmacy market of VFD in pack terms expanded by 11% to 203.954 mil. packs as compared to the same period of the previous year (Fig. 1) In wholesale prices, the market reduced in terms of roubles (-0.5%) and in terms of dollars (-14%) and reached RUB 34.005 bil. (USD 514.679 mil.), A region's share in the total pharmacy sales in Russia accounted for 16.8%. At the end of the first quarter of 2019, the average cost of a finished pharma product (FPP) in the VFD pharmacies amounted to USD 3.01 vs. USD 3.20 in the year earlier period. The average per capita expenses for purchase of drugs in the pharmacies were estimated at USD 20.86.

Figure 1. VFD pharmacy market for 3 months of 2018 – 3 months 2019



At the end of January-March 2019, most top manufacturers of the retail market of Volga Federal District held their own in the ranking (Table 1). Among them are SANOFI (-1%), BAYER and OTCPHARM (-3% each), and TEVA (+1%), which kept their leading positions in the top ten ranking. BERLIN-CHEMIE/MENARINI (+4%) and TAKEDA (+5%) held their previous two ranks in the top ten ranking. The shifts affected ranks from five through eight. Due to 24% growth in sales, KRKA moved up from rank eight to five, displacing SANDOZ (-1%), SERVIER (-0.1%) and ABBOTT (-1%), which reduced their sales, one rank down. The total share of the top 10 increased from 31.6% to 32.1%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**SANOFI**	4.2	4.1
2	2	**BAYER**	3.8	3.9
3	3	OTCPHARM	3.8	3.9
4	4	**TEVA**	3.3	3.4
5	8	**KRKA**	3.2	2.6
6	5	**SANDOZ**	2.9	2.9
7	6	**SERVIER**	2.9	2.9
8	7	**ABBOTT**	2.7	2.8
9	9	**BERLIN-CHEMIE/MENARINI**	2.6	2.5
10	10	**TAKEDA**	2.6	2.5
Total			32.1	31.6

*AIPM members are in bold

One newcomer broke into the ranks of the top ten brand names ranking: Due to 35% growth in sales, XARELTO moved up to rank five from 13 (Table 2). On top of that, another four INNs of the top ten moved up to yet higher ranks. Despite the negative growth rates, KAGOCEL (-8%), ACTOVEGIN (-1%) and MEXIDOL (-0.3%) moved up one rank, coming in at the top three ranks, and CARDIOMAGNYL (-2%) moved up to rank eight from nine. This became possible because the brands placed at ranks one and eight INGAVIRIN (-22%) and CONCOR (-5%) reduced their sales even more and moved down to ranks four and nine, respectively. NUROFEN (-10%), PENTALGIN (-1%) and ESSENTIALE (+4%) held their previous ranks six, seven and ten. The total share of the top 10 brands did not virtually change and accounted for 6.5%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	2	KAGOCEL	0.8	0.9
2	3	ACTOVEGIN	0.7	0.7
3	4	MEXIDOL	0.7	0.7
4	1	INGAVIRIN	0.7	0.9
5	13	XARELTO	0.6	0.5
6	6	NUROFEN	0.6	0.7
7	7	PENTALGIN	0.6	0.6
8	9	CARDIOMAGNYL	0.6	0.6
9	8	CONCOR	0.6	0.6
10	10	ESSENTIALE	0.5	0.5
Total			6.5	6.6

The top ten INNs and grouping names ranking showed high stability: Almost all INNs of the top ten held their own in the ranking (Table 3). XYLOMETAZOLINE (-11%), PANCREATIN (+0.3%), IBUPROFEN (-5%) and BISOPROLOL (+1%) held their previous top positons, ETHYLMETHYLHYDROXYPYRIDINE (-4%), KAGOCEL (-8%) and BLOOD (-4%) held their ranks six through eight, and NIMESULIDE (-6%) rounded out the top ten. Two INNs showing pronounced positive growth rates, composition DIOSMIN* HESPERIDIN (+10%) and ROSUVASTATIN (+13%) moved up to ranks five and nine, respectively. Note that the latter broke into the ranks of the top -10 for the first time. The total share of the top 10 decreased from 9.3% to 9.1%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.4	1.5
2	2	PANCREATIN	1.1	1.0
3	3	IBUPROFEN	1.0	1.0
4	4	BISOPROLOL	1.0	1.0
5	9	DIOSMIN*HESPERIDIN	0.9	0.8
6	6	ETHYLMETHYLHYDROXYPYRIDINE	0.9	0.9
7	7	KAGOCEL	0.8	0.9
8	8	BLOOD	0.8	0.8
9	14	ROSUVASTATIN	0.7	0.6
10	10	NIMESULIDE	0.7	0.8
Total			9.1	9.3

C09 Agents acting on the renin-angiotensin system (+ 15%) became the best-selling ATC group on the regional market, which moved up to rank one from three (Table 4). At the same time, the former leader M01 Anti-inflammatory and antirheumatic products (+ 2%) and J05 Antivirals of systemic use (-13%) moved down one rank. J01 Antibacterials for systemic use (-9%) and R05 Cough and cold preparations (-12%) held their previous ranks four and five. Some shifts took place at the bottom of the top ten ranking, and only two groups were able to rise in the rank. G03 Sex hormones (+ 3%) and B01 Antithrombotic agents (+ 15%) moved up two ranks, coming in at numbers six and eight. The groups R01 Nasal preparations (-9%), N02 Analgesics (-12%) and N06 Psychoanaleptics (+ 5%), in contrast, moved down to the lower ranks seven and two bottom ranks. In total, the top ten ATC groups accumulated 37.3% of the regional sales, 37.9% in the year-earlier period.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	3	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.1	4.4
2	1	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.9	4.8
3	2	J05	ANTIVIRALS FOR SYSTEMIC USE	4.0	4.6
4	4	J01	ANTIBACTERIALS FOR SYST USE	3.8	4.2
5	5	R05	COUGH AND COLD PREPARATIONS	3.5	3.9
6	8	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.5	3.3
7	6	R01	NASAL PREPARATIONS	3.3	3.6
8	10	B01	ANTITHROMBOTIC AGENTS	3.2	2.8
9	7	N02	ANALGESICS	3.1	3.5
10	9	N06	PSYCHOANALEPTICS	3.0	2.9
Total				37.3	37.9

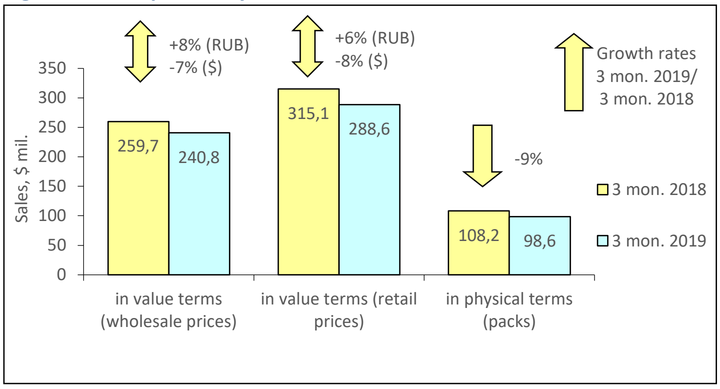
Conclusion. At the end of the first three months of 2019, the pharmacy market in VFD was estimated at RUB 40.513 bil. (USD 613.186 mil.) at retail prices. At the same time, the market behaviour was positive both in rouble (-2%) and dollar (-16%) terms. In physical terms, the sales reduced by 11% and amounted to 203.954 mil. packs as compared to the same period in 2018. The average cost of an FPP pack in January-March of 2019 amounted to USD 3.01, which is less than in the year-earlier period (USD 3.20) and the national average in Russia (USD 3.26). Per capita expenses of the district residents for purchase of medicines in the pharmacies were also lower than the national average figures (USD 20.86 vs. USD 24.94).

SoFD PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Southern Federal District (SoFD) was 16.455 mil., which accounted for 11.2% of the total Russian Federation population. According to Federal State Statistics Service's data, in January-March 2019, the average salary in the SoFD was RUB 31470 (USD 476.02), which was 28% lower than the national average wage in Russia (RUB 43944).

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™, at the end of the first quarter of 2019 the sales of drugs in physical terms in the Southern Federal District saw a 9% increase to 98.575 mil. packs. In money terms, the market showed positive growth rates in rouble terms (+8%) and negative growth rates in dollar terms (-7%), and amounted to RUB 15.909 bil. (USD 240.826 mil.) at wholesale prices (Fig. 1). The city market share accounted for 7.9% of the pharmacy sales in Russia. The average cost of a pack did not virtually change as compared to a year earlier period (USD 2.91) and reached USD 2.92 at retail prices. For the first three months of 2019, the average amount spent by residents of the SoFD for OTC drugs amounted to USD 17.54.

Figure 1. SoFD pharmacy market for 3 months of 2018 – 3 months 2019



The manufacturers BAYER (+3%), SANOFI (+5%), TEVA (-8%) and OTCPHARM (+8%) held the leading positions in the top ten manufacturers ranking on the pharmacy market of the Southern Federal District based on the results of the first three month of 2019 (Table 1). Some shifts took place in the lower part of the top ten manufacturers ranking, as a result of which four of them rose in the ranks. BERLIN-CHEMIE/ MENARINI (+8%), SANDOZ (+12%), ABBOTT (+10%) and GLAXOSMITHKLINE (+6%) moved up one rank, coming in at numbers five, six, eight and nine, respectively. At the same time, SERVIER (+4%) and STADA (-1%), in contrast, lost two ranks each and moved down to ranks seven and ten, respectively. The total share of the top 10 manufacturers has reduced from 33.8% to 32.7%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**BAYER**	4.8	5.0
2	2	**SANOFI**	3.9	4.0
3	3	**TEVA**	3.4	4.0
4	4	OTCPHARM	3.3	3.3
5	6	**BERLIN-CHEMIE/MENARINI**	3.2	3.1
6	7	**SANDOZ**	3.1	3.0
7	5	**SERVIER**	3.1	3.2
8	9	**ABBOTT**	2.8	2.8
9	10	**GLAXOSMITHKLINE**	2.6	2.7
10	8	STADA	2.6	2.8
Total			32.7	33.8

*AIPM members are in bold

Two newcomers broke into the top 10 brands ranking on the regional market: XARELTO (+50%) and ESSENTIALE (+18%) moved up to ranks five and nine (Table 2). In addition, one more brand managed to rise in the ranks: INGAVIRIN (+48%) moved up to rank number one from five. NUROFEN (+19%), KAGOCEL (+20%) and MEXIDOL (+17%) as before held their previous ranks two, three and seven. Four brands with the lower growth rates: ACTOVEGIN (+7%), THERAFLU (+1%), THERAFLEX (+10%) and CONCOR (+9%), in contrast, moved down to ranks four, six, eight and ten, respectively. The total share of the top 10 brands expanded: 6.7% vs 6.1% a year-earlier.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	5	INGAVIRIN	0.9	0.6
2	2	NUROFEN	0.7	0.7
3	3	KAGOCEL	0.7	0.7
4	1	ACTOVEGIN	0.7	0.7
5	14	XARELTO	0.7	0.5
6	4	THERAFLU	0.6	0.7
7	7	MEXIDOL	0.6	0.6
8	6	THERAFLEX	0.6	0.6
9	12	ESSENTIALE	0.6	0.5
10	8	CONCOR	0.6	0.5
Total			6.7	6.1

XYLOMETAZOLINE held its rank number one in the top ten INN and group names ranking, though its sales reduced by 3% (Table 3). In addition, PANCREATIN (+12%), BISOPROLOL (+13%) and KAGOCEL (+20%) held their previous ranks two, five and ten. INNs IBUPROFEN (+16%) and the composition DIOSMIN*HESPERIDIN (+24%) moved up one rank, coming in at numbers three and seven. The newcomer IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+48%) broke into the ranks of the top ten ranking, coming in at number six from 11. At the same time, INNs NIMESULIDE (+5%), ROSUVASTATIN (+17%) and BLOOD (+7%) moved down to the lower ranks four, eight and nine. The total share of the top ten accounted for 9.9%, whereas in 2018 it was 9.5%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.7	1.9
2	2	PANCREATIN	1.1	1.1
3	4	IBUPROFEN	1.1	1.0
4	3	NIMESULIDE	1.0	1.0
5	5	BISOPROLOL	0.9	0.9
6	11	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.9	0.6
7	8	DIOSMIN*HESPERIDIN	0.9	0.7
8	7	ROSUVASTATIN	0.8	0.8
9	6	BLOOD	0.8	0.8
10	10	KAGOCEL	0.7	0.7
Total			9.9	9.5

The group M01 Anti-inflammatory and antirheumatic products (+10%) held and reinforced its leading positions in the top ten ATC groups ranking (Table 4). G03 Sex hormones (+4%) and L03 Immunostimulants (+9%) also held their previous ranks eight and ten. Four of the other ATC groups from the top ten rose in the ranks. J05 Antivirals for systemic use (+36%) and C09 Agents acting on the rennin-angiotensin system (+19%) moved up to ranks two and three, displacing J01 Antibacterials for systemic use (+10%) down one rank. R05 Cough and cold preparations (+11%) moved up to rank six from seven, and the only newcomer B01 Antithrombotic agents (+26%) moved up to rank nine. R01 Nasal preparations (-1%) and N02 Analgesics (-0.2%) reduced their sales and moved down to ranks five and seven, respectively. The total share of the top ten ATC groups increased by 1.4 p.p. and achieved 37.5%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	1	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	5.0	4.9
2	6	J05	ANTIVIRALS FOR SYSTEMIC USE	4.4	3.4
3	4	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.2	3.8
4	3	J01	ANTIBACTERIALS FOR SYST USE	4.0	3.9
5	2	R01	NASAL PREPARATIONS	3.7	4.0
6	7	R05	COUGH AND COLD PREPARATIONS	3.5	3.4
7	5	N02	ANALGESICS	3.4	3.7
8	8	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.3	3.4
9	14	B01	ANTITHROMBOTIC AGENTS	3.2	2.7
10	10	L03	IMMUNOSTIMULANTS	2.9	2.8
Total				37.5	36.1

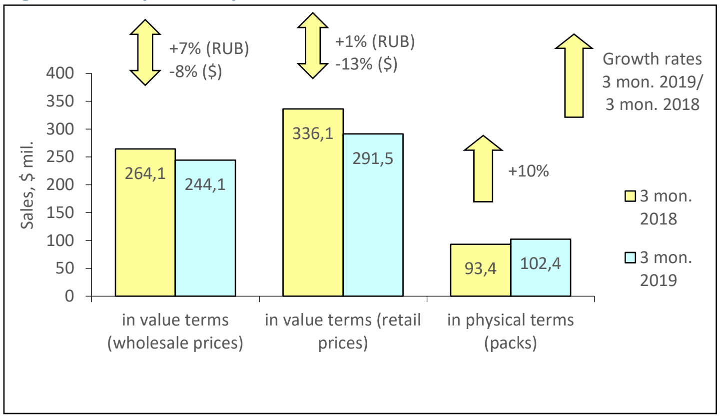
Conclusion. At the end of January-March of 2019, the retail pharmacy market of SoFD brought in RUB 19.064 bil. (USD 288.576 mil.) at retail prices. The sales saw a 6% increase in terms of roubles, and an 8% decrease in terms of dollars. In pack terms, the market reduced by 9% and amounted to 98.575 mil. packs. The average cost of an FPP pack in the district pharmacies was USD 2.92, which is virtually the same as in the year-earlier period (USD 2.91), but lower than average figures in the country (USD 3.26). At the end of the first quarter of 2019, the average expenses of the SoFD residents for medications in the pharmacies were also lower than the national average (USD 17.25 vs. USD 24.94).

UFD PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Ural Federal District (UFD) was 12.350 mil., which accounted for 8.4% of the total Russian Federation population. According to Federal State Statistics Service's data, in the first three months of 2019 the average wage in the UFD region was RUB 47134 (USD 712.96), which was 7% higher than the average wage in Russia (RUB 43944).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first three months of 2019 the sales of FPP drugs in physical terms in the pharmacies of UFD saw a 10% increase to 102.418 mil. packs. In money terms, the OTC drugs market showed positive growth rates (+7%) in rouble terms, negative (-8%) in dollar terms and reached RUB 16.126 mil. (USD 244.095 mil.) in wholesale prices (Fig. 1). The regional retail sales share accounted for 8.0% of all pharmacy sales in Russia. The average retail cost of an FPP pack in January-March of 2019 was USD 2.85 against USD 3.60 in the year-earlier period. In this period, the average amount spent by residents of the UFD for drugs amounted to USD 23.60.

Figure 1. UFD pharmacy market for 3 months of 2018 – 3 months 2019



The manufacturer SANOFI has become the leader of the retail market of the Urals Federal District in the first quarter of 2019, despite a 3% decline in sales (Table 1). Due to stronger negative growth rates, BAYER (-11%), which used to take the lead in the top ten ranking, moved down to rank two. TEVA (+20%) and SANDOZ (+18%) moved up one rank to numbers three and five. Two newcomers from the top ten KRKA (+45%) and GLAXOSMITHKLINE (+21%) moved up to ranks six and nine, respectively. The drug manufacturers with low growth rates OTCPHARM (+3%) and ABBOTT (+0.5%) and GEDEON RICHTER (-2%), which reduced its sales, in contrast, moved down to the lower ranks four, ten and seven, respectively. The manufacturer SERVIER (+0.2%) managed to hold its previous rank eight in the top ten. The cumulative share of the top 10 drug manufacturers reduced from 32.9% to 32.6%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	2	**SANOFI**	4.3	4.7
2	1	**BAYER**	4.1	4.9
3	4	**TEVA**	3.8	3.4
4	3	OTCPHARM	3.7	3.8
5	6	**SANDOZ**	3.2	2.9
6	14	**KRKA**	2.9	2.1
7	5	GEDEON RICHTER	2.8	3.1
8	8	**SERVIER**	2.6	2.8
9	13	**GLAXOSMITHKLINE**	2.6	2.3
10	9	**ABBOTT**	2.6	2.8
Total			32.6	32.9

*AIPM members are in bold

Most of the top-10 ATC groups showed negative growth rates (Table 2). Among them were INGAVIRIN (-1%) that held its leadership position. ACTOVEGIN (-8%) held its previous rank six. Another three brands with negative growth rates KAGOCEL (-2%), ESSENTIALE (-23%) and ERGOFERON (-12%) fell in the ranks, whereas three other brands LOZAP (-2%), DETRALEX (-7%) and CARDIOMAGNYL (-11%) rose in the ranks. NUROFEN (+ 14%) and XARELTO (+ 0.2%), which showed positive growth rates, moved up to the higher ranks, coming in at numbers two and ten. On top of that, the latter became the only newcomer of the top 10 ranking. The total share of the top 10 decreased from 0.8% to 5.9%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	INGAVIRIN	0.9	1.0
2	4	NUROFEN	0.8	0.7
3	2	KAGOCEL	0.7	0.8
4	3	ESSENTIALE	0.5	0.8
5	7	LOZAP	0.5	0.6
6	6	ACTOVEGIN	0.5	0.6
7	10	DETRALEX	0.5	0.6
8	9	CARDIOMAGNYL	0.5	0.6
9	8	ERGOFERON	0.5	0.6
10	12	XARELTO	0.5	0.5
Total			5.9	6.7

Three newcomers broke into the ranks of the top ten INN and group names ranking (Table 3). BISOPROLOL (+17%), AMOXICILLIN*CLAVULANIC ACID (+19%) and LOSARTAN (+16%) moved up to ranks six and two bottom ranks. Apart from them, another three ATC groups of the top ten showed growth in sales. PANCREATIN (+7%) and DIOSMIN*HESPERIDIN (+8%) moved up to ranks three and four, and INN KAGOCEL (-2%) moved up to rank eight from the bottom one. XYLOMETAZOLINE (-4%) and IBUPROFEN (+14%) held their previous top two ranks, and ROSUVASTATIN (-4%) held its previous rank seven. And only INN IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-1%) moved down from rank three to five. The cumulative share of the top10 reduced from 9.2% to 9.0%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.4	1.6
2	2	IBUPROFEN	1.1	1.1
3	4	PANCREATIN	1.0	1.0
4	5	DIOSMIN*HESPERIDIN	0.9	0.9
5	3	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.9	1.0
6	12	BISOPROLOL	0.8	0.7
7	7	ROSUVASTATIN	0.8	0.9
8	10	KAGOCEL	0.7	0.8
9	18	AMOXICILLIN*CLAVULANIC ACID	0.7	0.6
10	16	LOSARTAN	0.7	0.6
Total			9.0	9.2

Numerous shifts took place in the top 10 ATC groups ranking and none of the ATC groups maintained their previous ranks (Table 4). Due to the lagging dynamics, J05 Antivirals for systemic use (+ 4%), which headed the rating earlier, moved down to rank three, giving way to the more dynamic group M01 Anti-inflammatory and antirheumatic products (+ 12%) and C09 Agents acting on the renin-angiotensin system (+24 %). The markets of the groups R05 Cough and cold preparations (+ 12%), J01 Antibacterials for systemic use (+ 14%) and N02 Analgesics (+ 9%) developed at a fast pace, which allowed them to move up to ranks four, five and eight, respectively. At the same time, G03 Sex hormones (-1%), R01 Nasal preparations (-5%) and A11 Vitamins (-19%), which reduced their sales, moved down to ranks six, seven and nine. The only newcomer of the top 10 G04 Urologicals (+ 7%) rounded out the top ten ranking. In total, the top ten ATC groups accumulated 37.7% of the regional market, whereas in the year-earlier period they accounted for 38.3%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	2	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.7	4.5
2	3	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.7	4.1
3	1	J05	ANTIVIRALS FOR SYSTEMIC USE	4.4	4.5
4	6	R05	COUGH AND COLD PREPARATIONS	4.0	3.8
5	8	J01	ANTIBACTERIALS FOR SYST USE	3.8	3.6
6	5	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.7	4.0
7	4	R01	NASAL PREPARATIONS	3.5	4.0
8	9	N02	ANALGESICS	3.4	3.4
9	7	A11	VITAMINS	2.8	3.7
10	11	G04	UROLOGICALS	2.7	2.7
Total				37.7	38.3

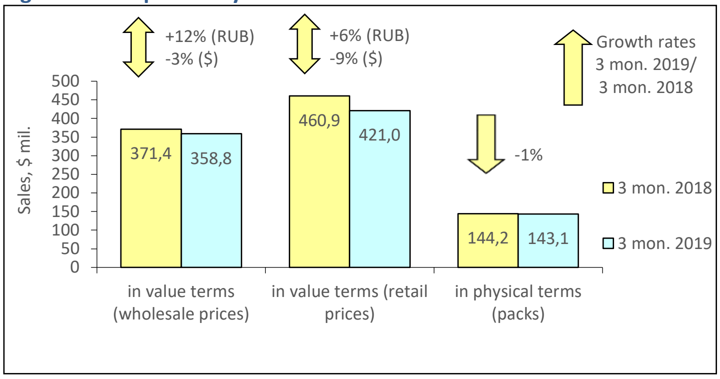
Conclusion. Based on the results for the first quarter of 2019, the retail pharmacy market of the Ural Federal District brought in RUB 19.259 bil. (USD 291.505 mil.) at retail prices. The sales saw a slight (+1%) increase in terms of roubles, whereas the sales markedly reduced (-13%) in terms of dollars. In pack terms, the market also showed positive growth rates (+10%) and achieved 102.418 mil. packs. The average cost of FPP pack in the district pharmacies based on the results for the first quarter of 2018 was USD 2.85, which was higher than the last year figures (USD 3.60) and the national average (USD 3.26). Per capita expenses of the UFD residents for purchase of medicines in the pharmacies were also lower the national average figures (USD 23.60 vs. USD 24.94).

SiFD PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Siberian Federal District (SiFD) was 17.173 mil., which accounted for 11.7% of the total Russian Federation population. According to Federal State Statistics Service's data, in January-March 2019, the average salary in the SiFD was RUB 37925 (USD 573.67), which was 14% lower than the national average wage in Russia (RUB 43944).

According to the results of the Retail Audit of FPP drugs in Russian Federation™, in the first quarter of 2019 the SiFD pharmacy market volume in physical terms increased by 1% to 143.140 mil. packs (Fig. 1) In wholesale prices, the market showed positive performance both in terms of roubles (+12%) and - in terms of dollars (-3%) and reached RUB 23.705 bil. (USD 358.813 mil.). The district's share accounted for 11.5% of the total pharmacy sales in the Russian pharmacy market pattern. Based on the results for January-March of 2019, the average cost of FPP in the SiFD pharmacies was USD 2.94, whereas in the year-earlier period its cost was USD 3.20. In this period, per capita expenses of the SFD residents for purchase of medicines in pharmacies amounted to USD 24.51.

Figure 1. SiFD pharmacy market for 3 months of 2018 – 3 months 2019



The manufacturers BAYER (+2%), SANOFI (+12%), TEVA (-2%) and OTCPHARM (+14%) held their previous top four ranks in the top ten manufacturers ranking on the pharmacy market of the Siberian Federal District based on the results for the first three month of 2019 (Table 1). GEDEON RICHTER (+9%) also held its previous rank nine. Five manufacturers of the top-10 ranking rose in the ranks. SERVIER (+11%) and KRKA (+27%) moved up one rank, coming in at numbers five and seven, whereas the manufacturer ABBOTT (+15%) managed to move up to rank eight from the bottom one. In contrast, two manufacturers SANDOZ (+3%) and STADA (-0.2%) moved down to ranks six and ten in the top ten ranking. The total share of the top 10 drug manufacturers reduced by more than 1 p.p. and accounted for 33.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**BAYER**	4.4	4.9
2	2	**SANOFI**	4.2	4.2
3	3	**TEVA**	3.7	4.2
4	4	OTCPHARM	3.5	3.4
5	6	**SERVIER**	3.4	3.4
6	5	**SANDOZ**	3.2	3.4
7	8	**KRKA**	3.0	2.7
8	10	**ABBOTT**	2.7	2.6
9	9	GEDEON RICHTER	2.6	2.6
10	7	STADA	2.5	2.8
Total			33.0	34.2

*AIPM members are in bold

KAGOCEL (+ 36%) remained the leader among the top ten brands in terms of sales, which due to its high dynamics strengthened its rank number one (Table 2). Note that all brands in this top ten ranking showed the outstripping growth rates. However, only four brands from the top ten rose in the ranks. INGAVIRIN (+22%) moved up to rank two from four, NUROFEN (+26%) moved up to rank four from eight, and DETRALEX (+24%) moved up to rank eight from ten. The newcomer of the top ten XARELTO (+74%) moved up to rank five. At the same time, the less dynamic brands LOZAP and THERAFLU (+ 13% each), LORISTA (+ 15%) and PENTALGIN (+ 19%) fell in the ranks. CARDIOMAGNYL (+ 15%) held its previous rank six. In total, top ten brands accumulated 6.5% of sales, whereas in the year-earlier period - 5.9%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	KAGOCEL	0.8	0.7
2	4	INGAVIRIN	0.7	0.6
3	2	LOZAP	0.7	0.7
4	8	NUROFEN	0.7	0.6
5	22	XARELTO	0.6	0.4
6	6	CARDIOMAGNYL	0.6	0.6
7	5	THERAFLU	0.6	0.6
8	10	DETRALEX	0.6	0.6
9	7	LORISTA	0.6	0.6
10	9	PENTALGIN	0.6	0.6
Total			6.5	5.9

XYLOMETAZOLINE (-5%), IBUPROFEN (+22%) and BISOPROLOL (+11%) held their previous top three ranks in the top ten INN and group names ranking (Table 3). Some shifts took place in the lower part of the top ten manufacturers ranking, as a result of which three INNs rose in the ranks. The composition DIOSMIN*HESPERIDIN (+21%) moved up to rank four, and the newcomers KAGOCEL (+36%) and LOSARTAN*HYDROCHLOROTHIAZIDE (+19%) broke into the ranks of the top ten, coming in at ranks six and nine. At the same time, PANCREATIN (+16%), NIMESULIDE (+10%) and LOSARTAN (+13%) moved down one rank, and INN ROSUVASTATIN (+7%) moved down from rank eight to the bottom rank. The total share accumulated by the top 10 drug manufacturers did not virtually change and accounted for 9.1%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.5	1.8
2	2	IBUPROFEN	1.1	1.0
3	3	BISOPROLOL	1.0	1.0
4	5	DIOSMIN*HESPERIDIN	0.9	0.8
5	4	PANCREATIN	0.9	0.8
6	12	KAGOCEL	0.8	0.7
7	6	NIMESULIDE	0.8	0.8
8	7	LOSARTAN	0.7	0.7
9	11	LOSARTAN*HYDROCHLOROTHIAZIDE	0.7	0.7
10	8	ROSUVASTATIN	0.7	0.7
Total			9.1	9.0

The top three ATC groups held their own in the top ten ATC groups ranking (Table 4). 4). On top of that, C09 Agents acting on the rennin-angiotensin system (+21%), M01 Anti-inflammatory and antirheumatic products (+15%) and G03 Sex hormones (+13%) not only held, but also reinforced their positions due to outstripping rates. The markets of the groups J05 Antivirals for systemic use (+23%), R05 Cough and cold preparations (+17%) and B01 Antithrombotic agents (+25%) developed at a fast pace, which allowed them to move up to ranks four, five and nine respectively. On top of that, the latter broke into the ranks of the top 10 ranking for the first time. Less dynamic N02 Analgesics (+ 4%) and A11 Vitamins (+ 0.4%), as well as R01 Nasal preparations (-2%), which reduced their sales, moved down to the lower ranks. As before, J01 Antibacterials for systemic use (+1%) held its previous rank seven. The top ten ATC groups accumulated 38.2% of the market, which is virtually the same as in the year-earlier period (38.1%).

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	1	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	5.0	4.6
2	2	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.7	4.6
3	3	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	4.1	4.1
4	8	J05	ANTIVIRALS FOR SYSTEMIC USE	3.9	3.6
5	6	R05	COUGH AND COLD PREPARATIONS	3.8	3.7
6	5	N02	ANALGESICS	3.7	4.0
7	7	J01	ANTIBACTERIALS FOR SYST USE	3.6	3.7
8	4	R01	NASAL PREPARATIONS	3.5	4.0
9	11	B01	ANTITHROMBOTIC AGENTS	3.1	2.7
10	9	A11	VITAMINS	2.7	3.1
Total				38.2	38.1

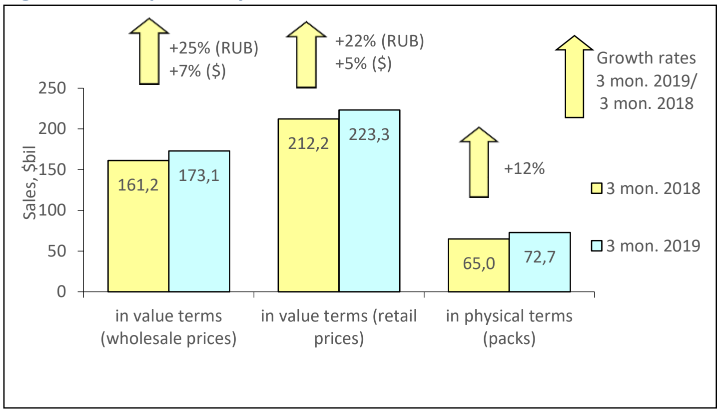
Conclusion. At the end of the first three months of 2019, the pharmacy market in the Siberian Federal District was estimated at RUB 27.813 mil. (USD 420.974 mil.) at final consumer prices. At the same time, the market behaviour was positive (+6%) in rouble terms and negative in dollar (-9%) terms. In natural terms, the sales decreased by 1% to 143.140 mil. packs. The average cost of an FPP pack slightly decreased as compared to a year earlier (USD 2.94 vs. USD 3.20), but continued to be lower than the national FPP price average in Russia (USD 3.26). Per capita expenses of the district residents for purchase of medicines in the pharmacies were also slightly lower than the national average figures (USD 24.51 vs. USD 24.94).

FEFD PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2019

According to Federal State Statistics Service, as of January 1, 2019 estimated population of the Far Eastern Federal District (FEFD) was 8.189 mil., which accounted for 5.6% of the total Russian Federation population. According to Federal State Statistics Service's data, in January-March 2019, the average salary in the FEFD was RUB 51357 (USD 776.84), which was 17% higher than the average wage in Russia (RUB 43944).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first three months of 2019 the sales of FPP drugs in physical terms in the pharmacies of FEFD saw a 12% increase to 72.667 mil. packs. In value terms, the OTC drugs market increased by one-fourth in rouble terms and by 7% in dollar terms and reached RUB 11.444 bil. (USD 173.111 mil.) at wholesale prices (Fig. 1). The district's share reached 6.1% of the all-Russia sales in retail prices. The average cost of a pack reduced as compared to a year earlier and reached USD 3.07 (vs. USD 3.26). At the end of January-March 2019, an average amount spent by the FEFD region residents for the drugs in the pharmacies amounted to USD 27.27.

Figure 1. FEFD pharmacy market for 3 months of 2018 – 3 months 2019



In the first quarter of 2019, the top 10 manufacturers in the retail market of the Far Eastern Federal District remained stable in composition, and four of them retained their previous ranks. (Table 1). BAYER (+ 11%) and SANOFI (+ 15%) held their previous top ranks, and GLAXOSMITHKLINE (+ 34%) and STADA (+ 16%) retained their closing ranks. Due to their outstripping growth rates, SANDOZ (+ 32%) and KRKA (+ 36%) moved up to ranks three and six. At the same time, TEVA (+ 21%), GEDEON RICHTER (+ 17%) and OTCPHARM (+ 16%) moved down one rank, coming in at numbers four, five and seven, and SERVIER (+ 13%) lost three ranks and moved down to rank eight. The total share of the top 10 drug manufacturers reduced from 34.2% to 32.9%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	**BAYER**	4.3	4.8
2	2	**SANOFI**	3.5	3.8
3	7	**SANDOZ**	3.5	3.3
4	3	**TEVA**	3.4	3.5
5	4	GEDEON RICHTER	3.2	3.5
6	8	**KRKA**	3.2	3.0
7	6	OTCPHARM	3.2	3.4
8	5	**SERVIER**	3.1	3.5
9	9	**GLAXOSMITHKLINE**	3.0	2.8
10	10	STADA	2.5	2.7
Total			32.9	34.2

*AIPM members are in bold

The most dynamic among the top ten brands KAGOCEL (+90%) took the lead in the top ten brands ranking (Table 2). At the same time, INGAVIRIN (+38%) and NUROFEN (+18%) moved down one rank. THERAFLU (+52%) and CARDIOMAGNYL (+46%) held and reinforced their previous ranks four and five, and XARELTO (+25%) held its previous rank ten in the top ten brands ranking. MIRAMISTIN (+56%), LORISTA (+42%), AMOKSIKLAV (+47%) and CYCLOFERON (+57%). moved up to ranks six through nine, respectively. Note that the two latter broke into the top 10 ranking for the first time. The total share of the top 10 increased from 7.1% to 8.3%.

Table 2. The top ten brands by pharmacy sales

Rank in the top ten		Brand	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	3	KAGOCEL	1.3	0.9
2	1	INGAVIRIN	1.2	1.1
3	2	NUROFEN	0.9	0.9
4	4	THERAFLU	0.8	0.7
5	5	CARDIOMAGNYL	0.8	0.7
6	8	MIRAMISTIN	0.8	0.6
7	9	LORISTA	0.7	0.6
8	13	AMOKSIKLAV	0.7	0.6
9	21	CYCLOFERON	0.6	0.5
10	10	XARELTO	0.6	0.6
Total			8.3	7.1

Two newcomers broke into the top 10 INN and group names ranking: the composition ACETYLSALICYLIC ACID* MAGNESIUM (+48%) and INN MIRAMISTIN (+56%) moved up to two bottom ranks of the top ten ranking (Table 3). In addition, KAGOCEL (+90%) and AMOXICILLIN*CLAVULANIC ACID (+42%), which moved up to ranks three and six, respectively, also showed high growth rates. They displaced IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+38%), PANCREATIN (+25%) and NIMESULIDE (+25%), (+25%) down one rank, and INN BISOPROLOL (+15%) lost two ranks. XYLOMETAZOLINE (+25%) and RIVAROXABAN (+22%) continued to hold their previous two top ranks in the top ten ranking. The cumulative share of the top10 increased from 10% to 10.8%.

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

Rank		INNs/Grouping Names	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018		3 mon. 2019	3 mon. 2018
1	1	XYLOMETAZOLINE	1.9	1.9
2	2	IBUPROFEN	1.4	1.4
3	6	KAGOCEL	1.3	0.9
4	3	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.2	1.1
5	4	PANCREATIN	0.9	0.9
6	8	AMOXICILLIN*CLAVULANIC ACID	0.9	0.8
7	5	BISOPROLOL	0.8	0.9
8	7	NIMESULIDE	0.8	0.8
9	11	ACETYLSALICYLIC ACID*MAGNESIUM	0.8	0.7
10	14	MIRAMISTIN	0.8	0.6
Total			10.8	10.0

J05 Antivirals for systemic use (+58%) moved up to rank one from three in the top ten ATC groups ranking, displacing M01 Anti-inflammatory and antirheumatic products (+22%) and R01 Nasal preparations (+27%) down one rank (Table 4). Some shifts took place in the bottom part of the top ten ranking. The groups N02 Analgesics (+25%), and L03 Immunostimulants (+36%), which moved up to ranks seven and nine, improved their rankings by one point. B01 Antithrombotic agents (+35%) moved up to rank ten from 13. At the same time, the less dynamic G03 Sex hormones (+16%) moved down t rank eight. The groups C09 Agents acting on the rennin-angiotensin (+30%), R05 Cough and cold preparations (+31%) and J01 Antibacterials for systemic use (+32%) held their previous ranks four through six. The total share of the top ten under review increased by almost 2 p.p. and achieved 40.1%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2019	3 mon. 2018			3 mon. 2019	3 mon. 2018
1	3	J05	ANTIVIRALS FOR SYSTEMIC USE	5.3	4.2
2	1	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.6	4.7
3	2	R01	NASAL PREPARATIONS	4.4	4.3
4	4	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.2	4.1
5	5	R05	COUGH AND COLD PREPARATIONS	4.2	4.0
6	6	J01	ANTIBACTERIALS FOR SYST USE	4.1	3.9
7	8	N02	ANALGESICS	3.7	3.7
8	7	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.5	3.8
9	10	L03	IMMUNOSTIMULANTS	3.3	3.1
10	13	B01	ANTITHROMBOTIC AGENTS	2.8	2.6
Total				40.1	38.2

Conclusion. Based on the results for the first quarter of 2019, the retail market of the Far Eastern Federal District brought in RUB 14.764 bil. (USD 223.329 mil.), which was 22% in terms of roubles and 5% in terms of dollars more than in the same period of 2018. In pack terms, the market also showed positive growth rates (+12%) and achieved 72.667 mil. packs. The average cost of a pack in the FEFD pharmacies based on the results for January-March of 2019 was USD 3.07 (in a year-earlier period - USD 3.26), which was lower than the national average (USD 3.26). The average medicine expenses of the district residents were higher than the national average expenses in Russia (27.27 USD vs. 24.94 USD).