Joint Publication of the Association of International Pharmaceutical Manufacturers in Russia and Remedium Group

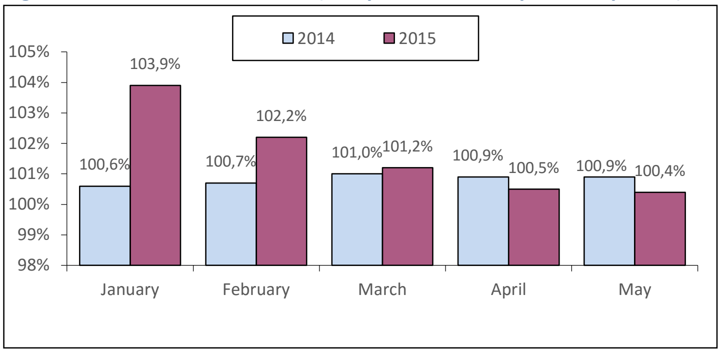
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in May 2015, the Consumer Price Index was estimated at 100.4% compared to the previous month, and 108.3% since the beginning of the year.

In May this year, Industrial Producer Price Index was 98.8%, whereas in the month-earlier period it had amounted to 102.7%.

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



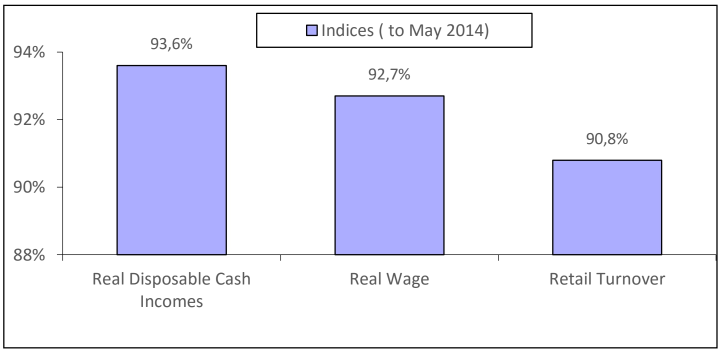
Living standard

According to preliminary Federal State Statistics Service's data, in May 2015 a gross monthly average salary per worker reached RUB 34,440 (USD 680.11) which accounted for 100.1% compared to the previous month and 107.3% compared to May 2014. The real wage in May 2015 accounted for 92.7% as compared with the same period in 2014. In May 2015, the real value of disposable cash incomes accounted for 93.6% as compared with the same period of 2014 (Fig. 2).

Retail turnover

In May 2015, the retail turnover was equal to RUB 2,221.6 bln, which in comparable prices accounted for 90.8% compared to the same period a year ago, in January-May 2015 - RUB 10,690.5 bln and 92.3% (Fig. 2).

Figure 2. Real values of cash incomes, salary and retail turnover in May 2015



Industrial production

According to Federal State Statistics Service's data, in May 2015 Industrial Production Index accounted for 94.5% compared to the same period in January-May 2015. - 97.7%).

According to Federal State Statistics Service's data, Industrial Production Index in May 2015 accounted for 117.7% compared to the relevant period in 2014, to the previous month – 98.1%.

Domestic production

Top 10 domestic pharmaceutical manufacturers according to their shares of total sales in all segments of the market based on the results for May 2014 is shown in Table 1.

Table 1. Top ten chemical and pharmaceutical manufacturers by production volume in May 2015

Rank	Manufacturer	Share, %
1	Otcpharm	6.26
2	Pharmstandart	5.50
3	Stada	5.05
4	Ozon	3.71
5	KRKA	3.47
6	Valenta	3.22
7	Veropharm	3.19
8	Sotex	3.13
9	Pharm-Center	2.86
10	Akrihin	2.84

Source - Remedium according to IMS Health's data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In April 2015 compared to March 2015, pharmacy sales slump (in terms of roubles) was observed in most analysed regions. The lowest performance was observed in Krasnoyarsk Krai (-25%), the highest one in Krasnodar Krai (-0.5%). Three regions showed positive growth rates, of which Perm demonstrated the highest growth rates (+10%).

Table 2. Pharmacy sales in the regions, 2015

Region	Pharmacy sales, $mln (wholesale prices)			Growth gain, % (roubles)		
	February 2015	March 2015	April 2015	February/ January 2015	March / February 2015	April/ March 2015
Moscow	117.0	128.3	150.3	22%	2%	3%
St. Petersburg	33.8	35.8	39.1	22%	-1%	-4%
Krasnodar Krai	23.5	23.0	26.1	36%	-9%	-0.5%
Novosibirsk Region	14.6	15.5	16.4	16%	-1%	-8%
Tatarstan	17.3	17.3	19.2	31%	-7%	-3%
Krasnoyarsk Krai	13.7	15.7	13.4	15%	7%	-25%
Rostov Region	17.8	18.8	20.3	11%	-2%	-5%
Voronezh Region	10.6	12.2	11.8	15%	8%	-16%
Perm	4.1	4.2	5.2	23%	-4%	10%
Tyumen	4.6	4.5	5.3	21%	-9%	2%

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 2015

Rank	Company*	Quantity of broadcasts
1	Novartis	14,439
2	Bayer AG	12,737
3	Sanofi Aventis	7,250
4	Berlin-Chemie Menarini Group	6,148
5	Otcpharm	5,410

Source - Remedium according to TNS Russia's data

Table 4. Top five brand names in mass media in May, 2015

Rank	Brand*	Quantity of broadcasts
1	Fenistil	2,653
2	Linex	2,396
3	Exoderil	2,140
4	Bepanthen	1,992
5	Suprastin	1,987

Source - Remedium according to TNS Russia's data

* Only products registered with State Register of Medicines were considered

STATE REIMBURSEMENT PROGRAM (DLO) IN THE RUSSIAN FEDERATION: 2015 FIRST 3 MONTHS RESULTS

According to DLO in RF™, the OTC drugs supplies under the Federal Program amounted to RUB 47.030 bln on the basis of the results for Quarter I of 2015. (USD 760.385 mln) in contract prices[1]. The segment volume increased 19% in terms of roubles, and reduced 35% in terms of dollars as compared to the relevant period in 2014. The scope of supplies in pack terms increased by 4% to 32.490 mln packs. The average cost of a FPP pack through the DLO program was USD 23.40 in contractual prices (a year ago it was USD 37.44).

Based on the results for three months of 2015, the drug manufacturers F-SYNTEZ (supplies increased 15[2] times) and BIOCAD RF (10 times) showed the largest supplies under DLO Program and the highest growth rates, moving up to the top ranks of the ranking (Table 1). BAXTER (+54%) moved up to rank three from four, whereas the last year leader ROCHE reduced its rates by 60% and moved down to rank 4. The drug manufacturer JOHNSON & JOHNSON (-64%) also showed negative growth rates, and as a result moved down from rank 2 to nine. At the same time, the drug manufacturer TEVA (+23%) and GENERIUM ZAO RF (+18%) moved down to ranks 5 and 8. The drug-manufacturers SANOFI-AVENTIS (+58%), LABORATORIO TUTEUR (+48%) and OCTAPHARMA (+78%) kept and reinforced their ranks 6, 7 and 10 respectively. However, the total share of the top ten drug manufacturers in DLO Program reduced by 2.1 p.p. and accounted for 65.7%.

Table 1. The top 10 drug manufacturers for DLO

Rank		Manufacturer*	Share in total DLO volume, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	20	F-SYNTEZ	10.4	0.8
2	18	BIOCAD RF	8.7	1.1
3	4	**BAXTER INT**	8.4	6.5
4	1	**ROCHE**	7.7	22.6
5	3	TEVA	7.2	6.8
6	6	**SANOFI-AVENTIS**	5.6	4.2
7	7	LABORATORIO TUTEUR	5.1	4.1
8	5	GENERIUM ZAO RF	4.5	4.5
9	2	**JOHNSON & JOHNSON**	4.4	14.7
10	10	OCTAPHARMA	3.8	2.5
Total			65.7	67.8

*AIPM members are in bold

The leaders of the top 10 brand names in the DLO sector also changed (table 2). In this connection, the brand names with high growth rates moved up to the top five ranks of the ranking. The newcomers ACELLBIA, BORAMILAN FS and FILAHROMIN FS moved up to ranks one, three and five respectively, and COPAXONE TEVA (+40%) and GENFAXON (+51%) moved up to ranks two and four. One more newcomer, Finished Pharma Product (FPP) OCTANATE (+141%) moved up to rank eight. In contrast, the other four brand names fell in the ranks. COAGIL-VII (+4%), VELCADE (-71%), RECOMBINATE (+10%) and LANTUS SOLOSTAR (+49%) moved down to ranks six, seven, 9 and 10, respectively. The total share of the top ten ranking increased by 10.2 p.p. and achieved 44.2%.

Table 2. The top ten brand names for DLO.

Rank in the top ten		Brand name	Share in total DLO volume, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	N/A	ACELLBIA	8.1	0.0
2	3	COPAXONE TEVA	6.7	5.7
3	N/A	BORAMILAN FS	6.1	0.0
4	5	GENFAXON	4.4	3.5
5	73	FILAHROMIN FS	3.6	0.2
6	4	COAGIL-VII	3.5	4.0
7	2	VELCADE	3.5	14.1
8	11	OCTANATE	3.0	1.5
9	6	RECOMBINATE	2.9	3.1
10	9	LANTUS SOLOSTAR	2.5	2.0
Total			44.2	34.0

Two newcomers IMATINIB and FACTOR VIII*FACTOR VON WILLEBRAND, which supplies increased by 11.5 and 3.5 times, broke into the ranks of the top ten INNs and grouping names, coming in at numbers six and ten (Table 3). FACTOR VIII (+77%) that moved up to rank three and GLATIRAMER ACETATE (+40%) and INSULIN GLARGINE (+49%) that kept their previous ranks also showed high growth rates. As before, RITUXIMAB (-24%) and BORTEZOMIB (-19%) held their top two ranks in the ranking, though their growth rates were negative. INNs INTERFERON BETA-1A (-11%), EPTACOG ALFA (ACTIVATED) (+7%) and OCTOCOG ALFA (+20%) moved down to the lower ranks 5, 7 and 8, respectively.

Table 3. The top ten INN and group names for DLO

Rank in the top ten		Brand name	Share in total DLO volume, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	RITUXIMAB	10.4	16.4
2	2	BORTEZOMIB	9.5	14.1
3	5	FACTOR VIII	7.0	4.7
4	4	GLATIRAMER ACETATE	6.7	5.7
5	3	INTERFERON BETA-1A	5.7	7.7
6	34	IMATINIB	4.5	0.5
7	6	EPTACOG ALFA (ACTIVATED)	3.6	4.0
8	7	OCTOCOG ALFA	3.2	3.2
9	9	INSULIN GLARGINE	2.5	2.0
10	22	FACTOR VIII*FACTOR VON WILLEBRAND	2.5	0.8
Total			55.6	59.0

The top ten ATC group ranking in DLO sector showed higher stability: half of ATC groups from the top ten held their own in the ranking (table 4) L01 Antineoplastic agents (+0.5%) kept its previous rank one, and ATC group A10 Drugs Used in Diabetes (-28%), L04 Immunosuppressants (-65%), R03 Drugs for obstructive airway diseases (-14%) and L02 Endocrine therapy (+33%) kept their ranks four through 6 and the bottom rank of the top ten ranking. ATC groups B02 Antihemorrhagics (+52%) and B03 Antianemic preparations (+25%) moved up one rank, coming in at ranks two and eight respectively, displacing L03 Immunostimulants (+11%) down one rank, to number three. The most dynamic group among the leading ATC groups A16 Other alimentary tract and metabolism products (+91%), moved up to rank seven, becoming the only newcomer of the top ten. In contrast, due to reduction in sales ATC Group R05 Cough and cold preparations (-19%) moved down to the lower rank 9. The cumulative share of the top ten reduced by 0.3 p.p. and accounted for 87.9%.

Table 4. The top ten ATC groups for DLO

Rank		ATC code	ATC group	Share in total DLO volume, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	L01	ANTINEOPLASTIC AGENTS	29.9	35.4
2	3	B02	ANTIHEMORRHAGICS	18.6	14.6
3	2	L03	IMMUNOSTIMULANTS	14.4	15.4
4	4	A10	DRUGS USED IN DIABETES	8.7	8.1
5	5	L04	IMMUNOSUPPRESSANTS	5.1	3.7
6	6	R03	DRUGS FOR OBSTRUCTIVE AIRWAY DISEASES	3.4	3.5
7	11	A16	OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS	2.6	1.6
8	9	B03	ANTIANEMIC PREPARATIONS	1.8	1.7
9	7	R05	COUGH AND COLD PREPARATIONS	1.8	2.6
10	10	L02	ENDOCRINE THERAPY	1.8	1.6
Total				87.9	88.2

Data on supplies to the top ten regions of Russia under State Reimbursement Program (DLO) are shown in Table 5. Moscow which share in supplies accounted for 10% moved up to the top ranks, displacing Moscow Region down to rank two. Krasnodarsky Krai, that preveiously held rank 2, moved down to rank six, giving way to Sverdlovsk and Rostov Regions and Tatarstan. Note that growth rates of supplies was positive in all top ten regions. The total share of the top ten regions in DLO sector accounted for 39.5%.

Table 5. The top ten regions by sales for DLO

Rank		Region	Share in total DLO volume, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	3	Moscow	10.0	3.7
2	1	Moscow Region	5.0	5.1
3	4	Sverdlovsk Region	3.5	3.5
4	5	Rostov Region	3.3	3.4
5	6	Tatarstan Republic	3.3	3.3
6	2	Krasnodar Krai	3.2	3.8
7	10	North Caucasian FD, Rest	3.2	2.7
8	7	Bashkortostan Republic	2.8	2.9
9	9	Tyumen Region	2.8	2.7
10	8	Kemerovo Region	2.6	2.7
Total			39.5	34.0

Conclusion. On the basis of the results for the first 3 months of 2015, the DLO sector of Russia brought in RUB 47.030 bln. (USD 760.385 mln) in contract prices. This is 19% more in terms of roubles and 35% less in terms of dollars than during the same period in 2014. In pack terms, the supplies increased by 4% and amounted to 32.490 mln packs. The average cost of OTC pack participating in the DLO Programme reduced as compared to the figures of the past year (USD 23.4 vs USD 37.44).

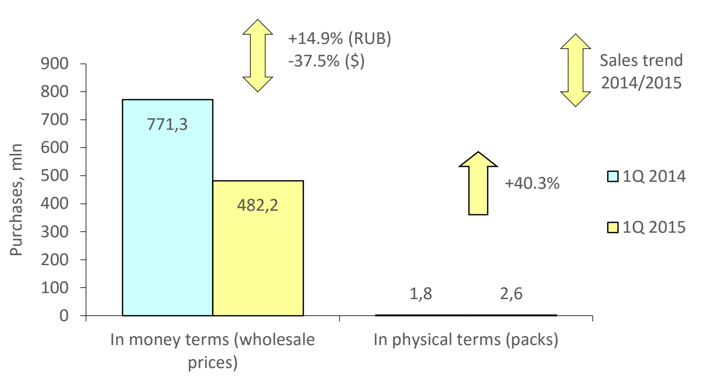
[1] From 2008 until now, data on DLO have been provided as shipments in contractual prices, which are prices at which the government will reimburse moneys to the distributor.

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

COST DEMANDING NOSOLOGIES PROGRAM: 3 months of 2015

In the first quarter of 2015, supplies under the Cost Demanding Nosologies Program grew by 14.5% in terms of roubles and reduced by 37.5% in terms of dollars as compared to the same period a year ago (Fig. 1). In terms of packs, the growth accounted for over 40 %. In absolute terms the supplies are estimated at RUB 29.7 bln or USD 482.2 mln.

Figure 1. Supplies trend under the CDN Program based on the results for 3 months of 2014-2015



High growth rates in physical terms as compared to the first quarter of the previous year resulted from the 70% growth in purchases of drugs to treat hemophilia and almost 143% growth in purchases of immunosuppressants used in in the transplantology. The group of drugs to treat hemophilia also considerably contributed to the growth in supplies under the CDN Program in terms of roubles. The group supplies increased by 51% and its share in the whole CDN sector grew from 22% to 29% as compared to the first quarter of the previous year (table 1).

High growth rates in supplies of drugs to treat hemophilia were due to INN Factor YIII (+78% in terms of roubles_, and in the first place to the product Octanate (Octapharma) (+142%), as well as INNs Factor YIII + Factor Von Willebrand **(+311%),** where in addition to Immunate (Baxter Int) (+256%) the generic product Fanhdi (Grifols S.A.) was also included into the supplies structure. The share of above INNs in the hemophilia sector increased from 32 to 38% and from 6 to 15%, respectively. The rest of the top ten INN groups also showed positive growth rates, and extended their shares in all supplies under CDN Programs with rare exception of - Eptacog Alfa (Activated) (+8%) (Table 1).

Table 1. Supplies structure under the CDN Program

Nosologies	INN	Share in total CDD supplies, %	
		3 mon. 2015	3 mon. 2014
Myeloleukemia		**38.54**	**46.58**
	RITUXIMAB	15.93	24.28
	BORTEZOMIB	15.02	21.32
	IMATINIB	6.85	0.54
	FLUDARABINE	0.72	0.44
Haemophilia		**29.15**	**22.10**
	FACTOR VIII	10.96	7.10
	EPTACOG ALFA (ACTIVATED)	5.69	6.06
	OCTOCOG ALFA	5.11	4.79
	FACTOR VIII*FACTOR VON WILLEBRAND	4.47	1.25
	FACTOR IX	2.92	2.91
Sclerosis Multiplex		**21.71**	**22.32**
	GLATIRAMER ACETATE	10.50	8.61
	INTERFERON BETA-1A	9.04	11.64
	INTERFERON BETA-1B	2.18	2.08
Transplantology		**4.32**	**2.48**
	TACROLIMUS	2.32	1.43
	MYCOPHENOLIC ACID	1.31	0.52
	CICLOSPORIN	0.45	0.25
	MYCOPHENOLATE MOFETIL	0.24	0.28
Gaucher disease		**3.15**	**2.06**
	IMIGLUCERASE	3.15	2.06
Mucoviscidosis		**2.74**	**3.88**
	DORNASE ALFA	2.74	3.88
Pituitary dwarfism		**0.41**	**0.59**
	SOMATROPIN	0.41	0.59
Total		100.00	100.00

Among separate nosology sectors, Immunosuppressants (+100%) and Cerezyme (MHH Imiglucerase, Sanofi-Aventis) – the only product to treat Gaucher's disease (+76%) - showed the highest supply growth rates in terms of roubles. At the same time, a share of these groups in the total purchases under the CDN Program increased from 2.5% to 4.3% and from 2.1% to 3.1%, respectively (Table 1). The positive growth rates of immunosuppressants supplies was due first of all to purchases of INNs Tacrolimus (+87%) (Tacrocel (Novartis) and Prograf (Astellas Pharma)), as well as the product Myfortic (Novartis) (+190%) that is a representative of INN Mycophenolic Acid.

The growth in terms of roubles (12%) as compared to the same period a year ago was also typical for the products which are used to treat multiple sclerosis. The share of above products didn't virtually change in the supply structure under the CDN Program (Table 1). The supplies of Copaxone Teva (INN Glatiramer Acetate) (+40%) and INN Interferon beta-1b (+20%) grew considerably within this pharmacotherapeutic group, in which the drug Infibeta (Pharmstandart) (+128%) moved up to the leading positions. In contrast, the purchases of INN Interferon beta-1a reduced (-11%). Genfaxon (Laboratorio Tuteur) (+52%) held its leading position in the above group.

The other nosologies sectors showed reduction in supplies as compared to the first quarter of the previous year. The reduction affected the groups of drugs to treat pituitary dwarfism (-20%) and cystic fibrosis (-19%), represented by the drugs Rastan (MHH Somatropin, Pharmstandart) and Pulmozyme (INN Dornase Alfa Roche), respectively.

The supplies of drugs to treat myeloleukemia reduced 15% as compared to the previous year. As a result, a share of this group in the total purchases under the CDN Program reduced from almost 47% to 38% (Table 1). The negative growth rates were caused by reduction in purchases of INN Rituximab (-24%) and INN Bortezomib (-19%), moreover not only in the money, but also in the physical terms. In the above groups, INNs that were brough to the market for the first time - the Russian generics Acellbia (Biocad) and Boramilan Fs (F-Sintez) displaced the original products and accounted for 80% and 64% in their sectors, respectively. In contrast, the supplies of the other two INN groups - Imatinib and Fludarabine used to treat myeloleukemia increased. First of all, it concerns INN Imatinib (+1368%) which was purchased in low volumes in this period of the previous year. 82% of total purchases of this INN were provided by the Russian product Filahromin Fs (F-Sintez) (+2840%). Flutotera (Laboratorio Tuteur) (+59%) accounted for 2/3 and Fludara (Sanofi-Aventis) (+201%) accounted for 1/3 in the structure of purchases of INN Fludarabine (+90%).

In the first quarter of 2015, the top ten brand names considerably updated as compared to the same period in the previous year (Table 2). The new Russian generic drugs Acellbia (Biocad) and Boramilan Fs (F-Sintez) moved up to ranks 1 and 2 in the ranking. One more domestic generic product to treat myeloleukemia Filahromin Fs (F-Sintez) moved up from rank 30 to 5 in the ranking. The drug Immunate (Factor Viii*Factor Von Willebrand) (+256%) produced by Baxter Int also broke into the top ten ranking. What stands out in the report is the considerable increase of the top ten's share in the total structure of the supplies - from 50% to 70%.

Table 2. The top 10 brand names by hospital purchases

Rank in the top ten		Brand	Share in total CDD supplies, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	-	ACELLBIA	12.7	0.0
2	3	COPAXONE TEVA	10.5	8.6
3	-	BORAMILAN FS	9.6	0.0
4	5	GENFAXON	6.9	5.2
5	30	FILAHROMIN FS	5.7	0.2
6	4	COAGIL-VII	5.5	6.1
7	2	VELCADE	5.5	21.3
8	10	OCTANATE	4.8	2.3
9	6	RECOMBINATE	4.5	4.7
10	15	IMMUNATE	3.9	1.2
			69.5	49.7

For the first time, the domestic manufacturers F-Sintez and Biocad that accounted for 15% and 13% of all supplies under the CDN Program moved up to the leading positions in the top ten manufacturers ranking (Table 3). One more domestic manufacturer - Pharmstandart (+16%) - kept its previous share. The manufacturers Baxter Int (+55%), Teva (+30%), Laboratorio Tuteur (+51%), Octapharma (+81%), Sanofi-Aventis (+81%) showed increase in sales in terms of roubles. Roche (-76%) and Johnson & Johnson (-75%) significantly reduced their supplies as compared to the first quarter of the previous year. The share of the top ten manufacturers didn't virtually change, accounting for 88% of all supplies under the CDN Program.

Table 3. Top 10 manufacturers by supplies under the CDN Program

Rank in the top ten		Manufacturer*	Share in total CDN supplies, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	18	F-SYNTEZ	15.2	0.2
2	12	BIOCAD RF	13.4	1.3
3	4	**BAXTER INT**	13.2	9.8
4	5	**TEVA**	10.6	9.4
5	6	PHARMSTANDART (incl. GENERIUM)	7.5	7.4
6	7	LABORATORIO TUTEUR	7.5	5.7
7	2	**ROCHE**	5.9	28.2
8	9	OCTAPHARMA	5.7	3.6
9	3	**JOHNSON & JOHNSON**	5.5	21.3
10	10	**SANOFI-AVENTIS**	3.4	2.2
Total			87.8	89.0

*AIPM members are in bold

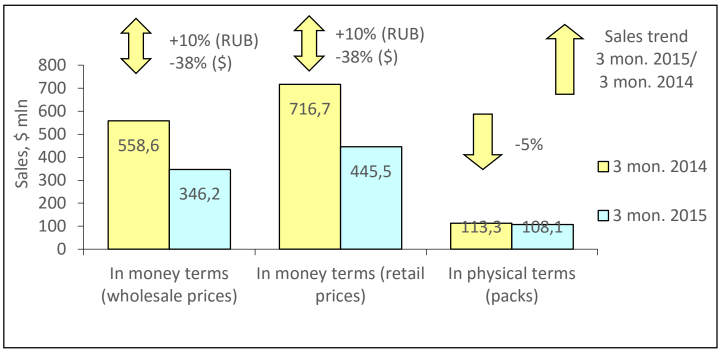
Conclusion. In Q1, the results of the drug procurement under the CDN Program showed that domestic manufacturers has significantly strengthened their positions on the market and their share in terms of roubles increased from 9% to 36% as compared to the same period of the previous year. The market launch of new domestic generics for the treatment of myeloleukemia has made a major contribution to this growth. The share of domestic drugs in this sector reached 68% in physical terms and 72% in money terms.

MOSCOW CITY PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 Moscow's estimated population was 12.198 mln, which accounted for 8.3% of the total Russian Federation population and 31.3% of Central FO (CFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2015 the average salary in the city was RUB 58.781 (USD 945.18), which was 86% higher than the average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of the first three months of 2015 the sales of OTC drugs in natural terms in pharmacies of Moscow saw a 5% decrease to 108.059 mln packs. In money terms, the market saw a 10% increase in roubles equivalent, whereas it showed a negative decline (-38%) in dollars equivalent due to significant drop in the exchange rate of rouble. The market reached RUB 21.545 bln (USD 346.172 mln) in wholesale prices (Fig.1). The city market share accounted for 15.8% of the Russian pharmacy sales. The average cost of an OTC pack reduced as compared to a year earlier period (USD 6.32) and reached USD 4.12 at retail prices. At Quarter I-end 2015, the average amount spent by residents of Moscow for medicinal drugs in pharmacies amounted to USD 36.52.

Figure 1. Moscow city pharmacy market for 3 months of 2014 – 3 months of 2015



Based on the results for the first three months of 2015, SANOFI-AVENTIS (+3%) and BAYER (+5%) remained the leaders of the top ten pharmaceutical manufacturers in the metropolitan pharmacy market (table 1). OTCPHARM (+1%) placed at rank ten of the top ten also held its last year position. The rest of top 10 drug manufacturers changed their ranks; moreover, only two of them improved them. The drug manufacturer SANDOZ (+19%) moved up to rank three from five and NYCOMED/TAKEDA (+11%) moved up to rank six from nine. At the same time, NOVARTIS and SERVIER (+3% each), ABBOTT (+0,4%), PFIZER (-2%) and TEVA (+1%) moved down one rank, coming in at numbers four, five and ranks from 7 through 9. The cumulative share of the top 10 manufacturers reduced from 38.4% to 36.5%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	**SANOFI-AVENTIS**	5.7	6.1
2	2	**BAYER HEALTHCARE**	5.2	5.4
3	5	**SANDOZ GROUP**	3.8	3.5
4	3	**NOVARTIS**	3.5	3.7
5	4	**SERVIER**	3.4	3.6
6	9	**NYCOMED/TAKEDA**	3.2	3.1
7	6	**ABBOTT**	3.2	3.5
8	7	**PFIZER**	2.9	3.3
9	8	TEVA	2.9	3.1
10	10	OTCPHARM	2.8	3.1
Total			36.5	38.4

*AIPM members are in bold

The dominant five brand names held their own in the top ten brand name ranking (table 2). Hepatoprotective product ESSENTIALE N (+0.3%), antiviral products KAGOCEL (+34%), INGAVIRIN (+26%) and AMIXIN (+17%) as well as LINEX (+13%) held their own in the ranking. Three newcomers broke into the bottom part of the top-10 ranking: CRESTOR (+31%) and MIRAMISTIN (+44%) moved up to ranks six and seven, and EXODERIL (+13%) moved up to the bottom rank of the top ten. Due to reduction in sales, DETRALEX(-5%) and ACTOVEGIN (-1%) moved down to ranks eight and nine, respectively. The total share of the top 10 brand names increased from 7.2% to 7.5%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	ESSENTIALE N	1.1	1.2
2	2	KAGOCEL	1.0	0.8
3	3	INGAVIRIN	0.9	0.8
4	4	AMIXIN	0.8	0.8
5	5	LINEX	0.8	0.8
6	16	CRESTOR	0.6	0.5
7	18	MIRAMISTIN	0.6	0.5
8	6	DETRALEX	0.6	0.7
9	8	ACTOVEGIN	0.6	0.6
10	13	EXODERIL	0.6	0.6
Total			7.5	7.2

INNs XYLOMETAZOLINE (+20%) and PHOSPHOLIPIDS (-0.4%) remained the leaders of the top ten INN and grouping names ranking (table 3). On top of that, TILORONE (+21%) held its previous rank five. KAGOCEL (+34%) moved up to rank three from six, displacing PANCREATIN (+12%) down one rank. IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+25%) moved up one rank, coming in at number 6. The newcomers IBUPROFEN (+37%) and ROSUVASTATIN (+41%), and the composition AMOXICILLIN + CLAVULANIC ACID (+28%) entered the top ten INNs and grouping names ranking for the first time, coming in at numbers seven, eight and ten. Due to low sales rates, INN HYALURONIC ACID (+1%) moved down from rank four to nine. The total share of the top ten under review increased by 0.7 p.p. and accounted for 10.0%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	XYLOMETAZOLINE	1.8	1.6
2	2	PHOSPHOLIPIDS	1.1	1.3
3	6	KAGOCEL	1.0	0.8
4	3	PANCREATIN	0.9	0.9
5	5	TILORONE	0.9	0.9
6	7	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.9	0.8
7	12	IBUPROFEN	0.9	0.7
8	14	ROSUVASTATIN	0.8	0.7
9	4	HYALURONIC ACID	0.8	0.9
10	13	AMOXICILLIN + CLAVULANIC ACID	0.8	0.7
Total			10.0	9.3

The top-10 ATC groups ranking showed high stability – almost all of its groups held their own in the ranking (Table 4). The groups J05 Antivirals for systemic use (+17%), R01 Nasal preparations (+9%) and J01 Antibacterials for systemic use (+19%) remained the best-selling groups in the Moscow pharmacies. A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+9%) held its previous rank five, and the groups C09 Agents acting on the rennin-angiotensing system (+10%), R05 Cough and cold preparations (+16%), N02 Analgesics (+10%) and G03 Sex hormones (+8%) as before maintained their previous four bottom ranks in the top ten. The only shift took place in the central part of the ranking: due to the highest sales rates, M01 Anti-inflammatory and antirheumatic products (+19%) moved up from rank six to four, whereas A11 Vitamines (+5%) that had been placed at that rank earlier, in contrast, moved down to rank six. In total, based on the results for the first quarter of 2015 the top ten ATC groups accumulated 37.1% of the regional market, which was almost 1 p.p. more than 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. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	J05	ANTIVIRALS FOR SYSTEMIC USE	5.0	4.7
2	2	R01	NASAL PREPARATIONS	4.3	4.3
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.2	3.9
4	6	M01	ANTIINFLAM & ANTIRHEUM PROD	3.7	3.4
5	5	A07	INTESTINAL ANTIINFECTIVES	3.5	3.5
6	4	A11	VITAMINS	3.5	3.6
7	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.4	3.4
8	8	R05	COUGH AND COLD PREPARATIONS	3.3	3.2
9	9	N02	ANALGESICS	3.1	3.1
10	10	G03	SEX HORM&MODULAT GENITAL SYS	3.1	3.1
Total				37.1	36.3

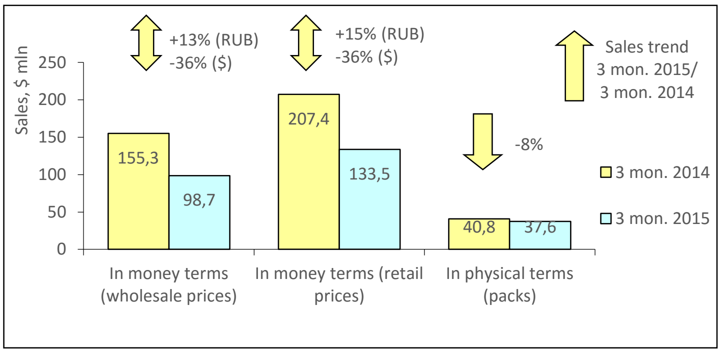
Conclusion. On the basis of the results for the first three months of 2015, the pharmacy market of Moscow brought in RUB 27.723 bln (USD 445.456 mln). It was 10% more in terms of roubles and 38% less in terms of dollars than during the same period in 2014. In natural terms, the market showed the negative growth rates (-5%) and brought in 108.059 mln packs. The average cost of OTC pack in the metropolitan pharmacies based on the results for Quarter I, 2015 was USD 4.12 which was lower than in 2014 (USD 6.32), but notably higher than the national average (USD 2.77). The average expenses of Moscow residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 35.52 vs. USD 19.32).

SAINT PETERSBURG PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 St. Petersburg's estimated population was 5.19 mln, which accounted for 3.5% of the total Russian Federation population and 37.5% of North West FO (NWFO). According to Federal State Statistics Service's data, based on the results for 2015 the average wage in the city was RUB 40,916 (USD 657.92), which was 30% higher than the average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of the first nine months of 2015 the sales of OTC drugs in natural terms in pharmacies of St. Petersburg saw a 8% decrease to 37.554 mln packs. In money terms, the market showed positive growth rates (+13%) in rouble terms and negative growth rates (-36%) in dollar terms and reached RUB 6.144 bln (USD 98.687 mln) in wholesale prices (Fig. 1). The regional market share accounted for 4.7% of the Russian pharmacy sales. The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.08) and reached USD 3.56 at retail prices. For 3 months of 2015, the average amount spent by residents of St. Petersburg for drugs amounted to USD 25.72.

Figure 1. St. Petersburg pharmacy market for 3 months of 2014 – 3 months of 2015



Based on the results for the first quarter of 2015, the top ten drug manufacturers ranking didn't change in the St. Petersburg market, however it comprised numerous shifts (Table 1). BAYER (+12%) moved up to rank number one in the top ten, displacing SANOFI-AVENTIS (-10%) from that position. On top of that, the drug manufacturers NOVARTIS (+12%) and TEVA (+13%) moved up one rank, to numbers four and seven. The more dynamic manufacturer OTCPHARM (+24%) moved up from rank nine to five, and the drug maker SANDOZ (+18%) held its previous rank three. SERVIER (-1%) that reduced its sales and ABBOTT (+4%) and PFIZER (+1%) that showed low growth rates fell in the ranks, moving down to numbers six, eight and nine. NYCOMED/TAKEDA (+7%) held its previous rank ten. The total share of the top 10 drug manufacturers decreased by 2 p.p. to 36.7%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	2	**BAYER HEALTHCARE**	5.2	5.2
2	1	**SANOFI-AVENTIS**	4.8	6.0
3	3	**SANDOZ GROUP**	4.6	4.4
4	5	**NOVARTIS**	3.6	3.6
5	9	OTCPHARM	3.4	3.1
6	4	**SERVIER**	3.3	3.8
7	8	**TEVA**	3.2	3.2
8	6	**ABBOTT**	3.1	3.4
9	7	**PFIZER**	2.9	3.2
10	10	**NYCOMED/TAKEDA**	2.6	2.7
Total			36.7	38.7

*AIPM members are in bold

Three newcomers broke into the ranks of the top ten brand names ranking (table 2). AMIXIN (+76%), ACC (+82%) and AMOKSIKLAV (+63%) moved up to ranks five, six and nine, respectively. Another three brand names managed to rise in the ranks: KAGOCEL that increased its sales by two times and moved up to rank number one, and INGAVIRIN (+79%) and OSCILLOCOCCINUM (+23%) that moved up to ranks two and eight. INN ARBIDOL (+22%) held and strengthened its previous rank number five. The brand names ESSENTIALE N (-25%) and VIAGRA (-10%) reduced their sales and moved down to ranks four and ten. LINEX (+1%) also showed low growth rates and moved down three ranks, to number 7. The total share of the top 10 increased from 7.2% to 8.4%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	2	KAGOCEL	1.6	0.9
2	7	INGAVIRIN	1.1	0.7
3	3	ARBIDOL	0.9	0.8
4	1	ESSENTIALE N	0.9	1.3
5	15	AMIXIN	0.7	0.5
6	18	ACC	0.7	0.5
7	4	LINEX	0.7	0.8
8	9	OSCILLOCOCCINUM	0.7	0.6
9	22	AMOKSIKLAV	0.6	0.4
10	6	VIAGRA	0.6	0.7
Total			8.4	7.2

The top 10 INN and grouping names leader held its own in the ranking: INN XYLOMETAZOLINE (+27%) held and strengthened its previous rank (table 3). INNs KAGOCEL (+100%), IBUPROFEN (+58%), IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+78%), the composition AMOXICILLIN + CLAVULANIC ACID (+35%) and INN TILORONE (+74%) moved up to ranks two through six from the lower ranks. On top of that, the third and the latter INNs broke into the ranks of the top -10 ranking for the first time. One more newcomer, AZITHROMYCIN (+38%) moved up to rank eight. Despite the high sales growth rates, UMIFENOVIR (+30%) moved down one rank, to number seven. INNs PHOSPHOLIPIDS (-24%) and PANCREATIN (+9%) moved down to the bottom two ranks of the top ten. The total share of the top ten INNs increased by almost 2 p.p. and reached 11.4%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	XYLOMETAZOLINE	2.1	1.9
2	4	KAGOCEL	1.6	0.9
3	8	IBUPROFEN	1.1	0.8
4	16	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.1	0.7
5	7	AMOXICILLIN + CLAVULANIC ACID	1.0	0.8
6	22	TILORONE	0.9	0.6
7	6	UMIFENOVIR	0.9	0.8
8	11	AZITHROMYCIN	0.9	0.7
9	2	PHOSPHOLIPIDS	0.9	1.4
10	3	PANCREATIN	0.9	0.9
Total			11.4	9.5

Only one from the top ten ATC groups managed to hold its own in the ranking: group R05 Cough and cold preparations (+53%) kept and strengthened its previous rank two (table 4). J05 Antivirals for systemic use (+59%) moved up to rank one from three, whereas R01 Nasal preparations (+24%) that had been placed at that rank earlier moved down to rank three. The groups J01 Antibacterials for systemic use (+29%), N02 Analgesics (+25%), A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+14%) and the newcomers of the top ten L03 Immunostimulants (+35%) also moved up to the higher positions, coming in at ranks four, five, eight and ten, respectively. On top of that, ATC groups M01 Anti-inflammatory and antirheumatic products (+17%), A11 Vitamins (+13%) that showed the lower growth rates and the groups C09 Agents acting on the rennin-angiotensing system (-2%) that reduced sales moved down to ranks six, seven and nine, respectively. The consolidated share of the top 10 increased from 38.2% to 42.9%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	3	J05	ANTIVIRALS FOR SYSTEMIC USE	5.9	4.2
2	2	R05	COUGH AND COLD PREPARATIONS	5.8	4.3
3	1	R01	NASAL PREPARATIONS	5.2	4.8
4	6	J01	ANTIBACTERIALS FOR SYST USE	4.4	3.9
5	8	N02	ANALGESICS	4.1	3.7
6	5	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	3.9
7	4	A11	VITAMINS	3.9	3.9
8	9	A07	INTESTINAL ANTIINFECTIVES	3.4	3.4
9	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.7
10	13	L03	IMMUNOSTIMULANTS	3.0	2.5
Total				42.9	38.2

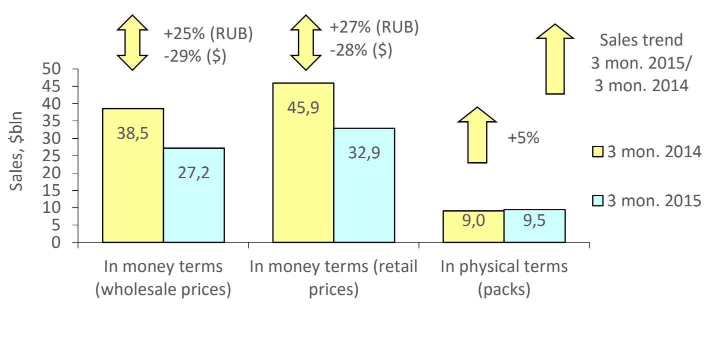
Conclusion. On the basis of the results for the first three months of 2015, the pharmacy market of St. Petersburg reached RUB 8.312 bln (USD 133.514 mln) in retail prices. The sales saw a 15% increase in terms of roubles, and a 36% decrease in terms of dollars. In natural terms, the market showed negative growth rates (-8%) and amounted to 37.554 mln packs. According to the results for the first quarter of 2015, the average cost of OTC pack in the Saint Petersburg pharmacies was USD 3.56 which was lower than the last year figures (USD 5.08), but higher than the national average in the country (USD 2.77). The average expenses of city residents for medications in the pharmacies also exceeded the national average (USD 25.72 vs. USD 19.32).

ROSTOV-ON-DON PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Rostov-on-Don was estimated as 1.11 mln, which accounted for 0.8% of the total Russian Federation population and 8.0% of Southern FO (SFO). According to Federal State Statistics Service's data, in the first quarter of 2015 the average wages in the Rostov Region amounted to RUB 22,760 (USD 365.98), which was 28% lower than the national average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at Quarter I-end 2015 the sales of drugs in physical terms in the pharmacies of Rostov-On-Don saw a 5% increase to 9.469 mln packs. In value terms, the OTC drugs market increased by +25% in rouble terms and reduced by -29% in dollar terms and reached RUB 1.692 bln (USD 27.187 mln) in wholesale prices (Fig. 1). The city market share accounted for 1.2% of the sales (in retail prices). The average cost of an OTC pack reduced as compared to a year earlier and reached USD 3.48 (vs. USD 5.08). For 3 months of 2015, the average amount spent by residents of Rostov-On-Don for drugs in the pharmacies amounted to USD 29.54.

Figure 1. Rostov-On-Don pharmacy market for 3 months of 2014 – 3 months of 2015



At quarter I-end 2015, the manufacturer TEVA that had topped earlier the top ten drug manufacturers ranking in the Rostov-On-Don market showed a 15% reduction in sales and moved down to only rank five (Table 1). At the same time, the drug manufacturers with high growth rates moved up to ranks one through four: BAYER (2.3-fold increase in sales), NYCOMED/TAKEDA (+38%), SANOFI-AVENTIS (+45%) and SERVIER (+51%). The markets of drug manufacturers GEDEON RICHTER (+27%) and OTCPHARM (+32%) that moved up to ranks six and seven also developed at a fast pace. The latter became the only newcomer of the top-10. The drug manufacturers MENARINI (+18%) and NOVARTIS (+13%) moved up one rank, to numbers 8 and 9, whereas ABBOTT (-16%) that reduced its sales, in contrast, moved down to the bottom rank. The total share of the top 10 manufacturers increased from 36.9% to 39.2%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	2	**BAYER HEALTHCARE**	8.3	4.5
2	3	**NYCOMED/TAKEDA**	4.8	4.3
3	4	**SANOFI-AVENTIS**	4.6	4.0
4	6	**SERVIER**	4.4	3.6
5	1	TEVA	3.7	5.5
6	8	GEDEON RICHTER	3.1	3.1
7	11	OTCPHARM	2.8	2.7
8	9	**MENARINI**	2.7	2.9
9	10	**NOVARTIS**	2.5	2.8
10	7	**ABBOTT**	2.4	3.6
Total			39.2	36.9

*AIPM members are in bold

Almost each from the top 10 brand names showed outperformance in sales and most of them rose in the ranks (Table 2). Antiviral product INGAVIRIN moved up to rank one from seven, increasing its sales by 2.7 times. The newcomers broke into the ranks of the top ten, coming in at numbers two, four, six, eight and nine: chondroprotective product THERAFLEX (3.8-fold growth in sales), multivitamins ELEVIT PRONATAL (3.6-fold growth in sales), THERAFLEX ADVANCE (6.4-fold growth), interferon product VIFERON (+96%) and chondroprotective product ALFLUTOP (3.2-fold growth). At the same time, ESSENTIALE N (+25%), NIMESIL (+54%) and KAGOCEL (+43%) moved down to the lower ranks five, 7 and 10, respectively. The last year leader ACTOVEGIN also moved down to the lower rank three, reducing its sales by 3%. The cumulative share of the top ten brand names increased by almost 4 p.p. and achieved 9.8%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	7	INGAVIRIN	1.3	0.6
2	21	THERAFLEX	1.2	0.4
3	1	ACTOVEGIN	1.2	1.5
4	24	ELEVIT PRONATAL	1.1	0.4
5	2	ESSENTIALE N	1.0	1.0
6	68	THERAFLEX ADVANCE	0.9	0.2
7	6	NIMESIL	0.9	0.7
8	15	VIFERON	0.7	0.5
9	40	ALFLUTOP	0.7	0.3
10	8	KAGOCEL	0.7	0.6
Total			9.8	6.1

The leader of the top-10 INN and grouping names ranking also changed (table 3). Due to 58% growth in sales, INN XYLOMETAZOLINE moved up to rank one from 3. In addition to it, another five drug manufacturers from the top ten ranking showed growth in sales. The newcomers CHONDROITINSULFURIC ACID + GLUCOSAMINE (2.3-fold growth in sales), IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (2.7-fold growth), IBUPROFEN (2.6-fold growth), INTERFERON ALFA-2B (+79%) and ERGOCALCIFEROL+ RETINOL+ BIOTIN+ CALCIUM+ PHOSPHORUS+ ASCORBIC ACID+ MAGNESIUM+ IRON FERROUS+ NICOTINAMIDE+ VITAMIN E+ PANTOTHENIC ACID+ ZINC (3.6-fold growth) broke into the ranks of the top ten, coming in at numbers two, four and 6 through 8. INNs with low growth rates NIMESULIDE (+26%), BLOOD (+1%) and PHOSPHOLIPIDS (+28%) moved down to ranks three, five and nine respectively, and INN AZITHROMYCIN (+46%) held its bottom rank in the top ten. The cumulative share of the top 10 under review increased 3.4 p.p. to 12.8%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	3	XYLOMETAZOLINE	1.6	1.3
2	14	CHONDROITINSULFURIC ACID + GLUCOSAMINE	1.5	0.8
3	2	NIMESULIDE	1.4	1.3
4	17	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.3	0.6
5	1	BLOOD	1.3	1.6
6	20	IBUPROFEN	1.2	0.6
7	12	INTERFERON ALFA-2B	1.2	0.9
8	37	ERGOCALCIFEROL+ RETINOL+ BIOTIN+ CALCIUM+ PHOSPHORUS+ ASCORBIC ACID+ MAGNESIUM+ IRON FERROUS+ NICOTINAMIDE+ VITAMIN E+ PANTOTHENIC ACID+ ZINC	1.1	0.4
9	4	PHOSPHOLIPIDS	1.1	1.0
10	10	AZITHROMYCIN	1.0	0.9
Total			12.8	9.4

In contrast to the previous top 10 rankings, the top ten ATC groups didn't change its leader (table 4). M01 Anti-inflammatory and antirheumatic products (+83%) and J01 Antibacterials for systemic use (+46%) and J01 Antibacterials for systemic use (+28%) retained their previous top three ranks. On top of that, as before N06 Psychoanaleptics (+29%) kept their previous rank five. The other top 10 ATC groups changed their ranks; moreover, four ATC groups improved them. A11 Vitamins (+54%) moved up to rank four from eight. The groups R01 Nasal preparations (+34%) and L03 Immunostimulants (+33%) moved up one rank, coming in at number 6 and 9. The newcomer of the top ten N02 Analgesics (+42%) moved up to rank eight. The groups R05 Cough and cold preparations (+17%) and G03 Sex hormones (+8%) moved down to ranks 7 and 10, respectively. The total share of the analysed ranking, as well as one of the above rankings, increased in this case from 37.0% to 40.9%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	M01	ANTIINFLAM & ANTIRHEUM PROD	7.0	4.7
2	2	J05	ANTIVIRALS FOR SYSTEMIC USE	5.1	4.3
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.3	4.2
4	8	A11	VITAMINS	4.2	3.4
5	5	N06	PSYCHOANALEPTICS	3.8	3.6
6	7	R01	NASAL PREPARATIONS	3.7	3.4
7	4	R05	COUGH AND COLD PREPARATIONS	3.4	3.6
8	12	N02	ANALGESICS	3.4	3.0
9	10	L03	IMMUNOSTIMULANTS	3.2	3.0
10	6	G03	SEX HORM&MODULAT GENITAL SYS	3.0	3.5
Total				40.9	37.0

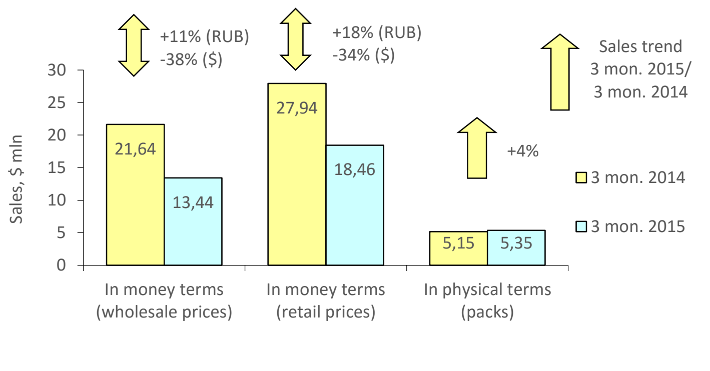
Conclusion. On the basis of the results for three months of 2015, the retail pharmacy market of Rostov-on-Don brought in RUB 2.050 bln (USD 32.930 mln). It was 27% more in terms of roubles and 28% less in terms of dollars than during the same period in 2014. In natural terms, the market showed the positive growth rates (+5%) and brought in 9.469 mln packs. The average cost of OTC-pack in the Rostov-On-Don pharmacies was USD 3.48 based on the results for 3 months of 2015 (in a year-earlier period - USD 5.08), it was more than the national average (USD 2.77). The average expenses of Rostov-On-Don residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 29.54 vs. USD 19.32).

KHABAROVSK PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 Khabarovsk's estimated population was 607.2 thd, which accounted for 0.4% of the total Russian Federation population and 9.8% of Far Eastern FO (FFO). According to Federal State Statistics Service's data, in the first quarter of 2015 the average salary in the Khabarovsk Krai amounted to RUR 35,270 (USD 567.13), which was 12% higher than the average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of the first three months of 2015 the sales of OTC drugs in natural terms in pharmacies of Khabarovsk saw a 4% increase to 5.353 mln packs. In money terms, the sales in the city pharmacy market (exclusive of State Reimbursement Program) saw a +11% increase in terms of roubles and a 38% decrease in terms of dollars compared to the same period a year ago and reached RUB 836.178 mln (USD 13.439 mln) in wholesale prices (Fig.1). The city share in the total volume of all-Russia pharmacy market accounted for 0.7%. In the first quarter of 2015, the average cost of a OTC pack in the Khabarovsk pharmacies was USD 3.45 which was notably lower than in the year-earlier period (USD 5.42). For three months of 2015, the average amount spent by residents of Khabarovsk for drugs amounted to USD 30.40.

Figure 1. Khabarovsk pharmacy market for 3 months of 2014 – 3 months of 2015



The pharmaceutical manufacturer BAYER (+7%) remained a leader of the regional top ten ranking based on the results for the first three months of 2015 (Table 1). The manufacturers which had improved their ranks moved up to numbers two through six. SANOFI-AVENTIS (+29%), SERVIER (+30%), GEDEON RICHTER (+55%), NYCOMED/TAKEDA (+25%) and TEVA (+13%) showed high growth rates. In addition, STADA (+18%) became the only newcomer of the top ten and moved up four ranks, coming in at number eight. The manufacturers NOVARTIS (-10%), SANDOZ (-39%) and MENARINI (+3%) fell in the ranks, moving down to ranks seven, nine and ten, respectively. The total share of the top 10 drug manufacturers reduced from 37.7% to 37.5%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	**BAYER HEALTHCARE**	5.2	5.4
2	3	**SANOFI-AVENTIS**	4.9	4.2
3	5	**SERVIER**	4.4	3.8
4	10	GEDEON RICHTER	4.0	2.9
5	7	**NYCOMED/TAKEDA**	3.8	3.3
6	8	TEVA	3.4	3.3
7	4	**NOVARTIS**	3.2	4.0
8	12	**STADA**	3.0	2.8
9	2	**SANDOZ GROUP**	2.9	5.2
10	9	**MENARINI**	2.7	2.9
Total			37.5	37.7

*AIPM members are in bold

The top ten brand names ranking was updated much more notably - seven newcomers broke into the ranks of the top ten ranking (Table 2). ESSENTIALE N (2.1-fold growth in sales) and ALFLUTOP (2.3-fold growth) topped up the ranking, and ACTOVEGIN (+61%), CYCLOFERON (2.4-fold growth in sales), NISE (2.3-fold growth), SUMAMED (+43%) and BIOPAROX (+40%) moved up to ranks five through nine. INGAVIRIN (+20%) also rose in the ranks, moving up from rank six to four. KAGOCEL (+11%) maintained its previous rank three. And only the last year leader ARBIDOL (-53%) fell in the ranks due to considerable reduction in sales, moving down to the bottom rank of the top ten. The total share of the top 10 increased from 6.4% to 8%.

Table 2. The top ten brand names by pharmacy sales

Rank in the top ten		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	13	ESSENTIALE N	1.2	0.6
2	30	ALFLUTOP	0.9	0.4
3	3	KAGOCEL	0.9	0.9
4	6	INGAVIRIN	0.8	0.8
5	14	ACTOVEGIN	0.8	0.5
6	51	CYCLOFERON	0.7	0.3
7	48	NISE	0.7	0.4
8	15	SUMAMED	0.7	0.5
9	19	BIOPAROX	0.6	0.5
10	1	ARBIDOL	0.6	1.4
Total			8.0	6.4

The leader of the top ten INN and grouping names ranking XYLOMETAZOLINE (-10%) didn't change its rank (Table 3). The other brands of the top 10 shifted their ranks; on top of that, almost all of them improved them. The newcomers broke into the ranks of the top ten, coming in at numbers two and three, and from seven through ten: INN PHOSPHOLIPIDS increased its sales 2 times, and NIMESULIDE (+93%), TILORONE (+28%), FISH (2.3-fold growth in sales) and PANCREATIN (+20%). IBUPROFEN (+48%) and AZITHROMYCIN (+27%) that showed outperformance, and INTERFERON ALFA-2B (-7%) that reduced its sales also rose in the ranks, moving up to ranks four through six. KAGOCEL (+11%) moved down to rank ten. The cumulative share of the top-ten increased by 1.5 p.p. and achieved 11.1%.

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

Rank in the top ten		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	XYLOMETAZOLINE	2.1	2.5
2	20	PHOSPHOLIPIDS	1.2	0.7
3	21	NIMESULIDE	1.2	0.7
4	10	IBUPROFEN	1.1	0.9
5	8	AZITHROMYCIN	1.0	0.9
6	7	INTERFERON ALFA-2B	0.9	1.1
7	14	TILORONE	0.9	0.8
8	44	FISH	0.9	0.4
9	12	PANCREATIN	0.9	0.8
10	9	KAGOCEL	0.9	0.9
Total			11.1	9.6

M01 Anti-inflammatory and antirheumatic products (+51%) became the best selling group in the regional market and moved up to rank number one from seven (Table 4). The leader of the previous year R01 Nasal preparations reduced its sale volumes 20% and moved down to rank three. Note that in addition to it, another four groups showed negative growth rates. R05 Cough and cold preparations (-12%) held its previous rank two, and J01 Antibacterials for systemic use (-5%), N02 Analgesics and L03 Immunostimulants (-15% each) fell in the ranks. The other ATC groups from the top ten showed positive growth rates, and most of them - outperformance, which allowed them to move up to the higher ranks. As a result, G03 Sex hormones (+22%) moved up to rank six from eight, A11 Vitamins (+14%) - from rank 9 to 7, and C09 Agents acting on the rennin-angiotensing system (+56%) - to rank 9 from 12. J05 Antivirals for systemic use (+7%) held their previous rank four. The cumulative share of the top ten ATC groups increased by over 3 p.p. and achieved 42.3%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	7	M01	ANTIINFLAM & ANTIRHEUM PROD	5.4	4.0
2	2	R05	COUGH AND COLD PREPARATIONS	4.9	6.2
3	1	R01	NASAL PREPARATIONS	4.8	6.6
4	4	J05	ANTIVIRALS FOR SYSTEMIC USE	4.6	4.8
5	3	J01	ANTIBACTERIALS FOR SYST USE	4.3	5.0
6	8	G03	SEX HORM&MODULAT GENITAL SYS	4.3	3.9
7	9	A11	VITAMINS	3.8	3.7
8	5	N02	ANALGESICS	3.5	4.5
9	12	C09	AG ACT RENIN-ANGIOTENS SYST	3.4	2.4
10	6	L03	IMMUNOSTIMULANTS	3.3	4.3
Total				42.3	45.5

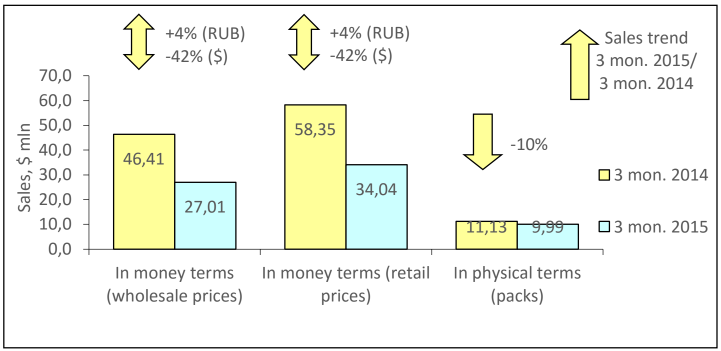
Conclusion. On the basis of the results for three months of 2015, the retail pharmacy market of Khabarovsk brought in RUB 1.148 bln (USD 18.457 mln). At the same time, the market showed the positive growth rates in terms of roubles (+18%) and negative growth rates (-34%) in terms of dollars. In natural terms, the sales increased by 4% to 5.353 mln packs. The average cost of an OTC pack in the region pharmacies reduced as compared to the previous year (USD 3.45 vs. USD 5.42), but was higher than the national average in Russia (USD 2.77). Per capita expenses of Khabarovsk residents for purchase of medicines in the pharmacies amounted to USD 30.40 which was higher than on the average in the country (USD 19.32).

NOVOSIBIRSK PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015, the population of Novosibirsk was estimated at 1.57 mln, which accounted for 1.1% of the total Russian Federation population and 8.1% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for three months of 2015 the average salary in the Novosibirsk Region was RUB 26,350 (USD 423.7), which was 17% lower than the national average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in the first three months of 2011 the Novosibirsk pharmacy market volume reduced by 10% in physical terms and amounted to 9.994 mln packs (Fig. 1) In wholesale prices, the market showed the positive performance in terms of roubles (+4%) and the negative performance in terms of dollars (-42%) and reached RUB 1.682 bln (USD 27.009 mln). The region's share accounted for 1.2% of the total pharmacy sales in the Russian pharmacy market pattern. The average cost of an OTC pack in the Novosibirsk pharmacies was USD 3.41 according to the results for the first quarter of 2015 (during the same period in 2014 - USD 5.24). At the end of three months of 2015, per capita expenses of Novosibirsk residents for purchase of medicines in pharmacies amounted to USD 21.62.

Figure 1. Novosibirsk pharmacy market for 3 months of 2014 – 3 months of 2015



Based on the results for the first three months of 2015, the pharmaceutical manufacturer BAYER (-1%) became the leader of the top ten manufacturers, despite the reduction in sales (Tables 1). The former top ten leader SANOFI-AVENTIS (-16%) showed the stronger reduction in sales and moved down to rank two. The manufacturer SANDOZ (+8%) held and reinforced its previous rank three. One more manufacturer, SERVIER (-9%), also held its previous rank eight, despite the negative growth rates. On top of that, two more manufacturers showed reduction in sales. ABBOTT (-2%) and NOVARTIS (-8%) moved down to ranks five and seven, respectively. At the same time, the manufacturers showing positive growth rates: NYCOMED/TAKEDA (+7%), TEVA (+1%), OTCPHARM (+2%) and ASTELLAS PHARMA (+7%) rose in the ranks, moving up to ranks four, 6, 9 and 10, respectively. Note that the latter became the only newcomer of the top-10 ranking. The total share of the top ten INN and group names increased by 2 p.p. and achieved 33.4%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	2	BAYER HEALTHCARE	5.0	5.3
2	1	SANOFI-AVENTIS	4.7	5.7
3	3	SANDOZ GROUP	3.6	3.4
4	6	NYCOMED/TAKEDA	3.3	3.3
5	4	ABBOTT	3.2	3.4
6	7	TEVA	3.1	3.2
7	5	NOVARTIS	3.0	3.4
8	8	SERVIER	2.7	3.0
9	10	OTCPHARM	2.5	2.5
10	13	ASTELLAS PHARMA	2.3	2.2
Total			33.4	35.4

*AIPM members are in bold

The top-ten brand names ranking the was updated in half: five newcomers were merged in the top ten (table 2). ERGOFERON (+58%), ACC (+48%), DUPHASTON (+13%), NISE (+8%) and FLEMOXIN SOLUTAB (+21%) moved up to ranks 4 through 6, and the bottom two ranks. Apart from the above mentioned, the other two brand names moved up to the higher ranks. CARDIOMAGNIL (+22%) moved up from rank nine to three, and CRESTOR (+1%) moved up from rank eight to seven. At the same time, ACTOVEGIN (-7%) moved down one rank, to number 8. KAGOCEL (+17%) and ESSENTIALE N (-30%) kept the first two ranks in the top ten. In total, the top ten brand names accumulated 6.7% of sales, which was 0.3 p.p. more than in the year-earlier period.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	KAGOCEL	1.5	1.4
2	2	ESSENTIALE N	0.7	1.1
3	9	CARDIOMAGNIL	0.6	0.5
4	28	ERGOFERON	0.6	0.4
5	25	ACC	0.6	0.4
6	12	DUPHASTON	0.6	0.5
7	8	CRESTOR	0.5	0.6
8	7	ACTOVEGIN	0.5	0.6
9	15	NISE	0.5	0.5
10	22	FLEMOXIN SOLUTAB	0.5	0.4
Total			6.7	6.3

The top ten INN and grouping names leaders managed to hold their own in the ranking: INNs XYLOMETAZOLINE (+5%) and KAGOCEL (+17%) kept their previous two ranks (table 3). The other top 10 INNs shifted their ranks; moreover, six improved them. INNs INTERFERON ALFA-2B (+8%), URSODEOXYCHOLIC ACID (-1%), IBUPROFEN (+17%) and the composition AMOXICILLIN + CLAVULANIC ACID (+20%) moved up to ranks three through six. The newcomers INNs NIMESULIDE and ROSUVASTATIN (+12% each) broke into the ranks of the top ten, coming in at numbers nine and ten of the top ten ranking. PHOSPHOLIPIDS (-25%) that reduced their sales and PANCREATIN (+8%) that showed rather low sales rates moved down to ranks seven and eight, respectively. The cumulative share of the top 10 under review increased from 9.9% to 10.2%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	XYLOMETAZOLINE	1.7	1.7
2	2	KAGOCEL	1.5	1.4
3	4	INTERFERON ALFA-2B	1.0	1.0
4	5	URSODEOXYCHOLIC ACID	0.9	0.9
5	7	IBUPROFEN	0.9	0.8
6	10	AMOXICILLIN + CLAVULANIC ACID	0.9	0.8
7	3	PHOSPHOLIPIDS	0.9	1.2
8	6	PANCREATIN	0.8	0.8
9	11	NIMESULIDE	0.8	0.7
10	12	ROSUVASTATIN	0.8	0.7
Total			10.2	9.9

G03 Sex hormones (+5%) remained the best selling group in the regional market (table 4). J05 Antivirals for systemic use (+14%) and J01 Antibacterials for systemic use (+15%) moved up to ranks two and three from three and five, respectively. Another three ATC groups from the top ten also showed high sales growth rates. M01 Anti-inflammatory and antirheumatic products (+8%) and N02 Analgesics (+5%) held their previous ranks four and seven, whereas R05 Cough and cold preparations (+20%) moved up from the bottom rank to number six. L03 Immunostimulants (-3%) also moved up one rank, to number ten, becoming the only newcomer of the top ten. The groups R01 Nasal preparations (-1%) and A11 Vitamins (-3%) reduced their sales and fell in the ranks, moving down to ranks five and eight. C09 Agents acting on the renin-angiotensin system (+0.4%) held its previous rank nine in the top ten ranking. The total share of the top ten ranking increased by 1 p.p. and achieved 39.5%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	G03	SEX HORM&MODULAT GENITAL SYS	4.7	4.7
2	3	J05	ANTIVIRALS FOR SYSTEMIC USE	4.5	4.1
3	5	J01	ANTIBACTERIALS FOR SYST USE	4.3	3.9
4	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.1	4.0
5	2	R01	NASAL PREPARATIONS	4.1	4.3
6	10	R05	COUGH AND COLD PREPARATIONS	4.0	3.4
7	7	N02	ANALGESICS	3.7	3.7
8	6	A11	VITAMINS	3.5	3.7
9	9	C09	AG ACT RENIN-ANGIOTENS SYST	3.5	3.6
10	11	L03	IMMUNOSTIMULANTS	3.1	3.3
Total				39.5	38.5

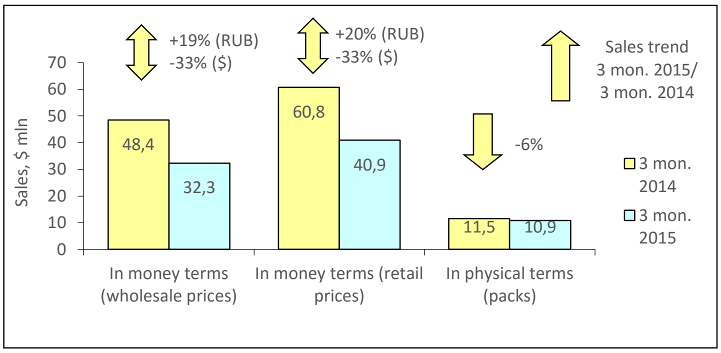
Conclusion. In the first quarter of 2015, the pharmacy market in Novosibirsk was estimated at RUB 2.119 bln (USD 34.04 mln) in final consumer prices. At the same time, the market performance was positive in rouble terms (+4%), whereas in dollar terms the national market reduced by 42%. In natural terms, the sales decreased by 10% to 9.994 mln packs. The average cost of an OTC pack (USD 3.41) reduced as compared to a year earlier (USD 5.24), but was markedly higher than the national average OTC-drug cost in Russia (USD 2.77). Per capita expenses of Novosibirsk residents for purchase of medicines in the city pharmacies also exceeded the national average figures (USD 21.75 vs. USD 19.32).

YEKATERINBURG PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Yekaterinburg was estimated as 1.43 mln, which accounted for 1% of the total Russian Federation population and 11.6% of Ural FO (UFO). According to Federal State Statistics Service's data, in the first quarter of 2015 the average wage in the Yekaterinburg Region amounted to RUB 29,288 (USD 470.94), which was 7% lower than the national average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at QI-end 2015 the sales of OTC-drugs in physical terms in pharmacies of Yekaterinburg saw a 6% decrease to 10.883 mln packs. In value terms, the market showed positive growth rates (+19%) in rouble terms, but it reduced (33%) in dollar terms and reached RUB 2.013 bln (USD 32.341 mln) in wholesale prices (Fig. 1). The regional market share accounted for 1.4% of the total pharmacy sales in Russia. The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.27) and reached USD 3.76 at retail prices. For 3 months of 2015, the average amount spent by residents of Yekaterinburg for drugs amounted to USD 28.65.

Figure 1. Yekaterinburg pharmacy market for 3 months of 2014 – 3 months of 2015



As of the first three months of 2015, SANOFI-AVENTIS (+25%), BAYER (+15%) and ABBOTT (+7%) continued to show the highest sales in the Yekaterinburg pharmacy market, holding the first three leading positions in the top ten ranking (Table 1). One more manufacturer of the top ten managed to hold its own in the ranking: as before, the manufacturer SERVIER (+13%) held its rank five. The rest of the top 10 drug manufacturers changed their ranks; on top of that, four manufacturers improved them. GEDEON RICHTER (+23%) moved up to rank four from six, SANDOZ GROUP (+15%) moved up to ranks six from seven, and NYCOMED/TAKEDA (+23%) moved up to rank eight from ten. The only newcomer STADA (+19%) broke into the ranks of the top ten, coming in at number ten. At the same time, the manufacturers TEVA and NOVARTIS (+9% each) moved down to the lower ranks 7 and 9, respectively. The total share of the top 10 drug manufacturers reduced by 0.7 p.p. and accounted for 34.3%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	**SANOFI-AVENTIS**	5.9	5.6
2	2	**BAYER HEALTHCARE**	5.0	5.1
3	3	**ABBOTT**	3.4	3.8
4	6	GEDEON RICHTER	3.2	3.0
5	5	**SERVIER**	3.0	3.1
6	7	**SANDOZ GROUP**	2.9	3.0
7	4	TEVA	2.9	3.1
8	10	**NYCOMED/TAKEDA**	2.8	2.7
9	8	**NOVARTIS**	2.7	3.0
10	12	**STADA**	2.5	2.5
Total			34.3	35.0

*AIPM members are in bold

Three newcomers broke into the ranks of the top ten brand names ranking (table 2). MAGNE B6 (2.2-fold growth in sales), ALFLUTOP (+26%) and SALOFALK (2.1-fold growth) moved up to ranks four, seven and eight, respectively. Apart from them, another three names showed signs of growth. KAGOCEL (+69%) and INGAVIRIN (+31%) moved up to ranks two and three, and ACTOVEGIN (+24%) moved up to rank six from nine. In contrast, the brand names with modest and negative growth rates moved down to the lower ranks. HEPTRAL (+2%), ARBIDOL (-21%) and URSOSAN (+3%) moved down to ranks five and two bottom ranks. ESSENTIALE N (+37%) kept and reinforced its leading rank number one in the top ten. The total share of the top 10 brand names increased to 6.9%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	ESSENTIALE N	1.1	1.0
2	5	KAGOCEL	0.9	0.7
3	4	INGAVIRIN	0.8	0.7
4	28	MAGNE B6	0.7	0.4
5	3	HEPTRAL	0.6	0.7
6	9	ACTOVEGIN	0.6	0.6
7	11	ALFLUTOP	0.6	0.5
8	47	SALOFALK	0.5	0.3
9	2	ARBIDOL	0.5	0.8
10	6	URSOSAN	0.5	0.6
Total			6.9	6.3

In contrast to the above rankings, the top ten INNs and grouping names ranking didn't change its leader (table 3). Due to one-third growth in sales, INN PHOSPHOLIPIDS (+34%) moved up to rank one from four, whereas the former leader XYLOMETAZOLINE (-0.1%) moved down one rank, to number two. INN URSODEOXYCHOLIC ACID (+10%) kept its rank three. The newcomers of the top ten KAGOCEL (+69%), MAGNESIUM + PYRIDOXINE (2.2-fold increase in sales) and IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+31%) broke into the ranks of the top ten, coming in at numbers four, six and eight. One more INN rose in the ranks. ROSUVASTATIN (+31%) moved up to rank seven from ten. In contrast, the less dynamic PANCREATIN (+2%), CHONDROITINSULFURIC ACID + GLUCOSAMINE (+17%) and IBUPROFEN (+9%) moved down to the lower ranks five, nine and ten, respectively. The total share of the top ten increased by 0.5 p.p. and accounted for 9.0%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	4	PHOSPHOLIPIDS	1.2	1.1
2	1	XYLOMETAZOLINE	1.0	1.2
3	3	URSODEOXYCHOLIC ACID	1.0	1.1
4	14	KAGOCEL	0.9	0.7
5	2	PANCREATIN	0.9	1.1
6	37	MAGNESIUM + PYRIDOXINE	0.9	0.5
7	10	ROSUVASTATIN	0.8	0.7
8	12	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.8	0.7
9	8	CHONDROITINSULFURIC ACID + GLUCOSAMINE	0.7	0.7
10	7	IBUPROFEN	0.7	0.8
Total			9.0	8.5

J05 Antivirals for systemic use (+16%) remained the leader of the regional market by sales volume (Table 4). The most dynamic among the top ten ATC groups A11 Vitamins (+36%) moved up to rank two, displacing G03 Sex hormones (+24%) down one rank. Another three ATC groups from the top ten developed their markets by outstripping rates: the groups N06 Psychoanaleptics and R05 Cough and cold preparations (+27% each), as well as J01 Antibacterials for systemic use (+22%) moved up to ranks 4, 5 and 7, respectively. On top of that, A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+17%) and the newcomer of the top ten A05 Bile and liver therapy (+16%) moved up one rank, coming in at two bottom numbers. In contrast, the groups C09 Agents acting on the renin-angiotensin system (+17%) and M01 Anti-inflammatory and antirheumatic products (+15%) moved down to the lower ranks 6 and 8, respectively. The consolidated share of the top 10 under review increased from 38.6% to 39.5%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	J05	ANTIVIRALS FOR SYSTEMIC USE	5.4	5.5
2	3	A11	VITAMINS	4.6	4.0
3	2	G03	SEX HORM&MODULAT GENITAL SYS	4.2	4.1
4	6	N06	PSYCHOANALEPTICS	3.9	3.6
5	7	R05	COUGH AND COLD PREPARATIONS	3.8	3.6
6	5	C09	AG ACT RENIN-ANGIOTENS SYST	3.7	3.7
7	8	J01	ANTIBACTERIALS FOR SYST USE	3.6	3.6
8	4	M01	ANTIINFLAM & ANTIRHEUM PROD	3.6	3.7
9	10	A07	INTESTINAL ANTIINFECTIVES	3.4	3.4
10	11	A05	BILE AND LIVER THERAPY	3.2	3.3
Total				39.5	38.6

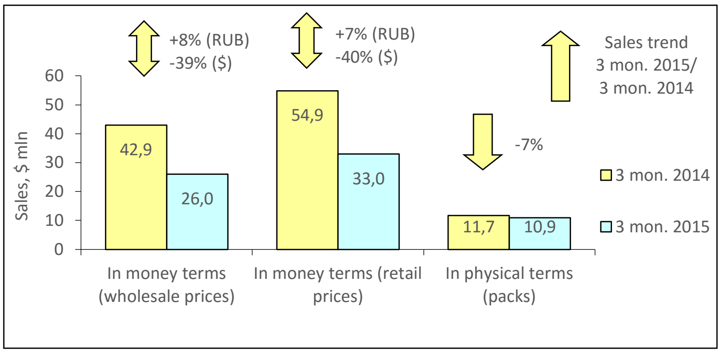
Conclusion. On the basis of the results for the first quarter of 2015, the pharmacy market of Yekaterinburg brought in RUB 2.546 bln (USD 40.907 mln) in retail prices. The sales saw a 20% increase in terms of roubles, and a 33% decrease in terms of dollars. In natural terms, the market showed negative growth rates (-6%) and amounted to 10.883 mln packs. According to the results for 3 months of 2015, the average cost of an OTC pack in the Yekaterinburg pharmacies was USD 3.76 which was lower than the last year figures (USD 5.27), but higher than average figures in the country (USD 2.77). The average expenses of city residents for medications in the pharmacies also exceeded the national average (USD 28.65 vs. USD 19.32).

NIZHNY NOVGOROD PHARMACY MARKET: 2015 FIRST 3 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Nizhny Novgorod was estimated as 1.27 mln, which accounted for 0.9% of the total Russian Federation population and 4.3% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, in the first quarter of 2015 the average wage in the Nizhny Novgorod Region amounted to RUB 25,137 (USD 404.20), which was 20% lower than the national average wage in Russia (RUB 31,566).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in the first quarters of 2015 the Nizhny Novgorod pharmacy market volume in physical terms increased by 7% to 10.878 mln packs (Fig. 1) In wholesale prices, the market showed the positive performance in terms of roubles (+8%) and negative in terms of dollars (-39%) and reached RUB 1.617 bln (USD 26.012 mln). A region's share in the total pharmacy sales in Russia accounted for 1.2%. The average cost of an OTC pack in the Nizhny Novgorod pharmacies was USD 3.03 according to the results for 2015 (during the same period in 2014 - USD 4.68). At the first quarter-end, the average per capita expenses for purchase of drugs in the pharmacies were estimated at USD 25.99.

Figure 1. Nizhny Novgorod pharmacy market for 3 months of 2014 – 3 months of 2015



Based on the results for three months of 2015, one newcomer broke into the ranks of the top ten drug manufacturers in the retail market of Nizhny Novgorod - the manufacturer MENARINI (+12%) moved up from rank 11 to ten. Apart from them, another three drug manufacturers managed to rise in the ranks. NYCOMED/TAKEDA (+23%), SERVIER (+18%) and OTCPHARM (-7%) moved up to ranks two, three and eight, respectively. At the same time, the drug manufacturers BAYER (+3%), SANDOZ (-8%), TEVA (-9%) and NOVARTIS (-10%) moved down to the lower ranks four through six, and the bottom rank of the top ten. Two drug manufacturers SANOFI-AVENTIS (-6%) and ABBOTT (+3%) retained their own in the ranking. On top of that, the former continued to top the top ten ranking, despite the reduction of sales and decrease in the market share. The cumulative share of the top ten drug manufacturers also reduced from 37.6% to 35.4%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	**SANOFI-AVENTIS**	5.6	6.3
2	4	**NYCOMED/TAKEDA**	4.4	3.8
3	6	**SERVIER**	4.0	3.7
4	3	**BAYER HEALTHCARE**	3.8	4.0
5	2	**SANDOZ GROUP**	3.4	4.0
6	5	TEVA	3.2	3.8
7	7	**ABBOTT**	3.2	3.3
8	9	OTCPHARM	2.7	3.1
9	8	**NOVARTIS**	2.6	3.2
10	11	**MENARINI**	2.5	2.4
Total			35.4	37.6

*AIPM members are in bold

The leader of top 10 brand names didn't change either, the hepatoprotective product ESSENTIALE N (-6%) held its rank number one, despite the negative growth rates (table 2). Note that another three brand names showed reduction in sales: INGAVIRIN (-11%), KAGOCEL (-1%) and LINEX (-14%). At the same time, the former two moved down to ranks three and five, and the latter held its previous rank eight. The other six brand names of the top 10 improved their positions in the ranks. CONCOR (+35%) and ACTOVEGIN (+22%) moved up to ranks two and four, and the newcomers MEXIDOL (+43%), URSOSAN (+21%), CARDIOMAGNIL (+75%) and ARBIDOL (+15%) broke into the ranks of the top ten, coming in at numbers six, seven, nine and ten. In total, the top ten brand names accumulated 7.3% of sales, which is slightly more than in the year-earlier period (7.1%).

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	ESSENTIALE N	1.1	1.2
2	4	CONCOR	1.0	0.8
3	2	INGAVIRIN	0.9	1.1
4	5	ACTOVEGIN	0.9	0.8
5	3	KAGOCEL	0.8	0.9
6	25	MEXIDOL	0.5	0.4
7	15	URSOSAN	0.5	0.5
8	8	LINEX	0.5	0.6
9	46	CARDIOMAGNIL	0.5	0.3
10	18	ARBIDOL	0.5	0.5
Total			7.3	7.1

Some newcomers entered the Top-ten INN and generic names rating (table 3). There were two of them: INNs ATORVASTATIN (+43%) and URSODEOXYCHOLIC ACID (+19%), placed at numbers eight and nine. INNs BISOPROLOL (+31%), PANCREATIN (+12%) and BLOOD (+22%) moved up to the higher ranks, coming in at numbers two, four and five, respectively. At the same time, INNs PHOSPHOLIPIDS (-4%), KAGOCEL (-1%) and the composition AMOXICILLIN + CLAVULANIC ACID (-5%) moved down one rank, whereas INN IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-11%) that showed the stronger reduction in sales moved down two ranks, to number 6. INN XYLOMETAZOLINE (+3%) held its previous leading position. The cumulative share of the top ten accounted for 10.4%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014		3 mon. 2015	3 mon. 2014
1	1	XYLOMETAZOLINE	1.7	1.8
2	3	BISOPROLOL	1.5	1.3
3	2	PHOSPHOLIPIDS	1.2	1.3
4	5	PANCREATIN	1.1	1.1
5	8	BLOOD	1.0	0.8
6	4	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	0.9	1.1
7	6	KAGOCEL	0.8	0.9
8	24	ATORVASTATIN	0.7	0.6
9	13	URSODEOXYCHOLIC ACID	0.7	0.7
10	9	AMOXICILLIN + CLAVULANIC ACID	0.7	0.8
Total			10.4	10.3

The group C09 Agents acting on the rennin-angiotensin system (+26%) held and strengthened its previous rank number one in the top ten ATC groups ranking (Table 4). Shifts took place in the lower part of the top ten, on top of that six of the top ten ATC groups rose in the ranks. M01 Anti-inflammatory and antirheumatic products (+15%) moved up to rank two from four, displacing R01 Nasal preparations (-1%) and J05 Antivirals for systemic use (-2%) down one rank. The groups J01 Antibacterials for systemic use (+1%), R05 Cough and cold preparations (-7%), A11 Vitamins (-1%) and G03 Sex hormones (-1%) moved up one rank. At the same time, the latter became one of two newcomers of the top ten. The second newcomer of the ranking N06 Psychoanaleptics (+24%) moved up from rank 13 to eight. The group N02 Analgesics (-10%) notably reduced its sales and moved down from rank five to seven. The total share of the top 10 ATC groups decreased from 37.4% to 36.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2015	3 mon. 2014			3 mon. 2015	3 mon. 2014
1	1	C09	AG ACT RENIN-ANGIOTENS SYST	5.0	4.3
2	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.4	4.1
3	2	R01	NASAL PREPARATIONS	3.9	4.2
4	3	J05	ANTIVIRALS FOR SYSTEMIC USE	3.8	4.2
5	6	J01	ANTIBACTERIALS FOR SYST USE	3.6	3.8
6	7	R05	COUGH AND COLD PREPARATIONS	3.3	3.8
7	5	N02	ANALGESICS	3.2	3.8
8	13	N06	PSYCHOANALEPTICS	3.2	2.7
9	10	A11	VITAMINS	3.1	3.4
10	11	G03	SEX HORM&MODULAT GENITAL SYS	3.0	2.9
Total				36.6	37.4

Conclusion. In the first three months of 2015, the pharmacy market in Nizhny Novgorod was estimated at RUB 2.049 bln (USD 32.952 mln) in final consumer prices. At the same time, the market behaviour was positive in rouble (+7%) terms and negative in dollar (-40%) terms. In natural terms, the sales decreased by 7% to 10.878 mln packs. The average cost of an OTC pack (USD 3.03) in the pharmacies reduced as compared to a year earlier (USD 4.68), but was higher than the average value in Russia (USD 2.77). The average expenses of Nizhny Novgorod residents for purchase of OTC drugs in the pharmacies also were considerably higher than the average expenses of Russia residents (USD 25.99 vs. USD 19.32).