JOINT PUBLICATION
of the Association of International Pharmaceutical Manufacturers and **Remedium Group**

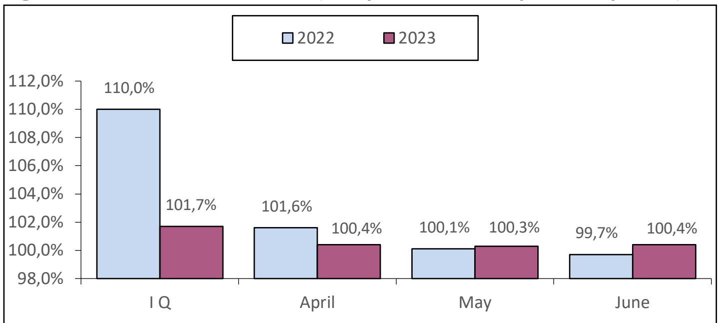
## MACROECONOMIC INDICES

### Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.4% in June 2023 compared to the previous month, and 102.8% against December 2022.

In June 2023, the Industrial Producer Price Index was 100.0% as compared to the previous month, in the month-earlier period it had amounted to 103.7%. The index accounted for 108.9% as against December 2022.

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




Source: Rosstat

### Living standard

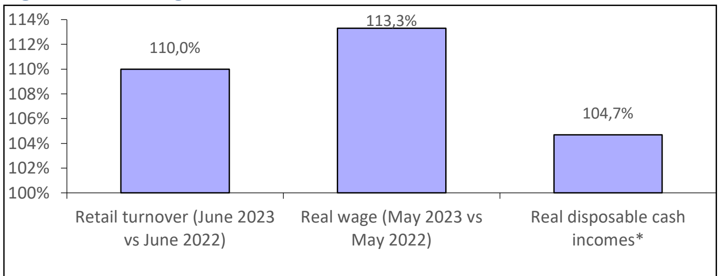
In May 2023, a gross monthly average wage of corporate employees reached RUB 72851 (USD 876.14). It accounted for 116.1% compared to May 2022, and 102.4% compared to the previous period. In May 2023, the real gross wage accounted for 113.3% as compared to May 2022, and 102.1% against the prior period.

According to estimates[1], real disposable cash incomes decreased by 104.7% in the first half of 2023 as compared to the first half of 2022 (Fig. 2).

### Retail turnover

In June 2023, the retail turnover was equal to RUB 3833.1 bil. or 110.0% (in comparable prices) against the respective period of the previous year, and RUB 21693.5 bil. or 101.1% in January - June 2023 (Fig. 2).

**Figure 2. Real wage and retail turnover**




Source: Rosstat

* in January-June 2023 vs January-June 2022

### Industrial Production

According to Federal State Statistics Service's data, in June 2023 Industrial Production Index accounted for 106.5% compared to the same period in the previous year, and 102.6% in January-June 2023.

According to Federal State Statistics Service's data, Industrial Production Index of drugs and medical products in June 2023 accounted for 106.1% compared to the relevant period of 2022 and 92.7% in January-June 2023.

### Domestic production

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

**Table 1. The Top 10 Russian chemical and pharmaceutical manufacturers by sales volume in June 2023**

| Rank | Manufacturer | RUB mil. |
|---|---|---|
| 1 | Biocad | 3331.6 |
| 2 | Stada | 2989.7 |
| 3 | Binnopharm | 2922.1 |
| 4 | Otcpharm | 2467.6 |
| 5 | Pharmstandard | 2257.1 |
| 6 | Servier | 2089.4 |
| 7 | Vertex | 1648.3 |
| 8 | Microgen | 1596.6 |
| 9 | Grotex | 1525.4 |
| 10 | Atoll | 1490.7 |

Source: IQVIA

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In May 2023 compared to April, growth in sales (in terms of roubles) was observed in most of the regions. The most pronounced growth in sales was observed in Rostov region (+28%). Decline in sales was identified in Krasnoyarsk Krai (-1%), Perm (-7%) and Tyumen (-0.4%)

**Table 2. Pharmacy sales in the regions, 2023**

| Region | Pharmacy sales, $ mil. (Wholesale prices) | | | Growth gain, % (roubles) | | |
|---|---|---|---|---|---|---|
| | March 2023 | April 2023 | May 2023 | March / February 23 | April/March 23 | May/April 23 |
| Moscow | 220.9 | 157.5 | 165.3 | 26% | -24% | 2% |
| St. Petersburg | 102.2 | 72.4 | 77.7 | 30% | -25% | 5% |
| Krasnodar Krai | 70.1 | 56.6 | 60.4 | 31% | -14% | 4% |
| Krasnoyarsk Krai | 32.2 | 26.8 | 27.2 | 11% | -12% | -1% |
| Tatarstan | 32.3 | 26.5 | 27.4 | 11% | -13% | 1% |
| Rostov Region | 39.0 | 30.3 | 33.9 | 22% | -18% | 9% |
| Novosibirsk Region | 32.9 | 26.0 | 27.0 | 23% | -16% | 1% |
| Voronezh Region | 27.3 | 19.4 | 21.5 | 24% | -25% | 8% |
| Perm | 10.1 | 8.3 | 7.9 | 20% | -13% | -7% |
| Tyumen | 11.7 | 9.7 | 9.9 | 14% | -12% | -0.4% |

### 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. The Top 5 advertisers in mass media in June 2023**

| Rank | Company* | Amount of broadcasts |
|---|---|---|
| 1 | Otcpharm | 6,615 |
| 2 | Dr. Reddy's Laboratories | 4,713 |
| 3 | Evalar | 4,292 |
| 4 | Petrovax | 4,013 |
| 5 | Binnopharm Group | 3,249 |

Source - Remedium according to Mediascope's data

**Table 4. The Top 5 brands in mass media in June 2023**

| Rank | Brand* | Amount of broadcasts |
|---|---|---|
| 1 | Evalar | 4,292 |
| 2 | Afobazol | 2,222 |
| 3 | Pentalgin | 2,149 |
| 4 | Velson | 1,964 |
| 5 | Detralex | 1,879 |

Source - Remedium according to Mediascope's data

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

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

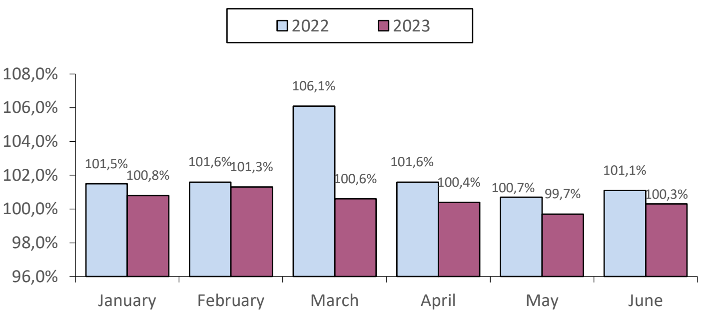
## MACROECONOMIC INDICES OF THE REPUBLIC OF BELARUS

### Inflation

According to the Committee for Statistics of the National Statistical Committee of Belarus, the Consumer Price Index was estimated at 100.3% in June 2023, 103.0% against December 2022. The Consumer Price Index was 106.7% in January-June of 2023 as compared to the first half of 2022.

The Industrial Producer Price Index was 100.2% in June 2023 as compared to the previous month, and 102.2% against December 2022. In January-June 2023, the Industrial Producer Price Index was 107.8% as compared to January-June 2022.

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




Source: National Statistical Committee of the Republic of Belarus (Belstat)

### Living standard

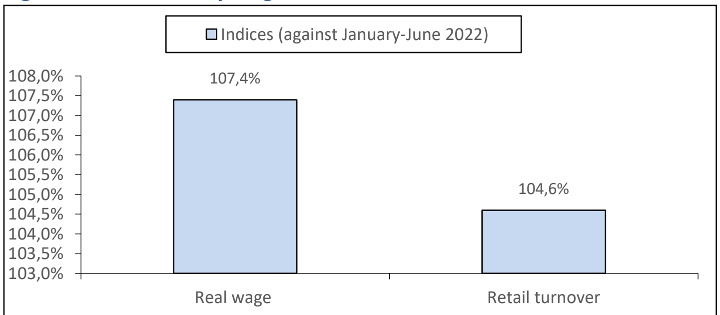
According to the preliminary Belstat's data, in June of 2023 the average monthly nominal accrued wage of the corporate workers of the Republic of Belarus was equal to BYR 1,927.1 (USD 638.312), in the first half of 2023 - BYR 1,796.3 (USD 631.85) in January-December 2022, which accounted for 118.5% and 114.6% against the same periods in 2022. In June 2023, the real wage accounted for 115,2% as compared to the same period of 2022, and 107.4% in the first half of 2023 (Fig. 2).

According to Belstat's data, in January-May 2023 the real disposable cash income accounted for 103% against January-May 2022 level.

### Retail turnover

In June 2023, the retail turnover was estimated at RUB 6,462.9 mil., which accounted for 101.4% as compared to the previous month and 112.8% as compared to the respective period of 2022. Based on the results for the first half of 2023, it amounted to RUB 35,521.5 mil. or 104.6% at comparable prices as compared to the 2022 level (Fig. 2).

**Figure 2. Real monthly wage and retail turnover, 2023**




Source: National Statistical Committee of the Republic of Belarus (Belstat)

### Industrial Production

According to the Statistical Committee of the Republic of Belarus, the industrial output by economic activities "Mining industry", "Processing Industry" and “Supply of electricity, gas, steam, hot water and conditioned air” and “Water supply; sewerage, waste management and remediation activities” amounted to BYR 15,295.0 mil. in current prices in June of 2023, BYR 88,491.6 mil. in the first half of 2023, or 115.5% and 106.0% in comparable prices as compared to the respective period of 2022.

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

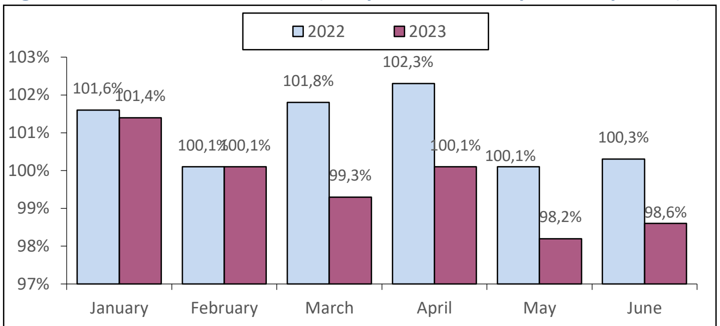
## MACROECONOMIC INDICES OF THE REPUBLIC OF ARMENIA

### Inflation

According to the Statistics Committee of the Republic of Armenia, in June 2023 the consumer price index amounted to 98.6% compared to the previous month and 97.7% against December 2022. The Consumer Price Index accounted for 104.2% in January-June of 2023 as compared to the same period in 2022.

The Industrial Producer Price Index was 103.0% in June 2023 as compared to the previous month, and 100.6% against December 2022. In January-June of 2023, the index accounted for 99.0% as compared to 2022.

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




Source: Statistics Committee of the Republic of Armenia

### Living standard

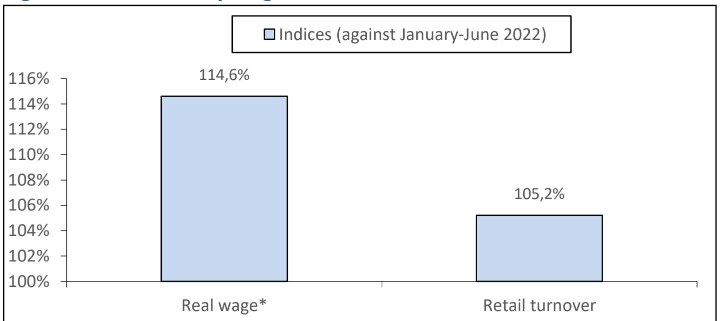
According to preliminary estimates of the National Statistical Service of RA, in June 2023 the average monthly nominal wage of the workers of the Republic of Armenia was Dram 267,691 (USD 692), which accounted for 102.9% compared to the previous period and 113.8% compared to the same period of 2022. In January – June of 2023, the average monthly nominal wage per worker was Dram 261,376 (USD 670.56) or 119.5% against January-June of 2022.

According to the National Statistical Service of RA, the wage 3in 2022 accounted for 106.3% as compared to 2021. In January-March 2023, it amounted to 114.6% compared to 2022 (according to the EEC) (Fig. 2).

### Retail turnover

The retail turnover amounted to Dram 142,010.1 mil. in June of 2023, and Dram 770,834.8 mil. in January-June 2022, which accounted for 108.7% and 105.2% respectively as compared to the same period of the previous year (Fig. 2).

**Figure 2. Real monthly wage and retail turnover, 2023**




Source: Statistics Committee of the Republic of Armenia

* Data for January-March of 2023

### Industrial Production

According to the preliminary data of the Statistics Committee of RA, in June of 2023 the industrial output by economic activities "Mining industry", "Processing Industry" and "Supply (service) of electricity, gas, steam and conditioned air" and "Water supply, sewage water, management and disposal of waste" at current prices amounted to Dram 214961.4 mil., in January-June 2023. Dram 1,167,535.0 mil. or 92,6% and 102,8% respectively against the same periods of 2022.

According to Statistics Committee of the Republic of Armenia, the manufacture of basic pharmaceutical products and drugs was estimated at AMD 924.2 mil. in June of 2023, and AMD 5,651.2 mil. from the beginning of the year, which accounted for 102.7% and 86.5% as compared to the respective periods 2022.

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

[3] Data are presented on the website www.armstat.am on an annual basis.

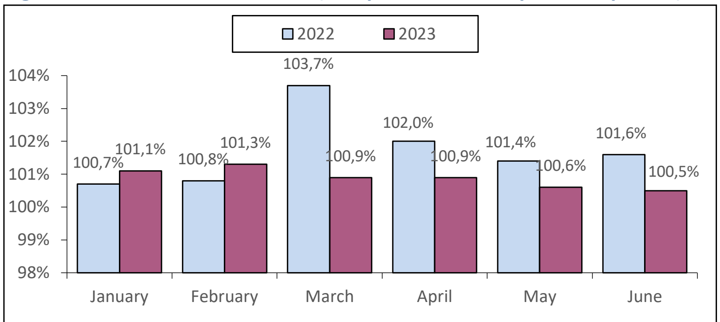
## MACROECONOMIC INDICES OF THE REPUBLIC OF KAZAKHSTAN

### Inflation

According to the Bureau of National Statistics of the Agency for Strategic Planning and Reforms (ASPR) of the Republic of Kazakhstan, in June of 2023 the Consumer Price Index was estimated at 100.5% as compared to the prior month, 105.3% against December 2022. In January-June of 2023, the index reached 117.8% as compared to January-June of 2022.

The Industrial Producer Price Index was 99.1% in June 2023, as compared to the previous month, 96.3% against December 2022. In January-June 2023, the prices of manufacturers of industrial products decreased by 2.9% as compared to 2022.

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




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

### Living standard

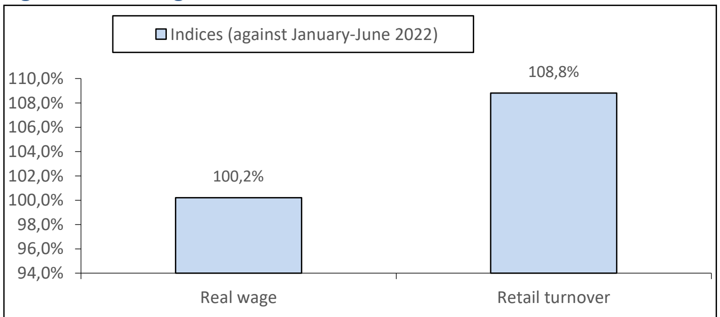
According to the preliminary data of the Bureau of National Statistics of RK, the gross monthly average nominal wage per worker reached KZT 340,636 (USD 748.77) in the first quarter and KZT 352,237 (USD 779.56) in the first half of 2023. The Nominal Wage Index against the respective period of the previous year accounted for 118.0% in January-June 2023. In January-June 2023, the real wage index accounted for 100.2% against January-June 2022 (Fig. 2).

According to the preliminary data, the real cash income index in January-June 2023 was 98.4% as compared to January-June of 2022.

### Retail turnover

The retail turnover in June 2023 was KZT 1652,1 bil., which accounted for 107,9% compared to June 2022. In January-June of 2023, it amounted to KZT 7759,5 bil., which was 8.8% more than the level of the same period in 2022 (in comparable prices) (Fig. 2).

**Figure 2. Real wage index and retail turnover in 2023**




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

### Industrial Production

According to the Bureau of National Statistics of RK, in June 2023 the industrial output was KZT 3,822.0 bil., in January-June of 2023 – KZT 22611.9 bil. As compared to the same period of 2022, the indices accounted for 110.5% and 103.8%, respectively.

According to the Bureau of National Statistics of the RK, the industrial output of essential pharmaceutical products and pharmaceutical drugs amounted to KZT 79463 mil. in January-June 2023, and KZT 12 3283 mil. in June of 2023. In January-June 2023, the Industrial Production Volume Index for Pharmaceuticals was 97.1% compared to the respective period of 2022, in June 2023 — 83.5% against June 2022.

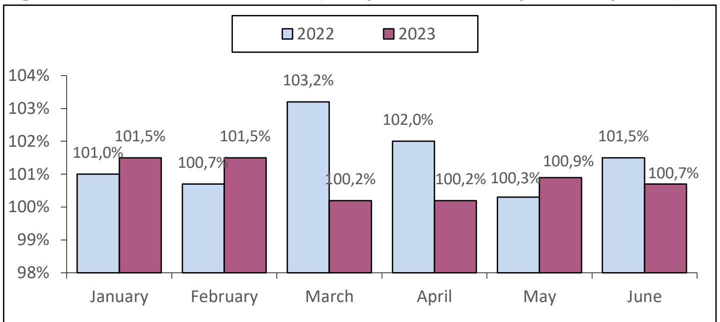
## MACROECONOMIC INDICES OF THE KYRGYZ REPUBLIC

### Inflation

According to the National Statistics Committee of the Kyrgyz Republic, the Consumer Price Index was estimated at 100.7% in June 2023 compared to the previous month, 105.1% against December 2022. In January-June of 2023, the index reached 112.7% as compared to January-June of 2022.

In June 2023, the Producer Price Index for industrial production and services was 97.7% as compared to the previous month, 112.3% against December 2022. In January-June 2023, the prices of producers for industrial products and services throughout the Republic increased by 5.5% as compared to 2022.

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




Source: National Statistics Committee of the Kyrgyz Republic

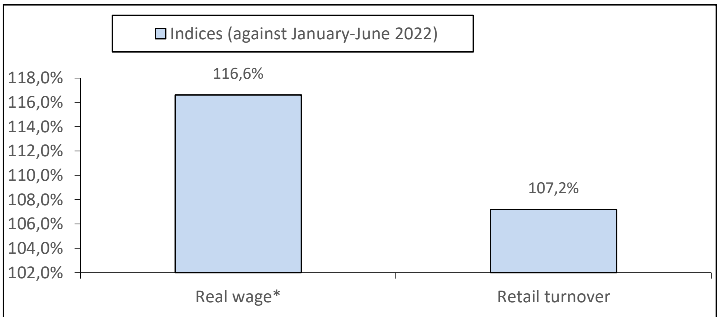
### Living standard

According to data of the Committee for Statistics of the Kyrgyz Republic, in May 2022 the average monthly nominal wage per worker was KGS 33,182 (USD 379.35), in January-May 2023 – KGS 31,330 (USD 360), which accounted for 120.7% and 132.0% compared to the relevant period of the previous year, respectively. In January-May of 2023, the real wage accounted for 116.6% as compared to January-May of 2022, in May 2023 — 108.4% against May 2022 (Fig. 2).

### Retail turnover

In June 2023, the retail turnover (without cars and motorcycles sales) reached KGS 30,159.6 mil, and — KGS 163,590.9 mil. The Retail Turnover Volume Index accounted for 108.6% and 107.2%, respectively, compared to the same period of the previous year (Fig.2).

**Figure 2. Real monthly wage and retail turnover, 2023**




Source: National Statistics Committee of the Kyrgyz Republic

* - data for January-May 2023

### Industrial Production

According to data of the National Committee for Statistics of the Kyrgyz Republic, in June 2023 the industrial output was KGS 41,084.2 mil., in January-June 2023 — KGS 207,048.7 mil. The Physical Index of Industrial Production accounted for 107.8% and 100.4% as compared to the same periods of 2022, respectively.

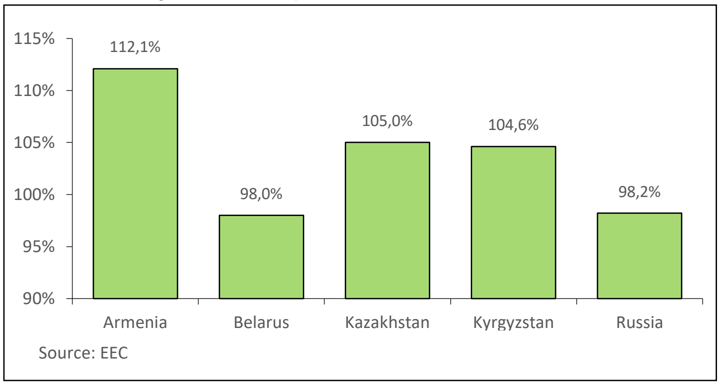
According to the National Committee for Statistics of the Kyrgyz Republic, the pharmaceutical output amounted to KGS 40.923 mil. in June 2023, and KGS 236.01 mil. from the start of the year. At the end of June 2023, the Physical Index of for Pharmaceuticals was 130.4% as compared to the same period of 2022, 80.2% compared to May, and 126.4% in January-June of 2023 as compared to the same period of 2022.

## COMPARATIVE MACROECONOMIC INDICES OF THE EURASIAN ECONOMIC UNION (EAEU)

### GDP

According to Eurasian Economic Commission (EEC), in January-March of 2023 GDP of EAEU member-states reached USD 570.6 bil. Index of the physical volume of production accounted for 98.9% as compared to 2022. GDP growth continued in three EAEU member-states: Armenia (+12.1%), Kazakhstan (+5.0%), and Kyrgyzstan (+4.6%). GDP declined in Belarus (+98.0%) and Russia (98.2%) (Fig. 1).

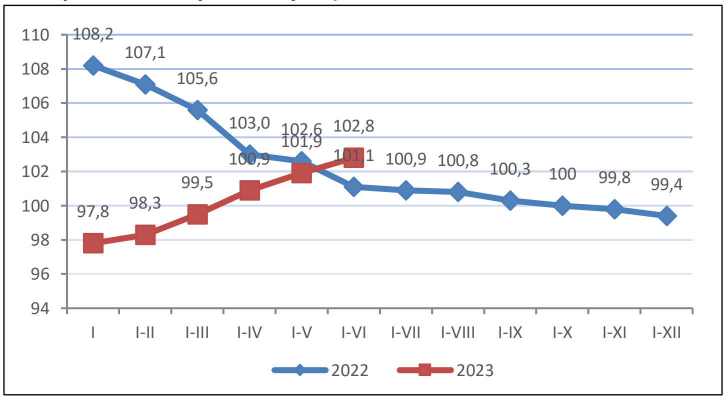
**Figure 1. GDP growth rates in the EAEU member-states (January-March 2023 vs. January-March 2022)**




### Industrial Production

In January-June 2023, the EAEU industrial output was 102.8% against January-June 2022 (for reference only: USD 700.6 bil), (Fig.2). In individual countries, the Industrial Production Index was 101.0% in Armenia, 106.0% in Belarus, 103.8% in Kazakhstan, 100.4% in Kyrgyzstan and 102.6% in Russia.

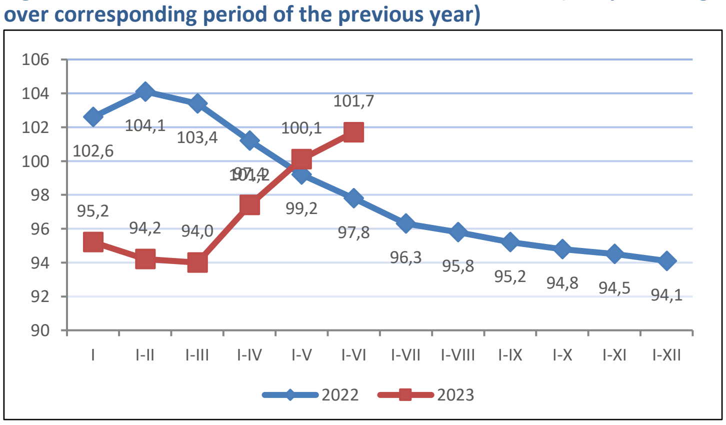
**Figure 2. Industrial output indices movement in EAEU (as % over the same period of the previous year)**




### Retail turnover

According to the EEC, the retail trade turnover (through all sales channels) of EEU member-states in January – June 2023 amounted to USD 317.1 bil., which was 1.7% higher than in January-June of 2022. In the analysed period, an increase in retail trade turnover was observed in all EEC member-states, namely: in Armenia — 109.9%, in Belarus — 104.6%, in Kazakhstan — 108.8%, in Kyrgyzstan — 106.1%, and in Russia — 101.1%.

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




### Nominal and real wage

In January-March 2023, the average monthly nominal wage increased in all EAEU member-states as compared to the respective period of 2022. The highest growth rates of nominal and real (adjusted for the consumer price index for goods and services) average monthly wage were recorded in Kyrgyzstan (142.5% and 124.2%, respectively).

**Table 1. Nominal and real wage in January-March 2023**

| Country | Real wage, as % of the respective period of 2022 | Nominal real wage | |
|---|---|---|---|
| | | as % of the respective period of 2022 | USD |
| Armenia | 114.6 | 122.9 | 666 |
| Belarus | 101.7 | 111.7 | 630 |
| Kazakhstan | 99.4 | 119.3 | 749 |
| Kyrgyzstan | 124.2 | 142.5 | 354 |
| Russia | 101.9 | 110.7 | 918 |

### Budget implementation

According to the EEC, in the first quarter of 2023 only Armenia ran a republican budget surplus. At the same time, the budget surplus in Armenia increased by 2.1 times, the budget deficit in Kazakhstan increased by 5.8 times, and the budget surplus in Kyrgyzstan and Russia was replaced by a deficit as compared to the respective period of last year, The most significant budget changes were observed in Russia, where federal budget revenues decreased by 20.7%, while expenditures increased by 32.5%.

The growth rates of the republican budget indicators as compared with the respective period of 2022 were as follows: revenues — 114% in Armenia, 114% in Kazakhstan, 125% in Kyrgyzstan and 79% in Russia; expenditures — 107% in Armenia, 131% in Kazakhstan, 141% in Kyrgyzstan, 133% in Russia.

**Table 2. Republican budget in January-March 2023**

| Country | USD bil. | | |
|---|---|---|---|
| | Income | Expenditure | Deficit (surplus) |
| Armenia | 1.2 | 1.1 | 0.2 |
| Belarus | N/A | N/A | N/A |
| Kazakhstan | 9.6 | 11.5 | -1.8 |
| Kyrgyzstan | 0.8 | 0.8 | 0.0 |
| Russia | 78.1 | 106.8 | -28.7 |

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

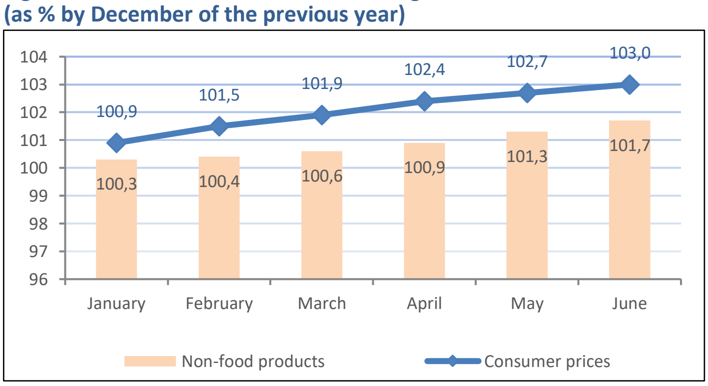
The consumer price index for goods and services throughout EAEU in June 2023 was 103.0% as compared to December 2022, and 100.4% as compared to the previous month of 2023, and for January-June 2023 it accounted for 107.1% against the same period of 2022.

**Table 3. The Consumer Price Indices of the EAEU member-states in 2023 (as % by December of the previous year)**

| Country | January | February | March | April | May | June |
|---|---|---|---|---|---|---|
| ***EAEU*** | ***100.9*** | ***101.5*** | ***101.9*** | ***102.4*** | ***102.7*** | ***103.0*** |
| Armenia | 101.4 | 101.5 | 100.8 | 100.9 | 99.1 | 99.5 |
| Belarus | 100.8 | 102.0 | 102.6 | 103.0 | 102.7 | 103.0 |
| Kazakhstan | 101.1 | 102.3 | 103.2 | 104.2 | 104.8 | 105.3 |
| Kyrgyzstan | 101.5 | 103.0 | 103.2 | 103.4 | 104.3 | 105.1 |
| Russia | 100.8 | 101.3 | 101.7 | 102.1 | 102.4 | 103.3 |

A significant increase in prices for paid services (by 5.4%) was reported throughout the EAEU in June 2023 vs December 2022. Food product prices increased by 2.6%, and non-food product prices increased by 1.7% over that period (Fig. 4).

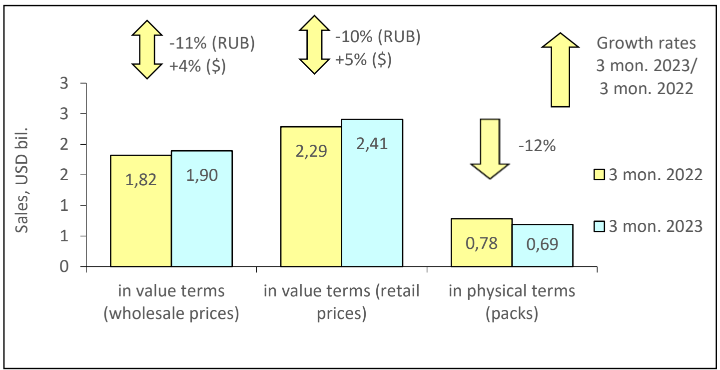
**Figure 4. The Consumer Price Indices for goods and services in the EAEU (as % by December of the previous year)**



## OTC PHARMACEUTICALS MARKET IN RUSSIA: 2023 FIRST THREE MONTHS RESULTS

According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, at the end of the first three months of 2023 the sales of OTC drugs in natural terms in pharmacies of Russia saw a 12% decrease to 690.192 mil. packs. In money terms, the OTC-segment decreased by 11% in rouble terms and expanded by 4% in dollar terms, its volume was RUB 138.231 bil. (USD 1.895 bil.) in wholesale prices (Fig. 1). The share of Over-the-Counter (OTC) drugs accounted for 62.3% of sales in physical terms and 48.1% in retail prices in terms of roubles. At the end of the first quarter of 2023, the average cost of an OTC pack was USD 3.49 at retail prices, whereas in the year-earlier period its cost was USD 2.91. In the analysed period, Russians spent an average of USD 16.55 on the purchase of OTC drugs in the pharmacies.

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




Based on the results for January-March 2023, shifts occurred only in the lower part of the Top 10 OTC-drug manufacturers ranking (Table 1). OTCPHARM (-35%[4]), STADA (-6%), SANOFI (-17%), HALEON (-11%), BAYER (-12%) and VALENTA (-14%) held their previous top six ranks in the ranking, though all of them reduced their sales. TEVA (-4%) and JOHNSON&JOHNSON (-10%) also showed negative growth rates. On top of that, the former moved one rank up, to number seven, displacing the latter one rank down. The newcomers BINNOPHARM (+21%) and RECKITT BENCKISER (+0.4%) rounded out the Top 10 rating. The total share of the Top 10 drug manufacturers accounted for 39.1% in January-March 2023, while it was 40.5% in the year-earlier period.

**Table 1. The Top 10 drug manufacturers by pharmacy sales**

| Rank in the Top 10 | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2023 | 3 mon. 2022 | | 3 mon. 2023 | 3 mon. 2022 |
| 1 | 1 | OTCPHARM | 6.6 | 9.1 |
| 2 | 2 | **STADA** | 5.8 | 5.5 |
| 3 | 3 | **SANOFI** | 4.0 | 4.3 |
| 4 | 4 | HALEON | 4.0 | 4.0 |
| 5 | 5 | **BAYER** | 3.6 | 3.7 |
| 6 | 6 | VALENTA | 3.4 | 3.5 |
| 7 | 8 | **TEVA** | 3.1 | 2.9 |
| 8 | 7 | **JOHNSON & JOHNSON** | 3.1 | 3.1 |
| 9 | 12 | BINNOPHARM GROUP | 3.1 | 2.3 |
| 10 | 13 | RECKITT BENCKISER | 2.4 | 2.2 |
| Total | | | 39.1 | 40.5 |

*AIPM members are in bold

The leader of the top-10 brands has changed (Table 2). ARBIDOL that used to top it earlier reduced its sales by 75% and only moved down to rank seven. At the same time, INGAVIRIN (-33%), DETRALEX (-21% and NUROFEN (-7%) that also reduced their sales moved up to the first three ranks. In addition to them, GRAMMIDIN (+9%) и PENTALGIN (+8%) showed rating progress, moving up to ranks five and six, and the newcomers CANEPHRON (-10%) and MAGNE B6 (+7%) broke into the Top 10 ranking, rounding it out. THERAFLU (-19%) held its previous rank four, while CARDIOMAGNYL (-21%) lost two rating points. The total share of the top 10 brands reduced from 15.2% to 11.9%.

**Table 2. The Top 10 brands by pharmacy sales**

| Rank in the Top 10 | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2023 | 3 mon. 2022 | | 3 mon. 2023 | 3 mon. 2022 |
| 1 | 2 | INGAVIRIN | 1.5 | 2.0 |
| 2 | 3 | DETRALEX | 1.4 | 1.6 |
| 3 | 5 | NUROFEN | 1.4 | 1.3 |
| 4 | 4 | THERAFLU | 1.3 | 1.4 |
| 5 | 9 | GRAMMIDIN | 1.2 | 1.0 |
| 6 | 8 | PENTALGIN | 1.2 | 1.0 |
| 7 | 1 | ARBIDOL | 1.1 | 4.1 |
| 8 | 6 | CARDIOMAGNYL | 1.1 | 1.2 |
| 9 | 11 | CANEPHRON | 0.9 | 0.9 |
| 10 | 15 | MAGNE B6 | 0.8 | 0.7 |
| Total | | | 11.9 | 15.2 |

One newcomer also broke into the Top 10 INN and group names ranking: the most dynamic among the leaders INN BENZYDAMINE (+22%) moved up to rank ten from 18 (Table 3). In addition to it, another three manufacturers from the Top 10 ranking showed positive growth rates and rose in the ranks. They were the leaders for the Top 10 XYLOMETAZOLINE (+7%) и IBUPROFEN (+5%), as well as the combination PARACETAMOL*ASCORBIC ACID*PHENIRAMINE*PHENYLEPHRINE (+8%) that moved up to number 7. Note that PANCREATIN (-7%) and MAGNESIUM*PYRIDOXINE (-4%) that reduced their sales also moved up to the higher ranks. At the same time, UMIFENOVIR (-70%), IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (-33%) and ACETYLSALICYLIC ACID*MAGNESIUM (-19%) that considerably reduced their sales, in contrast, moved down to the lower ranks. DIOSMIN* HESPERIDIN (-9%) continued to hold its previous rank three. The total share of the Top 10 ranking reduced by 2 p.p. and achieved 18.1%.

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

| Rank in the Top 10 | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2023 | 3 mon. 2022 | | 3 mon. 2023 | 3 mon. 2022 |
| 1 | 2 | XYLOMETAZOLINE | 3.4 | 2.8 |
| 2 | 4 | IBUPROFEN | 2.4 | 2.0 |
| 3 | 3 | DIOSMIN*HESPERIDIN | 2.3 | 2.3 |
| 4 | 6 | PANCREATIN | 1.9 | 1.9 |
| 5 | 1 | UMIFENOVIR | 1.5 | 4.6 |
| 6 | 5 | IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID | 1.5 | 2.0 |
| 7 | 10 | PARACETAMOL*ASCORBIC ACID* PHENIRAMINE*PHENYLEPHRINE | 1.3 | 1.1 |
| 8 | 9 | MAGNESIUM*PYRIDOXINE | 1.2 | 1.2 |
| 9 | 8 | ACETYLSALICYLIC ACID*MAGNESIUM | 1.2 | 1.3 |
| 10 | 18 | BENZYDAMINE | 1.1 | 0.8 |
| Total | | | 18.1 | 20.1 |

N02 Analgesics (-4%) that moved up to rank one from two despite negative growth sales became the bestselling group among the OTC-drugs based on the results for the first quarter of 2023 (Table 4). R01 Nasal preparations was ranked second in terms of sales, which increased by 9%. In addition to it, another group, R02 Throat preparations (+8%), showed positive growth rates, also moving two ranks up, to number six. Despite negative growth rates, the groups C05 Vasoprotectives (-1%), L03 Immunostimulants (-5%) and M01 Antiinflammatory and antirheumatic products (-4%) moved one rank up. At the same time, J05 Antivirals for systemic use (-48%) and L03 Immunostimulants (-34%), which showed a pronounced decline in sales, on the contrary, moved down to the lower ranks five and ten. R05 Cough and cold preparations (-13%) and A07 Antidiarrheals (-8%) held their previous ranks three and seven. In total, the Top 10 ATC groups accounted for 50.0% of the market, which was 1.7 p.p. less than in the year-earlier period.

**Table 4. The Top 10 ATC groups by pharmacy sales**

| Rank in the Top 10 | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 3 mon. 2023 | 3 mon. 2022 | | | 3 mon. 2023 | 3 mon. 2022 |
| 1 | 2 | N02 | ANALGESICS | 6.6 | 6.1 |
| 2 | 4 | R01 | NASAL PREPARATIONS | 6.4 | 5.2 |
| 3 | 3 | R05 | COUGH AND COLD PREPARATIONS | 5.9 | 6.1 |
| 4 | 5 | C05 | VASOPROTECTIVES | 5.7 | 5.1 |
| 5 | 1 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 5.3 | 9.3 |
| 6 | 8 | R02 | THROAT PREPARATIONS | 4.6 | 3.8 |
| 7 | 7 | A07 | ANTIDIARRHEALS, INTESTINAL ANTIINFLAMMATORY/ANTIINFECTIVE AGENTS | 4.1 | 4.0 |
| 8 | 9 | A11 | VITAMINS | 4.0 | 3.8 |
| 9 | 10 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 3.9 | 3.6 |
| 10 | 6 | L03 | IMMUNOSTIMULANTS | 3.5 | 4.8 |
| Total | | | | 50.0 | 51.7 |

**Conclusion.** On the basis of the results for three months of 2023, the over-the-counter retail market of the country achieved RUB 175.682 bil. (USD 2.409 bil), At the same time, its behaviour was negative in rouble terms (-10%), but positive in dollar (+5%) terms. In physical terms, the market reduced by 12% and amounted to 690.192 mil. packs. The average cost of OTC-pack in the Russian pharmacies based on the results for the first quarter of 2023 was USD 3.49, which is higher than that in the year-earlier period (USD 2.91). The average expenses of the Russian Federation residents for purchase of OTC drugs in the pharmacies in the analysed period increased as well: USD 16.55 vs. USD 15.63.

* Here and elsewhere IQVIA's data are used

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

## PRICE ANALYSIS, 1-2 quarter 2023. KEY INDICATORS

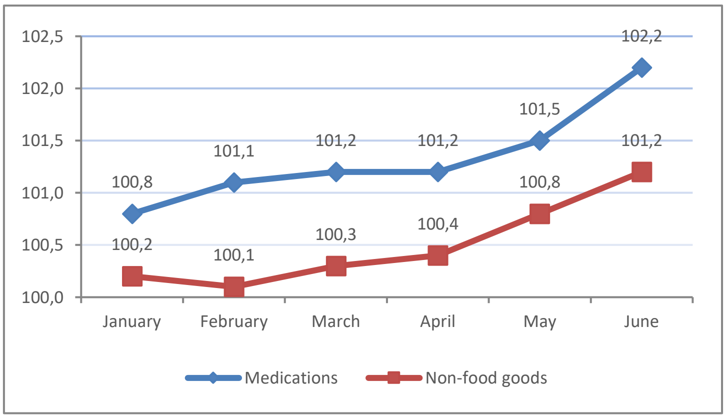
### *Price Indices*

**Table 1. Inflation rates in the Russian Federation, June 2023**

| | June 2023 to December 2022 | June-January 2023 vs June-January 2022 |
|---|---|---|
| CPI | 102.8 | 105.6 |
| CPI for non-food products | 101.2 | |
| CPI for medications | 102.2 | 105.2 |

*Rosstat data*

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




*Rosstat data*

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

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

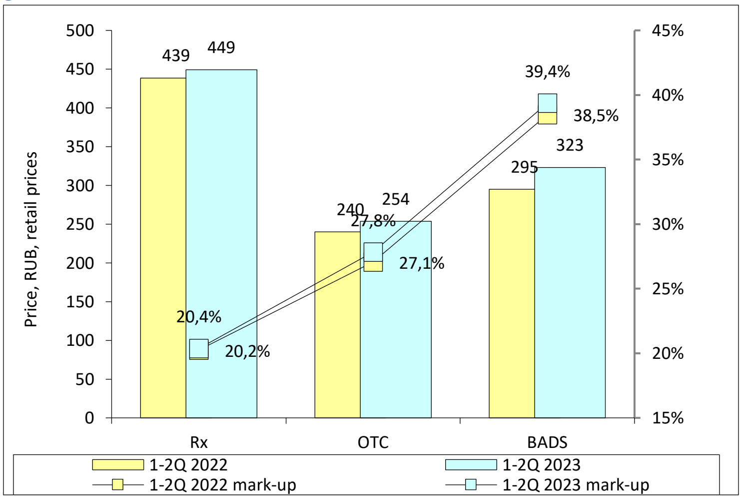



**Figure 3. Movement of weighted average purchase prices and retail margins in 1-2 Q 2022 – 1-2 Q 2023**

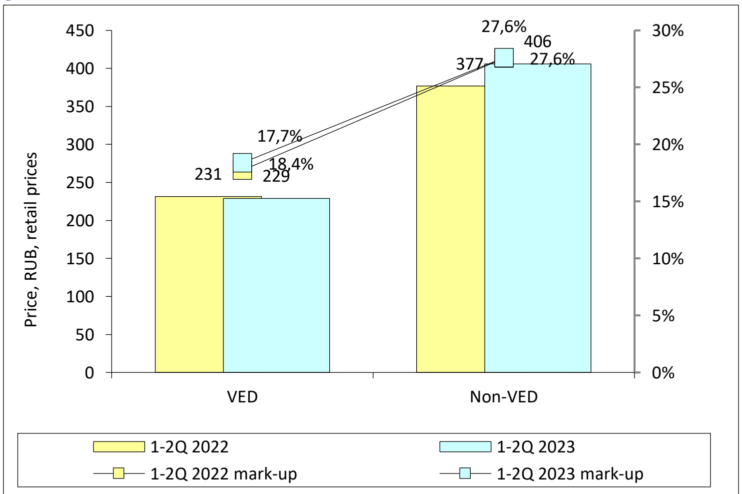
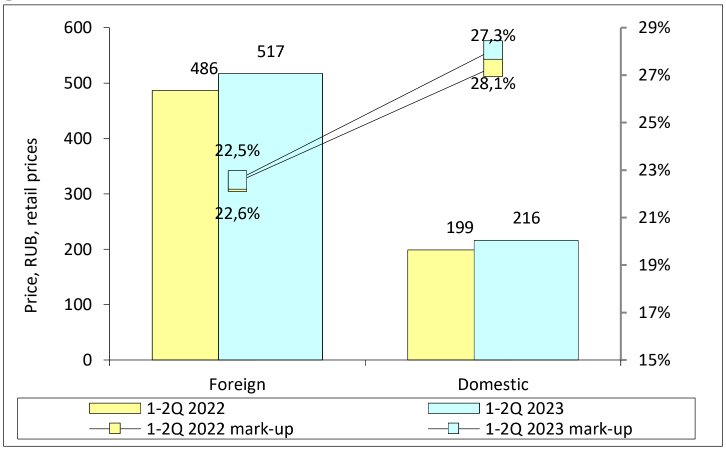



**Figure 4. Movement of weighted average purchase prices and retail margins in 1-2 Q 2022 – 1-2 Q 2023**




### *Indicators of price movement in the reimbursable market segment*

**Figure 5. Movement of weighted average purchase prices, 1-2 Q 2022 – 1-2 Q 2023**

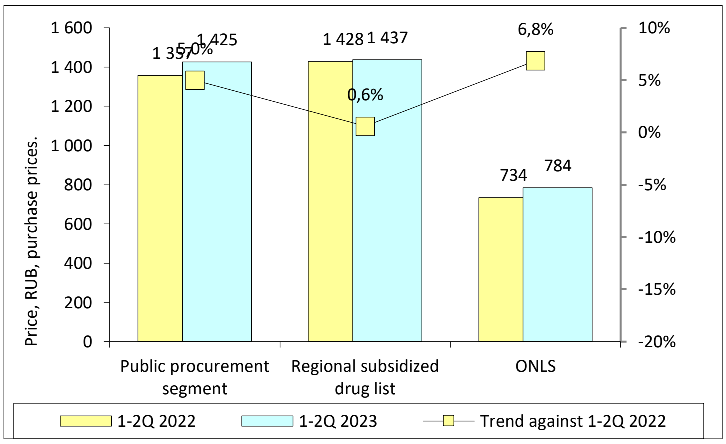



**Figure 6. Movement of weighted average purchase prices for domestic drugs, 1-2 Q 2022 – 1-2 Q 2023**

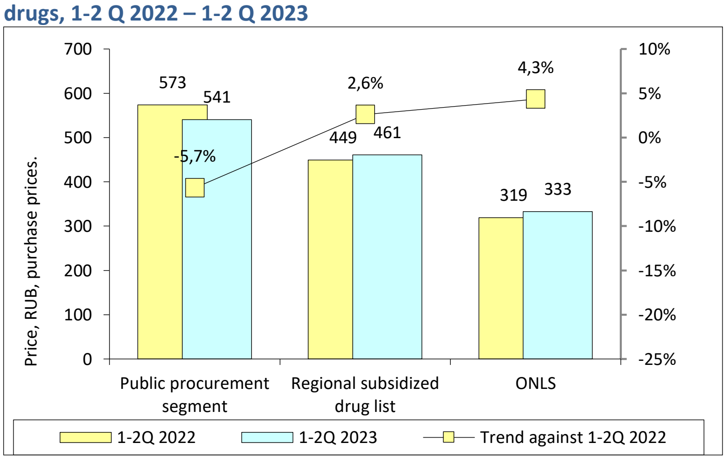
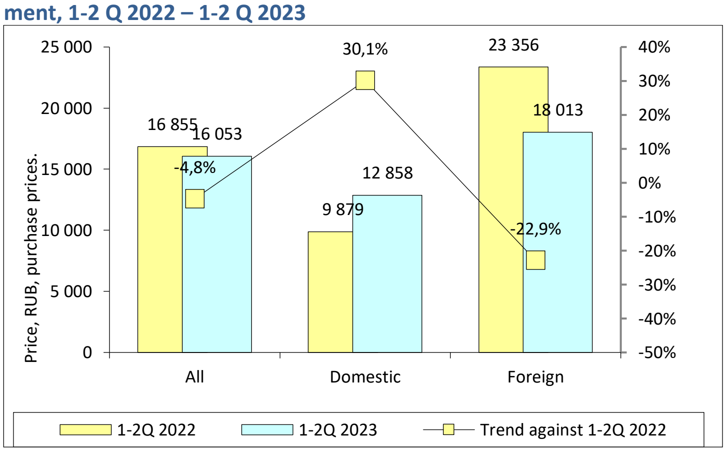



**Figure 7. Movement of weighted average purchase prices in the VZN segment, 1-2 Q 2022 – 1-2 Q 2023**



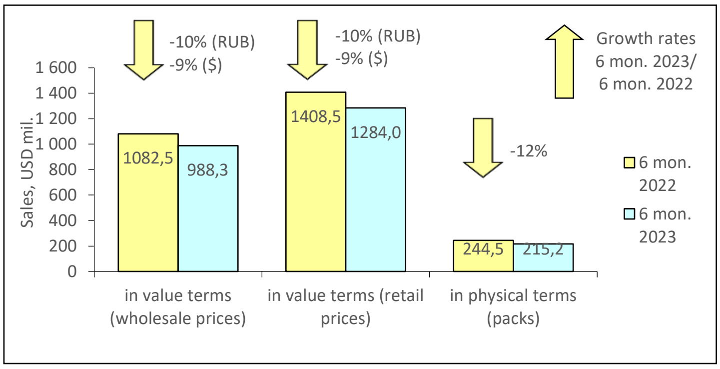

* Here and elsewhere IQVIA's data are used

## MOSCOW CITY PHARMACY MARKET: 2023 FIRST SIX MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2023 Moscow's estimated population amounted to 13.104 mil., which accounted for 8.9% of the total Russian Federation population and 32.6% of the Central Federal District (CFD).

According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, in January-June 2023, the Moscow pharmacies sold 215.223 mil. FPP packs, which was 12% less than the sales indicator of the same period in 2022. In money terms, the market also showed negative growth rates both in rouble (-10%) terms, and in dollar terms (-9%), and reached RUB 75.760 bil. (USD 988.262 mil.) in wholesale prices (Fig. 1). The region market share accounted for 12.8% of the Russian pharmacy retail sales. At the end of 2015, the average cost of a finished pharma product (FPP) pack in the Moscow pharmacies was USD 5.97 vs. USD 5.76 in the year earlier period. For six months of 2023, the average amount spent by Moscow residents of the city for drugs in the pharmacies amounted to USD 97.98.

**Figure 1. Moscow pharmacy market for 6 months of 2022 – 6 months of 2023***




According to the results for the first half of 2023, all manufacturers of the Top 10 ranking in the Moscow retail market showed a negative trend (Table 1). BAYER (-27%) that retained its leadership, as well as SANOFI (-17%) and BERLIN-CHEMIE/MENARINI (-26%) that lost one rating point each reduced sales noticeably more than the market as a whole, and moved down to ranks three and seven, respectively. SERVIER that saw a 13%, decrease in sales moved down two ranks to number six. JOHNSON & JOHNSON and KRKA that showed the same growth rates (-13% each), on the contrary, moved up to higher positions, breaking into the Top 10 ranking. STADA (-10%), TEVA (-1%) and HALEON (-8%) also moved up to higher ranks, coming in at ranks two, four and eight, respectively. ABBOTT (-12%) held its previous rank five. In total, the Top 10 ATC groups accumulated 30.9% of the market, whereas in the year-earlier period they did almost 2 p.p. more.

**Table 1. The Top 10 drug manufacturers by pharmacy sales**

| Rank in the Top 10 | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | **BAYER** | 4.7 | 5.8 |
| 2 | 3 | **STADA** | 3.5 | 3.5 |
| 3 | 2 | **SANOFI** | 3.5 | 3.7 |
| 4 | 7 | **TEVA** | 3.4 | 3.1 |
| 5 | 5 | **ABBOTT** | 3.2 | 3.3 |
| 6 | 4 | **SERVIER** | 3.2 | 3.3 |
| 7 | 6 | **BERLIN-CHEMIE/MENARINI** | 2.6 | 3.2 |
| 8 | 10 | HALEON | 2.4 | 2.3 |
| 9 | 11 | **JOHNSON & JOHNSON** | 2.2 | 2.3 |
| 10 | 12 | **KRKA** | 2.1 | 2.2 |
| Total | | | 30.9 | 32.8 |

*AIPM members are in bold

XARELTO (-44%), NUROFEN (-5%) and DETRALEX (-14%) held the top three positions in the Top10 brands ranking (Table 2). Almost all remaining brands of the Top 10 ranking rose in the ranks. HEPTRAL and THERAFLU (-8% each) moved up to ranks four and five. The newcomers OTRIVIN (+7%), GRAMMIDIN (+29%), INGAVIRIN (-7%) and NASONEX (+9%), which broke into the Top 10 ranking for the first time, moved up to ranks six through eight and last one. And only MIRAMISTIN (-21%) moved two ranks down, to number nine. In total, the Top 10 brands accumulated 6.7 % of sales, 7.1% in the year-earlier period.

**Table 2. The Top 10 brands by pharmacy sales**

| Rank in the Top 10 | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | XARELTO | 1.0 | 1.7 |
| 2 | 2 | NUROFEN | 1.0 | 0.9 |
| 3 | 3 | DETRALEX | 0.8 | 0.9 |
| 4 | 6 | HEPTRAL | 0.6 | 0.6 |
| 5 | 9 | THERAFLU | 0.6 | 0.6 |
| 6 | 17 | OTRIVIN | 0.5 | 0.5 |
| 7 | 26 | GRAMMIDIN | 0.5 | 0.4 |
| 8 | 11 | INGAVIRIN | 0.5 | 0.5 |
| 9 | 7 | MIRAMISTIN | 0.5 | 0.6 |
| 10 | 20 | NASONEX | 0.5 | 0.4 |
| Total | | | 6.7 | 7.1 |

In contrast to the above rankings, the leader of the Top 10 INNs and grouping names ranking has changed (Table 3). RIVAROXABAN that used to be its leader before reduced its sales by 44% and moved down to rank six. XYLOMETAZOLINE (-2%), HYALURONIC ACID (+6%), DIOSMIN* HESPERIDIN (-10%) and IBUPROFEN (-3%) moved up to ranks one through four, respectively. In addition to them, MOMETASONE (+22%) and URSODEOXYCHOLIC ACID (+7%), which broke into the Top 10 ranking for the first time and rounded it out, demonstrated rating progress. NIMESULIDE (-16%) and PANCREATIN (-9%) retained their previous ranks seven and eight. And only ROSUVASTATIN (-26%) moved down to rank five from three. The cumulative share of the top 10 under review decreased from 11.2% to 11.0%.

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

| Rank in the Top 10 | | INN/Grouping name | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 2 | XYLOMETAZOLINE | 1.6 | 1.5 |
| 2 | 5 | HYALURONIC ACID | 1.4 | 1.2 |
| 3 | 4 | DIOSMIN*HESPERIDIN | 1.3 | 1.3 |
| 4 | 6 | IBUPROFEN | 1.2 | 1.1 |
| 5 | 3 | ROSUVASTATIN | 1.1 | 1.3 |
| 6 | 1 | RIVAROXABAN | 1.0 | 1.7 |
| 7 | 7 | NIMESULIDE | 0.9 | 1.0 |
| 8 | 8 | PANCREATIN | 0.9 | 0.9 |
| 9 | 15 | MOMETASONE | 0.8 | 0.6 |
| 10 | 13 | URSODEOXYCHOLIC ACID | 0.8 | 0.7 |
| Total | | | 11.0 | 11.2 |

In the regional ATC group ranking, only M01 Anti-inflammatory and antirheumatic products (-9%) maintained their previous position - the group holds rank two (Table 4). Most of the Top 10 brands ranking rose in the ranks. Thus, R01 Nasal preparations (+7%) moved up to rank one from four, while N06 Psychoanaleptics (-9%), G03 Sex hormones (-14%), C05 Vasoprotectives (-3%) and A07 Antidiarrheals (-9%) moved up to ranks four through six. Two newcomers, N02 Analgesics (-3%) and J01 Antibacterials for systemic use (+18%) moved up to ranks seven and ten, respectively. At the same time, C09 Agents acting on the renin-angiotensin system (-24%) and B01 Antithrombotic agents (-40%), which showed a pronounced decrease in sales, moved down from ranks one and three to three and nine, respectively. The total share of the top 10 ATC groups reduced by 0.5 p.p. to 34.8%.

**Table 4. The Top 10 ATC groups by pharmacy sales**

| Rank in the Top 10 | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 4 | R01 | NASAL PREPARATIONS | 4.5 | 3.8 |
| 2 | 2 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 4.4 | 4.3 |
| 3 | 1 | C09 | AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM | 4.1 | 4.8 |
| 4 | 5 | N06 | PSYCHOANALEPTICS | 3.7 | 3.7 |
| 5 | 6 | G03 | SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM | 3.5 | 3.7 |
| 6 | 9 | C05 | VASOPROTECTIVES | 3.3 | 3.0 |
| 7 | 11 | N02 | ANALGESICS | 3.1 | 2.9 |
| 8 | 10 | A07 | ANTIDIARRHEALS, INTESTINAL ANTIINFLAMMATORY/ANTIINFECTIVE AGENTS | 2.9 | 2.9 |
| 9 | 3 | B01 | ANTITHROMBOTIC AGENTS | 2.8 | 4.2 |
| 10 | 20 | J01 | ANTIBACTERIALS FOR SYST USE | 2.7 | 2.0 |
| Total | | | | 34.8 | 35.3 |

**Conclusion.** For six months of 2023, the Moscow pharmacies sold drugs worth of RUB 98.422 bil. (USD 1.284 bil), which was 10% less in terms of roubles and 9% in terms of dollars as compared to the figure for the same period in 2022. In pack terms, the market reduced by 12% and amounted to 215.223 mil. packs. The average cost of OTC pack in the city pharmacies based on the results for the first half of 2023 was USD 5.97, which was more than the 2022 figure (USE 5.36), and the national average (USD 4.32). The average medicine expenses of the region residents also exceeded the national average expenses in Russia (USD 97.98 vs. USD 68.56).

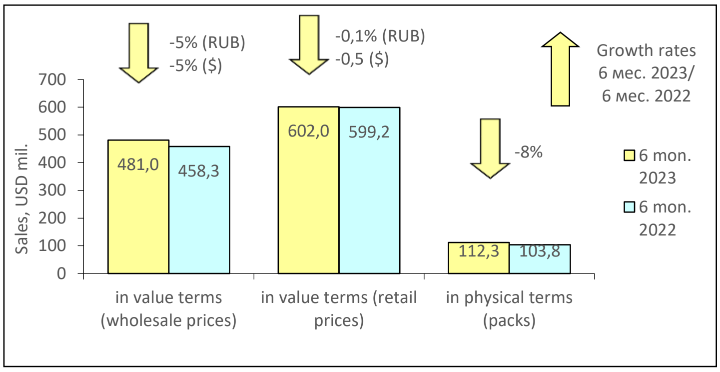
* Here and elsewhere IQVIA's data are used

## SAINT PETERSBURG PHARMACY MARKET: 2023 FIRST SIX MONTHS RESULTS

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

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™, at the end of January-June of 2023 the sales of drugs in physical terms in St. Petersburg saw a 8% increase to 103.766 mil. packs as compared to the same period of 2022. In value terms, the market shrank by 5% in both rouble and dollar terms. At the same time, the volume of the market achieved RUB 35.149 bil. (USD 458.315 mil.) in wholesale prices (Fig. 1). The regional market share accounted for 6.0% of the Russian pharmacy sales (in terms of roubles). In the first half of 2023, the average cost of a pack in retail prices was USD 5.77, in the year-earlier period it was USD 5.36. For six months of 2023, the average amount spent by residents of the region for drugs in the pharmacies amounted to USD 106.99.

**Figure 1. St. Petersburg pharmacy market for 6 months 2022 – 6 months 2023***




BAYER (-13%), SERVIER (-3%) and ABBOTT (-9%) retained its leadership in terms of pharmacy sales among the manufacturers on the regional market based on the results for the first quarter of 2023 (Table 1). In addition to them, OTCPHARM (-24%) held its previous rank eight in the Top 10 ranking. The remaining manufacturers from the top 10 drug ranking shifted their ranks; moreover, five of them improved them. STADA (-6%), SANOFI (-10%) and TEVA (-9%) moved one rank up, to numbers four through six, despite the negative growth rates. The newcomers GEDEON RICHTER (+4%) и HALEON (+3%) that increased sales and broke into the ranks of the Top 10 for the first time, moved up to ranks nine and ten. And only KRKA (-15%) lost three ranking points, moving down to rank seven. The total share of the top 10 drug manufacturers reduced by 1.5 p.p. to 32.4%.

**Table 1. The Top 10 drug manufacturers by pharmacy sales**

| Rank in the Top 10 | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | **BAYER** | 5.1 | 5.6 |
| 2 | 2 | **SERVIER** | 3.8 | 3.7 |
| 3 | 3 | **ABBOTT** | 3.5 | 3.6 |
| 4 | 5 | **STADA** | 3.4 | 3.4 |
| 5 | 6 | **SANOFI** | 3.2 | 3.4 |
| 6 | 7 | **TEVA** | 3.2 | 3.4 |
| 7 | 4 | **KRKA** | 3.2 | 3.5 |
| 8 | 8 | OTCPHARM | 2.5 | 3.1 |
| 9 | 11 | GEDEON RICHTER | 2.3 | 2.1 |
| 10 | 13 | HALEON | 2.2 | 2.0 |
| Total | | | 32.4 | 33.9 |

*AIPM members are in bold

The top three brands in the regional market remained unchanged (Table 2). XARELTO (-17%), ELIQUIS (-20%) and NUROFEN (-7%) held the first three positions despite decline in sales. In contrast, the other brands of the top 10 rose in the ranks. DETRALEX (+5%), HEPTRAL (-5%) and CONCOR (-18%) moved one rank up. The newcomers THERAFLU (-1%), ARMAVISCON (+26%), EDARBI (+10%) and FEMOSTON (+4%) moved up to rank six and three bottom ranks. In total, the Top 10 brands accumulated 8.1% of the pharmacy sales in the region, and 8.3% in the year– earlier period.

**Table 2. The Top 10 brands by pharmacy sales**

| Rank in the Top 10 | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | XARELTO | 1.5 | 1.7 |
| 2 | 2 | ELIQUIS | 1.1 | 1.4 |
| 3 | 3 | NUROFEN | 0.9 | 0.9 |
| 4 | 5 | DETRALEX | 0.9 | 0.8 |
| 5 | 6 | HEPTRAL | 0.7 | 0.7 |
| 6 | 11 | THERAFLU | 0.6 | 0.6 |
| 7 | 8 | CONCOR | 0.6 | 0.7 |
| 8 | 16 | ARMAVISCON | 0.6 | 0.4 |
| 9 | 15 | EDARBI | 0.6 | 0.5 |
| 10 | 14 | FEMOSTON | 0.6 | 0.5 |
| Total | | | 8.1 | 8.3 |

* Here and elsewhere IQVIA's data are used

The only newcomer broke into the ranks of the Top 10 INN and grouping names ranking: PANCREATIN (-0.3%) moved up to number nine from 13 (Table 3). Another three INNs from the Top 10 came in at the higher positions. DIOSMIN*HESPERIDIN (+14%), IBUPROFEN (+6%) and HYALURONIC ACID (+16%) moved up to ranks three through five, respectively. At the same time, they displaced ROSUVASTATIN (-3%) and ADEMETIONINE (-7%) one rank down, to numbers six and ten. Two more INNs with pronounced negative growth rates, APIXABAN (-20%) and NIMESULIDE (-25%), lost two rating points each. RIVAROXABAN (-17%) and XYLOMETAZOLINE (-3%) retained their two top positions in the Top 10 ranking. In total, the Top 10 INNs and grouping names accounted for 11.8% of the market, in the year-earlier period - 11.9%.

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

| Rank in the Top 10 | | INN/Grouping name | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | RIVAROXABAN | 1.5 | 1.7 |
| 2 | 2 | XYLOMETAZOLINE | 1.4 | 1.4 |
| 3 | 7 | DIOSMIN*HESPERIDIN | 1.3 | 1.1 |
| 4 | 6 | IBUPROFEN | 1.3 | 1.2 |
| 5 | 8 | HYALURONIC ACID | 1.2 | 1.0 |
| 6 | 5 | ROSUVASTATIN | 1.2 | 1.2 |
| 7 | 3 | APIXABAN | 1.1 | 1.4 |
| 8 | 4 | NIMESULIDE | 1.0 | 1.2 |
| 9 | 13 | PANCREATIN | 0.9 | 0.8 |
| 10 | 9 | ADEMETIONINE | 0.9 | 0.9 |
| Total | | | 11.8 | 11.9 |

C09 Agents acting on the rennin-angiotensin system (-13%) continued to be the best-selling group in the regional market (Table 4). N02 Analgesics (+1%) held and reinforced their previous rank seven. The remaining ATC groups from the Top 10 ranking shifted their positions; seven of which improved them. The groups M01 Anti-inflammatory and antirheumatic products (-8%), G03 Sex hormones (-3%) and R01 Nasal preparations (+13%) moved up to numbers two through four, respectively. C05 Vasoprotectives (+9%) and A07 Antidiarrheals (-2%) improved their positions by one rank, while N06 Psychoanaleptics (+4%) and S01 Ophthalmologicals (-2%) moved two ranks up. Note that the latter became the only newcomer of the Top 10 rating. The total share of the analysed top 10 ATC groups remained unchanged and accounted for 37.4%

**Table 4. The Top 10 ATC groups by pharmacy sales**

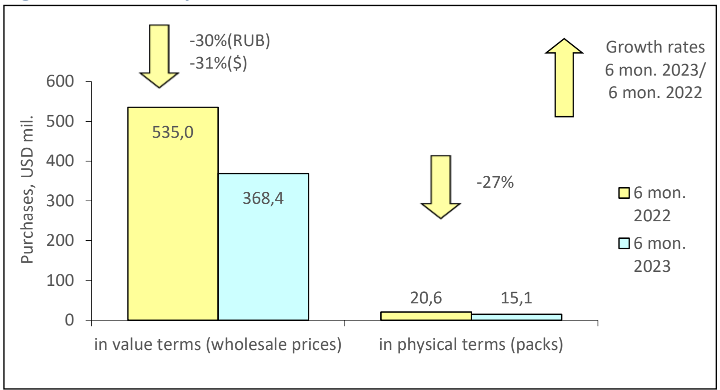
| Rank in the Top 10 | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | C09 | AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM | 5.3 | 5.8 |
| 2 | 3 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 4.6 | 4.7 |
| 3 | 4 | G03 | SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM | 4.1 | 4.1 |
| 4 | 5 | R01 | NASAL PREPARATIONS | 4.1 | 3.5 |
| 5 | 2 | | B01 - ANTITHROMBOTIC AGENTS | 4.0 | 5.0 |
| 6 | 8 | N06 | PSYCHOANALEPTICS | 3.3 | 3.0 |
| 7 | 7 | N02 | ANALGESICS | 3.3 | 3.1 |
| 8 | 9 | C05 | VASOPROTECTIVES | 3.2 | 2.8 |
| 9 | 10 | A07 | ANTIDIARRHEALS, INTESTINAL ANTIINFLAMMATORY/ANTIINFECTIVE AGENTS | 2.8 | 2.7 |
| 10 | 12 | S01 | OPHTHALMOLOGICALS | 2.7 | 2.6 |
| Total | | | | 37.4 | 37.3 |

**Conclusion.** On the basis of the results for the first half of 2023, the pharmacy market of St Petersburg brought in RUB 45.950 bil. (USD 599.166 mil.) at retail prices. The pharmacy sales reduced both in rouble (-0.1%) and in dollar (-0.5%) terms for six months of 2023 as compared to the same period of 2022. In physical terms, the sales decreased by 8% and amounted to 103.766 mil. packs. Based on the results for January-June of 2023, the average cost of an OTC pack in the city pharmacies increased as compared to the previous year (USD 5.97 vs. USD 5.76), and was higher than the average figures in Russia (USD 4.32). The average medicine expenses of St. Petersburg residents in the pharmacies were higher than the national average expenses in Russia (USD 16.99 vs. USD 68.56).

## MOSCOW CITY HOSPITAL MARKET: 2023 FIRST SIX MONTHS RESULTS

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional benefit), based on the results for January-June 2023 the Moscow public procurement segment in physical terms. reduced by 27% as compared to the same period of 2022 and amounted to 15.093 mil. packs. In money terms, the market showed a 30% decline in terms of roubles and 31% in terms of dollars, and its volume achieved RUB 28.409 bil. (USD 368.362 mil.). At the end of the first half of 2023, the average cost of an FPP pack in the public procurement segment of Moscow was USD 24.41, whereas in the year-earlier period its cost was USD 26.03.

**Figure 1. Moscow public sector for 6 months of 2022 – 6 months 2023***




According to the results for the first six months of 2023, four of the Top 10 manufacturers ranking posted negative growth (Table 1). On top of that, two of them NOVARTIS (-19%) and BIOCAD (-44%) held their ranks one and three. Another one, MSD (-49%), moved down two ranks, while BRISTOL MYERS (-21%), on the contrary, moved one rank up, to number five. All remaining manufacturers of the Top 10 ranking rose in the ranks. ROCHE (+12%) moved three ranks up, coming in from rank five to two. The newcomers JOHNSON & JOHNSON (+19%), BAYER (+28%), SANOFI (+35%), MICROGEN (5-fold growth in purchases) and TAKEDA (+84%) that broke into the rating for the first time, moved up to ranks six through ten, respectively. In total, the Top 10 manufacturers accounted for 57.3% of the market, which was 10.2 p.p. higher than the figure for the same period in 2022.

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

| Rank in the Top 10 | | Manufacturer* | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | **NOVARTIS** | 13.2 | 11.6 |
| 2 | 5 | **ROCHE** | 8.6 | 5.4 |
| 3 | 3 | BIOCAD RF | 6.6 | 8.3 |
| 4 | 2 | **MSD** | 6.3 | 8.7 |
| 5 | 6 | BRISTOL MYERS SQU | 6.0 | 5.4 |
| 6 | 11 | **JOHNSON & JOHNSON** | 4.1 | 2.4 |
| 7 | 13 | **BAYER** | 4.0 | 2.2 |
| 8 | 15 | **SANOFI** | 3.6 | 1.9 |
| 9 | 34 | MICROGEN | 2.5 | 0.4 |
| 10 | 20 | **TAKEDA** | 2.3 | 0.9 |
| Total | | | 57.3 | 47.1 |

*AIPM members are in bold

Five newcomers broke into the Top 10 brands rating (Table 2). EVRYSDI (3.3-fold growth in purchases) and EYLEA (2.2-fold growth) moved up to ranks four and six, while PEMBRORIA, SOVIGRIPP (58,000-fold growth) and GARDASIL (+63%) moved up to three bottom ranks. SPINRAZA (+40%) also showed positive growth rates and rose in the ranks, moving three ranks up, to number three. ZOLGENSMA (-27%) and OPDIVO (-18%) that held their leadership, as well as KEYTRUDA (-52%) and PERJETA (-13%) that moved down to ranks five and seven, on the contrary, reduced public procurement volumes in rouble terms, although three of them expanded their market shares. The total share of the top 10 increased by more than 10 p.p. to 34.5%.

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

| Rank in the Top 10 | | Brand | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | ZOLGENSMA | 11.0 | 10.6 |
| 2 | 2 | OPDIVO | 4.9 | 4.2 |
| 3 | 6 | SPINRAZA | 2.6 | 1.3 |
| 4 | 20 | EVRYSDI | 2.6 | 0.5 |
| 5 | 3 | KEYTRUDA | 2.5 | 3.7 |
| 6 | 12 | EYLEA | 2.5 | 0.8 |
| 7 | 4 | PERJETA | 2.3 | 1.8 |
| 8 | N/A | PEMBRORIA | 2.2 | N/A |
| 9 | 48 | SOVIGRIPP | 2.1 | 0.0 |
| 10 | 11 | GARDASIL | 1.9 | 0.8 |
| Total | | | 34.5 | 23.8 |

ONASEMNOGENE ABEPARVOVEC (-27%), NIVOLUMAB (-18%) and PEMBROLIZUMAB (-11%) held and reinforced the first three positions in the Top 10 ranking despite negative growth rates (Table 3). In addition to them, PERTUZUMAB (-13%), which moved down to rank eight, saw a decrease in purchase volumes and fell in the ranks. The remaining INNs showed positive growth and most of them moved up to the higher positions. Among them were the newcomers VACCINE, INFLUENZA (785-fold growth in purchases), RISDIPLAM (785-fold growth), VACCINE, HUMAN PAPILLOMAVIRUS (HPV) TYPE-6,11,16 & 18 (+63%) and ATALUREN (4.9-fold growth), placed at ranks four, seven and two bottom ranks, respectively. AFLIBERCEPT (2.1-fold growth) moved up to rank five from nine (2.1 times), while NUSINERSEN (+40%) retained its rank six. The cumulative share of the top 10 under review increased from 24.2% to 37.3%.

**Table 3. The Top 10 INNs and grouping names by public segment volume**

| Rank in the Top 10 | | INN/Grouping name | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | ONASEMNOGENE ABEPARVOVEC | 11.0 | 10.6 |
| 2 | 2 | NIVOLUMAB | 4.9 | 4.2 |
| 3 | 3 | PEMBROLIZUMAB | 4.7 | 3.7 |
| 4 | 50 | VACCINE, INFLUENZA | 2.8 | 0.0 |
| 5 | 9 | AFLIBERCEPT | 2.7 | 0.9 |
| 6 | 6 | NUSINERSEN | 2.6 | 1.3 |
| 7 | 21 | RISDIPLAM | 2.6 | 0.5 |
| 8 | 4 | PERTUZUMAB | 2.3 | 1.8 |
| 9 | 14 | VACCINE, HUMAN PAPILLOMAVIRUS (HPV) TYPE-6,11,16 & 18 | 1.9 | 0.8 |
| 10 | 40 | ATALUREN | 1.8 | 0.3 |
| Total | | | 37.3 | 24.2 |

Based on the results for the first half of 2023, two newcomers broke into the Top 10 ATC groups: S01 Ophthalmologicals (2.1-fold growth in purchases) and V08 Contrast media (+17%) moved up to ranks five and nine out of the second dozen (Table 4). In addition, another five ATC groups moved up to yet higher ranks. Thus, M09 Other drugs for disorders of the musculo-skeletal system (-0.1%), J07 Vaccines (2.2-fold growth) and J01 Antibacterials for systemic use (-29%) moved up to ranks two through four. Groups B05 Blood substitutes and perfusion solutions (-18%) and A16 Other alimentary tract and metabolism products (+13%) improved their ratings by two points, moving up to ranks six and eight, respectively. At the same time, J05 Antivirals for systemic use (-89%) and L04 Immunosuppressants (-81%), which purchases decreased by more than 80%, moved down to rank seven and the last one. L01 Antineoplastic agents (-14%) held their leadership in the Top 10 ranking. The total share of the Top 10 ATC groups reduced from 80.8% to 80.5%.

**Table 4. The Top 10 ATC groups by public procurement segment**

| Rank in the Top 10 | | ATC code | ATC group | Share in total public segment, % | |
|---|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | L01 | ANTINEOPLASTIC AGENTS | 28.8 | 23.4 |
| 2 | 3 | M09 | OTHER DRUGS FOR DISORDERS OF THE MUSCULO-SKELETAL SYSTEM | 18.1 | 12.8 |
| 3 | 7 | J07 | VACCINES | 10.4 | 3.3 |
| 4 | 6 | J01 | ANTIBACTERIALS FOR SYST USE | 5.1 | 5.0 |
| 5 | 12 | S01 | OPHTHALMOLOGICALS | 4.1 | 1.4 |
| 6 | 9 | B05 | BLOOD SUBSTITUTES AND PERFUSION SOLUTIONS | 3.4 | 2.9 |
| 7 | 2 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.2 | 20.3 |
| 8 | 10 | A16 | OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS | 2.7 | 1.7 |
| 9 | 11 | V08 | CONTRAST MEDIA | 2.5 | 1.5 |
| 10 | 4 | L04 | IMMUNOSUPPRESSANTS | 2.3 | 8.5 |
| Total | | | | 80.5 | 80.8 |

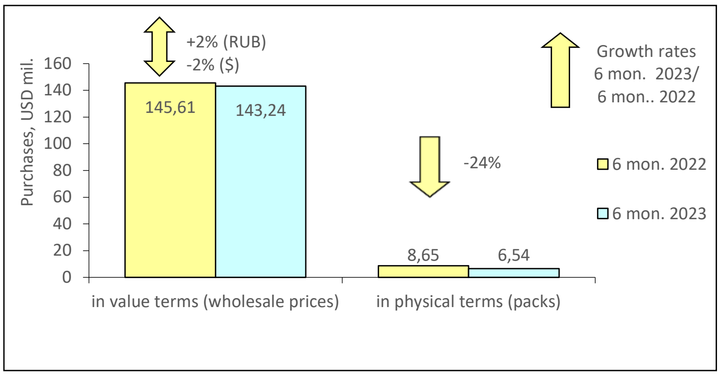
**Conclusion**. The Moscow public procurement segment in the first half of 2023 reduced both in rouble (-30%) and dollar terms (-31%) as compared to the same period of 2022. At the same time, the volume of the market achieved RUB 28.409 bil. (USD 368.362 mil.). Based on the results for January-June of 2023, the average cost of an FPP pack in the public procurement segment of Moscow was USD 24.41, whereas in the year-earlier period it was USD 26.03.

* Here and elsewhere IQVIA's data are used

## SAINT PETERSBURG HOSPITAL MARKET: 2023 FIRST SIX MONTHS RESULTS

According to the results for six months of 2023, the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional benefit), St. Petersburg public procurement segment showed negative growth rates (-24%) in physical terms, and its volume amounted to 6.544 mil. packs for three months of 2023. In value terms, the purchases in rouble terms expanded by 2%, but increased by the same 2% in dollar terms. The segment achieved RUB 11.073 bil. (USD 143.240 mil.) at wholesale prices. Based on the results for January-June of 2023, the average cost of an OTC pack in the city hospitals was USD 21.89, whereas in the year-earlier period its cost was USD 16.83.

**Figure 1. St. Petersburg public procurement segment for 6 months 2022 – 6 months 2023***




Based on the results for six months of 2023, most of the Top 10 manufacturers ranking in public procurement segment of St. Petersburg showed positive growth rates (Table 1). Among them was the Top 10 leader NOVARTIS, which moved up to rank one from four due to a 2.5-fold growth in purchase volumes. Positive growth and rating progress were also demonstrated by JOHNSON & JOHNSON (+41%), PTC THERAPEUTICS, MICROGEN (7.7-fold growth in purchases), VIRIOM (3.1-fold growth) and SANOFI (+65%), which broke into the Top 10 for the first time), coming in at numbers five through seven and two bottom ranks. ROCHE showed a 25% increase in public procurement volumes and held its rank two in the Top 10 ranking. Despite the negative growth rates, BIOCAD (-21%) continued to hold its previous rank three. Two manufacturers with more pronounced decline in purchases, MSD (-37%) and BRISTOL MYERS SQU (-25%), moved down to ranks four and eight, respectively. The total share of the top 10 manufacturers increased from 37.3% to 50.4%.

**Table 1. The Top 10 manufacturers by public segment volume**

| Rank in the Top 10 | | Manufacturer* | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 4 | **NOVARTIS** | 11.6 | 4.7 |
| 2 | 2 | **ROCHE** | 9.0 | 7.3 |
| 3 | 3 | BIOCAD RF | 5.6 | 7.3 |
| 4 | 1 | **MSD** | 5.2 | 8.4 |
| 5 | 11 | **JOHNSON & JOHNSON** | 4.3 | 3.1 |
| 6 | N/A | PTC THERAPEUTICS | 3.9 | N/A |
| 7 | 36 | MICROGEN | 3.5 | 0.5 |
| 8 | 5 | BRISTOL MYERS SQU | 3.0 | 4.0 |
| 9 | 27 | VIRIOM | 2.3 | 0.7 |
| 10 | 18 | **SANOFI** | 2.2 | 1.4 |
| Total | | | 50.4 | 37.3 |

*AIPM members are in bold

The leader of the Top 10 brands ranking also changed: ZOLGENSMA moved up to rank one from four, increasing its purchases by 3.3 times (Table 2). TRANSLARNA, one of its five newcomers, was ranked second. The newcomers SOVIGRIPP (6.5-thousand-fold growth in purchases), ELPIDA (3.1-fold growth), ORKAMBI (2.2-fold growth) and STRENSIG (+71%) broke into the Top 10 ranking for the first time, coming in at ranks four, five, seven and ten, respectively. The PREVENAR 13 market also developed at a fast pace (2.1-fold growth), which allowed it to move up to rank three from nine. At the same time, OPDIVO (-33%) and PERJETA (-9%), which purchases reduced, moved down to ranks six and nine, respectively. KADCYLA (+4%) being displaced by more dynamic brands also lost two ranking positions. All in all, the Top 10 brands accumulated 31.6% of the regional public procurement segment, whereas in the year-earlier period their share was 14.1%.

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

| Rank in the Top 10 | | Brand | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 4 | ZOLGENSMA | 10.0 | 3.0 |
| 2 | N/A | TRANSLARNA | 3.9 | N/A |
| 3 | 9 | EVRYSDI | 3.1 | 1.5 |
| 4 | 47 | SOVIGRIPP | 3.0 | 0.0 |
| 5 | 20 | ELPIDA | 2.3 | 0.7 |
| 6 | 3 | OPDIVO | 2.0 | 3.1 |
| 7 | 15 | ORKAMBI | 2.0 | 1.0 |
| 8 | 6 | KADCYLA | 1.8 | 1.8 |
| 9 | 5 | PERJETA | 1.8 | 2.0 |
| 10 | 13 | STRENSIG | 1.7 | 1.0 |
| Total | | | 31.6 | 14.1 |

* Here and elsewhere IQVIA's data are used

ONASEMNOGENE ABEPARVOVEC (3.3-fold growth in purchases), VACCINE, INFLUENZA (3335-fold growth) and ATALUREN moved up to the first positions in the Top 10 INNs and grouping names ranking (Table 3). Due to pronounced negative growth rates, PEMBROLIZUMAB (-32%), NIVOLUMAB (-33%) and DOLUTEGRAVIR (-48%), which made the top three earlier, moved down to ranks four, seven and 11, respectively. PERTUZUMAB (-9%) that reduced purchases lost four rating points, while TRASTUZUMAB EMTANSINE that increased them by 4% moved two points down. It was displaced by more dynamic RISDIPLAM (2.1-fold growth in purchases) and ELSULFAVIRINE (3.1-growth). Moreover, the latter broke into the ranks of the Top 10 for the first time. Another newcomer ASFOTASE ALFA (+71%) rounded out the Top 10 ranking. In total, a share accumulated by the Top 10 INNs and grouping names increased by over 2 p.p. to 34.2%.

**Table 3. The Top 10 INNs and grouping names by public segment volume**

| Rank in the Top 10 | | INN/Grouping name | Share in total public segment, % | |
|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 4 | ONASEMNOGENE ABEPARVOVEC | 10.0 | 3.0 |
| 2 | 48 | VACCINE, INFLUENZA | 4.3 | 0.0 |
| 3 | N/A | ATALUREN | 3.9 | N/A |
| 4 | 1 | PEMBROLIZUMAB | 3.3 | 4.9 |
| 5 | 10 | RISDIPLAM | 3.1 | 1.5 |
| 6 | 22 | ELSULFAVIRINE | 2.3 | 0.7 |
| 7 | 3 | NIVOLUMAB | 2.0 | 3.1 |
| 8 | 6 | TRASTUZUMAB EMTANSINE | 1.8 | 1.8 |
| 9 | 5 | PERTUZUMAB | 1.8 | 2.0 |
| 10 | 17 | ASFOTASE ALFA | 1.7 | 1.0 |
| Total | | | 34.2 | 18.0 |

The leader of the Top 10 ATC groups didn't change: L03 Antineoplastic agents (+0.2%) held its previous rank number one (Table 4). 4). M09 Other drugs for disorders of the musculo-skeletal system (4-fold growth in purchases) moved up to rank two from six, displacing J05 Antivirals for systemic use (-51%) one rank down. The markets of J07 Vaccines (3.8-fold growth), A16 Other alimentary tract and metabolism products (+60%) and R07 Other respiratory system products (+89) also developed at a fast pace, coming in at numbers four, eight and ten. Note that the two latter broke into the Top 10 ranking for the first time. B05 Blood substitutes and perfusion solutions (+4%) improved its rating by one point. At the same time, L04 Immunosuppressants (-47%) and B01 Antithrombotic agents (-56%) that showed a strong negative trend moved down to ranks seven and nine, respectively. The group J01 Antibacterials for systemic use (-15%) maintained its rank five. In total, the Top 10 ATC groups accumulated 82.2% of the regional market, whereas in the year-earlier period it accounted for 80.1%.

**Table 4. The Top 10 ATC groups by public procurement segment**

| Rank in the Top 10 | | ATC code | ATC group | Share in total public segment, % | |
|---|---|---|---|---|---|
| 6 mon. 2023 | 6 mon. 2022 | | | 6 mon. 2023 | 6 mon. 2022 |
| 1 | 1 | L01 | ANTINEOPLASTIC AGENTS | 27.2 | 27.6 |
| 2 | 6 | M09 | OTHER DRUGS FOR DISORDERS OF THE MUSCULO-SKELETAL SYSTEM | 18.2 | 4.5 |
| 3 | 2 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 11.7 | 24.1 |
| 4 | 9 | J07 | VACCINES | 7.6 | 2.0 |
| 5 | 5 | J01 | ANTIBACTERIALS FOR SYST USE | 4.2 | 5.0 |
| 6 | 7 | B05 | BLOOD SUBSTITUTES AND PERFUSION SOLUTIONS | 3.7 | 3.6 |
| 7 | 3 | L04 | IMMUNOSUPPRESSANTS | 2.7 | 5.3 |
| 8 | 12 | A16 | OTHER ALIMENTARY TRACT AND METABOLISM PRODUCTS | 2.5 | 1.6 |
| 9 | 4 | B01 | ANTITHROMBOTIC AGENTS | 2.2 | 5.1 |
| 10 | 15 | R07 | OTHER RESPIRATORY SYSTEM PRODUCTS | 2.2 | 1.2 |
| Total | | | | 82.2 | 80.1 |

**Conclusion**. Based on the results for January-June 2023, the St. Petersburg public procurement segment changed by 2%: it increased in terms of roubles and reduced in terms of dollars. Its volume was equal to RUB 11.073 bil. (USD 143.240 mil.). In pack terms, the market reduced by 24%, and its volume amounted to 6.544 mil. packs. In the first half of 2023, the average cost of an FPP pack in the public procurement segment of the city was higher than one in the year-earlier period (USD 24.41 vs. USD 26.03).