

# Pharmacy Pulse

Analysis of the key trends in the Irish Community Pharmacy sector, prepared by Fitzgerald Power on a quarterly basis.

Q1 2023



# Summary Q1 2023

## Irish economy

After falling by an estimated 0.8% in 2022, the Central Bank of Ireland expects average real household disposable income to increase by 2.1% and 2.3% in 2023 and 2024, respectively.

## Medicine supply issues

In efforts to tackle the on-going medicines shortages, the EU is preparing to stockpile drugs and oblige manufacturers to guarantee supplies. In Ireland, 212 products are out of stock, including cough syrups and vital antibiotics.

## Medicine shortages

The suppliers of the majority of medicine in Ireland has urged the Government to heed warnings from GPs and pharmacists nationwide on the growing risk of medicines shortages.

## Inflation

Inflation in the eurozone was 6.9% in March 2023, a decrease from 9.2% at the end of the previous quarter. Energy prices have continued to plummet with inflation at -0.9% vs 25.7% in December 2022.

## Rising prices

The Irish Central Bank expects inflation to average 5% in 2023, with the rate of increase in energy prices forecast to decline rapidly as the year progresses. HICP inflation is forecast to moderate to 3.2% and 2.2% in 2024 and 2025, respectively.

# Revenue Pulse

## Volume of sales

The volume of sales, as measured by the CSO, increased by 0.6% in March 2023 against the same period last year.

Volume of Sales: CSO

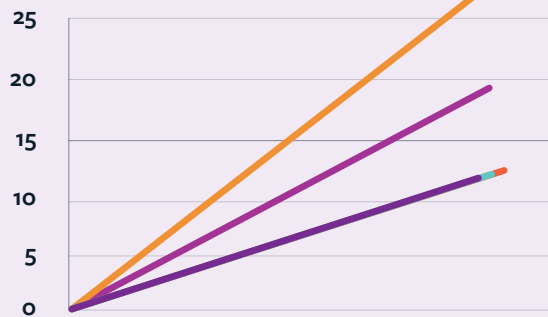
0.6% ↑

SOURCE: CSO

## Rx Tracker

IQVIA data shows the largest growth in RX classes was Parasitology which saw 27% growth.

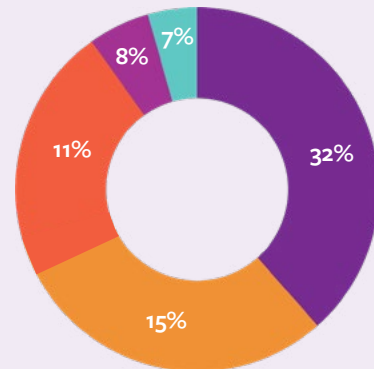
### Top RX Classes by Growth



- Parasitology 27%
- Diagnostic agents 19%
- Alimentary & Metabolism 13%
- Respiratory system 13%
- Various 13%

SOURCE: IQVIA

### Top RX Classes by Value



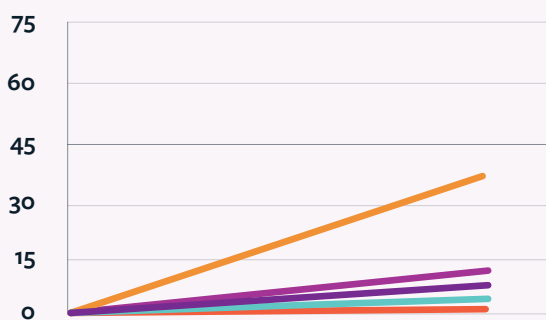
- Anti Neoplast+Immunomodul 32%
- Nervous system 15%
- Alimentary & Metabolism 11%
- Systemic anti infectives 8%
- Respiratory system 7%

SOURCE: IQVIA

# OTC Tracker

IQVIA data shows the largest growth in OTC classes was pain relief, which saw 36% growth.

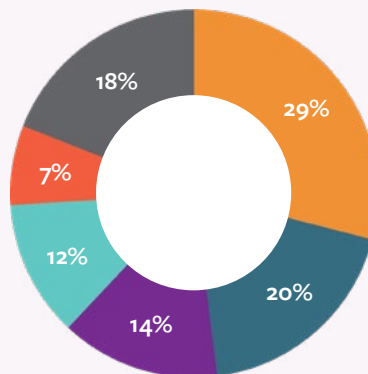
## Top 5 Major OTC Classes by Growth



- Pain relief **36%**
- Cough, cold & other respiratory **11%**
- VMS & tonics **8%**
- Digestive (other intestinal) **6%**
- Skin treatment **0.1%**

SOURCE: IQVIA

## Top 5 Major OTC Classes by Value

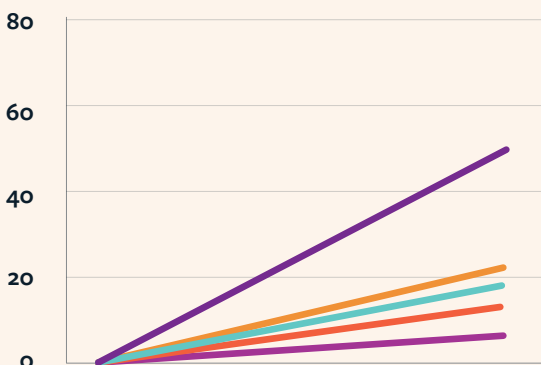


- Pain relief **29%**
- Cough, cold & respiratory **20%**
- VMS & tonics **14%**
- Digestive (other intestinal) **12%**
- Skin treatment **7%**
- Other **18%**

SOURCE: IQVIA

Minor OTC categories have seen significant growth, with Antinauseants growing at 47%.

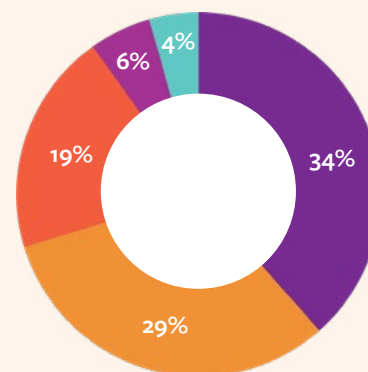
## Top 5 Minor OTC Classes by Growth



- Antinauseants **47%**
- Calm, sleep and mood **23%**
- Urinary & reproductive care **16%**
- Ear care **14%**
- Eye care **9%**

SOURCE: IQVIA

## Top 5 Minor OTC Classes by Value



- Habit treatment **34%**
- Eye care **29%**
- Urinary and reproductive care **19%**
- Calm, sleep and mood **6%**
- Mouth treatment products **4%**

SOURCE: IQVIA

# Market Pulse

Fitzgerald Power estimated 4 transactions completed in the 1st Quarter of 2023.

PSI data suggests there have been 7 net openings since January 2023, bringing the number of community pharmacies in Ireland to 1,913.

## New Openings and Closures

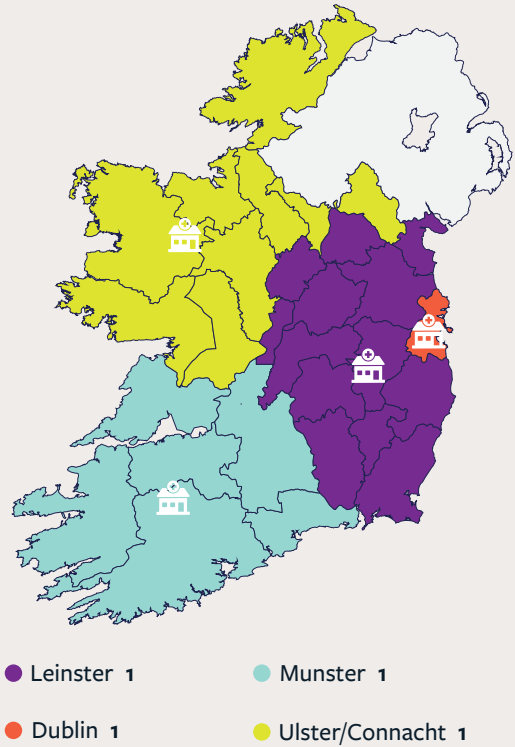
New Openings between  
1st January '23 – 31st March '23 **11**

Closures between  
1st January '23 – 31st March '23 **4**

Net Openings between  
1st January 2023 – 31st March 2023 **7**

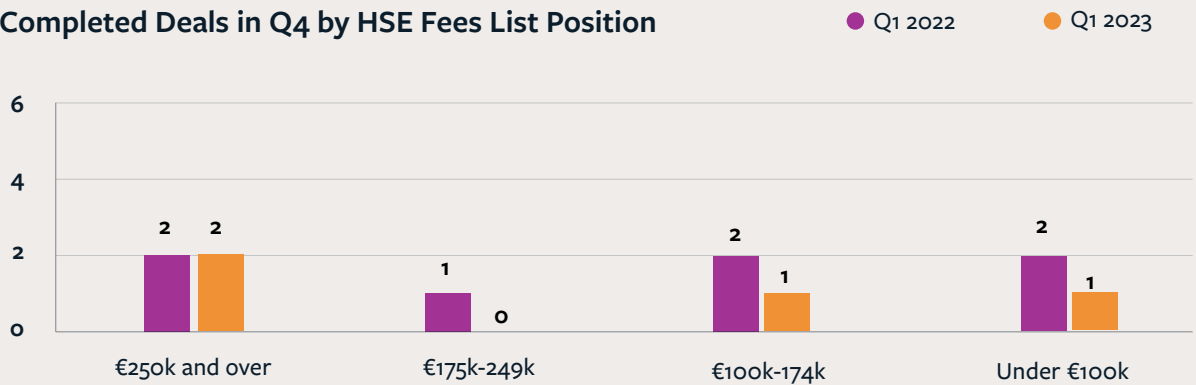
SOURCE: PSI

## Completed Deals in Q1 by Geographical Location



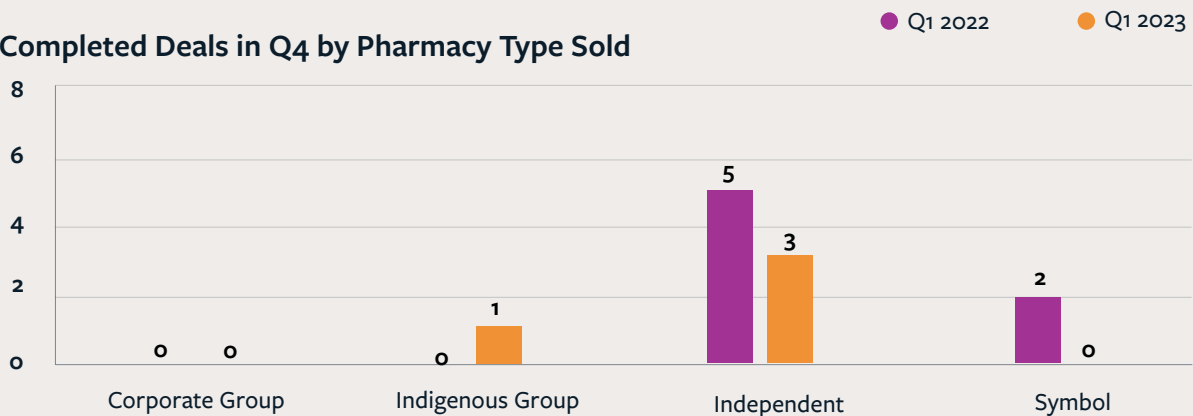
SOURCE: FITZGERALD POWER

## Completed Deals in Q4 by HSE Fees List Position



SOURCE: FITZGERALD POWER

## Completed Deals in Q4 by Pharmacy Type Sold



SOURCE: FITZGERALD POWER

Fitzgerald Power is the leading financial advisor to the Irish community pharmacy sector and the leading pharmacy sales brokerage firm in Ireland.

We'd love to hear from you so please get in touch if you think we can help.

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