

# Pharmacy Pulse

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

Q1 2024



# Summary Q1 2024

## Irish Economy

The latest Central Bank quarterly report for Q1 2024 expects the domestic economy to grow at a moderate pace; 2.2% in 2024, 1.9% in 2025 and 2% in 2026.

## Inflation

Inflation in the Eurozone was 2.4% in March 2024, a decrease from 2.6% in February. A year earlier the rate was 6.9%. Energy prices, which had increased last year as a result of Russia's invasion of Ukraine, continued to reduce, with the rate of deflation moving from -3.7% to -1.8%.

## Global Economy

The global economy is poised for a second consecutive year of slower growth, largely attributed to high interest rates. The Q1 2024 baseline forecast maintains a global real GDP growth projection for 2024 at 2.7%, consistent with Q4 2023, with a forecast of 3.1% growth in 2025.

## Labour Market

The labour market remains near full capacity, though employment growth has decelerated, and overall labour force expansion is anticipated to be below the long-run average. Despite this, the unemployment rate remains near historic lows. Given projections for modest economic growth, the unemployment rate is forecast to average 4.5% through 2026.

## Medicine Shortages

There is a current shortage of approximately 300 medicines in Ireland, placing "phenomenal pressure" on pharmacists nationwide according to the President of the Irish Pharmacy Union (IPU). The IPU has warned that most pharmacists fear it will become an even bigger issue over the coming year.

# Revenue Pulse

## Value of sales

The value of sales, as measured by the CSO, increased by 0.2% in March 2024 against the same period last year.

Value of Sales: CSO

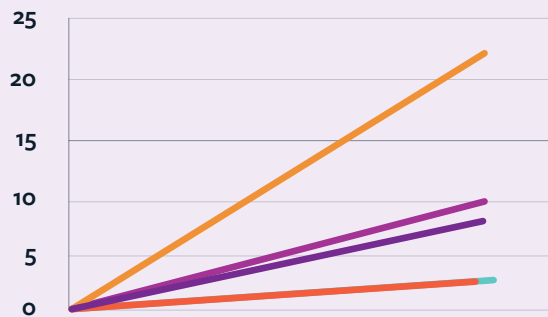
0.2% ↑

SOURCE: CSO

## Rx Tracker

IQVIA data has found RX classes are up 7% in value and 2% in volume vs the same period last year.

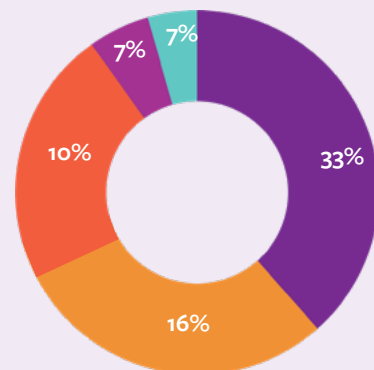
### Top RX Classes by Growth



- Hospital Solutions 22%
- Dermatologicals 10%
- Antineoplast Immunomodul 8%
- Musculo Skeletal System 3%
- Alimentary T. & Metabolism 3%

SOURCE: IQVIA

### Top RX Classes by Value



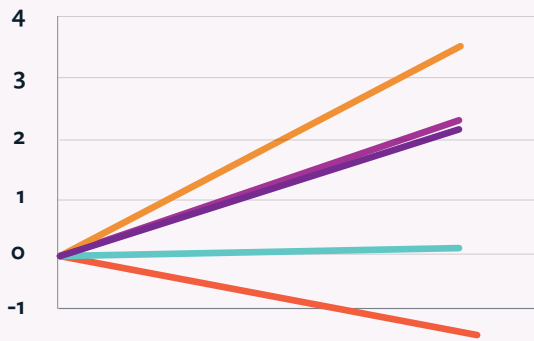
- Antineoplast Immunomodul 33%
- Nervous System 16%
- Alimentary T. & Metabolism 10%
- Systemic Anti Infectives 7%
- Respiratory System 7%

SOURCE: IQVIA

# OTC Tracker

IQVIA data shows OTC classes are up 2% in value, but down 4% in volume, as against the same period last year.

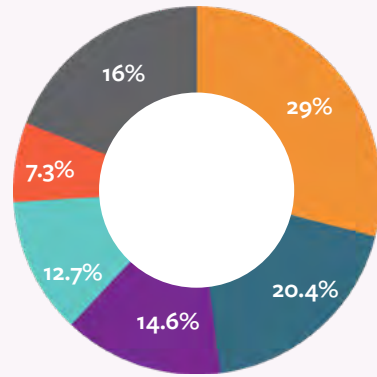
### Top OTC Classes by Growth



- Skin Treatment 3.5%
- Digestive & Other Intestinal 2.3%
- VMS & Tonics 2.2%
- Cough, Cold & Other Respiratory 0.2%
- Pain Relief -1.7%

SOURCE: IQVIA

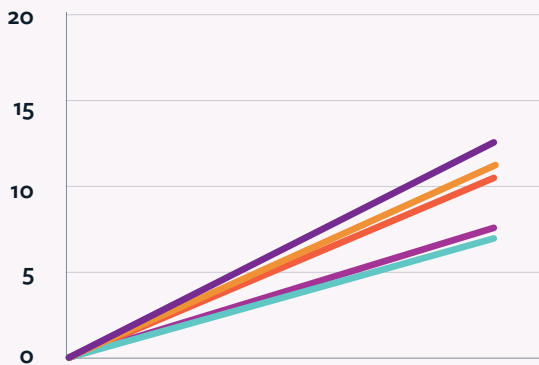
### Top OTC Classes by Value



- Pain Relief 29%
- Cough, Cold & Respiratory 20.4%
- VMS & Tonics 14.6%
- Digestive & Other Intestinal 12.7%
- Skin Treatment 7.3%
- Other 16%

SOURCE: IQVIA

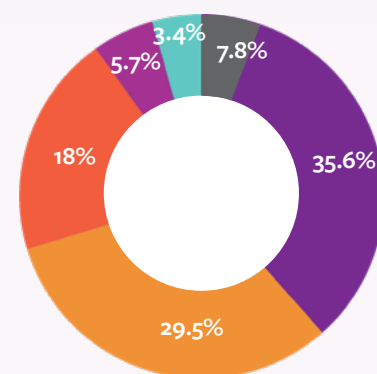
### Top 5 Minor OTC Classes by Growth



- All Other Products 12.5%
- Miscellaneous 11.2%
- Habit Treatment 10.2%
- Calm, Sleep & Mood 7.3%
- Eye Care 7%

SOURCE: IQVIA

### Top 5 Minor OTC Classes by Value



- Habit Treatment 35.6%
- Eye Care 29.5%
- Urinary and Reproductive Care 18%
- Calm, Sleep and Mood 5.7%
- Mouth Treatment Products 3.4%
- Other 7.8%

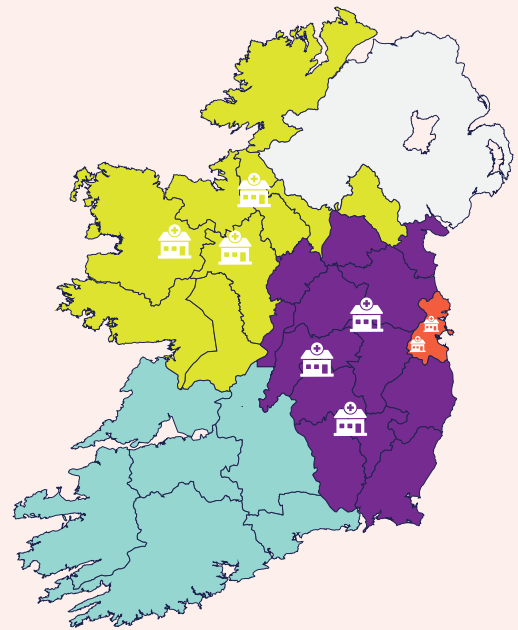
SOURCE: IQVIA

# Market Pulse

It was another strong quarter for sales, with Fitzgerald Power estimating 8 transactions completed in the 1st Quarter of 2024.

## Completed Deals in Q1 by Geographical Location

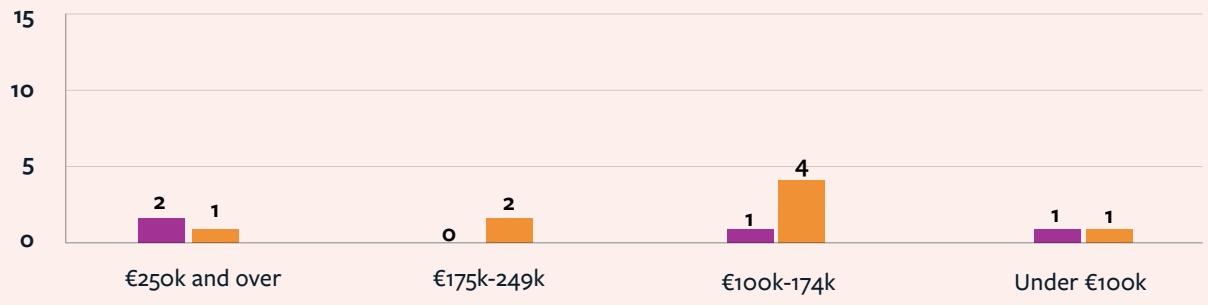
DUBLIN	2
REST OF LEINSTER	3
MUNSTER	0
ULSTER / CONNACHT	3



- Leinster 3
- Dublin 2
- Munster 0
- Ulster/Connacht 3

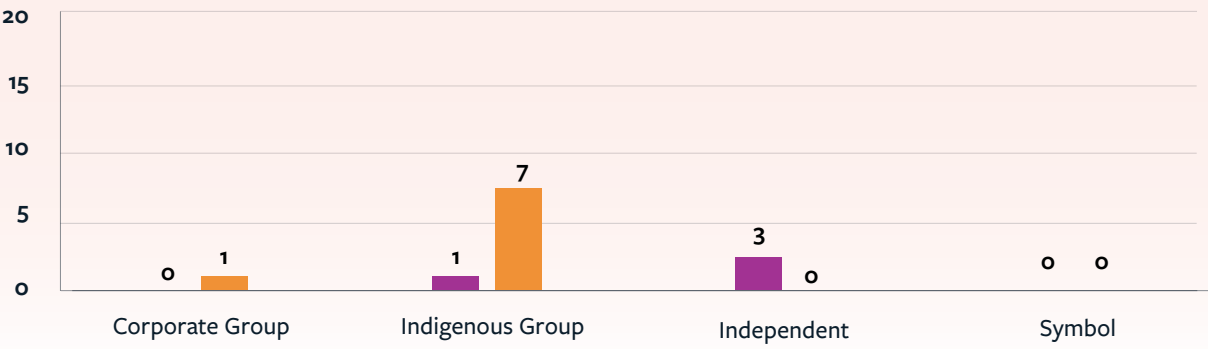
SOURCE: FITZGERALD POWER

## Completed Deals in Q1 by HSE Fees List Position



SOURCE: FITZGERALD POWER

## Completed Deals in Q1 by Pharmacy Type Sold



SOURCE: FITZGERALD POWER

PSI data suggests there have been 3 net closures in 2023, bringing the number of community pharmacies in Ireland to 1,906.

### New Openings and Closures

New Openings between  
1st January 2024 – 31st March 2024 **4**

Closures between  
1st January 2024 – 31st March 2024 **7**

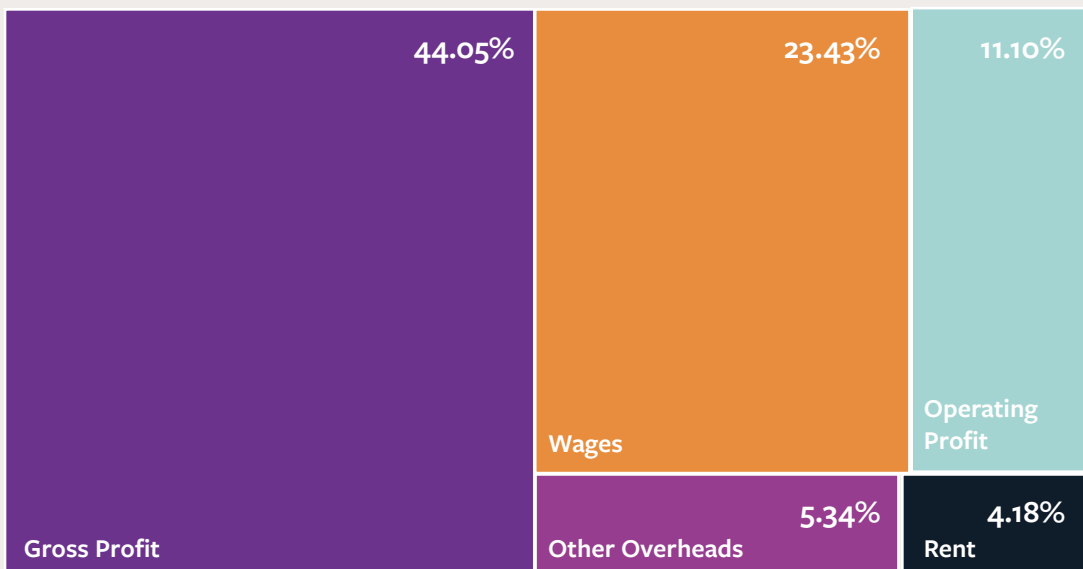
**Net Openings/Closures between  
1st January 2024 – 31st March 2024 **3****

SOURCE: PSI

## Benchmark Pulse

Fitzgerald Power data shows average operating profit performance c11% in 2023.

### Benchmark KPI Averages 2023



SOURCE: FITZGERALD POWER

# Introducing Our Benchmarking Service

## Discover the Power of Benchmarking

Now, you can assess your pharmacy's performance and labour rates in comparison to pharmacies with similar turnovers within your sector and geographical location. Take a proactive step to unlock your pharmacy's full potential and maintain a competitive edge in your industry.

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