

Rx Supply Chain

Core weekly TRx (ex-vax) grows MSD following LSD in the prior week

Industry Overview

Weekly core TRx (ex-vaccine) grows mid-single digits y/y

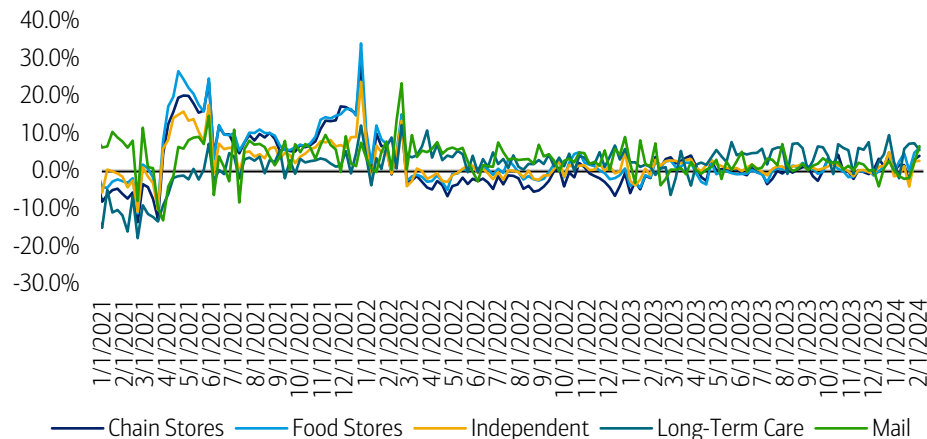
We have been tracking weekly y/y growth of script (Rx) volumes to see real-time trends. The total (TRx) trend for the week ending 2/2 was 4.4% vs. 3.6% last week and (1.5%) the week prior. Excluding Covid vaccines, total trend for this week was 4.5% vs. 3.7% last week and (1.3%) the week before. Core TRx (ex-vaccine growth) saw mid single-digit growth in the most recent week, a modest improvement from the prior week and above the negative growth in the two weeks prior. TRx (including vaccines) showed a similar trend with steady sequential improvement over the past three weeks. Total new script (NRx) growth this week was 6.1% vs. 4.6% last week and (0.9%) the week prior. Chain Stores and Food Stores were 4.1% and 6.2% vs. 3.1% and 4.9% the prior week. Long-term care (LTC) was 5.6% vs. 7.4% last week, while Independent Rx's were 2.8% this week vs. 2.6% last week and Mail Rx's were 6.7% vs. 2.3% the week before. On a two-year basis, total growth was 7.7% vs. 2.4% and (1.9%) the week before. On a two-year basis, Chain Stores were 8.0% vs. 1.2% the week before and Food Stores were 8.9% vs. 3.1% last week.

Key trends: underlying script growth remains stable

We will likely continue seeing impacts across the channel due to Covid comp moving pieces and its impact on overall utilization (including drug store demand). We continue to watch the ongoing shift in Rx trends for signs of stability given recent trends in improving utilization. While the reported numbers can be volatile against Covid comps, underlying growth remains the more important factor to track for the health of the overall script market, all key factors in 2024.

Exhibit 1: Weekly Total Rx Volume Growth of 4.4% Y/Y by Channel (Jan'21-Feb'24)

Weekly total Rx volumes see sequential growth of 4.4% vs. 3.6% growth in the prior week



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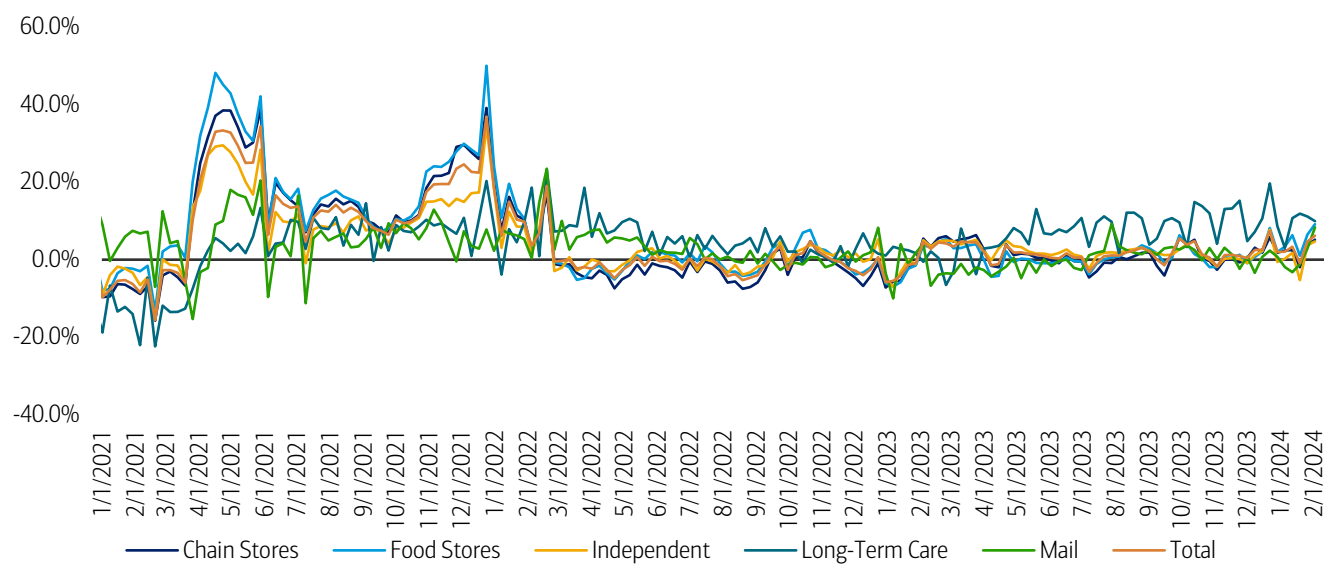
LSD – low single-digit

MSD – mid single-digit

Vs. - versus

Exhibit 2: Weekly New Rx Volume Growth of 6.1% Y/Y by Channel (Jan'21-Feb'24)

Weekly new script growth is 6.1% with continued strength in Long-Term Care



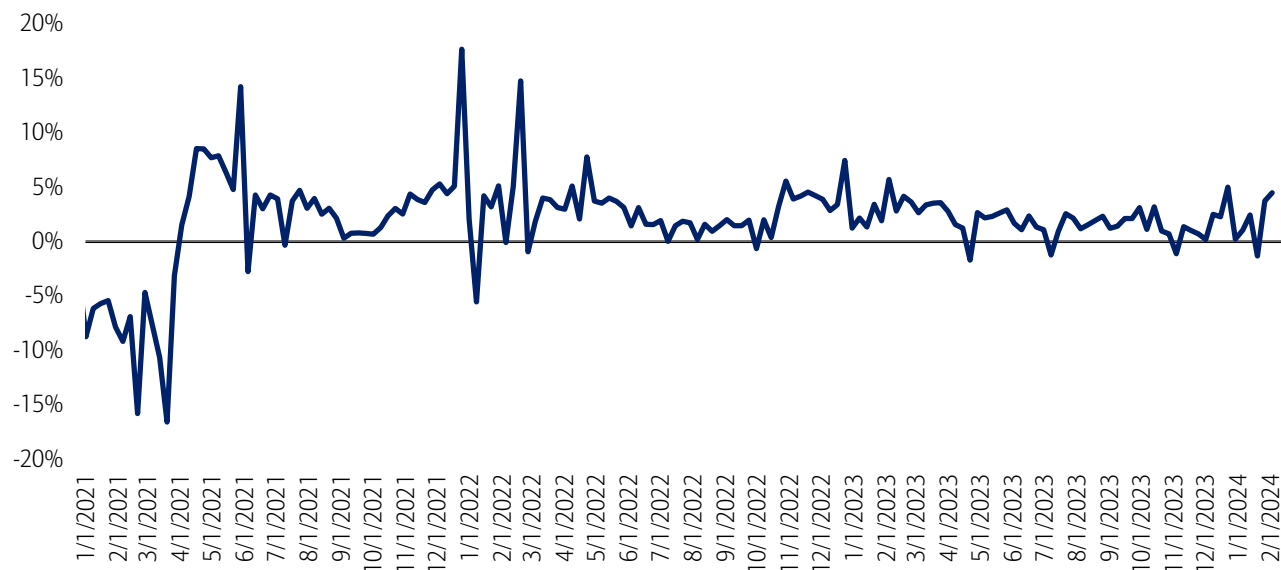
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Exhibit 3: Weekly Total Rx Volume Growth ex-vaccine (Jan'21-Feb'24)

TRx ex-vaccine growth at 4.5% after 3.7% last week



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Exhibit 4: Weekly Total Rx Volume Growth of 4.4% Y/Y by Channel (Feb'23-Feb'24)

Weekly total Rx volumes have largely stabilized over the past year



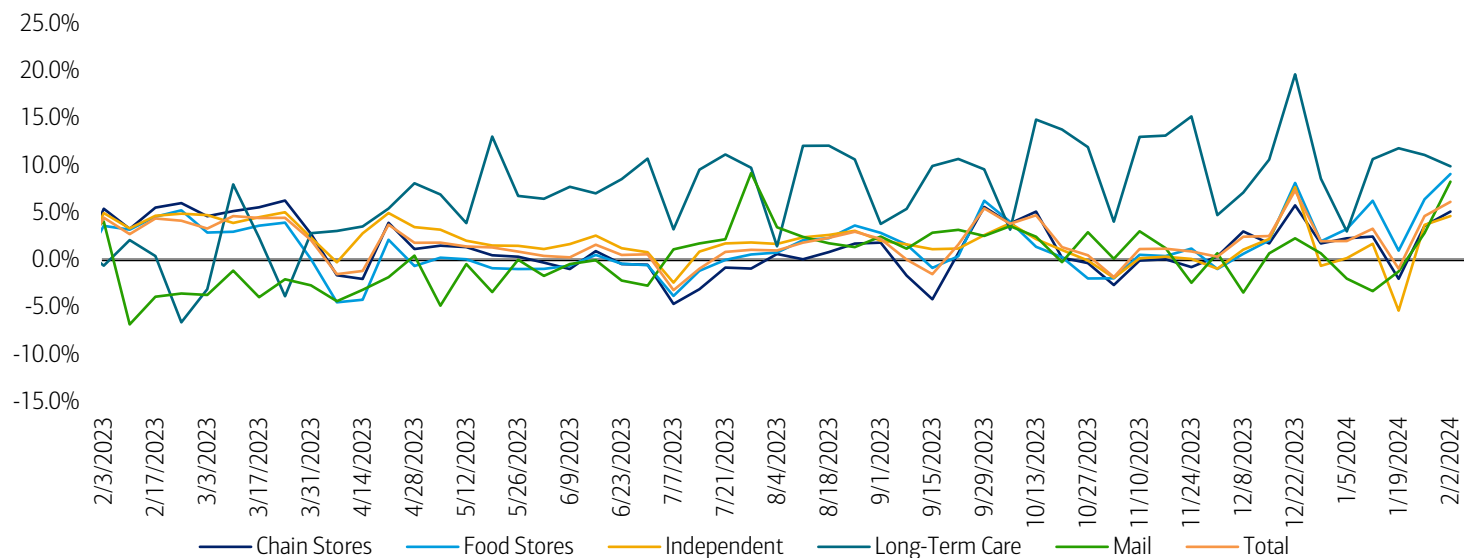
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Exhibit 5: Weekly New Rx Volume Growth of 6.1% Y/Y by Channel (Feb'23-Feb'24)

Over the past year, total NRx for Long-Term Care continued to see strength



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