

# DE MARK Newsletter

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## NEW POLICIES AND ACTIONS

1-----On November 18, Anti-monopoly Guidelines in APIs (referred to as "the Guidelines") were issued and implemented. It applies to APIs, pharmaceutical excipients and upstream chemical raw materials and pharmaceutical intermediates.

The Guidelines aims to prevent and stop monopolistic behaviour in APIs and maintain the market competition rules. This policy will bring a profound impact on the operation and supervision of China's API industry. And at the same time, it will help reduce drug production costs and promote innovative R&D and technological promotion in the pharmaceutical industry.



2-----A total of 26 cities in 10 northern provinces launched a level II emergency response on November 16 to reduce the impact of heavy pollution on public health. The main measures include strict control of emissions from heavily polluting enterprises, traffic control and off-peak production (production will be halted or reduced if necessary). It becomes a certainty of negative impact on chemical and pharmaceutical market supply.

## APIs MARKET

In October, the sharp rise in raw material prices, coupled with power rationing in some areas, has challenged average production, sparking a strong market reaction and an enormous increase in APIs prices. Since the beginning of November, the overall veterinary drug API market has fallen, and the price has gradually returned rationally.

In addition, due to the winter haze weather and the approaching of the Beijing Winter Olympics, environmental protection departments will strengthen pollution control, production restrictions in northern China become a normal phenomenon. Furthermore, inland logistics and transportation are hindered by cold weather and the tradition of stocking

goods before the Spring Festival. All these factors provide the current market with relatively strong support.

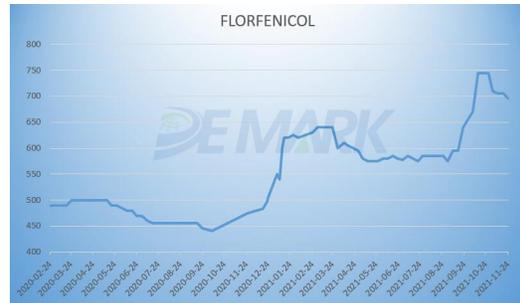
### **Tylosin/Tilmicosin**

Mainstream factory supply has been relaxed, prices have weakened from high, with more room to reduce.



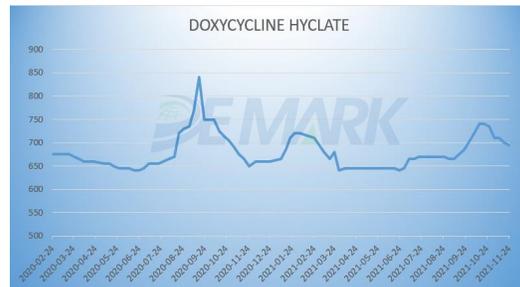
### **Florfenicol**

Most factories have stock, traders are in no hurry to replenish stocks, the price is falling.



### **Doxycycline HCl**

Prices return to rational with considerable bargaining space.



For market trends of other veterinary APIs and enquiries, please contact us.

## VITAMIN MARKET

Affected by dual control of energy consumption, tight supply of raw materials and rising costs, upstream factories aggressively raise prices. Domestic distribution channels are under pressure from inventory funds and are willing to deal at negotiable prices; Downstream demand is still slack with much low procurement enthusiasm, rigid demand procurement mainly. The market is relatively calm, and more attention is needed to the factory's production and delivery.

### **Vitamin A**

On November 5, ZMC raised the quotation to 360 yuan/kg, and the market reported that DSM offered 400 yuan/kg on November 9. On November 16, BASF announced the production of VA(1 million IU) in Europe and will phase in regular supply from January 2022.

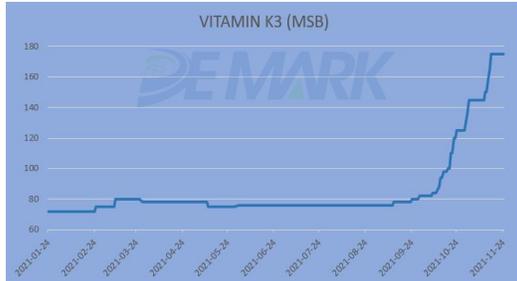
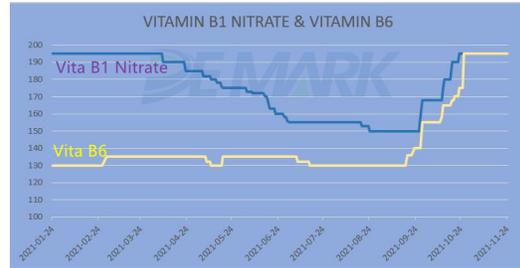


### **Vitamin E**

On November 5, ZMC raised its quotation to 105 yuan/kg. On November 9, the market reported that Imante (DSM & Nenter joint venture company) planned for maintenance this month for 6-8 weeks. The market is running strongly.

### **Vitamin B1 & Vitamin B6**

Due to raw material prices rising, VB1 & VB6 factory quotation remains high, and market inquiries are still positive. Jiangsu Tiger has stopped production and quotation on November 18.



### **D-Calphan & Vitamin K3**

In November, under the influence of rising production costs and dual control of energy consumption, the upward trend of calcium pantothenate is strong. Jiangsu Tiger suspended the quotation on November 18. Due to the shortage of raw materials, Vitamin K3 (MSB) maintains high prices and runs strongly

## FEATURED PRODUCTS



### **Sodium Butyrate 50% Coated**

Sodium Butyrate is the direct energy source for intestinal epithelial cells, used in piglet diets, growing-finishing pigs, and sow. It was also registered as the first replacement for in-feed antibiotics worldwide.

The premix is produced by specific preparation technology (adopts slow-release technology), which has the following features:

- No moisture absorption feature, particular fat stink,
- Good flowability, no dust, and easy mixing;
- Stomach by-pass and gradually released in GIT;
- Non-antibiotics growth promoter.

And benefits:

- Repair damaged epithelial cells, Increase intestinal villi height.
- Increase feed intake, improve the production performance.
- Bactericidal and antibacterial, a strong synergy with the antibiotic, and markedly growth-promoting effect.
- Stimulate effect for suckling piglets and weaning piglets, benefit to elevate weaning weight.