

Novartis profit up as world flocks to buy medicine

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The world has been stocking up on pharmaceuticals

Swiss pharma giant Novartis on Tuesday reported higher profits for the first quarter as customers rushing to buy treatments during the coronavirus outbreak boosted the bottom line.

Net profit for the [first quarter](#) rose 16 percent to \$2.1 billion while sales increased by 11 percent.

"COVID-19 did result in increased forward purchasing by customers, including at the patient level, as some patients filled prescriptions to cover a longer period of time," Novartis said.

The pharma giant said the pandemic had had "no material impact on our underlying business, financial condition, cash collections or liquidity".

Novartis added it feared no supply chain disruptions for most of its portfolio "at this time", and said it expected to be able to satisfy demand from continued forward purchases of drugs due to the pandemic.

Consequently, it maintained its outlook for the full year 2020, in which it expects core operating income to rise by a high single or low double-digit percentage.

Last week, Novartis announced it would sponsor a clinical trial in the US using hydroxychloroquine to treat patients hospitalised with COVID-19.

Novartis said it had reached an agreement with the US Food and Drug Administration (FDA) to go ahead with a phase III clinical trial with around 440 patients to evaluate whether the drug is efficient in treating coronavirus.

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