MUTUAL FUND
BAJAJ

SECTOR PRISM

PHARMA’S NEXT DOSE: VOLUME-LED GROWTH

June data points to a sharper domestic pharma recovery, with improving volumes, chronic-led demand and broad-based company growth.

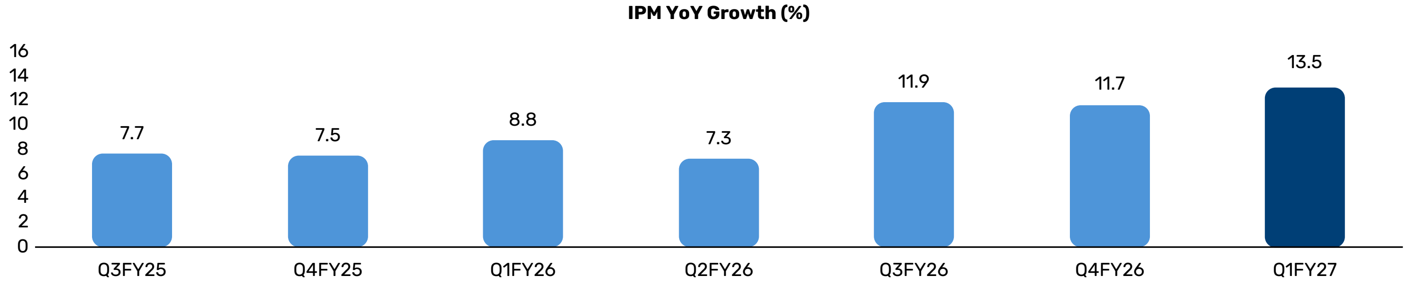
16%
June IPM* growth
Strongest monthly growth in recent quarters

13.5%
Q1FY27 IPM growth
Clear step-up from recent trend

3.4%
Volume contribution
Vs 1.2% in MAT** Jun'25
Pickup being driven more by core demand than by price hikes or launches

*IPM = Indian Pharmaceutical Market | **MAT = Moving Annual Total

IPM GROWTH STEPS UP IN Q1FY27



WHAT IS DRIVING THE RECOVERY?

UNDERLYING DEMAND IS STRENGTHENING

A pharma recovery driven by volume is healthier than one driven mainly by price. It signals stronger underlying demand, better prescription traction and broader consumption of existing brands.

CHRONIC THERAPIES CONTINUE TO LEAD

Chronic therapies grew 20% YoY, ahead of acute therapies at 13% YoY. Anti-diabetes and cardiac therapies were the key engines, both growing around 20%. This keeps the sector aligned with India’s long-term lifestyle-disease and wellness theme.

GROWTH IS BROAD BASED

The growth pickup was visible across a wide set of companies, not concentrated in one or two names. Data showed healthy double-digit growth across several Indian pharma companies and MNCs, pointing to a more balanced sector recovery.

DOMESTIC MOMENTUM IMPROVES VISIBILITY

If the current momentum sustains, the domestic formulations market could remain well positioned for stronger growth through FY27. A volume-backed recovery improves confidence in the sector’s earnings visibility, especially in core therapies with structural demand.

Key takeaway
Where once investors turned towards FMCG and gold for stability during times of uncertainties, Healthcare is now also drawing attention, supported by steady demand and improving domestic growth.

We continue to remain overweight on Healthcare, supported by structural demand drivers, improving domestic formulations growth and the sector’s long-term earnings visibility.

Source: DAM Capital Research | Data as on 15th July 2026

Name of MF – Bajaj Finserv Mutual Fund | Registration no. – MF/078/23/04