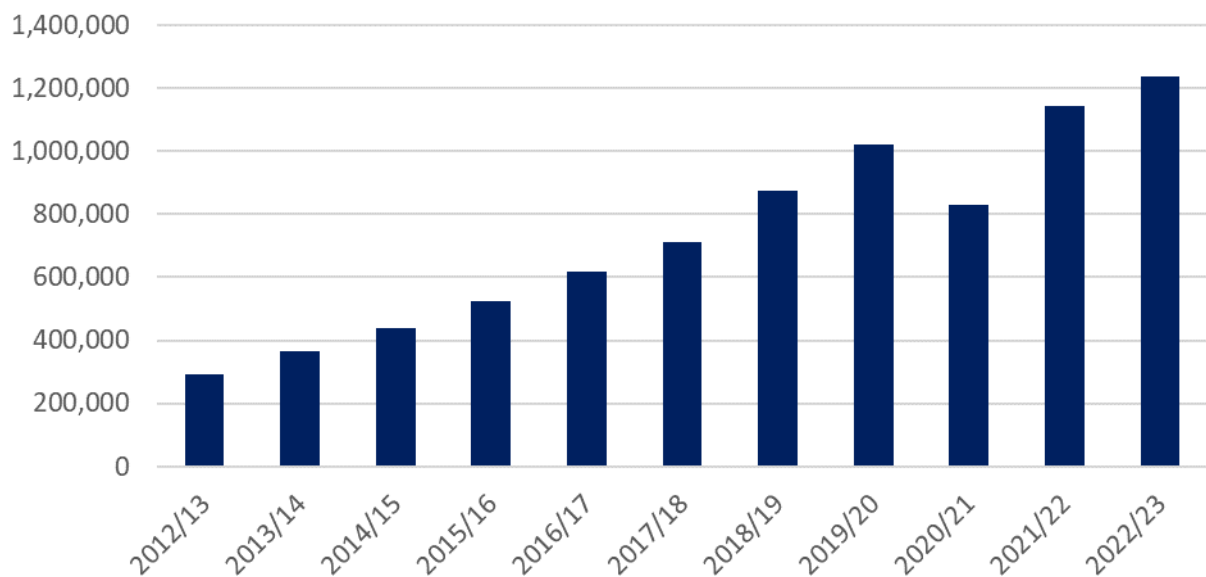


## Festive feasts

Although Novo-Nordisk has been selling obesity drugs for eight years, it has only been in the past 12 months where the public awareness of the benefits and availability of Wegovy and Saxenda has grown. With Eli Lilly expected to shortly gain approval for Zepbound (Mounjaro) in more than the United States, the statistical data of weight loss and health advantages are likely only to continue to grow.

Recent reports from NHS England reveal horrifying statistics as the scale of the obesity problem and its acceleration in recent years; in 2022/23 more than 3,000 people a day were admitted to hospital with obesity linked problems. Of the more than 1.2 million admissions each year 8,716 cases were for obesity as the primary reason for hospitalisation, highlighting the scale of complications and secondary problems related to obesity.

**Admissions with primary or secondary diagnosis of obesity**



Source: TIM/NHS England

In August, the results from the SELECT trial by Novo Nordisk were released, which showed that apart from weight reduction, their once weekly semaglutide decreased the risk of cardiac arrest events by 20%. In November, the company ended its FLOW trial early as the endpoint was met, showing a reduction in kidney-related conditions. These comorbidities are likely to be the tip of the iceberg as obesity is known to relate to numerous other chronic problems, thus increasing the benefit of treating the root causes of obesity early.



**Semaglutide is not only for diabetes.**



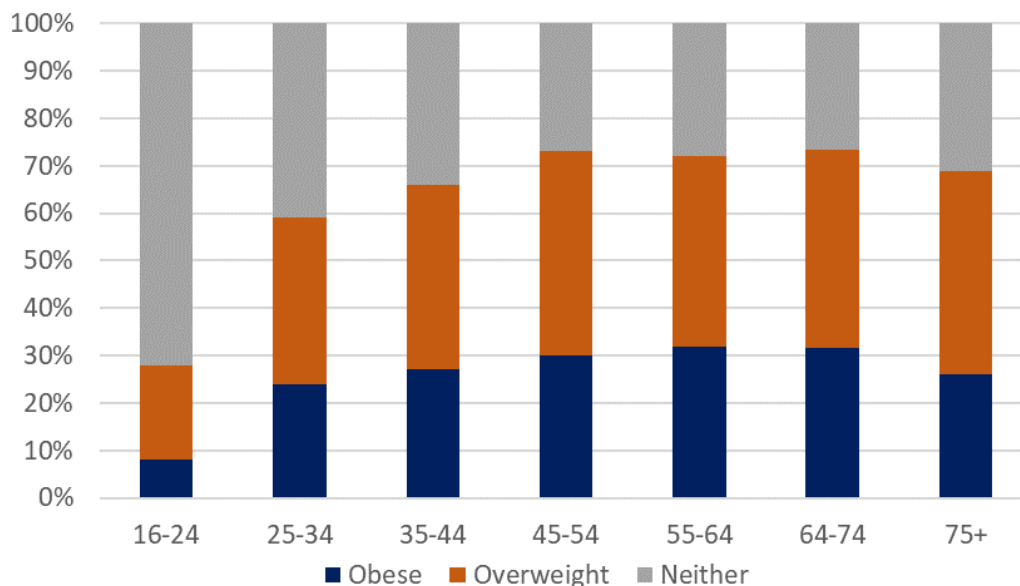
Source: Kalra, S. et al. Consensus Recommendations on GLP-1 RA Use in the Management of Type 2 Diabetes Mellitus: South Asian Task Force. Diabetes Therapy vol. 10 1645–1717 (2019).

Source: Reburn Atlantic

Recent data for England alone estimates that the cost of obesity to be in the region of £98bn a year, of which the NHS treatment accounts for £19bn and economic productivity losses of £15bn. At present the NHS will only pay for obesity drugs for those with a body mass index (BMI) of 35 or 30-35 provided they meet the criteria for referral to a specialist weight management service and conventional treatment has been unsuccessful.

The Health Survey for England in 2021 estimated that 26% of adults in England are classified as obese, and a further 38% as overweight using the 30 and 35 thresholds. Worryingly, although this is more acute in the older cohort, 10% of reception stage children are classified as obese and a further 12% as overweight, suggesting that the overall number are set only to increase over time should the root causes not be addressed.

**England has an obesity problem.**



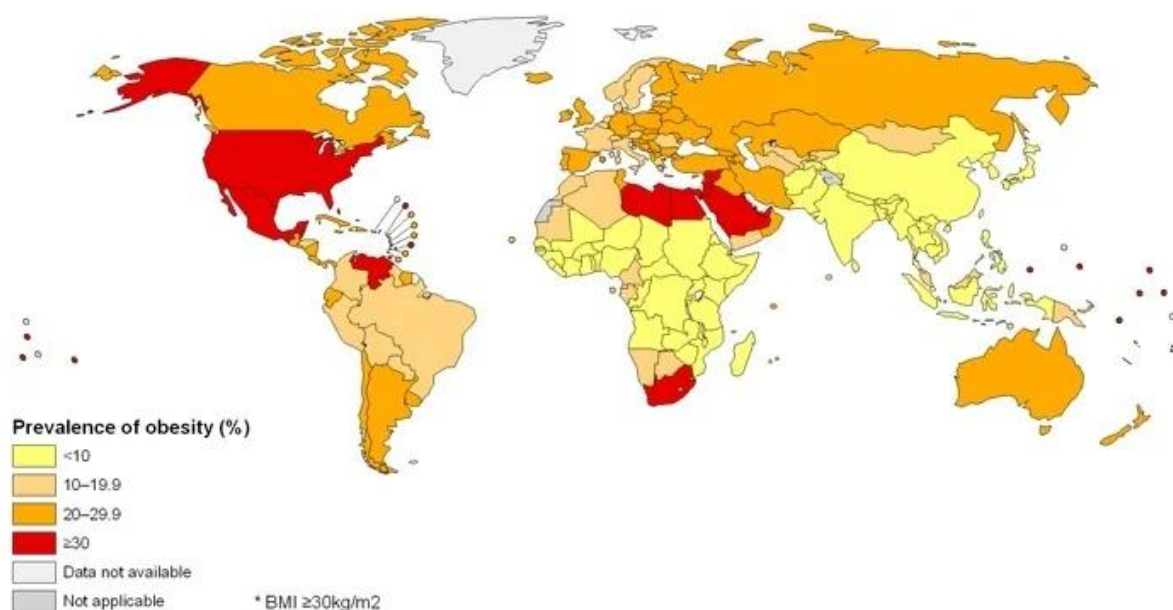
Source: TIM/ NHS England



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England is not alone in having an obesity problem, according to the World Obesity organisation, its ranks 29<sup>th</sup> globally by percentage of males who are obese and 60<sup>th</sup> in the female population, the United States by comparison ranks 14<sup>th</sup> and 30<sup>th</sup> respectively. The global problem continues to grow and in 2021 the WHO estimated that over 1 billion people were obese having tripled since 1975, although they have a lower threshold of 30 for what classifies as obese.



Source:WHO

The demand for Eli Lilly & Novo Nordisk's drugs appear to address an enormous unmet need if global obesity rates and related medical costs are to be addressed, but as both companies would agree, these drugs alone will not prevent obesity and an overall improvement in lifestyle choices need to be undertaken in tandem; Perhaps you might want to think twice before taking a second helping on Saturday evening or Sunday afternoon.

**Richard Scrope CFA, Fund Manager, VT Tyndall Global Select Fund, 18<sup>th</sup> December 2023**

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