

Pfizer macroeconomics

[Literature](#), [Russian Literature](#)



Pfizer Microeconomics Pfizer Macroeconomics There are various macroeconomic variables that affect the demand and supply of Pfizer pharmaceuticals. One of the variables is the GDP that enables income earners, producers and macroeconomic planners to take appropriate rational and pre-emptive actions. Such actions assist the firm to avoid any negative effect of a change in the direction of the economy. When GDP is high in the countries that Pfizer pharmaceuticals supply their products, the result is that the demand will be high as the people have better living standards. It is with no doubt that the profit margins of the company always increase.

Unemployment is also another macroeconomic variable that affect the company's supply and demand. When the percentage of the unemployed is high, the market for medicines is low. This is because the unemployed will prefer buying the cheaper and the local medicines that are available in their location. Thus, unemployment leads to low sales in Pfizer pharmaceuticals (Gupta, 2004).

Inflation also has affected the supply and demand of Pfizer pharmaceuticals. This happens when the economies of the countries that the firm supplies its products grows and pushes all prices significantly over a particular time above the actual utility value of goods and services. When there is cost-push inflation, the company is forced to pass the cost to the consumers leading to increased prices. The result from the cost-pull inflation is that there is low demand for our products and usually our competitors take advantage of the situation. Also, interest rate is another variable that affect the demand and supply of our medicines. When the interest rate is high in a particular country the demand tend to be low as the cost of obtaining credit is high.

This hinders those people who want to start chemists business to not demand our products as they cannot access funds to boost their purchasing ability (Barro, 2007).

France Table

The chart shows data during a period of five years. When the GDP of France is high it is evident that the unemployment rate is low. Thus, the Pfizer get to make more sales as the demand is high. When the interest rate is high the demand of the product tends to reduce (Marthinsen, 2014).

In conclusion, the observation that I make from the movement of microeconomics variables in the Pfizer's pharmaceuticals is that they affect the supply and demand of the company's product. A variable like the inflation tend to increase the price of the drugs in the market. This is evident due to an abrupt growth of a country GDP which makes the demand of products to be high. As for the countries that have high unemployment level the demand of a better healthcare is minimal as their living standards limit them.

References

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