Market Pulse

March 2026

Northern BioStrategies

Market Highlights

- March saw continued large-cap dealmaking, led by Novartis's up to $2B Excellergy acquisition and Eli Lilly's ~$6B–$7B Centessa deal, reinforcing strong demand for late-stage and strategic assets.
- Positive Phase 2 data (litifilimab), new immunology breakthroughs (EXL-111), and U.S. Food and Drug Administration approval of teclistamab combination therapy highlight sustained pipeline innovation across oncology and immunology.
- Total deal value exceeded ~$9B in March, with venture funding and partnerships focused on fewer, high-value opportunities, particularly in immunology, neuroscience, and cardiometabolic diseases.

Investment and M&A Activity

- **M&A:** Novartis acquires Excellergy (up to $2B), strengthening its immunology pipeline through an IgE-targeting therapy (EXL-111) and supporting expansion in allergy and inflammation.
- **M&A:** Eli Lilly acquires Centessa Pharmaceuticals (~$6.3B–$7.8B), expanding its neuroscience portfolio with a focus on sleep disorders including narcolepsy and hypersomnia.
- **Partnership:** Merck & Co. partners with Infinimmune (~$838M), establishing a multi-antibody discovery collaboration across therapeutic areas and reinforcing reliance on external innovation.

Academic & Clinical Insights

- **Key Breakthrough:** Next-generation allergy biologic EXL-111 (via Novartis acquisition) demonstrates improved IgE suppression versus existing therapies in early studies.
- **Approvals:** The U.S. Food and Drug Administration approves teclistamab with daratumumab for refractory multiple myeloma, expanding the clinical use of bispecific immunotherapies.
- **Clinical Milestones:** Biogen reports positive Phase 2 results for litifilimab in cutaneous lupus, meeting its endpoint with significant reductions in disease activity versus placebo, supporting progression to Phase 3 trials.

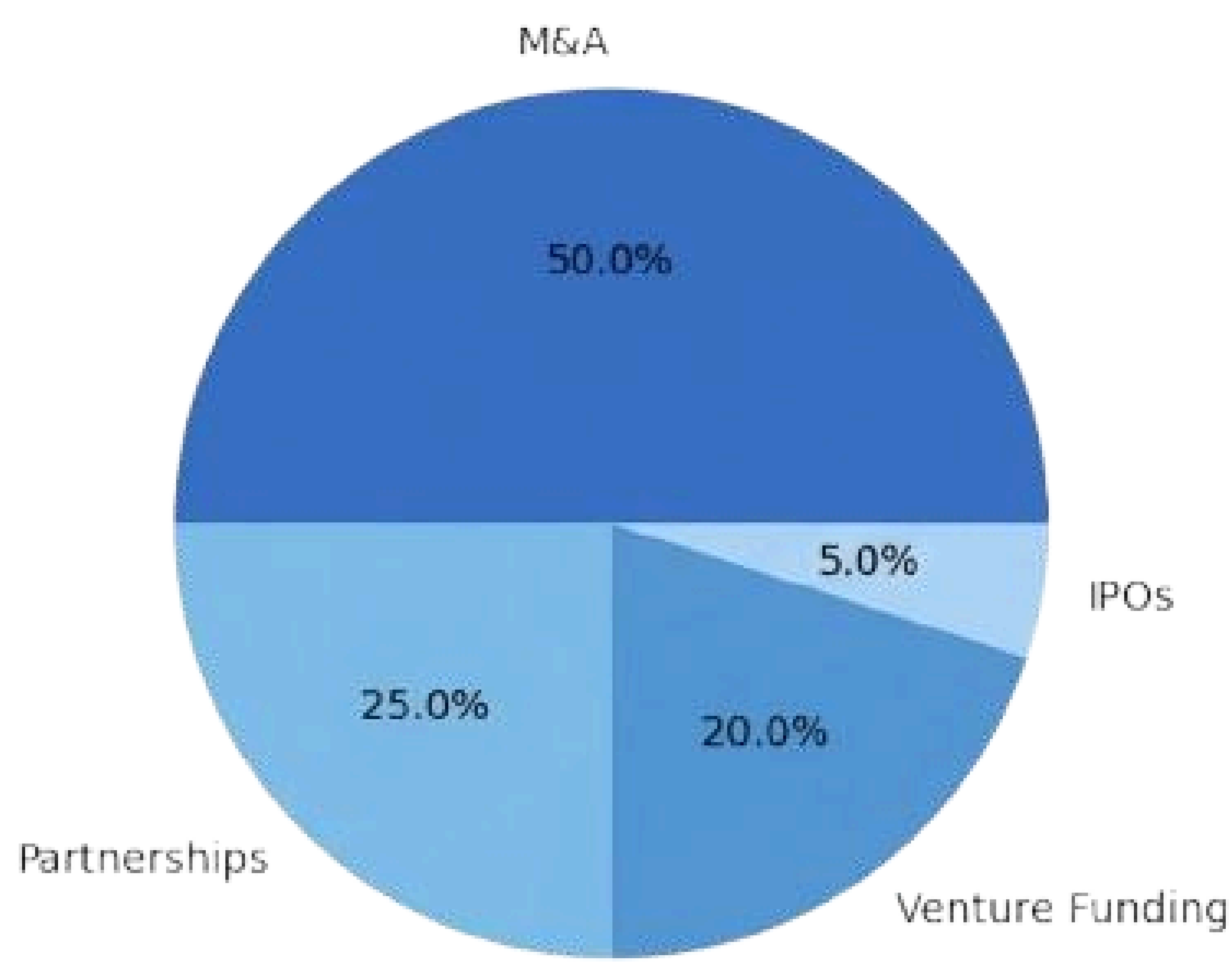
Company Spotlights

- **Expansion into obesity therapeutics::** Roche reports positive Phase 2 data for petrelintide (amylin analogue), demonstrating ~0.7% weight loss versus placebo, marking entry into the competitive obesity therapeutics market.
- **Strategic diversification:** Expansion reflects Roche's shift beyond oncology into high-growth cardiometabolic disease areas.
- **Pipeline focus:** Continued investment in obesity and metabolic therapies signals long-term competition with leaders such as Novo Nordisk.

Regulatory & Policy

- European Medicines Agency advances implementation of new EU pharmaceutical legislation, focusing on improving patient access, strengthening supply chains, and enhancing coordination across member states.
- The European Medicines Agency introduces new tools under its PRIME scheme to accelerate development of medicines targeting high unmet medical need.
- The U.S. Food and Drug Administration issues a warning to ImmunityBio over misleading claims related to a cancer therapy, reinforcing stricter oversight of promotional practices and scientific communication.

Biotech Capital Allocation (March 2026)



Investor and Market Sentiment

- **Market Overview:** Total disclosed biopharma deal value in March exceeds ~$9B across major transactions, signalling sustained momentum in large-cap pharma M&A activity.
- **Deal Trends:** Average deal sizes continue to increase in 2026, with multi-billion-dollar acquisitions dominating activity as companies prioritise fewer, high-impact transactions.
- **Venture Finding:** Venture funding remains concentrated, with individual biotech rounds commonly exceeding $50M–$100M, reflecting continued investor focus on high-quality, late-stage assets..

Regional Activity (Newcastle)

- Life sciences cluster growth: Newcastle's research ecosystem continues to expand, supported by national initiatives to scale university spinouts and attract investment, alongside active collaboration between academia, NHS and industry within innovation hubs such as Newcastle Helix.
- Clinical research expansion: Newcastle Hospitals NHS Foundation Trust advances oncology research activity, including a March 2026 radiotherapy trial for rare lung cancer, reinforcing its role as a key UK clinical research centre.