

The beginning of the end of the Covid-19 testing boom?



[Elizabeth Cairns](#)

Three months ago Abbott's chief exec Robert Ford said that demand for Covid testing had not peaked. This now looks wide of the mark given that the company's first quarter Covid-19 test sales came in at \$2.2bn, below its rather punchy forecast of \$2.5bn. Presumably this reflects reduced need for coronavirus tests as vaccination programmes take effect. Still, \$1.8bn of the Q1 figure came from the cheap lateral flow antigen tests BinaxNow and Panbio, plus Abbott's portable viral RNA test ID Now; sales of these were down 5% from the last quarter of last year, whereas Abbott's overall Covid test revenues slid further, down 8%. This suggests that demand for Abbott's more expensive tests is decreasing faster. Abbott's antigen tests are some of the cheapest available, and Abbott said that global demand is shifting to cheaper technology. The risk for diagnostics groups selling more costly Covid-19 assays is that their revenues could slide more steeply. Though Abbott's shares were down 4% in early trade, management reiterated its full-year 2021 Covid-19 test revenue guidance of \$6.5-7bn, as well as its full-year EPS guidance of \$5.

[More from Evaluate Vantage](#)

Evaluate HQ
[44-\(0\)20-7377-0800](#)

Evaluate Americas
[+1-617-573-9450](#)

Evaluate APAC
[+81-\(0\)80-1164-4754](#)

© Copyright 2022 Evaluate Ltd.