

The US\$ 1.6 billion lubricant antioxidants market is likely to witness 3% y-o-y in 2019, opines a new study by Fact.MR. Gains are likely to be driven by growing applications of lubricant antioxidants in various industrial sectors, especially automotive and transportation. The study remains bullish on growing demand for lubricant antioxidants in East Asia, with China leading the rally.

The Fact.MR study finds East Asian countries, including China, Japan, and South Korea, account for around one-fourth revenue share of the global market. Demand for lubricant antioxidants from these three East Asian countries was valued at nearly US\$ 435 million in 2018. A strong automotive industry, combined with growing investment in high-quality lubricants is likely to sustain market growth in East Asia.

The use of zinc dialkyldithiophosphates (ZDDPs) in gasoline or diesel engine oils and automotive lubricants has plummeted significantly over the past few years. Lubricant antioxidants have emerged as an efficient alternative to ZDDPs in automotive lubricants. These developments, the study opines, will push demand for aminic and phenolic antioxidants in 2019 and beyond.

### **Multimillion-Dollar Investments to Expand Production Capacities in China**

Fact.MR finds that a mounting number of stakeholders in the lubricant antioxidants market perceive East Asia as the biggest consumer of automotive lubricants and are investing heavily to expand their product capacities in the region. Large chemical companies and oil industry players, such as BASF, Chevron, SONGWON, and Evonik, have invested heavily in lubricant additive technologies to capitalize on China's fast-growing automotive industry and lubricants market.

The study observes that a majority of leading players in the lubricant antioxidants market are investing heavily in China to leverage China's highly efficient and reliable logistics capabilities. Fact.MR opines that these developments are likely to create a strong market for lubricant antioxidants, not only in China, but in the larger East Asia region.

### **Lubricant Antioxidant Demand Growing Across a Range of Industries**

The Fact.MR study finds that although applications as automotive lubricants and engine oils account for around one-third share of the global market, demand continues to surge across a range of industries. The study opines that applications as industrial lubricants will create sustained opportunities for manufacturers in the near future.

Increasing industrialization is fuelling demand for high-performance industrial lubricants as improving the durability of machines and boosting operational efficiency gain center stage. The Fact.MR study opines that this will remain a primary driver for increasing applications of lubricant antioxidants in the industrial sector in the next decade. Leading players in the [lubricant antioxidant market](#) are expected to realign their salient business strategies to capitalize on this trend in the market.

### **High Cost Can Limit Widespread Adoption**

According to the Fact.MR study, demand for lubricant antioxidants is growing at a healthy rate, however, their adoption continues to be inhibited by the relatively higher cost of lubricant antioxidants. Manufacturers continue to incur high costs while manufacturing lubricant antioxidants, and these costs are passed on to the end-user. The study opines that availability of cheaper alternatives can pose a deterrent to the growth of the market during the assessment period.

The Fact.MR study offers analysis on lubricant antioxidants market for the forecast period 2018-2028. According to the study, the global lubricant antioxidants market will witness healthy growth at a value CAGR of 3.6% throughout the assessment period.