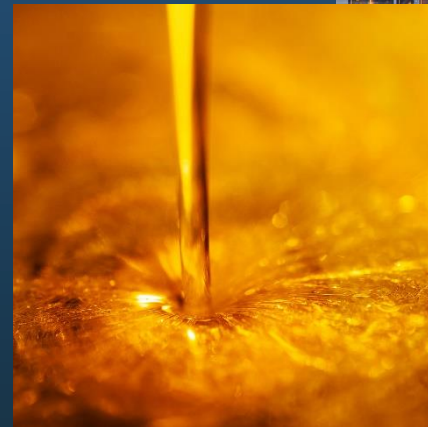




# POV ON LUBRICANTS



Forbes **2023**  
AMERICA'S BEST  
MANAGEMENT  
CONSULTING FIRMS

## LUBRICANTS MARKET : KEY TRENDS



There has been an increasing demand for bio-based lubricants due to environmental concerns and a push towards sustainability.



Energy-Efficient Formulations: Lubricants reducing friction, wear, and energy consumption.



Digital Integration: Condition monitoring and predictive maintenance optimize usage and reduce costs.



Companies are leveraging data analytics and machine learning to provide customized lubrication solutions based on real-time data from equipment sensors.



Regional Asian lubricant players entering new markets and competition expected to grow



Omni-channel Strategy: Focus on eCommerce and aggregators; attractive strategies in workshops.



Lubricant players entering Electric Vehicle market with new products



Adjacent market penetration in Automotive market by entering Filters, Cleaning and other related shelf products.



Companies are trying increase their indirect sales specially for industrial



Shift to Synthetic Lubricants: Rising adoption in North America due to superior performance.



Mining Industry Demand: High-performance lubricants for extreme conditions in North America and Europe



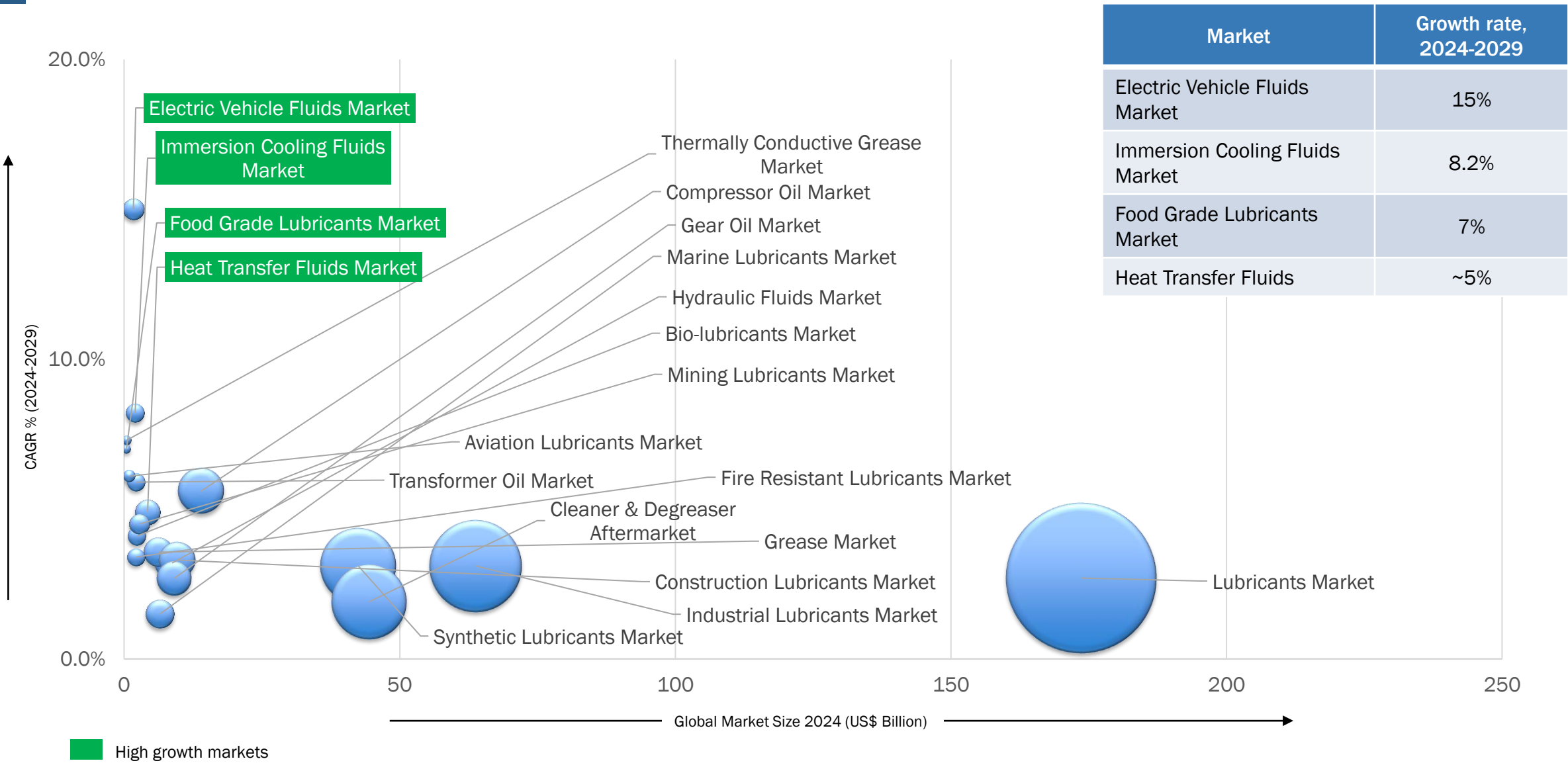
A rise in lubricant change intervals (From 2K Hours to 5K hours for hydraulic oils) will have an impact on construction lubricants.



Sustainable Lubricants: Limited use due to cost; legal mandates may drive adoption.



# TAM EXPANSION: HIGH GROWTH MARKETS WITHIN LUBRICANTS



# HIGH GROWTH MARKET OPPORTUNITIES - LUBRICANTS



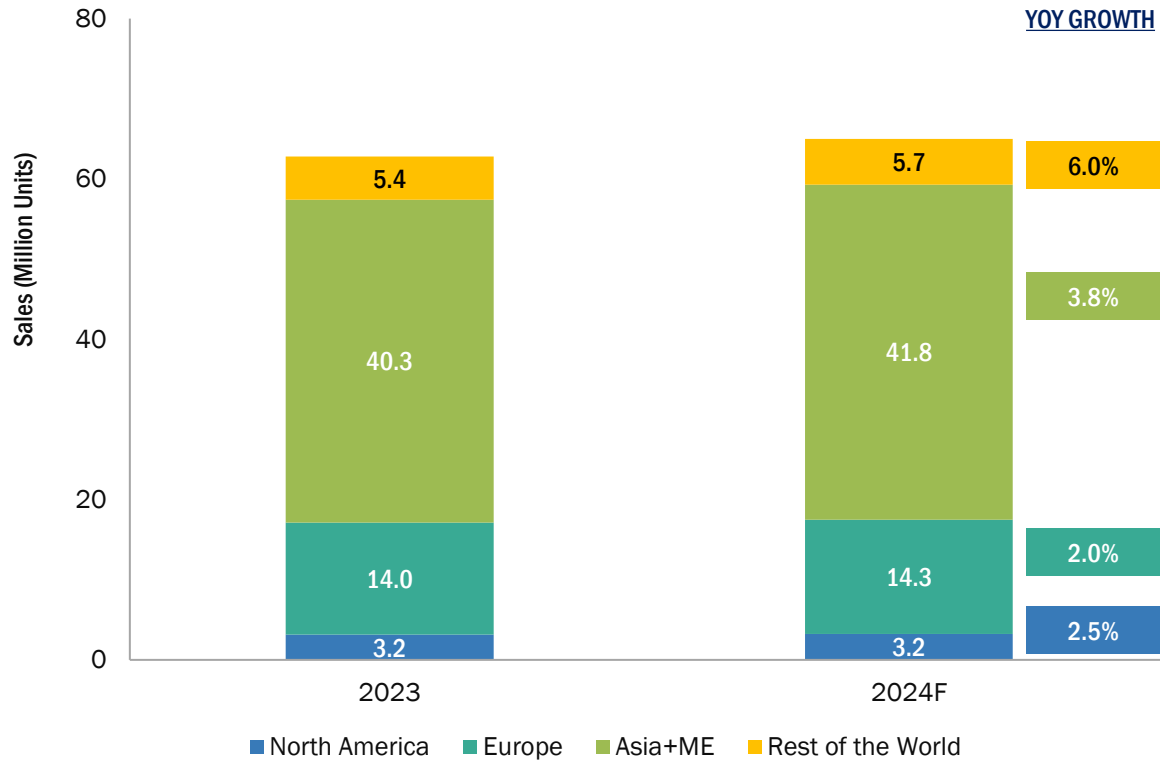
AREA OF INTEREST/SEGMENT	MARKET OPPORTUNITY AND CAGR	KEY PLAYERS	KEY IMPACTING FACTORS
<p>IMMERSION COOLING FLUIDS MARKET</p>	<p>2023 <b>1.8 BN</b></p> <p>2030 <b>3.2 BN</b></p> <p>CAGR <b>8.2%</b></p>		<ul style="list-style-type: none"> <li>▪ The immersion fluid cooling market is propelled by the increasing server density, expanding electric grids in Asia Pacific, along with the rising demand for energy-efficient and eco-friendly cooling solutions in data centers. It will emerge as there are growing demand for bio-based oils and the demand of immersion cooling in electric vehicle batteries are increasing.</li> <li>▪ The market faces restraints due to the toxicity of fluorocarbon-based fluids and environmental concerns related to mineral oil in transformers. The retrofitting of immersion cooling solutions in data centers and susceptibility to fluctuations in crude oil prices, raise some challenges in this market.</li> </ul>
<p>ELECTRIC VEHICLE FLUIDS MARKET</p>	<p>2023 <b>1.4 BN</b></p> <p>2030 <b>3.9 BN</b></p> <p>CAGR <b>15%</b></p>		<ul style="list-style-type: none"> <li>▪ The surge in electric vehicle demand is a primary driver for the electric fluid market, fueled by the specific fluid requirements of these vehicles. The market flourishes from stringent government mandates and initiatives supporting electric vehicles.</li> <li>▪ Initial high costs and lack of public charging facilities impacts the market growth. Challenges include a lack of awareness regarding the benefits of electric vehicle fluids and the necessity for standardized technologies in the driveline.</li> </ul>
<p>FOOD GRADE LUBRICANTS</p>	<p>2023 <b>0.37 BN</b></p> <p>2030 <b>0.6 BN</b></p> <p>CAGR <b>7.0%</b></p>		<ul style="list-style-type: none"> <li>▪ The global food grade lubricants market is experiencing significant growth driven by stringent food safety regulations, increasing demand for food processing machinery, and rising awareness about the importance of food hygiene.</li> <li>▪ With a focus on preventing contamination and ensuring compliance with industry standards, manufacturers are increasingly adopting food grade lubricants across various segments of the food and beverage industry, propelling market expansion.</li> </ul>

# GLOBAL PASSENGER VEHICLE SEGMENT PERFORMANCE: 2023 VS. 2024

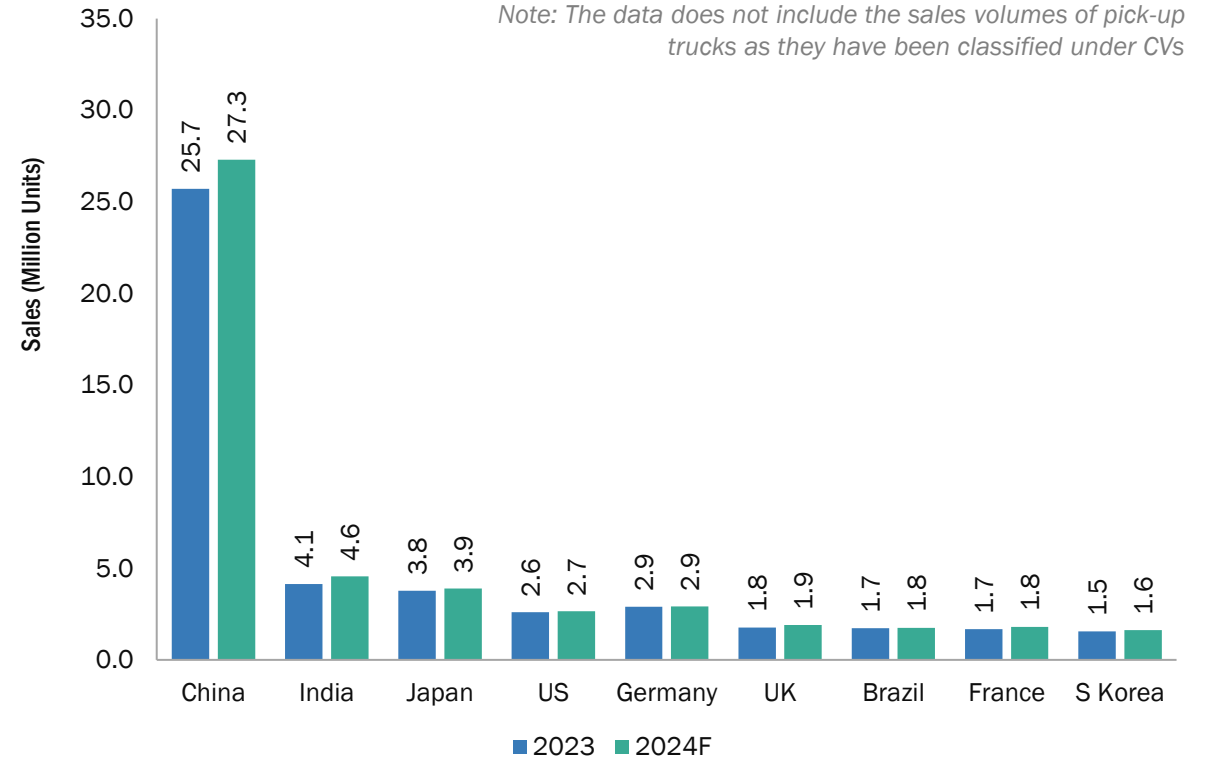


WITHIN REGIONAL MARKETS, THE ASIA+ME REGION WILL ACCOUNT FOR A 64.3% SHARE OF PASSENGER VEHICLE SALES VOLUMES, DRIVEN BY THE PRESENCE OF MAJOR MARKETS SUCH AS CHINA, INDIA, JAPAN, SOUTH KOREA, AND THE ASEAN BIG 3. THE REGION IS PROJECTED TO GROW BY 3.8%

PV SALES VOLUME, BY REGION, 2023 VS. 2024



PV SALES VOLUME, BY KEY COUNTRIES, 2023 VS. 2024



**SALES OUTLOOK**

# China domination to continue; India to follow closely

# Customer inclination – connected, sustainable, & personalized driving experience

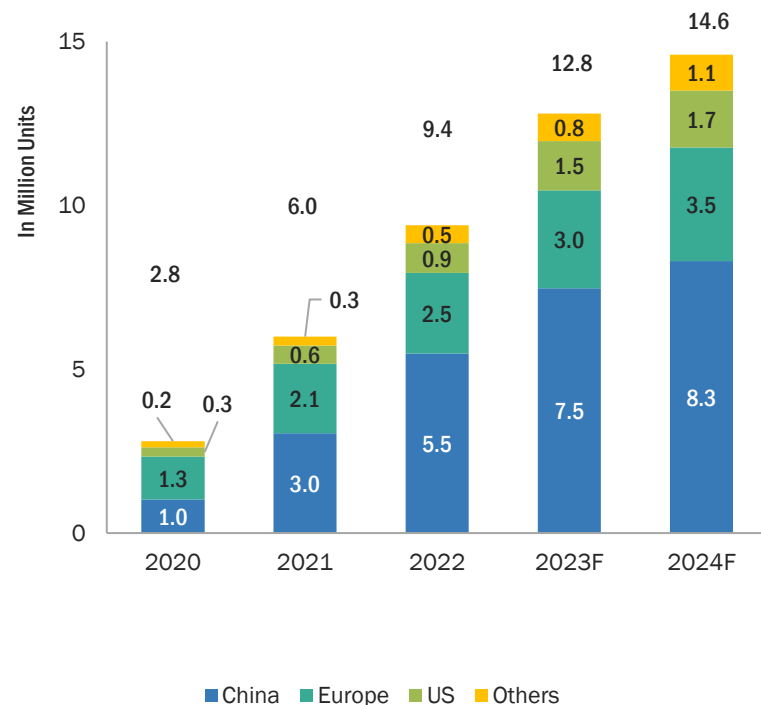
Source: MarketsandMarkets Analysis, Secondary Research, Discussions with Experts

# KEY TRENDS IN 2024: GLOBAL EV SALES GROWTH TO DECELERATE

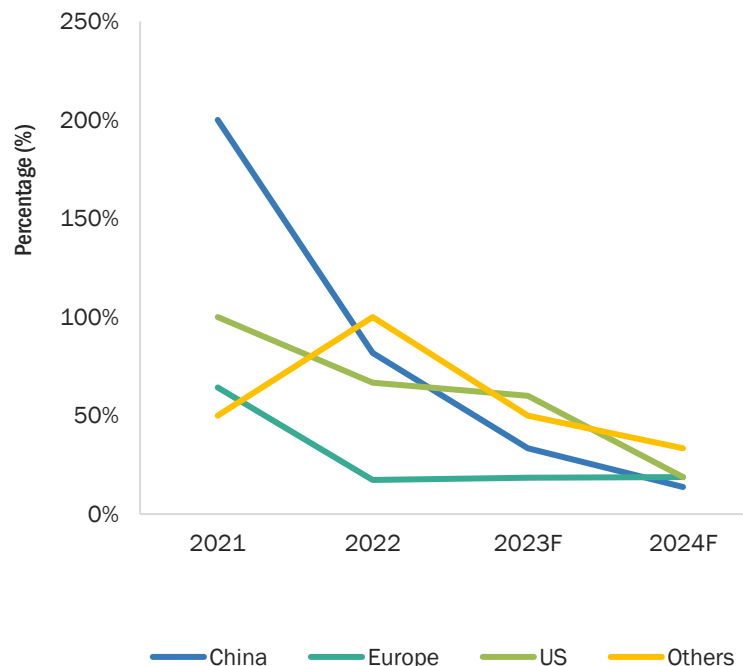


WHILE THE VOLUME OF SALES OF ELECTRIC VEHICLES IS GROWING IN MOST MARKETS, THE RATE OF GROWTH IS SLOWING DOWN. FOR EXAMPLE, IN THE US, EV SALES IN 2024 ARE EXPECTED TO GROW YEAR-ON-YEAR (YOY) BY MERELY 16% COMPARED TO ~64% IN 2023. IN CHINA, YOY GROWTH IN 2024 WOULD BE 11.1% COMPARED TO 36.5% IN 2023

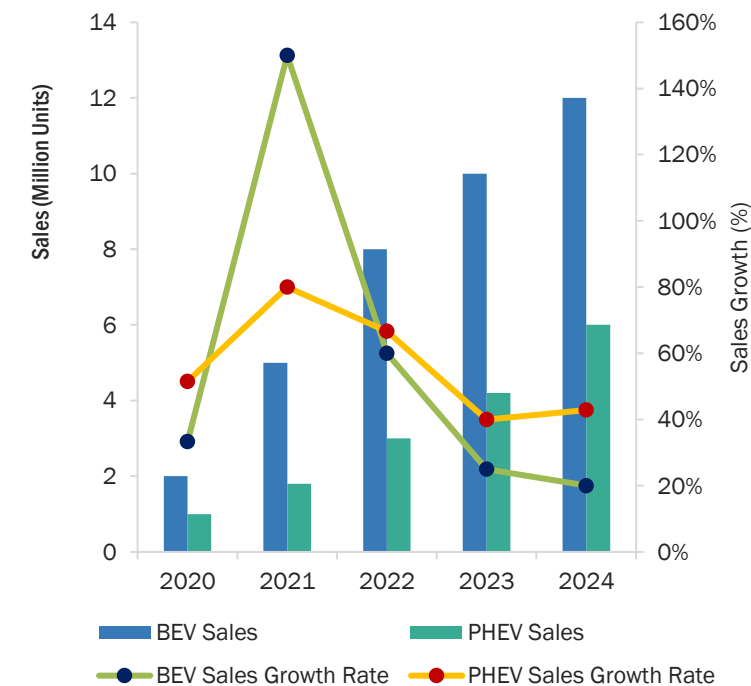
## GLOBAL ELECTRIC PASSENGER VEHICLE SALES VOLUME



## GLOBAL ELECTRIC PASSENGER VEHICLE SALES: YOY GROWTH



## GLOBAL BEV & PHEV SALES



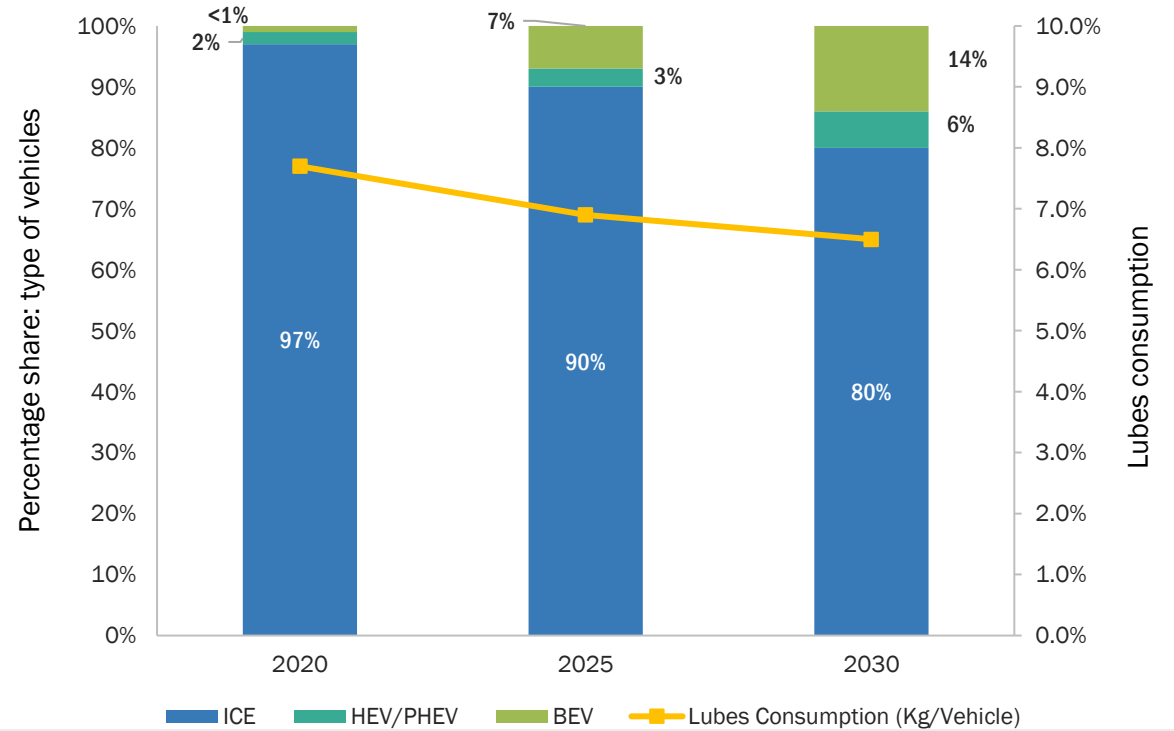
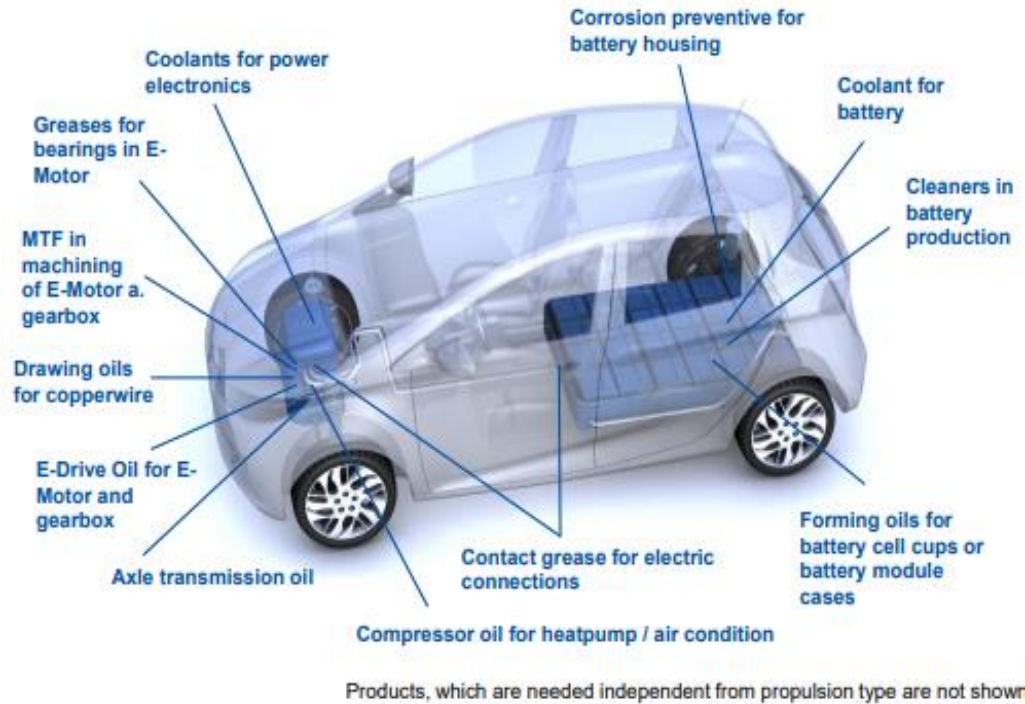
TESLA'S PRICE REDUCTIONS, DWINDLING INCENTIVES, AND ESCALATING COSTS, INCLUDING RISING LABOR EXPENSES IN THE US, ARE COLLECTIVELY CONTRIBUTING TO THE DECELERATION IN SALES GROWTH

Source: MarketsandMarkets Analysis, Secondary Research, Discussions with Experts



# VEHICLE ELECTRIFICATION AND E-MOBILITY PROVIDES OPPORTUNITY IN EV FLUIDS BUSINESS

## LUBRICANT CONSUMPTION FOR ICE VEHICLES, HYBRID/PLUG-IN HYBRID, AND BATTERY ELECTRIC VEHICLES – LUBE VEHICLES PARC BY DRIVETRAIN VS. LUBES CONSUMPTION



TRANSMISSION FLUIDS, GREASE AND COOLANTS ARE KEY ELECTRIC VEHICLE FLUIDS USED IN DIFFERENT COMPONENTS OF AN ELECTRIC VEHICLE



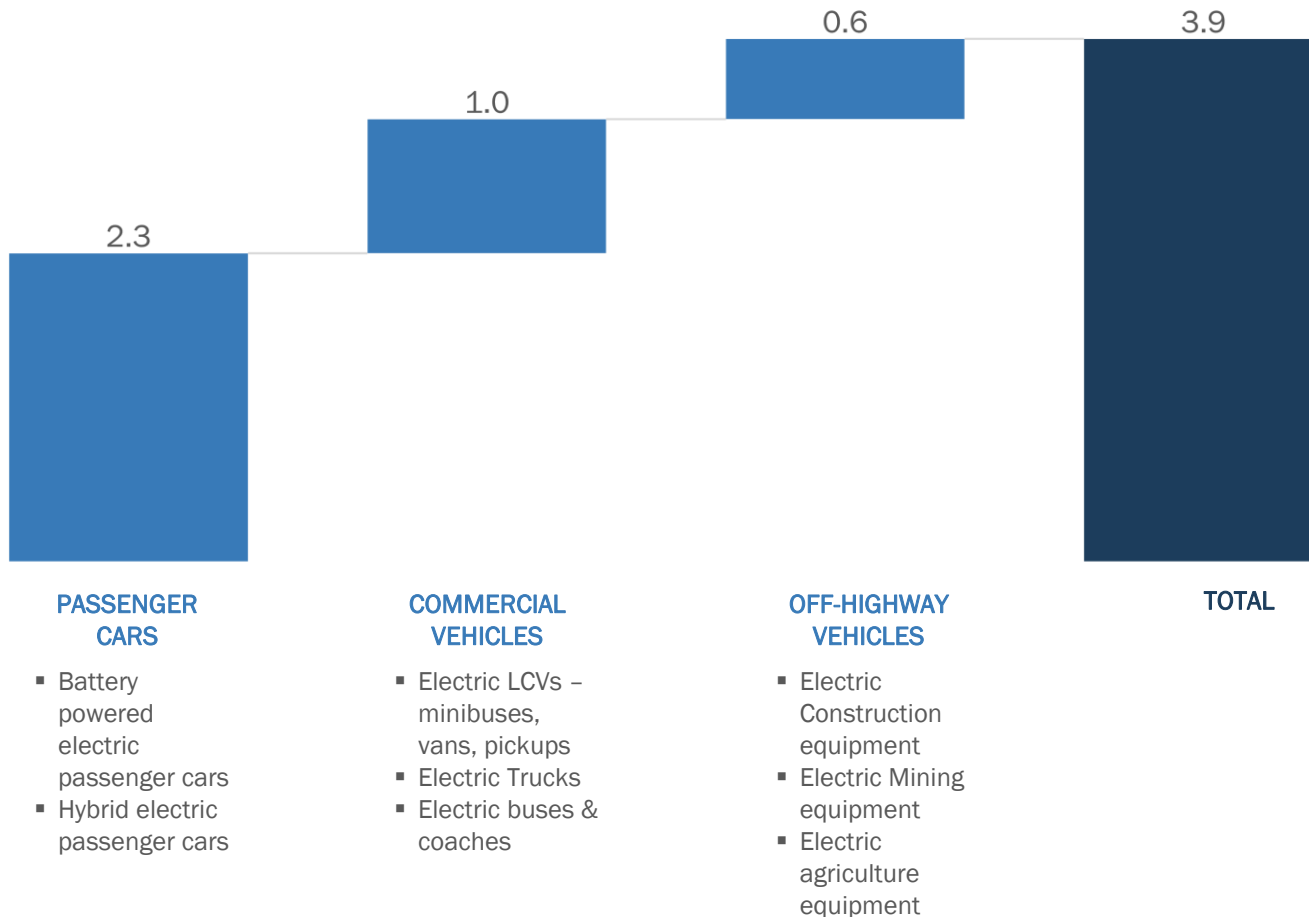
LUBES CONSUMPTION IS EXPECTED TO DECREASE FROM 97% (2020) TO BY 80% (2030) IN ICE VEHICLES. AT THE SAME TIME, NEW OPPORTUNITIES LIES IN BATTERY ELECTRIC VEHICLES AND HYBRID/PLUG-IN HYBRID VEHICLES, WHICH WILL ACCOUNTED FOR 14% AND 6% BY 2030, RESPECTIVELY

Source: Secondary Research and MarketsandMarkets Analysis

# THERE IS ~USD 3.9 BN POTENTIAL WITHIN ELECTRIC VEHICLE FLUIDS APPLICATIONS, MORE THAN HALF OF WHICH IS CONTRIBUTED BY PASSENGER VEHICLES



## MARKET POTENTIAL WITHIN ELECTRIC VEHICLE FLUIDS IN DIFFERENT APPLICATIONS BY 2030 (US\$ BILLION)



### KEY INSIGHTS

#### INCREASING PENETRATION OF EV:

- **By 2030**, more than **40% of new cars sold** globally could potentially be **electric**, due to increasing consumer acceptance & greater availability of EV choices.

#### TAX CREDITS FOR EV CUSTOMERS:

- **The U.S. provides tax credits** to consumers opting for EVs and charges additional tax from consumers buying ICE vehicles. The aid of **USD 7,500** is only open to vehicles **built in North America** and restrictions are also placed on where the batteries are sourced.
- **Germany** provides subsidies of **USD 3,600** and a **USD 2,450** bonus for hybrids costing below **USD 48,000**. Until 2030, a one-off subsidy of up to **50%** of the purchase of **purely electric vehicles** utilized for commercial deliveries.
- **Under the 2021** policy of **China**, pure EVs with a driving range of 300-400 km will get a subsidy of approximately **USD 2,000 per vehicle**.

#### FAVORABLE LAWS FOR THE INDUSTRY:

- **California State of U.S.** passed a law demanding **all new cars sold by 2035** in the state to generate **zero tailpipe emissions**. New York also proposed a similar rule.





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# THANK YOU

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