

Germany

Lubricants Sales 2016

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Introduction

After the financial crisis in 2009 the German lubricants market recovered quite fast and has stabilised at a high level since 2011.

In 2016 the lubricants market in Germany reached about 1.040.000 tons. With this volume Germany is by far the largest lubricant producer in Europe. Whereas the domestic market is stagnant the export market is constantly growing.

The main reasons for this success are the general good and stable German economy, a very high and sophisticated engineering standard in Germany in terms of automotive and machinery aggregates equipment and materials, and last but not least, a very high level of flexibility and innovation within the German SME lubricant companies.

Automotive Lubricants

In spite of excellent sales figures of the car industry the amount of engine oils has slightly reduced in 2016 compared to 2015. Here we can clearly see the effect of downsizing the engines and of course also the significant longer oil drain intervals of modern engines and cars. This trend will continue but fortunately this effect will be understated as the impact is mainly from modern new cars but not from the total existing car population.

On the other hand the volumes for automotive transmission oils, especially ATF's has increased. Fuel economy but also the wish for more comfortable driving has increased the demand for automatic and double clutch transmissions. Due to the specific construction these components need a much higher oil volume compared to manual transmissions. Moreover, for some of these high sophisticated transmissions the lubricant requirements are so high that oil drain intervals are recommended rather than fill for life.

Industrial Lubricants

In the industrial sector the market is also not uniform but divided.

For example there is a decrease for turbine oils, hydraulic and general machine lubricants. Reasons are higher efficiency, lower oil volumes combined with significantly increased drain intervals. Also the change in the energy economy has an impact as more and more traditional large scale power plants have been closed.

A positive trend has been apparent for metalworking fluids which show a significant increase due to the very strong machinery industry in Germany with an increasing global demand for their leading high tech equipments.

Outlook

In spite of a stagnated market in Germany and Europe and also a limited growth on a global level the outlook for the German lubricants industry is optimistic.

Even so, there is still a high demand for quite simple lubricants, there is a clear trend to judge lubricants as an important construction element. Due to the ever increasing and more specialised requirements, in many cases industrial standards alone are insufficient and increasing numbers of specific in house OEM specifications must be met with tailor-made products. Despite the higher development and approval costs, such product ranges offer a potential for higher margins.

Taking into account the excellent know-how and competence of the German lubricants industry combined with the high level of flexibility of especially the SME companies, a stable market for lubricants made in Germany is expected.

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