

# Feed Additives

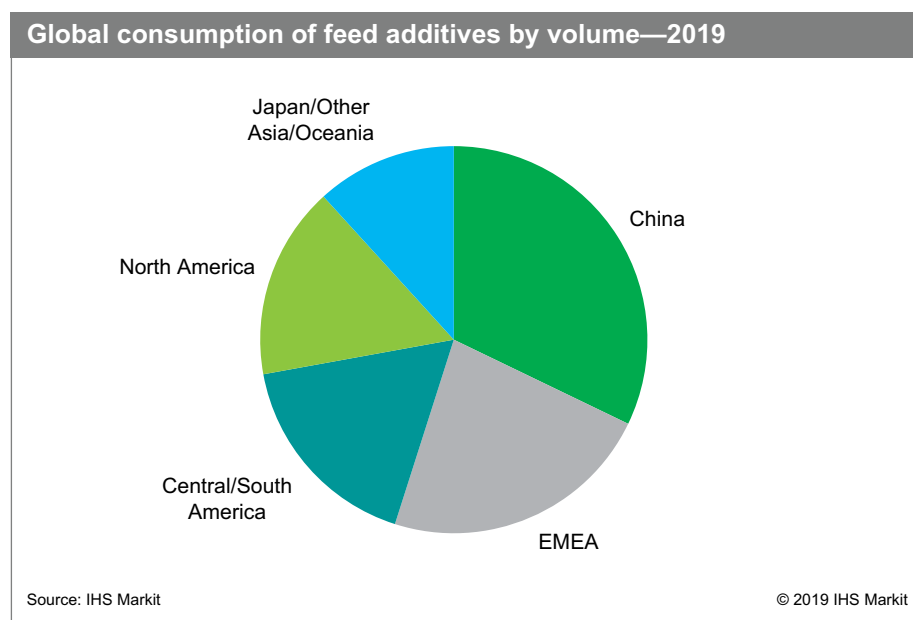
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## Abstract

Feed additives are specialty chemical compounds added to animal feed in order to improve the quality of the feed and the quality of food derived from animals that consume it. Additives improve animals' health and performance in many ways; for example, they support bone formation, strengthen the immune system, promote growth, enhance the digestibility of feed materials, and promote egg laying and milk production.

Phosphate supplements dominate the global feed additives market by volume, followed by amino acids. The two segments together account for about 84% of the total market volume in 2019. Amino acids are the leaders in terms of value. They have a 44% share of the total feed additive market value, followed by phosphate supplements, with a value share of 22%. Vitamins, carotenoids, enzymes, and nonprotein nitrogen (NPN) supplements account for remainder of the market value.

The following chart shows global consumption of feed additives by region in 2019:



China is the largest consumer of feed additives in terms of volume, but EMEA is the largest consumer in terms of value. Higher-value feed additives such as amino acids account for a larger share of total feed additive consumption in EMEA than in China; lower-value additives like NPN supplements account for a smaller share of total feed consumption in EMEA than in China.

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The main growth drivers for feed additive consumption are human population growth and increasing per capita wealth in developing countries. The forecast growth rate for global feed additive consumption value exceeds the expected growth rate for real global GDP per capita (1.9% per year) during 2019–24.

The feed additives sector has become increasingly competitive as producers in China and South Korea expand their product offerings and geographic coverage. Fermentation processes are gaining share compared with classical chemical synthesis.

Strategies for growth and business expansion include offering tailored solutions (based on customer needs and local conditions) and innovative premixes, developing value-added products for core markets (e.g., poultry and swine), investing in services, expanding distribution to farmers, and participating in the retail market.

**For more detailed information, see the table of contents, shown below.**

**IHS Markit's Specialty Chemicals Update Program – *Feed Additives*** is the comprehensive and trusted guide for anyone seeking information on this industry. This latest report details global and regional information, including



Industry structure,  
operating characteristics  
and regulatory  
environment



Products, functions  
and markets



Cost structure/  
profitability



Technology changes  
and emerging  
substitution practices



Quantitative market  
analysis and forecasts

### Key benefits

**IHS Markit's Specialty Chemicals Update Program – *Feed Additives*** has been compiled using primary interviews with key suppliers and organizations, and leading representatives from the industry in combination with IHS Markit's unparalleled access to upstream and downstream market intelligence and expert insights into industry dynamics, trade, and economics.

This report can help you

- Identify the competitive environment and key players
- Assess key issues facing both suppliers and their end-use customers
- Understand industry integration strategies
- Keep abreast of industry structure changes, regulatory requirements, and other factors affecting profitability
- Identify new business opportunities and threats
- Follow important commercial developments
- Recognize trends and driving forces influencing specialty chemical markets

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