

OER Performance of Malaysian Oil Palm Mills – December 2018

Malaysia's CPO extraction rates (OER) in December 2018 decreased by 0.14 percent to 19.83 percent from 19.97 percent in November 2018. The lower in national OER was mainly due to lower quality FFB received and processed by crude palm oil producers arising from unfavourable weather condition. On contrary, OER in December 2018, was higher by 0.25 percent vis-à-vis 19.58 percent recorded in December 2017.

In December 2018, all states in Malaysia, except for Negeri Sembilan and Johor, recorded

decreases in OER performance, ranged from 0.02 percent to 0.88 percent. Terengganu recorded the highest decrease in OER performance, i.e. down by 0.88 percent to 18.84 percent. It was followed by Kelantan, Selangor, Pahang and Sarawak which were decreases by 0.54 percent, 0.34 percent, 0.32 percent and 0.23 percent. On the other hand, Negeri Sembilan and Johor recorded higher OER as against November 2018, i.e. up by 0.24 percent and 0.09 percent respectively. (Refer Table 1).

Table 1
OER Performance By States, December 2018 And November 2018 (%)

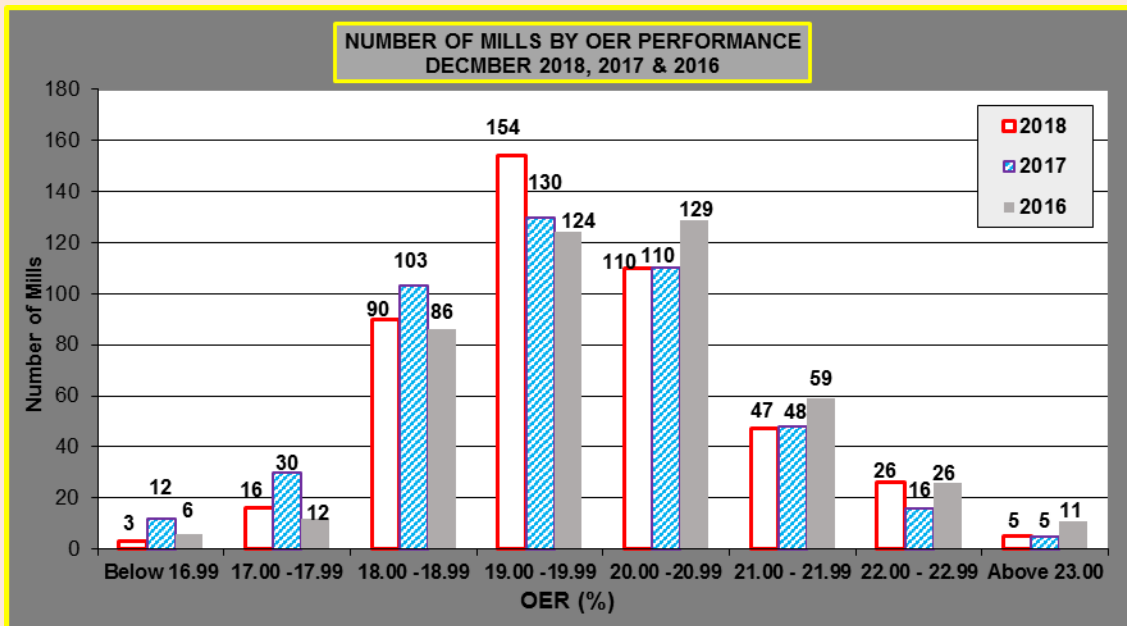
STATES	DECEMBER	NOVEMBER	DIFF. (Actual)
JOHOR	20.00	19.91	0.09
KEDAH	19.78	19.85	-0.07
KELANTAN	19.64	20.18	-0.54
N. SEMBILAN	20.16	19.92	0.24
PAHANG	19.85	20.17	-0.32
PERAK	19.17	19.19	-0.02
SELANGOR	19.25	19.59	-0.34
TERENGGANU	18.84	19.72	-0.88
OTHER STATES	19.66	19.71	-0.05
P. MALAYSIA	19.71	19.83	-0.12
SABAH	20.14	20.26	-0.12
SARAWAK	19.71	19.94	-0.23
SABAH/SARAWAK	19.96	20.12	-0.16
MALAYSIA	19.83	19.97	-0.14

The number of mills which recorded decreases in OER performance in December 2018 exceeded the number of mills which recorded increases, with 274 mills (60.8%) against 173 mills (38.4%), while three (3) mills (0.7%) recorded the same level of OER as in November 2018.

During the month, there were five (5) mills (1.1%) achieved OER above 23.00 percent, same as what was recorded in December 2017.

Another 73 mills (16.2%) registered OER between 21.00 percent and 22.99 percent, 110 mills (24.4%) between 20.00 percent and 20.99 percent and 154 mills (34.1%) between 19.00 percent and 19.99 percent. Another 90 mills (20.0%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 19 mills (4.2%) recorded OER below 18.00 percent. (Refer Chart 1).

**Chart 1 : Number Of Mills By OER Performance
 December 2018, 2017 & 2016**



The highest individual OER in Malaysia in December 2018 recorded at 24.28 percent by a mill in Sarawak, while the lowest OER registered by a mill in Sarawak at 15.65 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Perak, i.e. increased by 1.47 percent, while the highest decline was recorded by a mill in Pahang, which was decreased by 3.70 percent.