

OER Performance of Malaysian Oil Palm Mills – March 2018

Malaysia's CPO extraction rates (OER) in March 2018 increased by 0.17 percent to 20.01 percent as against 19.84 percent recorded in February 2018. The higher national OER was mainly due to better quality FFB processed by oil palm mills resulted from favourable weather condition in major producing states. Similarly, OER in March 2018 was also recorded higher by 0.42 percent vis-à-vis 19.59 percent recorded in the corresponding month in 2017.

A total of six (6) CPO producing states recorded increases in OER performance in March 2018, ranged from 0.13 percent to 1.25 percent.

Kelantan recorded the highest increment in OER performance, i.e. increased by 1.25 percent to 21.43 percent. It was followed by Terengganu, Pahang and Sarawak, which were higher by 0.71 percent, 0.65 percent and 0.42 percent to 20.19 percent, 20.20 percent and 19.67 percent respectively. Five (5) other states, namely Kedah, Perak, Selangor, Sabah and Other States were among the states that recorded decreases in OER performance as compared to February 2018 performance. (Refer Table 1).

Table 1
OER Performance By States, March 2018 And February 2018 (%)

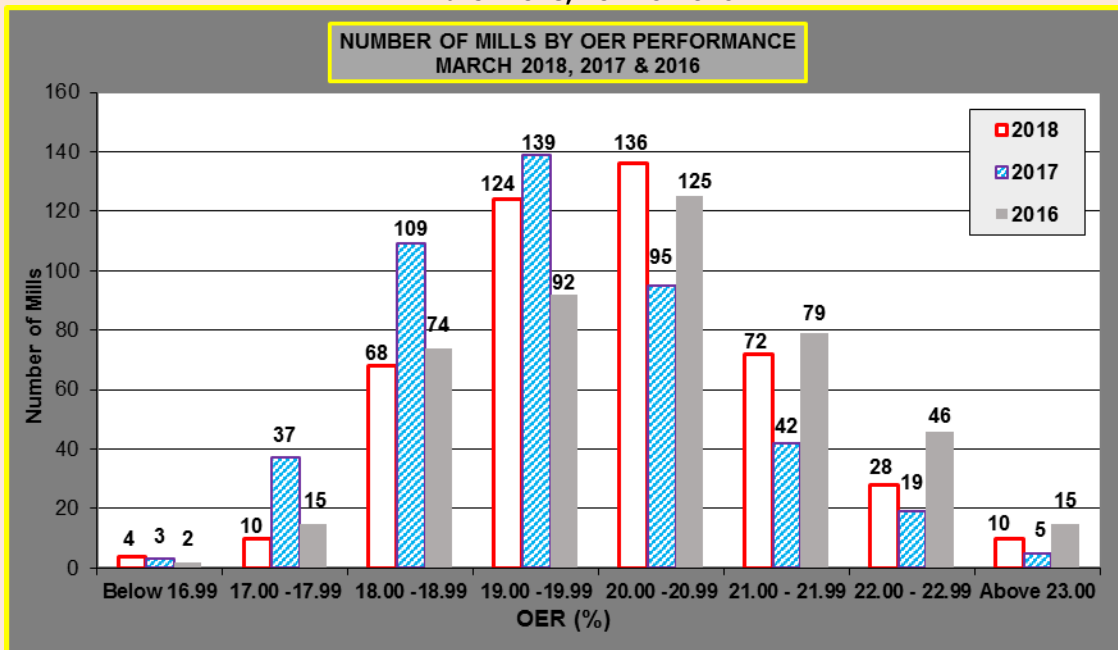
STATES	MARCH	FEBRUARY	DIFF. (Actual)
JOHOR	19.89	19.75	0.14
KEDAH	19.80	20.06	-0.26
KELANTAN	21.43	20.18	1.25
N.SEMBILAN	19.68	19.55	0.13
PAHANG	20.20	19.55	0.65
PERAK	19.17	19.43	-0.26
SELANGOR	19.56	19.63	-0.07
TERENGGANU	20.19	19.48	0.71
OTHER STATES	19.70	19.92	-0.22
P. MALAYSIA	19.86	19.63	0.23
SABAH	20.56	20.61	-0.05
SARAWAK	19.67	19.25	0.42
SABAH/SARAWAK	20.19	20.08	0.11
MALAYSIA	20.01	19.84	0.17

The number of mills which recorded increases in OER performance in March 2018 exceeded the number of mills which recorded decreases, with 297 mills (65.7%) against 150 mills (33.2%), while the other five (5) mills (1.1%) recorded the same level of OER as the previous month.

In March 2018, there were ten (10) mills (2.2%) achieved OER above 23.00 percent as compared to 5 mills (1.1%) in March 2017. Another 100 mills (22.1%) registered OER between 21.00

percent and 22.99 percent, 136 mills (30.1%) registered OER between 20.00 percent and 20.99 percent and 124 mills (27.4%) between 19.00 percent and 19.99 percent. Another 68 mills (15.0%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 14 mills (3.1%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in March 2018 recorded at 23.83 percent by a mill in Sabah, while the lowest OER registered by a mill in Sarawak at 16.02 percent. Meanwhile, the highest increase in OER as compared to the previous month's OER, recorded by a mill in Kelantan, i.e. increased by 3.86 percent, while

the highest decline was recorded by a mill in Sabah, which declined by 1.38 percent.