

OER Performance of Malaysian Oil Palm Mills – June 2018

Malaysia's CPO extraction rates (OER) in June 2018 marginally higher by 0.03 percent to 20.07 percent as against 20.04 percent recorded in May 2018. The increase in national OER was mainly due to higher quality FFB received and processed by oil palm mills. Meanwhile, OER in June 2018 was also recorded higher by 0.36 percent vis-à-vis 19.71 percent in June 2017.

During the month, seven (7) CPO producing states in Malaysia recorded increases in OER performance, ranged from 0.06 percent to 0.91

percent. Kedah recorded the highest increase in OER performance, i.e. higher by 0.91 percent to 20.52 percent. It was followed by Other States, Perak and Negeri Sembilan which were up by 0.57 percent, 0.32 percent and 0.30 percent to 19.82 percent, 19.32 percent and 19.58 percent respectively. Terengganu, Selangor and Sarawak recorded decreases in OER performance as against May 2018, while Sabah recorded the same level of OER performance as in May 2018 at 20.92 percent. (Refer Table 1)

Table 1
OER Performance By States, June 2018 And May 2018 (%)

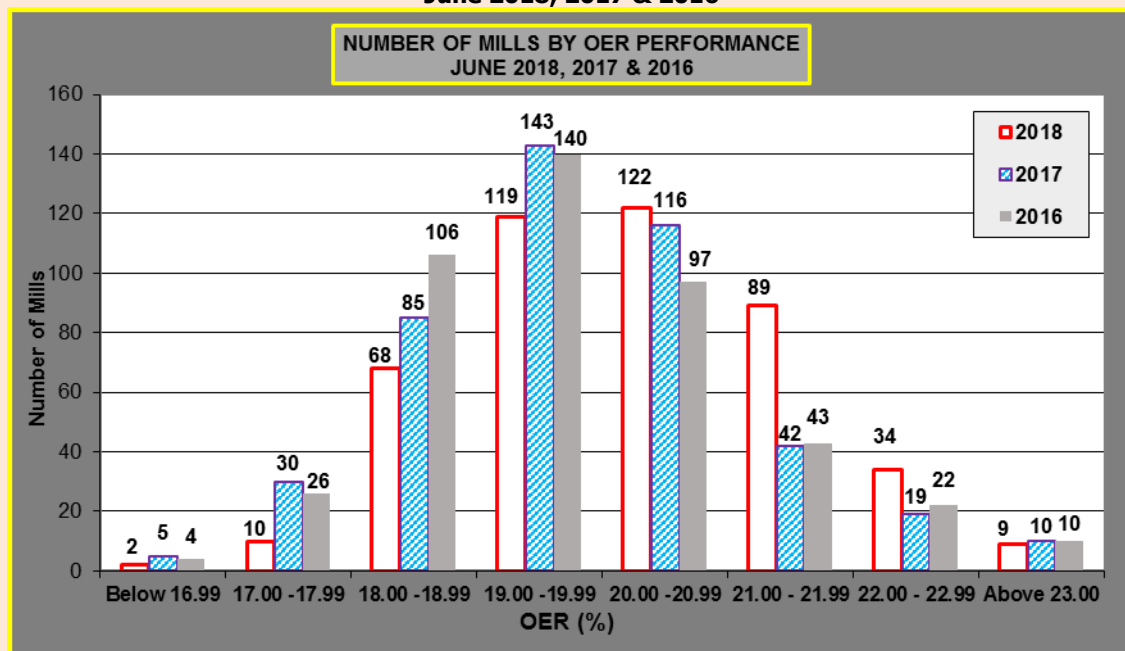
STATES	JUNE	MAY	DIFF. (Actual)
JOHOR	19.64	19.58	0.06
KEDAH	20.52	19.61	0.91
KELANTAN	21.42	21.35	0.07
N.SEMBILAN	19.58	19.28	0.30
PAHANG	20.09	19.94	0.15
PERAK	19.32	19.00	0.32
SELANGOR	19.13	19.15	-0.02
TERENGGANU	20.49	20.50	-0.01
OTHER STATES	19.82	19.25	0.57
P. MALAYSIA	19.76	19.59	0.17
SABAH	20.92	20.92	0.00
SARAWAK	19.88	20.13	-0.25
SABAH/SARAWAK	20.40	20.54	-0.14
MALAYSIA	20.07	20.04	0.03

The number of mills which recorded increases in OER performance in June 2018 exceeded the number of mills which recorded decreases, with 233 mills (51.4%) against 214 mills (47.2%), while the other six (6) mills (1.3%) recorded the same level of OER as the previous month.

In June 2018, there were nine (9) mills (2.0%) achieved OER above 23.00 percent as compared to 10 mills (2.2%) in the same month of 2017.

Another 123 mills (27.2%) registered OER between 21.00 percent and 22.99 percent, 122 mills (26.9%) registered OER between 20.00 percent and 20.99 percent and 119 mills (26.3%) 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 12 mills (2.6%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in June 2018 recorded at 24.05 percent by a mill in Sarawak, while the lowest OER also registered by a mill in Sarawak at 16.42 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sabah, i.e. increased by 2.00 percent, while the highest decline was also recorded by a mill in Sabah, which lower by 2.71 percent.