

OER Performance of Malaysian Oil Palm Mills – February 2019

Malaysia's CPO extraction rates (OER) in February 2019 higher by 0.34 percent to 20.21 percent from 19.87 percent in January 2019. The higher in national OER was mainly due to higher quality FFB processed by oil palm mills arising from favourable weather condition. Likewise, OER in February 2019, was also higher by 0.37 percent vis-à-vis 19.84 percent recorded in February 2018.

Within the month, eight (8) states in Malaysia recorded increases in OER performance, ranged

from 0.08 percent to 0.85 percent. Terengganu recorded the highest increase in OER performance for two consecutive months, i.e. up by 0.85 percent to 20.28 percent. It was followed by Sabah, Kelantan, and Johor which were higher by 0.75 percent, 0.65 percent and 0.32 percent to 20.77 percent, 20.62 percent and 20.49 percent. However, Negeri Sembilan, Kedah and Other States, namely Melaka and Pulau Pinang, recorded lower OER as against January 2019, i.e. lower by 0.22 percent, 0.10 percent and 0.09 percent respectively. (Refer Table 1).

Table 1
OER Performance By States, February 2019 And January 2019 (%)

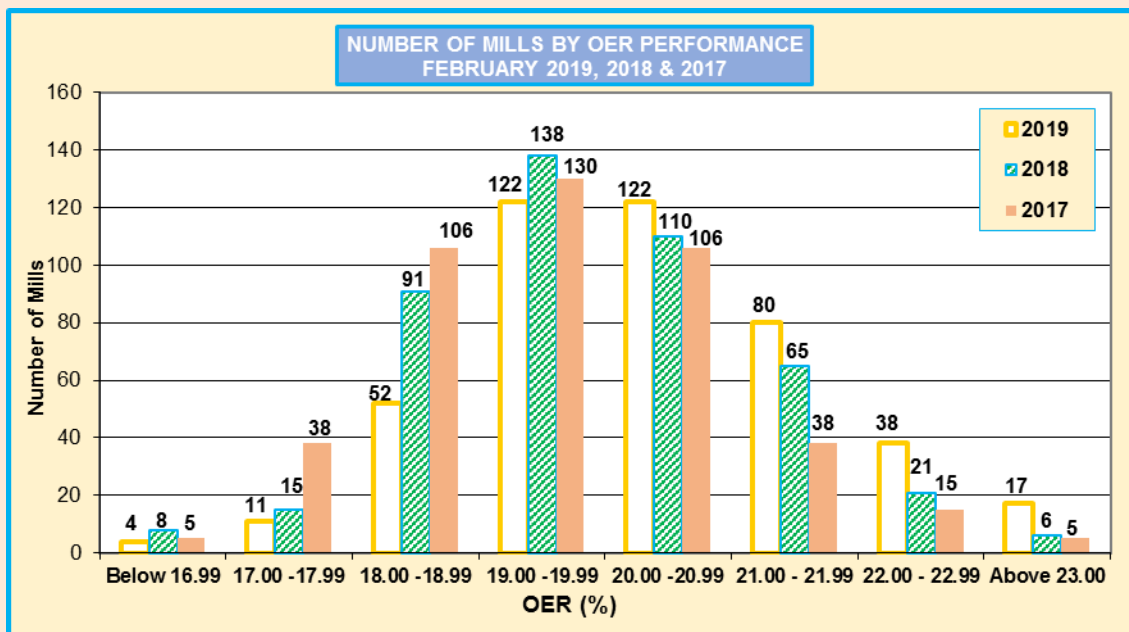
STATES	FEBRUARY	JANUARY	DIFF. (Actual)
JOHOR	20.49	20.17	0.32
KEDAH	19.94	20.04	-0.10
KELANTAN	20.62	19.97	0.65
N. SEMBILAN	19.85	20.07	-0.22
PAHANG	20.13	20.05	0.08
PERAK	19.50	19.26	0.24
SELANGOR	19.54	19.34	0.20
TERENGGANU	20.28	19.43	0.85
OTHER STATES	19.35	19.44	-0.09
P. MALAYSIA	20.07	19.86	0.21
SABAH	20.77	20.02	0.75
SARAWAK	19.83	19.71	0.12
SABAH/SARAWAK	20.39	19.89	0.50
MALAYSIA	20.21	19.87	0.34

The number of mills which recorded increases in OER performance in February 2019 exceeded the number of mills which recorded decreases, with 322 mills (72.2%) against 116 mills (26.0%), while seven (7) mills (1.6%) recorded the same level of OER as in January 2019.

In February 2019, there were 17 mills (3.8%) achieved OER above 23.00 percent as compared to six (6) mills (1.3%) in February 2018. Another

118 mills (26.5%) registered OER between 21.00 percent and 22.99 percent, 122 mills (27.4%) between 20.00 percent and 20.99 percent and 122 mills (27.4%) between 19.00 percent and 19.99 percent. Another 52 mills (11.7%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 15 mills (3.4%) recorded OER below 18.00 percent. (Refer Chart 1).

**Chart 1 : Number Of Mills By OER Performance
 February 2019, 2018 & 2017**



The highest individual OER in Malaysia in February 2019 recorded at 24.60 percent by a mill in Pahang, while the lowest OER registered also by a mill in Pahang at 15.98 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sabah, i.e. up by 3.12 percent, while the highest decline was recorded by a mill in Perak, which was decreased by 1.45 percent.