

OER Performance of Malaysian Oil Palm Mills – May 2019

Malaysia's CPO extraction rates (OER) in May 2019 lower by 0.07 percent to 20.00 percent from 20.07 percent in April 2019. The lower in national OER was mainly due to lower quality FFB processed by oil palm producers arising from unfavourable weather condition in several CPO producing states. OER in May 2019 was also declined by 0.04 percent vis-à-vis 20.04 percent recorded in May 2018.

A total of four (4) CPO producing states recorded decreases in OER performance in May 2019, ranged from 0.06 percent to 0.35 percent. Sabah

recorded the highest decrease in OER performance, i.e. drop by 0.35 percent to 20.78 percent. It was followed by Perak, Sarawak and Terengganu which were down by 0.28 percent, 0.28 percent and 0.06 percent to 18.83 percent, 20.06 percent and 20.47 percent. Seven (7) other states, namely Johor, Kedah, Kelantan, Negeri Sembilan, Pahang, Selangor and Other States were the states that recorded increases in OER performance as against as April 2019 performance. (Refer Table 1).

Table 1
OER Performance By States, May 2019 And April 2019 (%)

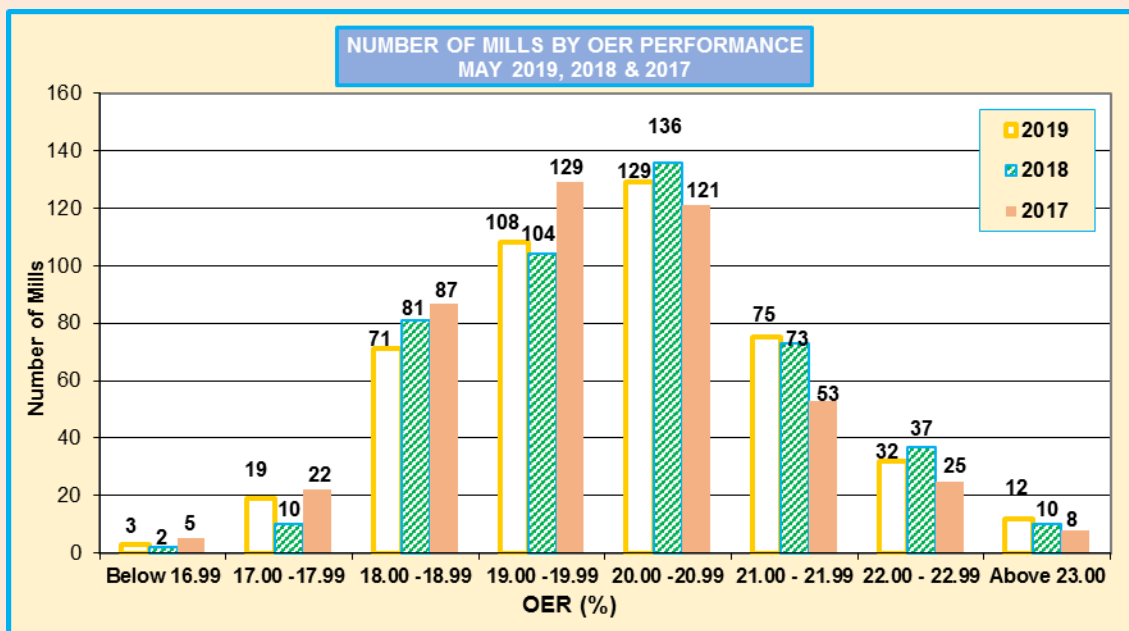
STATES	MAY	APRIL	DIFF. (Actual)
JOHOR	19.96	19.90	0.06
KEDAH	19.82	19.39	0.43
KELANTAN	20.74	20.55	0.19
N. SEMBILAN	19.81	19.17	0.64
PAHANG	19.64	19.48	0.16
PERAK	18.83	19.11	-0.28
SELANGOR	18.90	18.89	0.01
TERENGGANU	20.47	20.53	-0.06
OTHER STATES	19.92	19.03	0.89
P. MALAYSIA	19.65	19.54	0.11
SABAH	20.78	21.13	-0.35
SARAWAK	20.06	20.34	-0.28
SABAH/SARAWAK	20.46	20.79	-0.33
MALAYSIA	20.00	20.07	-0.07

The number of mills which recorded decreases in OER performance in May 2019 exceeded the number of mills which recorded increases, with 253 mills (56.3%) against 185 mills (41.2%), while eight (8) mills (1.8%) recorded the same level of OER as in April 2019.

In the same month, there were 12 mills (2.7%) achieved OER above 23.00 percent as compared to 10 mills (2.2%) in May 2018. Another 107

mills (23.8%) registered OER between 21.00 percent and 22.99 percent, 129 mills (28.7%) between 20.00 percent and 20.99 percent and 108 mills (24.1%) between 19.00 percent and 19.99 percent. Another 71 mills (15.8%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 22 mills (4.9%) recorded OER below 18.00 percent. (Refer Chart 1).

Chart 1



The highest individual OER in Malaysia in May 2019 recorded at 24.38 percent by a mill in Johor, while the lowest OER registered by a mill in Sarawak at 16.14 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Pahang, i.e. higher by 11.65 percent, while the highest decline was recorded by a mill in Sabah, which was lower by 2.63 percent.