

OER Performance of Malaysian Oil Palm Mills – July 2019

Malaysia's CPO extraction rates (OER) in July 2019 higher by 0.22 percent to 20.11 percent from 19.89 percent in June 2019. The higher in national OER was mainly due to higher quality FFB processed by oil palm producers arising from favourable weather condition in almost all CPO producing states. OER in July 2019 was also higher by 0.16 percent vis-à-vis 19.95 percent recorded in July 2018.

All CPO producing states, except Kedah, recorded increases in OER performance in July 2019, ranged from 0.13 percent to 0.54 percent. Other states which consist of Melaka and Pulau Pinang,

recorded the highest increase in OER performance, i.e. up by 0.54 percent to 20.16 percent. It was followed by Selangor, Negeri Sembilan, Terengganu and Pahang which were higher by 0.49 percent, 0.40 percent, 0.39 percent and 0.36 percent to 19.36 percent, 20.13 percent, 20.61 percent and 20.12 percent. Kedah which registered 20.47 percent of OER in July, the only states that recorded a decrease in OER performance, i.e. down by 0.03 percent as against as June 2019 performance. (Refer Table 1).

Table 1
OER Performance By States, June 2019 And July 2019 (%)

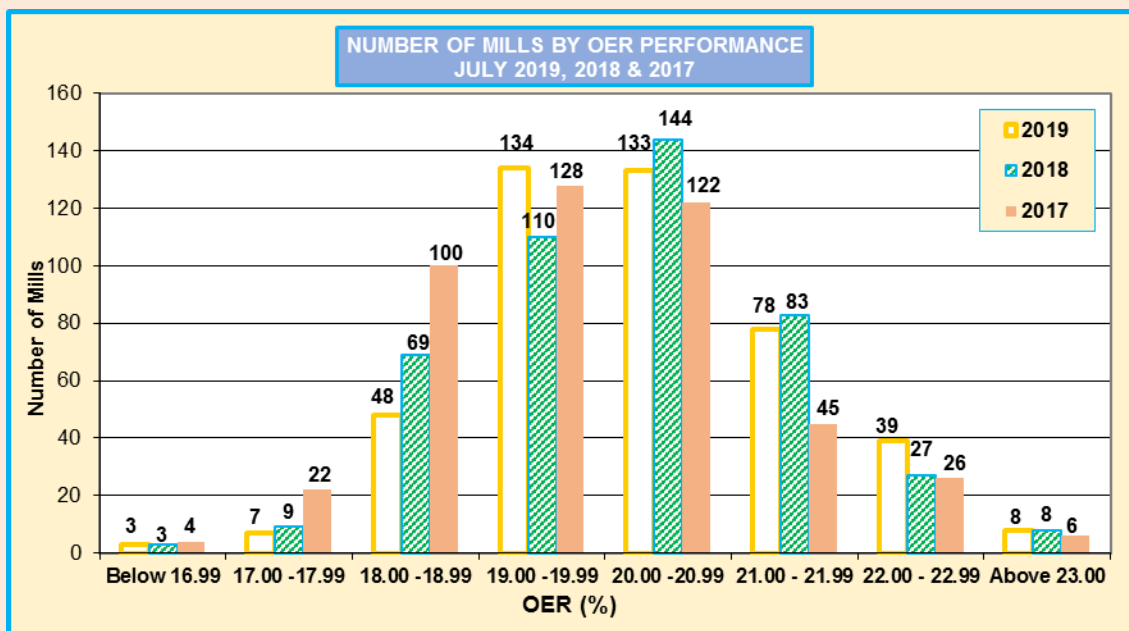
STATES	JULY	JUNE	DIFF. (Actual)
JOHOR	20.12	19.93	0.19
KEDAH	20.47	20.50	-0.03
KELANTAN	21.11	20.78	0.33
N. SEMBILAN	20.13	19.73	0.40
PAHANG	20.12	19.76	0.36
PERAK	19.44	19.20	0.24
SELANGOR	19.36	18.87	0.49
TERENGGANU	20.61	20.22	0.39
OTHER STATES	20.16	19.62	0.54
P. MALAYSIA	20.02	19.74	0.28
SABAH	20.81	20.56	0.25
SARAWAK	19.68	19.55	0.13
SABAH/SARAWAK	20.23	20.08	0.15
MALAYSIA	20.11	19.89	0.22

The number of mills which recorded increases in OER performance in July 2019 exceeded the number of mills which recorded decreases, with 310 mills (68.9%) against 135 mills (30.0%), while five (5) mills (1.1%) recorded the same level of OER as in June 2019.

In the same month, there were eight (8) mills (1.8%) achieved OER above 23.00 percent, same as what was recorded in July 2018. Another 117

mills (26.0%) registered OER between 21.00 percent and 22.99 percent, 133 mills (29.6%) between 20.00 percent and 20.99 percent and 134 mills (29.8%) between 19.00 percent and 19.99 percent. Another 48 mills (10.7%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 10 mills (2.2%) recorded OER below 18.00 percent. (Refer Chart 1).

Chart 1



The highest individual OER in Malaysia in July 2019 recorded at 24.26 percent by a mill in Pahang, while the lowest OER registered by a mill in Sarawak at 15.27 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sabah, i.e. up by 9.28 percent, while the highest decline was recorded by a mill in Perak, which was down by 1.25 percent.