

OER Performance of Malaysian Oil Palm Mills – October 2019

Malaysia's CPO extraction rates (OER) in October 2019 lower by 0.53 percent to 20.35 percent from 20.88 percent in September 2019. The lower in national OER was mainly due to lower quality FFB processed by oil palm mills arising from unfavourable weather condition in almost all states. In contrary, OER in September 2019 was higher by 0.21 percent vis-à-vis 20.14 percent recorded in the same month in 2018.

In October 2019, all CPO producing states recorded decreases in OER performance, ranged

from 0.16 percent to 0.82 percent. Sabah recorded the highest decrease in OER performance, i.e. down by 0.82 percent to 21.15 percent. It was followed by Other States, Johor, Perak, Negeri Sembilan and Sarawak which were lower by 0.68 percent, 0.66 percent, 0.65 percent, 0.59 percent and 0.55 percent to 19.68 percent, 20.18 percent, 19.21 percent, 19.86 percent and 20.25 percent. (Refer Table 1).

Table 1
OER Performance By States, October 2019 And September 2019 (%)

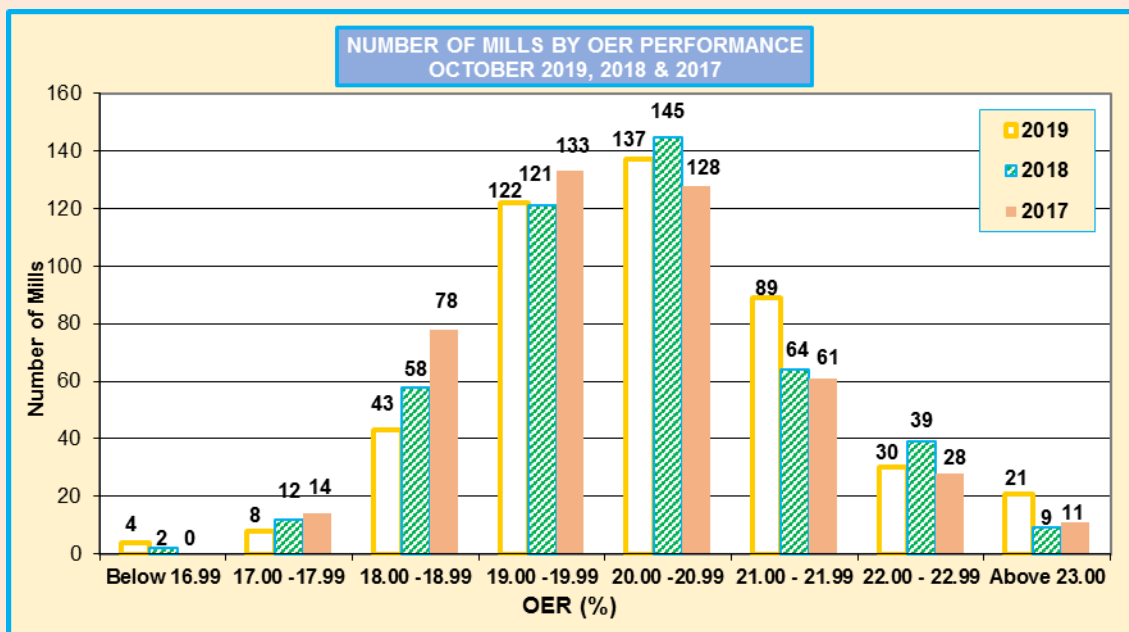
STATES	OCTOBER	SEPTEMBER	DIFF. (Actual)
JOHOR	20.18	20.84	-0.66
KEDAH	19.77	20.30	-0.53
KELANTAN	20.91	21.30	-0.39
N. SEMBILAN	19.86	20.45	-0.59
PAHANG	20.11	20.30	-0.19
PERAK	19.21	19.86	-0.65
SELANGOR	19.83	20.23	-0.40
TERENGGANU	20.68	20.84	-0.16
OTHER STATES	19.68	20.36	-0.68
P. MALAYSIA	20.00	20.45	-0.45
SABAH	21.15	21.97	-0.82
SARAWAK	20.25	20.80	-0.55
SABAH/SARAWAK	20.71	21.35	-0.64
MALAYSIA	20.35	20.88	-0.53

The number of mills which recorded decreases in OER performance in October 2019 exceeded the number of mills which recorded increases, with 392 mills (86.3%) against 59 mills (13.0%), while three (3) mills (0.7%) recorded the same level of OER as in September 2019.

In the month, there were 21 mills (4.6%) achieved OER above 23.00 percent as compared to nine (9) mills (2.0%) in the same month of

2018. Another 119 mills (26.2%) registered OER between 21.00 percent and 22.99 percent, 137 mills (30.2%) between 20.00 percent and 20.99 percent and 122 mills (26.9%) between 19.00 percent and 19.99 percent. Another 43 mills (9.5%) 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



The highest individual OER in Malaysia in October 2019 recorded at 25.01 percent by a mill in Sarawak, while the lowest OER performance registered also by a mill in Sarawak at 14.74 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Pahang, i.e. rose by 13.96 percent, while the highest decline was recorded by a mill in Sabah, which was lower by 2.66 percent.