

OER Performance of Malaysian Oil Palm Mills January 2020

Malaysia's CPO extraction rates (OER) in January 2020 was higher by 0.18 percent to 19.89 percent as against 19.71 percent recorded in December 2019. The higher national OER was mainly due to higher quality FFB processed by major oil palm producers. OER in January 2020 was also recorded higher as compared to the corresponding month in 2019, i.e. up by 0.02 percent from 19.87 percent.

In January 2020, six (6) CPO producing states in Malaysia recorded increases in OER performance, ranged from 0.09 percent to 1.17 percent. Terengganu recorded a significant increase in OER performance, hike up by 1.17 percent from 18.41 percent to 19.58 percent. It was followed by Kelantan, Johor and Pahang, which were increased by 0.73 percent, 0.48 percent and 0.32 percent respectively. In contrast, five (5) other states, showed decreases in OER performance. Kedah recorded a decrease of 0.39 percent, i.e. the highest decrease in OER performance for the month, then followed by Selangor, Other States (Melaka & P. Pinang), Negeri Sembilan and Sabah. (Refer Table 1)

Table1.

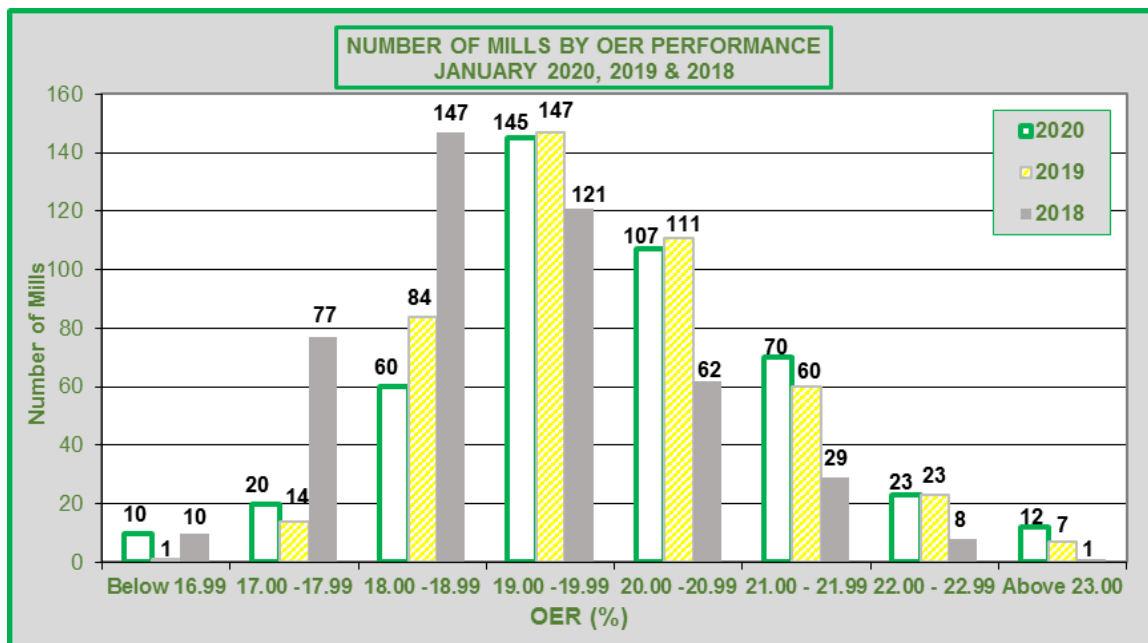
OER PERFORMANCE BY STATES DECEMBER 2019 AND JANUARY 2020 (%)

STATES	JANUARY	DECEMBER	DIFF. (Actual)
JOHOR	20.08	19.60	0.48
KEDAH	19.02	19.41	-0.39
KELANTAN	20.24	19.51	0.73
N.SEMBILAN	20.22	20.27	-0.05
PAHANG	19.84	19.52	0.32
PERAK	19.29	19.20	0.09
SELANGOR	18.88	19.05	-0.17
TERENGGANU	19.58	18.41	1.17
OTHER STATES	18.84	18.96	-0.12
P. MALAYSIA	19.71	19.41	0.30
SABAH	20.46	20.47	-0.01
SARAWAK	19.62	19.45	0.17
SABAH/SARAWAK	20.05	19.98	0.07
MALAYSIA	19.89	19.71	0.18

The number of mills which recorded increases in OER performance in January 2020 exceeded the number of mills which recorded decreases, with 249 mills (55.7%) against 192 mills (43.0%), while the other six (6) mills recorded the same level of OER as in December 2019.

Within the month, there were 12 mills (2.7%) achieved OER above 23.00 percent as compared to seven (7) mills (1.6%) in January 2019. Another 93 mills (20.8%) registered OER between 21.00 percent and 22.99 percent, 107 mills (23.9%) registered OER between 20.00 percent and 20.99 percent and 145 mills (32.4%) between 19.00 percent and 19.99 percent. Another 60 mills (13.4%) recorded OER between 18.00 percent and 18.99 percent and the rest of the mills (6.7% or 30 mills) recorded OER below 18.00 percent. (Refer Chart 1)

Chart 1.



The highest individual OER in Malaysia in January 2020 was recorded at 24.13 percent by a mill in Pahang, while the lowest OER performance registered by a mill in Sarawak at 15.01 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Johor, i.e. higher by 2.52 percent, while the highest decline was recorded by a mill in Sabah, which was down by 1.52 percent.