

OER Performance of Malaysian Oil Palm Mills

April 2020

Malaysia's CPO extraction rates (OER) in April 2020 was lower by 0.07 percent to 19.94 percent from 20.01 percent in March 2020. 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 April 2020 was also declined by 0.13 percent vis-à-vis 20.07 percent recorded in April 2019.

A total of seven (7) CPO producing states recorded decreases in OER performance in April 2020, ranged from 0.02 percent to 0.35 percent. Perak recorded the highest decrease in OER performance, i.e. drop by 0.35 percent to 18.98 percent. It was followed by Johor and Selangor which were down by 0.34 percent and 0.33 percent to 19.86 percent and 18.75 percent. Three (3) other states, namely Kelantan, Negeri Sembilan and Terengganu recorded increases, while Kedah recorded the same level of OER performance as against the performance of the previous month. (Refer Table 1)

Table1.

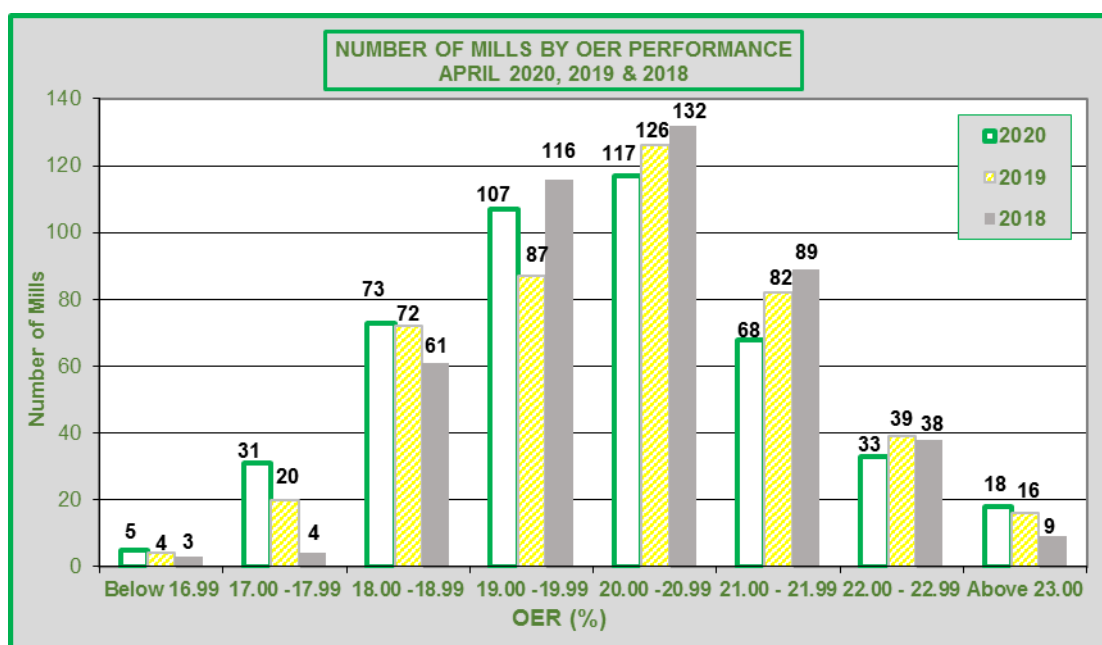
OER PERFORMANCE BY STATES APRIL 2020 AND MARCH 2020 (%)

STATES	APRIL	MARCH	DIFF. (Actual)
JOHOR	19.86	20.20	-0.34
KEDAH	18.95	18.95	0.00
KELANTAN	20.44	20.09	0.35
N.SEMBILAN	19.05	18.04	1.01
PAHANG	19.51	19.59	-0.08
PERAK	18.98	19.33	-0.35
SELANGOR	18.75	19.08	-0.33
TERENGGANU	20.14	19.83	0.31
OTHER STATES	18.79	18.82	-0.03
P. MALAYSIA	19.47	19.58	-0.11
SABAH	21.08	21.12	-0.04
SARAWAK	20.02	20.04	-0.02
SABAH/SARAWAK	20.60	20.61	-0.01
MALAYSIA	19.94	20.01	-0.07

The number of mills which recorded decreases in OER performance in April 2020 exceeded the number of mills which recorded increases, with 212 mills (57.3%) against 141 mills (38.1%), while the other 17 mills recorded the same level of OER as in March 2020.

In the same month, there were 18 mills (4.0%) achieved OER above 23.00 percent as compared to 16 mills (3.6%) in April 2019. Another 101 mills (22.3%) registered OER between 21.00 percent and 22.99 percent, 117 mills (25.9%) registered OER between 20.00 percent and 20.99 percent and 107 mills (23.7%) between 19.00 percent and 19.99 percent. Another 73 mills (16.2%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 36 mills (8.0%) recorded OER below 18.00 percent. (Refer Chart 1)

Chart 1.



The highest individual OER in Malaysia in April 2020 was recorded at 25.12 percent by a mill in Sarawak, while the lowest OER performance registered by a mill in Negeri Sembilan at 15.54 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sabah, i.e. higher by 2.19 percent, while the highest decline was also recorded by a mill in Sabah, which was lower by 1.88 percent to 18.87 percent.