

OER Performance of Malaysian Oil Palm Mills June 2020

Malaysia's CPO extraction rates (OER) in June 2020 was lower by 0.40 percent to 19.47 percent from 19.87 percent in May 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 June 2020 was also declined by 0.42 percent vis-à-vis 19.89 percent recorded in June 2019.

A total of six (6) CPO producing states recorded decreases in OER performance in June 2020, ranged from 0.15 percent to 0.87 percent. Sarawak recorded the highest decrease in OER performance, i.e. drop by 0.87 percent to 18.98 percent. It was followed by Sabah, Terengganu and Johor which were down by 0.67 percent, 0.28 percent and 0.22 percent to 20.25 percent, 19.77 percent and 19.27 percent. Five (5) other states, namely Kedah, Kelantan, Pahang, Selangor and Other States recorded increases in OER performance as against May 2020 performance. (Refer Table 1)

Table1.

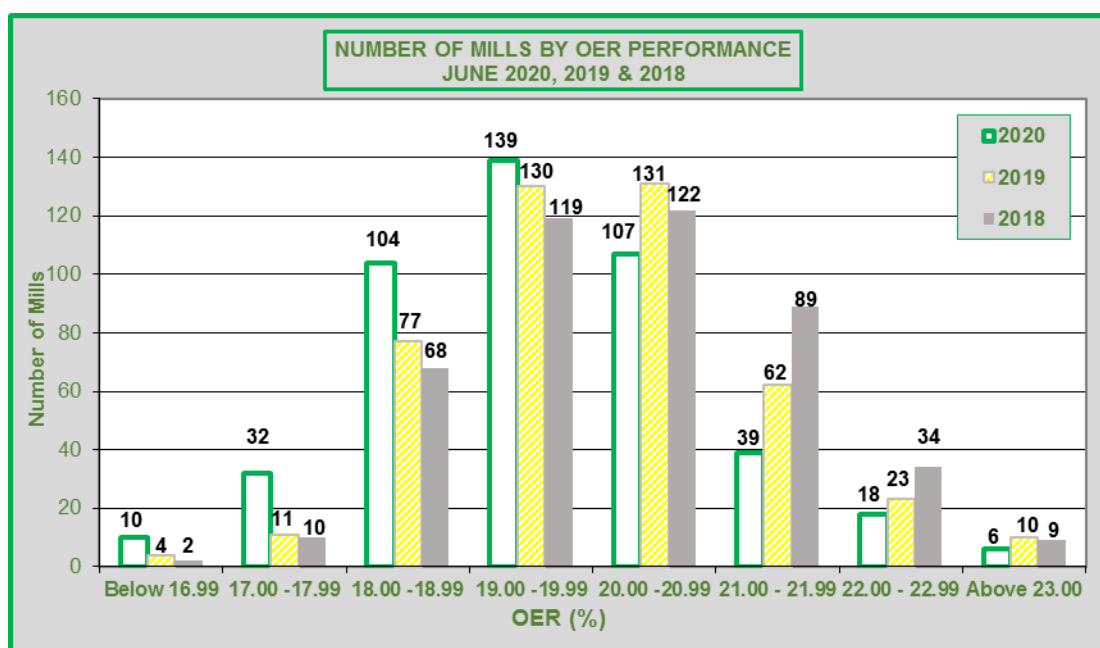
OER PERFORMANCE BY STATES JUNE 2020 AND MAY 2020 (%)

STATES	JUNE	MAY	DIFF. (Actual)
JOHOR	19.27	19.49	-0.22
KEDAH	20.54	19.85	0.69
KELANTAN	20.41	20.36	0.05
N.SEMBILAN	18.94	19.09	-0.15
PAHANG	19.43	19.31	0.12
PERAK	18.88	19.08	-0.20
SELANGOR	18.95	18.86	0.09
TERENGGANU	19.77	20.05	-0.28
OTHER STATES	20.07	19.51	0.56
P. MALAYSIA	19.32	19.37	-0.05
SABAH	20.25	20.92	-0.67
SARAWAK	18.98	19.85	-0.87
SABAH/SARAWAK	19.67	20.45	-0.78
MALAYSIA	19.47	19.87	-0.40

Number of mills which recorded decreases in OER performance in June 2020 exceeded the number of mills which recorded increases, with 319 mills (70.1%) against 126 mills (27.7%), while the other nine (9) mills recorded the same level of OER as in May 2020.

In the same month, there were six (6) mills (1.3%) achieved OER above 23.00 percent as compared to 10 mills (2.2%) in June 2019. Another 57 mills (12.5%) registered OER between 21.00 percent and 22.99 percent, 107 mills (23.5%) registered OER between 20.00 percent and 20.99 percent and 139 mills (30.5%) between 19.00 percent and 19.99 percent. Another 104 mills (22.9%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 42 mills (9.2%) recorded OER below 18.00 percent. (Refer Chart 1)

Chart 1.



The highest individual OER in Malaysia in June 2020 recorded at 23.97 percent by a mill in Pahang, while the lowest OER registered by a mill in Negeri Sembilan at 14.28 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Pahang, i.e. higher by 6.23 percent, while the highest decline was recorded by a mill in Negeri Sembilan, which was lower by 4.04 percent.