

OER Performance of Malaysian Oil Palm Mills – March 2017

Malaysia's CPO extraction rates (OER) in March 2017 increased, for a first time in the year, by 0.05 percent to 19.59 percent as against 19.54 percent recorded in February 2017. The higher national OER was mainly due to better quality FFB processed by oil palm mills. However, OER in March 2017 was recorded lower by 0.56 percent vis-à-vis 20.15 percent recorded in the corresponding month in the previous year.

A total of nine (9) CPO producing states in Malaysia recorded increases in OER performance in March 2017, ranged from 0.01 percent to 0.46

percent. Kedah recorded the highest increment in OER performance, i.e. increased by 0.46 percent to 19.61 percent. It was followed by Other State, Terengganu, Kelantan, Negeri Sembilan and Sarawak, which were higher by 0.40 percent, 0.39 percent, 0.19 percent, 0.19 percent and 0.12 percent to 19.14 percent, 19.27 percent, 20.00 percent, 18.88 percent and 20.15 percent respectively. Johor and Pahang were the only states that recorded decreases in OER performance as compared to February 2017 performance. (Refer Table 1).

Table1.

OER PERFORMANCE BY STATES MARCH 2017 AND FEBRUARY 2017 (%)

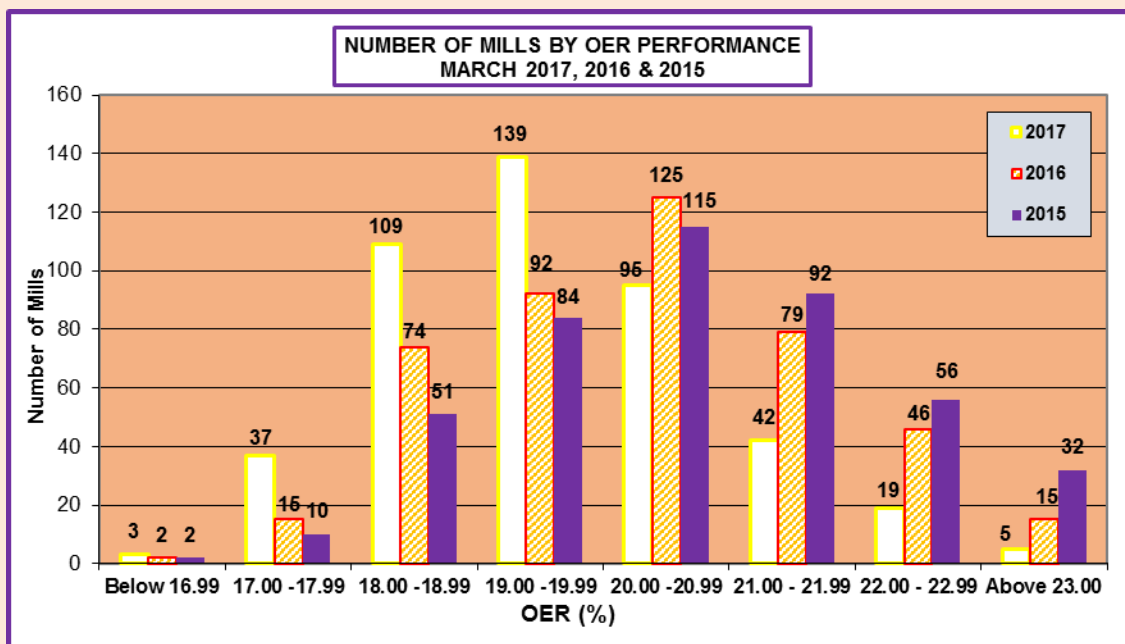
STATES	MARCH	FEBRUARY	DIFF. (Actual)
JOHORE	19.36	19.37	-0.01
KEDAH	19.61	19.15	0.46
KELANTAN	20.00	19.81	0.19
N.SEMBILAN	18.88	18.69	0.19
PAHANG	19.06	19.11	-0.05
PERAK	18.85	18.76	0.09
SELANGOR	18.80	18.74	0.06
TERENGGANU	19.27	18.88	0.39
OTHER STATES	19.14	18.74	0.40
P. MALAYSIA	19.11	19.07	0.04
SABAH	20.16	20.15	0.01
SARAWAK	20.15	20.03	0.12
SABAH/SARAWAK	20.16	20.10	0.06
MALAYSIA	19.59	19.54	0.05

The number of mills which recorded decreases in OER performance in that particular month exceeded the number of mills which recorded increases, with 221 mills (49.2%) against 220 mills (49.0%), while the other eight (8) mills (1.8%) recorded the same level of OER as the previous month.

In March 2017, there were five (5) mills (1.1%) achieved OER above 23.00 percent as compared

to 15 mills (3.3%) in March 2016. Another 61 mills (13.6%) registered OER between 21.00 percent and 22.99 percent, 95 mills (21.2%) registered OER between 20.00 percent and 20.99 percent and 139 mills (31.0%) between 19.00 percent and 19.99 percent. Another 109 mills (24.3%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 40 mills (8.9%) recorded OER below 18.00 percent. (Refer Chart 1).

Chart 1.



The highest individual OER in Malaysia in March 2017 recorded at 23.60 percent by a mill in Pahang, while the lowest OER also registered by a mill in the same state at 15.32 percent. Meanwhile, the highest increase in OER as

compared to the previous month's OER, recorded by a mill in Sarawak, i.e. increased by 1.80 percent, while the highest decline was recorded by a mill in Pahang, which declined by 2.93 percent.