

## OER Performance of Malaysian Oil Palm Mills – December 2017

Malaysia's CPO extraction rates (OER) in December 2017 was lower by 0.12 percent to 19.58 percent as against 19.70 percent recorded in November 2017. The lower national OER was mainly due to lower quality FFB processed by major oil palm producers. OER in December 2017 was also recorded lower as compared to the corresponding month in 2016, i.e. lower by 0.40 percent from 19.98 percent.

In December 2017, five (5) CPO producing states in Malaysia recorded decreases in OER performance, ranged from 0.18 percent to 1.31

percent. Terengganu recorded the highest decrease in OER performance, declined by 1.31 percent to 18.14 percent from 19.45 percent. It was followed by Kelantan, Sarawak, Sabah and Pahang, which were down by 0.84 percent, 0.47 percent, 0.32 percent and 0.18 percent respectively. In contrast, six (6) other states, showed increases in OER performance. Kedah recorded an increase of 1.30 percent to register as the highest increase in OER performance, then followed by Other States, Negeri Sembilan, Johor, Perak and Selangor. (Refer Table 1).

**Table1.**  
**OER PERFORMANCE BY STATES**  
**DECEMBER AND NOVEMBER 2017 (%)**

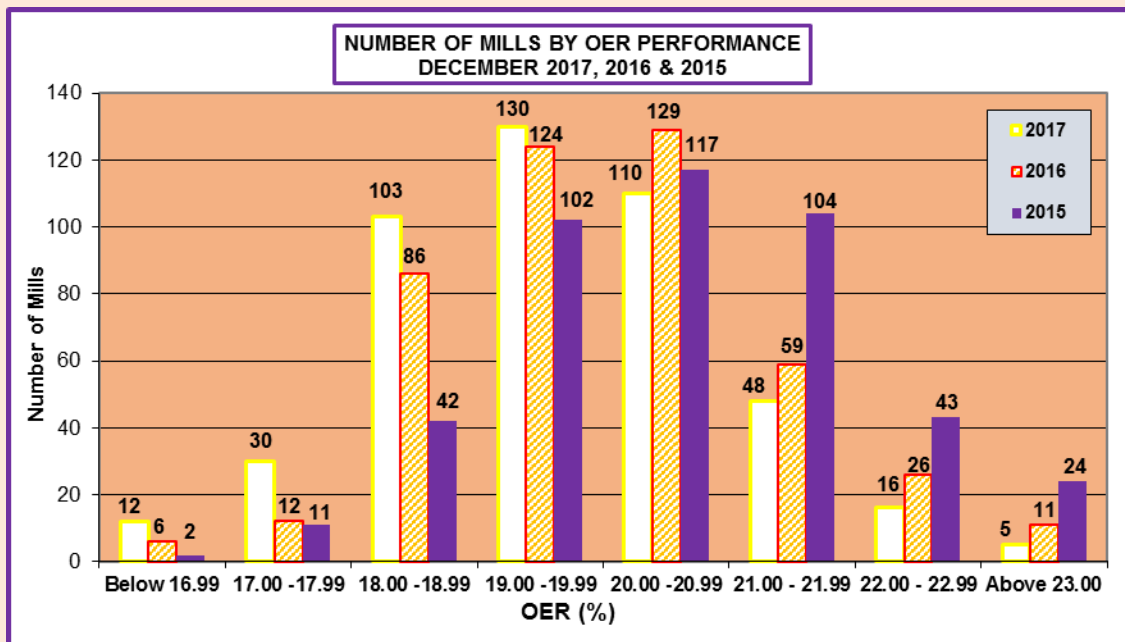
STATES	DECEMBER	NOVEMBER	DIFF. (Actual)
JOHORE	19.33	19.02	0.31
KEDAH	20.68	19.38	1.30
KELANTAN	19.40	20.24	-0.84
N.SEMBILAN	19.06	18.69	0.37
PAHANG	19.17	19.35	-0.18
PERAK	19.21	18.90	0.31
SELANGOR	19.16	18.96	0.20
TERENGGANU	18.14	19.45	-1.31
OTHER STATES	19.81	19.09	0.72
<b>P. MALAYSIA</b>	<b>19.22</b>	<b>19.14</b>	<b>0.08</b>
SABAH	20.42	20.74	-0.32
SARAWAK	19.50	19.97	-0.47
<b>SABAH/SARAWAK</b>	<b>20.03</b>	<b>20.40</b>	<b>-0.37</b>
<b>MALAYSIA</b>	<b>19.58</b>	<b>19.70</b>	<b>-0.12</b>

The number of mills which recorded decreases in OER performance in December 2017 exceeded the number of mills which recorded increases, with 264 mills (58.1%) against 185 mills (40.7%), while the other five (5) mills recorded the same level of OER as the previous month.

Within the month, there were five (5) mills (1.1%) achieved OER above 23.00 percent as

compared to 11 mills (2.4%) in December 2016. Another 64 mills (14.1%) registered OER between 21.00 percent and 22.99 percent, 110 mills (24.2%) registered OER between 20.00 percent and 20.99 percent and 130 mills (28.6%) between 19.00 percent and 19.99 percent. Another 103 mills (22.7%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 42 mills (9.3%) recorded OER below 18.00 percent. (Refer Chart 1).

**Chart 1.**



The highest individual OER in Malaysia in December 2017 was recorded at 24.50 percent by a mill in Sarawak, while the lowest OER also registered by a mill in Sarawak at 15.41 percent. Meanwhile, the highest increase in OER as

against the previous month's OER, recorded by a mill in Pahang, i.e. higher by 3.03 percent, while the highest decline was recorded by a mill in Sabah, which down by 2.18 percent.