

OER Performance of Malaysian Oil Palm Mills – January 2018

Malaysia's CPO extraction rates (OER) in January 2018 declined by 0.57 percent to 19.01 percent as against 19.58 percent recorded in the previous month. The decrease in national OER was mainly due to lower quality FFB processed by oil palm mills and unfavourable weather condition in several CPO producing states. OER in January 2018 was also recorded lower compared to the corresponding month in 2017, i.e. down by 0.71 percent from 19.72 percent.

performance, ranged from 0.14 percent to 1.20 percent. Kedah recorded the highest decrease in OER performance, i.e. declined by 1.20 percent to 19.48 percent. It was followed by Pahang, Negeri Sembilan, Johore, Other States and Sabah, which were lower by 0.88 percent, 0.79 percent, 0.78 percent, 0.76 percent and 0.65 percent to 18.29 percent, 18.27 percent, 18.55 percent, 19.05 percent and 19.77 percent respectively. (Refer Table 1).

Within the same month, all CPO producing states in Malaysia recorded decreases in OER

Table 1
OER Performance By States, January 2018 And December 2017 (%)

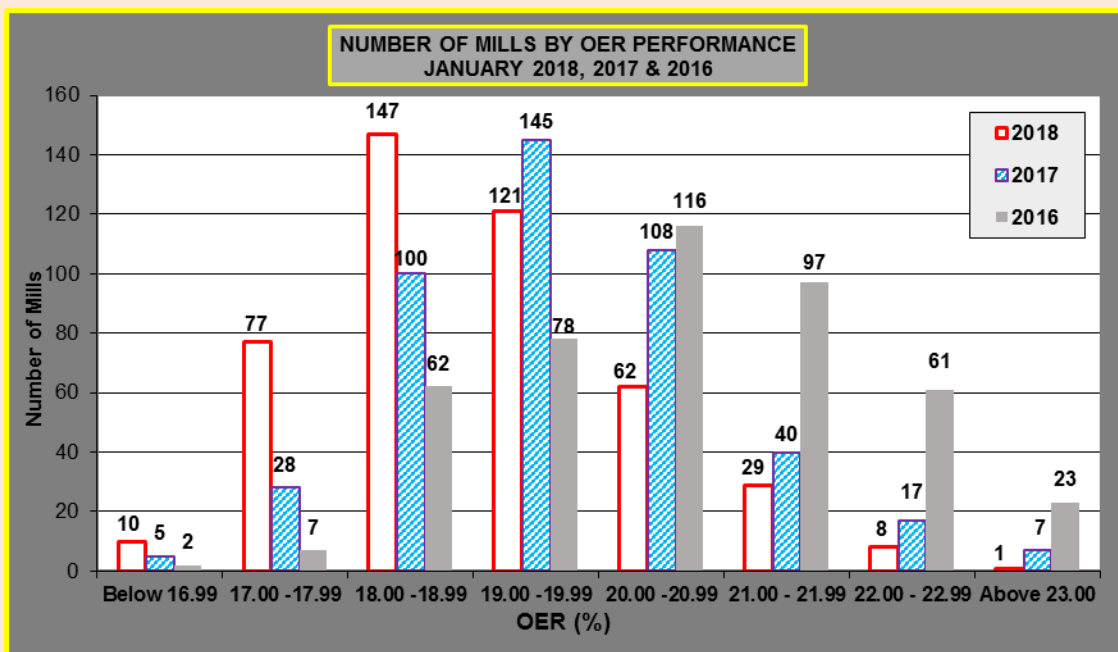
States	January	December	Diff. (Actual)
Johore	18.55	19.33	-0.78
Kedah	19.48	20.68	-1.20
Kelantan	19.00	19.40	-0.40
N.Sembilan	18.27	19.06	-0.79
Pahang	18.29	19.17	-0.88
Perak	18.74	19.21	-0.47
Selangor	18.55	19.16	-0.61
Terengganu	18.00	18.14	-0.14
Other States	19.05	19.81	-0.76
P. Malaysia	18.51	19.22	-0.71
Sabah	19.77	20.42	-0.65
Sarawak	19.33	19.50	-0.17
Sabah/Sarawak	19.59	20.03	-0.44
MALAYSIA	19.01	19.58	-0.57

The number of mills which recorded decreases in OER performance in January 2018 exceeded the number of mills which recorded increases, with 401 mills (88.1%) against 51 mills (11.2%), while one (1) mill recorded the same level of OER as the previous month.

In January 2018, there was only one (1) mill (0.2%) achieved OER above 23.00 percent as

compared to 7 mills (1.6%) in January 2017. Another 37 mills (8.1%) registered OER between 21.00 percent and 22.99 percent, 62 mills (13.6%) registered OER between 20.00 percent and 20.99 percent and 121 mills (26.6%) between 19.00 percent and 19.99 percent. Another 147 mills (32.3%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 87 mills (19.1%) recorded OER below 18.00 percent. (Refer Chart 1).

**Chart 1 : Number Of Mills By OER Performance
 January 2018, 2017 & 2016**



The highest OER in Malaysia recorded at 23.85 percent in January 2018 was by a mill in Sarawak, while the lowest OER also registered by a mill in Sarawak at 15.10 percent.

Meanwhile, the highest increase in OER as compared to the previous month's OER, recorded by a mill in Sabah, i.e. increased by 2.91 percent, while the highest decline was recorded by a mill in Kedah, which was declined by 3.05 percent.