

OER Performance of Malaysian Oil Palm Mills – October 2018

Malaysia's CPO extraction rates (OER) in October 2018 increased by 0.08 percent to 20.14 percent from 20.06 percent in September 2018. The higher in national OER was mainly due to higher quality FFB received and processed by the mills in CPO producing states arising from favourable weather condition. Likewise, OER in October 2018, was also higher by 0.15 percent vis-à-vis 19.99 percent recorded in October 2017.

In October 2018, five (5) CPO producing states in Malaysia, recorded increases in OER

performance, ranged from 0.22 percent to 0.59 percent. Negeri Sembilan recorded the highest increase in OER performance, i.e. up by 0.59 percent to 19.94 percent. It was followed by Selangor, Other States, Johor and Pahang which were higher by 0.33 percent, 0.27 percent, 0.25 percent and 0.22 percent. On the contrary, another five (5) states, i.e. Kedah, Kelantan, Perak, Terengganu and Sabah recorded lower OER as against September 2018, while Sarawak, registered the same level of OER performance in the previous month. (Refer Table 1).

Table 1
OER Performance By States, October 2018 And September 2018 (%)

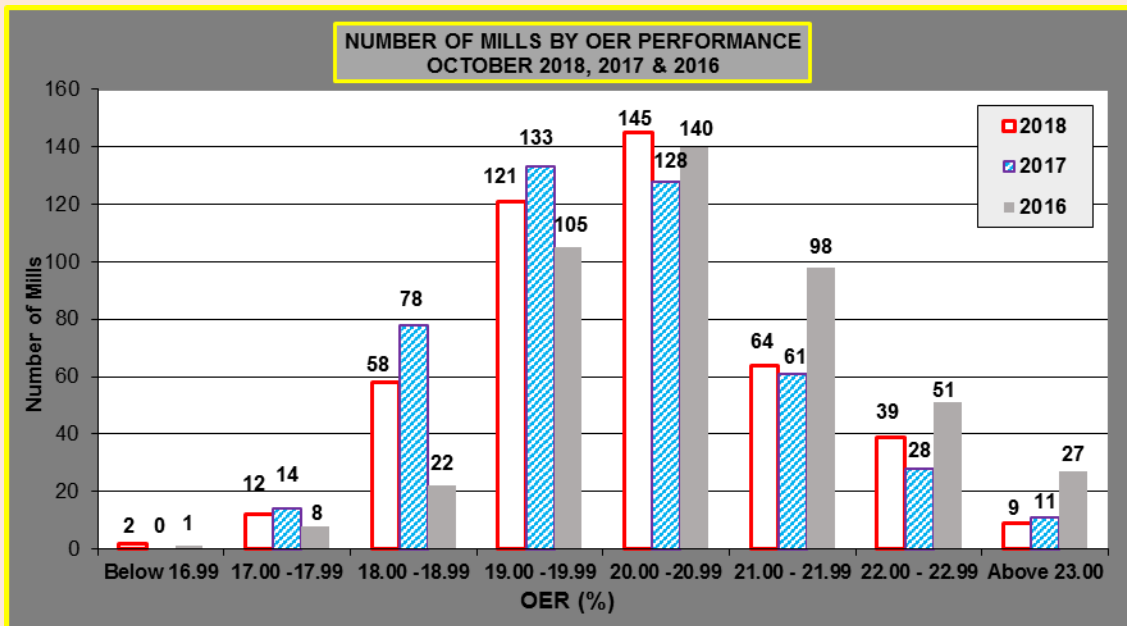
STATES	OCTOBER	SEPTEMBER	DIFF. (Actual)
JOHOR	19.93	19.68	0.25
KEDAH	19.79	19.93	(0.14)
KELANTAN	21.11	21.25	(0.14)
N.SEMBILAN	19.94	19.35	0.59
PAHANG	20.28	20.06	0.22
PERAK	19.00	19.17	(0.17)
SELANGOR	19.58	19.25	0.33
TERENGGANU	20.51	20.88	(0.37)
OTHER STATES	19.71	19.44	0.27
P. MALAYSIA	19.88	19.74	0.14
SABAH	20.85	20.88	(0.03)
SARAWAK	19.97	19.97	0.00
SABAH/SARAWAK	20.43	20.41	0.02
MALAYSIA	20.14	20.06	0.08

The number of mills which recorded increases in OER performance in October 2018 exceeded the number of mills which recorded decreases, with 234 mills (52.0%) against 201 mills (44.7%), while the other 14 mills (3.1%) recorded the same level of OER as in September 2018.

Within the month, there were nine (9) mills (2.0%) achieved OER above 23.00 percent as compared to 11 mills (2.4%) in October 2017.

Another 103 mills (22.9%) registered OER between 21.00 percent and 22.99 percent, 145 mills (32.2%) between 20.00 percent and 20.99 percent and 121 mills (26.9%) between 19.00 percent and 19.99 percent. Another 58 mills (12.9%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 14 mills (3.1%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in October 2018 recorded at 24.24 percent by a mill in Pahang, while the lowest OER registered by a mill in Sarawak at 16.47 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Pahang, i.e. up by 3.80 percent, while the highest decline was recorded by a mill in Perak, which was down by 1.59 percent.