

OER Performance of Malaysian Oil Palm Mills – February 2018

Malaysia's CPO extraction rates (OER) in February 2018 increased by 0.83 percent to 19.84 percent as against 19.01 percent recorded in January 2018. The increase in national OER was mainly due to higher quality FFB processed by oil palm mills arising from favourable weather condition in several major CPO producing states. OER in February 2018 was also recorded higher by 0.30 percent vis-à-vis 19.54 percent recorded in the corresponding month in 2017.

Within the same month, all CPO producing states in Malaysia except Sarawak recorded increases in

OER performance, ranged from 0.58 percent to 1.48 percent. Terengganu recorded the highest increase in OER performance, i.e. up by 1.48 percent to 19.48 percent. It was followed by Negeri Sembilan, Pahang, Johor, Kelantan and Selangor, which were rose by 1.28 percent, 1.26 percent, 1.20 percent, 1.18 percent and 1.08 percent respectively. However, Sarawak recorded a lower OER performance as compared to the previous month, i.e. down by 0.09 percent to 19.24 percent. (Refer Table 1).

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

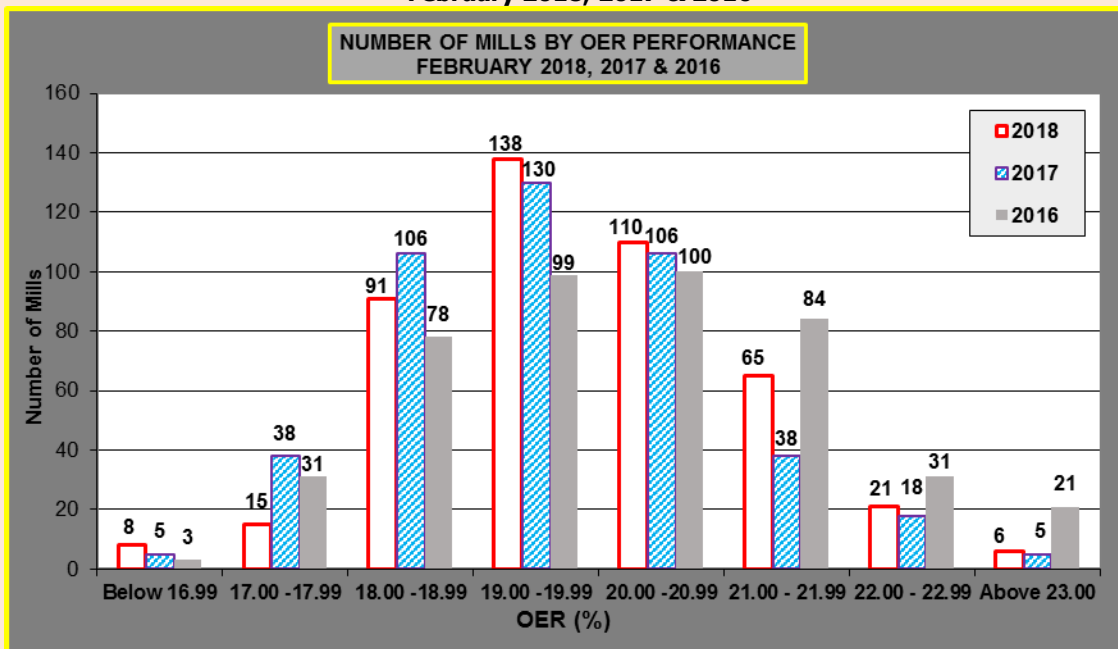
STATES	FEBRUARY	JANUARY	DIFF. (Actual)
JOHOR	19.75	18.55	1.20
KEDAH	20.06	19.48	0.58
KELANTAN	20.18	19.00	1.18
N.SEMBILAN	19.55	18.27	1.28
PAHANG	19.55	18.29	1.26
PERAK	19.43	18.74	0.69
SELANGOR	19.63	18.55	1.08
TERENGGANU	19.48	18.00	1.48
OTHER STATES	19.92	19.05	0.87
P. MALAYSIA	19.63	18.51	1.12
SABAH	20.61	19.77	0.84
SARAWAK	19.24	19.33	-0.09
SABAH/SARAWAK	20.08	19.59	0.49
MALAYSIA	19.84	19.01	0.83

The number of mills which recorded increases in OER performance in February 2018 exceeded the number of mills which recorded decreases, with 386 mills (85.0%) against 67 mills (14.8%), while one (1) mill recorded the same level of OER as the previous month.

In February 2018, there were six (6) mills (1.3%) achieved OER above 23.00 percent as compared

to 5 mills (1.1%) in February 2017. Another 86 mills (18.9%) 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 138 mills (30.4%) between 19.00 percent and 19.99 percent. Another 91 mills (20.0%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 23 mills (5.1%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in February 2018 recorded at 23.68 percent by a mill in Sabah, while the lowest OER registered by a mill in Sarawak at 15.00 percent. Meanwhile, the highest increase in OER as compared to the previous month's OER, recorded by a mill in Pahang, i.e. higher by 3.11 percent, while the highest decline was recorded by a mill in Sarawak, which was decreased by 2.91 percent.