

OER Performance of Malaysian Oil Palm Mills – May 2018

Malaysia's CPO extraction rates (OER) in May 2018 decreased by 0.17 percent to 20.04 percent as against 20.21 percent recorded in April 2018. The lower national OER was mainly due to lower quality FFB processed by oil palm mills arising from unfavourable weather condition in major CPO producing states. In contrast, OER in May 2018 was recorded higher by 0.22 percent vis-à-vis 19.82 percent registered in May 2017.

In May 2018, all CPO producing states in Malaysia, except for Sabah, recorded decreases in OER performance, ranged from 0.11 percent

to 0.61 percent. Other states, namely Melaka and Pulau Pinang, recorded the highest decrease in OER performance, i.e. decreased by 0.61 percent to 19.25 percent. It was followed by Perak, Negeri Sembilan, Kedah, Johor and Selangor, which were down by 0.53 percent, 0.50 percent, 0.48 percent, 0.34 percent and 0.33 percent to 19.00 percent, 19.28 percent, 19.61 percent, 19.58 percent and 19.15 percent respectively. Sabah recorded an increase of 0.25 percent in OER performance as against April 2018. (Refer Table 1).

Table 1
OER Performance By States, May 2018 And April 2018 (%)

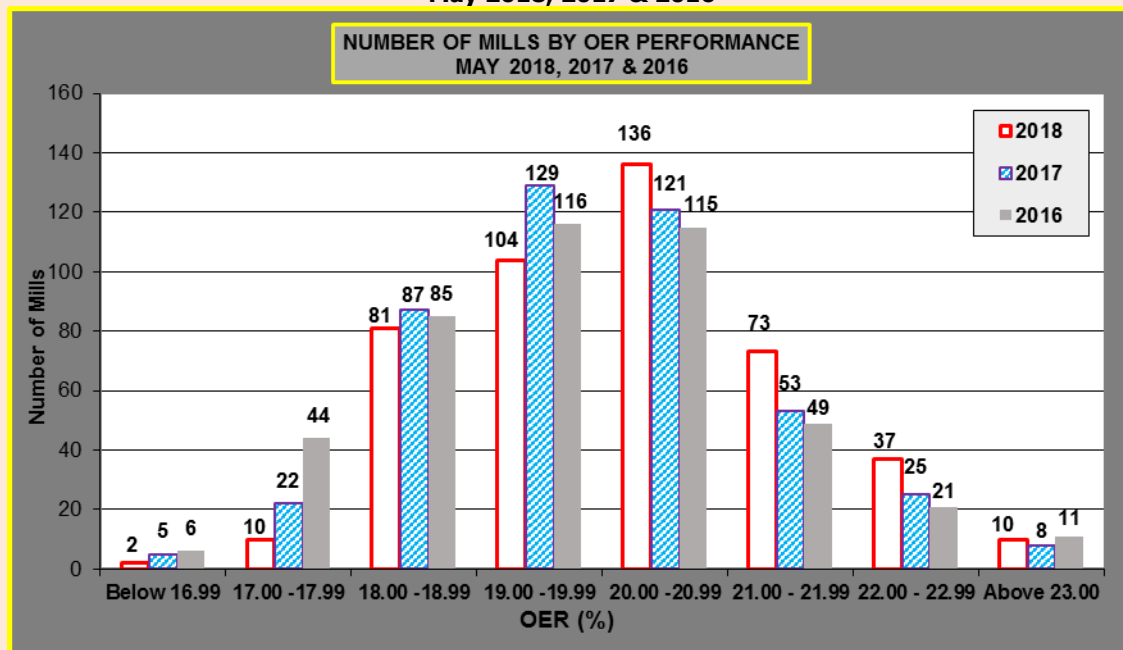
STATES	MAY	APRIL	DIFF. (Actual)
JOHOR	19.58	19.92	-0.34
KEDAH	19.61	20.09	-0.48
KELANTAN	21.35	21.52	-0.17
N.SEMBILAN	19.28	19.78	-0.50
PAHANG	19.94	20.22	-0.28
PERAK	19.00	19.53	-0.53
SELANGOR	19.15	19.48	-0.33
TERENGGANU	20.50	20.64	-0.14
OTHER STATES	19.25	19.86	-0.61
P. MALAYSIA	19.59	19.98	-0.39
SABAH	20.92	20.67	0.25
SARAWAK	20.13	20.24	-0.11
SABAH/SARAWAK	20.54	20.48	0.06
MALAYSIA	20.04	20.21	-0.17

The number of mills which recorded decreases in OER performance in May 2018 exceeded the number of mills which recorded increases, with 283 mills (62.5%) against 161 mills (35.5%), while the other nine (9) mills (2.0%) recorded the same level of OER as the previous month.

In the same month, there were 10 mills (2.2%) achieved OER above 23.00 percent as compared to 8 mills (1.8%) in May 2017. Another 110 mills (24.3%) registered OER between 21.00 percent

and 22.99 percent, 136 mills (30.0%) registered OER between 20.00 percent and 20.99 percent and 104 mills (23.0%) between 19.00 percent and 19.99 percent. Another 81 mills (17.9%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 12 mills (2.6%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in May 2018 recorded at 24.05 percent by a mill in Sarawak, while the lowest OER registered by a mill in Sarawak at 16.43 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 3.51 percent, while the highest decline was recorded by a mill in Pahang, which down by 1.70 percent.