

OER Performance of Malaysian Oil Palm Mills – July 2018

Malaysia's CPO extraction rates (OER) in July 2018 decreased by 0.12 percent to 19.95 percent from 20.07 percent in June 2018. The lower in national OER was mainly due to lower quality FFB received and processed by major CPO producing states. On the other hand, OER in July 2018 was recorded higher by 0.24 percent vis-à-vis 19.71 percent in July 2017.

In July 2018, seven (7) CPO producing states in Malaysia recorded decreases in OER performance, ranged from 0.01 percent to 0.26

percent. Johor recorded the highest decrease in OER performance, i.e. drop by 0.26 percent to 19.38 percent. It was followed by Sarawak, Other States and Kelantan, which were lower by 0.21 percent, 0.13 percent and 0.12 percent to 19.68 percent, 19.69 percent and 21.30 percent respectively. In contrast, three (3) states, namely Terengganu, Sabah and Negeri Sembilan recorded increases in OER performance, while Pahang recorded the same level of OER performance as against June 2018.

Table 1
OER Performance By States, July 2018 And June 2018 (%)

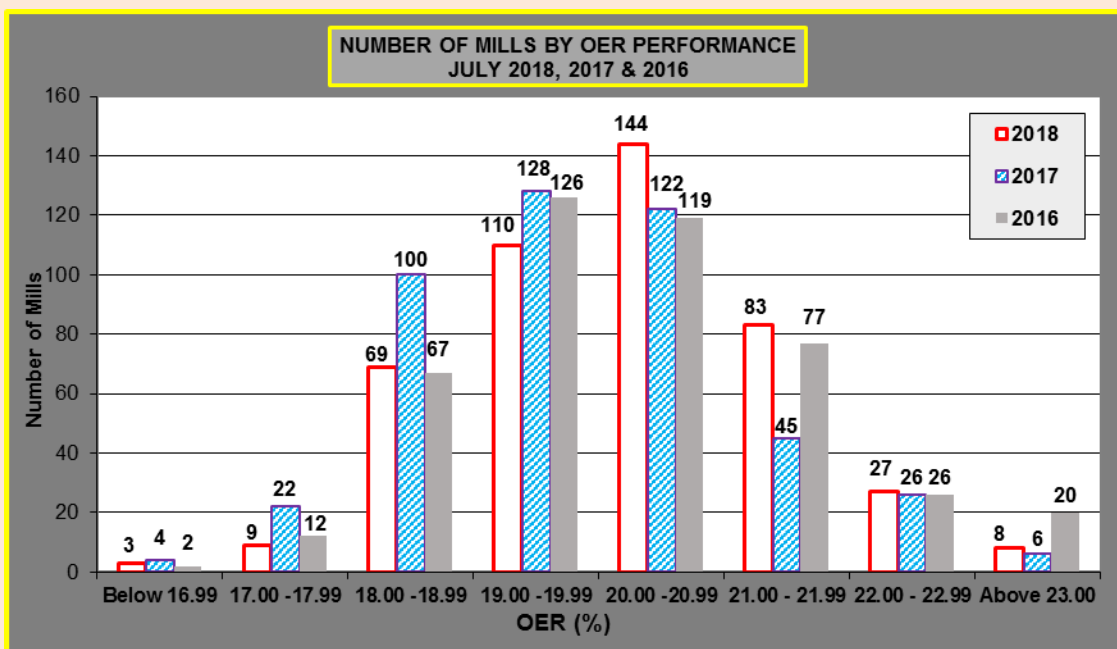
STATES	JULY	JUNE	DIFF. (Actual)
JOHOR	19.38	19.64	-0.26
KEDAH	20.45	20.52	-0.07
KELANTAN	21.30	21.42	-0.12
N.SEMBILAN	19.60	19.58	0.02
PAHANG	20.09	20.09	0.00
PERAK	19.27	19.32	-0.05
SELANGOR	19.12	19.13	-0.01
TERENGGANU	20.54	20.49	0.05
OTHER STATES	19.69	19.82	-0.13
P. MALAYSIA	19.65	19.76	-0.11
SABAH	20.95	20.92	0.03
SARAWAK	19.68	19.89	-0.21
SABAH/SARAWAK	20.30	20.41	-0.11
MALAYSIA	19.95	20.07	-0.12

The number of mills which recorded decreases in OER performance in July 2018 exceeded the number of mills which recorded increases, with 251 mills (55.4%) against 193 mills (42.6%), while the other nine (9) mills (2.0%) recorded the same level of OER as in June 2018.

During the month, there were eight (8) mills (1.8%) achieved OER above 23.00 percent as compared to six (6) mills (1.3%) in July 2017.

Another 110 mills (24.3%) registered OER between 21.00 percent and 22.99 percent, 144 mills (31.8%) registered OER between 20.00 percent and 20.99 percent and 110 mills (24.3%) between 19.00 percent and 19.99 percent. Another 69 mills (15.2%) 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
 July 2018, 2017 & 2016**



The highest individual OER in Malaysia in July 2018 recorded at 24.03 percent by a mill in Sarawak, while the lowest OER registered by a mill also in Sarawak at 15.66 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sabah, i.e. higher by 1.14 percent, while the highest decline was recorded by a mill in Pahang, which down by 1.55 percent.