

## OER Performance of Malaysian Oil Palm Mills – September 2018

Malaysia's CPO extraction rates (OER) in September 2018 declined by 0.26 percent to 20.06 percent from 20.32 percent in August 2018. The lower in national OER was mainly due to lower quality FFB received and processed by the mills in CPO producing states arising from unfavourable weather condition. However, OER in September 2018, was higher by 0.36 percent vis-à-vis 19.70 percent recorded in September 2017.

In September 2018, all 11 CPO producing states in Malaysia, recorded decreases in OER performance, ranged from 0.13 percent to 0.73

percent. Kedah recorded the highest decline in OER performance, i.e. down by 0.73 percent to 19.93 percent. It was followed by Selangor, Negeri Sembilan and Other States which were down by 0.64 percent, 0.55 percent and 0.45 percent to 19.25 percent, 19.35 percent and 19.44 percent respectively. Meanwhile, the lowest decrease in OER performance was recorded by Sarawak, i.e. lower by 0.13 percent to 19.97 percent from 20.10 percent in August 2018. (Refer Table 1).

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

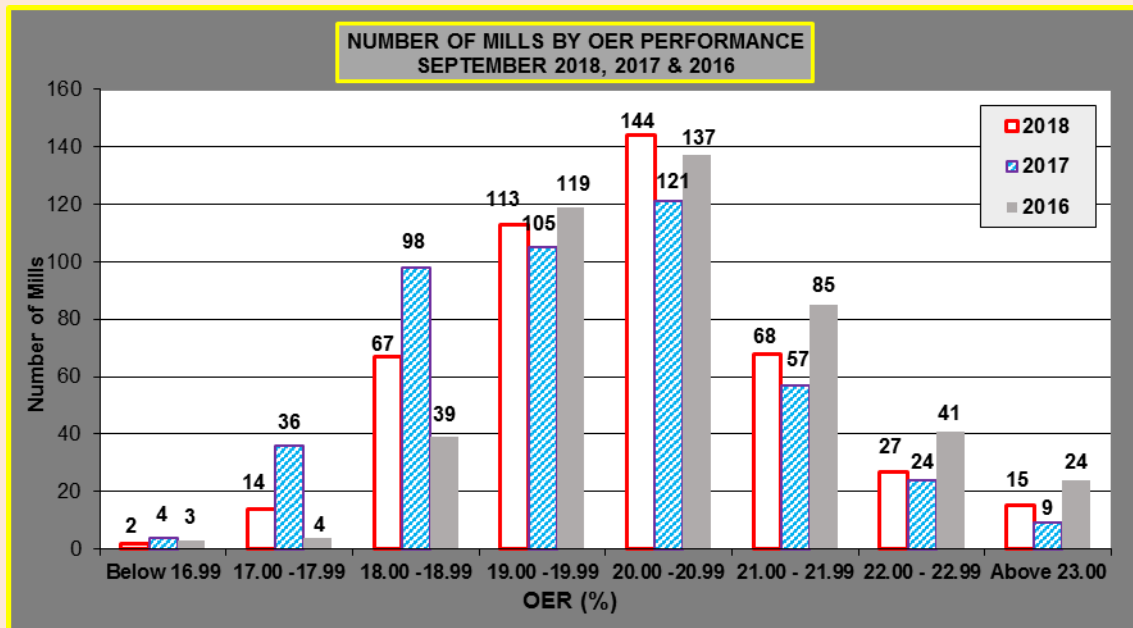
STATES	SEPTEMBER	AUGUST	DIFF. (Actual)
JOHOR	19.68	20.01	(0.33)
KEDAH	19.93	20.66	(0.73)
KELANTAN	21.25	21.63	(0.38)
N.SEMBILAN	19.35	19.90	(0.55)
PAHANG	20.06	20.42	(0.36)
PERAK	19.17	19.53	(0.36)
SELANGOR	19.25	19.89	(0.64)
TERENGGANU	20.88	21.04	(0.16)
OTHER STATES	19.44	19.89	(0.45)
<b>P. MALAYSIA</b>	<b>19.74</b>	<b>20.10</b>	<b>(0.36)</b>
SABAH	20.88	21.10	(0.22)
SARAWAK	19.97	20.10	(0.13)
<b>SABAH/SARAWAK</b>	<b>20.41</b>	<b>20.57</b>	<b>(0.16)</b>
<b>MALAYSIA</b>	<b>20.06</b>	<b>20.32</b>	<b>(0.26)</b>

The number of mills which recorded decreases in OER performance in September 2018 exceeded the number of mills which recorded increases, with 337 mills (74.9%) against 109 mills (24.2%), while the other four (4) mills (0.9%) recorded the same level of OER as in August 2018.

Within the month, there were 15 mills (3.3%) achieved OER above 23.00 percent as compared

to nine (9) mills (2.0%) in September 2017. Another 95 mills (21.1%) registered OER between 21.00 percent and 22.99 percent, 144 mills (32.0%) between 20.00 percent and 20.99 percent and 113 mills (25.1%) between 19.00 percent and 19.99 percent. Another 67 mills (14.9%) recorded OER between 18.00 percent and 18.99 percent and the remaining of 16 mills (3.5%) recorded OER below 18.00 percent. (Refer Chart 1).

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



The highest individual OER in Malaysia in September 2018 recorded at 24.31 percent by a mill in Sabah, while the lowest OER registered by a mill in Pahang at 13.35 percent. Meanwhile, the highest increase in OER as against the previous month's OER, recorded by a mill in Sarawak, i.e. higher by 1.70 percent, while the highest decline was recorded by a mill in Pahang, which was down by 5.15 percent.