



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

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GAIN Report #MY0019

## Malaysia

### Oilseeds and Products Update (March)

**2000**

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#### Report Highlights:

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Kuala Lumpur [MY1], MY

**SUMMARY:****Production**

The Malaysian Palm Oil Registration and Licensing Authority (PORLA) reported that total crude palm oil (CPO) production dropped 7.4 percent from the month of January 2000 to 713 TMT in February. Output in the Peninsula decreased by 4.3 percent while East Malaysia's production declined by 13.7 percent. Compared to February 1999, output during February 2000 was 27 percent higher. CPO output is expected to enter the seasonal uptrend phase in the current month and Post forecast output for the April - June period to increase to 2.6 MMT.

**Price**

News of declining stock level gave some support to local CPO prices. The average CPO price rose 2.8 percent from RM1,075/MT (US\$283/MT) in February to RM1,105/MT (US\$291/MT) in March. For comparison, the average CPO price for March, 1999 was RM1,668/MT (US\$439/MT). RBD Palm Oil FOB average price also increased from US\$304/MT in February to US\$309/MT in March

**Stocks**

A drop in CPO production and a small increase in exports resulted in a decline in the stock level at the end of February. The seasonal uptrend during the Apr-Jun quarter should push the stock level to about 1.2 MMT at the end of June.

**Trade**

Preliminary official exports rose marginally from 638 TMT in January to 640 TMT in February.

**ANNUAL SITUATION (OCT/SEP):**

No changes in the PS&Ds for palm oil since our report MY0016

	Revised 1998/99	Prelim 1999/2000	Forecast 2000/2001
(1,000 tons)			
Beg Stock	719	1208	1500
Production	9,758	10,600	10,750
Imports	142	100	120
Total Supply	10,619	11,908	12,370
Exports	7,952	8,800	9,100
Domestic Use	1,459	1,608	1,820
Ending Stock	1,208	1,500	1,450

**QUARTERLY OUTLOOK FOR PALM OIL:**

	1999 1/	2000 2/	1999 1/	2000 2/
	Jan-Mar	Jan-Mar	Apr-Jun	Apr-Jun
Beg Stocks 3/	825	1176	728	900
Prod- East Mal	473	670	843	1100
- Pen. Mal	1298	1430	2022	1750
- Total	1771	2230	2865	2570
Imports	18	20	29	30
Total Supply	2614	3426	3622	3700
Exports 4/	1561	1950	2105	2100
Dom Disap 5/	325	376	468	400
End Stocks	728	1100	1049	1200

1/ Revised;

2/ Forecast;

3/ Stocks including crude and refined for all Malaysia;

4/ Exports exclude shipments of fatty acid oil distillate  
and all intra-Malaysia trade;

5/ residual.

**PRODUCTION:**

	1999	1999	2000	2000
	Jan	Feb	Jan	Feb
(In 1,000 MT)				
CPO:				
Pen. Malaysia	364	419	519	497
East Malaysia	141	144	250	216
- Total 1/	505	563	769	713
Palm Kernel : Malaysia	146	164	232	218
Palm Kernel Oil: Malaysia	65	71	100	102
Palm Kernel Meal: Malaysia	79	86	121	124

1/ Totals may not add due to rounding differences.  
Includes some revisions in previous months.

**PRICES:**

(Crude delivered basis; RBD Oils in Bulk, FOB Malaysia)

	Local Crude	RBD Palm Oil	RBD Olein	RBD Stearin
	RM/MT	US\$/MT	US\$/MT	US\$/MT
Apr 99	1692	470	501	375
May	1553	446	486	341
June	1277	354	399	245
July	1103	311	361	195
Aug	1143	375	372	241
Sep	1318	365	419	266
Oct	1260	347	378	272
Nov	1201	332	360	267
Dec	1196	331	363	260
Jan 2000	1157	318	344	244
Feb 1/	1075	304	328	237
Mar (till 21st)	1105	309	328	246

1/ revised

Exchange Rate (Mar 23 2000): US\$1.00 = RM3.799

**STOCKS:**

	1999	1999	2000	2000
	Feb	Dec	Jan	Feb
(In 1,000 MT)				
Crude P. Oil	360	717	690	644
Processed PO	354	460	501	503
- Total PO	714	1177	1191	1147
Palm Kernel	68	93	98	84
P. Kernel Oil	86	129	114	116