

Statistical Summary

Supply and Disappearance

Malaysian palm oil production for 1983 totalled 3 016 481 tonnes against production of 3 510 950 tonnes in 1982 indicating a decline of 14.1 per cent. The decline in palm oil production could among others be attributed to the stress imposed upon the palms by the pollinating weevil *Elaeidobius kamerunicus*, and to poor weather conditions. Despite the decline in production, the total supply available for trade during 1983 was greater than that available for 1982 due to high carry over of stocks in 1983.

In view of the greater supply of palm oil available in Malaysia during 1983, total exports of palm oil during 1983 were 3 015 962 tonnes against 2 876 922 tonnes the previous year showing an increase of 4.8 per cent (*Table 1*).

The monthly ending stock at December 1983 was much lower than that of December 1982, indicating the tight supply situation. Trade in palm oil is expected to be vigorous in 1984.

Prices

As shown in *Table 2*, RBD palm olein was at a premium to soyabean oil for both of 1982 and 1983. For the months of July to October and July to September of 1982 and 1983, respectively, RBD palm olein was at a discount to soyabean oil. These correspond to the peak production of palm oil during the mentioned periods for both years.

Palm kernel oil had been at a discount to coconut oil for 1982 and 1983, with the exception of the first five months of 1982. On the annual average the discount for palm kernel to coconut oil had been greater in 1983 than 1982.

There does not appear to be any clearly established cycle in the relative prices of RBD palm stearin and tallow, at least when considering the years 1982 and 1983. However on the year average, RBD palm stearin had been at a discount to tallow, even though the magnitude had diminished over the two years. For the two years under review, RBD palm stearin prices are usually lower than those of tallow.

RBD palm oil was at a premium to crude palm oil, as it should be. Nevertheless the premium was not that great especially in comparison to the processing cost. The average premium had also declined between the two years from US\$61 to US\$54 per tonne.

The price movement of the selected oils and fats in *Table 1* are illustrated in *Figures 1* and *2*.

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TABLE 1. MALAYSIAN PALM OIL: SUPPLY AND DISAPPEARANCE BY MONTH (tonnes)

Year	SUPPLY			DISAPPEARANCE			Ending Stock
	Beginning Stock	Production	Total	Adjusting Balance	Exports	Total	
1982							
January	136 366	180 565	316 931	-30 046	211 203	181 157	135 774
February	135 774	202 928	338 702	60 860	134 983	195 843	142 859
March	142 859	252 484	395 343	26 813	200 647	277 460	167 883
April	167 883	276 236	444 119	41 004	227 307	268 311	175 803
May	175 808	277 503	453 311	32 787	243 953	276 740	176 571
June	176 571	287 465	464 036	48 461	206 796	255 257	208 779
July	208 779	314 083	522 862	44 301	220 035	264 336	258 526
August	258 526	401 205	659 731	69 175	264 074	333 249	326 482
September	326 482	402 744	729 226	-17 477	316 119	298 642	430 584
October	430 584	396 294	826 878	61 172	279 002	340 174	486 704
November	486 704	299 798	786 502	78 338	219 714	298 052	488 450
December	488 450	219 998	708 448	37 347	244 163	278 181	426 938
1983							
January	426 938	204 755	631 693	- 1 321	251 825	250 504	381 189
February	381 189	195 361	576 550	53 891	135 084	188 975	387 575
March	387 575	245 591	633 166	67 210	213 308	280 518	352 648
April	352 648	232 069	584 717	35 286	232 746	268 032	316 685
May	316 685	326 770	553 440	7 451	240 157	256 600	305 834
June	305 834	240 782	546 616	- 3 261	256 624	253 363	293 253
July	293 253	272 918	566 171	41 298	217 960	259 258	306 913
August	306 913	316 999	623 912	63 730	237 783	301 513	322 399
September	322 399	309 879	632 278	- 2 549	310 087	307 538	324 740
October	325 112	296 667	621 407	9 201	319 016	328 217	293 190
November	293 500	263 469	556 659	18 804	265 198	284 002	272 657
December (a)	237 047	196 058	465 957	N.A.	212 649	N.A.	N.A.

Source: Department of Statistics, Malaysia

N.A - Not Available

(a) preliminary

Some of the months' total do not always equate to year total, because adjustments made are not incorporated into the former.

TABLE 2. PRICES OF SELECTED OILS AND FATS (US\$/tonnes)

	RBD Palm Olein (CIF)	Soyabean Oil (FOB)	+Premium -Discount	Palm Kernel Oil (CIF)	Coconut Oil (CIF)	+Premium -Discount	RBD Palm Stearin (CIF) (f)	Tallow (CIF)	+Premium -Discount	RBD Palm Oil (FOB) (g)	Crude Palm Oil (FOB) (g)	+Premium -Discount
1982												
January	541	455	+ 86	558	536	+22	N.A.	454	N.A.	480	407	+73
February	555	454	+101	537	526	+11	N.A.	445	N.A.	499	425	+74
March	542	452	+ 90	510	480	+30	N.A.	437	N.A.	476	413	+63
April	537	482	+ 55	515	502	+13	N.A.	450	N.A.	473	407	+66
May	542	509	+ 33	505	493	+12	470	456	+14	482	416	+66
Jun	518 (a)	475	+ 43	481	497	-16	450	449	+ 1	471	394	+77
July	418	464	- 46	425	465	-40	368	423	-55	366	318	+48
August	396	432	- 36	382	412	-30	368	390 (b)	-22	363	298	+65
September	413	426	- 13	388	411	-23	365	394	-29	373	318	+55
October	396	416 (c)	- 20	367	406	-39	(d)	385	N.A.	346	283	+63
November	410	403	+ 7	402	416	-14	384	389	- 5	346	299	+47
December	441	399	+ 42	428	429	- 1	378	389	-11	372	340	+32
Average	475	447	+ 28	458	464	- 6	397	409 (e)	-12	420	359	+61
1983												
January	456	397	+ 59	427	435	- 8	390	388	+ 2	373	343	+30
February	440	395	+ 45	435	451	-16	366	388	- 22	362	325	+37
March	437	394	+ 43	460	482	-22	355	397	- 42	351	314	+37
April	459	434	+ 25	558	576	-18	370	423	- 53	378	340	+38
May	471	434	+ 37	605	622	-17	420	413	+ 7	402	369	+33
June	452	425	+ 27	666	694	-28	418	402	+ 16	388	351	+37
July	466	477	- 11	823	846	-23	398	402	- 4	403	358	+45
August	584	651	- 67	975	985	-10	448	454	- 6	498	459	+39
September	680	736	- 56	928	954	-26	590	467	+123	643	550	+93
October	698	687	+ 11	834	860	-26	568	430	+138	655	578	+77
November	685	652	+ 33	851	884	-33	N.A.	451	N.A.	636	565	+71
December	746	644	+ 102	946	969	-23	564	456	+108	717	674	+43
Average	548	527	+ 21	709	730	- 21	444	423	+ 21	484	430	+54

(a) Three weeks only, (b) Oct./Nov. shipment, (c) Nov./Jan. shipment, (d) No trade, (e) Last 8 months.

RBD Palm Olein, Mal. CIF Rott. Soyabean Oil, Duth FOB ex-mill

Palm Kernel Oil, Mal. CIF Rott. Coconut Oil, Phil./Indo, CIF Rott.

RBD Palm Stearin, CIF Rott. Tallow US Bleach Fancy, CIF Rott.

RBD Palm Oil, FOB Mal. Crude Palm Oil, FOB Mal, (US\$1= M\$2.3)

Sources: Oil World

(g) PORLA

(f) Trade Sources: CIF Rott. equivalent
N.A. - Not Available

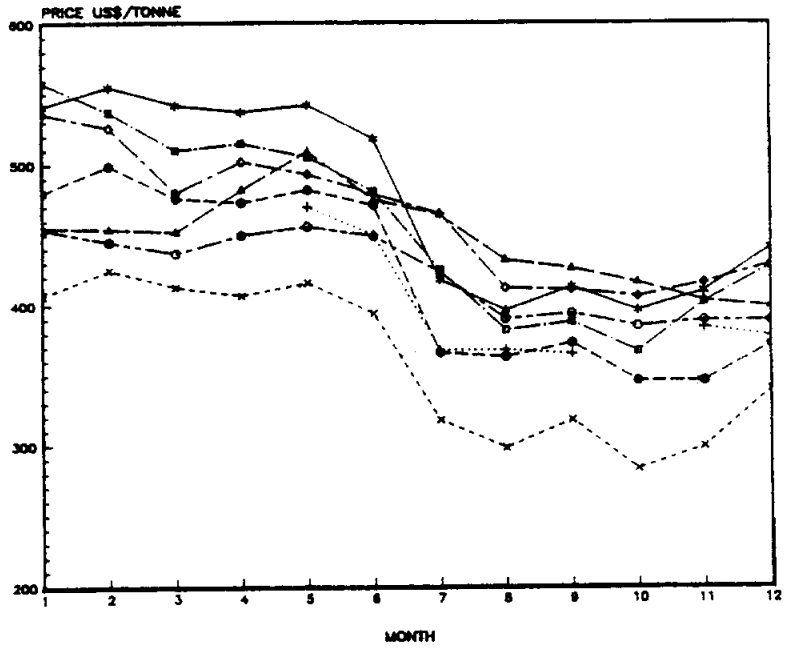


Figure 1. Prices of Selected Oil and Fats 1982

Key

- RBD PALM OLEIN (CIF) — * —
- SOYABEAN OIL (FOB) — ▲ —
- PALM KERNEL OIL (CIF) — □ —
- COCONUT OIL (CIF) — ◇ —
- TALLOW (CIF) — ○ —
- RBD PALM OIL (FOB) — ● —
- CRUDE PALM OIL (FOB) — * —
- RBD PALM STEARIN (CIF) — + —

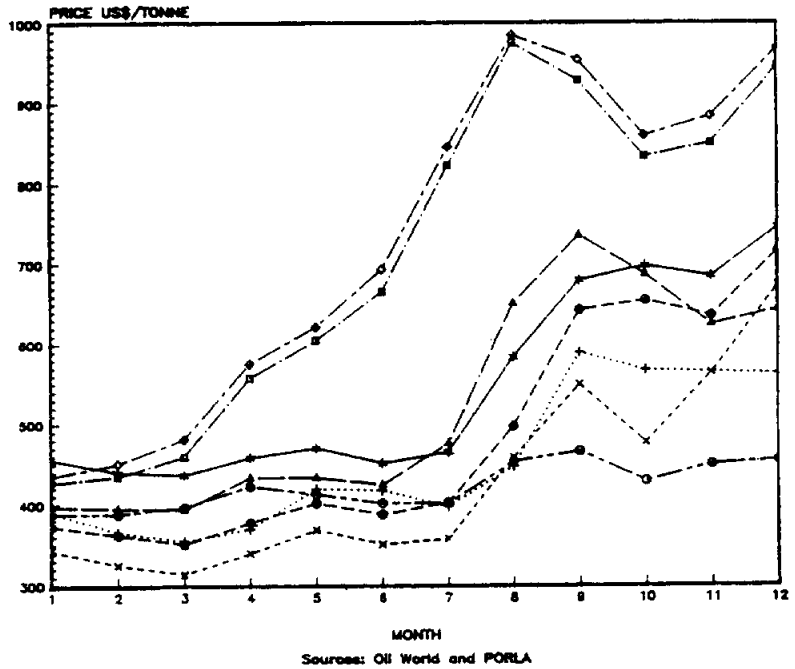


Figure 2. Prices of Selected Oils and Fats 1983.