

## Malaysia's palm oil potential remains intact despite softening CPO prices: MPIC

KUALA LUMPUR: Malaysia's palm oil potential remains intact despite softening crude palm oil (CPO) prices, and its prospects will remain bright in the second half of 2022 (2H 2022).

Minister of Plantation Industries and Commodities Datuk Zuraida Kamaruddin said this is partly due to the greater acceptance of the commodity globally, including from the non-traditional markets.

"We attribute this to the success of the Ministry of Plantation Industries and Commodities's (MPIC) campaign -- The Global Movement to Champion the Goodness of Palm Oil -- which is intended to counter misinformation and false information on our number one commodity," she said in a statement today.

The minister shared that Malaysian palm oil and palm oil-based products exports rose by 55.2 per cent to RM67.48 billion between January and June this year from RM43.47 billion in the corresponding period in 2021.

She said 66.1 per cent of the export earnings were contributed by palm oil which amounted to RM44.63 billion compared with only RM28.8 billion in the same period last year.

In terms of volume, the export of palm oil and palm oil-based products between January and June this year rose by 2.8 per cent to 11.47 million tonnes from 11.15 million tonnes a year ago.

"Malaysia recorded strong exports despite the drop in CPO production in the 1H 2022. Based on statistics by the Malaysian Palm Oil Board (MPOB), CPO production fell by 1.1 per cent to 8.27 million tonnes during the period compared with 8.36 million tonnes during 1H 2021.

"The fall was attributed to the dip in fresh fruit bunch (FFB) yield by 3.6 per cent to 6.9 tonnes per hectare during the January-June 2022 period from 7.16 tonnes per hectare in the same period last year," she said.

Meanwhile, Zuraida said the sharp rise in export earnings was partly due to the spike in CPO prices, both domestically and abroad, whereby between January and June 2022, CPO prices rose by 55.9 per cent to RM6,330 per tonne from RM4,061.50 per tonne during the same period in 2021.

Citing the **Department of Statistics Malaysia (DOSM)**, she said export earnings for palm oil and palm oil-based products between January and May this year rose to RM56.47 billion, or an increase of 58.8 per cent, compared with that recorded in the first five months in 2021.-Bernama

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