ESTIMATION OF CRUDE PALM OIL PRICE USING NEWTON DIVIDED DIFFERENCE METHOD AND LAGRANGE INTERPOLATION METHOD

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ABSTRACT

Malaysia's economic growth has been greatly influenced by the agricultural sector, especially the cultivation of crude palm oil. Several studies have been done to prove that this sector brings many benefits to the producing country. The increase or decrease in the price of crude palm oil should be predicted in the future so that this product remains the main source of the country's economy and is able to meet the demand of foreign countries and remain the largest producer in Asian countries. The interpolation method is widely used to predict any values because it can convert a complicated function into a simpler one so that the function is easier to evaluate. To solve the problem, Newton Divided Difference method and Lagrange Interpolation method were used to predict the price of crude palm oil in the next 5 years. Based on certain factors, the results of the study prove that both methods can be used to predict the price of crude palm oil despite getting large error results due to the current economic situation.

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