



WFP/ Husam Al Saleh

### Highlights:

- In November 2014, the average nominal retail prices of wheat flour and rice were SYP120/kg and SYP196/kg, respectively. The retail price trends show significant increases (198% for wheat flour and by 361% for rice) when compared to the same month in 2011.
- The average nominal retail prices of public and shop bread were SYP32/kg and SYP64/kg, respectively. Between June and November 2014, the average retail prices of both type of bread rose by approximately 45 percent.
- Limited foreign exchange reserves, coupled with delays in receiving crude oil shipments, caused a steep increase in the price of diesel. In some markets of Dara, Hama, Homs, Lattakia and Tartous the price of diesel (in the black market) reach up to SYP160-340/L - 100-400 percent higher than the official price (SYP80/liter). Increases in the price of fuel will further impact staple food prices and household food security.
- In the month of November 2014 the wheat price in the domestic market averaged USD 379/MT, 35 percent higher than the price of wheat in the international market.
- Overall, the Syria market monitoring information in November 2014 indicates that essential food has been available in all markets, except for some areas in Quneitra, Dara'a and Rural Damascus. Retail food prices for most commodities have continued to rise in November, also influenced by fuel price increases particularly with the start of the winter season when there is increased demand for fuel. As a result, purchasing power of the poor households who depend on market purchases and casual labour will further deteriorate.

### A. Inflation and Consumer Price Index (CPI)<sup>1</sup>

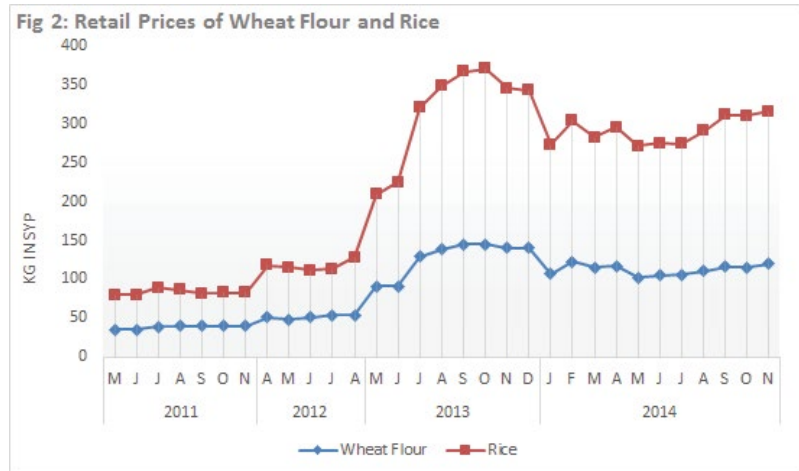
Note: The information on inflation and CPI is not published yet from CBS and it will be updated as data becomes available.

<sup>1</sup> The CPI is a measure of the average change in the prices of consumer items over time compared with a base year — goods and services that people buy for day-to-day living.

## B: Retail Prices

### 1- Wheat Flour and Rice:

During November 2014, the average nominal retail prices of wheat flour and rice were SYP120/kg and SYP196/kg, respectively. An increase of 3.9 percent in the price of wheat flour and 0.7 percent in the price of rice compared to October 2014. However, the retail price trends show significant increases (198% for wheat flour and by 361% for rice) when compared to the same month in 2011. The increase in the price of main food commodities this year can be attributed to conflict affect on food production, which stands at 38% below that of an average year. Recent hikes in fuel costs (and hence in transport costs) are expected to lead to further increases in food prices. In the absence of an aggressive import strategy to meet demand, food prices will continue to skyrocket well into the lean season and vulnerable families will have to draw on their own resources. In general, similar trends are observed with other basic commodities, which will further worsen household food security given the high reliance of families on local markets. This could potentially result in continued population movements in search of humanitarian assistance or income generation opportunities.



Looking at the pattern of retail prices for wheat flour and rice across the main markets during the month of reporting, the highest price recorded for wheat flour was SYP 193/kg (Benech market of Edlib), with the lowest (SYP 98/kg) in Mesiaf Market of Hama. Deir Ezzor markets had the highest price for rice (SYP 275/kg) while Sweida market had the lowest (SYP 90/kg) (See Table 1 for more details). Source: WFP sub offices.

### 2- Bread:

In November 2014, the average nominal retail prices of public (subsidized bread) and shop bread were SYP32/kg and SYP64/kg, respectively. From October 2014 to November 2014 there is a reduction of 4.7 percent in the price of public bread and 3 percent in the price of shop bread (Figures 3). The slight decrease in prices in both type of bread is mainly attributed to the improved availability and cheaper price of bread in Raqqa and Dara markets. However, between June and November 2014, the average retail prices of both type of bread rose by approximately 45 percent, reaching their highest levels in October 2014.

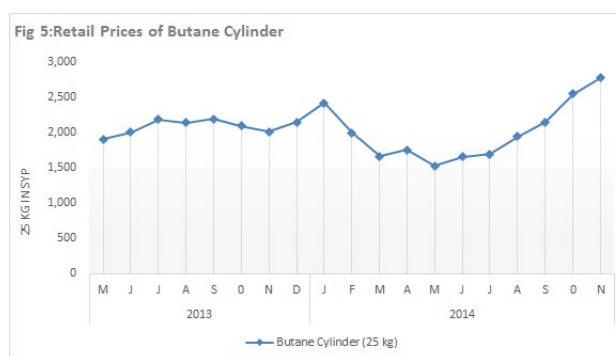
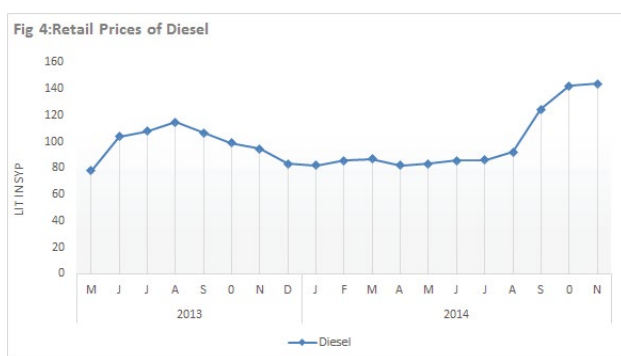


Looking at the pattern of retail prices of shop bread across the main markets during the month of reporting, the highest price was SYP200/kg (Dara'a) and the lowest was recorded in markets in Hama, Homs, Lattakia and Tartous (SYP30/kg). Cha'ar market of Aleppo had the highest price for public bread (SYP75/kg) while Hama, Homs, Lattakia, Sweida, Tartous and Damascus markets had the lowest (SYP 25/kg) (See Table 1 for more details). Source: WFP sub offices.

### 3- Diesel and cylinder of butane gas:

In November 2014, the average price of diesel in 26 monitored markets across the country was SYP144/l and for a cylinder of butane gas it was SYP2,776/25kg. Compared to the same month last year, diesel is up by 52 percent and a cylinder of butane gas is up by 21.7 percent (Figures 4 and 5). Between April and November 2014, the average retail prices of diesel rose by approximately 80 percent. In some markets of Dara, Hama, Homs, Lattakia and Tartous the price of diesel (in the black market) reach SYP160-340/L, 100-400 percent more than the official price ( SYP80/liter).

The rise in the retail prices for diesel and cylinders of butane stem from a combination of several factors, including fuel shortages, conflict, poor security and social unrest in some areas, and the gradual removal of fuel subsidies by the government. In addition to seasonal increase in demand occurs as winter approaches. (See Table 1).

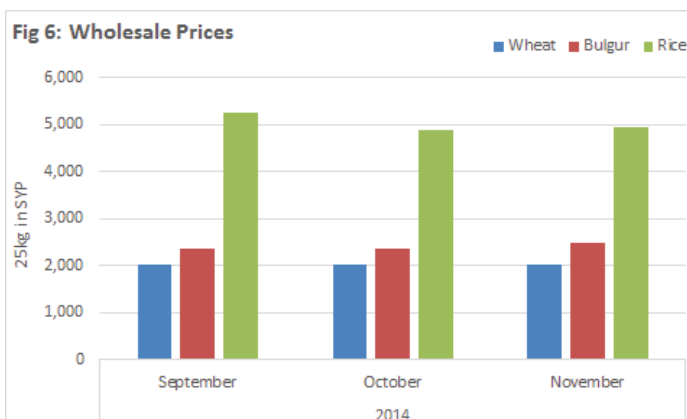


## C. Wholesale Prices of Wheat, White Rice and Bulgur in Damascus Market

During the reporting period, the average nominal wholesale price of wheat grain was SYP2,025/25kg while that of Bulgur was SYP2,500/25kg and white rice was SYP4,950/25kg. The prices have increased by 5.3 per-cent for bugur and 1.3 percent for white rice. No changes has been observed in the price of wheat, compared with October 2014 level (see Figures 6). Source: Traders in Damascus.

## D. Food Supply to Markets

During the month of reporting, the supply of essential food commodities has reported as normal in most parts of the country, except some areas in Quneitra, Dara'a and Rural Damascus mainly due to conflict and stability. Furthermore, Idleb and Rural Aleppo, as well as the north-eastern governorates, are also witnessing an interruption of food supply to local markets due to sporadic fighting. The coastal governorates, Sweida, and Damascus, are experiencing better food supply in both main and/secondary markets compared to previous months. Source: WFP sub offices.



## F. Terms of Trade (TOT):

The TOT are proxy indicators of the purchasing power of households that rely on livestock and/or casual la-bour as their main source of income for the purchase of cereals from local markets. TOT are important compo-nents of food security analysis. Changes in the terms of trade between wages/livestock and staple food com-modities are indicative of the trends in purchasing power and the impact on the food security situation of households dependent on food purchases through income from daily wage labour and/or the sale of livestock.

■ **TOT between wage labour and wheat flour**

In November 2014, the nominal average daily wage rate was SYP900 - a decline of 3 percent from the previous month. The average TOT between the daily unskilled labour wage and the retail price of wheat flour stood at 7.5kg/daily wage. This represents a decline of 4 percent compared with October 2014, attributable to slight increase in wheat flour prices.

■ **TOT between sheep and wheat flour**

During the reporting month, the average price of a two-year old male sheep was SYP30,598 which is 1.6 per-cent lower than October 2014. The national average TOT between a sheep and wheat flour was 254.9kg/sheep a decline of 5.7 percent (compared to October 2014), due to the decrease of sheep price and slight increase in wheat flour prices compared to previous month.

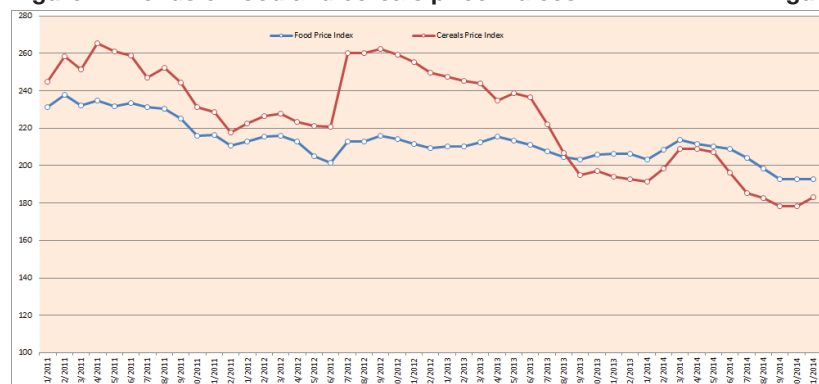
**F. International Market prices**

In November 2014, the FAO Food Price Index averaged 192.6 points, unchanged from October, but 13 points (6.4 percent) below November 2013 (Figure 7). The Cereals Price Index averaged 183 points in November 2014 which is up by 4.7 points (2.6 percent) from October 2014, but still 11.3 points (5.8 percent) down year-on-year. The November increase marked the first significant monthly gain since March 2014, as large supplies and prospects of another good production in 2014 continued to weigh on prices.

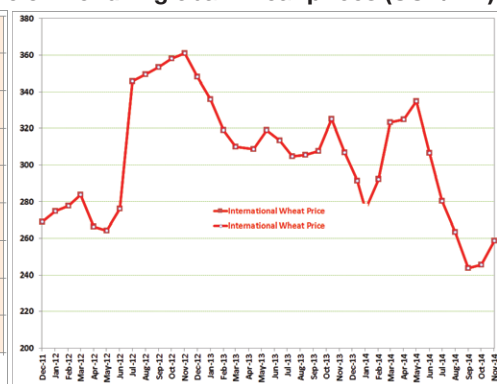
International wheat prices witnessed increased by 5.4 percent between October and November 2014, but still 15.6% lower than the prices recorded for November 2013 (Figure 8). Although local market dynamics are more influenced by the monopolistic nature of the domestic markets than foreign price changes, this increase in international wheat prices will result in some increase of prices in Syria markets in coming months.

In the month of November 2014 the wheat price in domestic market MT averaged USD 379, which is 35 per-cent higher compared to the price of wheat in the international market.

**Figure 7: Trends of food and cereals price indices**



**Figure 8: Trend in global wheat prices (USD/MT)**



Data Source: <http://www.fao.org/worldfoodsituation/wfs-home/foodpricesindex/en/> Data Source: <http://www.indexmundi.com/commodities/?commodity=wheat>

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Table 1. Market Price of Main Commodities Across Markets in Syrian Pounds

Governorate	Markets	Commodity	Current Price	Price change (%)			Governorate	Markets	Commodity	Current Price	Price change (%)			Governorate	Markets	Commodity	Current Price	Price change (%)		
				1M	6M	1Y					1M	6M	1Y					1M	6M	1Y
Aleppo	Moghambo	Wheat Flour (kg)	85	13	21	↑	Latakia	Lattakia	Wheat Flour (kg)	110	-	-	↔	Daraa	Daraa	Wheat Flour (kg)	110	-	-	↔
	Moghambo	Rice (kg)	198	3	29	↔		Lattakia	Rice (kg)	220	1	2	↔		Daraa	Rice (kg)	175	-	-	↔
	Moghambo	Bread Public (1.5 kg)	60	78	300	↑		Lattakia	Bread Public (1.5 kg)	25	-	67	↔		Daraa	Bread Public (1.5 kg)	25	(50)	(17)	↓
	Moghambo	Bread Shops (1.5 kg)	125	18	150	↑		Lattakia	Bread Shops (1.5 kg)	30	-	20	↔		Daraa	Bread Shops (1.5 kg)	150	-	-	↔
	Moghambo	Lentils (kg)	253	31	76	↑		Lattakia	Lentils (kg)	220	14	16	↑		Daraa	Lentils (kg)	165	-	-	↔
	Moghambo	Sugar (kg)	97	-1	7	↔		Lattakia	Sugar (kg)	160	-	33	↔		Daraa	Sugar (kg)	125	4	14	↑
	Moghambo	Tea (kg)	1,013	-2	16	↔		Lattakia	Tea (kg)	1,300	14	30	↑		Daraa	Tea (kg)	1,250	19	19	↑
	Moghambo	Oil (L)	250	2	24	↑		Lattakia	Oil (L)	300	3	-	↔		Daraa	Oil (L)	300	9	20	↑
	Moghambo	Diesel (L)	169	13	129	↑		Lattakia	Diesel (L)	150	-	150	↔		Daraa	Diesel (L)	100	4	(23)	↓
	Moghambo	Butane Cylinder (25 kg)	4,250	70	230	↑		Lattakia	Butane Cylinder (25 kg)	1,200	-	-	↔		Daraa	Butane Cylinder (25 kg)	1,250	-	9	↔
	Cha'ar	Wheat Flour (kg)	75	2	14	↔		Jableh	Wheat Flour (kg)	110	-	22	↔		Mzereb	Wheat Flour (kg)	125	-	-	↔
	Cha'ar	Rice (kg)	175	2	16	↔		Jableh	Rice (kg)	219	7	29	↔		Mzereb	Rice (kg)	200	14	7	↑
	Cha'ar	Bread Public (1.5 kg)	75	0	11	↔		Jableh	Bread Public (1.5 kg)	25	-	67	↔		Mzereb	Bread Public (1.5 kg)	200	-	-	↔
	Cha'ar	Bread Shops (1.5 kg)	100	0	14	↔		Jableh	Bread Shops (1.5 kg)	30	-	20	↔		Mzereb	Bread Shops (1.5 kg)	200	-	-	↔
	Cha'ar	Lentils (kg)	130	11	-8	↑		Jableh	Lentils (kg)	220	16	38	↑		Mzereb	Lentils (kg)	175	-	-	↔
	Cha'ar	Sugar (kg)	115	2	6	↔		Jableh	Sugar (kg)	160	-	60	↔		Mzereb	Sugar (kg)	135	4	13	↑
	Cha'ar	Tea (kg)	1,050	1	0	↔		Jableh	Tea (kg)	1,300	14	30	↑		Mzereb	Tea (kg)	1,450	12	12	↑
	Cha'ar	Oil (L)	220	2	10	↔		Jableh	Oil (L)	300	8	50	↑		Mzereb	Oil (L)	325	8	18	↑
	Cha'ar	Diesel (L)	150	-5	13	↔		Jableh	Diesel (L)	150	-	150	↔		Mzereb	Diesel (L)	343	(9)	100	↑
	Cha'ar	Butane Cylinder (25 kg)	5,600	27	65	↑		Jableh	Butane Cylinder (25 kg)	1,450	14	21	↑		Mzereb	Butane Cylinder (25 kg)	5,625	1	275	↑
Edlib	Edlib	Wheat Flour (kg)	105	8	17	↔	Tartous	Tartous	Wheat Flour (kg)	110	-	22	↔	Sweida	Sweida	Wheat Flour (kg)	108	8	8	↔
	Edlib	Rice (kg)	130	30	33	↑		Tartous	Rice (kg)	230	3	35	↔		Sweida	Rice (kg)	90	-	50	↔
	Edlib	Bread Public (1.5 kg)	54	79	258	↑		Tartous	Bread Public (1.5 kg)	25	-	67	↔		Sweida	Bread Public (1.5 kg)	25	-	67	↔
	Edlib	Bread Shops (1.5 kg)	68	8	238	↔		Tartous	Bread Shops (1.5 kg)	30	-	20	↔		Sweida	Bread Shops (1.5 kg)	35	4	75	↔
	Edlib	Lentils (kg)	178	0	15	↔		Tartous	Lentils (kg)	220	7	38	↔		Sweida	Lentils (kg)	250	25	43	↑
	Edlib	Sugar (kg)	106	12	15	↑		Tartous	Sugar (kg)	160	-	60	↔		Sweida	Sugar (kg)	120	-	9	↔
	Edlib	Tea (kg)	1,150	6	28	↔		Tartous	Tea (kg)	1,300	15	30	↑		Sweida	Tea (kg)	1,350	23	59	↑
	Edlib	Oil (L)	230	0	2	↔		Tartous	Oil (L)	300	-	50	↔		Sweida	Oil (L)	270	11	19	↑
	Edlib	Diesel (L)	102	-46	2	↓		Tartous	Diesel (L)	150	-	150	↔		Sweida	Diesel (L)	200	-	122	↔
	Edlib	Butane Cylinder (25 kg)	1,675	6	18	↔		Tartous	Butane Cylinder (25 kg)	1,250	4	4	↔		Sweida	Butane Cylinder (25 kg)	1,500	-	30	↔
	Benech	Wheat Flour (kg)	193	59	157	↑		Mashta Al Hel	Wheat Flour (kg)	110	-	10	↔		Shahba	Wheat Flour (kg)	110	10	10	↑
	Benech	Rice (kg)	100	-56	-30	↓		Mashta Al Hel	Rice (kg)	230	2	39	↔		Shahba	Rice (kg)	90	-	50	↔
	Benech	Bread Public (1.5 kg)	34	-	-33	↓		Mashta Al Hel	Bread Public (1.5 kg)	25	-	67	↔		Shahba	Bread Public (1.5 kg)	25	-	67	↔
	Benech	Bread Shops (1.5 kg)	49	22	95	↑		Mashta Al Hel	Bread Shops (1.5 kg)	30	-	20	↔		Shahba	Bread Shops (1.5 kg)	35	4	75	↔
	Benech	Lentils (kg)	156	2	4	↔		Mashta Al Hel	Lentils (kg)	220	11	22	↑		Shahba	Lentils (kg)	238	19	36	↑
	Benech	Sugar (kg)	119	-10	8	↓		Mashta Al Hel	Sugar (kg)	160	-	33	↔		Shahba	Sugar (kg)	120	-	9	↔
	Benech	Tea (kg)	1,175	-7	7	↔		Mashta Al Hel	Tea (kg)	1,300	13	30	↑		Shahba	Tea (kg)	1,300	30	53	↑
	Benech	Oil (L)	208	-8	4	↔		Mashta Al Hel	Oil (L)	300	3	36	↔		Shahba	Oil (L)	270	14	21	↑
	Benech	Diesel (L)	140	7	4	↔		Mashta Al Hel	Diesel (L)	150	11	150	↑		Shahba	Diesel (L)	200	-	122	↔
	Benech	Butane Cylinder (25 kg)	1,213	1	-13	↓		Mashta Al Hel	Butane Cylinder (25 kg)	1,350	13	13	↑		Shahba	Butane Cylinder (25 kg)	1,500	(14)	30	↓
Hama	Hama	Wheat Flour (kg)	100	0	16	↔	Damasqus	Sheikh Sa'ad	Wheat Flour (kg)	135	(16)	11	↓	Hassakeh	Hassakeh	Wheat Flour (kg)	150	41	52	↑
	Hama	Rice (kg)	204	2	43	↔		Sheikh Sa'ad	Rice (kg)	235	11	21	↑		Hassakeh	Rice (kg)	225	2	2	↔
	Hama	Bread Public (1.5 kg)	25	0	67	↔		Sheikh Sa'ad	Bread Public (1.5 kg)	25	-	67	↔		Hassakeh	Bread Public (1.5 kg)	35	-	40	↔
	Hama	Bread Shops (1.5 kg)	30	0	50	↔		Sheikh Sa'ad	Bread Shops (1.5 kg)	50	-	43	↔		Hassakeh	Bread Shops (1.5 kg)	60	14	7	↑
	Hama	Lentils (kg)	259	17	58	↑		Sheikh Sa'ad	Lentils (kg)	253	26	26	↑		Hassakeh	Lentils (kg)	256	21	41	↑
	Hama	Sugar (kg)	119	8	10	↔		Sheikh Sa'ad	Sugar (kg)	145	-	12	↔		Hassakeh	Sugar (kg)	125	(5)	9	↔
	Hama	Tea (kg)	1,163	6	8	↔		Sheikh Sa'ad	Tea (kg)	1,400	-	4	↔		Hassakeh	Tea (kg)	1,350	-	8	↔
	Hama	Oil (L)	268	7	27	↔		Sheikh Sa'ad	Oil (L)	306	4	8	↔		Hassakeh	Oil (L)	238	19	23	↑
	Hama	Diesel (L)	160	28	162	↑		Sheikh Sa'ad	Diesel (L)	125	19	56	↑		Hassakeh	Diesel (L)	60	(2)	(2)	↔
	Hama	Butane Cylinder (25 kg)	2,650	104	112	↑		Sheikh Sa'ad	Butane Cylinder (25 kg)	1,600	36	33	↑		Hassakeh	Butane Cylinder (25 kg)	2,750	(19)	(23)	↓
	Mesiaf	Wheat Flour (kg)	98	-5	-3	↔		Shrebishat	Wheat Flour (kg)	105	(13)	5	↓		Kamishly	Wheat Flour (kg)	150	17	29	↑
	Mesiaf	Rice (kg)	131	-11	-16	↓		Shrebishat	Rice (kg)	96	28	(43)	↓		Kamishly	Rice (kg)	233	3	18	↑
	Mesiaf	Bread Public (1.5 kg)	25	0	67	↔		Shrebishat	Bread Public (1.5 kg)	25	-	67	↔		Kamishly	Bread Public (1.5 kg)	35	-	40	↔
	Mesiaf	Bread Shops (1.5 kg)	30	0	50	↔		Shrebishat	Bread Shops (1.5 kg)	50	-	43	↔		Kamishly	Bread Shops (1.5 kg)	65	(5)	30	↔
	Mesiaf	Lentils (kg)	271	17	56	↑		Shrebishat	Lentils (kg)	235	34	31	↑		Kamishly	Lentils (kg)	263	31	67	↑
	Mesiaf	Sugar (kg)	125	6	8	↔		Shrebishat	Sugar (kg)	123	(2)	11	↔		Kamishly	Sugar (kg)	125	1	14	↑
	Mesiaf	Tea (kg)	1,200	4	9	↔		Shrebishat	Tea (kg)	1,150	3	(4)	↔		Kamishly	Tea (kg)	1,350	7	4	↔
	Mesiaf	Oil (L)	274	5	25	↔		Shrebishat	Oil (L)	254	12	13	↑		Kamishly	Oil (L)	238	10	25	↑
	Mesiaf	Diesel (L)	178	-77	137	↓		Shrebishat	Diesel (L)	125	14	56	↑		Kamishly	Diesel (L)	50	-	-	↔
	Mesiaf	Butane Cylinder (25 kg)	4,125	133	184	↑		Shrebishat	Butane Cylinder (25 kg)	1,600	39	33	↑		Kamishly	Butane Cylinder (25 kg)	2,638	10	(20)	↓
Homs	Homs Ekrema	Wheat Flour (kg)	100	0	8	↔	Rural Damasqus	Qudsayya	Wheat Flour (kg)	148	4	(4)	↔	Deir Ezzor	Deir Ezzor	Wheat Flour (kg)	170	(9)	21	↔
	Homs Ekrema	Rice (kg)	210	2	34	↔		Qudsayya	Rice (kg)	258	4	28	↔		Deir Ezzor	Rice (kg)	275	(4)	16	↔
	Homs Ekrema	Bread Public (1.5 kg)	25	0	67	↔		Qudsayya	Bread Public (1.5 kg)	25	-	67	↔		Deir Ezzor	Bread Public (1.5 kg)	35	-	133	↔
	Homs Ekrema	Bread Shops (1.5 kg)	30	0	50	↔		Qudsayya	Bread Shops (1.5 kg)	65	-	41	↔		Deir Ezzor	Bread Shops (1.5 kg)	85	(4)	33	↔
	Homs Ekrema	Lentils (kg)	263	27	57	↑		Qudsayya	Lentils (kg)	313	44	48	↑		Deir Ezzor	Lentils (kg)	300	9	45	↑
	Homs Ekrema	Sugar (kg)	118	8	7	↔		Qudsayya	Sugar (kg)	160	3	16	↔		Deir Ezzor	Sugar (kg)	146	(3)	21	↔
	Homs Ekrema	Tea (kg)	1,250	20	19	↔		Qudsayya	Tea (kg)	1,450	-	2	↔		Deir Ezzor	Tea (kg)	1,838	1	18	↔
	Homs Ekrema	Oil (L)	264	9	27	↔		Qudsayya	Oil (L)	344	10	15	↔		Deir Ezzor	Oil (L)	300	(8)	17	↔
	Homs Ekrema	Diesel (L)	170	-1	174	↑		Qudsayya	Diesel (L)	163	55	103	↑		Deir Ezzor	Diesel (L)	141	18	22	↑
	Homs Ekrema	Butane Cylinder (25 kg)	4,500	200	221	↑		Qudsayya	Butane Cylinder (25 kg)	2,025	40	45	↑		Deir Ezzor	Butane Cylinder (25 kg)	3,933	(10)	18	↓
	Homs Rur_Qareti	Wheat Flour (kg)	100	16	24	↑		Al-Tall	Wheat Flour (kg)	140	4	33	↔		Almayadin	Wheat Flour (kg)	139	(10)	1	↔
	Homs Rur_Qareti	Rice (kg)	214	10	45	↔		Al-Tall	Rice (kg)	230	8	29	↔		Almayadin	Rice (kg)	269	(4)	5	↔
	Homs Rur_Qareti	Bread Public (1.5 kg)	25	0	67	↔		Al-Tall	Bread Public (1.5 kg)	35	-	133	↔		Almayadin	Bread Public (1.5 kg)	25	-	67	↔
	Homs Rur_Qareti	Bread Shops (1.5 kg)						Al-Tall	Bread Shops (1.5 kg)	65	(5)	86	↔		Almayadin	Bread Shops (1.5 kg)	65	(10)		