



Highlights:

- ◆ During April 2015 compared to March 2015, the average retail prices of wheat flour increased by 9.9 percent and rice by about 19.6 percent. Compared to 2011, the average monthly price of wheat flour and rice registered significant increases of 260 percent and 434 percent, respectively.
- ◆ During the current reporting period, Deir-ez-Zor market recorded the highest price for wheat flour and rice (mainly due to poor food supply, high food demands and insecurity).
- ◆ In besieged areas wheat flour and rice remain well above the average price of the country (high by 669 percent for wheat flour and 560 percent for rice).
- ◆ Due to ongoing conflict, food supply of commodities has been reportedly disturbed between north east to the south and west (Raqqa, Deir Ezzor and Hassakeh and Palmyra).
- ◆ The purchasing power of vulnerable and food insecure households is further deteriorating as a result of this spike in market prices which is hampering their access to basic food commodities and increasing their dependence on external assistance to cover needs.

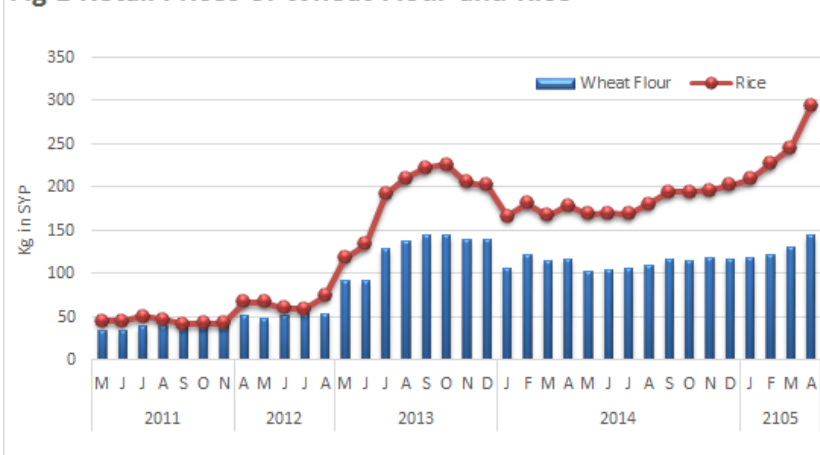
A: Retail Prices

1- Wheat Flour and Rice:

During April 2015, the average nominal retail prices of wheat flour and rice were 144SYP/Kg and 293.5SYP/Kg, respectively. Compared to the previous month, the average retail prices of wheat flour increased by 9.9 percent and rice by about 19.6 percent. Between October 2014 and April 2015, the average retail price of wheat flour rose by approximately 14 percent and rice increased by 26 percent. Compared to 2011, the average monthly price of wheat flour and rice registered significant increases of 260 percent and 434 percent, respectively.

During the current reporting period, Deir-ez-Zor recorded the highest price for wheat flour, sold at SYP 225/kg (mainly due to poor food supply, high demands and insecurity), while the lowest price was observed in Aleppo where 1kg of wheat flour was sold at SYP102 (mainly due to open border with limited taxation, better food supply and WFP food intervention through bakery project). In Deir-ez-Zor 1 kg of rice was sold at SYP 1169. (See Table 1 for more details)

Fig 1 Retail Prices of Wheat Flour and Rice



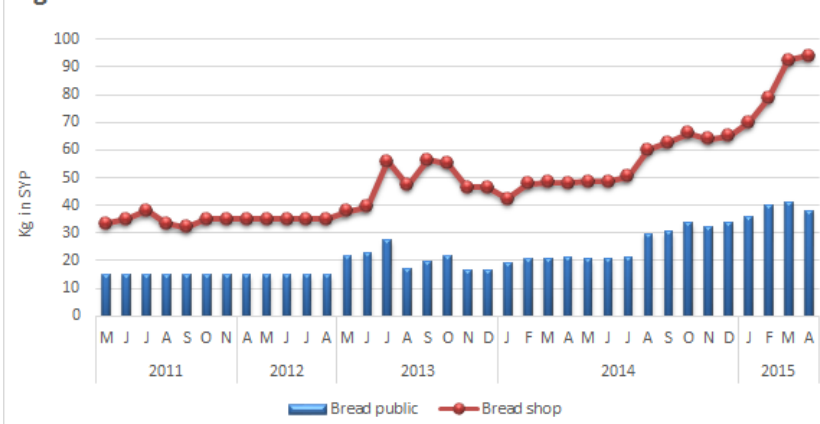
In besieged area the wheat flour and rice remain well above the average price for the rest of the country. In Douma market of Ghota district one KG of wheat flour and rice were sold at 900SYP/Kg and 1500SYP/Kg, respectively. Compared to the average retail prices of wheat flour and rice of the country, this represent an increase of 669 percent for wheat flour and 560 percent for rice. (See Table 1 for more details). Source: WFP sub offices.

2– Bread:

In the month of April 2015, the average nominal retail prices for public (subsidized) bread and commercial bread were SYP38.1/bundle and SYP93.92/bundle, respectively. Compared to March 2015, there was no major changes in the prices of both types of bread. Between October 2014 and April 2015, the average retail price of commercial bread rose by approximately 40 percent. Compared to 2011, the average monthly price of public (subsidized) bread and commercial bread registered significant increases of 154 percent and 192 percent, respectively. The increase in prices in both types of bread was mainly due to the inflation of the Syrian pound and the recent increase in the official price of bread, fuel and gas.

Looking at the pattern of retail price of commercial bread across all main markets during the month, Deir-ez-Zor registered the highest price for at SYP312.5/bundle, while the lowest price was recorded in Tartous at SYP40/bundle. Source: WFP sub offices.

Fig 2: Retail Prices of Bread

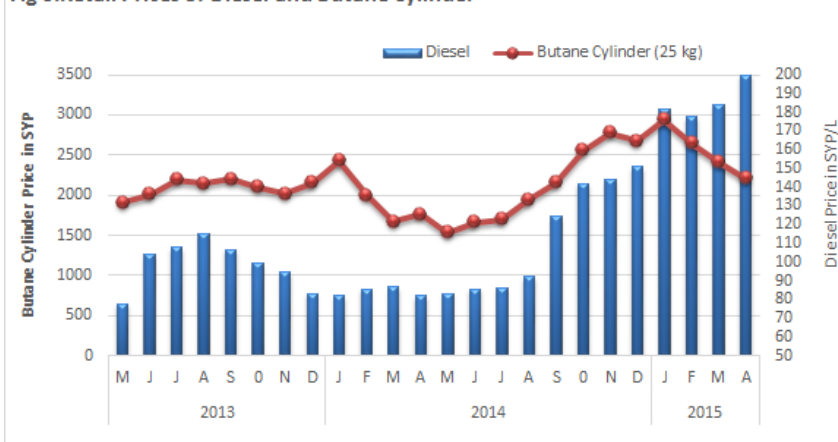


3– Diesel and cylinder of butane gas:

In April 2015, the average price of diesel was SYP199.9/L while a cylinder of butane gas was available at SYP 2,206. The low demand for heating and maintenance of butane re-filling plant in February, resulted 8 percent decrease in the prices of Butane gas cylinder compared to March 2015 prices, while the price of diesel registered 8.9 percent increase. Between October 2014 and April 2015, the average retail price of diesel rose by approximately 29 percent. Compared to the same month last year, diesel prices went up by 117 percent.

In April 2015, the highest price for diesel was reported in Deir-ez-Zor market at SYP682.5/L, higher by of 446 percent compared to the official price (SYP125/L). The increase in fuel prices is mainly due to depreciation of the Syrian Pound and gradual removal of subsidies by the government. The increase in the price of diesel will continue to inflate the prices of all main food commodities. Source: WFP sub offices

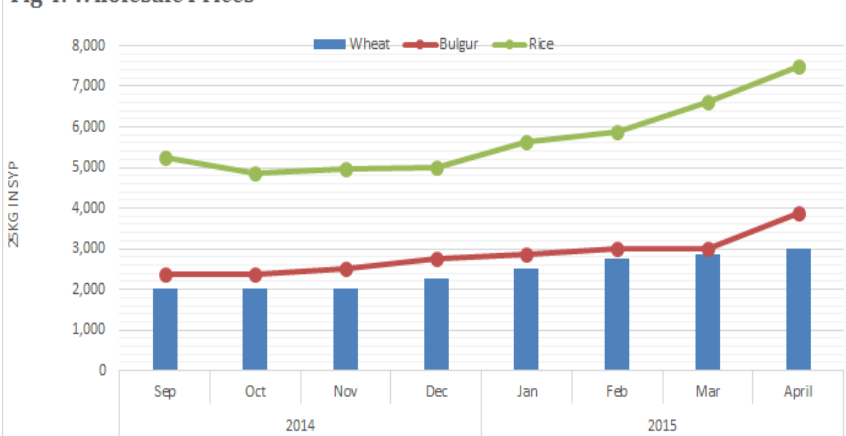
Fig 3: Retail Prices of Diesel and Butane Cylinder



B. Wholesale Prices of Wheat, White Rice and Bulgur in Damascus Market:

In April 2015 the wholesale prices in Damascus market witnessed significant increase in comparison to previous months. The average nominal wholesale prices recorded per 25Kg sacks as following: Wheat grain SYP 3,000, Bulgur SYP 3,875, and White Rice SYP 7,500. Compared to March 2015 prices, these prices have increased by 4.5%, 29% and 17% respectively. Between October 2014 and April 2015 the wholesale prices of wheat increased by 42 percent, bulgur by 26 percent and rice by 34 percent. The increase of wholesale prices was a result of several factors that includes continuous depreciation of the Syrian pound against the US dollar (which in return caused a significant increase in transportation fees), gradual removal of subsidies by the government and in addition to the continued volatility of food prices. Source: Traders in Damascus

Fig 4: Wholesale Prices



C. Food Supply to Markets:

In April 2015, most of the monitored markets were generally functioning especially in those areas with relatively stable security such as Lattakia, Tartous, As-Sweida, Damascus and Homs. Although food commodities are available in all governorates, the quantities for sale in local markets have decreased compared to previous months. Transportation of commodities from north east to the south and west becomes more difficult with expansion of opposition activity in Raqqa, Deir Ezzor and Hassakeh governorates as well as Palmyra. This will have an adverse consequences on the shipping of wheat from production areas (north east) to food deficit areas of Damascus in the coming months.

With the good climatic conditions favorable to wheat cultivation during this season, it is expected that the wheat crop in 2015 will be better than 2014, but given the insecurity and access constraints it may not translate into improvements in the food security situation. Source: WFP sub offices

D. Terms of Trade (TOT):2

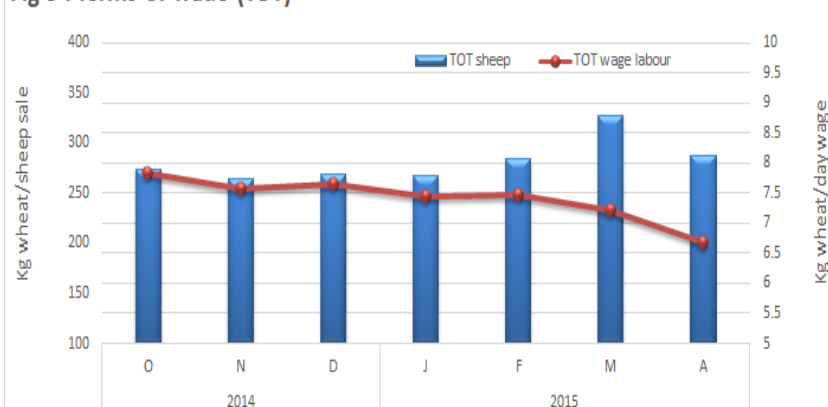
♦ TOT between wage labour and wheat flour:

During April 2015, the nominal average daily wage rate in the monitored markets was SYP960. The wage rate varied between market locations, ranging from SYP500 in Tartous, to SYP1500 in Raqqa. During April 2015 the average TOT between a daily unskilled labour wage and the retail price of wheat flour stood at 6.7Kg/day which is 7.4 percent lower compared to the TOT of the previous month and lower by 15 percent compared to the October TOT level. It means that the purchasing power of households who are depend on wage labour income is deteriorating. Source: WFP sub offices (See Table 1).

TOT between sheep and wheat flour:

In April 2015, the average price of a two-year old male sheep was SYP 41,386, which is 3.8 percent lower compared to March 2015 level. The national average TOT between a sheep and wheat flour stand at 287.4kg/sheep which has decreased by 12.3 percent from March 2015. The highest TOT during the month of reporting were recorded in Aleppo (403Kg/sheep) due higher sheep prices and relatively lower wheat flour price than in any other markets in the country, while the lowest TOT were in Daraa market (193Kg/sheep). Source: WFP sub offices (See Table 1).

Fig 5 : Terms of Trade (TOT)



E. International Market prices:

The FAO international Food Price Index averaged 171 points in April 2015, down 2.1 points (1.2 percent) from March and 40.5 points (19.2 percent) below its level in April 2014.

The FAO Cereal Price Index averaged 167.6 points in April, down 2.2 points (1.3 percent) from March and nearly 42 points (20 percent) below the corresponding month last year.

Global Wheat prices continued their decline in April, influenced by large supplies and slow trade activity, as many buyers await in expectation of even lower prices in the coming months.

In the month of April 2015 the wheat price in local market averaged USD480/MT, which is about 114 percent higher compared to the price of wheat in the international market (USD223.34/MT).

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

Fig 6 Trends of food and cereals price indices

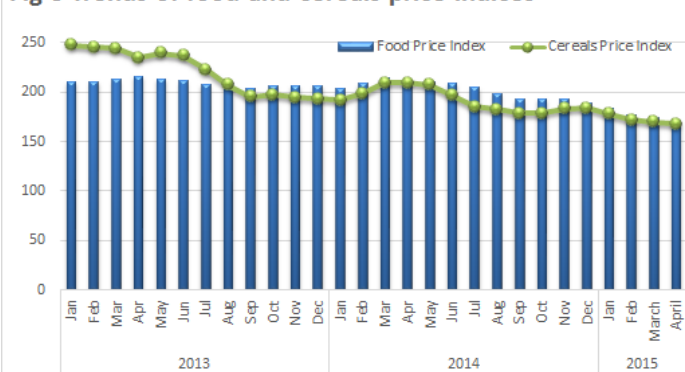
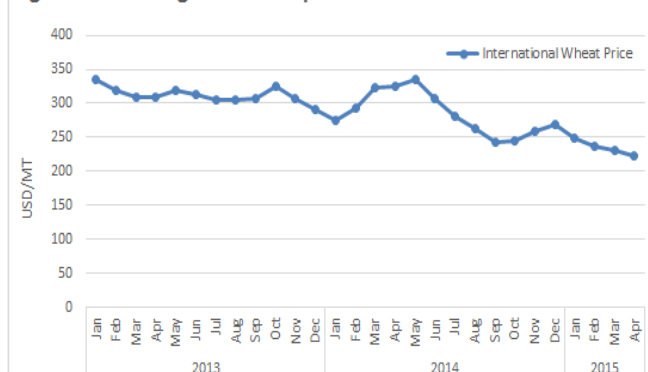


Figure 7: Trend in global wheat prices



2. The TOT are proxy indicators of the purchasing power of households that rely on livestock and/or casual labour as their main source of income for the purchase of cereals from local markets. TOT are important components of food security analysis. Changes in the terms of trade between wages/livestock and staple food commodities 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.

Table 1. Market Price of Main Commodities in Syrian Pounds

Commodity	Governorate	Current Price	Price change (%)	Price change (%)	Average Change	Average Change	Commodity	Governorate	Current Price	Price change (%)	Price change (%)	Average Change	Average Change
			1M	6 M	1M	6 M				1M	6 M	1M	6 M
Bread Public (1.5 kg)	Aleppo	73	(12.0)	25.2	↓	↑	Rice (kg)	Aleppo	198	(1.1)	7.8	↔	↔
	Damascus	35	-	40.0	↔	↑		Damascus	169	2.9	7.9	↔	↑
	Daraa	35	-	(30.0)	↔	↓		Daraa	288	11.9	64.6	↑	↑
	Deir Ezzor	35	-	20.0	↔	↑		Deir Ezzor	750	55.1	162.4	↑	↑
	Hama	35	-	40.0	↔	↑		Hama	255	10.7	50.2	↑	↑
	Hassakeh	35	-	-	↔	↔		Hassakeh	294	1.9	31.8	↔	↑
	Homs	35	-	40.0	↔	↑		Homs	281	20.8	40.6	↑	↑
	Lattakia	35	(5.1)	40.0	↔	↑		Lattakia	252	8.9	19.5	↔	↑
	Raqqa	35	-	(45.1)	↔	↓		Raqqa	290	10.3	25.0	↑	↑
	Rural Damascus	35	-	20.0	↔	↑		Rural Damascus	274	8.8	19.5	↔	↑
	Sweida	35	-	40.0	↔	↑		Sweida	220	15.5	143.9	↑	↑
	Tartous	35	-	40.0	↔	↑		Tartous	254	1.3	13.2	↔	↑
Bread Shops (1.5 kg)	Aleppo	133	0.4	28.4	↔	↑	Sheep 2Y old Male	Aleppo	41,310	9.2		↔	
	Damascus	64	2.5	28.0	↔	↑		Damascus	48,125	-		↔	
	Daraa	150	(12.5)	(12.5)	↓	↓		Daraa	35,000	-		↔	
	Deir Ezzor	313	(0.2)	264.7	↔	↑		Deir Ezzor					
	Hama	45	-	50.0	↔	↑		Hama	33,000	22.8		↑	
	Hassakeh	64	(12.5)	7.3	↓	↔		Hassakeh	43,750	15.9		↑	
	Homs	45	-	50.0	↔	↑		Homs	28,500	0.9		↔	
	Lattakia	49	3.3	63.3	↔	↑		Lattakia	41,000	2.5		↔	
	Raqqa	75	(1.2)	(24.1)	↔	↓		Raqqa	37,000	8.8		↔	
	Rural Damascus	76	20.0	13.6	↑	↑		Rural Damascus	50,875	-		↔	
	Sweida	50	-	48.1	↔	↑		Sweida	46,688	12.7		↑	
	Tartous	40	-	33.3	↔	↑		Tartous	50,000	14.5		↑	
Butane Cylinder (25 k	Aleppo	2,625	(4.6)	(26.8)	↔	↓	Sugar (kg)	Aleppo	143	18.2	36.1	↑	↑
	Damascus	1,700	-	46.3	↔	↑		Damascus	140	(2.0)	3.7	↔	↔
	Daraa	1,700	(31.1)	(16.8)	↓	↓		Daraa	186	2.6	49.0	↔	↑
	Deir Ezzor	3,250	22.6	41.3	↑	↑		Deir Ezzor	839	(3.3)	461.1	↔	↑
	Hama	1,850	(10.8)	23.0	↓	↑		Hama	148	6.0	30.0	↔	↑
	Hassakeh	2,682	(20.6)	(6.7)	↓	↔		Hassakeh	162	8.4	27.1	↔	↑
	Homs	1,950	(10.0)	35.2	↓	↑		Homs	129	3.6	23.0	↔	↑
	Lattakia	1,563	3.3	26.5	↔	↑		Lattakia	159	8.2	(0.9)	↔	↔
	Raqqa	4,000	(6.7)	(22.4)	↔	↓		Raqqa	173	11.6	25.5	↑	↑
	Rural Damascus	1,850	-	29.9	↔	↑		Rural Damascus	155	-	1.6	↔	↔
	Sweida	2,125	-	31.5	↔	↑		Sweida	155	12.0	28.8	↑	↑
	Tartous	1,700	-	41.7	↔	↑		Tartous	129	(0.3)	(19.4)	↔	↓
Diesel (L)	Aleppo	139	(2.1)	(8.4)	↔	↔	Tea (kg)	Aleppo	1,607	8.9	54.8	↔	↑
	Damascus	200	(11.1)	86.1	↓	↑		Damascus	1,067	(22.5)	(18.0)	↓	↓
	Daraa	135	(32.0)	(11.9)	↓	↓		Daraa	1,825	14.5	57.1	↑	↑
	Deir Ezzor	683	68.0	480.6	↑	↑		Deir Ezzor	4,600	24.7	152.1	↑	↑
	Hama	160	(4.5)	(25.7)	↔	↓		Hama	1,488	10.4	32.3	↑	↑
	Hassakeh	45	(11.0)	(18.5)	↓	↓		Hassakeh	1,825	7.1	39.9	↔	↑
	Homs	185	4.5	11.5	↔	↑		Homs	1,569	13.6	54.2	↑	↑
	Lattakia	150	-	-	↔	↔		Lattakia	1,325	6.1	16.3	↔	↑
	Raqqa	78	(4.8)	(1.6)	↔	↔		Raqqa	1,650	1.5	20.0	↔	↑
	Rural Damascus	200	(11.1)	90.5	↓	↑		Rural Damascus	1,400	-	5.3	↔	↔
	Sweida	275	-	37.5	↔	↑		Sweida	1,825	2.8	74.2	↔	↑
	Tartous	150	1.7	5.6	↔	↔		Tartous	1,388	6.7	21.6	↔	↑
Lentils (kg)	Aleppo	270	21.4	83.2	↑	↑	Wage Labor (Unskilled)	Aleppo	1,000	-		↔	
	Damascus	290	1.9	55.0	↔	↑		Damascus	1,300	-		↔	
	Daraa	238	19.0	40.1	↑	↑		Daraa	638	6.3		↔	
	Deir Ezzor	657	(5.6)	149.9	↔	↑		Deir Ezzor	950	4.5		↔	
	Hama	326	8.9	43.7	↔	↑		Hama	1,000	(8.3)		↔	
	Hassakeh	265	(12.9)	28.3	↓	↑		Hassakeh	950	4.1		↔	
	Homs	298	2.8	46.0	↔	↑		Homs	850	-		↔	
	Lattakia	267	2.3	38.9	↔	↑		Lattakia	538	7.5		↔	
	Raqqa	252	20.2	34.1	↑	↑		Raqqa	1,500	-		↔	
	Rural Damascus	308	-	51.0	↔	↑		Rural Damascus	1,300	-		↔	
	Sweida	321	3.8	60.5	↔	↑		Sweida	1,000	-		↔	
	Tartous	297	2.1	47.5	↔	↑		Tartous	500	-		↔	
Oil (L)	Aleppo	324	20.9	41.2	↑	↑	Wheat Flour (kg)	Aleppo	103	13.6	37.7	↑	↑
	Damascus	344	5.9	33.6	↔	↑		Damascus	140	8.4	0.1	↔	↔
	Daraa	350	0.5	22.0	↔	↑		Daraa	181	5.6	54.7	↔	↑
	Deir Ezzor	941	31.8	195.2	↑	↑		Deir Ezzor	225	(9.3)	46.3	↔	↑
	Hama	343	1.9	34.0	↔	↑		Hama	135	20.1	32.8	↑	↑
	Hassakeh	327	12.1	57.0	↑	↑		Hassakeh	144	13.4	21.8	↑	↑
	Homs	342	0.4	44.1	↔	↑		Homs	127	2.4	36.6	↔	↑
	Lattakia	336	(0.9)	17.9	↔	↑		Lattakia	138	17.5	25.0	↑	↑
	Raqqa	278	4.3	14.5	↔	↑		Raqqa	155	21.3	39.0	↑	↑
	Rural Damascus	367	6.2	23.5	↔	↑		Rural Damascus	145	2.6	4.5	↔	↔
	Sweida	360	11.8	50.0	↑	↑		Sweida	141	12.4	40.5	↑	↑
	Tartous	357	5.8	20.4	↔	↑		Tartous	137	7.7	24.5	↔	
		↔	Prices increase above normal price fluctuation										
		↔	Normal Price Fluctuation										
		↓	Price decrease below normal price fluctuation										