



For further information please contact:

Ahmad Shah Shahi and Dima Alhumsy

Ahmadshah.Shahi@wfp.org

Dima.Alhumsy@wfp.org

Highlights

- Conflict, siege and a harsh winter hamper food availability in the Rural Damascus besieged areas of Madaya, Zabadani, Moadamiyeh and Qudsaya. The average price of wheat flour was recorded at SYP 1,115/kg, six times more expensive than Damascus market.
- Conflict has severed supply lines to Deir Ezzor, leading to high prices and shortages. As a result one liter of diesel was sold at SYP 1,525/L, seven-fold more than the average price in the capital Damascus (SYP 205/L).
- The unstable security situation continues to put a strain on the commodity supply chain and disrupt trade, leading to increases the nominal prices of wheat flour (+116 percent), rice (+126 percent), subsidized bread (+125 percent) and unsubsidized bread (+106 percent) compared to December 2014.
- The purchasing capacity of daily wage earners, as reflected by the terms of trade, decreased by 16 percent compared to the same month last year.

Standard Food Basket

The average cost of standard food basket¹ (group of essential commodities) during December 2015 was SYP 31,638. The lowest price of the basket was recorded in Homs governorate at SYP 18,781. The highest basket price was observed in the in Deir Ezzor governorate at SYP 130,010 (in the besieged Deir Ezzor city, the price was SYP 240,000), more than six times higher than in central Damascus market.

Since December 2014, the price of the food basket in Deir Ezzor have increased by 804 percent and in Rural Damascus by 210 percent.

Consequently, the household purchasing power of poor people, who are heavily dependent on markets, significantly deteriorated as food prices continuously increased.

Governorate	Food Basket Cost	Price change one month	Price changes six months	Price change twelve month
Aleppo	SYP 20,838	10.2%	53.8%	76.4%
Damascus	SYP 19,836	20.9%	32.3%	67.8%
Dar'a	SYP 20,575	12.4%	24.7%	86.6%
Deir-ez-Zor	SYP 130,010	0.9%	180.1%	803.9%
Hama	SYP 20,288	13.8%	22.8%	72.5%
Al-Hassakeh	SYP 21,347	7.4%	35.8%	65.1%
Homs	SYP 18,781	2.0%	18.2%	44.6%
Lattakia	SYP 20,222	10.3%	35.0%	66.6%
Raqqa	SYP 22,030	-1.4%	29.1%	80.4%
Rural Damascus	SYP 45,202	54.3%	167.1%	210.3%
Sweida	SYP 20,136	2.6%	28.1%	77.7%
Tartous	SYP 20,395	10.5%	33.6%	64.8%
Average	SYP 31,638	10.0%	73.0%	154.0%

1. The cost of a standard basket of dry goods providing 1,930 kcal a day for a family of five during a month. This basket includes 37 kg bread, 19 kg rice, 19 kg lentils, 5 kg of sugar, and 7 kg of vegetable oil.

Retail Prices

Wheat Flour and Rice

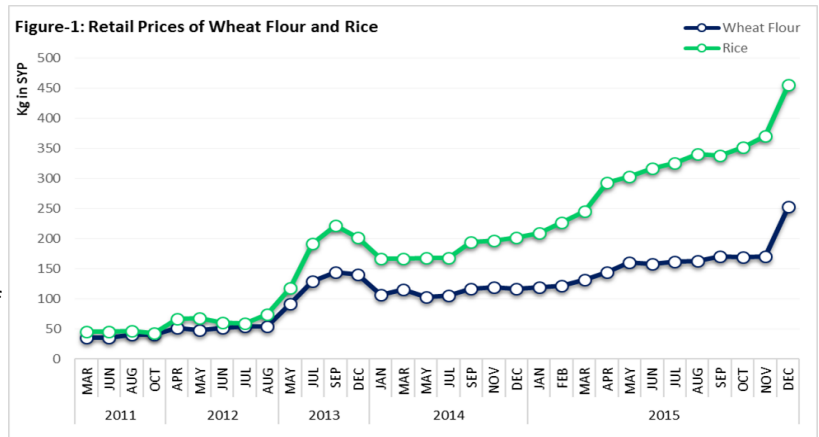
The average national nominal retail price of wheat flour during December 2015 was SYP 252/kg. This represents an increase of 47.9 percent compared to the prior month (November 2015), 60 percent compared to six months ago (June 2015) and 116 percent compared the December 2014 price. Compared to pre-crisis level, the price has increased by 621 percent.

During the reporting period, the national average nominal retail price of rice was SYP 456/kg. This represents an increase of 23 percent compared to the price of rice in November month, 44 percent increase to the price of rice in June 2015 and an increase of 126 percent compared to the same month the year before.

Compared to pre-crisis level prices, the price of rice has increased by 913 percent.

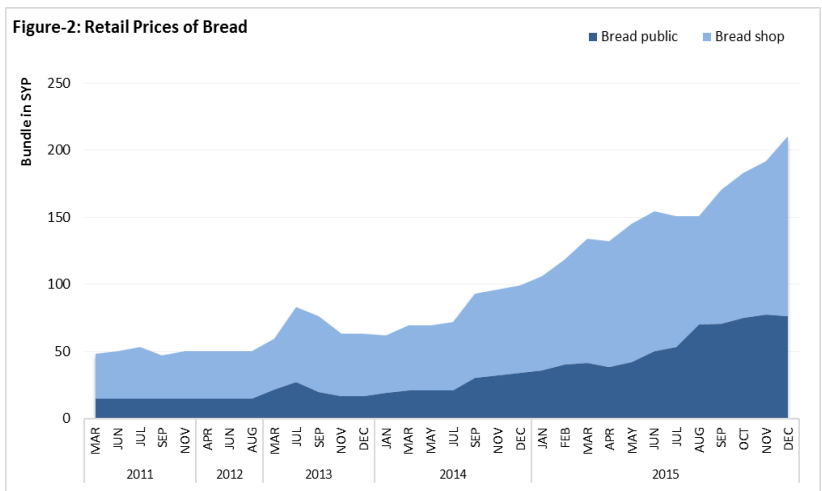
Due to the protracted conflict and a harsh winter, the overall market functionality and food availability have been negatively impacted, especially in rural areas.

Among the governorates, the highest price was recorded in Rural Damascus where the average price of wheat flour was SYP 1,115/kg, 532 percent higher than Damascus markets. Similarly, the average price of rice in the besieged areas of Deir Ezzor city and Rural Damascus was more than SYP 1,000/kg, a price that is three times higher than in Damascus governorate. Generally, food prices in besieged areas are very high due to the instability and the difficulties in bringing in food commodities. This was also observed in besieged Qudsaya, where the price of wheat flour reached SYP 2000/kg and rice SYP 1600/kg, eleven and five times higher than in Damascus, respectively.



Bread

During December 2015, the average national nominal retail prices for public (subsidized) bread and shop bread (unsubsidized) were SYP 77/bundle and SYP 134/bundle, respectively. Compared to the prior month, the price of public bread remained the unchanged, while the price of shop bread rose by 17 percent. Over the course of one year, the average retail price of public (subsidized) bread and shop bread rose by approximately 125 and 106 percent, respectively. Compared to price levels pre-crisis, staggering price increases have been registered for both public and shop bread; public bread increased by a staggering 411 percent, while shop bread saw a no less remarkable increase of 299 percent. Shortages of fuel and gas during winter combined with limited amount of subsidized bread in areas with a high influx of IDPs influx areas will keep exerting upward pressure on both subsidized and shop bread.



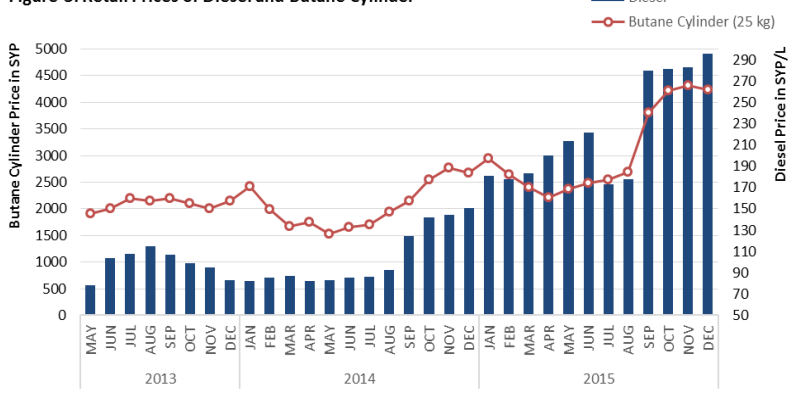
In Qudsayya, which has been besieged for approximately six months, unsubsidized bread was not available during first 3 weeks of December 2015, while in Deir Ezzor city it was not available for the entire reporting month.

Diesel and Butane gas

During December 2015, the average price of one liter of diesel was SYP 296, while a cylinder of butane gas was available at SYP 4,239. Which is a 4.6 increase by more compared to last month for diesel. While a cylinder of butane gas price is remains stable on monthly basis with a slight decrease by 1.6 percent. On the course of one year, the price of diesel shown an increase of 96 percent and a cylinder butane gas 59 percent.

Looking at the prices of December among the governorates, the highest price for diesel was reported on markets in Deir Ezzor governorate at SYP 1,525/L, more than seven-folds increase compared to the average price in the capital Damascus (SYP 205/L). The increased demand on fuel in besieged cold areas beside the shortage of fuel will continue to inflate the prices of all main food commodities which is the main risk element that will underpin the pathetic food security situation there.

Figure-3: Retail Prices of Diesel and Butane Cylinder

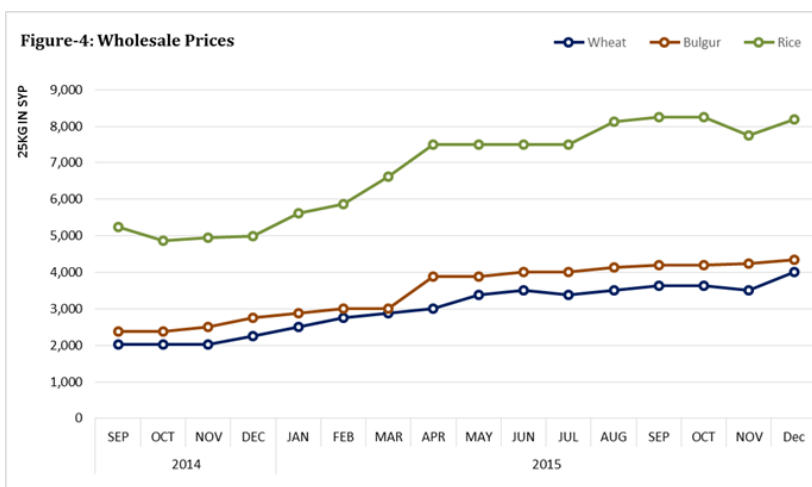


Wholesale Prices of Main Cereals in Damascus Market

In December 2015, the average nominal wholesale price of wheat grain was SYP 4,000, while for bulgur it was SYP 4,350 and SYP 8,200 for white rice.

Compared to November 2015, the wholesale prices for all main cereals increased: bulgur by 2.4 percent, rice by 5.8 percent and wheat by 14.3 percent. The price increases were mainly due inflation rates, the harsh winter and high fuel costs. The wholesale prices of main cereals increased dramatically year over year: wheat grain by 77.8 percent, bulgur by 58.2 percent, and white rice by 64 percent.

Figure-4: Wholesale Prices



Food Supply to Markets

During the reporting period, most basic staples were available at markets. However, at markets in the besieged areas of Rural Damascus (Madaya, Moadamiyeh, Zabadani), North East Rural in Lattakia and Deir Ezzor city, the supply of essential food commodities was disrupted as fighting cut off the main supply routes and access was severely restricted. Consequently, diesel, subsidized bread, lentils and butane were limited/not available. This, alongside the shortages of electricity and water, will further decrease poor households' purchasing power and cause a deterioration in their food security status.

In Tartous, As-Sweida and Damascus governorates the supply routes were open and commodities available. While, in Idleb, Al-Hasakeh and Aleppo governorates, as well as the north-eastern governorates, periodic clashes between armed groups interrupted the regular food supply to local markets. This resulted in very high price of the food commodities that are available on local markets.

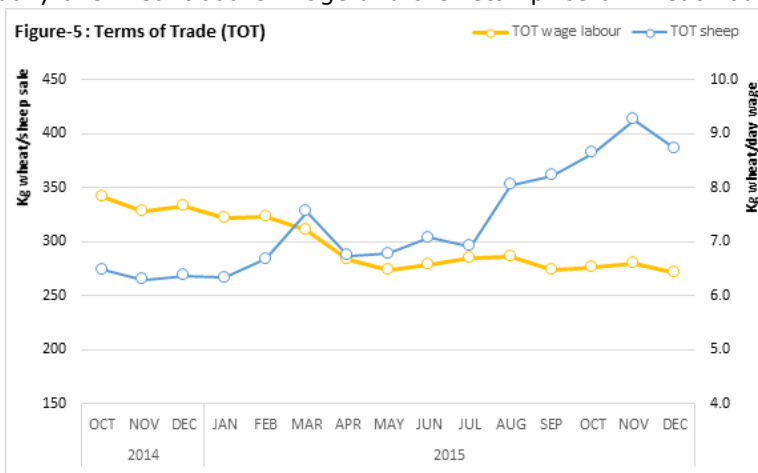
Terms of Trade (ToT)²

ToT between Wage Labour and Wheat Flour

The nominal average daily wage rate in December was SYP 1,139. Dar'a governorate continues to have the lowest average wage (SYP 700) and Ar-Raqqa governorate continues to have the highest (SYP 1,500). During the month of December, the average ToT between a daily unskilled labourer wage and the retail price of wheat flour was 6.4kg/day, which is 2.3 percent lower than in November 2015 and 15.9 percent lower compared to the same month last year. This means that the purchasing capacity of daily wage earners as reflected by the terms of trade has significantly deteriorated since December 2014.

TOT between sheep and wheat flour

In December 2015, the average price of a two-year old male sheep was SYP 68,393/head, this represents a drop of three percent compared to November 2015. The national average ToT between a sheep and wheat flour was 386kg/sheep, which is 6.4 percent lower compared to last month. The highest ToT was recorded in Deir Ezzor governorate (810kg/sheep), while the lowest TOT was in Rural Damascus governorate (60.4kg/sheep).

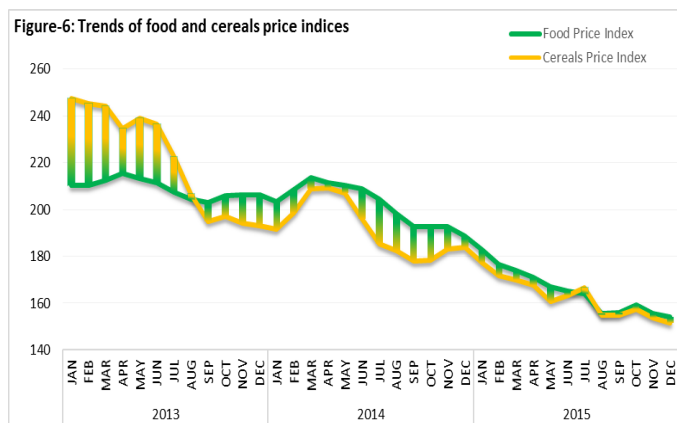


International Market Prices

During the reporting time, the FAO Food Price Index averaged 154.1 points, which is a 1.5 point drop compared to the November average. In percentage terms it amounts to a one percent drop compared to November and 18.2 percent decline compared to December 2014. The overall food price index has gradually declined every month since April 2014. Similarly, the Cereal Price Index averaged 151.6 points in December, a 1.3 percent decreased compared to November 2015.

In the month of December 2015, the wheat price on local markets averaged USD 536/MT, which is three times higher compared to the price of wheat in the international market (USD 163.8/MT).

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



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		
Bread Public (1.5 kg)	Aleppo	82	(10)	133.9	↔	↑	Rice (kg)	Aleppo	328	68.1	150.7	↑	↑
	Damascus	50	-	42.9	↔	↑		Damascus	295	131.9	130.6	↑	↑
	Daraa	50	-	42.9	↔	↑		Daraa	395	10.1	18.0	↑	↑
	Deir Ezzor	120	-	71.4	↔	↑		Deir Ezzor	1,038	16.2	(1.7)	↑	↔
	Hama	50	-	42.9	↔	↑		Hama	276	22.3	(5.5)	↑	↔
	Hassakeh	50	-	42.9	↔	↑		Hassakeh	475	9.1	37.7	↔	↑
	Homs	50	-	42.9	↔	↑		Homs	312	4.4	15.7	↔	↑
	Lattakia	50	-	42.9	↔	↑		Lattakia	350	5.0	35.2	↔	↑
	Raqqa	93	-	8.8	↔	↔		Raqqa	380	-	15.2	↔	↑
	Rural Damascus	225	-	542.9	↔	↑		Rural Damascus	1,012	279.4	365.4	↑	↑
	Sweida	50	-	42.9	↔	↑		Sweida	275	-	22.2	↔	↑
	Tartous	50	-	42.9	↔	↑		Tartous	338	10.0	29.3	↔	↑
Bread Shops (1.5 kg)	Aleppo	156	0.8	2.6	↔	↔	Sheep 2Y old Male	Aleppo	59,688	20.0	23.4	↑	↑
	Damascus	100	-	53.8	↔	↑		Damascus	64,135	8.5	24.4	↔	↑
	Daraa	150	-	(22.2)	↔	↓		Daraa	59,200	18.4	79.4	↑	↑
	Deir Ezzor	288	0.4	(6.2)	↔	↔		Deir Ezzor	184,375	(15.7)	(52.5)	↓	↓
	Hama	65	-	44.4	↔	↑		Hama	61,100	11.9	32.4	↑	↑
	Hassakeh	91	4.2	41.9	↔	↑		Hassakeh	50,250	3.1	24.2	↔	↑
	Homs	63	4.2	33.3	↔	↑		Homs	46,563	3.1	15.8	↔	↑
	Lattakia	65	5.4	30.0	↔	↑		Lattakia	59,500	6.6	35.2	↔	↑
	Raqqa	125	-	25.0	↔	↑		Raqqa	48,500	-	31.1	↔	↑
	Rural Damascus	370	235.0	316.7	↑	↑		Rural Damascus	67,450	4.1	24.8	↔	↑
	Sweida	65	-	30.0	↔	↑		Sweida	54,450	(1.0)	24.7	↔	↑
	Tartous	67	4.5	67.5	↔	↑		Tartous	65,500	8.4	31.0	↔	↑
Butane Cylinder (25 k	Aleppo	3,913	(14.8)	38.2	↓	↑	Sugar (kg)	Aleppo	227	(2.9)	42.7	↔	↑
	Damascus	1,975	-	16.2	↔	↑		Damascus	253	14.7	52.1	↑	↑
	Daraa	3,500	-	(2.7)	↔	↔		Daraa	250	14.9	25.0	↑	↑
	Deir Ezzor	13,500	(22.6)	(43.2)	↓	↓		Deir Ezzor	2,542	2.4	95.5	↔	↑
	Hama	2,213	0.5	15.6	↔	↑		Hama	229	4.8	52.9	↔	↑
	Hassakeh	3,100	(7.6)	43.6	↔	↑		Hassakeh	277	23.8	42.8	↑	↑
	Homs	2,430	0.2	27.2	↔	↑		Homs	205	6.0	30.2	↔	↑
	Lattakia	2,040	3.7	27.5	↔	↑		Lattakia	223	7.7	39.1	↔	↑
	Raqqa	5,450	(1.9)	30.1	↔	↑		Raqqa	245	5.9	42.5	↔	↑
	Rural Damascus	8,250	15.0	348.4	↑	↑		Rural Damascus	500	15.5	167.4	↑	↑
	Sweida	2,500	-	5.3	↔	↔		Sweida	248	9.0	41.7	↔	↑
	Tartous	2,000	2.6	18.1	↔	↑		Tartous	236	14.8	49.5	↑	↑
Diesel (L)	Aleppo	192	5.4	2.4	↔	↔	Tea (kg)	Aleppo	1,875	4.5	23.1	↔	↑
	Damascus	205	-	2.5	↔	↔		Damascus	1,095	1.1	(0.6)	↔	↔
	Daraa	238	9.1	(10.0)	↔	↔		Daraa	2,650	9.3	17.8	↔	↑
	Deir Ezzor	1,525	41.8	100.5	↑	↑		Deir Ezzor	16,200	5.0	114.0	↔	↑
	Hama	158	(1.0)	(8.5)	↔	↔		Hama	1,700	6.3	15.2	↔	↑
	Hassakeh	51	-	11.1	↔	↑		Hassakeh	2,575	(39.9)	32.4	↓	↑
	Homs	185	-	2.9	↔	↔		Homs	1,725	(1.4)	25.4	↑	↑
	Lattakia	163	1.9	8.7	↔	↔		Lattakia	1,680	12.0	12.0	↑	↑
	Raqqa	103	(14.8)	36.7	↓	↑		Raqqa	2,600	7.5	57.7	↔	↑
	Rural Damascus	290	25.0	5.0	↑	↔		Rural Damascus	3,010	19.5	52.9	↑	↑
	Sweida	275	-	(2.5)	↔	↔		Sweida	2,420	5.2	21.0	↔	↑
	Tartous	165	1.0	10.0	↔	↑		Tartous	1,813	10.3	18.6	↑	↑
Lentils (kg)	Aleppo	396	9.4	36.9	↔	↑	Unskilled Labor wage	Aleppo	1,000	-	-	↔	↔
	Damascus	419	5.1	8.4	↔	↔		Damascus	1,500	1.7	15.4	↔	↑
	Daraa	335	16.8	28.0	↑	↑		Daraa	700	-	-	↔	↔
	Deir Ezzor	3,738	(0.7)	340.0	↔	↑		Deir Ezzor	1,000	-	-	↔	↔
	Hama	468	18.0	38.2	↑	↑		Hama	1,063	6.3	6.3	↔	↔
	Hassakeh	313	6.7	27.9	↔	↑		Hassakeh	800	-	(7.4)	↔	↔
	Homs	369	(3.2)	13.6	↔	↑		Homs	1,100	-	25.0	↔	↑
	Lattakia	411	19.1	41.8	↑	↑		Lattakia	1,080	8.0	8.0	↔	↔
	Raqqa	388	(3.8)	52.1	↔	↑		Raqqa	1,500	-	-	↔	↔
	Rural Damascus	614	32.1	44.8	↑	↑		Rural Damascus	1,475	-	13.5	↔	↑
	Sweida	470	3.7	34.3	↔	↑		Sweida	1,200	-	-	↔	↔
	Tartous	429	16.1	45.5	↑	↑		Tartous	1,250	-	75.0	↔	↑
Oil (L)	Aleppo	418	0.5	23.1	↔	↑	Wheat Flour (kg)	Aleppo	144	24.2	25.2	↑	↑
	Damascus	452	8.0	25.9	↔	↑		Damascus	177	9.9	8.9	↔	↔
	Daraa	515	17.4	28.7	↑	↑		Daraa	170	(16.6)	(30.3)	↓	↓
	Deir Ezzor	3,163	4.0	111.8	↔	↑		Deir Ezzor	228	2.7	(5.2)	↔	↔
	Hama	453	11.4	21.5	↑	↑		Hama	176	5.4	40.4	↔	↑
	Hassakeh	450	3.9	38.5	↔	↑		Hassakeh	198	1.1	36.0	↔	↑
	Homs	426	9.2	20.0	↔	↑		Homs	150	6.6	8.0	↔	↔
	Lattakia	400	9.1	14.3	↔	↑		Lattakia	165	1.0	11.5	↔	↑
	Raqqa	400	(2.9)	44.2	↔	↑		Raqqa	145	(0.8)	(6.3)	↔	↔
	Rural Damascus	498	2.1	28.6	↔	↑		Rural Damascus	1,115	490.2	494.0	↑	↑
	Sweida	413	3.3	10.1	↔	↑		Sweida	190	2.0	15.9	↔	↑
	Tartous	401	3.8	10.7	↔	↑		Tartous	175	4.5	24.8	↔	↑
Key:	↑	Prices increase above normal price fluctuation											
	↔	Normal Price Fluctuation											
	↓	Price decrease below normal price fluctuation											