



Highlights:

- Between July 2015 and January 2016, the average prices of main food commodities in Syrian have significantly increased (+55.9% for wheat flour, +28.6% for rice, +54% for subsidized bread, +35% for unsubsidized bread, +55% for pulses, +35% for oil, +64% for sugar and +36% for tea).
- In January 2016, shortage of fuel was reported in most of the monitored markets. In Deir-ez-Zor the price of diesel reached SYP 1,525/L, which is more than ten-folds compared to the official price (SYP 135/L).
- Since November 2015, the market prices in Al-Hasakeh governorate have significantly increased due to closure of Nusaybin border crossing with Turkey (wheat flour +12%, rice +17%, butane cylinder +35%, pulses +54%, oil +27%, sugar +56% and sheep +10%).
- Since January 2015, the price of the food basket in Deir-ez-Zor has increased by 528 percent and in Rural Damascus by 157 percent.

A: Standard Food Basket

The average cost of standard food basket¹ (group of essential commodities) during January 2016 was SYP 29,514. The lowest price of the basket was recorded in Lattakia governorate at SYP 19,475, while the highest basket price was observed in Deir-ez-Zor governorate at SYP 93,365 more than four times higher than in central Damascus market.

Since January 2015, the price of the food basket in Deir-ez-Zor has increased by 528 percent and in Rural Damascus by 157 percent.

Consequently, the vulnerable poor household purchasing power who are heavily dependent on markets, keeps deteriorating as food prices continuously increased.

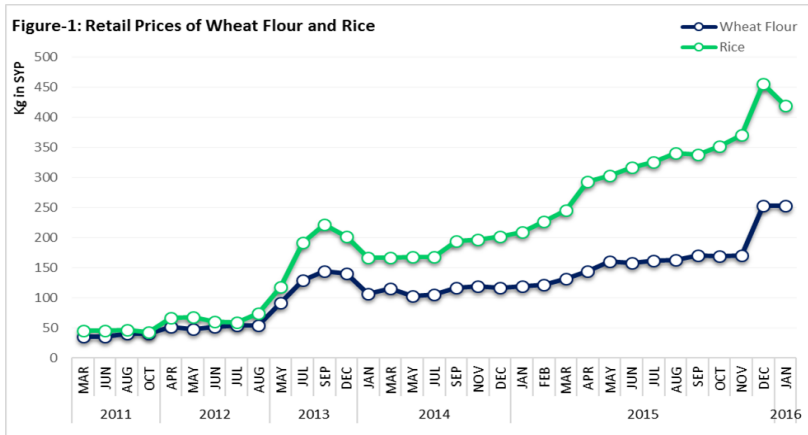
Governorate	Price January 2016	Price 1 month change	Price 6 months changes	Price 12 months changes
Aleppo	SYP 21,080	1.2%	27.6%	75.7%
Damascus	SYP 19,921	0.4%	30.2%	63.1%
Dar'a	SYP 22,733	10.5%	43.4%	106.4%
Deir-ez-Zor	SYP 93,365	-28.2%	77.1%	528%
Hama	SYP 21,560	6.3%	25.1%	66.5%
Al-Hasakeh	SYP 25,723	20.5%	56.8%	106.8%
Homs	SYP 22,075	17.5%	30.4%	65.1%
Lattakia	SYP 19,475	-3.7%	30.7%	56.7%
Raqqa	SYP 27,295	23.9%	55.5%	106.2%
Rural Damascus	SYP 37,384	-17.3%	113.8%	157%
Sweida	SYP 20,953	4.1%	23.9%	78.5%
Tartous	SYP 22,610	10.9%	48.2%	78.5%
Average	SYP 29,514	-6.7%	52.0%	131%

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 of bread, 19 kg rice, 19 kg lentils, 5 kg of sugar, and 7 kg of vegetable oil.

B: Retail Prices

1- Wheat Flour and Rice:

In January 2016, the average nominal retail prices of wheat flour and rice were SYP 253/kg and SYP 419/kg respectively. Compared to December 2015 the price of wheat flour remained unchanged while the price of rice has decreased by 8.1 percent. Since 2011, the average monthly price of wheat flour registered significant increases (623 percent for wheat flour and 831 percent for rice). From July 2015, the price of wheat flour and rice respectively rose by 55.9 percent and 28.6 percent. The increase in the price of main food commodities in the past months can be attributed to the effect of the conflict and airstrikes which disrupted the regular flow of supplies in some local markets as well as, recent depreciation of the Syrian Pound (unofficial rate of USD1/SYP395, the lowest value since 2011)



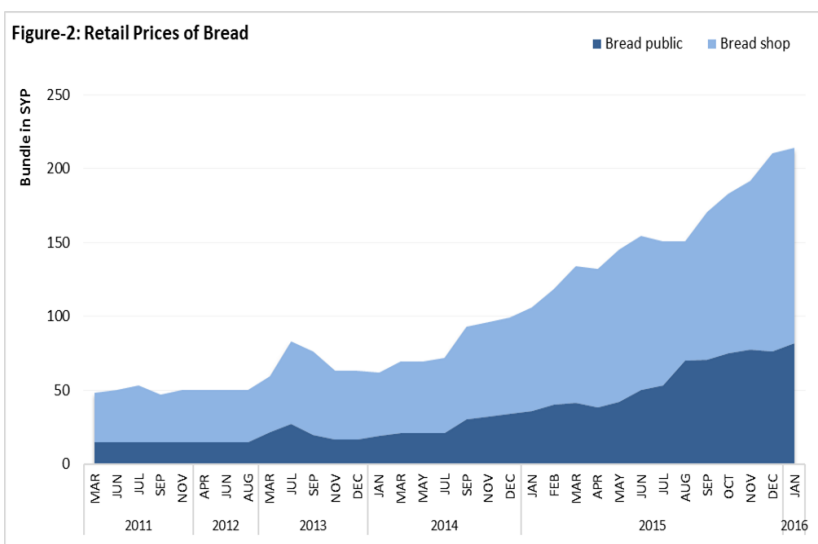
During the current reporting period, besieged Rural Damascus markets recorded the highest price for wheat flour, sold at SYP 883/kg while the lowest price was observed in Lattakia where 1kg of wheat flour was sold at SYP 160. Besieged markets in Deir-ez-Zor registered the highest price for rice sold at SYP 1,500 per kg while the lowest price was observed in Lattakia where 1 kg of rice was sold at SYP 250.

2- Bread:

During the reporting month the average nominal retail prices for public (subsidized) bread and shop (unsubsidized) bread were SYP 82/bundle and SYP 132/bundle, respectively. There was an increase of 7 percent in the price of public (subsidized) bread while the price of shop (unsubsidized) bread remains unchanged.

Between July 2015 and January 2016, the average retail prices of subsidized and unsubsidized bread rose by approximately 54 percent and 35 percent respectively, reaching their highest levels in January 2016.

The increase in prices of bread is mainly due to rising fuel prices, high costs of transportation as well as increased shortage of electricity and water which effects the bakeries functionality.

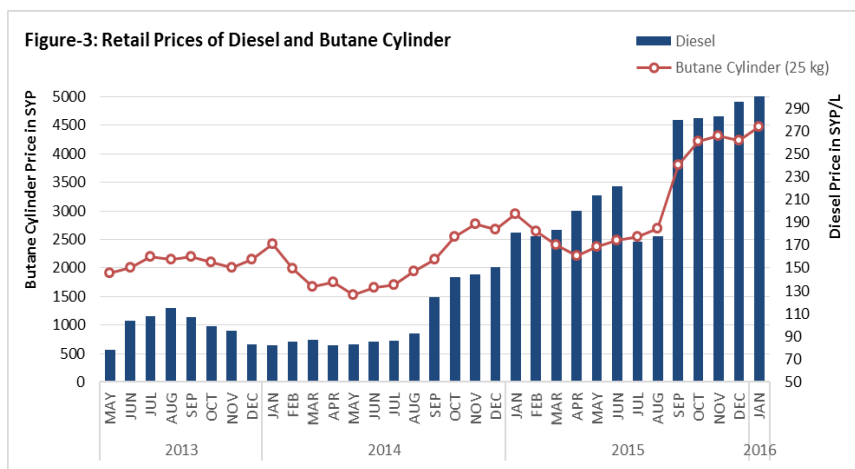


Looking at the pattern of retail prices of subsidized bread across the main markets during the month of reporting, Rural Damascus markets had the highest price (SYP 225/bundle). In besieged markets of Zamalka and Darayya bread was sold at SYP 450/bundle if available, which is 9 times higher than Damascus market price.

3– Diesel and cylinder of butane gas:

During the reporting month, the average price of diesel was SYP 312/L and SYP 4,482 for a cylinder of butane gas. Between December 2015 and January 2016, the average retail prices of diesel rose by 5.4 percent and by 5.7 percent for a cylinder of butane gas. Compared to the same month last year, diesel prices went up by 72 percent and 52.5 percent for a cylinder of butane gas. In Deir-Ez-Zor the black market price of diesel reached SYP 1,525/L which is more than ten-fold compared to the latest official price (SYP 135/L). Shortage of diesel and fuel gas for domestic use as well as the increasing demand on winter accounted for a surge in fuel prices in January 2016.

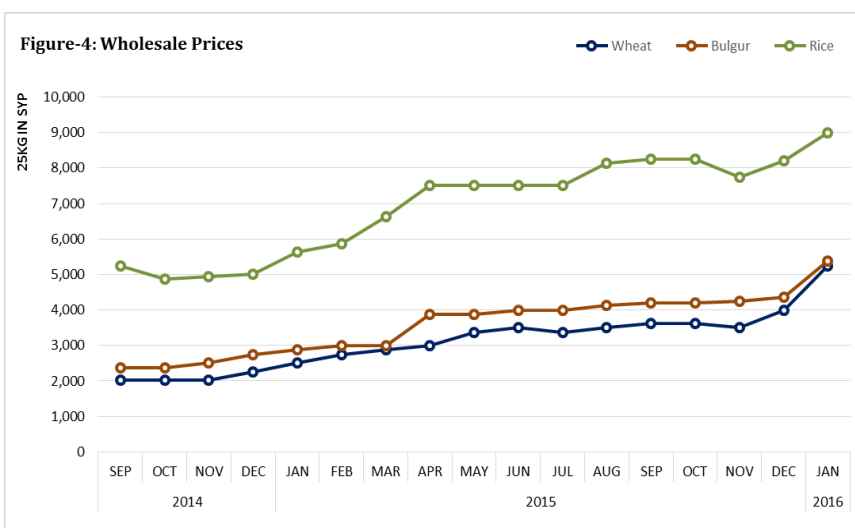
In turn, the increase in fuel prices as well as the continued depreciation of the Syrian Pound, will continue to inflate the prices of all main food commodities in coming months.



C. Wholesale Prices of main cereal in Damascus Market:

During January 2016, the average nominal wholesale price of wheat grain was SYP 5,250 while for bulgur it was SYP 5,375 and SYP 9,250 for white rice. Compared to December 2015, the wholesale price of bulgur increased by 23.6 percent, rice increased by 12.8 percent and wheat grain increased by 31.3 percent. The wholesale price of wheat grain increased by 110 percent, bulgur by 87 percent and white rice by 64 percent year-on-year.

The increase in wholesale prices is mainly due to an increase in transportation costs as well as the depreciation of the Syrian pound against the US dollar.



D. Food Supply to Markets:

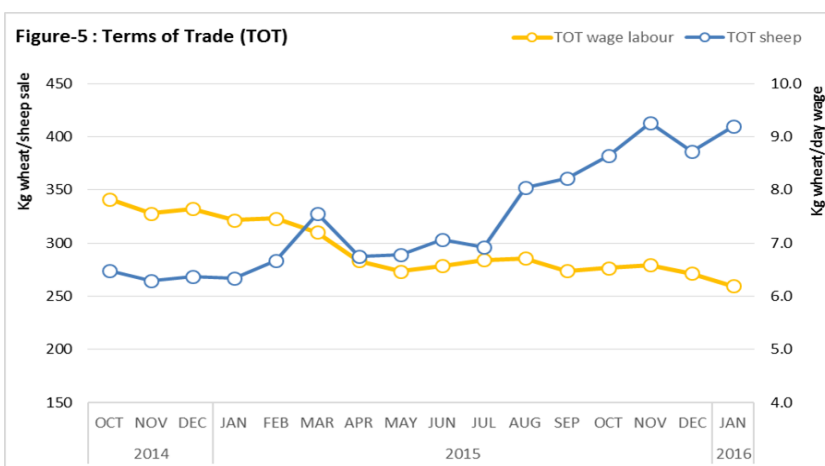
During the reporting period, in the monitored markets of Tartous, As-Sweida and Damascus the supply routes were open and commodities were available. However in besieged areas in Rural Damascus (Darayya, Harasta, Az-Zabdan) and most areas of Deir-ez-Zor governorates, the supply of essential food commodities was disrupted as active fighting cut off the main supply routes, as a result diesel, lentils, sugar and butane were limited/not available. However, traders in besieged Deir-ez-Zor city have managed to transfer sparse amount of some basic food commodities to the markets from ISIL areas with very high prices.

In Northern areas (Idleb, Al-Hasakeh and Northern Aleppo), as well as the north-eastern governorates, periodic clashes between armed groups are interrupting the regular food supply to local markets. Consequently, the miserable situation of main service (electricity and water) will further increase suffering of vulnerable poor households.

E. Terms of Trade (TOT):²

TOT between wage labour and wheat flour:

The nominal average daily wage rate in January 2016 was SYP 1,214. Al-Hasakeh governorate recorded the lowest wage rate (SYP 800) and the highest (1,500 SYP) was reported from Damascus, Rural Damascus, Tartous and Ar-Raqqa. The average TOT between a daily unskilled laborer wage and the retail price of wheat flour was 6.2kg/day, which is 7.4 percent lower than six months ago and 16.7 percent lower compared to same month last year. This means that the purchasing capacity of daily wage earners as reflected by the terms of trade continues to deteriorate.



TOT between sheep and wheat flour:

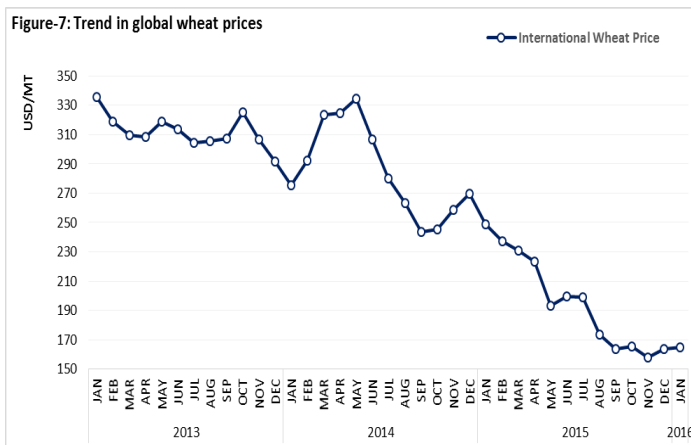
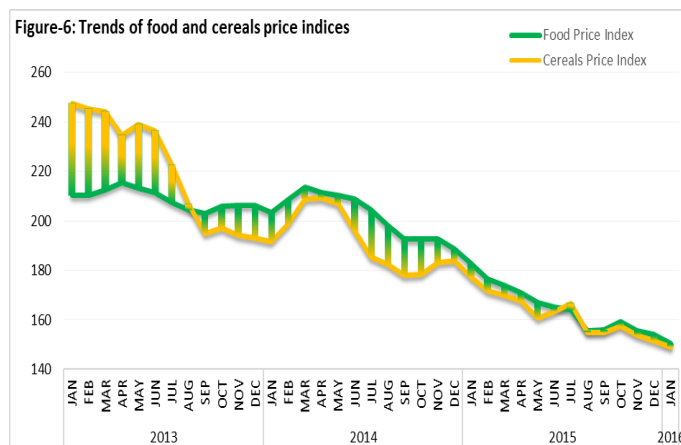
In January 2016, the average price of a two-year old male sheep was SYP 80,320/head, this represents an increase of 17.4 percent compared to December 2015. The national average TOT between a sheep and wheat flour was 409.8kg/sheep, which is 6.1 percent higher compared to last month. The highest TOT was recorded in Deir-ez-Zor governorate (814kg/sheep), while the lowest TOT was in Rural Damascus governorate (91.8kg/sheep).

F. International Market Prices:

The FAO Food Price Index averaged 150.4 points in January 2016, down by 1.9 percent compared to December average and dropped down by 16 percent from January 2015. The overall Food Price Index gradually declined every month since April 2014. Similarly, the Cereal Price Index averaged 149.1 points in January 2016, as much as 1.7 percent below December 2015.

In the month of January 2016, the wheat price on local markets averaged USD 621.3/MT, which is 377 percent higher compared to the price of wheat in the international market (USD 164.6/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

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	63	-	8.2	↔	↔	Rice (kg)	Aleppo	295	7.4	181.7	↔	↑
	Damascus	50	-	42.9	↔	↑		Damascus	286	2.1	103.3	↔	↑
	Daraa	50	-	42.9	↔	↑		Daraa	450	14.1	35.0	↑	↑
	Deir Ezzor	120	-	(15.2)	↔	↓		Deir Ezzor	1,025	17.5	8.6	↑	↔
	Hama	50	-	42.9	↔	↑		Hama	308	8.0	(1.1)	↔	↔
	Hassakeh	48	(5.0)	35.7	↔	↑		Hassakeh	513	8.1	41.4	↔	↑
	Homs	81	-	42.9	↔	↑		Homs	331	(2.3)	9.2	↔	↔
	Lattakia	50	-	42.9	↔	↑		Lattakia	250	(28.6)	(1.9)	↓	↔
	Raqqa	150	72.1	76.5	↑	↑		Raqqa	443	16.7	34.4	↑	↑
	Rural Damascus	225	-	542.9	↔	↑		Rural Damascus	495	(35.3)	122.5	↓	↑
	Sweida	50	-	42.9	↔	↑		Sweida	275	-	10.0	↔	↑
	Tartous	50	-	42.9	↔	↑		Tartous	363	7.5	38.2	↔	↑
Bread Shops (1.5 kg)	Aleppo	110	0.2	6.3	↔	↔	Sheep 2Y old Male	Aleppo	70,900	10.2	41.7	↑	↑
	Damascus	100	-	53.8	↔	↑		Damascus	74,708	16.5	39.3	↑	↑
	Daraa	175	12.5	5.6	↑	↔		Daraa	66,667	12.5	102.0	↑	↑
	Deir Ezzor	200	(13.5)	(12.6)	↓	↓		Deir Ezzor	230,000	14.8	7.1	↑	↔
	Hama	65	3.8	50.0	↔	↑		Hama	74,000	23.1	65.9	↑	↑
	Hassakeh	83	(10.0)	8.8	↔	↔		Hassakeh	52,500	3.7	32.3	↔	↑
	Homs	95	4.2	44.4	↔	↑		Homs	64,938	16.1	35.7	↑	↑
	Lattakia	65	-	30.0	↔	↑		Lattakia	55,000	(7.6)	17.0	↔	↑
	Raqqa	175	58.3	75.0	↑	↑		Raqqa	61,000	25.0	64.9	↑	↑
	Rural Damascus	383	9.5	338.9	↔	↑		Rural Damascus	81,133	19.2	46.7	↑	↑
	Sweida	65	-	30.0	↔	↑		Sweida	60,500	11.1	24.0	↑	↑
	Tartous	63	(6.7)	56.3	↔	↑		Tartous	72,500	10.7	45.0	↑	↑
Butane Cylinder (25 k	Aleppo	3,027	8.2	49.9	↔	↑	Sugar (kg)	Aleppo	233	4.8	36.4	↔	↑
	Damascus	2,000	1.3	17.6	↔	↑		Damascus	244	(3.6)	42.2	↔	↑
	Daraa	3,400	(2.0)	(10.2)	↔	↓		Daraa	247	(1.3)	23.0	↔	↑
	Deir Ezzor	13,650	6.0	(8.4)	↔	↔		Deir Ezzor	1,925	6.2	63.3	↔	↑
	Hama	2,094	(0.1)	14.8	↔	↑		Hama	230	1.2	25.5	↔	↑
	Hassakeh	3,950	35.6	58.4	↑	↑		Hassakeh	461	65.0	146.1	↑	↑
	Homs	3,665	(12.0)	7.2	↓	↔		Homs	228	(0.1)	18.9	↔	↑
	Lattakia	2,100	2.9	25.4	↔	↑		Lattakia	235	5.6	46.9	↔	↑
	Raqqa	5,950	7.7	40.1	↔	↑		Raqqa	220	(8.3)	27.8	↔	↑
	Rural Damascus	9,500	19.2	427.4	↑	↑		Rural Damascus	650	22.1	246.5	↑	↑
	Sweida	2,500	-	-	↔	↔		Sweida	250	0.8	42.9	↔	↑
	Tartous	1,950	(2.5)	14.9	↔	↑		Tartous	238	0.9	50.9	↔	↑
Diesel (L)	Aleppo	370	2.7	18.6	↔	↑	Tea (kg)	Aleppo	2,030	10.5	35.6	↑	↑
	Damascus	220	7.4	10.1	↔	↑		Damascus	1,228	7.8	4.6	↔	↔
	Daraa	218	(5.9)	(14.7)	↔	↓		Daraa	2,600	(1.9)	15.6	↔	↑
	Deir Ezzor	1,525	-	41.8	↔	↑		Deir Ezzor	12,850	(5.4)	88.9	↔	↑
	Hama	168	7.0	(8.8)	↔	↔		Hama	1,833	5.9	33.8	↔	↑
	Hassakeh	55	7.7	21.0	↔	↑		Hassakeh	2,700	5.1	37.1	↔	↑
	Homs	173	(13.9)	(11.8)	↓	↓		Homs	1,859	-	20.0	↔	↑
	Lattakia	160	(1.8)	6.7	↔	↔		Lattakia	2,000	19.0	33.3	↑	↑
	Raqqa	100	(1.6)	29.5	↔	↑		Raqqa	2,600	-	51.9	↔	↑
	Rural Damascus	347	15.3	49.2	↑	↑		Rural Damascus	3,250	8.1	52.7	↔	↑
	Sweida	250	(8.3)	(8.3)	↔	↔		Sweida	2,500	3.3	25.0	↔	↑
	Tartous	154	(6.7)	2.7	↔	↔		Tartous	2,125	17.4	39.4	↑	↑
Lentils (kg)	Aleppo	462	7.3	30.9	↔	↑	Unskilled Labor wage	Aleppo	1,460	-	-	↔	↔
	Damascus	425	1.5	6.3	↔	↔		Damascus	1,500	-	9.1	↔	↔
	Daraa	400	19.4	64.0	↑	↑		Daraa	900	28.6	28.6	↑	↑
	Deir Ezzor	2,375	29.2	154.9	↑	↑		Deir Ezzor	1,100	10.0	10.0	↑	↑
	Hama	492	7.7	36.0	↔	↑		Hama	1,067	3.3	(21.5)	↔	↓
	Hassakeh	425	40.9	74.7	↑	↑		Hassakeh	800	-	(4.3)	↔	↔
	Homs	444	13.1	12.3	↑	↑		Homs	838	(16.7)	-	↓	↔
	Lattakia	450	9.5	55.4	↔	↑		Lattakia	1,200	11.1	20.0	↑	↑
	Raqqa	488	25.0	87.0	↑	↑		Raqqa	1,500	-	-	↔	↔
	Rural Damascus	621	1.3	43.4	↔	↑		Rural Damascus	1,500	1.7	9.1	↔	↔
	Sweida	500	6.4	29.0	↔	↑		Sweida	1,200	-	-	↔	↔
	Tartous	500	17.0	69.0	↑	↑		Tartous	1,500	25.0	125.0	↑	↑
Oil (L)	Aleppo	457	(0.5)	19.3	↔	↑	Wheat Flour (kg)	Aleppo	170	16.5	30.6	↑	↑
	Damascus	478	6.4	31.1	↔	↑		Damascus	197	11.6	16.0	↑	↑
	Daraa	500	(2.5)	41.4	↔	↑		Daraa	163	(4.2)	(33.3)	↔	↓
	Deir Ezzor	2,100	(13.0)	56.2	↓	↑		Deir Ezzor	283	33.3	37.0	↑	↑
	Hama	480	6.9	31.7	↔	↑		Hama	177	5.4	34.4	↔	↑
	Hassakeh	550	22.2	51.9	↑	↑		Hassakeh	230	20.3	45.0	↑	↑
	Homs	464	(1.3)	19.5	↔	↑		Homs	163	1.7	10.0	↔	↑
	Lattakia	450	12.5	28.6	↑	↑		Lattakia	160	(3.0)	8.5	↔	↔
	Raqqa	425	6.3	33.8	↔	↑		Raqqa	250	72.6	61.5	↑	↑
	Rural Damascus	658	32.2	57.8	↑	↑		Rural Damascus	883	(4.5)	373.2	↔	↑
	Sweida	447	8.2	19.2	↔	↑		Sweida	193	1.7	10.4	↔	↑
	Tartous	455	13.9	25.2	↑	↑		Tartous	175	0.0	24.7	↔	↑
Key:	↑	Prices increase above normal price fluctuation											
	↔	Normal Price Fluctuation											
	↓	Price decrease below normal price fluctuation											