



Highlights:

- Active conflict, closing roads and restricting access negatively impacts markets and bakeries functionality in besieged Darayya, Madaya and Madamiyet Elsham, where bread availability has been severely limited for more than 6 months and one kg of rice in Darayya costs SYP 10,000 (30 times higher than the Damascus).
- The continuous depreciation of the Syrian Pound further worsens the commodity supply chain and disrupt trade, leading to nominal price increase of wheat flour (+56%), rice (+93%), subsidized bread (+95%) and shop bread (+45%) compared to the same month last year.
- Continuous border closure with Iraq and Turkey has had a significant impact on the commercial flow of commodities in Al-Hasakeh governorate, resulting in poor to no availability of many food commodities.

A: Standard Food Basket

During March 2016, the national average cost of a standard food basket¹ (group of essential commodities) was SYP 32,014. The lowest cost observed in Aleppo governorate at SYP 21,144, while the highest basket price was recorded in Deir-ez-Zor governorate at SYP 110,096 (more than four times higher than in central Damascus market).

Compared to March 2015, the price of the food basket in Deir-ez-Zor has increased by 255 percent and in Ar-Raqqa by 132 percent.

The data also indicates that in Aleppo and Rural Damascus the food basket cost decreased by 11 and 13 percent, but still higher by 26 and 21 percent compared to six months ago and 58 and 121 percent higher compared to one year ago, respectively. The recent humanitarian access to Rural Damascus and improvement of supply routes to Aleppo was the main reason for the slightly lower price of the food basket during March 2016.

The vulnerable households that mostly depend on markets are unable to afford the high prices compared to the low unstable income in Syrian Pound.

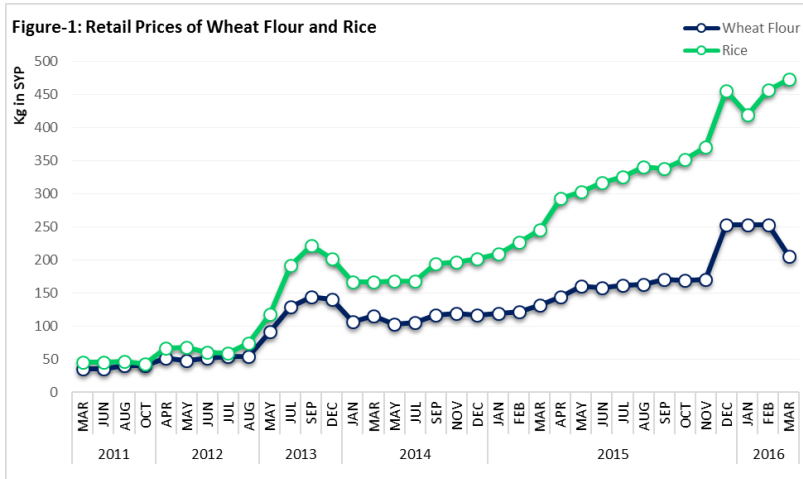
Governorate	Price March 2016	Price 1 month change	Price 6 months changes	Price 12 months changes
Aleppo	SYP 21,144	-10.6%	26.2%	58.0%
Damascus	SYP 22,415	0.9%	31.4%	59.7%
Dar'a	SYP 23,250	1.2%	50.4%	74.2%
Deir-ez-Zor	SYP 110,096	9.5%	-21.0%	255%
Hama	SYP 22,440	0.9%	43.9%	55.7%
Al-Hasakeh	SYP 28,069	8.6%	79.7%	83.1%
Homs	SYP 21,984	-0.9%	25.4%	54.7%
Lattakia	SYP 24,164	16.2%	57.1%	74.9%
Ar-Raqqa	SYP 29,900	9.0%	56.7%	131.6%
Rural Damascus	SYP 33,425	-12.9%	20.8%	121%
As-Sweida	SYP 21,731	2.3%	21.3%	58.3%
Tartous	SYP 25,545	13.4%	53.1%	75.3%
Average	SYP 32,014	3.8%	15.0%	107%

1. The cost of a standard basket of dry goods providing 1,930 kcal a day for a family of five during a month. The 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:

During March 2016, the average nominal retail prices of wheat flour and rice were SYP 205/kg and SYP 473/kg respectively. Compared to February 2016, the price of wheat flour decreased by 19 percent, while the price of rice increased by 3.5 percent. The price of wheat flour and rice respectively rose by 20 percent and 40 percent when compared to September 2015. Compared to same month last year, the average monthly prices registered significant increase by 56 percent for wheat flour and 93 percent for rice. The price decrease of wheat flour can be attributed to improvement of supply routes in Aleppo and recent humanitarian access to Rural Damascus resulted in better food availability and accessibility.



During March 2016, the cheapest price of rice was recorded in As-Sweida, where one kg was sold at SYP 275. While the highest price was recorded in besieged Darayya and Madamiyet Elsham markets where one kg of rice was sold at SYP 10,000, which is 30 times higher than in Damascus markets. In besieged Deir-ez-Zor city rice price recorded at SYP 3000/kg, which was 33 percent higher compared to last month, 60 percent compared to six months ago and 465 percent compared to one year ago.

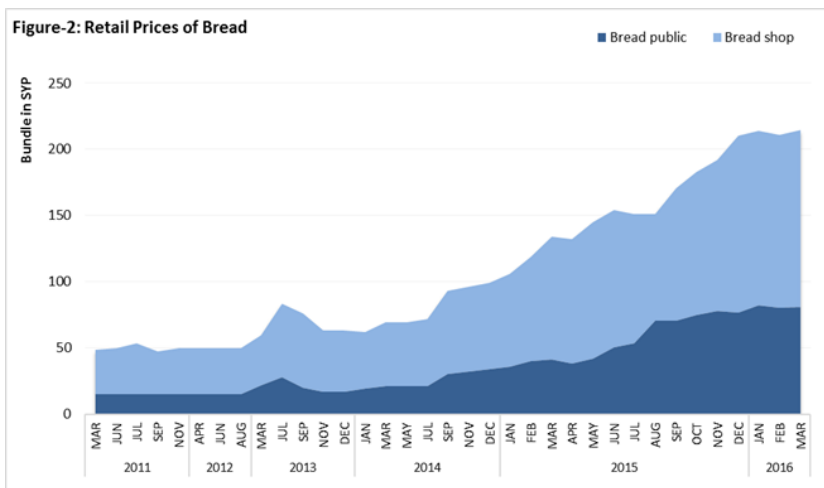
The continuous border closure in Al-Hasakeh has had a significant impact on food prices where one kg of rice was SYP 580, which is 31 percent higher than December 2015 and 73 percent compared to six months ago and 104 percent compared to one year ago.

2- Bread:

In March 2016, the average nominal retail prices for public (subsidized) bread and shop (unsubsidized) bread was SYP 81/bundle and SYP 134/bundle, respectively. The price of public bread remains unchanged while the price of shop bread increased by 2.2 percent compared to February 2016.

Compared to six months ago, the average retail prices of subsidized and unsubsidized bread rose by approximately 14 and 34 percent respectively.

During the month, bakeries functionality slightly improved in Aleppo and Rural Damascus, due to the supply of fuel and wheat flour. In Madaya and Darayya, bread was not available for more than six months.

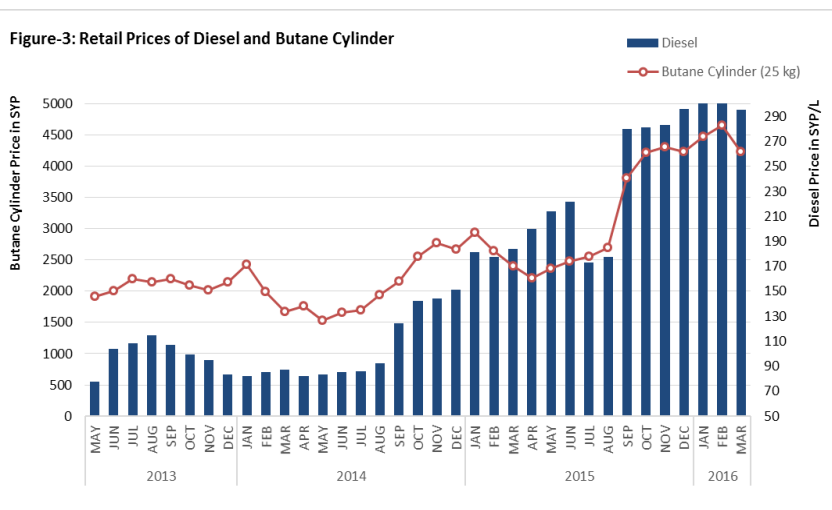


From September 2015 to March 2016, the price of subsidized bread and shop bread in Al-Hasakeh increased by 61 and 29 percent, respectively. The main reason for the increase is the continuous border closure with Turkey as well as the further depreciation of the Syrian Pound against USD, which reached an all-time low of 500 SYP/1 USD.

3– Diesel and cylinder of butane gas

During the reporting month, the average price of diesel was SYP 295/L and SYP 4,234 for a cylinder of butane gas. Compared to February 2016, the average retail price of diesel decreased by 5 percent and the price of a cylinder of butane gas drop by 9 percent. While on year-to-year levels, the prices of both diesel and a cylinder of butane gas prices went up by 66 percent and 60 percent respectively. In Darayya, Madaya, Madamiyet Elsham and Foah, fuel was sporadically available. In besieged Deir-ez-Zor city the black market price of diesel reached to SYP 2,900/L, twenty-fold higher compared to the latest official price (SYP 135/L).

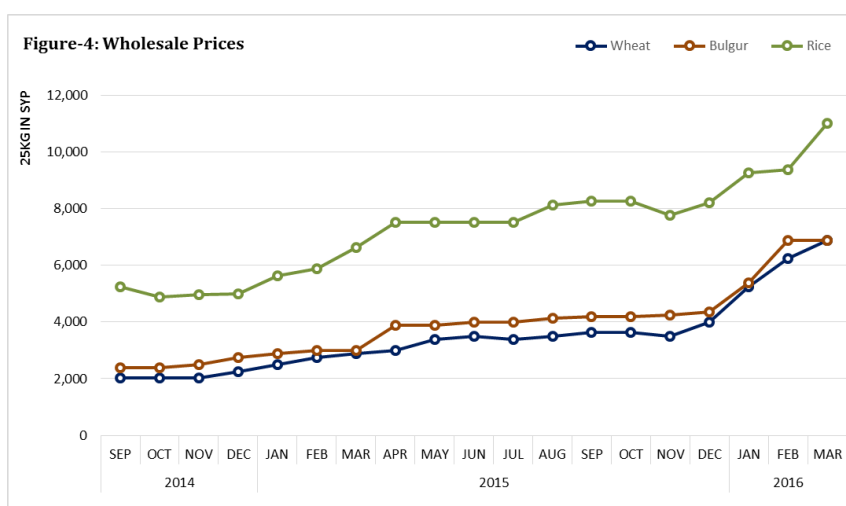
The low demand on fuel during the spring season was the main reason that effected the gas and diesel prices for this month. However, the shortage of fuel in besieged areas is still a serious problem and disrupting the functionality of the bakeries. Furthermore, in Al-Hasakeh households were depending on unrefined oil as an alternative to the fuel. The price of fuel will most likely go up in the coming months in line with the currency depreciation.



C. Wholesale Prices of main cereal in Damascus Market

During March 2016, the wholesale price for the main food commodities continued to show volatile trends, exhibiting the highest nominal price of wheat grain at SYP 6,875, bulgur at SYP 6,875 and white rice at SYP 11,000. Compared to February 2016, the wholesale price of bulgur remained unchanged, while rice increased by 17.3 percent and wheat grain by 10 percent. Between September 2015 and March 2016 the wholesale prices of wheat increased by 90 percent, bulgur by 64 percent and rice by 33 percent.

The year-on-year wholesale price of wheat grain increased by 139 percent, bulgur by 129 percent and white rice by 66 percent. The main reason of the wholesale price increasing is the continuous depreciation of Syrian Pound against US Dollar.



D. Food Supply to Markets

During March 2016, markets in Damascus, Lattakia, Tartous, As-Sweida and Hama were functioning and supply routes were open. The supply routes slightly improved in Aleppo. However, in the besieged areas in Darayya, Madamiyet Elsham, Madaya, Az-Zabdani and Deir-ez-Zor city the supply of essential food commodities was severely disrupted and basic food commodities were unavailable. In Al-Hasakeh continuous border closure has had a significant impact on food prices in the governorate, as the very limited commercial flow of commodities has resulted in low availability of many food commodities, in some cases rendering them completely unavailable.

E. Terms of Trade (TOT):₂

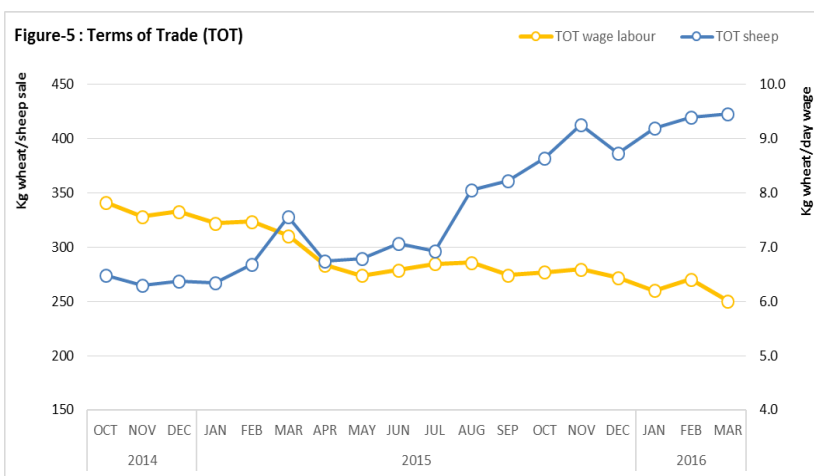
TOT between wage labour and wheat flour

The purchasing power (measured by terms of trade) of casual labourers has been on a sharp decline, occasioned by low wage rates against rising wheat flour prices. For instance, in March 2016, for a whole day of work, casual labourers could only buy about 6 kg of wheat flour/day, which is 7.4 percent lower than six months ago and 16.7 percent lower compared to same month last year.

The nominal average daily wage rate in March 2016 was SYP 1,229. The wage rate varied between market locations, ranging from SYP 737 in Homs to SYP 2,000 SYP in Lattakia.

TOT between sheep and wheat flour

In March 2016, the average price of a two-years old male sheep was SYP 86,598/head, this represents an increase of 3.8 percent compared to last month. The national average TOT between a sheep and wheat flour was 423kg/sheep, which is 0.9 percent higher compared to last month. The highest TOT was recorded in Deir-ez-Zor governorate (800kg/sheep), while the lowest TOT was in Al-Hasakeh governorate (220kg/sheep).



F. International Market Prices

The FAO Food Price Index averaged 151 points in March 2016, which is up by 1 percent compared to February average, but represents a drop of 13.1 percent compared same month last year.

The overall Food Price Index has gradually declined on a monthly basis since April 2014. Similarly, the Cereal Price Index averaged 147.6 points in March 2016 and remain unchanged compared to last month, but down by 13.1 percent below March 2015.

In the month of March 2016, the wheat price on local markets averaged USD 735.3/MT, which is more than four times higher compared to the price of wheat in the international market (USD 164/MT).

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

Figure-6: Trends of food and cereals price indices

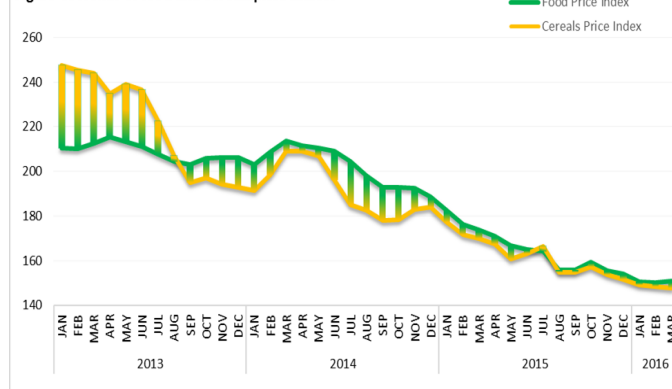
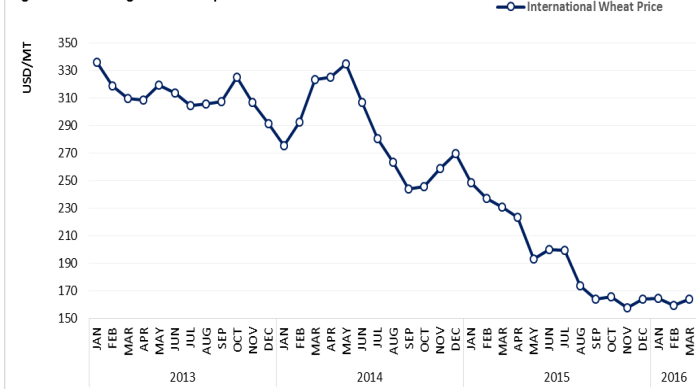


Figure-7: Trend in global wheat prices



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	50	1.0	(25.0)	↔	↓	Rice (kg)	Aleppo	322	2.3	116.9	↔	↑
	Damascus	50	-	42.9	↔	↑		Damascus	325	-	31.4	↔	↑
	Dar'a	50	-	42.9	↔	↑		Dar'a	463	1.3	40.9	↔	↑
	Deir-ez-Zor	95	(16.7)	(27.8)	↓	↓		Deir-ez-Zor	1,788	18.9	51.9	↑	↑
	Hama	52	3.3	50.0	↔	↑		Hama	348	2.2	97.6	↔	↑
	Al- Hasakeh	50	5.6	58.8	↔	↑		Al- Hasakeh	594	15.9	78.1	↑	↑
	Homs	81	-	21.4	↔	↑		Homs	298	-	4.9	↔	↔
	Lattakia	50	-	42.9	↔	↑		Lattakia	380	32.6	38.9	↑	↑
	Quneitra	73	2.8					Quneitra	413	3.6		↔	
	Ar-Raqqa	150	-	73.4	↔	↑		Ar-Raqqa	500	13.4	69.5	↑	↑
	Rural Damascus	225	-	21.4	↔	↑		Rural Damascus	425	(12.5)	54.1	↓	↑
	As-Sweida	50	-	42.9	↔	↑		As-Sweida	275	-	5.6	↔	↔
	Tartous	50	-	42.9	↔	↑		Tartous	413	17.9	52.5	↑	↑
	Bread Shops (1.5 kg)	Aleppo	95	34.3	(35.4)	↑		↓	Sheep 2Y old Male	Aleppo	82,125	3.5	72.1
Damascus		100	-	33.3	↔	↑	Damascus	76,725		(2.1)	42.8	↔	↑
Dar'a		163	(2.7)	6.3	↔	↔	Dar'a	65,000		(2.0)	34.1	↔	↑
Deir-ez-Zor		200	-	(13.3)	↔	↓	Deir-ez-Zor	230,000		-	12.8	↔	↑
Hama		90	2.9	113.2	↔	↑	Hama	73,667		-	47.1	↔	↑
Al- Hasakeh		88	7.7	19.0	↔	↑	Al- Hasakeh	50,500		(3.4)	22.7	↔	↑
Homs		95	(1.7)	20.8	↔	↑	Homs	85,000		26.9	25.4	↑	↑
Lattakia		65	-	30.0	↔	↑	Lattakia	70,000		16.7	36.7	↑	↑
Quneitra		110	1.7		↔		Quneitra	99,375		5.0		↔	
Ar-Raqqa		190	15.0	98.0	↑	↑	Ar-Raqqa	65,000		8.5	38.1	↔	↑
Rural Damascus		200	(33.3)	78.4	↓	↑	Rural Damascus	84,300		-	36.4	↔	↑
As-Sweida		83	-	66.0	↔	↑	As-Sweida	66,000		4.3	18.8	↔	↑
Tartous		63	-	40.0	↔	↑	Tartous	90,625		21.1	58.3	↑	↑
Butane Cylinder (10 kg)		Aleppo	3,000	3.4	14.8	↔	↑	Sugar (kg)		Aleppo	284	10.7	63.9
	Damascus	2,000	-	17.6	↔	↑	Damascus		255	(2.5)	47.8	↔	↑
	Dar'a	3,075	(4.9)	1.3	↔	↔	Dar'a		268	2.3	34.2	↔	↑
	Deir-ez-Zor	13,650	-	14.7	↔	↑	Deir-ez-Zor		2,319	5.1	(3.5)	↔	↔
	Hama	4,833	-	209.9	↔	↑	Hama		258	0.2	44.0	↔	↑
	Al- Hasakeh	3,200	(24.6)	7.4	↓	↔	Al- Hasakeh		356	(17.1)	82.2	↓	↑
	Homs	3,890	-	20.1	↔	↑	Homs		236	-	12.5	↔	↑
	Lattakia	2,100	-	23.5	↔	↑	Lattakia		298	26.6	75.0	↑	↑
	Quneitra	3,350	(2.5)		↔		Quneitra		263	5.0		↔	
	Ar-Raqqa	5,750	(4.5)	37.7	↔	↑	Ar-Raqqa		313	26.3	91.4	↑	↑
	Rural Damascus	6,750	(27.5)	12.5	↓	↑	Rural Damascus		338	(33.3)	8.3	↓	↔
	As-Sweida	2,500	-	-	↔	↔	As-Sweida		266	4.8	40.5	↔	↑
	Tartous	2,225	1.2	30.0	↔	↑	Tartous		308	23.0	81.1	↑	↑
	Diesel (L)	Aleppo	164	(4.0)	(6.1)	↔	↔		Tea (kg)	Aleppo	2,313	41.3	53.9
Damascus		240	-	17.0	↔	↑	Damascus	2,050		4.1	38.6	↔	↑
Dar'a		218	(2.1)	(1.6)	↔	↔	Dar'a	2,875		7.5	27.8	↔	↑
Deir-ez-Zor		1,550	0.9	62.9	↔	↑	Deir-ez-Zor	10,850		8.6	71.0	↔	↑
Hama		218	0.7	37.8	↔	↑	Hama	2,083		-	51.8	↔	↑
Al- Hasakeh		55	-	(14.6)	↔	↓	Al- Hasakeh	2,875		3.5	41.6	↔	↑
Homs		297	(6.6)	(2.8)	↔	↔	Homs	2,096		-	39.8	↔	↑
Lattakia		153	(4.7)	1.7	↔	↔	Lattakia	2,250		12.5	50.0	↑	↑
Quneitra		245	-		↔		Quneitra	2,913		0.5		↔	
Ar-Raqqa		100	-	(15.2)	↔	↓	Ar-Raqqa	3,050		15.1	78.4	↑	↑
Rural Damascus		355	-	50.5	↔	↑	Rural Damascus	2,850		(12.5)	21.1	↓	↑
As-Sweida		250	-	(8.3)	↔	↔	As-Sweida	2,800		0.9	26.1	↔	↑
Tartous		155	-	3.3	↔	↔	Tartous	2,638		17.2	83.0	↑	↑
Lentils (kg)		Aleppo	437	(14.9)	26.1	↓	↑	Unskilled Labor wage		Aleppo	1,313	(10.6)	(25.0)
	Damascus	513	2.5	31.2	↔	↑	Damascus		1,500	-	1.7	↔	↔
	Dar'a	400	-	74.8	↔	↑	Dar'a		900	-	28.6	↔	↑
	Deir-ez-Zor	2,475	7.6	29.0	↔	↑	Deir-ez-Zor		1,100	-	10.0	↔	↑
	Hama	475	-	32.2	↔	↑	Hama		1,167	-	10.0	↔	↑
	Al- Hasakeh	488	10.8	98.7	↑	↑	Al- Hasakeh		800	-	-	↔	↔
	Homs	463	(2.5)	24.5	↔	↑	Homs		738	-	5.0	↔	↔
	Lattakia	525	11.9	78.6	↑	↑	Lattakia		2,000	-	100.0	↔	↑
	Quneitra	438	-		↔		Quneitra		1,200	-		↔	
	Ar-Raqqa	488	-	39.3	↔	↑	Ar-Raqqa		1,500	-	-	↔	↔
	Rural Damascus	600	(7.1)	24.0	↔	↑	Rural Damascus		1,500	-	1.7	↔	↔
	As-Sweida	513	1.2	21.1	↔	↑	As-Sweida		1,200	-	-	↔	↔
	Tartous	549	9.8	56.1	↔	↑	Tartous		1,500	-	25.0	↔	↑
	Oil (L)	Aleppo	494	(5.2)	34.8	↔	↑		Wheat Flour (kg)	Aleppo	170	0.8	34.3
Damascus		483	-	32.3	↔	↑	Damascus	195		(0.8)	15.3	↔	↑
Dar'a		525	3.6	46.4	↔	↑	Dar'a	200		10.3	(0.8)	↑	↔
Deir-ez-Zor		2,000	(2.7)	3.9	↔	↔	Deir-ez-Zor	288		4.0	37.9	↔	↑
Hama		513	0.1	47.1	↔	↑	Hama	180		-	13.5	↔	↑
Al- Hasakeh		556	1.1	60.2	↔	↑	Al- Hasakeh	230		2.8	39.6	↔	↑
Homs		483	1.1	19.9	↔	↑	Homs	165		(1.4)	11.5	↔	↑
Lattakia		519	6.4	48.2	↔	↑	Lattakia	200		19.0	33.3	↑	↑
Quneitra		538	6.7		↔		Quneitra	175		-		↔	
Ar-Raqqa		575	36.8	54.1	↑	↑	Ar-Raqqa	250		-	58.7	↔	↑
Rural Damascus		563	(15.0)	23.1	↓	↑	Rural Damascus	275		(41.7)	25.8	↓	↑
As-Sweida		513	9.3	33.8	↔	↑	As-Sweida	200		-	10.5	↔	↑
Tartous		556	19.4	49.4	↑	↑	Tartous	221		9.3	34.3	↔	↑
Key:		↑	Prices increase above normal price fluctuation										
	↔	Normal Price Fluctuation											
	↓	Price decrease below normal price fluctuation											