Highlights:

- In Aleppo, escalation in fighting greatly affected market functionality and caused a rapid increase in the price of a standard food basket by 14.2 percent compared to last month and 36 percent compared to six months ago.
- Following severe food shortages in Darayya, the price of rice reached SYP 12,500/kg (36 times more than Damascus market price). Furthermore, despite recent airdrops to Deir-ez-Zor city, prices remain very high and humanitarian assistance is the main source of food for most besieged households.
- Compared to April 2015, nominal prices recorded significant increase, wheat flour (+51%), rice (+77%), subsidized bread (+120%) and shop bread (+43%) in line with the escalating inflation of Syrian Pound.

A: Standard Food Basket

In April 2016, the national average cost of a standard food basket (group of essential commodities) was SYP 34,634, increased by 14.6 percent compared to last month. Deir-ez-Zor governorate recorded the highest cost with SYP 122,609, while the lowest cost was observed in Homs governorate at SYP 22,798.

Following recent airdrops by WFP, the price of a food basket in Deir-ez-Zor has shown a decrease of 6.5 percent when compared to 6 months ago, but still higher by 216 percent compared to April 2015.

In Aleppo, data indicates an extremely fluid situation, where there was a marked increase in the cost of a food basket following an escalating in fighting; it rose 14.2 percent compared to March and 36 percent compared to six months ago.

In besieged locations of Rural Damascus, despite recent humanitarian access and slightly better food availability, prices are still increasing and the cost of food basket rose by 7 percent compared to last month.

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.

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SYRIA COUNTRY OFFICE
MARKET PRICE WATCH BULLETIN
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A: Standard Food Basket

<table>
<thead>
<tr>
<th>Governorate</th>
<th>Price April 2016</th>
<th>Price 1 month change</th>
<th>Price 6 months changes</th>
<th>Price 12 months changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aleppo</td>
<td>SYP 24,146</td>
<td>14.2%</td>
<td>36.1%</td>
<td>66.0%</td>
</tr>
<tr>
<td>Damascus</td>
<td>SYP 25,725</td>
<td>5.8%</td>
<td>30.5%</td>
<td>64.7%</td>
</tr>
<tr>
<td>Dara’a</td>
<td>SYP 24,513</td>
<td>5.4%</td>
<td>48.5%</td>
<td>67.1%</td>
</tr>
<tr>
<td>Deir-ez-Zor</td>
<td>SYP 122,609</td>
<td>11.4%</td>
<td>-6.5%</td>
<td>216%</td>
</tr>
<tr>
<td>Hama</td>
<td>SYP 24,415</td>
<td>9.4%</td>
<td>9.0%</td>
<td>57.9%</td>
</tr>
<tr>
<td>Al-Hasakeh</td>
<td>SYP 30,075</td>
<td>7.1%</td>
<td>36.2%</td>
<td>100.5%</td>
</tr>
<tr>
<td>Homs</td>
<td>SYP 22,798</td>
<td>11.9%</td>
<td>26.5%</td>
<td>48.8%</td>
</tr>
<tr>
<td>Lattakia</td>
<td>SYP 24,280</td>
<td>0.5%</td>
<td>43.8%</td>
<td>70.1%</td>
</tr>
<tr>
<td>Ar-Raqqa</td>
<td>SYP 33,269</td>
<td>11.3%</td>
<td>30.3%</td>
<td>131.2%</td>
</tr>
<tr>
<td>Rural Damascus</td>
<td>SYP 35,750</td>
<td>7.0%</td>
<td>27.1%</td>
<td>128%</td>
</tr>
<tr>
<td>As-Sweida</td>
<td>SYP 24,488</td>
<td>14%</td>
<td>33.4%</td>
<td>64.8%</td>
</tr>
<tr>
<td>Tartous</td>
<td>SYP 25,545</td>
<td>0.6%</td>
<td>30.1%</td>
<td>71.6%</td>
</tr>
<tr>
<td>Quneitra</td>
<td>SYP 25,230</td>
<td>5.5%</td>
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<td>N/A</td>
</tr>
<tr>
<td>Idlib</td>
<td>SYP 24,638</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Average</td>
<td>SYP 34,634</td>
<td>14.6%</td>
<td>37.6%</td>
<td>130%</td>
</tr>
</tbody>
</table>

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:

In April 2016, the average nominal retail price of wheat flour increased by 6.3 percent compared to the previous month, reaching SYP 218/Kg, while rice was sold at SYP 519/Kg, 9.7 percent more than in March, consistent with the upward trend observed since the beginning of the crisis. When compared to October 2015, the price of wheat flour increased by 29 percent and that of rice by 47 percent. In terms of percentages, the increases reached 523 and 1,053 for wheat flour and rice respectively considering pre-crisis levels.

Looking at the pattern of wheat flour retail prices across all main markets during April, Rural Damascus recorded the highest price, SYP 325/kg, while the lowest price was observed in Idleb where 1 kg of wheat flour sold at SYP 112/kg.

Markets in Deir-ez-Zor registered the highest price for rice, where it was sold at SYP 2,300/kg while As-Sweida markets registered the lowest price at SYP 275/kg.

Insecurity and supply-demand imbalances continued to drive significant price increases in besieged and active conflict areas. In Aleppo, the prices of wheat flour and rice rose by 22 and 18 percent respectively compared to last month. While in Deir-ez-Zor city, data indicates that prices are still increasing in spite of the food assistance air-dropped during April; 1 kg of rice sold at SYP 4,000 (more than 30 percent increase compared to last month price). Furthermore, in Darayya wheat flour was not available, or only in limited quantities, and the price for a kg of rice reached SYP 12,500/kg (more than 36 times compared to Damascus market price).

2– Bread:

During the reporting period, the average nominal retail prices for public (subsidized) bread and shop (unsubsidized) bread were SYP 84/bundle and SYP 134/bundle, respectively. The price of public bread increased by 4 percent while the price of shop bread remains unchanged compared to March 2016 prices.

Between October 2015 and April 2016, the average retail prices rose by approximately 12 and 24 percent for public and shop bread, respectively.

In April 2016, the functionality of bakeries slightly improved in Deir-ez-Zor city mainly due to better fuel availability. Meanwhile, in Aleppo active conflict had a negative impact on bread availability.

In besieged locations in Rural Damascus, bread remained sporadically available especially in Darayya, Madamiyet Elsham and Madaya. Bread has only been available on a limited basis for more than seven months.

Most of data, charts and tables reflected in this bulletin are from WFP sub office primary data collection.
3– Diesel and cylinder of butane gas

In April 2016, the average price of diesel was SYP 279/L and SYP 4,424 for a cylinder of butane gas. Compared to last month, the average retail price of diesel decreased by 5.4 percent while the price of a cylinder of butane gas rose by 4.5 percent. On year-to-year levels, the price of diesel and a cylinder of butane gas went up by 39 percent and 100 percent respectively.

Despite the low demand on fuel during the summer season, diesel and butane gas prices are still increasing in Ar-Raqqa and Al-Hasakeh. Furthermore, in most besieged locations, where there is only limited availability, prices for diesel have reached SYP 7,000/L in Madaya and SYP 2,900/L in the black market of Deir-ez-Zor, which are fifty-fold and twenty-fold higher than official prices respectively.

In turn, the increase in fuel prices in besieged and conflict locations, as well as the continued depreciation of the Syrian Pound (reached an all-time low of 600 SYP/1 USD), will further exert more pressure on food insecure households.

C. Wholesale Prices of main cereal in Damascus Market

During the reporting month, the wholesale price for the main food commodities continued to increase in line with the depreciation of the Syrian Pound. Wheat grain sold at SYP 7,500, bulgur at SYP 6,875 and white rice at SYP 12,250. Compared to March 2016, the wholesale price of bulgur remains unchanged, while rice increased by 11.4 percent and wheat grain by 9.1 percent. Between October 2015 and April 2016, the wholesale prices of wheat increased by 107 percent, bulgur by 64 percent and rice by 48 percent.

The year-on-year wholesale price of wheat grain increased by 150 percent, bulgur by 77 percent and white rice by 63 percent.

Wholesale prices for most food commodities are expected to further increase during the month of May due to the onset of Ramadan in early June and ongoing conflict in different parts of country.

D. Food Supply to Markets

During April 2016, markets in Damascus, Tartous, Homs and As-Sweida were functioning and supply routes were open. While in Aleppo, due to intensified airstrikes, the supply of essential food commodities was severely disrupted and the prices of most food commodities are rapidly increasing. In Ar-Raqqa and Al-Hasakeh, basic food commodities were only available on a limited basis and with high prices. Furthermore, in Darayya safe drinking water was not/limited available, alongside with poor food availability and high prices will further deteriorate the already dire food security situation of besieged households.
E. Terms of Trade (TOT):

TOT between wage labour and wheat flour

The purchasing power (measured by terms of trade) of casual labourers has been facing a sharp decline, due to low wage rates against rising wheat flour prices. For instance, in April 2016, for a whole day of work, casual labourers could only buy about 5.7 kg of wheat flour/day, which is 12.2 percent lower than six months ago and 14 percent lower compared to same month last year.

The nominal average daily wage rate in April 2016 was SYP 1,250. The wage rate varied between market locations, ranging from SYP 800 in Al-Hasakeh to SYP 1,700 in Lattakia.

TOT between sheep and wheat flour

In April 2016, the average price of a two-year old male sheep was SYP 86,318/head, similar to last month’s price, but an increase of 33.7 percent compared to six months ago. The national average TOT between a sheep and wheat flour was 396kg/sheep, which is 6.4 percent lower compared to last month. The highest TOT was recorded in Deir-ez-Zor governorate (746kg/sheep), while the lowest TOT was in Al-Hasakeh governorate (245kg/sheep).

F. International Market Prices

The FAO Food Price Index averaged 151.8 points in April 2016, which is up by 0.7 percent compared to March average, but 10 percent below its April 2015 level.

The overall Food Price Index has gradually declined on a monthly basis since April 2014. Similarly, the Cereal Price Index averaged 150 points in April 2016, up by 1.5 compared to last month, but 10.4 percent below April 2015.

In the month of April 2016, the wheat price on local markets averaged USD 688.7/MT, which is more than four times higher than the price of wheat in the international market (USD 163/MT).


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>
<thead>
<tr>
<th>Commodity</th>
<th>Governorate</th>
<th>Current Price</th>
<th>Price change (%)</th>
<th>Price change (%)</th>
<th>Average Change</th>
<th>Average Change</th>
<th>Commodity</th>
<th>Governorate</th>
<th>Current Price</th>
<th>Price change (%)</th>
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<th>Average Change</th>
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