

Highlights:

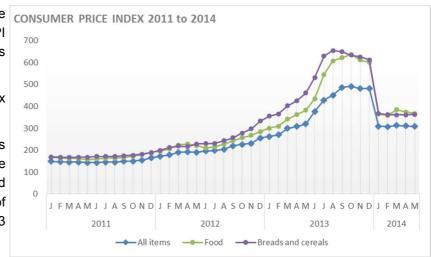
- In May 2014, the general Consumer Price Index (CPI) stood at 307.99. The Food CPI was 368.45, with breads and cereals at 363.67. The general inflation rate had increased by 114% from the same month three years earlier (May 2011).
- The average nominal retail prices of wheat flour and rice for October 2014 were SYP115/kg and SYP199/kg, respectively. This represents an increase of 187% (wheat flour) and 358% (rice) on October 2011 prices.
- October's average nominal retail prices for public and shop bread were SYP33/kg and SYP66/kg, respectively – rises of 10% (public) and 5% (shop) on the previous month.
- The average price for diesel in October was SYP142/litre, with a cylinder of butane gas costing SYP2,552/25kg). Between September and October 2014, the retail price of diesel underwent a significant increase of 14%, with a cylinder of butane up 5%. This represents an increase of 43% for diesel and 7% for butane in comparison to October 2013 prices.

A. Inflation and Consumer Price Index (CPI)

In May 2014, the general Consumer Price Index (CPI) was 307.99 while the Food CPI was 368.45 and that of bread and cereals stood at 363.67 (Figure 1).

The CPI hit an all-time high of 491.56 index points in October 2013.

The general inflation rate in May 2014 was 114% higher than that of May 2011. The inflation rate for all food has increased 133%; cereal and bread witnessed a rise of 113%. Food inflation in August 2013 reached an all-time high of 169%.



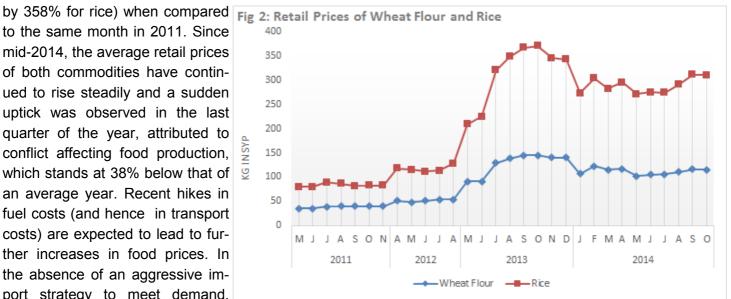
Based on a 12-month moving average, the general inflation rate decreased by 3.6%, while the food inflation rate fell by 3.7%.



B: Retail Prices of Main Food and Non-Food Commodities

1- Wheat Flour and Rice: During October 2014, the average nominal retail prices of wheat flour and rice were SYP115/kg and SYP199/kg, respectively. This represents significant increases (187% for wheat flour and

to the same month in 2011. Since mid-2014, the average retail prices of both commodities have continued to rise steadily and a sudden uptick was observed in the last quarter of the year, attributed to conflict affecting food production, which stands at 38% below that of an average year. Recent hikes in fuel costs (and hence in transport costs) are expected to lead to further increases in food prices. In the absence of an aggressive import strategy to meet demand,

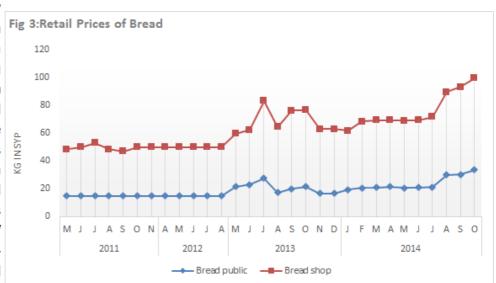


food prices will continue to skyrocket well into the lean season and vulnerable families will have to draw on their own resources. In general, similar trends are observed with other basic commodities, which will further worsen household food security given the high reliance of families on local markets. This could potentially result in continued population movements in search of humanitarian assistance or income generation opportuni-

Looking at the pattern of retail prices for wheat flour and rice across the main markets during the month of reporting, the highest price recorded for wheat flour was SYP186/kg (Deir Ezzor), with the lowest (SYP74/kg) in Aleppo. Deir Ezzor markets also had the highest price for rice (SYP288/kg) while Sweida market had the lowest (SYP90/kg) (See Table 1 for more details). Source: WFP monitors.

2- Bread: In October 2014, the average nominal retail prices of public (or subsidized bread) and shop bread were SYP33/kg and SYP66/kg, respectively - increases of 10% and 5% on September 2014 prices

(Figures 3). These rises are mainly due to the continuing fluctuation in Fig 3:Retail Prices of Bread the price of fuel, combined with political uncertainties and ongoing local conflict, which may result in an increase in prices of food and other essential commodities. Since July 2014, the average retail prices for both types of bread have risen by approximately 50 percent and have reached even higher levels than those observed during July/ August 2013. Looking at the pattern of retail prices of shop bread across the main markets during the



month of reporting, the highest price found was SYP200/kg (Dara'a) and the lowest was recorded in markets in Hama, Homs, Lattakia and Tartous (SYP30/kg). Cha'ar market of Aleppo had the highest price for public bread (SYP75/kg) while Hama, Homs, Lattakia, Sweida, Tartous and Damascus markets had the lowest (SYP25/Kg) (See Table 1 for more details). Source: WFP monitors.

3- Diesel and Butane:

The official price for diesel is SYP80/I, and SYP1,050/25kg for a cylinder of butane gas. However, market prices differ; for October 2014, the average price of diesel in 26 markets across the country was SYP142/I and SYP2,552 for a 25kg cylinder of butane gas. Between September and October 2014, the average retail prices of diesel increased significantly by 14%, with a smaller increase of 5% for a cylinder of butane. Compared to the same month last year, diesel is up 43% and a cylinder of butane is up 5% (Figures 4 and 5).

The rise in the retail prices for diesel and cylinders of butane stem from a combination of several factors, including fuel shortages, conflict, poor security and social unrest in some areas, and the gradual removal of fuel subsidies by the government. In addition, a seasonal increase in demand occurs as winter approaches. Prices may however decline as winter gives way to spring.

Looking at the pattern of retail prices across the main markets during the month of reporting, the highest price for diesel was SYP375/I, reported in the Mzereb market of Dara'a governorate. The lowest price was in Hassakeh market (SYP50/I). Raqqa markets had the highest price for butane (SYP5300 for a 25Kg cylinder), while Tartous markets reported the lowest (SYP1,200/25Kg). (See Table 1 for more details).

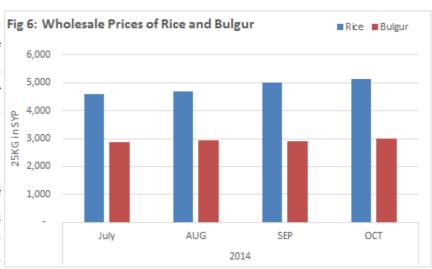


C. Wholesale Prices of White Rice and Bulgur in Damascus

In October 2014, the average wholesale price for rice was SYP5,150/25kg, and SYP2,290 for 25kg of bulgur. Between September and October 2014, the average domestic nominal wholesale prices of both commodities increased by 2.7 percent. Source: WFP Procurement Unit and monitors.

D. Food Supply to Markets

During the month of reporting, the supply of essential food commodities has continued as normal in most parts of the country, save for disruptions in several locations due to fighting; namely, Quneitra, Dara'a and Rural Damascus. Furthermore, Idleb and Rural Aleppo, as well as the north-eastern governorates, are also witnessing an interruption of food supply to local markets due to sporadic fighting and bombardment. In contrast, the coastal governorates, Sweida, and Damas-



cus, are experiencing better food supply to main and/or secondary markets compared to previous months. Source: WFP monitors

F. Terms of Trade:

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. Source: WFP monitors.

⇒ TOT between wage labour and wheat flour

In October 2014, the nominal average daily wage rate was SYP1,750. The average TOT between the daily unskilled labour wage rate and the retail price of wheat flour stood at 15.2kg/daily wage.

⇒ TOT between sheep and wheat flour

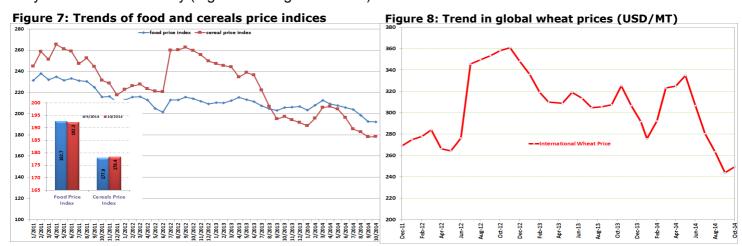
During the reporting month, the average price of a two-year old male sheep was SYP30,000. The national average TOT between a sheep and wheat flour was 150.75kg/sheep.

F. International Market prices

The FAO Food Price Index averaged 192.3 points in October 2014, slightly (0.2%) below the September figure but 14.3 points (6.9%) short of its corresponding level one year ago. The FAO Cereal Price Index averaged 178.4 points in October, with no change from September, but 18.2 points (9.3%) lower year-on-year.

After five months of steep falls, international wheat prices experienced a slight increase of 2.4% between September and October 2014, mainly due to harvest delays in the United States (maize) and deteriorating prospects in Australia (wheat). On the other hand, rice prices tended to soften on newly harvested supplies and a slowing pace of sales.

The international wheat prices are significantly lower than those recorded during the same month last year by 24 percent (Figure 9). The decline in the international wheat prices is unlikely to affect the domestic prices positively. Given the fact that the domestic wholesale and retail prices of wheat in Syria are largely determined by the local harvest and big importers and their agents, the slight drop in the international prices may not be exactly reflected domestically (Figure 2 vs Figure 7 and 8).



 $Data\ Source:\ http://www.fao.org/worldfoodsituation/wfs-home/foodpricesindex/en/$

 $Data\ Source:\ http://www.indexmundi.com/commodities/?commodity=wheat$



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				Tab	le 1	. Mar	ket I	Price of M	Iain Commodit	ies Ac	ross]	Marl	kets i	in S	yri	an Poun	ds				
Govern orate	Markets	Commodity	Current Price	Price change (%)	Avera	ge Change	Gov nora		Commodity	Current Price	Price change (%)	Average 6 M	e Change		Gover norate	Markets	Commodity	Current Price	Price change (%)	Avera 6 M	nge Change
	Moghambo Moghambo Moghambo Moghambo	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg)	75 193 34 106		1 16 99 113	↑ ↑ ↑ ↑ ↑ ↑	_	Qudsayya Qudsayya Qudsayya Qudsayya	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg)	143 248 25 65	6 5 -	(8) 6 67 48				Sheikh Sa'ad Sheikh Sa'ad Sheikh Sa'ad	Bread Public (1.5 kg) Bread Shops (1.5 kg)	161 211 25 50	32 (3) - (23)	44 11 67 (7)	↑
	Moghambo Moghambo Moghambo Moghambo Moghambo	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	193 98 1,038 245 149	27 5 15 20 19	9 9 9 23 79	↑ ↑ ↑ ← ↑ ↑ ↑		Qudsayya Qudsayya Qudsayya Qudsayya Qudsayya	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	218 155 1,450 314 105	1 3 - 1 31	15 (2) (24)		↑ ↑ ↓ ↑		Sheikh Sa'ad Sheikh Sa'ad Sheikh Sa'ad Sheikh Sa'ad Sheikh Sa'ad	Sugar (kg) Tea (kg) Oil (L)	200 145 1,400 295 105	7 - 10 31	26 4 22 14	
Aleppo	Moghambo Cha'ar Cha'ar Cha'ar	Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)	2,500 74 171 75	138 7 6	36 0 17 4	↑ ↑ ↔ ← ↔ ↑ ↔ ←	Damascus	Qudsayya Al-Tall Al-Tall Al-Tall	Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)		4 13 16	1 32 15		↑ ↑	Damascus		Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)	1,175 121 175 25	(2) 21 -	(2) 17 4 67	
	Cha'ar Cha'ar Cha'ar Cha'ar	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	100 118 113 1,038	- 23 6 1	25 (19) 4 (0)		•	Al-Tall Al-Tall Al-Tall Al-Tall	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	190 150 1,213	- 14 (1)	12 39 (1)		↑ ↑ ↑		Shrebishat Shrebishat Shrebishat Shrebishat	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	50 175 125 1,113	- 12 11	39 3 18 (4)	
	Cha'ar Cha'ar Cha'ar Edlib Edlib	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	215 158 4,425 98 100	24 (3) (14)	8 23 36 (12) (15)			Al-Tall Al-Tall Al-Tall Daraa Daraa	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	1,400 110 175	17	13	<u>↑</u> ↔	↑ ↑ +		Shrebishat Shrebishat Shrebishat Tartous Tartous	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	228 110 1,150 110 223	8 38 - - 11	4 41 (3) 12 20	
	Edlib Edlib Edlib Edlib	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg)	30 63 178 95	20	88 213 31 (7)	↑ ↑ ↑ ↑ ↔ ↑ ↔ ←	•	Daraa Daraa Daraa Daraa	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg)	50 150 165 120	- - - 9	67		^		Tartous Tartous Tartous Tartous	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg)	25 30 205 160	- - 8 33	67 20 19 48	
Edlib	Edlib Edlib Edlib Edlib Benech	Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg)	1,088 230 188 1,575 121	2 3 92 26 35	15 (14) 112 21 21		Daras	Daraa Daraa Daraa Daraa Mzereb	Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg)	1,050 275 96 1,250 125	10 20 -	10 (27) 5	↑ ↑ ↔	$\uparrow \uparrow \downarrow \uparrow \uparrow$	Tartous	Tartous Tartous Tartous Tartous Mashta Al He	Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg)	1,128 300 150 1,200 110	13 20 150 -	13 42 150 -	↑
	Benech Benech Benech Benech	Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg)	225 40 154	18 60 37	33 60 (5)	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Mzereb Mzereb Mzereb Mzereb	Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg)	175 200 175	- (3)	(13)	↔	 → + +		Mashta Al He Mashta Al He	el Rice (kg) el Bread Public (1.5 kg) el Bread Shops (1.5 kg)	225 25 30 198	25 - - 10	36 67 20 10	↑
	Benech Benech Benech Benech Benech	Sugar (kg) Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg)	133 1,263 225 131 1,200	15 4 9 1 (14)	15 10 3 (2) (8)	↑ ↑ ↔ ↑ ↔ ← ↓	•	Mzereb Mzereb Mzereb Mzereb Mzereb	Sugar (kg) Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg)	130 1,300 300 375 5,575		(7) - 155				Mashta Al He Mashta Al He Mashta Al He Mashta Al He	el Tea (kg) el Oil (L)	160 1,153 293 135 1,200	39 15 39 125 (4)	33 15 33 125	↑
	Hama Hama Hama Hama	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg)	100 200 25 30	(5) 100 - (40)	- 47 67 50		_	Sweida Sweida Sweida Sweida	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg)	100 90 25 34	(2) - - 13	(6) 50 67 69		- ↑ ↑		Raqqa Raqqa Raqqa Raqqa	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg)	100 225 64 99	(20) 8 96 52	- 13 155 98	↓ ←← ↑ ↑
	Hama Hama Hama Hama Hama	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	196 110 1,100 225 125	15 5 10 5 92	16 - - 4 105	↑ ↑	•	Sweida Sweida Sweida Sweida Sweida	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	200 120 1,100 243 200	11 9 26 7 105	13 22 6		↑ ↑ ↑ ↑ ↑		Raqqa Raqqa Raqqa Raqqa Raqqa	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	185 135 1,350 235 79	5 16 (4) 4 (28)	6 8 4 4 (21)	
Hama	Hama Mesiaf Mesiaf Mesiaf	Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)	1,300 103 148 25	8 (4) 5	- (3) 2 67		eida	Sweida Shahba Shahba Shahba	Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)	100 90 25	29 - -	32 - 50 67	↑ · · · · · · · · · · · · · · · · · · ·	↑	Raqqa T	Raqqa Tal Abyad Tal Abyad Tal Abyad	Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg)	5,000 125 240 64	46 (2) 6 82	100 14 9 155	↑
	Mesiaf Mesiaf Mesiaf Mesiaf Mesiaf	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg) Oil (L)	30 206 118 1,150 261	(28) 13 (2) (7) 12	50 18 (1) 1 17	 ↓ ↑ ↑ ↑ ↔ ← ↑ ↑ 		Shahba Shahba Shahba Shahba Shahba	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg) Oil (L)	34 200 120 1,000 238	13 11 9 11 8	18 9 9	↑ ·	$\uparrow \qquad \qquad \uparrow \qquad \qquad \uparrow$		Tal Abyad Tal Abyad Tal Abyad Tal Abyad Tal Abyad	Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg) Oil (L)	99 190 140 1,400 250	52 5 9 (7) 5	52 3 4 - 16	↑
	Mesiaf Mesiaf Homs Ekrema Homs Ekrema	Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	213 1,767 100 205		191 26 - 41	↑ ↑ ↑ ↑ ↑ ↑	•	Shahba Shahba Hassakeh Hassakeh	Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	200 1,750 106 221	105 52 (16)	122 55 42 4	↑ · ↑ · ↓ ·	↑ ↑ ↑		Tal Abyad Tal Abyad Lattakia Lattakia	Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	79 5,300 110 218	(26) 30 - 9	(21) 104 2 13	 ↓ ↑ ∴ ↔ ↔
	Homs Ekrema Homs Ekrema Homs Ekrema Homs Ekrema Homs Ekrema	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	25 30 206 109 1,038	- - 24 (1) (6)	67 50 19 3 (2)			Hassakeh Hassakeh Hassakeh Hassakeh Hassakeh	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	35 53 213 131 1,350	17 (9) 10 12 8	(30) 42 7		↑ ↓ ↑ +		Lattakia Lattakia Lattakia Lallakia Lattakia	Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg) Tea (kg)	25 30 194 160 1,140	- 2 33	67 25 4 36 12	
Homs	_	Oil (L) Diesel (L) Butane Cylinder (25 kg) i Wheat Flour (kg)	243 173 1,500 87	9 188 13 (15)	12 178 3 12			Hassakeh Hassakeh Hassakeh Kamishly	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg)	200 61 3,375 129	(5) 2 (22) 13	11 2 25 20		↑		Lattakia Lattakia Lattakia Jableh	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg)	293 150 1,200 110	17 150 900 -	4 149 (2) 20	↑ ÷ ↑ ÷ ↔ ·
		i Bread Public (1.5 kg) i Bread Shops (1.5 kg) i Lentils (kg)	195 25 202 101	7 (7)	22 67 30 (1)			Kamishly Kamishly Kamishly Kamishly Kamishly	Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg)	225 35 69 200 124	6 - 34 10 8	40 15 33		^ ^ ^ ^ ^		Jableh Jableh Jableh Jableh Jableh	Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg) Sugar (kg)	204 25 30 190 160	- - - 33	31 67 25 17 57	
	Homs Rur_Qaret Homs Rur_Qaret Homs Rur_Qaret Homs Rur_Qaret	ns Rur_Qareti Tea (kg) ns Rur_Qareti Oil (L) ns Rur_Qareti Diesel (L) ns Rur_Qareti Butane Cylinder (25 kg)		(9) 6 167 5	- 14 256 27			Kamishly Kamishly Kamishly Kamishly	Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg)		4 4 (5) (40)	4 8 (11)				Jableh Jableh Jableh Jableh	Tea (kg) Oil (L) Diesel (L) Butane Cylinder (25 kg)		14 11 150 6	9 36 142 3	↑
Deir Ezzor	Deir Ezzor Deir Ezzor Deir Ezzor Deir Ezzor Deir Ezzor	Wheat Flour (kg) Rice (kg) Bread Public (1.5 kg) Bread Shops (1.5 kg) Lentils (kg)	186 288 35 89 275	18 32	77 67 133 71 51	↑ ↑ ↑	Deir Ezzor	Deir Ezzor Deir Ezzor Deir Ezzor Almayadin Almayadin	Oil (L) Diesel (L) Butane Cylinder (25 kg) Wheat Flour (kg) Rice (kg)	154 281	44 39 20 22 31	60 198 81 52	↑ ↑ ↑	^ ^ ^ ^ ^ _	Deir Ezzor	Almayadin Almayadin Almayadin Almayadin Almayadin	Lentils (kg) Sugar (kg) Tea (kg) Oil (L) Diesel (L)	238 146 1,825 300 96	7 22 19 20 7	36 33 28 71 53	
Rem ark:	Deir Ezzor Deir Ezzor ↑ ↔	zor Sugar (kg) 150 25 35 ↑ ↑ Almayadin Bread Public (1.5 kg) 25 - 67 ↔ ↑ Almayadin Bread Shops (1.5 kg) 73 (3) 58 ↔ ↑ Almayadin Bread Shops (1.5 kg) 73 (3) 58 ↔ ↑ Almayadin Butane Cylinder (25 kg) 2,300 3 174 ↔ ↑ Prices increase above normal price fluctuation Normal Price Fluctuation																			
		•																			