



Highlights:

- The overall market information for July/August 2015 revealed that availability and supply of essential food and non-food commodities including fuel are normal in all markets, except for some areas in Deir-ez-Zor , Dara'a and Rural Damascus.
- In August 2015, the average nominal retail prices of wheat flour and rice were SYP162/kg and SYP333/kg, respectively. The retail price trends show significant increases (306% for wheat flour and by 609% for rice) when compared to August in 2011.
- The average nominal retail prices of public (subsidized) and shop bread during July and August were SYP 61.9/kg and SYP 89.1/kg, respectively. Between March and August 2015, the average retail prices of public bread rose by 70.2.
- The average wholesale prices of wheat in Damascus for July and August, are lower by 1.8 percent than that of June while they are 19.6 percent higher compared to 6 months ago in March 2015.
- Insecurity and supply-demand imbalances continued to drive significant price increases in besieged areas. In Eastern Ghouta, the prices of wheat flour and rice reached up to 619 and 881 SYP/kg respectively, which is two times more than Damascus open market price.
- The average Terms of Trade (TOT) between the sheep and wheat flour stand at 323.9kg/sheep which is 6.7 higher compared to June 2015.

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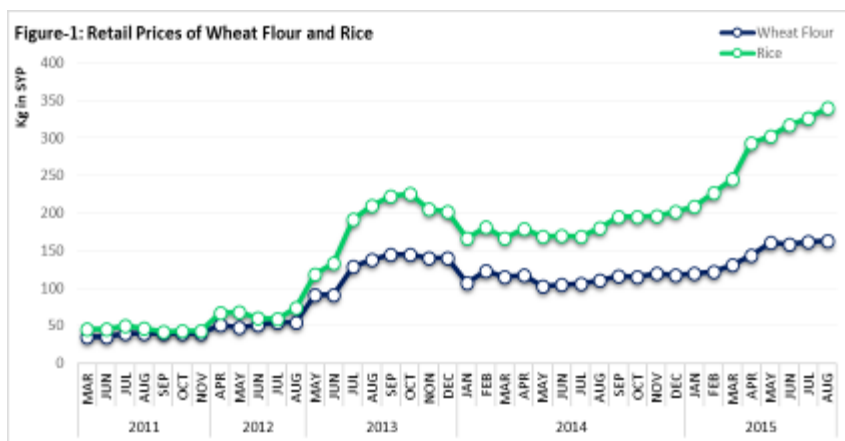
A: Retail Prices

1- Wheat Flour and Rice:

In July and August 2015, the average nominal retail price of wheat flour and rice were SYP 162/kg and SYP 333/kg respectively. An increase of 2.9 percent in the price of wheat flour and 4.9 percent in the price of rice compared to June 2015.

This represents notable increases (24% for wheat flour and by 36% for rice) when compared to the 6 months ago in the same year.

From September 2014 to August 2015 the average monthly price of wheat flour continued the prominent increases (40 percent for wheat flour and 75 percent for rice). Since 2011, the price of wheat flour and rice respectively rose by 306 percent and 609 percent.



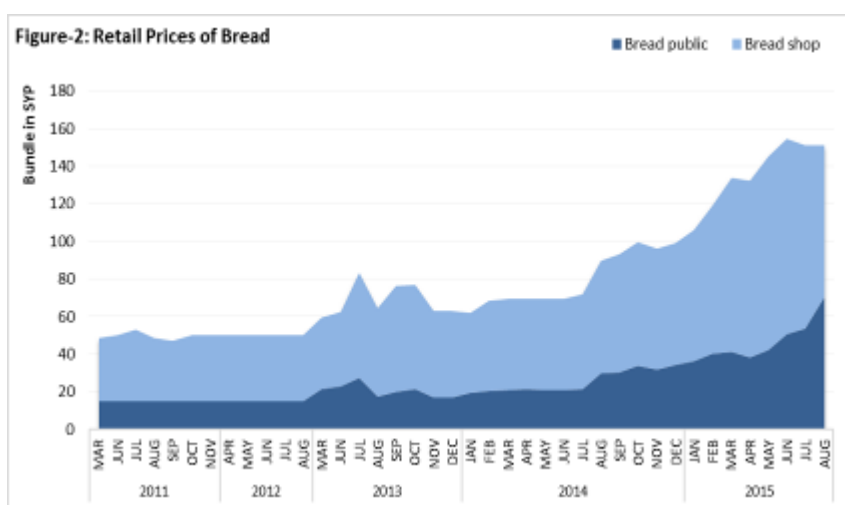
Taken into account the high influx of IDPs

due to the conflict, and the limited availability of rice and wheat flour in local markets located in the besieged areas increased the prices there, in addition to the continuous decline of SYP exchange rate.

During the current reporting period, Dar'a recorded the highest price for wheat flour, sold at SYP 252/kg while the lowest price was observed in Aleppo where 1kg of wheat flour was sold at SYP 130. Deir-ez-Zor market registered the highest price for rice sold at SYP 1,027/kg. The lowest price of rice was observed in Damascus markets, where 1 kg of rice was sold at SYP 158. Insecurity and supply-demand imbalances continued to drive significant price increases in besieged areas. In Eastern Ghouta, the prices of wheat flour and rice reached up to 619 and 881 SYP/kg respectively, which is more than two times higher compared Damascus market. Source: WFP sub offices.

2- Bread:

During June 2015, the average nominal retail prices for public (subsidized) bread and shop bread were SYP 61.9/bundle and SYP 89/bundle, respectively. Compared to June 2015, the prices of public bread rose by 22.6 percent while the price of shop bread decreased by 14.3 percent due to the wheat availability in the harvest season. Between August 2014 and August 2015, the average retail price of public (subsidized) bread and shop bread rose by approximately 131 and 28.3 percent, respectively. Compared to August 2011, the average monthly price of public (subsidized) bread and shop bread registered significant increases of 313 percent and 178 percent, respectively.

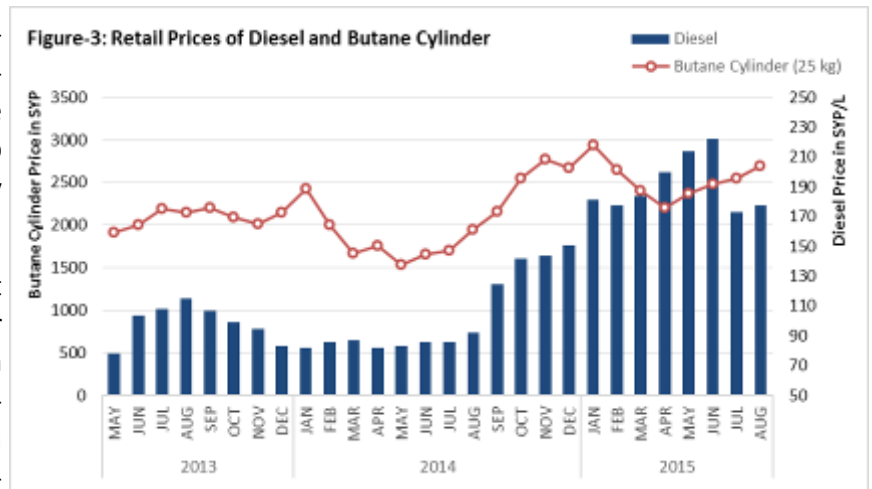


The increase in bread prices was mainly due to inflation of the Syrian pound, fuel and wheat flour shortages, and the increase in the official prices of bread, fuel and gas.

3– Diesel and cylinder of butane gas:

During July & August 2015, the average price of one liter of diesel was SYP 175, while a cylinder of butane gas was available at SYP 2,623. Between July and August 2015, the price of diesel rose by 2.8 percent while a cylinder of butane gas price increased by 5.5 percent. Compared to the same month last year, diesel prices went up by 42.8 percent and a cylinder butane gas by 25 percent.

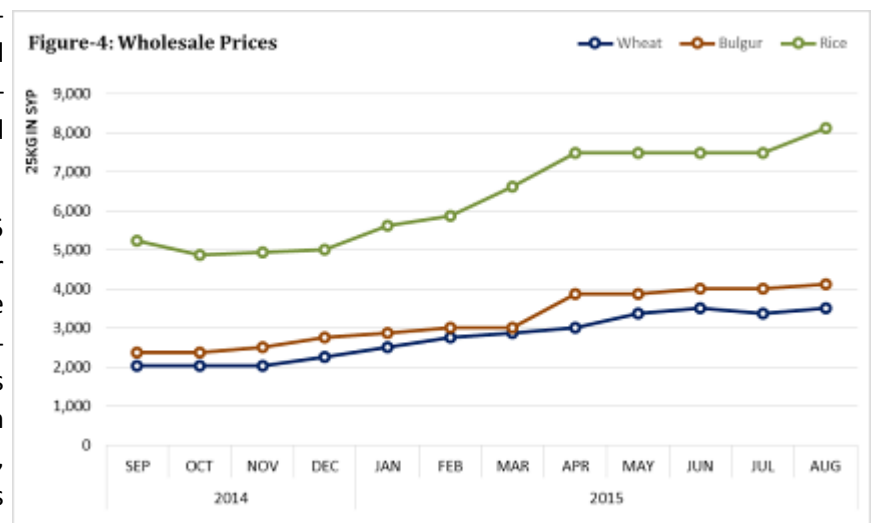
During the reporting months, the highest price for diesel was reported in Deir-ez-Zor (besieged area) market at SYP 2,800/L, a twenty one-fold more compared to the official price (SYP 130/L). In turn, the increase in fuel prices as well as the continued depreciation of the Syrian Pound, will continue to inflate the prices of all main food commodities. Source: WFP sub offices



B. Wholesale Prices of main cereal in Damascus Market:

In July & August 2015, the average nominal wholesale prices recorded at SYP 3,438 for wheat grain, SYP 4,063 for bulgur, and SYP 7,813 for white rice. Compared to June 2015, the price of bulgur and rice increased by 1.6 and 4.2 percent respectively, while the price of wheat decreased almost the same.

Between September 2014 and August 2015 the wholesale prices of wheat and bulgur rose by 70 and 71 percent respectively, while that of rice increased by 49 percent. The continued increase of wholesale prices was mainly due to the progressive depreciation of the Syrian pound against the US dollar, gradual removal of governmental subsidies and volatility of food prices.



Wholesale prices for most food commodities are expected to increase further during the month of September due to approaching of winter season and intensifying of ongoing conflict in different parts of country. Source: Traders in Damascus

C. Food Supply to Markets:

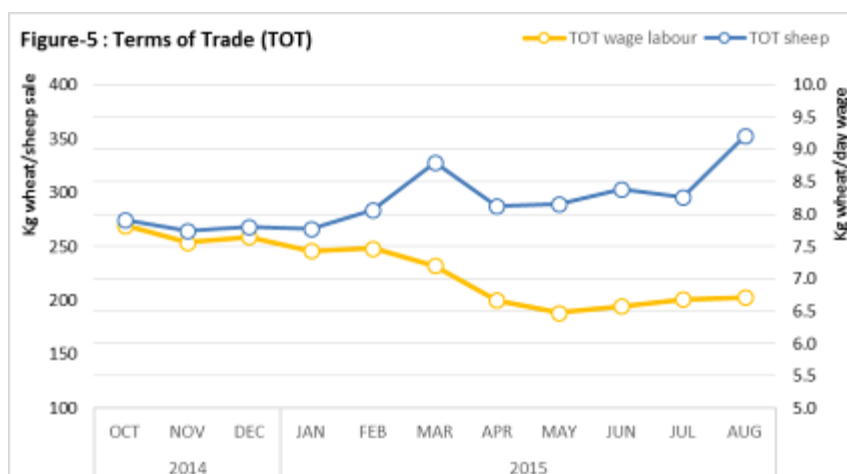
During the reporting period, most of the markets were generally functioning specially in Lattakia, Tartous, As-Sweida and Damascus with relatively stable security conditions. Although food commodities are available in all governorates except besieged areas in Deir-ez-Zor where the quantities for sale in local markets have reduced compared to previous months. Supply of essential food commodities has been disrupted in Quneitra, Dier Ezzor, Dara'a and Rural Damascus, mainly due to fighting which disrupted the regular flow of commercial goods by cutting access along some main supply routes. Furthermore, Idleb, Al-Hasakeh and rural Aleppo, as well as the north-eastern governorates, are also witnessing an interruption of food supply to local markets due to periodic clashes between armed groups. As a consequence poor households purchasing power who mainly depend on food purchases, will further deteriorate and it will increase their dependence on external assistance to cover their basic food needs.

Source: WFP sub offices

D. Terms of Trade (TOT):²

TOT between wage labour and wheat flour:

During July and August 2015, the nominal average daily wage rate in the monitored markets was SYP 1091. The wage rate varied between market locations, ranging from SYP 700 in Dar'a to SYP 1500 in Raqqa. During July and August 2015 the average TOT between a daily unskilled labour wage and the retail price of wheat flour stood at 6.7kg/day which is higher by 2.1 percent compared to June 2015, but still 9.7 percent lower compared to the January 2015 level. It means that the purchasing capacity of daily wage earners as reflected by the terms-of-trade, has slightly improved compared to June 2015. Source: WFP sub offices (See Table 1).



TOT between sheep and wheat flour:

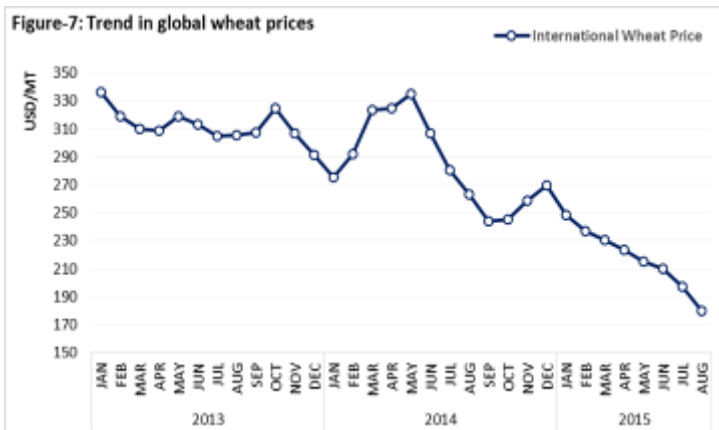
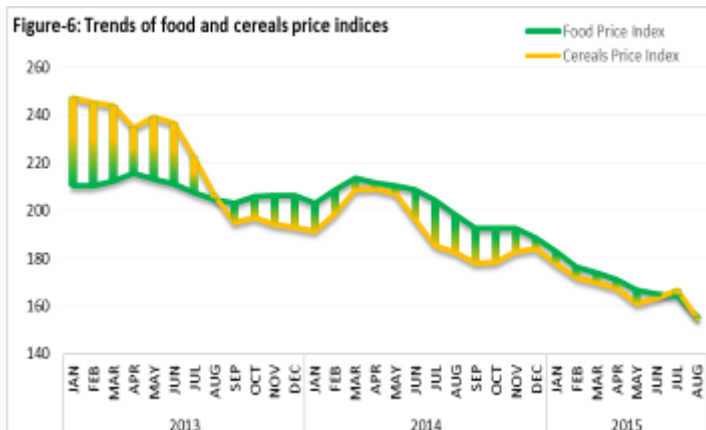
In July and August 2015, the average price of a two-year old male sheep was SYP 52,656/head, which is 9.8 percent higher compared to June 2015 level. The national average TOT between a sheep and wheat flour stand at 323.9kg/sheep which is 6.7 higher compared to June 2015. The highest TOT during the month of reporting was recorded in Deir-ez-Zor (828kg/sheep) due to higher sheep prices compared to other markets in the country, while the lowest TOT were in Dar'a market (134kg/sheep). Source: WFP sub offices (See Table 1).

E. International Market prices:

The FAO Food Price Index averaged 160 points in July and August 2015, down by 3.1 percent from the previous month and 19.3 percent down from August 2014, the overall food price index has declined every month since April 2014. Cereal Price Index averaged 160.7 points in July and August, up 1.5 percent from June, marking the first month-on-month rise since December 2014. Compared to August 2014, prices have fallen by as much as 11.9 percent.

In the month of July and August 2015 the wheat price in local market averaged USD482.7/MT, which is about 156 percent higher compared to the price of wheat in the international market (USD188.6/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 | 95 | 34 | 23.4 | ↑ | ↑ | Rice (kg) | Aleppo | 187 | (1.9) | (5.6) | ↔ | ↔ |
| | Damascus | 35 | - | - | ↔ | ↔ | | Damascus | 158 | 8.6 | (2.8) | ↔ | ↔ |
| | Daraa | 35 | - | - | ↔ | ↔ | | Daraa | 338 | 1.5 | 30.8 | ↔ | ↑ |
| | Deir Ezzor | 156 | 57.2 | 344.6 | ↑ | ↑ | | Deir Ezzor | 1,027 | 19.4 | 123.2 | ↑ | ↑ |
| | Hama | 35 | - | - | ↔ | ↔ | | Hama | 291 | 10.3 | 26.1 | ↑ | ↑ |
| | Hassakeh | 35 | - | - | ↔ | ↔ | | Hassakeh | 363 | 11.2 | 25.4 | ↑ | ↑ |
| | Homs | 35 | - | - | ↔ | ↔ | | Homs | 276 | 11.4 | 19.1 | ↑ | ↑ |
| | Lattakia | 35 | - | (5.4) | ↔ | ↔ | | Lattakia | 265 | (1.1) | 14.7 | ↔ | ↑ |
| | Raqqa | 86 | 91.0 | 145.5 | ↑ | ↑ | | Raqqa | 330 | 10.4 | 25.5 | ↑ | ↑ |
| | Rural Damascus | 126 | 260.7 | 260.7 | ↑ | ↑ | | Rural Damascus | 220 | 11.4 | (13.0) | ↑ | ↓ |
| | Sweida | 35 | - | - | ↔ | ↔ | | Sweida | 251 | 8.2 | 32.1 | ↔ | ↑ |
| | Tartous | 35 | - | - | ↔ | ↔ | | Tartous | 267 | (1.2) | 6.8 | ↔ | ↔ |
| Bread Shops (1.5 kg) | Aleppo | 148 | 1.6 | 12.0 | ↔ | ↑ | Sheep 2Y old Male | Aleppo | 45,063 | (3.3) | 19.0 | ↔ | ↑ |
| | Damascus | 68 | (1.3) | 8.1 | ↔ | ↔ | | Damascus | 53,625 | 6.6 | 11.4 | ↔ | ↑ |
| | Daraa | 163 | (13.3) | (7.1) | ↓ | ↔ | | Daraa | 33,875 | (1.0) | (3.2) | ↔ | ↔ |
| | Deir Ezzor | 285 | (17.5) | 3.4 | ↓ | ↔ | | Deir Ezzor | 180,156 | 71.6 | 47.8 | ↑ | ↑ |
| | Hama | 45 | - | - | ↔ | ↔ | | Hama | 45,609 | 26.0 | 69.8 | ↑ | ↑ |
| | Hassakeh | 78 | 22.5 | 3.8 | ↑ | ↔ | | Hassakeh | 39,438 | (12.0) | 3.8 | ↓ | ↔ |
| | Homs | 45 | - | - | ↔ | ↔ | | Homs | 40,531 | 8.7 | 43.5 | ↔ | ↑ |
| | Lattakia | 50 | - | 4.2 | ↔ | ↔ | | Lattakia | 47,500 | 8.0 | 18.8 | ↔ | ↑ |
| | Raqqa | 100 | 17.6 | 31.6 | ↑ | ↑ | | Raqqa | 41,188 | 11.3 | 21.1 | ↑ | ↑ |
| | Rural Damascus | 80 | - | 27.0 | ↔ | ↑ | | Rural Damascus | 56,469 | 6.4 | 11.0 | ↔ | ↑ |
| | Sweida | 50 | - | - | ↔ | ↔ | | Sweida | 48,469 | 5.8 | 17.0 | ↔ | ↑ |
| | Tartous | 41 | 1.6 | 1.6 | ↔ | ↔ | | Tartous | 51,250 | 2.5 | 15.5 | ↔ | ↑ |
| Butane Cylinder (25 k) | Aleppo | 2,822 | 14.7 | 5.6 | ↑ | ↔ | Sugar (kg) | Aleppo | 178 | 20.3 | 43.5 | ↑ | ↑ |
| | Damascus | 1,700 | - | - | ↔ | ↔ | | Damascus | 171 | 3.5 | 19.8 | ↔ | ↑ |
| | Daraa | 4,344 | 13.7 | 40.1 | ↑ | ↑ | | Daraa | 203 | (4.5) | 11.3 | ↔ | ↑ |
| | Deir Ezzor | 13,519 | 271.4 | 410.1 | ↑ | ↑ | | Deir Ezzor | 1,314 | 38.0 | 78.3 | ↑ | ↑ |
| | Hama | 1,881 | 0.6 | (9.3) | ↔ | ↔ | | Hama | 185 | 14.2 | 32.1 | ↑ | ↑ |
| | Hassakeh | 2,600 | 14.0 | (24.9) | ↑ | ↓ | | Hassakeh | 183 | 2.3 | 22.1 | ↔ | ↑ |
| | Homs | 1,981 | 1.6 | (8.4) | ↔ | ↔ | | Homs | 175 | 10.9 | 39.8 | ↑ | ↑ |
| | Lattakia | 1,688 | 5.5 | 11.5 | ↔ | ↑ | | Lattakia | 165 | 6.1 | 12.2 | ↔ | ↑ |
| | Raqqa | 4,400 | 10.8 | 2.6 | ↑ | ↔ | | Raqqa | 173 | 0.2 | 11.5 | ↔ | ↑ |
| | Rural Damascus | 3,025 | 63.5 | 63.5 | ↑ | ↑ | | Rural Damascus | 225 | 20.8 | 45.0 | ↑ | ↑ |
| | Sweida | 2,500 | 13.6 | 17.6 | ↑ | ↑ | | Sweida | 176 | 4.9 | 27.7 | ↔ | ↑ |
| | Tartous | 1,706 | 0.4 | 0.4 | ↔ | ↔ | | Tartous | 159 | 11.8 | 23.5 | ↑ | ↑ |
| Diesel (L) | Aleppo | 176 | 44.8 | 21.3 | ↑ | ↑ | Tea (kg) | Aleppo | 1,525 | 1.7 | (0.7) | ↔ | ↔ |
| | Damascus | 198 | (0.9) | (11.9) | ↔ | ↓ | | Damascus | 1,141 | (28.7) | (13.9) | ↓ | ↓ |
| | Daraa | 277 | 2.5 | 8.6 | ↔ | ↔ | | Daraa | 2,250 | - | 40.6 | ↔ | ↑ |
| | Deir Ezzor | 1,455 | 106.4 | 347.7 | ↑ | ↑ | | Deir Ezzor | 5,831 | 0.2 | 60.3 | ↔ | ↑ |
| | Hama | 191 | 9.9 | 13.5 | ↔ | ↑ | | Hama | 1,338 | (11.7) | (0.9) | ↓ | ↔ |
| | Hassakeh | 46 | 9.7 | (7.9) | ↔ | ↔ | | Hassakeh | 1,991 | 3.1 | 16.6 | ↔ | ↑ |
| | Homs | 181 | (1.5) | 1.8 | ↔ | ↔ | | Homs | 1,494 | (6.9) | 8.1 | ↔ | ↔ |
| | Lattakia | 150 | - | - | ↔ | ↔ | | Lattakia | 1,500 | - | 20.0 | ↔ | ↑ |
| | Raqqa | 97 | 24.2 | 18.1 | ↑ | ↑ | | Raqqa | 1,747 | 5.9 | 7.5 | ↔ | ↔ |
| | Rural Damascus | 225 | 12.5 | - | ↑ | ↔ | | Rural Damascus | 2,250 | 45.6 | 60.7 | ↑ | ↑ |
| | Sweida | 275 | (3.5) | - | ↔ | ↔ | | Sweida | 2,100 | 5.0 | 18.3 | ↔ | ↑ |
| | Tartous | 150 | - | 1.4 | ↔ | ↔ | | Tartous | 1,538 | 2.5 | 18.3 | ↔ | ↑ |
| Lentils (kg) | Aleppo | 321 | 6.9 | 42.8 | ↔ | ↑ | Unskilled Labor wage | Aleppo | 1,000 | - | - | ↔ | ↔ |
| | Damascus | 400 | 9.6 | 40.4 | ↔ | ↑ | | Damascus | 1,425 | 9.6 | 9.6 | ↔ | ↔ |
| | Daraa | 241 | (8.3) | 20.3 | ↔ | ↑ | | Daraa | 700 | - | 16.7 | ↔ | ↑ |
| | Deir Ezzor | 2,359 | 340.6 | 254.3 | ↑ | ↑ | | Deir Ezzor | 1,000 | (3.8) | 9.5 | ↔ | ↔ |
| | Hama | 373 | 13.9 | 24.4 | ↑ | ↑ | | Hama | 1,300 | 30.0 | 18.2 | ↑ | ↑ |
| | Hassakeh | 249 | 1.7 | (18.1) | ↔ | ↓ | | Hassakeh | 813 | (6.6) | (11.0) | ↔ | ↓ |
| | Homs | 373 | 19.9 | 28.8 | ↑ | ↑ | | Homs | 850 | - | - | ↔ | ↔ |
| | Lattakia | 295 | 1.7 | 13.0 | ↔ | ↑ | | Lattakia | 1,000 | 7.5 | 100.0 | ↔ | ↑ |
| | Raqqa | 328 | 28.6 | 56.1 | ↑ | ↑ | | Raqqa | 1,500 | - | - | ↔ | ↔ |
| | Rural Damascus | 445 | 18.9 | 44.6 | ↑ | ↑ | | Rural Damascus | 1,413 | 8.7 | 8.7 | ↔ | ↔ |
| | Sweida | 394 | 16.7 | 27.0 | ↑ | ↑ | | Sweida | 1,200 | - | 20.0 | ↔ | ↑ |
| | Tartous | 314 | 4.6 | 7.8 | ↔ | ↔ | | Tartous | 813 | 8.3 | 62.5 | ↔ | ↑ |
| Oil (L) | Aleppo | 347 | 4.6 | 27.5 | ↔ | ↑ | Wheat Flour (kg) | Aleppo | 130 | 8.9 | 44.6 | ↔ | ↑ |
| | Damascus | 365 | 4.3 | 12.3 | ↔ | ↑ | | Damascus | 170 | 1.8 | 31.8 | ↔ | ↑ |
| | Daraa | 350 | (12.5) | - | ↓ | ↔ | | Daraa | 252 | (3.1) | 43.9 | ↔ | ↑ |
| | Deir Ezzor | 1,331 | 21.9 | 100.8 | ↑ | ↑ | | Deir Ezzor | 218 | 6.1 | (12.3) | ↔ | ↓ |
| | Hama | 366 | 3.8 | 9.0 | ↔ | ↔ | | Hama | 136 | 4.4 | 21.7 | ↔ | ↑ |
| | Hassakeh | 363 | 12.8 | 24.6 | ↑ | ↑ | | Hassakeh | 162 | 0.5 | 25.5 | ↔ | ↑ |
| | Homs | 353 | (0.3) | 3.5 | ↔ | ↔ | | Homs | 135 | 1.9 | 8.9 | ↔ | ↔ |
| | Lattakia | 350 | (3.2) | 3.2 | ↔ | ↔ | | Lattakia | 149 | 4.8 | 27.1 | ↔ | ↑ |
| | Raqqa | 358 | 28.9 | 34.0 | ↑ | ↑ | | Raqqa | 155 | 1.3 | 21.1 | ↔ | ↑ |
| | Rural Damascus | 425 | 13.3 | 23.2 | ↑ | ↑ | | Rural Damascus | 180 | - | 26.8 | ↔ | ↑ |
| | Sweida | 375 | (0.8) | 16.5 | ↔ | ↑ | | Sweida | 171 | 9.6 | 36.8 | ↔ | ↑ |
| | Tartous | 364 | (1.7) | 7.6 | ↔ | ↔ | | Tartous | 151 | 7.7 | 18.2 | ↔ | ↑ |

Key: ↑ Prices increase above normal price fluctuation
 ↔ Normal Price Fluctuation
 ↓ Price decrease below normal price fluctuation