

For further information please contact:

Ahmad Shah Shahi and Dima Alhumsi

Ahmadshah.Shahi@wfp.org

Dima.Alhumsi@wfp

Highlights:

- Conflict has severed supply lines to Deir-ez-Zor, leading to high food prices and shortages. As a result the food security situation in besieged Deir-ez-Zor city is very acute and there is likelihood of extreme hunger.
- The ongoing conflict continues to restrain the commodity supply chain and disrupt trade, leading to increases the nominal prices of wheat flour (+43%), rice (+89%), subsidized bread (+143%) and unsubsidized bread (+78%) compared to November 2014.
- The wholesale wheat price on Damascus local markets averaged US\$ 444/MT, which is 181 percent higher compared to the wholesale price of wheat in the international market (US\$ 157.7/MT).
- The purchasing power of vulnerable and food insecure households has further deteriorated as a result of this spike in market prices which is hampering their access to basic food commodities and increasing vulnerability to food insecurity.

A– Standard Food Basket

The average cost of standard dry food basket (group of essential commodities) during November 2015 stood at SYP 28,890 (US\$ 91.7). The lowest price of the basket was recorded in Damascus governorate (SYP 16,401). The highest basket price was observed in the besieged areas in Deir-ez-Zor governorate (SYP 128,906), eight times higher than in central Damascus.

Compared to November 2014 the food basket increased in Deir-ez-Zor (+900 percent) and Rural Damascus, Swaida, Raqa (+80 percent). Consequently households' purchasing power of poor people who are depending on market significantly deteriorated as food prices continuously spike.

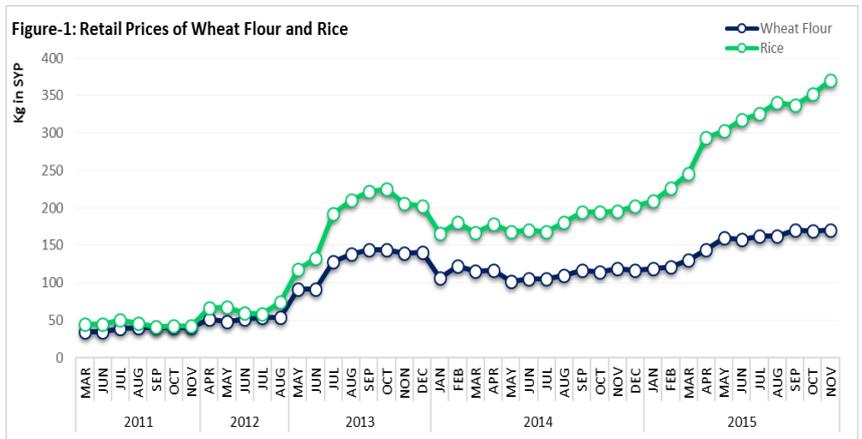
Governorate	November 2015	Price changes 1 Month	Price changes 6 Month	Price changes 1 Year
Aleppo	18,910	8.6%	33.2%	70.3%
Damascus	16,401	4.9%	17.2%	46.5%
Dar'a	18,310	13.0%	9.2%	64.4%
Deir-ez-Zor	128,906	-1.5%	200.37%	978%
Hama	17,821	8.2%	14.7%	54.0%
Al-Hassakeh	19,868	11.1%	29.9%	62.3%
Homs	18,417	3.0%	18.3%	44.5%
Lattakia	18,338	8.3%	17.3%	40.8%
Raqqa	22,339	2.7%	44.7%	81.8%
Rural Damascus	29,291	6.3%	66.8%	89.3%
Swaida	19,622	7.0%	22.2%	87.7%
Tartous	18,457	7.9%	18.1%	41.2%
Average	28,890	6.6%	26.5%	62.1%

B: Retail Prices

1- Wheat Flour and Rice:

In November 2015, the average nominal retail prices of wheat flour and rice were SYP 171/kg and SYP 370/kg respectively. Compared to October 2015 there is an increase of (+1%) in the price of wheat flour and (+5.2%) in the price of rice. While compared to the 6 months ago this represents a slight increase (+6.4%) for wheat flour and a notable increase (+22.3%) for rice.

Compared to one year ago the average monthly price continued the prominent increases (43 percent for wheat flour and 89 percent for rice). Compared to pre-crisis (march 2011), the price of wheat flour and rice rose by 388 percent and 723 percent respectively.



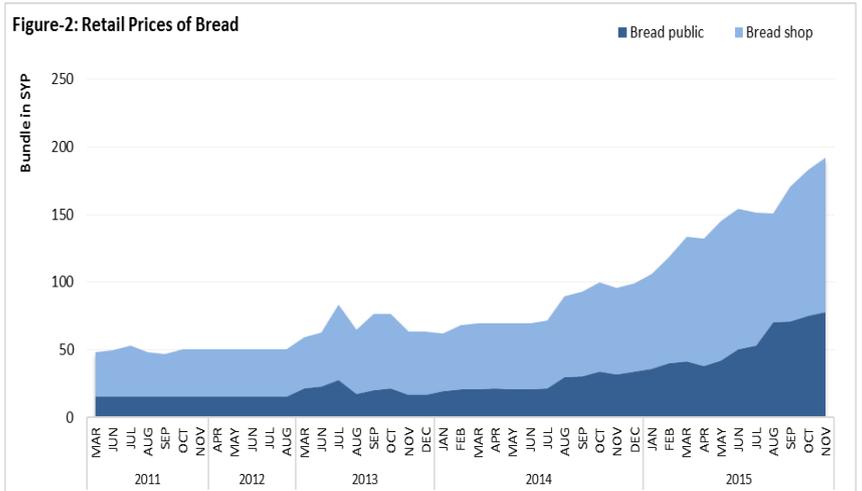
Looking at the pattern of retail price of rice across all main markets during the month, besieged market of Deir-ez-Zor city registered the highest price SYP 1,081/Kg (7 times higher than Damascus), while the lowest price was recorded in Damascus at SYP 155/Kg. Moreover, inaccessibility and supply demand imbalance continued to drive significant price increases in besieged area of Eastern Ghouta in Rural Damascus governorate, where the price of wheat flour (SYP 450/kg) and rice (SYP 475/kg), more than two and three times respectively higher than in Damascus.

2- Bread:

During November 2015, the average nominal retail prices for public (subsidized) bread and shop bread (unsubsidized) were SYP 78/bundle and SYP 114/bundle, respectively. Compared to October 2015, the prices of public bread rose by 3.9 percent while the price of shop bread rose by 5.3 percent. Compared to one year ago, the average retail price of subsidized bread and shop bread rose by approximately 143 and 78.2 percent, respectively. Since March 2011 (pre-crisis), the average monthly price of subsidized bread and shop bread registered 418.4 percent and 240.8 percent increase, respectively.

The increase in prices of both types of bread was mainly due to the inflation of the Syrian pound and recent increase in the official price of bread, fuel and gas.

Highest price of unsubsidized bread was recorded in Deir-ez-Zor market where one bundle of bread sold at SYP 286, while Homs markets recorded the lowest (SYP 60/bundle). Rural Damascus markets registered the highest price for subsidized bread at SYP 225/bundle (due to the higher price in Koudsaya besieged market).



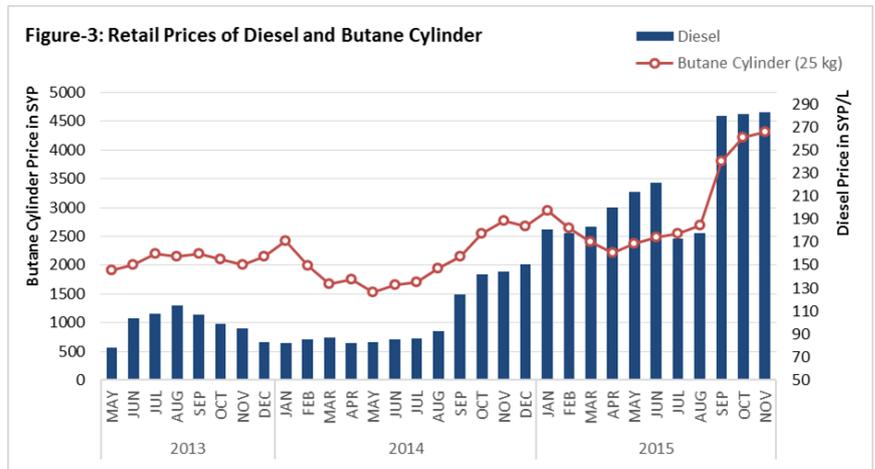
According to traders, high transportation cost and pervasive insecurity are the primary constraints to market functionality.

3– Diesel and cylinder of butane gas:

During November 2015, the average price of one liter of diesel was SYP 283, while a cylinder of butane gas was available at SYP 4,309. Between May and November 2015, the average retail price of diesel and a cylinder of gas rose by approximately 32 percent and 82 percent.

In the course of one year price of diesel increase by 96.4 percent and a cylinder butane gas cost 50 percent more .

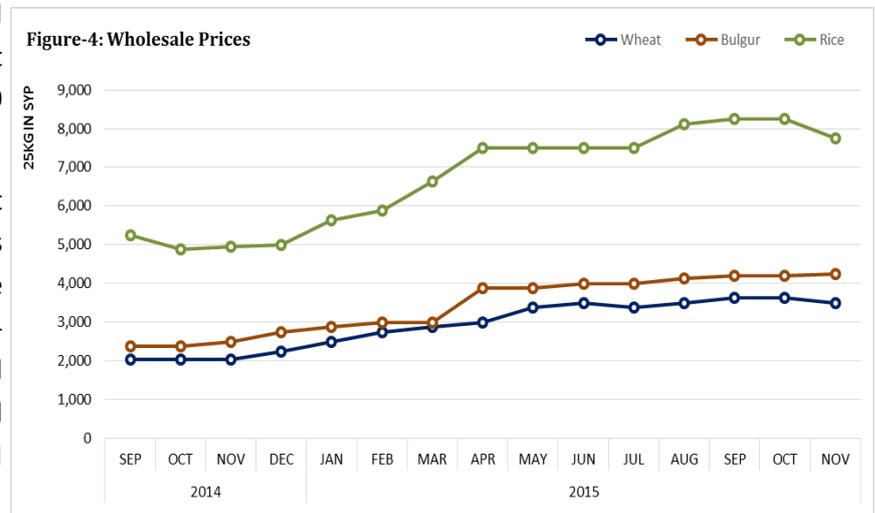
During the reporting period, the highest price for diesel was in Deir-ez-Zor governorate (SYP 1,455/L), it represents more than ten-fold increase compared to the official price (SYP 135/L). The increase in fuel prices is mainly due to depreciation of the Syrian Pound and gradual removal of subsidies by the government plus winter demands.



C. Wholesale Prices of main cereal in Damascus Market:

In November 2015 average nominal wholesale price of wheat grain was SYP 3,500, bulgur SYP 4,250 and white rice SYP 7,750 . Since January 2015 the whole sale price of bulgur increased by 47 percent, rice increase by 38 percent and wheat increased by 40 percent. Annual price comparison indicated price of wheat grain increased by 72.8 percent, bulgur by 70 percent and rice by 56.6 percent.

The increase of wholesale prices was a result of several factors that includes continuous depreciation of the Syrian pound against the US dollar (which in return caused a significant increase in transportation fees), gradual removal of subsidies by the government and in addition to the continued volatility of food prices.



D. Food Supply to Markets:

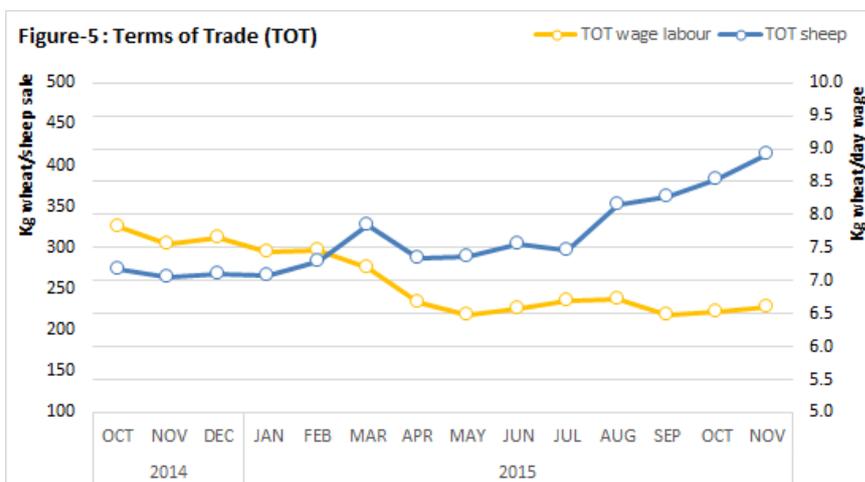
During the reporting period, In Lattakia, Tartous, As-Sweida and Damascus governorates supply routes are open and commodities are available.

Conflict has severed supply lines in Deir-ez-Zor, leading to high food prices and shortages, with the exception of the areas along the border with Turkey. As a result the food security situation in besieged Deir Ezzor is very acute and there is likelihood of extreme hunger. Furthermore, in Rural Damascus, Idlib, Al-Hasakeh and Aleppo governorates, as well as the north-eastern governorates, periodic clashes between armed groups is interrupting the regular food supply to local markets. This results in a price increase of the commodities that are available on local markets.

E. Terms of Trade (TOT):²

TOT between wage labour and wheat flour:

Wage labour remained relatively stable or changed at mild rates (increase/decrease) in the month of November 2015 in most parts of the country. The nominal average daily wage rate was SYP 1,125. Dar'a governorate still has the lowest wage rate (SYP 700) and Ar-Raqqa governorate the highest (1,500 SYP). The average TOT between a daily unskilled laborer wage and the retail price of wheat flour was 6.6kg/day, which is 0.8 percent higher than in October 2015 and 12.9 percent lower compared to same month of the last year. This means that the purchasing capacity of daily wage earners as reflected by the terms of trade has declined compared to Nov 2014.



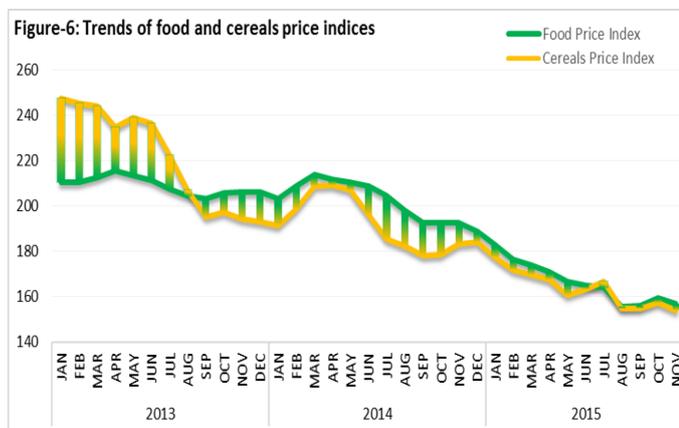
TOT between sheep and wheat flour:

Sheep price remained relatively stable or changed at mild rates (less than 10%) month-on-month in November 2015 in most markets of the country. Average price of a two-year old male sheep was SYP 70,503/head, which is 9.2 percent higher compared to October 2015. The national average TOT between a sheep and wheat flour was 412.9kg/sheep, which is 8.1 percent higher compared to October 2015. The highest TOT was recorded in Deir-ez-Zor governorate (1,159kg/sheep), while the lowest TOT was in Dar'a governorate (246kg/sheep).

F. International Market prices:

The FAO Food Price Index averaged 156.7 points in November 2015, down by 2.6 points from October average and 18.6 percent down from November 2014. The overall food price index gradually declined every month since April 2014. Similarly, the Cereal Price Index averaged 153.7 points in November, a (-2.2%) percent decreased compared

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
Bread Public (1.5 kg)	Aleppo	103	-	192.9	↔	↑	Rice (kg)	Aleppo	207	12.0	(0.2)	↑	↑
	Damascus	50	17.6	42.9	↑	↑		Damascus	155	(14.3)	7.1	↓	↔
	Daraa	50	8.8	42.9	↔	↑		Daraa	359	2.1	8.5	↔	↔
	Deir Ezzor	120	(13.6)	104.3	↓	↑		Deir Ezzor	1,081	(9.6)	4.0	↔	↔
	Hama	50	17.6	42.9	↓	↑		Hama	238	1.8	(11.3)	↔	↓
	Hassakeh	50	21.3	42.9	↑	↑		Hassakeh	438	14.2	35.4	↑	↑
	Homs	50	8.8	42.9	↔	↑		Homs	298	(2.6)	21.0	↔	↑
	Lattakia	50	29.0	42.9	↑	↑		Lattakia	333	13.7	24.4	↑	↑
	Raqqa	93	-	105.6	↔	↑		Raqqa	380	-	27.2	↔	↑
	Rural Damascus	225	8.8	542.9	↔	↑		Rural Damascus	350	11.3	81.5	↑	↑
	Sweida	50	17.6	42.9	↑	↑		Sweida	275	3.8	18.5	↔	↑
	Tartous	50	23.3	42.9	↑	↑		Tartous	308	12.9	16.0	↑	↑
	Bread Shops (1.5 kg)	Aleppo	155	-	6.5	↔		↔	Sheep 2Y old Male	Aleppo	48,875	4.4	5.1
Damascus		100	14.3	45.4	↑	↑	Damascus	59,125		9.1	17.5	↔	↑
Daraa		150	-	(22.2)	↔	↓	Daraa	50,000		-	46.2	↔	↑
Deir Ezzor		286	-	(18.4)	↔	↓	Deir Ezzor	255,000		21.0	(42.9)	↑	↓
Hama		65	13.0	44.4	↑	↑	Hama	54,563		4.1	50.9	↔	↑
Hassakeh		88	7.7	38.3	↔	↑	Hassakeh	48,500		1.8	7.6	↔	↔
Homs		60	7.1	33.3	↔	↑	Homs	45,000		1.5	21.0	↔	↑
Lattakia		62	17.5	23.3	↑	↑	Lattakia	55,833		1.5	26.9	↔	↑
Raqqa		125	-	47.1	↔	↑	Raqqa	48,500		-	31.1	↔	↑
Rural Damascus		150	7.1	116.7	↔	↑	Rural Damascus	64,625		1.5	22.0	↔	↑
Sweida		65	13.0	30.0	↑	↑	Sweida	55,000		5.3	20.0	↔	↑
Tartous		64	22.2	60.4	↑	↑	Tartous	60,417		5.1	20.8	↔	↑
Butane Cylinder (25 k)		Aleppo	4,567	15.7	84.0	↔	↑	Sugar (kg)		Aleppo	240	10.9	63.0
	Damascus	1,975	7.5	16.2	↔	↑	Damascus		221	21.3	33.3	↑	↑
	Daraa	3,500	2.8	0.9	↔	↔	Daraa		219	8.3	3.2	↔	↔
	Deir Ezzor	14,375	1.6	30.5	↔	↑	Deir Ezzor		2,616	(1.0)	97.8	↔	↑
	Hama	2,200	(2.2)	17.0	↔	↑	Hama		219	4.5	35.1	↔	↑
	Hassakeh	3,338	(5.5)	50.5	↔	↑	Hassakeh		224	8.0	25.0	↔	↑
	Homs	2,425	3.8	26.9	↔	↑	Homs		193	1.2	22.3	↔	↑
	Lattakia	1,967	6.3	22.9	↔	↑	Lattakia		207	18.2	32.9	↑	↑
	Raqqa	5,575	4.0	41.5	↔	↑	Raqqa		230	19.9	33.7	↑	↑
	Rural Damascus	7,500	-	305.4	↔	↑	Rural Damascus		423	20.4	127.3	↑	↑
	Sweida	2,500	-	13.6	↔	↑	Sweida		228	18.2	35.4	↑	↑
	Tartous	1,950	7.3	15.0	↔	↑	Tartous		207	18.6	46.3	↑	↑
	Diesel (L)	Aleppo	196	4.6	59.9	↔	↑		Tea (kg)	Aleppo	1,792	6.2	19.5
Damascus		205	-	2.5	↔	↔	Damascus	1,075		(2.0)	12.5	↔	↑
Daraa		211	(2.1)	(14.5)	↔	↓	Daraa	2,425		7.8	7.8	↔	↔
Deir Ezzor		1,455	18.8	57.7	↑	↑	Deir Ezzor	14,713		28.9	104.4	↑	↑
Hama		160	(0.5)	(7.9)	↔	↔	Hama	1,600		7.5	5.7	↔	↔
Hassakeh		51	-	22.7	↔	↑	Hassakeh	7,888		232.7	307.2	↑	↑
Homs		185	-	0.6	↔	↔	Homs	1,750		18.5	9.1	↑	↔
Lattakia		160	1.6	6.7	↔	↔	Lattakia	1,500		-	-	↔	↔
Raqqa		114	4.8	47.6	↔	↑	Raqqa	2,419		17.3	46.7	↑	↑
Rural Damascus		228	-	-	↔	↔	Rural Damascus	2,500		-	60.2	↔	↑
Sweida		275	-	(3.7)	↔	↔	Sweida	2,300		4.5	15.0	↔	↑
Tartous		163	3.7	8.9	↔	↔	Tartous	1,654		11.9	10.4	↑	↑
Lentils (kg)		Aleppo	357	3.4	18.5	↔	↑	Unskilled Labor wage		Aleppo	1,000	-	-
	Damascus	399	1.6	9.2	↔	↔	Damascus		1,475	-	13.5	↔	↑
	Daraa	288	18.8	9.5	↑	↔	Daraa		700	-	-	↔	↔
	Deir Ezzor	3,644	(2.1)	406.7	↔	↑	Deir Ezzor		1,000	16.7	(3.8)	↑	↔
	Hama	395	10.6	20.5	↑	↑	Hama		1,000	-	-	↔	↔
	Hassakeh	292	2.5	19.1	↔	↑	Hassakeh		800	-	(9.5)	↔	↔
	Homs	381	3.4	22.6	↔	↑	Homs		1,100	10.0	25.0	↑	↑
	Lattakia	345	-	19.0	↔	↑	Lattakia		1,000	-	7.5	↔	↔
	Raqqa	403	-	58.1	↔	↑	Raqqa		1,500	-	-	↔	↔
	Rural Damascus	463	(2.8)	23.6	↔	↑	Rural Damascus		1,475	-	13.5	↔	↑
	Sweida	453	6.6	34.3	↔	↑	Sweida		1,200	-	-	↔	↔
	Tartous	370	3.1	24.6	↔	↑	Tartous		1,250	-	75.0	↔	↑
	Oil (L)	Aleppo	402	7.2	21.3	↑	↑		Wheat Flour (kg)	Aleppo	112	(1.3)	(4.1)
Damascus		418	12.7	19.5	↑	↑	Damascus	161		2.0	(3.7)	↔	↔
Daraa		441	23.1	9.9	↑	↔	Daraa	203		7.9	(20.2)	↔	↓
Deir Ezzor		3,088	6.7	112.9	↔	↑	Deir Ezzor	220		2.4	(19.5)	↔	↓
Hama		407	10.1	15.4	↑	↑	Hama	166		(0.7)	27.5	↔	↑
Hassakeh		434	14.9	35.3	↑	↑	Hassakeh	195		15.7	23.7	↑	↑
Homs		387	7.8	9.2	↔	↔	Homs	139		0.4	5.0	↔	↔
Lattakia		367	4.8	1.4	↔	↔	Lattakia	163		0.5	15.0	↔	↑
Raqqa		413	-	48.6	↔	↑	Raqqa	146		(4.9)	(4.3)	↔	↔
Rural Damascus		488	5.9	30.4	↔	↑	Rural Damascus	185		(14.0)	2.9	↓	↔
Sweida		400	3.1	5.8	↔	↔	Sweida	186		4.2	19.4	↔	↑
Tartous		386	2.9	4.6	↔	↔	Tartous	168		1.5	20.0	↔	↑
Key:		↑	Prices increase above normal price fluctuation										
	↔	Normal Price Fluctuation											
	↓	Price decrease below normal price fluctuation											