# SYRIA COUNTRY OFFICE 



## Highlights:

- Bread prices are higher by 239 percent for public and 120 percent for commercial bread in Ar-Raqqa city market compared to average prices in accessible markets across Syria.
- As the siege in Deir-ez-Zor comes to an end, food supply to the besieged area is expected to increase, pushing down food prices across multiple food commodities.
- Average retail prices are higher by 19.6 percent for rice in hard-to-reach markets and 144 percent for bulgur in besieged Deir-ezZor markets compared to average prices of these commodities in accessible markets across Syria.
- Since April 2017 there has been a continued gradual increase in the ToT sheep price and casual labours daily wage against the price of wheat flour.

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## A: Standard Food Basket

In August 2017, the national average cost of a standard food basket ${ }^{1}$ (group of essential food commodities) was SYP 32,226. Representing a decrease of 1.7 percent compared to last month, 6.8 percent compared to six months ago and 0.3 percent compared to August 2016.

Market price monitoring data for this month indicated that the highest average cost of food basket was in Deir-ez-Zor governorate at SYP 52,813 while the lowest was recorded in AI-Hasakeh at SYP 25,513.

A slight decrease in food prices was observed in most monitored markets during August. The decease was mainly captured for pulses, oil and sugar prices with a significant decrease in prices in Deir-ez-zor compared to last month (-8 percent on the average price of the food basket). An exception was observed in Rural Damascus and Tartous for the price of lentils which increased by 2 percent and for rice in Quineitra which increased by 2.6 percent.

Nevertheless, food access remains a serious concern for the trapped populations in Ar-Raqqa city and rural Deir-ez-Zor where the average food basket price even though gradually decreasing remains high compared to the national average (Ar Raqqa 28 percent above average and Deir-ez-Zor 63 percent above average).

Chart 1: Min. vs. Max. National Average Cost of Food Basket (in SYP)


Figure 1: Food Basket Cost and Changes (in SYP)

| Governorate | Price August 2017 |  | Price 1 month change | Price 6 months changes | Price 12 months changes |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Aleppo | SYP | 28,940 | -1\% | -5\% | 0\% |
| Damascus | SYP | 29,480 | d\% | ] -4\% | 1\% |
| Dar'a | SYP | 27,605 | 1\% | 0\% | 6\% |
| Deir-ez-Zor | SYP | 52,815 | 8\% | 34\% | 12\% |
| Hama | SYP | 31,820 | d\% | -2\% | 6\% |
| Al-Hasakeh | SYP | 25,515 | -2\% | -15\% | -31\% |
| Homs | SYP | 28,815 | -1\% | -6\% | 1p\% |
| Lattakia | SYP | 29,630 | -1\% | -4\% | 1\% |
| Ar-Raqqa | SYP | 40,990 | -1\% | 21\% | ] $-2 \%$ |
| Rural Damascus | SYP | 28,975 | 0\% | -5\% | -24\% |
| As-Sweida | SYP | 31,780 | -3\% | -3\% | 5\% |
| Tartous | SYP | 31,070 | d\% | 2\% | 4\% |
| Quneitra | SYP | 28,040 | -1\% | -3\% | 0\% |
| Idleb | SYP | 35,715 | 0\% | 1\% | 18\% |
| Average | SYP | 32,225 | -2\% | $\square-7 \%$ | 0\% |

Map 1: Location of markets monitored by WFP


[^0] kg of vegetable oil.

## B: Retail Prices

## 1- Wheat Flour, Rice and Bulgur:

The improved security situation in some besieged and hard-to-reach areas continues to positively impact supply routes leading to improved food availability and prices in many markets across the country.

In August, one kg of wheat flour on average sold at SYP 259, rice at SYP 525 and bulgur at SYP 302 across markets in Syria. Compared to July, prices of wheat flour and rice remained relatively unchanged while bulgar went up by 1.7 percent. National retail prices decreased by three percent for wheat flour, 1.9 percent for rice and increased by 1.7 percent for bulgur when compared to six months ago (February 2017). However, compared to August 2016, prices have increased by 4.7 percent for wheat flour, 3.7 percent for rice and 7.2 percent for bulgur.

Food price monitoring data indicates that Deir-ez-Zor markets continue to record highest average prices for wheat flour SYP $400 / \mathrm{kg}$, rice SYP $750 / \mathrm{kg}$ and bulgur SYP $700 / \mathrm{kg}$. On the other hand, the lowest average prices were reported in Quneitra for wheat flour SYP 205/kg, As-Sweida for rice SYP 325/kg while Dar'a recorded the lowest average price for bulgur at SYP 213/kg.

In August, the average retail price of 1 kg of rice was 19.6 percent higher in hard-to-reach markets while instead 17 percent lower in besieged Deir-ez-Zor markets when compared to the accessible markets average price. Moreover, an increase of 2.4 percent and 144 percent was observed in bulgur prices in hard-to-reach and besieged Deir-ez-Zor markets respectively, compared to the accessible markets average for the month.

The food security situation continues to be challenging in Ar-Raqqa city and rural Deir-ez-Zor where market functionality has been negatively impacted by heavy clashes and continued violence.

## 2- Bread:

In August 2017, the average nominal retail prices for public (subsidized) bread and commercial (shop) bread were SYP 80/bundle and SYP 133/bundle, respectively. Market price monitoring data indicates relatively stable prices for both public and commercial bread compared to last month, with less that one percent changes.

Between February and August 2017, the average retail prices of public bread went up by 1.3 percent while it declined by three percent for commercial bread. Year-on-year, public bread retail price decreased by eight percent while shop bread remained unchanged.

Across all prime monitored markets, Idleb continued to record the highest price for public and commercial bread during this month at SYP 275/bundle and SYP 300/bundle, respectively. Tartous market recorded the lowest price for commercial bread at SYP 63/bundle.

In Ar-Raqqa city market, the average price of bread was 239 percent higher for public and 120 percent higher for commercial compared to average prices in accessible markets. In hard-to-reach markets, it was higher by 107 percent for public and 57 percent for commercial compared to the Syrian accessible market average.

Chart 2: Wheat Flour Retail Price in SYP


Chart 3: Retail Prices of Rice in SYP



Chart 5: Retail Prices of Public Bread in ACC, HTR and BSG Markets in SYP


Chart 6: Retail Prices of Shop Bread in ACC, HTR and BSG Markets in SYP


## 3- Diesel and cylinder of butane gas

In August 2017, the average price of diesel was SYP 340/L and SYP 4,348 for a cylinder of butane gas. Between February and August 2017, the average retail prices of diesel went up by 2.4 percent while a cylinder of butane gas decreased by 12 percent. Compared to August 2016, prices went down by 9 percent for diesel and 18 percent for butane gas.

During August, the highest average price for diesel and butane gas was observed in Deir-ez-Zor markets at SYP 1,200/L and SYP 9,425, respectively. The lowest average cost for diesel was reported from AI-Hasakeh, SYP 107/L.

The price of diesel was 532 percent higher in besieged markets of Deir-ez-Zor compared to the national average level. Moreover, the average price of butane gas was 16 percent higher in hard to reach markets and 176 percent higher in the besieged markets of Deir-ez-Zor compared to the national average level. Higher fuel prices add a higher cost on transportation and will exert pressure further inflating food prices in besieged and hard to reach markets.

## C. Wholesale Prices of Main Cereal in Damascus Market

In August, the average nominal wholesale price of cereal was SYP 6,500/25 kg for wheat grain, SYP 5,650/25 kg for bulgur and SYP 11,450/25 kg for rice.

Overall wholesale cereal prices (wheat, bulgur and rice) decreased by 0.6 percent in August compared to July 2017 .

Between February and August 2017, wholesale prices decreased by 11 percent for wheat, 15 percent for bulgur and 4.6 percent for rice.

Year-on-year, the wholesale prices declined by 21 percent for wheat, 22 percent for bulgar and 16 percent for rice.

## D. Food Supply to Markets

During August, market functionality in Ar-Raqqa city and rural Deir-ez-Zor was severely disrupted by active fighting between controlling parties leading to higher prices and limited availability for many food commodities. However, the situation in Deir-ez-Zor is expected to improve in the coming weeks as the siege seems to progressively come to an end.

In eastern Ghouta, the situation was critical in the first week of August due to escalated fighting. However, a slight improvement was reported after successful access with humanitarian aid to the besieged community.

The gradually improved security situation across the country is positively impacting supply routes' functionality in many governorates including AI-Hasakeh, Aleppo and Homs. Moreover, better access to own production has increased availability of fresh food and reduced demand from markets relaxing food prices in multiple markets across the country.

Chart 7: Retail Prices of Diesel in SYP


Chart 8: Retail Prices of Butane Cylinder in SYP


Chart 9: Wholesale Prices for Wheat, Bulgur and Rice in SYP


Source: WFP Field Offices

## E. Terms of Trade (TOT): ${ }^{2}$

## TOT between wage labour and wheat flour

The national average daily wage rate during August was SYP 1,731. Purchasing power (measured through terms of trade) of casual labourers remains weak across all monitored markets in the country.

In August 2017 the national average wage for a casual labour's full days work could only buy 6.7 kg of wheat flour/day. Representing an increase of two percent compared to July 2017; 24 percent compared to February 2017; and 27 percent compared to August 2017.

Key sources identified an increased demand on male skilled labourers in urban markets due to limited availability. However, despite the slight increase in daily wage, the rate for the unskilled labourers remains low across the country especially in activeconflict areas where job opportunities are very limited.

## TOT between sheep and wheat flour

During August, the national average price of a twoyear old male sheep was SYP 117,197/head. This shows an increase of 2.7 percent compared to last month, a 27 percent increase compared to February 2017 and a 25.4 percent increase compared to August 2016.

The national average TOT between a sheep and wheat flour was $453 \mathrm{~kg} /$ sheep. Which is 2.7 percent higher than last month; 29 percent higher compared to February 2017; and 22 percent higher compared to August 2016.

## F. International Market Prices

The FAO Food Price Index averaged 176.6 points in August 2017, down by 1.3 percent compared to last month's average but up by six percent compared to August 2016.

The Cereal Price Index averaged 153.4 points in August, down by 5.4 percent compared to July 2017 influenced by projected record high levels in world wheat harvests. The index however remained 6.8 percent higher than August 2016.

In August 2017, wholesale wheat prices on the international market were at USD 171/MT. In comparison nominal wheat prices on local markets across Syria averaged USD 500/MT (192 percent more expensive).

Chart 10: Terms of Trade (TOT) between wage labour and wheat flour


Chart 11: Terms of Trade (TOT) between sheep and wheat flour


Chart 12: Trends in global wheat prices


Chart 13: Trends of food and cereals price indices


Data Source: http://www.fao.org/worldfoodsituation/wfs-home/foodpricesindex/en/ and https://ycharts.com/indicators/us_hard_red_winter_wheat_export_price_gulf_ports
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.




[^0]:    1. The cost of a standard basket of dry goods providing $1,930 \mathrm{kcal}$ 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
