



### Highlights:

Overall, food prices continue to fall across Syria. The reference food basket price decreased by two percent in March compared to February 2018.

Average food basket prices in opposition held cross-border areas (XB) are on average 3 percent more expensive than government held areas.

Government forces continued their advance into Eastern Ghouta, taking control of two out of three besieged neighbourhoods in the enclave. Duma remains the only besieged area in Eastern Ghouta in March 2018.

Food access remains extremely problematic in Duma. Many shops are closed and civilians remain for days in shelters rendering access to food very difficult. The price of a referential food basket is 10 times more expensive than the national average. Items such as tomatoes and butane gas are no longer available on Duma's markets.

### A: Standard Food Basket

In March 2018, the national average price of a standard food basket<sup>1</sup> (group of essential food commodities) decreased to SYP 24,200. Falling by two percent m-o-m (month-on-month), and decreasing by 24 percent compared to September 2017 and by 28 percent y-o-y (year-on-year).

The governorate with the highest average food basket price was Deir-ez-Zor at SYP 29,185. While the lowest average food basket price was recorded in Al-Hasakeh at SYP 20,350. Average XB food basket price in March was SYP 24,865, 3 percent more expensive than the average food basket price in government held areas (SYP 24,048).

Food basket prices decreased in 12 out of 14 governorates in Syria. A decrease in the food basket price was also monitored in the country's opposition held areas (XB): Dar'a, Idleb and Quneitra. The general decrease in prices across Syria was led by falling prices of all food basket commodities (commercial bread, lentils, sugar, rice and vegetable oil). Other products such as: diesel and dairy products (cheese, yoghurt and milk) also saw a widespread decrease across Syria.

The largest m-o-m drop in food basket prices in March was in opposition held areas of Dar'a (-10 percent) and Idleb (-10 percent), as well as in Aleppo (-8 percent), Al-Hasakeh (-8 percent) and As-Sweida (-6 percent). Deir-ez-Zor saw an increase in m-o-m food basket prices by 10 percent, its second consecutive monthly increase. The increase is led by a 19 percent increase in the price of a food basket in Almayadin, a rural area close to rebel held areas.

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

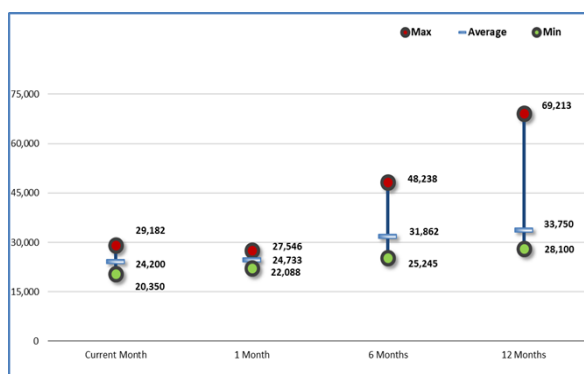
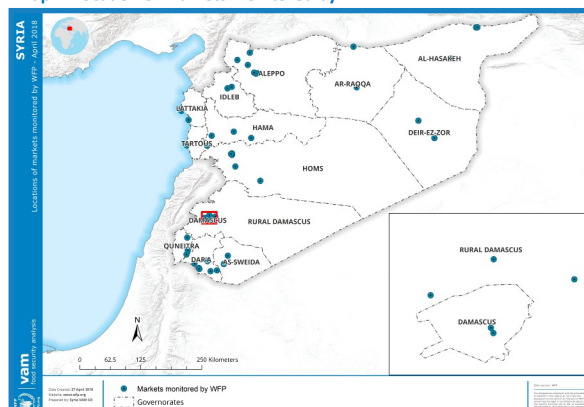


Figure 1: Food Basket Cost and Changes (in SYP)

Governorate	Price March 2018	Price 1 month change	Price 6 months changes	Price 12 months changes
Aleppo	SYP 25,385	-8%	-15%	-17%
Damascus	SYP 24,780	-5%	-14%	-19%
Dar'a	SYP 24,460	-4%	-15%	-13%
Dar'a XB*	SYP 25,875	-10%	-2%	-5%
Deir-ez-Zor	SYP 29,185	10%	40%	58%
Hama	SYP 22,885	-1%	-25%	-29%
Al-Hasakeh	SYP 20,350	-8%	-19%	-30%
Homs	SYP 23,440	-3%	-18%	-26%
Lattakia	SYP 22,520	-1%	-22%	-27%
Ar-Ragqa	SYP 24,635	1%	-41%	-26%
Rural Damascus*	SYP 24,100	-1%	-16%	-21%
As-Sweida	SYP 22,940	-6%	-25%	-30%
Tartous	SYP 22,675	-1%	-27%	-26%
Quneitra	SYP 25,270	-1%	-10%	-10%
Quneitra XB**	SYP 24,265	-3%	-16%	-22%
Idleb XB**	SYP 24,455	-10%	-34%	-30%
Average	SYP 24,200	-2%	-24%	-28%

Map 1: Location of markets monitored by WFP



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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.

\*Eastern Ghouta is not included

\*\*XB = Areas supported through cross-border humanitarian interventions

## B: Eastern Ghouta

During March, many people in areas of Eastern Ghouta were evacuated to collective shelters in Rural Damascus including (Adra, Dweer and Herjelleh) where WFP and other UN organizations are providing humanitarian assistance including food, shelter, health and other required support. However, people in Duma remained under siege and the situation there further deteriorated, with wide-scale destruction of buildings and infrastructure taking place as the aerial shelling continued.

Duma was the only market monitored for besieged Eastern Ghouta in March as other areas of Eastern Ghouta are now under government control and are no longer besieged.

Food prices fluctuated a lot during March and was mainly affected by: the security situation in and surrounding the besieged area; the advancement of the Syrian Army in Eastern Ghouta which forced people to evacuate; as well as rumours about agreements with non-governmental forces in Duma. The changes in food commodity prices in March can be divided into three phases (Chart 3):

- First phase (first week of March): prices reached their peak due to the military campaign that started in February and the ceasing of trade by the only major trader who was allowed to bring food into Eastern Ghouta.
- Second phase (second and third weeks of March): prices started to decrease and plummeted when people started evacuating from the besieged enclave. Prior to relocating the evacuees sold their remaining food stocks forcing the few shops still open to lower their prices.
- Third phase (last week of March): prices started increasing following news about stalled negotiations between the Syrian Government and Jaish al Islam opposition group and the likely continuation of fighting which would follow.

### 1– Food basket prices

The average food basket price in March in Eastern Ghouta (Duma) was SYP 269,625/basket. Reflecting an increase of 38 percent m-o-m. The March average food basket price was more than 10 times the national average food basket price, up from 6.8 in February. The Eastern Ghouta average food basket price in March was 10.8 times the average price of a food basket in Damascus, just 15kms from the besieged area, up from 6.5 times in February (Chart 2).

### 2– Mixed food prices :

The price of a bundle of bread (1.3kgs) was SYP 3,500 in Eastern Ghouta in March, up 157 percent m-o-m and 20 times the national average price for a bundle of bread (SYP 117) and 70 times the price of a bundle of bread in Damascus (SYP 50) for the same month (Chart 3).

Fresh tomatoes were not available on Duma's market in March 2018, (Chart 4).

### 4– Energy prices:

Even though decreasing by 7.6 percent m-o-m, diesel continued to be sold at a very high price in besieged Eastern Ghouta, especially when compared to other areas in Syria. The price of diesel in Eastern Ghouta averaged 4,160 SYP/litre in March, 12 times higher than the national average (up from 11 times in February) and 16.6 times higher than average diesel prices in Damascus (up from 14 times in February) - Chart 5.

Butane gas continued to be unavailable on the market in Eastern Ghouta throughout March. Confirming the extreme difficulty to procure basic items in the enclave (Chart 6).

Chart 2: Eastern Ghouta food basket price compared to Damascus and the national average

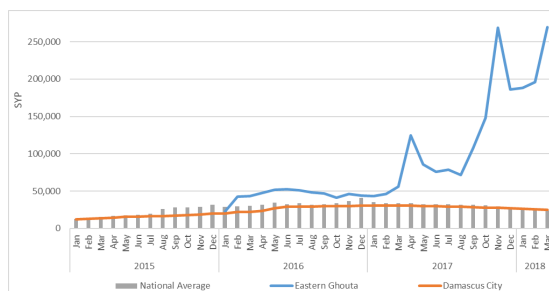


Chart 3: Eastern Ghouta food basket price variation during different periods in March 2018

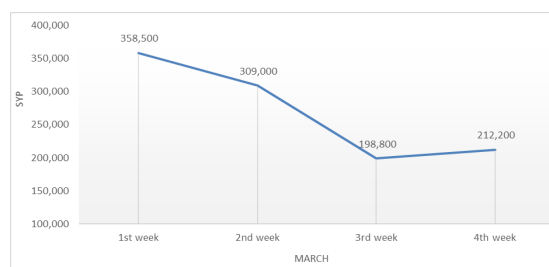


Chart 4: Comparing SYP/1.3kg bundle of bread price in Eastern Ghouta, Damascus and the national average

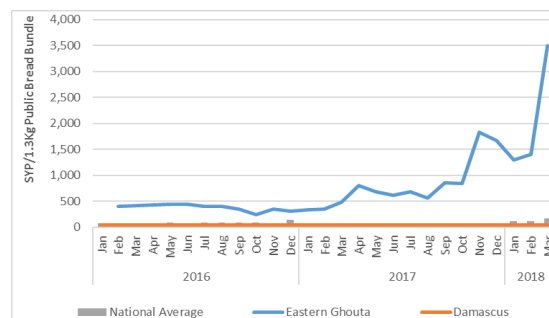


Chart 5: Retail price of 1kg of fresh tomatoes Eastern Ghouta compared to Damascus and national average

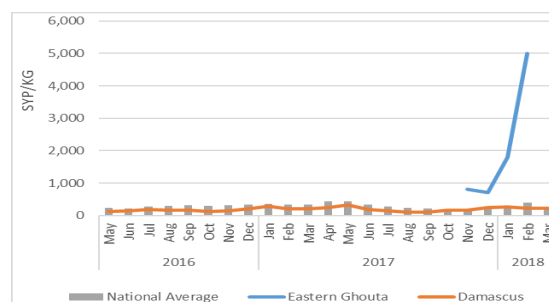
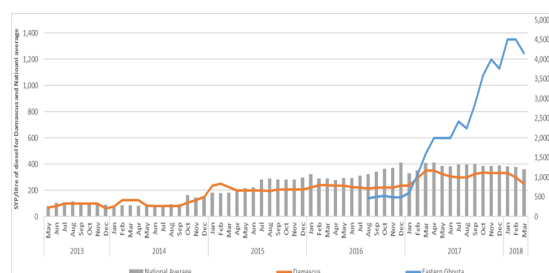


Chart 6: Diesel price in Eastern Ghouta compared to Damascus and the national average



Source: WFP Field Offices

## D: Retail Prices

### 1—Wheat flour, rice and bulgur:

In March 2018 one kg of wheat flour on average across Syria sold at SYP 259, rice sold at SYP 508/kg and bulgur sold at SYP 361/kg. Wheat flour and rice prices saw m-o-m decreases of seven and four percent respectively, while the price of bulgur saw a m-o-m increase of six percent. Prices varied by the areas level of accessibility with accessible areas reporting no m-o-m change on wheat flour, an increase in bulgur prices of two percent and a decrease of one percent in rice prices. Hard-to-reach areas reported a fall of one and five percent in m-o-m wheat flour and rice prices respectively, and an increase of two percent in bulgur prices. Opposition-held cross-border areas (XB) reported a m-o-m increase in wheat prices by four percent, no change in bulgur prices and a decrease of 14 percent in rice prices. Besieged Eastern Ghouta saw m-o-m increases of four and 24 percent for rice and bulgur prices respectively and a m-o-m decrease of 30 percent on wheat flour prices (Charts 7, 8 and 9).

Eastern Ghouta was the area with the highest food prices across Syria for wheat flour SYP 1,900/kg, rice SYP 3,125/kg, bulgur SYP 3,100/kg, vegetable oil SYP 2,925/litre, tomatoes (not in stock), sugar SYP 3,125/kg and lentils SYP 2,350/kg. The lowest prices by governorate were reported from Idleb XB for wheat flour (SYP 167/kg), from Quneitra XB for bulgur (SYP 212/kg), from Quneitra for tomatoes (SYP 192/kg), Al-Hasakeh for vegetable oil (SYP 480/litre) and As-Sweida for rice (SYP 260/kg) and Hama for sugar (SYP 243/kg).

### 2 – Bread:

In March 2018, the average nominal retail prices for public (government subsidized) bread and commercial (privately produced) bread were SYP 117/bundle and SYP 227/bundle, respectively. The price of public bread remained unchanged m-o-m. The price of commercial bread increased by 32 percent m-o-m, mainly driven by the increase in the price of bread in Eastern Ghouta, from SYP 1,400 to SYP 3,500 per bundle.

Ten governorates reported a public bread price of 50 SYP/bundle (1.3kg), the lowest price in Syria, which is the government subsidized bread. The highest price for public bread was reported at 200 SYP/bundle in Idleb. Eastern Ghouta reported the highest price for commercial bread in Syria with a price of SYP 3,500/bundle, 19.5 times higher than the national average. Tartous continued to record the lowest price for commercial bread at SYP 63/bundle.

Bread prices varied by the area's level of accessibility. Public bread prices were as follows: SYP 54/bundle in accessible areas, SYP 66/bundle in hard-to-reach areas and SYP 138/bundle XB areas. Representing a decrease of one percent y-o-y for accessible areas, a 25 percent decrease y-o-y in hard-to-reach areas and a 18 percent decrease y-o-y in XB areas.

Commercial bread prices were as follows: SYP 102/bundle in accessible areas, SYP 141/bundle in hard-to-reach areas, SYP 196/bundle in XB areas and SYP 3,500/bundle in besieged Eastern Ghouta. Representing a nine percent decrease y-o-y for accessible areas, a six percent increase y-o-y for hard-to-reach areas, a 23 percent decrease y-o-y for XB areas and a 614 percent increase y-o-y for besieged Eastern Ghouta.

Chart 7: Wheat Flour Retail Price in SYP

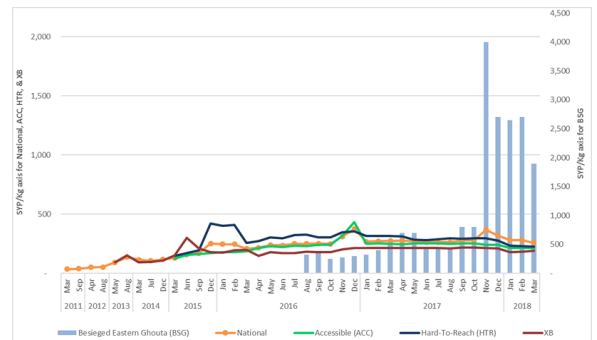


Chart 8: Retail Prices of Rice in SYP

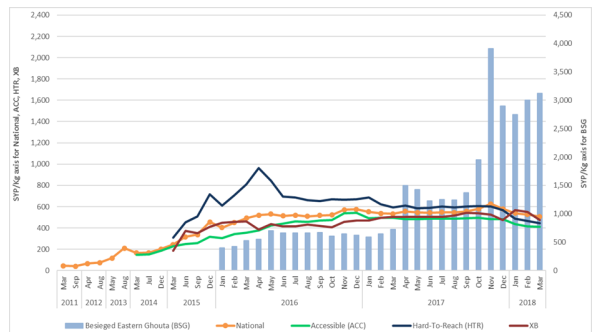


Chart 9: Retail Prices of Bulgur in SYP

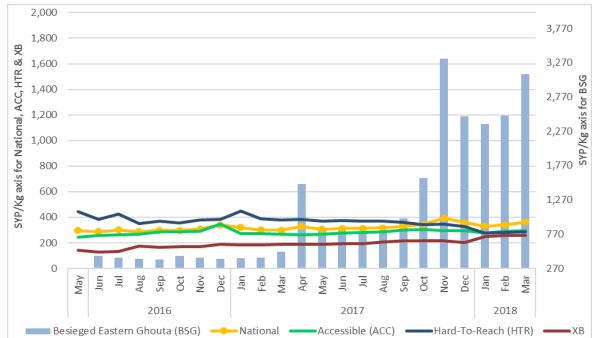


Chart 10: Retail Prices of Public Bread in ACC, HTR and BSG Markets in SYP

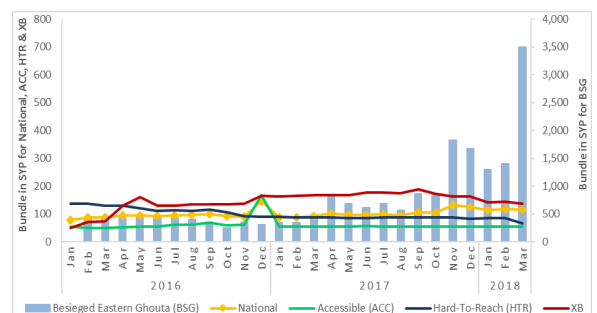
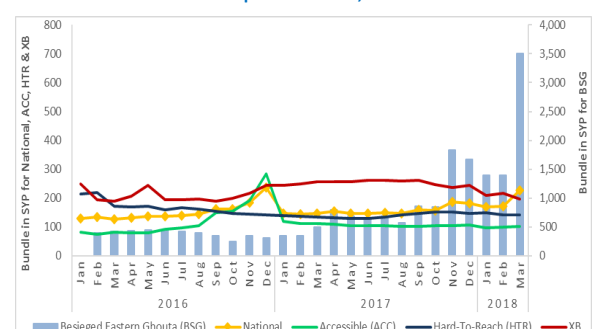


Chart 11: Retail Prices of Shop Bread in ACC, HTR and BSG Markets in SYP



Source: WFP Field Offices

### 3—Diesel and cylinder of butane gas

Diesel's national retail price averaged SYP 359/litre, decreasing by five percent m-o-m (SYP 377/litre). The price of diesel continues to vary across Syria, with accessible areas averaging SYP 232/litre of diesel, hard-to-reach areas averaged SYP 185/litre and XB areas averaging SYP 363/litre (Chart 12). The price of diesel in Eastern Ghouta averaged SYP 4,160/litre in March, 10.6 times higher than the national average (see Chart 6, page 2). The highest price of diesel was in Eastern Ghouta while the lowest price was in Ar-Raqqa (SYP 68/litre).

A 25k cylinder of butane gas averaged SYP 3,873 nationally, falling by 1 percent m-o-m (SYP 3,930). The price of butane gas varied widely across Syria. Accessible areas averaged SYP 2,751/25k, hard-to-reach areas averaged SYP 2,941/25k and XB areas averaged SYP 7,447/25k. The highest price of a 25k butane gas cylinder was recorded in Idleb XB at SYP 11,567/25k up 15.7 percent m-o-m. While the lowest price was recorded in Al-Hasakeh at SYP 2,317/25k, with no change m-o-m (Chart 13). Duma, the reference market for Eastern Ghouta, reported no availability of butane gas in March 2018.

### E. Cereal wholesale prices and exchange rates

In March 2018, the average nominal wholesale price of cereal was SYP 188,370/MT for wheat grain, SYP 233,553/MT for bulgur and SYP 368,275/MT for rice. Using the Syrian Central Bank's official exchange rate of SYP 434 to the US \$ this translates to: US \$ 434/MT for wheat grain, US \$ 538/MT for bulgur grain and US \$ 849/MT for rice (Table 1).

The black market exchange rate across the country in March 2018 ranged between SYP 451 (Idleb XB) and SYP 468 (Damascus) per US \$1. The national average black market exchange rate is SYP 462 to US \$1 compared to the official central bank rate of SYP 434 to US \$1 (Table 2). The black market national average exchange rate fell by 0.4 percent m-o-m.

### F. Food supply to markets

During the first quarter of 2018 many supply routes across Syria have improved including those that are linking rural areas to main markets in major cities. Many traders in markets of rural Homs reported changing their source markets to Homs city instead of Tartous and Damascus due to better access and fewer check-points.

Moreover, the commercial flows between Damascus and main markets in Homs city was identified to be better this year and reviving trade is expected to push commodity prices down further. Key traders in Homs reported that trade flows (quantity and the price goods are purchased at) are expected to improve if the main route through Eastern Ghouta connecting Homs and Damascus is re-opened, hereby reducing transportation costs.

Chart 12: Retail Prices of Diesel in SYP

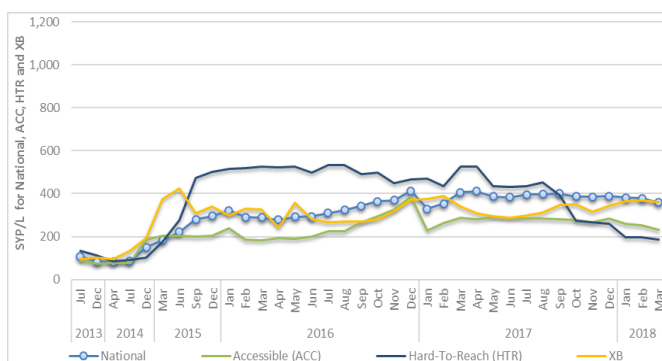


Chart 13: Retail Prices of Butane Cylinder in SYP

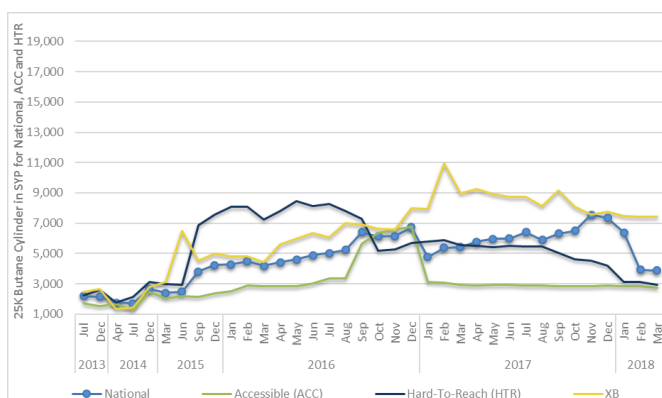


Table 1: National Average Wholesale Prices (1MT) for Wheat, Bulgur and Rice in SYP and US \$ using official exchange rate.

Commodity	March (SYP)	% change (m-o-m)	1MT in US \$
Wheat grain (1MT)	188,370	0.5	434
Bulgur grain (1MT)	233,553	1.5	538
Rice (1MT)	368,275	-7	849

Table 2: 1 US \$ to SYP Black Market Exchange Rate

Governorate	March 2018	% Change (m-o-m)
Aleppo	463	-0.2
Damascus	468	0.4
Dar'a	465	0.0
Dar'a XB**	462	-1.5
Deir-ez-Zor	NA	NA
Hama	463	0.7
Al-Hasakeh	462	-0.2
Homs	462	0.2
Lattakia	463	0.0
Ar-Raqqa	463	0.0
Rural Damascus	467	-0.2
Eastern Ghouta	NA	NA
As-Sweida	465	-0.4
Tartous	463	-0.2
Quneitra	460	-1.5
Quneitra XB**	462	0.2
Idleb XB**	451	-3.0
National Average	462	-0.4
Official Rate	434	0.0

Source: WFP Field Offices

\*\*XB = Areas supported through cross-border humanitarian interventions

## G. Terms of Trade (ToT):<sup>2</sup>

### ToT between wage labour and wheat flour

The national average daily wage rate for non-skilled workers in March 2018 was SYP 1,861. Increasing by 0.5 percent m-o-m, by seven percent since September 2017 and by 28 percent y-o-y. The increase in wage rates has been sustained across most of Syria apart from hard-to-reach areas and cross-border opposition held areas where non-skilled wage rates fell by three and one percent respectively m-o-m (Chart 14).

In March, the national average daily wage of an unskilled labourer could purchase 7.2kg of wheat flour on the market. Representing an eight percent increase m-o-m, in-line with reported increases in the national average non-skilled wage rate. Results however varied by an area's accessibility status (see Chart 15).

Accessible markets showed that 9.8kg of wheat flour could be bought compared to 7.8kg of wheat flour in hard-to-reach areas, 8.1kg of wheat flour for XB areas and 0.6kg of wheat flour for besieged Eastern Ghouta. All areas, except Eastern Ghouta have seen a y-o-y increase in ToT for wheat flour vis-à-vis casual wage highlighting an increase in people's purchasing power. Accessible areas increased by 63 percent, hard-to-reach areas increasing by 77 percent and XB areas increasing by 10 percent. Eastern Ghouta saw a fall of 68 percent y-o-y, highlighting the high prices of wheat flour in the besieged area. The national average y-o-y casual labour to wheat flour rate increased by 35 percent (Chart 15).

### TOT between sheep and wheat flour

In March 2018, the national average price of a two-year old male sheep was SYP 83,693/head. The price increased by 1.2 percent m-o-m but decreased by 26 percent compared to September 2017 and decreased by five percent y-o-y.

The national average ToT between a sheep and wheat flour was 323Kg/sheep, which is 8.9 percent higher m-o-m showing that the price for a two-year old sheep increased compared to the price of wheat flour (Chart 16).

## H. International market prices

The FAO Food Price Index averaged 172.8 points in March 2018 increasing by 1.2 percent m-o-m and increasing by one percent y-o-y. The Cereal Price Index averaged 165.6 points in March, up by three percent m-o-m and up by 12 percent y-o-y (Chart 17).

In March, wholesale wheat grain prices on local markets averaged USD 434/MT, up 0.5 percent (USD 432/MT) m-o-m. In comparison the wholesale price of wheat on international markets was 192/MT in March 2018.

Chart 14: Non-skilled wage labour rates in Syria

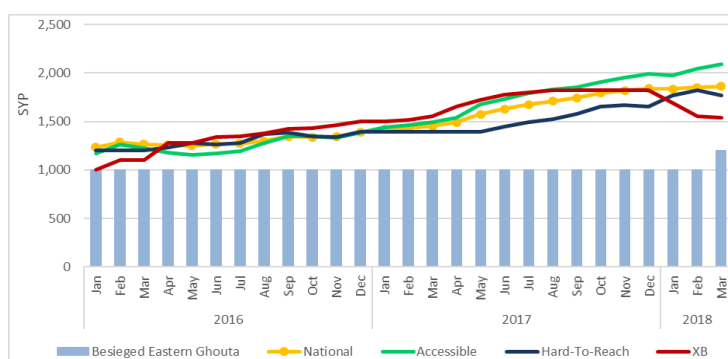


Chart 15: Terms of Trade (ToT) between wheat flour and wage labour

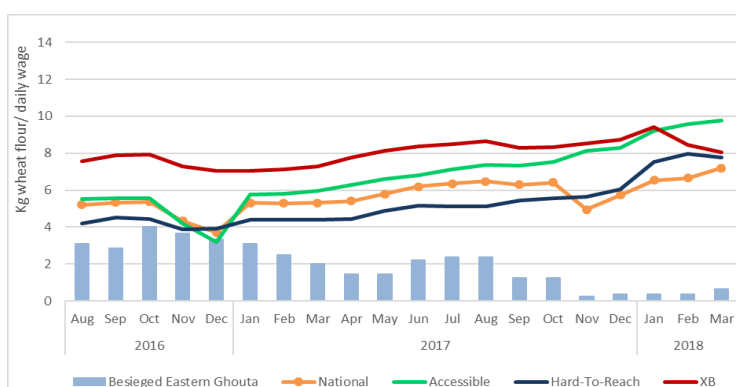
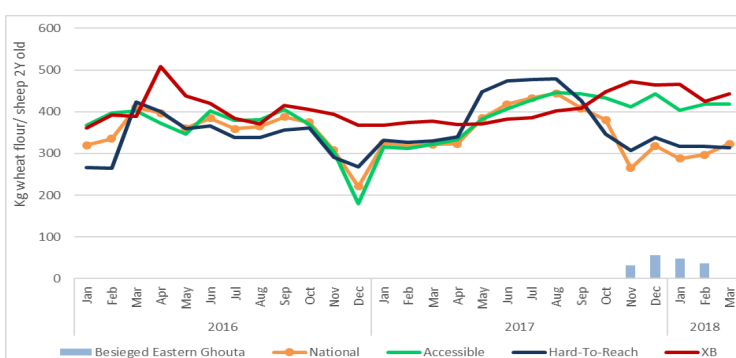
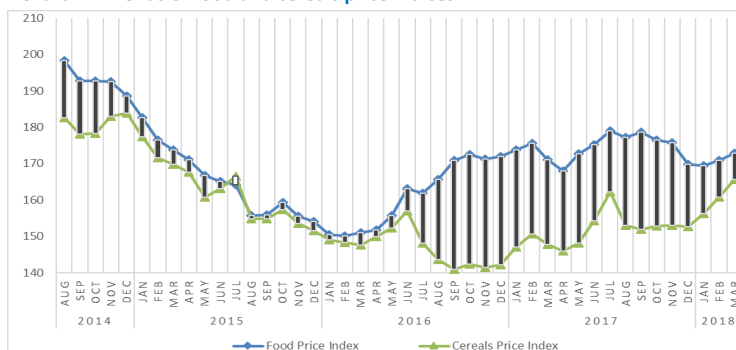


Chart 16: Terms of Trade (ToT) between wheat flour and the price of a 2Y old sheep



Source: WFP Field Offices

Chart 17: Trends of food and cereals price indices



Data Sources: [https://ycharts.com/indicators/us\\_hard\\_red\\_winter\\_wheat\\_export\\_price\\_gulf\\_ports](https://ycharts.com/indicators/us_hard_red_winter_wheat_export_price_gulf_ports) and <http://www.fao.org/worldfoodsituation/wfs-home/foodpricesindex/en/>

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.



