



WFP/Hussam Al Saleh

**Highlights**

In 2024, the reference food basket pegged at SYP 955,159 for a family of five, doubled within the calendar year while income levels remained relatively low. The January 2024 food basket cost was five times more than the monthly minimum wage, pegged at SYP 185,940 since August 2023. The surge in costs was mainly driven by a weakened currency and cuts in fuel subsidies.

The cost of living, as measured by the Minimum Expenditure Basket (MEB), increased by four percent to reach SYP 2,593,139 (USD 206) in January 2024 for a family of five. It more than doubled compared to the same time last year (122 per cent increase) and more than quadrupled in just two years. The decline in living standards in 2023 extended to 2024 mainly driven by currency devaluations, fuel shortages, the ongoing regional conflict and continued fall of the Syrian pound is likely to exacerbate the already strained living conditions.

During the first week of March 2024, the local currency traded at an average of SYP 14,199 per dollar on the parallel market. Over the course of the year, the Syrian pound nearly lost 56 percent of its value on the parallel market, and over two years, it depreciated by 76 percent. And in four years, the local currency lost 93 percent of its value.

For further information, please contact:  
Raul.Cumba@wfp.org  
Mohamadjaber.altabba@wfp.org

**Standard Food Basket<sup>1</sup>**

In January 2024, the standard reference food basket cost for a family of five slightly increased from the previous month to SYP 955,159. This meant that the cost of the basket-doubled compared to same time last year. However, the minimum wage remained low at SYP 185,940 since August 2023, which could only cover 19 percent of the basket cost. The rise in costs was mainly due to inflationary pressures caused by a weakened currency, which experienced a 57 percent loss in 2023 on the parallel market. Additionally, high fuel prices, worsened by shortages and related cuts in fuel subsidies, contributed to the economic challenges. The regional conflict and community-level shocks, are likely to disrupt lives and livelihoods, further impacting food prices in 2024.

The 2024 outlook indicates a continued increase in food prices as the recent reductions in fuel subsidies, implemented in December 2023 and January 2024 aimed at alleviating the government's financial burden will likely exert inflationary pressure.

At governorate level, Al-Hasakeh had the highest annual percentage increase for the food basket, at 128 percent, followed by Tartous at 118 percent, As-Sweida at 115 percent and Idleb at 114 percent (figure 1). Rice, sugar and Lentils being key sources of inflationary pressure. In addition, the gap between the highest and lowest average food basket prices across the governorates increased by one percentage points, which reflected some level of convergence in market conditions across the governorates.

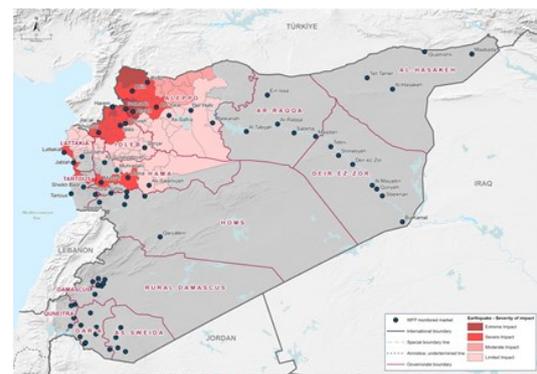
**Figure 1: Food basket cost and changes, SYP**

Governorate	Januray 2024	1 month change	6 months changes	12 months changes
Al-Hasakeh	818,526	10%	61%	128%
Tartous	1,017,786	3%	71%	118%
As-Sweida	1,065,396	4%	67%	115%
Idleb	813,080	5%	43%	114%
Deir-ez-Zor	809,221	2%	66%	113%
Rural Damascus	1,047,719	4%	70%	112%
Damascus	1,037,038	5%	68%	110%
Lattakia	1,006,259	2%	68%	110%
Quneitra	1,013,258	4%	60%	108%
Ar-Raqqa	818,478	5%	50%	107%
Dar'a	1,101,854	6%	73%	107%
Aleppo	896,520	5%	47%	99%
Hama	1,025,774	1%	70%	90%
Homs	978,410	5%	62%	85%
Average	955,159	4%	62%	106%

**Chart 1: National min., max. and mean food basket cost SYP**



**Map 1: Location of markets monitored by WFP, including earthquake affected areas.**



<sup>1</sup> The standard food basket is a group of essential food commodities. In Syria, the food basket is set at a group of dry goods providing 2,060 kcal a day for a family of five during a month. The basket includes 37 kg bread, 19 kg rice, 19 kg lentils, 5 kg of sugar, and 7 liters of vegetable oil.

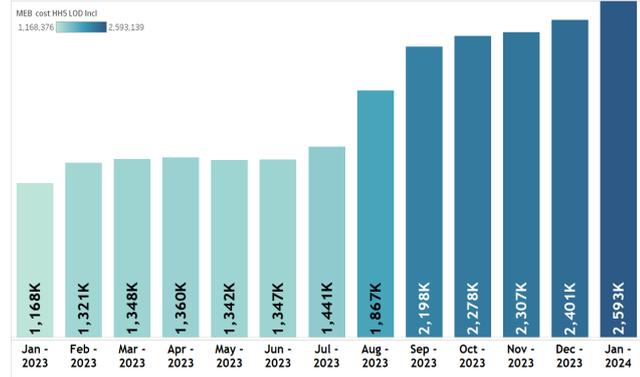
## Minimum Expenditure Basket (MEB)<sup>2</sup>

- During January 2024 the cost of living, as measured by the Minimum Expenditure Basket (MEB), increased by four percent to reach SYP 2,593,139 in January 2024 for a family of five. It more than doubled compared to the same time last year (122 percent increase ) and more that quadrupled in just two years. The Food and energy bills accounted for much of the sharp increase in the cost of living in 2024, but the price increases within the MEB occurred across the board.
- The food component of the MEB was 122 percent higher in January 2024 than it was a year earlier, likely households adjusted their consumption behavior and resorted to significant coping strategies-as the minimum wage, SYP 185,940, could only afford 11 percent of the food component of the MEB.
- The global food prices in 2024 continued the decreasing compared to 2023, as measured by the FAO Food Price Index where January 2024 index was 1 percent lower than the previous month , the weaker Syrian pound limited such gains for Syrian food importers. The year-on-year increase in the food component was mainly pressured by significant increase in the price of Chickpeas (up 261 %), Apples (up 256 %), Potatoes (up 217%),Eggplants (up 214 %), eggs (up 205%), beans (up 169%), Tomatoes (up 158 %), Meat (chicken, plucked) (up 154%), and sugar (up 130 %).
- The decline in living standards in 2023 was the result of several interconnected factors. These included frequent currency devaluations in 2023 , shortages in fuel supply, reductions in energy and food subsidies, the repercussions of an earthquake, and the persistent financial crisis in Lebanon, which has had a spill-over effect into Syria due to the historical economic interdependence between the two countries. Looking ahead, the ongoing regional conflict is likely to exacerbate the already strained living conditions.

### Global food prices, freight costs, and inflation trends

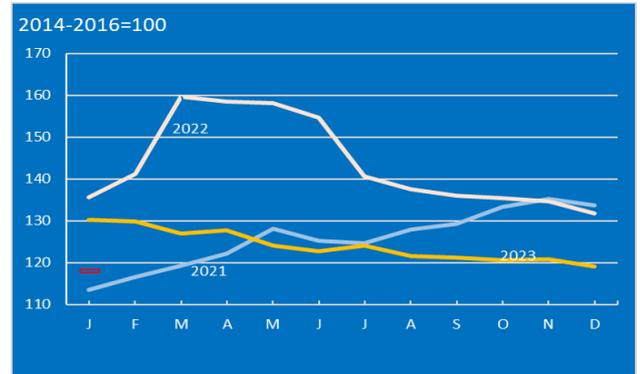
- The January 2024 FAO Food Price index<sup>3</sup>, a measure of the monthly change in international prices of a basket of food commodities, averaged 118 points, 1 percent decline from the previous month. The drop, a welcome relief for food deficit countries, reflected declines in the price indices for meat and cereals, that offset increases in vegetable oil, sugar, and dairy .
- In January 2024, the FAO Cereal Price Index decreased by 2 percent compared to the preceding month because of continued strong competition among exporters after the harvest season and arrival of recently harvested supplies in the southern hemisphere countries that affected on world prices of barley and sorghum to be decreased .
- In January 2024, the global freight costs for grains and oil seeds<sup>4</sup>, measured by the Grains and Oils Freight Index (GOFI) went down after 5 months of increasing to an average 155 points, decreased by 13 percent compared to the previous month. On the other hand . The Black Sea Freight sub-index also had decreased by 16 percent, compared to the last month.
- Egypt's food inflation<sup>5</sup>, while still elevated, it decreased to 47.9 percent in January 2024 which is 21 percent lower compared to the last month. Türkiye observed a 2 percentage points increasing in food inflation in January 2024 comparing to the last month, reaching 71.12 percent. Ukraine experienced a fall in food inflation to 3.4 percent in January, down from 4 percent the previous month. Meanwhile, Russia witnessed a slight decreasing by 0.74 percent in food inflation , reaching 8.1 percent in January 2023.

Chart 2: MEB Trend in Syria , SYP



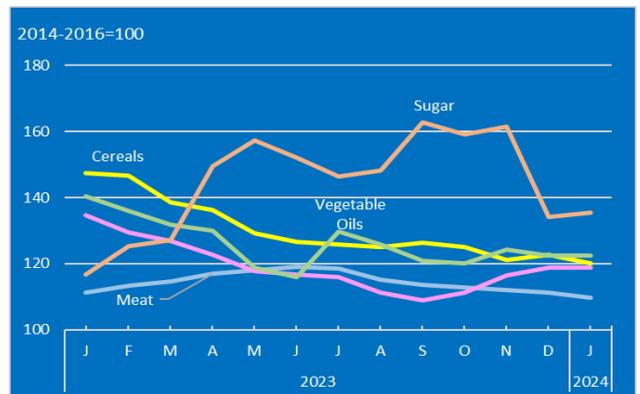
Source: Damascus Cash Working Group

Chart 3: FAO Food Price Index (2021 –2024)



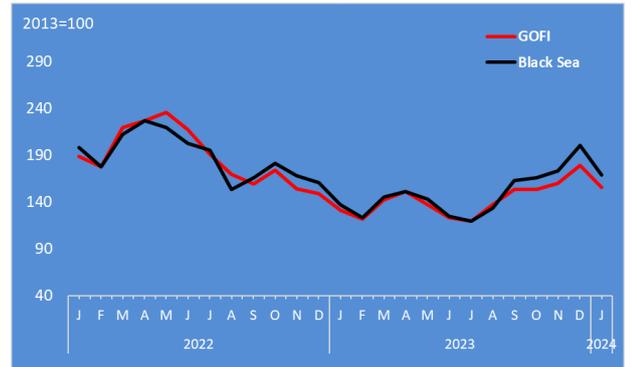
Source: FAO

Chart 4. FAO Food Commodity Price Indices (2023 –2024)



Source: FAO

Chart 5: Grain and Oilseeds Freight index (GOFI)



Source: IGC GOFI

<sup>2</sup> A Minimum Expenditure Basket (MEB) is defined as what a household requires to meet essential needs, conceptually equivalent to a poverty line. It includes the cost of food, utilities, services and re-sources required monthly. For Syria, it was developed through an interagency collaborative process under the Humanitarian

## Retail prices for key commodities

### Wheat Flour

Wheat flour prices in January 2024 increased by 4 percent on average at national level compared to previous month . Priced at SYP 9,206 per kilogram, and doubled in one year . Over three years, the price of wheat has surged seven times. In regional terms, the southern areas reported the highest average retail price at SYP 9,821 per kg, marking a 114 percent increase compared to the same month last year. Conversely, the Coastal region remained at the lowest price level at SYP 8,818 per kg, still representing a 98 percent year-on-year increase.

The moderation in month-on-month changes reflected relatively higher-than-expected supplies on the global market and the relative stability of the Syrian pound in December and January, despite remaining high.

### Rice

The cost of Egyptian white rice averaged SYP 16,345 per kg in January 2024, the cereal decreased by four percent compared to the preceding month. Nevertheless, it more than doubled within the span of 12 months and increased more than nine times over the course of three years.

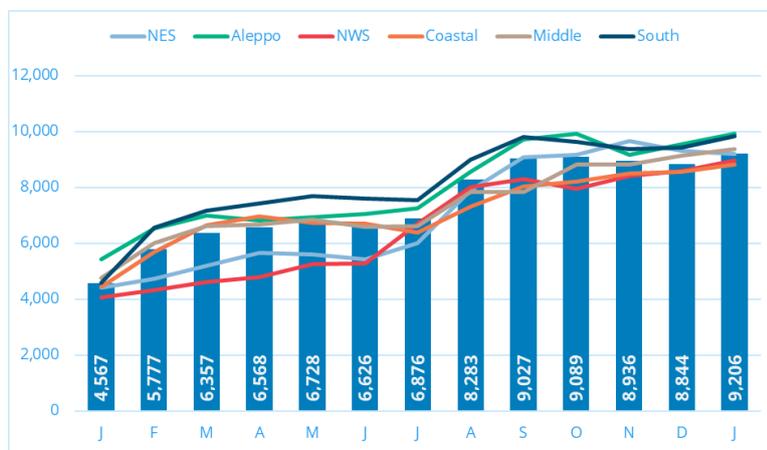
Regionally, the northeastern areas recorded the highest, yearly, percentage increase more that 160 percent while the Aleppo and middle areas had the lowest percentage increase at 100 percent.

### Chicken and eggs

The national average price of plucked chicken, poultry meat, decreased in January 2024 to SYP 43,100 per kg , by 3 percent from the previous month but, increased by 154 percent over the last 12 months. At the regional level, Southern areas continued to report the highest nominal prices at SYP 50,462 per kg, whereas North west areas had relatively lower prices at SYP 33,949 per kg, still reflecting an increase of 179 percent compared to a year earlier.

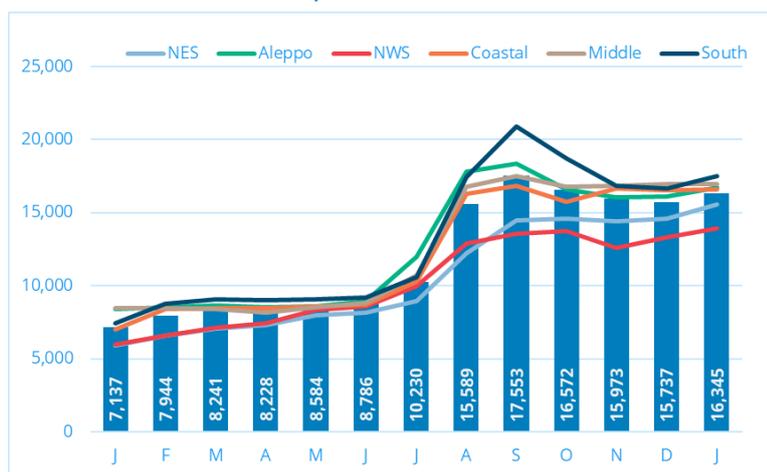
In a related context, the price of a carton containing 30 eggs also rose by four percent month-on-month, reaching SYP 57,141 and within one year span, this price tripled.

Chart 6: Retail Prices of Wheat flour, SYP



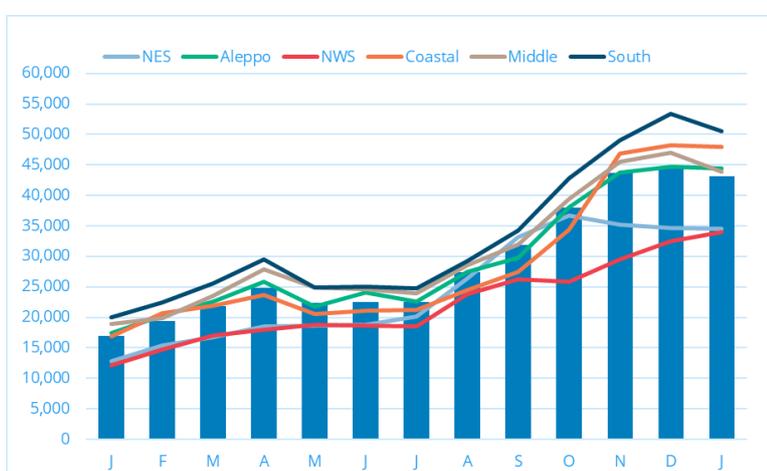
Source: WFP

Chart 7: Retail Prices of rice, SYP



Source: WFP

Chart 8: Retail Prices of Chicken, SYP



Source: WFP

## Exchange rate<sup>6</sup>

Since the start of 2024, the Syrian pound has continued to remain relatively weak although it has experienced some level of relative stability on parallel market. Meanwhile, the official exchange rate stayed at SYP 12,562 per dollar since the last devaluation in December 2023.

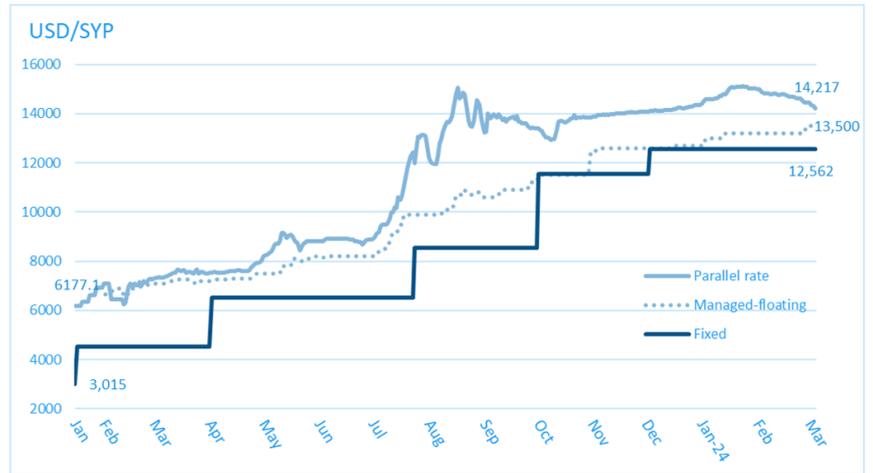
During the first week of March 2024, the local currency was traded at an average of SYP 14,199 per dollar on the parallel market. Over the course of the year, the Syrian pound nearly lost 56 percent of its value on the parallel market, and over two years, it depreciated by 76 percent. And in four years, the local currency lost 93 percent of its value.

As Syria imports a significant amount of food, the country faces the challenge of expensive imported goods due to its weakened currency. Chart 10 highlights the link between fluctuations in exchange rates and food prices, as measured by the WFP standard reference food basket. The graph emphasizes the correlation between rising food prices and the depreciation of the currency.

## Energy prices

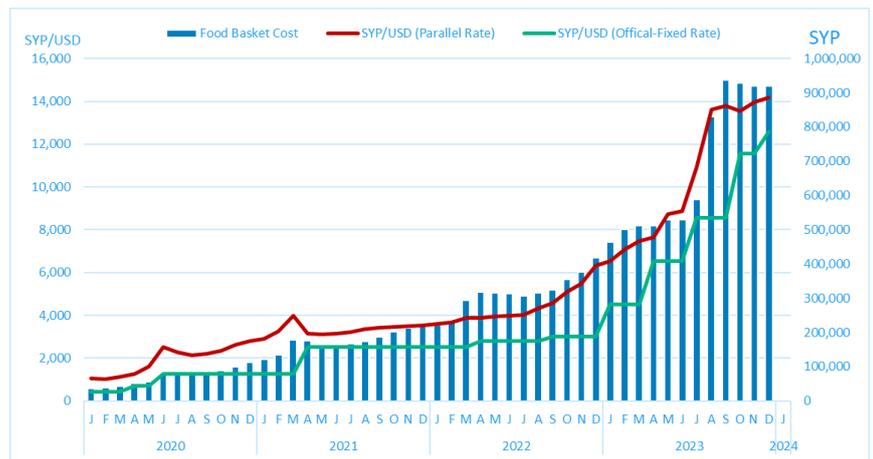
The price of diesel for heating in January 2024 slightly increased compared to the preceding month but experienced 52% increase in the last 12 months. At the national average of SYP 11,544 per liter, the January price stood at eleven times the rate observed three years earlier. This substantial increase can be attributed to notable reductions in fuel subsidies, undertaken to alleviate the fiscal burden. On the other hand, the national average price of a 25-liter butane gas cylinder on the parallel market went up by twenty percent compared to the previous month, reaching SYP 216,860. Over the past year, gas prices have surged by 58 percent, with the most significant increase observed in north west areas in Syria where prices went up by more than 2.5 times.

Chart 9: Daily exchange rate trends in 2024, SYP/USD



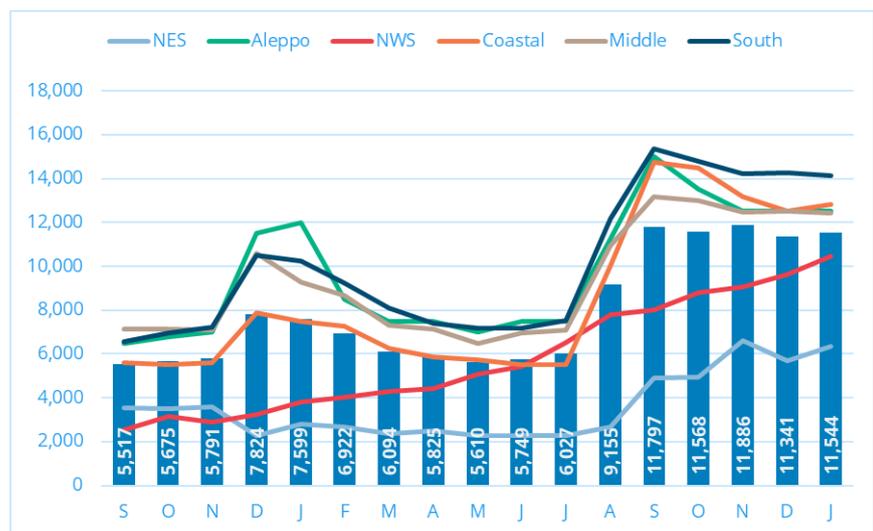
Source: WFP, CBS

Chart 10: Historical exchange rate trends and food basket costs: 2020-2024



Source: WFP

Chart 11: Prices of Heating Diesel



Source: WFP

<sup>6</sup> When measuring exchange rates, there are two quotations. The first is the direct quotation where the US dollar is the base of measuring the change in exchange rate against the local currency. The second one is the indirect quotation where the local currency is the base of measuring the change in the exchange rate against the US dollar. The change in the exchange rate used below reflects the indirect quotation (measuring how much has the Syrian pound improved (appreciated) or worsened (depreciated) against the US dollar).

## Terms of Trade (ToT)

### Daily wage

During the month of January of 2024, the average wage for non-skilled labor continued to rise steadily across the country. The daily wage was recorded at SYP 33,640, which marked a nine percent increase from the previous month and a substantial 99 percent increase from the previous year.

It's worth noting that significant wage variations were observed across different regions. The Cross-border regions had the highest wage rates, nearly two and a half times higher than those found in the Middle areas.

### Terms of trade between wage labour and wheat flour

The wheat flour-to-wage labor Terms of Trade (ToT) rose by five percent from December 2023 to January 2024, reaching 3.65 kg of wheat flour per daily wage (See Chart 13). This marks a one percent change compared to the same period a year earlier. In January 2024, the national average daily wage for a non-skilled worker could buy 3.65 kg of wheat flour, down from 3.66 kg in January 2023. This indicates a one percent decrease in the purchasing power of non-skilled labor for 1 kg of wheat over the past year.

### Terms of trade between sheep and wheat flour

In January 2024, the national average cost of a live two-year-old male sheep saw a thirteen percent uptick compared to the preceding month, reaching SYP 3,432,324 per sheep. The January price was more than four times higher than the corresponding period last year.

In January 2024, the terms of trade between wheat flour and a live two-year-old sheep experienced a nine percent increase compared to the previous month, reaching 373 kg per sheep. The terms of trade have more than doubled over the last 12 months. This increase in the terms of trade indicates that livestock prices have increased a lot more than wheat flour prices over the past 12 months.

Chart 12: Daily wage for unskilled labor, SYP

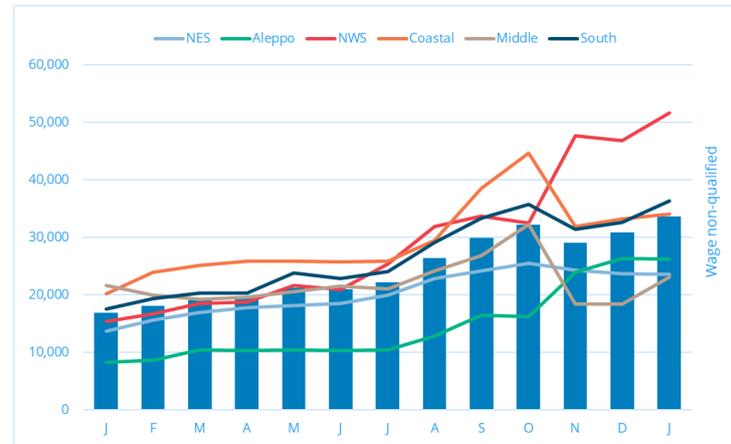


Chart 13: Terms of trade between wheat flour and wage

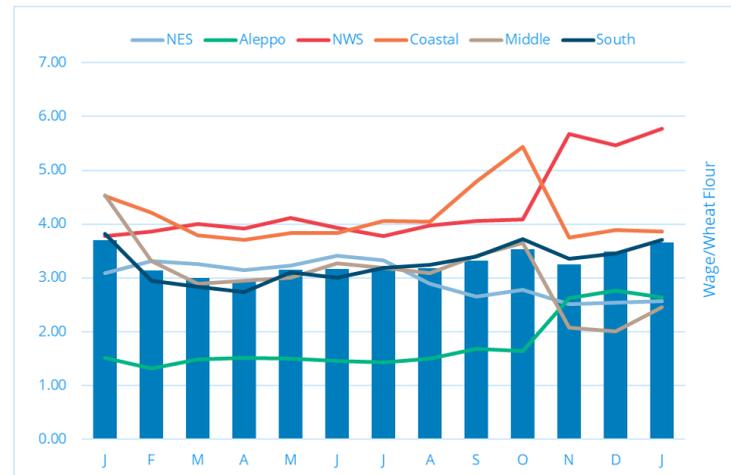
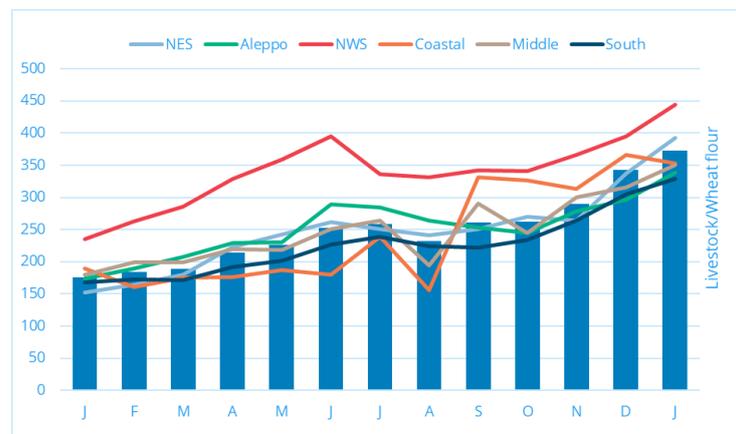


Chart 14: Terms of Trade between wheat flour and the price of a 2 year old sheep



Source: WFP