

SAVING LIVES CHANGING LIVES

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HIGHLIGHTS

- The cost of living, as measured by the Minimum Expenditure Basket (MEB), increased by three percent from the previous month, averaging at SYP 2,664,820 for a family of five. However, this cost has increased by 43 precent compared to the same period last year and more than tripled over the past two years.
- The food component of the MEB stood at SYP 1,735,597 in August, reflecting a 43 percent increase compared to the same month last year. The minimum wage covers only 10 percent of the MEB cost and 16 percent of its food component.
- By the end of August, the exchange rate of the local currency in the parallel market decreased slightly, averaging at SYP 14,826 per U.S. dollar. Over the past year the Syrian pound lost eight percent of its value against the dollar on the parallel market, and over two years, it depreciated by 71 percent. In four years, the local currency lost 85 percent of its value against the dollar.

MINIMUM Expenditure Basket (MEB)¹

- In August, the cost of living, as measured by the Minimum Expenditure Basket (MEB), increased three percent from the previous month, averaging at SYP 2,664,820 for a family of five. However, it's increased by 43 percent compared to the same period last year, and more than tripled in just two years. Despite the minimum wage being pegged at SYP 278,910 (after a 50 percent increase in February 2024 from SYP 185,940), it now only covers 10 percent of the total MEB cost.
- For the second consecutive month, Tartous reported the highest Minimum Expenditure Basket (MEB) cost at SYP 3,065,101, while Idleb had the lowest at SYP 2,267,525. Deir-ez-Zor saw the largest month-on-month increase at six percent. Heat waves and rising input costs (seeds, fuel, etc.) have led to decreased vegetable production, driving up prices for key MEB components like tomatoes, eggplants, parsley, and potatoes due to high market demand and low supply
- An analysis of MEB costs reveals regional variations Syria. The Northwest region recorded the SYP 2,482,628, followed by the lowest value at Northeast at SYP 2,644,586, while the Costal areas still recorded the highest MEB costs averaged at SYP
- The year-on-year increase in the food component was mainly driven by significant price hikes in potatoes (up 138 percent), Parsley (118 percent), Bread (bakery) (up 115 percent), Tomatoes (up 106 percent), chickpeas (up 86 percent), Apples (up 77 percent), Iodized Salt (up 65 percent), Meat (chicken, plucked) (up 58 percent), and Beans (white) (up 52 percent).
- Over the last 12 months, the MEB food component increased by 43 percent, reaching SYP 1,735,597 for a family of five. While The non-food component averaged at SYP 929,223 during the same period. Furthermore, the minimum wage can only cover 16 percent of the MEB food component.

Chart 2: MEB Trend in Syria, SYP (August 2023-2024)

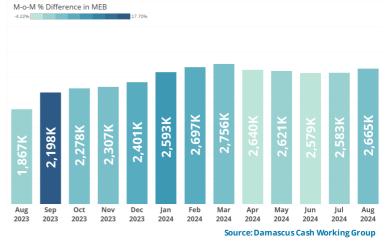


Figure 2: MEB cost and changes, SYP (governorates)

Governorate	Last Month	August 2024 Cost
Deir-ez-Zor	4 6.0%	2,463,423 SYP
Ar-Raqqa	4.8 %	2,500,513 SYP
Tartous	4. 6%	3,065,101 SYP
Idleb	4. 4%	2,267,525 SYP
Dar'a	4.0 %	2,933,552 SYP
Lattakia	J 3.7%	2,818,156 SYP
Aleppo	4 3.6%	2,612,855 SYP
Al-Hasakeh	4 2.5%	2,492,003 SYP
As-Sweida	4 2.4%	2,860,784 SYP
Damascus	4 1.9%	2,861,001 SYP
Rural Damascus	4 1.6%	2,674,013 SYP
Homs	4 1.6%	2,616,229 SYP
Hama	4 1.0%	2,648,299 SYP
Quneitra	4 0.2%	2,538,868 SYP

Source: Damascus Cash Working Group

Figure 3: MEB cost and changes, SYP (Regions)

Regions	Last month	August 2024 Cost
NES	4.2 %	2,644,586 SYP
Coastal	4.1 %	2,941,628 SYP
NWS	4 3.9%	2,482,940 SYP
South	4 2.3%	2,772,074 SYP
Central	4 1.4%	2,629,876 SYP

Source: Damascus Cash Working Group

Legend on regions:

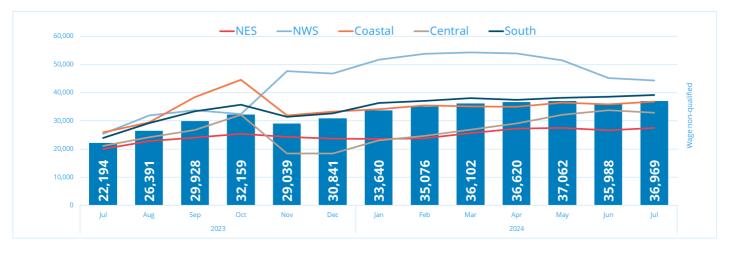
NWS=Aleppo And Idleb, South = Damascus, Rural Damascus, Dar'a, As-Sweida, and Quneitra NES = Ar-Raqqa, Al-Hasakeh, and Deir-ez-Zor, Coastal = Lattakia and Tartous, Central = Homs and Hama

1A 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 Country Team Cash Working Group (HCT-CWG).

Daily wage

In August, the average wage for non-skilled labor was SYP 37,690, marking a 2% increase from the previous month and a 43 percent rise compared to the same month last year. The Northwest had the highest wage rates at SYP 42,670, 39 percent above the Northeast, which reported the lowest average wage at SYP 30,766.

Chart 3. Daily wage (Unskilled labour) (August 2023-2024)



Global food prices and inflation trends:

- In August 2024, the FAO Food Price Index³, which measures the monthly change in international prices of a variety of food items, averaged 120.7 points, a slight change from the previous month. Where the decline in the sugar, meat and cereals price index was more than the increases in the price indices for vegetable oil and dairy products.
- In addition, The FAO Cereal Price Index was 110.1 points in August, down 0.6 points from July and 14.9 points from August 2022. Wheat prices fell due to weak demand and competition from Black Sea suppliers, along with increased production in Argentina and the U.S. In contrast, maize prices rose slightly, driven by heatwave concerns in the EU and U.S. and tighter supplies in Ukraine. Barley prices declined, while sorghum prices increased. The FAO All Rice Price Index rose by 0.6 percent in August, influenced by seasonal tightness and currency appreciation in some exporting countries.
- In Turkey, food inflation⁴ decreased to 44.88 percent in August 2024, which is 14 percent lower compared to the previous month. Meanwhile, Ukraine observed a five percentage points increase in the food inflation rate compared to the previous month reaching 6 percent, while Russia had no change in August with an inflation rate of 9.7 percent.

Course: EAO

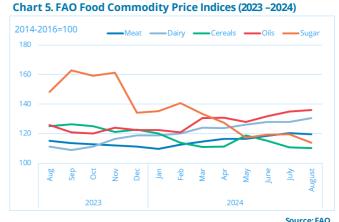


Chart 4: FAO Food Price Index (2021 -2024)

https://www.fao.org/worldfoodsituation/foodpricesindex/en/

⁴ Trading Economics "Inflation Rate"

Retail prices for key commodities:



Wheat Flour:

- In August, the price of wheat flour decreased by 2% from the previous month, averaging SYP 9,421 per kilogram.
 Despite this monthly drop, prices have increased by 14% over the past year and surged by 170% over the last two years.
- For the third consecutive month, the Northeast regions of Syria reported the highest average retail price for wheat flour at SYP 10,891 per kilogram. In contrast, the Northwest region had the lowest price at SYP 8,708 per kilogram. This disparity highlights the ongoing regional variations in wheat flour pricing across the country.
- Year-on-Year, the South recorded the lowest increase at 5%. Meanwhile, the Northeast continued to show the highest increase at 38%, followed by the Coastal region at 21%.

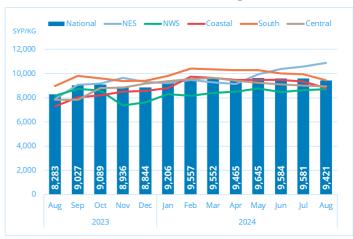
Rice:

- In August, the average cost of Egyptian white rice was SYP 16,366 per kg, marking a two percent decrease from the previous month and a five percent increase from the same month in the previous year, while the price nearly quadrupled (299 percent increase) in the span of last two years
- Regionally, the south region remained repotting the highest retail price averaged at SYP 17,662, while the lowest price was recorded in the Northeast at SYP 15,049.
 The northeast areas saw the highest yearly percentage increase at 24 percent, while the central areas had a two percent decrease from the last year.

Chicken and Eggs:

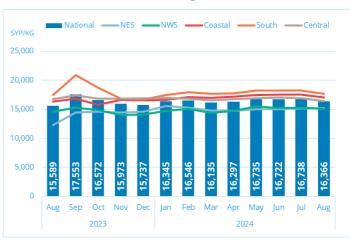
- In August, the national average price of plucked chicken (poultry meat) fell by six percent after two months of increases, averaging SYP 43,379 per kilogram. Despite this monthly decline, prices have risen by 58 percent over the past year and nearly quadrupled over the past two years.
- In the Syrian market, Northeast areas reported the highest nominal prices for chicken at SYP 46,406 per kilogram, while the Northwest had the lowest at SYP 38,997 per kilogram. The Coastal region experienced the highest annual increase at 86 percent, followed by the Northeast at 76%, while the Central areas saw the lowest increase rate at 49 percent.
- In related developments, the price of a tray of 30 eggs rose by 14 percent in August, reaching SYP 48,476. This price has increased by 34 percent over the past year and has more than tripled in the last two years, reflecting a substantial 262% increase.

Chart 6: Retail Prices of Wheat flour, SYP (August 2023-2024)



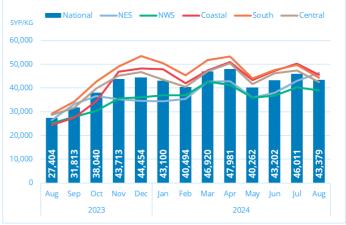
Source: WFP

Chart 7: Retail Prices of rice, SYP (August 2023-2024)



Source: WFP

Chart 8: Retail Prices of Chicken, SYP (August 2023-2024)

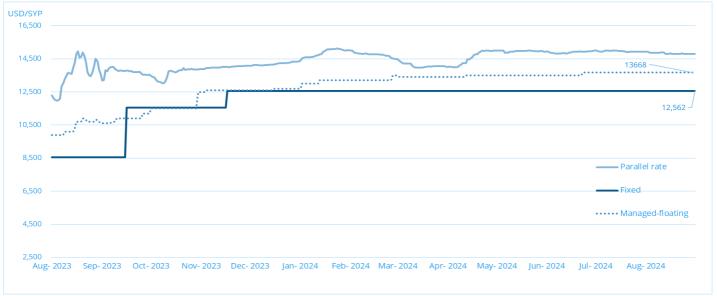


Source: WFP

Exchange rate:

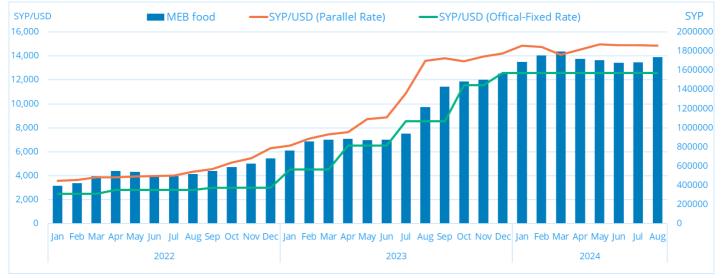
- The official exchange rate has remained stable since the last devaluation in December 2023, averaging SYP 12,562 for eight months, while the managed-floating exchange rate averaged SYP 13,668.
- By the end of August, the exchange rate for the Syrian pound in the parallel market averaged SYP 14,862 per US dollar. Throughout the year, the Syrian pound has lost nearly nine percent of its value in the parallel market, and over the past two years, it has depreciated by 71 percent. Over four years, the local currency has lost 85percent of its value against the dollar, highlighting significant long-term challenges for the economy.

Chart 9: Daily exchange rate trends in 2024, SYP/USD (August 2023-2024)



Source: WFP, CBS

• Syria, which relies heavily on food imports, faces rising costs for these goods due to its weakened currency. Chart 10 illustrates the connection between exchange rate fluctuations and food prices, as reflected in the Minimum Expenditure Basket (MEB) for food. The graph clearly shows a strong correlation between the depreciation of the currency and increasing food prices.

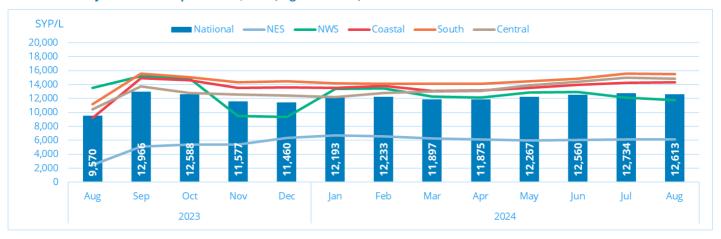


Source: WFP

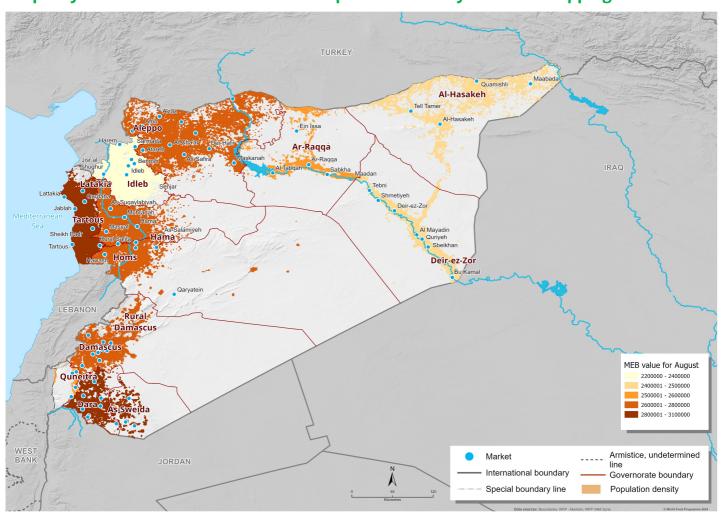
Energy prices

- In August 2024, the national parallel market price for diesel used in transport decreased by one percent from the previous month, averaging SYP 12,613. However, over the past year, diesel prices have increased by 32 percent, and the August price is more than double what it was two years ago. This significant rise is largely due to notable reductions in fuel subsidies initially implemented by the government to ease fiscal pressures.
- Conversely, the national average price of a 25-liter butane gas cylinder in the parallel market also fell by one percent from the previous month, averaging SYP 259,045. Over the past year, gas prices have more than doubled, with the South region experiencing the highest annual increase at 206 percent, followed by the Coastal region at 156 percent and the Northeast at 121 percent.

Chart 11: Monthly Prices of Transport Diesel, SYP/L (August 2023-2024)



Map 1: Syrian monitored markets with Population density and MEB Mapping



Annex 1: Retail prices for MEB food components























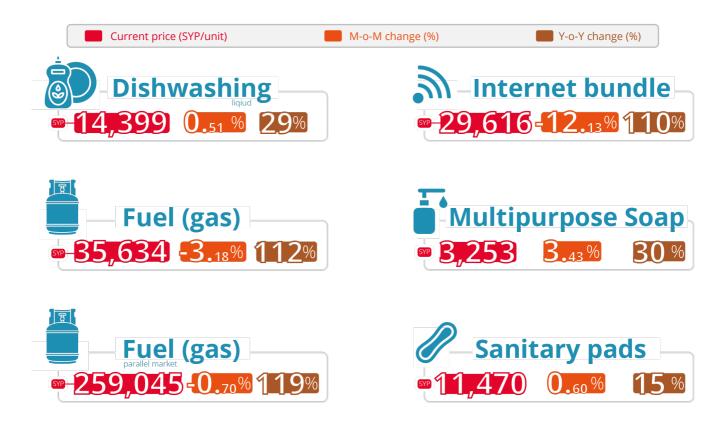








Annex 2: Retail prices for MEB non-food components





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