NORTHEAST SYRIA JOINT MARKET MONITORING INITIATIVE (JMMI)

6 - 13 JUNE 2022

INTRODUCTION

To inform humanitarian cash programming, the northeast of Syria (NES) Cash Working Group (CWG) conducts a monthly Joint Market Monitoring Initiative in northern Syria. The exercise assesses the availability and prices of 36 basic commodities that are typically sold in markets and consumed by average Syrian households, including food and non-food items, water, fuel, and cell phone data.

Of these, 18 items comprise the Survival Minimum Expenditure Basket (SMEB; see fg. 8-9; and 11) which represents the minimum, culturally adjusted items required to support a 6-person household for a month. For further information, please see our methodology.

ON-LINE DASHBOARD

To facilitate the interaction with the JMMI, an interactive dashboard is available on-line. The dashboard is designed to allow users to navigate more easily and draw geographical and temporal comparisons across different currencies. To use the on-line interactive dashboard, click here.

7	supporting partners
4	governorates
11	districts
30	subdistricts
57	communities
1,717	shops (vendor key informants)

COST OF NES SMEB[1]

570,751 SYP 0%

144 USD ▼ -1%

COST OF NES FOOD BASKET[1]

430,518 SYP ▼ -6%

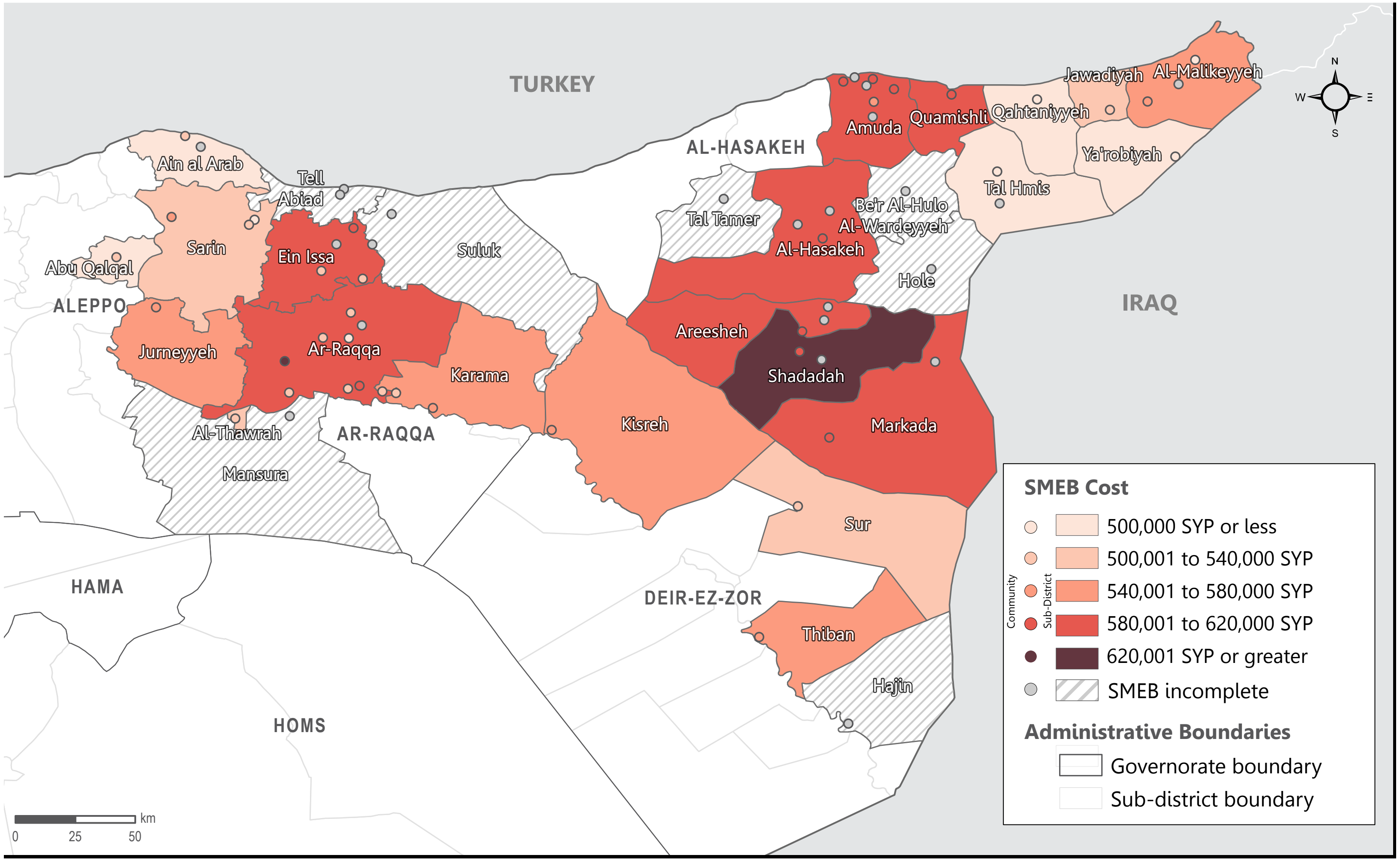
109 USD ▼ -6%

NES EXCHANGE RATE[1]

USD/SYP

3,945 SYP ▲ 1%

MEDIAN SMEB PRICE PER SUB-DISTRICT (SYP) - FIG. 1



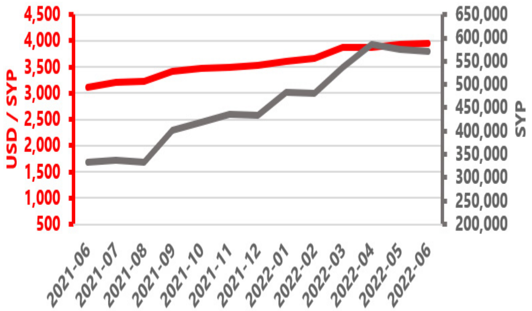
#1 For price and change % calculations, only the communities within a sub-district with consistent coverage across months are included. This also applies to the following tables.

IN THIS FACTSHEET

As the JMMI generates a large amount of data, this factsheet is limited to a high level analysis. For more detailed data, consult the dataset and online dashboard.

TABLE OF CONTENTS

NORTHEAST SYRIA SMEB PRICE TRENDS VS USD TO SYP INFORMAL EXCHANGE RATES - FIG. 2



KEY DEVELOPMENTS

In June the regional price of the SMEB was recorded to be 570,751 SYP (144 USD), representing a 0% change from May. This means that for the previous two months there was no increase in price as observed in previous months, most notably from February to April 2022, potentially indicating that prices are being balanced by the market.

The regional SMEB food component was recorded at 430,518 SYP (109 USD), representing a 6% decrease from May. This was largely attributed to a reduction in the price of vegetables and cooking oils which continued to decrease from the previous two months.

The prices of both high- and low-quality fuels continued to **increase** in June, with high-quality transport fuels remaining largely unavailable across NES. This coincides with the majority of vendors reporting unavailability of high-quality diesel and petrol.

The informal USD/SYP exchange rate was recorded to be 3,945 SYP representing a 1% increase (depreciation) since May. This shows a relative stabilisation in the rate of increase that has been observed since the beginning of the year. This could have contributed to the stabilisation of the SMEB price where heavy reliance on imports in Syria for essential goods means that prices are highly sensitive to currency falls.

MEDIAN SMEB PRICE PER SUB-DISTRICT - FIG. 3

	SMEB SYP	1 month change	6 month change	SMEB USD[2]
Northeast Syria SMEB [3]	**570,751**	**0%**	**32%**	**144**
Northeast Aleppo Governorate	501,851	-9%	18%	126
Abu Qalqal	501,851	-9%	12%	127
Ain al Arab	494,823	-4%	18%	126
Sarin	530,735	-3%	25%	135
Al-Hasakeh	582,981	-3%	24%	148
Al-Hasakeh Governorate	582,981	-2%	31%	134
Al-Malikeyyeh*	548,027	-2%	38%	139
Amuda*	597,754	1%	36%	152
Areesheh	584,676	0%	28%	148
Jawadiyah*	539,354	-2%	37%	137
Markada	573,132	-8%	23%	144
Qahtaniyyeh*	487,226	-3%	46%	124
Quamishli	580,998	13%	38%	147
Shadadah	636,382	0%	47%	161
Tal Hmis*	486,616	-21%	10%	123
Ya'robiyah*	464,963	-9%	27%	118
Ar-Raqqa Governorate	573,784	-4%	24%	137
Al-Thawrah*	533,832	NA	14%	135
Ar-Raqqa	573,784	-4%	27%	145
Ein Issa	577,236	-7%	25%	147
Jurneyyeh*	557,173	-7%	NA	NA
Deir-ez-Zor Governorate	556,098	-2%	30%	121
Kisreh	568,370	0%	33%	144
Sur	531,982	-6%	34%	134
Thiban	556,098	-1%	NA	140

#2 USD values are calculated as per the informal exchange rate recorded in the same geographical area. Please see this month's JMMI dataset for informal exchange rates by area.
#3 * For these sub-districts, water trucking prices were not available and is not included in the SMEB price.

SMEB COMPONENT ANALYSIS

The regional SMEB food component saw a decrease in price in June largely attributed to a reduction in the price of vegetables which continued to decrease from the previous two months (fig.4). This is likely due to greater reliance on seasonal local production in summer, reducing the associated costs of imports. Further, field teams reported that the price decreases in cooking oils, eggs and chicken are likely attributed to vendors lowering prices to sell heat-sensitive produce quicker in the summer months (fig.11). Overall, the highest food component price was recorded in Tal Tamer subdistrict in Al-Hasakeh governorate (fig.10), consistent with previous months. Comparatively, there was a notable drop in the price of food items in Tal Hamis subdistrict, also in Al-Hasakeh, largely attributed to a drop in the price of bulk foods in this governorate.

The price of bulk food items overall increased slightly, with the price of most items remaining stable (fig.11). The price of bulk food items is generally linked to the USD/SYP exchange rate as these items are imported. There was however a notable decrease in the price of sugar which field teams attributed to large imports of the commodity which reduced monopolization. The highest price for bulk food items was recorded in Amuda subdistrict in Al-Hasakeh governorate.

There was an overall decrease in the price of bread with notable price decreases in Aleppo and Al-Hasakeh districts (fig.5). Despite this, 6% of reporting vendors across NES stated that bread was unavailable in their community, a 2% increase from the previous month. Field teams reported that subsidized bread is of poor quality and higher quality bread is available however at higher prices.

In general, above-average temperatures and drought are seriously impacting cereal production with cycles of wheat crops failing across NES, which provides approximately 80 per cent of annual wheat and barley production in Syria. This has been particularly felt in Al-Hasakeh governorate which accounts for the largest planted area.

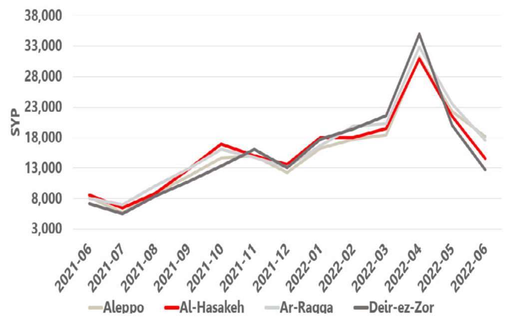
Further, NES FSL Cluster reported in May that irrigation water is increasingly unavailable to farmers in NES as a result of low rainfall as well as the unavailability and unaffordability of fuel to operate water pumps. FAO forecasts suggest that crop production in 2022 will be below-average levels.

While the overall decrease in the price of the SMEB food component is a positive indication for Syrian households, longer term price trends and the outlook of agricultural production in the context of worsening climatic conditions have significant food security implications. Further, the war in Ukraine continues to impact commodity markets with on-going implications in Syria for food and fuel prices. The FAO-WFP Hunger Hotspots report from June to September 2022 highlights that in Syria "a significant number of additional people [1.9 million] are at risk of falling into food insecurity in the outlook period, due to the dilapidated economic situation". Food insecurity has led to households adopting negative coping strategies including purchasing food on credit due to lack of money, withdrawing children from school to reduce education expenses or provide additional labour for households, and reducing the number of daily meals.

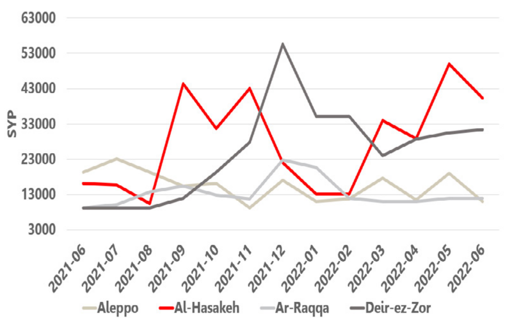
The price of non-food items continued to increase in June, most notably in the price of bathing soap potentially as a result of fluctuating exchange rates that impact imported items (fig.11). Cooking fuel increased to the highest recorded price, representing a 100% increase in the past 6 months (fig.6). This was largely as a result of increases in the price of kerosene. The most significant increases in the cost of kerosene occurred in Al-Hasakeh and Deir-ez-Zor governorates, while it remains most expensive in Al-Raqqa governorate. Field teams reported that such increases are likely due to increased demand particularly in areas where gas distribution was not consistent.

There was a 20% increase in the price of water, likely related to increased demand in summer as well as increasing fuel costs (fig. 7). This occurs within the context of overall water shortages and drastically declining water levels in the Euphrates River. In addition, COAR recently reported that "[a]ccess to drinking water [in Syria] has been severely curtailed – the result of poor maintenance, poor management, and subsidy cuts."

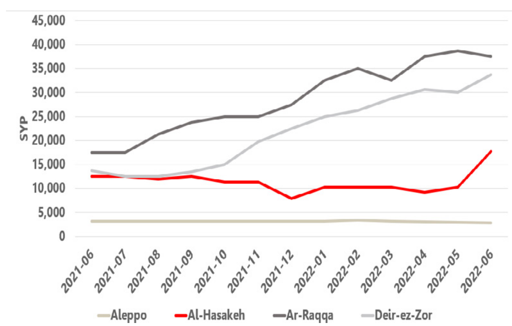
SMEB VEGETABLE PRICES IN NES - FIG. 4



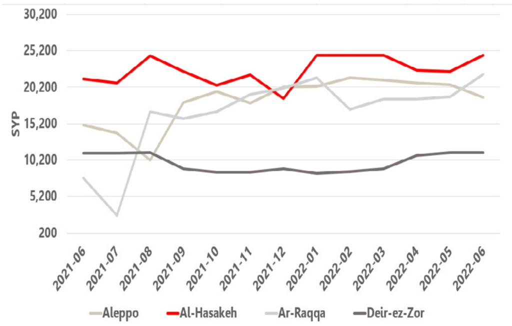
SMEB BREAD PRICES IN NES - FIG. 5



COOKING FUEL PRICES IN NES FIG. 6



SMEB WATER TRUCKING PRICES IN NES - FIG. 7



SMEB COMPOSITION[4] FOR NORTHEAST SYRIA - FIG. 8

SMEB CONTENTS - FIG. 9

Food

Bread	37 kg	Rice	19 kg
Bulgur	15 kg	Salt	1 kg
Chicken	6 kg	Sugar	5 kg
Eggs	6 kg	Tomato paste	6 kg
Ghee/veg. oil	7 kg/L	Vegetables (fresh)	12 kg
Red lentils	15 kg		

Hygiene (NFI)

Bathing soap	12 bars	Toothpaste	200 g
Laundry/dish soap	3 kg	Sanitary pads	4 packs of 10

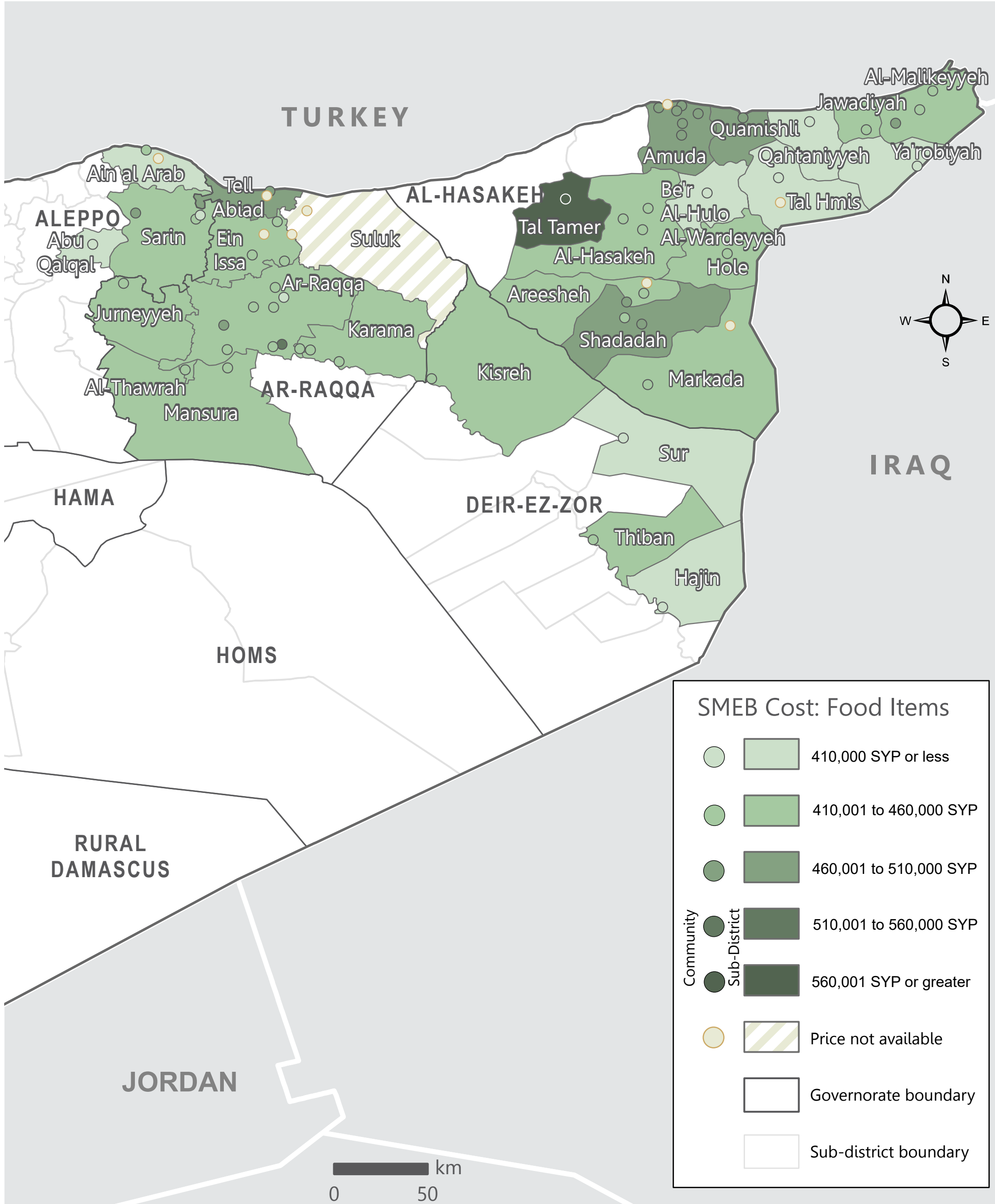
Other

Cooking fuel	25 L	Phone data	1 GB
Water trucking	4500 L	"Float"/other costs	7.5% of total

The SMEB Total is the median cost of the minimum, culturally adjusted items required to support a 6-person household for a month.

#4 Due to rounding figures may not total 100%

SMEB FOOD COMPONENT COST ACROSS NES, BY SUBDISTRICTS AND COMMUNITIES - FIG. 10



PRICE OF ALL SMEB ITEMS - FIG. 11

Item	Unit[5]	Price SYP	1 month change	6 month change	Price USD[2]
Northeast food Syria SMEB		**430,518**	**-6%**	**25%**	**109**
SMEB bulk component	SMEB	236,500	3%	34%	59.95
Bulgur	1 kg	3,400	0%	48%	0.86
Red lentils	1 kg	4,500	0%	18%	1.14
Rice	1 kg	3,500	0%	40%	0.89
Salt	500 g	600	9%	20%	0.15
Sugar	1 kg	3,000	-14%	30%	0.76
Tomato paste	1 kg	5,000	0%	25%	1.27
SMEB vegetables component	SMEB	14,700	-33%	13%	3.73
Tomatoes	1 kg	1,500	-44%	25%	0.38
Potatoes	1 kg	1,600	-20%	33%	0.41
Cucumbers	1 kg	1,000	-34%	-17%	0.25
Onions	1 kg	900	-25%	29%	0.23
Cooking oils	SMEB	63,389	-3%	51%	16.07
Ghee	1 kg	9,000	-1%	50%	2.28
Vegetable oil	1 L	9,200	-3%	53%	2.33
SMEB non-veg perishables					
Bread	8 pc	382	-5%	-38%	0.10
Chicken	1 kg	6,600	-15%	22%	1.67
Eggs	30 pc	9,500	-6%	0%	2.41
Non-food items component	SMEB	39,000	4%	25%	9.89
Bathing soap	1 pc	1,250	25%	56%	0.32
Sanitary pads	10 pc	2,000	0%	33%	0.51
Toothpaste	100 g	2,500	0%	10%	0.63
Laundry powder	1 kg	4,750	8%	19%	1.20
Dish soap	1 L	3,500	4%	25%	0.89
Cooking fuels component	SMEB	25,000	43%	100%	6.34
Kerosene (manually refined)	1 L	1,100	47%	42%	0.28
LP gas	1 L	175	0%	0%	0.04
Water trucking component	SMEB	18,844	20%	12%	4.78
Water trucking (1000 L)	1 m3	3,830	20%	12%	0.97
Other					
Phone data	1 gb	3,000	15%	16%	0.76

#5 The SMEB unit refers to the current SMEB allocation of the item, as outlined in fig. 9

MARKET FUNCTIONALITY

Market functionality indicators remained consistent from the previous month, indicating that supply chains are still functioning despite ongoing supply challenges, the cost and availability of transport fuels, and currency depreciation. Such challenges will continue to have impacts for Syrian households well into the second half of 2022.

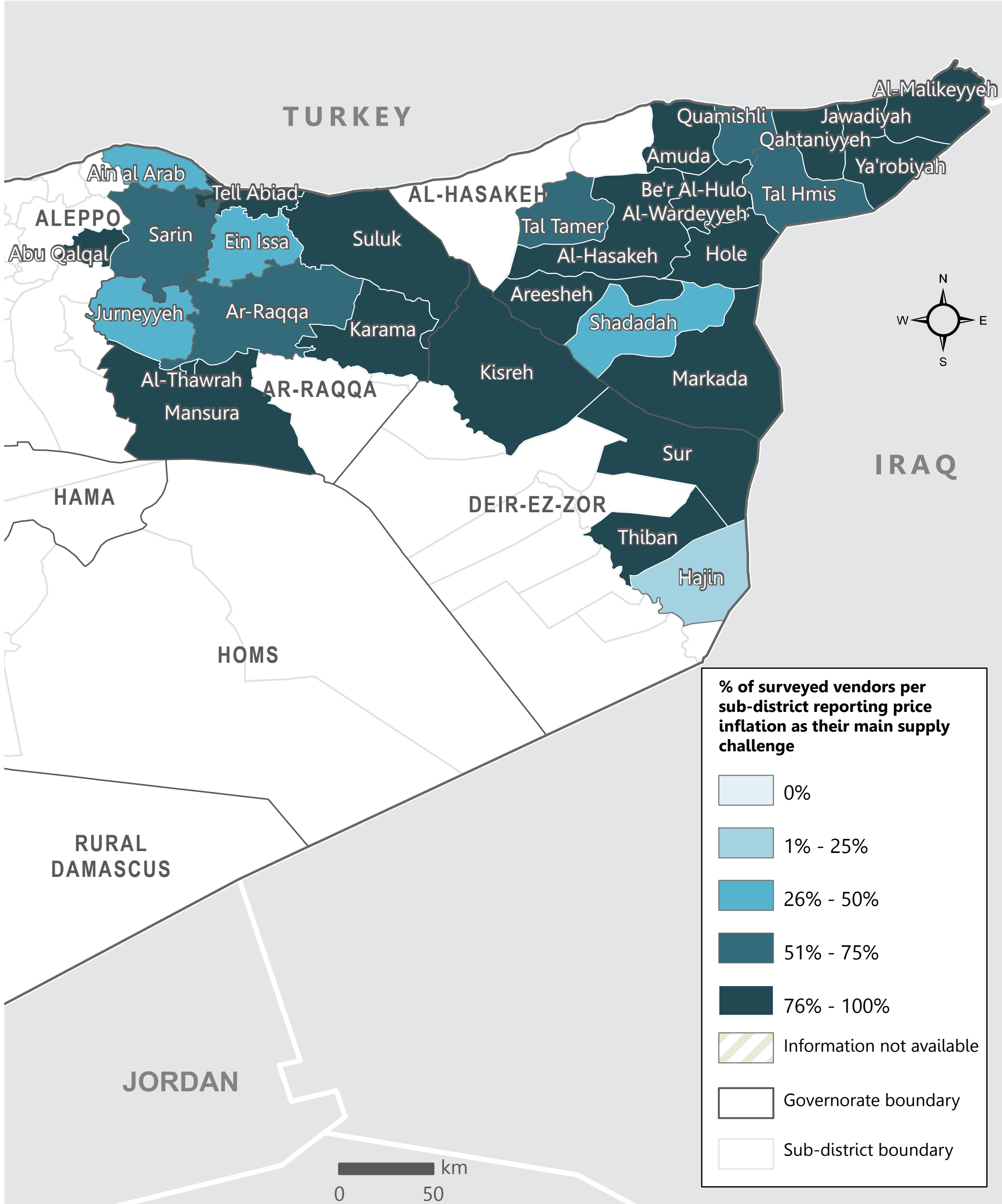
Majority of surveyed vendors continued to report supply challenges in June (fig.12). Price inflation remained the most significant challenge, most notably in **Al-Hasakeh governorate** (fig.13). In sub-districts where price inflation was a less significant challenge, for example in Shadadah, vendors commonly reported that the supplier had limited or no stock, or that they were not facing supply issues. Vendors with limited stock of USD notes remained high across NES with only approximately **one third of vendors reporting adequate stock of the 1 USD denomination**. In addition, 100% of butchers reported that they would run out of stock in less than 3 days if unable to restock. In general, butchers are typically only able to keep small stores of stock at any one time due to the perishable nature of their produce. Further, **100% of water trucking vendors** in Al-Haskakeh reported that they would run out of supply in less than 3 days if supply lines were cut.

There were increases in the prices of both high- and low-quality fuels as observed in previous months. This coincides with high-quality transport fuels remaining largely unavailable across NES.

SUPPLY CHALLENGES REPORTED[6] BY SURVEYED VENDORS - FIG. 12

	AREA	REPORTED %
PRICE INFLATION	**NES**	**72%**
	NE Aleppo	56%
	Al-Hasakeh	80%
	Ar-Raqqa	71%
	Deir-Ez-Zor	69%
NO ISSUES	**NES**	**20%**
	NE Aleppo	37%
	Al-Hasakeh	10%
	Ar-Raqqa	22%
	Deir-Ez-Zor	26%
SUPPLY CANT MEET DEMAND	**NES**	**14%**
	NE Aleppo	4%
	Al-Hasakeh	19%
	Ar-Raqqa	10%
	Deir-Ez-Zor	30%
SUPPLIER LIMITED SUPPLY	**NES**	**12%**
	NE Aleppo	13%
	Al-Hasakeh	17%
	Ar-Raqqa	5%
	Deir-Ez-Zor	7%

VENDORS REPORTING PRICE INFLATION AS THEIR MAIN SUPPLY CHALLENGE ACROSS NES - FIG. 13



#6 multiple choice, responses not expected to total 100%. Please see this month's JMMI dataset for all supply challenges reported by vendors.

ABOUT

To inform humanitarian cash programming, the northeast of Syria (NES) Cash Working Group (CWG) - in partnership with local and international NGOs - conducts a monthly JMMI in northern Syria. The exercise assesses the availability and prices of 36 basic commodities that are typically sold in markets and consumed by average Syrian households, including food and non-food items, water, fuel, and cell phone data.

METHODOLOGY

In order to be included in the JMMI, markets must be permanent in nature, large enough to support at least two wholesalers, and diverse enough to provide a sufficient variety of goods and commodities. Additionally, the shops surveyed within each market must be housed in permanent structures and must sell certain items to be eligible for inclusion.

Prices are calculated by taking the median of the next level of aggregation: community prices draw their medians from different vendors, sub-districts from communities, districts from sub-districts, and regional figures are calculated by taking the medians of the minimum reported prices of a region's districts.

For more details about the methodology, access the online JMMI dashboard.

In light of the fluctuation of the Syrian Pound (SYP)'s value and resulting market disruption, prices should be seen as representative only of the markets and dates where and when information was collected (6th - 13th June 2022).

LIMITATIONS

All JMMI data is only indicative for the specific timeframe within which it was collected, and trend lines in graphs may not be continuous where data is missing. Usually, data is collected during the first Monday-to-Monday of each month. The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product. Non-food items (NFIs) are particularly challenging to standardize as they vary significantly in terms of types, brands, and specifications. The JMMI methodology aims to balance consistency and comparability considerations with geographical variations in availability.

Due to issues of access, security and partner capacity, the markets included in the JMMI may vary on a monthly basis. As such, the reported changes in the more aggregate levels (governorate, district) may be driven by shifts in coverage rather than actual changes. For this reason, we recommend all users to consider local markets and lower levels of aggregation (sub-district, community) when using JMMI data for more specific trend analyses.

It is important to keep in mind that some vendors might feel more or less inclined to share their actual experiences (fearing that the information shared might be used by competitors or in some way against their business), while others might adjust their answers based on the expected effect that they will have on humanitarian programming. Similarly, even though all enumerators received the same training, some might have more previous experience and might therefore be better able to produce higher quality data.

Part of the data collection takes place remotely using vendor contact information collected in advance by the JMMI partners, in order to prevent the spread of COVID-19. Market monitoring can be challenging, especially through remote interviews. At the same time, the JMMI has over seven years of accumulated experience, strong internal coordination and external relation with vendors, and vast longitudinal data, which supports the accuracy of findings.

JMMI AND THE CASH WORKING GROUP

The JMMI exists within the framework of the Cash Working Group (CWG). In northwest Syria (NWS), the CWG was established in May 2014 to analyse the impact of the ongoing conflict on markets in Syria and guide the implementation of humanitarian cash and voucher programmes within those markets. In northeast Syria (NES), the CWG was established in 2018, to fulfil a similar purpose in that region.

For more information about the CWG in NES, please contact the cash working group coordinator at cashcoordnes@gmail.com

PARTNERS

Each month, around 20 different organizations work together to collect market data. Participating organisations train their enumerators on the JMMI methodology and data collection tools using standard training materials developed by REACH, who is then responsible for processing the data.

REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms.

For more information about REACH, please contact the REACH JMMI focal point, Safa'a Harahsheh, at safaa.harahsheh@reach-initiative.org or visit the REACH Syria Resource Centre.