

Monthly Bulletin for Consumer Price Index and Inflation in Syria

Issue (6) – June 2023



Preface

The bulletin provides an independent assessment of consumer prices and the rate of inflation in all Syrian regions, based on a monthly survey of consumer prices carried out by the Syrian Center for Policy Research (SCPR) since October 2020. The SCPR had developed a methodology for building a price index based on components of the consumer basket, weighting, and market selection (See [SCPR's Consumer Price Index in Syria](#))

This bulletin presents the findings of the monthly consumer price survey and the changes in the Consumer Price Index (CPI) for **June 2023** (with 2021 as the base year) broken down by region and the major consumption groups. Based on the CPI changes, the bulletin provides an estimate of the cost of living and poverty lines at the local level in all Syrian regions.

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Acronyms and Abbreviations

AA	Autonomous Administration
CPI	Consumer Price Index
GoS	Government of Syria
M-o-M	Month on month
SCPR	Syrian Center for Policy Research
SIG	Syrian Interim Government
SSG	Syrian Salvation Government
SYP	Syrian Pound
TL	Turkish Lira
USD	United States Dollar
Y-o-Y	Year on year

1. Inflation in Syria, June 2023

In June 2023, the general price index exhibited an annual inflation (Y-o-Y) of 85.5 per cent and a monthly inflation (M-o-M) of 3.9 per cent.

The various commodities and services group marked the highest monthly inflation rate at 6.4 per cent in June 2023. Men's hairdressing costs increased to approximately SYP 12,000 nationwide, and women's hairdressing costs increased to around SYP 17000.

The Communications group recorded a monthly inflation rate of 5.6 per cent, particularly in the SSG areas. Despite the stability of the mobile call rates in these areas, the depreciation of the Turkish lira against the US dollar led to a significant increase in its prices during this month¹.

The Household equipment, supplies and maintenance group recorded a high monthly inflation rate of 5.3 per cent in June 2023. The average price for bedroom sets (5 pieces with a double bed) reached approximately SYP 5.2 million nationwide, while the prices for single blankets (2 kg) reached around SYP 156000.

Table (1): Monthly consumer price inflation in Syria for June 2023 by consumption group (base year 2021 =100) and (inflation in percentages)

#	Group	May 2023 index	June 2023 index	Monthly Inflation (M-o-M)
	All commodities	313.4	325.6	3.9%
1	Food and non-alcoholic beverages	311.5	321.2	3.1%
2	Tobacco	274.9	287.2	4.5%
3	Clothes and shoes	321.2	339.4	5.6%
4	Housing, water, electricity, gas, and other fuel oils	343.9	358.5	4.2%
5	Household equipment, supplies and maintenance	327.0	344.3	5.3%
6	Health	303.5	319.0	5.1%
7	Transportation	302.8	311.2	2.8%
8	Communications	232.8	245.9	5.6%
9	Entertainment and culture	310.1	325.9	5.1%
10	Education	274.2	281.7	2.7%
11+12	Various commodities and services	310.8	330.6	6.4%

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

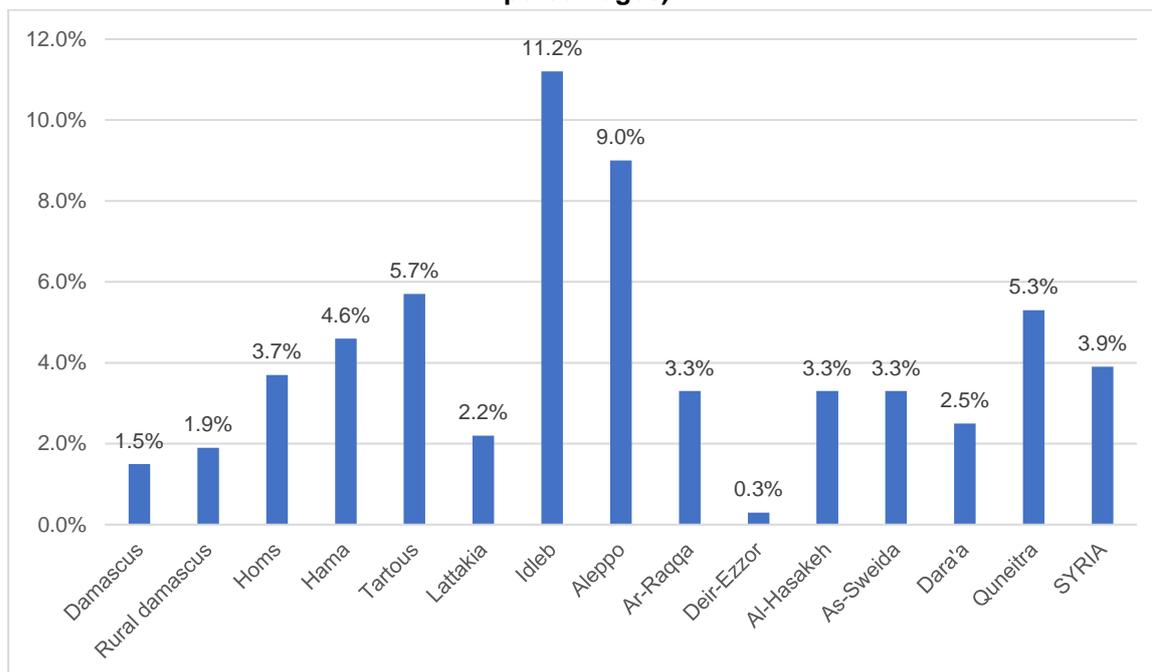
¹SSG areas rely on an international telecommunications operator named [e-LUX Mobile](#), originates from Luxembourg. This operator determines call rates in US dollars or their equivalent in Turkish lira.

2. Inflation by Governorate

In June 2023, the governorates of Idleb and Aleppo marked the highest monthly inflation rates at 9 per cent and 11.2 per cent, respectively, while the governorate of Deir-Ezzor recorded the lowest inflation rates at 0.3 per cent.

The Syrian Interim Government (SIG) and the Syrian Salvation Government (SSG) areas led in monthly inflation (M-o-M) across all commodities and services in June, recording a rate of 1.8 per cent. Following closely, the Government of Syria (GoS) recorded a 3 per cent inflation, while the Autonomous Administration (AA) recorded a 1.7 per cent inflation.

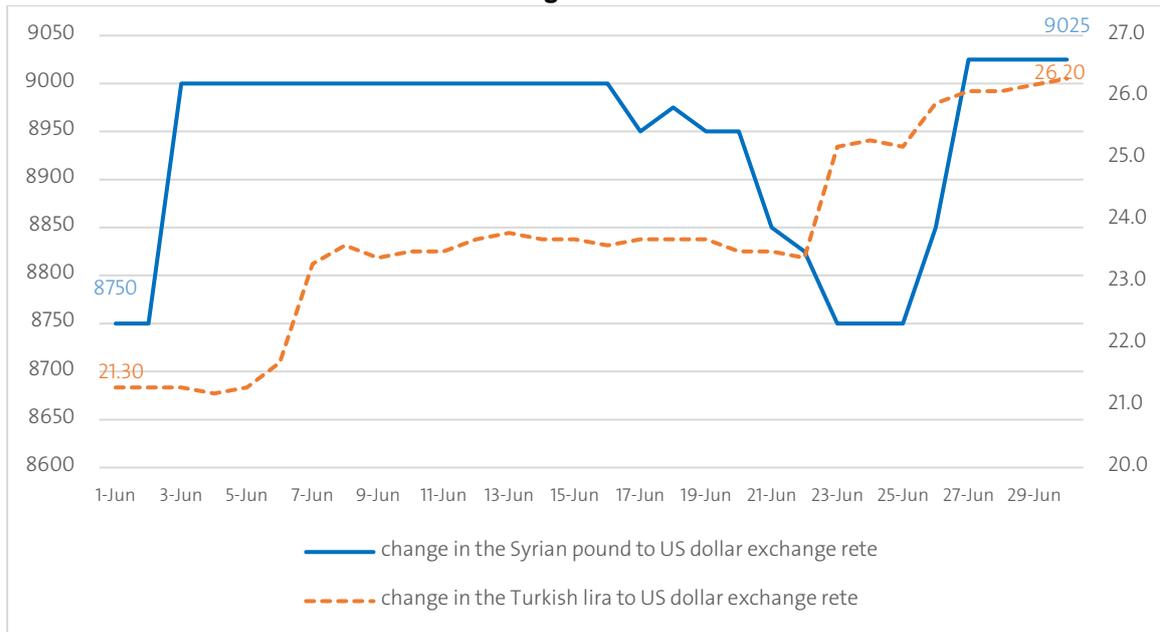
Figure (1): Monthly inflation (M-o-M) of consumer prices in Syria during June 2023 (in percentages)



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

The Turkish lira (TL) exchange rate to the USD fell significantly in June 2023 by 13.2 per cent (monthly average). The Turkish lira amounted to TL 26.2 per dollar at the end of June 2023, compared to TL 21.3 in the month of its inception. The Syrian pound fell by 1.8 per cent, reaching a value of SYP 9025 per dollar at the end of June 2023, compared with SYP 8750 per USD at the beginning.

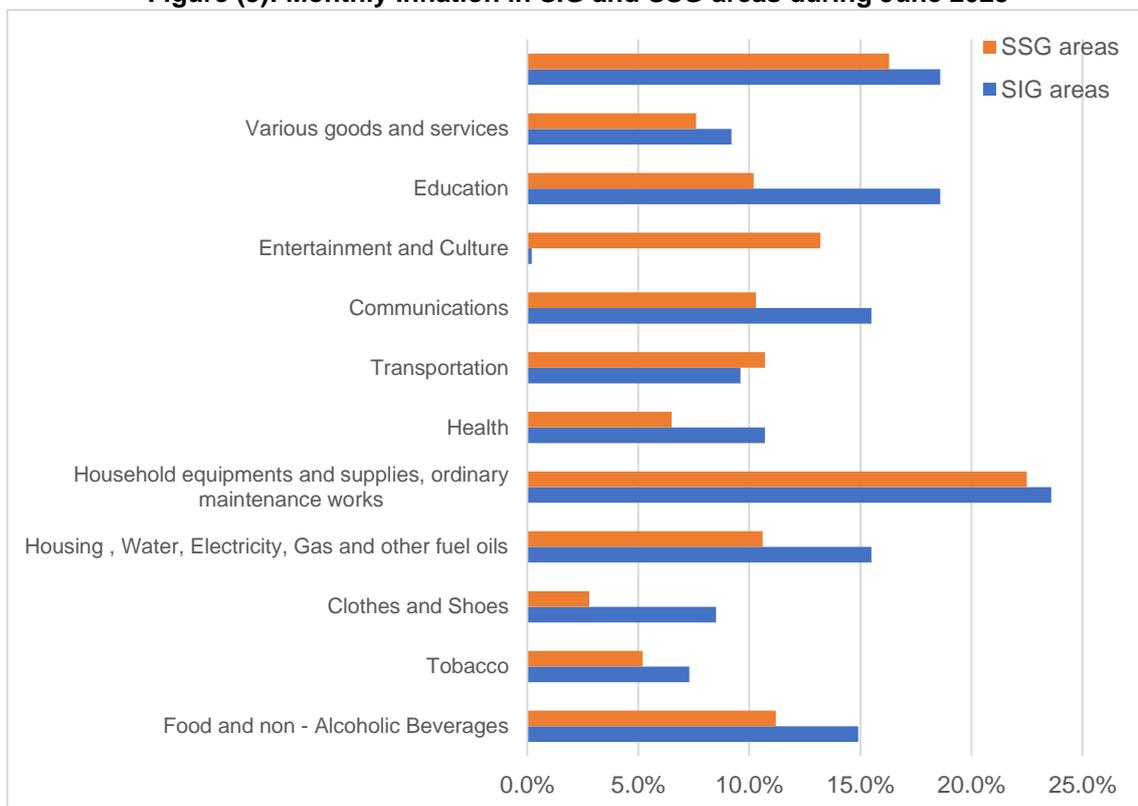
Figure (2): Change in the unofficial exchange rate of the SYP and the TL against the USD during June 2023



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

The Syrian northwestern areas were notably affected by the depreciation of the Turkish lira against the US dollar during June 2023. The monthly inflation rate in the SIG areas (rural Aleppo) reached 14.9 per cent in June 2023 compared to May 2023. In the SSG areas, it reached 11.2 per cent.

Figure (3): Monthly Inflation in SIG and SSG areas during June 2023



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

The impact was evident in the Housing, water, electricity, gas and other fuels group. Prices in this group rose by 23.6 per cent in the SIG areas and 22.5 per cent in the SSG areas. It is worth mentioning that the value of house rents in these areas is in US dollars or their equivalent in Turkish lira.

A crisis in fuel supply occurred in northwestern Syria during June 2023. The price per litre of European gasoline in the SIG areas increased to TL 28.7 and reached TL 28 in the SSG areas. The price per litre of refined heating diesel in the SIG areas reached TL 13.3, while it reached TL 15.7 in the SSG areas. Additionally, the cooking gas cylinder price in the SIG areas increased to TL 314 and reached TL 298.9 in the SSG areas.

**Table (2): Average Fuel Prices in Northwest Syria during June 2023
(Average Monthly Prices in Turkish Lira)**

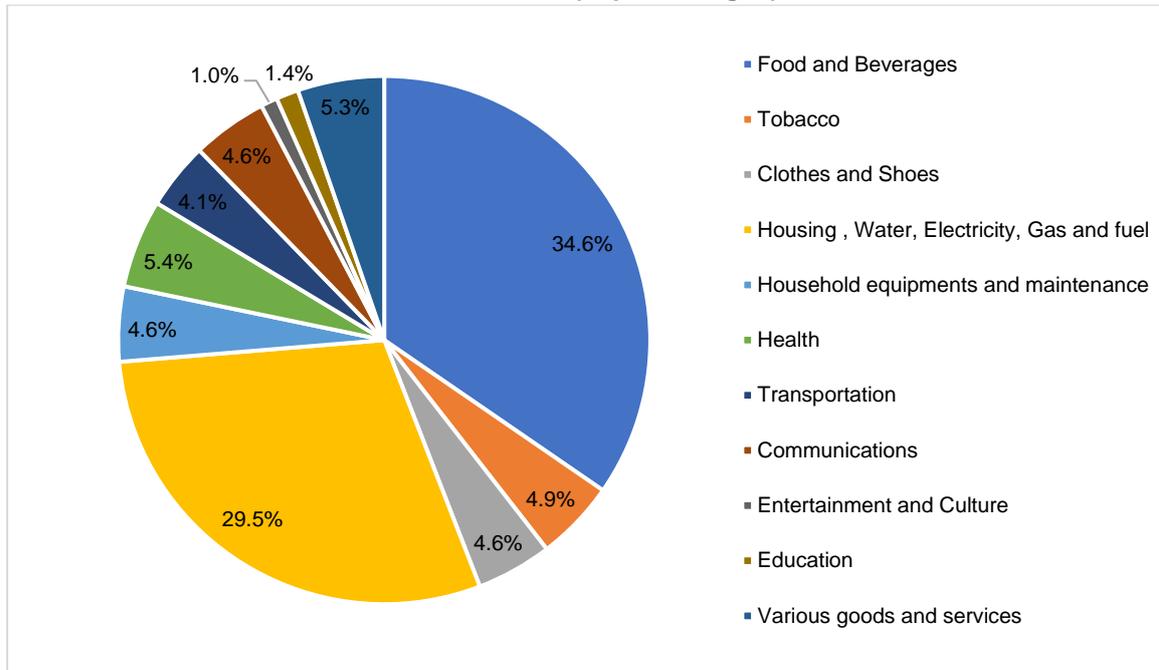
Item	Unit	SIG areas		SSG areas	
		May 2023	June 2023	May 2023	June 2023
Cooking gas cylinders	10 Kg	277.6	314.0	263.8	298.9
Refined diesel	1 Liter	11.2	13.3	13.9	15.7
European gasoline	1 Liter	23.4	28.7	26.6	28.0

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

3. Contributors to Inflation

In June 2023, the Food and non-alcoholic beverages group² contributed significantly to the monthly inflation (M-o-M) with 3.9 per cent, making up 34.6 per cent of the total, followed by the Housing, water, electricity, gas, and other fuel oils group with a contribution of 29.5 per cent, trailed by the Health group at 5.4 per cent.

Figure (4): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for June 2023 (in percentages)



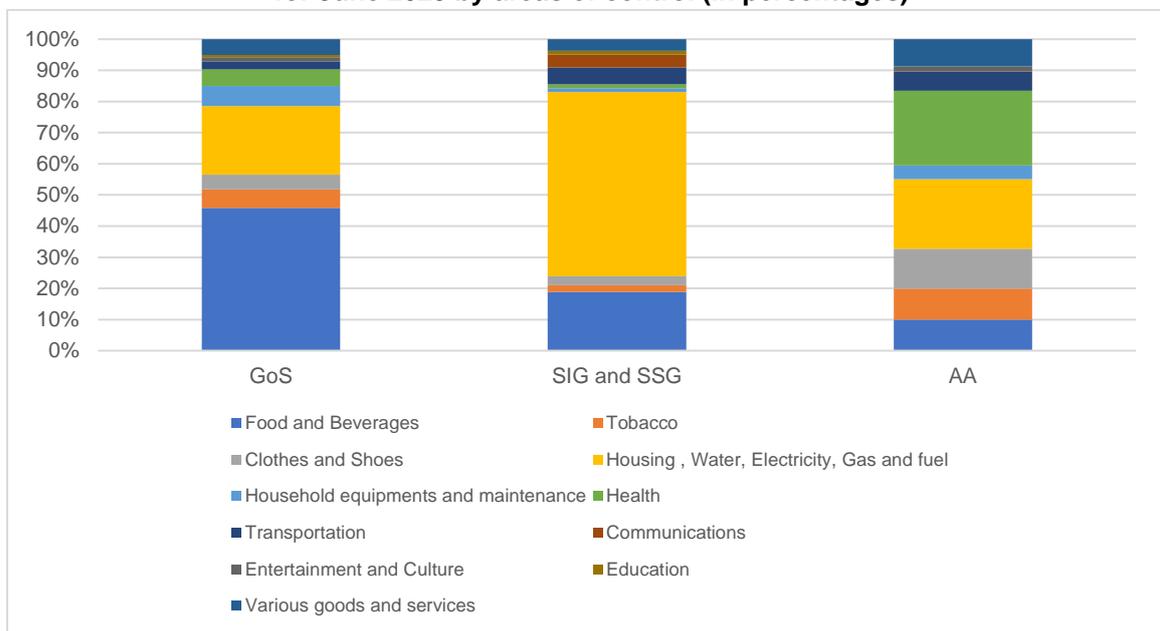
Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

² The contribution rate to inflation means the percentage of the contribution of each consumption group to annual inflation, out of 100%.

In particular, the Food and non-alcoholic beverages group drove the monthly inflation of the AA areas in June 2023, contributing a substantial 43.3 per cent. It also likely had a noticeable effect on the monthly inflation of GoS areas, contributing 31.5 per cent, while the contribution in the SIG and SSG areas was low and recorded at 2.2 per cent.

The Housing, water, electricity, gas, and other fuel oils group played a dominant role in driving the monthly inflation of the SIG and the SSG areas in June 2023, contributing a significant 68.3 per cent, attributed to the sustained surge in housing demand and the rising costs of building materials, two months after the earthquake that struck areas of northern Syria in February 2023. The group also contributed 30.4 per cent to the monthly inflation of GoS areas, while its contribution was relatively weaker in the AA areas at 22 per cent.

Figure (5): Contribution of major consumption groups to the monthly inflation rate (M-o-M) for June 2023 by areas of control (in percentages)



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

4. Wages in Syria, June 2023

In June 2023, the average monthly wage in Syria stood at approximately SYP 291 thousand for a university-educated employee in the public sector at the start of their appointment. Wages in the private sector reached around SYP 455 thousand on average, while it counted at SYP 1.27 million in the civil sector.

Upon comparing wage levels between areas of control in Syria, it is evident that wages in both the public and private sectors in the SIG and the SSG areas are the highest, followed by wages in AA areas and the GoS areas. Furthermore, the wages in the public and private sectors were lower than in the civil sector, as wages in the private and public sectors were approximately 36 per cent and 23 per cent of the wages in the civil one within Syria, respectively.³

Table (3): Average monthly wages in Syria during June 2023 (SYP)

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Public sector workers				
Staff wages (professor)	224,232	4,023,051	1,545,000	883,064
Staff wages (university-educated)	103,838	1,033,583	530,000	290,534
Staff wages (4th band)	95,346	728,035	520,000	244,893
B- Private sector workers				
Company director salary	1,072,046	3,000,527	1,230,000	1,325,981
Shop worker salary	346,028	1,010,714	518,033	454,935
C- Civil sector workers				
Staff wages (university-educated)	688,626	3,520,170	2,254,622	1,268,409

Note: Employees' wages in the SSG areas are denominated in USD dollars or their equivalent in Turkish lira, and those in the SIG areas are paid in Turkish lira. The wage values in this table have been converted to the Syrian pound for comparison with other areas.

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

The monthly inflation in June 2023 had a significant impact, leading to a decrease in the real wages of public sector workers⁴ in GoS areas by 2.9 per cent compared to June 2023. Similarly, the worker wages in AA areas decreased by 1.7 per cent, while wages in SSG and SIG areas decreased by 0.8 per cent during the month.

During June 2023, the purchasing power of wages for civil sector workers in GoS areas decreased by 0.8 per cent and by 1.3 per cent in AA areas compared to May 2023. Conversely, wages increased in SIG and SSG areas by 0.2 per cent. The real wages for private sector workers in AA areas increased by 7.4 per cent compared to May 2023 due to the increasing wages at current prices for private sector workers in AA areas during the month.

Table (4): Real Wages Monthly Growth in Syria in June 2023 (Percentage)

	GoS areas	SIG and SSG areas	AA areas
Public sector workers	-2.87%	-0.90%	-1.68%
Private sector workers	0.83%	1.02%	7.37%
Civil sector workers	-0.75%	0.21%	-1.33%

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

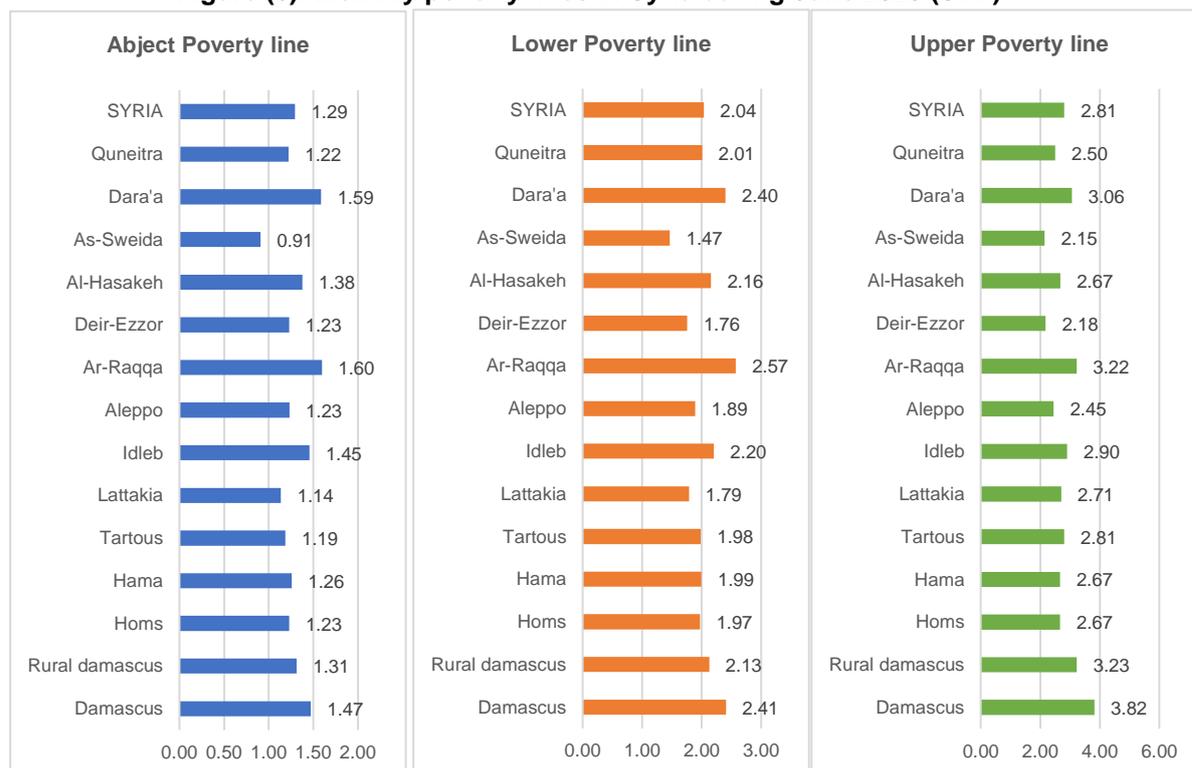
³ Although the wages of civil sector workers in the GoS areas are relatively high compared to public and private sector wages, they are very low compared to the rest of the areas. It equates to 31 per cent of the wages of civil sector workers in the AA areas, and 20 per cent of the wages of civil sector workers in the SSG and SIG areas in June 2023.

⁴ Real wages were calculated by dividing nominal wages by the CPI index. For details see: ILO. (2010). [Global Wage Report 2010-2011: Wage Policies in Times of Crisis](#).

5. Poverty Lines in Syria, June 2023

In June 2023, the abject poverty line for families,⁵ serving as an indicator of food insecurity, rose to SYP 1.29 million per month, marking an increase of SYP 43 thousand from May 2023. The lower poverty line increased by SYP 68 thousand from the previous month to reach 2.04 million, while the upper poverty line saw an SYP 94 thousand increase, reaching 2.8 million. The highest values for poverty lines were recorded in the governorates of Ar-Raqqa, Dara'a, Damascus, and Idleb, while As-Sweida recorded the lowest poverty lines in June 2023.

Figure (6): Monthly poverty lines in Syria during June 2023 (SYP)



Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.

Comparing areas of control shows that AA areas ranked the highest in the abject and extreme poverty lines in June 2023, where the abject poverty line reached SYP 1.4 million, and the extreme poverty line reached SYP 2.16 million. Then comes the areas of the SIG and SSG, with an abject poverty line of SYP 1.30 million and an extreme poverty line exceeding SYP 1.98 million per month. Lastly, the GoS areas had an abject poverty line of SYP 1.24 million and an extreme poverty line above SYP 1.97 million. The GoS areas ranked highest in the upper poverty line in June 2023, where it reached SYP 2.72 million. Following were the areas of the AA, with an upper poverty line of SYP 2.69 million. Lastly, the SIG and SSG areas had an upper poverty line of SYP 2.59 million.

Comparing the wages in current prices and monthly poverty lines reveals that the wage gap⁶ increased by 77.6 per cent for a university-educated employee in the public sector, 65 per cent for a private sector worker, and 2 per cent for a civil sector worker from the abject poverty line at the Syria level in June 2023. Notably, wages of civil sector workers

⁵ The poverty lines (abject, lower and upper) were calculated by measuring the impact of inflation on the 2009 poverty lines.

⁶ Equals the relative difference between the monthly wage and the poverty line. ILO. For details see: [International Labour Organization. \(2013\). Equal Pay – an introductory guide.](#) Geneva.

in the SIG, the SSG and AA areas surpassed the abject poverty line by 171 per cent and 60 per cent, respectively. On the other hand, wages in the civil sector in the GoS areas were 44.6 per cent lower than the abject poverty line. The wage gap from the upper poverty line was 89.7 per cent for a university-educated employee in the public sector, 52.8 per cent for a worker in the private sector, and 54.9 per cent for a worker in the civil one, highlighting the elevated poverty levels, especially among public sector workers.

Table (5): Monthly wage gap from poverty lines in Syria during June 2023 (in percentages)

	GoS areas	SIG and SSG areas	AA areas	Whole of Syria
A- Wage gap from the abject poverty line				
University-educated employees in the public sector	-91.7%	-20.5%	-62.3%	-77.6%
Private sector worker	-72.2%	-22.3%	-63.2%	-64.9%
Civil sector worker	-44.6%	+170.6%	+60.3%	-2.0%
B- Wage gap from the lower poverty line				
University-educated employees in the public sector	-94.7%	-47.9%	-75.4%	-85.7%
Private sector worker	-82.4%	-49.0%	-76.0%	-77.7%
Civil sector worker	-65.0%	+77.6%	+4.6%	-37.7%
C- Wage gap from the upper poverty line				
University-educated employees in the public sector	-96.2%	-60.1%	-80.3%	-89.7%
Private sector worker	-60.6%	+15.9%	-54.2%	-52.8%
Civil sector worker	-74.7%	+35.9%	-16.0%	-54.9%

Note: Negative (-) indicates a gap and positive (+) indicates excess.

Source: Syrian Center for Policy Research 2023, Monthly consumer price survey in Syria.

Appendix

Appendix (1): Consumer Price Index in Syria by Major Consumption Groups in June 2023, (2021 = 100)

	Damascus	Rural Damascus	Homs	Hama	Tartous	Lattakia	Idleb	Aleppo	Ar-Raqqa	Deir-Ezzor	Al-Hasakeh	As-Sweida	Dara'a	Quneitra	SYRIA
All commodities	351	311	309	319	335	335	293	338	337	294	349	317	331	323	326
Food and non-alcoholic beverages	331	320	331	328	327	342	285	334	293	306	379	319	341	328	321
Tobacco	293	291	281	269	294	294	234	261	247	336	325	350	296	262	287
Clothing and footwear	304	314	283	396	367	416	332	346	493	332	388	436	291	254	339
Housing, water, electricity, gas, and other fuels	411	304	286	291	375	348	328	366	505	249	324	303	354	313	359
Household equipment and maintenance	403	351	356	418	369	383	224	262	340	336	481	363	354	454	344
Health	278	342	289	272	302	359	257	367	392	309	330	333	372	367	319
Transportation	315	295	323	343	279	318	328	330	252	297	390	306	315	314	311
Communications	234	236	233	232	235	236	267	257	245	238	246	227	229	225	246
Culture and entertainment	273	421	424	293	365	304	269	327	333	349	438	306	291	285	326
Education	278	259	272	244	331	306	271	276	360	259	264	269	254	227	282
Various goods and services	332	337	298	386	403	313	289	353	291	293	271	342	279	416	331

Source: Syrian Center for Policy Research, Monthly consumer price survey in Syria 2023.



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