However, none of these factors can be guaranteed. Adequate crude feedstock, and as long as imports are possible, prices and supplies should remain adequate. With the easing of the situation in Damascus and imports from Lebanon through Ardiya, the Diesel market in Homs has stabilized with the market price close to the official price. As long as the refinery remains operational and has adequate crude feedstock, and power rationing, Market prices for Diesel in Damascus are now close to the official subsidized price. The refinery at Baniyas. However, the supply side is better than Homs (and thus prices generally lower) as it has direct imports from Jordan.

Commentary: Following the severe Diesel fuel shortage in December 2012, prices remained high until the Government could restore balance to the market through a combination of imports from Lebanon and local production. Probably assisted by a lower level of local demand given less economic activity, fewer people in Syria, and power rationing, Market prices for Diesel in Damascus are now close to the official subsidized price. The situation remains stable with the current product pipeline and road access. There is presently no option to import from Jordan.

HOMS

Commentary: The price levels in Homs and the rate of increase over January and February were most likely a function of demand from Damascus. Homs is supplied by its own refinery so the prices are lower than Damascus. With the easing of the situation in Damascus and imports from Lebanon through Ardiya, the Diesel market in Homs has stabilized with the market price close to the official price. As long as the refinery remains operational and has adequate crude feedstock, and as long as imports are possible, prices and supplies should remain adequate. However, none of these factors can be guaranteed.

Latakia/Tartous/Safita

Commentary: The Diesel market in Latakia/Tartous/Safita reflects that of Homs as the area also has its own refinery at Baniyas. However, the supply side is better than Homs (and thus prices generally lower) as it has direct access to coastal imports as well as imports from Lebanon through Al-Arida. Also, most of the drawn for Damascos seems to come from Homs. Currently the refinery remains operational and has adequate crude feedstock (and Baniyas Refinery is better placed to import crude than Homs Refinery), product imports are continuing, and prices and supplies remain adequate.

Qamishly (Hassakah Province)

Commentary: The Qamishly market seems to have been virtually separated from the broader Syrian market. After massive price rises in late 2012 owing to the disruption of supplies from the west of Syria, the Turkish and Iraqi fuel industry appears to have stepped in, restoring market balance at local international levels. Turkish fuel is more expensive than Iraqi fuel so Iraq is likely to have the main share of the market, although supply lines from Turkey are much shorter. Prices and supplies are likely to remain stable but at a new high level. This is in excess of the SADCOP official price which is thought to be no longer relevant in the area. The patterns for both Diesel and Benzene are identical, indicating that local Syrian supplies are no longer shaping the market.

NOTES:
(1) Official prices are those set country-wide by SADCOP. Market prices are those collected by personnel on the ground. The latter may fluctuate day by day. Generally estimated for the week. Indicative only.
(2) The differential between official and market prices generally indicates the stress in the market.
(3) Prices in SYP. Does not take into account depreciation of the SYP.