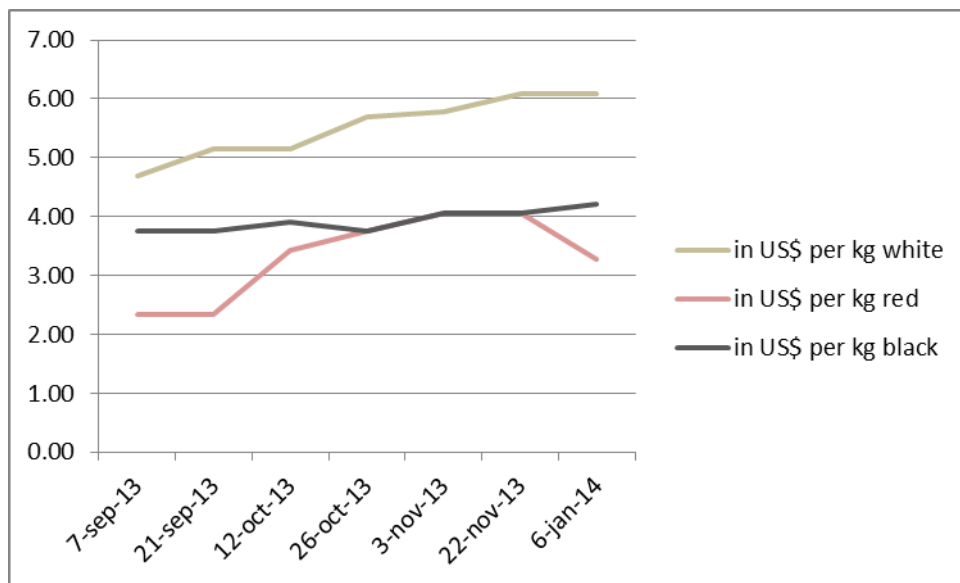


Challapata Prices September 2013 – January 2014

Quinoa		7-sep-13	21-sep-13	12-oct-13	26-oct-13	3-nov-13	22-nov-13	6-jan-14
in Bolivianos per qq	white	1,500	1,650	1,650	1,820	1,850	1,950	1,950
	red	750	750	1,100	1,200	1,300	1,300	1,050
	black	1,200	1,200	1,250	1,200	1,300	1,300	1,350
		7-sep-13	21-sep-13	12-oct-13	26-oct-13	3-nov-13	22-nov-13	6-jan-14
in US\$ per kg	white	4.69	5.15	5.15	5.68	5.78	6.09	6.09
	red	2.34	2.34	3.44	3.75	4.06	4.06	3.28
	black	3.75	3.75	3.90	3.75	4.06	4.06	4.22

Source: Source: Data collected and elaborated by Mercadero
The exchange rate of 29.11.2013 has been used



The graph shows that the prices of white quinoa in Challapata* have constantly been increasing since 7 September 2013. At that time, it was sold for US\$ 4.72 per kg whereas it was sold for US\$ 6.09 per kg the second in the beginning of January. Our sources in the field indicate that farmers are still reluctant to sell their raw material since they hope for the prices to go up until US\$ 6.25 (2,000 Bs/qq) and more.

Although red and black quinoa are considered to be more exclusive than white quinoa (due to their higher nutritional properties and their traditional uses) and are generally more expensive, at this moment white quinoa is the most expensive. The season 2013 started in April with 700, 750 and 1,200 Bs per quintal for white, red and black quinoa, respectively, but now white quinoa trades at 1,950 and black and red each at 1,350 and 1,050 each. This interesting reversal must be explained by the relative shortage of white quinoa.

*Challapata is the main national open market for quinoa, situated in the Southern Altiplano in Bolivia and often referred to as "Quinoa Wallstreet" for the influence it has on the international quinoa price and trade. Every week on Saturdays, producers and traders from all over the country come to the small town to buy and sell quinoa. The prices are fixed in the exchange between buyers and sellers and can rise or drop within the day.

The Challapata fair very much has the atmosphere of an informal market; people are waiting in the street, seated on their production, they bargain, it is paid in cash and the day is concluded with a communal drinking ceremony. Farmers are coming with all quinoa that they want to sell; ranging from half a quintal to 15 quintal or more. Middlemen are appearing with moveable scales to buy the quinoa, calling each other frequently to agree upon a common price and finally loading it onto trucks. Middlemen are organized in a union which makes them a strong player since fewer room is left for quinoa producers to trade (A Gabriel thesis on Royal Quinoa).

The Challapata price is so important since it is the benchmark for most companies and associations. Many companies have a policy of adding a fixed amount of 50, 60 or 100 Bs on the Challapata reference price.