Land Investment Monthly – January 2016

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Land Conference

The 2016 Land Investment Expo is fewer than two weeks away with an array of expert presenters, educational breakouts and tradeshow exhibitors lined up for Peoples Company's ninth annual event. Save the date and reserve your tickets to attend on January 29, at the Sheraton West Des Moines Hotel. As the nation's premier farmland event, the Land Expo each year attracts more than 650 attendees for an exciting day of learning, discussing, debating and networking in the heart of ag country. Read more.

El Agua

The political influence of a California utility is covered in a New York Times piece regarding the impact of everything from the Latino farm workers to landowners, the environment, and federal regulations. One quarter of the nation's food is grown is California's Central Valley, which hosts only 1 percent of U.S. farmland, yet more than 15 percent of all irrigated fields. The article touches on various aspects of historic drought in the state, including the threat that water shortages pose to growers, workers, wildlife and fisheries. Read more.

American Dirt

Mother Nature is good investment, according to sources compiled for a recent CNBC article by "Power Lunch" producer Kerima Greene. Farmland, ranches and timberland are a terrific hedge against inflation, and present opportunities for returns in the short- and long-run. The National Council of Real Estate Investment Fiduciaries estimates that farmland as an asset class returned more than 20 percent in income and combined appreciation last year. That potential is drawing the attention of investors in American dirt. Read more.

On China

Editors of the Iowa State University's Agricultural Policy Review sum up the issue of Chinese economic shifts on U.S. agriculture. China, whose share of U.S. agricultural exports increased from two percent in 2000, to 16 percent in 2016, tends to concentrate on oilseeds, livestock feed products and cotton. U.S. grain and feed trade to China has doubled in the past five years. The pattern, strongly influenced by the productive capabilities and the government policies of both countries, is expected to evolve further – alongside China's economy and as meat consumption in the country grows. Approximately 60 percent of U.S. soybean exports, or 25 percent of the total U.S. soybean crop, already ends up there. Read more.

Productive Growth

Gizmodo provides a straightforward view of how the world is growing more food by increasing inputs and productivity, and in lieu of the expansion of agricultural land. Two decades ago, global food production started rising independently of new land. The author, citing USDA statistics, makes a case for better farming that includes heartier plants, higher yield varieties and more technologically advanced equipment. Read more.

Soil Study

Ten threats to soil functions are highlighted in the Status of the World's Soil Resources report, published by the Food and Agricultural Organization of the United Nations. The comprehensive, more-than-600-page study considers the intensification of agricultural among multiple issues from land use and water quality to the erodibility, workability and sustainability of soil, among other factors. Read more.

Running Low?

Choices magazine rehashes decades-old speculation over the future scarcity of farmland while considering 21st Century issues, including population growth, urban sprawl, environmental degradation and increasing global appetites for land-intensive grains and meats. The author asserts that the topics of water sources and soil erosion are more pressing as they relate to domestic food supply. The threat to America's land base from development remains long-term and speculative. Read more.

In Reality

At first glance, passionate debate about how best to improve water quality, inflamed by a Des Moines Water Works lawsuit against three counties in northwest Iowa, might seem to have little in common with Iowa's role in choosing our next president. But look deeper and there's a connection: Call it human nature at work. As is often the case with politics, the lawsuit and discussions about water generally have two sides. Read more.

The Land Investment Monthly is a round-up of articles and headlines published by the farm press, business media and financial publications with insights into buying, selling or investing in farmland, recreational ground or development ground. Follow Steve Bruere @SBruere on Twitter and find Peoples Company on Facebook for the latest land listings, auction results, upcoming events and real estate news. To subscribe to my monthly updates via email, send a message to Steve@PeoplesCompany.com with "Land Investment Monthly" in the subject line.