



Potash Corp./Saskatchewan Inc.: If You Want to Get Rich, Become a Farmer

Description

Over the next decade, you could make triple-digit profits in one of the most beaten-down commodity sectors in the world: agriculture.

It won't happen overnight. But as I'm about to show you today, higher food prices are almost inevitable. And before the run is over, investors could double their money or more.

Let me explain...

If you want to get rich, investment wizard and best-selling author Jim Rogers has some advice: Become a farmer.

Earlier this month, the former hedge fund manager told the *Midas Letter* in an interview, "We have no farmers in the world right now. Everybody you went to school with became a journalist, a stockbroker, an investment banker, or whatever. That's all going to change in the future."

If prices at the grocery store are any indication, pursuing a career in agriculture could be a solid bet. According to the United Nations, global food prices have more than doubled over the past decade. And this might just be the beginning.

Here are the facts: In spite of the ongoing advances in agriculture, Mother Nature has her limitations. Global warming is wreaking havoc on production. Water tables are being depleted. Nutrient-rich top soil continues to erode.

Food demand is also growing. In a paper published earlier this month, the United Nations projected that the human population will be somewhere between 9.6 billion and 12.3 billion by the end of the century. By 2100, there could be up to 5.3 billion extra mouths to feed.

For investors, this means productive land will become an increasingly scarce and valuable asset. Here in Canada, farm prices nationally have already been rising at a 12% annual clip since 2008. That's more than three times faster than the corresponding rise in home prices over the same period.

Agricultural suppliers also stand to profit. Farmers will need to buy ever greater quantities of fertilizer to produce more food on less land. That bodes well for potash producers, a key ingredient in fertilizer, like **Potash Corp./Saskatchewan** (TSX: POT)(NYSE: POT) and **Intrepid Potash Inc.** ([NYSE: IPI](#)).

Other Canadian companies stand to cash in as well. **Cervus Equipment** (TSX: CVL) and **Ag Growth International** ([TSX: AFN](#)) supply tractors, storage facilities, and other equipment to farmers. These companies are nearly pure plays on Canadian agricultural prosperity.

The one sector to own for the next 100 years

But a quick word of warning: Wall Street is beginning to catch on. As I wrote about last week, a number of well-known hedge fund managers have begun accumulating sizable stakes in Potash Corp. And last quarter, billionaire investor George Soros initiated a new position in Intrepid Potash.

Now I have to ask you: What would make these financial titans take notice of the relatively small companies listed above? I'd say it could only be one thing: They project an epic move ahead.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:IPI (Intrepid Potash, Inc.)
2. TSX:AFN (Ag Growth International)

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