

Collect Up to \$12,000 Each Year With Potash Corp./Saskatchewan Inc.

Description

If you're interested in investing in agriculture but don't have the resources to buy land yourself, then this might be the most important message you'll ever read.

Here's why: I'm going to show you a simple way to collect \$1,200... \$7,500... even \$12,000 in extra income each year as a 'white collar farmer'.

However, if you want to get in on this, then you have to act fast. That's because the next round of distributions are scheduled to be mailed out in a few weeks.

"If you want to get rich, become a farmer."

Jim Rogers has some advice to new graduates: learn to drive a tractor.

"Young people are going to see farmers driving Lamborghinis and stock brokers driving taxis," the billionaire investor and best-selling author told *CNN Money* last year. "If you want to get rich, become a farmer."

If Rogers is right, 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.

Despite ongoing advances in agriculture, Mother Nature is approaching her limits. Top soil continues to erode. Water tables are nearly depleted. Global warming is only going to make these problems worse.

Compounding this issue is demand. The population is expected to surpass 12 billion people by the end of the century. Over the next 50 years, we are going to need to produce more food than humanity's total output in the previous 10,000 years combined.

For investors, this means productive land is becoming an increasingly scarce asset. Since 2008, Canadian farmland prices have risen 12% per year. That's more than three times faster than the corresponding rise in housing prices over the same period.

Of course, few of us are interested in buying acres of land in Saskatchewan. That's fine. You can still profit, but as an investor.

Rather than owning land yourself, buying agricultural suppliers could be an even better investment. To grow more food on less land, farmers will require ever greater quantities of fertilizer. That bodes well for producers like **Potash Corp./Saskatchewan** (TSX:POT)(NYSE:POT).

Growing crops requires three key nutrients – nitrogen, phosphorous, and potassium. Without them, you can't grow crops. There are no substitutes.

Potassium is the scarcest of the three. It's usually found in the brine deposits of ancient seas or salt lakes. When these water bodies dried up, they left behind thick deposits of mineral salts and potassium.

Fertilizer prices are soaring thanks to growing demand from emerging markets. In 2000, a metric ton of potash sold for US\$110. By 2006, that price rose to US\$220 per ton. Today, that ton sells for US\$305 and many analysts are calling for more price hikes in the future.

Potash/Corp owns some of the lowest-cost potash mines in the world. And even though prices are well below their 2008 peaks, the company is still making money hand over fist. This is how Potash/Corp has been able to pay out such consistent, oversized dividends.

Since management declared their first dividend in 1990, long-time shareholders have collected 90 consecutive payments. Today, Potash/Corp pays investors a quarterly dividend of \$0.35 per share. And you can expect that payout to keep growing in the years to come.

Collect up to \$12,000 in annual income starting February 5

The best part about stocks like Potash/Corp is that you can start cashing in without buying a single acre of land. Starting with a \$36,500 investment, you can collect an extra \$1,200 in extra annual income. If you invest \$365,000 (far less than the cost of buying your own farm), then you can earn \$12,000 each year.

However, if you want to start collecting these dividend cheques, then you have to act fast. The next round of distributions are scheduled to be mailed out in a few weeks. That's why you must become a shareholder of record by January 15 to collect your first cheque on February 5.

CATEGORY

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