## The Performance of Farmland Investment vs. S&P 500

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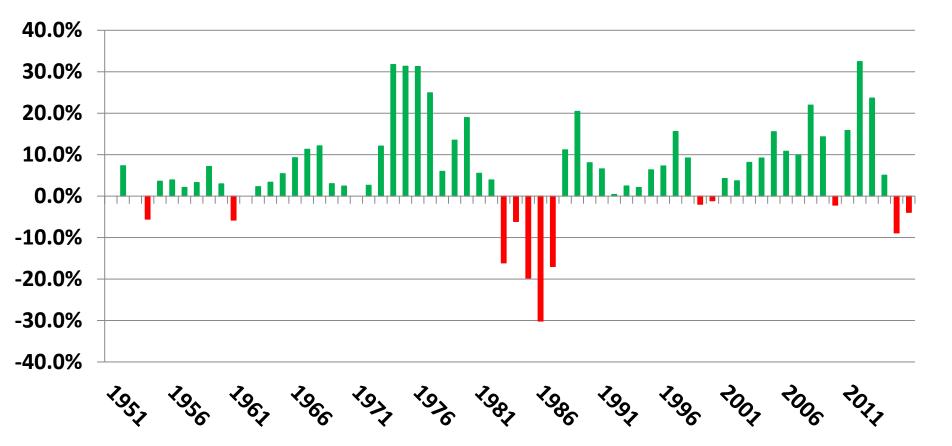


## A Quick Introduction: Dr. Wendong Zhang

- Grown up in a rural county in NE China
- Attended college in Shanghai and Hong Kong
- Ph.D. in Ag Econ in 2015 from Ohio State
- 2012 summer intern at USDA-ERS on farm economy and farmland values
- Research and extension interests: land value, land ownership, agriculture and the environment, China Ag

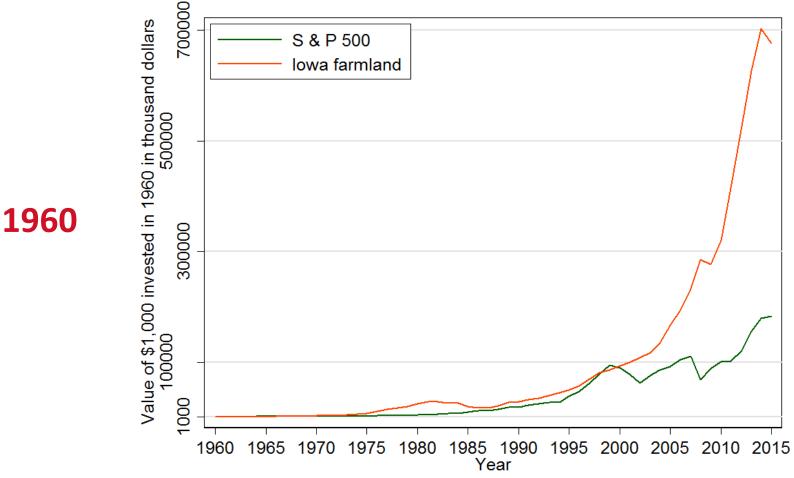


## % Change in Iowa Farmland Values 1951-2015





### S&P 500 vs. Farmland Values: A Question of Timing

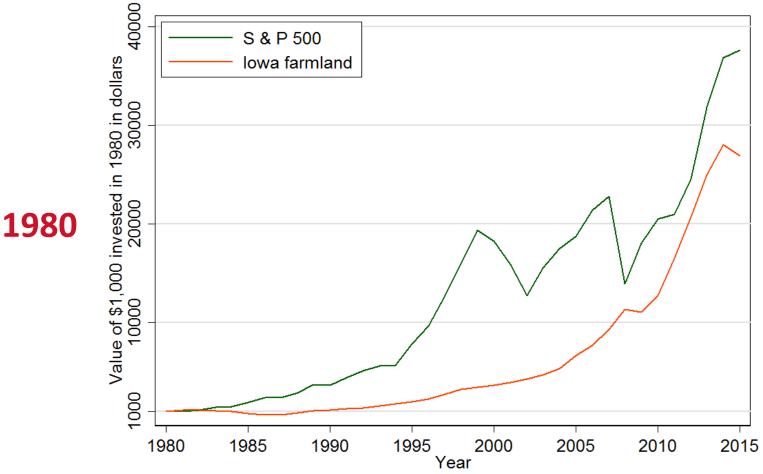


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Source: Mike Duffy Ag DM Newsletter June 2014



### S&P 500 vs. Farmland Values: A Question of Timing

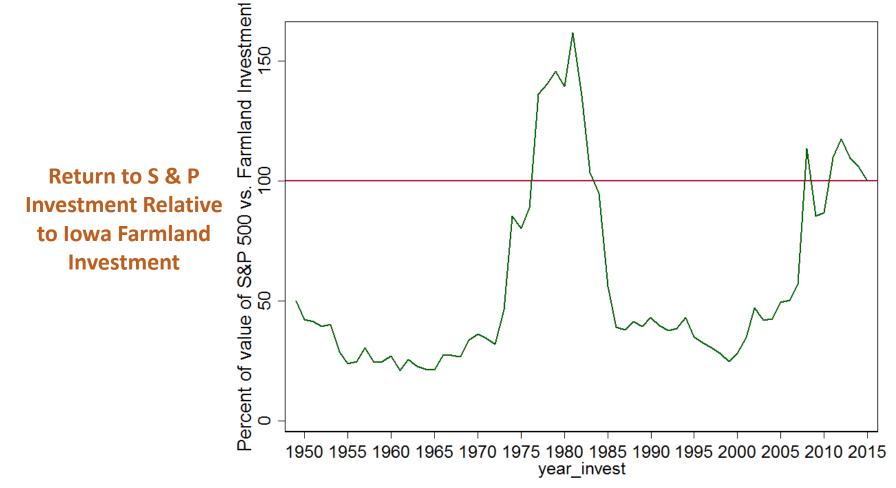


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Source: Zhang and Duffy Ag DM Newsletter April 2016



### S&P 500 vs. Farmland Values: A Question of Timing 1950-2015

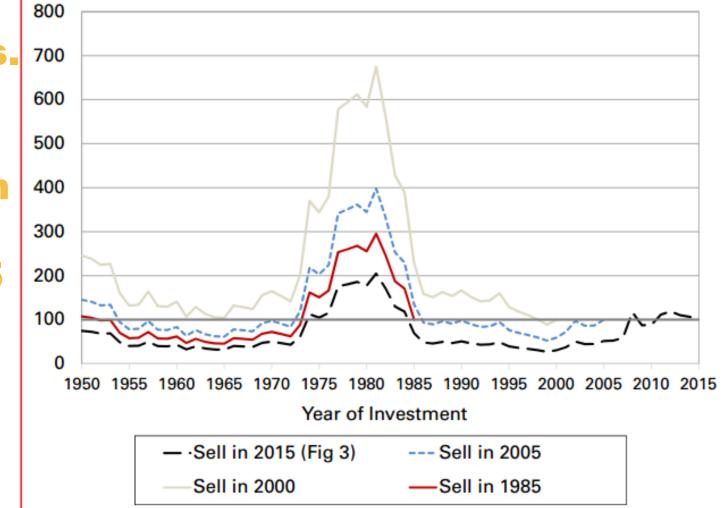


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Source: Zhang and Duffy Ag DM Newsletter April 2016



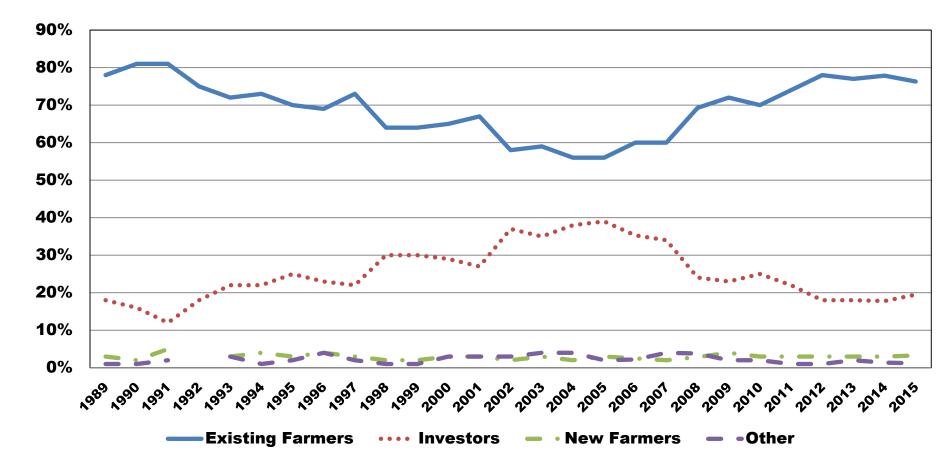
Figure 4. Return to an investment in the S&P relative to an investment made in Iowa farmland by year of investment and year of selling that investment



S&P 500 vs. Farmland Values: A Question of Timing 1950-2015



# Farmers remain the dominant buyer of lowa farmland 1986-2015





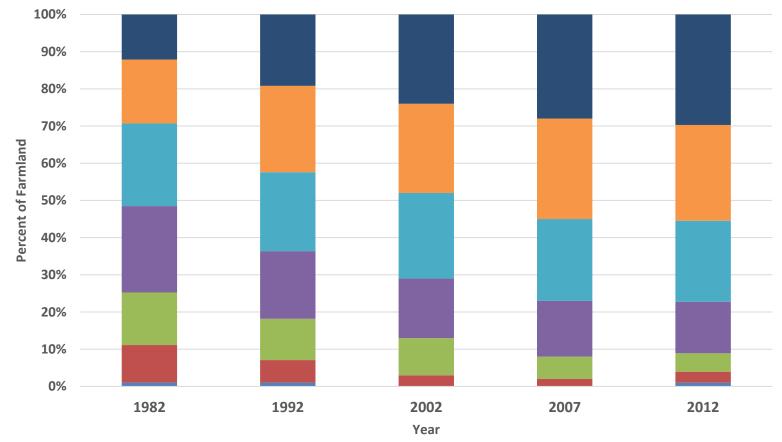
## Iowa Landowners tend to hold the farmland

Years of ownership	% of Iowa Farmland
Less than 10 years	24%
10-20 Years	21%
20-30 Years	19%
30-40 Years	15%
> 40 Years	20%

IOWA STATE UNIVERSITY Extension and Outreach Source: Ag DM PM1980 2012 Iowa Farmland Ownership and Tenure S



## % of Iowa Farmland by Age and Life Stage of Owners



■ < 25 ■ 25 - 34 ■ 35 - 44 ■ 45 - 54 ■ 55 - 64 ■ 65 - 74 ■ > 74

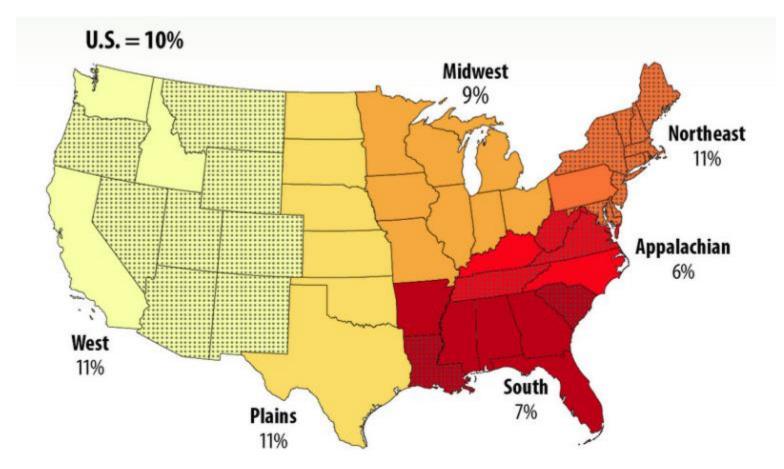
IOWA STATE UNIVERSITY Source: Ag DM PM1980 Extension and Outreach

2012 Iowa Farmland



Ownership and Tenure Survey Center for Agricultural and Rural Development

#### % of Farmland Expected to Transfer in the Next Five Years, by Region, 2015



IOWA STATE UNIVERSITY Extension and Outreach Source: TOTAL 2014



### Method of Anticipated Transfer 1982-2012

