

Ag Lending Stays Strong

While Congress tries to craft a multi-billion-dollar plan to save Wall Street from meltdown, agricultural lending is thriving, said Jamie Stewart, president of Federal Farm Credit Funding Corporation, Jersey City, N.J., which raises money for the Farm Credit system.

“There doesn’t appear to be a credit crunch in agriculture,” he said. “Farm Credit went into the credit crisis with a strong balance sheet, lots of capital and a good reputation in the bond market as a well-run, conservative operation.

“So we’ve not had difficulty raising money; we’ve been able to expand. Investors have looked for a safe industry to finance. Ag exports are doing well as agriculture is meeting the growing needs of China and India. Agriculture is successful — housing is not.”

Although commodity grain prices still threaten to pinch Northeast livestock producers, dairy producers are in good shape, said William Lipinski, president of First Pioneer Farm Credit, Enfield, Conn.

Lipinski said it may cost First Pioneer a little more to get capital from edgy investors, but “we’ve never had a stronger position. We’re open for business, we’re lending money and we’re doing fine.”