

**NEWSWIRES****Reuters****Fish as farmed food: aquaculture draws investors****10 November 2010**

(Reuters) - Agriculture investors keen to profit from rising demand for commodities say they are turning their attention to aquaculture, betting that farmed fish can meet the protein needs of a growing, hungry world.

Diets in China and other fast-developing countries have changed alongside rising incomes, shifting toward beef and other types of meat, which require high volumes of water and grain to produce.

Kevin Schwartz, a partner at U.S. private equity firm Paine & Partners, said there was also significant appetite for fish as an alternative protein source that can be raised in a sustainable way.

"Aquaculture is a way to meet that demand," he told the bankers, fund managers and investors gathered in Geneva at the Global AgInvesting conference.

Rich Gammill, managing director of Black River Asset Management, part of agri-business giant Cargill, said fish such as tilapia raised in aquaculture could find plentiful customers around the world.

"It just makes sense economically for people to turn to fish as a low-cost source of protein," he said, suggesting farming fish can also avoid ecological damage from over-fishing oceans and rivers, drawing in developed market customers too.

"From a sustainability point, this needs to be developed," he told the conference.

Some 80 percent of frozen tilapia -- a popular high-protein, low-calorie fish that is native to warm waters -- sold in the United States is now sourced from China, according to Gammill.

"There is an opportunity for Central America, for southeast Asia and for other markets who have control over their water quality and practices to play a much greater role," he said.

Black River is also significantly involved in the dairy sector in China as well as infrastructure along the food and soft commodity supply chain, including processing.