

## GOOD MORNING: 03/07/19 Farm Direction - Van Trump Report

1 message

The Van Trump Report &lt;reply@vantrumpreport-email.com&gt;

Thu, Mar 7, 2019 at 7:14 AM

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*"When one door closes, another opens; but we often look so long and so regretfully upon the closed door that we do not see the one that has opened for us." – Alexander Graham Bell*

**THURSDAY, MARCH 07, 2019**
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**Morning Summary:** Stock bulls are trying to bounce back after three days of price pressure. The market seems a little jittery with no fresh news or headlines regarding Chinese trade moving further in the right direction. President Trump tried to help ease the markets concerns yesterday by saying the trade talks with China were moving along well, but he also commented that either a "good deal" or "no deal" will be done between the world's two largest economies. With the trade now dissecting every detailed word, some believe this brought about a little uncertainty and fear. Rekindling thoughts that the U.S. could simply walk away from the table with no resolution or compromise. I personally don't see that happening, but if the market wants to take the comment at face-value, I see where it could become a bit more nervous about the outcome. Also perhaps adding a bit of pressure was news that the OECD cut its forecast for 2019 economic growth from 3.5% down to 3.3%. Slowing European growth seems to be one of their chief concerns. Don't forget, we are scheduled to hear from the ECB this morning regarding their latest policy decision, which most believe will follow the Fed and become more dovish in nature. I've included a simple graphic from the OECD that explains their slowing growth perspective below. You can also view the entire slide-deck and presentation at OECD Economic Outlook [HERE](#). The U.S. economy is still seeing strong employment data. Yesterday's latest ADP employment numbers suggested that we might have added more jobs than expected in February despite the difficult winter weather. We should learn more tomorrow when the U.S. government releases their monthly employment numbers for February. The economy has added roughly +1 million new jobs since October, capped off by a robust +300,000 jobs added in January. Keep in mind, the last time the U.S. posted back-to-back gains of +300,000 new jobs was in 2006. I doubt it happens this time around with February being a short month and handcuffed by bad weather, but certainly worth noting and keeping an eye on. The trade doesn't appear to be looking for a lot of fresh or new headlines today, most eyes are focused on tomorrow employment numbers and ongoing trade talks with China. Stay tuned...

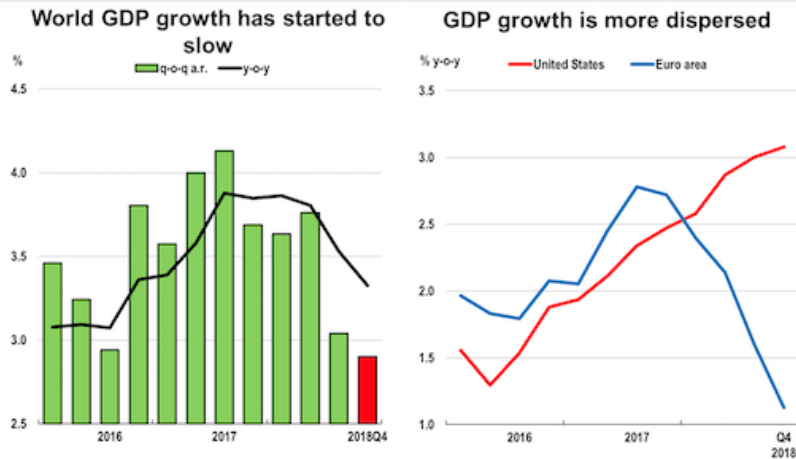
### Today In History



#### 1862 - Battle of Pea Ridge (Elkhorn Tavern), Arkansas

- On this day in 1862, Union forces under General Samuel Curtis clash with the army of General Earl Van Dorn at the Battle of Pea Ridge (also called the Battle of Elkhorn Tavern), in northwest Arkansas. The following day, the battle ended in defeat for the Confederates. Pea Ridge was part of a larger campaign for control of Missouri. Seven months earlier, the Confederates defeated a Union force at Wilson's Creek, some 70 miles northeast of Pea Ridge. General Henry Halleck, the Federal commander in Missouri, now organized an expedition to drive the Confederates from southwestern Missouri. In February 1862, Yankee General Samuel Curtis led the 12,000-man army toward Springfield, Missouri. Confederate General Sterling Price retreated from the city with 8,000 troops in the face of the Union advance. Price withdrew into Arkansas, and Curtis followed him. Price hooked up with another Rebel force led by General Ben McCulloch, and their combined army was placed under the leadership of General Earl Van Dorn, recently appointed commander of Confederate forces in the trans-Mississippi area. Van Dorn joined Price and McCulloch on March 2, 1862, and ordered an advance on Curtis' army. Curtis received word of the approaching Confederates and concentrated his force around Elkhorn Tavern. Van Dorn sent part of his army on a march around the Yankees. On March 7, McCulloch slammed into the rear of the Union force, but Curtis anticipated the move and turned his men towards the attack. McCulloch was killed during the battle, and the Confederate attack withered. Meanwhile, the other part of Van Dorn's army attacked the front of Curtis' command. Through bitter fighting the Union troops held their ground. Curtis, suspecting that the Confederates were low on ammunition, attacked the divided Rebel army the following morning. Van Dorn realized he was in danger and ordered a retreat, ending the battle. The Yankees suffered

## Global growth is slowing with further signs of decoupling



**Wonderful Words of Wisdom About Money:** *Keeping money is harder than making money, because you can get rich by luck, but staying rich is almost always due to a series of good, hard decisions. The skills needed for getting rich and staying rich are often opposites. It goes like this: The more successful you are at something, the more convinced you become that you're doing it right. The more convinced you are that you're doing it right, the less open you are to change. The less open you are to change, the more likely you are to trip in a world that changes all the time. You can read more at "Investing Ideas That Changed My Life" by Morgan Housel*

**Late Night with Metallica:** *I remember seeing the heavy metal rock band Metallica back in the spring of 1986 in Kansas City, fast forward 33 years and they can still get after it! I had a lot of fun last night with Jordan and the sold-out crowd in KC. Below are a few colorful pics from the night. Good times!*



some 1,380 men killed, wounded, or captured out of 10,000 engaged; the Confederates suffered a loss of about 2,000 out of 14,000 engaged. The Union won a decisive victory that also helped them clear the upper Mississippi Valley region on the way to securing control of the Mississippi River by mid-1863.



### 1876, Alexander Graham Bell Patents the Telephone -

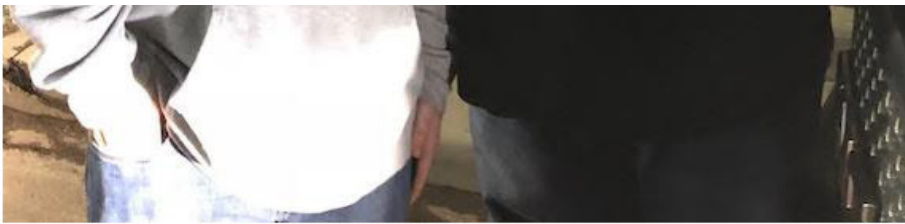
On this day in 1876, 29-year-old Alexander Graham Bell receives a patent for his revolutionary new invention—the telephone. The Scottish-born Bell worked in London with his father, Melville Bell, who developed Visible Speech, a written system used to teach speaking to the deaf. In the 1870s, the Bells moved to Boston, Massachusetts, where the younger Bell found work as a teacher at the Pemberton Avenue School for the Deaf. He later married one of his students, Mabel Hubbard. While in Boston, Bell became very interested in the possibility of transmitting speech over wires. Samuel F.B. Morse's invention of the telegraph in 1843 had made nearly instantaneous communication possible between two distant points. The drawback of the telegraph, however, was that it still required hand-delivery of messages between telegraph stations and recipients, and only one message could be transmitted at a time. Bell wanted to improve on this by creating a "harmonic telegraph," a device that combined aspects of the telegraph and record player to allow individuals to speak to each other from a distance. With the help of Thomas A. Watson, a Boston machine shop employee, Bell developed a prototype. In this first telephone, sound waves caused an electric current to vary in intensity and frequency, causing a thin, soft iron plate—called the diaphragm—to vibrate. These vibrations were transferred magnetically to another wire connected to a diaphragm in another, distant instrument. When that diaphragm vibrated, the original sound would be replicated in the ear of the receiving instrument. Three days after filing the patent, the telephone carried its first intelligible message—the famous "Mr. Watson, come here, I need you"—from Bell to his assistant.



### 1999, Stanley Kubrick Dies -

On March 7, 1999, American filmmaker Stanley Kubrick dies in Hertfordshire, England, at the age of 70. One of the most acclaimed film directors of the 20th century, Kubrick's 13 feature films explored the dark side of human nature. Born in New York City in 1928, Kubrick took up photography in high school and became a staff photographer for Look magazine at age 17. A photo assignment on boxing inspired him to make *The Day of the Fight*, a short documentary film about boxing, in 1951. The short was bought by a news service, and he made two more documentaries before making a short feature-length film, *Fear and Desire*.



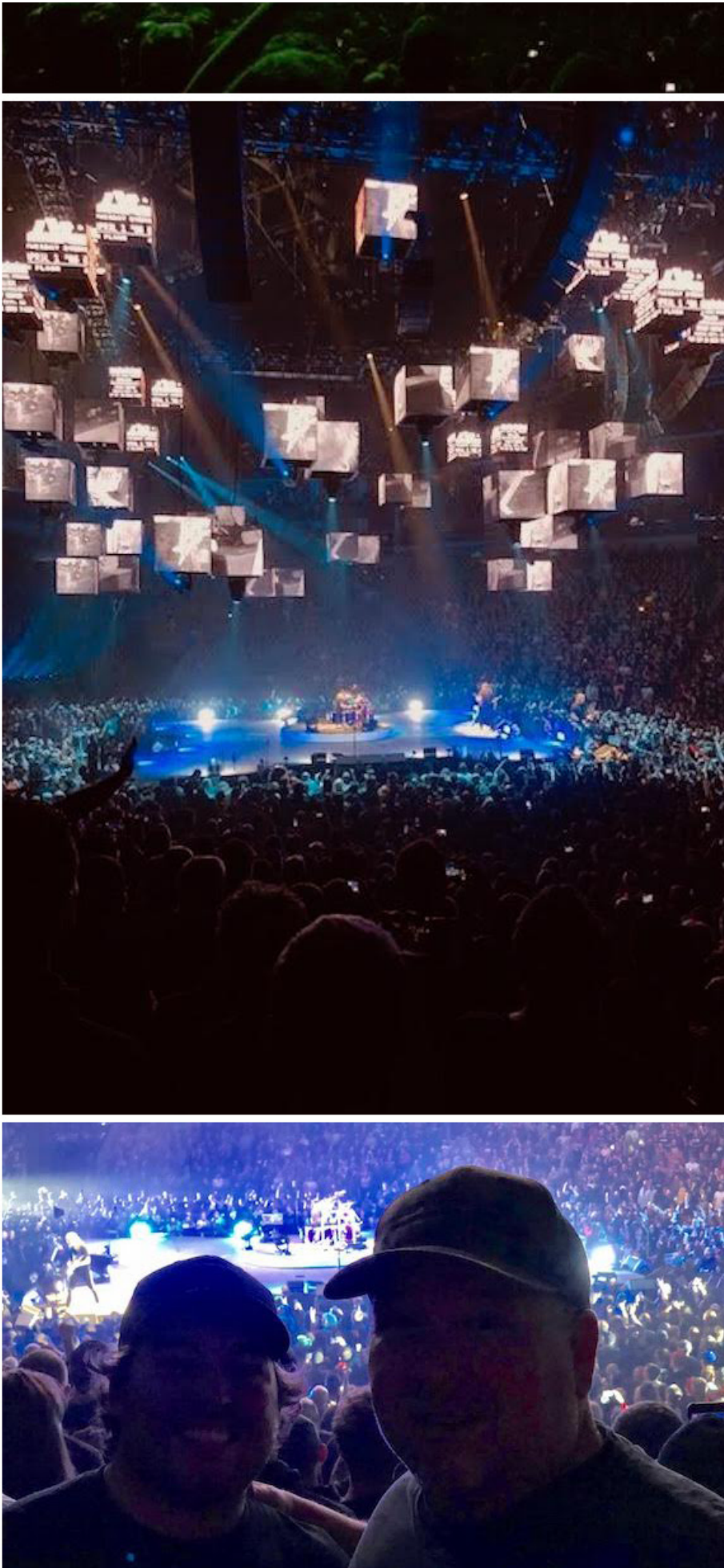


(1953), which dealt with war. The movie, produced independently, received little attention outside New York, where critics praised Kubrick's directorial talents. Kubrick's next two feature films, *Killer's Kiss* (1955) and *The Killing* (1956), brought him to the attention of Hollywood, and in 1957 he directed actor Kirk Douglas in *Paths of Glory*, a story of military injustice in the French army during World War I. Douglas later enlisted Kubrick to take over production of *Spartacus* (1960), a historical epic about the slave rebellion led by the Roman slave Spartacus in 73 B.C. The film was a box office smash and won four Academy Awards, including Best Cinematography, which was attributed to Russell Metty but was largely Kubrick's work. Behind the scenes, the director's characteristic obsession with detail created some tension with the cast and crew. After *Spartacus*, he moved permanently to England, where he directed *Lolita* (1962), based on the controversial novel by Vladimir Nabokov. Two years later, Kubrick scored another major critical and commercial hit with *Dr. Strangelove, or: How I Learned to Stop Worrying and Love the Bomb*. Starring Peter Sellers and George C. Scott, *Dr. Strangelove* was a dark comedy about the nuclear arms race that earned Oscar nominations for Best Picture, Best Direction, Best Screenplay, and Best Actor (Peter Sellers). Kubrick spent four years working on his next film, *2001: A Space Odyssey* (1968), co-written with English writer Arthur C. Clarke. Now widely regarded as the greatest science fiction film ever made, *2001: A Space Odyssey* won Kubrick a well-deserved Best Visual Effects Academy Award. Kubrick followed up *2001* with *A Clockwork Orange* (1971), a controversial social commentary set in the near future. It was given an X rating in the United States for its extreme violence and banned in the United Kingdom, but nonetheless received four Oscar nominations including Best Picture. *Barry Lyndon* (1975) was a picturesque movie based on the 19th-century novel by William Thackeray. Kubrick, who had become famous for his perfectionist tendencies, took a record 300 days just to shoot the film. *The Shining* (1980), starring Jack Nicholson as the caretaker of a mountain resort who goes insane, was hailed as a masterpiece of the horror genre. *Full Metal Jacket* (1987) addressed the Vietnam War and was another critical and commercial success. In 1997, after a 10-year absence from filmmaking, Kubrick began work on *Eyes Wide Shut* (1999), an enigmatic thriller starring Tom Cruise and Nicole Kidman. The director died soon after turning in his final cut of the film.

#### Upcoming Events

**Thurs. 03/07** - Export Sales, Jobless Claims, US Trade Balance





**Fri. 03/08** - Crop Production, USDA Supply & Demand, Unemployment

**Sat. 03/10** - Daylight Savings Time Begins(2:00 AM)

**Mon. 03/11** - Export Inspections

**Thurs. 03/14** - Export Sales, Jobless Claims, Retail Sales

**Fri. 03/15** - NOPA Crush

**Sun 03/17** - St. Patrick's Day

**Mon. 03/18** - Export Inspections

**Tues.-Wed. 03/19-31/20** - FOMC Meeting

**Wed. 03/20** - Spring Begins, Full Moon

**Thurs. 03/21** - Export Sales, Jobless Claims

**Fri. 03/22** - Cattle on Feed, Cold Storage

**Mon. 03/25** - Export Inspections, New Home Sales

**Thurs. 03/28** - Export Sales, Jobless Claims, Hots & Pigs Report

**Fri. 03/29** - Personal Income, Grain Stock, Prospective Planting

**Mon. 4/1** - April Fool's Day, Export Inspections, Crop Progress

**Wed. 4/3** - US Trade Balance

**Thurs. 04/04** - Export Sales, Jobless Claims

**Fri. 04/05** - Unemployment Data, Consumer Credit

**Mon. 04/08** - Export Inspections, Crop Progress

**Tues. 04/09** - Crop Production, USDA Supply & Demand

**Thurs. 04/11** - Export Sales, Jobless Claims

**Mon. 04/15** - NOPA Crush, Export Inspections, Crop Progress

**Tues. 04/16** - Retail Sales

**Thur. 04/18** - Export Sales, Jobless Claims, Cattle on Feed

**Fri. 04/19** - Good Friday, Full Moon

**Mon. 04/22** - Easter Monday, Export Sales, Crop Progress

**Tues. 04/23** - Cold Storage

**Thurs. 04/25** - Export Sales, Jobless Claims

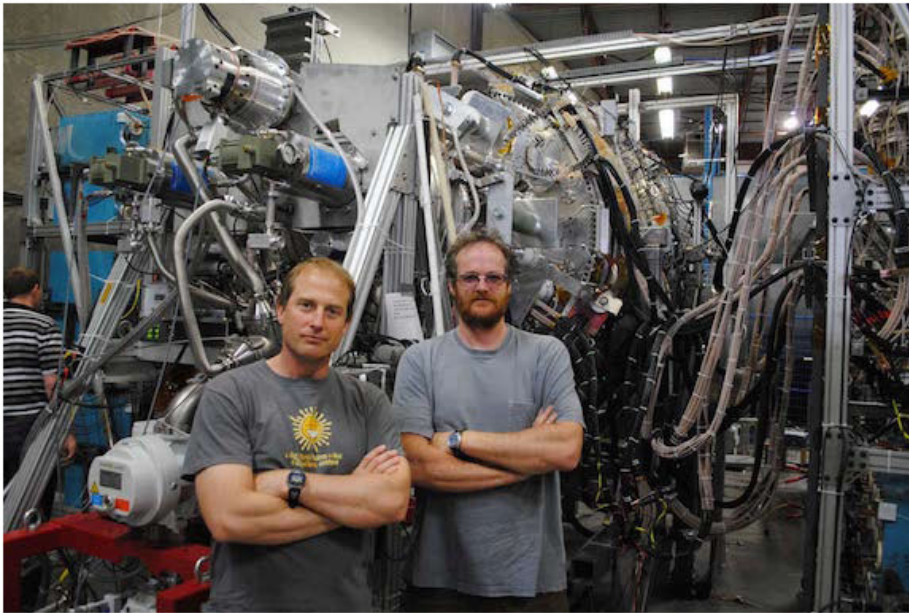
**Mon. 04/29** - Export Inspections, Crop Progress, Personal Income

**Kevin's Song of the Week**





**Jeff Bezos and Microsoft Bet \$10 Trillion on Nuclear Fusion:** *General Fusion*, who counts Jeff Bezos and Microsoft as investors, is hoping to provide energy to the 1 billion people on the planet that don't have access to electricity. Founded in 2002 by then 40-year-old physicist Michel Laberge, *General Fusion* is hoping to harness the energy source that produces no environmentally harmful gases, no nuclear waste, it can't be made into a weapon, and it will never cause a power plant meltdown. With an infinitely large market, it's no wonder, that people like Bezos and companies like *Cenovus Energy* have sunk more than \$127 million into the company, according to *Crunchbase*, while billions of more dollars have been invested in about two dozen other nuclear fusion start-ups, government initiatives and big company projects, such as *Lockheed Martin's* compact fusion reactor. To this point, no one has commercialized nuclear fusion, but the race is on to be the first to figure it out, and the winner will most likely see a massive return on their investment. Read more [HERE](#).



**New Axios Harris Poll 100 Reputation Survey:** *This survey is the result of a new partnership between Axios and Harris Poll to gauge the reputation of the most visible brands in America, based on 20 years of Harris Poll research. I'm told the survey was conducted November through January in a nationally representative sample. One group, 6,118 U.S. adults, was asked to identify the two companies they believe have the best and worst reputations. Then, the 100 "most visible companies" were ranked by a second group of 18,228 adults across key measures of corporate reputation. From Wegmans to the U.S. Government — here's how this year's class stacks up. Click [HERE](#) for view the entire graphic.*



Kevin's Song of the Week

**NEXT**level  
**THINKING**

My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

*Kevin Van Trump*

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with

GUIDE TO SCORES			FILTER BY	
<div> <div>Excellent</div> <div>Very good</div> <div>Good</div> <div>Fair</div> <div>Poor</div> <div>Very poor</div> <div>Critical</div> </div>			All companies	
2019 RANK	COMPANY	TREND 2010-19	2019 SCORE	CHANGE IN RANK
#1	Wegmans		83.0	↗ 1 +
#2	Amazon		82.3	↘ 1 +
#3	Patagonia		81.4	↗ 6 +
#4	L.L. Bean		80.7	↗ 11 +
#5	Walt Disney		80.4	n/a +
#6	Publix		80.3	↗ 2 +
#7	Samsung		80.0	↗ 28 +
#8	Procter & Gamble		79.8	↗ 12 +
#9	Microsoft		79.7	↗ 2 +
#10	Sony		79.4	↗ 21 +
#11	UPS		79.3	↘ 4 +
#12	The Home Depot		79.1	↗ 14 +
#13	Fidelity		79.1	n/a +
#14	Kraft Heinz		79.0	↘ 1 +
#15	LG		79.0	↗ 10 +

**The Final Season of "Game of Thrones" is Out:** HBO recently unveiled the first official full-length trailer for season eight of "Game of Thrones," showcasing a tease of the series' final. Keep in mind, the first six seasons each had ten episodes, the seventh that had seven episodes, and the eighth season will have only six episodes. In the lead-up to the final season of Game of Thrones, it seems like HBO has been stingy with the actual footage it's allowed fans to see. The biggest question in the trailer seems to be coming from the opening with Arya running in terror from something in the depths of her home castle, which fans on Reddit have spent the last 24 hours debating what she's running from. In addition, many fans are saying Jon Snow is definitely going to ride a dragon in the final series. This isn't a show I've seen, but it's one I've heard nothing but good things about and one my kids love! Season eight of "Game of Thrones" will premiere April 14th on HBO. Click [HERE](#) to watch the trailer!



the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

**A.M., FDIC**

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator for Farm Programs USDA**

#### My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.



# FARM TANK

## Tweets of the Day

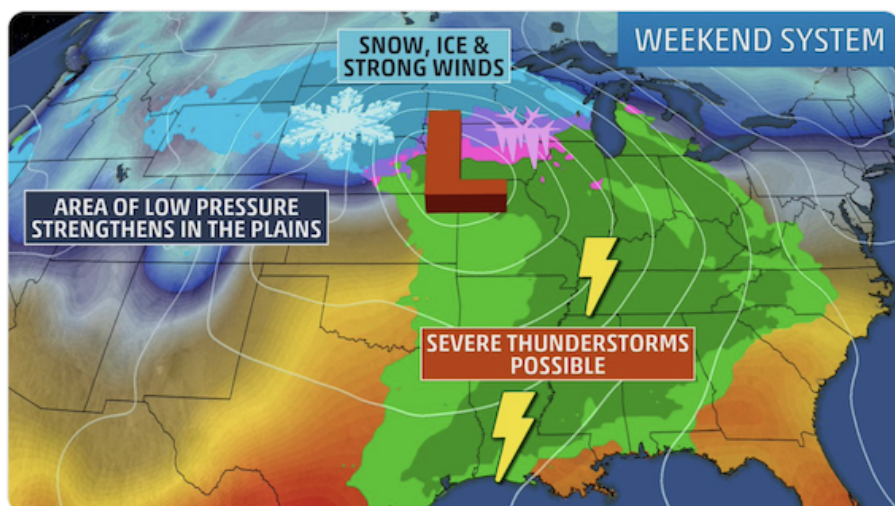


The Weather Channel

@weatherchannel

Following

A weekend system may bring #snow and wind to the Plains and Midwest and #severe weather to the South: [wxch.nl/2XBdCF3](https://wxch.nl/2XBdCF3)



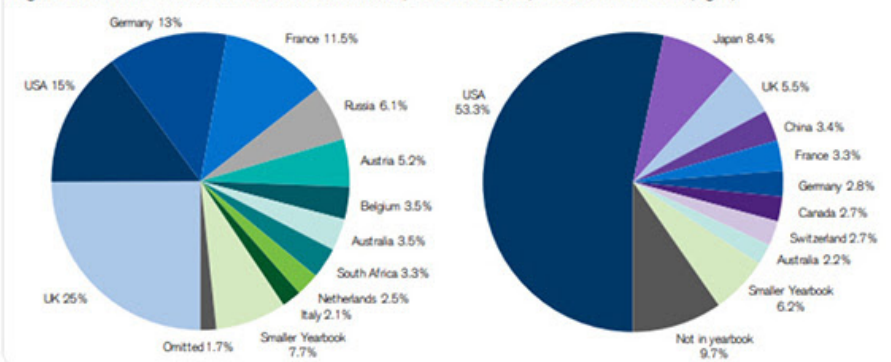
Ben Carlson

@awealthofcs

Following

This chart blows my mind every year

Figure 10: Relative sizes of world stock markets, end-1899 (left) versus start-2019 (right)



New service **#AmazonDay** promises convenience, but the company was likely thinking about its bottom line also.



**kiel**  
@michael84358286

Following

Pineapple farm 🍍







**Jeremy Hughes**

@JeremyH750

Following



Saw this on FB last night. The new Versatile tractor line called Nemesis. #agchat  
#AgTwitter #tractors #plant19





**Bianca Carolina**

@BeMisty

Following



**#CountryMusic**

Today on March 1, 1968:

Johnny Cash marries June Carter at the  
Methodist Church in Franklin, Kentucky...







**History In Pictures**  
@HistoryInPics

Following



KISS on the Empire State Building, NYC, c. 1970s. Photo by Barry Levine.





TechSutram  
@techsutram

Follow



Take some decisive action today.

#quotes #goal

#journey #facts #nyc #inspirational

#motivational #inspire #motivate

#motivationalquotes #quote

#quotestoliveby #success #positivity

#notes #positivevibes #positivethinking

#dailyquote #dailyquotes #dailyinspiration

#dailymotivation

“

THE ONLY  
DIFFERENCE BETWEEN  
SUCCESS AND FAILURE  
IS  
THE ABILITY  
TO TAKE ACTION

”

ALEXANDER GRAHAM BELL

neuro mining



*As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.*

**TODAY'S RIDDLE:**

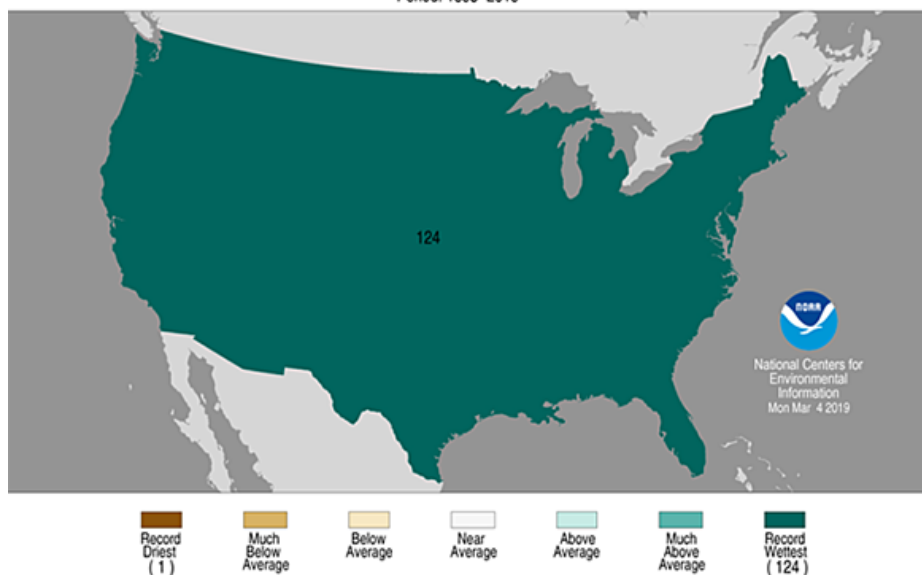


You struggle to regain me. When I'm lost, you struggle to obtain me.  
I pass no matter your will, but I'm your slave to kill.  
What am I?

**Wetter than Ever... Winter 2018-19** - The winter of 2018-19 was the wettest winter ever recorded in the United States, according to a report federal scientists released Wednesday. Climate scientists define winter as the months of December, January and February. In all, 43 of the "Lower 48" states had above-average levels of rain and snow from December to February, the report said. Tennessee was record wet while Wisconsin had its second-wettest winter. In all, 19 states from the Great Plains to the East Coast and south to the Gulf of Mexico ranked in the top 10 wettest on record for winter. Not a single state ranked below-average for winter rain and snow. The plethora of precipitation practically knocked the drought off the map: At February's end, the U.S. Drought Monitor showed 11.9 percent of the contiguous U.S. to be in drought, down from 16.5 percent at the end of January. Latest data from NOAA also shows the last three months were the coldest since 1895.

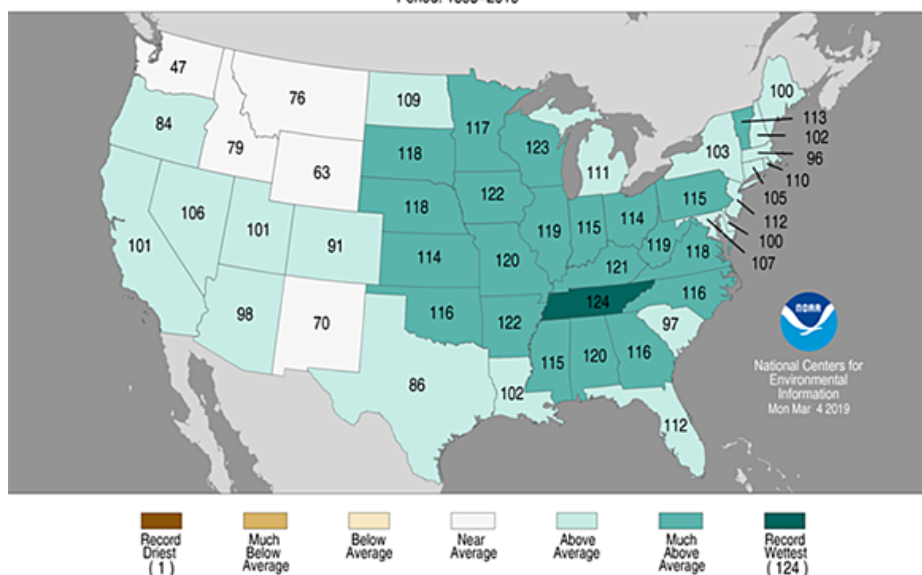
### National Precipitation Rank December 2018–February 2019

Period: 1895–2019



### Statewide Precipitation Ranks December 2018–February 2019

Period: 1895–2019



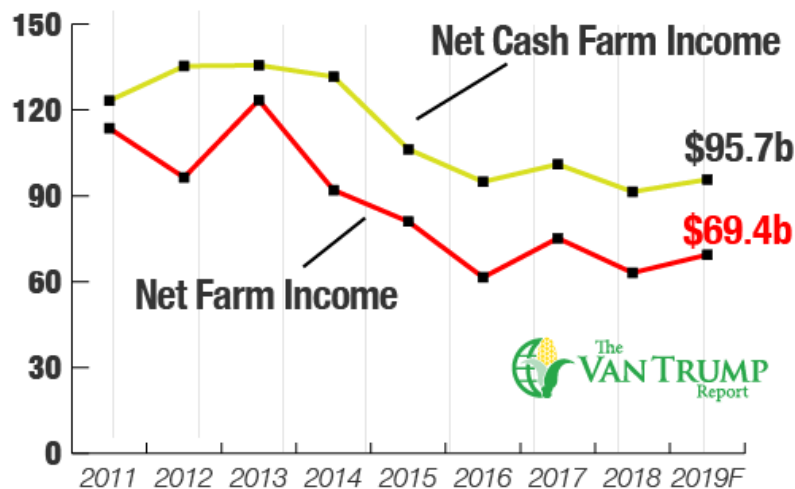
**Corn** bulls have little to cheer about as of late. Exports have been good but there's clearly more competition coming online as weather appears cooperative in South America. Both Argentina and Brazil look as if they will harvest significantly more corn

than last year. There's some question as to how much more corn they will both need domestically, so it will not all flow through to the export market like some bears have insinuated. Brazil's new ethanol plants will surely chew into some of the additional production. From what I hear, Argentine producers are starting to harvest some of their early planted corn and yields are looking better than some had originally forecast. There are some areas of concern where the weather has been a bit more extreme in Argentina, which is making some speculate the USDA could trim their Argentine production estimate a touch. I doubt that happens in this report. I also think there's just as good a chance the USDA could slightly raise their Brazilian production estimate in a future report that would offset the adjustment in Argentina. Here at home, there's continued debate about planted acres in 2019. As I've eluded to on several occasions, I personally think "prevent plant" acres could be higher than most are anticipating and many producer will be making a game-time decision on variable acres not in their traditional rotation. Ethanol continues to battle headwinds as weekly numbers show slightly lower production and another uptick in total surplus. The trade isn't really looking for much from Friday's scheduled release of the USDA's month supply and demand report. Both domestic and global stocks should stay mostly unchanged. As I've mentioned several times the past few months, I still wouldn't be surprised to see the corn market re-test the lows setback in mid-September before trying to mount a U.S. rally into the Spring or Summer. Major new-crop support in the DEC19 contract is thought to be at \$3.83<sup>2</sup>, the low established back in mid-September. Heavy new-crop resistance still seems to be between \$4.05 and \$4.15 per bushel. Major old-crop support in the JUL19 contract is thought to be in the \$3.70 to \$3.75 range. Heavy upside resistance in old-crop still seems to be in the \$3.95 to \$4.05 range.

**Farm Sector Profits Look To Increase in 2019:** *U.S. net cash farm income in 2019 is forecast to increase \$2.7 billion (2.9%) to \$95.7 billion, while U.S. net farm income is forecast to increase \$5.2 billion to \$69.4 billion. The reason for the increase is due to a combination of lower production expenses, which are subtracted out in the calculation of net income, and increases in the value of Ag sector production. The factors contributing to higher income are expected to more than offset the forecast decline in direct Government farm payments.*

## Net Farm Income and Net Cash Farm Income, 2011-2019F

in \$Billions

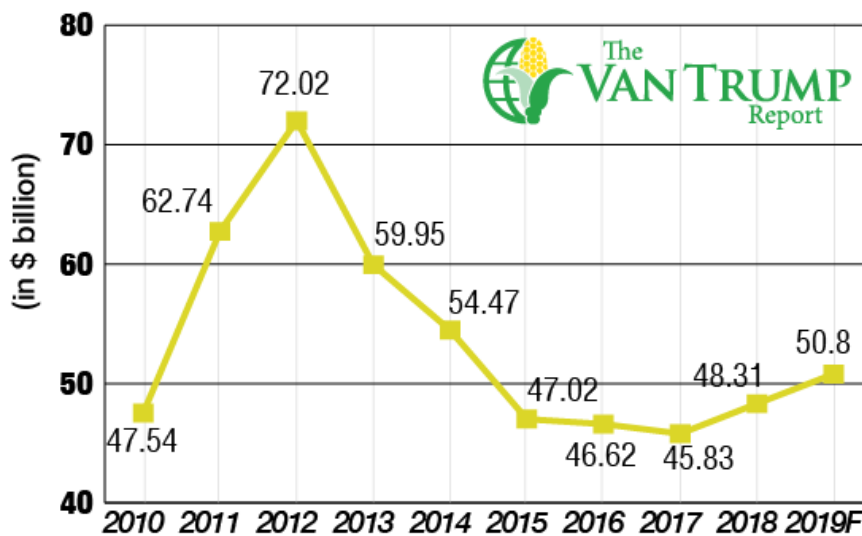


Source: USDA, ERS, Farm Income and Wealth Statistics, Data updated March 6, 2019



# U.S. Corn Cash Receipts

(in \$Billions)

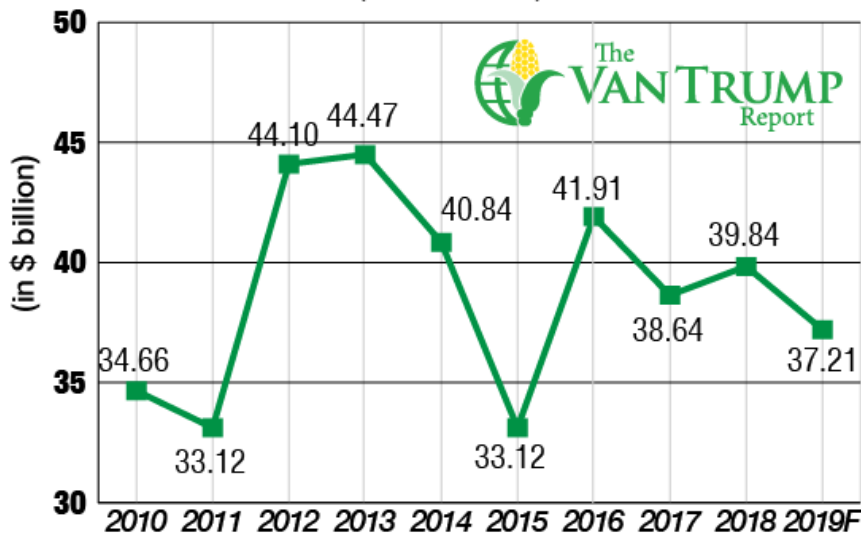


Source: USDA, ERS, Updated March 6, 2019

**Soybean** bulls seem to have gotten a bit spooked yesterday after hearing that Kansas native, friend of our report, and chief U.S. agricultural negotiator, Greg Doud, may have made a couple of comments that came off as a bit uncertain about U.S. and Chinese negotiators making a solid deal in the next few weeks. I personally didn't hear the comments, but have just heard rumors circulating inside the trade that it could have caused some second-guessing. Who knows? The market is moving on the slightest flinch or rumor regarding Chinese trade. Again, the reason I've chosen to stay on the sideline as a spec and have no dog in this race. As a producer, I'm desperately wanting to see higher prices so I can reduce some additional new crop price risk. I would really like to get to over 50% sold/hedged prior to planting, but I'm not sure the market is going to cooperate. I got 30% done at a good price, but was hoping a trade deal with the Chinese would give me the opportunity to price another 20% of my estimated production. That would buy me a lot of time which might ultimately be the winning ticket. I'm thinking a possible fundamental bull run could be in the cards later this Fall or perhaps early-2020. South American ending stocks have been depleted and that might eventually become a driving market factor. But probably not until we start to chew through some of the burdensome U.S. ending stocks. In other words, if we could catch a nice political rally during the next few weeks based on the signing of a new trade deal with the worlds #1 buyer of soybeans, I would like to reduce some price exposure. Thinking that the market could drift back lower if weather in the U.S. looks as if it will cooperate. After that flushing, perhaps we could catch another wave higher based on lack of supply in South America and U.S. surplus being trimmed. This is clearly painting with broad strokes and by no means a specific game-plan. Rather simply my thoughts from 30,000 feet and reasons why I would like to get a bit more risk reduced on the next leg higher.

# U.S. Soybean Cash Receipts

(in \$Billions)



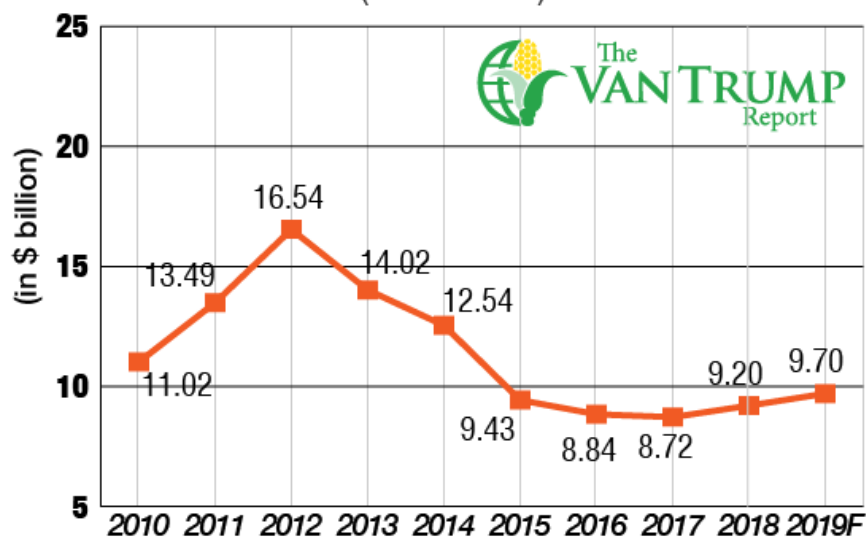
Source: USDA, ERS, Updated March 6, 2019

**Wheat** continues to tumble on lack of fresh bullish fundamentals. There had been some talk that U.S. wheat was starting to pencil into Egypt and Iraq, which bulls thought would help stop the bleeding. There's also been some talk that wheat is getting cheap enough in the spot market that it's starting to work its way into feed rations in some U.S. locations. Unfortunately, bulls have gotten tired and weak while waiting on weather headlines and hopes that China will be stepping in as a significant buyer of U.S. wheat. Also adding pressure as of late has been the talk of EU production rebounding by +10 to +12 MMTs compared to last year, which could potentially add +6 to +8 MMTs to their exports. There's also been more talk that Russian new-crop wheat production could well exceed what they produced last year, and perhaps even challenge the all-time record harvested back in 2017. Ukraine is also talking about good growing conditions and nice looking crop. Adding a bit more to the bearish argument are thoughts that Australia's production could jump significantly if they start to get more widespread rains. Keep in mind, Australia has experienced back-to-back droughts and their production has been off substantially the past couple of years. Meaning if they get improved conditions, they could see a healthy rebound. Net-net, despite record low winter wheat acres here in the U.S. and thoughts of wet fields delaying spring planting, the market still sees burdensome domestic and global supply, with several of the world's leading low-cost producers getting ready to reload. As both a producer and a spec, I can still see further downside price pressure nearby. But I believe there's still a chance for higher prices out on the horizon... Staying extremely patient. I still have not added any additional leverage or length to my current bullish position. Will start considering more seriously if the bears are able to pressure the front-end MAY19 SRW contract down into the \$4.20's. I just don't want to get aggressive or over-leveraged with U.S. ending stocks thought to be over +1.0 billion bushels, especially with weather cooperating for the world's top low-cost producers.



# U.S. Wheat Cash Receipts

(in \$Billions)



Source: USDA, ERS, Updated March 6, 2019

## U.S. Ending Stocks 2018/19 (in billion bushels)

	March Est.	Trade Avg.	Trade Range	Feb. USDA
Corn	???	1.736	1.680 - 1.795	1.735
Soybeans	???	0.902	0.860 - 0.940	0.910
Wheat	???	1.020	1.010 - 1.050	1.010

## World Ending Stocks 2018/19 (in million metric tons)

	March Est.	Trade Avg.	Trade Range	Feb. USDA
Corn	???	309.06	306.30 - 312.00	309.78
Soybeans	???	106.33	104.40 - 113.57	106.72
Wheat	???	267.47	266.00 - 269.00	267.53

## South American Production (in million metric tons)

	March Est.	Trade Avg.	Trade Range	Feb. USDA
Argentina Corn	???	45.92	44.00 - 47.00	46.00
Argentina Soybeans	???	55.23	56.70 - 54.00	55.00
Brazil Corn	???	94.66	93.00 - 96.00	94.50
Brazil Soybeans	???	115.73	115.00 - 118.50	117.00



> **Yellow Corn and Poultry Could Face "Mirror Measures" From Mexico:** Mexico is working on updating a list of products they import from the U.S. that could face retaliatory tariffs if current steel and aluminum tariffs on them continue. I'm told that talks to lift the metal tariffs are reportedly underway, with some key officials like USDA Secretary Sonny Perdue and Senate Finance Chair Chuck Grassley (R-Iowa) pushing for their removal.

> **Uphill Battle to for U.S. Grain Exporters to Hit Government Numbers:** In the second half of the 2018-19 marketing year that ends on Aug. 31, corn shipments need to average about 5.6 million tonnes per month to meet the government's current projection of 2.45 billion bushels. This would be the second-highest pace on record for the time frame behind last year's blistering 7 million. Soybean exports need to average a record 3.9 million tonnes per month between March and August to hit the full-year forecast of 1.875 billion bushels. The previous record pace for the period was set last year at 3.07 million. (Source: Reuters)

> **Lots of Moving Pieces With Impact of USMCA:** Reports from a new analysis from Purdue University, reflect that outcomes from the USMCA could vary widely depending on whether various retaliatory tariffs remain in effect. I'm told the analysis runs the gamut from a \$454-million increase in U.S. net agricultural exports to a worst case scenario where if NAFTA were to go away, meaning Congress does not approve the USMCA and the president withdraws from NAFTA, the U.S. agricultural export loss in this case could amount to about \$9.4 billion.

> **USDA To Train More Beagles To Sniff Out Hog Virus:** The disease, African swine fever, can kill hogs in just two days. The virus, which does not harm people, has spread to China's neighbor, Vietnam. Eastern Europe has also suffered an outbreak and Belgium has found the virus in wild boar. To prevent the disease from entering the U.S. the USDA said it will work with Customs and Border Patrol agents to add 60 beagle teams at key U.S. commercial ports for a total of 179 teams. This will help officials sniff out illegal pork products and help contain the still-spreading hog disease.

> **Economy Still Growing... Modestly:** 10 of the 12 district banks reported a slight to moderate economic growth, with the remaining two being flat. Overall, manufacturers are concerned global growth is slowing, residential construction is steady though sales are down, and the labor market is tight with only moderate wage pressures being reflected.

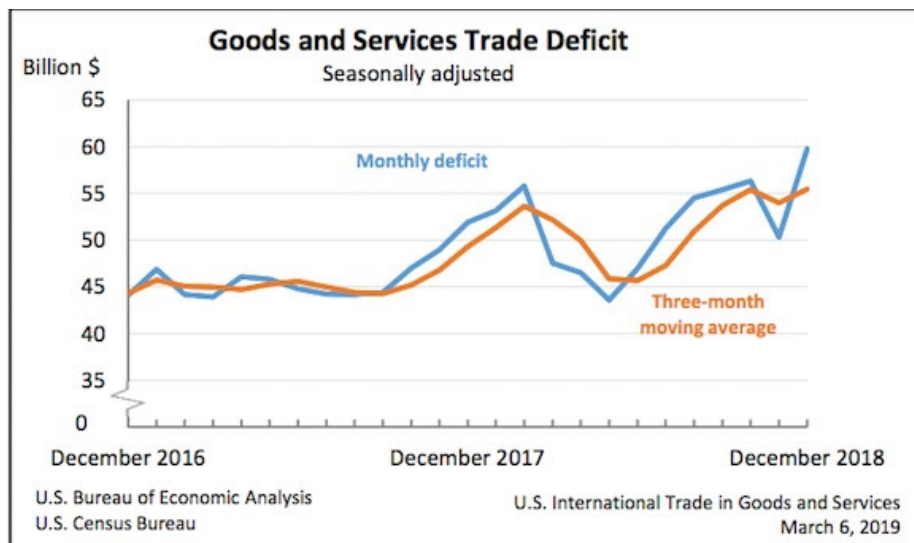
> **Disney Should Survive Streaming Service Space With 160 Million Subscribers:** J.P. Morgan tells clients to expect Disney to eventually draw 160 million subscribers from around the world, more than Netflix's current 139 million. Disney announced the new service in November after telling shareholders it will pull all its movies from Netflix in 2019. According to analysts, Disney should remain on the short list of competitors.

> **Suspected Hidden Tunnels Found Underneath Alcatraz Prison:** Archeologists found hidden tunnels below Alcatraz prison. Archeologists have confirmed a long-time suspicion of historians and say that famed Alcatraz prison was built over a Civil War-era military fortification. I'm told they found fully buried structures, ammunition magazines and tunnels. Historians believe workers built over existing structures when the prison was built in the 20th century. (Source: AP)

> **Cord-Cutters Picking Up the Pace:** Cord-cutting accelerated in 2018, with the largest pay-TV providers shedding about 2.9 million video subscribers, nearly double the 1.5 million subscriber losses in 2017, according to the latest study by Leichtman Research Group. The research firm, which tracks providers covering about 95% of the market, found that gains from virtual MVPD services (aka "skinny bundles") are not making up for the conventional subscriber losses.

> **U.S. Trade Deficit Jumps:** U.S. trade deficit ballooned in December to a 10-year high of \$59.8 billion, well ahead of expectations, despite President Donald Trump's efforts to reduce the number, the Commerce Department reported Wednesday. The expansion came due to a 2.1% increase in imports to \$264.9 billion while exports fell 1.9% to \$205.1 billion. It's worth mentioning, for the entire year, the goods and services shortfall increased by \$68.8 billion, or 12.5% to \$621 billion as the administration railed against unfair trade practices from its global partners. This is the largest trade gap since 2008.





**Northern Minnesota** – We are slowly going to warm up into the weekend. We should see freezing temperatures which, is about 20-30 degrees warmer than today. We are plenty wet and shouldn't need any more moisture but unfortunately, we are going to get measurable wet snow over the weekend. Some stations are calling for 6 inches while others are calling for up to a foot. I am hoping this will be the last snow of the season but I'm sure we can't be that lucky. We are thinking of planting seed beans, but the weather will lead us down the right path.

**Southcentral North Dakota** – We are waiting haul grain to the elevator on a train coming out of the Rockies. Apparently, they are held up because of snow and cold weather. When it gets this cold, they can usually only travel 30 miles per hour. As soon as the train gets in the plant will start taking barley again. What's interesting is our plant has cut the basis in half since the beginning of the year. They are getting it shook loose now, but there is plenty of barley around here.

**Eastern Kansas** – We should warm up in the next few days, at least to the mid 40's. We have spent the first 6 days in the single digits with each day getting a little warmer each morning. Based on everything I have looked at we are going to stay at least in 40's for the rest of the month. We are supposed to get rain over the next 5 days or at least have a chance. We got as much spreading down over the last several days, but we will stop as the ground starts to unfreeze. We are going to try and be mostly corn this coming year. We didn't get any wheat planted and are not overly interested in planting soybeans.



**Insights Into Agriculture's Contributions to GHG:** Over many years, as the international community has sought to learn more about carbon emissions, their sources and impact, agriculture has been part of the conversation — not only in regard to its emissions but in its potential to serve as a "carbon sink." Recent policy discussions on Capitol Hill have renewed interest in this topic. Using data from USDA's Economic Research Service and the Environmental Protection Agency's [Greenhouse Gas Inventory Data Explorer](#) to provide clarity on agriculture's contribution to greenhouse gas emissions, the report demonstrates how productivity trends and technology adoption are reducing the footprint of agricultural greenhouse gas emissions and increasing sustainability. Click [HERE](#) for interesting insights and more good information.

**Famed Motorcycle Designer Erik Buell Unveils Newest Project:** Former Harley-Davidson engineer, Erik Buell just unveiled his new electric motorcycle brand this week.

In addition to a futuristic-looking new electric motorcycle design, the company also debuted a tech-infused electric bicycle. Erik Buell is known in the industry as a pioneer of motorcycle racing technology. Now the prolific designer has unveiled his latest venture, the electric mobility brand Fuell. But Buell isn't going in alone. He has teamed up legendary engineer Frédéric Vasseur, the Alfa Romeo Formula 1 team principal and founder of Spark Racing Technology, which builds the Formula E racers. I should mention that despite the founders' racing pedigrees, the Flow electric motorcycle is designed primarily for urban applications. Selling prices are not cheap, but click [HERE](#) to check out all the details and see the cool design on the new rides.

**... And Then There Was One... Blockbuster:** Blockbuster was once one of the largest retailers in the world. It helped move the consumers' ability to watch movies from the theater to the home, via stores that offered videotapes of mainline films for rent. Eventually, it was buried by Netflix and other companies that offered DVDs via mail, and then the emergence of streaming. Two Blockbuster stores survived as of this week. One will close later this month, and that leaves only one left in the world. Blockbuster was founded in 1985 and at its peak, in 2004, it had over 9,000 stores with about half of those in the U.S. Also, Blockbuster's employee count in the same year was 84,000, which is nearly triple what Google parent Alphabet has today. There is a lesson for those of us in the ag space... keep in mind that the agriculture industry is changing quickly and technology is advancing at a rapid pace. Meaning, we have to do our best to stay ahead of the curve by knowing and understanding where the industry is headed is going to be extremely important in navigating the future of our farms and family investments. Don't let your business fall victim to reacting to slowly and becoming irrelevant. Read more [HERE](#).

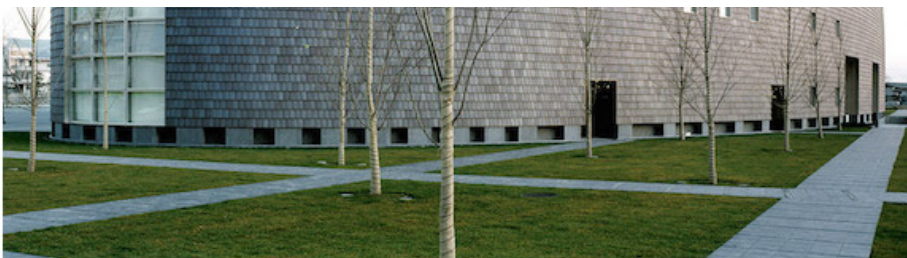
**What the Tobacco Hornworm Can Teach Us About Muscle Memory:** When the tobacco hornworm has nearly completed its 18-day metamorphosis, it uses a set of powerful abdominal muscles to escape from the confines of its old exoskeleton. In its new life as a tobacco hawkmoth, it doesn't need those oversized abs anymore—so they shrink. Over the course of just three days, the muscles get 40% smaller, a loss that's equivalent in human terms to an 80-year-old after three decades of the muscle-wasting condition sarcopenia. But there's something curious about this shrinkage: as the muscle cells die, all of the cell nuclei inside live on. According to a new article in *Frontiers in Physiology* by University of Massachusetts, Amherst biologist Lawrence Schwartz, the hawkmoth's metamorphosis tells us something important about the human phenomenon of muscle memory. Read more [HERE](#) to find out why it's easier to regain fitness than to start from scratch.

**87-Year-Old Visionary Architect Wins Industries Nobel Prize Equivalent:** He's designed an inflatable concert hall, an underground sports arena and envisaged entire cities floating above the earth's surface. Now, at 87 years of age, Arata Isozaki has been crowned the winner of the 2019 Pritzker architecture prize, an honour regarded as the Nobel prize of architecture. Regarded as a visionary who helped foster an architectural dialogue between the east and west, Isozaki's style has remained fluid for more than half a century of work. To get a taste of the innovative designer, you need look no further than his 500-seat performance venue known as "Ark Nova", which was built two years after a major earthquake and tsunami hit Japan. Interestingly, the inflatable mobile concert hall was conceived to travel packed with music and various arts, for the purpose of long-term rebuilding of culture and spirit in areas that were and may be affected by future disasters. Isozaki has travelled the world several times and shows no signs of slowing as he remains on the top of his game. Read more [HERE](#) to learn more about the visionary designer.









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During 2019, iSelect, The VanTrump Report and The Yield Lab Institute are sponsoring

a series of weekly webinars featuring the best in agriculture innovation. Agrifood Conversations is all about driving innovation and each month will highlight a specific theme, from biologicals to vertical farms, featuring emerging topics such as soil health, biologics, plant genetics, vertical farming, precision agriculture, herd health and management, and aquaculture, to name a few. Once a quarter, we'll open up the conversation with a panel of experts on that month's topic. Learn about new trends in ag, connect with industry leaders and discover new solutions.

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## Learn More About "Trace Genomics"

**Title: Leveraging DNA to Unlock the Power of Soil**

**Time: Thursday, March 07 @ 3:00 pm CT**

Each tablespoon of soil contains millions of organisms that tell a story about the environment it's providing for crops. For this reason, soil is the foundation that supports every farm on the planet. Everything else from seed to water, to fertilizer, is an input. To best determine what's happening above ground, we first need to find out what is going on below ground. That's where the importance of soil testing comes in. Trace Genomics was founded on the belief that soil science should be accessible to all, so farmers can make practical decisions in the field. Soil testing at the DNA level opened up a new layer of data that had never before been accessed at scale but, until now, that technology has been limited to a research environment. Trace Genomics is changing that, bringing soil DNA sequencing to every farmer, agronomist, and stakeholder working with soil. By analyzing soil DNA, the company is helping the industry increase yield and identify potential threats long before they are visible in the field, with actionable insights that make a real difference. Keep in mind, with new funding Trace Genomics plans to expand its soil-health offerings to farmers of row crops like corn and soybeans. The Trace Genomics soil report is your guide to help with decision-making pre-planting, in-season, harvest and post-harvest. In pre-planting, you can use our insights to determine the planting date and select the ideal seeds and inputs to maximize efficiency. You will be able to plan for what's going to be needed throughout the season and budget accordingly. During the season, you can use our test to gauge why a field is performing poorly and detect the presence of disease. It can mean that you catch a disease early, identify the treatment, and protect your revenue on those acres based on the information you learn from our soil report. From harvest to post-harvest, our test is your analysis tool to see how you can plan better for next year and make more precise decisions on inputs and practices. Learn how one company is working to bring new insights to farmers at "Leveraging DNA to Unlock the Power of Soil," a webinar to be held at 3 pm CT on March 7th featuring Poornima Parameswaran, co-founder of Trace Genomics. Even if you can't make the live broadcast, registered users will be emailed a recording after the fact.





Unleash the power of soil.  
Inform agronomic insights.  
Maximize profits.

By analyzing your soil's DNA, we help you increase yield and see potential threats long before they are visible in your field.



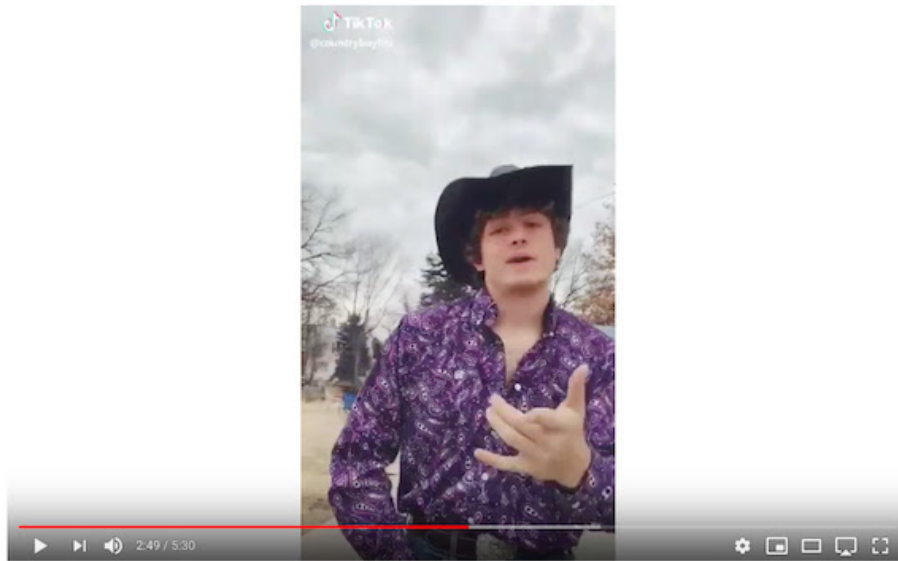
**TRACE**<sup>TM</sup>  
GENOMICS

### **"TikTok" Downloaded More than 1 Billion Times... and I Didn't Know What it Was**

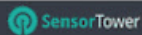
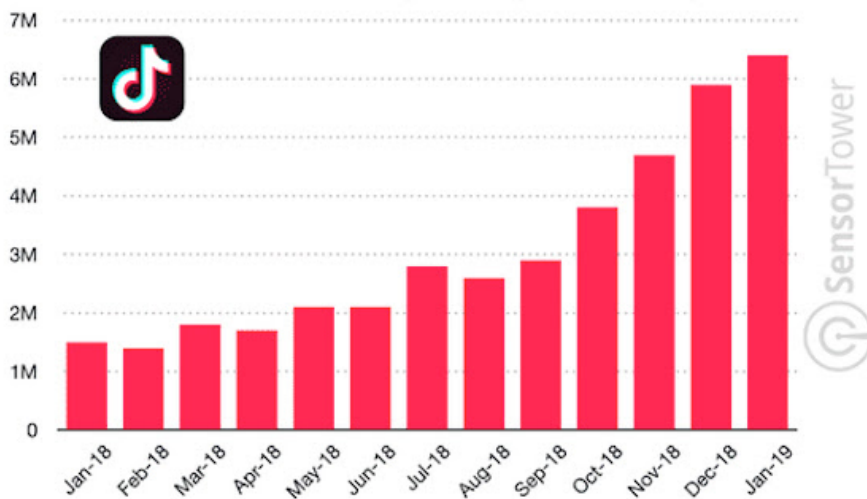
If you haven't heard of TikTok, join the crowd, I hadn't either, but over a billion people have. From what I've learned, "TikTok" is a social video app popular with children and pre-teens that lets users record themselves lip-synching to popular music videos then share the clips with friends, which is somewhat similar to the old iPhone app Vine. It seems like "generation Z" really likes the app because TikTok is fun to use and it integrates music in a way that other social networking sites don't. Music is integrated into the app by users choosing a popular song from the TikTok library and then making a clip of themselves dancing, lip-synching, or otherwise acting out a response while the tune plays. There are also several effects to help produce an entertaining video including interactive filters and background effects. Similar to Instagram, users can show appreciation through "hearts," which are essentially the same as "likes." The mobile app is owned by ByteDance, which was launched as Douyin in China back in September 2016 and was introduced overseas as TikTok close to a year later. From what I understand, ByteDance bought the lip-synching app Musical.ly for \$1 billion in 2017 and announced in August 2018 that it was getting rid of the Musical.ly name and merging it with its



own app TikTok and that's when the app really took off. It's now the leading short video platform in Asia, the United States, and other parts of the world. Recently, TikTok surpassed 1 billion downloads on iOS and Android, which is a major milestone because many experts are saying the app is now pushing up against Facebook for app download dominance. According to Sensor Tower, TikTok was downloaded 663 million times in 2018, which trails Facebook's 711 million downloads but was far more than Instagram's 444 million. Keep in mind, Sensor Tower added that the billion figure didn't include Android installs from China, so the real number of installs is likely to be much higher. In addition, TikTok was the No. 4 non-game app in terms of 2018 downloads only behind WhatsApp, Facebook Messenger, and Facebook. It doesn't seem like the momentum slowed in 2019 as the app reached No. 3 globally with 71.3 million new installs in January, which made it become the No. 1 non-game app in the U.S. for the month. From what I've heard, TikTok seems to really be taking off in India with 25% of the app's total downloads coming from the country. TikTok has even gone as far as recently launching new safety features allowing users to filter certain key-words out of their comment sections and providing a series of educational videos about safety on the app to prevent security issues like other major companies have been dealing with as of late. I even heard Snapchat recently released a "Lens Challenge" for lip sync videos in an effort to capitalize on the music video app's popularity, but has yet to gain any traction. At the end of the day, Facebook and Instagram are considerably larger than TikTok with billions of monthly active users between the two apps. TikTok's massive growth and \$75 billion valuation is more than enough to get Facebook's attention, as it is known for eliminating competition by copying features and acquiring rivals. I wouldn't be surprised to see TikTok gobbled up by one of the big fish in this space. I suspect it would be a multi-billion dollar payday for the founders... Who would have thought a "lip-synching" video app could be worth billions in a few short years. We could argue, Milli-Vanilli was ahead of their time! For those of you who aren't old enough to remember, Milli Vanilli became one of the most popular music acts in the late 1980s and early 1990s, with millions of records sold. However, their success quickly turned to infamy when their agent Sergio Vendero confessed that the two stars of the group did not sing any of the vocals heard on their music releases. The duo ended up having to give back their Grammy Award. Click [HERE](#) to see how TikTok works!



**New TikTok Users By Month (United States)**



Data That Drives App Growth

sensortower.com



### **The Youngest Self-Made Billionaire Ever**

At just 21-years of age Kylie Jenner has built a net-wroth of over +\$1 BILLION! Perhaps most impressive is the fact she's done it in less than 48-months. She launched Kylie Cosmetics just two years ago with a \$29 "lip kit". She owns 100% of the company and it's now worth hundreds of millions. To give you an idea, Kylie Cosmetics was only selling its makeup online and briefly in small pop-up shops. But after negotiating and signing an exclusive distribution deal with Ulta, the beauty and cosmetic retailer, Kylie Cosmetics started shipping its \$29 lip kits—a matte liquid lipstick and matching lip liner—into Ulta's 1,000-plus stores. Kylie went to several Ulta locations to greet customers, sign autographs on lip kits and, of course, pose for selfies with her fans. According to estimates from Oppenheimer, over the next six weeks, Kylie Cosmetics sold +\$54 million worth of products in Ulta stores across the country. WOW! Add to that the millions she's earned from TV programs and endorsing products like Puma shoes and PacSun clothing, and she's now worth over \$1 billion, which along with her age makes her the youngest self-made billionaire ever in the world, male or female, trumping even

Mark Zuckerberg, who became a billionaire at age 23. Snapchat's Evan Spiegel also became a billionaire in his early 20s, though it's less clear when he passed that threshold. The beauty of Kylie Cosmetics, which Jenner started in 2015, is its minuscule overhead—and the outsize profits that go straight into Jenner's pocket. Her empire consists of just seven full-time and five part-time employees. Manufacturing and packaging is outsourced to Seed Beauty, a private-label producer in nearby Oxnard, California. Sales and fulfillment are handled by online merchant Shopify. Her shrewd mother, Kris, takes care of finance and PR in exchange for a 10% management fee she earns from all of her kids. Marketing is done mostly through social media, where Jenner has a massive following. She announces product launches, previews new items and announces the Kylie Cosmetics shades she's wearing directly to the 175 million-plus who follow her across Snapchat, Instagram, Facebook and Twitter. What an amazing company and brand her team has built. I should note, a company called "IT Cosmetics," cofounded in 2010 by Jamie Kern Lima, entered Ulta in 2012 and promptly grew sales to \$117 million by 2014. In August 2016, L'Oréal paid \$1.2 billion in cash for it. I suspect if Kylie wants sell her business she's going to get PAID!!! (Source: [Forbes](#), Natalie Robehmed; Vox; USAToday)







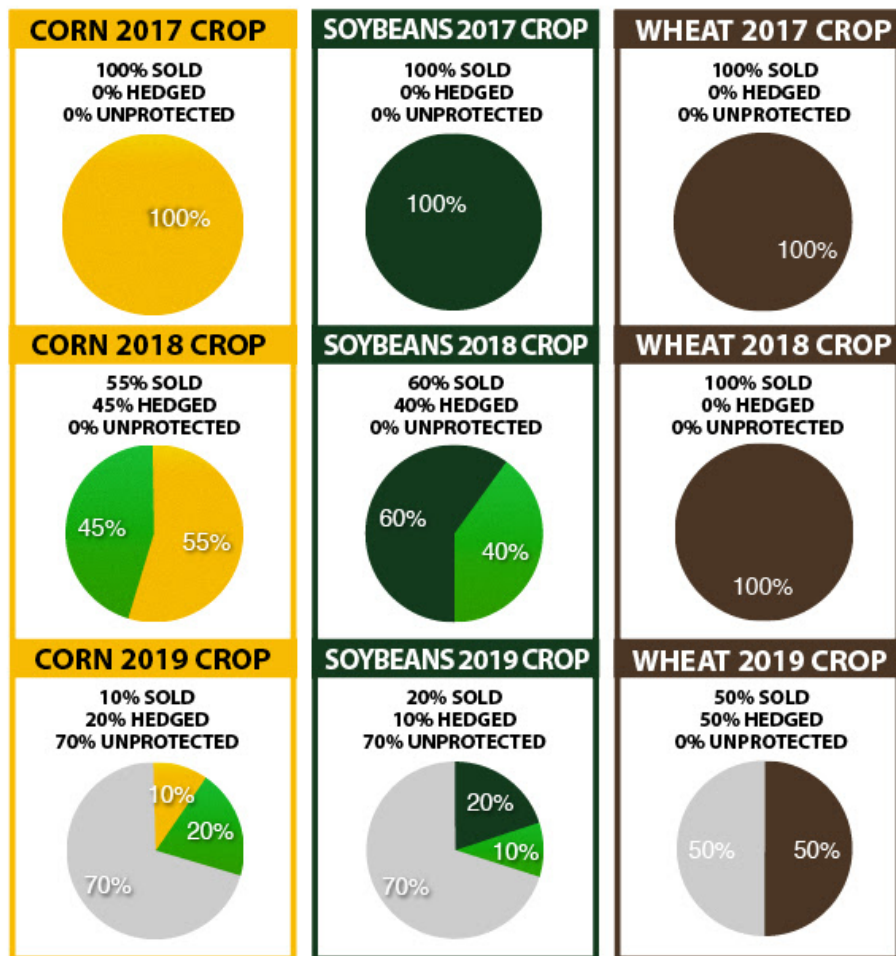
# AMERICA'S WOMEN BILLIONAIRES

FROM A TRUCKING TITAN TO THE IMMIGRANT TAKING  
ON ELON MUSK IN SPACE, OUR ANNUAL RANKING OF  
THE 60 RICHEST SELF-MADE WOMEN

**ANSWER to riddle:** Time

## CASH SALES & HEDGING TOTALS

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