

GOOD MORNING: 05/15/19 Farm Direction - Van Trump Report

1 message

The Van Trump Report <reply@vantrumpreport-email.com>

Wed, May 15, 2019 at 7:37 AM

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"When we seek to discover the best in others, we somehow bring out the best in ourselves." - William Arthur Ward

WEDNESDAY, MAY 15, 2019
[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks are mostly steady this morning. Chinese trade negotiations now seem less dire than many bears have been recently forecasting. There were talks circulating that President Trump and Xi may speak by phone fairly soon to discuss trade negotiations. There's also continued talk that President and Xi will be getting together next month (June 28-29) at the G-20 meeting hosted in Japan. However, I thought it was interesting to hear respected investor Mohamed El-Erian, chief economic advisor at Allianz, says the purpose of the tariff hikes is now extremely important to the markets. he also said, *"I think the major change going on in the market mindset right now is the 'journey' versus the 'destination'. For quite a while we all expected the tariff tit-for-tat to be part of a 'journey' that still leads to free but fairer trade. Now there's growing concern that these higher tariffs might be part of a 'destination,' and that's a completely different calculus for the market."* I should note, there's also more evidence that the Chinese economy is slowing. Data released this morning showed China's retail sales in April grew at their slowest annual pace since May 2003, while industrial output and fixed-asset investment also weakened. The response in the market regarding this data is somewhat mixed, bears talking more global weakness, bulls thinking it drives the Chinese leaders closer to needing to make a deal. In the energy sector, there have been talks circulating that Saudi Arabia had seen drone attacks on two oil-pumping stations, following an earlier attack in the week on two of its oil tankers. Traditional economic data scheduled for release today will include U.S. retail sales, U.S. industrial production, and U.S. manufacturing data. Tomorrow, we have U.S. housing starts and building permits, along with the Philly Fed Business Outlook. Don't forget, we also have a few big corporate earnings scheduled for release today, including Alibaba, Cisco Systems and Macy's. Tomorrow, we will see earnings from Walmart, Nvidia, Applied Materials, and Baidu. Friday, before the open, we will hear from John Deere. Let's also not forget, President Trump has until a Friday midnight deadline to decide whether to impose tariffs on European car manufacturers... Stay tuned!

What You'll Pay More For With Increased Tariffs: As most already know, China recently announced tariff increases and implementations of 10% to 25% on approximately \$60 billion of U.S. goods, which will become effective June 1st. In addition, the Trump administration announced it would increase tariffs on some \$200 billion worth of Chinese imports. Keep in mind, this will affect the price you pay for a variety of items including everything from computers to toilet paper, art supplies, saw blades, windshield glass, and baseball mitts. Click [HERE](#) to view the full list of these goods, which contains more than 6,000 individual items. Keep in mind, more than 1,000 of the 6,000 items on the list are chemicals. I think it's important to know what exactly you'll be paying more for and I suspect this will seriously start to affect many small businesses moving forward. (Source: The Hustle)



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A few things that may soon cost more

The Trump administration recently increased tariffs on \$200B worth of Chinese imports, including...

DOG COLLARS



BASEBALL MITTS



SLEDGEHAMMERS



DESK LAMPS



TOILET PAPER



SNAKESKIN GOODS



CHRISTMAS LIGHTS



BICYCLE PARTS



BUG SPRAY



Data: USTR, NYT

the HUSTLE

Flexa Will Let You Pay at Whole Foods Using Your Bitcoin: A new payment network launched yesterday called Flexa, which now lets users spend cryptocurrencies in physical stores. This new payment method will work at 15 retailers including GameStop, Nordstrom, Whole Foods, Barnes & Noble, Baskin Robins, Lowe's, Bed Bath & Beyond, Ulta, Express, Office Depot, Caribou Coffee, Jamba Juice, and Crate and Barrel. In addition, the platform currently supports bitcoin, ether, bitcoin cash, and the gemini dollar. The app works by paying for your items using Flexa's app, Spedn, which generates a QR code that you scan at the checkout register. The merchant receives immediate payment in dollars, and the equivalent amount of cryptocurrency is debited from your cryptocurrency wallet in the Spedn app. This is definitely something to keep an eye on moving forward as this new platform creates more opportunity for the use of Bitcoin in the real world. (Source: The Verge)

Walmart Announces Next-Day Delivery: Walmart plans to offer next-day delivery for more than 200,000 items on its website. Walmart recently announced they will be rolling out next-day delivery in Phoenix, Las Vegas, and Southern California over the next few days. In addition, they plan to reach roughly 75% of American consumers by the end of 2019, which will include 40 of the top 50 major metros. I find it extremely interesting that larger companies like this are moving quicker and quicker to adjust to Amazon's disruptive innovation.

FARM TANK

Tweets of the Day



1756, The Seven Years War Begins

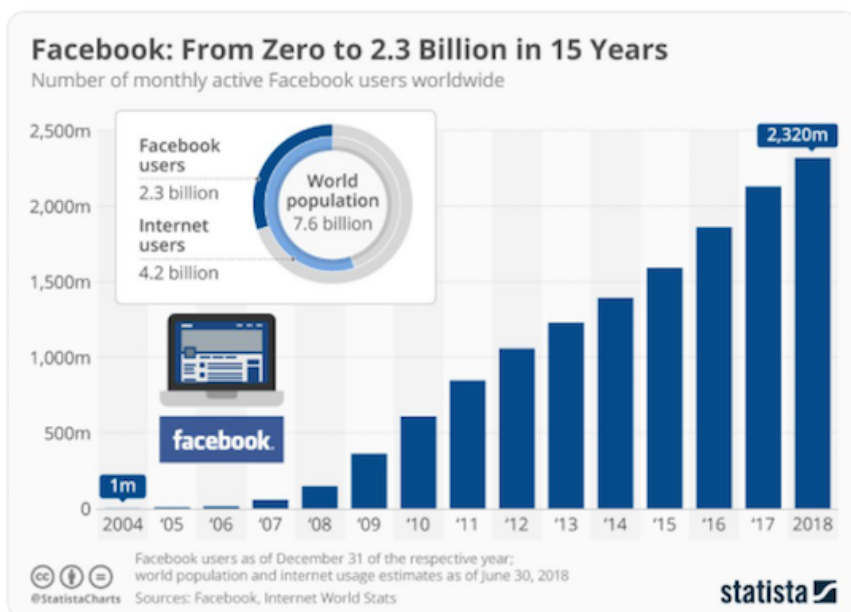
The Seven Years War, a global conflict known in America as the French and Indian War, officially begins when England declares war on France. However, fighting and skirmishes between England and France had been going on in North America for years. In the early 1750s, French expansion into the Ohio River valley repeatedly brought France into armed conflict with the British colonies. In 1756—the first official year of fighting in the Seven Years War—the British suffered a series of defeats against the French and their broad network of Native American alliances. However, in 1757, British Prime Minister William Pitt (the older) recognized the potential of imperial expansion that would come out of victory against the French and borrowed heavily to fund an expanded war effort. Pitt financed Prussia's struggle against France and her allies in Europe and reimbursed the colonies for the raising of armies in North America. By 1760, the French had been expelled from Canada, and by 1763 all of France's allies in Europe had either made a separate peace with Prussia or had been defeated. In addition, Spanish attempts to aid France in the Americas had failed, and France also suffered defeats against British forces in India. The Seven Years War ended with the signing of the treaties of Hubertusburg and Paris in February 1763. In the Treaty of Paris, France lost all claims to Canada and gave Louisiana to Spain, while Britain received Spanish Florida, Upper Canada, and various French holdings overseas. The treaty ensured the colonial and maritime supremacy of Britain and strengthened the 13 American colonies by removing their European rivals to the north and the south. Fifteen years later, French bitterness over the loss of most of their colonial empire contributed to their intervention in the American Revolution on the side of the Patriots.



1942, Ronald Reagan Applies for Transfer to Army Air Force

On this day in 1942, Lieutenant Ronald Reagan, a cavalry officer, applies for reassignment to the Army Air Force, where he would eventually put his thespian background to use on World War II propaganda films. The transfer was approved on June 9, 1942, and Reagan was given a job as a public relations officer for the First Motion Picture Unit. The First Motion Picture Unit (FMPU)—its acronym was pronounced fum-poo—produced military training, morale and propaganda films to aid the war effort. FMPU released Frank Capra's Why We Fight series and a documentary of the bomber Memphis Belle, the crew of which completed a standard-setting 35 bombing missions in Europe. The films were screened on domestic training grounds and in troop camps overseas as well as in movie theaters at home. Another film, Air Force, which was later renamed Beyond the Line of Duty, conveyed the true story

#Facebook now has 2.32 billion MAU - and the company estimates that approximately 2.7 billion people use its "family" of services including WhatsApp, Messenger, Instagram, and its core social network.
statista.com/chart/10047/fa...



of the heroic feats of aviator Shorty Wheliss and his crew, featuring narration by Ronald Reagan. The documentary, originally intended to promote investment in war bonds, won an Academy Award in 1943 for best short subject. Reagan went on to narrate or star in three more shorts for FMPU including For God and Country, Cadet Classification and the The Rear Gunner. Reagan also appeared as Johnny Jones in the 1943 full-length musical film This is the Army.



1973, Nolan Ryan Pitches First No-hitter - On May 15, 1973, California Angel Nolan Ryan strikes out 12 Kansas City Royals and walks three to

pitch the first no-hitter of his career. The game was played under protest, as Royals Manager Jack McKeon complained that Ryan wasn't maintaining contact with the pitching rubber while throwing. Lynn Nolan Ryan, Jr. was born January 31, 1947, in Refugio, Texas and raised in Alvin, 12 miles southeast of Houston. As a high school sophomore, he was scouted by Red Murff of the New York Mets. Ryan's coach told Murff of the young pitcher's intimidating fastballs, so powerful they had broken catchers' bones. Murff was impressed—his report said Ryan had the "best arm I've ever seen in my life." Nolan joined the Mets in 1968, and was soon a highly regarded fireballer. In what is often pointed to as one of the most short-sighted moves in baseball history, the Mets traded Ryan to the Angels for third baseman Jim Fregosi after the 1971 season. Ryan went 19-16 in 1972, striking out 328 batters. Fregosi hit a disappointing .232 in 1972 then was sold to the Texas Rangers in early July 1973. Meanwhile, Ryan pitched his first no-no on this day in 1973, and then followed it up with a second on July 15 versus the Detroit Tigers in Tiger Stadium. Ryan struck out a total of 383 batters in 1973, setting a new major league record. He went on to throw five more no-hitters in his career, with the last coming on May 1, 1991, when he was 44 years old. Ryan's work ethic was the secret to his success. A believer in the theory that pitching power comes from the legs and not the arms, Ryan ran every day and chalked up his consistency and endurance to his strong legs. In 1983, Ryan broke the legendary Walter Johnson's career strikeout record. He pitched for 27 years in the big leagues, with the Mets, Angels, Astros and Rangers. He struck out 5,714 batters in his career, breaking his own record 2,206 times. He was 324-292 for his career, with a 3.19 career ERA. Nolan Ryan was elected to the Baseball Hall of Fame in 1999.

Upcoming Events

Wed. 05/15 - NOPA Crush, Retail Sales

Thur. 05/16 - Export Sales, Jobless Claims



World Economic Forum

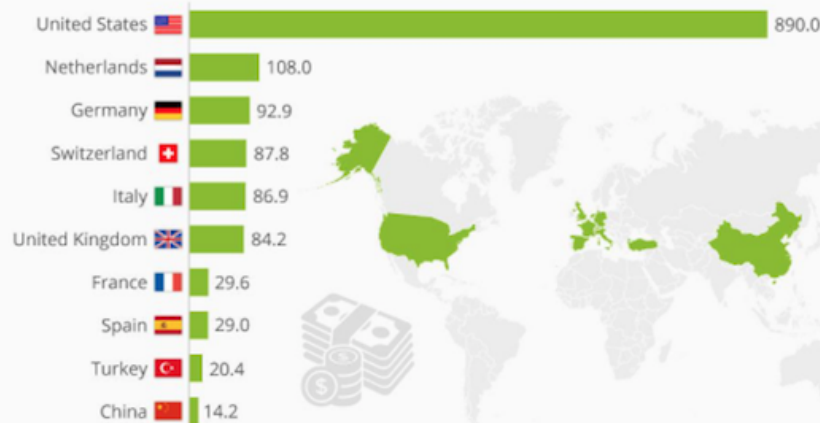
@wef

Following

Philanthropy is at a turning point. Here are 6 ways it could go wef.ch/2GQUyMD
#business #economics wef.ch/2GQUyMD

Where Philanthropy Dollars Are Concentrated

Assets held by philanthropy foundations in 2018 (billion U.S. dollars)



Source: The Global Philanthropy Report:
Perspectives on the global foundation sector

statista

Mon. 05/20 - Export Inspections, Crop Progress

Wed. 05/22 - Cold Storage

Thurs. 05/23 - Export Sales, Jobless Claims, New Home Sales

Fri. 05/24 - Cattle on Feed, Durable Goods

Mon. 05/27 - Memorial Day, Markets Closed

Tues. 05/28 - Export Inspections, Crop Progress

Thur. 05/30 - Jobless Claims, GDP Q1

Fri. 05/31 - Export Sales, Personal Income

Kevin's Song of the Week

WHAT I'M LISTENING TO:



"Forever and Ever, Amen"
Randy Travis

Kevin's Song of the Week



Enjoy Nature 🌻+🌻=💖
@EnjoyNature

Following

Rice Fields and Pink & Green Landscape in Asia

#Travel #Nature #Photo #Weather #Zen
#Inspiration #Peace #Travelling #Colorful
#Water #Places #Explore



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 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



Quirky Rides

@QuirkyRides

Following

A [#DavidBrown](#) [#aircraft](#) [#tractor](#) from the [#RAF](#) base at [#Takali](#) [#Malta](#). These were used mostly in the [#1940s](#) & [#1950s](#). Some stayed in operational use until [#1970s](#) & some are still used in historical aircraft collections.



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.

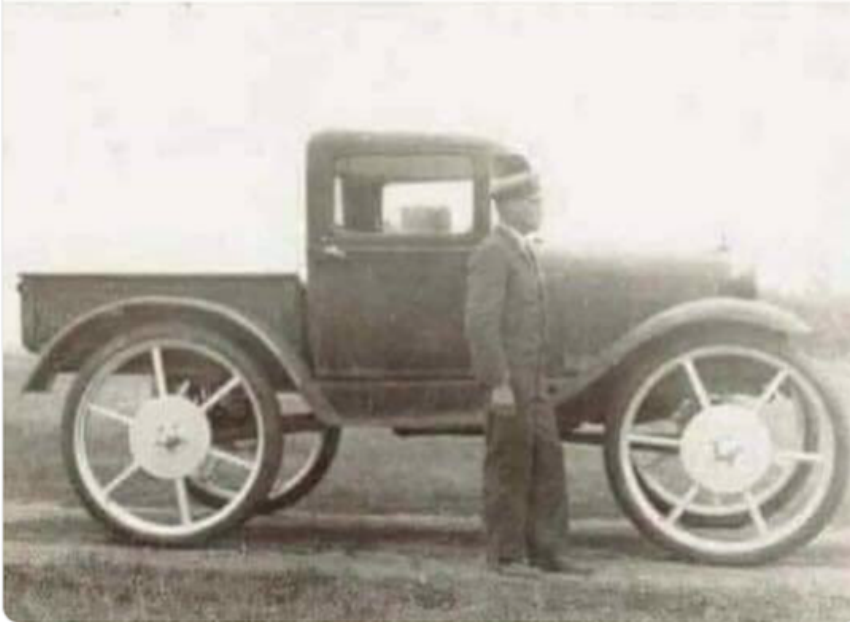
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.



Porter
@CCPorter_

Following

On this day in history: In 1927, Ricky Dale Everclear becomes the first man to put oversized rims on his truck with his girlfriend's tax return.



Farm Direction

RECIPES

★ **FAMILY** ★
FAVORITES

-SENT IN BY OUR READERS-

Charleston Cheese Dip



CLICK TO SEE RECIPE



Classic Rock In Pics

@crockpics

Following



Eric Clapton, Chuck Berry and Keith Richards at Chuck Berry's Los Angeles home, 1986.





Facts & Funny
@factsfunnyweb

Following

It's fine to celebrate success, but it is more important to heed the lessons of failure. - Bill Gates #gates #microsoft #success #motivation

IT'S FINE TO CELEBRATE SUCCESS,
BUT IT IS MORE IMPORTANT TO
HEED THE LESSONS OF FAILURE.

- BILL GATES

FACTS and
Funny.com

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:

What has a neck but no head?

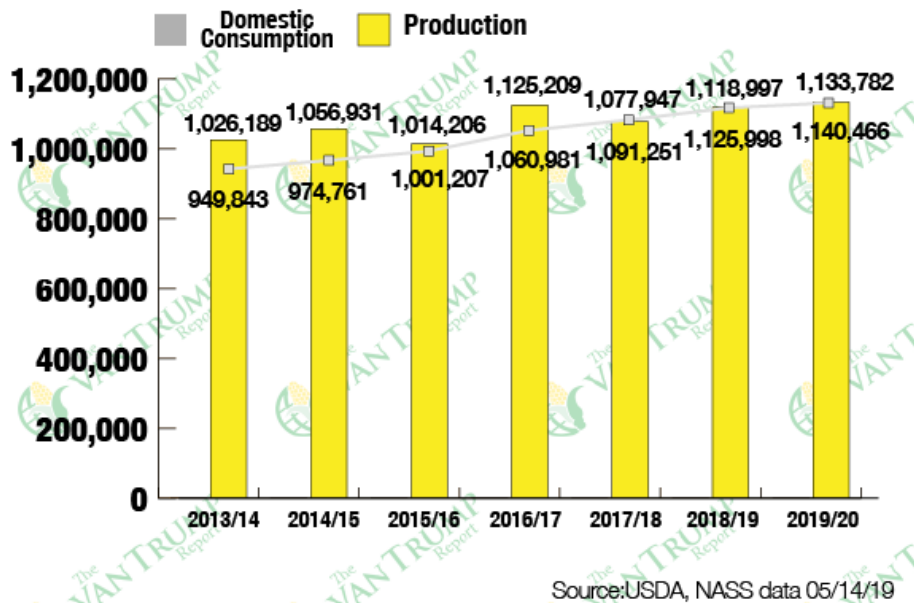
Corn prices post big gains on more doubts regarding U.S. planting. Traders are seeing more problems and complications associated with excessive moisture. I continue to believe U.S. acres are shrinking by the day. I've said for weeks I would take the under on sub-90 million planted corn acres. I've always hated listening to the extremist, but as of today, I honestly see no real reason to doubt the bulls who are arguing sub-88 million planted acres. At the same time, I have a hard time debating the bulls who are talking reduced yield potential. Conditions are cold and wet, the crop is certainly going to be in desperate need of nitrogen, slow early growth, producers will have to throw more money at top-dressing, fertilizer is arguable out of position and could be limited in areas creating higher prices and limited supply, wet conditions mean more insect problems, perhaps more fungicide, pollination will be pulled deeper in the heat of

summer, preventive-plant acres are a much more realistic option after producers start thinking about all of the additional input costs in trying to chase yield in an excessively late and overly wet environment... Bottom-line, the bulls are starting to make a much more compelling argument for additional risk-premium. I'm bullish this market and looking to add to my current positions.

Global Corn Consumption Stays Strong: In 2019/20, global corn production is projected up with larger planted acres in many countries. For key exporters, crops for Argentina and Brazil are projected at record levels, while the U.S. and Ukraine reach near record crops. Global consumption continues to outpace production driven by higher feed use, particularly for growth in poultry production.

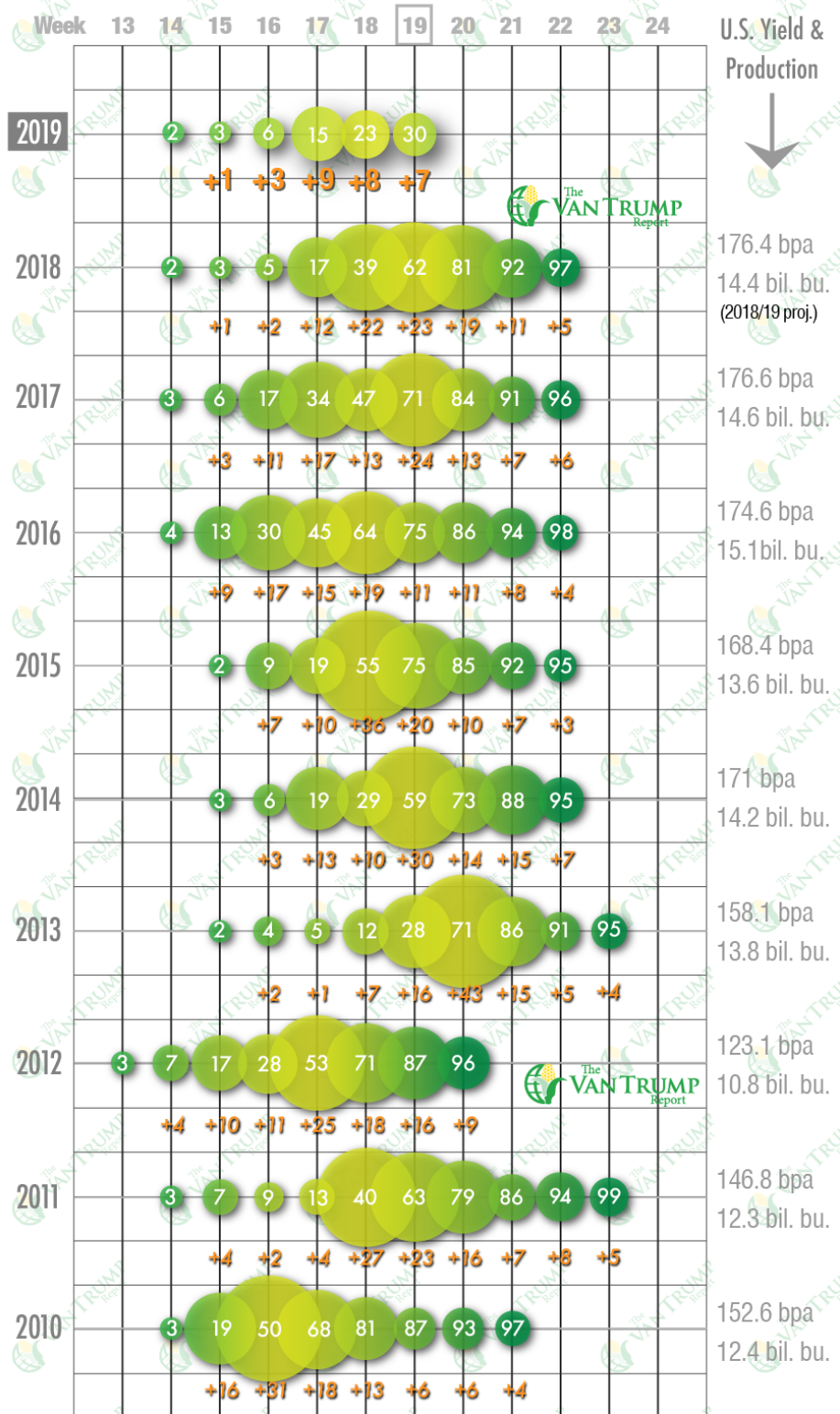
Global Corn Production and Consumption

Measured in (1,000 MT)



U.S. Corn Planting Pace 2010 - 2019

includes Weekly Rating and Week-over-Week Change



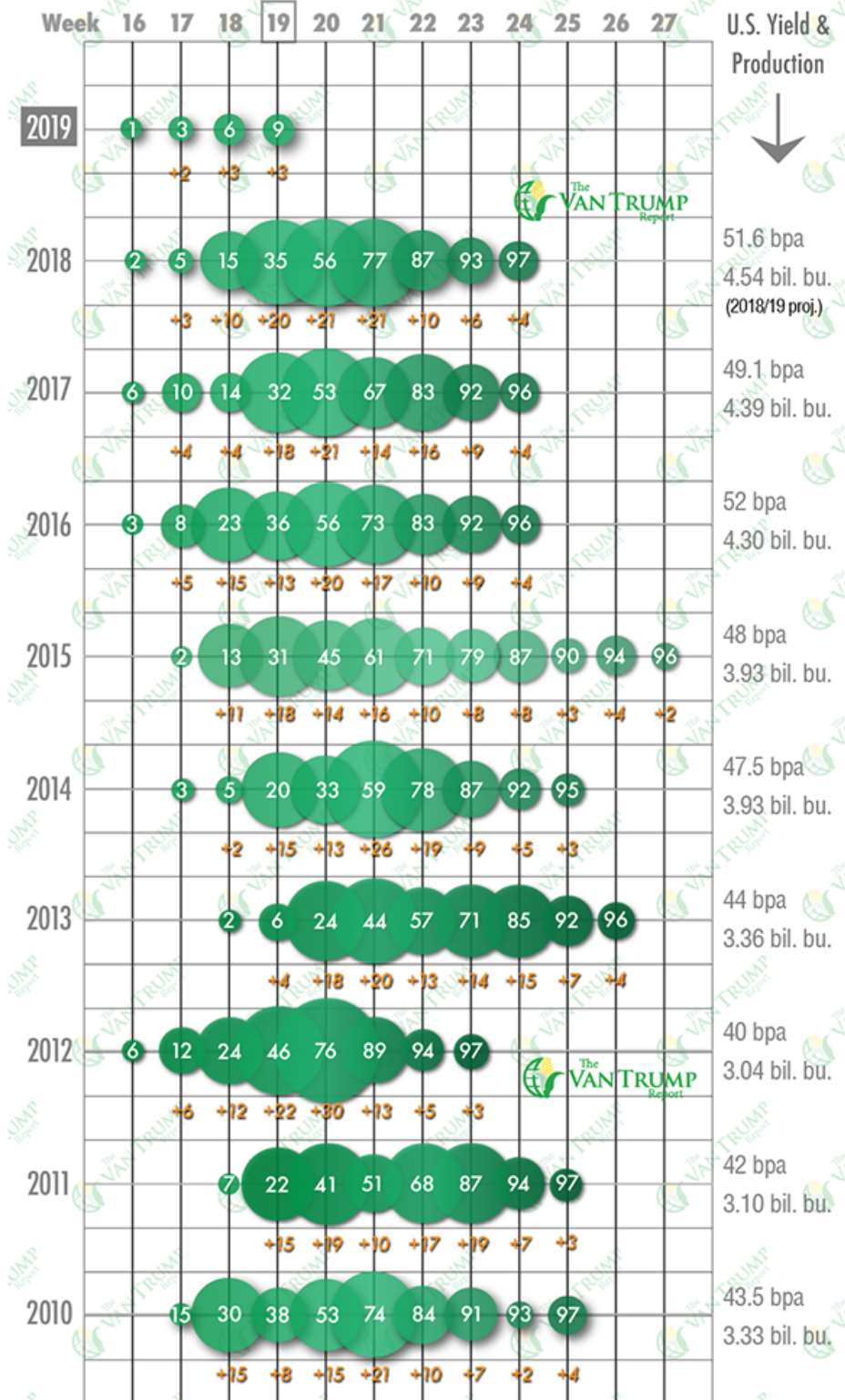
Source: USDA, NASS Crop Progress

Soybean prices have rallied +40 cents off the low the past couple of days as traders talk about improved demand and increasing uncertainties regarding U.S. production. There's also more headlines circulating that trade talks have eased to some degree and tensions with the Chinese aren't as bad as many bears had recently projected. There continues to be ongoing debates about overall Chinese imports. Interestingly, most estimates seem to be fewer Chinese soy imports than the USDA is currently estimating.

I remain on the sideline and prefer to be long corn. I've actually heard some traders talking about being long corn over short soybeans. Today, traders are looking for another record NOPA crush number, estimates for April are around 161.5 million bushels. the trade is looking for the fifth straight monthly increase in soybean oil stocks.

U.S. Soybean Planting Pace 2010 - 2019

includes Weekly Rating and Week-over-Week Change



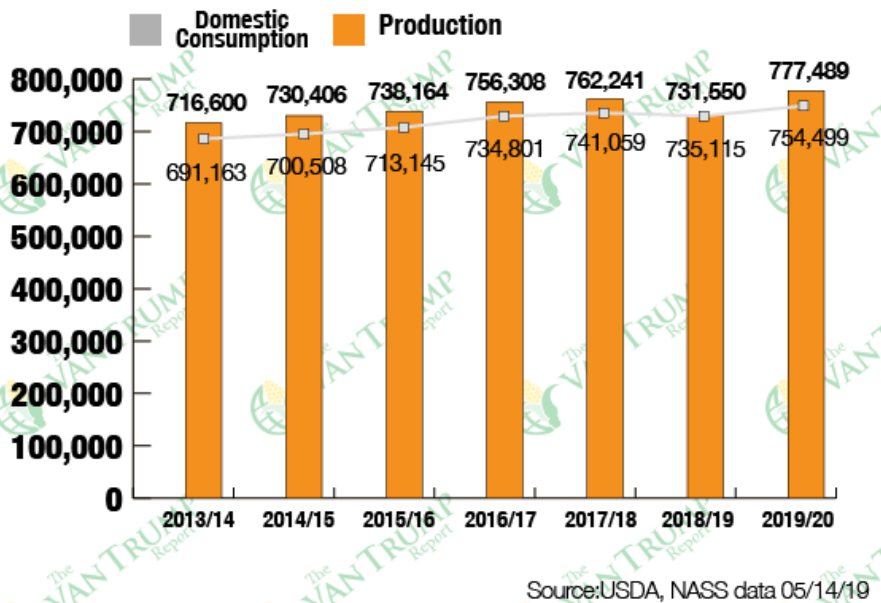
Source: USDA, NASS Crop Progress

Wheat prices are mixed. Bulls are talking about increasing U.S. weather complications and Australia importing wheat for the first time in over a decade. Bears continue to talk about ample global supply and perhaps less than ideal exports. Technically, traders are looking at the 100-Day Moving Average just above \$4.85 in the JUL19 SRW wheat contract.

Global Wheat Production To Hit Record: *Wheat production for Argentina, Australia, Canada, the EU, Russia and Ukraine are all forecast higher than the previous year, coming in at a record 777 million metric tons. Food consumption continues to rise due to changing diets and growing incomes, especially in developing regions of Asia and Africa.*

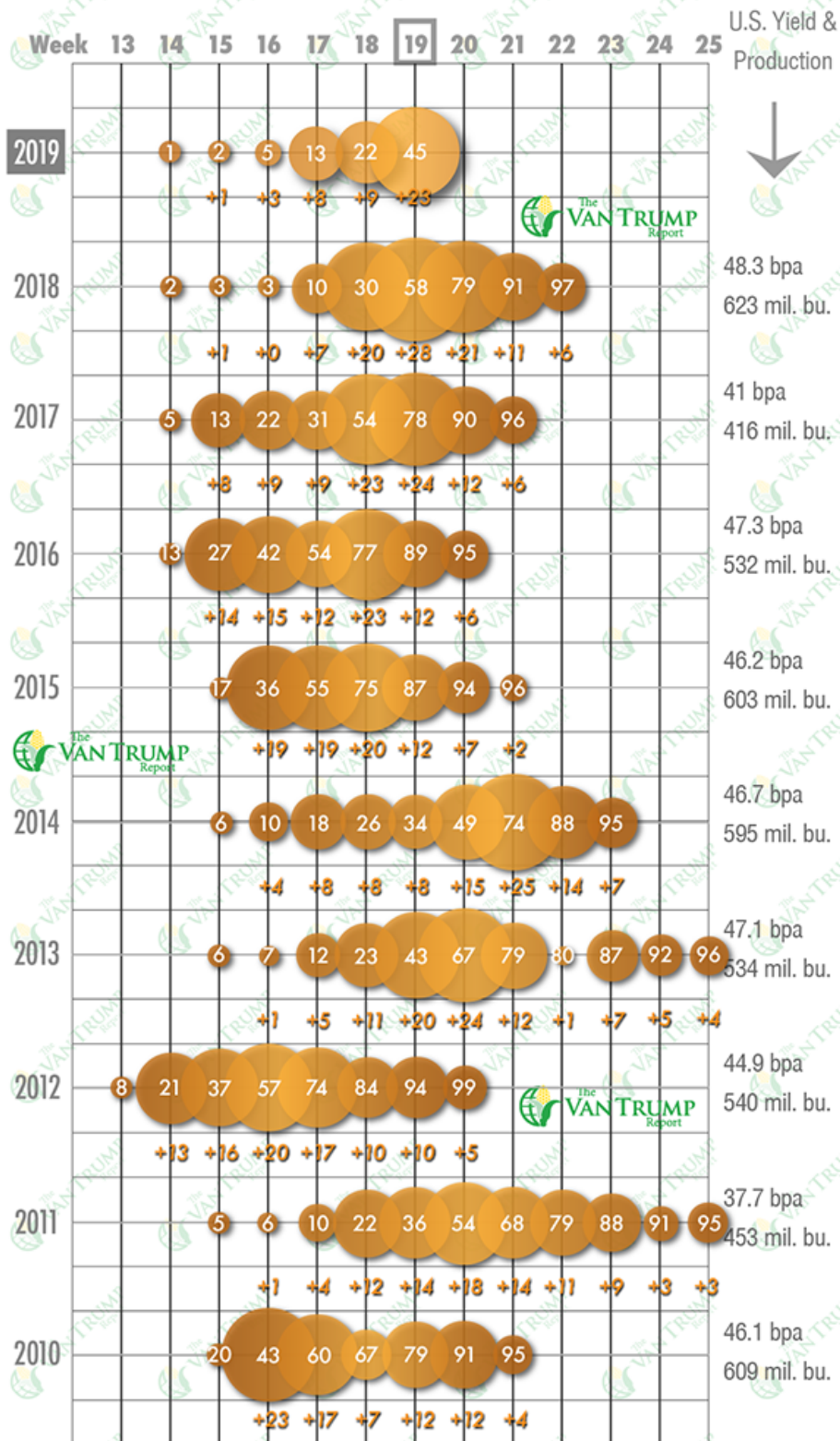
Global Wheat Production and Consumption

Measured in (1,000 MT)



U.S. Spring Wheat Planting Pace 2010 - 2019

includes Weekly Rating and Week-over-Week Change



Source: USDA, NASS Crop Progress



> **Will It Be Direct Aid to Farmers?** *President reiterated his intent to spend \$15 billion to boost farmers affected by the trade war, but many are wondering exactly how the aid will get to farmers. Last Friday, President Trump raised the prospect of buying up U.S. farm goods and seeing them to needy countries, but many industry expert that another direct payment program is most likely. Direct income-boosting programs like the trade aid payments from last year are more practical than trying to support commodity prices or manage supply.*

> **IEG Vantage Sees Reduction in Corn Acres:** *Updated forecasts by IEG Vantage show farmers planting less corn than the USDA predicted to this point. IEG Vantage is expecting only 90.692 acres of corn to be planted this spring, and though that is up 1.563 million acres from 2019, it is still below the USDA's March forecast for corn plantings, which were set at 92.8 million acres. From what I understand, the firm expects soybean plantings will slide to 86.437 million acres in 2019, which would be a 2.759-million-acre drop from year-ago.*

> **U.S. and Canada Working to Conclude Negotiations:** *Speaking with reporters today, Senator Chuck Grassley (R-Iowa), said he's hopeful U.S. and Canadian officials are working to conclude negotiations. According to Grassley, it seems both parties are positively engaged and it looks like in 48 hours there could be an answer.*

> **Russia's Intervention Price for Wheat Set Near \$185 MT:** *Russian government officials announced this week that the intervention price for wheat would be equivalent to \$185 per MT, FOB. I'm told there was no word given on how many tons could be purchased. I should also mention, July Black Sea wheat futures have fallen to \$183 this week amid forecasts for Russian production to rise near 83 million MT, which is up over 11 MT from last year.*

> **Farm Bureau & Farmers Union Back Bankruptcy Bill:** *The two largest U.S. farm groups co-signed a letter to Congress in support of a bill that would raise to \$10 million the volume of farm debt that can be reorganized or written down in a Chapter 12 bankruptcy; the limit now is \$4.1 million.*

> **China's List of Targets:** *China announced it will slap higher tariffs from 5% to 25% on \$60 billion in U.S. goods starting June 1 in retaliation. U.S. goods that will be hit with 25% duties, up from 10% include sweet almonds; frozen fruits and nuts; and dried, smoked or salted beef. Frozen potatoes, shelled peanuts, chicken breast, grounded tomatoes and peanut butter are among the goods that will face duties of 10% up from 5%.*

> **Real-Life Spy Challenge:** *A U.S. intelligence agency is offering cash for predicting threats. IARPA, the research arm for the U.S. director of national intelligence, is offering \$250,000 in prize money in a contest to forecast geopolitical events such as elections, disease outbreaks and economic indicators. Contestants can use anything they want -- a computer or any methodology. (Source: Axios)*

> **Disney Takes Full Control Over Hulu:** *Disney will take "full operational control" over Hulu from Comcast, which the companies announced will become effective immediately. In addition, Comcast will also be allowed to sell its 33% stake in Hulu to Disney in 2024 at a valuation of at least \$27.5 billion, even if the streaming service is worth less, according to the agreement.*

> **Bleacher Report Betting on Sports Gambling:** *Bleacher Report has recently been adding sports gambling to its digital platforms and expanding its footprint in the space since the Supreme Court allowed betting on sports close to a year ago. Remember, Bleacher Report announced a deal with Caesars to develop sports-betting studio shows inside one of its Las Vegas casinos a few months ago, which will start later this summer. Keep in mind, a recent Bleacher Report study found that nearly 2 in 3 sports fans ages 21-34 find it socially acceptable. I suspect Bleacher Report can really make this industry start to take off with the 250 million people they can reach on social media.*

> **Amazon Echo Can Now Guard Your Home:** *Alexa Guard is now available for all Echo devices, which can listen for breaking glass when you leave the house as well as send you alerts if your smart smoke detector or smoke alarm goes off. Keep in mind, this feature will include older models that didn't originally get the feature as well. Users can set up Amazon Guard by opening the Alexa app on your phone > Settings > Guard > Set Up Guard > Add > Confirm.*

> **Cost of Your Shoes Could Jump:** *Everything from sneakers to sandals, golf shoes, rain boots, and ski shoes could see a serious jump in prices if Trump follows through*

with tariff plans. In 2017, China accounted for about 72% of all footwear imported into the U.S., according to the American Apparel and Footwear Association. In addition, the U.S. imported \$11.4 billion worth of footwear from China last year, according to data from the U.S. Census Bureau. The FDRA even said a typical hunting boot, currently retailing at \$190.00, with a 25% tariff, could increase to \$248.56 with these tariffs. (Source: CNBC)

> **New Photo Captures More than 265,000 Galaxies:** We have a new "deep-field image" from the Hubble Space Telescope, the most comprehensive such image of the cosmos to date. It is made from 16 years' worth of data, over 6,500 separate exposures, and shows 265,000 galaxies dating back over 13 billion years. You can view this incredible image in its entirety [HERE](#). (Source: TechReview)

> **Amazon To Replace Box Packers With Robots:** The company has been adding a million-dollar machine to its warehouses that can reportedly scan and pack goods at 4 to 5 times the rate of a human being -- about 600 to 700 boxes per hour. The company is considering installing machines at 55 warehouses -- which would result in the elimination of around 1,300 jobs. Amazon's plan is to reduce labor and boost profits through automation of the most common warehouse task. (Source: Reuters)

> **Map Shows the True Size of Countries:** For many people, the Earth as they know it is heavily informed by the Mercator projection -- a map originally used for nautical navigation that eventually became the world's most widely recognized map. The Mercator is named for the cartographer, Gerardus Mercator, who created this map in 1569. But did you know, this style of map actually gives users a warped sense of the true size of countries? Mercator inadvertently pumps up the sizes of Europe and North America. Visually speaking, Canada and Russia appear to take up approximately 25% of the Earth's surface, when in reality they occupy a mere 5%. As the animated gif below demonstrates, northern nations such as Canada and Russia have been artificially pumped up in the minds of many people around the world. Greenland, which appears as a massive icy continent in Mercator projection, shrinks way down. The continent of Africa takes a much more prominent position in this new, correctly-scaled map. (Source: [@neilrkaye](#))

World Mercator projection with country going to true size



Northern Minnesota – Most guys in this area are done planting small grains. We actually got so cold last week that the top 2 inches freeze dried. It got down to nearly 20 degrees twice. We are planting corn and drilling wheat today. I should be done with corn today, but I may decide to switch more of my acres to corn because we can't make this bean price no matter how much I sharpen my pencil. We feel like with a little luck timely rains we can make corn work especially if we can yield 200-bushel corn. Just so you have a point of reference yielding 200-bushel corn here is like Iowa yield 300+ bushel corn, its not impossible but it's not common. We are usually around that 160.

Central Michigan – We normally plant corn about 2 inches into the soil but we are considering planting a little shallower to ensure the seed does not sit in cold soil for several weeks. The reason we like to plant 2 inches deep is because we get better seed to soil contact. If we plant shallower, we might end up with corn sitting inside clay balls and not germinating so we would need to up our seed per acre. What would be nice is if we could get some consistent warmer weather and soil temperatures could even out a little.

Central Illinois – At least I can take my jacket off by noon this week. I can't same the same last week, it stayed cool and wet all week. We should be able to get into the field by the end of the week if we miss the rain tonight. It's actually starting to sprinkle a little but as long as we don't get much over a light rain, we should be good. I'm hoping that we are past the 2-3-inch rains we had been getting every 4th day through April and May. When we get into the field the first thing, we are going to need to tackle is weed control. We haven't been able to manage weeds like we normally would due to the moisture. This is the worst I have seen this area look.



New Cook Book Designed by Ikea's Futuristic Innovation Lab Space10: Ikea's innovation lab Space10 is publishing a cookbook called *Future Food Today* to help. Packed with about two dozen recipes that rely on what the lab calls "future foods"—like microalgae and mealworms—the cookbook is designed as an educational guide to sustainable eating that is as approachable and as easy to assemble as Ikea furniture. Sample recipes include Bug Burger, Swedish Neatballs, Algae Chips, and Non-Avocado Toast. I should mention that recipes often contain unusual ingredients, like mushrooms grown using coffee grounds, the blue-green edible algae spirulina, and insects. Even a fish taco recipe is nontraditional, with instructions on how to raise your own freshwater fish in an aquaponics system. Other recipes take classics normally made with meat, like the North African dish tagine or even the classic Swedish meatball that Ikea is known for, and provide a vegetarian alternative. Learn more [HERE](#) and you can order the book [HERE](#).

How the "Long Tail" Drives Everything: Long tails drive everything. They dominate business, investing, sports, politics, products, careers, everything. Want an example... Steamboat Willie put Walt Disney on the map as an animator, but business success was another story. Disney's first studio went bankrupt. With the expense of cartoons rising, by the mid-1930s Disney had produced more than 400 cartoons – most of them short, most of them liked, and most of them losing money. Disney and his studio were nearly broke. Then *Snow White and the Seven Dwarfs* changed everything. In only 6 short months the film had earned an incredible \$8 million, an order of magnitude higher than anything the studio earned previously. It transformed Disney Studios, as they paid off company debts, and key employees received retention bonuses. Disney would purchase a new state-of-the-art studio in Burbank, where it remains today. Bottom line... by 1938 Walt had produced several hundred hours of film, but in business terms, the 83 minutes of *Snow White* was pretty much all that mattered. Rule of thumb: Anything that is huge, profitable, famous, or influential is the result of a tail event. Another rule of thumb: Most of our attention goes to things that are huge, profitable, famous, or influential. And when most of what you pay attention to is the result of a tail, you underestimate how rare and powerful they really are. Get more great insights on the powerful nature of long tails [HERE](#).

Atlanta's Experiment With Pocket Neighborhoods: On an overgrown vacant lot in the small city of Clarkston, Georgia, a short drive from Atlanta, a new community of eight tiny homes will sit on a half acre that once held one single-family house. From what I understand, the city plans to rewrite zoning to allow for taller apartment complexes downtown. But it also began working with MicroLife Institute, the Atlanta-based nonprofit developing the project, a couple of years ago. The nonprofit, which promotes small-space living in walkable neighborhoods, worked to help the city change its zoning code to make a tiny home community possible. Interestingly, as a smaller operation, the project was able to move quickly, following the passing of the ordinance in 2017. I'm told the houses range from around 250 to 500 square feet—compared to around 2,400 square feet for a typical new American house—and are expected to cost between \$100,000 and \$125,000. The average house in the county goes for around \$285,000. Read more [HERE](#) on the innovate approach to getting needs met for newly graduated students as well as senior citizens.

Space X Set to Release a Solar Sail in June: Hoping sunlight can be used for propulsion, the Planetary Society's will be its *LightSail 2* spacecraft into orbit after it launches from atop a SpaceX rocket on June 22, 2019. I'm told the unit, is no larger

than a loaf of bread, and weighing just 5kg. Inside is a 'solar sail', which will try to raise its orbit of Earth using only the momentum of solar photons for propulsion. If it does that successfully it could later be used as a way for CubeSats to 'solar sail' without the need for fuel. The Mylar solar sail will measure 32 square meters, and will be pointed at the Sun for half of each orbit to receive enough thrust to raise LightSail 2's orbit by a measurable amount. Keep in mind, we're not talking high-speed space travel here, but slow, inexpensive journeys, where it's thought that solar sails could one day be used to run 'interplanetary shuttles' between planets close to Earth. Read more [HERE](#) on the latest project from Space X.

Citroen's Bizarre New 19_19 Touring Concept: Citroen's previous wacky future concept was the weird, boxy Ami One – a sexless, industrial-looking electric city getabout that stoked one's passion for driving about as much as a week-old fish wrapped in newspaper – which is fine, we get it, there won't be drivers in the future anyway. With the 19_19 concept, though, there's room for some open-road fun if you feel like turning the purely theoretical autonomous driving mode off and hooking into some corners with the steering wheel. And it's certainly an exercise imagining what it'd be like riding in this thing. Read more [HERE](#).



Assessing Economic Impacts to Cutting Nutrient Losses In Gulf

Researchers from the USDA Economic Research Service completed an in depth study assessing not only the financial impact to cutting nutrient losses into the gulf by 45% but also what it would take to make it happen. I should mention that every summer, a large area forms in the northern Gulf of Mexico where dissolved oxygen becomes too

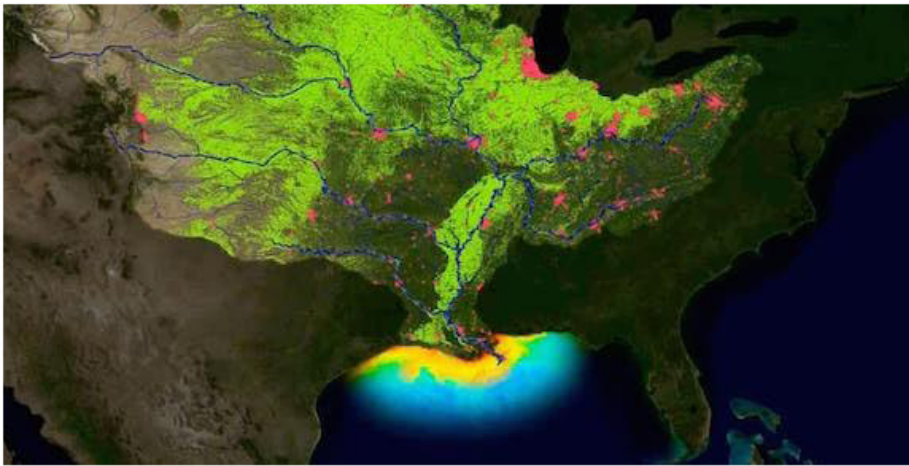
low for many aquatic species to survive. They believe this "hypoxic zone" is fueled by nutrient losses from nitrogen and phosphorus runoff that originates in areas to the north, specifically a region called the Mississippi/Atchafalaya River Basin (MARB) which contains about 70% of all U.S. cropland. We can debate the actual percentages, but most sources will argue that agriculture contributes nearly 60% of the N and 50% of P that finds its way into the Gulf from the region. From what I understand, the Mississippi River Gulf of Mexico Watershed Nutrient Task Force, comprised of State and Federal agencies and led by the U.S. EPA, established a goal to reduce the average size of the "hypoxic zone". It's definitely become a big enough issue that it has gained government attention, meaning it may eventually force producers to take a hard look at adjusting their management practices. In the studies model, which sought to achieve a -45% reduction, researchers considered two policy implementation scenarios. One focused only on reducing overall nutrient loads to the Gulf, regardless of where those nutrients originated and the other from each of 135 subregions. I wanted to share some details from the report below, but I encourage you to read the entire document [HERE](#), including the many systems for reducing runoff. (Source: ERS USDA)

Findings From Study

Implementing nutrient-reduction measures to meet Gulf hypoxia goals would reduce commodity production and increase commodity prices. MARB cropland in production would decline by -4.4% under the Gulf constraints and -10.9% under the regional constraints. As a result, the prices of most crops would rise, with some major crops growing up to +10% costlier under the Regional Constraints scenario. Higher prices would partially offset the costs to crop producers of reducing nutrient loads and pass some of the cost on to consumers of agricultural products, including livestock producers, food consumers, and biofuel feedstock users.

Higher commodity prices lead to an intensification of production in regions outside the MARB. Without additional constraints on nutrient loadings to water bodies outside the MARB, non-MARB cropland in production expands by +2.1 to +4.0%. As a result, nutrient and sediment losses increase 1.2 to 5.0% across non-MARB regions.

The least-cost strategy for nutrient reduction within the MARB involves a mix of on-field and off-field conservation practices. Optimally placed wetlands and buffers generally provided the most cost-effective nitrogen reductions to the Gulf. Drainage water management, nutrient management, and cover crops, when used with structural erosion controls, were also generally relatively cost effective.



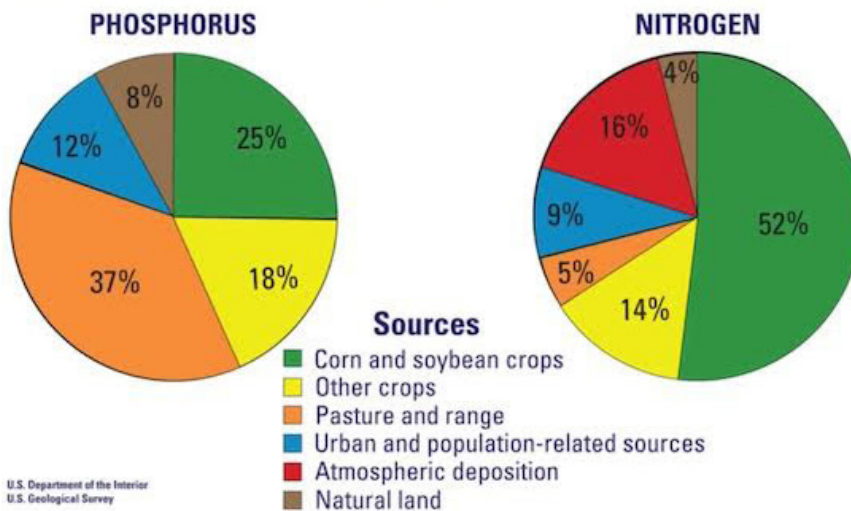
The hypoxic zone develops at the mouth of the Mississippi/Atchafalaya River Basin, which is subdivided into six sub-basins



Note: The area and location of the hypoxic zone are estimated based on data collected by the Louisiana State University and Louisiana University Marine Consortium during the National Oceanic and Atmospheric Administration (NOAA) 2017 Shelfwide Cruise.
Source: USDA, Economic Research Service.



Sources of nutrients delivered to the Gulf of Mexico



U.S. Department of the Interior
U.S. Geological Survey

Nike's NEW Way to Try on Shoes

Believe it or not, the "Brannock Device," invented in 1925, and something we've all used to measure our feet, has largely been unchallenged as the go-to device in the industry for over 92 years. Nike looks to change that this summer, when they introduce "Nike Fit", a foot-scanning solution designed to find every person's best fit. Bringing technology to the space, Nike is using a proprietary combination of computer vision, data science, machine learning, artificial intelligence and recommendation algorithms to find everyone's right fit. I'm told the accuracy is spot-on. What I find really cool, is as we move foot sizing into the digital era, finding the right fit at least for Nikes, can be done not only at retail locations but through the Nike app in the comfort of our own home. From what

I understand, your phone's camera will be used along with augmented reality to capture an empty space where the floor meets the wall as a point of reference, and with the app's guidance ensuring a level plane. Not surprisingly, seconds after your scan is complete, multiple data points will be captured and your length and width measurements, down to the millimeter of each foot will be delivered. I'm told there are 32 total data points that Nike is capable of capturing but only uses the best 13 to determine your best fit. I suspect this could be a lot of peoples first experience commercially using augmented reality, which will be pretty cool but I suspect there will be a learning curve for consumers who lack previous experience with the technology. Nike officials recognize that fact and are expecting to initially spend some extra time guiding users through their initial foot scanning journey. Looking forward for future applications, it is believed that the technology created for Nike Fit has the potential to change retail in a lot of ways. For instance, imagine women being able to use the tech to find the right bra size, or to make buying denim easier. I have to believe as individualism and inclusivity have become marketing tools, custom fit seems like a natural next step. It will be interesting to see how the technology evolves and works its way deeper into the system. I certainly makes shopping from home more convenient. (Source: techcrunch, core77)



Facts About Rainbows... Interesting Info to Pass Along to the Grandkids

With all of the recent rains, we've certainly seen a lot of rainbow pics posted on social media. In fact, I never knew there could be so many different styles and or types of rainbows. We've all been taught and understand it's the refraction and reflection of sunlight in the water droplets that create the rainbow, but what I didn't realize is that conditions have to be extremely perfect in order for one to form. First, the raindrops refracting the light actually have to be floating in the air. That's right, the prism effect that the water creates when the light passes through it is not being reflected up into the sky, it's actually occurring in the sky. A common rainbow looks like it is rising up from the ground, but they aren't on the ground at all. Rainbows are full circles "floating" in the sky, which can really only be seen if you are in the sky - for example in an airplane. Whereas viewers from the ground can only see the light reflected above the horizon, which looks like just half of a circle. In addition, the sun has to be at the proper angle - no higher than about 42 degrees of altitude - or the rainbow will be below the horizon and you most likely won't see it. If everything is in place, you still have to have the sunlight at your back in order to see the rainbow. You probably know that sunlight appears to the human eye as "white", but it's actually made up of many different colors. From the way I understand it, as the "white" light passes into a water droplet, the light starts to bend or refract, essentially because the light starts to travel slower in water than in air. Then the light bounces off the back of the water droplet and goes back the way it came, bending again as it speeds up when it exits the water droplet. Because color wavelengths bend at different angles, all of the wavelengths become visible when the beam of light exits the water. These colors always appear in the same order, something many of us probably learned in grade school - "ROY G BIV," or red, orange, yellow, green, blue, indigo and violet. Red has the longest wavelength and violet the shortest. Below are a few additional

"rainbow" type phenomenon that occur under various weather conditions. I hope this helps you give the kids a better explanation about what they are seeing in the sky. (Sources: Weather Channel, NatGeo, Wikipedia)

Sorry, No Pots of Gold Have Been Found: *Since a rainbow is a circle, unfortunately, you'll never reach the end or the bottom. Rainbows seem to move when you do because the light that forms the bow is always at a specific distance and angle from you. Remember rainbows are basically optical illusions formed by being and refracting light, that's why you'll never find your pot of gold.*

Why You'll Never See The Same Rainbow As Someone Else: *One of the more fascinating facts about rainbows is that no two people can see the exact same rainbow. You may think you're seeing the same thing; you might even describe the rainbow you're seeing to the friend next to you, who will agree that what she's seeing looks just like the one you described. But you're truly not seeing the same thing. When you're looking at a rainbow, you're looking at light that's reflected by raindrops sitting above the horizon. But your horizon is always different – albeit, sometimes only slightly different – from everyone else's, and vice versa. To put it a little differently, the center of the rainbow arc you're seeing sits on an imaginary line stretching from your eye to the sun. Since your eyes and those of someone else's, even someone next to you, can't be in the same place in space simultaneously, the two of you can never see the same rainbow.*

Double Rainbows: *This optical phenomenon appears as a rainbow inside a rainbow. The rainbow we normally see is visible when light is reflected once off the back of a raindrop. A secondary and usually dimmer rainbow is spotted when light is reflected twice in a more complicated pattern. The colors of the second rainbow are inverted, with blue on the outside and red moved to the inside. The second bow appears dimmer or cloudier because much more light is released from two reflections, and both bows cover a larger portion of the sky. More internal reflections cause more bows, which can result in triple, quadruple or even bows. It is challenging to see these higher-order bows with the human eye, but up to a fourth-order rainbow has been photographed.*

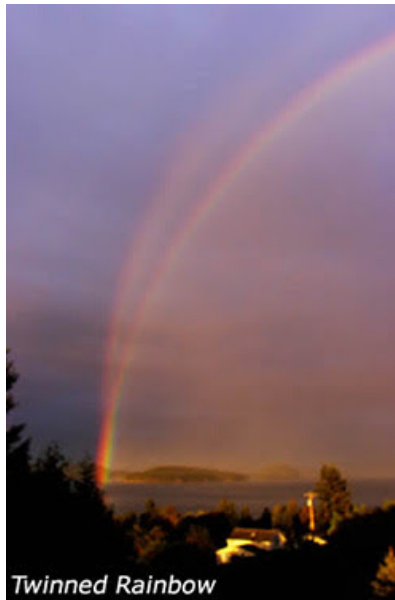
Twinned Rainbows: *This is literally two rainbows. Unlike a double rainbow, the colors of both are in the same order. They are caused by the combination of different sizes of water drops falling from the sky. Due to air resistance, raindrops flatten as they fall, and flattening is more prominent in larger water drops. When two rain showers with different-sized raindrops combine, they each produce slightly different rainbows which may combine and form a twinned rainbow.*

Fogbows: *Just as the name implies, these are a result of water droplets in fog. They are almost white with a faint reddish hue on the outside and blues on the inside. The colors are dim because the bow in each color is very broad and the colors overlap. This is due to the fact that the water droplets in fog are much smaller than rain.*

Moonbows: *That's right, rainbows can actually occur at night, they are called "moonbows" and are created when light reflected by the moon hits water droplets in the air. Before you think a moonbow can't be a rainbow if it's made from water and moonlight (not sunlight), remember that moonlight is actually reflected sunlight; the moon doesn't give off any light. For a moonbow to form there needs to be a full or nearly full moon. And, as we said earlier, some water in the air. Because tropical areas such as the Caribbean and Hawaii tend to have showers lasting well into the evening, moonbows most frequently appear in these locales*

Monochrome Rainbows: *Also called red rainbows because this is the only color that gets reflected. They occur when the sun is on the horizon and the shorter green and blue wavelengths are so scattered that they are basically "missing" from the spectrum. Red light travels more directly thus the only color your eyes will pick up is red. This is the same process that makes sunsets and sunrises look red.*

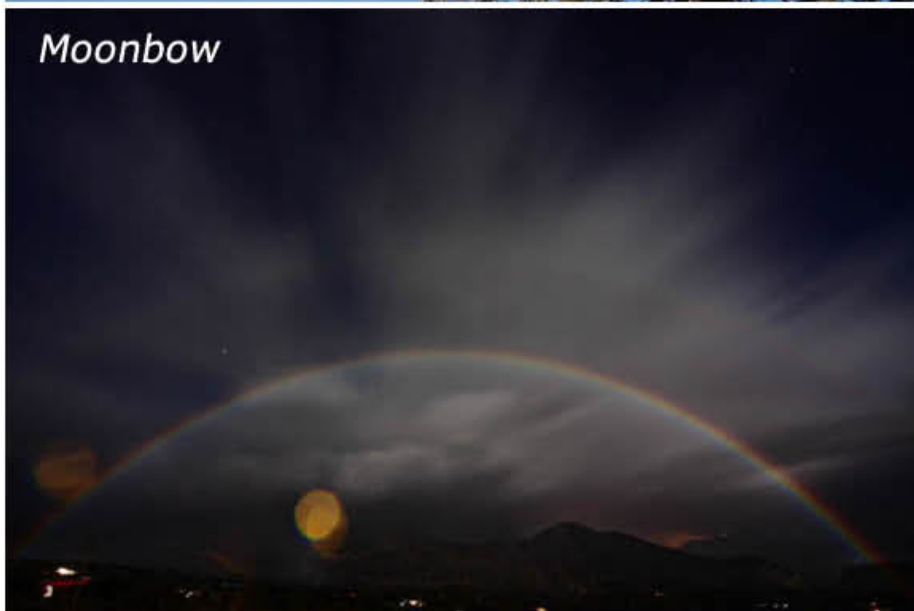
Circumhorizontal and Circumzenithal Arcs: *These rainbows are a result of light refracting through plate-shaped ice crystals that are suspended in the atmosphere. Circumhorizontal arcs, informally called "fire rainbows", appear as "stripes" across the sky, looking much like wispy, rainbow-colored clouds. A circumzenithal arc appears as a quarter-circle, upside down rainbow and occur high above the Sun.*



Technically, these arcs aren't rainbows at all because they aren't created by water. The optical phenomenon created by ice crystals is called "halos."



Circumzenithal Arc



Moonbow



Monochrome Rainbow



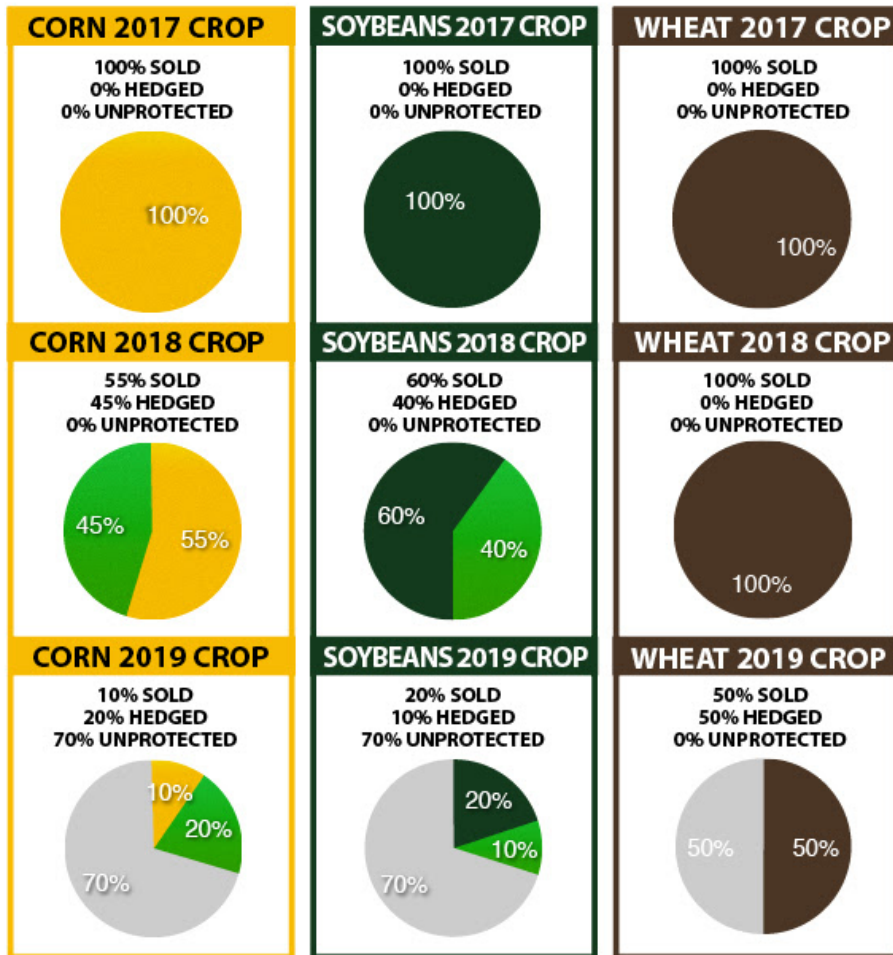
Fogbow



ANSWER to riddle: A beer bottle

CASH SALES & HEDGING TOTALS

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