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GOOD MORNING: Van Trump Report 7-16-19

1 message

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

Tue, Jul 16, 2019 at 5:31 AM

Reply-To: Jordan <reply-fece17717d64007c-1439_HTML-68584704-100003450-11@vantrumpreport-email.com>

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To view this email as a web page, go [here](#).

"Chaos often breeds life, when order breeds habit" - **Henry Brooks Adams**

Tuesday, July 16, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks are coming off another fresh all-time high! Bulls were able to shrug off the news that China just posted its lowest quarterly growth rate since 1992. Perhaps even harder for some traders to digest is the fact we're about to see a rate cut as stocks trade at or near all-time highs. In fact, it has been more than 20-years since the Fed last cut rates with stocks near all time highs. Data floating around inside the trade shows the 17 times the Fed has cut rates since 1980, when the S&P 500 was within 2% of its all-time high, all led to the S&P being higher a year later, with a median gain of +10%. It certainly provides

the feeling that a "Fed Put" is in play. As for today, most inside the trade are eager to see updated Retail Sales data. Retail sales hit a record of \$6 trillion in 2018, according to the U.S. Census. That's better than the pre-recession high of \$4.4 trillion spent in 2007. It's also a +50% increase from 2009's record low of \$4.06 trillion. Retail is definitely undergoing some significant shifts. One major shift is "technology" and the other a result of changes in consumer behavior. In 2019, 5,994 stores closed in just the first three months. That compares to 5,864 for all of 2018. We're also starting to move more fully into 2Q corporate earnings season. Traders today will digest earnings from JP Morgan Chase, Wells Fargo, CSX, United Airlines, Johnson & Johnson, and Dominoes. That's followed up tomorrow by earnings from Alcoa, Bank of America, eBay, Kinder Morgan, Skyworks, United Rentals and Netflix.

Could Be a Tough Day for "Big Tech": *This afternoon will see representatives from Google, Amazon, Facebook, and Apple once again in front of Congress. The stated topic is broad: "Innovation and Entrepreneurship". But the real discussion will probably be more pointed, focused on whether Big Tech has gotten too big and needs to be broken up to foster competition. We're more concerned about ongoing DOJ/FTC investigations than what a split Congress might do. I suspect today might be another tough day of questioning for Big Tech. (Source: IBD; DataTrek, Reuters)*

Will Stocks Continue to Melt-Up Higher? *J.P. Morgan raised its 12-month S&P 500 forecast on Monday, telling clients the market is set for even more gains in the second half of the year as the Federal Reserve pivots toward easier monetary policy and the Trump administration looks to end its entrenched trade war with China. The brokerage raised its S&P 500 price target to 3,200 from 3,000, representing 6.2% upside from Friday's close." Source: CNBC*

Should We Worry About China's Hidden Loans? *In a new study by Sebastian Horn and Christoph Trebesch of the Kiel Institute for the World Economy and Carmen Reinhart of Harvard University, the two offered the most comprehensive picture yet of China's official credit flows. What's most*

concerning from the data is the fear about whether China has sowed the seeds for debt problems abroad to small and vulnerable countries. I should mention, they find that nearly half of China's lending to developing countries is "hidden," in that neither the World Bank nor the IMF has data on it. Interestingly, China's overseas lending has risen from almost nothing in 2000 to more than \$700bn today, making China the world's largest official creditor, more than twice as big as the World Bank and IMF combined. According to the authors, the 50 biggest recipients now have debts with China worth about 17% of their GDP on average, up from 1% in 2005. Read more [HERE](#) on China's "hidden" loans.

States Continue to Rake in Tax Revenues: Tax revenue rose in all but five states in the third quarter of 2018, lifting the number in which collections had fully recovered from the Great Recession to a record-high 41. I'm told the increases extended one of the longest stretches of growth since the downturn. It's worth mentioning that state tax revenue turned a corner in late 2017 after the weakest two years of growth outside of a recession, in at least 30 years. Now, as most states entered the 2019 budget year in July, a fourth consecutive quarter of solid gains pushed total state tax collections to 13.4% above the peak recorded in 2008. Keep in mind, even states that have surpassed their recession-era peaks had to deal with years of slow revenue growth before the recent spike, meaning, many governments were still left with little extra to cover costs associated with population increases, growth in Medicaid expenses, deferred needs, and accumulated debts as well as liabilities. Read more [HERE](#).

Understand Your Leveraged Living: I suspect many of wouldn't make a 5x leveraged bet on the S&P 500 unless you were an extremely sophisticated financial arbitrageur or a reckless gambler. But millions of Americans make 5x leveraged bets on their homes, meaning they borrow 80% of the value of the house and put just 20% down. Though this is nothing new, what you might not be aware of is the fact that research by Unison, a housing-finance startup, has shown that over the long run any given home is likely to experience price volatility of about 15% per year, which is in line with the

kind of volatility you see in the stock market. Keep in mind, annualized house price volatility is much greater than the amount you can expect a home to rise in value over the long term, which is closer to about 4%. I'm told any given home has roughly a 30% chance of ending up being worth less in five years' time than it is today, so make sure you consider all the factors before diving in with a purchase. Read more [HERE](#).

Paul McCartney and Ringo Starr Rock LA 53 years Later: *Paul McCartney surprised fans last Saturday in Los Angeles as he made a call to the stage for former Beatles bandmate Ringo Starr, who had come to see McCartney perform for his Freshen Up tour. I'm told nearly halfway through the show, McCartney announced to his fans "a surprise for us, a surprise for you, a surprise for everyone — ladies and gentlemen, the one and only Ringo Starr," according to Variety, which reported that McCartney embraced his former bandmate on stage and asked, "Are you ready to rock?" So after 53 years, the duo was once again inside Dodger Stadium where the Beatles first performed upon their arrival in the U.S. I'd be interested in knowing if any fans were there in 1966? You can watch the two remaining Beatles rock the LA crowd [HERE](#) with their rendition of "Sgt. Pepper's Lonely Hearts Club Band (Reprise)" and "Helter Skelter."*



FARM TANK

Tweets of the Day





Following

Last Friday, on Amazon's 25th anniversary, the company's **#share** price closed at \$1,942.91 for a market capitalization of \$957 billion **#Amazon** 

bit.ly/2NHYY7H

If You Had Invested In Amazon's IPO

Value of 10 Amazon shares purchased in the company's IPO in May 1997*

\$180 invested in Amazon's IPO
would now be worth **\$233,149**.

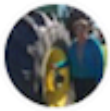
amazon



@StatistaCharts

* Amazon's IPO was priced at \$18 per share.
The stock has been split three times (twice 2 to 1 and once 3 to 1) since then.
Source: Yahoo! Finance

statista 



Lorrie Handsor
@handsorl

Following



Another week of good growing weather
#plant19 #corn2019 @AgMoreThanEver
@FCCagriculture



**CJ EICH**

@cjeich85

Following



A 1640 International combine turned into a front mount sprayer.. That's one way to salvage an old combine @Case_IH @JoshSchick3 @stollerIH



**Katherine M Bell** ©

@City2FarminIowa

Following



I attended a funeral service today. RIP
#plant19 Iowa Corn. We made it this far...I'm
just not sure you are going to survive this
coming week...Scorched mid-pollination 🥲
Your friends already popping...sunblock did
not help. #RIP #IAWX #FarmOn



**Chad E. Colby**

@TheChadColby

Following



Nice job @Amanda_Balionis 👍 it's so fun
@JDCLASSIC twitter.com/JohnDeere/stat...





B/R Betting ✓
@br_betting

Following



Dodgers and Yankees leading the pack



**WORLD SERIES
ODDS**

DODGERS:	+350
YANKEES:	+350
ASTROS:	+450
CUBS:	+700
TWINS:	+800
BRAVES:	+1200

VIA CAESARS

**ActionComplete**

@ActionComplete

Following



Well DONE is better than well SAID.

~Benjamin Franklin

#quotes #motivation #action

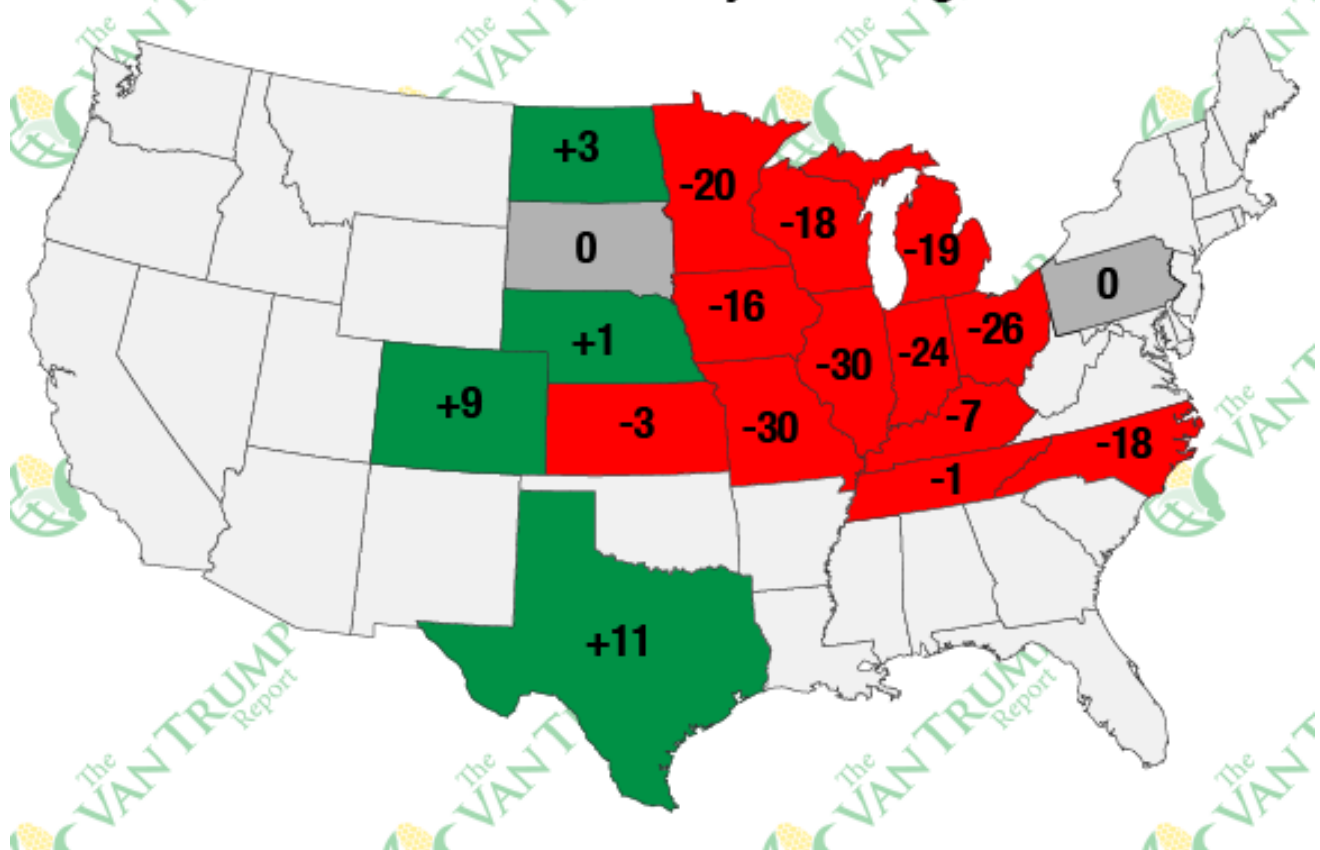


Corn traders continue to debate U.S. yield and total production. Somewhat surprisingly, the USDA's weekly crop condition report showed a net overall

improvement from last week, jumping from 57% to 58% rated "Good-to-Excellent" vs. 72% last year. The trade is also deeply debating the fact just 17% of the entire U.S. crop has entered the "silking" stage vs. 42% on average. In other words, the U.S. crop remains well behind schedule. I've included some graphics on the subject down below. Weather remains a major wild-card moving forward? The forecasts are somewhat mixed for key pollination periods at the end of July and the beginning of August. As both a spec and a producer, I remain bullish longer-term!

U.S. Corn Good-to-Excellent [week 28] July 14, 2019

Current Good-to-Excellent vs. 5 year average for week 28



Indiana	47	72	63	39	1
Iowa	71	78	78	62	1
Kansas	59	48	59	56	3
Kentucky	84	84	79	72	-3
Michigan	66	55	65	46	0
Minnesota	79	77	78	58	-2
Missouri	69	33	62	32	4
Nebraska	65	86	75	76	0
North Carolina	80	36	59	41	2
North Dakota	45	88	74	77	-2
Ohio	54	81	64	38	4
Pennsylvania	89	66	77	77	2
South Dakota	30	69	62	62	0
Tennessee	91	83	81	80	1
Texas	72	33	59	70	3
Wisconsin	66	82	78	60	1
Total	64	72	70	58	1

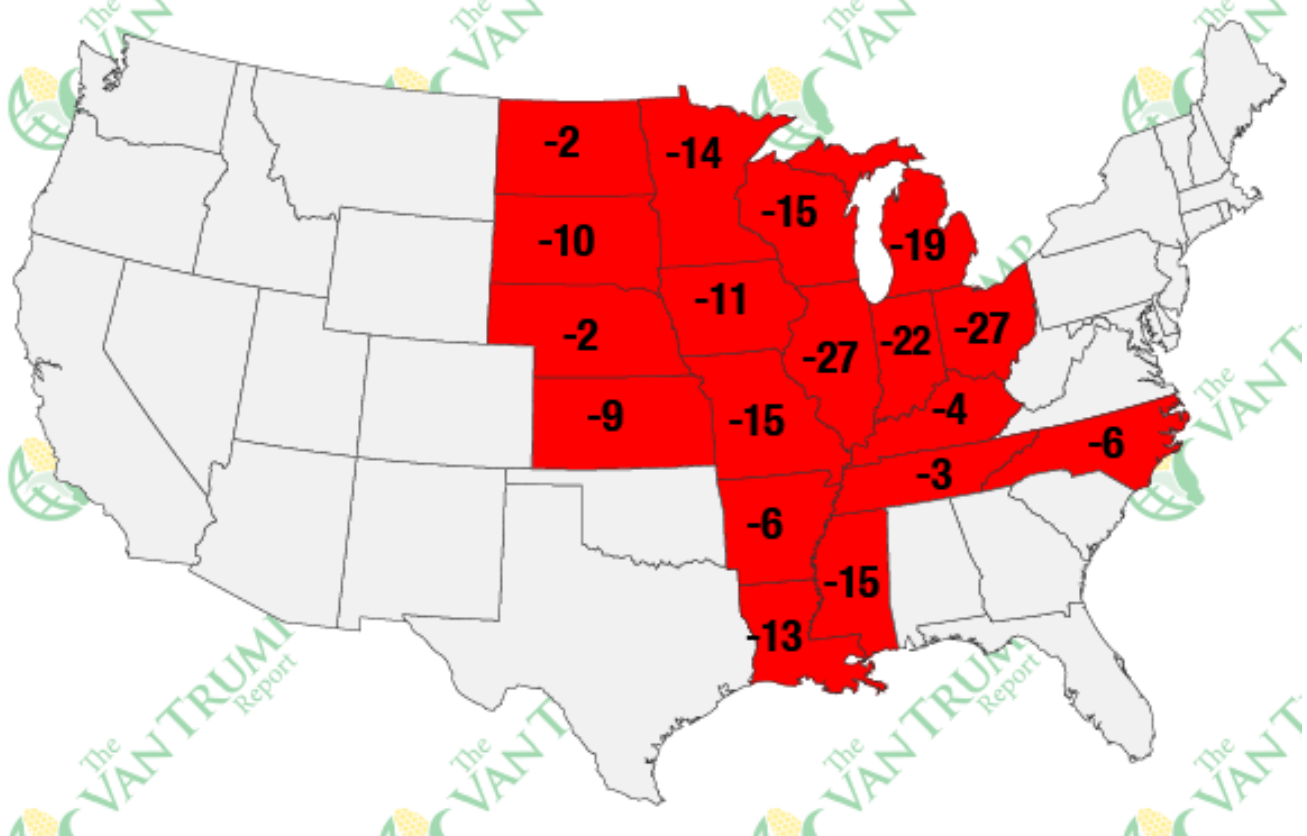
Corn Silking vs 5-year Average				
State	14-Jul-19	5-year Average	Difference	Acres Left to Silk
Iowa	8	40	-32	12,512,000
Illinois	19	67	-48	9,072,000
Nebraska	11	42	-31	8,633,000
Minnesota	2	23	-21	7,840,000
South Dakota	0	21	-21	6,000,000
Indiana	10	44	-34	4,950,000
North Dakota	1	15	-14	4,009,500
Wisconsin	1	13	-12	4,009,500
Kansas	36	56	-20	3,648,000
Ohio	6	30	-24	3,290,000
Michigan	0	14	-14	2,350,000
Missouri	45	77	-32	1,925,000
Colorado	4	12	-8	1,372,800
Pennsylvania	30	24	6	959,000
Kentucky	60	68	-8	572,000
Texas	75	74	1	537,500
North Carolina	80	90	-10	194,000
Tennessee	80	85	-5	170,000
Total	17	42	-25	70,840,500

Soybean bears are talking about yesterdays weak NOPA crush number and a slightly improved weekly crop-condition report. The crush number was the weakest in the past couple of years. While the USDA's Crop Progress Report showed a slight improvement jumping from 53% to 54% rated "Good-to-Excellent" vs. 69% rated GD/EX last year. States showing some of the worst coverall conditions the past several weeks, such as Illinois, Indiana and Ohio, are starting to show some small signs of improvement. I've included some of the details in the graphics below. I just don't see a ton of new information. The trade still seems comfortable in this battleground area between \$8.75 and \$9.50 per bushel. Staying extremely patient as both a producer and a spec. I still believe there is better opportunity in the weeks ahead.

U.S. Soybean Good-to-Excellent

[week 28] July 14, 2019

Current Good-to-Excellent vs. 5 year average for week 28



Soybean % Good-to-Excellent

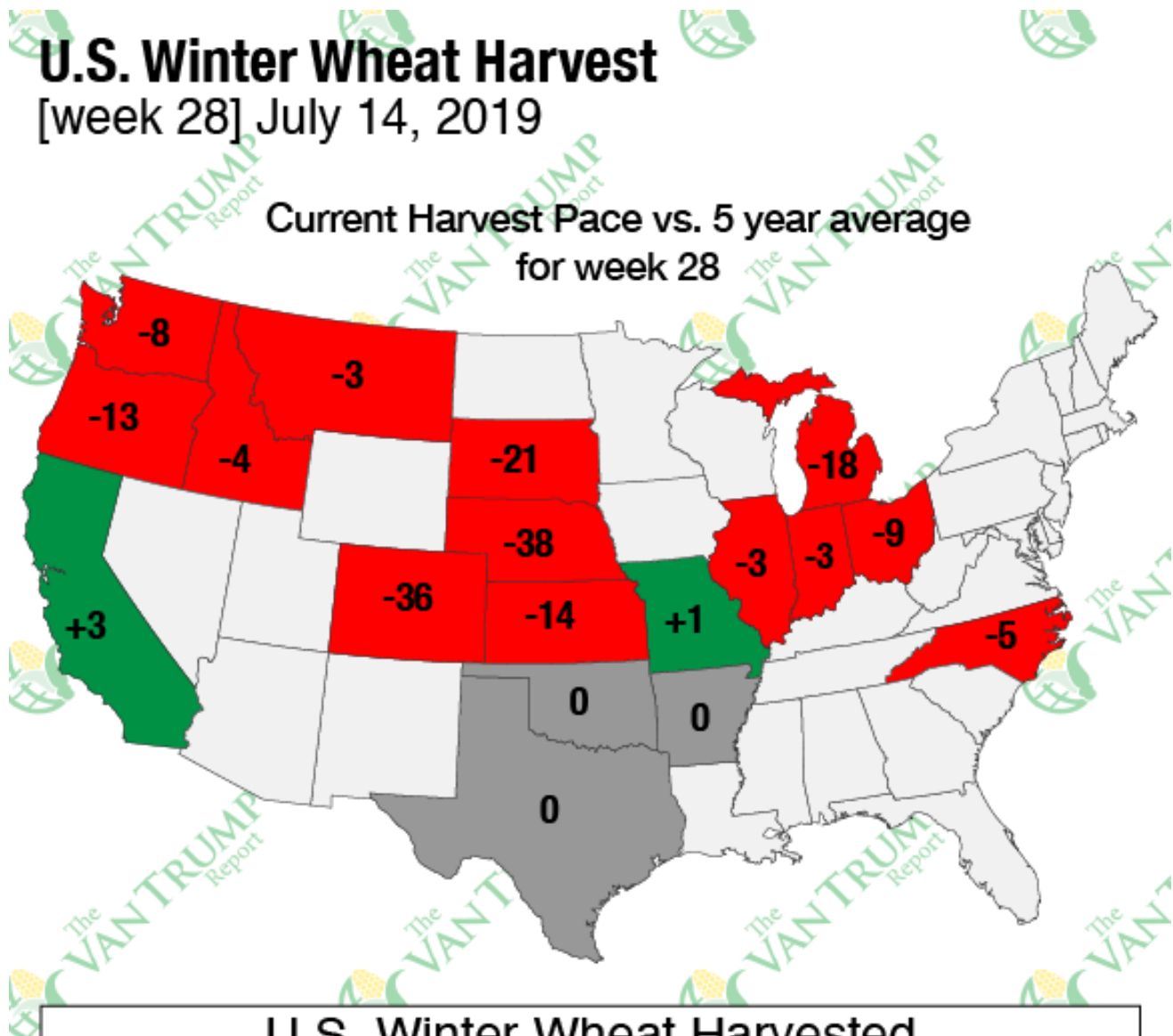
	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	71	59	62	56	-4
Illinois	67	73	68	41	3
Indiana	49	68	60	38	1
Iowa	63	75	74	63	-1
Kansas	59	45	56	47	1
Kentucky	77	80	76	72	0
Louisiana	81	55	72	59	-3
Michigan	68	58	63	44	-1
Minnesota	72	75	74	60	-1
Mississippi	67	71	71	56	-2
Missouri	65	40	56	41	6
Nebraska	63	83	73	71	-2
North Carolina	75	42	64	58	8

North Dakota	40	82	71	69	0
Ohio	50	70	60	33	5
South Dakota	29	63	62	52	0
Tennessee	84	84	80	77	0
Wisconsin	71	81	79	64	0
Total	61	69	68	54	1

Soybeans Blooming vs 5-year Average				
State	14-Jul-19	5-year Average	Difference	Acres Left to Bloom
Illinois	12	54	-42	8,272,000
Indiana	7	51	-44	6,789,000
Michigan	9	39	-30	4,914,000
Kansas	15	35	-20	4,845,000
Iowa	26	52	-26	4,810,000
Kentucky	23	30	-7	4,235,000
Minnesota	16	50	-34	4,158,000
Arkansas	66	75	-9	3,570,000
North Dakota	18	49	-31	2,542,000
Missouri	13	35	-22	1,914,000
Nebraska	28	54	-26	1,548,000
North Carolina	22	32	-10	1,365,000
Ohio	12	40	-28	1,364,000
Tennessee	40	43	-3	1,200,000
Mississippi	76	75	1	1,188,000
Wisconsin	7	40	-33	1,050,900
South Dakota	32	50	-18	1,020,000
Louisiana	84	88	-4	832,000
Total	22	49	-27	63,008,400

Wheat bulls continue to struggle without added support and help from the corn market. The winter wheat harvest here in the U.S. has advanced to 57% complete vs. what's traditional +70% complete by this date. States falling the furthest behind seem to be Colorado and Nebraska, followed by the wheat states in the upper northwest portion of the country. I should also note, overall spring wheat

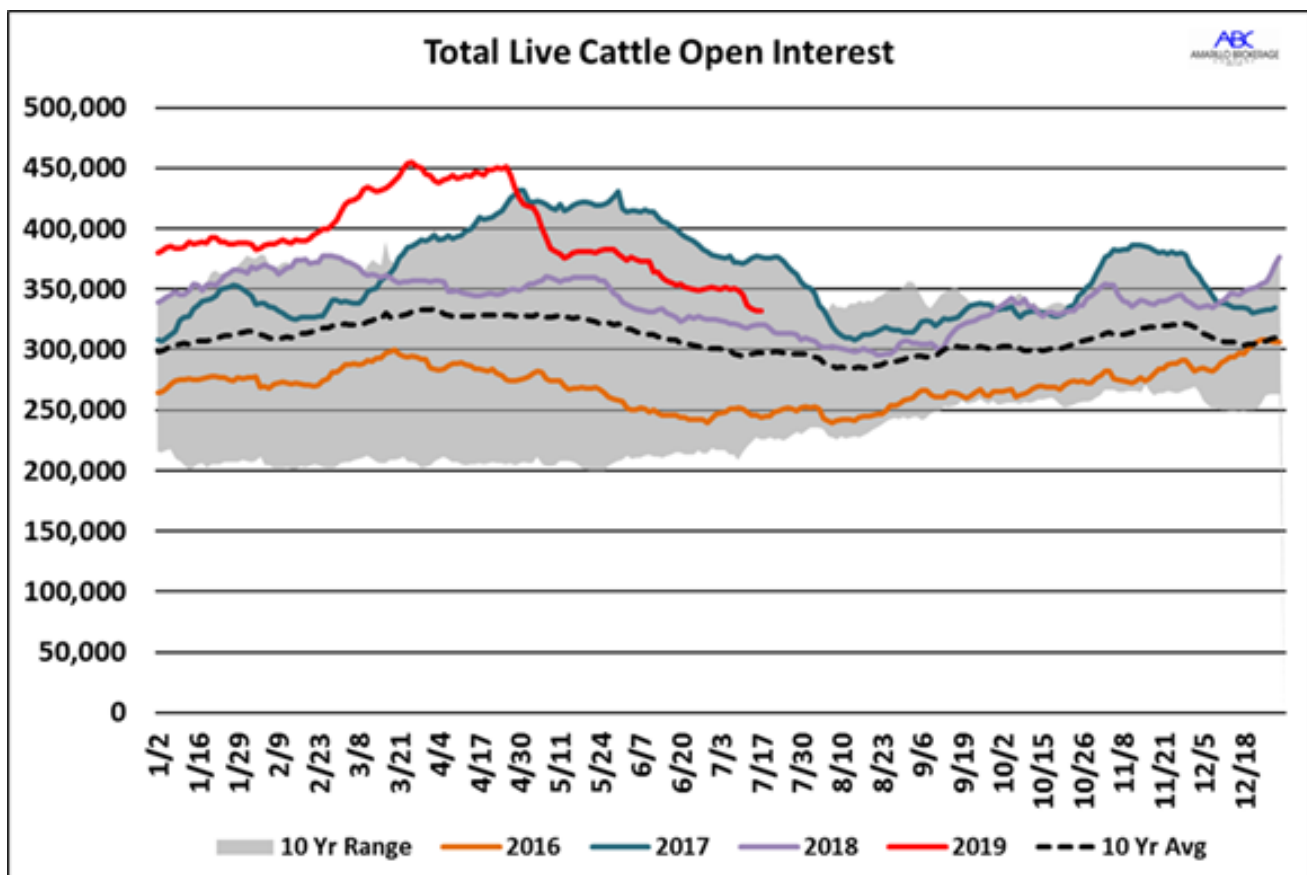
crop conditions fell from 78% rated "Good-to-Excellent" last week, down to 76% rated "Good-to-Excellent" this week. Bears continue to point towards a glut of global supply and still a lot of wheat floating around in the global marketplace. Here at home, another round of weak export inspections and +1.0 billion in ending stocks continue to keep a lid on most nearby rallies. Bulls continue to keep a close eye on production inside Russia and parts of the European Union. As a producer, I'm still keeping a close eye on the JUL20 contracts. Hoping they will soon provide a slightly better opportunity to make our first series of cash sales. As a spec, I remain patiently on the sideline.



California	80	87	87	90	10
Colorado	73	75	58	22	12
Idaho	6	4	5	1	1
Illinois	100	96	93	90	16
Indiana	90	92	82	79	31
Kansas	98	98	95	81	20
Michigan	34	34	20	2	2
Missouri	99	99	95	96	17
Montana	9	0	3	0	0
Nebraska	83	57	52	14	12
North Carolina	99	98	98	93	4
Ohio	87	84	73	64	35
Oklahoma	98	100	98	98	3
Oregon	12	16	17	4	2
South Dakota	43	17	21	0	0
Texas	100	94	97	97	5
Washington	8	7	9	1	1
Total	75	72	71	57	10

Cattle Comments: Cash trade advanced last week for the second consecutive week and did so on larger volume than the week prior. The industry continues to expect better prices and news as we move forward and many are hoping summer lows are behind us. The northern fed supplies are abnormally smaller while the southern supplies are much larger than typically expected. With a choice-select spread of 24.01/CWT the packer is working diligently to procure better grading cattle out of the north at this time. Furthermore, cattle feeders remain current as a result of the strong basis and weights are average to below average from south to north. The beef cutout lost approximately 5.00/CWT last week and is expected to lose additional ground this week. As mentioned in previous commentary, the sluggish tone to the beef market is not out of the normal for this time period. The question will be, how will this seasonality affect margins, slaughter totals and cash market leverage? Cattle on Feed and Cattle Inventory reports are due out this

Friday at 2pm central. The inventory report is inconsistently monitored across the industry, but non-commercial traders tend to give it credence and watch for macro trends/shifts. Futures markets have rallied quite nicely over the last couple of weeks. The current levels are viewed as fairly significant resistance because of the May highs and upper end of the spring/summer trading channel. The shorter term momentum has shifted higher for now, but we are technically overbought at this time. Something to keep an eye on is the daily deferred LC charts (Dec, Feb, Apr) suggest that an inverse head-and-shoulders pattern may be developing and taking out this resistance would project an additional 2.00-3.00/CWT rally. Open interest between Aug19 LC and Oct19 LC has swapped in the last several sessions with long roll moving out of the spot contract. The winding down of the roll will possibly support the front spreads as basis strengthens and pressure from long roll subsides. Total open interest has declined from over 450,000 in April to 332,000 currently. We are nearer a more normal open interest level, but could certainly lose another 30,000 before any concern will arise. Trey Warnock- Amarillo Brokerage Company





> **Soybean Crushings Hit 21 Month Low:** *NOPA reported crushings for June at 148.843 million bushels, which fell 5.562-million bushels from May and 10.385 million bushels less than a year-ago's levels. I should mention, that the smallest monthly crush since September 2017 was well short of the average analysis forecast of 154.405 million bushels. I'm told flooding is cited as the reason for the low numbers this month. Soybean stocks also fell, hitting a six-month low of 1.535 billion lbs. by the end of June, marking a 46 million-lb. decline from the end of May and 231 million lbs. from year-ago levels.*

> **Lower Feed Demand Delays SA Soybean Shipments to China:** *International soybean trading houses and crushers are delaying some soybean cargo deliveries for up to a month as weak animal feed demand in China forces crushers to cut their production, according to Agricensus. I'm told 10 South American soybean shipments heading to China, booked by three different trading houses, have been rolled back from July arrival to August as demand from crushing plants has been falling due to the ongoing African swine fever outbreak dampening animal feed demand.*

> Oil Markets Prepare for Major Shift... IMO 2020: Tens of thousands of ships sailing the world's oceans burn more than 3 million barrels of sludge-like high-sulfur fuel every single day. But, starting next year, the shipping industry will have to comply with rules that should dramatically reduce sulfur emissions. Analysts are calling it the biggest change in oil market history, as it will affect crude oil producers, traders, ship owners, refiners, equity investors, insurance companies, logistical businesses, and banks! Enter IMO 2020? On January 1, 2020, the International Maritime Organization (IMO) will enforce new emissions standards designed to significantly curb pollution produced by the world's ships. Keep in mind, this could have significant effects in the oil and refining sector as the measures are widely expected to create an oversupply of high-sulfur fuel oil while sparking demand for IMO-compliant products, ratcheting up the pressure on the refining industry to produce substantially more of the latter. Definitely something to keep your eye on if you invest in the sector. Read more [HERE](#).

> Ukraine Grain Exports Raised: *Ukraine's ag ministry expects exports for grains to hit 50.4 MMT in 2018-19, which is a 700,000-MT gain from previous reports. From what I understand, the country will see a bigger grain crop, which also caused ProAgro consultancy to raise its 2019-20 grain production estimate for the country by 1.25 MMT to 72.55 MMT.*

> Ninth District States See Exports Drop in 2019: *Half the states in the Minneapolis Fed's six-state region 1 managed to continue growing their exports in 2018, the year trade wars with America's top trade partners began, according to U.S. Department of Commerce statistics. But, in the first four months of 2019, all the states saw exports drop compared with the same months in 2018. I'm told soybeans, car parts, pork, adhesive films, tapes, combine harvesters, and paper towels were some of the biggest losers in Ninth District states as exports took a hit earlier this year. According to the stats, North Dakota got hit the hardest followed by South Dakota, with Minnesota experiencing the lowest impact while still seeing exports shrink %. Read more [HERE](#).*

> What Can Other States Learn From Oregon's Pot Overproduction: *Five years after Oregon legalized recreational marijuana, its lawmakers now are trying*

to rein in production due to the state's fear of a weed surplus that will tempt some licensed businesses to sell their products out of state or on the illegal market. Keep in mind, last year, the U.S. attorney for the District of Oregon put the state on notice when he announced that curbing interstate trafficking was his top cannabis law enforcement priority. Now, the temptation is only growing for retailers, who are citing an increase in calls from out of staters looking to go shopping. Oregon's surplus should serve as something of a cautionary tale for other states as they try to manage marijuana supply and demand. I'm told there's enough recreational cannabis sitting on dispensary shelves, in warehouses, and in processing plants to satisfy buyers for more than six years. It will be interesting to see how the state and retailers come up with a solution to this. Read more [HERE](#).

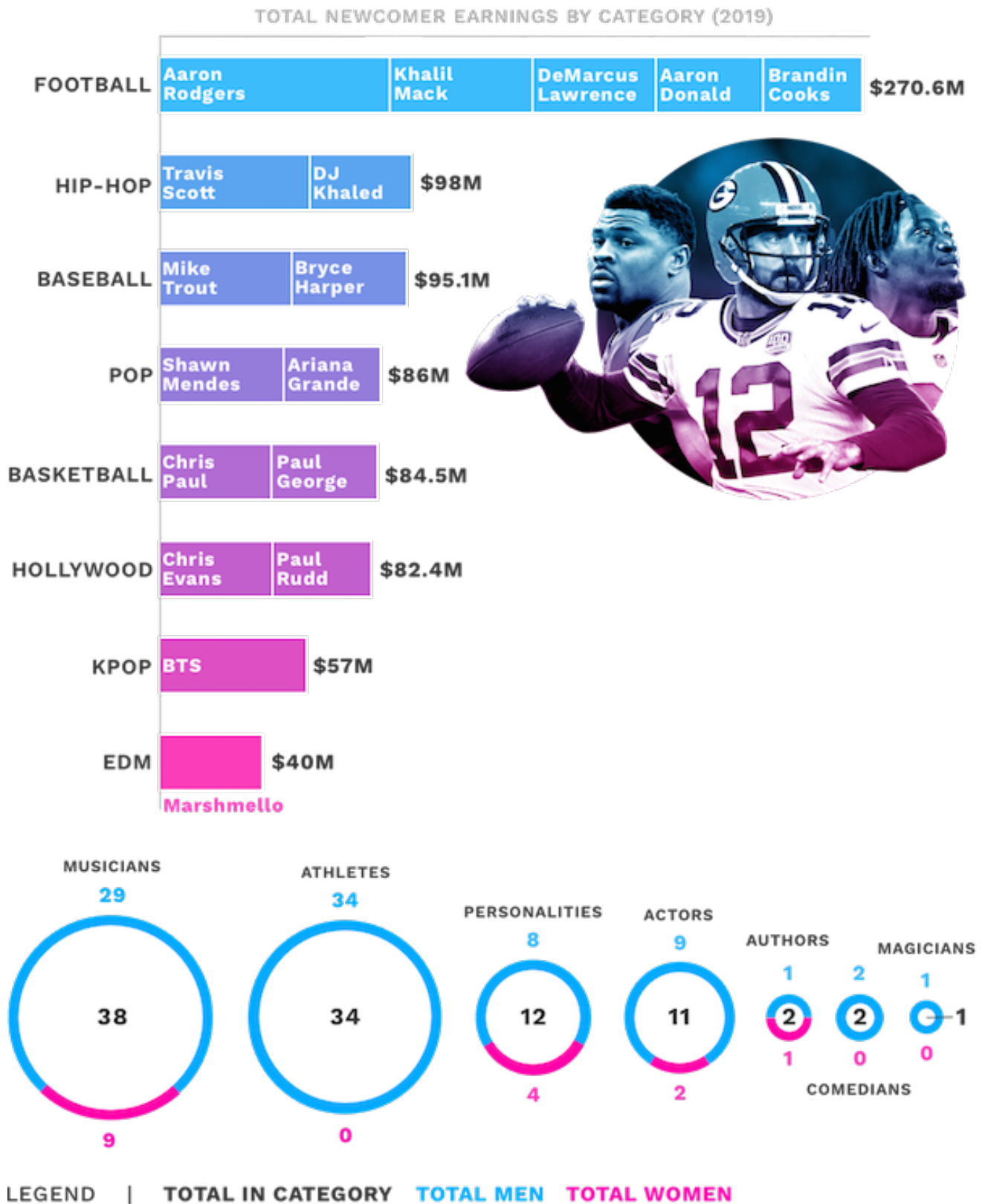
> Tesla Delivers More EV's in 2019 Than Everyone Else Combined: *Tesla's compact Model 3 isn't only the most popular electric vehicle in the industry, but over the first six months of 2019 the automaker delivered more of them to customers than all the other EVs sold in the U.S. put together. According to data compiled by the website InsideEVs.com, 67,650 Model 3s were sold from January through June, which blew away the combined competition who delivered just 24,367 units during the same period in 2018. I'm told an impressive 21,225 Model 3s were sold in June alone. Some insiders believe the Model 3's June surge could be attributed at least partially in anticipation of Tesla's tax credits dropping a second time as part of its phase-out on July 1 to \$1,850. Read more [HERE](#).*

> Why IPO's Are a Good Idea for High Growth Tech Companies: *Times have certainly changed when it comes to funding your startup with the dramatic influx of late-stage venture capital enabling companies to slow walk their public offerings. In addition, the accumulation of mountains of cash by strategic buyers and the rise of private equity buy-out firms are making other forms of exits viable options. IPO's certainly aren't for every company, especially with the many challenges that come with the 90-day reporting cycles that often conflict with long-term strategic planning. But if you are going to compete for talent and have the funds for strategic acquisitions, it's still important for high growth tech companies to consider the IPO route for success. Read more [HERE](#).*

> How a Bra Company Beat Out Defense Contractors to Build the First

Space Suit: *One of the underrated technical challenges of going to the Moon was designing the spacesuits. Keep in mind, suits would require the ability to be inflated and pressurized from the inside, the capability to withstand a temperature range of perhaps 500°, -280° in shadow to +240° in sun, and survive being hit by a micrometeorite going 36,000 mph, which I'm told would be brutally difficult to accommodate. Interestingly, before the bra company, Playtex got a chance at the contract and got fired and wasn't invited to the competition to determine who could make the best suit. I'm told, after being fired, Playtex officials immediately flew to Houston and begged to be allowed to submit a suit into the competition at their own expense. Fortunately, NASA agreed. Interestingly, during testing, the helmet of one of the competing suits blew off, with the test subject wearing it, and the other competitor's suit had shoulders so wide that the suit inflated for the "surface" tests and the astronaut couldn't climb back in through the hatch on the mockup lunar module or do simple routine tasks. Read more [HERE](#) on why the Playtex suit was judged far and away the best!*

> Wave of Newcomers Break Onto Forbes Top 100 Paid Celebrities List: *Making this year's list took a little more work, requiring celebrities to bank \$37.5 million to get recognized, which is up 7% from a year ago. I should mention, the Forbes global Celebrity 100 ranks "front of the camera" stars around the globe using their pretax earnings from June 1, 2018 through June 1, 2019, before deducting fees for managers, lawyers, and agents. Lots of new money made the list in 2019, as seventeen stars made their Celebrity 100 debuts this year. In addition, you'll notice that entertainment might have an equity problem as only 16 women made the list of the top 100. Check out the full list [HERE](#)!*





Southeastern Indiana – *We've turned the corner to being dry and very hot. I think today pushed to nearly 100 degrees. We will not be turning our nose up at rain moving forward. Several months ago, we couldn't keep the rain away. Right now, the soybeans are very short because about half the soybeans were planted for the second time July 6th. We should get a little of this tropical storm moisture in the next few days or at least we hope we will, which will be welcomed. We need fairly steady rains to keep this corn from going backward and the soybeans moving forward.*

Eastern Colorado – *The crops don't look too bad, but we are mostly irrigated. Our best crops usually come in years where the rain is limited, and we can water our corn. If we start getting too much rain and cooler temperatures like this year, then we'll struggle to push our yield into that 250 bushels per acre range. Right now, we're focusing most of our time on getting the wheat harvested. It's making close to 80 bushels, which we are happy about. The protein is a little low but that's to be expected with such high yields. We don't get docked for lower protein we just don't get premium either.*

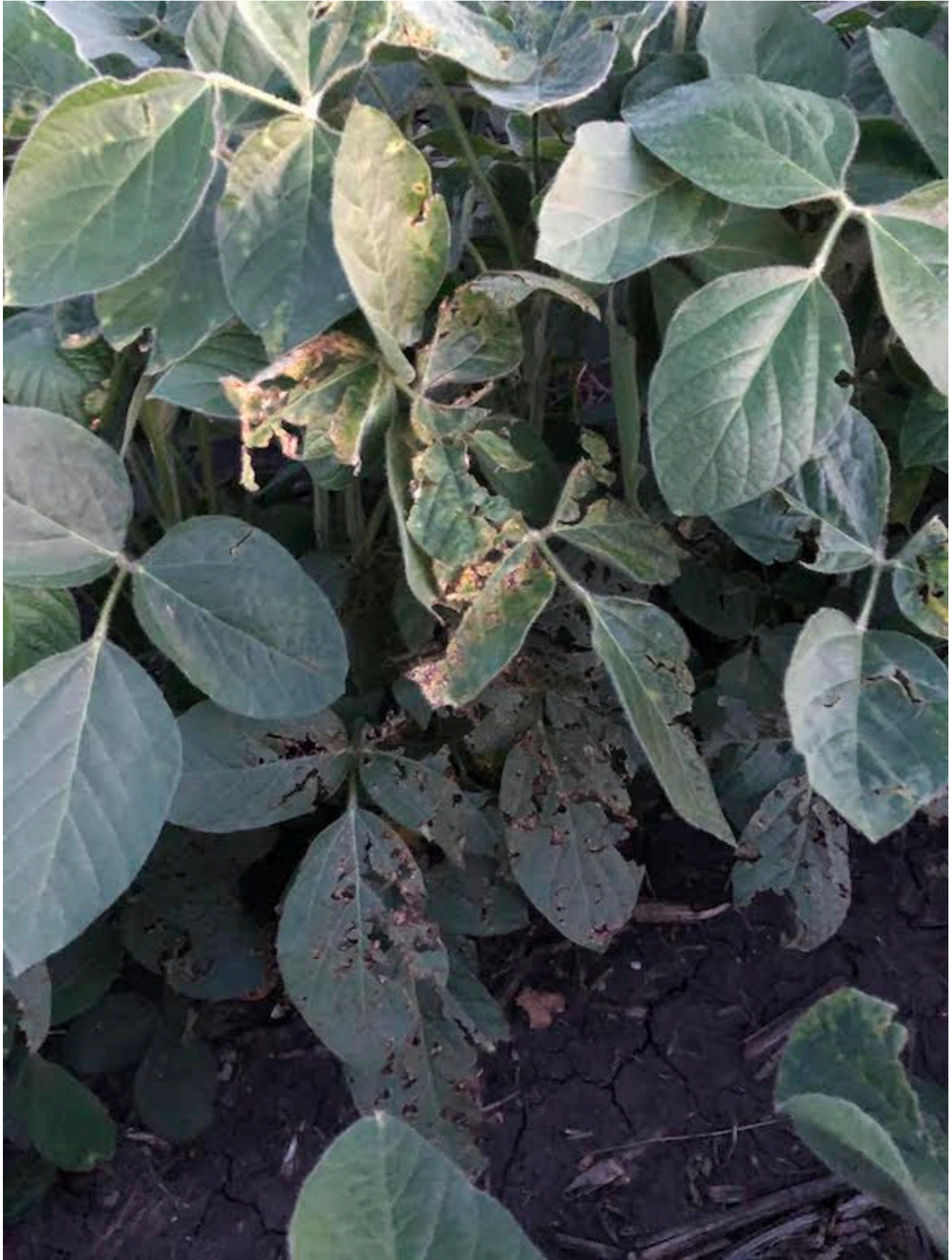
Northern North Dakota – *We have basically been living rain to rain, but they've been timely enough to keep the crops, as a whole, looking good. We got two inches about nine days ago, which has carried us through last week. We'll need at least 1 of the 3 rain chances to hit to keep everything moving in the right direction, especially as the temperatures push to 90 plus degrees this week. The biggest problem we're dealing with is in soybeans. Something is eating holes in the leaves. When you walk the fields during the day there's nothing out there, which makes people believe it was thistle caterpillars that turned into butterflies since they aren't visible in the field. The thing is this problem persists in over 70*

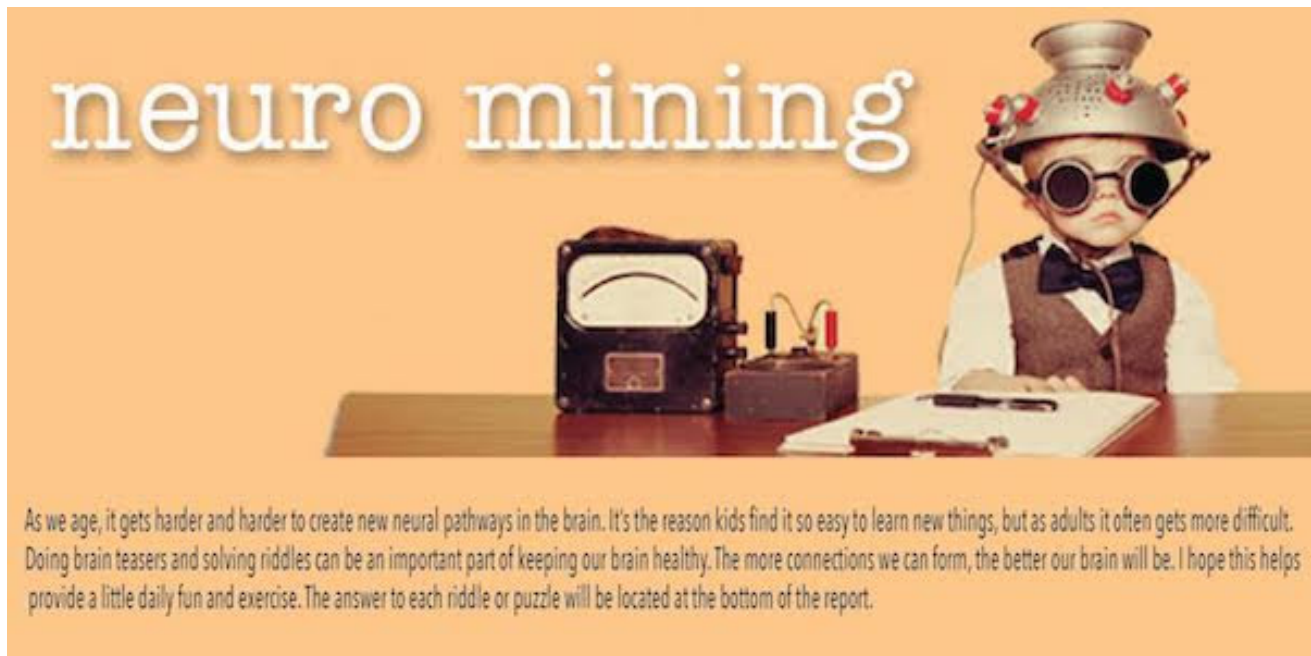
miles and 100's of thousands of soybean acres, so if it was thistle caterpillars I'd have to believe there would be millions of butterflies around, but there's not. I'm going to check the fields tonight to see what I can figure out. I will keep you posted.











TODAY'S RIDDLE: What do you call a train full of bubble gum?



Entrepreneurial Farmers Adding Agritourism and Airbnb to Revenue Model

Agritourism is really starting to gain traction across the country! Interestingly, it's also opening the door to all size farms, which is providing some with much needed additional income, increases revenue diversification, and allowing people to reconnect to the food system and the farm.

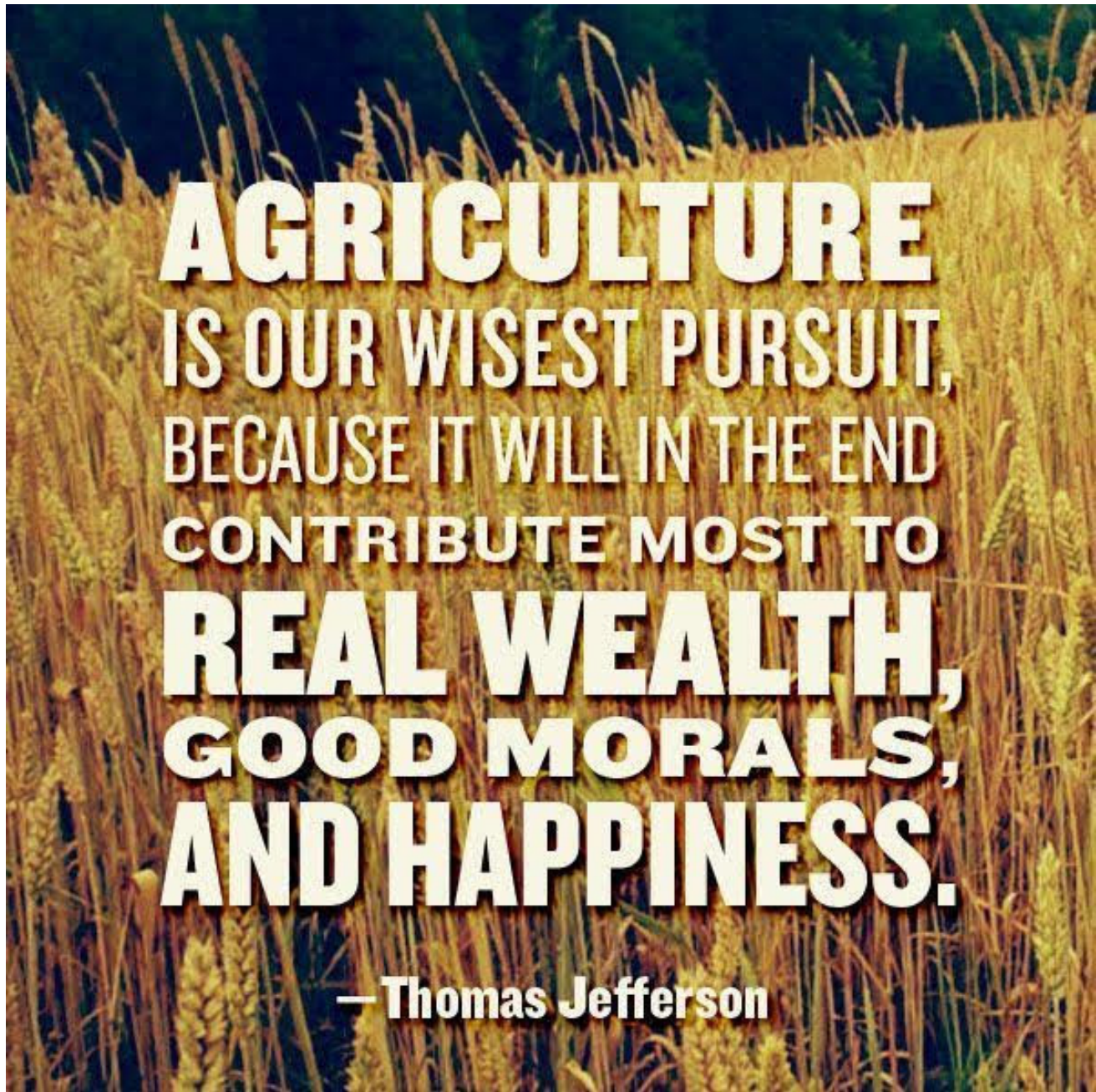
Airbnb and VRBO are helping the farm client attract more guests and increase not only their exposure, but more importantly, profits. It's a boon for both farms and for businesses like Airbnb, which profit from the reservations made through their websites. Recent data released by Airbnb shows last year between February 2018

and February 2019, an estimated 943,534 guests stayed at a farm they found on Airbnb, booking more than 745,000 nights, allowing hosts with farm listings to haul in more than \$81 million over that period of time.

Millennials and urban dwellers are wanting more and more experiences and it seems like the farm is starting to provide just that experience. Everything from morning yoga out by the pond to meditation on top of the grain bin... Others smart farmers are creating and raising small animals for petting and creating family experiences for their urban visitors. The numerous educational opportunities for schools, organizations, and vacationers are endless. It's also somewhat nostalgic for visitors who want to simply rekindle those memories of visiting grandparents on their farms.

Win-win has always been my recipe for success! Create a business model or revenue channel that's a "win-win" for all involved and you have a hit. I see this as a win-win for everyone involved. We've been looking for ways to battle the big budgets of the media, and the false accusations and claims about our food. This is a great opportunity! We can make some additional revenue, while at the same time meeting new friends, helping to educate, and spreading the truth about agriculture. I challenge everyone to spend some time with your family and think about all the ways you could create and build an "experience" on your farm. We've been kicking around the idea of 4-wheeler experiences, country cooking classes, candy making, canning techniques, gardening classes, drone flying classes, family pictures, hunting, fishing, how to raise chickens, harvest experience, planting experience, working cattle, horseback riding, corn maze, axe throwing, wood cutting, playing around with loaders and excavating machines, hayrides, building bonfires, mudding with the jeeps or ATVs, etc...





Companies Letting You Return Used Clothes

Clothes and how they're bought and sold might be getting a facelift. Recent data shows the average number of times that a garment is worn before it stops being used has gone down by -36% over the last 15 years and many consumers wear items less than 10 times before they move on to something they like better. In fact, many experts estimate that the average consumer only wears 20% of the clothes they own. Also, something else interesting is a recent McKinsey report that showed the world is now manufacturing more than +100 billion articles of clothing

annually, which is a bit crazy when you consider that there are only a little over +7 billion humans on the entire Earth!

Fortunately, a few large, environmentally conscious brands like Madewell, Patagonia, and Eileen Fisher are tackling the problem in clever ways by taking back your old clothes and putting them to new use. From what I understand, these brands are going beyond just collecting old clothes to donate and are now enticing customers to bring them back to the store in exchange for store credit.

Insiders are hoping these programs can create a new "circular" stream of revenue that helps expand their consumer base by making apparel less expensive and available to a larger market share. Most suspect, these programs will have great appeal to those not wanting to spend the time to sell online and deal with those details. The fear associated with reselling is that it could reduce the demand for entirely new products altogether. Another big question will be whether or not the new programs flood the market and dilute their brand?

Resale sites are also gaining in popularity. Since some brands don't see the strategy in selling their used products themselves, they're instead referring customers to resale sites to help them extend the life of their products. Several luxury brands have started partnering with TheRealReal, an online consignment store, to encourage customers to consign their lightly used products to extend their life. In fact, some companies are giving sizable gift cards to clients when they consign one of their items on the TheRealReal. For example, you can sell one of your used Stella McCartney items on Consign and receive a \$100 gift card to buy something new at the Stella McCartney store.

ThredUp is also a great resale site that has been gaining traction. I've heard ThredUp pays between 5% and 90% of the list price of the item. To encourage customers to clean out their closets, some clothing companies are currently giving customers an extra +15% in-store credit for making an effort.

Patagonia is one of the pioneers of preserving the life of its products. The company has a robust program called [Worn Wear](#) , which invites customers to send in worn

items that are in need of repair and they will be fixed up. There are also events around the country where customers can bring in products in person to be repaired. But if customers don't want to hold onto an item that's in good condition, they can trade it in for store credit. Depending on the type of item, customers can receive between \$10 and \$100 for their used goods. These items are then sold on a separate Worn Wear website, where customers can snag secondhand gear for a fraction of their full retail price.

Companies are clearly trying to do their part and recycle their goods. It's interesting to see how much the mindset of today's corporate leader has changed in the past 20 years. Things are just being done much differently with a much different perspective. Make certain you are considering all of the options with your personal businesses and investments. (Source: [FastCompany](#), [Refinery29.com](#))





How The Manhattan Project Changed the World Forever!

The Manhattan Project began modestly in 1939, but grew to employ more than 130,000 people. There was fear at the time that a German atomic bomb project would develop one first. Americans went to work and the world was changed forever.

German chemists, Otto Hahn and Fritz Strassmann, discovered nuclear fission in 1938 and its theoretical explanation made the development of an atomic bomb possible. In August 1939, Hungarian-born physicists, Leó Szilárd and Eugene Wigner, drafted the letter, which warned of the potential development of "extremely powerful bombs of a new type." It urged the United States to take steps to acquire stockpiles of uranium ore and accelerate its research into nuclear chain reactions. The letter was signed by Albert Einstein and delivered to President Franklin D. Roosevelt. An advisory committee on Uranium was immediately formed to investigate the issues raised by the letter. In early-November 1939, the committee reported back to President Roosevelt that uranium "would provide a

possible source of bombs with a destructiveness vastly greater than anything ever known."

New Mexico's Alamogordo Bombing and Gunnery Range became home to the first nuclear device ever detonated, which occurred on this summer day, July 16th, 1945.

Little Boy and Fat Man bombs were used a month later in the atomic bombings of Hiroshima and Nagasaki. On 6 August 1945, a Boeing B-29 Superfortress (Enola Gay) of the 393d Bombardment Squadron, lifted off from North Field and delivered the bomb "Little Boy" on Hiroshima. The bomb detonated at an altitude of 1,750 feet with a blast that was later estimated to be the equivalent of 13 kilotons of TNT. An area of approximately 4.7 square miles was destroyed. Japanese officials determined that almost 70% of Hiroshima's buildings were destroyed and another 7% damaged. About 70,000 to 80,000 people, of whom, or some 30% of the population of Hiroshima, were killed immediately, and another 70,000 injured.

Three days later, on the morning of 9 August 1945, a second B-29 delivered the bomb "Fat Man" on board with the city of Kokura as the primary target. When the crew reached Kokura, they found cloud cover had obscured the city, prohibiting the visual attack required by orders. After three runs over the city and with fuel running low, they headed for the secondary target, Nagasaki. A last-minute break in the clouds over Nagasaki allowed a visual approach as ordered. The Fat Man bomb was dropped over the city's industrial valley. The resulting explosion had a blast yield equivalent to 21 kilotons of TNT, with an estimated 35,000 to 40,000 people killed instantly and another 60,000 injured.

Below are some interesting facts about the development of that weapon and the history of the Manhattan Project:

More Than 120,000 People Worked On The Manhattan Project: *More than 120,000 people were ultimately involved in the bomb's development, including some of the greatest scientific minds that ever lived. At the time, it was the largest collective scientific effort ever undertaken. Research and*

production took place at more than 30 sites across the United States, the United Kingdom and Canada ended up costing nearly \$2 billion (\$26 billion in 2015 dollars).

Development of Substitute Materials: *That was the original name of the project, but officials were afraid it was too suggestive of what they were actually working on. Colonel James Ce. Marshall oversaw the Army's part of the project and established headquarters near the Corps of Engineer's North Atlantic Division, which the Corps commonly referred to as the Manhattan District. Military officials decided to adopt The Manhattan Project, thinking it would draw less attention.*

Four Bombs Were Developed: *Scientists worked on four atomic bombs - Thin Man, The Gadget, Little Boy and Fat Man. Little Boy was dropped on Hiroshima on August 6 and Fat Man was deployed three days later over Nagasaki. The Gadget was detonated in the New Mexico desert during the Trinity Test on July 16, becoming the first ever man-made nuclear explosion. Thin Man's design proved unreliable and was scrapped before it came to fruition.*

Opinions About What Would Happen: *The nuclear material that scientists decided to go with, plutonium, didn't even exist four years before the Trinity Test. Obviously, there were varied opinions as to what might happen - some even believed it would fail to explode altogether. One scientist, the brilliant physicist Enrico Fermi, went to the other extreme and believed that it would set fire to the Earth's atmosphere and create huge fires around the world.*

Little Boy's Design Was Never Tested: *While the Trinity Test proved The Gadget and same-design Fat Man worked, Little Boy was actually the same type of weapon as Thin Man - the bomb that got shelved. Scientists used uranium in Little Boy rather than plutonium though, which they were sure would make it more stable.*

Little Boy 's Parts Were Shipped Before Trinity: *Titian Island was the*

launching point for both atomic bombs. Hours before the Trinity Test was even conducted, the military began transporting Little Boy's parts to the island for final assembly.

DuPont's Involvement: *Chemical giant DuPont joined the Manhattan Project, becoming the primary contractor for plutonium-related work. The company was initially hesitant to come on board though because of accusations that it had profiteered during World War I. Because of that public image sensitivity, its contract called for a total payment of only one dollar over actual costs. In addition, DuPont vowed to stay out of the bomb business after the war and offered all patents to the United States government.*

Technology At The Time: *The atomic bomb was developed before the invention of transistor radios, microwave ovens, credit cards, or even Tupperware.*

The Pilots' Backup Plan: *About 12 cyanide pills were kept in the cockpit of the Enola Gay (the plane carrying Little Boy), and pilots were instructed to take them if the mission was compromised during the bombing of Hiroshima. Only 3 of the 12 people on board the plane actually knew the real purpose of their mission.*

Crazy Survival Story: *After the atomic bombing of Hiroshima, hundreds of people made their way towards Nagasaki, which as we know now was also bombed three days later on August 9. Of these, an amazing 165 survived both the bombings and lived to tell the tale. A couple of young friends were sent to Hiroshima on business that horrific morning. Somehow while on the train the nuclear bomb exploded and killed most everyone around them, but the two survived the blast. They were injured but somehow managed to find a way to maneuver around the city. They desperately wanted to get back to their home town of Nagasaki. By a combination of walking and hitchhiking, they made it back home. Unfortunately, just in time to experience the second atomic bomb. By some crazy grace of God, the two*

managed to survive this horrific blast as well. What a crazy story of luck and resilience. I should also mention, one of the only other living things left in Hiroshima were six Gingko Biloba trees, the worlds oldest living plant. Amazingly enough, the trees budded shortly after the blast without major deformations and are still alive to this day.





ANSWER to riddle: A chew-chew train.

CASH SALES & HEDGING TOTALS

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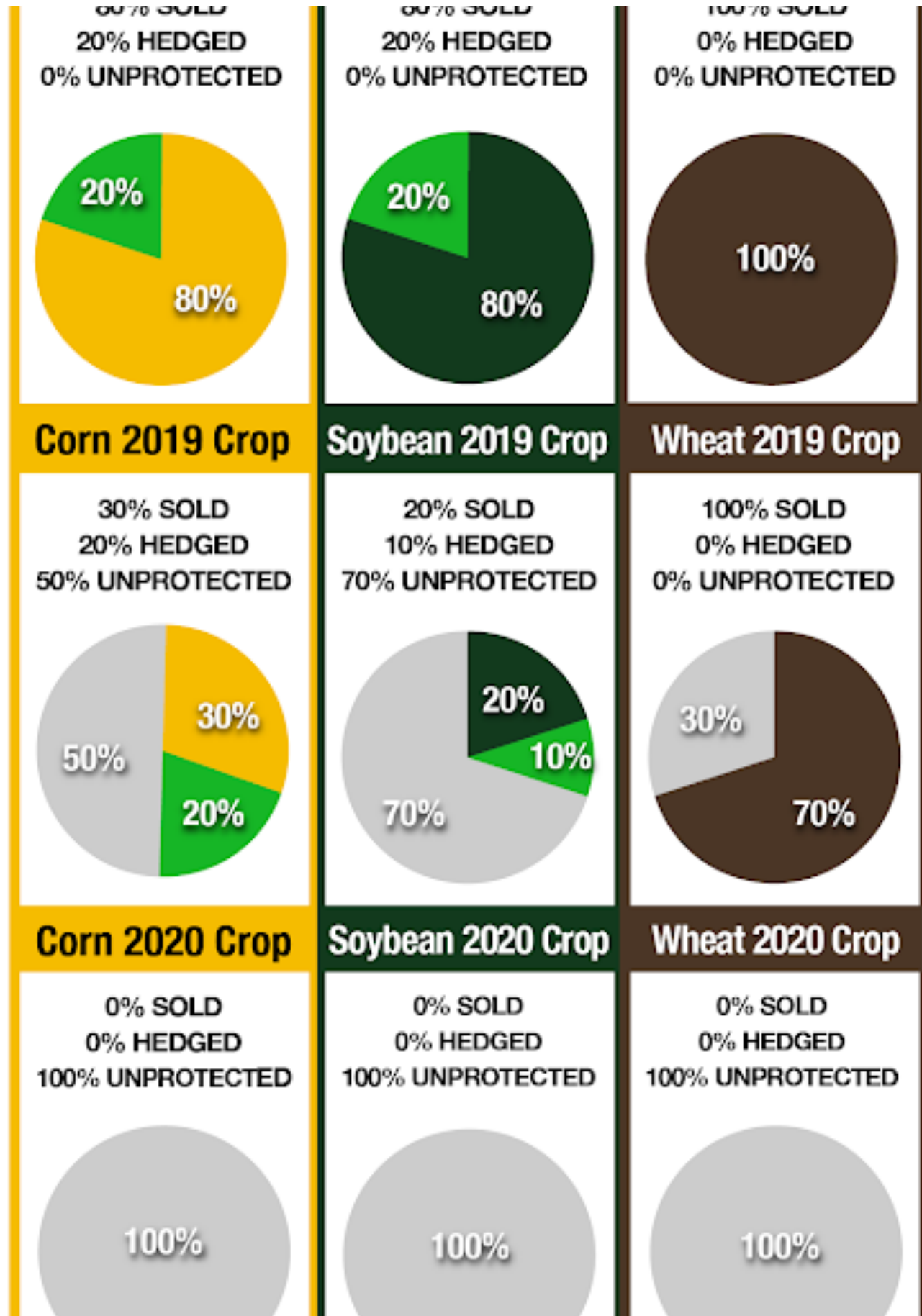
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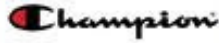
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