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GOOD MORNING: Van Trump Report 7-25-19

1 message

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Thu, Jul 25, 2019 at 8:12 AM

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"It requires less mental effort to condemn than to think." - **Emma Goldman**

Thursday, July 25, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stock traders seem very eager to see how the Fed plays their cards next week. Not only does the trade want to see if the Fed opts to leave rates "unchanged", cut rates by a quarter point, or cut rates by a half point, but perhaps more importantly how the Fed explains and justifies their move? Some insiders contend the explanation and post-conference rhetoric is going to be more important than the actual move itself. Will the Fed pitch a rate cut as a "preventive vitamin" for a somewhat healthy economy or will they refer to it as a "prescriptive medicine" for an economy that has fallen ill? How they present their case is going

to be extremely important, so pay close attention. Don't forget the ECB (European Central Bank) is scheduled to release their latest monetary policy decision this morning. There's speculation that the ECB cuts rates at either this meeting or the meeting in September. Either way the trade is eager to hear Draghi's comments about their next couple of steps. The trade is also paying attention to U.S. and Chinese trade headlines. There's talk that top U.S. trade officials will be heading back to China on Monday to start a new round of negotiations and hopes of finding more common ground. Personally, I'm still targeting the second-half of 2020 for a more likely trade compromise. I'm hesitant to believe any hype or headlines that may insinuate otherwise. U.S. Q2 corporate earnings are now flowing heavily, Facebook reported better than expected earnings after the close yesterday, while Amazon and Alphabet (Google) will report today. Remember, Microsoft reported last week, while Apple will report earnings next Tuesday. I mention this because, combined the five tech giants make up close to 15% of the value of the S&P 500. It's important that they do well. Facebook reported yesterday and showed strong results, earning \$16.9 billion in revenue, up +28% from a year ago. The company posted a very strong \$2.6 billion in profit. Last week, Microsoft reported a whopping \$33.72 billion in quarterly revenue which was up +12%. It was Microsoft's ninth straight quarter of double-digit annualized revenue growth. Let's hope Alphabet, Amazon and Apple can add to the momentum. Tomorrow, the trade will be paying close attention to U.S. Q2 GDP data. Most sources are looking for a fairly significant slowdown i.e. 1.9% compared to 3.0% in Q1.

IMF Downgrades Global Growth for Third Time This Year: *Global growth expectations were written down for the third time this year by the IMF, who pointed squarely to the U.S.-China trade war. With cross-border trade decreasing, manufacturing has been sent into a recession in the U.S. and in an increasing number of countries around the globe. I'm told IMF economists put all risks to their forecast to the downside and believe that further trade and technology tensions could slow investment. It's worth mentioning, trade volume growth fell to around 0.5% year-over-year in the first quarter, and likely worsened in the second. Keep in mind, though manufacturing is a relatively small portion of the U.S. economy, it remains a*

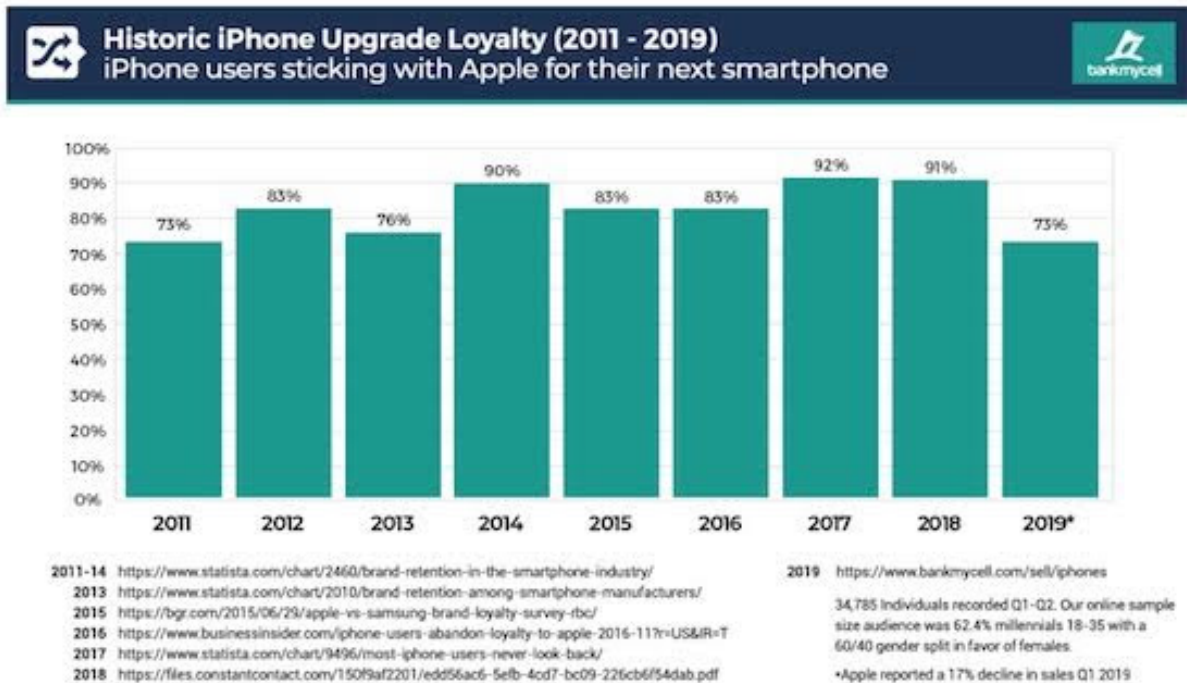
lifeline for much of the rest of the world. In fact, Eurozone manufacturing activity fell to its lowest in more than 11 years this month, according to IHS Markit figures, which follows a report out of Britain showing manufacturing orders in the second quarter falling to their lowest since 2009. Read more [HERE](#).

Could We See America's First All-Women Ticket? *There's been some buzz on Wall Street, as Elizabeth Warren the Senator from Massachusetts gains a bit of momentum, that we could perhaps see our nations first all-women ticket with perhaps someone like Kamala Harris the Senator from California running as Vice President. Remember, Joe Biden is 76 years old and Bernie Sanders 77 years old, and both as of late have been losing ground to the ladies mentioned above, so perhaps the idea isn't that far fetched?*

Advice for Young Investors: *Stocks may be near all-time highs now, but inevitably at some point, they will start changing direction and that's when investors tend to panic and sell. Yet that's exactly what you shouldn't do, according to financial experts Josh Brown and Bill Sweet. Consider this... "If you were shopping at Target on a random Friday and all of a sudden everything was -25% or -30% off, would people buy more or less? " asked Sweet, the chief financial officer of Ritholtz Wealth Management and a former U.S. Army captain. After pointing out the obvious, that shoppers would go to town, Sweet shared that strangely enough, when the stock market is one of the few things that people get nervous and run for the exit. Read more [HERE](#) to find out why Brown says you should pre-program your behaviors.*

iPhone Upgrade Loyalty Continues to Shrink: *Since October 2018, iPhone trade-in site BankMyCell has been collecting data on the new device people have during the valuation and trade-in of their old iPhone. The result is a vast dataset of 38,043 individuals, providing insight into consumers upgrade cycle patterns and Apple's brand loyalty during the online trade-in process. In March 2018, Consumer Intelligence Research Partners released*

data showing 86% of users with an iOS mobile operating platform remained loyal, using a sample size of 500 individuals. Interestingly, new data shows that 2019's trade-in savvy iPhones owners are -15.2% less faithful than CIRP's 2018 survey. Check out why brand retention is the lowest it has been since 2011 [HERE](#).



Average iPhone Brand Retention (2018 vs 2019) Brand of consumers new device during iPhone trade-in				
bankmycell				
#	New Device Brand	% 2019	% 2018	% Change
1	Apple	72.8%	70.1%	2.7%
2	Samsung	12.2%	11.9%	0.3%
3	LG	5.4%	7.3%	-1.9%
4	Motorola	2.2%	2.1%	0.1%
5	ZTE	1.1%	2.0%	-0.9%
6	Google	1.1%	1.3%	-0.2%
7	Alcatel	1.1%	1.6%	-0.5%
8	HTC	0.4%	0.2%	0.2%
9	OnePlus	0.3%	-	New
10	Huawei	0.2%	0.4%	-0.2%
Other		1.3%	1.2%	0.1%
Didn't know the brand		2.1%	1.8%	0.3%

Dataset: 38,043 individuals looking to trade-in their iPhone between 1st October 2018 until 30th June 2019

FARM TANK

Tweets of the Day

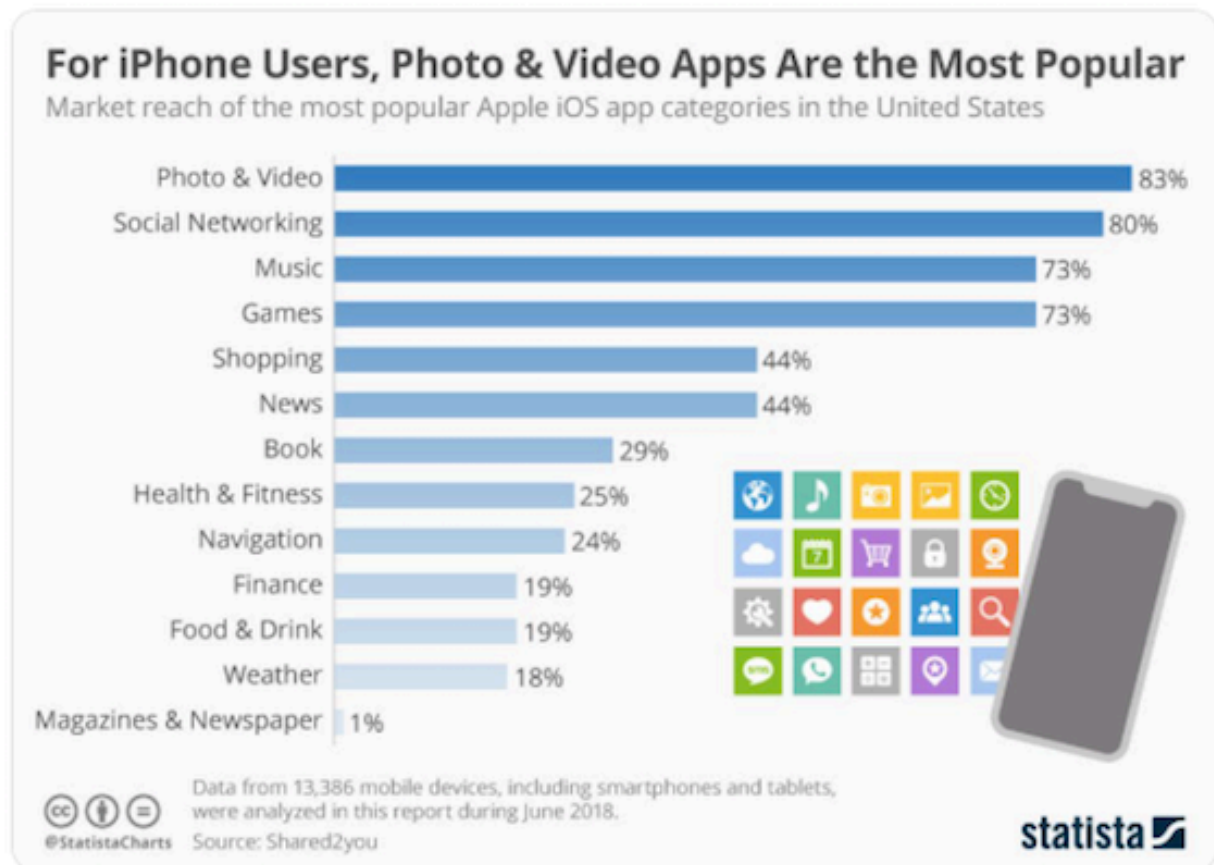




Following

A study by @Shared2you found that #iphone users used #photo and video, social networking, music, and game #apps more than any other app category, including news apps

bit.ly/2YdWsx2



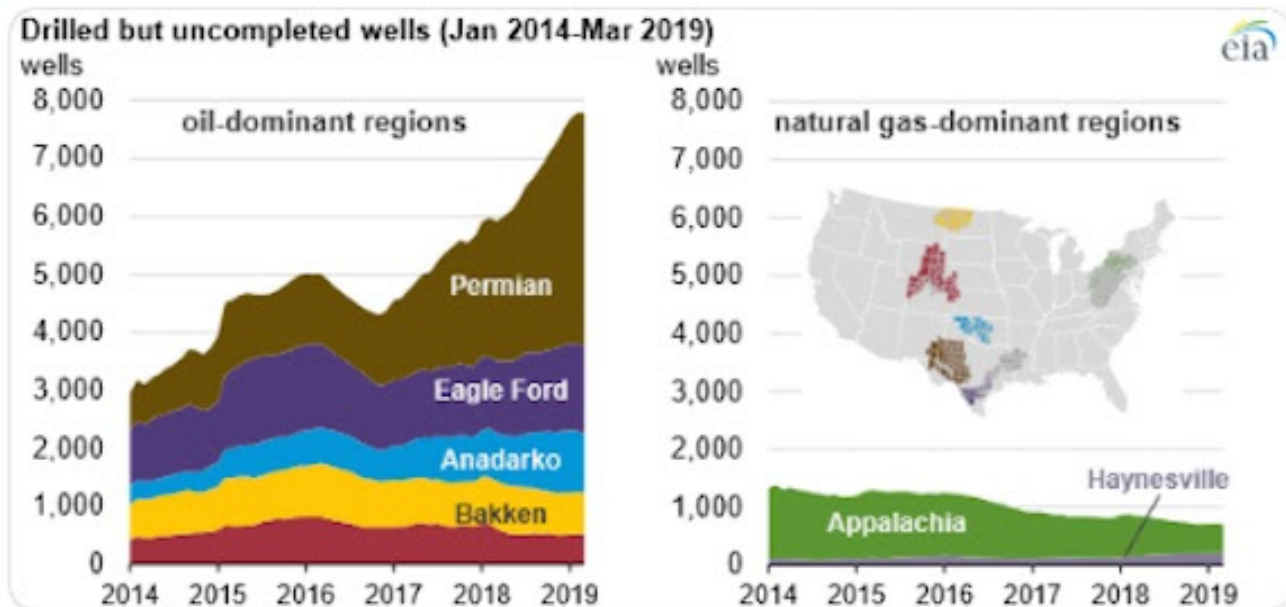


Following



Most of the recent increase in the drilled but uncompleted (DUC) well count occurred in regions dominated by oil production. As of March 2019, nearly half of the DUCs included in EIA's Drilling Productivity Report were in the [#Permian](#) region.

go.usa.gov/xmN6z [#oilandgas](#)



**Naomi Blohm**

@naomiblohm

Following



Flew tonight from Fargo to Chicago. These pics are **#corn** and **#soybean** fields on the **#NorthDakota** and **#Minnesota** border. Lots of unplanted acres.



**Tim**

@FarmerTim80

Following



This should make harvest more fun! Fungicide or not?? #plant19 #corn



**Kendal Peterson**

@kmerle7

Following



This corn was planted for silage but I think we might pick it! #centralKS #Plant19



**Ron Haase**

@Ron_Elo_Haase

Following



Not good to see #corn plants rolling their leaves @ 5:30 pm when it is only 74 degrees!

#FlashDrought

#plant19 #corn19

@maxarmstrong





Steve Burns
@SJosephBurns

Following

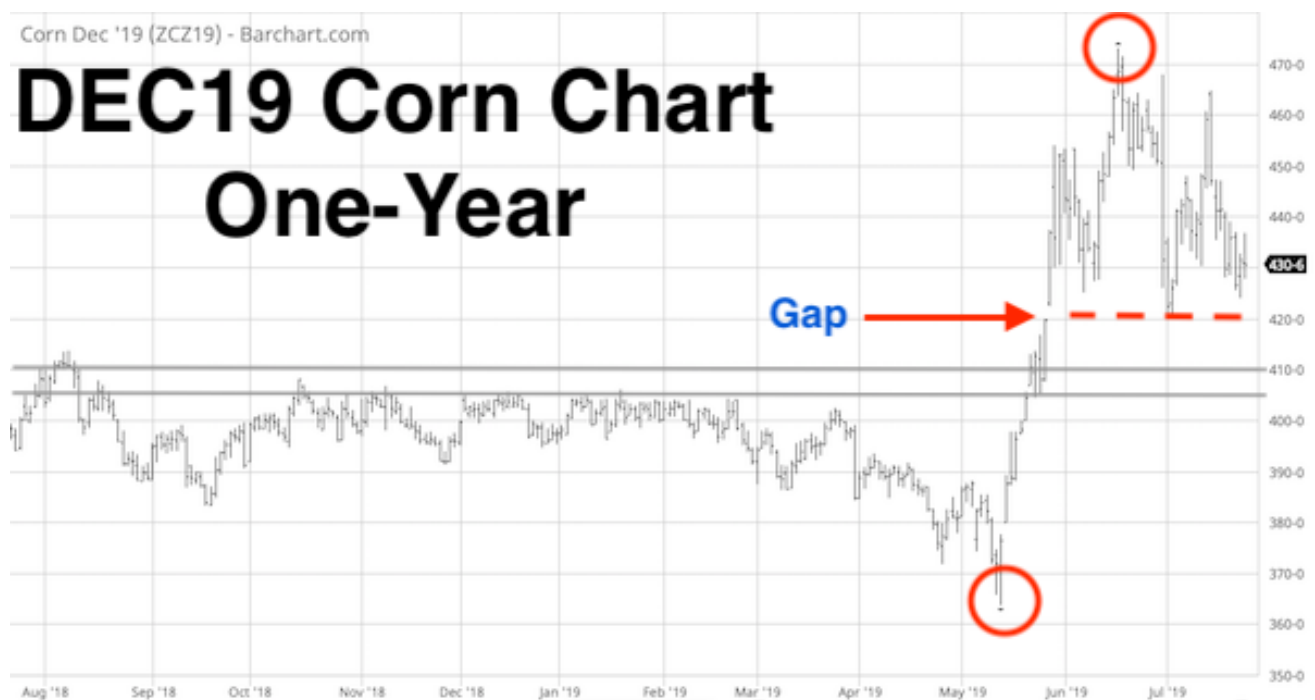


The less you respond
to negativity, the more
peaceful your life
becomes.



Corn bulls are struggling to find fresh news. Weather seems to be cooperating in most areas. There are arguably some dry pockets in a few key locations that are being monitored but the market doesn't seem overly concerned at the moment. There's a small bit of optimism around renewed trade talks with the Chinese and rumors of a few soybean cargos being purchased off the PNW. Demand remains somewhat suspect as both ethanol and exports are in question. Ethanol stocks are up nearby double-digits compared too last year and margins are tight. At the same

time, exports are moving at a slower pace than the USDA had forecast. Net-net, demand remains in question, and until more is known about total U.S. production, it could work to limit upside potential. I personally still see lack of production ultimately trumping headwinds from demand, but at the moment the market seems very uncertain. Improved weather and more corn acres being planted late worked well to this point to stop the running of the bulls. As I've learned many times, its not how the race starts but how the race ends that pays the winning ticket. I'm paying very close attention any time the DEC19 contract trades in this \$4.10 to \$4.30 range. As you can see in the chart I included below, as long as the market can stay above \$4.05 to \$4.10 it seems to have a bullish undertone. On the flip side, when we trade sub-\$4.05 the bears seem comfortable roaming much more freely and taking larger positions. Bottom-line, I'm sticking with my longer-term bullish positions but paying close attention.



Top 10 Corn Area Harvested

(in thousand acres)



China	101,313 thousand acres	Mexico	18,039 thousand acres
United States	83,596 thousand acres	Nigeria	16,062 thousand acres
Brazil	44,726 thousand acres	Argentina	15,073 thousand acres
India	23,475 thousand acres	Ukraine	11,614 thousand acres
European Union	21,498 thousand acres	Tanzania	10,378 thousand acres

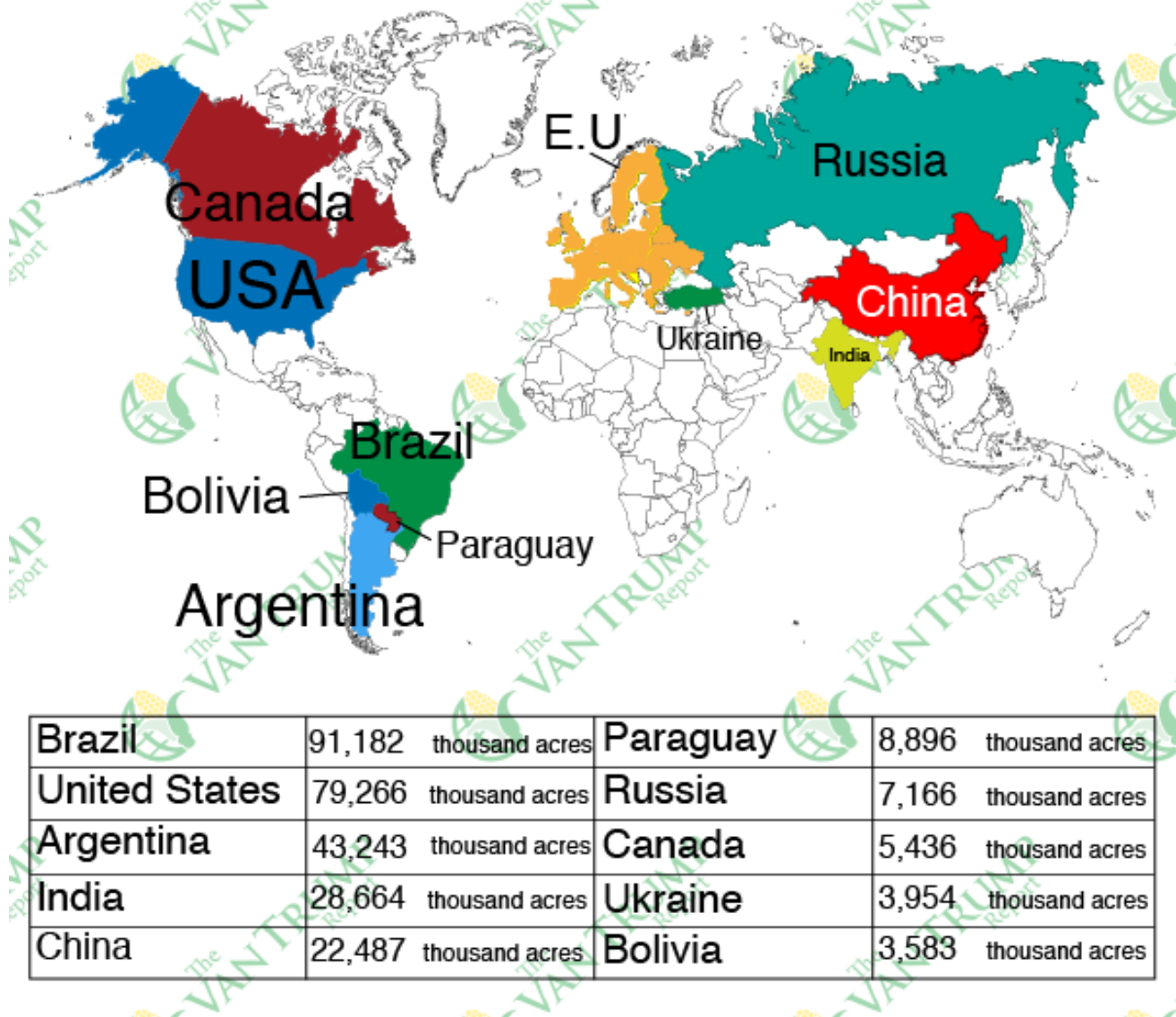
Soybean bulls are pointing to what's believed to be a handful of purchase by Chinese buyers off the PNW. From what I understand, the cargo purchases were made by a combination of Chinese crushers and state owned buyers for October loadings. If these buys are actually confirmed, they will be the first Chinese purchases of U.S. soybeans in almost a year. As I've mentioned many times, once South American soybean supplies are depleted, this market might take on an entirely different attitude and outlook, especially with U.S. soybean production

being somewhat uncertain and suspect. The large number of U.S. soybean acres planted exceptionally late this year look to remain a huge wild-card. This means U.S. weather deep into September is going to be highly scrutinized. I also have to imagine early South American weather will start to be more closely monitored as we move forward. Technically, I still see the \$8.75 to \$8.90 area in the NOV19 contract as an important battleground area that still hasn't been tested. Remember, we haven't closed below \$8.90 since June 11th, and haven't closed sub-\$8.75 since leaving a "gap" on May 24th. If you look at a one-year chart, the \$8.80 level has been area where many bulls will need to see support. I've included a chart below so you can get a better idea. I'm staying optimistic with a longer-term time horizon.



Top 10 Soybean Area Harvested

(in thousand acres)



Wheat bulls are talking about lower production estimates coming out of Russia, slightly improved U.S. exports, improved U.S. wheat feeding, and somewhat mixed yield data coming from the spring wheat tour taking place in North Dakota and parts of South Dakota and Minnesota. The U.S. winter wheat harvest is also moving into the rearview mirror which might also be taking some pressure off the trade. The Russian crop seems to be backpedaling but feels like it's still larger than last year. Perhaps the current USDA estimate will need to be trimmed by another

-1 to -2 MMTs? There's also the continued talk surrounding production in parts of the European Union and portions off Ukraine. Keep in mind however, these headlines have been well advertised and the market has simply shrugged them off posting multi month lows. Bears continue to point towards +1.0 billion in U.S. domestic ending stocks and near record global supply. I still see this environment as being tough for the bulls to string together a sustained rally with this much wheat floating around in the marketplace. I continue to argue that wheat bulls need the help of corn to keep prices climbing higher. As a producer, I'm staying extremely patient and targeting late-2019 as a better window of opportunity for pricing cash bushels. As a spec, I see easier shots on the court and remain on the sideline.

Top 10 Wheat Area Harvested

(in thousand acres)



India	73,761 thousand acres	Kazakhstan	28,170 thousand acres
European Union	65,359 thousand acres	Australia	27,182 thousand acres
Russia	64,989 thousand acres	Canada	23,969 thousand acres
China	59,552 thousand acres	Pakistan	21,740 thousand acres
United States	38,405 thousand acres	Turkey	19,027 thousand acres



> **U.S. Soybeans Headed to China:** *Private Chinese soybean crushers have concluded the first purchase of US soybeans since the trade war between the two countries escalated in July 2018. I'm told a trade of one full cargo late Tuesday was sold to the crusher Yihai Kerry, owned by Wilmar International, for October loading out of ports in the Pacific, according to traders and brokers spoken to by AgriCensus. From what I understand, three additional purchases were also rumored to have been concluded late yesterday by Chinese state-owned buyers - Sinograin or Cofco, but these trades couldn't be fully verified. (Source: AgriCensus)*

> **Cargill Set to Reduce GHG Emissions by 30% in Next Decade:** *Cargill's "BeefUp Sustainability" initiative will use 2017 as a baseline and will focus on the following four key areas: grazing management, feed production, innovation, and food waste reduction. From what I'm hearing, BeefUp Sustainability incorporates farmer and rancher feedback gathered through previous projects such as the Canadian Beef Sustainability Acceleration Pilot, on-site visits with key supply chain stakeholders and producer panels. It's worth mentioning, U.S. farmers and ranchers already produce 18% of the world's beef with only 8% of the world's*

cattle, and according to a Food and Agriculture Organization of the United Nations finding, the North American beef supply chain is already more than 35% more efficient from a GHG perspective than the global average.

> Facebook Pays Record \$5 Billion Fine: *The massive fine from the Federal Trade Commission alerts industry leaders to greater liabilities for privacy missteps as some policy makers call for tougher oversight. Under the settlement, Facebook founder and CEO Mark Zuckerberg will be required to certify that the company is in compliance with new privacy strictures, and could be subject to civil and criminal penalties for false certifications. While the fine was massive at \$5 billion, keep in mind, Facebook just reported Q2 revenue of \$16.9 billion. (Source: The Wall Street Journal)*

> \$2,000 Galaxy Fold is Coming Back: *Originally set to be released in April, the Galaxy Fold was found to break easily, which led to Samsung to cancel all pre-orders for the device, as did its U.S. partners including AT&T and Best Buy. But now, following three key upgrades, the Android phone, one of the first to offer a foldable screen, is scheduled to be released in September. Keep in mind, when closed, a user can interact with a traditional touchscreen on the outside of the phone, but when opened, it reveals a much larger folding screen that can be used more like a tablet. Read more [HERE](#).*

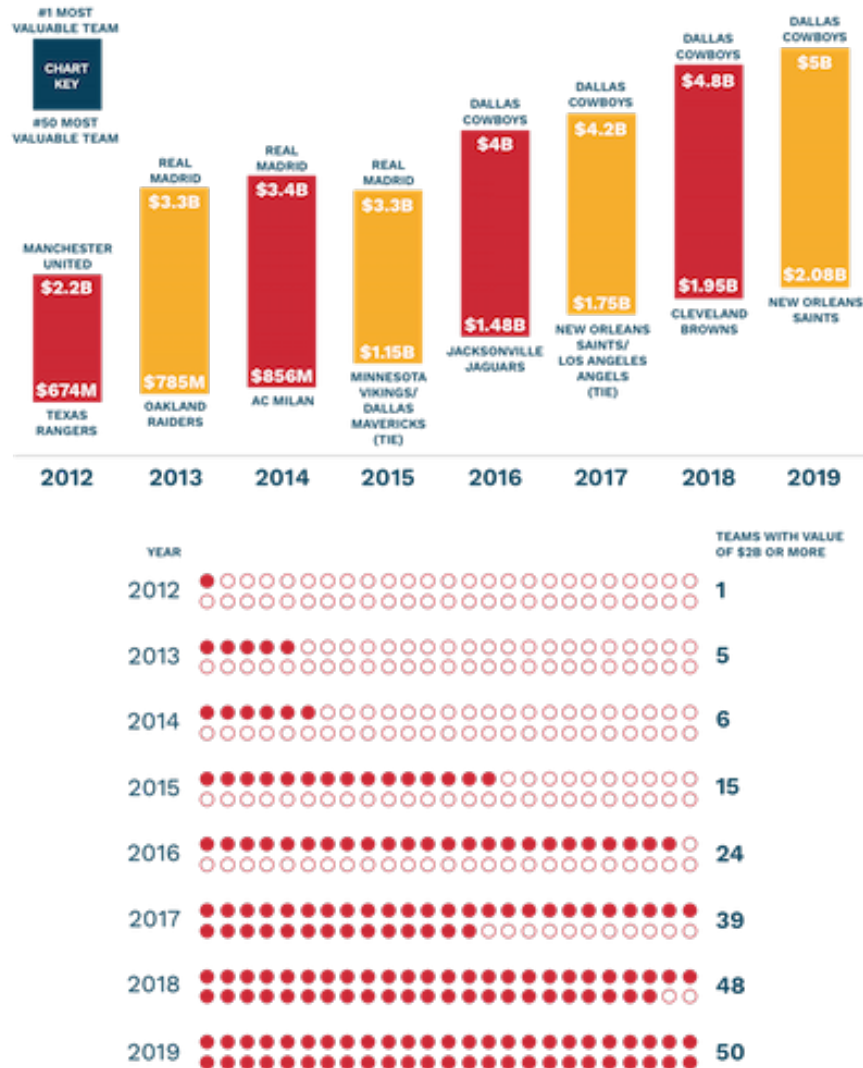
> New "Costco" of Cannabis? *Flower Co. is promising they can cut customers better deals by focusing on partnering with growers directly to create their own house brands. Keep in mind, even in California where weed has been legalized, black market sales make up 75% due to the high prices on the regulated side, which are buoyed by high taxes. I'm told, part of building allegiance to the Flower Co. brand is the company's membership plan, where those onboard save 40% on purchases. I should note, this number makes a big difference when you compare paying \$192 without a membership to \$142. Learn more [HERE](#)*

> What Does Your MLB Franchise Need: *Every MLB team, whether in the hunt for a playoff spot or just rebuilding is looking to fill a few key roles by the July 31 trade deadline. Michelle and I haven't been to many games lately, but we love to follow our KC Royals and certainly hope they'll get the pitching they need to get back to the playoffs. It's interesting how rebuilding teams like the Mariners and*

Orioles are willing to part with almost every player on their rosters for the right price, and those hanging in the wild-card race like the Rangers, A's and Phillies may need to look for reinforcements if they hope to make it into October. Everybody is looking for something. Read more [HERE](#) on what your favorite team's best move could be.

> You Can Own Elizabeth Taylor' Iconic "Green Goddess": *Staying with Elizabeth Taylor longer than most of her husbands was an emerald green 1960 Rolls-Royce Silver Cloud II convertible with just 40,000 miles on it — and is expected to fetch up to \$3.5 million at the August. 6 auction. I'm told Taylor ordered it after marrying singer Eddie Fisher while she was living at The Pierre Hotel in New York City. From what I understand, she would flit around in the Rolls, which she nicknamed "The Green Goddess" due to its custom green color, Taylor's favorite color, and the same color as the wedding dress she wore when she wed Fisher. Take a look at the car [HERE](#).*

> What Teams Are Making All the Money in Sports? *Dallas Cowboys haven't been to an NFC Championship Game for 23-years now, but they still sit atop as the globe's richest sports league with profits of \$365 million in 2017, a record for any sports team. I'm told the cut off to make it on the list of the world's 50 most valuable sports teams is \$2.075 billion, which is up \$125 million from last year and \$1.2 billion from five years ago. Keep in mind, the value of sports teams have skyrocketed on the backs of ballooning media rights deals and more owner-friendly collective bargaining agreements that restrain player costs. From what I understand, the NFL is still the dominant sports league when it comes to the worth of its franchises, mostly due to monster media-rights deals with the likes of CBS, NBC, Fox, ESPN, and DirecTV that paid out more than \$260 million per team last year. Find out who's making all the money [HERE](#).*



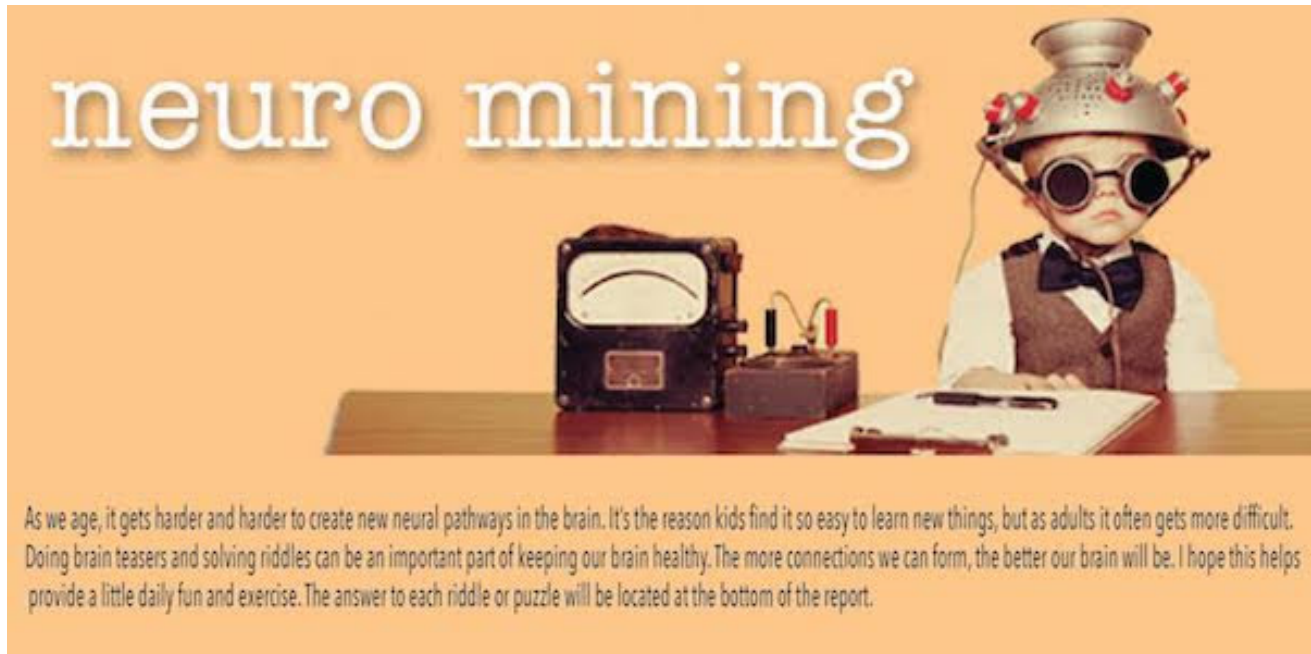
Eastcentral Indiana – We're going to start spraying with planes and helicopters in the next week or so. . . I usually start spraying about a week sooner than now, so we're roughly a week late as of right now. One thing I've noticed is the corn is starting to suffer gray leaf spot on the bottom leaves. We need to be able to nip that in the bud because if the leaves above the ear start getting disease, we'll

drop yield quickly. We need the leaves as healthy as possible this year to enhance the photosynthesis to promote higher yields. We're trying to think of every little advantage we can to keep yield as close to normal as possible. There's a ton of inconsistent crops in this area.

Southern Missouri – *We farm down towards the Bootheel of Missouri. All we've seen is rain and more rain. This recent heat did our cotton some good, honestly. Everyone around here is trying to just piece together the remainder of all their planting. We have planted 3600 acres of our 4100 acres of soybeans four times. We're closing in on our last 200 acres today. The first round rotted in the ground, but the second was washed out by the river and excessive rain (10 inches in one morning). The most recent round got crusted over by a 4-inch rain, followed by 10 days of dry, hot weather. It's been one of those years...*

Southcentral Indiana - *We planted these soybeans May 28th in this particular field. Plants are about 20" tall or so and we sprayed a post round of glyphosate on July 9th . The field as a whole is pretty clean other than a couple areas of mare's tail that didn't get taken care of due to weather. I assume it's just going to be a short plant and very close nodes this year due to the 6-week delay of planting this season! We're usually in the field around mid to late April or at least we were last year. I guess I was just caught off guard walking last night and saw several plants putting on three and four bean pods close to the ground. All my tissue samples came back well in line with expectations. Not sure exactly why we aren't seeing more pods.*





TODAY'S RIDDLE: First, think of the color of the clouds. Next, think of the color of snow. Now, think of the color of a bright full moon. Now, answer quickly what do cows drink?



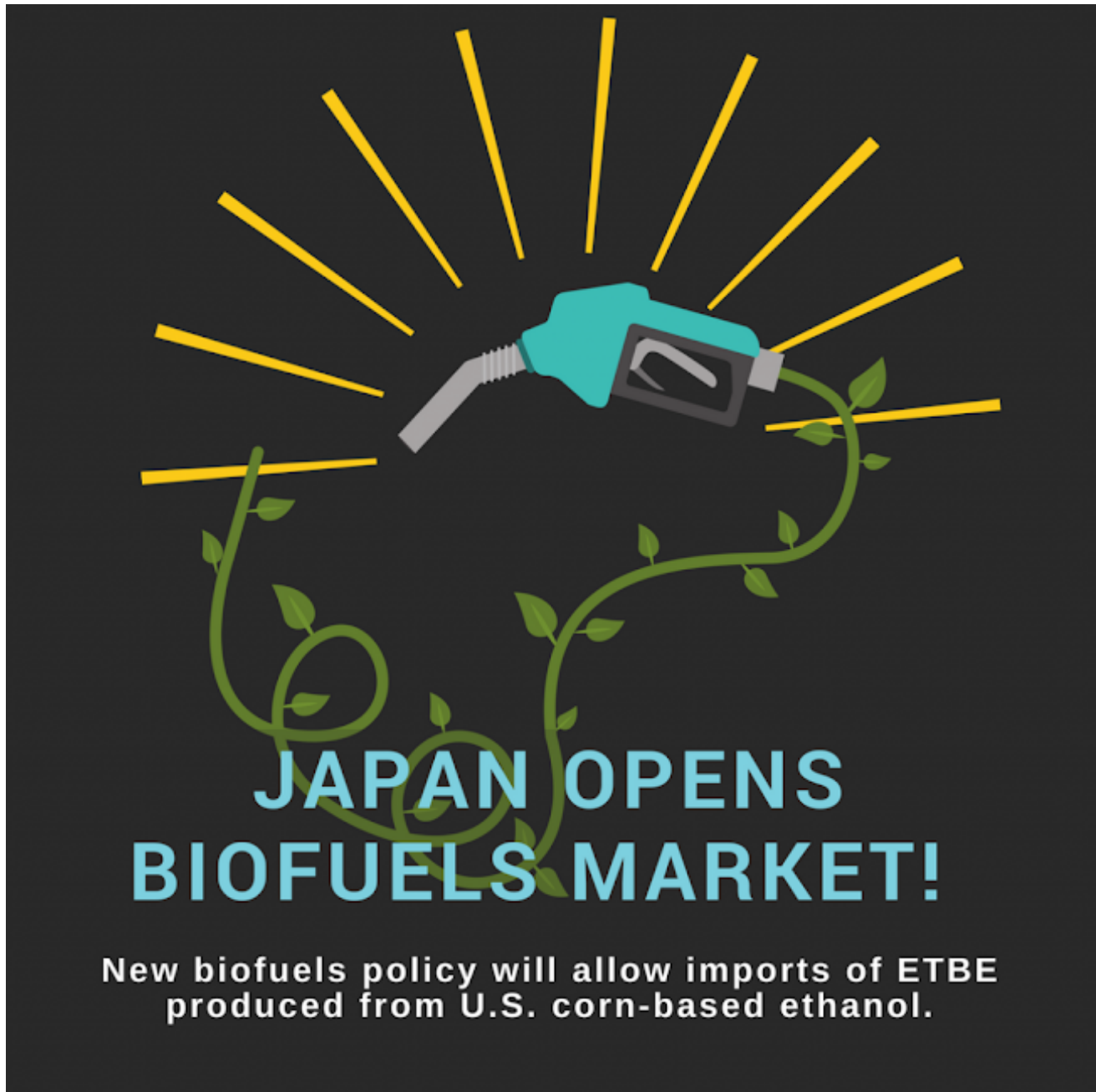
U.S. Ag Markets Continue to Open Up with Japan

Japan is historically a top market for U.S. agricultural products, led by U.S. feed grains like corn and related items including distiller's dried grains with solubles (DDGS), which is an ethanol co-product. Now, we can add another corn byproduct, ethyl tert-butyl ether (ETBE), which is made with U.S. corn-based ethanol. From what I understand, Japan has agreed to allow U.S. ethanol to meet up to 44% of a total estimated demand of 217 million gallons used to make ETBE or potentially 95.5 million gallons of U.S.-produced ethanol annually. I'm told, the first ETBE shipment from the United States, purchased by Japan Biofuels Supply

LLP, unloaded at Chiba port near Tokyo and then Wakayama port near Osaka and consisted of 13.5 million gallons, representing 2 million bushels of corn demand.

U.S. organizations including the U.S. Grains Council, Growth Energy, and the Renewable Fuels Association have been working with Japan in recent years as they've not only promoted the global use of ethanol, but demonstrated with scientific information, the U.S. ethanol's production processes and the changes to U.S. ethanol's carbon intensity. It's worth mentioning, Japan's turn to ethanol-based products comes as an update of its existing sustainability policy, approved in 2010, in which only sugarcane-based ethanol was eligible for import and only allowed sugarcane-based ethanol for the production of ETBE. I'm told, the new policy calls for an increase in the carbon intensity reduction requirements of ethanol used as a feedstock to make ETBE meet a 55% reduction, which is up from 50%, and recognizes U.S. produced ethanol's ability to meet that goal, even with the higher greenhouse gas (GHG) reduction standard.

Prospects for growth in the world's third-largest economy look good. Though the population in Japan is declining, it remains a wealthy country of nearly 127 million people and is ranked as the 11th most populous country in the world. From what I understand, demographic trends indicate that by 2021, 98% of the population will reside in urban areas leading to more imports of U.S. agricultural products, and increasing the \$12 billion agricultural trade deficit with the United States. Keep in mind, Japan earlier this year agreed on new terms and conditions that eliminate Japan's longstanding restrictions on U.S. beef exports, paving the way for expanded sales to the United States' top global beef market, and another \$200 million dollar market to U.S. ranchers and producers. (Source: grains.or, fas.usda.org)



Trade targets



Here are the top U.S. exports to Japan. SOURCE: Census (2017, billions of dollars)

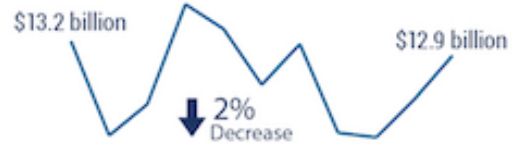
Product	
Civilian aircraft, engines, equipment, and parts	\$5.7B
Industrial machines, other	\$3.9B
Pharmaceutical preparations	\$3.8B
Meat, poultry, etc.	\$3.7B
Medicinal equipment	\$3.5B
Natural gas liquids	\$3.1B
Chemicals-organic	\$2.3B
Corn	\$2.2B
Telecommunications equipment	\$1.9B
Cell phones and other household goods	\$1.5B
Chemicals-other	\$1.3B
Nonferrous metals, other	\$1.3B
Electric apparatus	\$1.2B
Measuring, testing, control instruments	\$1.2B
Other parts and accessories of vehicles	\$1.1B
Plastic materials	\$1.1B
Soybeans	\$1.0B
Semiconductors	\$0.9B
Industrial engines	\$0.9B
Fish and shellfish	\$0.9B
Laboratory testing instruments	\$0.8B
Petroleum products, other	\$0.8B
Precious metals, other	\$0.8B
Animal feed	\$0.8B
Other industrial supplies	\$0.7B

\$12.9 billion

U.S. Agricultural Exports, 2018

Click to Enlarge **#4**Among U.S.
Agricultural Export
Markets, 2018**Export Growth**

2008-2018



Source: FAS Global Agricultural Trade System (GATS) BICO HS-10

Over 40 Years Since the First Test Tube Baby... How things Have Changed!

It was on this day in 1978, Louise Joy Brown, became the world's first baby to be conceived via in vitro fertilization (IVF). She was born at Oldham and District General Hospital in Manchester, England, to parents Lesley and Peter Brown. The healthy baby was delivered shortly before midnight by cesarean section and weighed in at five pounds, 12 ounces.

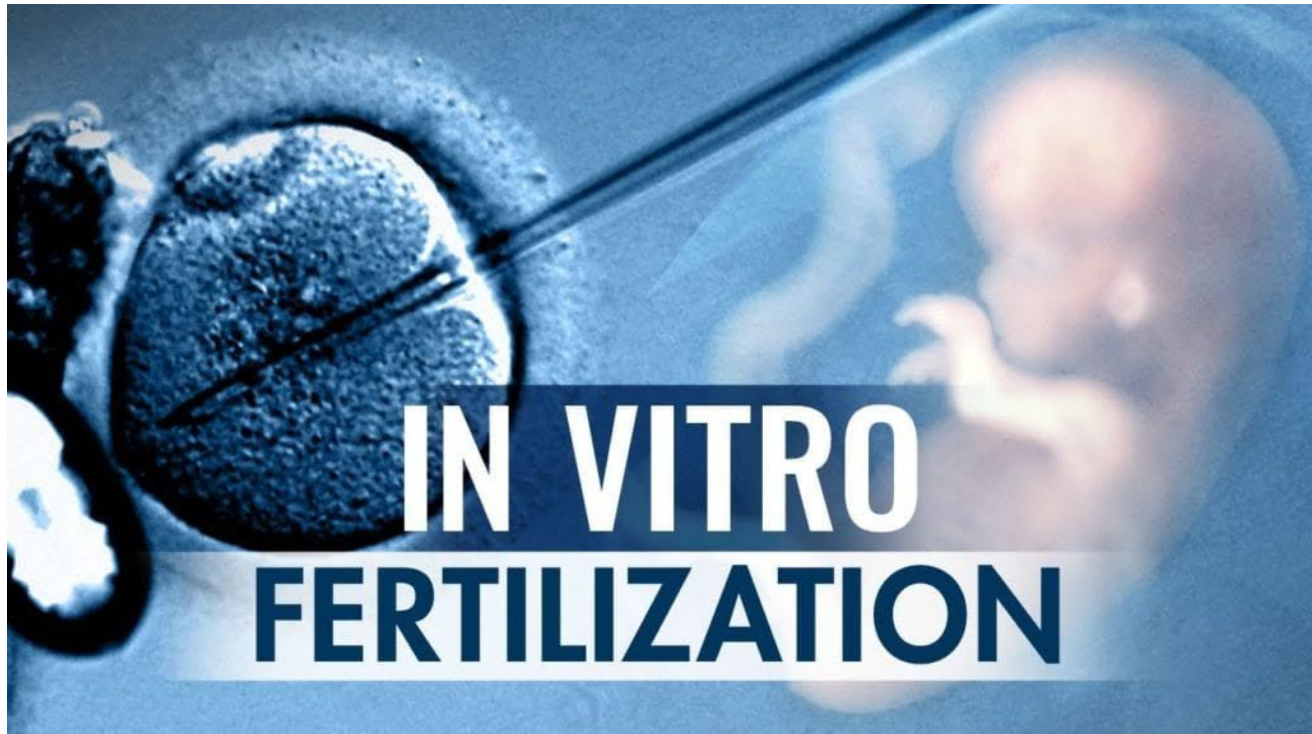
The act of combining a mature egg removed from one of Lesley's ovaries and combining it in a laboratory dish with her husband's sperm to form an embryo was almost unthinkable at the time. In fact, once the media learned of the pregnancy, the Browns faced intense public scrutiny. Louise's birth made headlines around the world and raised various legal and ethical questions. The Browns had a second daughter, Natalie, several years later, also through IVF.

In May 1999, Natalie became the first IVF baby to give birth to a child of her own. The child's conception was natural, easing some concerns that female IVF babies would be unable to get pregnant naturally.

In December 2006, Louise Brown, the original "test tube baby," gave birth to a boy, Cameron John Mullinder, who also was conceived naturally.

Today, IVF is considered a mainstream medical treatment for infertility. In fact, hundreds of thousands of children around the world have been conceived through

the procedure, in some cases with donor eggs and sperm. The latest data shows that more than 6 million children have become a part of our world through in vitro fertilization. Close to +2% of all American babies are now conceived in this manner and the number continues to grow. Amazing



I Hate the "Silver Spoon" Excuse...

As I travel across the U.S., I constantly hear individuals who have "underachieved" saying the "system" is unfair and if you don't come from money you will never have any money. Rather than giving you my own experiences or unsubstantiated opinions and theories, I wanted to pass along a few great "modern-day" success stories that came from nothing... Please remember, this story is about coming from nothing. It has absolutely nothing to do with me supporting or believing an individuals political views. I get so tired of everyone these days defining themselves by what they stand against or dislike. Please pass this along to those individuals in your life who would rather complain than find a way to make it happen! I love this stuff, hope it helps motivate some of our youth! (Source: CNNMoney)

Andrew Carnegie, Steel Magnate - *Born to poor Irish parents, he shared one bedroom homes with his relatives growing up in the United States.*

Determined not to follow the same path of his father, who was forced to beg for work at some points during his life, Carnegie took advantage of the work he found by being both indispensable and making it a point to become friendly with the influential people in his town. Thanks to a keen eye for investments that would pay big dividends in the future, he was able to turn his earnings into a massive fortune. And, with a deep-rooted desire to give back, he made sure to spend his millions on philanthropic pursuits in the later years of his life. His favorite quote, "The secret of success lies not in doing your own work, but in recognizing the right man to do it."

Jeff Bezos, CEO of Amazon - *This online retail giant is worth billions, but that wasn't always the case. In fact, Bezos worked at McDonald's during the summer's when he was a teenager. He caught the entrepreneurial bug though while in high school and actually started a summer camp for kids who wanted to learn about science. He charged \$600 each to the six neighborhood kids who signed up. He also put in the hard labor as a kid, working on his grandfather's ranch "laying pipe, vaccinating cattle, and fixing windmills."*

Kevin Plank, Founder of Under Armor - *While playing college football, Kevin Plank saw the spark for the idea that would eventually become Under Armor. Without any investors, he saved \$20,000 of his own money and went into \$40,000 of credit card debt to first form and fund the company in 1996. The first year, the business only made \$17,000 of sales. Despite seemingly insurmountable odds, growing credit card interest, and a market that didn't yet understand the product. Plank continued eventually contracting directly with 12 NFL teams and picking up demand from there. Thanks to that perseverance, the company now has an annual revenue in the billions, and doesn't seem to be slowing down its massive growth anytime soon.*

Larry Ellison, Founder of Oracle - *Ellison is now one of the wealthiest men in the world, but things weren't always so rosy. Born to a teenage single mom in New York City who was unable to care for him, Ellison was adopted by relatives when he was still a toddler and moved to the south side of*

Chicago. His adoptive father was a poor Russian immigrant who told his son he would never amount to anything. After his adoptive mother died, Ellison dropped out of college and headed to California, jumping from one job to another. In a somewhat fitting statement, Ellison himself says he received ALL the disadvantages required for his huge success. He founded Oracle in 1977.

Oprah Winfrey - *You might not agree with some of Oprah's political views, but you certainly have to tip your hat in regard to her huge success. Winfrey was born in 1954 to an impoverished teenage single mother in rural Mississippi. Her early years involved numerous hardships, including sexual assault and a pregnancy at 14. The child, who was premature, didn't survive. Winfrey's intelligence and communication skills shone at an early age: She got her start in radio as a teenager, and then landed her own television show at 32. She hosted "The Oprah Winfrey Show" for 25 years. She would later serve as CEO of the network that was named for her, the Oprah Winfrey Network, which is available in 80 million homes.*

Steve Jobs Could Not Afford College - *Jobs was given away for adoption by his biological parents and he became interested in electronics after his foster dad showed him the joys of technical tinkering in their garage. He had to drop out of college because his education was costing his foster parents a lot. He used to return Coke bottles for money and live on free meals at the Hare Krishna temple. A hippie who used to trip on LSD, Jobs went from a technician in Atari, Inc. to becoming the CEO of Apple Inc.*

Sheldon Adelson, CEO of Las Vegas Sands - *Adelson wasn't always a high roller, in fact, he shared a bedroom with both his parents and siblings growing up in Massachusetts. His father was a taxi driver and his mother ran a knitting shop. Adelson started his first business at 12 years old, when he purchased a license to sell newspapers in Boston. He's now known as a business tycoon and investor and is one of the wealthiest men in the world.*

Del Vecchio, the Manufacture of Ray-Ban and Oakley - *Vecchio was one of five children who couldn't be supported by his widowed mother. After*

growing up in an orphanage, he went to work in a factory making molds for auto parts and eyeglass frames, where he lost part of his finger. At 23, he opened his own molding shop. That eyeglass frame shop expanded to the world's largest maker of sunglasses and prescription eyewear. Luxottica makes brands like Ray-Ban and Oakley, with 6,000 retail shops like Sunglass Hut and LensCrafters. His estimated net worth is now above \$10 billion dollars.

Jan Koum, Founder of WhatsApp - *When Koum was 16 he immigrated to America from Ukraine with his mother. The two struggled in their new country, relying on government assistance to survive. Koum taught himself computer networking as a teen, and as an adult, co-founded the messaging app WhatsApp, which Facebook bought this year for \$19 billion. He signed the paperwork for the Facebook deal on the door of the welfare office where he once received food stamps.*

Sara Blakely, Founder of Spanx - *The woman behind the boom in shape-wear is one of the youngest self-made female billionaires on the planet. But the path to Blakely's success took some detours. In her earlier years, she had designs on law school, but did poorly on the LSAT, even after taking it twice. She later applied to work at Walt Disney World, trying out for Goofy. But at 5'6', she didn't hit the height requirement and became a ride attendant instead. She later sold fax machines for seven years and eventually emptied her savings account of \$5,000 to invest in her undergarment invention that would launch her company, Spanx. She taught herself about the hosiery business by reading about it online and the self-starter is now at the helm of a multi-million dollar company. Last year, Blakely joined The Giving Pledge, a campaign founded by Warren Buffett and Bill Gates, which encourages billionaires to give half their wealth to charity. She was the first female billionaire to join.*

Jim Carrey, Comedian - *Carrey was born in Ontario, Canada to a middle-income family, where his musician father worked as an accountant. However, things got worse for his family when his father lost his job and they all had to move to Scarborough. He worked at the Titan Wheels Factory for eight hours*

a day while attending school, but never finished high school. While living in a camper van, he started doing stand-up routines and eventually landed a gig in the sitcom The Duck Factory. He first gained recognition in 1990 when he became one of the casts in the sketch comedy "In Living Colors." He later moved on to movies and became one of the highest paid comedians in America.

Ed Sheeran, Musician - *Sheeran had next to no money when he first came to the states trying to make it in music and somehow Jamie Foxx saw one of his performances at a small bar. Jamie saw something in him and told him he wanted to help him. Ed slept on his couch for 6 weeks as Jamie did his best to help him in his pursuit of his dream. Jamie got him a gig at the Apollo Theater in NY and if you don't know the Apollo is a mostly black theater, so having white musicians and stand up comics is fairly uncommon. Ed goes on stage with a ukulele in front of a full crowd and performs. Got a standing ovation and a encore. The rest is history.*

Howard Schultz, CEO of Starbuck's - *Schultz grew up in public housing in Brooklyn, NY with his parents and siblings. His mother, who didn't finish high school, pushed her children to believe in their ability to succeed. Schultz's father, a truck driver, encouraged his son's love of sports. And after scoring a football scholarship to Northern Michigan University, Schultz became the first person in his family to go to college. "It turned out I wasn't as good a football player as I thought, and I ended up not playing after all," Schultz wrote in his book, "Pour Your Heart Into It: How Starbucks Built a Company One Cup at a Time." To afford school he took out loans, bartended, and even occasionally sold his blood. He ended up employed by Starbucks as its marketing director in the 1980s, and eventually, worked his way up to its chief. Under his leadership, the small Seattle coffee chain grew into the largest coffeehouse company in the world, with 5,500 cafes in 50 countries -- and counting*

Guy Laliberté founder of Cirque du Soleil - *The Canadian-born Guy Laliberté began his circus career busking on the streets: playing accordion, walking on stilts, and eating fire. He gambled by bringing a successful troupe*

from Quebec to the Los Angeles Arts Festival in 1987, with no return fare. The bet paid off and the circus group was eventually brought to Las Vegas, where they became the world famous Cirque du Soleil we know today.

Ursula Burns, CEO of Xerox - *Story is Burns grew up in a housing project in Manhattan's Lower East Side, a hub for gangs. She was raised by her Panamanian-immigrant single mother who ran a daycare center at her home and ironed shirts for a fee, so she could send Ursula to Cathedral High School. She earned her Mechanical Engineering degree at NYU and became an intern at Xerox. Ursula Burns became the first African-American woman to ever lead a Fortune 500 Company and the 14th most powerful woman in the world.*

Arnold Schwarzenegger Lived without Plumbing or a Phone: *One of the richest action stars of all time, Arnold Schwarzenegger is a seven-time Mr. Olympia with a net worth of \$400 million and a resume of movies that earned \$4.73 billion at the worldwide box office. He also boasts the title of the 38th governor of California. When he was born in 1947, however, his homeland of Austria was devastated by World War II and the future "Governator" lived in a home with no plumbing and no phone. Hunger-based riots plagued the streets outside his door.*

John Paul Mitchell, Founder of Paul Mitchell Systems - *Formally known as John Paul DeJoria, had a fairly rough life before his huge success. After his parents divorced when he was just two-years-old, he sold newspapers and Christmas cards to help his family until the age of 10, when he was then sent to live in a foster home. An LA gang member before he joined the military, he was also employed by Redken Laboratories. Word is he borrowed \$700 and founded JPM Systems and started selling his company's shampoo door-to-door while living out of his car. Today JPM Systems' annual profit is nearly \$1 billion per year.*

Won Chang, Founder of Forever 21 - *Story is Chang had to work three jobs as a janitor, gas station employee, and coffee shop attendant to support his family when they moved from Korea to America in 1981. After three*

years of thrift-spending, he was able to open his first retail store Fashion 21, which grew to be the retail clothing giant Forever 21, a pioneer in fast fashion. The multinational clothing empire with over 480 outlets worldwide generates an annual income of \$3 billion.

Zdenek Bakala, Cola Magnet - *With just a \$50 bill wrapped in plastic and hidden in a sandwich, Zdenek Bakala fled communist Czechoslovakia in 1980 when he was 19 years old and made it to Lake Tahoe. He worked as a dishwasher at Harrah's Casino while studying for his undergraduate degree from UC Berkeley and an MBA from Dartmouth. He later on ventured in banking, opened his first company Credit Suisse First Boston in Prague after the fall of the Berlin Wall and presided over a coal company that has a \$2.52 billion market.*

Selena Gomez Couldn't Afford Gas: *Her mother was just 16 years old when she gave birth to Selena and had to work several jobs just to keep a roof over their heads and put food on the table. She also revealed, "I remember my mom would run out of gas all of the time and we'd sit there and have to go through the car and get quarters and help her get gas."*

Harold Simmons, US Business Mogul - *Simmons grew up in a shack in the poor rural town of Golden, Texas with no plumbing or electricity. He still managed, however, to graduate with a B.A. and masters in Economics from the University of Texas. His first venture was a series of drugstores, which were almost entirely funded with a loan. This became a 100-store chain, which he sold to Eckerd for \$50 million. He became famous as a master of the corporate buyout and currently owns six companies that trade on the NYSE including the world's largest producer of titanium, Titanium Metals Corporation. Just a bit of extra info, Simmons 1st wife supposedly walked out on him in 1959 leaving behind two daughters for Simmons to raise.*

Chris Pratt Lived in a Van - *After cutting his teeth playing sidekicks and funnyman, the character actor was immediately promoted to the A-list when he was named the MCU's Star-Lord, going on to secure gigs fronting 2015's "Jurassic World" (and the sequel) as well as sci-fi tentpole "Passengers" and*

a "Magnificent Seven" remake. Turn back the clock to the late '90s, however, and there were no red carpets and caviar, only shag piles and fleas—he was living in the back of a van with a friend.

Richard Desmond - *He was raised by a single mother living on top of a garage. He quit school at the age of 14 to focus on being a drummer while working as a coat-checker to help pay bills. Though he never became famous for his musical abilities, he later opened his own record store and published his first magazine, "International Musician and Recording World" and expanded the Desmond magazine empire with publications such as the British version of Penthouse and OK!. He now owns a number of publications around the world and was listed on the Sunday Times Rich List with a net worth of a few billion.*

Roman Abramovich, Russian Tycoon - *An orphan at the age of four, this Russian business tycoon was raised by his uncle and grandmother. He got his first break from an expensive wedding gift given by his in-laws. He dropped out of college to pursue his business, which included selling imported plastic ducks from his Moscow apartment. He then ventured into managing the oil giant Sibneft after taking it over in 1995. He continued to flip his investments with profitable ventures such as Russian Aluminum and the steelmaker Evraz Group. He's now the 5th richest person in Russia and owns the \$1.5 billion yacht 'Eclipse,' the largest private yacht docked in New York City and the Chelsea Football Club, among others.*

J.K. Rowling, Author of Harry Potter - *Joanne Rowling, a native of Yate, Gloucestershire in England moved to Porto, Portugal in 1990 when her mother died. While she was already writing the Harry Potter novel even before her mother's death, the seven-year period that followed entailed a divorce from her husband in 1993, a move to Edinburgh, Scotland, and a life with a daughter living on welfare while suffering from clinical depression until she finished the first book in her famous series, "Harry Potter and the Philosopher's Stone" in 1997. She was able to finish it by writing on scraps of tissue paper from the numerous cafes they visited to let her daughter sleep.*

With over 400 million books and the worldwide success of the Harry Potter franchise JK Rowling's net worth is \$1 billion.

Wayne Huizenga, Blockbuster, Waste Management, Miami Dolphins, Florida Marlins, etc... - *Formally known as Harry Wayne Huizenga, was born in Chicago, Illinois to an abusive father. His family moved to Florida to save his parents marriage, but his father never changed. He moved back to Chicago to go to college, but soon dropped out and then signed up to be a reserve in the Army. He went back to Florida after his training and bought his first dump truck to start a trash disposal business. This venture became highly profitable so he purchased more garbage trucks and later built his company, the Waste Management Inc, which became well-known all over the US. He also purchased Blockbuster stores, which later merged with Viacom. He is credited for founding three Fortune 500 companies and six publicly trade companies on the NYSE. He has also owned the Miami Dolphins, and Florida Marlins professional sports teams.*

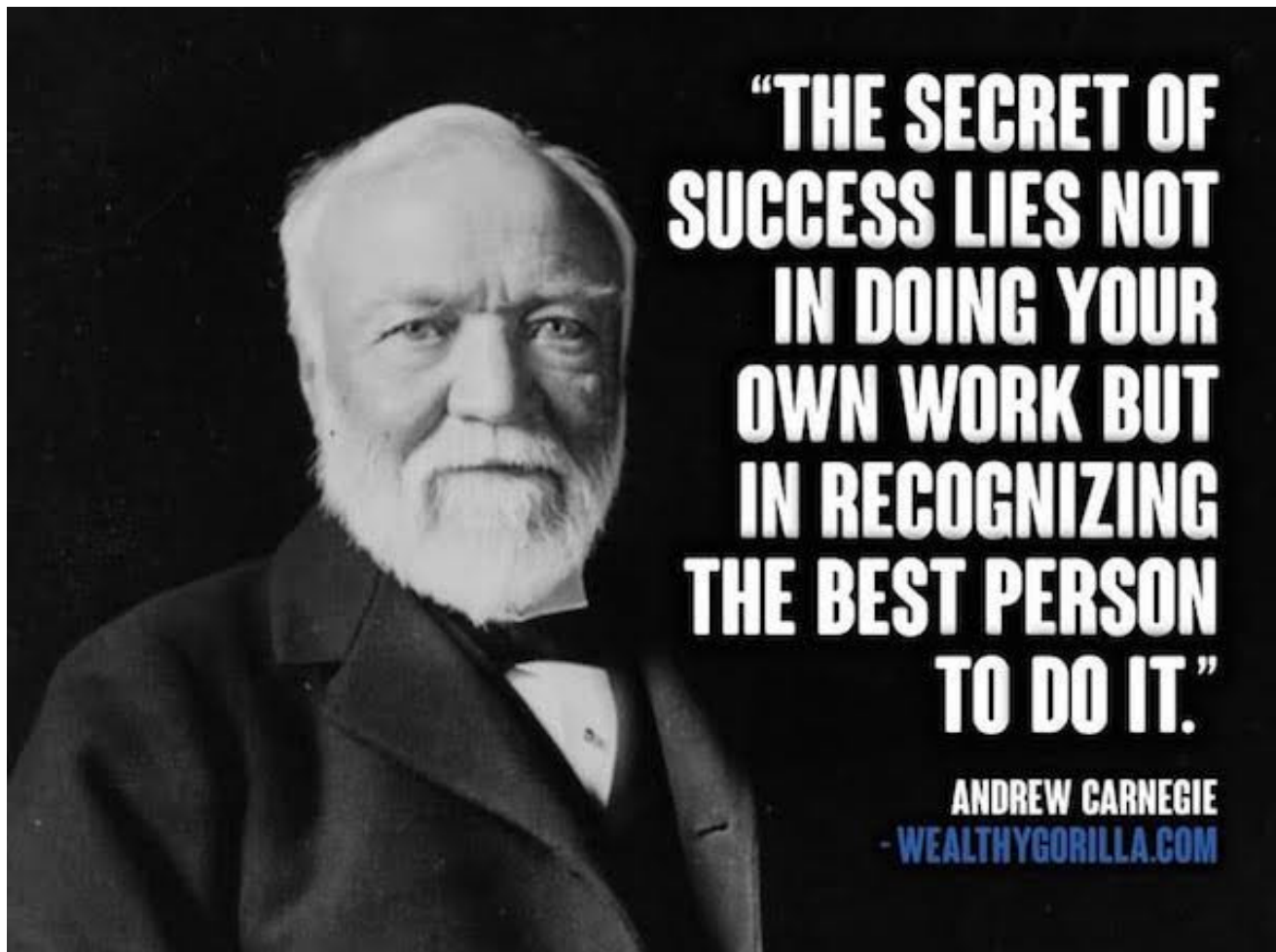
Richard Branson, Founder of Virgin Records *Born to a family of lawyers in Blackheath, London, he had poor academic performance due to his dyslexia. Therefore, he focused more on his business which included growing Christmas trees and raising parakeets. He later started his own record mail-order business at the age of 16. In 1972, he established the record store Virgin Records, which prospered in the 1980s with a number of outlets. He also created Virgin Atlantic Airwaves, which expanded Virgin Records into a music label, making him one of richest person in the world today.*

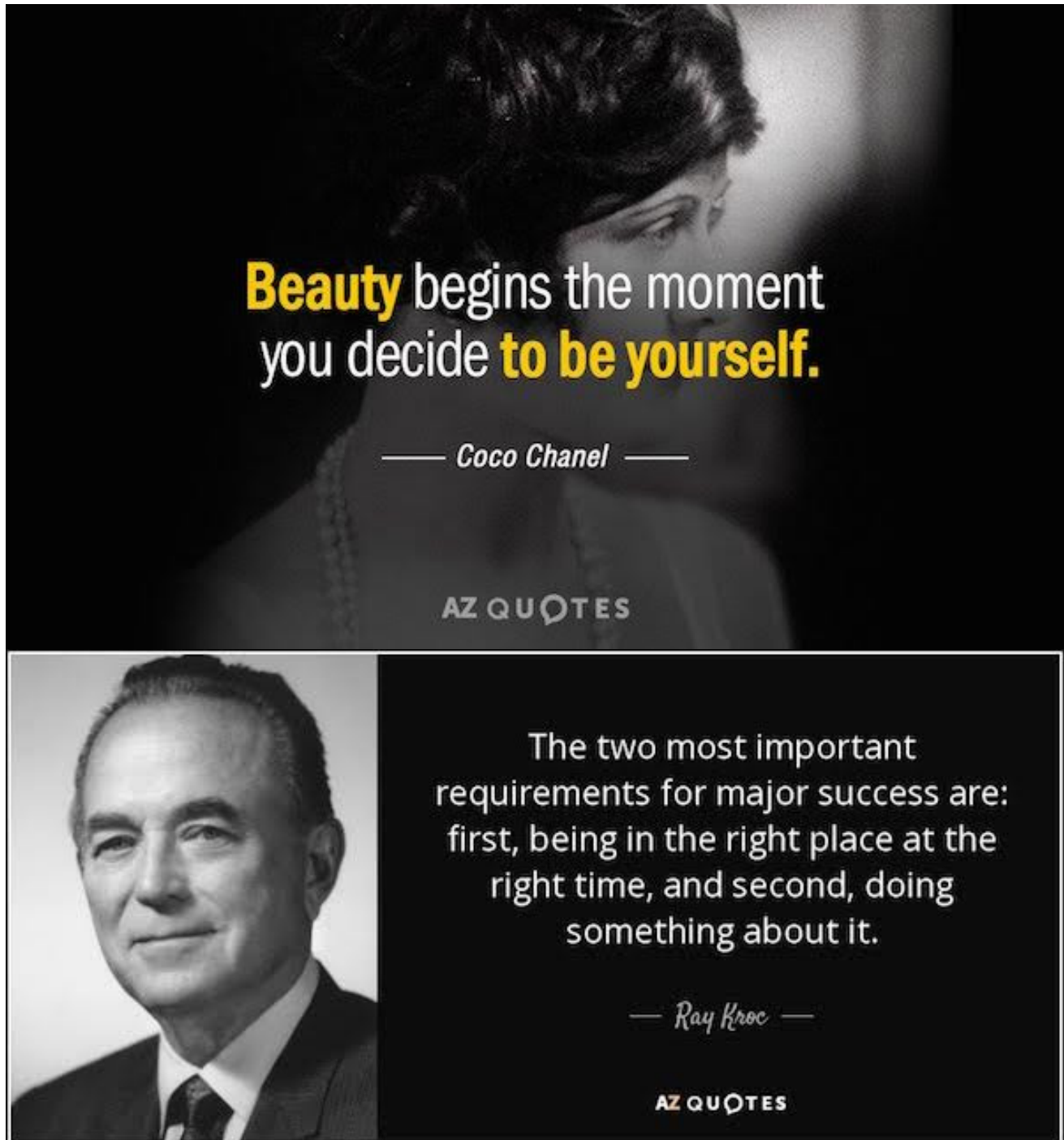
Chris Gardner, Stock Broker - *Born without knowing his real father, he was driven out of his home by his abusive stepfather. He enlisted in the Navy and later became a medical supplies salesman. Due to the slump in his job and with his own family to support, he became interested in stock broking after seeing a stockbroker with a Ferrari. His travails of sleeping in a subway station bathroom, being homeless, passing the licensing exam for stockbrokers, and becoming employed by Bear Sterns was documented in his memoirs, "The Pursuit of Happiness," which became a hit movie as well.*

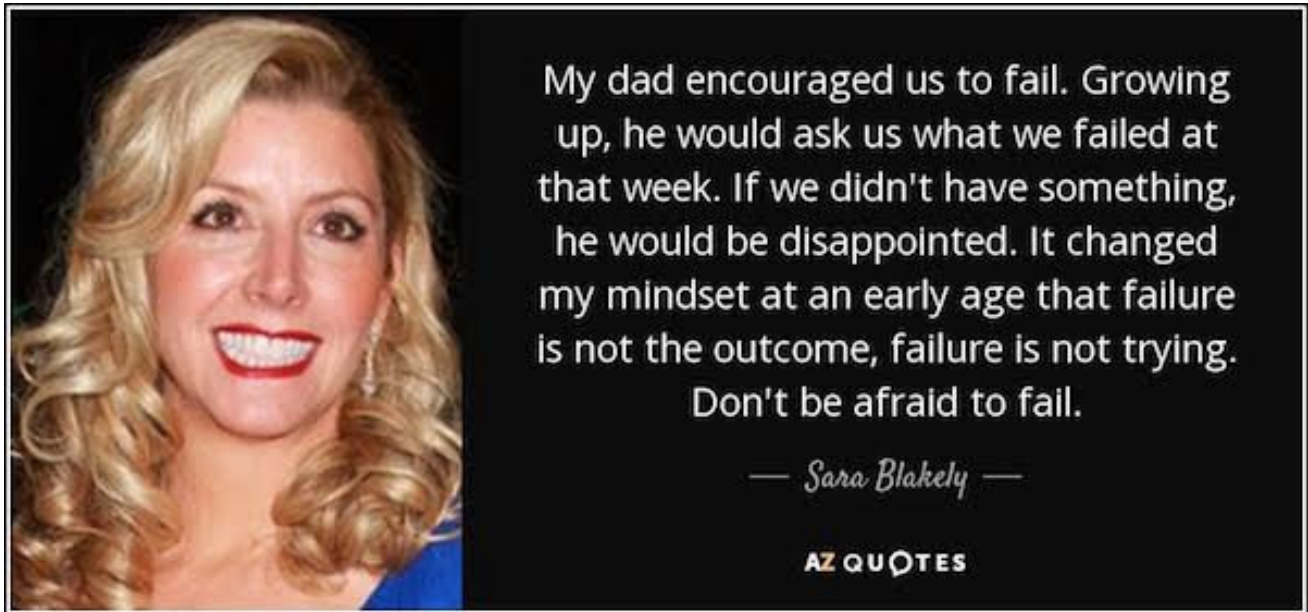
Ingvar Kamprad, founder of IKEA - *Kamprad was born on a farm in rural Sweden. His family was so poor that he began working at six years old to sell matches to people in town. At 10, he rode his bicycle around, trying to sell Christmas decorations door-to-door. Kamprad had dyslexia, which made it difficult for him to get good grades. But he tried his best to overcome his disability. When he was 17, his father gave him a small reward for getting such good grades in high school. He decided to use that money to start a business called Ingvar Kamprad from Elmtaryd, Agunnaryd (aka "IKEA"). [5]After years of trying to sell to his neighbors, he realized that everyone needed furniture and home decor. So, he began selling products at lower prices than his competitors. The local furniture businesses began to boycott him to stop him from buying wholesale. If he wanted to sell furniture, they said, it needed to be his own design. He decided to create furniture that was simple, modern, and cheap. Today, there are over 350 IKEA stores worldwide. Ingvar Kamprad died at 91 years old in January 2018. At the time of his death, he was worth \$58.7 billion.*

Gabrielle Chanel - *A young girl named Gabrielle "Coco" Chanel was born in 1883, but abandoned by her father at an orphanage in France at a very young age. At the orphanage, nuns taught her how to sew, and she was able to use those skills as a professional seamstress. At night, she worked as a singer at a bar for extra income. At the time, women weren't allowed to open bank accounts, vote, or own property on their own. Determined to succeed, she met a rich man at the bar and began living with him as a mistress when she was 23 years old. This helped her learn how to speak and act like wealthy woman, so that she fit in with high society. Once she firmly established friendships in the upper class, she set out to create clothing made with "poor" fabrics. At the time, women were wearing feathers, corsets, and heavy brocade fabrics. Chanel called this "vulgar" and began creating comfortable sportswear and simple, chic dresses. Her designs in Paris influenced fashion everywhere in the world. She opened boutiques, and soon enough, she never needed to seek the help of a man again. [8]Today, Chanel products are incredibly expensive and a symbol of total luxury.*

Ray Kroc, Founder of McDonalds - *Ray Kroc may not have created the first McDonald's company, but he is the wind beneath its incredibly successful wings. His story has become somewhat of folklore amongst entrepreneurial hopefuls who hope to strike idea gold like Kroc. And, given the fact that the self-made millionaire was a high school dropout who found himself driving ambulances during World War I and eventually dabbling in all sorts of odd jobs, it's not like his path to success was a clear one. But when he met the McDonald's brothers and saw an opportunity in the growing fast food restaurant business that he decided to capitalize on, he certainly became incredibly successful. In 1955 Kroc was a 52-year-old milkshake machine salesman and he acquired franchising rights to the small California based hamburger restaurant chain. In 1961, he bought out the McDonald brothers for \$2.7 million. His story is a great reminder that opportunities may be all around you if you keep your eyes and mind open to them.*







ANSWER to riddle: Water... you thought milk, didn't you?

CASH SALES & HEDGING TOTALS

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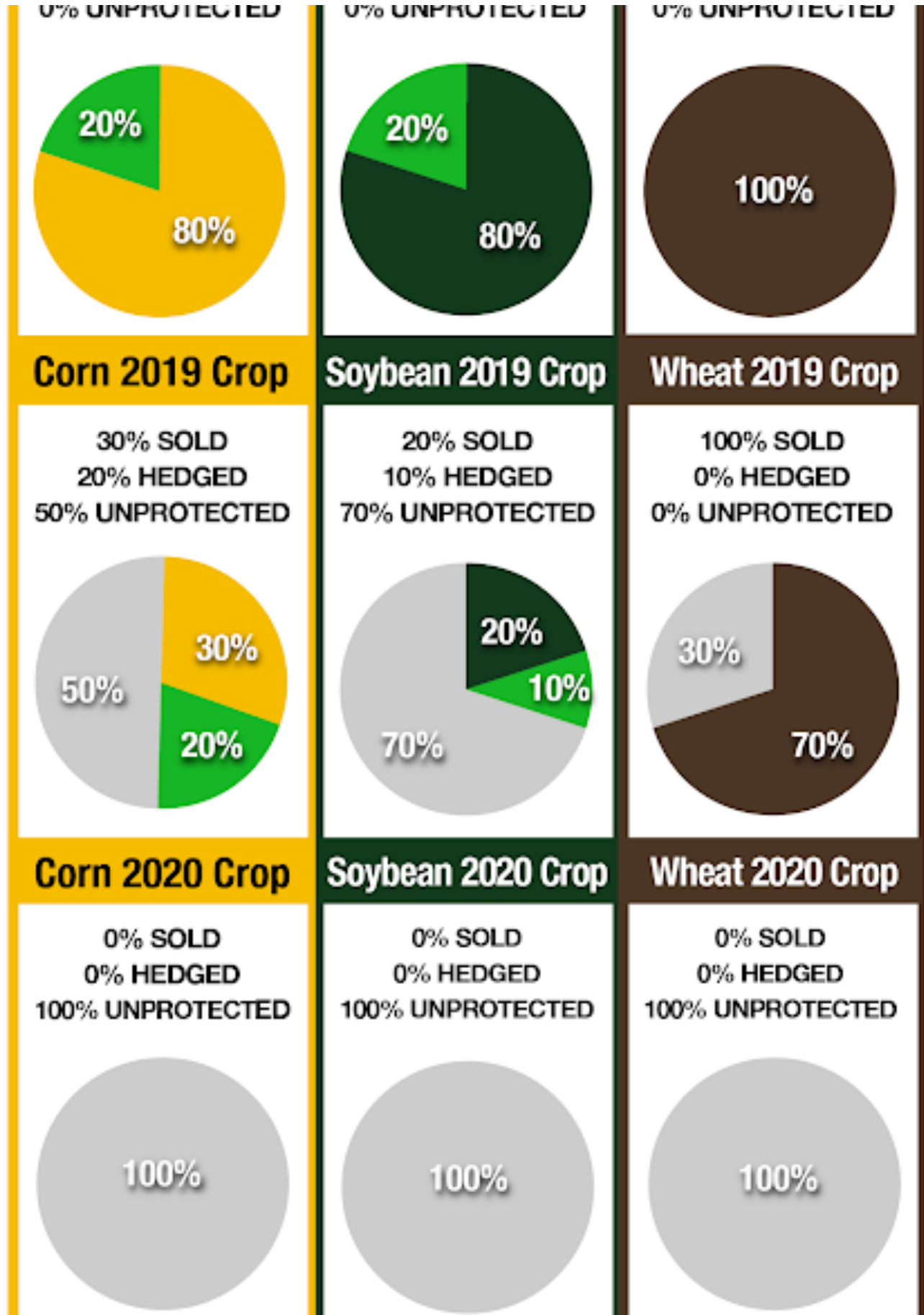
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