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GOOD MORNING: The Van Trump Report 10-17-19

1 message

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

Thu, Oct 17, 2019 at 5:31 AM

Reply-To: Jordan <reply-fec817787167067e-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

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"In reading lives of great people, I found the first win was over themselves." -
Harry S. Truman

Thursday, October 17, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stock indexes are sitting just below record highs set back in July as a few uncertainties seem to be keeping a lid on extending the rally. Stock bulls likely want to get a bit deeper into 3rd-quarter earnings before getting overly excited. A lot of the Wall Street banks have reported better than expected earnings. Next week's releases will start to show the health of big-tech companies and more consumer staples, which will both provide a broader snapshot of how the U.S.-China trade dispute might be impacting U.S. based companies. One of the recent developments raising more concerns about the overall health of U.S. economy is a recent dip in Retail Sales, which declined in September for the first time in seven months. The data showed an actual -0.3% decline while most inside the trade was looking for a gain of +0.3%. While a single month of negative retail sales data doesn't necessarily mean consumer spending is on a downward trend,

but it does add another small degree of uncertainty or reason to proceed with a bit of caution. I should note, there's starting to be a bit of "bad news" equals "good news" circulating on Wall Street. Meaning the unexpected drop in retail sales might prompt the Fed to take a continued dovish stance, which they have continually highlighted "consumer spending" as the main factor supporting the U.S. economy. In fact, the CME's FedWatch Tool has jumped to a +90% probability that the Fed will once again cut rates at their end of October meeting. I continue to hear that the labor market is hanging tough while the manufacturing sector struggle amidst persistent trade tensions and slower global growth. It's also worth noting, the monthlong strike by workers for General Motors, which has idled more than 30 plants, seems ot have had a limited economic impact on the overall U.S. economy. As for the Chinese trade headlines, optimism over the partial deal announced last week is being more heavily questioned since nothing has been finalized. China recently indicated that they may not sign-on officially with the recent agreement until the U.S. suspends the imposition of new tariff's on Chinese goods set to hit on December 15. Another possible issue that could derail the deal is legislation working its way through Congress that aims to support Hong Kong protestors. China yesterday threatened "strong countermeasures" if it's adopted, though they provided no details as to what that might entail. Today, key earnings scheduled for release include Morgan Stanley, Philip Morris, Honeywell, and Union Pacific. Economic data today will include U.S. Housing Starts, the Philadelphia Fed Business Outlook, and Industrial Production. Keep in mind, next week we have a major wave of earnings coming from big names like: 3M, Amazon, Biogene, Blackstone, Boeing, Callaway Golf, Caterpillar, Celgene, Cerner, Chipotle, Comcast, Dow, eBay, Eli Lilly, Ford, Gilead, Goodyear, Harley-Davidson, Hersey, Intel, McDonald's, Microsoft, Paypal, Proctor & Gamble, Snap, Southwest Airlines, Tesla, Tractor Supply, Twitter, UPS, Verizon, and Visa.

Made Me Laugh... *I remember back in elementary school I always thought the rich kids were the only ones who had pens like these. I promise there was never one in my school box, but then again I didn't have a real school box, I had a used cigar box:)*

Today,
8 year olds are
asking for the
latest iPhone.



When I was 8,
I felt like I'd
won the lottery
if I had this pen.



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Kevin Van Trump, CEO of Farm Direction

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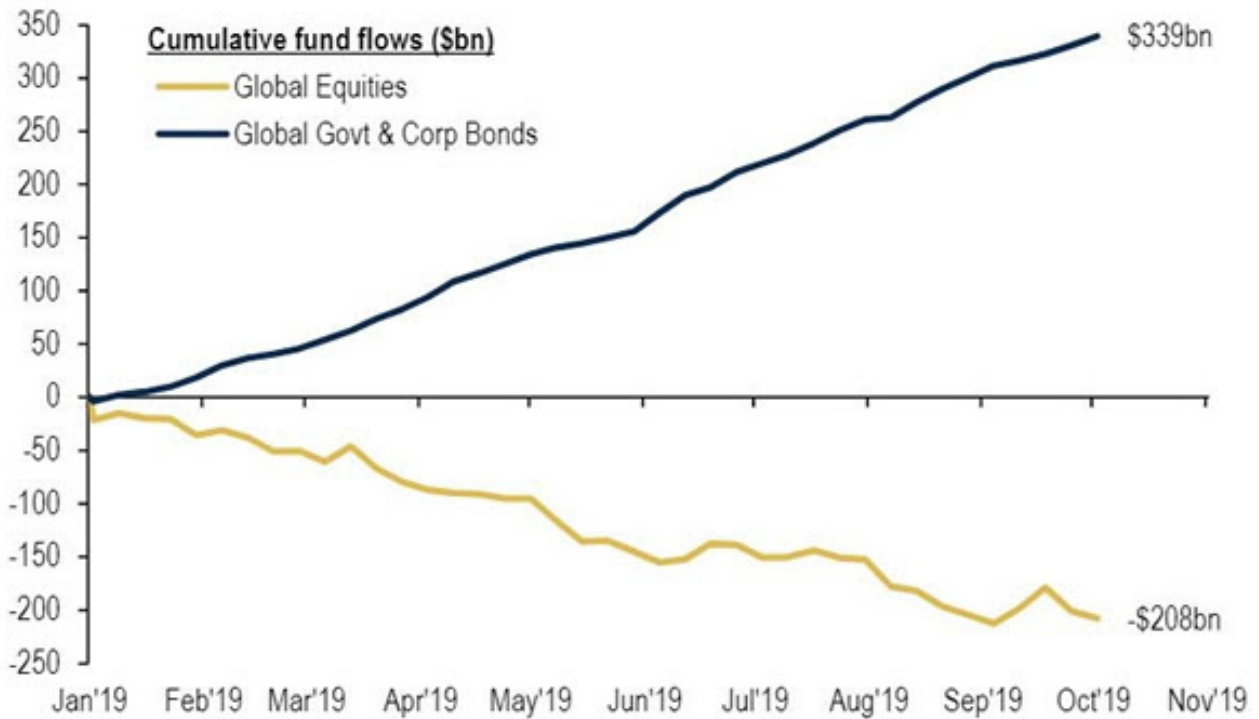




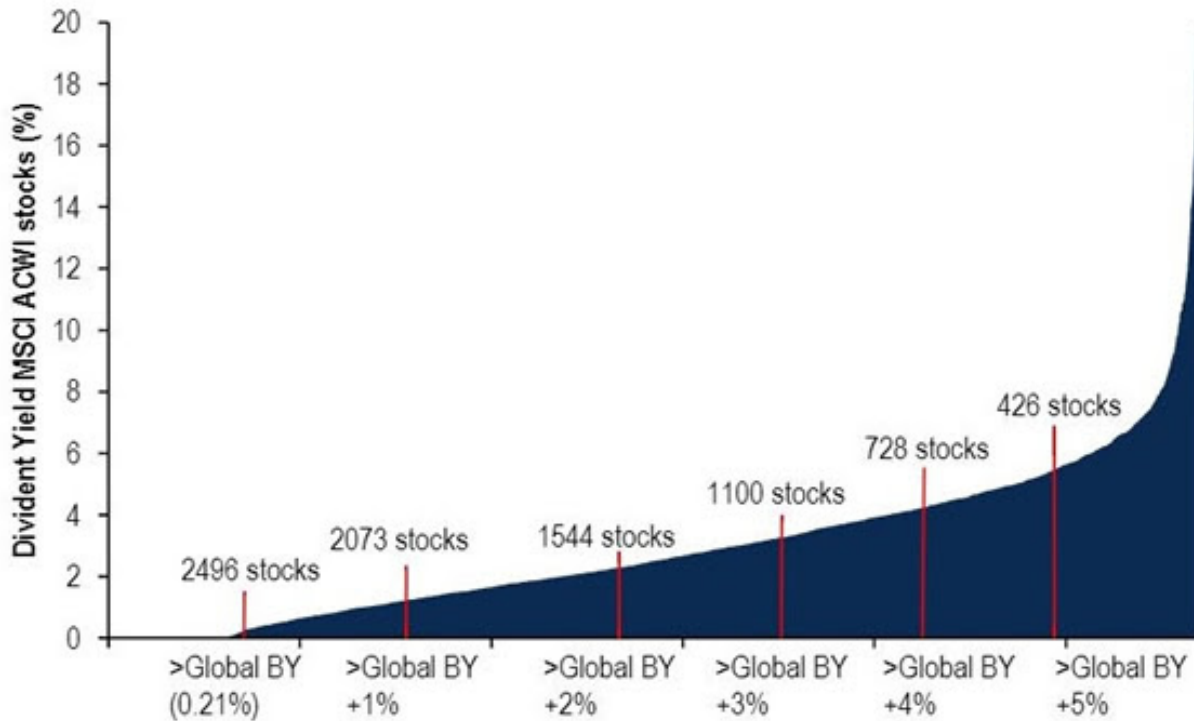
Netflix Earnings Beat but New Streaming Competition Coming: *Netflix added slightly more paying subscribers than Wall Street expected in the third quarter, a relief to investors who had worried the company might fall short just as Disney and Apple prepare to ramp up the streaming video wars. Net income rose to \$665 million from \$403 million a year earlier, topping Wall Street's consensus. Total revenue rose to \$5.25 billion from about \$4 billion. Analysts on average had expected \$5.52 billion. In their quarterly letter to shareholders, Netflix executives said the launch of new streaming services from companies like Apple and Disney is going to hurt its new-subscriber growth. The company expects that subscriber growth will decline year-over-year in the usually strong fourth quarter and for the entire year. They somewhat downplayed the increased competition as well, saying "In our view, the likely outcome from the launch of these new services will be to accelerate the shift from linear TV to on-demand consumption of entertainment," adding that "Just like the evolution from broadcast TV to cable, these once-in-a-generation changes are very large and open up big, new opportunities for many players." (Source: MarketWatch, Reuters)*

Americans Need at Least \$500,000 a Year to Enter Top 1%: *One definition of rich is getting into the top 1%, a goal that has just gotten tougher to reach, according to IRS data. The income needed to exit the bottom 99% of U.S. taxpayers hit \$515,371 in 2017, up +7.2% from a year earlier, even after adjusting for inflation. Since 2011, when Occupy Wall Street protesters rallied under the slogan "We are the 99%," the income threshold for the top 1% is up an inflation-adjusted 33%. To join the top 0.1%, you would have needed to earn \$2.4 million in 2017, an increase of 38% since 2011. The top 0.01% threshold has jumped 46%. Meanwhile, the top 0.001% -- an elite group of 1,433 taxpayers -- earned at least \$63.4 million each in 2017, up 51% since the Occupy protests. Meanwhile, the median taxpayer, at the 50th percentile, has seen income rise 20% since 2011. (Source: Bloomberg)*

Bank of America Declares "End of the 60-40" Standard Portfolio: *Investors have long been told that the ideal portfolio should carry 60% of its holdings in equities and 40% in bonds, a mix that provides greater exposure to historically superior stock returns, while also granting the diversification benefits and lower risk of fixed-income investments. But in a research note published by Bank of America Securities titled "The End of 60/40," portfolio strategists Derek Harris and Jared Woodard argue that "there are good reasons to reconsider the role of bonds in your portfolio," and to allocate a greater share toward equities. "The relationship between asset classes has changed so much that many investors now buy equities not for future growth but for current income, and buy bonds to participate in price rallies," Harris and Woodard wrote. Indeed, the \$339 billion in inflows to bond funds globally in 2019 and the \$208 billion in outflows from global equity funds underscore the power of the ongoing rally in bonds, which has caused bond yields to fall enough that there are now 1,100 global stocks that are paying dividends above the average yield of global government bonds. As global economic growth slows and populations in developed-market economies age, traditionally safer assets like bonds have grown in popularity and helped create a "bubble" in the bond market that threatens to derail returns for investors who maintain a typical 60-40 split, according to the B. of A. analysis. Read more from [MarketWatch](#).*

Chart 2: Record bond inflows, record equity outflows

Source: BofAML Global Investment Strategy, EPFR Global

Chart 3: Dividend Yield of MSCI ACWI stocks

Source: BofA Merrill Lynch Global Investment Strategy, Datastream, Bloomberg

FARM TANK

Tweets of the Day





World Economic Forum ✓
@wef



Night owls: Don't lose sleep, rest easy wef.ch/31ToxvT





Jon Erlichman ✓
@JonErlichman

Number of years since launch:

Game Boy: 30 years

Amazon: 24 years

Palm Pilot: 22 years

Netflix: 21 years

BlackBerry: 20 years

Xbox: 18 years

Skype: 16 years

Facebook: 15 years

Gmail: 15 years

Twitter: 13 years

iPhone: 12 years

Uber: 10 years

Instagram: 9 years

Snapchat: 8 years



Ashlyn George
@lostgirlsguide

Another day in the combine. We're about 40% done.

Slow and steady and thankful there's no snow.

[#Harvest19](#)





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The nectar of the cobs is here! 🌽

Introducing the Buschel pack of 56 Busch Lights. In support of American farmers, we're donating \$10 to Farm Rescue of Iowa for each Buschel sold. Available for harvest in Iowa for a limited time only.





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It's a fact.





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Johnny Bench not exactly getting the Willie Mays
Hayes lead here ...





ActionComplete
@ActionComplete

Following



If you can change your mind, you can
change your life.

~William James

#inspiration #motivation #quotes

If you can change your mind, you can
change your life.

- [WILLIAM JAMES](#)

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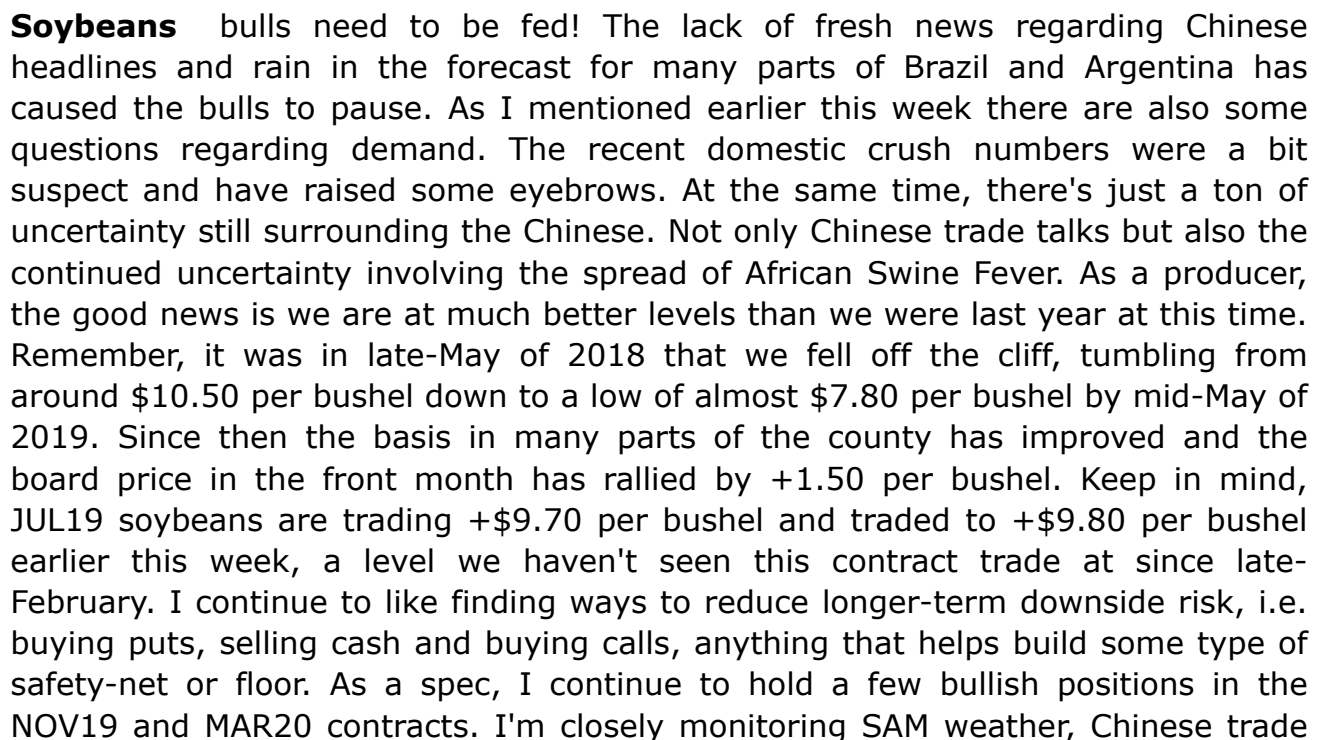


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Corn bulls are needing to find the next major catalyst. We were able to drive the DEC19 contract above +\$4.00 early in the week on the combination of the harsh

U.S. winter weather and the late-maturing crop. The problem is the bulls who are betting on a lower U.S. yield are more than likely already in the market. The question now is what brings the next wave of bullish money into the trade? The weather in South America has arguably improved with a bit more rain in the forecast, so that's not really a catalyst right now. Chinese trade talks have certainly improved but we still have no idea what that means for U.S. corn. Total U.S. demand is currently a bearish card in the deck as ethanol and exports continue to underachieve. Unfortunately, until we find the next driving set of bullish headlines, prices might continue to chop around in this \$3.80 to \$4.10 range. I would like to argue that we could soon trade up in the \$4.20 to \$4.40 range but at the moment I struggle to find the catalyst that can make this happen. We have an Argentine election coming up on the horizon. We also have a full season of South American weather. And perhaps we will hopefully see improved demand headlines, including improved U.S. exports and improved margins in the ethanol space. Again, these are just my headline hopes for driving prices higher in the next several weeks. I'm just worried that a lot of yield bulls are already in the market. Meaning if the yield starts to deteriorate it might only spark short-covering volume from the bears looking to cover and move off the sideline. We need fresh new bullish money plowing into the market! As a producer, I like the thought of pricing cash bushels vs. the JUL19 contract up near \$4.20 and reowning the board in some limited-risk capacity. As a spec, I continue to hold some bullish positions in the DEC19 and MAR19 contracts but will be looking to bank some profits on the next leg higher.



Soybean Harvest vs 5-year Average

(Measured in Acres)

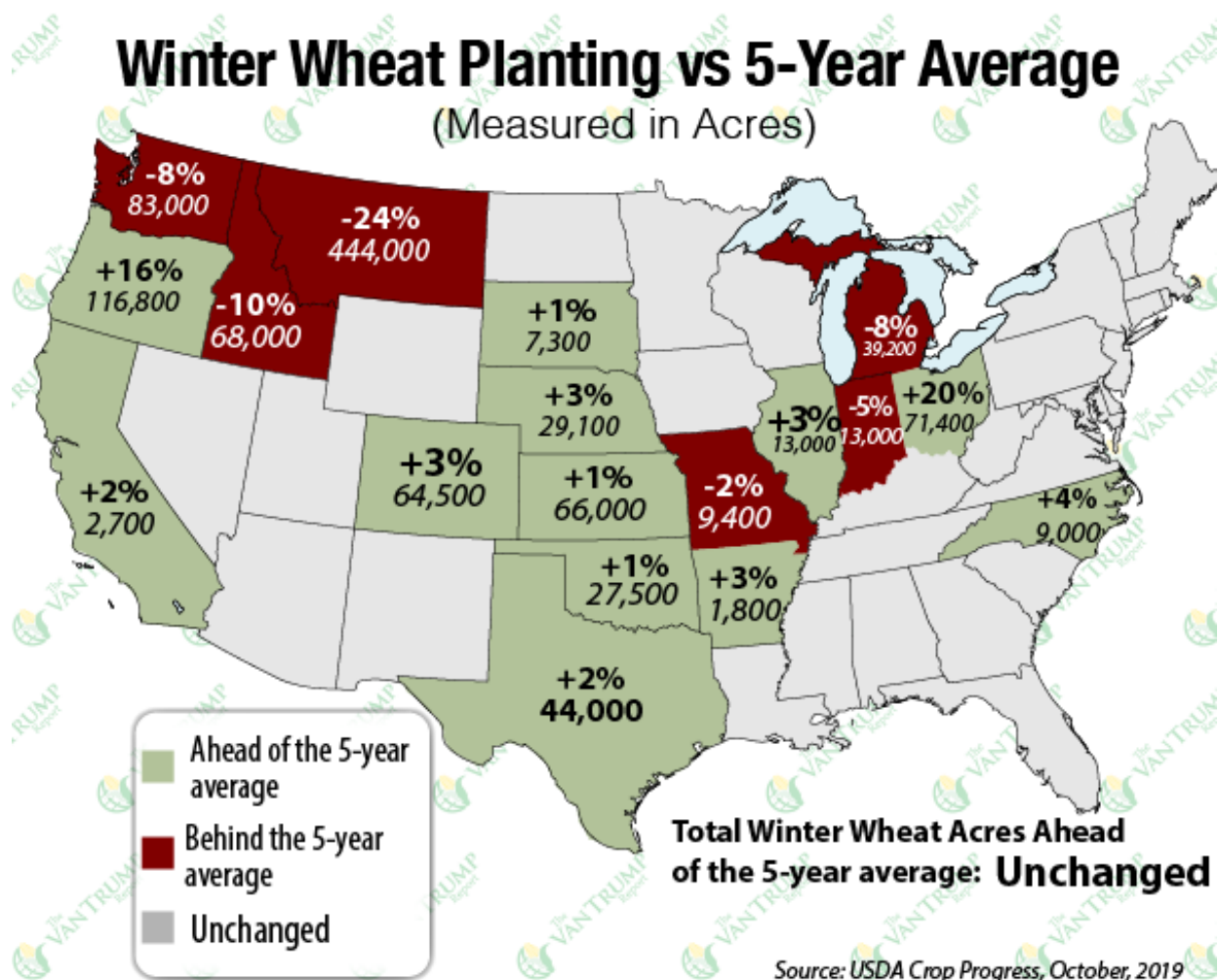
State	Percentage Difference	Acres Harvested
Montana	-51%	1,186,500
North Dakota	-44%	1,522,400
South Dakota	-19%	940,000
Nebraska	-26%	2,373,800
Minnesota	-43%	2,932,600
Wisconsin	-22%	391,600
Illinois	-28%	2,783,200
Indiana	-17%	912,900
Michigan	-19%	940,500
Ohio	-12%	500,400
Pennsylvania	-12%	603,600
West Virginia	+11%	185,900
Maryland	+11%	161,700
Delaware	+10%	153,000
Virginia	-9%	238,500
North Carolina	-3%	50,100
South Carolina	-1%	8,700

Total Soybeans Acres Harvested behind the 5-year average: -16,663,500

Source: USDA Crop Progress, October, 2019

Wheat bulls are happy to see the DEC19 SRW contract post its highest close since mid-July. Russian wheat prices appear to be creeping higher. At the same time we continue to hear talk of production complications in Argentina and Australia. Bears are quick to point to the fact Egypt continues to source supply from Russia, Ukraine, and France. And the fact global ending stocks remain record large. As a producer, I'm electing to stay extremely patient. But keep in mind, I also already have 70% of this year's crop priced at much higher valuations. Those

who are undersold and need to make cash sales nearby might want to be paying very close attention and thinking about rewarding the recent rally. Corn and soybeans have helped the wheat market do some of the heavy lifting, I'm just wondering when the trade is going to force the wheat market to move forward on its own accord? As a spec, I remain on the sideline. With record global supply and U.S. domestic stocks over +1.0 billion, it's extremely difficult to attract and maintain fresh new bullish interest without a major wide-spread weather concern. There's just not enough bullish macro interest from the funds and there's certainly no supply-side story brewing. Therefore, I worry that if the corn market pauses or takes a few steps backward to catch its breath, wheat could more seriously stumble. Make sure you are paying close attention to the flow of money...



Rice markets have experienced a volatile couple of weeks, which is not too uncommon given how thinly this market can trade. Prices now seem to be consolidating nearly 40 cents below highs made back in mid-September. The

12.00/cwt range in the nearby November contract seems to be the sweet spot right now until more is confirmed about this year's rice crop. The planting issues with Delta crop has been the main driver behind the higher prices during the 3rd quarter. There still is some debate over the size of the crop, but USDA seemed to feel a bit more comfortable on last week's supply and demand report. Yield was raised a bit from last month to 169.4 bu/ac but acres were left unchanged. Harvest is getting close to wrapping up, with 87% of the crop now harvested compared to 88% on average. Arkansas is currently 89% complete. Once the crop is out of the field, I really think we're going to have to watch the US dollar and exports closely for more direction. I cannot imagine USDA making any big changes to the balance sheet until January. November futures go off of the board here soon giving way to January futures. There is a gap starting at 12.45 ½ which fills at 12.49. If we can fill that and close above, technicians may come in and try for another move higher. I have to expect producer selling to be quiet until after the new year unless new highs are seen. Trey Morris - [Husk Trading and Investments](#)



> Perdue Says Disaster Aid Funds Coming this Week: *US Ag Secretary Sonny Perdue says farmers should see disaster aid funding soon. "Farmers who are eligible for individual disaster aid that signed up last month, the money should start flowing in this week." Perdue told reporters in Georgia Tuesday there were some delays at the Office of Management and Budget. "Well, we thought we had it*

done three weeks ago, and we had to redo some of that to make them happy." He says they are working with the states on block grants to cover damage to non-traditional items like timber and animal facilities. (Source: Brownfield Ag News)

> USDA Preparing for the Possibility of an ASF Outbreak: *U.S. authorities have started active preparations in response to the rising threat of an outbreak of African swine fever, the deadly disease that has decimated the Chinese pig population and is spreading across Asia. The Agriculture Department's Animal and Plant Health Inspection Service led several functional exercises and drills late last month, working off a scenario of an outbreak of the virus in Mississippi that traveled across state lines before it was discovered. Fourteen states participated in the drill. Experts say the most likely vector for the disease arriving in North America is tainted animal feed. There is insufficient American organic soy, so hog farmers wishing to feed their animals organic soy often import it from China. And there are feed ingredients — B vitamins and trace minerals — that are manufactured only in China. The virus can survive for up to a month on these products, so they must be quarantined and heated to kill the virus. But this isn't the only risk for an outbreak. The virus could also be carried by human travelers via the illegal smuggling of meat or other infected food. Read more [HERE](#).*

> Bayer is Bracing for a "Significant Surge" in Roundup Plaintiffs: *Bayer AG said it anticipates a "significant surge" in the number of plaintiffs suing the company over the weedkiller Roundup when it reports earnings later this month, adding pressure on the company to seek a settlement. An increase in advertising by U.S. attorneys seeking new clients since mediation talks began will likely add to the litigation, the German drugs and chemicals giant said in an emailed statement. The current number of plaintiffs could exceed 45,000, compared with Bayer's last estimate of 18,400 in July, analysts from JPMorgan Chase & Co. wrote in a note last week. An upswell would ratchet up the stakes for Bayer, which inherited the mountain of litigation last year in the \$63 billion takeover of Monsanto. The Roundup crisis has already cost Bayer more than \$30 billion in market value as the company lost three U.S. trials over whether the popular herbicide causes cancer, suffered an unprecedented shareholder vote of no confidence and faced speculation about a breakup. Analysts have estimated that settling all the U.S. lawsuits could cost anywhere from \$2.5 billion to \$20 billion. Some Bayer investors have said that a global settlement of anything under \$10 billion would be worth it. (Source: Bloomberg)*

> Satellite Broadband Services Could be Headed for a Boom: *While satellite pay-TV services are in a death spiral, modern satellite-powered broadband services are raising big investments and a lot of high expectations. Access to broadband is essential in today's economy, but roughly half of the globe's population still lacks reliable access to it. Companies well-positioned to build and deploy satellites see an opening to provide that service to a world hungry for fast*

connections. As the pay-TV market dwindles, a new crop of satellites are being launched to beam down broadband services to wider swaths of populations on Earth. The nascent services by SpaceX, Amazon, OneWeb and ViaSat are all planning to launch fleets of satellites aiming for the same goal — getting enough low-Earth orbit satellites into space fast enough to provide a broadband alternative to terrestrial services from the likes of Verizon or Comcast. And, the FCC is already issuing licenses for these new constellations. Read more [HERE](#).

> AMC is Joining the Streaming Wars: In the latest blow to Netflix Inc., AMC Theatres, the biggest cinema chain in the world, said it is launching a streaming service that will allow members of its loyalty program to rent or buy films and watch them at home, the first such offering from a cinema operator. The 20 million-plus U.S. households that have signed up to the company's AMC Stubs program will be able to access about 2,000 films from every major studio, starting Tuesday. Later in the year the service is slated to be expanded to include films from AMC Networks' IFC Films and RLJE Films. AMC Theatres will promote AMC Networks' targeted streaming services, marking the first crossplatform marketing between the companies. AMC has agreements with every Hollywood studio to make select films available for rent or purchase, including new releases. Those will be made available after the traditional theatrical window set by studios has been observed. Consumers will be able to earn Stubs points that can be used for in-theater rewards. (Source: MarketWatch)

> IRS Issues New Guidance on Tax Treatment of Cryptocurrency: The Internal Revenue Service (IRS) recently issued new guidance for taxpayers who engage in transactions involving virtual currency, including cryptocurrency. The Revenue Ruling focuses on the tax treatment of a cryptocurrency hard fork. In addition, the FAQs address virtual currency topics like basis, gain or loss on the sale of exchange of virtual currency, and how to determine the fair market value. The IRS previously issued guidance in 2014 to taxpayers making it clear that virtual currency will be treated as a capital asset, provided they are convertible into cash. In simple terms, this means that capital gains rules apply to any gains or losses. The new guidance, which is intended to help taxpayers better understand reporting obligations for specific transactions involving virtual currency can be found at Revenue Ruling 2019-24 (downloads as a PDF) <https://www.irs.gov/pub/irs-drop/rr-19-24.pdf> and the frequently asked questions <https://www.irs.gov/individuals/international-taxpayers/frequently-asked-questions-on-virtual-currency-transactions> (FAQs) on the IRS website. (Source: Forbes)

> Humans Will Never Live on Another Planet... Here's Why: Any far-out ideas of colonizing another planet when we're done with our own are wishful thinking. That's according to Michel Mayor, an astrophysicist who was a co-recipient of the Nobel Prize in physics this year for discovering the first planet orbiting a sun-like star outside of our solar system. "If we are talking about

exoplanets, things should be clear: We will not migrate there," he told Agence France-Presse (AFP). He said he felt the need to "kill all the statements that say, 'OK, we will go to a livable planet if one day life is not possible on Earth.'" We might be able to send people to Mars in the next 50 years, but "I would be very surprised if humanity made it to the orbit of Jupiter within the next few centuries," he said. Since the distance to the nearest star outside of our solar system is about 70,000 times greater than the distance to Jupiter, "all stars are effectively out of reach." As he explains, the required physics to reach the stars, if it exists at all is not known to us and it would require a fundamental change in our understanding of the relationship between mass, acceleration and energy. "So that's where we stand, firmly on the Earth, and unlikely to change for a very, very long time," he said. Read more from [Live Science](#).

> FCC Approves the Merger of T-Mobile and Sprint: On Wednesday, the Federal Communications Commission formally approved the merger between T-Mobile and Sprint. Now, the T-Mobile-Sprint merger faces one more battle before they plan to close the deal. The FCC and DOJ are the only two federal agencies required to approve telecom deals before they can close, and the DOJ already gave the companies the thumbs-up in July. However, a bipartisan coalition of state attorneys general are still trying to block the deal through a multistate lawsuit, and representatives from the two companies said that they won't close the merger until that is resolved. (Source: The Verge)

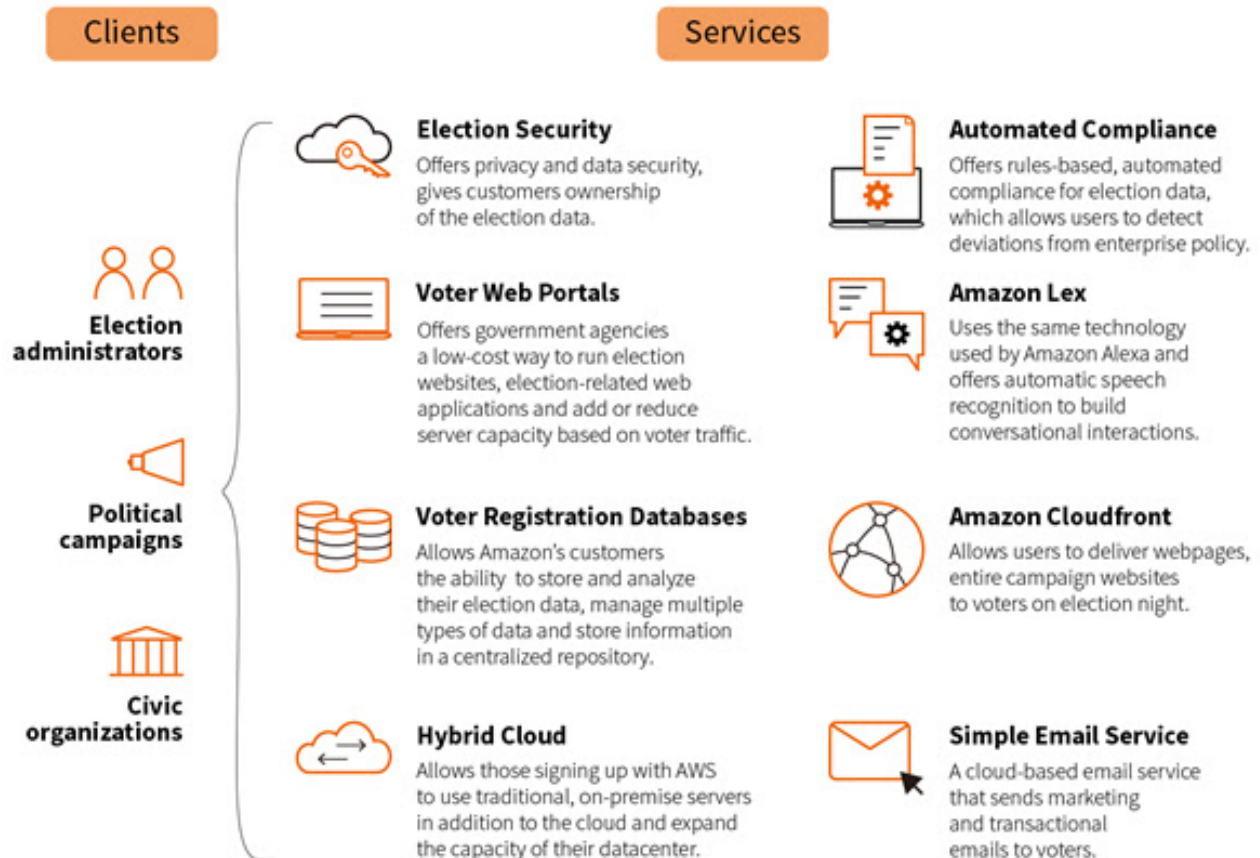
> Why We Should Stop Feeling Guilty About Doing Things We Enjoy: TV. Movies. Baked Goods. Financial services. Shopping. Comic books. Soft drinks. Pizza. Video games. Wine. Fast food. Technology. Candy. Gambling. Those are a few of the topics Susan Kresnicka has studied over the past 18 years in which the concept of "guilty pleasure" proved central. As an anthropologist working in consumer and audience research, Kresnicka asks people, "Why do you eat it? Drink it? Watch it? Do it?" Again and again, the response would (often sheepishly) be, "Well . . . it's a guilty pleasure." We all know that feeling of doing something we enjoy but feel a little bad about indulging. But what does it mean for our consumer landscape to be driven so expansively by products and experiences that we describe as "guilty pleasures"? And, maybe more importantly, WHY do we feel about about the things that we enjoy? Read more [HERE](#).

> Amazon is Now in the U.S. Election Business: Amazon Inc's cloud computing arm is making an aggressive push into one of the most sensitive technology sectors: U.S. elections. The expansion by Amazon Web Services into state and local elections has quietly gathered pace since the 2016 U.S. presidential vote. More than 40 states now use one or more of Amazon's election offerings, according to a presentation given by an Amazon executive this year and seen by Reuters. So do America's two main political parties, the Democratic presidential candidate Joe Biden and the U.S. federal body charged with administering and

enforcing federal campaign finance laws. While it does not handle voting on election day, AWS - along with a broad network of partners - now runs state and county election websites, stores voter registration rolls and ballot data, facilitates overseas voting by military personnel and helps provide live election-night results, according to company documents and interviews. Amazon's involvement is welcomed by some, who say its services are a good option for some that do not have the resources to protect themselves. However, it also raises some alarm bells. Most security experts Reuters spoke to said that while Amazon's cloud is likely much harder to hack than systems it is replacing, putting data from many jurisdictions on a single system raises the prospect that a single major breach could prove damaging. Read more from [Reuters](#).

Amazon election services

Amazon has three categories of election-related clients: election administrators in states and counties, political campaigns and election-related non-profits. Here are a few of the key services the company offers such clients.



Sources: Amazon; Reuters

S. Zhu 09/10/2019

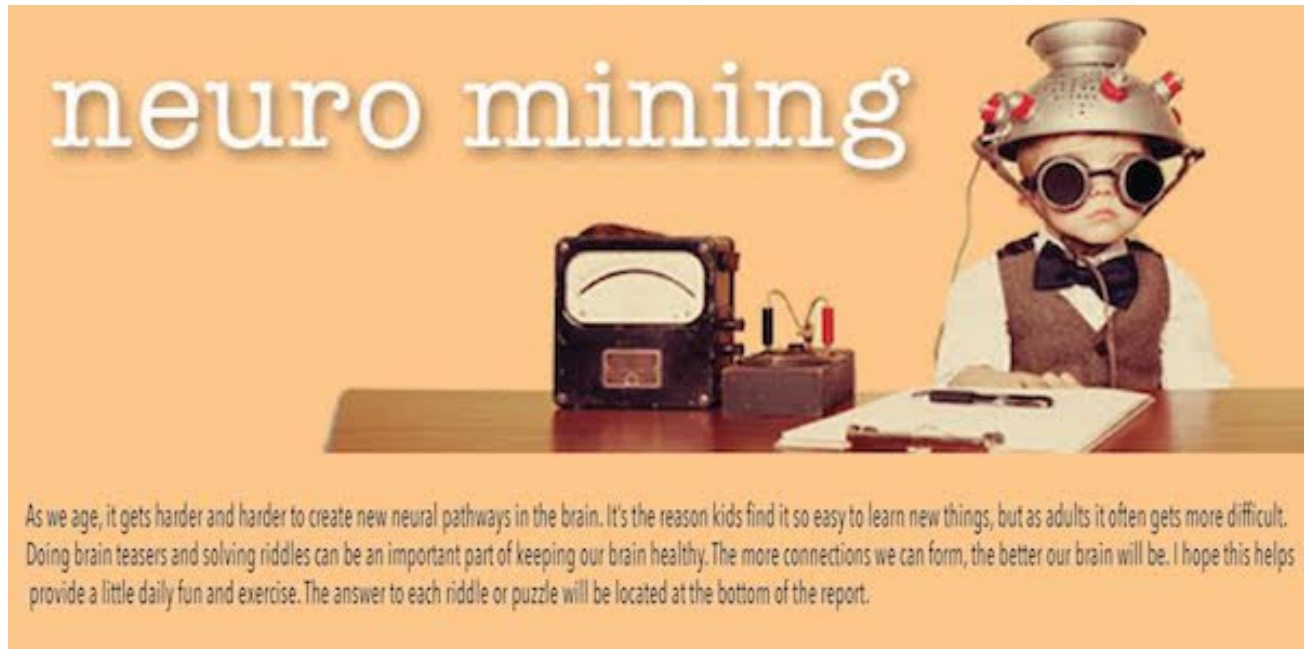
REUTERS



North Central Missouri - *Harvest is finally in full swing as we have 3 combines running every day. We are making things happen this year because last year's memories are etched into our brains. We want to get done, and we want it to be quickly. Our beans have been outstanding to this point, coming in 10-15% above our budgeted yield. We have a lot of our production contracted but some of it is underwater which is making us a bit nervous. Even though we still have a long way to go, our optimism is high.*

Northwest Kansas - *We normally raise a couple hundred thousand bushels of corn each year. Out here the corn goes for ethanol or feeding cattle. The dryland corn should have been better simply due to all the rain. Our dryland has made 105 bushels per acre but would have been nice to see something between 130 and 150. The pivot corn made 205 bushels per acre.*

Northwest Missouri - *All our corn was kicking butt, we were clearing our APH by 10 bushels or more on average. Made it all the way to 500 acres left and this corn is just hell! We have roughly 2,100 acres and this last 500 acres will drag our overall yield down by roughly 20 bushels. Too much rain, late planting. This was the same area that got hit with 10 inches of rain the day after it was planted so it was replanted. I have the feeling this might be a common thing especially on the corn that was froze out last weekend or replanted or late-planted. I would have said USDA maybe wasn't far off 3 days ago but now we get into this sack of garbage corn. Not good friend...not good!*



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

TODAY'S RIDDLE: Who gets paid when they drive away their customers?



Investment Trends in Animal Agtech

Investing in animal agtech is gaining traction from corporations as well as private equity. Keep in mind there are numerous trends shaping the landscape in this sector including demand for protein as populations become wealthier, natural resource constraints, globalization of the food supply in general and constant pressure on producers to be more efficient and of course sustainable. I should also mention, death and disease in food animals is still a large problem, with estimates that 20% of production animals are lost annually. These trends, combined with pushes from regulators, consumers, and companies across the supply chain to eliminate the use of growth-promoting antibiotics is influencing the demand for new livestock medicines and vaccines as well.

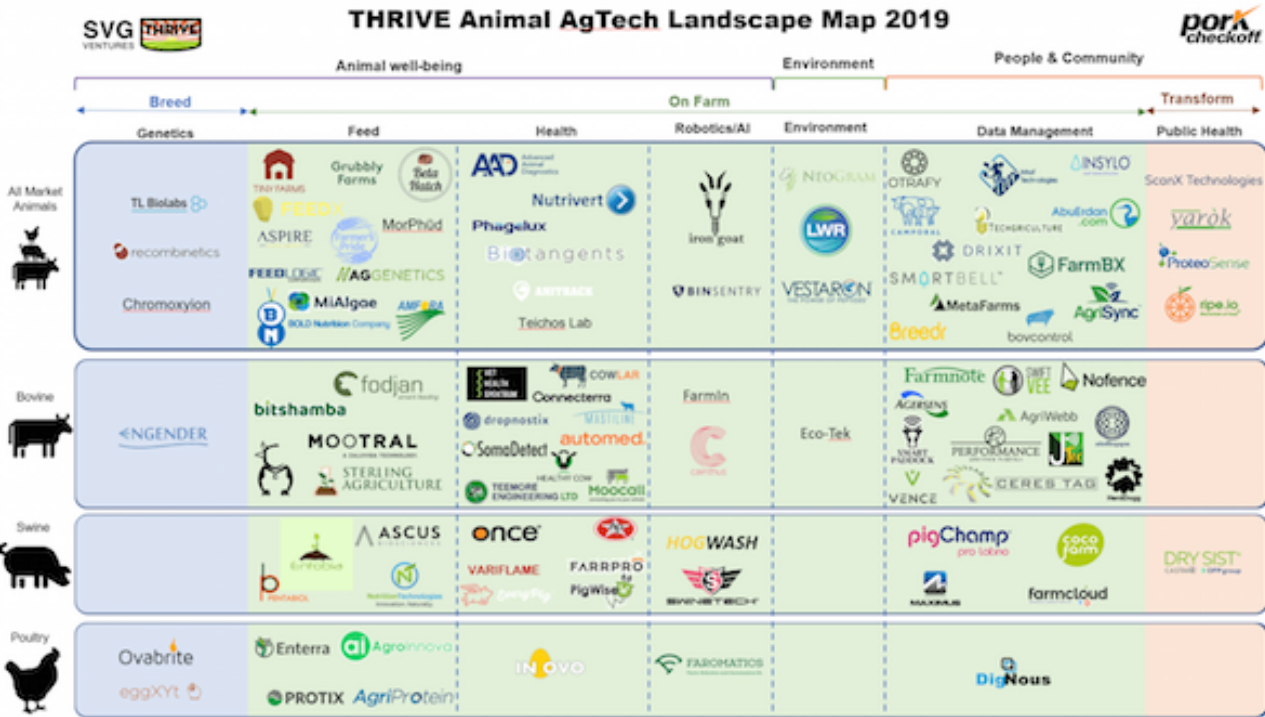
Associations like the National Pork Board are getting into the mix as they seek to identify new and emerging technology solutions addressing the operational needs

of their producers across the supply chain of pork production. From what I understand, agtech accelerator SVG Ventures-Thrive, has joined up with the NPB as its innovation partner to develop a targeted pipeline of livestock and animal health startups that support that mission along with their focus for providing a healthy, safe, environmentally sustainable product for the food supply chain. SVG has prepared an interesting landscape map shown below, of animal agtech companies that reflect technology companies that are building or have built a solution for specific markets.

Start-ups on the map range from pre-seed to companies with significant growth and revenue and the 95 companies have a known investment total of over \$500 million. I should mention, analysis of known funding indicates a large outlier in the feed category for poultry with a \$122 million investment in AgriProtein. This investment outweighs all other known investments by a factor of two. Overall, the categories of feed, health and data management are active and well-funded within the start-up ecosystem. As investors look to this sector for opportunities, keep in mind changing food production practices also include technology that is disrupting not only how food is produced, but how it is transported, presented and sold to unknowing consumers. National Pork Board's Director of Emerging Technology, Andy Brudtkuhl, reminds investors to understand this is a trillion-dollar industry where it's never been more important to be ahead of emerging trends.

Emerging a bit slower than others, the aquaculture space is a unique market that's scarcely been touched by the technologies that are common in other agriculture and animal health sectors. It's a big market, and only growing with demand for protein. Currently, there's a strong drive to find sustainable models to farm and protect biodiversity, as well as finding solutions for oral delivery of vaccines and therapeutics and fishmeal replacements. From what I understand, investors are starting to take the plunge in companies like [Aqua-Spark](#).

Investors looking to position themselves ahead of these trends may want to consider a trip to San Francisco in March to attend the Animal Agtech Innovation Summit. You can click [HERE](#) to learn more about the conference and opportunities for investments in the space. (Source: [worldagtechusa](#), [agfunder](#), [animaltech.com](#), [techaccel](#))



Looking Back at OPEC and Oil

It was on this day in 1973 that The Organization of the Petroleum Exporting Countries also known as "OPEC" implemented what it called "oil diplomacy": Prohibiting any nation that had supported Israel in its "Yom Kippur War" with Egypt, Syria, and Jordan from buying any of the oil it sells.

The ensuing energy crisis marked the end of the era of cheap gasoline and caused the share value of the New York Stock Exchange to drop by -\$97 billion in the blink of an eye. This, in turn, ushered in one of the worst recessions the United States had ever seen.

In the middle of 1973, even before the OPEC embargo, an American oil crisis was on the horizon: Domestic reserves were low (about 52 billion barrels, a 10-year supply); the United States was importing about 27% of the crude petroleum it needed every year, and gasoline prices were rising.

The 1973 war with Israel made things even worse. OPEC announced that it would punish Israel's allies by implementing production cuts of 5 percent a month until that nation withdrew from the occupied territories and restored the rights of the Palestinians. It also declared that the true "enemies" of the Arab cause (in practice, this turned out to mean the United States and the Netherlands) would be subject to an indefinite "total embargo."

Traditionally, per-barrel prices had been set by the oil companies themselves, but in December, OPEC announced that from then on, its members would set their own prices on the petroleum they exported. As a result, the price of a barrel of oil went up to \$11.65, +130% higher than it had been in October and +387% higher than it had been the year before. Domestic oil prices increased too, but shortages persisted.

People waited for hours in long lines at gas stations—at some New Jersey pumps, lines were four miles long!—and by the time the embargo ended in March 1974, the average retail price of gas had climbed to 84 cents per gallon from 38 cents per gallon before the embargo. OPEC cut production several more times in the 1970s, and by 1980 the price of crude oil was 10 times what it had been in 1973. Sales of smaller, more fuel-efficient cars skyrocketed. At the same time, declining demand for the big, heavy gas-guzzlers that most American car companies were producing spelled disaster for the domestic auto industry.

It's crazy to think about the "butterfly effect" that was created by this single move by OPEC. In this case, the "butterfly effect" was a small change in one state of a deterministic nonlinear system i.e. oil exports, that resulted in large and massive change in a much wider and deeper state.

I also always wondered what it would be like if American farmers formed their own

type of OPEC. In other words, forming some type of coalition or group that could control the number of bushels released to exporters and end-users. Rather than flooding the market with supply, do like OPEC does with oil and control the number of bushels being released. Interesting to think about... The problem is it would take full cooperation and trust that nobody is screwing their neighbor and selling bushels on the side. One of the same reasons the Saudi's are irritated with Iran. I've just always thought if there was some way to control supply we could better control our own price.

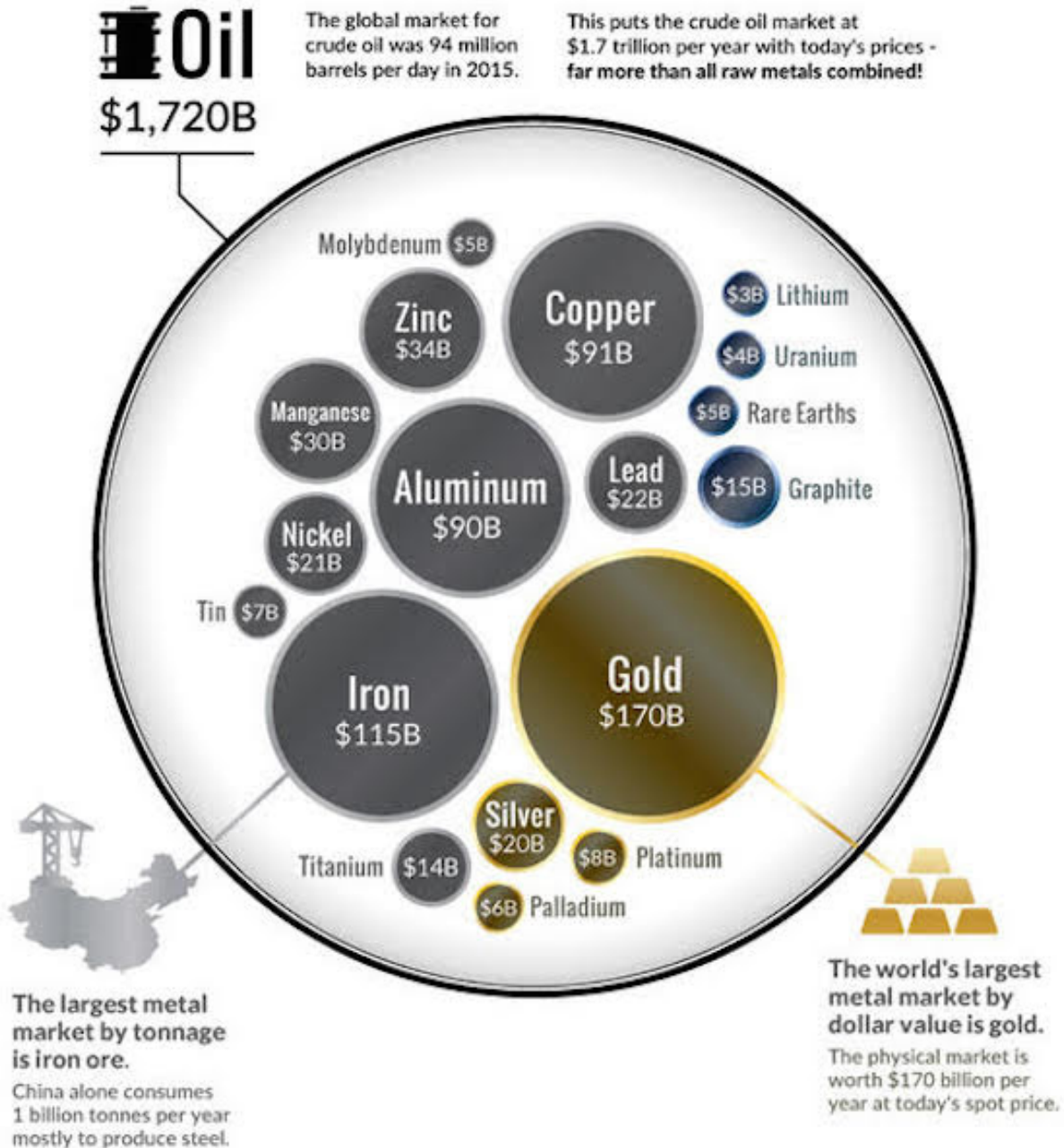




Chart of the Week

BIG OIL

The crude oil market is bigger than all raw metal markets combined



SOURCES: Infomine, EIA, World Gold Council, Johnson Matthey, Cameco, Benchmark Minerals

visualcapitalist.com

**On a Dark Desert Highway, Cool Wind in My Hair...**

The Eagles are about to go on tour across the U.S. playing their entire 1976 hit

album "Hotel California". Tickets go on sale tomorrow! This was one of my favorite albums growing up and must have been highly popular amongst many other Americans. In fact, Hotel California is sighted as being the greatest selling albums ever in the United States. Many music historians actually credit The Eagles more than any other band to bring country music into the rock marketplace.

The 2020 tour comes after the Eagles performed three sold-out Hotel California gigs in Las Vegas last month, marking the first time they've ever performed the album live in its entirety. The performance featured the Eagles current lineup — Don Henley, Joe Walsh and Timothy B. Schmit with Deacon Frey and Vince Gill — alongside a 46-piece orchestra and a 22-voice choir.

The original album was released by Asylum Records on December 8, 1976 in vinyl, cassette and 8-track cartridge formats. It topped the charts and won the band two Grammy Awards for the hit singles "Hotel California" and "New Kid in Town". The album also contains the hit song "Life in the Fast Lane". The album was nominated for 'Album of the Year' but lost out to Fleetwood Mac's Rumours. Both VH1 and Rolling Stone Magazine have named the album one of the Greatest of All-Time. Below are a few fun facts you might not know about the Eagles and a few of their songs.

Tickets for all shows will go on sale October 18th at 10 a.m. via Ticketmaster. You can find out all of the details by visiting The Eagles official website [HERE](#).

The Eagles formed in Los Angeles in 1971. *Original members were Glenn Frey, Don Henley, Bernie Leadon, and Randy Meisner. When Leadon left the band in 1975 Don Felder joined the Eagles and they also added a young James Gang guitarist named Joe Walsh. He was first featured on the album "Hotel California."*

Glenn Fry and Don Henley played in the backup band for Linda Ronstadt *before leaving with her blessing to start their own group. She suggested they get Bernie Leadon.*

Bernie Leadon suggested the name "Eagles" *after reading about the Hopis Indian Tribe's reverence for the eagle. The story goes, the group was high on peyote and tequila in the Mojave Desert at the time... Sounds like the early-70's.*

Don Felder, sent Fry and Henley a music progression on tape that became one of their biggest hits — "Hotel California." *Felder was fired from the band in April of 2001 due to differences between he and Glenn Fry. He filed lawsuits for wrongful termination, breach of contract, seeking \$50 million in damages. The suit was settled out of court for an undisclosed amount.*

What the Song is Really About... *The late Glenn Frey penned the lyrics for the hit song "Hotel California" along with band members Don Henley and legendary guitarist Don Felder. While there have been many theories that contemplate what the song represents, the Eagles' band members have revealed in multiple interviews that the true meaning behind "Hotel California" is a commentary on the*

hedonism and self-indulgence of America. "It's basically a song about the dark underbelly of the American dream and about excess in America, which is something we knew a lot about," Henley said in a 2002 interview with "60 Minutes." "We were all middle class kids from the Midwest," Henley said. "'Hotel California' was our interpretation of the high life in L.A."

Stab it with their Steely Knives... *The line "They stab it with their steely knives, but they just can't kill the beast," is a playful jab to rock band Steely Dan. Frey revealed in the liner notes of "The Very Best Of" that they alluded to the "Do it Again" rock band in "Hotel California" after Steely Dan made an Eagles reference in their song "Everything You Did."*

The Connection to Tom Petty... *Don Felder was the one who taught a young Tom Petty how to play the guitar. And Bernie Leadon's younger brother played in the band with Tom Petty and the Heartbreakers.*

The Title for "Life in the Fast Lane" *was inspired by a conversation between Frey and his drug dealer during a high-speed car ride. "I was riding shotgun in a Corvette with a drug dealer on the way to a poker game," Frey recalled in 2013 documentary The History of the Eagles. "The next thing I know we're doing 90. Holding! Big Time! I say, 'Hey, man!' He grins and goes, 'Life in the fast lane!' I thought, 'Now there's a song title.'"*

The Kenny Rogers Connection... *Don Henley started out with a record deal from his fellow Texan Kenny Rogers. Actually, Kenny Rogers signed their first band on his record label, Shiloh. Although they did make an advanced single and then an album, both of them bombed.*

Take it Easy... *Glenn Frey came up with the line "It's a girl, my Lord, in a flatbed Ford" for Jackson Browne's "Take It Easy," then finished the rest of the song for him.*

Nobody is Really from California... *Despite the association with the sunshine state, Glen Frey and Don Henley are from Detroit, Michigan and Glimmer, Texas, Randy Meisner is from Minnesota, Bernie Leadon is from Scottsbluff, Nebraska, Don Felder was born in Florida, and Joe Walsh was born in Wichita, Kansas.*

The Reunion *happened in 1994 after the band took a 14-year break. Travis Tritt actually sparked their reunion when he asked them to be in his video for his remake of their song, "Take it Easy."*

Charging the Big Bucks... *The Eagles were actually the first-ever band to charge over \$100 for arena tickets. After they found success with that and after other bands realized people would pay this amount of money to see them perform, other bands like the Rolling Stones decided to do it too. The Eagles did it for the first time during their "Hell Freezes Over" tour in 1994.*

Click [HERE](#) to listen to the Live 1977 performance of "Hotel California"



ANSWER to riddle: A taxi driver.



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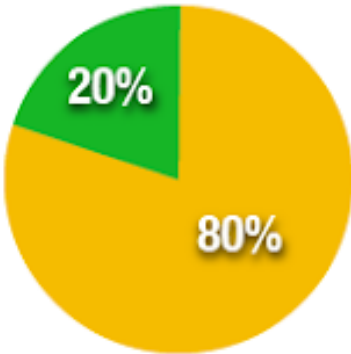
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Corn 2018 Crop

Soybean 2018 Crop

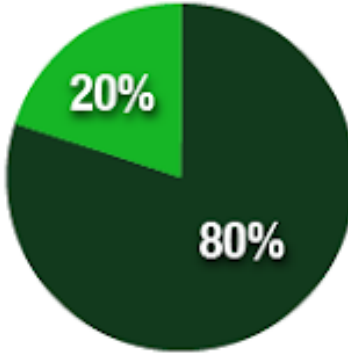
Wheat 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



Corn 2019 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



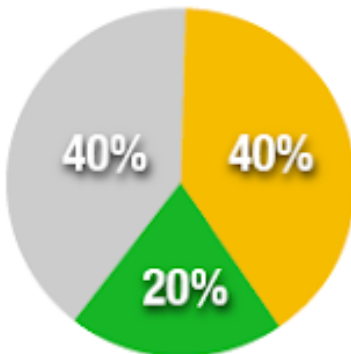
Soybean 2019 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED



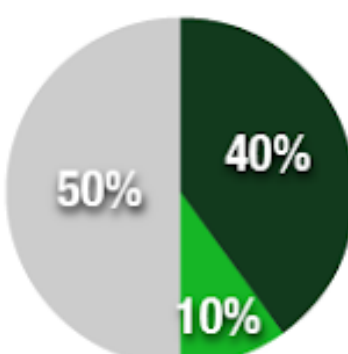
Wheat 2019 Crop

40% SOLD
20% HEDGED
40% UNPROTECTED



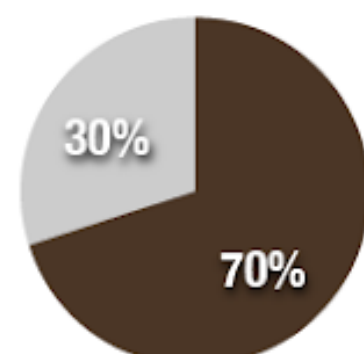
Corn 2020 Crop

40% SOLD
10% HEDGED
50% UNPROTECTED



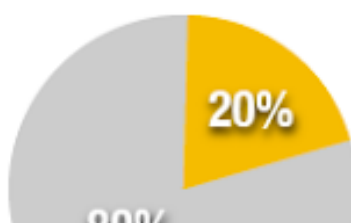
Soybean 2020 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED

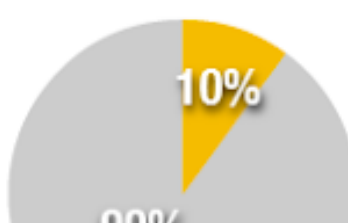


Wheat 2020 Crop

20% SOLD
0% HEDGED
80% UNPROTECTED

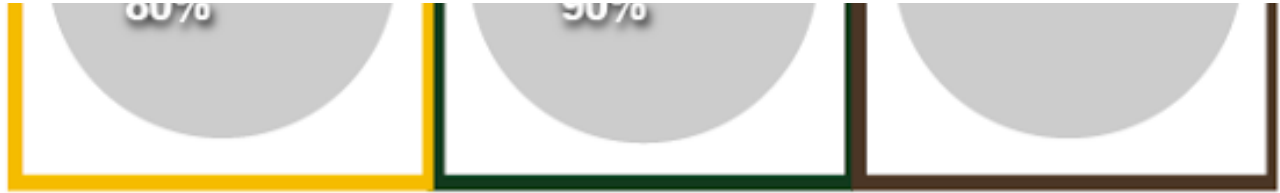


10% SOLD
0% HEDGED
90% UNPROTECTED



0% SOLD
0% HEDGED
100% UNPROTECTED





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The image displays two pieces of clothing: a black quilted vest on the left and a white polo shirt on the right. Both items feature the 'AgSwag' logo, which includes the text 'AgSwag' and a small cartoon goat illustration. The background is a gradient of blue and orange, with a large white DNA helix structure on the left and several white hexagonal shapes on the right. Above the clothing, the word 'AgSwag' is written in a large, white, sans-serif font. Above that, a row of logos for various brands is shown, including The North Face, Carhartt, Champion, Cutter & Buck, Drake, Fairway & Greene, Marmot, Nike, New Era, Under Armour, and Yeti.



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