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GOOD MORNING: The Van Trump Report 1-8-20

1 message

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

Wed, Jan 8, 2020 at 5:30 AM

Reply-To: Jordan <reply-feba10747d6d0c79-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

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"Bull markets are born on pessimism, grown on skepticism, mature on optimism, and die on euphoria. The time of maximum pessimism is the best time to buy, and the time of maximum optimism is the best time to sell." - **Sir John Templeton**

Wednesday, January 8, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors are treading cautiously as reports circulate that Iran fired more than a dozen ballistic missiles at U.S. forces in Iraq, in attacks Iran's Islamic Revolutionary Guard Corps said were retribution for the U.S. killing of Iranian General Qassem Soleimani. The Pentagon reported that strikes on two bases, Erbil in northern Iraq and the large Al Asad base in western Iraq, began yesterday evening. The U.S. has sent thousands of additional soldiers to the region, putting the total number of U.S. troops, airmen and sailors in the Middle East now at more than +80,000. The U.S. Federal Aviation Administration late Tuesday issued restrictions to prohibit U.S. commercial flights in the airspace over Iran, Iraq and the Persian Gulf. The agency said it would closely monitor the area, coordinate with national security agencies and share information with airlines. President Trump is reportedly making a statement Wednesday morning. I should note, the U.S. Department of Homeland Security has warned of "homeland-based

plots" against infrastructure targets including cyberattacks by Iranian proxies like Lebanese militant group Hezbollah. The agency notes that they have no information indicating a specific, credible threat to the Homeland but all U.S. agencies, from the federal to local level, are on high-alert. Amid this highly volatile situation, U.S. stock markets are so far proving to be extremely resilient with none of the major indexes having experienced even just a -1% loss since October of last year. Bitcoin, gold and silver bulls continue to benefit from the rising tensions. Oil is also higher but seems reluctant to get overly aggressive. Some analysts point to the September drone attack on Saudi Arabia which took an estimated 5.7 million barrels of oil offline. Oil prices initially spiked but returned to their pre-attack levels within weeks due to the basic fundamentals of global "oversupply" and falling demand. Those fundamentals have not changed and what's more, no oil supplies have been majorly disrupted. There is also the fact that U.S. production has grown so large, our country is no longer at the mercy of OPEC supplies. Aside from the Middle East situation, investors are focusing on U.S. economic data as Friday's release of the December jobs report approaches. Manufacturing remains a weak spot with U.S. Factory Orders reporting a -0.7% decline in November, the fourth month of losses. There are concerns this weakness will spill over into other sectors of the economy, which otherwise remains very strong. Today, ADP will release their December private payroll numbers with consensus calling for a gain of +160,000. Economists expect about the same from the Labor Department's report on Friday. We are also fast approaching the start of fourth quarter earnings season, which unofficially kicks off next week when the big banks start weighing in, beginning with JP Morgan, Citigroup, and Wells Fargo on Tuesday. Earnings are expected to decline -0.6% from 2018. However, profits are expected to rebound by almost +10%, according to Refinitiv. On that note, Tesla is now the most valuable U.S. automobile manufacturer in history as the electric-car company started delivering its Shanghai-made Model 3 cars to the public in China. Tesla's stock closed Monday with a market value of nearly \$84 billion, surpassing Ford's peak of \$80.81 billion set in 1999. WOW! For full disclosure, I banked some profits on a few Tesla shares the past two days. I still remain a longer-term bull and it remains my top position but worry the bulls may eventually need to stop and catch their breath.

Fewer Folks Audited by IRS, Could that Soon Change? *Individual taxpayers are half as likely to get audited as they were in 2010, after tax enforcement by the Internal Revenue Service fell to the lowest level in at least four decades. The IRS audited 0.45% of personal income-tax returns in fiscal 2019, down from 0.59% in 2018 and marking the eighth straight year of decline, according to a report released on Monday. In 2010, the IRS audited 1.1% of tax returns. The report doesn't break down audits by income category or provide details about how much revenue they generate. The steady erosion of tax enforcement has been driven by years of cuts in the agency's budget along with a heavier workload. Harvard University said investing in stronger enforcement and tightening rules could generate about \$1 trillion over a decade. The government estimates that each additional dollar spent on tax enforcement could yield more than \$4 in revenue, and Democratic presidential candidates have made increasing IRS funding part of their agenda. Read more at [The Wall Street Journal](#)*

The Tesla Surge! *Shares of Tesla have doubled in the last six months, giving the Silicon Valley automaker a market cap of roughly \$84.4 billion. Tesla's market cap is almost as much as General Motors and Ford combined at about \$86 billion. (Source: CNBC)*

Weed Shortage in Chicago: *Recreational marijuana sales started in Illinois on January 1st, with dispensaries selling almost \$11 million worth of retail pot in the first five days. Now, cannabis stores are facing the same issue that has plagued many other states when retail marijuana sales first came online: supply shortages. Consequently, some dispensaries have had to enforce purchasing limits or stop adult-use sales until they can obtain more product. Read more at [Chicago Tribune](#)*

Somewhat Scary Video... Deadly Funeral in Iran! *At least 50 people were killed in a stampede at the funeral for Iran's military commander, as tens of thousands of mourners packed the streets of his hometown for the ceremony. There was a video floating around inside the trade yesterday that showed the massive outpouring and crowds shouting revenge and "Death to America". Click [HERE](#) to view news footage.*



2020 CES "Consumer Electronic Show" Highlights

Hyundai and Uber Partnering *in its quest to fill the skies with flying taxis. They outlined their partnership at the CES technology conference and plan to show off a full-scale model at some point this week in Las Vegas. The flying taxi would be able to take off and land vertically, accommodate four passengers and cruise at up to 200 miles per hour. It would be fully electric with a range of 60 miles. Read more [HERE](#).*

Impossible Foods is debuting two fake-meat products at the event - Impossible Pork and Impossible Sausage, ramping up the rivalry with Beyond Meat. Interestingly, the company yesterday announced that a planned partnership with McDonald's has now been abandoned over fears the company can't produce enough product for the fast food chain. Read about their new fake pork products [HERE](#). Cnet calls it "scary-similar" to the real thing.

Google's Waymo Self-Driving Logs Over +20 Million Miles. The autonomous vehicle group announced that its fleet of self-driving cars have driven more than 20 million miles on public roads. CEO John Krafcik said Google had invested "billions" into the project, but he declined to be more specific.

Valencell's blood pressure-sensing earbuds are coming in 2020. The health tech company makes many of the optical heart-rate sensors that use photoplethysmography, or PPG, to check your pulse in watches, earbuds and even on phones. They have introduced a prototype of their new blood-pressure sensing earbuds, which a CNET reported with high blood pressure tested out. Read all about it [HERE](#).

LG unveils a roll down from the ceiling TV like a projector screen with no need for a projector. They demonstrated their Signature OLED R rollable TV, which rolls inside the speaker at the bottom when it's not in use. The TV debuted at CES last year, but it's finally going on sale in 2020 — with a reported \$60,000 price tag. LG this week unveiled a new model which actually rolls down from the ceiling like a projector screen with no need for a projector. The company's other big reveal is a new 48-inch LG OLED for 2020, the smallest size yet for an OLED screen. Read more [HERE](#).

Sony stunned everyone with an electric vehicle. It's designed as a prototype to showcase and test Sony's new connected car platform, Vision-S, and not an indication that Sony is getting into the car business. Vision-S, which was outlined briefly on stage during the press conference, takes advantage of Sony's expertise in sensors, imaging and entertainment to be used in the next generation of electric vehicles. Read all about it [HERE](#).

Mercedes unveiled a new car inspired by the movie 'Avatar' which can drive sideways, has no steering wheel, and features scales. Called the AVTR, the acronym stands for advance vision transportation. Check it out [HERE](#).

Amazon's Alexa Partners with Lamborghini entering the luxury car market. The company is the first luxury car manufacturer to feature Amazon

Alexa in-car control, bringing a whole heap of voice-activated assistance to your supercar experience. Read more [HERE](#).

Reachy the Robot is at CES this year, courtesy of France's Pollen Robotics. It runs on an open-source system which developers can use to create a myriad of applications. The robot itself is modular making it suitable for everything from food service to demonstrations. Check it out [HERE](#).

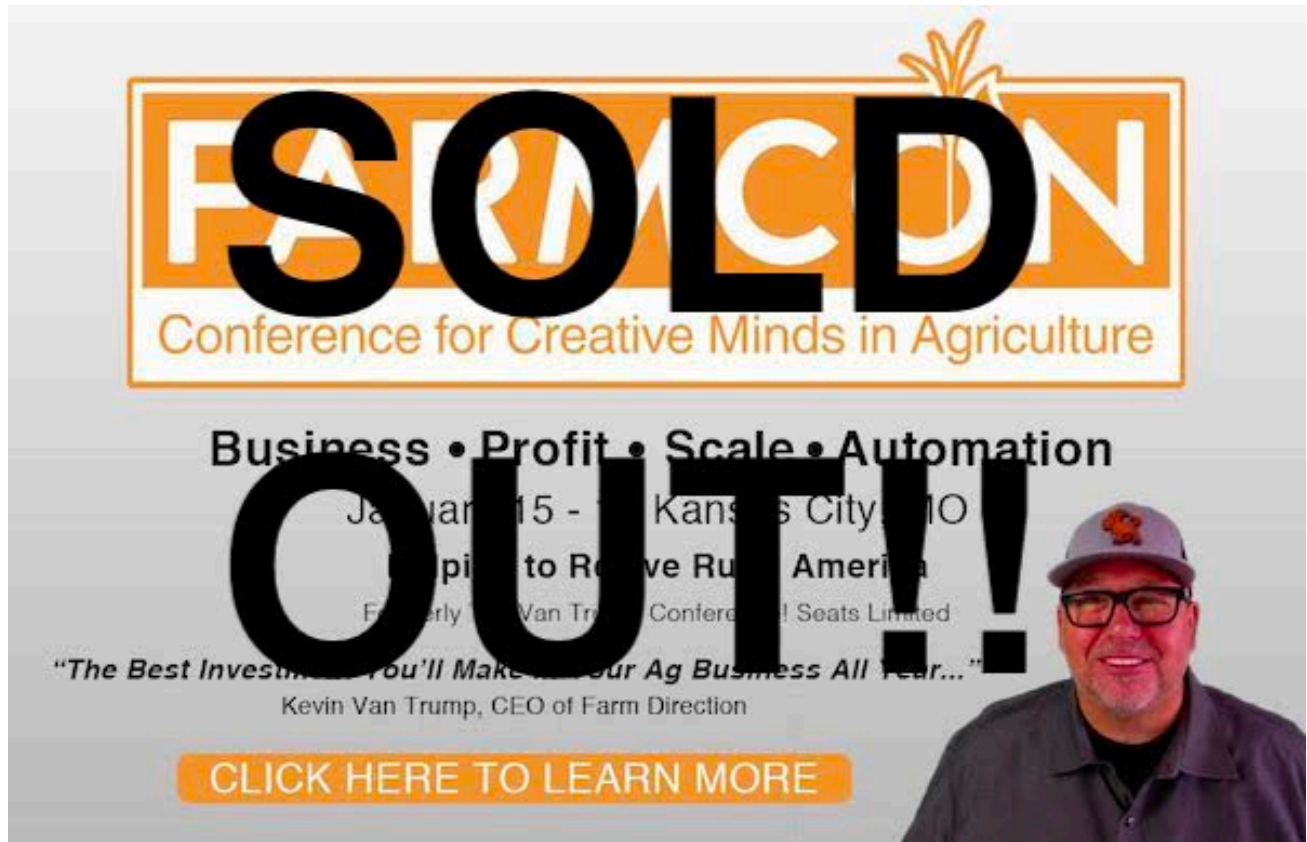
Fisker Ocean, the electric SUV that some argue could give Tesla a bit of competition, let reporters see a prototype Monday at CES in Las Vegas. It features something called "California mode", recycled materials, a solar roof, and up to 300 miles of range on a single battery charge. It is supposedly cheaper than a Tesla with prices starting at \$37,499. There are certainly more and more challengers in the electric vehicle space. Read more [HERE](#).

Samsung showcased an array of gadgets from prototype augmented-reality glasses to the Galaxy Home Mini smart speaker, which will kickstart a fresh foray into the smart home arena. They also unveiled a weird little robot called Ballie, which is designed to not only run your smart home but also act as a fitness assistant. Engadget has a good rundown on what Samsung has unveiled so far [HERE](#).









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The advertisement features a large, bold, black 'SOLD OUT!!' text overlaying the central part of the image. To the right, there is a portrait of Kevin Van Trump, CEO of Farm Direction, wearing a grey baseball cap with a red logo, glasses, and a dark shirt. The background is a light grey gradient.

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Tweets of the Day



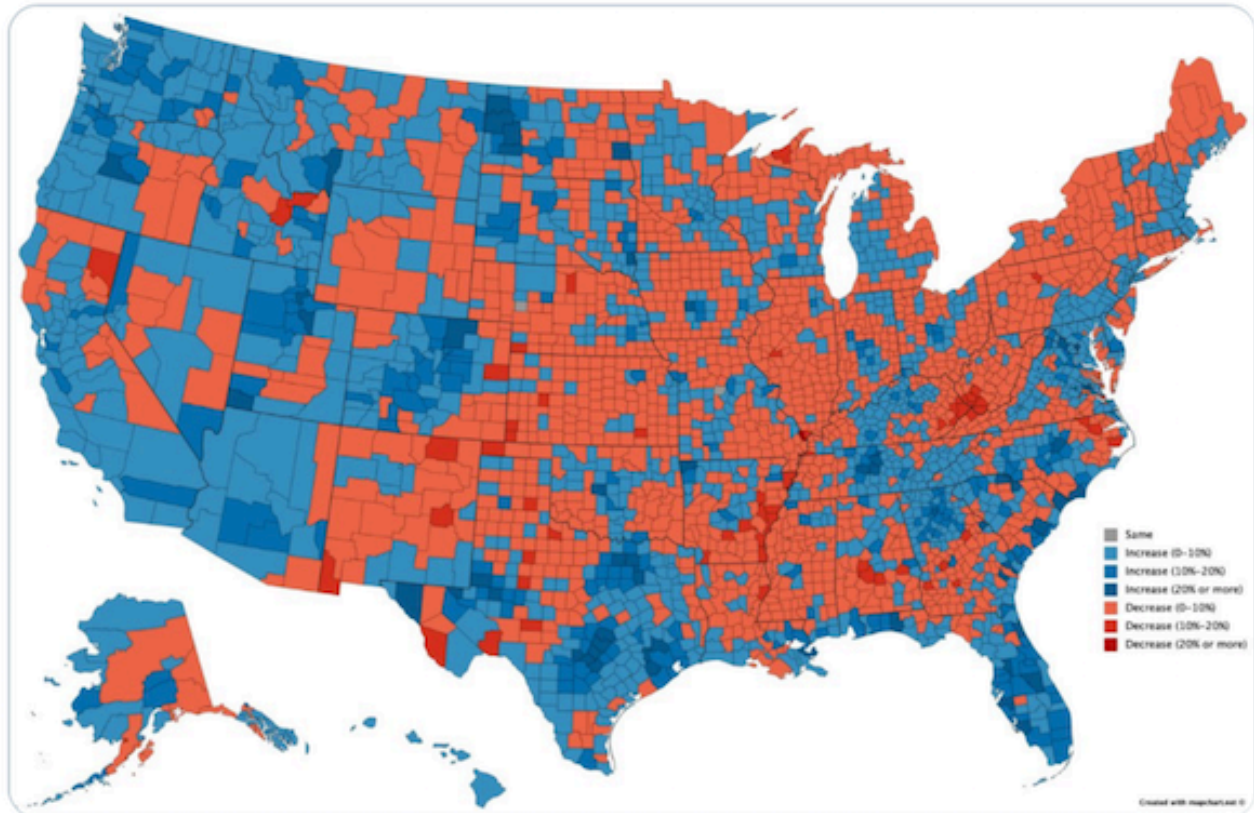


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Visualizing U.S. Population Change by County (2010-2018)

visualcapitalist.com/u-s-population...





Jon Erlichman ✓
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Airbnb guests on New Year's Eve:

2019: 4.5 million
2018: 3.7 million
2017: 3 million
2016: 2 million
2015: 1.1 million
2014: 540,000
2013: 250,000
2012: 108,000
2011: 31,000
2010: 6,000
2009: 1,400



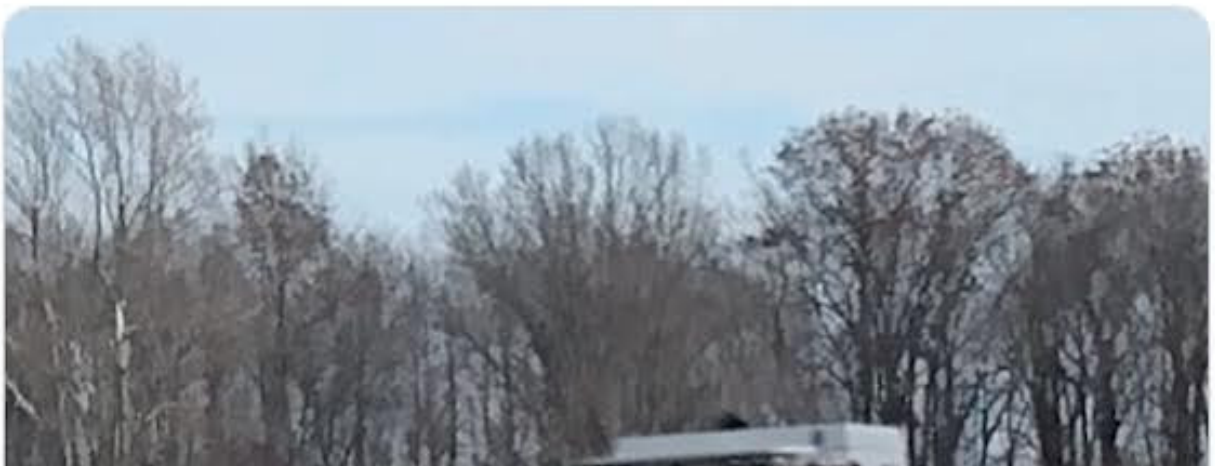
Cody Wahlstrom, CCA
@CodyWahlstrom

Women at Walmart just told me my gun made her feel uncomfortable...



Mike's Gleaner Penthouse
@plotner_mike

Amazing what you can own when you don't waste money on things that won't make you money







Ryan K. Brook 🐷 🇨🇦 🐷
@RyanKBrook



More images of that large invasive [#WildPig](#) and cattle in Saskatchewan- some said the pig was just running from the herd, but the person that took these pics was convinced it wanted to kill the white calf. What do you think? [@agbiouask](#)





Classic Rock In Pics
@crockpics



Fleetwood Mac, 1976





Motivational Quotes
@DavidRoads



LOL

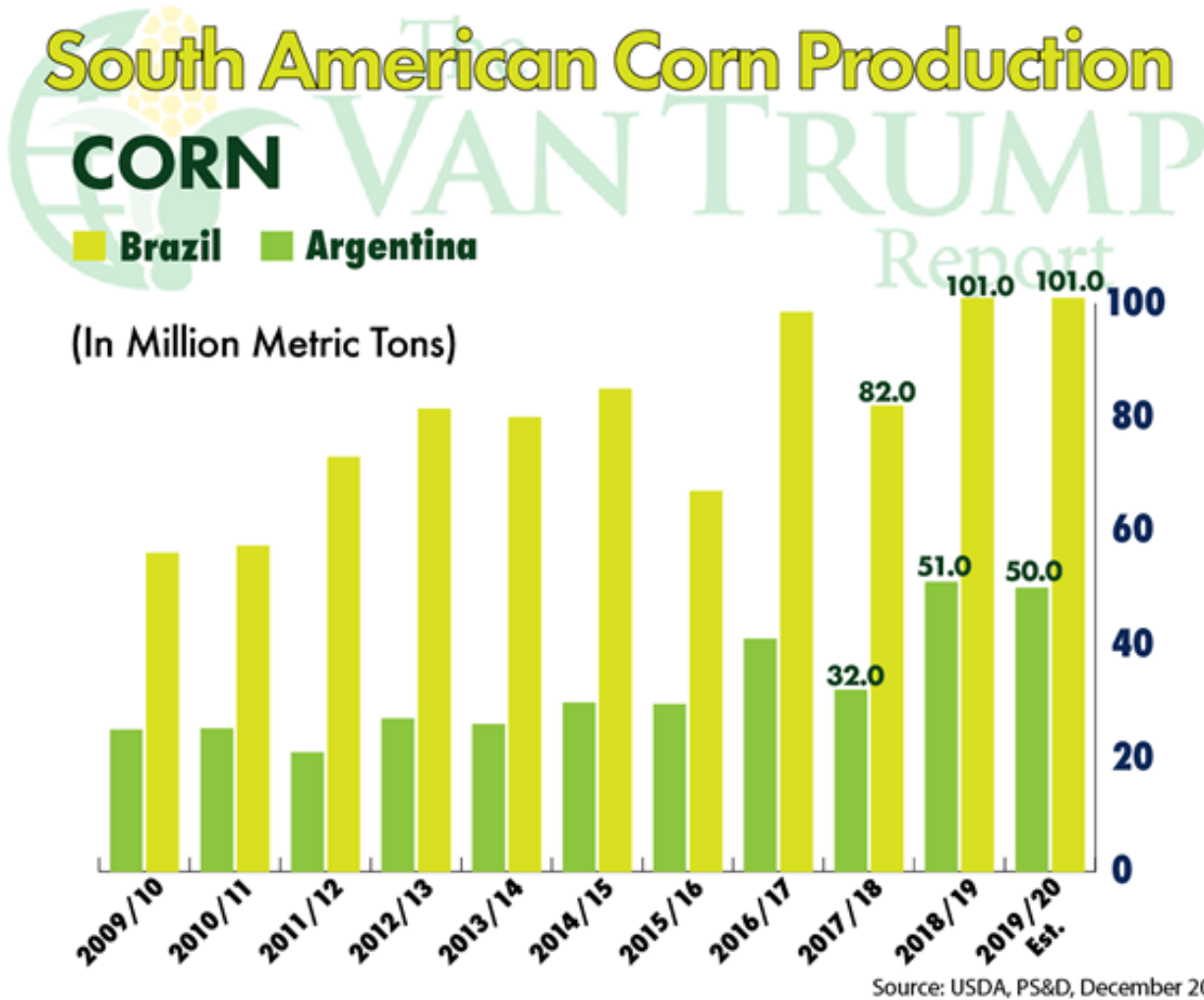
Don't
think
too much.

you'll create a
problem that
wasn't even there
in the first place.



Corn traders seem to be looking for an average -150 million reduction in U.S. production. Most insiders are looking for a -0.5 to -1.0 bushel per acre drop in yield and a -400,000 to -500,000 reduction in acres. Net-net, total U.S. corn production this past year at around 13.5 billion bushels vs. the USDA's recent estimate of 13.661 billion vs. 2018 production of 14.420 billion vs. 2017 production of 14.609 billion bushels. U.S. ending stocks are expected to be trimmed from 1.910 billion bushels down to around 1.750 billion bushels, which is still considered burdensome by most standards. World stocks are expected to be trimmed from slightly over +300 MMTs down to around 296.5 MMTs. I'm thinking both Argentina and Brazilian corn production will more than likely remain unchanged until more is known. The weather has been a bit up and down but the final verdict is still out. Bears continue to point towards ongoing uncertainty in both domestic and global demand. The trade is eager to see what the USDA has to say... As a spec, I will remain flat and positioned on the sideline going into the report. I worry that bullish data could create a knee jerk to the upside but finding the headlines to keep the momentum moving higher in the weeks ahead might be more difficult than many are considering. I want to ultimately be bullish in 2020 but worry most about being too early to the party. Don't forget, the trade will soon

be turning the page and bears are going to yell and scream about several million more U.S. corn acres in 2020. Keep your eye on the CONAB numbers scheduled for release this morning, I suspect it will be very similar or perhaps a bit less aggressive than the USDA's recent estimate of 101 MMTs. Private forecasters are also still thinking the Argentine crop will be a bit less than last year's 51 MMTs.



Soybean bulls are confident in the fact the USDA is going to further reduce its U.S. production estimate. Most sources inside the trade seem to be thinking we will see a -40 to -60 million bushel reduction on a slightly lower yield forecast and perhaps -200,000 less in the way of harvested soybean acres. In the end, the trade seems to be thinking the USDA could further reduce U.S. ending stocks by another -25 million bushels. The trade is also looking for a slight reduction in global ending stocks. As for South American production most sources think the USDA is fairly close with its current forecast. Brazil is perhaps a hair higher than the USDA's current 123 MMT estimate which is much higher than the 117 MMTs produced last year and the 121 MMTs produced the previous year. Keep in mind, combines are rolling in a few parts of Brazil and in a couple of weeks will start

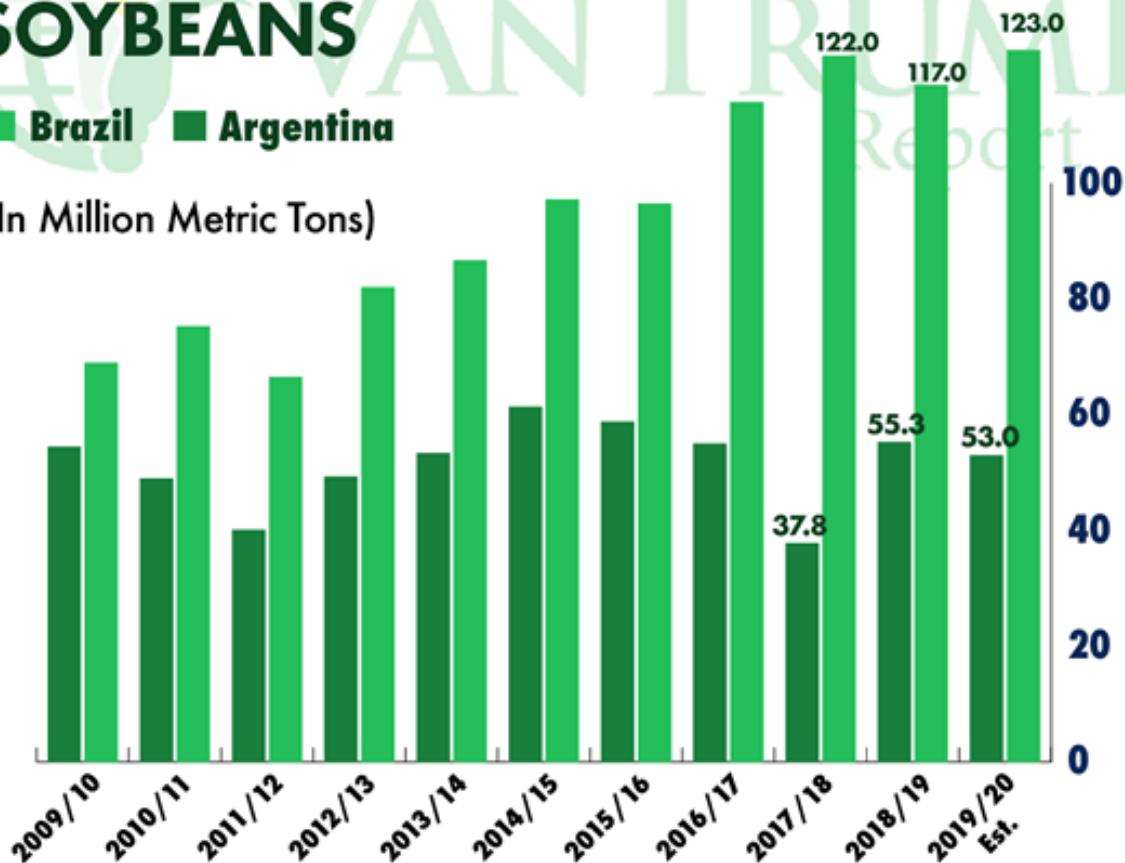
hearing harvest reports out of Mato Grosso. Argentine production should perhaps be a hair lower than the USDA's current 53 MMT forecast vs. 55.3 MMTs last year and just 37.8 MMTs the previous year. Similar to the corn and wheat, I am flat this market and waiting to see how the trade reacts following the USDA numbers and the "Phase 1" signing. Again, I worry there could be a bullish news vacuum or period of time following those two events (January USDA report and Chinese trade agreement) and ahead of U.S. planting that the market could lack enough fresh news to keep the bulls satisfied and prices moving higher. As a producer, I'm hoping I'm wrong but at the same time have taken measures to reduce some longer-term risk.

South American Soybean Production

SOYBEANS

■ Brazil ■ Argentina

(In Million Metric Tons)

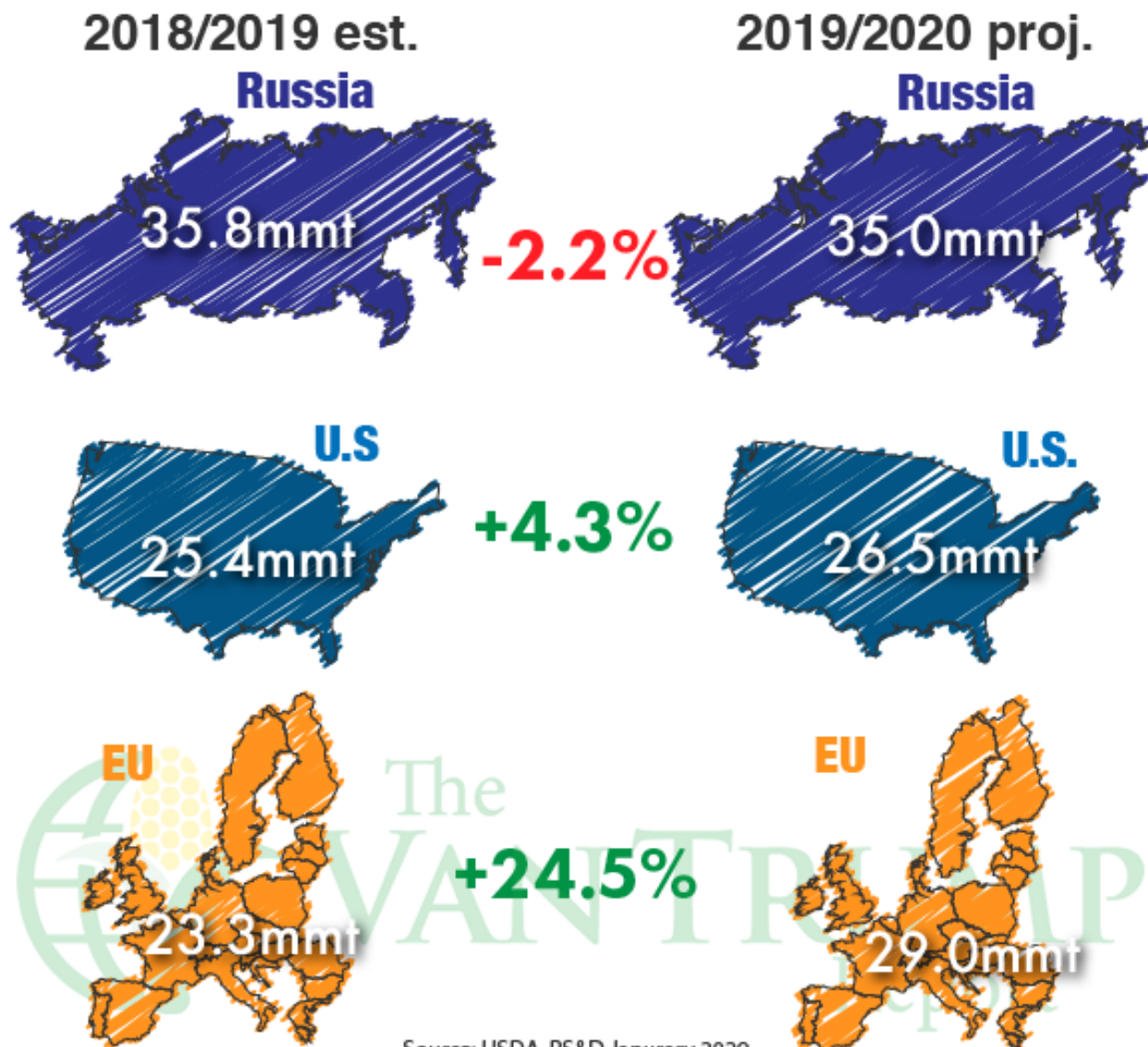


Source: USDA, PS&D, December 2019

Wheat bulls are pointing to reports out of China that even though import quotas aren't officially being adjusted higher, the Chinese Deputy Minister for Ag is talking about a substantial increase in buying by China, and that China would be buying U.S. wheat. Again, the question is when and how much? Bulls are also talking about dry weather across portions of the Black Sea region especially in some parts of Russia that might eventually become a bigger problem. Here at home, there's

still talk of fewer acres and perhaps some weather hiccups in portions of the Plains. Most sources are looking for a -10 to -20 million bushel reduction in U.S. ending stock but will still be considered burdensome at +950 million bushels. World stocks are thought to be reduced by -1 to -2 MMTs but still near record levels at +287 MMTs. As a spec, I could easily argue why I should still be long this market but am currently content sitting on the sideline awaiting further upside confirmation. I should note, Egypt is said to be back in the market looking to purchase wheat. Their last round of buying came back in mid-December with supply being sourced from France, Romania, Russia, and Ukraine.

Top 3 Wheat Exporters (in million metric tons)



Source: USDA, PS&D January 2020

U.S. Production 2019/20

(million bushels)

Corn	January #s	Avg. Trade Estimate	Range of Estimates	November Estimates	Last Year
Production	???	13,513	13,217 - 13,701	13,661	14,420
Yield	???	166.2	164.8 - 168.5	167.0	176.4
Harvested Acres	???	81.35	80.10 -	81.815	81.74

Soybeans	January #s	Avg. Trade Estimate	Range of Estimates	November Estimates	Last Year
Production	???	3,512	3,463 - 3,560	3,550	4,544
Yield	???	46.6	46.0 - 47.2	46.9	51.6
Harvested Acres	???	75.462	74.5 - 76.0	75.626	88.1

U.S. Grain Ending Stocks as of Dec. 1

(million bushels)

	January #s	Avg. Trade Estimate	Range of Estimates	Sept. 1 2019	Dec. 1 2018
Corn	???	11,511	11,290 - 11,660	2,114	11,937
Soybeans	???	3,186	3,023 - 3,379	913	3,746
Wheat	???	1,917	1,806 - 2,010	2,385	2,009

US Winter Wheat Acreage

(million acres)

	January #s	Avg. Trade Estimate	Range of Estimates	USDA Final 2019 Plantings
All Winter	???	30.664	29.9 - 32.18	31.159
Hard Red Winter	???	22.086	21.40 - 23.09	22.458
Soft Red Winter	???	5.118	4.60 - 5.557	5.201
White Winter	???	3.490	3.40 - 3.60	3.50

U.S. Grain Ending Stocks 2019/20

(million bushels)

	January #s	Avg. Trade Estimate	Range of Estimates	December Estimates
Corn	???	1,757	1,537 - 1,915	1,910
Soybeans	???	424	310 - 490	475
Wheat	???	969	930 - 1,000	974

World Ending Stocks 2019/20

(million tonnes)

	January #s	Avg. Trade Estimate	Range of Estimates	December Estimates
Corn	???	296.61	290.5 - 301.7	300.56
Soybeans	???	95.23	91.7 - 97.5	96.40
Wheat	???	287.32	278.2 - 290.0	289.5

South American Production

(million metric tons)

	January #s	Avg. Trade Estimate	Range of Estimates	December Estimates
Argentina Corn	???	49.59	48.0 - 50.0	50.0
Argentina Soybeans	???	52.78	52.0 - 53.0	53.0
Brazil Corn	???	100.63	99.0 - 101.2	101.0
Brazil Soybeans	???	123.02	121.76 - 124.0	123.0



> Caixin Reports China Won't Hike Grain Import Quotas for U.S. Trade Deal:

China will not increase its annual low-tariff import quotas for corn, wheat and rice to accommodate stepped-up purchases of farm goods from the United States, local media group Caixin quoted senior agriculture official Han Jun as saying on Tuesday. The report underlines China's desire to protect its farmers at a time when it is under pressure to buy billions of dollars more of U.S. agricultural goods, although its grain imports have been well below quota levels in recent years. Traders and analysts said the announcement appeared to be aimed at local concerns as Beijing gears up to buy more U.S. agricultural goods. Meng Jinhui, a corn analyst with Shengda Futures, tells Reuters, "I think the market is worried about a blow from the possible increase of grain imports, and that (message) has gone to the high leadership." Han was quoted by Caixin on Tuesday as saying the quota is offered to global markets and "we won't adjust it for one country." Read more [HERE](#).

> Cargill's Second Quarter Profits Climb as Global Meat Demand Rises:

Commodities trader Cargill on Tuesday posted a quarterly profit rise of more than +19%, as the animal nutrition and protein business unit tapped into rising global demand for meat untainted by the spread of African swine fever in Asia. Cargill said adjusted operating earnings rose to \$1.02 billion in the second-quarter ended November 30, from \$853 million a year earlier. Net earnings rose a whopping +61% to \$1.19 billion from \$741 million a year earlier, while quarterly revenue rose +4% to \$29.2 billion. Dave MacLennan, chairman and chief executive officer,

said Cargill's financial performance also got a boost from ongoing restructuring, including the divestment of its malt business and financial subsidiary CarVal Investors. (Source: Reuters)

> Impossible Foods Ramps up the Plant-Based Breakfast Battle with New Impossible Croissan'wich Burger King: *Impossible Foods just announced a new plant-based pork substitute and a sausage product that will appear in a Burger King breakfast sandwich launching at the end of January. The launch represents the startup's next major step forward as it competes with rival Beyond Meat to dominate the market for plant-based meat alternatives. Impossible Foods will be testing its first sausage product at 139 Burger King restaurants at the end of the month. located in Savannah, Georgia; Lansing, Michigan; Springfield, Illinois; Albuquerque, New Mexico; and Montgomery, Alabama. Those restaurants will be getting the Impossible Croissan'wich, a sandwich that consists of egg, cheese, and Impossible Sausage on a toasted croissant. Rival Beyond Meat already provides the meat alternatives for breakfast sandwiches at chains like Dunkin' and Carl's Jr. Read more from [Business Insider](#).*

> For Tech-Weary Midwest Farmers, 40-Year-Old Tractors are Now a Hot Commodity: *Tractors manufactured in the late 1970s and 1980s are some of the hottest items in farm auctions across the Midwest these days — and it's not because they're antiques. Cost-conscious farmers are looking for bargains, and tractors from that era are well-built and totally functional, and aren't as complicated or expensive to repair as more recent models that run on sophisticated software. A new tractor can go for \$150,000, but a John Deere 4440 — produced from 1977 to 1982 — with low use has gone for a fifth of that. BigIron Auctions, a Nebraska-based dealer that auctioned 3,300 pieces of farm equipment online in two days last month, sold 27 John Deere 4440 tractors through 2019. "Those older tractors that had good care and good maintenance, that's good property," said Mark Stock, co-founder of BigIron. The other big draw of the older tractors is their lack of complex technology. Farmers prefer to fix what they can on the spot, or take it to their mechanic and not have to spend tens of thousands of dollars. Read more from [Minnesota Star Tribune](#).*

> Tommy Jumper 'Jump-Starts' Peanut Growth in Arkansas: *Tommy Jumper believes Delta farmers have been looking for a crop to add to their rotation for both soil improvement and for what he calls "risk mitigation," but until now, it was difficult for those set up for traditional crops to find a solution. Peanuts were grown widely in the Mid-South some years ago, but fell out of favor for a number of reasons until around 2010 when area farmers, particularly those with sandy soils utilized primary for raising cotton, began to increase peanut acreage in the region. In the last seven or eight years, peanut growers in Northeast Arkansas and the Missouri bootheel have raised some 20,000 to 25,000 acres. However, some found it hard to justify the additional equipment expense needed to harvest*

peanuts. But with the \$70 million Delta Peanut warehousing and shelling operation under construction in Jonesboro's Craighead Technology Park, farmers who wanted the chance but need more return to justify adding a crop, now will have it. Read all about it [HERE](#).

> U.S. Greenhouse Gas Emissions Drop Amid Coal Plant Closures: Overall U.S. greenhouse gas emissions fell -2.1% in 2019, mostly due to the largest ever yearly drop in coal power output, according to a preliminary analysis by the research firm Rhodium Group. According to the report, coal-fired electricity production dropped -18% between 2018 and last year, hitting its lowest level since 1975. Cheaper renewable energy, a 20-percent decline in natural gas prices and a record number of coal power plant retirements drove the slide, said Trevor Houser, a partner at Rhodium. "Federal policy has considerable ability to reduce coal generation and very limited ability to increase coal generation," Houser said. But U.S. emissions are at roughly the same level as when President Donald Trump entered the White House, and while the electricity emissions declined nearly -10% — the most significant reduction in decades — emissions from the building and industrial sectors rose. (Source: Politico)

> New Lithium-Sulfur Battery Could Let Phones Last Five Days Between Charges: Lithium-sulfur batteries have been in the news for years, but a new design might be worth your notice. Monash University researchers have crafted what they claim is the most efficient lithium-sulfur battery to date. An appropriately-sized unit reportedly has enough of a charge to run your smartphone for five days, while a car-sized pack could theoretically keep an EV driving for more than 621 miles. It has a reduced environmental impact and an "extremely low-cost" manufacturing process, too. Learn more from [Engadget](#).

> 2020: What a Time to be Alive: A common theme in history is that progress happens too slowly to notice while setbacks happen too quickly to overlook. There are many overnight tragedies. There are no overnight miracles. It's a shame, because the amount of progress we've made during most of our lifetimes is both astounding and overlooked. When measuring progress we have to remember that it took 15 years from the time penicillin was discovered until it was widely used, and 20 years from the invention of the car until the time Henry Ford figured out mass production. These things take time. The median American is 38 years old. If we use their birth year of 1981 as a starting point to measure progress during their lives, some astounding figures arise. Read the full article from Morgan Housel over at Collaborative Fund [HERE](#).

> What the Experts See Coming in 2020: Of the hundreds of forward-looking pieces of content published in the lead-up to 2020, how many of the expert predictions lined up? Was there a consensus on any particular trend, or were predictions all over the map? During the month of December, Visual Capitalist

analyzed over 100 articles, whitepapers, and interviews to answer that question. While there was no firm consensus on where 2020 will take us, there were a few themes that appeared in multiple publications. The below graphic highlights these reappearing predictions. One technology that's sure to capture the headlines in 2020 is 5G. Broadband speeds of over one gigabit per second will become a reality when 5G technology rolls out across the country, without the cable that currently connects most homes. While many predictions for 2020 were fueled by excitement for new technologies, there was one that was decidedly more ominous – the proliferation of deepfakes. More details about all the 2020 predictions are available [HERE](#).

2020 PREDICTIONS

BINGO CARD

We analyzed 100+ articles, whitepapers, and interviews to create this big picture look at what experts are predicting for the coming year.



<p>Silicon Valley remains in Washington's crosshairs</p>	<p>American millennials continue to embrace the suburbs</p>	<p>More skepticism for unicorns* *a startup with a valuation over \$1B</p>	<p>Trade war between U.S. and China will drag on</p>	<p>Deepfakes will influence the U.S. Election</p>
<p>More companies opt to go public via direct listing</p>	<p>Cybersecurity talent crunch</p>	<p>Facebook's cryptocurrency, Libra, is quietly killed off</p>	<p>United States will see modest economic growth</p>	<p>The death knell of cookies (the internet ones, not the delicious ones)</p>
<p>Increased market volatility</p>	<p>More M&A activity in the financial sector</p>	<p>No Recession</p>	<p>Strong U.S. job growth</p>	<p>More biometrics in consumer electronics</p>
<p>Frictionless ecommerce on social platforms</p>	<p>AI makes a bigger impact in the economy</p>	<p>Uptick in foreign capital entering the U.S. real estate market</p>	<p>The content streaming wars will heat up</p>	<p>Static or falling interest rates</p>
<p>Consumer privacy concerns gain steam</p>	<p>5G will hit the market in noticeable ways</p>	<p>Global economic slowdown</p>	<p>Stable mortgage rates</p>	<p>Brick and mortar retail, sans the staff</p>

Sources: Financial Times, Washington Post, Wall Street Journal, The Economist, Bloomberg, CNBC, Forbes, Fortune, Market Watch, USA Today, Business Insider, Inc, Fast Company, Mashable, Kleiner Perkins, TechCrunch, Financial Post, Entrepreneur, The Guardian, The Street, Motley Fool, Yahoo Finance, Saxo Bank, BofA Merrill Lynch, Morgan Stanley, EY, Forrester, CBRE, Zillow, Gartner, Deloitte, Goldman Sachs, Kantar, Oilprice.com, Nikkei Asian Review, Kiplinger, Loup Ventures, National Real Estate Investor, Windermere Hub, Channel Futures, Tech Talks, The Verge, Designboom, TechRepublic, TrendHunter, Salesforce

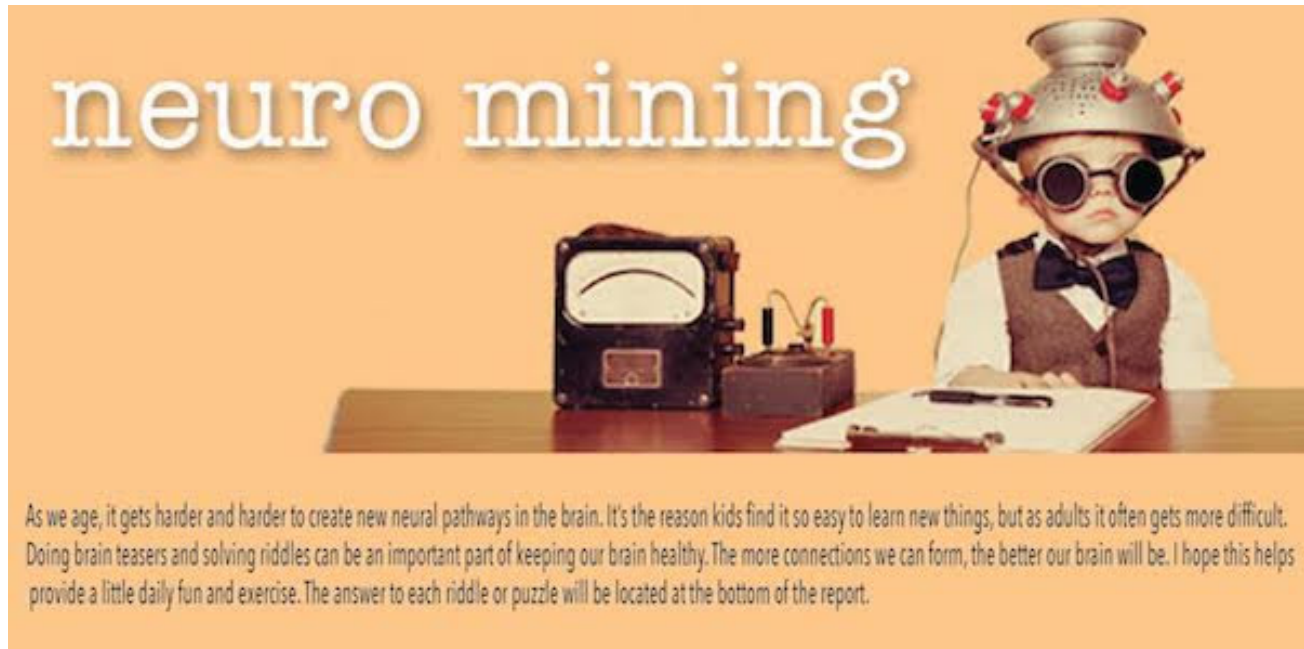




Central Iowa - *The corn yielded about the same as last year which is very surprising considering how poor it looked. The soybeans did a little better than last year. Both years beat the heck out of our APH. We are starting to get a little dry now. The plan is the same every year we split the corn and soybeans 50/50. All the fertilizer went on this fall that be planned. I would say if we don't get excessive rain, snow or extreme weather we are starting to feel a little closer to normal right now...been a wild 2 year stretch.*

West Central Indiana - *Yields were a bit surprising for some of my guys this year. Normally we see 180 bpa corn and 55 bpa beans. Beans were pretty much on the mark but the corn ranged from 120 - 250 bpa, with lots in the 210 bpa area. Planting wasn't as timely as we would have liked with the last of it getting in the ground on June 5, which happened to be the last day for insurance coverage. Interestingly, the late-planted corn did better than expected and it was actually the middle-planted corn that got pinched by getting muddled in, followed by a drought. Up here there is a lot of corn on corn and we actually have a decent amount of waxy corn that gets received two days a week at one location in the area. I grow some popcorn myself and still have good contracts that work out for us. I've heard of lots of areas that are quickly overrun by the latest niche and I've been fortunate.*

Western Kansas - *We have good weather right now. Some of the wheat looks good and some of it looks bad. The better looking wheat was planted early and the late planted wheat got nipped by an early freeze. If we have a wet spring the later planted wheat will do worst and the later planted wheat will do much better. It's all about the spring and snow cover around here. We should have a decent crop if we have a wet spring.*



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: There are several different kinds, but the one you pick doesn't do its job. What is it?



Could Australia's Massive Fires Impact Weather Across the Globe?

Fires across Australia have now burned approximately 32,400 square miles, an area of land a little smaller than Indiana. That's 5,000 square miles more than the area of land that burned during 2019's devastating Amazon rainforest fires and 80 times larger than the total area burned in the 2019 California wildfires. The heat from the fires is so intense they are creating their own weather systems, including fire tornadoes and thunderstorms that unleash dry lightning and spark new fires. Smoke from the fires has made it all the way to South America, about 9,000 miles away, and some of it is expected to stay aloft for months. Meteorologists are starting to ask if the crisis in Australia might have a wider impact on weather in other parts of the world.

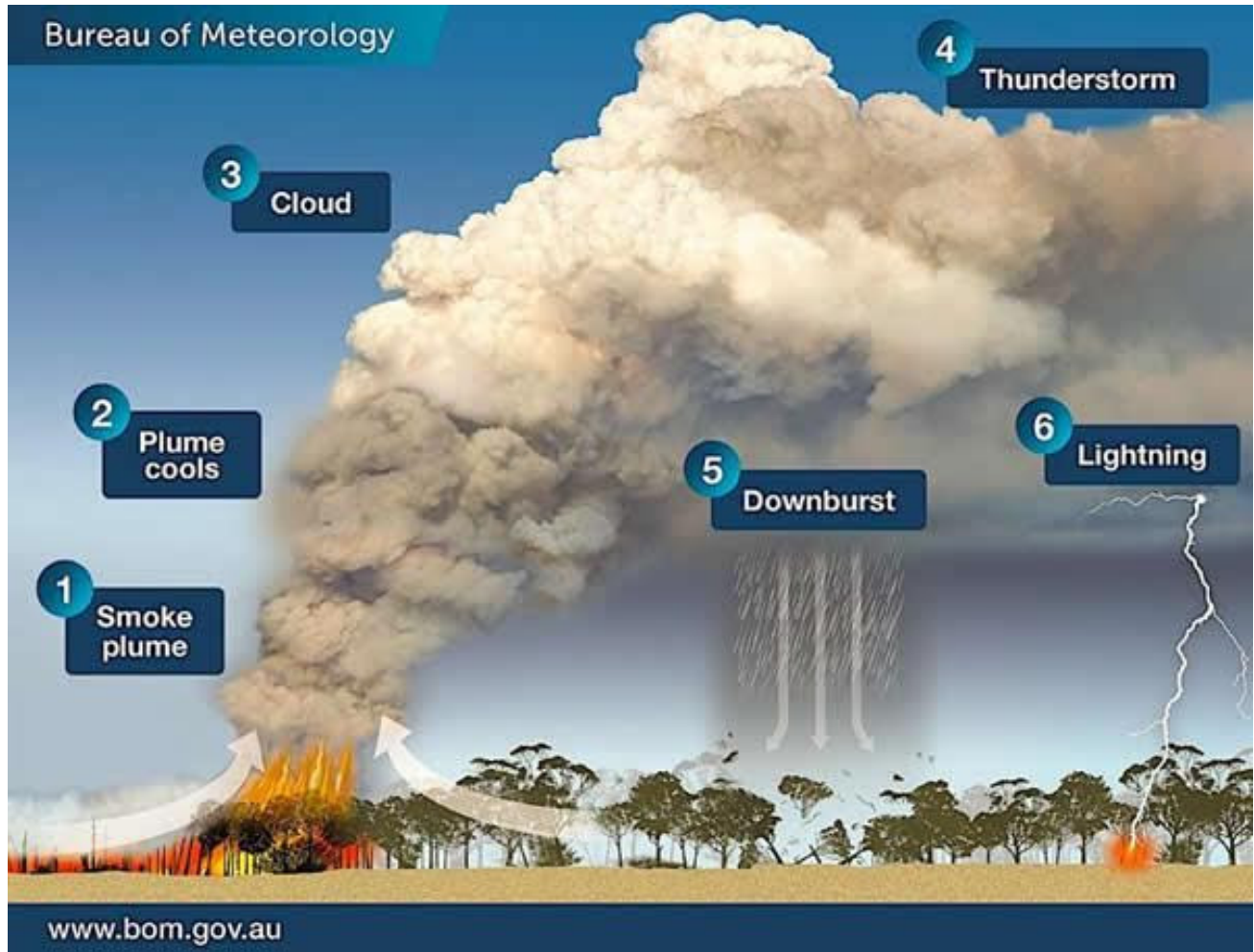
Dr. J. Marshall Shepherd, a leading international expert in weather and climate, and a science writer over at Forbes, says there is scientific evidence that fires this massive will have an effect on weather-climate processes far from Australia,

although no one seems sure how exactly it might play out. Wildfires release large amounts of carbon dioxide, black carbon, brown carbon, and ozone precursors into the atmosphere, all of which can impact climate.

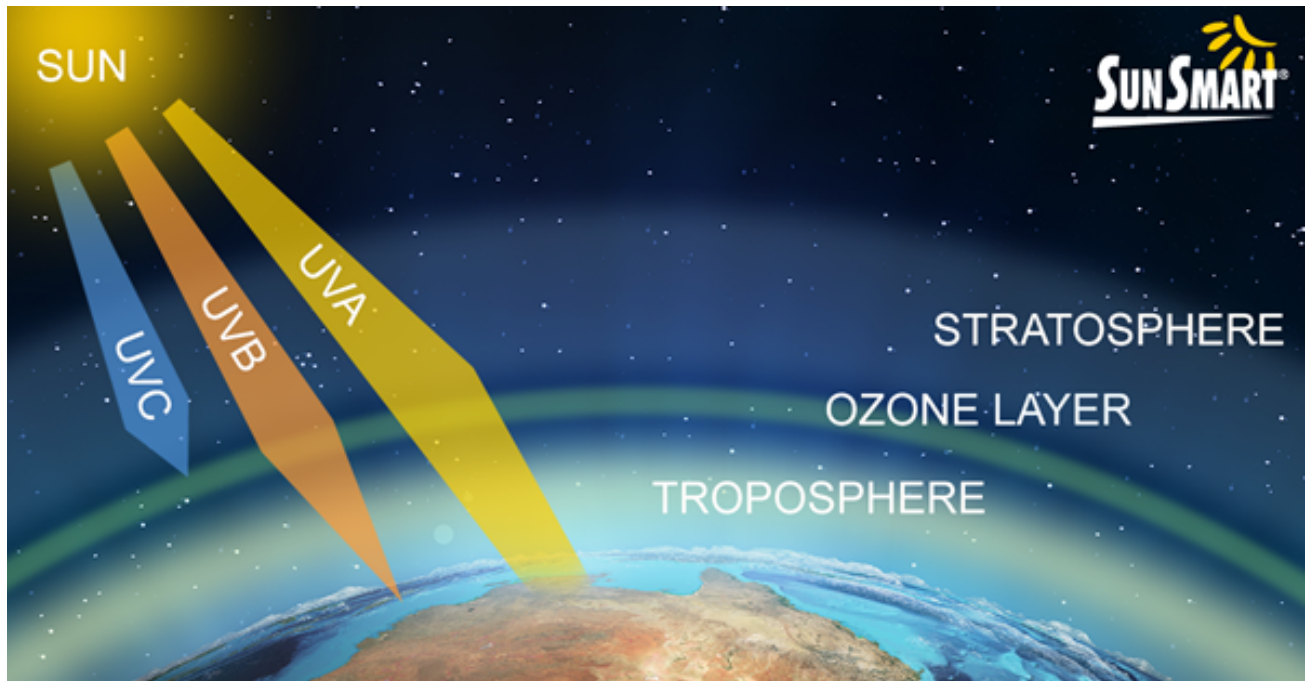
Shepherd uses El Nino as an analogy to illustrate why it's possible these fires could have a global impact on weather. An El Nino weather phenomena is associated with warm waters in the equatorial Pacific. That surface "heat source" and subsequent changes it causes in atmospheric circulations can shift weather patterns across the globe. Shepherd's full article is kind of technical but worth the read if you're looking for more details. Check it out [HERE](#). Below are the key ways in which Australia's fires could also alter global weather:

Smoke Cover: *Several studies of large scale fires have shown that smoke can disrupt atmospheric circulation far from the origin point. A study of Russia's massive 2010 wildfires found that the smoke generated reduced the amount of incoming solar generation at the ground over much of Eastern Europe, also resulting in cooler temperatures. Shepherd points out a meteorological fact that a cool surface layer and a warmer upper layer stabilizes the atmosphere. While a smoke layer can cause cooling at the surface, dark aerosols (carbon debris) in the column of air may actually absorb solar energy, which warms that part of the atmosphere. With the size of these fires, Shepherd and other meteorologists question whether they create heating/cooling or stability anomalies that perturb the atmospheric column or wave pattern regionally and perhaps beyond? Does it change the broader circulation to alter weather where you live like an El Nino connection?*

Smoke Plumes Penetrating the Stratosphere: *When smoke plumes are vaulted high into the atmosphere they can turn into what are known as pyrocumulonimbus clouds, which are thunderstorms birthed by the combination of rising heat, smoke particles and water vapor from a major fire. A study of the 2017 fires in the Pacific Northwest found that the smoke plumes from towering smoke-laden clouds can penetrate into the stratosphere where smoke aerosols can linger for up to 5 months and actually create net warming at the top of the atmosphere. This is because of the soot which absorbs solar radiation. Their results showed a net-warming effect on the atmosphere which lasted about a week after the event before decreasing over the following months. Shepherd points out this is the direct opposite of the temporary cooling effect that large volcanic eruptions can have on the climate system because volcanic aerosols injected into the stratosphere are more effective scatterers of solar energy. Still, the full impact of soot laden smoke being injected into the stratosphere is not understood. (Sources: Forbes, Washington Post, NOAA)*







New Laws Taking Effect in 2020... From Robocalls to Electric Vehicle Fees!

As 2020 gets underway, so too do several new laws at both the federal and state levels. Obviously, the Federal laws impact everyone but some new state regulations could have a national impact, particularly as other states climb aboard the bandwagon. Below are a few of the most significant new laws going into effect this year:

Robocalls: *President Trump recently signed a new federal law aimed at tackling what some consider an epidemic of illegal robocalls. Americans received 5 billion robocalls in November alone, according to a recent Senate Committee report. That's almost 2,000 calls per second! The report also estimated that nearly half of all calls to cell phones are scam robocalls. The new legislation expands the power of the Federal Communications Commission (FCC) to deter spam calls and reinforces the responsibility of individual phone companies to protect their own consumers. The bill increases fines on spam robocallers from \$1,500 to as much as \$10,000 per illegal call. One of the most important parts of the law requires phone companies to speed up their adaptation of "call authentication technologies" to verify that incoming calls are legitimate before ever reaching consumers. This is designed to combat the problem of scammers tricking people into thinking a call is coming from nearby, or from legit places like the IRS. Keep in mind, the new law won't rid us of robocalls right off the bat, or entirely - many such calls originate from overseas and are likely to continue. Beyond robocalls, the law also directs the FCC to create new rules that will help protect subscribers from receiving unwanted texts.*

California's Data Privacy Law: *The California Consumer Protection Act, or CCPA, went into effect on January 1 and is predicted by some technology experts to change the internet as we know it. If you live in California, the law provides several new privacy protections, including the ability to opt out of having your data collected. Under CCPA, if your company buys or sells data on at least 50,000 California residents each year, you have to disclose to those residents what you're doing with the data, and they can request you not sell it. Consumers can also request companies bound by the CCPA delete all their personal data. Websites with third-party tracking are supposed to add a "Do Not Sell My Personal Information" button that if clicked, prohibits the site from sending data about the customer to any third parties, including advertisers. While CCPA is a California law, many companies have already said they'll comply with the act's protections at a national level, including Microsoft, Apple and Google. Other states are already considering similar measures.*

Opioid Legislation: *At least seven states will begin requiring electronic prescriptions for controlled substances such as opioids. The movement to do away with handwritten prescriptions by doctors is one of many steps states*

have been taking to try to curb opioid addictions and overdoses. At least seven states will begin requiring electronic prescriptions for controlled substances such as opioids. The movement to do away with handwritten prescriptions by doctors is one of many steps states have been taking to try to curb opioid addictions and overdoses.

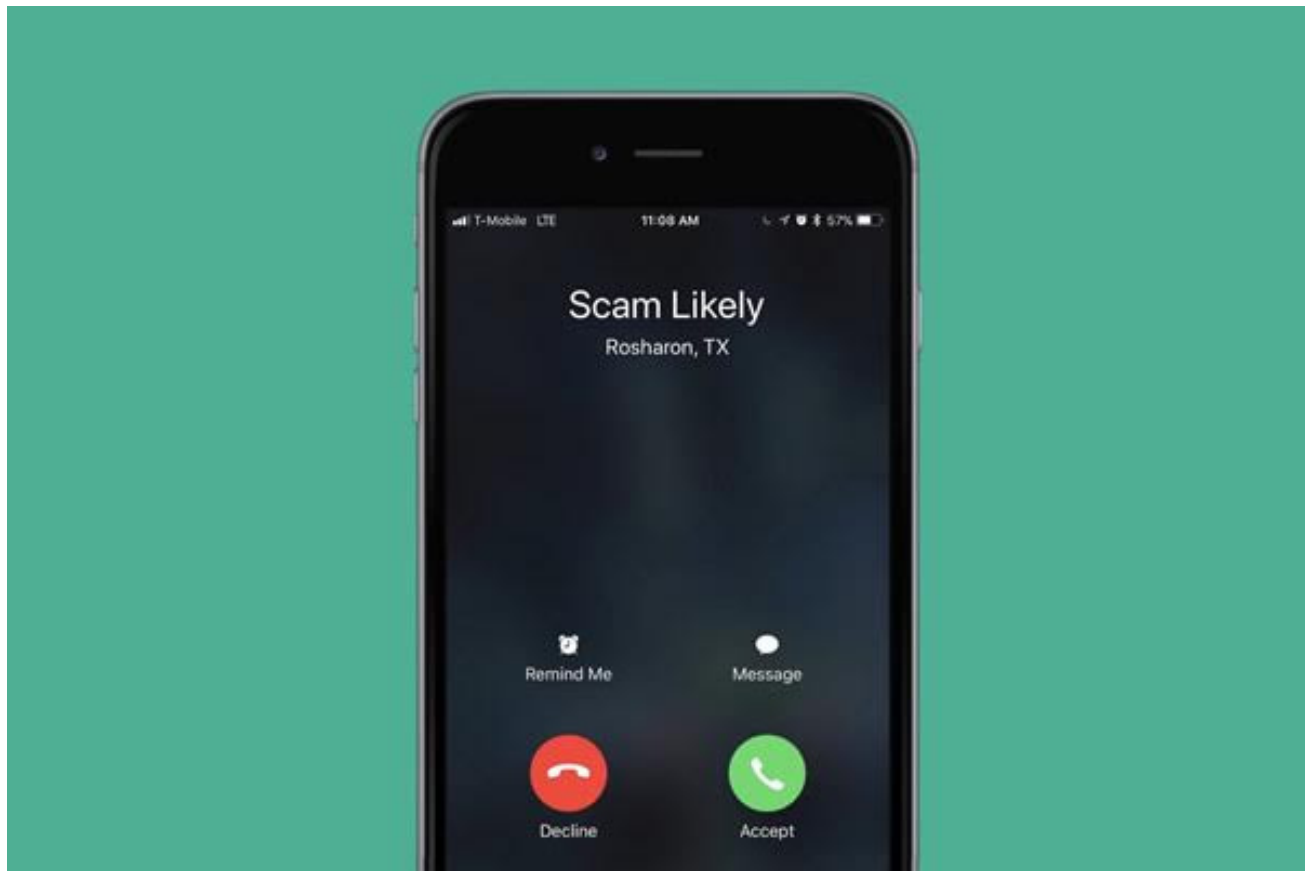
Gun Laws: *Colorado's new "red flag" law took effect January 1, which allows family, household members, and law enforcement to petition for a court order to temporarily take guns away from an individual deemed to be in danger of hurting themselves or others. In Tennessee, obtaining a concealed carry handgun permit just got easier by allowing residents to take an online course, which is both faster and cheaper than the existing process.*

Illinois Becomes 11th State to Legalize Recreational Marijuana: *Illinois residents are now able to buy and possess recreational marijuana. Medical patients can buy marijuana seeds and grow up to five plants at home, as long as the plants are kept out of public view. The law also pardons individuals with nonviolent convictions for amounts of cannabis up to 30 grams.*

Electric Vehicle Fees: *At least eight states will start collecting new or increased fees on electric vehicles as a way of reconciling lost revenue from gasoline taxes that's used for infrastructure improvements. Alabama, Hawaii, Illinois, Iowa, Kansas, Ohio, Oregon, Utah are set to enforce those fee changes as of January 1. California, which accounts for nearly half of all electric vehicle sales in the U.S., is to collect a \$100 fee on new "zero-emission" vehicles starting July 1.*

Missouri's Corporate Tax Reform: *In Missouri, a corporate income tax law signed in the final hours before former Gov. Eric Greitens resigned in May 2018 will go into effect in 2020. The law will cut Missouri's corporate income tax rate from 6.25% to 4%, making it one of the lowest rates in the nation. But another provision in the law will do away with an option for calculating corporate income that could result in higher Missouri tax bills for some multi-state businesses.*

Smoking Age Raised to 21: *A federal law prohibiting the sale of tobacco products to anyone under the age of 21 actually went into effect December 20. The FDA noted on its website that "it is now illegal for a retailer to sell any tobacco product -- including cigarettes, cigars, and e-cigarettes -- to anyone under 21." (Sources: Associated Press, TechCrunch, CNN, ABC News)*





Email Sent My Way That I Was Encouraged to Share...

I received several e-mails early this week in direct response to the 60-Minutes episode on hogs that ran this past Sunday. I've always contended that farmers

care immensely about their land and animals because it's the land and animals that ultimately determine their profitability and sustainability! One e-mail from a reader stuck out as it included a direct response from our friend Trent Loos. I first met Trent Loos at a benefit auction and fundraiser for a fantastic farm family down in rural Missouri. Trent always offers his authentic and all American perspective. And every time I've seen Trent or crossed his path he has always been trying to help someone else or at an event to make a positive difference.

Kevin,

I guess this aired on 60 Minutes this past Sunday night...The guy said all hog farmers are corporate and drive Maserati's. I wish that was the case... You can check it out [HERE](#).

The fact is, the hog has a pretty good life! Cops can taser people all across the country but a farmer cannot use a simple electric prod on a pig to move him? Go figure... you can taze people, but not a hog? And we can't move hogs across state lines without permits, and you can't use antibiotics without them being registered through a vet, this is getting crazy, talk about fake news...

Really disturbing what gets published and told to the public these days.

Here is a response from a guy you know on facebook it worth a listen.... Click [HERE](#).







ANSWER to riddle: A lock.



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Corn 2018 Crop

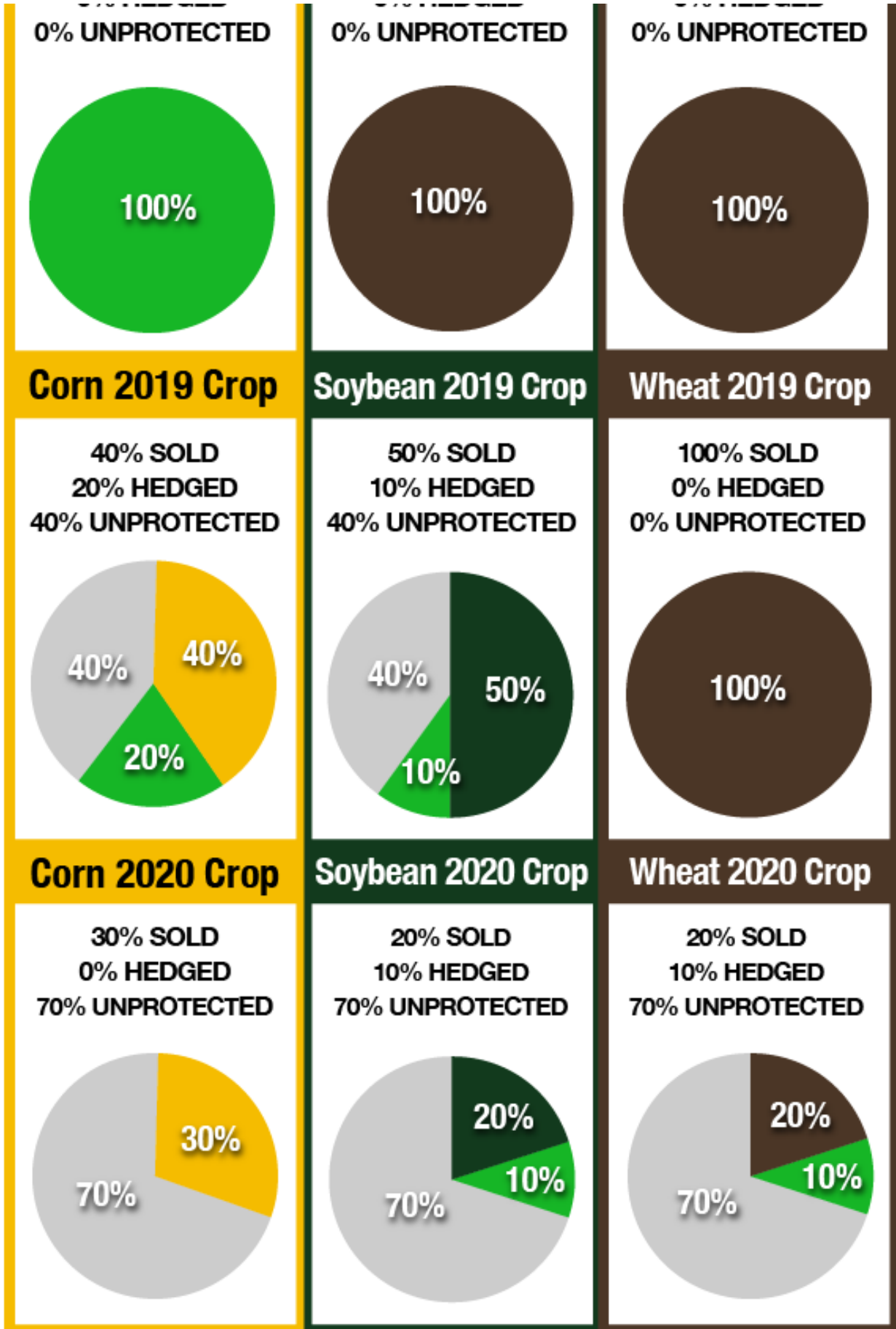
100% SOLD
0% HEDGED

Soybean 2018 Crop

100% SOLD
0% HEDGED

Wheat 2018 Crop

100% SOLD
0% HEDGED



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