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GOOD MORNING: The Van Trump Report 1-10-20

1 message

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

Fri, Jan 10, 2020 at 5:31 AM

Reply-To: Jordan <reply-fecb10757460007f-314_HTML-68584704-100003450-7@vantrumpreport-email.com>

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"It doesn't make sense to hire smart people and then tell them what to do; we hire smart people so they can tell us what to do. " — **Steve Jobs**

Friday, January 10, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors are all about the December jobs report today. The Labor Department is expected to report around +165,000 jobs gained in the month with unemployment remaining at a multi-decade low 3.5%. Manufacturing payrolls, after jumping +54,000 in November on the end of the General Motors strike, are expected to fall by -1,000. Analysts also expect a slight uptick in wages. From what I'm hearing, it will take a job number sub-150,000 or over-235,000 to move the market. ADP's private payroll data released earlier this week showed the U.S. added a total of +202,000 jobs in December. With "Phase One" of the U.S.-China trade deal mostly wrapped up, investors are expected to turn more attentions back to the fundamentals of economic data and earnings. Recent economic data has continued to show some weakness in the manufacturing sector, something economists are hopeful can turn around with the easing of trade tensions between the U.S. and China the worlds two top economies. Other sectors of the economy remain on solid footing and the economy has likely weathered the

worst risks it faced from global trade disputes, according to Fed officials that delivered comments yesterday. Fed policymakers, including Vice Chair Richard Clarida, seemed united in saying that developments like the expected ratification of the new U.S.-Mexico-Canada trade agreement and the initial U.S.-China trade deal have made them more confident in this year's economic outlook. Turning to next week, Congress looks as if they could be consumed by impeachment drama. Senate Majority Leader Mitch McConnell told Republicans during a closed-door lunch yesterday to expect President Trump's impeachment trial to start next week. Next week also brings the official signing of the "Phase One" U.S.-China trade deal which is scheduled for Wednesday. The Chinese delegation, to be led by Vice Premier Liu He, will visit Washington from Monday to Wednesday. Also worth noting, the new EU Trade Commissioner Phil Hogan will be in DC on January 14-16. Hogan previously served as EU agriculture commissioner and is said to have a good working relationship with U.S. Trade Representative Robert Lighthizer. Hogan has said he wants to pursue a "reset" of EU-U.S. trade relations on a number of contentious issues. The two sides are in theory trying to forge a deal to remove overall import duties, but are stuck over farm products. Investors will be focusing most of their attentions on fourth quarter earnings, which unofficially kicks off Tuesday with results from big Wall Street banks JP Morgan, Citigroup, and Wells Fargo. Bank of America, Goldman Sachs, and U.S. Bancorp follow on Wednesday. Economic data next week will include the Consumer Price Index on Tuesday; the Producer Price Index, Empire State Manufacturing, and the Fed's Beige Book on Wednesday; Retail Sales, the Philadelphia Fed Manufacturing Index, Business Inventories, and the NAHB Home Builders Index on Thursday; and Housing Starts, Industrial Production, Consumer Sentiment, and JOLTS on Friday.

100 Years Ago Today, All Wars Ended...Or So They Hoped: *A century ago, a new world order began. On this day in 1920, The Treaty of Versailles took effect, officially concluding World War I, the war to end all wars. At the same time, the treaty laid the foundation for the Second World War. Over 65 million people had fought in World War I, and more than 8.5 million military members and at least 6.6 million civilians died. The war decimated farmland, towns, and battlefields around Europe. And according to many, Germany was to blame. The treaty itself was predicated on Germany's guilt for the war. The document stripped Germany of 13 percent of its territory and one tenth of its population. The Rhineland was occupied and demilitarized, and German colonies were taken over by the new League of Nations. The German army was diminished to 100,000 men and the country was forbidden to draft soldiers. Its weapons were largely confiscated, and its navy stripped of large vessels. Germany was forced to put Wilhelm II, its emperor, on trial for war crimes. And the treaty required Germany to pay 269 billion gold marks—the equivalent of \$37 billion. Though there was a real desire for peace in the wake of the disastrous war, the treaty did not achieve its intended effects. Furious at what they saw as a harsh "diktat" (a dictated peace), right-wing*

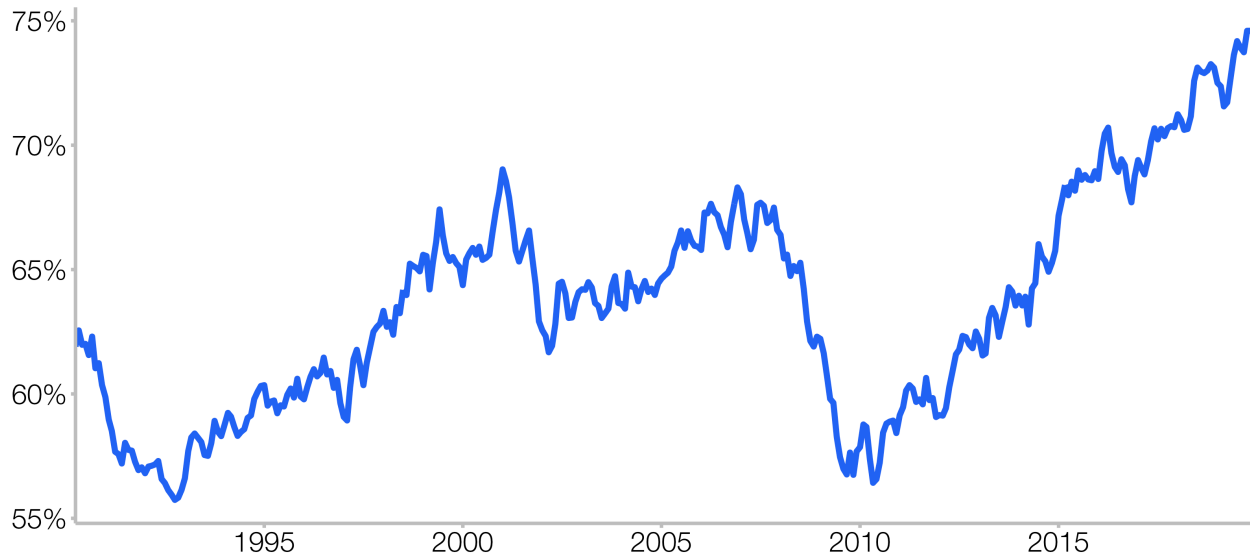
German politicians used the treaty as a nationalist rallying point. In 2010, ninety years after the Treaty of Versailles went into force, Germany finally paid off the last installment of its war debt. By then, another world war was behind it. Today, the Treaty of Versailles lingers as a study in how, when it comes to war, unintended consequences can negate even the best intentions.

U.S. Cancer Death Rate Sees Largest-Ever Single Year Decline: *The cancer death rate in the U.S. saw the largest one-year drop from 2016 to 2017, according to new data from the American Cancer Society. It's also the 26th year in a row that cancer deaths have declined. An analysis of the data showed that, since its peak of about 215 cancer deaths for every 100,000 people in 1991, the cancer death rate in the United States has continued to fall. The report found an overall drop of 29% as of 2017, which translates into an estimated 2.9 million fewer cancer deaths than what would have occurred if death rates had remained at their peak. A large part of the trend is due to a sharp drop in deaths from lung cancer - the leading cause of cancer death in the U.S. While reduced smoking rates obviously contribute to that, the study also cites better and more effective treatment options. In fact, researchers concluded the decline in death rates for four major cancers (lung, breast, prostate and colorectal) shows how far the medical field has progressed in treating the disease. Read more [HERE](#).*

December 2019 Jobs Day Preview: *Most Newly Employed Workers Are Coming From Outside the Labor Force: The 50-year low in the unemployment rate and the length of this economic recovery has had the phrases "late cycle" and "full employment" on the tip of every investor's tongue for years. But often-overlooked data on labor force flows show how deeply the financial crisis scarred the U.S. labor market. And this data reveals where the current expansion continues to draw resources from: those who had been out of the workforce altogether. Nick Bunker, an economist at the Indeed Hiring Lab, noted Tuesday that in November just under 75% of all employment gains accrued to those who had been outside the labor market. "This recovery has steadily pulled workers back into the labor force and moves straight into employment from the sidelines have been an important part of that story," Bunker said. "The labor force participation rate of prime-age workers is still more than a percentage point below its peak back in 2000, suggesting that roughly 1.5 million prime-age workers are currently out of the labor force and could move into employment." Since hitting a generational low of 80.7% in August 2015, the labor force participation rate among prime-age workers has now hit a 10-year high of 82.8%. And as Bunker notes, this prime-age participation rate still indicates plenty of slack in this labor market remains. As this longest-ever economic expansion continues and economists and investors marvel at monthly headline job gains, data underneath the surface makes these gains more explicable. (Sources: Yahoo, Indeed)*

Gains in employment come most from outside the labor force

Share of flows into employment from NILF, 3 mma, Apr 1990 - Nov 2019



Source: U.S. Bureau of Labor Statistics

indeed

2020 CES "Consumer Electronics Show" Highlights

Manta5's electric bike is one part bike, one part plane. *The e-bike is designed to mimic cycling, but on water — and it has a fully waterproof battery and motor. The product has been in development for eight years. You can watch a video of the bike in action [HERE](#).*

Samsung-backed Neon's "artificial humans" *are one of the most cutting-edge but potentially controversial new technologies at CES this year. It works on a neural network called Core R3 that simulates incredibly lifelike human avatars. The service promises these incredibly life-like CGI creations will interact with users in more powerful ways than existing home assistants, such as Alexa and Google Assistant. Learn more [HERE](#).*

Quibi, a new streaming service offering original programs lasting less than 10 minutes, *has been formally unveiled in a CES 2020 keynote. Quibi founder Jeffrey Katzenberg said it was designed for young lifestyles, offering episodes to be viewed while in a queue or on a break at work. The service is only coming to mobile, which makes sense when you see its content in action - Quibi can make use of your phone's touch screen, GPS function, camera, gyroscope and clock. Read all about it [HERE](#).*

Phonak's Virto Black hearing aids *are custom molded to sit in your ear canal, but the small external part makes it look more like a pair of true*

wireless earbuds. The use Phonak's own "Marvel" platform, which utilizes several sensors that feed into algorithms so that the hearing aid can seamlessly adapt the sound to your environment. Learn more [HERE](#).

MarsCat is a robotic pet cat that can walk, stretch, play with toys, avoid obstacles and bite its nails. It can also recognize human faces and knows 20 commands and phrases, including "sit" and "come here." It may be the only time a cat will listen to you. Check out more details [HERE](#).

TCL's foldable phone prototype was on-hand and could be on the market later this year, which they expect to sell for less than the \$1,500 foldable Motorola Razr flip phone. Read a review [HERE](#).

Razer's ERacing simulator is an immersive video-game setup includes motorized seat movement and a 128-inch curved projection screen, offering a 202-degree field of view. A separate motor will contract the racing harness as you drive, simulating the G-force of taking a sharp corner. Learn more [HERE](#).

Tombot the robot puppy is designed to help self-soothe those with stress, anxiety, loneliness and depression. Tombot has touch sensors all over its body to react to touch and voice-activation software to respond to commands. To mimic a dog's expressiveness, the robot has seven motors in its face, allowing it to move its ears, eyebrows and nose. A companion app will let you update the support robot will additional skills. Check it out [HERE](#).

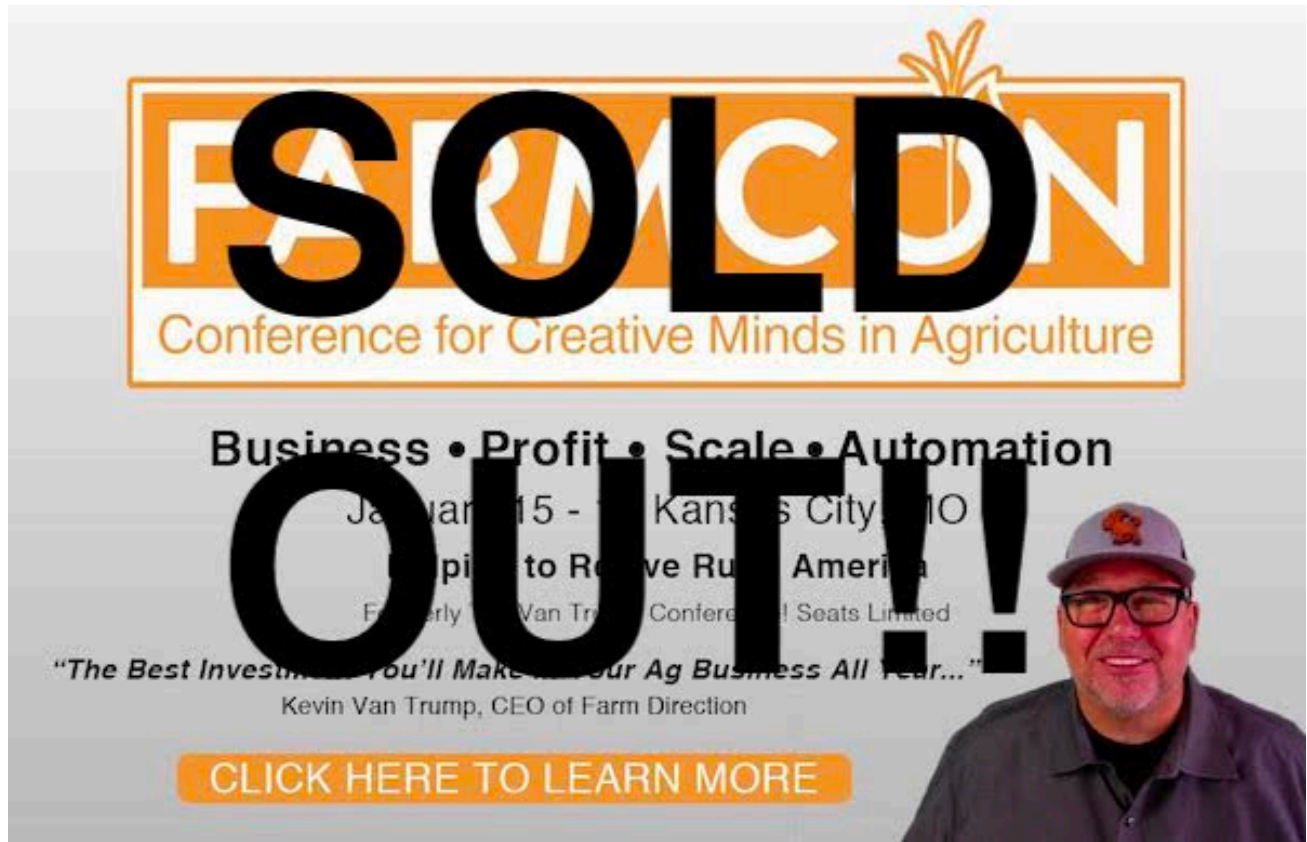
Narwal T10, a mop and vacuum robot, can vacuum your floors and has a tank of clean water inside so it can mop your floor, too. It can then clean itself from the clean tank and move the dirty water over to a second tank. You can control the Narwal with an app that lets you create a layout of your home. Learn more [HERE](#).

Charmin's RollBot delivers toilet paper. That's basically it. It resembles a cartoon bear. The toilet paper sits on top of its head but must be placed there before the user is stuck in a compromising position without a roll. It also can't open doors. People are divided between loving it or thinking it's the worst product at CES 2020. Read about it [HERE](#).









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The advertisement features a large, bold, black 'SOLD OUT!!' text overlaying the main content. On the right side, there is a portrait of Kevin Van Trump, CEO of Farm Direction, wearing a baseball cap and glasses. The background is a light gray with a subtle pattern of horizontal lines.

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Tweets of the Day





Steve Burns
@SJosephBurns



Number of years it takes capital to double through compounding at different rates of return.

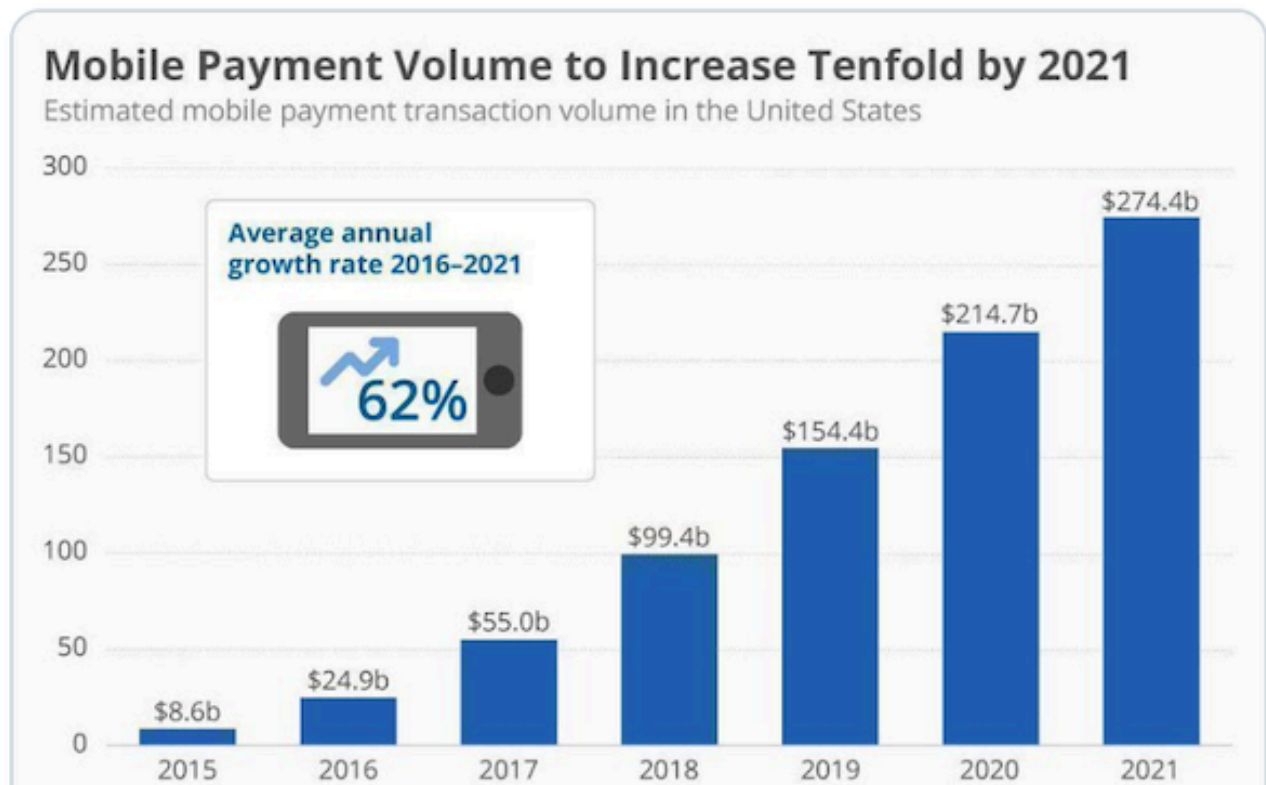
Rate of Return	Number of Years for Investment to Double
1%	72.0
2%	36.0
3%	24.0
4%	18.0
5%	14.4
6%	12.0
7%	10.3
8%	9.0
9%	8.0
10%	7.2
15%	4.8
20%	3.6
25%	2.9
30%	2.4
35%	2.1
45%	1.6
50%	1.4



Mike Quindazzi ✨
@MikeQuindazzi



#MobilePayments projected to increase by 10x in 2021
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Stephen Sexton
@AGRICENLIFER



Can you spot the uncut [#corn](#) 🌽 fields? Outside of FARGO, North Dakota [@Douhaniukl](#) [@jan_lpi](#)
[@GoddessofGrain](#)





Shannon McLellan
@McLellanShannon

Horsham, Victoria

Happy when this paddock is done. Only 68 trees and tree patches in 90 ha to go around. Over the sound of sticks going through the harvester. [#harvest19](#)





Warren S 🇨🇦
@farmerschneck



A genuine bonus [#harvest19](#) day in a [#harvest20](#) way.
Not sure we've ever dried 30+% [#corn](#) in January but
here we are. [#ontag](#)

Added bonus the steam is blowing away from the burners
for the first time all fall! **Morrisburg, Canada**





B/R Betting ✓
@br_betting



Who you got winning the Super Bowl? 🏆

(via @CaesarsPalace)



SUPER BOWL ODDS

RAVENS:	+200 ⓘ
CHIEFS:	+300
49ERS:	+300
PACKERS:	+800
SEAHAWKS:	+1500
VIKINGS:	+1800
TITANS:	+3500
TEXANS:	+4000

ⓘ +200 means a \$100 bet wins \$200

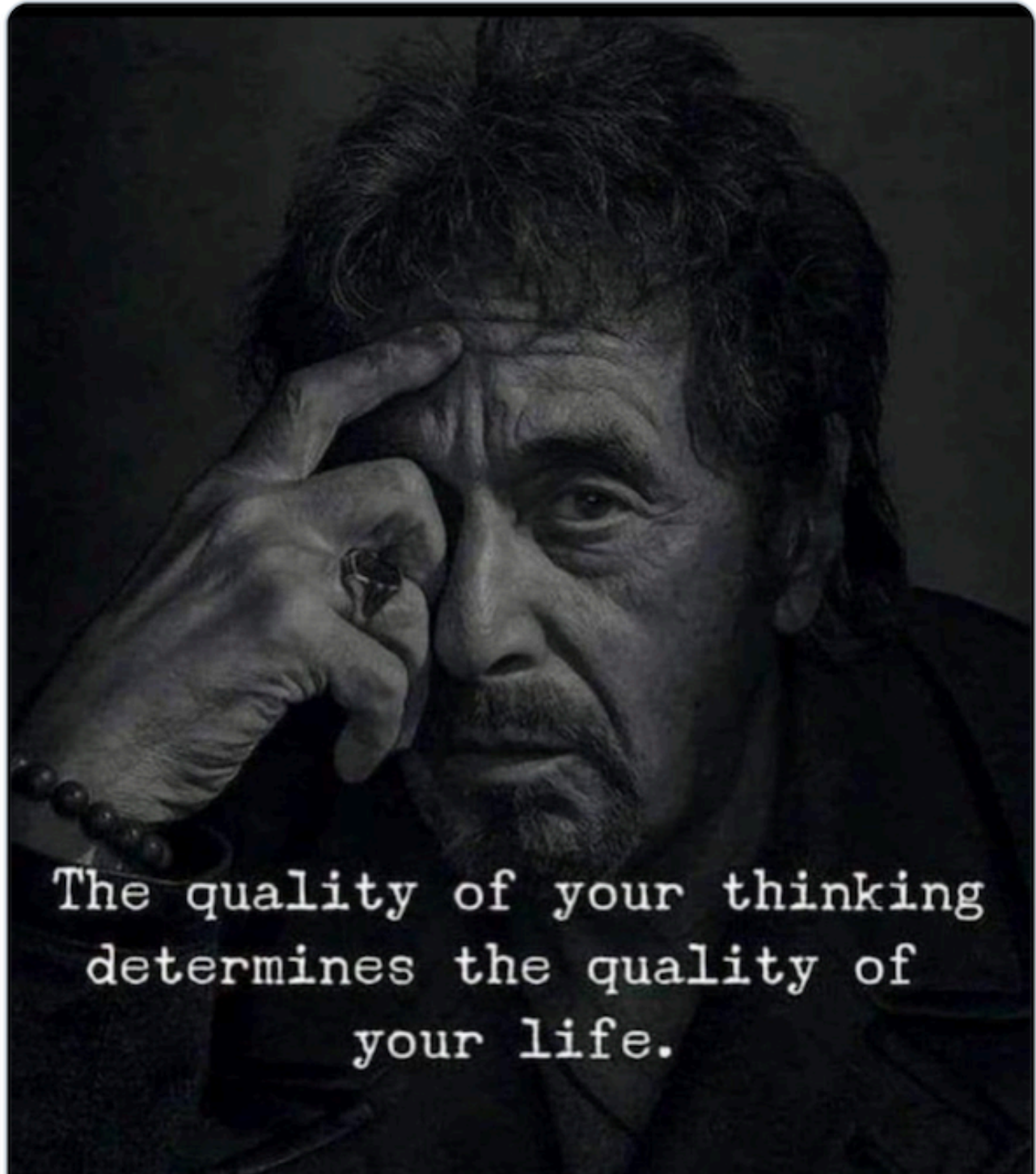
(via Caesars Palace)



Rajat Singh
@rajatsingh9777



Get this straight. [#inspiration](#)



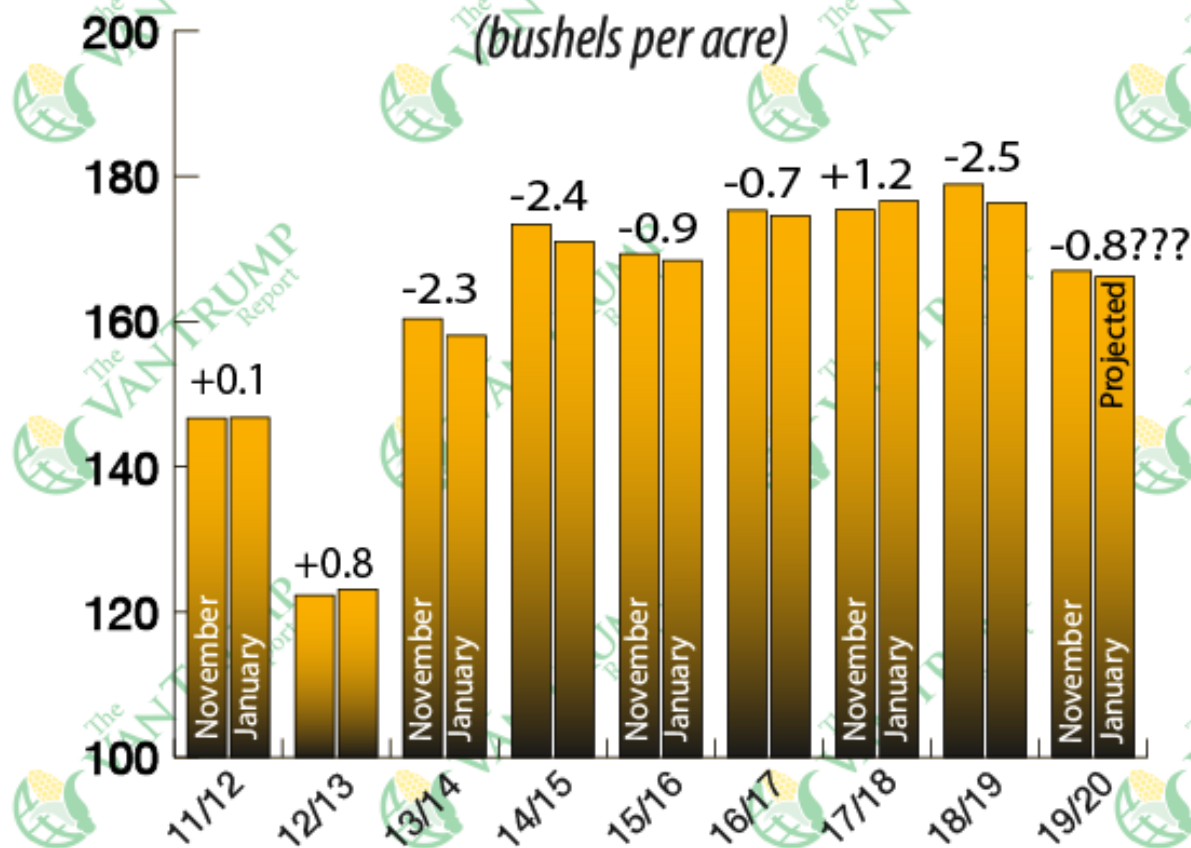


Corn traders are eagerly awaiting today's USDA report. There's very little to discuss until we get a better look at the newly updated numbers. Bulls are hoping for a sizeable reduction in both harvested acres and yield, which ultimately trims U.S. ending stocks. Most seem to be looking for a -400,000 to -500,000 reduction in harvested acres and a -0.5 to -1.0 bushel per acre reduction in yield. Bears continue to question overall demand. However, with the continued talk of possible Chinese buying in the air, many bears are apprehensive to place a big bet until learning more about the specifics of the "Phase 1" trade deal. South American weather seems mostly cooperative. In fact, the recent rains in Argentina now have +50% of the crop rated in "Good-to-Excellent" condition. At the same time, tight supply and strong cash prices in Brazil continue to encourage a strong number of second-crop corn acres. Bulls, however, are still hoping to see overall global supply trimmed to somewhere between 295 and 297 MMTs. There has been some talk that U.S. export quality might be in question as many producers this past year battled extreme soil moisture and overly wet conditions. At the moment this seems to be only in select areas of origin primarily to the west but we will continue to pay close attention to the talk. Technically, the MAR20 contract is still trying to close back above \$3.92 per bushel, something that hasn't happened since early-November. If we can clear that hurdle, technical bulls will then try to break

through the \$4.00 to \$4.15 range, which to happen will need help from fresh new headlines. On the downside, nearby support in the MAR20 contract appears to be in the \$3.70 to \$3.80 range. Keep in mind, this contract has only closed sub-\$3.70 on three occasions back in early to mid-September. As a producer, I've tried to reduce a bit more long-term risk by making a few new-crop sales and renouncing the sales on the board by purchasing some at-the-money calls. I believe we could see a longer-term bull run in 2020 but I'm worried about the lack of bullish headlines that could occur between the end of January and the end of March. Essentially asking myself what new headlines will be strong enough to bring fresh bullish money into this market after the USDA report and after the details and signing of the "Phase 1" trade deal? Bottom-line, if we rally aggressively today, I'm more than likely reducing more cash risk and selling into the bullish cheers.

U.S. Corn Yield Estimates

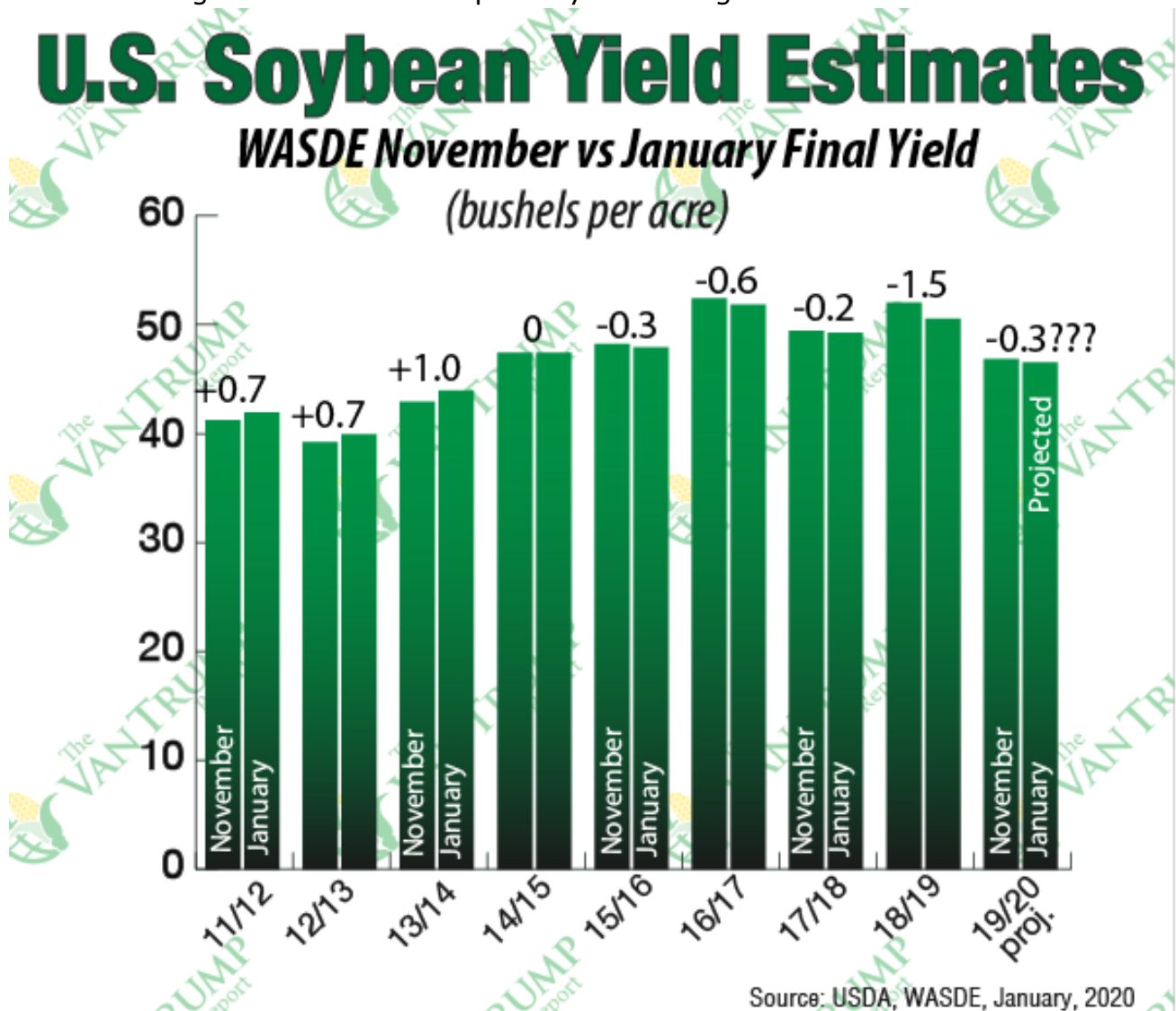
WASDE November vs. January Final Yield



Source: USDA, WASDE, January, 2020

Soybean bulls are hoping to end the week with the USDA trimming production estimates and tightening U.S. ending stocks. Then next week bulls are hoping to learn more about Chinese buying and details associated with the "Phase 1" trade deal. These two major headlines, the USDA and the Chinese trade deal have

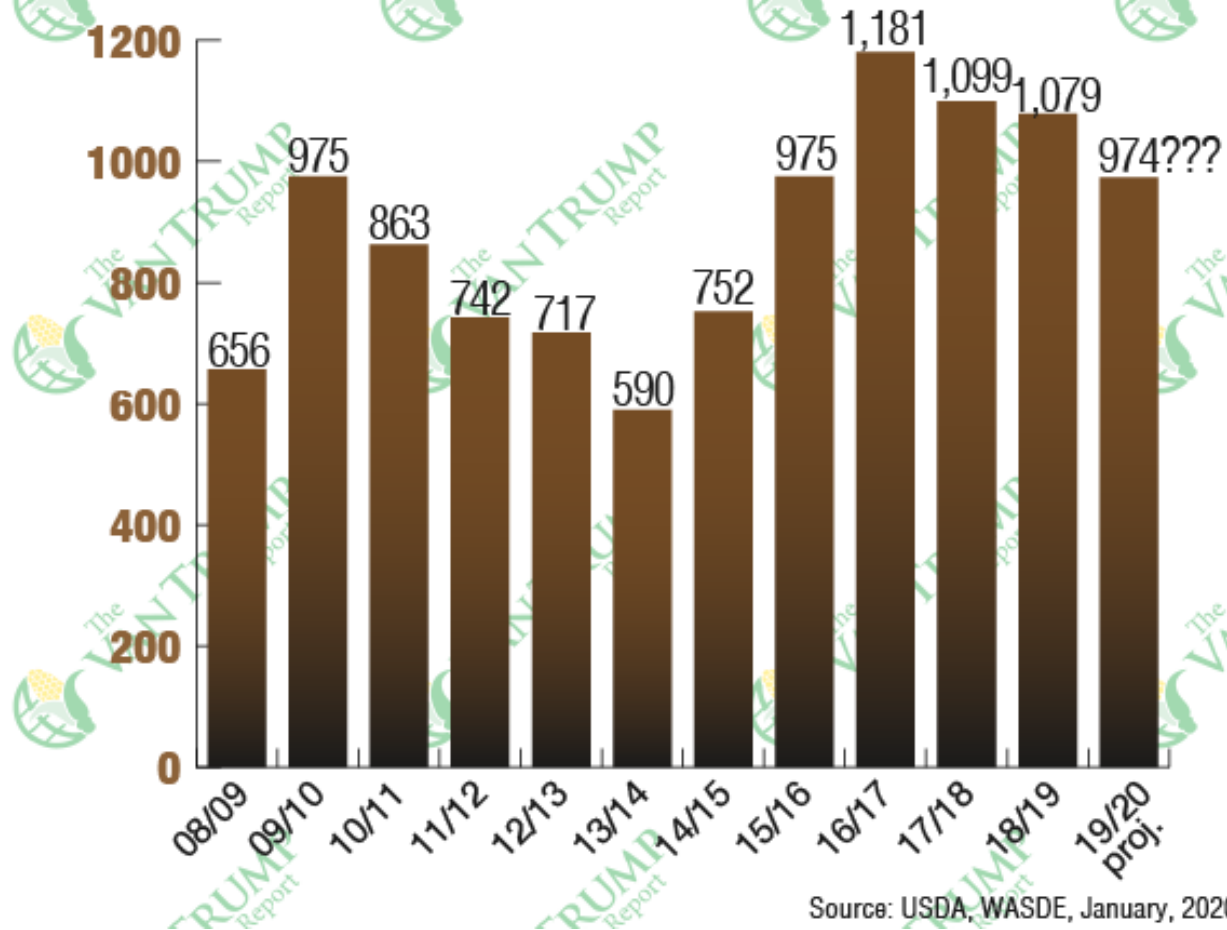
worked to push the bears to the sideline. The question is what happens after these two big wild-cards are flipped over? Brazil is about to harvest another record-setting crop and numbers here at home are going to start floating around inside the trade that shows U.S. producers are going to plant +9 million more soybean acres in 2020. As a producer, I've reduced some longer-term risk into the recent rally and elected to reown the board by using more limited-risk strategies. This move helps eliminate my two biggest fears: not making a move and for some reason the bottom falls out of the market; or massive demand comes our direction and weather complicates production in 2020 causing prices to aggressively work higher. Either way, by selling the cash bushels and reowning in a more limited risk manner works to help me eliminate a couple of major psychological hurdles. Technically, the MAR20 contract is looking at heavier nearby support in the \$9.00 to \$9.25 range and nearby resistance up in the \$9.50 to \$9.75 range. Bottom line, I have all eyes glued on today's USDA numbers and next week's Chinese trade headlines. I'm probably selling more cash bushels on a significant rally higher and will be looking to reown or be a spec buyer on a significant break lower...



Wheat bulls are hoping to see the USDA make an aggressive cut to U.S. winter acres, perhaps to sub 30.5 million. Bulls are also hoping to see a nice reduction in U.S. December 1 quarterly stocks and a slight reduction in overall global supply. The trade is also eager to better understand the details and specifics involving Chinese buyers. As a spec, I still remain on the sideline after recently banking bullish profits. Stay tuned, lots to digest!

U.S. Wheat Ending Stocks

(in million bushels)



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	???	81.25	80.10	81.815	81.74

Acres	???	61.39	60.10 -	61.619	61.74
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

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



> African Swine Fever Spreads Near German Border: *Poland recorded 55 outbreaks of African swine fever in wild boar near the German border last month, the world animal health body said on Thursday, in a sign the deadly virus is spreading near one of the European Union's biggest pork exporters. A report posted on the World Organization for Animal Health (OIE) website showed that the disease had now been found less than 18 miles from Germany. Authorities in German states bordering Poland have built fences in an attempt to stop wild boars wandering into Germany and spreading the disease. (Source: Reuters)*

> Hopes for Spike in U.S. Farm Exports to China Dim: *Days before a U.S.-China trade deal is due to be signed, large Chinese purchases of Brazilian soybeans and a pair of unexpected policy moves by Beijing have dimmed U.S. hopes that China would double its imports of American farm products this year. Chinese forward purchases of Brazilian soybeans, including about a dozen bulk vessels this week, or about 800,000 metric tons, are raising doubts Chinese buyers will have an appetite for vast supplies of U.S. soybeans once the deal is done. Margins in China for soybean crushings have improved for mid-2020, the height of Brazil's soy export season, according to two China-based traders. China's import needs have already been covered through the first quarter of the year, the traders said on condition of anonymity. No details about the targeted \$40 billion shopping list have been published, and China has not confirmed any purchase commitment. Adding to U.S. concerns about the deal, sources in China told Reuters this week that Beijing has suspended its plan to implement a nationwide gasoline blend containing 10% ethanol this year. The plan had spurred hopes of a jump in U.S. exports of the biofuel to China, as well as shipments of U.S. corn to produce it domestically. (Source: Reuters)*

> World Food Prices Climb to Five-Year High: *World food prices surged for the third consecutive month to reach a five-year high in December, lifted by strong rises in vegetable oils, sugar and dairy as well as rebounding cereal prices, the United Nations food agency said on Thursday. The Food and Agriculture Organization (FAO) food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar jumped to its highest point since Dec. 2014, averaging 181.7 points, up +2.5% on the previous month. For the year as a whole, the index averaged 171.5 points, +1.8% higher than in 2018 but below the peak of 230 points reached in 2011. The cereal price index rose +1.4% to average 164.3 points, led by higher prices for wheat with stronger demand from China and logistics problems following strikes in France. Vegetable oil prices were up strongly, with the index rising +9.4% to 164.7 points in December. Palm oil prices rose for the fifth month in a row, lifted by biodiesel demand, while soy, sunflower and rapeseed oil values also increased. Dairy and sugar prices also climbed, up +3.3% and +4.8% respectively. By contrast meat prices were almost unchanged from November with higher pig and sheep meat prices balanced by falling beef prices.*

> New Holland Partners with National Hemp Association: *New Holland Agriculture has announced an exclusive alliance with the National Hemp Association to help educate farmers and build a North American supply chain for hemp. Jon Hundley with New Holland tells Brownfield the groups plan to work side by side at major trade shows to better educate about hemp. "We are out there to educate farmers, growers, dealers, other equipment manufacturers, people thinking about getting into the hemp industry of what you need to know." The alliance has started a "Hemp Pledge" and is calling on others to commit to purchasing hemp grown and processed in the U.S. by U.S. farmers. Hundley says New Holland is also investigating how to incorporate hemp into products. Globally, he says New Holland has a large breath of equipment to help grow and harvest industrial hemp for fiber production. Listen to the full interview at [Brownfield Ag](#).*

> FCC Proposes Rules for \$20.4 Billion Rural Broadband Fund: *The Federal Communications Commission will vote on rules later this month for its proposed plan to allocate \$20.4 billion in funding to broadband providers serving rural areas in the US. The fund, which will be allocated over the next 10 years, will also be available to cable providers, wireless companies and electric co-ops, which have traditionally been excluded from such government subsidies, in an effort to finally close the rural digital divide. FCC Chairman Ajit Pai introduced the proposed rules for the Rural Digital Opportunity Fund to FCC colleagues on Wednesday. The full FCC will vote on the rules on Jan. 30. Read more [HERE](#).*

> U.S. Music Streams Topped a Trillion in 2019: *U.S. music streams on services like Spotify Technology AB, Apple Music and YouTube rose +30% last year to top one trillion for the first time, according to Nielsen Music's annual report, fueled by big releases from artists like Taylor Swift, Billie Eilish and Post Malone. Streaming services have upended how people listen to and pay for music, and now account for 82% of music consumption in the U.S., according to Nielsen. Sales of physical albums, meanwhile, dropped off -19% in 2019 and now make up just 9% of overall music consumption. Hip-hop, which has risen in popularity along with music-streaming, continued its reign as the biggest genre, with a 28% share of total listening, followed by rock at 20% and pop at 14%. Rapper Post Malone, whose albums have broken various streaming records, was the top artist of 2019 by a combination of sales and streams. Drake, Ms. Eilish, Ms. Swift and Ariana Grande round out the top five. Post Malone's "Hollywood's Bleeding" was the top album by a combination of sales and streams, followed by Ms. Eilish's "When We All Fall Asleep, Where Do We Go?" and Ms. Swift's "Lover." "Lover" was the top-selling album of the year with 1.1 million physical and digital copies sold. (Source: Wall Street Journal)*

> Swiss Trader Spills Secrets of Global Insider Network: *He tapped a safe full of cash to pay off corrupt stock tipsters and used phony invoices for artwork*

sales to mask some payments. He stole information from his banker girlfriend, placed stories with journalists and disguised illegal trades by using other people to make share purchases. On Wednesday, Marc Demane Debi, a failed Swiss entrepreneur, revealed to a New York jury the secret methods he used to earn \$70 million in illegal profit from a global insider-trading network. Testifying for U.S. prosecutors, he is the government's star witness in the trial of Telemarque Lavidas, the first to face a U.S. jury after a multiyear government probe of a wider alleged conspiracy. During one four-year period of insider trading he lived in Switzerland, Greece, the U.K., France, Lebanon and the United Arab Emirates. As part of his guilty plea, he agreed to forfeit about \$49 million. It's a pretty wild story. Check it out [HERE](#).

> Hollywood Fears 2020 Drop, With No 'Endgame,' 'Frozen' Ahead: *Movie ticket sales are expected to fall again in 2020 without the full force of the Avengers to save them. After a year marked by Walt Disney Co. hits, including the biggest animated release ever in "Frozen II," a Star Wars trilogy finale and an Avengers flick that ranks as the best-selling film of all time, 2020 will feel like a hangover, according to box-office analysts. While the year will certainly have some blockbusters, including a live-action version of "Mulan" and the Marvel installment "Black Widow," the slate doesn't include the large volume of highly anticipated franchise features that marked 2019. Star Wars and the Avengers both reached conclusions of sorts in their story lines that were built up over years. In total, Disney released seven of 2019's nine films expected to finish their runs with a worldwide gross of more than \$1 billion, the best year ever for a studio. Read more from [Bloomberg](#).*

> It Will Be a Super Bowl First, but Unrelated to Football: *We don't yet know yet which teams will be playing in the Super Bowl, but Bloomberg vs. Trump is already lined up. After news surfaced that Michael Bloomberg would shell out \$10 million for 60 seconds worth of advertising during the game, the Trump campaign has matched the effort, reports the New York Times, which is being called unprecedented. While presidential campaigns have bought ads that appeared in certain markets during the game, this is the first time such an ad will air in all of the approximately 100 million households expected to tune in. And it will happen not once but twice on Feb. 2. Bloomberg is funding his own campaign, and he's keeping his focus national, bucking the traditional approach of courting early state voters. Trump's campaign, meanwhile, is flush with cash, entering the new year with \$103 million in the bank. (Source: Newser)*

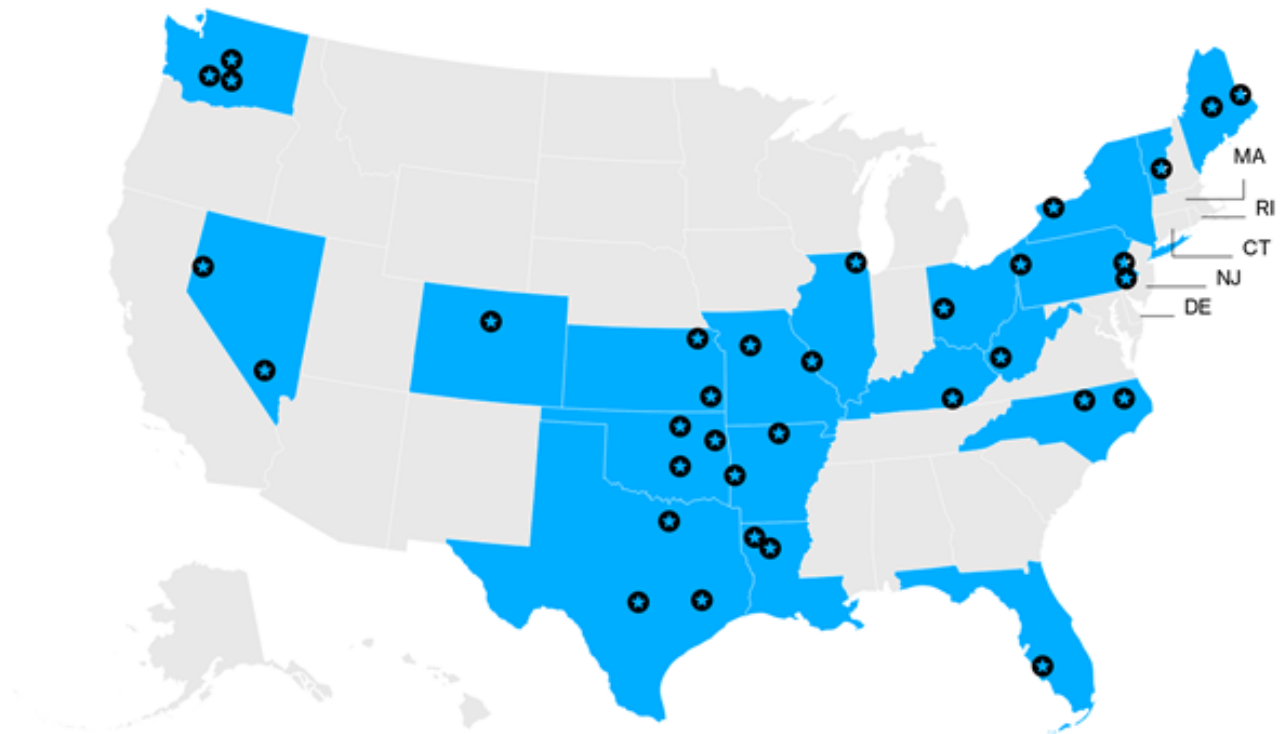
> U.S. Faces a Hospital Crisis: *A quiet crisis is unfolding for U.S. hospitals, with bankruptcies and closures threatening to leave some of the country's most vulnerable citizens without care. At least 30 facilities entered bankruptcy last year, as distress in the healthcare sector has soared, according to Bloomberg data. The closed locations range from downtown Philadelphia to rural Sevier County,*

Arkansas. The pressures on the sector are as tangled as the health-care system itself. Americans are fleeing rural areas in favor of urban centers, reducing the demand for hospital services in already struggling communities. In both cities and towns, many hospitals that care for impoverished citizens often rely heavily on government payments that reimburse less than private insurers and may fail to cover rising costs. Hospitals are also losing key income as more profitable procedures move to lower-cost outpatient centers. If that weren't enough, with both Republicans and Democrats making a political football out of health care ahead of the 2020 presidential election, significant policy change could be near. Read more from [Bloomberg](#).

Ailing Hospitals

At least 30 hospitals in the U.S. entered bankruptcy in 2019

■ Bankruptcy Reported



Source: Court Documents

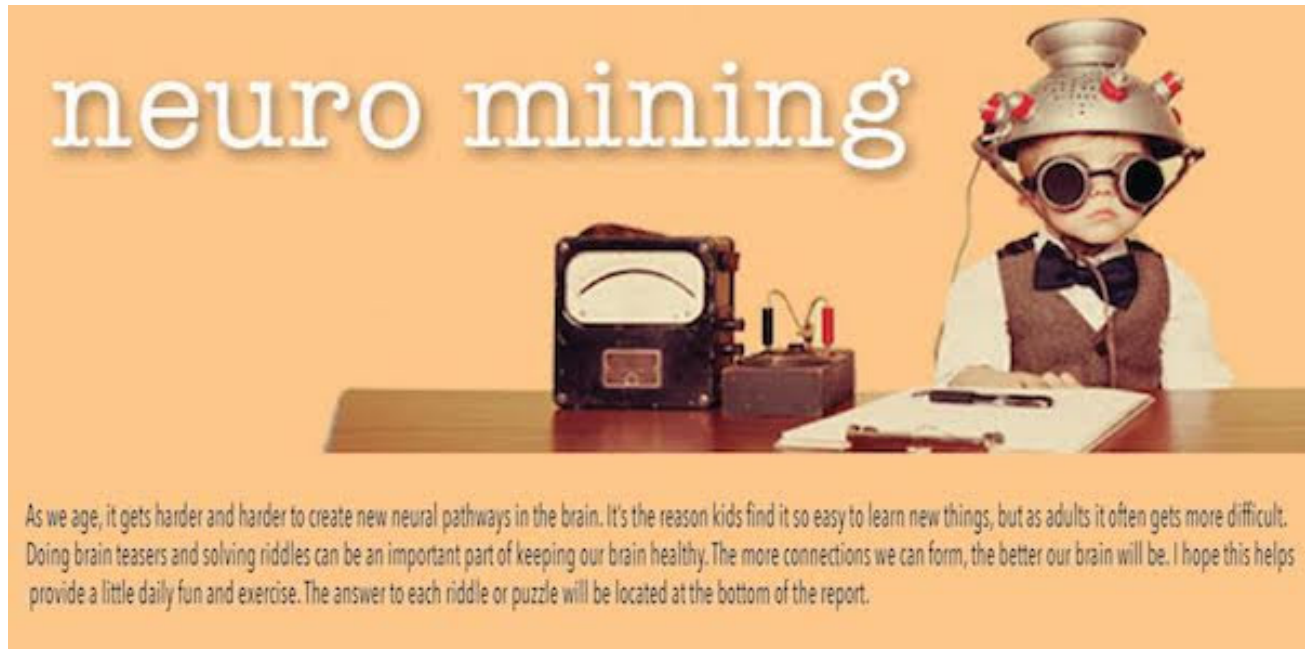
Bloomberg



North Central South Dakota - *It was no different in our little corner of paradise than anywhere else! From receiving over 80 inches of snow over the winter (normal is 34 inches) to nearly 40 inches of rain all year long (normal is about 22). We were fortunate to have been able to get just over 80% of our crops planted into decent conditions. After that it seemed like we would get an inch or two every week. It was like we had irrigated crops all year long. We had 10% of our crops get hailed out, and another 10% of our corn, on some normally very good land, suffer from too much moisture. So what could have been a year of record farm averages for us of maybe 180 for corn and upper 50s for beans ended up being near average of 148 corn and 47 soybeans. Our application business also took a hit this year as we normally spray well over 40,000 acres per year, but this year we barely were able to cover 25,000 acres. And in 2018 we were able to spread 20,000 tons of lime and manure while in 2019 we only spread 3000 tons. I am grateful that we work with a small town bank. Hopefully they might be a little more forgiving than a larger bank...maybe!*

Southwest South Dakota - *We had roughly one third of our acres go prevent plant which pushed us into one third fall wheat. We will see how that turns out. We are in an area where you can grow a lot of different crops but we generally stick with sunflowers, corn, soybeans, and wheat. You go much further north of us and most guys grow spring wheat. We are still trying to get our last bit of corn done while the weather stays cold. When it warms up, harvest slows down.*

Western Missouri - *The weather has been unusually warm and we have been able to get stuff done this fall and winter. All the fall application was completed with the exception a few acres of just always wet spots. The problem we are facing the next few days is 1-2 inches of nice rain followed by a foot or so of snow on Sunday, which should round out the crappy weather pretty nicely.*



TODAY'S RIDDLE: I build bridges of silver and crowns of gold. Who am I?



NEW Bioplastic Spray Helps Protect Crops from Pathogens... Interesting!

USDA researchers have found a new and novel use for bioplastics that can help farmers defend against crop pathogens. The bioplastic, made of cornstarch and other natural ingredients, is showing potential as an effective method for delivering beneficial microbes that help fight aflatoxins and other agricultural pathogens and pests.

Aflatoxin is a chronic problem for ag producers. The highly toxic substances can contaminate corn, peanuts, cotton, and other crops, and at high doses they threaten the health of people, pets, fish, livestock, and other animals. USDA regulations prohibit the sale of grain that contains more than 20 parts per million. Estimates of economic losses due to aflatoxin contamination but in the United States, annual loss estimates range up to more than \$200 million for corn and \$500 million for corn, peanuts, and other crops combined.

Aflatoxin is produced by species of the *Aspergillus* fungi, although not all

Aspergillus produce the toxic substance. In fact, scientists at the USDA's Agricultural Research Service (ARS) incorporated a beneficial strain of Aspergillus into granules of bioplastic several years ago. Hamed Abbas, a plant pathologist with ARS's Biological Control of Pests Research Unit in Stoneville, Mississippi, and other ARS scientists published a paper in 2011 documenting how the granules worked well in reducing aflatoxins when spread onto soil in the furrows between waist-high corn plants.

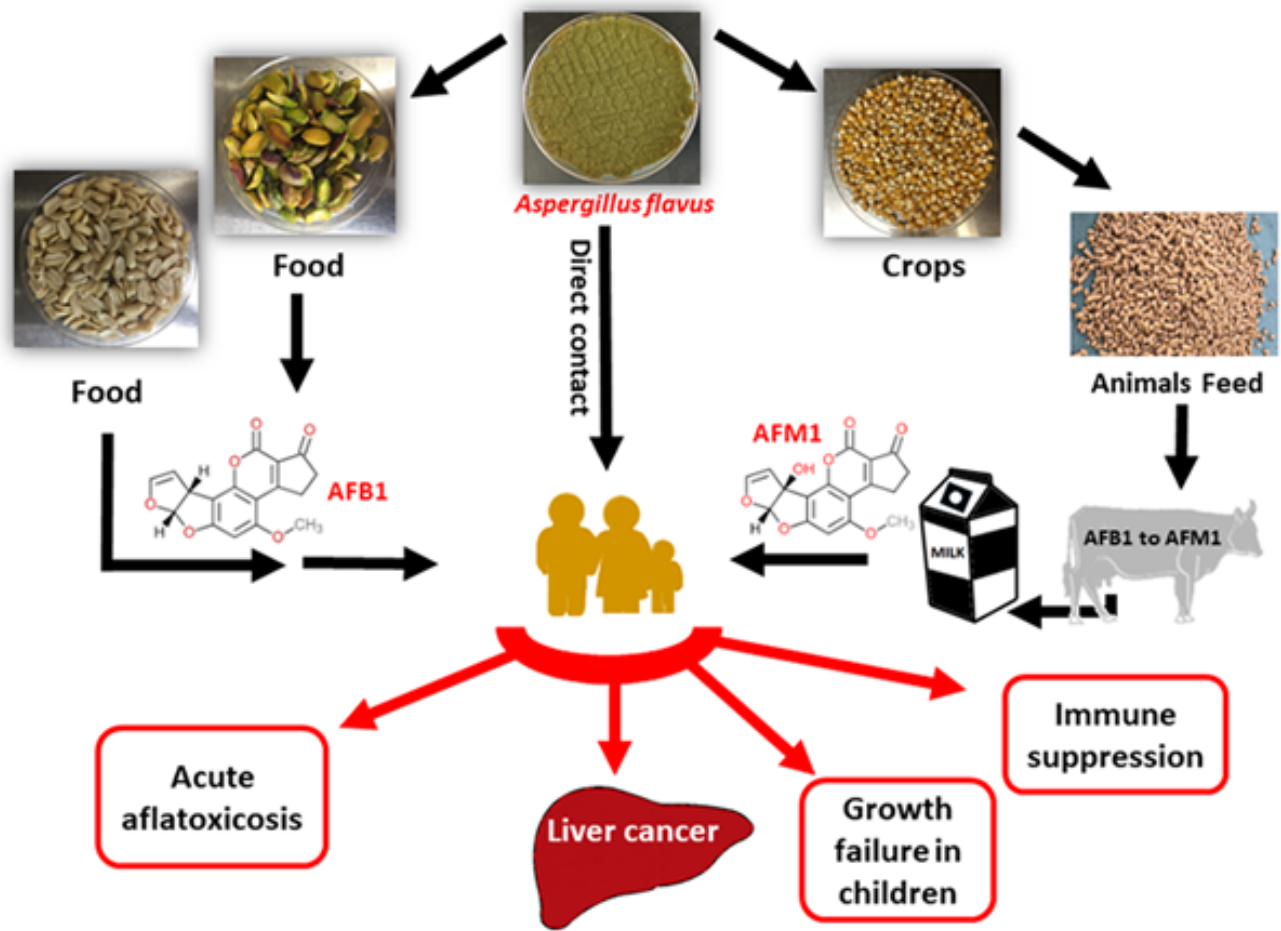
Abbas and collaborator Cesare Accinelli with the University of Bologna, Italy, have now developed a sprayable version of the formulation that is much easier to apply. Studies of the spray indicate it helped reduce aflatoxin contamination of corn by 97% using the system.

"With the sprayable method, we don't have to put the beneficial fungus or spore on a granule of bioplastic," Abbas says. "We melt the bioplastic into a liquid, mix in the biological control agent—a nontoxic, beneficial Aspergillus in this case—and then spray it on the plants or coat the seeds with it."

Abbas explains that one of the benefits of making the bioplastic from cornstarch is that it's naturally sticky, meaning there is no need for additional materials to help it stick to plants or seeds. It also provides nutrition for the beneficial microbes.

Another advantage of the bioplastic is that it can be delivered in one application in any form—granule, liquid, spray, or seed coating, Abbas adds. It is inexpensive, has a long shelf life, and is easy to apply. ARS has received a patent on the technology and it has been licensed by a commercial company, so hopefully they will have a commercially available product available soon.

Their bioplastic delivery technology may also have other commercial applications. In experiments, other microbial biocontrol agents have significantly reduced damage caused by the European corn borer in corn and the tarnished plant bug in cotton. Abbas believes it also has the potential to protect seeds from soilborn pathogens. (Sources: USDA, High Plains Journal)







Sotheby's to Kick Off "Collector Car Auction Season" with Massive Arizona Sale

A new year means new chances for collectors to score the classic car of their dreams. Kicking off the collector car auction season, RM Sotheby's returns to the grounds of the Arizona Biltmore Resort & Spa in Phoenix, January 16-17, for its 21st annual Arizona sale. Some of the cars in the 150-lot auction are expected to fetch millions while others are a little more accessible in the below-\$100,000 range.

The high-end and classic car market has been on fire for the past decade with every new year bringing new record-setting sale prices. The highest price to date was set in 2018 when a 1962 Ferrari 250 GTO brought \$48 million at RM Sotheby's auction in Monterey, California. In fact, of the top 30 most expensive collector cars ever sold at auction, all but two of them were sold in the 2010s. The exceptions are two Bugatti Royales sold back in the 1980s which fetched \$15 million and \$22 million each.

The market will be closely watched again this year, with some in the business calling for a downturn to correct what many believe is a bubble building. The 2018 highlight at this auction in Arizona was the sale of a 1966 Shelby 427 Cobra which sold for \$2,947,500. In 2017 the highlight was a 1995 Ferrari F50 which sold for \$3,135,000. And in 2016 it was the sale of a 1937 Mercedes-Benz 540 K Special Roadster that sold for \$9,900,000.

Below are just a few of the lots at this year's auction that are expected to turn a few heads. You can find full details about all the cars available [HERE](#).

1958 Ferrari 250 GT Cabriolet by Panin Farina, Estimated \$6-\$7 Million: *One of the most exciting cars in the sale, this Cabriolet was owned by a California collector for more than two decades. It's the 25th of 40 total first-series Cabriolets, including three prototypes. Throughout the past 20 years, the Pinin Farina Cabriolet has completed numerous tours, including the Quail Rally; the California Mille; the Colorado Grand; and the Ferrari of North America 60th anniversary celebration in Beverly Hills, California, in 2014, for which it was chosen by the Maranello factory to represent one of the 60 most important Ferraris in their 60 years in America.*



1937 Mercedes-Benz 540 K Coupe by Hebmüller, Estimated \$1-\$1.5 Million: *This car has been parked in a family's garage for the last 50 years. Originally purchased in 1937, it was scooped up by an American owner when it appeared at auction in 1969. The current owner's father drove it from Denver to his home in Nebraska where it was only driven occasionally. The Mercedes-Benz retains its original chassis, drivetrain, covered rear spare, and chrome wire wheels. It has been recommissioned and is now in running and driving order, according to RM Sotheby's. As a complete package, it ranks among the most elegant and graceful German coachwork of its era and today is among the most highly sought-after by enthusiasts, with survivors seldom becoming available.*



1971 Lamborghini Miura P400 SV by Bertone, Estimated \$1.4-\$1.6 Million: *The first "supercar" from Lamborghini, and perhaps the first supercar the world had ever seen, was the P400 Miura. When it was first unveiled at the 1966 Geneva Salon, its impact was nothing short of extraordinary. Simply stated, the Miura looked like no other car on the road, and it marked a paradigm shift in the design of high-performance cars. The final iteration of the Miura, the SV, featured numerous improvements over the already spectacular P400 S that came before it. This Lamborghini Miura was completed on December 10, 1971 and was originally finished in Miura Green over a black leather interior. It has been owned since 1979 by a private collector in the U.S. and currently wears a repaint and retrim from many years ago.*



1963 Shelby 260 Cobra, Estimated \$650,000-\$750,000: *Few sports cars are as celebrated and well-known as the Shelby Cobra. Carroll Shelby may not have been the first entrepreneur to install a large-bore American engine into a European body, but his creation was certainly the most famous and effective. This is one of 62 early 260 street Cobras and has been in climate-controlled storage for the last 46 years. The owner occasionally offered the car for sale through the years but never received an adequate offer, so it remained in his collection until his passing in 2019. Notable for featuring many of the interior details under its first owner, including period upholstery and trim pieces, this Shelby claims minimal use in recent years and is documented with an entry from the SAAC Leaf Spring Cobra Registry.*



1935 Cadillac V-16 Imperial Convertible Sedan by Fleetwood, Estimated \$600,000-\$750,000: *This car was one of six Imperial convertible sedans built on the Cadillac V-16 chassis in 1935, a year that saw a total production of only fifty V-16 chassis. The Cadillac was eventually acquired in the late 1970s by longtime Classic Car Club of America member and past president Richard Gold. It was one of several Cadillacs sold by Dick Gold to Tom Barrett, who in turn passed the car to Dr. Barbara Atwood, the best-known female collector of her generation. Atwood had the car restored by award-winning restorer Steve Babinsky which led to it winning First in Class at the 1991 Pebble Beach Concours d'Elegance.*



1948 Ford Marmon-Herrington Super Deluxe Station Wagon, Estimated \$200,000-\$265,000: *Beginning in 1937, Ford station wagons were converted to all-wheel drive by Marmon-Herrington. They were limited to off-road use, as they were initially not offered in two-wheel-drive mode. The wagons were sent directly from Ford's Iron Mountain facility to the Marmon-Herrington plant in Indianapolis, Indiana. M-H removed the wooden body from the chassis, reinforced the chassis, and installed the full-time all-wheel-drive hardware. The 239 cu. in. flathead V-8 was retained while mated to a Ford truck four-speed manual transmission and a modified rear axle/differential. The body was rejoined with the newly modified chassis and the cars shipped to Ford dealers. At \$4,000, it was twice the cost of the standard Ford wagon, and as such, sales were limited. This example is the beneficiary of a meticulous nut-and-bolt restoration, with much of the work done by staff members from the noted Nick Alexander Collection. It has been used sparingly and was recently displayed at the 2018 Hillsborough Concours d'Elegance, its only showing.*



1953 Spartan Spartanette Tandem 131, Estimated \$75,000-\$125,000: *The Spartan Trailer Company was launched by wealthy industrialist J. Paul Getty. He converted the Spartan Aircraft factory in Tulsa, Oklahoma, to build high-end travel trailers for wealthy clients. They soon earned a reputation as the "Cadillac" of the industry, and their price tags—often as much as the cost of a small conventional house—reflected the quality of their materials and construction. This fully restored 1953 Spartanette Tandem 131 represented the entry-level Spartan trailer, with an original price of nearly \$4,400 when new. This beautiful example - which claims to be road-trip ready - was an award winner at the 2015 Modernism Week Vintage Travel Trailer Show, in addition to receiving awards in 2014 and 2016 at the Pismo Vintage Trailer rallies.*



1949 Harley-Davidson Police Servi-Car, Estimated \$30,000-\$40,000:

Harley-Davidson Servi-Cars are indelibly associated with police departments and were part of the American urban landscape for 42 years, specifically from 1932–74. Their most common use was for parking enforcement, and they were never really intended for highway use. The 750 cc side-valve engine dated to 1929 and featured large cooling fins so it could idle around town without overheating.



2018 Pagani Huayra Roadster, Estimated \$2.5-\$2.7 Million: *The Huayra roadster on offer is the 42nd of just 100 roadsters produced and considered one of the most intricate, well-wrought supercars to have ever been built. The massive engine cover behind the passenger compartment rotates rearward to expose the twin-turbocharged 6.0-liter V-12. This particular example has less than 200 miles on it. The box on this example reads "Oakland Police Department" along with the slogan "To Serve and Protect." This Servi-Car is an original police bike, supposedly bought new by the Oakland, California, Police Department. Furthermore, it was reportedly purchased from the oldest Harley-Davidson dealer in the country.*



2019 McLaren Senna, Estimated \$1.1-\$1.25 Million: McLaren calls the Senna its most track-focused car to date. It joined the P1 on the top shelf of the manufacturer's model line, the Ultimate Series, named in honor of the legendary Formula 1 driver Ayrton Senna, who won three Drivers' Championships for McLaren between 1988 and 1993. Currently displaying 192 miles, this is one of just 500 examples produced. The Senna was purchased new by the consignor from McLaren Greenwich of Stamford, Connecticut, and was finished in a \$193,941 MSO custom finish of Iridium Blue that honors the Gulf Oil livery. The Senna is capable of reaching 62 mph from standstill in just 2.8 seconds and 124 mph in 6.8 seconds, with a top speed of 208 mph.



One of Michelle's Favorites... 1963 Chevrolet Corvette Sting Ray Z06 'Big Tank' Split-Window Coupe, Estimated \$500,000 - \$600,000:

Nineteen sixty-three marked the 10-year anniversary of the Chevrolet Corvette. It was celebrated with a stunning new Sting Ray design. Penned by Bill Mitchell and Larry Shinoda, the new Corvette was offered in either a coupe or convertible body style, with the coupe defined by a two-piece rear window. While the design remained through the 1967 model year, the iconic "split-window" was a one-year-only design element. That year Chevrolet offered Corvette buyers the Z06 Special Performance Equipment Group as a \$1,818.45 option. It offered a host of performance parts including larger shocks and springs, larger-diameter front sway bar, and heavy-duty finned drum brakes with sintered linings and a unique dual-circuit master cylinder. The true racing Z06 buyers opted to add the N03 'Big Tank', which added a high-capacity 36.5-gallon fuel tank behind the seats for endurance racing. Only 63 Corvettes were produced with the \$202.30 N03 option. Z06s were powered by a 360 hp, 327 cu. in. V-8 with Rochester fuel injection backed by a four-speed manual transmission. Initially, the alloy knock-off wheels were specified, but the porous alloy proved troublesome, so Chevy switched to heavy-duty steel wheels with decorative wheel covers, giving the car a bit of a "sleeper" look. After suffering losses on the track against Carroll Shelby's Cobra, GM execs pulled the plug on the racing program, and the Z06 died with only 199 cars having been built, of which only a fraction included the larger fuel tank.



One I Would Like To Bid On... 1971 Ford Bronco Custom, Estimated \$70,000 - \$90,000: *The Ford Bronco, introduced in 1966, changed little over succeeding years, a testament to its excellent design and popularity. Tough, practical, and simple, the Bronco served a particular purpose and did so exceedingly well. The Bronco's reputation took off quickly and soon became one of Jeep's biggest competitors. This first-generation small four-wheel-drive vehicle developed a loyal following, allowing it to remain in production up until the 1977 model year. With classic styling, easy access to parts, off-road versatility, and a rugged reputation, these early Broncos are treasured by enthusiasts and collectors more than ever. This high-quality Bronco was custom-built for a collector of Shelby models that wanted a very special utility vehicle to accompany his car collection. To that end, this classic Bronco is fitted with a high-performance 331-cubic-inch engine topped with a Holley four-barrel carburetor. Built by the Carroll Shelby Engine Company, this custom-built Ford small block delivers an impressive 421 horsepower. Paired to the engine is a three-speed manual transmission and a four-wheel-drive transfer case that transmits power to the front and rear wheels. Fully refurbished and highly detailed, the Bronco rides on a new set of tires mounted to a set of Fuelie wheels. Since completion, it has only been driven ten miles.*



Are You INTERESTED or COMMITTED... There's a Huge Difference!

This is a very simple bit of advice that I was given many many years ago. It wasn't until I started talking with my own kids, and them asking me about things in my life that might have helped me become successful, that I realized how important a piece of the puzzle it might have been. I found someone that put the life lesson in just the same simple format that I had heard some +30 years ago.

Motivation might get you going, but grounded action, commitment, strong habits, and doing the tough things is what makes it all happen. Too often we half-heartedly move from one project to the next, as soon as one gets difficult or lacks interest, we move onto the next. This simple life hack will help you better define your odds of success.

Great advice to share with the kids, certainly worth a quick listen. **Click [HERE](#)**



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CASH SALES & HEDGING TOTALS

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Corn 2018 Crop

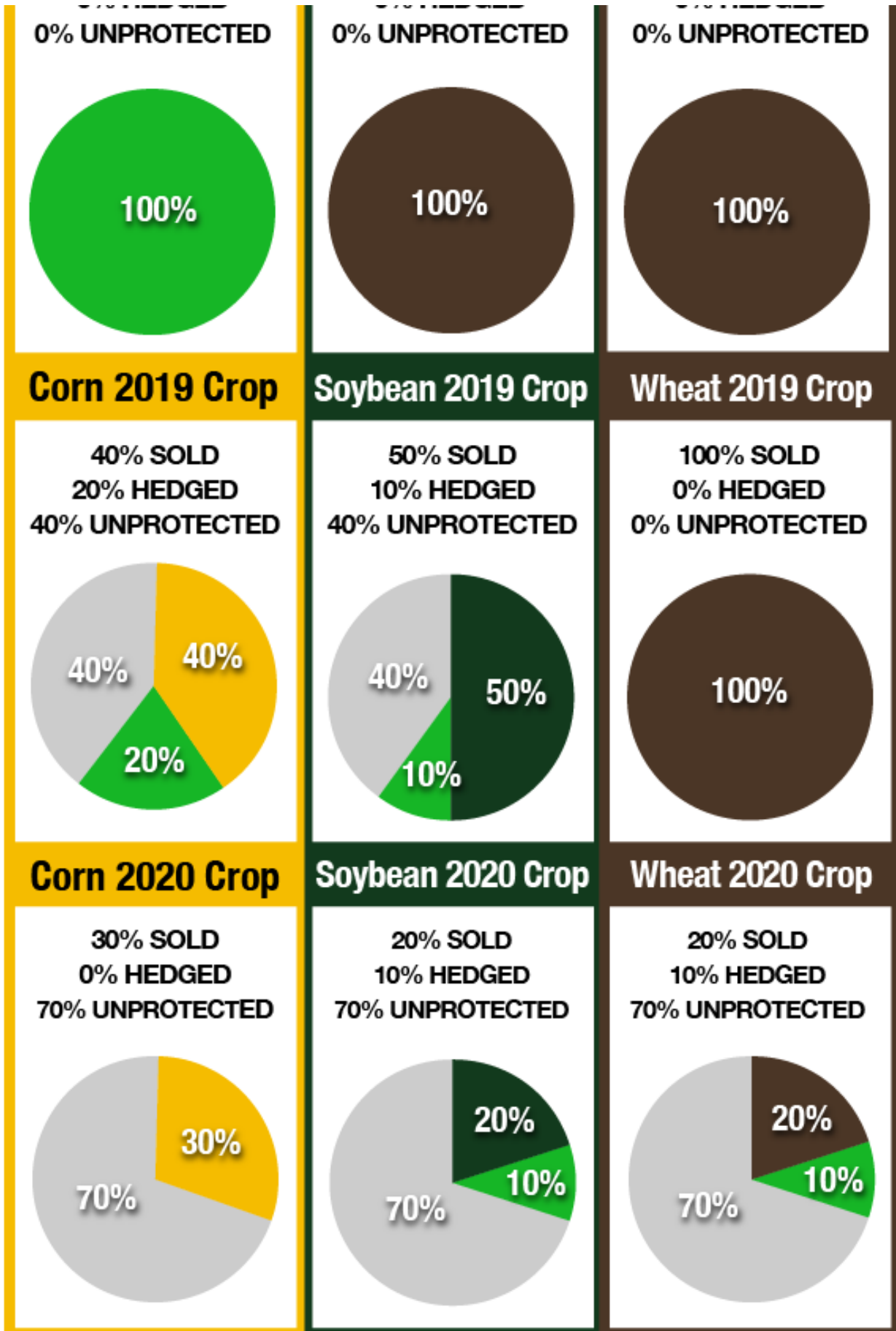
100% SOLD
0% HEDGED

Soybean 2018 Crop

100% SOLD
0% HEDGED

Wheat 2018 Crop

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0% HEDGED



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