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

1 message

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

Mon, Jan 13, 2020 at 5:30 AM

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"The chief cause of failure and unhappiness is trading what you want most for what you want right now." - **Zig Ziglar**

Monday, January 13, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: U.S. stock markets manage to power ahead despite the ongoing geopolitical turmoil in the Middle East. The Dow, S&P 500, and Nasdaq all posted record all-time highs last week and will now be trying to add to those gains. Investors will be heavily focused on fourth quarter earnings this week with big banks like JP Morgan, Citi Group, and Wells Fargo scheduled to report tomorrow. They'll be followed by Bank of America, Goldman Sachs, and PNC Financial on Wednesday, then Morgan Stanley, Charles Schwab, and BNY Mellon on Thursday. Refinitiv analysis forecasts earnings for S&P 500 companies will fall -0.6%, which would mark the second straight quarterly decline. Banks may do better, though, with forecasters calling for +11% earnings growth for the banking sector as a whole in the fourth quarter. Keep in mind, Wall Street's bank index climbed +36% in 2019 so there are big expectations in place. U.S. economic data also remains in the spotlight this week. The December Employment report released on Friday showed the economy added +145,000 jobs last month and

unemployment stayed at a 50-year low of 3.5%, capping a 10th straight year of jobs gains and the longest stretch in 80 years of data. According to the Wall Street Journal, since the end of 2009, employers added +22.58 million jobs, surpassing the 1990s for the most total job growth during a decade. For 2019, the economy added a total of +2.1 million jobs, which was below 2018's pace and is seen as a reflection of the difficulty employers are having finding enough qualified workers in such a tight labor market. There is no major economic data scheduled for release today but the rest of the week will bring fresh U.S. inflation data, retail sales, and the latest housing figures. On the trade front, all eyes will be on China's trade delegation, who is scheduled to arrive in Washington today, where they will stay through Wednesday to officially sign the "Phase 1" trade deal. No schedule has been laid out for the next phase of talks, though President Trump said late last week that negotiations for "Phase Two" may have to wait until after the 2020 election. A full Senate vote on USMCA (new NAFTA) is probably not going to be on the calendar for this week as Speaker Nancy Pelosi is expected to transmit the articles of impeachment against President Donald Trump. Senate Majority Leader Mitch McConnell could start the impeachment trial shortly after he receives the articles meaning USMCA will take a backseat until the trial wraps up. Also worth mentioning, the first Democratic Presidential debate of the new year takes place tomorrow and will be the last debate ahead of the all-important Iowa caucuses coming up on February 3. Turning to the Middle East, tensions between the U.S. and Iran have not led to any new military attacks. However, Iran may have its hand full on the domestic front after admitting that their armed forces accidentally shot down the Ukrainian passenger plane that crashed shortly after takeoff from an Iranian airport last week. Many on board were Iranians with dual citizenship. Iran initially denied any involvement but was forced to admit their part after evidence from International organizations produced evidence showing the plane was struck by Iranian-launched missiles. Thousands of people in Iran took to the streets over the weekend, demanding those responsible be held accountable and expressing anger about what they feel is incompetent leadership, including Iran's Supreme Leader Ayatollah Ali Khamenei. The country is also now facing international criticism for its handling of the protests. President Donald Trump tweeted yesterday: "To the leaders of Iran - DO NOT KILL YOUR PROTESTERS. Thousands have already been killed or imprisoned by you, and the World is watching."

Tesla Sales Continue to Surge: *Tesla sold 112,000 cars last quarter and 367,500 in 2019, the company reported Friday. They delivered +50% more vehicles than the previous year. Its fourth-quarter vehicle sales set a new quarterly sales record and rose +15% from the prior quarter.*

Democratic Presidential Odds: *The latest Democratic candidate betting odds from PredictIt.org – a website that allows users to place small-money wagers on a slew of political outcomes – gives Joe Biden a narrow lead (37%) to win the party's nomination. Bernie Sanders (35%) and Elizabeth Warren (11%).*

The Day the Albums Died: *U.S. music streams on services like Spotify, 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 all music consumption in the U.S. Sales of physical albums, meanwhile, dropped off 19% in 2019 and now make up just 9% of overall music consumption. Source: The Wall Street Journal*

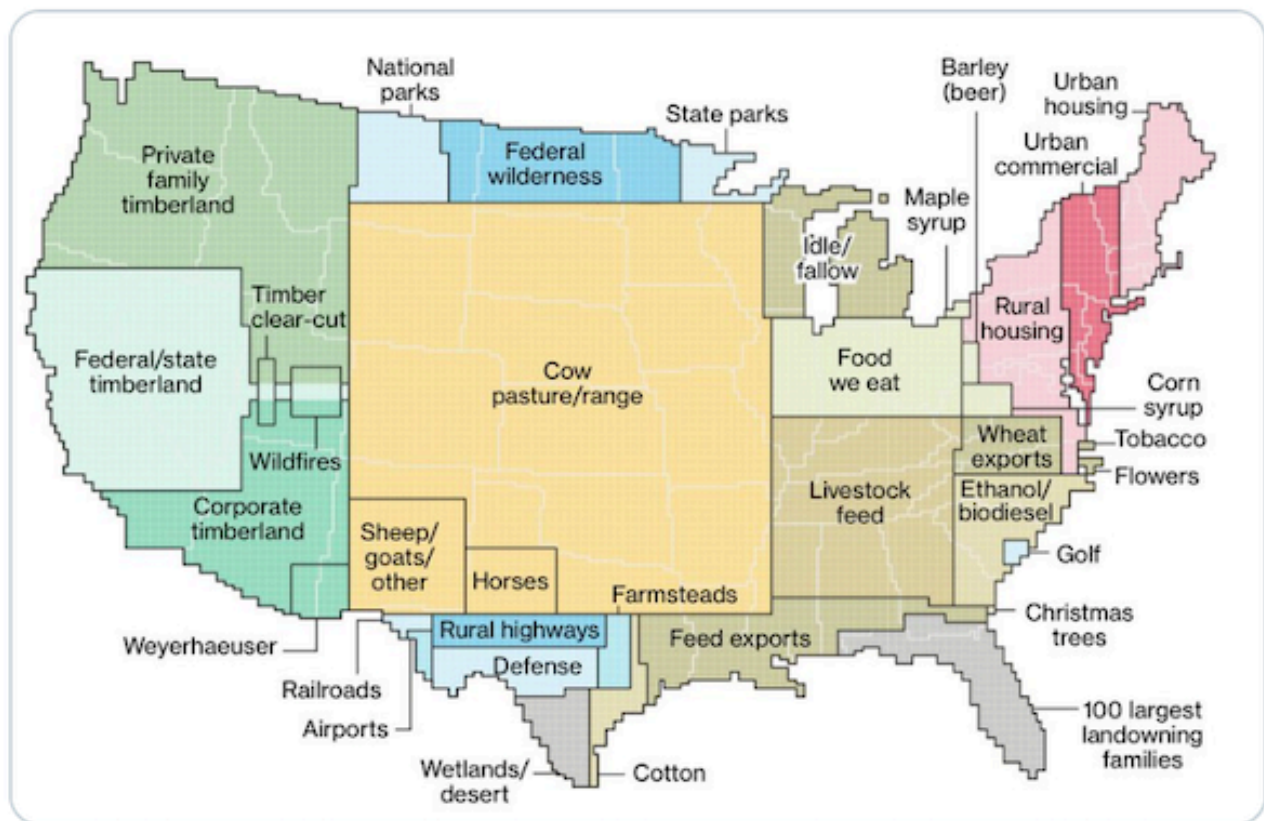
Interesting Land Usage Graphic:



Farm Policy
@FarmPolicy



This map gives you a rough sense of all the ways U.S. land is used. Much of U.S. land serves specific purposes, such as the 2 million acres devoted to golf courses or the 3 million acres for airports. [bloom.bg/37XnVYh](https://www.bloom.bg/37XnVYh)



"Hillbilly Elegy" Author Launches VC Fund for Startups Beyond Silicon Valley: *With backing from Peter Thiel, Eric Schmidt, Marc Andreessen and other Silicon Valley kings, best-selling author J.D. Vance is spinning up a new Ohio-based venture capital firm. Vance's Narya Capital has raised \$93 million*

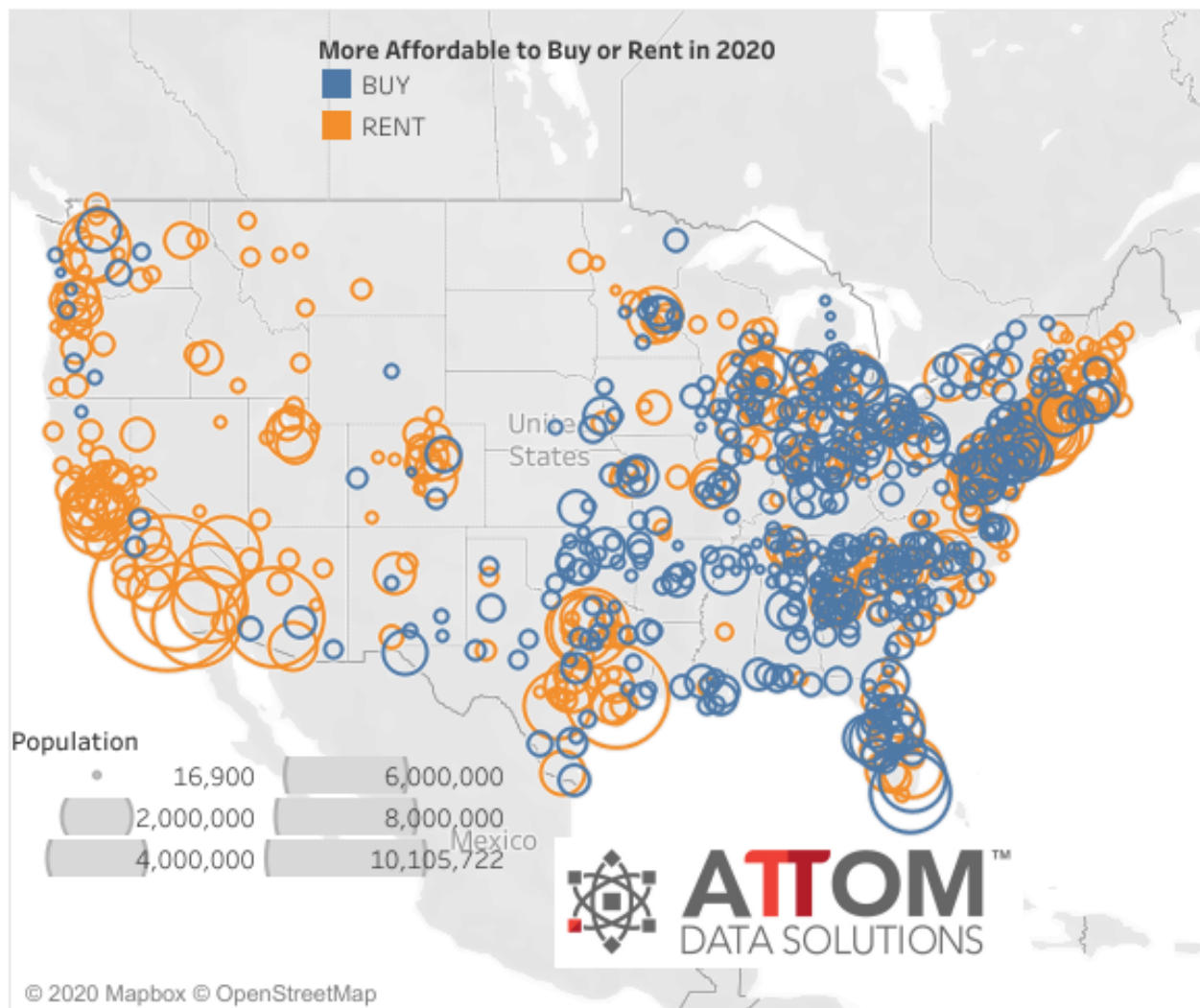
from investors for its first fund, with plans to raise as much as \$125 million total, according to a regulatory filing. The firm will invest in young startups in the fields of science and advanced technology with a typical check size between \$5 million and \$10 million, said a person familiar with the plans. It will avoid consumer-focused businesses, the person said, asking not to be identified because the matter is private. The fund reunites Vance and Thiel, who worked together on a venture fund called Mithril Capital. After the release of Vance's hit memoir "Hillbilly Elegy," he joined a fund started by the former head of AOL, Steve Case. While there are many venture firms in the U.S., little investment goes toward companies based outside coastal cities. California firms had \$228 billion under management in 2018, and New York had \$56 billion, according to the National Venture Capital Association, a trade group. Funds in those states more than tripled their cash from 2004 to 2018. During the same time period, Ohio firms increased 25% to \$1.5 billion. Vance's move extends his quest to reinvigorate the country's heartland, a topic he wrote about in "Hillbilly Elegy" and then practiced while investing on behalf of Case's Rise of the Rest Fund. (Source: Bloomberg)

Women Overtake Men as Majority of U.S. Workforce: *Women held more U.S. jobs than men in December for the first time in nearly a decade, a development that likely reflects the future of the American workforce. The share of women on payrolls, excluding farmworkers and the self-employed, exceeded the share of men in December for the first time since mid-2010, Labor Department data released Friday showed. Women held 50.04% of jobs last month, surpassing men on payrolls by 109,000. The gap between men and women on payrolls had been narrowing over recent years, reflecting growth in services industries that employ higher numbers of women, such as health care. The last time women outnumbered men on nonfarm payrolls was during a stretch between June 2009 and April 2010. But different circumstances drove the trend at that time because the construction and manufacturing sectors were disproportionately shedding jobs, according to Dean Baker, senior economist at the Center for Economic and Policy Research. A gap in the labor-force participation rate, or the share of Americans who are working or looking for work, persists between men and women. The labor-force participation rate in December was 57.7% for women aged 16 and up, compared with 69.2% for men aged 16 and up. (Source: Wall Street Journal)*

Buying a Home vs. Renting Very Close in Most U.S. Markets: *A new report from real-estate data provider Attom Data Solutions found that buying a median-priced, three-bedroom home was more affordable than renting in only 53% of the 855 counties analyzed across the U.S., making renting in the other counties the more affordable option. However, the analysis shows a split between different-sized markets, with ownership more affordable mainly*

in lightly populated counties and renting more affordable in more populous suburban or urban areas. In 36 of the 43 counties nationwide that had a population of 1 million or more, renting was the more affordable option. This includes the nation's largest cities, such as New York, Los Angeles, Chicago, Houston and Phoenix. Additionally, in over two-thirds of the counties with populations greater than 500,000 people, renting was the less costly choice for housing. Renting could become the better option for more Americans in the years ahead. Home prices were rising faster than rents in 67% of markets and faster than wages in 66% of markets nationwide, Attom reported. Meanwhile, wages were rising faster than rents in a majority of markets, suggesting that it's becoming even more affordable to rent in over half the country. Read the full report [HERE](#).

Buy or Rent in 2020?



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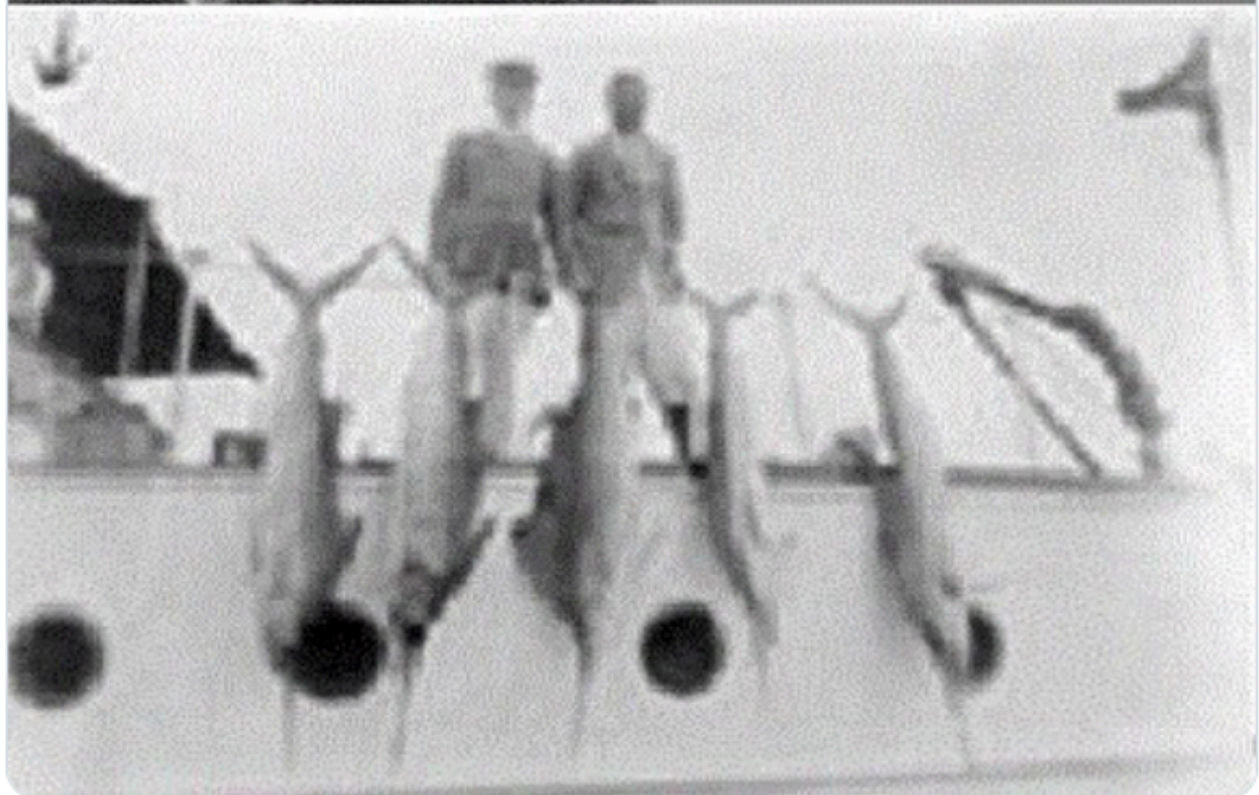
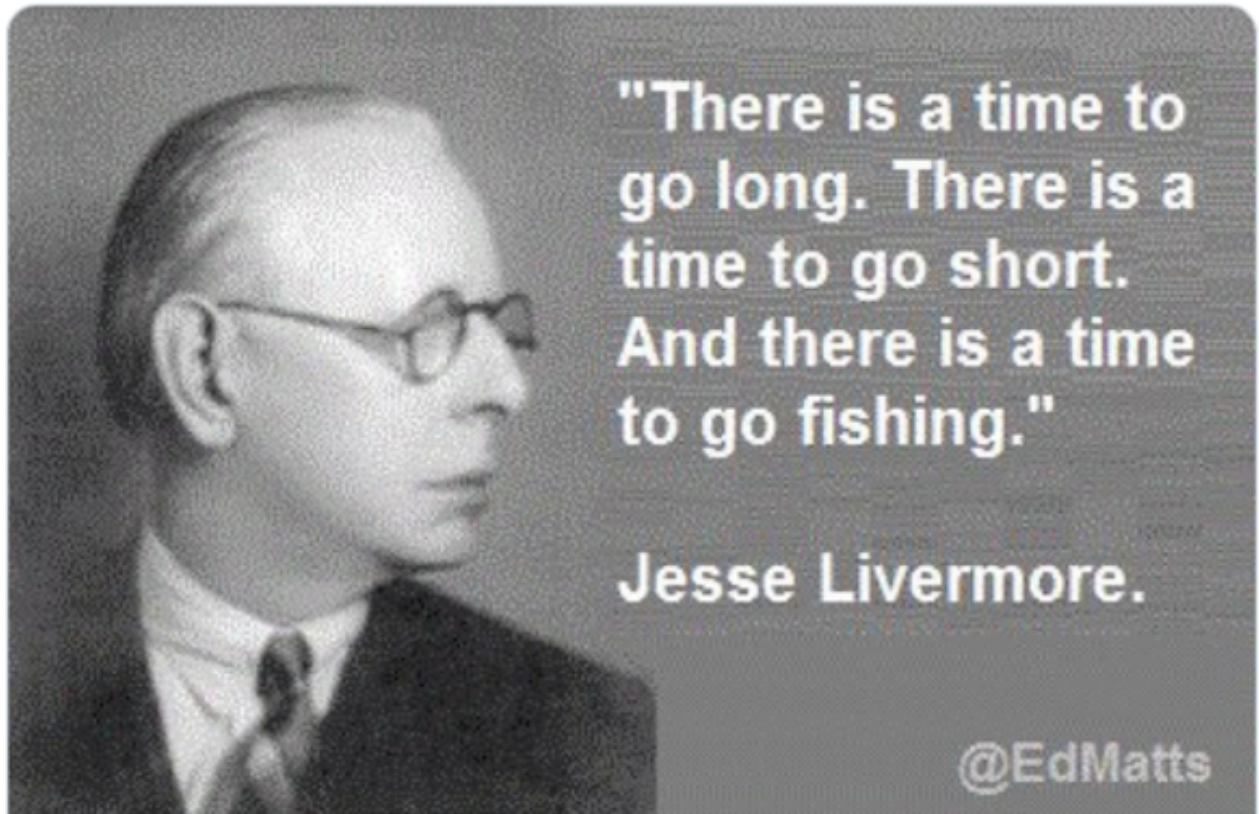
FARM TANK

Tweets of the Day





Steve Burns
@SJosephBurns



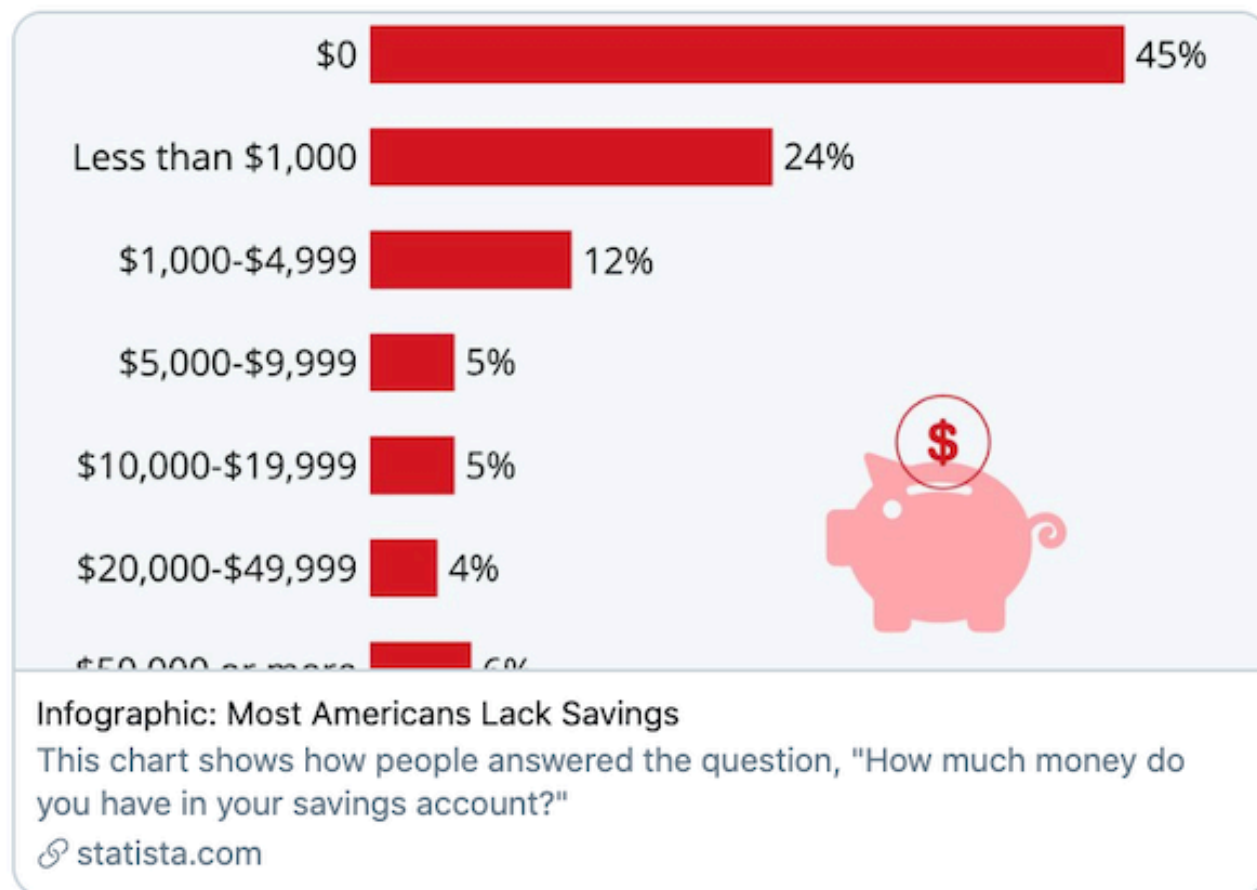


Statista
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Most Americans have little to no savings

statista.com/chart/20323/am... #savings





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Replying to @LouiseCarduner and @JohnDeere

Three's Company 😎 #Manitoba #Canada #harvest19





U.S. Truck Drivers
@TruckDriversUSA



And there it is. First moron of the ice fishing season





Corn Junkie
@SchwabMatt



Don't see this much anymore, just a classic example of cheap on farm storage. Love it

Today's travels, one of my favorite small family dairy farm





Super 70s Sports
@Super70sSports



If you thought Andre the Giant was tough in the ring, try sitting next to him on a transoceanic flight.





ActionComplete
@ActionComplete



May you see sunshine where others see shadows and opportunities where others see obstacles.

#inspiration #quotes





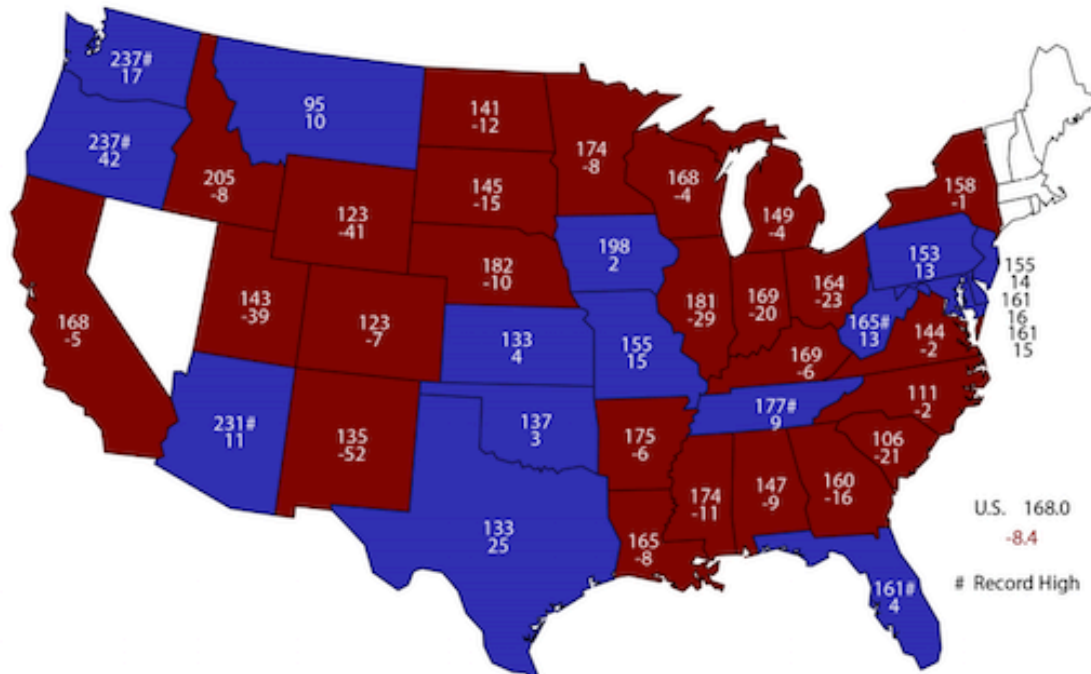
Corn bulls are happy to see the USDA make a large upward adjustment to "feed and residual" demand and are hoping to see increased export demand from the Chinese following this week's anticipated signing of the "Phase 1" trade deal. Friday's disappointment is still being digested as the USDA elected to raise the yield higher from 167 to 168 bushels per acre. Harvested acres were lowered conservatively from 81.8 down to 81.5 million. Total U.S. production is actually raised higher from 13.661 billion to 13.692 billion. I should also note, beginning stocks were raised higher from 2.114 billion to 2.221 billion, which again is tough for the bulls to swallow. The big positive is the fact "feed and residual" demand was raised higher by +250 million bushels. Unfortunately, exports are lowered by -75 million bushels, food, seed, and industrial demand lowered by -20 million. Ethanol demand was left "unchanged" at 5.375 billion bushels. Net-net, U.S. demand comes in higher than most expected with the sizeable adjustment to "feed and residual". The crazy part is the fact we got the +250 million bushel increase in "feed and residual" but it only trimmed ending stocks by -18 million bushels. The season-average corn price received by producers was left "unchanged" at \$3.85 per bushel. Global corn production is raised slightly higher to 1.401.8 billion tons. Foreign corn production is forecast higher with increases for Bangladesh, Russia, and the EU. South American production in Argentina and Brazil were left

"unchanged". Corn exports for Ukraine and the EU are raised slightly higher. Net-net, global corn ending stocks are trimmed by -2.8 million to 297.8 MMTs, mostly reflecting reductions for supply in both China and Brazil. The big question now becomes Chinese buying... will they fulfill their agreement and does it mean big buying of U.S. corn, ethanol, DDGs, etc...? As a spec, I'm personally not buying the market into strength. I would like to be a bull in 2020 but worry most about showing up to early to the party. Staying very patient and holding onto optimism for mid-2020!



2019 Corn Yield

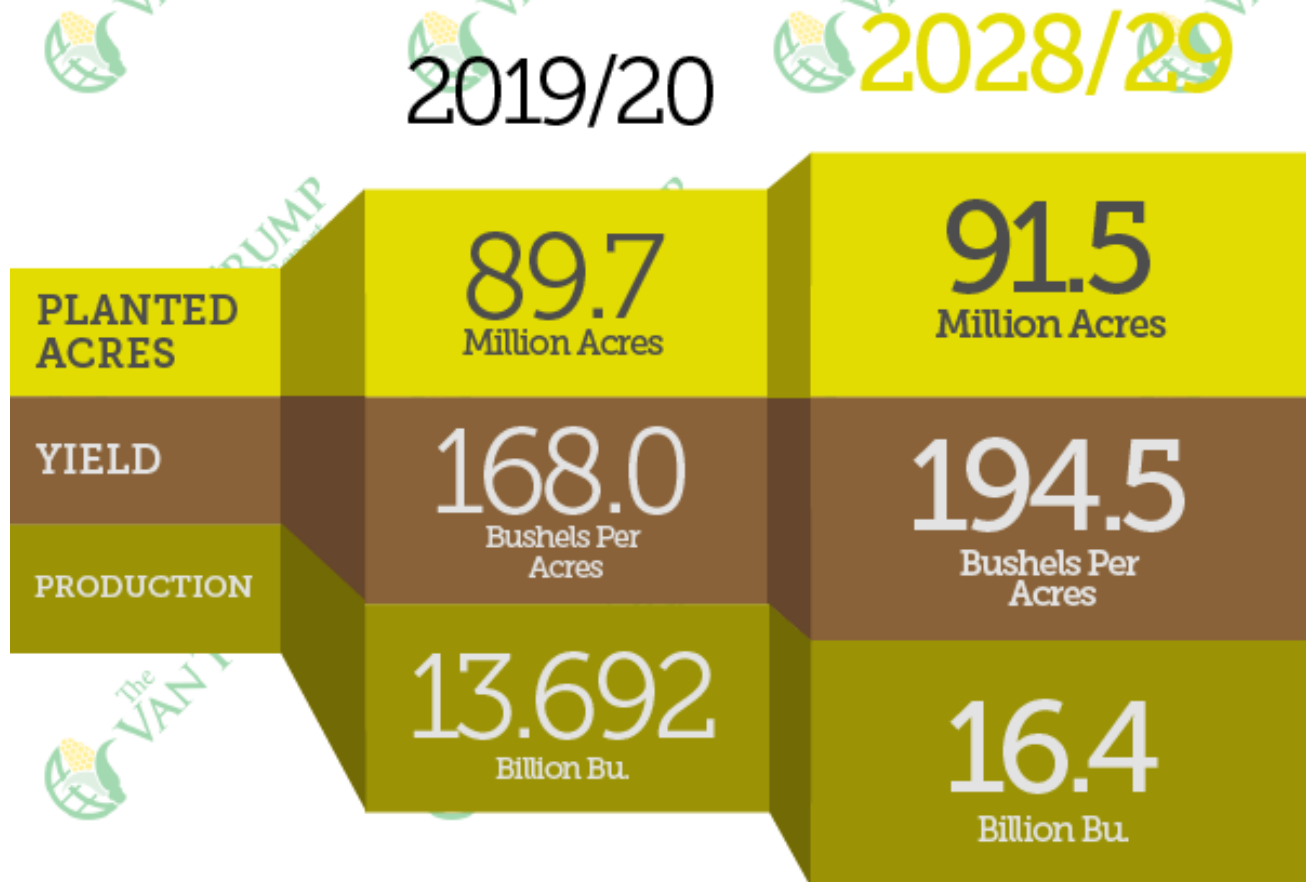
Bushels and Change From Previous Year



USDA-NASS
1-10-20

U.S. Corn Long-Term Projections

Early-Release Tables from USDA Agricultural Projections to 2028



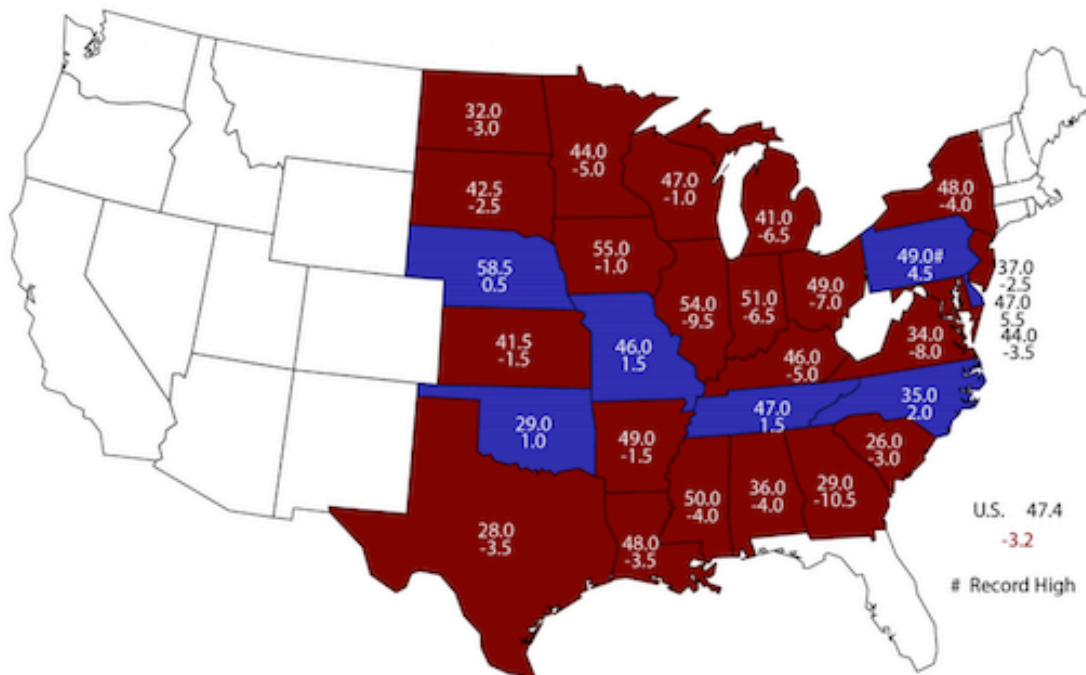
Source: USDA, WASDE: January 10th, 2020

Soybean bulls are hoping to see the official signing of the "Phase 1" trade deal, scheduled for this Wednesday, providing some additional bullish tailwind. Unfortunately, bulls were disappointed in seeing the USDA raise total U.S. production rather than lowering it like so many were anticipating. The USDA raised the U.S. yield higher from 46.9 to 47.4 bushels per acre. Harvested acres were however lowered from 75.6 million down to 75.0 million. But that still wasn't enough to lower total U.S. production, which was actually raised higher from 3.550 billion to 3.558 billion. I should note, beginning stocks were lowered a bit from 913 million down to 908 million. The demand side of the balance sheet was mostly a non-event with exports and crush left "unchanged". Net-net, a bump higher in yield and a reduction in harvested acres and beginning stocks leaves U.S. supply "unchanged" at 475 million bushels. The U.S. season-average soybean price for

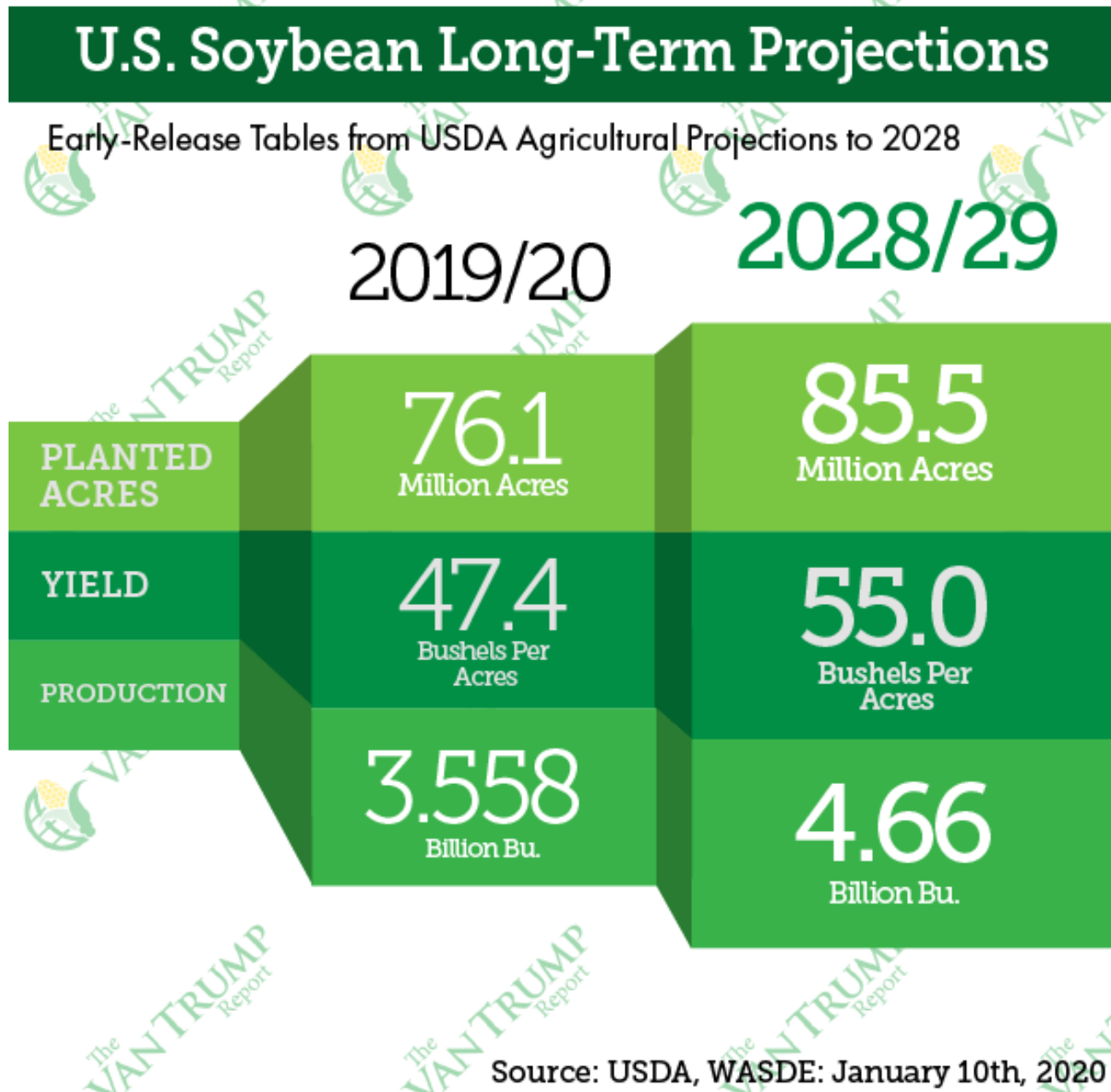
2019/20 was raised slightly higher to \$9.00 per bushel, up +15 cents in part reflecting stronger soybean oil prices. South American production was left "unchanged." As a spec, very similar to my corn perspective, I'm worried about a lack of bullish news after we get past the "Phase 1" trade deal being officially put in play and U.S. weather concerns. Essentially, I'm talking about the period of time between late-January and late-March. Brazil is going to harvest a record crop and the U.S. planted acres could jump higher by +9 to +10 million. I'm just not sure if we will have the bullish headlines need to battle those headwinds. I'm also worried that the Chinese buying doesn't come until closer to the U.S. presidential election, Sept-Oct-Nov, which would make more sense. I'm not wanting to play this market as a bear with supply sub-500 million and China now having one finger on the trigger as a possible buyer, but I'm hesitant to take a large bullish spec position during the next 60 days. Perhaps I'm talking myself out of it and we will catch a rally simply based on the fact bears are somewhat apprehensive to place a big bet with China back in the water? Either way, I'm playing games in my head and second-guessing myself so I need to stay on the sideline until I have a more clear view.



2019 Soybean Yield Bushels and Change From Previous Year



USDA-NASS

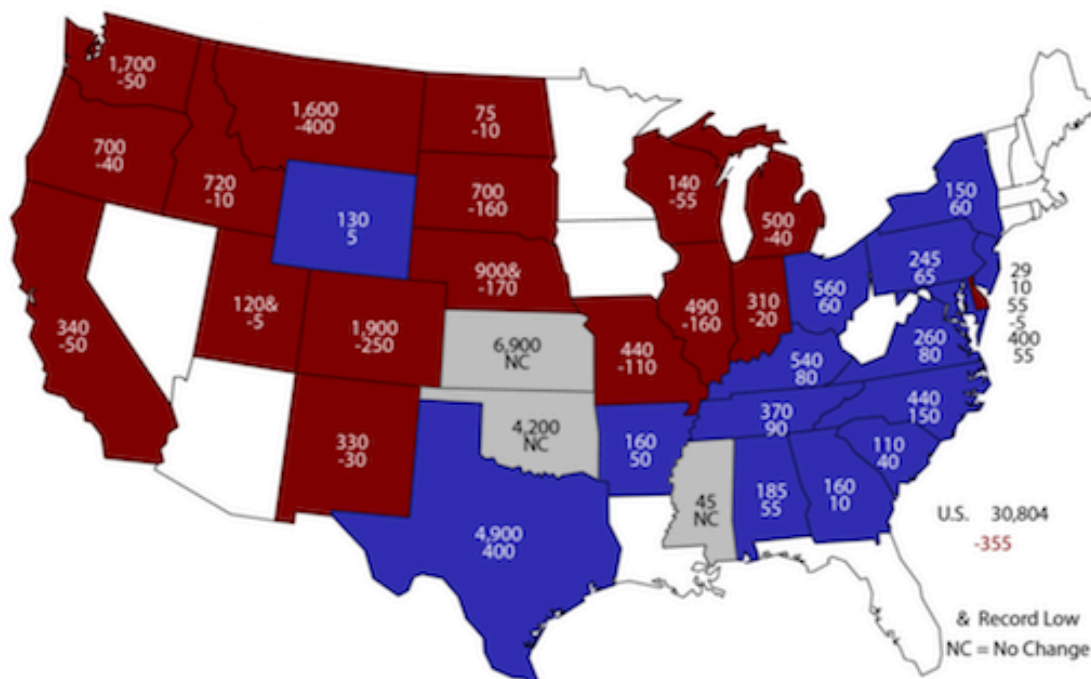


Wheat bulls are hoping that winter acres are now low enough and overall crop-conditions difficult enough that supplies will tighten in 2020. Bulls also point to a small +10 million bushel bump higher in feed demand. All winter wheat acres were lowered to 30.804 million the lowest since 1909. U.S. ending stocks are now projected at 965 million bushels, down -9 million from the previous report. The season-average farm price was left "unchanged" at \$4.55 per bushel. Global production was trimmed -1.0 million tons led by a -1.0 million-ton reduction for Russia production and another -0.5 million-ton decrease for Australia. Partly offsetting is a +0.5-million-ton increase for the European Union. Exports out of the European Union are bumped higher by +2.0-million-tons. Ukraine exports are also bumped higher by +0.5 MMTs. Russian exports are lowered by -1.0 MMTs. Net-net, global ending stocks are lowered by -1.2 million tons to 261.8 million and bulls

believe the balance sheet can continue to tighten in 2020, especially if "Phase 1" of the Chinese trade and of the new USMCS deal brings more buying. As a spec, I would like to be a longer-term bull on record low U.S. acres and an entire weather season ahead, but I struggle with timing and the strong global supply and +950 million in U.S. ending stocks. I could easily argue there's still more room to the upside, and as a producer, I still want to remain patient before pricing more cash bushels. But as a spec, I recently banked profits and feel content for the moment on the sideline. The funds are keeping me very intrigued. Not only could we see equity players step in and "cross-hedge" into the wheat market on winter weather worries impacting Q1 earnings, but we could also see the funds deploy more capital and rotate more assets to commodities as global growth stabilizes on better trade relations. I see no reason to be an outright bear but would like to find a better entry point as a bull.

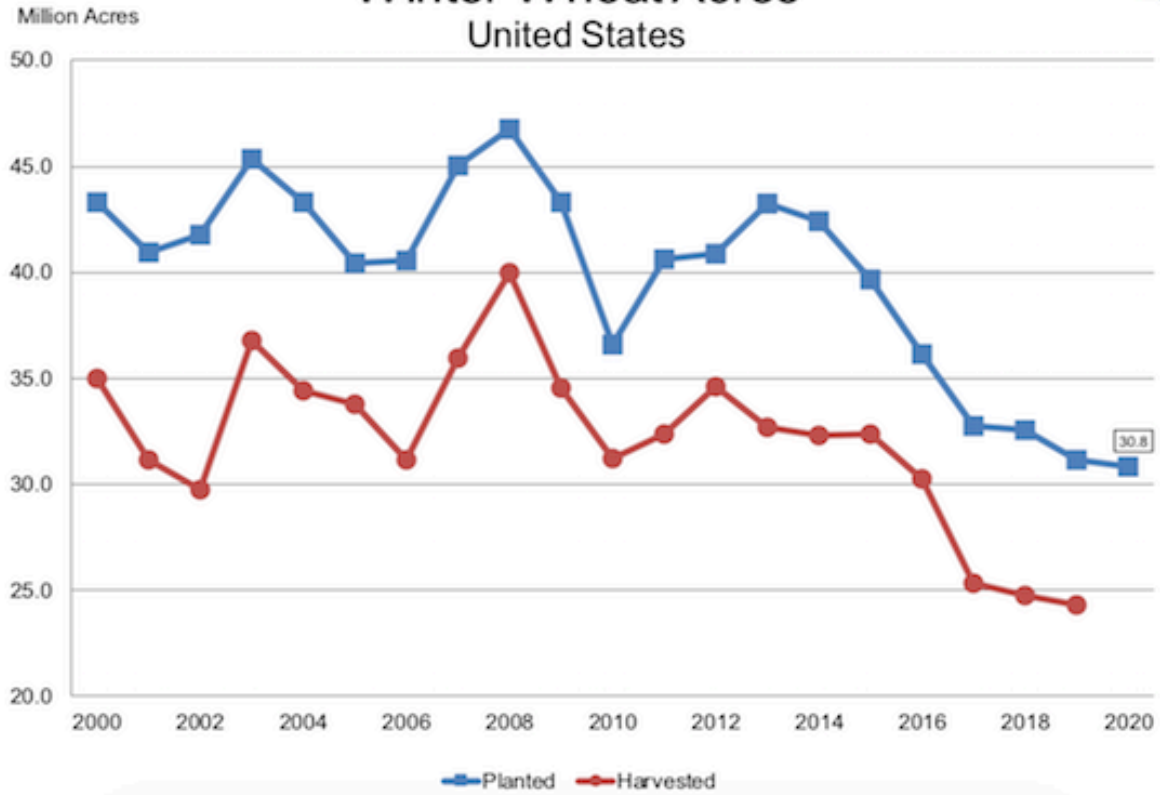


2020 Winter Wheat Planted Area (000) Acres and Change From Previous Year



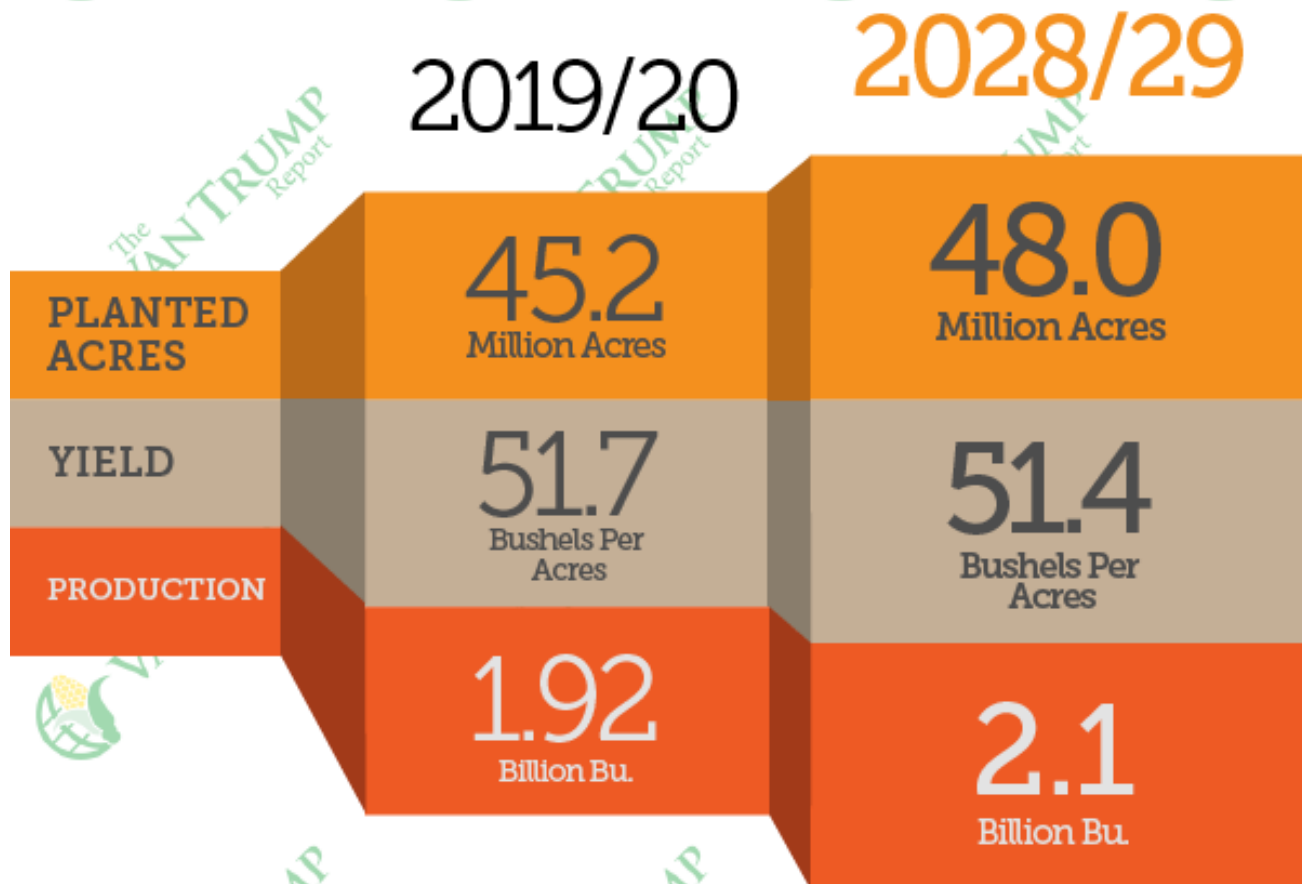


Winter Wheat Acres United States



U.S. Wheat Long-Term Projections

Early-Release Tables from USDA Agricultural Projections to 2028



Source: USDA, WASDE: January 10th, 2020

U.S. Production 2019/20

(million bushels)

Corn	January #'s	Avg. Trade Estimate	Range of Estimates	November Estimates	Last Year
Production	13,692	13,513	13,217 - 13,701	13,661	14,420
Yield	168.0	166.2	164.8 - 168.5	167.0	176.4
Harvested Acres	81,482	81.35	80.10 - 81.953	81.815	81.74

Soybeans	January #s	Avg. Trade Estimate	Range of Estimates	November Estimates	Last Year
Production	3,558	3,512	3,463 - 3,560	3,550	4,544
Yield	47.4	46.6	46.0 - 47.2	46.9	51.6
Harvested Acres	75.021	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	11,389	11,511	11,290 - 11,660	2,114	11,937
Soybeans	3,252	3,186	3,023 - 3,379	913	3,746
Wheat	1,834	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	30.804	30.664	29.9 - 32.18	31.159
Hard Red Winter	21.8	22.086	21.40 - 23.09	22.458
Soft Red Winter	5.64	5.118	4.60 - 5.557	5.201
White Winter	3.37	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	1,892	1,757	1,537 - 1,915	1,910
Soybeans	475	424	310 - 490	475
Wheat	965	969	930 - 1,000	974

World Ending Stocks 2019/20

(million tonnes)

	January	Avg. Trade	Range of	December
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	#'s	Estimate	Estimates	Estimates
Corn	297.81	296.61	290.5 - 301.7	300.56
Soybeans	96.67	95.23	91.7 - 97.5	96.40
Wheat	288.08	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	50.0	49.59	48.0 - 50.0	50.0
Argentina Soybeans	53.0	52.78	52.0 - 53.0	53.0
Brazil Corn	101.0	100.63	99.0 - 101.2	101.0
Brazil Soybeans	123.0	123.02	121.76 - 124.0	123.0



> **Resurveying Unharvested Corn and Soybeans:** *USDA's National Agricultural Statistics Service (NASS)*

will re-contact respondents who previously reported acreage not yet harvested in Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin in the spring, once producers are able to finish harvesting remaining acres. If the newly collected data justifies any changes, NASS will update the Jan. 10 estimates in a future report. In the past, these numbers were updated in the May USDA/WASDE report. For more information contact Lance Honig at (202) 720-2127 or Lance.Honig@usda.gov. All NASS reports are available online at www.nass.usda.gov.

> Checkoff Reform Legislation Introduced in the House: Legislation introduced in the House on Thursday would reform the programs that impose mandatory taxes on producers of some commodities in order to fund promotional campaigns. Changes to these "checkoff" programs would include a prohibition on lobbying groups receiving checkoff funds, restrictions on anticompetitive activity, and mandatory audits. There are checkoff programs for about 20 agricultural commodities. The checkoffs pool money from producers to fund generic advertisements and other promotions, such as the "Got Milk?" campaign. Producers of many different commodities, but especially cattle ranchers, have spoken out against their checkoff programs. Common complaints include that checkoff-funded promotions fail to support independent producers and that checkoff funds are illegally used for lobbying activities by agricultural groups. One ranchers' group, the Ranchers-Cattlemen Action Legal Fund, is currently spearheading litigation that could reshape checkoff programs in several states. The lawsuit alleges that the beef checkoff program violates the First Amendment because it requires ranchers to fund "private speech" disseminated by state beef councils. The ranchers have so far succeeded in temporarily halting the collection of the Montana state beef checkoff. Read more from [Ag Insider](#).

> USDA Unveils Potential GIPSA Replacement: USDA's Agricultural Marketing Service (AMS) has proposed a replacement to the Grain, Inspection, Packers and Stockyards Act (GIPSA) the Department withdrew in 2017. AMS says the plan clarifies whether a packer, swine contractor, or live poultry dealer has made or given any undue or unreasonable preference or advantage to any person or locality in a way that would violate the GIPSA rule. Under the proposal, the criteria for unfair treatment of producers includes whether the preference can or cannot be justified on the basis of cost savings, or by meeting the terms or prices offered by a competitor. The Organization for Competitive Markets is critical of the proposal, saying USDA fails to own up to its longstanding position that the Packers and Stockyards Act is both an antitrust law as well as a producer protection law. Specifically, OCM says it does not set out which actions are unfair, unjustly discriminatory, or deceptive by meat packers and processors. The proposed rule is open for public comment until March 13th. (Source: Brownfield Ag)

> ADM in Talks for Ethanol Mills Deal that Could Involve a Sale: Archer-Daniels-Midland Co., the agribusiness giant that helped draw the blueprint for the U.S. biofuel industry, is in advanced talks for a deal that could involve a sale or a

joint venture for its ethanol dry mills. This is not the first time ADM, which started producing ethanol in 1978, has tried to divest its dry mills. In 2016, the company put the assets up for sale, evaluated bids and ended up deciding to keep the business. ADM moved its three ethanol dry mills into a wholly-owned subsidiary called Vantage Corn Processors last month. The move should facilitate a deal because it separates the three mills and makes clear any agreements that an interested party would have with ADM as the facilities are integrated with other assets. (Source: Bloomberg)

> Slovakia Reports Outbreak of H5N8 Bird Flu: *Slovakia has reported an outbreak of the highly pathogenic H5N8 bird flu virus among backyard poultry in the western part of the country, the first such outbreak in nearly three years, the World Organization for Animal Health (OIE) said. The virus infected three out of a flock of 22 poultry birds in Nitra, the Paris-based OIE said, citing a report from Slovakia's agriculture ministry. The rest of the flock was slaughtered, it said. (Source: Reuters)*

> Food Industry Backs Away from CBD: *Big companies are taking a step back from developing food and drink products made with CBD, after the Food and Drug Administration raised safety concerns. CBD-infused foods and beverages surpassed \$1 billion in revenue in 2019 even without FDA approval, and revenue is projected to reach \$10 billion by 2024. But smaller players will get a leg up in that market, at least for a while. Companies like Pepsi, Starbucks and Kellogg had been considering hemp-derived products, but are now at a standstill until the FDA signs off, according to food scientists and consultants familiar with the matter. In November, the Food and Drug Administration warned consumers against CBD-infused foods and beverages, saying research isn't quite there yet to conclude it's safe to ingest or that it's a good anxiety or sleep aid. CBD does not get you high, unlike marijuana's psychoactive component THC. FDA cites potential risks associated with its consumption, though, like liver damage. (Source: Axios)*

> Next Big Hurdle for Faux-Meat Industry is Scale: *McDonald's announced last week that it would expand its Canadian trial of plant-based Beyond Burgers, offering them at 52 more restaurants in Ontario for the next three months starting January 14. This is an expansion of their P.L.T. (Plant, Lettuce, Tomato) Canadian trial run this fall, though it's a very conservative expansion, encompassing only a few dozen more restaurants. That announcement came after Reuters reported that competitor Impossible Foods has stopped vying to sell its burgers at the world's biggest fast-food chain — because they can't yet produce enough burgers to meet demand. Capacity is likely to be a challenge for Beyond Meat too, according to analysts. The week's events are a sobering reminder that for all the hyped product launches and customer interest in plant-based foods, the dreamed-of transformation of our food system won't happen until we get a lot better at making them at the extraordinary volumes that global consumers of meat*

demand. And right now, plant-based meat is still a sliver of the meat market, a long way from having the means to supply everyone who currently eats meat. Read more from [Vox](#).

> America's New Favorite Restaurants are Wawa, Sheetz, and 7-Eleven: In "Vacation," National Lampoon's 1980s classic, Chevy Chase jokes, "I'm so hungry. I could eat a sandwich from a gas station." But the convenience stores and gas stations that dot America's retail landscape have worked to improve their dinners-to-go and coffee. Today, chains like Sheetz, Wawa and Kwik Trip offer meal kits, salads, keto snacks, Kombucha and espressos. That overhaul is driving convenience stores' rise, unexpected survivors in an industry suffering mass store closings and shoppers shifting online. While delivery from Amazon has redefined what convenience means for many Americans, the 24-hour, 3,230-average-square-foot convenience store still fills a niche for time-strapped customers searching for a bite to eat and a fill up at the pump. Read more from [CNN](#).

> Mattress Company Casper has Filed to go Public: Around lunchtime on Friday, Casper, an early player in the direct-to-consumer mattress market, submitted its S-1 disclosures to the SEC, a key early step in the IPO process. Casper intends to list its shares on the NYSE under the symbol CSPR. Although the company hasn't disclosed the precise number of shares it intends to float, the filing states that it intends to raise \$100 million in the offering, a common placeholder value. The filing is still "subject to completion" and we should expect to see amendments to it between now and its debut. Casper reported net revenue of \$312.3 million for the first nine months of 2019, up 20.3 percent from \$259.7 million for the same period a year prior. The company also reported losses of \$67.4 million for the first three quarters ended September 2019—up about 5 percent from the same period in 2018. In terms of cash, the company's free cash flow was -\$69.3 million for the first nine months of 2019, compared to -\$52.2 million during the same period last year. Read more [HERE](#).

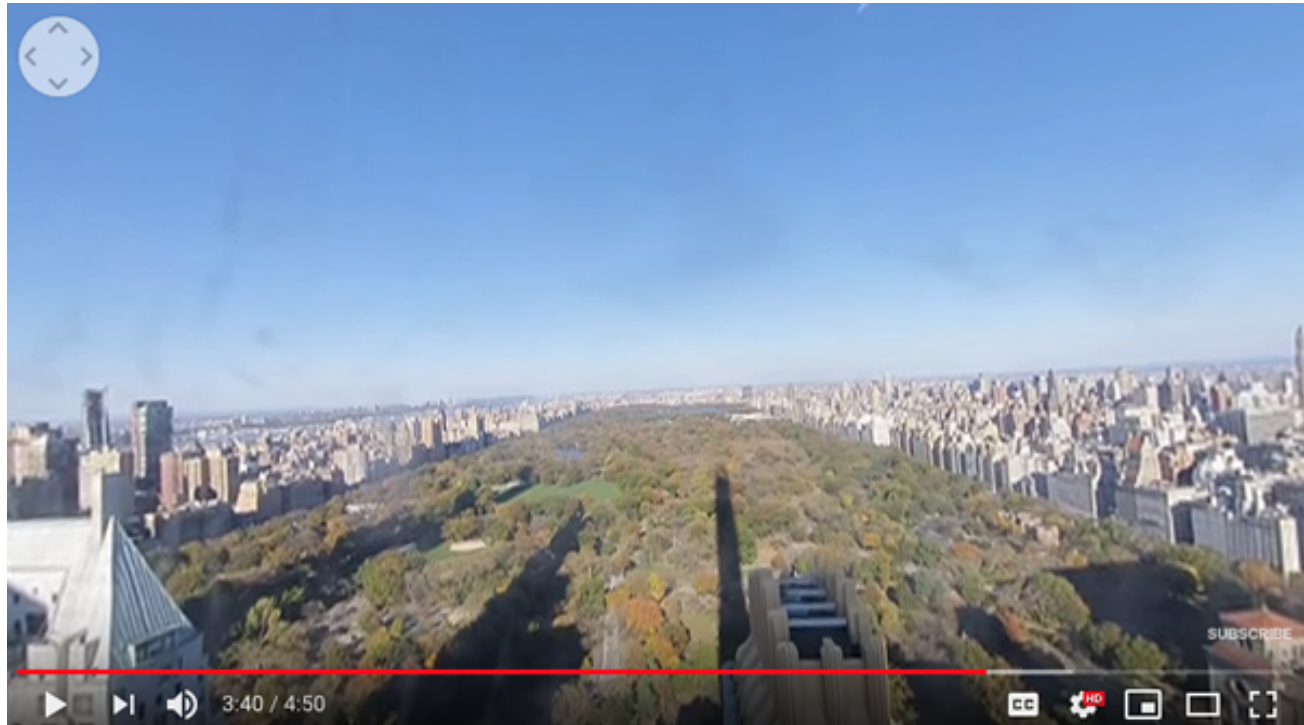
> U.S. Wildfires Scorched 4.6 Million Acres of Land in 2019: 49,661 wildfires burned 4.6 million acres in the U.S. in 2019, according to the National Interagency Coordination Center (NICC), a -46% drop in acres burned and an -11% decrease in total fires from the 2018 season. 2019 was the fourth least active fire season in the last decade in terms of acres scorched by wildfires. 2010 was the least active season with 3.4 million acres burned. 2015 was the most active with 9.9 million acres. 621,748 wildfires blackened 67.6 million acres in the U.S. over the last decade, according to NICC data. That's roughly 2.8% of the country's 2.35 billion acres of land. 120 wildland firefighters died in wildfire-related accidents between 2010 and 2017. It's also worth noting that last year was the second-wettest year on record, with record-high precipitation in North Dakota, South Dakota, Minnesota, Wisconsin and Michigan, according to the Weather Channel. (Source: Axios)

> World's Biggest Human Migration has Begun: *Lunar New Year might still be two weeks away, but China is already bracing itself for an annual homecoming of epic proportions. Considered the largest human migration on the planet, Chunyun -- the 40-day period when Chinese people head home to celebrate the Lunar New Year Spring Festival with their families -- officially began on January 10 and will end on February 18. Lunar New Year falls on January 25 this year -- the earliest LNY since 2012. This means that the beginning of Spring Festival rush, when workers begin their journey home, will overlap with the peak time when college students begin winter holidays, putting an even bigger strain on the nation's infrastructure. Some 3 billion trips are expected to be made during the 2020 Chunyun period, a slight increase from last year's figure (2.99 billion trips). Of those, 2.43 billion trips will be made by automobile (-1.2% fewer than last year), 440 million by rail (a rise of +8%), 79 million by air (an +8.4% increase) and 45 million by sea (a +9.6% increase). The new Beijing Daxing International Airport expects to ferry 190 million passengers during the Lunar New Year period, with 15% more flights than usual. Airports around China have scheduled at least 17,000 flights every day, +13.3% higher than last year, to deal with the traffic. Wang Yang, chief engineer of the Ministry of Transport, said that about 790,000 buses and 19,000 boats will be utilized to ferry home-comers. Read more from [CNN](#).*

> Jeopardy Champ is One Win Away from Claiming "Greatest of All Time" \$1 Million Prize: *Ken Jennings is closing in on the title in the Jeopardy! The Greatest of All Time tournament. Jennings, who already holds the records for consecutive wins and regular-play earnings, took a 2-1 lead over James Holzhauer with a win Thursday night, the New York Daily News reports. The first contestant to win three matches takes the \$1 million prize. Brad Rutter is also competing, but he has finished third in all three matches, reports the Las Vegas Review-Journal. The matches consist of two full games of Jeopardy!, with the scores combined at the end. Jennings—who has adopted Holzhauer's strategy of looking for Daily Doubles and betting heavily on them, ended Thursday with 67,700 points to Holzhauer's 33,692 and Rutter's 23,467. The tournament resumes on Tuesday. Read more [HERE](#).*

> Take a VR Tour of New York's Skinniest Supertall Luxury Tower: *New York's Billionaire's Row is rife with supertall towers: Central Park Tower, [432 Park Avenue](#), and [111 West 57th Street](#) are all close to a quarter-mile high. Critics complain about the mega-sized shadows these oligarchic skyscrapers cast on Central Park (or that many owners may pay little-to-no property tax). But then there's the exhilaration and occasional terror of actually being in an apartment at the cruising altitude of a helicopter. So as the SHoP Architects-designed [111 West 57th Street](#) nears completion, Bloomberg strapped on a hard hat and took a 91-story ride on an exterior hoist to film some see-it-to-believe it footage from 1,420 feet in the air*

with state-of-the-art virtual reality cameras loaned from Google. Watch the linked video to learn more about the building's history and gravity-defying engineering — its base is only 60 feet wide — and what life's like at the very literal top of Manhattan real estate. Check it out [HERE](#).

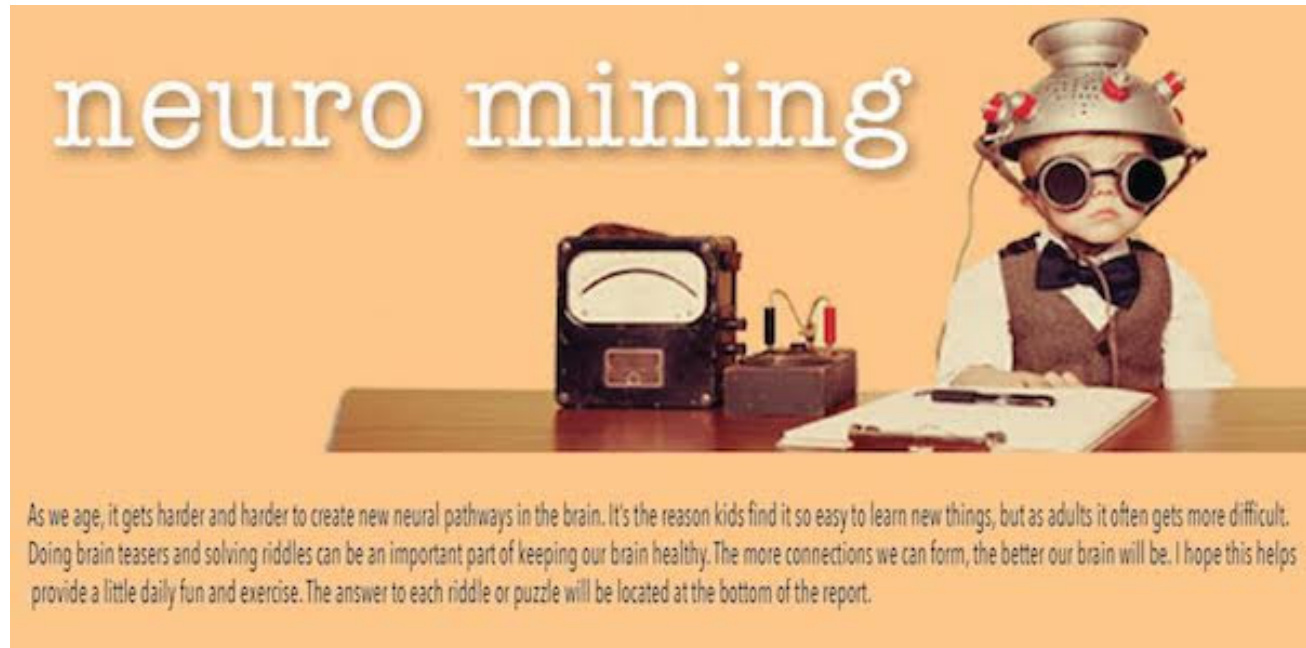


Western Indiana - *The rain that hit this area was extremely variable. I have heard guys in the central and southern parts of the state get nearly 5 inches while other areas go 1-2 inches. I don't think anywhere didn't get at least some rain or drizzle to some extent. At this point in the year after the slight warm up, a little rain is going to nothing but build a little soil profile in our moisture bank. Obviously some areas received enough to fill ditches as well but we won't turn our back on the right kind of rain during the off-season especially since the winter seems to be speeding by!*

Eastern Kansas - *We do not have any crops left standing in this area. The last field I saw got picked early last week as the threat of severe weather lingered into the weekend. No idea the moisture nor the test weight but I can't imagine either*

were great considering the field had been partially opened up for months, so my guess was they were in either wet or very poor corn they were going to let sit as long as possible. We didn't get nearly as much rain and snow as the forecast predicted. I think they called for nearly 2 inches of rain followed by a foot of snow and we received about 1 inch of both. Nothing that is going to make much of a difference, either way, this time of year. Maybe if we warm up a little early the wheat will benefit but that's about it.

Northern Illinois - *We have a few corn fields that are still unharvested but I don't understand exactly why they could and should have been picked a month ago. It's either really poor corn or the farmer just has completely forgotten about them. He's a fairly big guy and they are small and tucked back in some odd areas but it's unlikely he would not have gotten it done. Most corn in this area was good test weight, not overly wet unless you picked it early and yielded nearly as good as last year. I don't know how it yielded so well but it did so we can't complain!*



neuro mining

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: I'm a measurement of time. But you'll find me on a map, not a clock. What am I?



FROM MY PERSPECTIVE

Kevin Van Trump

From Backyard Gardner to Global Ketchup King

Before they were brand names, generations of food titans were brilliant visionaries who not only revolutionized food but also changed the landscape of America. Henry J. Heinz, who would create the H.J. Heinz Company in 1888 is credited with many amazing packaging innovations, improved quality standards through vertical integration, and creating a workplace that put employees' health and welfare first.

Like many German families that immigrated to the U.S. in the mid-1800s, the Heinz family had a garden of several acres to grow their own vegetables, including cauliflower, carrots, potatoes, cabbage, and horseradish. Interestingly, tomatoes, which would soon set Heinz apart from his contemporaries were yet to gain favor in the German communities. By the age of nine, a young Henry was selling the surplus harvest to other families and showing an entrepreneurial spirit. By age ten his parents gave him his own three-quarter of an acre to use as he pleased. Gradually, Henry expanded his own business by successfully getting his mother's horseradish recipe on store shelves.

Following college and a stint at the brickyard, Heinz was still interested in the recipes of his mother and he was constantly experimenting and trying to improve on the results. Always in search of new business ideas, Heinz together with a friend and neighbor L. Clarence Noble decided that the market of canned food was worth a venture. In 1869, they launched Heinz & Noble providing restaurants and cafes with sauerkraut, grated horseradish, pickles, and other products.

Competition had become fierce in the canned food space so in order to scale up the business partners arranged to purchase entire crops from the local farmers at a fixed price. Things were good for a while until the unforeseen financial panic of 1875 hit the economy and at the same time a bumper crop from producers. Heinz couldn't afford to fulfill his contractually obligations and couldn't get a bank loan to carry them through, leaving the Heinz and Noble company one of 5,000 businesses filing for bankruptcy that year.

Heinz's mother, who always knew how to instill confidence in her son, would not only get the young Henry back on his feet but gave him her entire savings to start another new company. Henry used the money wisely and registered what was called "Heinz Food Company". Vowing to learn from his mistakes Henry Heinz continued producing and selling sauces and pickles.

Heinz came to realize the critical error occurred in the process of growing vegetables concluding that The Heinz Food Company should have its own land to control an entire cycle of production, starting with the growing of seedlings and ending with the delivery of canned vegetables into the consumer marketplace. This

was the only way to ensure the product's quality, which he surmised would set him apart from the competition, as well as reducing the risk of failure caused by the weather conditions or economic crisis.

In early 1876, Heinz would master the production of tomato sauce which was later called ketchup. It's worth mentioning, at that time, though tomato paste was already on the market many consumers were avoiding the products as science was only then confirming that tomatoes were not poisonous, which you can learn more about [HERE](#).

One of his many innovations came in changing the packaging from tin cans to bottles. He had noticed that the consumers were not really trusting the new canned food in opaque jars. He concluded that the consumer would rather see the product they are eating so he started using clear glass bottles for his ketchup. Interestingly, this packaging had its pros and cons. Though it demonstrated a beautiful red color of the sauce to the consumer and enhanced the credibility of the manufacturer, there would sometimes be an imperfect look up towards the top of the opening. Always resourceful, Heinz overcame that hurdle about 20 years later by gluing cool looking labels up around the bottleneck.

Heinz would go on to build his company on its own internal cash flow, avoiding debt. He found that his products had a stable demand and suffered little in the recessions of 1893 and 1907. By 1910, annual sales exceeded \$6 million, full-time employment was over 4,000, and seasonal workers more than 40,000. Heinz's Pittsburgh factory handled 15,000 railroad cars per year and the company operated forty-one branch warehouses and annually used 20 million bottles and 40 million tin cans.

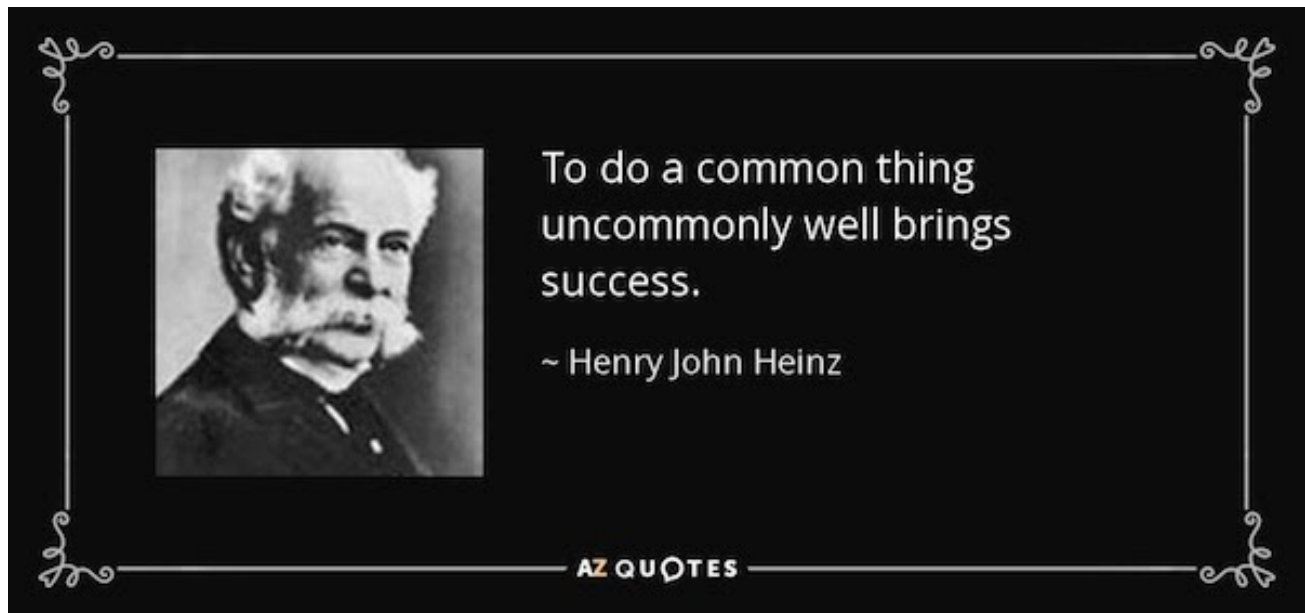
Over 100 years later 38,000 employees work at Heinz factories worldwide, and company revenue has exceeded +\$26 billion. Keep in mind six out of ten ketchup bottles consumed in the United States are produced by Heinz and the share of ketchup sales is about 30% of total company revenue.

It shouldn't go unmentioned that as Heinz was catapulting to the top of his industry, he stopped and took notice how other companies were treating their employees and sought to be different. At the time, Pittsburgh's giant steel plants and coal mines offered decent wages but dangerous working conditions. Heinz offered an alternative and though they paid a bit less, they were considered a more safe and family-oriented environment compared to the alternatives.

Heinz was among the first to provide benefits to his workers, alongside fellow Pittsburgher George Westinghouse. You have to admit offering benefits was very progressive for the time, including free onsite dental and health care, lunchtime concerts and lectures in the 1,500-seat auditorium, weekend retreats in the

country, help with learning English and applying for citizenship, and, rare for the times, the chance for women to become "foremen." Henry Heinz was also among the first to let his workers off at noon on Saturdays and later would cut back to a five-day workweek.

There are a ton of take-a-ways from the life of Henry J. Heinz, but I find it most interesting how great companies are almost always focused on their employees or team members. Successful CEO's will tell you that measuring and understanding "culture" is the most important ingredient in scaling a business. Remember, innovation comes in many forms. (Source: astrumpeople, archbridgeinstitute, wiki, history.com)









Welcome to the Wild World of Pop-Up Hotels

There is a bizarre-sounding new trend developing called "pop-up hotels", which can encompass everything from an apartment to a yurt to a shipping container. The main inspiration stems from the pop-up restaurant trend and the growing "experience" culture. A lot of the companies provide accommodations at festivals and events but in other forms it's more of a hybrid Airbnb concept.

Start-up WhyHotel leans the way of Airbnb and has been getting a lot of press lately thanks to their latest series B round of funding that raised \$20 million. Basically, the company partners with property owners and real estate companies to use unleased blocks of luxury apartments as temporary accommodations. Essentially, these properties are hybrids that promise some of the best elements of hotels, such as concierges and a gym, with the home comforts of an Airbnb. WhyHotel says it has plans to begin offering "additional products and services" to guests for the duration of their stay.

A couple of other companies that operate in a similar fashion include San Francisco-based hospitality company Sonder. Earlier this year they raised \$210 million at a valuation of more than \$1 billion for vacation apartments that come with hotel-level service. New York's Domio does essentially the same thing and has raised a total of \$67 million in funding.

At the other end of the pop-up hotel spectrum are accommodations that companies set up in temporary locations. London-based travel company Black Tomato is launching a company called Blink which will establish pop-up lodging in remote or otherwise hard-to-reach locations worldwide. It's touted as "the chance to design your own temporary accommodations and experiences in locations so private and untouched that no one else will have stayed there before and never will again in the same way."

Other concepts involve tents, yurts, or other glamping accommodation offered in changing locations. Terra Glamping set up its first location in 2016, featuring 10 safari-style tents in the California wine country overlooking the Pacific Ocean. Then there is "Collective Retreats" which sets up luxury outdoor accommodations in "iconic destinations" like Vail, Yellowstone National Park, and Governors Island in New York Harbor. Another company, The Pop-Up Hotel, is more of a generalist, offering temporary accommodations for almost anything, including festivals, corporate events, and even weddings.

And of course, the most well-known hotel industry disruptor, Airbnb, is also getting in on the pop-up action with Airbnb Experiences. It is still structured as peer-to-peer but adds unique local experiences curated by individual hosts such as meals, music and tours, and also partners with local nonprofits to provide unique Social Impact Experiences. Airbnb is expected to go public this year and if all goes well, it wouldn't be surprising to see some of these start-ups or others like them follow suit. (Sources: Venture Beat, Wall Street Journal, BisNow)







Tonight's Big Game... NCAA National Championship "LSU vs. Clemson"

The LSU Tigers and Clemson Tigers will meet in the 2020 National Championship Game tonight at 7:00 pm CST as the only two 14-0 teams left in the NCAA. Tonight's game will be played at Mercedes-Benz Superdome in New Orleans, Louisiana and will be aired on ESPN. Remember, Clemson dominated the Alabama Crimson Tide for the title last year. I should note, Clemson will be playing in its second-straight championship game and fourth in the past five years after defeating Ohio State in the final minutes of the 2019 Fiesta Bowl. In addition, LSU will advance to its first championship game of the CFP era in a big victory over Oklahoma in the Peach Bowl, which is also their first appearance in a title game since 2012 after getting shut out by Alabama. I should also mention, the last two times LSU won a national championship was in 2008 and 2004. Something else I found interesting was both of these games were also played in New Orleans. I'm taking LSU in this matchup tonight! Below are some additional facts:

The Odds - *LSU has 5/11 odds of winning, while Clemson 19/10 odds. The line for the game opened at LSU favored by 6, which has now changed to LSU by 5.5 in the time of this writing. Seems like a little more money is coming in on Clemson with a lot more predicted to come in by kickoff tonight. In addition, the over/under opened at 70 points and has dropped to 69.5.*

National Championships - *Both teams have claimed three national championships in their history. LSU won its titles in 1958, 2004, as well as*

2008 and Clemson won their championships in 1981, 2017, and 2019. A few players on the 1958 team include Billy Cannon, Warren Rabb, and Johnny Robinson all remembered as the first team to use the three-platoon system. In addition, a few players from the 2004 and 2008 LSU championship teams include Dwayne Bowe, Glenn Dorsey, Joseph Addai, Matt Flynn, Craig Davis, Kyle Williams, Andrew Witworth, Trindon Holliday, Kelvin Sheppard, and Ron Brooks. The 1981 Clemson Tigers were led by Danny Ford, who became the youngest coach to win a National Championship at the time, and some players include Homer Jordan, Jeff Davis, Perry Tuttle, and Terry Kinard. In addition, a few players on the 2017 Clemson championship team include Deshaun Watson, Mike Williams, Jordan Leggett, Carlos Watkins, and Cordrea Tankersley.

The Gap - *The National Championship game is a full 16 days between the semifinals and the title game, which is much longer than it was last year (nine days) or next year (10 days).*

First Time for Everyone - *LSU is the first team in college football history to produce a 5,000-yard passer, 1,000-yard rusher, and two 1,000-yard receivers. LSU's offense has been truly historic this season. Burrow has completed 77.6 percent of his passes this season, which would set an NCAA record, and he has set countless school and SEC marks while running up the largest winning margin in Heisman Trophy history. Running back Clyde Edwards-Helaire ran for 1,304 yards and 16 touchdowns this season while averaging 6.55 yards per carry. Wide receiver Ja'Marr Chase caught 75 passes for 1,559 yards and 18 touchdowns, and fellow wideout Justin Jefferson was on the receiving end of 102 passes for 1,434 yards and scored 18 times.*

Joe Burrow - *Heisman Trophy winner, Joe Burrow, taking snaps for LSU is three touchdown passes away from tying the FBS single-season record for passing touchdowns, previously held by former Hawaii quarterback Colt Brennan that he broke in 2006. I should note, Burrow has pretty good chances as he's thrown three touchdown passes in 12 of LSU's 14 games this season and four touchdown passes in eight of them. Burrow also is 625 passing yards shy of the single-season mark set by B.J. Symons in 2003 (5,833). Seems pretty unlikely Burrow will throw for this many yards against Clemson's defense, but if he were to throw for his 2019 season average of 372.0 passing yards to finish with 5,580, he would rise to fifth on the single-season leaderboard, one spot ahead of Brennan again. Keep in mind, Burrow enters with 17 touchdowns and zero interceptions in his last four games, and he has had a single multi-pick performance.*

Trevor Lawrence - *Lawrence has zero losses since high school. Lawrence*

signed with Clemson as the No. 1-rated recruit in 2018, according to the 247Sports Composite. He played in 15 games as a true freshman and made 11 starts. The Tigers won them all, including a 44-16 victory over Alabama in the College Football Playoff National Championship Game. In addition, Lawrence has started every game of the 2019 season for the Tigers, and again won them all while throwing for 3,431 yards and 36 touchdowns in the process. He is 25-0 as a starter, and the Tigers have won 29 in a row since he signed with the team. I should also note, Lawrence 13 passing scores in the last four games, and he has not turned the ball over since October 19 or 202 attempts.

2019 Schedule Difficulty - *LSU has been ranked with the second hardest strength of schedule throughout the 2019 season, while Clemson ranks 7th. At the beginning of the season Clemson was supposed to have a much easier schedule, but as the season went on it didn't turn out that way. LSU played six ranked teams this season, in which all of the matchups were against teams in the top 10. Clemson played three ranked opponents this season, which only one of the matchups was against a top 5 team (Ohio State in the playoffs). LSU's closet matchups were against Auburn and Alabama this season. Clemson's closet games came against North Carolina and Ohio State in the College Football Playoff Semi-Final Game. Other than that, they basically blew everyone else out. Keep in mind, LSU beat A&M by 43 this season while Clemson only won by a margin of 14 points.*

Ticket Prices - *Tickets prices have spiked big time for the National Championship game this year. The lowest ticket price on StubHub is going for \$850.00 compared to last year's get-in price peaking at about \$132 with the average ticket price going for \$1,043. This year's current average is at \$2863.00, which won't last as prices are continuing to rise. The most expensive ticket on StubHub is a Plaza Club Sideline ticket on the 50-yard line in the first row for \$5,600. You can also find most lower-level tickets going for around \$1,500 each.*





ANSWER to riddle: Mississippi (e.g. One Mississippi, two Mississippi, three Mississippi...).



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Corn 2018 Crop

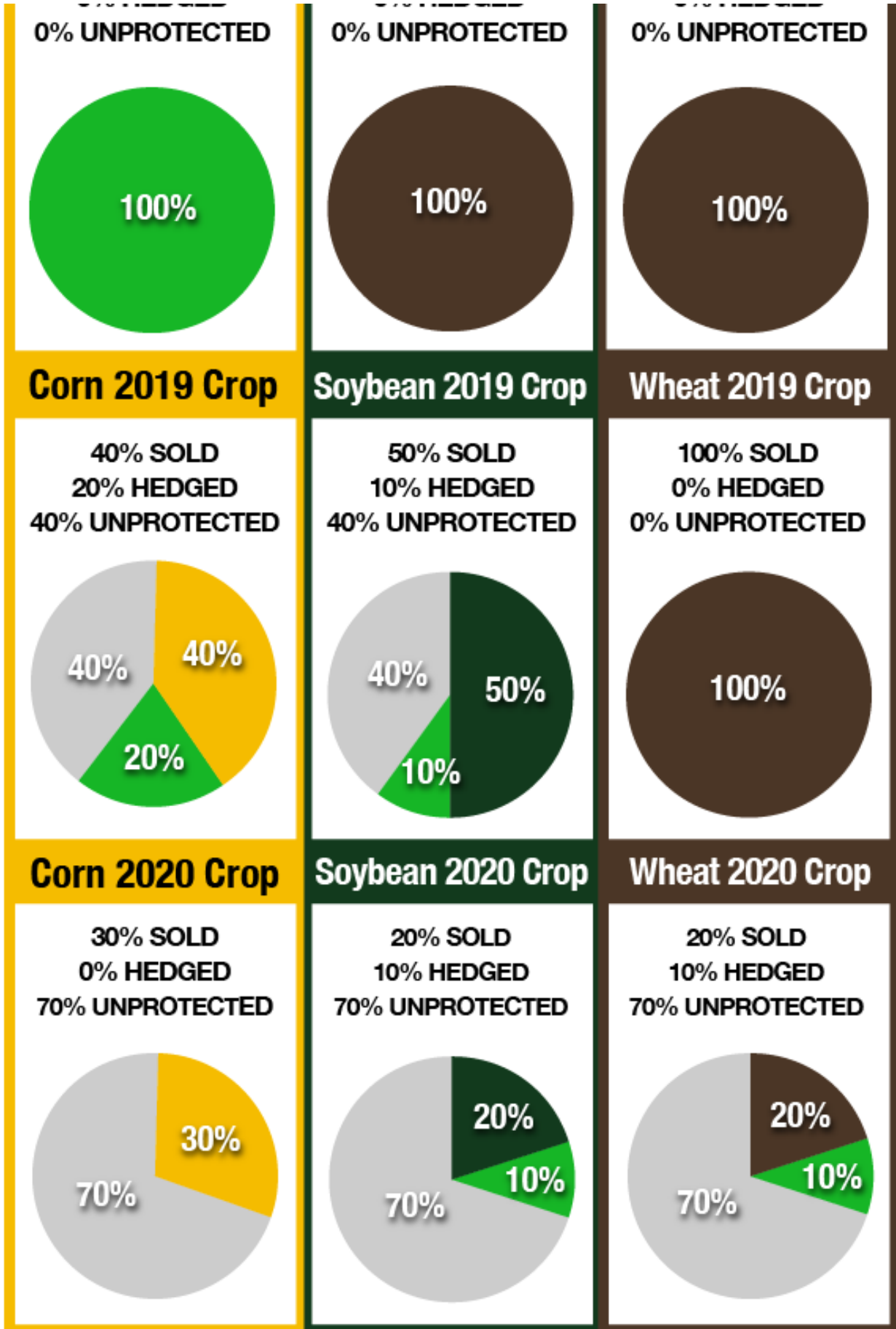
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Soybean 2018 Crop

100% SOLD
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Wheat 2018 Crop

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