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GOOD MORNING: The Van Trump Report 1-30-20

1 message

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

Thu, Jan 30, 2020 at 5:31 AM

Reply-To: Jordan <reply-febe107672640c75-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

To: josh@farmdirection.com



"Never argue with stupid people, they will drag you down to their level and then beat you with experience." - **Mark Twain**

Thursday, January 30, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks bulls are desperately trying to tread water as investors struggle to digest the deluge of negative headlines generated by the coronavirus outbreak in China. The number of infected is now approaching +8,000 and the number reported dead +170. The World Health Organization has said it has "grave concerns" about person-to-person spread in three countries outside China and is now considering whether to declare a global emergency. The WHO is set to discuss making that move today after declining twice last week to declare an international emergency. The United States flew about 210 Americans out of Wuhan yesterday and other countries have done the same. As worried as people are about the potentially deadly health effects of the virus, there is also growing concern about the global economy. Chinese government economists said yesterday that growth could fall below 5% in the first quarter though also noted the government was likely to ramp up measures to support the economy. Obviously, the full economic impact is impossible to gauge at this point but the longer it takes

to reign in the virus, the worse the outlook is likely to get. Unfortunately for stock prices, the coronavirus headlines are mostly overshadowing the good earnings releases companies have delivered. GE, McDonald's, Microsoft, PayPal, and Tesla all reported earnings results above Wall Street forecasts yesterday. Today is another busy one for earnings with results due out from Altria, Amazon, Amgen, Biogen, Blackstone, Coca Cola, Electronic Arts, Eli Lilly, Hershey, Nintendo, Northrop Grumman, Raytheon, Royal Dutch Shell, Tractor Supply, UPS, Valero Energy, Verizon, and Visa, among others. On the economic front, the Federal Reserve left interest rates unchanged and signaled that it would continue with its funding of the repo market through the second quarter of the year. The Fed began funding the overnight repo market - where banks go to fund their short-term operations - back in September when low reserves caused rates to spike. The highlight today will be the first estimate of fourth quarter gross domestic product (GDP), which is expected to show a growth rate of +2.1%. I should also note that President Trump signed the USMCA (new NAFTA) yesterday. Canada still needs to sign off on the deal before it can be implemented, which some say might not be until June. The deal, which covers more than \$1.3 trillion worth of commerce, is expected to lift U.S. gross domestic product by as much as +1.2% and create up to 589,000 jobs, according to the International Trade Commission. All eyes remain on China and the fallout from the coronavirus. I've included some of the updates I've been getting below.

Coronavirus Update: From what I'm understanding, the total number of deaths is confirmed to be +170. This is up from 132 reported on Wednesday and is a rise of +29%. Confirmed infected cases are now nearing +8,000. It's understood that about 95% of the deaths are in Hubei province, where the outbreak started. The World Health Organization says all countries must be on alert for the virus. The WHO's emergency committee will meet again today to further update their statements. Some major airlines, including British Airways, United and Air Asia, have suspended all direct flights to and from mainland China. McDonald's has closed hundreds of restaurants in China and added its name to the list of global companies bracing themselves for the impact of the coronavirus outbreak, amid signs of a mounting economic effect alongside the human cost. The fast-food chain said it had shut about 300 restaurants and set up an epidemic task force in response to the virus. Apple said it had now factored disruption into its financial forecasts, given that it has multiple factories in China, which is also the world's largest smartphone market. The coffee chain Starbucks said it had been forced to close about half of its 4,100 shops in the country, signaling a significant hit to revenues. Facebook has suspended non-essential travel to mainland China and told employees in China to work from home. HSBC, which is Europe's largest bank and has strong ties to China, has done the same.

* The information below was circulating this morning and I thought it helped provide a better understanding of the virus, the concerns, and why we shouldn't be in a panic about the headlines.

Why is this any worse than normal influenza?

We don't yet know how dangerous the new coronavirus is - and we won't know until more data comes in. Eighty-one deaths out of 2,827 reported cases would mean a 3% mortality rate. However, this is likely to be an overestimate since there may be a far larger pool of people who have been infected by the virus but who have not suffered severe enough symptoms to attend hospital and so have not been counted in the data. For

comparison, seasonal flu typically has a mortality rate below 1% and is thought to cause about 400,000 deaths each year globally. Sars had a death rate of more than 10%. Another key unknown, of which scientists should get a clearer idea in the coming weeks, is how contagious the coronavirus is. A crucial difference is that unlike flu, there is no vaccine for the new coronavirus, which means it is more difficult for vulnerable members of the population – elderly people or those with existing respiratory or immune problems – to protect themselves. Hand-washing and keeping away from people if you feel unwell are important. One sensible step is to get the flu vaccine, which will reduce the burden on health services if the outbreak turns into a wider epidemic.

Should we panic?

No. The spread of the virus outside China is worrying but not an unexpected development. It increases the likelihood that the World Health Organization will declare the outbreak to be a public health emergency of international concern. The key issues are how transmissible this new coronavirus is between people and what proportion becomes severely ill and ends up in the hospital. Often viruses that spread easily tend to have a milder impact.

Why the Lockdown of China's Hubei Province is so Concerning: *An article in The Economist recently noted that the World Bank has estimated that as much as 90% of the economic damage from epidemics stems from people's fear of associating with others, which leads offices and stores to close. In China, this is being magnified by the government's lockdown of over 50 million people in the affected areas and limiting interpersonal contact throughout the country. The most direct impact is being felt in Hubei province, home to the city of Wuhan where the virus was first detected. The fast-growing city was expected to record a regional economic growth rate of up to +7.8% in 2020. The province of Hubei as a whole generates 4.5% of China's GDP. With the lockdown of Hubei in place, economic activity has mostly ground to a halt. Wuhan itself is a manufacturing hub, especially for the auto industry. Nissan, Honda and General Motors, among others, have plants there. Bloomberg ranks Wuhan 13th out of 2,000 Chinese cities for its role in supply chains. One local company, Yangtze Optical Fibre and Cable, is the world's biggest maker of the wires that carry data around the planet. Adding it all up, the Chinese economy is in for a grim start to the Year of the Rat, and this will cast a shadow globally. Chen Long of Plenum, a consultancy, thinks China's growth could slouch to 2% year-on-year in the first quarter, its weakest in decades and down from 6% in the final quarter of 2019. But he expects a strong rebound when the country gets back to normal. The unknown is when normality might resume. Read more [HERE](#).*



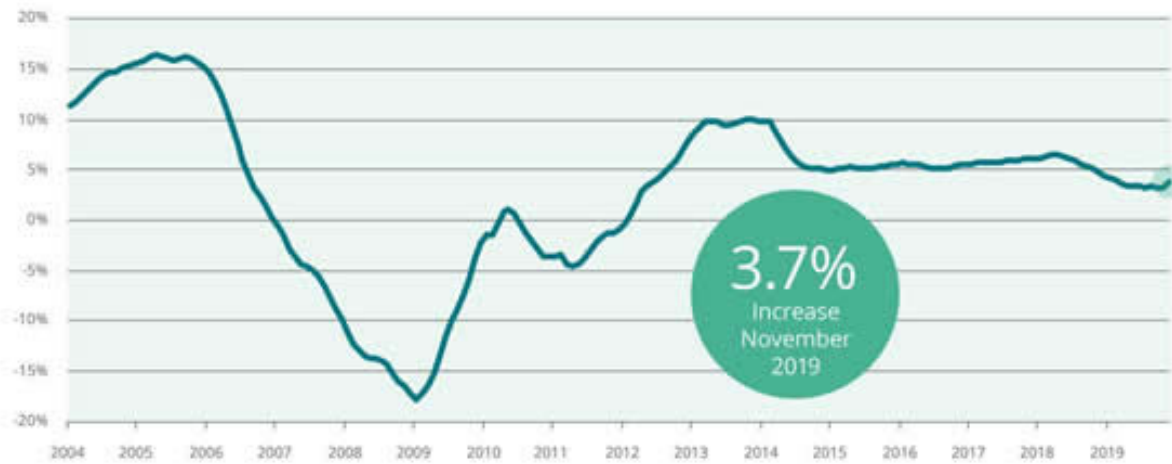
Tesla Reports Second Profitable Quarter in a Row, Promises Record Production: *Tesla's stock surged as much as +13% in extended trading yesterday after the company reported strong fourth-quarter results that beat analysts' estimates. Tesla said it expects positive cash flow and net income going forward. Vehicle deliveries should also "comfortably exceed 500,000 units," in 2020. The company also said it planned to allocate the same amount of capacities for its new Model Y, an electric crossover utility vehicle that it started producing this month in Fremont, California. Boosted by strong demand for its vehicles in Europe and China, Tesla on Wednesday said its cash balance increased to \$6.3 billion. The company reported earnings of \$2.14 per share excluding certain items on revenue of \$7.38 billion, while analysts expected earnings of \$1.72 per share on revenue of \$7.02 billion, according to Refinitiv. Source: CNBC)*

JPMorgan is Slashing Hundreds of Jobs Across its Consumer Unit:

JPMorgan Chase & Co. plans to dismiss several hundred workers from its consumer unit as the lender seeks to rein in costs. The retail unit, which houses the deposit, credit-card, home-loan and auto-lending businesses, contributes almost half of the firm's revenue. The reductions are part of a broader review of operations as customers increasingly access banking services online or through mobile apps. Headcount in the unit fell 2% to 127,137 at the end of last year, the lowest since 2015, according to the New York-based bank's latest quarterly report. The drop follows a cut of about 7,000 operations jobs from the unit in the four years through 2018. JPMorgan has poured billions of dollars into technology as consumers adopt digital banking habits. More than 80% of transactions in the consumer bank were completed through so-called "self-service" channels in 2018. (Source: Bloomberg)

Home-Price Growth Gained Speed in November: The S&P CoreLogic Case-Shiller National Home Price Index, which measures average home prices in major metropolitan areas across the nation, rose +3.5% in the 12 months to November, up from a +3.2% annual pace the prior month. On a monthly basis, the index ticked up +0.1% in November compared with October. Phoenix saw the highest home-price appreciation in the country in November with a 5.9% increase from the same period in 2018. Charlotte, N.C., was next with a 5.2% increase, followed by Tampa, Fla., with 5% growth. Altogether, all 20 of the cities the index tracks reported price increases after seasonal adjustments were made. All parts of the country displayed year-over-year growth in home prices. However the region that displayed the most substantial increase on an annual basis — the Mountain region, which includes Montana, Idaho, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico — was also the only part of the country where home prices fell on a monthly basis between October and November, the FHFA reported. Read more from [MarketWatch](#).

Figure 1: HPI Percentage Change Year over Year



*Including Distressed Sales

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FARM TANK

Tweets of the Day





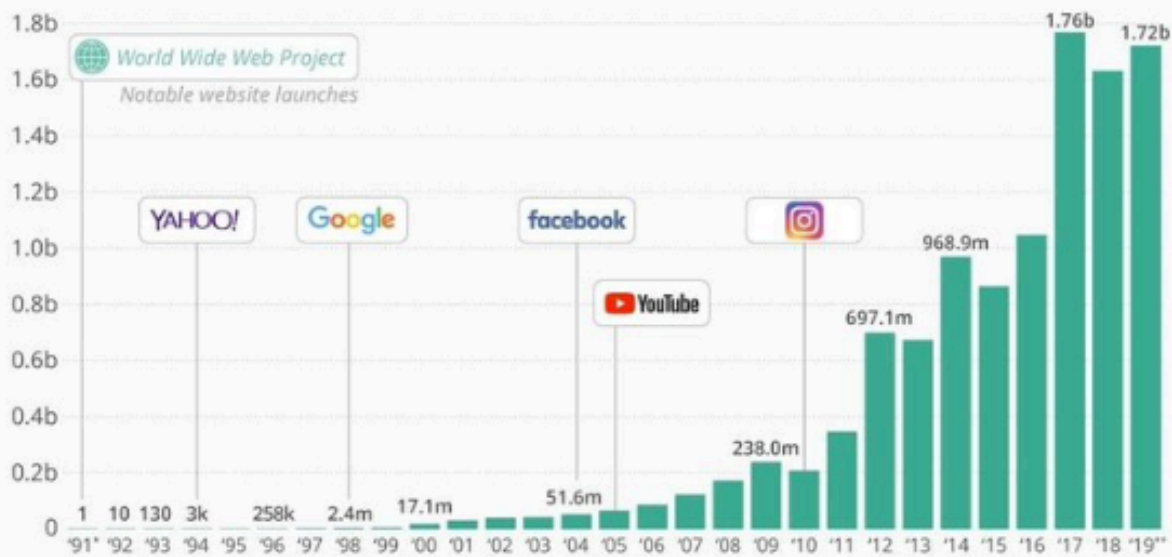
World Economic Forum ✓
@wef



How many websites do you think exist? Your guess won't come close wef.ch/34MEOmL #Internet #Technology

How Many Websites Are There?

Number of websites online from 1991 to 2019



"Website" is defined as a unique hostname, i.e. a name which can be resolved, using a name server, into an IP Address.

* As of August 1, 1991
** As of October 28, 2019 at 10:00 CET
@StatistaCharts Source: Internet Live Stats

statista



World Economic Forum

@wef

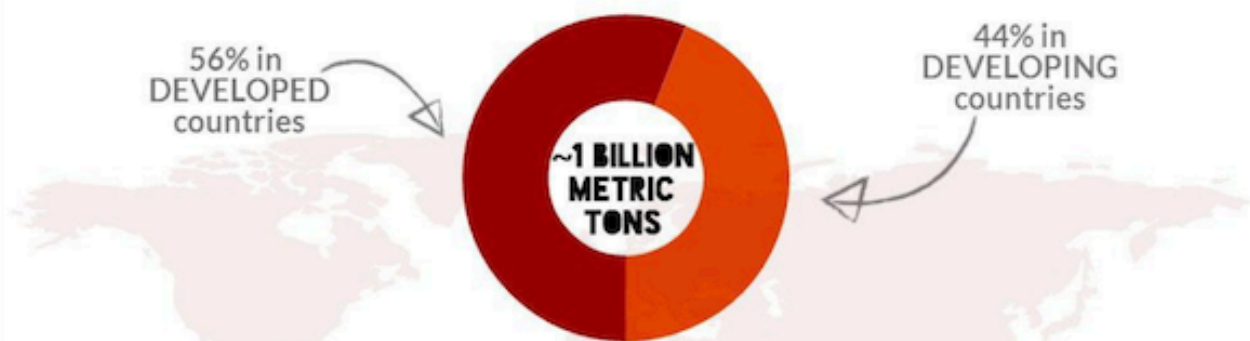


How powering food storage could end hunger

wef.ch/34HRTxz #wef20

1/4 TO 1/3 OF ALL FOOD PRODUCED FOR HUMAN CONSUMPTION IS LOST OR WASTED

HERE'S THE BREAKDOWN:




THOSE LOST CALORIES COULD FILL HUNGER GAPS IN THE DEVELOPING WORLD



LEARN MORE AT [WWW.WORLDBANK.ORG/FOODPRICEWATCH](https://www.worldbank.org/foodpricewatch)

SOURCES: FAO AND WORLD RESOURCES INSTITUTE



Grain Elevator Guy 
@GrnElevatorGuy



Merchandiser: "What have you been up to lately?"

Trucker: "Well I'm hauling beans for _____. Yesterday I was hauling corn for _____. I heard _____ sold 500,000 to _____. Oh, and next week I am hauling corn out of ____ to _____."

Merchandiser:

[#AgTwitter](#) [#Grains](#)





Herdwicks of Highfields Farm
@highfieldsherdy



To some this picture will be familiar. Taken over 10 years ago. These were some of our first [#Herdwick](#) ewes and 'Ramstein' about a year after we had bought the [#farm](#). We always admired them on our visits to the Lake District & wouldn't be without them. [@FarmingUK](#)
[@NFUCountryside](#)





Candice Bauer
@CandiceJBauer



My dad and uncle own these iconic elevators at Lepine near Wakaw, Saskatchewan. He would like to pass his on to a historic society who will preserve them. Does anyone know a group who specialize in Canadian history?





Matt McCune
@ksufearless



Remember that song, "da turdy point buck"? some dude shot him!

@KDWPT





ActionComplete
@ActionComplete



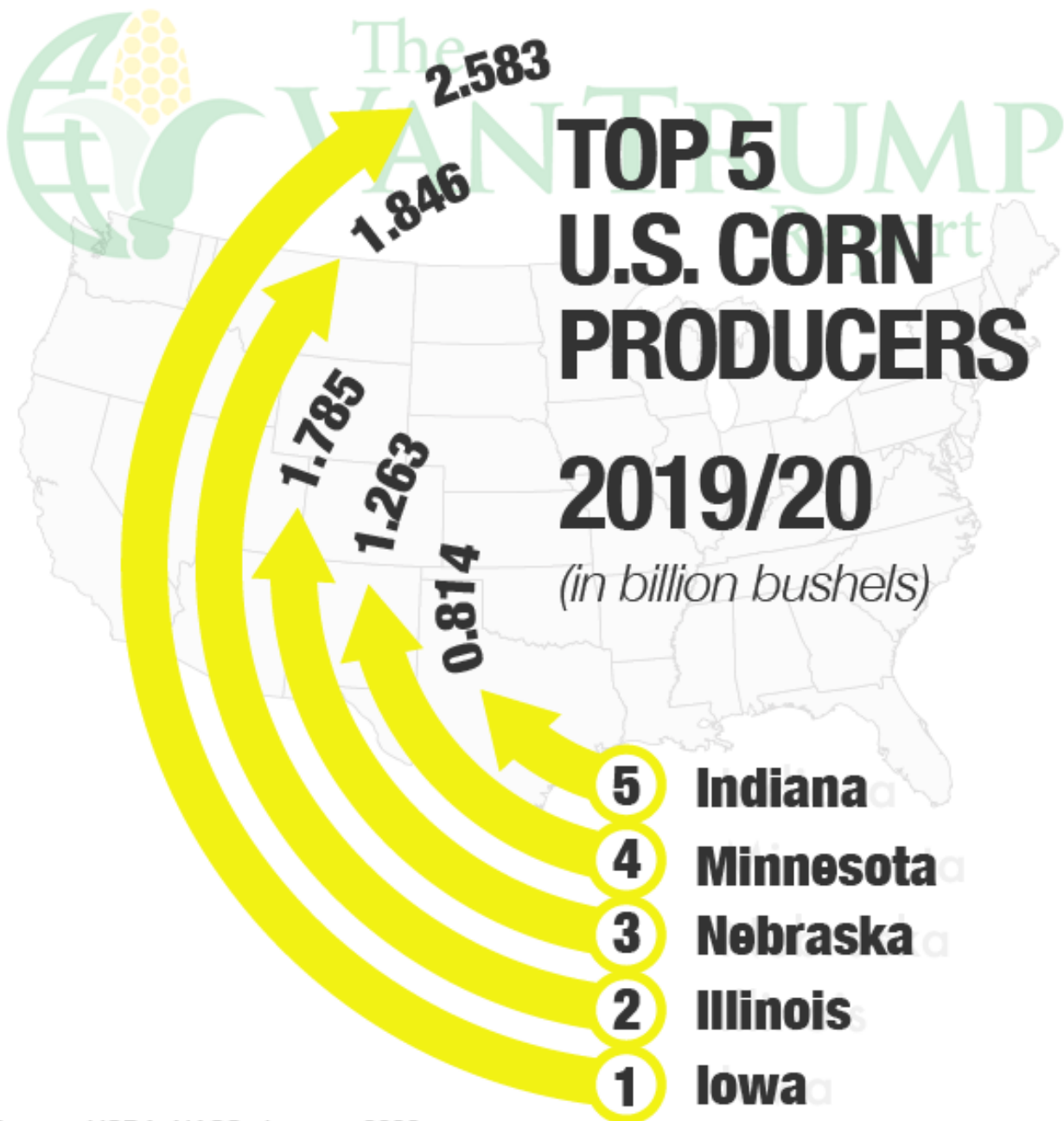
Not to spoil the ending for you but... everything is going to be okay.

#positivity #quotes #inspiration



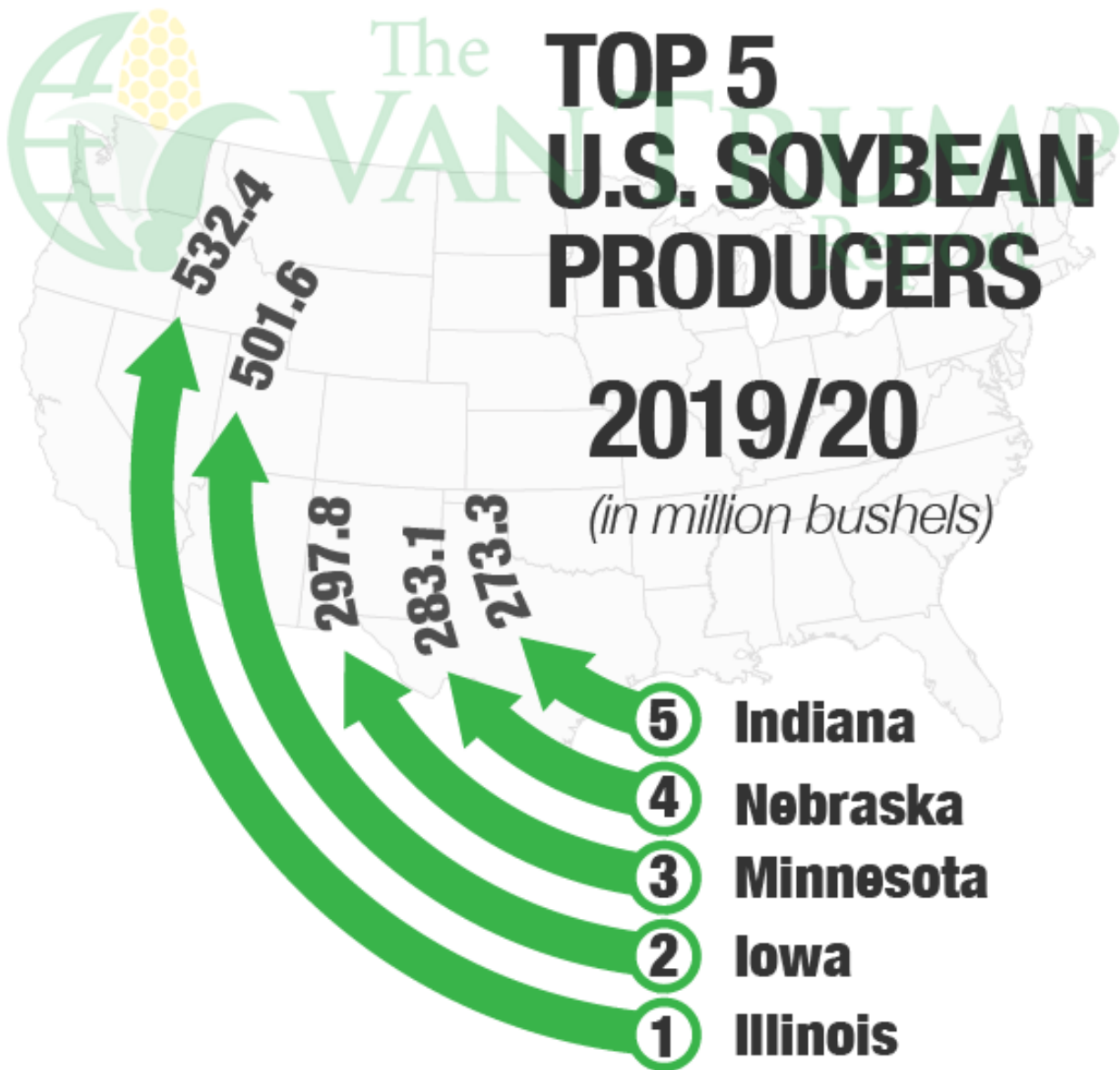
Corn bears are pointing to improved crop conditions in South America and no signs of significant buying by the Chinese. Bears also talking about weakness in U.S. ethanol demand and more corn acres in 2020. I should note, U.S. ethanol output fell by about -20,000 barrels per day last week and we continue to see headwinds in this space. Longer-term, bulls are hoping the USDA will soon adjust U.S. production lower and that U.S. export demand is going to surprise to the upside. Don't forget, the USDA will be updating weekly export sales this morning.

Technically, corn prices continue to orbit around the important 40-Day and 100-Day moving-averages and seem to be searching for longer-term price direction. I still feel like we are trapped in this \$3.70 to \$4.00 range and will need to see some fresh new headlines to breakout. As a spec, I still like the thought of building a longer-term bullish position, nibbling a bit on the breaks makes the most sense to me. It also feels like end-users should also be taking small bites on the breaks. As a producer, I like the thought of staying extremely patient. For those who are lucky enough to see an abnormally strong basis, you should be looking for ways to take advantage and reduce longer-term exposures. Paying the most attention to China!



Source: USDA, NASS, January, 2020

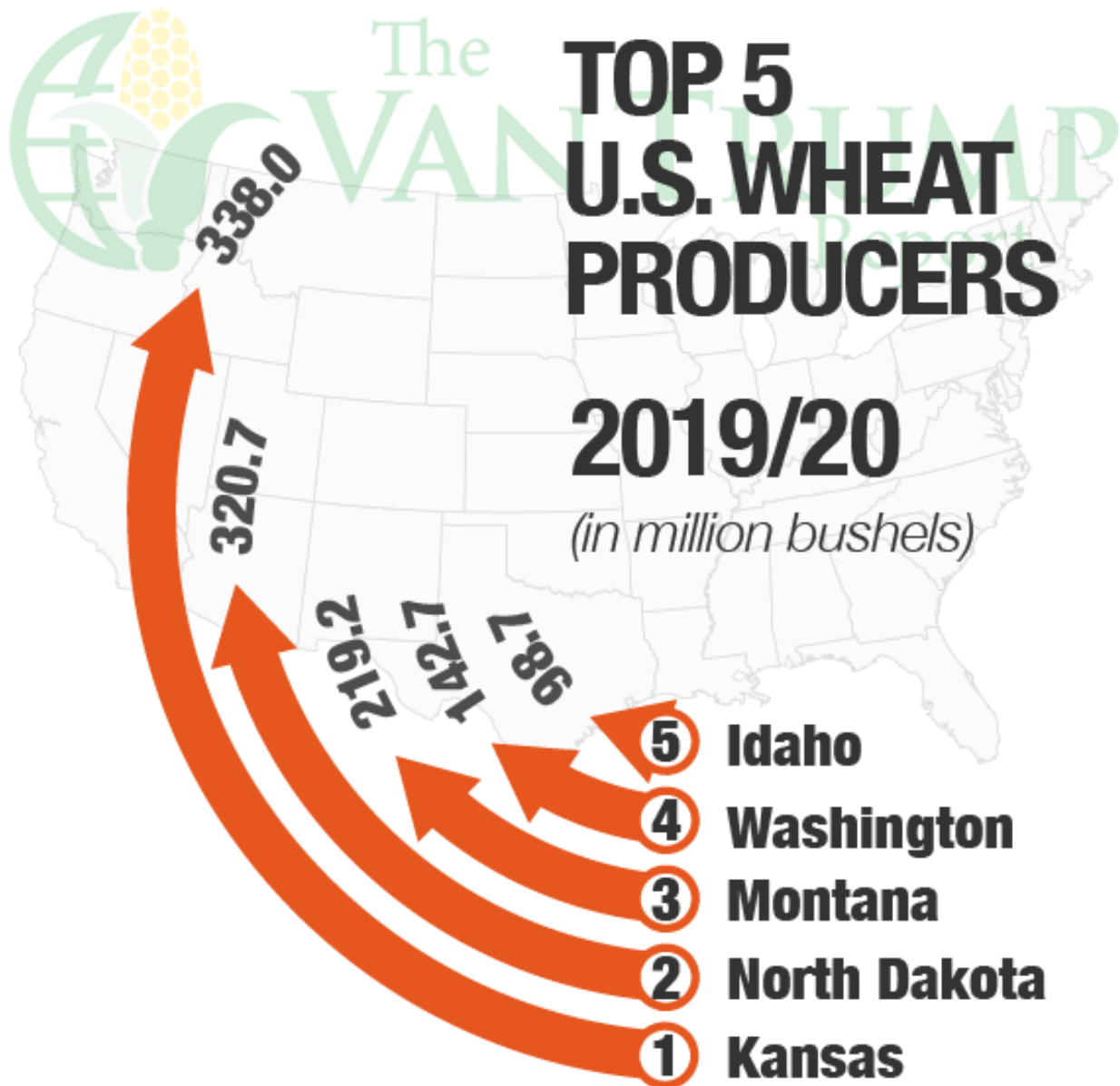
Soybean bulls are hoping that the bleeding has slowed and prices may be starting to consolidate near the bottom end of the recent trading range. As I mentioned the other day, the MAR 20 contract might now find it comfortable orbiting around the \$9.00 level, at least until more is known about the coronavirus and more details are unveiled about Chinese buying intentions. Bears continue to point towards improved weather conditions in South America and talk of more soybean acres being planted here in the U.S. in 2020. Technically, many traders now argue that the soybean market could become rangebound between \$8.70 and \$9.30 per bushel. If you want to push that range out a bit more long-term the trade is talking \$8.40 to \$9.60. The trade will continue to keep a close eye on demand headlines and should be eager to see today's USDA weekly export sales estimate. As a spec, I am now holding a small bullish position and will be looking to take another small bite on a break lower. For any major rally, we are going to need a bullish weather story. Stay tuned...



Source: USDA, NASS, January, 2020

Wheat bears are pointing to more headlines that indicate India's crop will be record large. There's also more reports showing Russian exports will start to get cheaper in the weeks ahead as more new-crop supply becomes more readily available. Here at home, bears are pointing to some improved moisture levels in some key HRW wheat areas. Bulls are still hoping to see some larger-scale Chinese buying and some closure or optimism in regard to the coronavirus. Keeping our fingers crossed... As a spec, I still remain on the sideline having banked profits and exited my bullish positions what seemed to be way too early. It's become somewhat of a mental mindbender for me at this point. When I find that I'm talking to myself about a recent trade it's best for me to put myself in the penalty box for a bit and just watch from the sideline. It's like banking your profits and taking your money off the table at the casino but then watching that one

buddy who keeps pressing his luck and winning... it's mentally frustrating. It's almost better to just leave the casino. I promise, almost as certain as the day is long as soon I pull the chips back out of my pocket and jump back in the tables would turn. I've paid for that "greed" lesson one too many times. I'm staying respectful to the market. As a producer, I've rewarded the rally and reduced some risk at a great level. I've now been waiting to see the next wave of headlines. In no hurry to make a big move! Keep in mind, the spring wheat contract just posted a six-week low and the HRW contract a three week low, so I'm paying very close attention.



Source: USDA, NASS, January, 2020

Personal Rice Comments from Andy Daniels:

Please remember this in NOT a solicitation to buy, sell or trade any commodity. This is simply Andy's

personal opinion about the current market conditions. There is considerable risk in trading and you should always consult with your individual licensed broker.

LONG-GRAIN RICE

Harvested Acres (mil.)	1.75	2.18		1.73
Yield (pounds/acre)	7,314	7,517		7,261
Beginning Stocks	31.0	20.3	32.6	32.6
Production	127.9	163.6	127.1	125.6
Supply, Total 7/	182.2	207.3	183.7	182.7
Domestic & Residual 3/	98.6	109.0	98.0	99.0
Exports 8/	63.2	65.7	69.0	70.0
Use, Total	161.9	174.7	167.0	169.0
Ending Stocks	20.3	32.6	16.7	13.7
Avg. Farm Price (\$/cwt) 6/	11.50	10.80	11.80	12.20

A few observations from the USDA Numbers on Jan 12th:

- Yield was raised slightly, this flies in face of numerous field reports across Arkansas suggesting it is overstated by 5-7mm CWTs
- Domestic use of long grain is projected at 99 million versus 109 million last year and imports at 24.5 million versus 23.4 million last year. This implies use of U.S. grown long grain will be off 11.1 million, a decrease of ~13%. As indicated by the Dec 1st stocks number, there is virtually no change in use of U.S. grown long grain so that would imply the second half of the marketing year consumption of U.S. grown long grain must decrease by 26% . There is no way that that will happen. For all the reasons discussed before, domestic demand is virtually inelastic. In fact, Nathan Childs, author of the Rice Report, states: "Based on data reported by NASS in the January 2020 Rice Stocks shows well below expectations. The pace of U.S. shipments through late December indicates even higher than currently forecast. However, a projected substantial tightening of U.S. supplies later in the market year and rising U.S. prices are expected to eventually slow the pace of U.S. exports. The substantial projected decline in long grain domestic and residual use from the previous year is based on much smaller supplies." These statements seem to suggest that he believes we are going to run out, thus the smaller usage. December 1st total long grain supply was 83 million. Using the USDA domestic use and exports average monthly use per month is 12.1 million. Figuring exports were somewhat front end loaded, let's assume the monthly use to be more like 11 million. This would implying that March 1st stocks should come in around 50 million. The problem is that this number doesn't come out until the end of March by which time it is simply too late to ration in an orderly way. With five months left after the report in the marketing year, it would imply a NEGATIVE 5 million CWT carryout. We have delayed the rationing far too long for it to be an even remotely orderly process.
- USDA long grain exports are projected at 70 million hundredweights, up 1 million from Dec. That is broken down as:

34mm CWTs milled rice exports. Through Jan 16th 25mm CWTs, or 76%, has already been sold with 28 weeks left in the marketing year with traditional buyers on deck to buy the balance: 5mm CWTs to Haiti, 1.5mm CWTs to Saudi Arabia, 1mm CWTs to Canada, and .5mm CWTs to Mexico.

31mm CWT's Rough rice exports. Through Jan 16th we have sold 22.6mm CWTs. That equates to 73% with 28 weeks to go in the marketing year. Buyers on deck include 2.6mm CWTs to Mexico, 2.5mm CWTs to Columbia (tendered yesterday), and 3.1mm CWTs to the rest of Latin America. This

leaves no room for potential interest from Iraq and Venezuela.

4mm CWTs Government give away

1mm CWTs Brown rice exports.

- Lastly, the open interest has grown from 8,500 in early December when futures were around \$12.00 to 12,300 today with futures at approximately \$13.50. The point is that we are obviously attracting new players while shrinking the amount of rice in hands of producers and end users. The upside moves are going to become more violent as end users scramble for the remaining supplies.

In my opinion, the upside potential remains considerably higher than where we are now, keep in mind that it is a VERY thinly traded market. Total open interest in all Rice is 12,300 contracts. Corn is 1,500,000 contracts and Soybeans 750,000. BE CAUTIOUS AND NOT FOR EVERYONE, CONSULT WITH A BROKER.



> How the New North American Trade Deal will Affect U.S. Ag: *The U.S.-Mexico-Canada trade agreement (USMCA) signed by President Donald Trump on Wednesday modernizes the 26-year-old North American Free Trade Agreement. The new agreement makes mostly modest changes and will leave more than \$1.2 trillion in North American trade flows largely unchanged but will have some impacts on the ag front. Canada will provide U.S. dairy farmers access to about 3.5 percent of its \$16 billion annual domestic dairy market. In exchange, the*

United States backed off efforts to force Canada to scrap its longstanding "supply management" system, which maintains high dairy tariffs. The United States will be able to increase exports of some milk products like skim milk and milk proteins to Canada. The United States also gets tariff-free access to Canada for 57,000 metric tons of chicken by the sixth year of the deal, and access for 10 million dozen U.S. eggs and egg equivalents. More details are available [HERE](#).

> Ag Secretary Unsure if Coronavirus will Slow China's Farm Imports: *U.S. Agriculture Secretary Sonny Perdue said on Wednesday he does not know whether China's coronavirus outbreak will upset Beijing's pledge to radically increase purchases of American farm goods as part of the countries' recent trade deal. The virus has cast further doubt on China's ability to buy \$36.5 billion of U.S. agricultural goods in 2020. Agricultural producers have grown worried China's demand will temporarily suffer as the government has quarantined cities in a bid to contain the coronavirus. Delays or reductions in China's planned purchases could put more pressure on U.S. farm incomes that suffered during the countries' bruising trade war. "It obviously is going to have some ramifications economy-wide, which we hope will not inhibit the purchase goal that we have for this year," Perdue told reporters on a conference call. (Source: Reuters)*

> KFC Expands Beyond Fried Chicken Test to Two New Markets as Hortons Takes Beyond Meat off the Menu: *Kentucky Fried Chicken and Beyond Meat announced yesterday an expanded test of Beyond Fried Chicken, plant-based chicken. Beginning February 3, select KFC restaurants in Charlotte, Nashville, and surrounding areas, will offer new Beyond Fried Chicken menu items, available through February 23, or while supplies last. The product is 80 calories per piece and looks a bit like a fried chicken nugget. Both companies said they expect strong demand for imitation chicken, given that last year's one-day test in Atlanta, Georgia, sold out in less than five hours. Several plant-based meat makers have had capacity issues due to unexpectedly high demand; the category is expected to be worth \$140 billion over the next decade. This week also brought an announcement from Tim Hortons that it has stopped selling the Beyond Burger and a Beyond Meat breakfast sandwich at its coffee and donut shops across two of Canada's biggest provinces. Tim Hortons says they introduced Beyond Meat products as a limited offer and may offer the products again in the future. (Sources: CNBC, Bloomberg)*

> Don't Leave Money on the Table! FSA Concerned About Low Farm Bill Program Enrollments: *Farm Service Agency offices nationwide are concerned about the lack of farmers making changes to farm bill programs and one ag economist says dollars will be left on the table if they miss the March deadline. Michigan State University's Jim Hilker tells Brownfield if farmers don't make the March 15th election deadline for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, enrollments default to choices made based on the*

2014 Farm Bill and there are penalties. "You'll forfeit any potential 2019 payments, for 2020 the default will be what was signed up for last time which was ARC County." Enrollment choices can be changed after two years unlike in 2014 when coverage was locked in. Hilker says farmers need to get into FSA offices now and it is very simple if they want to make changes before the deadline. "You need to get in the office and do the paperwork as soon as possible, yesterday would have been good." Listen to the full interview [HERE](#).

> NASDA Says Flexibility for States is Key to Hemp's Future: *The National Association of State Departments of Agriculture (NASDA) this week submitted final comments to the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) on the Establishment of a Domestic Hemp Production Program interim final rule (Rule). NASDA says it has identified several key areas where the rule either lacks clarity or fails to provide the flexibility many states will need to meet the federal requirements in a way that best facilitates the development of hemp production. The group says at least 30 states will have to revise their own laws in order to comply with the requirements of the rule and offered recommendations to enhance its flexibility, including extending the testing window, dropping the requirement to use a DEA registered lab, and raising the allowable THC level to +1%. Read the NASDA's full statement [HERE](#).*

> Mississippi River Communities Facing Early Flood Risk: *Northern communities along the Mississippi River are bracing for potential flooding as recent swings in temperature exacerbate already high water. In Wisconsin, ice jams forming on the river have increased the chance of localized flooding. Instead of river ice forming a single thick sheet, Dan Fasching, water manager for the Army Corps of Engineer's St. Paul District, said temperature swings this winter have caused thin ice to form, break into small pieces and eventually accumulate into a kind of dam. Fasching said the unfavorable ice conditions come as a historic amount of water continues to flow through the Mississippi River. The Corps is also monitoring another ice jam near Winona, Minnesota. Steve Buan is hydrologist-in-charge at the National Weather Service's North Central River Forecast Center. He said water levels on the Mississippi River will continue to rise and fall rapidly if current temperature swings continue. Buan said he expects to see high waters and unfavorable ice conditions for the rest of winter, especially if the region gets another period of below-zero temperatures. And he said spring will likely be challenging as well. The National Weather Service expects the Mississippi River to continue rising through the next 1 to 2 weeks as runoff from snowmelt upstream in combination with rainfall runoff moves through the river system. Confidence has increased that much of the river will see minor to moderate flooding. The river is expected to crest in the Dubuque, Iowa, area early next week, and continue down river. (Sources: NWS, WPR)*

> CFTC Set to Deliver Updated Speculation Rules: *U.S. regulators are poised*

to issue long-delayed restrictions on excessive speculation in oil and metals markets after tougher proposals stalled during the Obama administration, people familiar said. The Commodity Futures Trading Commission is expected to release a plan today that limits the size of bets hedge funds and others can make on derivatives tied to various commodities. The constraints, less sweeping than earlier versions proposed by the agency, would impact trading on the soonest-expiring contracts, leaving intact traders' abilities to make big wagers on longer-term contracts, two of the people said. In another sign that the revamp will be softer than previous iterations, it's likely to let traders take bigger maximum positions than currently allowed in some physically settled futures contracts. (Source: Bloomberg)

> How 3M's Earning's Results Reflect the Broader Economy: *Manufacturer 3M announced Tuesday that it's cutting 1,500 jobs, reporting declining revenues and setting a lower outlook for this year. 3M makes a lot of things and when you look at their earnings details, you also see a lot of economic factors at play. The first is the global manufacturing slowdown, where worry about the economy all over the world has a chilling effect on orders of parts and supplies, of which 3M makes a lot. The second factor might be slightly less obvious. It's Boeing, which stopped producing 737 Max planes in December, making life hard for parts suppliers...like 3M. The third economic factor of note for 3M may have a positive outcome for its business. The coronavirus outbreak has meant that protective face masks, which 3M makes, are in high demand. Read more from [MarketPlace](#).*

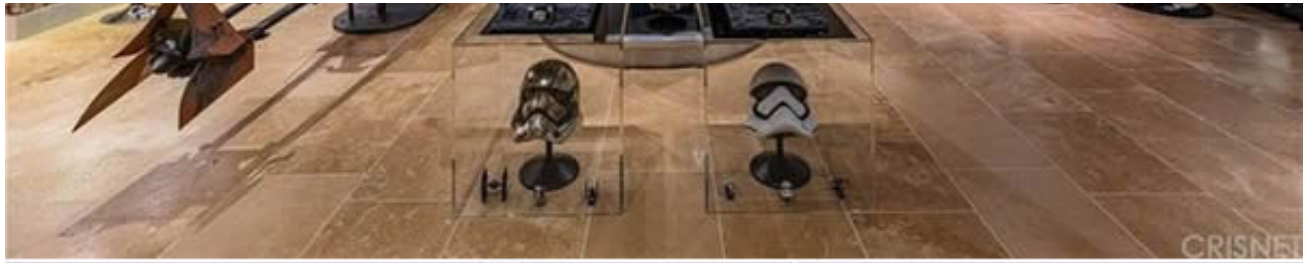
> The Ten Highest-Paid Video Gamers Pocketed More Than \$120 Million: *In the world of professional video games, winning isn't everything. Fortnite phenom Tyler "Ninja" Blevins made \$17 million last year, enough for first place on Forbes' inaugural ranking of top-earning gamers, but the 28-year-old pro won less than \$100,000 competing. That's because top-earning gamers are more influencer than they are elite athlete. They earn their millions from leveraging their massive online followings into endorsements, fees and sponsorships. Ninja has 2.8 million followers on Mixer, Microsoft's nascent gaming platform, which Forbes estimates will spend \$30 million over three years after luring him from arch-rival Twitch last August. The blue-haired gamer has an additional 22.7 million YouTube subscribers and 14.9 million followers on Instagram. In all, the ten top-earning gamers have a combined 270 million followers across YouTube, Twitch and Mixer and earned \$121 million last year. None of them made the list through competition alone. Read more [HERE](#).*

> You Might Freak Out Over All the Data Facebook Collects About You From Other Websites: *Facebook launched a new feature this week called Off-Facebook Activity. Located in the service's privacy settings, it lets you see all the websites and apps that reported data back to Facebook about your visits and activities. The Off-Facebook browsing data is used to show you "relevant" ads you*

might click on Facebook as well as on sites on its advertising network. For instance, if you've been visiting sites about travel destinations, you may see an ad next to your Facebook feed about hotel deals at those places. A reporter at Fast Company found that many companies sent her data to Facebook on more than one occasion, a few more than 50 times. She also notes that some of the reporting companies were personal in nature, including her pharmacy and medical group. You can "disconnect" Off-Facebook data from your account, for specific sites or apps but that won't stop Facebook from collecting the data. All it does is stop Facebook from using the data to inform which ads and events you might see. To block the data from being transmitted in the first place, you've got to take charge with third party tools. Learn more [HERE](#).

> \$26.5 Million Mansion Has a Real-Life Star Wars "Cantina Bar": A Hidden Hills, California, mansion just placed on the market for \$26.5 million boasts of "soaring ceilings, hardwood, and tile floors and plenty of large, exquisitely designed windows." The most impressive feature may be the 5,000 square foot basement, however, where a specially-designed 18-seat home theatre boasts Star Wars-inspired decorative details and middle seats programmed to move in synchronization with a film's special effects. The current owners have the entire basement space filled with 40 life-sized replicas of Star Wars characters, iconic props from the film that are priced in the millions, and a "cantina bar" populated by the rogues of the famous cantina on the planet of Tatooine. The collection is not part of the home's \$26.5 million price tag, however, but it is available for purchase separately! The "Star Wars" basement isn't the only outstanding feature of the 3-acre property. Atop the hillside in the backyard sits an observatory, which houses a state-of-the-art telescope that rivals the one in Griffith Observatory. There's also a custom music studio, an indoor-outdoor pool and spa, a wine room, gym, tennis court, and a 750-gallon saltwater aquarium between the dining room and family room! Check out more pictures and details about the home [HERE](#).





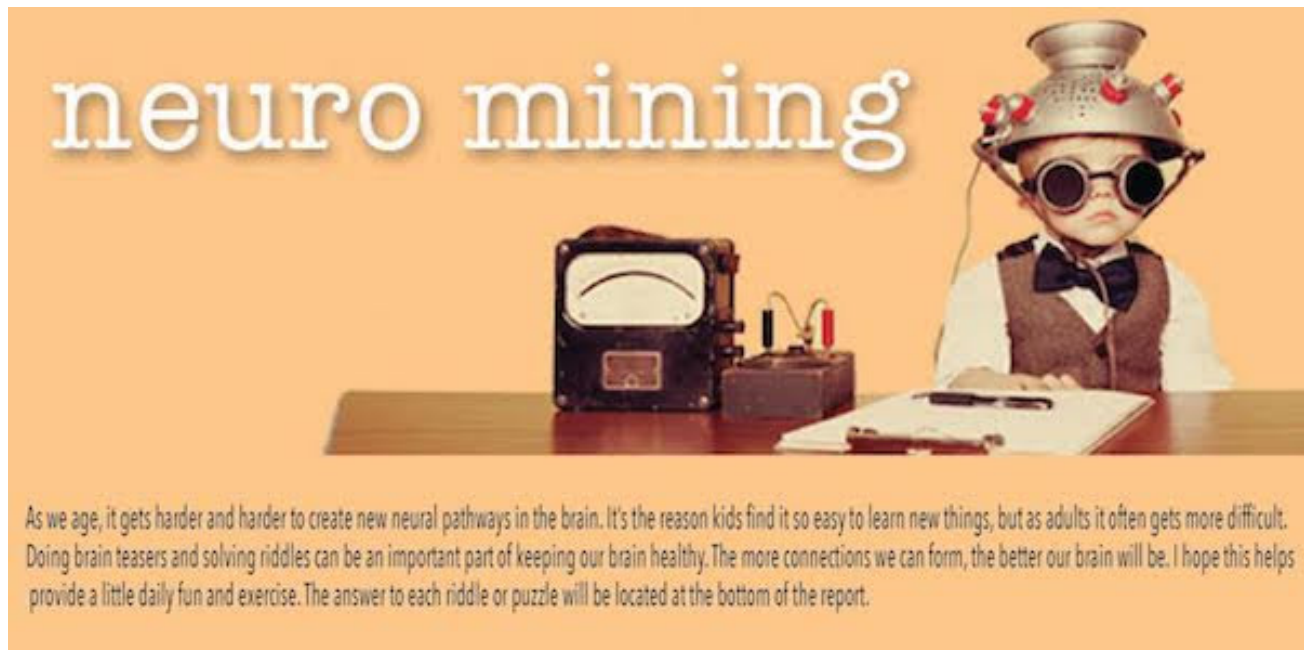


Central Kansas - *We drilled about 250 acres of wheat this fall which is a little under half my intentions. The early cold weather not only stopped us from planting the other fields but it limited how good the stand looks. I have a couple of fields that have patchy stands and one that did not even emerge. The field that is still dirt is the last field I planted which means I pushed it too close to the cold snap. I'm not overly worried about it right now because if they don't emerge this spring I will just take the insurance and plant them to either corn or milo. For the last few years, corn has been the bigger winner because of all the rain we got but the contrarian side of me thinks we might be in store for a drier year especially since this winter has been on the drier side.*

East central Illinois - *I'm going to keep my production update relatively short. In a nutshell, we had reservations on our production early on but it was better than expected as a whole. There are exceptions to that in places where crops were planted in adverse conditions. It wasn't a bumper crop by any means but it was okay. Something interesting that I came across the last few days is my banker was talking about how interest rates are backing off a little with the Coronavirus scare. From what I understand, money is looking for a safer home in bonds. I will find out more tomorrow but I thought I would let you know in case other guys want to contact their banker to refinance or at least ask.*

North central North Dakota - *In my 40+ years of farming, the fall of 2019 was the worst I've ever experienced. It took some doing but we were able to finish two days before Thanksgiving. That two-thousand acres of corn we took off last needed a week to dry. Not everyone was fortunate enough to get it all out of the ground. There is a significant amount of corn unharvested and it's going to take some pretty near perfect conditions for those guys to get it off before June. If we can get a melt and some hard freezes there will be an opportunity, but the last time I left corn in the field was 2007 and we were pulling equipment out all over the place. I also lost nearly 50 bushels an acre on the ground, but I should*

mention, it was at least dry when we harvested. The current situation has a lot of folks wondering if we are going to see a ton of prevent plant acres this spring. It's snowing here again this week with possibly more on the way.



TODAY'S RIDDLE: A father's child. A mother's child. No one's son. Who am I?



The Australian Fires...

Since starting in September 2019, the Australian wildfires have killed more than +1 billion animals, thousands of homes have been destroyed, lives have been lost, and +30 million acres of land devastated. From what I understand there are still over +100 fires burning. This is an extremely sad event that is some 20x larger than the California wildfires a couple of years ago. In fact, many families have been driven to the oceans and beaches by fires burning out of control. I've heard that farmland and pasture ground has been destroyed as fencelines in many regions no longer exists. Many say it the worst natural disaster to ever hit Australia!

There was an inspirational story recently circulating about a six-year-old kelpie-

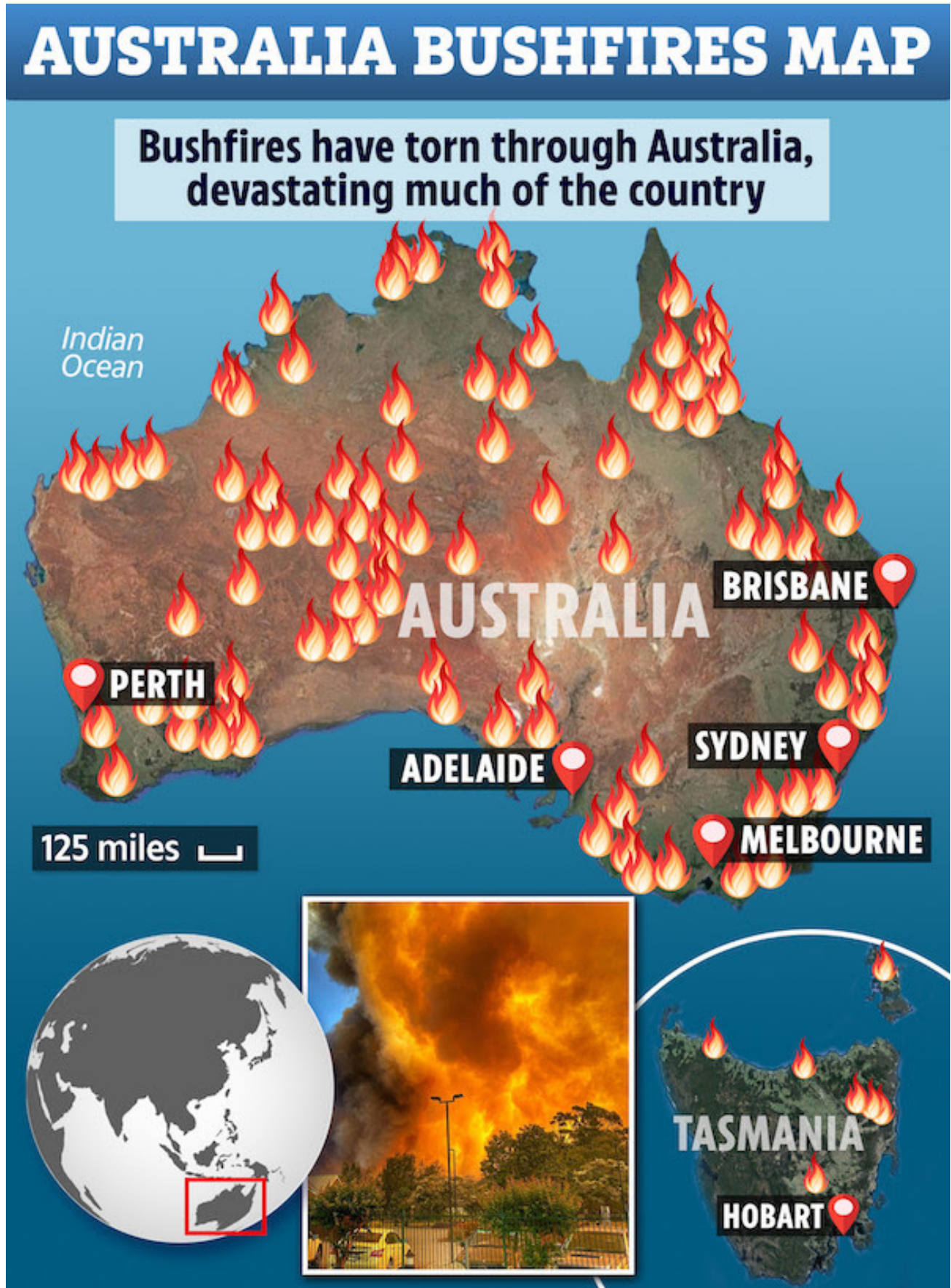
border collie named Patsy who recently helped save her owner's farm. Stephen Hill's farm in the small town of Corryong in Victoria, Australia was under assault from approaching flames. Hill's family evacuated but he and Patsy stayed behind to get his +1,000 sheep into a safer paddock and protect them and the farmhouse from the fire.

As Hill kept the fire at bay with a tractor equipped with a tank of water, Patsy rounded up the sheep and got them to safety. Luckily for the sheep, Patsy wasn't scared off by the flames and choking smoke. As Hill's sister Cath explained in a social media post, "For Patsy, funnily enough the fires don't really make much of a difference!!! She's a border collie/kelpie cross, so she's a working dog through and through." Nearly all the sheep were saved, as was Hill's house and most of his outbuildings.

Stephen Hills says, "I'd have been done without Patsy. She's earned front-seat privileges for the rest of her life." We pray for all those families and farms battling the flames in Australia. (Sources: ModernMet, CNet)

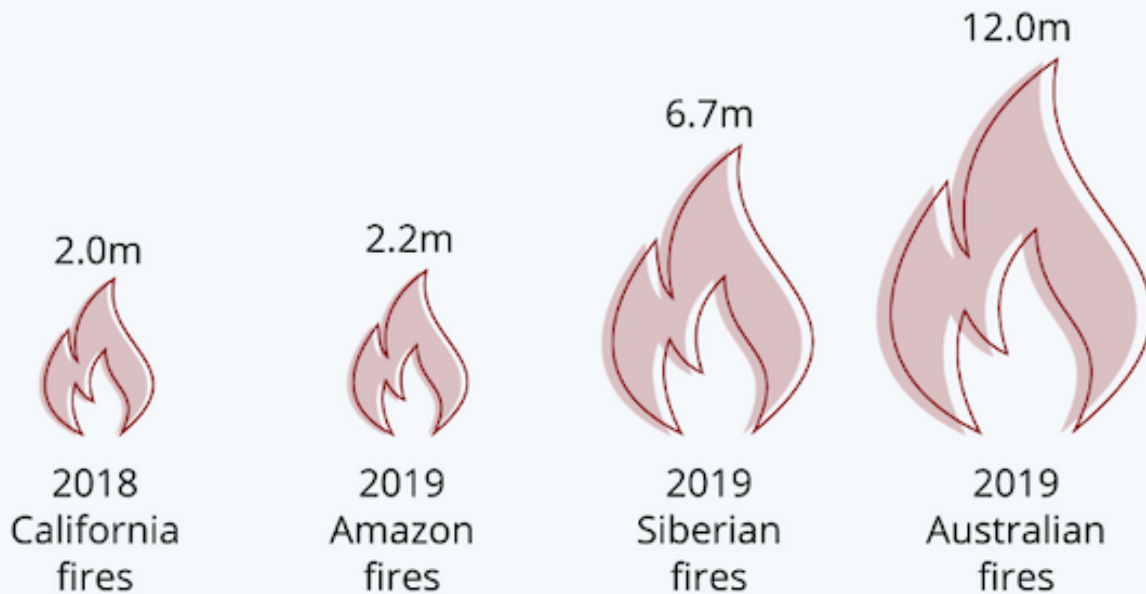






The Shocking Size of the Australian Wildfires

Acres burned in recent major wildfire events



Sources: CalFire/Russian Federal Forestry Agency via BBC, New York Times



statista













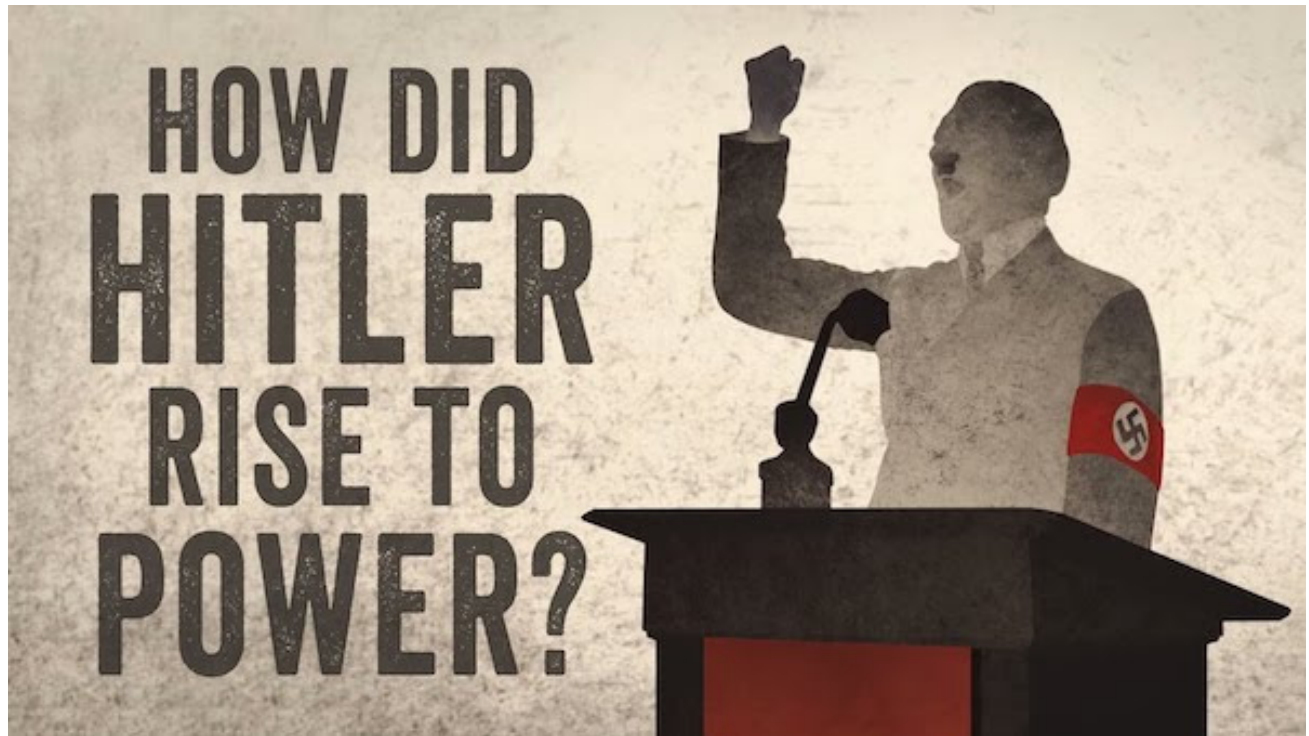


Adolf Hitler's Rise to Power in Germany

On this day in 1933, President Paul von Hindenburg names Adolf Hitler, leader or Führer of the National Socialist German Workers Party (or Nazi Party), as chancellor of Germany. The year 1932 had seen Hitler's meteoric rise to prominence in Germany, spurred largely by the German people's frustration with dismal economic conditions and the still-festering wounds inflicted by defeat in WWI and the harsh peace terms of the Versailles treaty. A charismatic speaker, Hitler channeled popular discontent with the post-war Weimar government into support for his fledgling Nazi party. In an election held in July 1932, the Nazis won 230 governmental seats; together with the Communists, the next largest party, they made up over half of the Reichstag.

Hindenburg, intimidated by Hitler's growing popularity and the thuggish nature of his cadre of supporters, the SA (or Brownshirts), initially refused to make him chancellor. Instead, they appointed General Kurt von Schleicher, who attempted to steal Hitler's thunder by negotiating with a dissident Nazi faction led by Gregor Strasser. At the next round of elections in November, the Nazis lost ground—but the Communists gained it, a paradoxical effect of Schleicher's efforts that made right-wing forces in Germany even more determined to get Hitler into power. In a series of complicated negotiations, ex-Chancellor Franz von Papen, backed by prominent German businessmen and the conservative German National People's Party (DNVP), convinced Hindenburg to appoint Hitler as chancellor, with the understanding that von Papen as vice-chancellor and other non-Nazis in key government positions would contain and temper Hitler's more politically incorrect tendencies.

On 30 January 1933, the new cabinet was sworn in during a brief ceremony in Hindenburg's office. The NSDAP gained three posts: Hitler was named Chancellor, Wilhelm Frick Minister of the Interior, and Hermann Göring, Cabinet Minister, who would oversee the creation of the Gestapo, which he ceded to Heinrich Himmler in 1934. Hitler's emergence as Chancellor marked a crucial turning point for Germany and, ultimately, for the world. His plan, embraced by much of the German population, was to do away with traditional politics and make Germany a powerful, unified one-party state. Even within the Jewish German community, in spite of Hitler not hiding his ardent antisemitism, the worries appear to have been limited. In a declaration of January 30, the steering committee of the central Jewish German organization wrote that "as a matter of course" the Jewish community faces the new government "with the largest mistrust", but at the same they were convinced that "nobody would dare to touch [their] constitutional rights".





What You Might Not Know About The Beatles and Their Last Performance

The last time all the members of the Beatles ever performed together happened on this day back in 1969 atop the roof of Apple Corps in London. I always considered myself a fan of the Beatles and an avid listener of their music. In fact, I've read several books that have tried to explain their massive success and worldwide popularity. For me, I believe it's an unexplainable mix of both art and science. They were incredibly savvy with some of their strategies, but perhaps more importantly, they were extremely blessed in the way of talent and timing. Making for a recipe that many in the world never had the chance to taste. Below are just a few interesting facts surrounding the Beatles and that famous final performance.

Location: *The final performance was held on the roof of Apple Corps Ltd, a multimedia corporation founded in London in January 1968 by the members of the Beatles to replace their earlier company. Its chief division is Apple Records, which was launched in the same year. Their Apple headquarters in the late 1960s was at the upper floors of [94 Baker Street](#). In 2010, Apple Corps ranked #2 on the Fast Company magazine's list of the world's most innovative companies in the music industry, thanks to the release of *The Beatles: Rock Band* video game and the remastering of the Beatles' catalogue.*

Poor Conditions: *From what I've heard the band almost didn't take the stage as it was only 45 degrees and the wind was whistling. There's also talk there were a bit nervous as it was their first live performance in over two-years when they played to packed house at San Francisco's Candlestick Park. Lennon and Harrison were constantly complaining about their hands being too cold to play the chords. In fact, those on the roof reported that Apple Corps exec Ken Mansfield held a constant*

stream of lit cigarettes so they could warm his fingertips. To ward off the winter chill, Lennon borrowed Yoko Ono's fur coat, while Ringo donned his wife Maureen's red raincoat. The cold gusts also havoc on the studio microphones. In need of a quick shield to minimize wind noise, tape engineer (and future Pink Floyd cohort) Alan Parsons was dispatched to find some women's pantyhose to place over the mic's.

The Actual Concert: *While 21 minutes of the concert made it into the final Let It Be film, the actual performance was twice as long. During the 42-minute set, the Beatles played "One After 909," two complete versions each of "Don't Let Me Down," "Dig a Pony" and "I've Got a Feeling," and three versions of "Get Back" — plus various incomplete takes, including a line from the Irish folk song "Danny Boy."*

What About The Cops? *The West End Central Police Station is located at [27 Savile Row](#) — mere feet from Apple headquarters. The authorities obviously must have heard the loud rock music wafting down the street. Windows rattled, floors shook, and horns blared from the resulting traffic jams. If they wanted to, the police could have walked over and shut things down before the first song was over. Instead, they let the concert continue for 42 minutes. It was only when the noise complaints began to flood in from stuffy local businesses that they felt compelled to act. Because the concert was cut short by the police, fans have spent decades theorizing what other songs — if any — the Beatles might have performed had they continued. Some eagle-eyed rock scholars have noticed equipment in the background of the Apple roof set that went unused, including an extra keyboard, a lap-steel guitar and what appears to be an acoustic-guitar microphone positioned by McCartney. Were folky songs like "Two of Us" originally in the mix? Was McCartney going to try out some of his piano-based ballads like "Let It Be" and "The Long and Winding Road"?*

Lennon Needed Cue Cards: *John Lennon always had a problem with lyrics. Wanting to get things reasonably correct, McCartney and the other Beatles asked assistants to kneel just out of view of the cameras and fans and hold up a lyric sheet for Lennon, who still managed a memorable flub during "Don't Let Me Down," singing something like, "And only reese we got the blootchy-koo."*

A Special Guitar For Harrison: *The Telecaster that Harrison played throughout the rooftop concert was custom made for him by master builders Roger Rossmeisl and Philip Kubicki as a gift from Fender. The company was launching a new line of all-rosewood guitars, and presenting the prototype to a Beatle was good publicity. After many hours of labor, the guitar was flown to England in its own seat and hand-delivered to Apple headquarters.*

The Sounds You Hear From The Beatles: *Although Abbey Road was the final album to be recorded by the four Beatles, Let It Be was the last to be issued in May 1970, weeks after the group's split made headlines around the world. The black-trimmed cover gave it funereal quality, and fans anxiously studied to the parting message from the foursome that defined the Sixties. As "Get Back," the last track, draws to a close, the sound of John Lennon's voice can be heard: "I'd like to say thank you on behalf of the group and ourselves, and I hope we passed the audition." It was a self-effacing remark made at the end of the rooftop show, poking fun at the many auditions the band failed over the years. It was also a humble nod to the band's unprecedented success — and, inadvertently, the perfect Beatles epitaph.*

Concert Shot By Secret Son Of Orson Welles? *Having worked with the Beatles on their recent promotional videos for "Hey Jude" and "Revolution," American filmmaker Lindsay-Hogg was the logical choice to direct their rooftop gig. He arranged an army of cameras to capture the moment from all angles, sending a crew into the street, the adjacent building, and the Apple reception area — not to mention the five cameras on the roof itself. The result is some of the most iconic concert footage in history. Film prowess may be in his blood. In his 2011 autobiography, Lindsay-Hogg revealed that he believes himself to be the only son of cinema giant Orson Welles. His mother, actress Geraldine Fitzgerald, publicly denied the rampant rumors, but she allegedly acknowledged the truth to family friend Gloria Vanderbilt. When Welles' oldest daughter supported Lindsay-Hogg's claim, he submitted to a DNA test. The results were inconclusive.*

Beatles Weren't The First To Perform On NY Rooftop: *The Beatles racked up many firsts over the course of their career, but they were not the first band to hold an unauthorized concert on a metropolitan rooftop. That distinction goes to Jefferson Airplane, who climbed to the top of midtown's Schuyler Hotel on December 7th, 1968 and surprised the city with cries of "Hello, New York!" Lacking permits, they would only make it through one song — a blistering version of "The House at Pooneil Corners" — before the NYPD threatened arrest for noise disturbance. The band went peacefully, but their friend, actor Rip Torn, was busted for harassing an officer and taken away in a cruiser.*

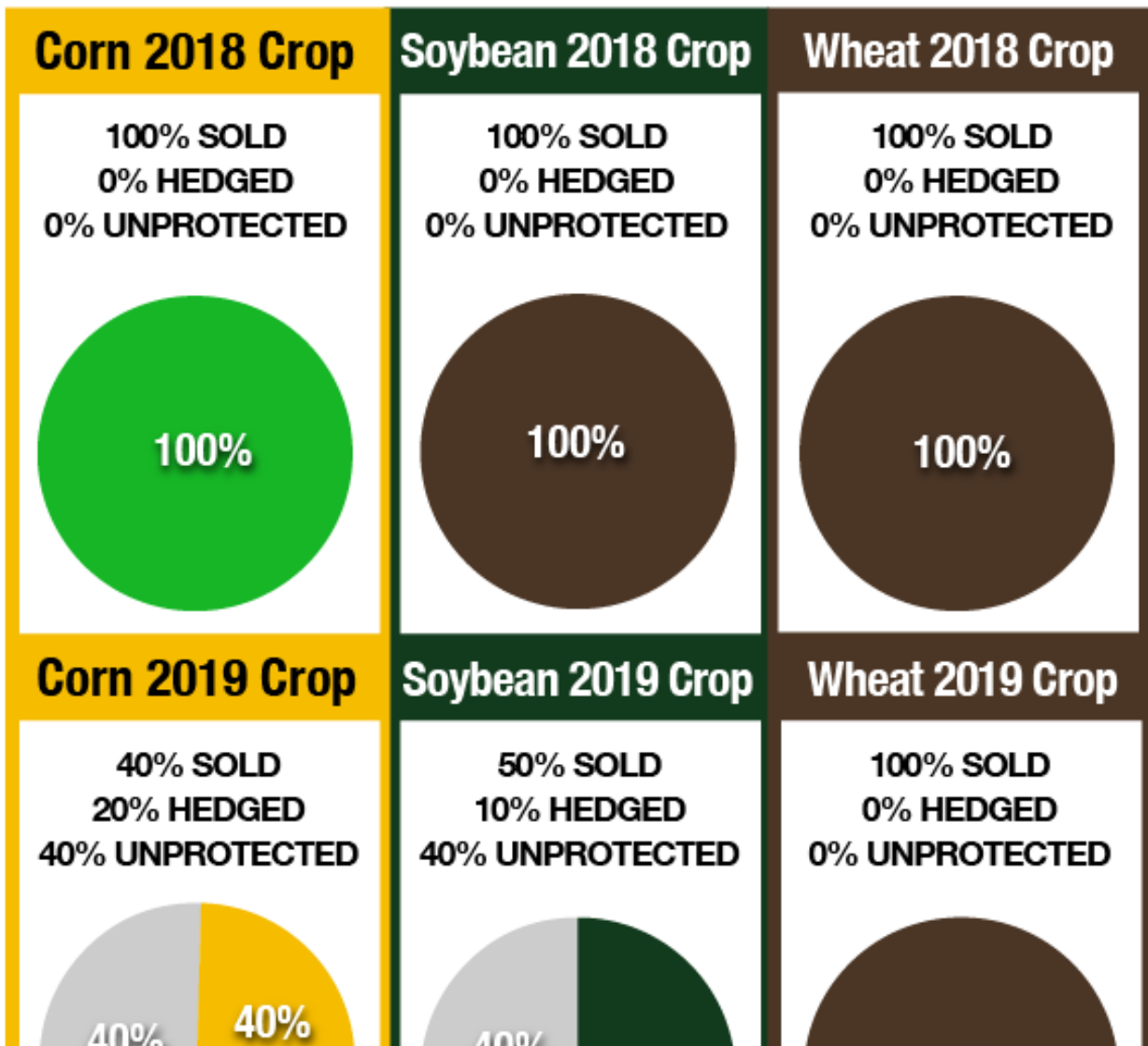
Click [HERE](#) to see the last video of The Beatles singing "Don't Let Me Down."

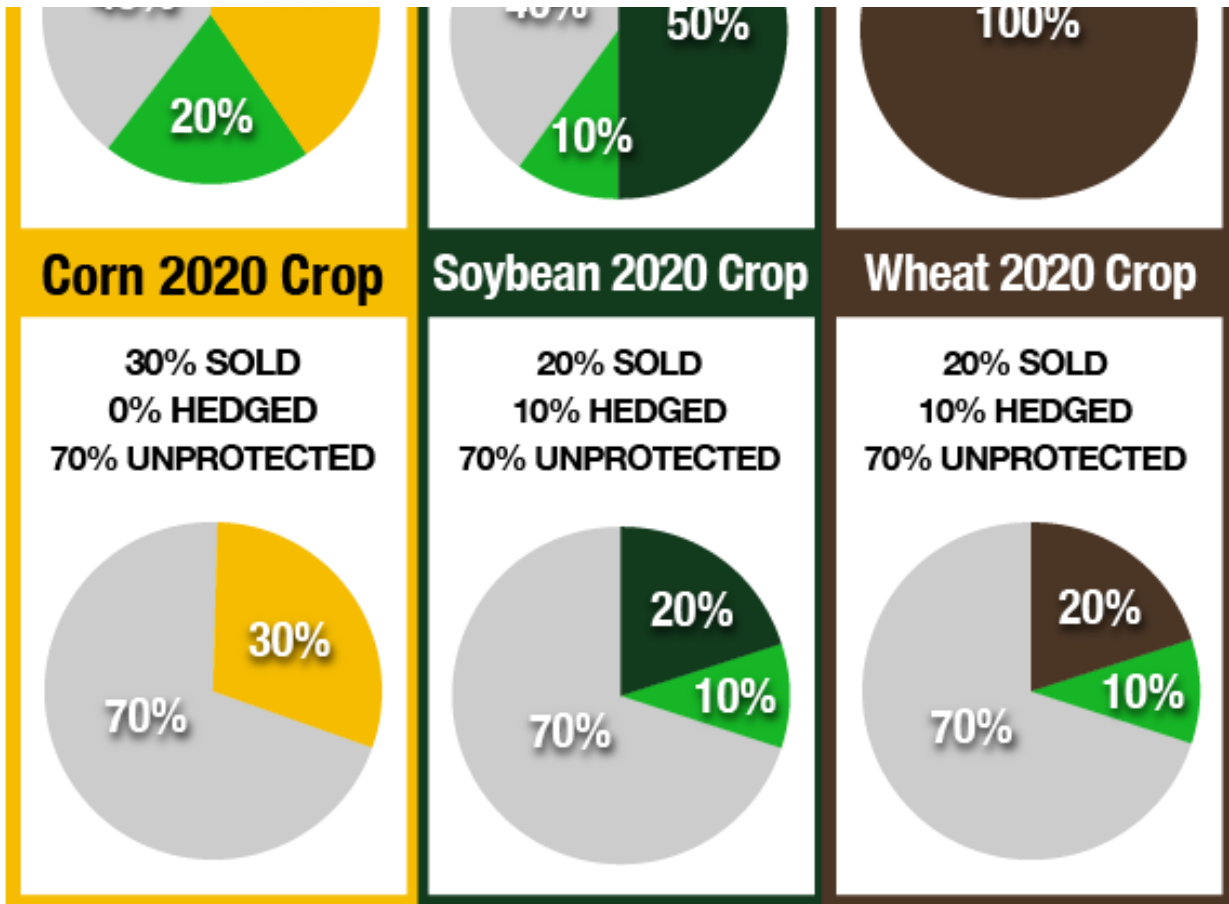


ANSWER to riddle: Their daughter.

CASH SALES & HEDGING TOTALS

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