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GOOD MORNING: The Van Trump Report 1-31-20

1 message

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

Fri, Jan 31, 2020 at 5:30 AM

Reply-To: Jordan <reply-fec010767d65017a-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

To: josh@farmdirection.com



"Don't judge each day by the harvest you reap, but by the seeds you sow." -
Robert Louis Stevenson

Friday, January 31, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Traders approach the weekend amid a great deal of uncertainty surrounding the China coronavirus. The World Health Organization yesterday classified the outbreak in China as a public health emergency of international concern, citing the risk that the sometimes-deadly virus could expand to other countries beyond the small number of cases outside China so far. The decision came shortly after the U.S. Centers for Disease Control and Prevention (CDC) reported a sixth case in the U.S. Unlike the five previous cases — which were contracted overseas — officials say this infection was spread through person-to-person contact on U.S. soil. The rate at which confirmed infections have been climbing is also unnerving investors. The number of cases as of yesterday morning was nearly quadruple what they were last weekend. That brings the real possibility that this weekend could see another surge of cases being reported and some investors may prefer not risking a big market drop come Monday morning. Meaning repositioning and alarming headlines could bring some volatile market

conditions today and in the week ahead. Concerns about another yield curve inversion are also starting to surface. This phenomenon - when the yield on three-month U.S. Treasury bills jumps above that on the benchmark 10-year note - has historically indicated an elevated risk of recession. The curve briefly inverted yesterday for the first time since October and is reviving panicky "recession" headlines again, even though there are many other underlying factors that economists believe are throwing things out of whack. Chief among those is the coronavirus outbreak, which has driven a surge in demand for safe haven assets like long-term government bonds. Economic data isn't raising any major red flags about a looming recession, either. Data yesterday showed U.S. Gross Domestic Product (GDP) during the final three months of 2019 came in as expected at +2.1%, unchanged from the third quarter. That brings full-year growth to +2.3%. The General Motors strike proved to be a pretty big drag on the economy, with lower motor vehicle output estimated to have shaved -0.81 percentage point from the final tally. The report has raised some concerns about slower consumer spending, which fell to +1.8% from a previous +3.2%, though economists believe that the strong U.S. job market and a pickup in manufacturing thanks to the U.S.-China trade deal will help support growth going forward. Reports for today include Personal Income and Outlays, Chicago PMI, and Consumer Sentiment. Next week will bring another round of key economic data, the highlight being the January Employment Situation on Friday. Other reports include ISM Manufacturing, Construction Spending, and Motor Vehicle Sales on Monday; Factory Orders on Tuesday; the Trade Deficit and ISM Non-Manufacturing on Wednesday; Productivity and Costs on Thursday; and Wholesale Inventories and Consumer Credit on Friday. Earnings today will bring results from Caterpillar, Charter Communications, Chevron, Colgate-Palmolive, Exxon Mobil, Honeywell, Johnson Controls, and Phillips 66. The calendar is packed next week, too. The biggies include AbbVie, Alphabet, Boston Scientific, Bristol-Myers, Cigna, Disney, ConocoPhillips, Estee Lauder, General Motors, Gilead Sciences, GlaxoSmithKline, Humana, Kellogg, Merck, MetLife, Qualcomm, Spotify, Total, TMobile, Toyota, Twitter, Uber, and Yum! Brands. It's also worth noting that the U.K. is finally set to leave the EU tonight after 47 years of membership. It is the first country to leave the EU, which will reduce the block to 27 countries. Though the "divorce" has cleared its final hurdle, there are still huge issues to work out, particularly surrounding trade. Britain hopes to have a comprehensive trade deal by the end of the year. Also keep in mind that Monday brings the Iowa Caucuses, the first state to weigh in on the 2020 Presidential race. Go KC Chiefs!!!

Coronavirus Update: *We are now approaching +10,000 infected globally, which surpassed that of the SARS epidemic over a year long period (2002-2003). There are now a reported +213 dead, which is another +25% jump. There are now thought to be 100 confirmed cases of infection outside mainland China in at least 18 countries. Reuters reported that China's Shandong province has asked companies not to resume working before 10*

February to help prevent the spread of the new coronavirus. Air Canada suspended all flights to and from China until the end of February. It followed Canada's recommendation to avoid all non-essential travel to China. Almost 200 US citizens have been evacuated and have arrived at a military base in California. They will be isolated for a minimum of 72 hours. The US is said to be planning another airlift in the coming days. Google and IKEA became the latest franchises to shut their Chinese shops and offices.

Amazon Had a Very Happy Holiday Season: *E-commerce giant Amazon says fourth quarter sales climbed +21% to \$87.4 billion and reported profits of \$6.47 a share, crushing expectations and dispelling concerns about the cost of next-day delivery. Paid members of Amazon's Prime subscription service topped 150 million, up from 100 million in 2018. Amazon Web Services generated revenue of \$10 billion in the fourth quarter, up +34% from a year earlier. There was good news for investors in nearly every part of Amazon's business. Cloud-computing and online sales beat analysts' expectations. Shipping costs grew at a slower pace than in the third quarter, showing Amazon is making its delivery network more efficient. The only issue was Whole Foods groceries, with revenue from physical stores declining marginally from a year ago. However, grocery deliveries in the fourth quarter doubled from the same period a year ago, so Amazon is increasing grocery sales even if in-store shopping is down. (Source: Bloomberg)*

Americans are Expected to Bet \$6.8 Billion on the Super Bowl: *Americans are expected to wager a jaw-dropping \$6.8 billion collectively on Sunday's Super Bowl, according to the American Gaming Association, which released a new survey this week ahead of the Miami contest between the Kansas City Chiefs and the San Francisco 49ers. About 3 million more Americans are expected to bet on this year's Super Bowl compared to last year's, which AGA says works out to 26 million American adults. Among poll respondents, 52% plan to place bets on the Chiefs and 48% plan to place bets on the 49ers. (Source: USA Today)*

Bring on the Guacamole: *The Super Bowl made for a super week for Mexican avocados. Americans gearing up for the big game this Sunday helped push imports to the best week of all time. Almost 75 million pounds crossed the border—a +3% jump from the same period in 2019. (Source: Bloomberg)*

What Super Bowl Advertisers Could Buy with \$5 Million: *In an increasingly digital-obsessed world, the Super Bowl is one of the last draws of audiences to traditional TV where they are exposed to commercials. This globally televised game not only captivates sports fans around the world, but it throws down the gauntlet for advertisers interested in fighting for their 30*

seconds of screen time. While this event has been at the top of the annual most-watched broadcast list for decades, Super Bowl viewership has leveled off since its 114 million peak in 2015, and overall NFL viewership has also seen a decline. Recent studies have also found that viewers are not giving commercials their full attention, as 10% of consumers are forgetting the brands advertised, and 33% don't recall seeing the commercials in the first place. Others argue that the social buzz of a popular commercial could increase brand awareness and even purchase intent, but it remains highly unlikely that advertisers would see a financial return on their substantial investment. With a \$5 million dollar price tag just for a 30-second ad spot and additional costs such as ad creation, publicity, and other elements of the campaign, not to mention the costs to re-run the commercials after the Super Bowl, these brief commercials are a drain on any annual budget. Business Insider put together the below infographic showing what that \$5 million could buy instead, just to provide some perspective as to what a massive investment this mere 30-seconds of ad time is. (Source: Business Insider)



Business Insider Intelligence

FARM TANK

Tweets of the Day



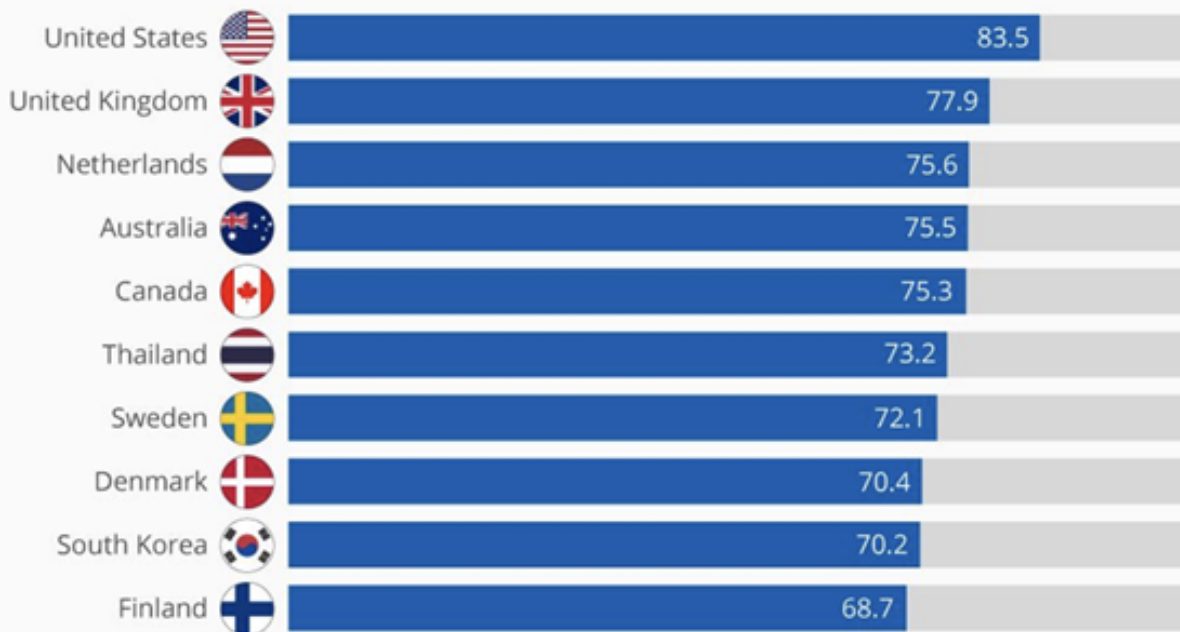
World Economic Forum ✓
@wef



These are the top 10 countries for pandemic preparedness wef.ch/32V7MzT #Health #Disease

The Countries Best Prepared To Deal With A Pandemic

Index scores by level of preparation to respond to an epidemic/pandemic*



* 2019. 100=greater level of preparation. Index benchmarks health security on factors critical to fighting disease outbreaks.

@StatistaCharts

Source: 2019 Global Health Security Index

statista



Steve Burns
@SJosephBurns



What's your #1 biggest expense as a trader? Taxes.

This table shows what happens to your portfolio if you earn 15% per year but are taxed at different rates. The difference between high tax & low tax is massive.

If you can, move to a low tax jurisdiction.

By @bullmarketsco

15% per year return from trading, taxed at...				
	0% taxes	10% taxes	25% taxes	40% taxes
Age 25	200,000.00	200,000.00	200,000.00	200,000.00
Age 26	230,000.00	227,000.00	222,500.00	218,000.00
Age 27	264,500.00	257,645.00	247,531.25	237,620.00
Age 28	304,175.00	292,427.08	275,378.52	259,005.80
Age 29	349,801.25	331,904.73	306,358.60	282,316.32
Age 30	402,271.44	376,711.87	340,823.94	307,724.79
Age 31	462,612.15	427,567.97	379,166.63	335,420.02
Age 32	532,003.98	485,289.65	421,822.88	365,607.82
Age 33	611,804.57	550,803.75	469,277.95	398,512.53
Age 34	703,575.26	625,162.26	522,071.72	434,378.66
Age 35	809,111.55	709,559.16	580,804.79	473,472.73
Age 36	930,478.28	805,349.65	646,145.33	516,085.28
Age 37	1,070,050.02	914,071.85	718,836.68	562,532.96
Age 38	1,230,557.52	1,037,471.55	799,705.81	613,160.92
Age 39	1,415,141.15	1,177,530.21	889,672.71	668,345.41
Age 40	1,627,412.33	1,336,496.79	989,760.89	728,496.49
Age 41	1,871,524.17	1,516,923.85	1,101,108.99	794,061.18
Age 42	2,152,252.80	1,721,708.57	1,224,983.76	865,526.68
Age 43	2,475,090.72	1,954,139.23	1,362,794.43	943,424.08
Age 44	2,846,354.33	2,217,948.02	1,516,108.80	1,028,332.25
Age 45	3,273,307.48	2,517,371.01	1,686,671.04	1,120,882.15
Age 46	3,764,303.60	2,857,216.09	1,876,421.53	1,221,761.55
Age 47	4,328,949.14	3,242,940.27	2,087,518.96	1,331,720.09
Age 48	4,978,291.51	3,680,737.20	2,322,364.84	1,451,574.89
Age 49	5,725,035.24	4,177,636.73	2,583,630.88	1,582,216.63
Age 50	6,583,790.52	4,741,617.68	2,874,289.36	1,724,616.13
Age 51	7,571,359.10	5,381,736.07	3,197,646.91	1,879,831.58
Age 52	8,707,062.97	6,108,270.44	3,557,382.19	2,049,016.43
Age 53	10,013,122.41	6,932,886.95	3,957,587.69	2,233,427.90

Age 54	11,515,090.78	7,868,826.69	4,402,816.30	2,434,436.42
Age 55	13,242,354.39	8,931,118.29	4,898,133.13	2,653,535.69
Age 56	15,228,707.55	10,136,819.26	5,449,173.11	2,892,353.91
Age 57	17,513,013.68	11,505,289.86	6,062,205.09	3,152,665.76
Age 58	20,139,965.73	13,058,503.99	6,744,203.16	3,436,405.68
Age 59	23,160,960.60	14,821,402.03	7,502,926.01	3,745,682.19
Age 60	26,635,104.68	16,822,291.30	8,347,005.19	4,082,793.58



Matthew Wiegand
@mjwiegand



Wilsonville #Nebraska elevator and #corn pile and former pile



**GSI**

@GSI_Grain

Hey @BuschBeer. We were thinking, what better way to show the world your beer is made with corn?





Christa Simmons 🌻
@fishroper



Moohomes 🤠 #GoChiefs 🔥
[#ranchlife](#)

Newborn calf dons Chiefs gear, Mahomes hairstyle



Newborn calf dons Chiefs gear, Mahomes hairstyle

A newborn calf in Holden, Missouri, already is supporting Patrick "Moohomes."

🔗 [kshb.com](https://www.kshb.com)



Samuel Ebenkamp
@ebenkampfarms



It never hurts to look around and be reminded of your, "Why." [#HowDoYouDefineWealth](#)



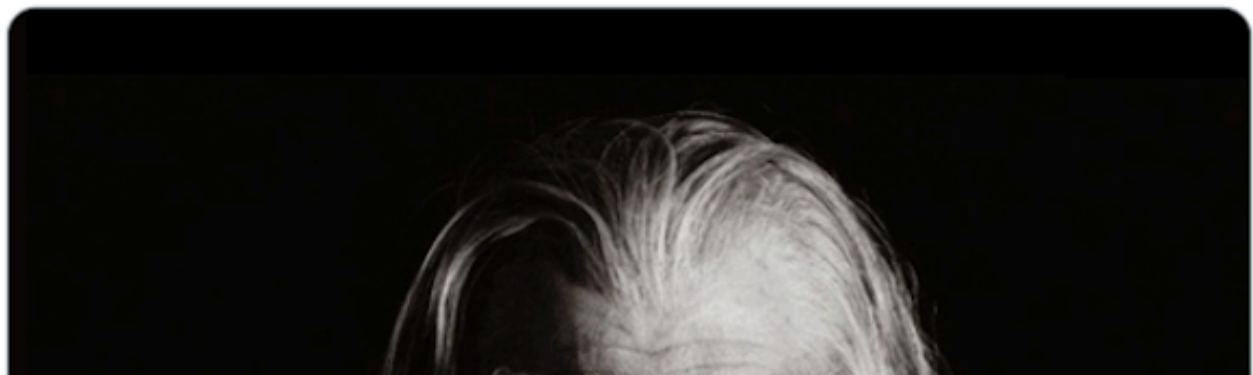
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All we have to decide is what to do with the [#time](#) that is given to us.

~J. R. R. Tolkien

[#quotes](#) [#inspiration](#)



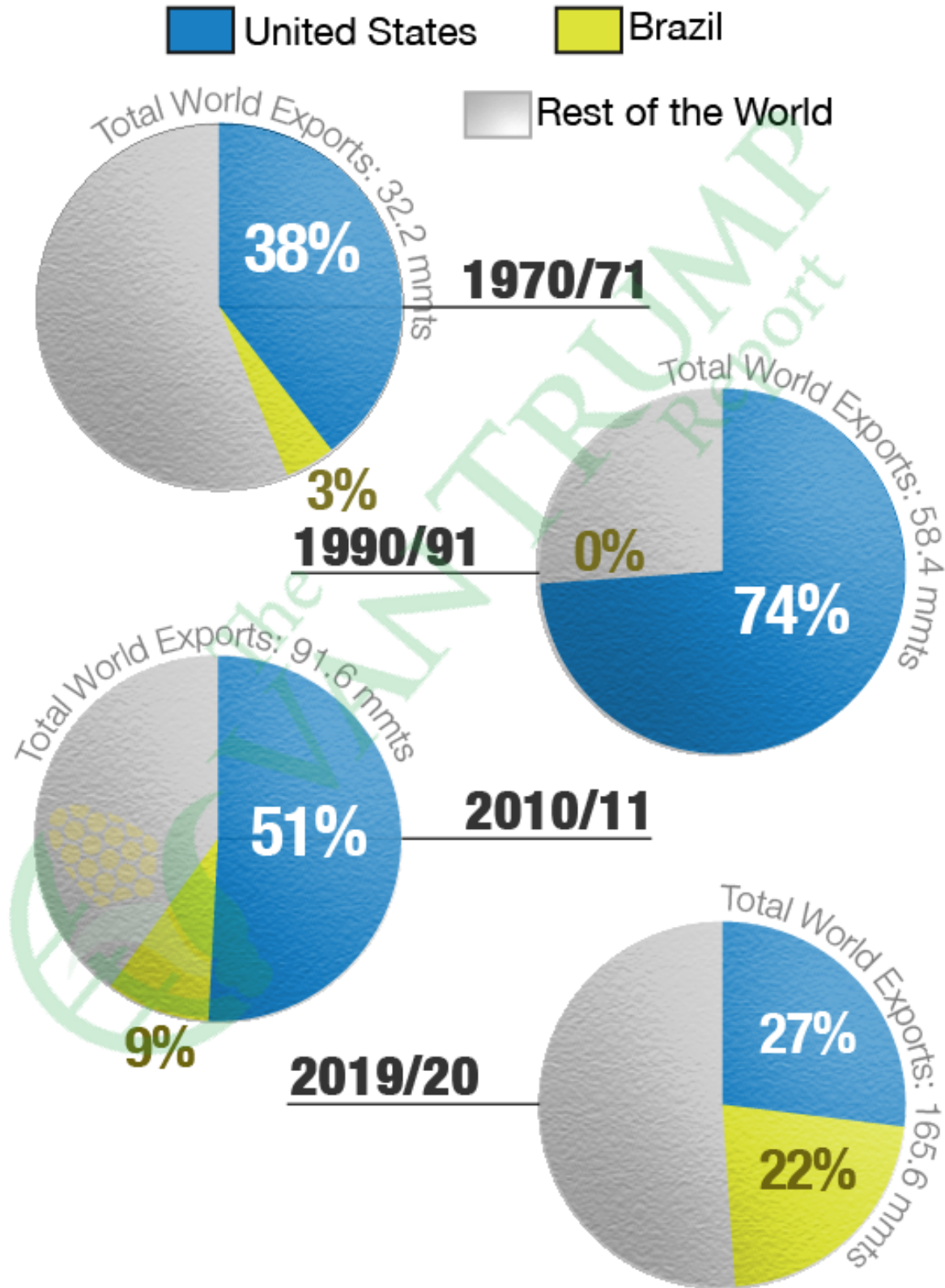


**All we have to decide
is what to do with the time
that is given us.**

Corn bulls are desperately trying to overcome the negative coronavirus headlines. Macro traders are moving to a more "risk-off" mentality nearby. As a spec, I continue to like the thought of building a longer-term bullish position on the deeper breaks. I am now long corn at a price average of just under \$3.79. I will be looking to add a much larger position if the market is pressured more aggressively down into the \$3.35 to \$3.50 range. End-users should be thinking something very similar, hedging more longer-term risk on additional downward pressure. From a bullish perspective, I do truly believe U.S. demand is going to improve, the Chinese will eventually come through as larger U.S. buyers, there is still ample weather risk associated with Brazil's second-crop production and an entire U.S. weather market ahead. I see no reason to be an aggressive bear down at these levels and much prefer being of the bullish mindset. As a producer, I am not at all interested in pricing any cash bushels unless I'm in an area that is experiencing a massively strong basis.

Corn Export Market Share

United States vs. Brazil

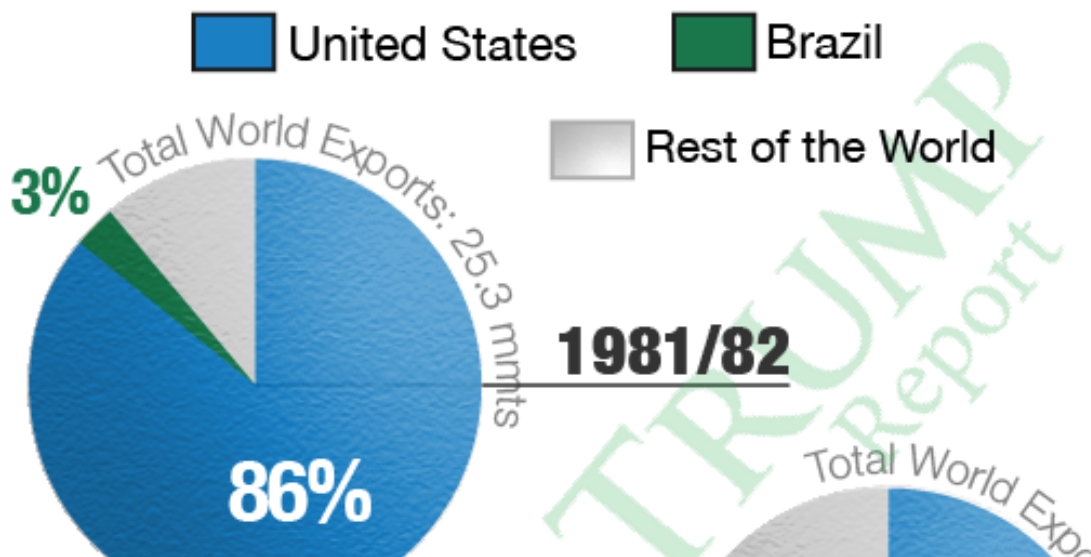


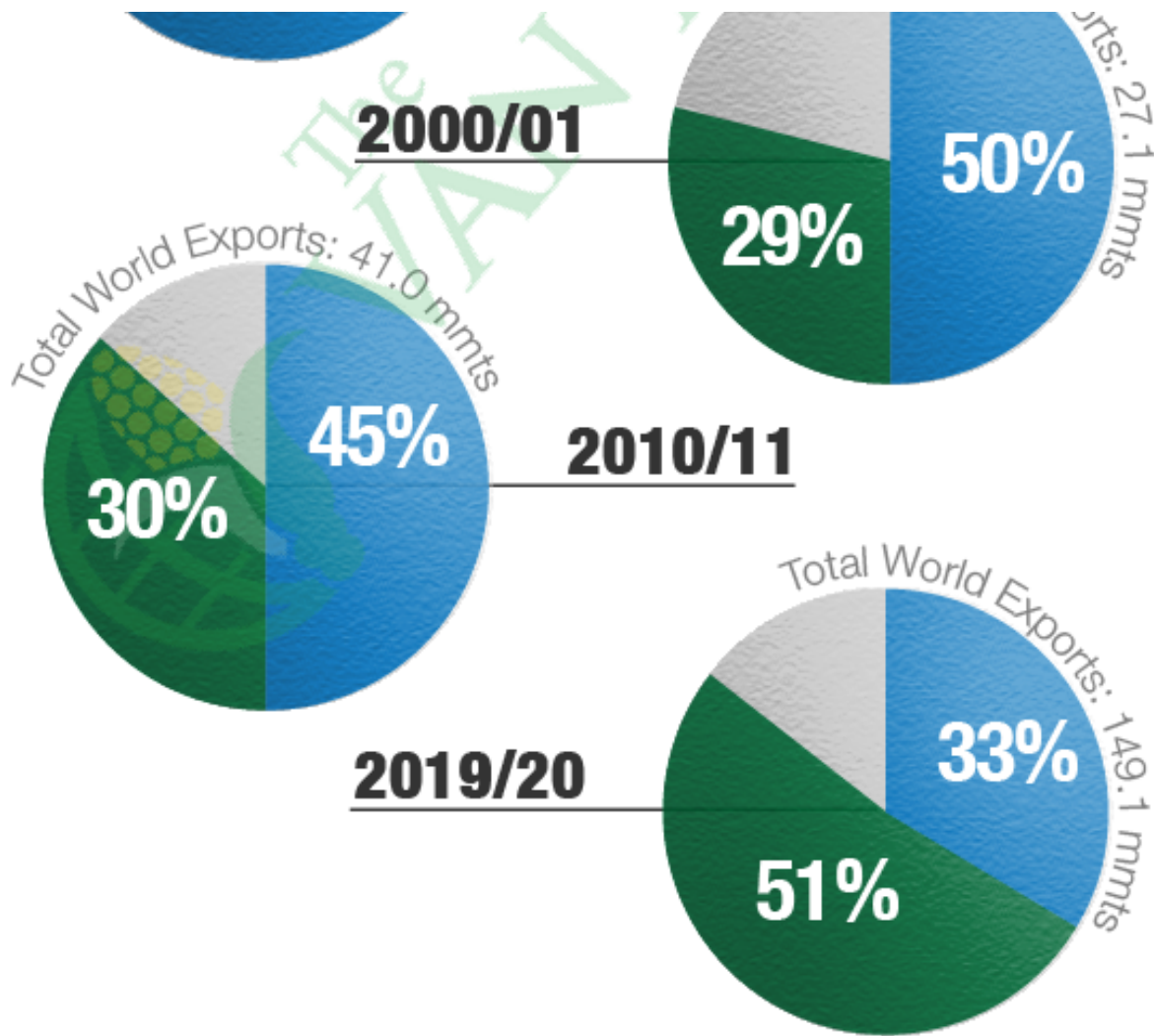
Source: USDA, PS&D, January, 2020

Soybean traders point to fresh new multi-month lows and a market that's tumbled -80 cents in just the past month. As I asked on numerous occasions, what will be our catalyst and driving force once a trade deal with the Chinese is established and weather proves cooperative in South America? Now here we are in just that predicament. The "Phase One" trade deal has been signed with the Chinese but there still remains a ton of uncertainty regarding the details. At the same time weather in South America has proved cooperative. Brazil is in the midst of harvesting another record crop and the Argentine estimates are working themselves higher. On top of it all, we now have the coronavirus headlines in play. It feels like any large money-manager or fund that wants to hedge nearby or bet against China is entertaining short soybean strategies. Technically, this market has fallen below all nearby support and is now trading at levels not seen since May of last year. As a spec, I did a little buying on yesterdays break in the MAR20 contract with prices trading between \$8.76 and \$8.79 per bushel. From my perspective, the next significant level of downside support is in the \$9.35 to \$9.50 range. I will be looking to take another long-term bullish bite should the bears pressure the trade down to those levels. Keep in mind, as long as the larger money-mangers want to try and hedge against China and or the coronavirus we could continue to see pressure in the soybean market. As a producer, I'm glad I priced a few bushels on the late-2019 rally. I will now be playing the waiting game and desperately needing a fresh wave of weather headlines. For now, it's all about China which could mean more nearby pressure. Longer-term I believe there are brighter days ahead.

Soybean Export Market Share

United States vs. Brazil



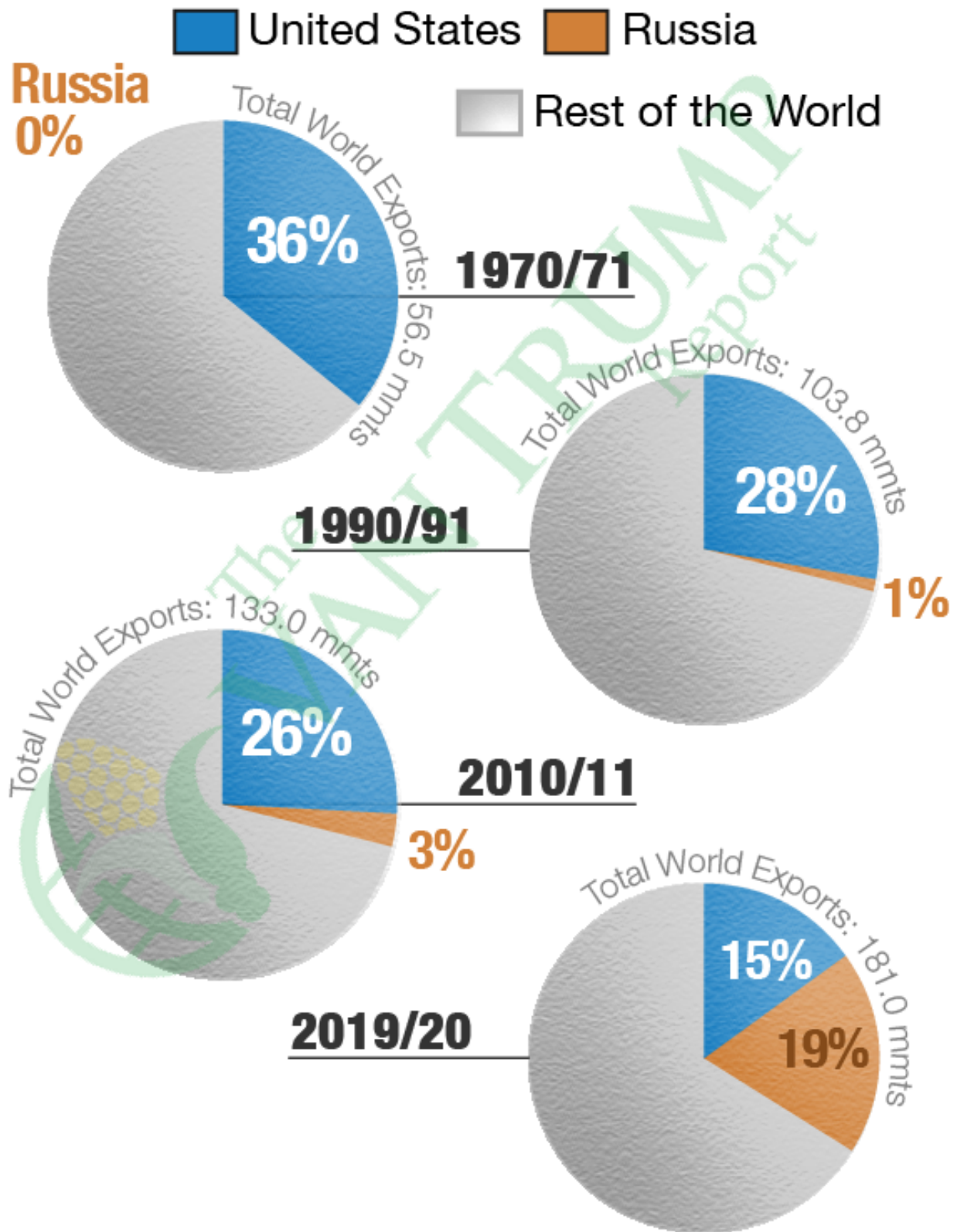


Source: USDA, PS&D, January, 2020

Wheat bulls continue to battle headlines that point towards the coronavirus and the very real fear that it could easily cause a slowing global economy. I've heard some wheat traders are spreading bullish spring wheat positions against bearish winter wheat positions. Not a lot has changed fundamentally other than the fear surrounding the coronavirus and the fact it could prompt a more "risk-off" mentality nearby. Bulls continue to point towards improved "demand" for U.S. supply and the fewest winter wheat acres in over 100-years. It will be interesting to see how things play out nearby. As a spec, I remain on the sideline with the longer-term thought of being bullish. As a producer, I'm patiently waiting for more improved cash prices, which I think can happen somewhere between late-March and early-May.

Wheat Export Market Share

United States vs. Russia



Source: USDA, PS&D, January, 2020



> Another Reminder to Sign Up Soon for Federal Insurance: *USDA officials are urging farmers and landowners to sign up for the 2019 and 2020 federal insurance programs before the Sunday, March 15 deadline. ARC and PLC provide financial protections to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms. To assist with the decision-making process, informational resources are available from [Farm Service Agency](#). Producers can also find information from the [USDA](#) under the "Spotlights" section, which includes a webinar that provides ARC and PLC information shared at recent public meetings held across Nebraska. University of Illinois has also updated its [Gardner ARC/PLC Payment Calculator](#) to reflect revised price information for the 2019 and 2020 years. The University says that particularly for FSA farms with prevent plant acres or yields more than 25% lower than the five-year average, they recommend first evaluating the potential for an ARC-IC payment using the [2018 Farm Bill What-If Tool](#).*

> U.S. Farm Bankruptcies Hit 8-Year High: *U.S. farm bankruptcy rates jumped +20% in 2019 to an eight-year high, according to data released this week by the United States Courts. Family farmers filed 595 Chapter 12 bankruptcies in 2019, up from 498 filings a year earlier. The data also shows that such filings - known as "family farmer" bankruptcies - have steadily increased every year for the past five years. Farmers across the nation also have retired or sold their farms because of the financial strains, changing the face of Midwestern towns and concentrating the business in fewer hands. The increase in cases had been somewhat expected,*

bankruptcy experts and agricultural economists said, as farmers faced a slew of headwinds. Even billions of dollars spent over the past two years in government agricultural assistance has not stemmed the bleeding. The court data indicates those supports did help prevent a more serious economic fallout, said John Newton, chief economist for the American Farm Bureau Federation. Some of the biggest bankruptcy rate increases were seen in regions, such as apple growers in the Pacific Northwest, that did not receive much or any of the latest round of trade aid from the Trump administration. (Source: Reuters)

> Brazil Antitrust Regulator Opens Probe Into Meatpackers JBS and BRF:

Brazil's antitrust regulator Cade on Thursday opened an investigation into meatpackers JBS SA and BRF SA, according to a decision signed by the agency's superintendent. The decision said it launched the probe based on an article in Brazilian newspaper Valor Economico that describes executives of the two companies saying in an event in Sao Paulo that they would pass on a 30% rise in corn costs to customers through prices hikes on their products. Reuters was present at the event and witnessed the remarks by JBS chief executive Gilberto Tomazoni and BRF CEO Lorival Luz. Tomazoni stated that corn prices have risen sharply in Brazil, due to strong demand for exports and ethanol. Corn represents the largest cost on chicken meat. JBS (alongside National Beef and its Brazilian owners, Tyson, and Cargill) is already a defendant in a class action antitrust filed in the U.S. District Court of Minnesota on October 16 that alleges the companies conspired to limit the number of cattle being slaughtered, creating an artificially low supply that unfairly raised prices for food distributors. (Sources: Reuters, The Counter)

> Can Cover Crops Save Florida's Citrus? *For the last couple of decades, a tiny insect called the Asian citrus psyllid has fed on the stems and leaves of the orange trees in Florida, infecting them with bacteria that cause a lethal disease called citrus greening. The bacterial disease, huanglongbing (HLB), originated in China and has destroyed 90 percent of the state's groves, devastating its \$9 billion citrus industry. After years of seeking remedies with little success, Florida's embattled citrus growers have discovered a new tool, thanks to the work of researchers at the University of Florida: planting cover crops amidst the orange groves. Cover crops are still in a trial period among researchers. "Cover crops show remarkable promise," says Juanita Popenoe, agricultural extension agent for commercial fruit production at the University of Florida Institute of Food and Agriculture Science (UF/IFAS). "Right now, there's not enough data available to recommend [cover crops] as a viable remedy for citrus greening, but it looks good." If trees are healthy, they can still produce good fruit even if they have HLB, she added. Civil Eats talked to a couple of farmers who have had "remarkable success" with them already though. Ed James, for example, who has actually become the go-to expert on their use in Florida citrus. He planted cover crops when he was getting ready to convert his orchard to row crops but changed his mind about the switch when his*

trees started perking up. Read more from [Civil Eats](#).

> Amazon Allows Wider Use of Food Stamps: More than 800,000 SNAP recipients in Washington state will soon be able to redeem their benefits to buy groceries on Amazon, now that the nearly trillion-dollar tech company is expanding its participation in USDA's online pilot program. The program opened to Seattle-area SNAP recipients on Wednesday and will open statewide soon after, Amazon announced on its corporate blog. The USDA initiative was created by the 2014 farm bill. The department in 2017 enlisted a handful of large retailers, including Amazon, Walmart and Safeway, to participate in the pilot, which was meant to test the feasibility of eventually allowing online use of SNAP benefits nationwide. Benefits will cover the cost of groceries but not service or delivery charges, according to USDA. Amazon said it will offer free shipping options and won't require a Prime membership for SNAP users. (Source: Politico)

> American Pilots Union Sues to Stop China Flights Amid Virus Outbreak: The union representing American Airlines' pilots sued Thursday to stop the carrier from flying to China amid the coronavirus outbreak and has instructed its members to decline new assignments to fly there. Calling the risk to passengers and crew members "unacceptable," the Allied Pilots Association filed the suit on Thursday in Dallas. The union represents American's 15,000 pilots. United, American and Delta have been reducing their flight schedules between the U.S. and China throughout the week, with the cuts extending from the beginning of February through the end of April, depending on the carrier. But the Allied Pilots Association said in a statement Thursday that it was concerned about the safety of its members, who are required to spend 32 hours on the ground between trips to comply with federal rest requirements. Read more [HERE](#).

> Why There is so Much Room for Growth in Fintech: A survey by the World Economic Forum found that just 28 percent of the millennial and Gen Z generations trust their banks to be fair and honest. That is a far cry from providing delightful products. Meanwhile, the more than 50 percent of Americans who live paycheck to paycheck often experience an entirely different financial services system. Though they're likely to need financial services more, they have fewer options, and those offerings are much more expensive. Collectively, the majority of us definitely don't love our banks. While innovation in any industry is hard, innovation in financial services is particularly difficult. Many of these existing institutions have been around for more than 100 years and have a large brick and mortar retail footprint. As a result, it's hard to cut costs and roll out new products quickly—think about the many long-term leases and thousands of employees that need to be trained across the country. While many of these institutions may have billion-dollar-plus IT budgets, at some of the larger banks, 75 percent of those dollars is spent solely on maintaining existing products. This is a highly regulated industry, with multiple regulators across state and federal. It has a very complex

infrastructure. So while this is a big opportunity for startups, there are huge challenges, too. Read more [HERE](#).

> Here's How Much it Costs to go to the Super Bowl in 2020: *The Kansas City Chiefs will take on the San Francisco 49ers during Super Bowl LIV on Feb. 2 in Miami. If all of the hype heading into the big game has you considering a trip to Miami to see the match up in-person, be prepared to pay. Overall, be prepared to spend roughly \$6,000 for a bare-bones trip at this late stage — and keep in mind that's for an experience on a low budget. In reality, most fans will be spending a lot more. The breakdown includes Super Bowl LIV tickets at an average price of around \$7,000, according to StubHub. The cheapest price for seats through the NFL Ticket Exchange is about \$4,750 for seats on the top level. If you're looking to splurge, StubHub has all-inclusive ticket packages for two, for private box seating located on the 35-yard line, in the 72 Club living room section for \$60,000. Get the full breakdown over at [CNBC](#).*

> Dog Owner is Running Super Bowl Ad to Thank Vet School that Saved his Pet: *After David MacNeil's dog collapsed last July and was given a grim cancer diagnosis with a life expectancy of one month, he took the 7-year-old golden retriever named Scout to the University of Wisconsin at Madison School of Veterinary Medicine, hoping for a minor medical miracle. The veterinarians pursued an aggressive treatment and within two months, Scout's heart tumor was 90% smaller. Today, Scout is healthy and all but free of cancer. MacNeil, the chief executive of WeatherTech, was beyond grateful. On Sunday, his gratitude will be on display in one of the most coveted forms of advertising: a Super Bowl commercial. The 30-second spot, titled "Lucky Dog," is set to air during the second quarter of Super Bowl LIV on Sunday and tells Scout's story from diagnosis to recovery as it spotlights the veterinary school at UW-Madison. The commercial ends with a call to donate, in which all money raised through the advertised WeatherTech link will benefit the school's medical research. "We wanted to use the biggest stage possible to highlight Scout's story and these incredible breakthroughs, which are not just limited to helping dogs and pets," MacNeil said in a blog post from UW-Madison announcing the ad. "This research will help advance cancer treatments for humans as well, so there's the potential to save millions of lives of all species." Check out the commercial [HERE](#). (Source: [The Washington Post](#))*

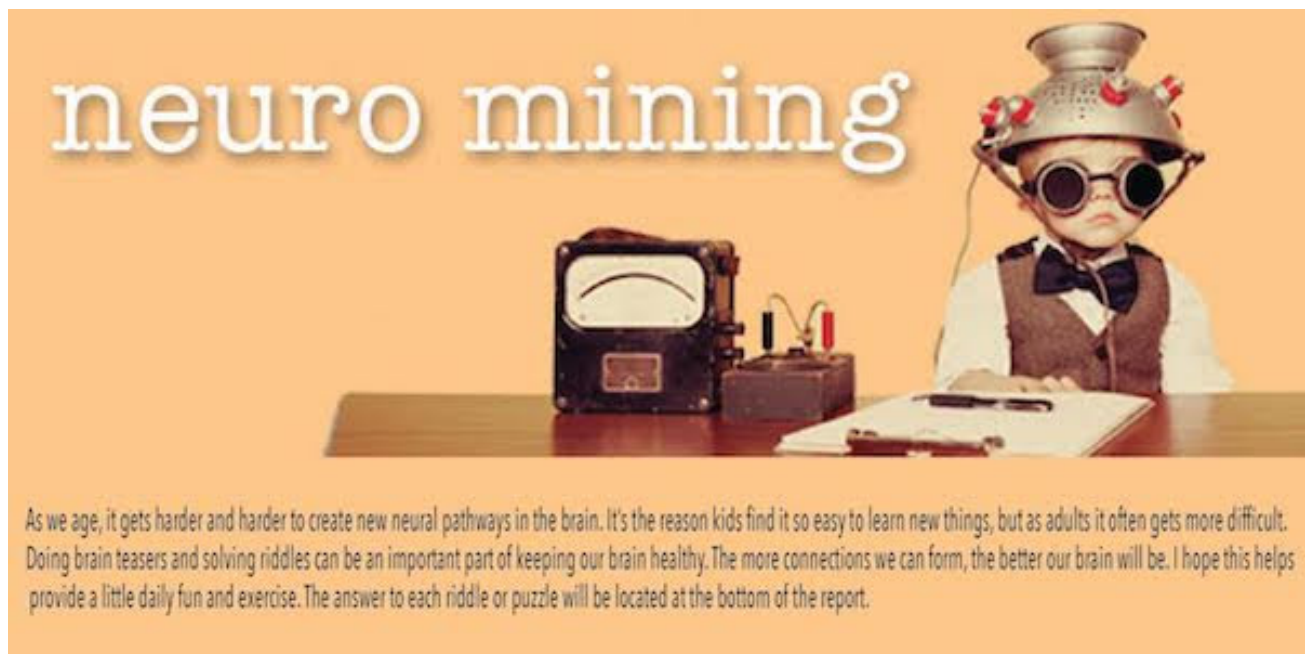


North Central Montana - *This last year was the best wheat I have seen in my entire farming career. I heard from a friend that even the wheat in Wyoming was good. That wheat never makes over 30 bushels. We made closer to 60 bushels and did even better on the winter wheat. Fun fact about our area - it's going to 60 degrees today and all the snow will be melted by the end of the day. The plan next year is to plant spring wheat, barley, durum, flax, and green peas.*

Northern North Dakota - *I farm with family members and we came down to FarmCon for the first time this year. I have to say, my head is full of ideas that need digesting and implementing. It is critical for folks in my position to step away from the farm and make sure we are hearing cutting edge thinking and from those who are doing it. We farm corn, beans and wheat and like others across the country, we dealt with wetness most of the year and usually at the wrong times. Canola harvest was a challenge and snowstorms halfway through the process were not welcomed. Usually, it's dry this time of year, but we have lots of moisture and the guys that are trying to finish harvest just can't get a window to complete. We've grown oats for a while and when we first started, we were the only ones,*

now everyone around is growing them. Fortunately, we have solid contracts in place. On good years we can get 160-200 bpa, which pays out well at our contracted price. We've been hearing lots of talk that you can cut back on fertilizers and still get the same yields, but on our test plots up here it just isn't so. Most of our plots show more can be applied with yield benefits. It's hard to know for sure but with soil health critical at this point we need to do something. It just becomes hard with the unpredictable weather patterns that force a lot of decisions on us.

Western Missouri - *It's very wet in this area. The cattle guys think it's worse than last year because it has not frozen like it did last winter. We have had 4 inches of rain and 3 inches just this year already. The forage is going much faster than it did last year due to the rain over summer. Some guys will run out and the quality is not near as good. You can tell the guys that didn't use fall burn down on corn and soybeans because where it wasn't used the fields are greening up like the wheat. All in all, the wheat still looks good. All the warm temperatures and late-planted wheat has really allowed it to come along.*



TODAY'S RIDDLE: I have two rings. I move by request. If the mixture isn't right I just sit and rest. What am I?



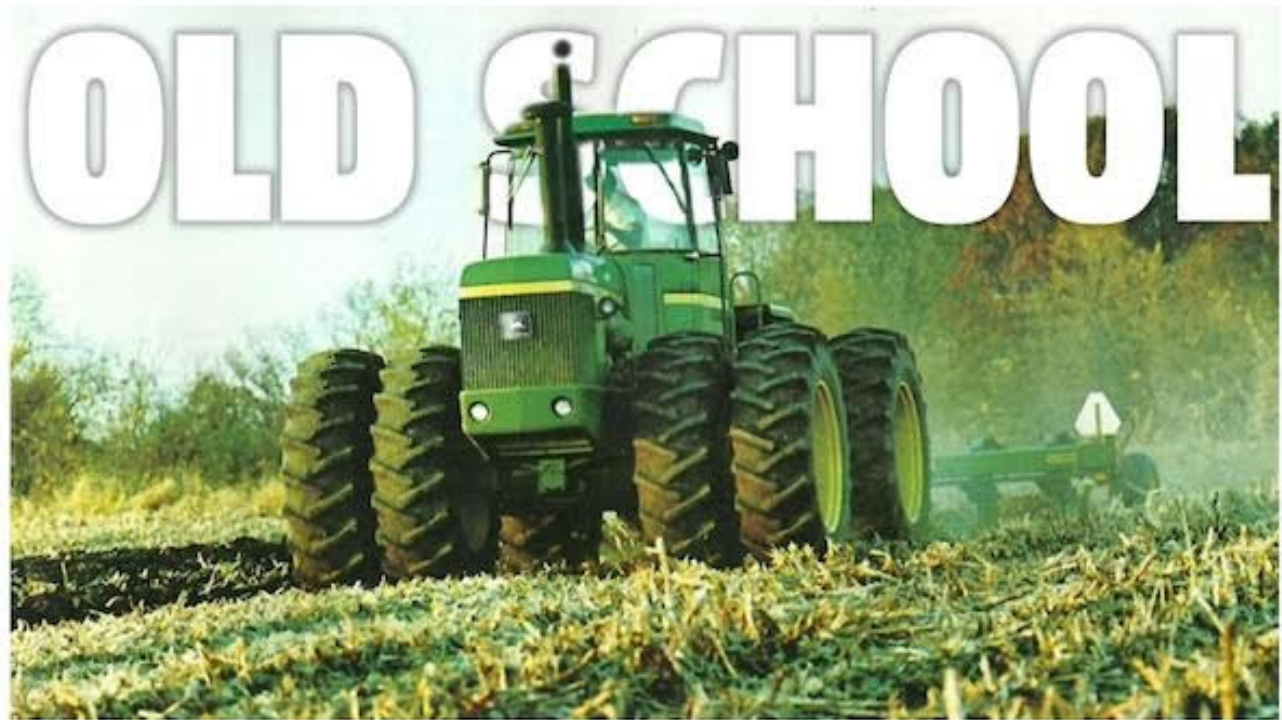
Old Tractors Getting New Lives

Tractors manufactured in the late 1970s and 1980s are some of the hottest items in farm auctions across the Midwest these days and it's not because they're antiques. Other than the software on modern equipment, tractors from that era aren't that different from those produced in the 2000s, but that software is creating repair headwinds for many producers who are struggling financially and for some older tractors are now making a lot of business sense. Keep in mind, when these modern units breakdown getting them repaired is a time-consuming and expensive process.

Interestingly, in 1989 a 30-year-old tractor really was an antique as a 1959 tractor at that point would have only sold for \$2,000 or \$3,000 and looked like a different species from the tractors in operation in the 1980s. Greg Peterson, the founder of the farm equipment data company "[Machinery Pete](#)", says there's an affinity factor if you grew up around these older tractors, but it goes way beyond that. In the current business environment, a 40-year-old tractor makes financial sense as they are basically bulletproof, meaning you can put 15,000 hours on it and if something breaks you just replace it. These older units look and run like modern tractors, but lack the computer components that drive up costs and make repair a nightmare.

[BigIron Auctions](#), a Nebraska-based dealer that auctioned 3,300 pieces of farm equipment online in two days last month, sold 27 John Deere 4440 tractors through 2019. Deere built the 4440 in 1977 and 1982 at a factory in Waterloo, Iowa, and it was the most popular of the company's "Iron Horse" series of tractors, using stronger and heavier internal components to support engines with greater horsepower. I should mention, a 1980 John Deere 4440 with 2,147 hours on it sold for \$43,500 at a farm estate auction and a 1979 John Deere 4640 with only 826 hours sold for \$61,000 at a different location.

Cost-conscious farmers aren't being scared off by these seemingly overpriced auctions sales as cheaper repairs for an older tractor mean their life cycle can be extended. Keep in mind, a new motor or transmission may cost \$10,000 to \$15,000, but then a tractor could be good for another 10 or 15 years. At the end of the day, you can still grow midwestern crops with 1980's equipment, it may take more fuel, longer hours, and be less precise, but it can be done, and you can keep replacing parts on that 1979 John Deere 4640 forever. (Source: Startribune, Precisionfarmingdealer)





Will Spring Come Early...Groundhog Day is Sunday!

February 2 of every year marks the halfway mark between the Winter Solstice and Spring Equinox, which means the days will now start getting longer, the temperature will gradually start to rise and another Winter will soon be behind us! The day also brings what seems a rather silly tradition - thousands of people gather at Gobbler's Knob in Punxsutawney, Pennsylvania, to see if a groundhog will see his shadow. Known as "Punxsutawney Phil," the groundhog emerges from his simulated tree trunk home to look for his shadow. According to legend, if Phil sees his shadow the United States is in store for six more weeks of winter weather. But, if Phil doesn't see his shadow, the country should expect winter to subside and look forward to spring arriving early. Punxsutawney is not the only city in the U.S. that engages in this tradition, but it is the most well-known and attracts thousands of visitors to the town every year. Below are some other facts and trivia about this silly but fun holiday:

European Folklore and Candlemas: *Groundhog Day originates from European folk traditions, where a badger was used as a forecaster to help them determine when to plant their crops. By the time the first immigrants settled in Pennsylvania they probably understood that badgers weren't very good weather forecasters but the tradition continued nonetheless, probably due to its deep cultural roots. The Pennsylvania Dutch were immigrants from German-speaking areas of Europe. The Germans already had a tradition of marking Candlemas - a primarily Catholic festival marked on February 2, but also known in the German Protestant church - as "Badger Day" (Dachstag), where if a badger emerging found it to be a sunny day thereby casting a shadow, it predicted the prolonging of winter by four more weeks. Notably, several weather lore traditions use the weather on Candlemas to predict the start of spring. One French lore says that if it rains on Candlemas, there will be forty more days of rain. English traditional weather lore recites, "If Candlemas Day be fair and bright, Winter will have another fight. If Candlemas Day brings cloud and rain, Winter won't come again."*

From Badgers to Groundhogs: *The tradition of using a groundhog in the U.S. came from Clymer H. Freas, city editor of the Punxsutawney Spirit newspaper who was inspired by a group of local groundhog hunters that went into the woods every Candlemas Day to look for groundhogs. The hunters started out being interested in the groundhog as a game animal for food. They had started serving groundhog at their lodge and organized a hunting party on a day each year in late summer. Freas dubbed them the "Punxsutawney Groundhog Club" and, starting in 1887, the search became an official event centered on a groundhog called Punxsutawney Phil and his "weather predictions." Unfortunately for the groundhog, in those days, the annual event usually culminated with the weather forecaster being served and eaten as a main entrée.*

Punxsutawny Phil: *According to the lore, there is only one Phil, and all other groundhogs are impostors. It is claimed that this one groundhog has lived to make weather prognostications since 1886, sustained by drinks of "groundhog punch" or "elixir of life" administered at the annual Groundhog Picnic in the fall. But since groundhogs only live up to six years, we're not so sure about that one. The groundhog's full name is actually "Punxsutawney Phil, Seer of Seers, Sage of Sages, Prognosticator of Prognosticators and Weather-Prophet Extraordinary." It was so proclaimed by the "Punxsutawney Groundhog Club" in 1887, the same year they declared Punxsutawney to be the weather capital of the world. Phil also has a wife, Phyllis. However, she doesn't receive the "elixir of life" so she will not live forever like Phil! Visitors to Gobbler's Knob can actually see Phil all year round from the viewing window outside his climate-controlled "burrow."*

Groundhog Day the Movie: *"Groundhog Day," which was released in 1993, features Murray as a TV meteorologist who finds himself stuck reliving the same day - Groundhog Day - in Punxsutawney, Pennsylvania. The movie popularized the usage of "groundhog day" to mean something that is repeated over and over. Interestingly, Bill Murray was recently spotted in Woodstock, Illinois where "Groundhog Day" the movie was filmed, wearing the same peacoat and a scarf he wore in the film. Rumor has it that Murray and some of his costars from the film were shooting a commercial for Jeep that will air during the Super Bowl, which is also this Sunday! (Sources: Groundhog.org, Wikipedia, Time and Date)*





Super Bowl 54... Inside the Numbers!

Super Bowl LIV (54), will take place this Sunday at 5:30 p.m. CST. The game is being played at Hard Rock Stadium in Miami Gardens, FL, and will be shown on FOX. Keep in mind, this marks the 10th time the South Florida city has hosted the biggest sporting event in the country and sixth time Hard Rock Stadium has hosted. Joe Buck and Troy Aikman will be the announcers for the big game. As long as I can remember, I've always passed along my pick for the Super Bowl. Through the years I've had some good picks and some not so good picks. Let's just say I don't consider myself any "Jimmy the Greek." I suspect in the end my sports picking career hasn't been much better than the toss of a coin. But it's always a lot of fun to handicap the game and try to forecast the results.

This year's big game is tough to pick, you have the great defense of the 49'ers on one side of the ball versus the highly flying Chiefs offense on the other. Leave no doubt, I'm going with my hometown Kansas City Chiefs! Yes, one of the reasons I'm picking the Chiefs is that they are my hometown team, but another is because I was once told in the biggest of games you have to go with the QBs and Coaches. Patrick Mahomes is clearly the best quarterback in the NFL and has some of the most dangerous weapons I've seen in many years. In addition, Andy Reid is currently considered one of the greatest coaches in the game with 207 regular-season wins and 28 playoff appearances. I know we've heard time and time again that defenses win Championships and I can't argue the fact. But I also believe when two teams at the highest level are somewhat equally matched the deciding factor can often be the QB and the Coach. I give the edge to KC!

I should note, if I had to pick someone in the league that has the talent to beat the Chiefs, then I would 100% go with the 49ers due to how good their defense is. Yes, the Chiefs have beaten the Ravens defense, but I think the 49ers are a different level this postseason. I think it's going to come down to the wire and the quarterbacks... On top of my Kansas City Chiefs pick, I wanted to pass along some of the more fun facts and interesting data that has been circulating the past few days. Wishing you and your family a safe and happy Super Bowl gathering! I will be in Miami with my wife Michelle and son Jordan for the game! We don't have tickets yet but should be a fun time whether we go to the game or not. If you are looking for more fun prop bets to pass around the party, Jordan will be sharing the entire Ceasars Palace Prop bet sheet in his FarmTank Friday newsletter. Remember **FarmTank Friday** is FREE just submit your email by **Clicking [HERE](#)** and it will be delivered to your inbox. We are going to be offering a lot more great podcasts in 2020 so don't miss out. (Source: CBS)

The Line: *The Chiefs have held strong as the 1.5 point favorite over the 49ers since the odds opened. I should mention, many casinos in Vegas have the Chiefs as a 1 point favorite. This seems odd due to the fact about 80% of the money that has been bet on the point spread for this Super Bowl has come in on the Chiefs, says Jeff Stoneback, the director of trading operations*

for MGM Resorts International. In addition, Stoneback said MGM has taken two six-figure bets already and both were on the Chiefs. One bet was \$200,000 and the other was \$150,000. Most industry experts believe the line will be even closer to game time due to the majority of the betting happening the weekend as fans arrive in Las Vegas for Super Bowl weekend. Another thing I'd like to add is the Chiefs have never lost a game by more than seven points with Mahomes as their starter. The Chiefs are 10-4-1 against the spread this season when favored and the 49ers are 5-0 against the spread this season when underdogs.

Something Crazy Happens in Miami: *The one thing about being in Miami for the Super Bowl is something crazy is bound to happen, and there's about a 75% chance something crazy will happen because this is Miami. From a Super Bowl perspective, no city does crazy better than Miami. Remember, this is the city where Joe Namath made his guarantee before Super Bowl III. It's the city that gave us the first-ever Super Bowl game-winning field goal in Super Bowl V. It's also the city where a player got suspended from playing in a Super Bowl because he went on a drug bender the night before the game in January 1989. Miami was also the host city in January 1999 when a player got arrested and charged with soliciting a prostitute less than 18 hours before the kickoff of Super Bowl XXXIII.*

Over/Under *is currently set at 54.5 total points scored. This line opened at 53.5, but it didn't last long, quickly rising. Meaning money was coming in on the "over". Regardless, odds-makers are looking for both teams to throw up a lot of points, especially the Chiefs. Keep in mind, the highest over/under for a Super Bowl was recorded last year as both teams scored a total of 16 points. You would think both of these teams could throw up some points, but I should note, throughout the 2020 playoffs the San Francisco forced five turnovers and limited the Vikings as well as the Packers to an average of just 41.5 yards rushing per game. In addition, Kansas City held the No. 9 rushing offense (Houston) and the No. 3 rushing offense (Tennessee) to under 100 yards and allowed a conversion rate of just 32% on third down.*

The Points: *Winning teams in the Super Bowl tend to average about 30 points while losing teams to average about 16 total points.*

Kansas City Chiefs *enter the game as the second seed in the AFC after a 12-4 season and playoff wins over the Texans and Titans, which were both at home. The Chiefs have a top-ranked offense putting up an average of 29.8.9 points per game, which is only behind the Ravens and 49ers, with 39 ppg in the last three. The Chiefs are set to make just their third Super Bowl appearance and will look to win their first Super Bowl since 1970 when they when the Chiefs topped the Minnesota Vikings in Super Bowl IV for their first*

and only Lombardi Trophy. I should note, this means the Chiefs haven't been in a Super Bowl in 50 years.

San Francisco 49ers *are entering the game as the first seed in the NFC after a 13-3 season and playoff wins over the Vikings and packers, which were both at home. The Pats will take the field as another powerhouse offense averaging 30.2 points per game and 30 ppg in the last three. This will be the 49ers 7th Super Bowl appearance. San Francisco went to five Super Bowls between 1981-1994 and won all five of them, then returned to the big game in 2012, when they lost to the Baltimore Ravens.*

Most Ever of All-Time: *If the Niners win Super Bowl LIV, then they will tie the New England Patriots and the Pittsburgh Steelers for the most Super Bowl victories in NFL history with six total.*

One of the Longest Droughts: *If the Chiefs win Super Bowl LIV, they will end the second-longest Lombardi Trophy drought among teams that have already won a Super Bowl. Nine different franchises have yet to win a single Super Bowl, but among teams that have done so, only the New York Jets (51 years) have endured a longer stretch in between titles.*

Home Team: *Kansas City has been awarded this year's "home team" and gets to pick what color jersey they will wear. Each year the designation switches from AFC to NFC.*

First-Time for the Jerseys: *Believe it or not, this is the first time a Super Bowl will feature two teams with red as a primary uniform color. The Chiefs will be rocking their traditional home red jerseys with white pants, while the 49ers will wear their standard white away jerseys with gold pants.*

The Never Been: *Believe it or not, the only never been in Super Bowl History is a shutout. Until 2016, there was never a punt return in Super Bowl history until Jordan Norwood with the Denver Broncos. In addition, the only game to go into overtime was in 2017 when the Patriots beat the Falcons.*

Pro Bowlers: *The Chiefs will outnumber the 49ers in Pro Bowlers, six to four. Representing Kansas City: Patrick Mahomes, Tyreek Hill, Travis Kelce Kelce, Chris Jones, defensive end Frank Clark, and return specialist Mecole Hardman. Representing San Francisco: Joey Bosa, tight end George Kittle, fullback Kyle Juszczyk, and cornerback Richard Sherman.*

The Coaches: *49ers coach, Kyle Shanahan, will be making his Super Bowl debut, making this the first father-son duo to make separate Super Bowl appearances in NFL history. Shanahan's dad, Mike, was the Niners' offensive*

coordinator during their 1994 championship, then led the Denver Broncos to back-to-back titles in 1997-1998. In addition, Chiefs coach, Andy Reid will be just the 24th head coach in NFL history to appear in more than one Super Bowl. He previously led the Philadelphia Eagles to Super Bowl XXXIX in 2004, when his club fell to the New England Patriots, 24-21. I should also note, Andy Reid has a 22-5 career record all-time coming off a bye week.

Payday: *From what I understand, each player of the winning team will receive a \$124,000 bonus, which is up from last year's \$118,000. Members of the losing team will receive a \$62,000 per player consolation bonus. Chiefs and 49ers players have earned \$118,000 so far during the 2020 postseason.*

Ticket Prices: *There's talk that the average ticket price to get in the game is \$4,100 per ticket, which is much higher than the average get-in price for Super Bowl 53 at \$2,577. The most expensive tickets are very close to the field and typically include some sort of pregame/postgame hospitality and maybe even an on-field experience. Miami Garden also offers club packages that can range between \$30,000 and \$50,000 per ticket. People want to be at this game!*

Concession Prices: *Concessions are usually a big story at the Super Bowl due to sky-high pricing, but Miami will continue the trend of low prices in 2020. A value hot dog is only \$4 and a box of popcorn is \$3. In addition, I've also heard Cuban sausages are going for as much as \$34 in the stadium.*

The King of Beers: *Anheuser-Busch has bought four 60-second ads in Super Bowl 2020, which is down from the five-minutes and 45 seconds in 2019. Keep in mind, 30-second commercial slots are going for more than \$5.6 million this year. I should also note, snack brands are among one of the strongest categories, with nine brands advertising in the game, which is up from five last year.*

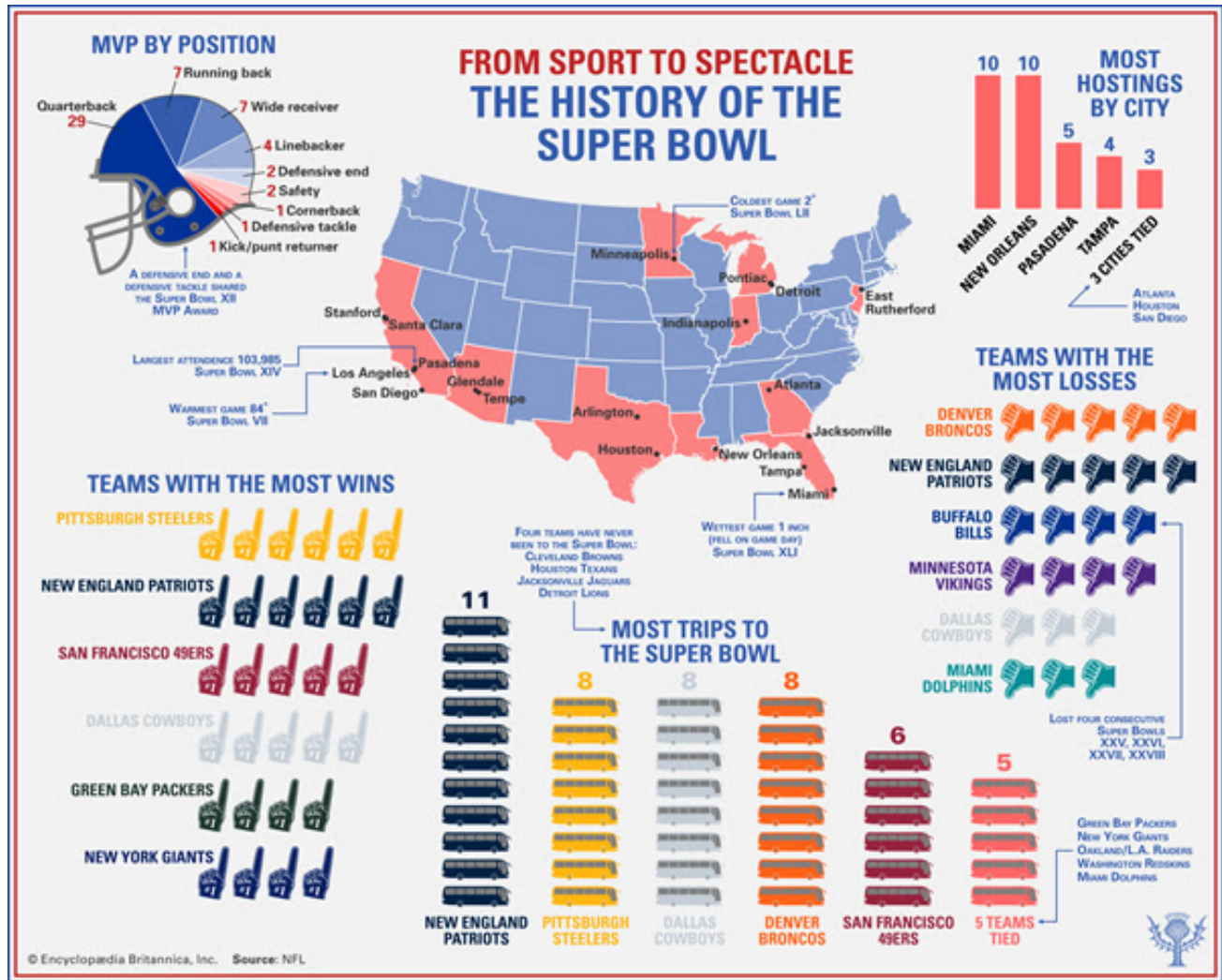
Coin Toss: *Heads has been flipped 25 times before the opening kick-off, while tails has been flipped 28 times. Over the past 20 years, heads or tails has won at least four consecutive Super Bowl coin tosses on four or more occasions, with tails owning three of the four streaks. The last four years has gone Tail's, Tails, Heads, then Tails. In addition, a team hasn't won the Super Bowl that has won the coin toss since the Seattle Seahawks in 2014.*

National Anthem: *Grammy winner and multi-platinum winner Demi Lovato will perform the National Anthem this year. Lovato will follow previous Super Bowl national anthem performers like Gladys Knight, Alicia Keys, Billy Joel, Mariah Carey, and Whitney Houston. The over/under on how long it will last*

is right around 2:00 minutes.

"Madden NFL 20" Predicts 49ers Will Win Super Bowl LIV: Every year, EA runs a simulation in the latest "Madden" title to predict the outcome of the big game. The prediction has a final score of 44-23 with Garoppolo throwing 313 yards and four TDs, while Mahomes puts up solid numbers as well at 329 yards and two TDs. Keep in mind, "Madden" has predicted the winner 11 out of the last 16 Super Bowls.





The Duel Super Bowl 54 Prop Bet Questionnaire

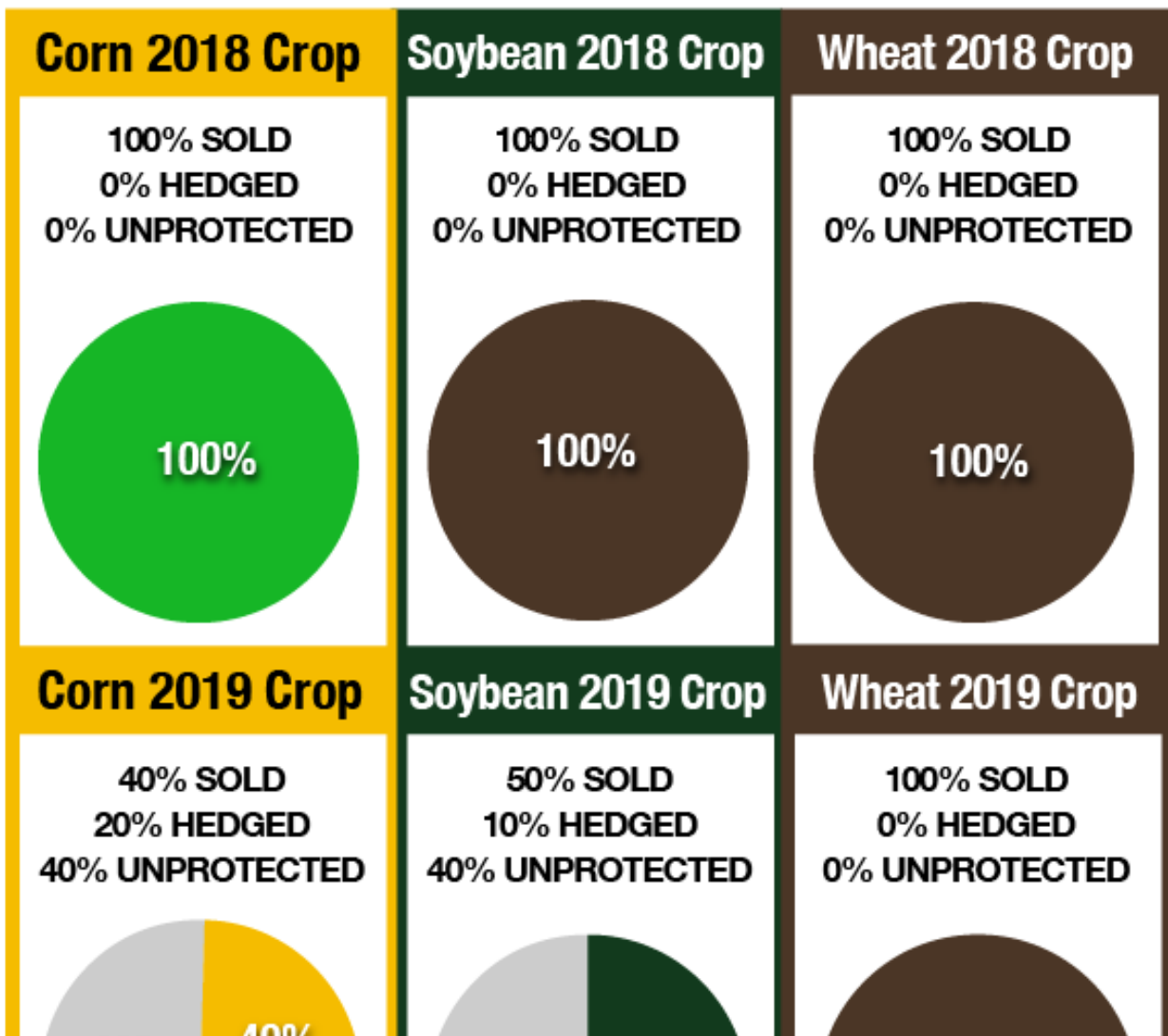
Correct

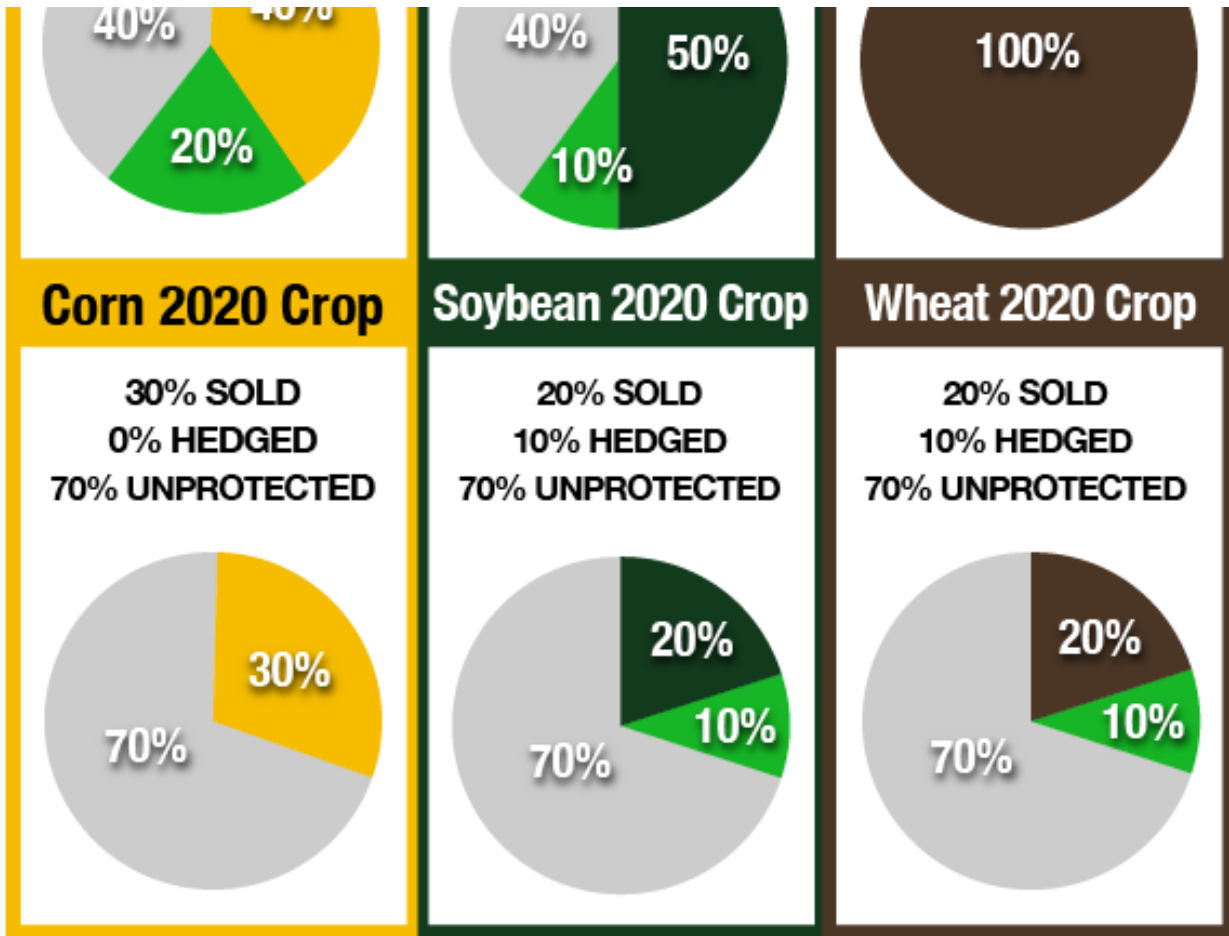
1	WHAT WILL BE THE RESULT OF THE OPENING COIN TOSS?	<input type="checkbox"/> HEADS	<input type="checkbox"/> TAILS	<input type="checkbox"/>
2	WHICH TEAM WILL BE LEADING AT THE END OF THE FIRST QUARTER?	<input type="checkbox"/> KC	<input type="checkbox"/> SF	<input type="checkbox"/>
3	WHICH TEAM WILL SCORE FIVE POINTS OR MORE FIRST?	<input type="checkbox"/> KC	<input type="checkbox"/> SF	<input type="checkbox"/>
4	WILL PATRICK MAHOMES HAVE OVER OR UNDER 2.5 PASSING TOUCHDOWNS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
5	JIMMY GAROPPOLO OVER/UNDER 242.5 PASSING YARDS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
6	TOTAL TOUCHDOWNS SCORED: OVER/UNDER 6.5	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
7	HIGHEST SCORING HALF?	<input type="checkbox"/> 1ST	<input type="checkbox"/> 2ND	<input type="checkbox"/>
8	WILL A QUARTERBACK WIN SUPER BOWL MVP?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
9	WHICH TEAM WILL SCORE THE LAST POINTS?	<input type="checkbox"/> KC	<input type="checkbox"/> SF	<input type="checkbox"/>
10	WILL THE KANSAS CITY CHIEFS SCORE IN EVERY QUARTER?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
11	TOTAL POINTS ODD OR EVEN?	<input type="checkbox"/> Odd	<input type="checkbox"/> Even	<input type="checkbox"/>
12	BOTH TEAMS TO SCORE IN THE FIRST QUARTER?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
13	WILL GEORGE KITTLE SCORE A TOUCHDOWN?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
14	WHICH TEAM WILL HAVE THE FIRST MADE FIELD GOAL?	<input type="checkbox"/> KC	<input type="checkbox"/> SF	<input type="checkbox"/>
15	WHICH TEAM WILL SCORE FIRST?	<input type="checkbox"/> KC	<input type="checkbox"/> SF	<input type="checkbox"/>
16	TRAVIS KELCE OVER/UNDER 73.5 RECEIVING YARDS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
17	PATRICK MAHOMES OVER/UNDER 297.5 PASSING YARDS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
18	WILL BOTH TEAMS SCORE 25 OR MORE POINTS?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
19	BOTH TEAMS TO SCORE IN THE THIRD QUARTER?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
20	WILL RAHEEM MOSTERT SCORE A TOUCHDOWN?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
21	TYREEK HILL OVER/UNDER 74.5 RECEIVING YARDS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
22	GEORGE KITTLE OVER/UNDER 71.5 RECEIVING YARDS	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
23	DAMIEN WILLIAMS OVER/UNDER 54.2 RUSHING YARDS?	<input type="checkbox"/> Over	<input type="checkbox"/> Under	<input type="checkbox"/>
24	WILL ANY PLAYER SCORE 2+ TOUCHDOWNS? (QUARTERBACK PASSING TDS DON'T COUNT)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
25	WILL TYREEK HILL SCORE A TOUCHDOWN?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>

ANSWER to riddle: A piston.

CASH SALES & HEDGING TOTALS

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