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**GOOD MORNING: The Van Trump Report 2-13-20**

1 message

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

Thu, Feb 13, 2020 at 5:30 AM

Reply-To: Jordan &lt;reply-fec1107875650c74-1142\_HTML-68584704-100003450-8@vantrumpreport-email.com&gt;

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"Pressure can bust pipes, but it also can make diamonds." — **Tim Grover**

**Thursday, February 13, 2020**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock bulls might be pausing a moment after China reports a huge jump in infected patients beyond +60,000 and total deaths moving past +1,360. There had been some optimism in the market the past couple of days on talks that the coronavirus outbreak may have peaked, helping calm worries about a global economic slowdown. In turn, stock bulls managed to push the S&P 500 to another new record high. Bulls have also been happy to see China is making generous cash injections and implementing other stimulus measure to keep the situation from escalating into a wider economic crisis. Interestingly, the International Monetary Fund yesterday said it is forecasting a quick recovery in China as manufacturers will soon be make up for lost time and warehouses are restocked, adding the most likely of scenarios is a "V-shaped" bounce from the interruptions. "In other words, sharp decline in economic activities in China, followed by a rapid recovery and a total impact on China relatively contained." In other headlines, Fed Chair Jerome Powell wrapped up his semiannual economic report to Congress yesterday, where he reiterated his confidence in the

sustainability of the current U.S. economic expansion. The Fed chief also tried to reassure on the central bank's ability to tackle the next economic downturn, saying the Fed will "aggressively" use the tools at its disposal should the need arise. He also urged lawmakers to reign in the federal budget while the economy is strong. The current U.S. debt now stands at \$23 trillion. When asked what level would be concerning, Powell said, "I would be concerned now." Today, investors will be digesting the Consumer Price Index, which is expected to show a +0.2% increase for January, bringing the year-on-year rate to +2.4%. Wall Street may also give Weekly Employment Claims a closer look considering recent signs that the labor market may be slowing a bit. Claims for first-time unemployment benefits for the week are seen bouncing up to 210,000 from the lower-than-expected 202,000 last week. There are also some highly anticipated earnings set for release today, including Alibaba, Barclays, Black Knight Financial, Duke Energy, Expedia, Huntsman, Kraft Heinz, Mattel, Nice, Nvidia, Pepsi, Wyndham Hotels, Yeti, and Zoetis.

**Why I'm Making a Move on Fertilizer:** *Fertilizer prices here at home had been moving lower for several months, but I've started noticing a few ticking higher compared to last month i.e. anhydrous and UAN32. I'm not sounding any alarms, but I do think we need to take notice and pay attention for a moment, especially with the coronavirus still brewing inside China. Remember, China is the world's largest producer of fertilizer and also a controller of some key crop chemistry. I've heard the shortage of workers has stalled production at mines in several parts of the country and has started to squeeze supply in some locations. Traders are also saying some areas are struggling to transport key ingredients across China because of disruption in the trucking industry. In fact, some traders in China have stopped offering quotes to customers because they can't source reliable delivery times. I'm not saying this is going to have an immediate direct impact on U.S. fertilizer supplies but it could cause ripples across the global supply chain and create some hiccups. The U.S. has gradually been reducing imports from China and has access to several markets for procuring fertilizers, given the growing and abundant supply of fertilizers worldwide. Most of the phosphates imports into the U.S. as of late have been from Russia, while most urea imports came from Qatar, Canada, Algeria, and Russia. But from my perspective the risk-to-reward ratio may have temporarily shifted. In other words, the risk associated with waiting for prices to move lower might not be worth the reward? Remember, DAP, MAP and anhydrous are all down close to -20% compared to last year depending on location. UAN28, UAN 32 and urea are thought to be down -10% to -15% compared to last year, and potash down -3% to -5%. Bottom line, yes, prices in some areas could continue to trend a bit lower, but I like taking some of my input risks and gains off the board when situations start to change and become more fluid. We've seen some good price breaks, now the situation in China evolves and it could create an "unknown"...*

**Bezos Buys Mansion for Record \$165 Million:** *Amazon CEO Jeff Bezos has reportedly purchased the Warner Estate from media mogul David Geffen for \$165 million. The deal marks a record for the Los Angeles area. The previous residential record was set late last year when media executive Lachlan Murdoch paid roughly \$150 million for a Bel-Air estate called "Chartwell" which was used as the Clampett residence in the television show "The Beverly Hillbillies." The Warner Estate sits on nine acres in Beverly Hills and was designed in the 1930s for Jack Warner, the late former president of entertainment giant Warner Bros. From what I understand Geffen bought the property for \$47.5 million*

*back in 1990, setting the then-record for a Los Angeles area home. (Source: The Wall Street Journal)*

**Coinbase to Allow Crypto Buying on Margin:** *Cryptocurrency exchange Coinbase is launching margin trading. Both retail and institutional investors will be able to submit margin trading orders with up to 3x leverage. For now, the feature is limited to 23 U.S. states if you're a retail investor. Institutional investors in 45 states and nine international countries can access margin trading. Here's the list of 23 U.S. states with margin trading for retail investors: Florida, Texas, Illinois, New Jersey, Virginia, Georgia, Arkansas, Alaska, Oregon, Connecticut, New Hampshire, Massachusetts, Nebraska, North Carolina, Oklahoma, Colorado, Kansas, Maine, South Carolina, Utah, Wisconsin, Wyoming and West Virginia.*

**"Tectonic Shift" in Supply Chains Already Happening, Which Could Mean More Jobs in the U.S.:** *A new survey of analysts who cover more than 3,000 companies from Bank of America Securities is finding a "tectonic shift in global supply chains." Companies in more than 80% of 12 global sectors, representing \$22 trillion of market cap in North America, Europe, and Asia-Pacific (excluding China), have "implemented or announced plans to shift at least a portion of their supply chains from current locations." Companies say tariffs and the U.S.-China trade war have helped prompt this reassessment, but it's largely based on automation, which has made the labor-cost benefit of outsourcing and offshoring less attractive. Many companies said they were considering locations in India and Southeast Asia, but companies in about half of all global sectors in North America declared an intent to "reshore" or move business back to North America. "This was particularly true for high-tech sectors and industries for which energy is a key input. If borne out, this could represent the first reversal in a multi-decade trend," the Bank of America global research team added in a note. The shift could mean bigger investments by North American companies at home rather than abroad, including increased spending on automation and manufacturing that "would have multiplier effects on the broader economy." Read more from [Axios](#).*

**Hedging Strategy Likely Exacerbated Oil's Fall:** *A scramble by Wall Street to reduce exposure to falling oil prices may have hastened crude's recent descent. In just 19 days during January, crude prices tumbled -20% from their recent peak. That was the fastest slide into a so-called bear market since early 2016, according to Dow Jones Market Data. Analysts blame the slide on fears the coronavirus will hit the global economy and weaken demand for oil. The speed of the decline also suggests it was fueled by big banks making bets designed to hedge deals with oil companies, some traders said. Although such trades likely exacerbated crude's most recent fall, traders and analysts say the recent plunge was more driven by key supply-and-demand issues. The shale boom has transformed the energy industry and flooded the market with oil and natural gas in recent years, pushing*

down prices for those commodities. In January, the U.S. hit record levels of output, producing 13 million barrels a day some weeks. And the coronavirus is now hitting oil demand. "Globally, oil demand won't grow meaningfully if not for China," said Michael Tran, energy strategist at RBC Capital Markets. "China is the world leader when it comes to oil-demand growth." (Source: [The Wall Street Journal](#))

## U.S. crude-oil price

■ Bull market ■ Bear market



Note: Front-month futures

Sources: FactSet (price); Dow Jones Market Data (bull and bear market dates)



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# FARM TANK

## Tweets of the Day



**Statista**  
@StatistaCharts



How much would each US taxpayer have to pay to clear their cities debt? One city was clearly on top at \$63,100 per citizen. [#askstatista](#)



### Infographic: The U.S. Cities Mired In Debt

This chart shows the amount each taxpayer would have to pay to clear municipal debt in U.S. cities.

[statista.com](#)



**Steve Burns**  
@SJosephBurns



When you're a trader and start seeing chart patterns everywhere. 🙄🙄

Waiting for this lightning to break out.







**Todd Baughman**  
@oSu\_WeedScience



Fendt-Momentum-Planter-contouring-toolbar  
Impressive Picture I must admit.



**Dusty Fanning**  
@TopDogCrop



Hold my beer we will get this wheat topdressed.









**Jordan Stewart**  
@stewja78



First load to Ontario. Hopfully break even in fuel consumption.





**You Had One Job**  
@\_youhadonejob1



How to find Kentucky on the map!





**Motivational Quotes**  
@DavidRoads



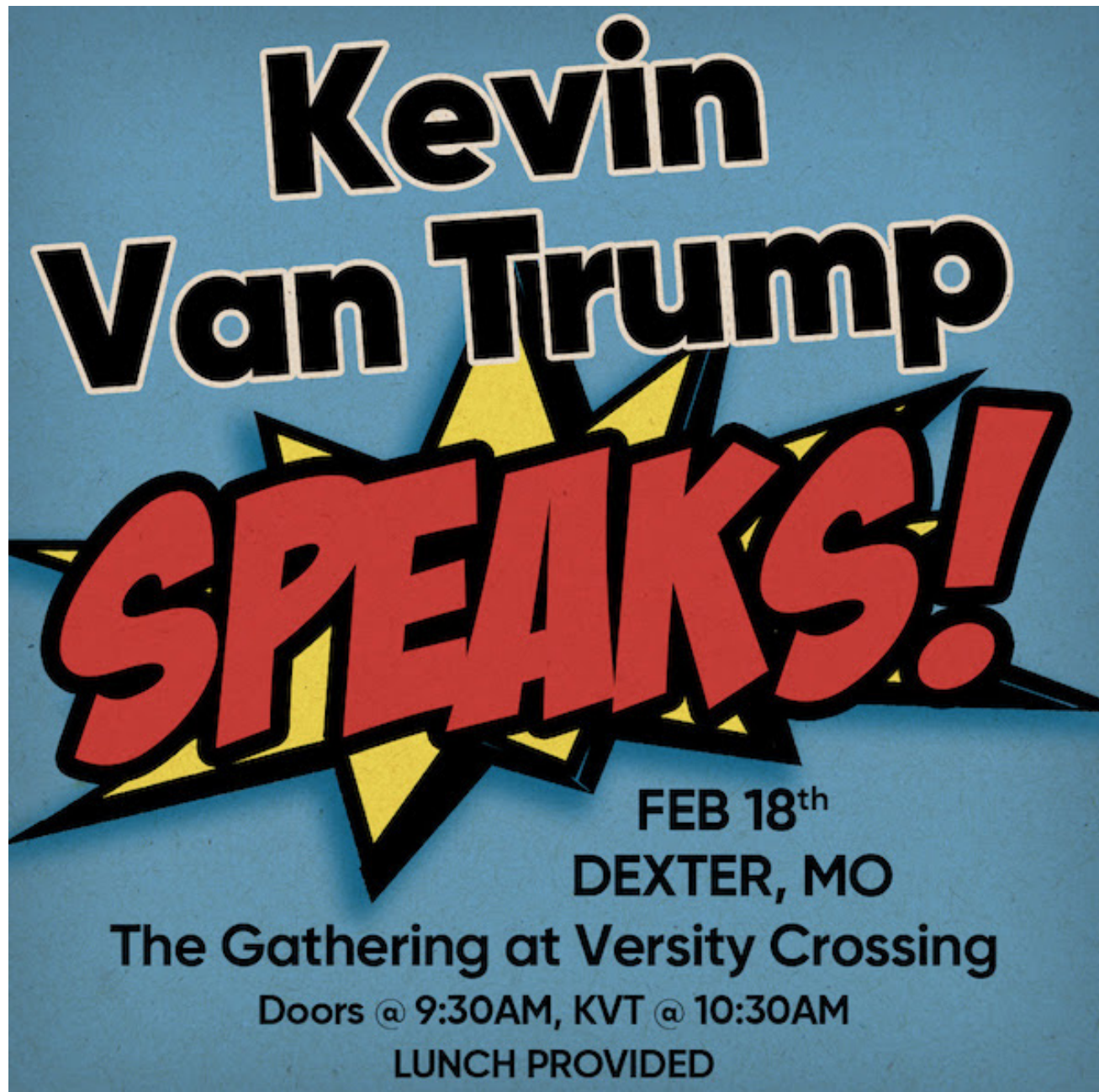
[#Inspirational #quote](#)

Let your smile  
change the world.

But don't let the  
world change your  
smile.

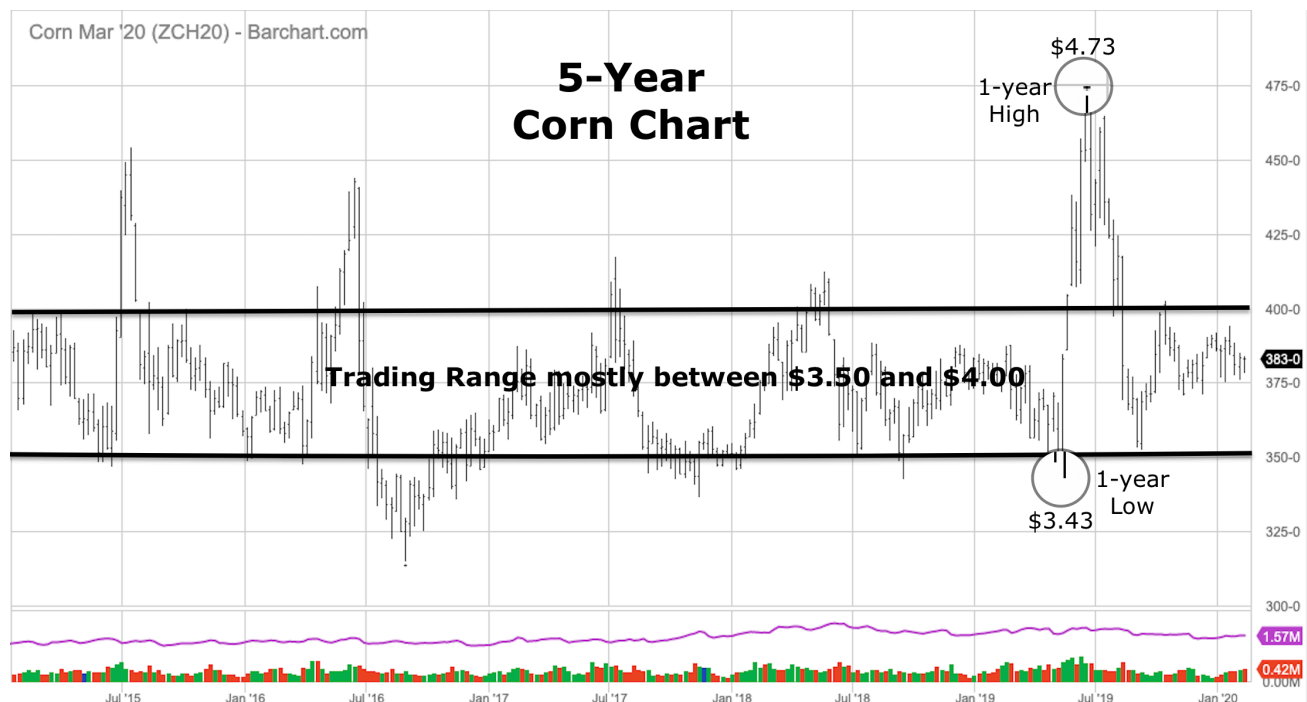
David Roads





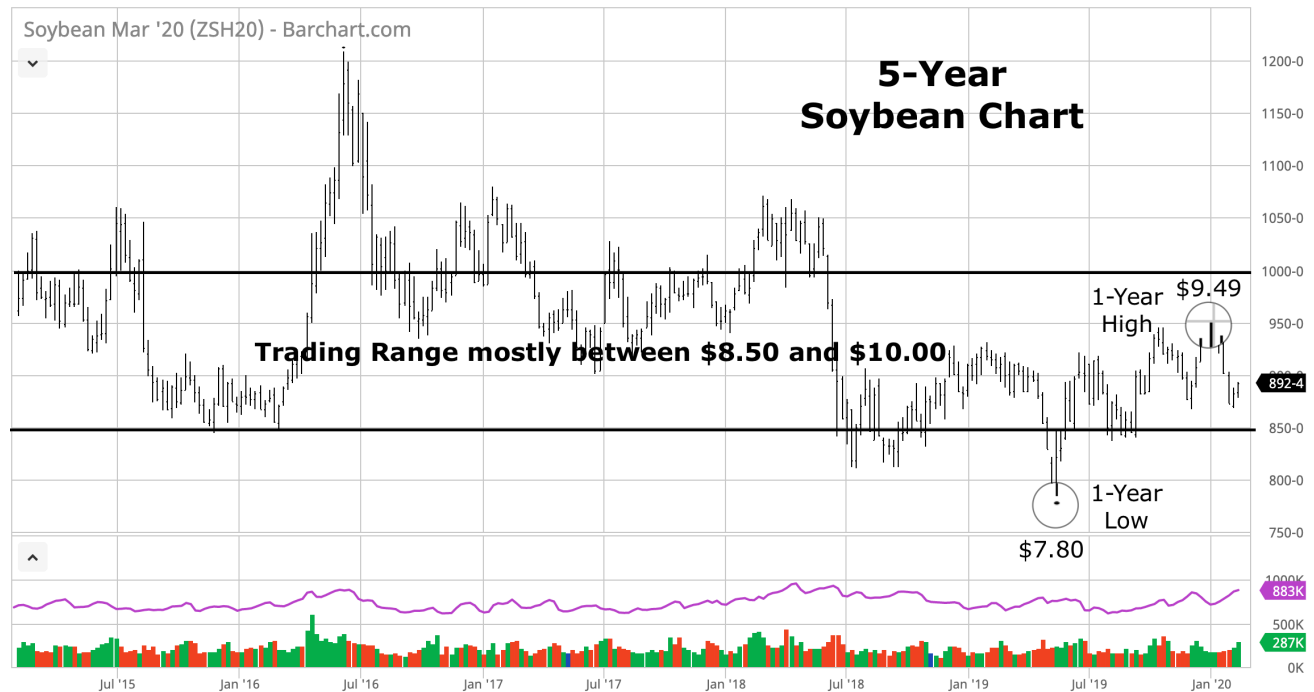
**Corn** bulls are trying to offset talk of more U.S. acres in 2020 by pointing to more flooding and extremely wet fields and saturated soils. Bulls are also holding out hope that Chinese buyers will seek U.S. supplies sooner rather than later. Bears remain very uncertain about Chinese buying especially with continued talk of coronavirus and ongoing fallout from ASF. Bears are also pointing to a poor weekly ethanol report where production fell by -48,000 barrels per day and U.S. inventories jumped to +24.35 million barrels, the highest since July. South American production continues to look better than previously forecast and is currently acting as a nearby headwind. Technically, many insiders believe we are rangebound between \$3.70 and \$3.95 per bushel in the front-end of the trade. If you want to extend the range, several technical guru's are pointing to between

\$3.50 to \$4.15 per bushel. This certainly isn't a "rocket science" forecast as it's essentially 30 cents either side of our current front-end price in the MAR20 contract. I've heard some producer hedging risk by being short call spreads and using the collected premium to purchase puts i.e. selling ATM calls and buying OTM calls and using the premium to purchase the closest ATM put they can afford. This strategy is providing them a floor and a type of safety-net while at the same time providing participation should we explode higher on a weather scare. Bottom line, producers are trying to find ways to protect the downside while still holding out hope for higher prices in 2020. As a spec, I remain on the sideline thinking there will be a better place to put my bullish boat in the waters. Let's hope today's export sales show continued strength. Next week traders will be eager to hear the USDA outlook scheduled for release Thursday and Friday.

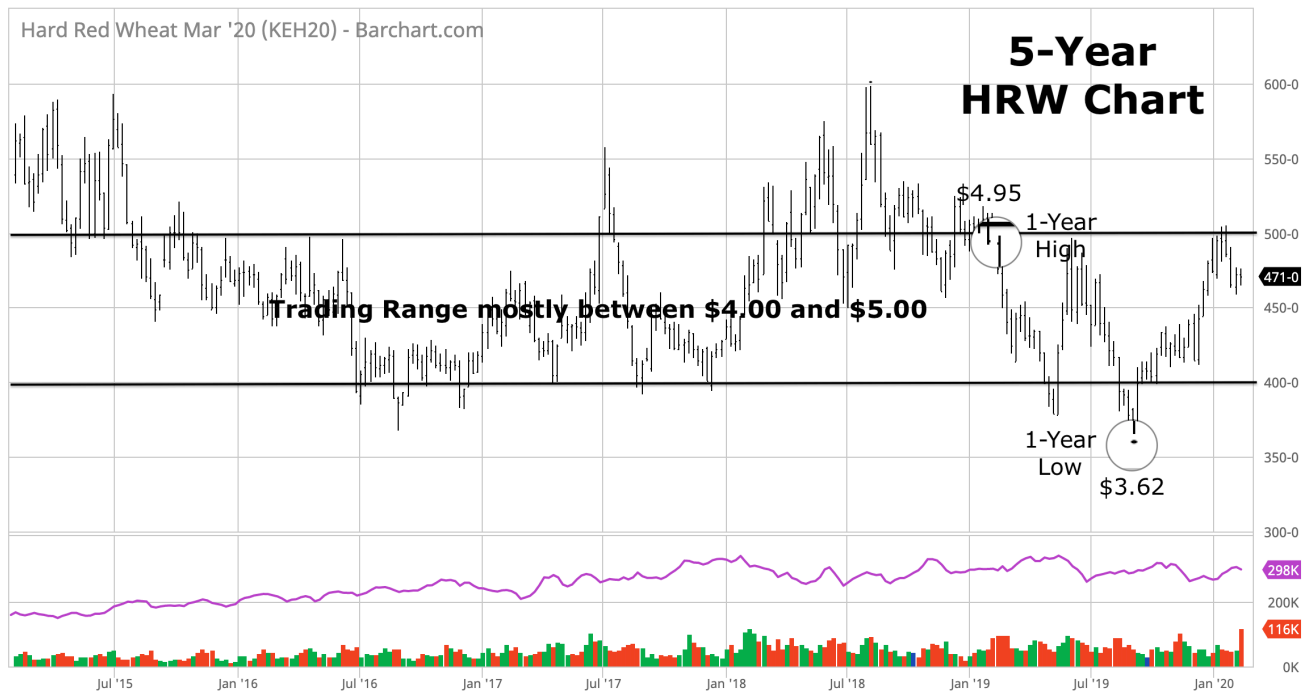
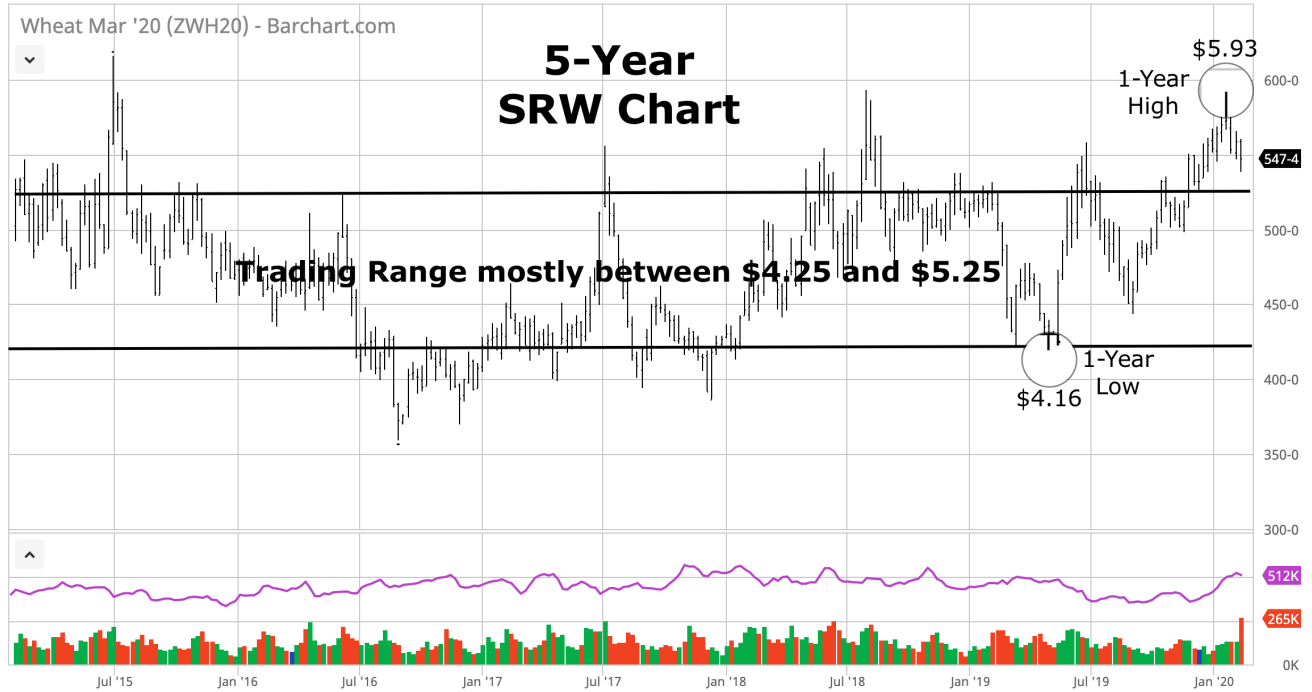


**Soybean** bears are pointing to a new surge in the number of infected with the coronavirus. Yesterday, bulls were pointing to numbers that made us believe the virus was slowing. I personally don't think this problem has peaked and worry about the added complications and headwinds it is creating for the world's #1 buyer of soybeans. As a longer-term bullish spec, that's all I need to know to move me to the sideline i.e. major complications and uncertainty with the world's top buyer of beans. I simply think there are easier shots on the court to take. I don't want to try and outguess these types of wild-cards. As a producer, I've made some good sales to this point and feel content keeping hedges in place and waiting for brighter days ahead. Don't forget, we have the USDA outlook numbers scheduled for release next Thursday and Friday. I'm also wondering if the trade is going to start talking about overly wet conditions in some parts of the U.S. does that mean even more soybean acres? Let's also not forget, South American

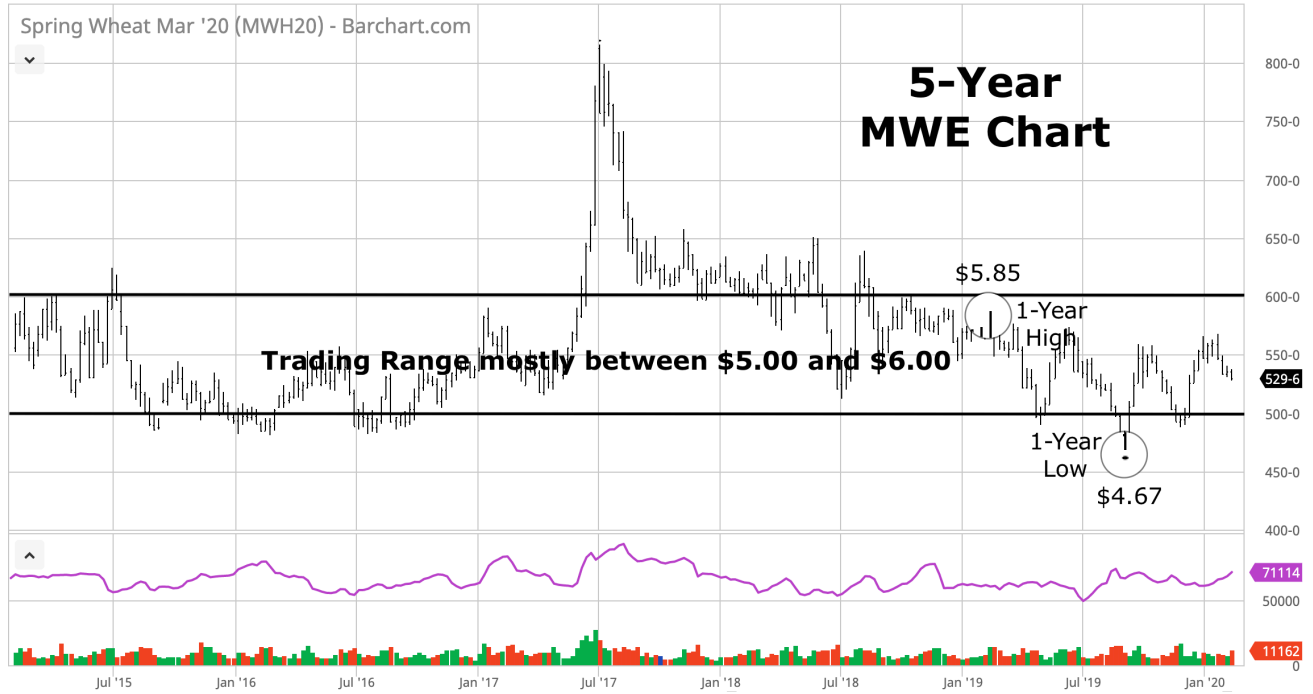
production estimates seem to keep creeping higher at the same time the Brazilian currency is providing their exporters with a big advantage. Technically, I still see the front-end of this market trading in the \$8.50 to \$9.20 range.



**Wheat** bulls are trying to stop the bleeding. Both the SRW winter and Spring wheat contracts traded down to multi-month lows and are trying to find more stable footing. Unfortunately, there's not a lot of fresh headline news. Remember, bull markets have to feed fresh bullish news regularly. That hasn't happened as of late and prices have deteriorated. Some of the bulls who were in the trade have lost interest and the headlines haven't been strong enough to attract big flows of new bullish money. European and Russian headlines have been a headwind as of late and there really isn't enough widespread weather concern to excite anyone, especially with the USDA still forecasting record global supply. As a spec, I remain on the sideline thinking prices could continue to pullback before finding a reason to make another run at the previous highs. As a producer, I still believe there could be another run higher before July, I just worry about nearby action being somewhat negative...









**> Lansing Files Suit Against Four U.S. Railroads:** *The Lansing Trade Group, its subsidiaries and parent company, The Andersons, are suing four U.S. railroads, claiming they acted collectively to increase transportation rates. The suit, filed in the U.S. District Court for the District of Kansas on Feb. 1, names BNSF Railway Co., CSX Transportation, Inc., Norfolk Southern Railway Co. and Union Pacific Railway Co. as the defendants. The railroads are accused of conspiring to apply and enforce a rail fuel surcharge on Lansing clients, which resulted in a rate increase that would have been difficult to achieve alone. According to the lawsuit, the railroads in 2003 began engaging in a series of meetings, phone calls and email communications through which they embarked on a conspiracy to apply and enforce rail fuel surcharges (FSC) across their customers in order to generate profits. The railroads claimed the surcharges were part of a fuel cost recovery program, the lawsuit said. Read more from [World Grain](#).*

**> Bunge Profit Tops Estimates on Strong South American Agribusiness:** *Bunge reported a stronger-than-expected quarterly profit on Wednesday as rising crop prices boosted farmer sales in South America and swelled margins in its large agribusiness segment. But uncertainty about global trade and demand for Bunge's food and feed products clouded the outlook for this year, with 2020 earnings per share seen about flat. The company cautioned that agribusiness results could slip this year as margins shift depending on crop sizes, farmer sales, and the implementation of the U.S.-China trade deal. Bunge's agribusiness segment, its largest in terms of revenues and volumes, gained in the fourth quarter on strong*

vegetable oil demand and good South American oilseed crushing margins. Accelerated farmer crop sales in Argentina ahead of anticipated increases to export taxes boosted the grains unit, which reported positive adjusted earnings before interest and tax (EBIT) margins compared with a negative margin last year. Adjusted EBIT for the agribusiness rose over three-fold to \$177 million in the fourth quarter. Bunge said net sales fell to \$10.78 billion in the quarter ended Dec.31, from \$11.54 billion a year earlier year. Excluding items, the company earned \$1.27 per share, above analysts' average estimate of 32 cents per share. (Source: Reuters)

**> World's Largest Sugarcane Plant Mulls Using Corn to Boost Ethanol:** The world's largest plant to process sugarcane, Brazil's Sao Martinho mill in Pradopolis, Sao Paulo state, could add corn as a second source of raw material to be able to boost its ethanol production, the company that controls the plant said. Several cane-based sugar and ethanol plants in Brazil are adding machinery to produce ethanol using corn as well, a model seen as profitable because plants use cane waste as an energy source to process the corn and expand production period to a full year, instead of just during the cane crop from April to December. "It is a project under evaluation. Logistics is an important issue, since we would have to bring corn from the center-west," said Felipe Vicchiato, Sao Martinho's chief financial officer, during a conference call with analysts and investors. Brazil is witnessing a boom in corn-ethanol investment, but most projects take place in center-west states such as Mato Grosso and Goias, large corn producers. Some analysts had suggested the possibility to produce corn-ethanol as well in Sao Paulo, Brazil's main sugar belt, since a lot of corn produced in Mato Grosso usually crosses the state on its way to the export port of Santos. Sao Martinho is already building an attached installation to produce ethanol from corn at its Boa Vista mill, located in Goias. (Source: Reuters)

**> Brazil's Real Falls to New Record Low:** Brazil's real fell to a record low yesterday beyond 4.35 reais per dollar, as weaker-than-expected retail sales figures earlier in the day gave renewed impetus to the selling that has picked up notable momentum in recent days. The real is one of the worst-performing currencies in the world against the dollar this year, down almost -8%, with traders noting a rise in speculative selling and hedging demand from domestic investors amid a stark lack of demand from overseas investors. (Source: Reuters)

**> Facebook Will Pay Reuters to Fact-Check Deepfakes:** Eye-witness photos and videos distributed by news wire Reuters already go through an exhaustive media verification process. Now the publisher will bring that expertise to the fight against misinformation on Facebook with the new Reuters Fact Check business unit and blog, announcing that it will become one of the third-party partners tasked with debunking lies spread on the social network. The four-person team from Reuters will review user generated video and photos as well as news



headlines and other content in English and Spanish submitted by Facebook or flagged by the wider Reuters editorial team. They'll then publish their findings on the new Reuters Fact Check blog, listing the core claim and why it's false, partially false, or true. Facebook will then use those conclusions to label misinformation posts as false and downrank them in the News Feed algorithm to limit their spread. More details are available from [TechCrunch](#).

**> Airbnb Reportedly Lost \$322 Million in First 9 Months of 2019:** Airbnb may have additional challenges to navigate as it looks to go public in 2020. A Wall Street Journal report says the company lost \$322 million through September after making a profit of \$200 million the previous year. It also said that while the company's revenue increased to \$1.65 billion in the third quarter, up \$400 million from the year prior, costs grew faster. That could give pause to investors, many of whom have become wary of businesses without a clear path to profitability after a crop of money-losing companies went public last year with mixed results and WeWork canceled its initial public offering. Read more from [Business Insider](#).

**> The Body Shop Will Start Hiring the First Person to Apply:** No interviews, no background checks, no drug tests. When there is a job available, just answer three yes-or-no questions and the job is yours. It's a new philosophy called "open hiring"—and it works. The company piloted the practice, which was pioneered by the New York social enterprise Greyston Bakery, in its North Carolina distribution center at the end of 2019 and found it drastically reduced turnover and saved money by streamlining the hiring process. Monthly turnover in the distribution center dropped by 60%. In 2018, the Body Shop's distribution center saw turnover rates of 38% in November and 43% in December. In 2019, after they began using open hiring, that decreased to 14% in November and 16% in December. The company only had to work with one temp agency instead of three. Read more from [Fast Company](#).

**> USB Chargers Have as Much Processing Power as the Apollo 11 Guidance Computers:** It comes as no surprise that the guidance computers aboard the Apollo 11 spacecraft were impossibly primitive compared to the pocket computers we all carry around 50 years later. But on his website, an Apple developer analyzed the tech specs even further and found that even something as simple as a modern USB charger is packed with more processing power. NASA's engineers designed and built the Apollo Guidance Computer (AGC) with somewhere around 5,600 electronic gates that were capable of performing nearly 40,000 simple mathematical calculations every second. While we measure processor speeds in gigahertz these days, the AGC chugged along at 1.024 MHz. By comparison, the Anker PowerPort Atom PD 2 USB-C charger includes a Cypress CYPD4225 processor running at 48 MHz with the twice the RAM of the AGC, and almost twice the storage space for software instructions. (Source: Gizmodo)



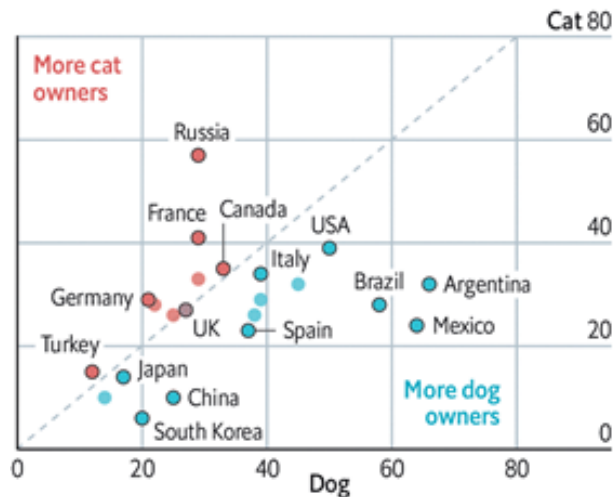
**> Highest-Paid Athletes of the Decade... Mayweather, Ronaldo and LeBron:** Blockbuster TV contracts and soaring endorsement deals from battling shoe giants Nike and Adidas were a boon to the earnings of the world's elite athletes over the past decade. Before the decade began, Tiger Woods was the only athlete on the planet to earn more than \$80 million during the course of a year. Since 2010, more than a dozen could make that claim. Forbes' annual rankings of top-earning athletes looks at salaries, prize money, bonuses, endorsements, appearance fees and licensing income. The top 10 for the decade, which includes a pair from boxing, soccer, basketball, and golf, collectively made \$6.1 billion. No baseball, football, or hockey players made the cut. Forbes also excluded earnings for athletes during their retirement years, keeping NBA stars like Kobe Bryant and Michael Jordan out of the top 10. Serena Williams is the only woman among the 40 highest-paid athletes of the decade, earning \$215 million. Check out the details [HERE](#).

**> Beer Waste Saves Montana Town \$1 Million On Water Treatment:** As America's craft beer industry continues to boom, the waste it generates can pose challenges for sewer systems. But if it's used in the right spot, in the right amount, it's potentially beneficial and can actually save wastewater treatment plants money. In Bozeman, Mont., the Water Reclamation Facility treats more than 6 million gallons of water every day, including liquid waste from more than 10 breweries. Because it's rich in yeast, hops and sugar, brewery waste can throw off the microbes that wastewater plants rely on to remove nitrogen and phosphorus. The two nutrients can cause algae blooms in rivers and kill off fish. "But if we can use [brewery waste] correctly and put it in the right spot, it's very beneficial to the process," engineering consultant Coralynn Revis says. Revis led a pilot project here last summer to try to do just that and it seems to have worked. Read more [HERE](#).

**> Which Country Spends the Most on its Pets:** Americans adore their pets. Roughly two in three households own one, according to the American Pet Products Association, a trade group. Dogs are loved most of all: they outnumber cats by about five to four, according to GfK, a market-research firm. In turn, the pet industry is booming. According to Euromonitor International, the pet-care market has grown by over +66% in the last decade, while the global economy has expanded by just +43%. Americans spent more than \$52 billion on their pets in 2019, up from \$34 billion in 2009. Most of that went on food, but over \$18 billion was spent on pet supplies and accessories. On a per-person basis, no other country comes close to splashing out as much as America on such products, at well over \$150 per person. Britain spent \$93 per person last year, on average, while France shelled out \$87. What accounts for the sector's howling success? As people grow wealthier, their attitudes to domestic animals tend to change. A poll conducted in 2015 found that 95% of American pet-owners considered their animals part of the family, up from 88% in 2007. (Source: The Economist)

## Reigning cats and dogs

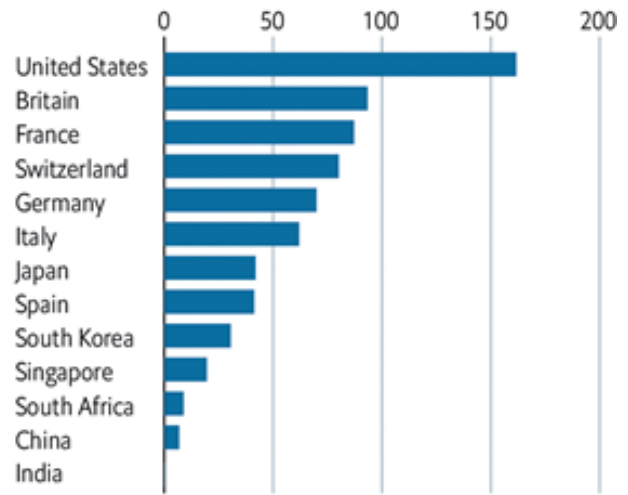
Pet ownership by country, 2016, % of households



Sources: GfK; Euromonitor

The Economist

Pet-care spending per person, 2019, \$



**South central Illinois** - *We were very shocked by most of our bean acres this season. Planting was later than usual and we were wet a lot, even with the good late July to August weather we experienced. Our lows were only in the 60s with averages across all our acres at 75 bpa. Corn came in at 225 bpa and most of it has been dried down. We didn't have a lot of the moisture issues we've heard about, so we were fortunate not to spend as much on propane as we thought. Right now I have my mind on the markets and trying to figure a few things out. I want to believe there could be a long term corn bump but I'm getting concerned those cards may be at the bottom of the deck. My big question is how can we expect the markets to move on any spring weather concerns after 2019? It clearly is looking like more corn growers will soon have to leave the game to stay in business. Wishing everyone a great 2020!*

**Northeast Colorado** - *We generally don't worry so much about ground warming up like the irrigated farmers. We usually wait until mid-May to get going and by that time the soil is plenty warm. Last year, a lot of farms watched their corn just*


*sit in the ground and do absolutely nothing for 3 weeks which didn't exactly get them off to a great start. We didn't have crazy amounts of rain but we did have timely rains that pushed the best dryland crop we have ever seen. This winter has been exceptionally dry and windy. The foothills are getting feet of snow and I think we have accumulated about 2 inches all winter.*

**Southern North Dakota** - *The little bit of snow and 50 miles per hour wind is going to shut everyone down for at least a few days. I wanted to further report on what we are seeing. When the guys first got out there and started picking corn, the moisture was around 20-21% and the test weight ranged from 47 to 48 pounds. The test weight has not moved but thankfully the moisture is down to 15.5 as of yesterday on the field we are working through. I included my scale ticket so you could see our nice dockage on test weight. It's an ugly crop but I guess it could always be worse.*

Carrier:	Freight Ch
Weight(LB)	
Gross:	83,140.0000
Tare:	26,720.0000
Net:	56,420.0000
BU :	1,007.500
Shrunk BU:	993.899
Commodity Grades	
CORN #2 Yellow Corn	
Grade US#2 .	
Moisture	15.500
Test Weight	47.900
Foreign Material	2.200
Damage	0.000
Heat Damage	0.000
Operator	Driver:



# neuro mining



As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

**TODAY'S RIDDLE:** Though I live beneath a roof, I never seem to dry. If you will only hold me, I swear I will not lie. What am I?



# AgSwag.com

## Let the goat do it!

  /TheAgSwag



### **What's Driving Global Protein Markets?**

Plant-based protein demand is growing and while most people think vegans are the driving force behind it we actually have to thank the "flexitarians", those who switch between eating both meat and meatless meat. Flexitarians have multiple approaches to their diets, meaning some limit their meat choices to items that meet certain criteria like high welfare, locally sourced, or 100% grass-fed, while for others it's more about cutting back on eating animal-based products on certain days of the week, such as Meatless Mondays.

Global meat consumption is also continuing to rise as developing countries are more able to afford it as a source of protein. Data from Statista shows beef consumption is projected to increase to 72 million tons in 2021 from 67 million in 2017, while poultry will likely hit an even bigger increase, to 129 million tons in 2021 from 117 million in 2017 as the global population increases. This poses the question, how will the global protein industry both meat, plant-based and other alternatives, address this increasing demand and need for protein in a sustainable way?

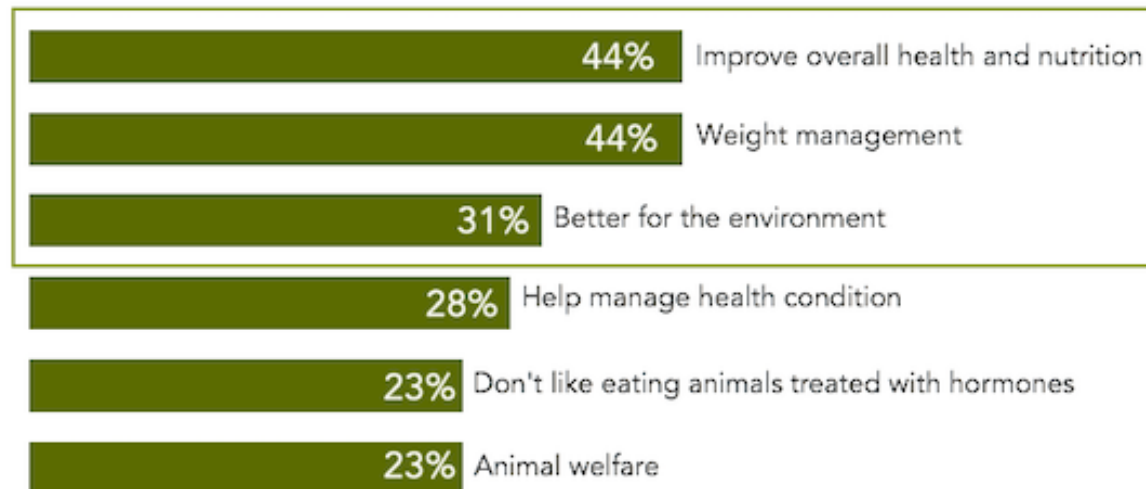
Tyson Foods has launched "Coalition for Global Protein", hoping all players in the sector will get on board to advance the future of global protein. Keep in mind, by protein, Tyson does not just mean meat, as the company famously rebranded itself as a "global protein company" a couple of years ago when they invested in plant-based meat leader Beyond Meat, divesting just before the IPO and launching its own brand Raised & Rooted. It's also invested in cultivated meat startups such as Memphis Meats. To mark the coalition's launch, Tyson convened leaders from the global protein industry as well as academia, non-governmental organizations and financial institutions in Davos, Switzerland, alongside the 50th World Economic Forum.

Corporate sustainability initiatives have become a popular new tactic for big food companies who are looking to remain relevant to consumers as new, progressive, and more nimble companies enter the market. Our takeaway as producers in the protein space is that we have to work to better understand initiatives like these and learn as much as we can about what's driving consumer sentiment and demand. Like it or not, "meatless meat" is most likely here to stay so get yourself positioned for success. (Source: Tysonfoods, Agfunder, foodbusinessnews, Thought for Food)

# THE EATER CONTINUUM



## Top Reasons for Wanting to Incorporate More Plant-Based Foods



Top 3

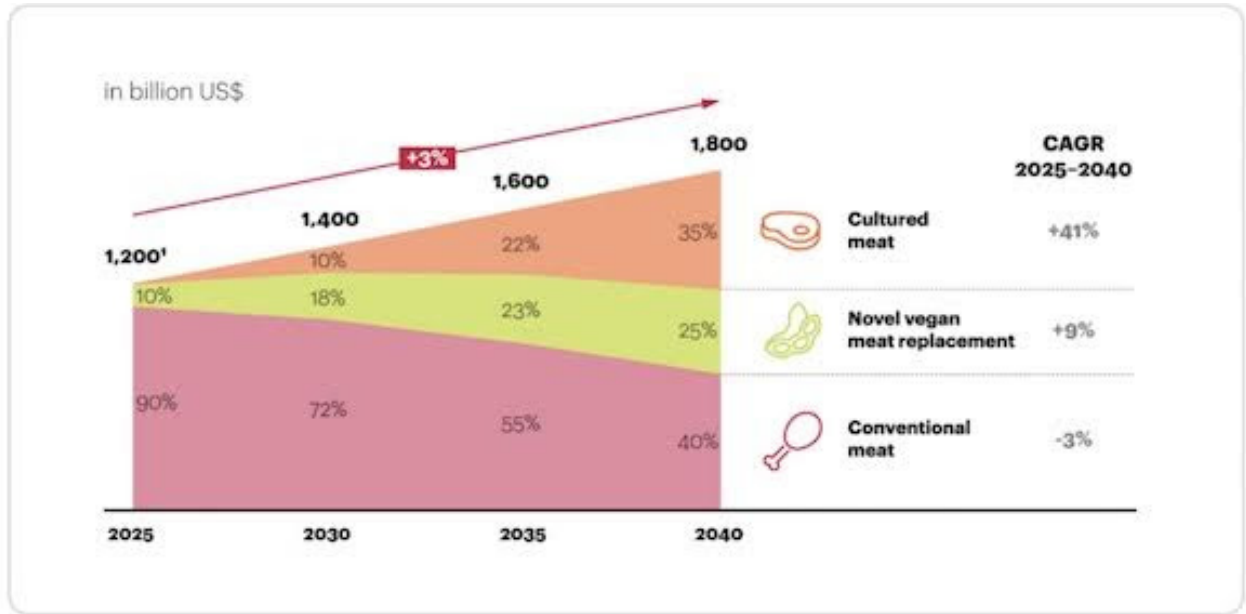
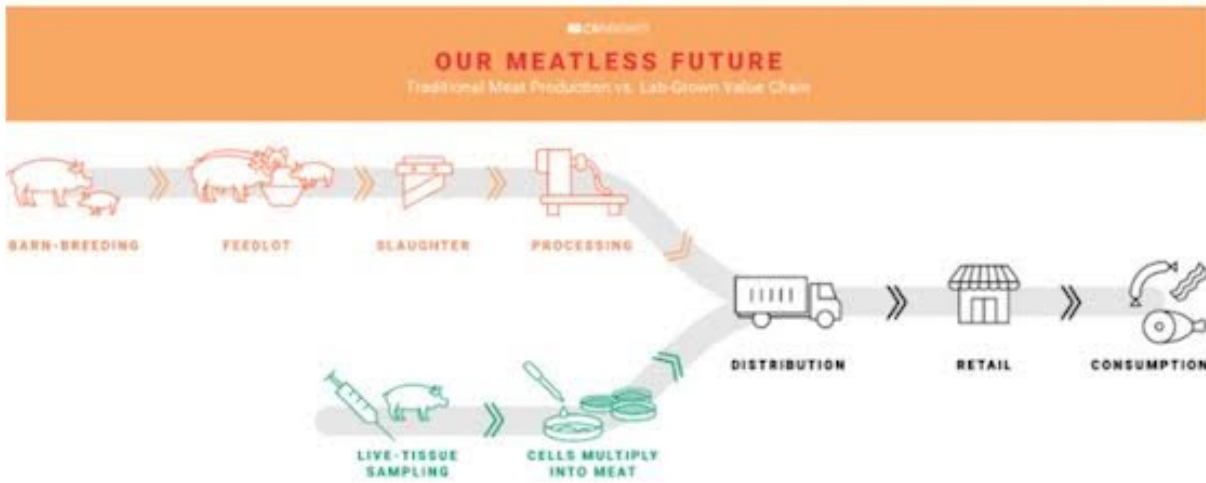


Figure 6. By 2040, conventional meat supply may drop by more than 33%, and meat alternatives may dominate the market. Source: A.T. Kearney.

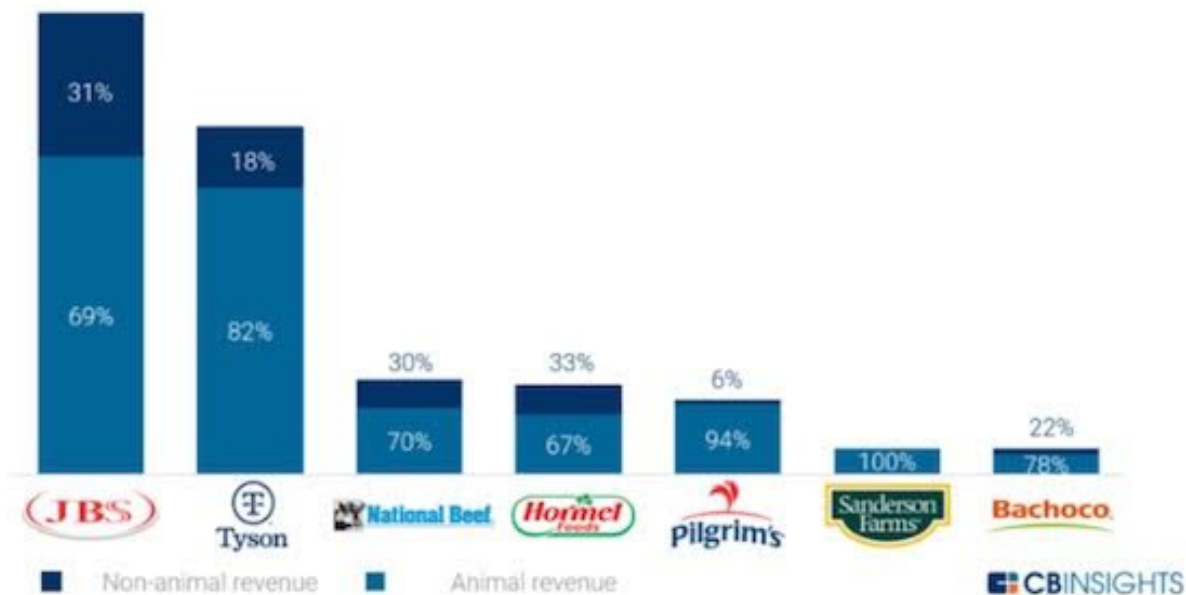




Especially vulnerable to these changes are food companies like Tyson, Pilgrim's, and Sanderson Farms, which rely on animal meat products for 80% or more of their revenue, as seen below.



### Animal revenue percentage of meat corporates 2016 Fiscal Year



### Interesting Changes on the Web... 2020 State of Digital Report

SimilarWeb recently published its annual report on the state of the web and it's full of interesting info about our ever-changing digital world. This year's report shows web traffic is on the rise driven largely by increasing mobile traffic. Total web traffic in 2019 was up +8.0% over 2018, with the top 100 sites in the world

averaging 223 billion visits per month. While desktop traffic has decreased by about -3.3% since 2017, mobile web use is up a whopping +30.6% over the same time period. You can find the full report [HERE](#). Below are some of the other key finds:

**Google Absolutely Dominates the Web:** *The top 10 sites saw a total of 167.5 billion monthly visits in 2019, this is a +10.7% increase in traffic over the past year. The remaining 90 sites saw only a +2.3% increase. Facebook's recent troubles are clearly evident, as it lost -8.6% over the past year, while Yahoo! lost -33.6% of its traffic since 2017. Google's move to consolidate traffic into its core domain led to an increase in traffic to [google.com](#), which averaged more than 80 billion visits per month last year. The next most frequented site was YouTube, coming in at just over 28 billion and followed by Facebook, with 24.6 billion visits. E-commerce giant Amazon averaged nearly 4.4 billion visits per month.*

**E-Commerce is Growing in Every Category:** *The General Shopping category, fueled by Amazon, received 69% of shopping traffic over the past three years. It also has the most dramatic volume of growth, increasing by 126M monthly visits over the past year. Americans' recent focus on health is also apparent, as the Health and Pharma category saw an impressive +17% growth, year-on-year. Holiday season traffic was unchanged in 2019 after dramatic growth in 2018, while off-season traffic increased by +5.0%.*

**Amazon Prime Day is a Major Shopping Event:** *The official kickoff of the holiday shopping period-the week of Black Friday-saw traffic increase in 2018, only to remain unchanged in 2019. The opposite effect was seen on Prime Day, as traffic across shopping sites increased in 2019 over 2018. The Amazon "holiday" has spread across other retailers, too, which have leveraged it to increase their own traffic in an otherwise slow month. While some sites are slow to respond to the holiday ([walmart.com](#)), Kohls, The Gap, and Bed, Bath, and Beyond are seeing significant returns, as traffic increases year-on-year (YoY).*

**Online Travel Agencies Are Out:** *The biggest decrease over the past two years is in online travel agencies and metasearches which lost -9.5% and -6.6% of their respective traffic. Audiences prefer direct bookings as airlines and accommodations suppliers gain +4.9% and +3.3%, respectively. Travel is not just about getting to the destination, it's about what travelers do once there, aka "experience." Despite losing traffic over the past years, TripAdvisor remains highly relevant in the experiences space, while Airbnb's venture into the space did not succeed in drawing traffic.*

**News Sites are Losing Traffic:** *Traffic to the top 100 media publications is*

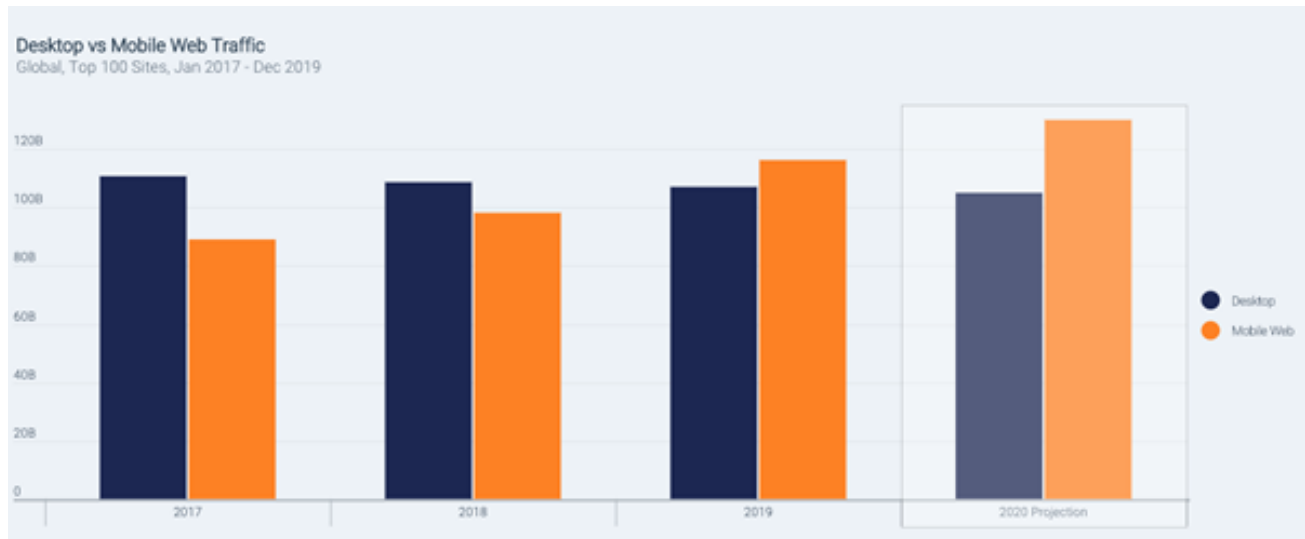
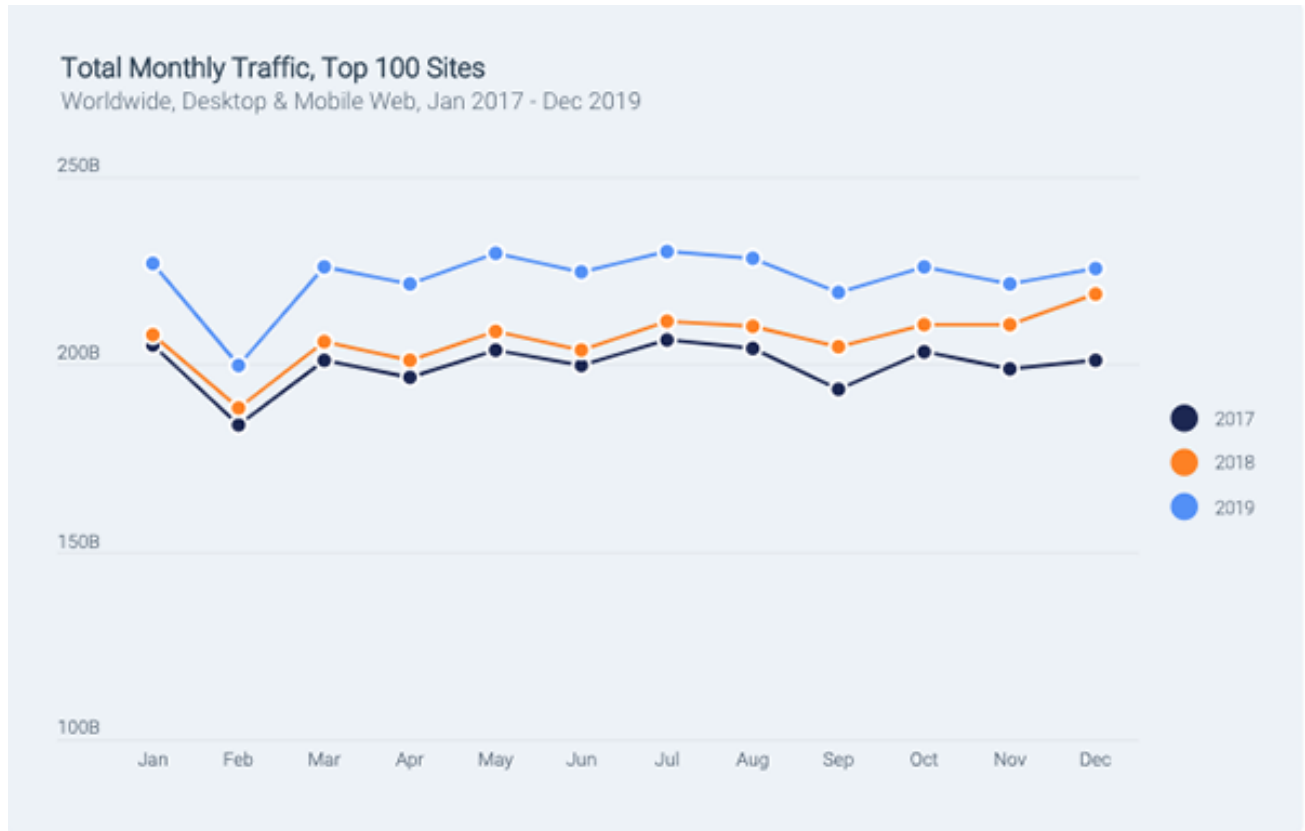
*down -5.3% YoY, and 7% since 2017. Traffic decrease is dramatic across all categories, with some - popular, entertainment and local news, seeing decreases of over -25%. Only two types of media sites saw increases: Finance and Business and Women's Interest.*

**Trump Continues to Trump Other Keywords:** *For going on three years, Trump has been the most popular non-branded, non-generic keyword and keyword group. Queries related to the Presidents of the United States made up 5.8% of total search volume last year. Politicians and elections made up the next most popular category, with just over 4% of search traffic.*

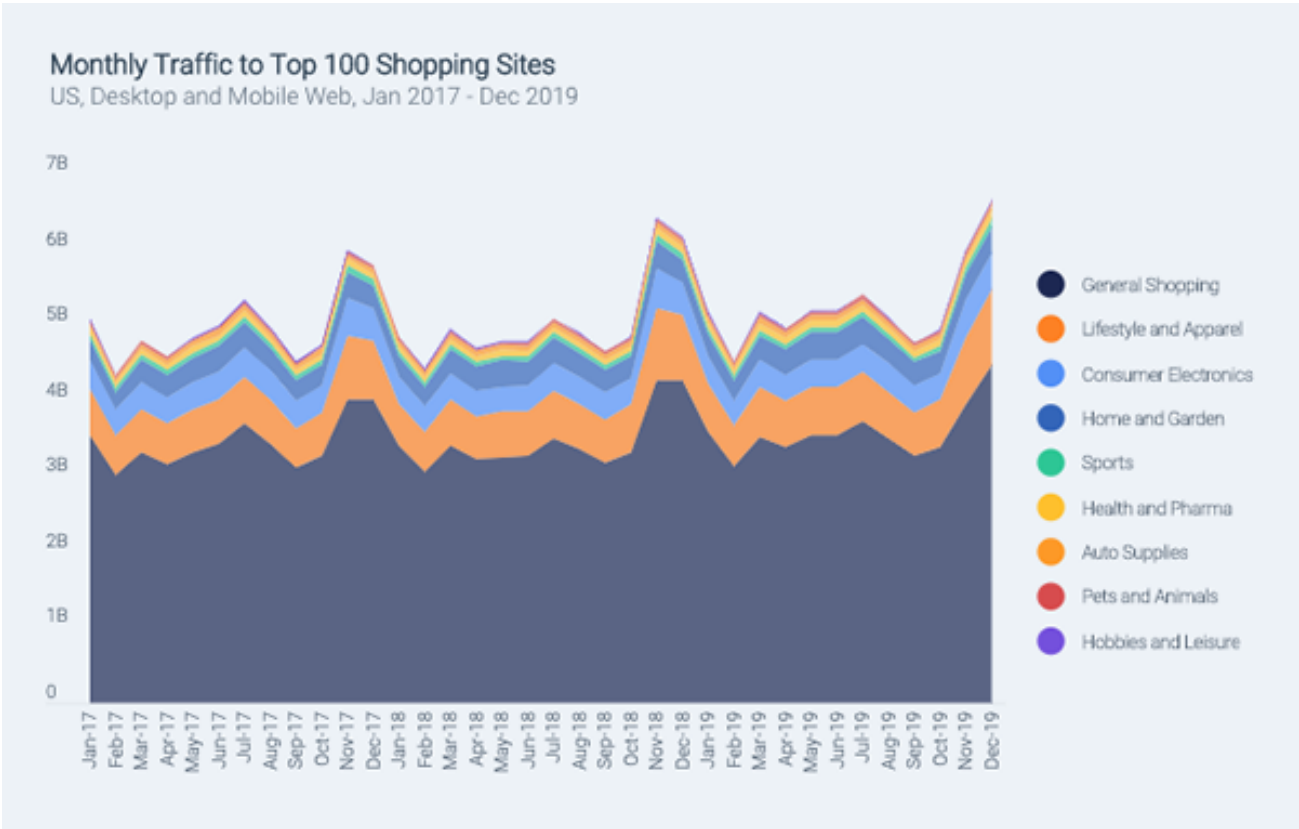
**App-Based Finance is on the Rise:** *As traditional banks see stagnant and decreasing traffic, apps are taking over how audiences manage their finances. Dramatic increases are seen in install rates for Mobile-only banks, personal financial management apps, and payment apps.*

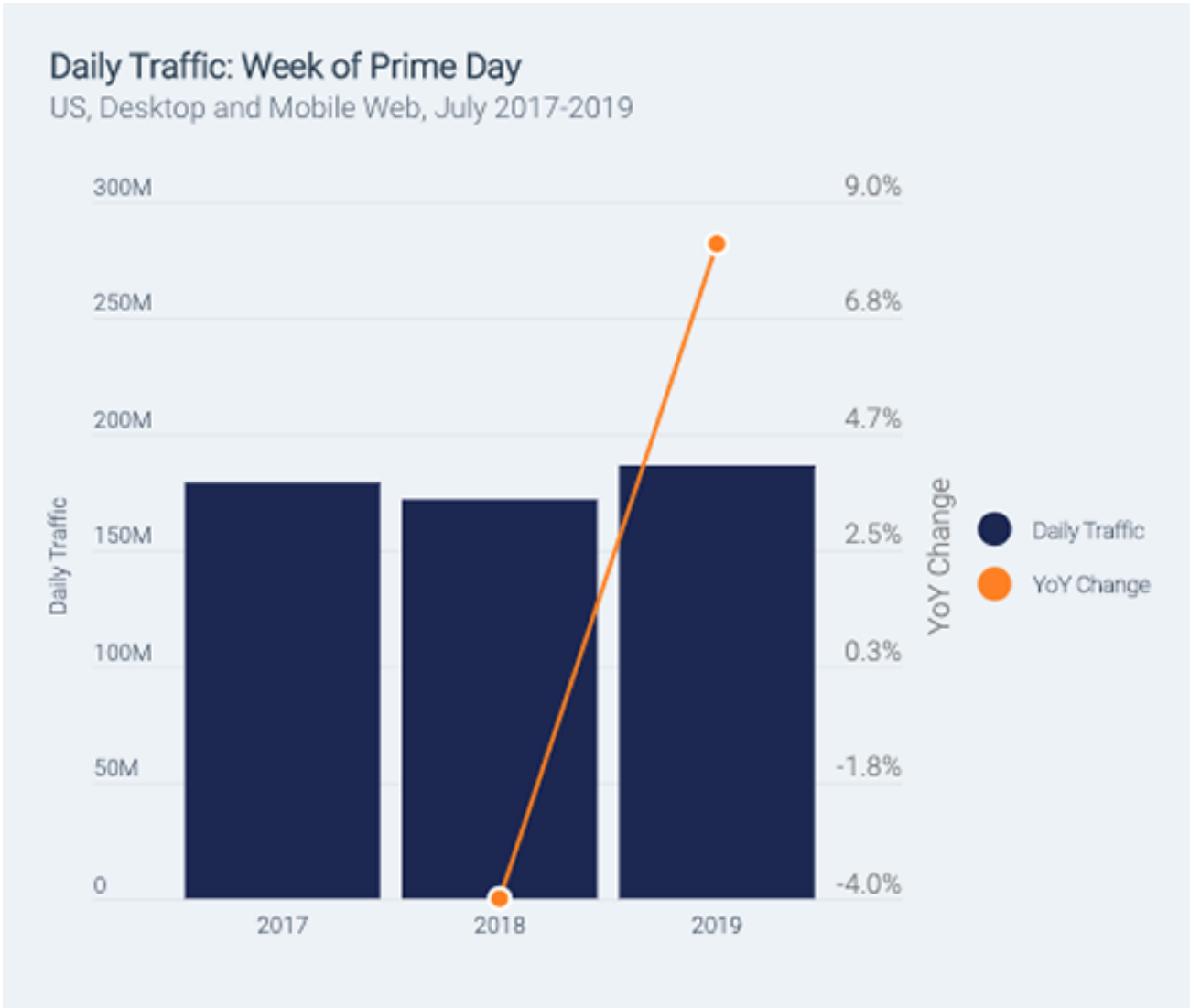
**Swapping Facebook for YouTube:** *While the total volume of online socializing hasn't changed, the category is being shaken up, as traffic usually reserved for the social media giant, Facebook, has shifted to YouTube. Every other network has seen traffic increase, besides Tumblr, who's 2018 decision to ban adult content led to a -33% traffic loss.*

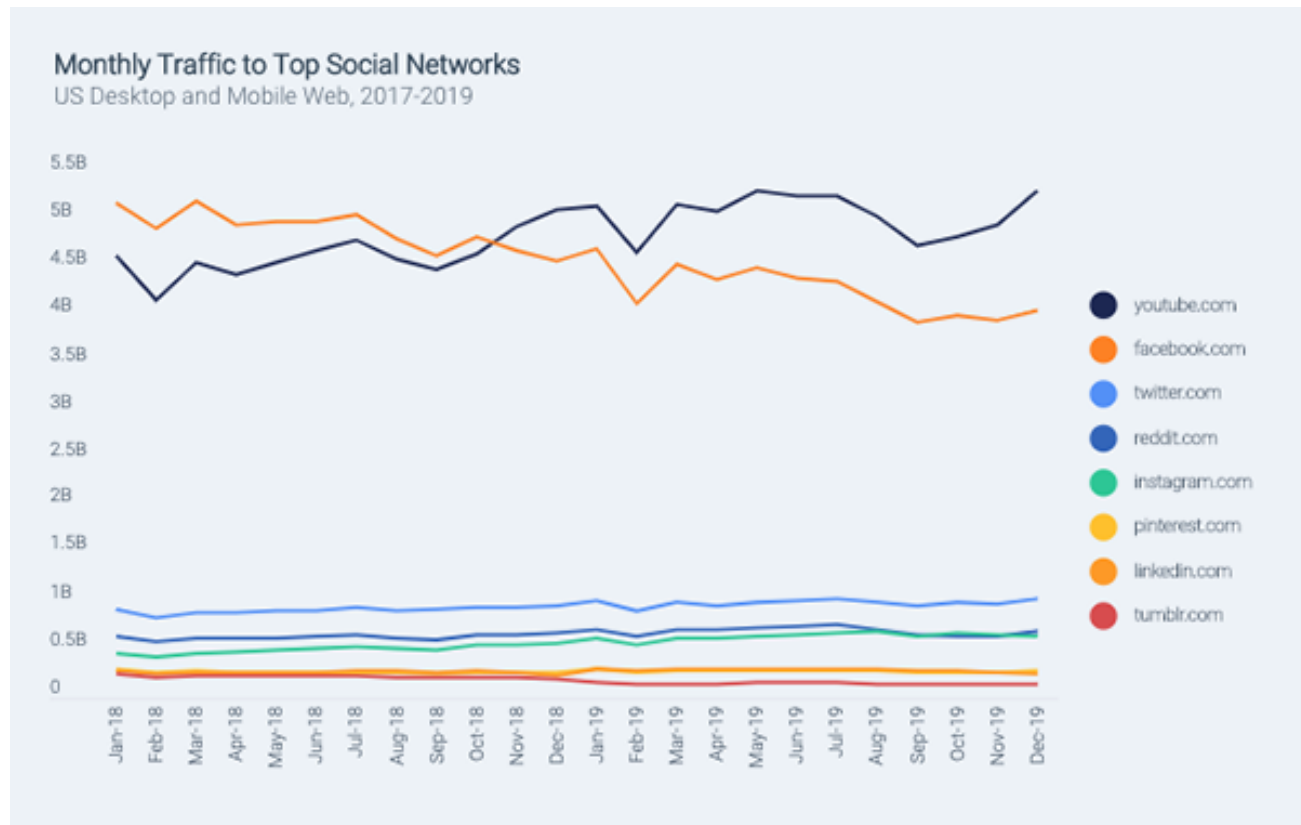
**TikTok Gaining More Ground:** *While Instagram still leads in Install Penetrations and Daily Average Users, its users are less engaged than Snapchat's. Twitter has been pushing to re-engage users, seen in sessions per user growth starting in early 2019. Meanwhile, the new player on the block - TikTok, has surpassed niche networks like LinkedIn and Pinterest, yet it is still a ways away from the more popular networks. Instagram is the channel of choice for influencer marketing among 63% of marketers surveyed. Only 14% are using TikTok or Snapchat.*











### 8-Year Old's Fundraiser Pays Off Lunch Debt for His Entire School

I always like receiving stories about people helping others! As many of you know, I've challenged my own family and friends in recent years to do more to help others who are struggling. In fact, I'm worried that helping others is becoming somewhat of a lost art. It's easy to write a check or make a donation but it's difficult to carve out time from our daily grind and self-centered endeavors to help others. I hope this inspires...

*Keoni Ching from Vancouver, Washington, wanted to do something big for his schoolmates during "Kindness Week" at Benjamin Franklin Elementary. And did he ever! His idea to sell handmade keychains ended up raising +\$4,000 which he used to not only pay the lunch debt for his own school, but also for students at six other schools.*

*Keoni was inspired by San Francisco 49ers player Richard Sherman, who donated more than \$27,000 at the end of 2019 to cover students' lunch debt at a school in Santa Clara, California. Funny enough, the 8-year old is actually a Miami Dolphins fan, but he'd heard his parents talking about Sherman's kind act.*

*The little guy came up with the idea to sell keychains, which he says he loves because they look good hanging on his backpack. With a little help from his*

*parents and grandparents, he created custom beaded designs ranging from movie characters to sports teams to popular phrases and sold them for \$5 each. As news of his kind-hearted mission spread, orders began coming in from across the country. His mother April says they've shipped key chains to Alaska, Rhode Island, Minnesota, and Arizona. One woman simply ordered \$100 worth of keychains which she said she was going to hand out to people. Others bought just one keychain but sent Keoni \$100 in support of his cause.*

*Keoni was able to present a check for \$4,051 to his school on January 31. The elementary school paid the \$500 in lunch debt that existed and will keep another \$500 to cover future debt that might build up. The remaining funds from Keoni's keychain drive went to six other nearby schools, who each got \$500 to pay lunch debts and help students in need.*

*Benjamin Franklin Elementary Principal Woody Howard said, "if you have two or three kids and for whatever reason, you've missed [paying for] a week of lunch or breakfasts, that adds up pretty quickly. This type of a gift takes a little bit of pressure off of your family."*

*According to the School Nutrition Association, 75% of responding districts reported having unpaid student meal debt at the end of the 2017/18 school year. The SNA said that percentage has "increased substantially," citing that the median amount of unpaid meal debt per district rose by +70% since the 2012/13 school year.*

*Keoni plans to keep with the keychain sales. He's hoping to use some of his future proceeds to buy a new computer but he also wants to donate money to Doernbecher Children's Hospital in Portland, Oregon. As Keoni explains, helping people "just makes the world a better place." (Sources: People, CNN)*

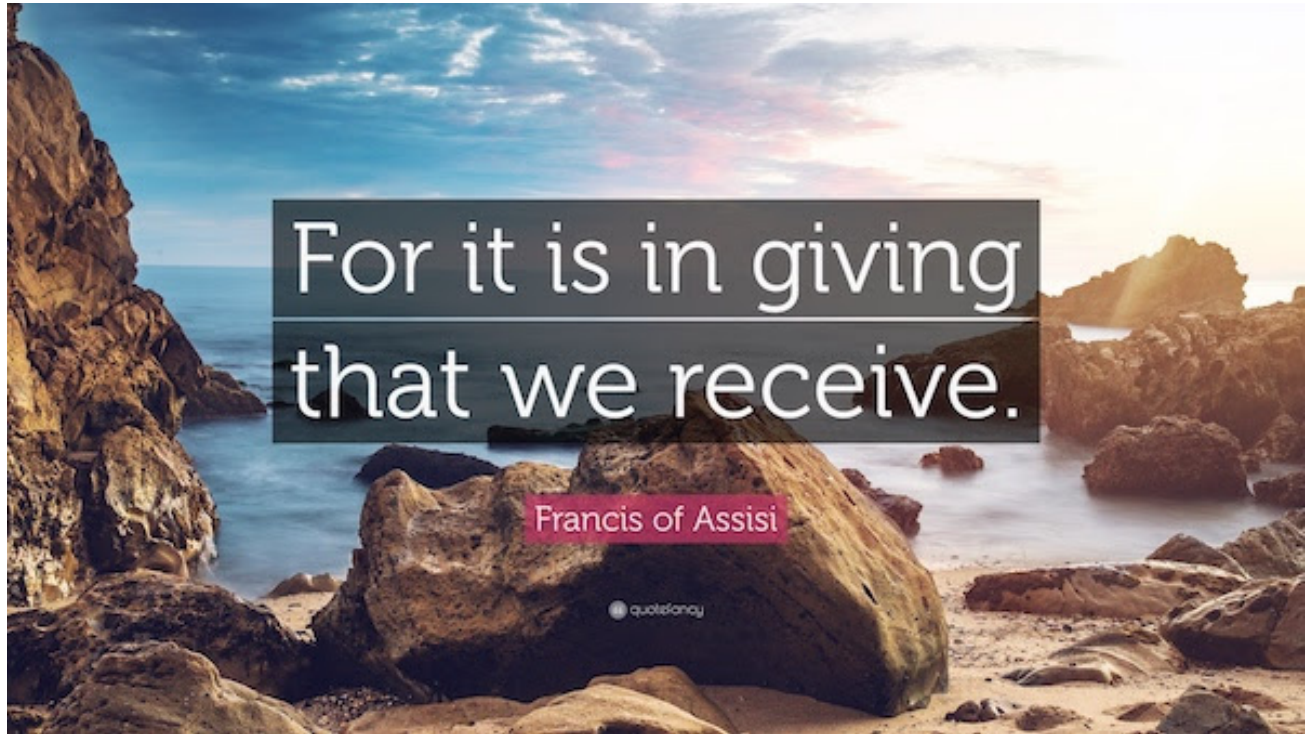
I've read countless studies in the past several years about the massive increase and diagnosis of people battling extreme depression and anxiety. I've also read many studies that believe the increase in "social media" has a hand in the madness. In my own elementary explanation, the more someone spends time on "social media" comparing what I call others' "highlight reel" to their own real-life experience, it creates a more driving desire for self-gain. In other words, you are living your real-life ups and downs but viewing everyone else highlights. You then start to look inward, question yourself, and start putting yourself in a race to have better and have more than your social media friends.

Study after study shows that "self-image" goals, those mostly focused on "obtaining status or approval and avoiding vulnerability during social interactions" - Examples include "getting others to notice your positive qualities" and "avoiding showing your weaknesses" - can lead to extreme depression and anxiety. In

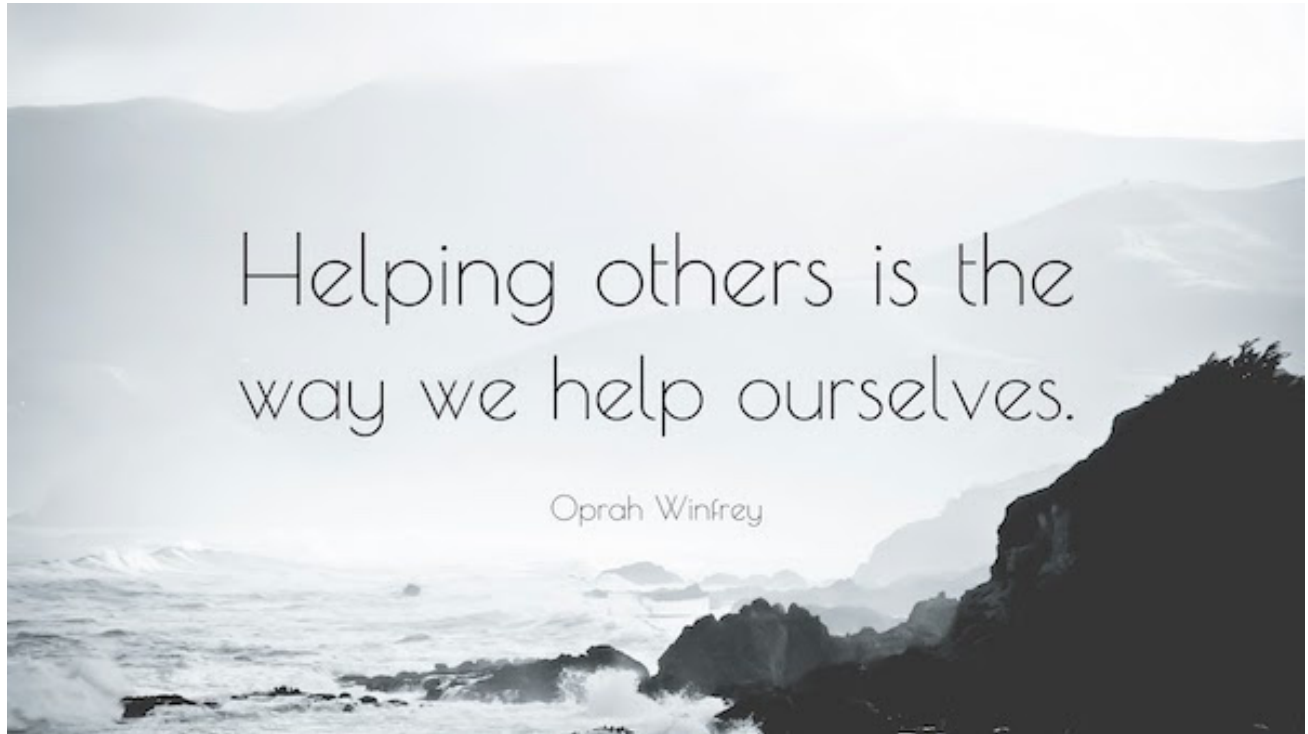


contrast, "compassionate" goals which are exclusively about "striving to help others and avoiding selfish behavior," massively reduce stress and anxiety. I've personally become a big believer...

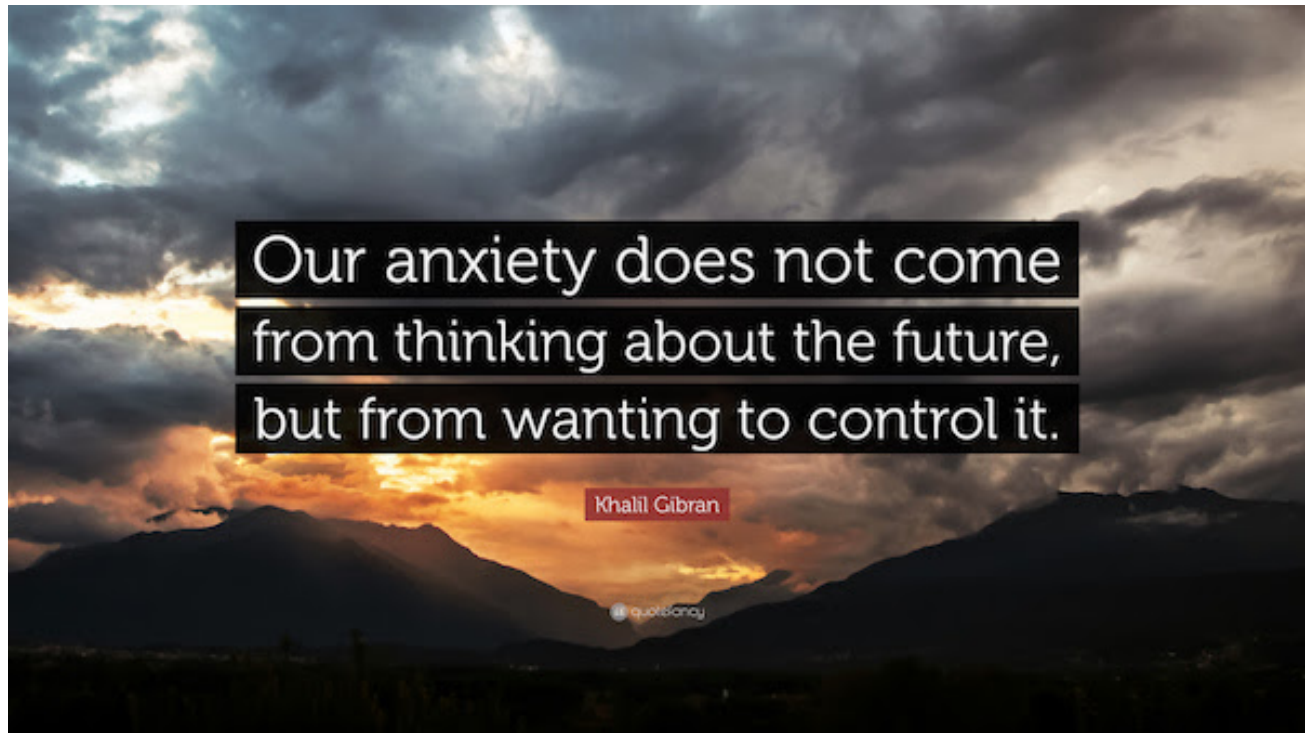












**ANSWER to riddle:** Tongue.

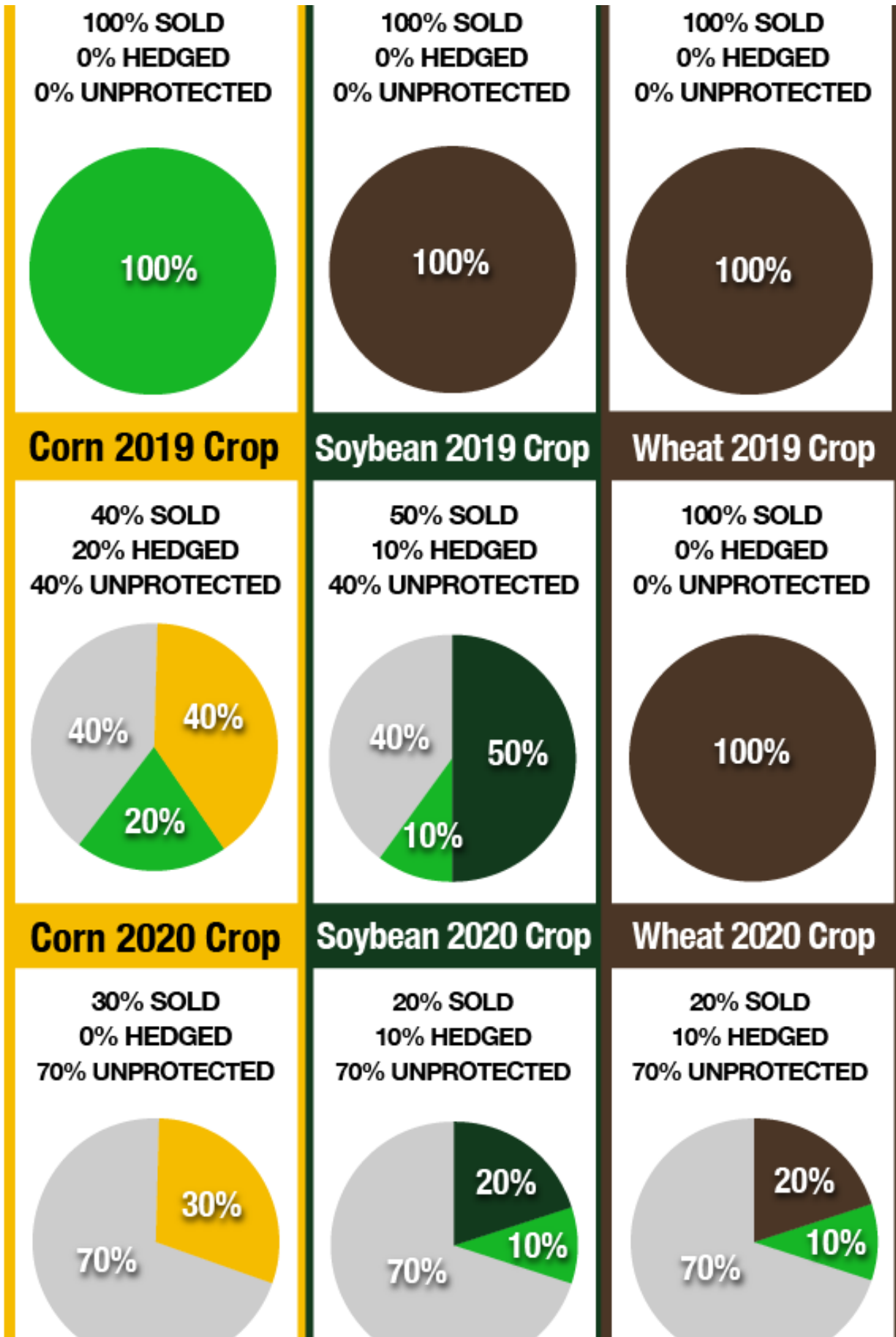
## CASH SALES & HEDGING TOTALS

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**Corn 2018 Crop**

**Soybean 2018 Crop**

**Wheat 2018 Crop**





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