



Josh Knight <josh@farmdirection.com>

GOOD MORNING: The Van Trump Report 2-28-20

1 message

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

Fri, Feb 28, 2020 at 5:30 AM

Reply-To: Jordan <reply-febb107976620c7b-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

To: josh@farmdirection.com



"Loving is not just looking at each other, it's looking in the same direction." –
Antoine de Saint-Exupéry

Friday, February 28, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: U.S. stock markets are poised to close out one of the worst weeks since the financial crisis as investors scramble to limit their exposure to the worsening coronavirus outbreak and what it means for the global economy. For what it's worth, this is the fastest -10% correction from the high in the history of the stock market, and the biggest percentage drop in the S&P 500 since August 2011. Traders are now expecting a rate cut by the Fed at the upcoming March FOMC meeting and perhaps a second rate cut during the first half of 2020. Anxieties on the political front continue to grow as well, in part due to the possibility of the coronavirus spreading into U.S. cities, which could send a further shockwave through the economy and the stock market. Wall Street is worried that this could work to impede President Trump's reelection and open the door and pave an easier path for a far-left leaning candidate Bernie Sanders. Economic data released yesterday indicates the U.S. economy remains on solid footing with some sectors even seeing improvements i.e. manufacturing, housing, etc. Data released yesterday showed U.S. Pending Home Sales rebounded in January by +5.2%. Today brings International Trade, Personal Income and Outlays, and Consumer Sentiment. The latter will be closely scrutinized with investors and economist alike worried that

fear surrounding the coronavirus could deal a blow to consumer confidence and curb household spending, which we need to remember accounts for about 70% of the U.S. economy. Next week, we'll start seeing more February data which could provide some insight into how the U.S. economy will start to be impacted by the global virus. The economic data obviously will not foreshadow headlines pertaining to the spread of the actual virus. There's some worry that many traders don't want to hold the risk through the weekend and may unload more shares today. I'm also worried that the selloff could be extreme into Sunday night and Monday morning, but the market might then start to stabilize by mid next week. Keep in mind, China releases Manufacturing data over the weekend, which is expected to show significant slowdowns in February due to the virtual lockdown of large parts of the country's economy. Since 2009, China's PMI has never gone lower than 49.0 (50 and above indicates expansion). But with widescale shutdowns throughout much of this month, it stands to reason the numbers will not be good. China has been known to "pad" its data, but if the country tries to push a number that looks too good to be true, investors are unlikely to buy it. In fact, it could backfire and erode confidence further if traders worry that China is trying to hide something. This weekend also brings the South Carolina primary on Saturday, then next week we have "Super Tuesday", where Bernie Sanders seems to be well in the lead. Remember, fifteen states are scheduled to hold primary votes on Tuesday March 3, including Texas and California, the two most populous states in the country. In total, 38% of total Democratic delegates will be up for grabs, meaning it could very well determine the party's nominee. I might be moving a bit early, but I'm actually starting to dip a toe in the water and buying small amounts of my favorite stocks. I started the week with 80% in cash and will be trying to get to 50% invested during the next 30-days. I'm still in no real race to put money to work in the market and I'm content being very patient and very selective...

Interesting Stock Market Data: *Since 1958, the start of the S&P 500, there have been 15,647 trading days and a total of only 39 days with a 5% move: 17 positive +5% moves to the upside, and 22 negative -5% moves to the downside. During the depths of the 2008 Financial Crisis the S&P 500 had a -5% drop on 12 different occasions over a four months span, the largest such cluster of significant down days in history. The other -5% down days in the past 20-years occurred on April 14, 2000 when the market was down -5.8%; and on August 8, 2011 when the market was down -6.7%. If you are watching the VIX, which started in 1990, there have been only 33 days when the VIX closed above 57.6, all of which occurred in Q4 2008. We closed the VIX yesterday just a bit below 40. Many insider like to say a VIX reading between 42 and 43 indicates we are in a type of panic mode in the market and fear is dictating decisions. This span of time from now until mid next week could get extreme so pay close attention.*

Coronavirus Update:

- *There have been nearly 83,000 cases of the disease, called Covid-19, identified in 46 countries, with +2,800 deaths, since the virus was identified almost two months ago. New cases reported outside China are now exceeded the number of new daily cases in China for the first time. The virus is now all but impossible to stop, public-health officials and infectious-disease experts say.*
- *U.S. officials identified a patient in California who could be the first to be diagnosed in the*

country without a clear explanation for how the disease was transmitted.

- Airline passenger traffic has more than doubled since 2003, when there was an epidemic of another coronavirus, severe acute respiratory syndrome (SARS).*
- Nigeria has reported one case of the virus detected. This is the first case in sub-Saharan Africa.*
- Hyundai, the South Korean carmaker, has suspended production at a factory in Ulsan after one of its workers tested positive for the virus. Shares of the automaker dropped more than 5% after the news, while the wider Korean market was down 2.6%.*
- Tokyo Disneyland says it will be closed until mid-March because of concerns about transmission in large crowds. Both Tokyo Disneyland and DisneySea will be closed starting Saturday, the theme parks' operators, Oriental Land, said on Friday.*
- Vice President Mike Pence yesterday announced Ambassador Debbie Birx has been appointed as the "White House Coronavirus Response Coordinator." Birx serves as the U.S. government's leader for combatting HIV/AIDS globally, according to the White House. She will also join the White House's coronavirus task force led by Health and Human Services Secretary Alex Azar. President Trump announced Wednesday that Pence would head up the administration's management of the coronavirus, taking over for Azar. (Source: The Hill)*

Potential Coronavirus Blow to U.S. Companies: *Some American companies say they could lose as much as half their annual revenue from China if the coronavirus epidemic extends through the summer. Nearly half of U.S. companies in China said they expect revenue to decrease this year if business can't return to normal by the end of April, according to a survey by the American Chamber of Commerce in China. One fifth of respondents said 2020 revenue from China would decline more than 50% if the epidemic continues through Aug. 30. American companies cited global travel disruption as their biggest obstacle to business and said reduced productivity and employees' inability to get to work are among their greatest challenges. Thirty-five percent of companies surveyed said they had facilities in Hubei province, the epicenter of the virus outbreak and which has been virtually shutdown for over a month. Read more from [The Wall Street Journal](#).*

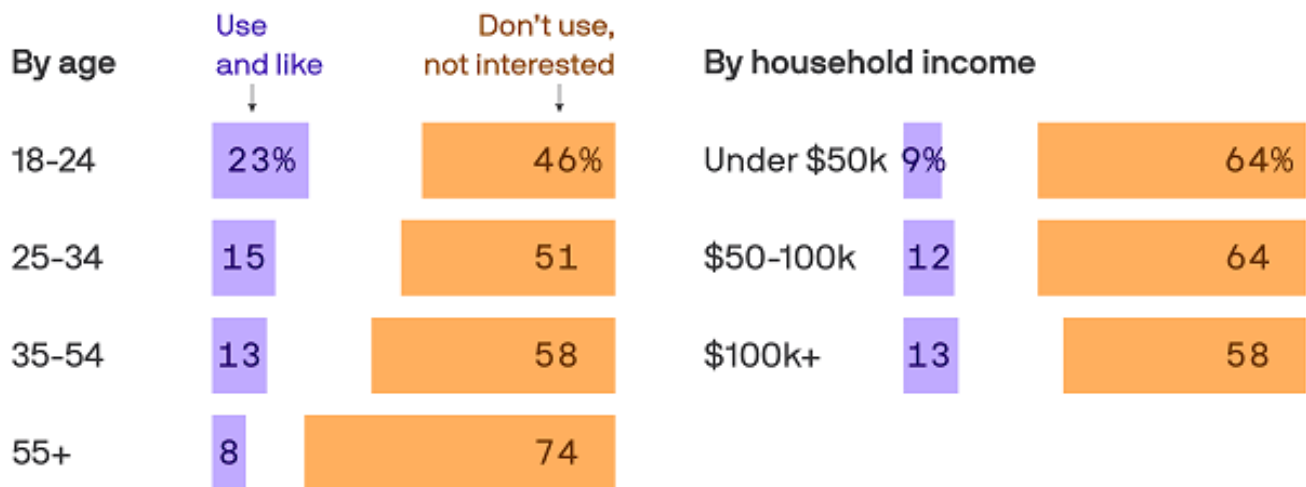
Saudis Slash March Crude Oil Exports to China as Demand Slumps: *China's top oil supplier and the world's largest oil exporter, Saudi Arabia, will be cutting its crude exports to the world's top oil importer by at least 500,000 barrels per day in March because of a slump in refinery demand amid the coronavirus outbreak, Reuters reported on Thursday, citing sources familiar with the plans. China's typical intake of Saudi crude oil is between 1.8 million bpd and 2 million bpd, according to Reuters' sources. Last year, Saudi Arabia significantly raised its crude sales to the China, boosting its exports by +47% and beating Russia for the top Chinese supplier spot for the first time in four years. However, the coronavirus outbreak has significantly slowed fuel demand in China as the authorities imposed travel restrictions in an effort to quickly contain the outbreak. City lockdowns, domestic travel restrictions, and thousands of canceled flights to and from China have weighed on Chinese gasoline, diesel, and jet fuel demand over the past month. Chinese oil refiners have cut their daily run rates further, to around 10 million bpd last week—the lowest level since 2014, according to industry insiders who spoke to Bloomberg. (Source: OilPrice)*

Grocery Delivery Gets a Target Market: *Companies like Amazon and Walmart are investing further in grocery delivery and the data show who their target demographic*

could be - the young and rich according to new data from CivicScience shows. Among delivery services, the research shows Amazon has captured the most attention and interest from potential customers. The increase in the number of people 18-24 who use and like grocery delivery is a shift from last year, when enthusiasm about the services was split among age groups, CivicScience analysts note. While the youngest adults lead the way in adopting this tool, those aged 35-54 lead with intent to use. The interest gap between income levels is intuitive given the markup and delivery fees, but the higher participation from Gen Z, who are often the lowest earners, is explained by a reliance on "immediate gratification and saving time," the analysts. Respondents who have used and like grocery store delivery also report favoring specialty stores such as Whole Foods and Trader Joe's. However, the greatest interest comes from those who shop at stores known for lower prices, like Sam's Club and Walmart. "This echoes the data around price, suggesting that there is plenty of room for expansion in the direction of affordable, accessible stores." (Source: Axios)

Experiences with grocery delivery

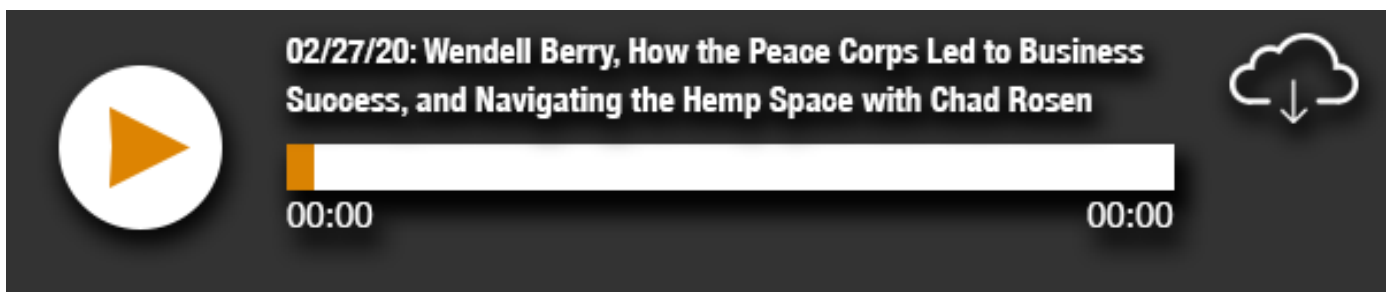
CivicScience survey of 5,562 U.S. adults, Jan. 22 to Feb. 22, 2020





NEW FarmTank Podcast

In this podcast, I speak with Chad Rosen about the influence American Novelist and farmer, Wendell Berry, had on his agricultural motives; How his six month wait to ship out for the Peace Corps had unintended consequences leading to a successful business venture; Why Chad chose to dive head first in the hemp space and what you need to know before farming your own hemp acres. Listen below if you're looking to learn from one of the best in the hemp industry and if it might be right for your operation!



FARM TANK

Tweets of the Day



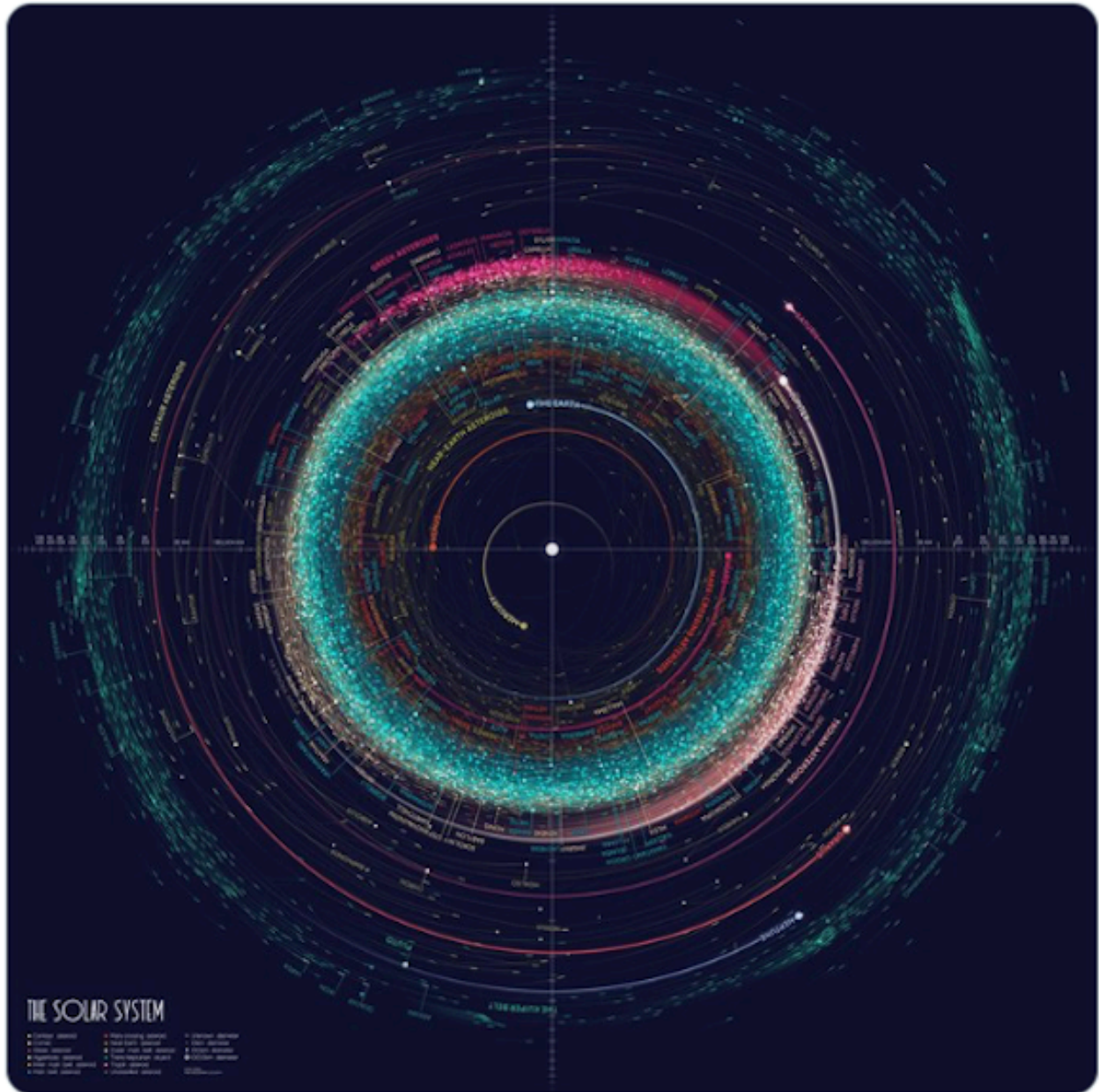


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World Economic Forum 
@wef



Which countries tax their citizens the most?

wef.ch/2O42MmX #Economy #Taxes

wef.ch/2O42MmX wef.ch/2O42MmX

Income Tax Around The World

Highest rate of income tax in selected countries in 2019



@StatistaCharts Source: KPMG

statista 



Andy Zessin @az_farms · Feb 18

The combine selfie!





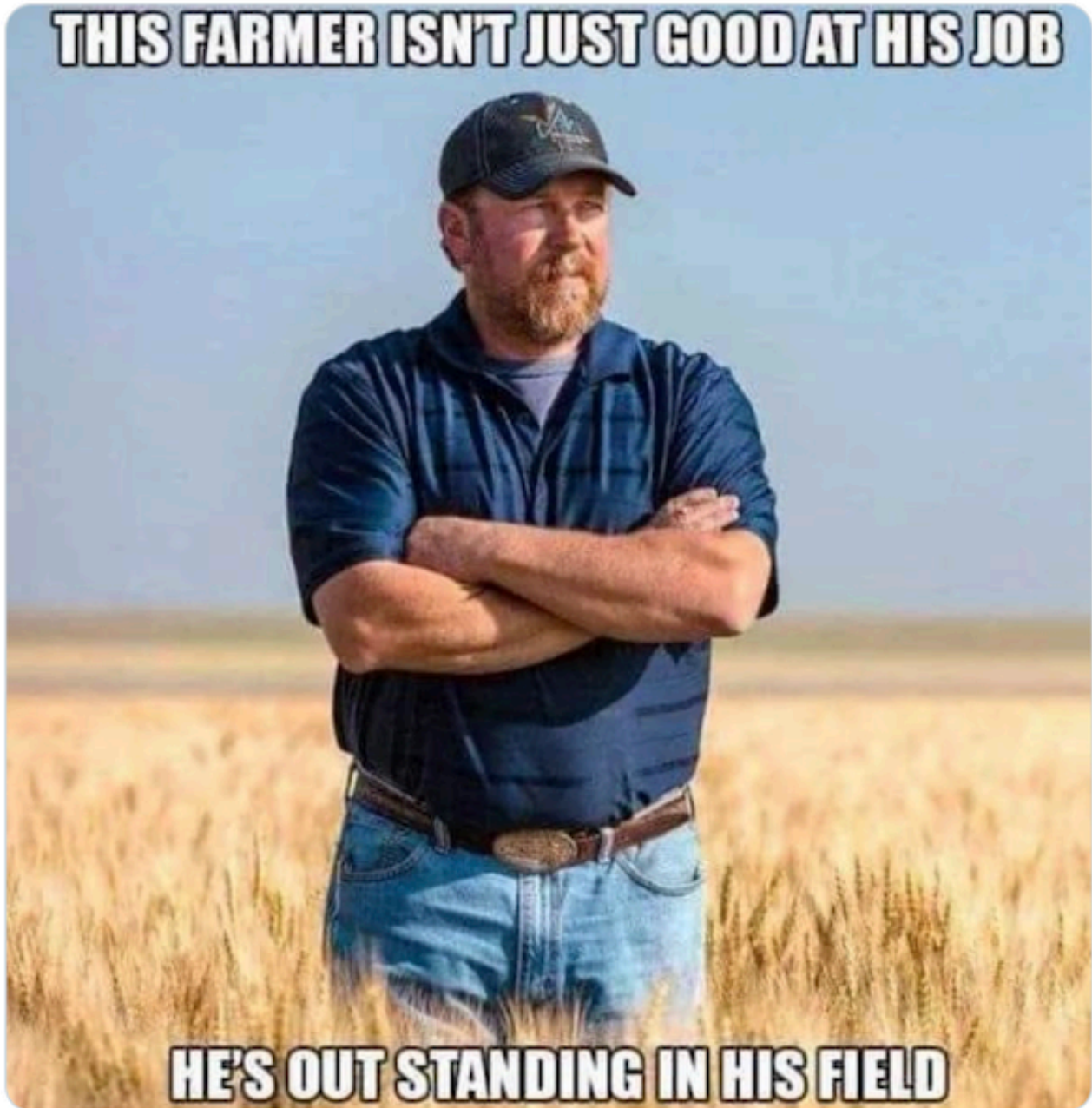
Jennie Schmidt MS RD
@FarmGirlJen

Reposting this pic of my father in law on a hiboy interseeder planting [#covercrops](#) into [#notill](#) corn circa 1965 because its [#WorldSoilDay](#). [#soilhealth](#) was "in" on our farm long before it was ever "a thing"
[#worldsoilday2019](#)





Tim Dufault
@6dollarwheatguy



Joe Landon Noland
@Notwittlandon44



Sooo this exists....



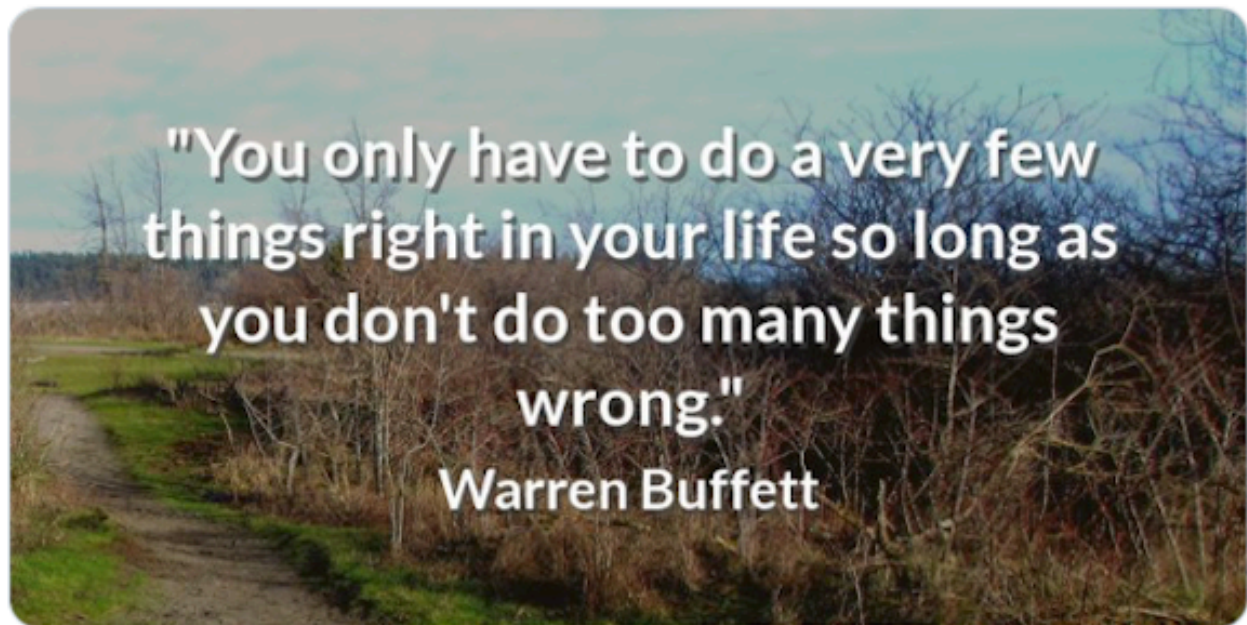




Evan Kirstel
@evankirstel

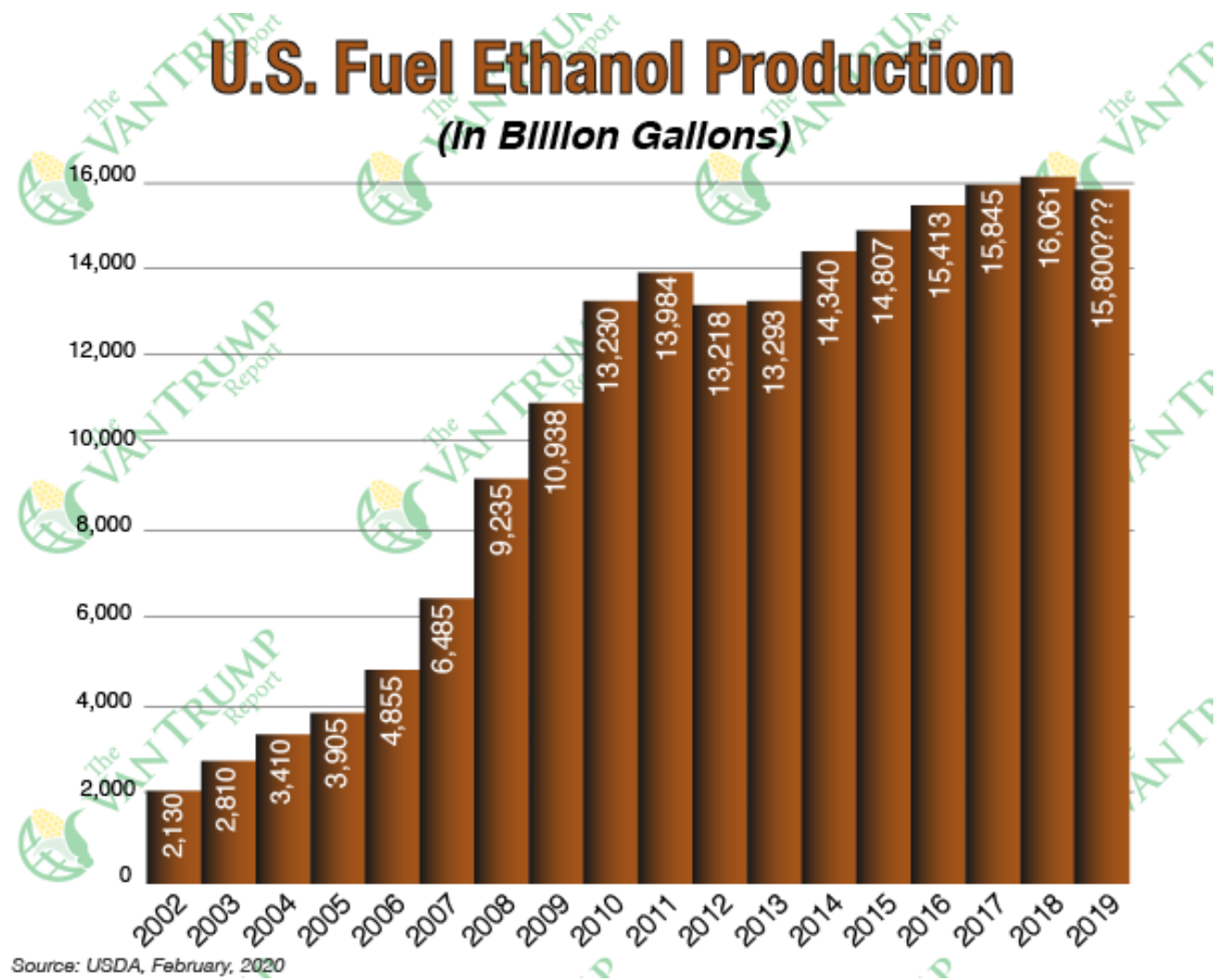


"You only have to do a very few things right in your life so long as you don't do too many things wrong." Warren Buffett #QuoteOfTheDay



Corn prices have had a rough week as bearish headline pressure continues. Crude oil has dropped by over -20% in 2020 and macro headlines are screaming fear. At the same time, the USDA is forecasting a massive jump in U.S. corn ending stocks. We are also hearing estimates being raised higher for producers in Argentina, Brazil and Ukraine. Let's also keep in mind, the strength of the U.S. dollar is also creating additional headwinds for U.S. exporters. The International Grains Council is forecasting a +1% jump in global corn acres. I've heard some traders talking about somewhere between 96 and 97 million corn acres perhaps being planted here in the U.S. if the weather cooperates. In fact, I believe that's what the Farm Futures survey showed yesterday with an estimated 96.6 million corn acres planted. If that plays out, it would be the second-largest number of acres planted on record, following the 97.3 million corn acres planted in 2012. Net-net there's very little for the bulls to cheer about at the moment. I've warned about this period of transition between improved South American headlines and U.S. spring weather worries. I've also warned about delays in buying from the Chinese as they battle internal complications associated with coronavirus. I worry this vacuum or period of time void of bullish headlines will continue to pressure

price. We need a U.S. weather story, stabilization in crude oil, and confirmation of Chinese buying U.S. ag. Until some of that starts to happen I suspect we slosh around and continue to post lower-highs and lower-lows. Stay tuned...



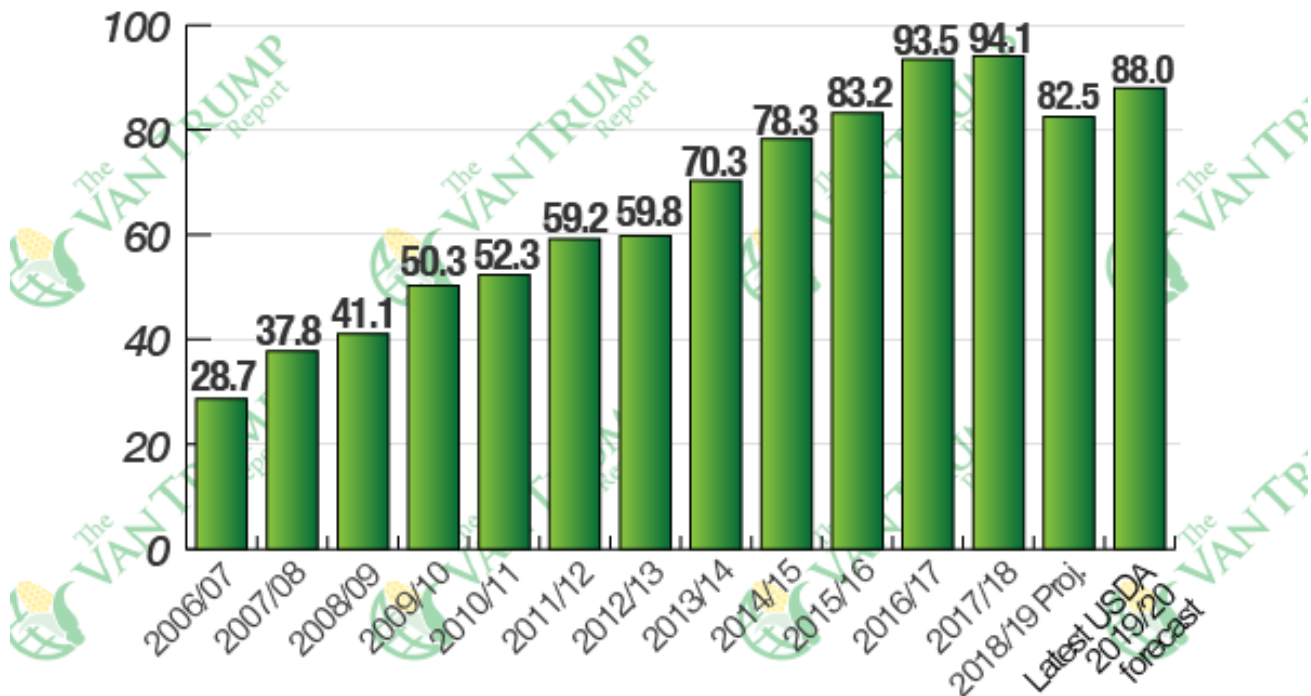
Click [HERE](#) to watch the Holganix Grower's Meeting we recently put on in Concordia, KS sponsored by Central Plains Agronomy!



Soybean bulls are happy to hear rumors that Chinese buyers are sniffing around in the U.S. market. There's some talk that Brazil is starting to run into a few logistical snags, there have been some hints of a labor strike, and at the same time, we have the Argentine government jockeying and making moves that look like they want to again increase export tariffs. Bottom line, Chinese buyers might be more tempted to turn to U.S. suppliers, especially in times of crisis. On the flip side, the International Grains Council announced they are expecting harvested soybean acres to jump by +4% in 2020-21. As a spec, I thought twice about buying yesterday's break but was again reluctant to pull the trigger. I continue to believe there's a bullish story brewing for this market at some point during 2020. I remain patient. As a producer, I am keeping hedges in place and waiting for a better window of opportunity to price new-crop cash bushels.

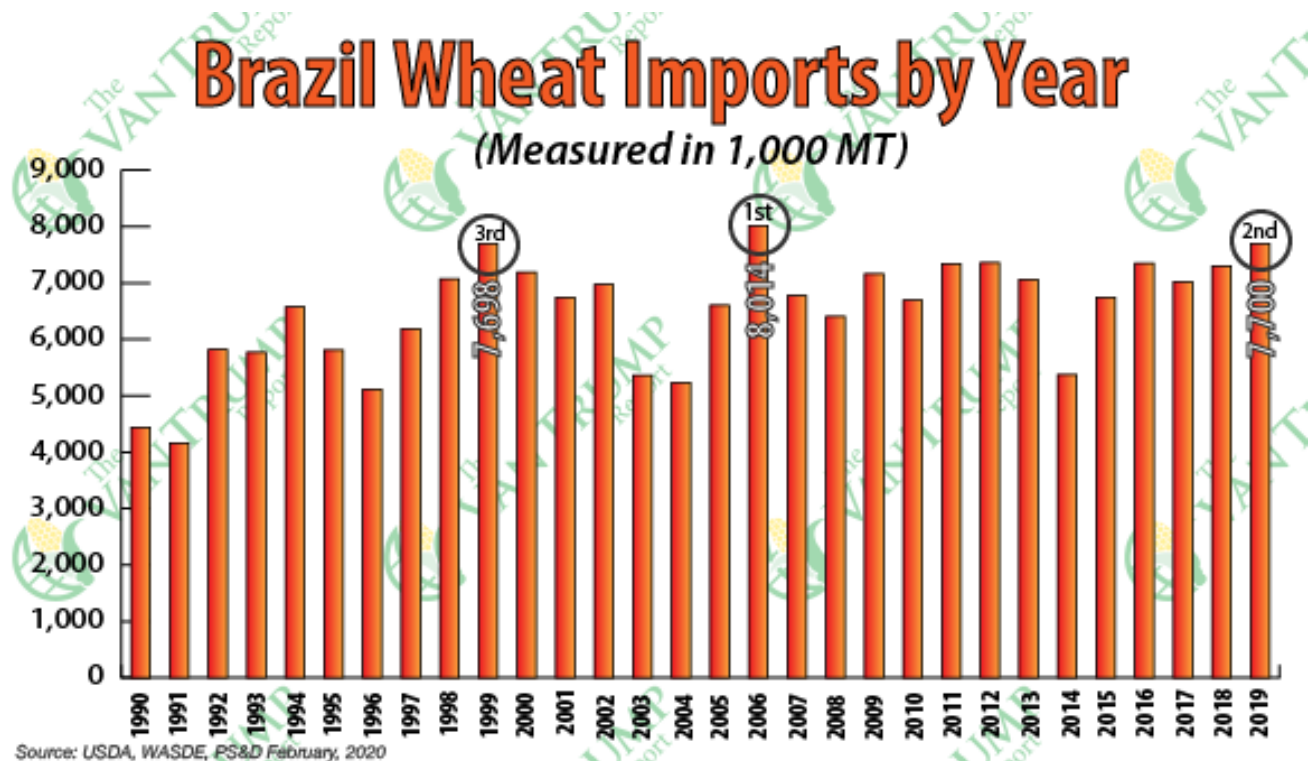
Chinese Soybean Imports

(in Million Metric Tons)



Source: USDA, WASDE, PS&D February, 2020

Wheat bulls continue to backpedal as prices are now chopping around at levels not seen since mid-December of last year. Unfortunately, coronavirus headlines and talk of a massive global economic slowdown remain a major headwind. At the same time the International Grains Council (IGC) bumped its global wheat production forecast higher by +4 MMTs to a record 769 MMTs. Most bears are pointing to improved crop production in parts of India, Russia, Ukraine and areas of the European Union. There's also talk of improved moisture coming to parts of Australia, parts of northern China and across portions of the U.S. There are however some dry areas that are being closely monitored in portions of Colorado and western Kansas. However, that's just not nearly enough to stop the overall macro bleeding that's spilling over into this market. As a spec, I am still standing on the sideline waiting for more downside before I step back in as a bull.



> USDA Easing Rules on Hemp Labs and Destroying "Hot" Crops: *Federal agriculture officials will allow farmers to destroy "hot" hemp fields themselves, rather than having to hire a contractor to do it, and it will expand the number of laboratories that can test industrial hemp for THC levels. Greg Ibach,*

undersecretary for the U.S. Department of Agriculture, said the new testing agreement was reached between the USDA and DEA, adding "DEA will still expect states to work with their laboratories to try to achieve certification for the 2021 crop year." Growers and state officials have complained that there will not be enough laboratories to test hemp samples when harvesttime arrives and that farmers could be saddled with the high cost of destroying fields of hemp that exceed the THC limit. (Source: Ag Insider)

> EPA Has No Announcement on Ethanol Waivers Court Ruling: *U.S. Environmental Protection Agency Administrator Andrew Wheeler said on Thursday the EPA had no announcement yet on how it will respond to a federal court decision addressing exemptions to U.S. biofuel blending laws. His comments came a day after a Bloomberg News report said the administration had decided to pare the number of exemptions granted to smaller refineries from U.S. biofuel blending laws in response to the court decision. In late January the U.S. Court of Appeals for the 10th Circuit said the EPA must reconsider some exemptions it previously gave to oil refineries. The EPA has been seeking White House guidance on how the court decision affects the small refinery waiver program. "We want to make sure that we comply with the 10th circuit opinion," Wheeler said during a House Committee on Energy and Commerce hearing on Thursday. Read more from [Reuters](#).*

> Aid Coming to Georgia Farmers Battered by Hurricane Michael: *Emergency aid is on the way to Georgia farmers battered by Hurricane Michael more than 500 days ago. State officials on Wednesday announced a \$347 million grant program for producers in southern Georgia during the Category 5 storm in October 2018. Agriculture Commissioner Gary Black said the program will cover crop and equipment losses, as well as damage to timber and pecan orchards that are typically excluded from federal aid programs. The grants will also cover damage to poultry, beef, dairy, fruit and vegetable crops, as well as some destroyed irrigation systems, farm structures and uninsured equipment. More info is available [HERE](#).*

> Help Wanted at the USDA after Brain Drain: *The USDA's Economic Research Service is missing nearly two out of every three employees after Agriculture Secretary Sonny Perdue uprooted the agency from Washington to Kansas City last year. The move last summer sent economists fleeing from the agency, out of reluctance to relocate and concerns about politically motivated policies. Five months later, only 41 out of 233 positions at the agency's new Kansas City offices have been filled, according to an internal USDA memo obtained by POLITICO. The agency's reports are often a vital resource for lawmakers in charge of ag policy, farmers and commodity traders alike — all the more so during periods of heavy uncertainty in the industry, like the recent stretch of trade headwinds and historic weather challenges. And employees claim the staffing shortages have hampered*

production of those studies. A USDA spokesperson said ERS has "published all calendared reports on time," and claimed its research output is comparable to 2018. But researchers disputed that characterization, arguing that many of the studies being published now have been in the works since before the relocation. Secretary Perdue is scheduled to testify at a House Agriculture Committee hearing next week on "the state of the rural economy," and it's highly likely lawmakers will broach the personnel topic. (Source: Politico)

> You May Find Salt-Tolerant Rice Growing In The Ocean By 2021: *Growing rice in the ocean sounds a little whacky, but ocean agriculture is an emerging form of food production that could have some real potential. Less than 1% of fresh water is available for human use, and 70% of that is used for agriculture worldwide. Increased demand for food and exploding population levels are pushing innovators to explore areas where agriculture has never gone before. One crop taking to the sea is rice. A company started by two 24-year-old scientists wants to produce salt-tolerant rice and floating ocean farms by 2021, with small pilot farms by the end of 2020. Read more about the project at [Forbes](#).*

> Reddit's Profane, Greedy Traders Are Shaking Up the Stock Market: *In a dingy corner of the internet is a message board, soaked in profanity, bro-speak, and greed, where posters with handles such as OverthrowYourMasters and yolo_tron campaign for their favorite stocks, putting up screenshots from their online brokerage accounts of their moonshot victories—or showing off their massive losses like badges of honor. Some of them think they've found the key to fast wins on the stock market. Wall Street doubts they're right, but it's getting nervous about what it sees there. Businessweek has the story [HERE](#).*

> This Year's Census May be the Toughest Count Yet: *Community leaders are concerned that historically hard-to-count residents will be even harder to count in this year's census, thanks to technological hurdles and increased distrust in government. The census — which will count more than 330 million people this year — determines how \$1.5 trillion in federal funding gets allocated across state and local governments. Inaccurate counts mean that communities don't get their fair share of those dollars. Nearly all adults (95%) have heard of the census, and 78% say they'll definitely or probably submit a census form, per a recent Pew Research survey. A sizable number of people aren't sure how to participate (i.e., they don't know it can be completed online), or they're mistaken about what information will be collected. For example, only 17% of adults answered correctly that a citizenship question is not on the 2020 census. 40% of adults under 30 say they don't know much about it, per Pew — not a surprise as it's the first time they'll be completing it as an adult. There are several factors complicating this year's count, including distrust in government, a rise in disinformation, and digital deserts. Read more from [Axios](#).*

> 5 Companies Make up 18% of the S&P 500. Should Investors Care?

Investors have an endless supply of things to worry about simply because we know more about the markets than previous generations of investors. The massive growth of technology stocks over the past decade or so gives many investors pause about how this impacts the market structure. In a piece written for Fortune, Ben Carlson looks at this worry through a historical lens. Check it out [HERE](#).

> Walmart Worker Goes Viral as "Grumpy Gran": *A petition to get a "national icon for the working woman" on Ellen DeGeneres' show has nearly 19,000 signatures so far—and it's all because of the photos Charlene Mull poses for at work. The 64-year-old Walmart employee has become an internet sensation thanks to quirky pics she's appeared in at her store in North East, Md., where she lounges on yard furniture, rests in cribs, and sports milk mustaches to help sell product. The New York Post notes that the images of her shared on social media over the past couple of weeks have earned her tens of thousands of likes, as well as the nickname "Grumpy Gran"—a riff on "Grumpy Cat"—for her signature scowl. Local media is covering her newfound fame, co-workers started the Ellen petition, and Mull has gained fans near and far. Read more from [The Baltimore Sun](#).*





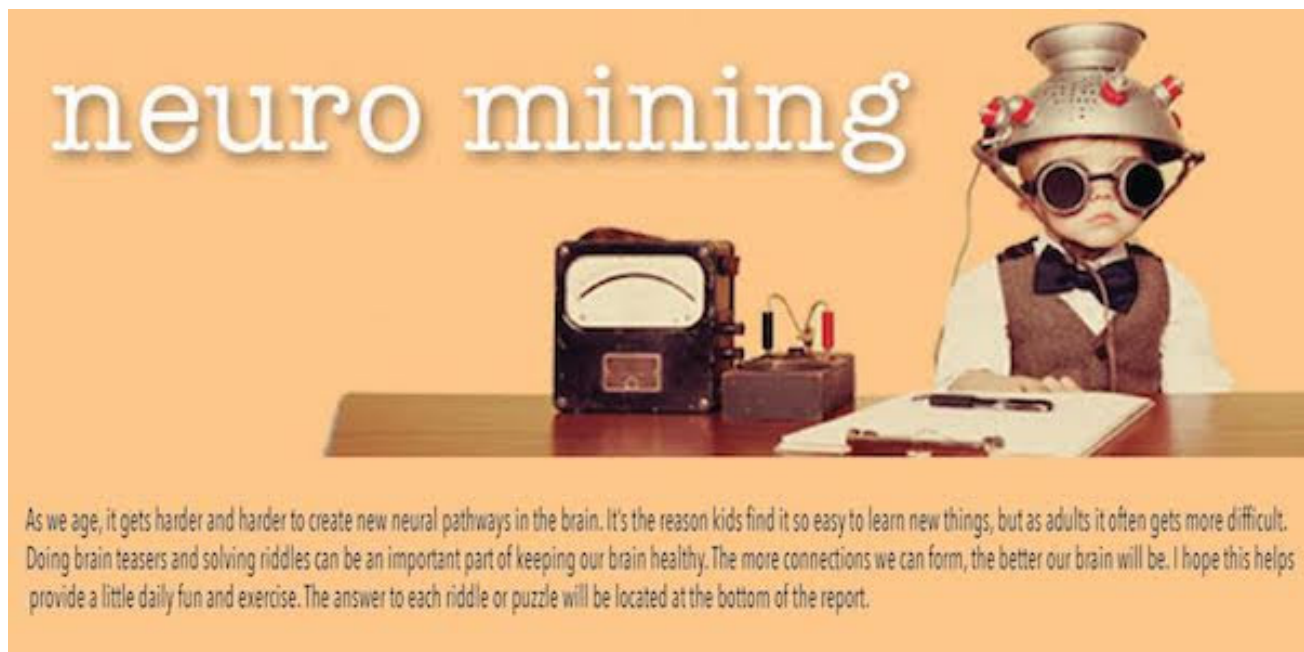


Northwest Kansas - *We run a cattle feed as well as farm. We are kinda thinking the cattle markets have a bit more correction to endure before they turn north. It seems like cattle are putting on weight better this season over last as well. It's hard to get a read on where placements are going and at what weights. We mostly do corn and beans but will throw a bit of wheat in the rotation when needed. It just isn't dropping anything down to our bottom line. We are starting to see more guys go with triticale along with their rye covers for grazing and silage. I'm watching custom farming work out alright for some of the young guys in the area. It's good to see them in the game figuring things out.*

Northern Michigan - *Guys are looking for ways to shorten their wheat to*

minimize how much ends up lodging. A lot of guys use Palisade here when going over 125 pounds of nitrogen. Some guys are pushing 165 pounds near me. Another idea that I've heard is a farmer is planting in 4" rows now. On my soil, we don't typically get over 115 bushels per acre. Typically we see give-or-take 100 bushels per acre. Other guys do see 140 or 150 bushels now and then, but we have great weather and soil for wheat here. This would be soft white wheat. We have found that to minimize lodging, you must split your Nitrogen and spray on a regular basis.

Central Illinois - *With all the accidental death this year with wet grain in the bins, I found this idea very interesting so I thought I would pass it along and maybe it saves a life or two. Today I was watching Market Day Report on RFD tv and they did a story about the inside of grain bins. They showed a guy that was standing in corn with a one-foot square pad strapped to his boots. It kept him taller in the loose corn and would also make it easier to walk around inside a bin without sinking to your knees. I have tried to Google these but have come up empty. I am having thoughts about making some now which is probably what this guy did. They looked like they would work well.*



TODAY'S RIDDLE: Given to all man then taken away, you can beg for more time but I never stay. What am I?

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What the Investment Numbers Tell Us About Agri-Food Tech

AgFunder, one of the world's most active foodtech and agtech VCs just released their 2019 Agri-Food Tech Investment Report Year in Review, and it is packed with insights for those interested in staying ahead of the curve with not only their

portfolio but also with trends that producers can use to assist in forecasting out for their businesses.

Venture capital investment across all industries saw a decline of 16% in 2019 as uncertainties surrounding the US-China trade war, Brexit, and a weakening Chinese economy which all kept investors a bit more reserved with their funds. Agri-foodtech, was no different but wasn't affected to quite the same extent. In fact, investment in upstream technologies increased year-over-year and posted the strongest H2 on record, bolstered by alternative protein startups. I thought I would share some highlights as well as some great infographics that provide visual detail as to where the money flowed and what sectors may be ripe for investment. The charts below will tell you what is meant by and the differences of Upstream and Downstream businesses. You can see the full report [HERE](#).

Downstream Sectors Saw Investment Drop - *For the first time since 2016, investment in downstream food technologies declined in 2019, driven by a 56% drop in funding to Restaurant Marketplaces. It's worth mentioning, the more mature players continued raising large rounds to increase their control in the over-saturated category, but it wasn't enough to maintain overall funding volumes against a 57% decline in deal activity.*

eGrocery also suffered a 7% decrease in funding across fewer deals as the economics of delivery services continue to be a sore point for most. Walmart reported a \$1 billion loss on its e-commerce offering. Despite this pullback in funding for consumer-facing delivery services, the analysts believe brick & mortar stores and restaurants will still try to claw back business by offering their own delivery options, using a new category of enabling and white label technologies. Dubbed "Cloud Retail Infrastructure" this new category includes ghost kitchens and last mile delivery services.

Upstream Investment Manages Strongest H2 on Record - *Investment to Upstream startups increased just \$100 million over the course of the year, but it posted its biggest H2 on record, bringing in \$4.6 billion between July and December. Not surprisingly, leading the way was the alternative protein industry as Beyond Meat's highly successful IPO flung the segment further into the spotlight.*

What is very clear from the report is that no longer is investing for positive impact beyond financial gains a trend. Once viewed as only "nice to have," now issues revolving around environmental and societal concerns are mandatory when allocating resources. Interestingly, investment in Innovative Food startups, which are mostly alt protein plays, doubled year-over-year to \$1 billion, bolstered by Impossible Foods' \$300 million bridge round and a 17% increase in the number of deals. Other benefactors in the space












included a big round for robotic insect farm Ynsect, as well as AeroFarms and Infarm, which help drive a 38% increase in the Novel Farming Systems category, despite 16% fewer deals.

Certain Geographies Posted Significant Growth - *Europe's VC industry continued to mature in agri-foodtech as investment increased 94% year-over-year to \$3.3 billion. I'm told the UK was the leader in the region and the fourth biggest globally with \$1.1 billion raised across 112 deals, although it did experience a small dip in the number of deals closed. Many startups with operations across Africa are headquartered in the UK, however those based on the continent doubled their funding in 2019, aided by a large deal for fintech startup Opay out of Nigeria that enables consumers to transfer money, pay bills and order groceries. It was also a strong year for Latin American agri-foodtech as the region raised \$1.4 billion, up 32% year-over-year. Keep in mind, that's more than the whole VC industry of the region raised in 2017. While a massive \$1 billion, SoftBank-led round for Colombian Cloud Retail Infrastructure startup Rappi pushed up the total, activity was demonstrably greater with 40% more deals closed during the year than in 2018.*

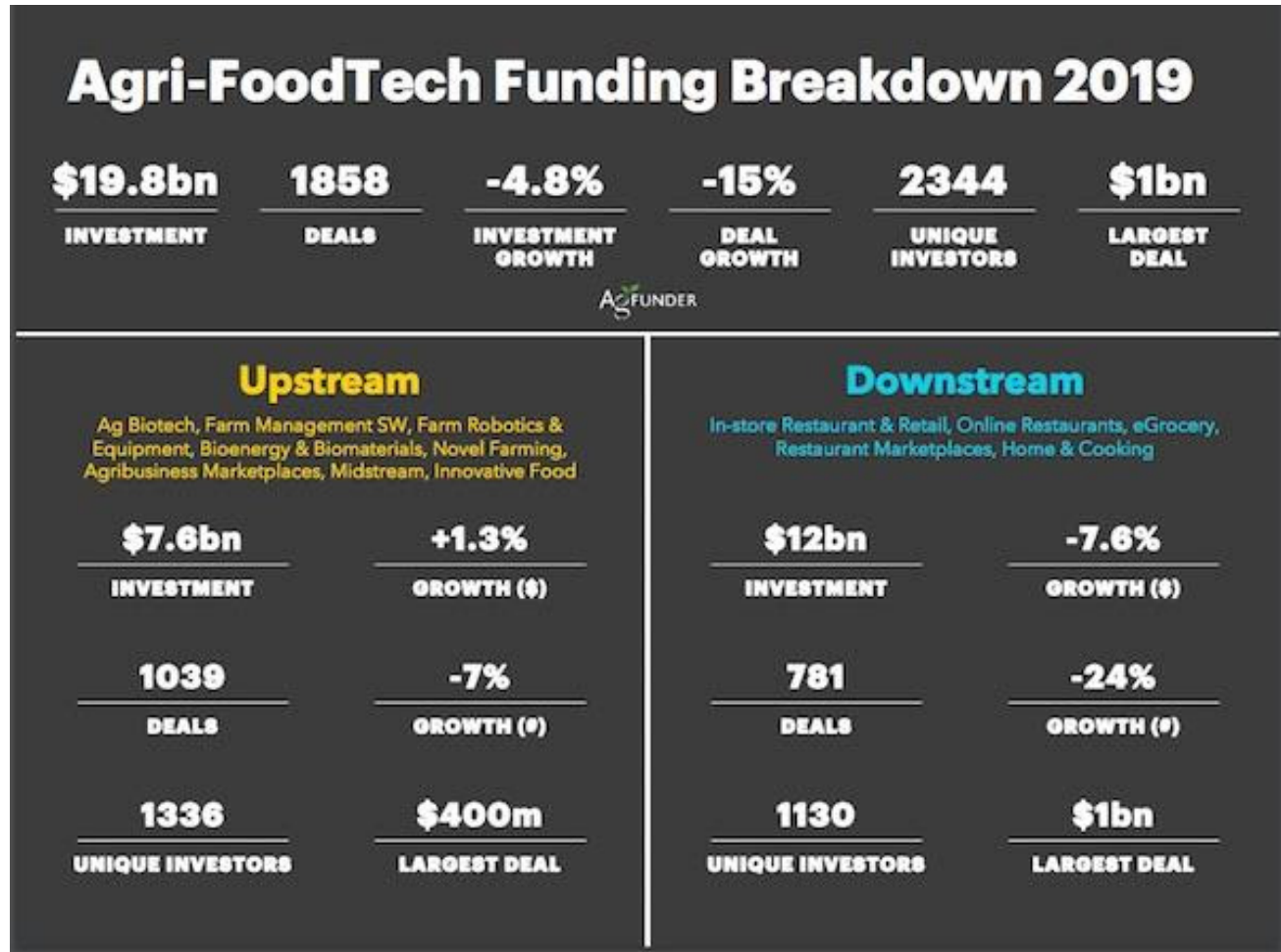
Foodtech and Agtech no Longer the Red-Headed Stepchild of the VC World - *Agri-foodtech's investor base is more diverse than ever, with generalist, global and corporate investors making multiple bets in the space in 2019. Many of these generalist investors are joining retail tech deals that will feel more similar to other sectors, and the same could be said for the alternative protein space, which will look and feel a lot like CPG for some investors, or even cloud computing, as agile co-packing networks make it easy to spin up new brands with little CAPEX. I should mention, Temasek and SoftBank are notable entrants to the leader board this year, both investing across borders in a range of agri-foodtech startups. S2G Ventures continues to lead the specialist agri-foodtech investor group while the team at AgFunder further expanded their portfolio by dipping its beak into their first downstream investment during the year.*

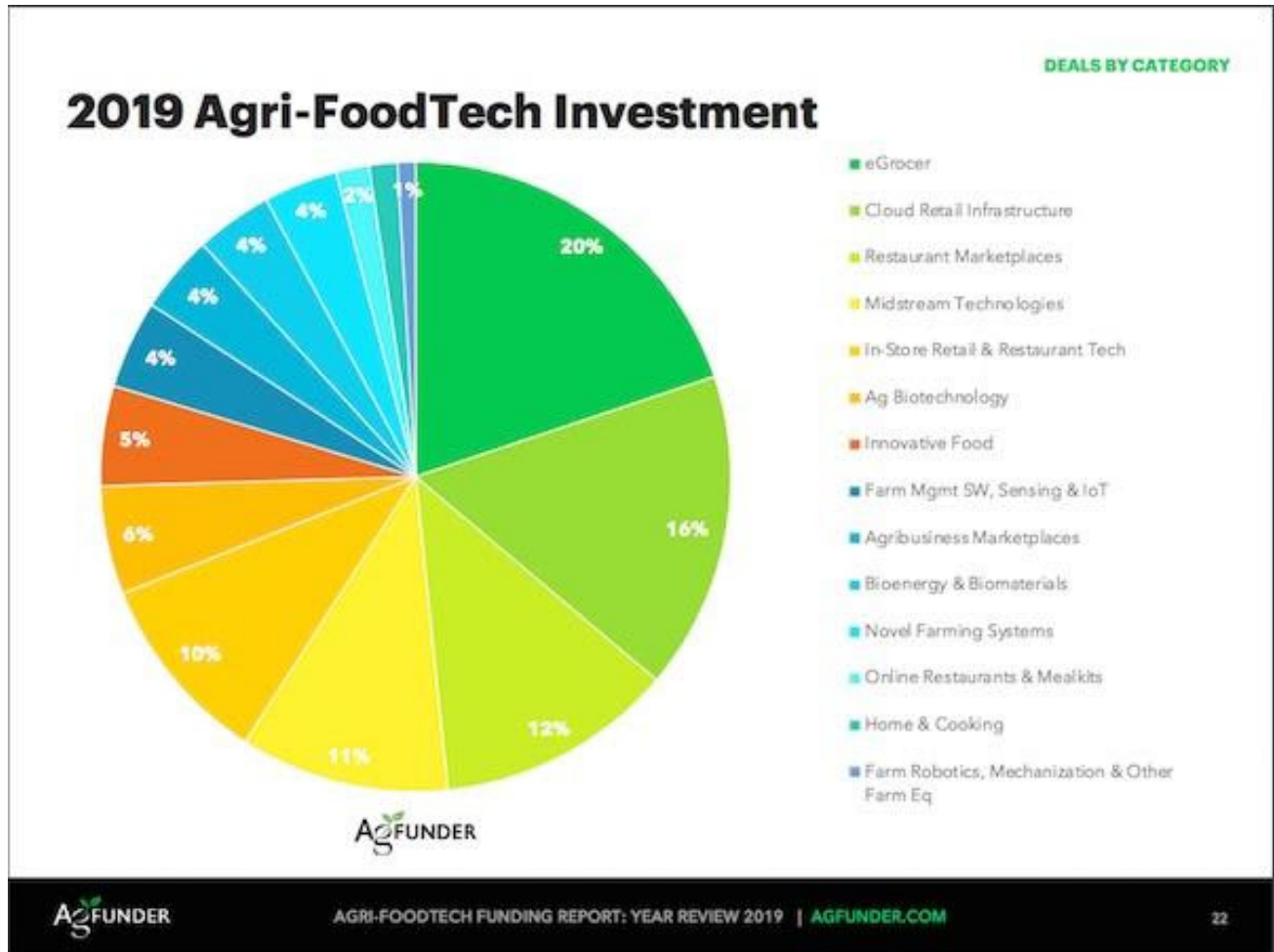
WHAT IS AGRIFOOD TECH?

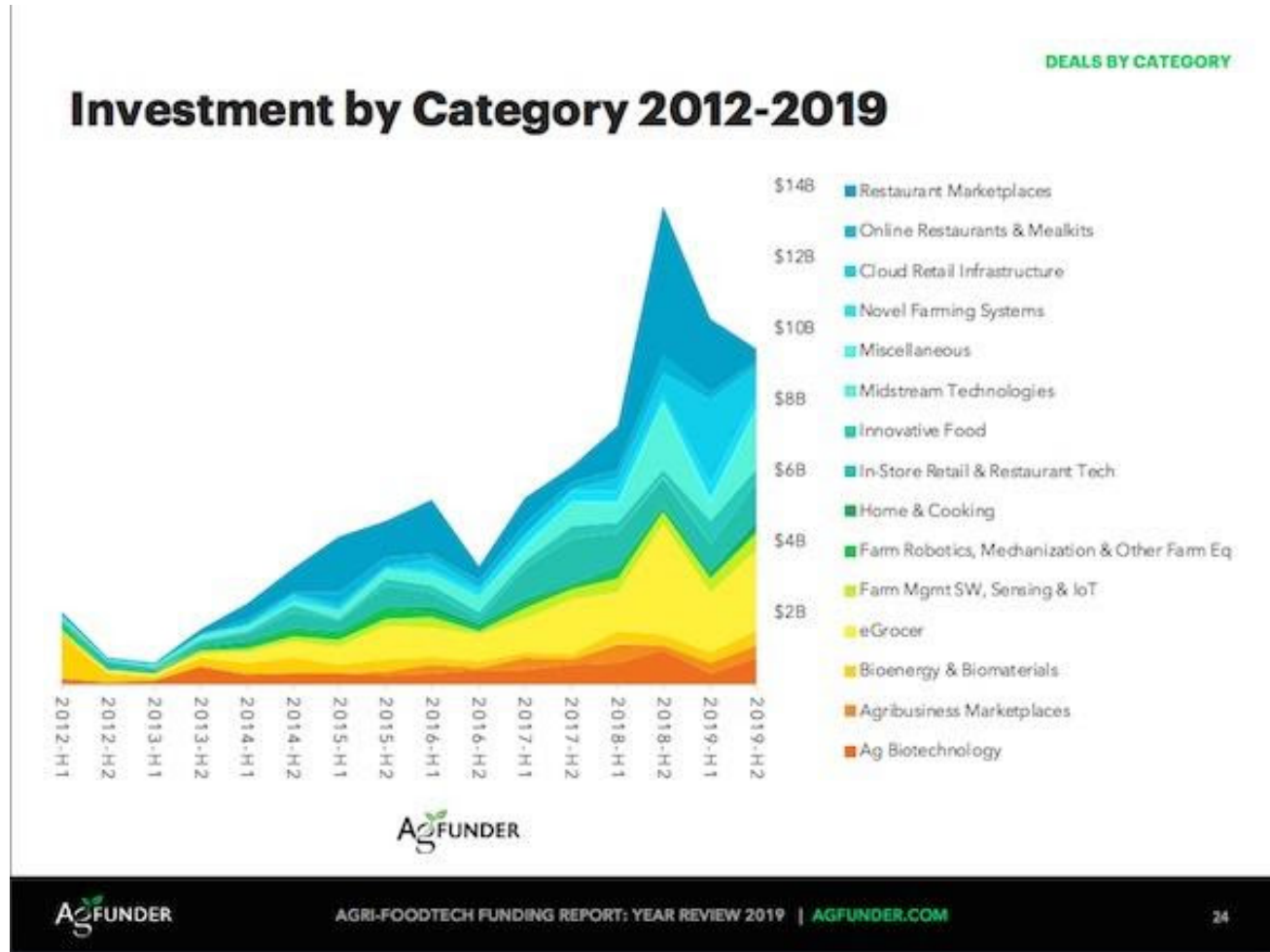
Agri-FoodTech Category Definitions

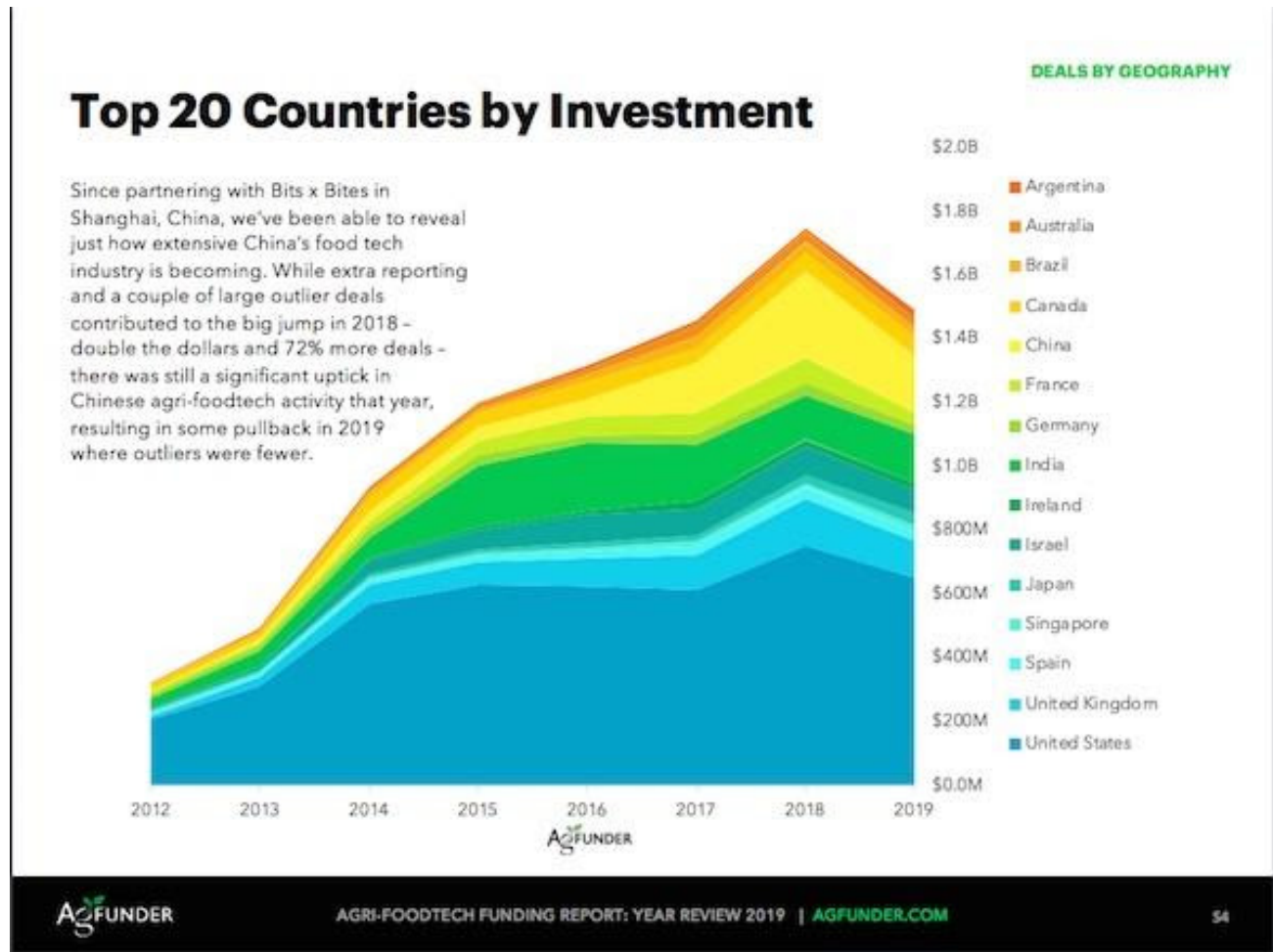
 Ag Biotechnology On-farm inputs for crop & animal ag including genetics, microbiome, breeding, animal health.	 Innovative Food Cultured meat, novel ingredients, plant-based proteins.
 Agribusiness Marketplaces Commodities trading platforms, online input procurement, equipment leasing.	 In-Store Retail & Restaurant Tech Shelf-stacking robots, 3D food printers, POS systems, food waste monitoring IoT.
 Bioenergy & Biomaterials Non-food extraction & processing, feedstock technology, cannabis pharmaceuticals.	 Restaurant Marketplaces Online tech platforms delivering food from a wide range of vendors.
 Farm Management Software, Sensing & IoT Ag data capturing devices, decision support software, big data analytics.	 eGrocery Online stores and marketplaces for sale & delivery of processed & un-processed ag products to consumer.
 Farm Robotics, Mechanization & Equipment On-farm machinery, automation, drone manufacturers, grow equipment.	 Home & Cooking Tech Smart kitchen appliances, nutrition technologies, food testing devices.
 Midstream Technologies Food safety & traceability tech, logistics & transport, processing tech.	 Online Restaurants and Meal Kits Startups offering culinary meals and sending pre-portioned ingredients to cook at home.
 Novel Farming Systems Indoor farms, aquaculture, insect, & algae production.	 Cloud Retail Infrastructure On-demand enabling tech, ghost kitchens, last mile delivery robots & services
 Miscellaneous e.g. fintech for farmers	

 Upstream
 Downstream
 Both









Are There 365 or 366 Days In A Year?

February 29, aka Leap Day, only comes around every four years. Due to the fact that our calendar doesn't perfectly match up with the Earth's revolution around the Sun, it's necessary to add a full day to the calendar every four years, or "Leap Years". That means this year has 366 days rather than 365, as a complete trip around the Sun actually takes 365 days, 5 hours, 48 minutes and 46 seconds.

If we didn't add the extra day, the seasons would occur later and later in the year and eventually be wildly off base. For instance, if we had never added those leap days, today would be roughly July 11, 2020!

The rule of thumb is that any year divisible by 4 is a Leap Year. And just to complicate things, a year divisible by 100 but not by 400 is NOT a Leap Year. So 2000 was a leap year as was 1600. But 1700, 1800 and 1900 were not leap years. Is your head spinning yet??

The whole Leap Year plan was actually devised by Pope Gregory XIII and his astronomers when they introduced the Gregorian calendar in 1582. To this day, the math continues to work out to within fractions of seconds. However, scholars

say it will probably need to be tweaked in about 10,000 years!

As you might imagine, for people born on a day that only exists every four years, birthdays might be a little tricky. Commonly referred to as "Leapers", they and their families can of course celebrate their birthday any day they want, with most choosing either February 28 or March 1.

As far as governments go though, it's not clear cut at all. Some federal and state agencies recognize February 28 as the "legal" DOB, while others insist on March 1. Note that I said "agencies". That's right, different government offices within the same state and even at the Federal level have different policies! It's not a big deal generally, but for those milestone birthdays that mark a change in a legal status - like the legal age to drive or drink alcohol - it can obviously be a little challenging for Leapers to figure out. Every four years though, everything is very clear cut and the Leapers get to have their day - so a happy uncomplicated birthday to the likes of Tony Robbins, Diana Shore, Ja Ruel and all the other Leap Year folks out there!





Run, Forest, Run...

Considering the markets aren't giving us a lot to smile about these days, I thought I would share this funny little e-mail that was sent my direction. There's always another way to look at something... Enjoy!

When Forest Gump died, he stood in front of St. Peter at the Pearly Gates.

St. Peter said, "Welcome, Forest. We've heard a lot about you."

He continued, "Unfortunately, it's getting pretty crowded up here and we find that we now have to give people an entrance examination before we let them in."

"Okay," said Forest. "I hope it's not too hard. I've already been through a test. My momma used to say, 'Life is like a final exam. It's hard.'"

"Yes, Forest, I know. But this test is only three questions. Here they are:"

1. Which two days of the week begin with the letter 'T'?"
2. How many seconds are in a year?
3. What is God's first name?

"Well, sir," said Forest...

"The first one is easy. Which two days of the week begin with the letter 'T'?... Today and Tomorrow."

St. Peter looked surprised and said, "Well, that wasn't the answer I was looking for, but you have a point. I give you credit for that answer."

"The next question," said Forest, "How many seconds are in a year? Twelve."

"Twelve?" said St. Peter, surprised and confused.

"Yes, sir. January 2nd, February 2nd, March 2nd ..."

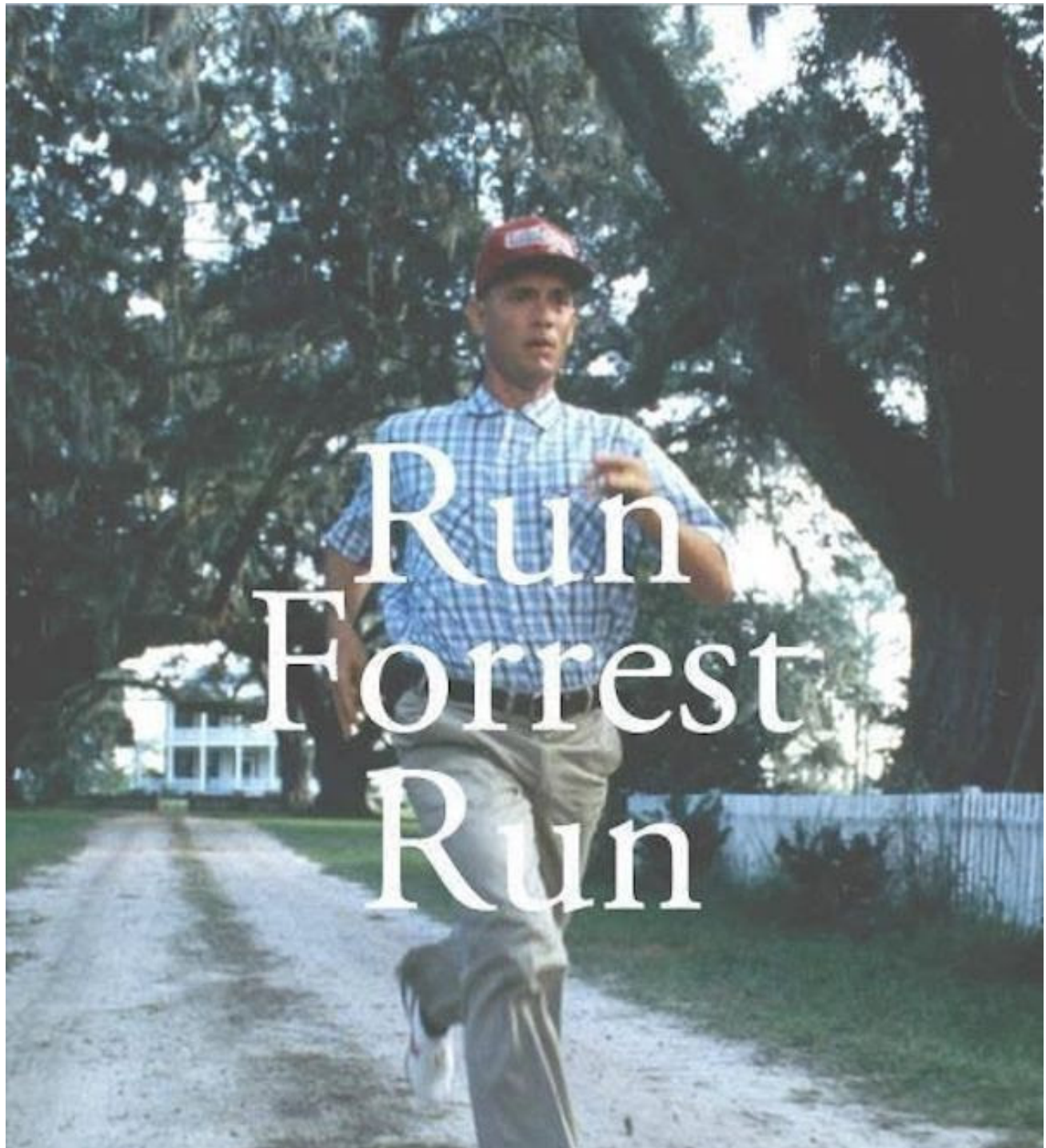
St. Peter interrupted him. "I see what you mean. I'll have to give you credit for that one, too."

"The last question," said Forest, "What is God's first name?... It's Andy."

"Andy?" said St. Peter, in shock. "How did you come up with 'Andy'?"

"I learned it in church. We used to sing about it." Forest broke into song, "Andy walks with me, Andy talks with me, Andy tells me I am His own."

St. Peter opened the gate to heaven and said, "Run, Forest, Run!"







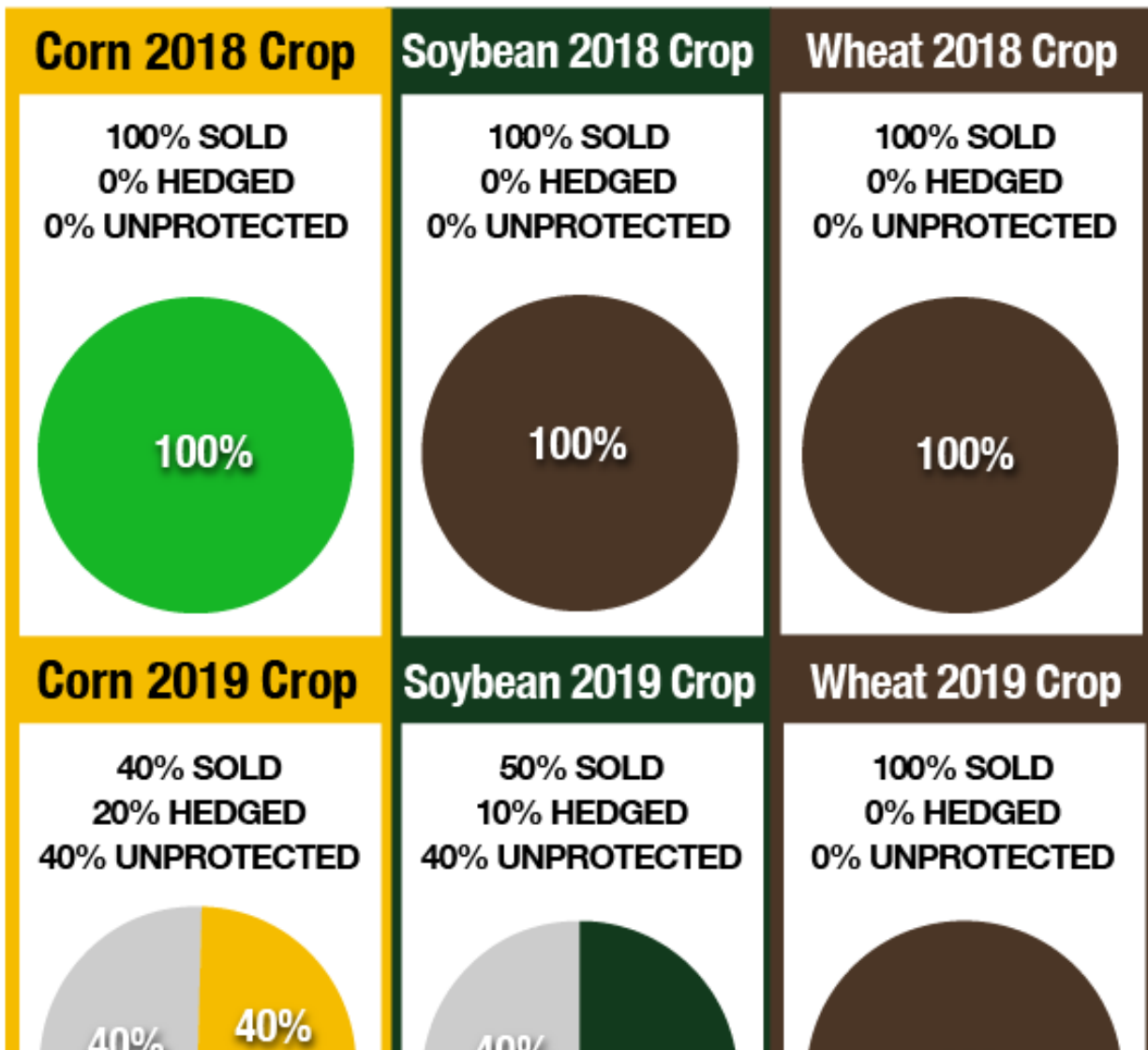
Forrest Gump

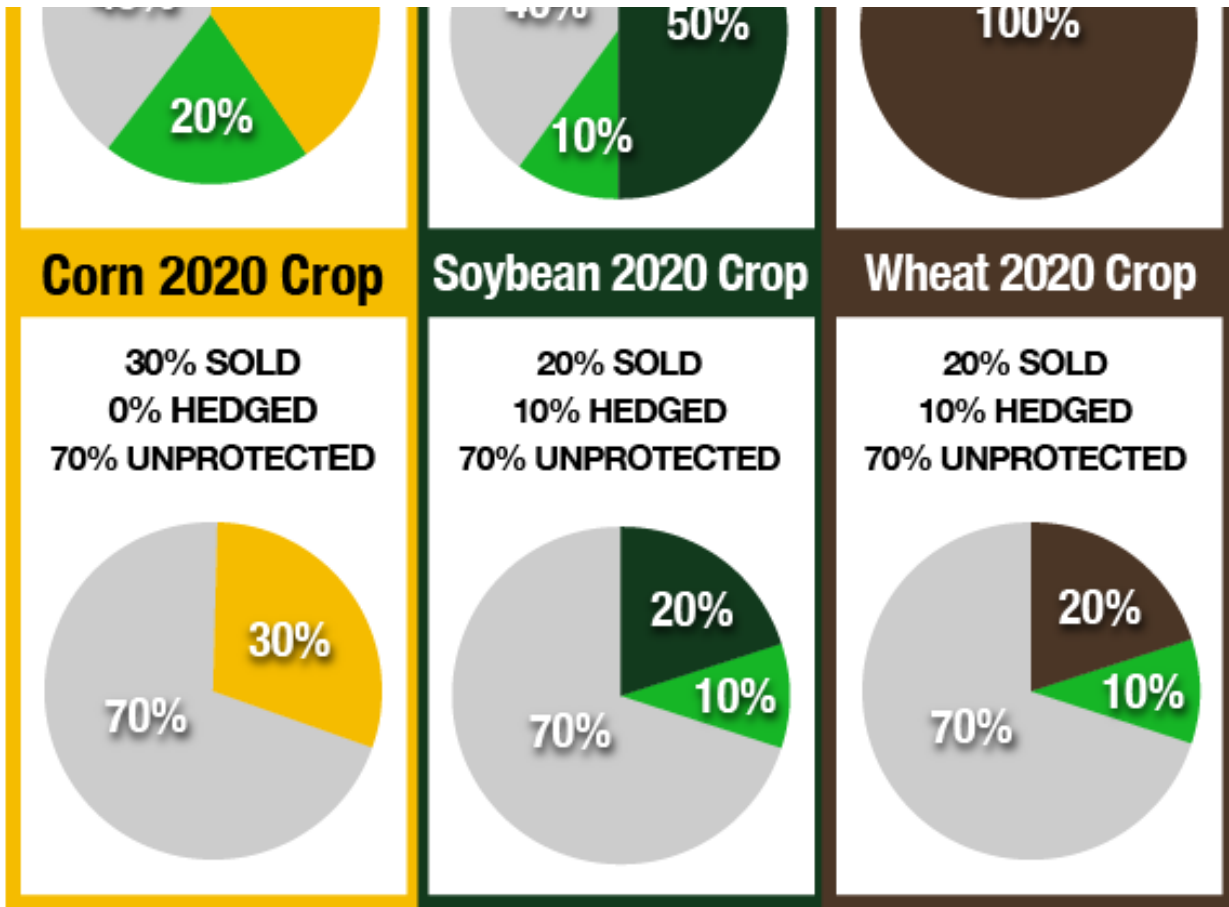
You died on a Saturday morning. And I had you placed here under our tree. And I had that house of your father's bulldozed to the ground. Momma always said dyin' was a part of life. I sure wish it wasn't. Little Forrest, he's doing just fine. About to start school again soon. I make his breakfast, lunch, and dinner every day. I make sure he combs his hair and brushes his teeth every day. Teaching him how to play ping-pong. He's really good. We fish a lot. And every night, we read a book. He's so smart, Jenny. You'd be so proud of him. I am. He, uh, wrote a letter, and he says I can't read it. I'm not supposed to, so I'll just leave it here for you. Jenny, I don't know if Momma was right or if, if it's Lieutenant Dan. I don't know if we each have a destiny, or if we're all just floating around accidental-like on a breeze, but I, I think maybe it's both. Maybe both is happening at the same time. I miss you, Jenny. If there's anything you need, I won't be far away.

ANSWER to riddle: Life.

CASH SALES & HEDGING TOTALS

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