



Jordan Van Trump <jordan@farmdirection.com>

GOOD MORNING: The Van Trump Report 4-28-20

1 message

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

Tue, Apr 28, 2020 at 5:30 AM

Reply-To: Jordan <reply-fec511747166007a-1180_HTML-40325470-100003450-10@vantrumpreport-email.com>

To: jordan@farmdirection.com



"Life isn't about getting and having, it's about giving and being." –Kevin Kruse

Tuesday, April 28, 2020
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Morning Summary: Stock bulls remain optimistic pointing to state economies reopening, more government stimulus, and talk of drugs to treat and perhaps a vaccine sooner than later. Cities and states across the U.S. start to take baby steps to reopen their economies and the small business lending program receives a fresh cash infusion of \$320 billion. There is also growing talk of more widespread reopenings across the U.S. with the White House set to unveil a strategy to expand testing in all 50 states, with an aim of rapidly expanding availability over the next few weeks. Investor attention today will mostly remain on earnings, with releases scheduled from several bellwethers that will provide more clues as to how different sectors have weathered the corona storm. Caterpillar, in particular, is high on the watch list today thanks to its ties to the energy, mining, and construction sectors across the globe. Ford Motor will also get a lot of attention today, with investors particularly interested in its reopening plans. The company has suggested it would like to restart factories beginning in early May but the UAW has indicated they want to wait longer. Investors are itching to know what sales have been like over the last few weeks as well. Also high on the watch list is Google parent company Alphabet, which will be the second major tech company to report following IBM last week. Keep in mind, Alphabet generates a huge portion of its income from advertising so analysts are very anxious to see how

plummeting advertising budgets might be impacting the company's bottom line. Other releases in the spotlight include 3M, Advanced Micro Devices, BP, Cerner, Ford, Harley-Davidson, Merck & Co., Mondelez, Novartis, Pepsi, Pfizer, Southwest Airlines, Starbucks, and UPS. Today's key economic releases will be April Consumer Confidence and Richmond Fed Manufacturing. Consumer Confidence, in particular, is being closely monitored right now as investors try to gauge how consumers are going to psychologically react to the coronavirus concerns. The U.S. Federal Reserve also begins its two-day meeting today though analysts don't expect any surprises when they release the latest monetary policy on Wednesday. In fact, most inside the trade are thinking the Fed doesn't raise rates for another 12 to 18 months, i.e. lower for longer will be the continued nearby theme for interest rates. As a trader, I'm still not interested in chasing the stock market higher at these levels. Staying patient...

Good Comments from Subscriber...

Kevin,

I assure you the virus is NOT spreading more rapidly. In fact, the opposite is true. The rolling weekly rate of growth in confirmed cases - the transmission rate, for lack of a better measure - has dropped in the US almost every day since late-March. Today it's below 30%, which equates to 3-4% a day. For perspective, the rolling weekly transmission rate at the end of March was 250%, already way down from its peak. It was below 100% by the start of the Easter weekend.

Case and death numbers are cumulative, so they always go up. The press loves the "headline machine" - but the truth lies in rates.

Keep in mind that the figures I quoted include the New York area, which is actually doing BETTER than the country as a whole at stemming the transmission rate. The aggregate weekly rate for the three states that make up the epicenter of the crisis (NY, NJ, CT) is 20%, and NY on its own is doing even better.

Ironically, the states with the highest rates of transmission are NE, IA and KS, admittedly off low bases, followed by a couple of Eastern states not in the NY metro.

This may all change as states open and testing becomes more widespread. Broader testing would only have the effect of pushing the confirmed-case rates up by adding to the number of confirmed cases that would otherwise have gone undetected. There is also evidence, as you know, that the virus is far more widespread than the number of confirmed cases says, meaning that many who get it never know or suffer only modest symptoms that don't set off alarms, so they never present to the healthcare system to be treated or counted. In this context, the slowing spread I talked about is even more encouraging.

We're prepared for a few more weeks of lockdown in the New York area to knock the rate down even lower and reduce the risk of rebound. But it's time to get the country back to work before we don't have an economy anymore. Yes, it will be slow, but a sense of light - of a brighter future - has magic effects, not only on the mood, but on economies and markets. There's a reason behavioral economics is a discipline. Decision making in every context is never purely rational. It's always emotional and subconscious, which is why seeing the end is essential to making it so.

Pay Attention to These 8-States: *I have to remind myself that half of the U.S. GDP comes from just 8 states: California, Texas, New York, Florida, Illinois, Pennsylvania, Ohio and New Jersey. How their reopening plays out will dictate the longer-term direction of the U.S. economy, pay close attention!*

Gold Buyers Are Forking Over Lofty Premiums for U.S. Coins: *Retail investors can't seem to get enough of gold—and they're willing to pay staggering amounts to get their hands on it. The premium that gold coins buyers have to pay over the per-ounce prices quoted on financial markets has jumped to \$135, more than tripling from two months ago, said Argent Asset Group CEO Robert Higgins, adding the level will stay high until the virus-hit world recovers. "There has never been a time for American Gold Eagles at this premium level," Higgins said in an interview, referring to the popular U.S. bullion coin. The surge is being exacerbated by coronavirus-related lockdowns, which have led to a squeeze in the supply of coins and bars available for shipment around the globe. At the same time, bullion's status as a haven is luring investors rattled by worldwide market and economic turmoil. Gold-coin premiums tracked by Certified Coin Exchange are at the highest levels in six years, data from the bourse show. Higgins, a 40-year industry veteran, operates a wholesale business that typically deals with an average of 1 million to 1.5 million ounces of gold each month. That jumped to more than 6.5 million ounces in March as premiums surged, he said. As some refiners of the metal resume partial operations, he expects market tightness to subside in coming weeks. Read more from [Bloomberg](#).*

China's ICBC Closes Commodity-Linked Products to New Investments: *Industrial and Commercial Bank of China (ICBC) has suspended access for new investors to retail products linked to commodity futures due to extreme market volatility, including U.S. oil futures crashing below zero. Investors already holding ICBC's commodity-linked retail products will not be able to add to their positions from Tuesday, but existing positions can be traded as normal, the bank said on its website on Monday. ICBC also warned retail investors they could lose all their investments and cash deposits in the commodity linked products. "The debate in China is about whether those products were suitable for the retail market," a commodity source in China said. China's regulator has told commercial banks to halt sales of a range of wealth management products that might result in unlimited investor losses, two sources told Reuters. Other state-run banks have also closed new investments in commodity-linked products, ranging from oil to soybeans to copper. Read more from [Reuters](#).*

Corporations Draw Down \$230 Billion From Revolving Credit: *The economic earthquake the coronavirus has unleashed is likely to trigger a wave of corporate distress and bankruptcy unseen in years. In industries that were already in a precarious position before the crisis, including retail and energy, the pandemic has tipped many companies over the edge. Companies in areas that were previously*

stable, such as the automotive, travel, and leisure industries—and even health care—may soon face similar pressures. U.S. corporate debt downgraded to selective default, meaning a borrower has failed to meet one or more of its obligations, totaled \$64.1 billion for the 12 months ended April 17, according to S&P Global Ratings. That represents only a slight uptick over the pace at the end of January, but the numbers are about to get a lot more bleak. In the coming months, that figure could top the roughly \$340 billion reached at the height of the financial crisis, according to the worst-case scenario estimates from S&P. Companies of all stripes are scrambling to stay afloat, with many tapping lines of credit. U.S. companies drew down about \$230 billion from revolving credit lines from the beginning of March through April 9, according to an analysis by Goldman Sachs Group Inc. The largest portion—around 17%—went to companies in the automotive industry, with about 15% going to retailers and 10% to travel and leisure purveyors. More details are available [HERE](#).

Calm Before the Storm

U.S. corporate debt downgraded to selective default, trailing 12 months

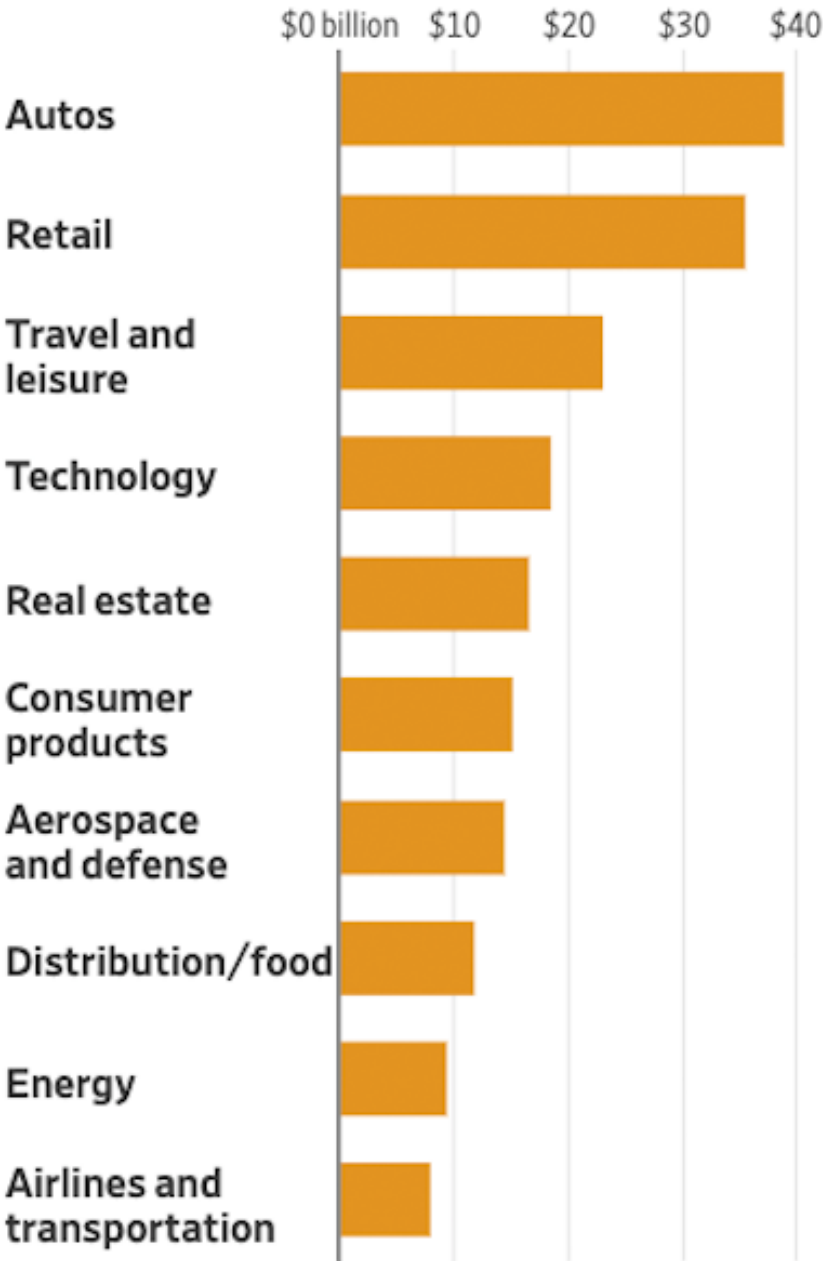


Note: Data are through April 17

Source: S&P Global Ratings

U.S. companies borrowed around \$230 billion from revolving lines of credit between March 1 and April 9.

Drawdowns by selected sector



Source: Goldman Sachs

FARM TANK

Tweets of the Day





Statista
@StatistaCharts



The [#IMF](#) has raised hopes for a V-shaped recovery from the [#coronavirus](#) crisis in their latest World Economic Outlook, but this could quickly change to a W recovery if [#COVID19](#) surges again in the fall.
[statista.com/chart/21399/gd...](https://www.statista.com/chart/21399/gd...)

Hoping for a V-Shaped Recovery

GDP growth forecast for selected economies
(as of April 2020)



Source: IMF



statista



Brian Sozzi ✓
@BrianSozzi



Driving and walking picks up in NYC.

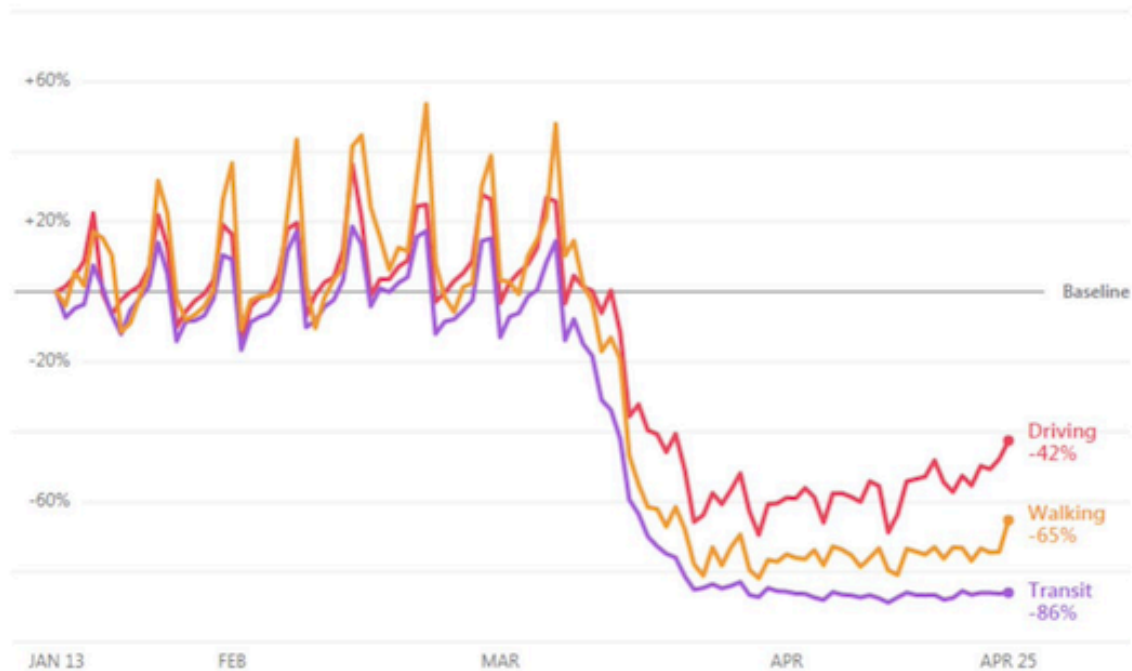
Mobility Trends

Change in routing requests since January 13, 2020



Search Country/Region or City (such as Italy or New York City)

New York City



Ryan Wagner
@wagner_farms



The tradition of wondering why our ancestors didn't stop a little farther south and a little farther east continues...







Jaime Van Nes
@NesJaime



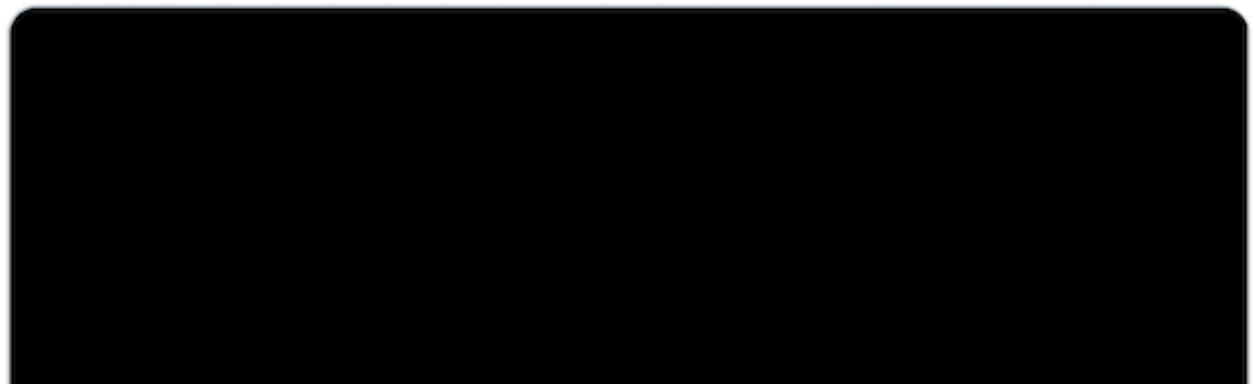
Just happy to be here (& for autosteer) [#plant20](#)



Kelly Etten
@kjetten22



Can we make this go viral in the AG world? [#plant2020](#)



Red River Valley





Jim Doyle MBA Csl Csp
@DoyleWpg



Self isolation work outs are really paying dividends
[@ramtuff02](#) [@GardnerKatyg8](#) [@ChefTufaro](#)
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ActionComplete
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The **#happiness** of your life depends upon the quality of your thoughts.

~Marcus Aurelius

#quotes #inspiration

"THE HAPPINESS OF
YOUR LIFE DEPENDS
UPON THE QUALITY
OF YOUR THOUGHTS."

Marcus Aurelius

CORN bears remain in control as the meltdown in crude oil keeps pressure on ethanol. Bears also point to the ongoing demand uncertainty associated with livestock backing up in the pipeline. Weekly export inspections were better than last week, but there was no sign of Chinese buying, so the trade was somewhat disappointed. Adding additional pressure is the cooperative weather conditions here in the U.S. allowing for an overall quick start to planting. The USDA showed corn planting as now 27% complete vs. the 5-year average of just 20% by this date. Big production states like Illinois, Iowa, and Minnesota are off to a very good start: Minnesota is now thought to be already 40% planted vs. just 19% on average; Iowa 39% planted vs. just 20% on average; Illinois 37% planted vs. 31% on average. Missouri and Arkansas are really the only states that have seen as significantly lagging. Fundamentally, most inside the trade believe ongoing pressure in crude oil and continued demand uncertainties for corn will allow the bears to remain in control nearby. Technically, this means the JUL20 contract could try to test the \$3.01 lows and perhaps even make a run down to \$2.80 if U.S.

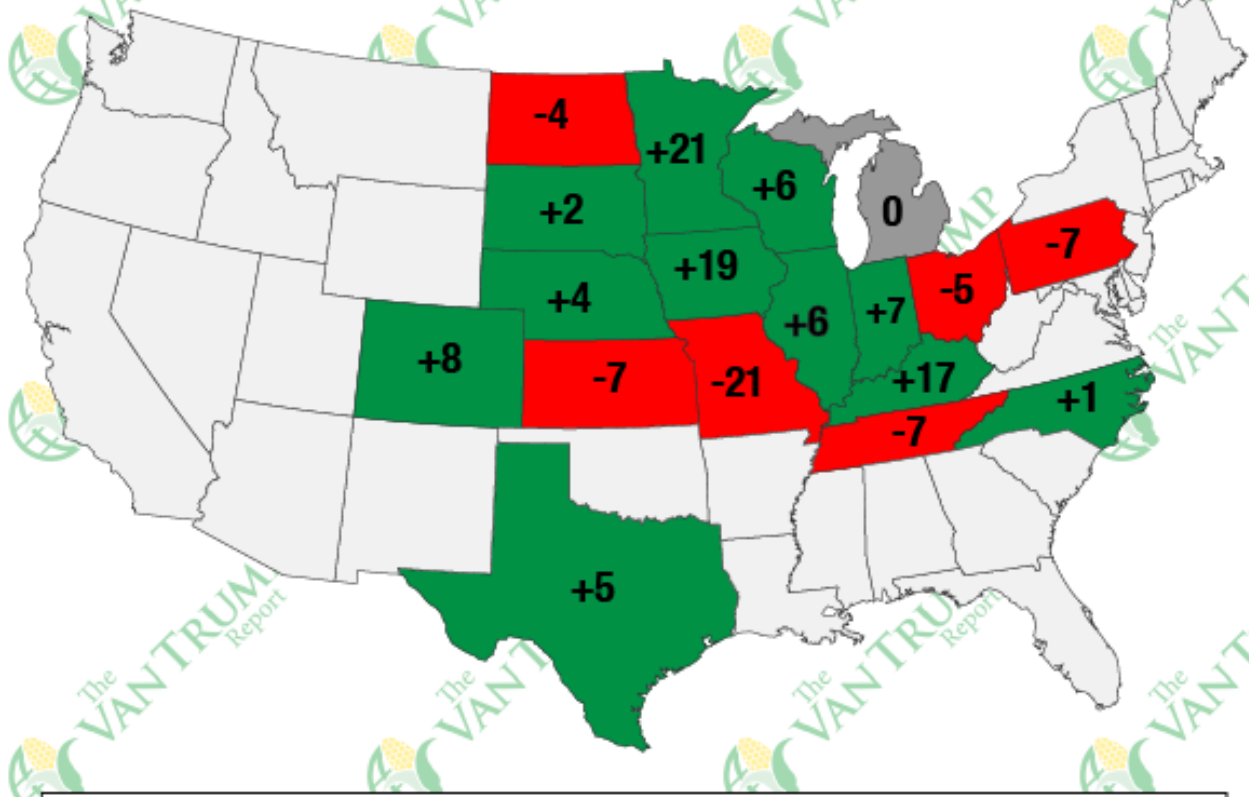
weather doesn't bring about bigger worries. I want to be a longer-term bull but recognize the nearby headwinds. To break the bear's grip on the market we need a more wide-spread weather story here in the U.S., increasingly dry conditions in Brazil, and some signs of additional Chinese buying.

U.S. Corn Planted

April 26, 2020

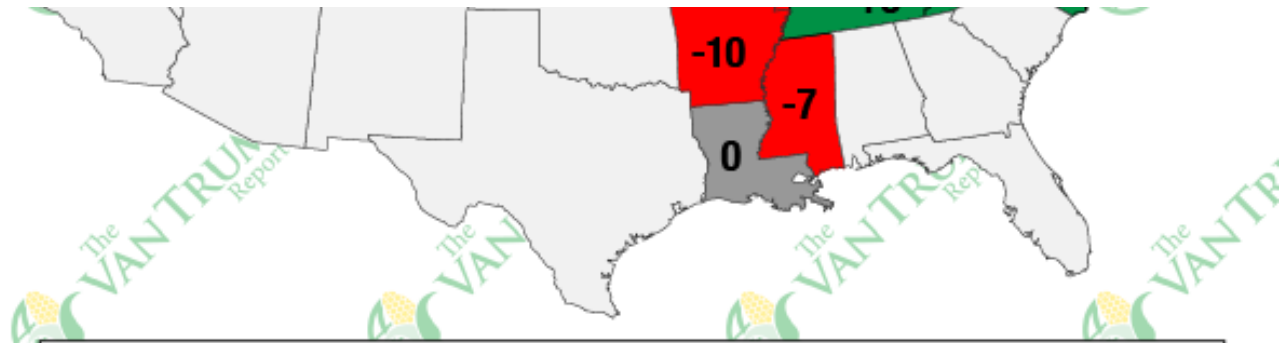
[Week 17]

Current Planting Pace vs. 5-year Average



Corn % Planted

	2018	2019	5-yr avg	This Week	Change vs LW
Colorado	6	9	9	17	+13
Illinois	28	7	31	37	+29
Indiana	7	2	11	18	+14
Iowa	15	16	20	39	+37
Kansas	25	27	31	24	+11
Kentucky	14	25	27	44	+19
Michigan	3	1	3	3	+3
Minnesota	0	1	19	40	+39
Missouri	47	37	46	25	+14



Soybean % Planted					
	2018	2019	5-yr avg	This Week	Change vs LW
Arkansas	25	9	22	12	+4
Illinois	6	2	4	18	+16
Indiana	3	0	3	11	+9
Iowa	3	2	2	9	+9
Kansas	2	1	1	2	+2
Kentucky	1	3	2	18	+9
Louisiana	38	22	33	33	+9
Michigan	0	1	0	4	+4
Minnesota	0	0	1	5	+5
Mississippi	34	19	37	30	+9
Missouri	4	1	3	2	+2
Nebraska	5	2	2	8	+8
North Carolina	4	4	2	5	+4
North Dakota	0	0	0	0	0
Ohio	1	1	2	2	+2
South Dakota	0	0	0	1	+1
Tennessee	2	2	3	8	+6
Wisconsin	1	0	0	2	+2
Total	5	2	4	8	+6

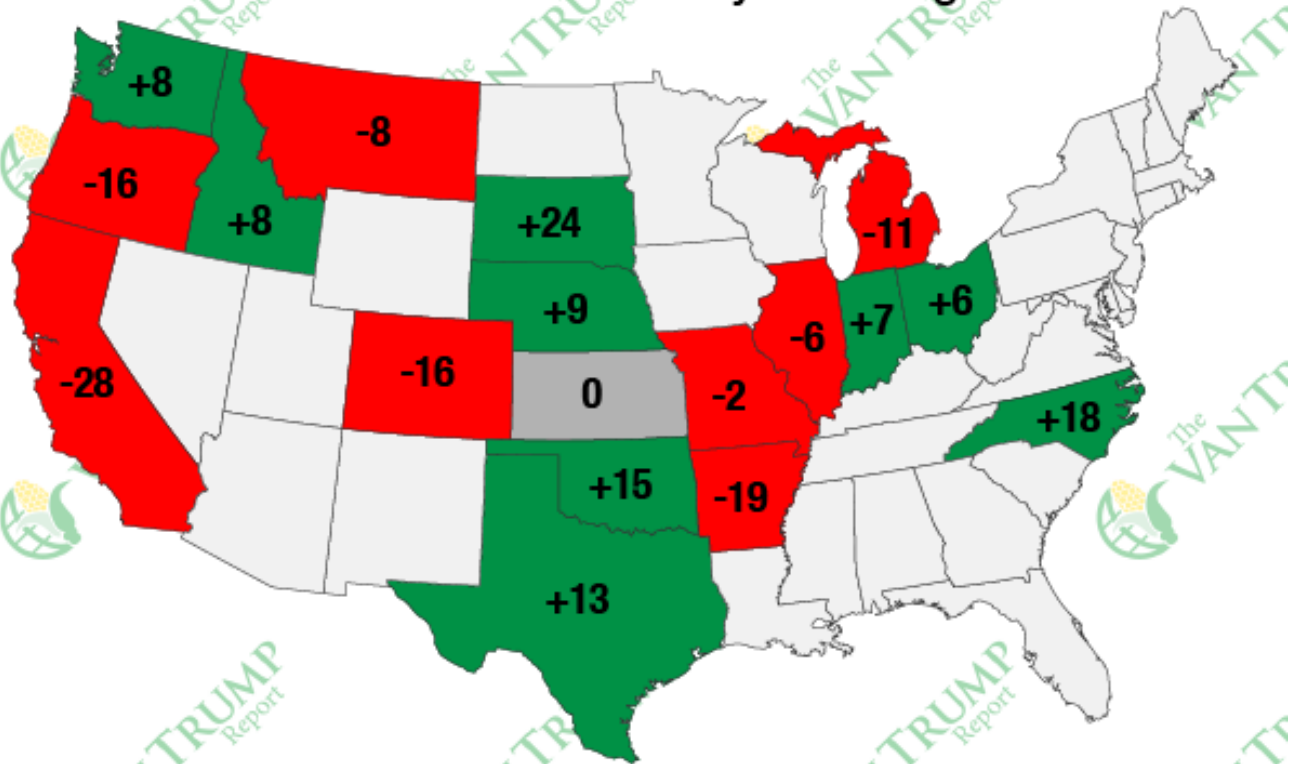
WHEAT bulls are pointing to the fact Russia has hit its self-imposed export limits well ahead of schedule and the ongoing weather and export uncertainties in parts of the Black Sea region and European Union. Unfortunately, it has not been enough of a concern to keep the bears at bay. The continued fallout in crude oil and other commodities has allowed the bears to pressure prices to multi-week lows. There's also arguably an improved global weather forecast in the mix. I am still hearing talk of one of the driest starts in Western Europe in +40 years, so we will continue to pay close attention. Yesterday, HRW wheat prices fell below the

100-day moving average and SRW wheat is now trading under its 200-day moving average. The good news for bulls is the USDA showed a further deterioration in the winter wheat crop with conditions dropping from 57% rated GD/EX last week down to 54% vs. 64% rated GD/EX last year at this time. The biggest condition setbacks were seen in Oregon, Kansas, Colorado, Nebraska, Arkansas, Illinois, Wisconsin, and Oklahoma. Spring wheat was reported at just 14% planted vs. the 5-year average of 29%. North Dakota is just 5% planted vs. 18% on average; Minnesota just 6% vs. 30% on average; south Dakota just 36% vs. 51% on average; Montana 11% vs. 31% on average.

U.S. Winter Wheat Good-to-Excellent

April 26, 2020
[Week 17]

Good-to-Excellent vs. 5-year Average



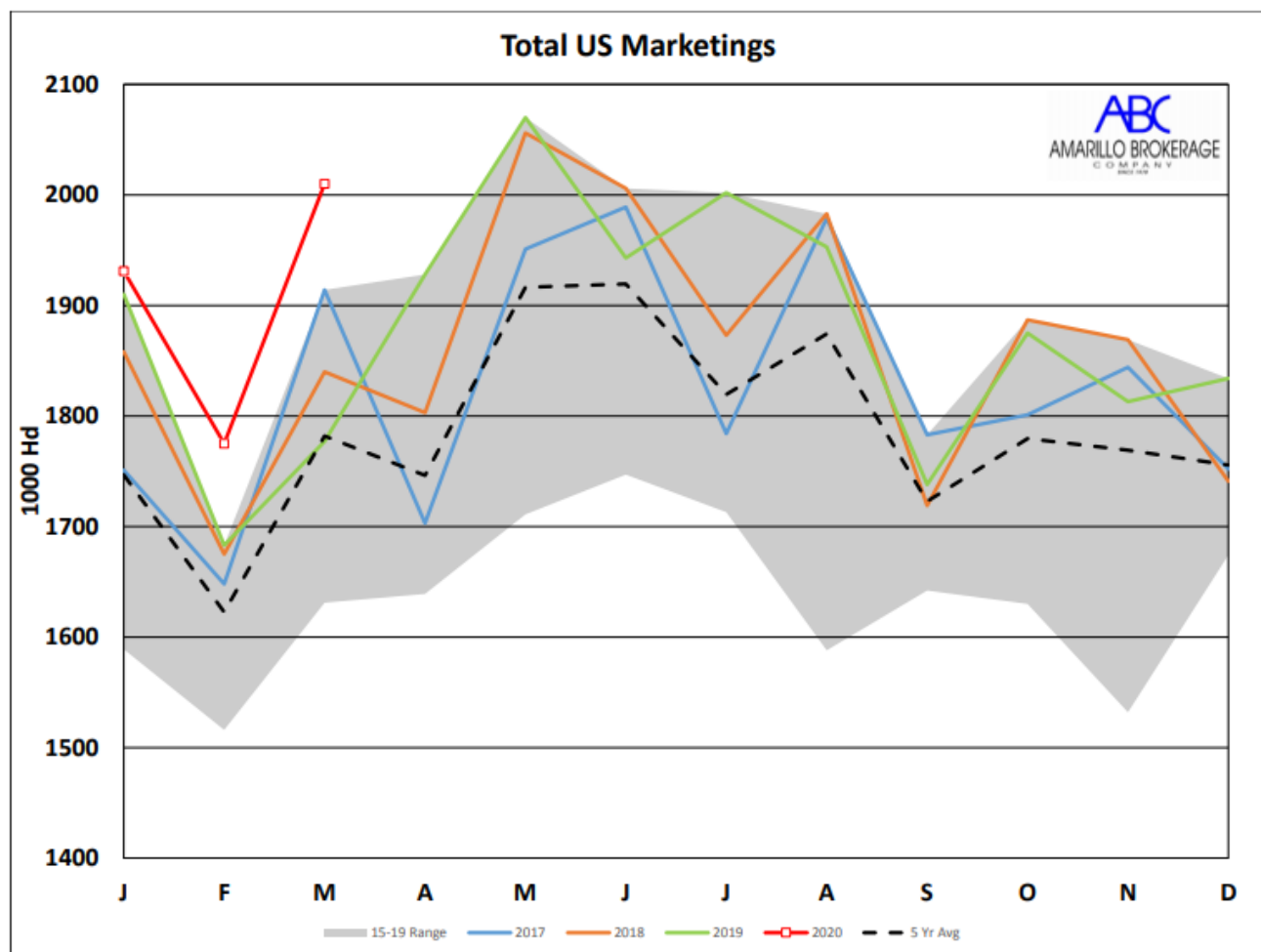
Winter Wheat % Good-to-Excellent

	2018	2019	5-yr avg	This Week	Change vs LW
Arkansas	61	45	57	38	-5
California	95	100	93	65	+10
Colorado	49	76	53	37	-5
Idaho	68	66	58	66	-4
Illinois	59	44	69	63	-5
Indiana	61	52	60	67	0
Kansas	13	58	40	40	-6

State	7/20	8/3	8/10	8/17	8/24
Michigan	72	44	62	51	-4
Missouri	49	42	55	53	+3
Montana	58	78	55	63	-1
Nebraska	63	68	55	64	-5
North Carolina	76	52	58	76	-1
Ohio	74	29	65	71	-2
Oklahoma	9	79	47	62	-3
Oregon	80	65	66	50	-18
South Dakota	32	57	48	72	+3
Texas	16	61	44	57	-1
Washington	76	68	68	76	+4
Total	33	64	51	54	-3

Cattle markets and market participants are watching two scenarios play out in front of them. On one hand, there is a tremendous amount of uncertainty pertaining to futures, kill pace, marketing cattle, cash prices, basis, and profitability. On the other hand, we see in the popular press that beef prices are higher than ever and protein shortages might exist as a result of issues related to the health crisis hampering slaughter. Furthermore, there has been a significant amount of time and energy spent on analyzing and potentially overanalyzing estimated packing margins. Needless to say, the entire industry is fighting many battles in several theaters. Here is what we know both empirically and anecdotally, futures markets will return to normalized action and prices in time but the details of that are uncertain and this is typically why risk management is key to participating in these sectors. Slaughter pace and efficiencies will continue to improve moving forward. As a result of this, marketing cattle should become less challenging and feedlots will return to a more current state. As for cash prices, we can see a few outcomes but it's intuitive to us that cash has remained extremely premium to the board and upon recovering from this pandemic we may see more upside in futures and less in cash thereby narrowing basis. Profitability going forward may not change to a large extent. The hedger will lose basis and the cash to cash player will possibly not benefit from a stagnating cash market. For the same reasons mentioned above, the protein shortages and potential demand suppressing beef prices should be attenuated. Cash markets traded lower last week on much larger volume and hearing of some cattle being picked up sooner than expected. The largest bounce in numbers of cattle traded last week was in the north. This week is hard to gauge, but we expect cash prices to remain in a wide range, and with April 20' LC expiration upon us, the expectations of deliveries

and angst over slow marketing's may add additional noise to the market. Related, show lists for cattle to sell this week are up quite a bit in the south mostly driven by formula numbers. Spot beef prices moved over 300.00/CWT today and the weekly comprehensive beef printed 250.10/CWT on shockingly less volume. Cattle on Feed report was released Friday and as expected was very friendly. Placements have retreated to 23% below last year and marketing's impressed at 13% above a year ago, keeping in mind these were data from March. The aggressive slaughter and marketings are in Q1 2020 will quite possibly keep us out of trouble in the midst of the current crisis. Cattle on feed numbers are continuing to tighten off historically massive levels and will continue to do so. There are so many factors that are improving and if there is anything that has not quite begun to improve, it would be liquidity in the futures/options markets. Step carefully and be clear-eyed when you navigate the markets. Trey Warnock - [Amarillo Brokerage Company](#)





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A Section for Creative Minds

> House Bill Would Add \$50 Billion in Farm Aid, Prevent Payment Limits:
Legislation introduced in the U.S. House calls for an additional 50 billion dollars in

aid to farmers in the next COVID-19 economic relief bill. The money would augment the 23.5 billion dollars in ag assistance contained in the CARES Act passed by Congress in late March. The bill would also prevent the USDA from imposing limits on payments farmers can receive under the coronavirus ag assistance programs. There have been reports that USDA plans to cap direct payments under the program at 125-thousand dollars per commodity and 250-thousand dollars for all commodities. A group of U.S. Senators has also weighed in the payment limits issue. In a letter to President Trump, the 28 senators urged that the payment limits for livestock, dairy and specialty crops be eliminated before the final program details are announced. (Source: Brownfield Ag)

> Ukraine Decides Against Corn Export Limits: *Ukraine's deputy economy minister Taras Vysotskiy said yesterday that the country will not limit its corn exports this season. The country's economy ministry said last week that the government was considering limiting corn exports for this season despite a record high harvest and expected decrease in prices and demand. Ukrainian traders union UGA said last week there were no grounds to set export limits and the country must sell its stocks as soon as possible while international prices are favorable. Ukraine has exported 25.2 million metric tons of corn so far this season, 2.7 million metric tons more than this time last season. (Source: Reuters)*

> Farmdoc Daily Live Hosts Webinar, "Nick Paulson and Joe Glauber on Ag Trade": *U.S. agricultural trade policy, China's push to reconfigure international supply chain lines, the entrance of Brazil and Ukraine into the commodity export markets, and the coronavirus pandemic have all disrupted the once relatively stable U.S. corn and soybean export markets. University of Illinois Agricultural Economist Nick Paulson and IFPRI's Joe Glauber will explore the policies and fundamentals behind the changes and probe the future impact. Starts at 11 a.m. CST today. For details or to register, click [HERE](#).*

> China Cotton Shrinks in Pandemic: *The shrinkage of China's cotton-textile sector is gaining momentum during the global pandemic. China's agricultural ministry expects cotton area to fall- 0.5% in 2020, while a planting intentions survey by China's cotton reserves company predicts a steeper -5.1% decline. The Ministry of Agriculture and Rural Affairs newly-released 10-year projections show that area planted in cotton will decline by a cumulative -3 percent over the next 10 years. Current market conditions are dismal, with export orders scarce and the domestic textile business weak. The ag ministry expects a -2.5% decrease in cotton consumption to 7.93 million tons this year and further decline to 7.25 million tons in 2029. Imports were up +17.6% last year but are expected to decline -8.1% this year and fall by a further -14.8% by 2029. A surge in imports from Brazil made that country China's top supplier of cotton imports last year. Read more from [Dim Sums](#).*

> Top Questions Investment Advisors are Being Asked Right Now: *With the toll COVID-19 has taken on the stock market, it would seem only natural that investors have questions about what they should be doing now. Worth recently asked RIAs and financial advisors what's the top question they've been receiving from clients and how they answer it. Check out what they had to say [HERE](#).*

> Fed Extends Municipal Liquidity to Smaller U.S. Counties and Cities: *The Federal Reserve on Monday extended the scope of its liquidity facility concerning municipal debt to include slightly smaller U.S. counties and cities. The program will now allow counties with a population of at least 500,000 residents and cities with a population of at least 250,000 to be eligible for selling their short-term debt directly to a special purpose vehicle established by the Fed and the U.S. Treasury. When the facility was originally announced on April 9, the facility set the county threshold at two million residents and the city threshold at one million residents. Fed officials had been telling smaller counties and cities to seek funding at the state level, which is also eligible for the facility. Read more [HERE](#).*

> Gates Foundation to Focus "Total Attention" on Covid-9 Pandemic: *The Bill & Melinda Gates Foundation has the largest endowment of any charity on the planet, with more than \$40 billion available at its disposal to help tackle poverty and public health crises around the world. Bill Gates himself announced in an interview that effective immediately, the foundation will focus its "total attention" on defeating the COVID-19 pandemic. The reason for the foundation's shift has as much to do with the public health implications of the disease as it does with the economic consequences. Gates told the Financial Times that he fears the pandemic will cost the world economy tens of trillions of dollars in the years to come. "We're definitely in the tens [of trillions], which blows the mind," he said. "If you'd asked me six months ago, I wouldn't have thought that was possible." Read more [HERE](#).*

> New Study Finds Coronavirus Lingers in Air of Crowded Spaces: *The new coronavirus appears to linger in the air in crowded spaces or rooms that lack ventilation, researchers found in a study that buttresses the notion that Covid-19 can spread through tiny airborne particles known as aerosols. The researchers, led by Ke Lan of Wuhan University set up so-called aerosol traps in and around two hospitals in the city that was home to the pandemic's first steps. They found few aerosols in patient wards, supermarkets and residential buildings. Many more were detected in toilets and two areas that had large crowds passing through, including an indoor space near one of the hospitals. Especially high concentrations appeared in the rooms where medical staff doff protective equipment, which may suggest that particles contaminating their gear became airborne again when masks, gloves and gowns are removed. (Source: Bloomberg)*

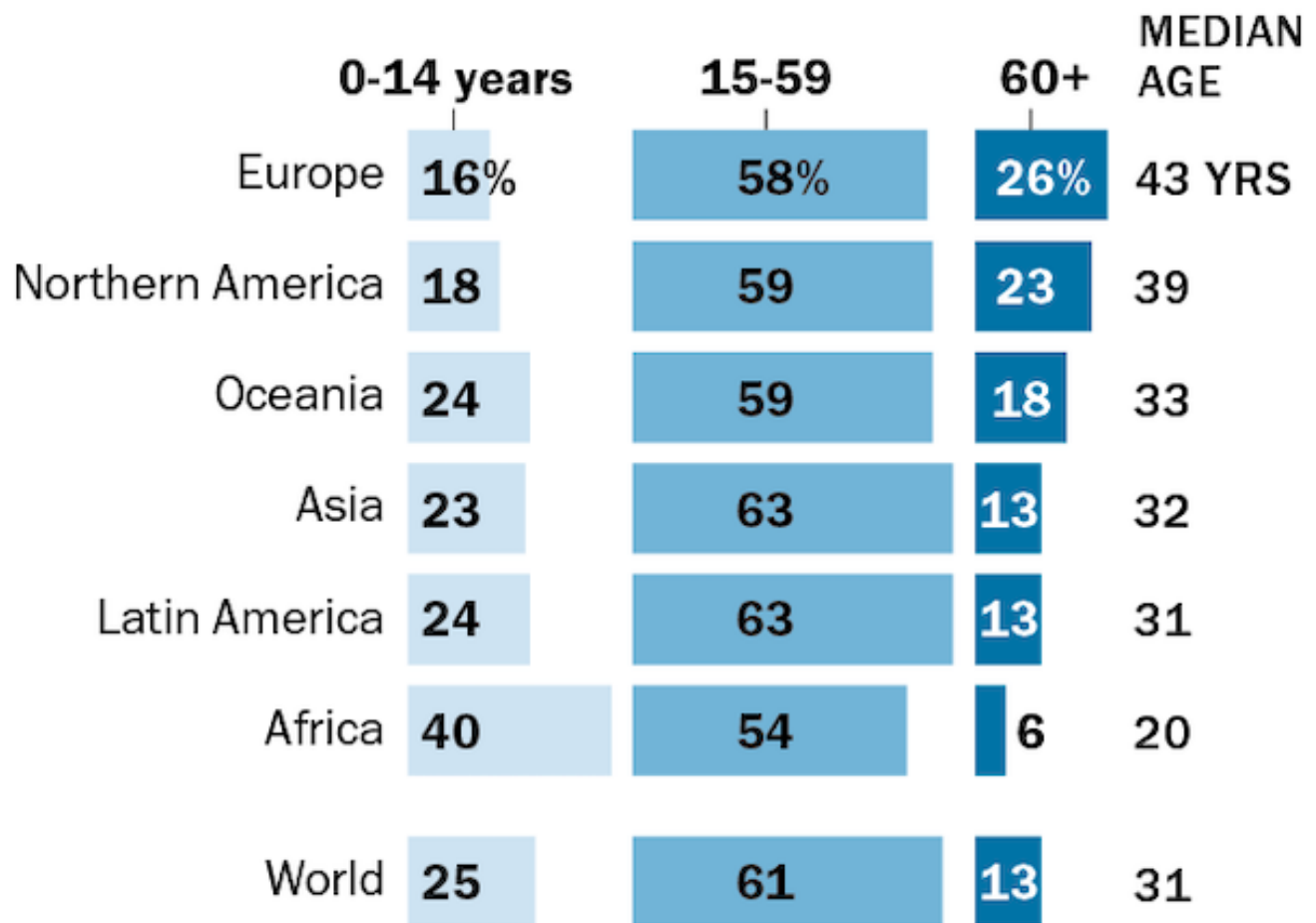
> What Airplane Seats Post-Coronavirus Could Look Like: *The idea of packing into a small, enclosed space with a crowd of people probably has less*

appeal than ever to many people. The International Air Transport Association reported that the airline industry will see a 48% reduction in passenger demand and a 55% decline in passenger revenue this year as compared to 2019. Some airlines are introducing temporary measures to allow more space between passengers and reduce the spread of germs, such as blocking off the dreaded middle seat. But one design firm has taken it a step further and developed a concept that redesigns the airplane seat itself—and it could change the way we fly for good in a post-coronavirus world. Learn more [HERE](#).

> Populations Skew Older in Some of the Countries Hit Hardest by Covid-19: *Some of the countries where Covid-19 has been deadliest – including the United States and Italy – have populations that skew considerably older than the global average, according to a Pew Research Center analysis of United Nations data. Globally, much of the population is quite young, with a median age of about 31. (In other words, if you lined up everyone in the world by age, the people in the middle would be 31.) But median age varies considerably by region and country, as do the shares of each age group in any given place. The coronavirus spread quickly in Europe in March and April, leading to particularly high fatality counts in Spain and Italy. Europe has the oldest population of any region: It has the biggest share of people ages 60 and older, the smallest share of children under 15 and a median age of 43 years. That's almost 12 years older than the global median. Of the 20 countries and territories worldwide with the highest median ages, 14 are in Europe – led by Italy, Portugal and Germany. In fact, Italy trails only Japan when it comes to the world's highest median age and the share of those ages 60 and older. The U.S., currently the country with the highest Covid-19 fatality rate outside of Europe, has a median age of 38, and almost a quarter of its population (23%) is 60 or older. As in Europe, the high share of older Americans has been fueled by high life expectancy and relatively low fertility rates. More details are available from [Pew Research](#).*

Populations in Europe, Northern America are older than in other regions

% of people who are ____ years old



Source: United Nations Department of Economic and Social Affairs, Population Division, "World Population Prospects 2019." Data comes from 235 countries and territories.

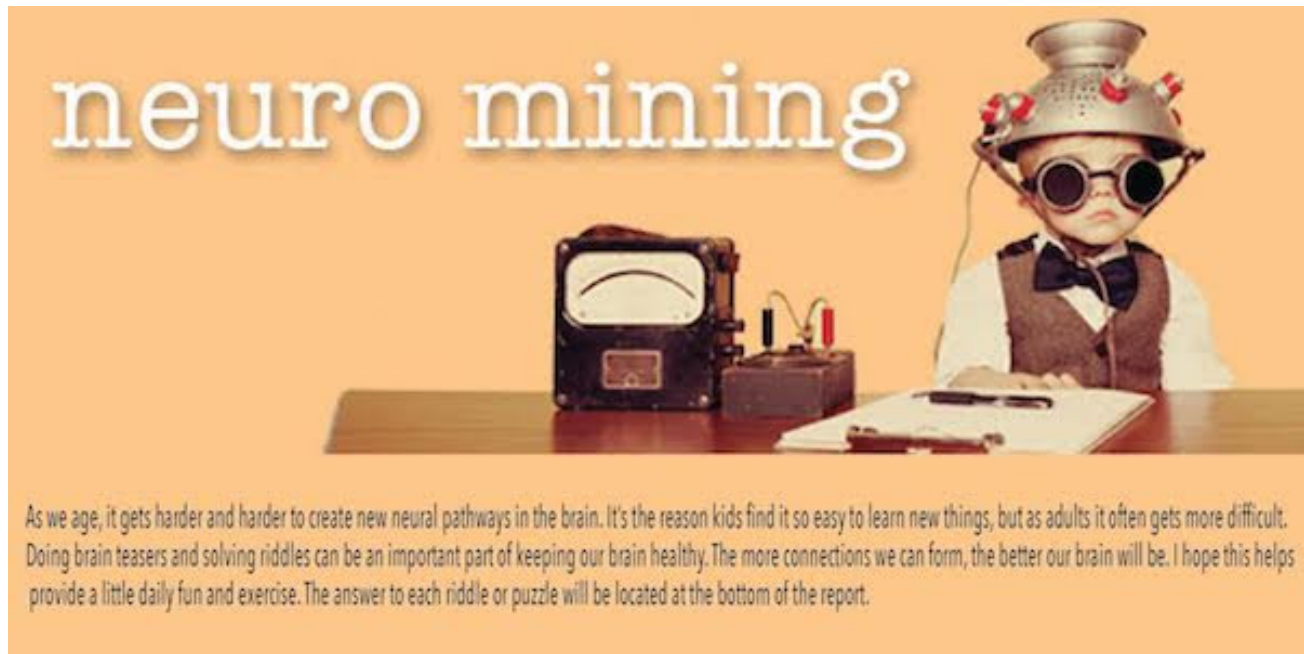
PEW RESEARCH CENTER



Central Washington - *It's been very dry with only a couple of tenths in the last 2 months. Add to that the very dry winter we had and a whole lot of +20 mph winds lately, adding up to poor conditions for our winter wheat. I had to travel to the Palouse region over the weekend and back through Spokane, where we also saw a lot of very stressed winter wheat. I've chosen not to re-crop a quarter to spring wheat because of the lack of moisture. We are in the high deserts and only receive 8-9" of annual rainfall at best, which doesn't leave us many options as we look for alternative revenue streams alongside our beans and canola. I have heard some banks are clamping down and not renewing some guys who have been walking too close to the edge in the last few years. Interestingly, my grandfather settled out here from Kansas after three years of the dustbowl, so I'm hoping we aren't on that path. As far as the virus goes, we don't feel it that much in this part of the state, but my wife works for an airline up here and tons are getting laid off and the company simply has no idea how things will bounce back when restrictions are lifted. As far as I understand it, we are the only state that has banned fishing and hunting and that has the natives extremely restless to the point of protesting.*

Central Ohio - *I was looking around at the different grain storage options (bins, flat storage, etc) and I had a strange idea. It might be possible to store grain in used shipping containers (the kind they use on ships). I crunched some numbers and this is what I found, in case anyone wants to see my math. The average cost of a used 40-foot shipping container is somewhere between \$1,300 and \$3,200. We'll average that out at \$1,900. The average 40-foot shipping container holds 1,888 bushels. That's less than \$1.01 per bushel. According to my Google search, a 40,000-bushel grain bin costs \$2.21 per bushel. This seems like a really affordable option and it seems much safer than a bin. If I do this, I obviously will use a grain vac.*

North central Illinois - *I was checking the rye cover crop which is about 16" tall. I thought I was going to put 2-4D in the burndown but didn't see any broadleaf weeds there. This is my first time planting into taller rye because I have burned it down when it was small previously. I am going with roundup, a little broadleaf killer to try and knock down the cover crop. I am going to use a 2154 planter but I'm still trying to see what makes the most sense on pressure settings for the trash whippers, downforce, and closing discs.*



TODAY'S RIDDLE: I can be flipped and broken but will I never move. I can be closed, and opened, and also sometimes removed. I am sealed by hands. What am I?



Cellular Meat is Headed Our Way... What You Need to Know!

Most of us in the livestock industry has been shocked by the rising popularity of so-called fake meat products from the likes of Beyond Meat and Impossible that went mainstream last year. These "plant-based" products proved more popular among consumers than many had thought. But there is another threat that is gaining more traction that the industry needs to plan for - "cellular meat".

Memphis Meat, one of the leading cell-based meat companies, announced in January that it raised a \$161 million Series B financing round that includes some big-name backers, including Tyson and Cargill. They are one of a number of companies trying to produce from animal cells rather than the actual animals. According to Memphis Meat, consumers won't be able to tell the difference between its product and the real thing.

The names cellular meat, cell-based meat, cultured meat, and lab-grown meat all sound unappetizing to me, personally. But these products will target the same crowd that has elevated plant-based fake meat to its current level of popularity. That popularity comes in spite of the large body of evidence that shows these products aren't really any healthier than real meat. In fact, they may not be any more environmentally friendly, either, which has been a big selling point. But consumers don't seem to care. At all.

With that in mind, it seems like a big mistake to discount this new product. Much of the cell-based meat industry's target market is likely tech-savvy enough to wrap their heads around the science and not be scared off. These consumers are also highly motivated to support companies that boast processes friendly to both the environment and animals. And cellular meat might be able to beat plant-based options on both those fronts.

Cellular meat has a way to go before hitting supermarket shelves. The USDA and FDA announced last year that the two will jointly regulate the industry, which does give these products a path to commercialization now. It's unclear how long it may take to clear the regulatory hurdles, though, mostly because the agencies don't have a regulatory framework in place to deal with them. Memphis Meats said it is working with regulators to ensure a "safe and timely" market entry, though no timeline or launch date has been announced.

Memphis Meat is forging ahead anyway. The company intends to use its latest cash infusion to open a factory where it can produce prototypes for potential customers. The company says it will take about 18 months to two years for the plant to be up and running. In that time, one of the company's big challenges will be to figure out how to lower costs.

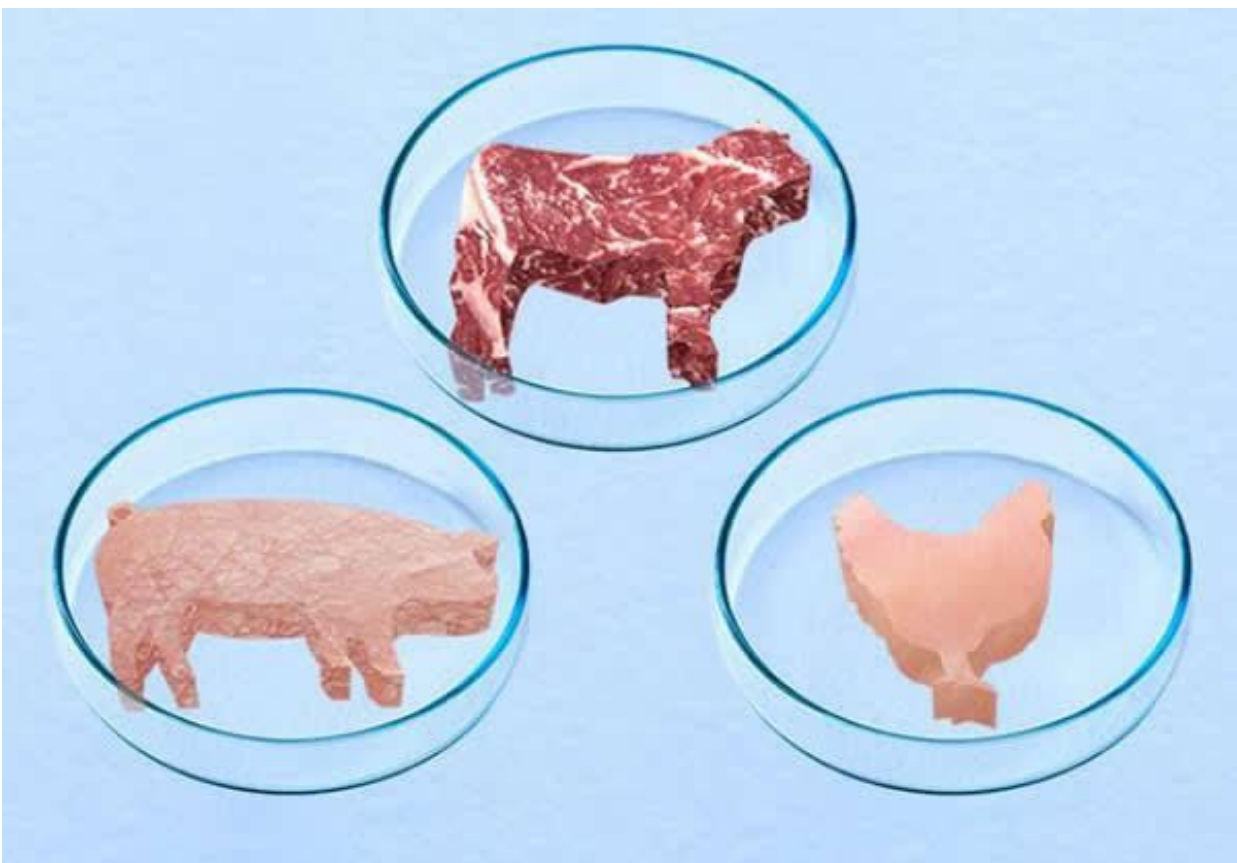
Another company, Future Meat Technologies, recently raised \$14 million in new financing to build a pilot manufacturing facility with a main goal of lowering the production costs of cell-made steak down to \$10 per pound. The current price of production for a hamburger is around \$11.36 per pound and reflects the cost of producing it in an unscaled environment (i.e. Petri-dishes). Once they scale the product, it will be immensely cheaper to produce.

To get an idea how fast costs have come down, consider that in 2013, Mark Post, a Dutch scientist and the co-founder of Mosa Meats, became the first person in the world to make a cell-cultured beef burger. The process he used took three lab technicians about three months to turn out a one-pound burger, which cost more than \$278,000 to produce.

The cost factor will likely be helped along by the huge amounts of funding these

companies are pulling in. Investments in cultured meat start-ups increased more than 120% between 2018 and 2019. Several companies, including BlueNalu, Future Meat Technologies, Finless Foods, Wild Type, and Aleph Farms, all raised more than \$10 million last year, bringing the total amount raised by cultured meat start-ups since 2015 to more than \$155 million. That number was doubled with Memphis Meats \$161 million fundraise.

Future Meat Technologies aims to launch hybrid products, which combine plant-based protein with cultured fats, as early as 2021, followed by 100% cultured meat products in 2022. Dutch start-up Meatable is using the \$10 million in funding it received in December to launch a pork prototype this summer. The company plans to have a full-scale plant up and running by 2025. Check out their site [HERE](#). Again, don't shoot the messenger, but I included a few pics from the Future Meat website that helps better show what's coming our direction. Like everyone else, I'm still trying to better understand what percentage of the market "cellular meat" will win over and what percentage of the market they will gain longer-term as they eventually work their production cost down lower and lower. On the flip side, the more traditional livestock producer is battling higher costs often associated with more government hurdles relating to climate change, clean energy, water conservation, etc. The battle-lines are certainly being drawn... (Sources: Quartz, CNN, Food Business News, AgFunder)





DISRUPTIVE TECHNOLOGY

SUSTAINABLE & SCALABLE BY DESIGN

Future Meat Technologies groundbreaking process starts with GMO-free animal cells that grow indefinitely without animal-derived components.

Our cells are grown in patented bioreactors that can replace barns, chicken coops and meat processing factories. Products are indistinguishable from animal-based meat.

This distributive technology is sustainable and cost-effective, and due to rapid growth cycles, it allows producers to rapidly adapt to changing market demands.

INNOVATIVE SOLUTIONS

1 GROUND BREAKING BIOLOGY

We immortalize animal cells without genetic modification, making our cell source uniquely GMO-Free. Our cells show fast growth, doubling in mass every 24 hours. Thus, the manufacturing process lasts only two weeks allowing producers to rapidly change chicken, lamb and beef production within a few weeks' notice.

2 CUTTING EDGE ENGINEERING

Future Meat Technologies patent-pending method to grow cells in suspension, without carrier beads, enables 40-fold higher production yields. Our unique rejuvenating bioreactor design drastically reduces the volume of feed media used in manufacturing by 20-folds, by eliminating waste products radically reducing costs.

3 DISTRIBUTIVE MANUFACTURING

Future Meat Technologies enables food producers, meat processors, farmers, food services and retailers to manufacture biomass and process it, locally or in centralized facility, dramatically lowering capital requirements.

MEAT
DONE RIGHT

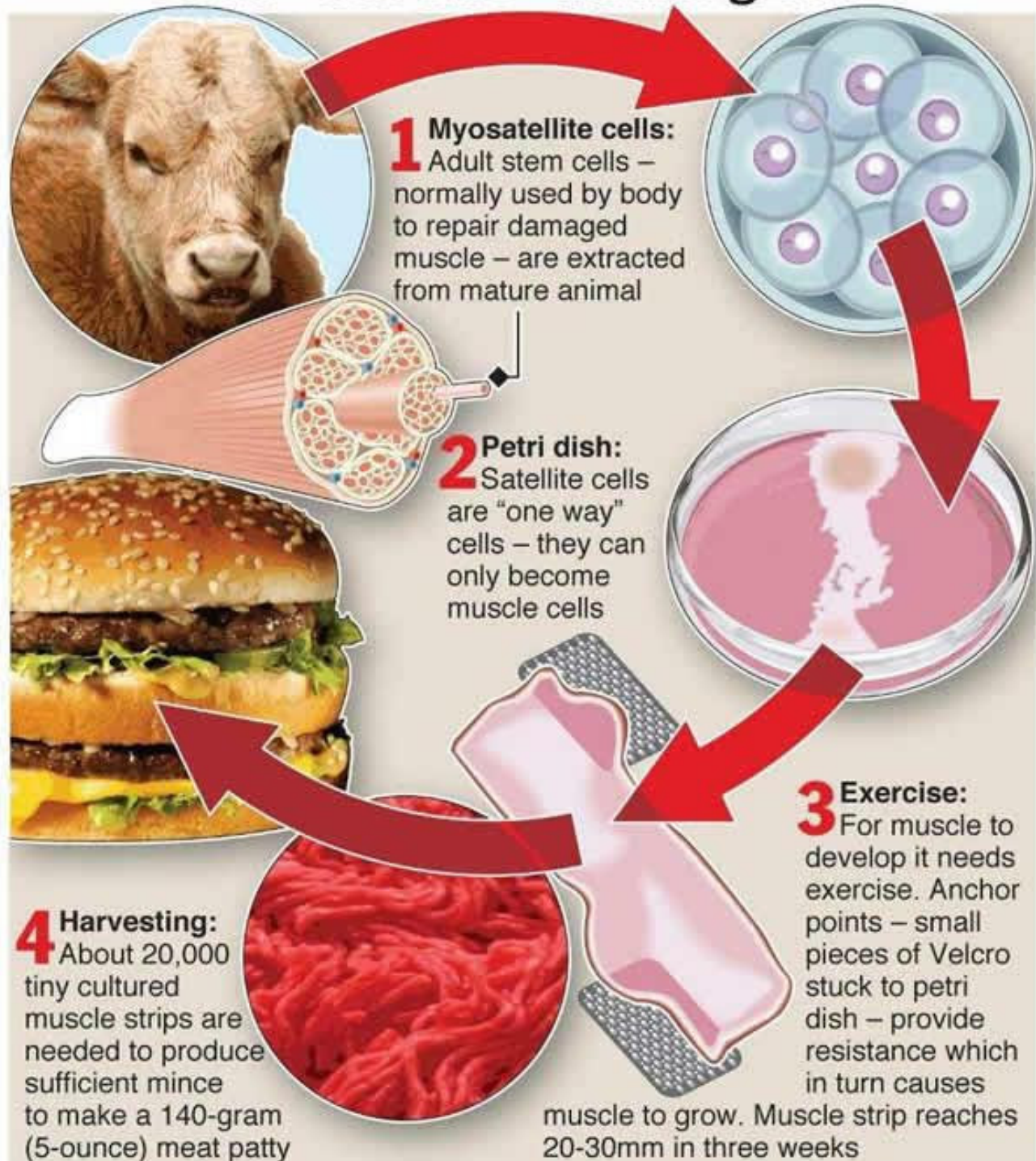
80%
LESS
GREENHOUSE
EMISSIONS

99%
LESS
LAND
USE

96%
LESS
FRESHWATER
USE

100%
SAME
NUTRITIONAL
VALUE

How “test-tube” meat is grown



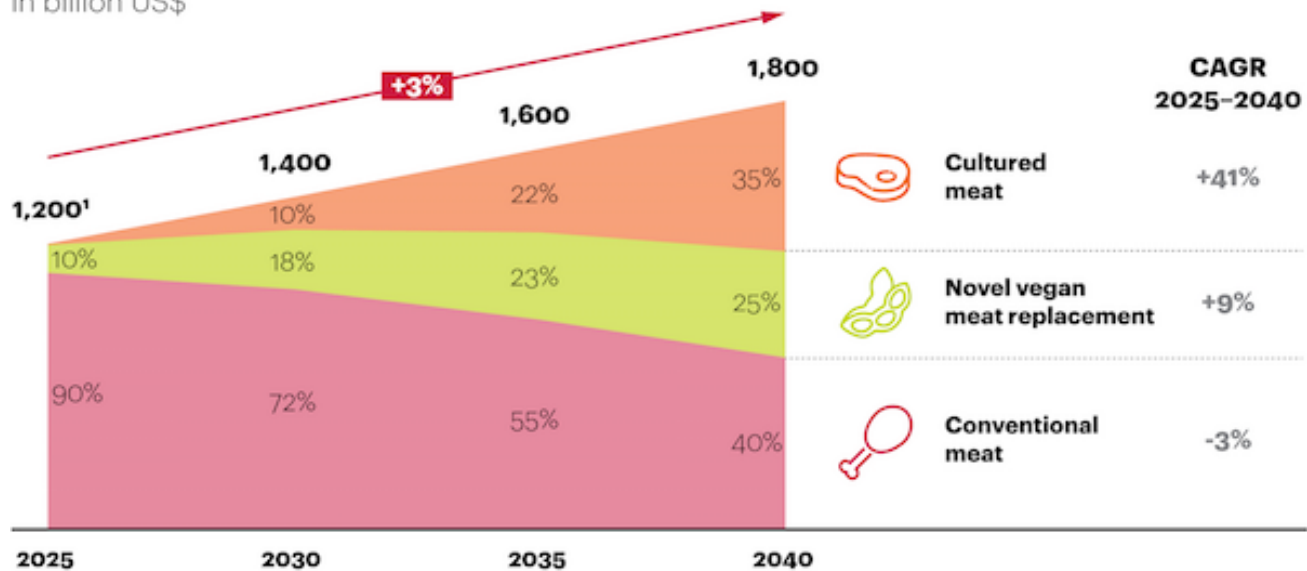
Source: Professor Mark Post, University of Maastricht

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Figure 9

Global meat consumption: By 2040, conventional meat supply will drop by more than 33%

in billion US\$



¹ Numbers are rounded to hundred billions.

Sources: United Nations, World Bank, Expert interviews; A.T. Kearney analysis

**The Match - "Tiger and Manning" vs. "Mikelson and Brady"**

Sports fans finally have some live competition to look forward to next month with what is being called "The Match: Champions for Charity" golf event raising funds to benefit coronavirus relief. Super Bowl Champs and future football Hall of Famers Tom Brady and Payton Manning will team with golfing legends Tiger Woods and Phil Mickelson. Perhaps more entertaining than the golf will be the banter back and

forth and smack-talking between the four superstars. All four are crazily competitive and I suspect trying their best to distract the other. Should be fun to watch!

Plans for a location are still tentative but insiders are saying The Medalist in Hobe Sound, Florida was approached to host the event, which will air live on TNT later in May, probably on Memorial Day weekend I suspect. Pairings were first released by Mickelson on Twitter and reveal that he and Brady will take on Woods and Manning. In case you were wondering, Manning and Brady, who share eight Super Bowl trophies and eight MVP crowns between them, are more than handy on the golf course. Brady posted a five-over-par 77 at Augusta National, the home of The Masters a few years back, while Manning has a 3.5 handicap, meaning he can get it done on the golf course.

Unlike the match Woods and Mickelson played in two years ago, which featured Mickelson taking home the \$9 million winner-take-all purse, all proceeds from next month's event will benefit various charities helping those impacted by the pandemic. There would be no fee for this match this time as the event will most likely be the first "live" sports event in the U.S. in more than six weeks. There are a lot of great tweets out there but Mickelson wasted no time to hit social media once the announcement was made, tweeting "It's on now." "After feeling the sting of defeat the first time around, looks like Tiger Woods is bringing a ringer to the match (Manning). I'm bringing a GOAT (Brady). Ready to hit bombs?"

Still to be determined is the format for the event, which I suspect will be a best-ball scenario, but why not change it up every six holes and go with best-ball, alternate shot and a two-man scramble? I think fans would love to see touring pros having to make some adjustments for their partners and it would definitely force Brady and Manning to contribute to a team win. Reintroducing televised sports beginning with golf makes a lot of sense as it can easily be done with no spectators and since golf is not a contact sport, all involved can maintain proper social distancing protocols.

Sports seem to have a way of uniting American's and I suspect this event can help bring a smile. I have to imagine there will be a ton of new protocols in play once we can start attending concerts and sporting events again. I'm curious to see how long will it take all fans to re-emerge once we are back up and running, how long before the big stadiums are sold out? Click [HERE](#) to watch a fun and short video with partners Woods and Manning at last year's Memorial event. I've also included a couple of fun Tweets below, it should be a fun and competitive match to watch (Source: [espn.com](#). [newsweek.com](#), twitter, nypost)





Phil Mickelson ✓
@PhilMickelson



After feeling the sting of defeat the first time around,
Looks like @TigerWoods is bringing a ringer to The
Match (#PeytonManning).

I'm bringing a 🐑

@TomBrady - Ready to hit 💣's?



Never had much of a hard time beating the colts or a tiger, don't see this time being much different...



Just Something Cool to Check Out!

If you are looking for a new hobby or something cool and creative to attempt, you need to check out this youtube video that was sent my direction the other day. The video showcases the amazing matchstick work of Patrick Acton.

Acton was born in Greene County, Iowa, and raised on his family's farm near Rippey. After he graduated from the University of Northern Iowa in 1977, he moved to Gladbrook, IA, with his wife April, and soon began experimenting with matchstick models looking for something to do as a hobby.

As a child, Acton saw a television news story about a man who fashioned a model of his farmstead from ordinary wooden matchsticks. Although Pat never forgot about this interesting story, it wasn't until years later that he attempted building

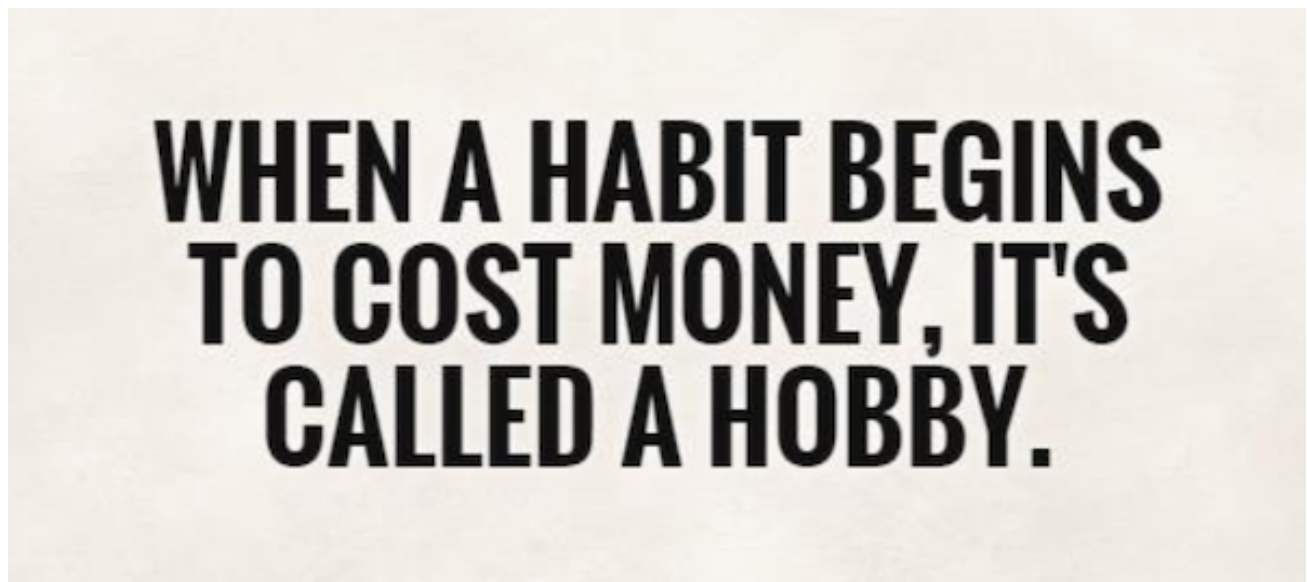
with matchsticks.

Then in 1977, fresh out of college with no woodworking tools of his own, Acton built a small model of a country church. He used Ohio Blue Tip matches purchased at the grocery store, a bottle of school glue, a utility knife, and a piece of sandpaper. Soon after that he challenged himself by building a matchstick model of a ship, the frigate USS Constitution. The wintertime hobby became a passion for Pat.

Over the past 40 years, Acton has built some of the coolest matchstick sculptures I've ever seen. While some of the larger ones are in "Ripley's Believe it or Not Museums", many are in his own museum "Matchstick Marvels" down the road from his home in Gladbrook, Iowa.

Incredibly, Acton says he has made them all in the tiny basement workshop in his home. He estimates that he has used millions of matchsticks in his career. His most impressive builds include the State Capitol building, a huge Millenium Falcon complete with lights and working landing gear, a locomotive that kids can actually climb into, Hogwarts from Harry Potter, and many, many more. While most people would build a couple of models, Patrick has 100s, each unique and extremely spectacular. Although his techniques for building models have improved, the basic process has remained the same - that is, gluing one stick at a time. Now, this is how you do a hobby! [Click HERE](#)

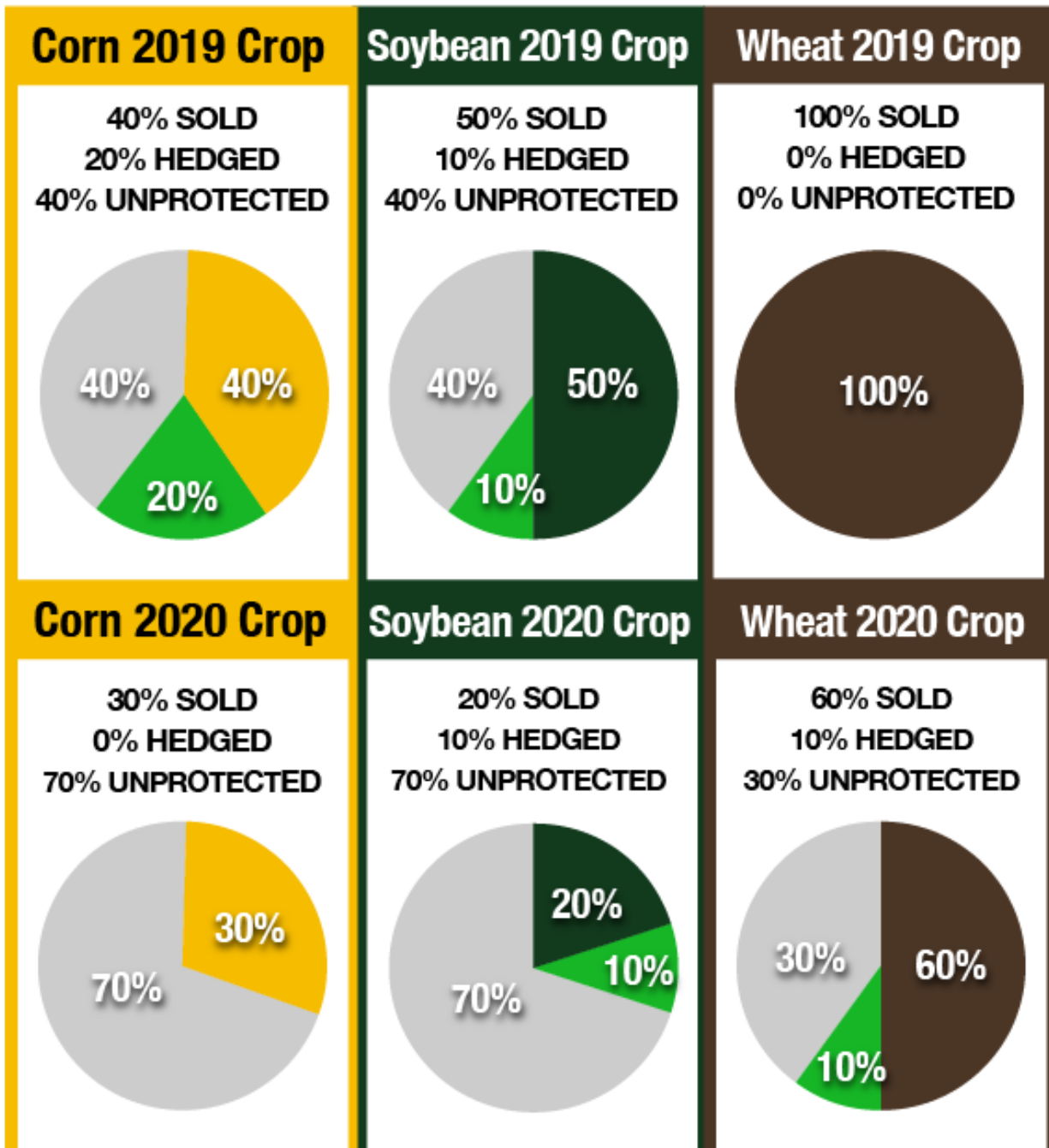


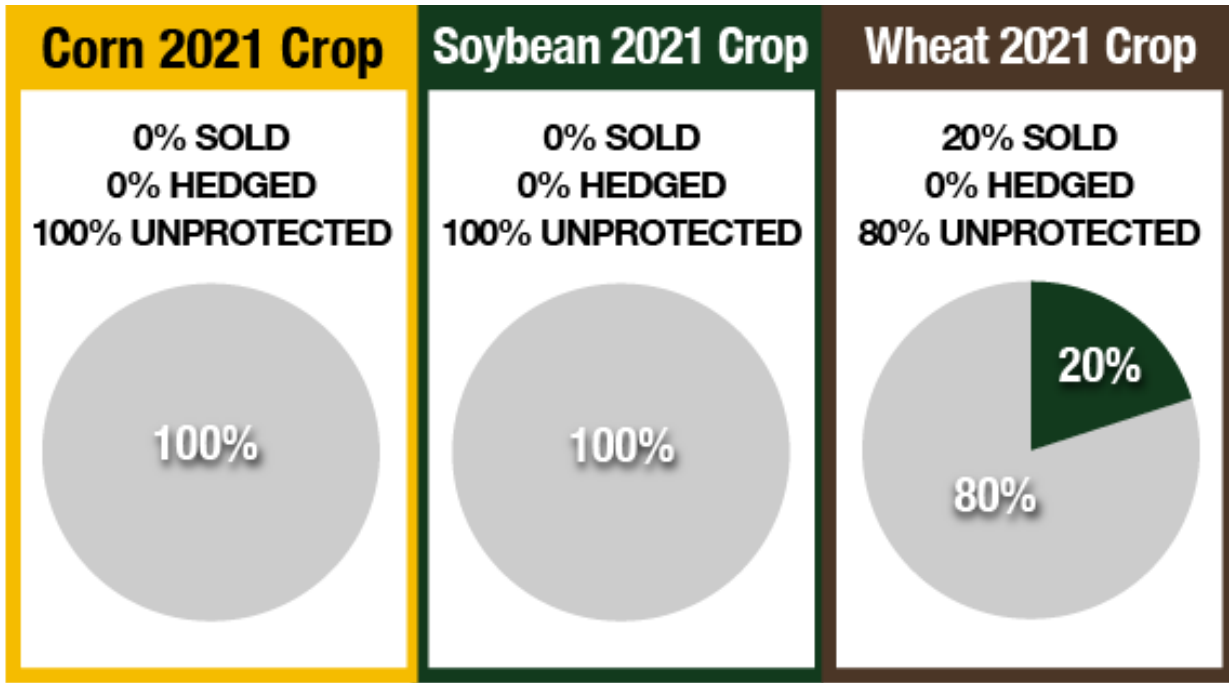


ANSWER to riddle: A deal.



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