



Jordan Van Trump <jordan@farmdirection.com>

GOOD MORNING: The Van Trump Report 5-15-20

1 message

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

Fri, May 15, 2020 at 5:30 AM

Reply-To: Jordan <reply-fec111757c660d7d-1180_HTML-40325470-100003450-10@vantrumpreport-email.com>

To: jordan@farmdirection.com



"They say a person needs just three things to be truly happy in this world: someone to love, something to do, and something to hope for." - Tom Bodett

Friday, May 15, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Bulls are happy to see more states beginning to restart their economies. Mall of America announced they are set to re-open June 1. The New York Stock Exchange announced they will reopen the floor to live human trading later this month, two months after the coronavirus pandemic forced its closure. On the flip side, State colleges in California say they will not reopen in the Fall preferring to wait one more semester. Economic data scheduled for release today, including retail sales, will more than likely be fully ignored and discounted as simply a one-off due to coronavirus. Bears, however, continue to worry that unemployment will remain a concern moving forward. About 36.5 million Americans have filed unemployment applications in the past eight weeks. Delta Airlines made comments yesterday that they might need to layoff over 7,000 pilots

by early-Fall. Delta says they are currently burning about \$50 million per day. A separate report released by the Federal Reserve showed 1 in 5 working Americans had been laid off or furloughed by early-April but that is not really new information. The income breakdown, however, is interesting, with nearly 40% of people working with a household income below \$40,000 reported that they'd lost a job in March, while the same was true for 19% of people with income between \$40,000 and \$100,000, but only 13% for those with income exceeding +\$100,000. The U.S. Treasury sent out more than \$48 billion in unemployment payments in April, greater than three times the amount paid at the monthly peak of the 2007-09 recession, according to a Brookings Institution. The big question amongst traders on Wall Street is what happens when the extra \$600 a week of federal unemployment benefits expires at the end of July, especially with so many of the lower wage earners being more heavily impacted? Good news is tens of thousands of autoworkers will come off the unemployment rolls starting next week as Ford, General Motors, and Fiat Chrysler restart assembly lines. Hopefully, there won't be any major supply chain snags. Mexico's Health Secretary clarified yesterday that the re-opening date of May 18 given for Mexican auto factories is when they can begin "preparations" to resume production but they can't actually make anything until June 1. Economic data next week will give us a look at April housing activity with the NAHB Housing Market Index on Monday; Housing Starts and Permits on Tuesday; and Existing Home Sales on Thursday. We'll also hear from Federal Reserve Chair Jerome Powell again next week when he testifies before the Senate Banking Committee on Tuesday. He'll be joined by Treasury Secretary Steven Mnuchin via the web in the first required update to Congress on the economic response to the coronavirus pandemic. Keep in mind, the Federal Reserve's balance sheet grew to a record \$6.98 trillion in the week ended May 13. Much of the balance sheet's expansion was due to an increase in its holdings of mortgage-backed bonds by \$178 billion. Hopefully, we also hear some positive news regarding Chinese trade relations.

Latest Memo from Howard Marks, "Uncertainty": *Remember, Marks is the one many of the biggest names on Wall Street like to hear from. His thoughts and comments are worth paying very close attention. As usual he nails this one, as he discuss why it's so difficult to forecast and play for the future. As I've pointed out often in my daily report and learned the lesson many times in my own life, it's our own confirmation bias, over-confidence, and not fully understanding the limits of our own abilities that makes life difficult. I encourage everyone to read the Marks memo in full detail [HERE](#). I promise it's worth the time. I've included below a few of the quotes Marks references that I also have pinned in my office as a reminder.*

Once we have formed a view, we embrace information that confirms that view while ignoring, or rejecting, information that casts doubt on it. Confirmation bias suggests that we don't perceive circumstances objectively. We pick out those bits of data that make us feel good because they confirm our prejudices. Thus, we may become prisoners of our assumptions. (Shahram Heshmat, Psychology Today)

What good poker players and good decision-makers have in common is their comfort with the world

being an uncertain and unpredictable place. They understand that they can almost never know exactly how something will turn out. They embrace that uncertainty and, instead of focusing on being sure, they try to figure out how unsure they are, making their best guess at the chances that different outcomes will occur. - Annie Duke

"Ignorance more frequently begets confidence than does knowledge." It goes on to say, "Being a true expert involves not only knowing stuff about the world but also knowing the limits of your knowledge and expertise." - Charles Dawrin, Eric Angner [professor of practical philosophy at Stockholm University]

Because In Life You Can Always Reference Willy Wonka...



Sam Sheppard OAM
@Samsamum



Does the end justify the means?

#COVID—19 #Pandemic #Shutdown #Business #Economics
#Jobs





New York Stock Exchange to Reopen Trading Floor: *The New York Stock Exchange will reopen its trading floor later this month, two months after the coronavirus pandemic forced its closure.*

Can We Get Catch Corona More than Once? *Most scientists say that people who have had Covid-19 gain some immunity to the virus that causes it. What they don't know is whether that protection lasts a few days, weeks, months, a few years or a lifetime. More than 160 South Koreans tested positive a second time for the novel coronavirus last month, weeks after being discharged from medical supervision. Some symptom-free Americans have been barred from donating their blood plasma to help treat others because they are still testing positive. (Source: The Wall Street Journal)*

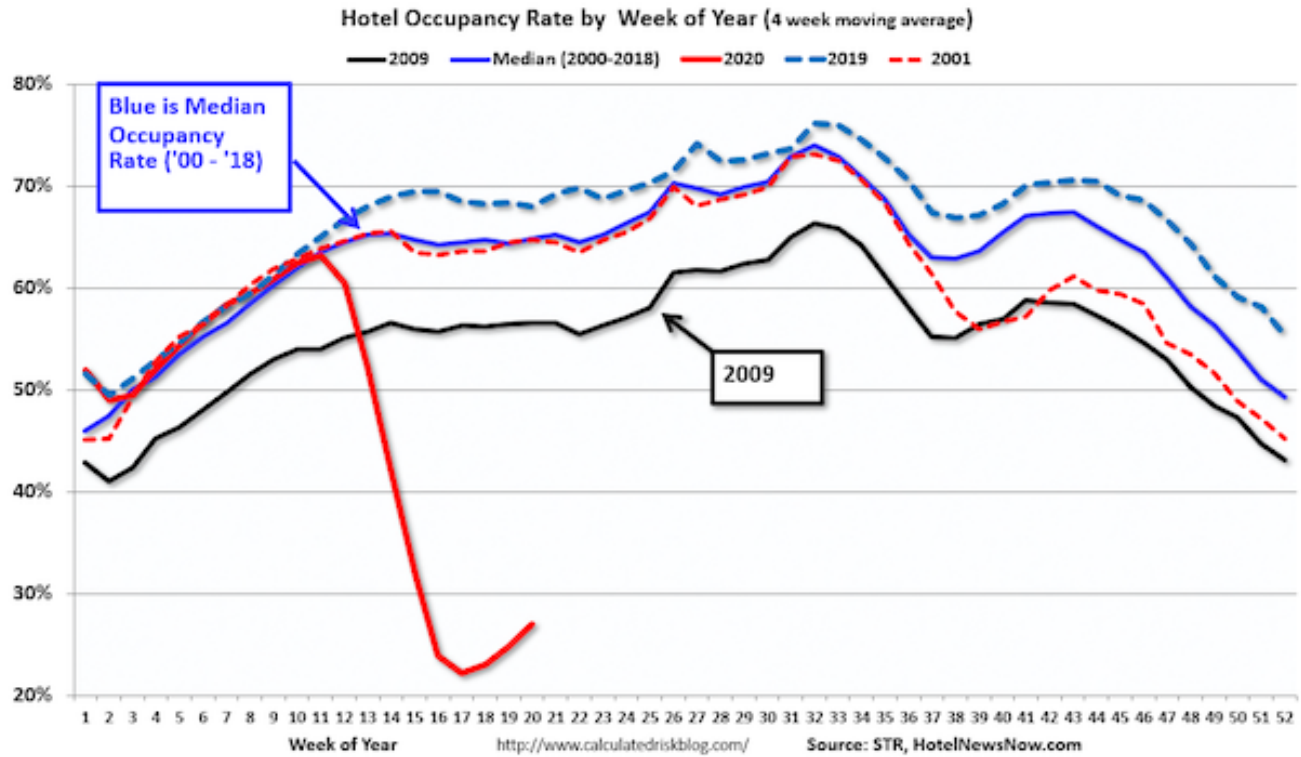
GE Revisits 1991: *The market value of General Electric dropped below \$50 billion on Thursday — about a fourth of a Netflix or a third of a Tesla. The last time GE was worth so little, back in January 1991, a dozen eggs cost 85 cents, the Soviet Union still existed and the Dow Jones Industrial Average had yet to break through the 3,000-point mark. Its chief executive, the late "Neutron" Jack Welch, still had another decade to go and would see GE briefly become the world's most valuable company. (Source: WSJ Heard on the Street)*

One-Quarter of U.S. Restaurants Will Not Reopen: *One in every four U.S. restaurants will go out of business, according to a grim forecast by OpenTable. The bleak projection underscores the widespread pain for American restaurants as lockdowns have forced people to cook at home. Restaurants lost more than \$30 billion in sales during March and \$50 billion in April, according to National Restaurant Association estimates. In 2019, U.S. Bureau of Labor data showed 9.6 million Americans working in food service. The company's data shows that there are growing signs that patrons are willing to dine out again in states like Arizona and Texas where it's allowed, though the numbers are still far below where they were last year.*

(Source: Bloomberg)

Walt Disney World and Union Reach Reopen Agreement: *Walt Disney and unions representing workers at Florida's Walt Disney World have reached an agreement on safeguards to protect employees from coronavirus, a union statement said on Thursday, removing one of the company's hurdles to reopening its popular theme parks. The measures include social distancing practices, increased cleaning and mandatory masks for workers and guests, according to the Service Trades Council Union (STCU), which represents about 43,000 workers at Walt Disney World in Orlando, Florida. Disney has announced that some retail stores and restaurants in the Disney Springs shopping area in Orlando will open on May 20, but the company has not set a reopening date for any of its four theme parks in Florida. Shutting theme park gates cost the company \$1 billion from January through March, Disney said earlier this month. About 120,000 of the company's workers were placed on unpaid furlough. Disney also announced yesterday that its stage adaptation of "Frozen" will not reopen on Broadway once the pandemic eases. (Sources: Reuters, New York Times)*

Hotel Occupancy Rates are Improving: *U.S. hotel occupancy rates for the week ending May 9 hit 30.1%, down -55.9% from last year's levels but an improvement from last week. In fact, occupancy rates have steadily increased the last four weeks, according to STR data. STR's Jan Freitag notes, "More people are flying, as shown in daily checkpoint counts from the TSA, and more people are staying in hotels for a variety of purposes—the weekly number of rooms sold topped 10 million for the first time since the end of March." Oahu Island, Hawaii, experienced the largest drop in occupancy (-87.1% to 10.3%). Also of note, absolute occupancy in New York, New York, was 43.7%, down slightly from 44.9% the previous week. (Sources: Calculated Risk, STR)*



FARM TANK

Tweets of the Day

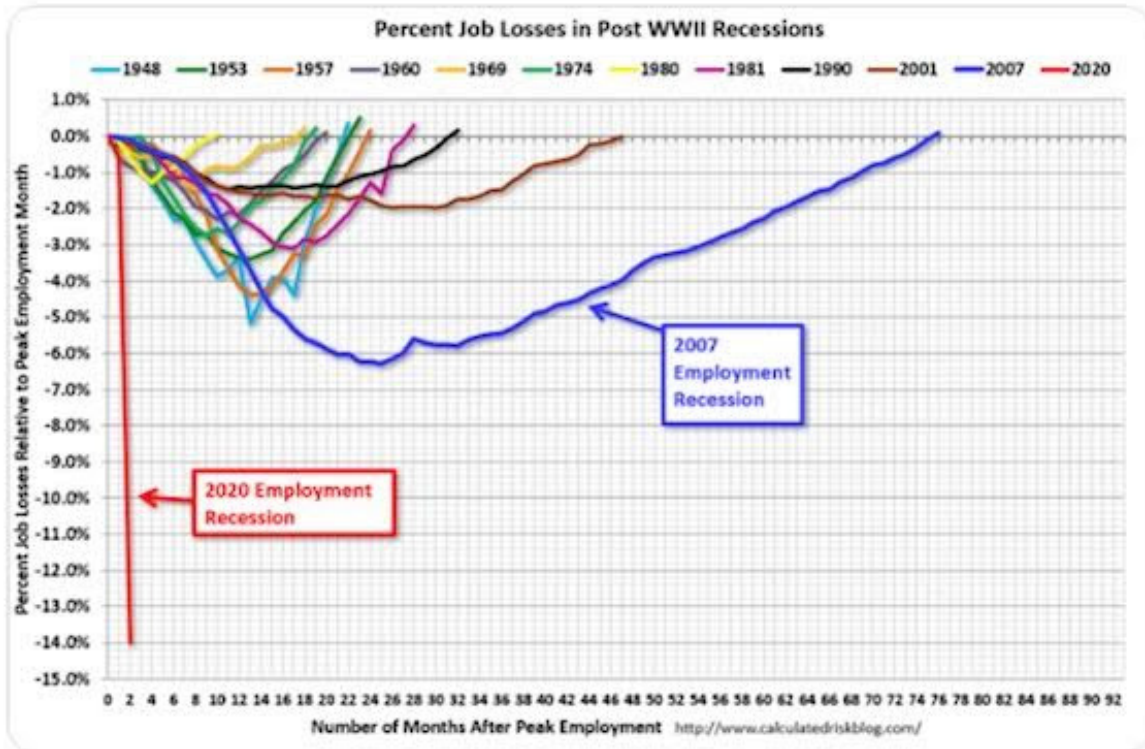




Snippet Finance
@SnippetFinance



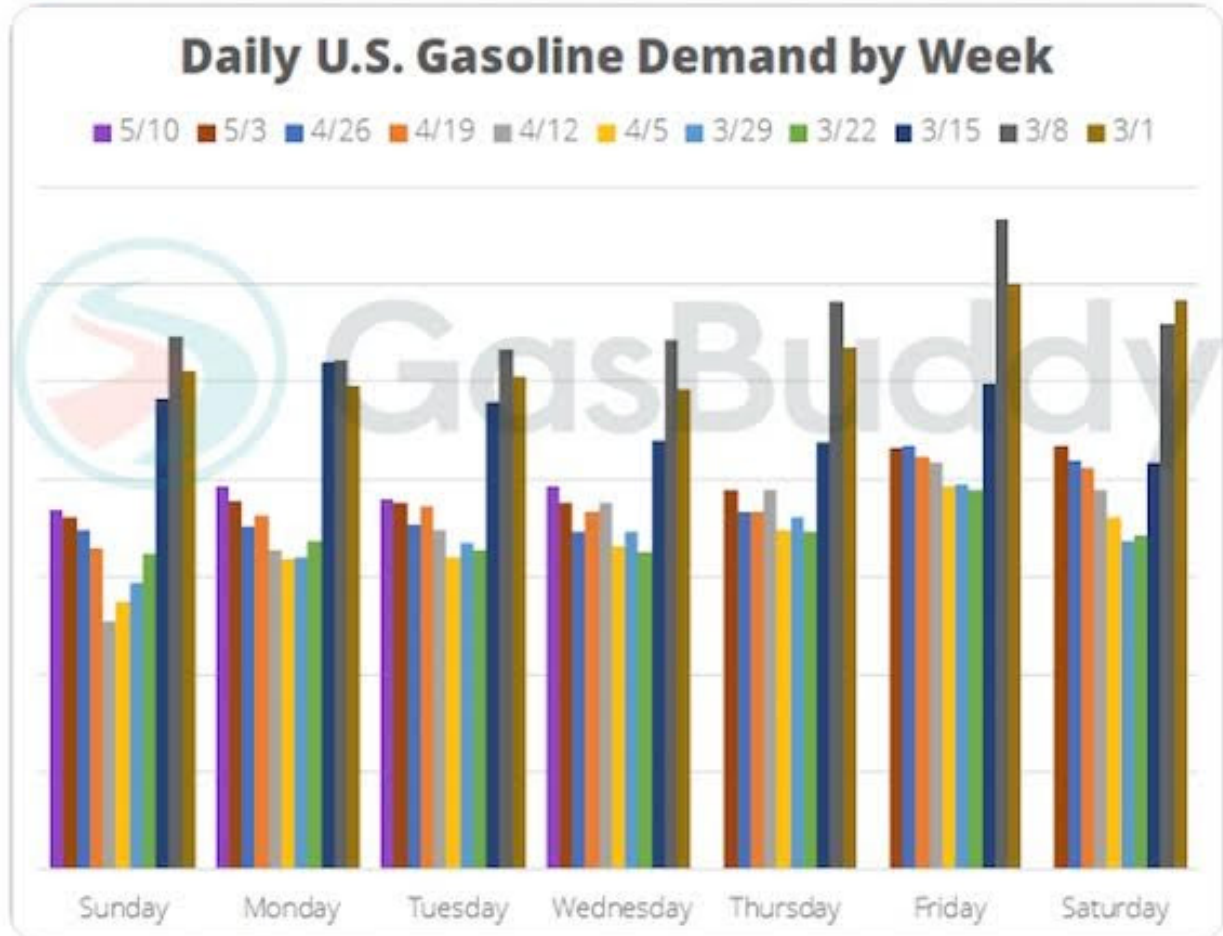
Employment in Recessions - excellent chart h/t @calculatedrisk
#employment #macro #US #stocks #investing
snippet.finance/employment-in-...





Patrick De Haan
@GasBuddyGuy

BREAKING: GasBuddy gasoline demand data shows Wednesday gasoline demand up 4.64% from the Wednesday prior. It's the highest Wednesday demand since 3/18 and up 21.04% from the lowest Wednesday (3/25). However, it remains 27.5% below 3/11. [#gasoline](#) [#oil](#) [#OOTT](#)





kenny reinke
@reinke_farms



Not gonna lie its been a long time since i watched the sun come up in a tractor. Definitely too old for all nighters! 😊



Neligh, NE



Josh Schick
@JoshSchick3



My father in law was cleaning out an old building of his last week and found this IH sign from the 70s and gave it to me to hang in the shop . I'm thinking we will frame it and put some lights behind it



Gridley, IL





Jenneth Johanson
@JennethJohanson



Taking life one acre at a time 😊 #plant20
#agmorethanever #WestCdnAg #wheat #mbag



Michael Bergen
@michael_bergen



Maybe my highest return on investment crop
#plant2020 #nectarofthecob #corn cans @BuschBeer







Super 70s Sports
@Super70sSports



That special moment when your dad lights up your first sparkler with his heater.





Michael Batnick ✓
@michaelbatnick



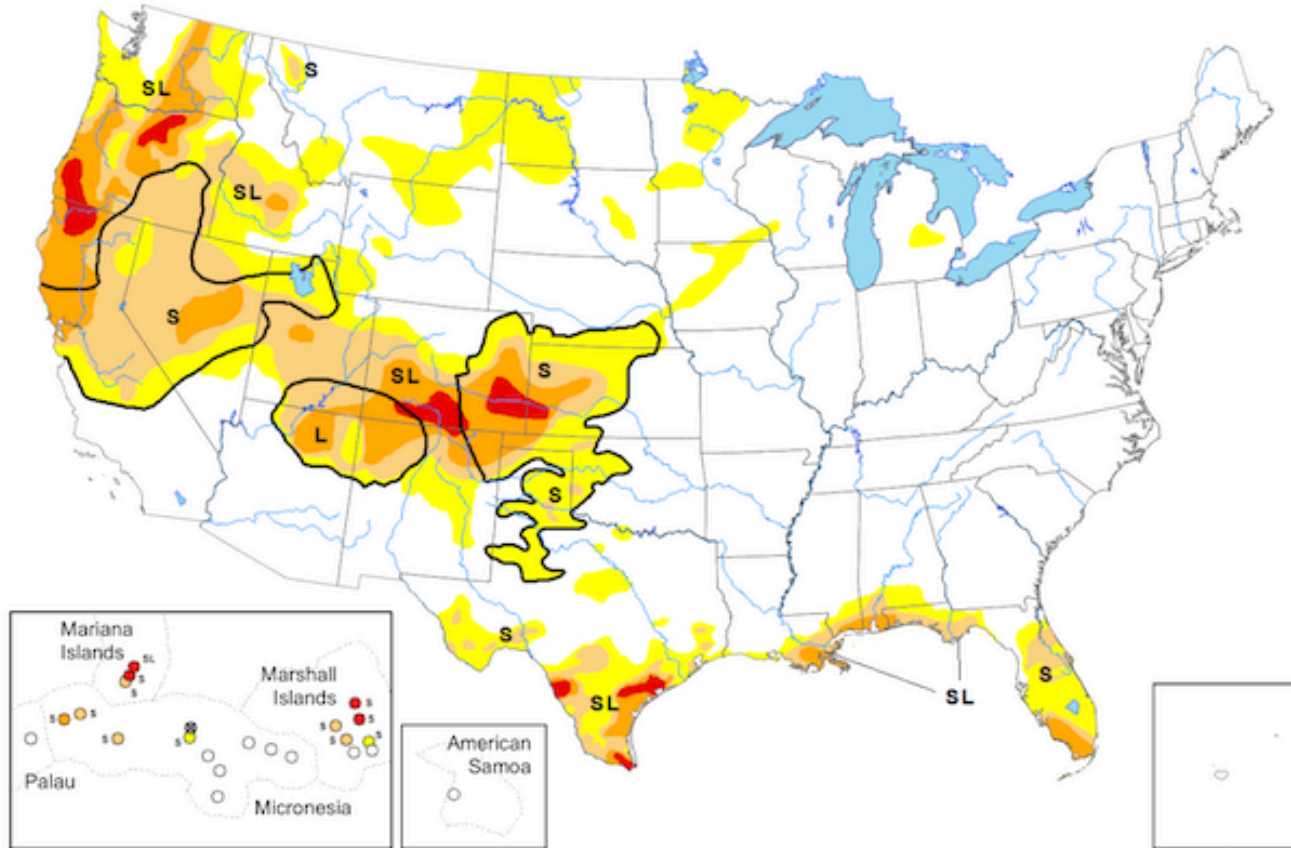
100-mph fastball from Dr. Seuss

It's a troublesome world. All the people who're in it
are troubled with troubles almost every minute.
You ought to be thankful, a whole heaping lot,
for the places and people you're lucky you're *not*!

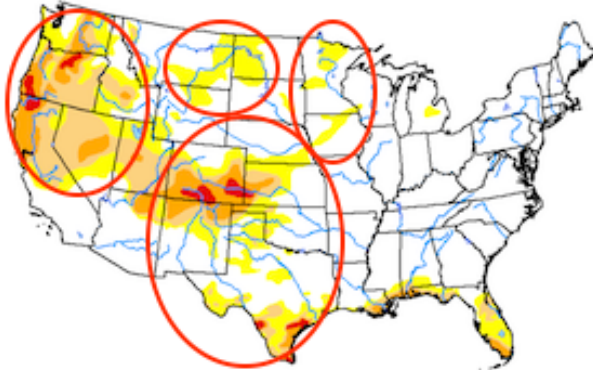
CORN bulls are hoping to see improved "demand". Bears, however, question just how much improvement in "demand" can be made anytime soon? Ethanol can only rebound so much as gasoline demand is certain to be hampered for many months, especially if more workers stay-at-home and commutes and business travel are limited. At the same time, bears are asking just how much corn will China really buy? Yes, they could purchase a sizeable amount of U.S. soybeans but corn purchases seem to have a more defined and limited scale. So again, the bears are asking, just how much can "demand" really jump higher in the coming weeks? It seems to me bulls have to be pulling for some type of supply-side weather hiccup. In simple terms, we need the USDA to eventually trim yield and harvested acres as we progress through the growing season. IEG Vantage, known previously as Informa, is now forecast U.S. corn plantings at just over +94 million acres, which is well below the current USDA estimate and not an unreasonable guess. If that were to play itself out, the acreage cut alone would trim production by -450 million to -500 million bushels depending on how you want to argue trend-line yield and percentage harvested. Still, however, ending stocks could be around 3.0 billion bushels which do not equal higher prices. I've included below the latest drought map. As you can see we are certainly more dry than last year but not yet a real concern of any sort to the overall trade. As we've been saying for weeks, it's about weather and Washington. Will the weather create enough problems to trim production estimates in a significant manner moving forward? Hopefully, we have seen the high forecast for total bushels by the USDA. The other big question is will Washington get the Chinese to buy a much larger share of U.S. corn than the bears are thinking or will leaders in Washington somehow get a sizeable subsidy check of some sort approved to help bail producers out of this "low-price" armageddon?

Map released: May 14, 2020

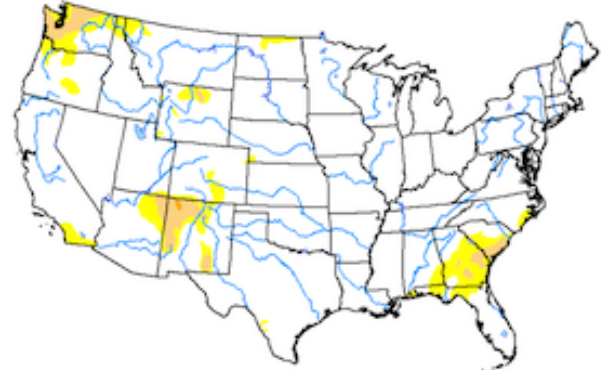
Data valid: May 12, 2020



MAY 2020



MAY 2019



COVID-19 Cases vs. 2020 Top Corn Exporters

COVID-19

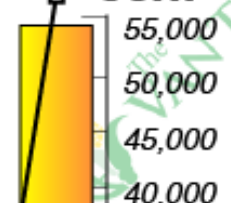


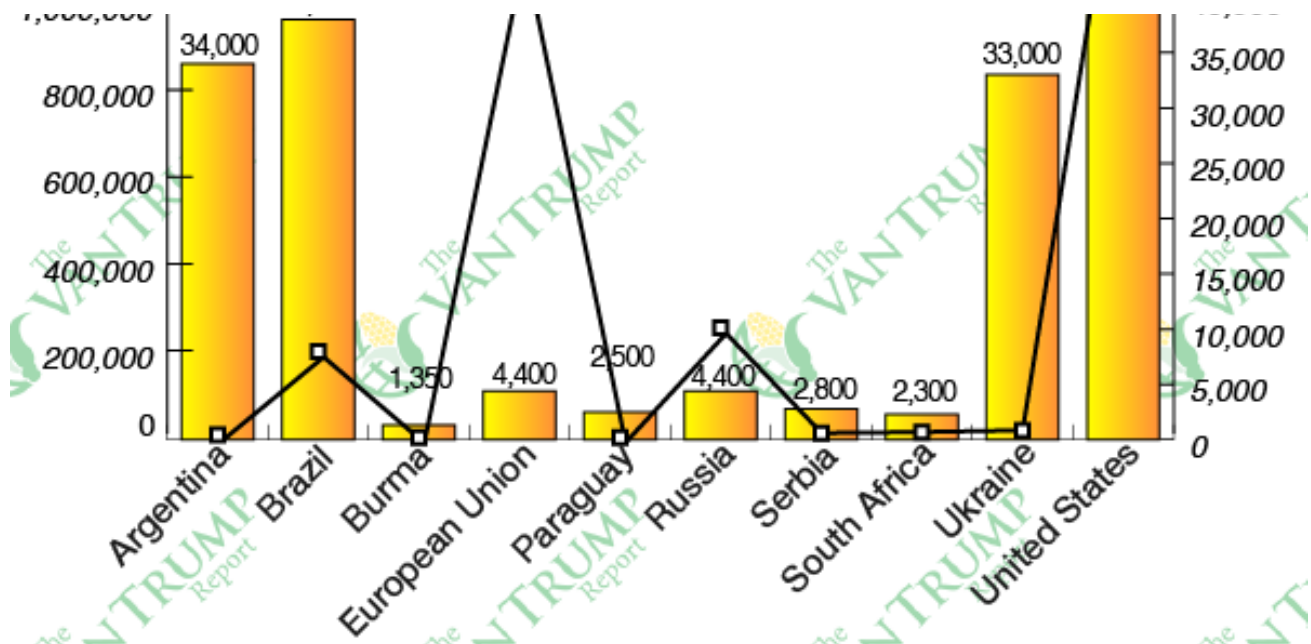
38,000

Exports in metric tons
Total COVID-19 Cases

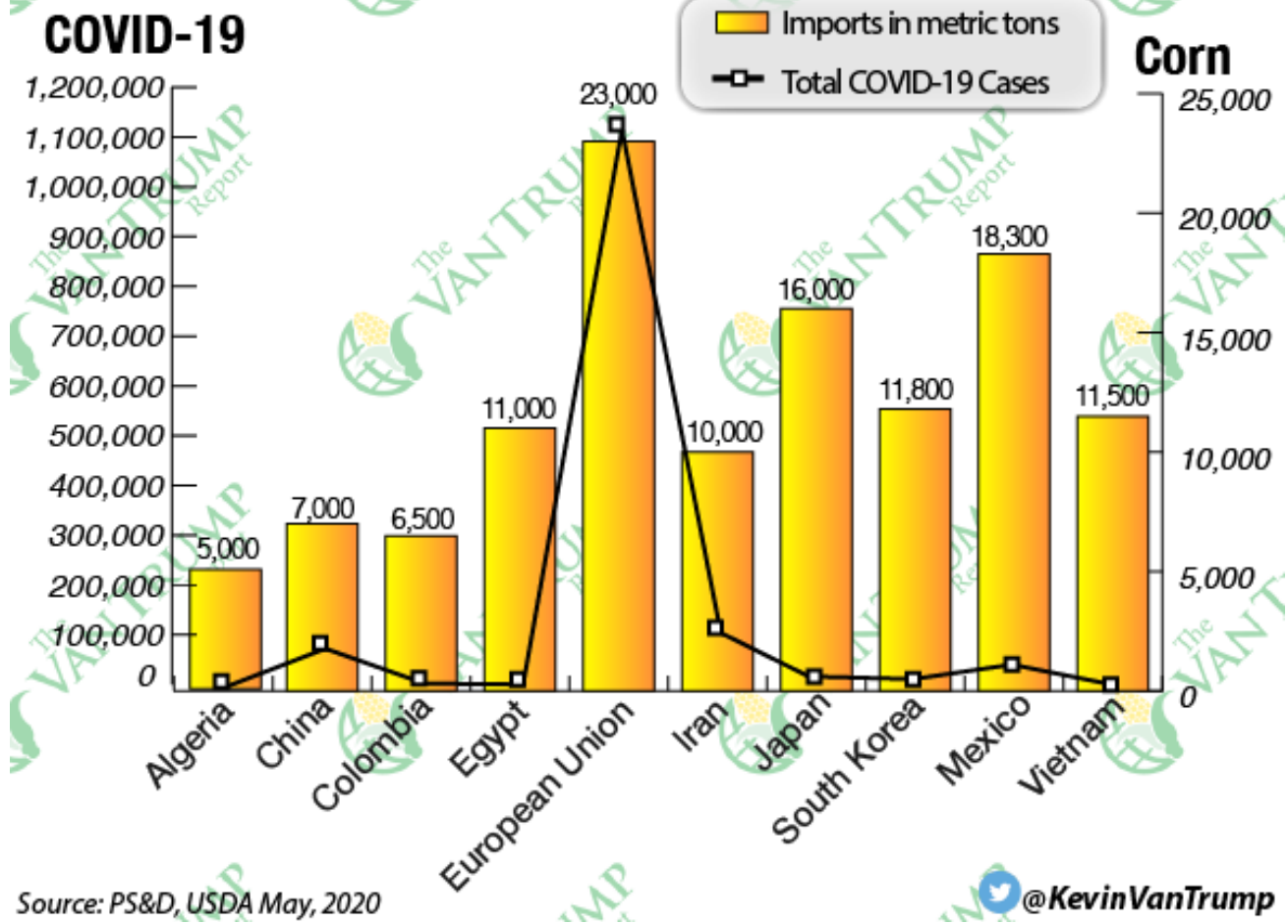
54,613

Corn





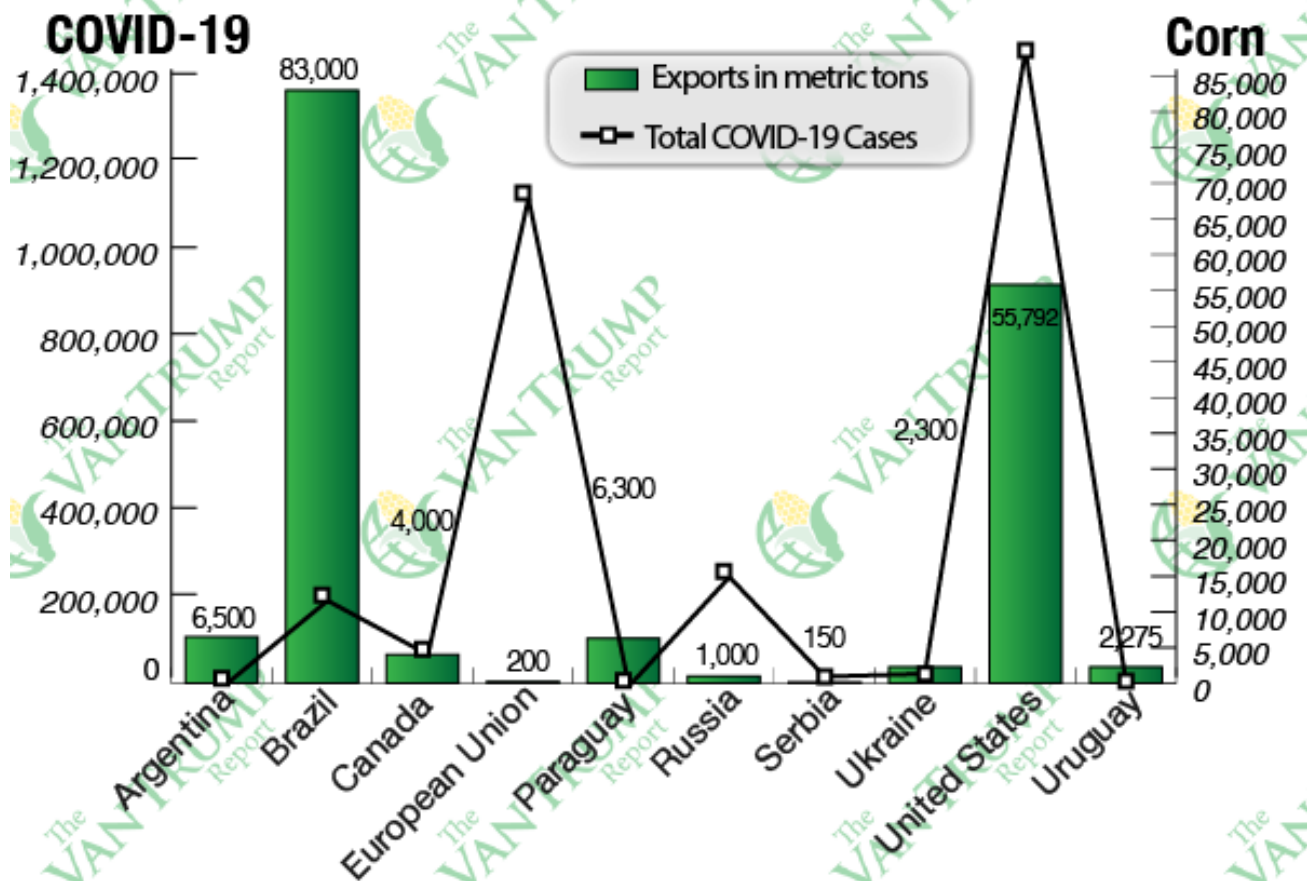
COVID-19 Cases vs. 2020 Top Corn Importers



SOYBEAN bulls are desperately trying to convince the trade that Chinese demand is improving and more will soon come our direction. Yesterday, the headlines

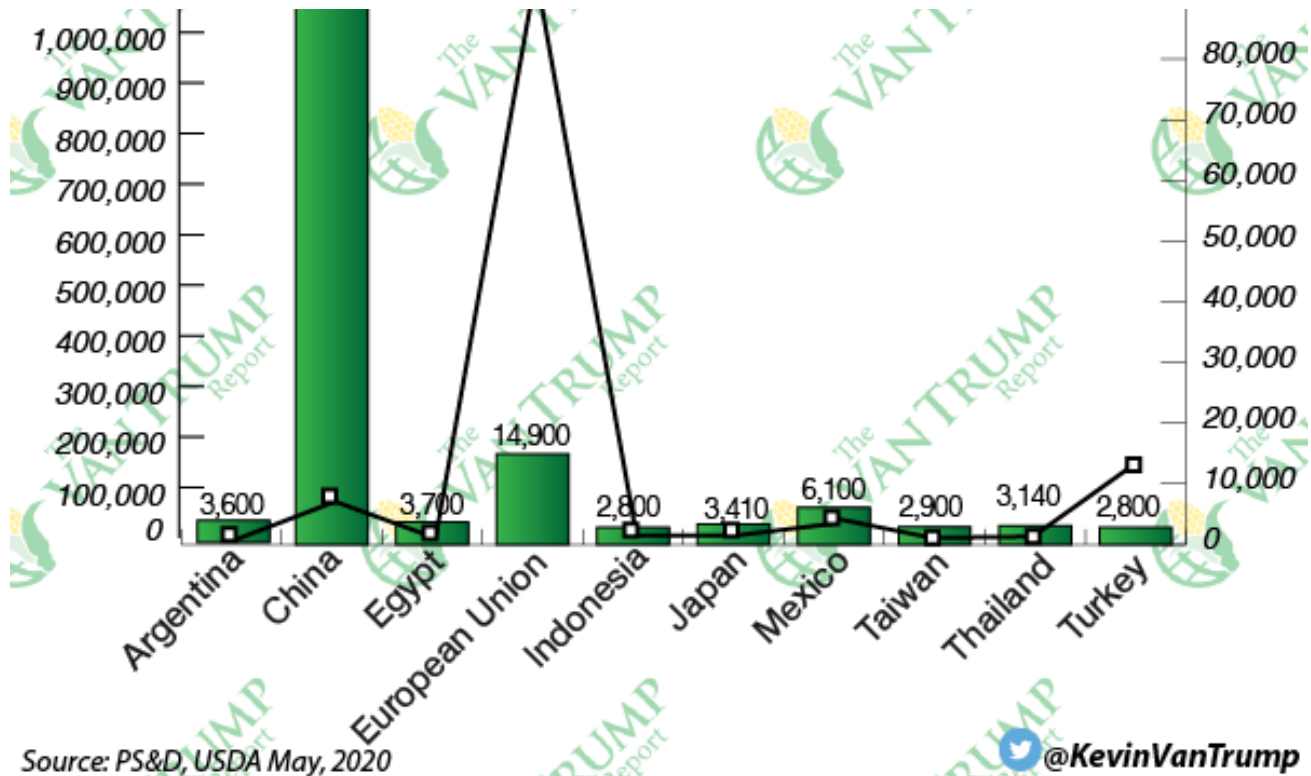
showed of one of the largest bean oil sales in almost a decade yet the trade simply discounted it as no big deal. The bears have a very strong hold on the market right now. I'm holding a small bullish position but have serious concerns about my conviction. I think I'm holding it still because I just want to have something bullish to cheer for and it seems to have more upside potential than either corn or wheat. My long rice positions have been nice but I would sure love to see the major row crops find a bottom sooner rather than later. I don't have anything new or overly insightful to add to what has already been said this week, so I will keep it simple... and say I'm closely monitoring relations and headlines between U.S. and Chinese leaders and longer range weather models. I'm staying patiently optimistic that brighter days are ahead. I continue to target August-Sept-Oct as our window for marketing more soybeans.

COVID-19 Cases vs. 2020 Top Soybean Exporters



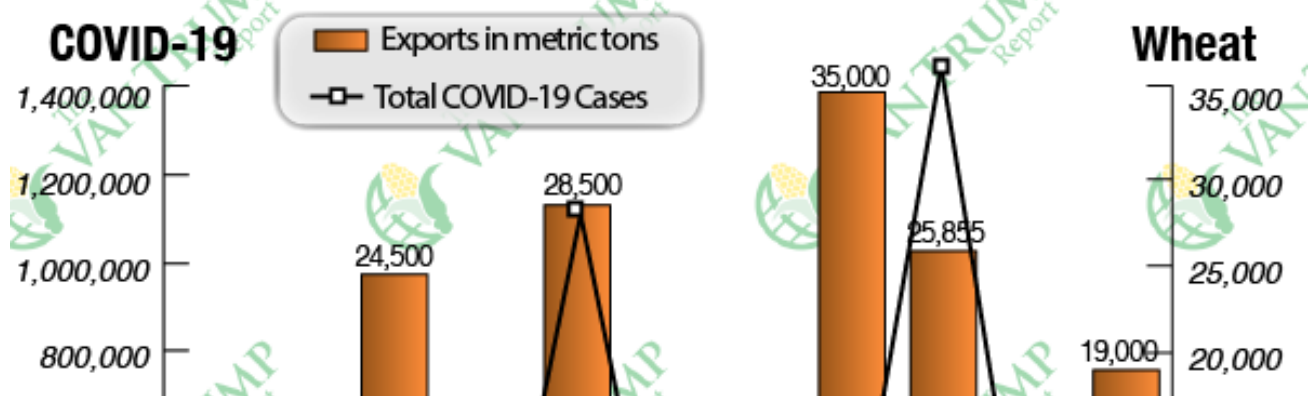
COVID-19 Cases vs. 2020 Top Soybean Importers

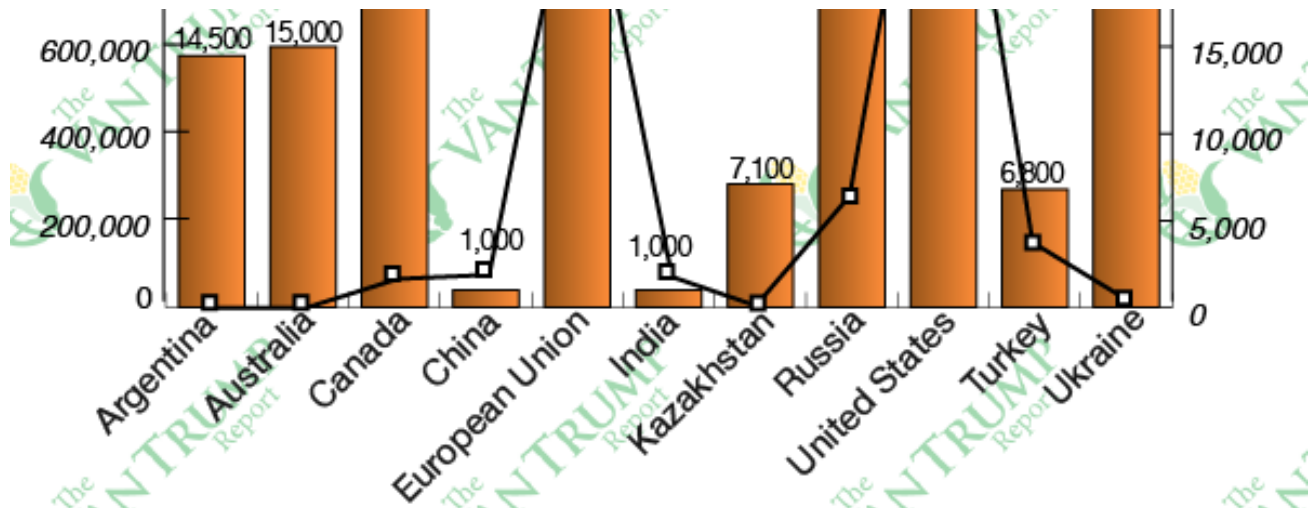




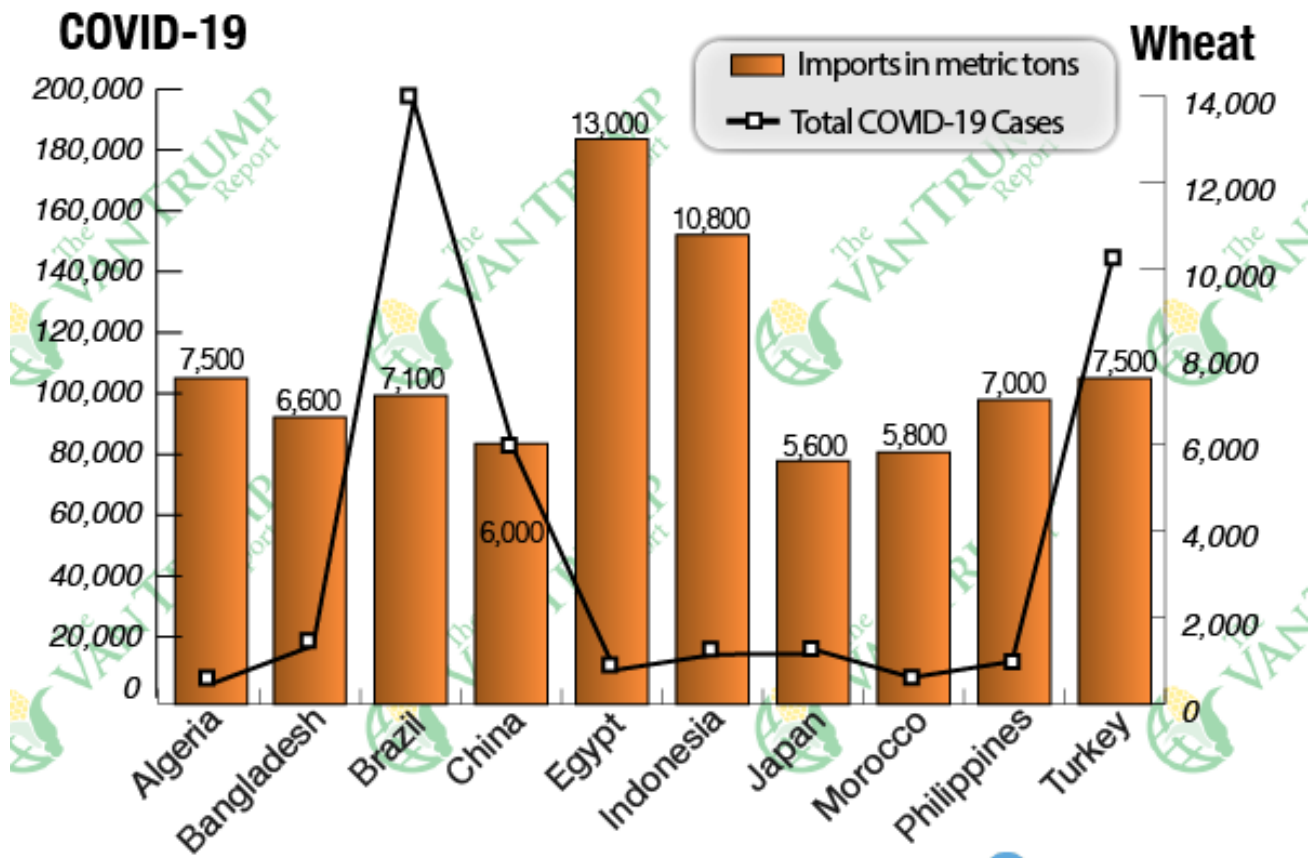
WHEAT bulls will struggle to sustain upside momentum until more weather fears arise, an improved global macro outlook is delivered, or the U.S. dollar comes under pressure. The recent record global stocks estimate by the USDA and larger than anticipated U.S. ending stocks should be enough to keep a lid on nearby rallies. Interestingly, at the same time, it doesn't feel like there is a ton of additional desire to be an aggressive bear, meaning the downside might be fairly limited nearby. Globally, the latest talk is that EU export might be higher than anticipated, Ukraine production might be a bit worse, and rains in Australia might be a bit better than forecast. Here at home, there's also talk of improved moisture coming to the U.S. plains. Net-net, weather seems to be mostly a non-event and a step back for the bulls.

COVID-19 Cases vs. 2020 Top Wheat Exporters





COVID-19 Cases vs. 2020 Top Wheat Importers



Source: PS&D, USDA May, 2020

@KevinVanTrump



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WHATEVER FLOATS YOUR GOAT

A Section for Creative Minds

> USDA Short on CFAP Details: *USDA still doesn't have a sign-up date for a new aid package dubbed the Coronavirus Food Assistance Program, but Farm*

Service Agency offices will start training for enrollment next week, according to a notice sent to state and county offices. The department cannot provide full details on the \$16 billion Coronavirus Food Assistance Program (CFAP) until the final rule is approved by the White House Office of Management and Budget. The rule was sent to OMB on May 5 and is still listed as pending review. Still, USDA officials held a webinar on Thursday, providing some bare-minimum details of the program. Much of the 15-minute webinar was focused on forms that producers must fill out to be eligible for direct aid, especially if those farmers or livestock producers have never enrolled in aid programs through the Farm Service Agency. Sonia Jimenez, deputy director of the Agricultural Marketing Service for Specialty Crops, said on Thursday's webinar the CFAP package will provide aid to farmers who suffered market losses from January through April 2020, regardless of size, if they suffered an eligible loss. Adjusted gross income for producers is expected to be capped at \$900,000 unless at least 75% of a producer's income is derived from agricultural production. For farmers or livestock producers who have not traditionally received USDA aid, they will need to fill out a bevy of USDA forms. Progressive Farmer has details [HERE](#).

> China to Allow Imports of U.S. Barley, Blueberries: *China will allow imports of barley and blueberries from the United States, according to notices on its customs website. The move comes ahead of China's decision in an antidumping probe on barley imports from its top supplier Australia. Australian grain producers said last week that they have been informed by China that it could impose tariffs of more than 80% on the grain. The United States has only exported around 100,000 tonnes of barley a year in recent years, compared with several million tonnes exported by Australia. Most of the U.S. crop is grown under contract for domestic maltsters but approval to export to China could allow for any barley that does not meet malting requirements to be shipped to China for use in feed. (Source: Reuters)*

> Tyson will Discount Certain Beef Cuts: *Tyson Foods will be discounting prices on certain products for the remainder of this week. The price reductions will vary, but Tyson told CNN some beef items sold to grocery stores, restaurants and other customers could be discounted by 20% to 30% through Saturday. "We're doing this because we want to help keep beef on family tables across our nation, especially as our beef plants return from reduced levels of production," said Gary Mickelson, the company's senior director of public relations. Tyson's announcement comes as American grocery store price tags are soaring. Tyson said the discounts will be on items such as chuck and round roasts, as well as some other ground beef products. (Source: CNN)*

> UK Plans to Cut Tariffs on Some U.S. Ag Imports: *The United Kingdom is planning to cut tariffs on U.S. agricultural imports to advance progress on a free trade agreement, the Financial Times reported on Thursday. The Department for*

International Trade was considering a "big concession package" to negotiators from the United States over the coming months to cut the cost of certain agricultural imports, the FT reported, citing government officials. Last week, the United States and Britain launched formal negotiations on a free trade agreement, vowing to work quickly to seal a deal that could counter the massive drag of the coronavirus pandemic on trade flows and the two allies' economies. The talks, to be conducted virtually, will involve over 300 U.S. and UK staff and officials in nearly 30 negotiating groups. Read more [HERE](#).

> CFTC Issues Warning Over Oil Volatility: *The U.S. Commodity Futures Trading Commission (CFTC) has written to exchanges, brokers and clearers in unusually forthright terms to remind them of their obligation to ensure orderly trading and commodity pricing. The letter was issued in the wake of unusually high volatility and negative prices in the light sweet crude oil futures contract (WTI) for delivery in May on the penultimate day of trading last month. The detailed restatement of basic obligations amounted to an extraordinary public warning to the Chicago Mercantile Exchange (CME), which operates the WTI futures contract. The Commission's decision to issue a public caution illustrates the depth of concern about what happened in the run-up to the expiry of the May futures contract, and determination it must not be allowed to happen again. Futures exchanges were reminded of their obligation "to monitor the convergence between the contract price and the price of the underlying commodity" as expiry nears. Even more pointedly, exchanges were warned they must "monitor the supply of the commodity and its adequacy to satisfy the delivery requirements". Read more [HERE](#).*

> CDC Issues Guidance for Reopening: *New guidance from the U.S. Centers for Disease Control and Prevention advising states on how to reopen bars, restaurants and workplaces was posted by the agency on Thursday. The guidance outlines a series of steps that should be taken to keep employees and customers safe, including encouraging hand-washing, social distancing and how to check for symptoms of potential Covid-19 cases. Under the newly issued CDC guidelines, businesses would be encouraged to follow a series of steps. Bars and restaurants, for example, shouldn't reopen until they can follow applicable state and local orders, and until they're ready to protect people who are at higher risk for severe illness, the guidelines say. Then they should encourage social distancing -- add spacing of tables and stools; encourage drive-through, delivery and curbside pick up; limit party sizes and occupancy; avoid self-serve stations; and restrict employee shared spaces. Employers should check staff for signs and symptoms of illness as they arrive, "as feasible." Coronavirus-related CDC guidelines are available [HERE](#). (Source: Bloomberg)*

> TV Shopping Avoids Retail and Media Woes: *Neither retailers nor television networks are thriving during the pandemic but a hybrid of the two is booming.*

Viewership is way up on networks like Shop HQ and Home Shopping Network. Qurate Retail, the parent company behind QVC and Home Shopping Network, last Thursday reported over +10% viewership growth on its networks from late March through the end of April year over year. Viewership of its live and original content also is up +100% across social platforms. Qurate's competitor iMedia Brands, which owns ShopHQ, has been bolstering its viewership numbers by launching shows such as "Learning to Cook With Shaq," which premiered in March. When the pandemic passes, TV-shopping networks will re-encounter the difficult task of competing for viewers' attention. But unlike those whose homebound-era viewership gains aren't likely to translate directly into postpandemic revenue growth, shopping networks might benefit from a sticky customer base. Last year, roughly 86% of QVC's shipped sales came from repeat customers. Read more from [The Wall Street Journal](#).

> Convalescent Plasma Safe to Tread COVID-19 Patients: *A study of thousands of Covid-19 patients who received blood plasma transfusions from recovered patients indicates the experimental therapy appears to be safe, paving the way for future studies and clinical trials. The study hasn't undergone peer review or publication in a scientific journal. Researchers found serious adverse events occurred in fewer than 1% of the treated patients, and the mortality rate seven days after transfusion was 14.9%. Learn more [HERE](#).*

> There are Almost No 1918 Flu Pandemic Memorials: *1918 Spanish Flu ravaged civilization for nearly three agonizing years, on a scale that had not been seen since the bubonic plague wiped out at least one-third of Europe's population in the late Middle Ages. Some 675,000 Americans died, more than the U.S. casualties of all the wars of the 20th century combined. But soon after the slaughter ended, and for decades after, the pandemic somehow vanished from the public imagination. One of the only memorials to the pandemic in the U.S. was just installed two years ago by a man who was amazed when he couldn't find any others. The first major account of the flu, "Epidemic and Peace", was published in 1976 by Alfred Crosby, who was equally baffled by the absence of any impression left by the disaster. Read more from [The New York Times](#).*

> KC Fed Reports Deteriorating Credit Conditions for Ag: *Agricultural credit conditions in the Kansas City Fed's Tenth District deteriorated at a slightly faster pace at the onset of developments related to COVID-19. The survey for the first quarter of 2020, distributed in mid-March, indicated a larger decline in farm income and loan repayment rates than in recent quarters. Looking ahead, bankers indicated their expectations were much more pessimistic. Beyond the survey period, further disruptions at meatpacking and food processing facilities and a substantial slowdown in ethanol production put heavy downward pressure on cattle and corn prices. Persistent weaknesses in the agricultural economy in recent years have weighed on many farm households. Only 15% of responding banks*

reported that overall financial conditions for farm households were stronger than non-farm households. After showing some signs of stabilizing in previous survey periods, credit conditions also deteriorated more quickly in the first quarter. Farm loan repayments declined at a faster rate than recent quarters. The pace of increase in loan renewals or extensions, as well as collateral requirements, also ticked up. In addition, these credit conditions were expected to turn more negative in the second quarter as banks assessed the likely economic difficulties surrounding COVID-19. The percent of respondents reporting lower rates of repayment also increased. Over half of all banks continued to report no change in repayment patterns, but about 40% reported a decline, the largest share since early 2017. The outlook also was more pessimistic in every state except the Mountain States. Demand for farm loans remained high, but the scale of the increase was similar to recent quarters. The reduction in farm income and revenue also continued to put steady, but modest pressure on liquidity. About 15% of all originated or renewed farm loans throughout the region involved restructuring to meet short-term funding needs, comparable with the past two years. Respondents indicated trade relief payments have provided notable support to their borrowers' finances. The full report is available [HERE](#).

Chart 2: Share of Banks Reporting Lower Farm Income

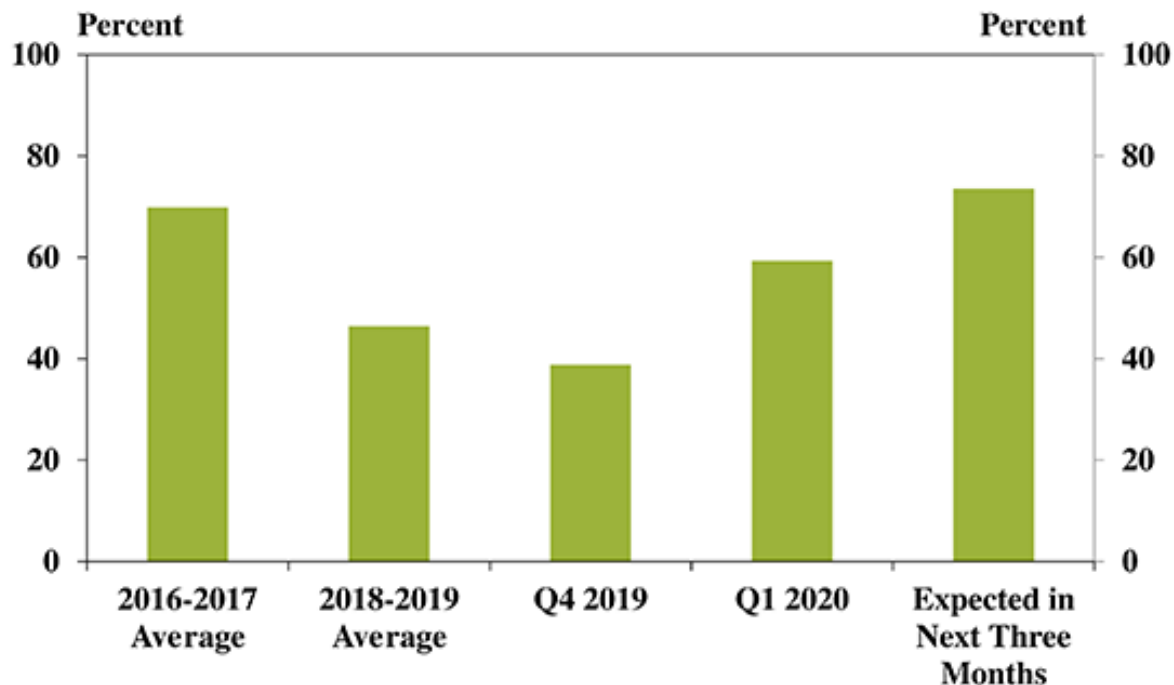
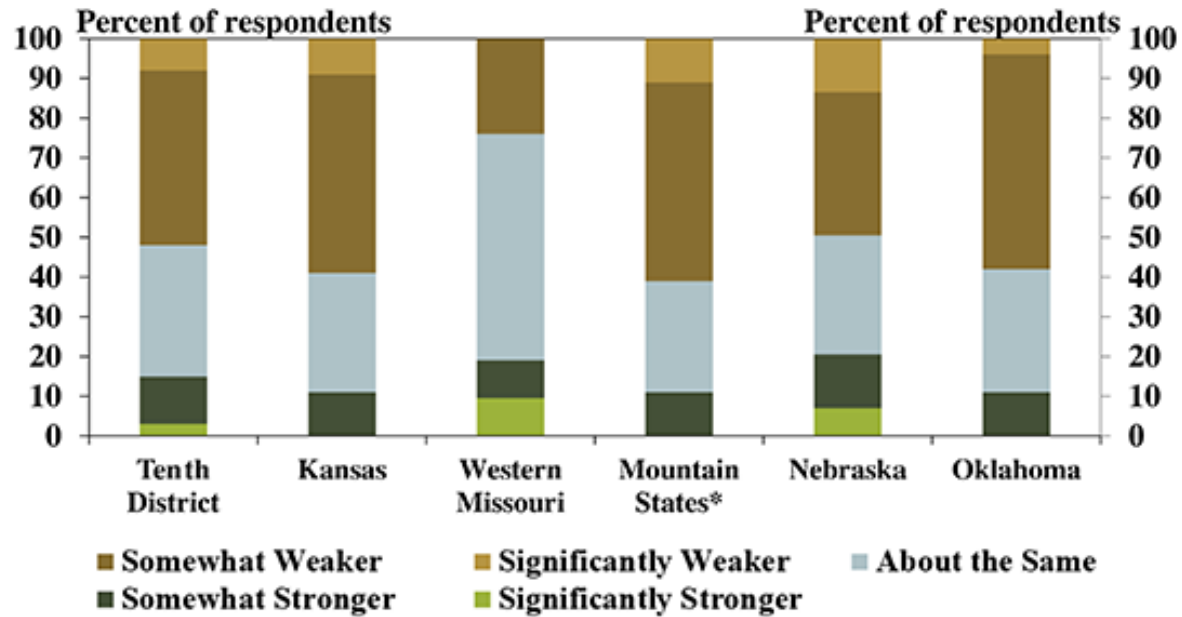


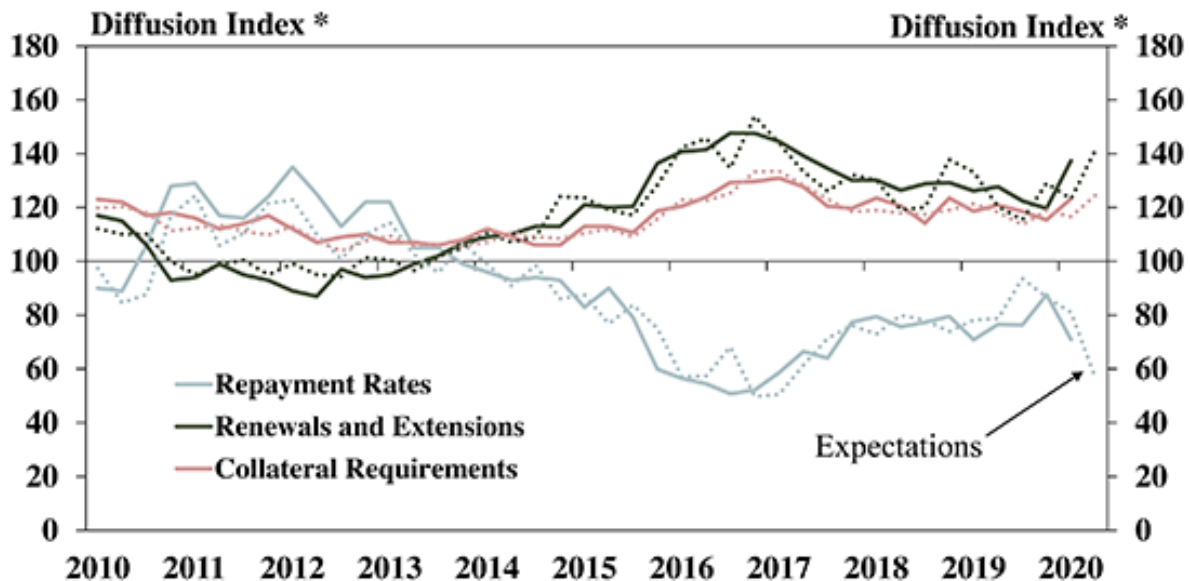
Chart 3: Financial Conditions of Farm Households

vs. Non-Farm Households by State



* Mountain States include Colorado, northern New Mexico and Wyoming, which are grouped because of limited survey responses from each state.
 Note: Respondents were asked "On average for borrowers at your bank, overall financial conditions for farm households are _____ than overall financial conditions for non-farm households?"

Chart 4: Select Tenth District Credit Conditions



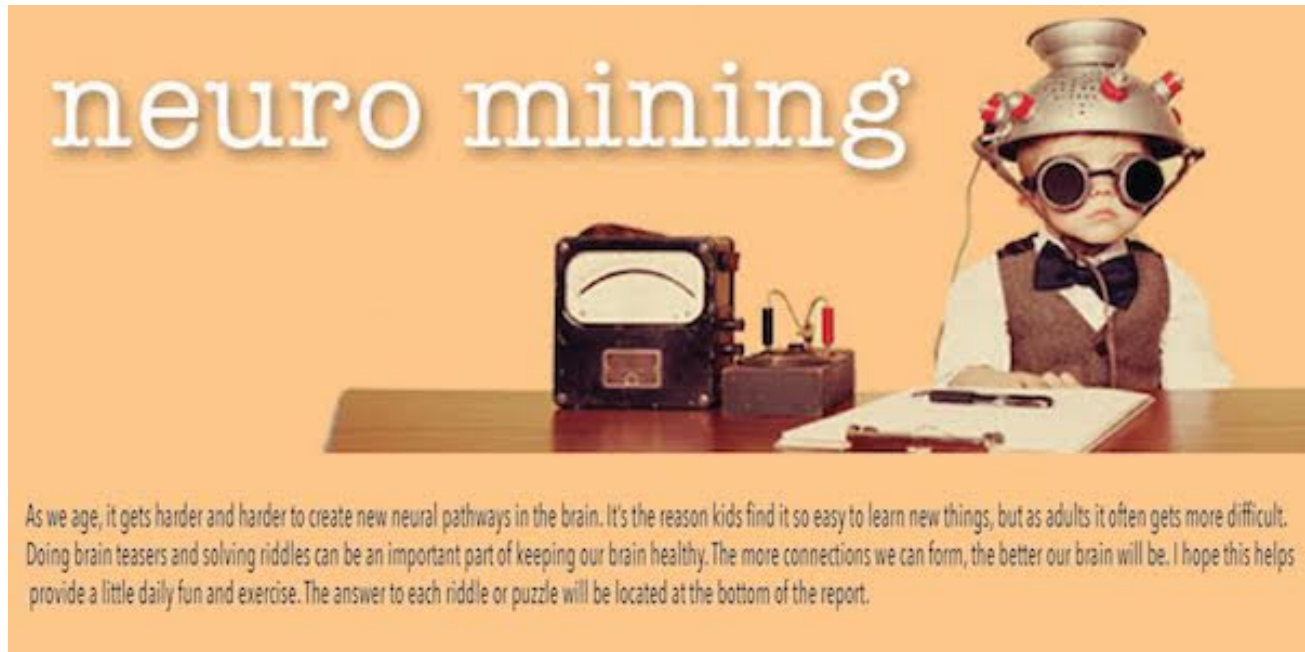
* Bankers responded to each item by indicating whether conditions during the current quarter were higher than, lower than or the same as in the year-earlier period. The index numbers are computed by subtracting the percentage of bankers who responded "lower" from the percentage who responded "higher" and adding 100.



Central Nebraska - *Planting went great and most guys I know have all their crops in the ground. Heck, we were hardly starting at this time last year. It has been remarkably cool at night lately with temperatures dipping into the upper 20s and low 30s. guys are ready to turn the cows loose in the pasture, but there won't be much grass until we can get these temps up. A lot of producers are getting a chance to feed cattle something other than distillers on poor hay. I am of the opinion now is a good time to get back to the old ways and feed cracked corn, more silage, and put up good hay. I think we learned back in 2012 that you could feed a cow anything but that may be coming back to roost as we are seeing some cows peter out after only 8 years when it had always been 12 to 13 on average. Part of it could be all the breeding for growth we've seen and the effects of growing too fast when the body isn't ready. Sad to report our governor has shut down open-air rodeo events until at least June!*

Western Missouri - *The corn is all up and looks decent. There are a few spots that still could have slightly better stands but all in all it looks good. The recent rains have more or less drown out our soybeans that we have planted and it's been abnormally cold. We should start to warm up next week. We will have much better weather to plant in next week as it reaches the 80s for several days. Last year, early corn all did the best so we went at it first chance we had and didn't look back.*

Southeast Nebraska - *We got about a half-inch in the gauge so far and there might be a little more coming. We are extremely grateful to get rain. While subsoil is excellent for over three and a half inches, we are behind for the year and the top was getting extremely dry. In spite of all the Missouri flood waters running literally right by my door last summer, we ended up the year behind normal precipitation by 6 inches. Good to have normal rain this year.*



TODAY'S RIDDLE: What can be stolen, mistaken, or altered, yet never leaves you your entire life?



What You Need to Know About The Upcoming Cicada Season

Cicadas are an annual "sound of summer" across many parts of the Midwest and East Coast but the chorus will be even louder than usual in some areas this year. Folks in Virginia, North Carolina, and West Virginia will see far more of the bugs this summer as Brood IX emerges from the ground after 17 long years.

Science has learned that cicadas begin to emerge when soil temperatures eight inches deep reach 64 degrees Fahrenheit. I should note, warm rain has been known to often trigger an emergence. In addition, these cicadas will emerge after the trees have grown leaves and around the same time Iris flowers bloom.

The life cycle of a cicada is unlike any other creature on the planet. Surviving females will lay as many as 600 eggs each which are deposited into slits they've cut into tree branches. About 6 to 8 weeks later the eggs hatch and the nymphs fall to the ground. Those that don't get eaten burrow into the ground, down past

the frost line until they find roots to feed on. There they spend up to 17 years underground where they will molt four times. Somehow, they know precisely when they are supposed to emerge, and millions - maybe billions - begin swarming up out of the ground. They then molt one more time, leaving behind a hard brown exoskeleton on tree branches usually. Essentially, they spend their very brief life above ground looking for a mate. Males start their deafening singing, females respond, mating begins, and after about two weeks, it's all over for the adults.

Believe it or not, scientists actually warn that cicada calls are loud enough to cause "physical and psychological strain " in humans. Entomologists estimate that *Tibicen walkeri*, a North American cicada, can emit sounds hitting 108.9 decibels. According to a loudness scale, that's noisier than a jet during takeoff, a power lawnmower, and a jackhammer. The U.S. Occupational Safety and Health Administration rules say that 8 hours of exposure to noises reaching 90 decibels, or two hours of exposure to 100 decibels, are the maximum permissible levels for noise safety. In addition, many experts estimate the number of cicadas at 1.5 million per acre, so you can imagine how loud they are. The only way to really get any peace and quiet is to go inside and shut the windows. It will all be over in about five to six weeks!

Some species of cicadas maintain what's known as "brood cycles", only emerging every 13 or 17 years. There are 15 known cicada broods that scientists track. This summer's appearance will be made by Brood IX, which literally hasn't seen the light of day for 17 years.

Cicadas from other broods will also emerge this year in small numbers. When cicadas emerge early or late, they're called stragglers. Members of Brood XIX (19) are emerging in parts of North Carolina and Georgia, where Brood XIX is known to exist. You might see them in Alabama, Arkansas, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Virginia. The rest of Brood XIX will emerge in 2024.

They are sometimes called the 17-year locust but cicadas are very different creatures. Locusts are a type of grasshopper that swarms in from other areas, devouring every inch of vegetation in their path. Cicadas can cause crop damage but not anywhere close to locust-level devastation.

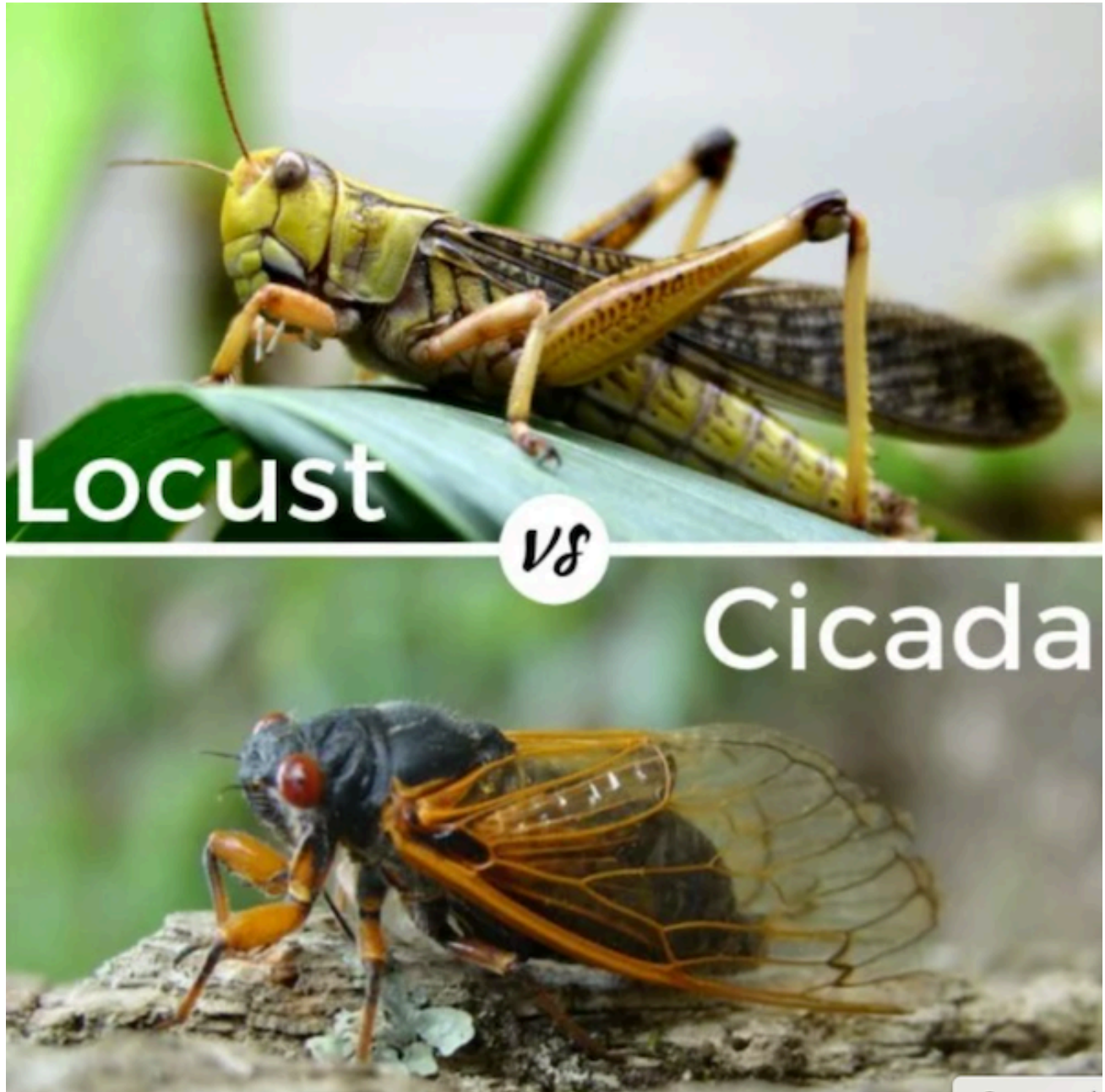
Cicadas are a particular threat to fruit trees as the adult females cut slits in the soft new growth of twigs on woody plants to lay their eggs. This is called "flagging" and is most damaging to small young trees. Large, established trees can often have large amounts of flagging but rarely suffer severe damage. Cicadas can also spread pathogens with outbreaks of some diseases, like fire blight for instance, following the egg-laying of periodical cicadas

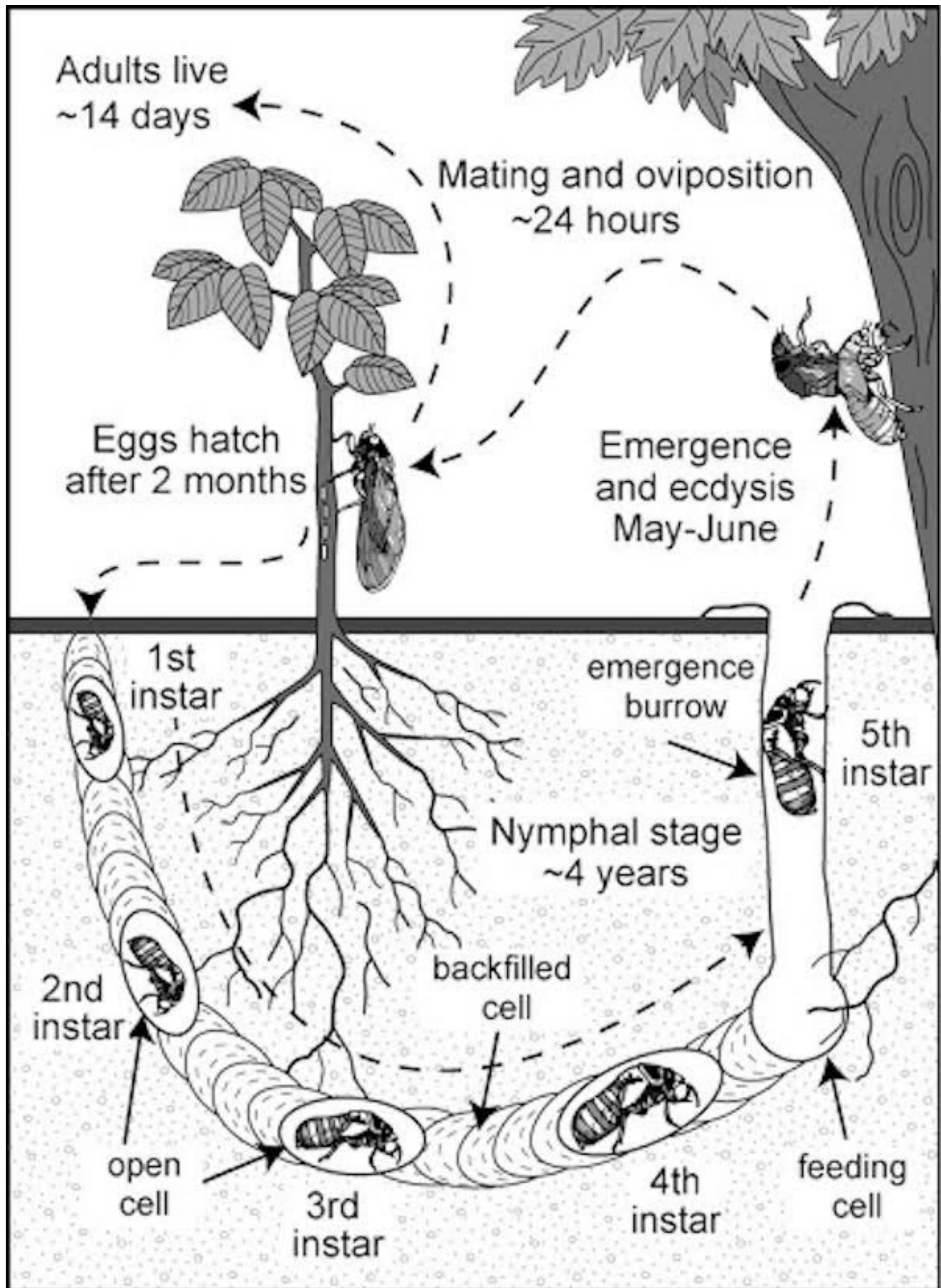
Another form of damage inflicted by cicadas might be caused by their hatchlings feeding on tree roots. The full extent of the damage this can do to tree growth doesn't seem to be fully understood, though. A study of one group of trees during an emergence in the Hudson Valley in N.Y found that trees that had the ground protected beneath them when the nymphs dropped down grew more than the others but scientists haven't determined if the effect is important or not.

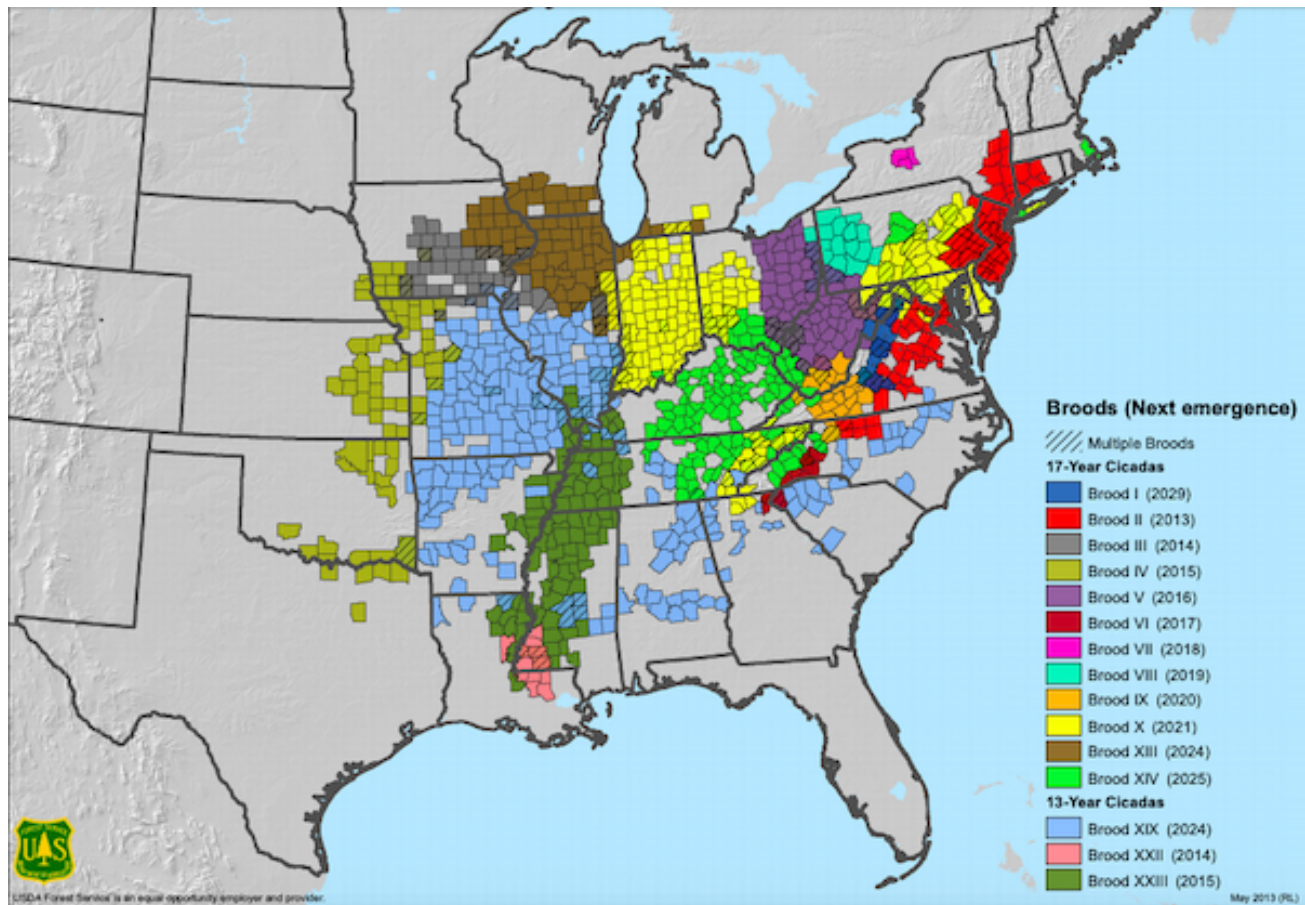
Entomologists actually recommend growers not plant fruit-bearing trees for a couple of years before an emergence as it's extremely difficult if not impossible to entirely avoid cicada damage during a brood emergence. That's something to keep in mind because 2021 will see one of the biggest cicada invasions we've witnessed in a long time.

Billions of cicadas will appear in Delaware, Georgia, Illinois, Indiana, Kentucky, Maryland, Michigan, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and Washington D.C. when Brood X emerges next spring. Interestingly, after that, the next brood won't emerge until 2024, which is expected to be a doozy as that will be Brood XIX, arguably the largest by geographic extent of all the broods, with records along the east coast from Maryland to Georgia and in the Midwest from Iowa to Oklahoma. Mark your calender...

Gene Kritski, the dean of behavioral and natural sciences at Mount St. Joseph University in Cincinnati, developed the Cicada Safari app to help track the invading swarm. When a cicada is spotted, users can use the app to take a photo and submit the pictures for inclusion on the map, which will help everyone know when the emergence is near you. Click [HERE](#) to view the most up to date maps! (Sources: CicadaMania, Magicicada, Charlotte Observer)







Ladies and Gentlemen, Start Your Engines!

The Cup Series race this Sunday at Darlington Raceway in Charlotte, NC will be the first NASCAR event since March 8th when Joey Logano won the FanShield 500 at Phoenix Raceway. The race will be 293 laps or 400.2 miles, and kicks off Sunday at 2:30 p.m. CST on Fox with three-time Grammy Award-winning country music artist Darius Rucker performing the national anthem. Keep in mind, this event is just the start of what will be four Cup Series races in 11 days at two tracks, Darlington Raceway and Charlotte Motor Speedway. I should note, only one of those races, the originally scheduled running of the Coca-Cola 600 on May 24th, will feature a field set by qualifying.

Now, some of you are probably wondering how the starting lineup for Darlington Raceway is going to work with no qualifying. From what it sounds like, the first lineup will be determined by both owner points and a random draw. Furthermore, the 40 cars will be split into four groups based on points, and there will be a random draw for starting position within each of those groups. What this means is Kevin Harvick, whose team ranks first in car owner points right now is no longer guaranteed to start on the pole. His team could draw the No. 1 spot or as low as the No. 12 spot. In addition, Kyle Busch is 12th in car owner points and could end up starting on the pole due to the random draw.

The second race in this series will take place on May 20th scheduled to start at 6:30 p.m. CST on FS1 consisting of 228 laps and 311.4 miles. The results of the first Darlington race will set the field for the second, which will feature two inversions based on Sunday's outcome. Starting positions 1-20 will be based on the top 20 finishers from the May 17th event, which will be inverted for the start of the May 20th race. For example, whoever finishes first in the first race will start 20th and whoever finishes 2nd will start out 19th. In addition, the bottom 20 finishers from the May 17th event will be inverted to start in the back half of the race for the May 20th race. For example, whoever finishes 21st in the first race will start out last and whoever finishes 22nd will start out second to last.

The Coca-Cola 600 at Charlotte Motor Speedway on the 24th at 5:00 pm CST on Fox will utilize same-day qualifying to set the field. In addition, NASCAR will use the inversion method again for the second Charlotte Motor Speedway race on the 27th at 7:00 pm CST on FS1 just like Darlington which is an inversion of positions 1-20, then positions 21-40 from the Coca-Cola 600 results.

A few other notable rules and changes to mention about these races is pit stalls for the first race will be picked in order based on charter team owner points followed by non-chartered team owner points. Harvick's team will have the first choice of pit stalls since it's first in car owner points. After the first race, pit selection will be determined by the finishing order of the previous race. NASCAR also announced changes to the competition caution for Sunday's Darlington race, which will give teams extra time to make needed adjustments. These rules consist of the field being frozen at the time of the caution on Lap 30, pit road only being open to the top 20 cars, the next 20 can pit on the following lap, and teams that don't beat the pace car off pit road will lose a lap and restart at the tail of the field.

This race will definitely be an interesting event as fans will not be allowed at any of the tracks, drivers will have their temperatures taken as they enter the raceway, and the drivers will also be wearing masks as they leave their isolated motorhomes to make their way to their cars. Crazy! Keep in mind, NASCAR is aiming to complete a full 36-race season this year. A visit to Kansas Speedway is up next on the original season schedule on May 31st, but there's no official word yet about whether or not that will happen on that date. Below are the favorites for this weekend's race as Denny Hamlin has had the most success on this track in 14 runs with an average finish position of 7th and two wins. There are also several racing experts picking Bowman to win this race and have Ryan Blaney lined up as the best sleeper option.

Kyle Busch: 5-1

Kevin Harvick: 13-2

Denny Hamlin: 13-2

Martin Truex Jr.: 15-2

Brad Keselowski: 8-1

Joey Logano: 8-1

Chase Elliott: 10-1

Alex Bowman: 14-1

Erik Jones: 14-1

Kurt Busch: 22-1

Jimmie Johnson: 28-1

William Byron: 28-1



**NASCAR
IS BACK**

DARLINGTON RACEWAY

Day	Date	Time	Network
SUN	MAY 17	3:30 PM	FOX
TUE	MAY 19	8 PM	FS1
WED	MAY 20	8 PM	FS1

CHARLOTTE MOTOR SPEEDWAY

Day	Date	Time	Network
SUN	MAY 24	6 PM	FOX
MON	MAY 25	7:30 PM	FS1
TUE	MAY 26	8 PM	FS1
WED	MAY 27	8 PM	FS1

The graphic features the large text "NASCAR IS BACK" in a bold, white, sans-serif font. Below this, the logos for Darlington Raceway and Charlotte Motor Speedway are displayed. To the right, a schedule of races is provided for both tracks, listing the day, date, time, and network. The background is a dark, atmospheric image of a race track at night, with the "DARLINGTON" and "CHARLOTTE" names visible on the track's wall.



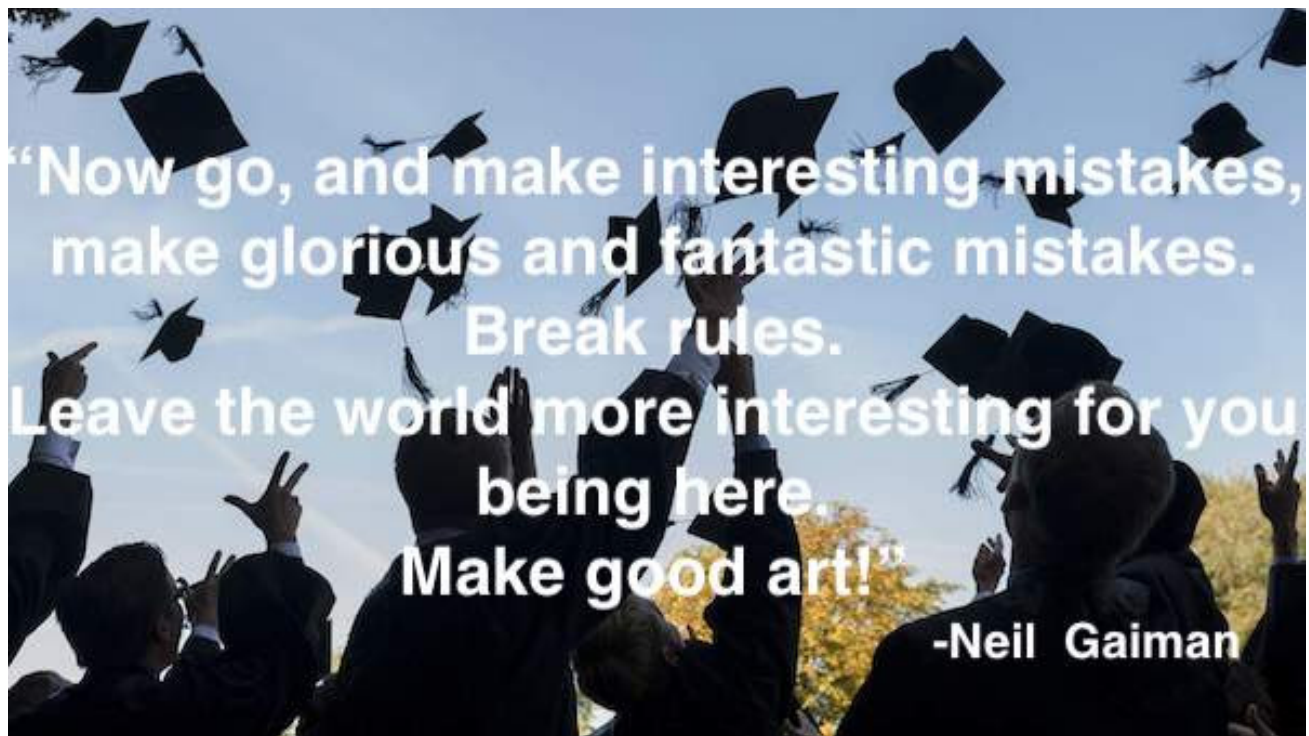
Great Message For Kids, Parents, Graduates... All of Us

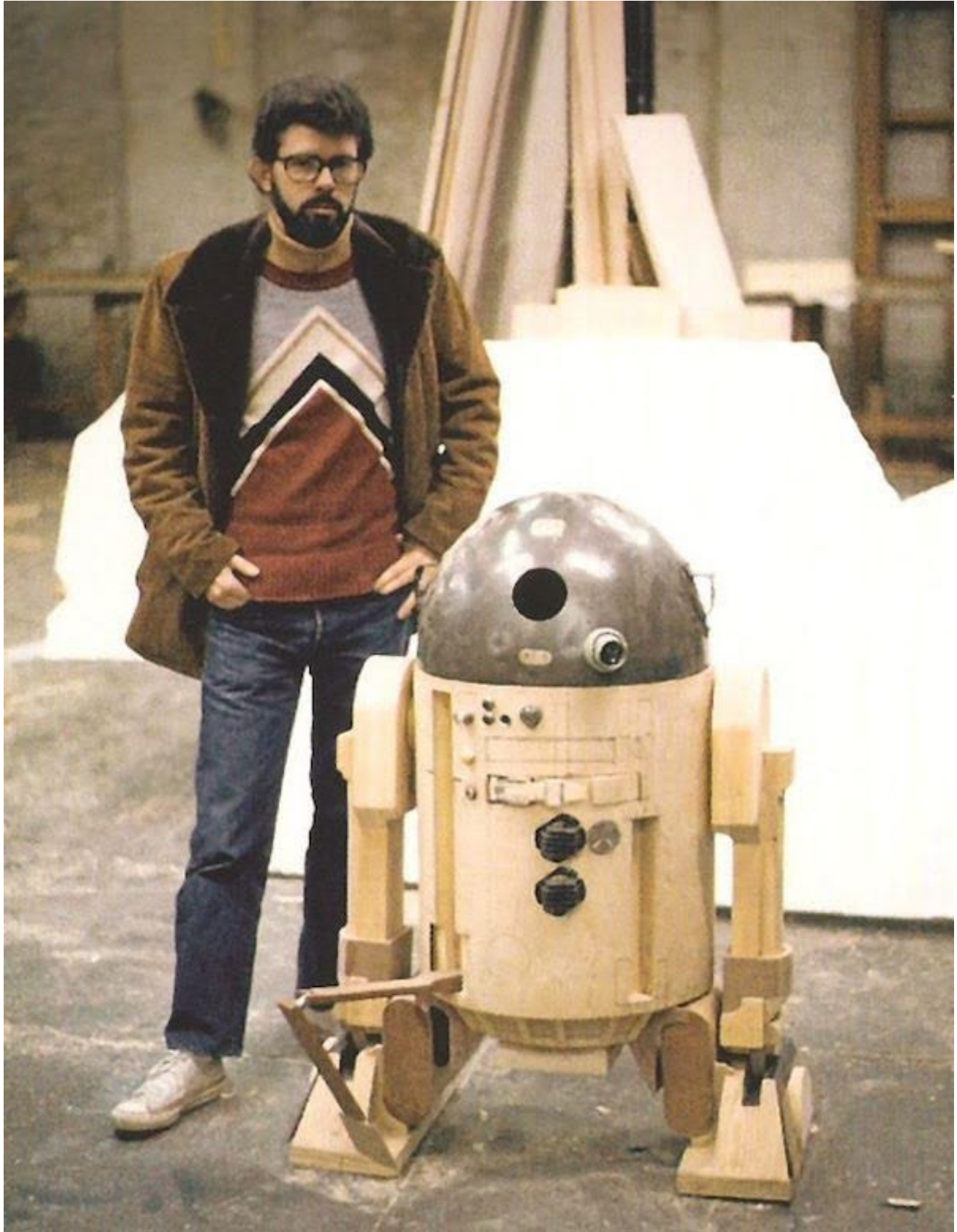
More than 3.7 Million High School seniors were scheduled to graduate this month. Sadly, many of those ceremonies have been postponed, delayed, and in some cases canceled altogether because of coronavirus complications.

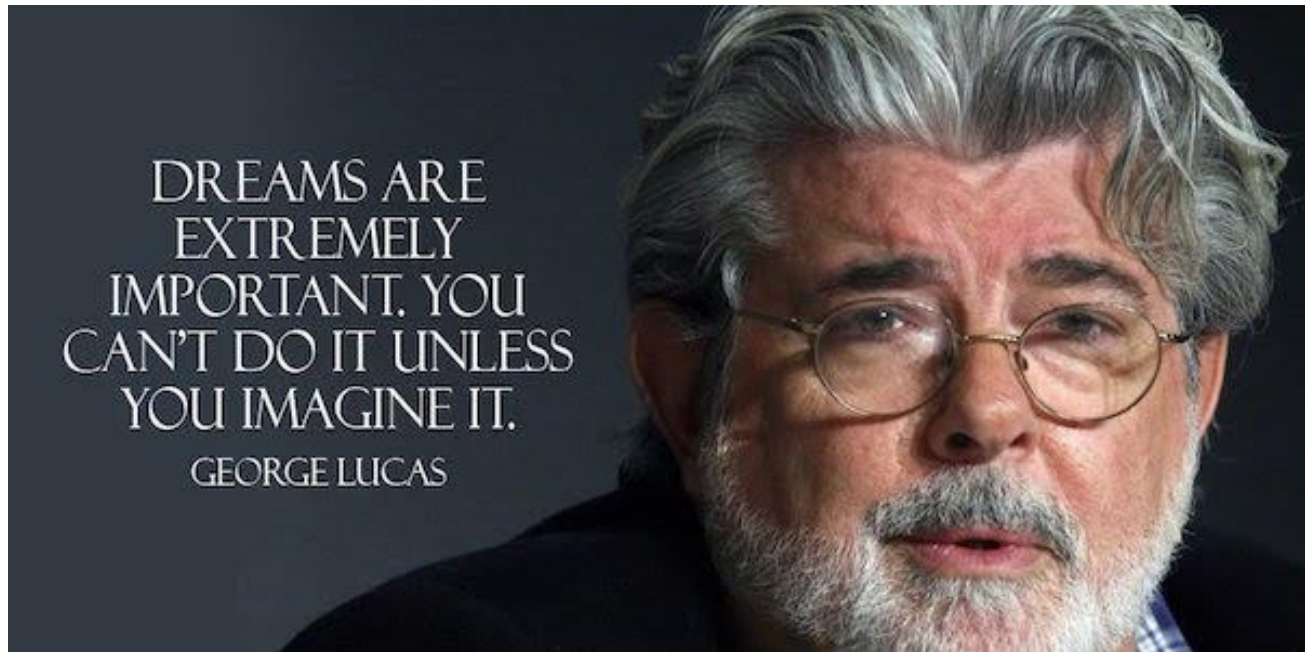
State colleges in California have recently announced that they will not be reopening for the Fall Semester. Other colleges across the nation are discussing more online classes social-distancing on campus, etc... It's very uncertain if any schools will be back to normal campus life by fall.

Goals, timelines and plans have been massively disputed. I suspect a lot of decisions about the future are having to be rethought. With expectations from parents and family members, the pressure on the kids can become overwhelming.

I constantly remind my kids that there are no right or wrong paths to success and that no one can tell you there is only one way to get there. This short video by Jay Shetty delivers a great message to all our children who will be heading out into a highly uncertain world. I imagine we can all take something away from the message. It is easy to get stuck in a lot of wrong thinking right now, which only leads to a stressed-out life, so feel free to share these insightful words with your family and close friends. Click [HERE](#) to watch the short video.







ANSWER to riddle: Your identity.

CASH SALES & HEDGING TOTALS

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Corn 2019 Crop

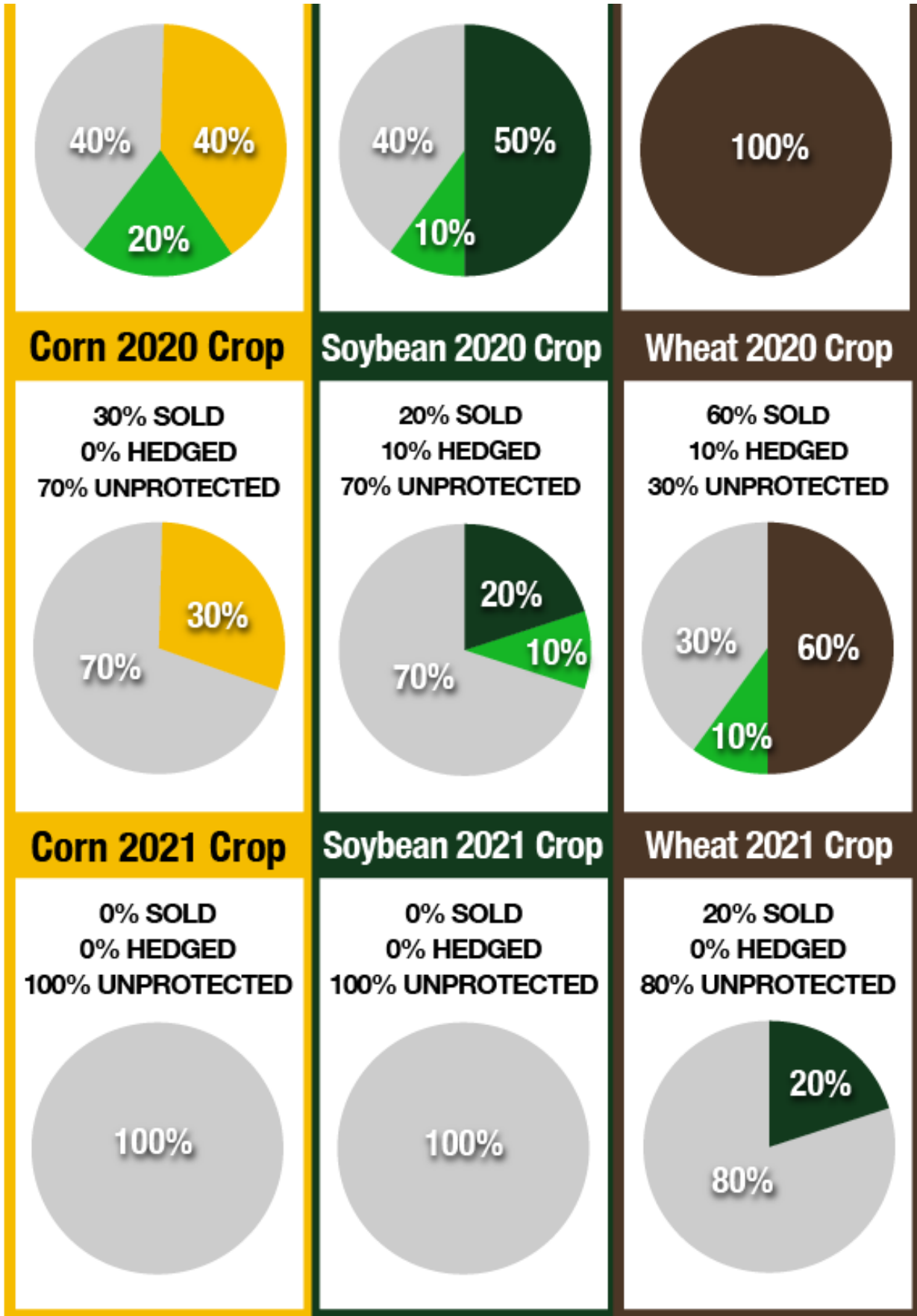
40% SOLD
20% HEDGED
40% UNPROTECTED

Soybean 2019 Crop

50% SOLD
10% HEDGED
40% UNPROTECTED

Wheat 2019 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED



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