



*"Most geniuses—especially those who lead others—prosper not by deconstructing intricate complexities but by exploiting unrecognized simplicities." — **Andy Benoit***

THURSDAY, MARCH 09, 2017

Morning Summary: Commodities feel like they've become a bit overcrowded as of late with big-money players liquidate some length ahead of another possible Fed rate hike and perhaps another wave of U.S. dollar strength. Crude oil has plunged to fresh new lows on the year, while Chinese consumer inflation seems to now be easing. Meaning the "reflation" trade is perhaps in question. If you recall, back on February 28th, I wrote that some insiders were seeing a stealth movement of smart money selling a portion of their riskier positions to the average retailers who were pouring in on the highs. I also mentioned some big money was trying to find a bit of "safety" as the latest "reflation" trade was being, at least temporarily, unwound. Warning that this "unwinding" could lead to recent money-flow reversing itself back out of some of the commodity markets. That's exactly what we've seen the past few days, a de-risking of sorts. Keep in mind the S&P GSCI Index, which tracks commodity futures, rose +28% last year in its biggest gain since 2009. Many commodities have continued to rally this year. Commodity assets under management globally rose +7% in January and stood at \$391 billion, up +50% from the same time the previous year, according to Citigroup. Rising interest by the funds in commodities reflects a sharp turnaround from a year ago, when these markets fell to historic lows that wiped away all gains from the 2000s. Booming commodity prices had attracted new producers, flooding markets for everything from oil and gas to aluminum and wheat. When signs of inflation and improving global demand returned, investors started piling back into commodities. The question now in the investment world is if money will continue to move into this space? Some argue as Trump's wish list starts to run into more major road blocks and bureaucratic headwinds in Washington, the macro bulls who've been betting on a global recovery may have to take a couple of steps backwards. I suspect traders who were thinking the Fed might not raise rates until later this summer, have been caught a bit offside and are adjusting their positions to the reality of three or perhaps four rate hikes within the next 12-months and in return headwinds from a strengthening dollar as the economy heats up. Private payroll company ADP yesterday showed the U.S. added +298,000 new jobs in February, which would be the biggest gain since October 2015. In addition, they upwardly revised their January figure to 261,000 from a previous 246,000. ADP isn't always followed closely but its call last month for outsized growth in January payrolls did prove to correlate with the Labor Department's surprisingly strong results. Of course expectations for a strong report Friday are contributing to the belief that the Fed will hike rates sooner rather than later. Earlier this morning the European Central Bank announced

they were leaving interest rates “unchanged” maintaining their current course, in spite of growing inflationary pressures. Bottom-line, insiders are keeping a close eye on “macro money-flow” and the trade seems a bit uncertain about the next directional shift.

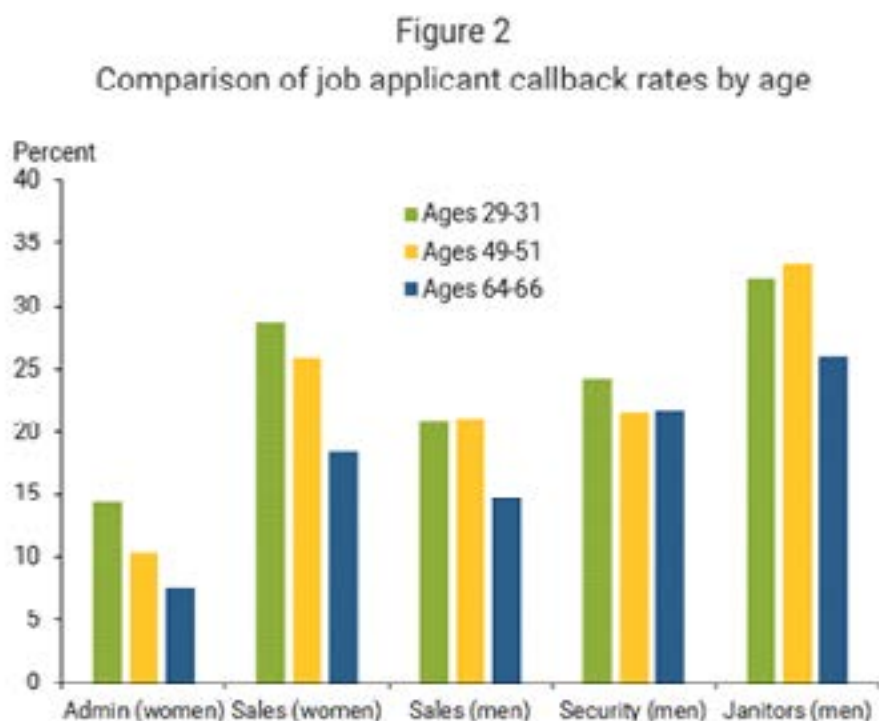
U.S. Trade Secretary Says We're In A Trade War: *In a Wednesday-morning interview, Commerce Secretary Wilbur Ross told Bloomberg the U.S. had been “in a trade war for decades,” which he said is why we have the deficit. He added that his team was open-minded about the North American Free Trade Agreement discussions. But Ross downplayed the threat of a damaging trade confrontation. “It’s not going to be a shooting war. If people know you have the big bazooka, you probably don’t have to use it,” he said. Ross said renegotiation of NAFTA would not begin until the late in the year and hopefully will not last more than a year but noted “these are very complicated issues.” He also pointed out that implementing the renegotiated terms with Canada and Mexico will take some time. The White House must give Congress 90 days notice before opening talks to revise the trade pact. Ross credited the president for tough talk that he says has prepared the other countries to make concessions: “He’s made my job easier by softening up the adverse parties. What could be better than going into a trade negotiation where the fellow on the other side knows he has to make concessions?” Ross says he hopes to add entire new chapters to NAFTA, which currently has 22 chapters. He said the additions would reflect the modern digital economy. He also says there are some things that were missed or were not done correctly to begin with. He also hinted at substantive changes on auto parts — significant enough to require a phase-in period as car companies adjust their global supply chains. Ross has made no secret of his desire to adjust the rules of origin for tariff-free vehicles, to bring auto-parts production closer to home.*

China Urges U.S.-North Korea Talks To Curb Growing Tensions: *China is growing increasingly worried about an escalation of tensions on the Korean Peninsula. China’s foreign minister Wang Yi has warned the Trump administration it is on a collision course with North Korea and called on Washington to halt military exercises with South Korea to avoid conflict. He moves are causing tension to increase like two “accelerating trains coming towards each other,” Yi said on the sidelines of the National People’s Congress. His remarks marked the first time a senior Chinese official has intervened publicly in the Korean crisis since the assassination in Kuala Lumpur last month of Kim Jong Nam, half-brother of Kim Jong Un, the North Korean ruler, and a series of missile tests by Pyongyang. The U.S., South Korea and Japan have all expressed concern about the threat from North Korea and have been shoring up regional defenses, including accelerating the deployment of an American anti-missile system that began to arrive in South Korea this week. While North Korea continues to menace its regional neighbors, including firing four missiles into the Sea of Japan on Monday, U.S. security officials believe the Hermit Kingdom will soon be able to reach the U.S. mainland with a nuclear-armed ballistic missile. China is urging the U.S. back into talks with North Korea. China’s proposal on Wednesday for North Korea to suspend its nuclear and missile tests in exchange for a halt in U.S.-South Korean military exercises closely resembles previous offers from Pyongyang that were rejected by the Obama administration. Even so, China hopes the idea will gain fresh traction with President Donald Trump as he reviews policy options. The U.S. has suspended joint military exercises with the South before—under President George H.W. Bush in 1992—in line with North*

Korea's announced intention to sign a nuclear safeguards accord and accept international inspections. The drills resumed in 1993 as that agreement fell apart. (Source: Financial Time, Wall Street Journal)

Age Discrimination Is Real And It's Hurting Everybody: Older job seekers don't need data to tell them that it's a rough market out there, where businesses with increasingly short-run investment horizons favor lower costs over experience. A new report published by the Federal Reserve Bank of San Francisco found discernible and systematic patterns of age discrimination, particularly for women. Just how did the authors conduct this experiment? By sending simulated, plausible résumés to all kinds of positions around the country in what they say is the largest experiment of its kind. "We specifically crafted variations on résumés that older workers actually present," the authors said. "We leveraged technology to conduct our study on a massive scale ... sending triplets of otherwise identical young, middle-aged, and older fictitious applications to over 13,000 positions in 12 cities spread across 11 states, totaling more than 40,000 applicants." The authors find the trend disturbing not just for its direct harm to the people involved but because of the extra strain placed on the Social Security system from workers forced to retire prematurely. And it gets worse with age. "While both middle-aged and older applicants experience discrimination relative to younger applicants, older applicants—those near the age of retirement—experience more age discrimination," the authors said. This works directly against some conservative proposals for cutting Social Security, which would like to see the retirement age raised from 65. (Source: Business Insider)

Markets Chart of the Day



Source: Authors' calculations, Neumark et al. (2016).

Weather for the balance of this week is calling for light rain and snow in the eastern Midwest. This will bring some improvement to soil moisture in recently-dry areas of the region; however, more will be needed. The weather will trend cooler to colder, slowing down recent warming of soils. In the Corn Belt, breezy weather prevails. However, very cold weather across the far upper Midwest contrasts with mild conditions across the southern Corn Belt. Soil moisture continues to decline in the southern Plains. Strong to very strong winds and very low dew points during the past two days have extracted moisture at a rapid pace. Wheat crop conditions were nearly unchanged from a month ago in the latest report, but indications are that ratings will trend lower. Dry and windy conditions have already produced significant wildfire damage, and more wildfires are indicated through the rest of the week. In the northern Plains, a turn to much lower temperatures and some snow at the end of this week should increase stress to livestock and should affect travel and transport. Eastern portions of the central and southern Plains can expect to see some rain or snow, areas of the High Plains that have been experiencing wildfires should remain mostly dry. During the next several days, expanding warmth across the West will contrast with very cold weather on the northern Plains and progressively colder conditions across the eastern half of the U.S. In Brazil, the light rain pattern continues in the central growing regions, helping to ease transportation disruptions. Southern Brazil will have locally heavy rainfall with some early harvest delays. However, the rain will favor later-planted crops. Central Argentina continues with generally favorable conditions for developing and filling corn and soybeans. Some recent improvement in rainfall is also noted in double-crop soybean areas in southern Argentina.

Three Rounds of Snow to Blanket the Midwest, East, and northern Plains: *Three separate weather systems will wring out snow over a large swath of the East, Midwest and northern Plains through the middle of next week, potentially bringing snow and ice as far south as parts of Tennessee and North Carolina this weekend. The jet stream is expected to take a bit of a southern dive into the Midwest and East late this week, then a much sharper plunge arrives next week. It remains too early to specify exact forecast snowfall totals for specific locations of the second and third systems, as the track of each system is likely to shift a bit as we get nearer to each round of snow.*

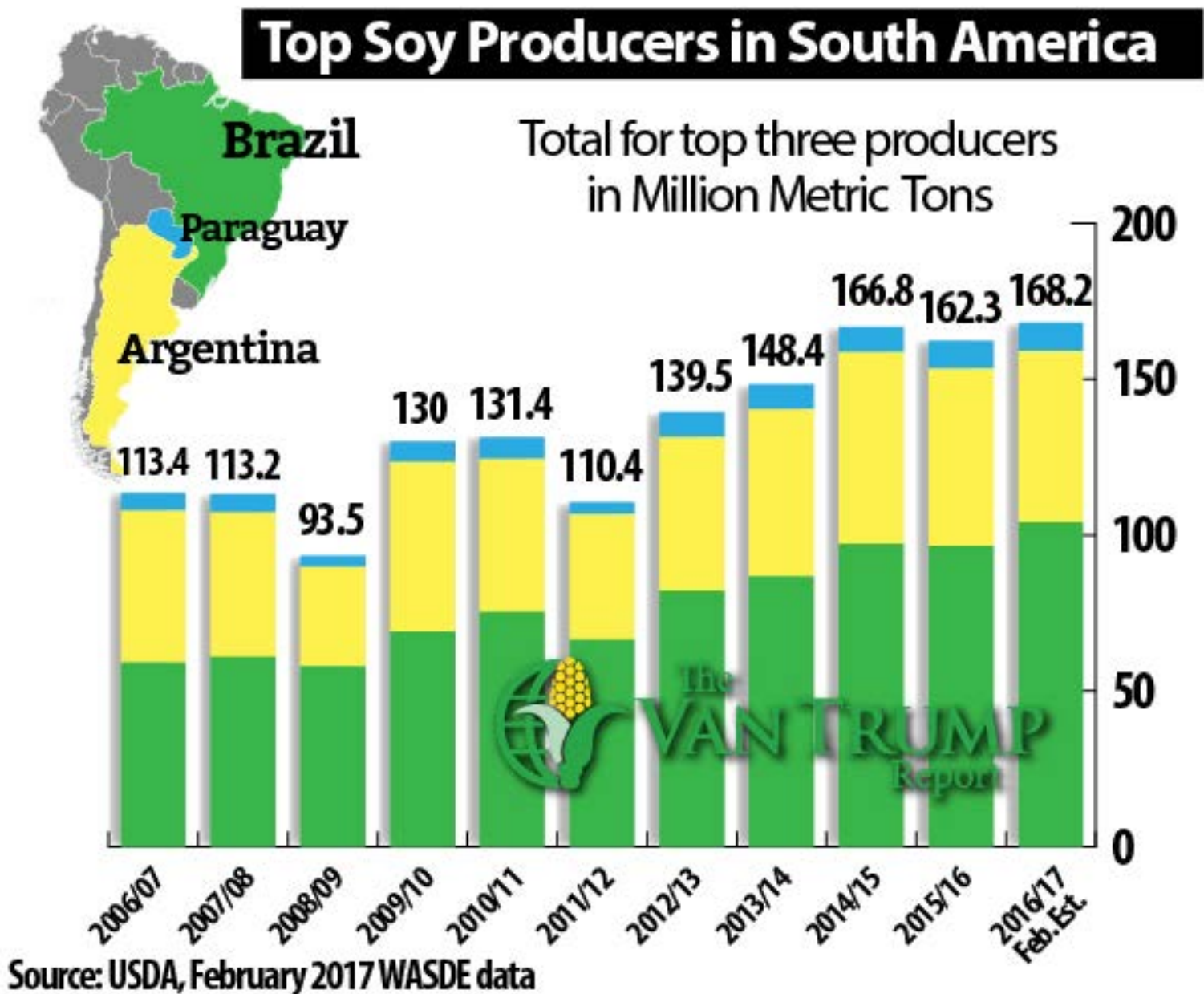


Corn bears are talking about the fact early field work here in the U.S. might open the door for more corn acres than many in the trade have been forecasting. I've heard talk from many producers across the Midwest as of late that current soil conditions couldn't be a whole lot better. Yes, there are corn producers who are still dealing with dry conditions, but I'm starting to hear more talk from the optimistic crowd. In fact there were rumors floating around yesterday that some corn was planted just east of my home in Kansas City. At first I thought no way possible, but keep in mind early-planting dates for Oklahoma, parts of southern Missouri, and southeastern Kansas hit next week between March 16th and 20th. I can't believe planting season is already upon our doorstep! Moral of the story, look for the trade to start aggressively shifting their focus to the U.S. as the next 30-45 days will be crammed with planting headlines. As for today the trade will stay focused on the latest data from CONAB and the USDA in regard to South American production. The previous CONAB estimate for Brazil was 87.4 MMTs and it was bumped to 89 MMTs this morning. The USDA currently has the crop estimated at 86.5 MMTs and will update their estimate later today.

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Soybean traders will be eager to see the latest round of USDA data and updates by CONAB. The USDA's current crop estimate for Brazil is 104.0 MMTs, and well above last years production estimate of just 96.5 MMTs. CONAB estimated the Brazilian crop this morning at 107.6 MMTs vs. 105.6 MMTs in their last estimate. The Argentine crop is thought to be somewhere around the USDA's current estimate of 55.5 MMTs. Bottom-line, the trade is bracing for this years South America crop to end up being +10 MMTs larger than last year. On the demand side of the equation, strong Chinese demand counties to be revealed in the data. There's some argument by the bears that margins in China have slipped a bit as of late and might be a headwind for nearby demand. Overall however I continue to see strong growth in regard to Chinese soybean demand. Here at home the traders I talk to seem to be split, several sources are thinking the USDA will slightly up their demand estimates and in turn trim ending stocks just a touch, others seem to think the USDA could lower their current demand estimates and bump ending stocks higher. Bottom-line, the

trade seems to be thinking the South American numbers will be a bit bearish, while the U.S. numbers are a crapshoot. Regardless there doesn't seem to be anyone expecting a huge surprise in either direction. As I've mentioned a couple of times in today's report, the larger macro bulls have reduced a bit of their bullish commodity exposure as of late as the Fed looks more eager to hike interest rates and the dollar works itself higher, both considered temporary nearby headwinds. As a producer and a spec we have to respect the power of "money-flow", but longer-term I have this feeling we've only seen the beginning of the move back into commodities. I remain extremely patient and unwilling to play the short side based on the traditional fundamentals.



Wheat bears argue that a wetter forecast for a portion of the Plains eases some longer-term concerns about U.S. production. Bears also point to the fact U.S. ending stocks, while perhaps ticking back a touch in today's USDA data, is still at an extremely burdensome level and the highest we've had to digest in over +20 years. I should also point out that the USDA could surprise the trade a bit today by NOT lowering U.S. ending stocks, perhaps

even raising them a bit higher, as overall domestic demand is more highly questioned. Globally we also need to keep an eye on Argentine, Australian and India's production estimates as they could be moving higher in today's report. As both a producer and spec I am still not heavily focused on the traditional fundamentals, as they are clearly burdensome and bearish. I think overall the trade has become somewhat bored with the numbers and eventually bullish headlines will become of much more interest and intrigue. Staying patient!

U.S. Ending Stocks 2016/17

	March Est.	Avg. Trade Guess	Trade Range	USDA Feb.	USDA 2015/16
Corn	???	2.317	2.245 - 2.385	2.320	1.737
Soybeans	???	0.418	0.444 - 0.444	0.420	0.197
Wheat	???	1.135	1.050 - 1.164	1.139	0.976

World Ending Stocks 2016/17

	March Est.	Avg. Trade Guess	Trade Range	USDA Feb.	USDA 2015/16
Corn	???	218.51	217.0 - 223.1	217.55	210.4
Soybeans	???	81.52	80.44 - 83.0	80.38	77.2
Wheat	???	248.62	246.00 - 250.00	248.6	240.8

South American Production

	March Est.	Avg. Trade Guess	Trade Range	USDA Feb.	USDA 2015/16
Brazil Corn	???	87.78	86.00 - 91.50	86.50	67.0
Brazil Soybeans	???	105.95	104.00 - 109.00	104.00	96.5
Argentina Corn	???	36.46	35.0 - 37.0	36.50	29.0
Argentina Soybeans	???	55.20	54.0 - 56.0	55.50	56.8



> Ethanol Production Week Ending March 3: *Weekly ethanol production for the week averaged 1.022 million barrels per day, down -0.58% from last week but up +4.02% compared to last year. Stocks rose to 22.669 million barrels, up +0.75% from last week but down -1.89% from last year. Total corn usage is estimated at 108.57 million bushels.*

> Bird Flu In U.S. Not Related To China Strain: *USDA officials have confirmed that the strain of highly pathogenic avian influenza (HPAI) confirmed this week at a commercial farm in Lincoln County, Tenn., is not related to an H7N9 strain that has impacted poultry and humans in China. The agency's Animal and Plant Health Inspection Service (APHIS) said lab tests show that the H7 strain in Tennessee showed a genetic connection with a virus lineage found in North American wild birds. The tests confirmed that the H7N9 at the farm that supplies poultry to Tyson Foods is "genetically distinct" from the H7N9 strain linked to 304 human infections and 36 deaths in China as of late February. The outbreak in Tennessee and a low pathogenic outbreak reported in Wisconsin have now prompted 28 nations and nation groups to block poultry imports from Lincoln County, Tennessee; the state of Tennessee; Barron County, Wis.; or the state of Wisconsin.*

> South Korea Culls 50,000 More Birds Amid Two New Bird Flu Cases: *South Korea has culled some 50,000 farm birds as two cases of bird flu were confirmed on Wednesday, bringing the country's cull this winter to nearly 35 million - more than a fifth of all South Korean poultry - since a first bird flu case was found late last year. The Ministry of Agriculture, Food and Rural Affairs said in a statement that a case of H5N6 avian influenza was discovered at a chicken farm north of Seoul, while another case of the H5N8 strain was found at a duck farm in the southwestern part of the country. The new cases represent a setback for Korea, fighting its worst-ever bird flu epidemic since mid-November last year. The spread of the virus had appeared to be waning since late January. Korea had not seen any new cases of bird flu for 15 days up to Feb. 22, when an outbreak of the highly pathogenic H5N8 bird flu virus was confirmed at a duck farm. Since then a total of 13 cases have been reported, the ministry said. (Source: Reuters)*

> Major Chinese Corn Region Seeks More Financial Aid From Beijing: *China's second-largest corn-producing region has asked Beijing for more financial aid as farmers struggle with low prices and bulging stocks a year after the government ditched its decade-long buying policy and efforts to boost demand stumble. Profits have fallen even after the central government doled out 39 billion yuan (\$5.7 billion) of subsidies in 2016 to farmers in the northeast corn belt last year. Local governments have issued subsidies to corn processors and feed makers, hoping to cushion farmers from reform shock. But parliamentary delegates and analysts say it won't be enough to offset the drop in prices and absence of a minimum purchase price. Farmers in the northeast now make about 300*

yuan less for each mu (0.06 hectare) of corn they grow than a year ago, said Xi Yinsheng, of the Research Centre for Rural Economy under China's Ministry of Agriculture, the China Times reported. The end of the state reserve program has left Beijing with about 230 million metric tons of corn, equal to a year of demand. (Source: Reuters)

> Ag Groups Praise Repeal Of Land Use Rule: The National Cattlemen's Beef Association and the Public Lands Council - which advocates for ranchers rights to use federal lands - joined a host of other agricultural groups to praise the Senate on Tuesday for passing a resolution to repeal an Obama administration regulation updating how the Interior Department makes land-use decisions. The resolution, H.J. Res. 44, now heads to President Trump's desk, and he's expected to sign it. Republican lawmakers used the Congressional Review Act for the rollback resolution, meaning the Bureau of Land Management's Planning 2.0 rule, which took effect in December, can't be reissued. The rule was designed to replace a 30-year-old land-use roadmap that resulted in finalized plans taking an average of eight years to develop, and occasionally triggered lengthy lawsuits from environmental and outdoor recreation groups. (Source: Politico)

> USTR Nominee Gets Confirmation Date: Robert Lighthizer, President Donald Trump's nominee to be U.S. trade representative, will finally get a confirmation hearing before the Senate Finance Committee on March 14. Despite the development, the veteran trade attorney is not much closer to getting sworn in, since he needs a waiver to serve as USTR - due to past work representing at least one foreign government - and the timing for a vote on that is still up in the air. Trump picked Lighthizer in December.

> Poet Sues Competitor, Ex-Employee Over Trade Secrets: Ethanol production conglomerate Poet LLC slapped its competitor Nelson Engineering and an ex-employee with a lawsuit in South Dakota federal court this week, claiming the employee violated a confidentiality agreement by sharing proprietary fermentation tech with Nelson. The trade secret known as "Delayed Dilution" is a technology that allows POET to increase ethanol production from fermenters. POET officials said they have invested significant time and money into the technology, and will work to protect their trade secrets. In a complaint demanding a jury trial and alleging Nelson and former employee Jerry Baker misappropriated Poet's trade secrets, Poet also claims Nelson has been selling the stolen tech to other industry competitors.

> Graphic Shows How The U.S. Has Become More Polarized: Republicans and Democrats are more divided along ideological lines - and partisan antipathy is deeper and more extensive - than at any point in the last two decades. These trends manifest themselves in myriad ways, both in politics and in everyday life. A recent Pew Report reported that in 1994, 64% of Republicans were more conservative than the median Democrat on a political values scale. By 2014, 92% of Republicans were more conservative than the median Democrat. Democrats have become more consistently liberal in their political values and Republicans have become more consistently conservative. And this has led to increasing political polarization. Partisan animosity has increased substantially over the same period. In each party, the share with a highly negative view of the opposing party has more than doubled since 1994. Most of these intense partisans believe the opposing party's policies "are so misguided that they threaten the nation's well-being." (Source: Pew Research)

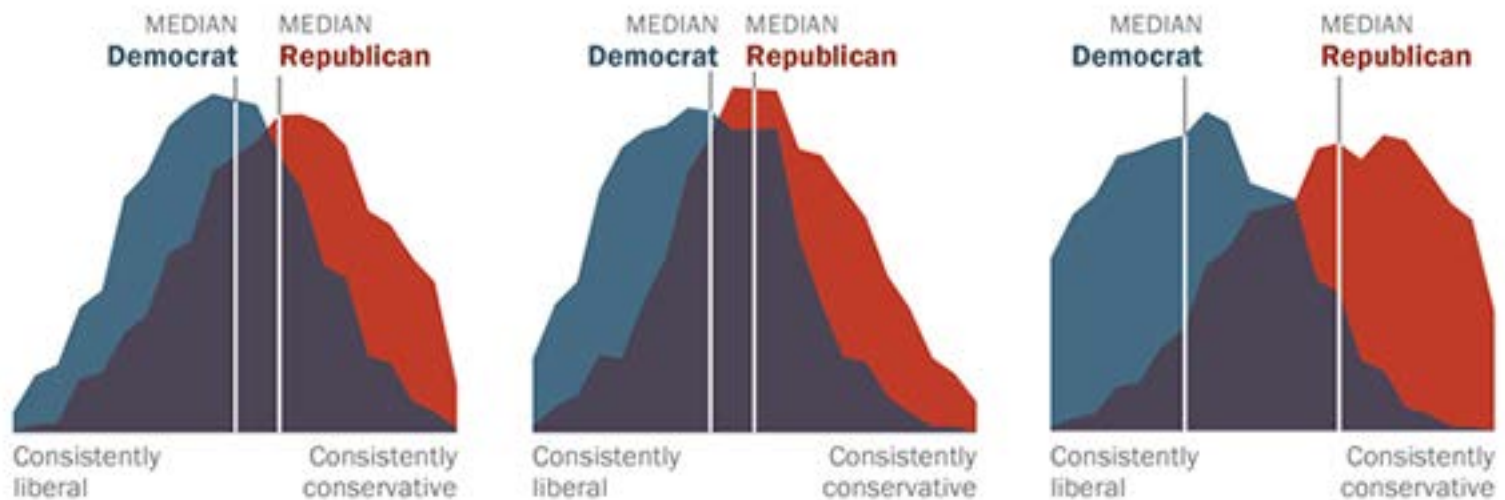
Democrats and Republicans More Ideologically Divided than in the Past

Distribution of Democrats and Republicans on a 10-item scale of political values

1994

2004

2014



Source: 2014 Political Polarization in the American Public

Notes: Ideological consistency based on a scale of 10 political values questions (see Appendix A). The blue area in this chart represents the ideological distribution of Democrats; the red area of Republicans. The overlap of these two distributions is shaded purple. Republicans include Republican-leaning independents; Democrats include Democratic-leaning independents (see Appendix B).

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Central Illinois - We are going with the same crop rotation that we have over the past few years because I am too old to be making changes. Overall for most guys in the area, there will be a few corn switch to beans but not in great numbers. The corn and beans looked really good last year with great yields. It was the best beans we had ever raised. I have been farming since 1957 and making 78bpa bean for a whole farm average was pretty exciting. I am going to try some dicamba beans next year, which I have never done before. Last years beans took awhile to cut because they were so tall and tough. There have been a few guys in the field this week, mostly putting on dry fertilizer. We put some dry on over some corn stalks. We strip till and have had great luck with it. I like strip tilling to to work with fertilizer and limiting crusting on the soil. The corn was good but wasn't great with the good soil types that we have. The whole farm average was right at 220bpa. That was what we budgeted for mid way through the crop year. We have been doing cover crops for 10 years and I am a big believer of their benefit.

Central North Dakota - This area up here is normally planted with small grains but this

year we will see more acres swing to corn and beans. Between those two we will see more bean acres across most fields. The beans pencil better than the corn for us even with high corn yields. We had phenomenal corn yields last year that were some of the best ever at 150bpa to 160bpa. Our normal yields are more like 130bpa. It looks like most of the elevators have worked through a lot of the ground piles, which should help firm up the basis. The beans were very good but we are not big bean producers. We had 2.5" of rain mid July last year then only got .5 inch the rest of July and all of August. The bean yields were in the 35bpa to 37bpa range but it still pencils with fungicide and fertilizer costs. We are fairly cold with snow banks still around here, with 60" of snow in December. If we have a wet March we may not turn a wheel until the end of April.

Eastern Iowa - Not much going on here. I drove quite a bit this past weekend and didn't see any ammonia being put on. I thought that I would see a few guys running just because the dirt is so fit. There was not much ammonia put on last fall because temps were not good. We have had some rains forecast but have not seen much and will need some rain soon. The problem has been the high winds that seem to be every day. I don't think you will see many guys flip acres from corn to beans. I always try to stay 50/50 but thought there would be a few that were heavier corn throw more bean acres this year but not so. The insurance guarantee for beans look good. We did have a few fields with sudden death that made 45bpa to 55bpa. I am lucky we didn't have many of those fields. We averaged 63bpa across all farms and most were in the 70bpa to 75bpa. We were happy with those yields but they actually looked like they should have made better yields. The corn made 220bpa and we had many fields 240bpa plus. We had quite a few pivots that didn't run much at all last year. The only other thing I will say about beans the last two years is they have been incredibly hard to cut. A lot of green stem and a lot of growth.



How Farmers Business Network Plans To Disrupt Big Agra, One Farm At A Time:
Charles Baron has a story he likes to tell about the time that farmers in North Dakota saw his data. Baron's startup, Farmers Business Network, pools data from farmers and shares insights from the group back with its members. And for one corn crop across thousands of acres in North Dakota, the data said that Baron's customers were planting the lowest yielding, highest priced seed on the market. Farmer's Business Network's data-driven, pro-transparency approach has taken off so fast since launching just two years ago. What they offer farms, says Baron, is a technology-aided version of the small talk farmers would make at a coffee shop or supply store. But by anonymously crowdsourcing their crop results, planting patterns and the prices they pay, FBN promises to "democratize the information" so farmers know when they're paying more for a seed than the neighbor down the road, or when those incentives promised by a longtime rep are actually costing the farm thousands of dollars in production below the local average. And it's why some of

agriculture's leading players would like to see the controversial business fail. Read more from [Forbes](#).

The CEO of Tyson Foods thinks the future of protein could be meatless: In an interview with Fox Business, Tyson CEO Tom Hayes said he sees plant-based protein as a huge opportunity for his industry. In October 2016, the company bought a 5% stake in Beyond Meat, a Silicon Valley startup that makes plant-based beef and chicken primarily from pea protein (no real meat is involved). After former Tyson CEO Donnie Smith left in December 2016, Hayes took over, and the company launched a venture capital fund worth \$150 million that invests in startups developing meat alternatives. In February, Tyson also said it will remove antibiotics from the majority of its products by the fall of 2017. Read More [HERE](#)

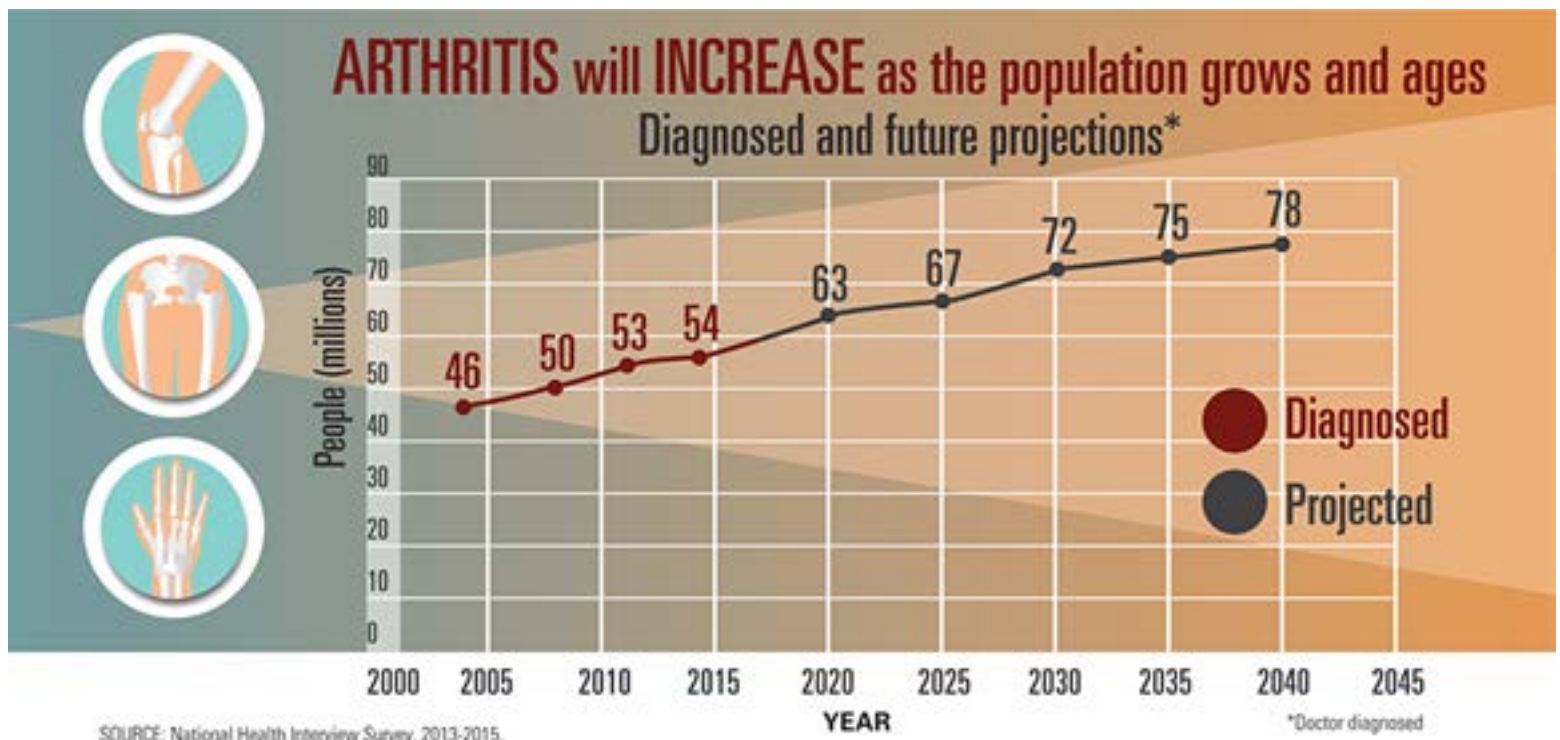
The Vegetable Technology Gap: Washington spends millions on crop research, but only a small fraction goes into the foods we're encouraged to eat. As the country seeks solutions to the obesity epidemic, there's been plenty of debate about how to get people to eat better. Do we need to improve access to healthy foods? Teach cooking? Tax sugary drinks? But there's one thing that's often left out of the conversation: technology. It might seem strange to anyone outside of the agricultural world to think about vegetables as a technology, but they are. The average supermarket produce aisle represents decades, if not centuries, of agricultural research and development. The U.S. Department of Agriculture's dietary guidelines tell us to fill half our plate with fruits and vegetables to maintain a healthy diet, but so-called "specialty crops"—the government's name for the category that includes, essentially, all fruits, vegetables and nuts—received just 15 percent of the federal research budget over much of the past three decades. The enormous logistical and technological challenges facing so many of the foods that nutritionists tell us to eat make research especially critical for produce, which as a sector is still relatively inefficient. Read more from [Politico](#).

When America Was Most Innovative, And Why: From Ufuk Akcigit, John Grigsby and Tom Nicholas over at [Harvard Business Review](#), a look back at American business history. In their piece, they say the competitiveness of the U.S. economy depends on technological progress, but recent data suggests that innovation is getting harder and the pace of growth is slowing down. To understand the environments that are most conducive to innovation, they looked back to the golden age of invention: the late 19th and early 20th centuries, when America became the world's preeminent industrial nation. The golden age is associated with some of America's leading technology pioneers, such as Thomas Edison and Nikola Tesla in electrical illumination and Alexander Graham Bell and Elisha Gray in telephony. But their analysis goes beyond these well-known individuals. They built a systematic data set that contains millions of patented inventions and millions of individuals in Federal Censuses from 1880 to 1940. They also linked patent data to state- and country-level information. By analyzing this data, they were able to shed light on why the U.S. was so innovative.

How Golden State Warrior Andre Iguodala Became The NBA's Ambassador To Silicon Valley: Andre Iguodala, the 6-foot-6 Golden State Warriors forward has become one of the most tech-savvy and well-connected players in the NBA, if not all of sports. (This is an athlete, after all, whose official Warriors bobblehead sports a virtual reality

headset.) He's been building a reputation as a shrewd Silicon Valley investor, getting in early on Facebook, Netflix, and Tesla stock, among others, and has built an enviable rolodex of A-list VCs, CEOs, and Valley entrepreneurs, many of whom account for the billions of dollars in total net worth sitting courtside at every sold-out Warriors game. He's been a featured panelist at TechCrunch Disrupt and a headliner at a recent LinkedIn speaker series. Iguodala is the standard bearer for what David Carter, the executive director of USC's Sports Business Institute, calls the "third phase" of player-company relationships, in which highly paid athletes take an active role in their portfolios and invest directly in companies. Iguodala also wants to help his fellow athletes take their own first steps in this direction—which begins with recognizing the opportunity before it's too late. Read more [HERE](#).

Arthritis In America: Everyone knows someone with arthritis. It is a leading cause of disability, and causes pain, aching, stiffness, and swelling of the joints. According to the CDC's latest report, about 1 in 4 (54 million) adults have arthritis. More than half of adults with arthritis (32 million) are of working age (18-64 years). The percent of adults limited by arthritis has increased by about 20% since 2002. The everyday activities of 24 million adults are limited by it, such as holding a cup, lifting a grocery bag, or walking to a car. The most common types are osteoarthritis, rheumatoid arthritis, gout, lupus, and fibromyalgia. Arthritis costs at least \$81 billion in direct medical costs annually. Many adults with arthritis are prescribed opioid medicines, yet other options for pain are safer. Physical activity can decrease pain and improve physical function by about 40% and may reduce healthcare costs. Still, 1 in 3 adults with arthritis are inactive. Read more over at the [CDC's Vital Signs](#).





FarmLogs Launches First Nationwide Research Network

This past week at Commodity Classic my friend Jesse Vollmar announced the rollout of [FarmLogs Research Network](#), the first nationwide large-scale, on-farm research network of its kind. Dedicated to organizing and conducting unbiased research and independent analysis, the collaborative program, open to row-crop farmers across the country, will accelerate agronomic learning cycles, help influence product development and improve prescriptive recommendations for users. Utilizing technology to automatically capture and analyze on-farm trial data from different geographic environments in near real-time, the network will empower users to easily experiment and discover scientifically valid management practices. It will also enable farmers and businesses to more quickly and accurately prove how specific input decisions, management practices and new products and technologies impact their bottom line. FarmLogs will develop and set up trial protocols, aggregate and analyze the data, and offer support to growers along the way. "This is an entirely new approach to on-farm research," said Dr. Tracy Blackmer, VP of Science at FarmLogs. "We're not only crossing state lines with our large-scale unprecedented replications, but we're also addressing several barriers that traditional research networks have been unable to break through. With our focus on independence, and with no geographic, vendor, product or technological limitations, we're able to offer a more authentic and accurate way to analyze trial data. The rate at which growers will be able to test, learn from and implement new management practices will be monumental." FarmLogs invites those in the ag space who are interested in learning from and participating in the research trials to visit the FarmLogs site by clicking [HERE](#). What I really like about the concept is that it can help speed up "best-of-practice" results for NEW things I want to try on the farm. It can provide me with access to what others have found to be the results of their efforts and hurdles that I need to be aware of so as not to make the same mistakes. Essentially the network will empower growers to easily experiment and discover scientifically valid management practices. It will also enable farmers to quickly and accurately prove how specific input decisions, management practices, and new products and technologies impact their bottom line. I just really like the thought of building a nationwide library or database and having access to the details and results being recorded out in the fields. Technology and perhaps more importantly "transparency" continues to change the face of agriculture.



Destructive Wildfires On The Southern Plains Leave Permanent Scars

Destructive wildfires which began Monday quickly moved through parts of 4 states assisted by gusty winds, dry conditions and high temperatures. Sadly 6 individuals and thousands of livestock lost their lives as the wildfires pushed across a million acres. Many more residents tell stories of daring evacuations and attempts to rescue livestock before the fires approached. I've heard it said over the years - by city dwellers - that some believe when tornados and fires move across the "open" prairie, the damage is minimal because "it's just land" they say, but the people who own this land will tell you it's not just land - it's their livelihood. "You can lose your job but to watch it burn is another thing," says Jolyn Easterwood, a 24-year-old rancher who's been helping to evacuate livestock. Last night, flames nearly engulfed her families home. "This is people's life that's on fire -- it's not just land." I would imagine that many of you have family or friends in or near the area and our thoughts and prayers go out to all of you. I did see some tweets and FB comments on the young couple who didn't make it out of the fires as they sought to free the cattle from the blaze. Some very touching and relevant thoughts on life were posted as friends had to deal with their loss. Also, we need to keep all those fighting the fire in our prayers as windy conditions can turn on you in a moment. Here is an update on the affected areas at this time:

Kansas - *To this point over 625 acres have been destroyed and one man laws killed after he jack-knifed his semi on the highway as he tried to back up in limited visibility, he then succumbed to smoke inhalation after he got out of his truck. About 545 square miles of the state's burned land is in Clark County, where 30 structures have been*

damaged, including some homes, said Allison Kuhns, a spokeswoman for the county's emergency management office. She said about half of the structures were damaged in or near the small city of Englewood, which was among two in the county that was evacuated. Kuhns said there also have been significant cattle losses and that there were entire ranches that were engulfed. Elsewhere, the largest evacuations were in Reno County, where 10,000 to 12,000 people voluntarily left their homes Monday night, said Katie Horner, a spokeswoman for the state's Department of Emergency Management. She said 66 people from the area were in shelters Tuesday in Hutchinson, which is 40 miles northwest of Wichita.

Texas - *In the Texas Panhandle, three fires have burned more than 195 square miles of land. One of the blazes near Amarillo threatened about 150 homes, while a larger fire in the northeast corner of the Panhandle near the Oklahoma border was only 5 percent contained as of Tuesday morning, according to Texas A&M Forest Service. That larger fire was responsible for a death on Monday, authorities said Tuesday without providing further details. A wildfire in Gray County, which is also in the Texas Panhandle, killed three ranch hands who were trying to usher cattle away from the flames, said Judge Richard Peet, the county's head administrator. One of the three apparently died of smoke inhalation Monday night and the other two were badly burned and died on the way to hospitals, he said. Forest Service spokesman Phillip Truitt said as many as four firefighters were hurt battling the fires Monday.*

Oklahoma - *A woman had a fatal heart attack while fighting a blaze in Buffalo Tuesday, reports the Associated Press. Officials say she was trying to keep her farm in Harper County from burning. Oklahoma Forestry Services said nearly 300,000 acres have been charred in Beaver, Harper and Woodward counties. Numerous residences and secondary structures were burned by a wildfire estimated to be 185,000 acres in size near Knowles and Gate counties. Ash from the fires reportedly fell from the sky as far east as Oklahoma City even though they were burning more than 100 miles to the west.*

Colorado - *In northeastern Colorado near the Nebraska border, firefighters lost ground to a blaze in rural Logan and Phillips counties. They had the blaze 90 percent contained Monday evening, but only 50 percent contained Tuesday, despite working overnight to douse hot spots and flare-ups. The fire has burned more than 45 square miles of land and destroyed three homes. Nearby residents were warned to be ready to evacuate if the fire advances toward them. More than 70 firefighters from 13 departments battled the blaze, which was reported east of Sterling on Monday morning. The fire, which was driven by wind gusts of nearly 50 mph, jumped Interstate 76 and spread into Phillips County.*

KLA Initiates Relief Effort For 2017 Wildfire Victims - KLA is organizing hay and fencing material donations for delivery to affected areas in Kansas. To make in-kind donations, call KLA at (785) 273-5115. Cash donations can be made through the Kansas Livestock Foundation (KLF), KLA's charitable arm, by going to www.kla.org/donationform.aspx. Stockgrowers Bank of Ashland has donated \$25,000 to KLF as seed money for the relief effort. Donations will be used to assist ranchers affected by wildfire. KLF is a 501 c(3) organization. Donations to the foundation are tax deductible.





Interesting Read About The Barbie Doll

Barbie turns 58 years old today, making the iconic doll one of the longest running toys in America. She was created by Ruth and Elliot Handler, co-founders of Mattel. The Handlers got the idea from a doll called Bild Lilli that they came across while vacationing in Switzerland in 1956. Bild Lilli was based on a comic strip character that was described as a "blonde bombshell" and was originally marketed as an adult novelty toy. The Lilli dolls wore fashionable, somewhat risque clothing for the day, with heavy makeup that some thought made her look like a 'working girl'. Still, Ruth Handler recognized that the overall theme of the doll was unlike anything else on the U.S. market, where most dolls were modeled after babies or infants. Handler felt a doll modeled after an adult would spark the imagination of young girls who were interested in fashion and looking toward a future that included a career outside of being a mother and housewife. She took the cue largely from her own daughter, Barbara, who preferred playing with paper dolls that were modeled after adult women. While she went on to become the most popular fashion doll ever created, her beginnings were quite controversial, especially according to 1950s social standards. Handler and Mattel spent three years developing Barbie, whose official name is Barbara Millicent Roberts and hails from the town of Willows in Wisconsin. Barbie was a teen fashion model with a style that was greatly influenced by female movie stars of the time, such as Audrey Hepburn and Elizabeth Taylor. Barbie was intended to be "a model of bubbly teenage innocence", but immediately drew criticism due to her "shapely figure" and "sexy clothing". Mattel didn't cave to the outcry, though. Instead, they capitalized on a new marketing idea - advertising directly to kids via television. Barbie made her first television appearance on the Mickey Mouse Club, which was extremely popular among kids. Such ads and other marketing techniques targeted at young girls helped to sell 351,000 Barbies in her first year, setting a new sales record and establishing children as a key target audience. In the 60s, Mattel developed a boyfriend and female friend for Barbie. Ken, named after the Handler's son, was introduced in 1961, and Midge, Barbie's freckle faced friend, debuted in 1963. A major part of Barbie's success is credited to her ability to change with the times. She has evolved from model, to career woman, to Olympic Gold Medal "winner, and even President! She has been an astronaut, a pilot, a doctor, lead singer of a rock band and was the subject of one of famed pop artist Andy Warhol's paintings. The year 2014 was Barbie's year to really diversify as she became 'Entrepreneur Barbie', backed by ten real-life entrepreneurs including Reshma Saujani, the founder and CEO of Girls Who Code, and Jennifer Hyman and Jenny Fleiss of Rent the Runway. In the same year, Barbie landed the cover of Sports Illustrated swimsuit edition, wearing a version of her original zebra swimsuit and featuring the tagline 'the doll who started it all'. Using similar technology to Apple's Siri, Mattel launched 'Hello Barbie' in 2015, a technologically advanced version of Teen Talk Barbie that has the capacity for two-way conversation. Hello Barbie has a microphone and a modicum of artificial intelligence that means the more she is spoken to, the more appropriate her responses are. Another new range of Barbie dolls, launched with the hashtag #thedollevolves, is attempting to debunk Barbie's image as an unrealistic portrayal of the female form. Three new body shapes - petite, tall and curvy - are now available, which can be mixed and matched with a number of skin tones, eye colors and hair styles, including afro and curly red hair.

"I am humbled by the thought that we could have had that much influence, and yet I know that we did."

Ruth Handler, mother and creator of Barbie

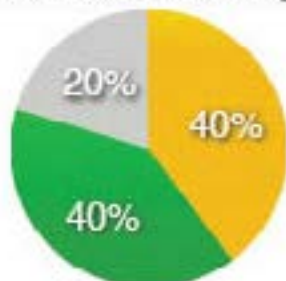
Chapter I: Background The World's Most Iconic Doll



CASH SALES & HEDGING TOTALS

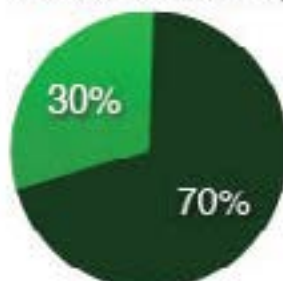
CORN 2016 CROP

40% SOLD
40% HEDGED
20% Cash Remaining



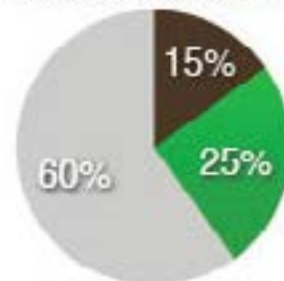
SOYBEANS 2016 CROP

70% SOLD
30% HEDGED
0% Cash Remaining



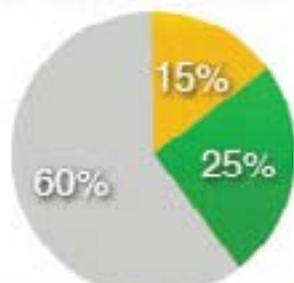
WHEAT 2016 CROP

15% SOLD
25% HEDGED
60% Cash Remaining



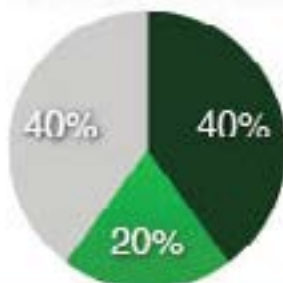
CORN 2017 CROP

15% SOLD
25% HEDGED
60% UNPROTECTED



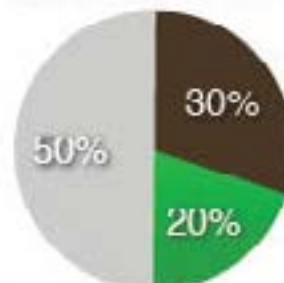
SOYBEANS 2017 CROP

40% SOLD
20% HEDGED
40% UNPROTECTED



WHEAT 2017 CROP

30% SOLD
20% HEDGED
50% UNPROTECTED



CORN 2018 CROP

0% SOLD
0% HEDGED
100% UNPROTECTED



SOYBEANS 2018 CROP

0% SOLD
0% HEDGED
100% UNPROTECTED



WHEAT 2018 CROP

0% SOLD
10% HEDGED
90% UNPROTECTED

