



"The further a society drifts from the truth the more it will hate those who speak it..."
- **George Orwell**

TUESDAY, MARCH 14, 2017

Morning Summary: U.S. stocks continue to trade in a narrow range near all-time highs as investors await this week's policy decision from the Federal Reserve. The central bankers begin their two-day meeting today and odds that they will boost the benchmark interest rate by 25 basis points has pushed to near 100%, according to the [CME's FedWatch Tool](#). Despite thoughts of a much more hawkish Fed, the S&P500 is still less than -1% below the all-time high. Oil prices are up a bit this morning, but have fallen close to -10% during the past 30-days largely due to growing U.S. production and fears that the uptick will offset efforts by OPEC and other non-members to reduce production and relieve the global glut. WTI crude hit a three-month low yesterday as traders digested another increase in active U.S. oil rigs. Leonardo Maugeri of Harvard University, who in 2012 predicted a glut in oil supplies and a steep fall in prices, warned recently that unless oil demand growth rebounds to record levels in 2017, there is again a prospect that the market is heading for "a substantial fall." He adds that growth in the U.S. shale industry is one of the principal contributors to excess global supplies. Another issue that has oil traders nervous is production increases in Iran and Iraq. Iraq, which produced 4.47 million barrels per day in January, well above its quota of 4.35 million barrels per day, is capable of raising its output to 5 million barrels per day in the second half of this year. Meanwhile, Iran has managed to increase its exports to 3 million barrels per day, its highest level since 1979. Investors today will be closely watching OPEC's latest monthly report, which will offer details and opinions regarding the success of recent production cut. OPEC has informally been reporting that overall participation to the production cuts agreed upon in November has been strong, but an outsized majority of the reductions are believed to be coming from Saudi Arabia. The worry is that Saudi Arabia may decide that they are not willing to lose anymore market share to other OPEC members and opt not to adhere to production cuts moving forward. Meaning there is also the very real possibility they won't agree to extend the agreement past the six-month deadline, regardless of whether any significant dent has been made in the size of global inventories. Here at home, the only U.S. economic data due out today is the Producer Price Index for February, which is expected to show costs climbed just +0.1%, compared to a +0.6% gain in January. Fed Chair Janet Yellen's comments scheduled for tomorrow afternoon looks to be all the buzz. Several big-money players are starting to think the normalization of rates may be more difficult than the market is anticipating and how easy it looks on paper.

The Game Might Be Over: *"My grandfather rode a Camel, my father rode a Camel, I drive a Mercedes, my son drives a Land Rover, his son will drive a Land Rover, but his son will ride a Camel."* — Sheikh Rashid bin Saeed Al Maktoum

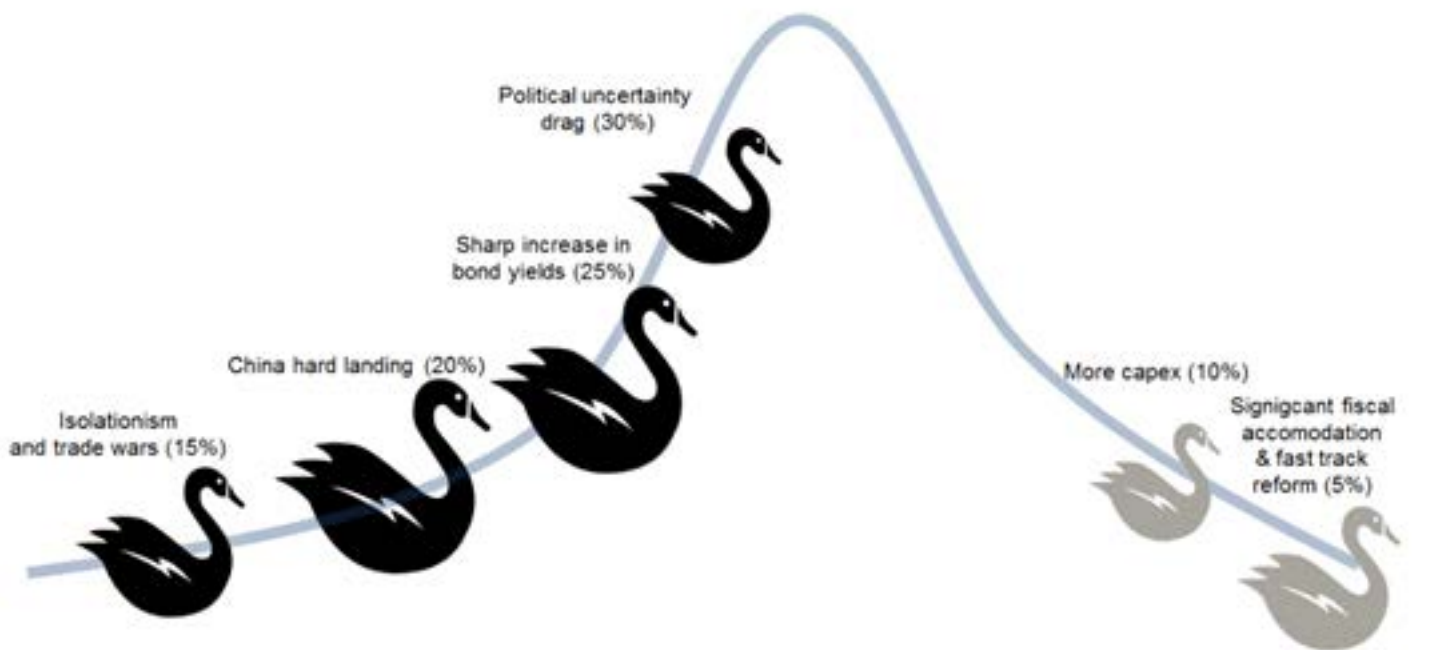
Trump Signs Executive Order Aimed At Trimming Government Costs: *President Donald Trump signed an executive order Monday aimed at trimming waste within federal agencies. Press secretary Sean Spicer said the measure will require a "thorough examination" of executive departments and agencies to find out "where money is being wasted." Spicer said agencies would try to find functions that are "duplicative" or outdated to make the federal government more "efficient." The full text of the order, called the "Comprehensive Plan for Reorganizing the Executive Branch," has not been made available, so it's not clear if all agencies are affected or what the targeted cuts may be. White House press secretary Sean Spicer indicated Monday that the review could even result in a recommendation to eliminate whole agencies. While signing the order in the Oval Office, Trump said the Office of Management and Budget will oversee the evaluation, working with experts inside and outside the government to develop a reorganizing and consolidation plan. The order comes amid a broad early push by the Trump administration to identify and cut what it calls burdensome regulations or spending in the federal government. Trump already signed an order last month directing federal agencies to create "regulatory reform" task forces which will evaluate federal rules and recommend whether to keep, repeal or change them. Trump is expected to release a budget blueprint on Thursday that calls for massive, across-the-board cuts to federal agencies to pay for a major military buildup.*

U.S. To Push G-20 On Currency Vows and Fair Trade: *U.S. Treasury Secretary Steven Mnuchin will push the world's top economies to abide by existing exchange-rate agreements and promote "open and fair" trade at a coming meeting of finance chiefs this week, a senior Trump administration official said Monday. But the senior U.S. Treasury official, in a briefing ahead of a two-day Group-of-20 meeting starting Friday, stopped short of committing to past G-20 vows to "reject protectionism." The comments highlight two of the major points of contention within the group of 20 nations, which acts as an executive board for the global economy. Amid Trump administration threats to ramp up tariffs, sanction trade partners for perceived currency violations and a general disdain for multilateral organizations, many G-20 countries are worried Washington may be about to start a trade war. The new administration, meanwhile, is seeking to discipline trade partners it believes have abused the international rules-based order at the expense of U.S. industries and the American economy. Mr. Mnuchin, in his first international appearance representing the Trump administration later this week, will urge China, South Korea and other G-20 members to honor their existing commitments on exchange rates. That includes avoiding competitive devaluations and targeting their exchange rates for competitive purposes, the U.S. official said. (Source: Wall Street Journal)*

SocGen Ranks Political Uncertainty As Biggest "Black Swan" Risk: *Societe Generale is out with its latest quarterly chart of swan risks that threaten to rock the global financial markets. The SocGen team lists political uncertainty drag, a sharp increase in bond yields, a China hard landing, and isolationism and trade wars as possible black swan risks. On the white swan side, the team pointed to two upside risks:*

significant fiscal accommodations and fast-track reform in the US, and more capital expenditure. Business Insider points out that it's a bit of a faux pas to call these forecasts "black swan events," given that those are, by definition, nearly impossible to see coming. But when they materialize, it's bad — and that's the point SocGen's team seems to be making. As for the political uncertainty, the analysts wrote that while it's tempting to lower the probability from their November projection, they decided to keep it at 30%, given that policy uncertainty may continue nearing key elections in the eurozone, including in the Netherlands on March 15, France in May, and Germany in September. Additionally, they note that a sharp and significant jump up in bond yields poses a potential risk to the risk premia. "Indeed, the debate continues about how much of equity market performance is driven by fundamentals and how much by the liquidity resulting from highly accommodative monetary policies," the team wrote in its report. "The risk on bond yields in many ways sits on the flip side of the upside risk that stems from a more aggressive fiscal policy stance. The US is currently the most closely watched in that respect." Moreover, "should dollar gains prove significantly greater than expected then that could catalyze a hard landing of the Chinese economy with ramifications across the globe," it added. "Such a scenario would also increase the risk of trade wars and isolationism." (Source: Business Insider)

Markets Chart of the Day



Downside risks to the growth outlook

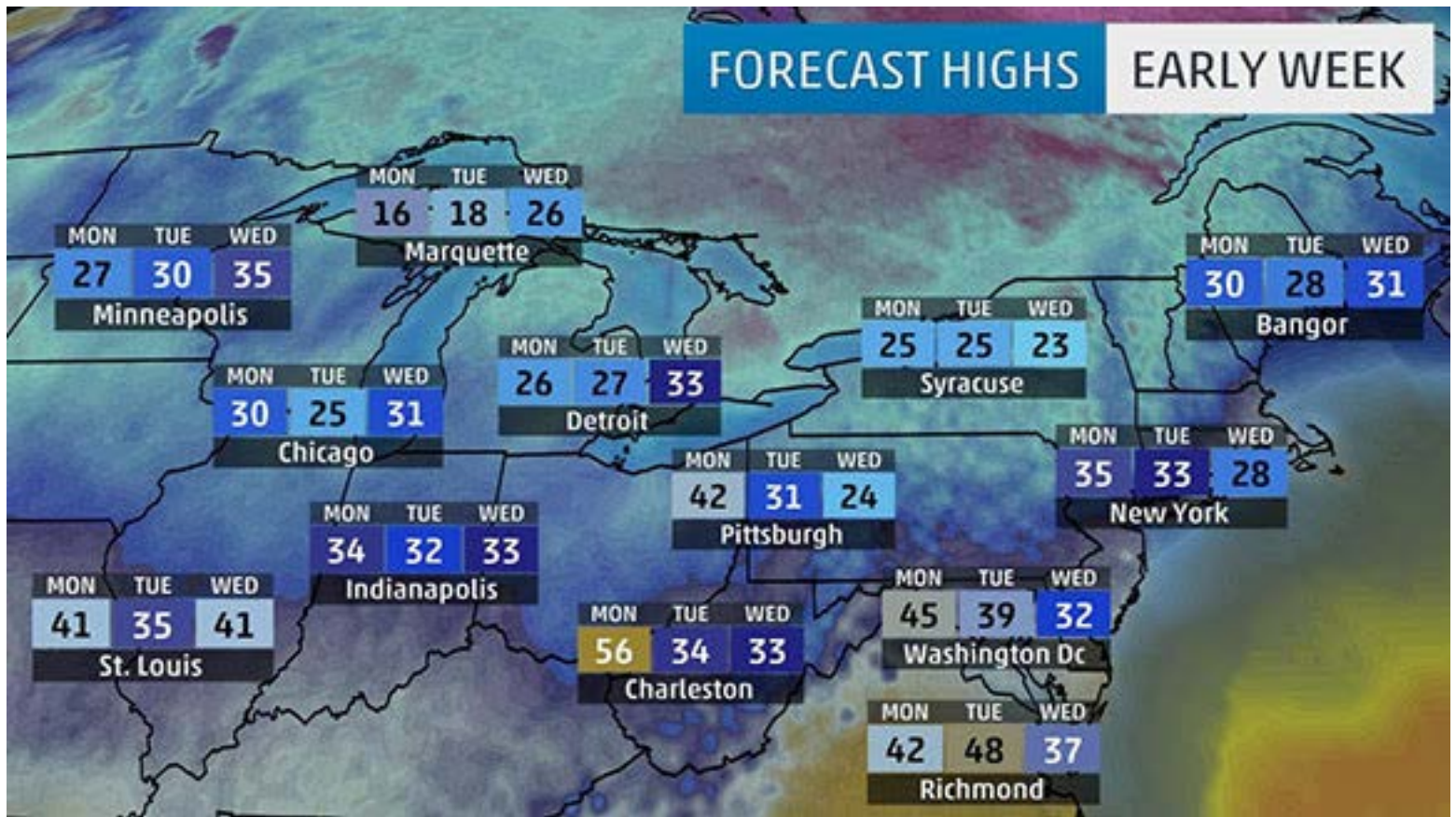
Upside risks to the growth outlook

The y-axis gives an indication of how probable we consider a risk factor to be. The size of the swans gives an indication of how important the impact of that event materialising would be in terms of its upside or downside shock to the outlook.

Source: SG Cross Asset Research/Economics

Weather is focused on a mid-March snowstorm in the Midwest which caused disruption to transportation and spring fieldwork. On the Plains, cold, breezy weather prevails in the wake of a departing storm. Rain showers brought much needed moisture to southeastern Plains (Oklahoma) while sub-zero temperatures are affecting portions of the northern Plains, including nearly all of North Dakota. We continue to hear about strong winds and low dew points in the southern Plains leaving wheat crop conditions ratings well below where they were a year ago at this time. In the Corn Belt, snow is blanketing central and eastern areas. Yesterday saw some of the heaviest snow fall in Illinois and environs, with current depths reported at 2 inches in both Des Moines, Iowa and Chicago, Illinois. In the western Corn Belt, frigid, windy weather is causing some blowing of previously fallen snow. Overnight, the rapidly evolving snow storm will cross the mid-Mississippi Valley and intensify along the Atlantic Coast. Storm total snow accumulations of 4 to 12 inches or more can be expected from the northern Mid-Atlantic region into New England, with travel delays likely and electrical outages possible. In the coastal storm's wake, cold, windy weather and snow showers will persist through mid-week. In contrast, areas from California to the central and southern High Plains will remain dry through week's end, accompanied by an eastward push of warm air. In Brazil, a round of heavy rainfall may occur before the week is out. The rain will focus on central Brazil, and will be favorable for soil moisture in second crop corn areas. The impact on the soybean harvest is expected to be minimal due to excellent progress to this point. In Argentina, central crop areas have favorable conditions for developing and filling corn and soybeans. Some improvement in rainfall in the double crop soybean areas in the south is also noted.

Arctic Air Returns to Midwest, East: *Last week's spring temperatures have become a distant memory in the Midwest and East, and this return back to winter will last through midweek. The below average temperatures will last into midweek as a surge of much colder than average temperatures arrives behind the winter storm, leading to temperatures plunging into the 20s in portions of the Southeast. This blast of cold and below freezing temperatures is bad news for areas where leaves and flowers are already blooming and there are agricultural concerns, especially in the Southeast. Temps will begin to moderate in the Plains and parts of the Midwest by Thursday and for much of the East by the weekend.*



Corn prices have given back all of their 2017 gains and now stand at levels not seen since the end of 2016. Not only has the 2017 crop in South America dramatically rebounded, but now some are thinking cooperative U.S. weather and the ability to perform early field work could push earlier corn acre estimates a bit higher. In fact Informa tipped their hand in that direction yesterday by bumping their planted corn acres a hair higher from 90.5 to 90.8 million acres. Bears are also pointing to the fact global wheat prices have been under pressure as of late which might be creating a headwind for nearby corn demand. We also need to remind ourselves that the "bird flu" headlines continue to fill the air and may be creating a bearish undertone. There's also seen a nearby macro shift in overall bullish sentiment as traders have been reducing risk exposure heading into tomorrow's Fed announcement. In fact crude oil prices, very similar to corn prices, have also given back all of their 2017 gains and are now trading at levels last seen in late-December. Technically the old-crop MAY17 contract is hoping to find more stable footing in the \$3.50 to \$3.60 range. The new-crop DEC17 contract is hoping to find nearby support in the \$3.75 area. As you can see in the graphic provided below, early-planting dates are now upon your doorstep and the trade will begin to focus more attention of U.S. headlines.

Wheat bears are talking about improved rains in the forecast for some of the more dry areas across the U.S. Plains. This makes an already burdensome U.S. ending stock estimate north of 1.0 billion bushels, seem even more burdensome. The trade is also talking about cheaper prices in the Black Sea region and record production being forecast now for Argentina and Australia. Lets also not forget we are digesting a dramatic rebound in India's total wheat production. Technically the SRW wheat market is now trading at fresh six-week lows and has penetrated most all nearby support levels. HRW wheat has penetrated psychological support at \$4.50 and is now in danger of taking on a much more bearish appearance on the charts. I still believe there is a lot of uncertainty surrounding the upcoming U.S. wheat crop along with potential geopolitical headlines that could provide us with much better prices to market our wheat in the weeks or months ahead. Staying patient and conservatively bullish as both a producer and a spec. I should note that Informa yesterday adjusted their all wheat plantings to total around 45.589 million acres, which is down another -173,000 acres from January and down -4.565 million from a year-ago



> **Informa Lifts Planted Acres Forecasts For U.S. Corn and Soybeans:** *Informa has raised their forecast for 2017 U.S. planted corn acres to 90.8 million versus a previous estimate of 90.5 million acre and last year's 94.0 millions. The consultancy also raised their soybean acreage projection to 88.7 million acres compared to the previous estimate of 88.5 million and compared to last year's 83.4 million acres. Planted wheat acres was lowered slightly to 45.6 million acres from a previous 45.8 million and versus last year's 50.2 million.*

> **Egypt Rejects Argentine, Russian Wheat On Quality Issues:** *Egypt, the world's largest importer of wheat, has rejected a shipment of wheat from Argentina and two from Russia. The three shipments purchased in local auctions were rejected by Egyptian inspectors, according to Reuters. Intermediaries consulted would not specify what Egypt's concerns were with the wheat quality, but Egypt has requested that all three companies replace the rejected shipments which total around 180,000 tons of wheat. Interestingly, Egypt's Supply Minister just announced that the country's wheat reserves are expected to double with the start of harvest. A press release from the cabinet on Sunday stated that the receipt of the wheat from farmers this season will begin in mid-April and extend over three months.*

> **Uralkali Sees Potash Demand Picking Up:** *Russia's Uralkali, the world's largest potash producer, said its core earnings fell 38 percent in 2016 as prices of the crop nutrient tumbled and sales volumes shrank. Uralkali, along with other potash producers, has been hit by strong competition and low prices for agricultural commodities, but the company said on Monday that it expects total global potash demand to rise by 1-2 million tonnes*

this year to 62 million to 63 million tonnes, driven by China. Last year the world's top potash importers - India and China - delayed signing new purchase contracts until the end of the second quarter and start of the third quarter, putting downward pressure on the global market. Uralkali forecast China would buy between 14.8 million and 15 million tonnes of potash this year while India would purchase 3.9 million–4.2 million tonnes.

> South Korea To Lift Import Tariffs For Chicken: South Korea plans to lift import tariffs for chicken from early April in a bid to prevent price increases amid the country's worst bird flu outbreak and a ban on U.S. poultry imports, its agriculture ministry said on Sunday. The import tariff cuts are likely to take effect from early April after consultations with other related ministries, the agriculture ministry said in a statement. The ministry expected the cuts to help stabilize local chicken prices as imported chickens are cheaper than domestic ones. The move comes as South Korean producers are seeking to raise chicken prices following the country's ban on U.S. poultry imports after a bird flu outbreak in the United States last week, stoking fears of a chicken shortage. South Korea, Asia's fourth-largest economy, has been grappling with a bird flu outbreak since late last year, culling more than 35 million farm birds, or over a fifth of South Korean poultry. (Source: Reuters)

> Perdue's Ethics Paperwork Has Been Filed: Sonny Perdue's confirmation hearing for Ag Secretary has been held up by a delay in his ethics paperwork, but Politico reports it was finally filed late Friday, including a plan for how he intends to untangle himself from his web of business interests if he's confirmed by the Senate. In a letter to USDA's designated ethics official, Perdue says he would put most of his assets into a blind trust - something he refused to do during his tenure as Georgia governor. Perdue also said he would recuse himself from decisions that could affect his grain company, AGrowStar LLC, until a promissory note from the firm is repaid, and would resign from positions with a number of groups, including the National Grain and Feed Association and the Georgia Agribusiness Council. "After speaking to the lawyers," Perdue's spokeswoman said, "there will be no conflict of interest with him serving as secretary of Agriculture." (Source: Politico)

> Gottlieb Nominated As FDA Chief: President Donald Trump nominated Dr. Scott Gottlieb of Connecticut to be commissioner of food and drugs at the U.S. Department of Health & Human Services. Gottlieb is a physician, a resident fellow at the American Enterprise Institute and a venture partner at New Enterprise Associates. Gottlieb, 44, served as a deputy commissioner of the FDA under President George W. Bush. Gottlieb has a history of calling for faster approvals, greater regulatory transparency and a realignment of the balance of power between FDA and doctors.

> ADM Has Chinese Expansion Plans: Archer Daniels Midland Co. plans to widen its operations in China to produce fish feed, the company said on Monday, amid increasing global demand for fish from health-conscious consumers. Expansion in high-growth regions like China is part of ADM's strategy to improve returns and reduce the volatility of earnings due to swings in crop markets. The Chicago-based company said it will build a new plant in Xiangtan, in central China, with capacity to produce 120,000 metric tons of animal and fish feeds annually. It will be ADM's fifth animal feed plant in the country. ADM also will add production lines for fish feed at a plant in Nanjing, in eastern China, to gain "entry into the growing Chinese high value specialty aquafeed market," according to a statement. A spokeswoman declined to say how much the projects will cost. The company



Eastern Mississippi - *We are over in the delta on the Mississippi side of things. Things have been changing around here, seeing many guys go from rice and cotton, to corn and beans. There are a lot of guys taking advantage of the rice PLC guarantee which will probably generate more revenue than any other option. I personally will have many more bean acres over the corn side. With our setup, being land formed graded, we can change pretty quick to take advantage of more profitable prices. We are 100% irrigated, with furrow or flooding type of system and can typically get everything done in 4 to 5 days. There are not many pivots that are located right near us anymore. The other big item on the irrigation side is wells becoming harder and harder to get or add. We have added two or three over the past few years. The beans pencil better and if we can make yields close to our trend line, we can make decent profits. If we only make in the 50bpa we are disappointed and need to see yields at least in the 60bpa area. We have great river locations to deliver out crops, which often keep the basis pretty firm. We have seen a dollar swing in the basis with shipping problems in the gulf and August/September weather problems. The corn will start to go the heavier soil type fields in the next week or two. We typically have high fertility and will many times see yields 180bpa to 210bpa, and it looks like we will start with good conditions. We do everything we can do to increase production. We continue to do soil testing and grid sampling, increasing prescriptions anywhere we can. We have plenty of moisture in the ground now but think we will see things dry by April 25, for the corn and May 10th on the beans, for late plant dates.*

Central Missouri - *We have continued to get dry over the last four to six weeks, with little or no moisture, as temps stay above average levels sucking a lot of moisture out of the dirt on our farms in central Missouri. The warmer temps did allow us to get some ammonia put down. Most of the guys are about three to four weeks out to start on early planting. That will all depend on weather of course but also what the ground temp does right before and after the seed goes in the ground. We do not use seed that has much for coatings that would help if the seed would sit in adverse soils. We have farms in southeast Missouri also which have been very wet over that past two weeks. Planting in the south areas that we farm are every close to get seed in the ground. We have been put on hold for now, which may only last a day or two, before we see how fit things are. We are supposed to warm up over the next 7 to 10 days showing temps that may reach to the 70's.*

Southcentral Tennessee - *I truly believe the long term benefits of planting cover crops will repay you. The weed control, and evaporation control is worth a lot of \$\$\$. I have been extensively testing different covers, mixes, methods, trying to find a cheap, working system. I have a couple of mixes that can be made for less than \$30, that include 5 species. Each persons land has different requirements, so nothing is perfect till you find it. My fall*

cover is treated just like my spring cash crop, planted timely, and with precision. Believe me if I didn't think there was a lot to gain, we wouldn't be harvesting and planting at the same time!!!!



Relief Efforts Continue To Help Farmers And Ranchers Impacted By Wildfires:

An Oklahoma cattleman says donations of all kinds have been pouring in from across the country to help farmers and ranchers affected by the wildfires in Texas, Oklahoma, and Kansas. Tom Fanning of May, Oklahoma, is the Northwest District Vice President of the Oklahoma Cattlemen's Association. "Yesterday, Andy Brock from Indiana drove two loads of hay down," he says. "He was home from college on Spring Break. I told him this is not Padre Island or Fort Meyers, Florida and you chose to come do something for someone and help serve others. It's just a great effort." Fanning says those who have donated have been amazing. He tells Brownfield hay donations have been arriving non-stop since the wildfires began and have gone out as quickly as they have been received. "I know at one drop-off site there were at least 25-30 semi-loads of hay that's been brought in," he says. "Yesterday evening there were just two loads of hay left at the site." Listen to interviews from Fanning and coordinators in other areas that are trying to help affected ranchers and farmers [HERE](#).

Finding The Next Generation Of Norman Borlaugs To Help Feed The World: *World Food Prize President Kenneth Quinn recently spoke with The Des Moines Register about the World Food Prize. The mission of the award "is to find a way to feed the 9.7 billion people that will be sharing this planet by 2050," Quinn said. "There is not one answer to that problem, nor is there just one discipline that will lead us to that goal. We need everyone from plant scientists like Norman Borlaug to artists and musicians." They spoke in advance of the March 27 deadline to apply for the Iowa Youth Institute, a daylong event at ISU that immerses students in the issues surrounding food security and hunger, interacting with scientists, industry titans and policy-makers. This year's event is set for April 24. Many Iowa Youth Institute participants move on to the Global Youth Institute, which each fall brings together students from across the United States and seven countries to interact with world leaders on the topic of world hunger. Some participants move on to Borlaug-Ruan International Fellowships and the Wallace-Carver Foundation program in partnership with the U.S. Department of Agriculture. Those students travel the world to work on the problem of world hunger. Read more [HERE](#).*

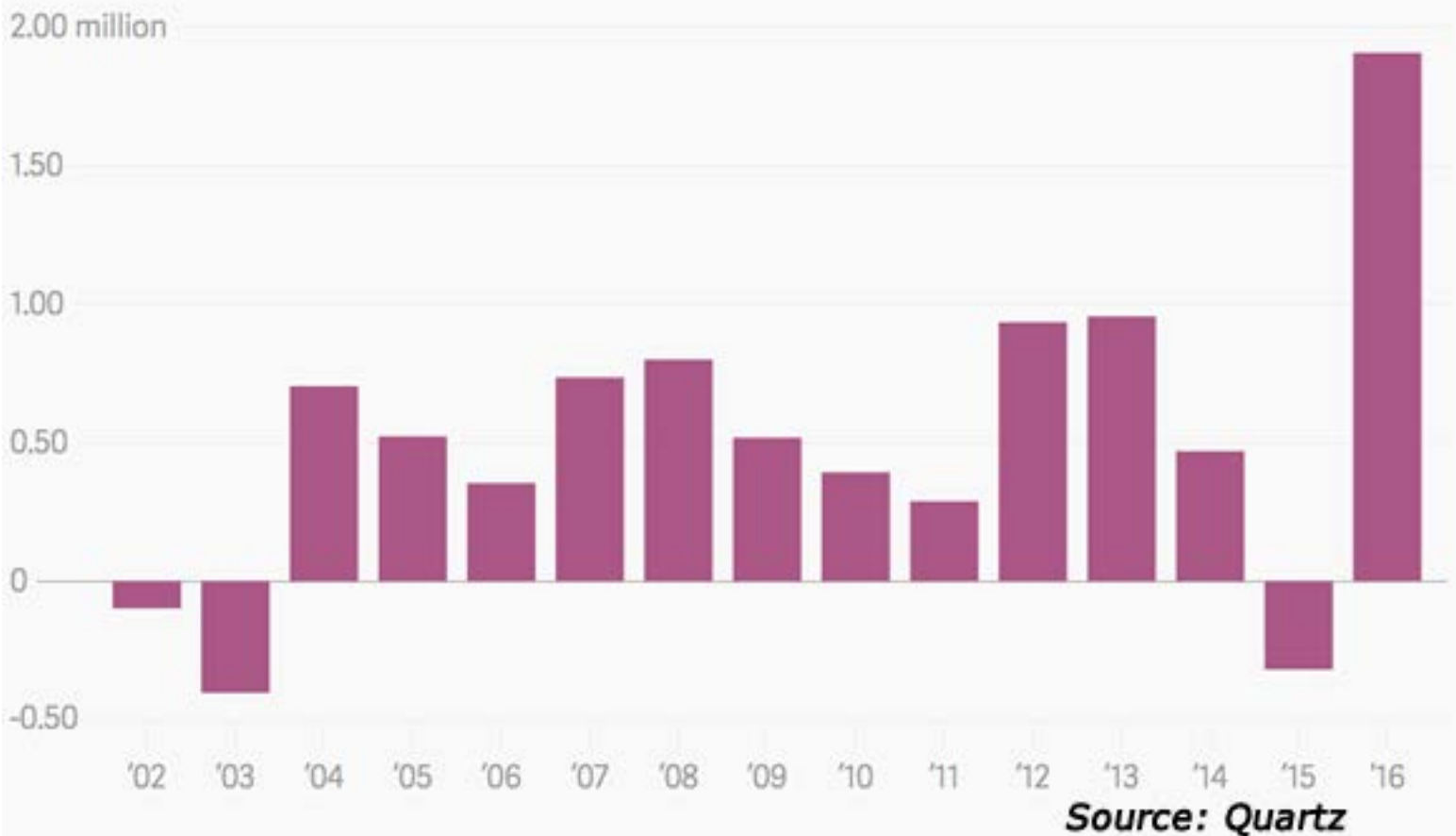
Investing When No One Really Knows What to Do: *Investing is hard. Diversification is hard. Following a single strategy is hard. Nothing works all the time. It can be emotionally exhausting to put your money to work when you consider all of the variables involved along with the fact that you're dealing with your life savings. Investing is a scary proposi-*

tion. Those who have missed most or all of the bull market are frightened to jump in right now while those who stayed invested are worried about giving back some or all of their gains. It seems like very few investors know what to do right now. [Ben Carlson over at A Wealth of Common Sense](#) has some thoughts on how to think about investing when it seems like no one really knows what to do.

Generation X Fears Doctors, Doesn't Exercise Enough, But Wants To Live Forever: *Generation X has longed suffered as the 'middle child' of all American generations. Because Gen X is one of the shortest generations – spanning only a 15-year period from 1965 to 1980 – there are only 65 million Gen Xers, compared with 77 million Baby Boomers and 83 million Millennials. Meanwhile, the Centers for Disease Control and Prevention reported last year that an American can expect to live an average of 78.8 years, down one month from the previous 78.9 years. This is the first time a decline in life expectancy has been seen in the U.S. in more than 20 years, and it has struck a nerve with Americans. Coupled with the fact that one in two American adults is living with a chronic disease. The question now – how is this possible with all of the extraordinary advances in science and unprecedented amounts of money spent on healthcare each year? A new report may have the answer. The [MDVIP Health & Longevity Survey](#) showed that Generation Xers, those ages 36 to 51, don't do enough to keep healthy, even as they claim they want to live to a ripe old age.*

China Is Finally Experiencing A Baby-Boom: *Once busy curbing its population, China is rushing to make more babies. The country recorded 18.46 million live births in 2016, leading to "the largest annual number of newborns since 2000," according to the National Health and Family Planning Commission (NHFPC), which attributes the increase in fertility to China's two-child policy that came into effect on Jan. 1, 2016. For nearly four decades, China penalized many couples who had more than one child. In 2013, China allowed married couples, if one of them was an only child, to have two children. Then China loosened the restrictions further and allowed all couples to have two children—but no more. China is hoping to address social and economic problems created by its family-planning policies—a shrinking working-age population could threaten its economic development and a huge gender imbalance that has made it hard for many men to get married. Read more from [Quartz](#).*

Number of live births in China from previous year



Could Atrazine Be Banned by the EPA???

One of farmers' least expensive and most effective chemicals for weed control is going under the magnifying glass. Atrazine is up for re-registration review by the Environmental Protection Agency. The chemical's last registration received approval in 2003. From what I understand the EPA reviews products every 15 years, including a lengthy process that often involves public opinion as well as scientific studies. Closer scrutiny of atrazine use comes at a time when it is appearing in drinking water supplies at higher rates than allowed by EPA, primarily due to atrazine runoff into watersheds. In 2007 and 2009, the EPA determined that atrazine is not likely to cause cancer in humans or affect amphibian gonadal development. With Atrazine being so widely used, it has become one of the most closely examined chemicals in the world and its safety has been established in more than 7,000 scientific studies. In an interview given to [Southeast FarmPress](#), Timothy Pastor, retired toxicologist with Syngenta - with years of experience working with the compound, says the science clearly supports re-registration. But he stressed that farmers and those in the industry must remain proactive in supporting the continued use of the chemical. Administrative and academic errors committed in a previous reports means that atrazine could still

face some regulatory hurdles. Keep in mind, last June the EPA issued a draft report on the ecological assessment of atrazine that was highly criticized throughout the industry for containing numerous data and methodological errors. The EPA assessed the widely sprayed substance as harmful to animals and plants, while agriculture industry groups charged that the federal agency's study was based on a misguided scientific review. Despite the recent study, Pastoor believes the EPA understands their errors and will correct them when they take this in front of a scientific advisory panel. EPA will consider what that group of academic scientists advises them to do and will go back with their own scientists and will revise the draft risk assessment. Atrazine has gone through thirteen scientific advisory panels and Pastoor is confident that it will yet again clear the regulatory hurdles. (Source: [AgProfessional](#))



Jeff Bezos Announces His First Space Customer

Amazon founder and CEO Jeff Bezos revealed that his aerospace business, Blue Origin, just acquired their first customer for the 'megarocket', New Glenn. In 2021, the reusable rocket will deliver a satellite for Paris-based Eutelsat. This puts Blue Origin in direct competition with Elon Musk's SpaceX, which has successfully launched satellites and even delivered supplies to the International Space Station. New Glenn though will be capable of lifting twice the capacity of SpaceX's current rocket, the Falcon 9. The New Glenn rocket has not even flown a test flight, as Blue Origin hasn't even built it yet. However, it is based on their smaller New Shepard, a reusable rocket that has successfully launched 6 times and landed 5 times. The New Glenn will be powered by seven engines, including their new BE-4, which is fueled by liquefied natural gas. This will make the rocket powerful enough to put heavy cargo and astronauts into orbit around the Earth. At a recent presentation, Bezos said he wanted to start delivering equipment to the moon to help set up the first human settlement. The ultimate goal is to be the space version of Amazon. The Earth-to-Moon cargo delivery service would carry as much as 10,000 pounds of goods to the Moon's South Pole and could be lifting off in 2020. The South Pole is significant as it has constant sunlight and water nearby could be used as a source of hydrogen for rocket fuel. Bezos has already reserved a spot near the Moon's Shackleton Crater. Bezos says such missions could only happen with a partnership with NASA. "Our liquid hydrogen expertise and experience with precision vertical landing offer the fastest path to a lunar lander mission." He also says he's ready to invest his own money alongside NASA to make it happen. With the space agency's help, Bezos wants to develop "incentives in the private sector to demonstrate a commercial lunar cargo delivery service." Just last month, Nasa's top staff were given instructions to assess the feasibility of sending humans to space with the first flight of the Space Launch System rocket and Orion spacecraft.



President Trump Is Quite The Stick!

In the golfing world, you often hear people saying, "he's a good stick," when referring to a very good player. That's exactly what professional golfer Ernie Els had to say after a recent round with the President and Japanese Prime Minister Shinzo Abe. In fact after the round with the President, Els told the Wall Street Journal, "President Trump is a golfer". Not only does the President have an above average game, but for someone who will be turning 71 in a few months, his 2.8 GHIN Index handicap makes him an incredible golfer! Let's start with the fact the President has always been a very good athlete. He played football, soccer and baseball at the New York Military Academy, winning multiple MVP awards while captaining the baseball team. Add to this his 6'2" frame and sheer competitiveness, while knowing his limitations, and you have a player capable of great things. Another reason, unlike most recreational players who fight to reach certain positions, the President plays to his strengths, swinging the club using his most natural motion. Trump says, "I just try to keep it simple, if I didn't, I would have stopped playing years ago." This alone makes the President's swing easily repeatable and machine-like, which allows the game to be much easier. I was personally surprised to hear President Trump was this good at the game of golf. I had heard he was a great athlete and could play the game, but I had no idea he was this good. Having myself played a lot of highly competitive golf, I truly admire but rarely see players adopt the attitude and approach of the President... having sound fundamentals, keeping it simple, knowing your limitations, playing within your skill-set and giving

yourself opportunities to succeed. If you are trying to emulate another player and you lack their skills, abilities, physical attributes, etc., you will quickly find yourself on the merry-go-round of golf. An old pro once told me, "golf, like life, has a simple premise... know thyself." With temperatures warming up and another golf season ahead of us, I wanted to pass along four "tips" President Trump uses to help maintain consistency within his game. (Source: Golf, Golfworld)

A Solid Grip - *"I don't win club championships with practice, but with a good grip." Trump places his hands on the handle following proven fundamentals, with nothing either too strong or too weak. This allows him to re-create the arm hang established at address when he strikes the ball — a great way to hit consistent shots. His grip pressure is just firm enough to keep his hands from breaking down either at the top of his backswing or at impact. You won't see a lot of hand flipping — Trump keeps his hands quiet and lets his body turn square the clubface.*

A Strong Turn - *"I'm a hip player. The strongest part of my swing is my body turn." Once he completes his backswing, Trump brings the club back down by strongly pulling his left hip behind him. He read and adopted Hogan's advice on starting the downswing with the hips. Because he emphasizes his lower body rather than his arms, he delivers the club into the slot consistently instead of throwing the club out with his hands — the over-the-top move that cause slices, pull-slices and other shotmaking misery. If you're prone to slicing, copy Trump's swing. It's hard to come over the top when your turn is this good.*

Killer Bunker Shots - *"I'm better out of the sand than anywhere else around the green." Many of the same elements that make Trump's full swing work also make him an excellent bunker player. His strong left-side move eliminates deceleration, which is the number-one reason amateurs leave their first shot in the sand. If you slow down as you approach impact (for fear of hitting the ball too far), you have almost zero chance of getting the ball on the green. Trump may shorten his backswing to control length, but he'll always accelerate and hit "through the shot," not "to the ball."*

A Confident Putter - *"If I don't beat you with the short ones, I'll beat you with a bomb." Trump is a brilliant putter, a trait built on experience and an uncanny ability to "will" the ball into the hole. One of Donald's recent opponents, NFL Hall of Fame receiver Jerry Rice, commented after their match, "Yeah, he beat me. He made absolutely everything. He kept rolling in 20-footers." If you're looking for Trump's putting secret, you'll find it in the fact that he truly believes he can make every putt. That's a powerful state of mind before any shot, especially on the greens.*

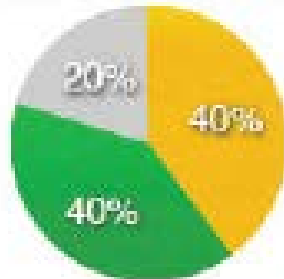




CASH SALES & HEDGING TOTALS

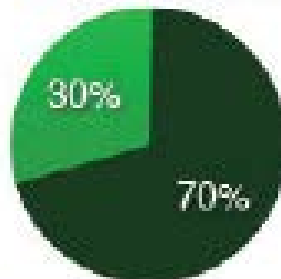
CORN 2016 CROP

40% SOLD
40% HEDGED
20% Cash Remaining



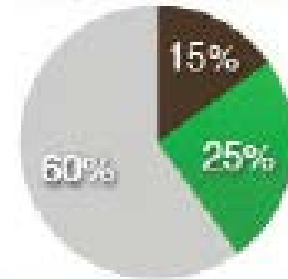
SOYBEANS 2016 CROP

70% SOLD
30% HEDGED
0% Cash Remaining



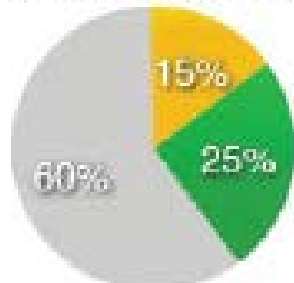
WHEAT 2016 CROP

15% SOLD
25% HEDGED
60% Cash Remaining



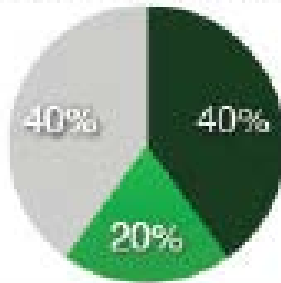
CORN 2017 CROP

15% SOLD
25% HEDGED
60% UNPROTECTED



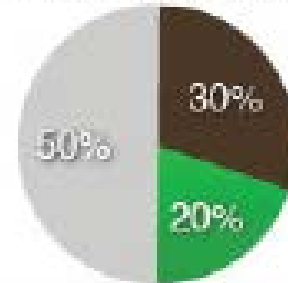
SOYBEANS 2017 CROP

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

