



*"Adapt what is useful, reject what is useless, and add what is specifically your own."*  
- Bruce Lee

**FRIDAY, MARCH 31, 2017**

**Morning Summary:** U.S. stocks are a bit lower this morning, but the Nasdaq is coming off a fresh new all-time record high set yesterday and is now up over +10% for the quarter. Interestingly it was the Nasdaq's 21st record close of 2017. Crude oil prices are back above \$50 on talk that OPEC leaders will extend their deal to lower output beyond June. A portion of the recent "risk on" optimism is attributed to an increase in consumer spending and a revised estimate for U.S. GDP. On the downside, Dallas Fed President Robert Kaplan said yesterday in an interview that he was worried about "policy in Washington," and if not handled properly, deals on trade or healthcare could squirrel up consumers and cause a potential pullback in confidence and spending. An example was that seniors could curtail spending if for some reason that get hit with higher healthcare cost in the wake of new healthcare negotiations. There's also some worries that initial trade negotiations could bring about some initial backpedaling and perhaps a few job losses as companies readjust, another reason consumers could become a bit more uncertain about their future and taper back spending. Interestingly, research floating around from [Gallup](#) recently showed U.S. consumers spending about \$101 per day out of pocket. For reference, pre-crash in 2007, the U.S. consumer was spending about \$106 per day. Post-crash in 2009 into 2010, there were times when U.S. consumer spending averaged sub-\$50 per day. In other words, consumer spending is strong right now and anything that rocks the apple cart will be highly scrutinized by the trade. Outside of consumer spending, a few other positives investors continue to talking about are improved strength in housing numbers, an improved labor market, increase in wages, and the fact large pickup truck sales continue to rebound to the upside, a somewhat strange gauge many believe judges the "real health" of the overall U.S. economy. Looking ahead to next week a few of the bigger ticket items will be: The second French presidential debate on Tuesday, April 4th; Minutes from the March Fed meeting released on Wednesday, April 5th; Minutes from the latest ECB meeting released on Thursday, April 6th; President Trump hosting China's Xi at Mar-a-Lago at the end of next week; Monthly U.S. Jobs Report scheduled to be released next Friday, April 7th; Over the weekend there's a Eurozone Finance Ministers meeting where Greece is certain to be the topic of conversation. After next week the trade will start to digest and look more closely at U.S. corporate earnings for Q1. I should also note, data recently released this morning showed that the Chinese government's official manufacturing index rose to 51.8 in March, its highest level since April 2012. Japan is also showing slight improvements. Perhaps global economic growth is slowly starting to improve?

**U.S. Economic Growth Revised Higher:** *The Commerce Department yesterday showed the U.S. economy grew at a faster pace in the 4th Quarter than previously forecast. Most all indications point towards increased consumer spending, which is the biggest part of the economy. This data underscores the fact the economy is improving and is being most importantly lead by the consumer. We are also seeing this in an improved labor market and rising consumer confidence. I should also note that corporate profits in the U.S. jumped 9.3% from a year earlier.*

**Jobless Claims Below 300,000 For Past 108-Weeks, But...** *A few of the bears are pointing to the fact "weekly jobless claims" have come in higher than expected in each of the last four weeks. In this week's report, economists were expecting the headline reading to come in at a level of around 247,000 and it came in at 258,000. The last time jobless claims exceeded forecasts for five straight weeks, you have to go all the way back to November 2013. On a much broader scale weekly claims remain very low, coming in below 300,000 for the last 108-weeks.*

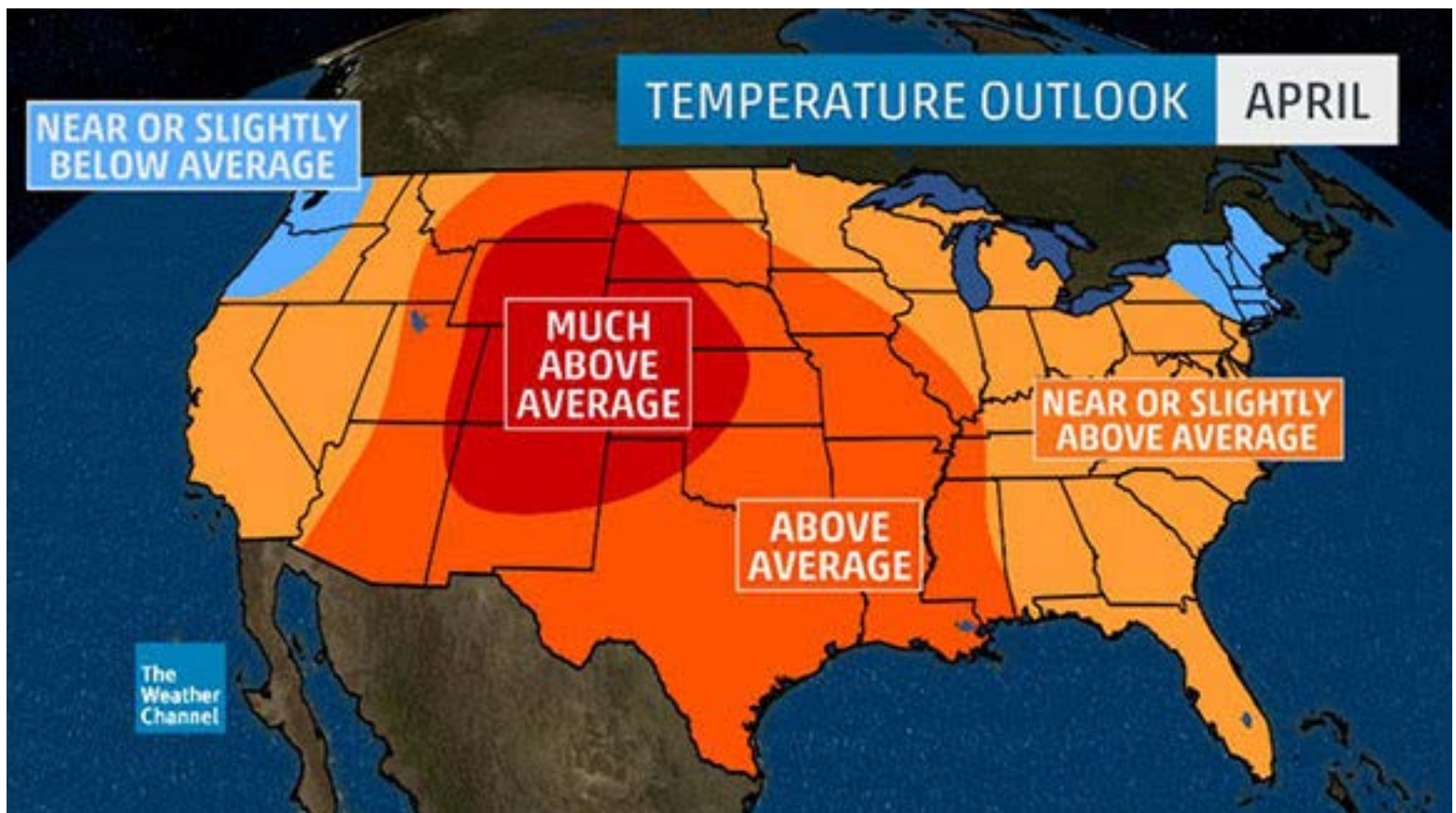
**America's Next Start-Up Hubs:** *A growing number of startups are being created across the country — and they're cropping up outside of the top innovation hub cities. That's according to new data released today by TechNet and the Progressive Policy Institute. Political and economic dynamics are forcing companies and investors to pay more attention to business activity in middle America, where many workers feel left out of the booming economies of the coastal cities (think San Francisco, San Jose, Seattle, New York and Boston.) Following the recession, start-up formation stalled outside of the big tech hubs like Silicon Valley. But activity has picked up over the past two years, with midwestern cities gaining momentum (Source: [Axios](#))*

10 emerging tech startup hubs



**Weather** has seen mostly dry conditions return to the Plains. Prior to this week's impressive rainfall event, which resulted in 2 to 5 inch totals across portions of the central and southern Plains, winter wheat was rated 37% very poor to poor in Colorado, along with 25% in Kansas, 23% in Texas, and 19% in Oklahoma. For the eastern Midwest and Delta regions, there are favorable conditions for developing winter wheat. Corn planting is underway in the Delta states. Fieldwork in the Delta will more than likely slow down as the regions get very wet later this weekend or early next week. Rains this week will also delay fieldwork in the eastern Midwest. Slow moving storms continue to spark widespread precipitation. Each storm will have a trailing cold front capable of producing heavy showers and locally severe thunderstorms. As a result, 5 day rainfall totals could reach 2 to 6 inches across the South, except in southern Florida. Totals of 1 to 3 inches can be expected across the central and eastern Corn belt as well as the Mid-Atlantic States. The Intermountain West and portions of the northern and central Rockies can also expect heavy precipitation, including high-elevation snow. A few areas, such as the upper Midwest and Desert Southwest, will remain mostly dry. Parts of southern New Mexico and western Texas will be at risk of high winds, blowing dust, and wildfires. In Brazil, current dryness in Rio Grande Do Sul is seen as unfavorable for late-filling soybeans. Conditions are favorable for developing second crop corn in central Brazil and also for maturing and harvesting soybeans in southern growing regions. In Argentina, favorable conditions for late-filling and maturing corn and soybeans are in effect in the major growing areas. Very heavy rains, 5 to 10 inches, in La Pampa has likely caused severe flooding in minor growing areas.

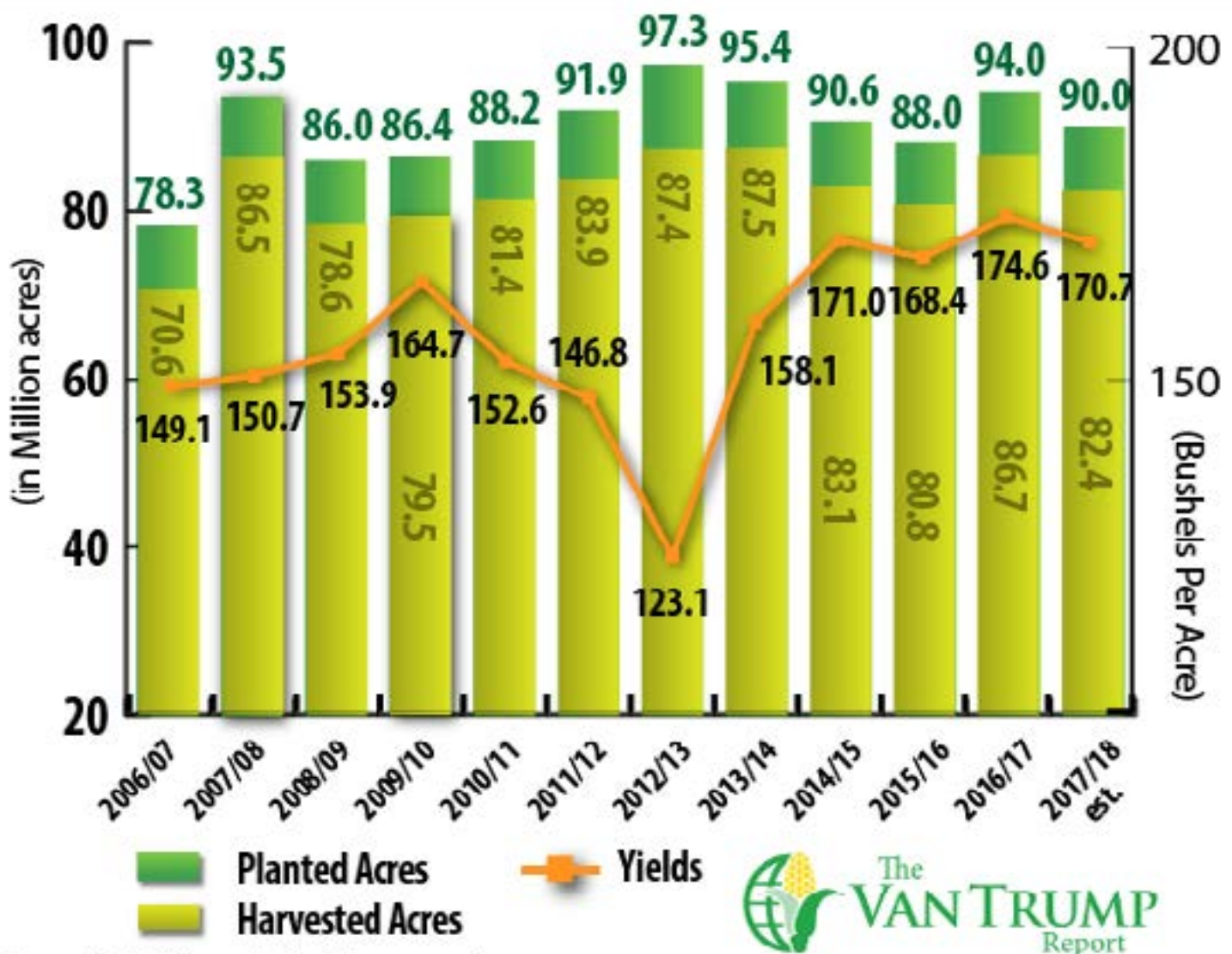
**Warm April For Central and Southern U.S.:** *Stubborn cool weather may hang on in parts of the U.S. in April, but warmth that will remain into early summer is still expected for most of the country, according to the latest outlook from The Weather Company. Conversely, the greatest chance of above-average April temperatures continues to be in the nation's heartland and Rockies.*





**Corn** bears are pointing to disappointing weekly export sales data and thoughts that U.S. planted corn acres might actually be higher than many in the trade are currently forecasting. I'm not in this camp and actually think U.S. planted corn acres will ultimately be lower than the trade is currently forecasting. Not only was the rally in soybean prices influential in reducing corn acres, but I suspect tighter lending is also factoring into the equation. I have to imagine we will all be much smarter later this afternoon after the USDA releases their current estimate. Bottom-line, a planted acreage number much higher than 90 million will add to the already burdensome balance sheet and put more pressure on the development of a U.S. weather story. Even 88 to 89 million corn acres are arguably way too many if we are going to harvest another +170 bushel yield. I continue to believe our bullish bets on corn, wheat and soybeans still hinge on long-shots from "weather" and "Washington". As we've learned many times in the past, these are two extremely difficult horses to bet on. I will continue to pay close attention to today's acreage estimate, Brazil's forecast, the extended forecast here in the U.S., and headlines out of Washington and how it is digested by the macro market bulls. Keep in mind several sources now believe the current USDA estimate for Brazil is some 3 to 5 MMTs too conservative and still needs to be raised aggressively higher. Lots of moving parts...

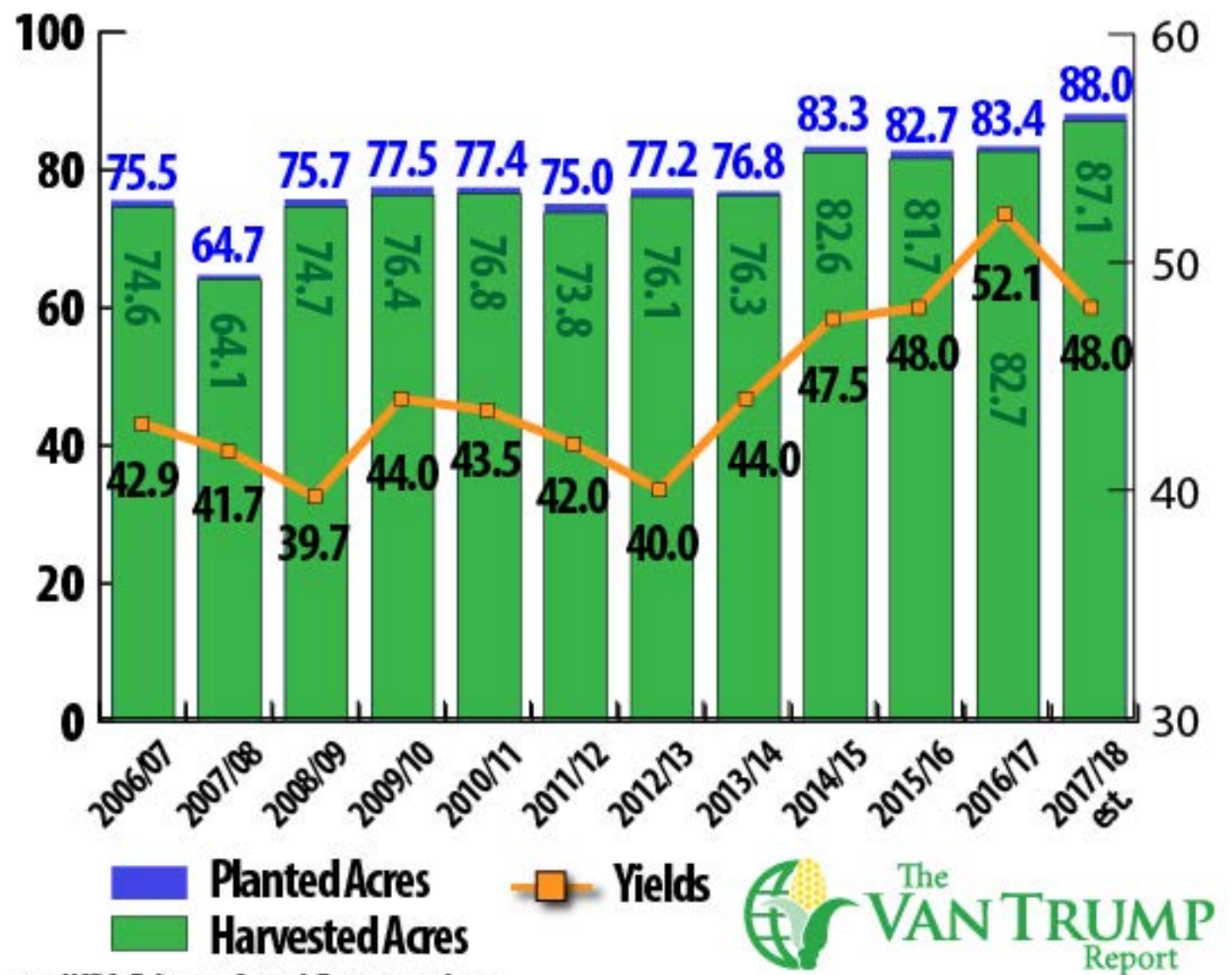
## U.S. Corn Planted Acres, Harvested Acres & Yields



Source: USDA, February Outlook Forum numbers

**Soybeans** bulls are talking about better than expected weekly export sales data, while the bears continue to talk bigger picture items like a record crop being harvested in South America, production estimates in Brazil continuing to work higher, U.S. producer about to plant a new all-time record number of acres, March-1 quarterly stocks perhaps the highest or second highest ever reported and up +10% to +12% from last year. The bulls are holding out hope that the USDA acreage estimate will be too conservative, just the way it has been in eight out of the past ten-years, underestimating U.S. soybean acres early. The bears say the math is fairly simple, with acres up near 89 million, even if we get a -5% to -8% decrease in average yield when compared to last year, we still more than likely move ending stocks higher as supplies ultimately become more burdensome. Bottom-line, without a significant weather story there's simply too many acres in play to argue from a bullish fundamental perspective. With 89 million acres in play, we will need to hear believable talk of 44, 45, 46 bushel acre U.S. yield estimate to push prices back towards recent highs. Do I believe that's possible? Certainly! But you have to ask yourself how much are you willing to bet on it... Personally I'm keeping my hedges in place and staying patient in regard to making any final new-crop sales.

# U.S. Soybean Planted Acres, Harvested Acres & Yields

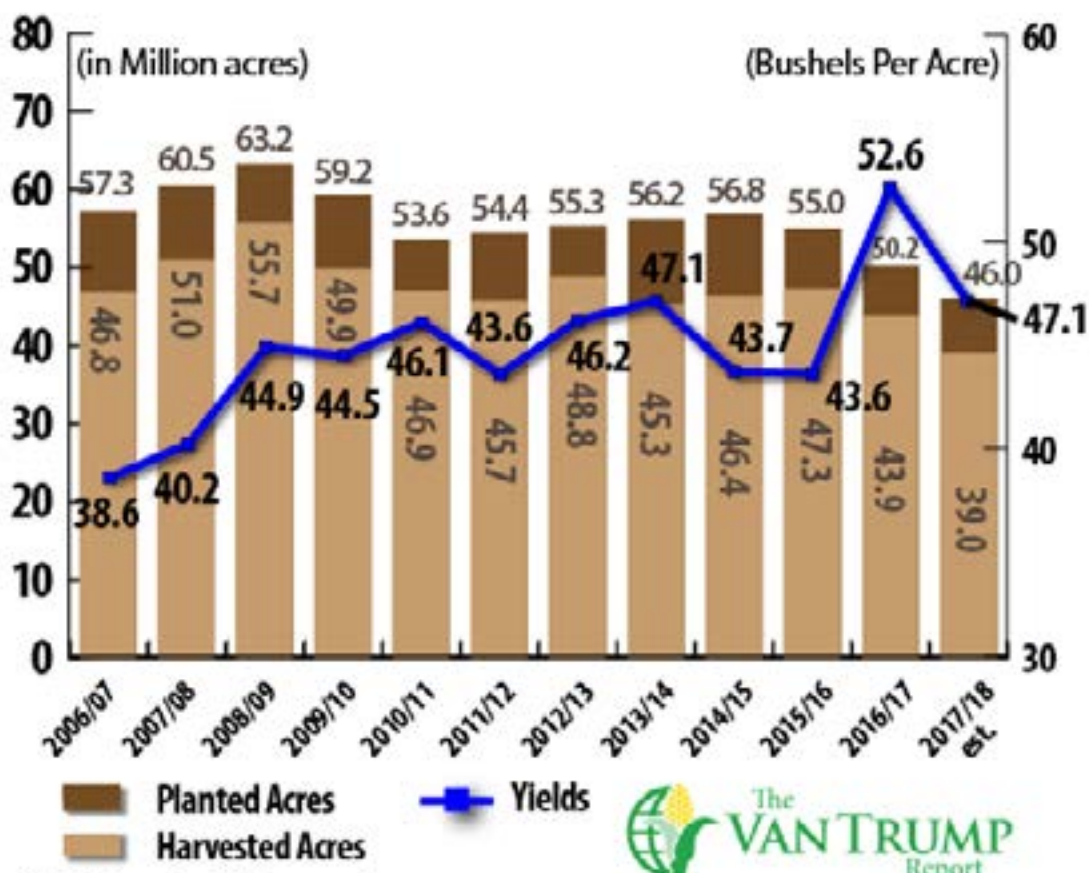


Source: USDA, February Outlook Forum numbers



**Wheat** bulls are hoping to catch a bit of a surprise today on a lower than expected USDA acreage estimate. I find myself in the same camp, thinking the acres could be less than most in the trade have been forecasting. I'm also thinking the overall yield is going to be less than the trade has been anticipating. Unfortunately there's doesn't look to be a lot of follow though in the headlines as global weather appears to be offering up improved moisture for low-cost providers in Russia, Romania, parts of Europe, etc... The good news is the recent rally in the Russian currency has the Ruble at its highest level against the U.S. Dollar in the past 18-months. Meaning importers of global wheat aren't currently finding Russian supplies all that attractive. Another positive perhaps is the outside macro bulls might be starting to show some renewed interest in the "re-flation" trade as more rumors circulate regarding three and possibly four rate hikes and the U.S. economy continuing to show improved signs of strength. Meaning the global economies may also look more optimistic. With the funds holding a near record short position there's reason to believe the boat could get rocked limn the days ahead. We are also starting to hear more headlines and talk out of Russian and President Vladimir Putin. Keep in ind there's been some mas-sive protests in his country as of late and some feathers might be starting to get ruffled. From what I understand, Aleksei A. Navalny, the opposition leader who would like to oppose the Putin in the March 2018 election, supposedly called for the demonstrations. The protests were largely inspired by a video released by Mr. Navalny accusing Prime Minister Dmitri A. Medvedev of amassing estates, vineyards and yachts through a corrupt scheme of charities and shell companies. I don't know if any of this means anything or not, but there's a chance it could move some of the short money to the sideline as President Putins name starts showing up more frequently in the headlines which could trigger some of the Algo's, AI's, Quants and High Frequency traders.

## U.S. Wheat Planted Acres, Harvested Acres & Yields



Source: USDA, February Outlook Forum numbers



### March Quarterly Grain Stocks

	March #	Avg. Trade Est.	Trade Range	USDA March 1, 2016	USDA Dec. 1, 2016
<b>Corn</b>	???	8.534	8.205 - 8.900	7.822	12.384
<b>Soybeans</b>	???	1.684	1.627 - 1.885	1.531	2.895
<b>Wheat</b>	???	1.627	1.450 - 1.721	1.372	2.073

### March Prospective Planting

	March #	Avg. Trade Est.	Trade Range	USDA 2016	USDA 2017 Outlook Forum
<b>Corn</b>	???	90.969	90.0 - 92.50	94.004	90.0
<b>Soybeans</b>	???	88.214	86.400 - 89.300	83.433	88.0
<b>All Wheat</b>	???	46.139	44.200 - 48.200	50.154	46.0
<b>Winter Wheat</b>	???	32.554	32.000 - 34.500	36.167	NA
<b>Spring</b>	???	11.358	9.900 - 12.200	11.605	NA
<b>Durum</b>	???	2.115	1.900 - 2.500	2.412	NA



**> International Grains Council Sees Lower Grains Output for 2017/2018:** *The International Grains Council on Thursday forecast a drawdown in global grains stocks in 2017/2018 for the first time in five seasons, amid falling production and rising consumption. In its first forecast for the 2017/2018 season, the IGC estimated global grains production at 2.05 billion tonnes, down from 2.106 billion tonnes in 2016/2017. (Source: Thomson Reuters)*

**> U.S. Weekly Export Sales:** *Soybean sales were better than expected with old-crop net sales at 681,100 Mts and new-crop sales of 315,600 Mts, which were both better than expected. Corn sales for old-crop were reported at 716,900 MTs with new-crop corn sales reported at 125,000 MTs, both at the low end of trade expectations. Wheat export sales on the week were mixed, but if we continue at this pace we should be able to meet the USDA's current export estimate. Keep in mind we have just under 10-weeks remaining. Cotton export demand remains strong with old-crop net sales reported at 392,300 bales and new-crop sales reported at 84,300 bales. Rice export sales were also impressive at 109,100 MTs for old crop.*

**> USDA Announces Loan Rates:** *The U.S. Department of Agriculture's (USDA) Commodity Credit Corporation today announced the 2017 marketing assistance loan rates by county for wheat, corn, grain sorghum, barley, oats, soybeans and each 'other oilseed' (canola, crambe, flaxseed, mustard seed, rapeseed, safflower, sesame seed and sunflower seed), loan rates by region for pulses (dry peas, lentils, small chickpeas and large chickpeas), and loan rates by state for rough rice. The rates are posted on the Farm Service Agency (FSA) website [HERE](#) 2017 Wheat, Feed Grains and Oilseeds National Loan Rates are as follows: Wheat \$2.94 per bushel; Corn \$1.95 per bushel; Grain Sorghum \$1.95 per bushel; Soybeans \$5.00 per bushel.*

**> Chinese Corn Prices Have Been Moving Lower:** *Chinese corn took a few more steps backwards on rumors that the government will start releasing corn from its massive reserve earlier than many had anticipated. The kicker is we are also hearing rumors that corn will be sold at cheaper prices than previously thought. Some folks are saying prices could be offered at sub-\$160 per MT for 2012-crop corn. Last year they were auctioning off corn for an average price of just over \$215 per MT.*

**> India Extends Canada Exemption From Crop Fumigation Policy:** *India will exempt Canada for three months from its policy that so-called pulse crops such as peas and lentils must be fumigated with methyl bromide to kill insects before leaving the country of origin, the Canadian government said on Thursday. The move resolves for now a disagreement that threatened C\$1.1 billion (\$827.5 million) in annual trade. The exemption applies to*



shipments that leave Canada on or before June 30.

**> China Says Foot & Mouth Outbreak Contained:** China's Ministry of Agriculture reported on Thursday 37 pigs on a farm in the southern Guangdong province had been killed after contracting the O-type strain of foot-and-mouth disease. The ministry said that all pigs on the farm have been killed and the outbreak is under control. South Korea reported an outbreak of the disease in February but downgraded the disease alert status in March from the maximum level. (Source: Reuters)

**> Senate Ag Committee Advances USDA Secretary Nominee Sonny Perdue:** U.S. Senator Pat Roberts, R-Kan., Chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, today announced the Committee voted to favorably report nominee Sonny Perdue to serve as the U.S. Secretary of Agriculture. Perdue may now be considered by the full U.S. Senate for confirmation. Governor Perdue has the bipartisan support of six past Agriculture Secretaries. The Governor also has the support of more than 650 agriculture groups from across the nation. (Source: U.S. Senate)

**> Benson Hill Raises \$25 Million, Reveals CRISPR 2.0:** Benson Hill Biosystems recently announced they closed a Series B round of funding. The Agricultural technology company uses cloud biology to drive crop performance improvements. The \$25 million will advance their work on CropOS, the computational platform driven by data and machine learning. Benson Hill leverages cloud biology, an intersection of cloud computing, big data analytics and plant biology to empower companies of all sizes to improve the genetics of any crop for a fraction of the time and cost traditionally required. CEO and co-founder Matthew Crisp is hoping to create new innovations that can further accelerate crop improvement to meet our global food and energy needs. The first application of CropOS increased crop yields through improving photosynthesis. The platform has demonstrated the ability to significantly increase yields in various corn hybrids grown in diverse environmental conditions. Perhaps even more excitingly for some, BHB has brought a new tool out of stealth: CRISPR 2.0. BHB has identified what Crisp believes is a more precise and efficient gene-editing tool than CRISPR Cas-9. CRISPR 2.0 uses a suite of newly validated nucleases instead of the Cas-9 enzyme. (AgFunder News and Businesswire).

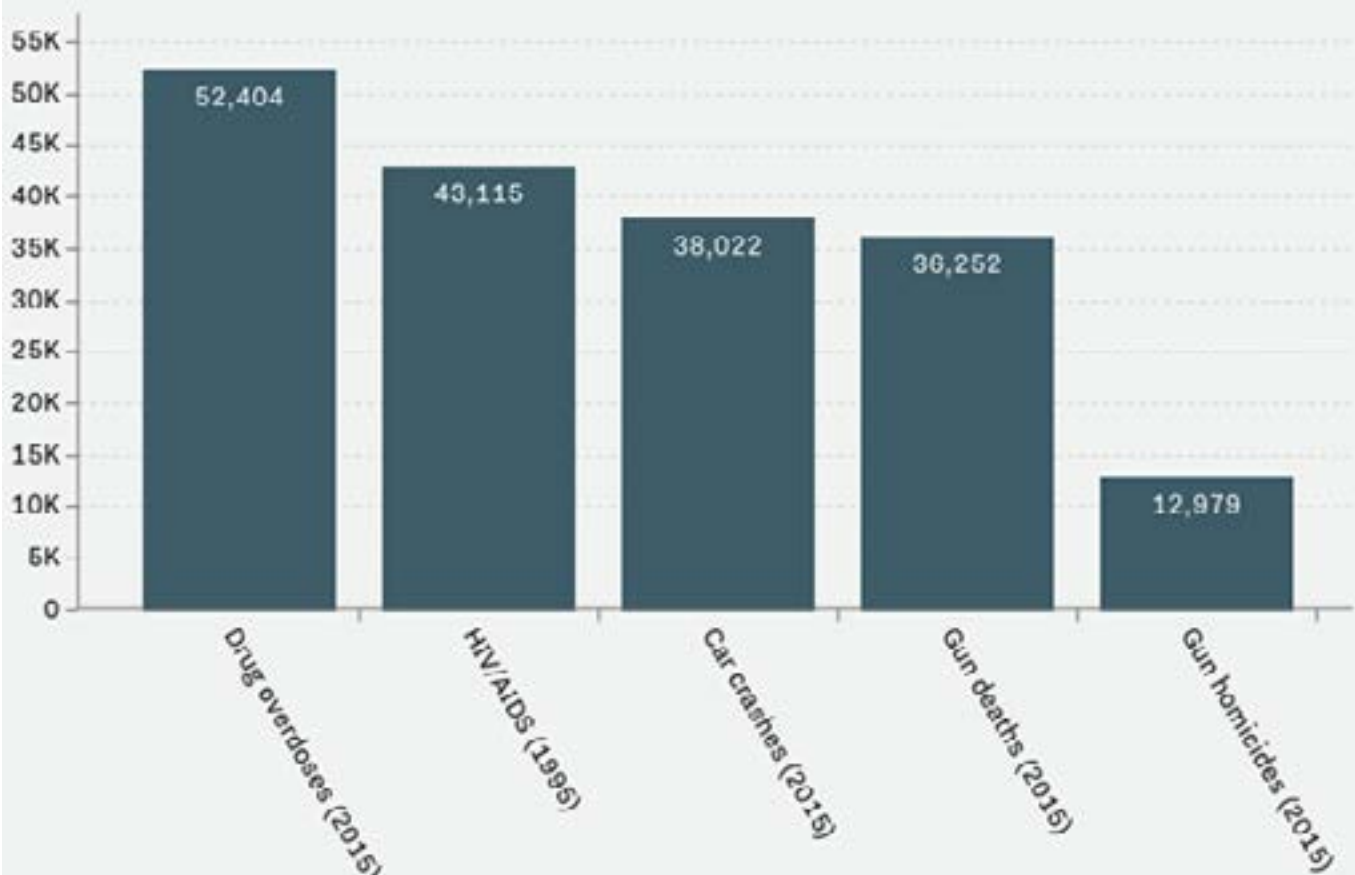
**> Ruble Stronger As Oil Prices Recover:** The Russian ruble moved to its highest level against the dollar in the last 18 months. Foreign investors, attracted by relatively high domestic interest rates moved funds into Russian assets. The dollar USDRUB, -1.0074% fell 0.8% to 56.17 in recent trade, compared with 56.62 rubles late Wednesday in New York. The recent moves comes as oil has been volatile, though the commodity has regained some ground over the past week. Because Russia is the world's second-largest oil exporter, and it depends on petroleum revenues to fund much of its federal budget, its currency tends to trade in lockstep with the price of oil, said Piotr Matys, an emerging-market currency strategist at Rabobank. He believes the ruble is being supported by the interest rate differential between domestic rates and external rates. Last week, the Russian central bank cut its benchmark interest rate by a quarter of a percentage point to 9.75%. Matys thinks the "hawkish" cut actually boosted the currency as some may have felt the central bank intended to lower interest rates more slowly in 2017. Oil prices edged lower on Thursday, with Brent crude oil, the international benchmark, off 0.3% at \$52.40 in recent trade, though it remained up 3% on the week. (Source: Marketwatch)

**> Raiders Officially Moving to Las Vegas:** We heard the news earlier this week and from what I understand the carrot was \$750 million in public money via bonds promised to the team backed by a hotel tax to build a \$1.7 billion domed stadium. Fans are expected to flock from out of town to visit Vegas to see one of their favorite teams play. A Las Vegas Super Bowl is also said to also be on the table, but not until after 2022, according to NFL commissioner Roger Goodell. Insiders suggest a Sin City Super Bowl would be ultimate entertainment spectacle and generate hundreds of millions of dollars for the city and state.

**> Drug Overdoses Now Kill More People Than Gun Homicides And Car Crashes Combined:** To understand just how bad the opioid epidemic has gotten, consider these statistics: Drug overdoses in 2015 were linked to more deaths than car crashes or guns, and in fact killed more people than car crashes and gun homicides combined. In 2015, more than 52,000 people died of drug overdoses, nearly two-thirds of which were linked to opioids like Percocet, OxyContin, heroin, and fentanyl. That's more drug overdose deaths than any other period in US history — even more than past heroin epidemics, the crack epidemic, or the recent meth epidemic. And the preliminary data we have from 2016 suggests that the epidemic may have gotten worse since 2015. This situation did not develop overnight, but it has quickly become one of the biggest public health crises facing America. Between 1999 and 2015, more than 560,000 people in the US died to drug overdoses — a death toll larger than the entire population of Atlanta. (Source: Vox)

## Drug overdoses killed more people in 2015 than HIV/AIDS at its 1995 peak

Total deaths in America by cause and year





**Northwest Kansas** - We have been pretty dry over the past eight weeks but have gotten about an inch of rain over the past two days. Our soil profile will need some improving before making a good crop. It seems like the topsoil is dry until you get a foot down, then good between 24" to 30" but then it gets really dry again. We got lucky last year with our wheat yields with weather that was not that great. We had fields that made anywhere from 75bpa to 96bpa and many guys had whole farm averages pushing 80bpa. I think that you will see a lot less wheat acres for our area. Most of the acres are irrigated some that will help on the moisture. A lot of the spring wheat is drilled back into stubble and sometimes makes a good for a good cover crop at the least.

**Central Iowa** - We have gotten an inch of rain over the last few days here in central Iowa but I have heard southern Iowa is dry and northern Iowa is very wet being over 10" above the normal rainfall. We did a lot of fieldwork back at the first of March and put down anhydrous and some strip tillage. We have a normal rotation of corn to beans of 60/40 but this year we will be more like 50/50, eliminating some of the corn on corn acres. The crops for us last year were unbelievable. We have been using cover crops since 2009, which has helped the soil health improve greatly, coupled with extremely favorable weather and rains pushed yields higher. Both corn and bean made record yields in 2016. The beans last year were right at 70bpa which in a normal year we will have our average yield at 60bpa. I have been using mid range beans over the past few years so that we can harvest by mid October. We think the cover crops have been beneficial but we have had to experiment with getting them planted. We have flown them on and drilled them in, but are still deciding what works best. When they get flown on, they are not near as uniform and the drilling is a challenge with tall crops. The field work we do in the spring is the strip tillage and the spring urea and anhydrous. We will split things up with side dressing and get it on as soon as we can. Our corn yield APH is 200bpa, with last years crop making 220bpa, seeing most all fields 15bpa to 20bpa better than normal. Unfortunately, I have a lot of those extra bushels in the bin. We will start planting around April 20th, with some guys starting at the insurance date of April 11th.

**Eastern Washington** - I think that we have had the wettest winter ever, with the spring starting out the same way leaving us a little wet. The winter wheat that is in the ground here looks very good. We have had some very cold temperatures but were fortunate to have some snow cover. I do not believe that we will see any winter kill which many thought might be the case when we were going through the winter. We have recently turned warmer and the snow has mostly melted. We did have some snow left in the north ditches up until today. I have not heard of any snow mold on the winter wheat around here but there is some showing up to the north of us. In a normal year, we will start planting 3



to 7 days after the snow melts but we are too wet this year. We always say that the spring wheat, in this part of the country, should be done by Easter. I think that it will be a little later this year. The ground is starting to firm up but we still have a long ways to go before we can start planting the spring wheat.



**Camera Controls Cultivator Between Rows:** *Inter-row cultivation is no longer the exclusive domain of row croppers and organic farmers. The practice has also become a new option for producers with herbicide resistance in broad acre crops such as wheat and canola. Machinery operators who have struggled to manually keep their cultivator between rows and out of trouble are probably not happy with the prospect of more inter-row cultivation. On the other hand, a few producers say they are nearing the point where their backs are up against a wall because of herbicide resistant weeds. In extreme cases, it's become a choice between trying to fight weeds without chemicals or giving up the land altogether. Read more at [The Western Producer](#)*

**Have a Donkey to Trade? China Has an Exchange for That:** *Chances are, if you can buy it or sell it, China has an exchange for it. The latest example? The China Donkey Exchange. It's one of more than 1,000 trading venues that now dot Asia's largest economy, up from 300 in 2011, according to SunSirs, a provider of data and research on Chinese commodity markets. The country has everything from the national stock exchanges in Shanghai and Shenzhen to small operations that consist of little more than software for matching buyers and sellers. But regional trading venues are becoming ever-bigger players. Helping determine prices for agricultural products, metals, and chemicals, they now cover 32 of China's 34 provincial-level regions. An orchid exchange began operating in Yunnan province in September, and a market for small-company shares opened in Ningbo in May. Read more of this interesting story at [Bloomberg](#).*

**McDonald's to Switch to Fresh Beef in Quarter Pounders:** *The fast food chain has been using frozen beef since the 1970s. McDonald's Corp. MCD +0.29% will switch to fresh beef from frozen in its Quarter Pounder burgers at the majority of its restaurants nationwide by mid-2018 in one of the biggest moves the company has made to turn around its struggling U.S. business. The chain is facing stiffer competition from traditional fast food rivals such as Wendy's Co., which has been touting its use of fresh beef patties in ads for many months. McDonald's has been using frozen beef since the 1970s. Read more at [Wall Street Journal](#).*

**150 Years Ago, the US Bought Alaska From Russia For \$7.2 Million!** *1867, the United States gave the government of Russia a check for \$7.2 million and took possession of 586,412 square miles of new land which became the Alaska Territory, and later, in 1959,*

would become America's 49th state. In the past 150 years, Alaska has seen several gold rushes, an oil boom, a groundbreaking distribution of lands to Native groups, a disastrous oil spill, a tremendous growth in tourism, and much more. Read more [HERE](#).

**Found: 'Holy Grail' of Levi's From 1893** - They looked like brand-new blue jeans, but Jock Taylor knew those Levi's had sat in an old family trunk for decades – maybe a century. Judging from their size (W: 44, L: 37) they probably belonged to his great-great grandfather Solomon Warner, an Arizona pioneer from the 1800s. If so, they're worth a small fortune, says Brit Eaton, a dealer in old jeans who actually searches abandoned mines for inventory. "Vintage denim can be worth thousands of dollars," Eaton says. "Finding Levi's pre-1900 is a massive rarity. That's the Holy Grail." Jock Taylor's dungarees are featured in the latest episode of *Strange Inheritance* with Jamie Colby. It premieres Monday, April 3 at 9:30 p.m. ET on Fox Business Network. The six-foot-six Warner died in 1899. Through the generations, his descendants handed down a wooden "heirloom" trunk that bears his name. "When Solomon's son passed away it went to his only daughter, then everything that she had went to my mother" says Jock Taylor. Taylor didn't know whether the jeans were Warner's, or added to the chest later. He decided to find out when an antique appraisal show came to town. Auctioneer Daniel Buck Soules recalls Taylor approaching him. "Why is he showing me new jeans?" Soules thought. Then he took a closer look. The jeans had the familiar leather tag, adorning Levi's from 1886 until today. But the rivets were exposed, meaning they were older than 1937, when Levi's started covering them with denim. Read more [HERE](#)

**Chocolate Milk:** Your Workout's Best Friend? If you're serious about your workout, you already know how important it is to refuel afterward. Some good news for dairy fans: Research shows that drinking chocolate milk after a workout can be as effective, if not more effective, than some sports drinks in helping the body refuel, recover and rehydrate from exercise. Plain milk is an equally good choice. [Military.com](#) connected with Greg Miller, Ph.D., FACN, Chief Science Officer of National Dairy Council, to find out more about why milk makes a great post-workout drink. And for those who really love their chocolate milk on-the-go replace the lid with a Gatorade top or one from a similar sports drink. (Source: DairyGood)





### **Is China Keeping Their Doors Closed To New GMO Crop Imports?**

The latest news coming out of China shows they are approving fewer new biotech crops for import than they were before, hampering the launch of new products globally and hurting trade. The number of annual approvals of GMO crops has fallen to just one last year, down from three in previous years, according to China's agriculture ministry. Ag insiders say the trend is definitely moving in the wrong direction. Understand, China does not permit the planting of any genetically modified varieties of staple food crops amid deep-seated consumer opposition. But it does allow the import of GMO crops, such as soybeans for use in its huge animal feed industry. It is China's incredible demand that has driven the U.S. to be the biggest producer of GMO crops and one of China's top suppliers of soybeans. In the past, Chinese officials have said they support biotechnology to raise the efficiency of its agriculture sector and that they plan to commercialize new GMO varieties of corn and soybeans in coming years. But again, they can't get their people to support this plan. Public acceptance of biotechnology is a major hurdle for the future introduction of GM crops in China, and despite attempts by the government to persuade consumers of the safety of such foods, opinions remain highly polarized. American business group, American Chamber of Commerce in China, is appealing to officials to ease import restrictions on agricultural goods, saying Beijing blocks market access despite acting like they support free trade. In a recent paper on China's ag policy, the chamber said they were extremely disappointed that China only approved one new biotech product for import in 2016, a Bayer CropScience Ltd soybean. Eight other products were seeking approval. There were also nine products waiting for approval for local field trials, the step prior to applying for a safety certificate and full import approval. One of those - a Monsanto soybean product - was actually approved. Other products seeking China market access include GMO corn and cotton. Foreign suppliers have long complained Beijing uses safety and other regulations to hamper imports of food and farm goods. In biotechnology, the chamber said Chinese approval of imported products takes about six years, several times longer than in the U.S., Brazil or other countries and the process is slowing down. What I find perplexing is the fact that Chinese leaders have recently come out and publicly defended free trade in response to newly elected President Trump's promises to restrict imports. But this recent report echoes enduring complaints that China is the least open major economy. (Source: Reuters)





### **Tomorrow Is April Fools' Day... Here Are A Few Things You Might Not Know**

If you are told something that seems completely outrageous tomorrow, keep in mind that it's April Fools' Day! It's become tradition to play pranks on unsuspecting friends and family members on this day, but the origin of this longstanding ritual is a little foggy. The most well-known legend maintains that April Fools' Day began in the 1500s when the Gregorian calendar took over from the Julian. Under the Julian calendar, years began on March 25. However, New Year's celebrations were held on April 1st because March 25th fell during Holy Week. The adoption of the Gregorian calendar shifted New Year to January 1, but not everyone got the memo - those who attempted to still celebrate New Year's on the first of April were teased as "April fools." The widely-believed origin story surmises that French peasants began an annual ritual of dropping by on friends and neighbors, trying to trick them into believing they were receiving a New Year's visit. Of course that joke only worked for so long, so the practical jokes had to branch out to other things in order to keep the tradition going and the silliness eventually spread throughout all of Europe. That is just one theory though. Here are a few others, as well as some of the most infamous April Fools' Day hoaxes throughout history:

**Spring:** *The timing of this day of pranks seems to be related to the arrival of spring, when nature "fools" mankind with fickle weather, according to the Encyclopedia of Religion and the Encyclopedia Britannica.*

**Noah's Ark:** *The Country Diary of Garden Lore, which chronicles the goings-on in an English garden, says that April Fools' Day "is thought to commemorate the fruitless*

*mission of the rook (the European crow), who was sent out in search of land from Noah's flood-encircled ark."*

**Hilaria:** *Some think it somehow ties in with the Romans' end-of-winter celebration, Hilaria, and the end of the Celtic new year festival.*

**Constantine:** *Joseph Boskin, a professor of history at Boston University, once theorized that the practice began during the reign of Constantine, when a group of court jesters and fools told the Roman emperor that they could do a better job of running the empire. Constantine, amused, allowed a jester named Kugel to be king for one day. Kugel passed an edict calling for absurdity on that day, and the custom became an annual event. This explanation was brought to the public's attention in an Associated Press article printed by many newspapers in 1983. There was only one catch: Boskin made the whole thing up. It took a couple of weeks for the AP to realize that they'd been victims of an April Fools' joke themselves.*

**The Great Spaghetti Harvest:** *On April 1, 1957, the British Broadcasting Corporation told viewers that there had been an "exceptionally heavy spaghetti crop" in Switzerland that year, due in part to "the virtual disappearance of the spaghetti weevil" (see the YouTube video above). The BBC showed footage of spaghetti harvesters diligently picking noodles from trees. Some viewers were upset—but some called to ask where they could find a spaghetti bush.*

**Washing of the Lions:** *The earliest April Fools' Day hoax on record was in 1698. People in London were told to go see the annual ceremony of the washing of the lions at the Tower of London, but when they showed up, there was no lion washing going on. The street prank worked so well that people kept pulling it year after year, targeting mostly out-of-towners. By the mid-19th century, pranksters had printed up fake tickets, and hundreds, sometimes thousands, of people would show up.*

**Silver and Gold:** *In 1905, the Berliner Tageblatt, a German newspaper, reported that thieves had tunneled underneath the U.S. Federal Treasury and stolen all of its silver and gold. The story was quickly picked up by papers throughout Europe and the United States. It was huge news—or would have been, if true.*

**Nixon in '92:** *"I never did anything wrong, and I won't do it again," said former President Richard Nixon, announcing that he would run for president in 1992. But the man speaking wasn't Nixon, and the news segment that aired the announcement wasn't real. National Public Radio's piece on Nixon's 1992 presidential run is one of its most famous April Fools' Day pranks. Not only did people believe it, they were outraged. The idea that he would run again was absurd, but it played on their fears so much that thousands of people believed it.*

**Taco Liberty Bell:** *In 1996, Taco Bell ran an ad announcing that it had purchased the Liberty Bell. The ad was a risky thing to do because it annoyed a lot of people, but it proved to other companies that you get a huge bang for your buck if you pull off a stunt that everybody talks about. The ad represented a shift in the way that companies looked at April Fools' Day. Before that, it was a light-hearted jest and bit of fun, but starting with the Taco Liberty Bell, and continuing into today, companies began to see*

it as a way to promote their brand and make money. (Sources: Museum of Hoaxes, Snopes)

# **HAPPY** **APRIL FOOL'S** **DAY**

Wishing you a very happy,  
prosperous and joyful ALL FOOLS DAY



## **BASEBALL...**

*"The one constant through all the years, Ray has been baseball. America has rolled by like an army of steamrollers. It has been erased like a blackboard, rebuilt and erased again. But baseball has marked the time. This field, this game: it's a part of our past. It reminds us of all that once was good and that could be again."*

**- James Earl Jones, Field of Dreams**



The 2017 MLB season will officially kick-off this Sunday with three games. Another 24 teams start their regular season play on Monday. I have highlighted below the three Sunday match-ups and a few other items worth noting as we begin another season of baseball... Eager for it all to begin!

**Chicago Cubs vs. St. Louis Cardinals** - *The Chicago Cubs will begin defending their World Series crown against their bitter division rivals, the St. Louis Cardinals. The Cubs are trying to become the first to win 100 games in back-to-back seasons since the 2004-05 Cardinals and the first repeat champions since the 1998-2000 Yankees. The game is scheduled for Sunday night in St. Louis and will be featured on ESPN's Sunday Night Baseball at 7:30 p.m. CST. Chicago Cubs ace left-hander Jon Lester will start against the Cardinals. He will be opposed by Cardinals' dynamic right-handed pitcher Carlos Martinez. Both Lester and Martinez are capable of shutting down even the most powerful lineups on any given night, so it should be an interesting contest. Chicago appears to have the upper-hand in regards to offensive talent but the Cardinals are capable of putting up big numbers. I expect both of these teams to be heavy contenders in the National League Central.*

**San Francisco Giants vs. Arizona Diamondbacks** - *This looks like a great pitchers matchup, with San Francisco Giants ace Madison Bumgarner, a three-time World Series champion, visiting the Arizona Diamondbacks and facing former Cy Young winner Zack Greinke. This game is scheduled for a 4:10pm start. As has been the case the past several years we need to keep our on San Francisco. Their starting rotation is extremely tough consisting of Bumgarner, Cueto, Moore, Samardzija, Cain and Blach, Tough group!*

**New York Yankees vs. Tampa Bay Rays** - *The New York Yankees will be starting pitcher Masahiro Tanaka when they visit the Tampa Bay Rays who are starting Chris Archer. The game is scheduled for a 1:10pm start. For the first time since trading away Hall of Famer Rickey Henderson in 1989, the New York Yankees became sellers last summer. They traded Aroldis Chapman, Andrew Miller, Carlos Beltran, and Ivan Nova in separate deadline deals that netted them 12 total prospects. The selling continued in the offseason as Brian McCann was traded for two more prospects. As a result, New York has one of the game's best and deepest farm systems. Trading productive veterans for prospects and giving prospects playing time in the second half are the actions of a rebuilding team, though the Yankees refuse to admit they're rebuilding. They prefer to be called a team in transition. I suspect it won't take them very long to again become extremely competitive. They have a ton of young talent.*

**Opening Day No-Hitter** - *April of 1940, Bob Feller threw his first no-hitter, against the Chicago White Sox on opening day at Comiskey Park. The Indians won the game, 1-0. Feller's no-hitter remains the only one to occur on any opening day in baseball history.*

**Party At Wrigley Continues** - *The Cubs are scheduled to get their World Championship rings on April 12th, two days after the home opener.*

**Braves Moving To New Home** - *The Braves leave the old historical Turner Field for*

*their shiny new digs of SunTrust Park with their home opener against the Padres on April 14th.*

**Jackie Robinson Day** - *This season marks 70 years since Jackie Robinson's Brooklyn Dodgers debut and it will be celebrated on April 15th.*

**Cardinals vs. Yankees** - *Believe it or not the two teams with the most World Series titles have played just nine interleague games against each other. On April 16th the two giants will face off against one another on ESPN*

**Cubs vs. Red Sox** - *There's a lot of talk that this could be a preview of the upcoming 2017 World Series, I know a lot of folks will argue otherwise, but it's early in the season and a lot of baseball junkies have the three game series in late-April already marked on there calendar.*

**Brewers Bobblehead** - *If you are a collector of bobbleheads here is must have... The Brewers will be releasing one this season of Robin Yount riding a motorcycle. I'm just hoping he's on a Harley. Another big one will be Mets ace Noah Syndergaard pitching in a Thor costume.*

**Kershaw To Strikeout 2,000** - *Dodgers ace Clayton Kershaw's could throw his 2,000th career strikeout by the end of May. Only eight pitchers have reached the mark before the age-30, interestingly this includes two former Dodgers Sandy Koufax and Don Drysdale.*

**Pujols Hits Number 600** - *Many baseball guru's are forecasting this season that Albert Pujols will become just the ninth player in all of baseball history to hit 600 home runs. If he can stay healthy it should happen by mid-May to late-June. Ahead of him on the list: Sammy Sosa (609) and Jim Thome (612).*

**Cleveland Indians** - *While many suspect they have a chance to win it all, me being one. They are also unveiling a highly anticipated Frank Robinson statue. Let's just hope the statue is properly draped in a mid-1970s all-red Indians uniform.*

**All-Star Game** - *This years game will be held on July 11th in Miami. World Series will begin on October 24th*

**Mike Trout Watch** - *Keep in mind Trout turns just 26 years of age this season. Trout had more hits before turning 25 than Pete Rose (the all-time hits leader), more home runs before turning 25 than Barry Bonds (the all-time home runs leader) and more runs before turning 25 than Rickey Henderson (the all-time runs leader). I've heard he's pretty good at this game...ha ha!*

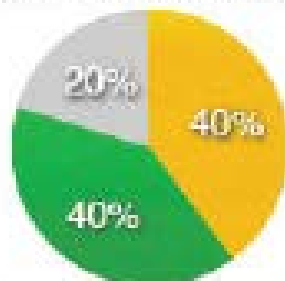




# CASH SALES & HEDGING TOTALS

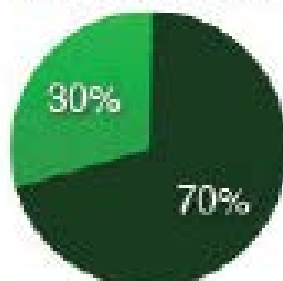
## CORN 2016 CROP

40% SOLD  
40% HEDGED  
20% Cash Remaining



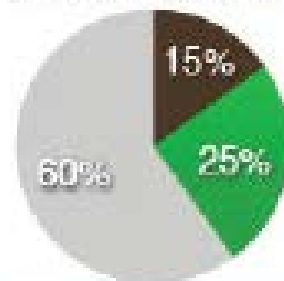
## SOYBEANS 2016 CROP

70% SOLD  
30% HEDGED  
0% Cash Remaining



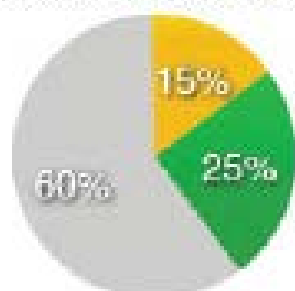
## WHEAT 2016 CROP

15% SOLD  
25% HEDGED  
60% Cash Remaining



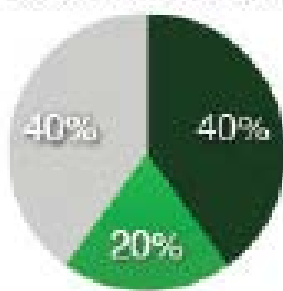
## CORN 2017 CROP

15% SOLD  
25% HEDGED  
60% UNPROTECTED



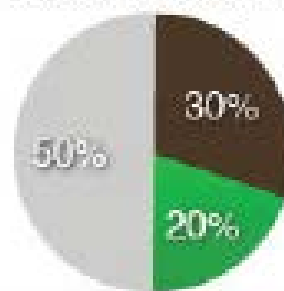
## SOYBEANS 2017 CROP

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

