



"Easter may seem boring to children, and it is blessedly unencumbered by the silly fun that plagues Christmas. Yet it contains the one thing needful for every human life: the good news of Resurrection." - **Frederica Mathewes-Green**

THURSDAY, APRIL 13, 2017

Morning Summary: Investors are digesting another round of geopolitical headlines as they await earnings season. The top political story is U.S. Secretary of State Rex Tillerson's visit to Russia. Tillerson held a joint press conference with his Russian counterpart, Foreign Minister Sergey Lavrov after meeting with President Vladimir Putin. Tillerson told reporters that relations between the U.S. and Russia are "at a low point, and there is a low level of trust between our two countries." Answers given in response to questions about Syria showed that both country's have very different views on who was responsible for the chemical weapons attack in Syria and whether the U.S. was justified in launching an airstrike on Syrian military targets. Tillerson also said that it is the view of President Trump that Syrian President Bashar al-Assad cannot stay in power. Keep in mind, Russia is al-Assad's most powerful ally. Later in the day, President Trump met with NATO Secretary General Jens Stoltenberg, where Trump reiterated his concerns that other member countries have not contributed their fair share to the alliance. Stoltenberg actually applauded Trump drawing attention to issue and calling for greater cost sharing. Trump said the two had a productive discussion and said at a press conference that NATO is "no longer obsolete." Turning to today, remember this is the last trading day of the week as markets are closed tomorrow for Good Friday. The main point of interest is going to be the first earnings releases from big Wall Street banks, including Citigroup, JPMorgan Chase and Wells Fargo. Economic data includes PPI and Consumer Sentiment. There are also a couple of reports out Friday despite the markets being closed, including the Consumer Price Index, Retail Sales and Business Inventories. Congress is still on break next week, so it will be mostly quiet on that front. Next week will however start to see first-quarter corporate earnings season heat up, with key releases scheduled from Abbott Labs, American Express, Bank of America, Blackrock, Ebay, General Electric, Goldman Sachs, Harley Davidson, Honeywell, IBM, Johnson & Johnson, Kinder Morgan, Morgan Stanley, Netflix, Schlumberger, United Health, Verizon, Visa and Yahoo. Economic data next week will also be more heavy as it includes: Empire State Manufacturing and the Housing Market Index on Monday; Housing Starts and Industrial Production on Tuesday; the Beige Book on Wednesday; the Philadelphia Fed Business Outlook on Thursday; and Existing Home Sales on Friday. We will also hear from four Fed speakers next week. Internationally, be aware that China releases GDP, Industrial Production and Retail Sales overnight on Sunday, which could definitely add to market volatility come Monday morning. Happy Easter!

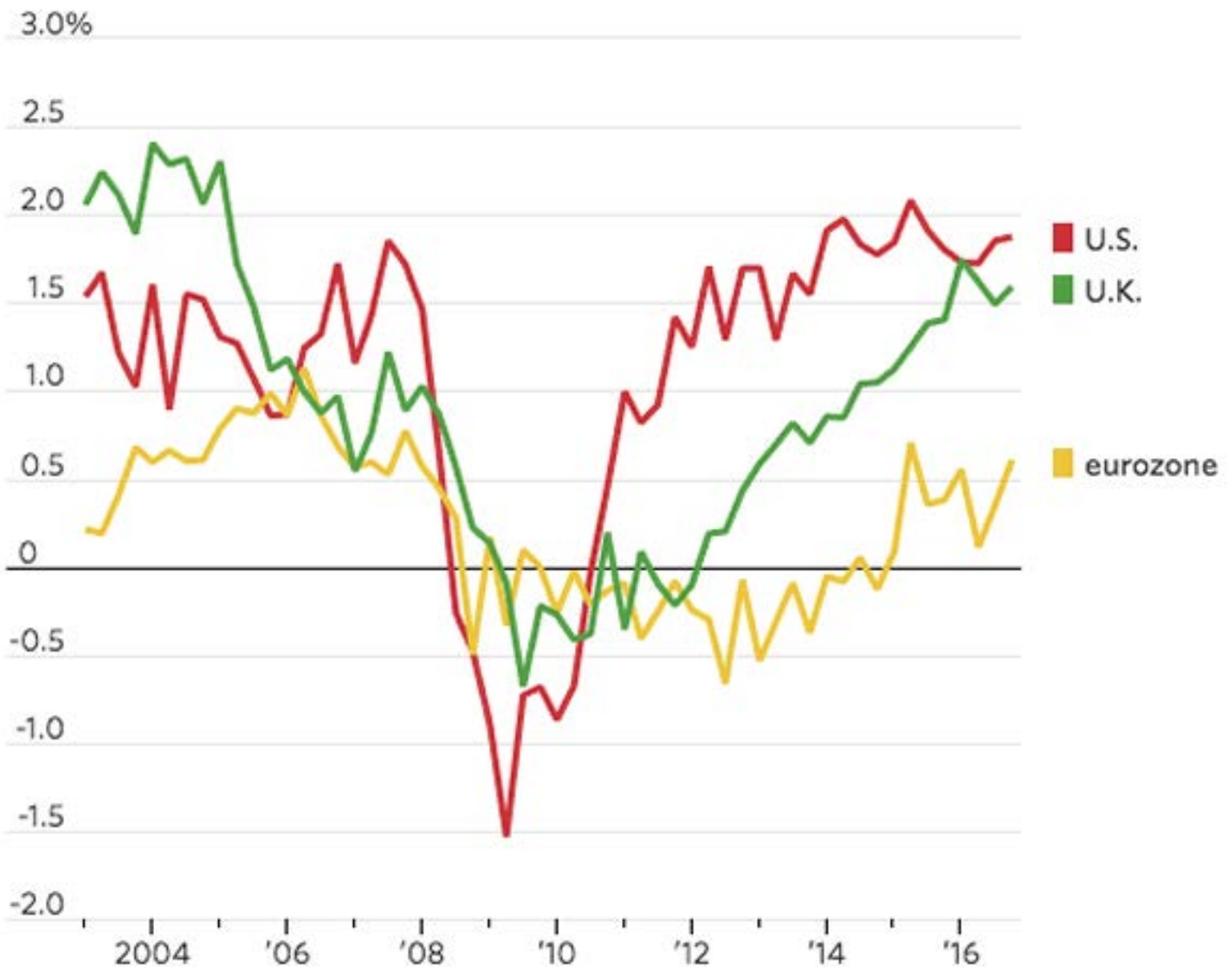
Has China Moved Troops To The North Korean Border? *A story began circulating yesterday that 150,000 Chinese troops had been deployed to North Korea's border. However, China is denying the claim and U.S. officials say they've seen no indication that China has moved its military any closer to North Korea. As many as 250,000 Chinese troops are always operating in northeastern China. At the same time, a nongovernmental watchdog group in Hong Kong claims Beijing has ordered troops at all five military "regions" to maintain preparedness because of the situation in North Korea. About 25,000 troops of the Chinese military's 47th group army of the Ninth Armored Brigade have been instructed to be ready to move long distances, close to the North Korea border, the Hong Kong-based organization said. The U.S. has made it clear that nuclear posturing in the Korean peninsula will no longer be tolerated, but China is unlikely to stand idly by and let the U.S. "solve the problem", as President Trump Tweeted out earlier this week. China at the border could serve as deterrent to the U.S., as well as put pressure on North Korea. In fact, Kim Jong Un's regime is said to be reluctant to push China, its only ally, too far as the Asian giant could force a political coup. North Korea is expected to conduct another missile test launch to mark the anniversary of the birth of the country's founder on Apr 15.*

OPEC Output Fell More Than Pledged As U.S. Shale Production Continued Rising: *OPEC said Wednesday its output had kept falling in March as members tightened compliance to agreed cuts, but said U.S. producers were enjoying a revival thanks to higher oil prices. The 13-member Organization of the Petroleum Exporting Countries committed last year to cut about 1.2 million barrels of oil a day. In its closely watched monthly oil report, OPEC said its production decreased by 153,000 barrels a day in March to an average of 31.93 million barrels a day. That means OPEC has complied 104 percent with its output curb plan, according to a Reuters calculation. OPEC pointed to an increase in its members' compliance with the plan and said oil stocks in industrialized nations fell in February - although they are still 268 million barrels above the five-year average. The group is still unsure how to deal with rising U.S. production, though, which is filling the gaps left by OPEC cuts. OPEC forecasts U.S. production will increase by an average of +200,000 barrels a day in 2017. "The number of drilling rigs and the reactivation of companies' spending are the two most important factors leading to an expected output surge in the coming months.," it said. Interestingly, OPEC raised its projection for annual Russian production to increase by +40,000 barrels per day, compared to a previous forecast for a contraction of -20,000 barrels per day. If you recall, Russia is not an OPEC member but they did sign on to the production cut deal, agreeing to curb output by 300,000 barrels per day. However, OPEC's report yesterday expressed concerns about their commitment and showed the country only cut production by 130,000 barrels per day in March.*

Are Big Economies at Risk of Over-Revving Consumer Engines? *Rapid growth in consumer credit is troubling policy makers on both sides of the Atlantic. There are also growing worries that defaults may begin increasing when rising interest rates begin pushing up repayment costs. In the U.S., about a quarter of banks are already expecting more people to struggle with consumer credit payments this year, according to a Federal Reserve survey. There is already a growing number of credit card charge-offs. Lenders from Capital One Financial Corp. to Discover Financial Services have ratcheted up loan-loss provisions and reported increasing delinquencies. This has raised concern*

among analysts and investors alike, especially when paired with the fact that card loans outstanding in the U.S. just surpassed \$1 trillion for the first time since the financial crisis. To be clear, loss and delinquency rates are still relatively low, but this consumer weakness is a new dynamic after years of households paying down debt and saving their money. It doesn't seem as if the creditworthiness of consumers is deteriorating at an alarming pace, but it's concerning that so many people are failing to pay their bills when the economy is supposedly accelerating. The E.U. and Britain have witnessed a similar expansion in credit growth and some economists are concerned that growing defaults and/or a lending slowdown will hurt economies that have relied on consumer spending to fuel growth. (Sources: Wall Street Journal, BloombergGadFly)

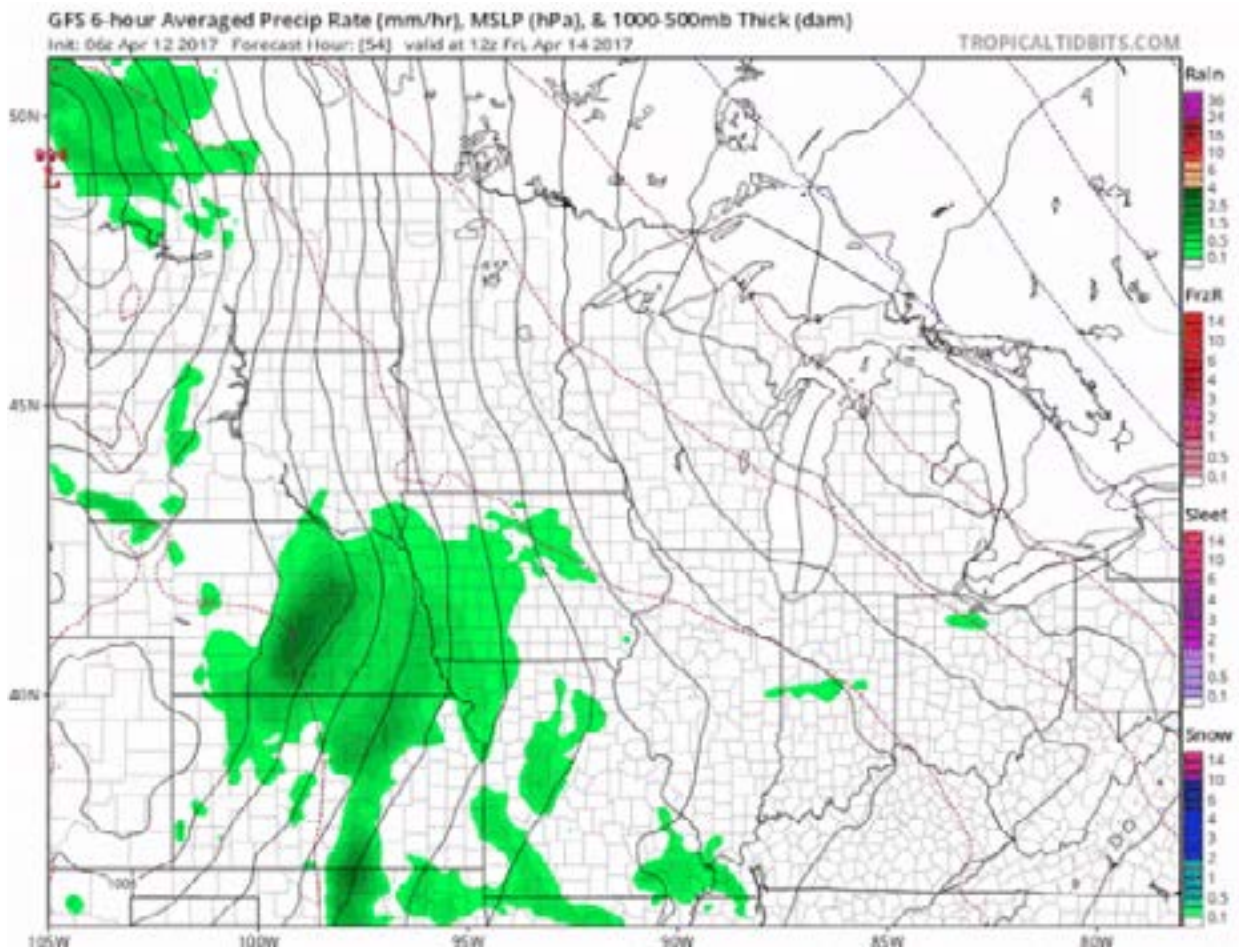
Quarterly net new consumer credit as a share of household spending



Sources: Federal Reserve, Bureau of Economic Analysis, European Central Bank, Eurostat, Bank of England, Office of National Statistics

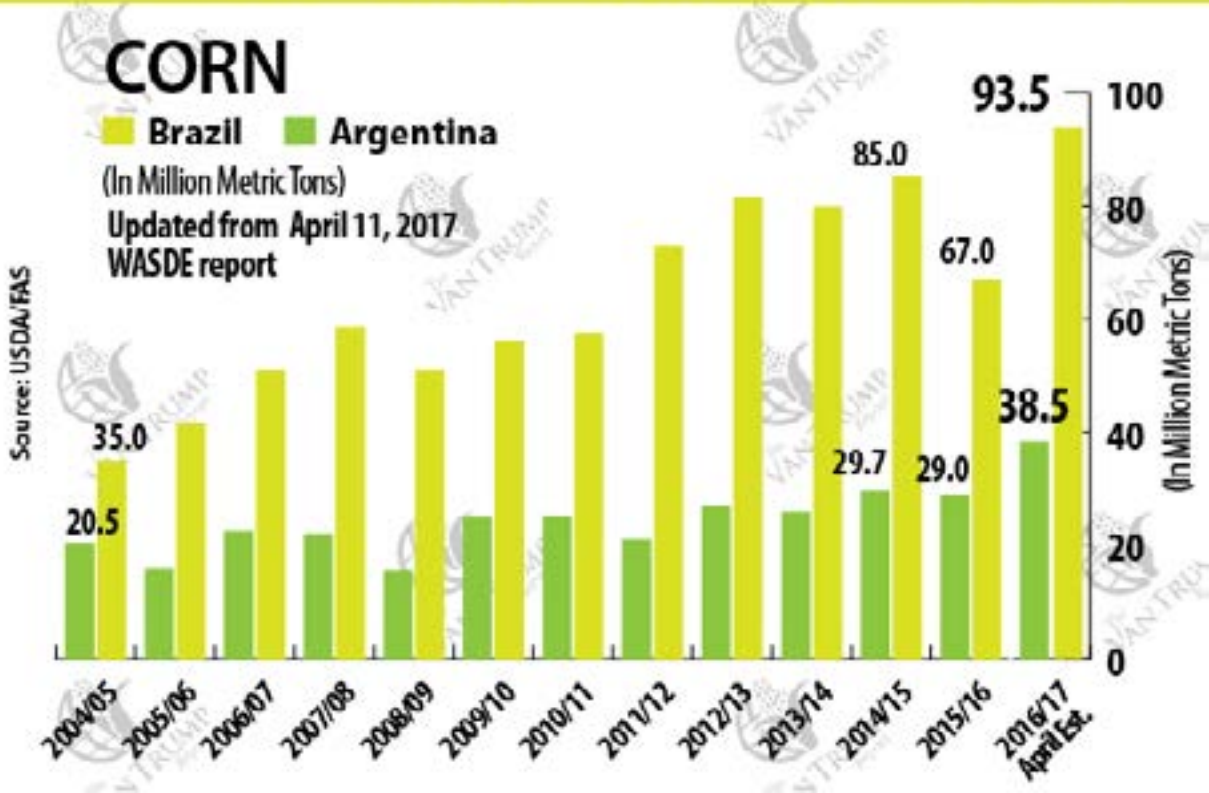
Weather continues to center around moderate to heavy rain expected throughout the Midwest the next seven days. Conditions will likely cause extensive delays in spring fieldwork and corn planting in the western and northern section of the Corn Belt. The southeastern Midwest and Delta will have lighter rain and a better opportunity for planting progress. On the Plains, showers have developed in the wake of mild conditions from yesterday. Across the central and southern Plains, winter wheat continues to benefit from the recent reduction in drought coverage; during the week ending April 9, topsoil moisture rated short to very short decreased from 37 to 30% in Oklahoma and from 26 to 20% in Kansas. Aside from lingering cool weather in the Far West, much of the nation will experience warmer than normal weather during the next several days. Meanwhile, a storm system currently approaching the Pacific Northwest will drift eastward along the U.S. Canadian border the rest of the week. Showers and a few thunderstorms can be expected along the storm's trailing cold front, mainly across the Plains and Midwest. Five day precipitation totals could reach 1 to 4 inches in the Northwest and from the central and southern Plains into the lower Southeast. I did want to highlight that North American weather model guidance is hinting at late April possibly cooling down across portions of the Midwest. If you couple this with potentially heavy rains, we could really see a slow down in corn and soybean plantings over the coming weeks. In Argentina, we are hearing reports of possible 10% loss in acreage due to heavy rain and flooding over the past few weeks. Harvest is stalled for the rest of the week and next in many central growing areas. Forecast suggest a drier pattern which would help floodwater recede and allow for recovery.

Midwest Rains Through End of the Week: *Like we talked about above, a new round of rain will push across the western and northern Midwest over the next few days. This active weather pattern will likely delay spring plantings in affected areas.*



Corn bulls continue to point towards more widespread and heavy rainfall in the forecast during the next two weeks, with some areas calling for increased moisture levels well into early-May. This obviously brings into question the overall pace of U.S. planting, how many acres could be pushed into “preventive plant”, and how much yield drag will be placed on a late planted corn crop that is forced to endure more of the late-summer heat? With ending stocks still north of +2.3 billion bushels it’s tough to get overly excited this early in the game. As I’ve mentioned on several occasions, it feels like the trade will need to see more evidence of fewer acres being harvested and an average yield estimate that’s -5 to -10 bushels below the current trend-line before it dramatically alters or shifts its bearish tone. As of right now it simply feels like some of the shorts are closing their positions and moving to the sideline ahead of what could be more significant weather headlines. I’m hearing there’s also some fundamental weather bulls starting to initiate a few bullish positions as well. Net-net it doesn’t currently feel like we have a strong enough shift in the momentum to re-test the previous highs up near \$4.04 in the DEC17 contract. From my perspective there’s clearly some jockeying for position taking place but no major change in sentiment. I want to be as bullish as every other producer, but lets keep in mind South America is seeing a massive rebound in production. As you can see form the graphic below, not only is it a huge rebound form last year but also a fresh new all-time record crop. I have to imagine eventually the South American corn is going to compete in the global marketplace and weigh on price, unless we have a weather event here in the U.S. that’s significant enough to rock production. As of right now it’s just too early to make that call. Yes, there could be some extreme planting delays and acres taken out of the mix for corn, but soil moistures are being recharged in many locations and any sign of drought is being completely erased. As a producer I continue to try and hit singles and will be looking to price a few more bushels if we can somehow muster enough momentum to take out the previous highs. I’m also keeping a close eye on the DEC18 contract as it’s price has crept back up north of +\$4.05 per bushel. Stay engaged...

South American CORN Production



Soybeans prices have rebounded +20 cents from Tuesdays post-report lows as traders readjust positions ahead of possible weather complications here in the U.S.. Lets also keep in mind the trade has taken away some of the risk associated with a possible U.S. - China trade war following a better than expected meeting last week between President Trump and President Xi. The macro's out of China also seem to be offering a more positive view to some of the larger money players. Also keep in mind the trade is digesting comments form President Trump that the U.S. dollar is too strong, meaning the commodity bulls might be looking for ways to get some more exposure. From a traditional fundamental supply and demand perspective, the data is every bit as bearish as it was on Tuesday, in fact one could possibly argue things have become a bit more bearish on the possibility of late-corn acres making a shift to soybeans if weather here in the U.S. dictates. The bulls are talking about some of the recent heavy rains in Argentina causing some complications, which I agree, but I'm not sold on it being any type of game changer or significant enough problem to swing the trade. As a producer I was lucky enough to peel off a few hedges near the bottom of the break, I suspect if we continue to rally I will consider adding them back on or making a few additional cash sales up near \$10.00 per bushel. The record crop last year that was harvested here at home, followed by the record crop in South America and record acres scheduled to be planted here in the U.S. in 2017 is more than enough to keep me honest and respectful to the markets ability to trade aggressively to the downside. Weather and macro's will be the wild-cards moving forward... stay tuned!

Wheat traders are debating the condition of the U.S. crop. Conditions have clearly improved the past few weeks on more widespread rainfall but there are still arguably some pockets of concern. Unfortunately for the bulls the USDA recently bumped and already burdensome U.S. ending stocks number towards 30-year highs. Keep in mind the USDA also raised and already burdensome global ending stocks number as well. Bottom-line, traditional fundamental data continues to remain bearish, but at some point you have to wonder when it all becomes cooked into the price and when the trade will become bored with the same old tired headlines?



> Argentina's Waterlogged Pampas Appears To Be Drying Out: *A sunny week ahead in Argentina's Pampas grains belt should allow farmers to resume corn and soy harvesting that was interrupted over recent days by heavy rains, local meteorologists said on Tuesday. Some 700,000 hectares of prime soy and corn area have been lost to bad weather in the 2016/17 crop year, according to the Buenos Aires Grains Exchange. Harvesting combines got stuck in soggy ground over recent days while cargo trucks were delayed by flooded roads. (Source: Reuters)*

> Brazilian Farmers Seen Planting Fewer Corn Acres Next Season: *Brazilian corn plantings for 2017-18 are expected to fall by -2.47 million acres to 39.53 million acres, "as lower prices from this year's record crop incentivize farmers to switch to a more profitable crop." The USDA's bureau in Brazil subsequently forecasts total production will fall by 8.0-8.5 million metric tons. The bureau also notes that record 2016-17 production, which was supported by high domestic prices, will lead to a +70% jump in ending stocks, putting pressure on prices. As such, they believe prices will likely fall below the minimum government-set price when the 2016-17 second crop is harvested in June-July, which could force government intervention with an acquisition program. (Source: Agrimoney)*

> French Wheat Ending Stocks Lowered -12%: *FranceAgriMer forecasts France's 2016-17 wheat ending stocks will 2.6 million metric tons, -12% lower than the earlier estimate of 2.96 million. Exports were left unchanged at 10.85 million metric tons, though imports were raised slightly to 850,000 metric tons versus a previous estimate of 800,000 metric tons.*

> Brazilian Beef Exports Rise Despite Scandal: *Brazil's total beef exports rose in March despite a food safety scandal that caused many countries to question the quality of its meat products and impose temporary import bans. Total beef exports, including fresh and processed varieties, reached 125,000 tonnes in March, up 20 percent from February, beef exporters association Abiec said in a statement. Nonetheless, the country's ag ministry is predicting Brazilian meat companies may lose as much as \$1.5 billion in exports this year and believes Brazil immediately lost 5% - 10% of its share in global meat exports. (Sources: Reuters, Bloomberg)*

> California Will List Glyphosate As A Possible Carcinogen: *California's environmental health agency is proceeding with its plan to list glyphosate as a possible carcinogen. California officials say glyphosate will be added to California's Proposition 65, a list of chemicals they have determined could cause cancer. The list represents a warning to consumers, not a ban. The move comes following a year-long legal battle between the agency and glyphosate manufacturer Monsanto. Monsanto has asked for a stay in the listing pending an appeal with California's Fifth Appellate District. Two years ago, the International Agency for Research on Cancer (IARC) determined glyphosate was a probable carcinogen. But other organizations including the U.S. EPA say the herbicide poses low toxicity for humans. If successful, California would be the first American regulatory body to list glyphosate as a possible carcinogen. Glyphosate is the active ingredient in Monsanto's popular Roundup herbicide. (Source: Brownfield Ag)*

> Goldman Says Commodities Market Needs More Patience, But Stays Bearish On Soy, Corn: *Goldman Sachs Group Inc. says keeping the faith in commodities is paying off. Four weeks after the bank called for patience as prices tumbled the most in eight months, most raw materials are back to levels from before the sell-off. Goldman says its own temperance is yielding results as its top 2017 trading recommendation of going long on the S&P GSCI Enhanced Index is back in the money by 7 percent, according to a report dated April 12. The bank's confidence is unshaken as it believes macroeconomic data will show improvement, Chinese demand for metals will increase and OPEC's crude production cuts will lead to a decline in oil stockpiles. Goldman maintained its overweight recommendation*

on commodities and its 3 and 12 month forecasts for gains of 5 percent and 4 percent, respectively. "We still believe that the market needs more patience," analysts including Jeffrey Currie and Michael Hinds wrote in the report." At the same time, the bank warns that even lower prices for corn and soybeans will be necessary to curtail supply growth, assuming normal weather conditions. They do see corn prices moderating into the next crop year, but see further declines for soybeans, forecasting a drop to \$8.85 per bushel over the 12-month horizon as global markets remain in surplus for some time. (Source: Bloomberg)

> ChemChina-Syngenta Deal Wins More Global Approvals: China's Ministry of Commerce has given the go ahead to ChemChina's proposed \$43 billion takeover of Syngenta. China's approval comes without any conditions, Syngenta said in an email. The deal still requires regulatory approval from India after U.S. and European Union competition authorities gave conditional approval last week and Mexico's anti-trust commission did so this week. Mexican regulators approved the deal on condition that Syngenta divests five products, without naming them, in order to avoid risks to competition. Syngenta says the stipulations will not have a major impact and still expect the deal to close in the second quarter of this year.

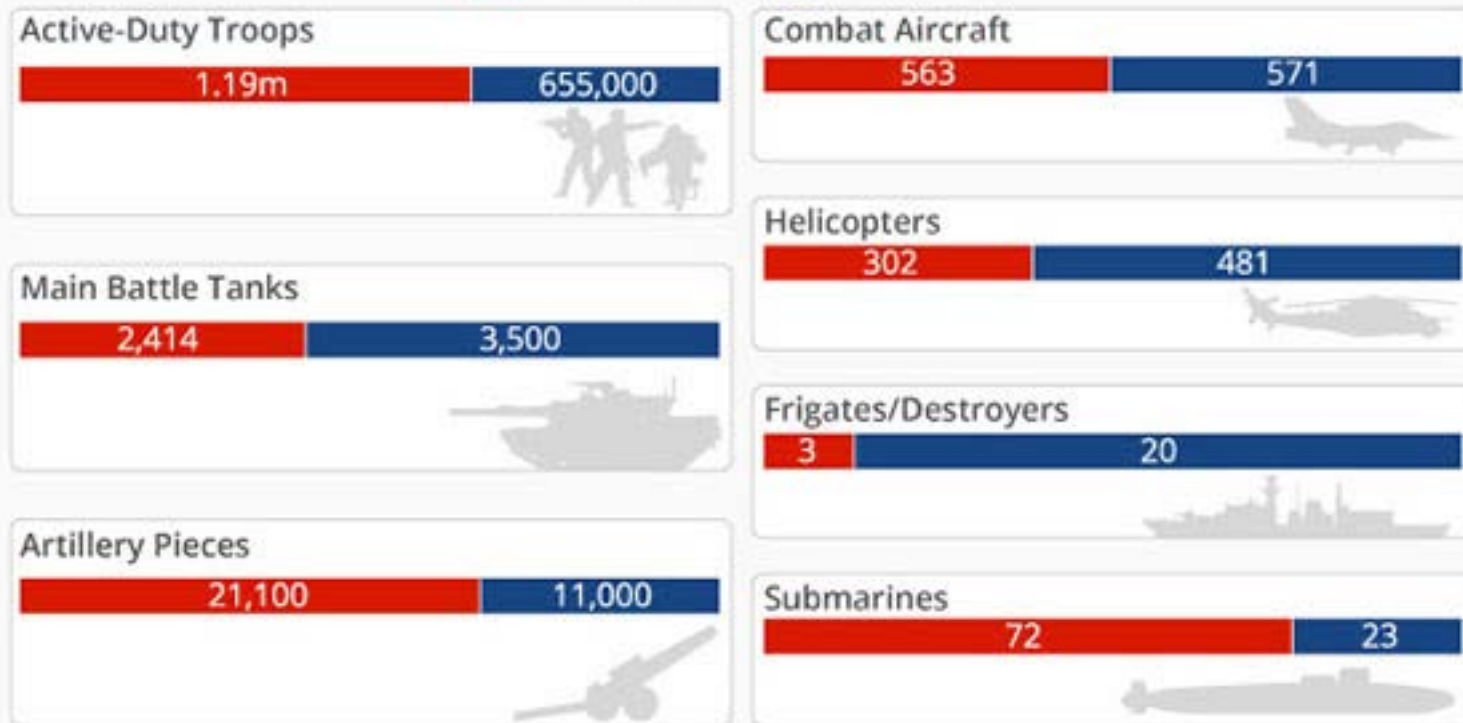
> U.S. Import Prices Post Largest Drop In Seven Months: U.S. import prices recorded their biggest drop in seven months in March as the cost of petroleum declined, but the underlying trend pointed to a moderate rise in imported inflation as the dollar's rally fades. The Labor Department said on Wednesday import prices fell -0.2% last month, the largest drop since August, and following a +0.4% increase in February. That lowered the year-on-year increase in import prices to +4.2% from +4.8% in February. Prices for imported petroleum fell -3.6% last month, the biggest drop since August. Import prices excluding petroleum increased +0.2%. (Source: Reuters)

> The Military Balance On The Korean Peninsula: North Korea warned the United States that it would respond to "reckless acts of aggression" after a carrier battle group led by the 97,000-ton USS Carl Vinson was deployed to the Korean peninsula. The aircraft carrier is being escorted by a guided-missile cruiser and two destroyers equipped with Aegis technology capable of shooting down any future North Korean test missiles. Following the American cruise missile strike against Syria last week, some experts are asking if North Korea could be next? If the U.S. were to carry out a pre-emptive strike, Pyongyang is likely to launch a substantial military retaliation against the south. If that nightmare does one day come to pass, how well equipped is the South Korean military to repel an offensive from the North? The North Korean military has substantially more active (and reserve) troops than the South, though large numbers of its soldiers are underpaid and malnourished. The North also has outdated equipment and its airforce is known to still use 1950 Korean War-era MIG-15 fighters for training purposes. The South Korean military on the other hand boasts state of the art technology including cutting-edge tanks, warplanes and attack helicopters. However, Seoul is only 35 miles from the DMZ and due to North's superiority in artillery, it's highly likely that the South Korean capital would suffer massive damage in a war. Even if the South repelled an invasion, success would come with substantial military and civilian casualties. (Source: Statista)

The Military Balance On The Korean Peninsula

Military strength of North and South Korea in comparison (2015)

■ North Korea ■ South Korea



Source: Military Balance, 2015,
International Institute For Strategic Studies



Central Ohio - Yesterday was the first day in the last three weeks we were able to get into the fields to work. We have lots to do but if we can get a dry week we will be set. We custom feed hogs and run manure so that keeps us busy year round. We need to get some manure spread and some fields worked before planting. Usually, we are not planting until the 15th anyway so any big deal. No one is swapping many acres as they stick with their rotations. Very few use cover crops around here but I must admit I'm hearing more and more about them lately. The acres that are cover crops are mostly on hilly land. We are in pretty solid shape financially for this year but word is that some are under the gun to have a good year or operating dollars may dry up in the future.

Southcentral North Dakota - We have been dry up as the last precipitation was a snow fall back in the middle of March. The boys are actually looking at getting into the fields

tomorrow. It looks like we might get to have Easter at home with the family and that would be a blessing. We will stick with our corn and soybean rotation and only have more soybean acres as that is how it falls this year. We got rid of all our old corn recently and were happy to do so. We also custom plant wheat and have some work lined up in that department. We are hearing about this being potentially the last year for some guys to farm if things don't go well. Around here last season we had some of the biggest farmers who had to get jobs and rent their ground after they were turned down for operating loans. We haven't locked in as many sales as we should have so we will hope for some rallies.

East Central Illinois - We were really hoping to be in the field planting this week but the rains that we received on Monday have shut us down. I think now we will wait until after Easter. We have completed most of the field work and getting down the fertilizer. We will normally do split applications that vary from field to field, typically spreading p and k then side dress with 32%. I believe at this point all of our bean ground has been worked and ready to go. With very decent weather in early March, I think that it's the first time in awhile that we have all the stalks worked down this early. Normally we do some in the fall then hit them again in the spring. We are still conventional tillage here and use with a rolling basket behind it, to work things down. What we have seen is a very uniform and level field with a good seedbed to plant into. We are adding more bean acres this year and I think I have made enough early sales to get them covered. I think we will be right at a 60/40 rotation of beans to corn. The bean yields last year were the best ever for many in our area. We had some high 70bpa fields with our whole farm average right at 68bpa. Most fields were as consistent with growth that I have ever seen. We did spray all of our beans with fungicide, which was the first time ever but I think it paid off. The corn crop for 2016 was not a record yield but was very good. We went through a little warm and dry spell early that may have knocked the yields down. I think most guys are going to keep corn acres strong and not back them off to far.

CROSSING WIRES

A place to share intelligent thoughts...

Brazil Farmers 'Hope For a Miracle,' Hoard Soybeans: Faced with weak international prices and a record harvest, Brazil's soybean farmers have been hoarding their crop in hopes the market will rebound in the coming months, a strategy analysts warn could go badly wrong. Soybean prices in Brazil have fallen steadily since the middle of last year, when producers were booking advance sales for the 2016/17 harvest, pressured by an appreciation in the local currency and lower prices on the Chicago Board of Trade. Brazil, the world's largest soybean exporter, is on track for a record crop of more than 110 million tonnes. However, the reluctance of farmers to realize losses by selling at lower prices is stemming the flow of beans out of its ports. Cushioned by profits from previous seasons, farmers are gambling on a recovery during the volatile April-July period when the new U.S. crop is weather-dependent - despite signs that prices are still falling. Estimates

from AgRural consultancy show farmers' sales stood at just 49 percent of the total crop as of end-March - the lowest since 2009/10 and below a five-year average of 63 percent. Reuters has more [HERE](#).

Grain Market Blow-Up "Just A Matter Of Time": Abdolreza Abbassian, senior economist at the United Nations food agency, the Food and Agriculture Organization, warns against complacency over crop supplies, arguing that a market rally is but a couple of weather upsets away. "Last year, we had a problem in France," where June rains doused hopes of a strong cereals harvest, landing the country, the European Union's largest producer, with a drop of more than 30% in wheat output. "Imagine if in the same year, Russia and the Black Sea had a similar issue," Mr Abbassian told Agrimoney.com. "Wheat prices would probably be double where they are." And having some kind of blow-up in grain markets is not just extremely probable, "It is just a matter of time," says Mr Abbassian. Read more [HERE](#).

Cows Love Jazz? Florida dairy farmer Ed Henderson has been playing the trombone since elementary school. And these days his audience, well, fits the scenery. Turns out, cows love jazz music! What began as a one-off backyard practice session, has turned into a regular gig that Henderson says entertains and pleases his audience of 6,800 or so cows. Watch his story [HERE](#).

Fake Investment News Could Be Here to Stay: The Securities and Exchange Commission (SEC) is trying to rid the nation of phony stock stories. On Monday, the SEC announced that it is cracking down on stock promotion schemes that played out on Seeking Alpha, Benzinga, Wall Street Cheat Sheet and other investment websites in recent years. According to the SEC, the announced enforcement actions are against 27 individuals and entities behind whose alleged schemes "left investors with the impression they were reading independent, unbiased analyses on investing websites while writers were being secretly compensated for touting company stocks." One would hope that the a crackdown by the SEC would have a chilling effect on this epidemic of fake or fraudulent investment news on websites, many of which run articles written by a vast army of free-lancers rather than a paid staff of experienced financial writers. But that could be wishful thinking. Read more from [Barron's](#).

Even Scientists Have Trouble With Logic: Doctors and science journalists often reassure people that "there's no evidence" a given treatment is dangerous. This statement "makes it sound like you have something you've observed regarding safety," says statistics professor Sander Greenland. But the statement might mean only that there's very little evidence pointing one way or the other. That same logical error shows up in the way scientists sometimes misuse the concept known as statistical significance. "Statistical significance" is a great marketing tool because it sounds like a mathematical seal of approval. But statisticians complain that many scientists don't understand what it really means. Computing statistical significance is useful for helping scientists avoid being fooled by randomness. Greenland's concern is that people - scientists included - are wrongly interpreting results. He's not alone in his concern. Last year, the blog Retraction Watch claimed "We're using a common statistical test all wrong." Researchers from psychology, economics and biomedical research are now reconsidering a rash of dubious claims whose apparent statistical significance evaporated when others tried similar experiments. Read

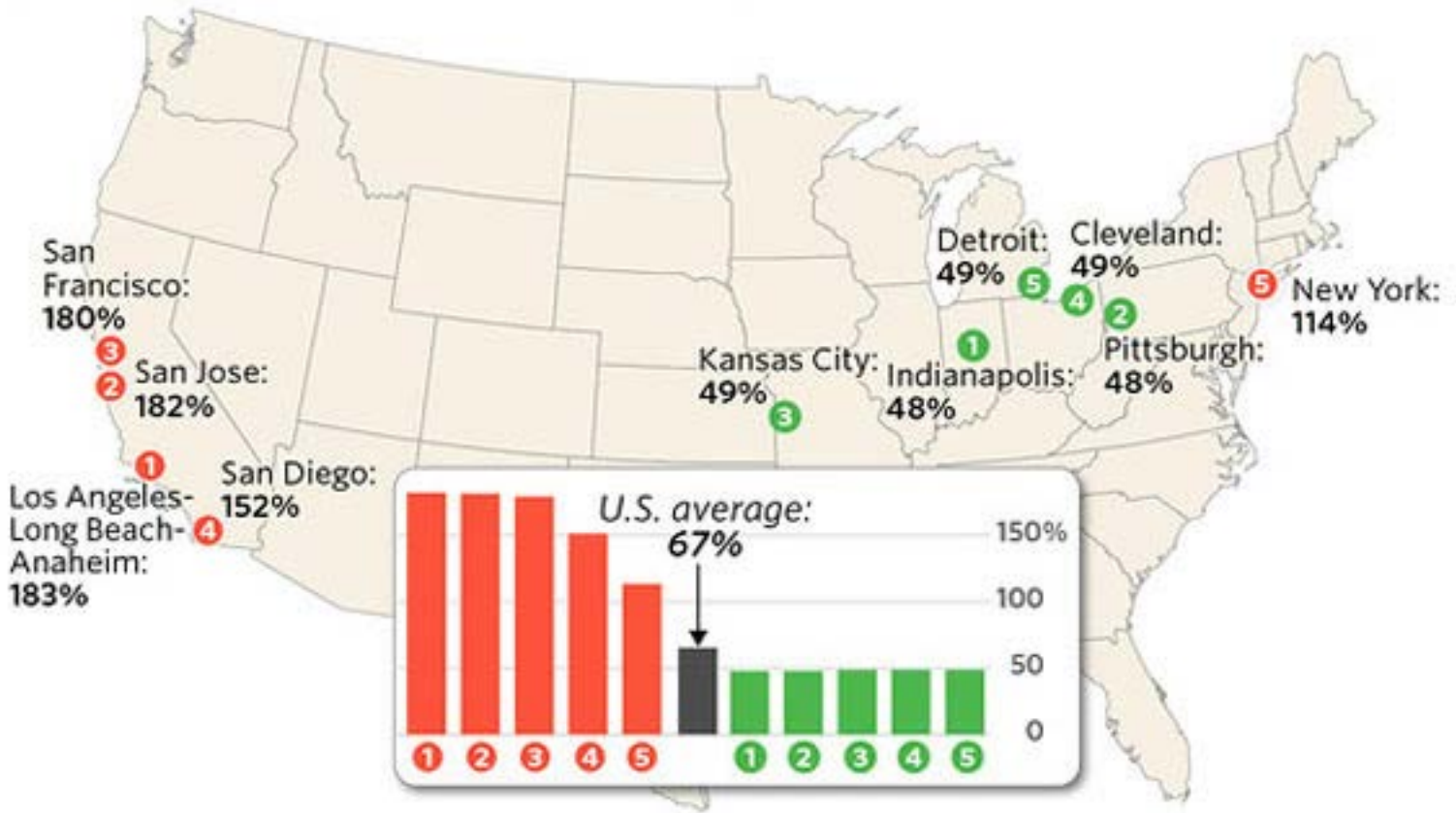
more [HERE](#).

Who's the Most Valuable Team In Baseball? *The New York Yankees are now worth \$3.7 billion. So says Forbes, which has been publishing the list of most valuable Major League Baseball franchises for 20 years. In each year, the Yankees have been worth the most money, this time being almost \$1 billion more than the next most valuable team, the Los Angeles Dodgers (\$2.75 billion). The magazine says the average MLB team is now worth \$1.54 billion, 19 percent higher than just a year ago. Rounding out the top five most valuable are the Boston Red Sox (\$2.7 billion), the Chicago Cubs (\$2.675 billion) and the San Francisco Giants (\$2.65 billion). The defending champion Cubs have seen their value skyrocket in recent years. When the Ricketts family bought the team and a piece of the local sports network for \$845 million in 2009, a record for an MLB franchise, many thought the price was insanely high, especially in the midst of the economic downturn. But in the past seven seasons, Forbes projects the value of the Cubs as having increased by more than 180 percent. In 1973, George Steinbrenner led a group that purchased the New York Yankees from CBS for \$8.7 million. Forty-two years later, the franchise is now worth \$3.7 billion according to the latest valuations from Forbes.com. Steinbrenner's initial investment in the purchase of the team was just \$168,000 according to the L.A. Times, or about 1.9% of the total sale price. By the time Steinbrenner passed away in 2010, his stake in the team had grown to 57%. That share was passed on to his family, led by his sons Hank and Hal. If the Steinbrenner family still owns 57% of the team, it is now worth more than \$2.1 billion, or +200,000% more than the elder Steinbrenner's initial investment....not a bad investment! Read more at Forbes or [ESPN](#)*

Down Payment Is The Top Hurdle For Would-Be Home Buyers: *Saving a sufficient down payment is the biggest obstacle for renters looking to transition to homeownership, regardless of their age, income, gender or geography – a hurdle likely to get worse for many before it gets better. Two-thirds of renters nationwide (67.9 percent) cited saving for a down payment as the biggest hurdle to buying a home, according to the first Zillow Housing Aspirations Report, a semi-annual survey of 10,000 Americans seeking insight into their views on homeownership and their housing plans. Millennial renters (aged 18-34) were more likely than older Gen X (35-54) and Baby Boomer/Silent Generation renters (55 and older) to note down payment woes – 69.2 percent, 68.5 percent and 64.3 percent, respectively – but all three groups noted down payment challenges more than other choices. Behind down payment woes, the next-most-commonly cited barriers to homeownership among U.S. renters were qualifying for a mortgage (53.2 percent of respondents said this was a concern) and debt burdens (50 percent). The fact that U.S. home values have been growing at a rapid pace for well over a year now is making the move to homeownership even more difficult. A renter saves up enough to put a decent amount down on a home in their price range, perhaps only to find out that home has appreciated in value beyond their means. Read more from [Zillow](#).*

How much income is needed for a down payment?

Median incomes and home prices for each metro, with 20% down



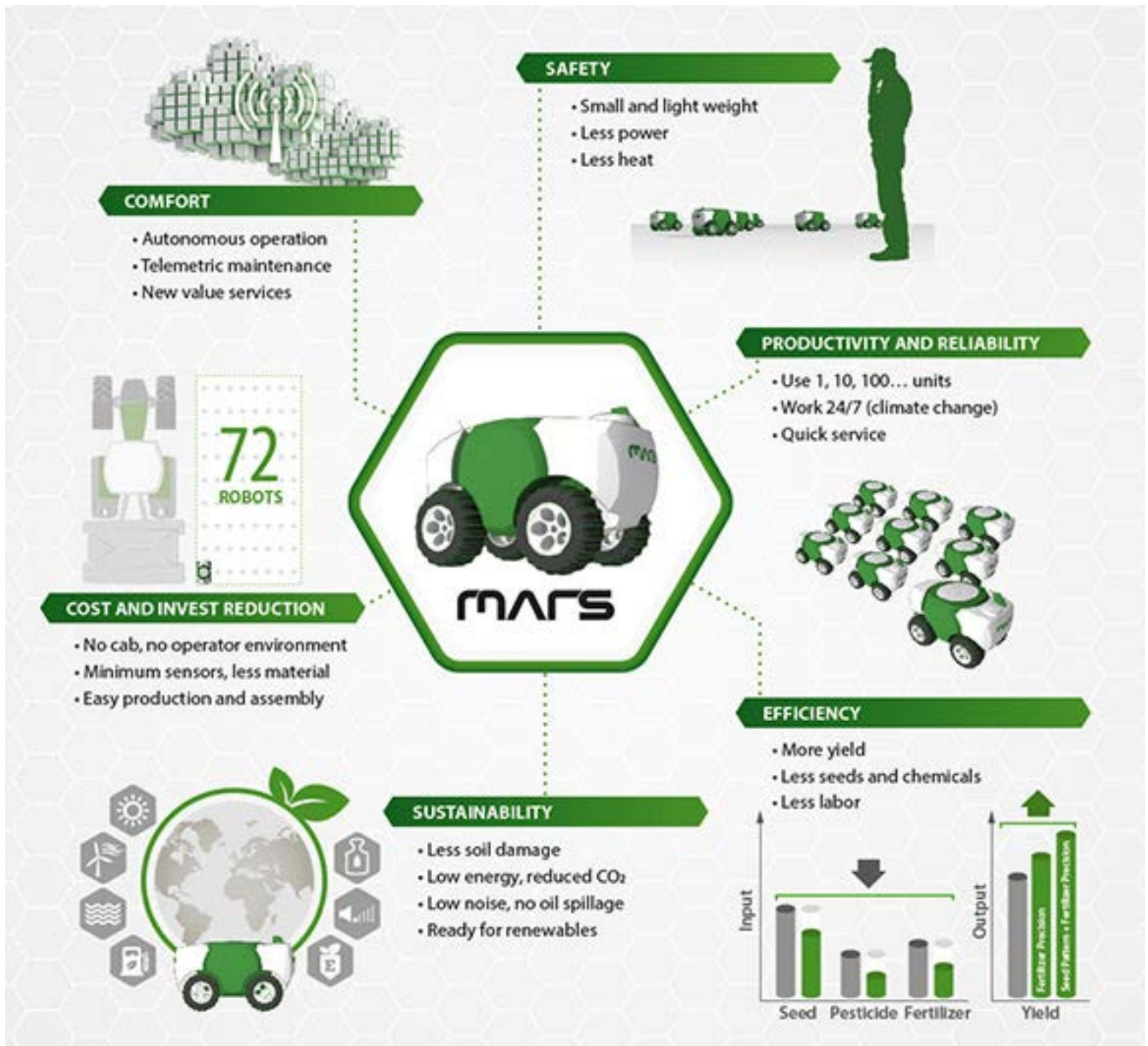
Source: Zillow



New Ag Tech Using Swarms of Small Autonomous Machines

The MARS (Mobile Agricultural Robot Swarms) project is working on creating swarms of small, autonomous robots that can seed farm fields on their own in a fraction of the time. From what I understand the project is sponsored by the European Union and the development work is being done jointly by AGCO. We've all seen reports of autonomous tractors in development, but the idea of small "swarms" of autonomous equipment is a bit different. How it works in elementary terms is the mini robots are hauled to a field in a special carrier trailer and then turned loose to get the work done. The main system provides the operator with continuous feedback and data on the overall operation and the small units out in the fields. An algorithm plans the robots operations based on certain parameters that have been entered. The swarm of small-scale robots can be controlled through cloud-based digital technology. Seeding or planting operations can be planned and monitored using the MARS app. I hear the amount of data and precision available through this system is astonishing. The exact placement of each individual seed can be

documented and saved in the cloud. Many kinds of applications throughout the season can be executed with extreme precision using fewer inputs. Because the swarms are battery powered, electrically driven, low weight and of autonomous operation, planting and field maintenance can now take place in conditions where conventional farming usually cannot be used. Also interesting is the fact the robots are "aware" of each other, so if a robot in their vicinity should ever fail or go down, other units nearby will instantly step in to take over their responsibilities. Work progress can be followed live with the app. This intriguing project is still under development and there is no word yet on when or if MARS will see commercial release. However, given the state of robotics development in everything from Amazon package delivery to Google self-driving cars, this probably isn't the last time we'll be hearing about MARS. You can read more at [Fendt Project MARS](#)





Some Late-Spring Blooming Flowers To Consider

My wife was looking for some good flowers to plant with a late-Spring bloom so I had the girls in the office do some research and give their feedback, some are avid gardeners. Things here in the Midwest have bloomed very early this year and most of the early spring bulbs like daffodils, hyacinths and tulips are just about spent, which is unusual. There is still plenty of time to plant a variety of late-bloomers though if you want to keep the flowerbeds full through the summer. We have a long weekend coming up and a ton of yard work on the calendar, weather permitting. Below are a few of the plants that we've deemed worth considering and always seem to put on a nice show.

Bleeding Hearts: *These plants have a delicate look with their thin leaves and heart-shaped flowers that look like they are dripping off the branches. They're actually quite hearty though, and are perfect in shadier areas with good drainage. Most varieties will eventually grow into quite large clumps, which can also be divided and replanted elsewhere, or shared with others.*

Lilacs: *Lilac bushes are another hearty plant that are also pretty low maintenance. They can also be worked into lots of different areas, from the back of a flowerbed or used as a full blown hedge - so long as it's sunny. There are hundreds of different varieties that can range in height from just a couple of feet to over 30 feet. The most common color is of course the namesake lilac purple, but there are also white, pink, blue and burgundy varieties.*

Peonies: *The peony is a late spring bloomer that also has nice foliage that will stay lush and green even through the hottest of Midwest summers. Leaves on most of them turn to a purplish or gold in the fall. An individual plant can live for over a hundred*

years, and individual mounds can be divided and planted into other areas of the garden or shared with others. Peonies are especially great cut flowers, too, as they can last for over a week.

Dahlias: *This flower species comes in a dizzying array of varieties. Most reach heights of about 4 to 5 feet, though there are some smaller dwarf varieties. The flowers themselves can be a real show stopper, ranging in size from giant 10-inch "dinnerplate" blooms to the 2-inch lollipop-style pompons. It's best to plant most between mid-April and mid-May, once soil temps have reached about 60 degrees, and thrive in direct sunlight. In areas of the country where winter temps dip below zero, dahlias will need to be dug up and stored inside until the next spring.*

Weigala: *These shrubs are great as specimen or border plants, depending on how tall the variety will get. They are extremely hardy with foliage that is just as nice as its flowers. This old fashioned shrub will bloom best in full sun, but can tolerate light shade.*

Jacob's Ladder: *Another old standard, this flower is most commonly seen in shades of purple and blue, but cultivars also bloom in white, pink and yellow. The plant forms a clump of densely packed leaf stems each bearing tiny leaflets that are almost fern-like and that rise along the stem like the ladder of the Biblical dream of Jacob. Plants grow from 1 to 3 feet high and prefer deep to semi-shade.*

Allium: *Although technically a bulb, the large flowered alliums bloom later than daffodils and tulips. These are ornamental members of the onion family, grown for their beauty rather than their flavor. Alliums range in size from 4 – 6 in. to 6 ft. The larger varieties generally bloom in shades of pink and purple and many are perfect globes. Animals don't seem to like them and from what I understand, they are good for keeping aphids away from plants like roses.*



Wishing Everyone A "Good Friday" and Happy Easter!

Markets are closed tomorrow in observance of Good Friday, which will be followed up by Easter this Sunday. As Good Friday is a religious holiday, primarily observed by Christians, most government agencies and banks will be open. For those who aren't aware, Good Friday is the day that Christians recognize the crucifixion of Jesus Christ - the actual day he died on the cross. Easter marks the resurrection of Christ. You may not be aware of this, but Easter is the oldest Christian holiday. It is also considered the most important day of the church year as all annual Christian feasts and days of worship are arranged around Easter. The movable feast dates include Good Friday, as well as Ash Wednesday and Palm Sunday. They are so called because they do not fall on any "fixed date" on the Gregorian calendar, which follows the cycle of the sun and the seasons. Moveable feast dates change every year, depending on when Easter falls. Determining that date is actually a pretty complicated process and has been a matter of controversy for centuries. It's believed that early Christians celebrated the resurrection of Christ every Sunday, but at some point, probably the second century, it became customary to celebrate specially on one day. Which Sunday that was changed several times and differed from Western and Eastern Christians. Western Christians settled the matter at the Council of Nicea in 325, where they decided on the first Sunday following the paschal moon, which is essentially the first full moon of Spring. The equinox happens on March 19, 20 or 21 every year, so that means the earliest Easter can ever fall in Western Christian countries is March 22. And given the lunar cycle, the latest it could ever fall is April 25. For members of the Eastern Orthodox churches, their dates are a bit different because they adopted the Julian calendar back in those early centuries, which has a different lunar cycle. So while Western Christians will be observing Easter this Sunday, April 16, Eastern Orthodox Christians celebrated the holiday April 3rd this year. Below are a few more interesting facts you may not know about Easter:

Origin of Easter: *The origins of the word "Easter" are not certain, but probably derive from Estre, an Anglo-Saxon goddess of spring. The German word Ostern has the same derivation, but most other languages follow the Greek term used by the early Christians: pascha, from the Hebrew pesach (Passover).*

Easter Eggs: *Over the centuries, Easter Sunday has been supplemented by popular customs from springtime fertility celebrations of European pagan religions. The ancient Babylonians and Egyptians exchanged colored eggs, usually red, in honor of spring. The Greeks and Romans adopted the custom, expanding the color palette.*

Ham and Lamb: *The origin of eating ham at Easter goes back much further than Christianity and is really just a matter of practicality. Ancient cultures slaughtered their animals in the Fall and preserved them for the Winter months. When Spring arrived, it was time to eat up the last of those preserved meats. The custom of lamb for Easter dinner comes from the Jewish Passover holiday. On that day, a sacrificial lamb was eaten, along with other symbolic foods, at the Passover Seder. The Christians adopted the lamb as a symbol of Jesus and retained the custom.*

White Lilies: *The traditional Easter Flower is the lily. The white lily is a symbol of purity. The single flower stem coming up from a bulb represents Christ coming back to life 3 days after his crucifixion.*

Pretzels: *The twisted bread snack is associated with both Lent and Easter. According to legend, an Italian monk invented them to reward children for learning their prayers. The way he folded the dough was meant to resemble arms crossing in prayer.*

From Our Family to Yours Happy Easter

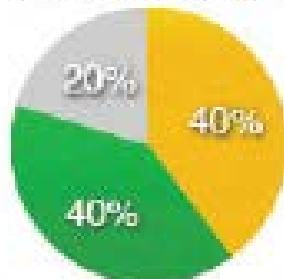




CASH SALES & HEDGING TOTALS

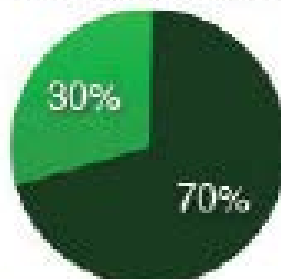
CORN 2016 CROP

40% SOLD
40% HEDGED
20% UNPROTECTED



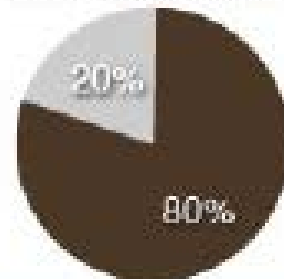
SOYBEANS 2016 CROP

70% SOLD
30% HEDGED
0% UNPROTECTED



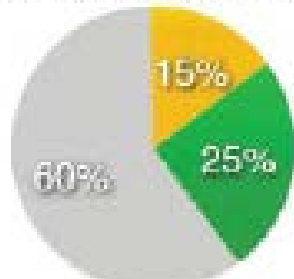
WHEAT 2016 CROP

80% SOLD
0% HEDGED
20% UNPROTECTED



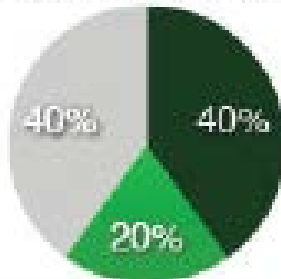
CORN 2017 CROP

15% SOLD
25% HEDGED
60% UNPROTECTED



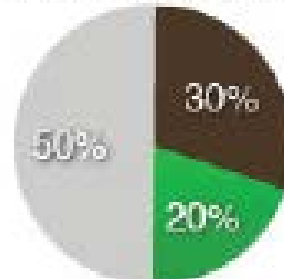
SOYBEANS 2017 CROP

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

