

GOOD MORNING: 04/24/18 Farm Direction - VanTrump Report

2 messages

Kevin Van Trump <kvt@farmdirection.com>
 To: Kevin Van Trump <kvt@farmdirection.com>
 Bcc: info@farmdirection.com

Tue, Apr 24, 2018 at 6:39 AM



"Hide not your talents, they for use were made, What's a sundial if left in the shade?" — Benjamin Franklin

TUESDAY, APRIL 24, 2018

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Morning Summary: Stocks are higher to start the morning as the 10-Year Treasury eases back a bit. Traders on Wall Street have been closely monitoring the 10-Year and particularly its push toward 3%. Bears believe a breakout above 3% could create headwinds for stocks as large investors will rotate more money towards fixed equity. Personally, I'm not on the same page, as I can remember just a couple of years back the bears saying the biggest headwind for the stock market was "deflation". Now we've moved the needle +1% and the biggest headwind becomes "inflation"? That's somewhat hard for me to swallow. If you were to tell me that interest rates are going to continue to move aggressively higher, the U.S. dollar is going to move aggressively higher, and crude oil continue to push aggressively higher, then yes, I can fully understand the argument. I suspect this what bulls and bears will continue to debate. I also believe in a higher rate environment, we could see even more "premium" paid for higher growth type stocks like an Amazon, Netflix, etc... Bulls also believe many large U.S. companies are flush with cash, can withstand a downstroke and will be aggressively buying back their stocks in the coming months. Bears believe many of these companies are putting a hold on spending and pausing to get a better feel for U.S. trade negotiations, the overall velocity of the Fed's shift in policy, and potential rising inflation. As for today, economic data will include New Home Sales and Consumer Confidence. Companies releasing corporate earnings will include: Amgen, Caterpillar, Citi Group, Coca-Cola, Harley, JetBlue, Southwest, Verizon and Wynn Resorts to name a few. I have always appreciated thoughts coming from the Ira Sohn Conference in New York each Spring. Many of the industries top fund managers and investors are on hand. I wanted to share a few I found most interesting from yesterday's speakers:

Betting On Bitcoin - John Pfeffer said, "Bitcoin is the first viable candidate to replace gold the world has seen." He also says that most crypto assets out there are bad bets, but Bitcoin might just be a good one, "despite substantial risks." He points out that foreign reserves total about \$12.7 trillion, gold makes up about 11% of that total, the U.S. dollar makes up about 60% and the rest in various other currencies like the Yen, Franc, Pound and Euro. If Bitcoin can take a bigger bite out that pie, its valuation could move much higher. I like how he said, "buy the ticket, take the ride." I also like the fact he gave 10 bitcoin to the Sohn Foundation, so long as they promised to hold it for five years.

Data Dangers - there were several large investors who are worried that it's becoming much more difficult to protect data. In return they believe some type of massive cyber attack might be what causes the next great market crash or panic like selling. There's truly a larger fear brewing in regards to the cyber crime world and the damage that could be done.

Online Food Ordering - Two large investors continue to see big gains in online food ordering companies. Alexander Captain, who runs Cat Rock Capital Management and Li Ran, who runs Half Sky Capital, talked about millennials and how spending growth at restaurants continues to outpace spending at grocery stores. Ran pointed out that GrubHub Inc, averages about \$30 per order and earns around 15% off each order.

Housing Strength To Continue, But... John Khoury, founder and managing partner, Long Pond Capital says that after 9 years of development, housing starts are still lagging. He says there's still over +30% upside to normalized housing starts. He points



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Today In History

out that existing home inventory remains low, while there are almost 2 million more people in mid to late 20's than early to mid-30s. So the future first-time buyer population is going to continue getting larger and fueling demand. Bottom-line, some of the housing stocks might still have plenty of upside. I also thought it was interesting to hear a couple of investors say, while strength in the housing market is good, as the higher prices and monthly mortgages climb, the less money consumers will have to spend in the overall economy each month. This is certainly something to consider.

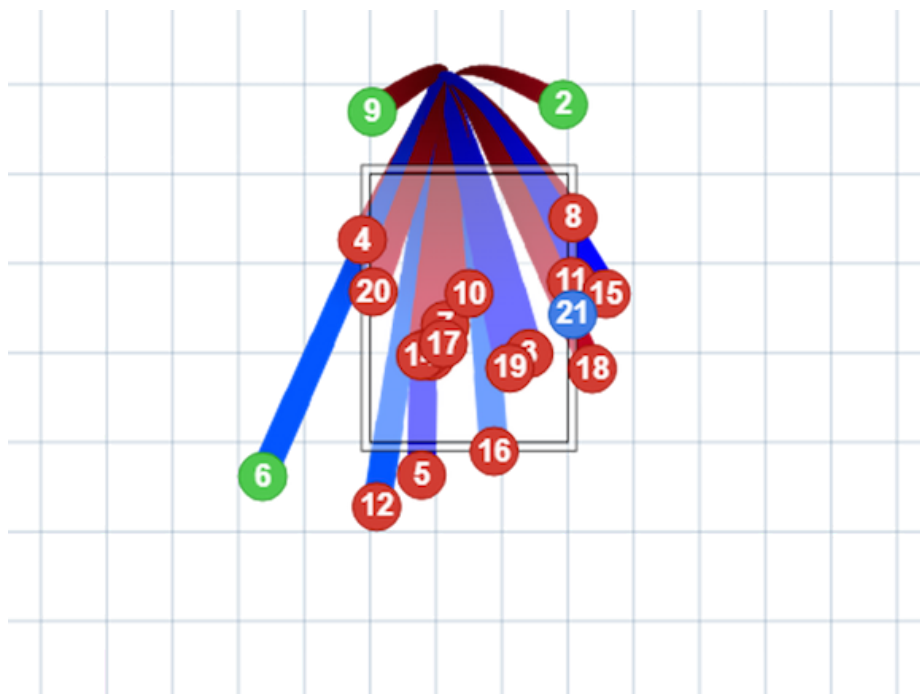
Fact or "FakeBook" Fiction - Seth Stephens-Davidowitz a former Google data scientist and a lecturer at the Wharton School calls Google "digital truth serum." He doesn't feel that the information people give to Facebook is similarly honest. People want to look good on Facebook, so this data could be more false than what you'd see in a survey. Think about this, American buy 3x as many copies of *The National Enquirer* as *The Atlantic*. But on Facebook, the *Atlantic* has 45x more likes, because people want to look smarter.

What You Need To Know About The Arizona Election: Since 1977, only two people — Bob Stump and Trent Franks — have represented the Phoenix, Arizona area in the U.S. House of Representatives. Because of the 8th Congressional District's reputation as a Republican stronghold this special election is being closely monitored. From what I understand, voting ends tomorrow in the special election to replace Franks, the veteran House Republican who resigned in December amid a sexual-misconduct scandal. Republican Debbie Lesko is the favorite to replace Franks. Democrat Hiral Tipirneni has mounted a challenge. I keep hearing different reports out of the polls, just depends on who you want to listen to or read. The market seems to care about this election, because they believe it could be a gauge to the mid-terms in November. If the Republican Lesko loses or wins by small number, say less than 10 percentage points, the media is going to talk about the possibility of a strong Democratic showing in the mid-terms. There's also talk that the two Senate seats in Arizona might also be in play. As of right now, the Democrats need to win 23 seats overall to retake the House.

How Much Would You Have If You Got In The Top-5 Crypto's A Year Ago?

Let's say that you had the foresight to predict the 2017 cryptocurrency boom, and for diversification purposes you decided to invest \$1,000 in each of these cryptocurrencies a year ago (which would have been since April 13, 2017). A \$1,000 investment in each of the top-5, would have meant investments in Bitcoin, Ethereum, Ripple, Litecoin and Stellar. That \$5,000 investment would now be worth over \$130,000 today... more than 25 times what you would have put in. Keep in mind that number is even huge after the massive cryptocurrency plunge that's taken place so far in 2018. Read more [HERE](#).

Batta, Batta, Swing Batta... New MLB Record: San Francisco first baseman, Brandon Belt's at-bat in the top of the first inning lasted 12 minutes and 45 seconds. Belt saw 21 pitches, fouled off 16 pitches, including 10 in a row. On the last pitch, Belt would line out to the right fielder, but he did hit a home run in the fifth inning in a 4-2 victory over the LA Angeles. You can watch the at-bat [HERE](#).



1800, The Library of Congress

- Today marks the 218th birthday of the Library of Congress. The history of this the oldest cultural investment in our country, cannot be separated from the history of the country. Established in 1800 by President John Adams who signed a piece of legislation for \$5,000.00 to appropriate the purchase of "such books as many be necessary for the use of Congress." Thomas Jefferson would also state that "there is no subject to which a Member of Congress may not have occasion to refer." These first books would be ordered from London and arrive in Washington D.C in 1801 where they would be stored at the capitol building, the first location of the library. An inventory of this first library shows that it had over nine hundred books and only nine maps at its first accounting. Originally, this Library was established to serve as the legislative and research assistant to the U.S. Congress. When the British Army invaded Washington D.C in 1812 they burned the Capitol building down, including all books. It would be Thomas Jefferson who would come to the rescue of the Library and sell his six thousand books and reference volumes from his personal collection to the government. Jefferson would continue to expand the library and by the time he left office, its inventory would include over fifty-five thousand books. Jefferson would also approve the first law defining the role and functions of the Library in 1802. Jefferson held a strong belief that the power of the intellect could shape a free and democratic society. He would further state, "that as a man he could not live without books." Jefferson would also appoint the first two librarians who were in charge of helping Jefferson grow the collection. Again, in 1851 the Library would suffer from another fire losing over two-thirds of the inventory. The Library of Congress would continue its growth after suffering during the Civil War, and it now is said to house millions of books, as well as millions of maps, manuscripts, photos, films, recordings, prints and drawings. These books have come from around the world and from an estimated 450 different languages. These documents, books and the like are now housed in three different buildings in Washington D.C. The Library has become the Nation's Library and is the largest in the world.



1916, Easter Rebellion

- On this day in 1916, the Easter Rebellion, would be launched in Dublin Ireland. Patrick Pearse the leader of a secret organization called the Irish Republican Brotherhood and Irish nationalists started the armed uprising against British rule. The men of the Brotherhood were assisted by the Irish socialist party and they attacked British provincial government headquarters across Dublin and seized the Post Office. They would then proclaim the independence of Ireland. There was fierce street fighting in Dublin and the roads that led into the

neuro mining



As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

TODAY'S RIDDLE: I travel all over the world, but always stay in my corner. What am I?

Weather forecasts are calling for seasonal conditions in the Midwest over the next week to 10 days. This trend includes milder and more seasonal temperatures. The impact will be to improve prospects for spring fieldwork. On the Plains, a mix of rain and snow is falling in parts of Montana, where chilly weather prevails. Meanwhile, dry weather has returned to the southern Plains, where recent rainfall generally totaled an inch or less. Additional rain will be needed on the southern Plains to sustain any benefit to rangeland, pastures, and winter wheat. In the South, yesterday's storm system in the Mississippi Delta is resulting in cool weather and producing widespread showers. Currently, the heaviest rain is falling in the southern Appalachians and in portions of the southern Atlantic States, halting fieldwork but boosting topsoil moisture. A slow moving storm crossing the mid-South will reach the Mid-Atlantic coast by mid-week and the Northeast by Thursday. Storm totals could reach 1 to 3 inches or more along and near the storm's path, with flooding possible in the southern Appalachians. A less-developed system will trail the first storm, sparking some additional light rain in many of the same areas. Meanwhile, most of the West will experience a period of warm, dry weather, although cooler air will spread inland from the Pacific Coast late in the week. In contrast, mid to late week frost could occur as far south as the central and southern Plains.

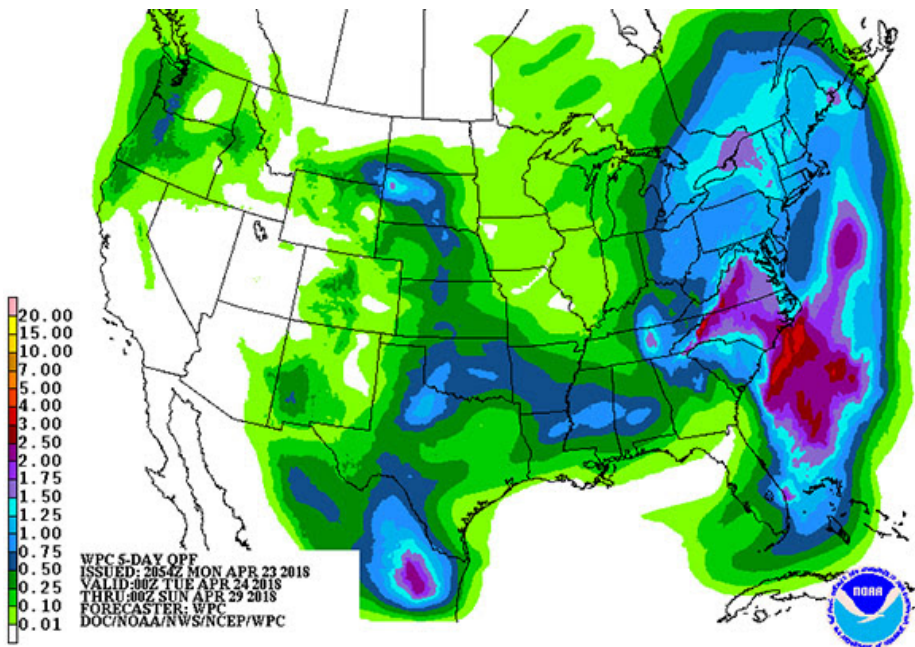
The 6 to 10 day Outlook for April 29 - May 3 calls for the likelihood of below normal temperatures along and southeast of a line from central Texas to Lake Michigan, while warmer than normal weather in most areas from the Pacific Coast to the Plains. Meanwhile, near to below normal precipitation across most of the country should contrast with wetter than normal conditions in northern California and from the Four Corners region to the southern High Plains. We also have the NOAA 5-day total precipitation map valid Tue. Apr.24 - Sun. Apr. 29.

city. Many Irish, mostly Catholics, believed that the British favored and acted on behalf of the Protestant Irish population. Within a day these Irish militants would control the city of Dublin, however British authorities would launch their own counteroffensive and destroy the rebellion. Pearse would agree to an unconditional surrender on April 29, 1916, after being out gunned and outmanned. The British would arrest over three thousand people during the rising, many who had nothing to do with the rebellion. Marshall Law would remain intact until late October of the same year. This was a lot to deal with from the British point of view, since they had just declared war against Germany one month prior to the rising. By April 29th over 450 people, mostly civilians were killed in the uprising, and the city of Dublin suffered severe damage as well. One month later 15 members of the Irish Brotherhood and the Irish socialist party were executed by firing squad for their participation. Three thousand Irish were arrested, and half of these were imprisoned without any trials. The British made a miscalculation by this rush to justice, and the Irish people resented them for it and the call for Irish independence grew. By 1918 support for an independent Ireland resulted in the Sinn Fein political party winning the majority of the Irish seats in the U.K.'s parliamentary election. Sinn Fein members would refuse to take their seats in the English parliament and would convene an Irish Parliament known as the Dail Eireann. Their goal was to establish an Irish republic free from British rule, and they in turn also declared Ireland's independence. Again, the Irish Republican Army (IRA) would attack British interest within Ireland. The two sides in 1921 would agree to a cease-fire and sign a peace treaty that would establish the Irish Free State as a self-governing nation of the British Commonwealth. Thirty-three years later on Easter in 1949 the Irish would fully gain their independent Republic of Ireland.



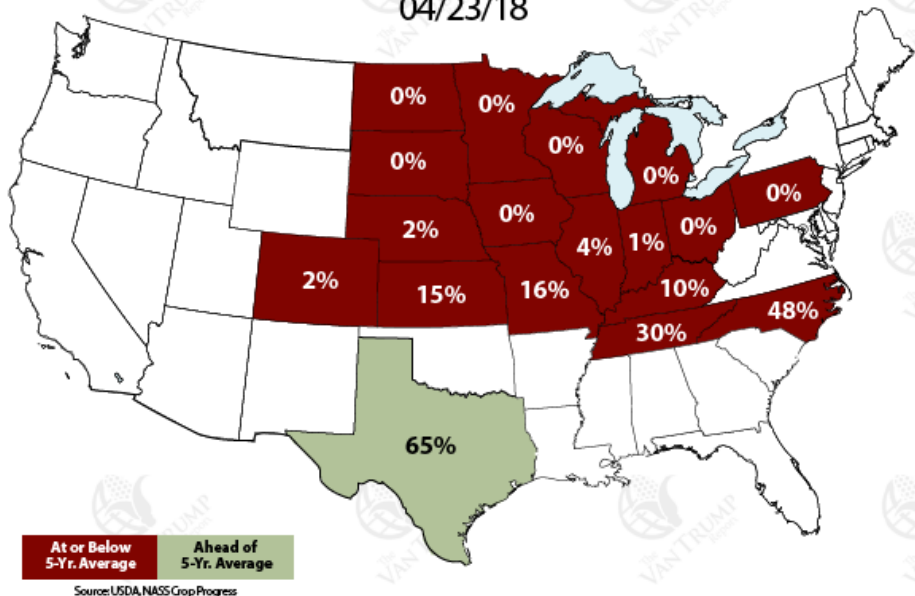
1895, Joshua Slocum - On April 24, 1895, Joshua Slocum would set sail from Boston, Massachusetts in a sloop named the Spray. He would be

the first person to solo circumnavigate the earth. Born in Nova Scotia into a Quaker family of eleven children, he began sailing early in his childhood on schooners in a cove near his home. The family would move to the home of his paternal grandfather when he was eight years old, and his grandfather's home was a light house on Brier Island. At the age of fourteen, Joshua would run away from home and find a job as a cabin boy. When he was sixteen the sea-loving Slocum would sign onto the Halifax, a merchant ship as an ordinary seaman. For the next few years, Slocum would spend his life sailing around the globe working as a seaman for many merchant shipping companies. In 1865 he would become an American citizen after settling in San Francisco. Joshua would buy a schooner



Corn bulls continue to point towards an extremely slow start to U.S. planting. The USDA reported the U.S. crop just 5% planted vs. 15% last year vs. the 5-year average of 14%. I think most of the trade acknowledges the slow start but finds it difficult to correlate into final production numbers. I also don't think the trade feels it needs to panic since U.S. producers in several states have planted between 30% and 40% of their entire crop in a one week time window. Traders continue to closely monitor South American production, bulls arguing the USDA still needs to lower their production estimates for both Argentina and Brazil. Many believe the Brazilian crop is ultimately sub-90 million vs. the current USDA estimate of 92.0 MMTs and the Argentine crop is ultimately closer to 30 MMTs vs. the current USDA estimate of 33 MMTs. There's really not much more to talk about in the headlines. The trade is content watching U.S. weather more closely as the crop starts to go in the ground at a quicker pace. The South American weather story has become somewhat less significant, but still southern Brazil has second-crop corn that will be needing a few drinks. Corn demand here at home and global still seems strong and enough to carry prices higher longer-term. Political uncertainty surrounding free trade continue to keep a lid on most rallies. Thoughts of a full-blown Chinese trade war or completely pulling out of NAFTA makes most bulls nervous, certainly providing reason to pause. I'm still not sold on the fact we are going to see any major nearby rallies in the next couple of weeks. Perhaps further out into late-May or mid-June...maybe? As a spec, I want to keep my longer-term bullish tilt, but see no reason to be in race to add more length. As a producer, I like my current position and the amount of price risk I've already reduced, see no reason to be in a hurry either way.

Corn Planted 04/23/18

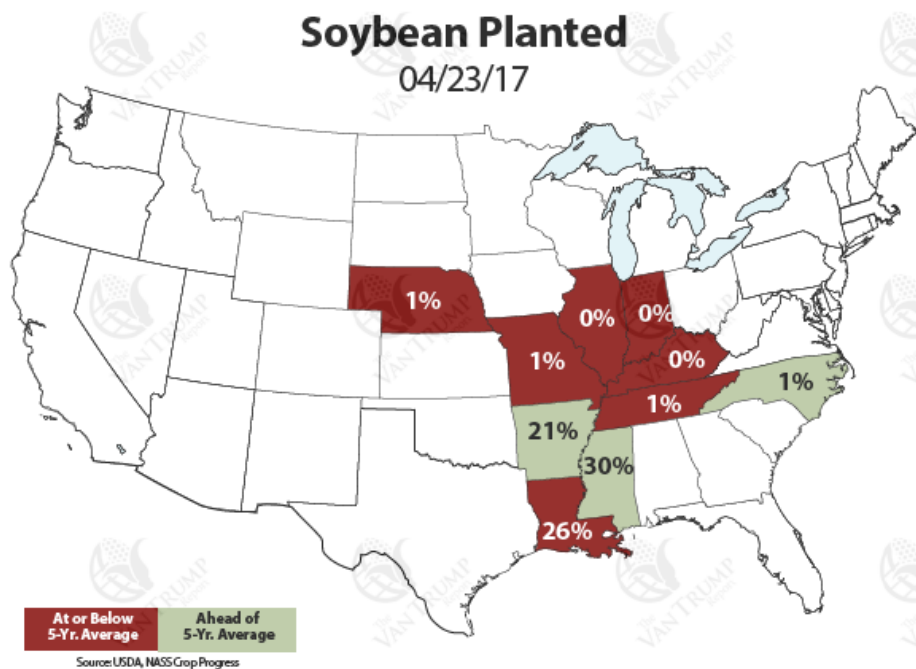


that he would use in coastal trading between Seattle and San Francisco. Finally, he would make the move to big mixed cargo ships as a captain and spend the next thirteen years going between Asia and the U.S. In 1870 he would meet the love of his life, Virginia Walker in Sydney Australia. They would be married one year later, and she would sail the world with her husband. All seven of Joshua and Virginia's children were born at sea or in foreign ports. Slocum would leave Boston harbor in 1895 stating "A thrilling pulse beat high in me. My step was light on deck in the crisp air. I felt there could be no turning back, and that I was engaging in an adventure of which I thoroughly understood." He had originally planned to sail eastward around the world but changed his mind due to piracy that was prominent near Africa. His course took him instead westward where he sailed to Brazil, around the Straits of Magellan, across the Pacific to Australia, then the Indian Ocean, rounding the Cape of Good Hope and the back to the United States. He relied on a traditional method of dead reckoning for his navigation instead of using a chronometer. It would take Joshua three years to arrive back in the states to Newport, Rhode Island after circumnavigating the world, sailing more than 46,000 nautical miles. In 1899 he would publish a book about his adventure called "Sailing Alone Around the World." Slocum would earn enough revenue from his book and speaking engagements, that he would finally settle his family down on Martha's Vineyard. However, the call of the sea beckoned to him, and he would spend the rest of his days sailing from port to port in the Northeast and the winters in the Caribbean. After his health began to decline and his mental capacities were left in question, Slocum would set sail for one last adventure in 1909. This time his plan was to sail to South America and to explore the rivers heading inland. Slocum was never heard from again by 1910, and in 1924 he was declared legally dead. Ironically, Slocum who had spent his life on the water, never learned to swim.

Upcoming Events

- Tues.-Wed. 5/1-5/2** - FOMC Meeting
- Thurs. 5/10** - USDA Supply and Demand
- Thurs. 5/17** - Farm Labor
- Tues. 5/22** - Cold Storage
- Wed. 5/23** - Minutes From 5/2 FOMC Meeting Released
- Fri. 5/25** - Cattle on Feed
- Mon. 5/28** - Memorial Day - Markets Closed
- Tues. 6/12** - USDA Supply and Demand
- Tues.-Wed. 6/12-6/13** - FOMC Meeting
- Fri. 6/22** - Cattle on Feed

Soybean traders have very little fresh or new to digest. The USDA showed 2% of the U.S. crop as "planted" which is right in line with our 5-year average but behind last years pace of 5%. Arkansas, Louisiana and Mississippi are leading the way all with over 20% planted. Bears are pointing to a stronger U.S. dollar and some fundamental bulls that might have gotten a bit ahead of themselves. Eventually their story probably plays out, but as I've questioned, it's a matter of how and when? Premiums in Brazil are starting to rise again so perhaps we are getting closer to renewing the longer-term rally...I'm not holding my breath. As both a producer and a spec, I still think there is some downside in the market the next couple of weeks. I'm still targeting late-summer or perhaps even late-fall as the period where demand becomes much more tricky. From the perspective of a possible U.S. weather story, I suspect one would want to be in position by late-May or mid-June. I have to believe even though the weather probably doesn't become a real concern for soybeans until much later, the production setbacks in Argentina make early talk about a hot and dry June, July and or August here in the U.S. enough to spark a bullish stampede. I'm thinking that's the move I don't want to miss... As both a producer and a spec, I'm staying patient and positioning myself accordingly. From a technical perspective, the bulls need to see the \$10.00 to \$10.20 range hold support for the JUL18 contract. Upside resistance still appears to be in the \$10.80 to \$10.90 range.



Wheat bulls are pointing the USDA's latest weekly crop progress that showed just 3% of the U.S. spring crop as planted vs. 21% last year vs. the 5-year average of 25%. In fact, this is the slowest pace to spring planting in over 30-years. Winter wheat conditions were left "unchanged" on the week with 31% rated "good-to-excellent", 32% rated "fair", and 37% rated "poor-to-very poor". The USDA also showed just 13% of the winter crop "headed" vs. 30% last year vs. the 5-year average of 19%. I believe there are some weather stories still brewing, but they might not become more relevant for a few more weeks. I hate to sound like a broken record, but it's hard to get bullish with the global fundamentals so overly supplied. If the SRW wheat contract tests the recent lows down near \$4.60, I might become more interested in the bull side of this market. I feel like there's "value" down somewhere between \$4.40 and \$4.60 per bushel, so not in any real hurry to be a buyer.

Fri. 6/22 - Cold Storage

Thurs. 6/28 - Quarterly Hogs and Pigs

Fri. 6/29 - Quarterly Stocks and Acreage

Kevin's Song of the Week



Kevin's Song of the Week

NEXT level THINKING

My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

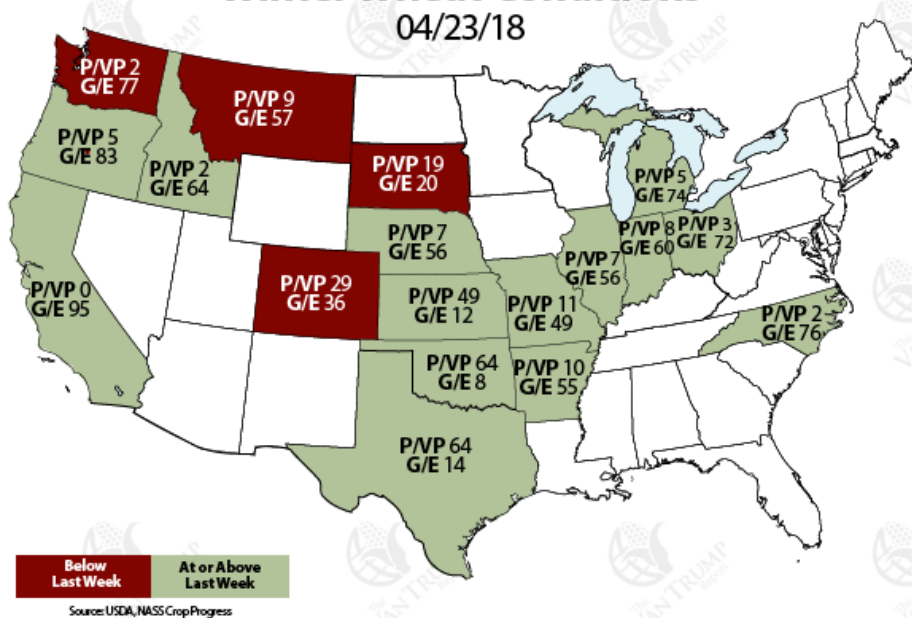
My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

Winter Wheat Conditions

04/23/18



"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator
for Farm Programs USDA**

> Far-Reaching Effects Of EPA's Ethanol Decision: Last month the EPA granted an exemption to one of the largest refiners in the United States, allowing Andeavor, formerly Tesoro, to no longer comply with U.S. biofuels regulations. By one estimate, the exemptions could result in a drop in ethanol demand of one billion gallons per year, leading to a potential decrease of 2.5% in corn demand. Read more [HERE](#).

> Chinese Buyers Grab Brazil's Soybeans: Fears that China will eventually tax US soybean imports has seen premiums in Brazil rise again as Chinese buyers snapped up cargoes for July and August loading, forcing premiums in the cash market higher, sources said. Last week a raft of deals was heard out of Brazil for cargoes loading in the summer months at prices between 235-245 cents over July futures on a CFR China basis with some sources claiming that in excess of 50 cargoes had traded. With freight from Brazil to China heard at around 95 cents per bushel, the deals work out at a 140-150-cent per bushel premium over July futures on an FOB Santos basis. That compares with offers from the US Gulf on an FOB basis heard last week at around 85 cents per bushel over July futures for June loading. (Source: Agricensus)

> Haliburton Q1 Revenues Explode: A boost in production of both oil and natural gas has led to a 34 percent increase in Q1 revenues. The oilfield services provider saw net income at \$46 million or 5 cents per shareholder. Just last year the company posted a loss of \$32 million. Their revenues rose from \$4.28 billion to \$5.47 billion.

> Weekly Crop Exports: USDA on Monday morning said that weekly soybean export inspections were 470,817 tonnes, in line with estimates that ranged from 300,000 to 600,000 tonnes. Corn export inspections were 1.719 million tonnes, topping forecasts that ranged from 1.2 million to 1.7 million tonnes while wheat export inspections of 619,251 tonnes also topped forecasts, which ranged from 350,000 to 550,000 tonnes. (Source: [agriculture.com](#))

> Iran Bans Cryptocurrency Use: An Iranian newspaper says the country's Central Bank has officially banned the use of cryptocurrencies in financial transactions in order to "prevent crimes such as money laundering and terrorism." The move is seen as part of Tehran's efforts to control the currency market after the rial hit an all-time low earlier this month. Monday's report by the Donya-e Eqtesad daily says the ban applies to "all monetary and financial centers of the country," including banks, financial institutes and currency exchange offices. (Source: APnews)

> Largest-Ever Sustainable Grain Commitment By U.S. Protein Company: The company earlier this month said it has committed to support improved environmental practices on 2 million acres of corn by the end of 2020. The initiative is part of Tyson

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

Foods' recently announced goal of reducing greenhouse gas emissions 30% by 2030. Tyson said it believes the commitment will encourage grain farmers to adopt more efficient practices with fertilizers and take additional measures to reduce water runoff and soil loss. (Source: World Grain)

> Billionaire Former Mayor Bloomberg Will Write A \$4.5 Million Check: *In order to cover the US's financial commitment to the Paris Climate agreement, former Mayor of New York plans to cut a check for \$4.5 million. Bloomberg's Philantropies charity will continue to provide the funds for the pact if the U.S. doesn't rejoin. It is the former Mayor's hope that President Trump will change his mind by next year. (Source: The Hill)*

> World's First Zero-Emission Combustion Engine Truck: *UK company ULEMCo has debuted a modified Volvo FH16 truck that's tuned to burn hydrogen gas instead of gasoline in its internal combustion engine. With zero emissions, a range of around 180 miles and some 300-odd horsepower, it's being presented as a low-cost way to decarbonize a heavy goods vehicles. This could be an attractive option as hydrogen storage takes up less space versus the big batteries of electric trucks, meaning they could carry more freight. (Source: Newatlas)*

> Diesel Is Quietly Sneaking Higher: *With a focus on curbing gas prices, we may be missing the fact diesel is nearing \$3 a gallon. A combination of a never-ending winter in the U.S. and an impending demand increase for ultra-low sulfur diesel from a worldwide sulfur-reducing law has pushed retail diesel prices to the highest level since January 2015. According to experts, we should plan on prices continuing to rise as the International Maritime Organization's law goes live in January 2020. (Source: Bloomberg)*

> The National Debt Is Growing +36% Faster Than The U.S. Economy: *Last Friday afternoon, the national debt of the United States hit another major milestone, soaring past \$21 trillion for the first time ever. For example, in the span of a SINGLE DAY, from Thursday to Friday, the national debt grew by \$73 BILLION. In a day. To put that number in context, \$73 billion is larger than the size of most major companies like General Motors, Ford, and Southwest Airlines. At the end of 2008, for example, the size of the US economy was \$14.5 trillion. A decade later, the size of the economy is \$19.7 trillion, 36% greater. Yet over the past ten years, the national debt has grown from \$9.4 trillion to over \$21 trillion— a growth rate of 123%! (Source: ZeroHedge)*

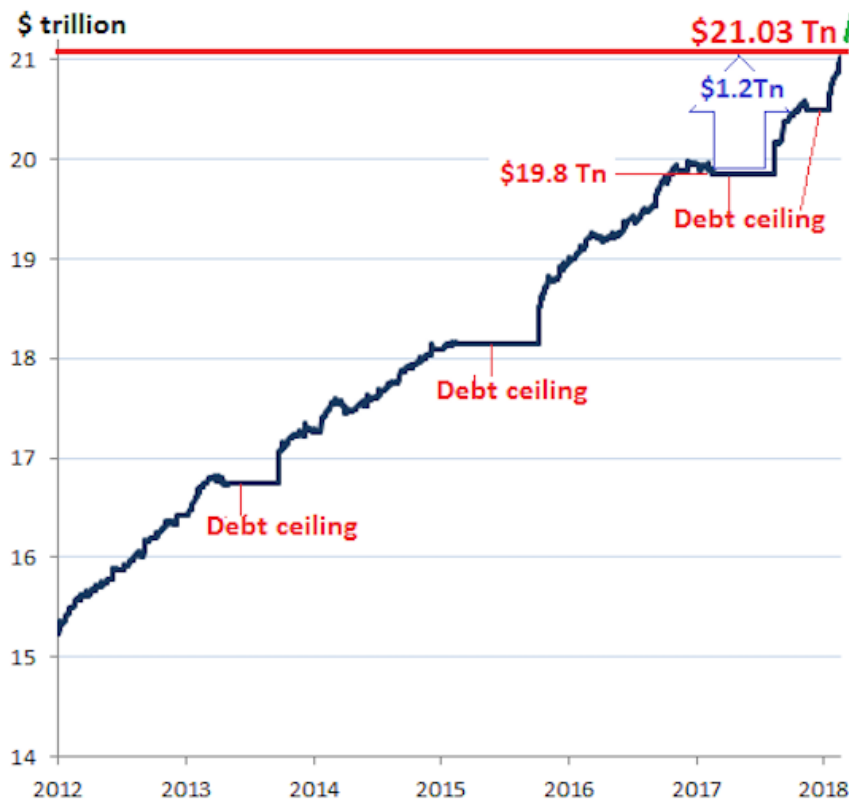
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

The image is a vertical rectangular graphic with a rustic, parchment-like background. At the top, the text "Farm Direction" is written in a green, cursive font, with "RECIPES" in a smaller, green, sans-serif font below it. In the center, the words "FAMILY FAVORITES" are written in large, bold, green, sans-serif capital letters, flanked by two green stars. Below this, the text "-SENT IN BY OUR READERS-" is written in a smaller, green, sans-serif font. In the middle, there is a photograph of several cinnamon rolls with white icing, one of which is being pulled apart with a fork. Below the photo, the text "Quick Soft Cinnamon Rolls" is written in a white, sans-serif font. At the bottom, the text "CLICK TO SEE RECIPE" is written in a green, sans-serif font.

US Gross National Debt Spikes \$1.2 Trillion in 6 Months

Pierces \$21 Trillion

Debt out
the wazoo



Source: US Treasury, WOLF STREET

WOLFSTREET.com



FROM THE FIELD

Eastern South Dakota - We are starting to warm up a little and it's not raining but we are not seeing much sun allowing the snow to melt. The other big problem is that no frost has come out of the ground yet. I think that once we do get all the snow melted it will take an extra five or six days for the frost to come out of the ground. I would say that we will be the first week of May before guys can start to get in the field. Around this part of the country, we will plant when the ground is ready and worry about the soil temps later. It feels like we are going to see more bean acres in our area. We will start planting beans first. We have done that the past three or four years and the seed seem to tolerate the cold soil temps better. The early planted beans have performed well with yields not showing any drag to date. Our production in 2017 was right in line with the 2016 yields. I am not for sure what is going on here but we have seen the basis really tighten up over the past few weeks.

Central Nebraska - We plan to start planting corn Apr. 25. We will have to plant around the snow drifts at the edges of the fields from last weekends blizzard but the fields will dry enough to go. Calving season was very challenging. Death loss was about double normal. We have excellent subsoil moisture from all of the snow but it gets very dry as you go south toward the southern Nebraska border.

Central Texas - We are traditional corn, wheat, and cotton, with cotton acres being up considerably over the past few years. We had above cotton yields last year making just over 1.8 ba/ac. The guys to the south of us did catch some later rains than us which helped them make just over 2.0 ba/ac. There seems to be more variability than in the past but typically if we make above 1.5 ba/ac we can make it work. We are all dryland in this area which makes the production a question every year. We are in a corn deficient area due to the numerous poultry facilities around. Most of our production is centered around the weather in June bringing any rains or not. Those rains can take us from the normal 100bpt to 120bpa yield averages to what we think we should make at 150bpa, which is our

record which we did in 2014. Last year the rains were hit or miss and we only made 128bpa. We are always battling the weather but then throw on consistent aflatoxin issues to make matters worse.



Is This Bud For You? *It looks like some athletes are reaching for a bottle of cannabidiol (CBD), an extract from the cannabis plant, instead of ibuprofen these days for their pain relief. Since the World Anti-Doping Agency (WADA) removed CBD from its list of banned substances in January, many professional athletes have turned to it, believing it's a safer alternative. I'm hearing reports that some athletes are also experiencing less anxiousness and getting better sleep. Though the CBD market is booming - \$170 million in revenue in 2016 and expected to be at \$1 billion by 2020, research on CBD in the states is slow to accumulate, largely because the federal government considers marijuana a Schedule I drug, making it difficult for researchers to gain access to it for study. Read more [HERE](#) on the future of this natural painkiller [HERE](#).*

Wikitungues Wants To Stop A Language From Dying Every Two Weeks: *Many of the world's most remote languages are in danger of disappearing. Hearing such a rare language spoken on a residential block of Queens is not unusual for Bogre Udell, the co-founder of a nonprofit called Wikitungues. There are some 800 languages spoken within the 10-mile radius of New York City, which is more than 10 percent of the world's estimated 7,099 languages. Since he has decided to record all of them, the melting-pot metropolis is a natural launching point. Click [HERE](#) to see how Udell is working to save the world's languages.*

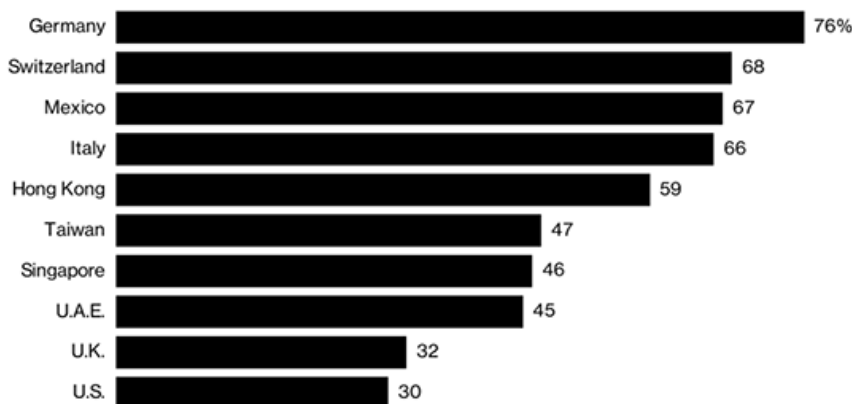
One-Armed High School Athlete "Figures It Out": *One the first day of baseball practice, Andrew Thurman's new coach forgot the sophomore was born with one arm as he asked the team to warm up doing dips. As he ran down to Andrew to apologize, he found the determined athlete doing the drill. Andrew is a great story of a young man who sees no boundaries and is committed to getting it done. Thurman says that if he ever wants to do something, he simply asks how and tries to until he figures it out. The emergence of Shaquem Griffin, the one-handed UCF linebacker who played a major role in the Knights' 2017 success, has spread some indirect fame onto Thurman, who gets approached to take photos with other members at his gym. Read more how Thurman's attitude is working for him [HERE](#).*

Looking For A Reason To Workout? *A study of nearly half a million people has revealed that muscular strength, measured by handgrip, is an indication of how healthy our brains are. "When taking multiple factors into account such as age, gender, bodyweight and education, our study confirms that people who are stronger do indeed tend to have better functioning brains," said Dr Firth. Motivated to learn more! Click [HERE](#).*

Wealthy Are Betting On 100: *Money might not buy love, but it can buy better health. And, to live as long as possible, the world's wealthy are willing to pay up. The average life expectancy in the U.S. at birth has reached the late 70s, according to the Organization for Economic Cooperation and Development. But most rich people, however, are counting on living even longer—a lot longer, as in two decades more than average. In a new UBS Financial Services survey, 53 percent of wealthy investors said they expected to live to 100. See what that desire will cost them [HERE](#).*

Preparing for 100

Percentage of wealthy investors who say they expect to live to age 100, by country

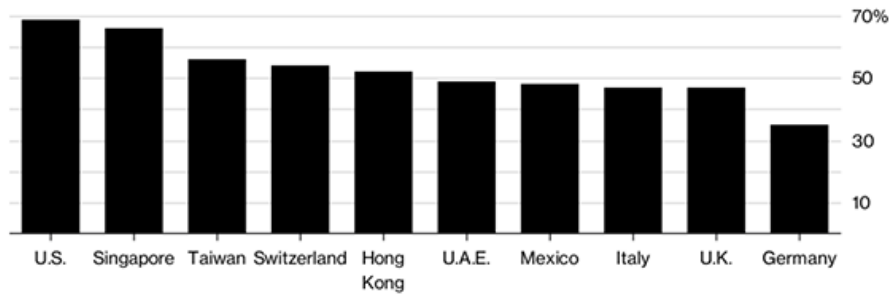


UBS Financial Services survey of 5,000 investors with at least \$1 million in investable assets

Bloomberg

The Rising Cost of Living Longer

Share of wealthy investors who cite higher health care costs as their biggest financial concern



UBS Financial Services survey of 5,000 investors with at least \$1 million in investable assets **Bloomberg**



How Researchers Hope to Improve Beef And Cut Back On Emissions

Scientists are hoping to not only improve the beef we eat but cut down on the amount of methane gas that cattle release. The plan consists of gaining an in-depth knowledge of the role microbes play in the digestive process. I'm told the belief is that once they have identified the key microbes, they may be able to tweak them in order that cows may eat less, provide more meat and cut down on the amount of methane generated. That sounds like a tall order but from what I understand, scientists have already sequenced the full genomes of nearly a thousand microbes. And the team is in the process of using the DNA sequences to see which enzymes each microbe uses to help with digestion. It's worth noting that the quest takes researchers into the rumen or the largest of the cow's four stomachs. Once the meal hits the rumen, they are attacked by a mob of microbes which break down all sorts of complex carbohydrates. Interestingly, the team has found several strains of the archaea microbes that use hydrogen to make methane -- the gas from cow farts and burps. Finding these digestive enzymes could potentially open the door for cow diet improvements. Meaning, the ideal would be to choose the right microbe, for the right diet, for the right animal -- kind of like customized medicine. The challenge researchers face is that there is not enough understanding yet on the interplay between cows and their microbes. While it may be possible to wipe out the methane-making microbes, it is not clear how their communities would fare without them. As researchers continue looking for the correlations, the goal is to concretely identify the key microbes or communities of them that may one day lead to less flatulent bovine and higher quality beef. I sometimes wonder to what extent science should seek to alter the "natural" order of things - like how an animal digests it's food, but then I remind myself of where we are because others before us asked "what if"! If you would like more details on the (Source: [NPR](#))



5 Feats of Superhuman Endurance

Jessica Orwig over at [Business Insider](#) posted a blog that focused on some amazing human feats. I was absolutely stunned by a few of the numbers and wanted to pass along, please click the link to read more details.

- **Without Air** - Danish free diver Stig Severinsen once held his breath underwater for an astonishing 22 minutes.
- **Without Food or Water** - In 1979, Andreas Mihavecz — then 18 — was left, forgotten, in a basement prison cell until he was accidentally discovered 18 days later. This was not a stunt, but an act of negligence on the authorities' part. It took Mihavecz several weeks to recover. In 2004, Czech magician Zdenek Zahradka supposedly set some type of world record after spending 10 days in a coffin underground, where he had a tube for breathing but no sunlight, food, or water.
- **Without Gravity** - In 1995 Russian cosmonaut Valeri Polyakov stayed in space for an amazing 437.7 days. Keep in mind the human body is built to function under Earth's gravity. Without it, astronauts' muscles, including those in the heart, lose mass and strength.
- **Without Sleep** - In 1965, then 17-year-old Randy Gardner set the world record by staying awake for 264.4 hours, or 11 days and 24 minutes.
- **Without Sunlight** - It's tough to confirm, but in 2012, Russian police uncovered a cult living underground in the Republic of Tatarstan, where many of the children cult members had reportedly never seen the sun.



Another Great E-Mail To Pass Along...

This one was sent to me the other day by one of my sports buddies. It is kind of ironic as he's not the type of guy you would normally expect it from. I am assuming the message hit him kind of hard as he has been married twice and now alone. I believe as we age we really start to learn the importance of "love" and not only what it's like to have but also not to have. I have seen several of my friends become miserable in their marriages only to stay miserable once they got divorced. The loneliness and or lack of "love" is insanely powerful. I encourage everyone to tell their children how important it is to find that "love" and find ways to keep the fire lit. Enjoy the short letter...

LOVE LETTER TO MY SONS

by Larry Carlat

Dear Rob and Zach,

I think it's finally time for us to have "the talk."

I don't mean the sex talk that we had when you guys were teenagers, which was basically a friendly reminder to just keep the thing covered, and I don't remember any more than that because the awkwardness of it traumatized me almost as much as it traumatized you, and also at the time, you were probably having more sex than I was anyway, so who was I to talk?

This talk is more important, since you guys are older and I am older (great for you, not as great for me) and it's about the most important thing in life. I know it's gonna sound incredibly corny, but indulge me on this because I know someday you'll also think it's important. Nobody ever took the time to tell me about this stuff and I wish somebody had, although it's unlikely I would've listened, just like it's unlikely that you guys will listen to me now.

It's about love (Ew!). And I know you guys have already experienced a taste of it, which puts you far ahead of where I was at your age, but my guess is there may be some things you don't know about it, as there are still some things I don't know and may never know. That's just a disadvantage of being a dude.

The first thing is simple. Don't ever take love for granted. It doesn't happen too often, so when it does come around, treat it the way you would treat the most precious thing you own, whatever that is. This won't be difficult in the beginning because this is all you will naturally want to do, but over time, other things like work and life can get in the way. So what I'm saying is — don't let it.

The second thing is also simple. When you find someone you love, tell her! Don't be a typical jerk who doesn't express his emotions and keeps everything bottled up inside and only says the L word badly, scrawled

inside of a birthday card or in response to when it's said to you. Say the word every day and before you go to sleep at night and say it when you wake up. Most times, you'll mean it from the bottom of your heart. Sometimes you'll say it and won't be able to feel it as deeply, but say it anyway. Say it, say it, say it.

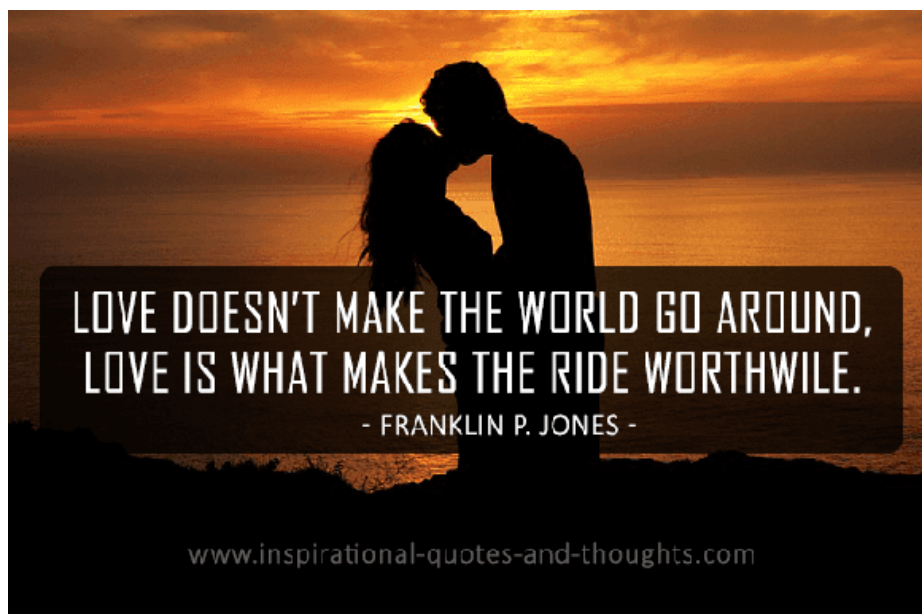
The third thing is as simple as the first two. Let love breathe. When you find someone you love and who loves you, don't hold on too tightly. You'll need to figure out when to hold on and when to let go and the best advice I can give you here is to hold on when you think you should let go and let go when you think you should hold on. I wish I could tell you why this works, but I don't know why myself and it's really not that important, the why.

What's important is that all these things about love are so simple and obvious yet also complicated and ambiguous. The main reason I'm writing this to you is because I want you to have more love in your life than I've had in mine because you are my most precious things.

And I know this all sounds so dad-like and corny but there it is.

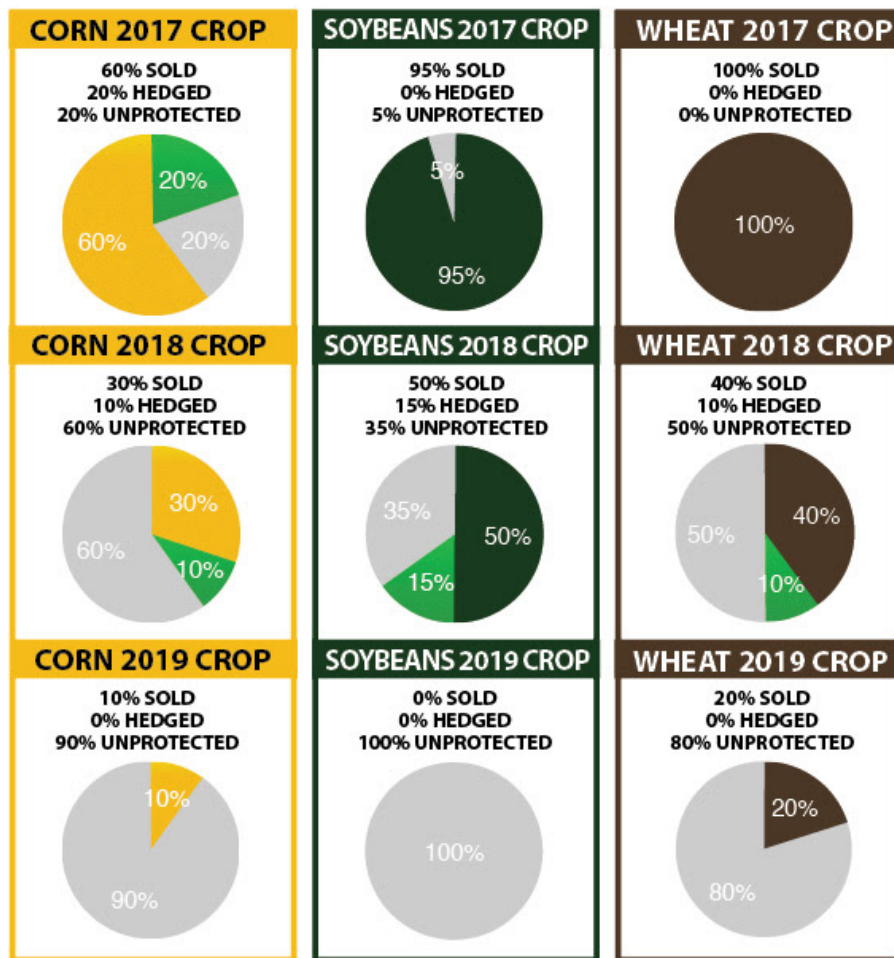
Love,

Dad



ANSWER to riddle: A stamp

CASH SALES & HEDGING TOTALS



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Kevin Van Trump <kvt@farmdirection.com>
 To: Kevin Van Trump <kvt@farmdirection.com>
 Bcc: info@farmdirection.com

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