

## GOOD MORNING: 04/27/18 Farm Direction - VanTrump Report

2 messages

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

Fri, Apr 27, 2018 at 6:50 AM



"Blessed the man who has suffered; for he has found life." - Jesus Christ

**FRIDAY, APRIL 27, 2018**

[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks set to open higher as bulls continue to embrace stronger than expected U.S. corporate earnings. Following Facebook's massive blowout quarter, Amazon followed by reporting a huge beat. The online retail giant said it made \$1.6 billion in profit during the first three months of 2018, more than double the same period a year earlier, even as it invests in costly fulfillment centers and original programming. The surprise surge in profit was driven by Amazon's cloud computing business, Amazon Web Services, and a fast-growing advertising division. Amazon's sales for the quarter hit a whopping \$51 billion, up +43% year over year. Amazon Web Services saw sales jump nearly 50%, reaching \$5.4 billion. Interestingly, Amazon announced plans to help offset the rising costs of investments like original programming by raising the price of Amazon Prime. From what I understand, the price of the Prime subscription will go from \$99 to \$119 per year starting next month. As for economic data, the trade will be getting their first look at U.S. first quarter GDP. Earnings released today will include Colgate-Palmolive, Chevron, and Exxon to name a few. On the political front, President Trump is scheduled to meet with German Chancellor Merkel. Looking towards next week, we could see some big headlines as a delegation of leading U.S. officials will be in China trying to negotiate new trade deals. We also have a Fed policy decision on Wednesday and monthly jobs report out Friday. There's also a ton of U.S. corporate earnings scheduled for release.

**Americans Say Tax Cuts Trump Market Volatility:** Results published in a study from the American Institute of Certified Public Accountants reveal that its index of personal financial satisfaction reached another record high during the first quarter despite the dramatic swings in equity prices. Meaning families are generally in a "good mood" thanks to bringing home more money each pay period. I'm told the index measures financial satisfaction by combining eight sets of data. In addition to taxes and stock valuations, it considers such data as inflation, underemployment, job openings and home equity. There was other interesting data released in the report that revealed things may not be as bad as some would have you believe. From what I understand, job openings have also increased sharply, while company executives say they are expecting higher sales and more investment. Meanwhile, loan delinquencies fell significantly. Sounds like we can sail in those waters for a bit. Read more [HERE](#)

**Cleveland Takes Oklahoma's Baker Mayfield with #1 Pick** and that started a run that saw four quarterbacks go in the first ten picks for the first time in the N.F.L.'s common draft era. Southern California's Sam Darnold went #3 to the Jets, Wyoming's Josh Allen went #7 to the Bills and U.C.L.A.'s Josh Rosen went #10 to the Cardinals. The day also included the first ever pair of brothers to be first-rounders in the same year, with Virginia Tech sending Tremaine Edmunds to Buffalo at #16 and Terrell Edmunds to Pittsburgh at #28. I should note, the football bloodlines in the Edmunds family don't end with Tremaine and Terrell. Their oldest brother, Trey, is a running back with the Saints. I congratulate the Edmunds family, nice night for your 19 and 21 year old sons...

**North & South Korea Make Peace:** According to report out this morning, North Korean leader Kim Jong Un and South Korean President Moon Jae-in agreed to signing a peace treaty and work towards "complete" denuclearization of the Korean Peninsula. Keep in mind, this marked the first time any leader of North Korea has set foot in South Korea. The two countries also agreed to begin holding



**Davos on the Delta**

*"The Future of Food & Agriculture"*

**ISELECT FUND**

May 15<sup>th</sup> - 17<sup>th</sup>  
Peabody Hotel | Memphis, TN

**Evidence-Based Agriculture Conference**

Hear from over 25 of the most innovative startups, investors and industry executives.

**LEARN MORE**

Organizing Sponsors:



**Special Promotional Code**

**KVT18**

**\$250 Discount**

Today In History

joint holiday celebrations, resume family reunions, and end propaganda broadcasts. The two countries will also be holding talks with the U.S. and China. (Source: [BusinessInsider](#))



## 1822, Ulysses S. Grant -

Leader of the Union Army and future President, Ulysses S. Grant was born on this day. Grant was raised in Ohio and grew up working in his father's tannery. He became very adept at managing, training and caring for horses at a young age. He would enroll at West Point and after graduation Grant would marry Julia Dent of St. Louis, and raise four children. His service as General during the Civil War was marked by victories at Shiloh, Vicksburg, Chattanooga and Richmond as well as having General Robert E. Lee surrender to his troops at the Appomattox Court House steps, to end the war. In 1868 he would be the youngest man elected to the office of the White House at the age of forty-six and would go on to stabilize the post-war economy, create the Department of Justice and sign three civil rights acts into law. After being reelected for a second term in 1872, Grant would increase the value of the dollar, thanks to his implementation of the gold standard. Believing in diversity, Grant would appoint African-Americans and Jewish-Americans to prominent federal positions. Once the Grants left the White House, he and his wife Julia would embark on a two-year world tour and then settle in New York City where he would begin to write about his life's experiences. Grant passed away in July 1885 and was laid to rest in one of the world's largest mausoleums. Today our military still studies his battles and writings that he left behind. We can thank this soldier and President for his leadership in war and cleaning up the political mess that was left after the civil war.



## 1791, Samuel F.B. Morse -

The inventor of the single-wire telegraph system and co-inventor of Morse Code was born today in 1791. Samuel F.B. Morse was born in Charlestown, Massachusetts to Jedidiah Morse a Congregational minister and his mother Ann Finley Breese. Showing early talent toward the arts and mechanical inventions, he would attend and graduate from Yale University and later sail to England and study art at the Royal Academy of Arts in London. Morse would return to the United States and open an art studio in Boston, where he supported himself as a portrait painter. With his brother Sidney, Samuel would also start inventing mechanical items. Their first patent would come in 1817 when they invented a flexible piston man-powered water pump for fire engines. In 1819 Morse would be commissioned to paint a portrait of President James Monroe, and in 1822 he would paint a massive project that covers the Rotunda of the Capitol in Washington D.C. Morse would move his studio to New York City in 1823 and help to establish the New York Drawing Association whose goal was to increase art education throughout the states. It's here that he began his work on electromagnetic recordings and a

## 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 have two different cases but I never win nor never lose and never need a lawyer.

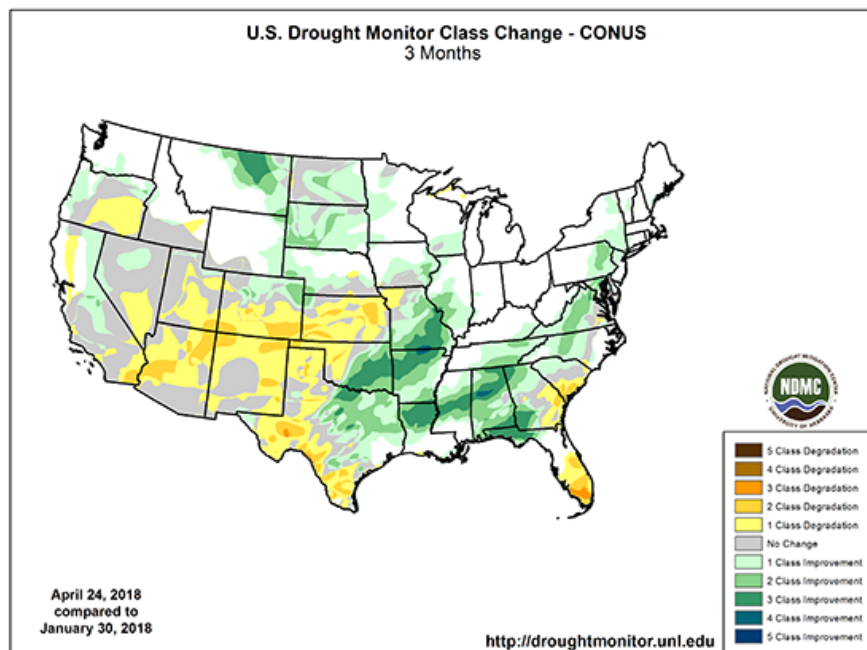
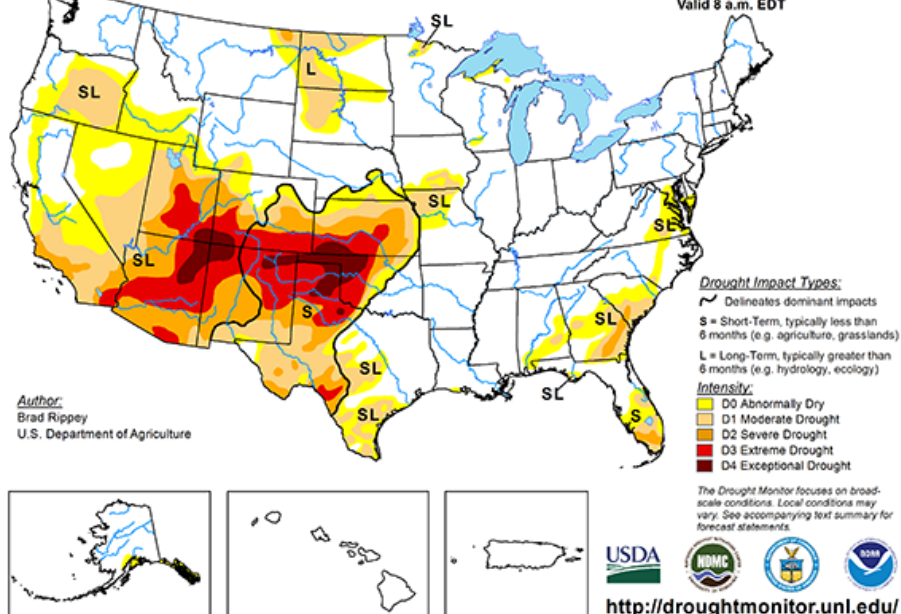
**Weather** in the Corn Belt has seen dry weather and near to below normal temperatures set in. Fieldwork has begun in earnest this week though variable field conditions have resulted in uneven progress. By April 22, corn planting had not yet begun in many Midwestern States, including Iowa, Michigan, Minnesota, Ohio, Wisconsin, and the Dakotas. On the Plains, producers continue to monitor the positive impact of recent rainfall in portions of western Oklahoma and Kansas as winter and early spring drought has severely stressed rangeland, pastures, and winter grains. Meanwhile, some spring fieldwork is finally getting underway on the northern Plains, where snow has finally melted and soils are slowly warming. In the South, cool, rainy weather prevailed yesterday from the Tennessee Valley to the central Gulf coast. Despite the rain, producers continue to plant summer crops, including corn, cotton, peanuts, rice and sorghum. We continue to see a surge of warm air early next week bringing above normal temperatures across the Midwest and Northeast. This should give producers all across the Midwest a chance to get in the fields and will probably produce a big jump in crop progress numbers.

**Drought Intensified In Southwest, Improved Across Midwest:** *The southern Plains' second wildfire outbreak in less than a week came before the arrival of a storm system that provided much needed rainfall on April 20 - 21. Rainfall in the Plains' drought affected areas generally totaled around an inch or less. Oklahoma's two largest wildfires -- the Rhea Fire and the 34 Complex -- were nearly fully contained by April 24 after destroying more than seven dozen structures and charring approximately 350,000 acres of brush and grass. Parts of the Midwest saw snow and rain last week, particularly in the southernmost and northern most regions. However, dry weather persisted across northern Missouri and southern Iowa where abnormal dryness and moderate drought expanded. Below the current US Drought Monitor below is a map showing the 3 month change in drought. As you can see, the southern Plains, particularly Kansas, has seen drought relentlessly intensify since January.*



# U.S. Drought Monitor

April 24, 2018  
(Released Thursday, Apr. 26, 2018)  
Valid 8 a.m. EDT



telegraph that would use a dot-and-dash code system. By the Autumn of 1835, he would construct the first recording telegraph with a moving paper ribbon and demonstrate it to friends. Morse would enlist the help of Dr. Leonard Gale a professor of science at New York University, to develop plans for a series of relays that use electric circuits (one open the other closed) at distances using Morse's codes developed for each letter in the alphabet. Samuel would receive his patent for the telegraph in the United States and France in 1837 and Congress would give Morse \$30,000 to build his telegraph between Washington D.C. and Baltimore. In 1844 he would send this message, "What hath God wrought?" from the Capitol building to the railroad station in Baltimore. Within a decade the telegraph technology would make monumental advancements, cables would be laid connecting all the states and then Europe. Morse gained his wealth after winning the decision of O'Reilly vs. Morse, where his patent was being contended. Morse spent the rest of his life in New York where he would continue to paint, help found Vassar College, and encourage struggling artists. You can find Morse's artwork hanging in some of the world's best museums. He would die of pneumonia in 1872 at the age of 80.

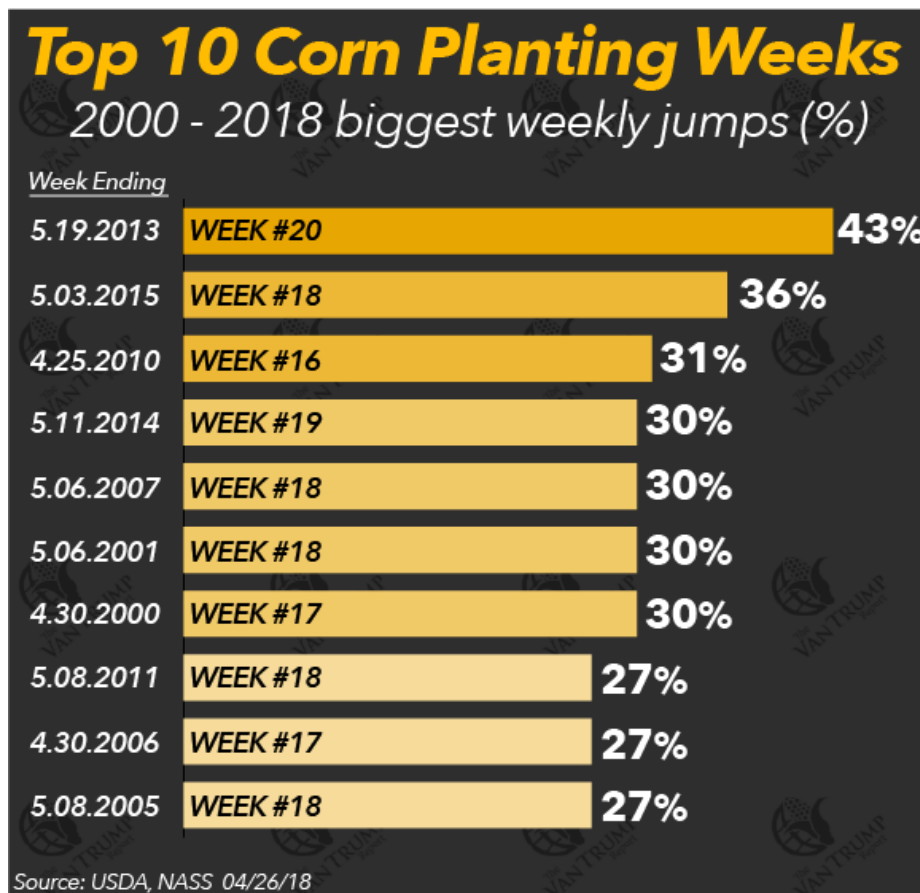


## 1989, The Tiananmen Square Protest

The political atmosphere in China at the time was dismissive at best. The country was experiencing severe inflation, corruption, and massive urban migration. The Cultural Revolution taking place was split between the old guard (political elite and military) who questioned the country's advancement and its goal, and the emerging politically educated intellectuals and students. Demonstrations started to take place in the cities and political centers, but they were small and immediately squashed. It would be the death of a pro-market and pro-democracy champion, Hu Yaobang, which would spark the protests that began on April 27th and last until June 4th, of 1989. The students wanting to mourn the death of this Communist Party leader amassed by the thousands in Tiananmen Square where they would call on their government to become more democratic and open for the benefit of the people of China. The "Party," responded by labeling the demonstrators as a small opportunist bent on civil unrest." This did not help quell the rising resentment of the students and people of China. And on April the 27th, 1989 it is estimated that over a hundred thousand Chinese gathered to show their support for the students that had started the demonstrating in Tiananmen. Over the next eight weeks China would be consumed by the protest and it is estimated millions participated. The culmination of the protests would come to a head on June 4th when the Communist leaders would order the military to end the protest by use of force. The military would enter Beijing with tanks and two

**Corn** bulls continue to talk about production setbacks in South America. Not only has Argentina experienced some production problems, but now some second-crop acres in Brazil are reporting some hiccups. How wide-spread and how significant the yield drag will be is the question in the next few weeks? Here at home planters are rolling. There's going to be some delays to the East and down in the Delta as heavier rains slow fieldwork, but for the most part, I suspect we start to see more wide-spread planting progress during the next three weeks. This could keep some of the U.S. weather bulls on the sideline a bit longer. I am however starting to hear more rumors and talk of perhaps an extremely hot June. I mentioned these forecast were circulating a couple of weeks ago, but it seems they are starting to garner more attention and spread throughout the trade. I've probably lost more money investing on weather guru's and their supposed "extended forecasts" than anything else, so proceed with caution. The problem is I've never heard an extend forecast that I didn't believe. I always want to have some sort of "edge" in a market and the extended forecast seems like such a logical tool. It's like investing in "biotech", I just don't do it anymore. There's never a biotech story I don't like or want to believe in. Who doesn't want to believe in curing a disease or helping those who are fighting cancer. But just remember, very few of those biotech companies turn out to be smart investments. Good stories, yes, but good investments, perhaps more of a long shot. I feel very similar about extended weather

forecasts. Great story, but often times tough to make money. I'm staying conservatively bullish based on strong global demand and setbacks in South American production. If I can draw a U.S. weather market card all the better...



**Soybean** traders continue to debate the setbacks in Argentina vs. record production in Brazil, record planted acres in the U.S. and potential trade wars involving the worlds number one buyer of soybeans, China. I continue to hear mixed rumors and talk about the trade negotiations. Some are saying both the U.S. and Chinese leaders are open to negotiations and comprise. Others are saying the tariffs might just get triggered in May as the two nations are still too far apart. I personally believe things will get hammered out, it's just a matter of how dark it becomes before dawn... The trade is also a bit nervous about "sold" but unshipped bushels scheduled to go to China. If you recall, the sorghum shipments had to be recently rerouted. The trade would like more details in regards to if the shipments will be canceled or pushed back into the future. Regardless, they will clearly add to the supply pipeline if they don't ship as planned. I am also keeping a close eye on the recent strength in the U.S. dollar and political headlines surrounding the upcoming Brazilian presidential election. There's just a lot of moving parts. I still see no reason to get in a hurry to jump on the bullish bandwagon, I still feel like it's going to take more time to play itself out. As a spec, I continue to see new-crop bull spreads as legit plays. As a producer, I like the thought off having about 50% to 65% of new-crop price risk reduced. I also like the thought of reowning a portion with some limited risk bull call spreads. I still believe there's longer-term upside potential, I'm just not sure the path we take to get there...stay nimble!

battalions, arresting and even killing thousands of its residents. Western media would immortalize this event when one lone man in a white shirt (named "Tank Man") standing in the square would try to stop the tanks from advancing. China has never released an official death toll resulting from these protest, but it is estimated to be in the thousands. The demonstrations would however, mark a milestone for Chinese students, as they would finally realize they had the ability to make a difference.

### 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
- Fri. 6/22** - Cold Storage
- Thurs. 6/28** - Quarterly Hogs and Pigs
- Fri. 6/29** - Quarterly Stocks and Acreage

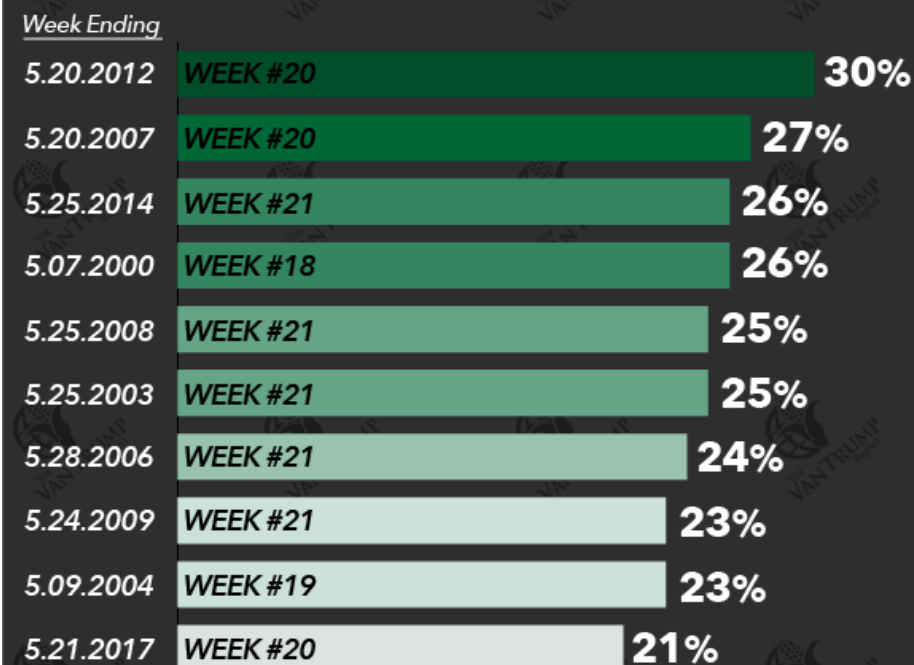
### Kevin's Song of the Week



### Kevin's Song of the Week

# Top 10 Soybean Planting Weeks

## 2000 - 2018 biggest weekly jumps (%)



Source: USDA, NASS 04/26/18

**Wheat** bears are pointing to increased rains in the forecast for some dry areas here in the U.S. The bears are also talking about the overall U.S. "demand" story, there's just not a lot in the headlines to excite the bulls. Many insiders are thinking the USDA is still a bit too optimistic with their current export estimate, especially if the U.S. dollar continues to show signs of strengthening. Bulls are starting to talk a bit more about parts of Russia and the Black Sea region becoming a bit too dry. To this point weather in those areas has been fairly cooperative. I don't see any major wide-spread production hiccups as of this point, but it's certainly in an area worth keeping on our radar. For what it's worth, most insiders have been using a total Russian production number of about -10 to -15 MMTs less than last year on lower planted acres and yields that are going to be more trend like. Keep in mind, even though this isn't expected to be anywhere near the record crop seen last year, it is still currently forecast to be one of Russia's biggest in the past 40 years. Here at home there's the continued headlines surrounding fewer total acres, abandonment and poor overall crop-conditions. I suspect we will learn even more after next weeks crop tour. I hope to pass along some of the highlights. As a spec, I remain on the sideline with a nearby bearish tilt. As a producer, I feel like any rallies need to be used to our advantage to reduce new-crop price risk.

## 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

"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."

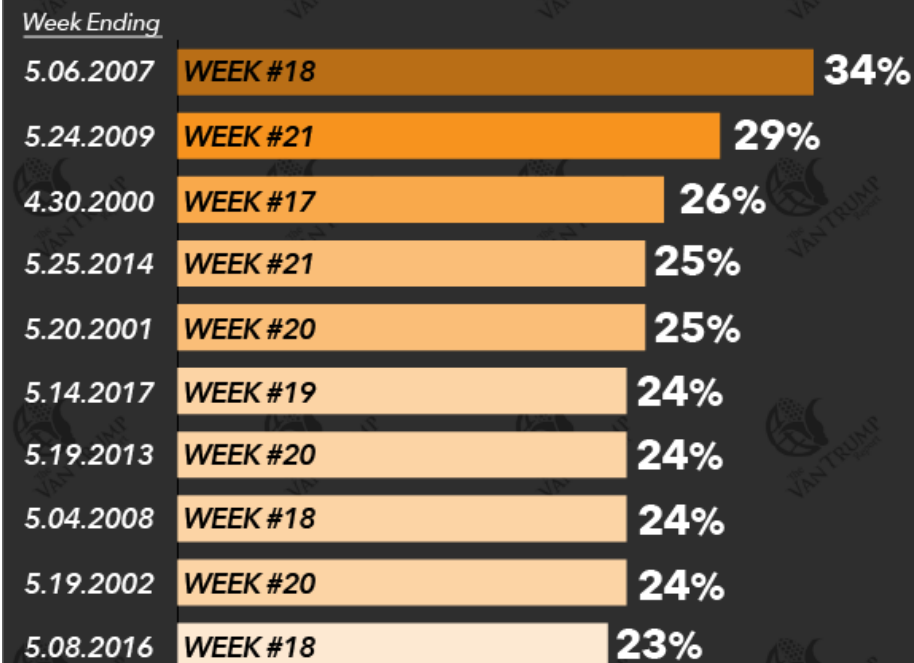
A.M., FDIC

"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



## Top 10 Spring Wheat Planting Weeks

2000 - 2018 biggest weekly jumps (%)



Source: USDA, NASS 04/26/18



**> Senators Want to Boost Corn, Soybean and Wheat Subsidies:** Senator John Thune and Senator Heidi Heitkamp have introduced legislation to increase payments to farmers enrolled in the commodity support program Agriculture risk Coverage by changing its formula. The current level is set at 86%. The proposed bill would increase that to 90%. Also, they want to use a 10-year average to set the floor which would amount to larger payments to farmers. (Source: Politico)

**> U.S. Ethanol Plants Are Buying Up Cheap Sorghum:** After China levied tariffs against American shipments of sorghum last week, U.S. ethanol plants have stepped in to make some purchases. Sorghum prices in the U.S. have fallen for the past two months after China first said they were investigating U.S. sorghum. The latest drop in prices has now attracted the attention of American ethanol makers. This is somewhat good news for American sorghum farmers, who have been heavily dependent on China importing huge amounts of U.S. sorghum over the past few years. (Source: Bloomberg)

**> Romaine E-Coli Outbreak Continues:** The e-coli outbreak is still causing illness as more than 80 cases have been reported as of today, stretching across 19 states. Forty-two of the affected have been hospitalized of which 9 have suffered a form of kidney failure. I'm told the point of origin resides near Yuma, AZ. and the CDC has advised everyone to avoid romaine lettuce unless it can be confirmed the product is not from Yuma.

**> Ukraine Grain Exports Lag YoY:** Shipped volumes are down 14% since July 1 at 34 million mt. Wheat exports lagged 3% year-on-year at 15.1 mt. Corn has also underperformed, with sales 11% lower than last year at 14 million mt, while barley is 22% lower at 4 million mt. and Soybean sales are 7% lower at 2.5 million mt. (Source: blackseagrains)

**> Trade Deficit In Goods Narrows In March:** The trade deficit in goods narrowed 10.3% to \$68 billion, according to the government's advanced report released Thursday. This was the first narrowing of the deficit in seven months and came in well below the \$73.4 billion estimate of economists polled by MarketWatch. It was expected

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**

### 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.

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.

that trade would be a drag on first-quarter growth because of the jump in imports in January and February, but the sharp narrowing of the deficit in March means that it will at least be much less of a negative. First-quarter GDP data is due on Friday. (Source:CNBC)

> **Waiting For Regulation:** Nasdaq Inc is open to launching a cryptocurrency exchange in the future as the regulatory environment evolves, the head of the exchange operator said on Wednesday. Most believe cryptocurrencies will support future commerce and Nasdaq says that once the environment becomes more regulated, that should provide them an opportunity to participate as a marketplace. (Source: Reuters)

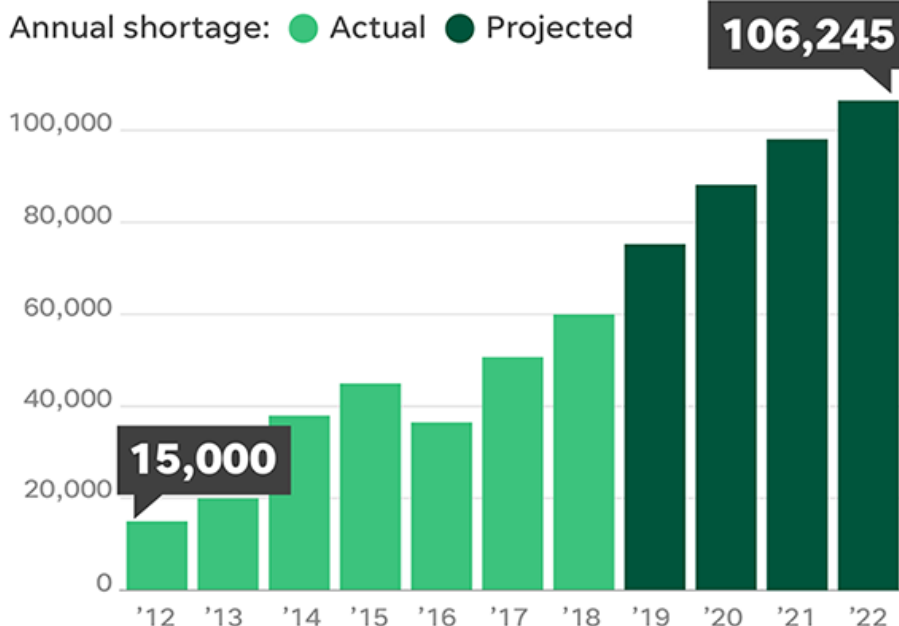
> **Online Grocery Orders Grow:** Amazon sold an estimated \$650 million worth of groceries through its website in this year's first quarter, according to One Click Retail. That's a 50% increase over last year's Q1, and a slight slowdown from the growth seen during last year's first quarter. Beverages were the top-selling items on the site, accounting for nine of Amazon's 10 best-selling grocery products. (Fooddive)

> **Oil Explosion, State Of Emergency In Wisconsin:** Residents for miles around were shook by an explosion at the Husky Energy oil refinery in Superior, Wisconsin Thursday injuring at least 11 people. According to Fire officials, the blast occurred around 10 am yesterday when a tank of crude oil or asphalt ignited. Superior Mayor Jim Paine said the evacuation could affect the entire city, according to KSTP-TV in Minneapolis, Minnesota. which has a population of 27,000 people. He also warned an additional 10,000 to 15,000 people in rural areas could be evacuated if the fire continues overnight. "When in doubt, get out," Paine said. You can read more [HERE](#)

> **Needing Driverless Trucks Now:** A severe shortage of truckers is pushing up freight costs and, in turn, nudging up retail prices. And it's occasionally leading to late deliveries that leave store shelves empty. Self-driving trucks eventually may provide some relief, but driver shortfalls are expected to only get worse over the next few years. The crunch is also affecting corporate profits, and the stock market, as higher transportation costs ding company earnings now being reported. It occasionally has forced manufacturers to shut down production if they don't receive raw materials in time. Read more [HERE](#).



## Fewer drivers: The trucking industry projects a shortage of more than 100,000 drivers by 2022



SOURCE American Trucking Associations

George Petras/USA TODAY



# FROM THE FIELD

**Central Nebraska** - We are wet up here and haven't done much as we wait to plant. Things should be picking up here soon and we will see huge increases in acres planted soon enough. We are still pricing some 2017 crop and plan to get it priced by August. We are all irrigated on our land and had corn averages in the 240bpa range with beans in the low 70's bpa. Unfortunately, we always can count on a hail storm at some point in the year. I don't think I've made it through a season without some. We did pick up some more land to rent, which is going just over \$250 an acre. At a recent sale in the area we had prices around \$7,500.

**West Kentucky** - We are getting too much rain lately, kicking us out of the field again. There has been some corn planting but not like we would prefer to see. No one is worried at this point with the forecasts as they are, but we know how that can change. We are going to haul some corn while we can. We grow some white corn along with the yellow, but the premiums in white are no longer there for us. We are seeing more hemp fields going in play and most don't know that in the pre-civil war days, Kentucky was the nations biggest producer of hemp. Interestingly, it is like working an organic crop as there are no chemical yet that can be sprayed on it.

**Northcentral Illinois** - We are not planting yet and are starting to wonder if I'll have it all in by May 15th. After that you will see a half-a-bushel drag on yields for each day you are later getting planted. I really don't want to plant into colder mud but time may change my mind in a week. We got caught last year around the same time in similar conditions as it turned cold and wet after we got seed in the ground. I knew I didn't replant enough and it turned out I should have replanted a whole bunch more acres. We ended up with 200bpa on the non replanted acres and 230bpa on the replant.



## CROSSING WIRES

A place to share intelligent thoughts...

**How To Prepare For Your Next Farmer Tenant:** It may not happen for a while or you may be looking for one now, but when you need to find your next farmer tenant do you have a plan in place to make the transition smooth? Partnering with the right producer who can bring long-term value to your property doesn't happen by accident. There is a lot you both need to know about one another and the property. If you are prepared when the situation occurs you may not miss out on getting the best person available. [HERE](#) are some good points to consider as you proceed.

**Can Extreme Environments Lead To Super Humans?** The Bajau people are a group of indigenous island dwellers living throughout Indonesia, Malaysia and the Philippines. If you spent any time with human sea nomads, you quickly learn they have superhuman abilities. As I understand it, it is not uncommon for individuals to dive over 200 feet down in order to spear fish and other animals. How do they do it? According to researchers, interested in the phenomenon, it appears the size of their spleen is nearly twice as big as others in the area who do not dive. Keep in mind, the human spleen is a key component of the lymphatic system and it works as a sort of blood controller, monitoring the amount of red blood cells that circulate in the body at any time. Meaning, a larger spleen provides you a greater capacity to hold your breath longer. But how did the spleen grow to that size? Read more [HERE](#).

**Where Has God Gone:** We regularly have shared research showing Americans trending lack of belief in the God of the Bible or any divine being for that matter. But why is that? What are people rejecting? In a new study by Pew Research Center, these questions were asked in an attempt to better understand the how a country founded on the belief that we were blessed from above seemingly no longer accepts that premise. Gain insights [HERE](#).

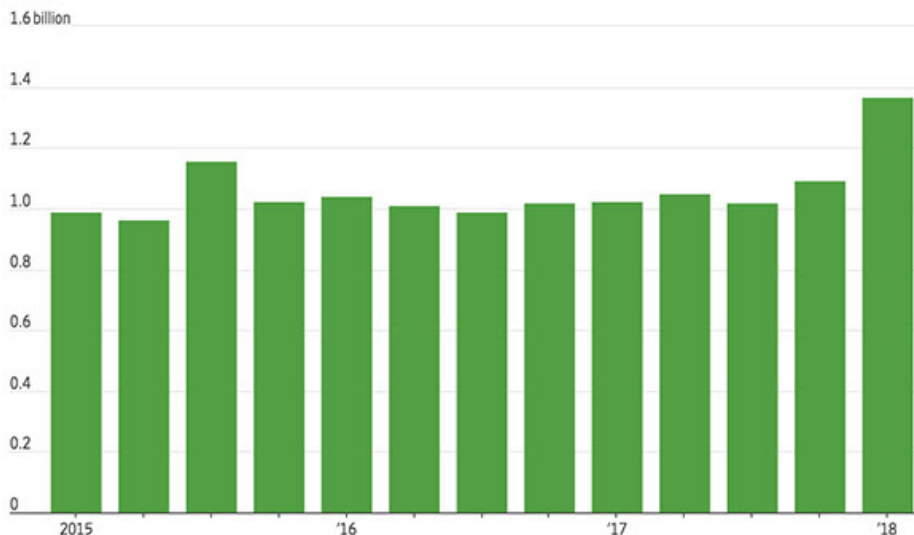
**Disney's 'Force Jacket' Engages Entire Body In VR:** We're only starting to take advantage of all that AR and VR can offer, but Disney is getting us there faster with the introduction of the Force Jacket. The new device will totally immerse users in a full body experience while using VR and AR. Imagine if you could feel every punch or every bullet in a first person shooter. It has interesting and, frankly, fantastic implications for the future of the technology and the immersive reality it can provide. With Disney as the creator and the word 'Force' in the product - do you suppose there is a future branding opportunity with "Star Wars?" Read more [HERE](#).



**Volatility And The Options Boom:** *U.S. options trading enjoyed its busiest quarter in history, by one measure, according to research from consulting firm Tabb Group and data provider Hanweck. Nearly 1.4 billion options contracts were cleared in the first quarter, up 33% from a year ago, the firms said. Thanks to the return of volatility, derivatives such as stock-index futures and options picked up along with activity in exchange-traded fund and providing. Read more [HERE](#).*

### Options Boom

Cleared U.S.-listed options contracts



### CRISPR Gets The Nod From USDA

For the last two years, the USDA has been quietly giving the go-ahead to a handful of crops that have been genetically engineered using CRISPR. Editing the DNA of people and animals may be controversial, but when it comes to plants, the agency has taken the stance that as long as the gene-edited plants don't include any foreign genetic material, regulation is unnecessary. In my opinion, their logic is sound as the same end can be reached through traditional breeding methods, only the time frame has changed. Now, we could find out one day that cutting out a gene has an unforeseen effect that is impossible to know at this point. At this point, with no foreign materials being added to the plants, it seems we can be fairly certain no health risks will result. It is worth noting that this approach is considerably different to the Food and Drug Administration's approach to gene-edited animals. Last year, the agency said that it would like to regulate any animal whose genome has been intentionally altered as an "animal drug" regardless of how it was edited or for what purpose. Work is already being done on a handful of CRISPR crops, including a white-button mushroom engineered to not brown as quickly and Camelina sativa, an important oilseed crop that was genetically engineered using CRISPR to produce enhanced omega-3 oil. Many in the industry are praising this decision as it will save years of time and tens of millions of dollars in overcoming regulatory hurdles. As it stands currently, none of those CRISPR crops have yet made it to supermarkets, but with this endorsement from the USDA, they may soon be on an aisle near you. You can read U.S. Secretary of Agriculture Sonny Perdue's statement [HERE](#).



### Apple Builds A Daisy

Daisy is Apple's new 'disassembly' robot that processes old phones into recyclable and renewable parts. It's an impressive tool Apple is using to make their processes more sustainable and add to their bottom line. Entering the facility in Austin Texas, you'd find a huge box filled with tons of dead iPhones awaiting their journey. Keep in mind that in 2016 there was over 35 million tons of e-waste that were sent to landfills. Daisy is roughly 30 feet long and tears down phones with just five robotic arms. It looks like a machine that would assemble iPhones in a typical factory setting, but here it's doing just the opposite. Running at full capacity, Daisy can disassemble 200 iPhones in an hour. In the process, Daisy separates the wheat from the chaff, meaning it gathers up the precious metals that can be reused in future phones. Prior to this most phones went through a shredder which made recovering key items, like the magnets used in for speakers impossible. The ultimate goal is to achieve a "closed loop" supply chain that pulls from renewable resources and recycled material, instead of constantly mining new materials. A recent study involving eight Chinese recycling plants, for example, showed that it was 13 times cheaper to extract metals from waste than to mine new ones. While recycling is not generally a very "sexy" topic to talk about, what Apple is doing in trying to close the loop on their production cycle is not only good for the environment, it discourages illegal work in dangerous mines, helps combat fraud and generally makes Apple more profitable. From my perspective, it's another great example of companies using technology to innovate for the future. Interestingly, now that Daisy is on the team, I suspect iPhone design may change a bit as the company seeks to maximize Daisy's abilities. (Source: [PopSci](#))





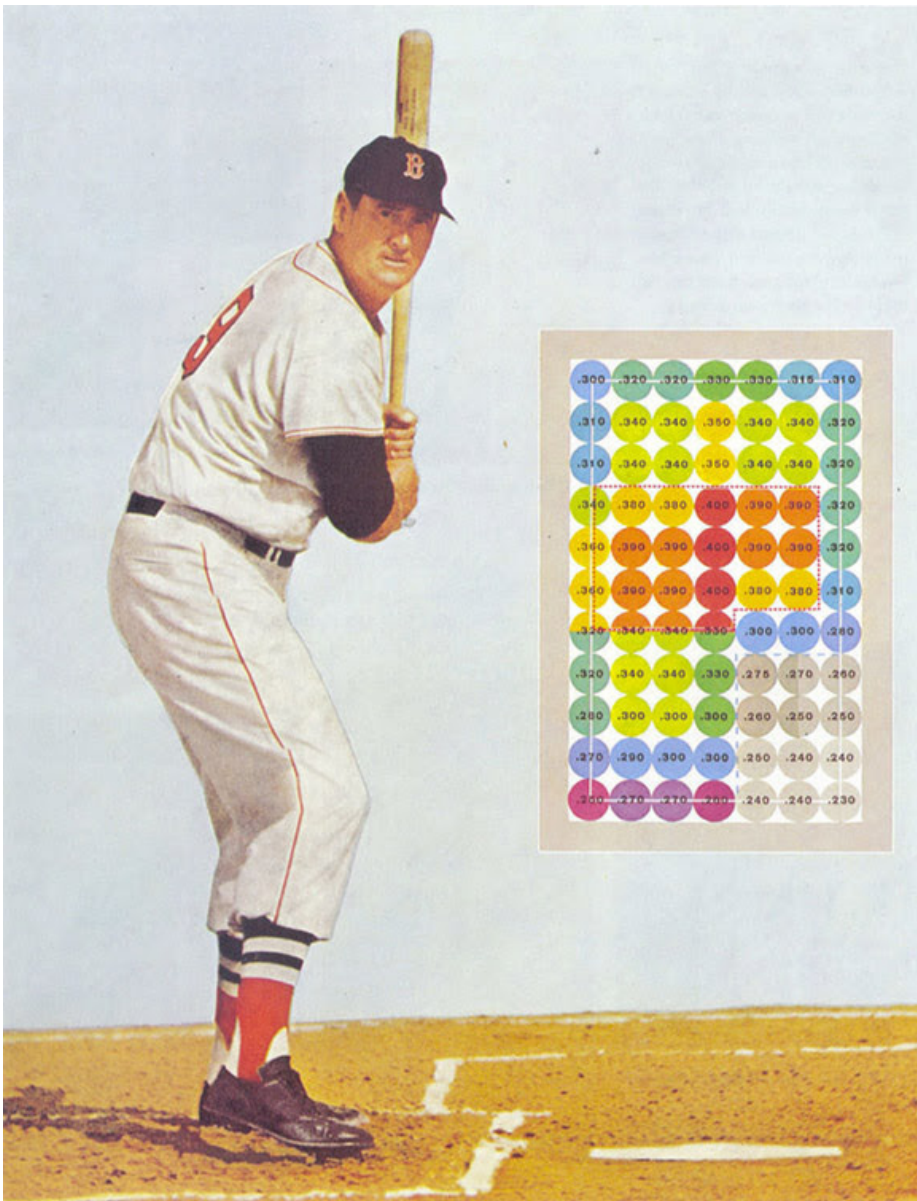


## Life and Business Tips from Ted!

It's baseball season once again, so I thought I would pass along the "Tips from Ted". Ted Williams was the last player in major league baseball history to hit .400. It became official on this day in 1941, when Williams and the Boston Red Sox's, played a double-header against the Philadelphia Athletics on the last day of the regular season in 1941. Williams got six hits in eight trips to the plate, to boost his batting average to a whopping .406. I should note, Williams joined the league in 1939, and went on to play his entire career with the Red Sox, playing his final game exactly 19 years later, on September 28, 1960, at Boston's Fenway Park where he hit a home run in his last time at bat. In 1942, Williams won the American League Triple Crown, for highest batting average and most RBIs and home runs. He duplicated the feat in 1947. In 1946 and 1949, he was named the American League's Most Valuable Player and in June 1960, he became the fourth player in major league history to hit 500 homers. He was selected to the All-Star team an amazing 17 times. His achievements are all the more impressive because his career was interrupted twice for military service: Williams was a Marine Corps pilot during World War II and the Korean War and as a result missed a total of nearly five seasons from baseball. A little bit of information that very few people have heard, is how Williams trained himself to be such a good hitter. In fact many great investors and business leaders have since adopted and used the same technique to help them improve their overall performance. Below are the Ted Williams Rules from his "Science of Hitting" book that is worth learning to incorporate into your own life.

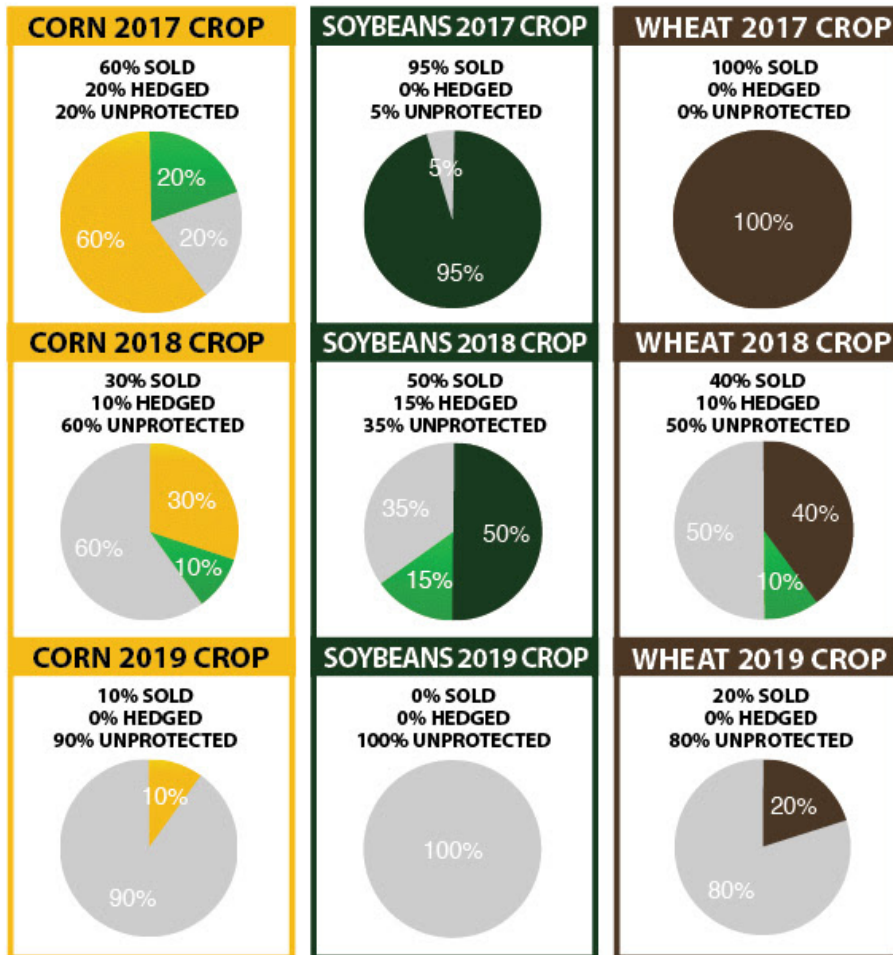
**Get a Pitch You Can Hit:** *My first rule of hitting was to get a good ball to hit. I learned down to percentage points where those good balls were. The box shows my particular preferences, from what I considered my "happy zone" - where I could hit .400 or better - to the low outside corner - where the most I could hope to bat was .230. Only when the situation demands it should a hitter go for the low-percentage pitch. As in life and business, plot out the pitches you know you can hit and then wait for the right ball to swing at.*

**Learn The Strike Zone:** *Since some players are better high-ball hitters than low-ball hitters, or better outside than in; each batter should work out his own set of percentages. But more important, each should learn the strike zone, because once pitchers find a batter is going to swing at bad pitches he will get nothing else. The strike zone is approximately seven balls wide (allowing for pitches on the corners). When a batter starts swinging at pitches just two inches out of that zone (shaded area), he has increased the pitcher's target from approximately 4.2 square feet to about 5.8 square feet - an increase of 37 percent. Allow a pitcher that much of an advantage and you will be a .250 hitter. As for business, make certain you are looking well into the future and both know and understand how the overall strike-zone might adjust and change change. Pitches you thought were balls might soon be called a strike. Just look at what's happening in the energy space or with our traditional retailers. Investments in alternative energies, like electric vehicle and fracking are reshaping the energy sector. Amazon and other online retailers have clearly changed the face of retail. Bottom-line, the strike zone can and does often change, make certain you paying very close attention.*



**ANSWER to riddle:** Letters (upper and lower case)

**CASH SALES & HEDGING TOTALS**



**PLEASE READ** The Van Trump Report is a publication intended to give analytical research to the Agricultural community. The Van Trump Report is not rendering investment or hedging advice based on individual portfolios or individual business operations. Kevin Van Trump is NOT registered as a stock or commodity advisor in any jurisdiction. You need to consult with your own registered advisor for specific strategies and ideas that are appropriate to your specific portfolio or business entity. Information included in this report is derived from many sources believed to be reliable but no representation is made that it is accurate or complete. This report is not intended, and shall not constitute, or be construed as an offer or recommendation to "buy", "sell" or "invest" in any securities or commodities referred to in this report. Rather, this research is intended to identify issues and macro situations that those invested in the agricultural industry should be aware of to help better assess and improve their own risk management skills. Please read the entire [DISCLAIMER PAGE](#) for full risk-disclosure and copyright laws.



© FARM DIRECTION 2011

[About Us](#) | [Testimonials](#) | [Subscribe](#) | [Contact Us](#) | [Disclaimer](#) | [Update Profile](#)

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

Fri, Apr 27, 2018 at 6:51 AM

[Quoted text hidden]