

GOOD MORNING: 05/09/18 Farm Direction - VanTrump Report

2 messages

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

Wed, May 9, 2018 at 7:06 AM



"I may not have gone where I intended to go, but I think I have ended up where I needed to be." — Douglas Adams

WEDNESDAY, MAY 09, 2018

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Morning Summary: Crude oil is soaring higher and traders are keeping a close eye on geopolitical headlines as President Trump withdraws the U.S. from the Iran nuclear agreement. From what I understand, sanctions might not be reimposed for up to six months. Political insiders were circulating talk that President Trump will not lift waivers for 90 days, with an option for another 90 days. From the numbers I've seen, Iran exported about 2.6 million barrels of day during the month of April. There's a lot of debate about how many barrels per day the U.S. sanctions will take out of the market. When I learn more specifics I will pass along, right now I'm just hearing all kinds of estimates. Also, in the wake of the U.S. announcement, Israel stated they were putting their military on "high alert" for a possible flare-up in the Middle East. At the same time we are hearing the Saudi's now say they want \$80 to \$85 oil. Keep in mind, the U.S. average gas price is already up +45 cents from this time last year and moving closer to \$3.00 per gallon. The average price of gasoline in the state of California is up to \$3.64 per gallon. Keep in mind, as a nation we consumed about 144 billion gallons of gasoline last year, a jump of +45 cents amounts to about +\$65 billion extra being spent. A further move higher in fuel prices could clearly start putting a more significant pinch on U.S. consumer spending. And remember, U.S. consumer spending makes up close to 70% of our GDP. On top of the higher fuel costs, bears are also pointing towards higher interest rates. I thought it was interesting to hear Jamie Dimon, CEO of JP Morgan Chase, warn listeners that the Fed could end up hiking rates faster than most in the market have anticipated and that investors could eventually get a 4% yield on the 10-year. Dimon also sounded optimistic about trade negotiations between the U.S. and China, thinking they will ultimately have a positive outcome. The trade is keeping a close eye on NAFTA headlines as many insiders view this as a critical week for negotiations. There's also a lot more eyes on the U.S. dollar and its recent strength. I've heard a couple of respected insiders say they felt it could move back above 95 nearby before once again ultimately turning bearish. As for today's economic data, it should be fairly limited with just the PPI as well as U.S. wholesale inventories and trade sales. Tomorrow morning we will wake to Chinese economic data, followed by the latest Bank of England monetary policy statement.

Government Pulling In Record Amount Of Money: *The federal government took in a record tax haul in April posting its biggest-ever monthly budget surplus, the Congressional Budget Office said, as a surging economy left Americans with more money in their paychecks — and this more to pay to Uncle Sam. All told the government collected \$515 billion and spent \$297 billion, for a total monthly surplus of \$218 billion. That dwarfed the previous monthly record of \$190 billion, set in 2001. CBO analysts were surprised as it was some \$40 billion more than they'd guessed at less than a month ago. (Source: [Washington Times](#))*

Goldman Joins 'Cash is King' Bandwagon: *Goldman isn't the first major Wall Street institution to take a more bullish view on cash, which is seen as offering little in the way of risk or reward. In January, Morgan Stanley's Wealth Management's Global Investment Committee said it was "focusing more on cash as a critical asset class for 2018," citing "this backdrop of an increasingly pricey U.S. equity market, and extremely rich credit market and rising global rates." In 2017, Vanguard wrote that its outlook "for global stocks and bonds remains the most guarded it has been in ten years." Read more at [MarketWatch](#)*



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Today In History



1671, Captain Blood -

Otherwise known as Thomas Blood, would steal the crown jewels from the Tower of London. St. Edward's Crown was the centerpiece of his heist. Born and raised in Ireland, Thomas Blood would join Oliver Cromwell's Roundheads and fight in the First English Civil War in 1642. He was awarded land grants and appointed the justice of the peace, for his loyalty to Cromwell. When King Charles II was restored to his throne, Blood would lose everything and flee to Ireland. This only served to anger Blood who would plot against the local royal seat the Duke of Ormonde. Thomas would make several attempts to take Ormonde's life but never met the goal. He was now labeled a wanted man by the King, but would elude the King's men with the help of the Duke of Buckingham and flee to the Dutch Provinces. Visiting the Tower of London, Blood sought to view the Jewels and overthrow the keeper and his wife with the help of some co-conspirators. He would use a mallet and flatten the crown, the Scepter and the Orb, so he could make his escape. Blood who was accompanied by fellow gang members would flee on horseback into the streets of London, but guards would chase down the robbers and catch them at the iron gate. Blood would be taken directly to King Charles in chains and unbelievably pardoned and given land in Ireland. It is speculated that the King gave Blood the pardon in fear of another uprising and that he found Blood to be a very humorous character. Record indicate that Thomas Blood would become a regular fixture at court and gave himself the title of Captain. Hollywood would portray the story and produce the movie Colonel Blood in 1934.



1922, Annie Jump Cannon -

Developed a stellar classification system that would be adopted by the International Astronomical Union, on May the 9th, 1922. Annie Jump Cannon was born in 1863 in Dover Delaware the oldest of three daughters of Wilson Cannon a shipbuilder and state senator. She would be educated at Wellesley College, where she excelled at mathematics, chemistry, physics and astronomy. Later she would be hired to be a junior physics professor at Wellesley and in 1896 Edward C. Pickering would hire her as his assistant at the Harvard College Observatory. She would become a member of "Pickering's Harem" or "Harvard's Computers," who all worked to process astronomical data at Harvard. These women would look over photographic plates of the night sky and compare the positions of the stars between one plate and another. They would work six days a week being paid twenty-five cents an hour. The end goal was to map and define every star in the sky using photographs. Annie would soon begin to notice patterns of brightness or intensity of the stars, and in her notes that she took each day Cannon would



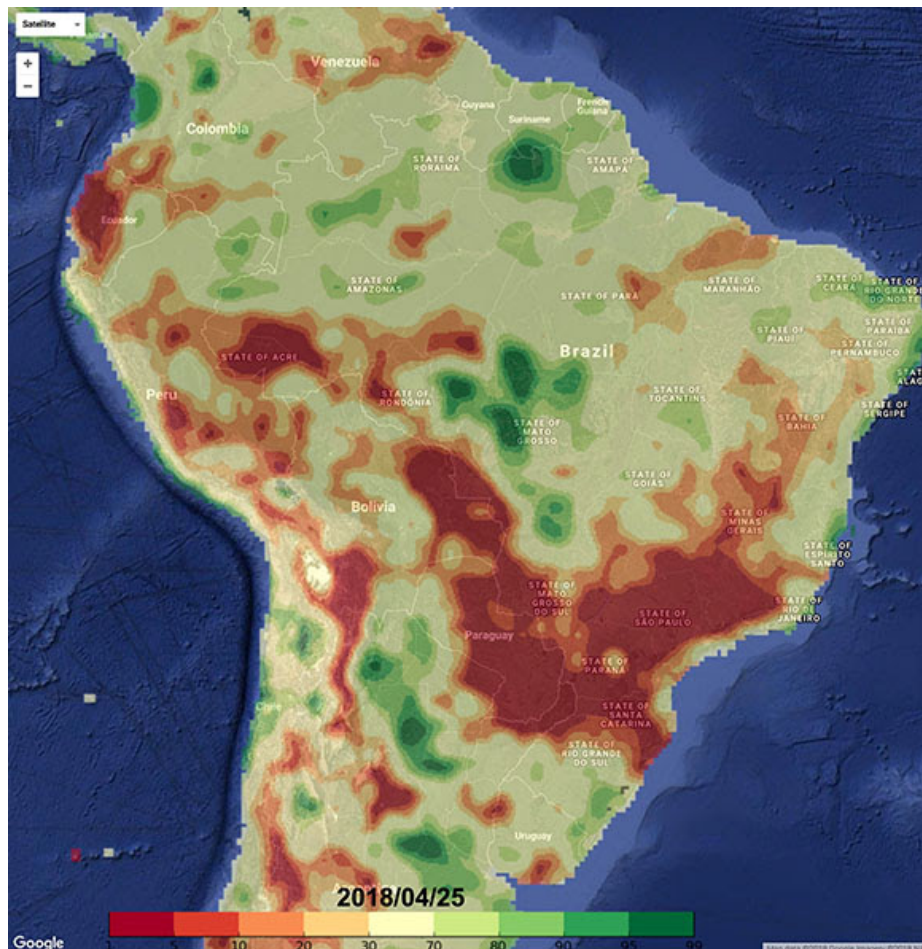
As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we 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: What runs around the whole yard without moving?

Weather forecasts are calling for favorable conditions for planting and early row crop development in the southern and eastern portions of the Midwest. Meanwhile, rainfall that occurs this week will slow fieldwork and planting over the western and northern Midwest. In the southern Plains, recent rain will help improve conditions for wheat development. However, the drought areas of Kansas, Oklahoma and Texas continue to see stress. The drought areas also don't have much rain during the next 10 days either. Temperatures average well-above normal through Friday, maintaining stress to jointing and early reproductive wheat, before it cools off for a time. Northern Plains planting progress will improve this week due to warmer weather. A brief cool spell is expected later in the week. Rainfall chances increase somewhat during this week, but mostly for the southern region. In the South, dry weather is promoting a rapid planting pace. Last week, planting progress for rice advanced from 44 to 64% complete in Mississippi, while progress for soybeans advanced from 40 to 64% complete in Louisiana. Similarly, more than one-fifth of the intended cotton acreage was planted during the week ending May 6 in Missouri (34% planted), Alabama (23%), and Louisiana (22%). Warmth will cover much of the country until Thursday, when cool weather will engulf the northern U.S. During the weekend, cool air will expand farther southward across the Plains and much of the West. Meanwhile, periods of precipitation will occur across the northern half of the U.S., with 5 day rainfall expected to total 1 to 2 inches or more from the northern Rockies to the northern Atlantic coast. Some of the heaviest rain, locally in excess of 3 inches, may occur across the northern Corn Belt. In contrast, little or no

rain will fall during the next 5 days across the southern tier of the U.S., except in southern Florida.

Brazil's Dryness To Continue This Week: *We continue to hear about a dry pattern that has settled in across central and southern regions of Brazil. This ongoing dry pattern in the Corn Belt will allow moisture shortages and stress to persist. A few showers should finally return to south central belt areas in the 6 - 10 day period, but the rains will be too late to reverse yield declines that have occurred. Below is the current South American drought monitor that shows the severity of drought in soil moisture. The red indicates drought conditions. Mato Grosso Do Sul and Sao Paulo are quite dry.*



Corn traders are debating South American weather, the pace of U.S. planting, political wild-cards involving trade and the future of ethanol. Traders expect South American production to take another step backwards in tomorrow's USDA report. The USDA currently has Brazilian corn estimated at 92 MMTs, most in the trade are thinking the USDA lowers their estimate to between 88 and 89 MMTs, which I suspect will still need to be trimmed further. Many sources have been throwing out Brazilian numbers sub-85 MMTs, a few sources even sub-80 MMTs. The Argentine production is thought to be trimmed from 40 MMTs down to between 38 and 39 MMTs. Here at home the trade is talking about potential planting delays in parts of Minnesota, the Dakota's and parts of Iowa. I personally don't see the trade wanting add a lot of U.S. planting risk premium to the current market, so I'm not allowing myself to get drawn into the current debate. Trade talks are also weighing heavily on the market. There's talk that this has become an extremely important week for NAFTA, which could become the biggest headlines of the week. If the NAFTA negotiations look as if they are falling apart, the market will face greater headwinds. If there looks to be some resolution and compromise, those headwinds could quickly turn into tailwinds. We are also keeping a close eye on the ethanol talks happening in Washington. There's some rumors and headlines floating around about no RIN cap and year round E15 ethanol possibly coming down the pipe. There's also talk that exported ethanol might soon be able to create a RIN. That seems a bit far fetched, but nonetheless in the headlines and the current rumor mill. Bottom-line, the recent blender exemptions are causing more widespread concerns in the industry. I suspect there could be some headlines or changes that will catch the markets attention in the next few days... stay alert!

begin to develop a classification system based on this intensity. This Spectra, was based on the strength of each star's electromagnetic radiation and stellar temperatures would be the basics of Cannon's system. O, B, A, F, G, K, M was a mnemonic that Cannon developed to classify the stars, "Oh Be a Fine Girl, Kiss Me." The sun is considered a G star, while M stars are considered red dwarfs, and O stars are blue giants. This classification system is still used today. In her career Cannon would manually classify more stars than anyone else, with a total of 350,000 stars. Annie could classify over two hundred stars a day and up to three a minute. She would discover 300 variable stars, five novas, and one binary star. In 1925 Cannon would be the first woman to receive an honorary "Doctorate of Science" degree from Oxford University and would be named the curator to Harvard's astronomical photographs. After 40 years studying the stars Cannon would retire, having advanced women in science and with the respect of all astronomers.



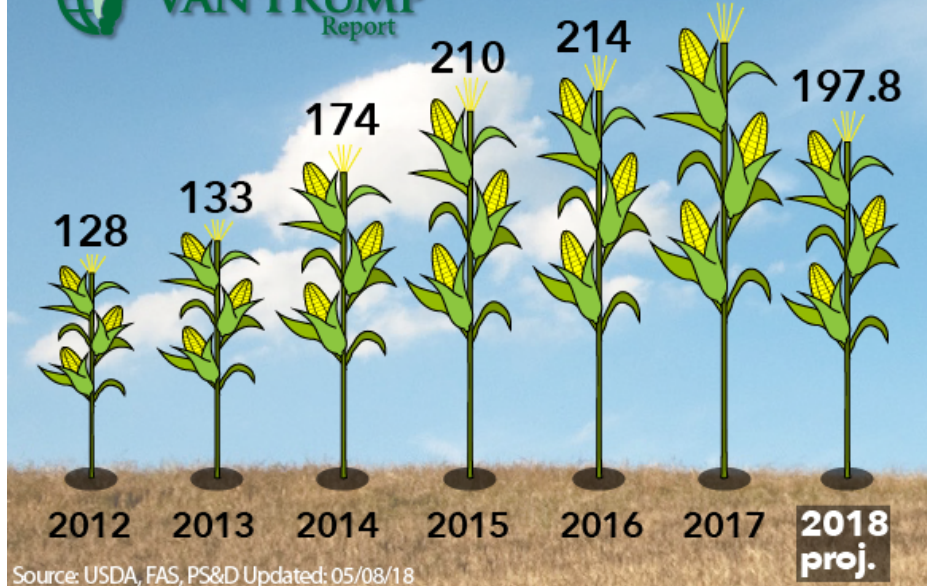
1914, Mother's Day -

President Woodrow Wilson would issue a proclamation that officially established Mother's Day on May 9th, 1914. The history of this celebration is however much older and in the United States there was a push after the Civil War to have this day marked. In the 1860's it was common for mothers whose sons had fought and died in the war to gather in support of one another, and committees were established such as the "Mother's Friendship Day," in local communities. The mother-daughter team of Ann and Anna Jarvis would organize one such day in order to reunite families that had been divided during the war. In Boston, Julia Ward Howe would lead a movement for a "Mother's Day for Peace," which lasted about ten years and was an anti-war observance. John Wanamaker, who had established the first department store in Pennsylvania, would help Anna Jarvis after the death of her mother, to further promote the notion of celebrating mothers. Jarvis would start celebrating Mother's Day in 1907 at a local church, Grafton West Virginia. Then the next year at Wanamaker's store, then eventually Jarvis would lobby to make Mother's Day designated as a National holiday. Jarvis's home state of West Virginia would be the first state to recognize the day as a holiday in 1910. By 1913 most of the states in the union had also followed this lead, and the U.S. of Representative would pass a resolution calling for all federal employees to wear a white carnation in observance of Mother's Day. Congress would finally pass a law that designated the second Sunday in May as the official Mother's Day in 1914, the law would be proclaimed by President Wilson. Ironically, Jarvis would never marry or have children, and after the holiday had gained momentum and commercialization, she would end up protesting the day she help to establish.

World Ending Stocks Corn (in million metric tons)



Record
230.9



Soybean bulls are happy to see President Trump and Chinese President Xi attempting to keep lines of communication open and working towards some type of longer-term trade agreement. Not only is the trade concerned about Chinese demand for upcoming U.S. new-crop supply, but there is still an estimated record 400 million bushels of outstanding U.S. soybean sales that have not yet been "shipped" to China. This is making the trade nervous as essentially zero U.S. soybeans were purchased by the Chinese during the month of April, despite U.S. prices on average being a bit cheaper. Bears are also worried by the fact they are seeing more U.S. ag shipments sitting at Chinese ports for what some are calling "extended inspections". This simply reiterates the concerns and fears facing U.S. ag exporters. Brazilian soybean production is almost certainly moving higher by the USDA tomorrow. The current record estimate of 115 MMTs eventually works itself up to between 116 and 117 MMTs. The Argentine crop estimate probably works itself lower, eventually ending somewhere between 37 and 39 MMTs. As I've mentioned the past couple of days, I'm also hearing talk that Argentine producer have become more tightfisted in an effort to battle inflation that is running around 25% and interest rates that are now at a massive 40%. Keep in mind, Argentina's central bank has raised interest rates more than 13% in the past two weeks in an effort to help restore confidence in Argentine markets after a massive selloff in their currency. There's also more talk that the Argentine government desperately needs funding and is securing a line of credit from the IMF. These are all headlines that need to be closely monitored.

Grafton West Virginia today is recognized as the International Mother's Day Shrine and is a National Historic Landmark. This celebration today is one of the most commercially successful days for restaurants, the jewelry industry, and of course the greeting card industries. In his proclamation, President Woodrow Wilson would state this about the holiday, "it is our chance to show love and reverence for the mothers of our country." Just a friendly reminder, this coming Sunday May 13th, 2018 is Mother's Day. The Van Trump Report would like to wish all the mothers, Happy Mother's Day!

Upcoming Events

- 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



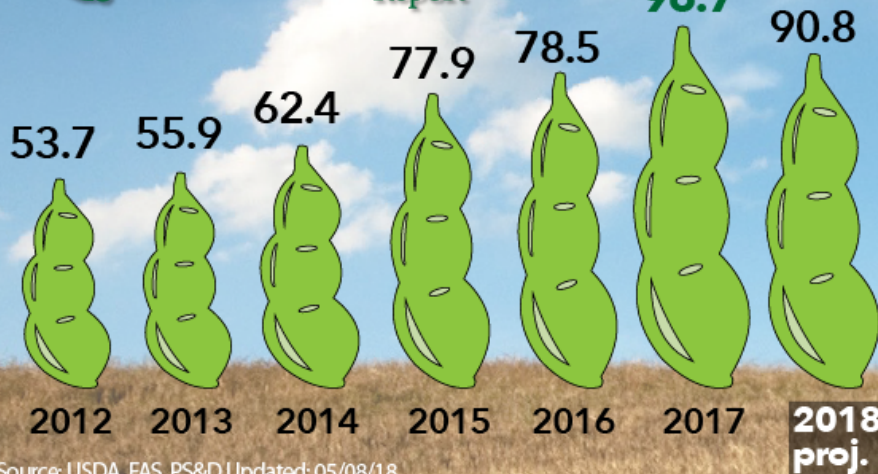
Kevin's Song of the Week

World Ending Stocks Soybean (in million metric tons)



The
VAN TRUMP
Report

Record
96.7



Source: USDA, FAS, PS&D Updated: 05/08/18

Wheat remains somewhat mixed as traders debate global weather concerns against a glut of global surplus. There's talk that some of the dry areas in the U.S. and parts of Russia and Ukraine are going to get some rain in the days ahead. How much and how widespread will be the big question? As for demand, most sources are still looking for the USDA to trim their export estimate a bit further. The EU recently reported their soft wheat exports were down over -20% vs. last year, while at the same time Russia reported their Q1 exports up over +50% compared to last year. Bears also continue to talk about possible longer-term headwinds associated with the strengthening U.S. dollar. I'm personally thinking the dollar could be getting closer to topping out, but it's recent strength could be keeping some bullish money flow on the sideline. I suspect the trade will positioning itself ahead of tomorrow's USDA report. Nobody is really looking for any major change in the old-crop carryout, expecting it to stay near 1.0 billion bushels. New-crop ending stocks are probably somewhere between 900 and 950 million bushels. I continue to hold a bearish perspective longer-term, but understand we are in a weather market and there could be some upside potential. As a producer I'm looking to reduce more longer-term price risk on any significant rally. As a spec, I could become bullish, but only on a significant break in price and better U.S. valuation.

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."

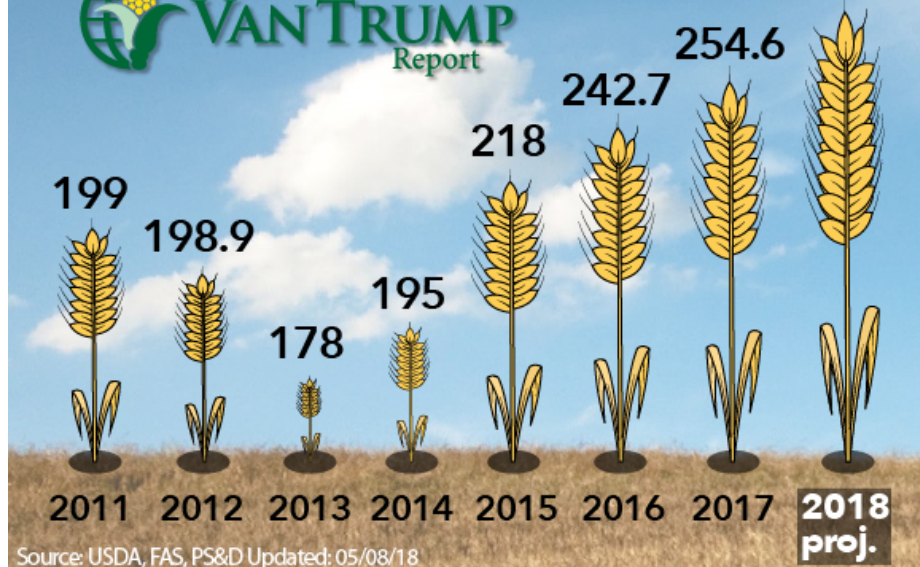
A.M., FDIC

"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

World Ending Stocks Wheat (in million metric tons)



**Record
271.2**



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.

2017/18 U.S. Ending Stocks (in billion bushels)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
Corn	???	2.178	2.150 - 2.207	2.182
Soybean	???	0.541	0.495 - 0.575	0.550
Wheat	???	1.065	0.941 - 1.090	1.064

2018/19 U.S. Ending Stocks (in billion bushels)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
Corn	???	1.628	1.467 - 1.907	NA
Soybean	???	0.535	0.400 - 0.715	NA
Wheat	???	0.930	0.780 - 1.075	NA

2018/19 Wheat Production (in billion bushels)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
All Wheat	???	1.774	1.612 - 1.860	1.741
Winter	???	1.183	1.062 - 1.304	1.269

Hard Red Winter	???	0.654	0.550 - 0.797	0.750
Soft Red Winter	???	0.307	0.218 - 0.330	0.292
White	???	0.229	0.201 - 0.260	0.227

2017/18 World Ending Stocks (in million metric tons)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
Corn	???	195.18	192.17 - 198.00	197.78
Soybean	???	89.90	88.50 - 91.00	90.80
Wheat	???	271.13	268.50 - 273.40	271.22

2018/19 World Ending Stocks (in million metric tons)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
Corn	???	182.75	148.73 - 193.80	NA
Soybean	???	90.52	75.50 - 97.00	NA
Wheat	???	269.18	260.00 - 278.70	NA

South American Production (in million metric tons)

	May Est.	Avg. Trade Est.	Trade Range	USDA Apr. 2018
Arg. Corn	???	32.27	31.00 - 33.00	33.0
Arg. Soybeans	???	38.69	37.00 - 40.00	40.0
Brazil Corn	???	88.86	83.90 - 92.00	92.0
Brazil Soybeans	???	116.24	114.90 - 119.00	115.00



> **Mexico Wants A NAFTA Deal:** The Mexican Economic Minister has said they want to reach a fully renegotiated NAFTA instead of striking a preliminary deal in principle on a few issues. While they are under pressure to reach a deal in the next couple of weeks, they have yet to reach an agreement on several contentious topics. High-level talks continue today. (Source: Reuters)

> **Conserving The Cash:** More than 100 groups with an interest in farm bill conservation programs sent a letter to Senate Agriculture Committee members on Friday urging them to preserve funding for the conservation title. The House farm bill, H.R. 2 (115), would cut conservation title funds by nearly \$800 million over a decade. (Source: Politico)



> Japan's Growing Barley Market: Japan purchased nearly 1.29 million bushels of U.S. food barley in 2017, up dramatically from 386,000 bushels the year prior and the prior five-year average of 201,000 bushels. According to the Japan Customs statistics, a total of 410,000 bushels of food barley have been imported from the United States from January to March 2018. (Source: FeedandGrain)

> Smithfield Hog Waste Verdict Reduced: North Carolina plaintiffs who won a nuisance lawsuit against a subsidiary of Smithfield that contracts with an industrial-scale hog farm in eastern North Carolina will walk away with a total of \$2.5 million in punitive damages instead of \$50 million after a federal judge today reduced the amount awarded by a jury according to a cap on damages set by state law. (Source: Politico)

> China Actually Reported Strong Trade Data: In April, imports jumped 21.5% and exports grew nearly 13% from a year ago, which surprised analysts predicting lower figures. Meanwhile, China's surplus with the U.S. expanded from \$15.4 billion in March to \$22.2 billion last month, as trade tension between the two nations continues to mount. (Source: CNBC)

> Texas Is The Fastest Growing Economy In The U.S.: The Texas economy has been propelled by a swift resurgence in oil extraction that lifted business across the state. The Lone Star economy grew at a +5.2% seasonally adjusted annual rate in the fourth quarter, with the mining industry the leading factor behind output gains, according to the Commerce Department. The sector helped buoy the state's economic output over the year, after the state had weathered several quarters of weak growth and even contractions. Texas added the most manufacturing jobs of any state from December 2016 to 2017, as payrolls rose by more than 16,000 over this period, Labor Department figures show. UBS stated, "In part, with the further rise in oil prices, we're seeing other energy fields coming online. The Permian Basin was first. We're seeing increased activity in Pennsylvania, North Dakota [and] New Mexico as those fields become more profitable. (Source: Wall Street Journal)

> Walmart Splits with Uber and Lyft: Walmarts online grocery delivery partnerships with ride-hailing services Uber and Lyft have ended. Walmart has added startups Deliv, Postmates and DoorDash to its list of delivery partners. These companies have the singular business of delivering goods, not people, and drivers have more experience safely transporting perishables. A particular challenge for companies such as Postmates, however, will be offering rush delivery in suburban and rural areas, where most Walmart stores are located. Such startups have been most successful in urban centers, where there is a high density of customers and couriers can use bicycles or walk to deliver multiple packages in one trip. Read more at [Reuters](#)

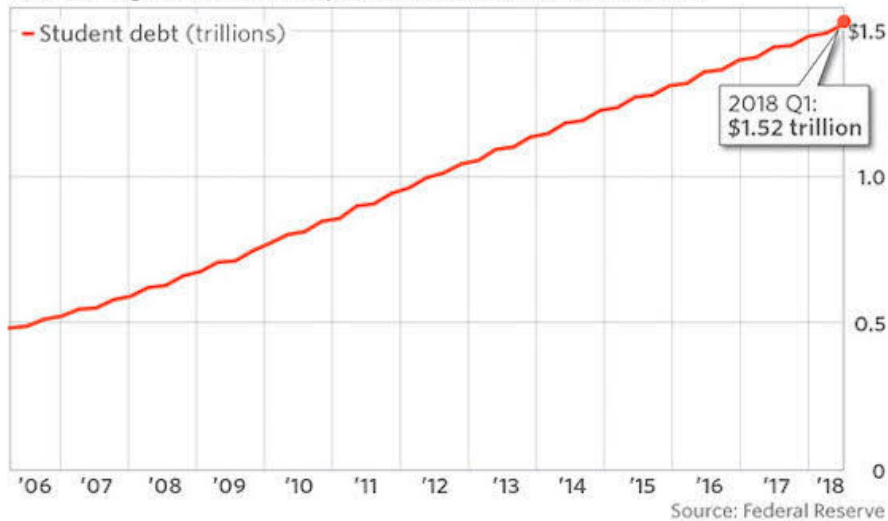
> Food Inspectors Puzzled by E. Coli Outbreak: Scientists know a toxic E. Coli strain linked to romaine lettuce that sickened 121 people and killed one came from Yuma, Arizona, but the search for the actual contamination is complicated by the fact that lettuce from multiple sources is often commingled. The FDA has identified Harrison Farms as the source of whole-head romaine that was linked to illnesses in Alaska. However, the mystery is far from solved: The agency said that the remainder of the 119 cases in the outbreak are not linked to Harrison Farms and it is investigating other fields as potential sources. (Source: The New York Times)

> EV Car Adoption On The Rise: 20% of Americans saying their next vehicle will be an electric car, according to an AAA survey released Tuesday. The survey results show an increase from 2017 when 15% of Americans said their next vehicle would be electric. Lower-than-average ownership costs, added safety features, and increased driving ranges are helping steer the trend towards electric vehicles. Specifically, range anxiety—the fear that an electric car battery will run out of power—is beginning to wane, AAA found. Read more [HERE](#).

> One In Six Graduates Have Debt That Exceeds Their Income: It's another depressing milestone for outstanding student debt as it reaches over +\$1.52 trillion in the first quarter of 2018, according to the Federal Reserve, hitting \$1.5 trillion for the first time. Though the marker is somewhat arbitrary, it offers a reminder of how quickly student debt has grown—jumping from about \$600 billion 10 years ago to more than \$1.5 trillion today—and that the factors fueling the increase aren't likely to disappear any time soon. Interestingly, not only is student debt creeping even higher, but we are also seeing family debt associated with sending the kids to college also moving higher. Remember, Americans hit a separate debt milestone in late-2017, when credit card debt cleared the \$1.021 trillion mark. Just lots of money being spent on school... (Source: [MarketWatch](#))

A depressing milestone

Outstanding student debt surpassed \$1.5 trillion for the first time



FROM THE FIELD

North Central Iowa - We just have a couple fields of our beans done but probably 50% of our corn in the ground. Nobody is too concerned right now because we are in the part of the state that usually doesn't plant till the third week of April anyway. If we have the right conditions we can get most of our corn planted in a week. After planting we received rains dropping about 2.5" in a short time. If the rains hold off through the weekend I think we will be able to get in the field again next Monday. We did get some of the snow a few weeks ago but we only got a total of 8" where an hour north of us they got 18". The biggest difference was the frost was out of the ground here but up north it was not. Its sounds crazy but we have gotten nearly 3' of snow in April. It has been super wet and soaked in pretty well. We don't think we will switch acres up but may go to a shorter day variety on the corn.

Eastcentral Missouri - We got the corn in the ground and 25% of the beans planted. We would like to see a bit more moisture soon. We are on a 50/50 corn bean rotation with some acres of seed beans. We have had some good years lately and I generally like to sell a large portion of my crop ahead of time. Rarely has that ever cost me, but since I do not re-own bushels, there have been years I left some money on the table. We rent most of our ground and are not looking to add acres at this time. We have a small amount of corn in the bin and I will be getting rid of that by June. Rents in our area will range from \$150-\$250.

East Central South Dakota - Started corn this past Saturday, got about 4 hours done before a pop up shower put on the brakes for the rest of the day. Equipment will run 24/7 as field conditions allow to get in what we can. Calling for a chance of rain sometime tonight/tomorrow morning, a chance Wednesday, and then again Thursday night/Friday. This spring it's seemed if there is a 10% chance, count on it raining. Around 15% done on corn and we are 0% done on soybeans.

CROSSING WIRES

A place to share intelligent thoughts...

Oliver North To Head NRA: The National Rifle Association on Monday named as its next president retired U.S. Marine Lieutenant Colonel Oliver North, a conservative commentator best known for his central role in the 1980s Iran-Contra affair. The group named North following its weekend annual meeting in Dallas, where President Donald Trump vowed not to tighten U.S. firearms laws despite suggesting earlier this year that he would take on the NRA in the wake of a mass shooting at a Florida school. Read more [HERE](#).

NASCAR's Majority Owners Look To Sale: *The majority owners of NASCAR, are exploring options that include the sale of a majority stake. The move comes as NASCAR grapples with an aging fan base, stricter safety rules and a competitive media landscape that have weighed on its popularity and made it less attractive to advertisers and sponsors. The France family, which controls NASCAR, is working with investment bank Goldman Sachs Group Inc to identify a potential deal for the company, three sources said, cautioning that the deliberations are at exploratory stage and no agreement of any kind is certain. Read more [HERE](#).*

eSports... Not Just A Game Anymore: *Years ago, eSports was a community of video gamers who would gather at conventions to play Counter Strike, Call of Duty, or League of Legends. But today, as the history of eSports continues to unfold, media giants such as ESPN and Turner are broadcasting eSports tournaments and competitions. And to really understand the scope of all this, consider that the prize pool for the latest Dota 2 tournament was more than \$20 million. Read more how its gone mainstream [HERE](#).*

Blockchain may Replace your Computer Sooner than you Think: *We've all been there; emailing a document to ourselves so that we can open it at work, bringing our own laptop somewhere because we need access to a specific program, or having to remember 15 different passwords when we are using someone else's device. These common problems all share the same denominator; localized computers. There are plenty of services available that alleviate some of these issues, but none of them come close to actually solving the greater problem of seamless integration. Our digital lives are too segmented. We use multiple services in conjunction to accomplish single tasks, but it may be that blockchain technology contains the key to combining all of these separate parts into one service. Read more at [HACKERNOON](#)*

Making Alternative Investments In Art: *Andy Warhol once said: "Making money is art." But what about making money from art? A boom in the global market has delivered some eye-popping returns in the past few years, drawing new collectors keen to invest in an asset class that offers cultural as well as financial appreciation. Irish horse breeder John Magnier will get at least \$150 million for a painting of a nude by Amedeo Modigliani on May 14 in New York at Sotheby's, thanks to a third-party guarantee. He paid \$26.9 million for the work in 2003. Interested in learning how they do it? Read more [HERE](#).*



Using Pigs to Improve Health of Humans

Smithfield Bioscience and the University of Virginia School of Engineering & Applied Science (UVA) announced a research partnership to explore and advance regenerative medicine technologies leveraging porcine bioproducts. According to Smithfield, the goal of the research is to develop and test a tissue-engineering process for skeletal muscle repair and regeneration using porcine-derived materials. Using porcine materials has specific advantages, including the ability to be muscle specific and making acceptance by the human body easier. "Nearly one million Americans suffer from injuries, disorders, and diseases that result in a significant amount of skeletal muscle loss each year," said Courtney Stanton, vice president of Smithfield Bioscience and Renewable Bioproducts. "From our wounded veterans to babies born with a cleft lip to those who have suffered traumatic accidents, there is an overwhelming need for bioengineered skeletal muscle." The goal of tissue engineering is to assemble functional constructs that restore, maintain, or improve damaged tissues or whole organs. Regenerative

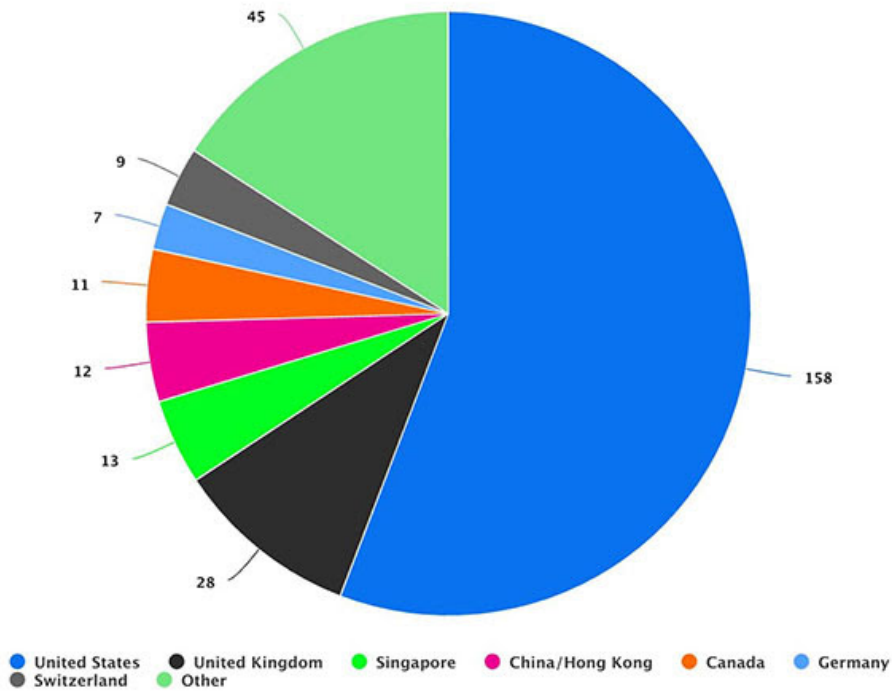
medicine is a broad field that includes tissue engineering but also incorporates research on self-healing – where the body uses its own systems, sometimes with help foreign biological material to recreate cells and rebuild tissues and organs. The terms “tissue engineering” and “regenerative medicine” have become largely interchangeable, with both focusing on cures instead of just treatments for complex and often chronic diseases. UVA explains that while there has been a tremendous amount of money and time spent on research and development of tissue engineering and regenerative medicine, the ability to manufacture the materials on a large scale does not yet exist. Their hope is that the partnership with Smithfield can change that. Smithfield Bioscience is a business within Smithfield Foods that focuses on biotechnology in areas of human therapeutics, tissue fabrication and regenerative medicine. The Smithfield and UVA research is part of a consortium of around 100 organizations collaborating under the Advanced Regenerative Manufacturing Institute which aims to accelerate research and manufacturing innovations in the field. (Sources: Smithfield, NIBIB, PharmTech)



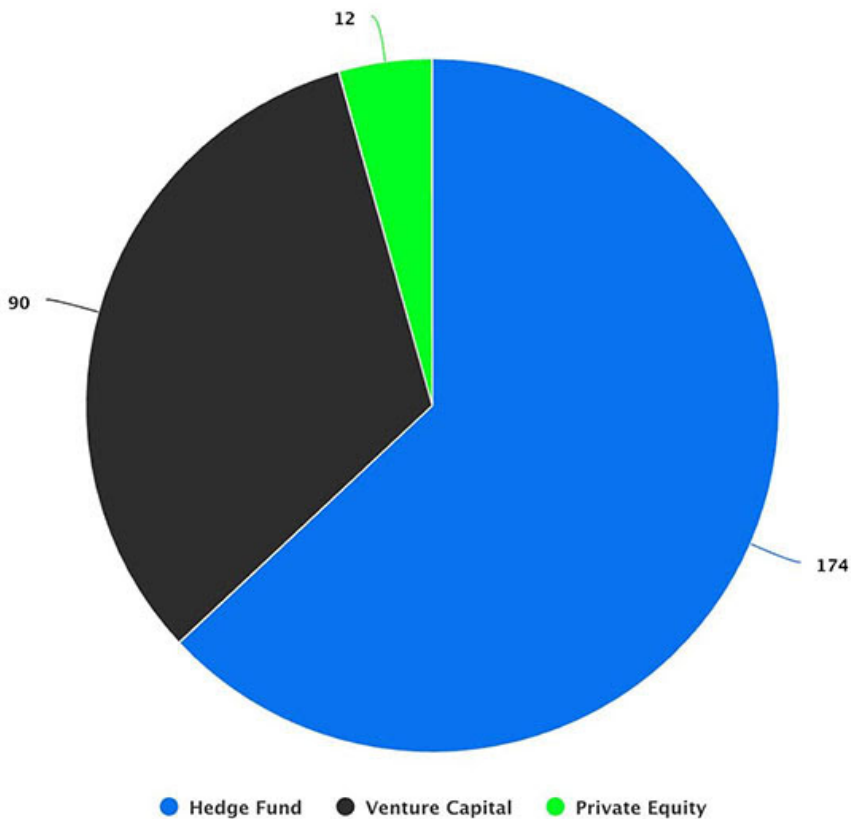
Cryptocurrency Investment Funds Continue Skyrocket

The number of hedge funds and venture capital firms investing in cryptocurrency and blockchain continues to grow at a record pace. Cryptocurrency funds go by many names -- cryptocurrency funds, digital asset funds and even blockchain funds. With rising prices and rising popularity, there were more than 100 crypto funds launched in 2017. In 2018, there have already been another 40 cryptocurrency funds launched, meaning we could exceed the record 100+ according to Crypto Fund Research. The continued growth of the crypto fund industry comes despite significant headwinds. As you know the parabolic rise in crypto prices late last year has worn off as Bitcoin and Ethereum are both down about 50% from their late 2017 highs. Further complicating matters for cryptocurrency funds, the SEC recently announced they would investigate as many as 100 funds. Several funds have already received subpoenas. However, these headwinds haven't slowed cryptocurrency funds hoping to capitalize on the interest from retail and institutional investors. According to Crypto Fund Research, half of the crypto funds launched this year are based in the U.S. What this tells us is that these funds are willing to play ball with regulators in order to tap American investment markets. Of the 276 cryptocurrency funds launched so far, 174 invest directly in cryptocurrencies and are broadly categorized as hedge funds. 90 are venture capital funds investing in fintech and blockchain companies. The venture capital side is dominated by existing VC firms like Sequoia Capital and Andreessen Horowitz which have expanded their fintech and technology funds to include blockchain companies. In fact, Andreessen Horowitz has indicated it will soon launch a dedicated cryptocurrency fund. Goldman Sachs has also recently announced they were preparing to pioneer a new cryptocurrency market on Wall Street that will focus a large amount of attention on Bitcoin. They say a large number of clients wanted to hold it as a valuable commodity, similar to gold. I should also note, Coinbase is also gearing up for more institutional money to enter the crypto market. Coinbase said it has traded \$150 billion in assets on the platform and it has received more than \$225 million in funding. Coinbase said it increased its transaction capacity by 1000 percent year over year. (Source: [CryptoFundResearch](#))

Crypto Funds by Country



Crypto Funds by Type

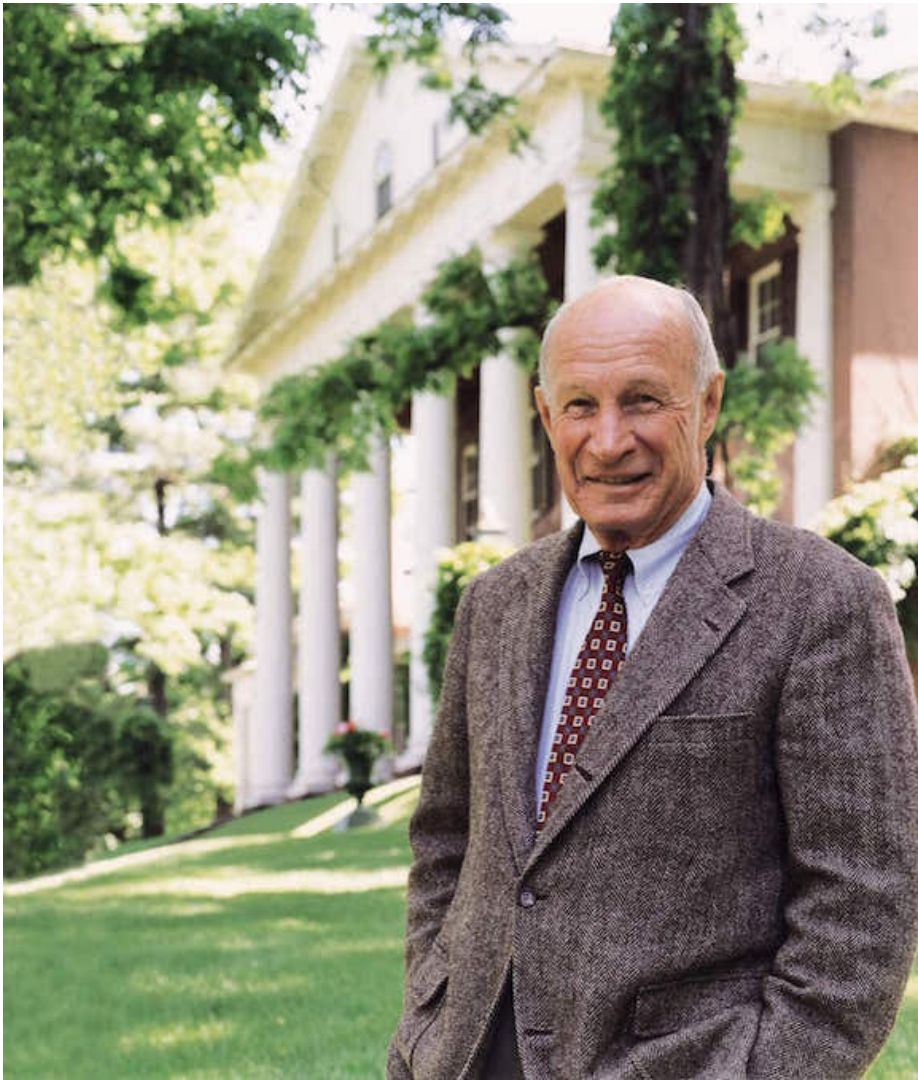


Legendary Investment Banker Passes Along "24 Rules for Success"

I was sent this e-mail the other day and wanted to pass it along. From what I can gather, the information was originally passed along by Katia Porzecanski a writer with Bloomberg. Richard Jenrette, who co-founded the investment bank Donaldson, Lufkin & Jenrette in 1959, spent four decades on Wall Street. When he died a couple of weeks back from complications of cancer at the age of 89, he left behind on his desk 24 rules

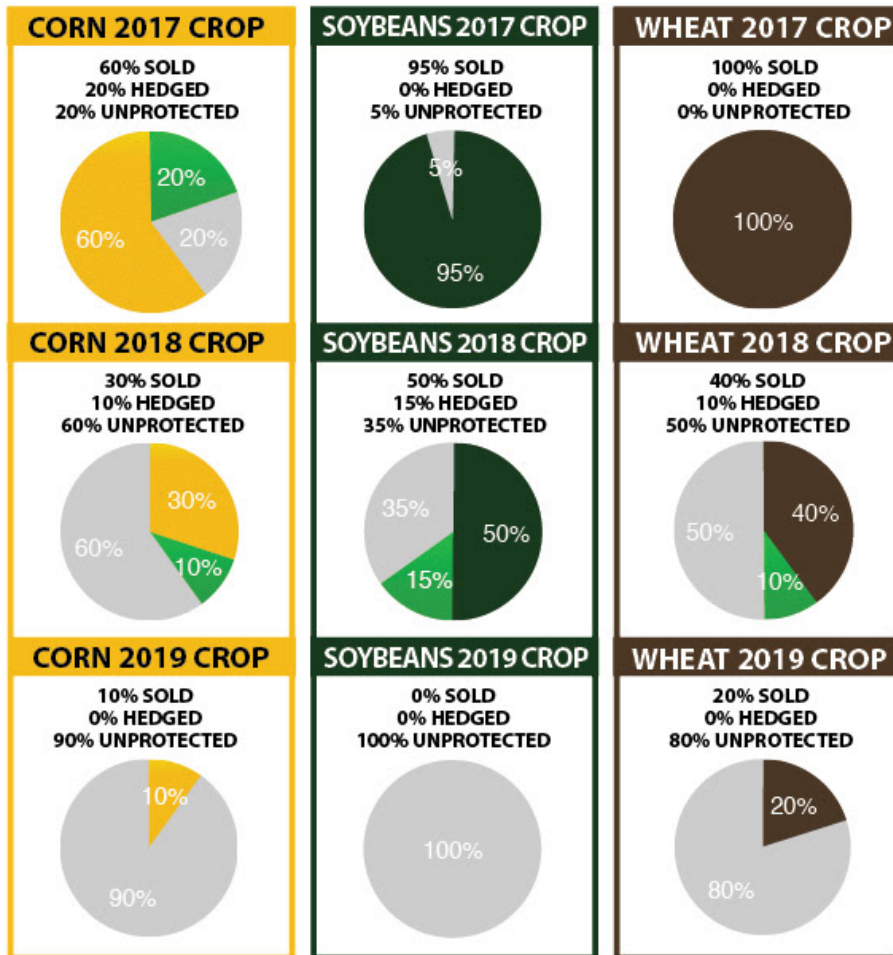
to succeed -- in finance, and in life. He titled the list, "What I Learned," and below it had reference to a long and happy life. You can read the full article [HERE](#)

1. *Stay in the game. That's often all you need to do – don't quit. Stick around! Don't be a quitter!*
2. *Don't burn bridges (behind you)*
3. *Remember – Life has no blessing like a good friend! You can't get enough of them. Don't leave old friends behind – you may need them*
4. *Try to be nice and say "thank you" a lot!*
5. *Stay informed/KEEP LEARNING!*
6. *Study -- Stay Educated. Do Your Home Work!! Keep learning!*
7. *Cultivate friends of all ages – especially younger*
8. *Run Scared -- over-prepare*
9. *Be proud -- no Uriah Heep for you! But not conceited. Know your own worth.*
10. *Plan ahead but be prepared to allow when opportunity presents itself.*
11. *Turn Problems into Opportunities. Very often it can be done. Problems create opportunities for change -- people willing to consider change when there are problems.*
12. *Present yourself well. Clean, clean-shaven, dress "classically" to age. Beware of style, trends. Look for charm. Good grammar. Don't swear so much -- it's not cute.*
13. *But be open to change -- don't be stuck in mud. Be willing to consider what's new but don't blindly follow it. USE YOUR HEAD - COMMON SENSE.*
14. *Have some fun - but not all the time!*
15. *Be on the side of the Angels. Wear the White Hat.*
16. *Have a fall-back position. Heir and the spare. Don't leave all your money in one place.*
17. *Learn a foreign language.*
18. *Travel a lot -- around the world, if possible.*
19. *Don't criticize someone in front of others.*
20. *Don't forget to praise a job well done (but don't praise a poor job)*
21. *I don't like to lose -- but don't be a poor loser if you do.*
22. *It helps to have someone to love who loves you (not just sex).*
23. *Keep your standards high in all you do.*
24. *Look for the big picture but don't forget the small details.*



ANSWER to riddle: A fence.

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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