

## GOOD MORNING: 05/14/18 Farm Direction - VanTrump Report

2 messages

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Mon, May 14, 2018 at 6:42 AM



"Darkness cannot drive out darkness: only light can do that. Hate cannot drive out hate: only love can do that." — **Martin Luther King Jr.**

**MONDAY, MAY 14, 2018**  
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**Morning Summary:** Stocks have just posted their longest winning streak since last November. Bears argue the market has rebounded a bit too quickly and has done it on fairly low volume, meaning the market could soon be due for a short-term setback. If you have felt over-leveraged or been looking for a chance to reduce allocations, the market is clearly providing some opportunity to reduce exposure. As a longer-term bull I'm staying my current course. The overall U.S. economy remains positive, inflation mostly subdued and the labor market robust. Small business optimism is running at a 45-year high and U.S. housing market continues to remain strong. There's also more talk that banks are starting to loosen up even further in regards to credit, meaning we could see another leg of economic expansion. The trade is obviously keeping a close eye U.S. trade negotiations. There's some talk that a trade deal with China is perhaps closer than the market is giving credit. We are also seeing more positive headlines surrounding the denuclearization of North Korea. A subject just a few months back that had the trade extremely nervous and uncertain. The trade still seems to be wondering and paying attention to headlines surrounding President Trump and whether he will meet with Special Counsel Mueller? Something we could learn more about this week. Right now it still seems to be just "noise". The economic calendar this week is fairly normal, with a mid-week focus on U.S. housing data. There will also be some interest in U.S. retail sales data and industrial production. I should also note, I continue to keep a close eye on energy prices. As I pointed out a few weeks back, four of the past five recessions, 1973, 1980, 1990, and 2008, were all preceded by a dramatic increase in the price of crude oil. For what it's worth, since last summer, oil price has soared by about +50% and now there's more talk about prices at the pump moving north of \$3.00 per gallon, some sources are even talking about possibly \$4 per gallon, especially if the economy in Venezuela continues to meltdown and or missiles start to fly in the Middle East as tensions with Iran, Israel, Saudi Arabia, Syria and the U.S. could perhaps escalate... continue to pay close attention!

**More People Are Beating Cancer:** *National Cancer Institute released some exciting news this past month, showing overall cancer deaths in the U.S. are dropping at yearly rates of 1.8 percent for men, 1.4 percent for women and 1.4 percent for children. Better prevention, earlier detection, an explosion of genetic knowledge and improved treatments are all playing a part. As technology continues to open new doors, the sharing of personal health information is becoming more critical. Read more [HERE](#).*

**Moving Back Home:** I find it interesting that more and more college graduates are opting to save money and head back home to live with Mom and Dad. The share of recent graduates moving back into their parents' homes jumped to almost 30% in 2016 from just 19% in 2005, and the trend is even more pronounced in areas particularly affected by the housing bubble of the late 2000s. Those areas include Las Vegas and parts of California, as well as perennially expensive cities like New York and Los Angeles. In fact some parts of the country are seeing 50% of college grads moving back home. There are a lot of moving parts and some debate as to why this is happening, but primarily it's because rents have gotten way more expensive, recent grads are wanting to save money, wanting to wait longer to get married, and getting approved for a home loan as a young buyer has become increasingly more difficult.



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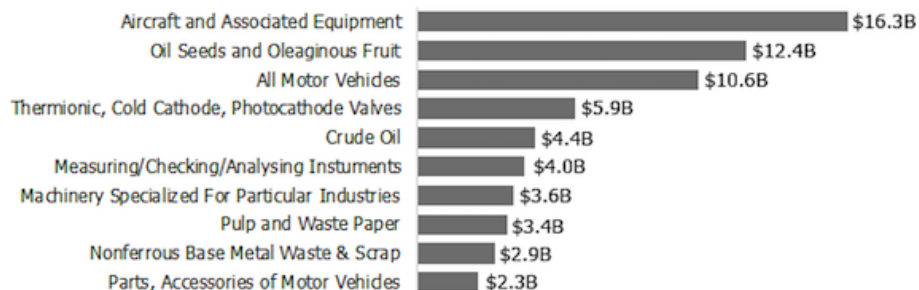


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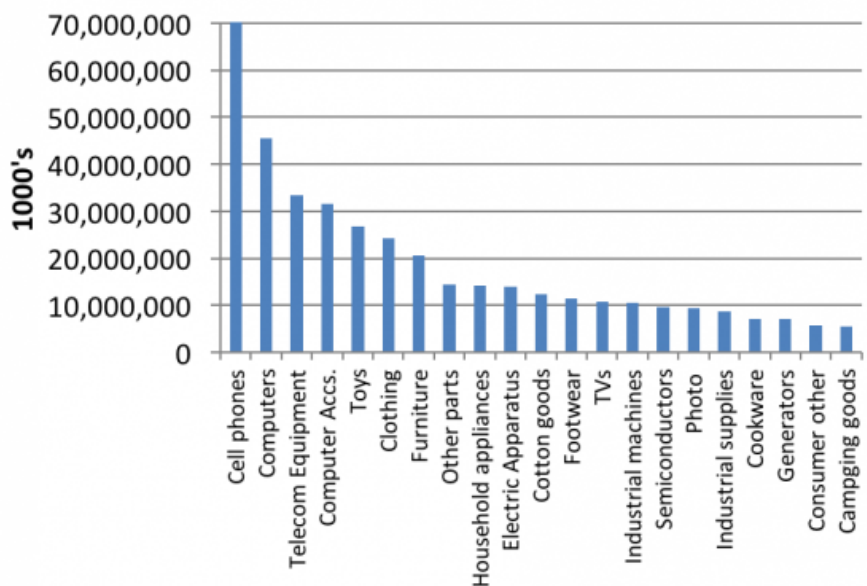
**Some Recent Movement On Chinese Trade:** President Trump said over the weekend he was working with the Chinese president to help restore the commercial fortunes of one of China's largest telecoms equipment makers, in a stunning U-turn following his administration's decision to ban the firm from sourcing vital components from US companies. The US president wrote on Twitter that he has "instructed" the US commerce department to find ways to give ZTE Corp a way to "get back into business, fast", after talks with his Chinese counterpart, Xi Jinping. (Source: [Financial Times](#))

## Top 2017 U.S. Exports to China



SOURCE: U.S. Census Bureau Foreign Trade Division data using SITC classifications

## China's Largest Exports to US (2017)



**1875** - Today, May 17th, would be the day when the very first Kentucky Derby would be held. The race known as the "The Run for the Roses," and "the most exciting two minutes in sports," has a long-storied history and is held as an icon of Americana. This history would begin in 1872, when the grandson of William Clark of the famed Lewis and Clark, Meriwether Lewis Clark, traveled to Europe. While in England he would attend the Epsom Derby a horse race that had begun in 1780. He was inspired by his experiences at this race, and when he returned home convinced his uncle's John and Henry Churchill to donate the land necessary to build the best racetrack in America. He would also found the Louisville Jockey Club which would help him to raise the funds necessary to build the track. In 1875, the famed Churchill Downs would open its doors to the public for the very first Kentucky Derby. Today, the Run for the Roses has grown rich with traditions that celebrate southern culture in America. Traditions such as sipping mint juleps, donning beautiful hats, the awarding of a garland of roses and singing "My Old Kentucky Home," makes this more than just a sporting event. The Derby is America's longest running sporting event in American history, never missing a year. Some of the interesting facts regarding the derby are:

- The grandstand is constructed in 1894 to accommodate the growing attendance
- The Twin Spires were added in 1895
- The track is shortened to one and quarter mile in 1896
- The red rose becomes the official flower of the derby in 1904
- Pari-mutuel Wagering Machine are introduced in 1908, and bookmakers are outlawed
- The first filly to win the race is Regret in 1915
- In 1919 Sir Barton the horse would be the first to win the Triple Crown
- The first radio broadcast takes place in 1925
- The derby is permanently moved to the first Saturday in May in 1931
- The first live television coverage came in 1952
- Diane Crump would be the first female jockey to run the race in 1970
- Secretariat became the fastest Derby winner in history in 1973
- The Derby Museum is opened at the track in 1985
- Churchill Downs is placed on the National Historic Landmark register in 1986
- This year the guaranteed prize money for the Derby would be over two million dollars.

The first Kentucky Derby would be run on the old track, which was a mile and a half. The race would be won by the three-year old American Thoroughbred, Aristides with a time of 2:27.75. Aristides

## neuro mining

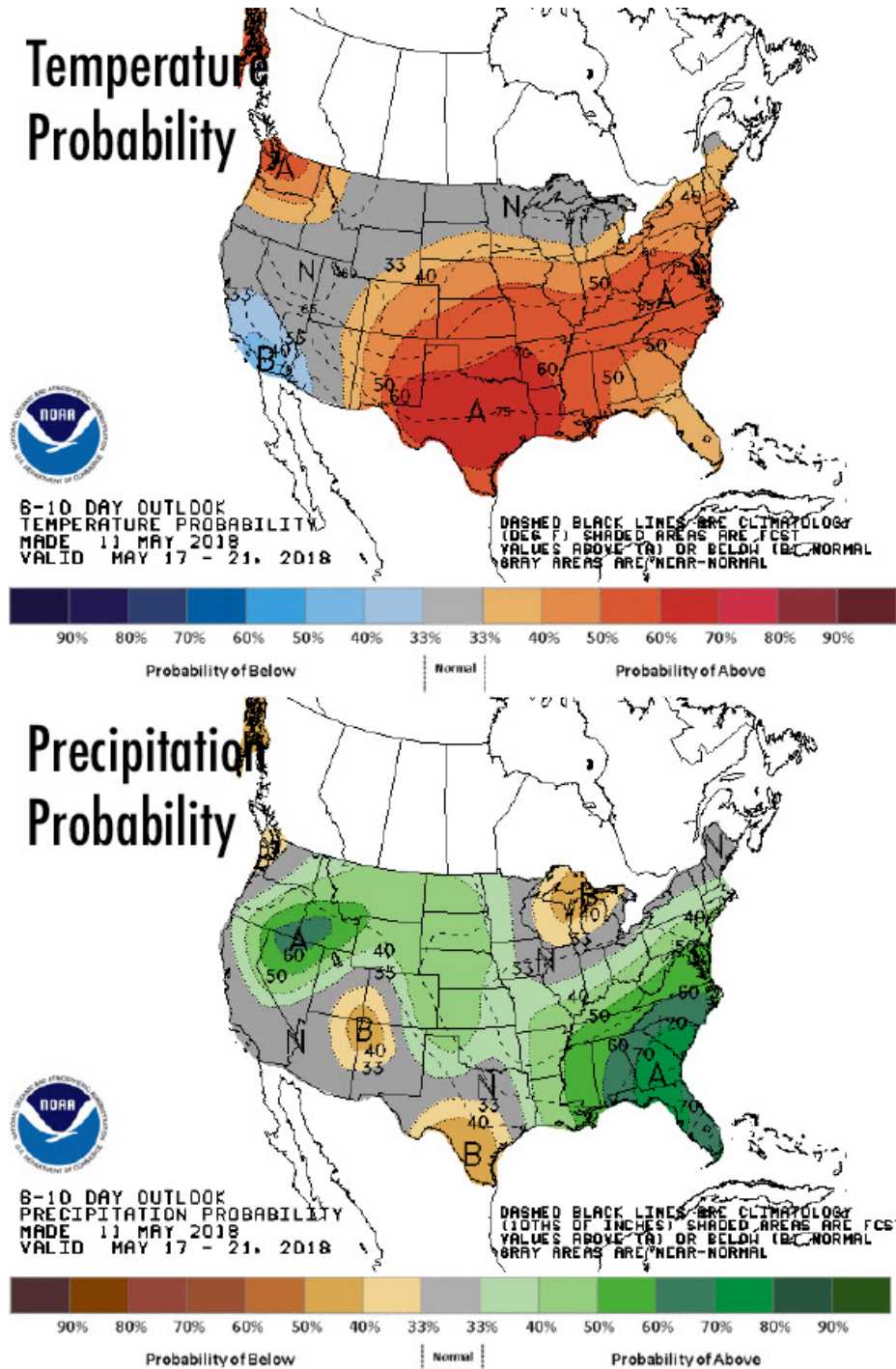


As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we 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:** Every morning I appear to lie at your feet. All day I will follow no matter how fast you run, yet I nearly perish in the midday sun.



**Weather** over the weekend saw a surge of cool air blanket much of the northern and western U.S. Early this week, warmth will return to the North, leaving much of the country experiencing above normal temperatures. During the next few days, showery weather will continue in the northern U.S., particularly from the northern Rockies into the Northeast. In contrast, much of the nation's southern tier will remain dry, except for increasingly wet weather across Florida. The 6 to 10 outlook calls for the likelihood of near to above normal temperatures and precipitation nearly nationwide. Cooler than normal conditions will be limited to SoCal, while drier than normal weather should be confined to northern Maine, western Washington, the upper Great Lakes region, and from the Four Corners region to southern Texas.



**Corn** prices take a technical tumble as the JUL18 contract is now sub-\$4.00 per bushel. As I've mentioned on several occasions the past few weeks, we were going to enter a bit of a news vacuum as the trade tries to transition from South American to more U.S. based headlines. The South American production headlines have been providing strong tailwinds to this point. As the trade transitions, the U.S. headlines are not nearly as bullish nearby. Planting here in the U.S. has clearly gained momentum in many key locations and talk of major delays seems to be of little interest to the market. The more

was jockeyed by Oliver Lewis, who was African American. The track was fast, the weather was fine, and ten thousand people would witness history in the making.



**1954, Brown vs. Board** - The United States Supreme Court would unanimously rule that racial segregations of children in public schools was unconstitutional. The case brought forward was Brown vs. the Board of Education of Topeka, Kansas. The history of this case dates back to 1896 where the Supreme Court would rule in the case of Plessy vs. Ferguson and decided that segregated public facilities were in fact legal as long as they were equal. Moving forward in time, Oliver Brown would file a class-action law sui against the Board of Education of Topeka in 1941, after his daughter, Linda Brown was denied entrance in to the all-white elementary schools. He claimed that the schools for black children were not equal to the white schools and that segregation violated the "equal protection clause" of the 14th Amendment. This amendment basically states that no state can "deny to any person the equal protection of the laws." The U.S. District Court would hear the case and agree that public schools segregation was indeed detrimental to colored children, but they would uphold the "separate but equal" ruling from Plessy vs. Ferguson. When the case would finally make it to the Supreme Court in 1952, it was decided that four other similar cases would be combined into Mr. Brown's case. Thurgood Marshall, the head of the NAACP, would serve as the chief attorney before the ultimate court. It would be Justice Earl Warren who would use his skills to get a unanimous verdict against school segregation. Warren would write in the decision that public education was no place for a "separate but equal doctrine," and that segregated schools were in fact "inherently unequal." He went further to say that segregation did "deprive colored children the equal protection of the laws guaranteed by the 14th Amendment." In 1955, the Supreme Court would issue a second opinion in the Brown case, which would direct all schools in the nation to proceed with desegregation and that all lower courts were to uphold this decision. The affects of these two opinions would be the fuel which would fire the civil rights movement as had never been seen before, and ultimately lead to the Civil Rights Act of 1964, which gave the Justice Department enforcement rights in desegregation. The little girl, Linda Brown whose father defended her right to an equal education, passed away just this year at the age of 76. Mrs. Brown would go on to attend Kansas State and would work as an educational consultant.



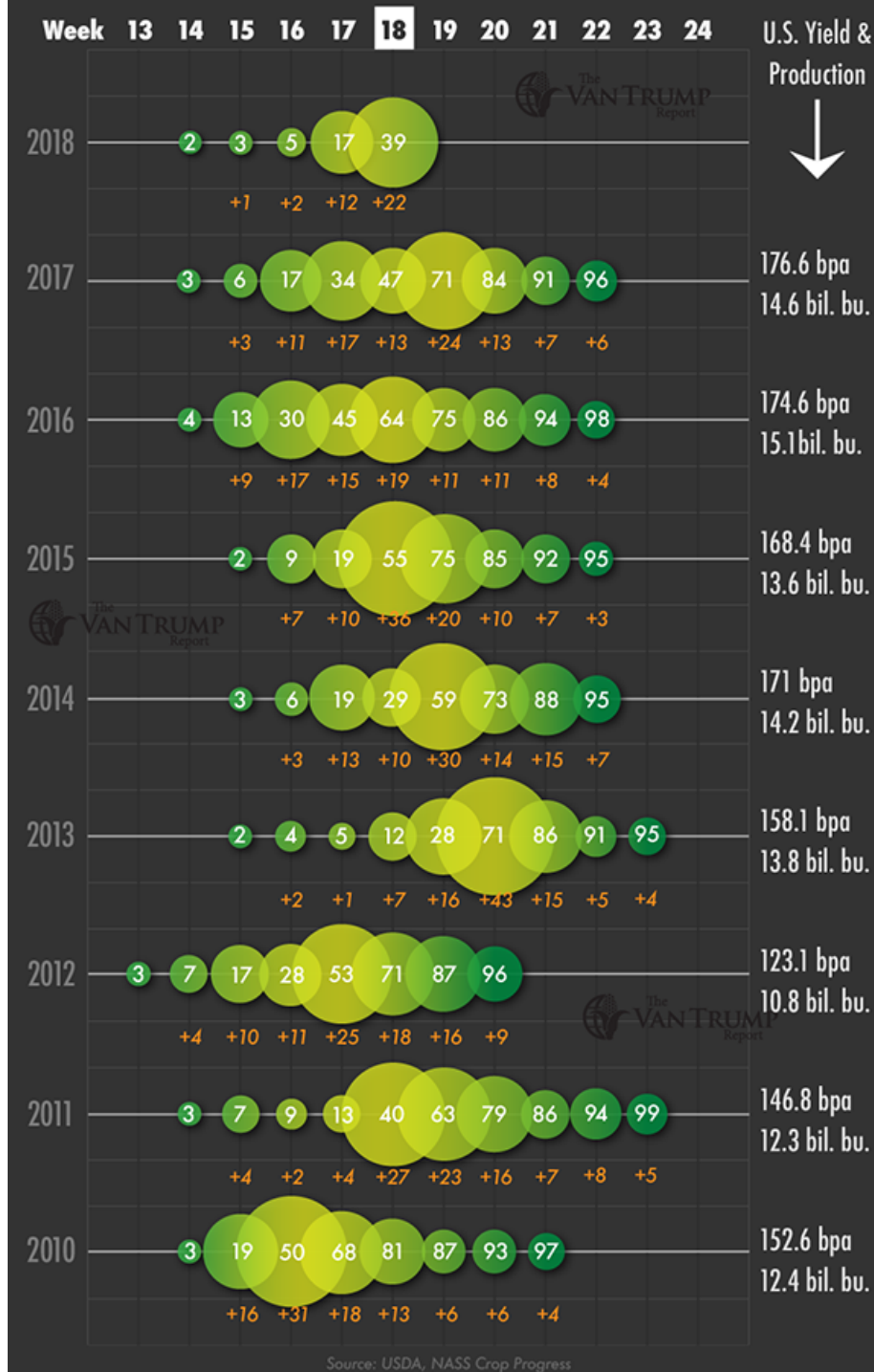
**1829, John Jay** - John Jay, the first Chief Justice of the Supreme Court would pass away. John Jay will be remembered as a Founding

sexy headlines at the moment seem to be circulating around NAFTA and Chinese trade negotiations, which are currently offering little in the way of positive momentum. June weather across the U.S. corn belt will eventually come into the spotlight, specifically heat and total rainfall. If the forecast become more extreme in nature the trade will quickly look to add additional risk premium. As both a producer and a spec, I believe the strong demand story is in play and also believe the funds continue to have an overall more optimistic view towards commodities. In other words I want to remain a longer-term conservative bull. I should note, there also seems to be a lot of controversy and debate inside the trade about the USDA's recent reduction in global corn stocks. The USDA estimates 2017/18 global ending stocks at around 195 MMTs, but elected to make a significant reduction for 2018/19 down to 159.2 MMTs, which was much lower than the trade had been forecasting. The substantial reduction was based on a much lower Chinese ending stock estimate, which the USDA now has shrinking to just 60.5 MMTs in 2018/19. For what it's worth, there are some sources who still see Chinese ending stocks for 2018/19 at over +160 MMTs. With such a huge discrepancy in Chinese estimates, the trade seems a bit uncertain about fully buying into the drastically lower USDA global ending stock number. Maybe if we can get a bit more confirmation of fewer domestic bushels inside China the bears will back off a bit. As a bull, I'm also hoping we will eventually see more sizable cuts to the USDA's Brazilian crop estimate. The USDA shaved -5 MMTs off the Brazilian crop estimate last week, but I'm thinking there might eventually be room for another -5 MMT reduction. There are also more headlines talking about the odds of an El Nino weather pattern this winter increasing. If that continues to be the case, we might start hearing the bulls talk more heavily about possible problems in South America during the next crop year. From a technical perspective, traders are wanting to see if the JUL18 contract can find nearby support at \$3.90 and the DEC18 contract at \$4.00.

Father, an America statesman, patriot and a successful diplomat. Jay's family were descendants from French Huguenots who came to the Colonies to escape religious persecution. His grandfather built a successful merchant empire in New York after coming to America to be free to practice his Protestant beliefs. John Jay was born in 1745 in NYC and would attend King's College (known now as Columbia University) at the age of fourteen. He would be admitted to the New York bar in 1768 and establish his own legal practice and became active with the Committee of Correspondence in 1774. He was a staunch conservative who was interested in preserving property rights and the rule of law. He would be directly responsible for negotiating the Treaty of Paris, which would officially end the American Revolution. Jay would return to his family's farm, which looked over the Long Island sound, after the war and once more resume his legal practice. Even though Jay was a slave holder, he would take an active leadership role to abolish slavery and would independently free his slaves after the Revolution. He founded the New York Manumission Society to help further this cause and to provide free legal counsel for freed blacks and slaves. As a member of the Protestant Episcopal Church of America, Jay became the warden at Trinity Church in New York. He was the President of the American Bible Society from 1821 to 1827, where he would hold to the belief that "world peace could only be ensured through propagation of the Christian gospel." He also expressed that the moral precepts of Christianity were necessary for good government stating; "No human society has ever been able to maintain both order and freedom, both cohesiveness and liberty apart from the moral precepts of the Christian Religion. Should our Republic ever forget this fundamental precept of governance, we will then, be surely doomed." He was elected to serve as a delegate to both Continental Congresses. At first he felt the Colonies should look to bridge the divide with England, but he would rapidly change his views because of the growing British atrocities that were taking place monthly. In 1777, he would draft the Constitution of New York, and his duties at home would prevent him from signing and voting on the Declaration of Independence. However, shortly thereafter Jay would be elected as the President of the Continental Congress in 1778. In 1779, he was appointed to be the Minister to Spain, where his mission was to get financial aid, commercial treaties and recognition of American Independence. He would return to Europe in 1782 to negotiate the end of the Revolution. Jay would demand that England recognize the American Independence. After the Revolution, Jay would be asked to serve this new country once again. He would serve as Secretary of Foreign Affairs from 1784 to 1789, which he would over see the newly for Department of State. President George Washington would appoint Jay as the

# U.S. Corn Planting Pace 2010 - 2018

includes Weekly Rating and **Week-over-Week Change**



Chief Justice of the United States the same day that he would sign the Judiciary Act of 1789. This court would for the first three years, establish the rules and procedures for all circuit and federal courts and keeping the court out of daily administration of the fledgling country, and focused on the constitutionality of legislation and cases brought before the court. In 1801, Jay would retire from politics after serving as Governor for six years and would once again return to the family farm. He would die from complications of a stroke on this day May 17th, 1829.

## Upcoming Events

**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

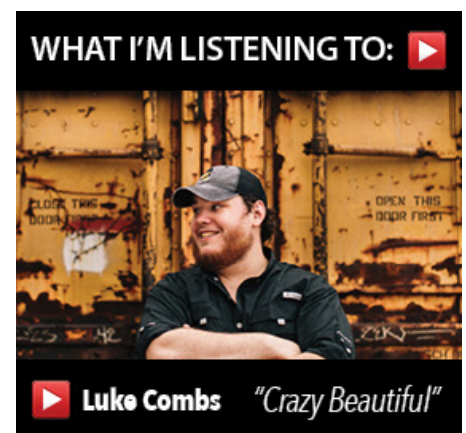
**Fri. 6/22** - Cattle on Feed

**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

**Soybean** prices have fallen by more than -70 cents since early-March. In fact, we've lost over -50 cents just during the current month of May. Bears continue to talk about lack of Chinese buying from U.S. exporters. In fact several insiders are saying the Chinese might have gone as far as reducing the percentage of meal used in their feed rations. At the same time the USDA has raised the Brazilian soybean crop to a fresh all-time record high of 117 MMTs, meaning the Chinese may soon have more available Brazilian bushels. This is causing many bears to really question the USDA's recent bump higher in 2018/19 U.S. exports. There's also more questions being raised about the USDA bumping total Chinese imports higher by +6 MMTs from 97 to 103 MMTs in 2018/19. Obviously, a lot will hinge on the finality of U.S./China trade talks and how long the worlds #1 buyer of soybeans can go without buying U.S. supply? As both a producer and spec, I continue to see headlines involving NAFTA and Chinese trade negotiations as the markets top priority. When headlines started circulating late last

week that China's top economic advisory wasn't going to make the trip to the U.S. the trade clearly become much more nervous and uncertain about demand. I have no way of predicting the political outcome or future, but as I've said for several weeks, I think eventually the headwinds will turn themselves into tailwinds. How that happens and how the market reacts during the process could be extremely volatile. I'm also thinking the recent strength in the U.S. dollar might be close to running its course, perhaps a few more weeks pushing towards the 95 level, then a more decidedly bearish tone, hopefully just in time for U.S. weather headlines... I've repeatedly said not to chase this market higher. We are now getting down to a more interesting valuation and I'm paying much closer attention. I remain a longer-term bull, but still believe there's more nearby downside risk in the market. As a producer, I'm staying patient and keeping hedges in place. Those who feel they may have gotten too aggressive with sales on the rallies, could use the break in price to slowly buy back a few previous sales. I personally don't see a hurry to do anything...

## 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."*

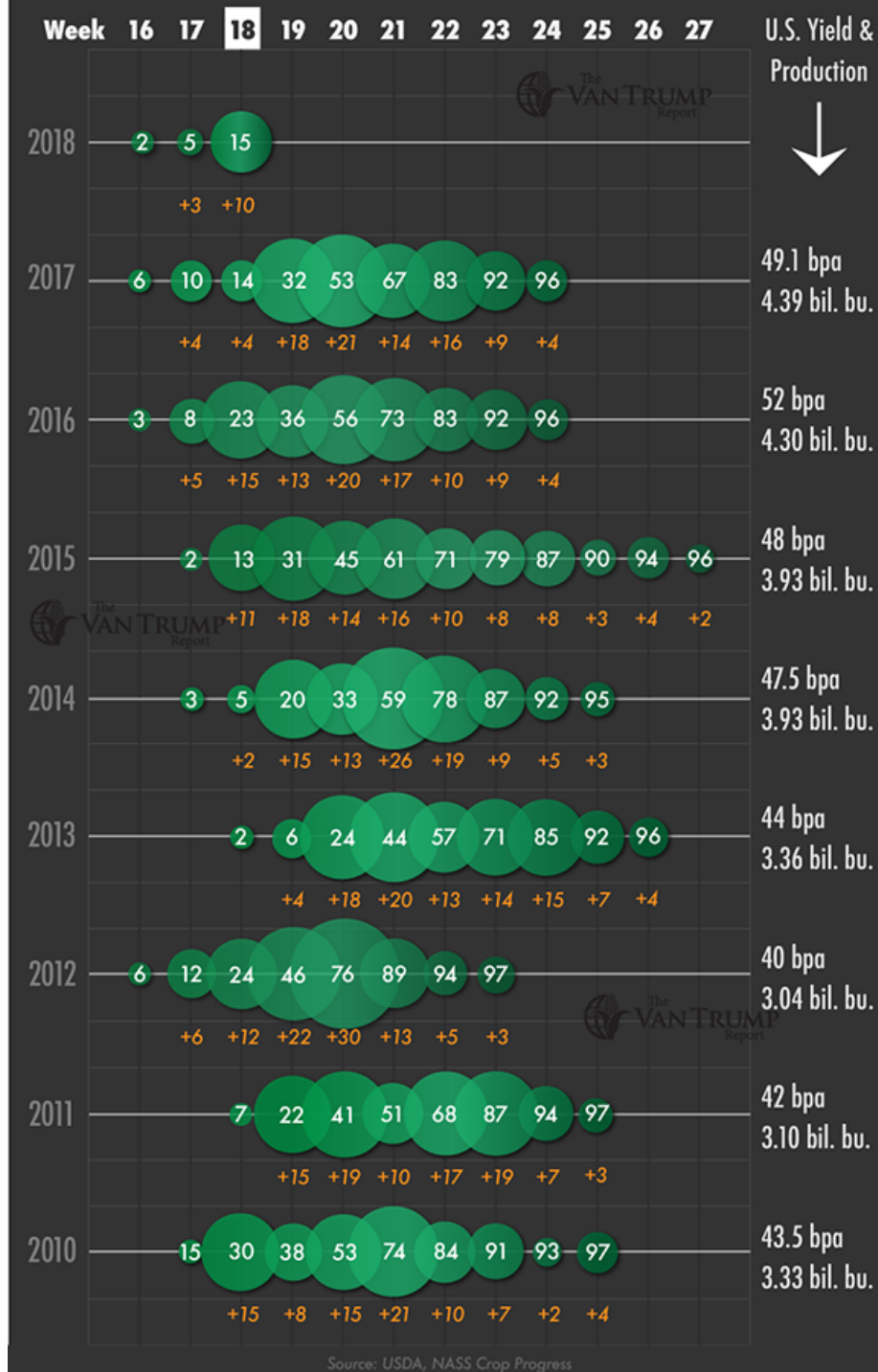
**A.M., FDIC**

*"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*



# U.S. Soybean Planting Pace 2010 - 2018

includes Weekly Rating and Week-over-Week Change



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..."

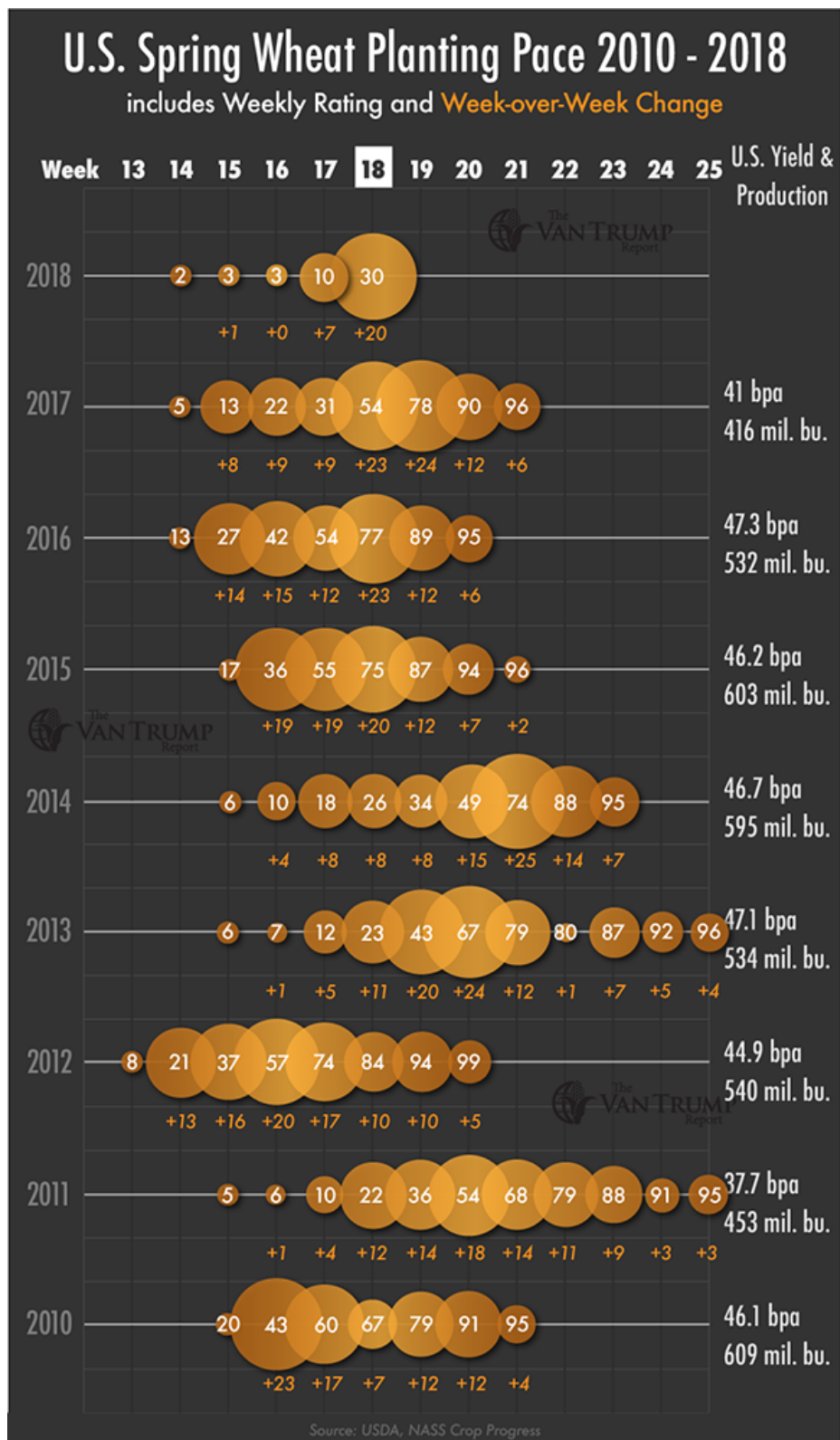
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- 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.

**Wheat** prices have tumbled -40 to -50 cents since early May, despite the USDA forecasting the smallest winter wheat crop in 16 years. I should note, at the same time the USDA is forecasting the 2018/19 "total U.S. wheat crop" at 1.821 billion bushels, up +5% from the prior year. Bears are pointing to the fact U.S. 2017/18 ending stock remain above +1.0 billion bushels and U.S. export demand less than ideal. Despite some recent setbacks in Russia and Black Sea production, we are still seeing extremely strong export estimates for both Russia and Ukraine, meaning still more headwinds for U.S. exporters who struggle to stay competitive. The recent strength in the U.S. dollar is also not helping matters. I suspect "weather" will remain the wild-card moving forward. Here at home it will obviously come down to how extreme the heat will be in June and the continued debates surrounding total acreage "abandonment" and how severe the yield drag. The states the trade continues to focus on are Kansas, Oklahoma, Texas and Colorado. As I said late last week, I know the USDA is forecasting

increased domestic U.S. demand and increased exports in 2018/19, but it's just hard for me to get my hands around that until I see more production problems for Russia, Ukraine and portions of Europe. As a producer, I feel like I've made some great sales and have little if any nearby risk remaining. I clearly have time to stay extremely patient and be long-term oriented. As a spec, I would eventually like to build a longer-term bullish position but believe there will be better buying opportunities.



*Farm Direction*  
**RECIPES**

★ **FAMILY FAVORITES** ★  
-SENT IN BY OUR READERS-

**Honey Mustard Bacon Brats**

[CLICK TO SEE RECIPE](#)





**> Farmland Values Remain Stable, Rents Slightly Lower:** The Federal Reserve Bank of Chicago recently released its AgLetter and showed farmland prices steady to rising slightly from last year. The letter said, "Agricultural land values for the Seventh Federal Reserve District showed signs of stabilizing in the first quarter of 2018, as farmland values were unchanged from a year ago. On average, "good" farmland values in the first quarter of 2018 rose 1 percent from the fourth quarter of 2017. The amount of farmland for sale in the three to six-month period ending with March 2018 was slightly higher than in the same period ending with March 2017. Additionally, cash rental rates for District farmland decreased again in 2018; however, their year-over-year decline of 5 percent was smaller than the decline recorded for 2017. You can read in full detail [HERE](#).

**> Corn Exports Gain On Soy's Losses:** The drop in China soybean buying from the US is enabling an increase in corn exports from the Pacific Northwest, as excess terminal capacity sees basis values fall despite a surge in export demand. Prices for July loading corn cargoes have fallen from around 117 cents over the July futures contract last week to be heard offered at 107 cents, despite the US seeing healthy export demand from Asian destinations. USDA data underlines the impact of trade concerns, with April and early May 2017 seeing 596,646 mt of soybeans inspected for export from the PNW, with 1.3 million mt of corn. (Source: Agricensus)

**> Strong U.S. Beef Exports:** We all know beef exports have been strong and running well ahead of last years Q1 pace, but recent data from the U.S. Meat Export Federation showed U.S. beef export values in March reached their highest level ever on record. With the supply pipeline building we are going to need all the "demand" help we can get. It's nice to see the strength in exports. I hope the recent strength in the U.S. dollar or possible upcoming hurdles with trade renegotiations don't cause a slowdown...stay tuned!

**> La Niña Is Gone, El Niño May Be Back:** La Nina, the weather pattern that worked drought conditions across the U.S. Plains has faded according to the U.S. Climate Prediction Center. But it could be replaced late this year by one called El Nino. The CPC is saying the possibility of El Nino, a warming of temperatures in the Pacific Ocean, this winter has increased to nearly 50%. Normally, El Nino can bring torrential rains to parts of South America, depress winter storm tracks through the U.S. and — if they arrive early enough — cut the number of tropical storms and hurricanes in the Atlantic. (Bloomberg)

**> Canadian Wheat???** StatsCan recently reported all-wheat stocks in Canada as of March 31 at around 16.4 million bushels, down almost -4% from the previous year and below most trade guesses. Canola stocks were also reported a bit lighter than anticipated. It also seems like we are starting to hear more talk and confirmation of production difficulties in parts of the Canadian Prairies as things are too dry in several locations.

**> The Romaine Outbreak is Growing:** The footprint of the romaine lettuce *E. coli* outbreak became more extensive than the historic and deadly 2006 fresh spinach outbreak. The Centers for Disease Control and Prevention added four states and 28 confirmed cases of *E. coli* to the 9-week old outbreak associated with romaine lettuce, likely grown in the Yuma, Arizona area. That comes to one death in California among 149 cases in 29 states with 64 hospitalizations. (Food Safety News)

**> Chile Stepping Up To Purchase Iranian Oil:** Iran has found an unlikely buyer for its crude oil after the decision by the U.S. to re-impose sanctions. From a what I understand, Chilean state-owned refiner ENAP has purchased 140,000 mt of Iranian crude oil for May loading in a rare move. This is the first time Chile has imported Iranian crude in almost 18 months. (Source: Platts)

**> Ebola Might Be Making A Comeback:** The deadly hemorrhagic disease Ebola has resurfaced again, with the WHO revealing 32 potential cases of the disease (including 18 deaths) in the Democratic Republic of the Congo. Experimental Ebola vaccines are under development, such as leading candidate - Merck's - but they have not been fully tested for safety or effectiveness. (Source: SeekingAlpha)

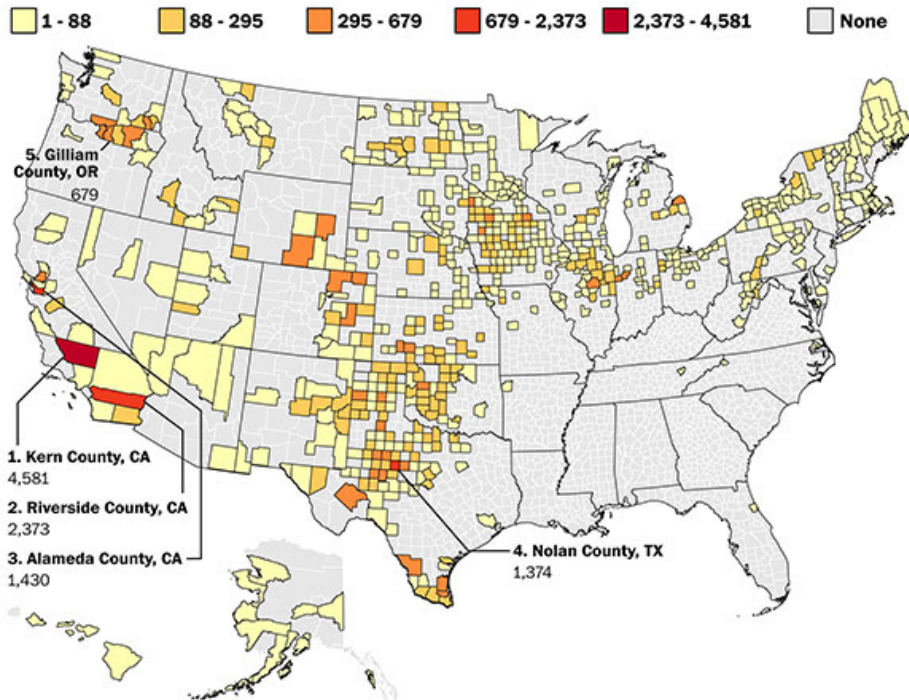
**> Ukuleles Are All The Rage Right Now:** More ukuleles are now sold in the U.S. than acoustic guitars, according to an FT article released earlier this week. While acoustic guitars held an obvious lead in sales through 2015, in 2017, ukulele sales reached 1.75 million, surpassing acoustic guitar sales, which hovered around 1.51.

From what I can find, a lot of the demand is coming from young people as ukuleles are popular because they offer an alternative to larger instruments such as guitars. (FT)

> **Here Is Every One of America's 57,636 Wind Turbines Mapped:** The U.S. Geological Survey has built a database of over 57,000 commercial wind turbines by county. The database shows that Kern County, California is home to some 4,581 wind turbines with a total power generating capacity of somewhere north of 4,000 megawatts, giving Kern the largest county-level concentration wind capacity in the nation. Read more on the state of wind power in the U.S. [HERE](#).

## Wind country

Number of commercial wind turbines, by county, 2018



Source: U.S. Wind Turbine Database

WAP0.ST/WONKBLOG



**Central Iowa** - We got lots of guys planting right now but I think we will wait to finish beans until the next storm passes. We have a few inches of rain scheduled and I know some guys want to finish before that. I don't want to tear up the soils and follow that up with a downpour. Done that before. Corn went in real well and we are seeing good emergence in our first fields. There are still some guys above us who haven't even finished spraying fields yet. Doesn't feel much like we had a spring with the winter sticking around followed by these temperatures we are having. Hoping we can improve on last years numbers abit and that we have some markets to sell to.

**Southcentral Oklahoma** - When we planted our cotton there was a good moisture profile and we got nearly three inches of rain later that week. That, of course, created a crust layer with the seed trench washed in. I'm certain I will have to replant the in areas, but hopefully on the higher ground, it will push out, but its having problems dealing with the crust. We have emergence on some but the stand certainly isn't consistent. I'm guessing we will see some stunted growth and concerned abit with the night time temps. Fortunately, it is still moist underneath which will help until I can get back over there.

**Southwest Minnesota** - We really have had a long winter and struggled to get our start. We have had more rains that kept us out of the fields earlier this month. Most guys are finishing spraying and will get corn going following. We definitely will have good soil profiles for a while with all the moisture we've seen. A lot of guys are saying it reminds them of 35 years ago when it was a rough cold start followed by scorching summer heat during pollination, which left us with a below average crop. We were looking at picking ups some acres this winter put didn't want to chase prices and keep them so elevated. We have a little corn left to move and have made a few sales for this year.

# CROSSING WIRES

A place to share intelligent thoughts...

**China's High Rise Hog Haven:** *This is a city - for pigs. The multi-story apartment blocks on Yaji Mountain, southern China are reserved entirely for animals. With two seven-story breeding operations already running, and four more planned, Guangyi Yangxiang is literally taking industrial farming to a new level. One of the new buildings will have up to 13 floors and will one day house 30,000 sows, giving birth to more than 800,000 piglets a year. I'm told the move is part of an effort by China to modernize its farming methods to feed its burgeoning population the meat and dairy they are demanding. Read more [HERE](#).*

**Rolls Royce's Game Changing, \$325,000 SUV:** *"The Cullinan" — Named after the largest diamond discovered to date, the vehicle is the latest in a long line of six-figure big rigs from the world's most prestigious automakers. The vehicle stands six feet off the ground and weighs in at more than 5,800 pounds. It has Roll-Royce's 6.75 liter, twin-turbo V12 engine that gets 563 horsepower, but it also has all-wheel drive and an all-wheel-steering system, a first for the luxury automaker. It is also one of the last major luxury automakers to add a SUV: In April, Lamborghini unveiled its \$200,000 Urus; Bentley showed its \$200,000 Bentayga V8 late in 2017.. Check out the Cullinan [HERE](#).*

**Musk's Boring Company Finishing Tunnel One:** *Musk made the announcement by posting a pretty cool video of the tunnel to his Instagram account. The tunnel was first started by the Boring Company's digging machine called Gadot almost a year ago. Musk also announced that when the tunnel is complete in a few months, pending regulatory approval, the Boring Company will be offering free rides to the public through the tunnel. Check out the video [HERE](#).*

**How Smart Can Windows Be?** *Imagine standing in front of a wall of windows, surveying the view. You hear someone enter the room behind you. You turn. "Welcome," you say. "Here is the video I wanted to show you." At the press of a button, the view vanishes and the windows transform into a high-definition TV screen. What you are looking at is a multi-use solar panel that is constantly harvesting energy from the sun. The heroes swooping in to the rescue could be a new technology called organic semiconductors. Think of all the time it will save trying to decide where the TV goes! Read more about the new technology scientists are working on [HERE](#).*

**81-Year-Olds Blood Saved Over 2 Million Babies:** *With every regular blood donation, three lives could be saved; an ordinary plasma donation could save 18. But James Harrison is extraordinary. His blood has helped save the lives of 2.4 million babies. The 81-year-old's plasma contains a potent antibody used to create a remarkable treatment known as Anti-D that protects unborn babies from the potentially deadly Rhesus D Haemolytic Disease (HDN). On Friday, after more than 60 years and 1173 donations, Mr Harrison made his final benefaction. Truly an amazing story! Read more [HERE](#).*



## FROM MY PERSPECTIVE

Kevin Van Trump

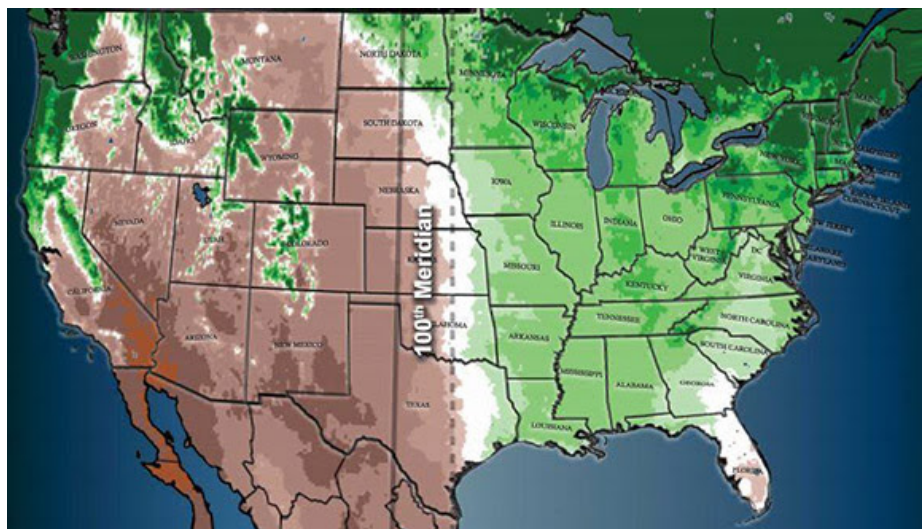


### The 100th Meridian Looks Like It Is Shifting

There is an imaginary line, metaphorically "drawn in the dirt" by American geologist and explorer John Wesley Powell in 1878, it transects Texas, Oklahoma, Kansas, Nebraska and the Dakotas in the U.S., and continues up into Canada's Manitoba. Powell used the



line to convince Congress that they needed to plan water and land-management districts that crossed state lines based on environmental constraints not borders. A team of researchers from Columbia University decided to take a new look at Powell's divide. In one study, the journal of the American Meteorological Society, the team confirmed that Powell was correct in his assumptions based on population and agriculture trends that have developed on opposite sides of the divide. In a second study published in March in the AMS journal, the researchers concluded that the line appears to be moving east, which could have big impacts on farming and other pursuits. Adjustments to changing environmental conditions would cause farm size and rangeland area to increase across the plains and percent of cropland under corn to decrease in the northern Plains as the years advance. The researchers noted that the divide described by Powell played out in how the land was settled and cultivated, including the sharp decline in population west of the line. The divide also helped determine what crops have been cultivated, with moisture loving corn grown in the eastern states and wheat in the West. The scientists concluded that since 1980 a change in weather patterns indicates the imaginary line has shifted east about 140 miles towards the 98th meridian. In Texas, that means the divide has shifted from Abilene towards Fort Worth. Rainfall hasn't changed much in the northern Plains as a result of change in weather patterns, but rising temperatures have increased evaporation from the soil. Meanwhile in the southern Plains, wind patterns are causing a drop in rainfall. Researchers say it is likely that Powell's divide will continue to shift east as the planet adapts to changing weather patterns. Interestingly, Powell's suggestions to Congress all those years ago were met with backlash because legislators feared interstate districts would be problematic. Congress did not agree with Powell and decided against his plan for water and land management districts. Considering the water issues facing western states, maybe legislators should have taken heed of Powell's consideration... (Source: [Columbia University](#))



### GAME CHANGER - Here's a Product I Wish I Would Have Known About Sooner!

My grandmother passed away a couple of years back, but during her entire life she loved to read. Unfortunately once she pushed past the age of 95 her vision really started to fail. I wish I would have know about this super cool gadget Orcam now has available, I would have loved to have gotten her one. From what I've learned, Orcam, is a wearable AI company that was founded about eight years ago by computer scientist Amnon Shashua and entrepreneur Ziv Aviram. The company was recently valued at about \$1 billion. That's a pretty big valuation, but there's a reason why the company is having so much success. The wearable, called the "OrCam MyEye," attaches to eyeglasses, and with a simple point of your finger the device can read any printed text and will the tell you what it says. Meaning you will always be able to read the paper, a menu, or your favorite book etc. Interestingly, MyEye uses deep learning offline, meaning not in the cloud, to parse the language and read to you aloud via a tiny speaker. Ten's of thousands of users have regained a sense of empowerment and independence that was lost along with their vision. I'm told the device has the capability of facial recognition as well. It's worth noting that there are other products that provide visual services to those suffering from eye conditions, but OrCam is said to bring them all together in one unit, not to mention its compact size comfortably fits onto your personal eyeglasses. MyEye has some impressive capabilities as it can remember and identify 100 faces, recognize millions of products, store 150 additional objects like credit cards or go-to grocery items, and identify colors, which is particularly useful when users are picking out clothes in the morning! It can even tell you the time with a simple twist of the wrist. I'm told, using the device does require the user to spend a couple of hours of training and it will take several weeks to get used to, but what a small price to pay for the gift of sight, knowledge and independence. Until science can alter the fact we will all lose our vision to some degree at some point, I gotta believe MyEye and its updated versions will have plenty of takers. To this point, MyEye is in 23

countries and can speak 18 languages. Get more details as to the future of this technology [HERE](#). Feel free to pass this information along to someone you love. I'm hoping it can help improve their quality of life. (Source: Fastcompany)



## **Amazing Adventure... "Lewis and Clark" and Some Things You Might Not Know**

It was on this day in 1804, shortly after the U.S. doubled its territory with the Louisiana Purchase, that U.S. Army Captain Meriwether Lewis and his chosen second in command William Clark set out on an incredible journey to explore the Northwest from the Mississippi River to the Pacific Ocean. President Jefferson chose Lewis to lead the expedition rather than a "qualified scientist" because he was a heralded frontiersman, well adapted to the woods and extremely familiar with the Indian mannerisms and character. Below are some cool facts about the journey that you may have never heard: (Source: History; Wiki; SoftSchool)

**Goal of the Journey:** *Their goals were to explore the vast territory acquired by the Louisiana Purchase and to establish trade and U.S. sovereignty over the native peoples along the Missouri River. Jefferson also wanted to establish a U.S. claim of "Discovery" to the Pacific Northwest and Oregon territory by documenting an American presence there before Europeans could claim the land. According to some historians, Jefferson understood he would have a better claim of ownership to the Pacific Northwest if the team gathered scientific data on animals and plants. However, his main objectives were centered around finding an all-water route to the Pacific coast and commerce. Before their departure, Jefferson's instructions to them stated: "The object of your mission is to explore the Missouri River, & such principle stream of it, as, by its course and communication with the waters of the Pacific ocean, whether the Columbia, Oregon, Colorado or any other river may offer the most direct & practicable water communication across this continent for the purpose of commerce."*

**How Lewis & Clark Met:** *While serving as a frontier army officer in 1795, a young Meriwether Lewis was court-martialed for allegedly challenging a lieutenant to a duel during a drunken dispute. The 21-year-old was found not guilty of the charges, but his superiors decided to transfer him to a different rifle company to avoid any future incidents. His new commander turned out to be William Clark—the man who would later join him on his journey to the West.*

**Intense Training and Learning:** *President Jefferson knew it was going to be a grueling and difficult journey so he started an intense training program a year before their mission. In 1803, Jefferson sent Lewis to Philadelphia to study medicinal cures under Benjamin Rush, a physician and humanitarian. Jefferson also arranged for Lewis to be further educated by Andrew Ellicott, an astronomer who instructed him in the use of the sextant and other navigational instruments. Jefferson also possessed the largest library in the world on the subject of the geography of the North American continent, and Lewis had full access to that library. Lewis spent hundreds of hours consulting maps and books and conferring with Jefferson at Jefferson's library in Monticello.*

**Distance Of The Trip & How Many Went On The Expedition:** *The entire journey to the west coast and back was approximately 7,000 miles. Lewis and Clark 'discovered' animals that they had never heard of specifically 178 previously unknown species of plants and 122 new animals including coyotes, mountain beavers, grizzly bears and prairie dogs. Other animals that Lewis and Clark described on their return included bighorn sheep, magpies, and pronghorn antelope.*

**Firepower & Supplies:** *The expedition was armed with advanced weapons to display their military firepower. Among these was an Austrian-made .46 caliber Girandoni air rifle, a repeating rifle with a 20-round tubular magazine that was powerful enough to kill a deer. The expedition was also loaded with 200 pounds of gunpowder and over 400 pounds of lead for their flintlock firearms, knives, blacksmithing supplies, and cartography equipment. They also carried flags, gift bundles, medicine, and other items they would need for their journey. Much time went into ensuring a sufficient supply of these items.*

**The Biggest Miscalculation:** *The route of Lewis and Clark's expedition took them up the Missouri River to its headwaters, then on to the Pacific Ocean via the Columbia River, and may have been influenced by the purported transcontinental journey of Moncacht-Apé by the same route about a century before. Jefferson had a copy of Le Page's book detailing Moncacht-Apé's itinerary in his library, and Lewis carried a copy with him during the expedition. Le Page's description of Moncacht-Apé's route across the continent, which neglects to mention the need to cross the Rocky Mountains, may be the source of Lewis and Clark's mistaken belief that they could easily carry boats from the Missouri's headwaters to the westward-flowing Columbia.*

**Help From The Indians:** *The Lewis and Clark Expedition established relations with two dozen Indian nations, without whose help the expedition*



would have risked starvation during the harsh winters and/or become hopelessly lost in the vast ranges of the Rocky Mountains

**The Only Death:** The expedition followed the Missouri through what is now Kansas City, Missouri, and Omaha, Nebraska. On August 20, 1804, Sergeant Charles Floyd died, apparently from acute appendicitis. He had been among the first to sign up with the Corps of Discovery and was the only member to die during the expedition. He was buried at a bluff by the river, now named after him, in what is now Sioux City, Iowa. His burial site was marked with a cedar post on which was inscribed his name and day of death.

**Dog That Made The Journey:** "Seaman" as he was called was a Newfoundland. He was thought to have been purchased by Meriwether Lewis for \$20 (big price tag for the time) while he was in Pittsburgh waiting for the completion of the boats that would be taken on the journey. There is no record as to why Lewis selected a Newfoundland—whether it was simply a dog that caught his attention or whether he selected Seaman because the breed is known for being smart and strong with good swimming ability. Lewis writes that Seaman was skilled at catching and killing squirrels, which Lewis found excellent to eat once "fried." Once on the journey, Seaman attracted positive attention from the Shawnees who offered three beaver skins for the dog, but Lewis said no. On May 19, Lewis notes that Seaman was seriously hurt. One of the men had shot and wounded a beaver, and when Seaman went out to retrieve it, the animal bit him through the hind leg, cutting an artery. Both Lewis and Clark took extraordinary medical measures to save Seaman, and fortunately, the dog pulled through. And only ten days later, Seaman was credited by the men with saving the expedition. During the night a buffalo bull charged through the camp. Another member of the party, Sergeant Ordway, documented in his journal that the great beast passed "between 4 fires & within a few inches of Several men; it was Supposed if he had trod on a man it would have killed him dead. The dog flew at him which turned him from running against the lodge [in] which the officers layed, [and] he passed without doing more damage

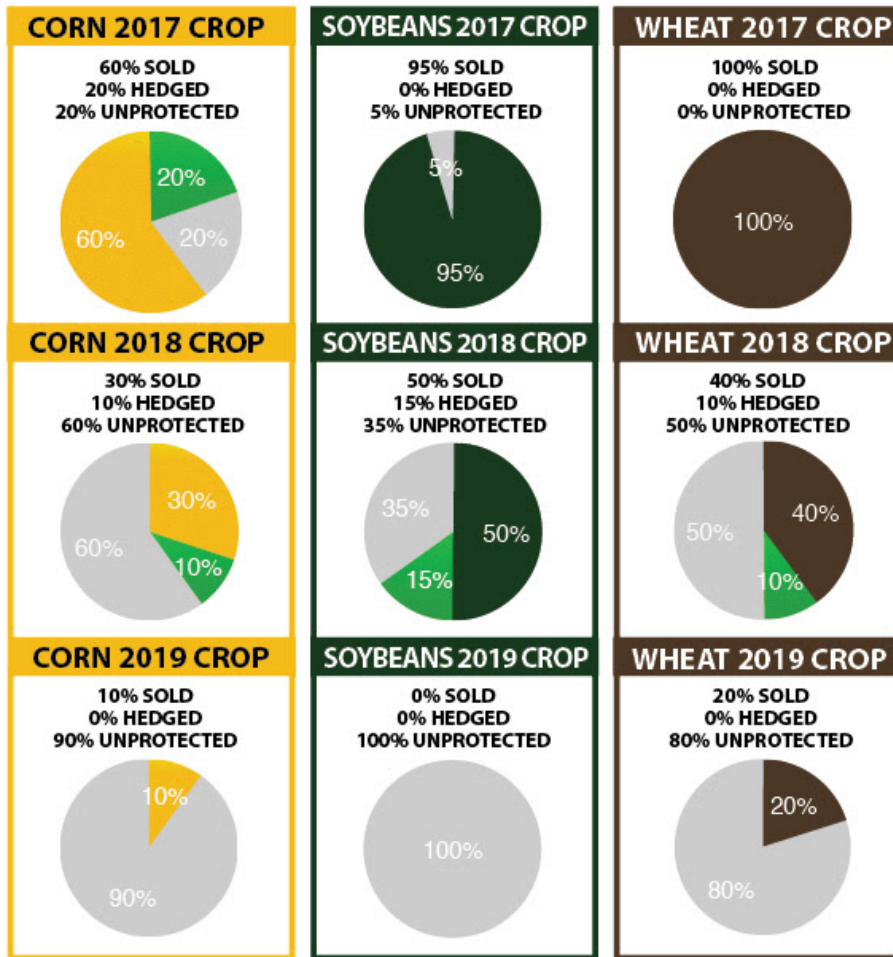
**What About Sacagawea?** Reliable historical information about Sacagawea is very limited. In 1800, when she was approximately 12 years old, she and several other girls were kidnapped by a group of Hidatsa in a battle that resulted in the deaths of several Shoshone. She was kept captive at a Hidatsa village near present-day Washburn, North Dakota. At approximately age 13, Sacagawea was sold into a nonconsensual "marriage" to a French trapper Toussaint Charbonneau, a Quebecois trapper living in the village. He had also bought another young Shoshone, known as Otter Woman, as his "wife." Charbonneau was reported to have purchased both girls to be his "wives" from the Hidatsa, or to have won Sacagawea while gambling. Lewis & Clark agreed to hire Charbonneau as an interpreter because they discovered his wives spoke Shoshone, and they knew they would need the help of Shoshone tribes at the headwaters of the Missouri. Charbonneau selected Sacagawea and the two moved into the expedition's fort a week later. Clark nicknamed her "Janey." On May 14, 1805, Sacagawea rescued items that had jumped out of a capsized boat, including the journals and records of Lewis and Clark. The corps commanders, who praised her quick action, named the Sacagawea River in her honor on May 20, 1805. By August 1805, the corps had located a Shoshone tribe and was attempting to trade for horses to cross the Rocky Mountains. They used Sacagawea to interpret and discovered that the tribe's chief, Cameahwait, was her brother. Because of the relationship the Shoshone agreed to barter horses to the group, and to provide guides to lead them over the cold and barren Rocky Mountains. The trip was so hard that they were reduced to eating tallow candles to survive. When they descended into the more temperate regions on the other side, Sacagawea helped to find and cook camas roots to help them regain their strength. Many believe if it were not for randomly picking up Sacagawea the group would have never made it to the finish line. As the expedition approached the mouth of the Columbia River on the Pacific Coast, Sacagawea gave up her beaded belt to enable the captains to trade for a fur robe they wished to give to President Thomas Jefferson. On the return trip, they approached the Rocky Mountains in July 1806. On July 6, Clark recorded "The Indian woman informed me that she had been in this plain frequently and knew it well... She said we would discover a gap in the mountains in our direction..." (which is now Gibbons Pass). A week later, on July 13, Sacagawea advised Clark to cross into the Yellowstone River basin at what is now known as Bozeman Pass. Later, this was chosen as the optimal route for the Northern Pacific Railway to cross the continental divide. Sacagawea is believed to have passed away in 1812 at the age of 25. Interestingly, her and Charbonneau had given formal

custody of her son to William Clark in hopes of a or a boarding school education and a better life.



**ANSWER to riddle:** Shadow.

**CASH SALES & HEDGING TOTALS**



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