

## GOOD MORNING: 05/15/18 Farm Direction - VanTrump Report

2 messages

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

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"Always forgive your enemies; nothing annoys them so much." — Oscar Wilde

**TUESDAY, MAY 15, 2018**  
[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks are steady to slightly lower this morning as the 10-year Treasury pushes its head back above 3%. The Dow is coming off eight straight higher closes, something we haven't seen happen in over eight months. Bulls are thinking we are seeing easing trade tensions between the U.S. and China and closer to finding common ground. There's also a bit more talk that the U.S. dollar might be running out of upside momentum as short-covering has clearly slowed. I am also hearing more questions about rising crude oil prices and if they will really have the negative impact on the overall U.S. economy that many are forecasting. Some insiders are thinking since the U.S. has become the world's second largest producer and a much larger global exporter, the rising price will have a much different impact than it did last time around. Meaning the higher prices will go a long way towards increasing margins at the oil companies and helping them to expand, hire more employees and pay more in wages and bonuses. Net-net, any slowdown in U.S. consumer spending might come back full-circle as U.S. oil companies make more money. From what I understand, U.S. oil imports have fallen by over -40% in real dollars since 2005, while U.S. oil exports are up over +300% during the same period. Interesting to think about how the underlying dynamics have shifted and changed... As for today, the market will be digesting updated U.S. retail sales numbers, U.S. Empire Manufacturing, and the latest NAHB Housing Index. We will also have two Fed speakers, as well as ongoing political headlines out of Washington, where there seems to be many moving parts. I continue to reduce the number of different stocks I have been holding in my portfolio, but remain bullish my selected longer-term plays. I also continue to stick with my Bitcoin and Bitcoin Cash positions.

**Largest Cryptocurrency Conference** kicked off yesterday in New York. Tickets were reportedly going for about \$2,000 each for the three-day event. Last year's attendance was about 2,500, this year's number will be nearly 8,500. Some noted attendees and speakers included legendary Chair and CEO of Fed Ex, Fred Smith, Senior VP of IBM, executives from Deloitte, Microsoft and Credit Suisse, as well as executives from industries including real estate, automotive, banking, travel, etc. Federal Reserve's St. Louis President Jim Bullard was speaking as well as representatives from the SEC and CFTC, who spoke on enforcement and regulation. It's hard to doubt the legitimacy of blockchain or cryptocurrency technology with all these heavy hitters in attendance. [Read more HERE.](#)

**FAANG Driving The Market:** Facebook, Apple, Amazon, Netflix and Google collectively make up over 12% of the weighting in the S&P 500. There's also some argument that these stocks have become more highly correlated to the overall stock market, meaning they might not be as insulated from the market extremes like they have been during the past few years. This is certainly something to consider if you are holding overweighted positions.

**Apple Making Its Move Into Driverless Vehicles:** The California Department of Motor Vehicles has confirmed that Apple has 55 self-driving vehicles and 83 drivers permitted to test on the state's roads. The company had about 45 self-driving vehicles in January. Apple hasn't yet applied for a separate driverless testing permit that would allow for testing without a person in the car, but the California DMV began issuing that type of permit in April. (WallStreet Breakfast)

### Today In History



#### 1756, French-Indian War -

The Seven Years War, a global conflict known in America as the French and Indian War, officially begins when England declares war on France. However, fighting and skirmishes between England and France had been going on in North America for years. In the early 1750s, French expansion into the Ohio River valley repeatedly brought France into armed conflict with the British colonies. In 1756—the first official year of fighting in the Seven Years War—the British suffered a series of defeats against the French and their broad network of Native American alliances. However, in 1757, British Prime Minister William Pitt (the older) recognized the potential of imperial expansion that would come out of victory against the French and borrowed heavily to fund an expanded war effort. Pitt financed Prussia's struggle against France and her allies in Europe and reimbursed the colonies for the raising of armies in North America. By 1760, the French had been expelled from Canada, and by 1763 all of France's allies in Europe had either made a separate peace with Prussia or had been defeated. In addition, Spanish attempts to aid France in the Americas had failed, and France also suffered defeats against British forces in India. The Seven Years War ended with the signing of the treaties of Hubertusburg and Paris in February 1763. In the Treaty of Paris, France lost all claims to Canada and gave Louisiana to Spain, while Britain received Spanish Florida, Upper Canada, and various French holdings overseas. The treaty ensured the colonial and maritime supremacy of Britain and strengthened the 13 American colonies by removing their European rivals to the north and the south. Fifteen years later, French bitterness over the loss of most of their colonial empire contributed to their intervention in the American Revolution on the side of the Patriots.

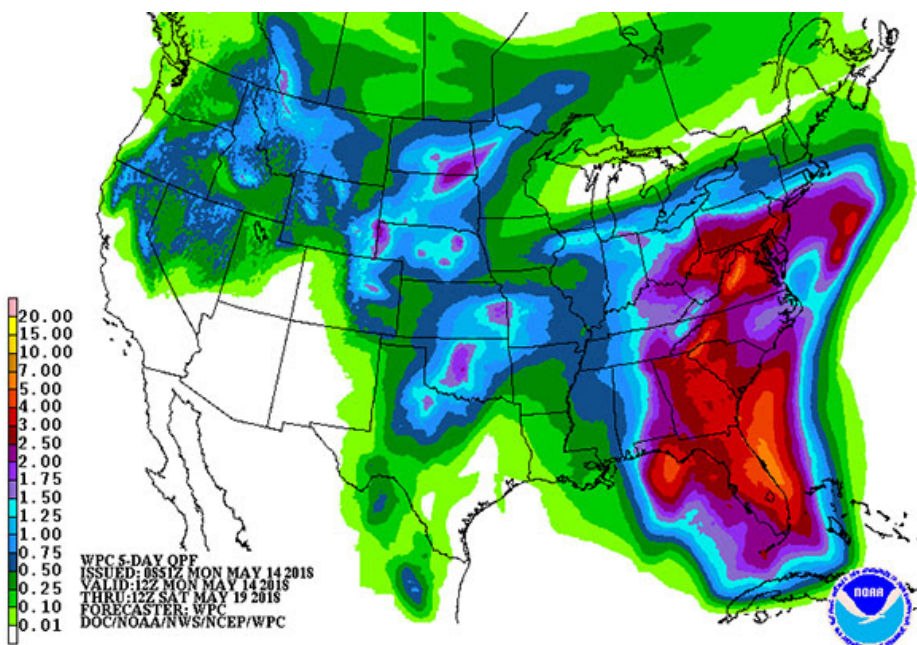
# neuro mining



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

**TODAY'S RIDDLE:** I have two legs, but they only touch the ground while I'm at rest. What am I?

**Weather** across the Corn Belt has seen warm weather continue to promote planting activities, as well as crop germination and growth, in much of the Ohio Valley. In contrast, very wet conditions exist, following recent and ongoing downpours, in a strip across the northern Corn Belt that includes southern Minnesota, northern Iowa, and southern sections of Wisconsin and Michigan. On the Plains, scattered showers are slowing fieldwork but boosting topsoil moisture. Rain is especially beneficial in drought affected areas on the southern Plains, where producers are currently making final spring planting decisions and nearing the conclusion of a difficult winter wheat season. In the South, increasing showers are helping to ease or eliminate any remaining dryness in the southern Atlantic region. Elsewhere, warm, humid weather favors rapid crop development pace. A slow moving cold front draped across the Midwestern and Mid-Atlantic States will remain the focus for heavy showers and locally severe thunderstorms. Some of the heaviest rain, locally 2 to 4 inches, may fall in the Mid-Atlantic States. Farther west, beneficial showers will dot the Plains, with many areas receiving at least an inch during the next 5 days. Elsewhere, the Northwest will also experience showery weather. The 6 to 10 day for May 19 - 23 calls for near to above normal temperatures and precipitation across most of the country. Cooler than normal conditions should be limited to portions of the central Plains, while drier than normal weather will be limited to parts of eastern Texas and across the nation's northern tier from northern Montana to Upper Michigan. Below is the 5-day precipitation map. as you can see, rainfall is prevalent across much of the midwest and very heavy all up and down the Atlantic Seaboard.



**Corn** bulls really don't have much fresh or new to chew on. The South American production problems have been well advertised and as I suspected, all talks of U.S. planting delays have mostly dissipated. The USDA showed 62% of the U.S. crop now



## 1800, The White House -

President John Adams orders the federal government to pack up and leave Philadelphia and set up shop in the nation's new capital in Washington, D.C. After Congress adjourned its last meeting in Philadelphia on May 15, Adams told his cabinet to make sure Congress and all federal offices were up and running smoothly in their new headquarters by June 15, 1800. Philadelphia officially ceased to serve as the nation's capital as of June 11, 1800. At the time, there were only about 125 federal employees. Official documents and archives were transferred from Philadelphia to the new capital by ship over inland waterways. President and Mrs. Adams did not move in to the (unfinished) president's mansion until November of that year. Settling in to the White House was a challenge for the new first lady. In December, Abigail Adams wrote to a friend later she had to line-dry their clothes in what eventually became the East Room.



## 1942, WWII -

Gasoline rationing begins in 17 Eastern states as an attempt to help the American war effort during World War II. By the end of the year, President Franklin D. Roosevelt had ensured that mandatory gasoline rationing was in effect in all 50 states. America had been debating its entrance into World War II until the Japanese attack on Pearl Harbor on December 7, 1941. The following day, Congress almost unanimously approved Roosevelt's request for a declaration of war against Japan and three days later Japan's allies Germany and Italy declared war against the United States. On the home front, ordinary Americans almost immediately felt the impact of the war, as the economy quickly shifted from a focus on consumer goods into full-time war production. As part of this transformation, women went to work in the factories to replace enlisted men, automobile factories began producing tanks and planes for Allied forces and households were required to limit their consumption of such products as rubber, gasoline, sugar, alcohol and cigarettes. Rubber was the first commodity to be rationed, after the Japanese invasion of the Dutch East Indies cut off the U.S. supply; the shortage of rubber affected the availability of products such as tires. Rationing gasoline, it was reasoned, would conserve rubber by reducing the number of miles Americans drove. At first, the government urged voluntary gasoline rationing, but by the spring of 1942 it had become evident that these efforts were insufficient. In mid-May, the first 17 states put mandatory gasoline rationing into effect, and by December, controls were extended across the entire country. Ration stamps for gasoline were issued by local boards and pasted to the windshield of a family or individual's automobile. The type of stamp determined the gasoline allotment for that automobile. Black stamps, for



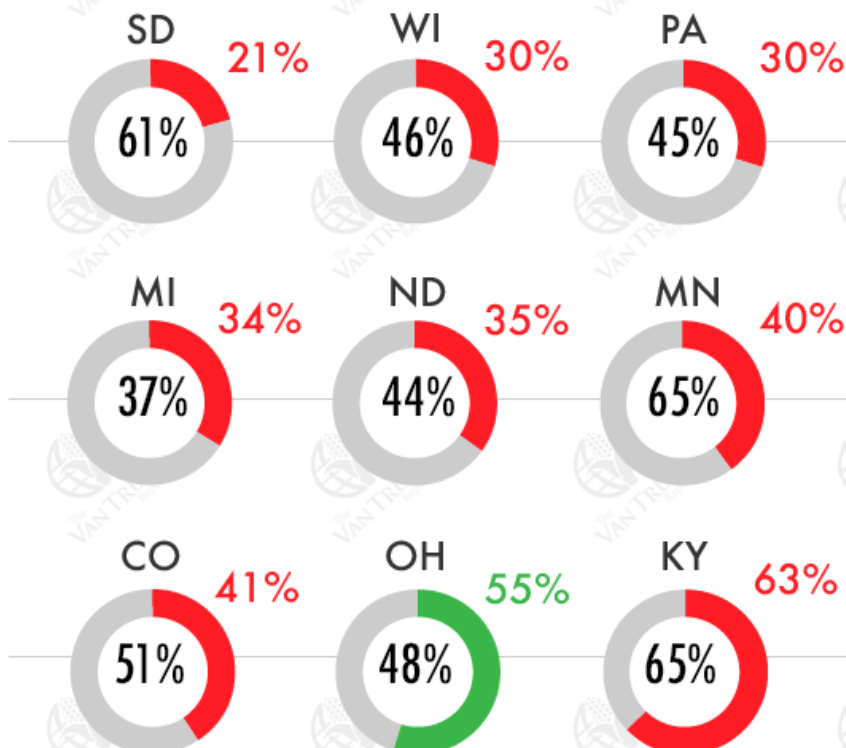
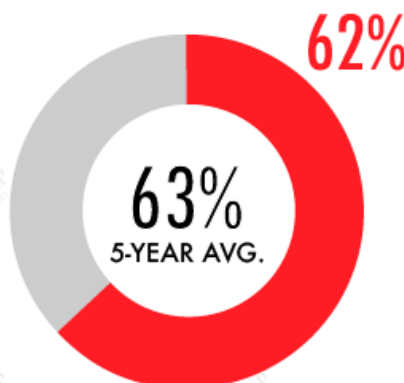
planted vs. the 5-year average of 63%, in other words there's not a lot of widespread worry or fear. States planting the largest percentage last week were: Ohio who planted a whopping 32% of their crop last week; Indiana and Minnesota both planted 31% of their crop last week; Nebraska planted 30%; Kentucky planted 26%; Iowa planted 25%. States running the furthest behind and still being monitored are: South Dakota who is still -40% behind their average pace of planting; Minnesota who is -25% behind their average; Wisconsin who is -16% behind; Pennsylvania who is -15% behind; Colorado -10% behind; North Dakota -9% behind; and Iowa -5% behind. The USDA also reported that 28% of the U.S. crop is now "emerged", which is actually +1% ahead of the traditional 5-year average. Bottom-line, the planting pace in South Dakota and Minnesota are still being monitored, but the trade isn't giving it a ton of consideration. From a technical perspective, I still feel like the old-crop JUL18 contract is going to stay in a price range of between \$3.80 and \$4.20 per bushel based primarily on nearby trade and weather headlines. Keep in mind, the JUL18 contract has not closed back above \$4.20 since the middle of last July. I know this is a wide range, but we have some big uncertainty in the way of U.S. weather and political trade negotiations. If I had to pick a 40 cent range in the new-crop DEC18 contract I would say the market nearby will stay within the \$4.00 to \$4.40 range. Unfortunately, the DEC18 contract has never traded above \$4.30 in the past year. The high was posted back in mid-July at \$4.29^4. I suspect we are going to need positive headlines regarding NAFTA and Chinese trade along with a little U.S. weather concern in June or July to breakout to the upside... staying patient!

## Corn Planted Pace Percent

**Week 19**  
week ending May 13, 2018

Source: USDA, NASS Crop Progress

### 2018 U.S. Corn Planted Percent Ratings



example, signified non-essential travel and mandated no more than three gallons per week, while red stamps were for workers who needed more gas, including policemen and mail carriers. As a result of the restrictions, gasoline became a hot commodity on the black market, while legal measures of conserving gas—such as carpooling—also flourished. In a separate attempt to reduce gas consumption, the government passed a mandatory wartime speed limit of 35 mph, known as the "Victory Speed."

### 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

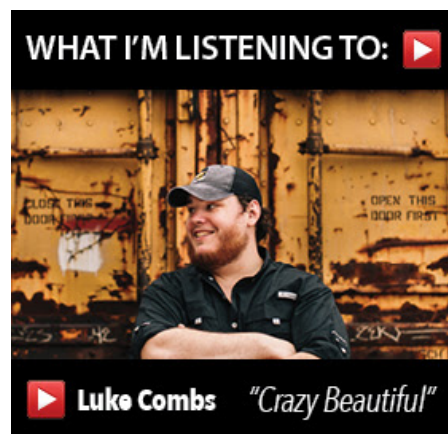
**Fri. 6/22** - Cattle on Feed

**Fri. 6/22** - Cold Storage

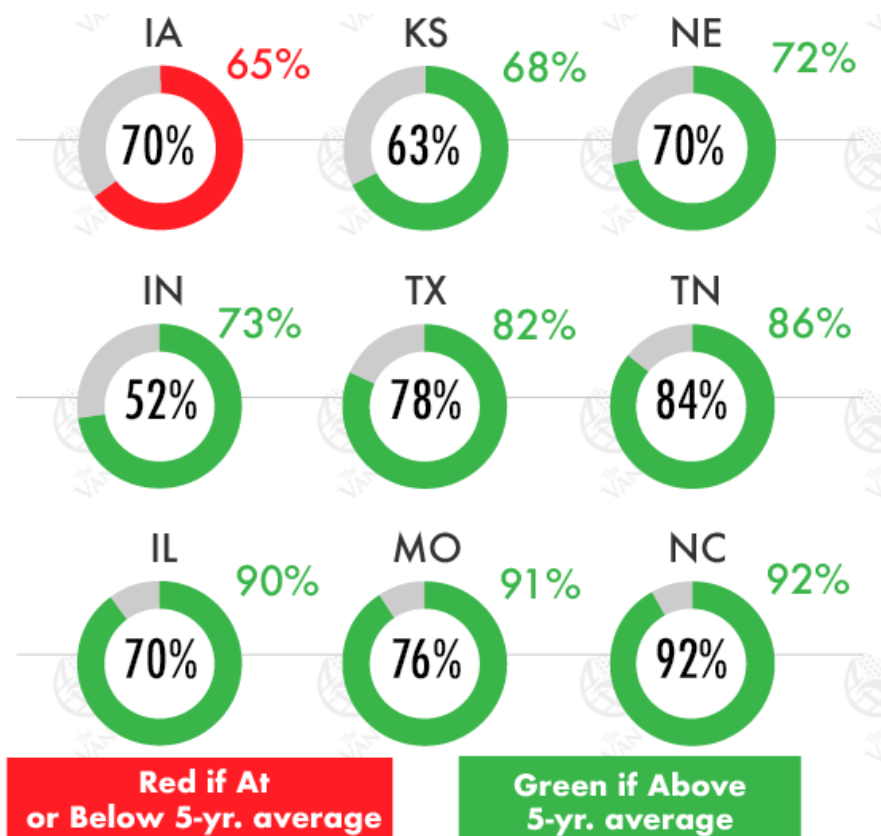
**Thurs. 6/28** - Quarterly Hogs and Pigs

**Fri. 6/29** - Quarterly Stocks and Acreage

### Kevin's Song of the Week



### Kevin's Song of the Week



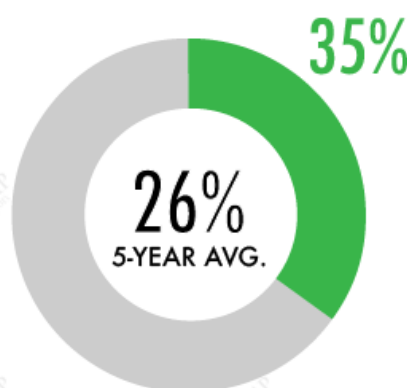
**Soybean** bulls are eager to see what comes from negotiations with China's chief economic leader, Liu He, who is scheduled to be meeting in Washington the remainder of this week. Bulls were excited yesterday to hear talk that President Trump might offer up some relief for China's ZTE corporation in exchange for Chinese leaders removing tariffs on billions of dollars of U.S. agricultural products. Unfortunately, I'm hearing talk and headlines this morning that Chinese leaders are saying they are still a long ways apart, so who knows? Here at home, the USDA is showing U.S. producers have now planted 35% of the soybean crop vs. the 5-year average of 26% by this date. States showing the biggest gains this past week were: Illinois planted a whopping 37% of their crop; Indiana planted 30%; Nebraska planted 25%. States running behind schedule are: Minnesota -26% behind their historical average pace; South Dakota -18% behind; North Dakota -9% behind; Wisconsin -4% behind. Similar to the corn market, I don't really see anything new or exciting. There's still a ton of unknown involving trade negotiations and U.S. weather, but both of those headlines might take more time to come to fruition than the bulls have been forecasting. I'm staying optimistic longer-term, but still believe we could see lower prices before the next running of the bulls...

## Soybean Planted Pace Percent

**Week 19**  
week ending May 13, 2018

Source: USDA, NASS Crop Progress

## 2018 U.S. Soybean Planted Percent Ratings



SD

18%

MN

11%

ND

10%

## 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!

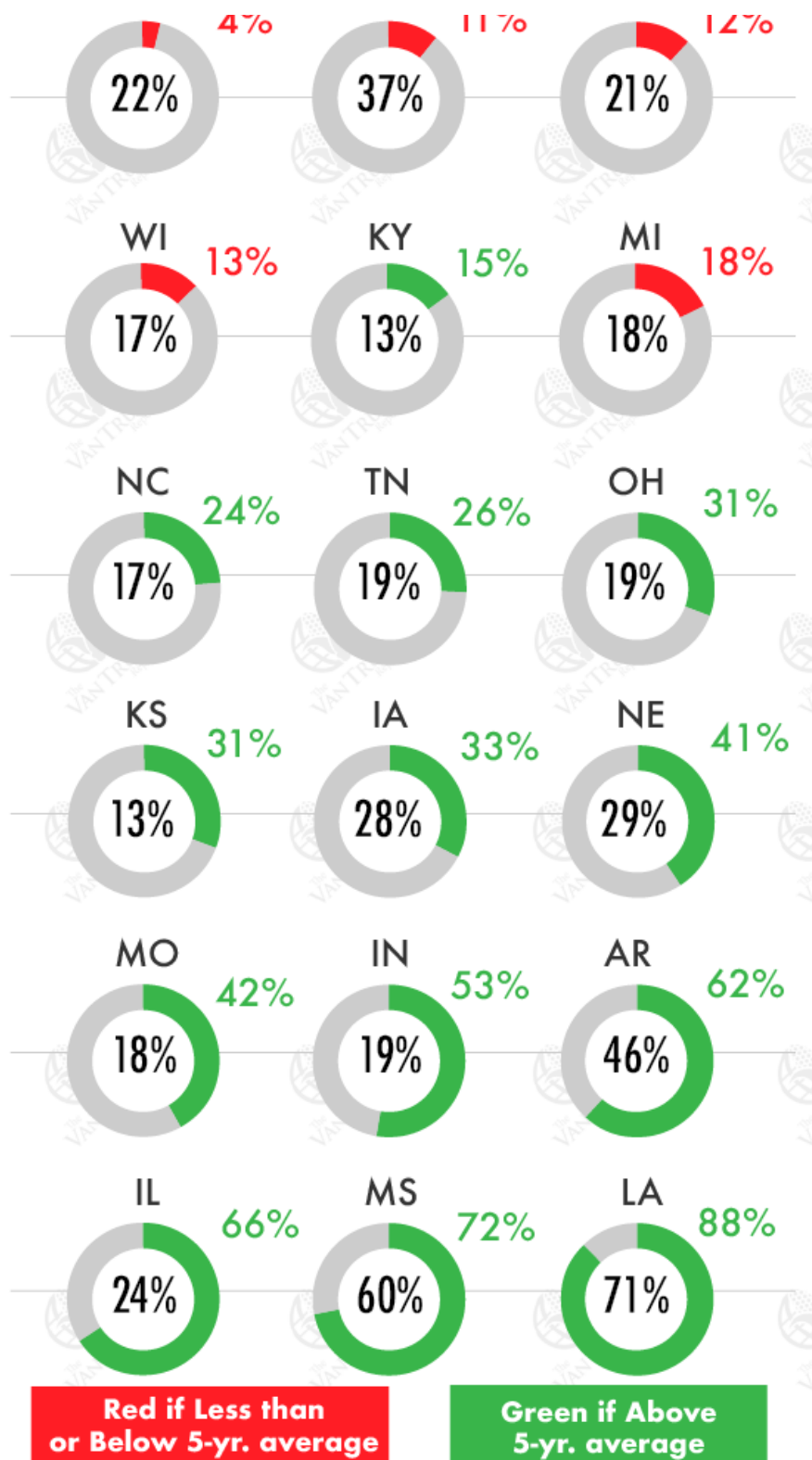
*Kevin Van Trump*

## 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



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** bears are pointing to slightly improved moisture conditions in parts of Russia, Ukraine and the U.S. Bulls continue to talk about poor conditions remaining in there Southern Plains, but there are some chances of rain in the forecast. Unfortunately, low-cost providers in the Black Sea region and parts of Europe are still making it extremely difficult for U.S. exporters to gain traction. U.S. exports clearly remain a disappointment and overly burdensome domestic and global supply enables the bears to stay engaged on the short-side. I should also note, the USDA reported the winter wheat crop improved last week by +2%, but still remains at just 36% rated "Good-to-Excellent". For what it's worth, both the Kansas and Oklahoma crops improved slightly. The USDA also reported U.S. spring wheat planting has jumped from 30% to 58% planted, but is still below the five-year average of 67%. Spring wheat is thought to be just 14% "emerged" vs. the 5-year average of 36%. As a producer, I am in no hurry to price more bushels or reduce longer-term risk. As a spec, I still believe we could see lower prices during the next few weeks.



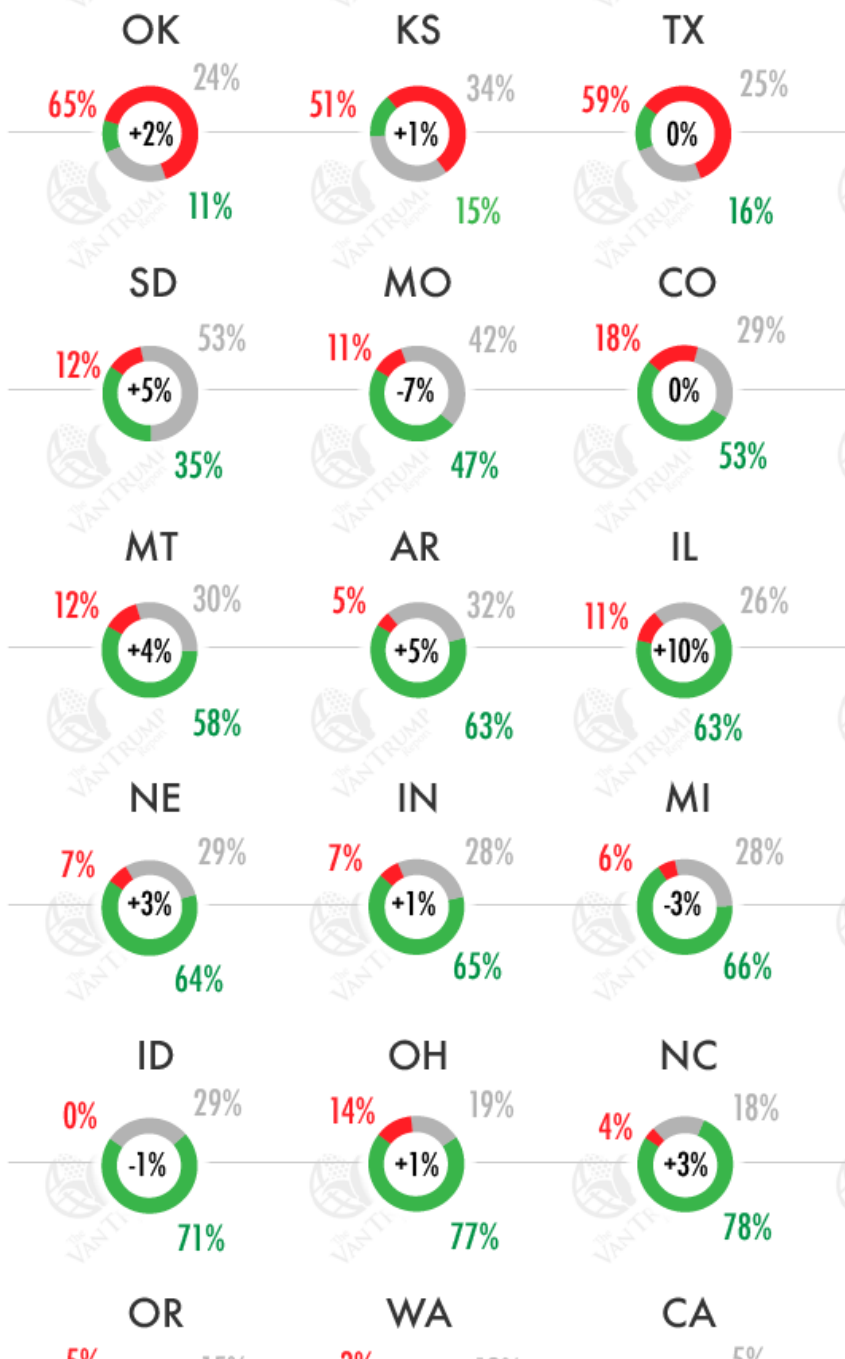
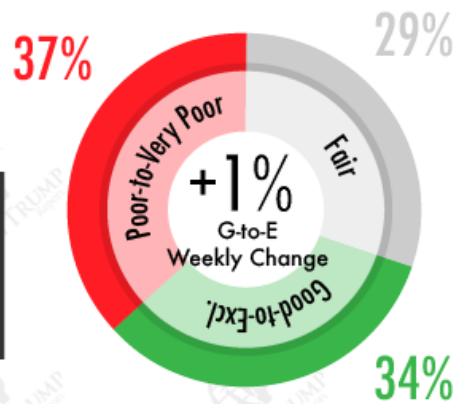
# Winter Wheat Crop Conditions

Week 19

week ending May 13, 2018

Source: USDA, NASS Crop Progress

## 2018 U.S. Winter Wheat Conditions Ratings



Farm Direction

RECIPES

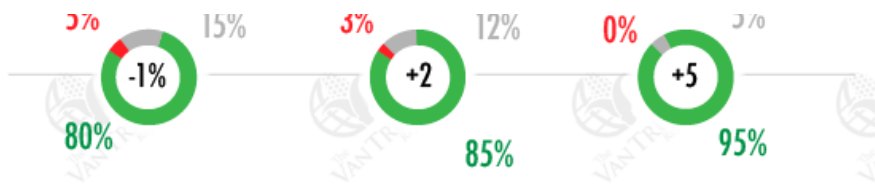
## ★ FAMILY FAVORITES ★

-SENT IN BY OUR READERS-



Honey Mustard Bacon Brats

CLICK TO SEE RECIPE



**> The Ethanol Blending Debate May Lead To Higher Octane Gas:** Automakers, led by the Detroit 3, and others now sense an opportunity to create a national high-octane standard that satisfies all stakeholders. It would involve piggybacking on legislative efforts to reform controversial mandates for blending biofuels such as ethanol into the nation's fuel supply. With the auto industry under pressure to comply with higher fuel economy and emissions standards next decade. One way to do that is to pursue a national standard for high-octane fuel. Of course, this change would be monumental in scope and take some major cooperation from all involved. Plus, electric and fuel-cell cars are poised to overwhelm the market long before new octane standards would be implemented. But maybe it will happen... (Source: Automotive News)

**> Argentine Peso Continues To Tumble:** Argentina's peso has fallen to a record low, tumbling almost -7% to 25 per U.S. dollar, as the IMF said it won't set any exchange-rate targets for a stand-by arrangement. That pushes the currency's decline this year to 2-6%, the worst in emerging markets. President Mauricio Macri spoke by phone with President Trump on Monday, and said the U.S. supported his discussions with the IMF. (Source: SeekingAlpha)

**> U.S. Corn Pressures Ukraine Old Crop:** Exports of old crop corn from Ukraine are under pressure as demand has dropped and U.S. stocks offer strong competition. Port loadings in handy-sized vessels in panamax vessels in May and June were as low as \$199/mt Monday versus \$210/mt later in April. Year-on-year, exports have fallen 13% to 15.2 mmt - with a lack of purchases by China seen causing the decrease.

**> South Dakota Trying To Catch Up:** The Federal Agriculture Department says in its weekly crop report that 4 percent of soybeans is seeded, compared to 26 percent at this time last year, and 21 percent of corn is planted, well behind the 71 percent figure at this time in 2017. Spring wheat planting, which was wrapping up at this time last year, was at 79 percent. Topsoil moisture supplies are rated 88 percent adequate to surplus and subsoil moisture is 74 percent in those categories, a slight increase from last week. (Source: [usnews.com](http://usnews.com))

**> Saudi Arabia Saves On Barley As Supplies Increase:** Saudi Arabia's state grain buyer SAGO returned to the market, buying 1.5 million mt of July-August arrival feed barley at \$228.61/mt CIF. The deal saw cargoes sold by multinationals including Glencore, Louis Dreyfus, Cofco, CBH and Casillo. Prices are around 8% lower than at its previous tender in March for May-June arrival. The lower price reflects the timing of the tender, as the northern hemisphere transitions from old crop to new crop and supply to the market increases. (Source: Agricensus)

**> Game Changing Ethanol Project:** The new Element LLC ethanol plant, a joint venture between The Andersons Inc. of Monclova Township, OH, and Colwich, KS-based ICM Inc., has those in the biofuels industry saying the project could be a game-changer, according to a report at The Blade. Announced in early March and now in the early stage of construction, the Element plant is a \$175 million joint investment. When operational it is projected to produce 70 million gallons of ethanol annually, while also having the lowest annual carbon footprint of any ethanol plant now operating. (Source: [feedandgrain](http://feedandgrain))

**> Iowa Thought To Have Largest Exposure To China's Tariffs:** China's proposed tariff on soybeans would hit Iowa's economy the hardest of any soybean producing state. Iowa exported \$2 billion soybeans to China in 2016, which made up 4 percent of the state's economy. Though they run a close second to Illinois, they have much more economic exposure to the crop. Remember that China purchased \$14 billion of the commodity last year. (Source: USA Today)

**> Frozen Foods Are Hot:** Thanks to millennials and others seeking out more convenient and less-expensive meal options, the sale of Frozen foods are increasing. From what I understand, volume this year is growing for the first time since 2013. I'm told consumers are looking for easy meal solutions — frozen breakfast waffles and frozen pasta entrées are two popular examples. It's worth noting, millennial households shelled out 9% more per shopping trip for frozen foods last year than other groups. (Source: fooddive)

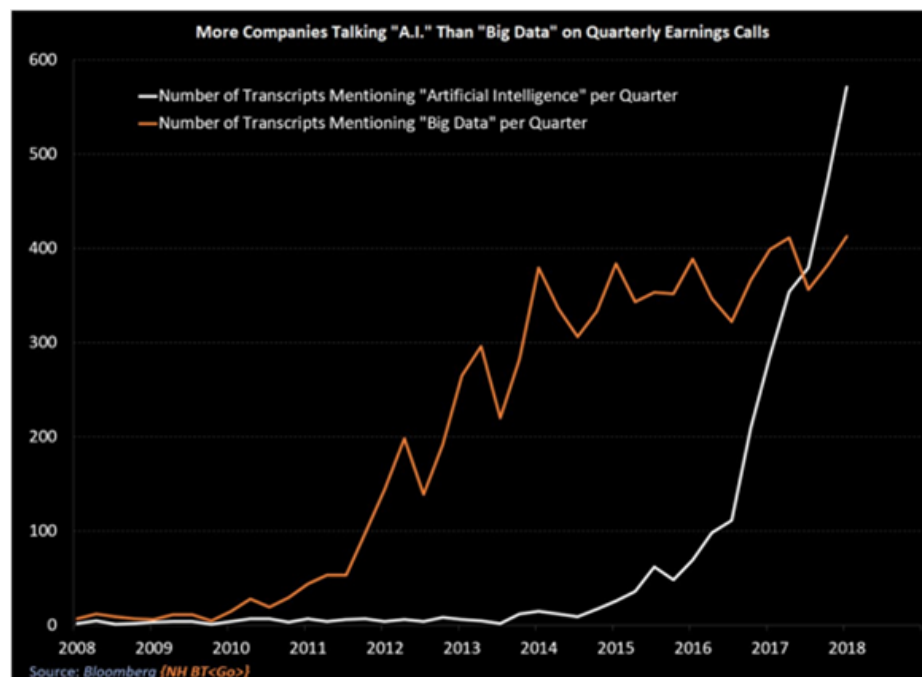
**> Living Close to Livestock Might Lower Allergy Risk:** Exposure to farms seems to reduce the risk of allergy sensitivity, even among adults and living close to a livestock farm in particular might curb common allergies according to a Dutch study. Based on more than 2,400 adults in the Netherlands, researchers found that people who lived within about 1,000 feet of a farm, but were not farmers themselves, were about 21% less likely to experience a range of allergies compared to those living 1,640 feet away or more. The results were similar when researchers looked specifically at proximity to cattle or pig farms, though not for poultry farms. (Source: Reuters)

**> U.S. Lawmakers Call for Regulation of Lab-Grown Meat:** The agriculture appropriations bill moving through the House contains a provision that calls for oversight of lab-grown meats. A one-sentence proposal in the bill would put the USDA in charge of regulating products made from the cells of livestock or poultry, and instructs the agency to issue rules about how it will oversee their manufacture and labeling. The provisions have been met with criticism, including — but not limited to — the U.S. Cattlemen's Association who wants to limit the use of the terms "beef" and "meat" on labels to products taken from animals that have been born, raised and harvested in the traditional manner. (Source: ScienceMag)

**> Cryptocurrency ETPs Could Be Right Around the Corner:** The Winklevoss twins, founder of the Gemini crypto exchange, won a patent for a trading system for ETPs tie to cryptocurrencies. That is not a typo — "exchange-traded products" is a broad category, the most familiar example of which is exchange-traded funds or ETFs. Currently, the SEC has yet to green-light any bitcoin-related ETFs on exchanges. However, this hurdle is notable step towards creating derivative products based on cryptocurrencies. (Source: CoinDesk)

**> General Miller Makes a Big Bet On Organic:** Food giant, General Mills has a private equity group to help convert a 34,000 acre conventional farm in South Dakota into organic cropland by 2020. The farm will act as a sort of experimental station for soil health practices as well — something related, but technically separate, from organic farming principles. The farm will be one of the nation's largest contiguous organic farms. GM made a similar transition agreement in 2016 with Organic Valley to help convert conventional dairy farms to organic. (Source: Minnesota Star Tribune)

**> "Artificial Intelligence" Dominates Earnings Calls:** Here's something to think about: in the recent first quarter earnings calls, "AI" and "Big Data" mentions continued to increase as the space becomes more relevant to business. As you can see from chart below. The mention of Artificial Intelligence was the far-and-away winner. (Source: Bloomberg)







# FROM THE FIELD

**Ohio** - We finished with our corn and beans but I know there are a lot of guys across the state, especially up north that haven't turned a wheel yet. A lot of guys are waiting on the next round of showers to pass on by before starting. A lot of folks don't want to deal with the replants like last year, so they are a bit gunshy. We will put in some wheat here this week then get to hauling some manure. We had a good year last season and got rid of all the crops, we are seeing some folks up near Columbus getting some solar panel contracts at some great prices, but I'll admit I don't know any of the details, so hopefully, it's a good long-term play.

**Northeast North Dakota** - We had some record snowfall in our area this winter, which may have caused a bit of problem with the winter wheat. Everything looked good coming out of dormancy, then in late April, we threw down some urea on dry fields. Shortly thereafter we got a bit of rain followed by more the next day for a total around a third of an inch. Funny thing was when I checked the field a week later the sandy soil acted like nothing was applied but the heavier soil was green as could be. Usually, we only see that on the lighter soils after a much heavier rain.

**Northwest Texas** - We got rid of our winter wheat a week ago as it was a total bust. We went from October 10th to mid-April with only one inch of rain. Most of the guys near me are not looking good on production numbers. We also have some irrigated corn, which has emerged very nicely as well as cotton and milo. We do seed milo and it can be a bit of a risky game as well. There are plenty of opportunities to get docked by the elevators if the milo isn't just right. On top of that we run about 300 head of cattle.



## CROSSING WIRES

A place to share intelligent thoughts...

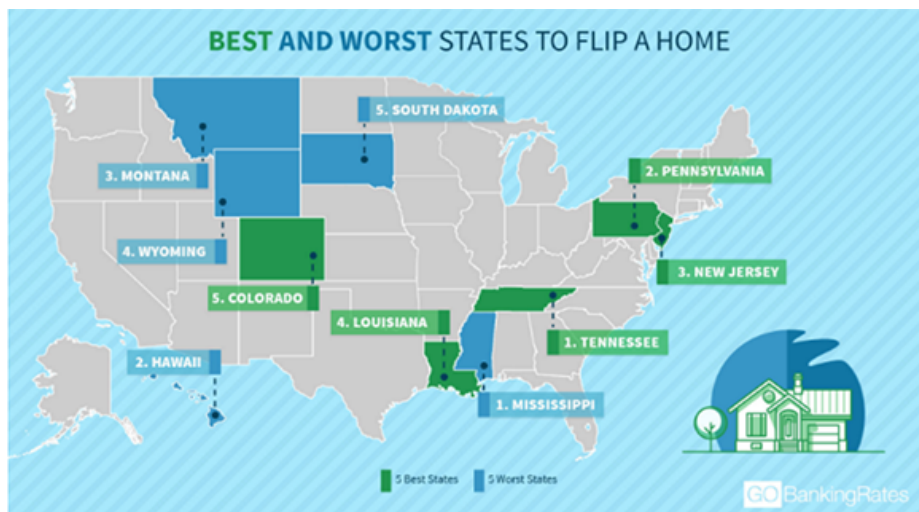
**Finding A New Market:** Iowa farm kids joining the family business have been adding livestock to boost income opportunities for decades, you know, like pigs, cattle dairy cows and sheep. But Shelby Smith has chosen a chirpier path: crickets. In all fairness, it was her father, Dennis Smith, who suggested the 27-year-old find a niche when she returned to work the family's rural Story County corn and soybean farm after living in Ireland for nearly five years. "You don't want to fight this corn and soybean market that I've been fighting for 30 years," Smith said, recalling her father's advice. "If you can find a niche, go after it." Find out how Smith plans to make a go of an alternative protein source [HERE](#).

**IoT Is Making Golf Cool Again:** Dr. Paul Bailo, an amateur golf player and an academic at Columbia University who specializes in applied analytics, believes golf is misunderstood. Bailo argues that golf is a complex game to master and that many beginners are intimidated by the golf etiquette established generations ago. Simply put? "Golf became 'uncool'." However, he believes the sport might have an unlikely savior: the Internet of Things (IoT). See how tech is bringing new generations into the sport [HERE](#).

**How NASA Plans To Scout Mars in 2020:** The next vehicle NASA is sending to Mars nestles somewhere between a rover and a satellite, at least in terms of altitude. The agency is bundling an autonomous helicopter with the Mars 2020 rover to test airborne vehicles on the red planet. A successful test could open the door to using helicopters as scouts on future missions, surveying terrain that might be difficult for rovers to navigate and even accessing locations that are unreachable via ground travel. Check out more [HERE](#).

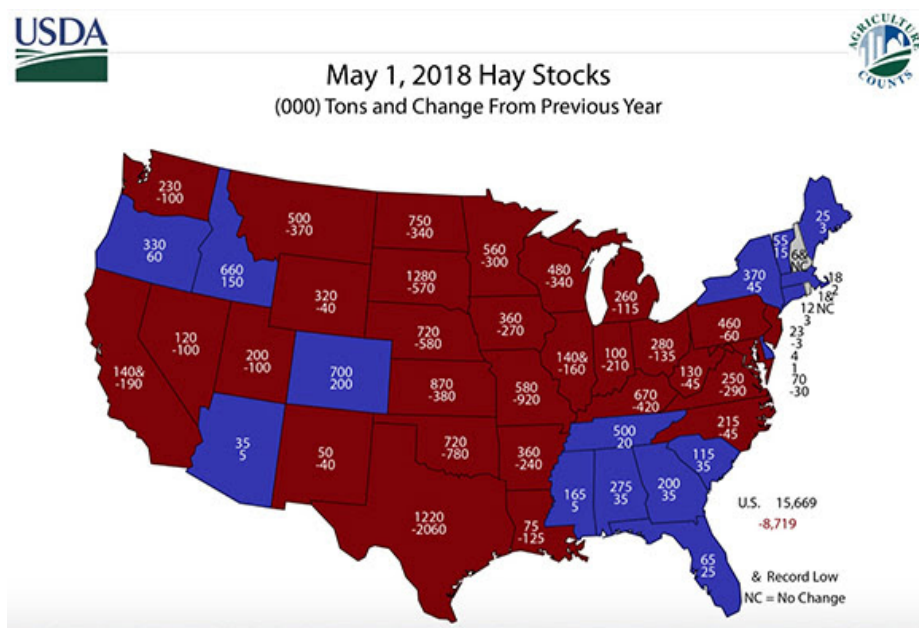
**Is There Anything This Office Can't Do?** When you pull up for work at Deloitte's new office building in Amsterdam, the garage automatically recognizes your car or bike, opens the gate, and guides you to a parking spot and a free electric charger. The office app assigns you a desk, based on your schedule for the day and whether you're in the mood for a standing desk or a place to concentrate. Welcome to the Edge, the most connected office anywhere. The building's massive network of sensors—around 40,000—is unprecedented and there isn't much it can't do for you based on the data it collects. See what else the office space of the future has planned [HERE](#).

**Know This Before Flipping A House:** When it comes to flipping a house, your profits could depend a lot on what state you're in. If you're in an East Coast state like Maryland, you might get more bang for your buck. If you're west of the Mississippi River, on the other hand, you could find it more difficult to turn a real profit since properties there tend to stay on the market for longer. To find the best and worst states for flipping a house, GOBankingRates analyzed data from real-estate site Zillow and property-data warehouse ATTOM in four key categories. See their results [HERE](#).



### U.S. Hay Prices Are Red Hot

All hay stored on United States farms May 1, 2018, totaled just 15.7 million tons, down -36 percent from a year ago. Lower production in 2017, coupled with a higher cattle inventory as of January 1, 2018, has reduced the available hay stocks. April snow in the Northern Plains, and dry pasture conditions stretching from the Southwest to the Southern Plains, have extended supplemental feeding, further reducing available hay stocks. In fact, the six largest hay producing states in the U.S. have seen their stocks fall by a total of -65%. Texas is now reporting hay stocks of just 1220 vs. 3280 at this time last year. Lets just say in many locations across the U.S. hay has become an extremely hot commodity. Many of the hay auction companies are reporting very strong prices. Even the low-quality hay used for grinding for beef and dairy cattle is fetching unusually high prices. I heard one report a couple of weeks back in April, that a sale in Iowa was seeing prices for large squares of utility grinding hay hit \$165 per ton. A whopping five times the price from a year earlier, when similar bales were bringing around \$30 per ton. A lot of folks I'm talking to think this might be a good time to sell hay. Simply thinking we aren't going to have this many cattle on feed with this shortage of supply later on in 2018. They are also doubting the dairy players will be wanting to milk this many dairy cows with cheap milk prices moving into the winter.



### US Supreme Court May Have Just Helped Legalize Sports Gambling

Political insiders are saying yesterday's Supreme Court ruling could help states legalize sports gambling. The court ruled in favor of New Jersey, which attempted to legalize

sports betting in 2014, by removing a law that prohibited gambling on college sports at horse-racing tracks and casinos. In a 6-3 ruling, the Supreme Court said that act unlawfully "commandeered" states' right to legislate on matters not expressly reserved to the federal government in the Constitution. Bottom-line, the highest court essentially sided with the state of New Jersey, which has waged a six-year battle to allow sports betting within its borders. New Jersey argued the federal law was an intrusion upon states' rights, and the Supreme Court seems to agree. The court said the 1992 law exceeded the powers of Congress. Further explaining that Congress can regulate sports gambling directly, but it can't direct states on how to regulate their own citizens. Interesting... (Source: Wall Street Journal; Financial Times)



### **Staying In The Trees Might Be Some Summer Fun...**

Many of us have memories of time spent playing in a local tree houses. Often times they weren't much to look at but seemed to always provided a feeling of "getting away." As it turns out, there are now some great lodging options that take on a similar appeal. With summer vacations right around the corner, this might be something worth looking into. Prices are said to range from \$100 a night to over \$600, with amenities varying at each location. If you ever get to visit one, please send some pics! Even if you don't get the opportunity, I thought you would appreciate the beauty of the structures and the amazing views. In my opinion, some of these are truly works of art.

I think Michelle and I are going to try and visit a couple... Be sure to click the links for more great pictures and information. (Source: [Thrillist](#))

**Original Treehouse Cottages: Eureka Springs, Arkansas** - *If you have never been to Eureka Springs, it's definitely worth a visit. Michelle and I occasionally make it there after we visit the kids at school. Besides the cottages in the sky there is so much to do. This hotel offers treehouse accommodations on a wooded hillside right by Downtown, or if you want a more secluded experience you can opt to stay in their "Hidden Forest" about a mile away. Either way you're getting your own little slice of treetop luxury. Not only that, but there's a jacuzzi completely encircled with windows, offering a 365-degree view of the towering pines of the Ozarks...very relaxing! There are seven units which run \$149 each.*





**Out'n'About Treehouse Treesort: Cave Junction, Oregon** - This feels more like staying with your highly eccentric relatives than being in a hotel. From what I understand, the owners have faced many headwinds from the local officials in the past as they tried to get up and running. At one point they were told they could no longer legally rent out the spaces...so, like any good entrepreneur, they turned to selling very expensive, one of a kind T-shirts to guests and call them "Tree Musketeers" rather than charge for accommodations. The place is so unique, they don't even have locks on their doors, which should be fine considering you are out in the middle of 36 acres near Siskiyou National Forest. The "treesort" also features a horse-breeding ranch and over a mile of zip lines. There are 16 units ranging from \$150-\$330.



**TreeHouse Point: Issaquah, Washington** - This B&B is the work of a "world-renowned treehouse builder," and sits just outside Seattle. If you enjoy a rustic-but-modern cabin, this is the place for you. I'm told the place also rocks a summer concert series and serves as a tourable nature conservancy. TreeHouse is actually a great out of the box idea for an upcoming small wedding party! Six units with names like Trillium, Upper Pond, and Temple of the Blue Moon, await visitors for a price of \$661 a night. With plenty of activities to keep everyone engaged.





**Free Spirit Spheres: Vancouver Island, British Columbia** - Free Spirits is just that as they tout themselves as a cool, quirky and truly unique spherical experience, offering an exquisite combination of back-to-nature with the trendy phenomenon of 'glamping'. For non-glampers, that just means you have access to amenities as you enjoy a backwoods escape adventure. This world renowned unique accommodation experience is set among the coastal rainforest of Vancouver Island, British Columbia, Canada. Expect an awesome night sleep as you are rocked into slumber as your sphere dangles from a web of rope 15 feet above ground like a pendant on a necklace. Rates run around \$160 a night.



**Finca Bellavista: Golfito, Costa Rica** - This 62-acre site was destined for timber harvesting before founders Erica Andrews and Mateo Hogan stumbled across it with an unscheduled visit. I'm told that both felt compelled to find a better fate for this enchanted land, which had a draw that neither has been able to explain ever since. Situated up to 90 feet off the forest floor, in the canopy of the Costa Rican rainforest on the Pacific Coast, they're nice enough to let you join them in surfing, hiking, and zip-lining between treehouses. If you remember the tree village of the Ewoks from Star Wars, you'll get an idea of what to expect! There are nine rooms which cost \$100 a night. Or, you could buy a lot and build your own.





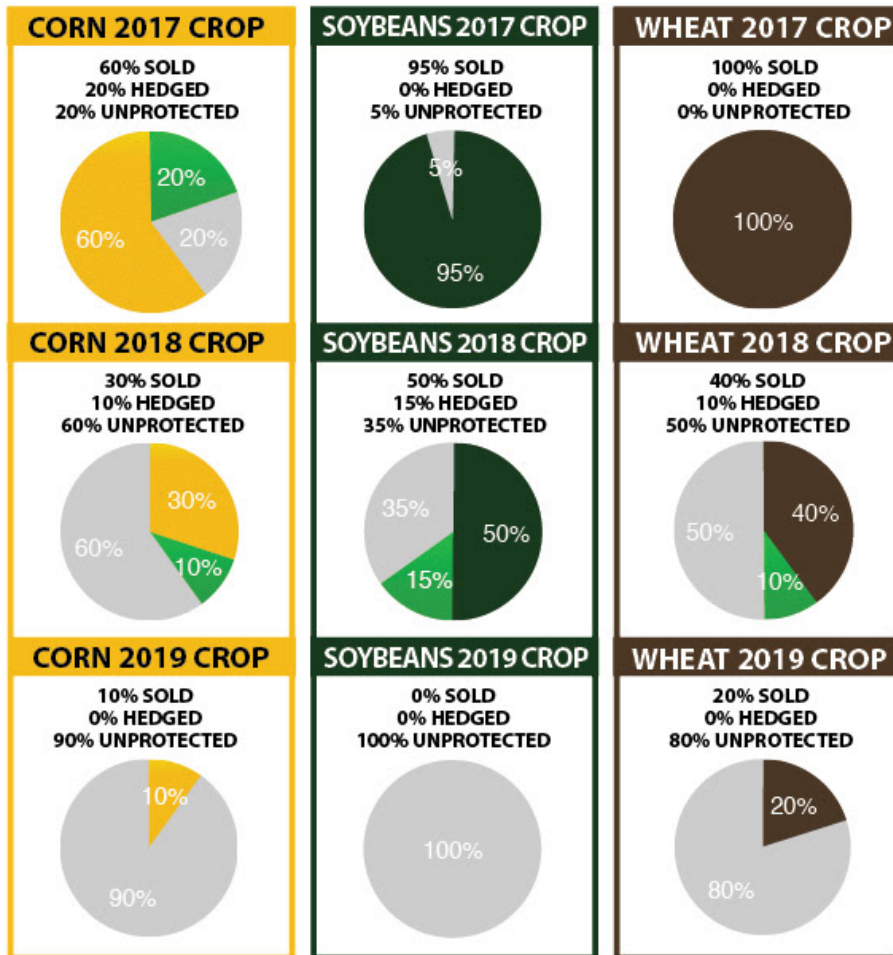
**Treehotel: Harads, Sweden** - If globe-trotting is in your wheelhouse then this stop is definitely worth considering. Sweden's Treehotel is as much a showcase for Sweden's top architects as it is a hotel, this enclave in a pine forest boasts modern, highly Instagrammable treehouses up to 20 feet off the ground, resembling bird nests, mirrored cubes, and UFOs. Whether summer and winter, a trip here would make for once in a lifetime memory for the family. Lots of great outdoor activities for everyone, including seeing the Northern Lights! You definitely want to go to the website and see the unique design elements used. There are six unique quarters starting at \$506 a night.



**ANSWER to riddle:** A wheelbarrow.

**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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