

GOOD MORNING: 06/01/18 Farm Direction - Van Trump Report

2 messages

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

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"If you change the way you look at things, the things you look at change." —Wayne Dyer

FRIDAY, JUNE 01, 2018
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Morning Summary: Stocks are higher to start the day as new governments in both Italy and Spain appear to have eased some of the recent European uncertainties and social unrest that has been brewing. Here at home, the trade is eager to see the latest U.S. monthly jobs data scheduled for release early this morning. Most inside the trade are thinking warmer weather in May should help increase the number of new jobs added. In March we added approximately +135,000 new jobs, in April +164,000 new jobs. Early estimates show we added between +185,000 and +195,000 new jobs in May, which is well above the roughly +120,000 new jobs needed each month to keep up with growth in the working-age population. Average hourly earnings are expected to tick higher and will also be monitored closely. Remember, the trade is concerned that if the U.S. employment becomes too hot or too tight, hourly wages and salaries will start to more aggressively move higher, which could be the spark that ignites more dangerous inflation and prompts the Fed to take a more aggressive approach towards raising interest rates. The trade is still trying to decide if the Fed will be hiking rates higher three or four time in 2018. From an economic standpoint, bulls are excited to see the most recent U.S. consumer spending numbers actually increasing. Many inside the trade, include myself, were worried that we could start to see a pullback as gas prices at the pump continued to push higher. In fact, last month was reported as the largest increase in consumer spending in the past five months. Rising incomes, extra dollars from last year's tax cut and low unemployment are thought to be the main ingredients. The higher consumer spending numbers have now prompted several sources to bump their economic growth forecasts higher for the second quarter. It feels like "growth" is once again outperforming "value". Meaning money seems to be flowing back into "tech" i.e. Apple, Facebook, Google, etc... Looking to next week, many will be wanting to digest any takeaways from Wilbur Ross's trade trip to China, which is schedule to run from June 2nd to June 4th. If he can take some steps towards a trade resolution with China over the weekend, I suspect the markets will have a bit of a tailwind next week. There's just not a lot on the traditional economic calendar for next week, so I suspect geopolitical "noise" could set the tone... Keep in mind, it's the following week that has everyone on edge. We have the possibility of President Trump meeting with North Korea on June 12th. A Fed meeting ending on June 13th, which more than likely brings another hike in interest rates. The European Central Bank will be ending their meetings on June 14th, announcing their latest policy changes. The Bank of Japan announces policy changes on June 15th. And a very highly anticipated OPEC meeting is schedule for June 22nd. In other words, take next week to catch your breath and position yourself for a possible wild-ride...

Italy Has Finally Got A Government after a nearly three-month long political crisis. Italy's anti-establishment Five Star Movement and the far-right League clinched the approval of Sergio Mattarella, the president, for the launch of a populist government. Giuseppe Conte has been designated as Italy's next prime minister and is expected to be sworn in today. The agreement caps a stunning rise to power for two populist forces in the eurozone's third-largest economy, who will lead a government that will test Italy's relationship with the EU. Per the New Yorker: "For the first time since it was formed, in 1999, the monetary union will be confronting a government in one of its core member countries that is implacably opposed to many of its rules and policies." (Source: The Financial Times)



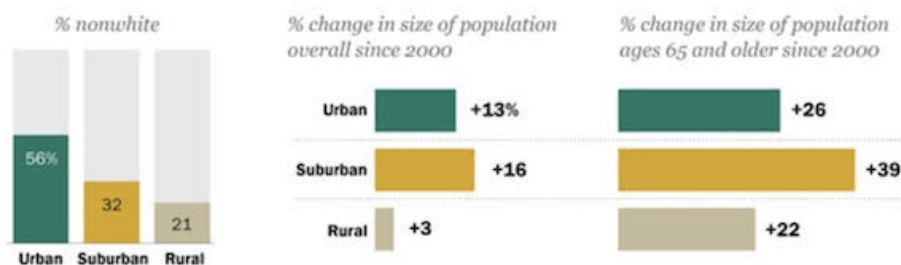
November 28-29
 • Special Two Day Event •
 Kansas City, Missouri



Average U.S. Car Payment Hits New Record: Car buyers in the U.S. are taking out loans with exceptionally long, record-setting terms — in some cases approaching 96 months — and yet that still hasn't stopped average monthly payments from continue to grow. The typical loan payment for new cars has now reached a record \$523 per month, according to Experian. Analysis of auto loans for the first three months of this year found buyers borrowed an average of \$31,453 per vehicle — also a record high. (Source: CNBC)

Great Insights On Changing Demographics: Large demographic shifts are reshaping America. The country is growing in numbers, it's becoming more racially and ethnically diverse and the population is aging. But according to a new analysis by Pew Research Center, these trends are playing out differently across community types. Urban areas are at the leading edge of racial and ethnic change, with nonwhites now a clear majority of the population in urban counties while solid majorities in suburban and rural areas are white. Urban and suburban counties are gaining population due to an influx of immigrants in both types of counties, as well as domestic migration into suburban areas. In contrast, rural counties have made only minimal gains since 2000 as the number of people leaving for urban or suburban areas has outpaced the number moving in. Read more [HERE](#).

Key demographic trends are playing out differently across urban, suburban and rural counties



Note: Nonwhites include blacks, Hispanics, Asians, Pacific Islanders, other races and people who identify as more than one race. County categories based on the National Center for Health Statistics Urban-Rural Classification Scheme for Counties.

Source: Pew Research Center analysis of 2000 decennial census SF3 data and 2012-2016 American Community Survey data.

"What Unites and Divides Urban, Suburban and Rural Communities"

PEW RESEARCH CENTER



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: If you lose me, others around you may lose me too. What am I?

Weather continues call for heat and dryness to continue bringing concern about crop prospects to the southwestern Midwest, especially with recent extreme heat in the area. There is a chance that Friday rain may hit a portion of this area, helping to ease dryness concerns. Beyond that, we may see a more favorable period for crop development during the next five to seven days as the heat dissipates. Weather models here in the U.S. and in Europe are indicating that the ridge of high pressure over the south central U.S. will strengthen in the next two weeks, ending around June 10. This will likely return temperatures to above normal values in the central and southern Plains, Delta and the southwestern Midwest. As the ridge strengthens, a dry pattern also develops. In the southern Plains, recent thunderstorms have brought some favorable weather for developing crops in south Kansas, north and east Oklahoma. Hot and dry weather continues to affect crops further south and west. Again, the high pressure ridge will continue the hot and dry weather and stress that comes along with

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"When the opportunity comes, it's too late to prepare."

- John Wooden



Co-hosted by:



Today in History



1495 – The first known batch of scotch was recorded. The first written mention of Scotch whisky is in the Exchequer Rolls of Scotland, 1495. A friar named John Cor was the distiller at Lindores Abbey in the Kingdom of Fife. According to the Scotch Whisky Association, no one knows exactly when distilling was first practiced in Scotland, but it is known that the Ancient Celts practiced distilling, and the liquid they produced, known in ancient Gaelic as "uisge beatha" (water of life), evolved into Scotch whisky. Whisky production was first taxed in 1644, causing a rise in illegal whisky distilling in the country. Around 1780, there were about eight legal distilleries and 400 illegal ones. In 1823, Parliament eased restrictions on licensed distilleries with the "Excise Act," while at the same time making it harder for the illegal stills to operate, thereby ushering in the modern era of Scotch production. Today, Scotch whiskey is divided into five distinct categories: Single Malt Scotch whisky, Single Grain Scotch whisky, Blended Malt Scotch whisky (formerly called "Vatted Malt" or "Pure Malt"), Blended Grain Scotch whisky, and Blended Scotch whisky. All Scotch whisky must be aged in oak barrels for at least three years. Any age statement on a bottle of Scotch whisky, expressed in numerical form, must reflect the age of the youngest whisky used to produce that product.

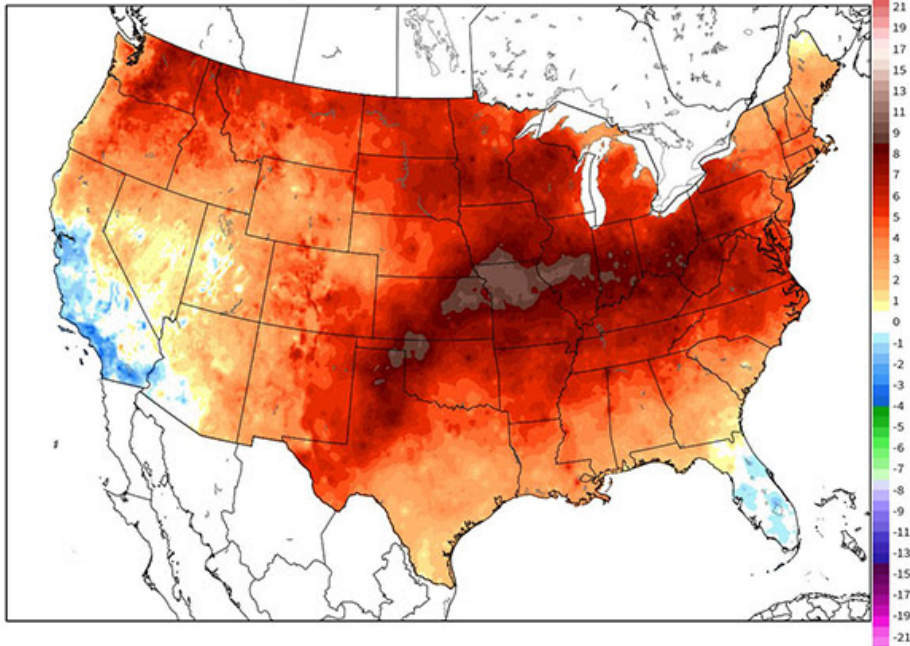
1779 - The court-martial of Benedict Arnold convenes in Philadelphia, Pennsylvania. After a

it. In the northern Plains the region continues to have mostly favorable crop conditions. Scattered showers are helping ease dryness. This region has the highest likelihood for rain during the next 6 to 10 days.

It's Nearly Official: May Will go down as the warmest on record for the Lower 48, beating out a longstanding record from the Dust Bowl in 1934.

PRISM TEMPERATURE ANALYSIS ANOMALY [°F]: May 1, 2018 --> May 30, 2018
LOWER 48 MEAN ANOMALY: 4.42°F | ACTUAL MEAN TEMPERATURE: 64.99°F

weathermodels.com | @RyanMauve

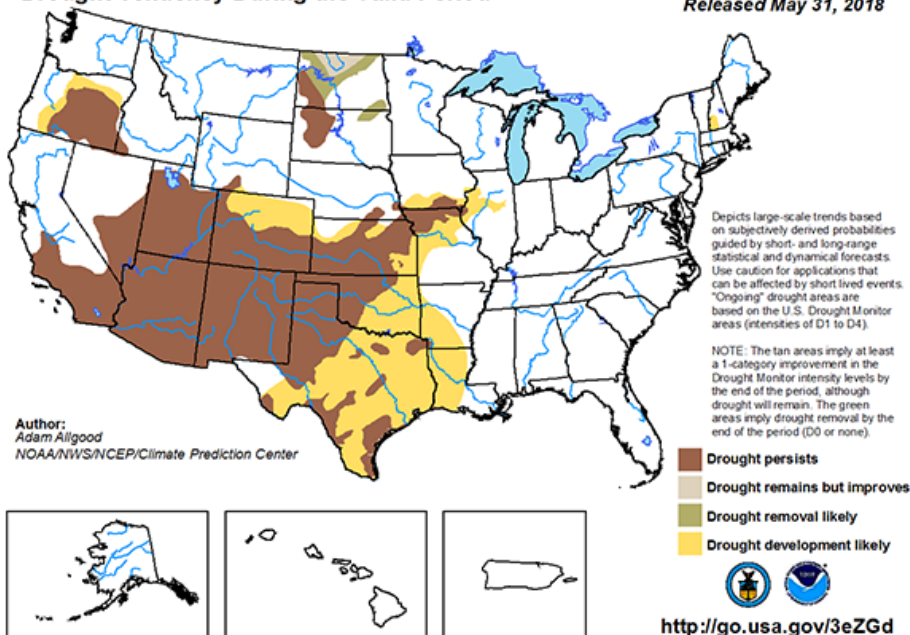


PRISM CLIMATE GROUP OREGON STATE UNIV | 1987-2016 HISTORICAL CLIMATOLOGY

Ridge Will Continue To Bring Drought in June: The Climate Prediction Center has released their monthly drought outlook showing drought is expected to develop across much of the central and southern Plains during this month. This is due to existing precipitation deficits and mid-level ridging which will keep temperature warm and shift storm tracks away from the region.

U.S. Monthly Drought Outlook Drought Tendency During the Valid Period

Valid for June 2018
Released May 31, 2018



Corn bears continue to point towards ongoing trade tensions involving the U.S. Perhaps the most concerning are tensions involving Mexico, who is the largest buyer of U.S. corn, taking almost a quarter of all U.S. export supply. How things play out with our neighbors to the north and south might start taking on more importance. Bears are also pointing to some of the best crop-conditions we've ever seen reported by the USDA this

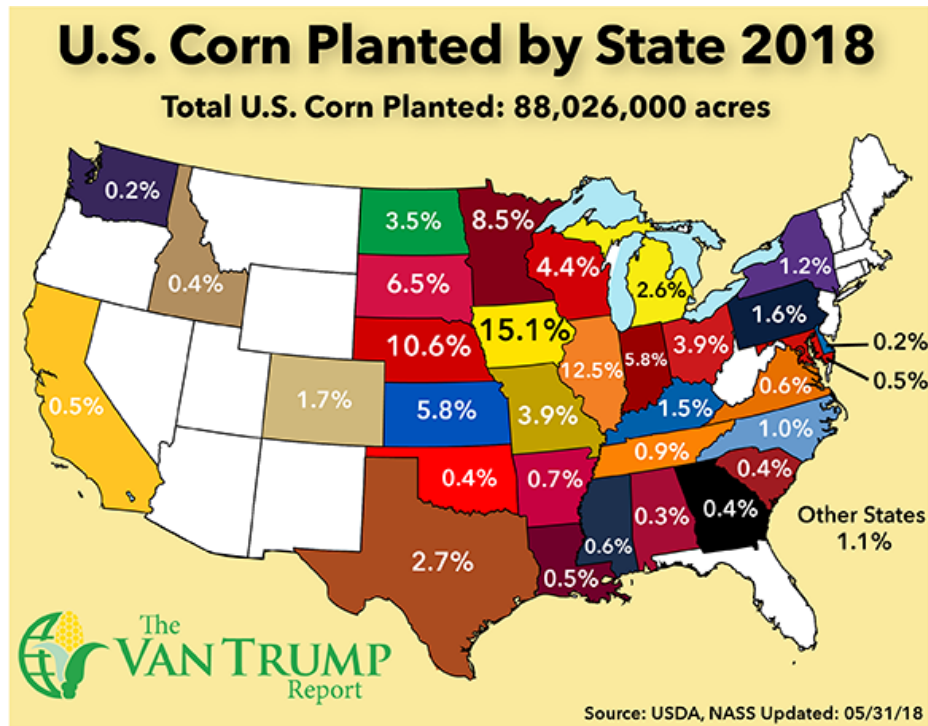


relatively clean record in the early days of the American Revolution, Arnold was charged with 13 counts of misbehavior, including misusing government wagons and illegally buying and selling goods. Although his notorious betrayal was still many months away, Arnold's resentment over this order and the perceived mistreatment by the American Army would fuel his traitorous decision. Abruptly interrupted at its outset by a British attack north of New York City, the court-martial did not get underway again until December 23 in Morristown, New Jersey. Although Arnold was cleared of most charges, General George Washington issued a reprimand against him, and Arnold became increasingly angered. While on a trip to the important West Point base to make sure that it could withstand a British attack, Arnold stewed over his slight by Washington and the Americans. He thought that he had never been properly rewarded or acknowledged for his military success on their behalf. He began corresponding with British spies about the possibility of changing sides. Arnold negotiated his defection to the British and the subversion of West Point over several months. The British already held control of New York City and believed that by taking West Point they could effectively cut off the American's New England forces from the rest of the fledgling nation. In August 1780, Sir Henry Clinton offered Arnold £20,000 for delivering West Point and 3,000 troops. Arnold told General Washington that West Point was adequately prepared for an attack even though he was busy making sure that that it really wasn't. He even tried to set up General Washington's capture as a bonus. His plan might have been successful but his message was delivered too late and Washington escaped. The West Point surrender was also foiled when an American colonel ignored Arnold's order not to fire on an approaching British ship.



1871 - John Wesley Hardin, one of the deadliest men in the history of the Old West, arrives in Abilene, Kansas, where he briefly becomes friends with Marshal Wild Bill Hickok. Hardin revealed a tendency toward violent rages at an early age. When he was 14, he nearly killed another boy in a fight over a girl, stabbing his victim twice with a knife. A year later, he shot a black man to death after the two tangled in a wrestling match. By the time he finally went to prison in 1871, Hardin claimed to have killed 44 men. In 1871, when Hardin was 18 years old, a Texas rancher hired the young gunman as trail boss for a cattle drive up the Chisholm Trail to Abilene, Kansas. Hardin was eager to get out of Texas—a few days earlier, he had murdered a Texas state police guard who was transferring him to Waco for a trial. Hardin needed to lay low, but he proved incapable of keeping his hot temper under control for long. During the cattle drive, a Mexican herd crowded Hardin's animals from behind. Hardin complained to the Mexican in charge of the other herd, and when the exchange grew heated, shot him through the heart. When Hardin and his herd arrived at Abilene, Kansas, on this day in 1871, the town marshal, Wild Bill Hickok, was apparently unconcerned with prosecuting a murder that had taken place outside of his jurisdiction. To the contrary, he took an almost paternalistic interest in the young gunslinger—Hardin was 16 years his junior—and the two men struck up an uneasy friendship. Like many of the early western lawmen, Wild Bill Hickok had won a formidable

early in the season for the U.S. Most inside the trade suspect weather has continued to cooperate, meaning that on Monday, the USDA will again keep overall conditions rated extremely high and near record levels. Bulls on the other hand continue to believe there are many areas across the U.S. where producers are already experiencing dry conditions. Abnormally high heat and strong winds during the next few days will only cause further shortages in topsoil moisture. At the current moment the crop looks great, but with soil moisture levels drying down in several key production areas, continued heat and lack of rainfall could easily create market uncertainty and be reason enough for the bulls to again add additional risk-premium to the price. I hate sounding like a broken record, but headlines involving weather and Washington remain the biggest driving forces in the market. As both a spec and a producer, I continue to keep my longer-term bullish tilt, despite fearing more nearby pressure to the downside.



Soybean traders continue to debate the uncertainties involving the worlds #1 buyer of soybeans. If we can reach some type of trade resolution this weekend, when U.S. Commerce Secretary Wilber Ross visits with Chinese officials, the market will respond positively Sunday night with a significantly higher open. I'm not holding my breath, as it seems we are still a long ways from ironing out all the wrinkles with the Chinese. I don't think we are close on a new NAFTA deal either. The trade seems eager for Monday to arrive, in hopes the USDA might provide us with their first look at overall U.S. soy crop-conditions. Last year we didn't see the first crop-condition forecast until June 12th, when the crop was 92% planted and 77% emerged, so we still might be a week early. The first condition rating for last year's crop was estimated at 66% "Good-to-Excellent". The same week in 2016 showed the crop rated 74% "Good-to-Excellent". In other words, if the crop-condition estimate for soybeans is actually released Monday after the close, the trade will probably be expecting a fairly strong overall condition estimate. I included below a graphic that details the overall percentage of U.S. soybean acres each state will plant. As you can see Illinois is the hands down leader in total soybean acres, followed by Iowa, Minnesota, North Dakota, and Indiana. These five-states combined will be controlling just over 46% of the U.S. soybean acres. I still believe there is a longer-term bull story brewing, but as I've said for many weeks, it's highly debatable in regards to how and when we get there... I'm staying extremely patient!

reputation by committing several killings of his own. For several weeks, Hickok and Hardin drank and womanized together, but the marshal's faith in the basic decency of his young friend was ultimately undermined. During his stay in Abilene, Hardin rented a room at the American House Hotel. One night, a stranger in the next room began to snore loudly. Hardin became so annoyed that he began firing bullets through the wall to quiet him. The first bullet was high, and it merely woke the man. The second bullet killed the man. Hardin realized that his friendship with Hickok would not save him and wearing only his undershirt, he escaped through the hotel window. He spent the night hiding in a haystack, stole a horse at dawn, and returned to the cow camp. The next day he left for Texas, never to set foot in Abilene again.

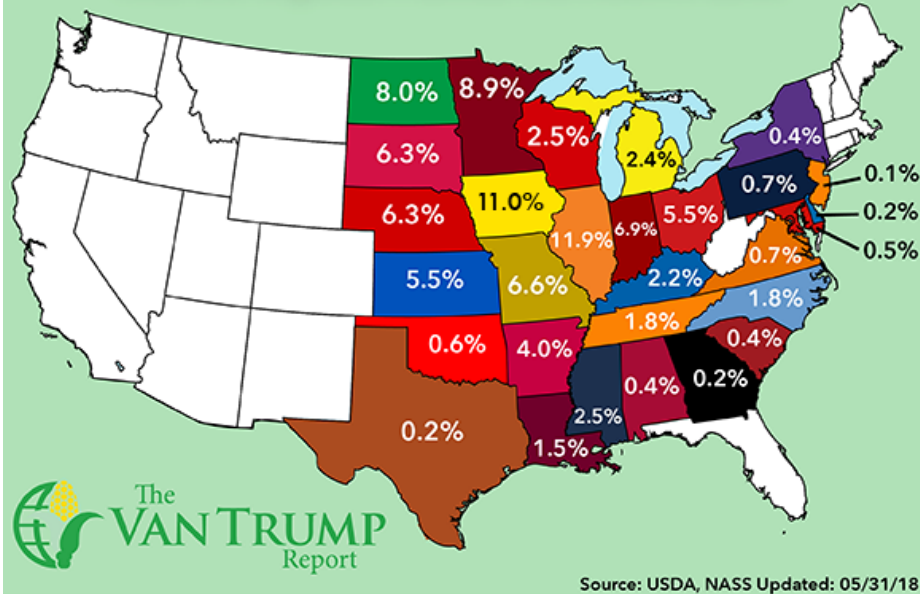
Upcoming Events

- 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



Wheat bulls seem to be paying more and more attention to dry areas in portions of Australia, Canada southern Russia, Ukraine and the U.S. The trade feels most interested in forecasts for Russia and Ukraine. The U.S. weather problems have been fairly well advertised and some recent rains have helped ease a bit of the concerns. There's also been some rains in parts of Canada and the Australian crop still has a lot of time left. Hence, the Black Sea region seems to be the most pressing. Here at home, I continue to hear more talk of better than expected yields coming out of parts of Texas and Oklahoma. We should start hearing a lot more out of Kansas in the next couple of weeks. As you can see from the graphic I included below, Kansas, North Dakota, Texas and Oklahoma combined account for more than 51% of total U.S. wheat acres. From my perspective, not a lot has changed. As a spec, the fundamental supply and demand numbers make it difficult for me to build a bullish argument, but weather uncertainties and the funds more optimistic attitude towards commodities makes it difficult for me to be a short side player. That means I only want to navigate from the long-side. Price however will have to come down to lower levels before I get more interested. As a producer, I got lucky and made some great early sales and can now sit back and watch the fireworks. Patiently waiting to reduce more 2019 price risk if we happen to catch another extended weather rally.

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

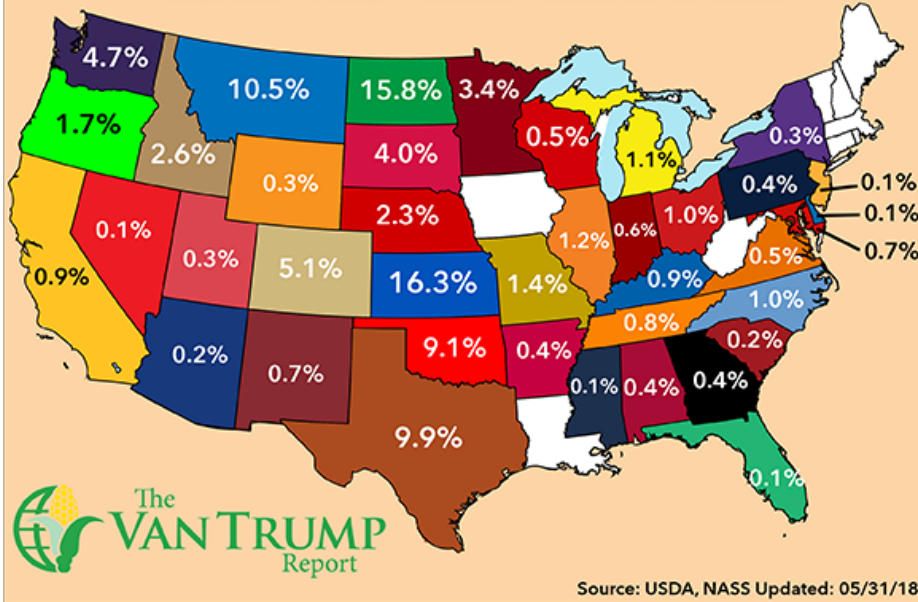
"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis 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. Wheat Planted by State 2018

Total U.S. Wheat Planted: 47,339,000 acres



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.

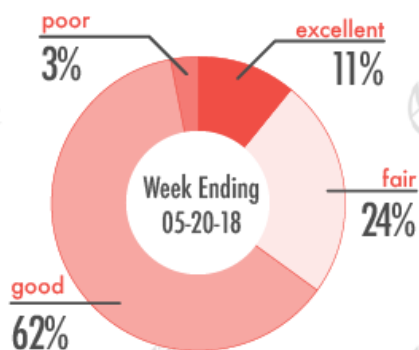
- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

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.

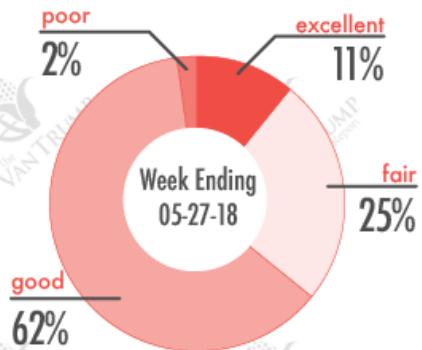
Rice prices have been under heavy pressure the past few weeks after posting fresh contract highs back in late-April. Now all of a sudden prices are at the lowest levels we've seen in nearly a year. The U.S. rice crop is essentially 100% planted and 73% of the crop is reported in "Good-to-Excellent" condition. The crop is also closing in on 100% "emerged" with warmer temperatures popping up around the country. Many southern rice crops are already in floods or going into floods. Many reports show areas in the south like Southwest Louisiana are expecting their largest crop in the last 4 years. There's still a little concern about the predicted yield levels due to some of the late planting, but I don't think it's enough at the moment to affect prices. US rice production is expected to be up from last year by +14%, but the biggest concern I have moving forward is how much rice other countries are producing. Bangladesh is one country on the radar due to their +1.235 million acre increase of rice. Another country is Madagascar who is set to produce +18.8% more rice this year. Also, compared to last April, the worlds largest exporter of rice, India, increased exports by +12%. Many of these countries are also increasing their quality of rice supply which is also causing some price pressure. There just isn't a ton of fresh bullish news. The funds have gotten aggressively bearish and are now holding a significant short position in the July contract. At the same time, I'm hearing all the deliverable receipts are either being cancelled or spoken for. Some of the biggest longer-term bulls seem to be think the market is setting itself up to see one hell of a squeeze. For those producer still holding old-crop bushels, lets hope some of my bullish buddies are correct in their thinking. I suspect we could see some fireworks into the expiration of the July contract. Buckle-Up!

2018 U.S. Rice Condition Ratings

Week 20



Week 21



Source: USDA, Crop Progress



> **Egypt Rejects Russian Wheat:** Disputes from a fungus-tainted shipment from Russia, is causing Egypt to seek out more wheat, which is putting them in the position of buying more expensive wheat. That follows two shipments of Russian grain that were held back amid payment disputes, while another won't be shipped due to a missed delivery time. (Source: WorldGrain)

> **E.U. Wheat Supported By U.S. Gains:** European wheat prices rose on Thursday, buoyed by gains in U.S. futures and potential weather damage to crops in the Black Sea region, a major competitor to EU wheat on the world market. That was still well below the 10-month high of 190.50 euros a tonne hit on Tuesday on weather concerns in major producing countries. "The market is consolidating with the help of Chicago and weather forecasts are under surveillance in the Black Sea. Keep in mind, lower crops are expected in both Russia and Ukraine." (Source: Reuters)

> **Brazil Returns To Normal:** Brazil's economy showed signs of returning to normal as the largest oil workers union ended a strike well ahead of schedule and an 11 day truckers protest appeared to dissolve. Highway traffic returned to normal throughout Brazil as trucks flowed into Santos port, Lat America's largest, for the first time in weeks. To win over the blockading truckers, who were primarily protesting high fuel prices, the government agreed to lower the average cost of fuel by 46 centavos per liter. (Source: Reuters)

> **Southeast Asia to Increase Demand for U.S. Dairy Products:** The U.S. Dairy Export Council has announced a partnership with the Food Innovation & Resource Center at Singapore Polytechnic, with the aim of expanding the reach of U.S. dairy in the Southeast Asian region. Four of the top 10 U.S. dairy export markets are in the region: the Philippines, Indonesia, Vietnam and Malaysia.

> **Sears Said To Be Closing Down 72 More Stores In 2018:** The closures are in addition to the 64 Kmart stores and 39 Sears stores that have already shut down this year. The company will end 2018 with fewer than 1,000 locations nationwide.

> **62,000 Robot Driving Minivans:** Waymo - owned by Alphabet - reached a deal with Fiat Chrysler to get an "additional 62,000 minivans to be deployed as robot taxis". They've also "begun discussions about how to eventually sell self-driving cars to customers as personally owned vehicles." (Source: The Verge)

> **Hospital Launches Rehab Clinic To Treat Cryptocurrency Addiction:** A Scottish hospital announced they have a rehabilitation program for people addicted to trading digital currencies like Bitcoin and Ethereum. They say they in the first week, they are already fielding inquiries from people all over the looking for help with crypto addiction. The rehab program comes as bitcoin is on a long losing streak, falling three consecutive weeks for the first time in eight months. From its peak in December 2017, bitcoin has

lost 62% and since Jan. 7, the total value of all cryptocurrencies has shed \$500 billion according to Coinmarketcap. (Source: MarketWatch)

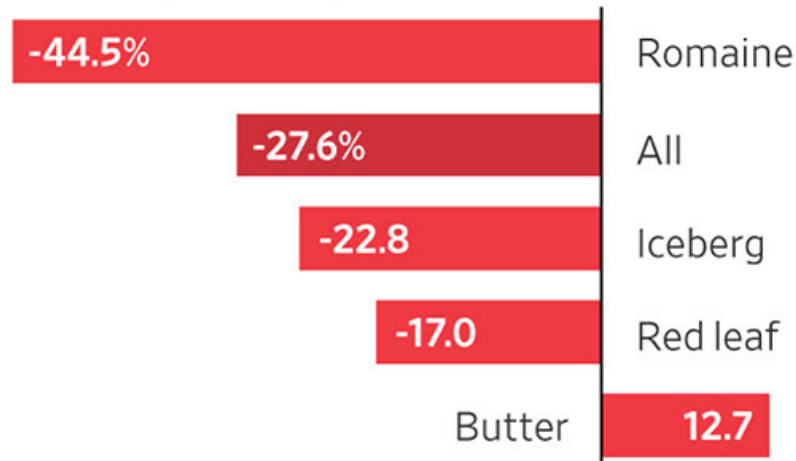
> Trade War Hijacks Summit: Treasury Secretary Steven Mnuchin received an earful from global finance chiefs Thursday after the Trump administration imposed steel and aluminum duties that sparked swift trade responses. Canadian Finance Minister Bill Morneau acknowledged that trade has taken center stage at a meeting of finance ministers and central bankers from the G-7 nations in a Canadian ski resort near Vancouver. On his arrival, German Finance Minister Olaf Scholz said the U.S. levies on imported metals from the European Union, Mexico and Canada are probably illegal. The trade wars are hijacking a summit that was initially seen as an opportunity to tout the successes of the global economic upswing, and severely testing the resiliency of the Western economic alliance represented by the G-7. The IMF projects the world economy will grow this year and next at its fastest pace since 2011. Read more [HERE](#).

> Walmart Launching New Same-Day Delivery Via Text: From what I understand customers will be able to place orders using a text message. Called Jetblack, the feature allows shoppers to order items from Walmart.com and even websites of rival retailers. Once I learn more or use myself, I will report the details...

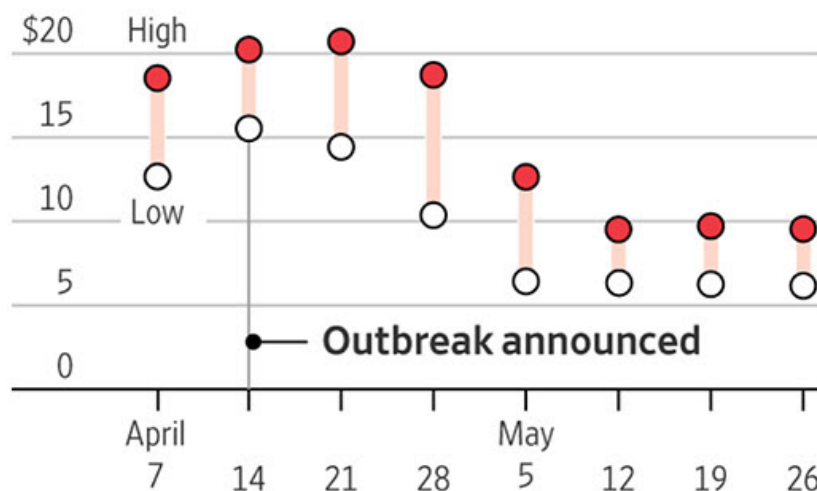
> Buffet Tried To Invest \$3 Billion In Uber: Investment Legend, Warren Buffett, reportedly offered Uber \$3 billion earlier this year, but the deal didn't happen because both parties couldn't agree to terms. People are saying Uber didn't want to give up that much of their company. It sounds like the Buffett talks came after SoftBank became the largest investor in Uber this past January. SoftBank, a Japanese holding company, invested \$1.25 billion in the company. They also bought \$6.5 billion worth of employees and investor shares when Uber's company valuation fell to \$48 billion. Buffett is known for investing in troubled companies in return for favorable terms. It seems like Uber is trying to recover from their \$4.5 billion loss in valuation last year to get ready for their IPO release that is said to be happening in 2019. If this release happens, then it is expected to be one of the largest in recent history.

> E.coli Outbreak has Destroyed the Romaine Lettuce Market: Although romaine lettuce from the E. coli outbreak is believed to be off the market, prices for the popular salad green have dropped by more than half. The lack of demand has also led growers to leave hundreds of acres to rot. U.S. lettuce production was valued at \$3.6 billion in 2017, making it the leading vegetable crop by value. Prices for whole romaine heads have tumbled as much as 60% since early April, according to USDA data. (Source: Wall Street Journal)

Lettuce's change in retail sales from the previous year*



Weekly U.S. prices for 24-count cartons of romaine



Northwest Illinois - Around here we are probably 75% planted. We got started a little later than normal but had no problem getting the crops in the ground in good order. Our boys kicked butt for 11 straight days to get it done. It was a lot better than a year ago when our guys had to work on weekends for over a month as the rain kept kicking us out of the field. We are mostly heavy tillage and corn on corn up here where the yields can reach over 250bpa. From what I see the early growth is fantastic and looks a lot like our friends in the central part of the state. Normally we are three weeks behind them not so this year. Currently, we are side-dressing nitrogen and getting equipment ready for fungicide. Temperatures got up there last week topping 90 degrees, so it was nice to get an inch of rain last night. We are great shape at this point.

Central Missouri - We are seeing a few abnormalities in soybeans that were planted roughly 20-25 days ago. They are in good shape and they look good for the most part. Right after planting, I sprayed them with AMS, about a quart of generic Liberty, and 4.25 oz Anthem Maxx. Now the beans have a yellowish tint to them and we are not really sure why but my gut is telling me it might be from the chemicals, but I didn't spray anything in excess. The soybeans were definitely not emerged when we sprayed the Anthem Maxx so I know that isn't the issue. The growing conditions are good here, we have had rain but not too much. These fields had soybeans last year, and Autumn Super as a fall burn down, so I don't suspect any carryover issue. There's a possibility that the harsh winter

might have slowed the break down of fall chemicals but that's just a hunch. We will see if the beans pull out of this which I'm betting they might.

West Central Minnesota - All of my beans got planted in mid-May. I'm in west central Minnesota. The soybeans were planted 1.5" deep into moisture for almost all of them except last years sugar beet ground but rain was in the forecast right after planting so I laid them in dry dirt and here we are 3 weeks later with no rain and thin bean stands. We can't seem to catch a rain and many of the beans are still laying in dry dirt and it will take over a half inch to get them going. I want to fill in thin spots planting as deep as it takes to get into moisture and I'm assuming this will be 2.5 -3". These are food grade beans so weed control is an issue. I'm just thinking this will be a hail Mary type thing to get some crop canopy. The million dollar question I'm asking myself is should I seed into an existing thin stand or keep waiting for rain... It's a tough call.



Lab-Based Meats...Now Add Wine To The List: Wine, like anything else, is just a combination of chemicals. And Integrated Beverage Group, as the Colorado company is called, isn't trying to pretend that its products originated on the vine. Rather, as Bruce Schoenfeld reports, they've dubbed the brand Replica, and are encouraging customers to compare their wines to the pricier products whose shelves they share. Though some have criticized Replica, calling it "Frankenstein wine," IBG thinks some customers will be intrigued by its lab-based process. I wonder what will come out of the lab next? Read more [HERE](#) about the how the process got started...it may spark some creative thought for innovations in your space.

Cool New Digital License Plates: Five years after California governor Jerry Brown signed legislation authorizing digital license plates to be sold in his state, the new-fangled digital display boards are finally hitting the streets, and will eventually expand across the country on a trial basis. Neville Boston, founder of Reviver Auto, who is the sole contractor for the pilot, told the Bee he expects initial interest to come from companies for their vehicle fleets: "Some businesses will use them as mini-billboards to advertise their products or services, he said, but will be able to do so only when the vehicle is stopped". This could take the personalized plate to a whole new level. Also, governments would be able to insert breaking traffic and weather news as well as Amber Alerts. All for only \$699. Read more [HERE](#).

Scientists Create 3D-Printed Human Corneas: Hope now exists for millions worldwide who are at risk for corneal blindness due to infectious disorders like trachoma. By using a simple 3D bio-printer, Professor of Tissue Engineering Che Connors of Newcastle University and his team of scientists were able to combine healthy corneal stem cells with collagen and alginate, a type of sugar sometimes used in tissue regeneration to create 'bio-ink' -- a printable solution that enabled them to reproduce the shape of a human cornea in just 10 minutes. Read more [HERE](#).

Avoid Regrets While You Still Have Time: In a recent interview with Axel Springer CEO Mathias Döpfner, Jeff Bezos had the following to say about regrets: "When you think about the things that you will regret when you're 80, they're almost always the things that you did not do. They're acts of omission. Very rarely are you going to regret something that you did that failed and didn't work or whatever." You probably remember the story of a nurse who spent her life working with older, terminally ill patients--people who kept lists of their most glaring regrets. Over the years, she found the most common were: I wish I hadn't worried so much, I wish I had focused on being happier, I wish I hadn't worked so hard, I wish I had lived the life I wanted to live, I wish I had stayed in touch with friends and family. We all can start today and make sure we are not saying the same thing one day. Read more [HERE](#).

Transaction Speeds Hold Blockchains Back From Scalability: Scalability has been the Achilles heel of blockchains over the past decade. Bitcoin (BTC-USD), Ethereum (ETH-USD), and most altcoins struggle to sustain adequate throughput. ETH and BTC cannot hope to surpass Visa and PayPal as global payment alternatives if the throughput is orders of magnitude lower. In fact, the Ethereum network can't even perform its most basic functions when the network gets congested. The issue seems to be a trade-off between decentralization and throughput. Some blockchain projects like EOS and NEO promise higher throughput with more transactions per second, but these networks have fewer validator nodes. Read more [HERE](#) on how blockchains can overcome their current obstacles and begin another leg up in valuations.

Cryptocurrencies Transaction Speeds Compared to Visa & Paypal



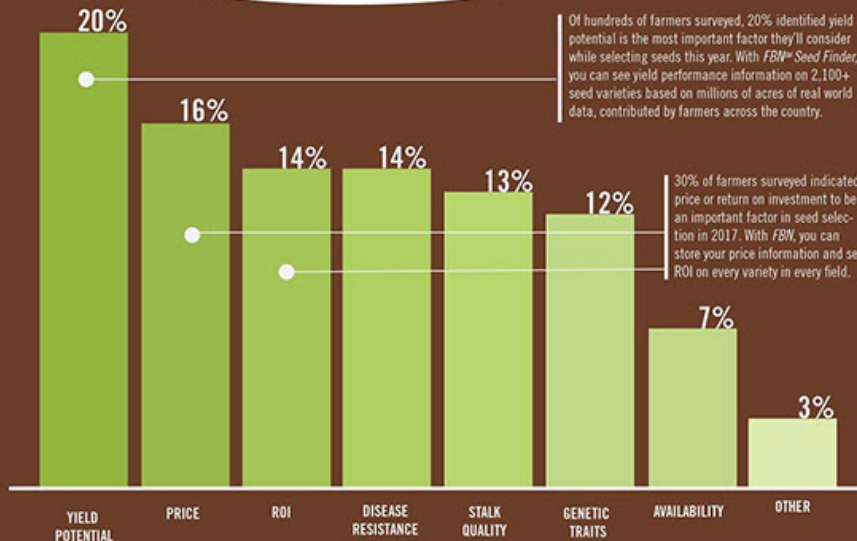
Farmers Business Network... Helping Farmers Through Added Transparency

Farmers Business Network (FBN), continues its efforts to further democratize data for growers across the country, in its wake providing opportunities to help boost the producers bottom line. I speak with a lot of farmers across the country and I've polled many about their thoughts regarding FBN. From what I can gather, there are those who religiously believe in their efforts and provide real life testimony that FBN has helped them save tens of thousands of dollars. Yet there are others who still seem a bit uncertain and apprehensive. At the heart of their business model is the often feared collection of data. Regardless of where you stand on the debate, we have to tip our hat to the speed at which FBN and their executive team have been able to move across the ag space using technology, big data and transparency to help producers try and better reduce expenses. From the beginning, FBN's mission has always been to help producers through the power of networking farmers and farm data, allowing them to fight for their farmer-members and their profitability. Using data analytics, FBN members are provided insights to gain yields with their hybrid selections, reduce seed and chemical costs as well as market their crops aided by their precision field data. Essentially, FBN has taken more of the farm economy online in an objective way. They have also recently completed the Ag Data Transparency (ADT) third-party certification, affirming that the FBN network's data and analytics services are both private and secure. I am told, Ag Data Transparency is a non-profit corporation backed by a consortium of farm industry groups, commodity organizations and ag technology providers in order to bring transparency, simplicity, and trust into the contracts that govern precision agricultural technologies. Charles Baron, FBN Co-founder and VP participated in our conference last year in Kansas City and had some insightful comments about the future of agriculture. With the rate and velocity of change amplifying in our industry, I believe it's imperative to pay close attention to leaders in the space. I clearly see FBN as a leader, a disruptor and a company that we need to pay close attention to, especially as they continue to gain more and more marketshare. I encourage you take a moment and go to their website to check out all they now offer. Click [HERE](#).

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Are You Ready For The 2018 Hurricane Season?

With the 2018 Atlantic Hurricane Season beginning today, I thought I would share with you a forecast and a few facts. Things got started early as, Alberto, the first named tropical storm of the season landed ashore the U.S. earlier in the week before the official start of the season and dumped over 3" of rain in six Southeast states. Let's remember, just last year we had the costliest hurricane season on record, featuring 17 named storms, 10 hurricanes and 6 major hurricanes – ranking it alongside 1936 as the fifth-most active season since records began in 1851. Another first occurred as all ten of the season's hurricanes occurred in a row, the greatest number of consecutive hurricanes in the satellite era, and tied for the greatest number of consecutive hurricanes ever observed in the Atlantic basin since records began. Hopefully, 2018 will provide a reprieve from last year's turbulence, but should that not be the case and you live on the coasts be prepared and ready to act. Here are some facts for the 2018 Atlantic Hurricane Season and hurricanes in general: (Source: NASA, Wiki, Weather.com)

Length Of The Season: *Normally, the official Hurricane season runs from June 1 to November 30th. It traditionally begins at that time due to ocean temperatures being primed to feed the cycle of warm moist air that rises leaving a low-pressure void that gets filled by the warmer air and the process repeats and forms tropical depressions that eventually turn into hurricanes given the right conditions. Obviously, the formation of tropical cyclones is possible at any time of the year, as shown by the formation of Subtropical Storm Alberto on May 25, which made it the fourth consecutive year a storm developed before the official start of the season.*

2018 Forecast: *The U.S. National Oceanic and Atmospheric Association (NOAA) has forecasted for there to be 10-16 named storms this season, including five to nine hurricanes and one to four major hurricanes of Category 3 or higher intensity. From what I understand, this is above average than past years and slightly more than originally forecasted by The Weather Company, which had predicted 12 named storms and five hurricanes this season.*

Have A Plan: *Know where to go. If you are ordered to evacuate, know the local hurricane evacuation route(s) to take and have a plan for where you can stay. Have a to go bag ready and include a disaster supply kit, flashlight, batteries, cash, first aid supplies, medications, and copies of your critical information if you need to evacuate. If you are not in an area that is advised to evacuate and you decide to stay in your home, plan for adequate supplies in case you lose power and water for several days and you are not able to leave due to flooding or blocked roads. Don't forget to make a family emergency communication plan.*

The Averages: *On average, 10.1 named storms occur each season, with an average of 5.9 becoming hurricanes and 2.5 becoming major hurricanes (Category 3 or greater). The most active season was 2005, during which 28 tropical cyclones formed, of which a record 15 became hurricanes. The least active season was 1914, with only one known tropical cyclone developing during that year.*

Economic Effects: *Last season, I think it safe to say that Hurricanes Harvey and Irma reminded Americans just how much damage a storm can do. Hurricane Harvey landed in Texas in late August, and then the subsequent storm dumped more than 40 inches of rain across a large area that included Houston — the fourth-largest city in the country. Harvey's winds plus its resulting rains made it the costliest hurricane in world history, surpassing the record set by 2005's Hurricane Katrina. Harvey is also the second costliest natural disaster in world history, behind only the 2011 earthquake that struck Japan. Check out an infographic [HERE](#).*

Categorically Speaking: *Categories are based on wind speed and will cause the following damage, but keep in mind that it is the storm surge and flood-producing rainfall that cause over 85% of the deaths attributed to hurricanes. Meaning, just because you may miss the hardest hitting winds, you can't let your guard down and forget about the incoming rain bands or storm surges. Have a plan!*

Category 1: Winds 74-95 mph - Faster than a cheetah - expect damage to trees, shrubbery, and unanchored mobile homes.

Category 2: Winds 96-110 mph - Fast or faster than a baseball pitcher's fastball - major damage to mobile homes; damage buildings' roofs, and blow trees down.

Category 3: Winds 111-129 mph - As fast as the serving speed of many professional tennis players - destroy mobile homes; blow down large trees; damage small buildings.

Category 4: Winds 130-156 mph - Faster than the world's fastest rollercoaster - completely destroy mobile homes; lower

floors of structures near shore are susceptible to flooding.
Category 5: Winds more than 157 mph - Fast as the speed of some high-speed trains - complete or almost-complete destruction of mobile homes, frame homes, apartments, and shopping centers should be expected, and nearly all trees in the area will be snapped or uprooted. Power outages can last for weeks and possibly months. Long-term water shortages should be expected as well, and most of the area will be uninhabitable for weeks or months.

Don't Get Complacent: Much like tornado season, we see folks who have become accustomed to the many watches and warnings simply neglect to give it the appropriate attention they deserve. Often it seems that folks think if the weather forecasts don't track directly over them, they will be ok. We know that simply isn't the case, not to mention that the course of a storm can switch quickly...bottom line - stay alert and respond accordingly until the storm has passed. Also, don't forget to check in on your older neighbors.

Power Personified: It may be hard to fathom, but a huge hurricane can release energy equivalent to 10 atomic bombs per second. Also, the winds in the hurricane can produce trillions of gallons of water throughout its lifespan. Remember that Harvey dumped an estimated 11 trillion gallons of water on Houston alone. Unfortunately, hurricanes kill more people than any other form of weather event.

History Of Category 5: A total of 33 recorded tropical cyclones have reached Category 5 strength on the Saffir-Simpson hurricane wind scale in the Atlantic Ocean north of the equator, the Caribbean Sea, and the Gulf of Mexico. Hurricanes of such intensity occur once every three years in this region on average and only in six seasons—1932, 1933, 1961, 2005, 2007, and 2017—has more than one Category 5 hurricane formed. Interestingly, only in 2005 have more than two Category 5 hurricanes formed, and only in 2007 and 2017 did more than one make landfall at Category 5 strength.

Celestial Hurricane: Planet Jupiter has a hurricane which appears as a red dot in it, spinning for over 300 years. This hurricane is bigger than the earth itself.

Deadliest Hurricane In U.S. History: The Great Galveston Hurricane of 1900 was the deadliest hurricane to ever hit the United States and caused between 8000 and 12000 deaths. The storm reached the Texas coast south of Galveston on September 8 as a Category 4 hurricane with a storm surge of 8 to 15 feet.



Very Interesting Inspirational Comments

Simon Sinek has given some very interesting talks the past few years. His presentation on "How Great Leaders Inspire Action" is listed as the third most popular TED presentation. He published his first book back in 2009 titled, "Start with Why: How Great Leaders Inspire Everyone to Take Action." His second book, called, "Leaders Eat Last: Why Some Teams Pull Together and Others Don't," appeared on the best seller lists of the Wall Street Journal and The New York Times. His third book is called, "Together Is Better: A Little Book of Inspiration." His fourth and latest book is titled,

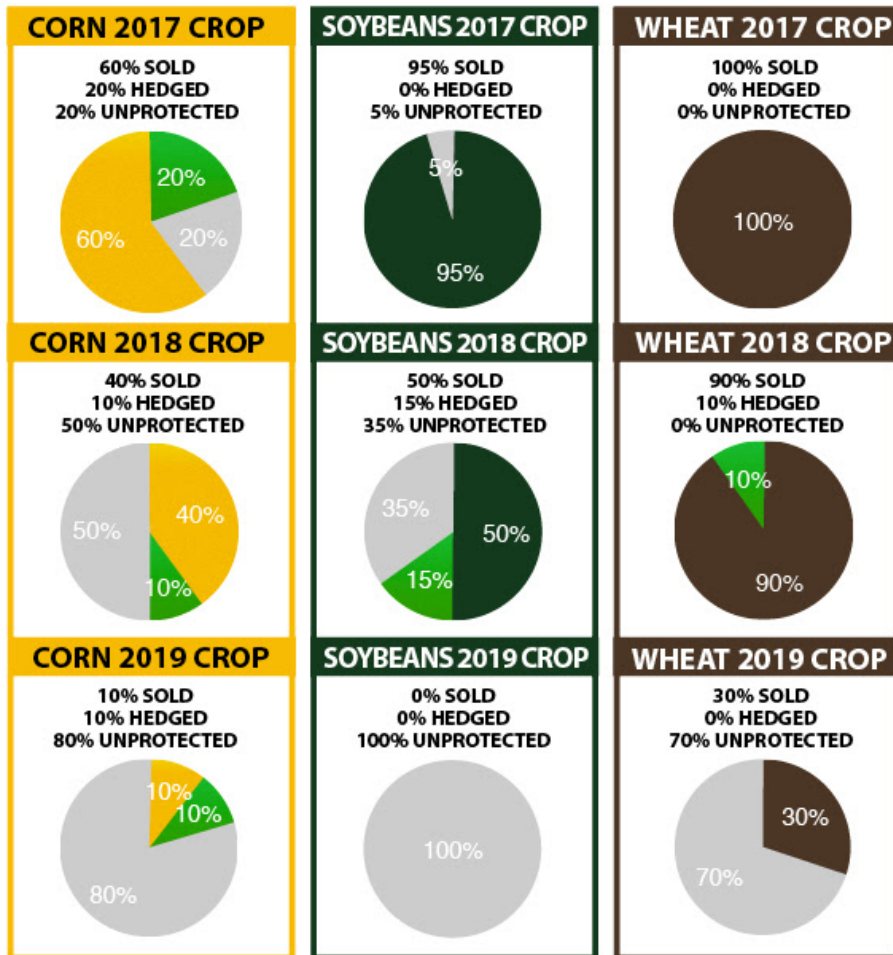
"Find Your Why: A Practical Guide for Discovering Purpose for You and Your Team". Sinek lectures world-wide at events such as The UN Global Leaders Summit. Click [HERE](#)



ANSWER to riddle: Your temper.

Yesterday's Answer... a leek

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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