

## GOOD MORNING: 06/11/18 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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"Only those who will risk going too far can possibly find out how far one can go." - TS Elliot

MONDAY, JUNE 11, 2018

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**Morning Summary:** Stock traders are gearing up for a huge week of headlines: The Singapore Summit involving President Trump and North Korean leader Kim Jong Un scheduled for Tuesday; U.S. judge's latest ruling on the "AT&T - Time Warner" merger is scheduled for release on Tuesday; U.S. Fed announcement and press conference scheduled for Wednesday following a two-day meeting; European Central Bank monetary announcement scheduled for Thursday morning; Bank of Japan monetary announcement scheduled for Friday morning. Bottom-line, this is going to be a crazy busy week. I suspect the Summit in Singapore takes center stage as it will be the first face-to-face meeting between a sitting U.S. president and a North Korean leader. There's a lot of talk that large traders will be reading deep into the commentary and body language of the two leaders. If things go poorly, there will be a lot more uncertainty in the air regarding trade negotiations with China. Many political insiders are playing down the likelihood of a rapid solution to the current standoff, saying a peace treaty with North Korea would come way down the road, if at all. There's a lot of talk that Kim Jong Un comes out a winner regardless, as it will have clearly raised his international profile, something that has been tops on his agenda. In other words, it's not a lock that North Korea will be agreeing to denuclearization anytime soon. Nor does it look like the Chinese are close to tossing in their cards and folding their hand in regard to trade negotiations. The market will also be keeping a close eye this week on the direction of the U.S. dollar and possible emerging market contagion. I suspect at some point, Italian bonds will come back into focus. Not only will the Fed be raising rates on Wednesday, but there's a lot of talk that the ECB will soon be following suit. Further confirming the fact we are transitioning from an extended period of global quantitative easing to global tightening. How this makes the trade feel about longer-term growth remains heavily debated. Current U.S. economic data looks strong enough to easily support stock valuations nearby, the question is how far out on the horizon can we forecast before the trade starts to worry and react? What happens if the Fed hikes on Wednesday, then again at the September meeting and again at the December meeting? What if threats of a trade war actually become a reality? Bottom-line, the current economy here at home looks strong, but there are a lot of balls in the air that could bounce in a number of strange directions... Stay nimble and able to easily react!

**Are Tensions Escalating Between U.S. and Canadian Leaders?** President Trump and Canada's Prime Minister Justin Trudeau seem to be engaging in a war of words. President Trump tweeted that Trudeau was "very dishonest and weak." That was followed by White House economic adviser Larry Kudlow accusing Trudeau of betraying Trump with "polarizing" statements on trade policy that risked making the U.S. leader look weak ahead of the historic summit with Kim. Specifically President Trump tweeted, "PM Justin Trudeau of Canada acted so meek and mild during our @G7 meetings only to give a news conference after I left saying that, 'US Tariffs were kind of insulting' and he 'will not be pushed around.' Very dishonest & weak. Our Tariffs are in response to his of 270% on dairy!" President Trump also tweeted, "Based on the fact that Canada is charging massive Tariffs to our U.S. farmers, workers and companies, I have instructed our U.S. Reps not to endorse the Communique as we look at Tariffs on automobiles flooding the U.S. Market!" I don't know how it all plays out, but many insiders point to the fact the majority of Canadian exports go to the United States, making Canada uniquely vulnerable to a U.S. trade war. I should also note, China's President Xi Jinping again warned over the weekend against "unilateralism" and trade protectionism as he, Russian President Vladimir Putin and Central Asian leaders used a regional meeting to criticize US policy. Stay tuned...

**Rafael Nadal Wins 11th French Open:** For Nadal, the title is another chapter in a remarkable career. He has now won 17 major titles in men's tennis, behind only Roger Federer, who has won 20. At the French Open, he lost just one set in the entire tournament, in the quarterfinals.

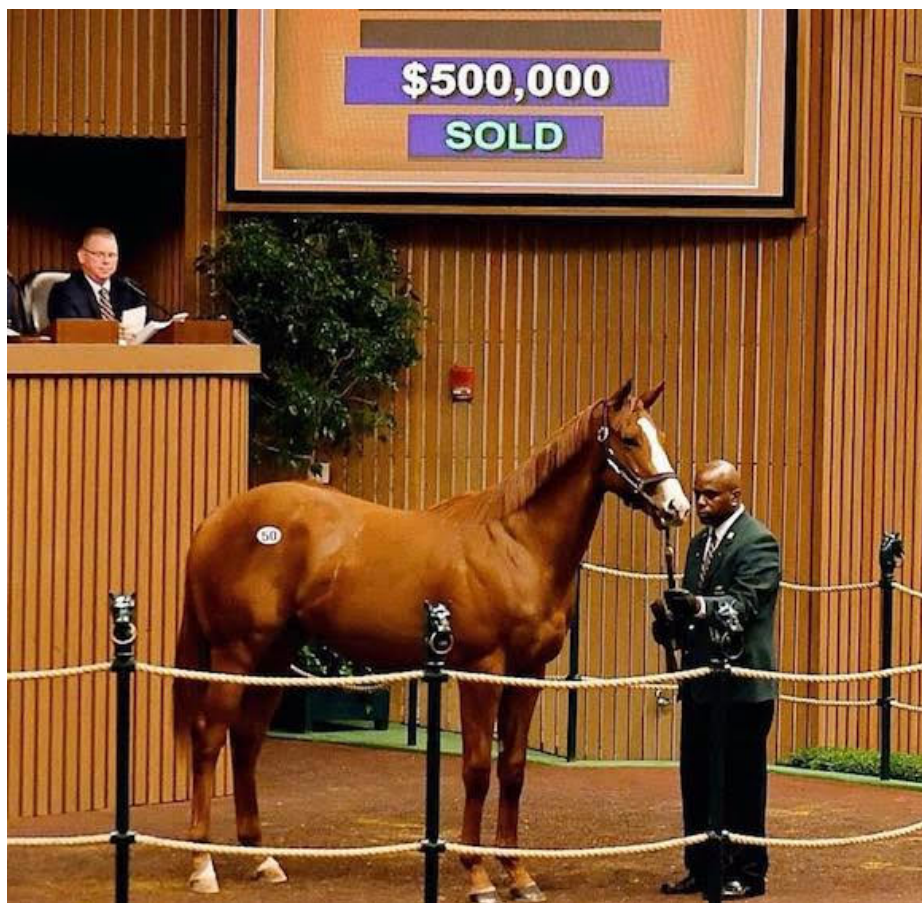
## THE 2018 VAN TRUMP CONFERENCE



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A gathering for the sharpest minds  
in agricultural investing.  
Hear firsthand about the new  
innovations that will be changing  
our farms and shifting our industry.

What An Investment! "Justify," after winning the Belmont this past weekend, became only the second ever undefeated Triple Crown winner in history, joining only the great "Seattle Slew". Justify, is also the first horse to ever sweep the series without racing at the age 2. Most insiders say Justify is now the most valuable horse in racing history. What makes Justify's accomplishment more remarkable is that the horse became so valuable just 111 days after his first race on Feb. 18. Justify was purchased for \$500,000 at the September, 2016 Keeneland's yearling sale. From what I've heard, the horse was sold to a recently formed partnership between WinStar Farm (60% ownership), China Horse Club (25%) and SF Racing (15%), the latter run by employees of George Soros's investment firm. Then in March of this year, I heard SF Racing sold a small portion of their share to Starlight Racing. The horse was initially sent to trainer Rodolphe Brisset at Keeneland but pulled a muscle and was given time to recover and grow into his frame. In January 2018, he was sent to Santa Anita to be trained by Bob Baffert. Justify has already won close to \$4 million in prize money, and before the Belmont Stakes, his breeding rights were supposedly sold for \$60 million to Coolmore, a group that already owns American Pharo's breeding rights. Bottom-line, what an insane investment, from \$500,000 to probably more than +\$100 million in less than 24-months!



Over 700 In Attendance Last Year:

Many of the Largest Producers in our Country

CEO's, and Ag Executives

Traders and Hedge Fund Managers

Bank Presidents, FDIC members

Grain Merchandisers, Exporters, Analyst

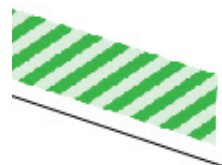
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"When the opportunity comes,  
it's too late to prepare."

- John Wooden



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## 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:

We hurt without moving.



*And poison without touching.*

*We bear truth and lies,*

*But are not judged by size.*

*What are we?*



**FARM TANK**



**Weather remains the wild-card!** Dryness in parts of Russia appears to becoming more of a concern and will be in focus this week. Here at home, there are some pockets that have been experiencing abnormally warm and dry conditions. The 6 to 10 day for June 16-20th calls for warmer than normal weather from the Midwest to the East. Meanwhile, drier than normal conditions will continue to hamper the upper-Northwest.

### Today in History



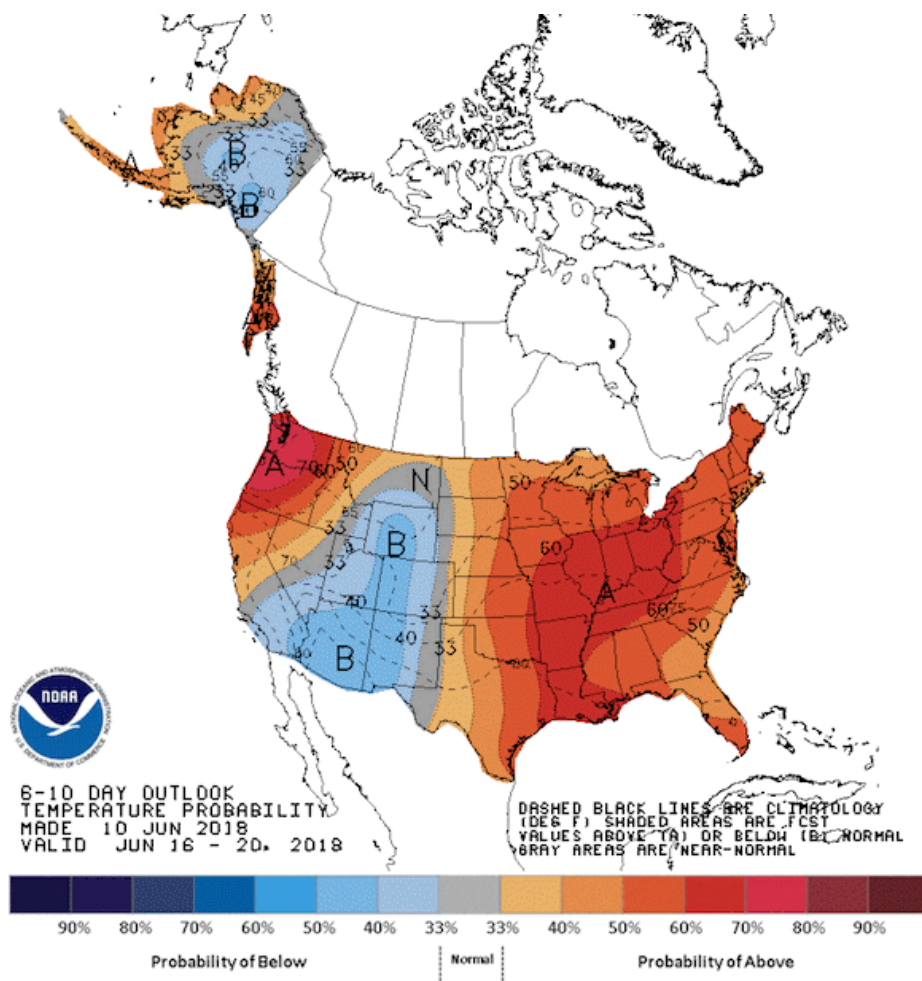
**1944, Five days after the D-Day -** landing, the five Allied landing groups, made up of some 330,000 troops, link up in Normandy to form a single solid front across

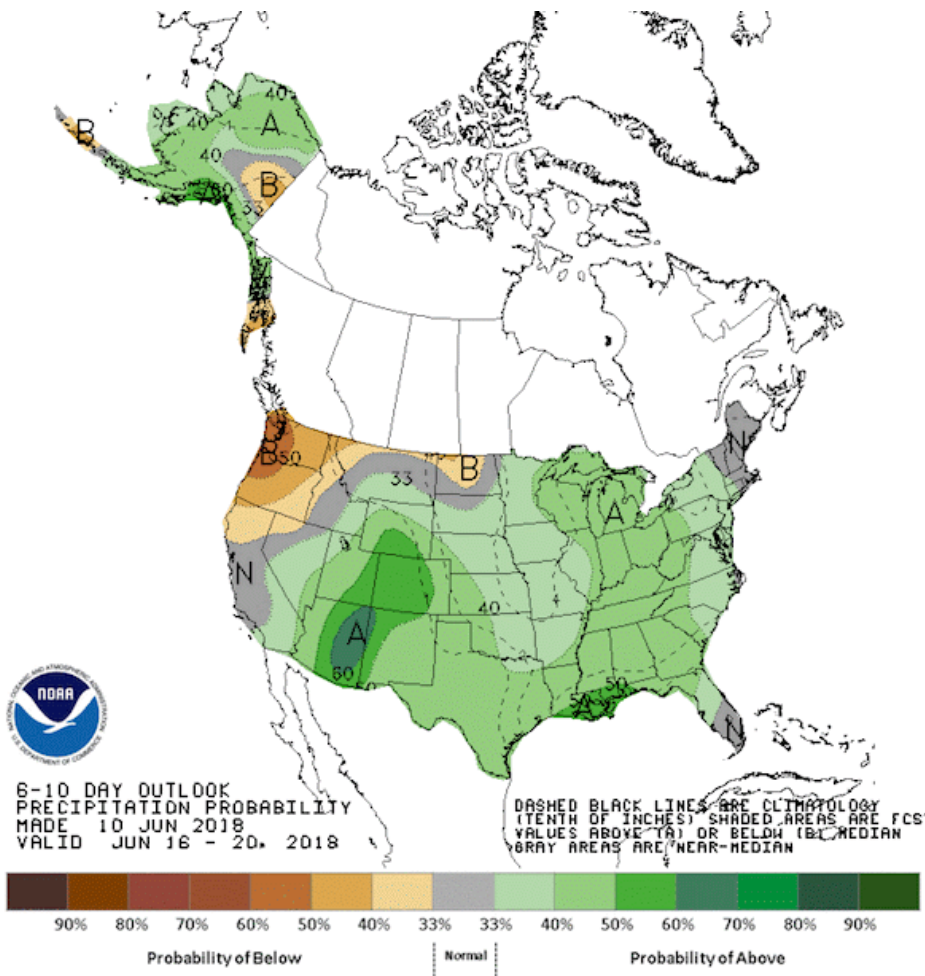
northwestern France. On June 6, 1944, after a year of meticulous planning conducted in secrecy by a joint Anglo-American staff, the largest combined sea, air, and land military operation in history began on the French coast at Normandy. The Allied invasion force included 3 million men, 13,000 aircraft, 1,200 warships, 2,700 merchant ships, and 2,500 landing craft. Fifteen minutes after midnight on June 6, the first of 23,000 U.S., British, and Canadian paratroopers and glider troops plunged into the darkness over Normandy. Just before dawn, Allied aircraft and ships bombed the French coast along the Baie de la Seine, and at daybreak the bombardment ended as 135,000 Allied troops stormed ashore at five landing sites. Despite the formidable German coastal defenses, beachheads were achieved at all five landing locations. At one site--Omaha Beach--German resistance was especially strong, and the Allied position was only secured after hours of bloody fighting by the Americans assigned to it. By the evening, some 150,000 American, British, and Canadian troops were ashore, and the Allies held about 80 square miles. During the next five days, Allied forces in Normandy moved steadily forward in all sectors against fierce German resistance. On June 11, the five landing groups met up, and Operation Overlord--the code name for the Allied invasion of northwestern Europe--proceeded as planned.



**1955, A racing car in Le Mans -** France, goes out of control and crashes into stands filled with spectators, killing 82 people. The tragedy in the famous 24-hour race

leads to a ban on racing in several nations. The Le Mans race, organized by France's Automobile Club de L'Ouest, was first held in May 1923 and has since been held nearly every June. The race always begins at 4 p.m. on Saturday afternoon and lasts for the next 24 hours over a 13-kilometer course running through the country roads near Le Mans. The winner is the racer who covers the greatest distance in that time. Before 1970, each car could only have two drivers. Only a single driver was allowed in the early years of the race. Three are required today. In 1952, Pierre Levegh, a Frenchman driving alone, might have won the race if not for a single mistake in the last hour. Three years later, Levegh was invited to join the Mercedes-Benz team; their 300SLR





Corn prices have tumbled by more than -30 cents in just the past 12 trading sessions. Bulls are hoping that weather headlines out of the Black Sea region might help stop some of the recent bleeding. From what I understand, dryness in parts of Russia has intensified a bit and the drought might widen and worsen during the next couple of weeks. Meaning yields might start being trimmed more aggressively and the market might want to add a little risk-premium on the news. As for Brazil's second-crop corn, it feels like things have stabilized. It will be interesting to see what the USDA has to say about both the Argentine and Brazil production estimates in tomorrow's report. Here at home, the trade is considering some abnormally high temperatures, but it sounds like they were fairly limited to the Plains. I still hear talk of dry conditions in parts of Missouri, Illinois, and portions of the Delta. Unfortunately, with the current crop-condition rating showing one of the best starts we've seen in years, it's tough to convince the trade that there's any reason to be concerned. I'm hoping the ratings in some states start to pull-back a bit to reflect more realistic conditions. I'm just not seeing it as good as they are in some of these areas and believe overall conditions should come down a bit. As for tomorrow's USDA monthly supply and demand report, South American production estimates will be in play, as well as forecasts for U.S. exports, ethanol and feed usage. As a producer, I'm staying extremely patient. End-users should be using the break in price to secure some additional supply. As a spec, I like the thought of building a conservative longer-term bullish position.

was to be outfitted with a new innovation, an air brake that would enhance cornering. Prior to the race, Levegh complained that the course was too narrow near the pit-stop area and the grandstand. This observation proved prescient. As Levegh was racing for the lead near the pit-stop area, he swerved to avoid fellow racer Mike Hawthorn's Jaguar as it moved toward the pits. Levegh's car, going about 150 miles per hour, came up too fast on Lance Macklin's Austin-Healey and was catapulted upward. The car crashed into the grandstand and its exploding parts went straight into the crowd. Levegh and more than 80 spectators, packed into the grandstand, lost their lives in the fiery crash. The race continued despite the horrific accident (Hawthorn won), purportedly because if the remaining spectators had left the area, they would have blocked the ambulances called to pick up the dead and injured. The rest of the Mercedes team was recalled. Grand Prix races in Germany and Switzerland scheduled for later that year were cancelled, and a complete ban on racing in Switzerland remains to this day. Both Spain and Mexico also temporarily banned motor racing following the 1955 Le Mans tragedy.

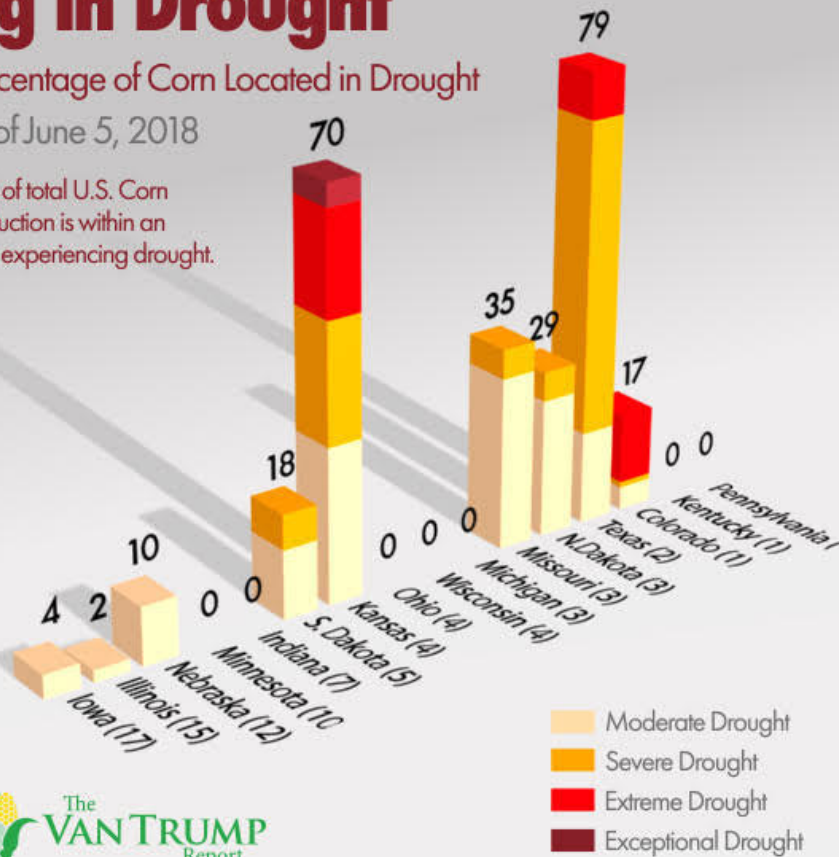


**1982, "ET the Extra-Terrestrial"** - a s released, opening at number one with a gross of \$11 million and ending it's box office run at approximately \$359 million. The film was nominated for nine Oscars at the 55th Academy Awards, although it won only four. It did win Best Picture at the Golden Globes and the LA Film Critics Association, as well as a Saturn Award for Best Science Fiction Film. Steven Spielberg actually received the U.N. Peace Medal for the film. Spielberg originally commissioned a script from fellow filmmaker John Sayles called Night Skies. It described a farm-family scenario and featured aliens who could kill others simply by the touch of a long, bony finger. The script also included an alien character named Buddy, a kind and benevolent member of the alien pack who befriends an autistic child. But as Night Skies went into preproduction, Spielberg — who wanted to only produce rather than direct the film — had second thoughts about the dark concept and decided to go in the completely opposite direction, one that offered a more hopeful view of an extraterrestrial encounter. He offered Sayles the chance to rewrite his original script. Sayles declined, so Spielberg repurposed the family-in-terror concept in his script for Poltergeist. While filming Raiders of the Lost Ark, Spielberg told screenwriter Melissa Mathison (then girlfriend of Harrison Ford? about Night Skies, and developed a subplot from the failed project, in which Buddy, the only friendly alien, befriends an autistic child. Buddy's abandonment on Earth in the script's final scene inspired the E.T. concept. Mathison wrote a first draft titled E.T. and Me in eight weeks, which Spielberg considered perfect. There were a few different E.T.s seen in the movie. Shots that featured the extraterrestrial moving around usually called for a full-size costume, which was worn by one of two dwarfs hired for the movie or, for certain scenes, by Matthew De Meritt, an athletic 12-year-old boy born without legs. Most times, the filmmakers shot an animatronic figure controlled by a team of talented puppeteers — as many as nine at a time — who had to coordinate their moves by looking at a small TV monitor. E.T. the movie was a huge commercial success, universally praised by critics, and it greatly elevated the bottom lines of Universal Pictures. E.T. the video game was a huge commercial flop, widely

# Ag in Drought

Percentage of Corn Located in Drought  
as of June 5, 2018

10% of total U.S. Corn production is within an area experiencing drought.



considered to be among the worst games of all time, and partly responsible for the crushing losses posted by Atari — and, as some contend, the crash of the home-video-game industry that followed a few years later.

## 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

**WHAT I'M LISTENING TO:**

**Darius Rucker** "Straight to Hell"  
ft. Jason Aldean, Luke Bryan, Charles Kelley

## Kevin's Song of the Week

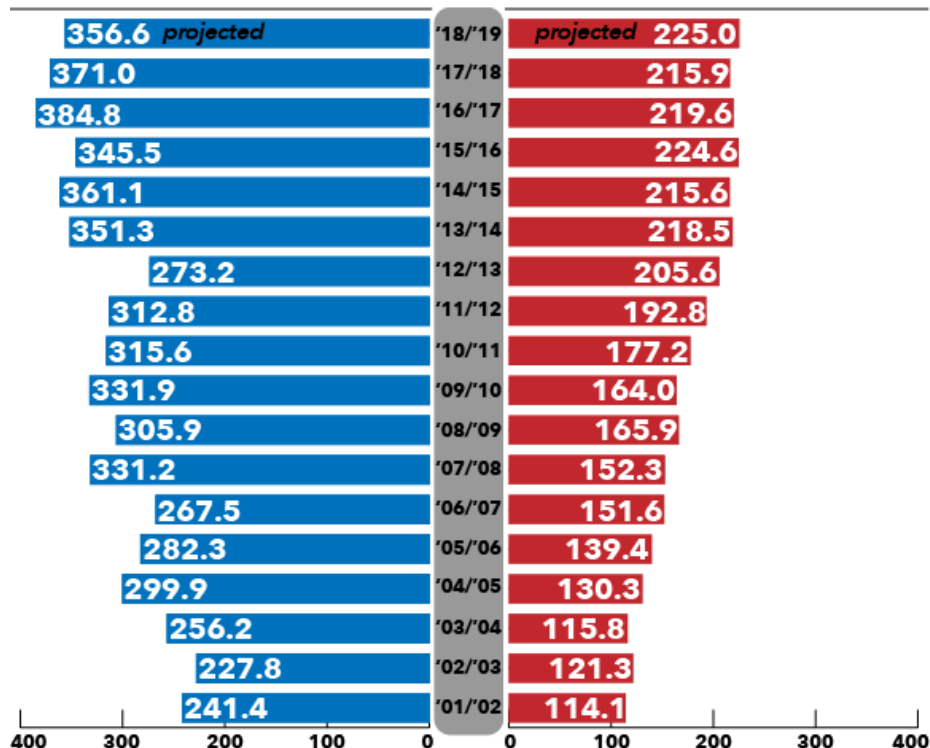


# Corn Production

(in million metric tons)

## United States

## China



Source: USDA, updated with latest WASDE

Soybean bulls are trying to answer the "standing-eight-count", which boxing fans also refer to as a "protection count," which occurs when the referee stops the action and gives an eight-count to a boxer who has not been knocked down but appears hurt. After watching the market drop by more than -50 cents last week, the bulls are definitely dazed and perhaps a bit confused. From data released by the CFTC on Friday, the funds are still thought to be long close to 70,000 contracts. Obviously, lack of a trade deal with the world's top buyer of soybeans has the market nervous. Especially with such a large amount of U.S. soybeans still sitting on the books as "sold" but not yet "shipped". Meaning tomorrow's USDA report will be viewed as great importance in trying to better determine U.S. export demand and total domestic supply. Several inside the trade are thinking the new-crop balance sheet could become a bit more burdensome as questions surrounding demand continue to linger. Once the USDA numbers are behind us, I suspect the trade will immediately start monitoring U.S. weather forecasts and updated headlines out of Washington regarding trade. From a technical perspective, it feels like the JUL18 contract wants to eventually try and test psychological support down near \$9.50 or perhaps even the low set back last June near \$9.38 per bushel.

## 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

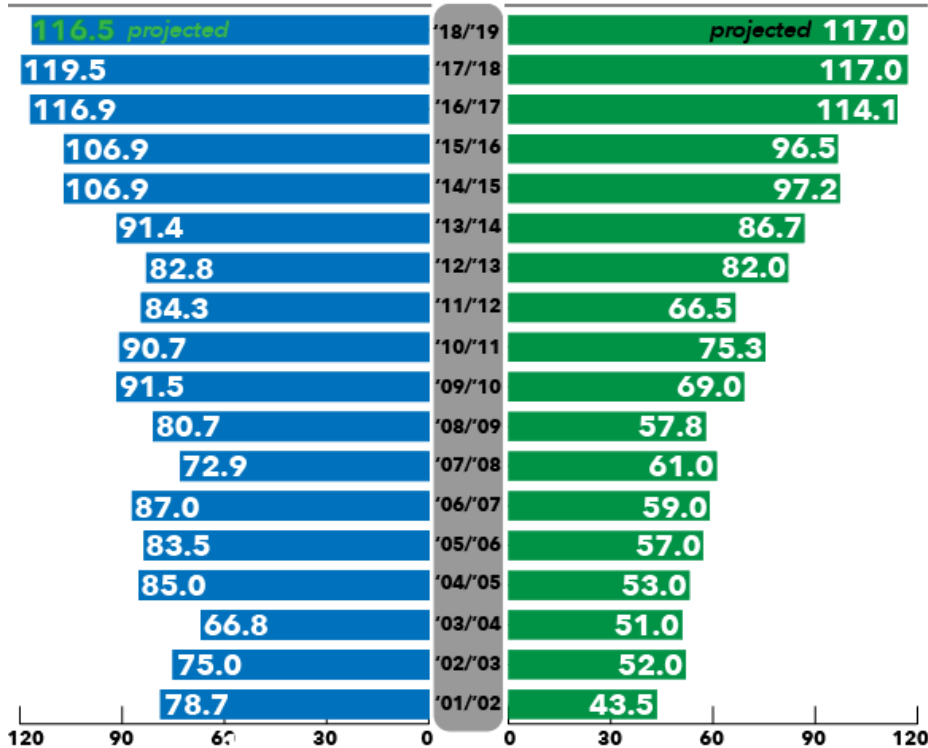
"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really

# Soybean Production

(in million metric tons)

## United States

## Brazil



Source: USDA, updated with latest WASDE

**Wheat** prices have managed to hang in there as of late despite the big setbacks in both corn and soybeans. Weather complications in parts of Russia and Ukraine have been severe enough to keep the bulls engaged and some of the bears hesitant. Yes, some areas received rains this past weekend, but from what I'm understanding, the drought may actually widen and intensify during the next couple of weeks. There's also still concerns brewing in parts of Australia, Canada, and some small portions of China. Here at home there has been some intense heat in parts of the Plains, but I don't see the headlines impacting the trade all that much. I also doubt tomorrow's USDA report will have much sustained impact on the trade. If anything, it might further confirm the traditional bearish fundamentals, the lack of U.S. export demand, and the overall ample domestic and global supply. I respect the Black Sea weather story, but as a spec I refuse to chase this market higher. Without a real "demand" story I continue to hold a bearish tilt. As a producer, I will look to reduce longer-term price risk should we move aggressively higher.

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.

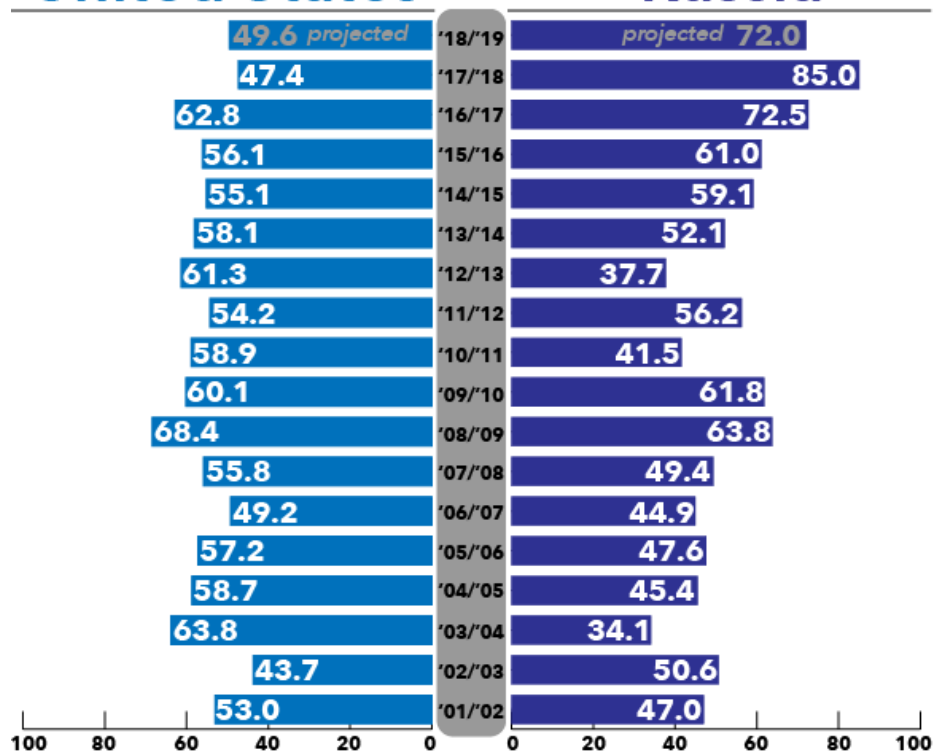
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

# Wheat Production

(in million metric tons)

## United States

## Russia



Source: USDA, updated with latest WASDE



### U.S. Ending Stocks 2017/18

	June #	Avg. Trade Est.	Trade Range	USDA May
Corn	???	2.166	2.132 - 2.192	2.182
Soybean	???	0.522	0.473 - 0.550	0.530
Wheat	???	1.079	1.045 - 1.100	1.070

### U.S. Ending Stocks 2018/19

	June #	Avg. Trade Est.	Trade Range	USDA May
Corn	???	1.663	1.495 - 1.790	1.682
Soybeans	???	0.417	0.395 - 0.480	0.415
Wheat	???	0.958	0.820 - 0.994	0.955

### World Ending Stocks 2017/18

	June #	Avg. Trade Est.	Trade Range	USDA May
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<b>Corn</b>	???	193.39	190.0 - 195.1	194.85
<b>Soybeans</b>	???	91.35	88.3 - 93.1	92.16
<b>Wheat</b>	???	269.99	267.0 - 271.0	270.46

#### World Ending Stocks 2018/19

	<b>June #</b>	<b>Avg. Trade Est.</b>	<b>Trade Range</b>	<b>USDA May</b>
<b>Corn</b>	???	157.56	150.67 - 161.0	159.15
<b>Soybeans</b>	???	86.74	83.5 - 92.1	86.7
<b>Wheat</b>	???	263.0	260.0 - 265.8	264.33

#### U.S. Wheat Production

	<b>June #</b>	<b>Avg. Trade Est.</b>	<b>Trade Range</b>	<b>USDA May</b>
<b>Hard Red Winter</b>	???	0.645	0.608 - 0.670	0.647
<b>Soft Red Winter</b>	???	0.318	0.310 - 0.325	0.315
<b>White Winter</b>	???	0.228	0.202 - 0.242	0.229
<b>All Wheat</b>	???	1.822	1.787 - 1.870	1.821
<b>All Winter</b>	???	1.190	1.159 - 1.221	1.192

#### South American Production

	<b>June #</b>	<b>Avg. Trade Est.</b>	<b>Trade Range</b>	<b>USDA May</b>
<b>Argentina Corn</b>	???	32.53	31.0 - 33.0	33.0
<b>Argentina Soybeans</b>	???	37.89	36.0 - 39.0	39.0
<b>Brazil Corn</b>	???	84.47	78.39 - 87.00	87.00
<b>Brazil Soybeans</b>	???	117.43	116.5 - 119.0	117.0



> **Cotton Being Pushed Higher By China:** China has purchased futures contracts covering more than 361,000 bales of U.S. cotton for 2019-20. That's enough to make 400 million T-shirts. China has never booked that much cotton that far in advance at this time of year, in data going back to 1998, Julie Wernau reports. China's return to global cotton markets is likely to mean a period of higher prices for a fiber used in most apparel, textiles and upholstery. It is also a boon to U.S. producers. Chinese strategic cotton reserves are likely to run low by the end of August, according to analysts. China's Ministry of Agriculture and Rural Affairs said in its monthly report on May 10 that while the government sell down of cotton stocks will continue in 2018-19, the domestic supply of high quality lint is insufficient and cotton imports are expected to increase. Read more at [The Wall Street Journal](#)

> **Senate Ag Committee Takes Up Farm Bill This Week:** Early expectations are that the "bipartisan" draft bill may do better than the version rejected last month by the full House. The Senate farm bill — all 1,000-plus pages of it — was released jointly Friday by Kansas Republican Senator Pat Roberts, chairman of the Agriculture Committee, and Democratic Michigan Senator Debbie Stabenow, the ranking member. I'm told there is a good reason to be optimistic as the Senates bipartisan approach may be able to free the bill in the House if they can come up with an immigration agreement. Get all the details [HERE](#).

> **U.S. Pork Exports Could Be Hurt Most in Trade Disputes:** More than 14% of \$140 billion in annual U.S. farm exports have been or will likely be hit by tariffs in trade disputes with major buyers such as China and Mexico according to a top U.S. trade negotiator. Mexico is the largest export market for U.S. pork which is the likely target of retaliatory tariffs more than any other commodity. China has also imposed tariffs on U.S. pork and other products and they are the second largest destination for U.S. pork by volume last year. (Source: Reuters)

> **USDA Gets Funding to Create a Better Website:** The Technology Modernization Fund Board gave \$10 million to USDA's website Farmers.gov to make it more accessible for "America's farmers, ranchers, conservationists, and private foresters with vital USDA resources and programs. This new resources is expected to reduce the time farmers need to take away from their fields today to fill out paperwork. To learn about the Farmers.gov vision, USDA's farmer-centered design principles, and roadmap for the website, visit the Farmers.gov playbook at [www.farmers.gov/playbook](http://www.farmers.gov/playbook). (Source: USDA)

> **Bitcoin Prices Pulling Back on Hack:** Bitcoin took a tumble of over 7% yesterday after a South Korean cryptocurrency exchange called Coinrail said it had been the victim of an online heist. Hackers made away with around 30% of the virtual coins that Coinrail was holding, the exchange said, announcing a suspension of trading. Even though those virtual coins weren't actually Bitcoin, but lesser-known cryptocurrencies, the market is as always very sensitive to new developments. Read more at [CNN Money](#)

> **Steel Tariffs Affect On Energy Sector:** Trump's 25 percent steel tariffs on Canada, Mexico and the European Union could drive up the cost of oil production in the U.S. shale patch if the industry is not granted exemptions. Also, oil and gas pipeline construction relies on specialty steel, about 75 percent of which comes from outside the United States. Steel makes up 10 to 20 percent of the cost of drilling a shale well, and half of the steel for drilling is imported. (Source: [oilandenergyinsider](#))

> **More Jobs Than People Out Of Work:** Believe it or not, there are 6.7 million job openings and just 6.4 million available workers to fill them, according to the Bureau of Labor Statistics, which is a phenomena the American economy has never experienced before 2018. Interestingly, while the unemployment rate has dropped to 3.8 percent, tied for the lowest rate since 1969, the level of those falling out of the workforce has surged. The total of those counted as not in the labor force is now at a record 95.9 million, a 21 percent rise over the past decade. (Source: CNBC; Bureau of Labor Statistics)

> **House Flipping Remains Extremely Popular:** The rate of house flips has hit a six-year high. The overall number of house flips actually declined -4% to just under 48,500 in the first quarter year over year, but that accounted for about 7% of sales, a level last reached in the first quarter of 2012. Last year, investors flipped more than 207,000 condominiums and single-family homes in 2017, the most since 2006. The average gross profit from a home flip was \$69,500, the highest level since 2000. That was a slight decline from the fourth quarter of 2017. (Source: [BusinessInsider](#))

> **Warriors Sweep Cavaliers to Win NBA Championship:** The Golden State Warriors have won their third NBA championship in four seasons, sweeping the Cavaliers with a 108-85 romp in Game 4 in Cleveland. Kevin Durant was named Finals MVP for the second year in a row, the sixth player to accomplish the feat.

> **Antartica's Largest Iceberg Is Drifting To Its Death:** Satellite images taken from the International Space Station on May 22 confirm that the remains of the iceberg are on a crash course with warm tropical waters, where growing pools of meltwater will soon "work their way through the iceberg like a set of knives," NASA glaciologist Kelly Brunt said in a statement. The freewheelin', formerly Connecticut-size iceberg first embarked on its long cruise after breaking away from the Ross Ice Shelf in 2000, NASA said. At the time, it was the largest single chunk of ice ever to split off from the shelf, measuring 160 nautical miles long and 20 nautical miles wide which is larger than the island of Jamaica. Read more [HERE](#).



Iceberg B-15 broke off of the Ross Ice Shelf in 2000, floated three quarters of the way around Antarctica and is now veering north toward its doom.

Credit: NASA/ International Space Station



After 18 years of drifting, Antarctica's largest iceberg is about to melt away near South America.

Credit: NASA/ International Space Station



Northeast Missouri - I thought this was interesting and worth noting. Neighbor stopped by today. He had another neighbor pay him a visit to inform him he was going to have local applicator spray dicamba on his beans. Just wanted him to know. I got the same visit last Saturday from another neighbor. Just wanted me to know. First off why tell anyone? If it is safe to use why the sudden urge to inform your neighbors? But what really takes the cake is the first guy didn't even use a pre-residual. He clean tilled and planted. Now three weeks later he has this. First guy has his own



sprayer but isn't going to do his own spraying. That's the height of hypocrisy. Evidently he understands a problem may arise, so even though he says don't worry, he isn't willing to take the responsibility.

Eastcentral Nebraska - Going to post spray beans soon and trying to figure out what to use. Have RR beans and much volunteer corn from last harvest wind storm. Thinking roundup with select. Or looking online label of fomasafen and flexstar. See the corn planting restrictions but don't see it killing standing corn. Is it just pre-emerge for killing corn or will it work to post. Pre was authority and knew I had to add something to get the corn on the post. Fields are pretty clean so far besides the corn and don't expect any weed problems. I have resistant mare tail but got them last fall. Used fomasafen last year just to get a different chemistry out there as I don't have a problem with resistant weeds yet since I started fall spraying for mares tail but I don't remember if it got the corn.

Northern Illinois - There are lots of dry pockets all around us at the moment. Fortunately, we are in good shape but definitely are looking for more moisture. We received three tenths last night. Our corn and beans are looking pretty good right now after getting in the ground in good shape. We have some basis contracts on old corn and hoping for a pop in price soon or I have to consider paying for the roll. We also have made a few new crop sales. One thing we are starting to see more of is organic acres of corn and beans. I'm hearing that premiums can be up to three times GMO's and we may take a look at starting the three-year process. I know a lot of guys would be interested in changing if it didn't take that long. I'm still trying to see if the premiums and lesser yields pencil out.



**America's Largest Private Company Reboots a 153-Year-Old Strategy:** William Wallace Cargill pioneered the modern agricultural trading industry in 1865 when he established a string of grain warehouses across the American Midwest. Having a deep-pocketed buyer that could take delivery locally gave farmers an easy way to quickly get cash for their crops, lest they rot in the field waiting on a sale or transport to a faraway market. The ability to store huge amounts of grain also gave Cargill the flexibility to time his own sales to maximize the spread between what he paid farmers and what he could get from distant food processors or exporters. That business model of playing the middleman between farmers and their ultimate customers has enjoyed a lucrative 153-year run, turning Cargill Inc. into the largest privately held company in the U.S. It had revenue of \$109.7 billion in 2017 and employed about 155,000 workers—more than the population of Dayton—in offices across 70 countries. And the roughly 100 members of the founding Cargill and MacMillan families who still own the company have become fabulously wealthy, with 14 billionaires among the ruling clan, one of the largest concentrations of wealth in any family-controlled business anywhere in the world. Now however, Cargill's business is falling victim to a scourge that's already upended media, retailing, and other venerable industries: digital disruption. You should take the time to read how Cargill is trying to overcome the obstacles. This is a great article written by Mario Parker and Javier over at Bloomberg. Click [HERE](#) to read in full-detail

**Largest Capital Raise In Insect Farming:** AgriProtein, the insect farming business, has raised \$105 million in equity and debt into its UK holding company from a large, overseas listed corporate financial institution that could not be disclosed. This is the largest capital raise on record for an insect farming company and is the 18th largest farm tech deal on record, according to AgFunder data. AgriProtein feeds black soldier flies with municipal waste and sells them as feed for the livestock industry. It has one insect farm in South Africa, and is embarking on the construction of its next generation of farms. "We continue to view the world differently, recognizing the true value of organic waste as a resource," said Jason Drew, CEO, in a statement. Read more [HERE](#).

**Scientists Try To Catch Laws Of Physics Changing:** Gather 12 of the most accurate clocks around the world, and watch them tick. It's like a physicist's version of watching paint dry. A team, based at the National Institute of Standards and Technology in Boulder, Colorado, began monitoring the clocks on November 11, 1999. And they've kept watching for some 450 million seconds—over 14 years. From what I understand they are trying to detect changes in physics over time...see what they found out [HERE](#).

**Insights From An Internet Pioneer:** Jaron Lanier was there for the creation of the internet and is convinced that social media is toxic, making us sadder, angrier and more isolated. In his new book, 'Ten Arguments for Deleting Your Social Media Accounts Right Now', he has thoughtful insights into the psychology at work as we surf the internet, and engage with others. He definitely put thought into his comments and provides food for thought for all of us. Read more [HERE](#).

**The Worlds Deepest Caves:** You can't tell what lies beyond a cave's entrance by looking at it. And that is one of caving's great allures—exploring what cannot be easily seen from a safe distance or rendered in advance by technology. The thrill lies in the firsthand experience of making the unknown known, going not because "it's there," as the old mountaineering expression asserts, but because you ultimately don't know what's there, and can't know until you take that first step into the dreadful abyss. Check out the National Geographic article on one of the world's deepest caves [HERE](#).



### Drive It Like You Stole It...

Dave Archer, along with his family and friends spent a year modifying a 1961 Allis Chalmers D-19 to go from a pulling tractor to pushing the envelope for speed. The speed project, which in many ways is the opposite of tractor pulling, began as an idea Dave Archer, 73, hatched after a double lung transplant in the Cleveland Clinic two years ago. With a long recovery ahead, Archer said, he knew he needed something involving a goal to keep him focused and occupied. "To me, it was therapy," he said. "Last winter, I'd go out there at night and work on it. I had a lot of help, especially from my wife, Arlene. She's built a lot of unusual tractors." The Archers are the architects and operating crew of international champion pulling tractors, including a five-engined, 15,000-horsepower monster, Black Widow, that won numerous tractor pulls across the country, driven by his daughter Kathy Schallitz. She's been involved in the family sport since she was a teenager, and it's taken her around the country and twice to Europe. Last week the family took the tractor out for its first official run, which was a contest held in Blytheville, Arkansas at a former Air Force Base in Arkansas. Interestingly, they were never able to give the tractor a full test run before the Blytheville competition. Daughter Kathy was driving the old Allis-Chalmers. Keep in mind, this was the first time she'd driven this tractor in an event and the first time she had ever driven a tractor built for speed rather than pulling power. Also keep in mind, when she entered the tractor, the speed record at that time was 101 mph, set in 2015 by former NASCAR driver Jack Donahue, which happened in Ford tractor powered by a V-8 flathead. When Kathy exited the tractor, she was the new world record holder, having gone 108.5 mph and the only one to have ever driven a tractor of this classification over +100 mph. The work on the Allis Chalmers included lowering the machine about two feet and fitting it with Bonneville racing tires engineered for 300 mph, Archer said. The engine used was the original six-cylinder Buda tractor engine, although the engineers who designed it likely would have had trouble recognizing it. "It was fairly common in trucks and heavy road equipment back in the day," Archer said. "But it was extensively modified to go up to 6,500 rpm, about double what's normal. It'll scream." The tractor body was altered somewhat, but rules don't allow an enclosure for the driver except a metal roll cage for safety. "We didn't know how the aerodynamics would work, but it came out pretty good," he said. The final touch was attaching a "slow moving vehicle" sign typical for rural tractors to the back of it, just above the pod where the deceleration chute deploys. You can click [HERE](#) to see a short video. (Source: [The Marietta Times](#))





### **Growing Furniture... Not Building It**

Gavin Munro started growing a forest full of chairs in 2006 through his company FullGrown Furniture, which was a project that had been on his mind since he was a little boy. This idea stayed in his mind for 25 years when he first realized when he was young an overgrown bonsai tree had the appearance of a tree. His idea began to develop more when Munro went through several operations to straighten his spine out. Munro stated, "It's where I learned patience. There were long periods of staying still, plenty of time to observe what was going on and reflect. It was only after doing this project for a few years a friend pointed out that I must know exactly what it's like to be shaped and grafted on a similar timescale." Research started in the year of 2000 in Peak District, UK. In this first attempt at growing trees to be made into chairs Munro made a mistake that any logical person would make. Munro decided to grow these chairs from the bottom as he planted four trees close in proximity to each other. He decided to use this technique because he figured the four trees being grown would consist of being the legs of the chair. The problem with this was the little saplings turned out to be too competitive next to each other. Once he found out this wouldn't work Munro really needed to think outside the box. Brainstorming ideas, Munro came up with growing these chairs upside-down, which will guide a single tree branch into the seat it's meant to be. By 2008, Munro rented 2.5 acres in a field and was able to plant 3,000 trees in case this idea worked later on. Then, 4 years later in 2012 first generation of chairs and lamps along with experiments began. The reason why this company hasn't made much progress so far since planting is because it takes about 10 years for a tree to turn into a right side up chair. In 2015, the first batch of these trees was harvested into 30 lamps. Most recently in 2017, three more prototype chairs were sold to the Rotterdam Museum Boijmans van Beuningen, Manchester Metropolitan University, and a private collector in North America. FullGrown Furniture is made first by training and pruning young trees as they grow. After the tree is grown into the shape they want, FullGrown furniture continues to nurture the tree till it thickens and matures. After that, it's a matter of planning and finishing the wood to show it off. It takes around 4 to 8 years to grow a chair, so you could say it's a process. Munro really created a cutting-edge form of emerging furniture bringing art and nature together. My wife is already trying to order some items from the website. You can see a super cool video by Clicking [HERE](#)





## FULL GROWN Salix reclinatoria - 'The Nelson Armchair'

Using ancient rural techniques combined with modern technology this is one of our First Edition Green Armchairs. Started in 2012 using Salix viminalis - Common osier - it will take 5-6 years of nurturing and training into shape before harvest, with an additional year to season and dry the wood, the piece is hand finished using both modern and pre-industrial tools. Each piece is unique, representing an elegant cooperation between Nature and Humanity that could last for hundreds of years. We've called this chair 'The Nelson', as the first identification number is Unit 111 - as 'Nelson' is the overarching term for 111 Park Croft chairs and are also made from willow. Manufacturing our everyday objects this way needs much less energy even at this early stage, encouraging tree planting and is constantly developing in harmony with our Plans and People.



Leaves and cuttings of Salix viminalis



Chair design by Gavin Munn  
Artwork by Geoff Diego Litherland



Finishing details - the rings on the slightly raised entry branch above show the tree's age



Once harvested and turned upside down the 'entry branch' will show both the age of the piece and evidence of the years' weather over the chair's growth cycle.



Spring 2012



Summer 2012



Spring 2013



Summer 2013



Spring 2014



Summer 2014



Spring 2015



Summer 2015



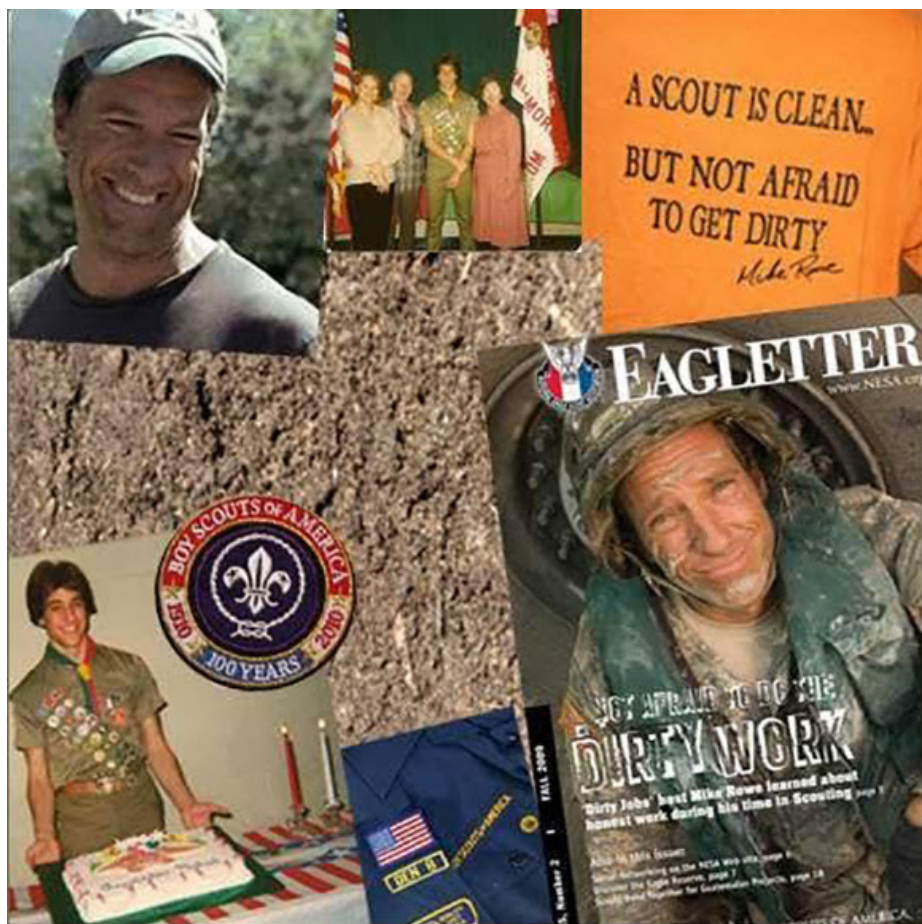
## Many Think We Are Gaining... But In Reality We Are Losing!

I was sent an article the other day that was penned by Mike Rowe, host of "Dirty Jobs". The comments shared his thoughts on the recent decision of the Boy Scouts of America to allow girls into the ranks. Rowe takes a much broader view and tries to dive deeper into the real problems facing today's youth, and how the organization got away from what made it successful over the last 108-years. It's worth noting that Rowe was a Boy Scout growing up, meaning he has been there and done that, so I feel his opinion bears some merit. I've included his comments below... Good stuff!(Source: Dailycaller)

*"In Troop 16, merit badges reflected merit. There was a boxing ring where differences were often settled, monthly camping trips, frequent visits to the shooting range, weekly fitness tests, poetry readings from memory, and many other activities tailor-made to pull every kid out of his particular comfort zone. When I left the organization in 1979, there were 5 million active members. Today, there are 2.3 million. With the recent departure of the Mormon community, that number will soon drop to under two million. Clearly, something is wrong. The question is, what? Is it the past sexual scandals? Is it the more recent admission of gay and transgender members? I would imagine those are factors. But a 60-percent decline? That seems very unlikely. Besides, the drop-off started long before all that. In my opinion, this kind of attrition can only be explained by an increasing lack of relevance, or, the perception of irrelevance.*

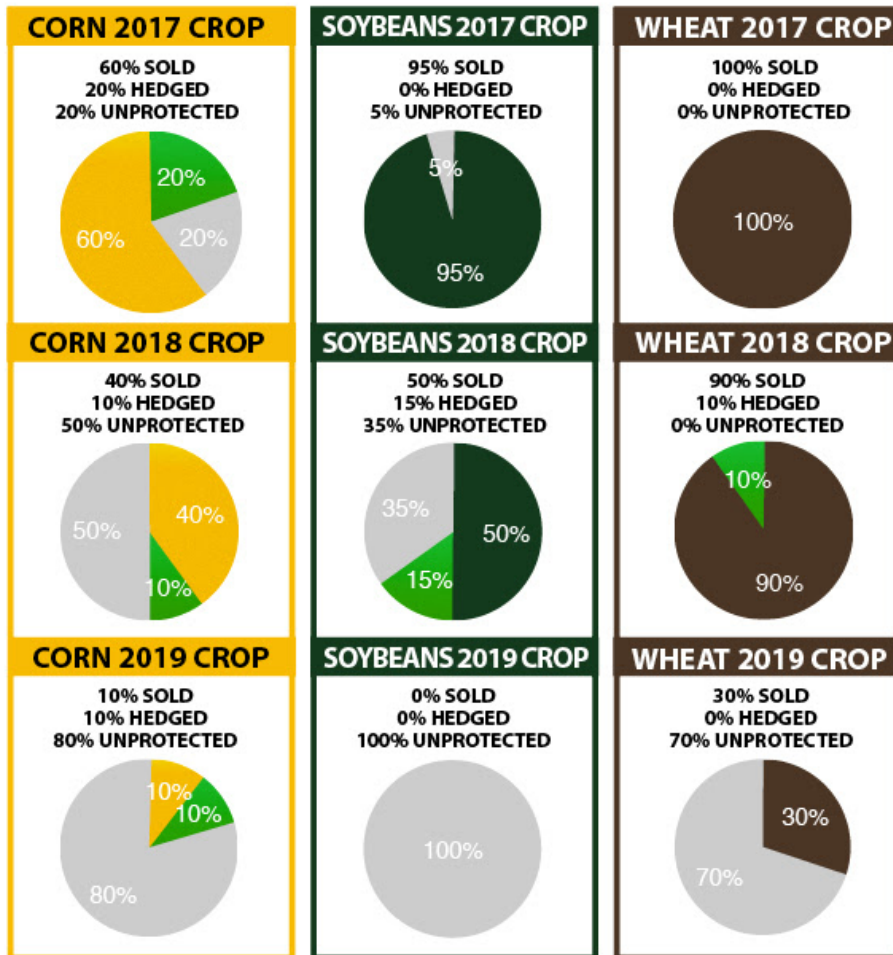
*Right now, there's a perception that The Boy Scouts have gone soft. That's the real tragedy, because I can't think of anything more needed in our country today, than a youth organization that offers kids the same experience I underwent in the basement of Kenwood Church. Why? Because our country's current obsession with 'safe spaces' is destroying character faster than the Boy Scouts of today can build it. I also know the*

'safe space movement' is real, and I can think of no better way to push back than to expose more kids to the brand of Scouting that I was lucky enough to encounter four decades ago. If by some miracle, the dynamic I experienced in Troop 16 were available to everyone today — if Scouting could somehow recapture that combination of risk and wonder and pride and personal accountability — I believe their ranks would swell with the sons and daughters of millions of anxious parents, desperate to expose their kids to a program that prepares them for the real world. If the Boy Scouts want to attract a new generation of members, they'll need to stand for something more than inclusion. Because being inclusive doesn't make you relevant. If I were calling the shots, I'd take a stand against the safe space movement and everything it embodies. As we all know, in 1974, a chipped tooth or a black eye didn't lead to a lawsuit, and today, I'm pretty sure a boxing ring and a trip to the shooting range would make a lot of parents ... uncomfortable. But that's exactly the point. In a world that values safety above everything else, discomfort is never welcome. Neither is risk. And yet, discomfort and risk are precisely why my time in Scouting was so valuable, and why Troop 16 was the polar opposite of a safe space."



**ANSWER to riddle:** Words.

**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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