

GOOD MORNING: 06/13/18 Farm Direction - Van Trump Report

2 messages

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"Don't put a question mark where God put a period." -Joel Osteen

WEDNESDAY, JUNE 13, 2018

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Morning Summary: Traders are eager to hear what Fed Chair Jerome Powell has to say about the latest monetary policy decision. The Fed's policy statement is due out at 1 p.m. CST. Fed Chairman Jerome Powell's press conference is scheduled for 1:30 p.m. CST. While most insiders believe the Fed is going to lift rates higher on Wednesday, the bigger question is their attitude towards the future. Is the U.S. economy heating up too fast? Is the Fed taking a more hawkish stance and increasing the odds of four rate hikes in 2018, another hike at the September meeting and yet another to end the year at the December meeting? What about 2019, are we looking at two or perhaps three more rate hikes in the forecast? Following the Fed's announcement, the trade will start to debate the ECB's next move. The European Central Bank will announce their latest monetary policy decision tomorrow morning. There's currently a great deal of debate about the ECB's next move. There are some who believe the ECB is going to start tightening and raising rates, I'm not in that camp. In fact, I don't think they are going to start raising rates for many more months, despite their move to phase out the bond buying program. I think there still just too much worry in the air regarding higher oil prices, potential trade wars with the U.S., already slowing economic growth in parts of the eurozone, as well as ongoing uncertainty with their third largest economy, Italy. Several traders I have spoken to, believe it will be more like next Summer before the ECB really starts to get serious about raising interest rates. Don't forget, early tomorrow morning there will also be a slew of Chinese economic data to digest. Most are expecting the Chinese economy will maintain steady growth this year as structural reforms have made some notable progress. Inflation remains tame and the country's retail sales are expected to rise over +10% percent for the year. I suspect more important than the Chinese economic data on Thursday, will be "The List" of Chinese imports the U.S. is targeting for the 25% tariff, which is scheduled to be released on Friday. Remember, China has warned they will retaliate if the U.S. moves forward with the threats. Buckle up, it could get a bit bumpy late in the week...

Colorado Fires Growing Larger: Wildfires have burned tens of thousands of acres in Colorado and are now causing thousands of people to evacuate and closing a National Park. The Buffalo Mountain blaze is one of at least six wildfires burning throughout the state. It started on Tuesday about 2 miles west of Silverthorne, a town with about 4,700 residents and about 65 miles west of Denver. Another fire burn in is called, "The 416 fire" -- the largest wildfire in the state -- which has burned more than +23,000 acres in La Plata County. The fire has only been 15% contained since it was first reported on June 1. More than 900 people are fighting the blaze. (Source: Wall Street journal; CNN)

Why It Matters... AT&T Allowed To Buy Time Warner: AT&T will be allowed to complete its \$85 billion acquisition of Time Warner, according to a federal judge who rejected an antitrust challenge by the U.S. Justice Department. It's been about 600 days since AT&T first announced the deal in October 2016. The argument against the AT&T-Time Warner merger is that it creates a massive powerhouse that not only produces and controls massive amounts of premium content, but it will now be owned by a super mega network that will control how it is distributed. Many insiders believe the ruling in AT&T's favor could help ignite a chain reaction of other mega-mergers. From what I've been hearing, Comcast could soon make an all-cash bid for the entertainment assets of 21st Century Fox, setting up a battle with The Walt Disney Company. I personally own Disney stock, so it could become a headwind worth monitoring. The ruling could also give hope to a pair of big health care mergers: CVS Health merging with Aetna and Cigna merging with Express Scripts. These are considered vertical deals, combining different companies along the health care food chain.

Say What.... \$2 Billion For A Scooter Company? Venture capitalists have never before participated in such a rapid and rocketing price spike. But as ride-hail companies are seeking to expand their urban offerings, whether that be via bikes, flying taxis or now scooters, valuations are skyrocketing. Electric scooter sharing start-up "Bird Rides" was recently valued at \$1 billion, but in the blink of an eye it is now worth \$2 billion, as big money players race to

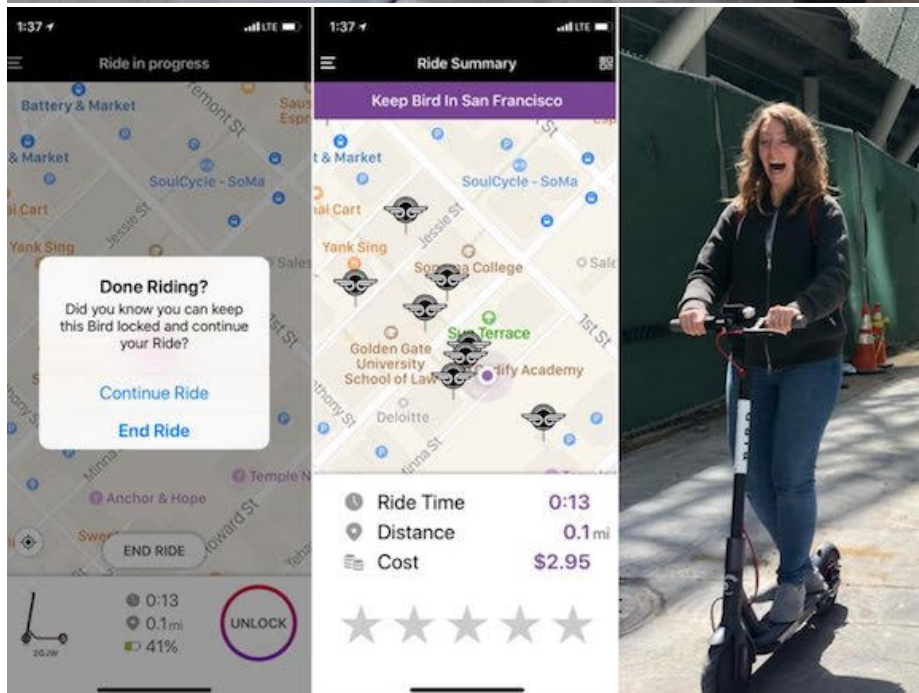
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November 28-29
Special 2 Day Event
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A gathering for the sharpest minds
in agricultural investing.
Hear firsthand about the new
innovations that will be changing
our farms and shifting our industry.

get a piece of the action, and the company is barely one year old. From what I'm understanding, "scooter sharing" has become all the rage in American cities from San Francisco and Los Angeles to Denver and Nashville. Advocates say the electric scooters are rapidly replacing cars for short journeys around the urban space, while critics complain they are clogging up sidewalks and creating mass chaos on many streets and intersections. Bird is racing against its main rival Lime to expand across the US and into Europe, and build a war chest that can take on the likes of Uber, Lyft and China's bike-sharing pioneer ofo, all of which are vying to launch dockless e-scooter services. (Source: FinancialTimes)



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

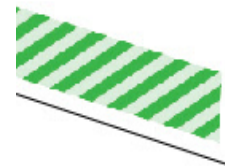
Leading Ag Retailers

Livestock Executives

Venture Capitalist and Early Investors

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Innovative Start-ups



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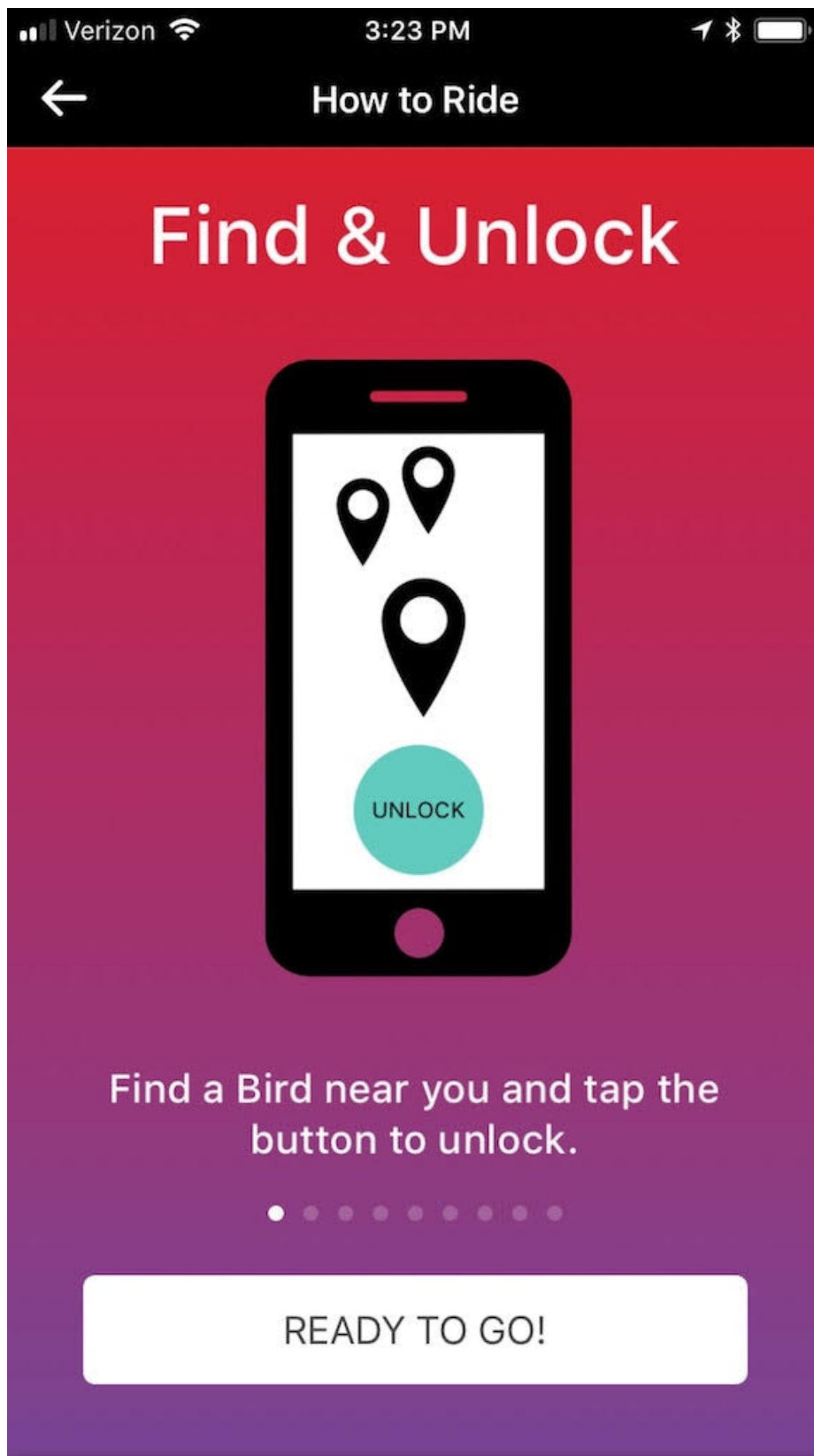
"When the opportunity comes,
it's too late to prepare."

- John Wooden



Co-hosted by:





Today In History



1381, Peasants' Revolt - A large mob of English peasants led by Wat Tyler marches into London and begins burning and looting the city. Several government buildings were destroyed, prisoners were released, and a judge was beheaded along with several dozen other leading citizens. The Peasants' Revolt had its origins in a severe manifestation of bubonic plague in the late 1340s, which killed nearly a third of the population of England. The scarcity of labor brought on by the Black Death led to higher wages and a more mobile peasantry. Parliament, however, resisted these changes to its traditional feudal system and passed laws to hold down wages while encouraging landlords to reassert their ancient manorial rights. In 1380, peasant discontent reached a breaking point when Parliament restricted voting rights through an increase of the poll tax, and the Peasants' Revolt began. In Kent, a county in southeast England, the rebels chose Wat Tyler as their leader, and he led his growing "army" toward London. After he was denied a meeting with King Richard II, he led the rebels into London on June 13, 1381, burning and plundering the city. The next day, the 14-year-old king met with peasant leaders at Mile End and agreed to their demands to abolish serfdom and restrictions on the marketplace. However, fighting continued elsewhere at the same time, and Tyler led a peasant force against the Tower of London, capturing the fortress and executing the archbishop of Canterbury. On June 15, the king met Tyler at Smithfield, and Tyler presented new demands, including one calling for the abolishment of church property. During the meeting, the mayor of London, angered at Tyler's arrogance in the presence of the king, lunged at the rebel leader with a sword, fatally wounding him. As Tyler lay dying on the ground, Richard managed to keep the peasant mob calm until the mayor returned with armed troops. Hundreds of rebels were executed and the rest dispersed. During the next few days, the Peasant Revolt was put down with severity all across England, and Richard revoked all the concessions he had made to the peasants at Mile End. For several weeks, Wat Tyler's head was displayed on a pole in a London field.



1805, Meriwether Lewis - reaches the Great Falls of the Missouri River. Having gone ahead of the expedition team, Meriwether Lewis and four men arrive at the Great Falls of the Missouri River, confirming that the explorers are headed in the right direction. leaving a year earlier they spent the winter of

neuro mining



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

TODAY'S RIDDLE:

*I am four times as old as my daughter.
In 20 years time I shall be twice as old as her.
How old are we now?*

Weather on the Plains will see lingering showers and thunderstorms end today. The drought-affected southern Plains continue to experience mostly dry weather and above normal temperatures. On June 10, one-fifth to one-third of the cotton was rated poor to very poor in Texas (31%) and Oklahoma (22%). In the Corn Belt, showers and thunderstorms are maintaining generally favorable growing conditions for summer crops. On June 10, roughly three quarters of U.S. corn (77%) and soybeans (74%) were rated in good to excellent condition. However, unfavorable dryness persists in a few spots, including northern Missouri. Currently, Missouri leads the Midwest in corn and soybeans rated poor to very poor — 12% and 15% respectively. In the South, hot, dry weather in the western Gulf Coast region is reducing soil moisture for crops such as cotton and rice. In contrast, humid, showery weather is causing some crop-quality concerns in the southern Atlantic States. In North Carolina, 17% of the corn and cotton crops were rated poor to very poor on June 10. Despite the prevalence of near or above normal temperatures, widespread showers will continue in many areas. During the next 5 days, some of the most significant rain — locally 1 to 3 inches or more — should fall from the Midwest into the Southeast. The Plains will also receive occasional showers. Late in the week, the remnants of eastern Pacific Hurricane Bud should arrive in the drought stricken Southwest, sparking much-needed rainfall. Late week showers may also develop in the western Gulf Coast region.

Last Month Saw Near Historic Heat: *Below we have the average temperature ranks by climate districts for the past month. The numbers show the temperature rankings going back to 1893. Essentially, the past month looks to be a top 5 hottest stretch for the Corn Belt in the last 126 years. We see most of Missouri and much of southern Illinois had their second hottest month. I continue to hear reports that the heat could stick around through the end of June into July which would cause great concern for pollinating corn.*

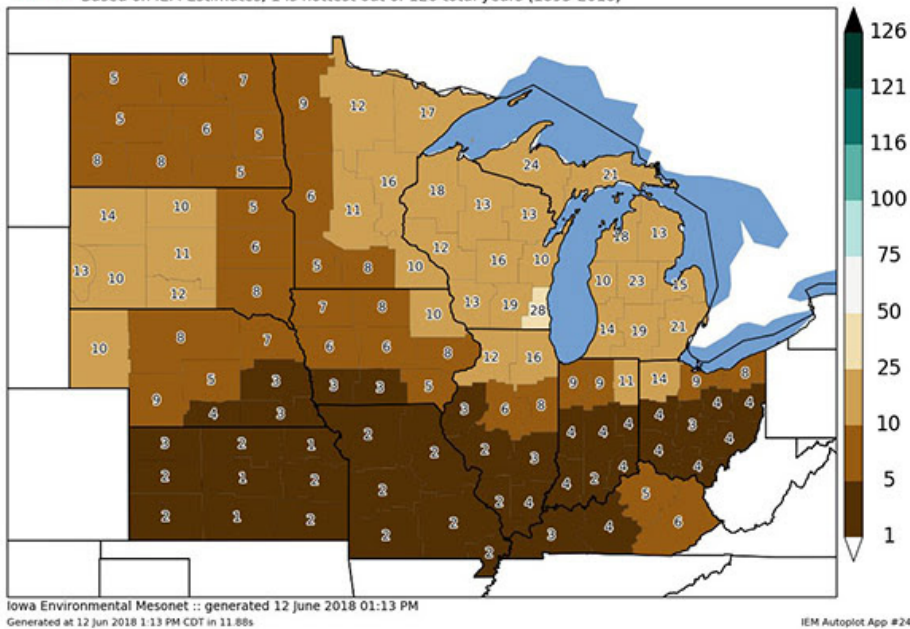
1804 with the Mandan Indians in present-day North Dakota. The Hidatsa Indians, who lived nearby, had traveled far to the West, and they proved an important source of information for Lewis and Clark. The Hidatsa told Lewis and Clark they would come to a large impassable waterfall in the Missouri when they neared the Rocky Mountains, but they assured the captains that portage around the falls was less than half a mile. Armed with this valuable information, Lewis and Clark resumed their journey up the Missouri accompanied by a party of 33 in April. On June 3, they came to a fork at which two equally large rivers converged. "Which of these rivers was the Missouri?" Lewis asked in his journal. Since the river coming in from the north most resembled the Missouri in its muddy turbulence, most of the men believed it must be the Missouri. Lewis, however, reasoned that the water from the Missouri would have traveled only a short distance from the mountains and, therefore, would be clear and fast-running like the south fork. The decision was critical in order for the explorers to eventually meet up with the Shoshone Indians from whom they planned to obtain horses for the portage over the Rockies. Although all of their men disagreed, Lewis and Clark concluded they should proceed up the south fork. To err on the side of caution, however, the captains decided that Lewis and a party of four would speed ahead on foot. If Lewis did not soon encounter the big waterfall the Hidatsa had told them of, the party would return and the expedition would backtrack to the other river. Lewis and Clark had been correct—the south fork was the Missouri River. The mysterious northern fork was actually the Marias River. Had the explorers followed the Marias, they would have traveled up into the northern Rockies where a convenient pass led across the mountains into the Columbia River drainage. However, Lewis and Clark would not have found the Shoshone Indians nor obtained the horses. Without horses, the crossing might well have failed. Lewis would rejoin Clark three days later and told him the good news. However, the captains' elation did not last long. They soon discovered that the portage around the Great Falls was not the easy half-mile jaunt reported by the Hidatsa, but rather a punishing 18-mile trek over rough terrain covered with spiky cactus. The Great Portage, as it was later called, would take the men nearly a month to complete.



1975, Linda Ronstadt - By the end of the 1970s, the decade of her greatest commercial success, Linda Ronstadt was being hailed with honors like "the First Lady of Rock" and "Top Female Pop Singer of the Decade." But neither of those titles captured the true breadth of her musical pursuits or of her popularity. As synonymous as she was in the late 1970s with the pop mainstream, Ronstadt began her rise to stardom working in an idiom as compatible with country-music fashions as with rock. In fact, her first top-10 hit was with the Hank Williams song "I Can't Help It (If I'm Still In Love With You)," and the biggest hit of her career was "When Will I Be Loved," which became a #1 hit on the country-music charts on this day in 1975. "When Will I Be Loved," a top-10 pop hit for the Everly Brothers in 1960, came from Linda Ronstadt's 1975 breakthrough album *Heart Like A Wheel*, which yielded three top-10 hits each on the pop and country-music charts. While Ronstadt's dabbling in new wave and disco on her subsequent albums may have seemed to mark her as a trend-follower, in fact they reflected a natural eclecticism that would become even more pronounced in future stages



10 May 2018 - 12 Jun 2018 Average Temperature Ranks by Climate District
Based on IEM Estimates, 1 is hottest out of 126 total years (1893-2018)



Corn prices are steady to slightly lower to start the morning, but bulls are happy to see the USDA lower U.S. ending stocks for both old and new-crop. The market is trying to claw itself back after tumbling some -30 cents during the past three weeks, but ongoing worries about trade and no major widespread weather worry here in the U.S. keeps the upside somewhat limited nearby. I've included below some of the recent USDA highlights. Looking forward, I still believe it's going to be all about U.S. weather and trade headlines being generated out of Washington. I'm also hearing more talk that both domestic and global ethanol demand is pushing higher, which will help keep our strong demand story in play. As a producer, I still have no desire to price any additional bushels on the break. As a spec, I remain a longer-term conservative bull, still believing prices ultimately move higher.

U.S. Yield - Unchanged at 174.0 bushels per acre.

U.S. Demand - Old-crop exports raised higher by +75 million bushels. New-crcrop corn used for ethanol raised higher by +50 million bushels offsetting a -50 million-bushel reduction in food, seed, and industrial (FSI) use of sorghum; new-crop corn used for Feed and Residual lowered by -25 million bushels. new-crop exports left "unchanged".

Ending Stocks - New-Crop lowered by -105 million bushels from 1.682 down to 1.577 billion bushels; Old-Crop lowered by -80 million bushels from 2.182 to 2.102 billion.

Argentine Corn - Left "unchanged" at 33.0 MMTs

Brazil Corn - Lowered from 87 down to 85 MMTs, as below-normal rainfall in the Center-West and South during May reduces yield prospects for second-crop corn. Area is also reduced based on the latest government statistics.

Russia Corn - Russia corn production is down from 44.93 to 40.93 based on government data indicating lower-than-expected planted area.

Average U.S. Farm Price - Bumped higher to a range of between \$3.40 to \$4.40 per bushel.

of her career. Over the course of 30 active years (and counting) since her 1975 breakthrough, Linda Ronstadt has recorded songs by such diverse songwriting giants as Hank Williams, Elvis Costello, Gilbert and Sullivan, Smokey Robinson, Sam and Dave and Cole Porter, as well as an entire album of traditional Spanish canciones.

Upcoming Events

Tues. 6/12 - USDA Supply and Demand

Tues.-Wed. 6/12-6/13 - FOMC Meeting

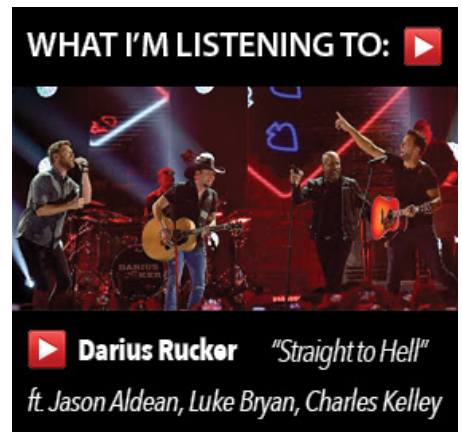
Fri. 6/22 - Cattle on Feed

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



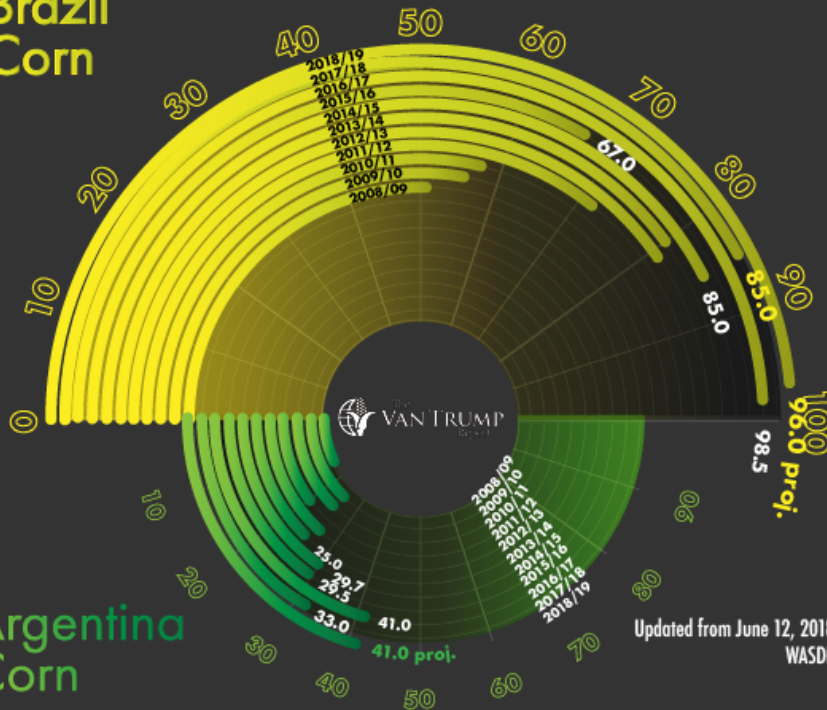
Kevin's Song of the Week

South American Corn Production

2008 - 2018

(in million metric tons)

Brazil
Corn



Soybean prices struggle to gain much upside momentum, despite both old and new crop U.S. ending stocks being lowered on increases in U.S. domestic crush demand. Somewhat disappointing was the fact Brazil's record crop continues to grow larger. Just two months ago, the USDA forecast the crop in Brazil at a new all-time record of 115 MMTs. In May that record estimate was bumped even higher to 117 MMTs. Now in June the record extends even further to 119 MMTs. The big numbers out of Brazil are obviously helping to offset losses in Argentina. The USDA is also looking for some fairly large numbers out of the U.S. crop. I still believe it's way too early to get any real type of read on the upcoming U.S. crop, but the bears can certainly argue it's off to a good start. I've included below some of the highlights and most recent adjustments by the USDA. Similar to corn, I see the trade has quickly turned its attention back to trade headlines out of Washington and extended U.S. weather forecasts. Friday's anticipated release of "The List" of Chinese imports the U.S. is targeting for the 25% tariff has to be making the trade more nervous that the Chinese will be retaliating and in turn place U.S. soybean exports in harms way. Stay tuned... Personally, I still see supply-side risk and weather uncertainty out on the horizon.

U.S. Yield - Unchanged at 48.0 bushels per acre.

U.S. Demand - Old-crop soybeans used for crush is raised +25 million bushels. New-crop soybeans used for crush raised higher by +5 million bushels to 2.0 billion; new-crop soybean exports left "unchanged".

Ending Stocks - New-Crop lowered by -30 million bushels from 415 to 385 million. Old-Crop lowered by -25 million bushels from 530 down to 505 million bushels.

Argentine Soybeans - Lowered from 39 down to 37 MMTs.

Brazil Soybeans - Raised higher once again from 117 to 119 MMTs. With higher production, soybean exports for Brazil are revised up for both the 2017/18 and 2018/19 marketing years. Ending stocks for Brazil are also increased with higher production and a lower crush estimate for 2016/17.

Average U.S. Farm Price - Left "unchanged" in a range of between \$8.75 to \$11.25 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!

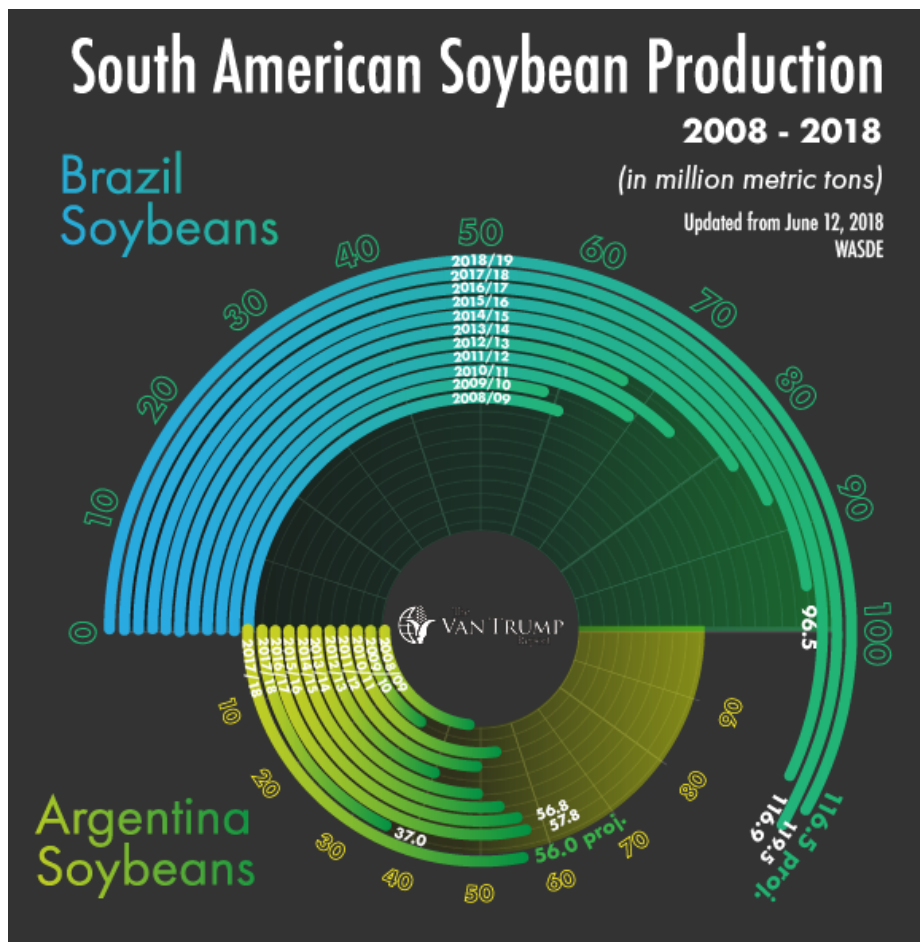
Kevin Van Trump

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



happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

L.T., Assistant Deputy Administrator for Farm Programs USDA

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

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

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

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

Wheat prices are pulling back a bit this morning after yesterdays healthy gains. Bulls are happy to see the USDA confirming production problems inside Russia. The Russian crop estimate was lowered from 72.0 MMTs down to 68.5 MMTs. Russia's wheat production is now projected down -19% from last year's record 85.0 million tons. Russia's exports are reduced -1.5 million tons to 35.0 million. The bears are quick to point out, regardless, Russia still remains the world's leading wheat exporter. The bears are also pointing to the fact U.S. production is getting a bit larger. The USDA bumped their U.S. yield estimate slightly higher from 46.8 to 46.9 bushels per acre. Winter wheat production is forecast at 1.20 billion bushels, up +1% from the May forecast but down -6% from 2017. As of June 1, the United States yield is forecast at 48.4 bushels per acre, up +0.3 bushel from last month but down 1.8 bushels from last year's average yield of 50.2 bushels per acre. Hard Red Winter production, at 650 million bushels, is up +1% from last month. Soft Red Winter, at 316 million bushels, is up slightly from the May forecast. White Winter, at 232 million bushels, is up +2% from last month. Below are a few additional highlights from the USDA report. From a traditional fundamental perspective, I find it difficult to be a bull, but respect the weather problems brewing in the Black Sea region and parts of Australia. As a producer, I will be looking to use additional upside momentum associated with a weather rally to reduce longer-term price risk. As a spec, I remain on the sideline...

U.S. Exports - raised +25 million bushels to 950 million on tightening Russian exportable supplies.

Ending Stocks - New-Crop lowed by -9 million bushels from 955 to 946 million. Old-Crop raised by +10 million bushels from 1.070 to 1.080 million bushels. Global ending stocks are raised 1.8 million tons this month to 266.2 million but are still below last year's record 272.4 million.

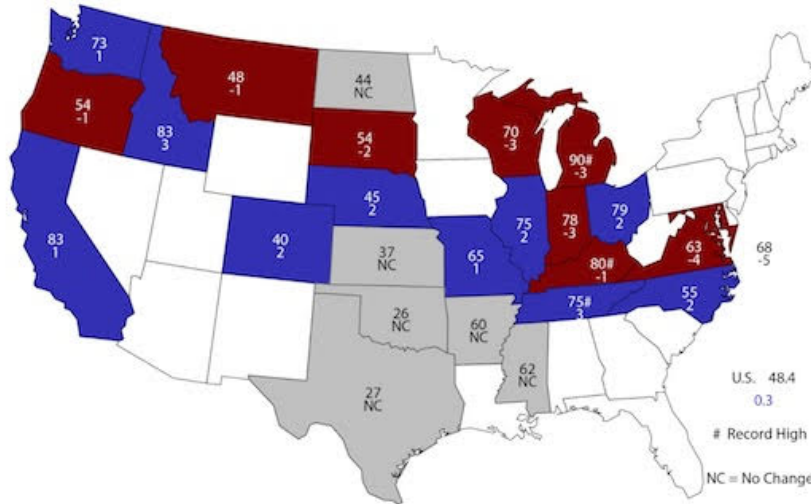
European Wheat Crop - Lowered from 150.4 down to 149.4 MMTs on dry conditions this spring for winter wheat in Germany and Poland.

India Wheat Crop - Raised from 95 to 97 MMTs on record yields.

Average U.S. Farm Price - Bumped slightly higher to a range of between \$4.60 to \$5.60 per bushel.



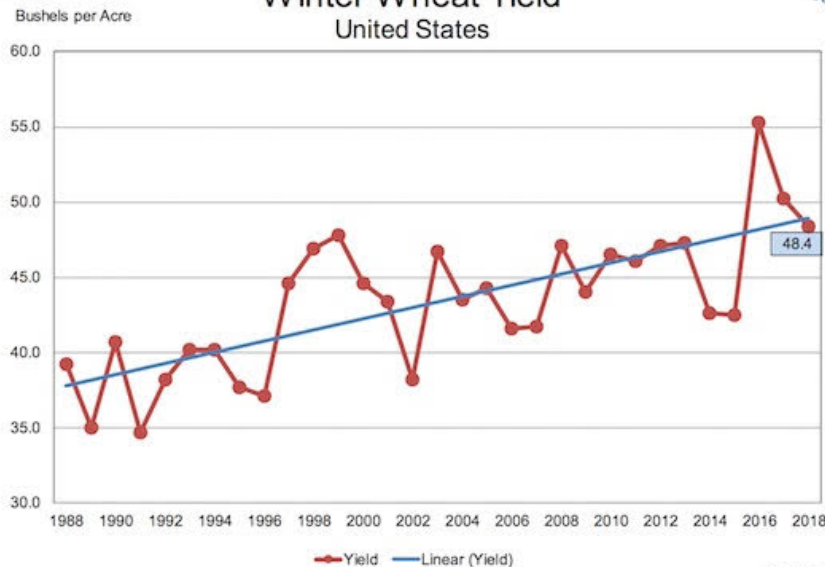
June 1, 2018 Winter Wheat Yield Bushels and Change From Previous Estimate



USDA-NASS
6-12-18



Winter Wheat Yield United States



USDA-NASS
6-12-18

Farm Direction
RECIPES

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

Bacon-Wrapped Stuffed-Sausage Fatty

CLICK TO SEE RECIPE



> **EPA Has Power To Expand Ethanol:** A week after the White House suspended its bid to reform the nation's biofuels policy to aid oil refiners, the head of the Environmental Protection Agency on Tuesday dangled a tantalizing prospect to Midwest corn farmers, saying the agency has the power to expand sales of higher ethanol-gasoline blends. EPA spokesman Lincoln Ferguson confirmed Pruitt's comments: "The Administrator shared that he believes statutory authority to grant the ... waiver for E15 exists under the Clean Air Act, and to be effective, would require a subsequent notice and comment rulemaking process." [Read more HERE.](#)

> **Transportation In Brazil Still Causing Delays and Difficulties:** Even though the nationwide truckers strike in May has ended, there really hasn't been much resolution, as the government and the truckers can't agree on minimum truck freight prices. This continues to cause major delays to

ships sitting and waiting in the ports. It's also delaying forward pricing and bookings as nobody can accurately figure shipping cost.

> **Australia Lowers Wheat Forecast:** The world's fourth-largest exporter of the grain said production during the 2018/19 season would total 21.9 million metric tons, down from a previous forecast of 23.7 million. It also said yields could fall further without desperately needed rains. This puts Australia's 2018/19 wheat production nearly 8% below last year as prolonged dry weather across the country's east coast hampers national output. (Source: Reuters)

> **Hard Red Winter Wheat Harvest Update:** Lots of reports circulating on the ground that Oklahoma is basically finished with wheat harvest and Kansas has a jump start to their normal pace. The wheat yields are coming in about half what would be considered normal but the only thing that some guys have not thought about is the lighter the yield the better the protein. Protein was the biggest story of last year so this higher protein wheat should bring a good premium so they can blend off the poor quality wheat and move it down the river.

> **Mexico Takes U.S. Pork Business To E.U. And Latin America:** Mexico says it will take its pork business to the European Union and Latin America, in an move to offset an expected decline in U.S. pork shipments while trade discussions continue. Remember, Mexico slapped 20% tariffs on U.S. pork shoulders and legs, starting July 5, in response to President Donald Trump's duties on Mexican steel and aluminum exports. I'm told they plan to import nearly 350,000 tons of meat to avoid shortages for the public.

> **iPhone Still On Top Of Global Smartphone Sales:** According to the latest data released, Apple shipped 12.7 million units of its flagship phone in the first three months of 2018, making the iPhone X the most popular phone in the world. The top 10 sellers on the list were dominated by Apple and Samsung, with each company taking five spots respectively.

> **U.S. Cost of Living Continues Moving Higher:** Inflation in the U.S. continued to advance in May. The consumer price index rose +2.8 percent in the last 12-months, the largest year-over-year gain since February 2012, as gasoline prices and housing costs kept rising. (Source: Bloomberg)

> **Americans Pay Off Most Ever Credit Card Debt Since Early-09, But...** That doesn't mean their debts are getting that much smaller. Americans ended 2017 with \$91.6 billion in new credit-card debt, the largest annual amount since 2007 and 104% above the post-recession average. Outstanding credit card debt is actually at the second-highest point since the end of 2008. The good news is, Americans repaid \$40.3 billion in credit card debt during the first quarter of 2018, according to a new analysis of data from the U.S. Census Bureau, Federal Reserve and credit agency TransUnion by the personal-finance website WalletHub. That's the second-highest amount paid off in one quarter since the first quarter of 2009, when consumers paid off more than \$44 billion. It will be interesting to see how things play out with the cost of living and interest rates all pushing higher. Read more [HERE](#).

> **States Biggest Trading Partners:** The back-and-forth between the U.S. and Canada may represent mostly political posturing by the two leaders, but there could be very real economic consequences. Canada is one of the US's largest trade partners, with \$673.9 billion worth of goods and services going between the two countries in 2017. Also, contrary to Trump's attacks, the US maintained an \$8.4 billion trade surplus with Canada last year, mostly due to a large advantage in services. According to US Census Bureau data, Canada was the top export destination for 32 states in 2016, by far the most of any country. So far in 2018, Canada is also the top export destination for US goods, with over \$98 billion worth of goods going over the border. Of the 32 states that count Canada as their biggest export destination, 20 voted for Trump in the 2016 election.





FROM THE FIELD

Northwest Missouri - We finally got some rain last night after being very dry. I know some others in the state are doing worse for sure, and we are thankful for the moisture. Things emerged well and if we can get some timely rains down the road we will be in great shape. We were seeing some stress on the corn lately, as it was rolling up in the afternoons during the heat wave this last week. We are putting a second application on our beans at the moment and will like be throwing on some fungicide soon. We've had some great long-term contracts for our white corn, but I have to admit we are not seeing the premium we used to. We have everything priced or hedged for last year and have protected a decent amount of new crop as well.

Eastcentral Mississippi - We usually sit around 85 degrees on average during the first half of June but unfortunately we have been a little hotter on average then that this month. Our corn is mostly watered down here but there's some that is dry land. It needs a little water which we should get by Saturday or Sunday. We have a pretty good chance of rain on Saturday and almost a guarantee on Sunday. Obviously nothing is a guarantee but if we get the rain over the weekend then the corn should be about made. We really only need that rain and maybe 1 more before pollination which is right around the corner. We should be about as good as any other year if not better if we get the rain this weekend. As a whole everything looks good as we could expect or maybe a touch better.

Northcentral Oklahoma - We just finished Hard Red Winter wheat harvest last night. We plant winter wheat in the fall and try to get it harvested in the first half of June, the sooner the better. We averaged a little over 25 across the entire farm which we usually average about double that on a "normal" years. On a really good year we could make as high as 70 bushels and a normal year around 50 bushels. The only good part about averaging such a low yield is we get better protein levels. The protein was a little over 14% across the entire farm. On winter wheat a good protein level is 12% so we are pleased about the higher protein. Now we are busy planting second crop soybeans. We will see if weather can make up the difference on the soybeans this year.



CROSSING WIRES

A place to share intelligent thoughts...

New Research On CRISPER-Cas9: Gene editing tool CRISPER-Cas9 offers revolutionary opportunities in the areas of medicine and agriculture, but new science suggests it may also eventually cause tumors. That's the takeaway from two new studies, published Monday in Nature Medicine. Both studies, one by Novartis and the other by the Karolinska Institute, focus on the gene p53, known to play a major role in tumor prevention by killing cells with damaged DNA. According to past research, most human tumors simply can't form if p53 is working properly — some researchers refer to it as the "guardian of the genome." While Cas9 is the most well-known CRISPR enzyme, there are others — Cpf1, for example — and we don't yet know if they'd cause the same issues with p53. Keep in mind these are early-stage results and the authors of the two new studies admit their research doesn't mean CRISPR-Cas9 is "bad or dangerous." We just need to proceed with caution. Read more [HERE](#).

Thousand Year Old African Trees Starting To Die: According to researchers, some of Africa's oldest and biggest Baobab trees have abruptly died. Interestingly, the trees, aged between 1,100 and 2,500 years and in some cases as wide as a bus is long, serve as a massive store of water, and bears fruit that feeds animals and humans. The baobab is the biggest and longest-living flowering tree, according to the research team. It is found naturally in Africa's savannah region and outside the continent in tropical areas to which it was introduced. It is a strange-looking plant, with branches resembling gnarled roots reaching for the sky, giving it an upside-down look. Read more [HERE](#).

Can Computer Models Tell Us Why We Get More Religious After Disasters? When disaster strikes, people often turn to religion for comfort and support. A powerful recent example of this comes from a study called "Faith after an Earthquake," by prominent New Zealand religion and society researchers Chris Sibley and Joseph Bulbulia. They document an uptick in religious service attendance in the city of Christchurch, New Zealand, after a large and deadly earthquake in early 2011 — even as New Zealanders as a whole went to church less. Eventually, though, things reverted to the way they had been, with religion in decline even in Christchurch. See how scientists created a virtual society to study the phenomenon [HERE](#).

Is Our Lifespan Affected By The State We Live In? What's the difference between living in Minnesota and living in Mississippi? About seven years. It sounds like some kind of weird joke, but according to a new study, it's no laughing matter. That's because there's a massive disparity among U.S. states in terms of how long people live. People in Minnesota live the longest in the United States: 78.7 years old on average. Mississippi ranked 51st. Live expectancy there is just 71.8 years. That's a 9.6 percent difference. This truly is a fascinating study, pulling together reams of data to

create "the most comprehensive state-by-state health assessment ever undertaken," according to a press release. Learn more about the life expectancy in your state [HERE](#).

American Chopper Unveils Ethanol Bike: Remember that tv show American Chopper? Well, Paul Jr. from the show, has partnered with the Renewable Fuels Association to build a custom motorcycle complete with a patriotic theme that runs on E85. The bike was recently revealed on Discovery Channel's American Chopper, which is some great publicity for U.S. grown ethanol and the RFA. Paul Jr. made the comment that it was easier than he expected to make the chopper run on E85. All he had to do was up the jets about 30% and advance the timing a bit and the bike runs great. The custom bike is the centerpiece for RFA's new campaign, "Fuel Your Knowledge" to educate consumers about the proper use of ethanol-blended fuels in boats, motorcycles, lawn and garden equipment and other off-road engines. I Love it! (Source: RFA)





BRINGING IoT TO THE FIELD FOR CATTLE MANAGEMENT

WEBINAR: 6/14 AT 3PM CT
PRESENTED BY: HERDDOGG

BROUGHT TO YOU BY:



During 2018, iSelect, The VanTrump Report and The Yield Lab Institute are sponsoring a series of weekly webinars featuring the best in agriculture innovation. Agrifood Conversations is all about driving innovation and each month will highlight a specific theme, from biologicals to vertical farms, featuring emerging topics such as soil health, biologics, plant genetics, vertical farming, precision agriculture, herd health and management, and aquaculture, to name a few. Once a quarter, we'll open up the conversation with a panel of experts on that month's topic. Learn about new trends in ag, connect with industry leaders and discover new solutions.

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Learn More About "HerdDogg"

Title: HerdDogg... Manage your Cattle Herd from your Phone

Time: Thursday, June 14th - 3:00 PM CST

HerdDogg, Inc. has developed "smart tags for smarter cows based out of Longmont, CO. HerdDogg was publicly introduced in November 2015 when the team was selected to be on Intel's new reality TV show America's Greatest Makers. HerdDogg officially launched its product in January 2017. The HerdDogg is a two-part "Internet of Things" system that pairs multiple smart cattle tags with a lightweight passive reader and collects detailed biometric data from animals. It is easily accessible using portable devices and smartphones allowing the data to be accessed anywhere. The cattle information is sent directly to the rancher's phone via HerdDogg's mobile app and cloud archiving system, measuring earlobe temperature, activity, ambient temperature and light and more, with data that includes animal biometrics and reports on heats, calving, illness and missing animals. This enables livestock farmers to make rapid data-driven decisions on their animals' health, and have the predictive information to maintain a

healthy animal population. Users only need three things to access HerdDogg and it is very easy to use. Cattle owners need a DoggTag ear tag for each cattle they want to track, a DoggBone reader, and a mobile device or desktop to access the information recorded. The DoggTag attaches to the ear of the herd animal and is included with an onboard smart radio and sensors. The DoggBone is a small passive reader that collects the herd data at any time and anywhere that requires no wifi or no cellular connection, which makes it really easy. Then, when your cell phone is within range of the DoggBone or DoggTags you can connect and send the data to the cloud. The cloud stores animal histories and much more cattle ranchers can benefit from. HerdDogg is also currently in the process of connecting the DoggBone feature to a drone to make it even easier to monitor the cattle. Listed below is what HerdDogg has accomplished in recent years and a picture of a HerdDogg starter pack. HerdDogg is really changing things in the cattle industry. Make sure to sign up for the webinar tomorrow to learn more about this cattle monitoring innovation and how it can help you be more effective today.

- *LaunchKC Finalist, September 2017.*
- *Sprint/Dairy Farmers of America accelerator, Spring 2017.*
- *Worked with some of the most well-respected ranches and dairy throughout 2016.*
- *TechStars Land O Lakes accelerator, Summer 2016.*
- *Best of Show and Editor Choice, Maker Faire, 2016.*
- *Reality TV participants: America's Greatest Makers, 2016.*
- *Research funds recipient, Oregon BEST, Summer 2016.*





25 Doggtags



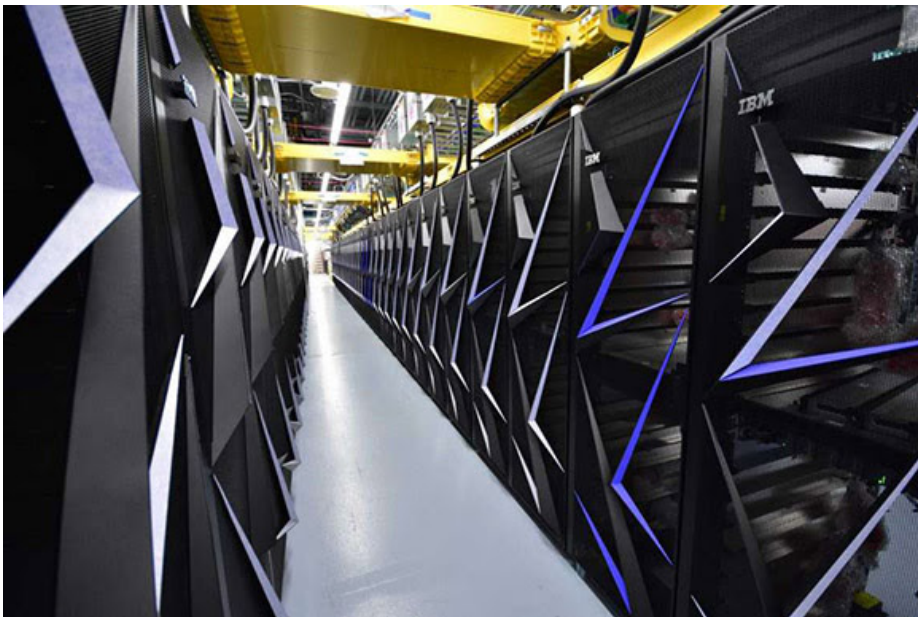
1 DoggBone



The U.S. Is Now Home to the World's Fastest Supercomputer

"Summit" is the name of the new supercomputer recently built by IBM and Nvidia for the U.S. Department of Energy's Oak Ridge National Laboratory. The supercomputer is also now the world's most powerful. From what I understand, the computer is eight times more powerful than the former top U.S. supercomputer, the "Titan Cray X", and 60% faster than the previous world title holder, China's "Sunway TaihuLight". It's the first time since 2013 that a U.S. built computer has held the title. It's also worth noting, "Summit" is the first supercomputer specifically designed to handle AI-specific applications, such as machine learning and neural networks. Its thousands of AI-optimized chips, produced by Nvidia and IBM allow the machine to crunch massive amounts of data. The "Summit" is a 200 petaflop machine, meaning it can perform 200 quadrillion floating point operations per second. Let's put those crazy numbers into context: 200 quadrillion calculations per second is about a million times faster than a

typical laptop computer. Many experts argue that a person doing one calculation a second would have to live for more than 6.3 billion years to match what "Summit" can do in a single second. Here is another analogy. If a stadium built for 100,000 people was full, and everyone in it had a modern laptop, it would take 20 stadiums to match the computing firepower of Summit. "Summit" has 10 petabytes of memory and 250 petabytes of storage. The machine, with its 4,608 servers, 9,216 central processing chips, and 27,648 graphics processors, weighs 340 tons. The system is housed in a 9,250 square-foot room at Oak Ridge National Laboratory's facility in Tennessee. And is connected by 185 miles of fiber optic cables—or the distance from Knoxville to Nashville. Summit's file system can store 250 petabytes of data, or 74 years of high-definition video. To keep this machine cool, 4,000 gallons of water are pumped through the cooling system every minute carrying away about 13 megawatts of heat. The energy required to power this behemoth could light up over 8,000 U.S. homes. Oh, and it also costs \$200 million. Summit's unprecedented computing power will aid scientists in researching energy, advanced materials, artificial intelligence, astrophysics and medicine in ways that were not previously possible. (Source: [USA Today](#), MIT Tech Review, Phys.org)



For My Friends That Like Watching People Kick A Ball

The World Cup kicks off tomorrow and for the first time ever I'm writing about it... my how times have changed! Having grown up playing all kinds of sports including: football, basketball, baseball, golf and even bowling, I can honestly say soccer was never played or offered out in our rural community. That has changed over the years and soccer is now wildly popular, even out in backwoods where I grew up. I wanted to take a quick moment and pass along some facts about this major world event that you might not have known. I certainly didn't until doing some in-depth research...

Only Held Every Four Years - *The World Cup is only held every four years and rotates among various nations. This year the event is being hosted by Russia, which will be their first time ever. This is only the 11th appearance in a World Cup by Russia, with their strongest ever appearance*

being 4th place back in 1966. I honor of ebbing the host nation Russia will play Saudi Arabia in the first match. The U.S. hosted the event back in 1994.

Who Competes: Thirty-two teams currently participate in the World Cup. A phase called the "Preliminary Competition" takes place in the three years preceding each World Cup, where national teams must compete in qualifying matches in order to be eligible for 31 slots. The host nation automatically qualifies to enter. The World Cup will consist of a total of 64 matches that will be played at 12 different venues that are located in 11 different cities. The final of the World Cup will take place on July 15th at Luzhniki Stadium in Moscow. I am told the number of teams making the tournament will jump to 48 in 2026.

Only Held Every Four Years - The World Cup is only held every four years and rotates among various nations. This year the event is being hosted by Russia, which will be their first time ever. This is only the 11th appearance in a World Cup by Russia, with their strongest ever appearance being 4th place back in 1966. In What About Team U.S.A.? For the first time in more than three decades, the U.S. men's national team will not compete in the World Cup. In the final qualifying round for the 2018 World Cup last October, the U.S. men's national team lost 2-1 against Trinidad and Tobago in a stunning defeat. In 2014, the U.S. made it to the Round of 16. In the 2002 World Cup under Bruce Arena, the U.S. reached the quarterfinals, its best finish in a World Cup since 1930. Of course, American fans could always look to the women's national team, which has three World Cup titles under its belt.

The Most Watched Sporting Event In The World - Data shows the event in 2014 was watched by +3.2 billion people around the world (almost half of the world's population). In fact, the final match between Germany and Argentina never had fewer than 570 million people watching it. Streaming live internet viewing increased by +50% globally from 2010 to 2014.

Who Won The Last World Cup? Germany won its fourth World Cup championship by defeating Argentina in extra time. Only eight nations have ever won the World Cup; Brazil, Italy, Germany (also as West Germany), Argentina, Uruguay, England, Spain and France.

Brazil Is A Beast - Brazil has made the most consecutive World Cups, appearing in all 21 tournaments. Brazil also has the most wins with five Championships: 1958, 1962, 1970, 1994 and 2002

Golden Ball Award - This is a special award presented to the most outstanding player at each World Cup finals, as decided by the FIFA Technical Study. Argentina's Lionel Messi won it in 2014. Another massively popular and exciting player to watch is Cristiano Ronaldo with Portugal. A few more players to watch are Neymar with Brazil, Mohamed Salah with Egypt, David de Gea with Spain, and Eden Hazard with Belgium.

Golden Boot Award - This is a special award presented to the top goal scorer at every World Cup finals. Colombia's James Rodriguez won it in 2014.

Golden Glove Award - This is a special award presented to the tournament's most outstanding goalkeeper. Germany's Manuel Neuer won it in 2014.

More Babies For The Winning Nation - The World Cup winning country is rumored to see a baby boom 9 months after the World Cup. In fact, Hyundai even created a commercial based on this fact.

Who Is Favored To Win This Year's World Cup? Brazil is the favorite followed by Germany, Spain, France, Argentina, Belgium, England and Uruguay. Interestingly, the two favorites Brazil and Germany are actually lined up to meet in the World Cup final if they both win their groups as they're expected to. This would certainly be a huge draw...

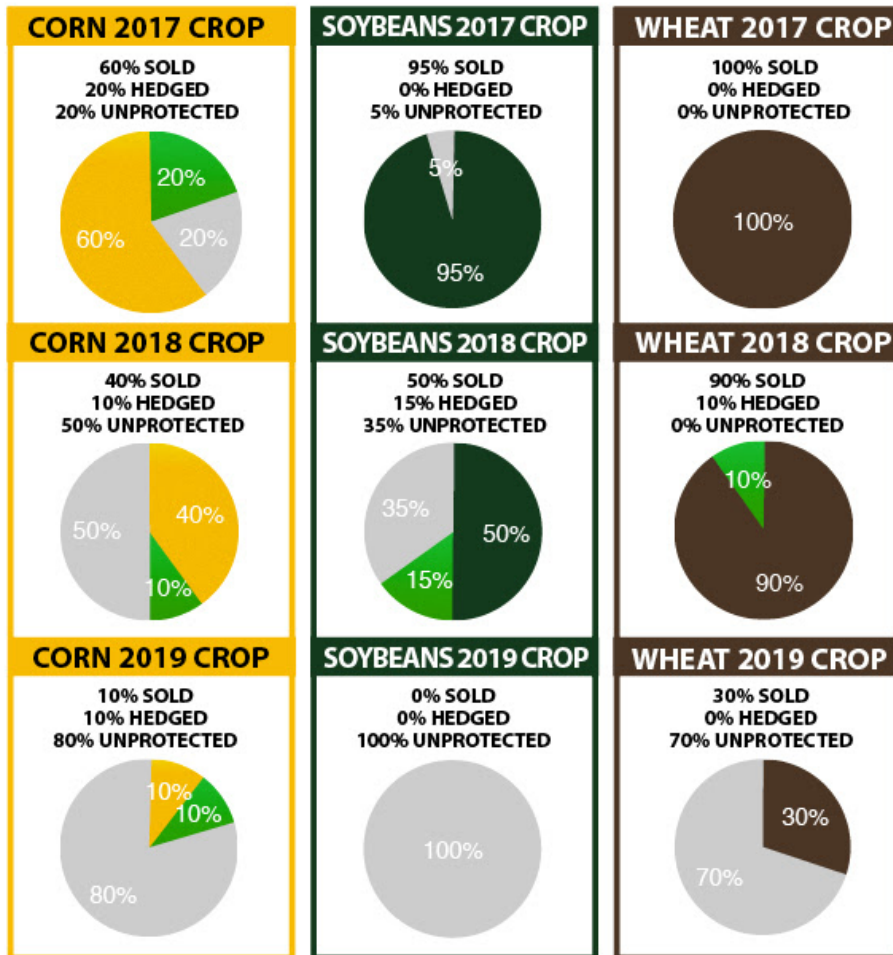
Goldman Sachs Used AI To Predict Their Winner - From what I understand, they used machine learning to run 200,000 models, mining data on team and individual player attributes, to help forecast specific match scores and "then simulated 1 million variations of the tournament to calculate the probability of advancement for each squad. Thought it was kind of funny, but after all of the crazy computer calculations, they came up with Brazil beating Germany in the finals...brilliant! Goldman gives Brazil an 18.5% probability of winning, interestingly they have the French the next best with an 11.3% chance, but since they are on the same side of the bracket with Brazil, they don't get into the finals. I included below the Goldman bracket that has been circulating.

Round 16	Quarter Finals	Semi-Finals	Finals	Semi-Finals	Quarter Finals	Round 16
France 1.92 Iceland 1.29	France 1.36 Spain 1.13	France 1.26 Brazil 1.91	Brazil 1.70 Germany 1.41	Portugal 1.26 Germany 1.39	Portugal 1.28 Argentina 1.06	Portugal 1.70 Saudi Arabia 0.72
Uruguay 0.96 Spain 1.34					Argentina 1.48 Australia 0.97	Argentina 1.48 Australia 0.97
Brazil 1.81 Mexico 0.98	Brazil 1.52 Belgium 1.18				Germany 1.47 England 1.36	Germany 1.91 Switzerland 0.97
Belgium 1.45 Poland 1.00					Colombia 1.26 England 1.82	Colombia 1.26 England 1.82



ANSWER to riddle: I am 40 and my daughter is 10.

CASH SALES & HEDGING TOTALS



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