

GOOD MORNING: 06/14/18 Farm Direction - Van Trump Report

2 messages

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"Measurement is fabulous. Unless you're busy measuring what's easy to measure as opposed to what's difficult and important." - Seth Godin

THURSDAY, JUNE 14, 2018

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Morning Summary: Traders are digesting another interest rate hike by the Fed. In the process the Fed appears as if it's becoming more hawkish in nature, underscoring the central bank's confidence in a steadily growing U.S. economy, rising inflation and the very real possibility of increased wage growth. The Fed also seems to now be leaning more towards a total of four rate hikes in 2018. Eight Fed officials said they expected interest rates to rise at least four times; seven are still forecasting three rate hikes. The interest rate hikes probably happen at the September meeting and perhaps again at the December meeting. Beyond this year, the Fed is now predicting it will raise rates three times in 2019 and probably at least once in 2020. The Fed is now predicting that inflation will end up around +2.1% by year end, which is a bit hotter than their 2% target. The Fed also seemed surprised by the slow rate of wage growth with such strong employment numbers. From my perspective, it feels like we are now walking a much finer line, trying to balance between "growth" and "inflation". As for today's economic data, the trade will be digesting weekly employment numbers, the latest retail sales data and business inventories. Looking ahead, all eyes are on the high-stakes trade negotiations. Traders believe Washington is going to move forward with Chinese tariffs and are waiting to see the list of billions in imports that will be impacted. There's a bit of debate about when the list will actually be released, either tomorrow or early next week seems to be the consensus. Unfortunately, there's really no debate about the fact the Chinese will be retaliating in some capacity, the question is who is going to take the biggest hit and how severe is the initial fallout... Stay tuned to Washington!

Netflix Trades To All-Time Record High, Up +90% On The Year: Shares traded above \$383 yesterday, on the back of a bullish note from Goldman Sachs analyst Heath Terry. He raised his price target for the movie-streaming giant to \$490 a share, almost +30% above where shares are currently trading. Keep in mind, Netflix stock is already up close to +90% this year alone. It's crazy to think about, but the excitement is because the company might finally turn cash-flow positive and there are rumors they might be entering the gaming business.

Rising Rates And Rising Government Debt Could Be Deadly Combo: DoubleLine founder and famed bond investor Jeff Gundlach issued a dire warning on the U.S. fiscal situation. Saying in a recent webcast, "Here we are doing something that almost seems like a suicide mission, we are increasing the size of the deficit while we're raising interest rates." Gundlach also said, "It's pretty much unprecedented that we're seeing this level debt expansion so late in an economic cycle," noting that both Fed fund-rates and the debt-to-GDP level are rising. Many insiders are saying Gundlach is merely repeating what other noted bears have been warning for several months. And to this point, the market has never seemed to care...

Historic Rise In Merger Activity: Dealogic has released data that shows leveraged-buyouts or LBOs have already reached \$156 billion this year, and is now on pace to have the highest dollar volume of LBOs since 2007 and is about +44% above last year's comparable level.

U.S. Adds More "Solar Power" Than Any Other Kind Of Electricity: A collaborative report between the Solar Energy Industries Association and GTM Research, which is now Wood Mackenzie Power & Renewables, shows "solar" accounts for 55% of all US electricity added so far in 2018. The industry added 2.5 gigawatts of new capacity in the first three months of 2018, up 13% from the first quarter of 2017. The SEIA report also showed that the bulk of the new solar capacity added is coming from utility-scale projects, which are large installations that feed power into the grid. We have personally been hearing of more farms being approached by the solar industry, some agreeing to pay very healthy fees based on proximity to the grid and solar angle. There's actually now a solar farm in California that contains 1.7 million extra large solar panels and fills about 3,200 acres. There's another farm in the U.S.

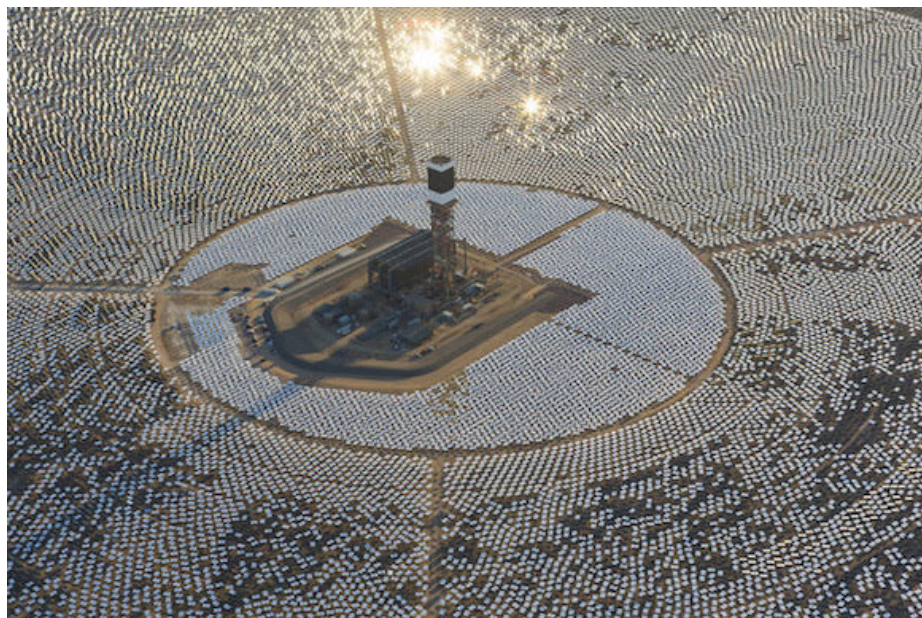
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A gathering for the sharpest minds
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Hear firsthand about the new
innovations that will be changing
our farms and shifting our industry.

that hosts about 9 million smaller solar panels. Below is a cool pic of the Ivanpah Solar Power Facility in California's Mojave Desert. It's a concentrating solar power plant that uses huge curved mirrors to heat water, transforming it into steam to turn a turbine. There are more than 300,000 software-controlled mirrors that track the sun in two dimensions and reflect the sunlight to boilers that sit atop three 459-ft tall towers. Together, the three plants produce 392MW of power. The second photo is a pic of a farm in Maryland that where the owners have found it to be more profitable becoming solar farmers. Solar energy is clearly gaining more traction. (Source: Wood Mackenzie; Business Insider)



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

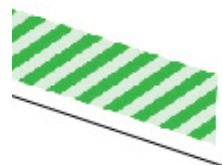
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neuro mining



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.

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

- John Wooden



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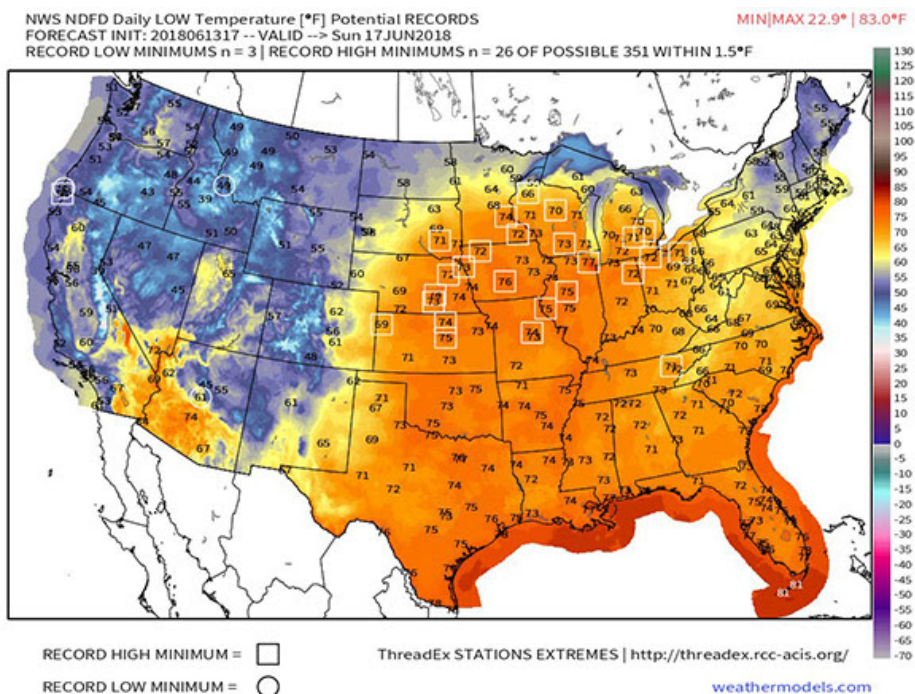


TODAY'S RIDDLE:

*It's against the rules for you to play fair,
I always win but you don't care,
I've ruined lives and crushed dreams,
But the allure is too much it seems.*

Weather across the Corn Belt, is seeing warm, mostly dry weather promoting a rapid crop development pace. A few pockets of dryness persist but have become less widespread in recent days. On June 10, Missouri led the Midwest with topsoil moisture rated 58% short to very short, followed by South Dakota. On the Plains, showers and thunderstorms are providing limited drought relief across the southern half of the region. On June 10 prior to this rainfall topsoil moisture was rated 77% short to very short in Texas, along with 60% in Oklahoma, 49% in Colorado, and 48% Kansas. Despite recent rainfall, much of the nation's mid-section continues to experience above normal temperatures. In the South, humid, rainy weather prevails, except for ongoing dryness in much of the western Gulf Coast. Heat will continue to spread eastward across the Plains and Midwest during the second half of this week. Triple digit heat can be expected on the Plains as far north as South Dakota and weekend temperatures could approach 100 degrees F in parts of the southern and western Corn Belt.

The Oppressive Heat Won't Let Up Anytime Soon: *Came across this forecast showing a possible 26 record high minimums may be set over the weekend. This means, low temperatures overnight will be record high all across the Midwest. Again, if this trend continues into July, concerns will grow as corn needs temperatures to cool overnight in order to pollinate. High minimum temps are not good for developing corn. Map shows forecast for minimum temperatures for this coming Sunday.*



Corn bulls continue to battle headlines surrounding trade negotiations. With what appears to be greater uncertainty surrounding NAFTA and Chinese tariffs, the trade is extremely apprehensive in trading more traditional fundamentals. U.S. demand remains extremely strong, especially ethanol and exports. At the same time global supply has ticked back a bit with the drought in parts of Russia and Ukraine pulling down most production forecasts. We also have the logistical complications still brewing in Brazil and the production losses associated with the most recent Argentine weather complications. Here at home the weather has been widely cooperative to this point and the trade has built in very little if any weather premium. That could change in the next few weeks if the fields start to dry-up and the rains disappoint. The trade seems to be paying closer attention to parts of Illinois, Iowa, Kansas, Missouri and Nebraska. It's worth noting, Informa recently lowered their corn acreage estimate from 89.0 to just over 88.7 million. Not much of a change, but at least they didn't move higher. The USDA's guess back in March for U.S. corn planting was 88.026 million. Don't forget, they update their acreage estimates in the report released on June 29th, which is two-weeks from this coming Friday. I continue to look for brighter days ahead, hopefully the heavy cloud of trade worries lifts sooner rather than later.



FARM TANK



Today In History



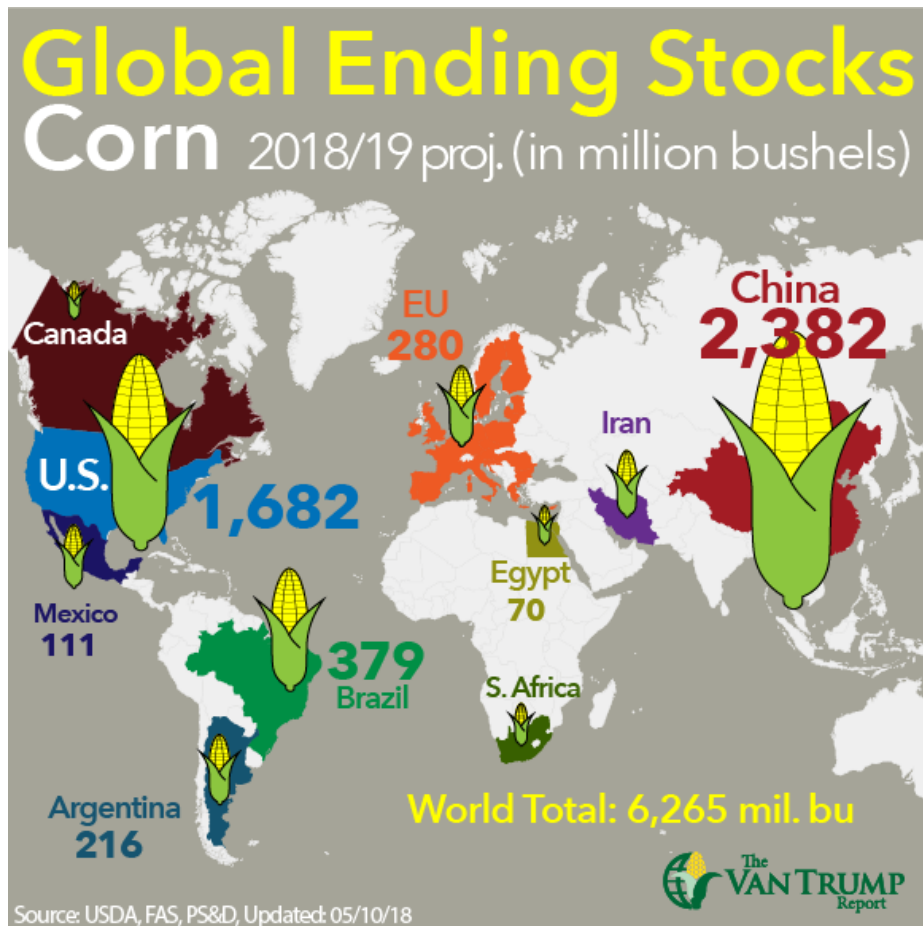
1777, American Revolution -

During the American Revolution, the Continental Congress adopts a resolution stating that "the flag of the United States be thirteen alternate stripes red and white" and that "the Union be thirteen stars, white in a blue field, representing a new Constellation." The national flag, which became known as the "Stars and Stripes," was based on the "Grand Union" flag, a banner carried by the Continental Army in 1776 that also consisted of 13 red and white stripes. According to legend, Philadelphia seamstress Betsy Ross designed the new canton for the Stars and Stripes, which consisted of a circle of 13 stars and a blue background, at the request of General George Washington. Historians have been unable to conclusively prove or disprove this legend. With the entrance of new states into the United States after independence, new stripes and stars were added to represent new additions to the Union. In 1818, however, Congress enacted a law stipulating that the 13 original stripes be restored and that only stars be added to represent new states. On June 14, 1877, the first Flag Day observance was held on the 100th anniversary of the adoption of the Stars and Stripes. As instructed by Congress, the U.S. flag was flown from all public buildings across the country. In the years after the first Flag Day, several states continued to observe the anniversary, and in 1949 Congress officially designated June 14 as Flag Day, a national day of observance.



1954, Civil Defense Drill -

Over 12 million Americans "die" in a mock nuclear attack, as the United States goes through its first nationwide civil defense drill. Though American officials were satisfied with the results of the drill, the event stood as a stark reminder that the United States—and the world—was now living under a nuclear shadow. The June 1954 civil defense drill was organized and evaluated by the Civil Defense Administration, and included operations in 54 cities in the United States, Puerto Rico, the Virgin Islands, Alaska, and Hawaii. Canada also participated in the exercise. The basic premise of the drill was that the United States was under massive nuclear assault from both aircraft and submarines, and that most major urban areas had been targeted. At 10 a.m., alarms were sounded in selected cities, at which time all citizens were supposed to get off the streets, seek shelter, and prepare for the onslaught. Each citizen was supposed to know where the closest fallout shelter was



located; these included the basements of government buildings and schools, underground subway tunnels, and private shelters. Even President Dwight D. Eisenhower took part in the show, heading to an underground bunker in Washington, D.C. The entire drill lasted only about 10 minutes, at which time an all-clear signal was broadcast and life returned to normal. Civil Defense Administration officials estimated that New York City would suffer the most in such an attack, losing over 2 million people. Other cities, including Washington, D.C., would also endure massive loss of life. In all, it was estimated that over 12 million Americans would die in an attack. Despite those rather mind-numbing figures, government officials pronounced themselves very pleased with the drill. In most cities, the streets were deserted just moments after the alarms sounded and there were no signs of panic or criminal behavior. A more cautious assessment came from a retired military officer, who observed that the recent development of the hydrogen bomb by the Soviet Union had "outstripped the progress made in our civil defense strides to defend against it."



1968, Vietnam - A Federal District Court jury in Boston convicts Dr. Benjamin Spock and three others, including Yale University Chaplain William Sloane Coffin, Jr., of conspiring to aid, abet, and counsel draft registrants to violate the Selective Service Act. During the Johnson administration, Spock, a physician and the famous author of *The Common Sense Book of Baby and Child Care*, was an ubiquitous figure at antiwar demonstrations. In April 1967, Spock, Reverend Martin Luther King, Jr., and entertainer Harry Belafonte led an estimated 300,000 people on a march to the United Nations headquarters in New York City, the largest antiwar demonstration to date. Spock was one of the original signers of *A Call to Resist Illegitimate Authority*, published in September 1967, which supported draft resistance and the right of servicemen to refuse to obey "illegal and immoral orders." The 1968 convictions were overturned in 1969. In November of that year, Spock joined a Washington, D.C., antiwar demonstration of more than 250,000 people, sponsored by the New Mobilization Committee, a group organized by Spock and others on July 4. In 1969, Spock was arrested several times, but he continued his antiwar activities. On November 27, a new left-wing antiwar movement, the People's Party, nominated Spock as its candidate for president in the 1972 presidential election. Though he did not win the election, Spock remained a prominent antiwar activist until the U.S. withdrew from Southeast Asia.

Upcoming Events

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

Fri. 6/22 - Cattle on Feed

Fri. 6/22 - Cold Storage

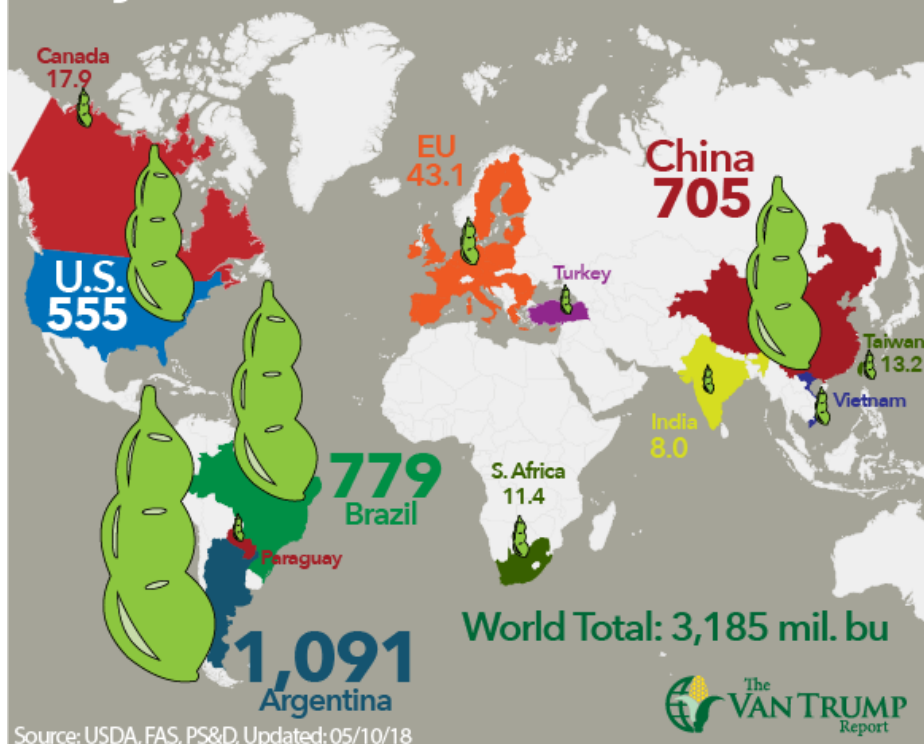
Thurs. 6/28 - Quarterly Hogs and Pigs

Fri. 6/29 - Quarterly Stocks and Acreage

Kevin's Song of the Week

Soybean bulls are backpedaling as President Trump says he'll confront China "very strongly" over trade in the coming weeks. Prices closed yesterday at their lowest level since late-August of last year. President Trump said in an interview that aired yesterday on Fox News, "China could be a little bit upset about trade because we are very strongly clamping down." From what I can gather, The White House is going to proceed with plans to impose tariffs on \$50 billion of Chinese goods. In return, China has vowed retaliatory measures, which makes the trade nervous. The final list of Chinese imports that will be targeted by U.S. tariffs is expected to be released either tomorrow or early next week, and planned investment restrictions and export controls will follow by month-end. Here at home, weather has been widely cooperative. I should also point out, Informa raised its soybean acreage forecast by about +500,000, from 89.4 to just over 89.9 million acres. I am in full agreement, actually thinking our total planted U.S. soybean acres could be a bit north of 90 million. With weather and Washington both being played as aggressive bearish cards nearby, it's tough to talk about anything else. As a producer, I was an extremely aggressive seller on the rallies and am glad to be in my current position. In fact, I'm actually going to dip a toe in the water and start re-owning a few previous sales on the breaks. As a spec, I'm also initiating the first leg of a longer-term conservative bullish position. My plan is to cost average in on the breaks and hold for a play into the second-half of 2018.

Global Ending Stocks Soybean 2018/19 proj. (in million bushels)



Wheat traders continue to debate headlines about weather uncertainties in Russia, Ukraine and parts of Australia vs. what appears to be more than ample global surplus. Bears are saying with global supplies at more than adequate levels the current weather concerns are really not that big of a deal. Especially with U.S. supply at burdensome levels near 1.0 billion bushels and no real compelling demand story. The big question ultimately is how much wheat will be taken out of the hands of the world's low-cost exporters? Bears are thinking the current weather hiccups still aren't enough to massively impact their exporting abilities. The bulls are thinking available global exports are going to be tighter than the trade is currently giving credit. From a technical perspective, most insiders see the nearby support on the charts at the highly psychological \$5.00 level. To the upside, SRW wheat resistance is thought to be in the \$5.55 to \$5.60 range. HRW wheat resistance is thought to be more in the \$5.75 to \$5.80 per bushel range.

WHAT I'M LISTENING TO: ▶



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

Kevin's Song of the Week

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.

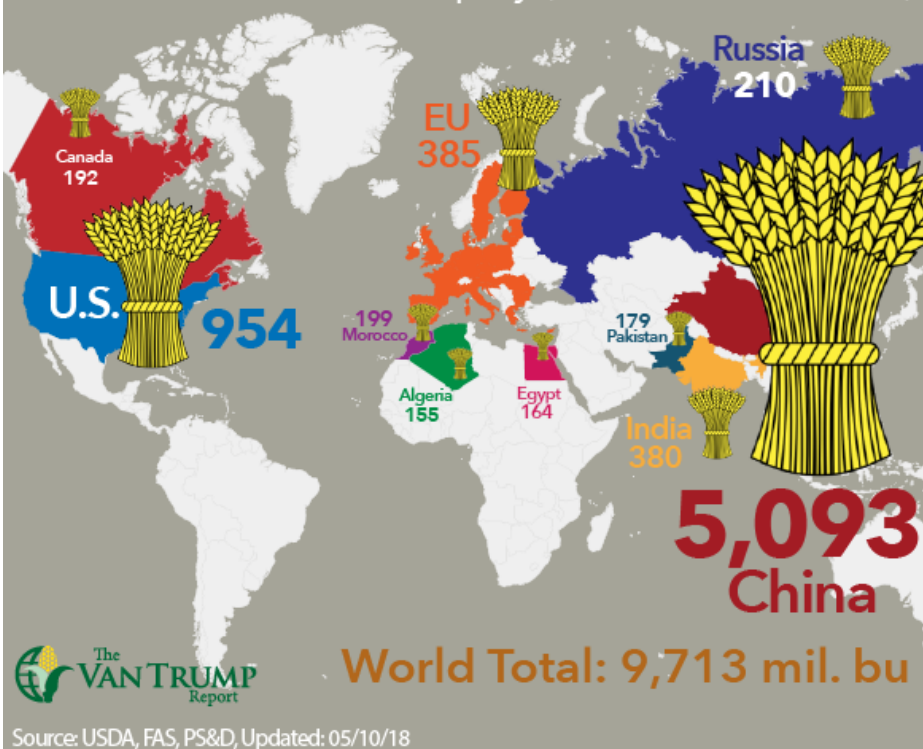
My family and I would like to thank you again for your support!

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

Global Ending Stocks Wheat 2018/19 proj. (in million bushels)



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.



> French Farmers Blockade Gas Stations & Refineries: French farmers, earlier in the week, started parking tractors in front of refinery gates while dumping piles of haystacks, dirt, manure and potatoes restricting access across the country as they protest plans that Energy giant Total wants to import up to 300,000 tons a year of palm oil for use in biofuels. Total has said about 5% percent of its gas stations in France had run out of fuel because they can't deliver from the refineries. I've heard this morning the blockades are now being lifted... but French farmers are still angry!

> Conab Increases Brazilian Soy and Lowers Corn Estimate: In their latest report, Conab increased their 2017/18 Brazilian soybean estimate 1 million metric tons to 118 million. This is a new record for production. The total 2017/18 Brazilian corn estimate was lowered -4.2 million metric ton 85 million. First crop corn was raised +0.5 million metric tons to 26.7 million which second crop corn was lowered 4.7 million metric tons to 58.2 million. (Source: Soybean & Corn Advisor)

> India Sees New Highs In Food Grain Production: India's food grain production in 2017-18 is expected to reach a record high of 279.5 million tonnes, according to a report from the U.S. Department of Agriculture's Foreign Agricultural Service (FAS). The total beat the previous estimate of 277.5 million tonnes and is 4.5 million tonnes higher than last year's record harvest, according to an estimate released by India's Ministry of Agriculture. The increase was attributed to near-normal 2017 monsoon rainfall and various government policies. (Source: WorldGrain)

> Bulgaria Has Another Outbreak Of Bird Flu Virus: An outbreak of a virulent bird flu virus has spread to another farm in northeastern Bulgaria, the national food safety agency said on Wednesday. A 1.5 mile protection zone was set around the farm in the village of Donchevo and the sale of eggs and the movement of domestic, wild and other birds was banned within it, the agency said in a statement. Two weeks ago the agency authorities reported an outbreak of the virus on a duck farm in the village of Stefanovo

and said birds on the farm were being culled. Bulgaria has reported a handful of outbreaks in the past year, some involving the highly pathogenic H5N8 bird flu virus.

> Russian Exports Up +47%: According to current data of Russia's Federal Customs Service, roughly 49.7 MMT of grain had been exported by June 6, excluding deliveries to the EAEU countries. This is 47% more than at the same time last year at 33.9 MMT, reports UkrAgroConsult. Wheat exports exceeded 38.5 MMT, up 48% on the year. Barley exports reached 5.5 MMT that is 2 times as much as a year ago. Corn shipments abroad totaled over 5.3 MMT that is up 9% on the year. Exports of other crops totaled 340 KMT (up 41%).

> California Will Not List Glyphosate as a Carcinogen: Earlier this week a California judge ruled glyphosate does not need a label warning stating it causes cancer. A U.S. District Court judge stated in his preliminary injunction: "It is inherently misleading for a warning to state that a chemical is known to the state of California to cause cancer based on the finding of only one organization (International Agency for Research on Cancer—IARC—which only found that substance is probably carcinogenic), when apparently all other regulatory and governmental bodies have found the opposite, including EPA." The National Association of Wheat Growers led the charge to defend glyphosate and were joined by a broad group of agricultural organizations and companies. (Source: AgPro)

> The Bitcoin Plunge Continues: Bitcoin dropped -5% to its lowest level since February following reports of price manipulation. The digital currency fell below \$6,200 Wednesday and has struggled to regain footing after dropping 10% this past weekend. From what I am hearing, the price began falling after a study was released by the University of Texas saying at least half of bitcoin's rise last year was due to price manipulation on popular exchange Bitfinex. (Source: CNBC)

> Toyota Spends \$1 Billion To Prepare For The Ride-Hailing Future: The Japanese car giant is pumping \$1 billion into Grab, the Singapore-headquartered ride hailer. The investment means the six-year-old Grab is now valued at around \$10 billion. And Grab isn't being shy about Toyota's cash influx. The company is calling it the largest-ever investment globally by an automotive manufacturer in the ride-hailing sector, reports Reuters. Analysts say the rapid investment in ride-hailing firms by traditional carmakers is a sign that auto companies are preparing for a future of reduced car ownership as automated cars and ride-hailing services become the norm.

> Comcast Makes \$65 Billion Offer for 21st Century Fox: The Comcast offer officially tops Disney's \$52 billion offer. The cable provider originally held back on bidding for Fox's production assets until a federal judge on Tuesday approved AT&T's so-called vertical merger with Time Warner. A Comcast-Fox merger, like a Disney-Fox merger, would be similarly vertical by combining a distributor with a content producer.

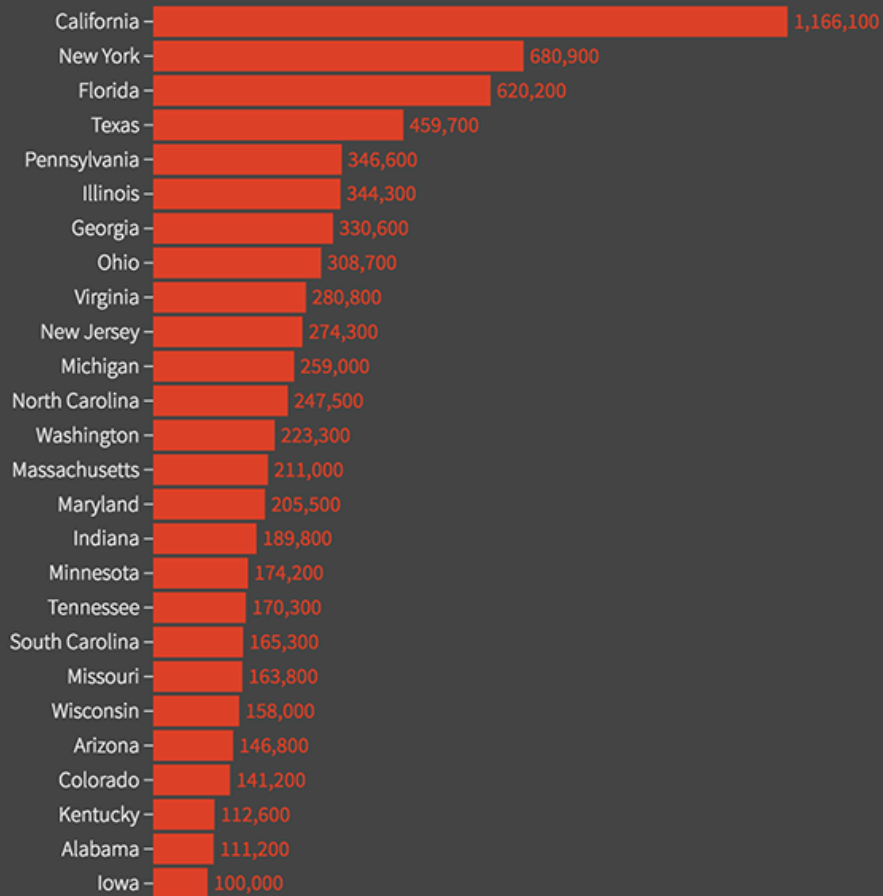
> Betting Big On Tesla: Elon Musk is adding to his position in Tesla, snapping up around 72,000 shares for \$25 million through a series of purchases on June 12 and 13. He now holds around 33.74 million shares to make him far and away the largest individual shareholder. Also in the headlines... Elon Musk's Boring Company has won a bid to build a high-speed express train to Chicago's O'Hare International Airport.

> How Many U.S. Jobs Depend on Trade With Canada? Seeing as how the trade wars show no signs of ending, I think it makes sense to look at whether Canada has any leverage against U.S. trade policy. We know Canadian provinces have always been reliant on U.S. trade — 49% of Ontario's GDP depends on it. That figure is 31% for Alberta and 23% for Quebec. Nevertheless, the U.S. could still suffer economically in a trade war. Canadianbusiness.com took a look at government figures from both countries to determine how many U.S. jobs depend on trade with Canada by state. They found 9 million jobs in total are reliant on trade with Canada. California with 1.66 million, New York with 680,900 and Florida with 620,000 have the most at stake. Click chart below to view the entire graphic.



U.S. jobs that depend on Canada-U.S. trade, by state

Total number of Jobs



FROM THE FIELD

Central Kentucky - The corn and beans here went in the ground well. We had a bit of a late start with the wet spring our area experienced. It was late April this year which is about two to three weeks behind normal. Since then we have had decent weather and the crops have emerged nicely. We are finishing with spraying the beans at the moment. We quit planting wheat a couple of years ago as it just didn't pencil out for us anymore. There isn't much ground moving around here but when it comes up you can expect to pay around \$6,000 for an acre. Rents are running in the \$200 area for decent land. We still have some old crop to market so hoping for a pop sooner than later.

Central Mississippi - We had what we call a county wide shower. It popped up on one side of the county and moved to the other side then dissipated. Depending on where your field is located you got 1 to 4 inches that came slow enough that we captured nearly 100% of the moisture. The rains and potential rains in the forecast have the weather just a little cooler in this area. We are in the midst of corn pollinating, soybeans flowering, cotton squaring and last but definitely not least rice is up to flood and everything is looking good. This rain plus the cooler temperatures buys us 7-10 days where we don't have to pump water. I would say we might have to run the water 1 more time before pollination and we should be good after that at least for corn. Everything looks really good in this county but 70 miles north they are bone dry and extremely hot.

Southeast South Dakota - We are looking fairly good right now. We just got done spraying late last week. Everything went in fairly slow because we have had a decent amount of rain. We are actually getting a really nice slow moving rain today. This rain is basically hitting the entire Southern half of the state and it's just sitting above us and creeping east. I wouldn't be surprised to get at least a few inches out of this storm. The timing of this storm is nearly perfect because we have heat coming in over the weekend. Basically the entire northern half of Iowa and the western half of South Dakota is going to get extremely hot the next 4-5 days. I would bet we can stand at least a week of heat after today but not much more if it continues.

CROSSING WIRES

A place to share intelligent thoughts...

Changing Climate For Hemp Could Mean Big Business: In recent weeks, the US Senate majority leader, Mitch McConnell, a conservative Republican who opposes marijuana legalization, has called for hemp to be legalized, a move which would benefit farmers, though McConnell still opposes marijuana legalization. And it's not just the farmers in McConnell's home state of Kentucky who would be pleased to see a resurgence of the crop. Early this month for hemp history week, the US Senate unanimously passed a non-binding resolution acknowledging hemp's economic value and "historical relevance". With tons of uses for marijuana's cousin, opportunities abound for those looking to diversify. Read more [HERE](#).

Physicist Says Carbon Removal Technology Is Over-Hyped: Scientists have long speculated that so-called "negative emissions" technologies like CO2 removal could not only slow the accumulation of carbon in the air, but even reverse it. Before last week, though all that speculation was, well, largely speculative; nobody had convincingly demonstrated how to pull off negative emissions at scale. Previous estimates had pegged the cost of sucking carbon from the skies, for instance, at \$600 per ton—way too pricey to qualify as a viable cleanup solution. How long before an affordable solution is viable...find out [HERE](#).

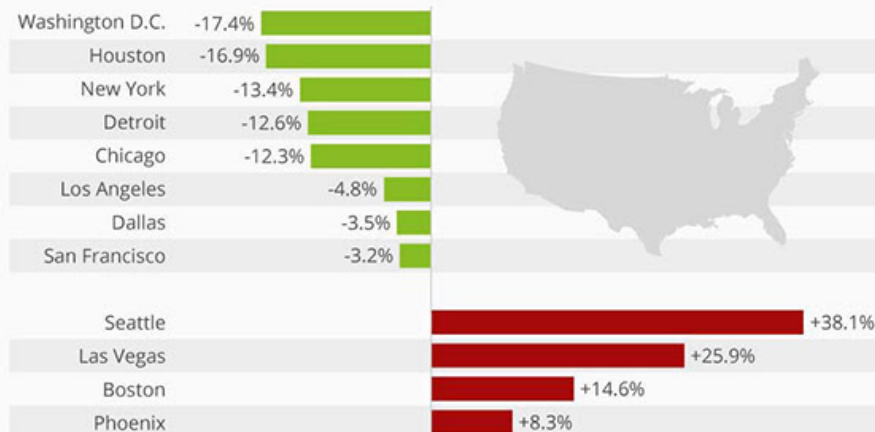
Powerful U.S. Spy Camera Ends Up In China: Five years ago, a group of Duke University scientists developed a pioneering gigapixel camera to provide long-range surveillance for the U.S. Navy through a sponsorship from the Pentagon. The technology, never picked up by the U.S. government, is now being used by Chinese police to identify people from nearly a football field away, after lead Duke researcher David Brady moved to China in 2016 to kick-start his business. China's easier access to startup funding, manufacturing supply chain and burgeoning demand for high-tech cameras attracted Mr. Brady, whose original venture in the U.S. failed to win over financial backers and customers. Within two years of the move to China, his company obtained enough funding to build its first commercial camera. Read more [HERE](#).

Will Hydrogen Powered Vehicles Compete In The Future? Today, electric and hybrid cars are competing with petrol-powered ones for space on the road. But lately, hydrogen is becoming another interesting source of power, and has been described by the European Commission as an energy carrier with "great potential for clean, efficient power in stationary, portable and transport applications." In the English town of Swindon, efforts are being made to turn it into a base and test bed for hydrogen as a transport fuel. It's definitely early in the game for hydrogen, but keep in mind Toyota has been working on the project for decades. Read more [HERE](#).

Crime Rates Decrease In Key Cities: After two consecutive years of increases in the U.S. murder rate, a host of major cities across the country have experienced a decrease. According to a new report by the Brennan Center for Justice, the crime rate in the 30 largest U.S. cities fell 2.1 percent between 2016 and 2017 while the murder rate declined 3.4 percent. Chicago garnered a reputation as one of America's most dangerous cities in 2016 with more murders than New York and Los Angeles combined with an average of 12 people shot every single day. The Windy City finally experienced a 12.3 percent decline in its murder rate last year. Read more [HERE](#).

The Murder Rate Dropped In Many U.S. Cities In 2017

% change in the murder rate in selected U.S. cities between 2016 and 2017



Source: Police department and city reports
via Brennan Center for Justice

Forbes statista



KFC Is First Major Chain To Introduce "Faux" Chicken

Who would have ever thought we would live to see Kentucky Fried Chicken testing a "plant-based" type of chicken, which is slated to be offered at a few select U.K. locations this fall. From what I understand, company executives are responding to new governmental guidelines and not animal rights activists. KFC is trying to get on board with the government's policy which is advising overweight adults to eat just 400 calories at breakfast and then 600 more at lunch and again at dinner and they will be the first major fast-food chain to offer "faux" or from my perspective "fake" chicken. According to company executives, it is a tricky problem because their customers, my family included, love the Original Recipe chicken, but it just isn't healthy enough for those in the government who are monitoring calories. Fortunately, they won't be changing the Colonel's secret recipe of 11 herbs and spices, just the "meat" it is added to. It will definitely be interesting to see or hear about any of the differences in taste while eating vegetarian chicken versus the real thing. If all goes well, KFC plans to roll out the program in 2019, but for now, there are no plans to expand into the U.S. at this time. But when they do, they believe they will find a willing base of support as there are currently 14% of the U.S. consumers, a total of 43 million people, who regularly want and prefer plant-based alternatives in various forms. Interestingly 86% of this group does not consider themselves vegan or vegetarian. If we start to see more wide-scale adoption of "plant-based" meat by consumers and some of our larger food chains it could certainly impact the ag industry as a whole. I suspect the change could be a negative to some and perhaps an opportunity for others, just depending on where you find yourself positioned. It's worth noting, other big chains like McDonald's, White Castle, Shake Shack, Burger King and Pizza Hut are already offering "veggie", or plant-based alternatives on their menus in some capacity. (Source: CBS, USA Today, Fast Company)



Vase Found In Attic Fetches \$19 Million

A rare Qing dynasty vase that was discovered in the attic of a French family home has sold at a Sotheby's auction in Paris for a record of around \$19 million. I've heard it set a new record for porcelain sold in France. The owner told reporters that on opening the shoebox filled with old newspapers he was "immediately struck" by the quality of the item, which upon further inspection found the vase bearing a mark from the reign of the Qianlong Emperor, who ruled China from 1736 to 1795. The vase included images of deer and cranes and was accidentally found, among decorations. The bulb-shaped vase is painted in shades of green, blue, yellow, pink and purple. Despite its rarity and potential value, the current owners said they really didn't like the vase too much, and neither did their grandparents, hence reason enough to box it up and stick in the attic. One Sotheby executive said they didn't really think the vase would bring much more than \$1 million. But given the huge appetite for Chinese art among today's collectors, it was grossly underestimated. The vase was purchased by a young Chinese collector. The man, showed up in person wearing a very casual jogging top, beating off bids from other Chinese collectors, who were calling in on the phone. Sotheby's is saying now is the moment to scour your homes and attics, looking for anything that might be tied to Chinese art and history, the market is insanely strong.



Golf's 2018 U.S. Open

This year's Open is going back to Shinnecock Hills, which was founded in 1891 on Long Island. It is one of the first five courses to be a part of the USGA, and the only course in history to host a U.S. Open in three different centuries, 1800's, 1900's and 2000's. This legendary course is also known for letting championship conditions teeter on the edge of unfairness, and proves to be very entertaining to watch. I'm told that temps should be about average all week but the winds will be blowing and depending on how the USGA decides to react, things could get crazy in a couple places. Check out this [VIDEO](#) to see what I mean about the speed of the greens, as a caddie drops a ball on the 18th hole during a practice round. I've included below some additional U.S. Open facts: (Source: cbssports, [golf.com](#), [espn](#))

Shinnecock Hills Storied History: Shinnecock Hills was originally a 12 hole course when it opened in 1891, after being built by 150 members of the Shinnecock Indian reservation. In addition to being the first golf club on Long Island, the first in America to be incorporated and the first to have a clubhouse, it also became the first to have a waiting list. The course will play 7,445 yards this week. That's shorter than several recent U.S. Open venues but also about 500 yards longer than the last time Shinnecock Hills hosted the U.S. Open. Among the holes that were lengthened were Nos. 14 and 16. The 14th is considered by many to be the best hole on the course. It now plays to 519-yards from an elevated tee, which makes it the longest par-4 on the course. The par-5 16th will now play 616 yards. It's one of only two par-5s on the course, along with the fifth hole, but it's hardly an automatic birdie. Having only two par-5's that are no gimmies help make the course extremely tough.

Players I'm Picking:

Dustin Johnson, 8-1: Of all the long hitters, Johnson is the straightest, which is a big reason why he went T-4, runner-up, win in three consecutive U.S. Opens before missing the cut at Erin Hills last year, and why he's currently the odds-on favorite. In my opinion, with Johnson's length and the hard and fast conditions he most likely will be one of the few who could maneuver around Shinnecock without full use of his driver. Interestingly, he's held the number one spot for 64 weeks - meaning most thought it wouldn't take this long to get his second major...

Justin Rose, 14-1: All three winners of modern U.S. Opens at Shinnecock have been 35 years or older. The last two winners at Shinnecock Hills, Retief Goosen and Corey Pavin, were in the top 10 of the Official World Golf Ranking, as well. This could bode well for Justin Rose, the only top-10 player who has already celebrated his 35th birthday. Rose, 37, also won the 2013 U.S. Open. He is coming off an impressive victory in the Fort Worth Invitational and has finished in the top 10 in 15 of his past 20 worldwide starts. I like those stats at 14-1 odds. It's worth noting that he did post a couple of big numbers in the 2004 Open at Shinnecock.

Ricky Fowler, 14-1: Fowler is one of the most consistent players on tour and another accurate driver. He nearly won his first major in April at the Masters and if you didn't know it, he just proposed to his girlfriend on the shores of Long Island this week...She said yes! Unfortunately, Ricky "I nearly won my first major" Fowler is starting to gain traction. Easy to say for us on the sidelines and I believe he will also be in the mix Sunday afternoon.

Brooks Koepka, 25-1: No one is really giving Koepka much notice as a contender for this year even though he is a long baller and did win on a similar links styled course in Wisconsin last year. Many feel his 16 under on softer conditions do not have relevance to this years competition. Time will tell, I'm giving him a shot!

Patrick Reed, 30-1: Even though only six golfers have ever won the Masters and U.S. Open in the same season, I think Reed might have a good chance. I love his aggressive attitude as he attacks the course and I believe the 30-1 odds offer some opportunity

Tiger Time? SportsLine simulated the event 10,000 times and the results were surprising. One huge surprise the model is calling for Tiger Woods, one of the top Vegas favorites, to make a strong run, but it also calls for him to fall a bit short in the end. I would imagine if Woods is in contention on Sunday, the ratings will go off the charts. He definitely has made a splash this season and I expect that to continue. Keep I mind, Tiger Woods played his first U.S. Open at Shinnecock Hills in 1995. I should also note, the traffic getting to and from the course is said to be extreme this year. I'm hearing stories of three and a half hour trips to the course from players hotels less than 20 miles away. There is one player who won't have to worry though. Tiger Woods is docking his 155-foot yacht which includes a Jacuzzi, gym and movie theater just minutes from the course. Could be an edge...

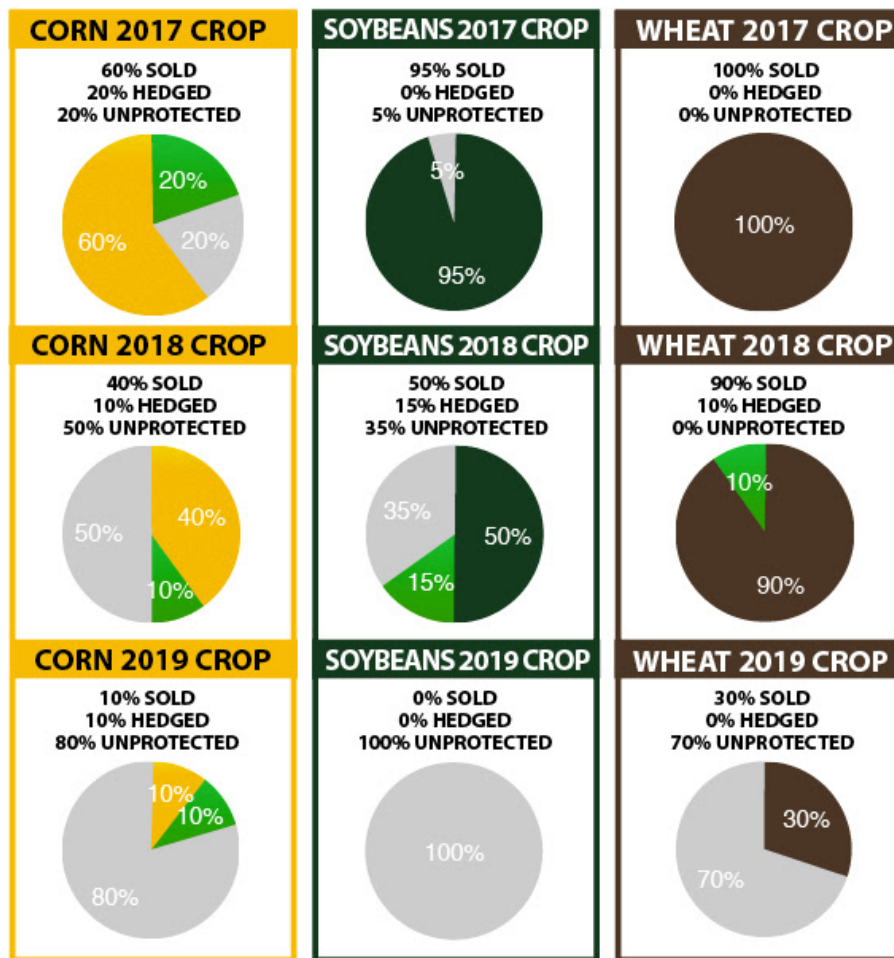
Deeper Look Inside The Game: If your really into golf and would like to dig a bit deeper in understanding a players strategy, I encourage you to checkout this hole-by-hole take on what will be thrown at the best players in the world and how they will go about positioning themselves for success. Click [HERE](#)

Where You Can Watch: You can live stream the event starting at 6:30 am CST on USOpen.com. Television coverage begins at 8:30 am on FS1, then at 3:30pm it moves to Fox. TV simulcast live stream: 9:30 a.m. to 7:30 p.m. on fuboTV which you can try for free I'm told.



ANSWER to riddle: A casino.

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