

GOOD MORNING: 06/20/18 Farm Direction - Van Trump Report

2 messages

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"Progress is impossible without change, and those who cannot change their minds cannot change anything." – **George Bernard Shaw**

WEDNESDAY, JUNE 20, 2018
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Morning Summary: Stocks are rebounding a bit this morning but still acting extremely fickle. The Dow Jones once again moved into negative territory for the year. This is actually the 13th time on the year that we've passed back and forth over the starting line between positive and negative territory. Meaning, even the best-of-the-best are extremely uncertain about the market's overall direction. Or perhaps more specifically traders are uncertain about the next steps in Washington. Most are now accustomed and well aware of President Trump's tough up-front negotiating tactics in an effort to walk-back towards a better more promising compromise later in the negotiations. But some are now worried, "with the cat out of the bag", President Trump will at some point have to stick to his guns and call everyone's bluff to keep the table honest. In other words, at some point he might not walk-back on his tough up-front tactics. This obviously has the trade a bit concerned, especially when you start involving the world's #1 and #2 economies. As I've mentioned the past few weeks, big tech stocks continue to act as a safe-haven for investors while the clouds of trade worries pass overhead. Rember, names like Facebook and Google are actually banned in China so they have no real exposure. In return, the more traditional names like Johnson & Johnson, Caterpillar, Proctor & Gamble and 3M, all who earn significant revenues from outside the U.S., are down double-digits on the year. If you think things aren't changing across the board, think again! It was just recently announced, General Electric (GE) is being booted out of the Dow Jones Industrial Average after being included for the past 111 years. In fact, GE was one of the original components of the index of 30 stocks in 1896. It has been a continuous member of the Dow since 1907. For what it's worth, GE's stock has fallen more than -55% over the last 12 months, worrisome more than -25% this year alone. Moral of the story, nobody is safe or getting a free-pass with technology bringing massive transparency and rapidly disrupting century old businesses. Make certain you are thinking about "change" and how your strategy might need to be altered...

The Latest On Oil: From what I'm hearing, Russia and Saudi Arabia could announce a combined hike of +1.5 million barrels per day following the upcoming meeting in Vienna. I've also heard that without a production hike, the oil market could stay in a deficit for the next six-months. There's also talk that rebel attacks in Libya have now increased and cut off almost half of their daily production.

I'll See Your \$50 Billion And Raise You \$400 Billion: President Trump has requested the United States Trade Representative to identify \$200 billion worth of Chinese goods for additional tariffs at a rate of 10 percent. There's also talk that President Trump could add another \$200 billion to the mix if the Chinese decide they want to play even more hardball. In all it sounds like there could ultimately be \$450 million in tariffs being waged. This size of number certainly starts to pique more interest and concern. For now, Chins is saying they pledge to fight back if Trump goes ahead with the new tariffs. The latest back-and-forth measures have sparked concerns that the U.S. and China have taken steps to enter into a full blown trade-war. But that hasn't happened yet, cautioned James Cheo, senior investment strategist at the Bank of Singapore. "As of now, the numbers are not large ... when it becomes larger in terms of tit-for-tat retaliation, that would be more worrisome," he said. [Read more HERE.](#)

Could It Be The "Canary In The Coal Mine"? Starbucks will close 150 poorly performing company-operated stores next year, about three times as many as it typically closes. The company told investors late Tuesday that it expects same-store sales to grow just 1% for the quarter that begins next month, lowering its previous guidance. The stock slumped 3.5% in after-hours trading. "Our recent performance does not reflect the potential of our exceptional brand and is not acceptable," Starbucks CEO Kevin Johnson said in a statement. "We must move faster to address the more rapidly changing preferences and needs of our customers." (Source: Money)

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AI Isn't Just Winning Board Games, Now It's Learning the Art of Persuasion: We saw computers beat humans at chess in 1997, beat humans at Jeopardy in 2011 and vanquish the world's best human players of the ancient game of Go in 2017. On Monday, a computer edged out a victory over people in a far more nuanced competition: Debate. IBM created a system called Project Debater that competes in what the company calls computational argumentation -- knowing a subject, presenting a position and defending it against opposition. At a press event, IBM pitted the system against two humans with a track record of winning debates. In one debate, Noa Ovadia overall nudged two people among a few dozen in a human audience toward her perspective that governments shouldn't subsidize space exploration. But in the second, Project Debater soundly defeated Dan Zafrir, pulling nine audience members toward its stance that we should increase the use of telemedicine. Watch out lawyers... Read more at [CNET](#)



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:

What can you keep after giving it to someone?

Weather on the Plains saw heavy showers and thunderstorm affect Nebraska and portions of neighboring states yesterday. A separate area of rain is falling across the northern Plains. In contrast, dry weather has returned across the southern Plains where recent rainfall provided only limited drought relief. On June 17, topsoil moisture was rated more than one-half short to very short in Texas (73%), Oklahoma (67%), Colorado (60%), and Kansas (55%). On the same date, more than one-quarter (26%) of the U.S. cotton crop was rated in poor to very poor condition, led by Texas (39%) and Oklahoma (24%). In the Corn Belt, scattered showers and thunderstorms yesterday maintained generally favorable growing conditions for corn and soybeans. However, pockets of drought in the southwestern Corn Belt have left soybeans rated 19% poor to very poor in Missouri, where topsoil moisture was rated 67% short to very short on June 17. In the South, recent heavy rain in the western Gulf Coast are easing or eradicating dryness that had developed in recent weeks. elsewhere in the South, hot, humid weather favors a rapid crop development pace. A wet pattern will prevail during the next few days along a line stretching from the central Plains into the Mid-Atlantic region. The heaviest rain will occur along a slow moving cold front that will generally

the farm industry.

Over 700 In Attendance Last Year:

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Traders and Hedge Fund Managers

Bank Presidents, FDIC members

Grain Merchandisers, Exporters, Analyst

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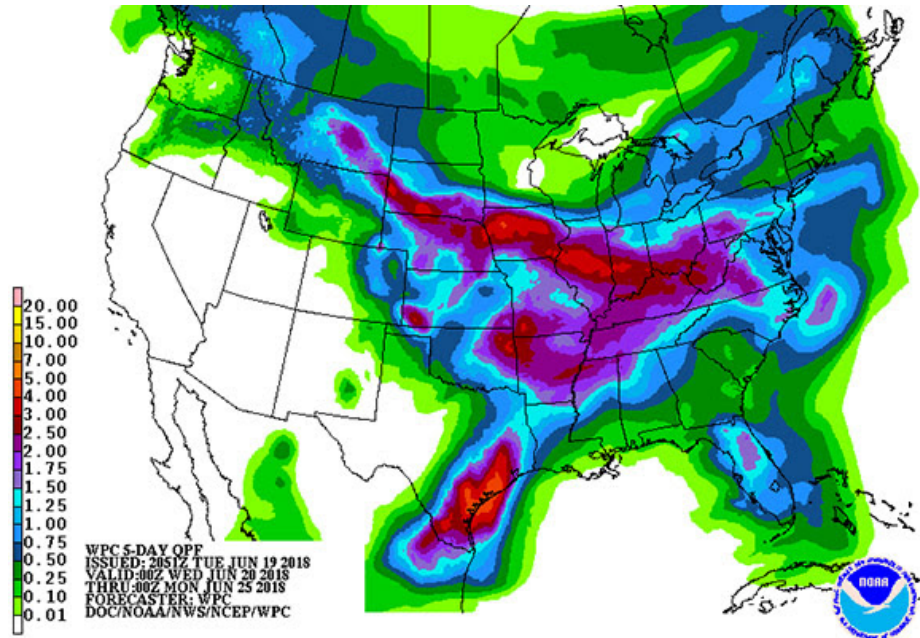
"When the opportunity comes,
it's too late to prepare."

- John Wooden



separate hot, humid weather across the South from cool, dry air across the nation's northern tier.

Good Weather For Summer Crop Development: *Despite recent heat across the Midwest through for the past 30+ days, good to excellent ratings for corn in major producing state of the Corn Belt were mostly unchanged this past week with the national number actually increasing 1%. Soybeans were down by 1% nationally but this isn't that important this early in the growing season. Overall a very favorable weather pattern for corn and soybeans in the Midwest is expected to continue due to the next seven to 10 days. Temperatures and rainfall both indicated to be near to above normal. Rainfall outlook valid Wed. June 20 through Mon June 25.*



Corn prices have stabilized as of this morning, but the JUL18 contract has recently traded from a high just above \$4.12 per bushel, set back on May 24th, to a low set yesterday at \$3.38⁶. The new-crop DEC18 contract touched \$4.29⁴, also on May 24th, and has since fallen to a yesterday's fresh new low of \$3.60 per bushel. The only bright spot is the fact we rallied back some +15 cents off the lows. There's some talk that the U.S. government could step in and make some concessions to U.S. farmers and buy U.S. supply. Again this is only rumor and talk, as the bulls are clearly grasping at straws. Not only have negative trade headlines weighed heavily on the trade, but the recent weather improvements are also adding heavy pressure. The hot and dry conditions that many producers have been experiencing are now becoming cooler with much more widespread precipitation. Currently there's just not a lot of nearby reasons to step in as a big bull in the market, especially if you think trade headlines could become more negative nearby. This is a crazy bet... Who's going to flinch first seems to be the question?

Co-hosted by:



Today in History



1782, U.S. Seal - Congress adopts the Great Seal of the United States after six years of discussion. The front of the seal depicts a bald eagle clutching an olive branch in its right talon and arrows in its left. On its breast appears a shield marked with 13 vertical red and white stripes topped by a bar of blue. The eagle's beak clutches a banner inscribed, E pluribus unum, a Latin phrase meaning "Out of Many One." Above the eagle's head, golden rays burst forth, encircling 13 stars. Charles Thomas outlined the symbolic connotations of the seal's elements when he presented his design to Congress. The bottom of the shield (or pale) represents the 13 states united in support of the blue bar at the top of the shield (or chief), "which unites the whole and represents Congress." The motto E Pluribus Unum serves as a textual representation of the same relationship. The colors used in the shield are the same as those in the flag: alternating red and white for the important balance between innocence and valor, topped by the blue of "vigilance, perseverance and justice." The eagle's talons hold symbols of Congress power to make peace (the olive branch) and war (arrows). The constellation of stars indicates that "a new State [is] taking its place and rank among other sovereign powers." The reverse side of the seal bears the familiar Masonic motif of a pyramid, which Thomas proposed as a symbol of "Strength and Duration." The pyramid, like the new nation, is unfinished and frequently depicted as having 13 steps for the original states. The disembodied eye floating above the structure is that of providence, which Thomas believed had acted "in favour of the American cause." Beneath the pyramid, the number 1776 appears in Roman numerals as a reminder of the year of independence. The phrase Annuit Coeptis or "Providence has Favored Our Undertakings" appears above the providential eye; Novus Ordo Seclorum or "A New Order of the Ages" appears beneath the pyramid.

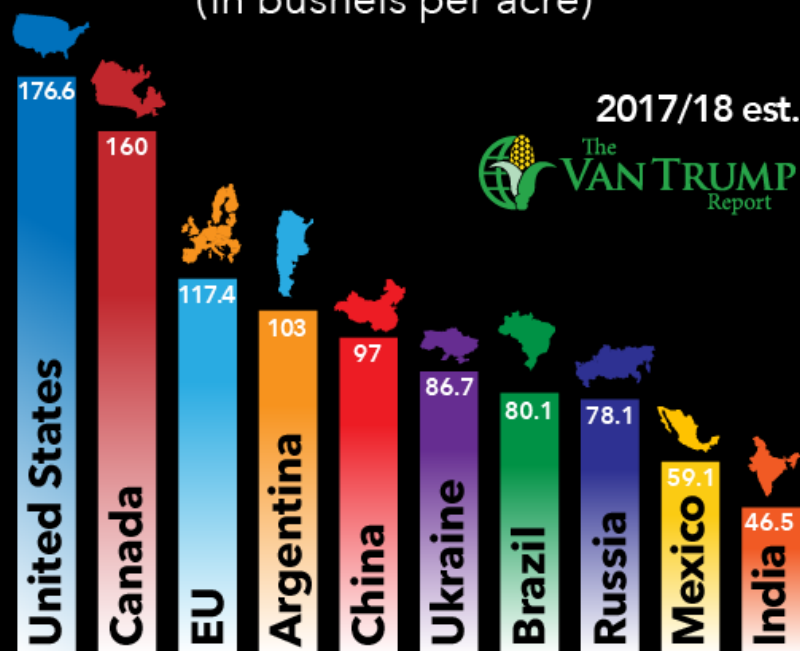


1963, Cold War Hotline - Attempting to avert a nuclear war, the United States and Russia establish a "hot line" communication system. The agreement was a small step in reducing tensions between the United States and the USSR following the October 1962 Missile Crisis in Cuba, which had brought the two nations to the brink of nuclear war. The world changed in 1962 during the Cuban Missile Crisis and the need for instantaneous and full-time communications

Top Corn Producing Countries

Yield Comparison

(in bushels per acre)



Source: USDA, FAS, PS&D 06/19/18

became critical. Tensions began when the United States had discovered that the Soviets were building missile sites in Cuba capable of firing missiles with nuclear warheads. Eventually, the administration of President John F. Kennedy instituted a naval "quarantine" around Cuba to block the delivery of such missiles. Possible nuclear conflict was avoided only when Soviet leader Nikita Khrushchev agreed that his country would not install nuclear weapons in Cuba. In exchange, the United States vowed not to threaten the sovereignty of Cuba. Prior to the settlement, the world sat through several very tense days of waiting to see whether World War III would begin. In an attempt to reduce the tensions brought about by the October 1962 crisis, and hopefully, avert any future misunderstandings that might trigger a nuclear conflict, the United States and the Soviet Union agreed in June 1963 to establish a "hot line." It would be a 24-hour-a-day communications link between Washington, D.C., and Moscow. President Kennedy declared, "This age of fast-moving events requires quick, dependable communication in time of emergency." The agreement was a "first step to help reduce the risk of war occurring by accident or miscalculation." It only took a few months to put the system in place after the agreement was signed. Fortunately, we have never had to use the hotline to avoid a nuclear war.



1977, Trans-Alaska Pipeline -

With a flip of a switch in Prudhoe Bay, crude oil from the nation's largest oil field begins flowing south down the trans-Alaska pipeline to

the ice-free port of Valdez, Alaska. The steel pipeline, 48 inches in diameter, winds through 800 miles of Alaskan wilderness, crossing three Arctic mountain ranges and hundreds of rivers and streams. Environmentalists fought to prevent its construction, saying it would destroy a pristine ecosystem, but they were ultimately overruled by Congress, who saw it as a way of lessening America's dependence on foreign oil. The trans-Alaska pipeline was the world's largest privately funded construction project to that date, costing \$8 billion and taking three years to build. In 1968, a massive oil field was discovered on the north coast of Alaska near Prudhoe Bay. Located north of the Arctic Circle, the ice-packed waters of the Beaufort Sea are inaccessible to oil tankers. In 1972, the Department of the Interior authorized drilling there, and after the Arab oil embargo of 1973 plans moved quickly to begin construction of a pipeline. The Alyeska Pipeline Service Co. was formed by a consortium of major oil companies, and in 1974 construction began. Under pressure, Alyeska agreed to extensive environmental precautions, including building 50 percent of the pipeline above the ground to protect the permafrost from the naturally heated crude oil and to permit passage of caribou underneath. On June 20, 1977, oil began flowing down the pipeline. It got off to a rocky start, however, as power supply problems, a cracked section of pipe, faulty welds, and an unsuccessful dynamite attack on the pipeline outside of Fairbanks delayed the arrival of oil at Valdez for several weeks. In August, the first oil tanker left Valdez en route to the lower 48 states.

Upcoming Events

Fri. 6/22 - Cattle on Feed

Soybean prices are slightly higher this morning, but bulls continue to shake their head in disbelief. In just the past sixteen trading days, the new-crop NOV18 price have traded from a high of just over \$10.60 per bushel, down to yesterday's low just below \$8.65 per bushel. In other words, in just a three-week window we've seen prices drop by almost -\$2.00 per bushel. I expected the ride would get extreme, but I never expected this big of a sell-off, during this time period. I personally thought a couple of weeks back that some of the upcoming weather uncertainty here in the U.S. and Trump's meeting with Kim Jong Un could help keep prices somewhat supported. Remember, were not even in a full blown trade-war as of yet, just still talk about one becoming more likely. As I mentioned in the corn section, U.S. weather isn't providing the bulls with any real support. In fact, most all sources are now seeing it as a trade headwind, Hot and dry has turned into cooler and wet. In fact some bulls are arguing it has become too wet in some key production areas. I'm personally hearing more talk from producers in central Illinois and parts of Indiana, that soybean fields are starting to be impacted by "Phytophthora". The disease tends to pop up in fields that are excessively wet. It can attack soybeans at any time during the growing season. Above-ground symptoms may not be evident for several weeks after initial infection and it seems to cause more damage on fields that have planted beans-on-beans. I've heard some guys that have it in their fields saying it could cause a yield drag of -10% to -20%, obviously depending on severity and control.

Special Thoughts... The last -\$1.00 or perhaps even last -\$1.50 in the soybean market has left many, including myself, scratching our head a bit. I wanted to include a portion of a "Special Report" I sent out last Thursday to our paying clients. I had been getting a lot of questions and wanted to provide my opinion. I think it is still relevant and does a fairly good job of adding some color to the picture. If you are not getting the Special Reports, the cost is just \$40 per month, you can sign-up by clicking [HERE](#)

SOYBEANS: Last week, Thursday June 14, I wrote and sent out the following...

"I'm looking for ways to re-own some of the previous soybean sales on the break. I was aggressive in making sales on the rally and it paid off. Now I'm thinking I want to slowly and conservatively re-own some of those previous sales. I like the thought of taking small bullish bites as we move lower, perhaps falling to between \$8.90 and \$9.50 per bushel vs. the NOV18 contract. I can't imagine we trade that low, especially considering the more bullish fundamentals, but if the headlines surrounding China and NAFTA continue to create panic and fear it will be extremely tough to find a big enough buyer to stop the bleeding..." Be extremely careful trying to pick a bottom in this market. If you are wanting to re-own some of your previous sales, take a more scaled approach and give yourself a sizable goalpost to kick the ball between. This is a very tough environment, even the best professionals are scratching their head regarding the day-to-day swings and mood changes. "Aim low, they might be riding shetlands..."

Interestingly, it only took three trading sessions for the market to blow through what I had deemed to be the low side of the trading range. Where do we stop, or how much lower can we go is the question everyone is asking? Again, I reference last weeks message.

Below is more of what I wrote and sent out on Thursday, June 14th. If you didn't get the chance, please read it. I feel it helps describe and better explain what is happening!

TRYING TO CATCH A FALLING KNIFE

WOW! I knew it was going to be a difficult and unpredictable path as we try to dodge the landmines associated with trade renegotiations, but this has gotten extreme. I've had a lot of friends on the trade side as well as producers across the country asking my thoughts, so I wanted to pass along.

Let me preface by saying, I don't think anyone can fully or 100% accurately explain why the ag markets are moving in such extreme fashion. Obviously, the trade headlines are creating a large portion of the uncertainty, but there are many moving parts and pieces. One minute the wheat market is trading Black Sea weather, the next minute it doesn't seem to matter. One minute the soybean market is trading production failures in Argentina, the next minute it doesn't seem to matter. One minute the corn market is trading record demand and lower global stocks, the next minute it doesn't seem to matter... To say the market has become extremely neurotic would be a huge understatement.

So, why are we trading so much lower in corn and soybeans? I hate to sound like a simpleton, but there's just not enough buy-side paper to offset the recent selling pressure. The funds, who had been aggressively long, have now backpedaled after taking a peek at their cards and seeing no wide-spread weather worries in the U.S. They have also backpedaled on what appears to be more significant and real threats of a trade war, not only with China, but perhaps a short-term fallout associated with NAFTA being renegotiated. From what I'm hearing, the funds may soon or perhaps already be short the soybean market, for reference a few weeks back they were long well over +100,000 contracts. I'm also hearing the funds are now close to flat the corn market, a few weeks back they were long over +200,000 contracts. While the traditional ag funds have been exiting their long positions, at the same time, I've been hearing about some recent "cross-hedging" coming from a few larger equity players. In other words, rather than trying to accurately predict what individual companies will be impacted by tariffs and which ones will not. They can simply hedge their bets by shorting the ag sector, which is almost guaranteed to be impacted. So, it's not so much why we are heading lower based on the traditional supply and demand fundamentals, it's more the fact nobody of any real size has any interest in stepping in as a big buyer. There's some end-users that still need to be buyers and some fundamental spec players probably seeing longer-term value, but as I said earlier this simply isn't enough buy-side paper to offset the heavier sell-side volume. Twenty years ago, yes, the traditional natural buyers would probably be enough to offset the sell pressure, in today's market, that's simply not the case. The market often gets itself overdone in both directions to the upside and the downside. That's why I preach not getting greedy and removing longer-term price risk when the opportunities present themselves. Again, as a producer, it has to be all about "risk management"... not market forecasting!

Fri. 6/22 - Cold Storage

Thurs. 6/28 - Quarterly Hogs and Pigs

Fri. 6/29 - Quarterly Stocks and Acreage

Kevin's Song of the Week

WHAT I'M LISTENING TO: ▶



▶ Johnny Cash "Folsom Prison Blues (Live)"

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!

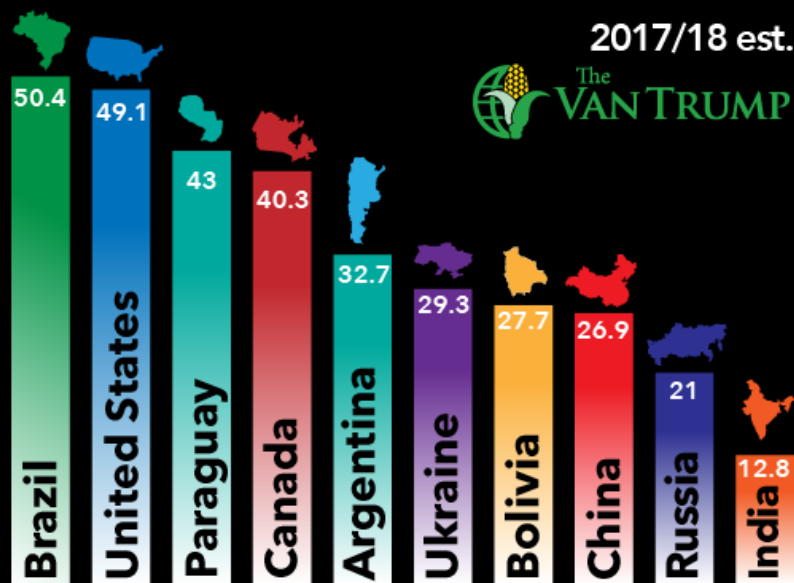
Kevin Van Trump

What Others Are Saying

Top Soybean Producing Countries

Yield Comparison

(in bushels per acre)



Source: USDA, FAS, PS&D 06/19/18

Wheat price are also up slightly this morning, but have been mostly in a free-fall the past several days, closing lower for five straight session and trimming about -60 cents. On top of the escalating headlines about trade-wars, improved U.S weather and the advancing winter wheat harvest is providing some additional pressure. Lets also keep in mind, the recent strength of the U.S. dollar is also not helping to improve the demand story, which has been lacking for several weeks. The technical picture on the charts has also been broken down, and U.S. spring wheat crop-conditions are almost twice as good as last year. As I've been saying, I'm not sure the weather forecasts in the Black Sea region and parts of Australia and Europe will be strong enough to fully support this market. We need to find a better demand story here in the U.S. or more wide-spread production problems from some of the worlds low-cost providers. I remain on the sideline, happy I didn't chase the weather story higher, and waiting for additional downside before I step in as a longer-term buyer of "value".

"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..."

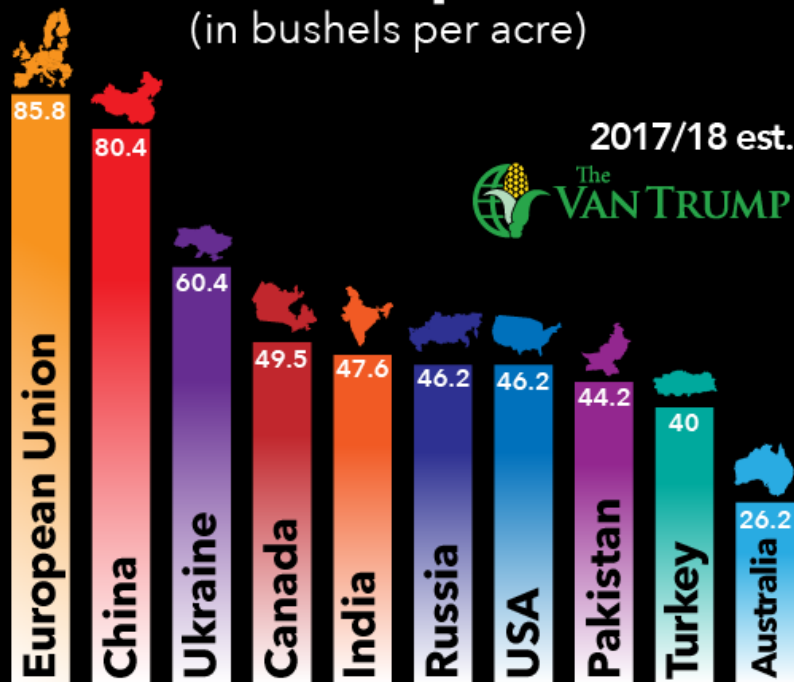
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

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

Top Wheat Producing Countries

Yield Comparison

(in bushels per acre)



Source: USDA, FAS, PS&D 06/19/18

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.



> Canada's Biggest Cheesemaker Says Trump Has a Point on Dairy Policy: Canada's largest dairy processor is voicing an opinion that's probably unpopular with the nation's farmers. Canada should consider eliminating its Class 7 milk policy in order to renegotiate the North American Free Trade Agreement with the U.S., Saputo Inc. Chief Executive Officer Lino Saputo Jr. said. The policy was rolled out last year and makes it cheaper for Canadian processors to buy domestic supplies of ultra-filtered milk, a concentrated ingredient used to boost protein content in cheese and yogurt. It has also effectively blocked U.S. dairy imports while creating an "incredible imbalance" on world markets, Saputo said. Read more at [Bloomberg](#)

> The Soybean Crush in Brazil's Largest Producing State was down -10.2% to 812,700 mt despite a rise in crush margins, as a truckers' strike constrained supply to crushers and lowered output, the state's agricultural economic institute IMEA said. While the gross crush margin increased of 13.6%, it was "not enough to stimulate industries to maintain the same pace or even increase production", IMEA said, adding that the strike by Brazilian truckers last month prevented deliveries. (Source: AgriCensus)

> China's Demand For Feed Grain Goes To Australia: Australian Bureau of Statistics data has shown China's insatiable appetite for feed grain has meant it continued to compete against soaring Australian domestic grain prices to dominate international purchases of Aussie feed grain through March and April. Lloyd George, market analyst with AgScientia, said Australia exported just under 1.1 million tonnes of barley in March and around 550,000 tonnes in April, with 90% going to China. (Source: UkrAgroConsult)

> U.S. Livestock Exports Have Been Very Strong: USDA's Economic Research Service released data showing the tariffs come at a time when beef exports in April rose to 254 million pounds overall, a 16.1% increase over the year before. They also noted that is the largest monthly year-over-year percentage increase to date this year and it was largely driven by growing exports to South Korea, Mexico, Taiwan, Canada and

Japan. Pork exports in April also reached record high levels at a548 million pounds, with the largest amounts ever one to Mexico and South Korea. (Source: USDA, ERS)

> CEO Of Syngenta Calls For Adoption Of Ag Tech: In a recent interview, J Erik Fyrwald, CEO of Syngenta, said that shunning agricultural technology will have serious consequences, with the global population expected to rise by 1.5 billion people by 2050 and global warming continuing to rise. "If we don't keep getting better with technology that helps feed the world with less greenhouse gas emissions, I think we are going to have food availability issues and the climate is going to get much worse from agriculture," he said. "There could very well be, 10 to 20 years from now, significant issues around feeding the world." Read more [HERE](#).

> Trading Volumes On Organic Grain Increasing: Trading volume of food-grade organic wheat and corn continued to build in May, but soybean volume eased somewhat, while prices during the April-May period were mixed compared with February-March, according to Mercaris, the organic and non-GMO trading platform and market information company. Food-grade organic hard red winter wheat averaged \$11.03 a bushel in April-May, down \$2.54 from the prior two-month period but up \$1.55 from a year ago, with pressure on prices thought to be related to the advancing winter wheat harvest. (Source: World-Grain)

> Master Scientist And Corn Breeder Seek New Strain For Whiskey Project: Seth Murray, a top corn breeder at Texas A&M University, and Rob Arnold, working on a doctorate at the school while making whiskey for a Fort Worth distiller, are trying to develop commercially viable strains of corn with identifiable flavors, in the same way as specific grapes define the taste of wine from California's Napa Valley or a Bordeaux produced in southwest France. If the project proves successful, it might not be until the middle of the next decade that it will produce a commercial whiskey. Sounds like what Jamie Walters is doing in Illinois at Whiskey Acres. You might remember him from our conference last year. Read more [HERE](#).

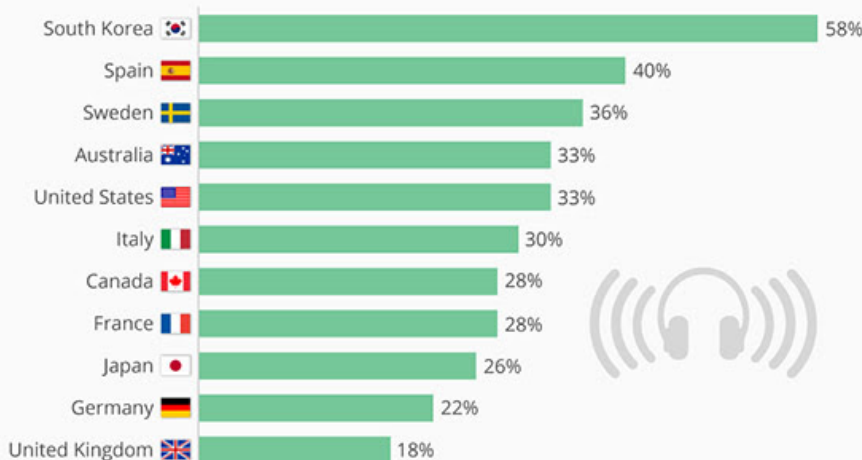
> Giant Hogweed That Causes Burns and Blindness Found in Virginia: A huge weed that can cause third-degree burns and even blindness has been found in Virginia. The leaves can be up to five feet across and the stem, which contains a toxic sap, is hollow and rigid, and has purple blotches and coarse white hairs near its base. No word yet on exactly how this invasive weed became established or exactly where it came from. (Source: CNBC)

> CVS Is Going To Start Delivering: CVS Health is rolling out delivery for prescription drugs nationwide as it braces for a possible disruption from Amazon. Its 9,800 pharmacies will offer the next-day service for \$4.99 and same-day deliveries in select urban markets for a higher fee. CVS will also deliver other items, including cold medication, vitamins, and allergy medication. (Source: SeekingAlpha)

> Who Listens to Podcast? That's an interesting question and the answer is: a lot of people. According to the Reuters Institute's latest Digital news Report, more than a third of the survey respondents from 22 countries have listened to a podcast in the month preceding the survey, with the level of adoption varying significantly across different markets. The following chart illustrates where the biggest podcast enthusiasts and skeptics live. Podcasts do seem to be most popular among younger audiences as they have emerged a new form of distributing audio content to a broad public. They are long-form audio content and allow people to get into deeper discussions than general radio format usually can. (Source: Statista)

The State of Podcasting

% of respondents in selected countries who listened to any podcast in the past month



Based on a survey of roughly 2,000 people in each of the given countries conducted in Q1 2018. Results are representative of the population with access to the internet.
Source: Reuters Digital News Report



statista



FROM THE FIELD

Central Illinois - We are seeing Phytophthora in the beans in our area as well as 100 miles north. It was wet putting the beans in the ground and the heat has been oppressive for a bit making the conditions perfect for the disease. There could be significant replanting in our area for a number of folks from what I'm hearing. If that's the case, guys will need to have that done by the end of the month. The corn looks good and is beginning to tassel. It looks like we should be pollinating in the next couple of weeks. We have some rain scheduled upcoming and hopefully, that will cool things down a bit during pollination.

Northeast North Dakota - The crops look pretty good around here, just the right amount of rainfall for this time of year. Last month we got about 7 inches but it was spotty, we can maintain 200 bushel corn with 4 inches of rain per month. So as long as the rain keeps coming we should be good. Corn is only over knee high here and growing quickly. The old saying goes, corn is typically knee high by the fourth of July is way ahead of pace. Wheat is just starting to head in the early wheat and flag leaf everywhere else. Some guys are thinking the wheat might not be great and others are still holding out hope. Soybeans have some iron chlorosis which is caused by salt coming to the surface among many other reasons. The soybeans are slow to take off but with the warmer temperatures they should get better. We still have a fair amount of growing season left to go!

Northcentral Iowa - We have been wet all spring up here and have more rain expected later this week. We didn't finish with beans until June 7th due to all the moisture. We were fortunate to happen to wait until after a 5" rain event in May and even though it pushed us back a ways, I think it worked out for us. We are seeing more and more of organic acres going into play in our area. One side effect of that is the fact those doing it are bidding up the land that comes up for sale. I haven't spent any time looking into going organic but those doing it seem to be making a go of it. We are seeing land in our area sell for \$8,000/acre and rent for \$225-\$285. I was fortunate to get a break on some of the higher priced land getting rents below \$300 for the first time in a while. I am one of the few in the area that strip tills which works out for spraying when others who are conventional can't. We are out side dressing now and even if it rains this week, it will only put us out for a day or two.

CROSSING WIRES

A place to share intelligent thoughts...

Space Gardens Essential To Sustaining Life In Orbit: Space gardening will be essential someday if space travelers are to go beyond low-Earth orbit or make more than a quick trip to the moon. They can't carry on all the food they need, and the rations they do bring will lose nutrients. So astronauts will need a replenishable stash, with extra vitamins. They'll also require ways to make more oxygen,

recycle waste, and help them not miss home so much. Space gardens can, theoretically, help accomplish all of that. Veggie and other systems aboard the space station are helping researchers figure out how radiation and lack of gravity affect plants, how much water is Goldilocks-good, and how to deal with deplorables like mold. Read more [HERE](#) about what NASA has learned so far.

Traditional Networks May Drop Commercials And Add "Inspirational" Videos: No one watches commercials anymore and Fox News is choosing a new course of action. According to Variety, the company is planning a series of sponsored, dramatic shorts around the theme of overcoming adversity. The idea is that videos could generate revenue through sponsorships: A pharmaceutical company, for instance, might sponsor a video about fighting cancer, and an insurance company might sponsor a video about losing a limb. Fox tried six-second ads during NFL games last year with positive results, I suspect if the videos resonate with audiences this could get some traction. In my opinion, most commercials are short movies now anyway, so it's not too far a stretch. Read more [HERE](#).

Emergency Services Can Now Find You Faster...If You Use Your Cell Phone: Apple today announced iOS 12 would have a new feature which enables US-based users to automatically share their location with emergency services when they call 911. This new location-sharing would allow 911 centers to find callers location faster and with much greater accuracy than they can under the current system — and finally brings US users up to speed with those in Europe. As Apple itself astutely observed, most 911 calls made these days come from mobile devices. Apple is collaborating with RapidSOS, an emergency tech company which adds a "data pipeline" through which the company can feed its Hybridized Emergency Location (HELO) data to emergency services. Read more [HERE](#).

China's Great Silk Road Now Expands Into Space: In late 2016, China's top policy planner and its defense technology development agency jointly laid out how the country sees the space component of its infrastructure push. China said it wants to use satellites built for communication, navigation, and remote-sensing to build a "Belt-and-Road spatial information corridor." The state-directed plan aims to promote the Beidou satellite network, Beijing's answer to the US Global Positioning System, and encourage exports of mobiles supporting the Beidou system. See how China plans to use space to build out its infrastructure [HERE](#).

How Banks Around The World Deal With Funny Money: For counterfeit prevention, some countries go to great lengths to come up with security features on money, inventing new technologies, textiles, and techniques for making durable bills that are handled every day difficult to copy. Here are some amazing international currency security features, as well as tips on how to check for counterfeit money while traveling. Click [HERE](#) to see the entire graphic and read more how banks battle counterfeiters.

BANKNOTE SECURITY

AROUND THE WORLD



The United States Dollar (\$100)

1. Raised Printing

Benjamin Franklin's shoulder on the left side is raised, feeling rough to the touch. Genuine Federal Reserve notes have a distinctive texture due to enhanced intaglio printing.



2. Portrait Watermark

Shining a light on the bill reveals a faint image of Benjamin Franklin in the blank space, visible from both sides.



Obverse: Founding Father Benjamin Franklin



Reverse: Independence Hall

3. 3D Security Ribbon

The 3D security ribbon is woven into the paper, not printed.

4. Color Shifting Ink

Tilting the note transforms the bell in the inkwell and the numeral 100 from copper to green.

5. Distinct Paper

Federal Reserve paper is $\frac{1}{4}$ linen and $\frac{3}{4}$ cotton, and contains blue and red security fibers.

The Singapore Dollar (\$1,000)

1. Encik Yusof Portrait

The hand-engraved intaglio ink portrait of Encik Yusof is difficult to reproduce.

2. Embossed Ink

The intaglio printing is raised for a distinct embossed feel, especially the word "Singapore". The tactile nature of the bill also helps the visually handicapped determine the denomination.

3. Microscript

The entire lyrics of 'Majulah Singapura' are printed on the back in microscript.



Obverse: Yusof bin Ishak, 1st President of Singapore



Reverse: Government Building



4. Fluorescent Fibers

Invisible fluorescent fibers are laced through paper notes that glow under UV light.



5. Polymer Singapore Arms

The gold Singapore Lion symbol has an image of the Singapore Arms embedded within that will appear when tilted at varying angles.

FROM MY PERSPECTIVE

Kevin Van Trump





NEW AGTECH TOOLS TO DIAGNOSE UDDER DISEASES IN DAIRY ANIMALS

WEBINAR: 6/21 AT 3PM CT
PRESENTED BY: EIO DIAGNOSTICS

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.

Join us each Thursday at 3pm CT for [Agrifood Conversations](#).

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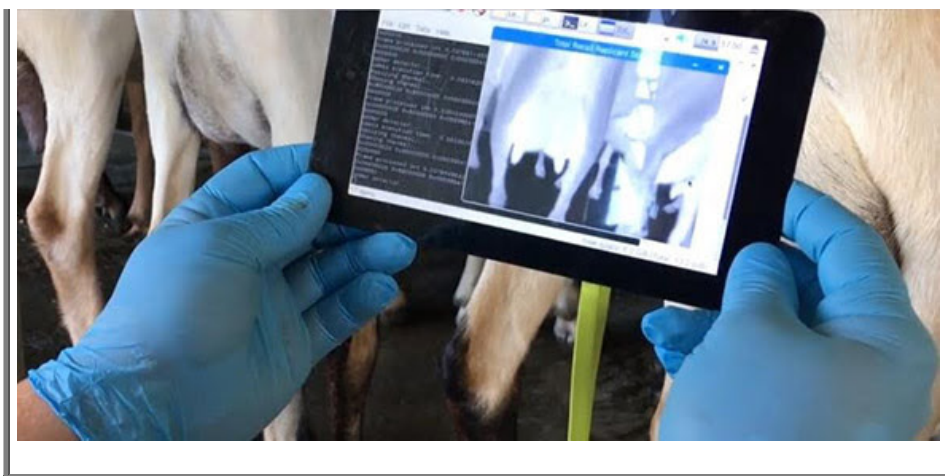


Learn More About "EIO Diagnostic"

Title: New Technology Helping To Protect The Herd

Time: Thursday, June 21 @ 3:00 pm CT

EIO Diagnostics solution allows farmers to spot udder abnormalities as they form. Every year, the global dairy industry loses more than \$10 billion worth of production because of undetected and untreated udder infections. Mainly family farms with small herds are particularly affected by these infections, which can extremely affect production on the year. EIO's solution detects these infections dramatically sooner, and cheaper than any other approach currently on the market by using a technique known as multispectral imaging. This technique spots udder abnormalities as they form. This technology gives farmers the ability to identify their animals with harmful pathogens. Being able to identify these pathogens gives farmers an effective tool to increase herd health and minimize herd losses, which can extremely benefit production. The EIO solution is available in two different devices, a handheld device and a much larger unit that can be mounted near automated milking systems to monitor cows as they enter the milking stall. The handheld device is very similar to an iPad or a tablet and is used manually to inspect udders by walking behind or around the animals. The handheld device provides an immediate indication of udder health, typically in less than one second. The barn-mounted device is designed for use in automated milking parlours. This device is integrated with DeLaval VMS or Lely Astronaut robotic milkers to identify and monitor cows as they enter the milking stall. Damir Wallener, the CEO of EIO Diagnostics, says for goat dairies the pricing is \$3 per month per goat. For cows, it is \$5 per month, per cow. From the farm's perspective, by saving just one bulk tank from being dumped this service pays for itself very quickly. Make sure to checkout this new technology during tomorrow's webinar!



While Trying to Go Green, U.S. Auto Industry Accidentally Got A Lot Faster

In the next few months the U.S. auto industry will cross a once-unimaginable threshold: average horsepower for the entire fleet will reach 300. Currently we are averaging right around 296 hp. That's a very high number and seems to have happened almost entirely by accident. The engineers tuning up the industry's average sedans and SUVs have spent the past decade or so trying to lower emissions. This increase in horsepower appears to simply be an unintended byproduct. Incredibly, in the process the average miles per gallon for the American fleet has climbed by +24% since 2008. As global regulators progressively tightened emissions standards, automakers were forced to do more with less. To make this happen they built a plethora of relatively small, super-efficient engines to swap out the big thirsty V-8s. At the same time, they boosted those furious little power plants with turbochargers and electric motors. These modern engines run more efficient, with less noise, less pollution and even a bit more docile until you need the get-up-and-go. When you punch it, the power is definitely there. Here are a few more interesting data points to show you the change the industry has experienced in just the last few years: (Source: Bloomberg, Edmunds.com)

- **Turbo or Superchargers: Half of all U.S. vehicles now have a turbo or supercharger, up from 27% a decade ago.**
- **Electric Motors Gaining Momentum: The share of cars and trucks with an electric motor climbed from 2.5% to 10% in that time.**
- **The V-8 is Dying: Big thirsty V-8 engines are fading as only 16% U.S. vehicles available this year are equipped with one.**
- **Trucks Are Getting Smaller Engines: Big rigs are also getting the tiny engine treatment. General Motors Co. recently announced they could offer a four-cylinder in the 2019 version of its Chevrolet Silverado. What's more, the truck will be more powerful than it was five years ago, when it was matched with a V-8. That's incredible!**



Shark Stories

On this day in 1975, *Jaws*, a film directed by Steven Spielberg that made countless viewers afraid to go into the water, opened in theaters. The story of a great white shark that terrorizes a New England resort town became an instant blockbuster and the highest-grossing film in movie history until it was bested by 1977's *Star Wars*. The film, a breakthrough for director Spielberg, then 27 years old, spawned three sequels. It was set in the fictional beach town of Amity, and based on a best-selling novel, released in 1973. Filming, which took place on Martha's Vineyard, Massachusetts, was

plagued by delays and technical difficulties, including malfunctioning mechanical sharks. On this, the 43rd anniversary of Jaws, I thought it would be cool to include some fun facts:

Where They Attack: Most shark attacks occur less than 100 feet from the shore, mainly around popular beaches in North America (primarily Florida and Hawaii), and parts of Australia, and South Africa. Also keep in mind that sharks tend to feed around dawn and dusk, so that's when the most attacks tend to occur.

Most U.S. Shark Attacks: New Smyrna Beach in Florida is the shark attack capital of the world according to International Shark Attack File. It is estimated that anyone who has swam there has been within 10 feet of a shark. September is the month with the most shark attacks in Florida.

The Closer To Surface, The More Likely Attacked: Divers are actually one of the least attacked groups. Data shows more than 90% of all great white attacks have occurred when the human was less than 6 feet from the surface.

Men Mostly Get Attacked: Over 90% of shark attacks from 1980 to present worldwide were on males. Surfers tend to be accounted for about half of all attacks.

3 Main Sharks To Avoid: The great white shark, the bull shark and the tiger shark, combined these three species account for more than 85% of all the recorded fatal unprovoked attacks throughout history.

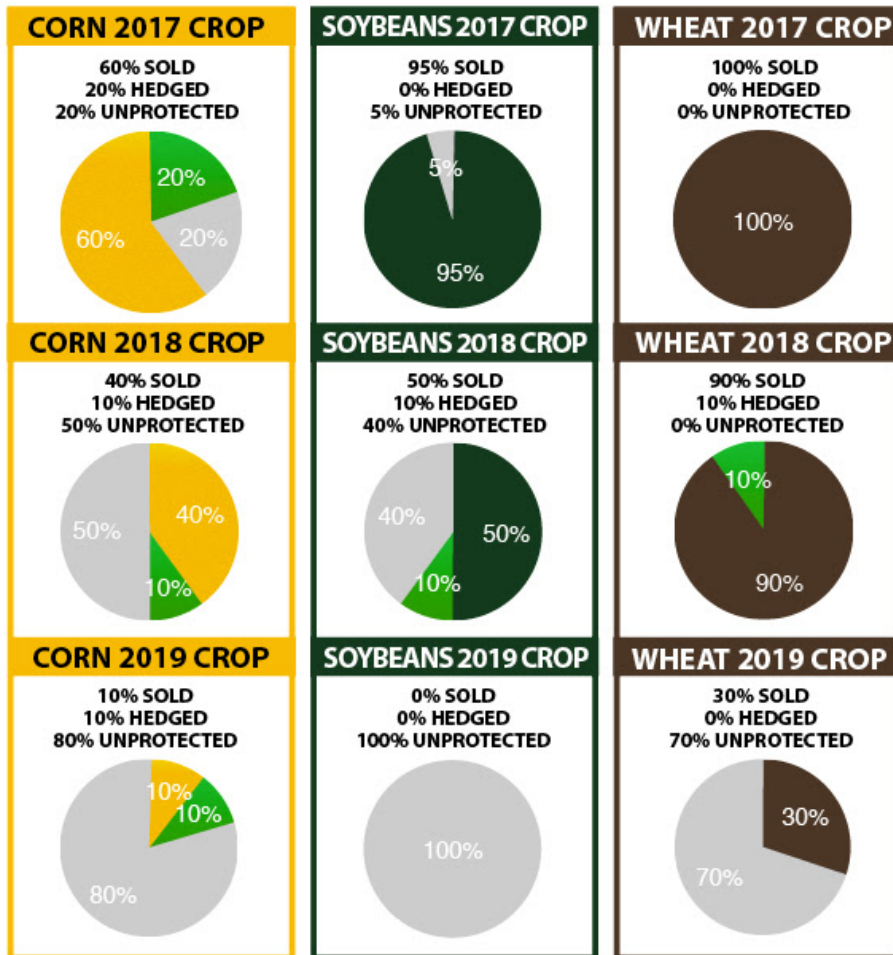
What To Do If Attacked: If you find yourself in the shark's mouth, fight back as hard as you can. Do this by literally aiming to penetrate the eyes and gills (five slits on the lateral sides of the head) but hitting anything you can so that the shark releases you from the life and death situation. No matter what, when faced with a shark, you don't want to be passive, "You want to indicate to the shark that you are big and strong," says George Burgess, the director of the Florida Program for Shark Research.

Relax... The Odds Are In Your Favor: You have a 1 in 63 chance of dying from the flu and a 1 in 11 million chance of being killed by a shark during your lifetime. In fact the U.S. averages less than 20 shark attacks each year and one shark attack fatality every two years. In fact, last year there were no fatalities from shark attacks in America. Keep in mind, there are more than 40,000 people injured by toilets each year here in the U.S.



ANSWER to riddle: Your word.

CASH SALES & HEDGING TOTALS



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