

## GOOD MORNING: 06/25/18 Farm Direction - Van Trump Report

2 messages

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"Your conscience is the measure of the honesty of your selfishness. Listen to it carefully." - Richard Bach

**MONDAY, JUNE 25, 2018**

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**Morning Summary:** Stock are lower to start the final week of June. Traders have been witnessing a tale of two markets, the Nasdaq has been posting fresh new all-time highs, while the S&P 500 and Dow have been trading sideways to lower for the past several sessions. Interestingly, despite the massive wave of media headlines out of Washington, the entire U.S. stock market has been trading in a fairly narrow and tight daily range. In fact, the S&P 500 has put together its longest streak of trading days with less than a 0.5% move since last Fall. In other words, the extreme volatility from this past winter has gone completely away despite the increasing talk, rhetoric and negative press surrounding the White House, tariffs, trade renegotiations and a more hawkish Fed. Some are saying the market has simply learned to discount the press and media hype. Or perhaps its simply a case of crying wolf one too many times? Whatever it might be, the market does not seem overly concerned or fearful about what dangers could lie ahead. I personally tend to get nervous when I hear traders and investors saying, "it's different this time around", because I've found rarely has that been the case. I should note, I'm now hearing a lot more traders and investors currently saying, "it's different this time around". Perhaps in the end they will be correct in their thinking, but I'm using it as a sign, signal or a "canary in the coal mine", and starting to play a more defensive game. I mentioned a couple of weeks back, I've switched from a longer-term "value investor" style or approach, which I have been using since the massive break back in 2008-09 and have continued to use for the past nine to ten years, to now having more of a shorter-term trader mentality. I just like the thought of narrowing my diversification and becoming more "momentum" oriented, this being based on the current landscape and how both the economy and market have transitioned over the past decade. In the week ahead, traders will be digesting a fairly hefty dose of fresh economic data this week. Starting off today with the latest New Home Sales numbers. I suspect the data will be fairly friendly as total U.S. housing inventory remains tight and demand strong. Tomorrow, the trade will be looking at the latest Case-Schiller Home Index numbers and the newest Consumer Confidence data. Wednesday, we have Pending Home Sales, New Mortgage Applications and Durable Goods. Thursday we have the third reading of Q1 GDP, as well as weekly employment numbers. Friday is Personal Income & Spending, as well as Consumer Sentiment. On the political front, trade headlines will remain a major concern. There's talk we have reopened negotiations with China, but I am uncertain as to what extent. Keep in mind, Washington is scheduled to release new restrictions on Chinese investments into the U.S. at the end of this month, which is sometime between now and Saturday. The obvious fear is we could come in next week, which many inside the trade will be taking off for the July 4th holiday, to more negative headlines from China. Meaning traders might look to liquidate some positions ahead of extended July 4th holiday just to avoid a possible problem while on vacation. Keep all of the moving parts in mind as the market looks to wind down the month of June and heads into the dog days of summer.

**U.S. Could Reach 3% Annual GDP Growth For First Time Since 2005:** After a rousing rally in the spring, the economy is back on track for a heady year of growth that could come tantalizingly close to an elusive mark last achieved in 2005. The economy is likely to grow close to a 4% annual pace in the second quarter after a 2.2% gain in the first three months of 2018. That would put the U.S. in good position this year to meet or beat 3% growth in gross domestic



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product, the official scorecard for the economy. The last time the U.S. got to the top of that mountain was 2005. Indeed, the economy has never gone this long before without reaching 3% GDP. What's different this year? Simple. Businesses are investing more money. Although household spending accounts for about 70% of economic activity, higher business investment is the difference between a good economy and a great one. Read more [HERE](#).

**Paul McCartney Carpool Karaoke:** I've received this video several times the past few weeks and though I should share. In fact, my wife and I were eating diner at Capital Grill this past weekend and a complete stranger approached our table wondering if we had seen the video. I suspect with it being such a "buzz" many of you may have already seen it, but since I am a big Paul McCartney and Beatles fan I wanted to pass along anyway. It's really cool because it's shot in Liverpool, traveling around and exploring the city with Paul and where he actually grew-up. It's definitely worth watching and I'm certain it will bring a smile to your face! Click [HERE](#).



**Graphics Team Having Some Fun:** We were in the office digesting all of the U.S. vs. North Korean headlines and started debating just how much corn North Korea actually produced. So we did some research and thought it would be fun to throw it in a graphic. As you can see the U.S. clearly dominates. In fact, all of North Korea's entire corn production is a little less than the state of Louisiana.

## Kansas City, Mo

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

- John Wooden

The  
**VAN TRUMP**  
Report

Co-hosted by:





(Source: USDA, FAS GAIN report N. Korea)



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:

Always old, sometimes new.

Never sad, sometimes blue.

Never empty, sometimes full.

Never pushes, always pulls.



#### Today In History



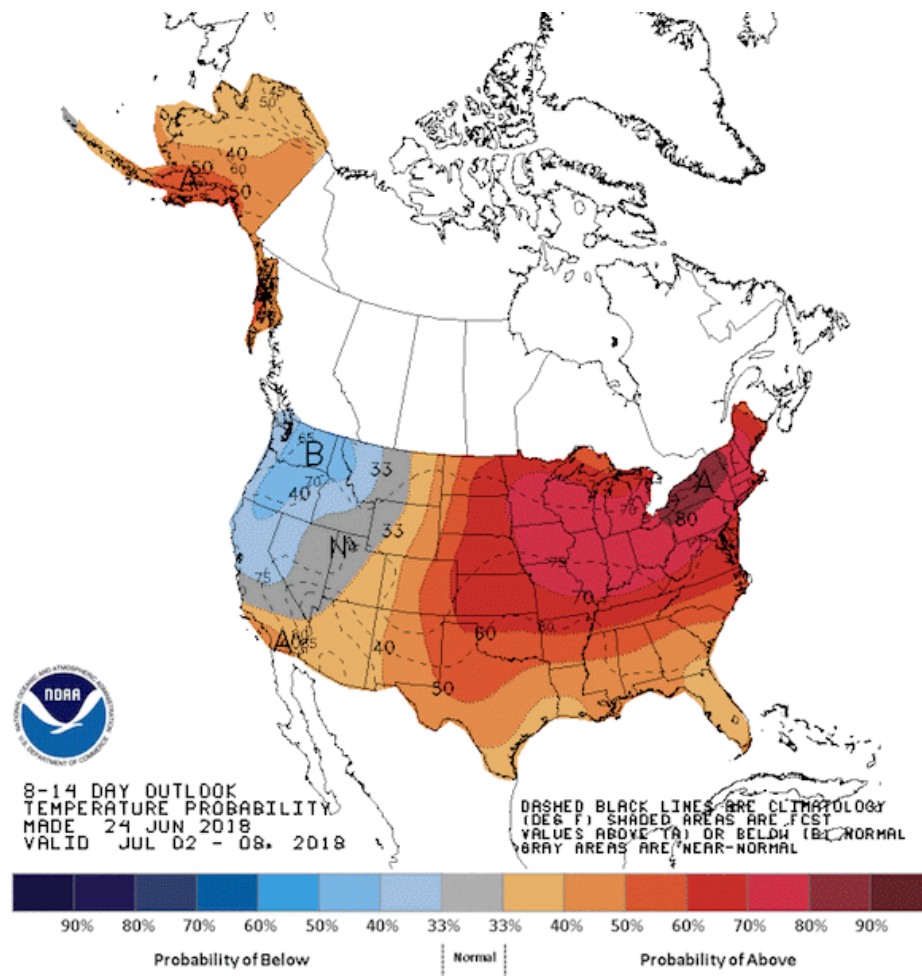
**1910, Mann Act** - Over 100 years ago many of America's cities had a designated, legally protected area of prostitution. On top of that more women entered the workforce which led to greater flexibility for men and women to socially interact. At this time there was a concern over "white slavery", referring to women being kidnapped for purposes of prostitution. Prior to national legislation, many communities would appoint vice commissions to investigate the extent of local prostitution, whether prostitutes participated in it willingly or were forced into it, and the degree to which it was organized by any cartel-type organizations. The second significant action at the local level was to close the brothels and the red light districts. So from 1910 to 1913, city after city changed previously tolerant approaches and forced the closing of their brothels. Due to the opposition of openly practiced prostitution which had been growing steadily throughout the last decades of the 19th century, the federal government responded with the Mann Act. It is named after Congressman James Robert Mann of Illinois, and in its original form made it a felony to engage in interstate or foreign commerce transport of "any woman or girl for the purpose of prostitution or debauchery, or for any other immoral purpose". Its primary stated intent was to address prostitution, immorality, and human trafficking, particularly where trafficking was for the purposes of prostitution. This is one of several acts of protective legislation aimed at moral reform during the progressive era. It's worth mentioning that many believe the original intent and language about "immorality" has resulted in its being used to criminalize even consensual sexual behavior between adults. As support for the movement grew, suffrage activists, especially Harriet Burton Laidlaw and Rose Livingston, took up the concerns. They worked in New York City's Chinatown and in other cities to rescue young white and Chinese girls from forced prostitution and helped pass the Mann Act to make interstate sex trafficking a federal crime.



**1950, Korean War Begins** - When Armed forces from communist North Korea smash into South Korea it would mark the start of the Korean War. The United States rushed to the aid of the South Koreans under the blanket of the UN. We would be locked in a bloody and frustrating war for three years. Korea was formerly a Japanese possession which was divided into zones for occupation following WWII. U.S. forces accepted the

**Weather** over the weekend saw some strong storms and localized flooding continue over the central and southern Plains. Much of the recent rains have managed to avoid western production areas in the Midwest, particularly missing much of the drought-affected locations in the southwestern Corn Belt.

**The Heat Is Coming:** We are going to see some significant heat build next week. Looking at 100 degrees - 105 degrees F for highs. Low temps in the 70 degrees F. Remember, pollination is right around the corner. The outlook below is the 8 - 14 day. It's going to be a hot 4th.

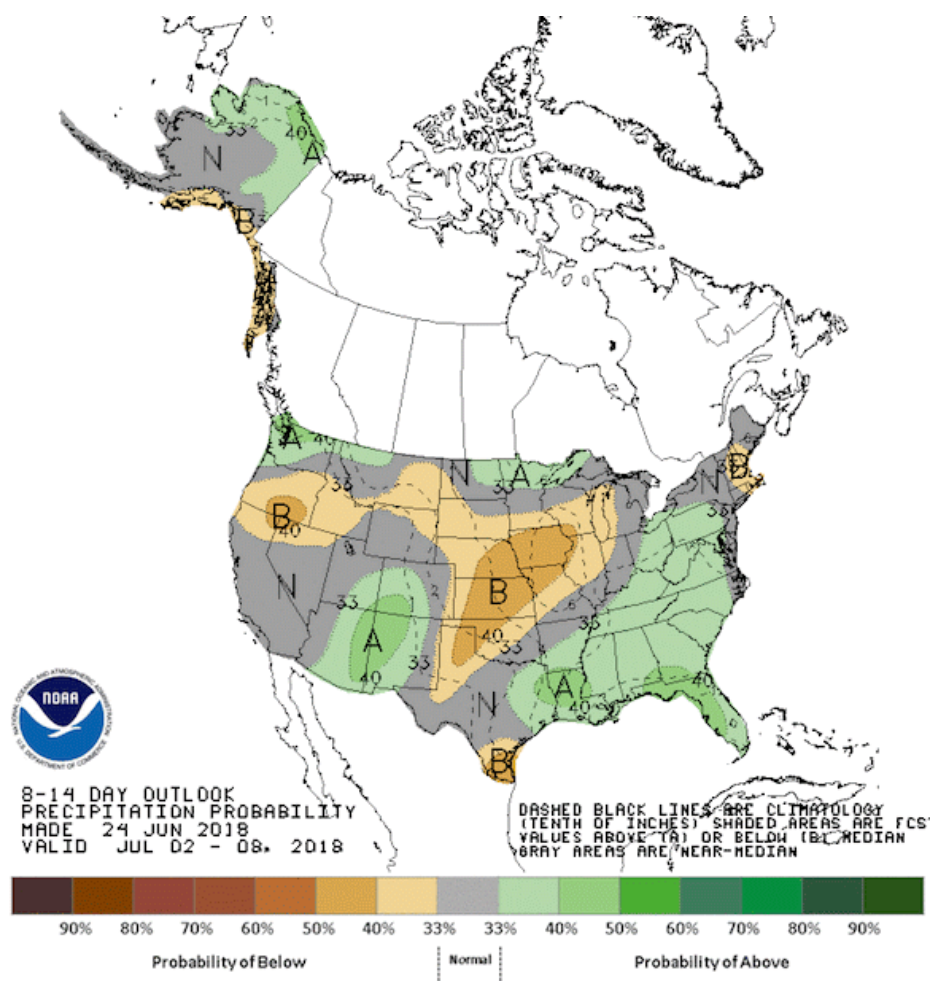


surrender of Japanese forces in southern Korea, while Soviet forces did the same in northern Korea. Like in Germany, however, the "temporary" division soon became permanent. The Soviets assisted in the establishment of a communist regime in North Korea, while the United States became the main source of financial and military support for South Korea. But on June 25, 1950, North Korean forces surprised the South Korean army and the small U.S. force stationed in the country and quickly headed toward the capital city of Seoul. The United States responded by pushing a resolution through the U.N.'s Security Council calling for military assistance to South Korea. It is worth noting that at the time, Russia was not present to veto the action as it was boycotting the Security Council at the time. American forces would begin what President Truman referred to as a "police action", allowing South Korea to gain momentum and move across the border of North Korea. Unfortunately, this led to China getting involved to protect their communistic brothers. The war then settled into a bloody stalemate for months. In 1953, the United States and North Korea signed a cease-fire that ended the conflict. The cease-fire agreement also resulted in the continued division of North and South Korea at just about the same geographical point as before the conflict. The Korean War was the first "hot" war of the Cold War. Over 55,000 American troops were killed in the conflict. Korea was the first "limited war," one in which the U.S. aim was not the complete and total defeat of the enemy, but rather the "limited" goal of protecting South Korea. For the U.S. government, such an approach was the only rational option in order to avoid a third world war and to keep from stretching finite American resources too thinly around the globe. It proved to be a frustrating experience for the American people, who were used to the kind of total victory that had been achieved in World War II. The public found the concept of limited war difficult to understand or support and the Korean War never really gained popular support.



**2009, Michael Jackson** - Jackson, one of the most commercially successful entertainers in history, dies at the age of 50 at his home in Los Angeles, California, after suffering from cardiac arrest caused by a fatal combination of drugs given to him by his personal doctor. It would be impossible to list all of his accomplishments and the impact he had across multiple generations. A few of his highlights include releasing his first solo album, "Got to Be There," in 1972, while continuing to sing with his brothers. Six years later, in 1978, he made his big-screen debut as the Scarecrow in "The Wiz," an adaptation of the Broadway musical of the same name. Directed by Quincy Jones, the film starred an all-black cast that included singer Diana Ross as Dorothy. Jones collaborated with Jackson on his 1979 album "Off the Wall," which sold some 7 million copies worldwide. Most in my generation will most remember the pop icon for the release the 1982 album, "Thriller," which went on to sell 50 million copies around the globe, making it the best-selling studio album of all time. "Thriller" is credited with jump-starting the era of music videos and playing a key role in the rise of then-fledgling cable TV network MTV, which launched in 1981. Jackson would create a massive sensation on a live Motown anniversary TV special when he performed his now-signature Moonwalk dance step while wearing a black fedora and a single white glove covered with rhinestones. According to The Los Angeles





**Corn** prices are steady to slightly higher this morning. The market has recently rallied about +20 cents off its nearby lows. The old-crop JUL18 contract posted a low last week of \$3.38<sup>6</sup> and the new-crop DEC18 contract posted a low of \$3.60 per bushel. The question now is can and how long will it take to for price to recover? Weather here in the U.S. has been extremely cooperative to start the season. Many producers who have been complaining about extreme heat and dry conditions got a little break this past week, but it looks like the forecast is heating back up. If I had to narrow my selections, I would have to say the greatest risk for corn stress continues to be in several parts of Missouri and in areas of Iowa and Illinois where it borders Missouri. I would also have to chose a few select areas in Kansas and southern Nebraska. The extended forecast will bring possible drier concerns for producer in the eastern portion of the U.S. corn belt. The bulls are also pointing to continued talk of political concerns and perhaps logistical problems for both Argentine and Brazilian exports. On the flip side, bears continue to point to negative trade headlines, especially those involving NAFTA nations and the Chinese. From a technical perspective, the DEC18 contract will be battling fairly stiff resistance on the charts this week between \$3.80 and \$3.90 per bushel. Without some positive headlines surrounding trade or a more negative shift in U.S. weather, I suspect it will be tough for the bulls to find enough momentum nearby to push much beyond the \$3.90 level. Obviously, longer-term there's potential for much higher prices, but it's going to take a significant shift in sentiment. From my perspective, weather and Washington remain the two driving forces and star attractions. I'm not looking for much change in this week's USDA weekly crop-condition report. Staying patient as both a producer and a spec.

Times critic Robert Hillburn, the performance served as Jackson's "unofficial coronation as the King of Pop. Within months, he changed the way people would hear and see pop music, unleashing an influence that rivaled that of Elvis Presley and the Beatles." As with the lives of most stars, Jackson's couldn't avoid the pages of tabloids. In 1993, he was accused of molesting a 13-year-old boy who had been a sleepover guest at his home. Jackson denied the allegations and the criminal investigation was dropped; however, the singer later settled a civil lawsuit with the boy's family for a reported \$20 million. In 2003, Jackson was accused of molesting another boy. Following a highly publicized trial in 2005, he was acquitted of all charges. During these years, Jackson also faced intense media scrutiny over his radically altered physical appearance, which included an ever-lighter complexion and multiple plastic surgeries. On July 7, 2009, more than 20,000 fans attended a public memorial for Jackson at the Staples Center in Los Angeles. Over 30 million viewers tuned in watch the event on cable TV, while millions more viewed it online.

#### Upcoming Events

**Thurs. 6/28** - Quarterly Hogs and Pigs

**Fri. 6/29** - Quarterly Stocks and Acreage

#### Kevin's Song of the Week

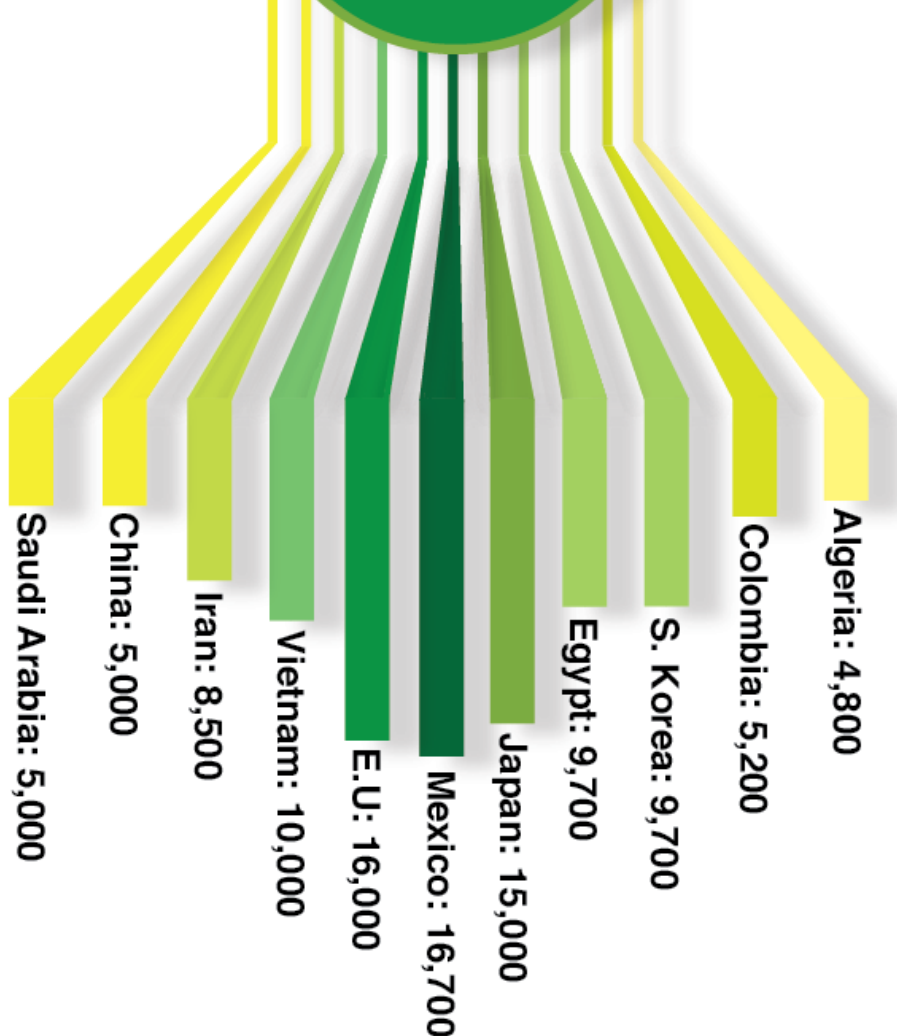


#### Kevin's Song of the Week

2018



# Global Corn Imports IN 1000 MT



**Soybeans** are once again lower to start the final week of June, following what has been an extremely wild ride. Last week, prices traded in a +70 cent range, with the old-crop JUL18 contract posting a low of \$8.41<sup>4</sup>. The new-crop NOV18 contract posted a low of \$8.64<sup>4</sup> per bushel. Those lows were posted on last Tuesday and prices have since recovered by about +40 to +50 cents. Bulls believe the recent blowoff to the downside completed the cycle and we will now continue to ratchet higher as the fundamentals surrounding the short crop in Argentina eventually come home to the U.S. to roost. Bears argue otherwise, saying the negative headlines surrounding Chinese trade, a massive record crop in Brazil, perhaps record soybean acres planted in the U.S. and very cooperative weather to start the U.S. growing season should all be enough to keep prices submerged for an extended period. The big question is how long can the remaining bulls in the market continue to hold their breath? As I've been saying for the past many weeks, we might eventually see a big rally based on shortage of supply in Argentina, but if and how we survive the journey getting to that peak is another story. I have to imagine most bulls are incredibly injured and bloodied from the massive tumble the past few weeks. I also have to imagine most were all riding the same bullish story, "shortage of supply in Argentina", and paying little attention to any of the other obstacles. So if they do manage to pick themselves up and dust themselves off and give it another shot, I suspect they will be much more cautious this time around. There is perhaps a nearby positive for the bulls, and that is the fact some bears might not see

## NEXT level THINKING



My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

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

*Kevin Van Trump*

### What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

**A.M., FDIC**

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

enough meat left on the bone to stick around the party. Meaning, it wouldn't surprise me to see an additional short-covering rally for new-crop prices back into the \$9.25 to \$9.50 range, perhaps even a stretch to \$9.75 per bushel, but much beyond that the market will need to see confirmation of Chinese buying or some type of weather concern here in the U.S. As a producer, I am staying patient, not making any additional new-crop sales, rather taking very small bites at re-ownership on larger breaks in price, not in any hurry. As a spec, I remain on the sideline, looking to be a longer-term bull but believe there could still be a bit more downside.

*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.

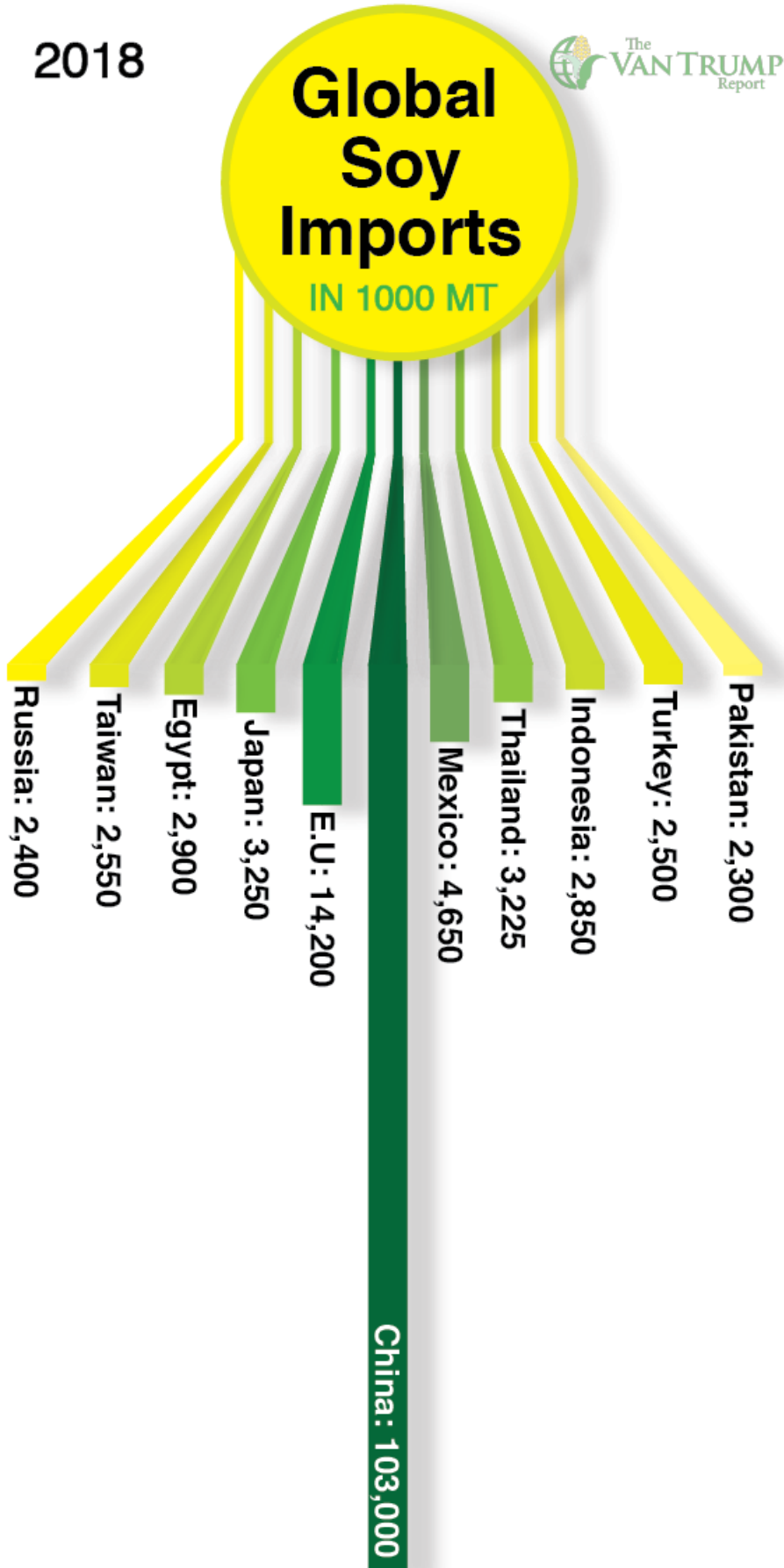
*I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.*

2018



# Global Soy Imports

IN 1000 MT



*Farm Direction*  
RECIPES

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



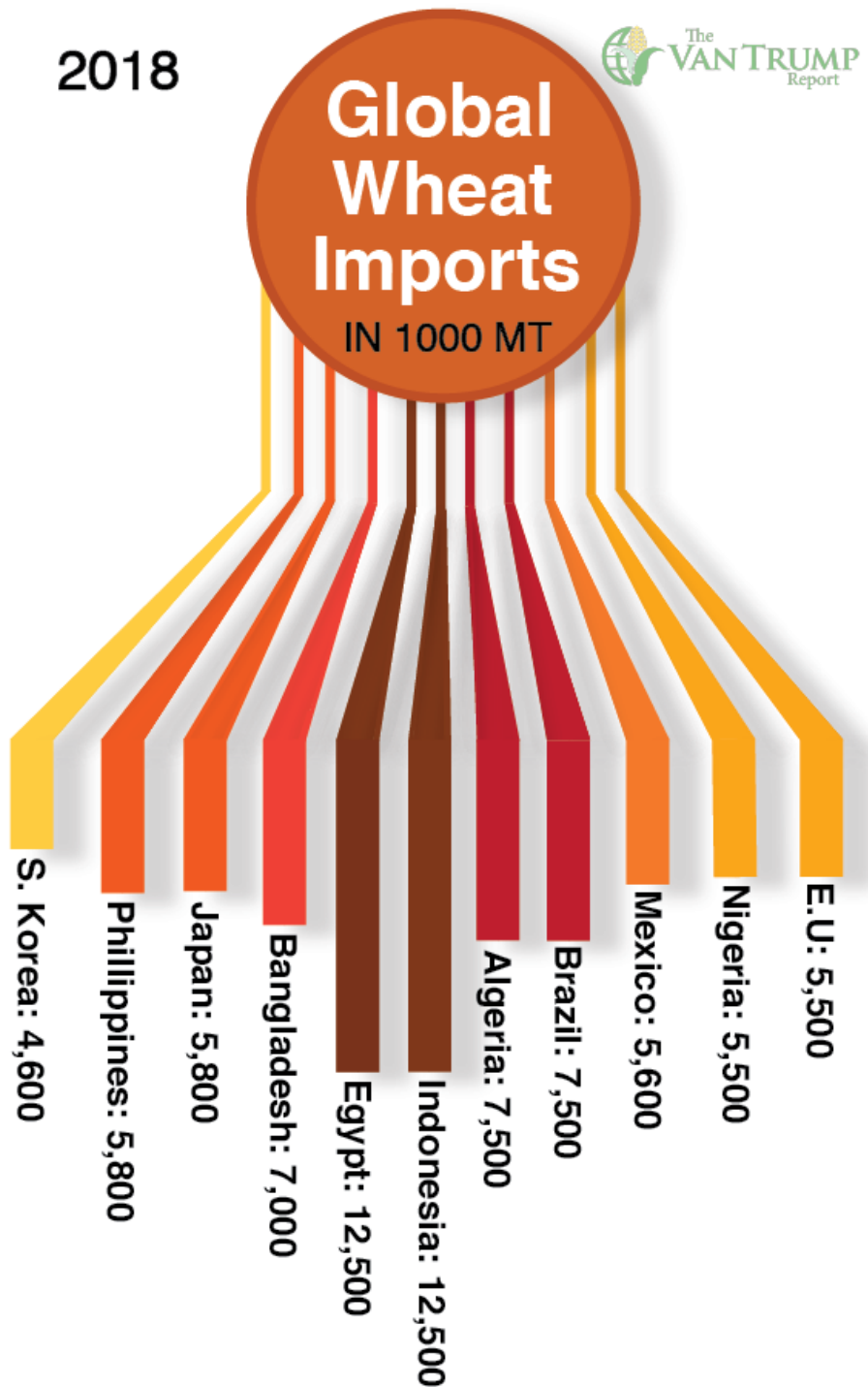
**Brownie Cookie Dough Cake**

[CLICK TO SEE RECIPE](#)

**Wheat** prices are lower this morning, but bulls continue to pay extremely close attention to weather forecasts for portions of Russia and Ukraine. The dryness in Russia continues to persist and remains a concern. There's also the weather uncertainties brewing in parts of the Australia, Canada, and the western portion of the European Union. This has been enough to keep the bulls engaged and prices well above the lows posted back in late-2017 and early-2018. The bulls are obviously hoping enough



bad weather will reduce the number of bushels being made available in the global export market by the worlds current low-cost providers, i.e. Russia, Ukraine, Australia, and portions of the European Union. If the weather can reduce their supply, there's a very strong chance U.S. exporters can regain market share and prices will move back to higher ground. Bears say not only does weather have to deliver, but U.S. trade negotiations also have to come together to ensure other countries will even purchase U.S. wheat. Remember, tariffs are now being thrown on countries like India and Turkey. There had been talk circulating that China was having some weather issues, but forecasters have thrown more widespread rains into the mix for the next couple of weeks, so I'm thinking those headlines have cooled a bit. From what I understand, the main focus and concern regarding Chinese weather is now areas near or surrounding Shanghai and production to the West. Global weather remains the primary focus for the bulls, with trade uncertainties the biggest benefit for the bears. As a producer, I'm staying patient after making aggressive sales on the rallies. As a spec, I am on the sideline, looking to perhaps build a bullish position on a larger pullback in price.





> **Turkish President "Recep Tayyip Erdogan" Wins In A Sweeping Victory** in national elections Sunday, as voters extended his 15-year hold on power and endorsed his increasingly authoritarian model of government in one of Washington's most important but often defiant NATO allies. (Source: Wall Street Journal)

> **China Adding Liquidity In Preparation For Trade Battle:** China's central bank is cutting the amount of cash some lenders must hold as reserves, unlocking about +700 billion yuan of liquidity by trimming the required reserve ratio for some banks by half a percentage point. The aim is to support small and micro enterprises, and to further promote the debt-to-equity swap program, but it will also likely cushion the impacts of a potential trade war with the U.S. (Source: SeekingAlpha)

> **New Study Shows Plants Have a Unique Way of Controlling Gene Expression:** Researchers have discovered evidence that the structures that plants use to keep genes turned off is built with a self-destruct switch. The findings are important for plant scientists and breeders who want to manipulate genetic expression in plants. For example, oil in soybeans is created only in the seeds, but it might be desirable to remove the self-destruct switch to allow for oil creation in other parts of the plant or in other types of plants. The findings were published in the journal [The Plant Cell](#). (Source: Purdue Uni.)

> **Russia's Grain Production Lowered:** Russia is expected to harvest up to 100 million tonnes of grain, lower than many analysts' forecasts, due to dry weather in its southern regions and delayed sowing in the Urals and Siberia, Russian Agriculture Minister Dmitry Patrushev said on Friday. SovEcon and IKAR, the leading agriculture consultancies in Moscow, expect the harvest to reach 119.6 million tonnes and 114.7 million tonnes, respectively. (Source: UkrAgroConsult)

> **Livestock and Poultry Weights Have Increased Steadily Since 2000:** Regardless of species, livestock and poultry animals are being slaughtered at heavier weights than in the past. Relatively cheap feed ingredients (corn/soy) since 2014, and improved feed efficiency has contributed to water growth and higher animal weights. On a dressed-weight basis, cattle have increase 73 pounds on average since 2000, a gain of 10%. At the same time, hogs have increased 18 pounds, or 9%. Poultry has also become larger since 2000. On a live-weight basis, turkeys are 5.3 pounds (20.5 percent) larger on average, while broilers are 1.2 pounds (23.9 percent) larger. (Source: USDA, ERS)

> **Waterhemp With Six-Way Resistance Confirmed:** The Weed Science Society of America reports scientists have confirmed the first case of water hemp with six-way resistance. A water hemp population in Randolph County, MO, was treated with eight herbicides, and only dicamba and glufosinate provided accepted control. Of that studied weed population, 16% of the plants contained genes stacked for six-way herbicide resistance. The study is featured in the journal [Weed Science](#), and its research was conducted from 2015 to 2017. Randolph County is in central Missouri. (Source: AP)

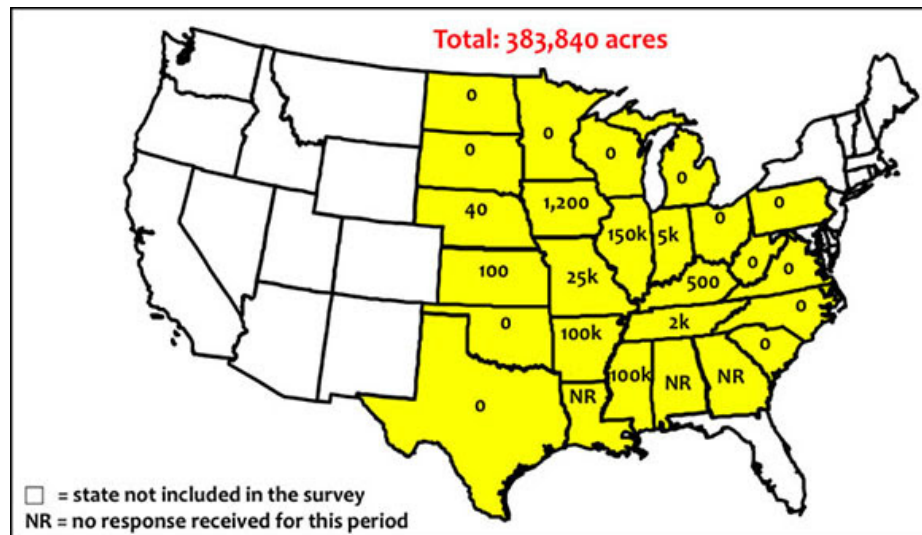
> **Archer Daniels Midland Company and DuPont Industrial Biosciences...** will collaborate to develop, produce and market cellulase enzymes for operators of grain-based ethanol plants. Cellulase enzymes assist in hydrolyzing the corn kernel fiber. Once the fiber is broken down, more sugars can be liberated and then fermented into ethanol, helping grain-based fuel ethanol producers get more out of existing feedstocks. As corn kernel fiber is part of a lower-value co-product stream, the potential to develop more valuable "Gen 1.5" ethanol is attractive. Ethanol from corn kernel fiber may qualify for D3 RINS under the Renewable Fuel Standard, which encourages producers to use technology in order to utilize non-starch components of grains and other waste products in the production of biofuels. (Source: feedandgrain)

> **The Bitcoin Bear Is Roaring:** Bitcoin fell below the \$6,000 mark late-last week for the first time since February after Japan's financial regulator ordered several cryptocurrency exchanges to improve business conditions. It comes amid a significant bear market for cryptos, which have been hit by tax selloffs and multiple exchange hacks. (Source: Wall Street Journal)

> **Show Me The Money:** Big banks are expected to get the green light from the Federal Reserve this week to shower their shareholders with increased dividends and share repurchases. Announcements of capital returns could provide a needed lift to bank stocks. Held back by slowing loan growth, trade tensions, and a narrowing of the gap between short- and long-term interest rates, banks have generally lagged behind the S&P 500 index this year. Among the biggest banks, JPMorgan Chase may raise its

dividend by about 50%, boosting its yield to 3%. Citigroup could be cleared to repurchase 10% of its stock, one of the largest percentage buybacks ever by a major bank. Overall, banks are expected to return an average of 100% of their earnings to shareholders over the next 12 months, the highest capital return of any major industry group. Read more [HERE](#).

> **State-By-State Dicamba Injury in 2018:** Kevin Bradley at the University of Missouri has been tracking dicamba damage reports by state since 2017. His team surveys university weed scientists and state department of agriculture representatives for updates on dicamba damage reports. As of the June 15 [report](#), approximately 383,000 acres of soybean are injured by dicamba in 2018. Fifteen state departments of agriculture responded to this survey. Year-to-date there have been only 43 cases of alleged injury in soybeans currently under investigation. Bradley thinks that a high adoption rate of Xtend traits in cotton and soybeans has led to fewer reports of dicamba damage compared with previous years. (Source: Missouri Univ.)



**Northeast North Dakota** - We are out spraying beans today, they look decent but the stand is a bit shorter than normal this time of year. We have received a few pounding rains over the last 5 weeks. I don't like getting two inches of rain in less than 30 minutes. We've already had nearly eight inches of rain this month. We grow corn, beans and some edible beans. The premium is still good on them. We are liming our fields for the first time as we are trying to reduce the ph of our soil. We've seen some compaction issues and are tiling as much as we can to help in avoiding that in future. We will spend between \$600 and \$1,000 per acre and the results are definitely worth it. Our best spent money per acre is where we have done tiling on our irrigated soils. We bought a new VRT sprayer and the technology is definitely saving us money and time. We no longer burn crops from hitting them twice and there are no more gaps between lines. My brother in law just started planting peas in this area which isn't the norm. Most pea acres are in the western counties of ND. He likes the quick in and out of the ground that peas provide and the 60 bushels per acre they produce.

**Northcentral South Dakota** - We are out custom spraying today and trying to decide if we will have a spring wheat crop this year. We put some acres in to play this year and it is looking real bad. It is currently only 10" tall and should be at the top of my thigh. It's been so dry down here that I'm not surprised. We are expected to get a rain this weekend and I'm not sure it will matter for our wheat but I know our corn and beans will love it. The wheat has already headed but we are not finding any grains. I can only attribute the condition of our corn and beans to genetics as they have suffered through the same dry conditions the wheat has. Unfortunately, we put the ground to bed without much subsoil moisture so we need all we can get. Hopefully we can finish out the growing season with the same rains we had last year. We were able to pull out a respectable year from it.

**Southeast Michigan** - I have been seeing quite a few of my neighbors and others in the area making some changes to help battle all that's going on right now. We had a neighbor recently lease 50 acres to a solar panel company. Two miles north of us we



*are seeing some wind turbine farms pop up as well. As for us, we have not yet done anything in the energy side but, we have switched to non-GMO beans and corn which has proven to be a better market for us. Planting conditions were fantastic for us this season and everything went in perfect. I had more free time than any other season I can remember. We also knocked out the spraying in few days and are now just waiting for the timely rains.*



**Upstart Nori Wants To Create Competitive Market For Carbon Sequestration:** Seattle upstart Nori wants to use block chain technology to provide the value that is lacking to move more farmers off center and into best practices that will improve the soil. Torri Estrada, executive director of the Carbon Cycle Institute, shares one farmer's comments stating, 'If I got paid to grow carbon I would grow the heck out of it.'" Technically, many farmers can already get paid to "grow carbon"—they just don't get paid very much, either because the value of the credit is too low, or because intermediaries and fees eat into their profit margins. See how Nori is trying to create new incentives for farmers [HERE](#).

**Supreme Court Allows States To Collect Sales Tax From Online Retailers:** A closely divided Supreme Court upended the nation's Internet marketplace Thursday, ruling that states can collect sales taxes from online retailers. The decision, which overturns an earlier Supreme Court precedent, will boost state revenues at the expense of consumers and sellers who have avoided sales taxes in the past. But the justices did not specify what types of exceptions states may impose to limit the burden on small businesses. No one can deny the landscape of retail sales rapidly changed the last twenty years, meaning there should be no surprises heading down this road. Read more [HERE](#).

**AMC's "Stubs List" To Compete Against MoviePass:** I'm told it will cost you more but have less restrictions. The largest theater chain in America will now offer a subscription service that allows patrons to watch up to three movies a week for \$19.95 a month. Called AMC Stubs A-List, the subscription will function as an extension of AMC's existing loyalty program, and it will roll out starting on June 26th. According to the AMC press release, the online and smartphone-based subscription will allow members to watch multiple movies a day and let you see movies more than once. There will be no online ticketing fees, and it will offer a discount on food and drinks at the concession stand. AMC also boasts that the service will allow you to make up to three reservations at once in advance without having to physically be at the theater, unlike MoviePass's one-at-a-time, location-dependent ticketing model. Read more [HERE](#).

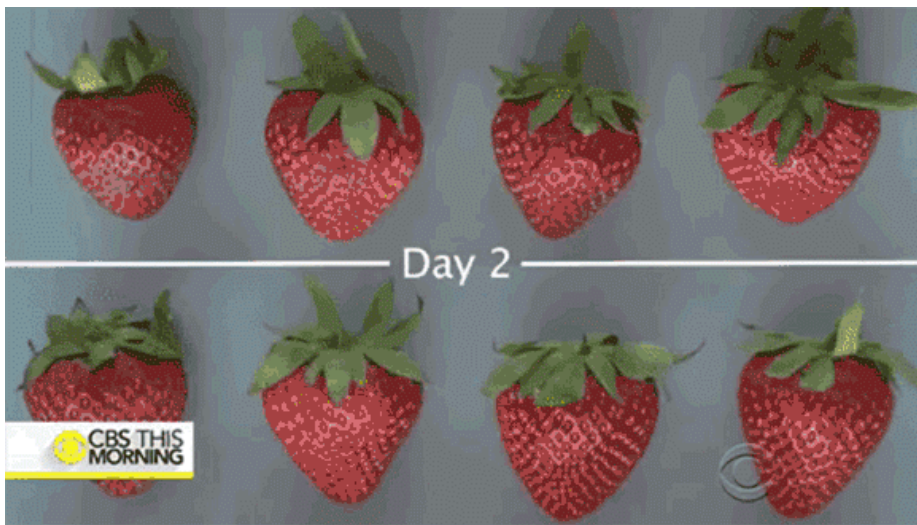
**Navy's Never Built Advanced Sub Holds Clue To Future Plans:** A previously unpublicized design for the U.S. Navy shows an advanced attack submarine that could operate unmanned undersea vehicles remotely and conduct "spy" missions on the seabed floor. The unnamed design was never built, but it could hint at the future direction of the U.S. submarine fleet. The proposed submarine is a radical break from previous U.S. submarine designs, which mostly resemble cylinders with rounded ends, a large sail, and a propulsion system at the stern. The design—let's call it "Sub 2000"—was much flatter and organic in appearance. Find out more [HERE](#).

**London Has A "Mastaba":** On the banks of the serene Serpentine Lake in the middle of Hyde Park, you would never know you were in central London. And now, bobbing amid the geese, the ducks and the paddle boats, there's an extraordinary hulking, trapezoid sculpture in the center of the lake: Christo's "Mastaba." "Mastaba" means "bench" in Arabic, and refers to a type of ancient, flat-roofed Egyptian tomb. The floating public art weighs 600 tons, reaches 65 feet in the air, is made up of 7, 506 barrels and is anchored by 326-ton anchors to the shallow lake floor. Interestingly as visitors wandered past the behemoth structure, many were heard to say..."what does it mean"? As it happens, the 83-year-old America-Bulgarian artist, who is famous for massive, public, free art was standing nearby and simply said, "to cause us to think...that is what it means to be human". Read more [HERE](#).



### Bill Gates' Startup Doing Big Things

A startup backed by Bill Gates has figured out how to keep avocados ripe for twice as long and believes they can help improve production in many areas. Finding the right time to slice your avocado open is a tricky task. If you cut into it too early, you have a bitter, hard avocado, and if you're too late, you have a mushy, spoiled avocado that you now have to throw out. Apeel Sciences uses food waste and other plant material to create a product that delays the aging of produce. What Apeel uses is an organic tasteless coating that helps control the two main factors that cause fresh produce to go bad: the rate at which water escapes the surface of fruit and vegetables and the rate at which oxygen enters. This allows the treated produce to stay fresh for longer. It also helps in reducing food waste. Researchers estimate Americans throw away on average 400 lb. of food per person annually, costing household of four about \$1,800 per year. How it works is Apeel's coating is made from naturally occurring lipids extracted from discarded fruit or vegetable waste, including tomatoes, grapes, wasted seeds. These lipids are turned into a powder that can be reconstituted with water to create a dip or a spray. The coating can also extend the life of produce in developing countries where refrigeration is not widely available across the supply chain, which explains why the company launched in 2012 with funding from the Bill & Melinda Gates Foundation. The company has carried out pilots in Nigeria and Kenya, treating cassava root and mangoes. Although Apeel is starting with avocados, the coating's formulation can be modified to create optimal conditions for other items including strawberries, mangoes, apples, bananas, kumquats and asparagus. It will be interesting to see if they can eventually produce something that will help row crops last longer after harvest, which could be a game changer for countries that have little or no storage. I should note, the also have another product called "Invisipeel," which protects fruits and vegetables from insects, bacteria, and fungi while still in the field, making pesticides unnecessary or reducing in a major way what has been traditionally necessary. In the gif image I included below, courtesy of CBS This Morning, you can see how the untreated strawberries at the top get moldy over time, while the Apeel-treated strawberries below do not spoil. Beginning very soon, the Apeel-treated avocados - grown by California-based Del Rey Avocado — will be available in Costco and Harp Foods stores across the Midwest. (Source: Guardian, CBS News, Washington Post)

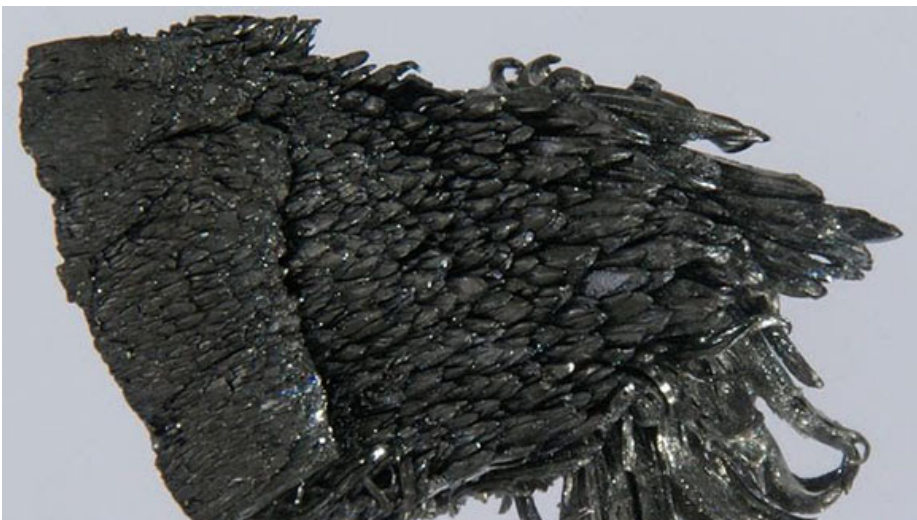


### **Pacific Ocean Floor Offer Hundreds Of Years Of Power Supply**

Hundreds of years of future energy could be sitting at the bottom of a remote section of the Pacific Ocean known as the Clarion-Clipperton Zone (CCZ). Sitting between Hawaii and Mexico, the abyssal plain spans 1.7 million square miles and is as wide as the continental United States. Black potato-sized nodules which litter the surface as well as hiding right below it, apparently offer an almost infinite supply of rare earth metals used in batteries, electric vehicles and other "green" energy technologies. I'm told the nodules contain nickel, manganese, copper, zinc, cobalt and other materials which will be vital to future production. From what I understand, a broad consensus is emerging among scientists that the International Seabed Authority (ISA), which regulates the exploration and mining activity in the CCZ, should prohibit seabed mining in at least one-third of the Clarion-Clipperton Zone and put stringent rules in place where mining is permitted. But leaders of Canada-based mining company DeepGreen Metals and its subsidiary Nauru Ocean Resources Inc., think they have figured out how to harvest the nodules without wrecking the deep ocean habitat—and make a profit at the same time. According to Deep Green CEO Gerard Barron, who says he has \$8 million of his own money into the undersea mining enterprise, this is the new oil, meaning everything you need to build an EV battery is contained within the nodule. I will always tip my hat to



anyone putting their own skin in the game and as long as the trajectory of EV vehicles and battery technology doesn't change, I suspect Barron will hit a home run once he gets past the regulatory issues. In order to work on the ocean floor without disturbing the environment, DeepGreen has designed a harvester running on treads. You can see in the picture below how the unit will suck up the nodule and send it to the surface while at the same time depositing the cold water back to the bottom of the ocean through an enclosed-loop system. From what I'm hearing, the ISA has awarded 16 exploration contracts to state sponsors and contractors allowing them to assess mining opportunities within the CCZ. If what we know about the nodules is true, I suspect we could have another California gold rush on our hands! (Source: [sciencemag](#), [isa.org](#), [wired](#))



**17 Inches... One of My All-Time Favorite Life Lessons!**

This was sent my direction by my friend John Santi, Wealth & Investment Advisor. John is always passing along some interesting items, but this one really caught my attention

and I wanted to share it again. I hope you enjoy it as much as I have... In fact, I'm getting a home plate to hang on my office wall to remind me of this each day!

*Over twenty one years ago, in Nashville , Tennessee , during the first week of January, 1996, more than 4,000 baseball coaches descended upon the Opryland Hotel for the 52nd annual ABCA's convention.*

*While I waited in line to register with the hotel staff, I heard other more veteran coaches rumbling about the lineup of speakers scheduled to present during the weekend.*

*One name, in particular, kept resurfacing, always with the same sentiment — "John Scolinos is here? Oh, man, worth every penny of my airfare."*

*Who is John Scolinos, I wondered. No matter; I was just happy to be there.*

*In 1996, Coach Scolinos was 78 years old and five years retired from a college coaching career that began in 1948. He shuffled to the stage to an impressive standing ovation, wearing dark polyester pants, a light blue shirt, and a string around his neck from which home plate hung — a full-sized, stark-white home plate.*

*Seriously, I wondered, who is this guy?*

*After speaking for twenty-five minutes, not once mentioning the prop hanging around his neck, Coach Scolinos appeared to notice the snickering among some of the coaches. Even those who knew Coach Scolinos had to wonder exactly where he was going with this, or if he had simply forgotten about home plate since he'd gotten on stage. Then, finally...*

*"You're probably all wondering why I'm wearing home plate around my neck," he said, his voice growing irascible. I laughed along with the others, acknowledging the possibility. "I may be old, but I'm not crazy. The reason I stand before you today is to share with you baseball people what I've learned in my life, what I've learned about home plate in my 78 years."*

*Several hands went up when Scolinos asked how many Little League coaches were in the room. "Do you know how wide home plate is in Little League?"*

*After a pause, someone offered, "Seventeen inches?"; more of a question than answer.*

*"That's right," he said. "How about in Babe Ruth's day? Any Babe Ruth coaches in the house?"*

*Another long pause.*

*"Seventeen inches?" a guess from another reluctant coach.*

*"That's right," said Scolinos. "Now, how many high school coaches do we have in the room?" Hundreds of hands shot up, as the pattern began to appear. "How wide is home plate in high school baseball?"*

*"Seventeen inches," they said, sounding more confident.*

*"You're right!" Scolinos barked. "And you college coaches, how wide is home plate in college?"*

*"Seventeen inches!" we said, in unison.*

*"Any Minor League coaches here? How wide is home plate in pro ball?"....."Seventeen inches!"*

*"RIGHT! And in the Major Leagues, how wide home plate is in the Major Leagues?*

*"Seventeen inches!"*

*"SEV-EN-TEEN INCHES!" he confirmed, his voice bellowing off the walls. "And what do they do with a Big League pitcher who can't throw the ball over seventeen inches?" Pause. "They send him to Pocatello!" he hollered, drawing raucous laughter. "What they don't do is this: they don't say, 'Ah, that's okay, Jimmy. If you can't hit a seventeen-inch target? We'll make it eighteen inches or nineteen inches. We'll make it twenty inches so you have a better chance of hitting it. If you can't hit that, let us know so we can make it wider still, say twenty-five inches.'"*

*Pause.*

*"Coaches... what do we do when your best player shows up late to practice? or when our team rules forbid facial hair and a guy shows up unshaven? What if he gets caught drinking? Do we hold him accountable? Or do we change the rules to fit him? Do we widen home plate?"*

*The chuckles gradually faded as four thousand coaches grew quiet, the fog lifting as the old coach's message began to unfold. He turned the plate toward himself and, using a Sharpie, began to draw something. When he turned it toward the crowd, point up, a house was revealed, complete with a freshly drawn door and two windows. "This is the problem in our homes today. With our marriages, with the way we parent our kids. With our discipline.*

*We don't teach accountability to our kids, and there is no consequence for failing to meet standards. We just widen the plate!"*

*Pause. Then, to the point at the top of the house he added a small American flag. "This is the problem in our schools today. The quality of our education is going downhill fast and teachers have been stripped of the tools they need to be successful, and to educate and discipline our young people. We are allowing others to widen home plate! Where is that getting us?"*

*Silence. He replaced the flag with a Cross. "And this is the problem in the Church, where powerful people in positions of authority have taken advantage of young children, only to have such an atrocity swept under the rug for years. Our church leaders are widening home plate for themselves! And we allow it."*

*"And the same is true with our government. Our so called representatives make rules for us that don't apply to themselves. They take bribes from lobbyists and foreign countries. They no longer serve us. And we allow them to widen home plate! We see our country falling into a dark abyss while we just watch."*

*I was amazed. At a baseball convention where I expected to learn something about curve balls and bunting and how to run better practices, I had learned something far more valuable.*

*From an old man with home plate strung around his neck, I had learned something about life, about myself, about my own weaknesses and about my responsibilities as a leader. I had to hold myself and others accountable to that which I knew to be right, lest our families, our faith, and our society continue down an undesirable path.*

*"If I am lucky," Coach Scolinos concluded, "you will remember one thing from this old coach today.*

*It is this: "If we fail to hold ourselves to a higher standard, a standard of what we know to be right; if we fail to hold our spouses and our children to the same standards, if we are unwilling or unable to provide a consequence when they do not meet the standard; and if our schools & churches & our government fail to hold themselves accountable to those they serve, there is but one thing to look forward to ..."*

*With that, he held home plate in front of his chest, turned it around, and revealed its dark black backside, "... We have dark days ahead!"*

*Note: Coach Scolinos died in Nov 2009 at the age of 91, but not before touching the lives of hundreds of players and coaches, including mine. Meeting him at my first ABCA convention kept me returning year after year, looking for similar wisdom and inspiration from other coaches. He is the best clinic speaker the ABCA has ever known because he was so much more than a baseball coach. His message was clear: "Coaches, keep your players—no matter how good they are—your own children, your churches, your government, and most of all, keep yourself at seventeen inches."*

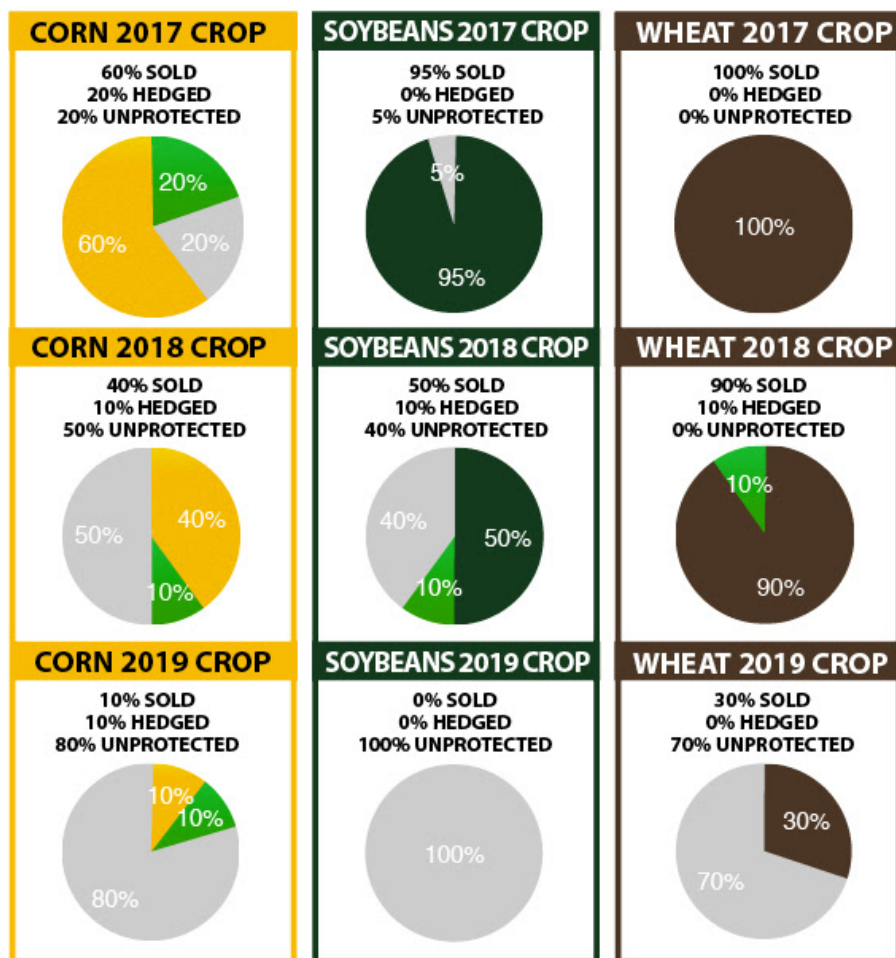
*And this my friends is what our country has become and what is wrong with it today, and now go out there and fix it... "Don't widen the plate!"*





**ANSWER to riddle:** The moon.

**CASH SALES & HEDGING TOTALS**



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