

GOOD MORNING: 07/13/18 Farm Direction - Van Trump Report

2 messages

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"You must be the change you wish to see in the world." ~Gandhi

FRIDAY, JULY 13, 2018

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Morning Summary: Stocks are steady to start the morning. The S&P 500 is bouncing up against technical resistance at 2800. Many bulls continue to believe we could press the market to 3000, scoring fresh new all-time highs by year end. Bears on the other hand believe we are more range bound and the market is currently pressing the higher end and about to roll-over, with a possible retracement to 2600 in September or October. Personally, I want to see how the market respond after we digest this round of positive second-quarter earnings. It feels like corporate earnings are going to be strong and should help keep the market supported for the next few weeks. After that, if there's no resolution in trade, I suspect the geopolitical headlines and fact the tax reform benefits have been more fully-digested might start to allow for more headwinds. Lets also keep in mind, the most recent Consumer Price-Index data showed U.S. inflation hitting its highest rate in more than six years, with consumer prices eating away at modest wage gains by American workers and underscoring questions about how much consumers are actually benefiting from an economy that by most measures is booming. Many bears inside the trade argue that a "trade war" would significantly boost core inflation, so we have to continue paying close attention to the Chinese body language. In other words, even though things look strong in comparison to where we have been, if it's costing everyone more to "play the game" perhaps we are not gaining as much traction as we think. Looking at this mornings headlines, JPMorgan Chase already reported earnings this morning, beating expectations with second-quarter net income of \$8.3 billion, up +18% from a year earlier. Citigroup and Wells Fargo will be reporting ahead of the open. Looking ahead to next week, the market will be digesting the latest Retail Sales data and fresh U.S. Housing numbers. Perhaps much more important will be second quarter earnings form big name companies like: Netflix, Bank of America, Goldman Sachs, Johnson & Johnson, JB Hunt, Capital One, Union Pacific, Dominoes, Honeywell, and Stanley Black & Decker to name a few.

Inflaming Trade Tensions: *China's trade surplus with the U.S. swelled to a record in June, a result that could further inflame trade tensions with Washington. Exports to the world's largest economy rose 5.7%, while imports from the U.S. rose 4%, resulting in a trade surplus of \$28.97 billion. (Source: SeekingAlpha)*

Americans Are Taking A Bite Out Of Their Debt: *Americans repaid \$40.3 billion in credit-card debt during the first quarter of 2018, according to an analysis of data by personal-finance website WalletHub. That's the second-highest amount paid off in one quarter since the first quarter of 2009, when consumers paid off more than \$44 billion. Consumer debt is increasing, however. In 2017, Americans hit a record high of \$1.02 trillion in outstanding revolving debt, which is often categorized as credit-card debt. According to the American Bankers Association, more households have solid budget management for the first time since early 2012, noted by the fact delinquencies fell in all eight loan categories in the fourth quarter of last year, helped by more than 10 million jobs being filled over the past four years. Read more [HERE](#).*

Household Financial Wealth Across The Globe: *We all know it costs money to make money, but is there a direct correlation between income and overall personal wealth? If there is, we would expect to see the relationship in this visualization by the good folks at howmuch, comparing accumulated wealth and disposable income at the household level across the OECD. As you look at the graphic, remember that the size of each bubble represents average household wealth for each country, or assets minus liabilities. This takes into account things like savings, securities, stocks and loans but not real estate. Then look at the color-code each bubble has based on the average disposable income for each household, which equates to the amount of income left over after taxes and transfers have been taken out. Basically, it's how much you can spend on living expenses and other discretionary purchases. Here are the top five countries among the OECD with the highest household wealth, together with the average disposable income. You can see the rest [HERE](#).*

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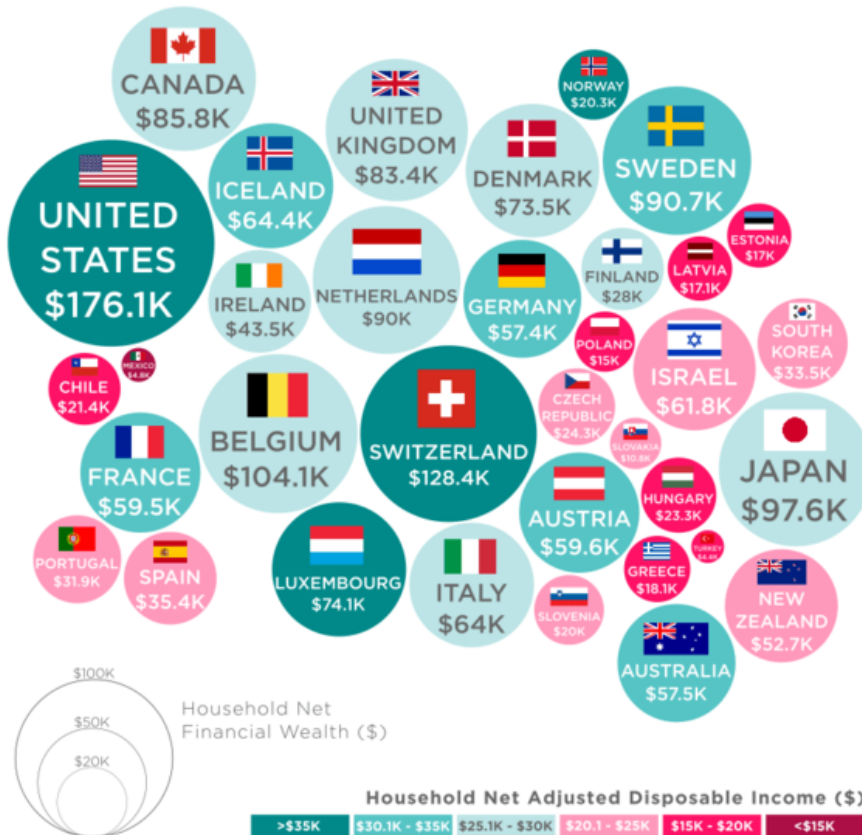
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Innovations
 that will be
 changing & shifting
 the farm industry.

- > **United States:** \$176,076 with \$44,049 in disposable income
- > **Switzerland:** \$128,415 with \$36,378 in disposable income
- > **Belgium:** \$104,084 with \$29,968 in disposable income
- > **Japan:** \$97,595 with \$28,641 in disposable income
- > **Sweden:** \$90,708 with \$30,553 in disposable income

Household Net Financial Wealth Around the World OECD Countries



Article & Sources:
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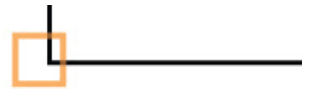


As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we 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:

If you eat me, my sender will eat you. What am I?

Weather forecasts are calling for moderate to heavy rain to form over most of the



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- Grain Merchandisers, Exporters, Analyst
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- Transportation and Logistics Executives
- Innovative Start-ups

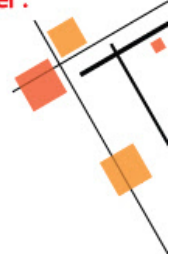


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it's too late to prepare."

- John Wooden



The
VAN TRUMP
Report

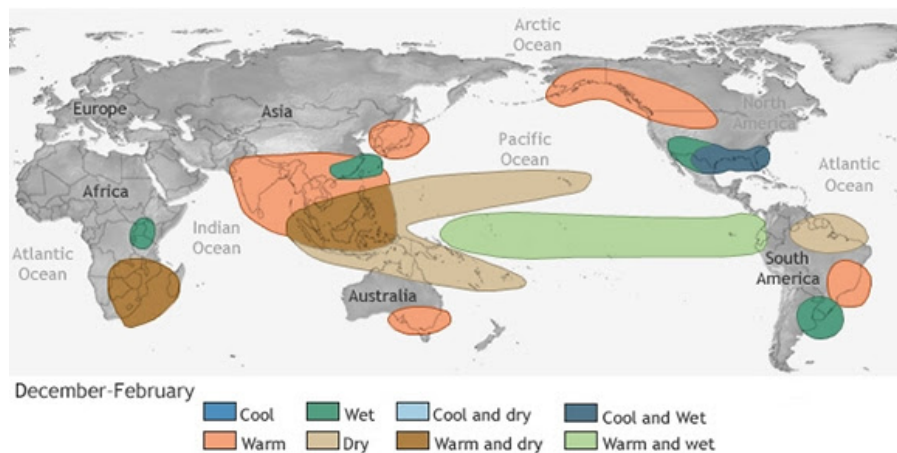
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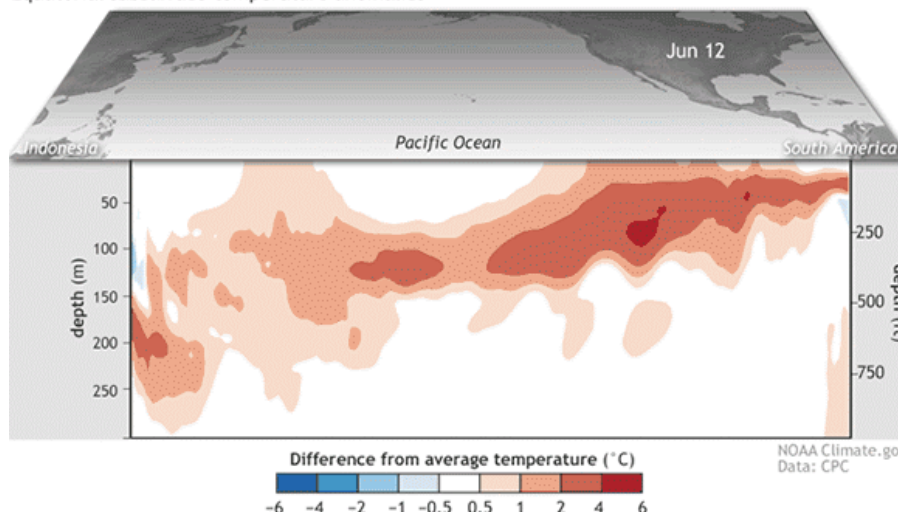
Midwest during the next week. The rain will offer crop moisture benefits, along with bringing more seasonal temperatures, following very hot and stressful weather. Drought conditions have significantly intensified in Missouri recently. Meanwhile, the northwestern Midwest will have a new round of flood potential due to heavy rain. On the southern Plains, variable rain chances over the next week. Northern regions will see light rain, southern areas will stay dry. Temperatures will continue to be hot and stressful for summer crops and pastures in the southern sector of the region. Colorado is now in exceptional drought on this week's Drought Monitor. On the northern Plains, showers and a more variable temperature pattern in the Dakotas and north Minnesota will favor developing crops during the coming days. Over the next few days, hot weather with near to above normal temperatures will prevail across much of the country. During the weekend, notably cooler air will arrive across the northern Plains. Meanwhile, the interaction between the Southwestern monsoon circulation and Canadian cold fronts will generate widespread rainfall from the Four Corners States into the upper Midwest.



U.S. Forecasters Give El Nino a 65% Chance to Form This Fall: *Before it went away in 2016, El Nino — the weather pattern that brings warm ocean surface temperatures in the eastern and central Pacific every few years — was linked to crop damage, destructive wildfires, and flash floods. Now, chance of the emergence of El Nino in the northern Hemisphere have increased to 65% during the fall and 70% during winter 2018/19. This is up from 50% and 65% respectively in last month's estimate. When looking at why weather forecasters spend so much time on El Nino, you have to understand, this weather pattern is considered a seasonal forecaster's best friend. When Pacific Ocean temperatures warm up, they create disturbances in the weather that can be felt around the globe. I have heard it described like a cannonball sending waves through a pool: the effects are felt around the world. Of course, we have to remember the atmosphere is a huge, chaotic system and we don't see very expected effect every time El Nino shows up. However, there has been enough historical data that you can estimate what El Nino would do to weather pattern in the U.S. during the winter. Below is a map showing just that.*



Equatorial subsurface temperature anomalies



Corn traders digested the latest USDA data as somewhat bullish. Bulls are pointing to the fact U.S. ending stocks were lowered a touch despite increased production acres. The big bull in the room continues to be "demand". The USDA increased old-crop demand by 70 million bushels and increased new-crop demand by 140 million bushels.

Today In History



1866, Fort Phil Kearny -

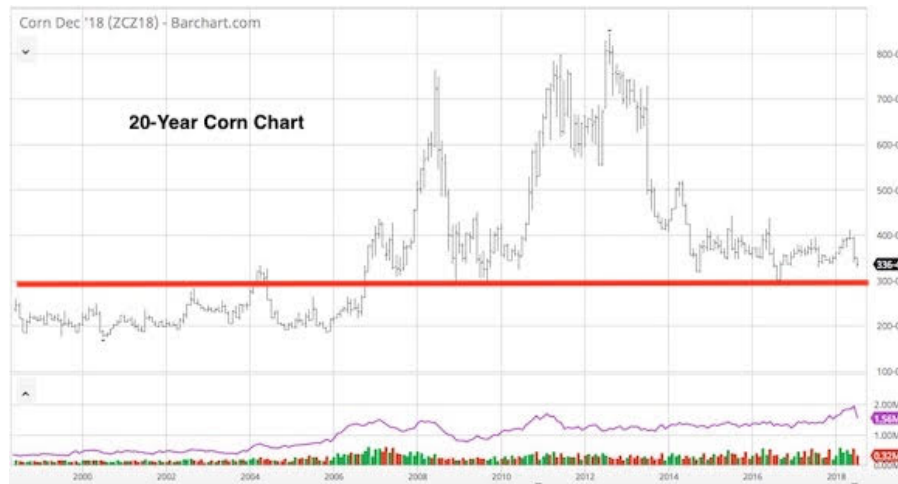
Colonel Henry Carrington begins construction on Fort Phil Kearny, the most important army outpost guarding the Bozeman Trail.

Georgia-born frontiersman John Bozeman blazed a wagon road that branched off from the Oregon Trail and headed northwest to the gold fields of western Montana. The trail passed through the traditional hunting grounds of the Sioux, and Chief Red Cloud attacked several wagon trains to try to stop the violation of Indian Territory. Despite the questionable legality of the Bozeman Trail, the U.S. government decided to keep it open and began building a series of protective army forts along the route. That task fell to Colonel Henry Carrington, who began building the largest and most important of these outposts, Fort Phil Kearny. A talented strategist and designer, he selected a site in northern Wyoming that was near a source of water and commanded a view over a good section of the Bozeman Trail. He began building on this day in 1866, setting up a timbering operation and sawmill to supply the thousands of logs needed for construction. From what I understand it only took a few months to have an imposing symbol of American military power framed by tall wooden palisade surrounded a compound the size of three football fields. Unfortunately, Carrington's mighty fortress had one important flaw: the nearest stands of timber lay several miles away. To obtain the wood essential for heating and further construction, a detachment had to leave the confines of the fort every day. It didn't take long for Indians to prey on these "wood trains." In December, a massive Indian ambush wiped out a force of 80 soldiers under the command of Captain William Fetterman. Even with the weakness Fort Phil Kearny was still a highly effective garrison even though the U.S. Army found it nearly impossible to halt completely the Indian attacks along the trail. In 1868, the government agreed to abandon all of the forts and close the trail in exchange for peace with the Indians. Immediately after the soldiers left, the Indians burned Carrington's mighty fortress to the ground.

1943, Battle of Kursk - On this day in 1943, the largest tank battle in history would end. The Battle of Kursk, involving some 6,000 tanks, two million men, and

Keep in mind, this comes with a -50 million bushel reduction in old-crop Feed and Residual demand and a -50 million bushel reduction in new-crop ethanol demand. Old-crop ending stocks were lowered from 2.102 down to 2.027 billion bushels. New crop ending stocks were lowered from 1.577 billion bushels down to 1.552 billion. This is considered bullish as "harvested acres" were pushed higher from 80.7 to 81.8 million. Bears point to the fact the USDA will probably move the U.S. "yield" higher next month add additional production to the equation. Remember, a simple bump in the U.S. yield from 174 to 174.5 would negate all of the recent bullishness in the new-crop balance sheet. The USDA only lowered new-crop ending stock by a net -25 million bushels, meaning a +2.0 bushel bump in yield, which is very realistic if not extremely conservative for the moment, equals an additional +163 million bushels being added back into the balance sheet. Bears are also pointing to the fact world new-crop corn production was raised from 356.63 MMTs to 361.46 MMTs.

20-Year Corn Chart: As you can see we are approaching major support around the \$3.00 area. In fact, we haven't traded sub-\$3.00 since December 2008, when the markets traded to a low of \$2.90 per bushel.



Soybeans are able to rally back a bit following yesterday's updated USDA data. The numbers themselves were initially viewed as bearish, but as I suspected, a short-covering rally gave the market a bit of a lift. I'm just not sure there will be enough "short-covering" to keep prices moving higher for an extended period. Here at home, the USDA showed old-crop ending stocks were lowered from 505 million down to 465 million bushels. As both "crush" and "export" demand were raised higher. The bad news is, new-crop ending stocks jumped from 385 million to 580 million. The two biggest headwinds were the fact new-crop "exports" were lowered by -250 million as the USDA considers trade tariffs into their equation. The other headwind is that "harvested acres" jumped from 88.2 to 88.9 million. Globally, Brazil soybean production was bumped higher to a new record of 119.5 MMTs. Brazil's new-crop estimate jumped from 118.0 MMTs to 120.5 MMTs. Argentine soybean production for next year raised from 56 to 57 MMTs. Keep in mind their production this past year was only 33 MMTs. World soybean production for new-crop was raised from 355.24 MMTs to 359.49 MMTs. Interestingly, total global 2018/19 oilseed production was forecast down -1.4 million tons to 592.6 million on lower rapeseed and sunflower production. Rapeseed production is reduced -2.6 million tons with lower production for the EU, Australia, Ukraine, and Russia. Rapeseed production was also lowered for Germany and the UK on persistent dryness while production is lowered for France on pest pressure. Sunflowerseed production is down -2.9 million tons mainly for Russia and Ukraine on lower yields from dry conditions. Bottom-line, the bulls can't be too overly excited to see U.S. new-crop ending stocks forecast at 580 million bushels with the soybean yields staying "unchanged" at 48.5 bushels per acre. Bears believe the U.S. average yield should be higher, closer to 50 bushels per acre. Which means, if all things stay equal with demand, we would be adding +130 million bushels to production and ultimately ending stocks. I can't imagine bulls wanting to run aggressively into a +700 million bushel ending stock number. As both a producer and a spec I remain extremely patient.

20-Year Soybean Chart: As you can see we are approaching major support around the \$7.50 area. In fact we haven't traded sub-\$7.50 per bushel since the Spring of 2007.

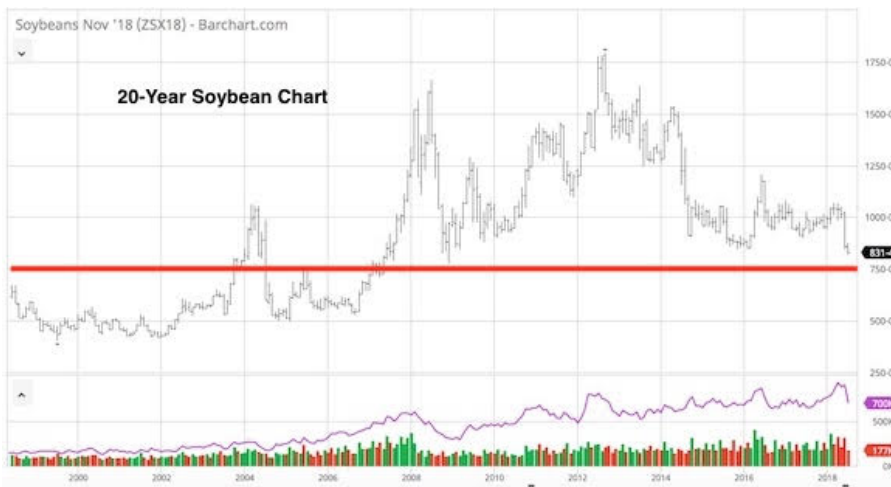


5,000 aircraft, would end with the German offensive repulsed by the Soviets at a heavy cost. USSR and German would concentrate their forces near the city in early July with Germany beginning an offensive on July 5th with 38 division, which nearly half of which were armored. Moving in from the south the German tanks were met by superior armor from the Russians and the air support that was missing in previous battles. Bitter fighting ensued leaving over 40% of the German tanks destroyed, including the new Mark VI Tiger tanks. From what I understand, the Germans had hoped to weaken the Soviet offensive potential for the summer of 1943 by cutting off the forces that they anticipated would be in the Kursk salient. The Kursk salient or bulge was 160 miles long from north to south and 99 miles from east to west. The plan envisioned an envelopment by a pair of pincers breaking through the northern and southern flanks of the salient. Hitler believed that a victory here would reassert German strength and improve his prestige with his allies, who were considering withdrawing from the war. It was also hoped that large numbers of Soviet prisoners would be captured to be used as slave labor in the German armaments industry. After a six-day battle, Germany called off the offensive due to heavy casualties and eventually they would be pushed back to their original positions. In the beginning of August, the Soviets began a major offensive around the Kursk salient, and within a few weeks, the Germans were in retreat all along the eastern front.



2010, George Steinbrenner

- Larger than life and longtime owner of the New York Yankees George Steinbrenner dies on this day in 2010. Steinbrenner would re-established the team as one of baseball's most successful franchises, winning seven World Series championships and 11 American League pennants. Nicknamed "the Boss," the influential, demanding and controversial owner also built the Yankees into baseball's first billion-dollar team. In 1957, Steinbrenner joined his family's Great Lakes shipping business and went on to grow it substantially. Then in the early 1960s, he became an owner of the short-lived Cleveland Pipers professional basketball team, and later invested in horse racing and Broadway shows, among other ventures. In 1973, Steinbrenner headed an investment group that bought the Yankees for less than \$10 million and incredibly, at the time of his death the franchise was worth an estimated \$1.6 billion. Although he initially promised to be a hands-off owner and "stick to building ships," Steinbrenner soon became heavily involved in running the team, even dictating the length of his players' hair and sometimes directing post-game traffic outside Yankee Stadium. As you can imagine that led to contentious relationships with a number of his players and staff, and famously hired and fired manager Billy Martin five times. Steinbrenner himself was



Wheat traders debate larger U.S. ending stocks vs. smaller global production. Bears point to the fact U.S. old-crop ending stocks were raised to 1.1 billion bushels on a drop in feed usage. Bears are also pointing to higher U.S. new-crop ending stocks on increased production totals. The U.S. yield was bumped higher from 46.9 to 47.5, at the same time harvested acres jumped from 38.9 to 39.6 million acres, meaning an extra 54 million in production. Bulls point to aggressively lower global new-crop production, a drop from 744.69 MMTs down to 736.26 MMTs. The Russian wheat crop was again lowered, this time from 68.5 MMTs down to 67.0 MMTs, which is well below last years production of 85.0 MMTs. Ukraine wheat production was dropped from 26.5 MMTs down to 25.5 MMTs, compared to 27.0 MMTs last year. European Union wheat production dropped from 149.4 MMTs down to 145.0 MMTs, compared to 151.6 MMTs last year. Australia wheat dropped from 24.0 MMTs down to 22.0 MMTs, compared to 21.3 MMTs. China wheat production was lowered from 129.0 down to 128.0, compared to 129.8 MMTs last year. In summary, world ending stocks are reduced -5.3 million tons to 260.9 million. As both a producer and a spec I remain a longer-term conservative bull. I'm still yet to add any length to my current position. Waiting for amore significant break, which I think could still happen within the next couple of weeks.

20-Year Wheat Chart: We are actually still well above the August 2016 lows that were traded down at \$3.59^4. In fact, we haven't traded down below that level since August of 2006.



> Rice Stocks Pushing Higher: U.S. 2018/19 all rice supplies are increased this month by 4.8 million cwt to 272.3 million as higher production more than offsets reduced beginning stocks. Rice production increased by 9.8 million cwt to 213.0 million as the NASS Acreage report indicated greater rice area for both long-grain and medium- and short-grain than previously forecast. Projected 2018/19 all rice ending stocks are raised to 42.3 million cwt, up 31 percent from last year with long-grain comprising most of the increase. The 2018/19 all rice season-average farm price is reduced \$0.30 per cwt at the midpoint to a range of \$11.60 to \$12.60.

> Cotton Stock Falling Lower: World production is projected 290,000 bales lower than in June, as reduced U.S. and Australian production more than offsets increases for

suspended from the sport twice—first, in 1974, after pleading guilty to making illegal corporate contributions to President Richard Nixon's re-election campaign, and a second time, in 1990, for paying a small-time gambler to dig up damaging information about Yankee outfielder Dave Winfield, with whom Steinbrenner was feuding. Beyond baseball, Steinbrenner became a pop-culture figure, hosting "Saturday Night Live" and being portrayed as a recurring character on "Seinfeld." Steinbrenner spent record-breaking sums to acquire the game's top players and soon got results: the Bronx Bombers won the World Series in 1977 and 1978, and again in 1996, 1998, 1999 and 2000. Steinbrenner and the Yankees also raked in millions from lucrative licensing and marketing deals. In 2009, the Yankees won their 27th World Series—more than any other team in baseball history. By then, Steinbrenner's health was in decline and he had ceded day-to-day management of the team to his sons Hal and Hank. Following Steinbrenner's July 13, 2010, death, baseball commissioner Bud Selig said, "He was and always will be as much of a New York Yankee as Babe Ruth, Lou Gehrig, Joe DiMaggio, Mickey Mantle, Yogi Berra, Whitey Ford and all of the other Yankee legends."

Upcoming Events

- Fri. 7/13** - Last Trade Day for July Grains
- Mon. 7/16** - Crop Progress, NOPA Crush
- Fri. 7/20** - Cattle on Feed
- Mon. 7/23** - Cold Storage, Crop Progress
- Mon. 7/30** - Crop Progress
- Tues.- Wed. 7/31-8/1** - FOMC Meeting
- Mon. 8/6** - Crop Progress
- Fri. 8/10** - USDA Supply and Demand
- Mon. 8/13** - Crop Progress
- Wed. 8/15** - NOPA Crush
- Mon. 8/20** - Crop Progress
- Wed. 8/22** - Cold Storage
- Fri. 8/24** - Cattle on Feed
- Fri. 8/24** - Last Trading Day for September Grain Options
- Mon. 8/27** - Crop Progress
- Fri. 8/31** - First Notice Day for September Grains
- Mon. 9/3** - Labor Day (Markets Closed)
- Tues. 9/4** - Crop Progress
- Mon. 9/10** - Crop Progress
- Tues. 9/11** - 17 Year Anniversary of 9/11
- Thur. 9/12** - USDA Supply and Demand

Brazil, India, and Mexico. Ending stocks are 5.2 million bales lower than in June, with the largest declines in China (4.6 million) and the U.S.. India's and Brazil's ending stocks are forecast higher. U.S. ending stocks are projected at 4.0 million bales, down 700,000 bales from the June estimate and unchanged from the revised 2017/18 level.

> Russia's Grain Crop Moving Lower: IKAR cuts its forecast for Russia's 2018 grain crop to 112.8 MMTs from a previous estimate of 114.7 MMTs. they also cut their estimate for Russian grain exports from 43.2 down to 41.0 MMTs.

> Lower Wheat Production In EU: Strategie Grains reduced its estimate of EU 2018 soft wheat production to 132.4 million tonnes from 139.9 million forecast a month ago, now 7 percent lower than last year's crop of 141.8 million. More significant problems in France and Germany are thought to be major factors. (Source: Reuters)

> Second Quarter Grain Inspections Reach Record High: Second quarter 2018 inspections of wheat, corn, and soybeans for export from all major U.S. ports reached a record 34.7 million metric tons, according to USDA's GERS Inspection, Packers, and Stockyards Administration (GIPSA). Inspections were up 16% from the same period last year and were 51% above the 5 year average. Inspections of grain also reached record levels in the Pacific Northwest and the U.S. Interior. (Source: USDA, Grain Transportation Report)

> Is the Organic Seal Worth the Price? The USDA has beefed up efforts to protect the integrity of the organic seal. A recent article from the AP told about the federal audit last September which found the USDA was unable to provide reasonable assurance that required documents for imported organic grains were reviewed at domestic ports of entry, among other issues. USDA is trying to increase oversight, stepping-up inspections, coordination with other agencies and finding technologies to help it better track products across global supply chains. Read more about the organic labeling situation [HERE](#). (Source: AP)

> Turning Chicken Litter Into Energy: Nitrogen and phosphorous from chicken litter is a prime pollutant in the Chesapeake Bay, but a startup spun out of research at Morgan State University, is Cykloburn Technologies, who are developing new ways to convert biomass from the litter into power for farmers.

> U.S. Secretary of Agriculture Sonny Perdue is announcing that the government of Japan has finalized technical requirements that will allow U.S. sheep and goat exports into the country for the first time in more than 14 years. "This success is a direct result of USDA's dedication to helping America's farmers and ranchers keep and find new markets for their products," Secretary Perdue said. "The United States has a reputation for high quality agricultural products and this Administration is committed to helping U.S. producers prosper and share these products with the world."

> Kip Tom Will Be Next Ag Ambassador To UN: Kip Tom has been selected to be an ambassador as a United States Representative to the United Nations Agencies for Food and Agriculture at the State Department. He is the current chairman of Tom Farms in northern Kosciusko County and previously ran for the Republican nomination for Indiana's 3rd District in the 2016 election. President Donald Trump nominated Tom for the position Wednesday, but the nomination still requires Senate confirmation. (Source: [wmee.com](#))

> CHS's Earnings Pushed Higher By Ag And Energy: Earnings at CHS Inc. for the third quarter were pushed up due to higher operating margins in the company's Ag and Energy segments, primarily driven by higher margins in feed and farm supplies, crop nutrients, processing and food ingredients and refined fuels. For the third quarter ended May 31, CHS posted net income of \$229.3 million, compared to a loss of \$45.2 million in the same period a year ago. Revenue for the third quarter was \$9 billion, up from \$8.6 billion for the third quarter of fiscal 2017. (Source: WorldGrain)

> Robinhood Trading App Adds Two New Cryptocurrencies: In the last few months, the Robinhood platform has topped 5 million users helped by momentum generated with the introduction of Options and Crypto trading. Now, they are adding Litecoin and Bitcoin Cash to its no-fee app, which already lets users trade Bitcoin and Ethereum. Of course, cryptos have been very sluggish this year. Litecoin is down more than 64% since January and Bitcoin Cash has dropped more than 72% in the same time frame. (Source: CNBC)

> Apple Starting To Release Newest Models: Apple updated their MacBook Pro with faster performance and new features, making it the most advanced Mac notebook ever. The new MacBook Pro models will have a Touch Bar feature 8th-generation Intel Core processors, w6-core on the 15-inch model for up to 70% faster performance, and quad-core on the 13-inch model for up to 200% faster performance. There have also been leaks about an Apple Watch Series 4, if that's the name, coming out. There are rumors about the face possibly being larger. There have also been leaks about an iPad Pro that features face ID. It's about that time of year for all of Apple's new products to come flooding the market.

> Uber will Let Riders Pay with a Venmo Balance: The time has finally come for you to stop asking your Uber driver if they will accept Venmo, who is owned by PayPal. Uber riders will soon be able to pay for a trip with the money they have sitting in their

Thur. 9/12 - Last Trading Day for September Grain Futures

Mon. 9/17 - NOPA Crush, Crop Progress

Fri. 9/21 - Cattle on Feed

Sat. 9/22 - Autumn Begins

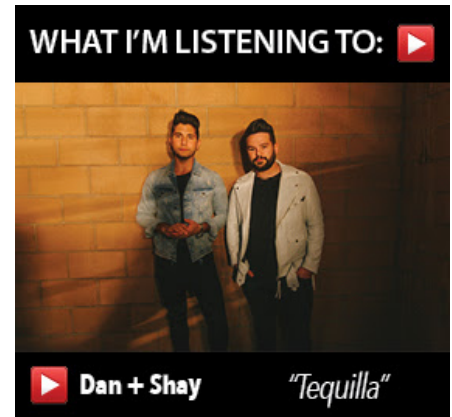
Mon. 9/24 - Cold Storage, Crop Progress

Tues.-Wed. 9/25-9/26 - FOMC Meeting

Fri. 9/27 - Quarterly Hogs and Pigs

Fri. 9/28 - Quarterly Stocks and Acreage

Kevin's Song of the Week



Kevin's Song of the Week

Venmo accounts. Uber will introduce a "Pay with Venmo" that will now be available in the payment options. This new addition to Uber could also give Venmo a boost as it fights off competition from Square Cash App and Zelle. Square Cash is estimated to overtake Venmo in a matter of weeks when it comes to downloads. Between this new Uber feature and their new deal with GrubHub as well as Seamless Venmo could look to stay ahead.

> Weekend of Sports

NBA Finals have come to a close, the MLB is in the middle of the season about to break for the All-Star game, and the NFL hasn't started training camps as of yet, but this weekend there are still many interesting sporting events worth watching...

World Cup Final: The 2018 World Cup is finally set after weeks of many of this year's top countries battling it out. France will match up against Croatia for all the marbles Sunday. You may be asking what who and where is Croatia. Croatia, the European country with a 4.1 million population, is located on the Adriatic Sea across from Italy. If that isn't ringing any bells for you, then it is located on the southwest border of Hungary. Croatia has truly been overmatched in this whole tournament and is clearly the underdog proving doubters wrong to advance in three straight extra-time matches in knockout stages. People are saying it's a miracle Croatia beat England in extra minutes, so imagine what they will be saying if they beat France. Croatia has never been in a World Cup final before, so this will be truly exciting for the country. France holds all the pressure being a pre-tournament favorite, who last won the title in 1998 when they beat Brazil 3-0 in a World Cup they hosted. This matchup will take place Sunday at 11 a.m. ET on Fox at Luzhniki Stadium.

Tour de France In Full Swing: The 105th Tour de France is officially underway. Chris Froome of Britain won last year for the third year in a row, and for his fourth time overall. Lance Armstrong held the record for most Tour de France wins (seven), but he was stripped of those wins in 2012. France has won more times than any other country (36). The race is ran over 2080 miles. The race is almost entirely in France with only a fumbles being ran in Spain. 176 riders from 22 teams will be present at the Grand Depart. There were originally 6 stages in the first Tour de France. There are now 21-stages over 24 days! Some stages are relatively flat, some torturously mountainous. Each stage has its own winner and offers prize money and points for the first 15 riders across both the finish line and and intermediate line midway through.


Wimbledon Finals without Federer: The men's singles semi-finals will take place today. Kevin Anderson and John Isner will matchup on center court at 7:00 am. After, this match is complete Novak Djokovic will matchup against the legend Rafael Nadal. It's very surprising to see Roger Federer, number 1 seed in the tournament, not still playing going after his 9th Wimbledon title. I would say Kevin Anderson made quite the upset in this quarterfinal matchup. The men's singles Wimbledon championship will take place July 15th at 6:00 am CT. Angelique Kerber and Serena Williams will matchup together in the women's singles final. The women's singles Wimbledon championship will take place July 14th at 6:00 am CT. My guess is Nadal and Williams will pull away with these wins as usual.

Quaker State 400 NASCAR race will be held at Kentucky Speedway in Sparta, Kentucky. The Quaker State 400 will become the 19th race of the season. Joe Gibbs Racing and Team Penske have dominated at this event. The top-6 picks are Martin Truex Jr.; Kyle Larson; Brad Keselowski; Kyle Busch; Kevin Harvick; Jimmie Johnson.

Manny Pacquiao Searches for a Happy Ending to his Boxing Career: Pacquiao will challenge Lucas Matthisse for his secondary welterweight world title at Axiata Arena in Kuala Lumpur, Malaysia, on July 14th. Pacquiao is 59-7-2 with 38 KOs will be boxing in this match without his Hall of Fame trainer Freddie Roach, whom he fired. This is the first time in 17 years and 34 fights he will be without Roach. His head trainer is now is Buboy Fernandez, which is his best friend and longtime assistant trainer. Pacquiao will turn 40 this December and already has a second career, as a senator in the Philippines. He also has long stated his desire to become his country's president. This will be his first time fighting since last July when he lost to Jeff Horn for the welterweight world title. Pacquiao is old, but he's looking to go out on top. Matthisse isn't an easy opponent, though. Matthisse is 39-4 with 36 KOs that has won 8 of his last 10 matches is a big puncher from Argentina. He claimed his secondary welterweight title on Jan. 27 with an eighth-round knockout on Tewa Kiram. ESPN+ stream will begin at 9 p.m. ET with undercard coverage. Pacquiao and Matthisse not walking to the ring any earlier than 11 p.m. ET.



NEXT level THINKING



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

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

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

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

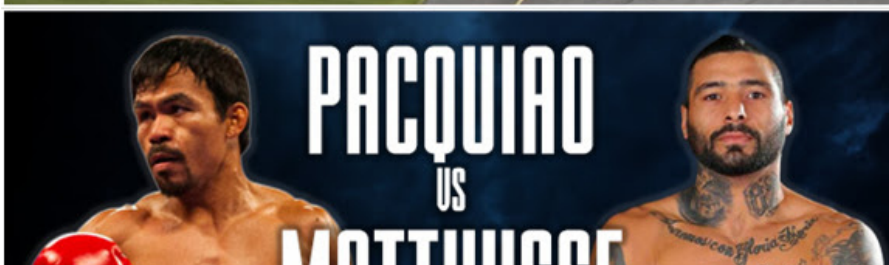
Kevin Van Trump

What Others Are Saying

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

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe



as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

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

My Own Personal Truisms

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

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

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

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

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

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

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

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



Northwest Minnesota - Our area has been very dry. We had about a half inch of rain on a week ago and before that it was the first of June. The crops are doing remarkably well in spite of it. Our corn crop has been a surprise as we didn't get it in the ground until late the first week in May and that's a couple weeks late. But the GDU's have been remarkable and the corn is looking good though dry. We have made good sales for the year with over 50% of our corn sold and nearly 70% of our beans. I'm not worried about the rest of the corn as I can store it for a better day. Wheat harvest will begin up here in three weeks or so and I would like to see at least some moisture before then.

Northwest Iowa - I was just thinking about 30" soybeans vs 15" spacing. I'm on 30" spacing but would love to go to 15" on beans. I just can't justify spending the extra money on a planter for my amount of acres. There are a lot of 15" rows in soybeans planted around me and I really like the way they canopy early compared to my 30". What surprises me is there are some pretty good sized farmers around me that are still on 30's. The one positive side of my 30's is I do have farms that do have white mold once in awhile and they claim white mold is less severe in 30's, not sure if that's true however. If I was younger I'd seriously consider going the 15" route. We have been a little wet this year so white mold would be a problem if I was on the 15 inch plan.

Central Wisconsin - I have a small farmer next to me that called me in a panic, he says he got furry black worms eating his corn. It was sprayed 3 weeks ago, because there were worms on it then and the spraying is a two to three-week process. A few days ago it was waist high and looked good. This is roundup ready corn on corn. The picture below is what's left of a small field. There isn't insurance on this corn so it's a total loss at this point. The only correlation that our agronomist has noticed is there are worms on fields that used cover crops this year.



Farm Direction
RECIPES

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

Beef Burrito Casserole

[CLICK TO SEE RECIPE](#)

CROSSING WIRES

A place to share intelligent thoughts...

Cargills Move To Feed Animals Pays Off: Feeding animals and selling meat has become the biggest source of profits for Cargill, helping the agricultural titan offset pressures in its historic crop trading business. On Thursday the company reported \$3.1 billion in net profit for the fiscal year that ended on May 31, a 9% rise from fiscal 2017. Adjusted for one-off items, Cargill's annual adjusted operating profit was \$3.2bn for the year, 6 per cent higher than last year. Both figures would be the highest in Cargill's 153-year history excluding discontinued operations and investments. The moves in proteins come as consumers eat more meat in emerging economies. Farmers are also feeding poultry flocks and swine herds more feeds based on bulk vegetable protein, such as soy meal. Read more [HERE](#).

Secrets From Outerspace: A meteorite has been recovered from a remote area of Botswana. The event is one of a kind as the meteor was identified before entering the atmosphere, and its fall and retrieval documented. It's only the second time this has happened. The Conversation Africa's Moina Spooner spoke to Fulvio Franchi and Alexander Proyer who explain how every meteorite is a piece of the puzzle as we try to understand our solar system. Find out why it matters [HERE](#).

Elon Musk Says He Will Finish The Job In Flint: Four years ago, the Flint water crisis began when officials switched its source from Lake Huron to the Flint River. Recently, Michigan's state government ended a free program delivering bottled water to the city, even though some people continue to report that the water they're getting is unusable. So in steps Musk who tweeted with this promise "Please consider this a commitment that I will fund fixing the water in any house in Flint that has water contamination above FDA levels. No kidding." I suspect many feel that Musk's recent involvement in high profile events is some sort of PR stunt, but if good people are getting help - more power to him. Read more [HERE](#).

Preparing For Jobs That Don't Exist Yet: Think about explaining to someone 25 years ago what a social media manager, ride share service employee, or drone operator does for a living. Technology combined with population demands, resource scarcity, urbanization, and other factors have created an array of new jobs and radically changed others. Getting an accurate count of these new jobs is tricky. Like erroneous memes and urban legends, murky statistics sometimes gain a life of their own. One such percentage alleges that 65% of children entering primary school today will ultimately end up working in jobs that don't yet exist. Read more [HERE](#).

Ancient Clay Tablets Found With Homer's Odyssey: Greek and German archaeologists have found what could be the oldest known written record from Homer's Odyssey. The clay tablet has been preliminarily dated by researchers as originating in the third century AD. Archaeologists uncovered the tablet after three years of excavation near the Temple of Zeus at the ancient site of Olympia, Greece. "If this preliminary dating is confirmed," the Greek ministry of culture writes in a press release, "Then this clay tablet will maybe hold the oldest written excerpt of Homer's volumes that have ever come to light, and constitutes, apart from its uniqueness, one great archaeological, literary, and historical artifact." Read more [HERE](#) on the cool discovery.

How 20-Year-Old Kylie Jenner Built A \$900 Million Fortune In Less Than 36 Months: She launched Kylie Cosmetics just two years ago with a \$29 "lip kit". She owns 100% of the company and it's now worth hundreds of millions. Add to that the millions she's earned from TV programs and endorsing products like Puma shoes and PacSun clothing, and she's conservatively worth \$900 million, which along with her age makes her the youngest person on the fourth annual ranking of America's Richest Self-Made Women. Another year of growth will make Kylie Jenner the youngest self-made billionaire ever, male or female, trumping Mark Zuckerberg, who became a billionaire at age 23. Snapchat's Evan Spiegel also became a billionaire in his early 20s, though it's less clear when he passed that threshold. You can read more at [Forbes](#)



"Agrihoods" Are Putting The Neighbor Back In Neighborhoods

Agrihoods or agricultural neighborhoods are not new but have certainly gone mainstream as real estate developers address the desires of their young and active clientele, who love to not only eat healthy but spend time outdoors. Loosely defined by the Urban Land Institute, agrihoods are master-planned housing communities with working farms as their focus, having ample green space, barns, and outdoor community kitchens. It's worth noting, there are about 150 agrihoods across the country, with some only minutes from bustling cities like Atlanta, Phoenix, and Fort Collins, Colorado. That they don't have to trade in the city for sustainable living is most likely a big attractor for millennials, who represent the largest segment of American homebuyers today. What I'm told this segment of homebuyers do want is a sense of community and that is exactly what agrihoods provide. At the original agrihood located in Grayslake Illinois, residents share how kids travel in packs and it takes hours to mow your lawn due to a constant flow of neighbors out and about who stop to chat. It might be easy to assume these are some hippie-type living arrangements where residents are checking out and going off-grid, but that would be a misnomer. It's worth noting that most properties require you to work with a local builder once you purchase your lot. At Olivette, an agrihood located off the banks of North Carolina's French Broad River, houses start at \$650,000. Since most move into agrihoods to enjoy a farming, gardening and outdoor lifestyle, there are always choices as to how far you want to take it. At Olivette, two full-time farmers tend to the crops, but for residents who want to get their hands dirty, there's a two-acre community garden space where they can grow their own food. Not to mention, assistance is never turned down if you want to volunteer on the cropland. But there are also those who simply value living on open land and being part of an eco-friendly community, for whom an agrihood may be an option. I definitely place value on the level of community agrihoods offer as that has seemingly left our suburbs years ago as garage doors go down before the car door opens. Though not for everyone, if agrihoods are of interest to you, click

HERE to see 12 of the top locations taking farm-to-table mainstream. (Source: Trulia, charterforcompassion)



What Can We Do To Stop The Madness Of The Robocalls?

Despite being against the law, Americans are still receiving an estimated 3 billion robo-calls a month. I personally get these calls multiple times every day, and I can't stand them. These robocalls fool us to answer the phone by placing calls over the internet. The people controlling the robocalls download software that can insert caller ID. With an auto-dialer, they can then call multiple numbers at a time from a huge database to make any call look like it originates locally. In fact, robocalls are the No. 1 source of consumer complaints to the Federal Communications Commission. That, despite the fact that robo-calls have been illegal since 2009 (unless you have given the company permission to call you), and each illegal call is subject to a \$16,000 fine, Federal regulators have had a tough time enforcing the "Do Not Call" law to stop illegal robocalls. Keep in mind, a lot of the calls are originating from outside the U.S., but with new technology they can make the call look like it's coming from one of your neighbors with a similar number. I've even started getting calls that look like they originate from where my kids go to college. I suspect to make my wife and I think we need to pick-up. In other words they have technology that allows them to flash a fake number into the caller id system. When Fed officials track the number it often leads back to a random innocent citizen. The robocallers simply put in a random number to make you think you might need to answer. I suspect they get all of this information from social media or other source who track and monitor our personal data. Bottom-line, it doesn't look like robocalls are going away anytime soon, especially with the rate technology is advancing, but many carriers are trying to come up with solutions and spam filters to help fix this problem. Carriers are working on things that will eventually show us indicators of verified calls. They are also working on showing a gauge that will tell us the odds of answering an "unknown" call and if it's coming from someone real. So, the main question is what can we do now to fix the problem? When you get a robocall, don't do anything. The best thing to do is don't say anything, don't press any buttons, and definitely don't call back. Once scammers know a number works, they can sell it and your call volume could increase. Service providers have upped their robocall-protection offerings, so make sure to check in with your carrier if you have a serious problem. There are also a number of call blocking apps available. One of these apps is called Nomorobo, which is \$2 a month that identifies likely scam calls that will send them straight to a designated voicemail. Hope this helps you better understand the problem and how things are playing out.



Looking For The Best Deals Of The Year... Amazon Prime Day Happens Monday

Once a year, Amazon offers up some crazy deals. Most sources say the Prime Day deals are better than major holiday sales such as Black Friday. Amazon Prime Day 2018 begins on Monday, July 16 at 2 p.m. CST and runs until the end of Tuesday, July 17. To make sure you're getting the lowest

prices on some of the coolest items, you might need to strategize a bit over the weekend. I've included below some tricks and tools I've found to help find the best deals: (Source: Popular Science, Forbes, TechTrader).

You Need To Be A Prime Member: First and foremost, only subscribers can take part in Prime Day, so go ahead and sign up for Amazon Prime. If you're a college student, you can get a 6-month free trial membership and if you're new to the service, you can get a 30-day free trial membership.

Get The App: Most seasoned pro's suggest you download the Amazon app (for Android and iOS). This gateway lets you find deals more easily right from your phone. Most of the time you don't know which items will get the big discounts? Amazon does however provide an advance preview of certain deals. To find them, launch the app (this trick doesn't work on the website) and search for "sneak peek." Third-party plug-in "CamelCamelCamel" will let you track products' prices and alert you when these items become cheaper. This service also shows you the historical prices for that Amazon listing, so you can see if you're getting a genuine bargain or not.

Shop at Whole Foods First: If you are a frequent shopper at Whole Foods Market, you can receive a \$10 credit to use on Prime Day when you spend \$10 from July 11-17th.

Decide What You Want In Advance: When Prime Day officially starts, a barrage of deals will take over the site: The company announces certain discounts at the top of every Amazon page you open. Some of these deals are insanely good, and can be extremely tempting if you don't have a specific shopping list planned and in place.

Build A Wish List: When you add an item to your list, Amazon will gain more knowledge about your interests, which lets it send you specialized offers: On the app, head to Settings > Notifications > Your Recommendations, and Amazon will send you push notifications when it has a new discount on something it thinks you'll like. However, if you prefer to protect your privacy, then you probably shouldn't be on Amazon at all...but at the very least, you should avoid making wish lists.

Help Seeing Deals: A blue Prime Day Deal label will appear next to all discounted items, both on their individual pages and when they crop up in search results. You can also create a different kind of list on Prime Day. Amazon will preview certain deals before they become available, and you may encounter offers that you're unsure about but want to keep tracking. If an interesting discount crops up, click or tap the Watch this deal button next to it. When a deal on this watchlist goes live, you can receive a notification. To do this on the app, go to Settings > Notifications > Your Watched & Waitlisted Deals and enable the alert.

Big TV Sales: Amazon always has several eye-catching HDTV discounts every Prime Day. These are only announced at the last minute and often involve smaller brands, so be sure to do your research before hitting the buy button. That said, Amazon in the past has offered 32 inch HDTV's for \$75 and 40 inch TV's for \$120. I suspect the same or better this year!

Smart Home Items: I've heard talk that many "smart home" items like "smart locks", "smart thermostats", security cameras, etc... will be on sale.

Headphones & Speakers: There's talk that most all headphones, including Beats, and speakers will be at big bargains.

Cool Gift Gadgets: Lots of things like drones, dash cameras, hover boards, Go Pro's, etc... at big discounts.

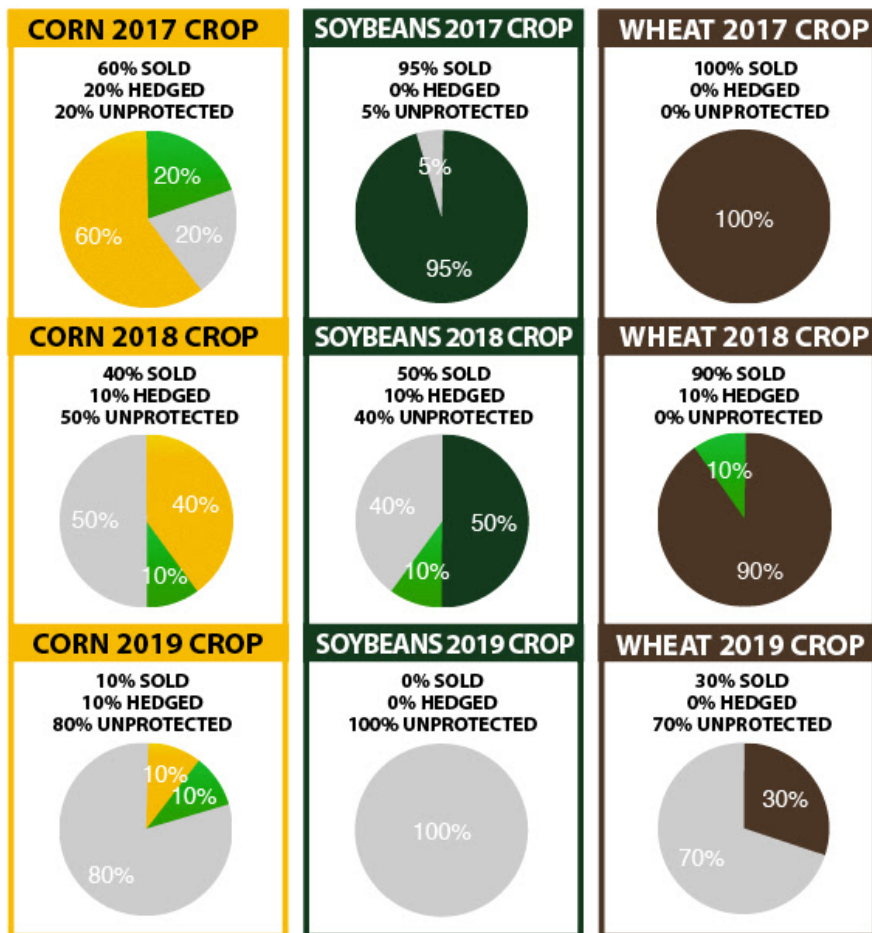
If Your Looking To Give An Amazon Gift: Amazon devices usually see their lowest prices on Prime Day, so now is the perfect time to get a new Kindle, Echo, or Fire tablet. If your thinking about giving something like this to the kids or grandkids, don't wait for Black Friday or Cyber Monday, this will probably be your best pricing.

Don't Forget To Check The Competitors: As many companies try to compete with Amazon, places like eBay, Dell, Gamestop, Newegg and many others are having Prime Day sales of their own, and starting to offer big discounts some of the discounts. I know it sounds crazy, but you might actually find some better blow-out sales those two days on a competitors site. Bottom-line, next Monday and Tuesday might be our window of opportunity to lock in some of the best shopping prices of the year.



ANSWER to riddle: A fish hook.

CASH SALES & HEDGING TOTALS



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