

## GOOD MORNING: 08/07/18 Farm Direction - Van Trump Report

1 message

**The Van Trump Report** <reply@vantrumpreport-email.com>

Tue, Aug 7, 2018 at 7:03 AM

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"Knowledge comes from the past, so it's safe. It is also out of date. It's the opposite of originality. Experience is built from solutions to old situations and problems. This is lazy. Experience is the opposite of being creative. If you can prove you're right you're set in concrete. You cannot move with the times or with other people. Your mind is closed. You are not open to new ideas." - Paul Arden

**TUESDAY, AUGUST 07, 2018**
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**Morning Summary:** Stocks continue to steadily climb and remain within striking distance of all-time highs, despite ongoing trade disputes, global economic uncertainties, and a strong U.S. dollar. Impressive U.S. corporate earnings continue to keep stock prices well supported. A couple of big names reporting today are Disney and Snap. The trade is also eager to see the latest U.S. mortgage delinquency data from the Mortgage Bankers Association. There's just not a lot of economic data scheduled for this week. The big ticket items look like Chinese inflationary data out Wednesday night, and here at home, Friday's Consumer-Price-Index. From a macro perspective, bears are saying as trade tariffs have moved from rhetoric to action, the global supply chain is just now starting to feel and notice some negative changes. China, Europe and Mexico's economies showed fresh signs of stumbling last week. The trade is also wanting to figure out what the sanctions on Iran are going to mean for oil, global economies and trade going forward. Don't forget, Ohio's 12th District is holding a special congressional election today that is being highly watched and monitored by the trade. The resignation of Republican Representative Pat Tiberi forced the special election. It's now Republican Troy Balderson running against Democrat Danny O'Connor. This is important because many consider it the last set of tea leaves before the highly anticipated November mid-term elections. Traditionally, Ohio's 12th district has voted heavily for Republican's, but recent polls show the Democrats are making it a somewhat close race. Several top political insiders are now saying the battle between Balderson and O'Connor could be a good illustration of what we'll see coming up in the fall mid-terms. This makes the trade very interested in watching how it all plays out. Many are saying most of the votes that will be cast won't be directly for either of the men actually running as candidates. Instead, Democratic candidate O'Connor will be receiving the majority of his votes from people who are simply voting against President Trump. Most of those casting votes for Republican candidate Balderson will simply be voting to show approval for President Trump and attempting to offset the so called "blue wave". Let's also keep in mind, the district is the home of Republican Gov. John Kasich, who butted heads with Trump during the 2016 presidential campaign. That's kind of important because Kasich's base lies in this District and might be reluctant to show up and cast a vote for Trump. From what I understand, there will be 66 congressional elections coming up in the November mid-terms where Republicans hold the current seat, but are in a District that tends to be less of a Republican stronghold than Ohio's District 12. In other words, considering the Democrats need to pick up just 23 seats, if they get the victory in Ohio tonight, it will make the market believe they have a real chance of making it happen in November. The current balance is 236 seats for Republicans, 196 seats for Democrats, and 6 vacancies.

**Berkshires \$111 Billion Cash Surplus Might Be Telling Us Something?** *The trade is really starting to speculate on what Warren Buffett's Berkshire Hathaway is going to do with the massive cash surplus they are now sitting on. Berkshire's profits rose +67% for the second quarter and now the company is sitting on +\$111 billion in cash. Buffett said in his most recent shareholder letter that he was having difficulty finding good acquisitions at sensible prices. This is leading many analyst to think the company will soon start a massive stock buy-back program. Russ Mould, an investment director at AJ Bell, made an interesting statement, "M&A tends to peak when animal spirits are running high and often when executives feel*

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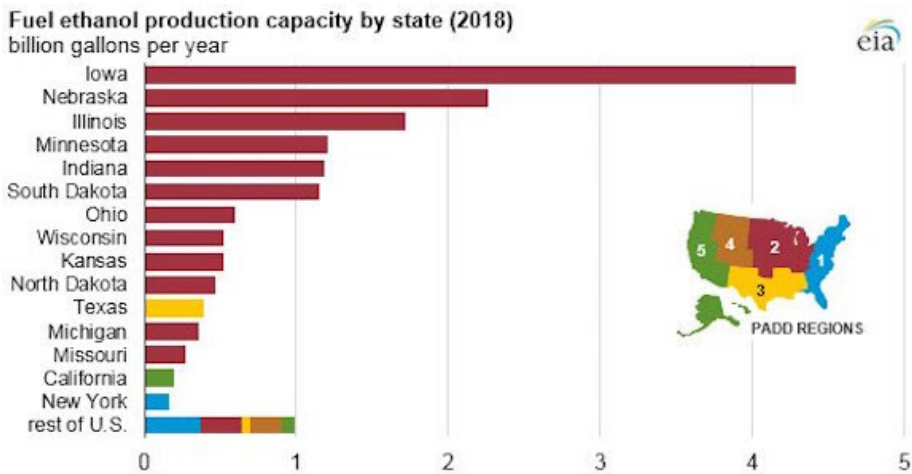
Innovations  
that will be  
changing & shifting  
the farm industry

their own shares are expensive enough to make them a valuable acquisition currency ... it is noticeable how Berkshire Hathaway's cash pile grew in 1998-1999, just ahead of the 2000 tech bubble and stock market bust, and again in 2005 to 2007, as markets again became frothy." You can read more [HERE](#) at Business Insider.

**How this woman went from a Pizza Hut employee to a founder of a \$4 billion startup** ! When Nichole Mustard found herself adrift after college, she made a simple promise to herself: Be happy. Time and again, that choice led her to revamp her life and start over. Ten years ago, it led her to sell her house, take a 60% pay cut, and move her family across the country to found Credit Karma, a startup that today employs 800 people and is valued at \$4 billion. Her career offers a valuable lesson: Focus on being happy! I honestly think some people never learn how to truly be "happy", instead basing most everything around money and how they can get more. You can read the rest of the story [HERE](#)

**Zillow Will Now Be offering Mortgages:** Online real estate powerhouse Zillow will start offering mortgages. The company said it acquired Mortgage Lenders of America. The move comes just months after Zillow said it would also start flipping houses. (Source: Wall Street Journal)

**Who's Producing the Most Ethanol?** Most of the U.S. fuel ethanol production capacity is located in the Midwest region. Total nameplate capacity in the Midwest was 14.8 billion gallons per year at the beginning of 2018, up +5% from January 2017. Read more at [eia.gov](#)



neuro mining

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

**TODAY'S RIDDLE:** Forward I am heavy, but backward I am not. What am I?

**Weather** has showers and thunderstorms stretching from the Great Lakes region into the Southwest, which will make there way to the southeast over the next day or two. You can expect 5-day rainfall totals to reach 1-3 inches in many areas. Isolated showers will move through the lower Southeast, while dry weather can be expected through week's end in California, the Great Basin, and most areas from the Pacific Northwest into the upper Midwest. Unfortunately, the heat will remain throughout the

the farm industry.

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

- John Wooden

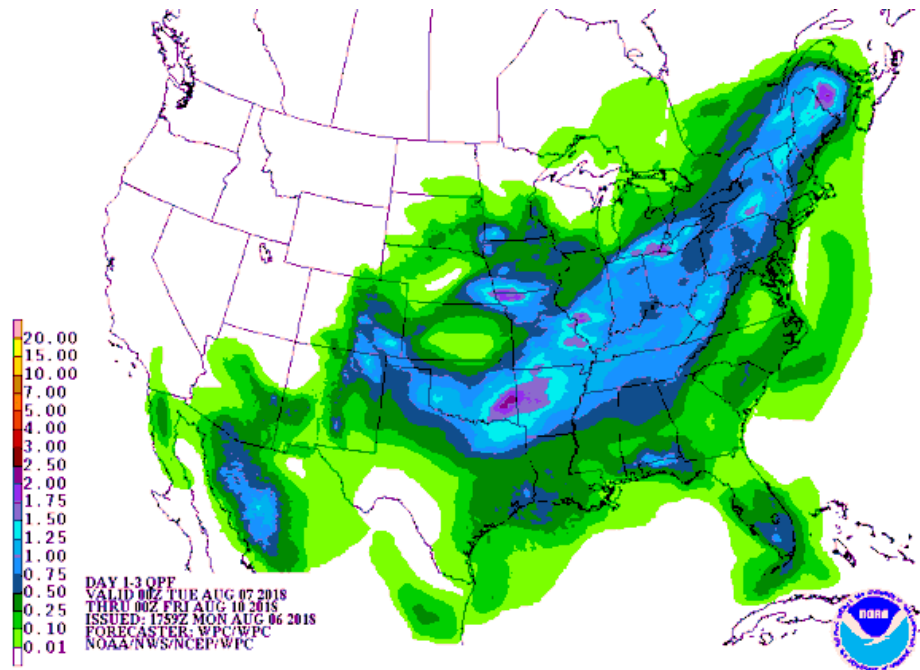
The

VAN TRUMP

Report

Co-hosted by:

week in California and the Northwest as thousands of firefighters battle one of the largest fires in the history of the state. Longer-term, warm weather will continue across much of the northern and western U.S., with below-normal temperatures will settle in the South. As you can see below, it looks like wetter than normal conditions across the southern half of the U.S. will contrast with near to below normal rainfall in the North.



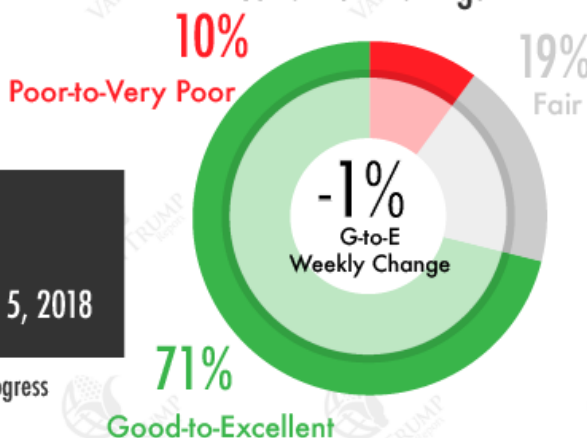
**Corn** prices are slightly higher this morning as traders continue to debate U.S. yields. Bears are saying recent rains have helped ease some of the stress in areas that have been battling the elements. Bulls are saying the rains have missed several important areas and the extreme heat is now clearly causing some complication. There's also talk that crops might underperform a bit as many have been hurried through the finishing cycle, ultimately pushing the crop to early maturity. From my perspective, it's all location, location, location. I have talked to many producers in several states who are estimating they will harvest their best crop ever. At the same time, there are others in similar locations who are telling a different story and talking about perhaps a more serious yield drag. The USDA decided to pull their weekly ratings back a bit with total conditions falling from 72% rated "Good-to-Excellent" down to 71%. States deteriorating the most were: Pennsylvania -10%; Missouri -7%; North Dakota, South Dakota and Texas -5%; Iowa and Tennessee -3%; Kentucky and Minnesota -2%; Nebraska -1%. Wisconsin was left "unchanged". Illinois, Kansas and Michigan up +1%; Indiana +2%; Ohio and North Carolina +5%; Colorado +9%. U.S. corn in the "dough" stage is reported at 57% vs. the 5-year average of 37%. Corn in the "dented" stage was reported at 12% vs. the 5-year average of 6%. There's no question the crop is running ahead of schedule.

## Corn Crop Condition Ratings

**Week 31**  
week ending August 5, 2018

Source: USDA, NASS Crop Progress

### 2018 U.S. Corn Condition Ratings



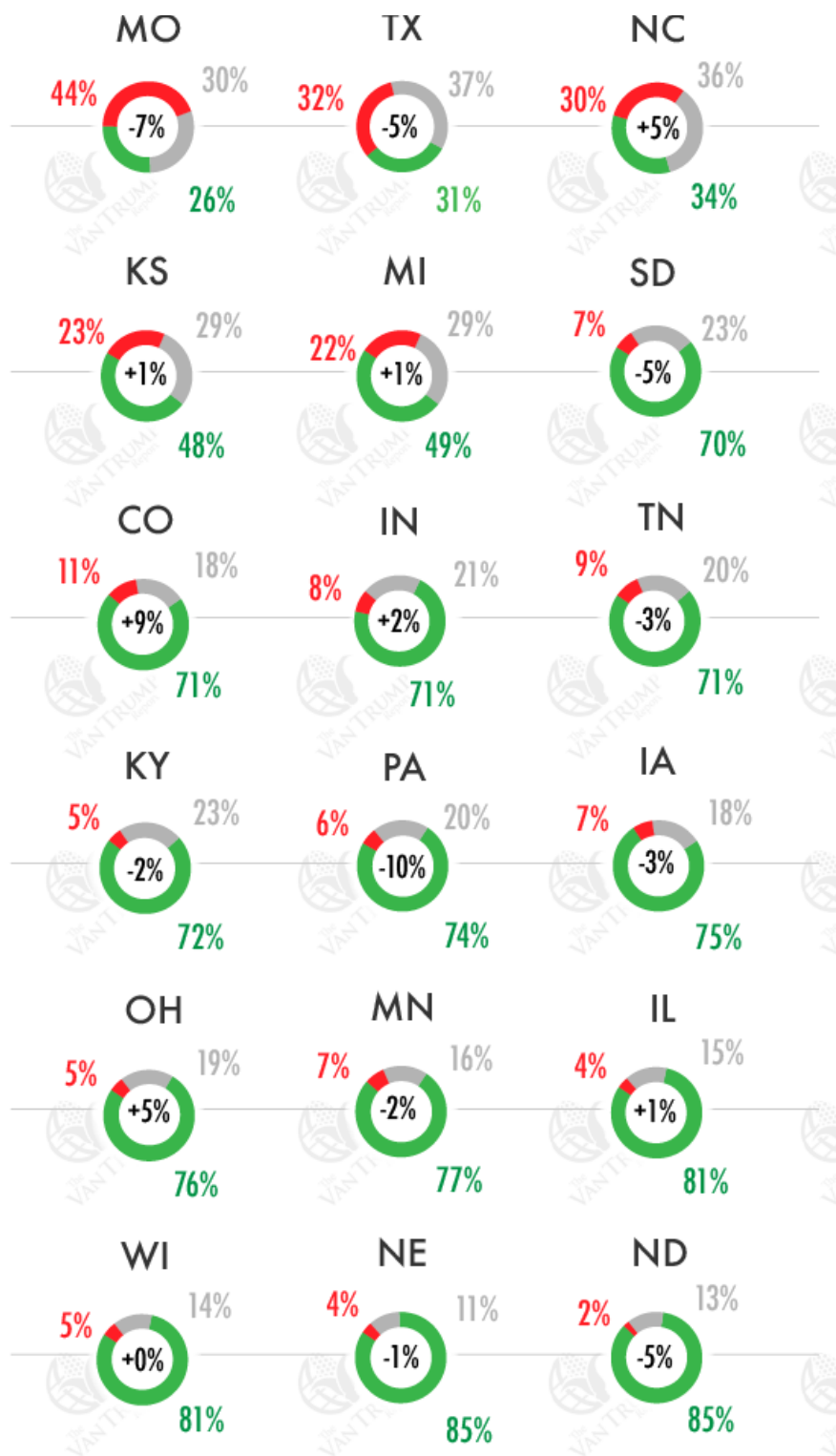
### Today In History



**1947, Thor Heyerdahl** - Norwegian anthropologist Thor Heyerdahl, completes a 4,300-mile, 101-day journey from Peru to Raroia in the Tuamotu

Archipelago, near Tahiti aboard Kon-Tiki, a balsa wood homemade raft. Heyerdahl wanted to prove his theory that prehistoric South Americans could have colonized the Polynesian islands by drifting on ocean currents. Kon-Tiki demonstrated that it was possible for a primitive raft to sail the Pacific with relative ease and safety, especially to the west (with the trade winds). The raft proved to be highly maneuverable, and fish congregated between the nine balsa logs in such numbers that ancient sailors could have possibly relied on fish for hydration in the absence of other sources of fresh water. Heyerdahl and his five-person crew set sail from Callao, Peru, on the 40-square-foot Kon-Tiki on April 28, 1947. The Kon-Tiki, named for a mythical white chieftain, was made of indigenous materials and designed to resemble rafts of early South American Indians. While crossing the Pacific, the sailors encountered storms, sharks and whales, before finally washing ashore at Raroia. Heyerdahl, born in Larvik, Norway, on October 6, 1914, believed that Polynesia's earliest inhabitants had come from South America, a theory that conflicted with popular scholarly opinion that the original settlers arrived from Asia. Even after his successful voyage, anthropologists and historians continued to discredit Heyerdahl's belief. However, his journey captivated the public and he wrote a book about the experience that became an international bestseller and was translated into 65 languages. Heyerdahl also produced a documentary about the trip that won an Academy Award in 1951. Following the Kon-Tiki expedition, Heyerdahl made archeological trips to such places as the Galapagos Islands, Easter Island and Peru and continued to test his theories about how travel across the seas played a major role in the migration patterns of ancient cultures. In 1970, he sailed across the Atlantic from Morocco to Barbados in a reed boat named Ra II (after Ra, the Egyptian sun god) to prove that Egyptians could have





**Soybean** bulls are happy to see the USDA finally reducing their crop-condition estimate. Prices were up double-digits in the overnight, but continue to trade around the \$9.00 level. Weekly ratings fell from 70% rated "Good-to-Excellent" last week down to 67% this week. States deteriorating the most are: North Dakota -9%; North Carolina -8%; Missouri -6%; Kentucky and Mississippi -5%; South Dakota -4%; Iowa and Tennessee -3%; Minnesota and Nebraska -1%; Illinois, Kansas and Louisiana "unchanged"; Indiana and Wisconsin +1%; Arkansas +2%; Michigan +3%; Ohio +7%. Soybeans "blooming" are reported at 92% vs. the 5-year average of 86%. Soybeans "setting pods" were reported at 75% vs. the 5-year average of 58%. From a historical perspective, I don't like reading that NOV soybeans tend to deteriorate in price from now through early-October. I'm hoping this year bucks the trend. I suspect a lot will depend on remaining August weather and how Chinese trade talks progress in Washington. I still see more extreme volatility on the horizon. Many professional

connected with pre-Columbian Americans. In 1977, he sailed the Indian Ocean in a primitive reed ship built in Iraq to learn how prehistoric civilizations in Mesopotamia, the Indus Valley and Egypt might have connected. While Heyerdahl's work was never embraced by most scholars, he remained a popular public figure and was voted "Norwegian of the Century" in his homeland. He died at age 87 on April 18, 2002, in Italy. The raft from his famous 1947 expedition is housed at the Kon-Tiki Museum in Oslo, Norway.



**1990, Desert Shield** - President George Herbert Walker Bush orders the organization of Operation Desert Shield in response to

Iraq's invasion of Kuwait on August 2. The order prepared American troops to become part of an international coalition in the war against Iraq that would be launched as Operation Desert Storm in January 1991. To support Operation Desert Shield, Bush authorized a dramatic increase in U.S. troops and resources in the Persian Gulf. Iraqi dictator Saddam Hussein calculated incorrectly that the United States and the United Nations, who were closely tracking Iraq's military buildup along Kuwait's borders, would not try to stop him. However, when Iraqi ground forces entered Kuwait on August 2, 1990, President Bush immediately proclaimed that the invasion "would not stand" and vowed to help Saudi Arabia and Kuwait in their efforts to force the Iraqis from Kuwaiti land. On November 29, 1990, the United Nations Security Council authorized the use of "all means necessary" to remove Hussein's forces from Kuwait, giving Iraq the deadline of midnight on January 16, 1991, to leave or risk forcible removal. After negotiations between U.S. Secretary of State James Baker and Iraq's foreign minister, Tariq Aziz, failed, Congress authorized President Bush to use American troops in the coming conflict. Just after midnight on January 17 in the U.S., Bush gave the order for U.S. troops to lead an international coalition in an attack on Saddam Hussein's army. U.S. General Norman Schwarzkopf led "Operation Desert Storm," which began with a massive bombing of Hussein's armies in Iraq and Kuwait. The ensuing campaign, which is remembered in part for the United States' use of superior military technology, introduced the term "smart bombs" to the global vernacular—precision-bombing devices aimed primarily at destroying infrastructure and minimizing civilian casualties. In response, Hussein launched SCUD missiles into Saudi Arabia and Israel. Iraq's use of SCUDs, notoriously inaccurate weapons designed to terrorize civilian targets, nearly succeeded in inciting the Israelis to retaliate. Hussein hoped an Israeli military response would draw neighboring Arab nations into the fight on Iraq's side, but he again committed a grave miscalculation. Bush reassured Israelis that the U.S. would

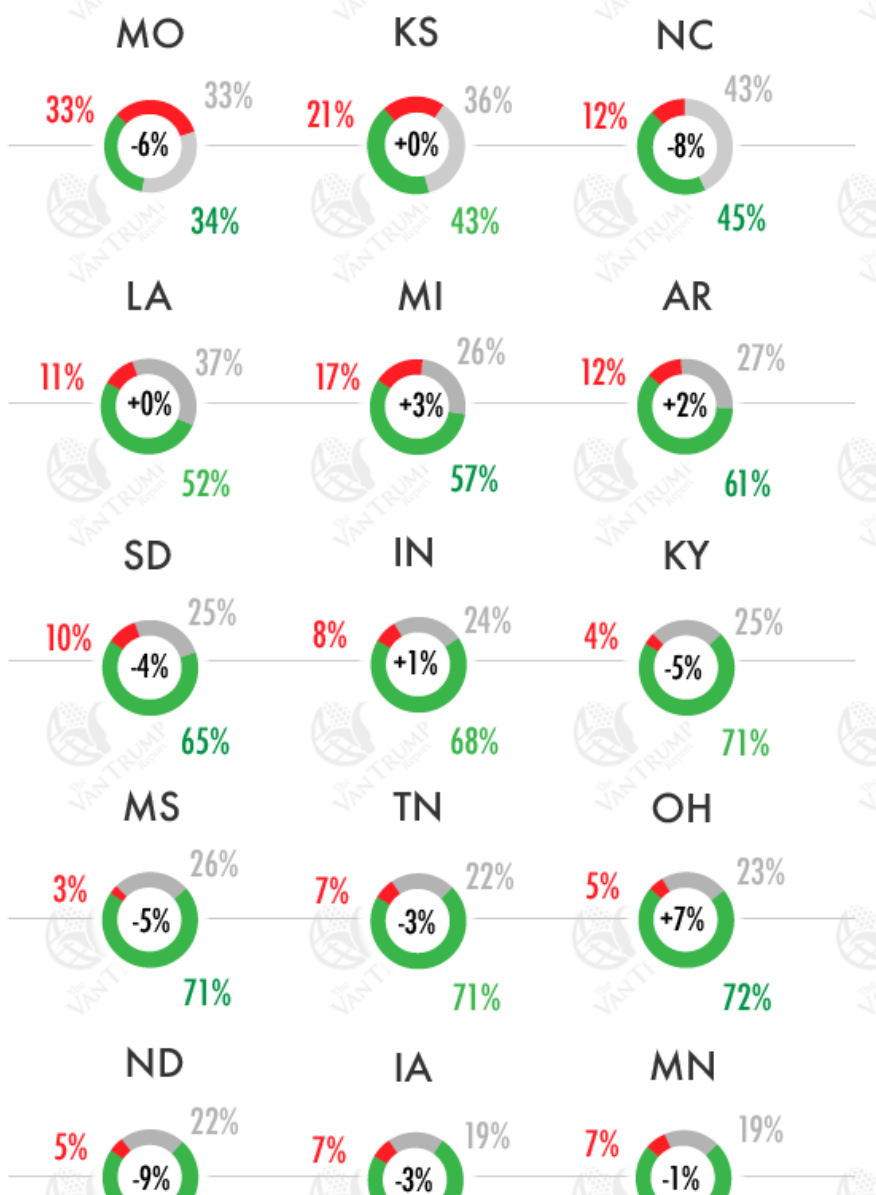
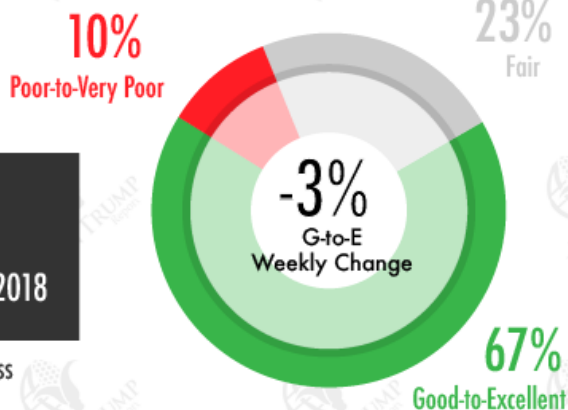
traders still see an easy -\$1.00 move to the downside on further deterioration in Chinese trade talks and a cooperative U.S. weather. On the flip side, many professional bulls are talking about +\$1.00 immediately added to the upside should trade talks produce an agreement and or U.S. weather deteriorates more rapidly in the weeks ahead. Bottom-line, nobody really knows the direction of the next \$1.00 move in this market, but traders continue to believe the wild swings are still in play.

# Soybean Crop Condition Ratings

**Week 31**  
week ending August 5, 2018

Source: USDA, NASS Crop Progress

## 2018 U.S. Soybean Condition Ratings



protect them from Hussein's terrifying SCUD attacks and Israel resisted the urge to retaliate. Soon after, U.S. -installed Patriot missiles destroyed SCUD missiles in flight and further foiled Hussein's plan to goad Israel into a holy war.

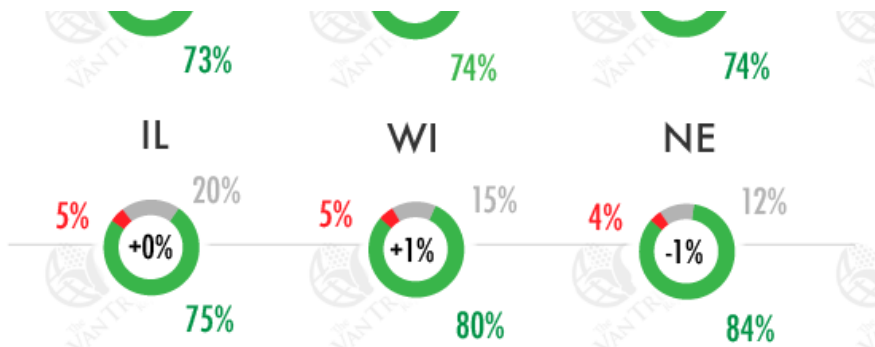
Following an intense bombing of Baghdad, U.S.-led coalition ground forces marched into Kuwait and across the Iraq border. Regular Iraqi troops surrendered in droves, leaving only Hussein's hard-line Republican Guard to defend the capital, which they were unsuccessful in doing. After pushing Hussein's forces out of Kuwait, Schwarzkopf called a ceasefire on February 28; he accepted the surrender of Iraqi generals on March 3.



### 2005, Russian Sub Rescued

- Russian Priz AS-28 mini-submarine, with seven crew members on board, is rescued from deep in the Pacific Ocean.

On August 4, the vessel had been taking part in training exercises in Beryozovaya Bay, off the coast of Russia's far-eastern Kamchatka peninsula, when its propellers became entangled in cables that were part of Russia's coastal monitoring system. Unable to surface, the sub's crew was stranded in the dark, freezing submarine for more than three days. At 1 p.m. on August 4, the Priz, trapped at 190 meters below the ocean surface, issued a mayday call. The Russian navy soon began to organize a rescue mission, asking for help from the United Kingdom, United States and Japan. In the ensuing days, the three countries mobilized rescue crews for the trip to eastern Russia. Initially, Russian admiral Fedorov first discussed using explosives to cut the antenna but those tactics were never employed. Then the Russian oceangoing tugs MB-105 and KIL-168 instead attempted to lift the stricken craft to the surface using underslung cables. This attempt proved futile as well, meanwhile, to conserve energy and oxygen, the crew of the AS-28 shut down the submarine's non-essential systems (including the heater), donned thermal suits, and rested. Finally, with fears mounting that the trapped crew's oxygen supply would soon run out, the six-man crew of a British-owned-and-operated Scorpio-45 rescue sub arrived and was able to cut the sub loose. All seven on board, which included six Russian navy seamen and one representative of the company that made the sub, survived the ordeal. The Priz incident occurred just five years after the Kursk, a Russian nuclear submarine, sank, killing all 118 people on board. In that disaster, the Russian government had delayed asking for outside help for some 30 hours and was widely blamed for the sailors deaths. As the disaster unfolded, Russian President Vladimir Putin stunned the public by failing to address the nation and even refused to cut short his vacation in light of the tragedy. It's worth noting that although Russians everywhere were relieved and happy that the Priz was successfully rescued, others could not believe that the Russian navy had not acquired its own rescue

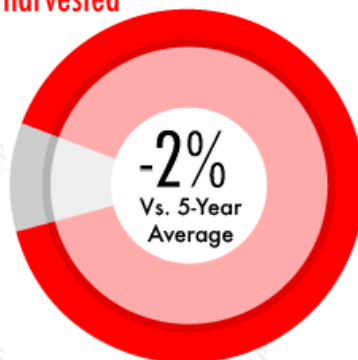


**Wheat** prices are once again higher this morning as bulls continue to talk about dry conditions and scorching heat moving across the European Union and other global weather complications. There's continued weather uncertainties in parts of Russia, Ukraine, Australia, Canada, China and India. Parts of Australia are actually enduring their worst drought in recent memory, while areas of India are reporting a -50% monsoon. Here at home, the latest weekly USDA crop condition data shows Spring Wheat down -4%, from 78% down to 74% rated "Good-to-Excellent". While this is much better than last year, it's still a more sizable deterioration than most in the trade where looking for. The U.S. Winter Wheat harvest is reported as 90% complete, which is slightly behind what most in the trade where forecasting. Arkansas, Illinois, Indiana, Kansas, Missouri, North Carolina, Ohio, Oklahoma and Texas are all 100% complete; Montana is 44% complete vs. 61% average; Washington is just 49% complete vs. 60% on average. The U.S. Spring Wheat harvest is now seen at 13% complete vs. 14% on average. States running furthest behind are: Washington 16% complete this year vs. 30% on average; Idaho 6% complete vs. 18% average; Montana 8% complete vs. 12% average. North Dakota and Minnesota are 8% and 13% complete, which are right on their traditional pace; South Dakota is the only state running well ahead of schedule with 52% complete vs. 36% average. I remain a conservative bull, believing there is still more upside.

## Winter Wheat Harvested

### 2018 U.S. Winter Wheat Harvested Percentage

90% harvested



**Week 31**  
week ending August 5, 2018

Source: USDA, NASS Crop Progress

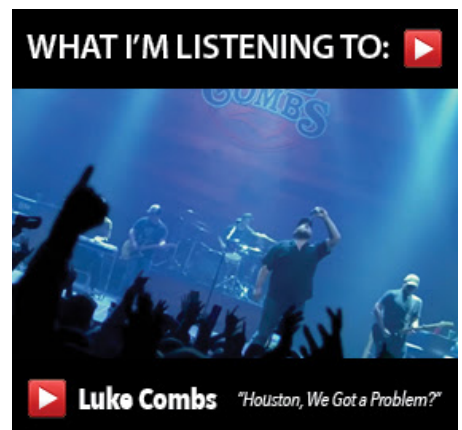


equipment in the five years since the Kursk tragedy. For many, the Priz incident highlighted the effect of a decade of decay on the once-mighty Russian military.

#### Upcoming Events

- 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
- 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





## 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



> **U.S. Beef & Pork Exports Still Strong In June:** A record setting 272.6 million pounds of beef was exported from the U.S. in June. The number fell just short of an all-time high for any month of 272.8 million pounds in May. I'm told that beef exports were up almost 37 million pounds from year-earlier levels. Essentially, the first half of the year was up close to 15% compared to last year. Pork exports totaled 454.3 million pounds in June, which was the second highest on record for the month behind 2008's 461.3 million pounds and up 6.0 million pounds from last year.

> **Cotton Conditions Continue To Disappoint The Trade:** Cotton conditions dropped another 3% this week to 40% down from a year earlier at 57%. What's interesting is poor to very poor is over double the 14% a year earlier at 32% and up 2% on the week.

> **Canada Sees New Record For Exports:** Canada posted a new record for exports of its major grains and oilseeds in 2017-18 at 41.9 million tonnes, which compared with 41.6 million tonnes the prior year, according to a report from the Canadian Grain Commission. The total was well above the five-year average of 39.1 million tonnes, the report said. Significant increases in wheat and barley exports made up for a decline in canola sales, the Commission said. (Source: WorldGrain)

> **China Switches To Lower Protein... Cuts Soybean Imports:** China can cut its soybean imports by 10 million mt in 2018 by expanding the use of low-protein feed, increasing imports of soy meal substitutes and by upping its domestic soybean production, researchers at the Chinese Academy of

Sciences said Monday. The research showed that lowering the share of protein in animal feed, providing four specific amino acids were added to the feed, would not have a significant effect on the output or quality of chicken and pork. (Source: Agricensus)

> **Savage And Bartlett Complete Merger:** Supply chain provider Savage Companies and grain and milling firm Bartlett and Company have completed the merger of their businesses to form a combined entity, Savage Enterprises. The merger aligns two of the largest privately-held, family-owned companies in North American agricultural and energy supply chain markets, each with decades of experience providing transportation, logistics and materials management services. The combined businesses have nearly 4,800 Team Members with about 280 locations across the United States, Mexico, Canada and Saudi Arabia. (Source: FeedandGrain)

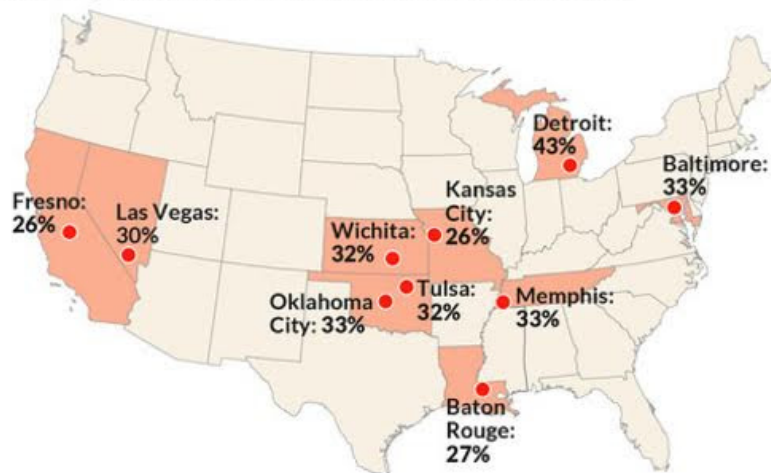
> **Our Luggage May Be Hyperlooped Before We Are:** International port operator DP World and Virgin Hyperloop One are collaborating to launch ultra-fast hyperloop for cargo, in what they hope will revolutionize both the speed and cost of commerce. DP World Cargospeed is designed to deliver goods at speeds of up to 620 miles per hour and link to existing roads, rail and air infrastructure. (Source: CNBC)

> **China Beating U.S. In 5G:** Since 2015, China has outspent the U.S. by +\$24 billion in 5G infrastructure, potentially creating a "tsunami" that will be difficult to catch up with, according to a new study by Deloitte. China has built 350,000 new cell sites, while the U.S. has built fewer than 30,000 in the same time frame. 5G would support connected infrastructure in cities, including driverless cars, and make it possible for people to stream high-bandwidth video. (Source: SeekingAlpha)

> **How To Become A First Time Homeowner Without Living There:** Launched in late 2015, Roofstock is one of the leading platforms for the burgeoning market in single-family-house rentals for long-distance investors. While there have been landlords for as long as there's been property, this particular market moved in a different direction in the aftermath of the housing crisis, when large institutional investors like Blackstone began scooping up houses by the thousands at fire-sale prices in order to rent them out. Read more [HERE](#).

## America's houses are for rent

Percent of single-family homes that are non-owner-occupied



Source: Attom Data

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.

## FROM THE FIELD

**Southeast Iowa** - We look pretty good, but we sure could have used some of that rain from last night to give everything a drink. We've got a chance tonight again but doesn't look to be wide spread. The corn and soybeans look okay right now. If we do get an inch or so in the next week, I think we'll be looking at above average on most the crop. If we don't get a drop, I can see our crop fading to lower yields, especially the soybeans. I'm headed to Okoboji Lake Thursday afternoon for a few days, so I'll be able to take a little crop tour before the big boys do and see how things look up in the flat country. I have heard the green snap goes almost all the way across the state to Okoboji Lake. I think we will get a better look at how bad this green snap really is when they tour western Iowa.



**Northern Illinois** - I think it can be said that it is an assumed fact that fuller season corn will out yield an earlier corn. This year the corn all tasseled between July 4 and July 10. At that time, we had near perfect soil moisture. Now the rain has shut off and we could really use a rain. If in a normal year the fuller season corn will fill the kernel for a longer period. Will this year the yield difference between maturities closer because the shorter season corn was able to fill during a time where there was not moisture stress while the fuller season corn is under stress during its later fill time. Not sure I am asking this correctly, so I hope you know what I mean.

**Northcentral Illinois** - We are about 60 miles south of Chicago, the corn has looked good all year. In fact, we were thinking this yield has a good chance to handily beat last year. I have been out of town the last two and half weeks on vacation and I came back to brown grass in my front yard. I shut my sprinkler system off because it has been such a waste this year considering we have been getting rain every 3rd to 4th day until I left on vacation. We were out in the fields last night and we noticed the corn on the very best ground had leaves firing on the bottom. There really hasn't been a lack of moisture until the last 3 weeks. We have had ample rain or worse case too much rain at some points. The corn has literally not even been rolling during the day and still isn't. It's simply shedding the bottom two leaves, which I personally think might have something to do with shallow roots. Corn is in full dent now, so it could trim some bushels off, but we are not worried just yet. We are a little concerned that this heat will knock bean yield down a touch though.

## CROSSING WIRES

A place to share intelligent thoughts...

**Recycle Track Systems Is The "Uber" For Food Waste:** Recycle Track Systems (RTS) offers up environmentally focused waste removal and recycling by connecting its clients with independent haulers. Its major selling point, however, takes a page out of Uber's driving manual, using technology that tracks trash from pickup to drop-off. The startup aims to take food waste straight to the farm where it is converted to soil. Waste with high potential to be laced with plastic gets sent to a facility to be cleaned. From what I understand, RTS's current list of clients includes Whole Foods, the Barclays Center, Citi Field, SoulCycle, WeWork, the Washington Nationals and the D.C. United. Read more [HERE](#) to see how pairing technology with green initiatives is making for good business.

**How Do We Come Up With New Ideas:** According to the latest research, we take already great ideas and just arrive at even greater ideas. While that might not be the most scientific explanation of creativity, neuroscientist and a New York Times bestselling author David Eagleman posits that we arrive at these great ideas by breaking, bending, and blending pre-existing ideas until we get new ones. It sounds too simple to be true, but you can watch his short video [HERE](#), where he provides some interesting examples to prove his point. You might find great ideas are easier to create than you thought.

**Where Are America's Most Sustainably Powered Cities?** Real estate site Commercial Cafe has organized a city's sustainability status by measuring how much of their energy comes from green sources, and determining its total carbon emissions from activities like transportation. And of course, because its focus is commercial real estate, the results also take into account how green building practices have or have not advanced in the cities. Each city was awarded a score between 0 and 100-100 being the best-for its efforts in advancing sustainability. Read more [HERE](#) and see where your state currently stands.

**Is Anybody Out There?** A mysterious radio signal has been spotted by a telescope in Canada, and it's one of the lowest in frequency to date. Details of the signal were posted to The Astronomer's Telegram, a website where accredited astronomers can post observations. An observation posted last week by Patrick Boyle from Canada's McGill University finds a radio telescope called the Canadian Hydrogen Mapping Intensity Experiment (CHIME) discovered a fast radio burst, which are short bursts of radio waves coming from beyond the Milky Way Galaxy. Read more [HERE](#).

**What Are The Most Popular Mobile Apps In Developed Countries?** According to Marketing Resources Incorporated, which sifted through insights from mobile app data platform App Annie, it's not the most popular mobile app in any of the 25 developed or populous countries it researched. The messaging app WhatsApp, which is owned by Facebook, actually tops the list in several countries, as does the basketball game Dunk Line. And strangely, in Germany the two most popular apps are McDonald's apps. Here's an infographic created by MRI which lays it all out, according to country. Click [HERE](#) for a larger graphic.



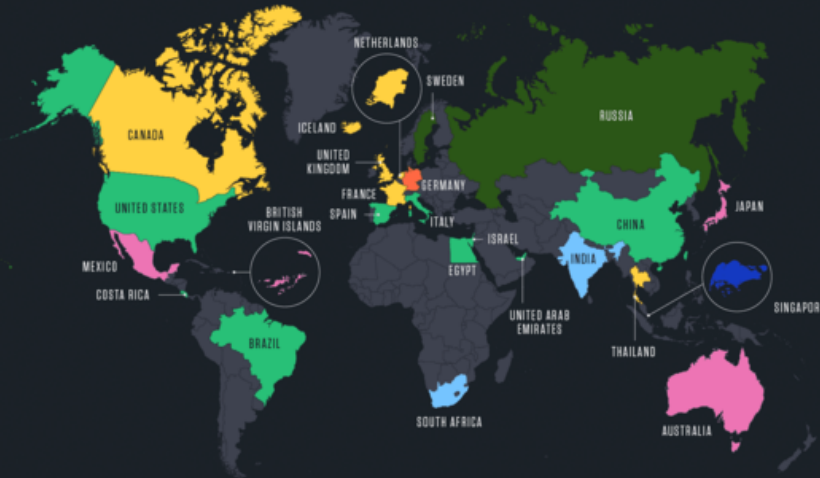
# APPS OF THE WORLD

The top 5 most popular apps in 25 different countries around the world based on insights from mobile app data platform App Annie.

## CATEGORIES

- Communication
- Social
- Business & Finance
- Travel & Navigation
- Food & Drink
- Shopping
- Music & Entertainment
- Games

## MOST POPULAR CATEGORIES BY COUNTRY



## TOP 5 POPULAR APPS BY COUNTRY

- COMMUNICATION
- SOCIAL
- BUSINESS & FINANCE
- TRAVEL & NAVIGATION
- FOOD & DRINK
- SHOPPING
- MUSIC & ENTERTAINMENT
- GAMES

### AUSTRALIA

- 1 Instagram
- 2 Messenger
- 3 Bitmoji
- 4 Dunk Line BASKETBALL GAME
- 5 Baseball Boy!

### BRAZIL

- 1 Whatsapp
- 2 Instagram
- 3 Facebook
- 4 Messenger
- 5 YouTube

### BRITISH VIRGIN ISLANDS

- 1 Whatsapp
- 2 Facebook
- 3 SoundCloud
- 4 Topface DATING
- 5 Messenger

### CANADA

- 1 Dunk Line BASKETBALL GAME
- 2 PC Optimum
- 3 Instagram
- 4 Messenger
- 5 Bitmoji

### CHINA

- 1 抖音短视频 VIDEO SHARING
- 2 绝地求生 BATTLEFIELD GAME
- 3 WeChat
- 4 QQ CHAT & CALL
- 5 Alipay MOBILE PAYMENT

### COSTA RICA

- 1 Whatsapp
- 2 AliExpress
- 3 Uber Eats FOOD DELIVERY
- 4 Messenger
- 5 YouTube

### EGYPT

- 1 Musical.ly
- 2 FindNow
- 3 Whatsapp
- 4 Messenger
- 5 Facebook

### FRANCE

- 1 Bitmoji
- 2 Knife Hit
- 3 Whatsapp
- 4 Snapchat
- 5 Messenger

### GERMANY

- 1 McDonald's Deutschland OFFICIAL McDONALD'S
- 2 McDonald's Bonn Gutscheine App McDONALD'S COUPONS
- 3 Whatsapp
- 4 Dunk Line BASKETBALL GAME
- 5 Enlight PHOTO EDITING

### ICELAND

- 1 Dunk Line BASKETBALL GAME
- 2 Аудиокниги Storytel AUDIOBOOKS
- 3 Meniga
- 4 Keeper!
- 5 Fight List 2

### INDIA

- 1 WhatsApp
- 2 YouTube
- 3 Facebook
- 4 Instagram
- 5 Messenger

### ISRAEL

- 1 MY OFER SHOPPING DISCOUNTS
- 2 Dunk Line BASKETBALL GAME
- 3 Whatsapp
- 4 Instagram
- 5 YouTube

### ITALY

- 1 WhatsApp
- 2 FaceApp FACE MORPHING
- 3 Instagram
- 4 Wish
- 5 YouTube

### JAPAN

- 1 Knives Out
- 2 LINE CALLS & MESSAGING
- 3 YouTube
- 4 Musica MUSIC STREAMING
- 5 Instagram

### MEXICO

- 1 Whatsapp
- 2 Messenger
- 3 Facebook
- 4 YouTube
- 5 Spotify

### NETHERLANDS

- 1 Whatsapp
- 2 Woord Kruis
- 3 funda REAL ESTATE
- 4 Tikkie
- 5 Knife Hit

### RUSSIA

- 1 Telegram Messenger
- 2 Сбербанк Онлайн BANKING
- 3 Whatsapp
- 4 Banknotes 2017 BANKING
- 5 Instagram

### SINGAPORE

- 1 战国时代OL BATTLEFIELD GAME
- 2 ofo SMART BIKE SHARING
- 3 WhatsApp
- 4 Mobike SMART BIKE SHARING
- 5 Grab RIDE-SHARING

### SOUTH AFRICA

- 1 WhatsApp
- 2 YouTube
- 3 Instagram
- 4 Truecaller CALLER ID

### SPAIN

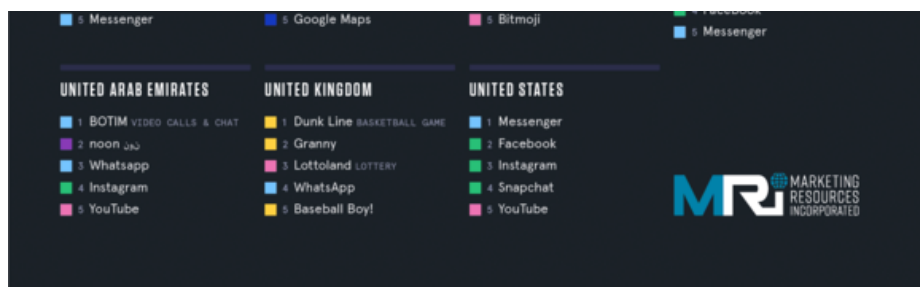
- 1 Joom
- 2 Whatsapp
- 3 Instagram
- 4 YouTube

### SWEDEN

- 1 Kivra
- 2 H&M App
- 3 Swish payments
- 4 BankID säkerhetsapp

### THAILAND

- 1 3 Live TV STREAMING
- 2 LINE CALLS & MESSAGING
- 3 Garena Free Fire BATTLEFIELD GAME
- 4 Facebook



### Insight Into Ownership of Oil and Gas Rights for U.S. Farmers

I wanted to pass along some updated data from the USDA pertaining to oil and gas rights on farmland. We all know, high energy prices and major innovations in extraction methods have spurred annual U.S. production of oil and gas across America, many of which is occurring on farmland. The growth generated tens of billions of dollars in additional revenue for owners of oil and gas rights and increased the value of the rights. Unfortunately, ownership of oil and gas rights are often confusing and misunderstood by many. But they can have significant effects on the ability of farm operators and landlords to benefit financially from development and to shape development terms. In this recent study the USDA's Economic Research Service, tried to quantify the farm sector's oil and gas wealth and income, including the extent that farm operators and landlords own the rights to the oil and gas beneath their land, the value of the rights, and the timing and prevalence of leasing with energy firms. Keep in mind, oil and gas production is expected to grow by 23% from 2016 to 2025, which could be a game changer for some farms. Because the benefits and challenges regarding oil and gas production differ substantially for farm operators and non-operator landlords, I grouped key information separately. It's worth noting that most farm operators and non-operator landlords do not own the oil and gas rights associated with their land and are thus unable to receive payments. If you find yourself sitting on top of potential pockets of the natural resources, make sure you understand your ownership position and rights. Click the link above to access the study for more details. Click [HERE](#) to see full report. (Source: [ers.usda](#))

#### Farm Operators:

**Most farm operators do not own the oil and gas rights associated with their land and are thus unable to receive payments. In the 1,080 counties with oil and gas production in 2014, only 10% of farm operators reported receiving oil or gas payments.**

**Farm operators owned \$19.1 billion in oil and gas rights in 2014.**

**Nationally, oil and gas rights generated \$3.8 billion in payments in 2014, equal to about 4% of net cash farm income. In Oklahoma, Pennsylvania and Texas payments represented almost 30% of those States' net cash farm income. In oil and gas counties, payments represented 11 percent of those counties' net cash farm income, and in Oklahoma, Pennsylvania, and Texas, payments represented almost 30 percent of those States' net cash farm income.**

**In the oil and gas counties, 11 percent of farm operators reported owning oil and gas rights with positive value, and in Oklahoma and Pennsylvania, the share reached 14 percent.**

#### Non-Operator Landlords:

**Non-operator landlords reported holding \$13.8 billion in oil and gas rights in 2014. Nationally, about 5 percent of non-operator landlords owned these rights, and for those with land in oil and gas counties, that share was 13 percent.**

**Oil and gas payments generated \$3.6 billion for these landlords in 2014 and represented large shares of net cash farm income: 17 percent nationally, 37 percent in oil and gas counties, and 60/70 percent in Texas and Oklahoma, respectively. For landlords, "net cash farm income" comprises rent and other payments, including oil and gas payments.**



**Although non-operator landlords owned only 31 percent** of total farmland in 2014, they received about 49 percent of total oil and gas payments going to farmland owners. One possible explanation is that non-operator landlords are more likely than farm operators to lease out their oil and gas rights or to negotiate lease terms that provide greater compensation.

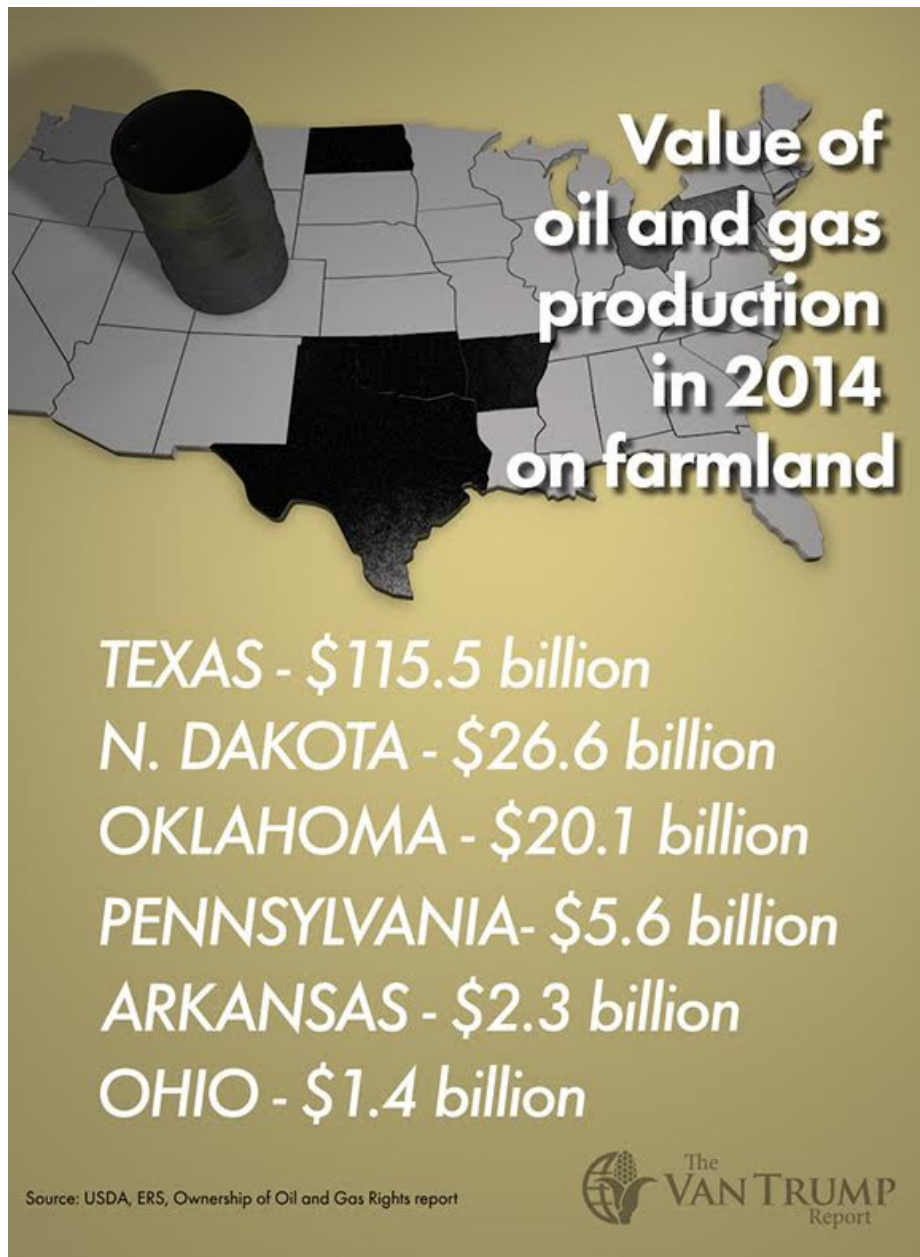
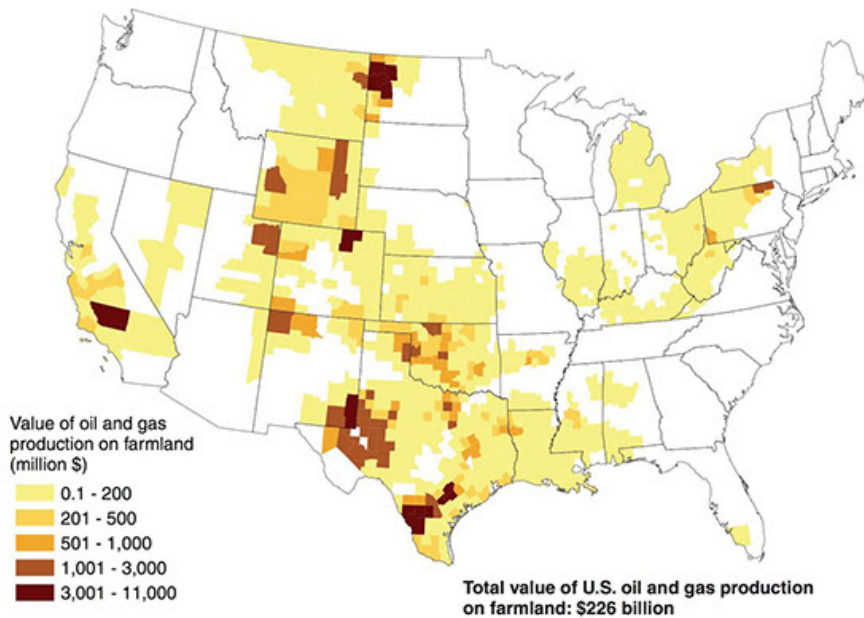


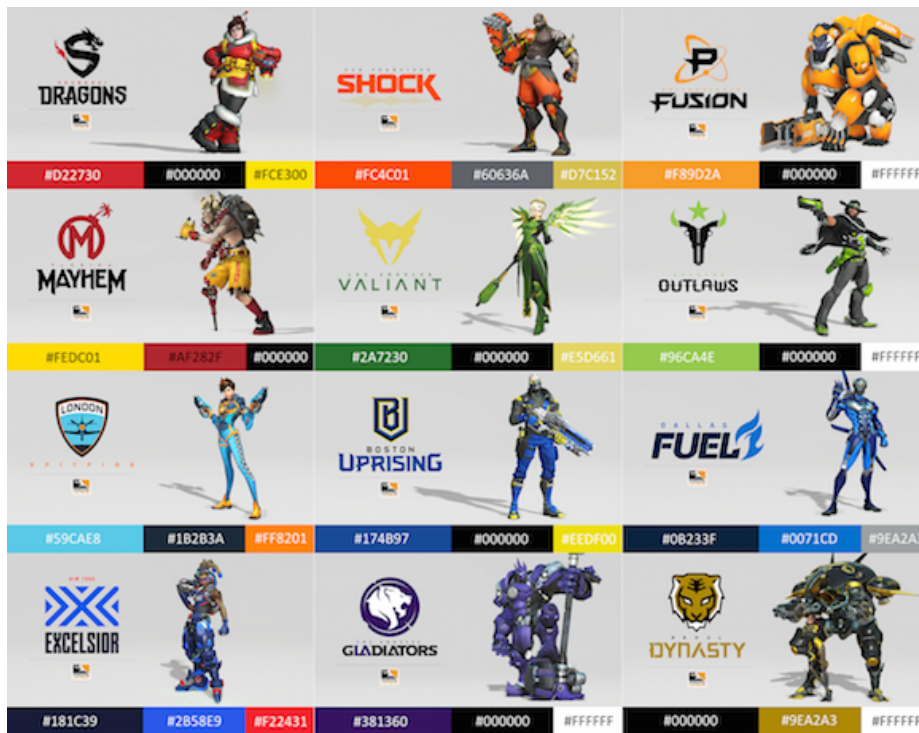
Figure 1  
Value of oil and gas production on farmland by county, 2014



### The Overwatch League... More Gamers Making Millions

The "Overwatch League" is claiming to be the first major global eSports league with city-based teams. This league was designed to celebrate the best-of-the-best players in the new video game Overwatch. The league's goal is to create the world's premier eSports league. The league just finished their Grand Finals, which the London Spitfire won. The Spitfire walked away with a \$1 million cash prize. London's Spitfire matched up against the Philadelphia Fusion who finished second walking away with a \$400,000 cash prize. From what I understand, the league gave out \$3.5 million in prizes for this single tournament. The craziest part about this Grand Finals is more than 22,000 fans attended the event at the Barclays Center in Brooklyn, New York to watch the Spitfire and the Philadelphia Fusion compete. Other teams in the league include Boston Uprising, Dallas Fuel, Florida Mayhem, Houston Outlaws, LA Gladiators, LA Valiant, NY Excelsior, SF Shock, Seoul Dynasty, and the Shanghai Dragons. There are rumors the league is going to add 6 new teams to the league next season. Players in this league earn a \$50,000 minimum base salary including health care and retirement benefits. They also are provided housing during the season. The top players in the league consist of Gihyeon Chon from the Dragons, Brady Girardi from the Valiant, and Min-Seok Kwon from the Uprising. Click [HERE](#) to watch the madness of the Grand Finals. I suspect video game leagues like these will be gaining more and more attention. Again, who would have thought we would be seeing kids make big bucks playing video games as a profession. I should note, I recently heard parents were paying video game experts to train and give their children lessons. Sources say, kids are getting crazily upset when losing games online to their friends and peers. Today's parents can't stand seeing their children upset, so they are hiring professionals to coach them up. I never thought I would see it...





### We all Need a Trouble Tree!

I was once sent this e-mail and wanted to pass it along to those who might be battling tough times.

Hi Kevin,

I am xxxxx's mom and I get your daily newsletter.

I always enjoy your extra little bits and pieces that you add and thought of you when I got this email. It came from my brother who has had cancer twice, had chemo, and radiation...all while having a very positive outlook.

*I hired a plumber to help me restore an old farmhouse, and after he had just finished a rough first day on the job: a flat tire made him lose an hour of work, his electric drill quit and his ancient one ton truck refused to start.*

*While I drove him home, he sat in stony silence. On arriving, he invited me in to meet his family. As we walked toward the front door, he paused briefly at a small tree, touching the tips of the branches with both hands.*

*When opening the door he underwent an amazing transformation. His face was wreathed in smiles and he hugged his two small children and gave his wife a kiss. Afterward, he walked me to the car. We passed the tree and my curiosity got the better of me. I asked him about what I had seen him do earlier.*

*'Oh, that's my trouble tree,' he replied 'I know I can't help having troubles on the job, but one thing's for sure, those troubles don't belong in the house with my wife and the children... So I just hang them up on the tree every night when I come home and ask God to take care of them. Then in the morning, I pick them up again.'*

*'Funny thing is,' he smiled, 'when I come out in the morning to pick 'em up, there aren't nearly as many as I remember hanging up the night before.'*

Life may not be the party we hoped for, but while we are here we might as well dance. We all need a Tree!

\*Wishing you a wonderful day!\*

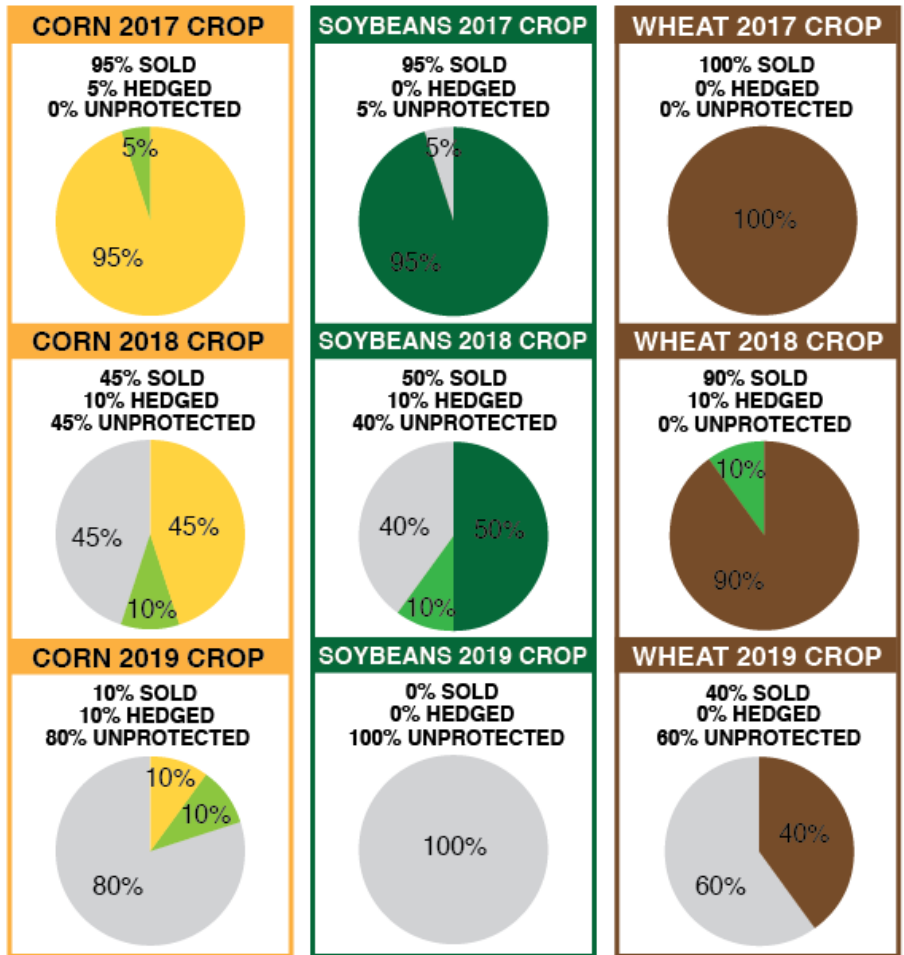




**ANSWER to riddle:** Forward I am ton, backwards I am not.

## CASH SALES & HEDGING TOTALS

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