

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

2 messages

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Wed, Aug 8, 2018 at 6:34 AM



"To learn and not to do is really not to learn. To know and not to do is really not to know."—Dr. Stephen Covey

WEDNESDAY, AUGUST 08, 2018

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Morning Summary: Stocks continue to push towards all-time highs with most in the trade remaining in a somewhat defensive mindset. While the S&P 500 as a whole has pushed back towards new all-time highs, there's still one-third of the index trading in a downtrend. Bears argue the recent rally isn't broad based or explosive enough to keep momentum moving higher. They point to the fact we haven't had sharp enough price acceleration and stocks never got cheap enough to attract new money on the break. Bulls on the other hand, say animal spirits and human emotions are strong enough to keep the market moving higher, despite political uncertainties. The human psychology of "FOMO" or "Fear Of Missing Out" could be more than enough to bring new money in from the sideline as we push towards all-time highs. I suspect a lot of folks moved money to the sideline as the threat of trade conflicts started increasing. Personally, I looked towards another strategy, electing to narrow the diversification in my portfolio and take more of a trader type approach, which luckily proved to be a good move. We still have all of the talk inside the market about rising interest rates, the Fed becoming more hawkish, and uncertainties surrounding non-traditional politics and trade renegotiations. As for today, we have very little in the way of fresh economic headlines. We have Thomas Barkin from the Richmond Fed speaking in Roanoke, Virginia this morning. Then this evening, at around 8:30 PM CST, we have the release of China's Consumer-Price Index for July. The Chinese numbers seem to be becoming a bit more important as their economy and stock market continue to struggle. Here at home, last night's highly anticipated congressional special election in Ohio is still thought to be too close to call. Republicans are claiming victory as Troy Balderson currently has 101,574 votes, while Democratic candidate Danny O'Connor has 99,820. Democrats say it's still too close to officially call as there are more than 8,000 provisional votes and outstanding absentee ballots that still remain to be counted.

Tesla Could Go "Private... What You Could Have Made: *Elon Musk tells employees he is thinking of taking Tesla private to give it more leeway to achieve its long-term goals. The news came after Musk earlier Tuesday announced on Twitter "Am considering taking Tesla private at \$420. Funding secured". Shares of the stock were halted about one hour later and resumed trading up about +11% near the stocks all-time record high close near \$385 per share. Musk's blog post were short on many details about the potential buyback and return to a private company. Tesla, founded in 2003, went public in June 2010, opening at \$19 a share, 12% above the \$17 offer price. Meaning, if you would have thrown \$10,000 at the stock when it went public it would now be valued at over +\$200,000.*

Perhaps A Game Changer In Voting? *The state of West Virginia has announced they will be the first to allow its troops serving abroad to vote in the mid-term elections using a smartphone app that gets recorded on the blockchain. Election integrity and computer security experts have expressed alarm at the prospect of voting by phone, and one went so far as to call it "a horrific idea." You can read more [HERE](#)*

Matt Davidson Does His Best Babe Ruth: *Matt Davidson pulled a Babe Ruth on Monday night. Davidson made his third pitching appearance of the 2018 season in the White Sox loss against the New York Yankees. Davidson, pitching for the White Sox's recorded his third scoreless inning of the season. His career*

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ERA is still an unbelievable 0.00. He also struck out one of the leagues best hitters, Giancarlo Stanton, who hit 59 home runs last year. But that's not the cool part, Davidson is the only player to join Babe Ruth as someone who has hit +15 Home Runs and also have 3 pitching appearances in the same season. That is a crazy stat that only two players have ever accomplished in baseball history.

This Is Why We Strive To Think Outside The Box: The date was August 7, 1982. The Red Sox were playing an afternoon game at Boston's Fenway Park. Suddenly a screaming foul ball whizzed past the first base dugout and Red Sox left fielder Jim Rice heard the unmistakable sound of ball striking flesh. Looking around the corner of the dugout into the stands Rice saw 4 year old Jonathan Keane bleeding profusely from his head. Realizing in a split second that it would take several minutes for park EMT's to get to the scene, the future Hall of Famer sprang into action. Rice leaped over the railing into the stands, cradled the young fan into his arms and carried the boy into the dugout where he received immediate attention from the team's medical staff. Within just a few minutes Jonathan was rushed to the hospital where doctors credited Rice with saving the boys life. Jim Rice played the rest of the game in a blood stained uniform, a true badge of courage. *Postscript: Jonathan is 41 years old now and has no memory of the incident. His only reminder is a small scar above his right eye. Here's to Jim Rice and his quick outside the box thinking. (Source: D.J. McCoy)



the farm industry.

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

- John Wooden



neuro mining



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

TODAY'S RIDDLE: What is it that's always coming but never arrives?

Weather across the Corn Belt has seen showers and thunderstorms stretch from the Ohio Valley into drought-affected sections of Missouri. A few showers also occurred yesterday in the upper Midwest. On August 5, Missouri led the nation in corn and soybeans rated in poor to very poor conditions — 44 and 33% respectively. On the Plains, mostly dry weather persists in Texas, where 59% of the rangeland and pastures, 49% of the cotton, and 38% of the sorghum were rated poor to very poor on August 5. On the same date, topsoil moisture in Texas was 78% short to very short. Meanwhile, showers are benefiting summer crops on the central Plains, while warm, dry weather favors winter and spring wheat harvesting on the northern Plains. In the South, warm, humid weather continues to promote a rapid crop development pace. Wet conditions in the southern Atlantic States contrast with unfavorable dryness in parts of the mid-South. On August 5, topsoil moisture was 45% surplus in North Carolina but 62% short to very short in Arkansas. Yesterday's showers will continue to shift southeastward out of the Midwest. Five day rainfall totals could reach 1 to 3 inches or more across the South, East and lower Midwest. In addition, monsoon-related showers will increase in coverage and intensity across the southern rockies and Desert Southwest. Meanwhile, dry weather can be expected through week's end in most areas from the Pacific Coast to the northern Plains. Further, very hot weather will persist across much of the western U.S., with record setting heat likely in the Northwest. Heat will also affect the northern Plains. Further, very hot weather will persist across much of the western U.S., with record-setting heat likely in the Northwest.

Where The Rain Hasn't Fallen Since Winter: *I saw this floating around yesterday. It's a map showing precipitation anomalies going back 30, 60 and 90 days. Earlier we pointed out that Missouri has gotten some much needed rain. These maps show you why that rain was needed. Very dry when compared to average rainfall.*

Co-hosted by:



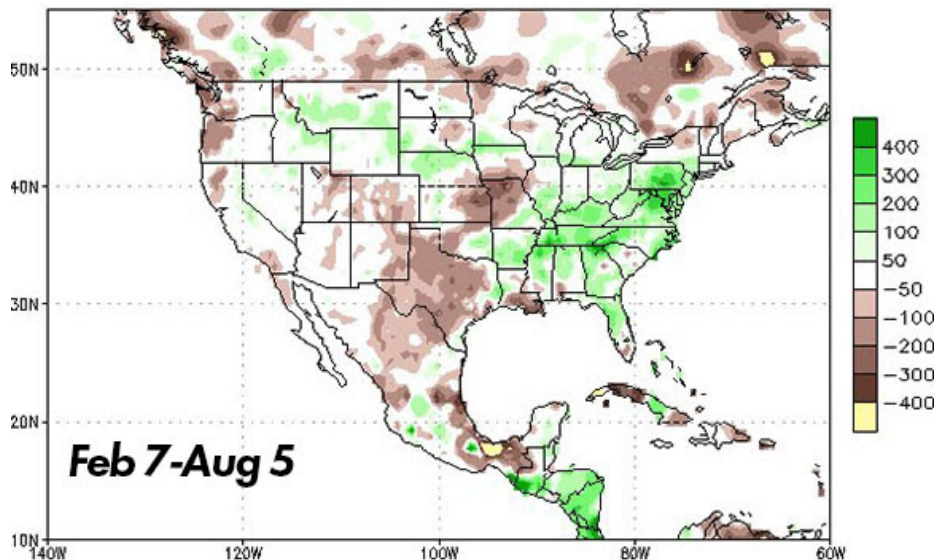
Today In History



1942, Spies Executed -

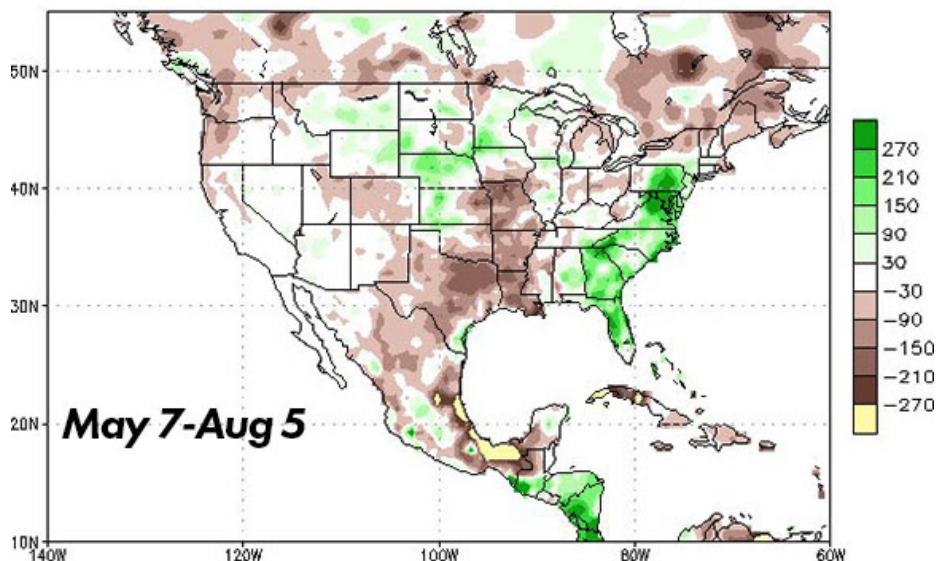
During World War II, six German saboteurs who secretly entered the United States on a mission to attack its civil infrastructure are executed by the United States for spying. Two other saboteurs who disclosed the plot to the FBI and aided U.S. authorities in their manhunt for their collaborators were imprisoned. Beginning in 1942, under Nazi leader Adolf Hitler's orders, the defense branch of the German Military Intelligence Corps initiated a program to infiltrate the United States and destroy industrial plants, bridges, railroads, waterworks, and Jewish-owned department stores. The Nazis hoped that sabotage teams would be able to slip into America at the rate of one or two every six weeks. The first two teams, made up of eight Germans who had all lived in the United States before the war, departed the German submarine base at Lorient, France, in late May. Just before midnight on June 12, in a heavy fog, a German submarine reached the American coast off Amagansett, Long Island, and deployed a team who rowed ashore in an inflatable boat. Just as the Germans finished burying their explosives in the sand, John C. Cullen, a young U.S. Coast Guardsman, came upon them during his regular patrol of the beach. The leader of the team, George Dasch, bribed the suspicious Cullen, and he accepted the money, promising to keep quiet. However, as soon as he passed safely back into the fog, he sprinted the two miles back to the Coast Guard station and informed his superiors of his discovery. After retrieving the German supplies from the beach, the Coast Guard called the FBI, which launched a massive manhunt for the saboteurs, who had fled to New York City. Although unaware that the FBI was looking for them, Dasch and another saboteur, Ernest Burger, decided to turn themselves in and betray their colleagues, perhaps because they feared capture was inevitable after the botched landing. On July 15, Dasch called the FBI in New York, but they failed to take his claims seriously, so he decided to travel to FBI headquarters in Washington, D.C. On July 18, the same day that a second four-man

Prep Anomalies (mm) 07FEB2018-05AUG2018



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1981-2010)

Prep Anomalies (mm) 08MAY2018-05AUG2018



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1981-2010)

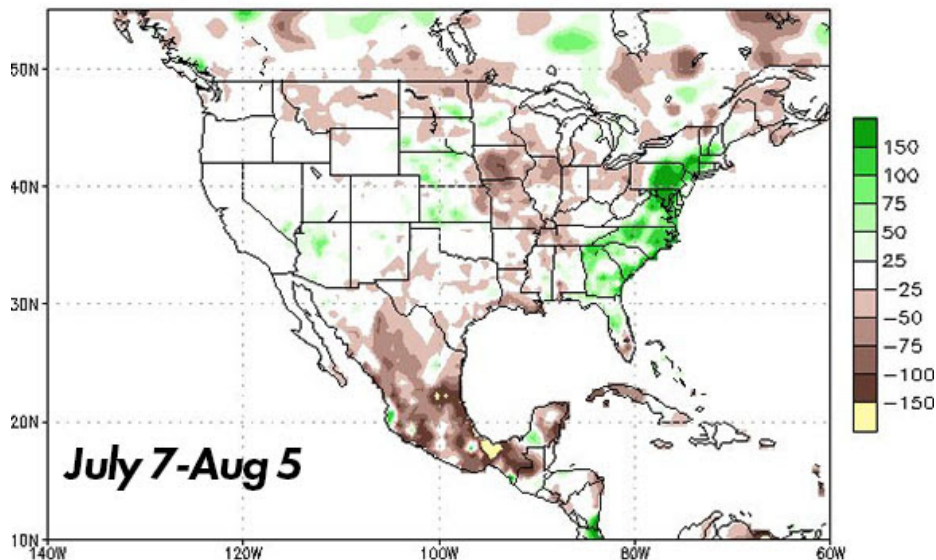
team successfully landed at Ponte Vedra Beach, Florida, Dasch turned himself in. He agreed to help the FBI capture the rest of the saboteurs. Authorities picked up Burger and the rest of the team and by June 27 the whole of the Florida team was arrested. To preserve wartime secrecy, President Franklin D. Roosevelt ordered a special military tribunal consisting of seven generals to try the saboteurs. At the end of July, Dasch was sentenced to 30 years in prison, Burger was sentenced to hard labor for life, and the other six Germans were sentenced to die. The six condemned saboteurs were executed by electric chair in Washington, D.C., on August 8. In 1944, two other German spies were caught after a landing in Maine. No other instances of German sabotage within wartime America have come to light. In 1948, Dasch and Burger were freed by order of President Harry Truman, and they both returned to Germany.



1945, United Nations Charter - President Harry S. Truman signs the United Nations Charter and the United States becomes the first nation

to complete the ratification process and join the new international organization. Although hopes were high at the time that the United Nations would serve as an arbiter of international disputes, the organization also served as the scene for some memorable Cold War clashes. August 8, 1945, was a busy day in the history of World War II. The United States dropped a second atomic bomb on Japan, devastating the city of Nagasaki. The Soviet Union, following through with an agreement made earlier in the war, declared war on Japan. All observers agreed that the combination of these two actions would bring a speedy end to Japanese resistance. At the same time, in Washington, D.C., President Truman took a step that many Americans hoped would mean continued peace in the post-World War II world. The president signed the United Nations Charter, thus completing American ratification of the document. Secretary of State James F. Byrnes also signed. In so doing, the United States became the first nation to complete the ratification process. The charter would come into full force when China, Russia, Great Britain, France, and a majority of the other nations that had constructed the document also completed ratification. The UN Charter articulated a commitment to uphold human rights of citizens and outlined a broad set of principles relating to achieving 'higher standards of living', addressing 'economic, social, health, and related problems,' and 'universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion. As a charter, it is a constituent treaty, and all members are bound by its articles. Furthermore, Article 103 of the Charter states that obligations to the United Nations prevail over all other treaty obligations. Having gone through the horrors of two world wars in three

Prep Anomalies (mm) 07JUL2018-05AUG2018



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1981-2010)

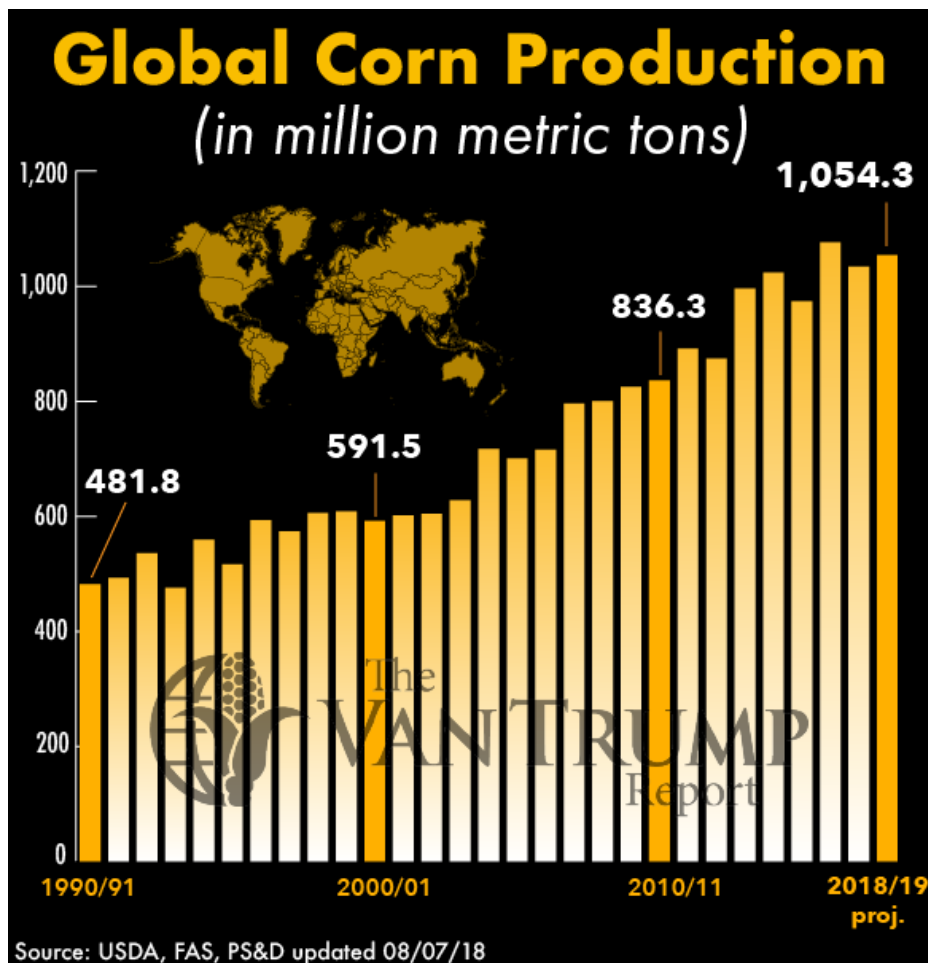
Corn continues to consolidate, with the DEC18 contract seeming comfortable trading between \$3.80 and \$3.90 per bushel, at least ahead of Friday's August USDA report and the uncertainty still surrounding trade negotiations and the U.S. yield. Most inside the market are thinking the USDA will be pushing yield higher from 174 to 176 bushels per acre. Bears believe the yield ultimately ends up closer to the 180 level, while bulls are thinking the crop eventually disappoints once it starts to come out of the field. Bulls continue to believe the yield is somewhere between 170 and 175, believing many important production pockets have experienced less than record setting conditions. They are not saying the conditions were absolutely horrible, just certainly less than record setting. Bulls also believe the speed at which the crop has moved through maturation could cause more shallow kernel depth and perhaps disappoint in regard to total production. As I mentioned above, the majority of the market is leaning the other direction, believing the crop is going to be record setting. This has the balance sheet for most traders getting larger not smaller. The USDA had reduced the new-crop balance sheet down to 1.55 billion bushels, but the average guess for the August report is bumping the number back higher to around 1.63 billion bushels on a higher yields forecast. Obviously, a lot will depend on how the USDA interprets the transition from trend analysis to survey based analysis. It will also depend on how the USDA interprets trade relations and exports moving forward, which could be a very difficult item to forecast. I personally think the market could surprise to the upside. You could argue I'm only talking my position as I'm wanting to see higher prices in order to price more bushels and reduce longer-term risk. Perhaps, subconsciously you are correct. But I feel like the trade has a definite bearish tilt to the upcoming report. I'm just not so sure that's going to be the case... I also don't think the bears can keep the market pinned down following the report. It feels like there's fresh headlines brewing in regard to fewer corn acres being planted and available for exports in South America and that the current European corn crop might be in worse shape than the market has been playing it. Hence, a break in price from the report might be viewed as a buying opportunity by some of the larger and more longer-term bulls.

decades, most Americans—and people around the world—were hopeful that the new international organization would serve as a forum for settling international disagreements and a means for maintaining global peace. Over the next decades, the United Nations did serve as the scene for some of the more notable events in the Cold War: the decision by the Security Council to send troops to Korea in 1950; Khrushchev pounding the table with his shoe during a U.N. debate; and continuous and divisive discussion over admission of communist China to membership in the UN. As for its role as a peacekeeping institution, the record of the U.N. was not one of great success during the Cold War. But in the years since the end of the Cold War, the United States and Russia have sometimes cooperated to send United Nations forces on peacekeeping missions, such as the effort in Bosnia.



1988, First Night Game At Wrigley Field - On this day in 1988, the Chicago Cubs host the first night game in the history of Wrigley Field.

Sixty years earlier, the first-ever night game in professional baseball took place on May 2, 1930, when a Des Moines, Iowa, team hosted Wichita for a Western League game. The match-up drew 12,000 people at a time when Des Moines was averaging just 600 fans per game. Evening games soon became popular in the minors: As minor league ball clubs were routinely folding in the midst of the Great Depression, adaptable owners found the innovation a key to staying in business. The major leagues, though, took five years to catch up to their small-town counterparts. The first big league night game took place in Cincinnati, Ohio, on May 24, 1935, and drew 25,000 fans. The crowd stood by as President Franklin D. Roosevelt symbolically switched on the lights from Washington, D.C. To capitalize on their new evening fan base, the Reds played a night game that year against every National League team—eight games in total—and despite their lousy record of 68-85, paid attendance rose 117 percent. Over the next 13 seasons, the rest of the major league parks followed suit, with one exception, Wrigley Field, which by 1988 was the second oldest ballpark in use after Boston's Fenway Park. For 74 seasons, the Cubs played only day games at home. Finally, on August 8, 1988, the Cubs played the Philadelphia Phillies in the park's first night game. Ninety-one-year-old Cubs fan Harry Grossman was chosen to turn on the lights. After counting to three, he flipped the switch, and announced "Let there be light." Rick Sutcliffe started the game for the Cubs, and gave up a home run to Phil Bradley of the Phillies on his fourth pitch. The Cubs' star second baseman Ryne Sandberg answered with a two-run home run in the bottom of the first inning, and with the Cubs leading in the bottom of the fourth inning 3-1, the game was called due to rain. When the Phillies returned to Wrigley four weeks later, the Cubs would



Soybean bulls are happy to see prices again slightly higher, stabilizing and finding support at or above \$9.00 vs. the NOV18 contract. Nearby technical resistance is seen in the \$9.20 to \$9.25 range. A close above that area opens the door to \$9.50. There seems to be more talk circulating that China will have little choice but to import U.S. soybeans sooner rather than later. There's also more talk that heavier Chinese buying of meal from Argentina, will eventually force Argentine crushers to source more soybeans from the U.S. In other words the "demand" story is slowly swinging back towards the bulls. U.S. production is still somewhat of a wild-card, but most inside the market are forecasting a jump in yield by the USDA in their Friday report. The USDA currently has the yield forecast at 48.5 bushels per acre. Based on weather and overall growing conditions, most believe that number is going to push higher by perhaps +1.0 bushels per acre. There's actually some inside the trade who believe the USDA is ultimately moving the yield north of +50 bushels per acre. In the process, U.S. new-crop ending stocks will probably again push higher from the current 580 million to over 630 million, a jump of +50 million bushels on increased production. Keep in mind, the USDA is also trying to juggle the uncertainty now surrounding export estimates. Who really knows how that ball bounces in the weeks ahead? I'm staying mostly neutral heading into the report. I suspect if we catch a bearish surprise and the market breaks aggressively, I will look to be a longer-term spec buyer. As a producer, I will probably take a shot at some small re-ownership. Remember, I already have over 60% of my estimated new-crop production risk removed. A bullish surprise to the upside and I will continue to hold and do nothing. I'm not in a hurry with this market. I still see it as a dangerously volatile market with many extremes directly attached and tied to Washington's ongoing negotiating tactics. Without knowing how this story ends, it makes it difficult to forecast prices nearby.

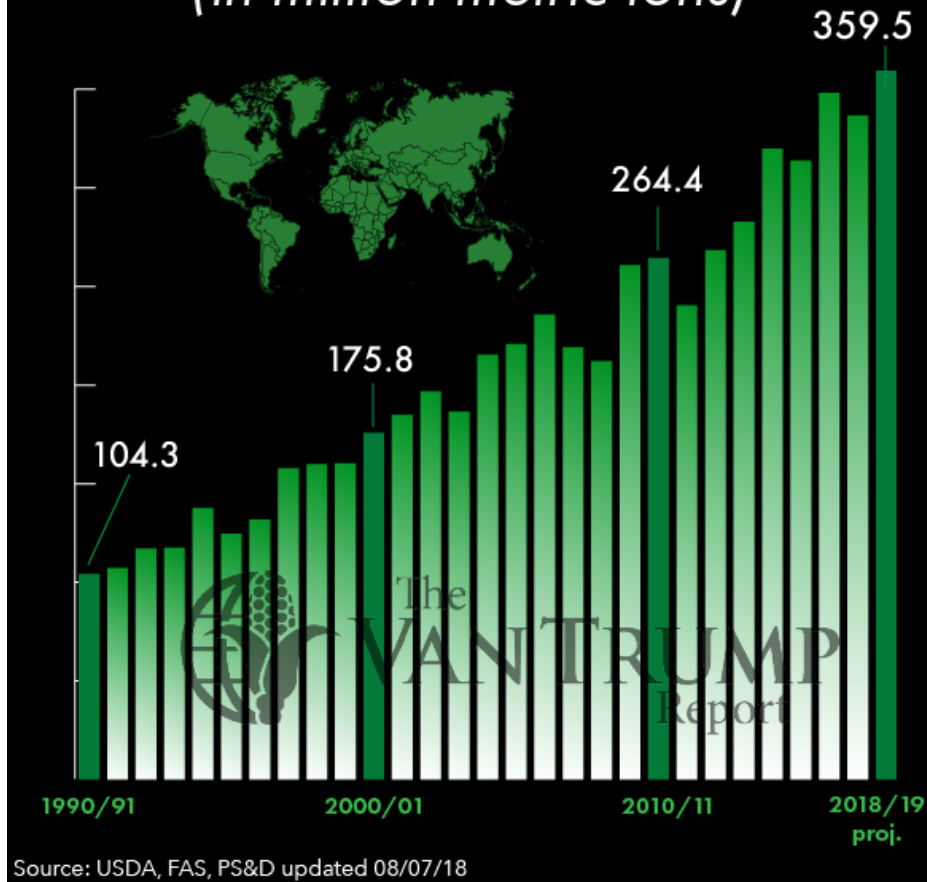
lose 4-3 in the replay of the game, which was the major league debut of pitcher Mike Harkey. Wrigley's first night game is officially recorded as a 6-4 win over the New York Mets on August 9, 1988. Interestingly, the Cubs are the only major league team that still plays the majority of its home games during the day.

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

Global Soybean Production (in million metric tons)



Wheat prices take a small step backwards on very little being fresh or new in the headlines. Some argue bulls might be taking some length and exposure off the table as we head into the USDA's August report. From what I can gather, most in the trade are looking for bullish tone to the upcoming USDA numbers. There's some talk that the USDA's spring wheat production total might be reduced on deterioration in weekly crop-conditions. There's also talk that the USDA's total U.S. wheat stocks could contract from July's estimate of 585 million bushels down to around 960 million, a reduction of -25 million bushels. The trade is also thinning the USDA will need to further reduce global wheat stocks by -4 to -6 million metric tons.

WHAT I'M LISTENING TO:



Kevin's Song of the Week

NEXT level THINKING

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

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

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

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

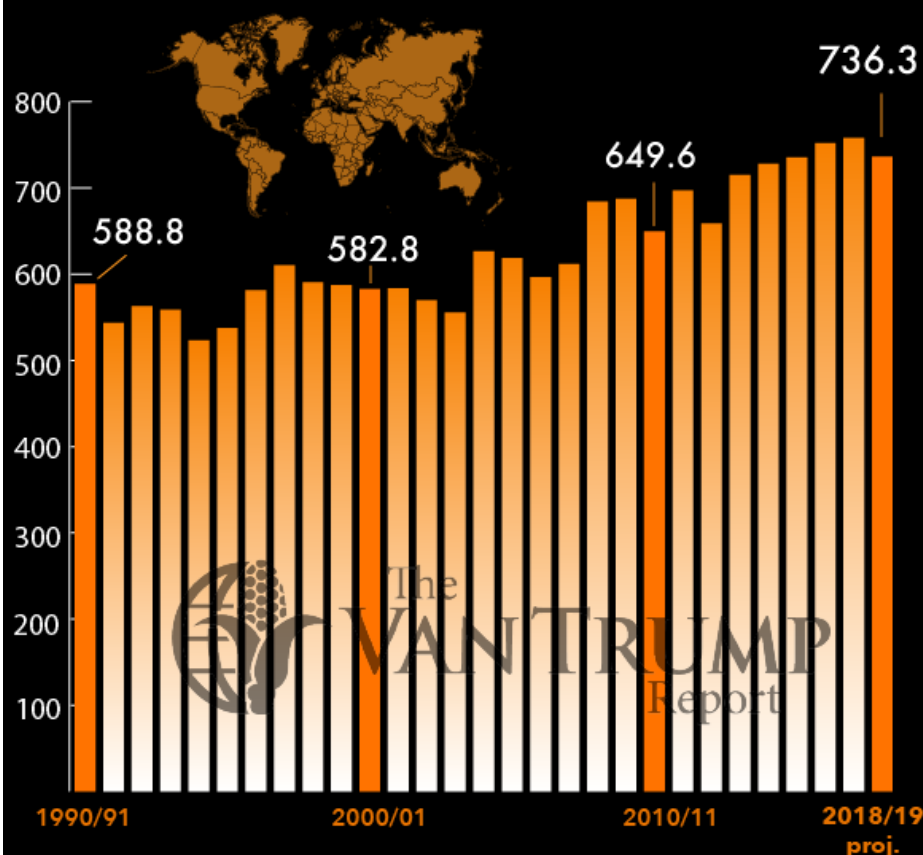
Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that

Global Wheat Production

(in million metric tons)



Source: USDA, FAS, PS&D updated 08/07/18

U.S. Production Estimates Corn & Soybeans

	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn Yield	???	176.2	171.0 - 180.2	174.0
Corn Production	???	14.411	14.150 - 14.740	14.230
Soybean Yield	???	49.6	48.0 - 51.5	48.5
Soybean Production	???	4.407	4.280 - 4.576	4.310

U.S. Winter Wheat Production

	Aug #	Avg. Trade Est.	Trade Range	USDA July
All Wheat	???	1.850	1.700 - 1.885	1.881
All Winter	???	1.180	1.050 - 1.201	1.193
Hard Red Winter	???	0.656	0.635 - 0.665	0.657
Soft Red Winter	???	0.302	0.290 - 0.313	0.303

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.

White Winter	???	0.230	0.210 - 0.240	0.232
Other Spring	???	0.601	0.633 - 0.570	0.614
Durum	???	0.074	0.069 - 0.078	0.075

U.S. Ending Stocks 2017/18

	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn	???	2.021	1.900 - 2.137	2.027
Soybeans	???	0.460	0.437 - 0.480	0.465

U.S. Ending Stocks 2018/19

	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn	???	1.636	1.457 - 1.812	1.552
Soybeans	???	0.638	0.565 - 0.726	0.580
Wheat	???	0.961	0.850 - 1.018	0.985

World Ending Stocks 2017/18

	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn	???	190.81	189.00 - 192.62	191.73
Soybeans	???	95.53	92.00 - 97.00	96.02
Wheat	???	273.12	271.00 - 274.00	273.50

World Ending Stocks 2018/19

	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn	???	152.59	148.00 - 158.23	151.96
Soybeans	???	99.33	94.00 - 102.20	98.27
Wheat	???	256.42	250.00 - 259.90	260.88

Farm Direction
RECIPES
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-SENT IN BY OUR READERS-



Poor Man's Burnt Ends

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> U.S. Ethanol Exports On Pace to Shatter Record: *Government data released August 3 show that U.S. ethanol exports through June stood at 927.7 million gallons, up 33% from the first half of 2017 and on pace to shatter last year's record of 1.38 billion gallons. Brazil had been the leading market for U.S. ethanol exports, receiving 345.9 million gallons, about 37% of total shipments. Canada has been the second-leading export market, with 159.5 million gallons of U.S. ethanol flowing north of the border in the first six months of the year. That is up 8% from a year ago. (Source: RFA)*

> China Reports 1st African Swine Fever Outbreak: *China reported its first outbreak of the deadly African swine fever (ASF) on Friday, as authorities in Liaoning province in the country's northeast culled almost 1,000 hogs and rushed to control the highly contagious disease. News of the infection will stoke concerns about its spread in the world's largest pig herd and to Japan, the Korean Peninsula and other parts of Asia. Cases have been recorded across Europe, Russia and sub-Saharan Africa, but it has never occurred in East Asia until now, according to the United Nations' Food and Agriculture Organisation. (Source: Reuters)*

> U.S. Poultry Gains Access to Moroccan Market: *U.S. trade officials have agreed to allow commercial imports of U.S. poultry meat and products into Morocco for the first time. Initial estimates indicate Morocco could be a \$10 million market, with additional growth over time. Morocco had prohibited imports of U.S. poultry until now. The U.S. is the world's second largest poultry exporters, with global sales of poultry meat and products of \$4.3 billion last year. (Source: USDA)*

> Grain Production Is Being Stifled By Heat in France: *France's farm ministry cut its estimate of this year's soft wheat harvest while forecasting a steep fall in corn production, underlining the impact of severe weather that has damaged farmland across Europe. Heatwaves and drought have strained European crops in recent weeks. Soft wheat production is at 35.1 million metric tons, down 1 million metric tons from July and 4% below 36.6 million metric tons in 2017. Corn is pegged at 12.8 million metric tons, down almost 10% from 14.3 million last year. (Source: Reuters)*

> Brazil Judge Suspends Use of Glyphosate: *A Brazilian judge has suspended the use of products containing the agrochemical glyphosate. The judge ruled the new products containing glyphosate could not be registered in the country and existing registrations would be suspended within the next 30 days, until the government reevaluates their toxicity. The decision also applies to the insecticide abamectin and the fungicide thiram, could be subject to multiple appeals. This ruling very clearly will affect widely planted glyphosate-resistant soybeans from Monsanto. This news brings up tons of questions on what this means to the world's largest exporter of soybeans. We will keep you posted as this situation unfolds. (Source: Bloomberg)*

> Soybeans Head To China For First Time In 3 Weeks: *A ship with U.S. soybeans set sail for China last week, according to data released Monday, showing that the Asian nation is still importing some quantities of the commodity grown in America despite tariffs imposed by the government in July. Bloomberg reports a bulk carrier departed Gvilon Group LLC's export terminal in Kalama, WA, for Shanghai on July 29, carrying the first cargo of American soybeans destined for China in three weeks, according to a report published by the U.S. Department of Agriculture.*

> Wildfires Rage Becoming Largest in California's History: *California's biggest wildfire on record rages on as hot and windy conditions challenge thousands of fire crews battling eight major blazes burning out of control across the state. The Mendocino Complex grew to span 283,000 acres on Monday when two wildfires merged at the southern tip of the Medicine National Forest. The complex has burned 75 homes and forced thousands to be evacuated. Temperatures could reach 110 degrees in northern California over the next few days with gusty winds fanning the flames of the complex. (Source: Reuters)*

> Snap Chat Users Shrink: *Snap's users slid last quarter. The social-media company said its number of daily active users fell by 2% to about 188 million, marking the first time the parent of Snapchat has lost daily users since the company was founded in 2011.*

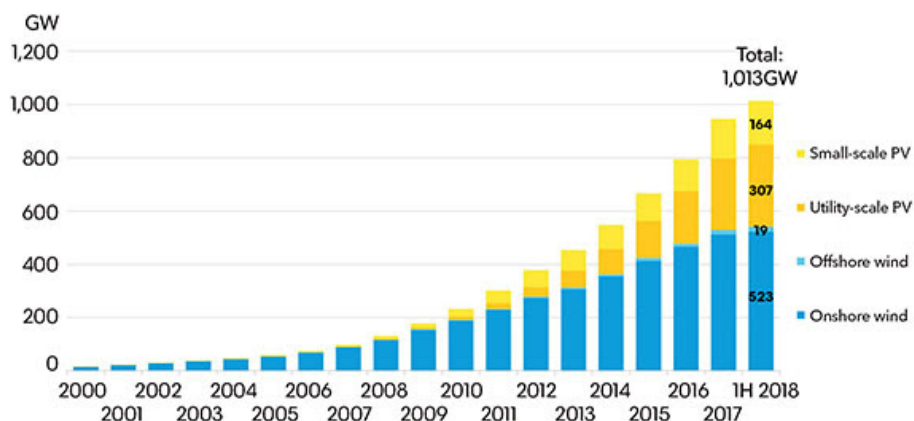
> Mattress Stores Latest To See Fallout: *It's the latest example of a U.S. brick-and-mortar retailer struggling financially amid competition from e-commerce firms. Mattress Firm, the largest U.S. mattress retailer owned by Steinhoff International Holdings, is considering a potential bankruptcy filing as it seeks ways to get out of costly store leases and shut some of its 3,000 locations that are losing money. (Source: SeekingAlpha)*

> Massive Shortage Of Pilots: *Airlines are boosting salaries and setting up training centers to combat what is projected to be one of the biggest-ever pilot shortfalls. Boeing Co. estimates that airlines around the world will need to recruit 635,000 pilots over the next two decades. In response, airlines are investing in training facilities and recruiting programs, and offering to subsidize education costs for prospective pilots. (The Wall Street Journal)*

> **\$1 Billion Seed Funding For What Could Be Next Generation Netflix:** *Jeffrey Katzenberg and Meg Whitman have successfully sold Hollywood on their ambitious plans to create a new kind of next-generation HBO or Netflix — with bite-size original programming designed for smartphones. Now the question is whether their "NewTV" venture will deliver something consumers will actually pay for. I'm told that backers include Disney, Fox, Sony, Lionsgate, MGM, NBCU, Viacom, WarnerMedia, Alibaba, Liberty Global and Madrone Capital. From what I understand, NewTV is aiming to launch by the end of 2019, with a premium lineup of original, short-form series comprising episodes of 10 minutes each. The service will have two subscription tiers: an advertising-free plan and an "advertising-light" option (a la Hulu), according to Whitman. I suspect the shortened episodes will fit in nicely with most of today's young folks. It will be interesting to see how advertising does on that medium. More [HERE](#).*

> **World Reaches 1,000 Gigawatts of Wind and Solar Capacity:** *New numbers shows that the world has attained the landmark figure of 1 terawatt (equivalent to 1,000 Gigawatts) of wind and solar generation capacity installed. This total is balanced between wind (54%) and solar (46%). Amazingly, total installed capacity has grown 65-fold since the year 2000, and more than quadrupled since 2010. Interestingly, Bloomberg data shows the second terawatt will arrive by mid-2023 and cost 46% less than the first. Understand, 1 terawatt is a trillion watts. 1 terawatt is also equal to one million megawatts. To try and bring some perspective, it is estimated that an industrialized city of 1 million residents use 10,000 megawatts a year in energy. (Source: Bloomberg)*

Global wind and solar installations, cumulative to June 30, 2018



Source: Bloomberg NEF. Note: 1H 2018 figures for onshore wind are based on a conservative estimate; the true figure will be higher. BNEF typically does not publish mid-year installation numbers.



Northcentral Iowa - We had some needed rain after a dry spell. We started the year plenty wet though with lots of early rains. Fortunately for us we are pretty well pattern-tiled and don't stay wet too long. We have been out spraying fungicide on the corn and have noticed some problem areas for guys. At this point, I'd guess there are acres that will only see 160bpa in our area. There were fields we worked that had 20% drown out that will take the normal 230bpa down a bit. We made good sales prior to the trade tensions and are patiently waiting for the markets to provide a few opportunities. Some of our summer weather brought a rare hail storm to the area that ripped some beans up but not enough to worry I hope. At a recent auction, we saw land sale for \$100 over on some 92 rated CSR ground, which is at the high end.

Northeast Missouri - The pick-up reel boys will do some business in this area now. We farm about 2.5 hours almost straight east of Kansas City along I-70. We had hard straight-line winds that knocked the corn down almost flat with the ground. From what I can tell it's just bent over with the occasional stock broke so we should still see some production out of it. We had tree limbs down all over and sheds, buildings, houses all looked beat up, but I didn't see any major structure damage. The beans still all look okay but they did get a little tattered. I would say the rain that came along with the wind helped the soybeans more than the wind hurt. They are still fairly flexible this time of year, so I don't think we lost enough pods to really make a difference in yield in a big way. Corn on the other hand will drop 20% of the yield without question, if we are lucky.

Southwest Minnesota - As I'm sure many of you may know southern Minnesota makes up a large majority of the corn and soybeans. The southern portion is just an extension of Northern Iowa's

conditions, if not a little wetter. There are large chunks of acres that are absolutely drown out. I'm not talking just little pieces of ground, I'm talking 10-20 acres in some areas. I have seen an entire bottom ground field that looks like it's been under water for 45 plus days. The corn looks yellow in areas that is not drown out from nitrogen leaching. Don't get me wrong because you might have a guy read this and say it doesn't sound like his ground, because if you go 100 miles into Minnesota the corn looks like a completely different state. They have not had too much rain but rather just enough rain/heat combination. If anything, they are getting a little drier up North. We have a wide range of crop conditions here if you go North to South.



Trump Administration Reverses Ban On "Bee-Killing" Pesticides On National Lands: The Trump administration has lifted an Obama-era ban on the use of genetically modified crops and pesticides linked to bee decline in certain national wildlife refuges where farming is allowed, Reuters reported Saturday. In a memo signed Aug. 2, U.S. Fish and Wildlife Service Principal Deputy Director Gregory J. Sheehan said the move was necessary to provide adequate food for waterfowl. From what I understand, the administration believes there are situations where GMO crop seeds are essential to best fulfill the purposes of the refuge and the needs of birds and other wildlife. It's worth noting the move ties in with the interests of sportspeople who hunt ducks and other birds, as the administration seeks to expand hunting on national lands. Read more [HERE](#).

Does Television Kill Your Sex Life? This research paper examines the association between televisions and coital frequency using data from nearly 4 million individuals in national household surveys in 80 countries from 5 continents. The results suggest that while television may not kill your sex life, it is associated with some sex life morbidity. Under our most conservative estimate, we find that television ownership is associated with approximately a -6% reduction in the likelihood of having had sex in the past week, consistent with a small degree of substitutability between television viewing and sexual activity. Household wealth and reproductive health knowledge do not appear to be driving this association. Read more [HERE](#).

Pellion Technologies Takes Next Step With Lithium-Ion Batteries: Dave Eaglesham, the CEO of Pellion Technologies, a Massachusetts-based startup, believes his company has made the leap beyond lithium-ion that will bring the battery industry to the next stage of technological disruption. He and his colleagues have accomplished something researchers have been struggling with for decades: they've built a reliable rechargeable lithium-metal battery. A typical lithium-ion battery uses anodes made of graphite, a form of carbon. But graphite anodes can only store one atom of lithium for every six atoms of carbon, meaning limited storage of energy. But replace graphite with an anode made entirely of lithium atoms—aka a lithium-metal anode—and you've just saved a lot of space in your cell. Read more [HERE](#) to see what this means for future applications.

"McSting" Uncovers Rigging Of McDonalds Monopoly Game: Jerome Jacobson and his network of mobsters, psychics, strip-club owners, and drug traffickers won almost every prize for 12 years, until the FBI launched Operation 'Final Answer.' A camera crew sent to Michael Hoover's home for a supposed report on the winner, listened patiently to his rambling story, silently recognizing the inconsequential details found in stories told by liars. They suspected that Hoover was not a lucky winner, but part of a major criminal conspiracy to defraud the fast-food chain of millions of dollars. The two men behind the camera were not from McDonald's. They were undercover agents from the FBI involved in the McSting. Read the full account [HERE](#) of an incredible long-play by a network of criminals. It's so incredible that Ben Affleck and Matt Damon will once again pair up as director and lead actor to bring the story to life on the big screen.

Addicted To Your Phone?...Here's How To Take Back Your Mind: Most studies say people check their phones around 150 times a day. It's an obsessive tick that literally makes us less happy. But how do we break the habit when smartphones are a necessary tool for our work and social lives? Find out what five former tech addicts suggest to put a little sanity back in your life. Learn how [HERE](#), but remember it's not so much the plan, but rather the execution!

10,000 Rare Steins Tell Beer's Story From 1350 To Now: Located just outside a tiny 200-person village along an isolated stretch of Virginia's U.S. 460, the Steins Unlimited home-museum is about as obscure as it gets. But inside, a world of fascination awaits. Stepping into a large two-room outdoor shed, visitors are greeted by an array of floor-to-ceiling shelves brimming with some of the most ornate and historically significant drinking vessels ever made. The collection of 10,000-plus rare beer steins is the product of George Adams's lifelong obsession, and took more than 50 years to compile. Read more [HERE](#).





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During 2018, iSelect, The VanTrump Report and The Yield Lab Institute are sponsoring a series of weekly webinars featuring the best in agriculture innovation. Agrifood Conversations is all about driving innovation and each month will highlight a specific theme, from biologicals to vertical farms, featuring emerging topics such as soil health, biologics, plant genetics, vertical farming, precision agriculture, herd health and management, and aquaculture, to name a few. Once a quarter, we'll open up the conversation with a panel of experts on that month's topic. Learn about new trends in ag, connect with industry leaders and discover new solutions.

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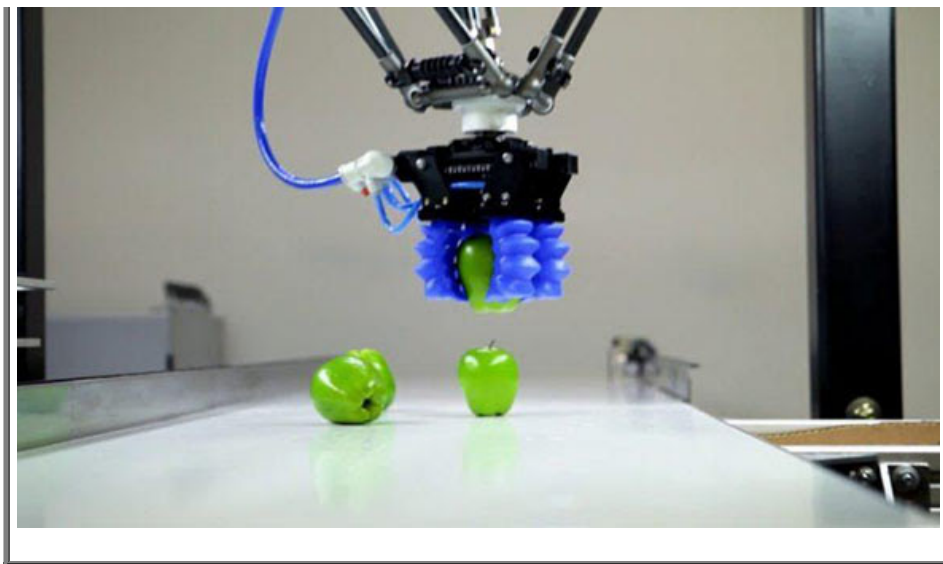


Learn More About "Soft Robotics"

Title: Soft Robotics Looking To Change The Game

Time: Thursday, August 9th @ 3:00 pm CT

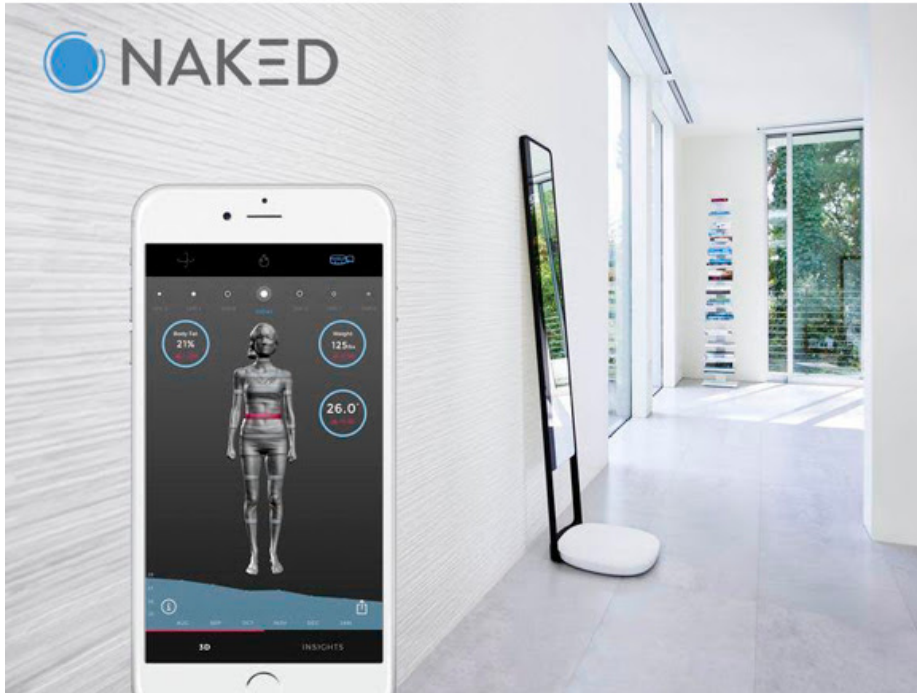
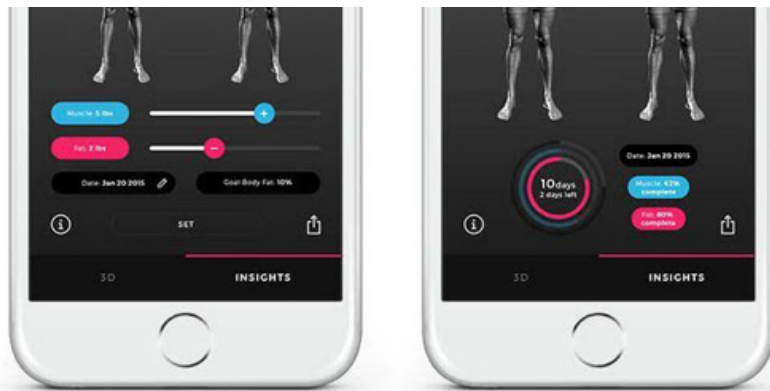
Robotic technology is changing the world, finding applications in a wide range of industries from manufacturing, to agriculture, to medicine and more. But often times these machines are not as well integrated into the economy as they can be, in part because they don't yet have the motor skills and dexterity to handle delicate tasks. Soft Robotics is delivering on the promise of robotic automation in labor starved industries such as food and beverage, advanced manufacturing and e-commerce. Leveraging patented material science and AI algorithms, Soft Robotics designs and builds automation solutions and soft robotic gripping systems that can grasp and manipulate items with the same dexterity of the human hand. Many food items, like peaches and tomatoes, cannot be manipulated by a conventional gripper without being damaged causing the product to get bruised in the manufacturing process. Automating farms and food packaging plants will require a gripper like the models Soft Robotics has designed to handle delicate materials to keep products as fresh as possible. Learn how one company is addressing this need at "Unlocking the Promise of Robotic Automation in Agriculture," a webinar to be held at 3 pm CT on August 9 featuring Carl Vause, CEO of Soft Robotics.



See Your Body Like You've Never Seen it Before

"Naked" is an app that tracks your body's changes and uses infrared light as well as cameras to capture your 3D body model. This is being called the world's first home body scanner. From what I understand it comes with two main parts. The first part is a cool rotating scale you stand on and the other part is a heavy duty mirror. Together, the pair of devices create a three-dimensional model of your body, which measures your weight and monitors your fat percentage. The mirror itself weighs about 30 pounds with the frames measuring 62.5 inches high and 12 inches wide. The rotating scale is placed about 2 to 3 feet from the mirror. It works by you stepping on a scale, which detects your weight and then starts to rotate. The sensors in the mirror start scanning your body and calculating your measurements. Your body results are then ready to view within minutes. Naked currently calculate measurements of your shoulders, waist, and both thighs. Naked will also tell the user their weight, body fat percentage, lean mass percentage, and fat mass percentage. You can also set goals in the app such as you want to reach a waist size of 28 inches in 8 weeks. Executives say the device will be able to do even as they implement new technology and release fresh updates via the app. For all the fitness freaks this scanner might be a really cool tool. Click [HERE](#) to watch this short video on how the product works its magic.





Lessons From Those Who Find Themselves Early To The Party

Sometimes a great idea occurs just a bit too early. People often say a person or idea was just ahead of its time. For instance, in 1990, a company called "General Magic" spun off of Apple with members of the original Macintosh team as cofounders. Their goal was to create a mobile device that would connect everyone in the world. It was a radical idea: What if everyone had a "personal communicator," as they called it, something like a computer but much more mobile that went with them everywhere and helped to run and organize their lives? The only problem was people weren't exactly sure what to do with such a device, so no one bought them and the company went bankrupt. General Magic's vision did eventually lead to the iPhone and the Android operating system, and even though the company's key personnel didn't walk away from the experience with monetary gains they did walk away with some incredible life/business lessons we can all benefit from. I wanted to share a few of those lessons below and some of my personal experiences. If you are interested in learning more about Silicon Valley's "most important failure" click [HERE](#). (Source: [Fastcompany](#))

Don't Be Afraid To Invent A New Paradigm: This is hard for a lot of people as it requires you to step back, look forward and think about something that doesn't even exist. Keep in mind for General Magic, they were thinking about and solving problems that only the internet would create, and the internet itself wouldn't actually exist for a few more years, but they did see it coming. As we move forward in the ag space, I have to imagine technology will help provide those who are early adopters the ability to maintain their position as a "low-cost provider". When you are in a commoditized market, being low-cost provide seems to be highly important. At the same time we have to be thinking about ways to create and move into new space.

Tackle Things In Bite-Size Pieces: To me, this means getting a version 1.0 out the door and learning from there. Too many people fail to even start because they can't complete a version 1.0. They continually want to tinker in an effort to try and overcome all objections and fears of failure. When in fact the most beneficially learning comes after launching the product or opening the door to the public for the first time. In the case of General Magic, they thought that if they had a self-motivated and smart team and put them together, they would create something incredible. The problem occurred as they minimized the importance of management and structure. Things got away from them as more and more layers were added by the

creatives, which ultimately slowed down the process and made version 1.0 impossible to get out the door.

Never Forget Why You Are Doing It: This can be a bit tricky. We launch businesses, create new concepts, and work hard ultimately in an effort to make money. We also want to help people. Often times however we lose sight of those very simple thoughts. Instead we get overly tripped up in the process of creating, building and theorizing about the next version. The rubber never seems to hit the road as we continue to tinker with the car as it sits in the garage. Then the car becomes so important to us we are scared to take it out and drive it hard. You have to have balance, objectives and final drop-dead dates. No excuses and someone to hold you accountable for putting down the wrenches.

Embrace Criticism - It Makes You Sharper: I have found most people believe this to be true, but when the criticism is pointed in their direction, it's often a different story. I am convinced that most all successful people just simply allow themselves to fail the most and learn from it, ultimately leading to their successes. The best example I can think of is Spanx founder Sara Blakely, who said her father asked her everyday what she failed at. It wasn't a full day unless she tried something new and failed at it. This goes so hard against the tide of the helicopter parenting who seek to make their children feel good versus actually allowing them to experience failures that will better shape their futures. Bottom-line, you have to create an environment that allows your people to fail and learn the lessons that come from it. If your people are always afraid of what you will say or think, you are asking for a slow-moving and non-creative team.

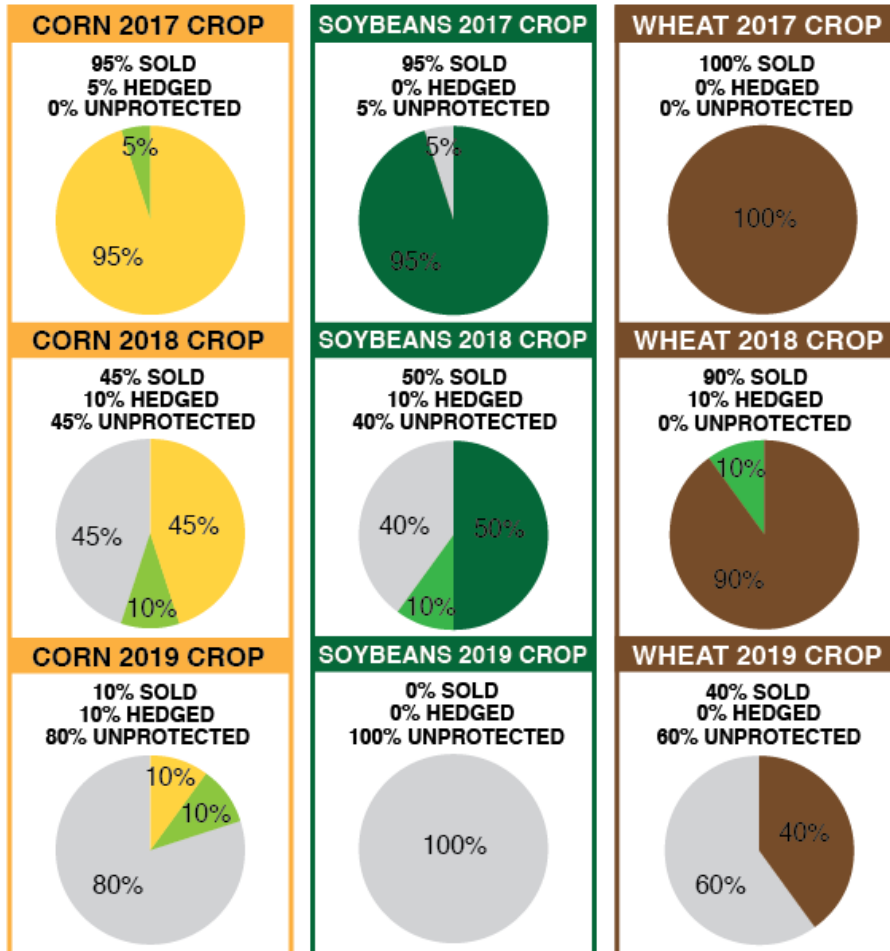
Don't Simply Be A Fan Of The Idea: If you want to be successful, do what successful people do! I love to remind people that Michael Jordan worked harder and longer than most, getting to practice early and staying late, even when he was the best to play the game. I've always said, most kids that played basketball wanted to be Michael Jordan, but they weren't willing to do what he did on a daily basis to become that player. In other words, they liked the thought of it. My wife and I often find ourselves saying this after a business venture goes bad. For example, we learned that we simply liked the thought of owning a Steak House, while the actual act of doing the day-to-day grind was insane. We thought we liked the idea of owning an Art Gallery, when in fact we simply liked traveling, bidding on art auctions and growing our collection. Make certain you are not just a fan of the overall idea and actually understand and enjoy the daily grind...



ANSWER to riddle: Tomorrow

CASH SALES & HEDGING TOTALS

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