

## GOOD MORNING: 08/10/18 Farm Direction - Van Trump Report

2 messages

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"When you have the choice between being right or kind, always pick kind." - Dr. Wayne Dyer

**FRIDAY, AUGUST 10, 2018**  
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**Morning Summary:** Stocks are poised to open lower this morning on headlines that the Turkish "lira" is collapsing and could bring about some global contagion in the currency markets. The Nasdaq is in the midst of its longest winning streak since last October on the heels of Amazon trading to all-time highs. The S&P 500 is less than 1% away from reaching its record high of 2,872.87, set back on Jan. 26th. To this point, about 90% of S&P 500 companies have reported second quarter earnings. Just over 75% of those companies have reported better-than-expected earnings. Perhaps even more impressive, of the S&P 500 companies that have reported earnings for the second quarter they are up more than +24% compared to the year-earlier period. The trade continues to keep a close eye on the Chinese economy. There's more talk that as their currency devalues their debt bubble is growing more problematic. In fact, I've heard some say it is showing similarities to the mortgage crisis we experienced here in the U.S. back in 2008. The concern is an ongoing trade war with the U.S. and how it has shifted Chinese officials to place more emphasis and focus on economic stimulus and less focus on financial reforms and stability. Meaning the Chinese could be taking their eye off the ball a bit as they focus on keeping their economy stimulated through trade negotiations. This is obviously something we will continue to monitor closely. As for today, traders are focused on U.S. Consumer-Price Index (CPI). Economists expect both the overall rate and the core, which excludes food and energy, to rise +0.2% from the prior month. That would put the headline measure on track for a 2.9% year-over-year rise, and core at 2.3%, unchanged from the prior month. Talk inside the trade is that a higher CPI will probably act as a little headwind for the stock market. Remember, the Consumer Price Index (CPI) is a broad measure of inflation within the economy in relation to the cost of goods and services. That figure can have a significant impact on the value of a currency in relation to the currencies of other nations. If the stronger CPI number makes the Fed feel like they need to slow spending, by becoming a bit more hawkish, the U.S. dollar could see even more strength. It's the strengthening dollar that could act as a bit of a headwind to the stock and commodity markets. Economist are also wanting to see the latest U.S. federal budget deficit number for July, which is expected to widen to +\$75 billion from just under \$43 billion a year earlier. There's talk in Washington the federal deficit could top \$1 trillion by early-2019. Not only have we seen a bump in spending and reduction in taxes, but the higher interest payments are adding up. The rising interest rates will obviously make it more difficult on the current administration to reduce the deficit. Some argue as long as the deficit stays below 5% of our GDP the market won't get overly concerned. Beyond that level there could be more questions asked. So I suspect if the U.S. economy continues to gain momentum the rising deficit probably doesn't evoke much concern. Since World War II, the U.S. has posted budget deficits that exceeded 5% of GDP in just two periods—in 1983 and from 2009 through 2012. Both of those episodes followed periods of significant economic stress. Meaning if we exceed 5% of GDP in a period of economic expansion it might raise some bigger concerns. Stay tuned... Next week should be extremely quiet. Lots of traders out for summer breaks and kids going back to school. There's real not a lot on the economic calendar either. We will wrap up earnings season, hear a few updated import export numbers, some U.S. housing data and fresh manufacturing numbers. We will also be digesting a few numbers from the European Union and the Chinese, which could further influence the U.S. dollar. Earnings next week will include: John Deere, Walmart, Cisco, Nvidia, Home Depot and Macy's to name a few. Have a great weekend!

**The Average Retirement Savings by Age:** The folks at NerdWallet released an interesting research paper detailing how much each age has saved for retirement. Below are some highlights. Because averages can be heavily skewed by outliers — in other words, the savings over- and underachievers in each group — we've also included median balances. And it's worth noting that both figures include only those who have retirement holdings; Read all of the details [HERE](#)

**Under age 35:** Average household retirement savings: \$32,500; Median household retirement savings: \$12,300

## THE 2018 VAN TRUMP CONFERENCE



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Innovations  
that will be  
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**Ages 35 to 44:** Average household retirement savings: \$100,100; Median household retirement savings: \$37,000

**Ages 45 to 54:** Average household retirement savings: \$215,800; Median household retirement savings: \$82,600

**Ages 55 to 64:** Average household retirement savings: \$374,000; Median household retirement savings: \$120,000.

**'Texas Live'... The Changing Face Of Entertainment:** Entertainment districts near sports venues are not new and an increasing number of sports teams are investing in entertainment districts as a way to bring in revenue. From AEG's \$2.5 billion LA Live to the Gateway District in Cleveland they are found all over the country. What's unique in Arlington, is the fact that the ownership of the Texas Rangers has a stake in it. I'm told Texas Live has 200,000 square feet of dining and entertainment, including features like local favorite former Dallas Cowboys star Troy Aikman's restaurant Troy. There's also a country-themed restaurant, PBR Texas, a Lockhart Smokehouse and a venue from Guy Fieri. From what I understand, the development will cost \$250 million and is expected to create 1,000 permanent jobs. I can imagine these social settings becoming the next hot spot, especially as gambling goes mainstream. Read more [HERE](#)



TEXAS LIVE! PLAZA



**A Little Freaky But Pretty Cool:** I thought this was pretty interesting, especially the short video showing the team putting the robot together. Professor Hiroshi Ishiguro is a roboticist who plays on the borders of humanity and makes robots in Osaka. I'm told in 2010 he made a literal copy of himself, but his current robots are even more realistic. Ibuki's questioning face and delicate hands are impressively real and I suppose in the near future they will become even more so. I'm not sure what the applications are just yet but I suspect it won't be long before

the farm industry.



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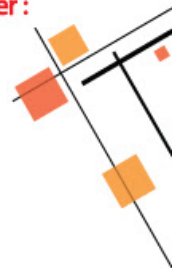
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"When the opportunity comes,  
it's too late to prepare."

- John Wooden





we all have one helping around the house and keeping an eye on things. Check out the finishing touches to Ibuki before he came to life [HERE](#).



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#### Today In History



**1793, The Louvre** - After more than two centuries as a royal palace, the Louvre is opened as a public museum in Paris by the French

revolutionary government. Today, the Louvre's collection is one of the richest in the world, with artwork and artifacts representative of 11,000 years of human civilization and culture. The Louvre palace dates back to 1546 where it was built on the site of a 12th-century fortress built by King Philip II. Francis was a great art collector, and the Louvre was to serve as his royal residence. The work, which was supervised by the architect Pierre Lescot, continued after Francis' death and into the reigns of kings Henry II and Charles IX. Almost every subsequent French monarch extended the Louvre and its grounds, and major additions were made by Louis XIII and Louis XIV in the 17th century. Both of these kings also greatly expanded the crown's art holdings, and Louis XIV acquired the art collection of Charles I of England after his execution in the English Civil War. In 1682, Louis XIV moved his court to Versailles, and the Louvre ceased to be the main royal residence. In the spirit of the Enlightenment, many in France began calling for the public display of the royal collections. Denis Diderot, the French writer and philosopher, was among the first to propose a national art museum for the public. Although King Louis XV temporarily displayed a selection of paintings at the Luxembourg Palace in 1750, it was not until the outbreak of the French Revolution in 1789 that real progress was made in establishing a permanent museum. On August 10, 1793, the revolutionary government opened the Musée Central des Arts in the Grande Galerie of the Louvre. The collection at the Louvre grew rapidly, and the French army seized art and archaeological items from territory and nations conquered in the Revolutionary and Napoleonic wars. Much of this plundered art was returned after Napoleon's defeat in 1815, but the Louvre's current Egyptian antiquities collections and other departments owe much to Napoleon's conquests. Two new wings were added in the 19th century,

## neuro mining



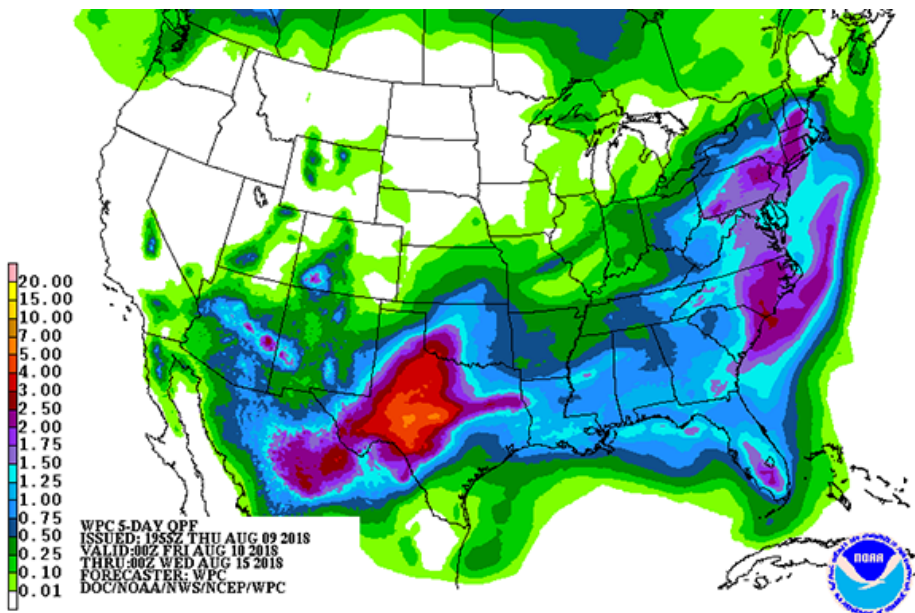
*As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we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

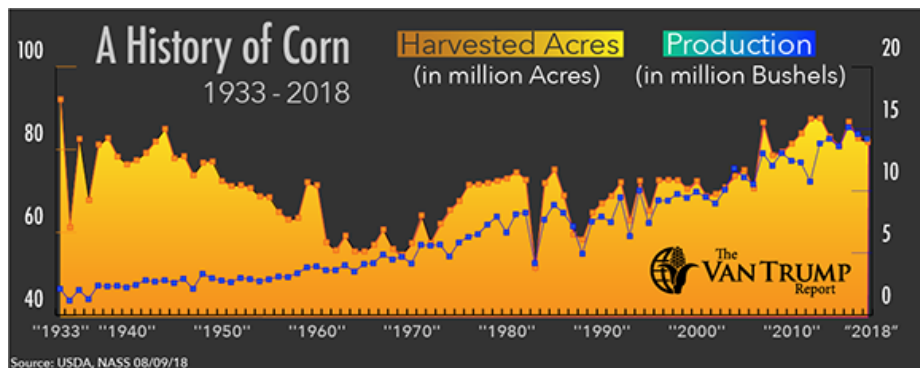
*What two words have thousands of letters in them?*

**Weather** for the Corn Belt sees warm, mostly dry wether favor summer crop development. In the 4 week period ending August 5, nearly two-thirds of 64% of the U.S. soybeans began to set pods. During the last 2 weeks, 39% of U.S. corn entered the dough stage. Overall 75% of the soybeans were setting pods and 57% of the corn had reached the dough stage by August 5, compared to the respective 5 year averages of 58 and 37%. On the Plains, beneficial showers are occurring in parts of Texas, where drought had been intensifying in recent weeks. In contrast, hot and dry weather ron the northern Plains is reducing topsoil moisture for rangeland, pastures and immature crops, but promoting a rapid pace of small grain harvesting. In the South, showers and thunderstorms in the vicinity of a cold front were heaviest yesterday in Arkansas and portions of neighboring states. The rain is locally boosting topsoil moisture and benefiting pastures and immature summer crops. Meanwhile, hot, humid weather lingers in the Gulf Coast region. Showers and thunderstorms currently affecting portions of the southern and eastern U.S. will continue for the next several days. During the weekend, locally heavy rain will develop across the south-central U.S., where 5 day totals in parts of Texas could reach 4 to 8 inches or more. Heavy weekend rain may also occur in the Mid-Atlantic coastal plain. In contrast, mostly dry weather will prevail form the Pacific Coast to the northern Plains and upper Midwest, accompanied by significantly above normal temperatures.

**Southern Plains Seeing Relief To Lingerig Drought:** *Looking at the next five-day rainfall map and we see the southern Plains will receive some nice rains, bringing relief to many drought-stricken regions in Oklahoma and West Texas. However, upper-level ridging will cause dryness across the northern Plains and upper Midwest for the next two weeks and is cause for concern.*



**Corn** traders are bracing for today's USDA report. The big ticket items are U.S. yield, U.S. exports and World Ending Stocks. The weekly drought map showed very little change or difference from last week. I personally feel like parts or portions of big production states inside Iowa, Illinois, Indiana, Kansas, Missouri, Minnesota, Michigan, Ohio and Wisconsin all have pockets of less than ideal conditions, some degree of crop stress and wide variability. Interestingly, the USDA's weekly crop condition estimates paint a different picture, showing very little problems and an inordinate amount of the crop in "Excellent" condition. This has me wondering and worried that the USDA and others might have preconceived ideas and thoughts, in turn over-estimate the average yield. The bears and many of the seasoned traders are thinking we are going to hear the same old thing, which is talk about record high population counts and average ear weights leading to record high yields. The bulls will be arguing the number but the market won't seem to care. I want to take a more optimistic and bullish approach, but it feels like I'm fighting a massive wave. Regardless, I'm sticking with a longer-term bullish perspective. I still feel like the yield here at home is less than record setting. I'm defiantly not in the +180 camp. Keep in mind, some analyst are now talking a 182 to 184 bushel per acre nationwide average. I'm just not there! I also think exports and overall demand could be better than the trade is currently estimating, and global corn production might be running into more hiccups than currently in the equation. I'm hoping for a bullish surprise! If we get a big bearish number and the market reacts with a knee-jerk to the downside, I'll probably be buying on thoughts it won't stay down for an extended period. I also think we are going to start seeing some bullish headlines regarding NAFTA. Bottom-line, I like the thought of buying the bigger breaks for a longer-term play. The strengthening U.S. dollar is a bit of concern in the macro space.



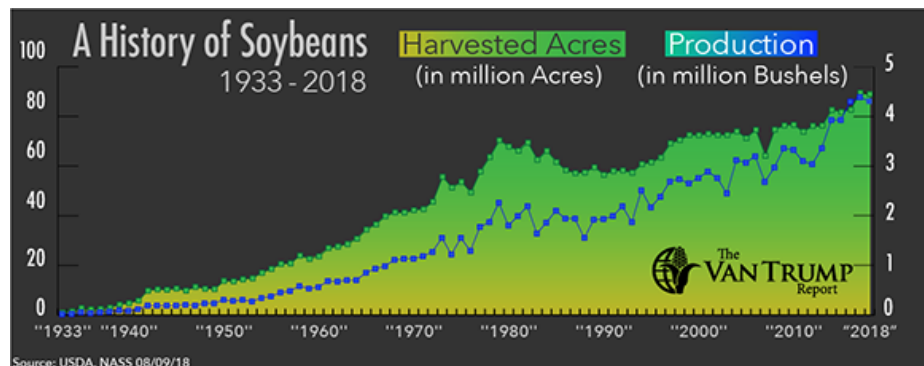
**Soybean** prices have me a bit more nervous than corn and wheat. Bears are focused on a new-crop ending stock number pushing towards 700 million bushels. Talk is U.S. yield ends up somewhere between 49.5 and 52.0 bushels per acre, obviously depending on finishing weather the next few weeks. It's tough to argue those numbers from our current crop-conditions. It's also tough to read or forecast trade relations with the Chinese. Will the Chinese ultimately bite the bullet and buy U.S. soybeans in quantity or somehow reduce soy demand by some significant margin? As a producer, I want to believe the talk and rhetoric that eventually China has to come back to the U.S. for supply, the numbers simply don't add up. But at the same time, I know from experience things can and do change, especially those things acted upon by a powerful outside source, such as the Chinese government. Hence, even though I full understand

and the multi-building Louvre complex was completed in 1857, during the reign of Napoleon III. In the 1980s and 1990s, the Grand Louvre, as the museum is officially known, underwent major remodeling. Modern museum amenities were added and thousands of square meters of new exhibition space were opened. The Chinese American architect I.M. Pei built a steel-and-glass pyramid in the center of the Napoleon courtyard. Traditionalists called it an outrage. In 1993, on the 200th anniversary of the museum, a rebuilt wing formerly occupied by the French ministry of finance was opened to the public. It was the first time that the entire Louvre was devoted to museum purposes.

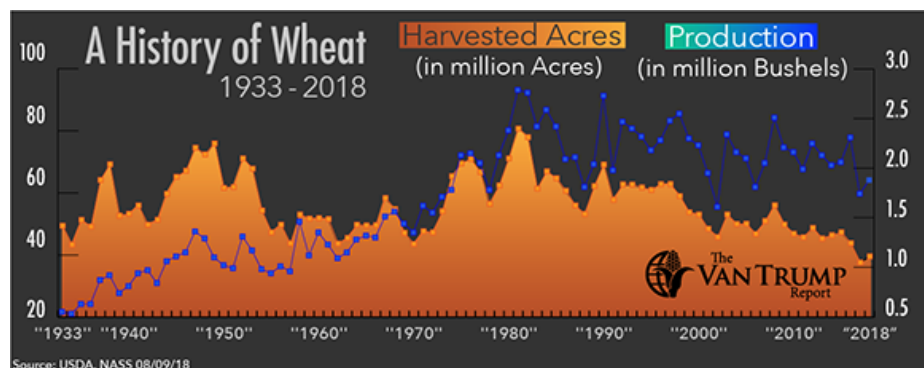
## 1821, Missouri Enters Union

- Missouri enters the Union as the 24th state—and the first located entirely west of the Mississippi River. Named for one of the Native American groups that once lived in the territory, Missouri became a U.S. possession as part of the Louisiana Purchase of 1803. In 1817, Missouri Territory applied for statehood, but the question of whether it would be slave or free delayed approval by Congress. In 1820, the Missouri Compromise was reached, admitting Missouri as a slave state but excluding slavery from the other Louisiana Purchase lands north of Missouri's southern border. Missouri's August 1821 entrance into the Union as a slave state was met with disapproval by many of its citizens. Humans have inhabited the land now known as Missouri for at least 12,000 years. The Mississippian culture built cities and mounds, before declining in the 1300s. When European explorers arrived in the 1600s they encountered the Osage and Missouri nations. The French established Louisiana, a part of New France, and founded Ste. Genevieve in 1735 and St. Louis in 1764. After a brief period of Spanish rule, the United States acquired the Louisiana Purchase in 1803. Americans from the Upland South, including enslaved African Americans, rushed into the new Missouri Territory. Missouri was admitted as a slave state as part of the Missouri Compromise. Many from Virginia, Kentucky, and Tennessee settled in the Boonslick area of Mid-Missouri. Soon after, heavy German immigration formed the Missouri Rhineland. Missouri played a central role in the westward expansion of the United States, as memorialized by the Gateway Arch. The Pony Express, Oregon Trail, Santa Fe Trail, and California Trail all began in Missouri. As a border state, Missouri's role in the American Civil War was complex and there were many conflicts within. After the war, both Greater St. Louis and the Kansas City metropolitan area became centers of industrialization and business. Today, the state is divided into 114 counties and the independent city of St. Louis. In 1861, when other slave states seceded from the Union, Missouri chose to remain; although a provincial government was established

the reason to be a fundamental bull, I also recognize that "change" can often turn on a dime and go in a direction you had never imagined, both good and bad. Meaning I simply don't know what the soybean world will look like once we pop back out on the other side of trade negotiations with the Chinese. Obviously, I'm wanting to keep a positive attitude about the outcome, but at the same time I'm realist, understanding it's a possible "wild-card". I have friends who have been professional traders for years, some think soybean prices could tumble to sub-\$8.00 on a negative set of political headlines, at the same time some think we could still see prices back north of \$10.50 before yearend. As a spec, I have no current positions open heading into the report. I would entertain being a buyer if we were to catch a significant break. As a producer, I'm in no hurry to reduce additional risk in this time window. I want to stay patient and hopefully catch a wave of bullish headlines....



**Wheat** traders might see some fairly significant changes in data today, as both domestic and global ending stocks are in play. Thoughts are the USDA will be reducing total U.S. production, both winter and spring estimates. Global supplies should also be shrinking on lower production estimates for the European Union, Australia, India and perhaps China, Canada and Russia. There's also talk and questions about exports, and if the USDA will make any changes based on forecast for perceived growth. Bottom-line, USDAs ending stocks estimate should be shrinking, the question is by how much and will the trade be surprised. Keep in mind, this information has been fairly well advertised and I don't see the funds being caught by surprise. In fact it wouldn't surprise me to see some bulls take profits and pressure the market lower following the news. Producers who need to make sales or reduce risk should be paying extremely close attention and positioned to "execute". Remember, the rally is all for not if you fail to pull the trigger! As a spec, I'm already long and will not be adding into the strength or momentum. If anything I may bank profits on a bounce to the upside and look to reestablish if we drift lower the next few sessions.



#### U.S. Production

	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

in the next year by Confederate sympathizers. During the war, Missourians were split in their allegiances, supplying both Union and Confederate forces with troops. Lawlessness persisted during this period, and Missouri-born Confederate guerrillas such as Jesse James continued this lawlessness after the South's defeat. With the ratification of Missouri's new constitution by the citizens of the state in 1875, the old divisions were finally put to rest.



**1929, Grover Alexander** - Pitcher Grover Alexander beats Phils 7-1 for his 373rd & last NL win. Nicknamed "Old Pete", Alexander played from 1911

through 1930 for the Philadelphia Phillies, Chicago Cubs, and St. Louis Cardinals. Alexander was born in Elba, Nebraska, in the first term of President Grover Cleveland and was one of thirteen children. He played semi-professional baseball in his youth, signing his first professional contract at age 20 in 1907 for \$50 per month. In 1909 he played for the Galesburg Boosters in the Class D Illinois-Missouri League and went 15-8 that year. His career almost ended when he was struck by a thrown ball while baserunning. Although this ended his 1909 season, he recovered by 1910 to become a star pitcher again, finishing with a 29-11 record for the Syracuse Stars in the Class B New York State League, before being sold to the Philadelphia Phillies for \$750. Alexander has some impressive records including 90 shutouts are a National League record and his 373 wins are tied with Christy Mathewson for first in the National League record book. He is also third all time in wins, tenth in innings pitched (5190), second in shutouts, and eighth in hits allowed (4868). At the time of Alexander's final victory in August 1929, the news media reported that he had broken Mathewson's career victories record of 372. In the 1940s Mathewson was discovered to have qualified for an additional victory (May 21, 1912) and his total was officially upped to 373 and into a tie with Alexander. Alexander posted a lifetime winning percentage of .642, compared to Mathewson's .665. Alexander has the most career wins of any pitcher who never threw a no-hitter. In 1915, he won his first World Series game (the opening game of that series), for the Philadelphia Phillies. It would be 65 years before the Phillies won another World Series game. In 1999, he ranked number 12 on The Sporting News list of the 100 Greatest Baseball Players,[15] and was a nominee for the Major League Baseball All-Century Team. Alexander was elected to Baseball's Hall of Fame in 1938, the third year of the Hall. Alexander was the only player elected that year.

#### Upcoming Events

**Fri. 8/10** - USDA Supply and Demand



**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
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**

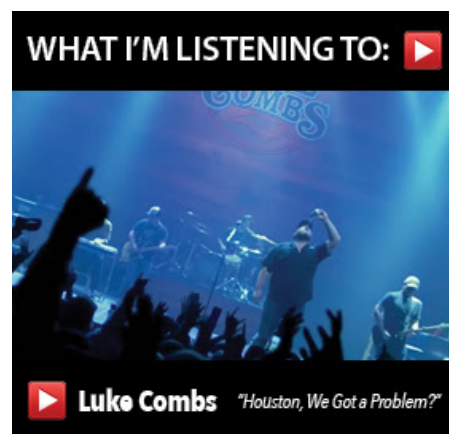
	Aug #	Avg. Trade Est.	Trade Range	USDA July
Corn	???	1.636	1.457 - 1.812	1.552
Soybeans	???	0.638	0.565 - 0.726	0.580
Wheat	???	0.961	0.850 - 1.018	0.985

**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

**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****Kevin's Song of the Week**

Soybeans	???	99.33	94.00 - 102.20	98.27
Wheat	???	256.42	250.00 - 259.90	260.88



**> 60% Chance of El Nino Emerging This Fall:** Forecasters from NOAA are now giving the El Nino weather pattern a 60% chance of emerging during the northern hemisphere fall of 2018, with the chances increasing to 70% during the subsequent winter. The last El Nino, a warming of ocean surface temperatures in the eastern and central Pacific that typically occurs every few years occurred from around 2015 to 2016 and caused weather related crop damage, fires and flash floods. Thanks in part to the developing El Nino, government forecasts do see a below normal Atlantic hurricane season is most likely. Overall they are calling for 9 to 13 named tropical storms will developing in the Atlantic, the Caribbean Sea and Gulf of Mexico. (Source: NOAA)

**> Grain Inspections Down, but Soybeans Rebound:** For the week ending August 2, total inspections of grain (corn, wheat, and soybeans) for export from all major U.S. export regions reached 2.55 million metric tons; down 10% from the previous week, up 9% from last year, and 19% above the 3 year average. Despite the drop in overall grain inspections, soybean inspections rebounded from the previous weeks and were the highest since early March. (Source: USDA, GTR)

**> Poor EU Harvest Shrinks Wheat Stocks, Boost Corn Imports:** French-based Strategie Grains has made another deep cut to its EU soft wheat production forecast, now seen 10% below last year's level. They have also reduced their projection of EU wheat use for livestock feed in 2018/19 by 3.1 million metric tons from a month ago to 47.6 million metric tons. They also revised up their projected corn use by 2.8 million metric tons from a month earlier to 61.3 million metric tons. This would raise corn imports to a new record of 19 million metric tons if realized. (Source: Reuters)

**> Ukraine Could Boost Grain Exports to Saudi Arabia:** A low harvest in Europe and Riyadh's decision to cancel grain imports from Canada might give Ukraine a chance to export wheat to Saudi Arabia again this season. Ukraine hasn't sold wheat to Saudi since 2016, but that may soon change. Germany and Poland were the leading wheat exporters to Saudi but poor weather will hit their exportable supply this year. Ukraine's share of Saudi's barley market could also rise from 22% last season given smaller barley harvest in the EU and Australia. (Source: Reuters)

**> Cotton Production Could Drop:** Those in the industry say that production could drop to 18.39 million bales in the first survey-based report from the USDA. Last month saw estimates at 18.5 million bales. As far as weekly export numbers are concerned, I'm hearing old-crop shipments came in near 15.85 to 15.95 million bales, below the USDA's estimate last month of 16.2 million.

**> "Space Force" Coming Soon:** The Pentagon has released a 15-page report outlining a framework for the establishment of the U.S. Space Force, which would become the sixth military branch. Efforts include an "acceleration" of space technology, the creation of a space-development agency, and a pool of "space experts" and "space warfighting professionals." The division would be responsible for protecting against hypersonic weapons, as well as attacks on communications satellites and the Pentagon's missile-warning systems. (Source: SeekingAlpha)

**> Puerto Rican Death Roll From Hurricane Maria Raised to 1,427:** The government of Puerto Rico said in a report to Congress this week that Maria killed at least 1,427 people. For months, the Puerto Rican government's official death toll stood at 64. This new report makes Maria the second-deadliest hurricane to strike Puerto Rico since records began in the mid-19th century. Only the San Ciriaco hurricane of August 1899 was deadlier, with an official estimate of 3,369 killed. The report submitted to the U.S. government was part of a \$139 billion reconstruction plan for Puerto Rico. (Source: NOAA)

**> Looking for the Next Big IPO?** 2018 has seen Dropbox, Spotify and Xiaomi take the plunge and go public. Sonos, the maker of wireless multiroom speakers is the latest example of a well-known private company deciding to become a publicly traded one, with all its pros and cons. According to CB Insight's current ranking of the most valuable startups in the world, several names stand out and could soon follow suit. Uber, its Chinese rival Didi Chuxing, Airbnb and SpaceX have all been linked with IPO

## NEXT level THINKING



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

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

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

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

Kevin Van Trump

### What Others Are Saying

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

A.M., FDIC

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

rumors in the past, but none has announced any definitive plans as of yet. (Source: CB Insights, Statista)



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.



**Northcentral North Dakota** - We farm about 10 miles off the Canadian border. Guys around us plant corn but we feel corn won't make anything on our ground and you must have the shortest season corn possible up here which is always in short supply. We just stick with wheat, soybeans and canola just to be on the safe side. We thought we were going to make the best crop we have ever seen but 3 weeks of 80-90 degrees without rain has put that idea to bed. The beans act like they have no life left in them and they are shutting down. The wheat is coming on to quick which is causing the berries to shrivel up. The one thing our wheat has is tons of protein but unfortunately protein is the last thing the mills want around here. They are looking for poor quality wheat just like that other guy was saying the other day. They want to blend all this 16-17% protein wheat down to about 14%. Two years ago, everyone and their dog was looking for tracks to throw on their combines to keep them above ground and this year we are one week from disaster if we don't see some rain.

**Northwest Illinois** - The rain showers have been missing in action for about 20 days. We are starting to see firing on some of the stocks in certain areas. Like most farms in Illinois we underestimated the crop by about 20 bushels per acre. We had a good chance of rain on Monday, but it mostly went South and North of us. I noticed that the eastern half of the state received anywhere from 0.5 to 1.25 inches of rain according to NOAA. What's interesting about last year's crop is the old varieties did better on yield then the newer varieties so that tells me weather played the biggest role in creating the best yield we have ever seen. We typically hope for the best and expect the worst, so this year's corn still looks good but the GDD's are way ahead of schedule, so we are a little leery of kernel depth especially after all the talk of the fill stage happening so fast. The kernel count is looking like we should clear our APH easily. We should probably pick our first corn in early October, so time will tell.

**Northeast Missouri** - Have a field that was in pasture for 50 years up to 2016. In 2017 we planted soybeans that we did inoculate because the ground has been dormant for so long. Last fall we planted wheat and now it is double crop soybeans. The double crop beans were not inoculated we figured since we did it first go around it wasn't necessary. The first crop of beans that was inoculated grew normally for the conditions and the soil. The double crop beans this summer got about 4 to 6 inches tall, other double crop beans planted at the same time are about knee high. The short beans have several sets of trifoliate leaves very close together like they are growing but in slow motion. We are guessing that we should have inoculated a couple years in a row to build up the nitrogen, but we are hoping that it pulls itself through this slow stage and makes what the other double beans make. Double crop beans are hit or miss around here so this is not overly surprising to see.



# CROSSING WIRES

A place to share intelligent thoughts...

**Researchers Breakthrough On Ammonia-Derived Hydrogen Powered Car:** Hydrogen may be the zero-emission fuel of the future, but transport and storage has always been a head-scratcher. Highly flammable and difficult to ship due to its low density, the logistical issues have always stood in the way of progress, until now. Australia's Commonwealth Scientific and Industrial Research Organisation (CSIRO) has road-tested its ammonia to hydrogen technology for hydrogen fuel-cells in two purpose-built hydrogen-cell cars. The technology has huge potential for the export market as ammonia stores almost twice as much energy as liquid hydrogen, while being far easier and safer to ship. Read more [HERE](#) on what may lay ahead.

**How Science Defines The Mind:** Defining what the mind actually consists of has been a surprisingly slippery task. The mind is the seat of consciousness, the essence of your being. Without a mind, you cannot be considered meaningfully alive. So what exactly, and where precisely, is it? Traditionally, scientists have tried to define the mind as the product of brain activity: The brain is the physical substance, and the mind is the conscious product of those firing neurons, according to the classic argument. But growing evidence shows that the mind goes far beyond the physical workings of your brain. Most scientists believe our minds cannot be confined to what's inside our skull, or even our body, according to a definition first put forward by Dan Siegel, a professor of psychiatry at UCLA School of Medicine and the author of a recently published book, *Mind: A Journey to the Heart of Being Human*. Read more [HERE](#) for what science says this means.

**Bethenny Frankel on How She Went From \$20,000 in Credit Card Debt to a \$100 Million Skinnygirl Deal...** Whether in business or in life, Frankel, 47, expects perfection. In fact, that may be the secret to her success. "If I'm not going to give it my all, then I'm not doing it," Frankel says. Frankel's philosophy toward work is quite simple: Work hard, and don't waste anyone's time. That's easy enough, theoretically, but Frankel says most employees can fall into a trap of moving papers around a desk, thinking they're working. Frankel's best employees get the job done accurately and quickly. You know if you're that person who's really going to get it done and not look to the left or to the right and just get to that wall before anybody else. More at [Money](#)

**How One Developer In Miami Is Paying You To Ditch Your Auto:** In Miami, the developers of a new building are giving residents \$100 per month to not use their parking space—and take the public transportation next door. Keep in mind, current laws in most states require minimum parking spaces be included with all new buildings. For developers, this is taking up valuable space that could be used for new units, so now one company in Miami is paying up. It isn't taking hold just yet as folks seem to want to keep their vehicles for weekends etc. As cities go green, I suspect we will see many more "programs" meant to move private car ownership to a historical footnote. Read more [HERE](#) on how the trend is shaping up.

**Why Americans Go To Church... And Don't:** Social scientists and religious leaders have lots of theories about the long, slow slide of church attendance, blaming it on everything from the internet to the politicization of conservative Christianity. A new [Pew Research Center study](#) offers something different: a survey of 4,729 Americans telling us precisely why they do (or don't) attend religious services. Some of their answers are unsurprising. Americans who don't believe in religion don't often attend church. Because duh. But the survey may confound other stereotypes about other Americans who rarely, if ever, attend church. As it turns out, they're all not atheists, or even members of the "spiritual but not religious" crowd. Many say religion is important in their lives, and lean conservative, politically. Get more details [HERE](#) on the turning tides of church attendance or click link above for full report.

*Farm Direction*  
RECIPES

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



**Poor Man's  
Burnt Ends**

**CLICK TO SEE RECIPE**

## Top reasons U.S. adults give for choosing to attend or not attend religious services

Among U.S. adults who attend religious services at least once or twice a month, % who say \_\_\_\_\_ is a "very important" reason they ATTEND religious services



Among U.S. adults who attend religious services a few times a year or less often, % who say \_\_\_\_\_ is a "very important" reason they DO NOT attend more often



Source: Survey conducted Dec. 4-18, 2017, among U.S. adults. "Why Americans Go (and Don't Go) to Religious Services"

PEW RESEARCH CENTER



### How To Pick The Perfect Watermelon

Because of new developments in watermelon varieties, the market for watermelon continues to grow and change. A little over a decade ago, the development of seedless varieties practically revolutionized the watermelon market, making this age-old fruit appealing to today's more discriminating consumers. As of today, the share of seedless watermelon in total watermelon shipments in the U.S. has increased to almost 90%. Seedless varieties, typically started as transplants rather than from direct seeding, require more intensive management and are more reliant on bee pollination than seeded varieties, with the cost differences generally visible at the retail level. While watermelons are grown across the United States, most production occurs in 4 southern and western States that offer consistently warm temperatures. Watermelon is not just a summer fruit - it is delicious, nutritious and available year-round! The United States produces its own watermelon April through November, and the rest of the year it is imported. With a lot of fresh watermelon on the market, I thought it would be good to review a few tips about how to pick just the right one. A few of our readers happen to be some of the largest watermelon producers in the U.S. and have passed along a few inside tips through the years. I was certainly doing it all wrong when I was younger. On a side note, one of my first real jobs, outside of throwing hay, was unloading semi-trucks full of watermelons. Let's just say for a period of time in my life, I didn't even want to see at another watermelon. Picking up watermelon and putting them down softly inside boxes and containers for 12-hours straight will give you a whole new perspective on things. It's even more exciting when there are live snakes from the field still in the haul. Those were the days. (Source: Preview photo credit O.Bellini, Shutterstock; [fifteenspatulas.com](http://fifteenspatulas.com); [thekitchn.com](http://thekitchn.com))

**White Field Spots** - Many folks view the melons that have the big white areas as a problem. That's not really the case, these are just field spots where the watermelon rested on the ground and are very natural. In fact, some melons with just a shade of field spotting can be some of the best tasting ones there is. You don't necessarily want the ones with the white spot, but more of a creamy-yellow or orangish-yellowish area can be best... so go for the "gold".

**Webbing** - Many folks don't like picking a watermelon with "webbing", the brown crusting spiderweb like lines that are often on a melon. Interestingly, the "webbing" on a watermelon can help tell how many times that bees touched the flower. Many sources believe the more pollination, the sweeter the watermelon.

**Shape** - It is beloved that the taller and more elongated watermelons are a bit more watery, while the more rounded and stout are perhaps a bit sweeter.

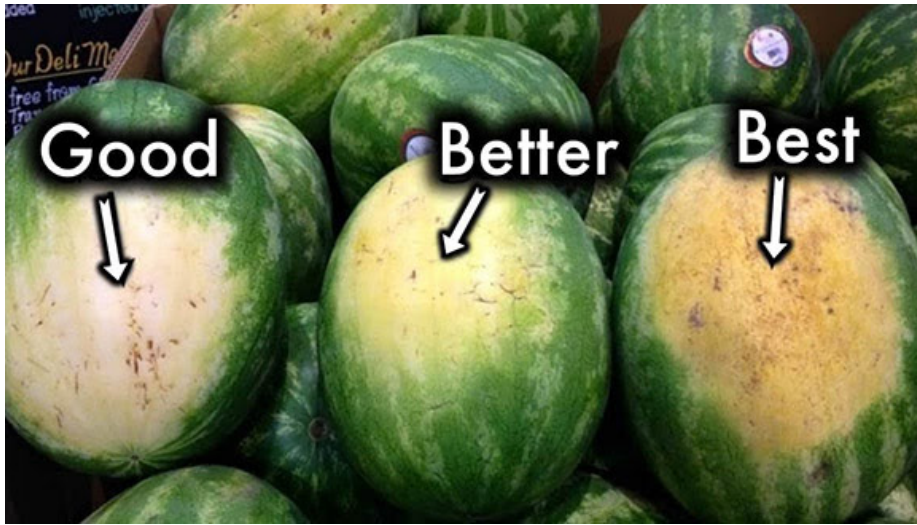
**Size Matters** - In this case, bigger doesn't always mean better. Most experts say an "averaged size" watermelon gives you the best odds at getting great taste. Not too big or not too small.

**The Tail** - The tail of a watermelon can often indicate its ripeness. A green tail can mean the melon was picked a bit too soon and might not taste as good. The melons with the dried tails can make for a better taste.



**Color** - Some folks believe color matters. Saying a perfect, ripe watermelon should be a darker green in color and dull in appearance, rather than shiny. A shiny watermelon can have a tendency to be under ripe.

**The Thump** - This how my grandpa always checked his watermelons, but through the years I've heard a few conflicting thoughts on the sounds. Most agree that you want a more full sound when you thump the belly of the melon. If the melon sounds or feels somewhat hollow it's defiantly not one to take home to the family





### This Year's Most Breathtaking Meteor Shower is Happening this Weekend

The Perseids will light up the sky with 60 to 70 shooting stars per hour. Some researchers are saying if you are watching in the right spot viewers will be able to catch up to 120 shooting stars in one hour, which is equivalent of two shooting stars per minute. Most people are lucky to see one shooting star per month. For people in the Northern Hemisphere, The Perseids will be most visible the night of August 12 until the predawn hours of August 13. Many believe the peak of the meteor shower will start on the night of Sunday, August 12 and last until the predawn hours of Monday, August 13 when Earth makes its way through the densest cloud of debris from the comet. The Perseids occur every August, but thanks to a new moon happening so close to the peak of this year's meteor shower people will be able to clearly watch all the action. The reason why this meteor shower happens every year is because in mid-August Earth passes and collides with particles that spread along the orbit of Comet Swift-Tuttle. The Perseids named because they appear to radiate out of the pattern of Perseus, who is the mythical Greek hero who was the slayer of monsters before Hercules. Perseus is most known for beheading the Gorgon Medusa. NASA recommends viewers to give themselves about 45 minutes for their eyes to adjust to the dark. Also, for the best views, you'll want to be somewhere with little to no light pollution, so make sure to get out of the brightly lit city. There isn't going to be another meteor shower close to this beauty that's going to happen for a while, but if you're unable to watch the Perseids in August be sure to catch the next major meteor shower, the Geminids, around December 13th. You're going to want to make special plans this weekend to stay up late, lay down a blanket, and stare at these shooting stars. (Source: Business Insider)







### **Back to School Days - Letter To A First Grader**

With lots of kids going back to school, I wanted to take a moment and acknowledge all of the Moms and Dads who might be wiping the tears away as they drop the kids off at college or their first day of elementary school. We've got one heading back to college this week, so once again our home will feel a bit strange and our hearts a bit more empty. We've learned to adjust, and yes it seems to get a little easier, but it's still just not the same around the house. There's just something about the pitter patter of bare feet running, the dogs barking and chasing after them, the girls screaming as the boys torment. I miss the balls bouncing off the walls, the bicycles banging up against the cars, the spills at dinner table, the go carts and mini bikes always breaking down, finding my tools in the yard, the pool balls being lost, the dogs being dressed up, the scraps, cuts, broken bones, bee stings, etc. It sounds crazy, but we actually find ourselves missing a lot of the things we never would have thought. In any regard, to those who have little ones, enjoy every minute of it. Submerge yourself in the craziness and let it soak deep into your pores, there's nothing better in life... Below is a short letter I received a few years back from a great friend. I like to pass it along this time of year. Hope you enjoy, have a great weekend, and spend some extra time with the kids this weekend. (Picture below was seen in the Washington Post; not sure the source of the cartoon)

**To my first-grader:**

**When you were in preschool, your teacher asked me to write on a piece of paper what I hoped for you that school year.**

**There are so many things I hope for my daughter, but I was stuck.**

**I sat there, frazzled on how I could write everything I wanted for my daughter on a little index card.**

**On this first day of school for thousands of Washoe County School District students, what I want for my daughter is what I want for everyone.**

**I want my daughter to be kind.**

**Be kind to classmates who are like you and — most importantly — different from you. Make friends with people who make you smile, laugh and get angry. Be kind to the kids who are mean to you.**

**Be kind to yourself.**

**Be kind to your little brother — you don't see it, but he wants to be just like you.**

**Be kind to your teacher, your principal and the lunch lady.**

**Be kind to your grandparents, who won't be around forever and love you so much.**

**Be kind to your aunt because you are a lot like her.**

**Be kind to your dad because someday you will want to go on a date.**

**And be kind to me because while I'm rejoicing that I don't have to remember what summer camp you are attending today, I am also suffering from major mom guilt.**

**It's too soon for summer to be over. I didn't do enough.**

**I only have 10 more summers before you are a high school senior.**

**It won't be long before I'm picking you up to move into a college dormitory and yet, somehow, I can barely accept that today you start first grade. I'm not ready for you to grow up.**

**Last year I cried on your first day of kindergarten. I sobbed at your kindergarten graduation.**



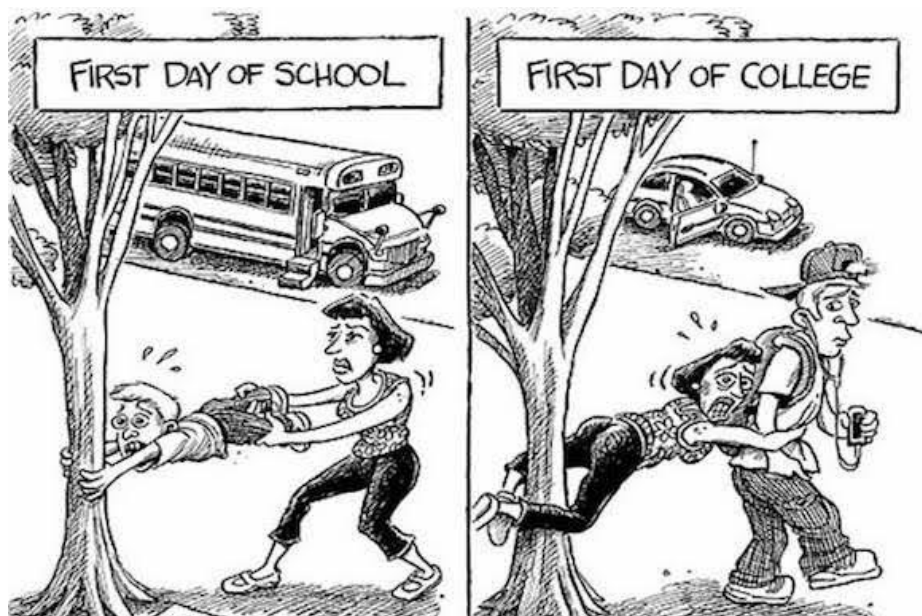
I'm crying now thinking about your first day of school. On Monday, I am not wearing mascara.

And while I want so much from your education, what I wanted years ago, still remains the same as you start another school year.

I hope you always have the confidence to be kind.

Love,

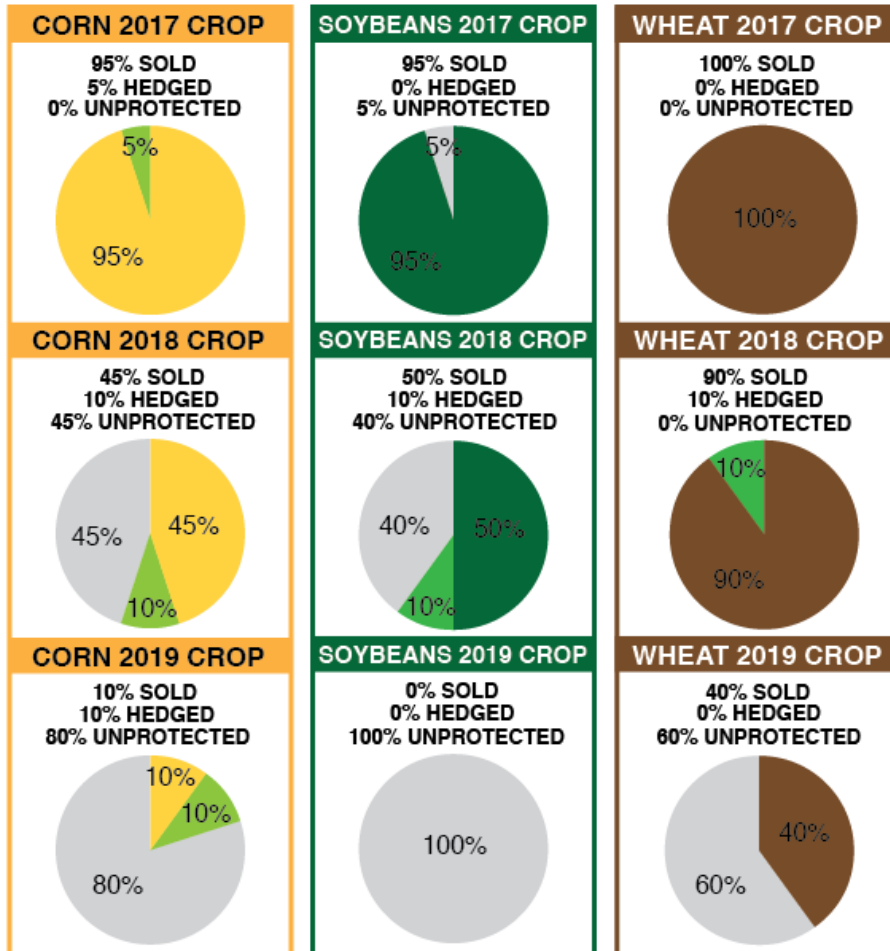
The mom of a 2029 Washoe County School District graduate



**ANSWER to riddle:** Post Office

**CASH SALES & HEDGING TOTALS**

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