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GOOD MORNING: 08/15/18 Farm Direction - Van Trump Report

2 messages

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Wed, Aug 15, 2018 at 6:46 AM



"Make each day your masterpiece." ~ John Wooden

WEDNESDAY, AUGUST 15, 2018

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Morning Summary: Stocks are under a bit of pressure again this morning as Turkey responds to U.S. tariffs with retaliatory duties of their own on U.S. passenger cars, alcohol, tobacco, cosmetics and other U.S. goods. They have also said they will be boycotting U.S. based electronics and technology like the iPhone. The market had steadied yesterday after seeing the Turkish lira rebound from an all-time low, but today is a new day, with another round of negative headlines. Bulls are hoping the meltdown inside Turkey is going to be fairly short-lived and limited in the effect it will have on the global financial markets. Though the financial aspects may be under control, I'm not so sure the political ones are? Washington has imposed financial sanctions on two Turkish ministers and doubled steel and aluminum tariffs on Turkey, as President Trump tries to secure the release Andrew Brunson, an American pastor being tried in Turkey on espionage and terrorism-related charges. In turn, Turkey has accused the United States of waging an "economic war" as part of a plot to harm the country. I still continue to hear Turkish President Erdogan talk about looking for "new allies". He was recently quoted as saying, "Washington must give up the misguided notion that our relationship can be asymmetrical and come to terms with the fact that Turkey has alternatives. Failure to reverse this trend of unilateralism and disrespect will require us to start looking for new friends and allies." Bears argue that Turkey could easily start to lean more towards Russia, China and Iran, which would clearly make U.S. stock market traders more nervous. As for today, traders anxiously await the latest U.S. Retail Sales figures. I wrote earlier in the week, strong employment, and more take-home pay following tax-reform has helped increase retail sales data for the past five months. Most recently, retail sales jumped +1.3% in May and another +0.5% in June, some are wondering if we are running out of momentum, meaning today's July report could come in fairly flat. Of particular note is the consensus that declining auto sales might drag on today's number. The trade will also be digesting the latest in Industrial Production and updated U.S. Housing data from The National Association of Home Builders. Turning to NAFTA renegotiations, I understand that U.S. and Mexican officials are nearing a deal to revise the agreement. Talks resume today, making it four weeks in a row the two sides have sought to find a resolution before the month's end in order to ink a deal before Mexican President Enrique Peña Nieto leaves office on Dec. 1, meaning that Congress will need the notice by the 25th of this month. Tomorrow the trade will focus on U.S. housing starts and weekly jobless claims.

Berkshire's Stock Moves: Last night's 13F filing from Berkshire Hathaway showed its stake in Apple as boosted to about +252 million shares, over +\$50 billion, as of June 30 - up roughly +5% from three months earlier. The Oracle and company also added to holdings in U.S. Bancorp, Teva Pharmaceuticals, Bank of New York Mellon, General Motors, and Goldman Sachs. Among those showing trimmed stakes were American Airlines, Phillips 66, Charter Communications, and Wells Fargo. (Source: SeekingAlpha; Wall Street Journal)

Student Loan Debt Greater Than Credit Cards And Car Loans Combined: The New York Fed's figures show that outstanding student loan debt stood at \$1.41 trillion as of the end of June, well over twice the level 10 years ago. The debt load is greater than the total owed on either credit cards or car loans, while mortgage debt stood at just under \$9 trillion. The good news is, student loans are going bad at the slowest rate since before the financial crisis as America's steadily strengthening economy offers more job opportunities to graduates. Some 8.8% of up-to-date student loan balances went overdue by 30-days or more in the second quarter, the lowest share since early 2006. While that is still the worst-performing area of consumer credit, it represents a substantial fall from peaks of more than 11% seen in 2013. (Source: FinancialTimes)

THE 2018 VAN TRUMP CONFERENCE



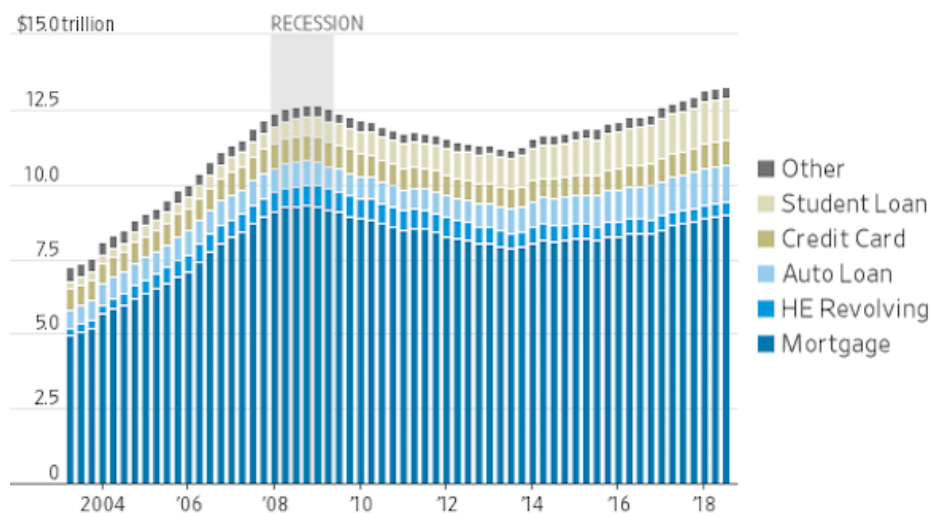
November 28-29
Special 2 Day Event
 Kansas City, Mo

A gathering for the
 sharpest minds in
 agricultural investing.

Hear firsthand
 about new
 innovations.

Innovations
 that will be
 changing & shifting

Total U.S. consumer outstanding debt balance and its composition



Source: Federal Reserve Bank of New York/Equifax

the farm industry.

Over 700 In Attendance Last Year:

Many of the Largest Producers in our Country

CEO's, and Ag Executives

Traders and Hedge Fund Managers

Bank Presidents, FDIC members

Grain Merchandisers, Exporters, Analyst

Leading Ag Retailers

Livestock Executives

Venture Capitalist and Early Investors

Transportation and Logistics Executives

Innovative Start-ups

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:

It's shorter than the rest, but when you're happy, you raise it up like it's the best. What is it?

Weather forecasts are calling for continued beneficial conditions for Midwest crops. Temperatures will be seasonal to below normal. Soil moisture is adequate in most areas; plus, periodic showers are forecast across the region. Moderate to heavy rain has moved in through the southern Plains and will bring rain throughout the region for the next several days. The rain, along with cooler temperatures, will favor filling summer crops. In addition, soil moisture benefit will accrue for the upcoming planting season for winter wheat. Warm and dry weather continues for the northern Plains. Conditions will favor spring wheat harvest, but will be stressful to filling corn and soybeans. Looking across the pond, heat and dryness have already reduced wheat and corn crop prospects though a variable temperature pattern may bring some cooler weather over the next few days. Across Australia, drought and hot temperatures have led to reduced projections for the wheat crop in southern Queensland through most of New South Wales. Irrigation for cotton and sorghum crops, planted beginning next month, is reported to be low. The region is not likely to see significant shower activity during the next 10 days. Back here in the U.S., late summer heat will persist in the West and spread eastward across the nation's northern tier, reaching the northern Plains by mid-week and the Great Lakes region by week's end. Meanwhile, showery weather will prevail across large sections of the country. During the next 5 days some of the heaviest rain will fall from central sections of the Rockies and Plains into the southern and eastern Corn Belt.

A Chart On This Summer's Heat You Can't Miss: I have been asked by many about these maps that have been floating around the ag-world lately. They come from the awesome folks over at BAMWX.com and @Met_mdclark. From May 1

\$500

Early Bird Special
For First 200 to Register :

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

- John Wooden

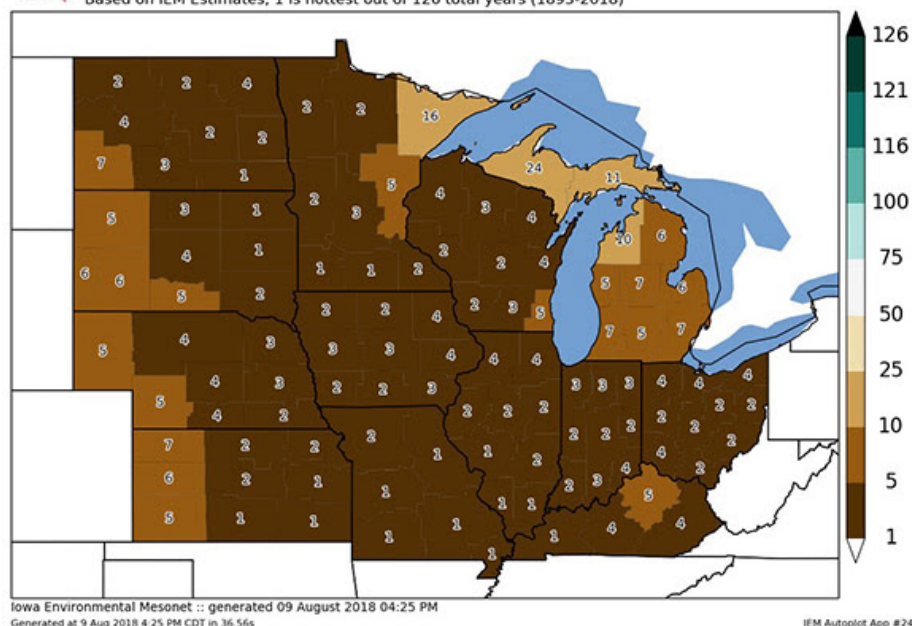
The
VAN TRUMP
Report

through July 25 the central U.S./Corn Belt has experienced the 2nd warmest stretch on record dating back to 1893 for average low temperatures.

Average Low Temperatures



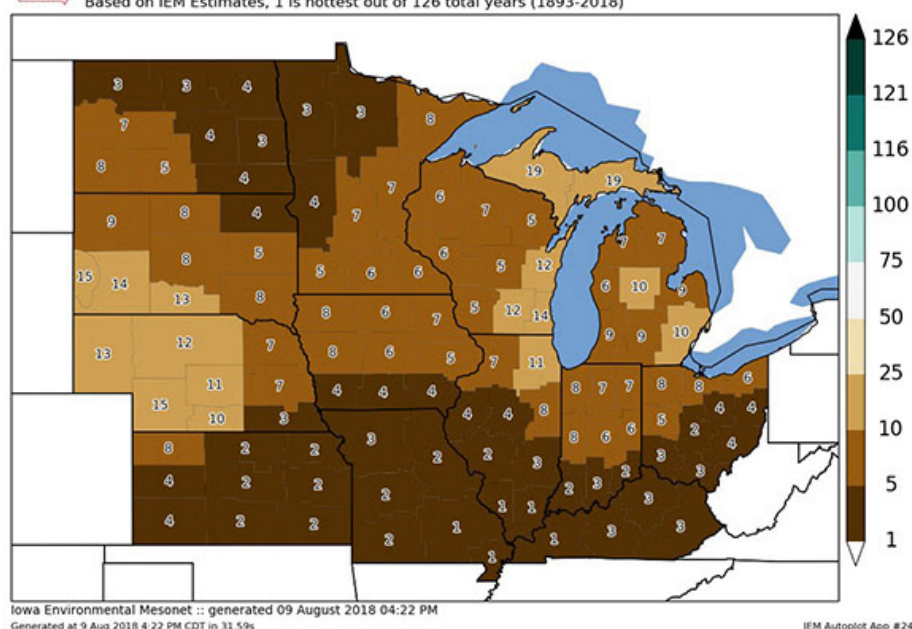
1 May 2018 - 25 Jul 2018 Average Low Temperature Ranks by Climate District
Based on IEM Estimates, 1 is hottest out of 126 total years (1893-2018)



Average Daily Temperatures



1 May 2018 - 15 Jul 2018 Average Temperature Ranks by Climate District
Based on IEM Estimates, 1 is hottest out of 126 total years (1893-2018)



Corn traders are wondering if the market can gather enough momentum to trade back north of \$3.88 per bushel, a level that has been very tough as of late for the DEC18 contract to trade beyond. It seems like the bulls can push to \$3.80, but then start to lose their footing. Keep in mind, the DEC18 market hasn't closed above \$3.90 since early-June. There's not a lot fresh or new in the headlines. Some seasoned traders I know, believe the market is just sloshing around right now. No real direction, no real rhyme or reason. Historically the corn market has a tendency to drift lower during the next 30 to 45-days, often times putting in a summer low during one of the next four to six weeks. Bears argue the market could test the \$3.50[±]2 low that was recently posted back on July 12th. Bulls are thinking the low is in place and the market will simply stay rangebound between \$3.50 and \$4.00 for the next several weeks. Obviously, the direction of the U.S. yield is going to play a major role in determining the direction of nearby price. Many of the bears are citing the fact that the USDA has increased their August to Final yield in each of the past four years, essentially raising it anywhere from

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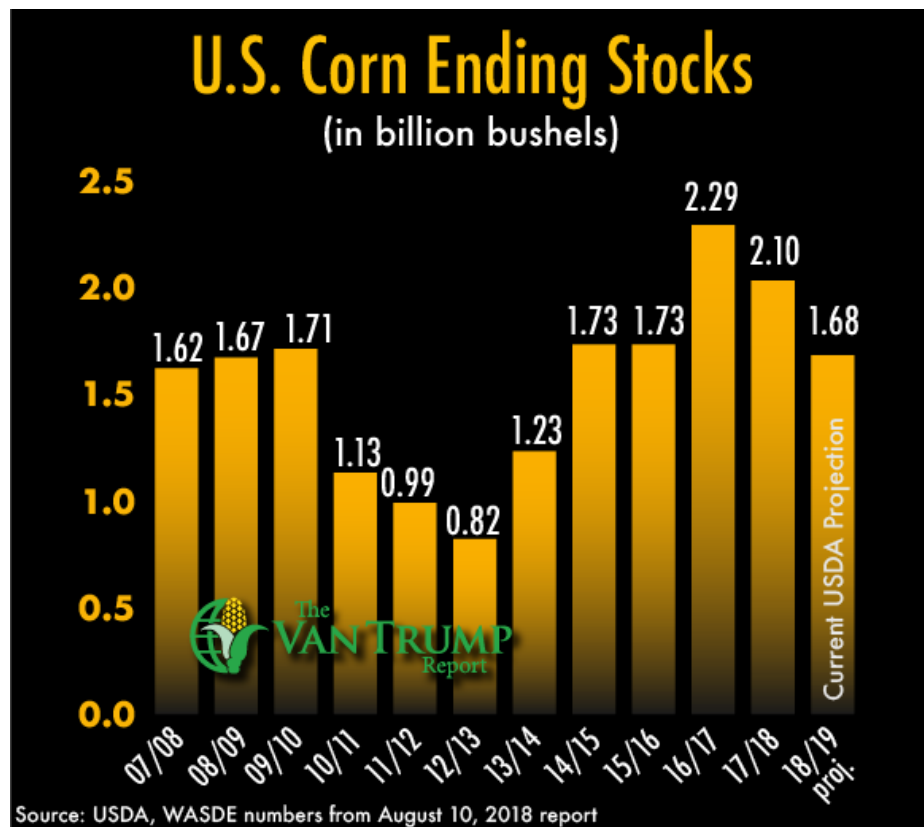
Today In History



1859, Charles Albert Comiskey - Namesake of Chicago's famous Comiskey Park, Comiskey is born in Chicago, Illinois on this day in

1859. Comiskey went on to become the first and only player to later own a team. Nicknamed "The Old Roman," Charley Comiskey was the third of eight children, Comiskey was discouraged from playing the game by his father, "Honest" John Comiskey, who was a politician in the Windy City's Holy Family Parish. The young Comiskey persevered, however, and he made his professional debut with the St. Louis Brown Stockings of the American Association in 1882. Comiskey played eight seasons with St. Louis, mostly at first base, and by 1887, he had racked up 139 runs and 117 stolen bases, the third most steals in a season before the modern era (before 1900). From 1883 to 1889 he served as St. Louis' player-manager, leading his team to the American Association pennant four consecutive seasons from 1885 to 1888. In 1890, he left St. Louis for the Chicago franchise of the short-lived Players League. Comiskey then ended his playing and managing career with the Cincinnati Reds of the National League, retiring after the 1894 season with a managerial record of 838-541. His .608 career winning percentage is the second best in baseball history behind Joe McCarthy. Comiskey went west after retiring, and, with a group of investors, purchased the St. Paul Saints of the Western League. Comiskey and his partners then took the team to Chicago and joined up with the newly formed American League for the start of its inaugural 1901 season. The White Sox, as they would come to be known, won the first American League pennant, and led the league in runs and steals. In 1910, Comiskey oversaw the construction of 55,000-seat Comiskey Park, one of the first modern ballparks in the major leagues. During his tenure the White Sox won four American League pennants and the World Series in 1906 and 1917. In 1919, the team's—and baseball's—reputation was tarnished when eight White Sox players, allegedly fed up with the low salaries Comiskey paid them,

+2 to +6 bushels from their August estimate. If that happens this year, it would keep U.S. supplies overly burdensome and offset most all of the bullish arguments. Many of the bulls are thinking the USDA is still overestimating global production and underestimating U.S. demand. The only problem is if the U.S. crop gets bigger it could keep a lid on nearby rallies. As a producer, I'm most concerned about basis and the fact it could start to widen aggressively in the days and weeks ahead. Make certain you are paying close attention.



Soybean bears are talking about improved U.S. weather, mostly normal temperatures and above normal rainfall now in the forecast across large portions of key U.S. growing regions. This is starting to bring about more talk of increasing yields and the more realistic probability of the U.S. harvesting a +4.5 billion bushel crop and ending stocks staying north of +750 million bushels. The bears clearly believe there is more downside risk in the market and that prices could eventually fall to sub-\$8.00. Keep in mind, the USDA recently lowered the U.S. season-average farm price by -35 cents per bushel with the range now being from \$7.65 to \$10.15. Despite the massive ending stock numbers being tossed around, the bulls continue to talk about strong demand for new-crop soybeans, and perhaps China booking more U.S. new-crop shipments than the market has currently given credit? From a technical perspective, bulls were happy to see the soybean market trade back above its 50-day moving average yesterday. I suspect there will be even more optimism if we can eventually close back above \$9.00 per bushel. It still feels like there are a couple of pockets of stiff resistance in the NOV18 contract. The first between \$8.85 and \$8.90 and next between \$9.10 and \$9.20 per bushel. On the downside, it seems like nearby support is in the \$8.50 to 8.60 range. A bit more longer-term is the most recent low, set back in mid-July, down at \$8.26². As for today, the trade will be wanting to see the latest NOPA crush data, where most are expecting to see the July numbers set another monthly record. The previous record for the month of July happened in 2016 with an estimate of 145.23 million bushels. The trade is thinking we will see something north of +161.00 million bushels for July of 2018.

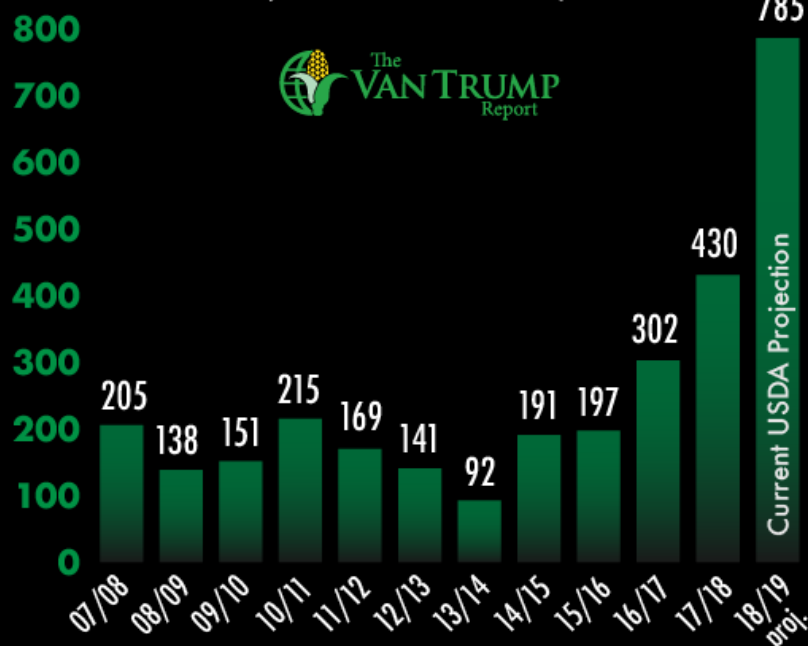
conspired to throw the World Series in exchange for a payout from gambler Arnold Rothstein. After witnessing the strangely poor play of his players in the series, Comiskey reported his suspicions of corruption to Ban Johnson, the American League president. Comiskey was elected to the Baseball Hall of Fame in 1939. He died on October 26, 1931, at the age of 72.



1914, Panama Canal - American-built waterway expanding across the Isthmus of Panama and connecting the Atlantic and Pacific oceans, is inaugurated with the passage of cargo and passenger ship, U.S. Ancon. Following the building of a rail system across the Isthmus of Panama, which was part of Colombia at the time, many were in favor of building an artificial waterway to assist the streaming flow of American settlers to the west. Colombia awarded rights to build the canal to Ferdinand de Lesseps, the French entrepreneur who had completed the Suez Canal in 1869. Construction on a sea-level canal began in 1881, but inadequate planning, disease among the workers, and financial problems drove Lesseps' company into bankruptcy in 1889. Three years later, Philippe-Jean Bunau-Varilla, a former chief engineer of the canal works and a French citizen, acquired the assets of the defunct French company. By the turn of the century, sole possession of the isthmian canal became imperative to the United States, which had acquired an overseas empire at the end of the Spanish-American War and sought the ability to move warships and commerce quickly between the Atlantic and Pacific oceans. In 1902, the U.S. Congress authorized purchase of the French canal company (pending a treaty with Colombia), and allocated funding for the canal's construction. In 1903, the Hay-Bunau Varilla Treaty was signed with Columbia, granting the U.S. use of the territory in exchange for financial compensation. The U.S. Senate ratified the treaty, but the Colombian Senate, fearing a loss of sovereignty, refused. In response, President Theodore Roosevelt gave tacit approval to a Panamanian independence movement, which was engineered in large part by Philippe-Jean Bunau-Varilla and his canal company. On November 6, the United States recognized the Republic of Panama, and on November 18 the Hay-Bunau-Varilla Treaty was signed with Panama, granting the U.S. exclusive and permanent possession of the Panama Canal Zone. In exchange, Panama received \$10 million and an annuity of \$250,000 beginning nine years later. The treaty was negotiated by U.S. Secretary of State John Hay and Bunau-Varilla, who had been given plenipotentiary powers to negotiate on behalf of Panama. Almost immediately, the treaty was condemned by many Panamanians as an infringement on their country's new national sovereignty. In 1906, American engineers decided on the construction of a lock

U.S. Soybean Ending Stocks

(in million bushels)

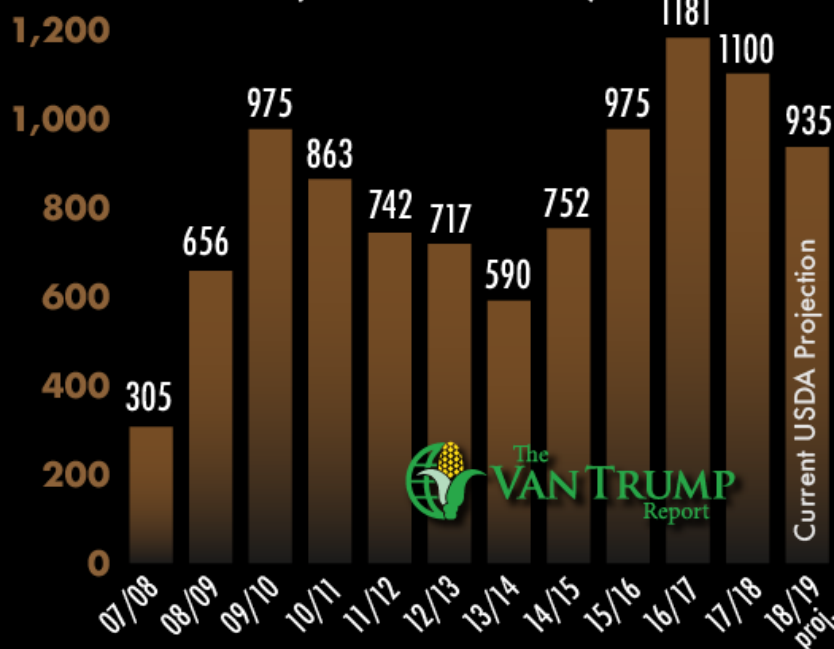


Source: USDA, WASDE numbers from August 10, 2018 report

Wheat headlines seem to have cooled the past few days. With global weather complications well advertised, the bulls are searching for fresh news. From a macro perspective, the recent strength in the U.S. dollar has also created a bit of a headwind. As both a spec and a producer, I still remain a longer-term bull, but just wonder if we may waiver a bit between now and the next leg higher? Technically, it feels like the DEC18 SRW wheat contract continues to find stiff resistance in the \$5.75 to \$6.00 range, with longer-term support down in the \$5.00 to \$5.25 range. I should note, spring wheat traded below its 100-day moving average yesterday and may be facing a bit more downward pressure from the technical crowd.

U.S. Wheat Ending Stocks

(in million bushels)



Source: USDA, WASDE numbers from August 10, 2018 report

canal, and the next three years were spent developing construction facilities and eradicating tropical diseases in the area. In 1909, construction proper began. In one of the largest construction projects of all time, U.S. engineers moved nearly 240 million cubic yards of earth and spent close to \$400 million in constructing the 40-mile-long canal. On August 15, 1914, the Panama Canal was opened to traffic.



1930, Hoover Addresses Economic Issues

Hoover gives a press conference in which he offers plans for relief of individuals and businesses affected by a series of devastating droughts. The droughts, combined with a major stock market crash in October 1929, resulted in dire economic conditions in the country that lasted throughout the early to mid-1930s, an era known as the Great Depression. In 1930, the drought conditions had caused bankruptcies among small farmers who were then forced off their lands in search of work. A domino effect resulted in layoffs of workers in farm-related industries and agricultural banking. These unemployed agricultural workers flooded a labor market already suffering from job losses due to the stock market crash of 1929. In addition, water levels in some places shrunk to the point where public health was threatened by diseases caused by stagnant water. In his statement, Hoover called for a mass mobilization of aid workers in response to the drought; asked state governors to organize committees to draft suggestions on how to aid the unemployed, and tasked the Red Cross with getting immediate aid to impoverished families. He asked the War Department to provide artillery range land to Montana cattle and sheep farmers for grazing. He also proposed a plan that Franklin Roosevelt would later expand upon increasing federal money to drought-stricken areas to begin road-building programs for unemployed workers. Hoover's piecemeal, primarily state-led relief plan, however, was not enough. As economic conditions worsened over the next two years, growing numbers of Americans plunged into poverty and shanty-towns of unemployed men sprang up in city parks; they were dubbed "Hoovervilles." Hoover and his wife Lou were criticized for maintaining a lavish lifestyle in the White House; this perceived lack of concern on the part of the president for his fellow citizens, combined with his reluctance to implement government spending relief programs, resulted in his ouster in 1932. Franklin Delano Roosevelt was swept into office that year on a platform of increased government-spending programs that he called the "New Deal." These programs included the establishment of massive infrastructure-construction projects, Social Security and the Civilian Conservation Corps. Despite his reputation for insensitivity, Hoover's political career, both before and after his stint in the White House, included high-level positions in humanitarian-aid policy



> West Coast Wildfires Now Covering +354,000 Acres: According to the U.S. Forest Service the Mendocino Complex fire in California is now covering 354,410 acres. Nearly 3,200 interagency personnel, including 285 from USDA Forest Service are fighting this wildfire, which is now 68% contained. More than 560 firefighters are currently working on containing the Klondike Fire in Oregon. The wildfire currently covers more than 55,000 acres and is 15% contained. (Source: U.S. Forest Service)

> Argentina Temporarily Suspends Soy Meal And Oil Exports: Argentina's Agriculture Ministry has temporarily suspended a reporting mechanism which tracks exports for soy oil, soy meal, pellets and other products containing soy, effectively curtailing exports of those products for two days. From what I understand the decision was implemented through resolution 249/2018 following the Economy Ministry's decision to halt its rolling programme of export tax cuts on soy meal and soy oil for six months. (Source: Agricensus)

> Chinese Demand Leads To More Brazilian Soybean Acres, Less Sugar: China's demand for Brazilian soybeans has been on the rise, and Reuters reports that more Brazilian farmers have opted to plant soybeans instead of sugarcane. Government data shows that Brazilian soybean plantings have expanded 2 million hectares in two years, while the land planted to cane has fallen by nearly one million acres.

> USDA Will Purchase \$50 Million Of Milk: USDA officials announced it will purchase \$50 million worth of milk for distribution to domestic assistance programs. This marks the first time the agency has purchased milk for this sort of use. USDA says it will authorize the expenditure in Section 32 funds to buy a range of consumer-friendly milk varieties from approved vendors and then distribute the production (an estimated 12 million to 15 million gallons) to food assistance organizations like Feeding America. This is separate from the Trump Administration's \$12 billion farmer aid package. (Source: USDA)

> China's Liaoning Culls Over 8,000 Hogs after an African swine fever outbreak in Northeast China's Liaoning province. No new cases have been discovered in provincial capital Shenyang, where the deadly fever has so far been contained, since the outbreak on Aug. 3rd, a spokesman for the bureau told sources at Reuters.

> North Dakota Farms Upset Over Saltwater Spills: While North Dakota's economy has benefited from oil booms over the last decade, many farmers say that saltwater, a byproduct of oil production, is damaging their crops without consequences for oil companies. The state estimates there have been more than 80 unconfined spills in the last ten years, and farmers claim they were never cleaned up and that they weren't compensated for the damage. (Source: NBC)

> World's Largest Hedge Fund Was A Big Buyer of Alibaba: Bridgewater Associates, the world's largest hedge fund that oversees \$150 billion in assets under management, bought large amounts of Alibaba shares during the second quarter, regulatory filings show. Dalio's other new investments disclosed in the filing include a \$31.3 million stake in Cummins, a \$14.4 million stake in Walmart, and a 76% decrease in its Facebook holdings — now worth \$9.37 million. (Source: [BusinessInsider](#))

> Traditional Cable Television Continues To Lose Marketshare: For over a year, "Netflix has had more subscribers in the United States than cable television, and the speed of changeover is only increasing... According to eMarketer, an estimated 22.2 million people switched from cable subscriptions to streaming content in 2017, a +33.2% growth over the previous year." Read more at [The Verge](#)

> Buying Bitcoin Using Square: Recent reports indicate Square now lets customers buy and sell bitcoins via its Cash App in all 50 U.S. states. As reported by CoinDesk, Square officially launched the bitcoin purchasing option on its Cash App in January following a testing phase started last year. However, the service was not offered in the states of New York, Georgia, Hawaii and Wyoming due to their more restrictive regulations regarding bitcoin transactions. (Source: CoinDesk)

> Shell's Deepwater Drilling Breaks Even At \$30: Royal Dutch Shell says that the economics of drilling have "flipped" back in favor of deepwater drilling after several years of low investment. Shell says that dramatic cost declines mean that deepwater drilling can breakeven at \$30 per barrel, and offshore offers a better return than onshore shale. (Source: Oilprice)

development. After World War II, President Truman tasked Hoover with finding ways to deal with a widespread European famine caused by the prolonged fighting. Hoover is best remembered, however, as the man who failed to save the nation from the Great Depression.

Upcoming Events

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

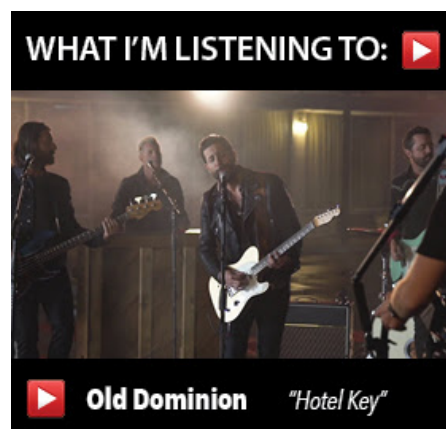
Mon. 9/24 - Cold Storage, Crop Progress

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

Fri. 9/27 - Quarterly Hogs and Pigs

Fri. 9/28 - Quarterly Stocks and Acreage

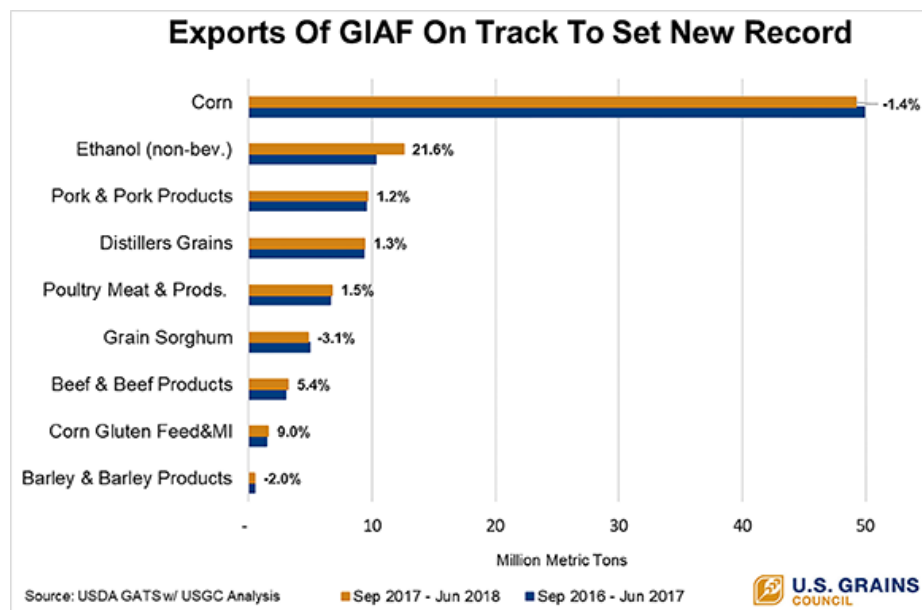
Kevin's Song of the Week



Kevin's Song of the Week

> **Crude Oil Prices continue their slide** after the API reported an inventory build of 3.6M barrels for the week ended August 10 vs. a draw of 6M barrels the previous week. There was a draw in gasoline stocks of 1.5M barrels, and distillates showed a build of 1.9M barrels. (Source:SeekingAlpha)

> **Grains Exports On Track To Set New Record:** U.S. exports of grain in all forms are on track to set a new record in 2017/18 with two months of sales left to report, according to data from the USDA and analysis by the U.S. Grains Council. During the first 10 months of the marketing year (September 2017 to June 2018), the U.S. exported 98.3 million metric tons (38.7 billion bushels) of grain in all forms, up 2% year-over-year from last year's record setting pace. The feed grains in all forms calculation helps capture how much of U.S. coarse grain production is actually used in the world market by including the corn equivalent of co-products like ethanol and distiller's dried grain with solubles as well as beef, pork and poultry meat exports. (Source: USGC)




Northwest Missouri - To say we have been behind on rain would be an understatement. To give you an idea, before I left for vacation on the 23rd of June, I mowed my yard, and I have yet to mow my grass again, that was 50 days ago. The most rain we have had at once was about a week ago and that was an inch. The year started great, we were able to plant, without rain delays, our high-speed planter worked perfectly. We started using cover crops which seemed to help keep the ground from getting too dry. We had enough rain to get everything off to a good start, the stands looked good, but we could have always used a little more rain. The corn hasn't seen any disease, but we did have a slight problem with the Japanese beetles during the pollination phase. The soybeans are looking okay but they are not the best we have ever seen. The soybeans made pods, but they are flat, and I am worried if we don't get rain they may be lost. I am hoping to get a 30-40-bushel crop.

Northwest Kansas - We are more fortunate than others in northern Kansas because we have seen timely rains where others have not seen any rain. But, we have had some hail with those rain showers, for the most part we have escaped with little to no damage so again we have been fortunate. August has been kind to us as the temperatures have been much milder than usual. The day temperature has been in the 80's most days which is about 10 degrees cooler than normal. We did have some problems with green snap in late June and early July, but it wasn't a huge deal. Our corn is ahead of schedule by a week or more but still looks very good. The soybeans are waist high, have developed nice looking pods, and they are also a little ahead of schedule. All in all, there is a lot of excitement in our area as the dry land crops look better than they have in a long time.

Westcentral Minnesota - We are about 50 miles south and 25 miles west of the Twin Cities in good dirt. We could produce 200+ bushel corn, 50+ bushel soybeans and 70-

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 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

bushel wheat on what I would consider an excellent year. We have harvested 3 fields of wheat and they average 55, 39 and 44 bushels per acre. The upside of these fields is they have high protein which will allow me to mix off some of my poor-quality wheat from last year. I thought those were our best fields, but I also thought the field that made 55 bushels would be the worst of the three, so the wheat is a little deceiving. The weather is having been hot and dry for the better part of 6 weeks and the forecast is not calling for rain for at least the next 10 days. We typically average close to 80 degrees on the high end this time of year but we have had several days over 90 and 3-4 days right at 100. I would say we have easily shaved off 20% of our potential corn yield because we are starting to see tip back which we did not see in early July.



Food Companies Fight For Profits With Shipping Struggles: Although freight can often take a backseat when it comes to thinking about food trends, it is a powerful force that can — and will — dictate the prices of products in the future. When the freight market began to rebound in mid-2017, both shipping companies and manufacturers found there were not enough heavy-duty trucks to go around. Although The Wall Street Journal reports that carriers now are ordering new equipment at record levels, they are also having trouble hiring additional drivers to drive the new freighters. And the financial costs are staggering. "Rising freight costs have been a challenge for all of our businesses. We now expect freight to be about \$270 million more this year compared to last year," Tyson CEO Thomas Hayes noted in an earnings call. Read more [HERE](#) on the struggles with our supply chains main element.

Egypt Continues To Reveal Its Archaeological Secrets: A mysterious sphinx has been discovered during roadwork in the Egyptian city of Luxor. Mohamed Abdel Aziz, director general of Luxor Antiquities, announced the find Sunday, according to Egypt Today. The sphinx was found at the site of a road connecting Luxor Temple and the Temple of Karnak, two vast ancient temple complexes on the east side of the Nile. Remember, just this year archaeologists have opened a 'cursed' ancient black granite sarcophagus and in a separate project, experts also unearthed a 2,200-year-old gold coin depicting the ancient King Ptolemy III, an ancestor of the famed Cleopatra. Read more on the latest discovery [HERE](#).

Mosquito Disease Danger Days On The Rise Across U.S.: Shifting temperature patterns are now increasing the risk for transmission of mosquito-borne diseases, according to a new report. I'm told researchers are focused on two species for reporting purposes, Culex and Aedes. These mosquitoes both transmit West Nile virus while Aedes mosquitoes also transmit other dangerous viruses, including dengue, Zika, chikungunya, and Yellow Fever. From what I understand, researchers analyzed the number of days each year in the spring, summer and fall with an average temperature between 61 degrees and 93 degrees Fahrenheit from 1970 to 2017. This temperature is considered the range for transmission of the diseases spread by Aedes and Culex mosquitoes. Find out the results [HERE](#).

New App Makes Special Needs Food Shopping Easier: If you're walking down the aisle of a grocery store and you're in the middle of a Whole 30 diet—or you're vegan, or diabetic, or allergic to a particular ingredient, or eating paleo—you can use a new app to scan the back of a package and get a personalized nutrition label that focuses specifically on the ingredients and nutritional information you care about. Or if you're diabetic, for example, the app, called Pinto, will see if a product has added sugars and how much fiber it has compared to carbs. Someone trying to manage heart health can see if food is high in sodium or saturated fat. Someone with irritable bowel syndrome will get a warning if food is high in lactose or fructose, which can make their symptoms worse. If you're on a keto diet, it will focus on net carbs, fat, protein, and sodium. Learn more [HERE](#).

First Ford Mustang Owner Kept The Car... Now Worth \$350,000: Tom and Gail Wise had a debate about keeping the skylight blue 1964 convertible Ford Mustang after it broke down and just sat in the garage. Twenty-seven years later the car was still sitting when Tom finally had time to work on it. From what I understand, as he searched the internet for parts, he ran across a story about someone with a similar car who claimed to be the very first Mustang owner, with a purchase date of April 16, 1964. But Tom was sure Gail had purchased the car a day earlier, making her the very first. After much due diligence, it appears she was. Lots more to the story [HERE](#) on the family car with 68,000 miles and now estimated to be worth \$350,000.

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..."

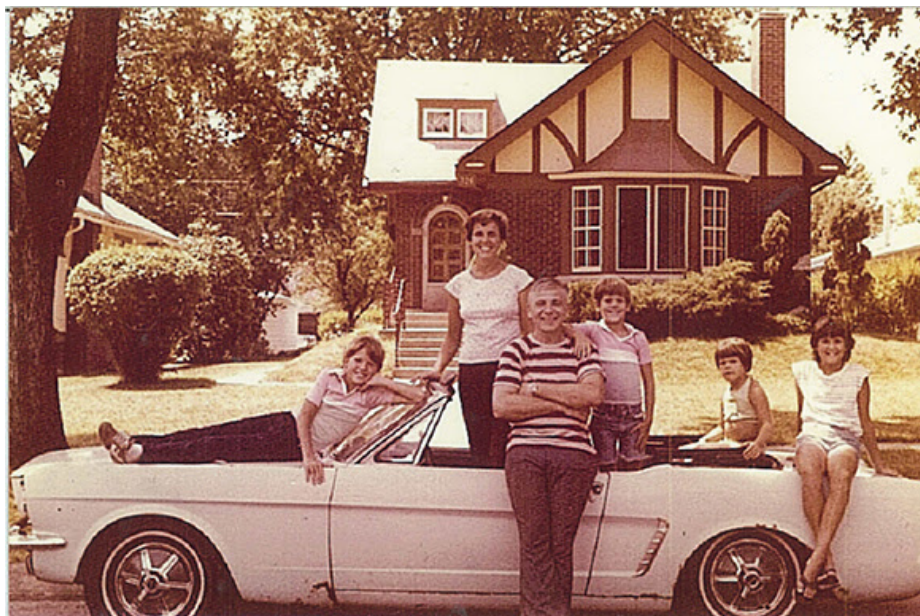
"Bulls make money, Bears make money, but pigs get slaughtered..."

"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.



Farm Direction
RECIPES

★ **FAMILY FAVORITES** ★

- SENT IN BY OUR READERS -

Jack Daniel's Whiskey Fudge

CLICK TO SEE RECIPE

FROM MY PERSPECTIVE

Kevin Van Trump

ROBOTS, AUTOMATION AND THE FUTURE OF FARM LABOR

WEBINAR
8/16 AT 3PM CT
PRESENTED BY: HARVEST CROO

BROUGHT TO YOU BY:

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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.

Join us each Thursday at 3pm CT for [Agrifood Conversations](#).

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Learn More About "Harvest CROO"

Title: Robots, Automation, and the Future of Farm Labor

Time: Thursday, August 16 @ 3:00 pm CT

How much more efficient is a robot in the field when compared to human workers? Consider these numbers: 8 seconds to pick an entire strawberry plant clean, 1.5 seconds to move on to the next plant, capable of picking 8 acres in a single day, and efficient enough to replace 30 workers with a single automated harvester. Harvest CROO Robotics is revolutionizing the agriculture industry with automation, developing automated pickers and harvesting systems that are not only capable of replacing farm labor, but doing a better job at scale in the process. "CROO" is an acronym that stands for Computerized Robotic Optimized Obtainer, and the company has been working on its robotic systems for the ag industry since 2013, partnering with some of the largest players in the industry as agriculture continues to adapt to increasing demand and a shrinking workforce. Learn how one company is making the future of robot harvesting crews a reality at "Robots, Automation and the Future of Farm Labor," a webinar to be held at 3 pm CT on August 16 featuring Paul Bissett, COO of Harvest CROO Robotics. Click [HERE](#) to watch CROO's machine in full action picking strawberries.



HARVEST CROO
ROBOTICS



Guitars Made from Salvaged Wood

Mark Wallace, the owner of Wallace Detroit Guitars, salvages scraps of maple, pine, redwood, mahogany, and walnut turning them into handcrafted guitars that are masterpieces. Wallace says the wood in the guitars are uniquely tied to Detroit's history of manufacturing and its music. This idea came to Wallace after a friend told him about Architectural Salvage Warehouse, and the concept behind the business really caught his attention. After that, he took a tour of the warehouse and found a board that seemed to in the shape of the guitar that he bought when he was in high school. The only thing he could think about after seeing this board is how cool it would be to be able to play a guitar made from old wood. This idea hit Wallace so hard he decided to follow through with his thoughts. The first year in business he sold over 50 guitars. People started catching wind of this idea and started loving the story so much they wanted something on the guitar that was tied to Detroit. Wallace decided to stamp every guitar with 313, which is Detroit's area code. Most guitars are also extremely cool because they come with an awesome story. Last month, Wallace Detroit Guitars released the Firehouse Series, which are guitars made out of salvaged wood from the historic Detroit Fire Department Headquarters building. This building was used by Detroit fire departments since the 1840s. The existing structure was built in 1929, but the Fire Department Headquarters were moved in 2013 to make way for the boutique Detroit Foundation Hotel. Wallace decided to go in take the wood from this building and use it to make his guitars. Each of the guitars Wallace makes takes around three months to finish and he sells them anywhere between \$2,200 and \$3,800. Wallace also says he is wanting to eventually start making bass guitars in the future as well. Click [HERE](#) to see all the guitars Wallace has made.

**Woodstock - Three Days Of Peace, Music And Failed Capitalism**

It was on this day in 1969 that a concert kicked-off in upstate New York that rewrote the history books. Reports indicate about half a million young Americans descended on Max Yasgur's 600-acre dairy farm in Bethel, New York for an event that what would end up being symbolic of an entire generation - "The Woodstock Music and Art Fair." The mythology surrounding the "3 Days of Peace and Music", has over the years, muddled the real story behind the festival. Its conception had absolutely nothing to do with promoting peace, love or art. No, the idea stemmed from good old-fashioned capitalism, with a couple of music promoters, Michael Land and Artie Kornfeld, gained financing from two venture capitalists, John Roberts and Joel Rosenman. The four found each other

through an advertisement run by Roberts and Rosenman in the New York Times and The Wall Street Journal seeking "interesting, legitimate investment opportunities." They originally planned to build a recording studio in Woodstock, NY, but that somehow morphed into an outdoor music festival. That idea almost died as well, until they finally signed a major act, Creedence Clearwater Revival, which prompted other performers to jump on the bandwagon. Despite their relative inexperience, the young promoters managed to sign a roster of other top acts, including the Jefferson Airplane, the Who, the Grateful Dead, Sly and the Family Stone, Johnny Winter, Blood, Sweat & Tears, Canned Heat, Janis Joplin, Jimi Hendrix, Joan Baez, Santana, Joe Cocker and Crosby, Stills, Nash & Young, and many more. While the organizers were putting together the lineup, they were also busy looking for a location that would be okay with 50,000 dope-smoking hippies being on their property for three entire days. When the town of Wallkill, New York blocked them from using a location they'd booked earlier, they were eventually introduced to Max Yasgur, who agreed to host a festival that would have NO MORE than 50,000 people in attendance, although by that time the promoters had already sold over 170,000 tickets. The last-minute venue change created some unexpected challenges for hosting a crowd of any size - they had inadequate security to make sure only ticket holders were allowed in. As the crowd began descending on the farm and the fences and gates keeping them out were pushed down, it suddenly became a "free concert". It's estimated between 400,000 and 500,000 people showed up, but heavy rains and only enough food, water and port-a-potties to accommodate 50,000 led to a lot of folks not sticking around for the entire festival. In fact, they ran out of food the first day, and by the time it started raining on Saturday, the port-a-potties were overflowing, leading to a not very pleasant mixture of mud and human waste. What's worse, rain delays meant the Jimi Hendrix, who was quite possibly the most anticipated act, didn't play until Monday morning, a day after the festival was originally supposed to end. Nonetheless, Hendrix played a two-hour set, including one of the most famous and controversial renditions of "The Star-Spangled Banner" ever performed. Ironically, the image of him dressed in red white and blue and playing that song is one of the most iconic symbols of Woodstock and the 1960's as a whole. You can watch a cool video titled, "35 Woodstock Photos that Will Take You Back To 1969" by Clicking [HERE](#). Below are a few other interesting facts:

Richie Havens opened the Woodstock festival, even though he wasn't scheduled to go on until later in the evening. Heavy traffic had prevented the opening acts from arriving at the festival, and festival organizers convinced him to take the stage around 5:15 p.m. on Friday afternoon. The other acts were still stuck in the traffic, so Havens performed several encores, playing "every song he knew." Searching for another song to sing, he began strumming, getting into a groove, when the word "Freedom" came to mind. He sang his now-famous song "Freedom" for the first time, on stage at Woodstock, making the words up as he played. He later told the story of having to see the movie "Woodstock," so that he could hear how the song went so he could perform it again.

Into the Morning Hours: Many folks don't realize it but many performers played during some crazy hours. The first night Joan Baez played until 2:00 am. On Saturday, Creedence Clearwater Revival didn't take the stage until after midnight. Janis Joplin followed them up by playing until 3:00 am. The Who was taking the stage that Saturday night and played a 25 song set that lasted until 6:05 am in the morning. Jefferson Airplane, the scheduled main event for Saturday night, didn't stop playing until about 9:30 am in the morning. A similar type of thing happened Sunday night, with Johnny Winter not taking the stage until after midnight, followed by Blood, Sweat & Tears and then Crosby, Stills, Nash & Young who played until 4:00 am. Jimi Hendrix took the stage, three groups, later, was the final performer of the event and played until 11:00 am Monday morning.

Two bands were scheduled to play Woodstock but were unable to make the festival. The Jeff Beck Group (featuring Jeff Beck, Rod Stewart, Ronnie Wood, and Aynsley Dunbar) broke up only weeks before the festival. Iron Butterfly was stuck at LaGuardia Airport in New York and couldn't get to the festival by ground transportation, so they demanded the festival promoters send a helicopter for them. As the story goes, the promoters sent the band's manager a telegram, the first letter of each line spelling out the words "F*** You." Iron Butterfly never arrived at the festival.

No official Woodstock merchandise at the festival. It's hard to comprehend such an event today without t-shirts, hoodies, koozies, and a thousand other logo items for sale at every turn, but the only official souvenir of the festival was the 8-1/2 x 11 festival program, which went largely undistributed, many of them being thrown away still in their boxes after the festival. Security, stagehands, and other crew members were issued t-shirts and windbreakers with the Woodstock logo on them, and they have become the lasting, iconic souvenirs of the festival, as well as numerous bootleg items sold by enterprising festival attendees from their trunks or from booths in the woods.

No reported incidents of violence among the half-million people in the audience. Perhaps the only recorded incident happened on-stage, as Abbie Hoffman rushed the stage during a break in The Who's set. Hoffman took the mike and began a semi-coherent rant about freeing John Sinclair from jail, when Pete Townshend turned, yelled at Hoffman to get off "my stage," and hit the activist in the head with the neck of his guitar. Hoffman left the stage, and The Who proceeded with their set.

What is Bethel Woods Center for the Arts? The venue opened in 2006 at the site of the 1969 Woodstock Music and Art Fair. The historic hill on which the festival audience sat and enjoyed three days of music has been preserved, and Bethel Woods beautiful outdoor concert pavilion and museum campus is situated on the hill overlooking the festival field. The Pavilion hosts outdoor concerts in the summer months, and the Museum is open from April through December. Several of the original Woodstock performers have played at Bethel Woods, including Santana, Joe Cocker, Hot Tuna (Jefferson Airplane), Starship (Jefferson Airplane), Joan Baez, Country Joe McDonald, Richie Havens, Melanie, Crosby Stills Nash & Young, Levon Helm (The Band), Arlo Guthrie, John Sebastian, Leslie West (Mountain), The Family

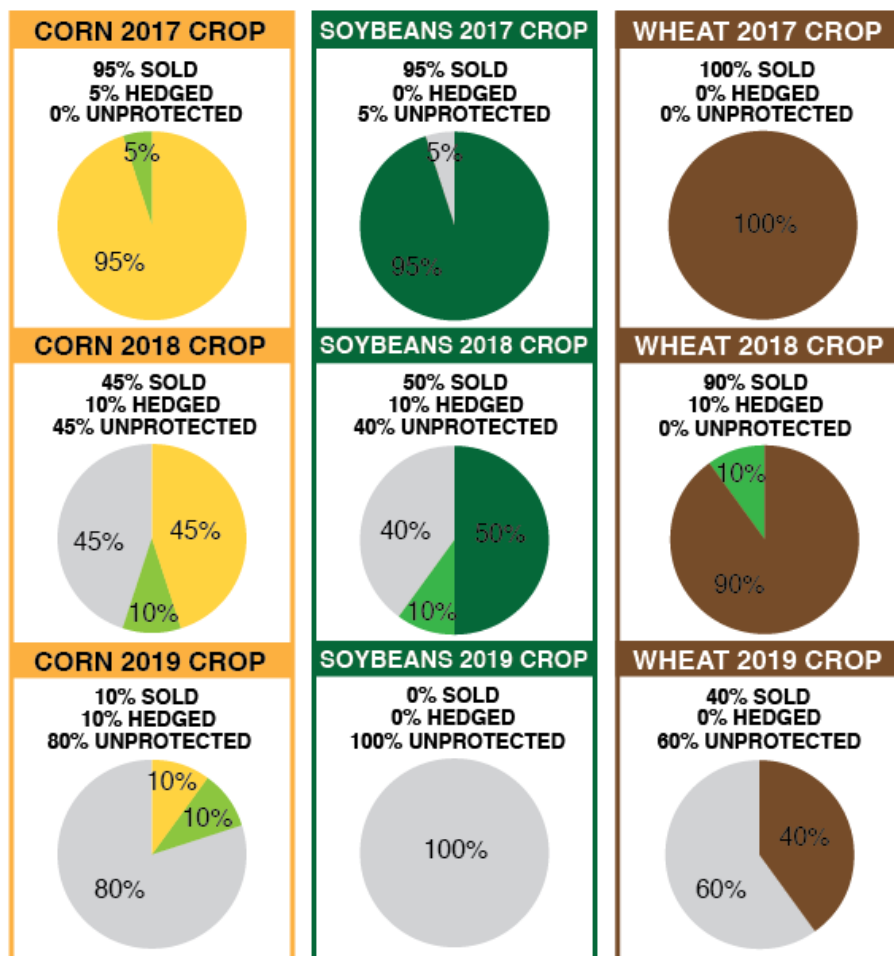
Stone, and Furthur, Phil Lesh & Friends, and Ratdog (all Grateful Dead spinoffs). Many of these performers have enjoyed the museum and walked the historic site at Bethel Woods.



ANSWER to riddle: A thumb

CASH SALES & HEDGING TOTALS

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