

GOOD MORNING: 08/16/18 Farm Direction - Van Trump Report

2 messages

Kevin Van Trump <kvt@farmdirection.com>
 To: Kevin Van Trump <kvt@farmdirection.com>
 Bcc: info@farmdirection.com

Thu, Aug 16, 2018 at 5:54 AM



"The measure of intelligence is the ability to change." - Albert Einstein

THURSDAY, AUGUST 16, 2018

[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks are steady to slightly higher this morning, but the trade is curious if we can hold the gains? The stock market has closed lower in five out of the past six sessions. The strengthening U.S. dollar seems to be the "new risk factor". The bears continue to talk about a possible emerging market meltdown as the dollar continues to rise. There's also talk that as each day passes we are getting closer to the U.S. mid-term elections, which might prompt some larger investors to take a bit more risk off the table. Bulls continue to point to a strong U.S. economy, strong consumer spending, near record low unemployment and many additional reasons to remain optimistic. Retail sales in July were up +6.4% from a year earlier, more than double the pace of inflation. The trade is also talking about the fact the U.S. stock market, next week on Tuesday, August 22nd, will celebrate as the longest running bull market in U.S. history. Some insiders will argue the technicality of previous starting and stopping dates, but as a whole the market is going to celebrate the longest run in stocks without a -20% correction. Think about all of the negative news and headlines this market has had to overcome since posting the low back in March of 2009. I can't even begin to tell you how many of my trading friends who have tried to pick tops, short this market, or have been well underinvested. It has clearly been an amazing bull run... I personally feel like there's still a lot more room to run. I'm being cautious nearby, having dramatically reduced the diversification of my portfolio and taking a more traders type mentality, being shorter-term oriented. Certainly there are some hurdles ahead, and some possible stumbling blocks, but with inflation in check, strong employment, no significant sign of skyrocketing wages, good corporate earnings, strong cash balance sheets, I just don't see a major buckling of the economy. In fact, I suspect the U.S. stock market closes the year higher than it is currently, continuing to be lead by the Nasdaq, which has already posted 25 new all-time highs in 2018.

Americans Are Spending Like Crazy at Restaurants: Spending at U.S. restaurants surged over the past three months by the most on record, making it both a bright spot for the economy and a risk if appetites for eating out return to normal. Sales at food-service and drinking establishments rose 1.3 percent in July to \$61.6 billion, the Commerce Department reported on Wednesday. That brought the three-month annualized gain to 25.3 percent, the fastest pace in figures going back to 1992. Read more at [Bloomberg](#)

Interesting Thought: Money will help you sleep at night but meaning will get you out of bed in the morning. You need both to have a fulfilling life doing the things you want with the people you love. So decide what you really want out of life and then get very intentional about making that vision a reality. I read this in an interesting article penned by Joe Herd titled, "[My 10 word definition of retirement](#)". It was posted on his blog site, Intentional Retirement, Life is short. Be intentional. I encourage you to give it a read.

Kobe Makes A Nice Investment: Kobe Bryant invested \$6 million in the sports drink BodyArmor in March 2014. Coca-Cola bought a piece of the company Tuesday, and Bryant's stake is now worth \$200 million. The only thing I've heard close to this is when LeBron James and his business partner Maverick Carter tossed less than \$1 million into fast-casual pizza chain Blaze in 2012. That investment is now worth approximately \$40 million. You can read more at [ESPN](#).

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



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

\$500

Early Bird Special

For First 200 to Register :

\$299

**Click Here To
Learn More**

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

- John Wooden



The
VAN TRUMP
Report

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 moves across the land but never has to steer?
It has delivered our goods year after year.
What is it?*

Weather on the Corn Belt is seeing showery conditions push across large sections of Illinois, Indiana, Iowa and Missouri. The rain is especially beneficial for pastures and soybeans in drought-affected areas of the southwestern Corn Belt. On August 12, Missouri led the Midwest with pastures rated 76% poor to very poor. On the Plains, near to below normal temperatures prevail in most areas, but hot weather is returning across parts of Montana. Small grain harvesting is rapidly proceeding on the northern Plains, while scattered showers are benefiting pastures and immature summer crops from South Dakota to northern Texas. In the South, warm, dry weather favors a return to fieldwork in a broad area stretching from the western Gulf Coast into the southern Atlantic States. In contrast, showery weather prevails across the mid-South and lower

Southeast. In the former region, the showers are further easing previously dry conditions. Late-summer heat will continue in much of the West and briefly return across the northern Plains. By week's end, however, another surge of cool air will arrive across the nation's mid-section. Meanwhile, several slow moving disturbances will help to focus rainfall in various parts of the central and eastern U.S. during the next several days. Five day rainfall totals could reach 1 to 4 inches or more from central sections of the Rockies and Plains eastward into the Ohio and Tennessee Valleys. Showers will occur in other areas, including the northern Plains, Southwest and Atlantic Coast States. In contrast, mostly dry weather will prevail in southern Texas and the Pacific Coast States. The 6 to 10 day for August 21 - 25 calls for below normal temperatures across the Plains, mid-South and much of the Midwest, while hotter than normal weather will prevail in the West and along the Atlantic and Gulf Coast. Meanwhile, near to above normal rainfall nearly nationwide should contrast with drier than normal conditions in Florida and the Northwest.

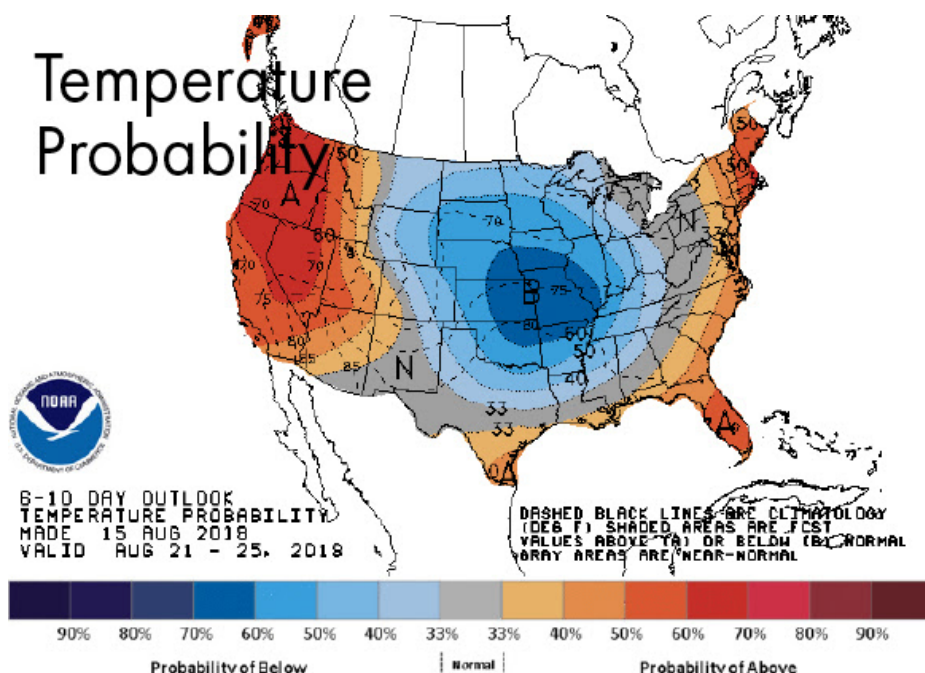
Co-hosted by:



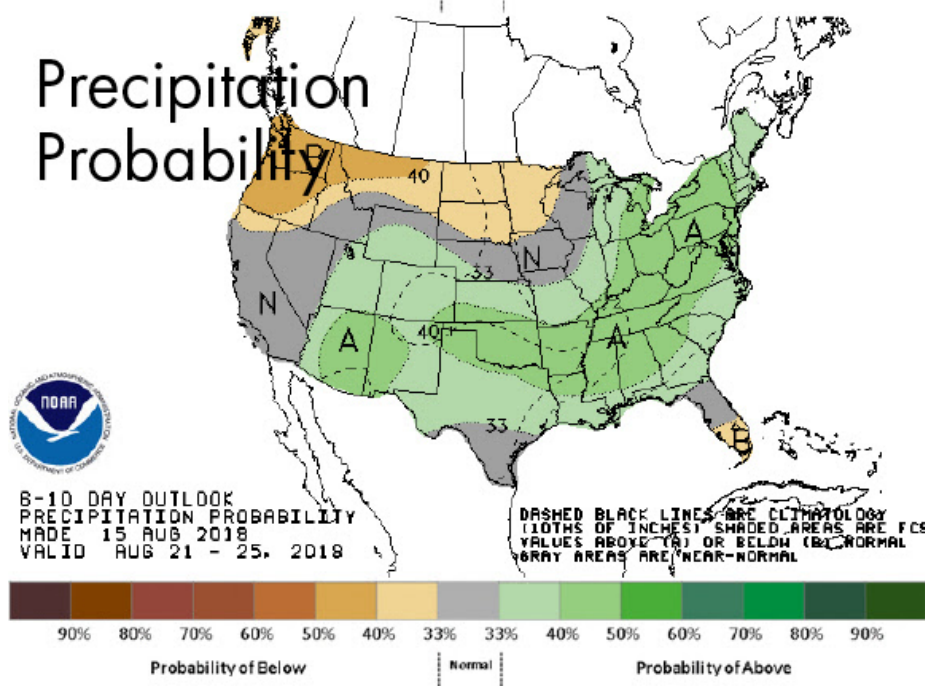
FARM TANK



Temperature Probability



Precipitation Probability



Today In History



1780, Continentals Lose Bad In South Carolina -

American General Horatio Gates suffers a humiliating defeat at Camden, South Carolina. It's worth noting, his men suffered from diarrhea on the night of August 15, caused by their consumption of under-baked bread, but Gates chose to engage the British on the morning of August 16 anyway. It should have been an American rout as the Continentals outnumbered the British two to one, but the encounter was a disaster. Gates seriously overestimated the number of soldiers he had available for combat; when he finally realized his mistake, it was too late to withdraw. In theory, the Continental forces numbered 4,000 to General Charles Cornwallis' 2,239 Redcoats. In practice, however, only 3,052 Patriots were well enough to take the field. When the British charged with their bayonets, the militia that made up the Patriot front line, who did not have bayonets, ran. The remaining Continental soldiers fought bravely but utterly failed to make any headway in the face of the British assault. Continental Army Major General Baron Johann DeKalb, a German volunteer, received numerous wounds in the battle and succumbed to death a few days later. All told, over 900 Americans died and another 1,000 were captured. Additionally, 22 wagonloads of equipment, along with 2,000 muskets and a large amount of ammunition, fell into British hands. The British lost only 68 killed and another 245 wounded in the lopsided victory. After the loss, General Gates covered 240 miles in three days in order to notify Congress from Hillsborough, North Carolina, of what he described as "total Defeat." When British Lieutenant Colonel Banastre Tarleton successfully ambushed the acclaimed Brigadier General Thomas Sumter two days later, it appeared that control of Georgia and the Carolinas might be lost to the British crown. Fortunately, that isn't the end of the story...

1841, President John Tyler - Taylor vetoes a second attempt by Congress to re-establish the Bank of the United

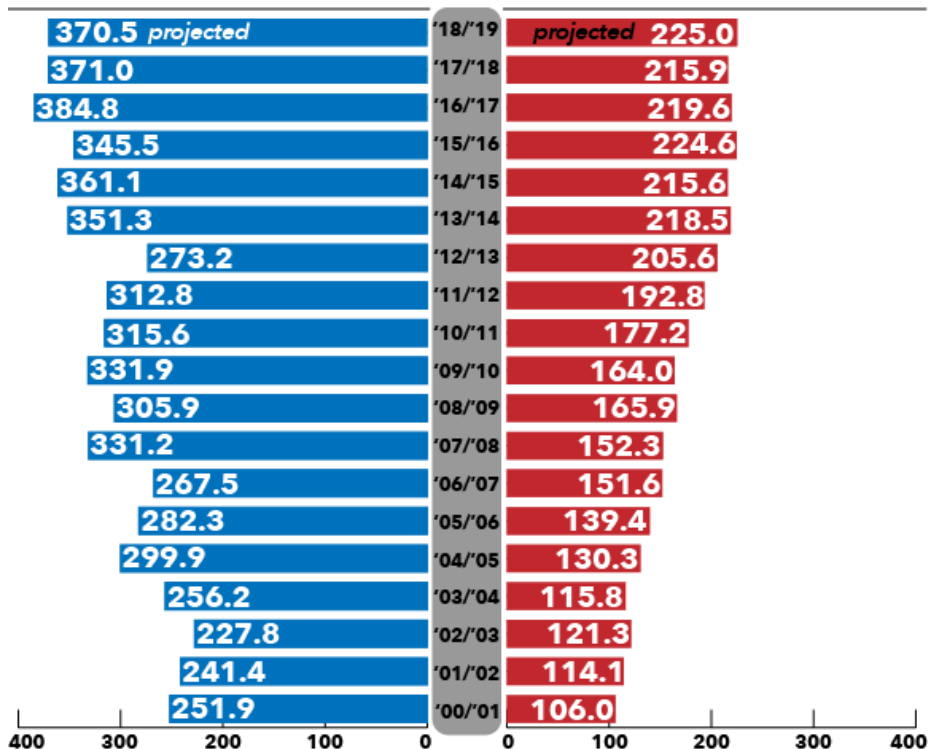
Corn traders continue to juggle debates about strong demand both globally and domestically, against what appears to be mostly cooperating U.S. weather and talk of a record setting yield. Bears continue to point to the old adage that big crops tend to get bigger. Bears are also saying U.S. producers are talking about planting more corn acres in 2019. We've had a couple of larger retailers tell us many folks are talking about more corn acres next season. Some early forecasts are talking as much as +95 million planted corn acres in 2019. That would obviously put a damper on the upside. I personally contend it's way too early to be talking 2019 acres, and I really don't see the

banks expanding lines of credit to allow +95 million U.S. corn acres next year. I know many producer who still have unsold old crop bushels and next to nothing sold for 2018. They are obviously holding out for much higher prices, something I'm afraid we might not see for several more weeks. As I've said the past few days, it feels like the trade just wants to slosh around somewhere between \$3.50 and \$4.00. Bulls are afraid of a global economic slowdown, the U.S. dollar strength is a headwind, crude oil prices have backpedaled significantly, copper is now down almost -25% on the year, gold down -11%, silver down -16%. Bottom-line, there's just not a ton of interest by the funds in the commodity space, at least not in the current geopolitical environment. There's also not really a major weather story here in the U.S.. In my opinion, this means the market is firing on just a couple of cylinders that stem from strong demand. We need the macro fund and weather cylinders also firing to sustain longer term upward momentum. I suspect an upcoming South American weather worry or an improvement in the macro space, i.e. peaceful and successful ending to trade renegotiations will be our next possible spark. Don't forget, the trade will be eager to see results from next week's Pro Farmer Crop Tour. Historically they've tended to underestimate the USDA's total average yield. I remain patient. I'm also keeping an eye on next years prices as DEC19 trades near \$4.10 per bushel and JUL20 trades near \$4.30. As a spec, I see no reason to get chewed up in the back and forth action.

Corn Production (in million metric tons)

United States

China



Source: USDA, FAS, PS&D 08/15/18

Soybean prices are higher to start the morning. There was some talk overnight that China and the U.S. reached a modest breakthrough in their standoff over trade, saying they will hold lower-level talks later this month on the spiraling dispute. China's Commerce Ministry said a vice minister will travel to the U.S. at an unspecified date, at the invitation of the Treasury Department, to discuss trade issues. The new round of discussions would be the first since May. Traders yesterday were talking about possible production hiccups in some southern areas of the U.S. and the fact Argentina has decided to suspend their export tax reductions on both meal and oil for six months. I suspect with the Argentine peso falling to a new all-time low and their interest rates being bumped to 45%, the government needs the tax income. Bulls are desperately trying to battle, but favorable weather in the Midwest and continued uncertainty in Washington aren't allowing for a lot of nearby momentum, many are still seeing the \$9.00 to \$9.20 area as tough nearby resistance. The U.S. weather forecast continues to show improved rainfall totals in many important areas along with fairly mild-summer temperatures. Trade negotiations and talk from Washington about new tariffs continue to weigh on the global markets and keep many bulls sidelined. Demand



In response, angry supporters of the bank gathered outside the White House and burned an effigy of Tyler. The protestors were comprised primarily of members of Tyler's own political party, the Whigs, who dominated Congress at the time. The first federal U.S. Bank, created by Alexander Hamilton and set into place by George Washington in 1791, provided a repository for federal funds and issued currency. However, beginning with President Thomas Jefferson, who opposed the idea of a national bank as "unconstitutional," anti-Federalists in Congress chipped away at the bank's power and importance. In 1811, President James Madison and Congress let the bank's charter expire. Although a second Bank of the United States was implemented in 1819 during James Monroe's presidency, successive attempts by different Congresses to re-charter the second bank were denied by Presidents Andrew Jackson, in 1832, and Martin Van Buren, in 1837. Tyler, as a senator during Jackson's tenure, had originally condemned Jackson's attempts to nullify the bank as an "abuse of executive power." However, as president in 1841, President Tyler, faced with a U.S. economy plagued by wildly fluctuating currency valuation and bank fraud, made an about-face and "betrayed" the Whigs, declaring the U.S. bank a threat to individual states' rights. When word of the veto spread, the bank's Congressional supporters flew into a collective rage and stormed out of the Capitol toward the White House. Thanks to the riots outside the White House, the District of Columbia decided to create its own police force.

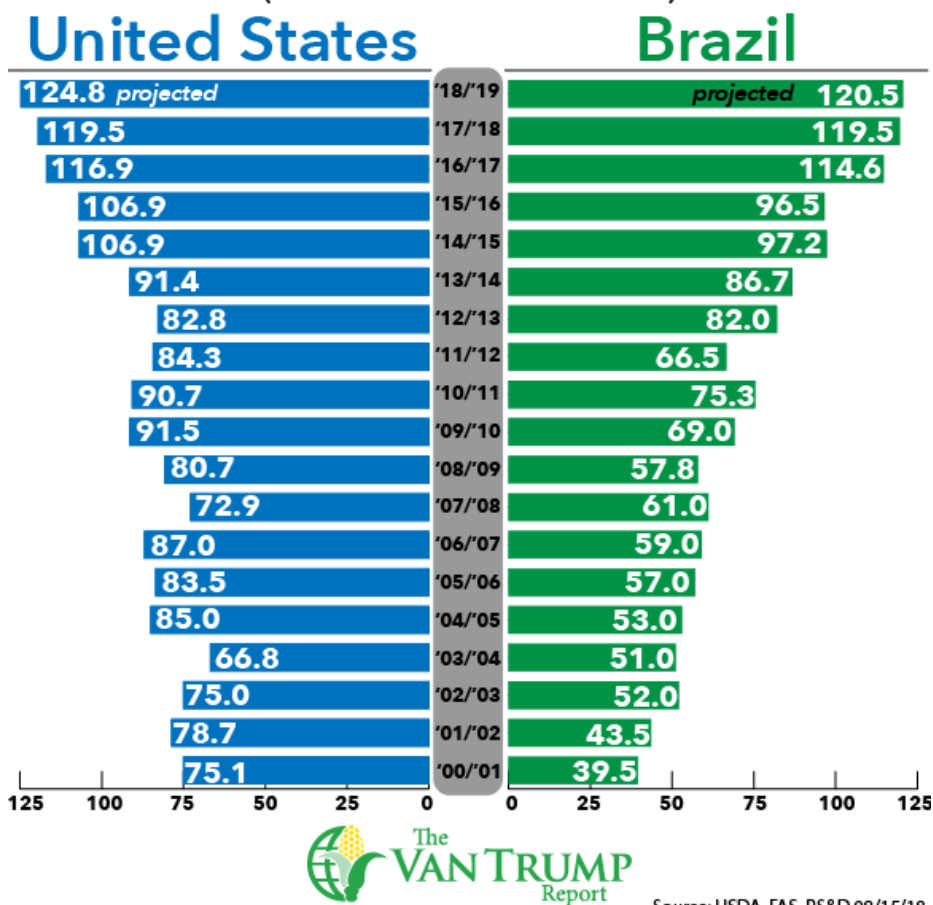


1977, The King Passes -

Music icon Elvis Presley dies in Memphis, Tennessee at the all too young age of 42. The death of the "King of Rock and Roll" brought legions of mourning fans to Graceland, his mansion in Memphis. Doctors said he died of a heart attack, likely brought on by his addiction to prescription barbiturates. Elvis Presley was born in Tupelo, Mississippi, on January 8, 1935. His twin brother, Jesse, died during the birth. Elvis grew up dirt-poor in Tupelo and Memphis and found work as a truck driver after high school. When he was 19, he walked into a Memphis recording studio and paid \$4 to record a few songs as a present to his mother. Sam Philips, the owner of the studio, was intrigued by the rough, soulful quality of his voice and invited Presley back to practice with some local musicians. After Philips heard Elvis sing the rhythm-and-blues song "That's All Right," which Presley imbued with an accessible country-and-western flavor, he agreed to release the rendition as a single on his Sun Records label. The recording went to the top of the local charts, and Presley's career was launched. During the next year, Elvis attracted a growing following in the South, and in 1955 Sun Records sold his contract to a major

remains strong, and yesterday's NOPA crush numbers did nothing but further confirm that fact. The monthly crush report, showed the soybean crush at a new record for July at 167.73 million bushels, which was well above most trade estimates. This was also well above last months 159.228 million bushels crushed. And massively above last year's July crush at 144.718 million bushels. In fact, not only was this the largest July crush ever, it has become the second largest crush ever for any month or year, behind only March which came in at 171.85 million bushels. Soybean stocks eased to 1.764 billion pounds from 1.766 billion pounds a month earlier, Soybean exports in July totaled 737,465 tons, down from 857,275 tons exported in June, NOPA said. With a +750 million bushel ending stock number, I still see nearby rallies being somewhat limited, unless we see a significant change in trade rhetoric with the Chinese. Staying patient with a much longer-term mindset.

Soybean Production (in million metric tons)



Wheat prices are slightly higher this morning, but as a whole have backedpedaled aggressively since the USDA report was released last-Friday. As I suspected, the data wasn't bearish, but rather viewed by many as an opportunity to bank profits, move to the sideline and let some things play out. We really haven't had anything new or exciting hit the headlines, so the bulls haven't had a lot to chew on nearby. Production hiccups in the European Union, Black Sea region, and parts of Australia, Canada, China, India, etc... have been well advertised enough that it's already being factored into price. The bears are also pointing to improved rainfall totals and additional moisture here in the U.S. reliving some stress.

record label, the Radio Corporation of America (RCA), for a record \$40,000. His first record for RCA was "Heartbreak Hotel," which made him a national sensation in early 1956. He followed this up with the double-sided hit record "Hound Dog"/"Don't Be Cruel." In September 1956, Elvis appeared on The Ed Sullivan Show, a national variety television show, and teenagers went into hysterics over his dynamic stage presence, good looks, and simple but catchy songs. Many parents, however, were appalled by his sexually suggestive pelvic gyrations, and by his third appearance on The Ed Sullivan Show, Elvis was filmed from only the waist up. From 1956 through 1958, Elvis dominated the music charts and ushered in the age of rock and roll, opening doors for both white and black rock artists. During this period, he starred in four successful motion pictures, all of which featured his soundtracks: Love Me Tender (1956), Jailhouse Rock (1957), Loving You (1957), and King Creole (1958). In 1958, Presley was drafted into the U.S. Army and served an 18-month tour of duty in West Germany as a Jeep driver. Teenage girls were overcome with grief, but Elvis' manager, Colonel Tom Parker, kept American youth satiated with stockpiled recordings that Presley made before his departure. All five singles released during this period eventually became million-sellers. On the afternoon of August 16, 1977, he was found unconscious in his Graceland mansion and rushed to the hospital, where he was pronounced dead. He was buried on the grounds of Graceland, which continues to attract fans and has been turned into a highly successful tourist attraction.

Upcoming Events

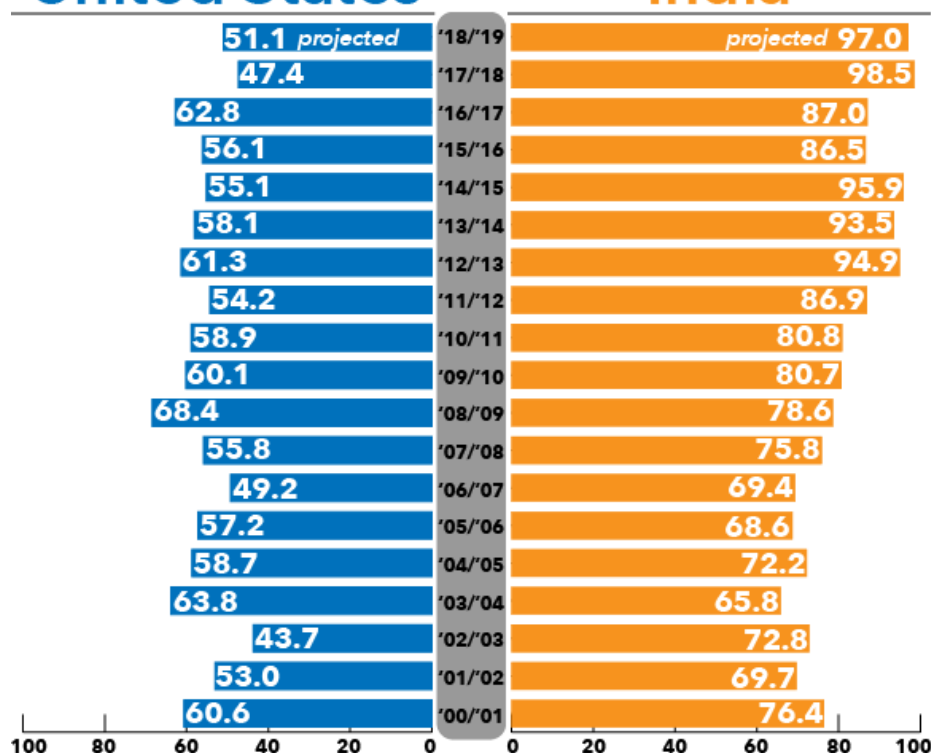
- Mon. 8/20** - Crop Progress
- Wed. 8/22** - Cold Storage
- Fri. 8/24** - Cattle on Feed
- Fri. 8/24** - Last Trading Day for September Grain Options
- Mon. 8/27** - Crop Progress
- Fri. 8/31** - First Notice Day for September Grains
- Mon. 9/3** - Labor Day (Markets Closed)
- Tues. 9/4** - Crop Progress
- 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

Wheat Production

(in million metric tons)

United States

India



Source: USDA, FAS, PS&D 08/15/18

Sat. 9/22 - Autumn Begins

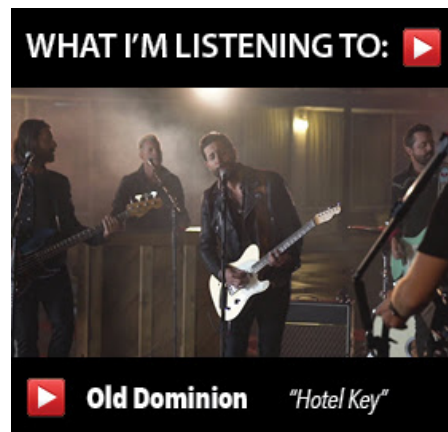
Mon. 9/24 - Cold Storage, Crop Progress

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



> **President Trump's Soybean Aid Could Be Paid on Per Bushel Basis:** Last month, President Trump announced they would try and ease some of farmers' financial fears through a \$12 billion emergency aid package. Of course, we have very few details on how this will work. Univ. of Missouri's Food and Ag Policy Research Institute is analyzing what little details we have. Pat Westhoff, director of FAPRI is anticipating soybean payment stocks range from 25 cents per bushel to no more than \$1 per bushel. Of course, these are just estimates. (Source: FAPRI)

> **Argentina To Plant Record Number of Corn Acres:** the Argentine Grain Exchange is saying Argentine producers will be planting a record number of corn acres in the weeks ahead. Keep in mind, they are considered the world's third largest exporter.

> **Argentine Peso Hits All-Time Low:** The Argentine peso fell to another record low yesterday. The peso weakened as much as -2.7% to 30.5 per dollar shortly after markets opened in Buenos Aires. It has recorded losses during seven of the past eight days and is down about -38% so far this year, the world's worst-performing currency. (Source: Bloomberg)

> **Armyworm Could Threaten Millions of Asian Farmers:** The same voracious army worm that wrought havoc to Africa could threaten millions of farmers in Asia according to U.N. experts. India is battling the continent's first reported infestation of fall armyworm. The pest is a moth which devours crops in the caterpillar stage of its lifecycle. It prefers corn, but can feed on some 80 crops. More than 200 million hectares (over 494 million acres) of corn and rice are grown annually in Asia, which produces most of the world's rice. The Food and Agriculture Organization says this is a very real threat that cannot be ignored. (Source: U.N. FAO)

> **Second Largest NOPA Crush Ever:** Soybean crush hit 167.7 million bushels for the month of July, which exceeded the trades estimate of 161.745. The only NOPA crush to beat July's 167.7 was March 2018 of 171.858.

> **Ethanol Production Down and Inventories Up:** Ethanol production on the week was down to 1.072 million bpd, but weekly production is up +1.2% from last year. Stocks are up 5.4% from last year at 23.0 million barrels. The 5.286 billion bushels of corn used for ethanol is exceeding the pace to reach the USDA's estimate of 5.625 billion bushels.

> **Worlds Largest Wheat Buyer Back In The Market:** Egypt stepped out and bought 420,000 MT of Russian and Romanian wheat slightly cheaper than their purchases 2 weeks ago.

> **High-Horsepower Tractors and Combine Sales Are Rebounding:** According to the latest AEM Flash Report, July resulted in the second month in a row where all equipment categories tracked had positive sale year-to-date. Year-to-date combine sales are up 23.7%, and comparing July 2018 to July 2017 combine sales were up 37.2%. So far in 2018, four-wheel-drive tractor sales are up 12.7% compared with 2017. Since 2017, we have seen a soft-upward movement for larger production ag equipment such as 100+HP 2WD tractors, 4WD tractors and self-propelled combines. Ssource: AEM)

> **11 Year Old Hacker Breaks into Voting Machine Within 10 Minutes:** At this year's DEFCON — the world's largest hacker conference — an 11 year old hacked a replica of the Florida secretary of state's website within 10 minutes and changed the results. However, top election officials believe the hack in no way replicates state election systems, networks, or physical security. I am not so sure that really matters. The public hears these stories and begin to doubt the voting systems that we have in place. For years, election hackers have been trying to bring attention to flaws in election equipment. Whether or not this 11 year olds hack is legitimate or not, I believe election security has to be a top priority for state election officials as we move into the election season. (Source: PBS)


> **Increasing Wagers In Weed:** Constellation Brands, the maker of Corona and Modelo beers has made an additional \$4 billion investment in Canadian marijuana company Canopy Growth. It had already taken a 9.9% stake in the company last October, Now that Canada has moved forward to legalize recreational cannabis, Constellation is increasing its commitment to the cannabis business, with its ownership now pushing to 38%. Canopy Growth CEO Bruce Linton said he is "optimistic about cannabis-infused beverages and sleep aids". [Chicago Sun Times](#)

> **First Shoe Ever Made From Corn and Cotton:** If you remember back to last July, Adidas — parent company to Reebok — announced their commitment to use only recycled plastics in the production of its shoes and sportswear lines by 2024. Now Reebok has announced a new shoe called 'Cotton + Corn' which are made up of comprised of a 100% cotton upper and a bio-based sole made from a corn-based plastic. The insole is made from castor bean oil, and the packaging is made from recycled materials. They are the first-ever '75% USDA certified bio-based shoe.' (Source: CBS News)



Northeast Colorado - My corn is starting to suffer with all this hot and dry weather, on top of that every time we get moisture we also get hail. We have been getting consistent hail about the last month or so; luckily, I had already harvested a majority of my wheat, so it hasn't been a major issue for me. Fortunately for us we have been on the outer edge of most of the big storms that have come through, but I have heard about baseball and tennis ball sized hail closer to the middle of these storms. I am hopeful that I will get an average year's crop out of my corn, anything better than that at this point is looking like a miracle. With the weather being so hot and dry that will also force me to harvest early than I would like, which could ultimately affect my yields. Quite a few guys in the area

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

have started raising millet and peas to combat the weather and trying to go 100% cropping with either millet or peas.

Northeast Montana - This season has been day and night compared to last year's extremely dry conditions. This year we have had timely rains, and even though last week was in the triple digits everything still looks great due to the amount of moisture we have had leading up to the hottest week of the summer thus far. I will not complain about getting moisture considering last year we received barely anything, but so far this year the moisture has come with a lot of hail. In our area I would say that a third of the crop is gone due to hail damage, that is roughly 80-100 thousand acres. The worst hailstorm so far was July 21st, that storm took out windows on houses and cars and even destroyed my side mirrors on my truck. Despite the hail, the wheat and peas looked great and I am expecting 20 bushels per acre average. We are starting to see more and more people farming industrial hemp with great success in our area, but other than that we are not seeing very many drastic changes.

Eastcentral Missouri – Depending on which side of the road you lived on, you may have gotten 0.15 or 3 inches of rain. It was that hit or miss, we fortunately got closer to the ladder. But, I have a buddy that didn't see more than a shower or two all day long while we had water running down our front yard. Corn would have got 5 inches of rain and it wouldn't have mattered, the only moisture at this point that does our corn any favors come in the form of hail. On the other hand, this rain might have taken our soybeans from 10 bushels to 30 bushels, so we are sort of happy about that. The only thing that bothers me is I have very little sold, and the higher yield will not allow me to get insurance which is \$10.16 vs \$8.70. We are in the amplit of the entire country in my opinion.



It's A Good Time To Be In The Ag Tech Industry: Agtech seed stage funding continues to trend upward, globally, according to Finistere Venture's 2018 Early-stage Agtech Mid-Year Report. This report focuses on early stage investment activity, and it demonstrates there are more and more early stage "accelerator" investors. A few years ago, there were so few sources of seed stage capital for agtech that most of the companies that were able to obtain investment were remarkably well vetted. We're starting to get to a place where there's some noise at the seed stage, and that is going to be critical for agtech's continued growth trajectory. Get more insights into where funding the industry is headed [HERE](#).

Gronk Has Saved All Of His NFL Paychecks: "To this day, I still haven't touched one dime of my signing bonus or NFL contract money," Gronkowski writes. Instead he lives only off endorsement deals. Another famous star, Jay Leno, said he never touched his earnings from NBC's "Tonight Show." Even at the height of his career, when he reportedly made as much as \$30 million a year hosting the program, Leno preferred to live off the money he made doing comedy gigs on the side. Read more at [Money](#)

Scientist Find Elephant's Have Gene That Keeps Them From Getting Cancer: Cancers happen when cells build up mutations in their DNA that allow them to grow and divide uncontrollably. Bigger animals, whose bodies comprise more cells, should therefore have a higher risk of cancer. This is true within species: On average, taller humans are more likely to develop tumors than shorter ones, and bigger dogs have a higher cancer risk than smaller ones. But this trend breaks down when you look across species. Elephants are no more susceptible to tumors than Chihuahuas, and whales are no more likely to develop cancers than humans—if anything, their risk is lower. Check out the cool system Elephants have to battle cancer [HERE](#).

Navy's Blue Angels Getting New Planes: The U.S. Navy's Blue Angels flight demonstration team is getting new planes—but not F-35 Panthers like their warrior brothers. Instead, the team will transition to the F/A-18 Super Hornet. The new plane simply isn't ready and the cost of purchasing F-35s for the team would easily exceed a billion dollars. Since 1946 the elite team of flyers have flown many different planes, but none more than the F/A-18. On Monday, August 14th Naval Air Systems Command issued a \$17 million contract to Boeing to convert 11 existing Navy Super Hornets—both single and double seaters—to demonstration aircraft configuration, a process expected to be complete by 2021. Read more [HERE](#).

Youngest Face Transplant Recipient Now Sees Hope: After a barrage of hardships — chronic gastrointestinal issues, the loss of her mother's job, a painful breakup — Katie Stubblefield in March 2014 placed her brother's .308-caliber rifle beneath her chin and fired. After a 31-hour procedure, Stubblefield emerged from an operation room last year as the youngest every face-transplant recipient and new possibilities. Now she's sharing her story with the world. Her surgery was funded by the Department of Defense as part of an initiative to research treatments for soldiers who suffered similar injuries. You can see the before and after as well as the donor below. Read more [HERE](#)

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.

Number Two Burger Joint In America Started By High School Drop Out: Today, Todd Brooks is a success. He's the owner of Brooks Gourmet Burgers & Dogs, a restaurant that brings in millions and is ranked the No. 2 burger joint in America by TripAdvisor. But how he got there provides a lesson in perseverance, patience and how to see a goal through. A high school drop out, dishwasher then cook, Brooks was forced to commit to a dream when a restaurant fire changed his path. Read his story of grit and perseverance [HERE](#).



GMO Continues to Dominate U.S. Corn and Soybean Acreage

I wanted to share some highlights from the June Acreage Report concerning acres planted to GMOs. Ultimately, the percentage of total area planted to biotechnology varieties of corn and soybean in 2018 was unchanged from 2017. The USDA reported that 92% of the total planted corn area in 2018 was comprised of GMO varieties, equaling the 2017 numbers. That brought total acres in use with GMO varieties to 81,997,760 acres based on an estimated 89,128,000 planted acres. From what I understand there were a few changes in the breakdown of varieties used by producers. Meaning that farmers planted 2% of their acres to insect-only resistant corn (Bt only) compared with 3% in 2017. And they planted 10% to herbicide-only resistant varieties (Ht only) compared with 12% last year. Stacked varieties (both Bt and Ht) were the largest varieties planted at 80%, up from 77% in 2017. States that planted the highest percentage of GMO corn included Kansas, Nebraska and South Dakota at 96% and Michigan had the lowest at 85%. GMO acres in Ohio were up four percentage points to 86%, and Illinois, up three points at 95%. Some states declined in their usage including Michigan at 85% and Texas at 95%, both dropping by two percentage points. As far as soybean acres planted to GMO varieties goes, 94% were planted equaling nearly 84,183,580 acres. Every acre consisted of herbicide resistant varieties. GMO planted soybean varieties increased by 4% to 91% in Missouri and by 2% to 96% in Nebraska with changes in all other states no greater than 1% higher or lower. Farmers did plant 94% of total upland cotton area to GMOs, down from 96% last year, including insect-only, herbicide-only and stacked gene varieties. Overall, there wasn't too much surprising about the report except to say, we have been hearing of guys switching to organic as well as some going back to conventional, but obviously not enough to move the needle too far. I suspect as some operations seek to de-commoditize their production in the future, the numbers will reflect less GMO usage. Time will tell.

Farm Direction
RECIPES
★ **FAMILY FAVORITES** ★
-SENT IN BY OUR READERS-

Jack Daniel's Whiskey Fudge

CLICK TO SEE RECIPE

U.S. GMO
Corn Acres
31,997,760 acres



U.S. GMO
Soybean
Acres
34,183,580 acres



U.S. GMO
Cotton
Acres



Our Nations Oldest Rodeo Starts Today... Here's A Bit Of History

Payson, Arizona is where rodeos first took off. The Payson Rodeo is the world's oldest continuous rodeo in the United States, which is held the 3rd full weekend in August every year. The Payson Rodeo started in August of 1884 by a man named Abraham Henson Meadows or what many people know him as "Arizona Charlie." The first rodeos in Payson were held to provide local ranchers and cowhands a chance meet up and compare their roping skills and cow ponies during the annual "down time" before the big fall roundup. As time went on throughout the year's many events like cockfights, greased pig contests, sack races, and foot races were added to the event for more entertainment. Another interesting event the cowboys use to do at Payson was the "chicken pulling" contest. They buried the fowl in the street with only its head and neck sticking out. Then, the rider would ride past the fowl as fast as possible, lean down, and jerk the bird from the dirt. Now, the rodeo is full of fearless bull riders, steer wrestlers,

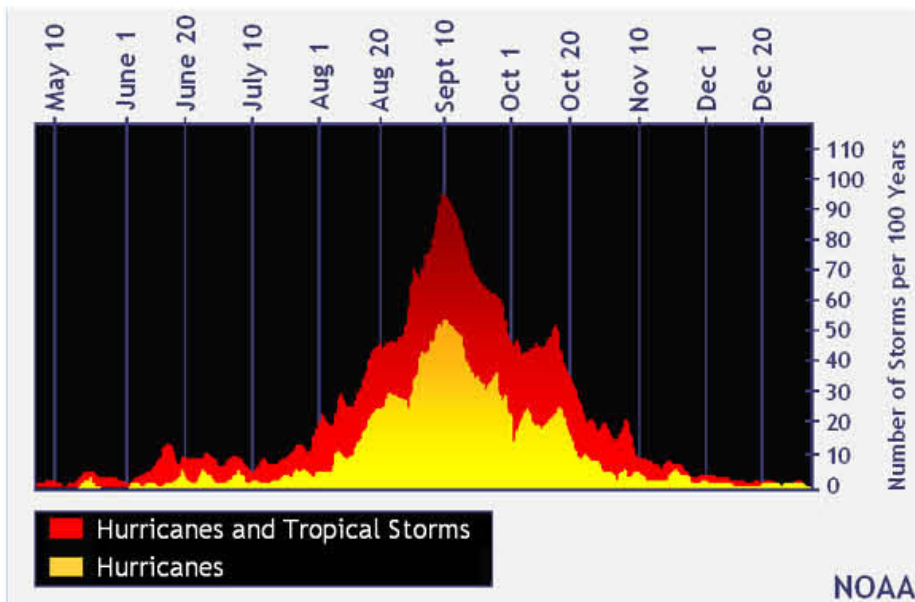
bronco riders, clowns, and many more that keep people entertained for days. The event kicks off tonight at 6:00 pm with the women's barrel racing events, mutton bustin, bronco busting, and steer riding happen. The main rodeo event doesn't kick off till tomorrow, though. The championship round will be held Saturday night. Payson also features fun events like Rodeo Parade Saturday morning and the annual Payson Pro Rodeo Boots and Bling Rodeo Dance. With more than \$50,000 of prize money at stake at this event, there's no doubt the rodeo will have plenty of exciting competition each night. If this is something you want to tickets are ranging anywhere between \$10-\$25 each day.



Peak Hurricane Season... What You Need To Know

Although the Atlantic hurricane season officially began on June 1st, we're now entering the "season within the season" - a roughly eight-week period that is often the most active and dangerous time for tropical cyclone activity. From mid-August through mid-October, the activity spikes, accounting for 78% of the tropical storm days, 87% of the category 1 and 2 hurricane days (Saffir-Simpson Hurricane Wind Scale), and a whopping 96% of the major (category 3, 4 and 5) hurricane days. In fact, it was 26 years ago to this day Hurricane Andrew made landfall near Homestead Florida as a Category-5 hurricane. Andrew was only the third hurricane in U.S. history to do so,

maintaining winds of +165 mph as it caused catastrophic damage. Hurricane Andrew, formed as a tropical wave off the coast on Aug. 16, then eight days later hit landfall as massive Cat 5 storm. Reports indicated in total Hurricane Andrew caused damages of over \$26 billion, killed 65, and injured hundreds in its path. There are many factors in play that make the next 90-days the most volatile for the Atlantic. Two of the perhaps most important are a combination of low vertical wind shear and ocean water temperatures being their highest. AccuWeather Hurricane Expert Dan Kottlowski, said, "The warm water does two things: It creates the lower pressure and allows the atmosphere to be more unstable. This year, water in the tropical Atlantic has been warm, providing plenty of fuel for hurricanes, but dry Saharan air has been higher than expected, keeping them from lasting very long or gaining much intensity. Experts also believe "The Bermuda High," a high-pressure system that generally keeps storms in check as sea surface temperatures rise in July, begins to weaken. At the same time, upper-level winds that can smother storms from above weaken and tropical waves rolling off Africa's west coast become stronger. During this time, conditions are ideal for strong and quick-moving tropical storms, hurricanes and depressions. If you are planning a U.S trip that involves the Atlantic ocean between now and mid-October, you can check out a detailed Atlantic Hurricane Forecast [HERE](#) (Source: NOAA, AccuWeather, livescience)



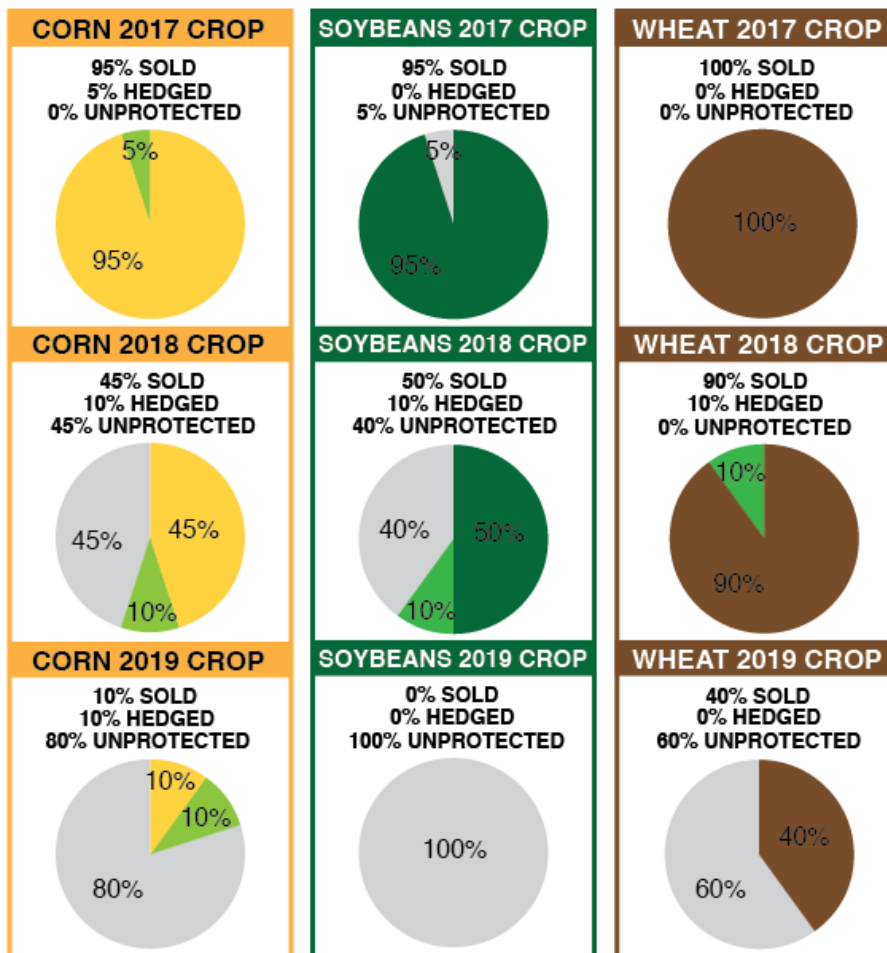




ANSWER to riddle: A train

CASH SALES & HEDGING TOTALS

PLEASE READ The Van Trump Report is a publication intended to give analytical research to the Agricultural community. The Van Trump Report is not rendering investment or hedging advice based on individual portfolios or individual business operations. Kevin Van Trump is NOT registered as a stock or commodity advisor in any jurisdiction. You need to consult with your own registered advisor for specific strategies and ideas that are appropriate to your specific portfolio or business entity. Information included in this report is derived from many sources believed to be reliable but no representation is made that it is accurate or complete. This report is not intended, and shall not constitute, or be construed as an offer or recommendation to "buy", "sell" or "invest" in any securities or commodities referred to in this report. Rather, this research is intended to identify issues and macro situations that those invested in the agricultural industry should be aware of to help better assess and improve their own risk management skills. Please read the entire [DISCLAIMER PAGE](#) for full risk-disclosure and copyright laws.



© FARM DIRECTION 2011

Kevin Van Trump <kvt@farmdirection.com>
To: Kevin Van Trump <kvt@farmdirection.com>
Bcc: info@farmdirection.com

Thu, Aug 16, 2018 at 5:54 AM

[Quoted text hidden]