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GOOD MORNING: 08/17/18 Farm Direction - Van Trump Report

1 message

The Van Trump Report <reply@vantrumpreport-email.com> Fri, Aug 17, 2018 at 7:24 AM
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The VAN TRUMP Report

"There are no short cuts to any place worth going." ~ **Beverly Sills**

FRIDAY, AUGUST 17, 2018
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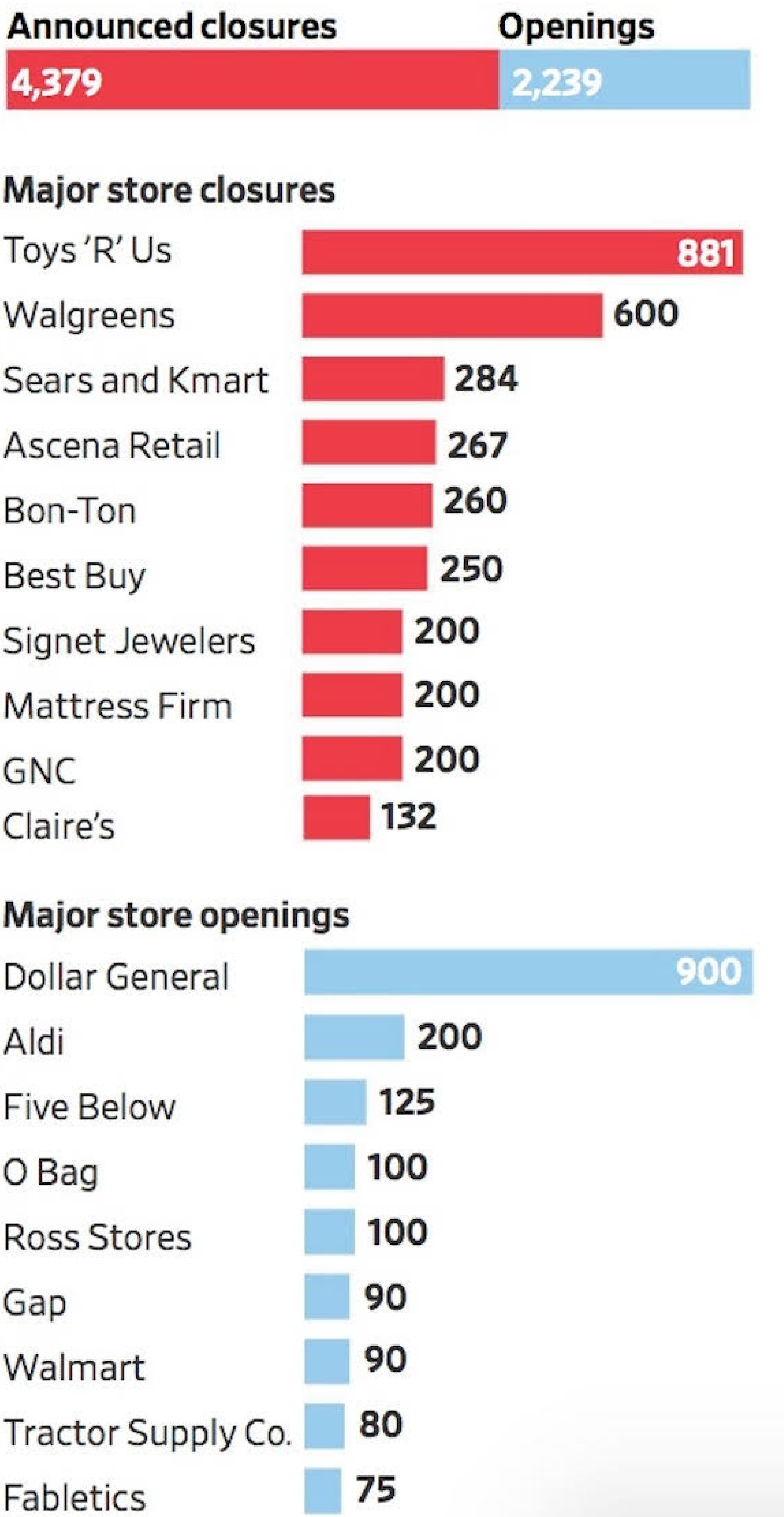
Morning Summary: Stocks are steady to start the morning. Bulls are hoping the Chinese and U.S. will be taking steps in the right direction during their recently announced meetings, which are scheduled to be held in late-August. There's some talk that if the two sides can simply take a couple of steps in the right direction it might delay or keep President Trump from moving forward with his much larger threats of impressing 25% tariffs on $200 billion in Chinese goods imported into the U.S. Bears say we are still miles away from any type of deal or compromise and that this low-level meeting might just be a token or ploy by both side to help appease the markets. Keep in mind, the Chinese stock market is now down over -25% from it's most recent high back in May. Meaning the Chinese are looking for ways to stop and or better control the bleeding. The trade will also be keeping a close eye on Turkey next week. U.S. Treasury Secretary, Steve Mnuchin said yesterday, that the U.S. is fully prepared to slap fresh new sanctions on Turkey if their government officials do not start taking actions towards releasing American pastor Andrew Brunson. The good news, from an economic perspective, things in Turkey don't seem as dire as they did earlier in the week. I should mention however, the Turkish lira looked liked it had bottomed as their central bank tightened liquidity and bumped short-term rates a bit higher. There were also headlines and reports that Qatar has stepped in to invest $15 billion to help stabilize their economy. I'm certainly not saying things are "all clear" in Turkey, because they are not. In fact, Turkey's lira fell another -7.4% this morning in what market participants described as "illiquid" trading conditions. It will be interesting to see how this ultimately plays out. In some ways this is a potential powder-keg so we have to keep monitoring the daily changes closely. As for today, there's very little in the way of traditional economic headlines. We have the U.S. Leading Index and the U.S. Michigan Survey. Many will also be eager to see the latest earnings from John Deere, scheduled for release early this morning prior to the open. There's a lot of talk that the next two weeks will also be extremely slow for stock traders as many take final summer breaks and plan vacations into the Labor Day holiday. I'll personally be keeping a close eye on the Feds FOMC meeting minutes due for release on Tuesday. We will also be hearing talk around the proposed +$200 billion in Chinese tariffs. Lets also not forget, the Feds annual Jackson Hole Conference will be kicking off this next Wednesday and will run through Friday. I suspect there will be a lot of talk about the U.S. dollar, global trade wars and possible associated contagion...

U.S. Consumer's Continue To Spend As Employment Remains Strong: *Walmart reported its quarterly sales rose at the fastest rate in over a decade. Home Depot just reported paint sales were the strongest in five years. Nordstrom said sales of beauty products were "extremely strong." The unemployment rate among young Americans fell to its lowest level in more than 50 years this summer. That's the latest sign a tight labor market is generating more opportunities for groups often overlooked by employers. The unemployment rate for adults without a high-school diploma fell to a record low in July. Among racial groups, the unemployment rates for Latinos and Blacks have touched record lows this year. (Source: The Wall Street Journal)*

Quick Look At Deere's Early Morning Earnings Update: *Global revenues rose +32% from a year ago to $10.31 billion. Equipment sales rose +36% to $9.3 billion. In the US and Canada equipment sales rose +29%, while in the rest of the world, they climbed +45%. Replacement demand for large agricultural equipment is driving sales even in the face of tensions over global trade and other geopolitical issues," said Samuel Allen, chief executive office. "At the same time, we are heartened by our customers' enthusiastic response to the advanced features and technology found on our new products. The company maintained its outlook for full-year equipment sales to rise by about +30%. Interestingly, total overall results fell short of most analyst estimates.*

Stores Still Shrinking: *Despite strong consumer spending, the number of U.S. store closures continue to outpace openings by nearly two-to-one so far this year. I* *thought the information on who is closing and who is opening stores was interesting and worth sharing. (Source: Coresight Research)*



Queen of Soul Passes at 76: Aretha Franklin, known as the "Queen of Soul," and one of the most influential music artists of all time passed at her home in Detroit yesterday morning at the age of 76. Statements released are saying the cause of her death was advanced pancreatic cancer. Franklin was truly iconic in the world of music though producing her first album, "Songs

of Faith," in 1956. She also sang many top-10 singles, including "(You Make Me Feel Like) A Natural Woman," "Think," "I Say a Little Prayer," "Chain of Fools," and her iconic 1967 cover of Otis Redding's "Respect," which became an anthem for the Civil Rights Movement. She was one of the best selling artists in history, selling over +75 million records throughout her career and winning 18 Grammy Awards in her Career. Franklin was even called the greatest singer of all time in a 2008 Rolling Stone list and was the first woman inducted into the Rock and Roll Hall of Fame in 1987. She even sang at the President's inauguration in 2009 and Martin Luther King Jr. Funeral. Click HERE to listen to an iconic performance given by Aretha late in her career at the age of 73, she was still amazing.

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:

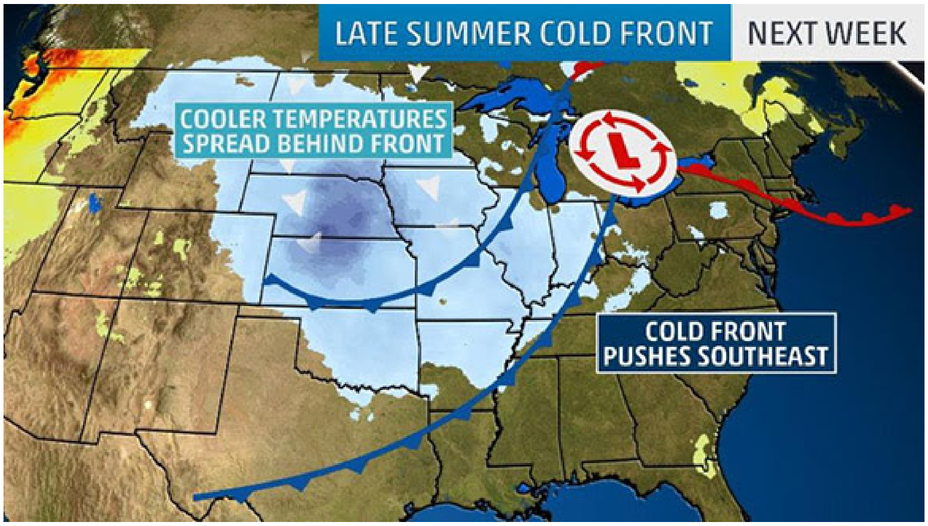
I am rarely touched but often held, and if you are smart you'll use me well. What am I?

Weather forecasts for the Midwest again calls for generally favorable conditions for filling corn and soybeans with adequate soil moisture and no persistent heat; however, northeastern and southwestern areas are still very dry with yield losses expected. Rain has arrived too late for some crops, especially corn, in the drought affected south-western Corn Belt. Missouri's corn was already 58% dented by August 12, versus the 5 year average of 35%. The southern Plains will see showers and lower temperatures which favor filling summer crops at this time, especially through northern and central areas. Showers help replenish soil moisture for the upcoming planting season for winter wheat. A return to hotter, drier weather is possible during the six to 10 day period. In the northern Plains, above to much above normal temperatures and below normal rainfall will deplete soil moisture and increase stress to filling corn and soybeans while favoring the spring wheat harvest.Heat is particularly notable in Montana, where small grain harvesting continues at a rapid pace but soil moisture is being depleted. Montana's topsoil moisture was rated 63% short to very short on August 12, and increase from 51% the previous week. Late-summer heat will continue in much of the West and briefly spread eastward across the nation's northern tier. During the weekend, however, cool weather will return to the Plains and parts of neighboring regions. Meanwhile, several slow-moving disturbances will maintain showery conditions across

Today In History

1877, Billy the Kid - The infamous future Billy the Kid, began his outlaw days as a teenager, shooting an Arizona blacksmith who died the next day. This was to be the first of many victims for the outlaw. Just how many men Billy the Kid killed is uncertain. Billy himself reportedly once claimed he had killed 21 men-"one for every year of my life." A reliable contemporary authority estimated the actual total was more like nine: four on his own and five with the aid of others. Other western outlaws of the day were far more deadly. John Wesley Hardin, for example, killed well over 20 men and perhaps as many as 40. Even so, Yet, William Bonney is better remembered today than Hardin and other killers, perhaps because he appeared to be such an unlikely killer. Blue-eyed, smooth-cheeked, and unusually friendly, Billy seems to have been a decent young man who was dragged into a life of crime by circumstances beyond his control. Such seems to have been the case for his first murder. Having fled from his home in New Mexico after being jailed for a theft he may not have committed, Billy became an itinerant ranch hand and sheepherder in Arizona. In 1877, he was hired on as a teamster at the Camp Grant Army Post, where he attracted the enmity of a burly civilian blacksmith named Frank "Windy" Cahill. Perhaps because Billy was well liked by others in the camp, Cahill enjoyed demeaning the scrawny youngster. On this day in 1877, Cahill apparently went too far when he called Billy a "pimp." Billy responded by calling Cahill a "son of a bitch," and the big blacksmith jumped him and easily threw him to the ground. Pinned to the floor by the stronger man, Billy apparently panicked. He pulled his pistol and shot Cahill, who died the next day. According to one witness, "[Billy] had no choice; he had to use his equalizer." However, the rough laws of the West might have found Billy guilty of unjustified murder because Cahill had not pulled his own gun. Fearing imprisonment, Billy returned to New Mexico where he soon became involved in the bloody Lincoln County War. In the next four years, he became a practiced and cold-blooded killer, increasingly large parts of the central and eastern U.S. Five-day rainfall totals could reach 1 to 4 inches or more across the Plains, Midwest, and South.

Cooler Weather Is Finally Coming: *Early next week, a cold front will dive into the northern Plains as a separate area of low pressure moves into the central Plains. In addition, an upper-level trough, or southward dip in the jet stream, will move into the central U.S. Cooler temperatures will spread across the nation's midsection behind the cold front. This system will continue to push southeastward, bringing a break from the heat to portions of the South and East as the week progresses. High temperatures will be 5 to 15 degrees cooler than average from the northern Plains into Oklahoma and eastward into the Mississippi and Ohio valleys early to midweek. This translates into highs in the 70s and low-80s for many locations.*

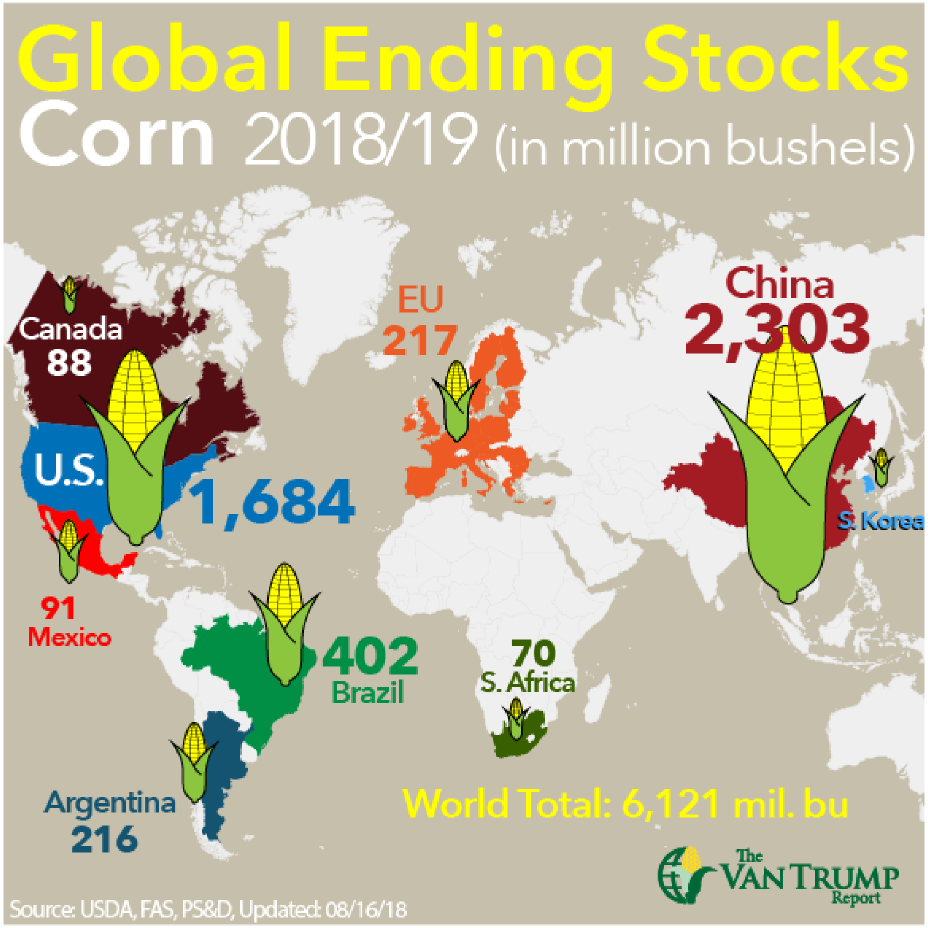


Corn bulls are talking about improved trade rhetoric. Not only do we have the Chinese and U.S. getting together to talk, but there's also more rumors that a new NAFTA deal could get approved sooner rather than later. Bulls also continue to point towards strong demand on another round of good weekly export sales. Bears are talking about more wide-spread beneficial rains and nice summer temperatures across important growing regions of the U.S. From a technical perspective, the trade is still seeing extremely strong resistance on the charts up in the $3.90 to $3.95 area vs. the DEC18 contract. Once we get up north of $3.90 we start running into some very important "Moving Averages" which could be difficult to clear without more extreme weather or yield uncertainties. Any of the risk premium that might have been added in years past on fears of an early frost or late crop seem to be out the window this year. The crop is running so far ahead of schedule and the harvest forecast looks cooperative enough that there just really isn't much reason for concern or premium to be added. Remember, the combines in the Delta are now heavily out in the fields harvesting. As I pointed out yesterday, we are also starting to hear more early talk of a major increase in corn acres next year here in the U.S., obviously weather permitting. Also confirmation of Argentine producers gearing up to plant more corn acres in the coming weeks. Bottom-line, we've got a great "demand story", but we need some type of more significant "weather story" and reason to get the macro bulls back up to bat. The funds just aren't all that interested in being bullish commodities in the face of trade tensions and a possible slowdown in the global economies. If either weather or geopolitical worries were to turn more bullish, I could certainly see us being able to breakthrough the heavier technical resistance. If the trade doesn't get that feeling or the headlines to sway them in that direction, I suspect we stall out towards the upper end of this current range between $3.50 and $4.00 per bushel.

infatuated with his own public image as an unstoppable outlaw. Sheriff Pat Garrett finally ended Billy's bloody career by killing him on July 14, 1881.

1943, General Patton - U.S. General George S. Patton and his 7th Army arrive in Messina several hours before British Field Marshal Bernard L. Montgomery and his 8th Army, winning the unofficial "Race to Messina" and completing the Allied conquest of Sicily. After studying at West Point, he served as a tank officer in World War I, and these experiences, along with his extensive military study, led him to become an advocate of the crucial importance of the tank in future warfare. After the American entrance into World War II, Patton was placed in command of an important U.S. tank division and played a key role in the Allied invasion of French North Africa in 1942. In 1943, Patton led the U.S. 7th Army in its assault on Sicily and won fame for out-commanding Montgomery during their pincer movement against Messina. Although Patton was one of the ablest American commanders in World War II, he was also one of the most controversial. He presented himself as a modern-day cavalryman, designed his own uniform, and was known to make eccentric claims of his direct descent from great military leaders of the past through reincarnation. During the Sicilian campaign, Patton generated considerable controversy when he accused a hospitalized U.S. soldier suffering from battle fatigue of cowardice and then personally struck him across the face. The famously profane general was forced to issue a public apology and was reprimanded by General Dwight Eisenhower. However, when it was time for the invasion of Western Europe, Eisenhower could find no general as formidable as Patton, and the general was again granted an important military post. In 1944, Patton commanded the U.S. 3rd Army in the invasion of France, and in December of that year his expertise in military movement and tank warfare helped crush the German counteroffensive in the Ardennes. During one of his many successful campaigns, General Patton was said to have declared, "Compared to war, all other forms of human endeavor shrink to insignificance." On December 21, 1945, he died in a hospital in Germany from injuries sustained in an automobile accident near Mannheim.

1978, Ballooning - The Double Eagle II completes the first transatlantic balloon flight when it lands in a barley field near Paris, 137 hours after lifting off from Preque Isle, Maine. The helium-filled balloon was piloted by Ben Abruzzo, Maxie Anderson, and Larry Newman and flew 3,233 miles in the six-day odyssey. An early achievement of ballooning came in 1785 when Frenchman Jean-Pierre Blanchard and American John Jeffries became the first to cross the



Soybean bulls continue to rest hopes on the Chinese and U.S. announcing they will be getting together for another round of trade talks. Depending on who you ask, bears say we are still a long ways from any type of compromise or deal being made, hence the reason they are sending in lower level decision makers, China's Vice Minister of Commerce Wang Shouwen and U.S. Under Secretary of Treasury for International Affairs David Malpass, to try and scratch the surface. Bulls are pointing to the fact it might be just enough of a headline to get a few bears to fold their hand and to keep others from entering new bearish positions. That in and of itself can be digested as bullish. Bulls are also talking about rumors of a few cargoes of U.S. soybeans making their way and perhaps ultimately slipping into Chinese ports. I was speaking in Chicago last night at the "5 Billion Bushel Soybean Forum", one of my associates was a key representative from Oil World, who insists the Chinese will eventually need to somehow import another 13MMTs of U.S. soybeans. Lets hope he is correct in his thinking. He seemed to have some short-term optimism regarding price, thinking perhaps between now and November might provide a window of opportunity. He was however concerned, without a trade deal, things could turn much more bearish into early-2019. If this plays itself out, he believes the U.S. farmer will have little choice but to significantly reduce their soybean acres. Which seems to play into the argument of a sizable increase in corn acres for next year. All panelist seemed to be in agreement that growth in palm oil production is decreasing and will continue to decrease in the years ahead. The verdict was somewhat split on the overall future growth in demand for biodiesel. Nations like Indonesia and Malaysia, which produce and export large quantities, will more than likely continue to see strong growth in consumption. Other more established global economies might start seeing biodiesel demand peaking, depending on variables such as the future overall cost of crude oil, adaptation rates for electric and alternative vehicles, etc.. All in agreement that overall demand for meal protein was moving higher globally. More extensive talk that crush capacity in the U.S. needs to expand. Overall "quality" of U.S. soybeans should also be addresses in effort to avoid discounts and gain some type of global premium. U.S. infrastructure somewhat of wild-card, having current benefits, but without additional funding and efforts to drastically improve in the future, could lose ground to projects currently underway in South America. Weather and Washington remain the nearby drivers of price, continue to monitor both closely...

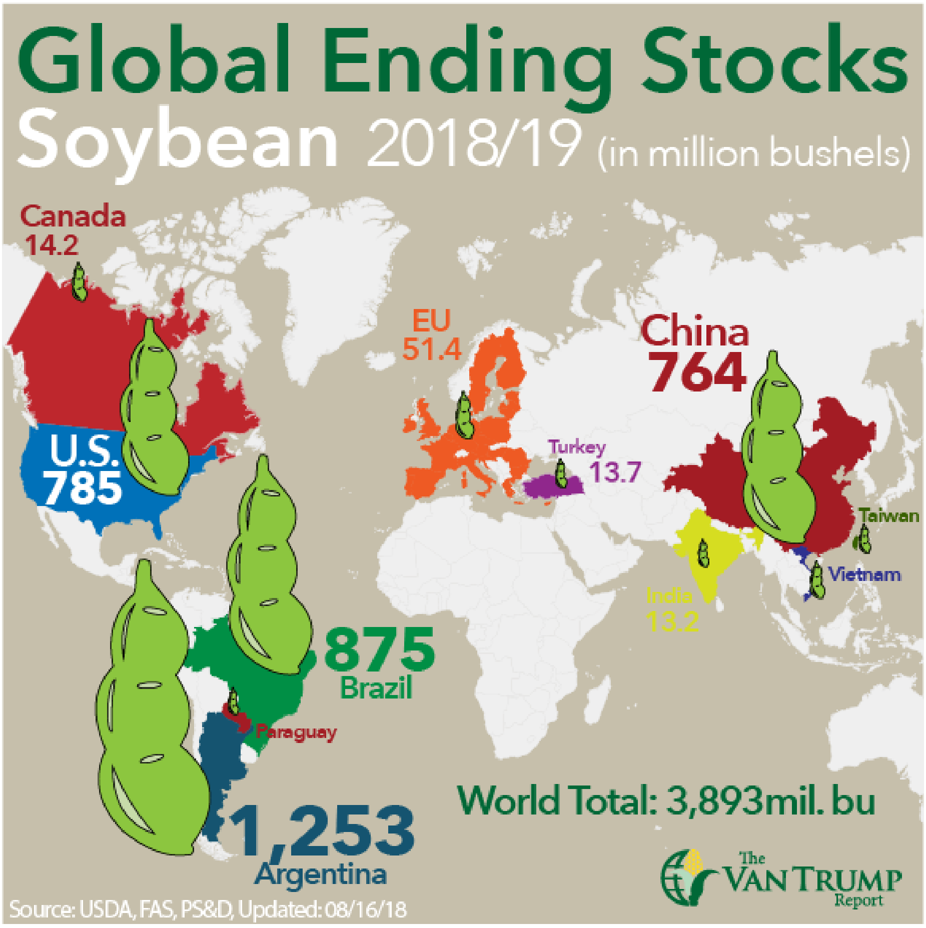
English Channel by air. In the 18th and 19th centuries, balloons were used more for military surveillance and scientific study than for transport or sport. Interest in sport ballooning began growing in the early 20th century, with an international trophy being offered annually for long distance flights. Belgian balloonists dominated these early competitions. After World War II, new technology made ballooning safer and more affordable, and by the 1960s the sport enjoyed widespread popularity. The transatlantic flight, first accomplished by aircraft and dirigible in 1919, remained an elusive goal of elite balloonists. From 1859 until the flight of the Double Eagle II in 1978, there were 17 unsuccessful transatlantic balloon flights, resulting in the deaths of at least seven balloonists. In September 1977, Ben Abruzzo and Maxie Anderson made their first attempt in the Double Eagle I but were blown off course and forced to ditch off Iceland after traveling 2,950 miles in 66 hours. Abruzzo took several months to recover from frostbite suffered during the ordeal, but by 1978 he and Anderson were ready to make the attempt again. They added Larry Newman as a third pilot, and on September 11, 1978, the Double Eagle II lifted off from Preque Isle, Maine. Blown slightly off course toward the end of the journey, they touched down just before dusk on August 17 near the hamlet of Miserey, about 50 miles west of Paris. Their 137-hour flight set new endurance and distance records. The Americans were greeted by family members and jubilant French spectators who followed their balloon by car. That night, Larry Newman, who at 31 was the youngest of the three pilots, was allowed to sleep with his wife in the same bed where Charles Lindbergh slept after his historic transatlantic flight five decades before. In 1981, Ben Abruzzo, Larry Newman, Ron Clark, and Rocky Aoki of Japan flew from Nagashimi, Japan, to Mendocino National Forest in California in the first transpacific flight. American Joe Kittinger made a solo transatlantic balloon flight in 1984. In 1995, American Steve Fosset accomplished a solo transpacific flight. One of the last frontiers of ballooning was conquered in 1999, when Bertrand Piccard of Switzerland and Englishman Brian Jones completed the first nonstop trip around the world in a hybrid helium and hot-air balloon. They flew from the Swiss Alps, circumnavigated the globe, and landed in Egypt, having traveled more than 29,000 miles in 20 days. Then, in 2002, American adventurer Steve Fossett became the first man in history to fly around the world solo in a hot-air balloon.

Upcoming Events

Mon. 8/20 - Crop Progress

Wed. 8/22 - Cold Storage

Fri. 8/24 - Cattle on Feed



Wheat bears are thinking better moisture and higher prices might work to bring more U.S. winter wheat acres into the rotation. Bulls doubt it will be significant enough to make a dramatic impact on the balance sheet. I'm still a bit uncertain about the argument by the bulls and a bit more concerned than most. Planting more wheat makes sense for many producers, especially considering the uncertainty in the geopolitical space. The uncertainty now involving Turkey and how things play out with Russia, certainly make the headline potential for wheat interesting. In other words, some political unrest involving Russia and or the European Union in any capacity could easily spark a bullish fund rally of significant proportions in the wheat market. Both Russ and the EU are consider a couple of the worlds low-cost suppliers. If those supplies were suddenly limited by conflict of any magnitude the macro world could get extremely nervous and look for ways to cross-hedge, wheat would the an obvious choice. In other words, planting more wheat acres and reducing some longer-term price risk might be a smart play or at least something to consider as JUL19 winter wheat prices trade near $6.00 per bushel. Staying engaged and looking further out on the horizon...

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

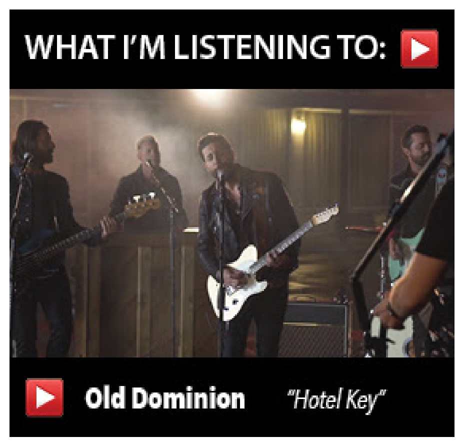
Mon. 9/24 - Cold Storage, Crop Progress

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

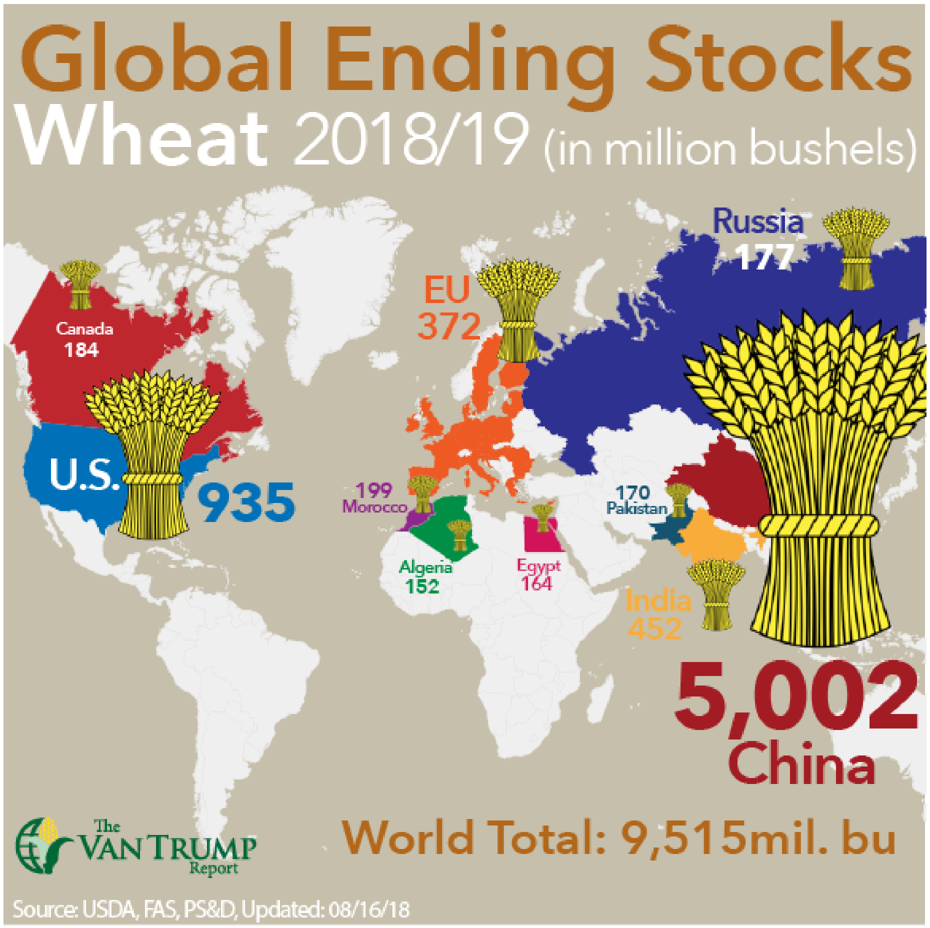
Fri. 9/27 - Quarterly Hogs and Pigs

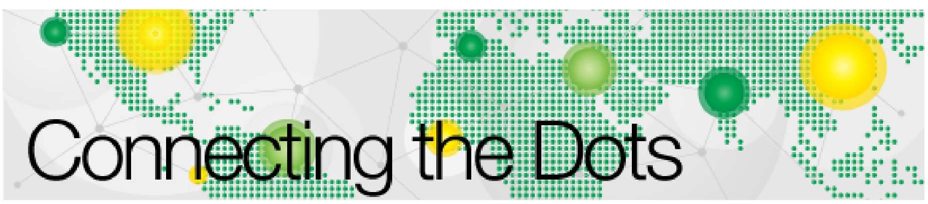
Fri. 9/28 - Quarterly Stocks and Acreage

Kevin's Song of the Week



Kevin's Song of the Week





> Further Pressure On Dicamba: America's two biggest independent seed sellers, Beck's Hybrids and Stine Seed, are pushing U.S. environmental regulators to bar farmers from spraying dicamba weed killer during coming summers in a potential blow to Monsanto. Read more at Reuters

> Argentine Soybean Demand Running Well Ahead Of Pace: We've heard the Chinese have been buying Argentine cargoes as of late and many in the trade want to know how much supply Argentina has left. Agricensus ran some estimates yesterday that showed so far this season 22.6 million metric tons of Argentine production has been sold to their domestic industry, and 5.8 million metric tons has been sold to exporters, out of a total crop of 35 million mt. That represents over 81% of the crop sold forward, compared with just 60% sold this time last year when Argentina produced 55 million mt. (Source:Agricensus)

> Strong Exports For U.S. Beef: Weekly sales of U.S. beef ending August 9th were up +48% compared to the previous week and up +76% compared to the four-week average. We continue to see strong demand for U.S. beef despite the current trade conflicts.

> Russia Exported More Wheat In MY 2017/18: Russia exported roughly 40.3 MMT of wheat in MY 2017/18, or 49% more than some 27 MMT in MY 2016/17, reports UkrAgroConsult. Traditionally, the last month of MY 2017/18 saw a slowdown in exports. According to preliminary data of market players, Russia supplied 2.14 MMT of wheat to foreign markets in June 2018 that is 46.8% less than in the previous month. However, this is 67% more than in June 2017. (Source: Blackseagrain)

> ADM To Purchaser Oilseed Processing Plant In Brazil: Archer Daniels Midland Co. has reached an agreement to purchase certain assets of Algar Agro, including two oilseed processing facilities in Brazil. I'm told the purchase will enhance their position in Brazils meal and bottled oil markets and deliver on their plan to enhance shareholder value. (Source: WorldGrain)

> Chipotle Update: The food-borne illness outbreak that sickened hundreds of Chipotle Mexican Grill customers in Ohio last month was caused by a type of bacteria found in meat and pre-cooked food left at unsafe temperatures, according to the Centers for Disease Control and Prevention. The outbreak was the latest in a series of food safety lapses at Chipotle, and the CDC says it was caused by the clostridium perfringens bacterium, which often infects food that is prepared in large

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

quantities and left out - not cold enough and not hot enough - for several hours after being cooked. After hitting a two-year high earlier in the day, Chipotle shares reversed course to finish 4.4% lower in yesterday's trade, worst on the S&P 500.

> Brazil Ag Minister Calls Ban on Glyphosate Would Be "Disaster": Ag Minister Maggi said the ban on popular herbicide glyphosate is worrying and would be a "disaster" for the country. On Aug.3 a Brazil court ruled that new products containing the chemical could not be registered in the country and existing registrations would be temporarily suspended starting form September. Brazil's Solicitor General's office said it is preparing an appeal to the court decision with the ag Ministry's backing. Maggi says he is confident the ruling will overturned on appeal. Glyphosate is used on around 95% of soybeans, corn and cotton harvested in Brazil and there is no readily available substitute for it. (Source: Reuters)

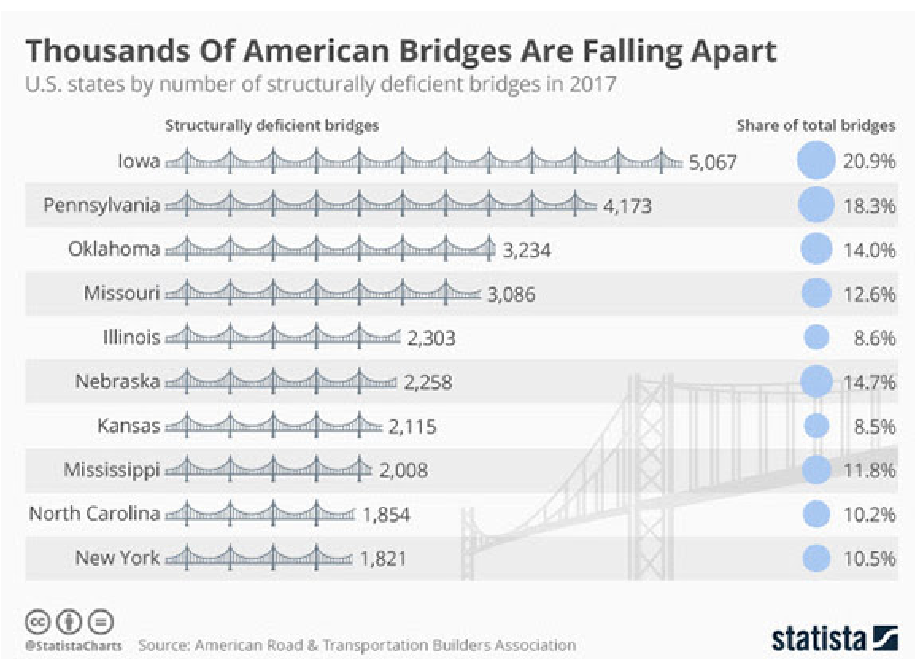
> California and Texas are Home To 86% of All Certified Organic Rice: In June, USDA's Organic Integrity Database reported 173 certified organic rice grower in the U.S., 86% of which operation California and Texas. Arkansas, the largest conventional rice-producing state, has two certified organic growers. In 2016, the 109 certified organic rice producers in the U.S. accounted for 32,000 harvested acres, 140 million pounds produced and nearly $43 million in farm sales of organic rice. Compared to the previous year, 2016 U.S. organic rice acreage increased by 11% and production increased by 10%, although this still was less than 1% of the total 2016 U.S. rice production of over 2.2 billion pounds. (Source: USDA, ERS)

> Canada to Ban Crop Chemicals Linked to Bee Deaths: The Canadian government said on Wednesday they would move to restrict use of two types of crop chemicals that have been linked to deaths of aquatic insects and bees. They will phase out over three to five years the outdoor use of thiamethoxam, made by Syngenta AG, and clothianidin, produced by Bayer AG. These chemicals are used to protect corn, soybean and canola crops form insect damage. The U.S. has not taken a similar action, but is reviewing the class of pesticides known as neonicotinoids and plans to seek public comment on proposed action next spring. (Source: Reuters)

> Tyson Wants To Be Known As a Protein Producer: Tyson, which produces one-fifth of the meat consumed in the U.S. is exploring a shift to sustainability. According to the new CEO, Tom Hayes, animal-free alternatives is where the company is headed as they push plants to shift away from meat processor to protein producers. You can read more on the new CEO's plan at Bloomberg.

> A Change In The Real Estate Business? Chad Torstenson felt his selling agent didn't do anything to justify his share of the commission, so he decided to start a business to overcome the problem... and "ShowPal" was born. ShowPal's model is a "graduated services" approach. Meaning for $999, homeowners get an appraisal and market analysis, a photo shoot, a yard sign, a listing on Zillow and Trulia, and the services of an attorney for closing documentation. For a few hundred more, sellers also get what might be the company's secret sauce: a security service that allows interested buyers in for private showings or open houses. And the $1999 "ultimate" package gets the listing on the Multiple Listing Service, the industry-controlled database of housing inventory for sale. ShowPal may be worth a look. Read more HERE.

> America's Bridges Are Falling Apart: With the collapse of the bridge in Genoa, Italy earlier this week killing 38 and injuring 15, there's been an emphasis on the state of bridges here in the U.S. New analysis by the American Road & Transportation Builders Association has found that 54,259 bridges in the U.S. are structurally deficient. Placed end-to-end, they would stretch 1,216 miles, nearly the distance form New York City to Miami. With a total of 5,067 of them, Iowa has the most structurally deficient bridges, followed by Pennsylvania (4,174) and Oklahoma (3,234). (Source: Statista, ARTBA)



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.

Northern Minnesota - I was out pulling ears yesterday and was surprised by the kernel count because of how little rain we have seen. Our last measurable rain was July 4th, so it's been nearly 45 days. Anyway, the ear measured 14 by 44 and the population was 34,000. We have never produced over 180-bushel corn in this area, but we have only been growing corn for about 7-8 years this far North. If you do the math on that ear of corn, we will raise 260-bushel corn which I would bet that isn't even possible in this area, so something can't be right. Otherwise we are going to have more corn then I can even store which is a problem I'm prepared to deal with. We are in the middle of wheat harvest right now and it is making 70-90 bushels depending on the field with the protein 15% on the low end and 17% on the high end.

Central Wisconsin - We have white mold for the first time on our farm in a field of soybeans, it is irrigated with a wiper system and one 1/2 the field is affected more than the other. Soybeans are at pod fill stage and not sure what to do irrigation wise, irrigate as if there is no mold there to get the non-mold areas to finish/fill out, or irrigate with caution to keep the mold from spreading and making a problem for future years. Part of me thinks the plants are less vulnerable now than at blossom and the mold won't spread from where it is now, but this is all new to me. We are debating if application of additional water causes the white mold to worsen in the problem areas. The other question we are debating is do we sacrifice and not water the remaining good areas of this half of the field. It's a tough call.

Eastcentral Indiana – We are medium clay soil type that we no-till on most all our acres. We drill soybeans in 10" rows because we generally don't have white mold problems. We are starting our own spraying program this year and it's made a big difference because it seems like everything is done timelier. Funny how that works out. Our big problem in soybeans tend to be mares tail, water hemp and ragweed which seem to all be round-up resistant. We are using dicamba and 2-4-D during the fall and round-up and metribuzin during the spring. This is about the only plan that works in this area to keep the three weeds I mentions at bay. The one thing that I think more guys should consider doing is spraying dicamba pre-emerge, so they don't have the problems with drift or volatilization.

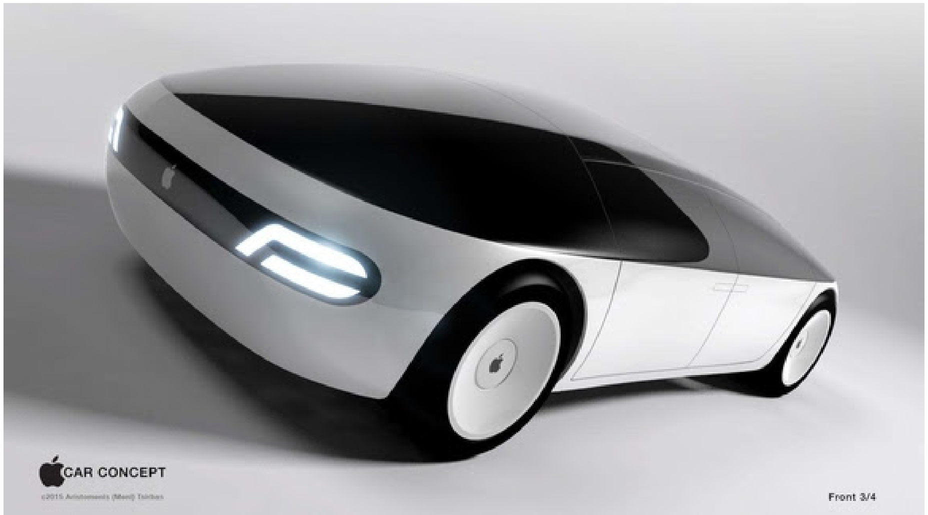
Digital Yield Tour Features Gro Intelligence Analysis: The first high-tech, digital crop yield tour completely open to the public kicked off Wednesday. The digital "tour" will cover corn and soybean yield expectations of 10 Midwest states: Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota and Wisconsin. This year's tour is based on the real-time crop analytical models of Gro Intelligence, a data analytics company focused on the agriculture industry, but it also includes weather and other crop condition information from DTN plus on-the-ground reports from farmers within the DTN Ag Weather Station network. See what may set this new model apart HERE and get updates from the first few days.

How You Can Relax Anywhere, Anytime: It's common knowledge that today's stressors are many and numerous studies have found meditation may helpful in relieving anxiety and reducing stress — it possibly could even reduce risk of cardiovascular disease. But even with mounting evidence supporting its health benefits, the implied candle lighting, time and sacred space people think they need to begin a meditation practice can be a little off-putting. I've shared before that I began to meditate a while back and it still is a game changer, if you do it consistently. So drop your preconceived notions about how and where it supposed to be done and read how you can access some peaceful inner time right now HERE.

5G Internet Will Change How We Get Television In Our Home: Verizon detailed a bit about how the next stage of home TV and internet will work when it discussed its 5G rollout plans this week. The current wireless standard offered by Verizon, AT&T, T-Mobile and Sprint — 4G LTE — is fast but not quite fast enough for an entire house of people to play games and stream 4K movies at the same time. What is fast enough though is 5G and you can forget the cords! Read more HERE to see how it all will work in your home.

Back Up Safely With This Cool New Piece Of Technology: Many of us drive older cars without the reverse camera allowing us to see what's back there or we didn't choose to pay for the upgrade. Personally, I've found it extremely helpful and saved my dog a few hit and run incidents at home! Now there is an aftermarket product that doesn't require you to climb into the trunk and run a wire to the camera. The AUTO-VOX M1W Wireless Backup Camera Kit is wireless, so you don't have to worry about that! I'm told it is a deal at $110, but I ran across this coupon code "Z29XZ2NF" that you can use to purchase it at nearly half the price. Take a look at it HERE.

Apple's Project Titan Could Propel Company To Second Trillion Dollar Market Cap: You could be driving an Apple Car, or rather, the Apple Car could be driving you. Apple's Project Titan is still a mystery, but at least now we know the company is serious about it. I'm told Doug Field returned to Apple from Tesla to focus on Project Titan. Apple analyst Ming-Chi Kuo believes Apple will start shipping its autonomous vehicle as early as 2023. The Apple Car project, believes Kuo, will be the one propelling Apple into the next, second-trillion-dollar market cap. He also believes that, similar to how the iPhone shaped the smartphone market, the Apple Car will revolutionize the auto market, deemed "ripe for change". Read more HERE.



Baking On The Way, Pizza Startup Is 'Zume'... ing Along
Robotic delivery pizza start-up Zume just received some serious backing from the SoftBank Group to the tune of between $500 and $750 billion dollars. We wrote about Zume last year and currently they operate three trucks from its headquarters in Mountain View, California, but the small startup has ambitions to partner with food couriers like UberEats and DoorDash as they build out their business. As most great ideas do, Zume began with a simple solution to an age-old pizza delivery lover's problem... it's game night and you order pizza for you and your buddies, but of course it arrives later than you'd hoped, and it's cold. Owners Alex Garden, a former president of Zynga Studios, and Julia Collins, a restaurant operations executive, believe like most of us that the best pizzas we enjoy come fresh out of the oven. They certainly don't need to be sitting in a cardboard box! That's why your fresh, crispy pizza will arrive in a patented Zume Pod which is made from 100% sugarcane and leaches nothing into your pizza, and when finished you can compost it. You may remember the hype surrounding Zume is their use of patented robotic technology and AI. The differentiator with Zume is how they utilize robotic chefs in their Silicon Valley kitchen then load them on to trucks with 'smart' ovens which are signaled to begin the finish bake when they are four minutes away from their destinations. It's worth noting that Zume's ovens can be used to cook other foods and I think we need to keep our eye on this company with its new backing as their business model has some real advantages going forward. Think about it, just as Amazon fulfills orders closer to customers by building a massive number of fulfillment centers, Zume will be cooking as close to the customer as possible and have a significant supply chain advantage. Apply that to other food items the ovens can prepare, scale it up and look out. There are countless options for other companies to contract with Zume if they choose. For instance, think of all the grocery outlets now selling meal-kits to consumers. I imagine sooner than later, the day comes where companies contract with Zume to deliver warm and fresh meals of any kind direct to your house. I see this providing another opportunity for contract farming, as Zume and grocers will want the freshest, healthiest food with a story for their customers. Be ready for the opportunities! (Source: Forbes)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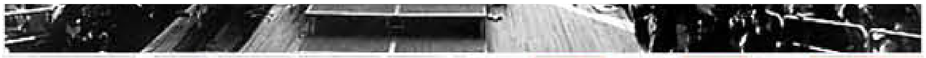
International Beatleweek

Tomorrow, August 19th, back in the summer of 1964 that The Beatles launched their first American concert tour. They appeared on The Ed Sullivan show back in February, but didn't launch a full-blown American tour until sixteenths later. Their popularity here in the U.S. exploded and they decide to come back to play for the roaring crowds. The first concert kicked off on August 19, 1964, when the Fab Four traveled to California to take the stage at the Cow Palace in San Francisco. All 17,130 tickets sold out, and the venue was almost full by 7 pm. Gate receipts amounted to $91,670. Of this, the group took away $47,600 gross. The other acts on the bill, and throughout the tour, were, in order of appearance, The Bill Black Combo, The Exciters, The Righteous Brothers and Jackie DeShannon. Showtime was 8 pm, and The Beatles took to the stage at 9:20 pm wearing dark blue suits. To say "Beatlemania" was in full-swing would be an understatement. And thanks to an offhand comment by George Harrison about the group’s favorite candy in the days leading up to the show, the Beatles themselves were pelted with flying jelly beans throughout that night’s set. In fact, their Cow Palace performance was stopped twice due to the numbers of jelly beans being thrown. Nineteen girls required first aid during the concert, many having passed out, one boy dislocated his shoulder, 50 fans were hurt and two were arrested. A further fifty were prevented from invading the stage. Though John, Paul, George, and Ringo were uninjured, they left the Cow Palace that night by ambulance after their limousine was swarmed by berserk fans. It was a scene that would become familiar to them as they continued on their first historic tour of America in the months ahead. The Beatles’ manager Brian Epstein chose venues like the 17,000-seat Cow Palace for the 1964 tour expressly because he feared that the Beatles might not sell out large sports stadiums, wow was he ever wrong. The Beatles’ set that night and throughout their first tour that followed featured only 12 songs, most often in this order: ”Twist and Shout”, “You Can’t Do That”, “All My Loving”, ”She Loves You”, “Things We Said Today”, “Roll Over Beethoven”, “Can’t Buy Me Love”, “If I Fell”, “I Want to Hold Your Hand”, “Boys”, “A Hard Day’s Night” and “Long Tall Sally”. The Beatles’ performances at each concert would last approximately 33 minutes. Somewhat ironically the Beatles would play their final official concert on August 29, 1966 at San Francisco’s Candlestick Park. Although they made an unannounced live appearance in January 1969 on the rooftop of the Apple building, the concert at Candle Stick Park was their last official gig. From what I read The Beatles' fee for their final concert was just $90,000...my how times have changed. You can read more at the BeatlesBible . The video below is from Festival Hall in Melbourne, Australia, shot just two months earlier. Unfortunately, video from the Cow Palace gig is hard to find and even harder to see! By the way, International Beatleweek kicks off next Wednesday on August 22nd. International Beatleweek is a 7-day music festival which takes place in various locations throughout Liverpool. This is truly an international event including over 70 bands from over 20 countries and fans older than 40. It's crazy the whole world celebrates the music of the most famous pop group ever known for a week, The Beatles. Click HERE to see what International Beatleweek is all about in Liverpool.


THE
BEATLES


MEET
THE BEATLES
Rock to Their Incredible First Album
Capitol
3 MILLION
BEATLES RECORDS ALREADY SOLD IN ENGLAND
contains the smash single—
"I Want To Hold Your Hand"
and
"I Saw Her Standing There"
BEATLES TOUR SCHEDULE
1964
19 Aug.-Cow Palace-San Francisco
20 Aug-Convention Hall-Las Vegas
21 Aug.-Coliseum-Seattle
22 Aug.-Empire Stadium-Vancouver
23 Aug.-Hollywood Bowl, Los Angeles
26 Aug.-Red Rocks Amphitheatre-Denver
27 Aug.-The Gardens-Cincinnati
28,29 Aug.-Forest Hills Stadium-New York
30 Aug.-Convention Hall-Atlantic City
2 Sept.-Convention Hall-Philadelphia
3 Sept.-State Fair Coliseum-Indianapolis
4 Sept.-Auditorium-Milwaukee
5 Sept.-International Amphitheatre-Chicago
6 Sept.-Olympia Stadium-Detroit
7 Sept.-Maple Leaf Gardens-Toronto
8 Sept.-Forum-Montreal
11 Sept.-Gator Bowl-Jacksonville
12 Sept.-Boston Gardens-Boston
13 Sept.-Civic Center-Baltimore
14 Sept.-Civic Arena-Pittsburgh
15 Sept.-Public Auditorium-Cleveland
16 Sept.-Park City Stadium-New Orleans
17 Sept.-Municipal Stadium-Kansas City
18 Sept.-Memorial Coliseum-Dallas
20 Sept.-Paramount Theatre-New York


DO NOT CROS



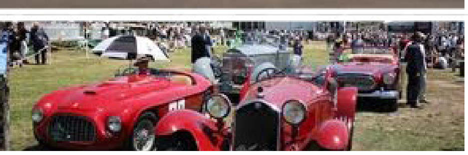
Everything You Need To Know About Monterey Car Week
If you're a classic car enthusiast, there is no better series of events than those that surround Monterey Car Week. It's full of days on end of auto shows, auto memorabilia, rallies, races, auctions and so much more. Many of these events are totally free, too, adding to the fun. And the showcase event which concludes the week is the Pebble Beach Concours D'elegance or competition of excellence, which brings together the 200 best collector cars in the world. But only a select few will receive official recognition for style, technical merit and historical accuracy as they showcase themselves in the middle of the 18th fairway at Pebble Beach on the final day. I thought I would share with you some highlights of the week, and one you don't want to miss will be the RM Sotheby's auction of a 1962 Ferrari 250 GTO, which I'm told will become the most expensive car ever offered at auction. Click HERE for a complete listing of events as well as informative short videos.

> **Monterey Car Week Kick-Off: August 17 -** *Mazda Raceway Laguna Seca kicks off Monterey Classic Car Week Kick-Off with a classic car show in Downtown Monterey. You can see 30 classic race cars lining the 300 block of Alvarado Street and meet the drivers who maintain these beautiful examples of racing history while enjoying great music and giveaways. And best of all it's free of charge.*
>
> **Monterey Pre-Union: August 18 & 19 -** *The Monterey Pre-Reunion provides racing fans and visitors with the chance to see more than 300 race cars competing for two full days prior to the Rolex Monterey Motorsports Reunion. I'm told the paddock will be bustling with teams working on their cars in the pits or on their way to pre-grid. But what's cool is you can get right in the action as the paddock is completely open to the public to enjoy the historic racing experience. Tickets are $30.*
>
> **Car Week Auctions:** *Each of the five auctions at Monterey Car Week is a show in its own right, with plenty of super rare and ultra-expensive cars on offer. Some have already won Concours ribbons, others will be future winners, and some auction lots won't be seen on public display for years to come. For as little as $20 for spectator admission, you can admire the upcoming sales up close. If you have never attended these type of events, I assure you the auctions themselves are a spectacle in their own right, with the excitement of watching breathtaking sums of money change hands in seconds. I'm highlighting the Sotheby's auction below as it is offering a once in a lifetime collector car, but you can get the full listing and catalogs for the other four auctions* **HERE***.*
>
>> **RM Sotheby's Monterey 2018 -** *In my opinion, this is the mack daddy of all the auctions as it presents for purchase the holy grail of collector cars. One of just 36 built, the 1962 Ferrari 250 GTO has proved itself an extreme competitor, claiming overall victory or 1st in class in nearly 300 races worldwide. Estimated to bring in excess of $45 million at auction, this GTO is the most valuable automobile ever offered for public sale. See the entire listing and pictures of this incredible acution* **HERE** *. You can find out more about the man who currently owns the car and get a detailed look at her* **HERE***. It will cost you $40 to get in and view the auction and if you are bold enough to bid, add $300 for a paddle.*

Automobilia Monterey: *August 21 & 22 - The largest automobilia show in America, and the only time during Concours Week that you will be able to find the top 45 international dealers in a single venue. Enjoy the relaxed indoor setting while buying only original vintage posters, photographs, rally plates, badges & pins, hood ornaments, signs, original art, display items, scale models, literature & books, signed items, postcards, etc...*

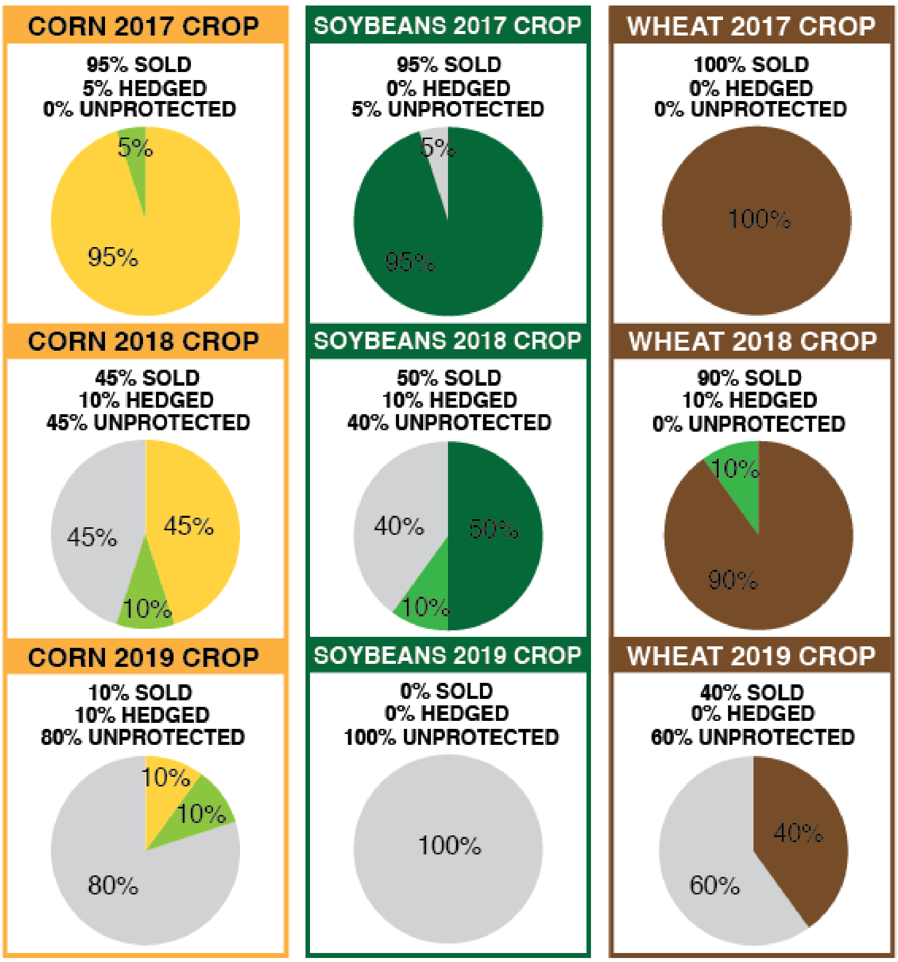
Pebble Beach Concours D'elegance: *Begun in 1950, this concours is the top-ranking collector car competition in the world. It is also the event to which most other modern concours now trace their roots. Initially modeled on the early European concours that showcased new cars, the Pebble Beach Concours shifted its focus to collector cars in 1955—and other concours followed suit. It has also taken the lead by including racing greats and offering featured marques and special classes as early as 1953, introducing displays of dream cars and concepts in the 1980s, and instituting driving events and emphasizing the importance of preservation in the 1990s. There is a ton of history, news, information, schedules, pictures and more for the Pebble Beach event* **HERE**.

And Finally... Concours d'Lemons: *August 25 - In a parody to the main event and what some call an ugly oil stain on the Pebble Beach Auto Week, the Concours d'Lemons returns once again to Seaside, CA on Aug 25, 2018. Hoopties, Rust Buckets, Misfits, Mistakes and the worst of the automotive world will be on display and as always celebrity judges will be accepting bribes for our Thrift Shop sourced trophies. Hagerty Insurance, Grassroots Motorsports Magazine have inexplicably sponsored the debacle, so it's really all their fault. The best part is that the show is free for participants and spectators, so you'll get exactly what you pay for. Click* **HERE** *for a quick video of event.*



ANSWER to riddle: Tongue

CASH SALES & HEDGING TOTALS



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