

GOOD MORNING: 08/24/18 Farm Direction - Van Trump Report

2 messages

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Fri, Aug 24, 2018 at 6:53 AM



"Never let your memories be greater than your dreams." ~Doug Ivester

FRIDAY, AUGUST 24, 2018

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Morning Summary: Stocks remain near record highs but negative news and headlines out of Washington are making some a bit more nervous and uncertain. I've heard large traders talking both sides of the trade. Bulls believe the U.S. economy is strong enough, and that President Trump has already made significant enough changes in tax reform, infrastructure spending and pro-business initiatives, that the momentum created can continue lifting us higher, regardless of how dramatic the media headlines surrounding Cohen and others are. In fact, many believe if the heat really starts to get turned up President Trump might become more cooperative and eager to strike trade deals in an effort to divert attention to the extremely strong and robust U.S. economy. Bears are saying the negative press and headlines surrounding the President, in the least, will provide the Democrats with more momentum heading into the November mid-term elections. Trade talks with the Chinese remain a huge unknown. Both sides have now officially imposed \$50 billion in tariffs and the U.S. is in the middle of open hearings regarding another \$200 billion in tariffs being put into play at some point in September. As for more traditional economic news, we are seeing more evidence that the U.S. housing market might be cooling just bit, especially in the upper Northeast and perhaps a bit down South. Yesterday's updated New Homes Sales data showed the sale of new U.S. single-family homes falling in July to a nine-month low. New home sales in the South, which accounts for the bulk of transactions, declined -3.3% in July. Sales in the Northeast fell by -52.3% to their lowest level since September of 2015. The good news is sales in the West and Midwest were up by about +10%. The median new house price rose +6% to \$328,700 in July from June. There were 309,000 new homes on the market in July, the most since March 2009. As for today, the trade will be heavily focused on Fed Chair Jerome Powell's speech scheduled for 9:00am CST from the Jackson Hole Symposium. The most recent "minutes" are being mostly digested as a bit more dovish. The trade is still looking for two more interest rate hikes in 2018 and three rate hikes in 2019. The overall tone of their comments are being argued as a bit softer as more uncertainties regarding trade and strength of the U.S. dollar start to be more discussed. Next week should be extremely quiet in regard to traditional economic data and many traders will be squaring up ahead of a long Labor Day Weekend. That makes me a bit nervous as a bull, especially since the non-traditional media generated headlines will take center stage. I see no reason to get overly aggressive or over-extended up near the highs.

U.S. China Trade Talks Fall Flat: The White House said on Thursday that U.S. and Chinese officials had ended two days of negotiations in Washington aimed at easing trade tensions with no apparent progress. The real concern now in the trade is how China might respond to Washington's proposed next round of tariffs on a further \$200 billion of Chinese imports. Many experts are thinking it could get much more intense during the next couple of weeks, so prepare yourself for the headlines.

Disrupting The Auto Insurance Business: "Root Insurance", an Ohio-based car insurance startup with a tech twist, said this week it has raised +\$100 million in a Series D funding round led by Tiger Global Management, pushing the company's valuation to \$1 billion. The car insurance company, founded in 2015, plans to use the funds to expand into existing markets and make inroads into new states, as well as hire more employees such as engineers, actuaries, claims and customer service to support increased scale. The company plans to expand to all 50 states and Washington, D.C., by the end of 2019. From what I understand, drivers download the app and take a test drive that typically lasts two or three weeks. Then Root provides a quote that rewards good driving behavior and allows customers to switch their insurance policy. Customers can purchase and manage their policy through the mobile phone Root app. The company uses AI algorithms to adjust risk and sometimes provide discounts. For example, a vehicle with an advanced driver assistance system that it deems improves safety might receive even further discounts. (Source: TechCrunch)

"It Will Never Become Obsolete" - ATARI's famous last words in 1979.

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Kansas City, Mo

A gathering for the
sharpest minds in
agricultural investing.

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about new
innovations.

Innovations
that will be
changing & shifting

the farm industry.

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The personal computer with expandable memory, advanced peripherals, and comprehensive software so it will never become obsolete.

How sophisticated can a personal computer be if it's outdated in a year? Or in even a month?

Well, Atari solves that problem by introducing the Timeless Computer—the Atari-800™.

It's the top-of-the-line personal computer system with more adaptability. That's because of its expanded memory, a variety of peripheral components, and a comprehensive software library. The Atari-800™ is designed to change as your customers' needs change.

needs change.

The Atari-800™ can be easily used by people with no previous computer experience without compromising capability for the sophisticated user who wants to write specialized software. Storage and manipulation of large data bases ranging from stock market analysis to inventory control will allow the Atari-800™ to find its way into uses never before imagined.

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The most sophisticated action and thinking games ever, with excitement, sounds, and color never imagined before. Like Basketball, Chess, and Stock Market, just to name a few.

The Atari-800™. The only computer your customers will ever need to buy.

The Atari-800™. The Timeless Personal Computer System.



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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:

I have wheels and flies, yet I am not an aircraft. What am I?

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

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

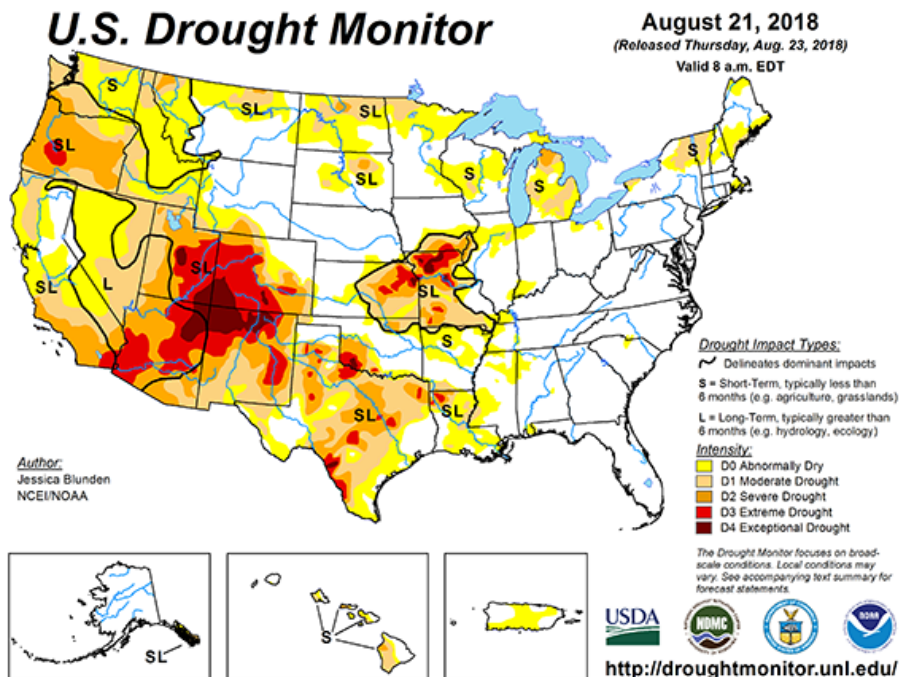
- John Wooden

The
VAN TRUMP
Report


FARM TANK


Weather across the Midwest is seeing warmer conditions with showers. Forecasts are calling for Midwest conditions to turn warmer during the next week, accompanied by moderate to locally heavy rain in stretches. Conditions will continue to be favorable for crops outside of hard hit drought areas of the Kansas and Missouri. Hot, dry weather will return to the southern Plains during the next week to 10 days. This drier trend is expected stress filling crops and will reduce soil moisture ahead of winter wheat planting come this fall. In the Northern Plains, frequent episodes of rain over the next week will offer improved soil moisture. Rain periods will bring only minor disruption to spring wheat harvest.

Despite Heavy Rain, Serious Drought Persists in MO, KS, & IA: A drought update has been issued for the Midwest & Missouri Basin. Drought conditions have increased in severity and coverage across the central U.S. since mid-July, particularly in MO, KS, IA, MI, MN, ND, and SD. Despite some recent rains, exceptional drought persists in Kansas and Missouri. Agriculture and water supply have been the most negatively affected by this summer's drought conditions. Some of the recent rainfall may help soybeans and pasture recovery, but it likely fell too late to help stressed corn. While some the drought-affected areas in KS and MO received near- to above-normal precipitation over the last 30 days, rainfall totals have not drastically improved the drought conditions and soil moisture. In MI, above-normal temperatures and below-normal precipitation continued over the last 30 days, contributing to the introduction of severe drought (D2) and expansion of moderate drought (D1). Below is the latest Drought Monitor and the long term Palmer drought severity index showing addition precipitation needed to come back to normal conditions.



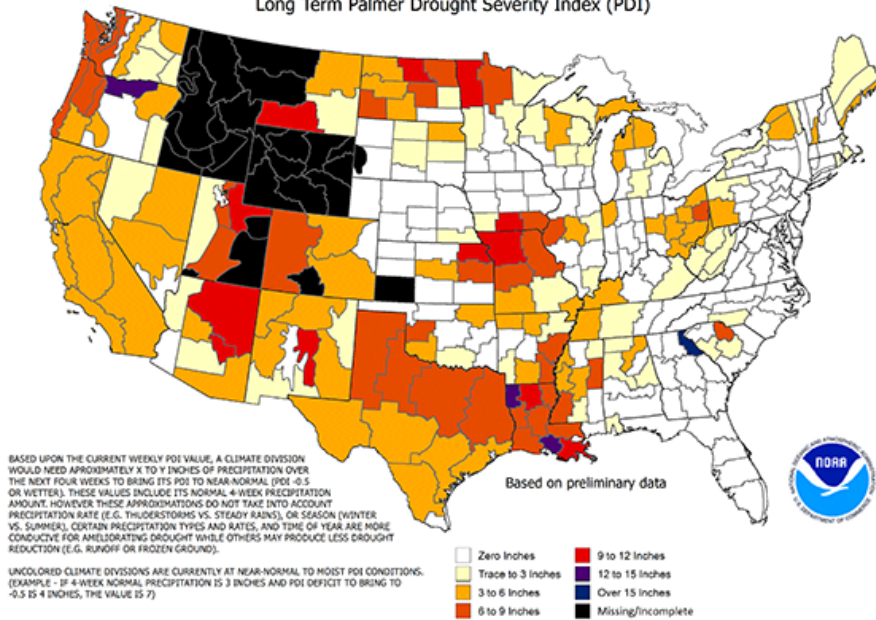
Today In History



79, Mount Vesuvius - After centuries of dormancy, Mount Vesuvius erupts in southern Italy, devastating the prosperous Roman cities of

Pompeii and Herculaneum and killing thousands. The cities, buried under a thick layer of volcanic material and mud, were never rebuilt and largely forgotten in the course of history. In the 18th century, Pompeii and Herculaneum were rediscovered and excavated, providing an unprecedented archaeological record of the everyday life of an ancient civilization, startlingly preserved in sudden death. The ancient cities of Pompeii and Herculaneum thrived near the base of Mount Vesuvius at the Bay of Naples. I Herculaneum was a city of 5,000 and a favorite summer destination for rich Romans. At noon on August 24, 79 A.D., this pleasure and prosperity came to an end when the peak of Mount Vesuvius exploded, propelling a 10-mile mushroom cloud of ash and pumice into the stratosphere. For the next 12 hours, volcanic ash and a hail of pumice stones up to 3 inches in diameter showered Pompeii, forcing the city's occupants to flee in terror. Some 2,000 people stayed in Pompeii, holed up in cellars or stone structures, hoping to wait out the eruption. A westerly wind protected Herculaneum from the initial stage of the eruption, but then a giant cloud of hot ash and gas surged down the western flank of Vesuvius, engulfing the city and burning or asphyxiating all who remained. This lethal cloud was followed by a flood of volcanic mud and rock, burying the city. The people who remained in Pompeii were killed on the morning of August 25 when a cloud of toxic gas poured into the city, suffocating all that remained. A flow of rock and ash followed collapsing roofs and walls and burying the dead. Much of what we know about the eruption comes from an account by Pliny the Younger, who was staying west along the Bay of Naples when Vesuvius exploded. In two letters to the historian Tacitus, he told of how "people covered their heads with pillows, the only defense against a shower of stones," and of how "a dark and horrible cloud charged with combustible

Additional Precip. Needed (In.) to bring PDI to -0.5
Weekly Value for Period Ending Aug 18, 2018
Long Term Palmer Drought Severity Index (PDI)



Corn prices have tumbled by almost -20 cents this week as the trade digests more talk and confirmation of a record yield. The Pro Farmer Crop tour has shown some big numbers this week and the market is now thinking the USDA yield could get even bigger, perhaps +180 before all is said and done. I personally don't see that being the case after more combines start getting the crop out of the fields, but for the moment that's what the market is trading. Thoughts of ending stocks moving back higher has the bulls retreating a bit and the bears trying to retest the recent technical lows down near \$3.50 per bushel vs. the DEC18 contract. As I mentioned last week, it feels like we are rangebound between \$3.40 and \$3.50 on the low end and \$4.00 and \$4.10 on the upper end. I'm hoping to see a seasonal low put in place during the next couple of weeks. Then perhaps we gravitate back towards the middle of the range in the \$3.70 to \$3.80 area. The Pro Farmer Crop tour released results for both Minnesota and Iowa last night. Minnesota's yield was forecast at 178.67 bushels per acre, down -6.7% from last year's estimate of 191.54 bushels per acre, and also down from the 188.24 bushel per acre three-year average. The USDA is currently estimating the Minnesota yield at 191 bushels per acre vs. 194 last year. From what I understand, the southwest portion of Minnesota had some fields with really poor results compared to last year. The Iowa samples showed an average yield of 188.2 bushels per acre, up +4.7% from last year's 179.79 bushel and up from the three-year average 182.74 bushel. The USDA currently has the Iowa yield estimated at 202 bushels per acre, essentially the same as last year.

matter suddenly broke and set forth. Pompeii was buried under 14 to 17 feet of ash and pumice, and the nearby seacoast was drastically changed. Herculaneum was buried under more than 60 feet of mud and volcanic material. Some residents of Pompeii later returned to dig out their destroyed homes and salvage their valuables, but many treasures were left and then forgotten. In the 18th century, a well digger unearthed a marble statue on the site of Herculaneum. The local government excavated some other valuable art objects, but the project was abandoned. In 1748, a farmer found traces of Pompeii beneath his vineyard. Since then, excavations have gone on nearly without interruption until the present. In 1927, the Italian government resumed the excavation of Herculaneum, retrieving numerous art treasures, including bronze and marble statues and paintings. The remains of 2,000 men, women, and children were found at Pompeii. The city is frozen in time, and ordinary objects that tell the story of everyday life in Pompeii are as valuable to archaeologists as the great unearthed statues and frescoes. It was not until 1982 that the first human remains were found at Herculaneum, and these hundreds of skeletons bear ghastly burn marks that testify to horrifying deaths. Today, Mount Vesuvius is the only active volcano on the European mainland. Its last eruption was in 1944 and its last major eruption was in 1631. Another eruption is expected in the near future, would be devastating for the 700,000 people who live in the "death zones" around Vesuvius.



1776, Georgia - American General Charles Lee informs Congress that Georgia was more valuable than he had originally suspected. Lee

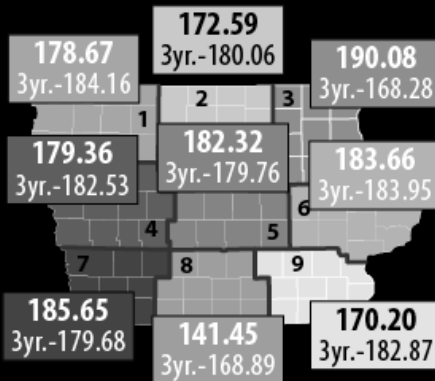
argued that the state's salubrious climate, crops of rice, numerous harbors and rivers, livestock and proximity to the West Indies made it mandatory to keep out of enemy hands. To safeguard Georgia, Lee recommended that the Continental Army assign to it additional reinforcements. Georgia's founders had hoped to establish a colony of worthy, poor white men able to defend the wealthy slaveholders of South Carolina from the Spanish in Florida. Their vision of an economically viable southern colony without slaves failed. The trustees legalized slavery and alcohol in a last-ditch effort to save their colony between 1750 and 1752, when Parliament took control of Georgia from its corporate charter-holders. James Wright, who practiced law and held a large plantation in South Carolina, was serving as that colony's agent in London when he was appointed lieutenant governor in 1760. Upon moving to Georgia, he sold much of his South Carolina property and invested in Georgia. Wright became Georgia's third royal governor in April 1761. Wright was the only colonial governor and Georgia the only colony to successfully implement the Stamp Act in 1765. As revolutionary

FARM JOURNAL CROP TOUR RESULTS

IOWA

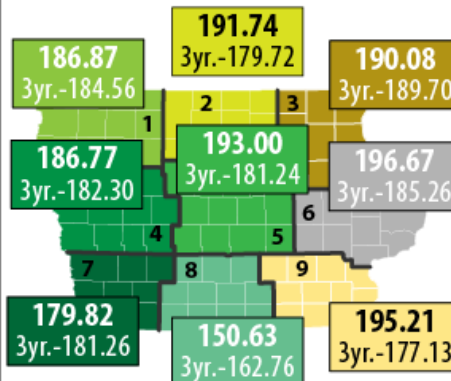


2017 Corn Yields 179.8 bpa



Bushels per acre

2018 Corn Yields 188.2 bpa



Bushels per acre

fervor grew elsewhere in the colonies, Georgia remained the most loyal colony, declining to send delegates to the Continental Congress in 1774. Although briefly removed from power, Wright organized a military action and retook Savannah on December 29, 1778. He then resumed office as royal governor on July 22, 1779. With the British maintaining nominal control of Georgia, the Patriots' Southern Campaign focused on the Carolinas. Wright remained in office until July 11, 1782, when the British abandoned Georgia for good after British General Charles Cornwallis' final defeat at Yorktown. Wright then moved to London, where he died three years later.



1981, Mark David Chapman... is sentenced to 20 years to life for the murder of John Lennon, a founding member of The Beatles, one of

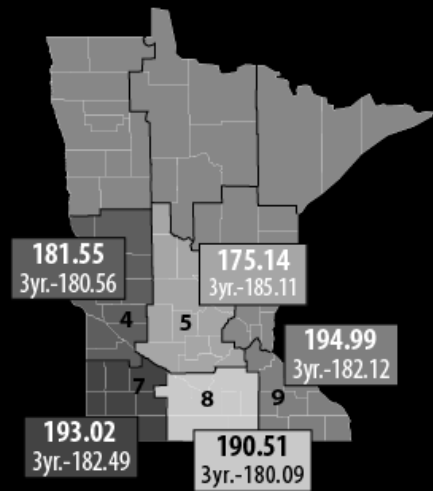
the most successful bands in the history of popular music. On December 8, 1980, Chapman shot and killed the 40-year-old singer, songwriter and peace activist, outside Lennon's New York City apartment building, the Dakota, where he lived with his wife Yoko Ono and their young son Sean. Lennon, who was born on October 9, 1940, in Liverpool, England, shot to fame in the 1960s with The Beatles, whose multiple best-selling albums and hit films, such as *A Hard Day's Night* (1964), turned the group into hugely influential global pop icons. After The Beatles broke up in 1970, Lennon embarked on a successful solo music career, writing and performing such songs as "Imagine" and "(Just Like) Starting Over." He also directed a 1972 documentary film, also titled *Imagine*, which was a sometimes-surreal glimpse at a day in the life of Lennon and Ono, set to their music. On the day of Lennon's murder, Chapman, a Beatles fan who was born in 1955, spent the day hanging out near the musician's apartment on West 72nd Street and Central Park West. Late that afternoon, a photographer captured a shot of Lennon as he stopped to autograph his *Double Fantasy* album for Chapman before walking with Yoko Ono toward a limousine waiting to take them to a recording session. Later that night, shortly before 11 p.m., the couple returned to the Dakota, where a waiting Chapman shot Lennon four times as the musician walked toward his building. Chapman stayed at the scene, reading *The Catcher in the Rye*, a book he was obsessed with, until the police arrived and took him into custody. Lennon was pronounced dead at Manhattan's Roosevelt Hospital around 11:15 p.m. Chapman initially entered a plea of not guilty by reason of insanity; however, he later decided to drop the insanity defense and plead guilty to second-degree murder. At his sentencing hearing on August 24, 1981, Chapman read from *The Catcher in the Rye*. Chapman's requests for parole have all been denied and he continues to serve time at New York's Attica State Prison. Lennon's iconic life, and his untimely death, have in recent

FARM JOURNAL CROP TOUR RESULTS

MINNESOTA

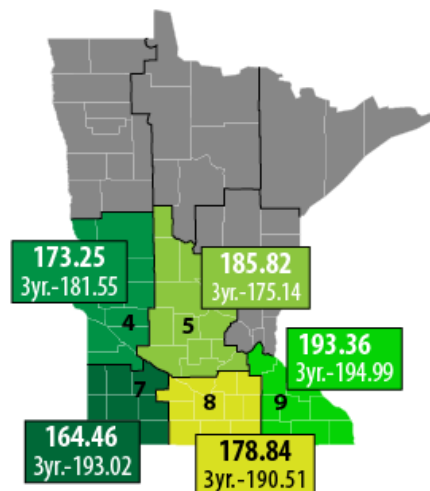


2017 Corn Yields
191.5 bpa



Bushels per acre

2018 Corn Yields
178.67 bpa



Bushels per acre

years inspired several films, including Chapter 27 (2007), which starred a bloated Jared Leto as Chapman and chronicled the three days leading up to the assassination. The visual artist Sam Taylor-Wood will reportedly direct a Lennon biopic, Nowhere Man, to be filmed partially in Lennon's hometown of Liverpool.

Upcoming Events

Fri. 8/24 - Cattle on Feed

Fri. 8/24 - Last Trading Day for September Grain Options

Mon. 8/27 - Crop Progress

Fri. 8/31 - First Notice Day for September Grains

Mon. 9/3 - Labor Day (Markets Closed)

Tues. 9/4 - Crop Progress

Mon. 9/10 - Crop Progress

Tues. 9/11 - 17 Year Anniversary of 9/11

Thur. 9/12 - USDA Supply and Demand

Thur. 9/12 - Last Trading Day for September Grain Futures

Mon. 9/17 - NOPA Crush, Crop Progress

Fri. 9/21 - Cattle on Feed

Sat. 9/22 - Autumn Begins

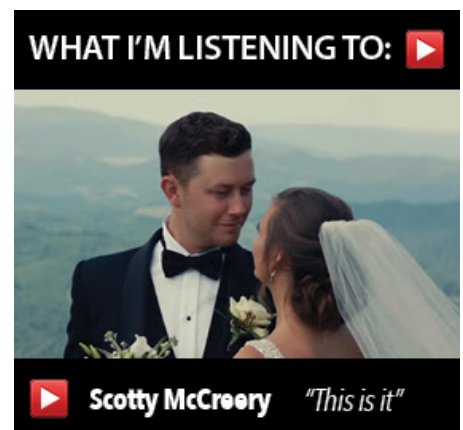
Mon. 9/24 - Cold Storage, Crop Progress

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

Fri. 9/27 - Quarterly Hogs and Pigs

Fri. 9/28 - Quarterly Stocks and Acreage

Kevin's Song of the Week



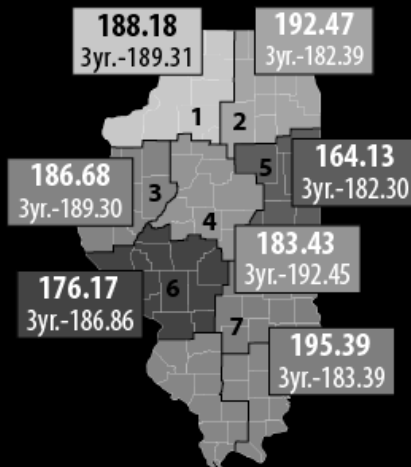
Kevin's Song of the Week

FARM JOURNAL CROP TOUR RESULTS

ILLINOIS

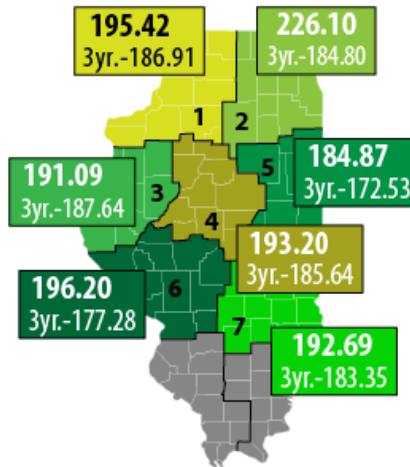


2017 Corn Yields
180.72 bpa



Bushels per acre

2018 Corn Yields
192.63 bpa



Bushels per acre

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

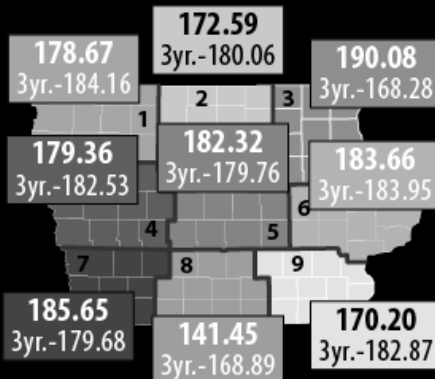
"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found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

FARM JOURNAL CROP TOUR RESULTS

Western
IOWA

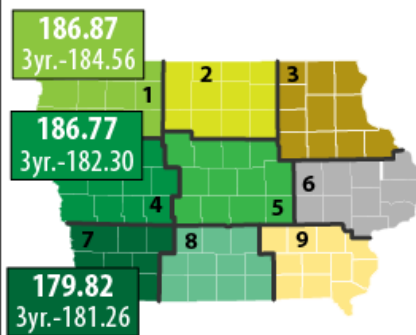


2017 Corn Yields
183 bpa



Bushels per acre

2018 Corn Yields
final data
coming soon



Bushels per acre

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 loser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

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

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

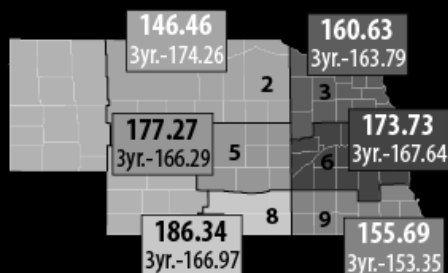
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

FARM JOURNAL CROP TOUR RESULTS

NEBRASKA

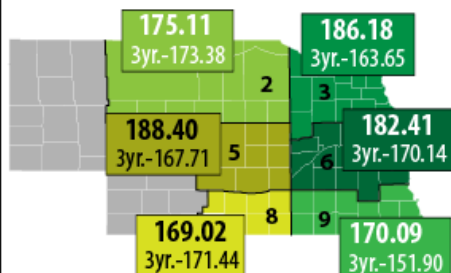


2017 Corn Yields
165.42 bpa



Yields per bushel

2018 Corn Yields
179.17 bpa



Yields per bushel

Farm Direction
RECIPES

★ **FAMILY FAVORITES** ★

-SENT IN BY OUR READERS-



Summer Italian
Spaghetti Salad
Recipe

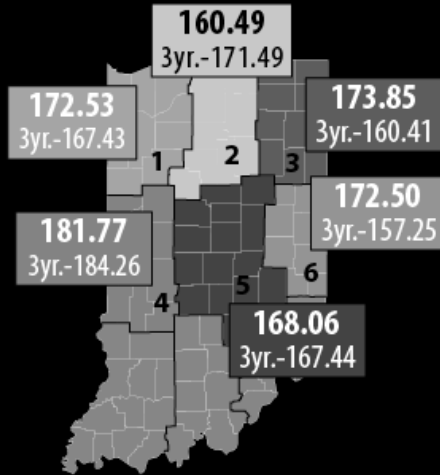
[CLICK TO SEE RECIPE](#)

FARM JOURNAL CROP TOUR RESULTS

INDIANA

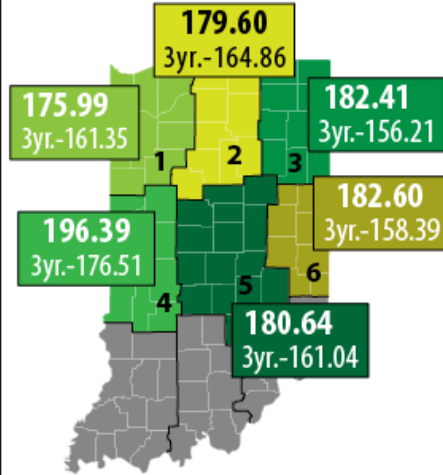


2017 Corn Yields
171.2 bpa



Yields per bushel

2018 Corn Yields
182.3 bpa



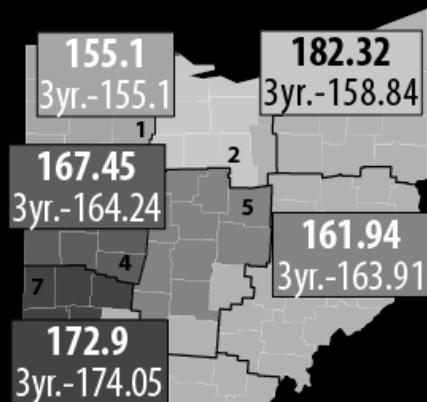
Yields per bushel

FARM JOURNAL CROP TOUR RESULTS

OHIO

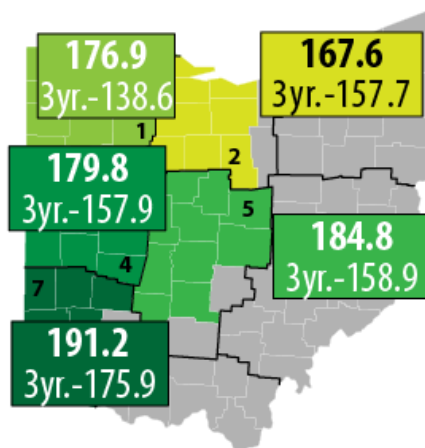


2017 Corn Yields
164 bpa



Yields per bushel

2018 Corn Yields
179.5 bpa



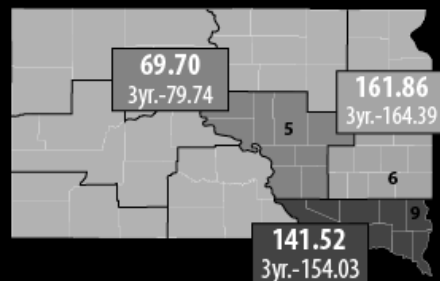
Yields per bushel

FARM JOURNAL CROP TOUR RESULTS

SOUTH DAKOTA

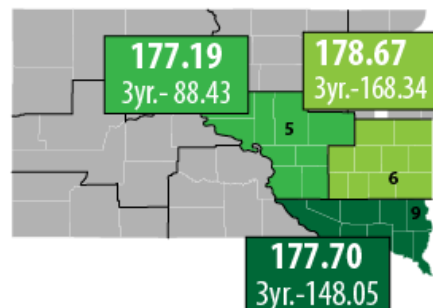


2017 Corn Yields
147.97 bpa



Yields per bushel

2018 Corn Yields
178.01 bpa



Yields per bushel

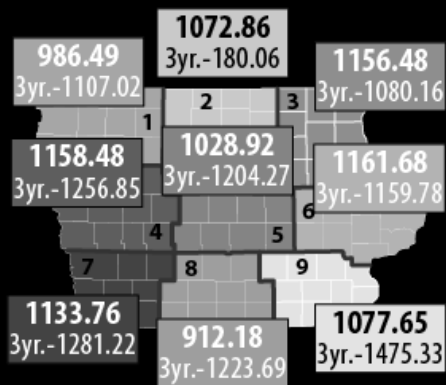
Soybean traders have watched the bottom fall out of meal prices this week as bids around the country start to dry up. As I suspected, the basis in many locations has really started to widen. I've heard some friends and clients reporting a -\$1.70 under is the best they can get now in parts of South Dakota. The flat-price in the soybean market has fallen by over -40 cents this week, while some areas have also seen a -20 cent hit to the basis. Technical traders are wondering if psychological support at \$8.50 can hold or will the market prefer to re-test the July low down at \$8.26^2? Below that level we start to move into uncharted waters, with most technical guru's throwing darts at a possible \$7.77 number. Bears continue to point to the fact the U.S. yield might get larger and in turn the balance sheet widen towards a massive 1.0 billion bushel carry. Where do prices trade if that plays itself out? I don't think anyone truly knows. The recent rounds of cooperative rains and seasonal temps certainly makes the trade wonder if a yield north of +52 bushels per acre is coming our direction. With little news or positive headlines surrounding Chinese trade negotiations this makes the trade nervous that the balance sheet could continue to expand nearby. We have to also keep in mind, the Brazilian currency has tumbled to multi-month lows against the U.S. dollar and is doing very little to help attract any macro bulls. I also continue to hear more talk of increasing soybean acres in Brazil. Bottom-line, it's just wave after wave of bearish headlines right now. We don't have a weather story of any sort. The funds clearly don't have any macro interest with the strength of the U.S. dollar, the Chinese trade uncertainties, and the doubts surrounding global economic growth. We can argue that we have a nearby "demand" story, but a few months out it certainly is up for debate. As a producer, I remain patient and hope to see better pricing opportunities in early-October to early-November. As a spec, I am becoming more interested in a longer-term bullish position. But still see no reason to be in a hurry to be a buyer. The Pro Farmer Crop Tour released estimates from Minnesota and Iowa last night. The Minnesota numbers showed 1090.47 pods in a 3x3' plot, up +6.9% from last year's 1019.96 estimate and up substantially from the 1082.26 three-year average pod-count. The USDA is currently forecasting the Minnesota crop at 49 bushels per acre vs 47 last year. The Iowa estimates showed an average pod-count of 1208.99 in a 3x3' plot, up +10.6% from last year's 1092.92 estimate. The USDA is currently forecasting the Iowa crop at 59 bushels per acre vs. 56.5 last year.

FARM JOURNAL CROP TOUR RESULTS

IOWA

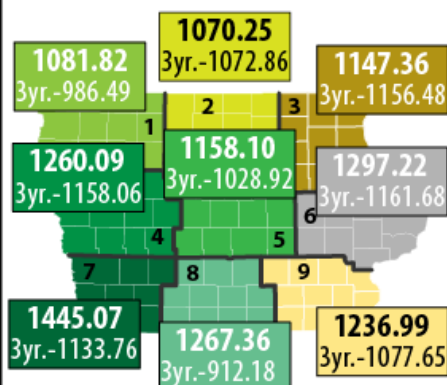


2017 Soybean
1092.92
Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean
1208.99
Pod Counts



Pod Count in 3 x 3 Square

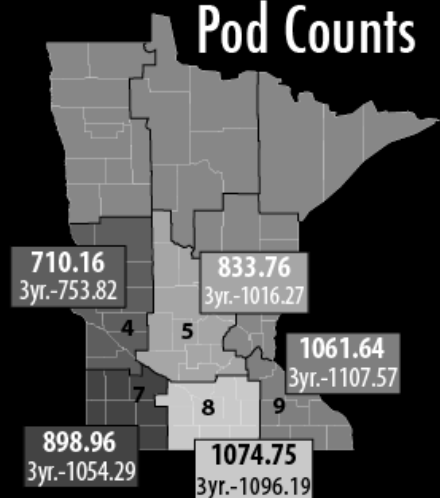
FARM JOURNAL CROP TOUR RESULTS

MINNESOTA



2017 Soybean
1019.96

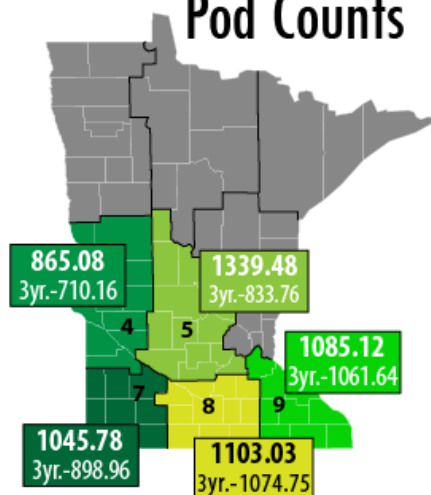
Pod Counts



Bushels per acre

2018 Soybean
1090.47

Pod Counts



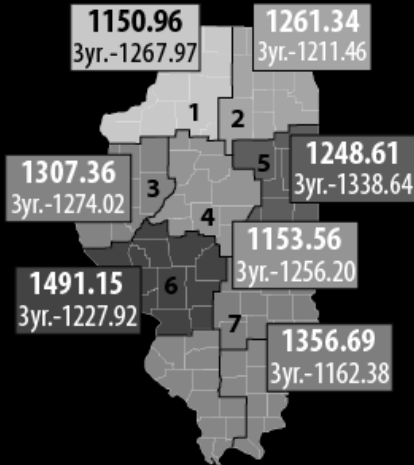
Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

ILLINOIS

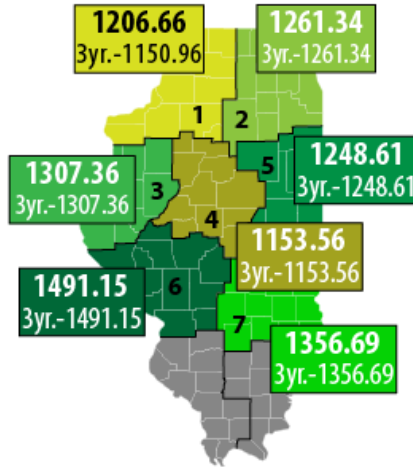


2017 Soybean 1230.77 Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean 1328.91 Pod Counts



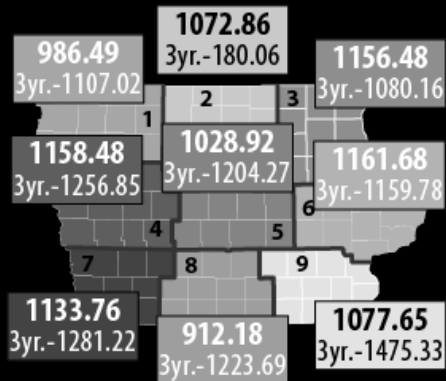
Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

Western
IOWA

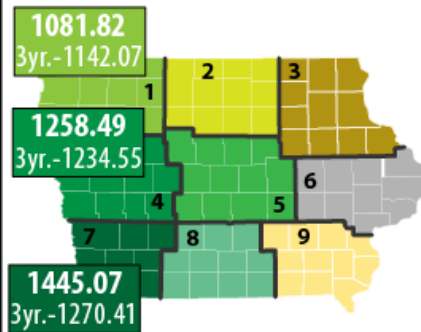


2017 Soybean **1092.92** Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean final data coming soon Pod Counts



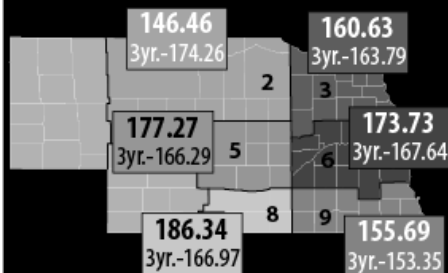
Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

NEBRASKA

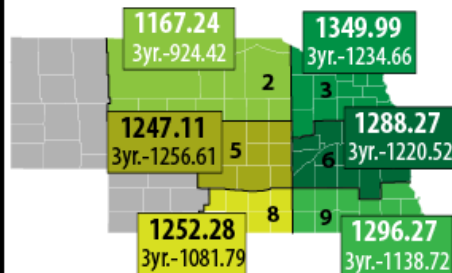


2017 Soybean
1131.02
Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean
1299.08
Pod Counts



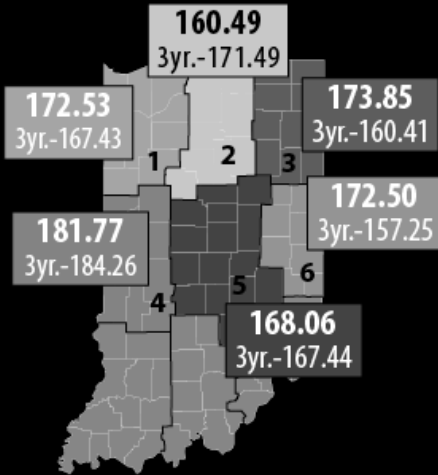
Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

INDIANA

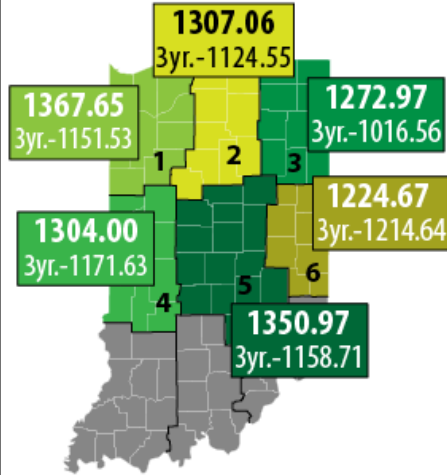


2017 Soybean Pod Counts
1168.78



Pod Count in 3 x 3 Square

2018 Soybean Pod Counts
1311.87



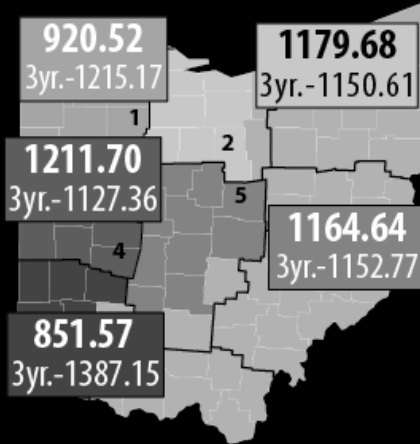
Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

OHIO

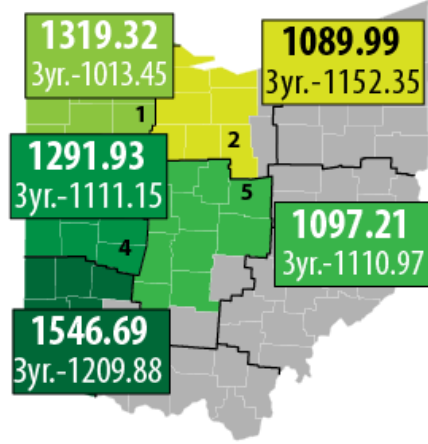


2017 Soybean 1107.01 Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean 1248.2 Pod Counts

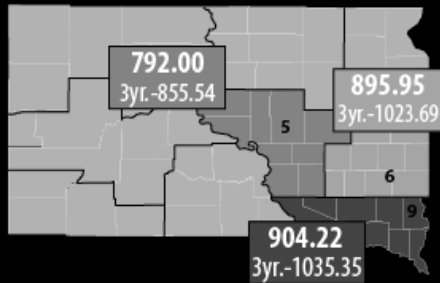


Pod Count in 3 x 3 Square

FARM JOURNAL CROP TOUR RESULTS

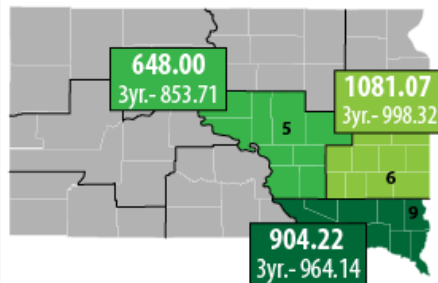
SOUTH DAKOTA

2017 Soybean
899.56
Pod Counts



Pod Count in 3 x 3 Square

2018 Soybean
1024.72
Pod Counts



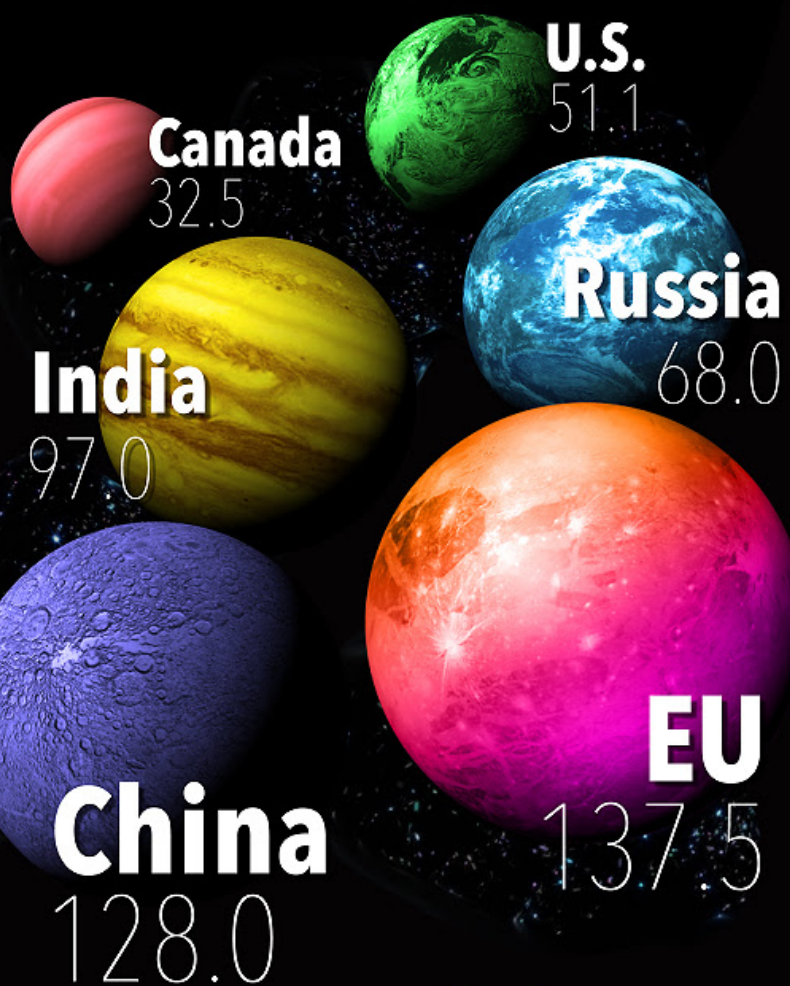
Pod Count in 3 x 3 Square

Wheat prices are down by -50 to -75 cents since early-August. The International Grains Council confirmed production problems yesterday by cutting its global forecast for 2018-19 by -5 MMTs, but at the same time it lowers its overall demand estimate by the same margin. Net-net no real change. SovEcon is confirming talks of a lower Russian crop, by cutting their grain stocks estimate for the end of the 2018/19 to 10.1 MMTs, the lowest in six years. Kazakhstan is showing their total grain crop at around 20 MMTs, down slightly from last year's 21.7 MMTs. Here at home, exports on the week were a disappointment. The bulls clearly need a fresh new headline to grab hold of to stop the slide lower. Unfortunately, that still might be a ways out on the calendar. As a producer, I'm extremely happy that we were aggressive into the rallies and can now afford to be patient for an extended period. As a spec, I continue to hold a longer-term bullish tilt, but see no reason to be a buyer at the moment.

WHEAT UNIVERSE

GLOBAL PRODUCTION

2018/19 in million metric tons



The
VAN TRUMP
Report

Connecting the Dots

> **Farm Aid Announcement Could Be Monday:** U.S. Ag Secretary Sonny Perdue said yesterday that details of a planned \$12 billion aid package for U.S. farmers hurt by the Trump administration's trade wars may be disclosed Monday. Perdue has said the plan would include between \$7 billion and \$8 billion in direct cash relief for farmers. He also said they hoped to have the program up and running after Labor Day and declined to give further details. (Source: Reuters)

> **World Corn Forecast Bumped Higher:** The International Grains Council raised its forecast for world corn production to 1.064 billion tons, up +12 million from its previous estimate, mostly on prospect for larger crop in U.S. Total U.S. production jumped to 370.5 MMT, a big rise versus its prior outlook of 359 MMT. Interestingly, global ending stocks are expected to come in lower on rising demand.

> **Kroger Says It Is Phasing Out Plastic Bags:** One of the largest supermarket companies in the U.S. has announced it is phasing out single-use plastic bags in an effort to reduce plastic waste. Kroger includes major chains such as Ralphs, Harris Teeter, Food 4 Less, Pick 'n Save and, of course, Kroger. As of 2017, the company says it owns more than 2,700 supermarkets in 35 states and Washington, D.C. According to the Environmental Protection Agency, more than 380 billion plastic bags are used in the U.S. every year.

> **New Australian Prime Minister:** Scott Morrison, Australia's treasurer, is to become Australia's sixth prime minister in just over a decade following his victory in a bitterly contested Liberal party leadership vote that ousted Malcolm Turnbull.

> **Hurricane Lane Hits Hawaii:** Hurricane Lane dumps +20 inches of rain on Hawaii. The Category 3 storm, with maximum sustained winds near 125 miles an hour, is expected to drop as much as 30 inches of rain on some locations.

> **Ethanol Production Steady Near Highs:** Average daily U.S. ethanol production has held above a million barrels for 17 consecutive weeks. The U.S. EIA says production last week averaged 1.073 million barrels, up 1,000 from previous week. The industry continues to respond to strong export and domestic demand, including the possibility of year-round E15 use. Stocks climbed for the fourth week in a row, up 242,000 barrels to 23.259 million and corn for ethanol use remains on pace to meet or exceed USDA projections for the current marketing year which ends August 31. (Source: EIA)

> **Heavy Rains Followed By Drought Drop French Wheat Protein:** Wet weather during a crucial development stage compounded the impact of this year's droughts, with the proportion of French wheat harvested this year with a minimum 12% protein content falling to less than half, initial crop results from Franceagrimer showed Thursday. France was hit by heavy storms and rains in June, which had a negative effect on protein development during a key growing month for wheat in the northern hemisphere, followed by a drought which cut the crop's size by 5% year-on-year to 33-35 million mt. Last year, almost three-quarters of the French crop had a protein content above 12%, while 9% this year's crop has a protein content below 11.5% – down from just 4% last year. (Source: Agricensus)

> **China's Grain Imports Drop Substantially:** Customs data showed China's grain imports plunged in July as part of its trade conflict and rising international prices curbed buying. China brought in 220,000 metric tons of sorghum in July, down 62.5% from 588,364 metric tons a year ago. China imports nearly 100% of sorghum from the U.S. Data showed July corn imports also slide 63.7% from last year and July wheat imports dropped 43% from a year ago. (Source: Reuters)

> **Ticketing Site Eventbrite Files for An IPO:** The provider of online ticketing services and personalized event invitations, announced plans to raise up to \$200 million in an initial public offering. Last year the company issued more than 203 million tickets through the service. They reported a \$15.6 million loss in the first half of the year. Revenue increased 61% to \$142.1 million. For all of 2017, losses totaled \$38.6 million on \$201.6 million in revenue. Eventbrite is poised to jump into a growing pool of tech companies to hit the market this year including Spotify and Dropbox. (Source: CNBC)

> **Maersk Sends First Container Ship Through Arctic:** The world's biggest shipping company just sent the first container ship from East Asia to Europe via the Arctic Ocean. Maersk says this is purely an exploratory expedition in order to collect scientific data and that they do not plan to launch commercial service on this route. Right now, the route is only viable as a shipping lane for about three months every year. But thinning ice could open new paths for global trade, potentially saving companies money compared with longer journeys via more southerly routes. Maersk said it wasn't yet clear on how long its container ship would take to cross the Arctic. (Source: CNN)

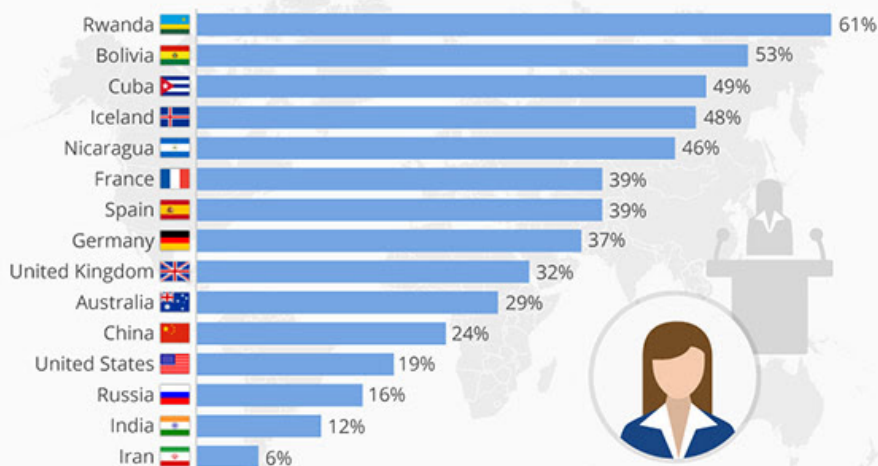
> **One of the Top Earning Female Athletes Is a Badminton Player:** India's 23 year old PV Sindhu made \$8.5 million in prize money and endorsements in the past year, coming in 7th on Forbes list of highest-earning female athletes. That's right under Serena Williams who came in at 6th place. That works out to a weekly income of \$163,000 for Sindhu. For badminton! (Source: BBC)

> **Pet Insurance?** Two out of three American households—or about 85 million homes—own pets. The estimated amount that Americans spent last year on veterinary care is now \$17 billion. Per pet, that included \$257 for the routine care of dogs and \$182 for cats. As veterinary bills add up, more pet owners are opting for insurance, which for the first time last year grossed \$1 billion in annual premiums. (The Wall Street Journal)

> **Women Holding Political Office Around the World:** A few weeks back, primary elections across the U.S. showed a clear pattern: women are winning political races. Female candidates cleaned up many primary winds, putting them on track to enter positions of power in various levels of government. While the results were historic for the U.S. many countries across the world have women holding seats in the legislature. Over the past two decades, women have entered government at increasing rates. (Source: Statista, World Bank)

Where Do Women Hold Political Office?

Proportion of seats held by women in national legislatures in 2017



@StatistaCharts Source: World Bank

statista

FROM THE FIELD

Northeast Missouri - The rain came again today, and it darn near came all day. It's about as irritating as it can be because it's about a month late, maybe a month and half to late. The soybeans will benefit but even they are almost too late. I think the last three rains this month will add 3-10 bushels on the soybeans, if we are lucky it may add a little more. I have a cousin that farms in western Kansas and they pulled a little wet corn off that made close to 100 but it had hail damage, so it could have been a little better if they would have missed that storm. The one thing we are considering doing differently for next year is planting wheat and maybe not planting as much soybeans because of price. Our basis is sliding fast so we don't have any reason to get excited about price that's this far down and basis that keeps getting worse and worse. I think St Louis which the best bid in this area is probably 45 under. Flat the board is closer to normal.

Central South Dakota - We had a general rain in our area last Sunday where the rain amounts were from 1 to 1.5 inches at least where my rain gauges were located. It was a slow rain, which took at least 6 hours to reach those amounts. So I have been testing soil moisture by taking soil cores with a soil sampling probe, then estimating the soil moisture by trying to form a ball when squeezing the soil core with my hand. I pulled cores from a couple corn fields that were conventionally tilled, two that have been no-till for couple years, and one corn field that was alfalfa three years ago that has been no-till for 25 years. The three soybean fields were no-till for 25 years as well. What I found was in the conventionally tilled fields and the two year no-till fields I couldn't go any deeper than 14 inches with the probe. In fact, I couldn't get the probe to go deeper than 14 inches in any of the fields. But, in the long-term no-till fields, in both the corn and soybean I could form a ball with the soil starting at the 1-inch depth down to the 14-inch depth. So, I guess that tells you a little story for any doubts on no-till at least in our area.

Central Iowa - The plan for next year is to dabble in non-genetically modified soybeans. I must try something because if we do not get a premium we can't even touch the cost of soybeans unless yield jumps up by like 25% which would be like producing 90-bushel soybeans. . . it's just not possible even if we had irrigation. I am going to try a couple different things in spacing, maybe a little 15, 20 and 30-inch rows. I worry that the 30's don't canopy in time to keep the weeds at bay, so we are trying the least amount of 30's and probably more 20's because the 15's might be more app to get white mold. We are going to try about half the GMO beans at 20 inches and split the others between 30 and 15. I have a neighbor helping me, so I don't have to rent a different planter and I will use an old drill on the others. I don't know if this is a good idea or just an idea, but I think we all must be trying things to make farming work for the next year.

CROSSING WIRES

A place to share intelligent thoughts...

Streamlining Agribusiness's Supply Chain: *Agriculture is proving to be one of the most promising sectors for the growth and implementation of blockchain technologies. Agricultural trade relies on complex relationships between farmers and retailers, as well as convoluted supply chain procedures which can complicate payments and product provenance. As demand for agricultural trade becomes increasingly international, suppliers and innovators alike are looking to bring the trade into the twenty first century by capitalising on blockchain's distributed ledger technology. Retailers and manufacturers are able to benefit from preventing flawed products from ever hitting the shelves by tracing information for individual items back to the farm where they were produced. As I understand it, French retailer Carrefour has implemented blockchain to display information about their free-range chickens. Customers have access to a plethora of data about their fateful chicken of choice, including the time it was laid, the hatchery and the name of the farmer. This is where things are headed and premiums will be at stake... read more [HERE](#).*

LG's Exoskeleton Will Augment Human Workers: *LG Electronics has announced the development of a connected robotic suit that won't turn you into Iron Man but will help you do stuff like lift heavy boxes. And while we can imagine all sorts of fun and fantastic uses, LG says it's mainly for assisting with manual labor at factories and warehouses. The suit connects to other LG service robots. The idea is that eventually one can create a network of such things at work sites for manufacturing and logistics with the exoskeleton assisting employees. I wonder how long before we start seeing 'augmented' sporting events using this technology? Read more [HERE](#).*

How Some U.S. Cities Are Rebranding Themselves As Adventure Hubs: *It seems there is money to be made from investing in trails, rapids, and other adventure-sports assets. And cities are starting to transform their culture in an attempt to add to the bottom line. Why does a small Ozark mountain town need a cycling czar? And why have the Waltons, the town's patrons and heirs to the massive Walmart fortune, donated nearly \$20 million over the past three years to build 78 miles of off-road trails and 35 miles of greenway? As it turns out, Bentonville is just one of dozens of communities across the U.S. that have crunched the numbers and are actively trying to rebrand themselves as adventure hubs as a way to bolster or resurrect their economies. Read more [HERE](#).*

America's 'Greatest Public Works Project' Is Nearly Finished... Sixty-One Years Later: *Completing I-95 is the last element of the plan funded by president Dwight Eisenhower's Federal-Aid Highway Act of 1956, which created the interstate highways system and was, at the time, the largest public-works project in US history. The act mandated \$25 billion—around \$230 billion in today's money—to build 40,000 miles of highways. The funding was only supposed to be needed from 1957 to 1969. An eight-mile stretch in Pennsylvania is the last gap to be filled and I'm told the Pennsylvania Turnpike Commission, working to close the gap, has added six overhead bridges, toll plazas, and flyover ramps, spending \$400 million, according to Bloomberg. I-95 will finally be one continuous road by Sept. 24 and it only took 61 years. Read more [HERE](#).*

Do Car Brands Really Attract Different Age Groups? *The type of car we need or want can vary dramatically based on our stage of life. When do you buy a minivan? How about a sports car? Is there any difference in the age of buyers based on the brand of the car? Data from Priceonomics customer CarMax was used to explore which cars are most popular among different age groups of buyers. Specifically, looking at the average age of CarMax buyers by brand and by type of car. We found that Cadillac and Buick have the oldest buyers, with an average age above 45 years old. The brands with the youngest buyers are Mazda and Volkswagen, with an average age of approximately 37 years old. Check out all the fun facts [HERE](#).*

WHICH CAR BRANDS HAVE THE OLDEST AND YOUNGEST BUYERS?

Average age of purchase of the brand at CarMax

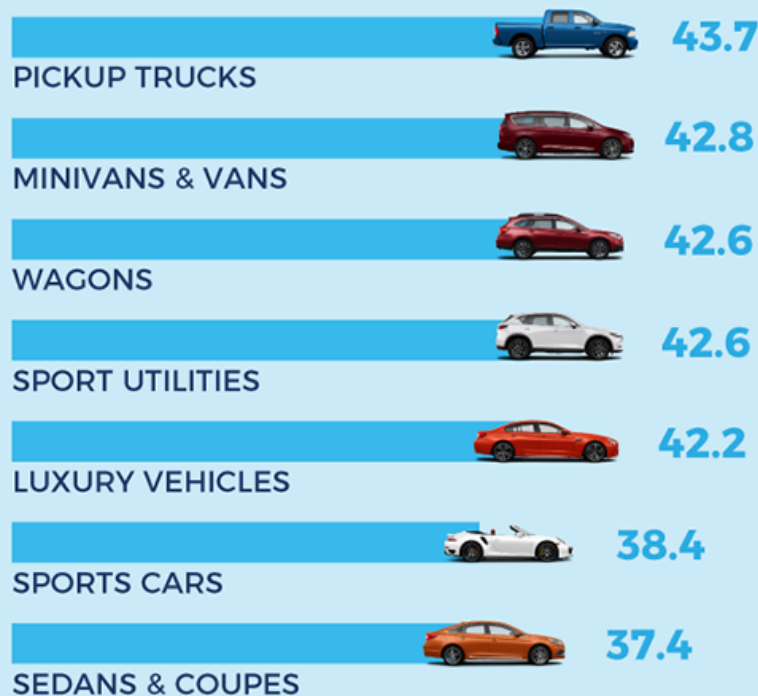
RANK	MAKE	AGE	
1	Cadillac	47.1	
2	Buick	45.6	
3	Lexus	44.8	
4	Mercedes-Benz	43.7	
5	GMC	42.2	
6	Infiniti	41.7	
7	Toyota	41.5	
8	BMW	41.4	
9	Ford	41.0	
10	Audi	40.7	
11	Acura	40.7	
12	Chrysler	40.2	
13	Nissan	40.1	
14	Honda	39.3	
15	Kia	39.2	
16	Jeep	39.1	
17	Chevrolet	38.9	
18	Dodge	38.6	
19	Subaru	38.3	
20	Hyundai	37.8	
21	Volkswagen	37.4	
22	Mazda	36.8	

Data from CarMax purchases from January 1, 2017 through December 31, 2017.

CARmax

WHICH TYPE OF VEHICLES HAVE THE OLDEST AND YOUNGEST BUYERS?

Average age of purchase of vehicle type at CarMax



Data from CarMax purchases from January 1, 2017 through December 31, 2017.

CARmax

FROM MY PERSPECTIVE

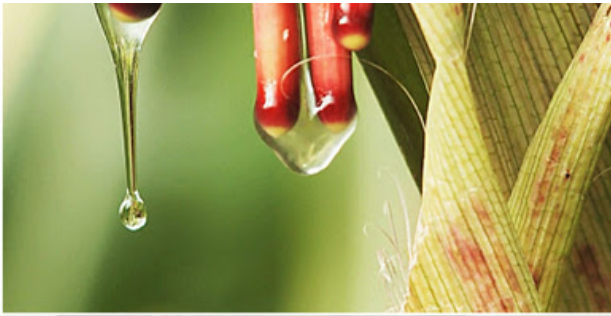
Kevin Van Trump



Researchers Find A Corn Variety That Fixes Its Own Nitrogen

Sierra Mixe has been locally bred in the District of Oaxaca in southern Mexico for centuries if not longer. But what wasn't known about this unusual plant that can grow up to twenty feet tall, is that it can make its own nitrogen. Interestingly, Sierra Mixe grows to impressive heights in what can charitably be called poor soil, without the use of fertilizer... but the strangest part of the corn is its aerial roots, which are green and rose-colored, finger-like protrusions sticking out of the corn's stalk, dripping with a clear, syrupy gel. In the 1980s, Howard-Yana Shapiro, now the chief agricultural officer at Mars, Incorporated, was in the area looking for new kinds of corn when he stumbled across this variety. Shapiro thought he may have found the Holy Grail of agriculture as he believed the protruding roots allowed the corn to produce its own nitrogen. Unfortunately, the technology wouldn't come for 20 more years to discover the specifics of his theory. But in 2005 a team of researchers began the work and have recently released their findings in the journal [PLOS Biology](#). From what I understand, the gel that drips from the stalks corn can provide 30 to 80% of the plants nitrogen, but the effectiveness does depend on environmental factors like humidity and rain. Obviously, if researchers can breed the corn into commercially viable cultivars, it would be a game changer for the industry in numerous ways, from the reduction of synthetic fertilizer production to the use and runoff of the product. All of this would then lead to other environmental benefits. From what I understand, the next step is to breed the trait into commercial corn, but this will take years more research. But the facts remain, this corn shows us that nature can find solutions to some problems far beyond what scientists could ever imagine. (Source: Univ. Wisconsin-Madison)







Burning Man 2018

Burning Man kicks off its 9 days of art, food, and parties starting this Sunday, August 26th, and runs through Labor Day. I've personally never been to this concert event but have some friends and business partners who have. To say it's a party would be drastic understatement. Once a year, around 70,000 people gather in Nevada's Black Rock Desert to create Black Rock City, which is a temporary town. A little history about Burning Man is it began in 1986, when co-founders Larry Harvey, who died this year, and Jerry James burned a sculpture of a person on San Francisco's Baker Beach. In 1990, the event was told by the Golden Gate Park Police they couldn't burn the statue, so Burning Man became a permitted desert event in 1991 when 250 people showed up. Every year at Burning Man there's a different theme and this year's theme happens to be called I, Robot, which will focus on the many forms of artificial intelligence that pervade our lives. Tickets for this event range anywhere from \$425 to \$1,200, which sold out almost instantly. The weird thing about Burning Man though is your money is no good there once you have a ticket. Once inside the event site, Burners don't sell or buy food or things. Instead, they give it all away. Except for ice and coffee, which can be sold. The event seems to be filled with more of a barter system. The weather happens to be very harsh as well, which is part of the "radical self-reliance" thing. Blinding sandstorms and 100 degree days are very common during this event. Something else crazy about the event is if you want to not walk or ride a bike around the event then you have to apply to create an art car. The car must meet certain requirements with art, lighting, and sound. There are many activities inside the event to participate as well such as Bill Murray Happy Hour, Truth or Date, Giant Jenga, Cosmic Light Painting Portraits, Free Spankings, Fire Skee-ball, Spiritual Meditations, Knife Throwing, Slutty Mini-Golf, various Workshops, and Yoga. Burning Man also features some of the best art in the world featured below. Some artists featuring their work this year is Darren Fitzpatrick, Hank Willis Thomas, Jessi Sprocket Janusee, and Peter Hazel. The festival will also feature many bands that aren't the biggest names, but put on great shows. Last but not least the iconic ceremony of the burning man will take place on September 1st. I've heard this is something to experience and is truly a life-changing event. Click [HERE](#) to watch some of last years event.







High School Football Season Kicking Off

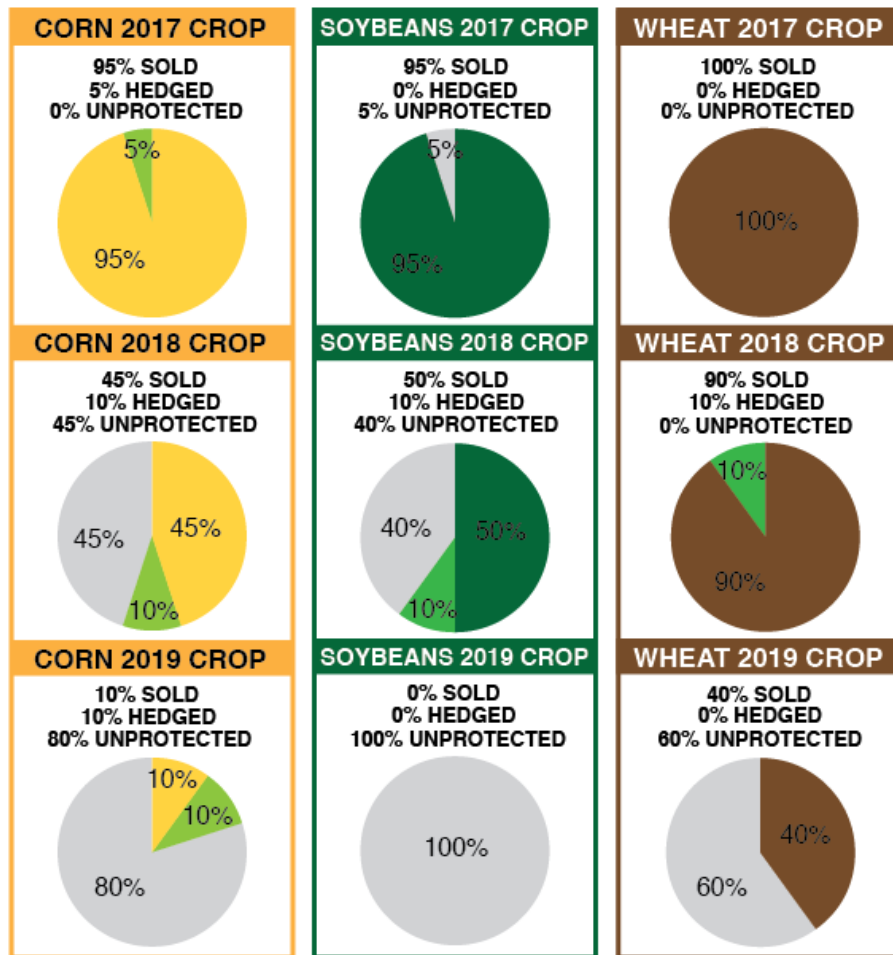
It's that time of year and the Friday Night Lights are upon us. Many will be heading to the first high school football game of the season. I suspect the stands will be full and the band will be playing, as their hopes of a state championship are all still alive. Most of us would agree, there's nothing better than the smell of football in the air and those Friday night lights. I loved them as a player and I love them as a parent. It's exciting to see the kids grow up and compete as young adults. Something I'm not overly excited about is how commercialized even the high school game has become. I enter the stadium and there are now vendors everywhere trying to give away free samples or get you to sign up for a various service. There were clubs and groups all over trying to fundraise. There is merchandise and swag being sold around the stadium by various groups. Prices at the concessions stands are now bordering on robbery. Entry fees at the gate can be painful for some of the larger families. The teams on the field both have expensive, flashy uniforms. Helicopters from two local news channels show up for quick coverage as they make their way to several other games on Friday night. And think this is just high school football in Midwest. We all know how much bigger it is down South. One of my buddies recently told me voters in Katy, Texas turned down a ballot proposal for a football stadium that was going to cost almost \$70 million, but just a year later was approved. Keep in mind Allen High School in Texas spent an estimated \$60 million on their stadium a few years back. From what I understand, the new stadium in Katy will have a two-story fieldhouse, seats for about 12,000, four locker rooms (coaches, players, officials, etc), office spaces, hospitality suites for large sponsors, connections designed so spectators can still watch the game while waiting in line. Below is a pic of the Allen stadium that was built three years ago. It seats about 18,000, with approximately 7,500 reserved, chair-back seats sold on a season ticket-holder basis each year. All I can say is things have definitely changed from when I was playing. I can remember having to get dressed on the bus because some of the visiting stadiums didn't have locker rooms. I'm happy that the kids get to experience something better, I just hope those in charge don't take it too far... For all of those who have family participating in football this year, I wish you safe and happy season! May your Friday nights be filled with friends, family and community. Great times! For what it's worth the Allen High School team in Texas is actually ranked third in the nation in most early pre-sason polls behind two California schools. The top Midwestern teams I see in the rankings are Warren Central out of Indianapolis; Archbishop Hoban out of Akron, Ohio; Owasso out of Oklahoma; Pulaski Academy out of Little Rock, Arkansas; and Trinity Catholic and Christian Brothers out of St. Louis.



ANSWER to riddle: A garbage truck

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