

## GOOD MORNING: 02/12/19 Farm Direction - Van Trump Report

1 message

The Van Trump Report &lt;reply@vantrumpreport-email.com&gt;

Tue, Feb 12, 2019 at 7:31 AM

Reply-To: Jordan &lt;reply-fec61672756d067f-314\_HTML-36250946-100003450-1@vantrumpreport-email.com&gt;

To: info@farmdirection.com



### Today In History

"Every man's happiness is his own responsibility." ~ Abraham Lincoln

**Tuesday, FEBRUARY 12, 2019**

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**Morning Summary:** Stock are higher this morning as traders digest headlines that congressional negotiators in Washington reached an "agreement in principle" last night to fund border security and prevent another partial government shutdown. There have been little in the way of specific details, but from what I understand the deal would include just \$1.38 billion for 55 miles of modern physical barriers, such as fencing, along the border with Mexico. Most political insiders doubted President Trump would get the \$5.7 trillion he has been seeking, but this might be too far off to gain ultimate approval. They suspect instead he may be forced to use his Executive powers to declare an emergency and pull the money from the budget himself. Others believe President Trump might have to forgo all talks and language about "The wall", instead getting funds approved for increased "border security". Regardless, as most suspect, we probably won't be seeing another government shutdown. The bigger question however remains, what happens with U.S. and Chinese trade relations and what will the impact be on global growth and forward looking U.S. corporate guidance? From what I understand, there are a bunch of lower-level meetings early this week in Beijing, with Treasury Secretary Mnuchin and lead Trade Representative Lighthizer stepping in later this week. I've also heard some talks and rumors that President Trump and Chinese President Xi might try and get together in mid-March here in the U.S. Bulls are obviously optimistic and currently playing that "wild-card" as a possible breakthrough in negotiations. Bears are playing it as a negative, fearing headline pressure from further delays and nothing getting done by the proposed deadline could reignite selling by computer and algorithmic trading models. I'm not really sure that will happen. What if the trade tariffs are lowered following the deadline? How will the computers react to those headlines? Bears are also pointing to China's growth rate slowing to a 28 year low and continued economic headwinds building in Europe. Meaning there will still be some questions even if tariffs are lifted all together. I should also note, two U.S. Navy warships recently sailed close to the disputed islands militarized by Beijing in the South China Sea. China has accused the U.S. of entering Chinese waters without permission and engaging in provocations that threaten China's sovereignty. The United States is saying the guided-missile destroyers USS Spruance and USS Preble passed "within 12 nautical miles" of the islands while conducting "freedom of navigation operations (FONOPS) and is within their legal rights of International law. China is sharply criticizing the operation, with some officials saying the U.S. is simply trying to bully and flex its muscles. As for today's traditional economic news, we will be digesting the latest JOLTS employment numbers, along with rhetoric from a couple of Fed speakers. It still feels like the market wants to move higher nearby, but with more risk building towards the end of the week.

**Whole Foods Has Best Deal on Valentines Roses:** *Once again Amazon is showing their power, as Whole Foods Market has a sweetheart of a deal, \$19.99 for two dozen roses. Most of the usual online or retail florist are charging from \$40 to \$100 for the same deal. I did see that the massive big box store discounter Costco is offering 50 roses for just \$49.99, with free delivery charge, but you have to be a Costco member. I also heard Trader Joe's was offering a dozen roses for \$14.99, but there's no delivery.*

**Tobacco Use is Soaring Among U.S. Kids:** *Public health officials on Monday said there's a growing epidemic of tobacco products currently used by children — 4.9 million high school and middle school kids used tobacco products in 2018 up from 3.6 million in 2017 — mainly due to a growth in e-cigarette usage. They believe approximately 27.1% of high school students and 7.2% of middle school students*



**1865, Garnet Preaches to House on Slavery and Civil War** - The Rev. Dr. Henry Highland Garnet, the first African American to address

the U.S. House of Representatives, delivers a sermon to a crowded House chamber. His sermon commemorated the victories of the Union army and the deliverance of the country from slavery. Garnet, a former slave himself, was a pastor of the 15th Street Presbyterian Church in Washington, D.C. President Abraham Lincoln, with the unanimous consent of his Cabinet and the two congressional chaplains, had arranged for the special Sunday service to be held on February 12, the president's 56th birthday. Garnet was born into slavery in New Market, Kent County, Maryland, on December 23, 1815. According to James McCune Smith, Garnet's father was George Trusty and his enslaved mother was "a woman of extraordinary energy." In 1824, the family, which included a total of 11 members, secured permission to attend a funeral, and from there, they all escaped in a covered wagon, first reaching Wilmington, Delaware. When Garnet was ten years old, his family reunited and moved to New York City, where from 1826 through 1833, Garnet attended the African Free School, and the Phoenix High School for Colored Youth. While in school, Garnet began his career in abolitionism. His classmates at the African Free School included Charles L. Reason, George T. Downing, and Ira Aldridge. In 1834, Garnet joined William H. Day and David Ruggles to establish the all-male Garrison Literary and Benevolent Association. It garnered mass support among whites, but the club ultimately had to move due to racist feelings. Garnet was a prominent member of the movement that led beyond moral suasion toward more political action. Renowned for his skills as a public speaker, he urged black Americans to take action and claim their own destinies. For a period, he supported emigration of American free blacks to Mexico, Liberia, or the West Indies, but the American Civil War ended

used a tobacco product in 2018. Among youth using tobacco products, 2 in 5 high school students and 1 in 3 middle school students are using 2 or more tobacco products — primarily e-cigs and traditional cigarettes. (Source: Axios)

**Baseball Hall of Famer Randy Johnson's Arizona Home Takes Big League Price Cut:** The 25,416-square-foot Paradise Valley, Arizona dream home started being built for Randy Johnson and his family in 2006 and took almost three years to complete. The gorgeous home was designed by architect Erik Peterson and features seven bedrooms, 12 baths, a detached two-bedroom guesthouse, a separate 1,800-square-foot fitness center, pool, outdoor kitchen, a tennis court, and a dog run. The massive estate was first listed in September 2014 for \$25 million. It went to auction with Concierge Auctions a few weeks back and sold for just \$7.3 million. Ouch!!! Let's hope this isn't a sign of what's happening in the high-end space. This makes me a bit nervous... Below are few pics.



that effort. In 1841 he married abolitionist Julia Williams and they had a family. They moved to Jamaica in 1852 to serve as missionaries and educators. After the war, the couple worked in Washington, DC. In 1881, he was appointed U.S. minister to Liberia but died only two months after his arrival in the African nation.



**1934, Basketball Great Bill Russell Born** - Bill Russell, the legendary center for the Boston Celtics during the 1960s, is born in Monroe, Louisiana.

During his 13-year career with the Celtics, Russell helped the team to 11 NBA championships. As a child, Russell's family moved from Louisiana to California to escape racism in the South. He played center for McClymonds High School in Oakland, California, and earned an athletic scholarship to the University of San Francisco. There, he became known for his strong defense and shot-blocking skills and helped lead the team to two NCAA championships, in 1955 and 1956. Despite his success, Russell experienced racial abuse from spectators and others during his playing career. After college, he captained the U.S. basketball team that won gold by defeating the Soviet Union at the 1956 Summer Olympics in Melbourne, Australia. Following the Olympics, the 6'9" Russell joined the Boston Celtics in December 1956. Before Russell's arrival, the Celtics had never won an NBA championship. The team captured their first title in 1957 under the direction of coach Red Auerbach, and Russell and the Celtics were on their way to becoming a basketball dynasty. Russell was named the league's MVP five times and played in 12 All-Star games during his career. His biggest rival was 7'1" center Wilt Chamberlain, who joined the NBA in 1959. Russell's career record of 21,620 rebounds was bested only by Chamberlain's 23,924 rebounds. Outside of basketball, the two became close friends. Russell was known as a strong team player, but off the court, the media considered him aloof and he refused to sign autographs for fans. When Red Auerbach retired before the 1966-67 season, Russell was named player-coach, making him the first black head coach in all of American professional sports. In the final two seasons of his career, 1967-68 and 1968-69, Russell won his 10th and 11th NBA championships with the Celtics. After ending his career as a player, Russell coached the Seattle SuperSonics (1973-1979) and Sacramento Kings (1988-1989), wrote books and worked as a sports commentator. Russell, who experienced persistent racism throughout his playing career, both at home in Boston and on the road, wasn't in attendance at the Boston Garden when his Number 6 Celtics jersey number was retired in 1972, nor when he was inducted into the Naismith Basketball Hall of Fame in 1975.

**1941, Rommel in Africa** - On this day, German General Erwin Rommel arrives in





**Pitchers and Catchers Report to Spring Training Today:** *Each team sets their own spring training reporting dates each year, though all camps open the same week. Pitchers and catchers always arrive first and the position players don't have to show up until a few days later. 20 out of the 30 MLB team's pitchers and catchers will report to spring training today. The Brewers, Giants, Astros, Blue Jays, Nationals, Twins, and Yankees will report tomorrow. In addition, the Mariners and Athletics feel like they need a little extra work this season reporting a few days before everyone else and the Braves feel confident as the only team reporting after the 13th. Keep in mind, Bryce Harper and Manny Machado remain unsigned as camp is about to begin. In addition, players with a new team this spring training includes Paul Goldschmidt with the Cardinals, Robinson Cano & Edwin Diaz with the Mets, Patrick Corbin with the Nationals, Josh Donaldson with the Braves, and Andrew McCutchen, J.T. Realmuto & Jean Segura with the Phillies. Below is where your team will be in Spring Training this season, which is in the Phoenix, AZ area or in Southern Florida.*



Tripoli, Libya, with the newly formed Afrika Korps, to reinforce the beleaguered Italians' position. In January 1941, Adolf Hitler established the Afrika Korps for the explicit purpose of helping his Italian Axis partner maintain territorial gains in North Africa. "For strategic, political, and psychological reasons, Germany must assist Italy in Africa," the Fuhrer declared. The British had been delivering devastating blows to the Italians; in three months they pushed the Italians out of Egypt while wounding or killing 20,000 Italian soldiers and taking another 130,000 prisoners. Having commanded a panzer division in Germany's successful French and Low Countries' campaigns, General Rommel was dispatched to Libya along with the new Afrika Korps to take control of the deteriorating situation. Until that time, Italian General Ettore Bastico was the overall commander of the Axis forces in North Africa—which included a German panzer division and the Italian armored division. Rommel was meant to command only his Afrika Korps and an Italian corps in Libya, but he wound up running the entire North African campaign. The German soldiers of the Afrika Korps found adapting to the desert climate initially difficult; Rommel found commanding his Italian troops, who had been used to an Italian commander, difficult as well. When Hitler, preoccupied with his plans for his Soviet invasion, finally gave the go-ahead for an offensive against British positions in Egypt, Rommel's forces were stopped dead in their tracks and then forced to retreat. In the famous battle of El Alamein, the British Eighth Army—beginning in October 23, 1942—surprised the German commander with its brute resolve, and pushed him and his Afrika Korps back across and out of North Africa. (Ironically, the Arabs celebrated Rommel, called "the Desert Fox," as a liberator from British imperialism.) Retreat followed retreat, and Rommel finally withdrew from North Africa entirely and returned to Europe in March of 1943, leaving the Afrika Korps in other hands.

#### Upcoming Events

**Thurs. 02/14** - Valentine's Day

**Fri. 02/15** - Retail Sales, NOPA Crush

**Mon. 02/18** - President's Day (Some Markets Closed)

**Tues. 2/19** - Full Moon, Export Inspections

**Wed. 02/20** - Housing Starts & Pmts

**Thur. 02/21** - Jobless Claims

**Fri. 02/22** - Export Sales, Cattle on Feed/Cold Storage

**Mon. 02/25** - Export Inspections

**Thurs 02/28** - Export Sales, Jobless Claims

# MLB Spring Training Locations



## Arizona

## Florida


## Kevin's Song of the Week

### WHAT I'M LISTENING TO:



Justin Moore  
"The Ones That Didn't Make It Back Home"

## Kevin's Song of the Week

### 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

# FARM TANK

## Tweets of the Day



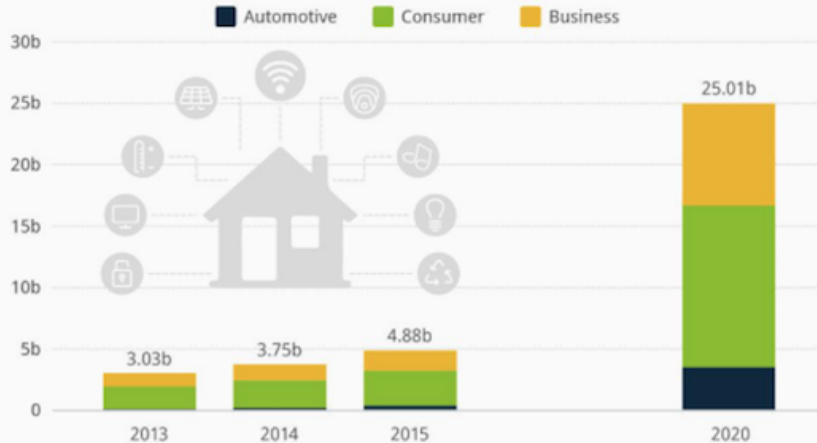
**World Economic Forum** ✓  
@wef

Following

Your house will soon be able to recognise if you're depressed. Here's how  
[wef.ch/2S8OanG](http://wef.ch/2S8OanG) #technology

### Internet of Things to Hit the Mainstream by 2020

Estimated number of smart connected things in use worldwide, by category



@StatistaCharts Source: Gartner

statista

"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 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,



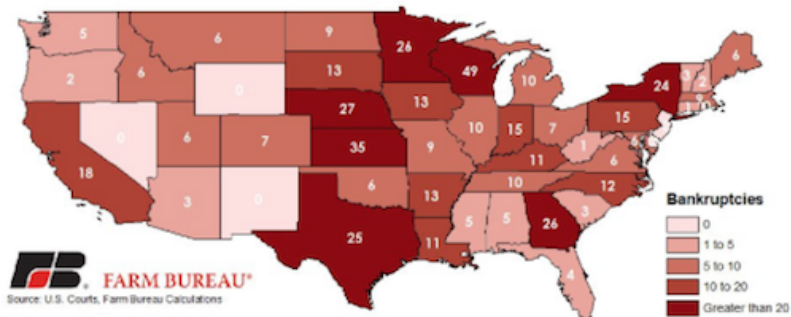


New10  
@New10\_AgEcon

Following

#Farm #bankruptcies were the highest in Wisconsin at 49, 7 states overall had the highest bankruptcies in 10 years: #Indiana, #Kansas, #Minnesota, #NorthDakota, #SouthDakota, #Wisconsin & #Utah  
@FarmBureau

Figure 1. Chapter 12 Farm Bankruptcies, 2018 Calendar Year



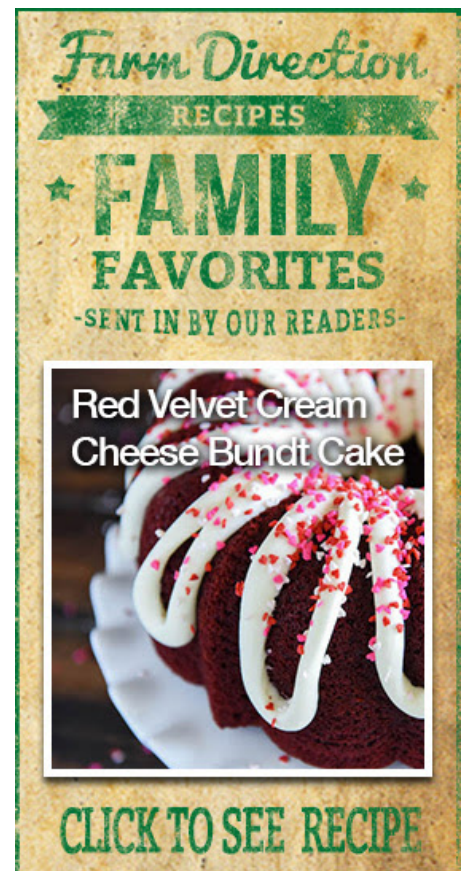
The Real Mike Rowe  
@mikeroweworks

Following

#Farmers don't make excuses. They just make the rounds.



nor do I initiate a "long" position in a market I am "bearish" longer-term.






**Simscott**  
@lathemfarms

Following



Need a 30 day Texas vacation? How bout driving a planter for us April 5th thru May 5th.

 #plant19





**Feed The Dialogue**

@FeedTheDialogue

Following



Women in agriculture are an increasingly influential force in farming. In 2012, women accounted for 30% of farm operators, a number that is consistently growing. You go girl! @omahamagazine [bit.ly/2H8tTgB](http://bit.ly/2H8tTgB) #FeedTheDialogueNC #womeninag







History In Pictures

@HistoryInPix

Following



Willie Nelson at the White House, 1977.



ActionComplete

@ActionComplete

Following



It has been my observation that most people  
get ahead during the time...

~Henry Ford

#motivation #success #quotes

*It has been my  
observation that most  
people get ahead  
during the time that  
others waste.*

*—Henry Ford*

# neuro mining

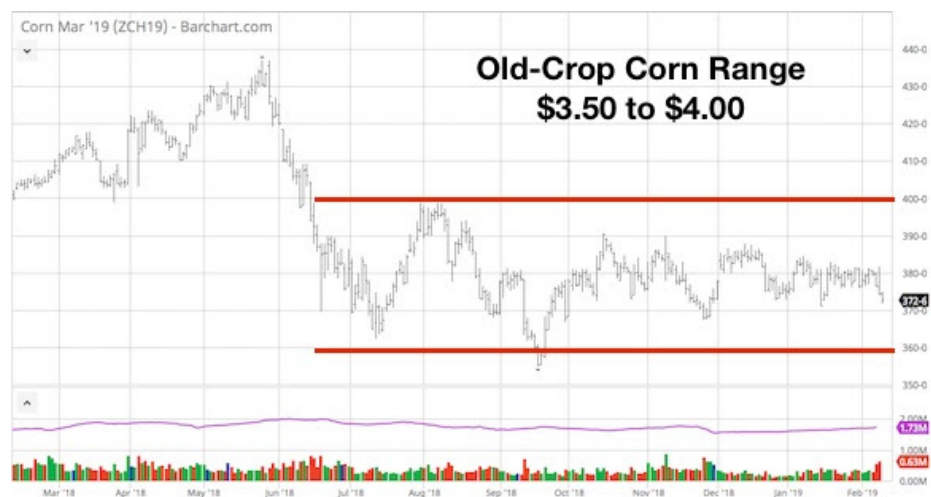


*As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.*

## TODAY'S RIDDLE:

What has 3 feet but cannot walk?

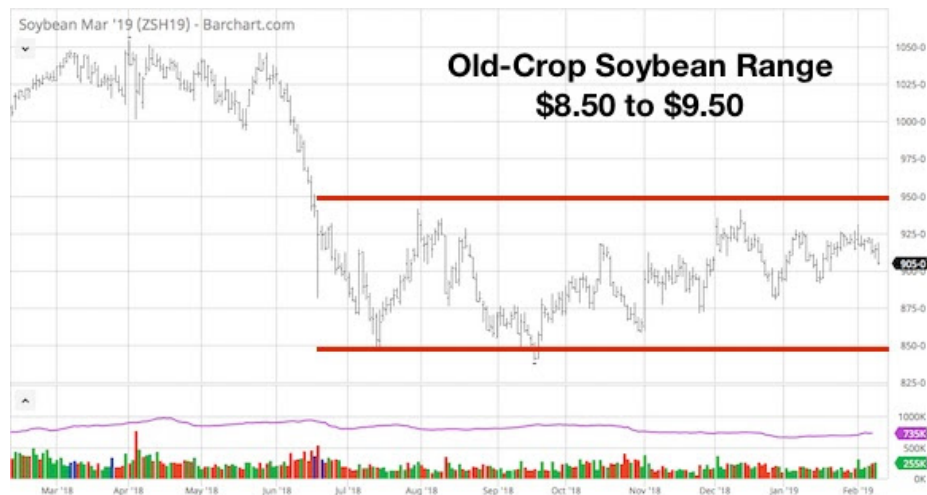
**Corn** prices are slightly higher this morning, but bulls have been taking small steps backwards as of late, with weather somewhat improving in South America and trade negotiations with China still highly uncertain. Let's also not forget, demand growth here in the U.S. is being more heavily questioned by the bears. Data circulating inside the trade shows ethanol prices have now fallen to their lowest level in the past 13-years. This keeps the bears talking about lower ethanol demand. Bears are also pointing to the USDA's recent -125 million bushel reduction to corn "feed and residual" usage. Bulls argue that the USDA should have upped the corn for export estimate but instead left it "unchanged". Bears believe they were smart as more stiff competition is coming online. Technically, the market remains trapped in a range. the old-crop MAR19 contract has essentially traded between \$3.50 and \$4.00 since mid-June of last year. The last time this contract closed above \$4.00 was back on June 13th. Even more frustrating, the last time we closed above \$3.90 was back in mid-October. On the downside, we haven't closed sub-\$3.70 since late-November. I can almost argue this market has been stuck in a 20 cent trading range for the past five months. It looks like we are getting ready to test the lower end of that range. As a spec, I like the thought of starting to build a longer-term bullish position on break below \$3.70. I will probably be adding to that position in small doses should prices continue to tumble. In other words taking small bites on the way down. As an end user, I would apply the same logic and start taking bites out of next years estimated demand. As a producer, I really have no old-crop price risk remaining, it was hedged by selling cash bushels and re-owning JUL19 calls weeks ago. I would however like to price another 10% to 20% of my estimated new-crop production by the May to June time period. The DEC19 new-crop contracts range has essentially been between \$3.90 and \$4.10 per bushel. If new-crop prices close below \$3.90, the technical picture could start to get more ugly in a hurry.



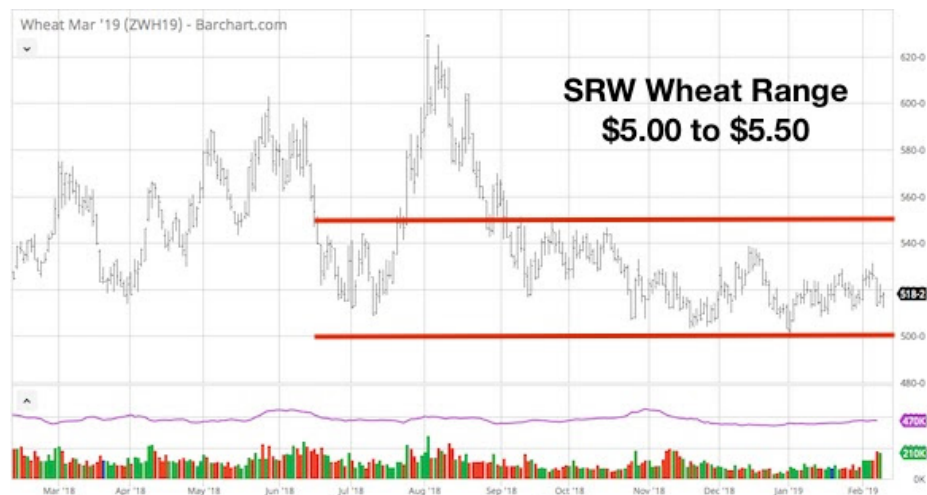
**Soybean** prices are slightly higher this morning on optimism surrounding Chinese trade talks and CONAB lowering their Brazilian crop estimate from 118.80 MMTs down to 115.34 MMTs. Unfortunately, prices have backpedaled a bit as of late on uncertainty surrounding ongoing trade negotiations with China. Prices have pulled back about -25



cents from the highs set back at the beginning of February. Bears are also pointing to the fact South American weather has arguably improved. Also creating some headwind is the fact Brazil's harvest should get close to 30% complete by week end, which is running well ahead of schedule and meaning more export competition for U.S. suppliers. Bulls believe there's still a ton of weather risk remaining in South America and certainly logistical complications that could disrupt exports. Technically, we can argue the MAR19 contract remains range-bound between \$8.50 and \$9.50 per bushel. The last time this contract closed above \$9.50 was back on June 14th of last year. We've traded back to the \$9.41 area only twice since last summer. It feels like the market wants to drift back towards the midpoint of the range until the trade learns more about the Chinese trade negotiations. I suspect that means the range narrows to between \$8.75 and \$9.25 per bushel nearby. As a producer I'm keeping hedges in place and staying patient in regard to making additional cash sales. As a spec, I'm still on the sideline, preferring to make a move once the market pushes towards an extreme side of the channel.



**Wheat** remains in a sideways channel as both the bulls and bears continue to make their arguments. Russia's agriculture ministry is still saying they will not impose export restrictions on wheat. But they've certainly become less competitive in the global marketplace the past few weeks. Bulls point to the fact tensions between Ukraine and Russia remain heated and may in fact escalate during the next 60 to 90 days. Here at home, bears point to an extremely bearish balance sheet. On the flip side, bulls point to extremes in weather and fewer planted acres. I was listening to Todd Gleason and Curt Kimmel talk about the wheat market yesterday afternoon on [willag.org](http://willag.org) and I thought Curt pointed out a simple yet profound thought, saying, "We have the lowest wheat acreage estimate in the past 100 years, but at the same time the highest stocks in the past 31 years". This makes it tough for either camp to overly influence the market. Technical traders are paying a bit more attention as the JUL19 HRW contract posted a fresh new low yesterday. Keep in mind, the JUL19 HRW contract is down over -\$1.30 from its August high. The JUL19 SRW contract has traded down to its lowest level of the new year. The lowest close we've seen is \$5.18<sup>4</sup> for the JUL19 SRW contract, so this market is getting extremely close to the low end. As a spec, I still like the thought of being a conservative bull. As a producer, I remain patient but recognize my window of opportunity is perhaps getting more narrow.





**> New Trade Body to Coordinate Grain Exports in Russia:** By the end of April a new trade body will be established in Russia to coordinate information sharing between the state and private sellers. The move comes as Russia's government moves to further tighten its control over grain exports. I'm told the body expects they will better understand the general trends and the general demands of the market, in order to form a strong association that will represent the interests of the main exporters.

**> U.S. Cotton Acres Jumping Higher:** The National Cotton Council believes U.S. producers will plant just under 14.5 million acres of cotton in 2019, which is up almost +3% from last year. The big jump in acres look to be coming from Louisiana and parts of the Mid-South.

**> Possible Government Shutdown Still Looming:** White House officials said the president is open to signing another continuing resolution, but acting chief of staff Mick Mulvaney also reiterated there could be another shutdown if Trump doesn't get the border funding he's seeking. From what I understand, Mulvaney told Fox news that the government shutdown is technically still on the table, but the White House does not want it to come to that. I'm hearing that Senate Appropriations Chairman Richard Shelby (R-Ala.) estimated there's a 50-50 chance negotiators will work it out before the deadline.

**> Hulu Set to Air Four Marvel Animated SuperHero Series:** Hulu has recently announced that Disney has greenlighted the company to run four animated series featuring Marvel superheroes for the Hulu platform including adult animated shows based on MODOK, Hit-Monkey, Tigra and Dazzler, and Howard the Duck, which will be a special called "The Offenders." In addition, Marvel's series "Daredevil," "Luke Cage," and "Iron Fist" on Netflix have been unexpectedly canceled. Keep in mind, Disney is set to own 60% of Hulu once its merger deal with Fox closes this year.

**> Hawaii Recorded Possibly the Lowest Elevation Snow in State History:** On Sunday, Maui's 10,000-foot Haleakala received a thick dusting and snow also accumulated at 6,200 feet in Polipoli State Recreation Area. Officials at the Department of Land and Natural Resources say this could mark the lowest-elevation snowfall ever recorded in the state. A low-pressure system the National Weather Service is calling "historic" slammed the Hawaiian Islands Sunday, knocking out power, bringing down tree branches, flooding coastal roads and delivering an unusually heavy dump of snow. (Source: [sfgate.com](http://sfgate.com))

**> Apple Pays Out to 14-Year-Old "Bug Bounty Hunter":** Last week, Apple decided to pay out a reward (of an undisclosed value) to the 14-year-old who discovered a major security flaw in FaceTime. For years, tech companies like Apple and Google have paid programmers for catching software glitches as part of their "bug bounty" programs. But Apple's move shows that bug bounties aren't just for world-class security researchers anymore. From what I understand, in the past, Apple ran a program that offered up to \$200k to "security researchers" who discovered and reported vulnerabilities. But now, Apple has decided that even amateur bug hunters like Grant should be entitled to compensation. (Source: The Hustle)

**> Who Will Be Tesla's EV Challenger?** Tesla's electric vehicle dominance is about to have 'serious competition,' according to Morgan Stanley. From what I am hearing, the company expects Rivian, based outside Detroit, will be "the next serious competition from a 'clean sheet' start-up." At the moment, it is estimated that Tesla makes about 80% of the electric vehicles in the U.S. Rivian, recently previewed its R1T electric truck prototype at the Los Angeles Auto Show in November. From what I understand, the R1T will deliver 400 miles of range, with four individual motors allowing for all-wheel-drive. (Source: CNBC)

**> American View on Marijuana Use Clearly Shifting:** Thirty years ago, marijuana legalization seemed like a lost cause. In 1988, only 24% of Americans supported legalization. But steadily, the nation began to liberalize. By 2018, it's estimated that 66% of U.S. residents offered their approval, transforming marijuana legalization from a libertarian fantasy into a mainstream cause. Many state laws have changed as well. Over the last quarter-century, 10 states have legalized recreational marijuana, while 22 states have legalized medical marijuana. So why has public opinion changed dramatically in favor of legalization? In a study published this February, we examined a range of possible reasons, finding that the media likely had the greatest influence. You can read more [HERE](#).



## Americans' views on marijuana

In 1969, just 12.5 percent of Americans said they were in favor of legalized marijuana. Support has climbed significantly according to multiple social surveys.

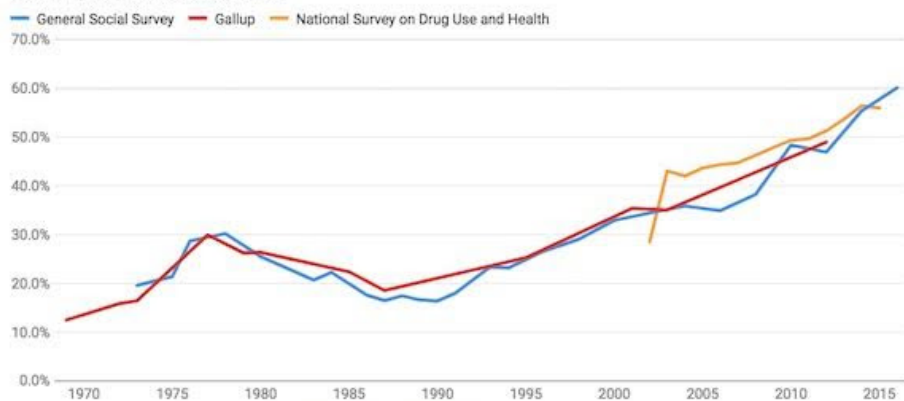


Chart: The Conversation, CC-BY-ND • Source: Social Science Research (2019) • Get the data



**Northern Minnesota** – They say that we are about average with snowfall this year, but I find that hard to believe considering how high some of the piles are. You cannot see businesses in town or cars parked in driveways because the snow piles completely block the view. I think we have received our year to date snowfall in the last several weeks over about 4-5 consecutive storms. We are going to need to bring in a dozer to level piles of snow or they will easily be there until May. Not only is it bad now but we have two more sizable snow storms this week. We are due for a blizzard on Thursday so we are going to try and haul as much grain into the mill before we have to start pushing snow just to move around our farmyard.

**Central Iowa** – I have a few things that I'm thinking of doing differently this year. I have been no tilling beans for years now and am going to slowly work towards some no-till corn with some cover crops thrown in the mix. Right now, my planter is stock, and I have no till coulters that I use for beans and Yetter shark tooth row cleaners I use to move trash when planting corn behind the field cultivator. Right now, I am thinking of adding a more aggressive closing wheel, maybe a schaffert mowhawk closing wheel. I'm also considering air adjust row cleaners to adjust for changing conditions in the no till. We will probably be getting out and checking rows more if we decide to go with this system.

**Eastcentral Illinois:** We started harvest with corn at 27%. After a first field breakdown we finished three days later with an average of 22%, which is where we like our whole farm to average to be at the end of harvest. We share equipment with a neighbor and our first field is adjoining to theirs, so all planting was the same. I beat them there by three weeks, just because of timing, harvested at six points more wet. I bested them by 25 BPA simply because of phantom yield loss. The beans on the other hand were a different story. We planted early and low populations. Some looked ugly early with a lot of Phytophthora. When they came out of it, we hit them hard with fungicide and Mother Nature helped. Best farm average by ten plus percent. Learned a lot of lessons this year that may not help next but we did find that the tile made a 20 plus difference directly at the line where we stopped putting it in. Pre-plant nitrogen was gone when it was needed. Seed treatment and starter were a negative ROI in 2018. Sulfur in beans paid. Don't wait for perfect. Make hay while the sun shines!



**California "Dry Farming" May See Numbers Grow:** While unfamiliar to many consumers, dry farming is an age-old practice that entails carefully managing soils to

lock winter rainfall into the top layers until it's time to begin growing crops during the spring and summer. As little as 20 inches of rain – roughly the same amount that the Central Coast receives each winter on average – can sustain crops in the months without rainfall, with no need to add any extra water. The strategy has been used for generations by grape and olive growers in Mediterranean countries such as Italy and Spain. It was also common in coastal California through most of the 19th and early 20th centuries. But practices changed as farmers got better at extracting water from under the ground. Yields boomed, and our food supply became more reliable, as did our reliance on groundwater. Today, many of the state's water basins – particularly in the Central Valley, the state's agricultural hub – are so overdrawn that they're unable to replenish themselves. Read more [HERE](#) on how some farms may have no choice but to switch as water availability become more serious.

**Scotland Enters Space Race With World's Largest 3D Printed Engine:** Scotland is about to enter the space race, and they are doing it in style. Orbex has just unveiled its Prime rocket, which includes the world's largest 3D-printed rocket engine. The rocket itself is made of a carbon fiber and aluminum composite that's supposed to be 30% lighter than any other craft in its category. Orbex says its engine is the first commercial rocket engine to be designed to work with bio-propane, a "clean-burning, 100% renewable fuel source" that cuts carbon, a welcome addition to the space race. Thanks to its 3D printed design, the rocket engine may be safer, as it was uniquely manufactured in a single piece without joints or seams or welds, which could mean it is more likely to withstand extreme temperature and pressure fluctuations. I'm told, Orbex Prime's maiden flight is expected to launch from Scotland in 2021, carrying an experimental payload from U.K.-based Surrey Satellite Technology Ltd. (SSTL), the world's leading manufacturer of small satellites. It's worth mentioning that the launch is more than just a test run, as it will demonstrate that the U.K. is firmly in the space race with a U.K.-built rocket, launching a U.K.-built satellite, from a U.K. spaceport. Read more [HERE](#).

**Why Most of the People We Admire Often Have the Gift of the "Elastic Mind":** Leonardo da Vinci maintained a passionate curiosity throughout life. He once said, "The noblest pleasure is the joy of understanding." He simply wanted to know. In his book, *Leonardo da Vinci: The Biography*, Walter Isaacson, says Da Vinci was "more interested in pursuing knowledge than in publishing it." "He wanted to accumulate knowledge for its own sake, and for his own personal joy, rather than out of a desire to make a public name for himself as a scholar or to be part of the progress of history," writes Isaacson. He was an elastic thinker and a prolific creator. His mind wandered merrily across the arts, sciences, engineering, and humanities. More than 7,000 pages of Leonardo's notebooks still exist. His genius came from being wildly imaginative, quirkily curious and willfully observant. His novelty was a product of his own will and effort, which makes his story inspiring for us and also more possible to emulate. Da Vinci's work paved the path for artists, scientists, and philosophers alike. Most of the people we admire often have the gift of the elastic mind. Today, more than ever, we must embrace the elastic mindset. In a stable world devoid of change, we can solve problems by applying the same old techniques, principles, and rules. But the age of unprecedented technological change constantly challenges us to find new solutions. Do you give in when faced with a problem you have not seen before, or are you driven by the determination to achieve? How strongly are you driven to reach that "light" at the end of the tunnel? Read more [HERE](#) on how to draw better conclusions with elastic thinking.

**Purdue University Has New Way to Pay for College:** More than 20 million students are enrolled in American colleges and universities, according to the U.S. Department of Education, and most of them are making an incredibly risky bet. If they cannot get a decent job after graduation, they are still on the hook for potentially crippling student loan debt. But a new college financing arrangement is aimed at reducing that risk. Instead of taking out loans, the student agrees to pay back a portion of his or her income for a set period after they graduate. Purdue University says it is the first four-year institution in the country to offer the option, known as an income-sharing agreement or ISA. Under Purdue's Back a Boiler program, graduates make payments for 10 years after graduation. The less they make, the less they are required to pay. And if they do not work, they do not pay anything. On the flipside, there is a cap on the total payments if the student does well. Read more [HERE](#) about how students are getting a bit of a safety net after graduation.

**If You are in the Market for an \$18 Million Dollar Bomb Shelter...** take a look at this famous Las Vegas Underground House that has been making news for years as one of the most bizarre properties in the world. Located 2 miles east of the center of the Las Vegas Strip, this outrageous 14,620 sq ft concrete & steel doomsday bunker was created to survive a nuclear war. The bomb shelter home includes a yard with pool, spa, trees, guest house, BBQ & fountain and is surrounded by 500 feet of floor to ceiling Murals of city & mountain views with lighting that simulates day, dusk & dawn and was recently listed by Stephan M-LaForge at Berkshire Hathaway for \$18 million. I should mention, judging by the photos, it seems to be stuck in time from the 1970s, so a paintbrush may be in order for the next owner! Read more [HERE](#).







### Interesting Weather Facts and Data

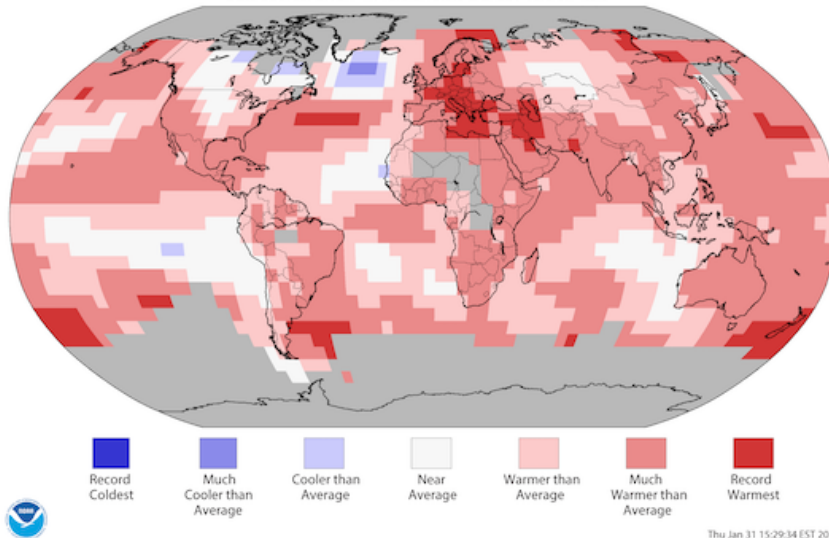
Weather data from last year has been gathered, collected and organized. Regardless of our political opinions of global warming it's interesting to look at the data. NASA said global temperatures in 2018 were +1.5 degrees F above average, ranking it the fourth-hottest on record. In fact since the late-1800's, when accurate global record keeping began, the past five years have been the five warmest on record. Many anti-global warming scientist argue that the data set is simply too small. Other scientist believe we are simply going through a cycle and will eventually start to turn back towards a cooling trend, which could ultimately create even more dangerous complications. Below are a few more highlights from the recent [NOAA](#) and NASA's findings:

**The Hot Streak:** *This marks the 42nd consecutive year (since 1977) with an above-average global temperature. Nine of the 10 warmest years have occurred since 2005, with the last five years comprising the five hottest.*

### Land & Ocean Temperature Percentiles Jan–Dec 2018

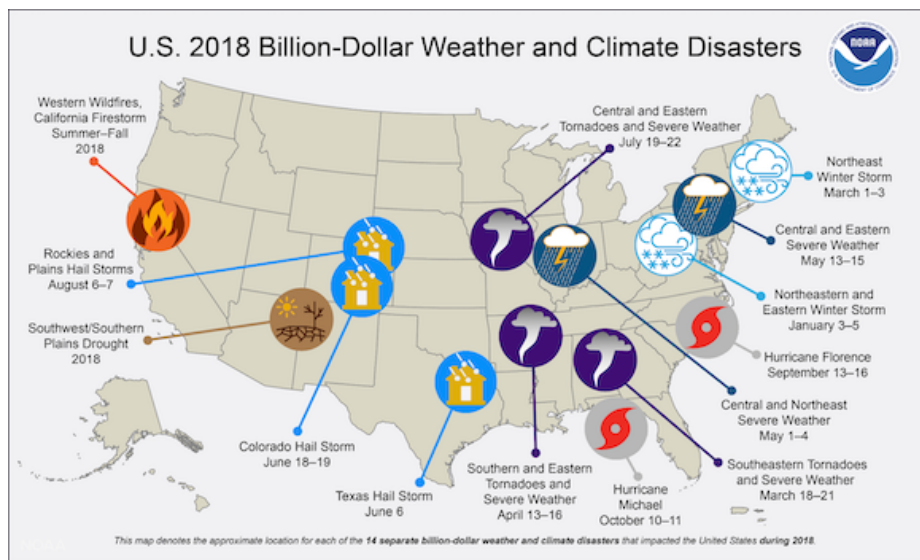
NOAA's National Centers for Environmental Information

Data Source: GHCN–M version 3.3.0 & ERSST version 4.0.0



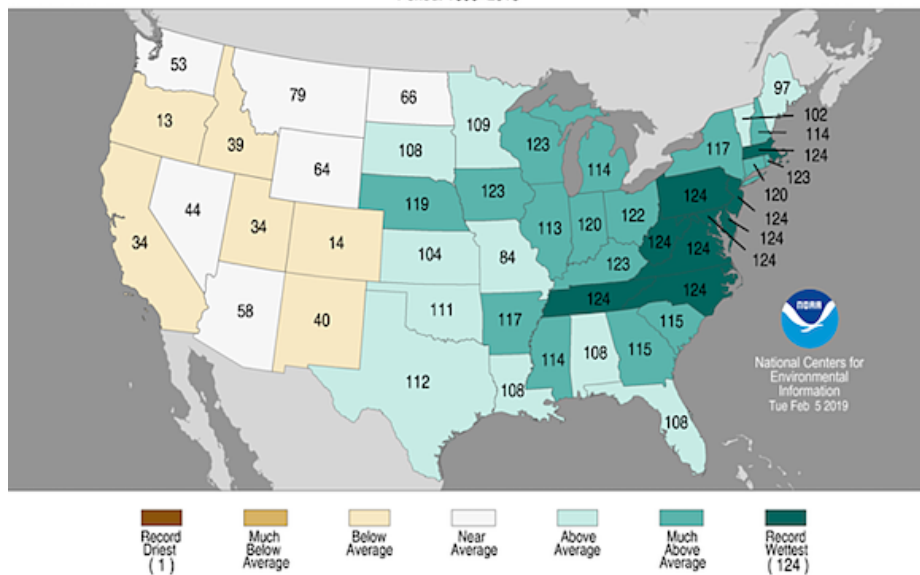
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**Major U.S. Weather Extremes:** *In 2018, the U.S. experienced 14 weather and climate disasters, each with losses exceeding \$1 billion and all totaling around \$91 billion in damages. Both the number of events and their cumulative cost ranked fourth highest since records began in 1980. Topping the list was Hurricane Michael, which caused \$25 billion in damages. Following was the Western U.S. wildfires and Hurricane Florence, which each caused \$24 billion in damages. At least 247 people died and many more were injured by the 14 disasters.*



**3rd Wettest Year:** Here at home the weather story in 2018 was more about wetness than heat. Precipitation for the contiguous U.S. averaged 34.63 inches, which was +4.69 inches above average, making it the third wettest year in the past 124-years. If you look at the map below, you can see the dark green areas out East recorded their wettest year in history. Iowa, Kentucky and Wisconsin recorded their second wettest year in history. Ohio their third wettest. Indiana their fourth wettest. Nebraska their fifth wettest, etc...

### Statewide Precipitation Ranks January-December 2018 Period: 1895-2018



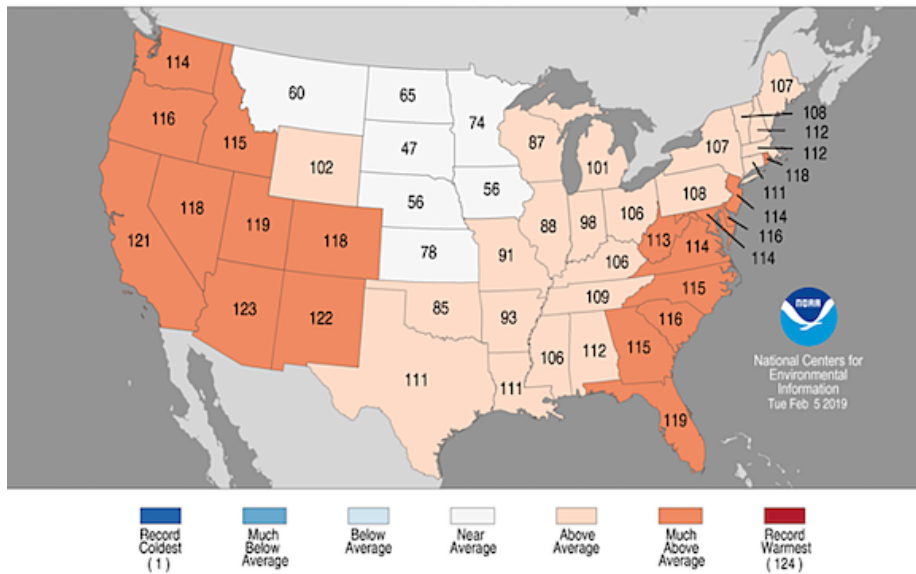
**Still Warmer than Normal:** Both the West and southern East Coast again recorded above normal temperatures in 2018. As we move closer to the Midwest and away from the coasts we see temperatures started to moderate. Most of the Northern Plains and Upper Midwest actually experienced near-normal temperatures.



## Statewide Average Temperature Ranks

January–December 2018

Period: 1895–2018



### Interesting Abraham Lincoln History

Today is Abraham Lincoln's birthday. He was born 210 years ago in Hodgenville, Kentucky. We all know of Lincoln's great accomplishments, but I've always found it interesting to look at the long list of failures he had to overcome prior to reaching greatness. What would our nation be like if we would have given up or allowed failure to discourage him? Many historians say Lincoln may be the smartest U.S. President to ever serve our nation and probably the highest I.Q. by a family large margin. I've included below his daunting journey to the White House. I've also included a few fun facts you may not have known about Lincoln: (Source: History, Wiki, Life)

**1816:** His family was forced out of their home. He had to work to support them.

**1818:** His mother died when he was 9.

**1831:** Failed in business.

**1832:** Ran for state legislature – lost.

**1832:** Also lost his job – wanted to go to law school, but couldn't get in.

**1833:** Borrowed some money from a friend to begin a business and by the end of the year he was bankrupt. He spent the next 17 years of his life paying off this debt.

**1834:** Ran for state legislature again – won.

**1835:** Was engaged to be married, sweetheart died and his heart was broken.

**1836:** Had a total nervous breakdown and was in bed for six months.

**1838:** Sought to become speaker of the state legislature – defeated.

**1840:** Sought to become elector – defeated.

**1843:** Ran for Congress – lost.

**1846:** Ran for Congress again – this time he won – went to Washington and did a good job.

**1848:** Ran for re-election to Congress – lost.

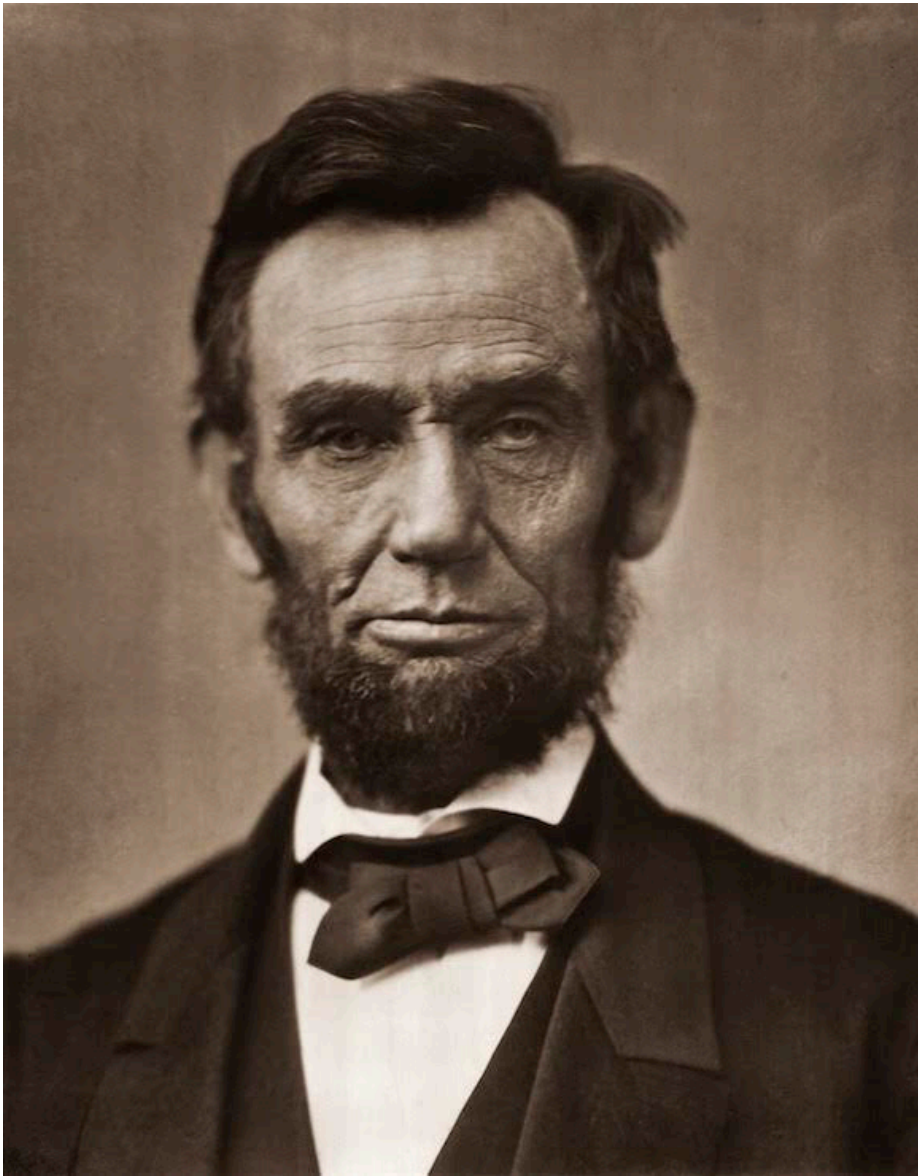
**1849:** Sought the job of land officer in his home state – rejected.

**1854:** Ran for Senate of the United States – lost.

**1856:** Sought the Vice-Presidential nomination at his party's national convention – got less than 100 votes.

**1858:** Ran for U.S. Senate again – again he lost.

**1860:** Elected president of the United States.



### **Fun Facts You Might Not Know About Abe**

**Lincoln Did Not Move to Illinois Until he was 21:** *Illinois may be known as the Land of Lincoln, but it was in Indiana that the 16th president spent his formative years. Lincoln was born in a Kentucky log cabin in 1809, and in 1816 his father, Thomas, moved the family across the Ohio River to a 160-acre plot in southern Indiana. Lincoln did not migrate to Illinois until 1830.*

**Tainted Milk Killed Lincoln's Mother:** *When Abraham was 9 years old in 1818, his mother, Nancy, died of a mysterious "milk sickness" that swept across southern Indiana. It was later learned that the strange disease was due to drinking tainted milk from a cow that had ingested poisonous white snakeroot.*

**Lincoln is in the Wrestling Hall of Fame:** *The Great Emancipator wasn't quite WWE material, but thanks to his long limbs he was an accomplished wrestler as a young man. Defeated only once in approximately 300 matches, Lincoln reportedly talked a little smack in the ring. According to Carl Sandburg's biography of Lincoln, Honest Abe once challenged an entire crowd of onlookers after dispatching an opponent: "I'm the big buck of this lick. If any of you want to try it, come on and whet your horns." There were no takers. Lincoln's grappling exploits earned him an "Outstanding American" honor in the National Wrestling Hall of Fame.*

**Lincoln created the Secret Service hours before his assassination:** *On April 14, 1865, Lincoln signed legislation creating the U.S. Secret Service. That evening, he was shot at Ford's Theatre. Even if the Secret Service had been established earlier, it wouldn't have saved Lincoln: The original mission of the law enforcement agency was to combat widespread currency counterfeiting. It was not until 1901, after the killing of two other presidents, that the Secret Service was formally assigned to protect the commander-in-chief.*

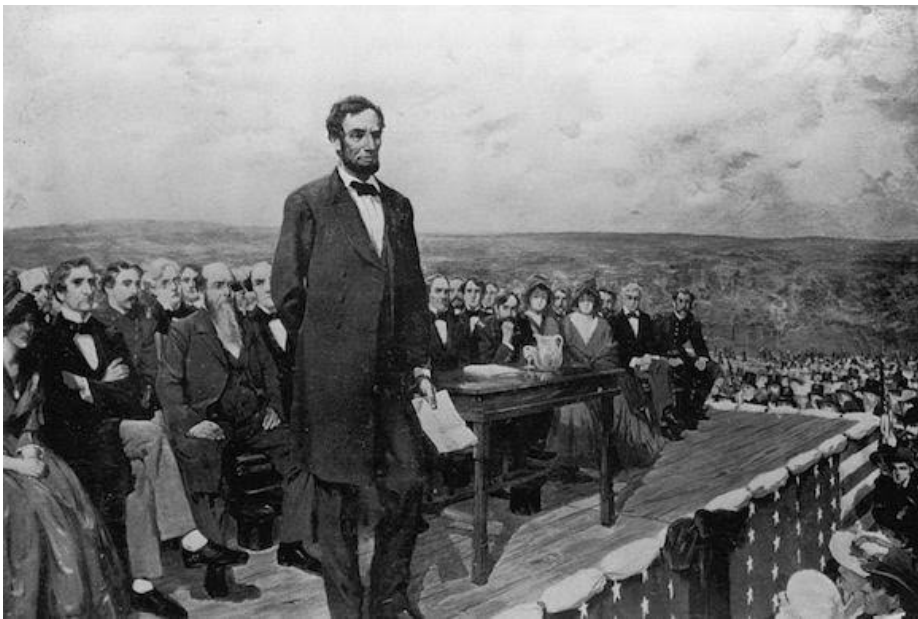
**John Wilkes Booth's Brother Saved the Life of Lincoln's Son:** *A few months before John Wilkes Booth assassinated Lincoln, the president's oldest son, Robert Todd Lincoln, stood on a train platform in Jersey City, New Jersey. A throng of passengers began to press the young man backwards, and he fell into the open space between the platform and a moving train. Suddenly, a hand reached out and pulled the president's son to safety by the coat collar. Robert Todd Lincoln immediately recognized his rescuer: famous actor Edwin Booth, brother of John Wilkes. In another eerie coincidence, on the day of Edwin Booth's funeral—June 9, 1893—Ford's Theatre collapsed, killing 22 people.*

**Lincoln Personally Test-Fired Rifles Outside the White House:** *Lincoln was considered a hands-on commander-in-chief who, given his passion for gadgetry, was keenly interested in the artillery used by his Union troops during the Civil War. Lincoln attended artillery and cannon tests and met at the White House with inventors demonstrating military prototypes. Although there was a standing order against firing weapons in the District of Columbia, Lincoln even test-fired muskets and repeating rifles on the grassy expanses around the White House, now known as the Ellipse and the National Mall.*



**The Art of Keeping it Simple:** I also wanted to include the Gettysburg Address today in remembrance of Lincoln's birthday, which always serves as a reminder that "simple" is better than "complex". Remember, Edward Everett, the famous Boston orator and President of Harvard University was the choice to deliver the keynote address at Gettysburg. During his 40-year career as professor, diplomat, and statesman, he had consistently dazzled audiences with his brilliant and detailed speeches. At Gettysburg, Everett spoke to the crowd for two hours in a lengthy speech that contained some 13,607 words. Lincoln spoke for just a few brief minutes with a speech that contained only 272 words. But it was Lincoln's short and simple speech that would go on to be named, "The Gettysburg Address" and become one of the most remembered in American history. Keep in mind, the day after the ceremony Edward Everett wrote Lincoln praising him for the "eloquent simplicity & appropriateness" of his remarks, wishing he could have made it look that easy and simple to understand. Click [HERE](#) to listen to the speech! Below are a few pictures from my conference room that constantly remind me to not over complicate. The big picture is of Mr. Everett, the small pictures hanging not far away are of Abraham Lincoln and The Gettysburg Address. I like to keep the pictures in my field of vision during business meetings or when others come to solicit outside investment funding. If someone comes in and overcomplicates or can't explain their business model in a short and simple manner, I kindly pass on the opportunity. I've found it to be a great litmus test and has actually kept me from making several bad moves. Even more, it has kept me from wasting a lot of time...



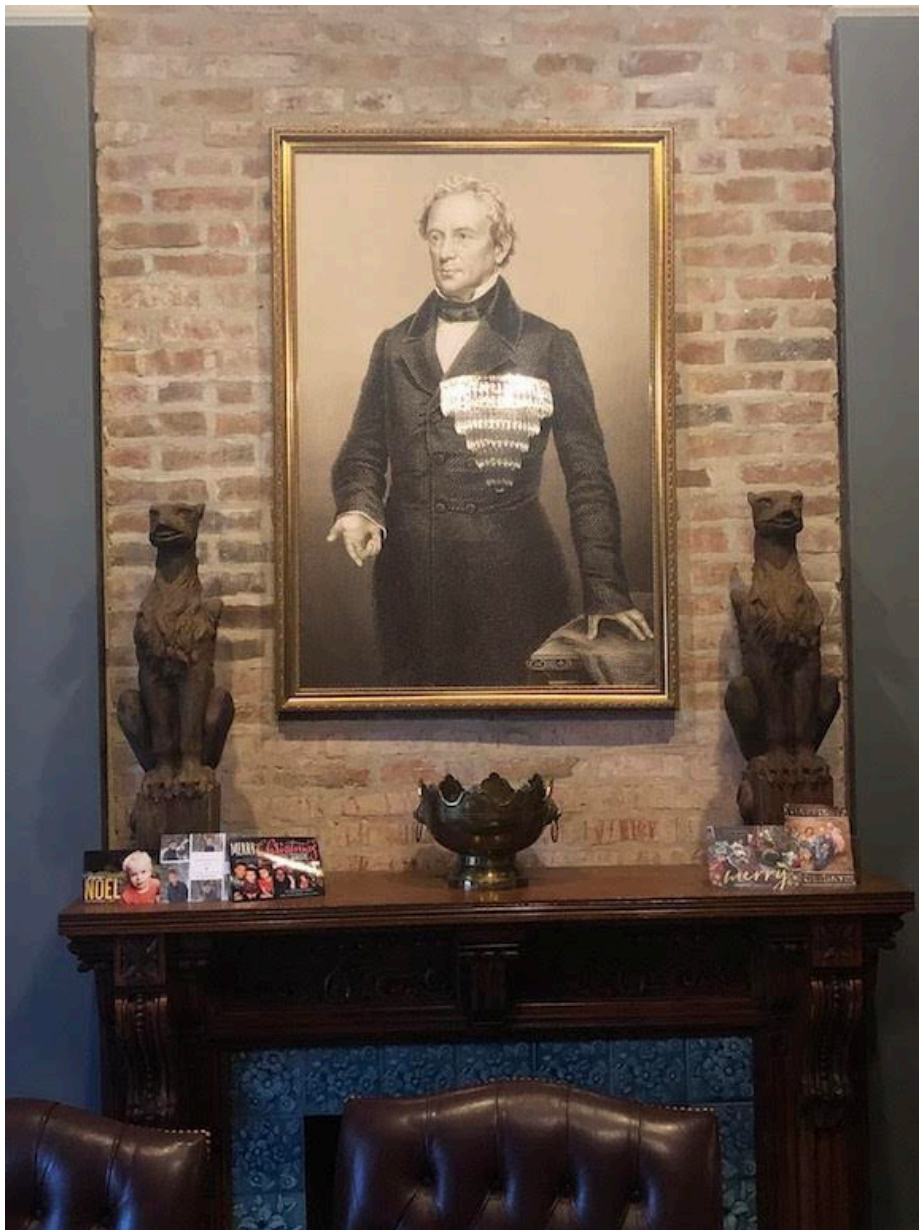


## The Address

*Fourscore and seven years ago our fathers brought forth on this continent a new nation conceived in liberty and dedicated to the proposition that all men are created equal.*

*Now we are engaged in a great civil war testing whether that nation, or any nation so conceived and so dedicated, can long endure. We are met on a great battlefield of that war. We have come to dedicate a portion of that field as a final resting-place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this.*

*But, in a larger sense, we cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here have consecrated it far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us the living rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honoured dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain, that this nation under God shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth.*





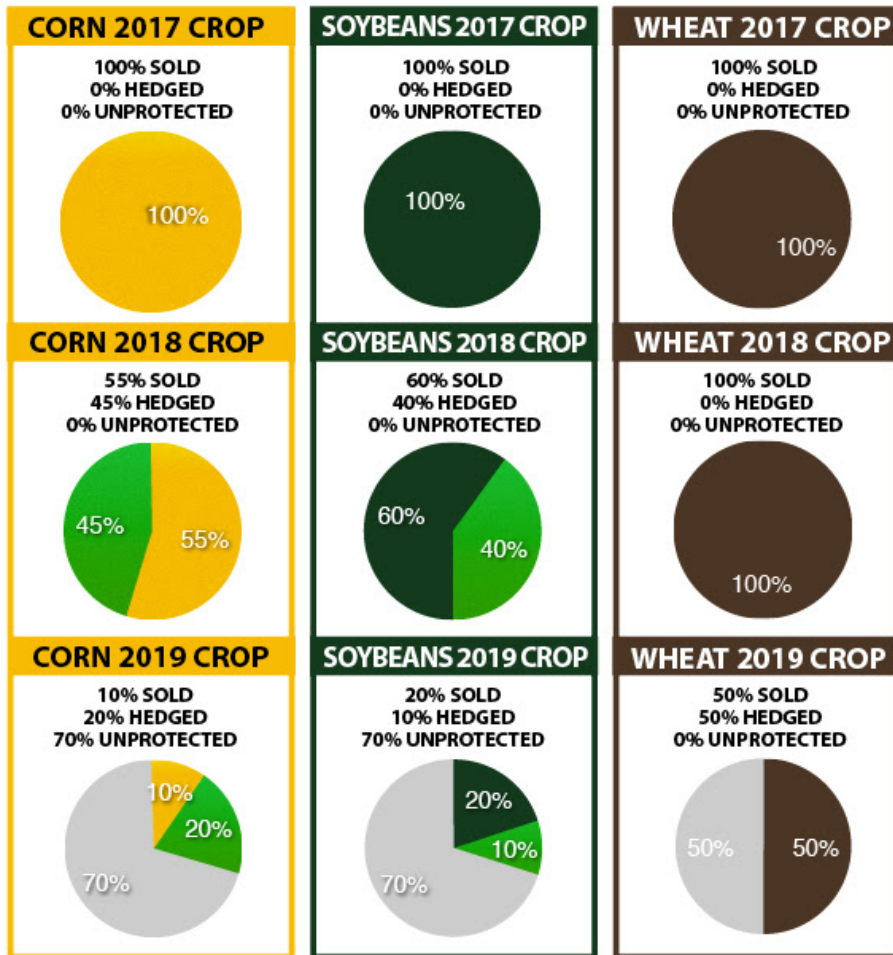


**ANSWER to riddle:** A yardstick

## CASH SALES & HEDGING TOTALS

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