

## GOOD MORNING: 03/12/19 Farm Direction - Van Trump Report

1 message

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

Tue, Mar 12, 2019 at 6:56 AM

Reply-To: Jordan &lt;reply-fed516747565057f-314\_HTML-36250946-100003450-1@vantrumpreport-email.com&gt;

To: info@farmdirection.com



### Today In History

"The tragedy of life is not that it ends so soon, but that we wait so long to begin it." – W. M. Lewis

**TUESDAY, MARCH 12, 2019**
[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks are steady this morning as bulls remain optimistic about U.S. and Chinese trade negotiations, as well as possible improvements in global growth during the second quarter of 2019. There's been a few comments that China is perhaps starting to show signs of improvement following several quarters of deceleration. It seems that Chinese exports have finally started to improve. There also seemed to be more bullish optimism after hearing Fed Chair Jerome Powell's comments on "60 Minutes" this past Sunday. In fact, I heard many large investors and traders yesterday saying that it now feels like a "Fed put" is in place. Meaning, the Fed will continue to pause and do what it can to help keep the stock market mostly supported. With big brother having its back, this allows the bulls to more comfortably place additional money at risk inside the market. Other central banks are also turning more dovish in nature. Here at home, traditional U.S. economic data again appeared somewhat weak. Retail sales data released yesterday, showed revisions lower for both the November and December numbers. In other words, fourth-quarter GDP probably grew at a slower pace than the 2.6% the Commerce Department most recently reported. In fact, I heard Goldman Sachs economists recently lowered their forward looking Q1 GDP estimates to sub-1%. Hence, there's still a lot of work ahead and nobody's yet dropping the "all-clear signal. As I've mentioned a couple of times as of late, it feels like the bulls have ratcheted things up, and we are going to stay in a trading range somewhere between 2,500 and 3,000 in the S&P 500. There are some bulls who argue if we can trade to 3,000, we will quickly go to 3,200 as the "pain-trade" will clearly be to the upside and big-money players will be caught under-invested. Perhaps the true contrarians are now the "optimists"? I'm personally staying patient and sticking with my current allocation. I remain hesitant in adding length to my portfolio on momentum to the upside. I believe there will be plenty of opportunities to add length on the breaks if you so inclined. As for today, the market will be digesting inflationary data released in the most recent CPI numbers. Remember, the CPI is a measure of price changes in consumer goods and services such as gasoline, food, clothing and automobiles, essentially the CPI measures price change from the perspective of the purchaser. Something else the trade will be closely monitoring today is the outcome of the UK Brexit vote. From what I understand, MPs will go through an entire day of heated debate then vote and pass their verdict on Prime Minister Theresa May's plan to take Britain out of the European Union. This is being called "the big one". If MPs vote the deal down, one of two things is likely to happen. The UK will either leave the EU on March 29th without a withdrawal agreement - or that departure date will be backed-up. If they vote in favor of the current deal, the UK will leave the EU on March 29th with things staying broadly as they are until December 2020, while the two sides hash out the details of a more permanent trade deal. The economic strength of the European Union has started to gain more attention and is becoming more in doubt as of late, so the trade will be paying close attention.

**Interesting Research on the Four Stock Market Eras:** *Global financial Data has calculated a new World Index that extends from the beginning of stock markets in Amsterdam in 1601 to the present day. Using the World Index 2.0, what is clearly distinguishable is the four eras that the stock market has evolved through during the past 400 years: Mercantilism, Free Trade, Regulation, and Globalization. Now, researchers and economists can analyze how the stock market behaved in each of the four eras as well as each global bull and bear market that it has passed through during the past 400 years. Until now, no one has calculated a World Index that precedes 1900 and no one has calculated an index which is*

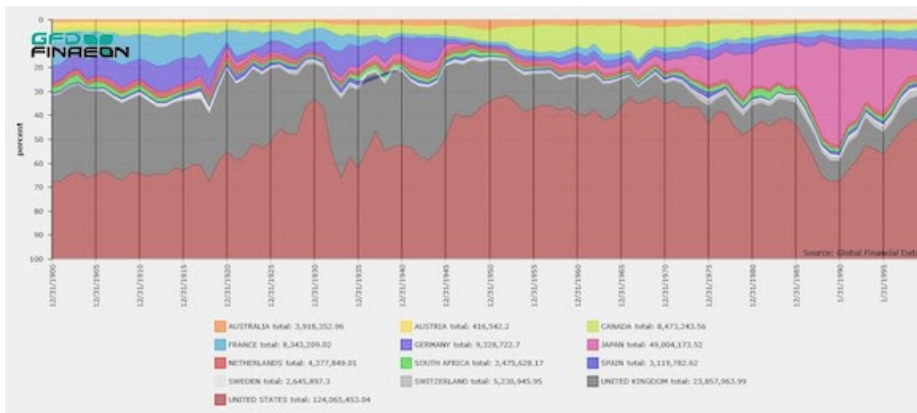
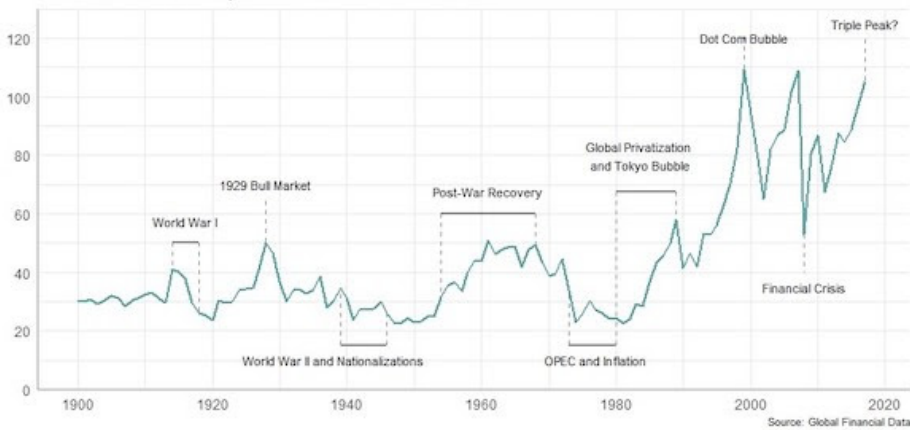


### 1864, Red River Campaign Begins

- On this day in 1864, one of the biggest military fiascos of the Civil War begins as a combined Union force of infantry and riverboats start moving up the Red River in Louisiana. The month-long campaign was poorly managed and achieved none of the objectives set forth by Union commanders. The campaign had several strategic goals. The Union hoped to capture everything along the Red River in Louisiana and continue into Texas. Additionally, President Abraham Lincoln hoped to send a symbolic warning to France, which had set up a puppet government in Mexico and seemed to have designs on territorial expansion. Finally, Union officials wanted to capture cotton-producing regions, as cotton was in short supply in the North. The plan called for Admiral David Dixon Porter to take a flotilla of 20 gunboats up the Red River while General Nathaniel Banks led 27,000 men along the western shore of the river. Porter's squadron entered the river on March 12. Two days later, Fort Derussy fell to the Yankees and the ships moved upriver and captured Alexandria. The expedition was going well, but Banks was moving too slowly. He arrived two weeks after Porter took Alexandria, and continued to plod towards Shreveport. Banks traveled nearly 20 miles from the Red River, too far for the gunboats to offer any protection. On April 8, Banks' command was attacked and routed by Confederate General Richard Taylor, son of former U.S. president Zachary Taylor. The two sides fought again the next day, but this time the Yankees held off the Rebel pursuit. The intimidated Banks elected to retreat back down the river before reaching Shreveport. Porter's ships followed, but the Red River was unusually low and the ships were stuck above some rapids near Alexandria. It appeared that the ships would have to be destroyed to keep them from falling into Confederate hands, but Lt. Colonel Joseph Bailey of Wisconsin, an engineer with a logging background, supervised several thousand soldiers in constructing a series of wing

reweighted on a regular basis. Now, an index that provides a complete history of global equity markets is available. GFD also provides world bond indices that can be compared to the global equity indices, and calculates sub-indices that include the World excluding the United States, the World excluding the US and UK, a European Index, an index for Emerging Markets and others. Without these global composites, it is impossible to understand the behavior of stocks, bonds and bills over the past 400 years. There is a ton of interesting research. If you are interested and want to learn more click [HERE](#).

Global Stock Market Capitalization Relative to Global GDP



# FARM TANK

Tweets of the Day



dams that raised the water level enough for the ships to pass. The campaign was deemed a failure—it drew Union strength away from other parts of the South and the expedition never reached Texas.



## 1903, New York Highlanders Join American League

On March 12, 1903, the New York Highlanders are given the go-ahead by team owners to join baseball's American League. The Highlanders had recently moved from Baltimore, where they were called the Orioles and had a winning tradition dating back to the 1890s. Called the "Yankees" by fans, the team officially changed its name to the New York Yankees in 1913, and went on to become the most dominant franchise in American sports. It wasn't until 1921, however, that the Yankees won their first American League pennant, behind the prodigious power of right fielder Babe Ruth, who the Yankees had purchased from the Boston franchise, much to the disappointment of Boston fans, in 1920. The team went on to dominate the American League throughout the 1920s, and in 1927, with the "Murderer's Row" lineup of Babe Ruth, Lou Gehrig, Tony Lazzeri and Bob Meusel, the Yankees won 110 games and swept the Pittsburgh Pirates in the World Series, 4 games to 0. This 1927 team is still considered the standard by which other teams are measured. During Ruth's 14-year tenure (1920-1934), the Bronx Bombers won four World Series and lost two. The other major star of Ruth's era was first baseman Lou Gehrig, whose time with the team spanned two generations of Yankee dominance, first under Ruth and later with star center fielder Joe DiMaggio (1936-1951). With DiMaggio, known as the "Yankee Clipper," in center field, New York won nine titles and 10 American League pennants, including four World Series in a row between 1936 and 1939. Gehrig's 2,130 consecutive game streak held for 44 years. He was finally forced to retire in 1939, when he contracted amyotrophic lateral sclerosis, which has since come to be known as "Lou Gehrig's disease." The 1950s featured a balanced team led by "the Ol' Perfesser," manager Casey Stengel. Under Stengel, the talent-packed Yankees won the World Series each year from 1949 to 1953. By this time, Yankee dominance had begun to inspire resentment among fans of less fortunate teams. In 1955, this antipathy inspired the musical "Damn Yankees," in which a Washington Senators fan sells his soul to the devil so he can slug the Senators to victory over the Yankees and win the pennant. Though the Yankees lost the 1960 World Series, which prompted the firing of Stengel, players continued to turn in all-star performances. In 1961, Roger Maris broke Babe Ruth's record of 60 home runs in a single season with 61 of his own, after a year-long race with friend Mickey Mantle, who ended his season early because of injuries with 54 homers. In 1977, "Mr. October" Reggie Jackson hit three home runs on three

#Australia has the highest (nominal)  
#minimumwage in the world, beating out  
#Luxembourg by a cent.  
[statista.com/chart/17087/minimum-wages-per-hour-in-selected-countries](https://statista.com/chart/17087/minimum-wages-per-hour-in-selected-countries) @boeckler\_de



**Steve Burns**  
@SJosephBurns

Age when they founded these companies:

Mark Zuckerberg (Facebook): 19  
Daniel Ek (Spotify): 23  
Jeff Bezos (Amazon): 30  
Oprah Winfrey (Harpo): 32  
Jack Ma (Alibaba): 34  
Reed Hastings (Netflix): 36  
Bernie Marcus (Home Depot): 50  
Charles Flint (IBM): 61

via @JonErlichman

swings in Game 6 of the World Series against the Los Angeles Dodgers to give the Yankees their first World Series since 1962. They repeated in 1978, again beating the Dodgers behind Jackson and pitchers Catfish Hunter and Ron Guidry. By then, the team was owned by George Steinbrenner, whose meddlesome ways, doomed free-agent signings and rivalry with on-again, off-again manager Billy Martin led to a 17-season drought between World Series titles from 1979 to 1996. In 1996, Steinbrenner hired manager Joe Torre and his steady hand, along with the leadership of shortstop and future captain Derek Jeter, guided the Yankees to four World Series championships and six American League pennants between 1996 and 2003, with three World Series wins in a row from 1998 to 2000. Through the 2010 season, the Yankees had won a record 27 World Series and 40 American League pennants. The record for second-most championships belonged to the St. Louis Cardinals, who had 10.



**1947, Truman Doctrine Announced** - In a dramatic speech to a joint session of Congress, President Harry S. Truman asks for U.S.

assistance for Greece and Turkey to forestall communist domination of the two nations. Historians have often cited Truman's address, which came to be known as the Truman Doctrine, as the official declaration of the Cold War. In February 1947, the British government informed the United States that it could no longer furnish the economic and military assistance it had been providing to Greece and Turkey since the end of World War II. The Truman administration believed that both nations were threatened by communism and it jumped at the chance to take a tough stance against the Soviet Union. In Greece, leftist forces had been battling the Greek royal government since the end of World War II. In Turkey, the Soviets were demanding some manner of control over the Dardanelles, territory from which Turkey was able to dominate the strategic waterway from the Black Sea to the Mediterranean. On March 12, 1947, Truman appeared before a joint session of Congress to make his case. The world, he declared, faced a choice in the years to come. Nations could adopt a way of life "based upon the will of the majority" and governments that provided "guarantees of individual liberty" or they could face a way of life "based upon the will of a minority forcibly imposed upon the majority." This latter regime, he indicated, relied upon "terror and oppression." "The foreign policy and the national security of this country," he claimed, were involved in the situations confronting Greece and Turkey. Greece, he argued, was "threatened by the terrorist activities of several thousand armed men, led by communists." It was incumbent upon the United States to support Greece so that it could "become a self-supporting and self-respecting





**Vincent Pawluski**  
@Dieselcrossfarms

Following

Replying to @TheChadColby @GoodyearFarm and 3 others

raise you, dual 900s and dual 710s just shy of 18ft wide. #Michelintires @MichelinMedia



**Leslie Mack**  
@lesliemack

Following

Without farming you would be hungry, naked, and sober



Had to share this sign. Make it go Viral... & Thank a farmer.

democracy." The "freedom-loving" people of Turkey also needed U.S. aid, which was "necessary for the maintenance of its national integrity." The president declared that "it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." Truman requested \$400 million in assistance for the two nations. Congress approved his request two months later. The Truman Doctrine was a de facto declaration of the Cold War. Truman's address outlined the broad parameters of U.S. Cold War foreign policy: the Soviet Union was the center of all communist activity and movements throughout the world; communism could attack through outside invasion or internal subversion; and the United States needed to provide military and economic assistance to protect nations from communist aggression. Not everyone embraced Truman's logic. Some realized that the insurgency in Greece was supported not by the Soviet Union, but by Yugoslavia's Tito, who broke with the Soviet communists within a year. Additionally, the Soviets were not demanding control of the Dardanelles, but only assurances that this strategic waterway would not be used by Russia's enemies-as the Nazis had used it during World War II. And whether U.S. assistance would result in democracy in Greece or Turkey was unclear. Indeed, both nations established repressive right-wing regimes in the years following the Truman Doctrine. Yet, the Truman Doctrine successfully convinced many that the United States was locked in a life-or-death struggle with the Soviet Union, and it set the guidelines for over 40 years of U.S.-Soviet relations.

#### Upcoming Events

**Thurs. 03/14** - Export Sales, Jobless Claims, Retail Sales

**Fri. 03/15** - NOPA Crush

**Sun 03/17** - St. Patrick's Day

**Mon. 03/18** - Export Inspections

**Tues.-Wed. 03/19-31/20** - FOMC Meeting

**Wed. 03/20** - Spring Begins, Full Moon

**Thurs. 03/21** - Export Sales, Jobless Claims

**Fri. 03/22** - Cattle on Feed, Cold Storage

**Mon. 03/25** - Export Inspections, New Home Sales

**Thurs. 03/28** - Export Sales, Jobless Claims, Hots & Pigs Report

**Fri. 03/29** - Personal Income, Grain Stock, Prospective Planting

**Mon. 4/1** - April Fool's Day, Export Inspections, Crop Progress



Classic Rock In Pics  
@crockpics

Following

## Creedence Clearwater Revival at a Taco Bell in San Luis Obispo, California, in 1968.



**Wed. 4/3** - US Trade Balance

**Thurs. 04/04** - Export Sales, Jobless Claims

**Fri. 04/05** - Unemployment Data, Consumer Credit

**Mon. 04/08** - Export Inspections, Crop Progress

**Tues. 04/09** - Crop Production, USDA Supply & Demand

**Thurs. 04/11** - Export Sales, Jobless Claims

**Mon. 04/15** - NOPA Crush, Export Inspections, Crop Progress

**Tues. 04/16** - Retail Sales

**Thur. 04/18** - Export Sales, Jobless Claims, Cattle on Feed

**Fri. 04/19** - Good Friday, Full Moon

**Mon. 04/22** - Easter Monday, Export Sales, Crop Progress

**Tues. 04/23** - Cold Storage

**Thurs. 04/25** - Export Sales, Jobless Claims

**Mon. 04/29** - Export Inspections, Crop Progress, Personal Income

### Kevin's Song of the Week




### Kevin's Song of the Week



Kareem Abdul-Jabbar sells four championship rings, three MVP trophies and other memorabilia for nearly \$3M, donating it to youth education

[bit.ly/2VyFZSm](https://bit.ly/2VyFZSm)



**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*



Eric Thomas

@Ericthomasbtc

Following

It's realizing that a great dream is not as good as a great memory. The dream can be had by anyone. The memory – must be made.



happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator for Farm Programs USDA**

### My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

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

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

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

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

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

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

## neuro mining



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

### TODAY'S RIDDLE:

It dances and skips, it's red in the eyes but it cheats with the hips,  
If it meets its match it's easily caught, but it's worth nothing if it is bought.  
What is it?



**Corn** bulls remain on their heels as the MAY19 contract posted fresh new lows yesterday. The JUL19 old-crop prices are only a couple of cents from posting new contract lows sub-\$3.70 per bushel. The new-crop DEC19 prices are also close to challenging the low posted back in mid-September at \$3.83<sup>2</sup>. I hate to say I told you so, but I argued with many traders and analyst for an extended period saying we could still go back and retest the previous lows. Most everyone said I was nuts and being overly concerned about a little weakness in demand. Now here we are. South America is clearly going to produce many more bushels than last year. Ukraine production looks as if it will be stronger. The strength of the U.S dollar is creating some additional exporting headwinds. In turn, the USDA recently trimmed their U.S. export estimate. We also have the continued tight margins and weakness in the ethanol space, which prompted the USDA to make another reduction in their corn used for ethanol estimate. On top of the slight setbacks in demand we are hearing early talks of additional corn acres planned for planting here in the U.S. The extremely wet conditions, lack of field work, lower prices and higher input costs make me hesitant to buy aggressively into that argument. I suspect it's possible, but it's hard for me to get my hands entirely around the thought. I continue to think we will see higher "preventive plant" acres. I suspect time will tell. I included a couple of interesting pics down below. The first is a simple tweet from a farm that looks to be battling extremely wet conditions. Next is the 6-to-10 and 8-to-14 day forecast for precipitation, which seems to be what has the bulls backpedaling and bears adding to their positions. There's a larger portion of the trade starting to think the drier forecast is going to bring just the right mix for optimum planting. As a spec, I like the thought of buying some longer-term cheap calls on the break. As a producer I am glad we sold our old-crop cash bushels and eliminated all downside risk. I'm staying patient in regard to pricing/hedging additional new-crop bushels. I have 30% of our estimated new-crop production priced/hedged. Ideally, I would have liked to have gotten 40% of my risk removed prior to planting.



**Lenice Jensen**  
@LeniceJensen

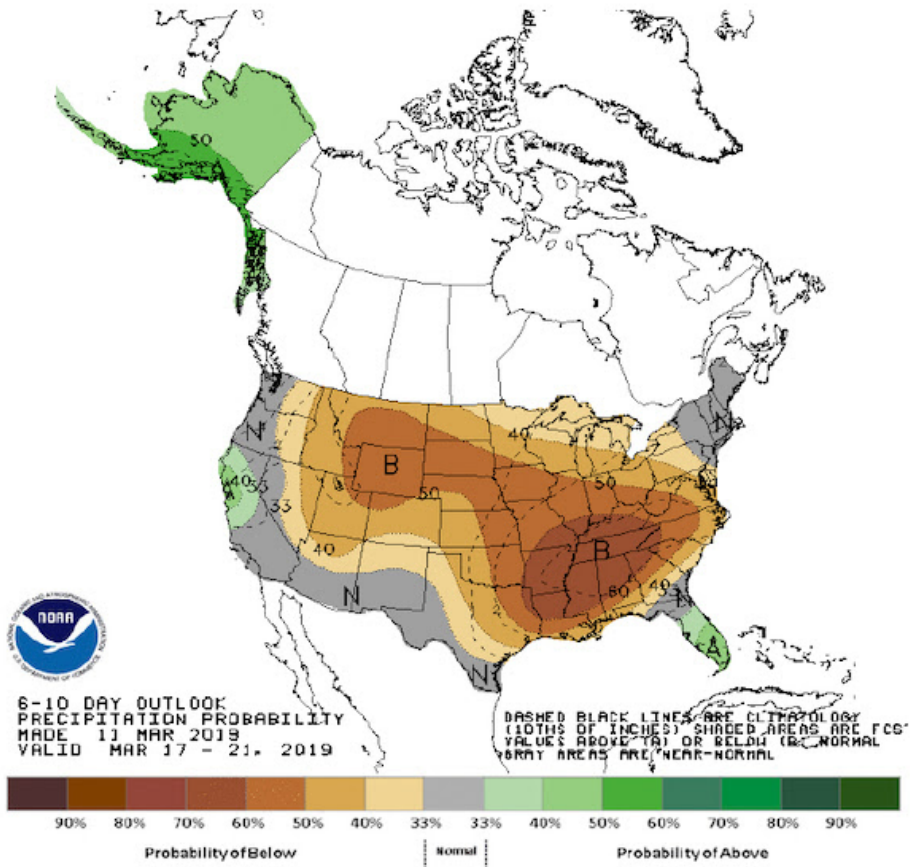
Following

My facility is a little wet [#mightymississippi](#)  
[#oldmanriver](#) [#cgbosceola](#)  
Thank you [@traviss22](#) for the 📷!

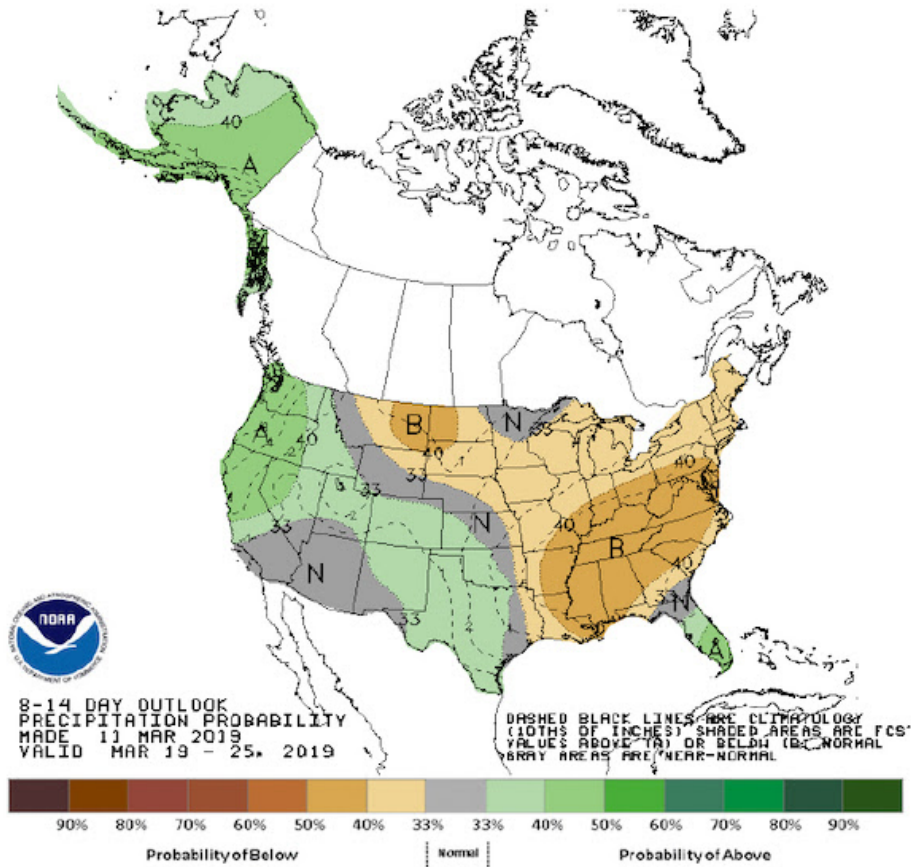




## Current 6-10 Precipitation



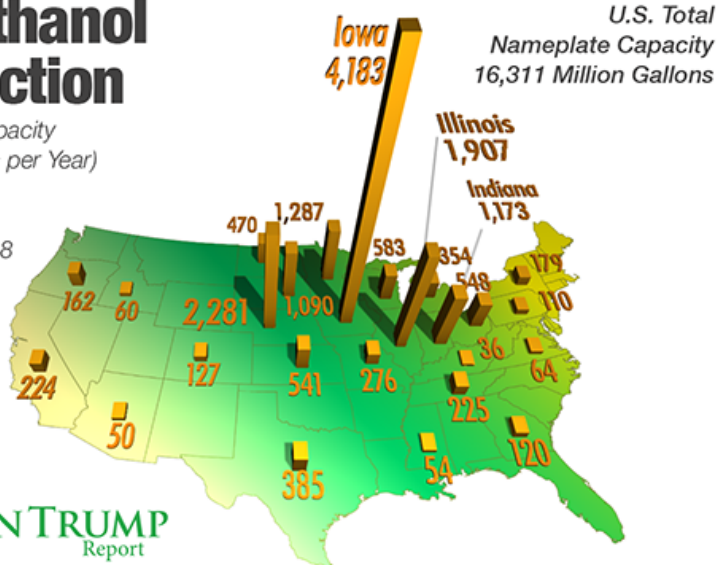
## Current 8-14 Precipitation



# U.S. Ethanol Production

Nameplate Capacity  
(Million Gallons per Year)

Data updated  
as of June 2018



Source: U.S. Energy Information Administration, Nebraska Energy Office

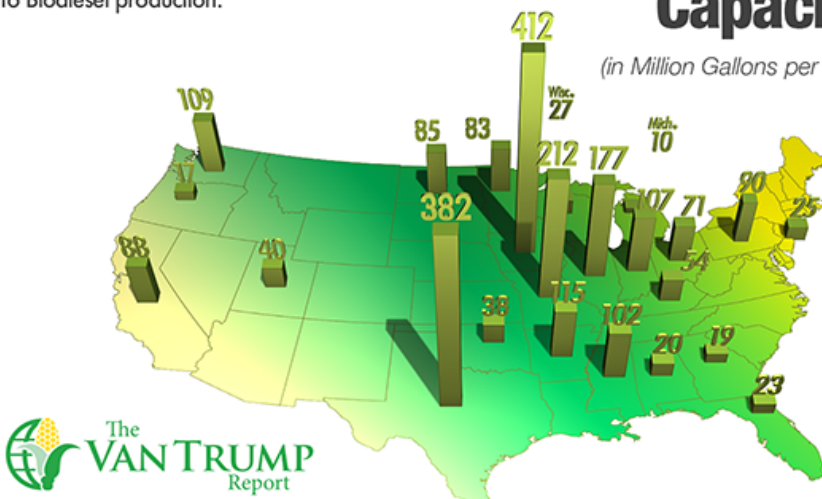
**Soybean** prices have been under pressure as of late on lack of detail regarding U.S. and Chinese trade negotiations. Bulls are pointing to a couple of strong sales recently made to the Chinese, but the market is giving it little consideration. In fact, many bears inside the trade are wondering if a U.S. and Chinese trade deal will actually make a massive difference in the overly burdensome U.S. balance sheet anytime soon? The concern is weak demand from the Chinese as they try to battle ASF, and the fact South American producers will soon have plenty of supply out of the fields to help meet Chinese demand. In other words, signing a trade deal with the world's #1 buyer of soybeans is of great importance, but the window of opportunity in which it's happening might not provide the big immediate tailwind the bulls have been hoping to see? Both old-crop and new-crop prices have fallen back to levels not seen since mid to late-November. Technically, we are still a long ways from the lows posted back in mid-July and mid-September. The old-crop JUL19 contract posted its low back on September 18th at \$8.63<sup>2</sup>. While the NOV19 contract posted its low back on July 13th at \$8.64<sup>6</sup>. From my perspective, it's tough to imagine fresh new bull money coming into this market that's wanting to bet on a trade deal. I suspect those gamblers have stepped to the betting window a few times by now and have thrown enough money in that direction. That lack of fresh buying power coming into the market could provide the bears with more room to roam freely. Without an official Chinese trade deal being announced, I continue to think it's going to be tough to string multiple days of upside momentum together, especially as we transition to more U.S. centric headlines. I look for two-steps forward and three-steps back to continue being the theme.

7,542 million pounds of domestic soybean oil was used in U.S. biodiesel production in 2018.

1 bushel of soybeans produces 11 pounds of soybean oil. This means 685.6 million bushels of went to Biodiesel production.

## Biodiesel Production Capacity

(in Million Gallons per Year)

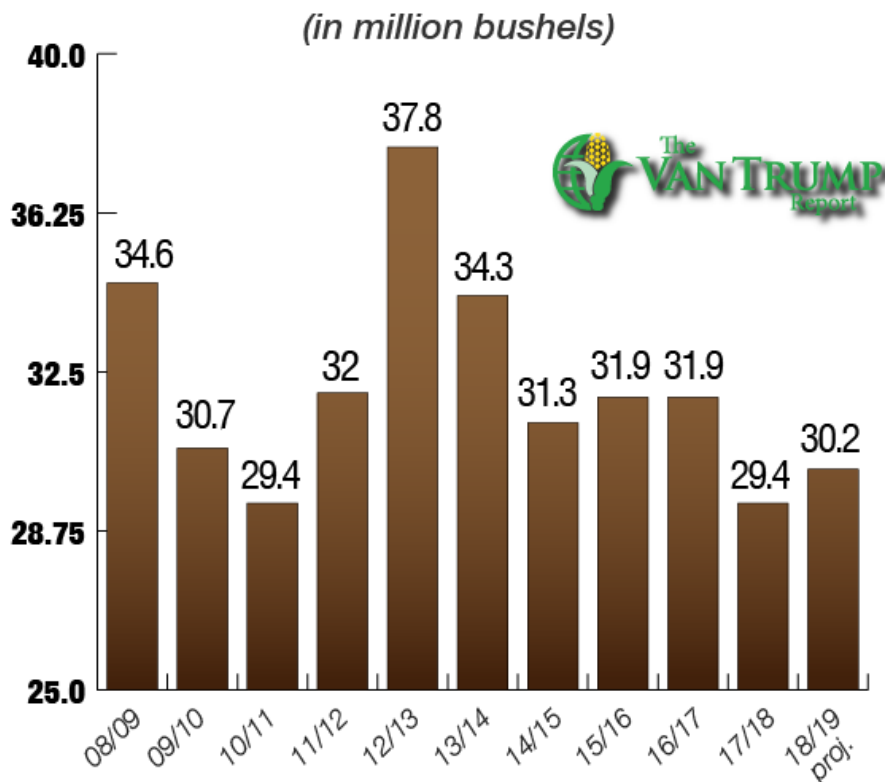


Source: U.S. Energy Information Administration, Monthly Biodiesel Production Report



**Wheat** continues to post fresh new contract lows as the bears try to finish off any remaining bulls that might still be standing. The story remains the same, burdensome supply here at home in excess of +1.0 billion bushels, strength in the U.S. dollar compared to other global exporting nations creates a lack of overall competitiveness by U.S. exporters. Throw on top no major wide-spread weather story, at least nothing that spooks the bears considering adequate levels of domestic and global surplus. From a technical perspective, you have to imagine the bears will be trying to eventually close the market sub-\$4.00 in an effort to inflict the most pain on those bulls still in the trade. As a spec, I've been licking my wounds, saying I would reconsider dipping another toe in the water on the bullish side if and when the market traded down into the \$4.20's. I had no idea we would get here so quickly! For what it's worth, I have an order in the JUL19 SRW contract to buy a small bit if we drop to \$4.20 per bushel. As a producer, I am not at all interested in pricing additional new-crop bushels down at this level. I still believe we could perhaps see a U.S. weather story or a political hiccup in the Black Sea region, which would clearly catch a large number of bears offside.

## U.S. Wheat Domestic Consumption



**> President Trump Proposes 15% Cuts in USDA Budget:** *The president's budget requested \$20.8 billion for the USDA, a cut of -\$3.6 billion, or -15%, from the 2019 estimate, according to the proposed budget text. I suspect we will see the budget rejected by Congress, where Democrats control the House of Representatives. At the moment, the American rural heartland that helped carry Trump to victory in 2016 remains largely supportive of his hard line on trade, but is urgently calling for a deal with China to end the trade dispute with that country. (Source: Reuters)*

**> FDA gives Green Light To GE Salmon:** *The FDA announced late last week that they will deactivate a 2016 import alert that prevented genetically engineered salmon from entering the U.S. FDA's approval of the application related to AquAdvantage Salmon followed a comprehensive analysis of the scientific evidence, which determined that the GE Atlantic salmon met the statutory requirements for safety and effectiveness under the Federal Food, Drug & Cosmetic Act. However, critics continue call the biotech food "Frankenfish" and even some lawmakers have vowed to continue fighting GE salmon here in the U.S. This GE product could hit stores by 2020. (Source: Feedstuffs)*

**> U.S. and Brazil Could Begin Trade Talks:** We are getting reports that Brazilian President Bolsonaro will visit President Trump at the White House on March 19 as it looks as if the U.S. and Brazil are in preliminary discussions about potentially launching trade deal talks.

**> China Hogs hit 14-Month High:** African swine fever continues to slash output of Chinese hogs and send prices to their highest in 14 months. There doesn't look to be any end in the immediate future as the worst disease outbreak in years hit the country's vast pig herd. Generally, prices are fairly weak this time of year as demand isn't there but prices across the country surged almost 20% since early March.

**> The EPA Aims To Curb Biofuel Credit Speculation:** The EPA is looking to bar trading of U.S. biofuel credits by non-industry players in order to improve price transparency. The measures, included in a broader policy reform are intended to help U.S. oil refiners cope with the costs of complying with the U.S. RFS. For years, refiners have complained that the market for such credits is vulnerable to manipulation that has at times caused prices to surge, and compliance costs to rise with them. Under the measures, parties such as banks and financial institutions that are not part of the fuel supply chain will not be permitted to trade biofuel credits, called RINS. (Source: Reuters)

**> India Cuts GM Cotton Seed Royalty:** India has cut the royalties that local seed companies pay to German drugmaker Bayer Ag's Monsanto unit for the third time in four years. India's PM Modi has decided to reduce royalties paid to Monsanto for its GM cotton by 49% to 20 rupees for a packet of 450 grams. Before it was 39 rupees. This could prompt Monsanto and other foreign seed companies to further scale back investment in the country's sector. The Indian government also raised the prices of GM cotton seeds as well.

**> Smokers May Need to be 21 Soon:** A diverse and growing coalition is pushing Congress to raise the federal age limit for buying tobacco products from 18 to 21. It's even attracting some industry support, potentially as a way to help avoid a regulatory crackdown on e-cigarettes. I'm told seven states and nearly 450 cities have already raised their smoking age. The change is gaining more steam in Congress partly due to the rise of youth vaping and FDA Commissioner Scott Gottlieb's aggressive response to that trend. (Source: AXIOS)

**> Citigroup May Want a Part of the Cannabis Industry:** As more states legalize cannabis, more and more banks are looking for reasons to work with an industry that's projected to reach \$75 billion in the US alone by 2030. More than 430 US banks count cannabis companies as clients in one way or another, according to a December report from the Treasury Department. Another 113 credit unions work with the industry, according to the report. From what I understand, executives at Citigroup are having meetings to consider the option.

**> NFL Trades of Note:** Jacksonville just slapped a band-aid on their quarterback problem by signing former Super Bowl MVP Nick Foles to a four year, \$88 million deal. I'm told Jacksonville just decided that paying Nick Foles \$50 million guaranteed was a better option than Dwayne Haskins or Kyler Murray in the draft. Also, Detroit Lions have been busy as they recently signed DE Trey Flowers to add to the previous signings of Justin Coleman and Danny Amendola. Flowers spent the last four years of his career with the Patriots. The Kansas City Chiefs signed former Arizona Cardinals and Houston Texans safety Tyrann Mathieu to a three-year deal worth \$42 million, which breaks down to \$14 million per year. Keep in mind, that was the same amount of money the Chiefs freed up by releasing linebacker Justin Houston on Sunday. Since entering the league, Mathieu has emerged as one of the league's best safeties who can do a bit of everything. It should be interesting to see what he can do alongside Eric Berry in Kansas City this year! Landon Collins also landed a reported six-year, \$84 million deal with the Washington Redskins, including \$45 million guaranteed. This deal gives Collins the richest NFL contract ever for a safety. I suspect we start to see more action on the first day of the legal tampering period, when free agents can officially sign tomorrow (Source: ESPN)

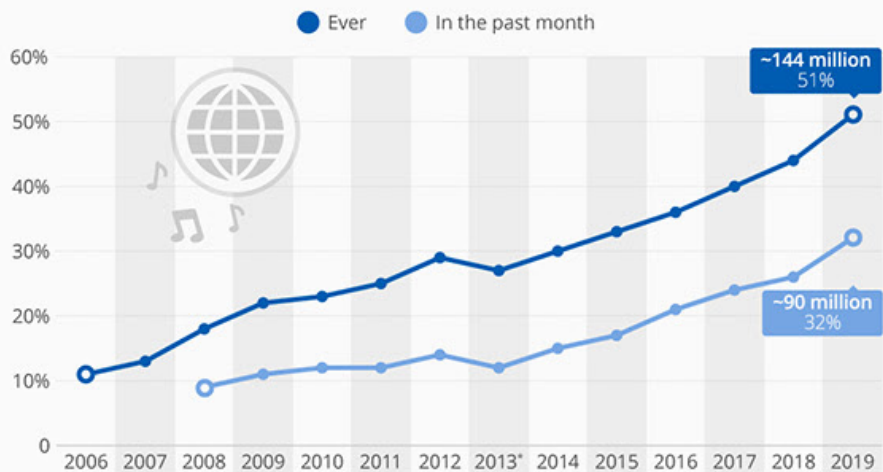
**> NVIDIA Buys Supercomputer Chipmaker Mellanox for \$6.9B:** After several days of speculation, today NVIDIA confirmed that it would acquire chipmaker Mellanox for \$6.9 billion, paying \$125 per share in cash, in an ongoing consolidation of chipmakers — and in this case those making chips for supercomputers, a crucial market segment in this age of cloud services. The deal is expected to close at the end of 2019.

**> The Rise of Podcasts:** Over the past decade, podcasts have seen a steady rise in popularity. According to Edison Research, 70% of Americans are now familiar with the term "podcasting" and more than 5 in 10 have listened to podcast themselves. Covering anything from politics and sports to pop culture and investigative journalism, both major media organizations and independent producers are embracing podcasts as a way to reach an engaged audience with long-form content. (Source: Statista, Edison Research)



## The Steady Rise of Podcasts

Percentage of Americans (12+) who have listened to a podcast in the past



CC BY ND  
@StatistaCharts

\* in 2013, the source changed the definition of what qualifies as a podcast  
Sources: Edison Research, Triton Digital

statista

## FROM THE FIELD

**Northern Minnesota** – We got bombed with another 9-12 inches of nice wet heavy snow. It's never ending around here and the piles are getting larger and larger. To make a bad situation worse we are going to get more measurable snow by Tuesday or Wednesday. I don't think this last snow even had a name but the next one they decided to name, meaning it's probably going to be more severe. We might get just above freezing to close out the month but it's going to take a bunch of days in a row to melt all the current snow away let alone what's coming next. This is the time of year when the snow gets heavy and wet. I wouldn't be surprised if a guy has to preventive plant at the pace we are currently heading. No fun anymore.

**Central Iowa** - I was traveling through Iowa over the weekend and not only was it pouring nearly continuously but the wind was blowing so hard that I had to pull my camper over and hunker down for the night. It went from rain to icing to then a little snow. By the time I go going the next day it had warmed up and there wasn't any snow on the road, but it was pretty tough driving Saturday through the state of Iowa. Those boys are in bad shape, a lot of water standing, very little field work done, and I even saw a field of soybeans that has still not been harvested.

**Central Illinois** – There is a ton of fields that haven't been touched since harvest. I think it might be a good thing because guys can still switch from corn to soybeans or vice versa. I have seen a slight uptick in the last week for NH3 prices but not much. I am still debating planting seed soybeans or trying my luck with corn. We have debated seed soybeans for years but have never pull the trigger.

## CROSSING WIRES

A place to share intelligent thoughts...

**USDA Specialty Crops Program to Host Hemp Webinar:** Title X, Sec. 10113 of the Agriculture Improvement Act of 2018 provides for the regulation of domestic hemp production, and will outline provisions for USDA to approve plans submitted by U.S. States, territories and Indian tribes for the commercial production of hemp. It would also establish a program for States or Tribal governments that do not have a USDA approved plan. Keep in mind, implementation of this provision requires AMS to undertake rulemaking and prior to drafting a proposed rule, AMS would like to solicit stakeholder input on the design and functions of a USDA hemp production program. In addition to

this listening session, the regulatory process will allow for multiple opportunities for interested parties to comment. This could be a great opportunity for those seeking more information on the processes involved to learn more. I'm told the webinar can only host up to 1,000 people at any one time so get registered now if interested. You can register [HERE](#) for the event which takes place on March 13, from 12:00pm to 3:00pm.

**Professional eSports isn't Looking Back:** Earlier this week at the Barclays Center, 74 men and 1 woman got the chance to live out a dream — they became professional competitive gamers. The esports athletes were officially drafted for the second season of Take-Two's NBA 2K League, the gaming giant's esports league featuring their flagship NBA 2K sports video game franchise. Take-Two Interactive CEO Strauss Zelnick emphasized the excitement surrounding the league's second season, highlighting the popularity and rising importance of the esports industry as a whole. From what I understand, in only its second year, the industry is expected to generate over a billion dollars in revenue for the first time. Keep in mind that over 250 million people worldwide consume esports as a form of entertainment, with about half of them, regularly watching the competition. Read more [HERE](#) about the competitive landscape of esports and who the biggest players are.

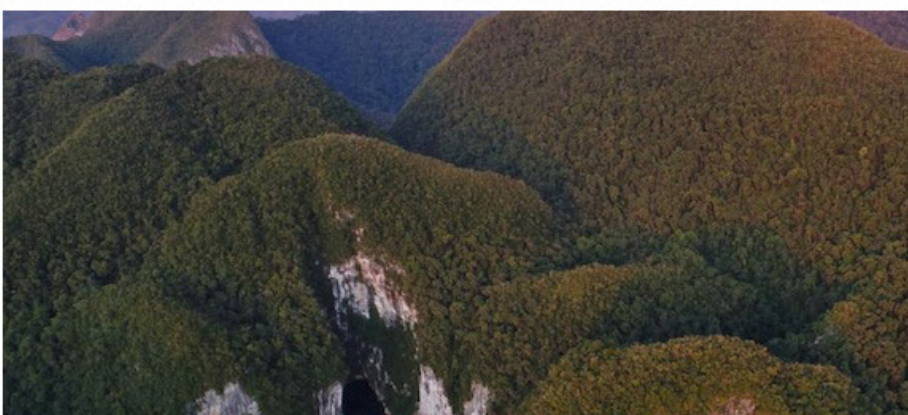
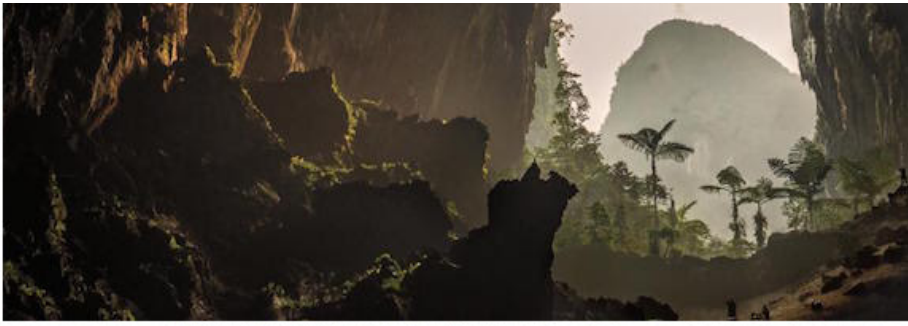
**Data Helps 'Built for Zero' to Begin Ending Local Veteran Homelessness:** In late February, the city of Abilene, Texas, made an announcement: It had ended local veteran homelessness. It was the first community in the state and the ninth in the country to reach that goal, as part of a national program called Built for Zero. Now, through the same program, Abilene is working to end chronic homelessness. While homelessness might often be seen as an intractable problem because of its complexity—or one that costs more to solve than communities can afford—the program is proving that is not the case. One key to the process is data, and a visual dashboard that lets agencies track people experiencing homelessness in real time. In Abilene, with a population a little more than 120,000, for example, the city located every homeless veteran, gathered information about each individual situation, and stored this information in a "by-name list" that was continually updated. Read more [HERE](#) on how Built for Zero is changing lives.

**Understanding Why We 'Move the Goalposts' When Making Judgements?** Why do many problems in life seem to stubbornly stick around, no matter how hard people work to fix them? It turns out that a quirk in the way human brains process information means that when something becomes rare, we sometimes see it in more places than ever. Think of a "neighborhood watch" made up of volunteers who call the police when they see anything suspicious. Imagine a new volunteer who joins the watch to help lower crime in the area. When they first start volunteering, they raise the alarm when they see signs of serious crimes, like assault or burglary. Let's assume these efforts help and, over time, assaults and burglaries become rarer in the neighborhood. What would the volunteer do next? One possibility is that they would relax and stop calling the police. After all, the serious crimes they used to worry about are a thing of the past. But you may share the intuition my research group had – that many volunteers in this situation wouldn't relax just because crime went down. Instead, they'd start calling things "suspicious" that they would never have cared about back when crime was high, like jaywalking or loitering at night. Learn more [HERE](#) on how and why we move the goalposts in our judgements.

**Explorers Search for New Discoveries Deep Within the Earth:** Last April, two slim British cavers named Frank and Cookie lowered themselves into a slick, humid pit deep below Borneo's rainforest. Climbing down past an ancient heap of bird guano and pushing through a gallery of gleaming pillars the color of old bone, the pair were hoping to make history as they crawled into Cave of the Winds, deep inside a cave system known as Clearwater, where they would search for a passage to Racer Cave, part of the Racer-Easter system. Already they knew Clearwater stretched for 140 miles and that some of the caverns were lined with turbulent rivers, while the Racer-Easter system contained chambers so enormous that a jetliner could fit easily within its walls with plenty of room to spare. In other words, the limestone underlying this region, beneath Malaysia's Gunung Mulu National Park, is riddled with some of the biggest holes, widest tunnels, and most mind-blowing voids anywhere on Earth. If you are the kind of explorer who enjoys crawling down into wet, hot darkness in order to find more wet, hot darkness, Borneo is a dreamland, a Disneyland, and a Neverland, all in one. Read more [HERE](#) on what spelunkers have discovered in one of nature's most spectacular spots.









### **Space Station Helping Farmers Manage Water Usage**

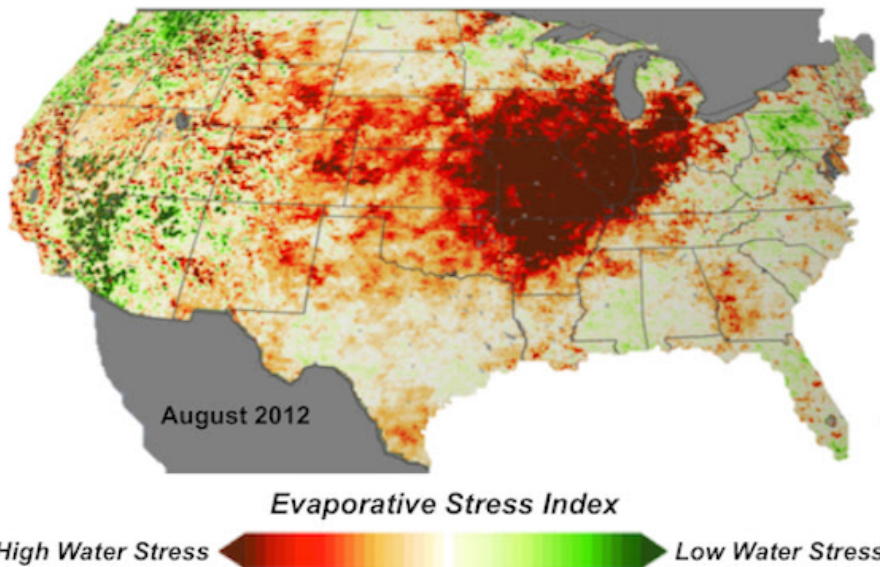
Managing water use on your farm now has a little help from outer space. ECOSTRESS, is a new instrument attached to the International Space Station with a mission to gather data on how plants use water across the world. International collaboration prepared the ECOsystem Spaceborne Thermal Radiometer Experiment on Space Station (ECOSTRESS) for use last June when a Canadian robotic arm took the unit off its cargo spacecraft and passed it to the Japanese robotic arm for installation on the space station. Now scientists at NASA's Jet Propulsion Laboratory have a tool to gather critical data and answer three key questions: how do plants respond to drought, what's happening with plants' water use over the course of a day, and can vulnerability to drought be reduced through more monitoring? Taking surface temperature measurements at multiple times a day, the researchers can begin to determine how plants are functioning with various levels of water available. Keep in mind, when plants have enough water, they open pores in their leaves (stomata) to take up carbon dioxide for photosynthesis, but at the same time they begin losing water in the process. However, a water-stressed plant, even before a full drought, will protectively close the stomata to conserve water, seeking to cool itself off. Basically, researchers are using the temperature data to determine evapotranspiration rates, meaning how much water is evaporating from not only the plants but earth as well. And this is the critical information farmers can use to determine how much to water the crops. Interestingly, I'm told that data produced will also show how much energy is being used by the plants, allowing conclusions to be drawn as to which ones are being more efficient with their water. I suspect this could bring variable rate watering into play at some point down the road, but for now ECOSTRESS will focus on "seeing" any changes in temperature compared with previous measurements of the same area. It's worth mentioning that ECOSTRESS can detect the distribution and pattern variations of surface heat over areas the size of a football field and data from any surface temperature measurements will be useful in detecting other heat-related phenomena, such as heat waves, volcanoes and fires. Check out more details on the projects and applications for ECOSTRESS [HERE](#). (Source: eurekaalert, [ecostress.jpl.nasa](http://ecostress.jpl.nasa))



**NASA** STUDIES  
HOW MUCH THE PLANTS SWEAT.  
FROM SPACE!

**ECOSTRESS MISSION**

*Water Stress Threatens Ecosystems Productivity*



**Ferrari's Newest Supercar**











Ferrari just revealed their newest supercar called the "Ferrari F8 Tributo," which is the most powerful V8 production car in Ferrari's history. Ferrari said in a statement, "The F8 Tributo is essentially a bridge to a new design language that will continue to emphasize Ferrari's key characteristics of high performance and extreme aerodynamic efficiency." The F8 Tributo will still have a V8, but it's been tuned to put out about 710 horsepower and 568 pound-feet of torque, which is +50 hp more than the 488 GTB and about the same as the limited-edition 488 Pista. According to the automaker, the F8 will reach 62 miles per hour in just 2.9 seconds and can reach a top speed of 211 mph. The car also features improved aerodynamics that steals a few ideas from Ferrari's racing

program, which includes a so-called S-Duct that channels air from the grille over the hood to improve downforce by 15%. Ferrari says that all the new bodywork put into the F8 contributes to a +10% improvement in aerodynamic efficiency. There's also a new steering wheel, which has a smaller diameter, but it retains Ferrari staples like the "manettino" mode switch that allows for the quick adjustments of the electronics governing suspension settings, traction control, electronic differential, and change speed of electronic gearbox. The car is also equipped with a system called the Ferrari Dynamic Enhancer that uses the brakes to help the car do a controlled drift at the limits of its handling, emulating the abilities of the most highly-skilled drivers. Ferrari didn't detail pricing, but if I had to guess, buyers will have to spend a fair bit more than \$250,000 to take home the F8. Ferrari is also planning to launch four more vehicles this year and is coming off record sales from last year. Ferrari is also fully committed to building an electric supercar, that probably debuts in 2023. For full disclosure, I am an owner of Ferrari stock (RACE).





## Ferrari TOP 10 Markets Total Sales Share 2012

1. USA		25%
2. Germany		11%
3. UK		9,2%
4. China		8,2%
5. Japan		7,1%
6. Switzerland		4,9%
7. France		4,0%
8. Italy		3,4%
9. Canada		2,7%
10. Hong Kong		2,5%

**TOTAL TOP 10 77,0%**



Scottsdale Ferrari won  
“Top Service Dealer” in the world  
at this year’s annual Ferrari Dealer  
meeting in Florence, Italy.



AUTHORIZED FERRARI DEALER  
**Scottsdale**

### Great Story... Daisy, Girl Scouts and Cookies!

It was on this day back in 1912 that a lady named Juliette "Daisy" Gordon founded the "Girl Scouts". Daisy was born and raised in Savannah, Georgia. All historical reports say that Daisy was a sensitive, curious, and adventurous girl known for her sense of humor, compassion, and concern for others. She was interested in athletics, the arts, animals, and nature—all attributes that would one day become extremely important in launching her new venture. As a child and young adult, she experienced several ear injuries resulting in almost total hearing loss that affected her for the remainder of her life. After college, she was traveling in Europe and meet a young man named William Low. The couple were married in 1886 and Daisy moved to England to be with her new husband. In 1912, Daisy met Robert Baden-Powell, the founder of England's Boy Scouts, he inspired her to organize her own troops of girls and take time to work with



and develop relationships with the young ladies. Daisy was an ardent believer in the potential of all girls and the importance of fostering their individual growth, character, and self-sufficiency. Daisy formed two groups in London and one in Scotland. She knew she was onto something great and flew back to the U.S. to establish the first troop of U.S. Girl Scouts in Savannah, Georgia in 1912. From that first gathering of a small troop of 18 culturally and ethnically diverse girls, Juliette broke the conventions of the time—reaching across class, cultural, and ethnic boundaries to ensure all girls, including those with so-called disabilities, had a place to grow and develop their leadership skills. Using her innate talent for fundraising and public relations, the organization quickly stated to grow. Combined with her vast network of friends and supporters, she led Girl Scouts with passion and determination—ensuring it was, and always would be, an experience that was “girl led.” At the time of Daisy's death in 1927, there were more than +165,000 Girls Scouts in the United States. Today there are over +10 million Girl Scouts worldwide. Daisy is often credited with being one of the first to establish and nurture a global girls movement that has helped to change the world. The picture below is of the first group of Girl Scouts formed in 1913. In case you are wondering, the famous “Girl Scout Cookies” began in 1917 when the Mistletoe Troop in Muskogee, Oklahoma, baked cookies in kitchens and ovens at troop members homes, then sold them in its high school cafeteria as a way to help finance troop activities. In 1922, Florence Neil, a local director in Chicago, Illinois, took the idea a bit further. Miss Neil provided a cookie recipe that had been passed around and given to the council's current Girl Scout members. She estimated the approximate cost of ingredients for six- to seven-dozen cookies to be 26 to 36 cents. The cookies, she suggested, could then be sold by troops for 25 or 30 cents per dozen. Throughout that decade, Girl Scouts in different parts of the country continued to bake their own simple sugar cookies with their mothers and with help from the community. These cookies were packaged in wax paper bags, sealed with a sticker, and sold door to door for 25 to 35 cents per dozen. It was in 1933, that a Girl Scout troop from greater Philadelphia took cookie sales to the next level, becoming the first council to sell commercially baked cookies. The price was just 23 cents per box of 44 cookies, or six boxes for \$1.24! Enthusiasm for Girl Scout Cookies spread nationwide. By 1937, more than 125 Girl Scout councils reported holding cookie sales. After World War II, cookie sales increased, and by 1948, a total of 29 bakers were licensed to bake Girl Scout Cookies. In 1951, Girl Scout Cookies came in three varieties: Sandwich, Shortbread, and Chocolate Mints (now known as Thin Mints). With the advent of the suburbs, girls at tables in shopping malls began selling Girl Scout Cookies. During the 1960s, when Baby Boomers expanded Girl Scout membership, cookie sales increased significantly. Revenue from the sales of Girl Scout cookies has been around \$700 million since 1999. For each box sold, 75% of the money goes to the local council, while about 25% goes to pay the bakeries. Elizabeth Brinton, also known as the “Cookie Queen”, sold a record 18,000 boxes of cookies in a single sales season, and more than 100,000 boxes in her time as a girl scout. She is known for selling cookies to president Ronald Reagan. Her record held for more than twenty-nine years, until Katie Francis, at 12 years old, sold 18,107 boxes in 2014. Then in 2017, Charlotte McCourt, a girl scout from New Jersey, sold over 25,000 boxes of cookies, and holds the current record. The Girls Scout Cookie Program is the largest girl-run and girl-led financial literacy program in the world, and the largest annual fundraiser in the world dedicated to girls. I should note, the girls actually get to decide how to spend a portion of the money they make, as 10 to 15 percent of net revenue from cookie sales goes toward local community projects or is donated to worthy causes decided by each troop. It's amazing when you sit back and think about the impact one woman was able to make by establishing and forming the Girl Scouts of America.









WE BELIEVE IN  
THE POWER OF

G.I.R.L.



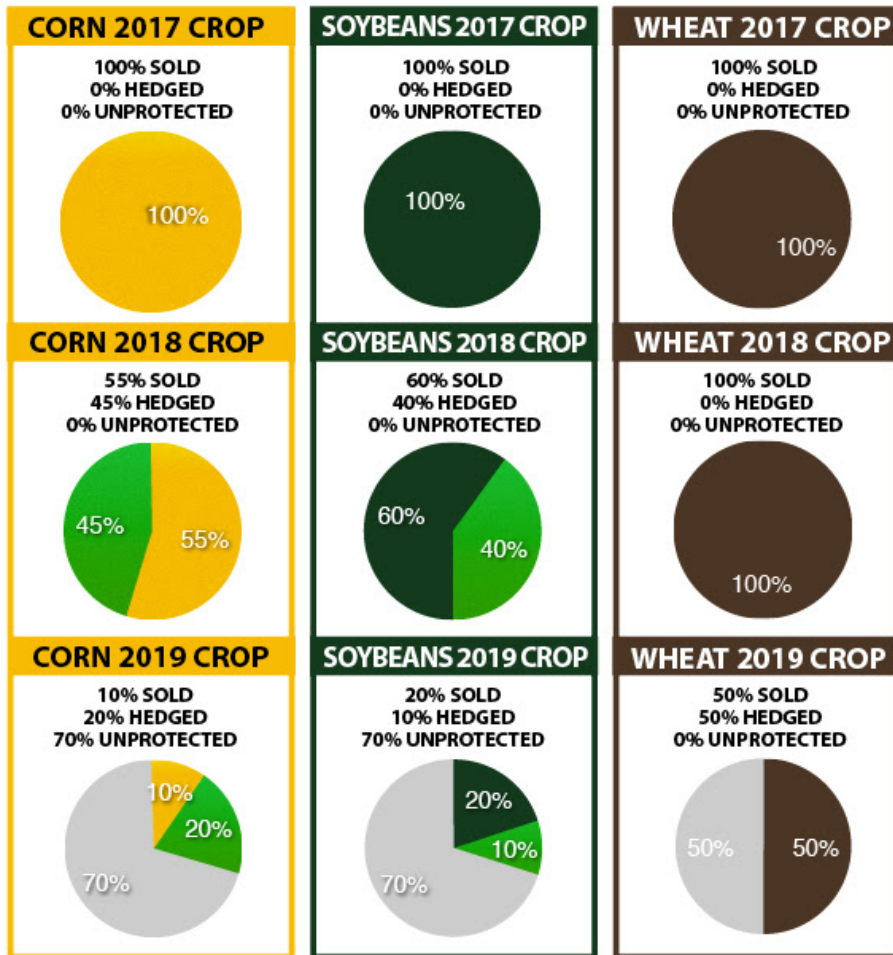
go-getter • innovator • risk-taker • leader

**ANSWER to riddle:** The heart.

## CASH SALES & HEDGING TOTALS

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





© FARM DIRECTION 2011

[About Us](#) | [Testimonials](#) | [Subscribe](#) | [Contact Us](#) | [Disclaimer](#) | [Update Profile](#)

This email was sent by: **Farm Direction**  
1020 Pennsylvania Ave Kansas City, MO, 64105, US