

GOOD MORNING: 04/22/19 Farm Direction - Van Trump Report

1 message

The Van Trump Report <reply@vantrumpreport-email.com>

Mon, Apr 22, 2019 at 7:33 AM

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"We don't stop playing because we grow old; we grow old because we stop playing." -
George Bernard Shaw

MONDAY, APRIL 22, 2019
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Morning Summary: Stocks are slightly lower this morning, but traders are coming back from the extended Easter break with the S&P 500 up +24% since Christmas Eve. The traditional economic calendar is light this week, but there will be a massive wave of U.S. Q1 corporate earnings released, including big names like: Amazon, Boeing, Coke, Exxon, Facebook, Microsoft, Proctor & Gamble, Starbucks, Tesla, Twitter and Verizon to name a few. It still feels like the current stock market rally is under appreciated, with huge amounts of redemptions having been reported in equity fund flows. In other words, the "pain trade" could still bring a greater push to the upside. There's just a lot of money not in the stock market. Many traders, investors, and portfolio managers are caught overweight fixed income assets and have or are missing the aggressive rebound higher. "Fear Of Missing Out" could eventually weigh heavily enough on human psychology, ultimately bringing more money out of fixed income and off the sideline back into the stock market. The flow-of-money is something we continue to closely monitor. A specific area of interest, is the recent fallout and headwinds hitting the healthcare stocks, especially as Democratic candidate Bernie Sanders climbs higher in the polls. The concern right now is Bernie Sanders and his "Medicare for all" plan appear to be growing in popularity. Sanders is the front-runner among the Democratic presidential candidates that have officially announced. Political insiders saying that Sanders has actually moved the entire political conversation into territory that is uncomfortable and worrisome for traditional healthcare companies. Keep in mind, when Sanders introduced a new version of his "Medicare for All" legislation in the Senate just a couple of weeks back, it was co-sponsored by four Senate Democrats who are also running for president: Kirstin Gillibrand of New York, Cory Booker of New Jersey, Elizabeth Warren of Massachusetts and Kamala Harris of California. In other words, a Democratic presidential victory in 2020 could dramatically reshape healthcare. An elementary definition of "Medicare for all" is essentially universal health insurance under a single government-run, taxpayer-financed plan. A plan that would dramatically alter and limit the role of traditional healthcare companies. While very few who read this report want to take another step towards socialism, most everyone agrees healthcare needs a massive overhaul. How that all shakes out seems to be a major wild-card. Even-though many healthcare stocks appear dramatically undervalued, I remain hesitant in being a large buyer. Remember, the last time the healthcare sector dramatically trailed the technology sector was back in the late 90's when investors massively inflated the tech bubble. I included below the most recent presidential betting odds that were posted at [Odds Shark](#). If you are not a gambler, the odds +130 listed by President Trump, simply means you have to bet \$100 to win \$130. The odds +600 on Bernie Sanders means you have to bet \$100 to win \$600. The odds of +10,000 on former Starbucks, CEO, Howard Schultz means you can bet \$100 and win \$10,000 if he wins the presidency. Bottom-line, at this stage of the game, President Trump still remains the heavy favorite in the betting world.


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Van Trump Report

Today in History
1886, Seduction - Ohio passes a statute

ODDS TO WIN THE 2020 UNITED STATES PRESIDENTIAL ELECTION

| Name | Odds |
|--------------------|--------|
| Donald Trump | +130 |
| Bernie Sanders | +600 |
| Beto O'Rourke | +800 |
| Kamala Harris | +900 |
| Joe Biden | +1000 |
| Pete Buttigieg | +1000 |
| Andrew Yang | +2000 |
| Elizabeth Warren | +5000 |
| Amy Klobuchar | +5000 |
| Cory Booker | +5000 |
| Mike Pence | +6600 |
| Kirsten Gillibrand | +6600 |
| Nikki Haley | +6600 |
| Tulsi Gabbard | +10000 |
| John Hickenlooper | +10000 |
| John Kasich | +10000 |
| Julian Castro | +10000 |
| Howard Schultz | +10000 |
| Andrew Cuomo | +10000 |
| Gavin Newsom | +10000 |

➤ Odds as of April 12 at [BetOnline](#)

Crude Oil Pushing to Fresh Highs: *Oil prices continue to rally higher as rumors circulate that Washington is about to announce all imports of Iranian oil must end or be subject to sanctions. Remember, Iran's biggest oil customers are China and India. It will be interesting to see how the two nations respond in an already tight global oil market. Keep in mind, oil prices are already up more than +30% year to date. We also need to keep our eye on continuing complications in both Venezuela and Libya. Many traders are still seeing more nearby risk to the upside rather than the downside. Pay close attention!*

Big Week for Earnings, Why It's Important: *Investors are eager to see this weeks huge wave of U.S. corporate earnings. It will be extremely important in determining longer-term direction of the market. In fact, there are more than 150 S&P 500 companies scheduled to report Q1 earnings this week, include many of the most heavily followed and traded names in the market. I included below a simple cheatsheet listing a few of the biggest names reporting this week. Keep an eye on your portfolio, there could be some interesting swings in valuations!*



that makes seduction unlawful. Covering all men over the age of 18 who worked as teachers or instructors of women, this law even prohibited men from having consensual relations with women (of any age) whom they were instructing. The penalty for disobeying this law ranged from two to 10 years in prison. Ohio's seduction law was not the first of its kind. A Virginia law made it illegal for a man to have an "illicit connexion (sic) with any unmarried female of previous chaste character" if the man did so by promising to marry the girl. An 1848 New York law made it illegal to "under promise of marriage seduce any unmarried female of previous chaste character." Georgia's version of the seduction statute made it unlawful for men to "seduce a virtuous unmarried female and induce her to yield to his lustful embraces, and allow him to have carnal knowledge of her." These laws were only sporadically enforced, but a few men were actually prosecuted and convicted. In Michigan, a man was convicted of three counts of seduction, but the appeals court did everything in its power to overturn the decision. It threw out two charges because the defense reasoned that the woman was no longer virtuous after the couple's first encounter. The other charge was overturned after the defense claimed that the woman's testimony—that they had had sex in a buggy—was medically impossible. On some occasions, women used these laws in order to coerce men into marriage. A New York man in the middle of an 1867 trial that was headed toward conviction proposed to the alleged victim. The local minister was summoned, and the trial instantly became a marriage ceremony.



1889, Land Rush - At precisely high noon, thousands of would-be settlers make a mad dash into the newly opened Oklahoma Territory to claim cheap land. The nearly two million acres of land opened up to white settlement was located in Indian Territory, a large area that once encompassed much of modern-day Oklahoma. Initially considered unsuitable for white colonization, Indian Territory was thought to be an ideal place to relocate Native Americans who were removed from their traditional lands to make way for white settlement. The relocations began in 1817, and by the 1880s, Indian Territory was a new home to a variety of tribes, including the Chickasaw, Choctaw, Cherokee, Creek, Cheyenne, Commanche, and Apache. By the 1890s, improved agricultural and ranching techniques led some white Americans to realize that the Indian Territory land could be valuable, and they pressured the U.S. government to allow white settlement in the region. In 1889, President Benjamin Harrison agreed, making the first of a long series of authorizations that eventually removed most of Indian Territory from Indian control. On March 3, 1889, Harrison announced the government would open

Anticipated Earnings Releases

April 22nd- April 26th



| Monday | Tuesday | Wednesday | Thursday | Friday |
|-----------------------|-----------|------------------------|------------------|-------------------|
| Whirlpool CORPORATION | Coca-Cola | BOEING | amazon | SONY |
| people CORPORATION | Google | CHIPOTLE MEXICAN GRILL | 3M | Chevron |
| LENNOX | verizon | PayPal | COMCAST | Exxon |
| enterprise | twitter | TESLA | Ford | COLGATE-PALMOLIVE |
| Wynn RESORTS | SNAPCHAT | facebook | STARBUCKS COFFEE | ADM |

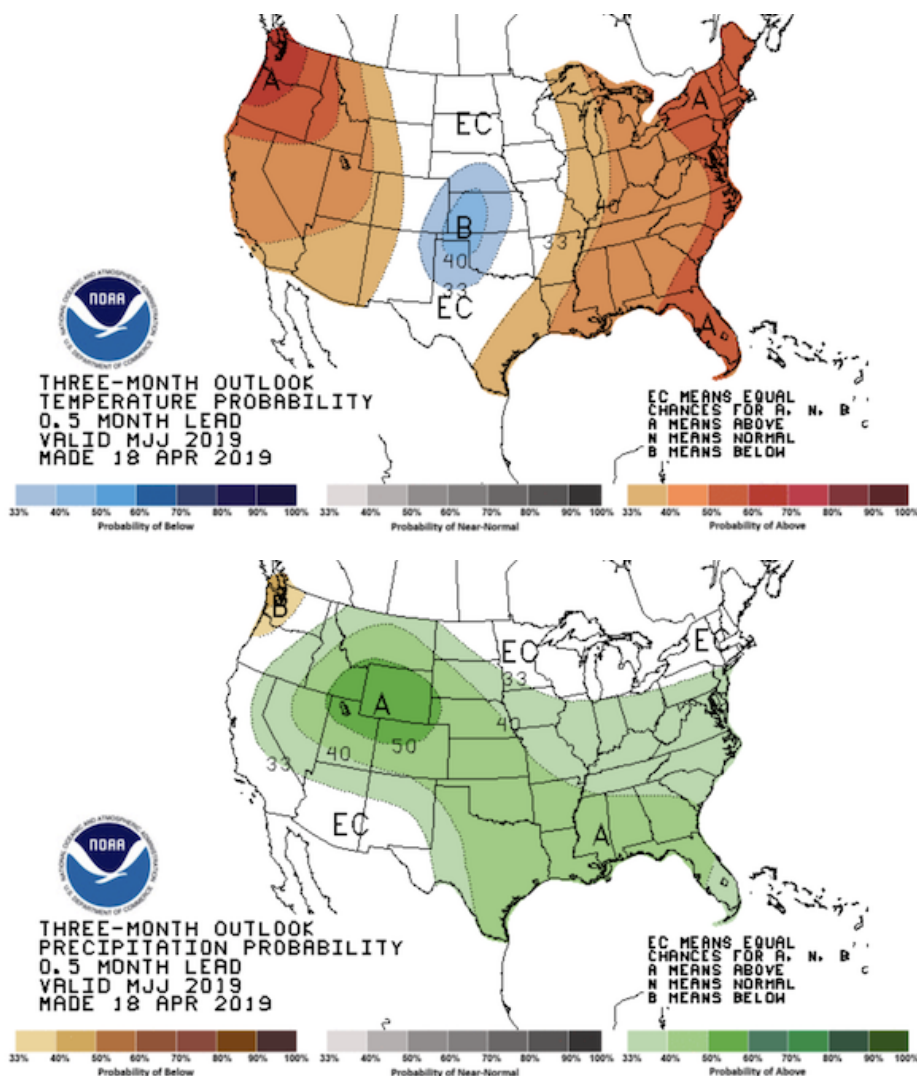
Stock Market... More Typical "Rebound" Than You Might Think: *This bit of insight is brought to you by Ben Carlson from "A Wealth of Common Sense"... Since peaking in late-September the S&P 500 ETF (SPY) now has a slightly positive total return, wiping out a nearly -20% loss. It's hard to believe how quickly sentiment in the market can go from "the world is coming to an end and a recession has already started" to "everything's fine, that was nothing to worry about." There have been three other times in recent history where the S&P 500 fell -19% and change in a relatively short period of time — 1990, 1998, and 2011. In 1990 it took 86 trading sessions to breakeven from the bottom. In 1998, it took just 35 trading days. And in 2011 it took 92 trading sessions to break into the black coming off the bottom. This time it took the S&P just shy of 80 days to breakeven from the depths of the drawdown. Keep in mind, market cycles aren't always this neat but this past six months or so are a nice microcosm of how things typically work during a downturn. Everything gets killed besides cash and bonds, no one knows when the bottom will hit, nor when the losses will be made whole, but patience is generally rewarded. Sometimes these recoveries will take much longer. Sometimes the depths of the losses will be even worse. This one was actually fairly normal.*

Extend Summer Forecast Released for May-June-July: *As you can see from the maps below, the NOAA is calling for fairly moderate temps for the midsection of the U.S. The heat seems to become greater than normal as you move towards either coast. Projected rainfall totals look to be at or above average for most of the major crop production areas. In weather forecasting and historical records, summer encompasses June through August. El Nino summers suggest cooler risks across the northern/central Plains with warmth favored across the Pacific Northwest. In the northern Plains and upper Midwest, soil moisture is much above average, and that can have a cooling effect on temperatures near the Earth's surface. Keep in mind this outlook is an overall trend over for a three-month period. An individual cold front or an upper ridge of high pressure can lead to a period of colder or warmer weather, respectively, that bucks the overall three-month trend.*

the 1.9 million-acre tract of Indian Territory for settlement precisely at noon on April 22. Anyone could join the race for the land, but no one was supposed to jump the gun. With only seven weeks to prepare, land-hungry Americans quickly began to gather around the borders of the irregular rectangle of territory. Referred to as "Boomers," by the appointed day more than 50,000 hopefuls were living in tent cities on all four sides of the territory. At 11:50 a.m. on April 22, soldiers from Fort Reno called for everyone to form a line. When the hands of the clock reached noon, the cannon of the fort boomed, and thousands of Boomers streamed into the territory in wagons, on horseback, and on foot. All told, from 50,000 to 60,000 settlers entered the territory that day. By nightfall, they had staked thousands of claims either on town lots or quarter section farm plots. Towns like Norman, Oklahoma City, Kingfisher, and Guthrie sprang into being almost overnight.



2004, Pat Tillman - Pat Tillman, who gave up his pro football career to enlist in the U.S. Army after the terrorist attacks of September 11, is killed by friendly fire while serving in Afghanistan. The news that Tillman, age 27, was mistakenly gunned down by his fellow Rangers, rather than enemy forces, was initially covered up by the U.S. military. Patrick Daniel Tillman was born the oldest of three brothers on November 6, 1976, in San Jose, California. He played linebacker for Arizona State University, where during his senior year he was named Pac-10 Defensive Player of the Year. In 1998, Tillman was drafted by the Arizona Cardinals. He became the team's starting safety as well as one of its most popular players. In 2000, he broke the team record for tackles with 224. In May 2002, Tillman turned down a three-year, multi-million-dollar deal with the Cardinals and instead, prompted by the events of 9/11, joined the Army along with his brother Kevin, a minor-league baseball player. The Tillman brothers were assigned to the 75th Ranger Regiment in Fort Lewis, Washington, and did tours in Iraq in 2003, followed by Afghanistan the next year. On April 22, 2004, Pat Tillman was killed by gunfire while on patrol in a rugged area of eastern Afghanistan. The Army initially maintained that Tillman and his unit were ambushed by enemy forces. Tillman was praised as a national hero, awarded the Silver Star and Purple Heart medals and posthumously promoted to corporal. Weeks later, Tillman's family learned his death had been accidental. His parents publicly criticized the Army, saying they had been intentionally deceived by military officials who wanted to use their son as a patriotic poster boy. They believed their son's death was initially covered up by military officials because it could've undermined support for the wars in Iraq and Afghanistan. A criminal investigation was eventually launched into the case and in 2007 the Army censured



retired three-star general Philip Kensinger, who was in charge of special operations at the time of Tillman's death, for lying to investigators and making other mistakes. "Memorandums of concern" were also sent to several brigadier generals and lower-ranking officers who the Army believed acted improperly in the case.

Upcoming Events

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

Wed. 05/01 - May Day/Labor Day, FOMC Meeting, Grain Crashings

Thur. 05/02 - Export Sales, Jobless Claims

Fri. 05/03 - Unemployment Numbers

Sun. 05/05 - Cinco de Mayo

Mon. 05/06 - Export Inspections, Crop Progress

Thurs. 05/09 - Export Sales, Jobless Claims

Fri. 05/10 - USDA Supply/Demand, Crop Production

Sun. 05/12 - Mother's Day

Mon. 05/13 - Export Inspections, Crop Progress

Wed. 05/15 - NOPA Crush, Retail Sales

Thur. 05/16 - Export Sales, Jobless Claims

Mon. 05/20 - Export Inspections, Crop Progress

Wed. 05/22 - Cold Storage

Thurs. 05/23 - Export Sales, Jobless Claims, New Home Sales

Fri. 05/24 - Cattle on Feed, Durable Goods

Mon. 05/27 - Memorial Day, Markets Closed

Tues. 05/28 - Export Inspections, Crop Progress

Thur. 05/30 - Jobless Claims, GDP Q1

Fri. 05/31 - Export Sales, Personal Income

Kevin's Song of the Week

FARM TANK

Tweets of the Day



41% of US #teens named #Nike as their favorite shoe brand via @PiperJaffrayCo

statista.com/chart/17692/te...

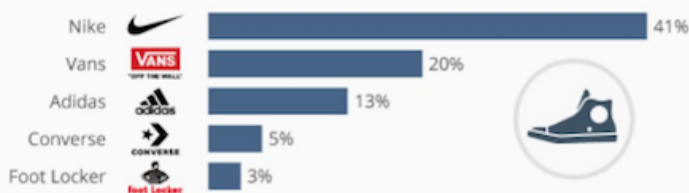
Nike Remains a Firm Favorite of American Teens

% of U.S. teens naming the following as their favorite apparel/footwear brands in 2019*

Clothing



Footwear



* based on a survey of 8,000 teens with an average age of 16.3 years surveyed across 47 U.S. states in the spring of 2019
@StatistaCharts Source: Piper Jaffray

statista



Steve Burns
@SJosephBurns

I always say that you could publish trading rules in the newspaper and no one would follow them. The key is consistency and discipline. Almost anybody can make up a list of rules that are 80 percent as good as what we taught people. What they couldn't do is give them the confidence to stick to those rules even when things are going bad.

Richard Dennis

WHAT I'M LISTENING TO:



"God's Country"
Blake Shelton

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

"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



Terry Follis
@tfollis97

Following

@farmers_edge #plant19 Getting some field ready checks done today. This is one of my favourite matching outfits of 2019.

@MarkSim37888793 I #canplugged it but can i drive it?



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



Scott Sloan
@ScottSloan6164

Following

Triple LSW1250/35R46 @GoodyearFarm
#LSWtires What @scottschutz16 !?!
#justkidding #gobigorgohome



Farm Direction
RECIPES

★ **FAMILY** ★
FAVORITES
-SENT IN BY OUR READERS-



Leftover Ham and Bean Soup

CLICK TO SEE RECIPE



Alfa Farmers

@AlfaFarmers

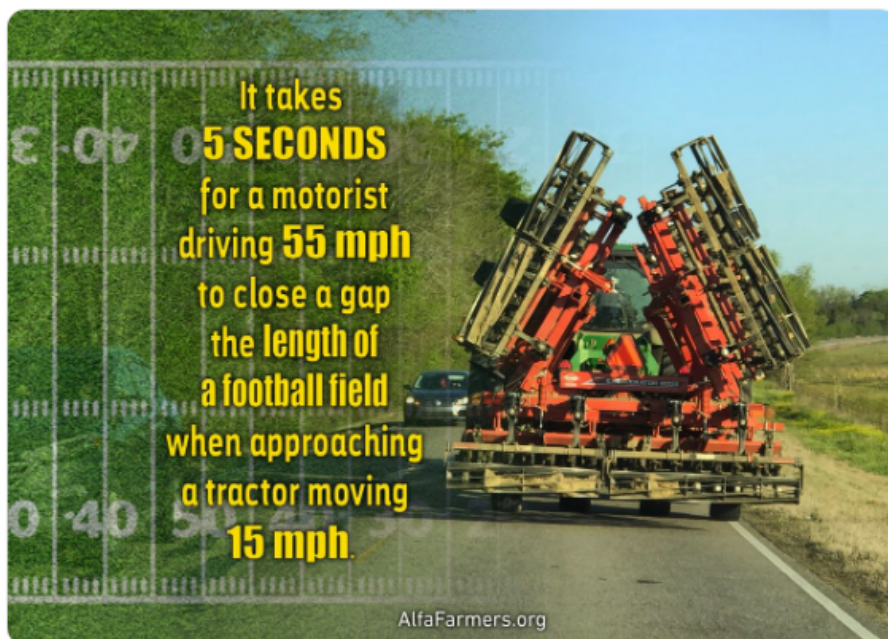
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It's time for [#plant19](#) — which means drivers are sharing the road with more farm machinery.

For everyone's safety: Be alert, slow down and be patient when you see tractors on the roadways.

Click here to learn more: ow.ly/IE6K50p6W3r





Vala Afshar ✓

@ValaAfshar

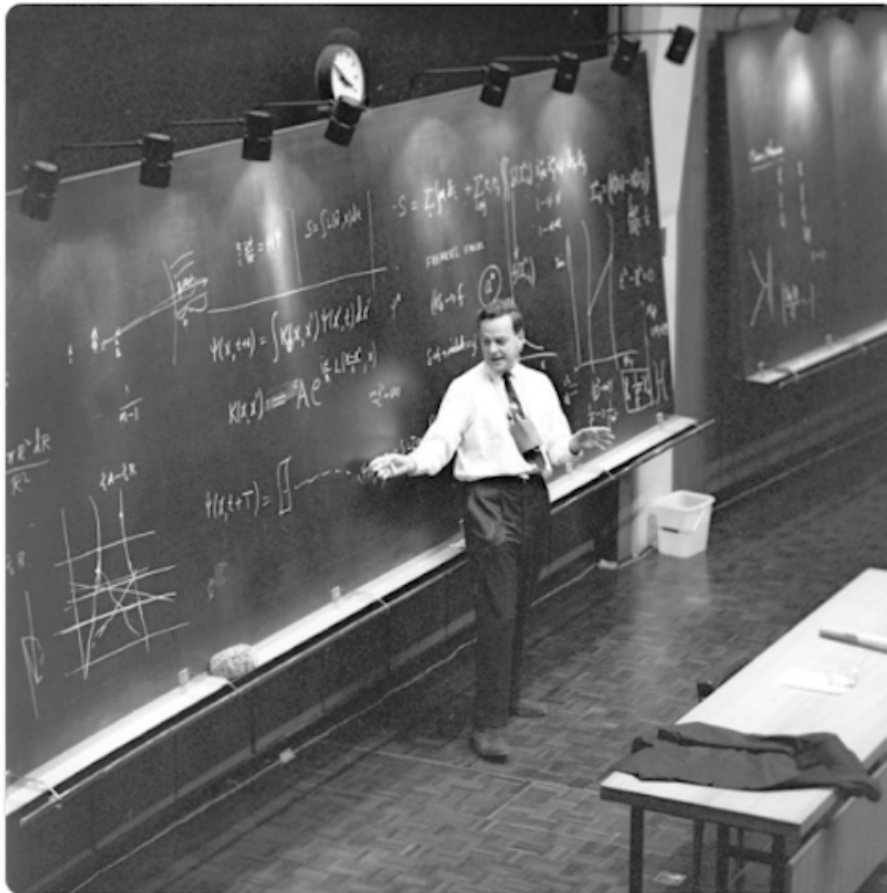
Following



We must be careful not to believe things simply because we want them to be true.

No one can fool you as easily as you can fool yourself.

—Professor Richard Feynman





Donna Joy Usher

@DJTheCoach

Following



Believe In Yourself. #Inspire #Motivate
#YouCanDoIt #DareToDream #Belief
#NeverGiveUp #OneLife



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.

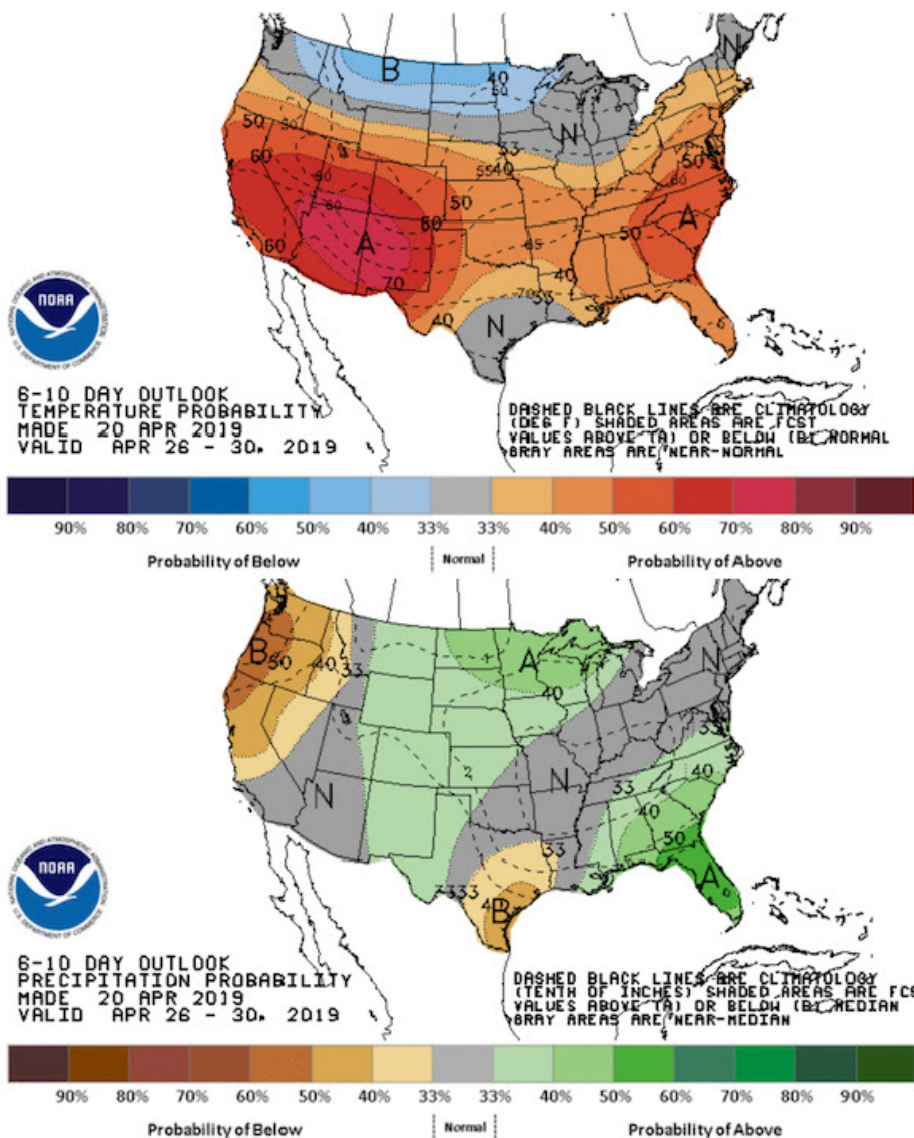
TODAY'S RIDDLE:

What is something that you always have but always leave behind?

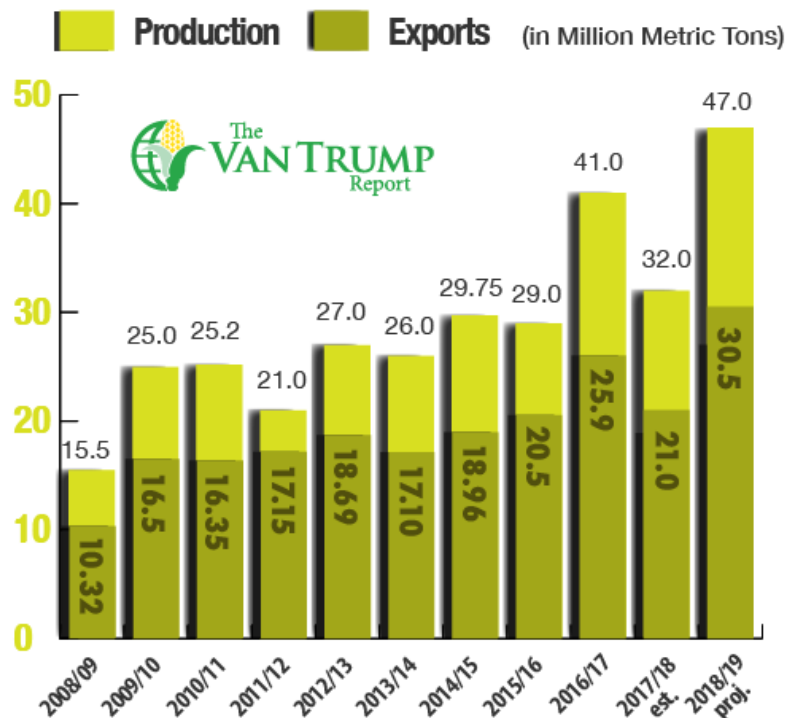
Corn bulls continue to struggle as funds hold near record short-portion. The JUL19 contract is down over -13% in the past 52-weeks, down -6% year-to-date, and down just over -3.5% in the past month. The new-crop DEC19 prices are down about -6% in

the past 52-weeks and down close to -3% year-to-date. In other words, not as much depreciation in new-crop prices as old-crop prices. The only bright spot for producers is the fact "cash basis" in old-crop has improved as of late in several areas of the country. Unfortunately, flat-price deterioration means no real bottom-line gains. Producers with old-crop bushels need to take a close look at basis in your particular area. If it has strengthened, especially around ethanol plants, it might be worth taking advantage. I'm just worried that once planting gets behind us, producers are going to start moving more old-crop bushels, which could ultimately put pressure on the basis. Fundamentally, there's not a lot of fresh or new in the headlines. Bears continue to talk about weaker demand growth. There's still talk circulating that the USDA will need to further trim their feed and residual estimate. Exports will continue to be challenged as production estimates in South American creep higher. Keep in mind, SAM corn delivered into Asia is currently about -25 cents to -75 cents cheaper than U.S. exported corn. Meaning, even-though bulls can argue we are on pace to meet the current USDA export estimate, there's a chance the strong global market competition could create more challenges ahead, especially if the U.S. dollar continues to appreciate against currencies in Argentina, Brazil, Ukraine, etc.. I could go on and on about why the market is under pressure and the funds are aggressively short. I also understand we could continue to grind lower, especially if we get more cooperative weather here in the U.S. and no major buying from the Chinese. But as a spec and a producer, I'm hesitant to sell down at these levels, believing there's ultimately more upside potential than downside risk. Obviously, weather and Washington remain the two biggest wild-cards. If U.S. trade negotiators can get China to agree to buying larger doses of U.S. corn, ethanol, ddgs, sorghum, etc., then we've got a dramatic shift in the overall landscape and a whole new ballgame! I've included below the most recent 6-10 day forecast. I'm staying patient as a producer, while looking to take very small bites on the breaks as a longer-term speculative bull. End-users should be looking to be more aggressive buyers on the breaks.

6-10 Day Forecast



Argentina Corn Production & Exports

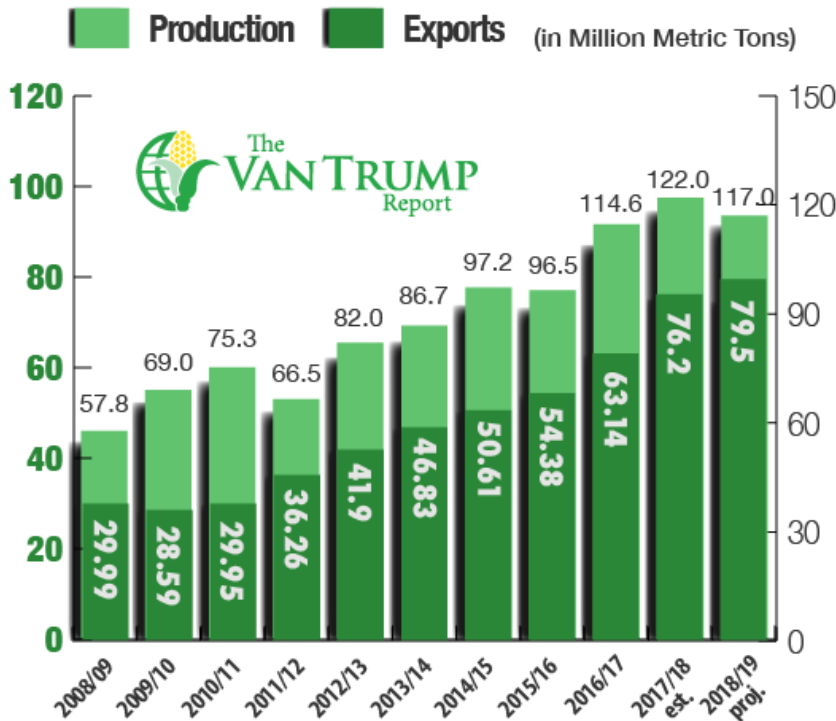


Source: USDA, NASS

Soybean prices have been under pressure as of late, but as a whole seem comfortable oscillating in a range between \$9.00 and \$9.60 for new-crop (NOV19). Overall NOV19 soybean prices are down just over -2% year-to-date and about -9% in the past 52-weeks. Old-crop JUL19 prices have faced a bit more pressure and are down about -14% in the past 52-weeks. The negative headwinds are fairly obvious, no official trade resolution with the worlds #1 buyer of soybeans, and good production being harvested in South America. There's also the fears and uncertainty surrounding "African Swine Fever" and particularly what it means moving forward? Most inside the trade believe China has lost somewhere between -150 and -200 million pigs. For reference, most sources have estimated the global hog herd the past several years at between 750 and 800 million, so the Chinese loss is significant. For many years, China has made up over +50% of the global total. The entire European Union is thought to have the second largest number of pigs at around 150 million. The U.S. is thought to be the third largest hog producer at around 73 million. Brazil is a distant fourth at just under 39 million. Russia has about 22 million, Canada just over 14 million, and Mexico around 11 million. Now you can see why, in the grand scheme of thing, the loss of perhaps -200 million pigs is such a big deal! I should also note, headlines circulating this weekend, said, "African swine fever has now spread to all parts of China". The South China Morning Post reported, "The Chinese Ministry of Agriculture and Rural Affairs on Sunday said 146 pigs had died from the highly contagious virus at six farms on the southernmost province of Hainan. The first confirmed cases on the tropical island were reported on Friday, when officials said 77 pigs had died from the disease at four farms. The cases in Hainan mean the virus has spread to all 31 mainland provinces, municipalities and autonomous regions in less than nine months since it was first confirmed at a pig farm not far from China's border with Russia. At the same time, hog numbers on farms in China are falling, with an estimated -18.8% fewer pigs on farms in March from a year ago. The number of breeding sows also fell -21% from a year earlier, the largest decline in a decade. It's just tough for the Chinese producer to justify holding and or expanding his herd into the potential virus risk that could wipe out everything. Bottom-line, there's just really no way China can import enough pork to replace the loss. Obviously the nation will be increasing their demand for other protein alternatives like poultry and fish. The question many are asking, how will this disrupt, alter or shift feed demand? From my perspective, it's mostly all just talk and theory right now. It's going to take some time to sort through the fallout and actually see how things play out. Bulls are worried the "uncertainty" about meal demand could work to keep a lid on most nearby rallies. This is something I will continue to monitor closely. As both a producer and a spec, I believe there could be a dramatic swing both higher and lower nearby. I know that sounds ridiculous, but I could argue a knee-jerk to the upside on a trade deal being announced with the Chinese, and at the same time another aggressive wave of sell pressure on thoughts off African Swine Fever spreading and increased acres and improved weather here in the U.S. As a producer, I'm wanting to reduce a bit more

longer-term risk on a nearby rally. As a spec, I'm on the sideline, wanting to be a longer-term bull on a deeper break in price. If I'm a short-term player, I would continue to stick with my bearish positions.

Brazil Soybean Production & Exports



Source: USDA, NASS

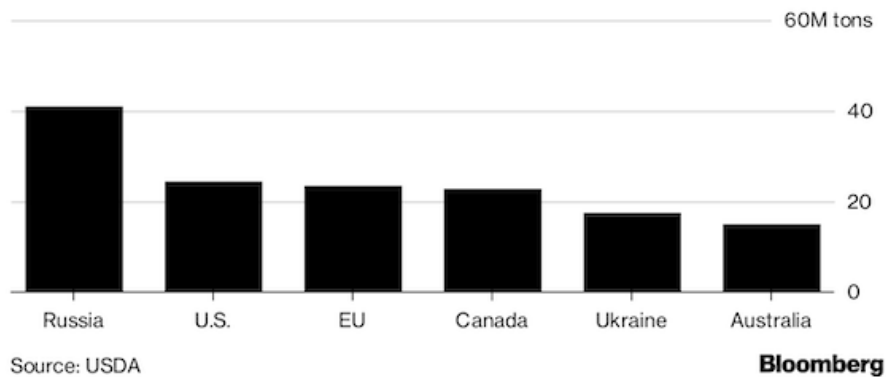
Wheat bears appear to remain in control, prices on the board remain near contract lows. SRW prices are down roughly -20% in the past 52-weeks. HRW prices are down over -25% in the past 52-weeks. Spring wheat prices are down roughly -18% in the past 52-weeks. The story is mostly the same, bigger wheat crop estimates coming from low-cost producers in Russia and the European Union, along with continued weak demand for U.S. supply. The HRW wheat basis, especially out west, has started to dramatically deteriorate. I'm hearing that more commercials are needing to kick old crop wheat supplies and feel they need to get more aggressive in their selling efforts. In other words, they weaken the basis because they do not want or need any additional wheat in storage. If producers are going to force the commercials to be buyers, they are only going to be interested at deep deep discounts. Hence the collapsing basis bids. As a producer, this does not look like the time to be selling old-crop cash bushels. The commercials are trying to blow out inventory and at the same time there's no major push in demand. As a spec, we have to respect the downward trend and pressure that could continue to be applied to the market. I want to be a more aggressive longer-term bull, but currently see no compelling reason or catalyst that makes me want to hurry. It's worth noting, comedian Volodymyr Zelensky swept to victory in Ukraine's presidential election Sunday. Zelensky, a 41-year-old TV star with no political track record, won a whopping 73% of the vote, ousting former President Petro Poroshenko.

Keeping an Eye On Ukraine-Russian Relations: Comedian Volodymyr Zelensky swept to victory in Ukraine's presidential election Sunday. Zelensky, a 41-year-old TV star with no political track record, won a whopping 73% of the vote, ousting former President Petro Poroshenko. Political insiders say Zelensky's anti-establishment and reformist message captured the support of a wide cross-section of the country. Zelensky's apparent victory is the latest in the global trend of political outsiders harnessing TV and social media to outmuscle the unpopular establishment. It is likely to reverberate in Russia and elsewhere across the former Soviet Union, where few other countries can claim a democratic system that would allow a comedian to unseat the sitting president. And it prompts questions about Ukraine's strategy in its conflict with Russian President Vladimir Putin. Zelensky doesn't have experience, and Putin is a very dangerous adversary, which makes for an interesting landscape in a very important area for global wheat exports. (Source: The Wall Street Journal, Washington Post, Time) As you can see from the graphic below, combined exports from Russia and Ukraine make up a large percentage of the global wheat trade.

Key Exporter

Ukraine is among the world's biggest wheat exporters

■ 2017-18 wheat exports



> **Chinese Pork Prices Could Jump 70%:** *The South China Morning Post* reported that chinese pork prices could rise 70% this year and reach record-high levels in the second half of 2019.

> **Iowa Senate Passes Hemp Bill:** *On a 49-1 vote, the state Senate passed and set to the House a bill to legalize the cultivation of industrial hemp in Iowa, with a limit of 40 acres per licensed grower. (Source: AP)*

> **U.S. and Tunisia Reach An Export Deal:** *U.S. Trade Rep. Lighthizer and AG Sec. Sonny Perdue announced that the U.S. and Tunisia have finalized export certificates to allow U.S. beef, poultry and egg products into the North African nation. U.S. ag exports to Tunisia totaled \$264 million last year, mostly in corn and soybeans. (Source: USDA)*

> **Rural Health Insurance:** *The Kansas Farm Bureau wants to market health benefit plans at lower rates than the federal healthcare exchange. Members of the Kansas Farm Bureau spend an average of 30 to 40% of their annual incomes on health coverage. In numerous surveys, farmers say the biggest threat to their livelihoods wasn't low commodity prices or global trade policies. It's the rising cost of health insurance. This is why state farm bureaus are jumping into the insurance game in Iowa, Tennessee and Nebraska, and are trying to in Kansas. (Source: Harvest Public Media)*

> **Fed Beige Book Report Mixed Farm Conditions:** *The Federal Reserve released their latest outlook called the [Beige Book](#), which indicates low prices, severe weather and trade tensions continue to weigh on swaths of the farm economy. Farm conditions remain weak in the 9th District, which includes Minnesota, Montana, North Dakota, South Dakota and parts of Michigan and Wisconsin. Much of this weakness is due to severe flooding which is heavily affecting planting. The Federal Reserve Bank of Chicago, which oversees much of the corn Belt including Iowa, Illinois and Indiana, said relatively low corn and soybean prices remain problem for growers. (Source: Federal Reserve)*

> **Game of Thrones Taken Over By Pirates:** *The eighth season premiere of HBO's "Game of Thrones" drew strong ratings and 17.4 million viewers. However, within 24 hours, the show had also been pirated nearly 55 million times, according to the analytics firm MUSO. Of those, 77% were unofficial streams, 12% were downloads and 11% were torrents. (Source: Verge)*

> **Cyclist Rides A Record 34+ Miles in One Hour:** *Victor Campenaerts, a Belgian cyclist, broke the one-hour track cycling distance record. It's a grueling test: You start riding around a track and keep riding around the track for as far as you can go in an hour -- utterly blasting your legs in the process. Capenaerts rode 55.089 km -- or about 34.23 miles -- on a specially designed bike without gears or brakes. (Source: Bicycling)*

> **Largest Music Festivals in the World:** *Coachella just finished up its second weekend which saw more than a hundred thousand music from all over the world to make their way to California to see their favorite artists perform. The festival sold out within a fw hours despite general admission tickets costing \$429. Located at the Empire*

Polo Club in Indio, California, the Coachella Valley Music and Arts Festival is one of the largest music festivals in the world, when looking at aggregate attendance over the entire event. Coachella sees roughly 750,000 people over the course of six days. However, it's not the biggest as it trails the Moroccan mega event Mawazine and the Austrian Donauinselfest in terms of total attendance. Below are the largest music festival in the world by attendance. (Source: Statista)



Northcentral Illinois – Along Highway or Interstate 20 through Illinois there is several unharvested corn fields. When I say several, I mean you might see one every 20-50 miles along the highway. I passed a field that was easily half done with most of the unharvested corn on the hill tops. All the end rows were harvested, and they even ran a disc along the North edge of the field. That struck me as odd because at one point it was dry enough to disc, at that same point it should have been dry enough to harvest. I thought I better just look at this corn because I suspected it might be rotten. I pulled 5 random ears and only 1 had any rot on it whatsoever. The other 4 were 18 around by 30 or more long. They must have just gotten rain in the area because the ground was very soft so I can understand why it wasn't currently being harvested.

Northern Iowa – There are several fields that still have large areas of standing water, but they are dissipating fast. I would say there's a good chance we are in the field planting corn first part or middle of the week. Granted that is only true if we don't see any rain but these fields are drying down fast. We are in the area that everyone was so worried about just a few weeks ago. Corn planting will more then likely not be a problem this year unless the rain picks up.

Central Missouri – We got must our corn planted in a 4-day window, were suppose to get rain so we shut it down for the day. We missed the rain and finished the rest through the weekend. We dug a little up and it is sprouting but nothing is breaking through the ground yet. I would say we have another 4-5 days and we should be able to row our corn. We have nice sub soil moisture to kick this corn up fast and the temperatures are about perfect.



Make Manure Great Again: With involvement from World Wildlife Fund and The Yield Lab Institute, The Manure Challenge is exploring how technology can help us find an expedited pathway to making better use of manure. Through The Manure Challenge, the partners hope to identify new solutions that are not on existing manure management companies' radar. They also want to raise awareness among supply chain partners about the possibility of reducing farm level impacts through better manure management. The road to making manure matter has its challenges. For example, getting farmers to adopt new technologies is always a challenge, especially when it requires an initial investment without a clear sense of returns. The trick to marketing manure tech will be the same as most other on-farm innovations, which is leading with the value proposition. Click [HERE](#) to learn more about The Manure Challenge!

Stop Doing Low-Value Work: With limited time each day, how do you cut out the busy work and get focused on more important tasks? This Harvard Business Review article will show you how to redesign your job to move away from low-value work towards work that makes progress on your larger goals. The article talks about everything from voting it off the island, automating it, writing down your own rules, and blocking off the same time for yourself at work every week. Click [HERE](#) to learn how to stop doing low-value work!

Turning Trash Into Treasure... With Denim: It was 2014, and Sophie Rowley was a design master's student in Central Saint Martins in London. She needed to create a stunning final project, but she was broke. So Rowley did what any resourceful person would do: She went dumpster diving, and experimented building with old CDs, glass, textiles, and styrofoam. Back then, almost nobody was viewing waste as a building material. I'm told that Rowley found that the experiments with denim textiles were the most successful, so after having worked for other people for a few years she devoted herself back to working with recycled denim and started her own practice last year. The results of all that work, ingenuity, and financial struggle can be seen in her Bahia Denim projects—which include actual furniture like this table made of denim. I should mention, the name comes from Brazilian blue marble, and at a glance, it really does look something like marble—or perhaps acid-washed concrete. In fact, it's the result of dipping worn jeans into bioresin (a plastic made from organic compounds instead of petroleum), and laying them over various molds. Read more [HERE](#) on Rowley's artistic approach.

The Invisible Costs of Owning a Mansion: The rapper 50 Cent recently sold a \$2.9 million Connecticut mansion that was reportedly costing him \$70,000 per month to keep. Large estates can carry "invisible" costs that quickly add up to tens of thousands of dollars, according to real-estate agents. These not so obvious costs include New York's "mansion tax," sky-high utility bills, landscaping, maintenance emergencies, security systems, and smart-home technology. Keep in mind, one of the biggest expenses can be smart-home technology, which has to be updated every few months and costs up to \$20,000 per update, according to one Douglas Elliman broker. Click [HERE](#) to learn about the hidden costs of owning a mansion!

The \$2.5 Million Pininfarina Battista Debuts in the U.S.: Automobili Pininfarina recently launched one of the most exciting car debuts at an off-site event called the Battista hypercar, which happens to be all electric. The Battista produces a whopping 1,900 horsepower and reaches 60 miles per hour in under two seconds, which makes it the fastest street-legal car ever built by an automaker. Keep in mind, Pininfarina has previously said that a Battista will hit 180 mph in less time than an F-16 fighter jet. Only 50 of the \$2.5 million hypercars are destined for North America, with over half of that allocation reserved already. Click [HERE](#) to learn more about this car!





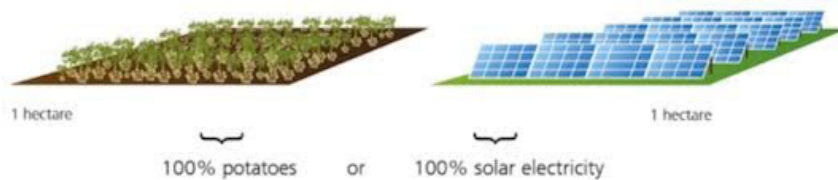
Great Read: Crops or Solar Panels... Perhaps You Can Now Do Both!

We have had many conversations with producers this year on the topic of solar companies wanting to lease large portions of their ground. In many locations the leases are for multi-years and bringing big dollars to the landowners. We've heard of some leases in Ohio bringing \$800 to \$1200 per acre for 10-year contracts on hundreds of acres at a time. Same story in portions of Missouri, Indiana, etc... Bottom-line, there are some lucrative deals being thrown around right now if you happen to be in the right location. From what I understand, a lot has to do with proximity to the sun and the proximity to the grid. There are however some who view solar power as a threat to farming, believing you have to make a choice between raising crops or livestock and or installing solar panels on the acres. Ironically, there's now a body of research showing that your land can be up to 160% more

productive by doing both. The Fraunhofer Institute near Lake Constance, Germany, has been conducting experiments in what it calls "agrophotovoltaics" for the last two years. I'm told in the first year, it found the combination of solar and agriculture actually increased productivity by +160%. Interestingly, 2018 was one of the hottest years in Europe, and yet the experimental farms at Fraunhofer's Lake Constance plots thrived thanks to the shading provided by the panels. According to staffers on site, based on the potato yields, land efficiency rose +186% per hectare with the agrophotovoltaic system. I should mention, the Lake Constance farm mounts its solar panels +16 feet above the ground, leaving room for livestock and plants to grow and conventional farm equipment to operate beneath. Also, in comparison to open fields in the area, solar irradiation beneath the panels was about -30% less, the air temperature was identical, but soil temperatures in the spring and fall were also improved. Researchers said that the soil moisture in the wheat crop was higher than the reference field, so the assumption was made that the shade under the semi-transparent solar modules enabled the plants to better endure the hot and dry conditions of 2018. Of course one year of testing doesn't shed a ton of light on the subject, but keep in mind, as we move towards electric trucks and tractors, like many believe we will, learning more about electricity and how it can perhaps be produced on the farm might be an extremely valuable lesson. On top of that, if you add in local battery storage, there's a strong chance in the future your farm could become entirely energy independent. Moving forward, there is plenty of research I want and need to do in this space. I find the industry highly intriguing and much more advanced than in years past. I recognize there's a ton of moving parts and extreme uncertainty, but I still see big opportunities coming our direction in rural America. Before you cast major judgment on solar and electric tractors being in your field, do extensive homework, and consider the opportunities rather than the obstacles. Click [HERE](#) for more information about going solar!



Separate Land Use on 1 Hectare Cropland: 100% Potatoes or 100% Solar Electricity



Combined Land Use on 1 Hectare Cropland: 186% Land Use Efficiency

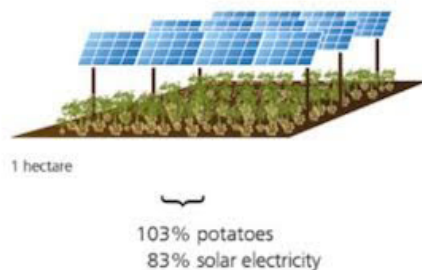


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Ever Thought of Investing in Watches?

Would you invest \$20,000 in a watch? What if I told you that it could be worth \$60,000 in five years? Younger generations seem to be into collecting rare watches and are treating them like a hot new asset in their investment portfolios as prices for sought-after classics from brands like Rolex, Omega and Patek Philippe are shooting higher and higher. In fact, some luxury watches have are worth almost double on the pre-owned market seconds after they have left the store and some are returning up to 30% a year. Many young investors are starting to figure out there are different ways to invest their money and it doesn't need to be done like it always has in the past. For example, Shahien Hendizadeh, a young watch investor from Los Angeles said in an interview, "Buying a good vintage Rolex is just like purchasing stock in a company like Nestlé or Google." Keep in mind, Hendizadeh got in the business when he invested \$2,000 in American Apparel stock a few months before the company declared bankruptcy. After the loss, he bought a 1982 Rolex Submariner for \$13,000 that appreciated \$10,000 over the next two years. I've also found out that the average wealthy person will buy 15-20 watches in their lifetime, which I believe is actually higher or will grow higher because more and more people are starting to purchase these watches at a much younger age. In addition, the latest data released by the Federation of the Swiss Watch Industry shows that global luxury watch sales continue to be driven mostly by younger consumers, especially younger investors in Asia. In fact, Hong Kong and China are driving a huge chunk of this market at a combined 57.4% of the yearly growth in 2018 with the U.S. following at 26.3%. Many millennials are also starting to buy these watches so they can share picks on Instagram, Twitter, and Tinder, calling them "gram-worthy investments." From the research I've done, it seems like millennials are seeking simplicity, personalization, and transparency when buying a high-end watch. If investing in watches is something you might be interested in, then you should check out The Watch Fund that's run by Dominic Khoo, which offers people a chance to invest in rare and limited-edition watches at prices that can be 50% or more below retail. I've heard those who have bought in have seen at least double-digit returns since the fund came out six years ago in 2013. Something else interesting about this fund is their worst performing portfolio returned a net gain of +11% in 364 days. Keep in mind, to be invested in The Watch Fund it takes a minimum investment of \$250,000. Click [HERE](#) to learn more. Remember, investing in the watch market will be extremely speculative and volatile. For example, the value of a vintage Compax watch recently rose from \$2,800 to \$45,000 in a fairly short period of time before cooling back down to \$30,000 within a few days. Keep in mind, Paul Newman's Rolex Daytona recently broke the world record for a wristwatch sold at auction bringing a whopping \$17.8 million. The main question right now seems to be, are watches showing bubble-like tendencies? Below are a few hot watches some experts are investing in this year! (Source: New York Times and The Watch Fund).

Seiko 6105: Vintage Seiko diver's models such as the 6105, the 6217 and the 6309 offer a tremendous bang-for-the-buck with prices from around \$1,200 to \$4,000 right now.



Breitling Top Time Chronograph: This was the watch used in the 1965 James Bond movie, "Thunderball" and many believe Breitling's heritage will drive up vintage Breitling prices across the board. In addition, The Breitling Top Time reference 2002, which was worn by actor Sean Connery in "Thunderball" went for \$160,000 in auction. You could pick up a regular Breitling Top Time chronograph, reference 2002, from the 1960s, for around \$3,500 right now.



Omega Speedmaster: The models to be on the lookout for are the circa's 1970-1971. These are popular watches because in 1969 the Speedmaster was the first watch worn to the moon and became the official watch of NASA for many other space missions. Many believe the 1970-1971 could be a crazy pickup going for \$5,000 to \$6,000 right now. Keep in mind, the 1970-1971 are rarer than the 1969 model because there were and fewer were produced than the 1969.



Rolex Submariner: Little out there beats a vintage Submariner! The model 5513 is the Rolex with a very long production run and always in style. This discontinued 14060M model is sought-after and prices are ever increasing. The last 'real' Rolex Submariner as people tend to call them, with their aluminium bezel and sleek lugs. The Rolex Submariner model 16610 is the most frequently counterfeited of all Rolexes, and is the best-recognized. This versatile timepiece was produced between 1989 and 2010, and is crafted from polished stainless steel. It boasts automatic movement, a unidirectional rotatable time-lapse diver's bezel, and date tracking, and it features a 40mm black dial with white gold circle hour markers and luminescent watch hands. The 16800 model was the first Rolex sport model to have a sapphire crystal along with the quickset feature that allows you to change the date by just turning the crown. Many experts believe this watch model is underappreciated and undervalued right now with prices running around \$8,000 to \$15,000.



Rolex Daytona: One of the most talked about watches is without a doubt the Rolex Daytona. Watch enthusiast love the watch, both vintage models and the new (let's say after 1988) models. It's the only conventional chronograph made by Rolex for the last 54 years, its latest version always carries a lengthy waiting list, and vintage models have become both the bedrock and the brightest stars of the auction market. Bottom-line, it's one of the industries most iconic chronographs and only few things have changed since its introduction in 1963. In fact, the Rolex Daytona in stainless steel is one of very few watches to come with a long waiting list; easily a year or two, and that's if the dealer knows you. Gold and platinum

Rolex Daytona models sell well, but they are not hard to come by, the real waiting list is for the stainless-steel models. Better yet, the white dial version with the black ceramic 'Cerachrom' bezel and stainless band seems to be a huge investing favorite!



How to be Successful at Work or in Business

I recently received an interesting article from [Taylor Pearson](#), a personal coach and business consultant down in Austin, Texas. I thought it was an interesting take on personal growth regarding work and business. I know a lot of friends and family who say they feel stuck and or constantly searching for financial reward. As I travel along my journey in life, I see a small number of folks who really get it. These birds tend to fly in a slightly different manner, they can quickly adjust and adapt to change, they can quickly hone their skills, zero in on a target, and execute! Then there's the majority, those that are great at following directions, doing what they are told, yet going home every night thinking there could be more. Unfortunately, most of these folks get stuck in this cycle of following directions and dreaming, not creating and doing. They are slow to make big changes, slow to take big risks, and slow at getting to execution. The article by Pearson, made me stop and think, at the same time further confirms my belief that it's "nurture" not "nature" that defines how we individually tend to attack work and business. Perhaps if we can acknowledge it's how we are raised and or trained from a young age, we can overcome some of the barriers and de-program the bad and re-install the good. I've included a few portions of the article below. I hope you find it interesting and thought provoking. Certainly something I'm passing along to my kids.

~ Written by Taylor Pearson

Horace Mann, often credited as the father of the modern education system, began opening The Common School in the 1830s. The purpose of the Common School was to teach students how to follow directions effectively so they would be prepared for factory work.

A few years after the first Common School opened, Mann couldn't find enough "normal" teachers to help make the students "common." So, Mann opened the first Normal School, where teachers were trained before going to teach classes at the Common School. In the rapidly industrializing world of the 1830s, the economy needed "normal" teachers to train students to be "common".

In the 1830s, this made sense. Factory workers were in demand and being trained to be common or normal was a way the government could help people advance. We needed to train individuals to do what they were told, sit still, listen to instructions, and repeat.

What is valuable today is not learning how to be normal or common, but the opposite: developing a unique, uncommon skill set that is in high demand. The internet has massively broadened the possible space of careers by allowing you to scale almost any niche obsession or interest.

The trouble with figuring out a "unique skillset" is that it's unique, so how do you do it?

The first mistake people make with this question is they ask "What am I passionate about?" The reality is that the more emphasis you place on finding work you love, the more unhappy you become when you don't love every minute of the work you have. It creates an unrealistic expectation that can't possibly be met.

No one spends every moment at their work in a state of unperturbed bliss. What the research shows is that a fulfilling career requires three things:

Autonomy – The desire to be self-directed.

Mastery – The urge to get better skills.

Purpose – The desire to do something that has meaning and is important.

So, if you're not quite sure what to do with your life, putting yourself in a position to get autonomy, mastery, and purpose is a good starting point.

The good news is that the way you get autonomy and purpose is actually through mastery.

This is called the career capital theory of great work and it goes as follows:

The traits that make a great career great is that you master something both rare and valuable.

Think of these rare and valuable skills you can offer as your career capital.

Once you acquire enough career capital, you can leverage that to get a large degree of autonomy. If you are the best in the world at something, then you get to dictate the terms of the engagement.

The happiest, most purpose-filled employees are not those who followed their passion into a position, but instead those who have been around long enough to become really good at what they do.

In other words, You have to be so good they can't ignore you! You have to try and become the best at something specific.

This strategy is difficult, but that's also why it's highly rewarded. Almost no 12-year-old who dreams of playing professional football actually makes it. It's also a lot of pressure because you have to figure out that one thing pretty early in your life. Tiger Woods was hitting golf balls for two hours per day at 3 years old (If you're at the point where you are reading articles on the internet about what to do with your life, I regret to inform you that you're on the wrong path). You have to be doing!

The world today rewards things that are both rare and valuable. You make yourself rare by being the best and creating a mix of skills and traits that no one else has. ... It sounds like generic advice, but you'd be hard pressed to find any successful person who didn't have about three skills that place them in the top-25 percent in each category.

**STOP
DREAMING
START
DOING**

SUCCESS

**PEOPLE
SEE THIS**



WHAT
PEOPLE
DON'T SEE



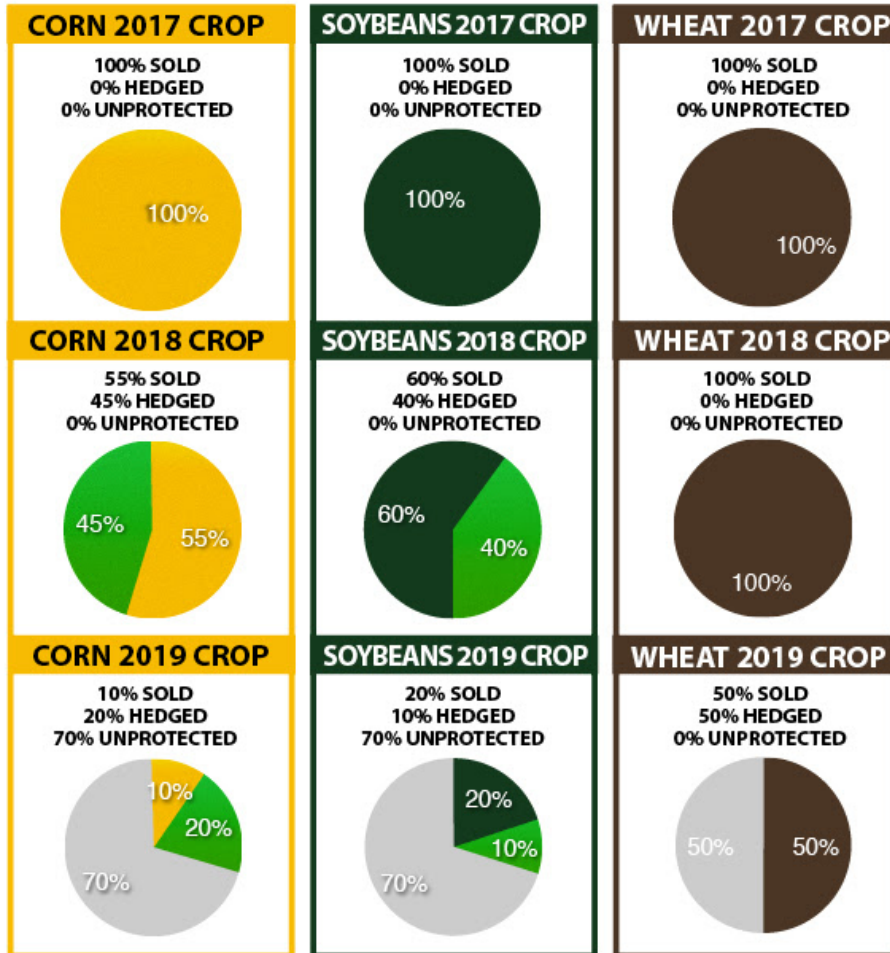
DISCIPLINE
COMMITMENT
DETERMINATION
SACRIFICE
DEDICATION
FOCUS
PASSION
CONFIDENCE
COURAGE
PERSISTENCE
RISK
HEALTHY LIFESTYLE
STAYING WITH IT
LONGER AFTER
OTHERS HAVE QUIT

FOLLOW
ONE
CCOURSE
UNTIL
SUCCESS

ANSWER to riddle: Fingerprints

CASH SALES & HEDGING TOTALS

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