

GOOD MORNING: 04/30/19 Farm Direction - Van Trump Report

1 message

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

Tue, Apr 30, 2019 at 7:32 AM

Reply-To: Jordan <reply-fec716767c60047e-314_HTML-36250946-100003450-1@vantrumpreport-email.com>

To: info@farmdirection.com



"There is a very real relationship, both quantitatively and qualitatively, between what you contribute and what you get out of this world." - **Oscar Hammerstein II**

TUESDAY, APRIL 30, 2019
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Morning Summary: Stocks continue to impress to the upside with both the S&P 500 and Nasdaq posting new all-time record high closes. Technical traders argue that we could now chop around and consolidate at these levels before making a healthy -3% to -5% correction. Bears want to argue that the correction will be more like -15% to -20%, while bulls are hoping it's simply a -2% to -3% pullback ahead of the next wave higher. Neither the bulls or the bears are wanting to see a "melt-up" or a market that continues to run aggressively higher. It would be extremely hard to navigate and could cause significant dislocation longer-term in the investment world. Most all agree, the best thing for the stock market at this point is sideways consolidation, followed by a small, healthy, and orderly retracement of -3% to -5%. From there, bulls believe they can start fresh and make a stronger and more healthy run to higher ground. Chinese trade negotiations resume, still remain up in the air, and could become a much more significant market catalyst in the next few weeks. U.S. Treasury Secretary Steve Mnuchin recently told reporters that we were in the final laps of negotiations and sounded mostly optimistic. I have to imagine the next two weeks will determine whether a significant deal and or compromise will be reached. There also seems to be new uncertainties brewing around the USMCA trade agreement, particularly with U.S. union leaders and how they can better compete against cheap labor out of Mexico. This is certainly an important long-term concern and question that may continue to delay a finalized trade agreement. More nearby, traders are extremely eager to hear what Fed Chair Jerome Powell has to say following the Feds scheduled two day FOMC Policy meeting, which ends tomorrow at 12:00 pm CST, followed by a 12:30 pm Fed Chair press conference. Corporate earnings scheduled for release today will include big names like: Apple, Amgen, Eli Lilly, General Electric, General Motors, Mondelez and MasterCard to name a few. We will also be digesting Pending Home Sales, Case-Shiller Home Price Index, Consumer Confidence, Redbook numbers, and Chicago PMI. Busy day!

Where is Inflation? *The Federal Reserve's preferred inflation gauge showed no change in March and remains well below the central bank's target. At the same time, consumer spending surged amid a jump in expenditures on motor vehicles and health care. Looking at the core personal consumption expenditures index, which strips out volatile food and energy prices, shows it was flat for the month and up +1.6% year over year. Bottom line... the headline number rose 0.2% for a +1.5% increase over the year. Keep in mind, the central bank considers +2.0% a healthy level of inflation for price stability, but we have failed to hit the target for most of the past decade. With that being the case, Fed officials have said they expect to hold interest rates steady for the rest of the year, due in part to a low inflation rate. I'm hearing that traders are assigning about a 65% chance of a rate-cut by the end of the year, though individual Fed members have said they see little chance of any loosening or reduction in rates ahead. Remember, the policymaking Federal Open Market Committee holds its two-day meeting that will conclude tomorrow, where Chairman Jerome Powell's news conference afterward could provide future clues on monetary policy. Read more [HERE](#).*

Keeping an Eye on Copper: *The price of copper has fallen under a slight bit of pressure the past few days and is worth keeping an eye on. There's some fear that if prices keep retreating we could start hearing more talk of a global slowdown. The metal is heavy used in construction, manufacturing and utilities around the globe. Traders often use its price action as an early gauge for global growth. We had recently rallied copper prices to a fresh multi-month high, and it's still up over*



Davos on the Delta

Davos on the Delta sits at the crossroads of dramatic change in agriculture, food, and health — where the most innovative entrepreneurs, top industry experts, early adopter customers and smart investors in risk capital come together to map the future of food system innovation.

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Today in History

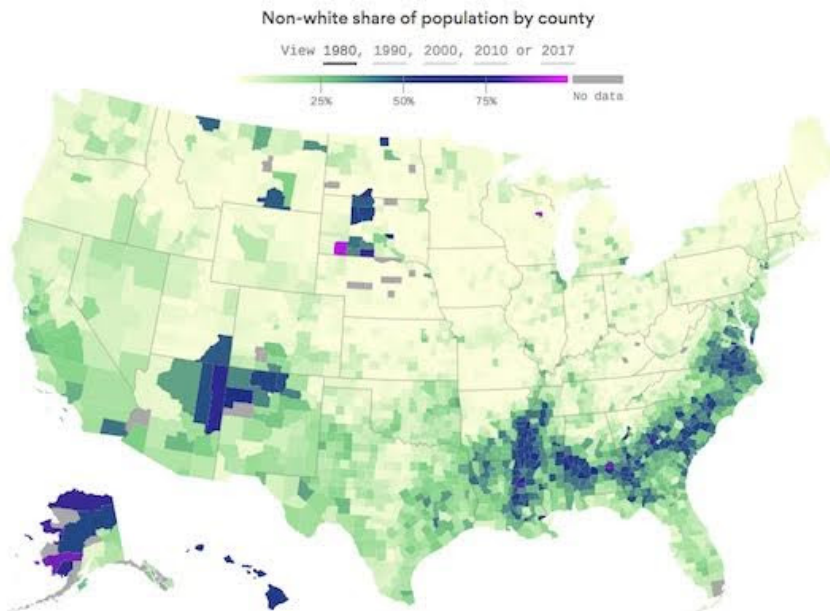
1776, Samuel Adams Writes of Hope for More Battles - In a letter to

+10% on the year, but as of late there seems to be more uncertainty brewing in the space. Pay attention to the headlines...

WeWork Files for IPO: The We Company, formerly known as WeWork, filed for an IPO yesterday, which makes it the latest privately held unicorn to consider going public. For all of you that don't know, WeWork is a company that provides shared workspaces for entrepreneurs, freelancers, startups, small businesses, and large enterprises. The company was valued at \$47 billion in its last fund-raising round, but the share price has yet to be revealed. Keep in mind, similar to many of the other start-ups debuting on the stock market, WeWork is posting massive losses and isn't showing signs of turning a profit anytime soon. WeWork's revenue is growing quickly as it topped \$1.8 billion last year, but its losses nearly doubled to \$1.9 billion in the same time period. In addition, something else I found interesting about the company is they confidentially filed IPO registration paperwork with federal regulators last December, but pumped the breaks. As I've said, I'm staying away from IPOs right now and don't plan to jump in with WeWork.

The 100 Million Club: Spotify now has 100 million paid subscribers worldwide. This keeps them in the #1 streaming music spot ahead of Apple Music, which has 50 million paid subscribers. In the U.S., however, Apple has 28 million paid subscribers vs. Spotify's 26 million. (source: StockTwits)

America's Future... The Majority Becomes the Minority: By 2045, the U.S. as a whole is projected to become majority minority. And the changes are already underway: non-white Americans are now the majority of the population in four states, as well as in the most prosperous and powerful U.S. cities. Meaning, we can embrace the change and create a thriving nation that embraces its new demographic makeup, or continue an escalation of fighting, racism and xenophobia. I should mention, since 2010, non-Hispanic white people have become the minority in 32 more U.S. counties — for a total of 372 counties, according to U.S. Census Bureau data. The trends are largely due to a rise in Hispanic and Asian immigrants as well as slightly higher birth rates among non-whites. Interestingly, next year, the entire under 18 population will be majority non-white, according to William Frey, a Brookings Institution demographer and author of "Diversity Explosion: How New Racial Demographics are Remaking America." In less than a decade, the population under 30 will be majority non-white. Read more [HERE](#) on how the demographic shifts are already having an impact on our national identity, politics and the generational gap.



Data: IPUMS NHGIS, University of Minnesota, U.S. Census Bureau; Chart: Naema Ahmed/Axiom



Reverend Samuel Cooper dated April 30, 1776, Samuel Adams writes of his hopes for another battle between British and American troops, stating his belief that, "One battle would do more towards a Declaration of Independence than a long chain of conclusive arguments in a provincial convention or the Continental Congress." At the time of the letter's composition, General George Washington had successfully driven the British from Boston with his victory at Dorchester Heights on March 17. The British were left with very meager footholds in North America: Quebec, the Floridas and Nova Scotia, Canada. Fifteen days after Adams wished for bloodshed, the colonies effectively overthrew the British on the strength of the pen, not the sword. Emboldened by the impassioned words of Thomas Paine in his pamphlet, Common Sense, the people of Pennsylvania and New Jersey followed the congressional injunction of May 15 to take "every kind of authority" from the British crown, and overthrew their royal governments. New York, Delaware and Maryland soon followed suit. By June, Thomas Jefferson began to draft the Declaration of Independence, with John Adams and Benjamin Franklin at his side. Reverend Cooper, the recipient of Adams' letter, played a quiet, but influential role in the revolution. Installed at the Brattle Street Church in Boston, Massachusetts, since 1746, he soon became one of the most popular preachers in the country. Founded in 1699, the Brattle Street Church was known for its rejection of conservative Calvinism and its influence upon Harvard University, which, like the church, was becoming increasingly liberal. The church eventually rejected the concept of the Christian trinity and became Unitarian. Cooper was devoted to both religious and civil liberty and was an early critic of British policy in America. In addition to writing some political works, he vociferously shared these sentiments with his Brattle Street congregation, which included John Hancock, James Bowdoin and John Adams. Samuel Adams, his fellow Massachusetts Patriot James Otis and Benjamin Franklin were also among Cooper's circle of friends. Cooper's political writings were popular abroad and he worked with his foreign acquaintances to cement American alliances with Europe during the American Revolution. Cooper was seen as so instrumental in lobbying for the Patriot alliance with France, negotiated by his friend Benjamin Franklin, that he received a stipend from the French crown.



1798, Department Of The Navy

On April 30th, 1798, the United States Department of the Navy was established by an Act of Congress. James McHenry who served under the first two Presidents as Secretary of War would make the recommendation. The Act was initiated to provide a government organizational structure to the Navy and Marine Corps and the Coast Guard though

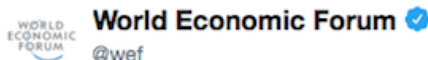
FARM TANK

Tweets of the Day



Following

The [#RetailApocalypse](#) is continuing. These are the brands closing the most stores in 2019 (so far). statista.com/chart/17367/st...
[@businessinsider](#)



Following

Most leaders are missing this crucial character trait wef.ch/2Ec0ezr [#leadership](#)
[@DavidMGann](#) [@DodgsonMark](#)



each would remain independent of each other. Prior to this each individual state had their own naval defense. When it was established, the Department of the Navy was an Executive Branch and the Secretary of the Navy served on the President's cabinet unit 1949, when the Department of Defense was established under the control and direction of the Secretary of Defense. The Naval Secretary is assisted by an Under Secretary, four Assistant Secretaries, and a General Counsel all who are also appointed by the President with the consent of the Senate. The two highest ranking officers within the department of the Navy are the Chief of Naval Operations and the Commandant of the Marine Corps. These two positions serve their prospective branches, the Joint Chiefs of Staff and act as the Secretary's main advisors. The first Secretary of the Navy was Benjamin Stoddert, who quickly found himself involved in the Quasi-War with France. Using the resources that he had Stoddert would attack, and defeat France in the undeclared war. Stoddert would also see to the future strength of the Navy by establishing six navy yards and the construction of seventy-four gunships.



1864, Confederates Attack Union Troops at Jenkins' Ferry - At the Battle of Jenkins' Ferry in Arkansas, Union troops under General Frederick Steele fight off a Confederate army under General Edmund Kirby Smith as the Yankees retreat towards Little Rock, Arkansas. Jenkins' Ferry came at the end of a major Union offensive in Arkansas. While a Federal force under General Nathaniel Banks moved up the Red River in Louisiana towards Shreveport, Steele led his troops from Little Rock into southwestern Arkansas. The combined effort promised to secure northern Louisiana and southern Arkansas for the Union before the armies moved west to invade Texas. In April, however, the plans ran afoul when Banks was defeated at Mansfield, Louisiana, and Steele found himself dangerously low on supplies. Steele occupied Camden, Arkansas, on April 15. Over the next ten days, Steele lost more than 400 supply wagons and 2,500 troops at the Battles of Poison Spring and Marks' Mills. Now, Steele was surrounded by hostile armies and running low on food. He headed back to Little Rock with Smith in hot pursuit. A heavy rain began to fall, lasting for nearly a day and bringing Steele's retreat to a grinding halt. At Jenkins' Ferry on April 30, Smith attacked Steele as the Yankees were trying to cross the flooded Saline River. General Samuel Rice directed the Union defense, and his men held off a series of Rebel attacks before Rice was mortally wounded. Fighting in knee-deep water, the Confederates could not penetrate the Union lines. Steele was able to remove his force across the Saline River. He destroyed the pontoon bridge and left Smith on the other side of the river before escaping to Little Rock. The

Frederick Steele fight off a Confederate army under General Edmund Kirby Smith as the Yankees retreat towards Little Rock, Arkansas. Jenkins' Ferry came at the end of a major Union offensive in Arkansas. While a Federal force under General Nathaniel Banks moved up the Red River in Louisiana towards Shreveport, Steele led his troops from Little Rock into southwestern Arkansas. The combined effort promised to secure northern Louisiana and southern Arkansas for the Union before the armies moved west to invade Texas. In April, however, the plans ran afoul when Banks was defeated at Mansfield, Louisiana, and Steele found himself dangerously low on supplies. Steele occupied Camden, Arkansas, on April 15. Over the next ten days, Steele lost more than 400 supply wagons and 2,500 troops at the Battles of Poison Spring and Marks' Mills. Now, Steele was surrounded by hostile armies and running low on food. He headed back to Little Rock with Smith in hot pursuit. A heavy rain began to fall, lasting for nearly a day and bringing Steele's retreat to a grinding halt. At Jenkins' Ferry on April 30, Smith attacked Steele as the Yankees were trying to cross the flooded Saline River. General Samuel Rice directed the Union defense, and his men held off a series of Rebel attacks before Rice was mortally wounded. Fighting in knee-deep water, the Confederates could not penetrate the Union lines. Steele was able to remove his force across the Saline River. He destroyed the pontoon bridge and left Smith on the other side of the river before escaping to Little Rock. The



John
@KowalchukFarms

Following

Farmers are the eternal optimists. I know it's a cliché but it's true.

Over the next month I will put a large amount of my money in the ground and then wait 4+ months to hopefully get it back plus some profit.

And the crazy part is I love every minute of it!
#Plant19 🌱



Union suffered 700 men killed, wounded, and missing out of 4,000, while the Confederates lost about 1,000 out of 8,000. Some of the Rebel dead included wounded troops who were killed by members of the 2nd Kansas Colored regiment, exacting a measure of revenge for dozens of comrades from the 1st Kansas Colored murdered on the battlefield at Poison Spring. When it was over, Smith and the Confederates controlled the field but they had failed to destroy Steele's army.

Upcoming Events

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

49% of on-farm revenue in Australia generated by women. How many of us knew that? We should. #BeInclusive #WomenInAg #HiddenInnovation #RoomForEveryone #TelstraWomenInAg #RuralWomenRock Victorian Rural Women's Network Women in Gippsland...



Women are the 'invisible force' powering Australian farms

Ask Google for a picture of a farmer and you get a man in a broad-brim hat standing in a field. Sometimes he's wearing a baseball cap – rarely is he a she....

WHAT I'M LISTENING TO:



"Girl Goin' Nowhere"
Ashley McBride

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 the thorough manner in which Kevin



Scott Hildebrand
@shildeb8

Following

It's official #plant19 has started. Putting some wheat in the ground. Conditions are very nice.



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.



History Lovers Club

@historylvrclub

Following



Dwayne The Rock Johnson and his father Rocky Johnson, 1981.





ActionComplete
@ActionComplete

Following

You don't have to be great to start but you have to start to be great.

~Zig Ziglar

[#inspiration](#) [#action](#) [#quotes](#)

YOU DON'T HAVE TO
BE GREAT TO START
BUT, YOU HAVE
TO START TO
BE GREAT !!!

ZIG ZIGLAR

neuro mining



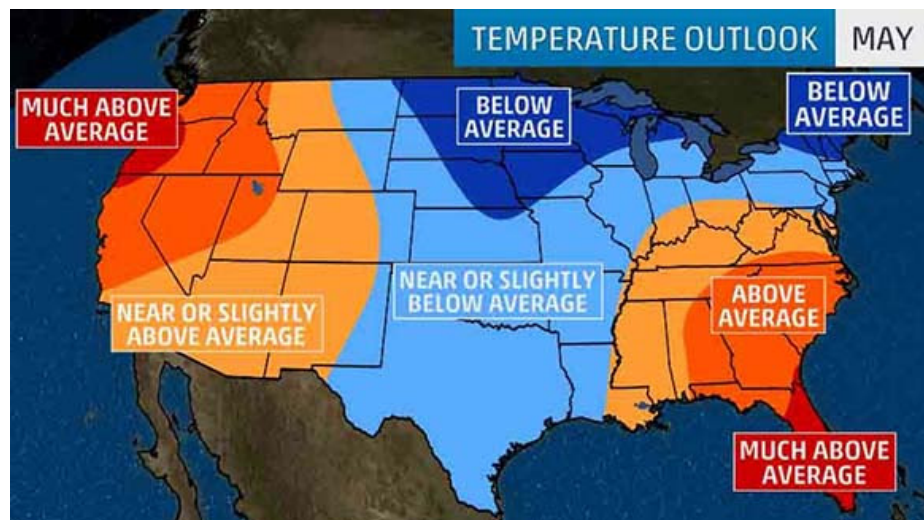
As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we 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 hard to find but easy to lose, worth more than gold but costs less than a penny?

Cool Weather Expected to Continue Into May: Cool conditions are expected in the central and north-central U.S. and parts of the Northeast this May, while the Southeast and West will continue the trend of warmer-than-average temperatures. In April, the

central U.S. has seen period of below average temperatures, and this trend may continue into May according to the Weather Company's May 2019 temperatures outlook. Their medium range weather models show an upper-level pattern will be favorable for chilly conditions across much of the northern tier of the U.S. through at least early May.

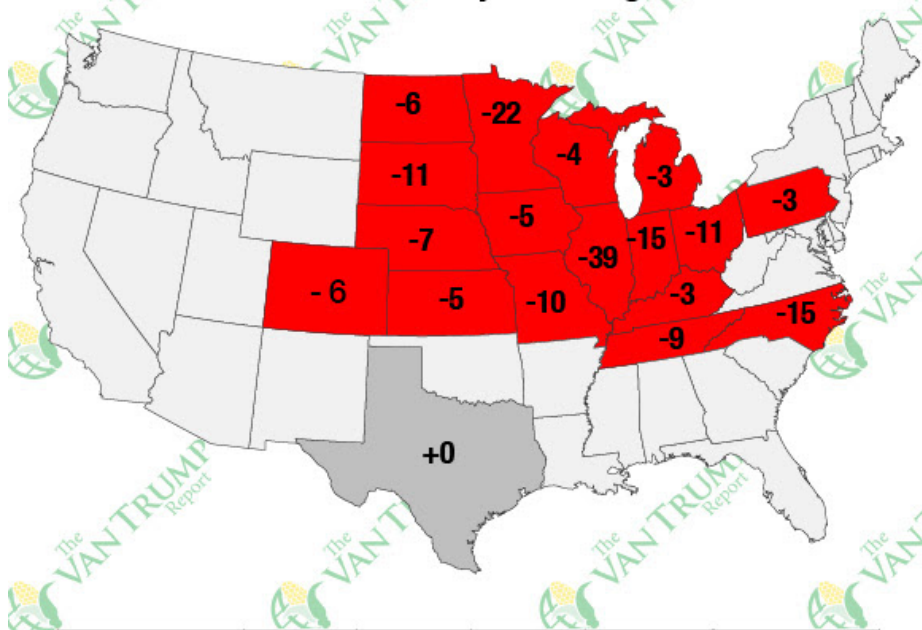


Corn traders continue to debate a large number of headlines. Bulls are obviously talking about ongoing weather concerns here in the U.S. and the significant delays in planted acreage. Bears are pointing to a much larger crop being harvested in South America, a glut of U.S. supply and massively recharged U.S. soil moisture. The USDA data released yesterday showed 15% of our entire U.S. corn crop is planted compared to the more traditional pace of 27% planted by this date. I continue hear worry and concern from producers out east, particularly in parts of Indiana and Ohio. Indiana is thought to be just 2% planted vs. their more traditional pace of 27% planted by this date. Ohio is also just 2% planted vs. their more historical pace of 13% by this date. To the north, producers in the Dakota's continue to see complications as temperatures remain well below normal and moisture in great excess. North Dakota is thought to be 1% planted vs. it more traditional pace of 7% planted by this date. South Dakota is showing 0% planted vs. it's more traditional pace of 11% by this date. We are hearing of some replant acres in parts of Nebraska, but for the most part producers in the state are clearing the hurdles. Nebraska is thought to be 16% planted vs. a more historical pace of 23% planted by this date. Iowa and Illinois seem to be highly debatable with some areas moving right along while other areas facing much more dire conditions. Iowa is actually 21% planted vs. its historical pace of 26%. Illinois is much more worrisome with just 9% planted vs. the traditional pace of 43% by this date. Minnesota only has about 2% of their corn planted, which is well below their historical pace of 24% planted by this data on the calendar. Below are more planting specifics. Continue to keep a very close eye on weather, forecasters are saying the central and eastern portion of belt will be battling wet fields and cooler than normal temperatures which might make it much more difficult to dry out during the next couple of weeks. If that plays out, then the market will start talking about yield-drags and taking a more aggressive approach towards reducing total production estimates. In my opinion, weather is one of the big things holding prices higher. If weather starts to improve prices will be pressured lower... pay close attention! As a spec, I like the thought of nibbling on the breaks to the downside.

U.S. Corn Planted Pace

[week 17] April 29, 2019

Current Planted Pace vs. 5 year average for week 17



Corn % Planted Pace					
State	2017	2018	5-yr avg	This Week	Change vs LW
Colorado	16	6	14	8	6
Illinois	63	28	43	9	8
Indiana	45	7	17	2	1
Iowa	28	15	26	21	17
Kansas	38	25	36	31	14
Kentucky	42	14	31	28	11
Michigan	5	3	5	2	2
Minnesota	12	0	24	2	2
Missouri	67	47	55	45	29
Nebraska	34	15	23	16	14
North Carolina	79	61	68	53	25
North Dakota	3	0	7	1	1
Ohio	42	1	13	2	1
Pennsylvania	9	1	8	5	5
South Dakota	7	0	11	0	0
Tennessee	66	35	50	41	17
Texas	71	69	65	65	6
Wisconsin	5	3	8	4	3
Total	34	15	27	15	9

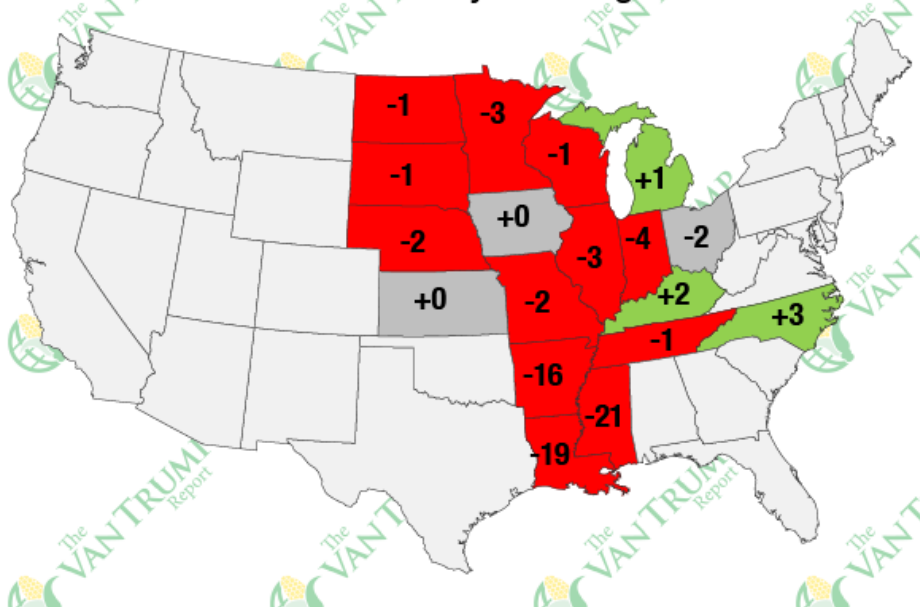
Soybean bears pushed the front-end of the market down to new contract lows yesterday on a combination of thoughts ranging from more soybean acres here in the U.S., the Argentine crop harvest advancing to almost 50% complete, ongoing trade negotiations and uncertainty with the Chinese, and more negative headlines circulating about African Swine Fever. Recent research reports circulating inside the trade estimate Chinese pork production will be reduced by over -20% during the next 12-to-18 months. There's actually some analyst who believe Chinese pig feeding has dropped by -40%. Yes, a portion of that demand will be replaced by poultry, fish and pork imports, but how that puzzle is ultimately assembled remains a major wild-card? Tariffs on U.S. pork imports are currently too high to provide much help to producers here at home or consumers in China who continue battling rising cost. There's also a ton of questions surrounding meal demand for poultry and fish vs. meal demand for pork. From what we know, it takes a lot less meal to produce a pound of poultry or fish protein than it does

pork protein. Hence, a ton of uncertainty surrounding global soybean demand as the world responds to the major fallout associated with African Swine Fever inside China. Remember, China raises half the world's hogs, so the death and destruction of millions of pigs is a game changer in many ways. There's also a ton of fear inside the trade that the situation and severity of the problem in China is being grossly under-reported. Here at home, the USDA showed 3% of the crop planted vs. the more traditional pace of 6% planted by this date. Arkansas planting is just 10% complete vs. the 5-year average of 26%; Louisiana just 24% planted vs. the 5-year average of 43% planted. Mississippi is 20% planted vs. the 5-year average of 41%. As I've mentioned a couple of times as of late, we are still having some of our biggest soybean planting weeks ahead, which are traditionally the second, third and fourth weeks of May. Stay tuned... I'm still in no hurry to be a buyer of this market.

U.S. Soybean Planted Pace

[week 17] April 29, 2019

Current Planted Pace vs. 5 year average for week 17



Soybeans % Planted Pace

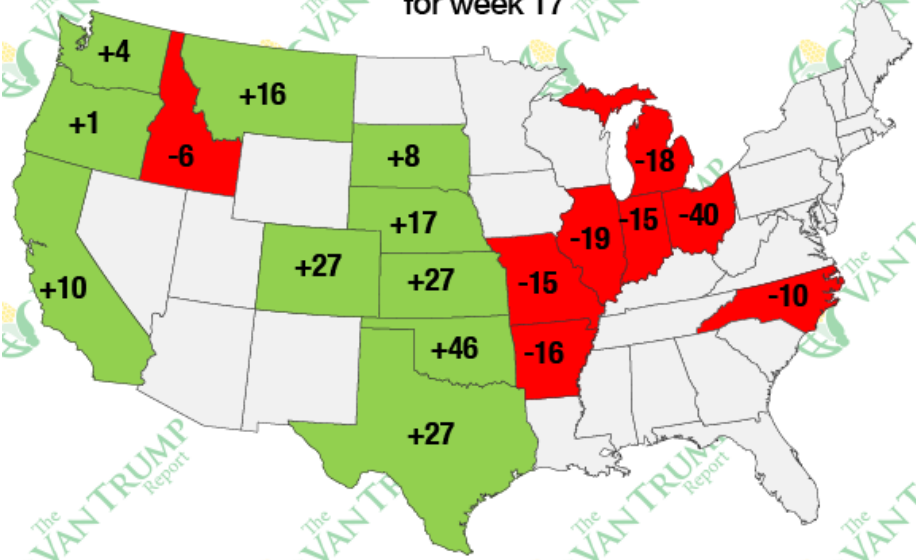
State	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	45	26	26	10	4
Illinois	13	7	6	3	3
Indiana	16	3	4	0	0
Iowa	2	3	3	3	3
Kansas	2	2	2	2	2
Kentucky	6	1	2	4	3
Louisiana	66	40	43	24	8
Michigan	1	0	1	2	2
Minnesota	0	0	3	0	0
Mississippi	69	35	41	20	4
Missouri	5	5	4	2	2
Nebraska	8	6	5	3	3
North Carolina	5	4	2	5	5
North Dakota	0	0	1	0	0
Ohio	14	1	3	1	1
South Dakota	2	0	1	0	0
Tennessee	6	2	4	3	2
Wisconsin	0	1	1	0	0
Total	10	5	6	3	2

Wheat bears continue to point towards improving crop conditions here in the U.S. and abroad. U.S. winter wheat conditions are again bumped higher from 62% rated "Good-to-Excellent" last week to 64% this week. The Kansas crop is rated 58% "Good-to-Excellent" vs. just 13% last year; Oklahoma is rated 79% "Good-to-Excellent" vs. just 9% last year; Texas is rated 61% "Good-to-Excellent" vs. just 16% last year; Colorado is rated 76% "Good-to-Excellent" vs. just 49% last year. States like Arkansas, Illinois, Indiana, Michigan and Ohio are actually in worse condition this year compared to last. Spring wheat planting was reported at just 13% complete vs. the five-year average of 33% by this date. Minnesota is just 2% planted vs. 33% traditionally; North Dakota just 5% planted vs. 21% traditionally; South Dakota just 8% planted vs. 60% traditionally. Idaho, Montana and Washington are also running behind schedule. Globally, there's more talk that Russian and EU wheat export prices continue to create stiff headwinds for U.S. exporters. Don't forget, The Wheat Quality Council's annual Wheat Tour kicks off today in Kansas and runs through Thursday. I'm looking for a fairly strong survey, which probably keeps the bulls sidelined and bears in control nearby.

U.S. Winter Wheat Conditions

[week 17] April 29, 2019

Current Good-To-Excellent Conditions vs. 5 year average
for week 17



Wheat % Good to Excellent

State	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	64	61	61	45	11
California	100	95	90	100	0
Colorado	47	49	49	76	3
Idaho	61	68	72	66	-2
Illinois	72	59	63	44	-11
Indiana	71	61	67	52	-5
Kansas	49	13	31	58	1
Michigan	64	72	62	44	4
Missouri	65	49	57	42	-1
Montana	63	58	62	78	-10
Nebraska	50	63	51	68	-1
North Carolina	61	76	62	52	1
Ohio	81	74	69	29	-3
Oklahoma	47	9	33	79	9
Oregon	85	80	64	65	2
South Dakota	54	32	49	57	4
Texas	44	16	34	61	9
Washington	83	76	64	68	2
Total	54	33	58	64	2

Connecting the Dots

> U.S. China Talks Near Finish Line: U.S. Treasury Secretary Steven Mnuchin says talks with China are in the final stages and that while both countries are nearing a deal, negotiations are at a point where either an agreement could happen or possibly not. From what I am hearing, Mnuchin did

not want to say if the talks would conclude by the end of June, but only that both economic powerhouses desire to have an agreement. He also declined to say if a collapse in negotiations would cause Trump to inflict more tariffs on China, the Times said in the report.

> Ag. Sec. Perdue Extends Trade-Aid Deadline: *USDA announced yesterday that producers have until May 17 to certify their 2018 production under the \$9 billion direct payment program for commodity sectors struggling due to retaliatory tariffs. Perdue revealed the change during a meeting with North Dakota farm groups and lawmakers on Saturday. It could help an estimated 5% of North Dakota growers who still have unharvested crops from last year because of snow. The previous decline for reporting product was May 1. (Source: USDA)*

> Likely Won't Be Trade-Aid in 2019: *Ag. Sec. Sonny Perdue said USDA likely won't offer any relief programs for this year's production, even if a trade deal with China isn't completed.*

> Japan Says Drop Tariffs and We'll Open Our Doors: *If the U.S. were to get rid of the threat to impose a 25% tariff on autos and parts that Japan sends across the ocean, they would consider opening their markets to more of our exports like beef and assorted ag products. I'm told that those tariffs would boost the cost of compact cars sold in America such as the Honda Civic, Toyota Corolla and Mazda 3 by \$1,500 to \$2,000, the Peterson Institute for International Economics has estimated.*

> Cotton Plantings Lag as Wet Weather Keeps Planters Out of Field: *Rains slowed cotton plantings down, leaving only 11% of the U.S. crop planted as of Sunday, just a two-point advance during the week and behind the five-year average pace of 13%. To this point, Texas growers 13% of their intended acres seeded, which is right in line with the five-year average pace.*

> Farm-Equipment Sales Take a Dive: *Purchases of farm equipment plunged by an annualized \$900 million in the first quarter, the sharpest drop in three years, as U.S. producers struggle with falling commodity prices. The Commerce Department cited the drop in agricultural machinery purchases as a contributor to the paltry 0.2% quarterly rise in overall business spending on equipment, also the weakest performance since 2016. The reluctance of farmers and other business owners to invest in equipment flashed a cautionary signal for the U.S. economy and for machinery manufacturers. (Source: Bloomberg)*

> Shareholders of Bayer Vote Against CEO: *Bayer AG's CEO Werner Baumann lost a crucial confidence vote as investors questioned his handling of the \$63 billion Monsanto deal and the wave of U.S. lawsuits that have followed. 55% of shareholders voted against absolving Baumann and other managers of responsibility for their actions in the takeover last year and whether they assessed the legal risk of Roundup, the embattled weedkiller it acquired together with Monsanto. Now, the result isn't legally binding, but it shows clearly what the shareholders are feeling about the company's leadership. (Source: Bloomberg)*

> Blockchain is Giving One Billion People Identities: *Over one billion people worldwide don't have any form of identification, making it difficult to access many of the social institutions the developed world takes for granted. A UN organization, the World Food Program (WFP), is testing whether blockchain, the technology that powers bitcoin and ethereum, could solve this ID problem. (Source: CNBC)*

> Houses in the Bay Area of San Francisco Drop for First Time in 7 Years: *The median price of a San Francisco Bay Area home sold last month fell slightly compared with the prior-year period, marking the first annual drop since the bottom of the last housing crash, seven years ago, according to CoreLogic. The decline came as price gains had been shrinking for several months. Before last month, the median sale price had risen annually for 83 consecutive months since April 2012.*

> Prepping For a Cataclysmic Asteroid Strike: *This week, at the International academy of astronautics Planetary Defense Conference, NASA, FEMA and other groups will be prepping for disaster. Specifically, they will be simulating their would-be response to an asteroid bearing down on planet Earth. This Hypothetical asteroid is between 100 and 300 meters wide and has a hypothetical chance of striking in 2027. The simulation is the sixth near-Earth-object impact exercise that NASA has taken part in. Not only do these exercises help NASA officials think through what they'd do in the event of a threat, but they also help them know what information is most important to FEMA and other agencies. (Source: Gizmodo)*

> Amazon Is More Than Just An Online Retailer: *Amazon announced its first quarter earnings last Thursday, beating expectations by posting its fourth consecutive record profit. But while most people know Amazon for its namesake e-commerce platform, the world's most popular online retailer has expanded its business considerably over the past few years. According to the company's latest earnings report, online retail, excluding commissions from third-party sellers, accounted for just 49% of Amazon's revenue in the first quarter of 2019, down from 64% two years earlier. The following chart breaks down Amazon's revenue by operating segment,*

illustrating how far the company has come since starting as an online bookstore in the 1990s. (Source: Amazon, Statista)



Central Missouri – We are 100% planted in corn. We had a few big rains in the middle of planting that washed out some lower lying areas, so we just finished up last weekend replanting the spot in patches. The corn is just starting to pop-up which is fairly quick considering it's only been in the ground for about 8 days. Depending on what happens in the next week we might be replanting those same areas because we have fairly good rain chances for the next 7 days straight of 50% or higher. We are actually in flash food watch for the next 48 hours because the National Weather Service is calling for 3-6 inches possible for everything between Kansas City and Columbia. The temperatures will be in around 70-75 degrees so after the big rain on Tuesday we should see some nice growth if the sun come out.

Northern Iowa – This planting reminds me a lot of the harvest last year. We still have ruts to fix and fertilizer to spread. We have a lot of no-till guys around us, but we had to cut ruts to get the corn out this fall which wasn't a big deal because we rip all our corn fields to get rid of the stock trash. I would guess that we are probably not going to get anything started until mid-May due to the next 15 days we have rain in the forecast 10 of those. We are wet enough right now we can't afford rain 3 of those days. We might get started planting corn about the same time as we finished planting corn a year ago which was May 21st. We are hoping for a forecast change, missed or light rains.

Western Nebraska – We might be the only area in the upper mid-west that didn't get much rain over the weekend. We did get about .20 but that was only enough to slow us down for half of Monday. We are going to get out there and plant corn Monday afternoon until it rains Tuesday morning. We should get 150 acres planted if we don't have any issues with the planter. Normally we would probably wait until after the next rain, but our forecast isn't looking promising for many opportunities to plant in the first half of May. We are slightly colder then we like to be planting but we will rapidly move higher in temperatures as the week progresses. We are lighter, sandy soil so the rains will not be too bad if we don't get too much the next could days.



Food Away From Home is Eating at Farmers Percentage of Food Dollar: For every dollar American consumers spend on food, U.S. farmers and ranchers earn just 14.6 cents, according to a report released recently by the U.S. Department of Agriculture's Economic Research Service (ERS).

This value for 2017 marks a 17% decline since 2011 and is the smallest portion of the American food dollar farmers have received since USDA began reporting these data in 1993. The remaining 85.4 cents cover off-farm costs, including processing, wholesaling, distribution, marketing and retailing. 'Even though family farmers and ranchers are more productive today than they have ever been, they're taking home a smaller and smaller portion of the American food dollar,' National Farmers Union president Roger Johnson said. Since the previous year, farm production costs per food dollar remained constant at 7.8 cents in 2017 and are still at their lowest level since 2002. I should mention , increases in food-away-from-home spending by consumers drives down the farm share of the food dollar because food makes up a smaller share of total costs due to restaurants' added costs for preparing and serving meals. Read more [HERE](#).

Bulleit's 3D Printed Frontier Lounge Will be Serving 3D Drinks at Tribeca: *This year Bulleit is bringing something a little different to the Tribeca Film Festival: a 3D printed lounge. The Bulleit 3D Printed Frontier Lounge, which has been on a bit of a nationwide tour over the past few months, is making an appearance at this year's festival, currently underway. The bar will be exclusively open for invite-only events, where it will be used to serve some of the world's first 3D printed cocktail while music from NY DJs play in the background. Before New York, the Bulleit Frontier Works experience made stops on Oakland, CA as well as an appearance in Austin, Texas shortly before SXSW this year. I should mention, last month Bulleit added a new 12-year-old aged rye to its family of whiskeys. The whiskey marked the 5th addition to the Bulleit family as well as its first extension of Bulleit Rye. The 18th annual Tribeca Film Festival runs from April 24 - May 5, 2019. Read more [HERE](#) on the creative marketing move.*

U.S. and China Lead the World in Military Spending: *Global military spending is continuing to increase, growing for the second year in a row and reaching the highest levels since reliable global figures became available in 1988. That's the finding of a new report out by the Stockholm International Peace Research Institute. I'm told total spending is up 76% from the post-Cold War low in 1998., with the United States, China, Saudi Arabia, India and France leading the world in military spending, which accounted for 60% of the total expenditure in 2018. Also, U.S. military spending is up for the first time in seven years, by 4.6%, reaching \$649 billion. The U.S. is "by far the largest spender in the world," accounting for 36% of the total, spending almost as much as the next eight countries combined, researchers wrote. Last year the U.S. spent \$649 billion, while China, which came in second on the list, spent \$250 billion. Together, the U.S. and China make up half the world's military spending, expending as much as the rest of the world combined. In fact, the "significant increases in spending" by the two countries drove total global military spending up 2.6% from 2017, researchers said. Read more [HERE](#).*

Your New "Pal" That Can Get You Home: *British design studio Layer and Chinese automotive and smart mobility firm Nio, collaborated to develop Pal, a smart, electric scooter. Seeking to solve future traffic congestion in large cities, this stylish, single-rider transport is a "near-future concept". I'm told the Pal uses artificial intelligence machine-learning to recognize common routes and will link to the owner's smartphone or smartwatch via Bluetooth, and from the phone to Nomi, Nio's cloud-based A.I. system. Once the system is familiar with a route, the owner can state a destination into a wireless earpiece and the scooter will take the rider home autonomously. Interestingly, the scooter has a separate motor in each of its four wheel hubs, so that when you drive Pal by leaning, its pressure-sensitive suspension can vary wheel speeds to speed up, slow down, or turn left or right. Learn more [HERE](#) and check out pics of the concept scooter.*

Michigan's Largest Private Car Collection is Worth a Look: *You have a chance to see one of the largest private car collections in the world. We're talking classics, exotic vehicles and custom rides rarely seen by the public. MLive took a look inside Ken and Kristen Lingenfelter's garage as they got ready to open it to the public for one day only to raise money for the American Cancer Society. From what I understand, all of the nearly 200 vehicles will be on display, along with racing simulators, door prizes and Ken Lingenfelter will start up the Ferrari Enzo. I'm told the Lingenfelters have been doing this once a year for many years, great gesture on their part! Click [HERE](#) for all the pics with descriptions.*





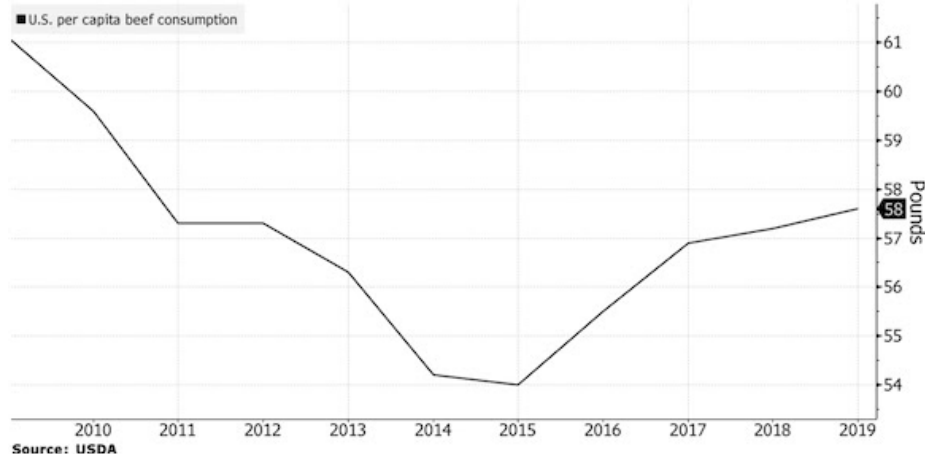
Walmart, Angus Beef, and Change to Take Note of...

Walmart, the nations largest grocer, has created a direct end-to-end supply chain for Angus Beef, perhaps ultimately reshaping the beef industry. Keep in mind, normally Walmart would buy Angus beef from companies like Tyson Foods and Cargill, but now they are going direct to the rancher to source non-hormon-added Black Angus beef. From what I understand, the cattle will come from Texas rancher Bob McClaren, then the feeder cattle will be fed at Mc6 Cattle Feeders outside Hereford, Texas. I'm told processing will take place at Creekstone Farms in Arkansas City, Kansas, where the new venture is expected to create an additional 250 jobs for the packing plant. The final stages of the beef packaging will be done in Augusta, Georgia at FPL Foods, where the case ready meat will be sent out to 500 select Walmart stores. Remember, it was two years ago that Walmart upgraded its steaks and roasts to higher-quality Angus, which was part of its broader push to improve their quality and appeal more the younger millennial generation. Walmart also sees the data, which shows Americans are eating more meat. The USDA recently suggested our nations beef consumption will rise to 57.6 pounds per person this year, the most since 2010. Also interesting, is the fact we are seeing much greater demand for higher cuts of Angus beef. In fact, Angus sales volumes last year reached a record 1.21 billion pounds, according to Certified Angus Beef, about double the amount reported a decade ago. Even fast-food chains like McDonald's, Burger King and Carl's Jr. now offer Angus burgers. Bottom-line, more and more food retailers are trying to find ways to go direct with higher quality products, to a younger consumer base who's taste are constantly changing. Don't forget, Costco is building an operation in Nebraska where they will be able to directly source their \$5 rotisserie chickens. Data continues to show the meat counter is the biggest contributor and influencer of sales of fresh products in a supermarket, followed by produce, deli, bakery and seafood. We are seeing more and more shifts in all of these channels. If you are a producer and can position yourself in a way that helps better facilitate this changing landscape, I see longer-term gains in both margins and marketshare. Be open to new thoughts, different perspectives and new ways to do business! Your competitive advantage might simply be your willingness to understand and be open to change... (Source: Feedstuff, Reuters, Bloomberg, Walmart)



Beef Boost

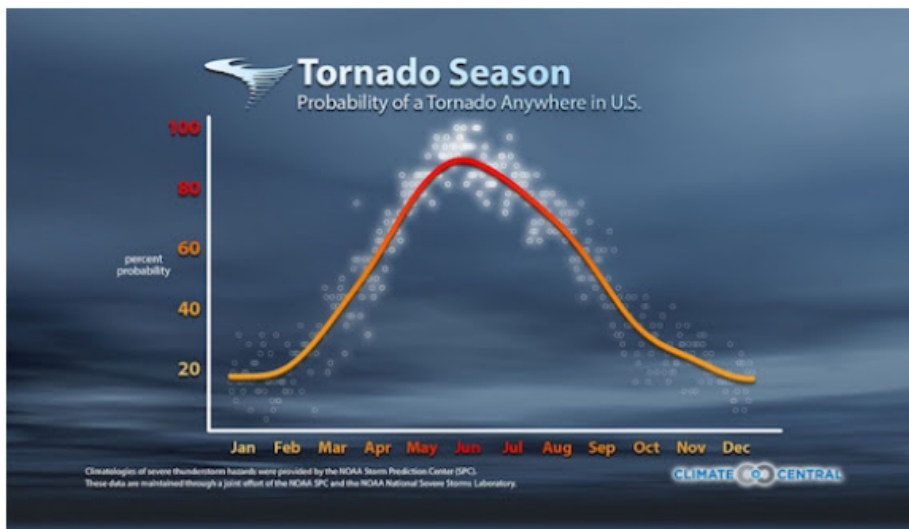
Demand for beef is rising as Walmart sells more luxury steaks



Tis the Season... Changing What We Know About Tornadoes

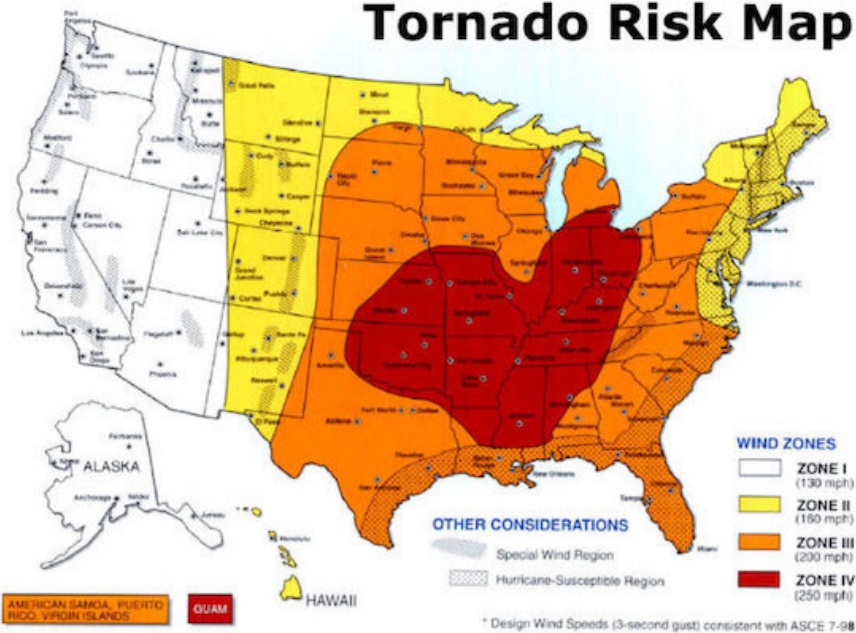
The month of May means we are about to reach peak tornado season! This years there's some new

research in play that suggests weather forecasters may have been looking in the wrong place when predicting tornadoes. For many years there have been a number of conflicting theories about how tornadoes form, the most widely accepted being from the top down. From what I understand, this is based on research done nearly twenty years ago, using radar technology that was relatively slow. Predicting storms most often begins with measuring the current weather conditions, such as air temperature, air pressure and wind speed, which every airport in the country collects every five minutes. Then meteorologists combine these measurements with information from weather balloons launched to measure conditions at various heights in the atmosphere and geostationary satellites that sense moisture in the atmosphere and reveal the locations of clouds. Now, a team of researchers led by Ohio University meteorologist Jana Houser using a rapid-scanning mobile radar unit that takes readings every 30 seconds have discovered that tornadoes actually form from the ground up, meaning we are on the brink of a profound impact on the way tornado warnings are issued in the future. Interestingly, the new first of its kind evidence was gathered after Houser observed the catastrophic Joplin, MO. EF5 tornado in May 2011. Those findings were subsequently confirmed through observations from several other tornadoes, including a very compelling visual and radar analysis of the deadly El Reno tornado of May 2013. From what I understand, the new findings indicate that a tornado-strength vortex can be active on the ground for a minute or more before the deeper tornadic column forms and is picked up by conventional radar, meaning forecasters should soon get warnings out quicker as current methods are issued based on radar readings that pick up vortex signatures every five minutes at or above cloud level. Unfortunately, conventional radar can't get ground-level readings over a broad area because objects are in the way, such as hills, buildings and trees, that ultimately disrupt the data. It sounds like researchers at the National Severe Storms Laboratory are already at work making it possible for forecasters to generate short-term, high-resolution models of storms just hours before they occur then determine their likelihood of producing a tornado. Hopefully, the new technology can get more folks to safety, sparing them from deadly destruction. Please stay safe and alert as the number of tornados start to escalate. (Source: livescienc, phys.org)





Tornado Risk Map



Greatest Land Deal of All-Time!

It was on this day back in 1803, that representatives of the United States finished negotiations with France for the "Louisiana Purchase". Many historians call it the greatest tactical move and investment in U.S. history. The massive land sale doubled the size of the young American republic and opened the door to a wealth of resources. Beginning in the 17th century, France started exploring the Mississippi River valley and established scattered settlements in the region. By the middle of the 18th century, France had gained control of massive number of North American acres, reaching from New Orleans northeast to the Great Lakes and northwest to modern-day Montana. Essentially France had control of everything between the Mississippi River and the Rocky Mountains, excluding Texas and New Mexico. By the late 1780's, Americans had started pushing more westward into the Ohio and Tennessee River valleys, and these settlers were becoming more highly dependent on free access to the Mississippi River and the strategic port of New Orleans. U.S. officials feared that France, under the leadership of Napoleon Bonaparte, would eventually seek to dominate the Mississippi River and access to the Gulf of Mexico. Good news for our sake, France started experiencing some financial hiccups and was about to go to war with Great Britain, hence Napoleon offered his North American territories up for sale. In the end, U.S. leaders agreed to pay \$11,250,000 and assumed claims of its citizens against France in the amount of \$3,750,000. In exchange, the United States acquired the vast domain of Louisiana Territory, some 828,000 square miles of land. In simple terms, the acquisition of the Louisiana Territory was made at the bargain price of less than three cents an acre. Historians say the American government used \$3 million in gold as a down payment, and issued bonds for the balance to pay France for the purchase. What's crazy, is that President Jefferson had been desperately wanting to purchase New Orleans and had a

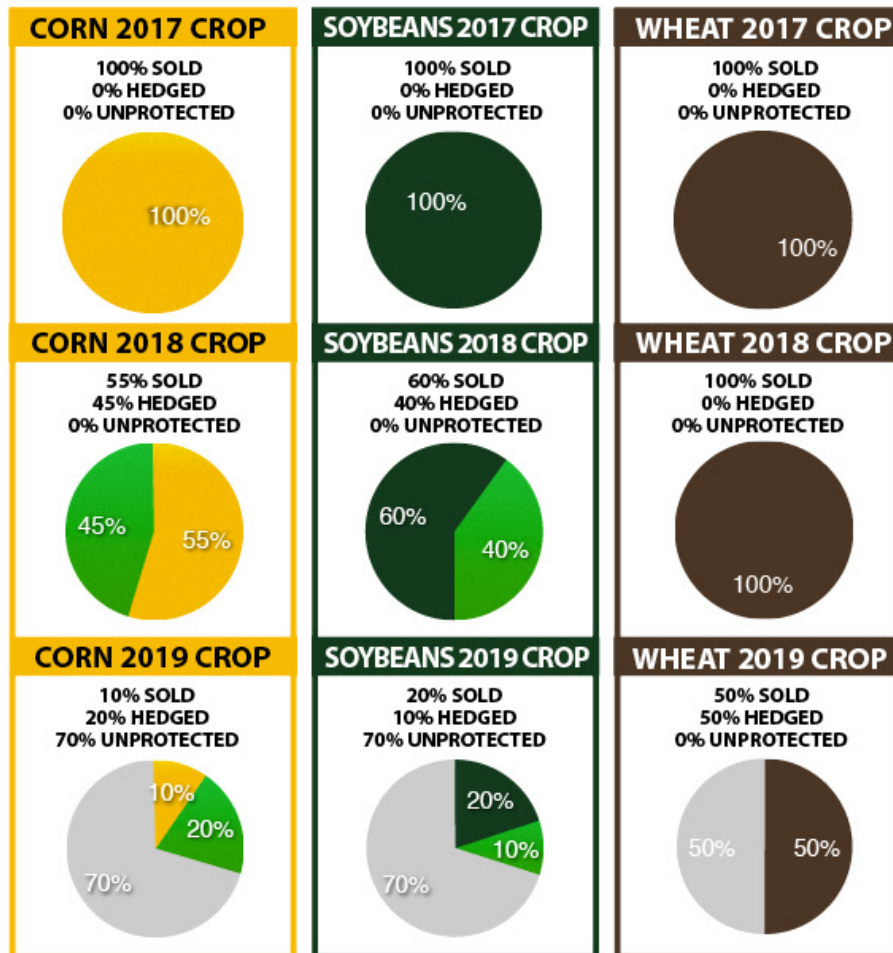
proposal drawn up where we would have paid up to \$10 million. So to get the entire 828,000 square miles from the French for less than \$10 million, was consider a huge windfall. However, as with all politics, the decision to buy the huge chunk of land drew a ton of heated debate. In fact, the Federalists strongly opposed the purchase, favoring close relations with Britain over closer ties to Napoleon, and were concerned that the United States had grossly overpaid for the ground. Many members of the House of Representatives opposed the purchase. Majority Leader John Randolph led the opposition. The House actually called for a vote to deny the request for the purchase, but it failed by a very slim two votes, 59–57. To think, we were just two votes away from never purchasing the Louisiana Territory. American expansion westward into the new lands began immediately thereafter. Because the western boundary was heavily contested at the time of the purchase, President Jefferson immediately organized three missions to explore and map the new territory. All three started from the Mississippi River. The Lewis and Clark Expedition (1804) traveled up the Missouri River; the Red River Expedition (1806) explored the Red River basin; the Pike Expedition (1806) also started up the Missouri, but turned south to explore the Arkansas River watershed. The territory ultimately contained land that forms Arkansas, Missouri, Iowa, Oklahoma, Kansas, and Nebraska; the portion of Minnesota west of the Mississippi River; a large portion of North Dakota; a large portion of South Dakota; the northeastern section of New Mexico; the northern portion of Texas; the area of Montana, Wyoming, and Colorado east of the Continental Divide; Louisiana west of the Mississippi River (plus New Orleans); and small portions of land within the present Canadian provinces of Alberta and Saskatchewan. To say this ground was an important purchase for the U.S. would be a massive understatement. I should note, Napoleon was in a huge hurry to make the sale because he was going to need the money to finance his planned invasion of England... something that never took place! Crazy how things play out...



ANSWER to riddle: A friend.

CASH SALES & HEDGING TOTALS

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