

GOOD MORNING: 05/01/19 Farm Direction - Van Trump Report

1 message

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

Wed, May 1, 2019 at 7:24 AM

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To: info@farmdirection.com



"Never build your life on the emotional weaknesses of others." -George Santayana

WEDNESDAY, MAY 01, 2019
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Morning Summary: Stocks are steady to slightly higher on this first day of May as both Apple and GE deliver better than expected earnings. The S&P 500 has posted new all-time closing highs for consecutive sessions. Traders now await today's session from the Fed and comments from Fed Chair Jerome Powell scheduled for around 12:30 pm CST. Most traders are expecting little change in rhetoric as the Fed remains on hold. Bulls want to believe they will continue to stick with a more dovish tone. Bears however, believe the Fed could become a bit more hawkish now that the stock market has rallied back to new all-time highs. As a result, bears believe we will soon start trading sideways to lower, especially as we head into what's historically the most difficult months, May-October. We've all heard the old trading adage, "sell in May and go away". It will be interesting to see if there's any validation to that bit of advice in 2019? Chinese trade negotiation remain a major "wild-card". There are some who argue if a deal isn't finalized by the end of next week, it probably won't happen for a few more months. There's also some uncertainty brewing around comments that Washington is prepared to throw more money at bailing out U.S. farmers. For some this is great news! But bears believe its sign that leaders in Washington are worried that trade negotiations could push on much longer than anticipated. Hence, the farmers are going to need another round of bailout money? Bottom-line, there's just a ton of unknowns circulating and no real specifics or details to hang our hat on. Traders and investors are believing whatever headline best fits their perspective. Be careful not to fall into this trap. We all want to believe the story that fits best into own hand but often times that can lead to poor decision making longer-term. Again, best-of-practice, plan for the worst and continue to hope for the best. As for today, the trade will be mostly focused on the comments for the two-day FOMC meeting. Traders will also be digesting the latest in construction spending, updated U.S. manufacturing data, and new autos sales numbers. There will also be over 300 quarterly corporate earnings released, including some big names like: Clorox, CME Group, CVS, Hyatt Hotels, Sprint, Square, Yum Brands.

Home Price Growth Seen at Multi Year Low: *The S&P CoreLogic Case-Shiller 20-city index rose a seasonally adjusted +0.2%, and was +3.0% higher compared to a year ago. That was the slowest pace of annual growth since September 2012. I still see this as healthy gains and good growth. Real estate insiders say that California was stung a bit by the tax-law changes of 2017, and is no longer on top. In fact, Los Angeles, San Francisco and San Diego had the slowest annual price growth in the three month period ending in February. But Americans still prize warm weather and moderately-priced housing: the top three metros were Las Vegas, Phoenix, and Tampa. (Source: MarketWatch)*

Woodstock of Capitalists Starts Saturday: *Tens of thousands of investors are heading to Omaha, Nebraska, for Berkshire Hathaway's annual shareholders meeting this week, eager to hear from Warren Buffett about his views on the company, the economy and the stocks he's investing in. In his 2018 annual letter, Buffett said he's holding these (check graphic below) stocks for the long run, saying he doesn't view them "as a collection of ticker symbols - a financial dalliance to be terminated because of downgrades by the Street." I should mention the annual meeting, nicknamed "Woodstock for Capitalists," kicks off Saturday morning at Omaha's CHI Health Center, formerly named CenturyLink Center, where Buffett and Berkshire Vice Chairman Charlie Munger will entertain a crowd of more than 30,000 with a six-hour Q&A session. Topics the duo will comment on*


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.

May 14 & 15
Peabody Hotel
Memphis, TN

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Van Trump Report

Today in History
1852, Calamity Jane is Born - On this

include their succession plan, investment strategy and market outlook. It's also a festival-level extravaganza with all the Buffett-branded swag for investors to snag. Read more [HERE](#).

Berkshire Hathaway's 15 biggest largest stock holdings

Company	Market Value of position (\$ millions)
Apple	\$40,271
Bank of America	\$22,642
Wells Fargo	\$20,706
Coca-Cola	\$18,940
American Express	\$14,452
U.S. Bankcorp	\$6,688
JP Morgan Chase	\$4,946
Bank of New York Mellon	\$3,977
Moody's	\$3,455
Delta Air Lines	\$3,270
Goldman Sachs	\$3,138
Southwest Airlines	\$2,226
Charter Communications	\$1,935

FARM TANK

Tweets of the Day



day, the adventurer and performer Calamity Jane is born near Princeton, Missouri. The myths and fabrications concerning the life of Calamity Jane are so numerous it is difficult to discover her true story. Legend has it that at various times Jane worked as a dishwasher at Fort Bridger, a laborer on the Union Pacific, a scout for General Custer, and a teamster. Some claim that Jane's parents died when she was only eight years old and the event led to her nickname "Calamity," but serious historians have never found any solid evidence for any of these legends. What reliable records do exist indicate that she was born Martha Jane Canary and spent the first 13 years of her life in rural Missouri. In 1865, she and her family moved west to the booming gold rush town of Virginia City, Montana. There she grew into a tall and powerfully built young woman who liked to wear men's clothing and spend her time in the company of men. Like many young frontier women, Jane learned to ride and shoot at an early age, and she apparently bridled at the narrow limits placed on women in her era. By the early 1870s, Jane appears to have been out on her own. She was able to find occasional work in Virginia City as a laundress, one of the few occupations that were open to women at the time. In 1875, she joined a scientific expedition into the Black Hills of South Dakota, probably working as a laundress and camp follower rather than the teamster of legend. Still, Jane's participation in the expedition put her in the Black Hills during the height of the subsequent gold rush to the region from 1876 to 1880. She eventually settled in the rugged boomtown of Deadwood, South Dakota. Given to hard drinking and carousing, she attracted public attention with stunts like riding a bull down the main street of Rapid City. By the 1890s, many Americans were already fascinated with the rapidly fading days of the Wild West, and a wild woman like Jane was extremely interesting. Jane catered to this fascination with boasts of her supposed exploits, claiming to have been a uniformed army scout for General Custer, for example, though there was no evidence this was true. Ultimately, Jane was a performer, providing the public with the appropriately grand and mythic image of the West. By 1896, Jane's hard living had begun to take a toll, and she was suffering from the debilitating effects of severe alcoholism. Nonetheless, she accepted an offer to appear on the stage in Minneapolis in her self-created persona of Calamity Jane. In 1901, she was even invited to the Pan-American Exposition in Buffalo, New York. Wherever she went, Jane brought along copies of her hopelessly inaccurate autobiography, which she sold to credulous fans for a few pennies. One of the most persistent legends has been that Jane was married to the famous gunslinger and lawman Wild Bill Hickok, and that she may have given birth to his child. Yet again, biographers have been unable to establish



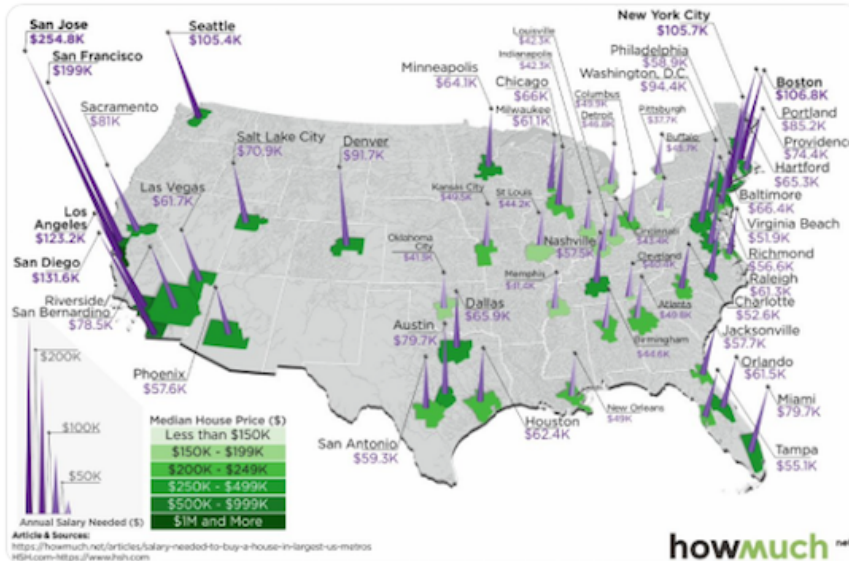
Visual Capitalist

@VisualCap

Following

Mapped: The Salary Needed to Buy a Home in 50 U.S. Metro Areas 🏠

visualcapitalist.com/3d-map-salary-...



any connection between Jane and Hickok. There is some evidence Jane may have given birth to a daughter, but if the child existed at all, its paternity was uncertain. Mostly likely, Jane simply fabricated the affair with Hickok, although she eventually may have come to believe that this-and other stories about her life-were actually true. Two years before she died, she seems to have finally have tired of living the self-created persona of Calamity Jane. Found sick and drunk in an African-American bordello in Horr, Montana, she grumbled an uncharacteristic wish that the world would "leave me alone and let me go to hell my own route." She died at the age of 51 on August 1, 1903, in Terry, South Dakota.

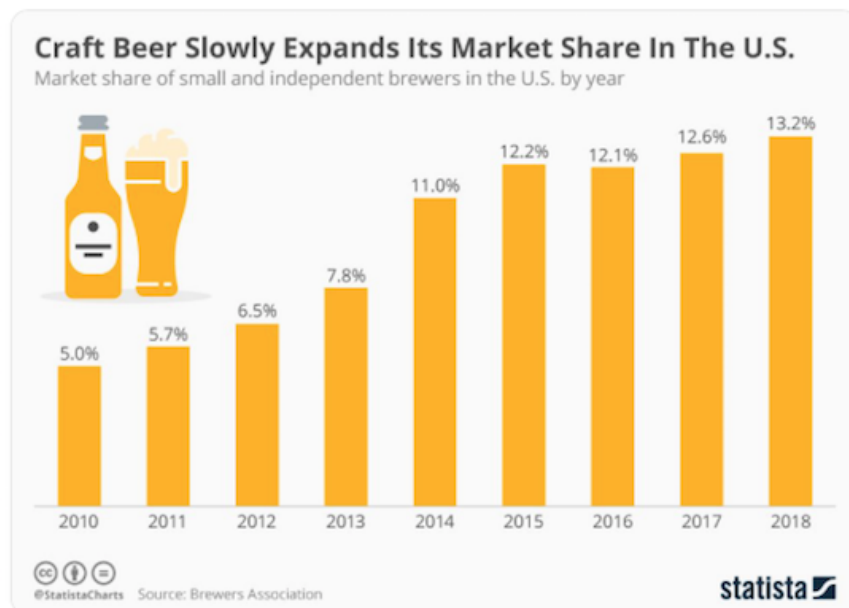


1863, Battle of Chancellorsville Begins -

On this day in 1863, the Battle of Chancellorsville begins in Virginia. Earlier in the year, General Joseph Hooker led the Army of the Potomac into Virginia to confront Robert E. Lee's Army of Northern Virginia. Hooker had recently replaced Ambrose Burnside, who presided over the Army of the Potomac for one calamitous campaign the previous December: the Battle of Fredericksburg. At that conflict, the Yankees amassed over 14,000 casualties while the Rebels suffered some 5,000 casualties. After spending the spring retooling his army and boosting their sinking morale, Hooker advanced toward the Confederate army, possessing perhaps the greatest advantage over Lee that any Union commander had during the war. His force numbered some 115,000 men, while Lee had just 60,000 troops present for service. Absent from the Confederate army were two divisions under General James Longstreet, which were performing detached service in southern Virginia. Hooker had a strategically sound plan. He intended to avoid the Confederate trenches that protected a long stretch of the Rappahannock River around Fredericksburg. Placing two-thirds of his forces in front of Fredericksburg to feign a frontal assault and keep the Confederates occupied, he marched the rest of his army up the river, crossed the Rappahannock, and began to move behind Lee's army. The well-executed plan placed the Army of Northern Virginia in grave danger. But Lee's tactical brilliance and gambler's intuition saved him. He split his force, leaving 10,000 troops under Jubal Early to hold the Federals at bay in Fredericksburg, and then marched the rest of his army west to meet the bulk of Hooker's force. Conflict erupted on May 1 when the two armies met in an open area beyond the Wilderness, the tangled forest just west of the tiny burgh of Chancellorsville. Surprisingly, Hooker ordered his forces to fall back into defensive positions after only limited combat, effectively giving the initiative to Lee. Despite the fact that his army far outnumbered Lee's, and had the Confederates clamped between two substantial forces, Hooker went on the

Small and independent #Brewers had a market share of 5% back in 2010. By 2018, that had increased to 13.2% via @BrewersAssoc

statista.com/chart/17622/ma...



defensive. In the following days, Lee executed his most daring battle plan. He split his army again, sending Thomas J. "Stonewall" Jackson further west around the Union's right flank. The crushing attack snapped the Union army and sent Hooker in retreat to Washington, D.C., and, perhaps more than any other event during the war, cemented Lee's invincibility in the eyes of both sides.



1991, Rickey Henderson Breaks Stolen Base Record -

On May 1, 1991, Oakland Athletics outfielder Rickey Henderson steals his 939th base to break Lou Brock's record for stolen bases in a career. Henderson stole a total of 1,406 bases in his major league career, almost 500 more than the next closest player. Henderson was also the premiere lead-off hitter of his generation. Rickey Henley Henderson was born on Christmas Day, 1958. When he was seven years old, his family moved to Oakland, where the gregarious boy befriended Charles O. Finley, the owner of the Oakland Athletics. He played youth baseball in Oakland with pitcher Dave Stewart, later his teammate on the 1989 Oakland A's and 1993 Toronto Blue Jays World Championship teams. According to Stewart, Henderson had the same loquacious, energetic personality as a boy that he did when he became a baseball star: "Rickey was always the life of the party." Henderson was drafted by the A's in the fourth round of the 1976 amateur draft. In the minor leagues he stole bases at a tremendous clip, including 95 at Double-A Modesto as an 18 year old in 1977. He broke in with Oakland in the 1979 season, but initially struggled to find his game. Then, in 1980, under a new manager, the pugnacious Billy Martin, Henderson broke the American League record for stolen bases in a season. His batting crouch and keen eye for the strike zone drew him walks by the dozen, and in 1982 he stole 130 bases, breaking the single season record of 118 that Brock had set in 1974. Henderson was traded before the 1985 season to the New York Yankees, with whom he added power to his game, hitting 24 home runs in 1985. In his career he hit 75 lead-off home runs, a record. Back with the Oakland A's, Henderson was named MVP of the American League Championship Series in the 1989 season, and followed that up in 1990 with his only American League MVP award. The seemingly ageless Henderson was loathe to retire and became a journeyman in the twilight of his career, playing stints with Toronto, San Diego, the New York Mets, Anaheim, Boston and the Los Angeles Dodgers. When his major league career finally ended in 2003, Henderson was baseball's all-time leader in stolen bases and lead-off home runs, as well as the all-time leader in bases on balls (walks) with 2,190 (Barry Bonds later broke this record) and the all-time runs leader, with 2,295. Henderson left the majors at age 45 and ended his career playing independent minor league baseball, still getting on base and still



Josh Beck
@farmerjosh2

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The real boss is running the drill and listening to the [#RealAgRadio](#) podcast [#plant19](#)



scoring runs. In a sport where the point of the offensive player is to score runs, Henderson did it more than anyone in history. He was inducted into the Baseball Hall of Fame in 2009.

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



Mike James
@cornandcalves

Following

Gas station bringing the 🔥 #plant19



Jake Thompson
@ChaserJake94

Following

Not bad Kansas, not bad at all. #kswx



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



B/R Betting
@br_betting

Following



NFL schedule is out 🙌

Who's winning it all?

SUPER BOWL ODDS	
PATRIOTS: +600	BRONCOS: +4000
CHIEFS: +600	RAIDERS: +4000
SAINTS: +1000	FALCONS: +4000
BEARS: +1000	RAVENS: +5000
BROWNS: +1200	LIONS: +5000
PACKERS: +1200	JAGUARS: +5000
RAMS: +1200	PANTHERS: +6000
COLTS: +1800	JETS: +6000
SEAHAWKS: +1800	REDSKINS: +7500
49ERS: +2000	BILLS: +10000
COWBOYS: +2000	GIANTS: +10000
CHARGERS: +2000	BUCS: +10000
VIKINGS: +2500	TITANS: +10000
EAGLES: +2500	BENGALS: +12500
TEXANS: +3000	DOLPHINS: +12500
STEELERS: +4000	CARDINALS: +12500

VIA CAESARS

B-R

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.



ActionComplete
@ActionComplete

Following

Do what is right, not what is easy.

#quotes #inspiration #leadership

DO WHAT
IS RIGHT,
NOT WHAT
IS EASY.



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:

0,1,2,3,4,5,6,7,8,9

Use the digits above once each only to compose two fractions which when added together equal 1.

Corn bears continue to scream "rain makes grain". Bulls are quick to point out, "not when the corn is still sitting in the bag." Bears simply believe enough corn will get in the ground that the improved soil moisture profile will make up for a good portion of the lost acres. They also see that we are swimming in a surplus of corn with new-crop ending stocks estimated well in excess of +2.0 billion bushels and perhaps more demand headwinds in front of the market. There's talk exports will be facing stiffer competition from South America and Ukraine. There's also talk that the USDA will need to further trim their current feed and residual estimate. We've also seen the difficulties brewing in the ethanol space. Personally, I would like to believe U.S. ethanol exports

are going to pick up more momentum and pull us out of this hole, but there are still many unanswered questions. Keep in mind, bears are also seeing a much better South American crop, by some estimates up nearly +30 MMTs compared to last year. Bottom-line, bulls can talk all day about planting delays and the possibility of a Chinese trade deal bringing more buying interest, but until all of that actually materializes and or the U.S. crop is in major jeopardy during the growing season, it's going to be tough to massively shake the bears. Yes, I could argue prices should soon stabilize and perhaps even rally a small bit as fewer new bears enter the space. But to argue a complete reversal or turnaround without an agreement that involves major Chinese buying and or a U.S. weather story that puts a large portion of the U.S. crop in harms way, it's just tough to get wildly bullish. Could we see a bounce of some sort, certainly, but a run in new-crop back towards \$4.30 or \$4.40 would take a game changing event. If you read today's corn acreage story down towards the bottom of the report, you will see some research that was done by Scott Irwin and Todd Hubbs at the University of Illinois. In a nutshell, they show how the 25 days between April 25 and May 20th are extremely important for corn planting. If the weather doesn't cooperate during that time period, there's going to be late-planted corn which almost always comes along with some type of yield-drag. The question now is how much U.S. corn will be planted after May 20th?

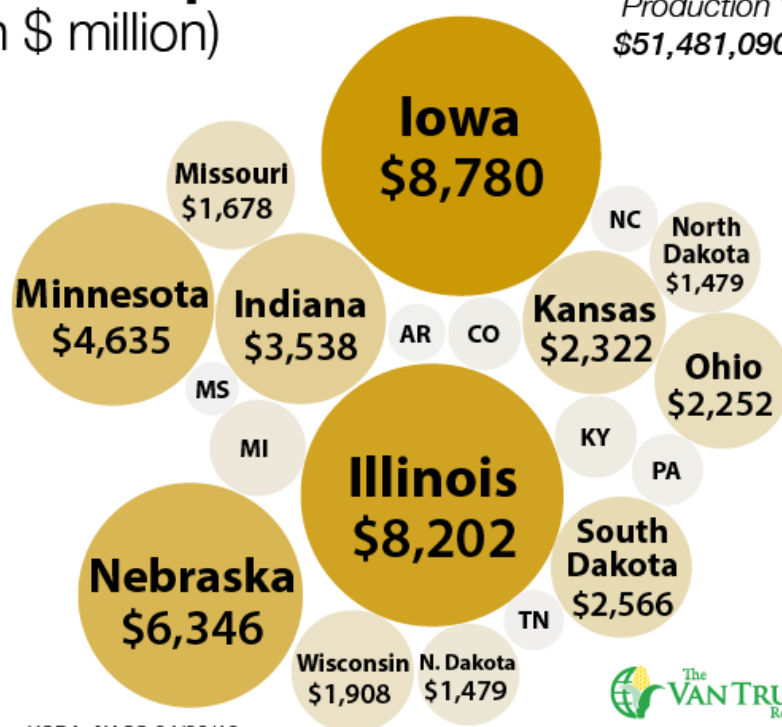
Corn Production Value by State

2018 Top 20

(in \$ million)

Total U.S.

Production Value
\$51,481,090,000



Source: USDA, NASS 04/30/19



Soybean bears remain in control. Old-crop prices have been trimmed by -50 cents in just the past two-weeks. Many of the bears are arguing that any weather related yield drag or hiccups in planting here in the U.S. might simply be offset by a few more acres going in the ground, as corn planting remains delayed. Also keep in mind, there's just not a lot of fear in general around late-planted soybeans. The late-planted crop back in 2013 ended up matching the previous record yield of 44 bushels per acre. At the same time we have the ongoing uncertainties brewing with China, not only the ongoing trade negotiations, but perhaps more importantly the uncertainties surrounding African Swine Fever. This underlying landscape is really allowing the bears to roam freely inside the market. It's really nothing overly complex, just more players want to be short than long right now. We have a glut of domestic surplus, South American exporters replenishing their supply, and a ton of uncertainty with the worlds #1 buyer of soybeans. Simply stated, a Bearish Wonderland! I mentioned weeks ago, what if the trade stops carrying about Chinese trade negotiations? Well here we are. The trade seems to believe our window-of-opportunity has come and gone, and even with a Chinese trade deal inked, it probably doesn't come along with a massive onetime Chinese purchase for old-crop supply. If it does, which I am hoping will be the case, then that would be considered a game-changer and catch many bears offside. Unfortunately, with China having such a problem with their pig population it's hard to imagine them being a massive buyer of soybeans nearby. I'm not saying it's entirely out of the question, I have seen crazier things happen and with U.S. soybean prices continuing to fall it would certainly make sense on paper for the Chinese to swoop in and be a huge buyer. Moral of the story, we

are all just guessing and the bears seem to have the best story at the moment. I suspect they stay in control until something more drastic changes or alters that perspective.

Soybean Production Value by State

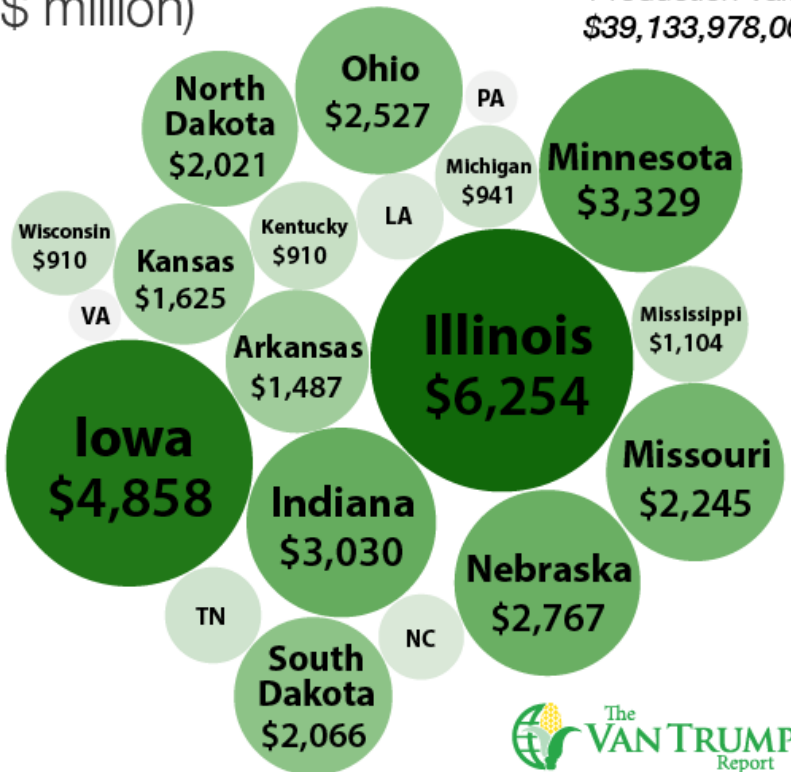
2018 Top 20 States

(in \$ million)

Total U.S.

Production Value

\$39,133,978,000



Source: USDA, NASS 04/30/19

Wheat bears are hearing what they expected, much better yields than last year from The Wheat Quality Council's Kansas Wheat Tour. Results were reported last night at the meeting in Colby, Kansas. Most all tour participants were reporting yields some +5 to +10 bushels per acre more than last year. Participants in the tour will report results gain tonight in Wichita, Kansas. A final average yield estimate will be given to tour participants on Thursday at its wrap-up luncheon in Manhattan, Kansas. I've included some great reference numbers for the tour that were passed along by Reuters Karen Braun. As always, she does a great job at providing relevant and timely information. Bulls are pointing to some weather concerns across many parts of Canada, which we will continue to monitor. Bears point to the much more obvious fundamentals i.e. no real major weather scare here in the U.S., and an overall lack of demand for U.S. wheat in comparison to global low-cost providers. We are truly the worlds ancillary supplier of wheat, at least for the moment. I should note, spring wheat prices have now fallen to multi-year lows and some bears in the HRW wheat market are thinking prices could soon tumble to a fresh decade low (sub-\$3.67).

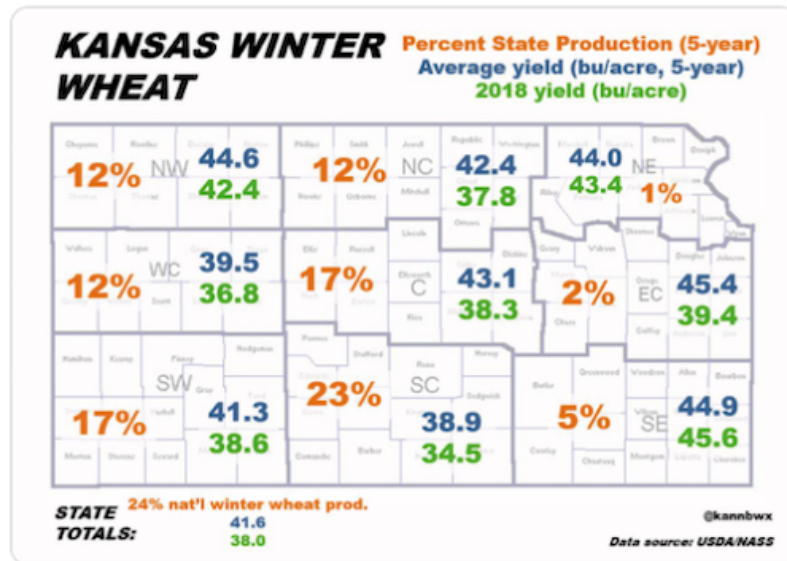


Karen Braun

@kannbwx

Follow

This map of Kansas winter [#wheat](#) production is good to keep in mind with [#wheattour19](#) out looking at yield potential this week. South central, southwest, and central are the three biggest districts for wheat production. Last year's yield was the worst since 2015 due to drought.



10:12 AM - 30 Apr 2019

10 Retweets 17 Likes



2 10 17



Karen Braun @kannbwx · 7h

Here's a 10-year history of Kansas winter [#wheat](#) yield (bushels per acre):

2018: 38

2017: 48

2016: 57 🤔

2015: 37

2014: 28 😞

2013: 38

2012: 42

2011: 35

2010: 45

2009: 42

[#wheattour19](#)

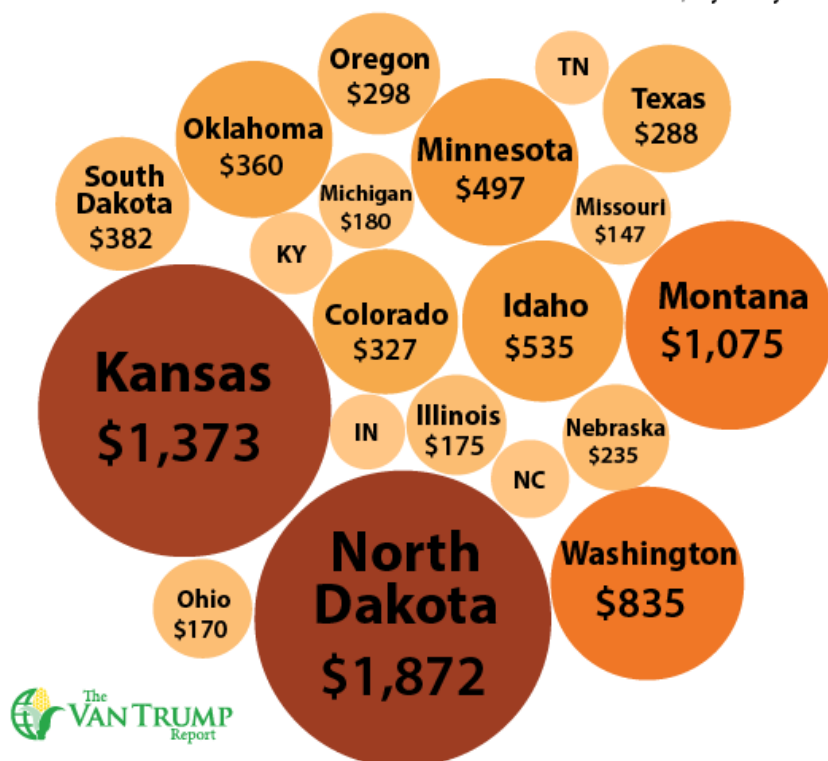
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Wheat Production Value by State

2018 Top 20 States

(in \$ million)

Total U.S.
Production Value
\$9,699,073,000

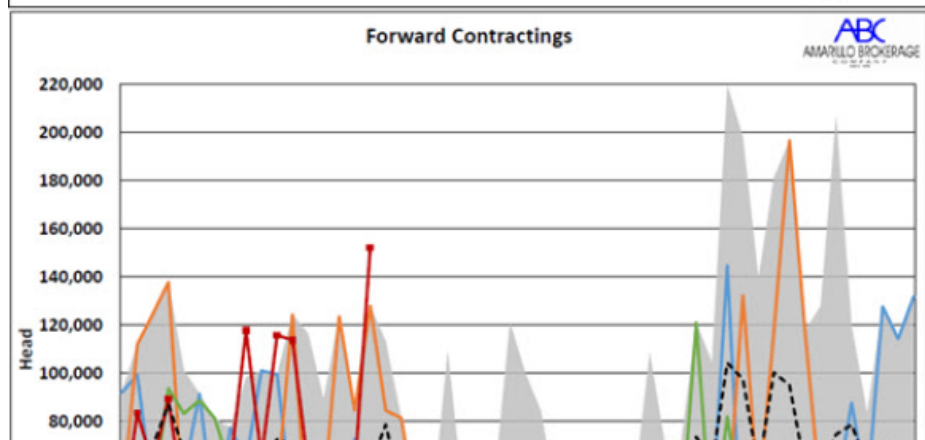
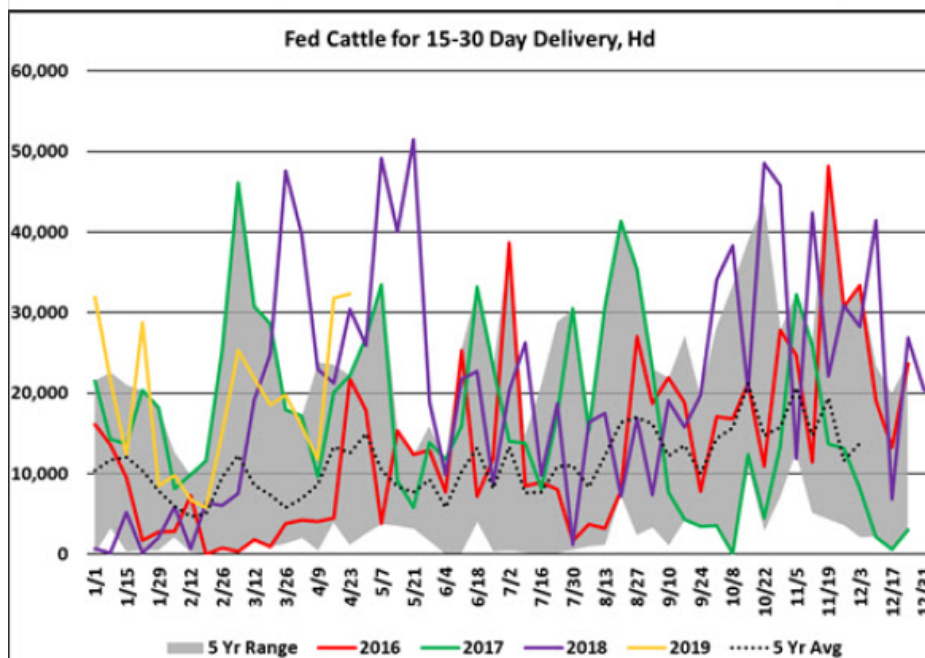
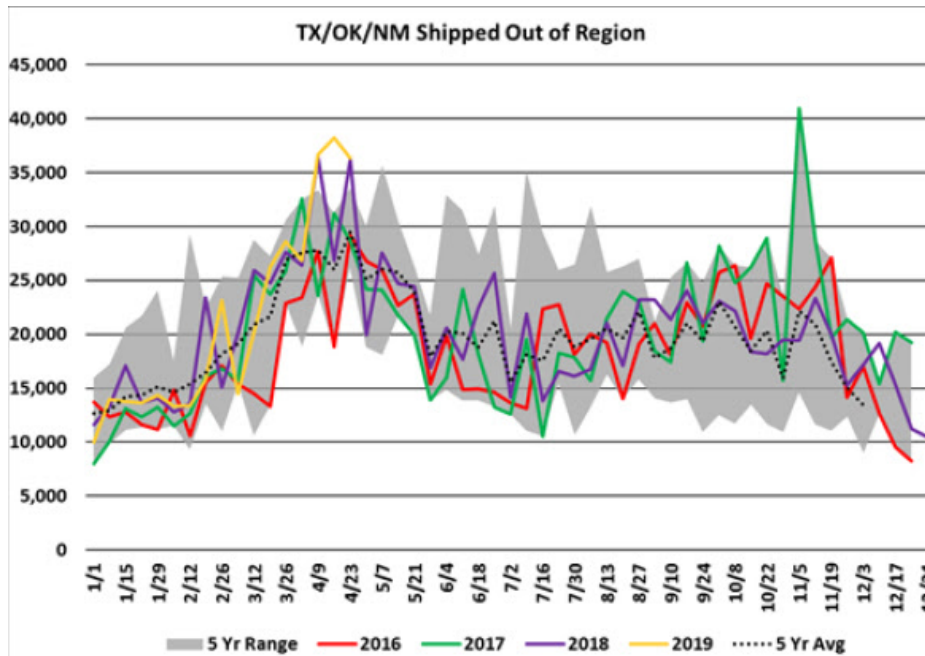


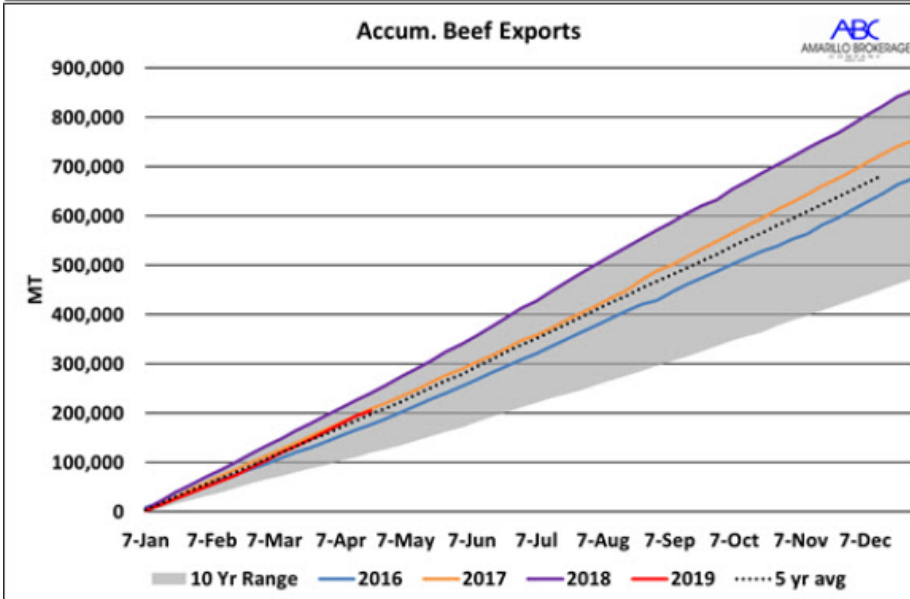
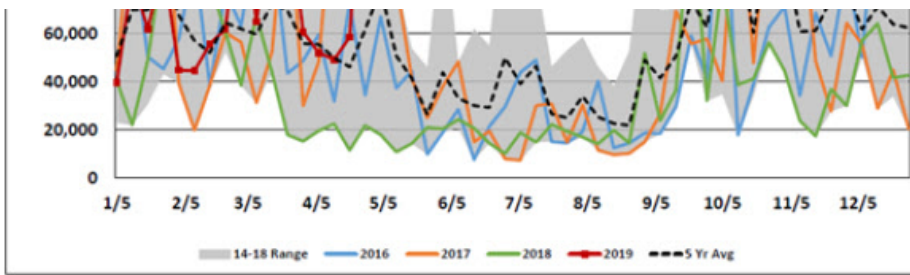
Cattle: Cash fed cattle traded 2.00-3.00/CWT lower this past week on slightly lighter volume. The spread between the northern and southern sales prices narrowed to +0.50. It is interesting to point out that a nationally smaller volume trade last week led to a nationally smaller show list this week. The previous week's sales and this week's cattle for sale certainly does not always correlate perfectly, but it does seem a bit odd for this time of year. The seasonally large supplies of market ready cattle in the south has incentivized the shipping of cattle out of the south and into the northern regions to harvest. This has helped narrow the price spread between the two regions as well as increased leverage and helped the packers handle a rather tight market ready situation in the north, particularly Nebraska. Typically this time of year brings out forward cattle trade basis Jun LC. The past two weeks we observed larger out front movement, but still not in line with recent years. There are various reasons why the northern calf-feds have been slow to move and reduced performance related to weather would be the primary. In the coming weeks we would expect increased out front trading as cattle feeders try to capture positive basis to the Jun19 LC contract.

Today's forward contracting report showed massive contracting's for Jun, Jul and Aug. The standouts were nearly 50,000 head for July at an average basis of +3.00. August contracting's were just over 40,000 head at an average basis of +1.00. It is always interesting to watch the forward contracting swings from time to time. It is easy to suggest that basis incentivizes these trades, but it is quite likely that flat price dictated the move as we were near our highs to start the week. Beef exports reported recently showed a slight down tick in week over week movement, but sales remain quite large relative to a longer term range. The troubling part about the export situation or at the very least the portions to pay attention to are unshipped sales and total year-to-date exports. Outstanding sales that have not been shipped are enormous for a time of year when we would typically begin to see the unshipped totals begin to trend lower. Year-to-date accumulated exports are average at best and when we take into account steady to larger market ready numbers it would seem that exports seemingly need to perform better than they are currently. Furthermore, the risk of cancelled sales by export destinations would further challenge the markets.

Futures markets sold off under larger volume over the last four trading sessions. It is tempting to try to put a single reason on the move and some of the fundamental headwinds were described above. The technical aspects of the break would appear to surround the violation of the long term uptrend line and mid-term moving averages. Additionally, the breakdown of players within the cattle futures market created an explosive environment. Non-commercial traders were record long in an awkward time

of year to be record long cattle. Certainly, the commercial traders/hedgers took on the other side of the non-commercial paper and we would anticipate seeing a sizeable decrease in both of those classes positions as of the commitment of traders report this coming Friday. Many technical points of support would be in the 111.00-112.00 area of Jun19 LC with further fundamental risk lower. The exhaustion indicators are nearing oversold at this time and with a record percent hedged for the cattle feeding community a short covering bounce is quite possible and maybe even likely.





> Swine Fever Summit Takes Place: With African swine fever taking a toll on China's hog sector, U.S. and Canadian officials and pork industry members are eyeing potential collaboration to prevent ASF from reaching North America. USDA Undersecretary Greg Ibach met with Canadian Ag Minister Marie-Claude Bibeau to discuss managing the deadly pig disease. African swine fever is already affecting global hog markets, driving up U.S. and Canadian hog futures and lowering forecasts for Chinese soybean imports. (Source: Politico)

> USMCA Clears A Major Hurdle: The Mexican Senate on Monday approved an overhaul of its labor laws required under the new North American trade pact, fulfilling a key step in the process before voting to ratify the U.S.-Mexico-Canada Agreement can take place.

> Argentina Gets Piece of China's Pork Imports: Reaching a deal with Chinese officials, Argentina has reached a deal that will open its market to Argentine pork. I'm told China will permit imports from 25 of the country's meat packing plants at a time when every global processor is looking for a larger cut of the Chinese import demand.

> Are You Ready For Robots Serving Your Food? A new report predicts the "global food robotics" market will top \$3 billion by 2025, citing rising demand for cost savings and advanced packaging, as well as tighter food-safety regulations.

> Fed Chair Powell to Walk Softly During Comments: Fed Chairman Jerome Powell has a tough job ahead of him, as he will have to avoid ruffling both markets and the White House during his briefing Wednesday. Fed watchers say the chairman will have to walk a fine line, so as not to tilt too hawkish, which could unnerve markets and draw the ire of President Donald Trump. Trump launched a new Twitter attack on the Fed as it met on Tuesday, calling for a 1% rate hike and a return to quantitative easing. Keep in mind, the Fed chair will also want to avoid sounding too dovish, due to the strength of the economy and the fact financial conditions have improved considerably in the last several months. The Fed is not expected to announce any change in interest rate policy, when it issues its statement, though it may mention that the economy has improved and inflation has weakened.

> Ride-Sharing Stifled In America's Most Populous City: Both ride-sharing companies Uber and Lyft are no longer accepting new drivers in New York City, as of April 1 and April 19, respectively. Both companies attributed the move at least in part to new policies of New York's Taxi and

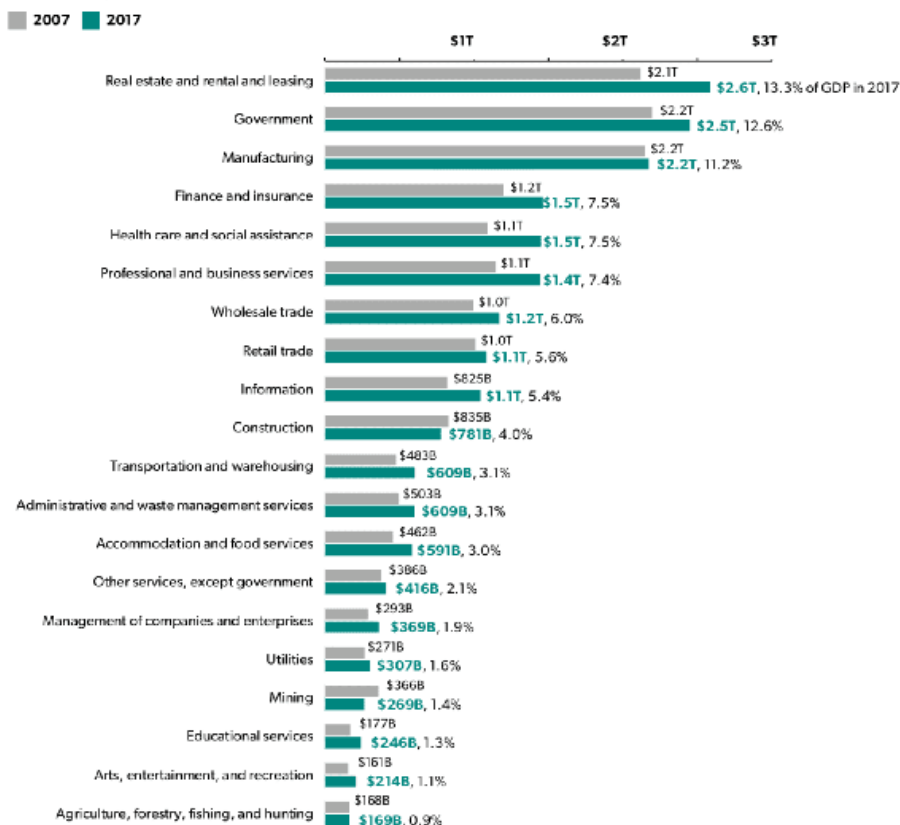
Limousine Commission that are meant to ensure drivers earn at least \$17.22 an hour after expenses. (Source: Politico)

> **Burger King's To Roll Out Plant-Based Burger Nationwide:** Burger King has said it will roll out the plant-based the plant-based impossible Whopper nationwide this year, after a month-long market test in St. Louis went exceedingly well. (Source: CNN)

> **The Changing Face of America's Job Market:** According to a new survey of government data by USAFacts the real estate sector became the largest industry in the country in terms of value added to GDP, growing 22.1% between 2007 and 2017. Total U.S. GDP grew 15.5% in that ten year period, from \$16.87 trillion to \$19.49 trillion, and certain professions saw major growth while others shrank. Interestingly, two industries saw their share of the GDP fall: mining, which dropped nearly 27% from \$366 billion to \$269 billion, and construction, which fell 6.4% from \$835 billion to \$781 billion. (Source: USAFacts)

Figure 32

GDP and percent of total GDP, by industry



Southeast Indiana – We have a light mist today with on and off light showers. Rain totals have been 4 inches in the last week on the conservative side. Some areas have seen up to 9 inches in the last week. I have seen hardly any fields without water standing in a 50 mile stretch in any direction. Even if we didn't get rain any of the rain forecasted, temperatures jumped up to 80 degrees and the wind blew we are a minimum of a week out from even getting into the field. When we are able to get the field, most guys have at least 3-4 days of field work. So, right now I would say if we got perfect, we are May 10th before we turn a wheel on the planter.

Southern Minnesota – We are corn on corn unless we preventive plant. We were run out of the fields by snow and rain during harvest but were able to come back in when the ground was frozen and knock out our last 100 acres of corn without any noticeable yield loss. The only thing we weren't able to do was get any fertilizer spread so we need to get down urea in the before we plant corn. Unfortunately, we haven't been able to get out there yet because of rain all spring. Last weekend we even had 5 inches of snow. It was all melted by Monday morning, but it was a little bizarre to see snow that late. We aren't going to push the field work because we will do far more damage with compaction then we will ever see with late planting.

Southern Ontario – We are a little colder and wetter then we like but it really not terribly far off from normal. All the wheat here is winter wheat and we are going to see a fairly extensive loss on nearly

every field that is planted. My insurance guy is thinking it will be 90% or greater. Most guys will probably come in and either disc it under or burn it down, followed by either corn or soybeans. We plant to plant corn because the soybeans just don't work well in this area for us.



Is it Time to Take Another Look at Some Organic Production? With crop prices stuck in a multi-year rout, more farmers are looking to find price premiums by turning to organic crops. Higher-value farm products such as organic allow farmers to boost returns over conventionally grown crops, but keep in mind there is the three year (two crop seasons) of transition to organic production. That can be a good thing for those looking to cash in as keeping the barriers to entry a bit higher means only the committed will jump in. While the number of farms overall in the U.S. from 2012 has shrunk, the number of organic growers has surged, according to the latest census from the U.S. Department of Agriculture published this month. Also, the value of organic farm products more than doubled in 2017 from 2012. Read more [HERE](#) while you consider if the move is right for some of your acres.

What Were You Doing at 10-Years Old? Scroll through Samaira Mehta's Instagram and you'll see that she is a lot like other kids her age. She posts about having a lemonade stand, going swimming and doing the "In My Feelings" dance challenge. But she also stands out from other 10-year-olds — Mehta is CEO, founder and inventor of CoderBunnyz, a board game that teaches players as young as 4 basic coding concepts. "CoderBunnyz will basically teach you all the concepts you ever need in computer programming," Mehta tells CNBC Make It. "There's the very basic concepts like sequencing and conditionals to more advanced concepts like loops, functions, stack, queue, lists, parallelism, inheritance and many others." impressively, Mehta first conceptualized the board game when she was "about 6½, maybe 7," after her father, an engineer who serves as an official advisor for the company, started teaching her how to code. From what I understand, her company has generated about \$200,000 in revenue since April 2018 and sold about 6,000 games. She says she is reinvesting that money in the company, saving for college and donating to charities that address homelessness in her community. Impressive kid... read more [HERE](#).

Sports Illustrated Will Feature First Ever Model in a Hijab and Burkini: A Somali-American model has become the first to wear a hijab and burkini in the swimwear edition of Sports Illustrated magazine. The annual Sports Illustrated Swimsuit featuring the 21-year-old Muslim model Halima Aden will be released on May 8, according to Sports Illustrated. The magazine shared news about the history-making model on its Twitter account Monday. Aden's spread features a photo shoot done in Kenya. She was born there at the Kakuma Refugee Camp before moving to the U.S. at the age of seven. It is not the first time Aden has made headlines. The then 19-year-old model was the first competitor to wear a burkini and a hijab during the Miss Minnesota USA pageant in 2016. She was also the first Muslim student to be crowned homecoming queen in her high school. She has appeared on popular magazine covers and in runway shows for major designers. Read more [HERE](#).

Do We Really Think That Way... Gender Bias? Imagine you're reading the label of a craft beer. Among the notes you see the name of the brewer: Jane. Does knowing a woman made this beer change your perception of it? Will it taste as good as a beer made by a man? Or say you're buying cupcakes, and you see they've been baked by a man: John. What's the impact on your expectations? Are John's cupcakes likely to be as delicious as, say, Mary's? New research from Stanford researchers Shelley J. Correll, Sarah A. Soule, and Elise Tak suggests that gender stereotyping significantly impacts the way we evaluate products. And in traditionally male-oriented markets—beers, power tools, or automobile parts, for instance—goods made by women can stack up pretty negatively. In the study, participants were asked to look at around 360 products on the [jet.com](#) retail platform, from fairly intuitive products, like golf clubs and baby clothes, to less obvious things, like lamps or air-conditioning units or even bottles of water," says Correll. "It's funny how there tends to be consensus about the gender-typing of some products. Bacon, for instance, is almost universally seen as male, while coffee is rated more gender neutral." Click [HERE](#) for more findings of the study and to see if you are gender stereotyping.

Paul Simon's Connecticut Estate Hits Market 16% Below Purchase Price: The 32-acre estate in New Canaan, Ct., that Paul Simon shares with wife Edie Brickell has hit the market, with an asking price of \$13.9 million, which is 16% less than the \$16.5 million they paid for the house back in 2002. Not a surprise to anyone paying attention to the high-end of the real estate market. "The first thing we thought when we moved from Manhattan was, 'Wow! We have our own park,'" Simon said in a statement reprinted at Mansion Global. "It took half an hour to walk a loop of the property with the dogs." According to the listing, which is held by Leslie Razook and Anne Krieger of William Pitt, the six-bedroom, 10-bathroom "premier estate" was built in 1938 by

Harold Reeve Sleeper and contains 16 rooms over 8,525 square feet of living space, with five fireplaces. I'm told there's also a 2,400-square-foot cottage that functions as a recording studio, where Simon recorded his past four albums. The listing notes that the gated house offers "extraordinary peace and privacy," with a pond, meadows, several courtyards and walled gardens, plus a heated, terraced pool. Read more [HERE](#).



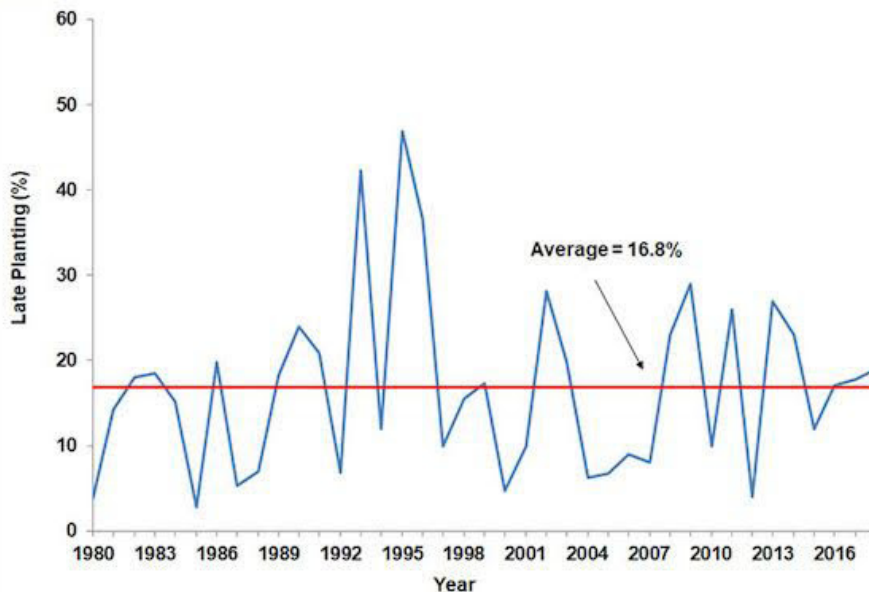


Big Questions Looming... How Much of the U.S. Corn Crop Gets Planted?

Corn producers and speculators recognize that yields are mostly determined by the weather during reproductive and grain filling stages in the summer months, but it is also understood that yields can be influenced greatly by the timeliness of planting. With wet conditions and corn planting on everyone's mind, I wanted to share some insights that was recently passed my direction. It's from our friends Scott Irwin and Todd Hubbs at the University of Illinois Department of Agricultural and Consumer Economics. The duo did a fantastic job and I encourage everyone to read the article in full-detail [HERE](#). In giving my interpretation or elementary explanation, there are a ton of variables that impact and determine when and if the corn acres will get planted, four specific factors are covered in this study: percentage of the crop already planted, beginning date for a significant late planting penalty for corn yields, number of days suitable for fieldwork needed to plant the corn crop, and total number of days suitable for planting expected before the beginning date of a significant late planting yield penalty. Turning to the beginning date for a significant late planting penalty for corn yields, which usually differs by region, the researchers determined to identify one date for the end of the optimum window that can be applied to the entire Corn Belt, they came up with "May 20th". Acreage planted after that date would be considered late-planted and an ensuing yield-drag will start entering the equations used for projecting final production. In this case we know that planting on or after May 20 in Illinois traditionally has a -8.1% or 17.1 bushel per acre drag on the final yield. When researchers took a look at the number of days suitable for fieldwork needed to plant the corn crop, they found that producers in Illinois, Indiana, and Iowa needed a minimum of 14 suitable field days to plant the corn crop based on maximum daily rates of historical planting progress. The research group also found that the 25 days between April 25 and May 20th are extremely important. The clock is clearly ticking as we are now several days into this critical window of opportunity. With the forecasts still a bit sketchy for many areas, it's anyone's guess how much of the crop gets planted late and how many acres will simply go unplanted? Again, you can read the entire article [HERE](#), there's lots of good research on the subject. (Source: farmdocdaily.com)

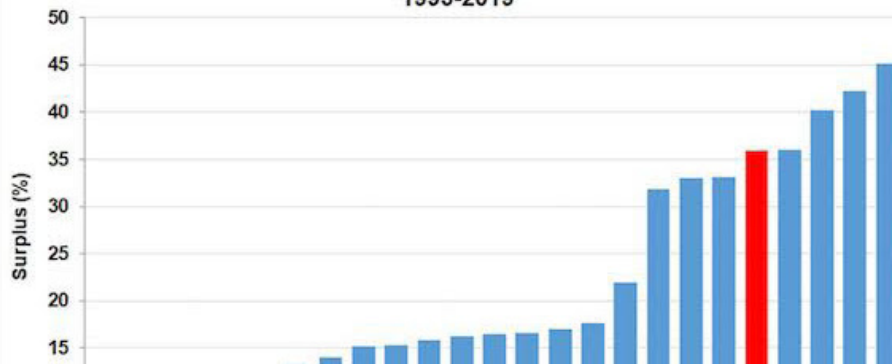
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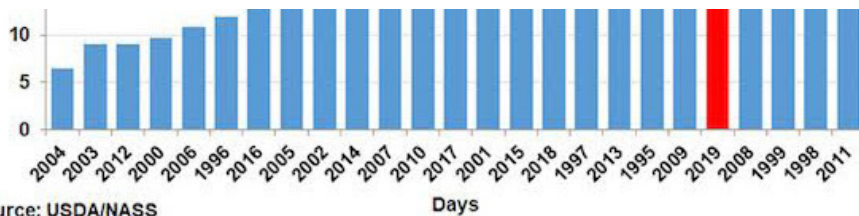
Figure 1. U.S. Corn Acreage Planted Late, 1980-2018



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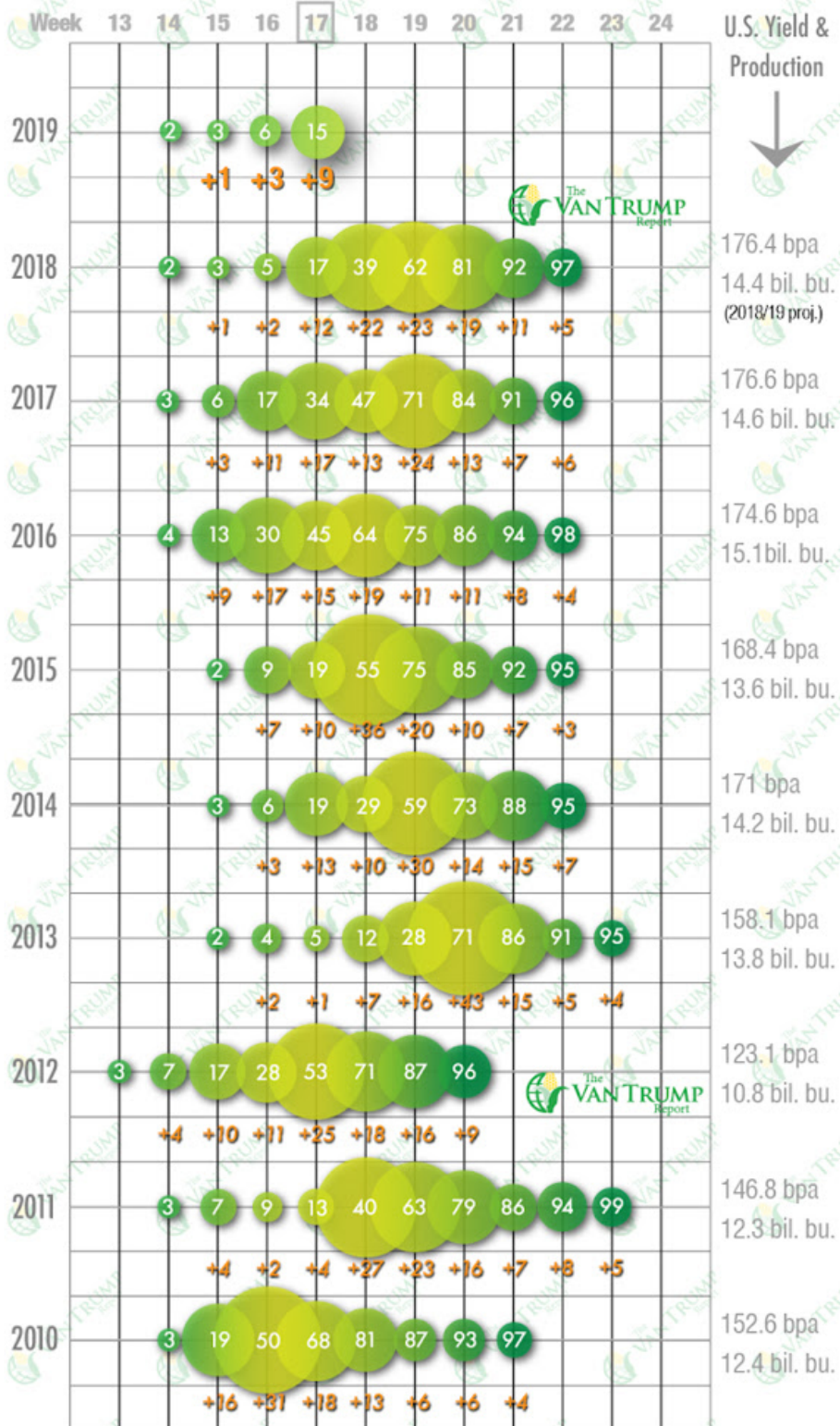
Figure 6. Rank Order of Crop Acreage in the U.S. Corn Belt with Surplus Topsoil Moisture on April 22 (week #16), 1995-2019





U.S. Corn Planting Pace 2010 - 2019

includes Weekly Rating and Week-over-Week Change



Looking Back... Chicago Opens Its First Board Of Trade Building

The Chicago Board of Trade Building officially opened on this day in 1885. Situated at the south end of LaSalle St., the 45-story building is an iconic symbol of Chicago's financial district. Originally built to house the Chicago Board of Trade (CBOT), it is now the primary trading venue for the derivatives exchange, the CME Group, formed in 2007 by the merger of the CBOT and the Chicago Mercantile Exchange. The CBOT moved to the LaSalle building following a series of temporary locations. The Board actually opened for business on April 3, 1848, at 101 South Water Street. In 1856, they moved to a larger location at the corner of South Water and LaSalle. They moved again in 1860, then finally settled in what was supposed to be the CBOT's permanent home within the Chamber of Commerce Building on the corner of LaSalle and Washington Streets in 1865. As fate would have it, the Great Chicago Fire destroyed that home in 1871. They temporarily reopened in a wooden building known as "the Wigwam" for about a year while the Chamber of Commerce was being rebuilt. Construction began on the first official Board of Trade building in 1882. Designed by William Boyington, who most famously built the Chicago Water Tower, the structure was 10 stories tall, topped by a 320-foot tower containing a massive clock and 9 foot tall copper weather vane. The building was the tallest in the city at the time and was actually the first in Chicago to have electric lighting. However, as buildings go, the CBOT was relatively short-lived. It so happens it was built on caissons that were surrounded by what was basically swampland. It was demolished in 1929, and the exchange temporarily moved to Van Buren and Clark while a new building was constructed at the LaSalle and Jackson site. The 1885 allegorical architectural sculptures of 35-foot Industry and Agriculture, two figures of a four-piece set, were removed from the original building and now stand in a nearby pedestrian plaza. The current building also became the tallest building in Chicago upon its completion. It is famous for its Art Deco style and considered by many architecture fans to be one of the best buildings in all of Chicago. It is topped off by the Roman goddess Ceres. The 30-foot tall modern art interpretation is solid aluminum and weighs some 6,500 pounds. There are also dozens of other statues adorning the building, most of which reflect what would be going on inside the Board of Trade, including statues of concepts like industry and agriculture, along with bulls, Indians bearing corn, and other traders. Although the "Chicago Board of Trade" no longer exists, its successor, The CME Group has chosen to keep the building's historic name. Even if you've never been to Chicago, it is likely you've seen the building. It has been a filming location for a host of famous movie scenes, including ones from Ferris Beuler's Day Off, Batman Begins and The Dark Knight. It also was the location where the television show Soul Train began in 1970. The building is also famous for an expansive vault in the basement, containing thousands of steel safe deposit boxes which have basically sat empty for decades. Throughout its history, the vault has secured items of importance such as trading receipts, silver bars and even served as a coat room, but it was never actually used by a bank—just by traders securing their own belongings. All I know, if those walls could talk, oh what a story they would tell... (Sources: Wikipedia, Chicago Architecture)





GREAT READ.... Are You Entrepreneurial Minded?

What would you do to earn money if all you had was five dollars and two hours? I was in a meeting the other day and this topic came up. From what I understand, Tina Seelig, a professor at Stanford University, gave her class this assignment years ago, as part of the Stanford Technology Ventures Program...The students in the class were divided up into fourteen teams, each team received an envelope. They were told their task was to use what was in the envelope and create as much money as possible in a two hour time period. Once they opened the envelope the clock would start. After completing the exercise each team would then had three minutes to present the results of their project to the class. Each team found inside a single \$5 bill. As head of the Stanford Technology Ventures Program, Tina Seelig's job is to guide her students as they make the difficult transition from the academic environment to the professional world—providing tangible skills and insights that will last a lifetime. The lesson mentioned above does just that. I love this type of teaching as it challenges the students to think differently. It's real life! It defines how some immigrants show up in a strange land with only a few dollars in their pocket and are able turn it into millions. While on the flip side, some are born with all the opportunities in the world but still can't figure it out. Unfortunately, most formal education deals with memorization as opposed to innovation. it presents problems with one right answer as opposed to real-life challenges with an endless number of viable solutions. In other words, most people are raised or conditioned in school to see the world as black and white, which unfortunately means you can miss a lot of the beauty and color or often times the areas where the biggest treasures are hidden (family, kids, friends, etc.). In my opinion, people become too focused on the obvious and miss all the real beauty and opportunities. In fact, professor Tina Seelig believes some people see the world in full Technicolor. Their eyes are wide open and the endless opportunities are always evident. When we look at their lives, we are amazed by all they accomplish, by the fascinating things they are doing; and we often wonder how we could make our lives as rich

and stimulating? Seelig is not only a wildly popular and award-winning teacher but her book, "[What I Wish I Knew When I Was 20: A Crash Course on Making Your Place in the World](#)" became a best seller back in 2009 and is a fantastic read. To see the world more openly and with more color, Seelig believes we need to work daily on improving our imagination. People who see things as black or white seem to score much lower in the imagination category. Imagination simply being our ability to envision things that do not exist. If you can't visualize it, then it becomes very hard to create it. The belief is that more imagination leads to greater creativity. Creativity simply being ones ability to apply imagination to address a challenge. Once you start to develop more creativity it leads to more innovation. Innovation simply being ones ability to apply creativity to generate unique solutions. In my opinion, this is why many applaud Elon Musk and at the same time others despise him. He obviously has a vivid imagination, is wildly creative, which leads to being extremely innovative. But this way of thinking is not always in-line with those who are more black and white or rigid in their thoughts. They see him as difficult and disorderly!

Lets jump back to the original challenge given to the students... \$5 dollars and two hours to turn it into the most money you can. What would you do if you were given this challenge? Most people start thinking about gambling, betting someone, game of chance, buying lottery tickets, etc... Again that's the obvious, at the same time that's what most people do in real life, and why most don't have any money. They buy lottery tickets and go to casinos in hopes of making more money. The next most common suggestion is to set up a car wash or lemonade stand, using the five dollars to purchase the starting materials. This is a fine option for those interested in earning a few extra dollars of spending money in two hours. But what about those who find the way to move far beyond the standard responses? How did they do this? Here's a clue: the teams that made the most money didn't use the five dollars at all. They realized that focusing on the money actually framed the problem way too tightly. They understood that five dollars is essentially nothing and decided to reinterpret the problem more broadly: What can we do to make money if we start with absolutely nothing? They ramped up their observation skills, tapped into their talents, and unlocked their creativity to identify problems in their midst—problems they experienced or noticed others experiencing—problems they might have seen before but had never thought to solve. These problems were nagging but not necessarily at the forefront of anyone's mind. By unearthing these problems and then working to solve them, the winning teams brought in over \$600, and the average return on the five dollar investment was 4,000 percent!

So what did they do? Before you read the answers challenge yourself to think differently.

Reservation Service: One group identified a problem common in a lot of college towns—the frustratingly long lines at popular restaurants on Saturday night. The team decided to help those people who didn't want to wait in line. They paired off and booked reservations at several restaurants. As the times for their reservations approached, they sold each reservation slot for up to twenty dollars to customers who were happy to avoid a long wait. As the evening wore on, they made several interesting observations. First, they realized that the female students were better at selling the reservations than the male students, probably because customers were more comfortable being approached by the young women. They adjusted their plan so that the male students ran around town making reservations at different restaurants while the female students sold those places in line. They also learned that the entire operation worked best at restaurants that use vibrating pagers to alert customers when their table is ready. Physically swapping pagers made customers feel as though they were receiving something tangible for their money. They were more comfortable handing over their money and pager in exchange for the new pager. This had an additional bonus—teams could then sell the newly acquired pager as the later reservation time grew nearer

Checking Tire Pressure: *Another team took an even simpler approach. They set up a stand in front of the student union where they offered to measure bicycle tire pressure for free. If the tires needed filling, they added air for one dollar. At first they thought they were taking advantage of their fellow students, who could easily go to a nearby gas station to have their tires filled. But after their first few customers, the students realized that the bicyclists were incredibly grateful. Even though the cyclists could get their tires filled for free nearby, and the task was easy for the students to perform, they soon realized that they were providing a convenient and valuable service. In fact, halfway through the two hour period, the team stopped asking for a specific payment and requested donations instead. Their income soared. They made much more when their customers were reciprocating for a free service than when asked to pay a fixed price. For this team, as well as for the team making restaurant reservations, experimenting along the way paid off. The iterative process, where small changes are made in response to customer feedback, allowed them to optimize their strategy on the fly.*

Really Getting Creative: *The team that generated the greatest profit looked at the resources at their disposal through completely different lenses, and made \$650. These students determined that the most valuable asset they had was neither the five dollars nor the two hours. Instead, their insight was that their most precious resource was their three-minute presentation time on Monday. They decided to sell it to a company that wanted to recruit the students in the class. The team created a three-minute "commercial" for that company and showed it to the students during the time they would have presented what they had done the prior week. This was brilliant. They recognized that they had a fabulously valuable asset—that others didn't even notice—just waiting to be mined.*

After the meeting where I first heard about this study and project, I decided I needed to learn more. The details of the classroom results I found online, documented and reported directly by Professor Tina Seelig, Ph.D. on the [Psychology Today](#) website. I also wanted to make you aware that Seelig has also written a more recent and highly popular book called, "[inGenius: A Crash Course on Creativity](#)".

I have ordered the book but I have not read it. Seelig says, contrary to common belief, creativity is not a gift some of us are born with. It is a skill that all of us can learn!

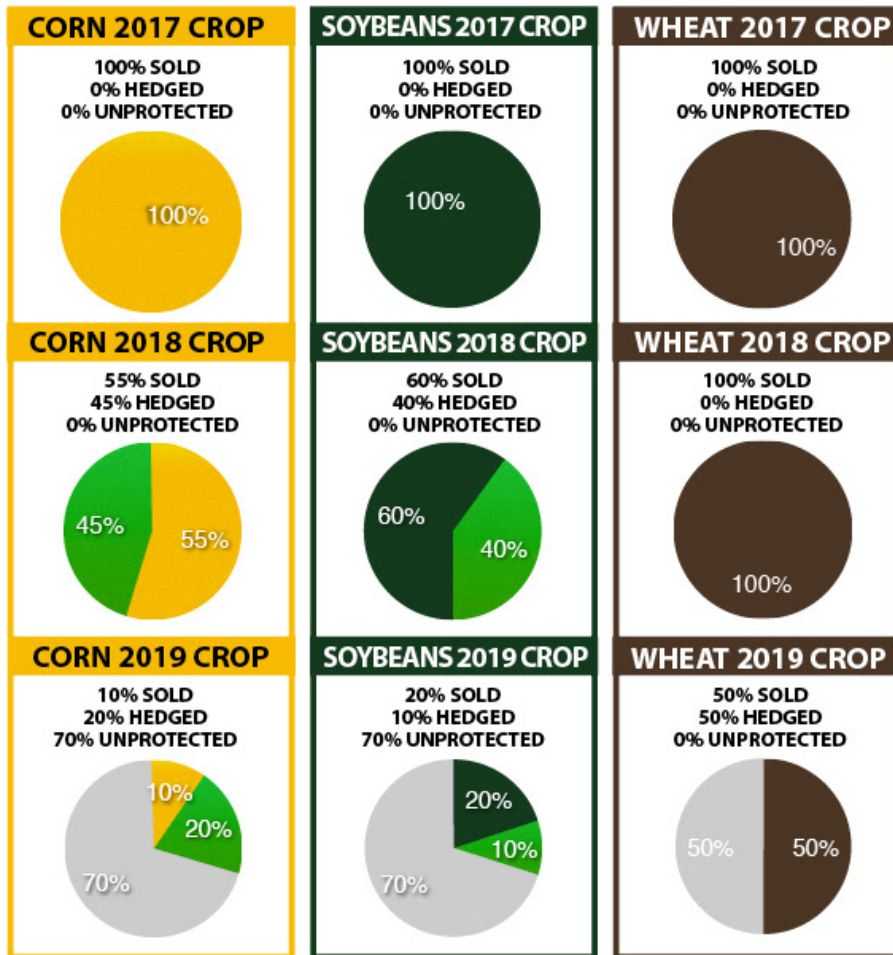


WE DON'T SEE
THINGS AS THEY
ARE; WE SEE
THEM AS *WE ARE*.

ANSWER to riddle: $35/70 + 148/296 = 1$

CASH SALES & HEDGING TOTALS

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



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