

GOOD MORNING: 05/16/19 Farm Direction - Van Trump Report

1 message

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

Thu, May 16, 2019 at 7:13 AM

Reply-To: Jordan <reply-febb16777d6c007a-314_HTML-36250946-100003450-1@vantrumpreport-email.com>

To: info@farmdirection.com



"A good plan violently executed now is better than a perfect plan executed next week."

~George Patton

THURSDAY, MAY 16, 2019
[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks are mostly mixed to start the morning. Bulls believe a trade deal with China is ultimately going to float to the surface and a strong U.S. economy will prove to be more than enough to push to fresh new all-time highs. Bears are worried that escalating tariffs and trade tensions will continue for an extended period, ultimately weighing on the worlds top two economies. There's also a bit of uncertainty surrounding President Trumps executive order yesterday that could restrict Chinese telecommunication firms Huawei and ZTE Corp. from selling their technology and services here in the U.S. Political insiders believe this move could further escalate tensions between the two nations. I continue to pay much more attention to what's being done rather than listening to what's being said. As for interest rates, Fed member Thomas Barkin said in comments earlier this week, while he favors keeping interest rates on hold for now, he worries that business confidence is fragile amid slowing global growth and ongoing trade negotiations. The monthly retail sales report released yesterday was somewhat mixed. Bears are saying the U.S. consumer might be rolling over, but bulls see the numbers inline with expectations. Retail trade sales were down -0.2% from March 2019, but +2.8% above last year. Nonstore retailers were up +9.0% from April 2018, while sporting goods, hobby, musical instrument, and book stores were down -8.5% from last year. Total retail sales for the February 2019 through April 2019 period were up +3% from the same period a year ago. I should also note, The National Association of Home Builders' monthly confidence index jumped to it's highest level in seven-months. today we will be digesting U.S. Housing Starts and Building Permits, along with the Philly Fed Business Outlook. The Philly Fed report has been published monthly since 1968 and survey's business leaders on things such as unemployment, new orders, shipments, inventories, cost of labor, cost of energy and prices paid.

Colorado Is Still Skiing and Reporting Avalanches in May: *It's almost Memorial Day and they're still skiing and reporting avalanches in Colorado thanks to this year's spat of spring snow. Vail Resort Inc.'s Breckenridge Ski Resort reported a base depth of 83 inches today and Arapahoe Basin Ski Area in Keystone reported 73 inches, according to the website On The Snow. Read more at [Bloomberg](#)*

Uber Launching "Quiet Mode": *The "Quiet Mode" feature is free and will be available to everyone in the U.S. today, but only on Uber Black and Uber Black SUV premium rides. Users can select "Quiet preferred," "happy to chat" or leave the setting at "No preference." The desire for silence might convince more riders to pay for Uber's more expensive vehicle types so they can work, nap, take a call or just relax in the car. In addition, Uber Black drivers are now supposed to wait 15 minutes after arriving before cancelling on you as is standard with private car services, though you'll start to be charged and they'll be compensated after 5 minutes, plus they technically can cancel whenever they want. There are also more custom features you can read about [HERE](#)*

Inside Look: *Warren Buffett's Berkshire Hathaway said it owned 483,300 shares of Amazon as of March 31, a stake worth more than \$900M based on the company's closing price on Wednesday of \$1,871.15. Berkshire further increased its holdings of JPMorgan and Red Hat, while reducing its bets on Southwest Airlines and Wells Fargo. Some of the highest-profile U.S. hedge funds, like Tiger Global and T. Rowe Price, also fell back in love with FAANGs in the first quarter, according to regulatory filings. (Source: The Wall Street Journal)*



AgSwag

Your #1 Source for the Coolest Swag in Ag

AgSwag.com



Don't Hate Me Hate My Swag

Your custom business logos on the most popular brands




















LEARN MORE

Call (816) 221-SWAG







Today in History

Making Hay!!! One of Claude Monet's iconic paintings of haystacks has fetched a record \$110.7 million at an auction in New York. Monet's "Meules" sold at Sotheby's sale of Impressionist & Modern Art earlier this week. The 1890 painting is one of only four works from Monet's acclaimed "Haystacks" series to come to auction this century, and one of only eight examples remaining in private hands. From what I understand, the previous owner had purchased the painting in 1986 for \$2.53 million. At the time, many believed they overpaid. Now who's laughing?



FARM TANK

Tweets of the Day




1956, GM Dedicates New Technical Center - On this day in 1956, executives from the Detroit-based automotive giant General Motors (GM)

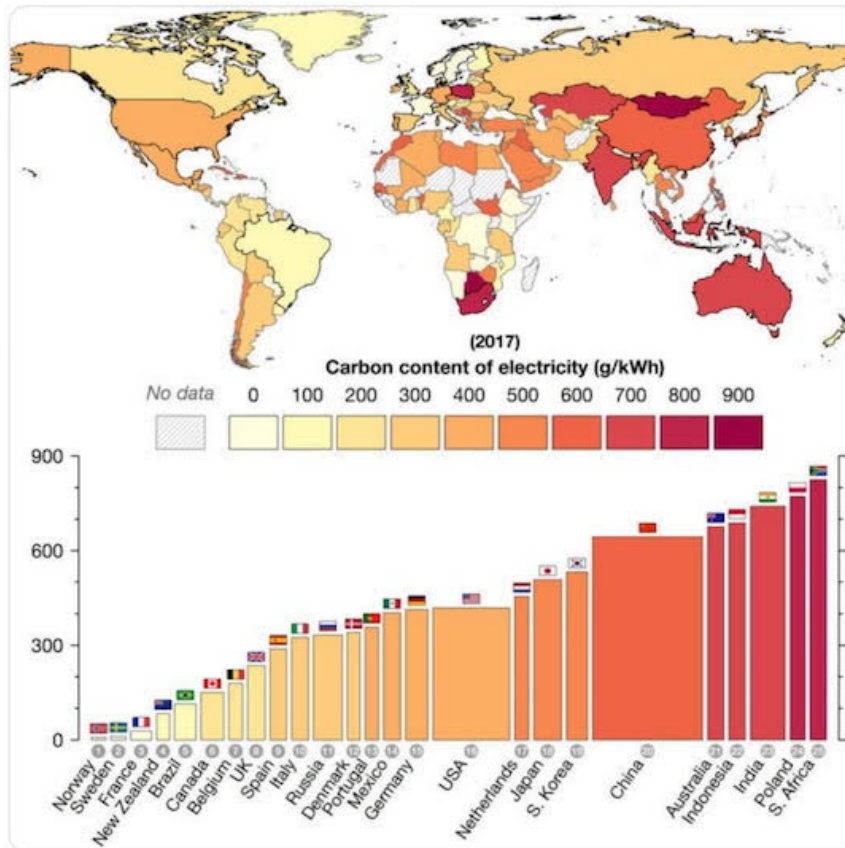
dedicate the new GM Technical Center in Warren, Michigan. Costing around \$100 million—or about half a billion in today's dollars—to develop and staffed by around 4,000 scientists, engineers, designers and other personnel, the GM Technical Center was one of the largest industrial research centers in the world. The two men most responsible for the size and scope of the Technical Center were Alfred P. Sloan Jr., the enormously influential chairman of GM, and Harley Earl, whom Sloan made GM's chief stylist in 1927. Earl had made his name with the design of the 1927 LaSalle. Built by Cadillac, the LaSalle was the first production car to boast a sleek, long, rounded exterior, and its popularity made it a trendsetting model for years to come. When Sloan suggested that GM build a compound to house the company's research projects, the ever-style-conscious Earl urged him to create a structure that was architecturally and aesthetically distinctive. Sloan and Earl turned to the Finnish-born architect Eero Saarinen, who had previously been known for his work in collaboration with his father, noted architect Eliel Saarinen. The GM Technical Center was the younger Saarinen's first independent project, and it would bring him immediate acclaim. Construction began in 1949 and was completed in 1955. Among the center's strikingly modern buildings were a 132-foot water tower made of stainless steel and a gleaming aluminum dome that housed the GM styling auditorium. Saarinen was meticulous about the landscaping, planting more than 13,000 trees and 155 acres of lawn on the 330-acre site. The scale and visual beauty of the center invited comparisons to a 20th-century version of the royal complex at Versailles, in France. According to a New York Times article published in May 1956, some 5,000 of the nation's leading figures in science, engineering, industry and education gathered in Warren, north of Detroit, for the opening of the Technical Center. At simultaneous meetings held in 61 cities around the country, others watched the ceremonies on closed-circuit television. The work conducted at the center ranged from purely scientific experiments and basic research to advanced engineering, styling and development. The Times quoted the president of GM, Harlow H. Curtice, as saying "I do not believe I exaggerate when I say that the center is unique with respect to size, scope and the vision behind it. There is not another facility like it in the world." A \$1 billion dollar renovation of the GM Technical Center was completed in 2003.



1980, Magic Plays Center as a Rookie, Wins Championship - On May 16, 1980, Los Angeles Lakers point guard Earvin "Magic" Johnson

steps in for injured center Kareem Abdul-

Ten charts show how the world is progressing on clean energy [#energy](#) [#sustainability](#)



Jabbar and scores 42 points, leading the Lakers to a four games-to-two series win over the Philadelphia 76ers for their first championship since 1972. In 1979, Magic had led Michigan State to the NCAA title over Larry Bird's Indiana State in the most-watched college final ever. That fall, he was drafted by the Lakers as the first overall pick. In 1980, his rookie season, the Lakers went 60-22, a 13-game improvement from their 47-35 mark the year before. That year, Abdul-Jabbar averaged 24.8 points and 10.8 rebounds per game and was named Most Valuable Player of the regular season. In the playoffs, the Lakers beat the Phoenix Suns four games to one to advance to the Western Conference finals against the defending champion Seattle SuperSonics. After losing a close first game, the Lakers went up 3-1 in the series. At halftime of the deciding fifth game, the normally silent Abdul-Jabbar gave an angry pep talk, urging his team to pick up their play and finish off the Sonics. Abdul-Jabbar finished that game with 38 points, 11 rebounds and 7 blocked shots while Magic Johnson, playing with a 101-degree fever, racked up a triple-double. The 111-105 victory catapulted the Lakers into the NBA finals. In the finals, the Lakers met the Philadelphia 76ers, led by forwards Julius "Dr. J" Erving and Darryl Dawkins, defensive specialist Bobby Jones and guards Maurice Cheeks and Doug Collins. Abdul-Jabbar dominated the first five games of the finals, averaging 31 points and 12 rebounds per game, as the Lakers went up 3-2 in the series. When he twisted an ankle in Game 5, even the Lakers front office assumed that the team would travel without their star center to Philadelphia and lose Game 6, a fact made evident by the team's decision not to take their celebratory champagne with them to Philly. No one expected that Magic, at 6 feet 9 inches the tallest point guard in league history, would so easily make the transition to center. Magic rang up 42 points, 15 rebounds and 7 assists to lead the Lakers to victory and was named Most Valuable Player of the finals, the first of three such awards in his career. The Lakers went on to dominate the NBA, winning a total of five championships in the 1980s.



2014, Pioneering TV Journalist Barbara Walters Signs Off

On this day in 2014, broadcast journalist and TV personality Barbara Walters retires from ABC News and as co-host of the daytime program "The View." In a landmark career that spanned some 50 years on air, the 84-year-old Walters blazed a trail for women in TV news. On Walter's May 16th "View" sendoff, Oprah Winfrey, Diane Sawyer and Katie Couric were among the more than two dozen female broadcasters who appeared on the show to pay tribute to the legendary newswoman. Born in Boston on September 25, 1929, Walters, whose father was a night club owner, grew up in Massachusetts, New York City and Miami. A graduate of Sarah Lawrence College,

**Visual Capitalist** ✓

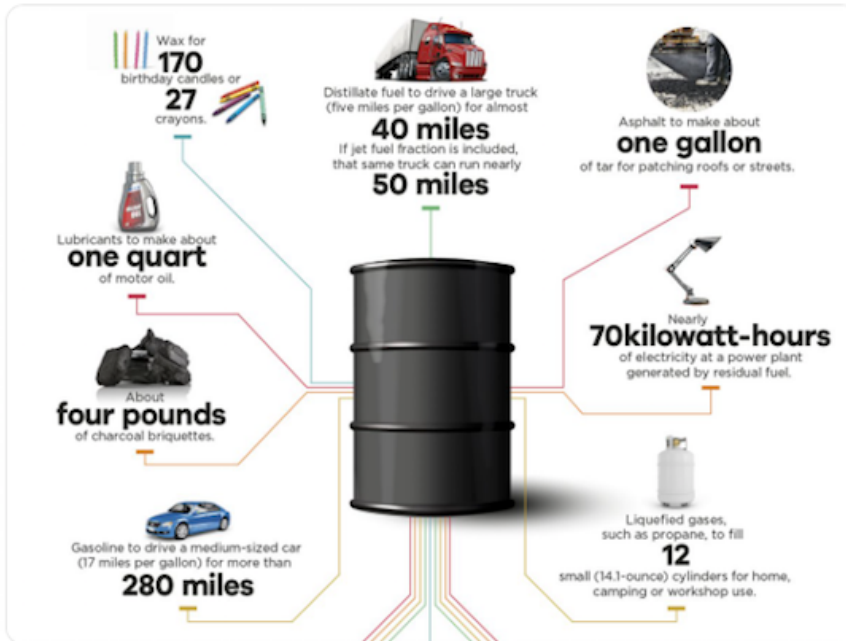
@VisualCap

Following

What Can Be Made from One Barrel of Oil?



(See full infographic:

visualcapitalist.com/can-made-one-b...)

Walters worked as a TV writer and producer in New York before joining NBC's "The Today Show" in 1961 as a writer and, eventually, on-air reporter. In 1974, she was named an official co-host of the program, the first woman to hold the job. Two years later, Walters became the first woman to co-anchor a nightly network newscast, earning a record \$1 million a year. However, after experiencing tension with her "ABC Evening News" co-host, Harry Reasoner, and low ratings, Walters left the program in 1978. From 1984 to 2004, she was a co-host and producer of the TV newsmagazine "20/20." Additionally, in 1997, she created "The View," co-hosting the program from its inception until her retirement. Best known for her interviews, over the decades Walters went one-on-one with American presidents (she interrogated every commander in chief from Richard Nixon to Barack Obama), world leaders, movie stars, convicted killers and scores of other newsmakers. In 1977, she convinced Egyptian president Anwar Sadat and Israeli Prime Minister Menachem Begin to submit to their first joint interview, and that same year she also traveled to Cuba for a headline-making sit down with dictator Fidel Castro. In 2001, she interviewed President Vladimir Putin of Russia and asked whether he'd ever ordered anyone killed (he said "nyet"). She also conducted interviews with such notorious figures as Iraq's Saddam Hussein, Libya's Moammar Qaddafi and Syria's Bashar al Assad. In 1999, Monica Lewinsky, whose affair with President Bill Clinton led to his impeachment, gave her first TV interview to Walters; a record-breaking 74 million viewers tuned in, making it the highest-rated news program ever broadcast by a single network. Walters, who interviewed almost every major Hollywood celebrity, also earned a reputation for skillfully asking probing questions that made a number of her famous subjects tear up. However, one question Walters had a tough time living down occurred during a 1981 on-air conversation with Katharine Hepburn. After the actress compared herself to a tree, Walters said, "What kind of tree are you, if you think you're a tree?" On May 13, 2013, Walters announced that after more than half a century in TV, she would retire the following year. Shortly before the acclaimed journalist made her official farewell on "The View" in May 2014, her longtime employer, ABC, honored her by naming its news headquarters in New York City the Barbara Walters Building.

Upcoming Events

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



Dept. of Agriculture 
@USDA

Following 

Nearly 1 million women are working America's lands - that is nearly a third of our nation's farmers. Together, these women are generating \$12.9 billion in annual agricultural sales! ow.ly/HtYh30nPzEZ
#WomensHistoryMonth #WomenInAg



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

WHAT I'M LISTENING TO: 



Kevin's Song of the Week



Mike Coopridner   
@INDIANA_COOP

Following

#ThrowbackThursday pic of my mom, my older brother and I. Dad said he would ride sitting on those wooden hopper extensions to stay out of the dust. Those soybeans look pretty decent for 57 yrs. back



Allis Chalmers 
@AllisChalmerD21

Following

They had balls back in the day



NEXT level THINKING



My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really



History In Pictures

@HistoryInPics

Following



John F. Kennedy & Jackie O. on their wedding day.



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.

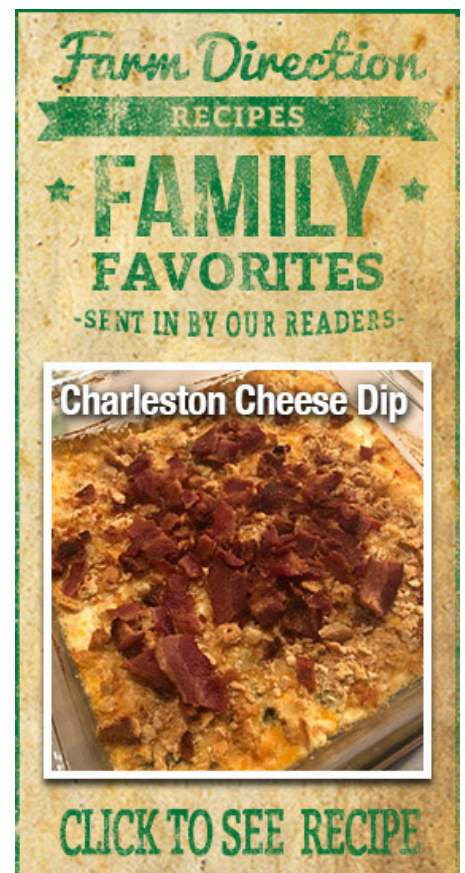
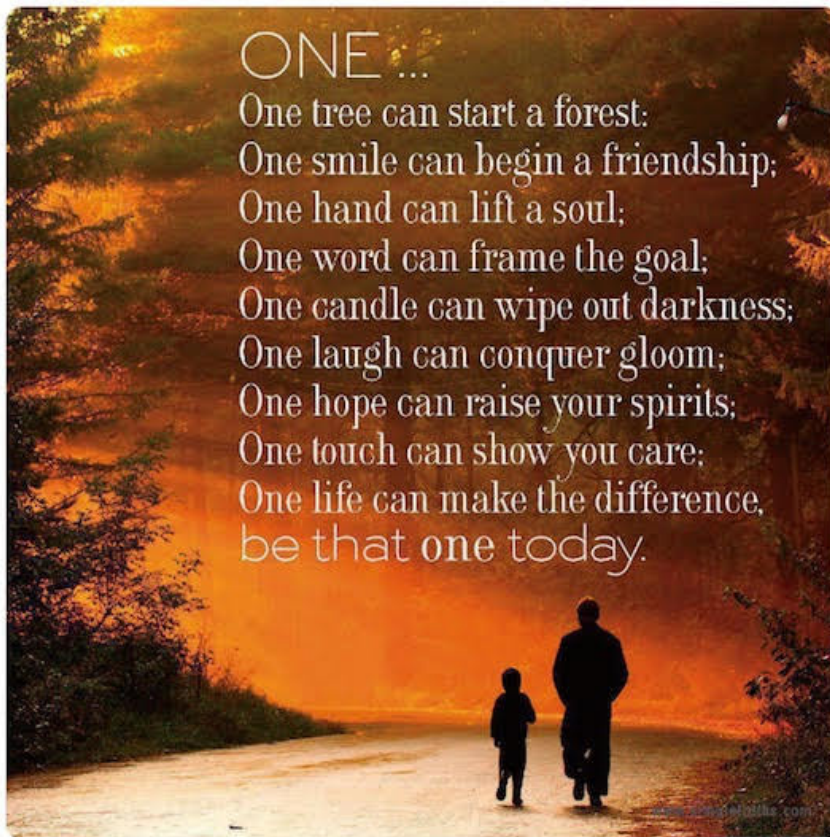


ActionComplete
@ActionComplete

Following

Be that ONE today!

#quotes #inspiration #leadership



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:

Tear one off and scratch my head what was red is black instead

More Flooding Expected for Much of the Midwest: Severe thunderstorms including tornadoes, damaging winds, large hail and flooding rain will return to the Plains today, lasting into early next week. Repeated round of heavy rain over the past few weeks has triggered significant flooding in parts of Kansas, Oklahoma, Texas, Louisiana and Mississippi. It was the wettest first 12 days of May on record in many portions of these

states. Soil moisture remains in the 99th percentile over a vast swath of the nation's midsection, with numbers of rivers still above flood stage from the northern Plains to the Gulf Coast.



Corn bulls are sharpening their horns, sensing they might soon have more bears on the run. Wet weather continues to be the driving force as U.S. planted acres remain in question. I continue to argue that fewer acres than last year will be planted. People were laughing a few weeks back when I suggested the comment, but I see it as even more valid today. FYI, last year the USDA estimated 89.1 million corn acres where planted. This year the USDA is still using the early estimate of 92.8 million planted acres. Everyone wants to keep tippy-tapping and shaving a few acres here and there, yet still using a total acreage number above +90 million... I just don't see it! In fact, I'm thinking I could easily debate and argue a sub-88 million acreage number. Two months ago with the extended winter and heavy snow fall, I was saying this market could get very interesting and we needed to pay very close attention, today we are here. Not only do I question total planted primary acreage, but I also deeply question the massive number of replant acres that might never happen. Keep in mind, there's also major logistical issues and constraints associated with fertilizer getting to the producer in many locations. The lack of nitrogen along with cool temperatures and overly wet fields, could certainly provide bulls with something to cheer about for several more weeks. I'm staying on the bandwagon and welcoming more of my friends! I think we ultimately push higher. I'm in no hurry to bank profits on bullish spec positions or in any hurry to price more cash bushels. I want to be extremely patient with this position. I also want to make absolutely certain I do not get myself over-leveraged, so I don't get shaken out of my position on any significant setbacks along the journey. Here is something else to think about, last year there was only 1.9 million preventive plant acres reported vs. the 5-year average of 3.8 million preventive plant acres. In 2011, the number of preventive plant acres reached 9.6 million. I included below, the weekly corn crop progress report for May 15th 2011. You can compare it to the most recent crop progress report released this past Monday. Yes, the dates are slightly different, but you will get the idea of what I'm talking about. I also included a 10-Day Precipitation model that was floating around the trade yesterday. As you can see, a lot of areas that don't need the moisture, but are going to hit with another round. Staying bullish!

Corn Planted - Selected States

[These 18 States planted 92% of the 2018 corn acreage]

State	Week ending			2014-2018 Average
	May 12, 2018	May 5, 2019	May 12, 2019	
	(percent)	(percent)	(percent)	(percent)
Colorado	37	21	39	49
Illinois	88	10	11	82
Indiana	69	3	6	57
Iowa	61	36	48	76
Kansas	65	41	46	67
Kentucky	59	42	55	67
Michigan	31	3	5	34
Minnesota	36	6	21	65
Missouri	89	49	52	87
Nebraska	68	35	46	72
North Carolina	90	73	88	91
North Dakota	31	3	11	43
Ohio	50	2	4	47
Pennsylvania	27	17	26	38
South Dakota	19	-	4	54
Tennessee	83	65	79	87
Texas	82	70	75	78
Wisconsin	28	7	14	46
18 States	59	23	30	66

- Represents zero.

Corn Planted - Selected States

[These 18 States planted 92% of the 2010 corn acreage]

State	Week ending			2006-2010 Average
	May 15, 2010	May 8, 2011	May 15, 2011	
	(percent)	(percent)	(percent)	(percent)
Colorado	76	51	75	68
Illinois	96	34	69	74
Indiana	85	4	29	66
Iowa	96	69	92	84
Kansas	83	66	84	79
Kentucky	93	19	45	78
Michigan	80	8	41	68
Minnesota	95	28	47	81
Missouri	85	59	79	70
Nebraska	87	57	84	83
North Carolina	100	95	98	99
North Dakota	57	3	14	55
Ohio	68	2	7	70
Pennsylvania	10	10	34	61
South Dakota	55	17	44	55
Tennessee	92	42	67	90
Texas	94	87	93	93
Wisconsin	77	16	35	67
18 States	87	40	63	75

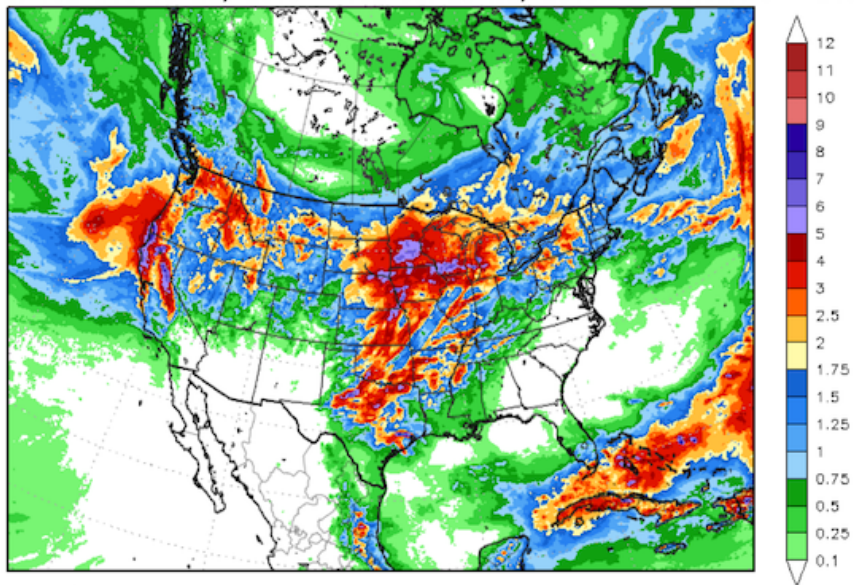
10-Day Precipitation Forecast

240 Hour Total Precipitation (in)

Valid: 00z Wed 15 May 2019 - 00z Sat 25 May 2019

ECMWF-MAXRES

Hour: 0 - 240

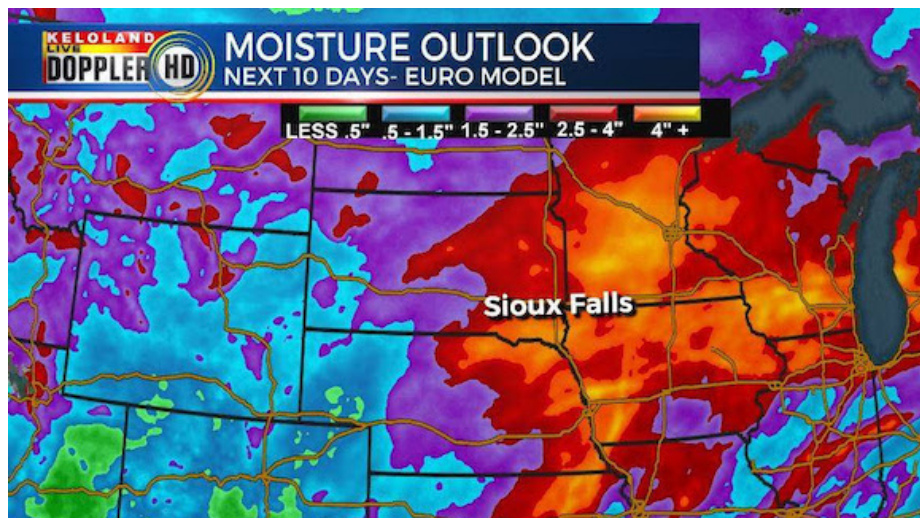


Max: 19.9 in
Min: 0.0 in

StormVistaWxModels.com

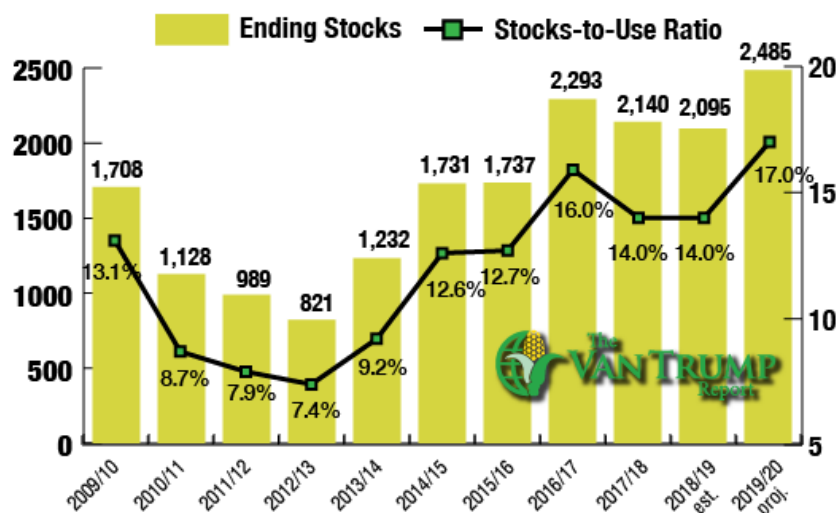
Init: 00z Wed 15 May 2019
2019-05-15-06:55

From a Producer Friend in South Dakota... Kevin, 99% of the farmers in Eastern SD---have not been able to turn a wheel as of today May15th-----and THIS---is our forecast???? GRRRRRR!





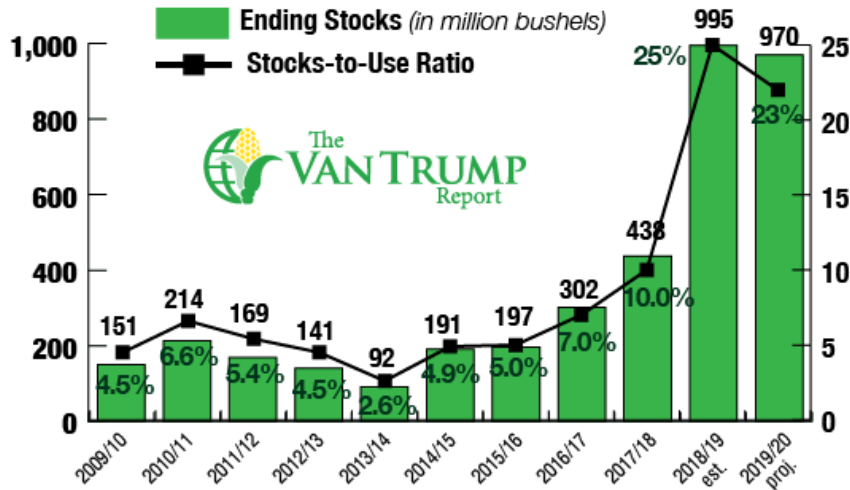
U.S. Corn Stocks-to-Use



Source: Data updated with May 10, 2019 WASDE numbers

Soybean traders are battling it out. Bears are talking about China buying heavy doses of Brazilian soybeans, while bulls point towards U.S. shipments becoming more competitive. Many inside the trade say soybean planting is of little concern since there's still a ton of time left on the game-clock. I'm starting to debate that rhetoric and worry some may be lulling themselves to sleep. The clock has been ticking and there might be less time than many have considered? I'm also questioning the switch from corn acres to soybean acres. I had originally thought we would see a lot more soybean acres as they worked to replace unplanted corn acres. Lately, I've been questioning that move as "preventive plant" might simply be a better alternative and much less problematic offer for the producer. For what it's worth, I still have no spec position in the soybean market, preferring to invest in bullish corn positions. As a producer, I'm staying patient for the moment in regard to pricing more bushels. I continue to closely monitor Chinese headlines and data surrounding African Swine Fever as it turns many industries upside down. What we once thought to be facts and fairly accurate estimates are now best only wild guesses. Still a ton of uncertainty in this market.

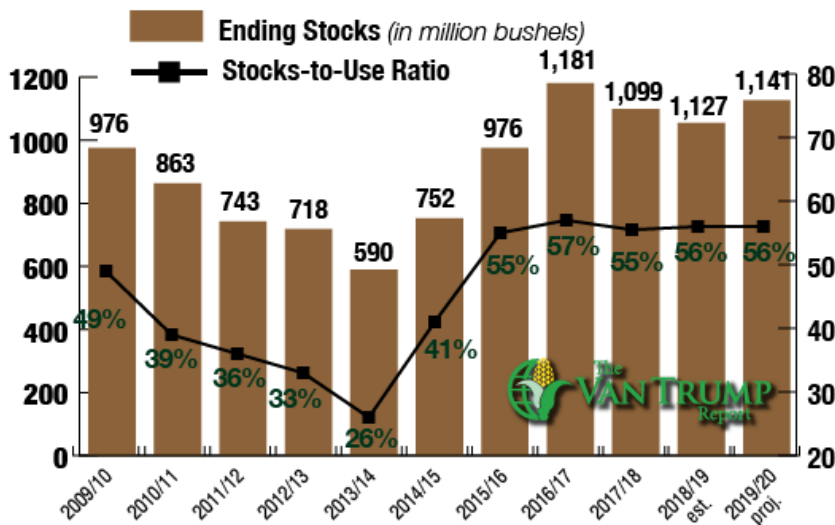
U.S. Soybean Stocks-to-Use



Source: Data updated with May 10, 2019 WASDE numbers

Wheat bulls continue to talk about extreme weather creating uncertainty in the U.S. winter wheat crop and planting complications associated with spring wheat. Bulls are also excited to see Australia back in the import market following a multi-year hiatus. As both a producer and a spec, I remain cautiously optimistic. I currently have no spec position. As a producer, I remain very patient with the benefit of having 50% of my estimated new-crop production risk priced at much higher levels. I've stayed in the hand this long, I want to see a few more cards...

U.S. Wheat Stocks-to-Use



Source: Data updated with May 10, 2019 WASDE numbers



> **U.S. Farmers to Receive Another Round of Trade Aid:** The second package of aid for U.S. farmers hit by the trade war with China is expected to total \$15 billion to \$20 billion and involve direct payments, the agriculture secretary said on Wednesday. The U.S. Department of Agriculture is still finalizing the plan, which is likely to prioritize hog and soybean farmers, the products most affected by the trade dispute between China and the United States, Agriculture Secretary Sonny Perdue and industry sources briefed on the plan said. (Source: Reuters)

> Chinese Meat Importers are Ramping up Purchases as the world's top pork-consuming country struggles with a shortfall in pork production, due to a rapidly spreading hog disease. Joe Sanderson, CEO of US chicken giant Sanderson Farms, says the Mississippi company has had inquiries on poultry sales to China, and not just the leg-quarter portions that have historically been sold to China. Potential buyers have been asking about whole chicken legs, Sanderson says, indicating the depth of the country's need to replace its lost pork production. For now, US chicken remains effectively shut out of China, pending a resolution to the US-China trade disputes, Sanderson says at a New York conference. (Source: DowJones Newswires; Jacob Bunge, Wall Street Journal)

> China's Sow Herd Drops -22% from Last Year: China's sow herd fell by 22.3% in April from a year earlier, another record large drop. This plug in number of breeding pigs follows a 21% decline in March, which was at the time the largest ever recorded. The size of decline in breeding sows equates more or less to a similar size drop in production. Though Rabobank has warned pork production could decline up to 35%. Overall, the pig her fell 20.8% from a year earlier according to Chinese ag ministry. They did not, however, give total herd figures. (Source: Rabobank)

> April Crush Down 10 Million Bushels From March: 160.0 million bushels of soybeans were crushed in April, down 1.6 million bushels from expectations of traders. I'm told even with the lower crush numbers in April, the USDA's forecast of 2.1 billion bushels for the 2018-19 marketing year remains unchanged.

> Ethanol Industry Needs Trade Wars Resolved to Expand Margins: According to Mike Dwyer, chief economist of the U.S. Grains Council, if it wasn't for tariff protection, the U.S. would be supplying 90% of China's import needs. Dwyer believes that if the trade war ended tomorrow, the industry would reap an extra 10 cents per gallon. In his opinion, while domestic measures like the promised expansion of higher ethanol gasoline blends such as E15 help, trade issues need to be resolved for the industry to thrive.

> Australia to Import First Wheat in 12 Years: Drought across Australia's east coast is wilting wheat supplies in the world's fourth largest exporter of the staple grain. This is causing the country to import its first shipment of wheat in more than a decade. Australia last imported when in 2008 when an El Nino weather event led to severe drought and a nearly 50% drop in production. The wheat shipment is of Canadian origin. We are hearing that customers of Australian wheat exports have already turned to the Black Sea region to secure supplies. (Source: Reuters)

> NAFTA Vote Could Slip to Late 2020: According to Senator Chuck Grassley, the USMCA could be pushed back for a year or more -- until after the next presidential election. The trade agreement also faces other hurdles including a triple-national fight over steel and aluminum tariffs and demands by Democrats for strong language on labor and environmental protections. (Source: Politico)

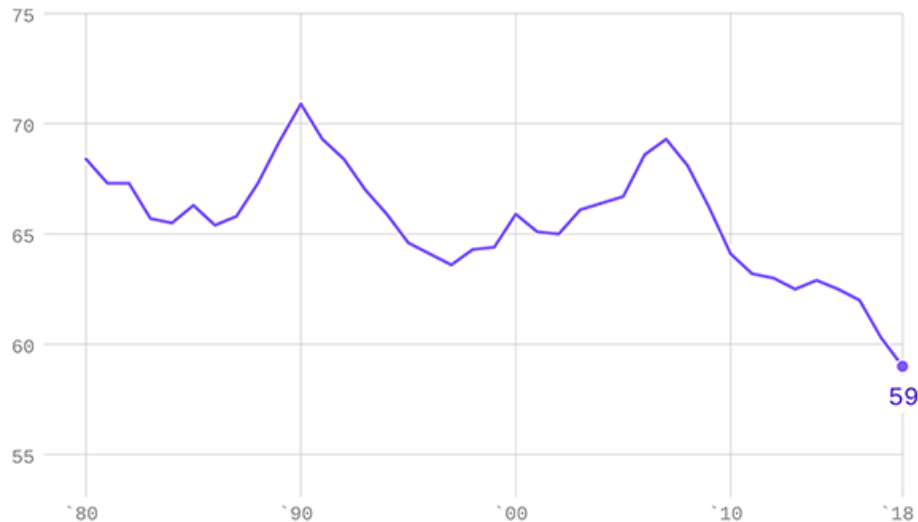
> App is Saving Americans Billions on Prescriptions: GoodRx partners with pharmacy chains and drug companies and pharmacy benefits managers such as Express Scripts and Caremark to offer real-time pricing at 70,000 locations nationwide. I'm told the company ranks No. 6 on the 2019 CNBC Disruptor 50 list. From what I understand, not only can it save up to 80% with its free GoodRx Pharmacy Discount Cards, but GoodRx claims that since it launched in 2011, it has helped Americans save \$10 billion on prescriptions. (Source: CNBC)

> NASA Wants Money To Go Back to The Moon: NASA is after \$1.6 billion in increased funding for its mission to return to the moon by 2024, an endeavor called Artemis. As part of this mission, NASA plans to put a woman on the lunar surface for the first time. (Source: Gizmodo)

> U.S. Seeing Baby Bust: The U.S. fertility rate has reached a record low and the total number of births in 2018 was the lowest it has been in more than 30 years. Of course, less babies means less people to enter the workforce so there are some dire long-term economic implications to this. But it is also important to remember that these trends are a result of progress: a falling number of teenage pregnancies, the education and empowerment of women, more accessible birth control and lower child mortality rates. The new figures show that while birth rates fell for younger women in 2018, they rose slightly for women in their late 30s and 40s meaning women are waiting longer to start their families. And as women wait longer, they tend to have fewer babies. (Source: CDC, Axios)

Fertility rate in the United States

Births per 1,000 women ages 15 to 44



Central Illinois – There are guys that are starting to farm in this area but to be 100% honest it's not fit at this time to plant any corn. We are thinking that we might try and plant a few fields in a couple days, but we will be shut down with the rain that is suppose to hit possibly Friday and Saturday. I'm out looking at fields right now and I'm thinking that I need to switch to four-wheel drive just to get through this field. Preventive plant in Illinois is never an option but this year it's a very real possibility if we get the rain this weekend and next week. This has been a tricky year to say the least

Northwest Iowa – Guy are out mudding a little corn in right now but I which I don't think it's the best conditions but the options at this point are getting fairly limited. I am hoping that we might plant a field or two before the weekend rain but that will be it. Next week we have rain chances for 7 straight days so if we get rain even 30% of those days the month of May is virtually shut down for planting and field work. I am trying to work a little ground for a neighbor that has a few drier fields but that's the extent of my field work.

Central North Dakota – We are sitting here debating planting more corn especially after the rally in price, but we have to think about which crop might get the best farm aid. Our rotation calls for cereal grains, but we might be forced to plant soybeans because it's the only crop that was paid out on in any big amount when the government stepped in. We need them to pay based on APH because if we can't get a crop that's worth a darn our payment will match.



Will Arizona Farmers Step Into the Hemp Sector? Gazing over the cotton fields on his 300-acre farm outside Casa Grande, Paul Ollerton weighed the risks and opportunities of a new crop that, come this summer, will be legal to grow for the first time in decades. Ollerton, 64, is a third-generation farmer who has just harvested his 38th cotton crop, and he's cautiously looking to get involved with industrial hemp. "God knows we need something that's a little bit more profitable than what cotton has been for the last few years," he said. Keep in mind, if researched dilligently and done responsibly, hemp holds promise and potential for farmers like Ollerton, who are

looking to diversify their crops or find new ways to make money in farming. At this point, Arizona and at least 40 other states have enacted legislation to establish an industrial hemp program. In some states, like Colorado, Kentucky and Kansas, the program is well underway. Arizona and others still are developing the rules that will govern the industry, including what to do with crops whose THC levels exceed the 0.3 percent maximum. Read more [HERE](#) on what those considering jumping into hemp space are facing.

Why "Wise Guy" Had to be Pulled From the B-52 Boneyard: For only the second time in U.S. Air Force history, the service has brought a B-52H Stratofortress bomber out of storage Boneyard at Davis-Monthan Air Force Base in Arizona and delivered it to an operational unit. I should mention, the aircraft, with the serial number 60-0034 and nicknamed Wise Guy, touched down at Barksdale Air Force Base in Louisiana last week, where it will join the 307th Bomb Wing, the only bomb wing in the Air Force Reserve. Wise Guy's return comes almost three years to the day after another one of the bombers crashed and burned at Andersen Air Force Base in Guam and brings the size of the Air Force's operational B-52H fleet back to a total of 76 aircraft, the maximum allowable number under the terms of an arms control treaty with Russia. Under the terms of the New Strategic Arms Reduction Treaty, or New START, with Russia, the United States is limited to a fixed number of deployed nuclear weapon systems as defined under the terms of that deal. Read more [HERE](#) and see what Wise Guy looks like before its upcoming paint and renovation job.

Leinenkugel... Great American Beer Story: Once upon a time, in the Northwoods of Wisconsin, a German immigrant named Jacob Leinenkugel came upon a source of pure spring water and 2,500 thirsty lumberjacks. So like his ancestors before him—and with his wife, Josephine, working tirelessly alongside—Jacob started brewing beer. This was a family affair from the beginning, and the Jacob Leinenkugel Brewing Company has kept the taps flowing for over 150 years. I'm told the company is the seventh oldest brewery in the United States, and the oldest business in Chippewa Falls. Watch the impressive American business and family story in this short video [HERE](#).

Want to Get Rid of Anxiety... Create a Personal Philosophy: There are a lot of hacks for dealing with anxiety - you can try deep breathing, meditation, or positive self-talk, for example. But let's be honest--all of these steps are just useful Band-Aids. What most of us really want is to rip anxiety out at the root so we have the confidence to project our true selves and chase our scariest dreams. But is that sort of freedom from anxiety a pipe dream? On HBR.com recently, psychologist and coach Michael Gervais explains the key to getting over your fear of other people's opinions (aka FOPO). Here it is in just four words: develop a personal philosophy. "If you really want to conquer FOPO, you'll need to cultivate more self-awareness. Most of us go through life with a general sense of who we are, and, in a lot of circumstances, that's enough. We get by. But if you want to be your best while being less fearful of people's opinions, you need to develop a stronger and much deeper sense of who you are," he writes. Read more [HERE](#) to see four questions that may guide you to greater self-awareness.

Historic English Estate Built From Remains of Medieval Castle to Sell for \$13 Million: A sprawling 693-acre estate in Gloucestershire, England, with a historic Medieval castle, is now asking US\$12.9 million. Located in the town of Tetbury, Beverston Castle, which listed on May 2, was built in 1225 and later altered during the 14th century. The stone fortress was largely damaged during the English Civil War and is now uninhabitable. However, a 17th-century manor house is adjacent to the castle's remains, which includes a chapel, parts of the original gatehouse and a courtyard. The Cotswolds stone home stands three stories tall like its castle counterpart and has seven bedrooms, including a master suite, and I'm told the castle was once entirely surrounded by a moat, and although the moat has since dried up, an 18th century bridge off the walled kitchen garden still stretches over what remains of the moat. Read more [HERE](#) on the this super cool renovated castle.





International Trade Commission Releases Economic Impact From USMCA

Following analysis of the economy-wide impact of the United States-Mexico-Canada Agreement (USMCA), the ITC determined that if fully implemented and enforced, the updated NAFTA agreement would have a positive impact on our real GDP as well as employment. From what I understand, the commission's analysis focused on eight specific groups of the USMCA provision: agriculture, autos, intellectual property, e-commerce, labor, international data transfer, cross-border services and investment. Focusing on agriculture we find, provisions that offer additional market access for dairy, poultry and sugar sectors, also provision that reduce non-tariff measures affecting alcoholic beverages and wheat trade as well as provisions that affect sanitary and phytosanitary measures, TRQ administration and bio-tech. Keep in mind that Canada and Mexico are both significant trading partners for U.S. agricultural products. In 2017, Canada and Mexico each accounted for 18% of U.S. agricultural imports, and for 17% and 13%, respectively, of U.S. agricultural exports. I should mention, there are no market access provisions in USMCA that address food and agricultural products trade between the United States and Mexico, so most of the change will likely be in trade between the United States and Canada. Don't forget that the agreement still requires ratification from Congress, which many say could happen by the end of summer. Below I list highlights from some of the provisions set forth in the agriculture section of the report. See the full report [HERE](#).

Dairy: *USMCA provides additional market access for U.S. dairy products through new Canadian TRQs (tariff-rate quota) exclusively for the United States for products including fluid milk, cream, butter, skim milk powder, cheese, and other dairy products. In-quota imports enter duty-free and out-of-quota imports face duties ranging from 201.5% to 313.5%. Also, the quota volumes increase rapidly in the first six years of the agreement, and then increase at a rate of 1% annually through year 19, except for whey, which becomes duty free in year 10. For the fluid milk, cream, and butter and cream powder TRQs, up to 85% of the TRQ volumes are dedicated to bulk products for processing into dairy products used for secondary manufacturing, with the remainder of the quotas available for products for any use.*

Poultry, Egg, and Egg-Containing Products: The USMCA agreement would increase and clarify the United States' market access for chicken, turkey, eggs, egg-containing products, and hatching eggs and chicks primarily based on the new USMCA concessions from Canada on these products. Under the USMCA provisions, chicken, eggs, and egg-containing products have USMCA-specific TRQs for Canadian imports from the United States that grow over time. This means the United States will gain exclusive access to within-quota quantities for chicken, eggs, and egg products in addition to competitive access to the respective global WTO TRQ quantities. The USMCA provisions also clarify the global TRQs for turkey, hatching eggs, and chicks.

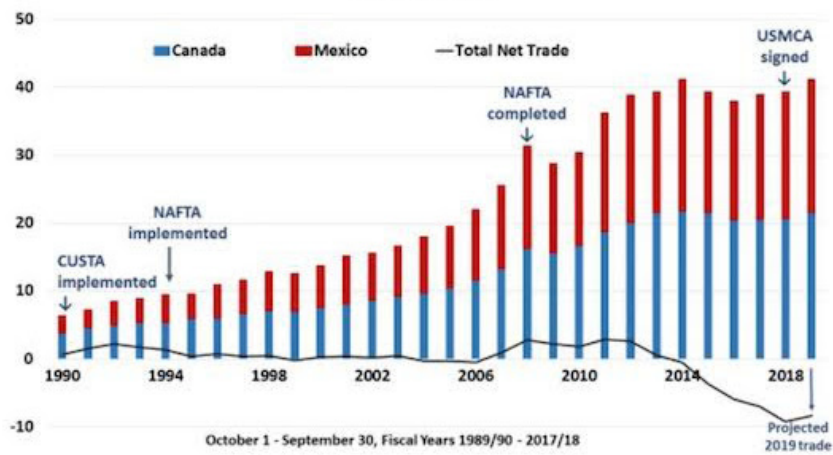
Alcoholic Beverages: USMCA incorporates existing market access provisions for alcoholic beverages from NAFTA and will maintain or slightly improve U.S. access to its USMCA partners' markets for alcoholic beverages, particularly for U.S. wine exports to Canada. USMCA clarifies and expands on previous NAFTA commitments relating to the sale and distribution of wine and distilled spirits, and it extends the commitments to include beer. Annex 3.C of USMCA also preserves distinctive product recognition for certain distilled spirits and establishes new commitments on best practices such as labeling and certification requirements for wine and distilled spirits. In addition, USMCA would allow greater access to certain retail channels in Canada for U.S. wine sales. Keep in mind, after the European Union, Canada is the leading export market for U.S. alcoholic beverages. U.S. exports of alcoholic beverages to Canada were \$894.6 million in 2017. Also, wine accounts for almost half of all U.S. alcoholic beverage exports to Canada, which is the single largest country market for U.S. wine. U.S. wine exports to Canada were \$420 million in 2017.

Wheat: Under USMCA, U.S. wheat producers will likely gain a small increase in market access to the Canadian market. USMCA requires that U.S. wheat be treated like Canadian wheat—when inspected in Canada for sale at Canadian bulk grain handlers—rather than automatically classified at the lowest grade—feed grade. USMCA eliminates the country of origin requirements in the inspection certificate, making U.S. wheat eligible for a higher classification. USMCA would guarantee equal treatment for U.S. wheat sold at Canadian bulk grain handlers. Currently, about 17% and 11% of the total hard red spring wheat grown in North Dakota and Minnesota, respectively, are of registered varieties under one of the Canadian wheat classes and could qualify to receive a grade under the Canadian system. Similarly, about 12% and 7% of the total hard red winter wheat grown in North Dakota and Montana, respectively, are registered varieties under one of the Canadian wheat classes. USMCA would grant U.S. farmers planting these varieties the option of selling their products to a Canadian bulk grain handler in a higher grade and at a better price than feed grade. I should mention about 28% of the total North Dakota wheat production, 11% of the total Montana wheat production, and 8% of the total Minnesota wheat production, representing around 3.2 million

mt, is within 50 miles of a Canadian bulk grain handler. Additionally, some farmers might opt to plant more of the registered varieties to take advantage of this arbitrage opportunity.



Figure 1. U.S. Agriculture Exports to Canada and Mexico
Billions U.S. dollars



Source: U.S. Census Bureau Trade Data, BICO-HS10, from fas.usda.gov/gats, accessed March 5, 2019.
Notes: Net trade = U.S. exports of agricultural products to Canada and Mexico minus U.S. imports of agricultural products from those countries. Data are not adjusted for inflation.

Table 5.1 U.S. agriculture products imports for consumption and domestic exports to Canada, Mexico, and the rest of the world, 2017 (million dollars)

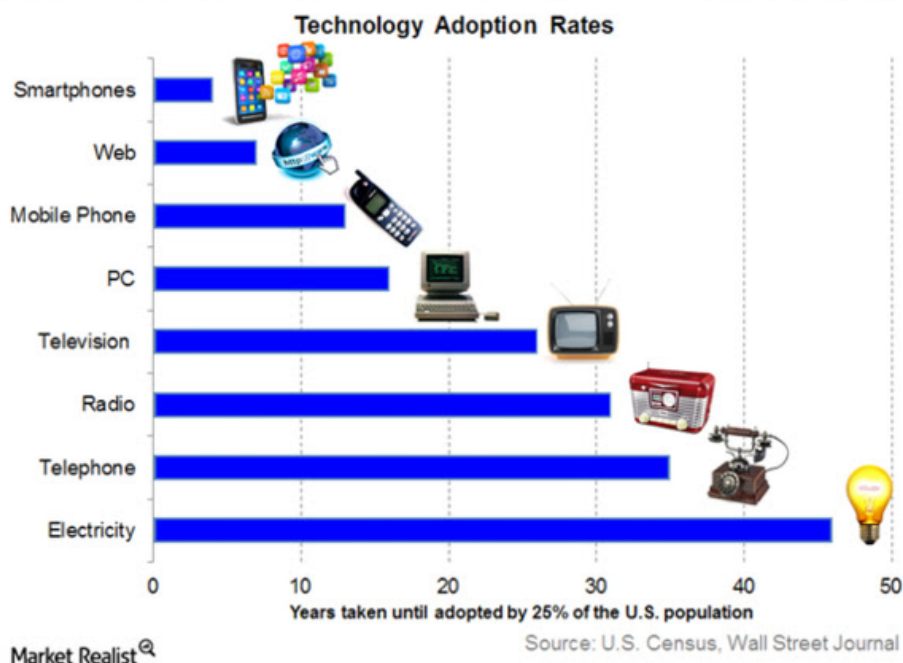
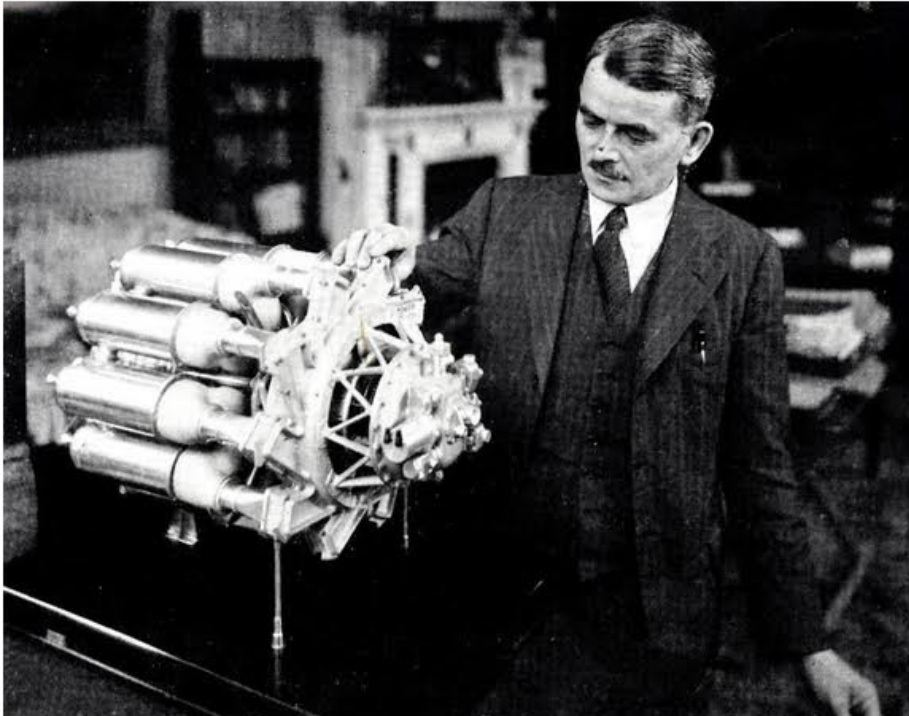
Sector	Imports			Exports		
	Canada	Mexico	Rest of world	Canada	Mexico	Rest of world
Wheat	684	3	5	19	860	5,217
Sugar	1,219	1,351	2,283	893	826	778
Dairy	125	93	2,058	442	1,257	2,940
Alcoholic beverages	571	4,644	19,118	859	233	3,266
Poultry meat	295	14	154	451	575	2,779
All other	23,114	20,547	69,811	23,411	15,367	90,851
Sum	26,008	26,651	93,428	26,075	19,119	105,831

Source: USITC DataWeb (accessed November 19, 2018).

Innovation... Clues from the Past Could Hold Keys to the Future

The first attempt at a jet-propelled bi-plane taking flight occurred in 1910, but it appears that the crash and burn of the experiment would put the idea of jet propulsion on the back burner for an extended time. But it was this week in 1941, thirty-one years after the first test for jet propulsion, the jet-propelled Gloster-Whittle E 28/39 aircraft would successfully fly over Cranwell, England. The aircraft's turbojet engine, which produced a powerful thrust of hot air, was devised by Frank Whittle, an English aviation engineer and pilot generally regarded as the father of the jet engine. Fortunately, Whittle was not only gifted with intelligence but tenacity as well, both of which would play a pivotal role in seeing his work through to fruition. It was at the age of 15 that Whittle put his sights on becoming a pilot, and applied to join the Royal Air Force. Whittle successfully passed the entrance exam with high marks, only to fail the physical exam. He wasn't deterred, opting to put himself through a rigorous training program and special diet devised by a physical training instructor at Halton to build up his stature. Unfortunately, he would fail again six months later, when he was told that he could not be given another chance. Looking like his dreams of being a pilot were going to be

dashed, Whittle opted to change his name, and applied as a candidate at the Royal Air Force School of Technical Training. After passing all the entrance tests, Whittle's skills and intelligence were immediately noticed by the Wing commanding officer, who recommended Whittle for officer training at RAF College. At college, Whittle worked on his motor-jet principle and had his aha moment when he asked, "Why not substitute a turbine for the piston engine?" So instead of using a piston engine to provide the compressed air for the burner, a turbine could be used to extract some power from the exhaust and drive a similar compressor to those used for superchargers. The remaining exhaust thrust would power the aircraft. Whittle showed his engine concept around the Air Force base, where it eventually attracted the attention of Flying Officer Pat Johnson, formerly a patent examiner. Johnson, in turn, took the concept to the commanding officer of the base, where the idea would be deemed impracticable. But Johnson remained convinced and along with Whittle patented the idea in January 1930. By 1936, along with several investors, Whittle and Johnson launched a company called "Power Jets", and started on building a prototype jet engine. The rest is history, Whittle was promoted to the rank of air commodore, was awarded 100,000 pounds by the Royal Commission on Awards to Inventors, and was eventually knighted for his massive contribution. I find it interesting that "perception" can easily and dramatically stifle innovation. In the beginning, a slight miscalculation created huge doubt about the overall viability and validity of jet propulsion. I suspect there are many innovations the world has discounted in the past few years that will eventually be game changing. It's interesting to think about...



One of My Favorite Music Business Stories

Music legend Barry Gordy, Jr. launched a record company called "Tamla Records" back in 1959 out

of a house at [2648 West Grand Blvd.](#) in Detroit, Michigan. Gordy had some early success with "Shop Around," by The Miracles in 1960 and "Please Mr. Postman" by The Marvelettes in 1961. But soon found himself eager to launch a new label. His first contract under the new label was offered to a young aspiring songwriter named Mary Wells in 1962. The catch was that Gordy would make a record for Wells but would issue it on a brand new label that had no identity or reputation in the marketplace: Motown Records. Not really in a position to argue, she signed on as the fledgling label's very first artist, and two years later, Mary Wells gave Motown its first #1 hit when "My Guy" reached the top of the Billboard pop chart on this day back in 1964. Interestingly Mrs. Wells released another single called "You Lost the Sweetest Boy" in 1963, which featured the Supremes and the Temptations singing backup. This is just a sample of the talent that would soon pass through Motown... In fact Motown Records would go on to release another 32 #1 hit singles during the next 10 years and corner the market on a style of music that became known as the "Motown Sound". Miracles lead singer William "Smokey" Robinson became the vice president of the company and later named his daughter "Tamla" and his son "Berry". The operations quickly expanded and within seven years Motown would occupy seven additional neighboring houses. Motown had hired over 450 employees and had a gross income of \$20 million by the end of 1966. From 1961 to 1971, Motown had 110 top 10 hits. Top artists associated with the Motown label during that period included the Supremes (initially including Diana Ross), the Four Tops, and the Jackson 5, while Stevie Wonder, Marvin Gaye, the Marvelettes, the Miracles, the Temptations, the Contours, and Martha and the Vandellas, the Velvelettes, the Spinners, the Monitors, and Gladys Knight & the Pips. Gordy relocated Motown to Los Angeles in 1972, and there it remained an independent company until June 28, 1988. During the 1970s and 1980s Motown had artists like Lionel Richie and the Commodores, Rick James, Teena Marie, the Dazz Band and DeBarge. By the mid-1980s Motown had started losing money, and Berry Gordy sold his ownership in Motown to MCA Records and Boston Ventures in June 1988 for north of \$60 million. From 2011 to 2014, Motown was a part of The Island Def Jam Music Group division of Universal Music. Then in the spring of 2014, Universal Music Group announced the dissolution of Island Def Jam, subsequently Motown relocated back to Los Angeles to operate under the Capitol Music Group. It now operates as just a fraction of what it once was out of the landmark Capitol Tower. Below are 10 of the greatest Motown hits. I remember my folks playing these records a lot when I was very young. Click the links to listen to the songs and bring back the great memories! (Source: Wiki; History)

1. [I Heard It Through The Grapevine](#) - Marvin Gaye
2. [My Girl](#) - Temptations
3. [Reach Out I'll Be There](#) - Four Tops
4. [Where Did Our Love Go?](#) - Supremes
5. [What's Goin' On?](#) - Marvin Gaye
6. [Dancing in the Street](#) - Martha & The Vandellas
7. [I Want You Back](#) - Jackson 5
8. [Superstition](#) - Stevie Wonder
9. [Please Mr. Postman](#) - Marvelettes
10. [My Guy](#) - Mary Wells

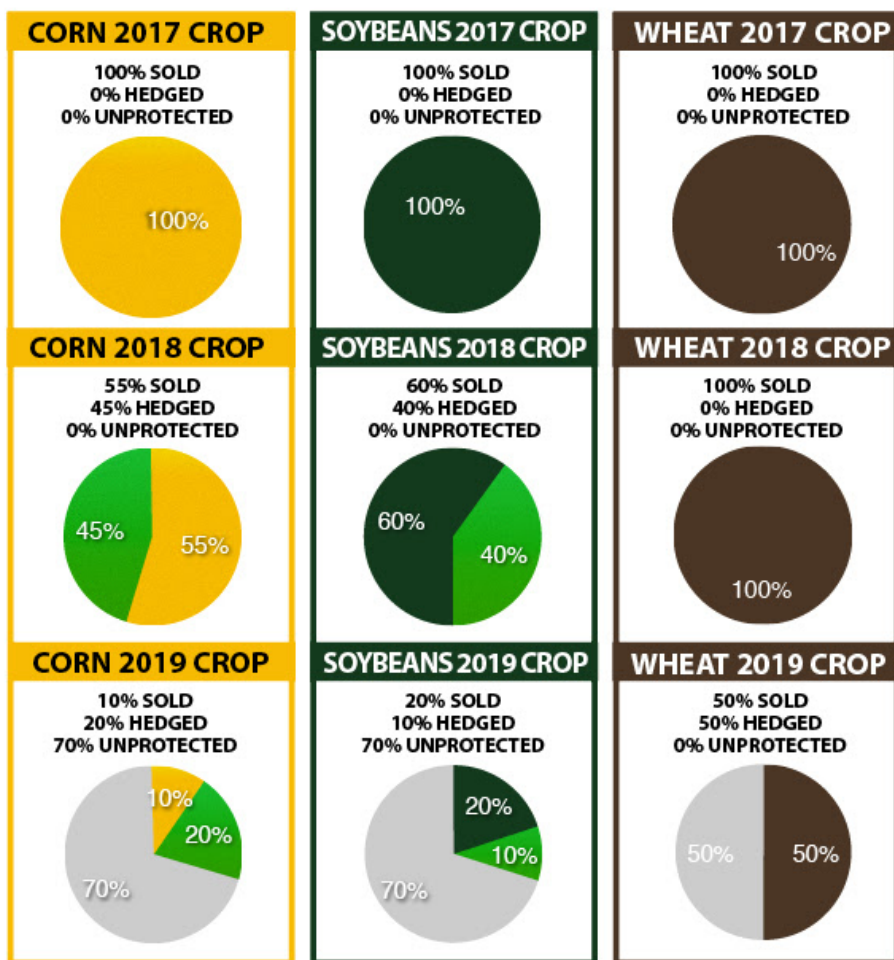




ANSWER to riddle: A matchstick

CASH SALES & HEDGING TOTALS

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



© FARM DIRECTION 2011

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

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