

## GOOD MORNING: 05/21/19 Farm Direction - Van Trump Report

1 message

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

Tue, May 21, 2019 at 7:42 AM

Reply-To: Jordan &lt;reply-fec1167874610c7b-314\_HTML-36250946-100003450-1@vantrumpreport-email.com&gt;

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"A good leader is a person who takes a little more than his share of the blame and a little less than his share of the credit." -John Maxwell

**TUESDAY, MAY 21, 2019**  
[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks are slightly higher this morning as the U.S. government gives Chinese business Huawei Technologies a 90-day extension to figure things out. I still feel like the bulls are pausing as the rift between the U.S. and China appears to be widening. In case you haven't been keeping score at home, late last week Washington put Chinese telecommunications company Huawei Technologies on a trade blacklist, banning it from purchasing American parts and services without U.S. government approval. That was followed up yesterday by Google parent Alphabet and other U.S. based tech companies moving to comply with the administration's decision. Reports circulating indicate that Alphabet went as far as restricting access to certain Android features on Huawei phones. Chipmakers including Intel, Qualcomm, Xilinx and Broadcom told their employees they will not supply Huawei until further notice. It's starting to feel like more businesses here at home are getting behind Washington in regards to the trade war, many saying that this is the time, if not now, then when? President Trump and the administration want to make certain the Chinese understand they are serious about not allowing Huawei, who is the world's biggest supplier of telecom equipment, to access sensitive U.S. data across entire networks. Stock market bulls worry that China might view the strategic hardline moves against Huawei as a shot across the bow, which perhaps further stokes the flames of conflict. Now that the government has given Huawei a 90-day extension, the trade is viewing it as an olive branch of some sort. Technically, there's a lot of talk inside the trade that the S&P 500 will remain mostly rangebound between 2,500 on the low end and 3,100 on the upper end. For reference, the S&P 500 traded down to almost 2,300 in the late-December fallout, and has reached it's all-time record just above 2,950 a couple of times in the past year. We are currently trading about -3% off our all-time highs. As for today, there's very little in the way of traditional economic data. The biggest data point will be April existing home sales. The trade will however be digesting a wave of retail corporate earnings from well known names like Kohl's, J.C. Penney, Tiffany & Co., Home Depot and Nordstrom. Tomorrow, all eyes will be on the Fed minutes from the most recent FOMC meeting. Atlanta Federal Reserve Bank President Raphael Bostic said yesterday that he wasn't sure whether the central bank would move next to raise or lower interest rates, so the trade is desperately trying to read between the lines. I should also note, Federal Reserve Chairman Jerome Powell made a comment last night that financial regulators must take seriously potential dangers that rising levels of business debt now pose to the U.S. economy. He said, "Fifteen years ago, everyone was talking about whether households were borrowing too much. Today everyone is talking about whether businesses are borrowing too much." It's interesting to think about, especially in they wake of massive corporate stock buybacks. But before you get overly bearish or massively concerned, just remember, former Fed Chairman Alan Greenspan first warned of "irrational exuberance" in the U.S. stock market in 1996, yet the stock market continued to climb higher for several more years.

**5G Could Set Weather Forecasting Back 40 Years:** The NOAA's acting chief, Neil Jacobs, said that interference from 5G wireless phones could reduce the accuracy of forecasts by 30 percent. That's equivalent, he said, to the quality of weather predictions four decades ago. "If you look back in time to see when our forecast scale was roughly 30 percent less than today, it was 1980," Jacobs told the House Subcommittee on the Environment late last week. It has something to do with the FCC starting to auctioning off its 24-gigahertz frequency band to wireless carriers. You can read more from Wired [HERE](#).



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Today In History

1542, De Soto dies in the American

**Ford Slashing Jobs:** Ford Motor Company said it was planning to eliminate 7,000 salaried jobs around the world by the end of August as part of its Smart Redesign program, according to an email sent to employees that was published by Automotive News. That will cut its workforce by 10% and help it save about \$600 million a year, said the email. (Source: MarketWatch)

**Sprint Stock Surges:** Sprint stock rallied nearly +19% yesterday after the Federal Communications Commission Chairman said he would back its \$26 billion merger with T-Mobile. There's still a lot of uncertainty about if the Department of Justice will allow the deal to go forward or if it will object on grounds of antitrust.

**Hershey Changes Look of their Candy Bar for the First Time in History:** Hershey recently announced they will be celebrating 125 years by replacing their iconic company logo with 25 popular emojis in the rectangles instead to make up the milk chocolate bar. Keep in mind, the emoji-filled redesign will mark the first time Hershey has ever altered its milk chocolate bar design since the first they went on sale in 1900. The new bars will be on sale for a limited time starting this summer around July 1st and the company said it will only make about 25 million emoji bars. Remember, World Emoji Day is July 17th, so I suspect that's their release date. Might be a good collectors item one day!



**wilderness** - On the banks of the Mississippi River in present-day Louisiana, Spanish conquistador Hernando de Soto dies, ending a three-year

journey for gold that took him halfway across what is now the United States. In order that Indians would not learn of his death, and thus disprove de Soto's claims of divinity, his men buried his body in the Mississippi River. In late May 1539, de Soto landed on the west coast of Florida with 600 troops, servants, and staff, 200 horses, and a pack of bloodhounds. From there, the army set about subduing the natives, seizing any valuables they stumbled upon, and preparing the region for eventual Spanish colonization. Traveling through Florida, Georgia, South Carolina, across the Appalachians, and back to Alabama, de Soto failed to find the gold and silver he desired, but he did seize a valuable collection of pearls at Cofitachequi, in present-day Georgia. Decisive conquest also eluded the Spaniards, as what would become the United States lacked the large, centralized civilizations of Mexico and Peru. As was the method of Spanish conquest elsewhere in the Americas, de Soto ill-treated and enslaved the natives he encountered. For the most part, the Indian warriors they encountered were intimidated by the Spanish horsemen and kept their distance. In October 1540, however, the tables were turned when a confederation of Indians attacked the Spaniards at the fortified Indian town of Mabila, near present-day Mobile, Alabama. All the Indians were killed, along with 20 of de Soto's men. Several hundred Spaniards were wounded. In addition, the Indian conscripts they had come to depend on to bear their supplies had all fled with baggage. De Soto could have marched south to reconvene with his ships along the Gulf Coast, but instead he ordered his expedition north-westward in search of America's elusive riches. In May 1541, the army reached and crossed the Mississippi River, probably the first Europeans ever to do so. From there, they traveled through Arkansas and Louisiana, still with few material gains to show for their efforts. Turning back to the Mississippi, de Soto died of a fever on its banks on May 21, 1542. The Spaniards, now under the command of Luis de Moscoso, traveled west again, crossing into north Texas before returning to the Mississippi. With nearly half of the original expedition dead, the Spaniards built rafts and traveled down the river to the sea, and then made their way down the Texas coast to New Spain, finally reaching Veracruz, Mexico, in late 1543.



**1955, Chuck Berry Records "Maybellene"** - John Lennon once famously said that "if you

tried to give rock and roll another name, you might call it 'Chuck Berry.'" That's how foundational Berry's contributions were to the music that changed America and the world beginning in the mid-1950s. Even more than Elvis Presley, who was an



**Steve Burns**  
@SJosephBurns

Following



### JEFF BEZOS

**"WARREN, YOUR INVESTING  
STRATEGY IS SO SIMPLE.  
WHY DOESN'T JUST EVERYONE  
COPY YOU?"**



### WARREN BUFFET

**"BECAUSE NOBODY  
WANTS TO GET  
RICH SLOW"**



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incomparable performer, but of other people's songs, Chuck Berry created the do-it-yourself template that most rock-and-rollers still seek to follow. If there can be said to be a single day on which his profound influence on the sound and style of rock and roll began, it was this day in 1955, when an unknown Chuck Berry paid his first visit to a recording studio and cut the record that would make him famous: "Maybellene." Berry was a part-time professional musician in his native St. Louis and primarily a performer of the blues, but an avid experimenter with other sounds. On a visit to Chicago in May 1955, Berry approached his idol, the great bluesman Muddy Waters, to ask for career advice. Waters pointed him in the direction of his record label, Chess Records, where Berry managed a face-to-face meeting with Leonard Chess and an invitation to return for an audition later that week. When Berry returned, he hoped that Chess would sign him on the strength of one of his blues numbers, but it was a strange rhythm-and-blues/country-western hybrid called "Ida Red" that caught Chess's ear. Before it was recorded, "Ida Red" got new lyrics to go with a new title—"Maybellene"—but it retained the totally original sound that Berry had given it.



### 1988, Gorbachev Consolidates Power -

In an attempt to consolidate his own power and ease political and ethnic tensions in the Soviet republics of Armenia and Azerbaijan, Russian leader Mikhail Gorbachev dismisses the Communist Party leaders in those two republics. Since coming to power in 1985, Gorbachev had faced numerous problems with his efforts to bring about domestic reform in the Soviet Union. First and foremost was the opposition by more conservative Russian officials, who believed that Gorbachev's economic and political reforms might threaten the position of the Communist Party in the Soviet Union. Both Karen S. Demirchyan and Kyamran I. Bagirov, heads of the Communist Party in Armenia and Azerbaijan respectively, fell into this group—Gorbachev had publicly complained about his frustrations in bringing about economic reform in the two republics. The second major problem faced by the Soviet leader was the rising tide of ethnic unrest in several Russian republics. In the case of Armenia and Azerbaijan, the unrest spilled across their borders, with Azerbaijanis and Armenians trading charges about mistreatment at the hands of the other. Neither Demirchyan nor Bagirov seemed capable of dealing with the situation. Gorbachev thus decided to kill two birds with one stone, and on May 21, announced that both men were being removed from their positions for "reasons of health." They were quickly replaced with men handpicked by Gorbachev. Gorbachev's action was only a temporary solution to the problems. During the next three years, the slow pace of reform in the Soviet Union could not keep up with the





**Brent Gerke**

@Brent\_gerke

Following



Watched my 86yr old grandpa turn into a little kid again when he was surprised with his restored tractor. Seeing him smile ear to ear when he took off is something I'll never forget.



rapidly crumbling economy and increasingly factionalized political system. And ethnic tensions in Armenia, Azerbaijan, and other Soviet republics continued unabated, sometimes exploding into violence. By 1991, it was clear that the Soviet Union was falling apart. In December, Gorbachev resigned as president and the Soviet Union soon thereafter ceased to exist as a nation.

#### Upcoming Events

**Wed. 05/22** - Cold Storage

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

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

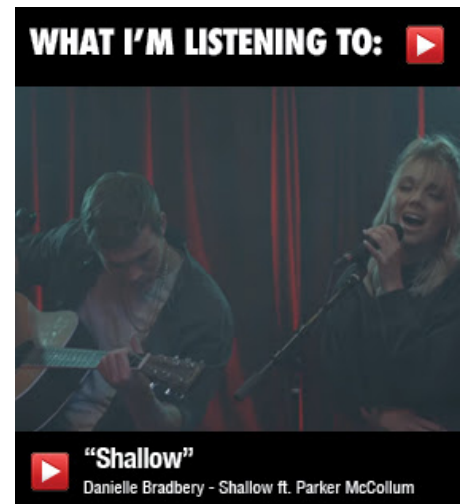
**Mon. 05/27** - Memorial Day, Markets Closed

**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



#### Kevin's Song of the Week



**Griff Howard**  
@griff\_howard

Following

Had to bring another pair of eyes to look for mud holes today #plant19



## 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*





**Greg Vermeersch**  
@VanMeerFarms

Following

I get to drive the #megastripper for a little bit.  
Super happy with it.  
73ac/hr #plant19



**Landon Friesen**  
@landon707

Following

Planting Sunflowers 🌻 today, clearly the  
seasoned flavor. #plant19



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.



**Men's Corner**  
@Mens\_Corner\_

Following



**WHERE I COME FROM**



**THIS IS ALSO KNOWN AS  
A FLATHEAD SCREWDRIVER.**

*Farm Direction*  
RECIPES

★ **FAMILY** ★  
**FAVORITES**

-SENT IN BY OUR READERS-

**Uncle Rich's  
Plum Glazed Ribs**



**CLICK TO SEE RECIPE**



ActionComplete  
@ActionComplete

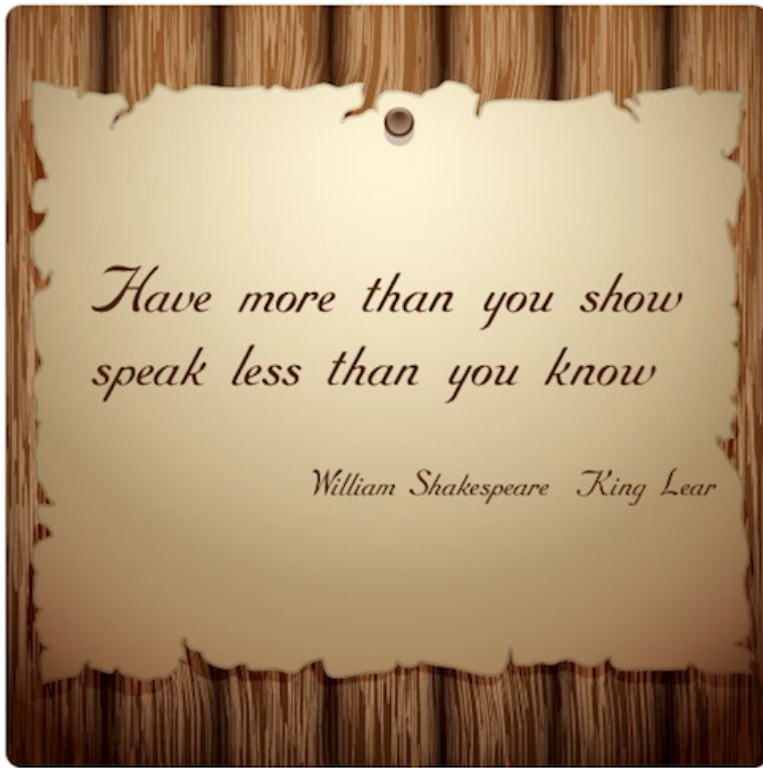
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Have more than you show,  
Speak less than you know.

~William Shakespeare

#quotes #inspiration



## neuro mining



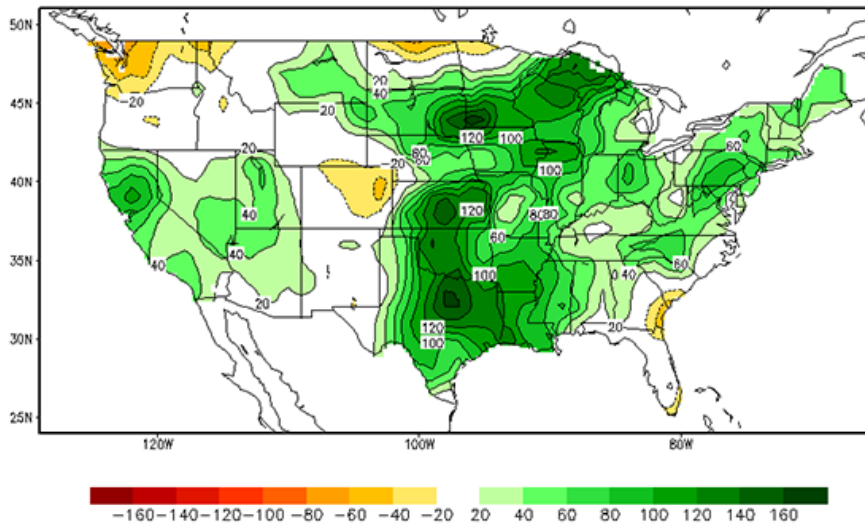
As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we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

When I'm used, I'm useless, once offered, soon rejected. In desperation oft expressed, the intended not protected. What am I?



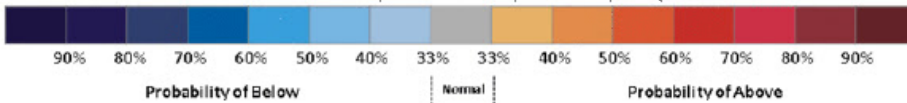
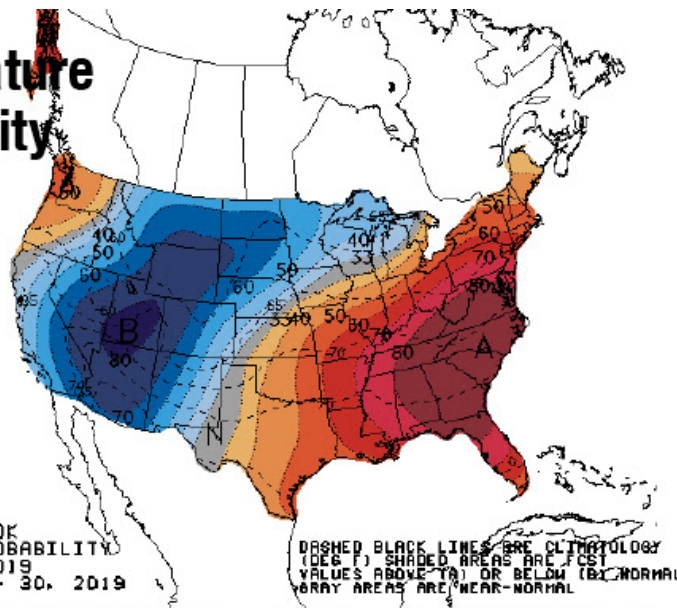
Calculated Soil Moisture Anomaly (mm)  
MAY 19, 2019



## Temperature Probability



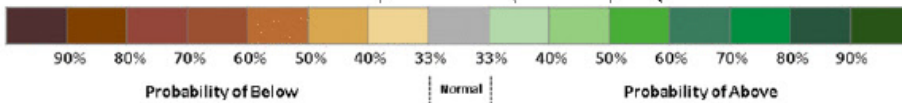
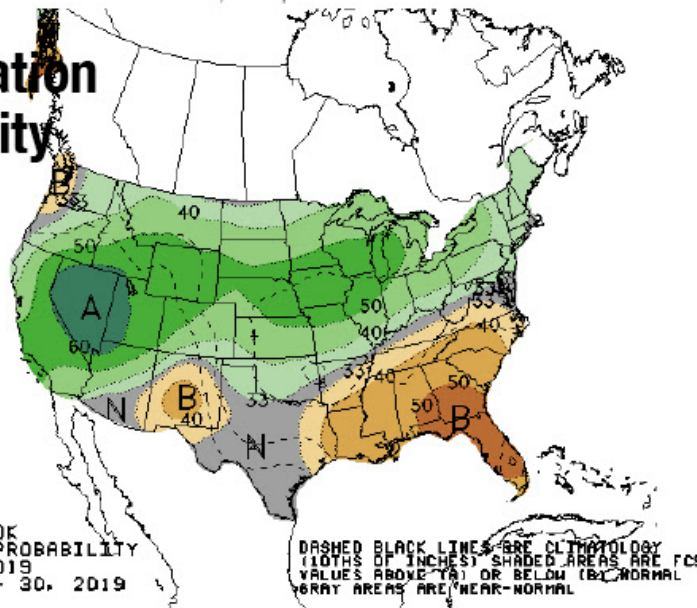
6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 20 MAY 2019  
VALID MAY 26 - 30, 2019



## Precipitation Probability



6-10 DAY OUTLOOK  
PRECIPITATION PROBABILITY  
MADE 20 MAY 2019  
VALID MAY 26 - 30, 2019



**Corn** bulls continue to point towards extreme U.S. weather, record slow planting and pace of emergence, flooding, logistic complications, and a massively large number of re-plant acres. I was somewhat surprised to see the USDA estimate that 49% of the U.S. crop is now planted, which was a +19% jump from last week. I know many inside the trade were thinking 50% planted, but I was closer to 45%, I just didn't think that many acres actually got in the ground. I've had many conversations the past few days with producers who said they have seen a lot of growers hurrying to get the crop in the ground ahead of storms, but are now facing serious re-plant decisions? I'm telling you now this re-plant situation is much larger than the trade is currently estimating into the equation. There's also a lot of questions about available inputs? Producers might want to try and re-plant but are having a tough time getting what's needed to make it happen. Lets also talk about the cooler than normal temperatures, the overly wet soil conditions, most all of the nitrogen being washed away or leeching, the need for producers to keep throwing more money at the crop, i.e. top-dressing, fungicides, etc... Just keep in mind, those producers who were waiting to make planting decisions might be caught without much if any nitrogen down or remaining in the ground, so they don't really have a ton of incentive to plant like they might have had in years past. Also keep in mind, the producer can most often elect to use "preventive plant", then simply return the chemicals and seed commitments. Moral of the story, there are just so many

variables in the air right now for the U.S. crop, it's hard for me to be anything but bullish! I'm staying patient, thinking prices could easily challenge the previous new-crop DEC19 highs, just below \$4.25 per bushel. Below are the states the USDA shows 70% planted or less:

**Ohio** only 9% planted vs. the 5-year average of 62%, Ohio only 3% emerged vs. the 5-year average of 35%

**Indiana** only 14% planted vs. the 5-year average of 73%; Indiana only 4% emerged vs. the 5-year average of 45%

**South Dakota** only 19% planted vs. the 5-year average of 76%, South Dakota only 0% emerged vs. the 5-year average of 30%

**Michigan** only 19% planted vs. the 5-year average of 54%, Michigan only 1% emerged vs. the 5-year average of 21%

**Illinois** only 24% planted vs. the 5-year average of 89%, Illinois only 11% emerged vs. the 5-year average of 71%

**Wisconsin** 35% planted vs. the 5-year average of 65%, Wisconsin only 3% emerged vs. the 5-year average of 24%

**North Dakota** 42% planted vs. the 5-year average of 63%, North Dakota only 1% emerged vs. the 5-year average of 19%

**Pennsylvania** 42% planted vs. the 5-year average of 55%, Pennsylvania only 18% emerged vs. the 5-year average of 26%

**Minnesota** 56% planted vs. the 5-year average of 83%, Minnesota only 6% emerged vs. the 5-year average of 44%

**Kansas** 61% planted vs. the 5-year average of 80%, Kansas only 37% emerged vs. the 5-year average of 53%

**Missouri** 62% planted vs. the 5-year average of 92%, Missouri only 44% emerged vs. the 5-year average of 71%

**Nebraska** 70% planted vs. the 5-year average of 86%, Nebraska only 27% emerged vs. the 5-year average of 49%

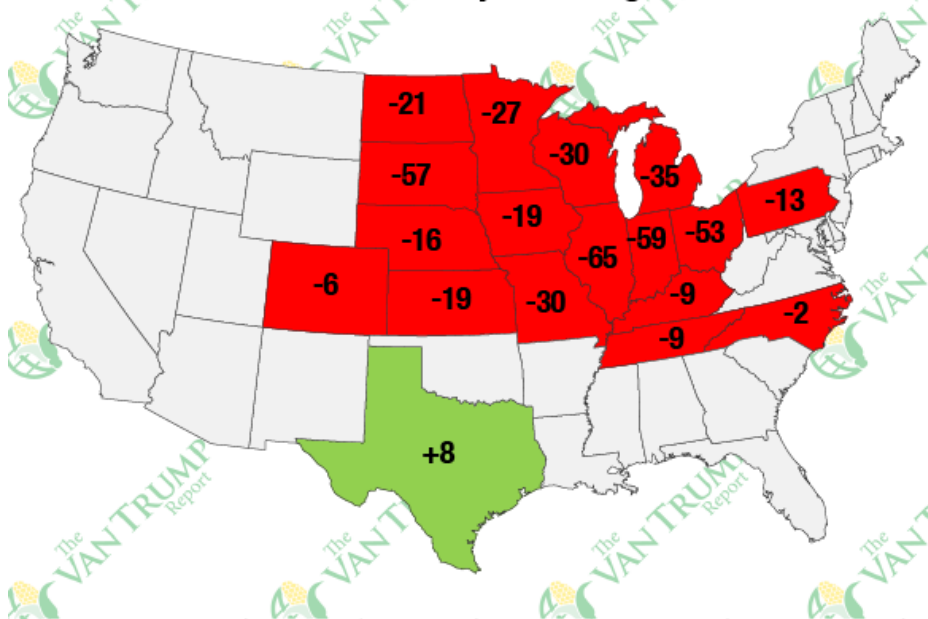
**Iowa** 70% planted vs. the 5-year average of 89%, Iowa only 20% emerged vs. the 5-year average of 53%



# U.S. Corn Planted Pace

[week 20] May 19, 2019

Current Planted Pace vs. 5 year average for week 20



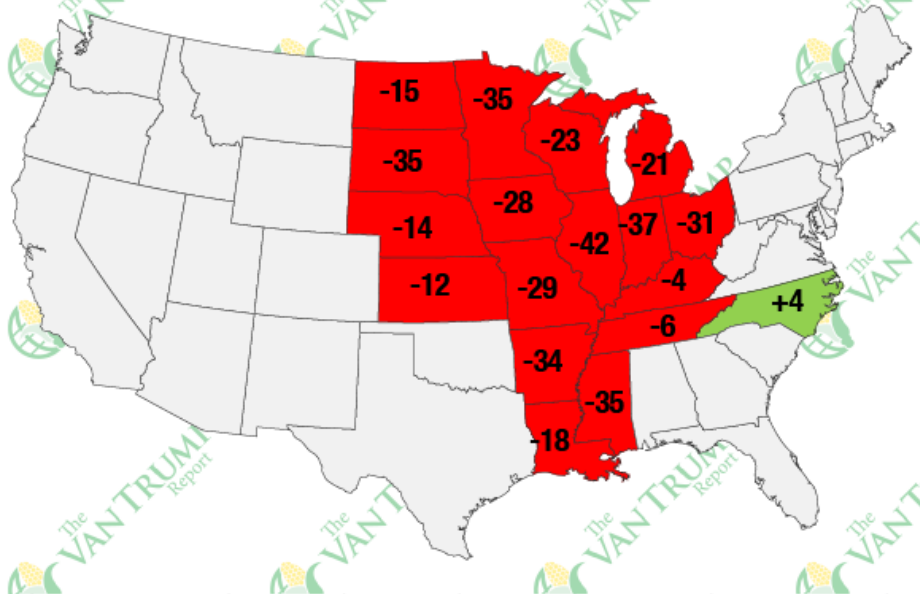
Corn % Planted Pace					
State	2017	2018	5-yr avg	This Week	Change vs LW
Colorado	69	67	69	63	24
Illinois	89	96	89	24	13
Indiana	76	88	73	14	8
Iowa	92	86	89	70	22
Kansas	70	82	80	61	15
Kentucky	83	81	80	71	16
Michigan	67	50	54	19	14
Minnesota	94	77	83	56	35
Missouri	93	96	92	62	10
Nebraska	87	88	86	70	24
North Carolina	96	96	95	93	5
North Dakota	82	62	63	42	31
Ohio	73	71	62	9	5
Pennsylvania	59	35	55	42	16
South Dakota	88	66	76	19	15
Tennessee	95	94	94	85	6
Texas	87	88	84	92	17
Wisconsin	65	56	65	35	21
Total	84	81	80	49	19

**Soybean** prices are higher as bulls point to heavy delays in planting and extremely wet conditions in the field. The USDA showed the U.S. crop just 19% planted vs. the 5-year average of 47% by this date. Soybeans considered emerged total just 5% vs. the 5-year average of 17% by this date. You can see all of the specifics below. Bottom-line, some very large production states are struggling to get the crop in the ground and weather extremes might continue to create complications. Bears continue pointing towards the U.S. and Chinese trade dispute, as well as ongoing uncertainties regarding African Swine Fever. Some bears are also arguing that another strong soybean subsidy for U.S. producers could ultimately push more acres in this direction? I'm personally staying patient, thinking there could be some additional upside as bearish fund traders think about moving to the sideline, not wanting to fight a unpredictable and extremely volatile weather market...

# U.S. Soybean Planted Pace

[week 20] May 19, 2019

Current Planted Pace vs. 5 year average for week 20



Soybeans % Planted Pace					
State	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	74	81	65	31	10
Illinois	48	81	51	9	6
Indiana	47	73	43	6	4
Iowa	62	58	55	27	14
Kansas	27	50	29	17	10
Kentucky	34	35	26	22	9
Louisiana	91	93	85	67	14
Michigan	37	29	31	10	7
Minnesota	72	48	57	22	19
Mississippi	86	84	80	45	12
Missouri	42	61	38	9	4
Nebraska	52	68	54	40	20
North Carolina	36	38	32	36	11
North Dakota	57	33	39	24	19
Ohio	43	50	35	4	2
South Dakota	56	24	39	4	4
Tennessee	36	50	37	31	11
Wisconsin	29	33	35	12	8
Total	53	56	47	19	10

**Wheat** prices are again higher this morning, but bears are pointing to improved winter wheat crop conditions. The USDA showed 66% of the crop now rated "Good-to-Excellent: vs. 64% rated "Good-To-Excellent" the past few weeks. With all of the extreme weather and heavy storms across the U.S., that condition estimate could shock a few of the bulls, so don't be surprised about a little backpedalling. I should also note, the USDA showed spring wheat "planting" jumped from 45% to 70% in the past week vs. the 5-year average of 80% planted by this date. The fact the USDA estimated we planted 25% of our spring wheat crop last week, might also shock a few bulls. I personally debate most all of the above. I have a hard time believing winter wheat crop-conditions are improving into these massive storms. I also question the pace of spring wheat planting and have to imagine there will be more acres going unplanted than originally anticipated. Regardless, we have to remember and remind ourselves, it's not about being right the data and wrong the market. Our goal is to "reduce risk" associated with production. We are not trying to forecast short-term price action and or

argue calls made by the umpire. I see no benefit in putting my dog in that race. The numbers are what they are, we have to pay close attention to how the trade responds from here. As a producer, I'm staying patient, wanting to see a few more headlines.

Spring Wheat % Planted						
State	2017	2018	Last Week	5-yr avg	This Week	Change vs LW
Idaho	78	94	81	93	90	9
Minnesota	99	85	35	80	76	41
Montana	86	66	55	82	69	14
North Dakota	88	78	37	74	66	29
South Dakota	99	94	46	94	70	24
Washington	95	96	81	97	87	6
Total	90	79	45	80	70	25

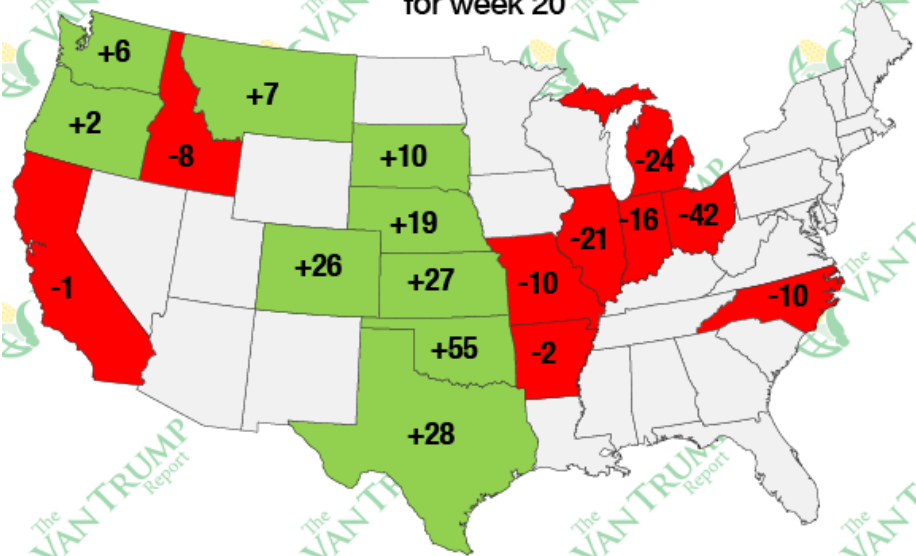
**Spring Planting Comments:** We've been hearing that northern and western North Dakota have had some clear windows off opportunity, so has northern Minnesota. We've also been hearing that Northern Montana has made fairly large jumps in planting. The part of the equation I'm struggling with is South Dakota. I'm just not getting back confirmation from any of my sources that they have had big windows of opportunity as of late.



# U.S. Winter Wheat Conditions

[week 20] May 19, 2019

Current Good-To-Excellent Conditions vs. 5 year average  
for week 20

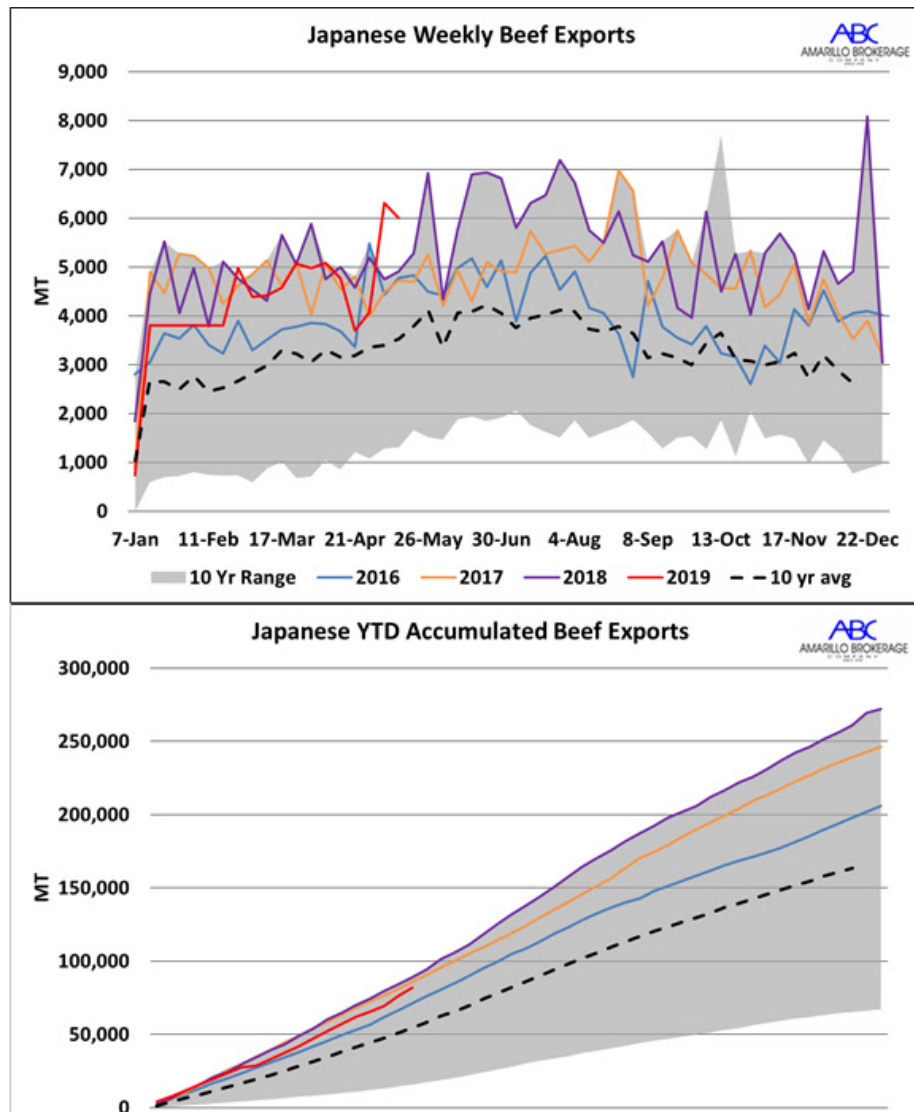


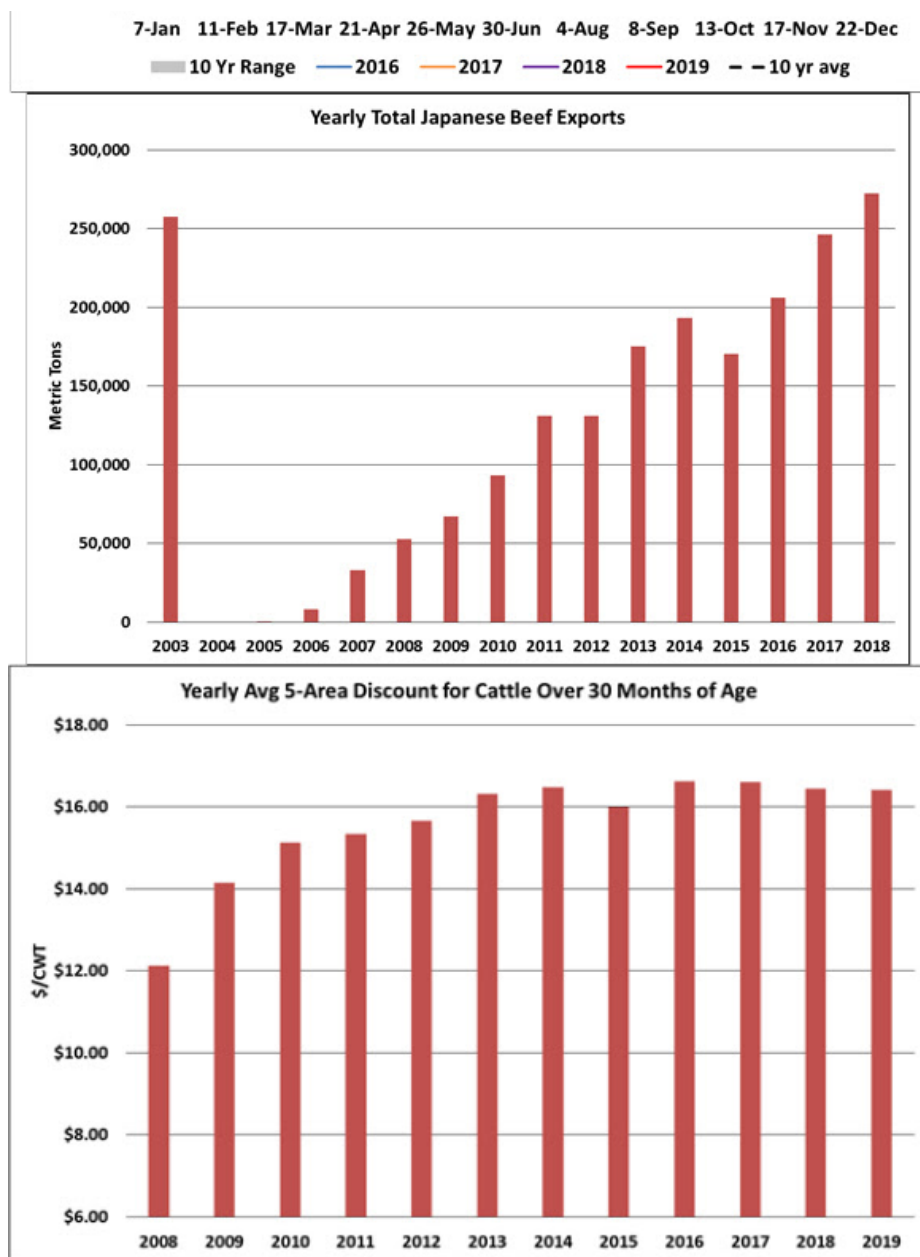
Wheat % Good to Excellent					
State	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	71	62	63	61	0
California	100	95	91	90	0
Colorado	42	50	48	74	-3
Idaho	71	80	78	70	14
Illinois	44	66	59	38	1
Indiana	66	68	69	53	0
Kansas	47	15	33	60	4
Michigan	72	66	65	41	-2
Missouri	61	48	57	47	9
Montana	52	64	62	69	-5
Nebraska	45	62	50	69	2
North Carolina	65	77	62	52	-3
Ohio	81	76	71	29	-1
Oklahoma	49	12	33	88	13
Oregon	88	72	60	62	-5
South Dakota	54	46	51	61	-7
Texas	36	16	33	61	-3
Washington	81	89	66	72	7
Total	52	36	58	66	2

**Rice** pushes higher on continued concerns regarding acreage loss in the Delta growing region. This has pushed the nearby July contract to a new monthly high around \$11.20 and for now, rice seems comfortable trading above the \$11.00 mark. Yesterday's crop progress report still has planting progress in the Delta at least 25% behind average. Good progress was made last week but rain this past weekend has delayed planting once again in most areas until later this week. There are STILL some fields needing prepped to plant! The final prevent plant date for insurance is this Saturday in Arkansas. There is still time to get the crop in, but I doubt we will see enough of a window between drying out and the insurance cut-off to get anywhere close to the 1.401 million acres that were projected for Arkansas. Yes, there will still be some planting beyond the cut-off date but probably not enough to make a huge difference. As I have previously mentioned, I would not be surprised to see 200k acres go unplanted in Arkansas, but 300k is now looking more likely. We'll have to wait to see. Regarding

demand, domestic bids have been steady, but export markets continue to struggle. Technically, the next area of resistance for July rice is \$11.37 with support at \$11.00. I think that until demand really picks up, rice could struggle to find the buyers that it needs to produce a solid, steady trend higher. Also, a lot of acreage loss has been priced in so be cautious about being too exposed to the long side at these levels. For what it's worth, I've stated hearing rumors of some larger spec traders sniffing around on the bearish side of the fence. Be careful here... Trey Morris - [Husk Trading](#)

**Cattle:** It has been widely circulated that the U.S and Japanese governments reached an agreement to end the long standing restrictions of U.S. beef imports into Japan from cattle over 30 months of age. In short, these restrictions came back in 2003 as a result of the first U.S. announcing their first identified case of Bovine Spongiform Encephalopathy (BSE). Beef exports to Japan have been steadily increasing. In fact, the most recent 2018 data would suggest that exports to Japan are the largest since 2003. The U.S. Meat Export Federation (USMEF) and United States Department of Agriculture (USDA) collectively estimated last week that the allowance of beef products from cattle over 30 months of age would be significant for the U.S. beef industry in terms of dollars. However, this decision does not currently negate tariffs on U.S. beef imported to Japan nor does it address Trans-Pacific Partnership (TPP) issues. At this time, the U.S. is not a partner to TPP and does not enjoy the reduced tariffs that other competing countries enjoy. Futures markets have transitioned into a sideways chop in recent sessions and volumes have been much lighter. The commitment of traders report continues to show massive liquidation of non-commercial length and commercial short positions. This is possibly one the most rapid liquidations of the size noted on record. The futures face fundamental headwinds into late-summer and early-fall. The number of cattle for sale will continue to be large and any reduction in harvest pace, exports or marketing's will further challenge the situation. Technically, the momentum is down and longer-term averages are beginning to roll over, signaling perhaps further downside. Conversely, the friendly talk associated with widening market potential into Asian destinations, summer domestic beef demand and a seemingly bottoming futures market is enough to keep the market guessing. For this week, it appears we have failed at the upper end of the range today (5.20.19) and are at risk of testing the resolve of the bulls. (Source: [Amarillo Brokerage](#))





> **Upper Mississippi River Reopens to Barge Traffic:** After historic flooding closed key portions of the waterway over the past month, barge traffic has fully continued. Shippers are moving quickly to move a backlog of fertilizer deliveries to corn growers. However, more heavy rain for the Midwest this week will likely cause further problems on the river.

> **China Confirms New African Swine Fever Outbreak:** China has confirmed a new outbreak of African swine fever in the southwestern province of Sichuan as the highly contagious disease spreads through the world's largest hog herd. The Sichuan outbreak is reported to have killed 78 animals on a farm of 429 pigs. China has reported more than 120 outbreaks of the incurable disease in all of its mainland provinces and regions. (Source: Reuters)

> **Corn Prices In China Hit Six-Month High On Armyworm Threat:** The rally on price was triggered by reports of armyworms as investors speculated on the expectation that the pest will spread to the northeast and damage crops in prime growing season. Prices also supported notion that China will no longer look to import



more corn from the U.S. after the recent setback in China-U.S. trade talks. Understand, the fall army worm can ravage grain crops like corn and sorghum almost overnight and has already been detected in several Chinese provinces earlier this year.

**> Brazil's Corn Ethanol Industry is Booming:** Five years ago what looked like a pipe-dream, when investors launched the a corn based ethanol project, now has doubled in capacity at the initial plant, along with having built a second one. I should also mention that the group has announced plans for three more as Brazilian farmers are increasing corn production. Also, I'm told that two other companies are building 100% corn-based ethanol plants in Brazil. From what I understand, all five FS plants will be located in Mato Grosso, Brazil's top grain state, where corn production has increased by 275% in the last ten years.

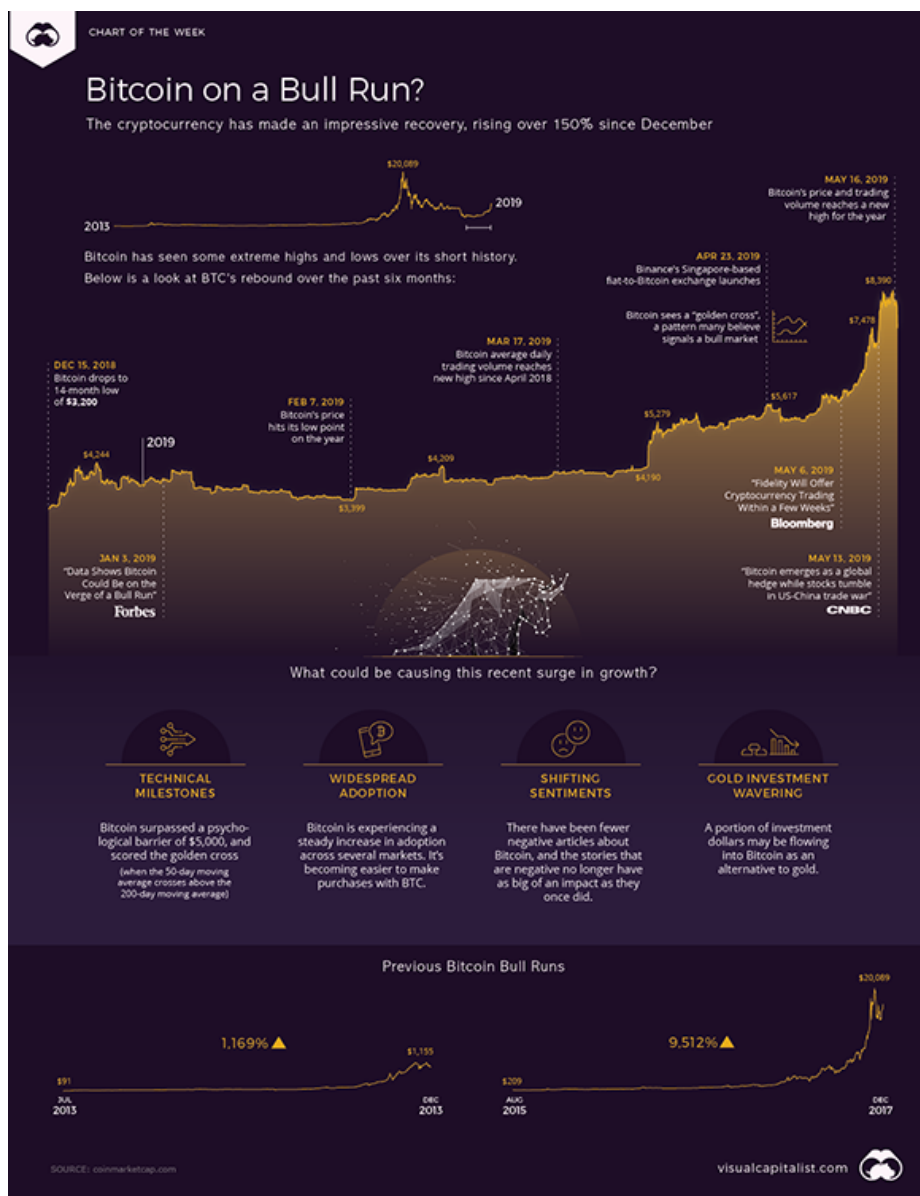
**> Amazon To Expand Food Delivery:** Amazon led a \$575 million investment round for UK food delivery service Deliver, causing some to speculate that the company is planning to challenge Uber Eats in the food-delivery market. Interestingly, Amazon has tried and failed at food delivery once before. In 2015, the company launched its own takeaway service called Amazon Restaurants which managed just two years in operation before being shuttered due to stiff competition from the likes of Uber Eats and Deliveroo. (Source: Verge)

**> EU Tariffs Hit Harley Davidson Hard:** According to Harley Davidson CEO Matt Levatich, the EU tariffs are costing the Wisconsin-based motorcycle manufacturer about \$100 million a year. From what I understand costs are being incurred as nearly a \$100 million a year run rate is being covered in order to protect their business in Europe, protect market share, volume, and protect the viability of their distribution channel.

**> Little Ceasars to Use Plant-Based Sausage Crumbles:** Partnering with Impossible Foods, Little Ceasars will now offer the Impossible Supreme, priced at \$12, in three markets: Fort Myers, Florida; Albuquerque, New Mexico and Yakima, Washington. I should mention, this marks the first time a national pizza chain is using a vegan meat substitute. Impossible Foods said its products are now sold in more than 7,000 restaurants, including Burger King, White Castle and Red Robin. (Source: CNBC)

**> People Love Blocks:** It is the 10th anniversary of the video game Minecraft, and its owner Microsoft announced that the games cross all platforms has sold 176 million copies. That could make it the best-selling game of all time. The only problem is no one can agree on how many copies exactly Tetris has sold -- estimates range from 170 million to 425 million, depending on who is counting and which versions they include. I believe the key here, is the fact that people around the world love playing with blocks. (Source: PC Gamer)

**> Is Bitcoin Back?** After 15 months of stagnation, Bitcoin has made a miraculous recovery - rising more than 150% from its lowest point in December 2018. In its prime, Bitcoin had surpassed \$10,000 in early December 2017 before briefly crossing the \$20,000 mark for a single day on December 17th. A year later, the digital currency had fallen back to Earth, dropping below \$3,200. Now that the dust of that wild speculative frenzy has settled, Bitcoin is back on the upswing. What could be causing this most recent surge in growth? We look at four possible explanations for the Bitcoin bull run, as originally outlined by Aaron Hankin at MarketWatch. (Source: VisualCapitalist, MarketWatch) click graphic below for larger view.



**Northern North Dakota** – Pretty much everyone below Fargo got at least a small amount of rain. I have heard reports from four tenths all the way up to nearly an inch. I wasn't nearly what the weatherman was calling for, but you don't have to travel very far before you start to see farmers waiting on the temperatures to come up and the ground to dry out. We are still getting surprisingly cold in the middle of the night even for this far North. A lot of guys planted in this area over the weekend, but I think we were isolated when it comes to not getting rain.

**Western Ohio** – We still have everything sitting in the bags like most guys across eastern Indiana and western Ohio. The rain total varied greatly; we saw 4-6 inches will guys South of us saw less than an inch. We should see some heat move in a push the moisture out of the ground a little quicker, but we still have a long way to go before we plant anything. Around here guys don't generally take preventive plant unless it's an absolute necessity.

**Northern Oklahoma** – I've been across Oklahoma and Kansas checking wheat fields and there's a few things I thought I would just shoot your direction. I don't doubt the wheat tour was accurate when they called for a decent Kansas and Oklahoma crop but in the last month, I have seen major changes for the worst in a lot of the fields. Driving by wheat fields they look pretty good to the untrained eye, but I would be willing to bet

the yields will not be out there where 1 month ago they would have been. For starters wheat doesn't like to sit in water and there's many acres in Oklahoma that is starting to turn white where you can just see there has to be water just standing in the fields for a significant amount of time. Another thing that I haven't heard many guys talking about is northern Kansas went well below freezing as wheat was already starting to head out a few weeks back. I don't know the exact damage that caused but there will be some. I would advice that guys get in front of disease as much as they can, if it's not to late. I would bet rust will be a big problem this year.



**Lessons from a Centuries Old Tradition:** *It's spring again, the time of year—for the 300th time in some instances—when New Mexico communities come together to clean the acequias, irrigation channels that carry snowmelt from the mountains to newly tilled farm fields. Each annual cleaning is one more demonstration that at least here, in these close-knit communities arrayed across arid and rugged rangeland, it's possible for people to share scarce resources to achieve a common goal—in this case, making sure everyone in the group has enough water. Acequias are mutually managed, irrigation channels that have been in continuous operation in the arid American Southwest since before the formation of the United States. I'm told this communal water system traces its roots to the Spanish conquistadors, who brought their traditions to the territory in the 1600s, and who themselves borrowed it from the Muslims who invaded Spain in the 8th century. The acequias also protect traditional farming techniques, like how some farmers are still using the same seeds their ancestors did. I found the whole lifestyle of the communities that farm using the acequias to offer tremendous life lessons on not only water management in desert climates, but more importantly how they relate and interact when times are tough. It's hard to do anything consecutively for 300 years, so read more [HERE](#) how the communities manage to work better together the more droughts become an issue, as well as what the future holds for the centuries old system.*

**How to Make \$50 an Hour Playing Games:** *You can do it by becoming a celebrity... did you know that some video game streamers are making \$50 an hour? According to a Wall Street Journal report, celebrity gamers are being paid that sum from game publishers to play their newly released games. Using celebrities to market new products is obviously working for the industry \$130 billion dollar industry, where the most popular streamers can attract audiences of 680K viewers at anyone time. I'm told, consumers spent 8.9B hours watching (not playing) video games on Twitch, the Amazon-owned streaming platform. In the latest example of success, video game company Electronic Arts (EA) recently launched the game "Apex Legends," and paid 12 popular streamers -- including Ninja -- to play on opening day. I'm told it was a good day for all as Apex got one million downloads in its first day and 50 million in its first month -- even though EA did no advance promotion for the game. Read more [HERE](#) on this one-time leisure activity that is becoming big business.*

**How VR is Allowing Explorers to Work From Home:** *Some 200 years ago, a trio of vessels now known as the Monterrey Shipwrecks came to rest more than 4,000 feet below the surface of the Gulf of Mexico. The three ships, found in the same immediate vicinity, likely sank during a single storm, although it remains unclear exactly where they were headed, what their missions were and whether they were traveling together. Given the Monterrey Shipwrecks' remote resting place, it is impossible for divers to explore them using scuba gear. But thanks to surveys conducted with the help of remotely operated vehicles (ROVs), maritime aficionados and amateurs alike can now explore the three wrecks—as well as two more known as the 15377 and Blake Ridge shipwrecks—from the comfort of their own homes. Newly launched by the Department of the Interior's Bureau of Ocean Energy Management (BOEM), the so-called Virtual Archaeology Museum features 3-D models, video footage and mosaic maps of the five 19th- and 20th-century shipwrecks. Read more [HERE](#).*

**What Science Says About the Birth Order:** *We've all heard the conventional wisdom about birth order, meaning how the oldest children are the responsible achievers etc. It seems these "truths" are so often repeated that many people assume there a scientific fact. But science has news for squabbling siblings and their long-suffering parents: Birth order means pretty much nothing at all. The idea that birth order affects adult personality has intuitive appeal, as most of us have observed new parents lavishing attention on their first born or watched younger siblings in big families clamoring for attention. But just because something meshes with everyday experience doesn't mean it has lasting effects that are supported by hard data. Take the claim that youngest children grow up to be rowdy risk takers, for example. When a team of European researchers pored through data from three sources — a risk study of 1,500 Germans, a*



survey of 11,000 German households, and more than 100 famously risk-taking explorers and revolutionaries from history, they came to a simple conclusion: Being born last doesn't make you more likely to take risks. While the evidence that birth order has no effect on personality is piling up, there are still concrete data showing oldest children have an advantage intellectually. Read more [HERE](#) on what science has to say.

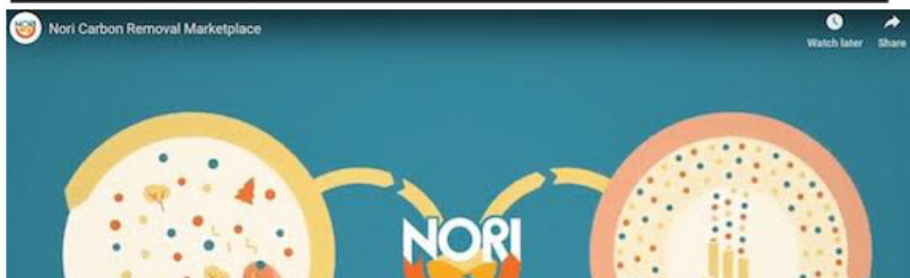
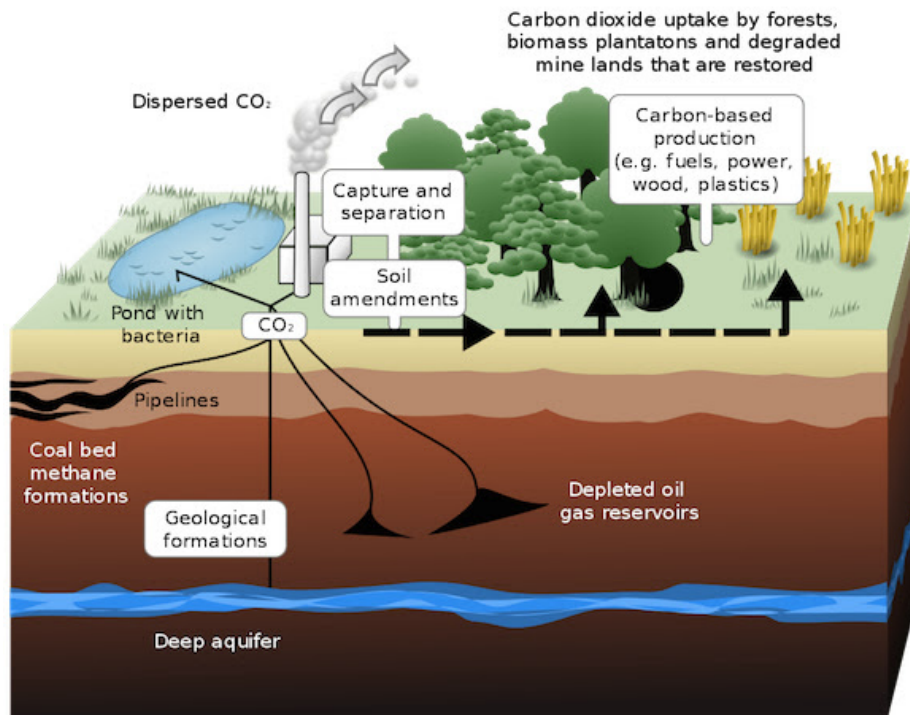
**Mass Produced 3D Printed Cars Coming Soon:** First off the line looks to be from start-up XEV and Polymaker, a developer of 3-D printing materials. The \$7,500 car, called LSEV, only took a mere three days to make according to the creator, and all of the components in LSEV were printed except for the chassis, seats and glass. The two-seater looks a lot like a Smart car, but it isn't quite as fast, with a top speed of about 43 miles per hour, and can travel about 93 miles on a single charge. I'm told the car will be available in Asia and Europe in 2019, and the creators are hoping this car, could be the milestone product in the adoption of 3D printing into mainstream production. Read more [HERE](#).

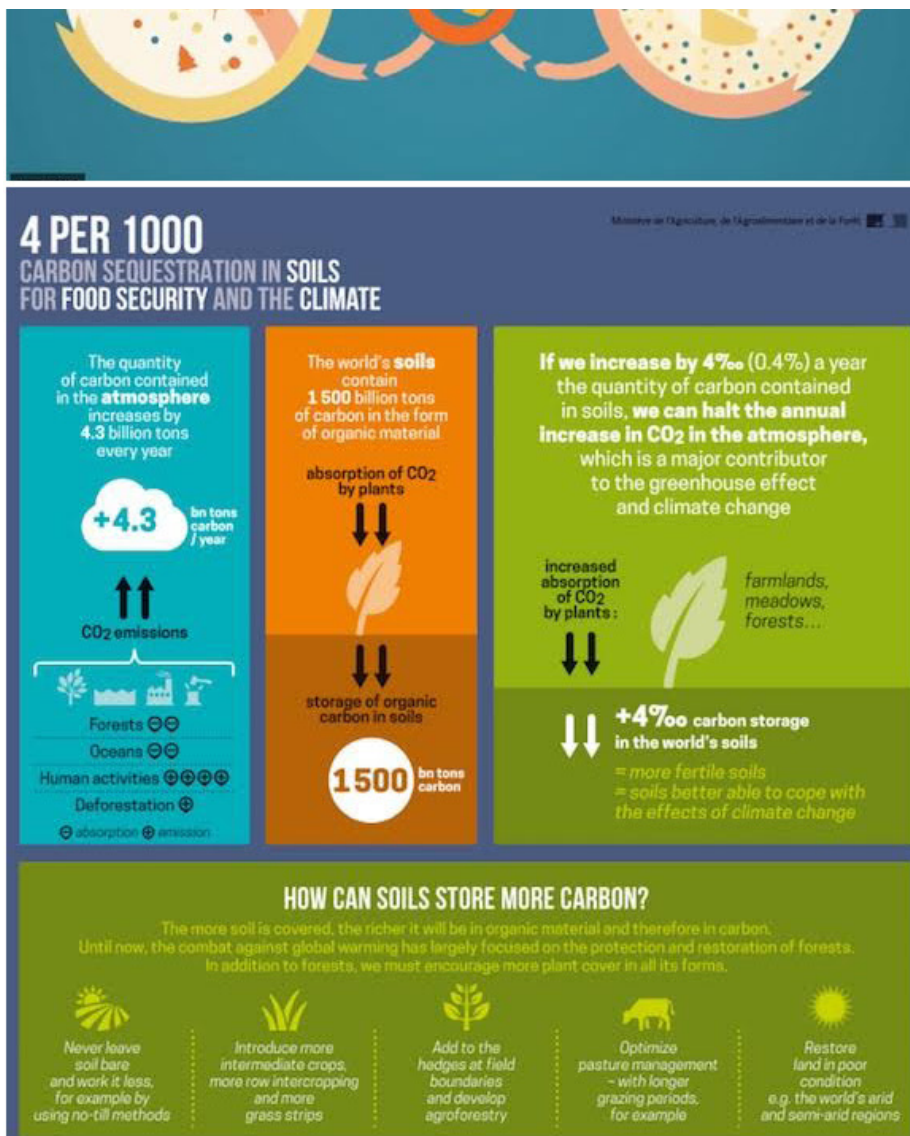




### Could "Climate-Smart-Farming" Become a New Income Stream?

Seattle startup Nori, is a blockchain-based marketplace that aims to help fund farmers who are tackling climate change. The company is on a mission to reverse the process of climate change by developing a platform that pays people who are helping to remove carbon dioxide from the atmosphere. By building the only open source market infrastructure, they hope to help producers monetize their efforts for carbon removal through climate smart farming. I should mention the idea is drawing global attention as Nori was a finalist at this year's Fast Company's annual World Changing Ideas Awards. From what I understand, the process will enable carbon removal suppliers to connect directly with buyers, improving efficiency and reducing costs. Currently, Nori is working with producers like Maryland-based farmer Trey Hill, who said he became interested in climate-friendly farming because of the increased number of extreme weather events. In the past it may have mostly been decisions about farming and marketing, but today the on-farm decision-making process is filled with a multitude of complex thoughts and decisions regarding regulations, policy, precision planting, etc... Nori CEO Paul Gambill believes climate-smart farming has potential to make a huge difference and largely impact the quantity of greenhouse gas emissions currently produced through various agricultural practices, which I'm told is at 9% of total estimated emissions. It's worth noting, even though no-till farming has been huge and can save money compared to conventional techniques, it's not extremely widespread, partly because of the costs associated with switching over to new farming methods, according to the USDA. That's where startups like Nori can help by monetizing carbon sequestration for the trailblazers who are already using climate-smart farming practices or those open to changing and moving in that direction. In Nori's opinion, farmers would be natural carbon sellers to one of three buyers: the altruistic buyer willing to invest to solve the problem; companies like an airline that creates carbon emissions but can advertise that they have removed those emissions by buying CRCs; and agri-businesses who are looking for ways to support their farmers in doing things that improve the health of their soils. At the moment, the marketplace is still at the prototype stage, with the aim to begin transactions in 2020. According to Gambill, it could earn farmers tens of thousands per year... that would be nice! If the market place gets up and running it definitely makes sense to consider small operational changes and tweaks in order to benefit from the new marketplace. I encourage you to visit their website [HERE](#) to learn more. (Source: CBS, Fast Company, Nori.com)





### Officially World's First... Driverless Electric Truck Takes the Road

Autonomous electric vehicle developer Einride and logistics giant DB Schenker have launched a driverless electric truck which is now traveling the roads of Sweden. The strange looking vehicle – called the "T-Pod" is believed to be the first cab-less electric truck to go into operation on a public road. The T-pod will begin by transporting goods between a warehouse and terminal at the facility, as part of a commercial flow. Robert Falck, CEO and founder of Einride, says: "This day represents a major milestone in Einride's history, and for our movement to create a safe, efficient and sustainable transport solution, based on autonomous, electric vehicles, that has the potential to reduce CO<sub>2</sub> emissions from road freight transport by up to 90%." I continue to hear more and more talk about "autonomous" and how it will eventually impact and dominate trucking and freight. Certainly something we will continue to monitor...





### The Best Golf Courses In the Midwest

We always hear about the top golf courses in Arizona, California, Florida and the Carolina's, but what about those amazing courses here in the Midwest? To say there are some hidden gems would be a huge understatement. I compiled a list from Golf Digest of the Top-Courses in a few of the Plains and Midwestern states. If you get a chance to play these courses I'm sure you will find them amazing. Many are ranked in the "Top-100 Courses in America".

#### Arkansas

*The Alotian Club, Roland - Top 100 Greatest Courses*  
*Blessings G.C., Johnson*  
*Diamante C.C., Hot Springs Village*

#### Colorado

*Castle Pines G.C., Castle Rock - Top 100 Greatest Courses*  
*Ballyneal G. & Hunt Club, Holyoke - Top 100 Greatest Courses*  
*Cherry Hills C.C., Cherry Hills Village - Top 100 Greatest Courses*  
*The Broadmoor G.C. (East), Colorado Springs - Top 100 Greatest Public Courses*

#### Illinois

*Chicago G.C., Wheaton - Top 100 Greatest Courses*  
*Medinah C.C., Medinah - Top 100 Greatest Courses*  
*Butler National G.C., Oak Brook - Top 100 Greatest Courses*  
*Canyata G.C., Marshall - Top 100 Greatest Courses*  
*Olympia Fields C.C. (North), Olympia Fields - Top 100 Greatest Courses*  
*Rich Harvest Links, Sugar Grove - Top 100 Greatest Courses*  
*Shoreacres, Lake Bluff - Top 100 Greatest Courses*

#### Indiana

*Victoria National G.C., Newburgh - Top 100 Greatest Courses*  
*Crooked Stick G.C., Carmel - Top 100 Greatest Courses*  
*The Pete Dye Cse. at French Lick Resort, French Lick - Top 100 Greatest Courses*

#### Iowa

*The Harvester G.C., Rhodes - Top 100 Greatest Public Courses*  
*Spirit Hollow G. Cse., Burlington*



**Kansas**

*Prairie Dunes C.C., Hutchinson - Top 100 Greatest Courses*  
*Flint Hills National G.C., Andover - Top 100 Greatest Courses*  
*Shadow Glen G.C., Olathe*

**Michigan**

*Crystal Downs C.C., Frankfurt - Top 100 US Golf Courses 2019-2020*  
*Oakland Hills (South) C.C., Bloomfield Hills - Top 100 US Golf Courses 2019-2020*  
*Arcadia Bluffs G.C., Arcadia - Top 100 US Golf Courses 2019-2020*

**Minnesota**

*Interlachen C.C., Edina - Top 100 Greatest Courses*  
*Hazeltine National G.C., Chaska - Top 100 Greatest Courses*  
*The Quarry at Giants Ridge, Biwabik - Top 100 Greatest Public Courses*  
*Spring Hill G.C., Wayzata - Top 100 US Golf Courses 2019-2020*

**Missouri**

*Boone Valley G.C., Augusta*  
*Bellerive C.C., St. Louis - Top 100 Greatest Courses*  
*Dalhousie G.C., Cape Girardeau*  
*Buffalo Ridge G.C., Hollister - Top 100 Greatest Public Courses*

**Nebraska**

*Sand Hills G.C., Mullen - Top 100 Greatest Courses*  
*The Prairie Club (Dunes), Valentine - Top 100 Greatest Public Courses*  
*Wild Horse G.C., Gothenburg - Top 100 Greatest Public Courses*

**North Carolina**

*Wade Hampton G.C. Cashiers - Top 100 US Golf Courses 2019-2020*  
*Diamond Creek, Banner Elk - Top 100 US Golf Course 2019-2020*  
*Pinehurst #2, Pinehurst - Top 100 US Golf Courses 2019-2020*  
*Old Town Club, Winston-Salem - Top 100 US Golf Course 2019-2020*

**Ohio**

*Muirfield Village G.C., Dublin - Top 100 Greatest Courses*  
*The Golf Club, New Albany - Top 100 Greatest Courses*  
*Scioto C.C., Columbus - Top 100 Greatest Courses*  
*Camargo Club, Indian Hill - Top 100 Greatest Courses*  
*Inverness Club, Toledo - Top 100 Greatest Courses*  
*Double Eagle Club, Galena - Top 100 Greatest Courses*

**Oklahoma**

*Southern Hills C.C., Tulsa - Top 100 US Golf Courses 2019-2020*  
*Oak Tree National, Edmond - Top 100 US Golf Courses 2019-2020*

**South Dakota**

*Sutton Bay G.C., Agar*  
*The G.C. at Red Rock, Rapid City*

**Wisconsin**

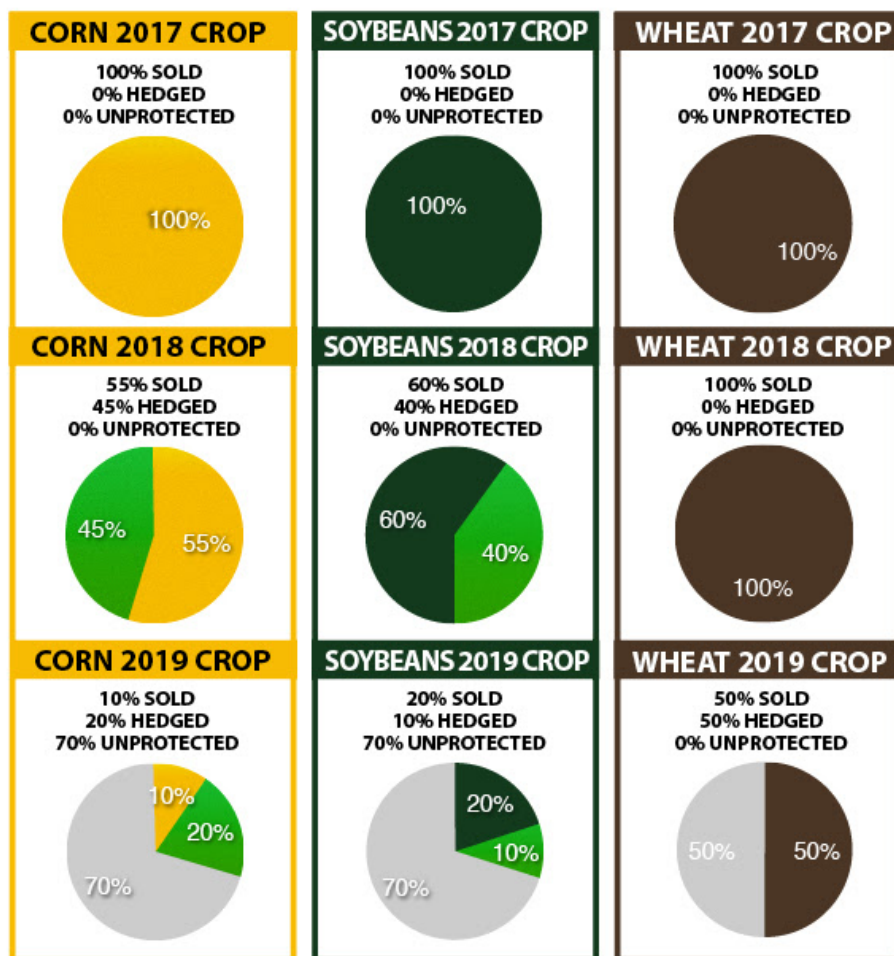
*Whistling Straits, Haven - Top 100 Greatest Public Courses*  
*Erin Hills G. Cse., Erin - Top 100 Greatest Public Courses*  
*Milwaukee C.C., River Hills - Top 100 Greatest Courses*  
*Blackwolf Run (River), Kohler - Top 100 Greatest Public Courses*  
*Whistling Straits (Irish), Haven - Top 100 Greatest Public Courses*



**ANSWER to riddle:** A poor alibi or excuse.

## CASH SALES & HEDGING TOTALS

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