



Josh Knight <josh@farmdirection.com>

## GOOD MORNING: 06/03/19 Farm Direction - Van Trump Report

2 messages

**Kevin Van Trump** <kvt@farmdirection.com>  
To: Kevin Van Trump <kvt@farmdirection.com>  
Bcc: Josh@farmdirection.com

Mon, Jun 3, 2019 at 6:57 AM

To view this email as a web page, go [here](#).



*"Hell hath no fury like a vested interest masquerading as a moral principle." - Anonymous*

**Monday, June 03, 2019**

[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock traders seem more concerned about downside risk than missing additional upside potential. Talk of the the U.S. economy growing at +3.0% annual GDP is starting to fade as fears surrounding trade wars weigh more heavily on the market. Bears argue that the reflexive rebound that occurred after Christmas has now run its course and a more protracted fundamental downtrend could now be in play, perhaps just starting to warmup. There's definitely a darker cloud hanging over the market as headlines continue to circulate about trade

uncertainties with China and now Mexico. We will be doing more homework on the subject, but a few of the heavier importers and exporters to Mexico include companies like Ford, GM, Union Pacific, Kansas City Southern, Chipotle, Constellation Brands, etc... I am also keeping a close eye on tensions in the Middle East, specifically relationships between the U.S., Iran, Saudi Arabia, Israel, and the United Arab Emirates. There are some very interesting and conflicting personalities at the top which make this a potential powder-keg of volatility. Remember, Iran's Supreme Leader is a man named Ayatollah Ali Khamenei and his deep rooted anti-American sentiment makes it something we have to continue paying close attention. A brief history lesson... Ali Khamenei is a protege of Ayatollah Khomeini, the founder of the Islamic Republic of Iran and the leader of the 1979 Iranian Revolution that led to overthrowing the Shah of Iran, and the end of 2,500 years of Persian monarchy. Khomeini was also known for his support of taking the American hostages during the Iran hostage crisis. Khomeini became the country's first Supreme Leader, a position created as the highest-ranking political and religious authority of the nation, which he held until his death. He was succeeded by the current leader of Iran, who I mention above, Ayatollah Ali Khamenei. Historians say a big part of the current distaste towards the United States and Israel stems from their support of the Shah's security forces. This is the same security forces that jailed Ali Khamenei six times, tortured him and sent into exile for three years while studying under Ayatollah Khomeini. Also note, Khomeini has been lauded as a "charismatic leader of immense popularity", a so called "champion of Islamic revival" by Shia scholars. I'm just wanting to point out the fact there are a ton of moving parts and pieces involved with the Middle East, it's not nearly as straightforward as it might seem on paper. In regards to more traditional economic headlines, The European Central Bank meets on Thursday, but rates are again expected to stay "unchanged". Italy is probably the country inside Europe we are most closely monitoring. If the headlines out of Italy start to turn more negative, I suspect so will global macro traders. Here at home this week, we will be digesting a more heavy dose of headlines: Construction spending data along with new auto and truck sales numbers are scheduled for release today. Tomorrow we have the latest in Factory Orders; Wednesday is crowded with the latest ADP employment numbers, Fed's Beige Book, etc... Then on Friday we have

the highly anticipated monthly employment numbers. Bottom-line, there's a lot of balls in the air this week and the bulls seem content taking a couple of steps backwards. I'm not getting in any major hurry to be an aggressive buyer on the breaks. I still think there could be more downside and prefer taking very small bites in extremely strong companies.

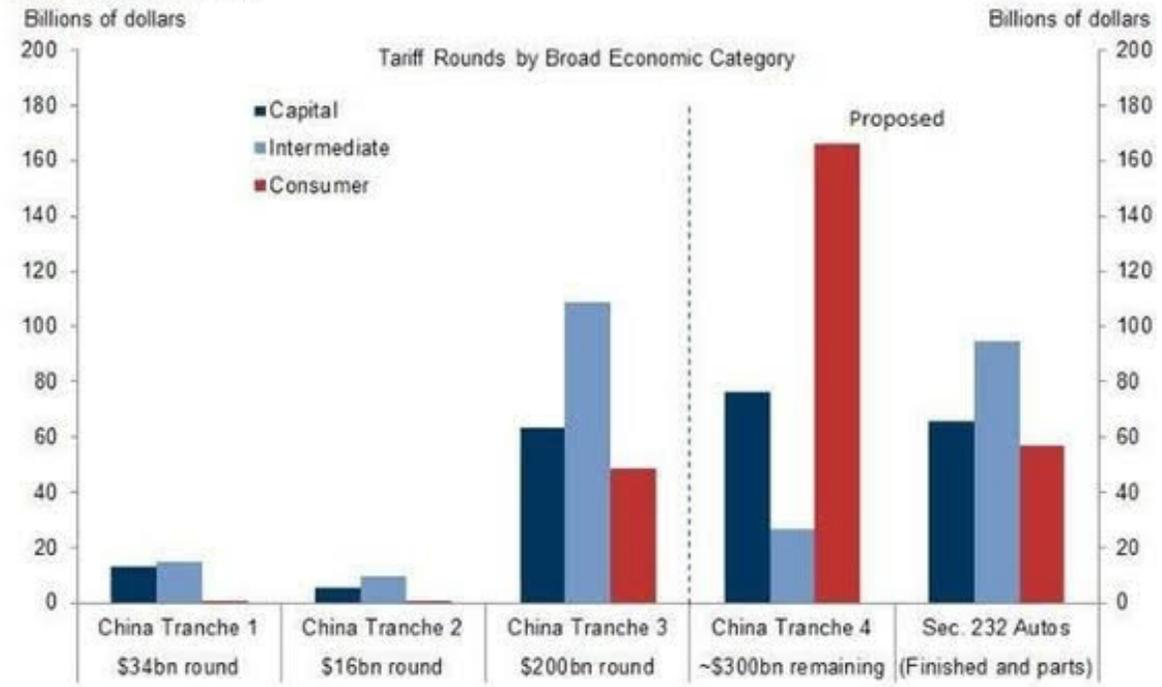
**Mexico Trade Update:** *President Trump wrote on Twitter, "Mexico is sending a big delegation to talk about the Border. Problem is, they've been 'talking' for 25 years, we want action, not talk. Otherwise, our companies and jobs are coming back to the USA!". Mexico's president on Saturday hinted his country could tighten migration controls to defuse President Trump's threat to impose tariffs and expects "good results" from talks planned in Washington this week. Lopez Obrador also said Mexico would not engage in any trade wars with the U.S., but noted that his government had a "plan" - although he didn't specify details - in case Trump did apply the tariffs. Illegal crossings into the U.S. in May were expected to have outpaced the 99,000 people apprehended at the border in April. (source: SeekingAlpha; The Wall Street Journal)*

**Apple WWDC... What You Need to Know:** *Apple investors will have all eyes on the tech companies week-long Worldwide Developers Conference, which kicks off today in San Jose. There's always a lot of hype around these Apple events. Since Apple typically likes saving its biggest hardware unveilings for September and October, just ahead of Christmas, meaning things like iPods, iPads, iPhones, etc... Most inside sources suspect this early-summer conference will focus more on new software and fresh updates that will affect Apple devices and the apps that run on them, as well as potential updates to its streaming TV service. There have been some whispers that a small Bluetooth tracker similar to those made by Tile, which can be attached to a key ring to help locate lost keys, might be introduced by Apple. There's been some talk that Apple might eventually have some spin or play on the "Find My iPhone" and "Find My Friends" apps into some type of single tracking device that would act as a hub for the new wireless accessory that help users find almost anything. Could be very cool... There's also been rumors circulating that iTunes might eventually be broken up into various new apps called "Music", "Podcasts", etc... For full-disclosure, I currently own less Apple stock than I have in years, but am looking to do some scaled-in*

*buying on the breaks. There's been a lot of talk that if the Chinese trade differences continue to escalate, Apple stock could eventually retest the December lows, just below \$143 per share. Remember, Apple seems content transitioning to more of a "service" company rather than a "products" company. The company currently makes +20% of its total revenue from the services sector and is growing each quarter. On the flip side, revenue from "products" have been falling, led by the iPhone sales, which were down -9% in Q1 2019.*

**Next Round of Tariffs Could Create Bargains in Stock Market?** *There's a lot of speculation that the next rounds of tariffs on Chinese goods will start to hit U.S. businesses and the U.S. consumer in a more direct manner. As you can see from the graphics I included below from Goldman Sachs and Deutsche Bank, clothes, shoes, computers, cell phones, etc... are all facing substantial headwinds. This probably helps better explain why big name stocks like Apple, Microsoft and Nike have been under pressure as of late. Think about your portfolio and what stocks may continue to feel some pain. Perhaps there could be some longer-term bargains, as some investors will panic and throw the baby out with the bathwater. Be paying close attention!*

### Exhibit 3: A Final Tranche of Tariffs on Remaining Chinese Imports Would Hit More Consumers Goods



Source: Goldman Sachs Global Investment Research

Figure 1: US imports from China by tariff lists

(Import value, USD bn)	\$50bn list	\$200bn list	Remaining
Food and agricultural products		6.0	1.0
Manufactured goods			
Chemicals	0.0	9.9	5.1
Plastics and rubber	2.2	9.8	7.9
Wood and paper products		6.7	3.0
Leather		7.4	0.0
Metal products	0.9	16.0	8.6
Textile products			
Clothes			35.2
Shoes			14.3
Other textile products		5.3	2.2
Toys			25.5
Furniture		29.2	2.7
Machinery			
Computers	1.5	7.9	41.1
Printers	0.8	0.1	5.3
Air conditioners		1.8	0.8
Refrigerators	0.5	1.6	
Other machinery	15.2	27.0	6.1
Electronics			
Cellphones			44.6
Telephone equipment		22.9	
Television and monitors		0.1	11.4
Cameras	0.8	1.9	3.3
Electronic heaters		1.2	4.1
Other consumer electronics	1.6	7.0	8.6
Other electronics	14.7	15.7	9.2
Automobiles, bikes and parts	2.2	11.6	0.8
Optical and medical equipment	5.1	1.4	5.5
Other	1.1	6.7	15.6
<b>Total</b>	<b>46.4</b>	<b>197.2</b>	<b>261.9</b>

Source : Deutsche Bank Research, USITC, USTR

# FARM TANK

## Tweets of the Day

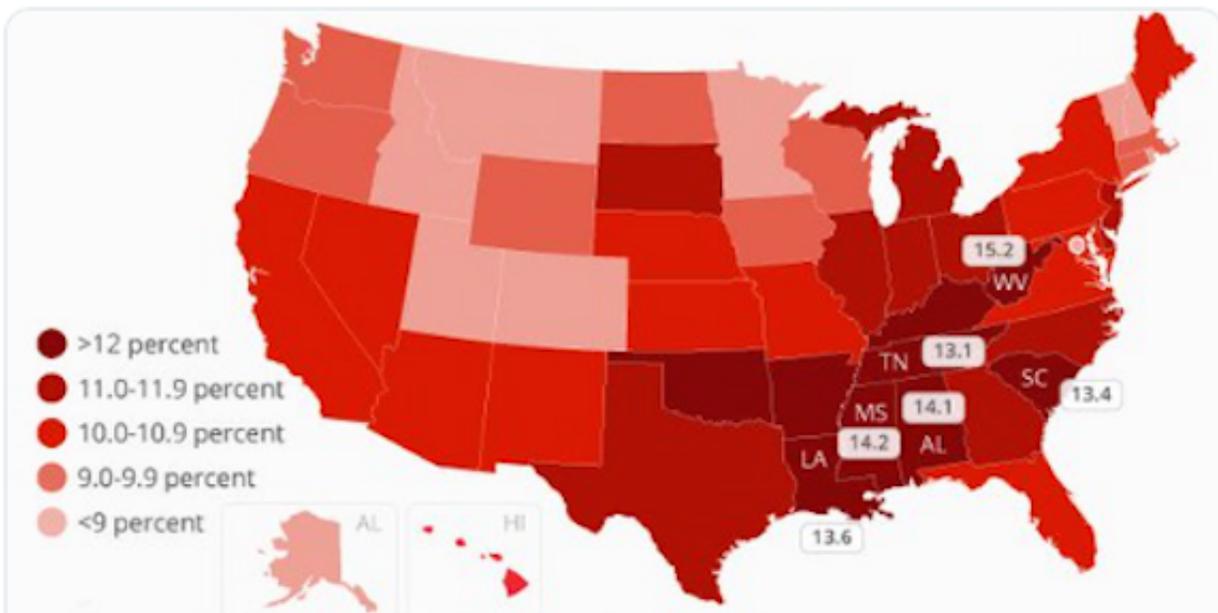


**Statista**  
@StatistaCharts

Following



Southern states and those in the Great Lakes region have the highest #diabetes rates in the U.S. [statista.com/chart/18160/us...](https://www.statista.com/chart/18160/us-diabetes-prevalence)  
[@CDCgov](#) [@KaiserFamFound](#)



### Infographic: Where Diabetes is Most Prevalent in the U.S.

This chart shows the U.S. states with the highest rates of diabetes in 2017.  
[statista.com](https://www.statista.com)



**Steve Burns**  
@SJosephBurns

Following



“You have to be extraordinarily patient with winning trades, and ruthless with losing trades.”

- Jon Boorman

[www.facebook.com/tradinglegends](http://www.facebook.com/tradinglegends)



**Katherine M Bell** ©  
@City2FarminIowa

Following



When you don't know whether to cry, cuss, laugh, or all three. #farming #noplant19 #plant19 #iawx #farmers





**Mike Coopriders**     
@INDIANA\_COOP

Following



#Plant19, the struggles are real.





**THROWBACKTRUCKS**  
@THROWBACKTRUCKS

Following



#Plymouth





**The Old Man Club**  
@TheOldManClub

Following



We do not have Wi-Fi. Talk to each other.  
Pretend it's 1995.





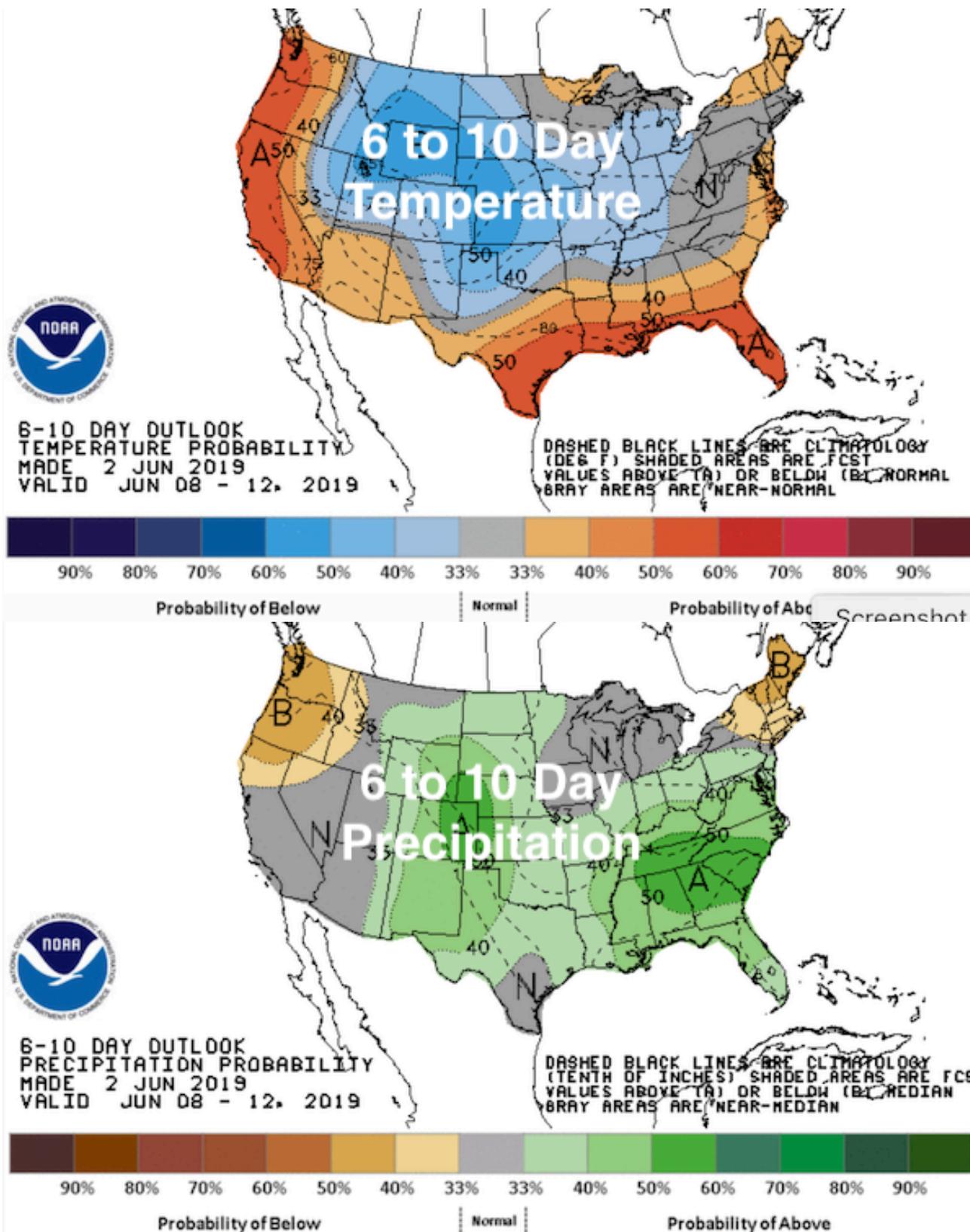
**Sports Motivation**  
@Sports\_HQ

Following



Growth is optional, choose it.



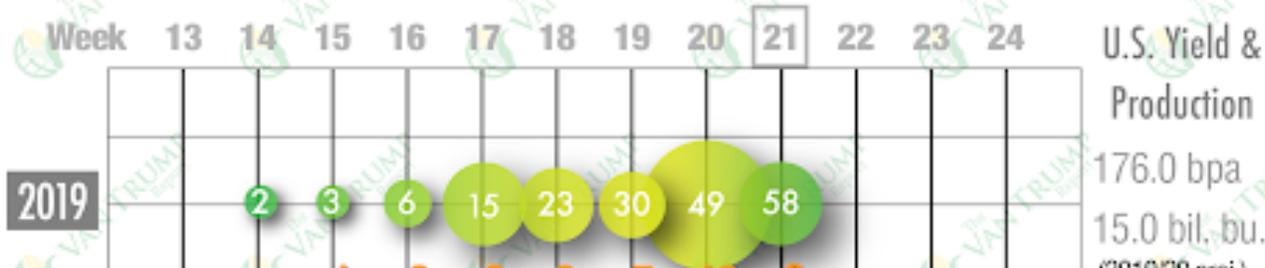


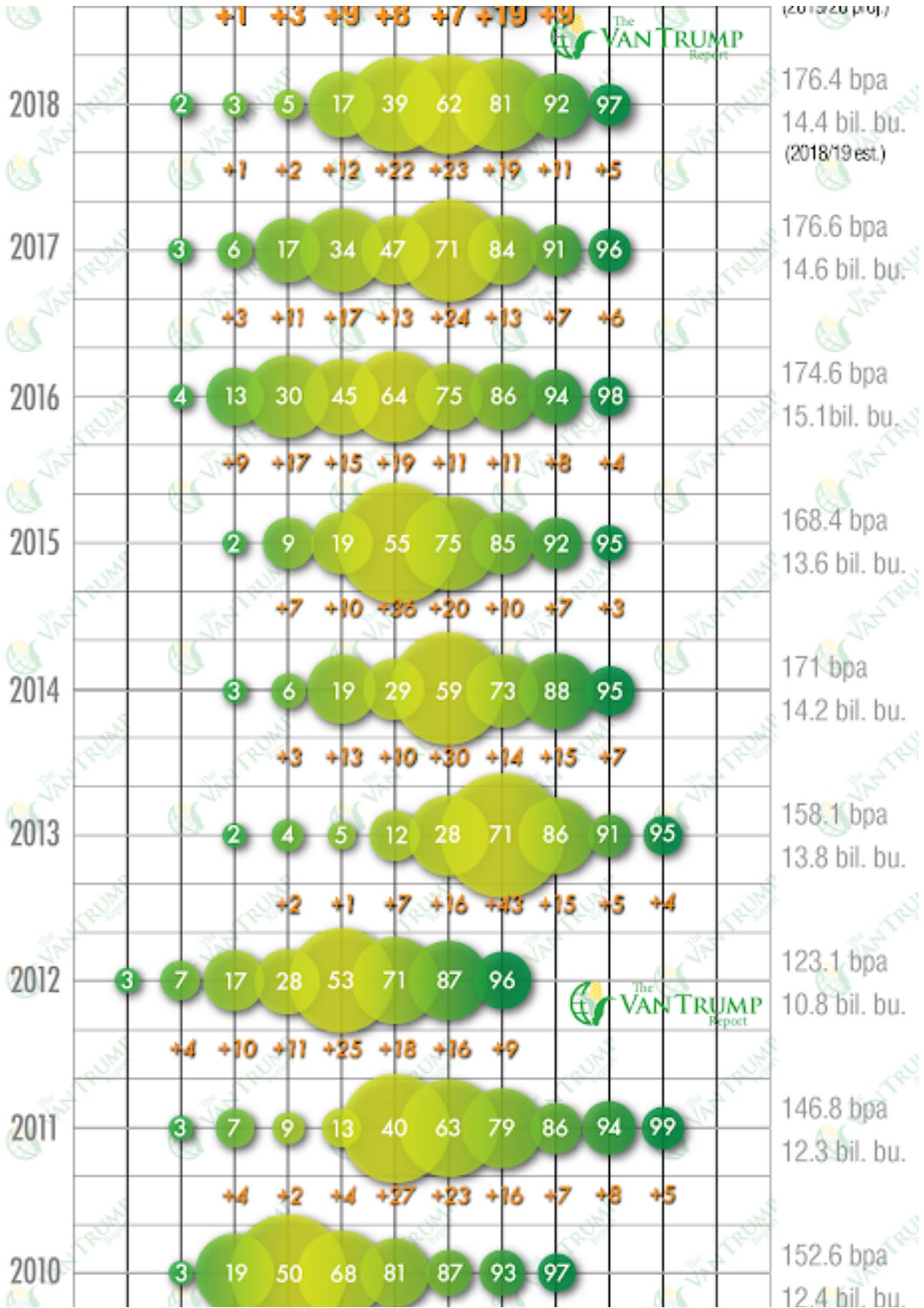
**Corn** bulls face some headwinds as rains over the weekend were a bit less than anticipated, the U.S. forecast shows some windows of opportunity for producers in

several key corn growing regions, and fears of demand destruction are escalated on continued talk of trade uncertainties with Mexico. Keep in mind, Mexico has become our top destination for U.S. corn exports, so as you can imagine the trade is a bit nervous. The fear is if the Mexican government wants to retaliate against the U.S., it will more than likely target agricultural goods produced in states that heavily voted for U.S. President Donald Trump i.e. the market worried that corn exports could be in the cross-hairs. I'm personally betting some type of compromise or deal with Mexico happens sooner rather than later. In other words, as a spec, I'm looking to use negative Mexico trade headlines as a longer-term buying opportunity. If the bears want to over pressure the market on the basis of demand destruction associated with Mexico, I will be looking for longer-term bargains on the deeper breaks in price. I still see more dire supply side problems looming ahead for the U.S. crop. Yes, a window of opportunity has arisen for some producers to plant, but we are now into early-June and yield-drag becomes a much more realistic concern. Like I said last week, you have to believe this market is going to wildly buck, kick, and whip around aggressively as it searches for longer-term direction. I still think we are ultimately going higher, just not certain when we gain the next round of momentum? The USDA is scheduled to release their updated planting progress numbers this afternoon. Most sources seem content forecasting 68% to 73% will now be planted vs. just 58% last week vs. the 5-year traditional planting pace of +95% by this time of year. Bottom-line, I'm still bulled up despite an arguably improved weather forecast and escalating political complications brewing with Mexico. I like the thought of buying or re-owning on the deeper breaks in price.

# U.S. Corn Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**







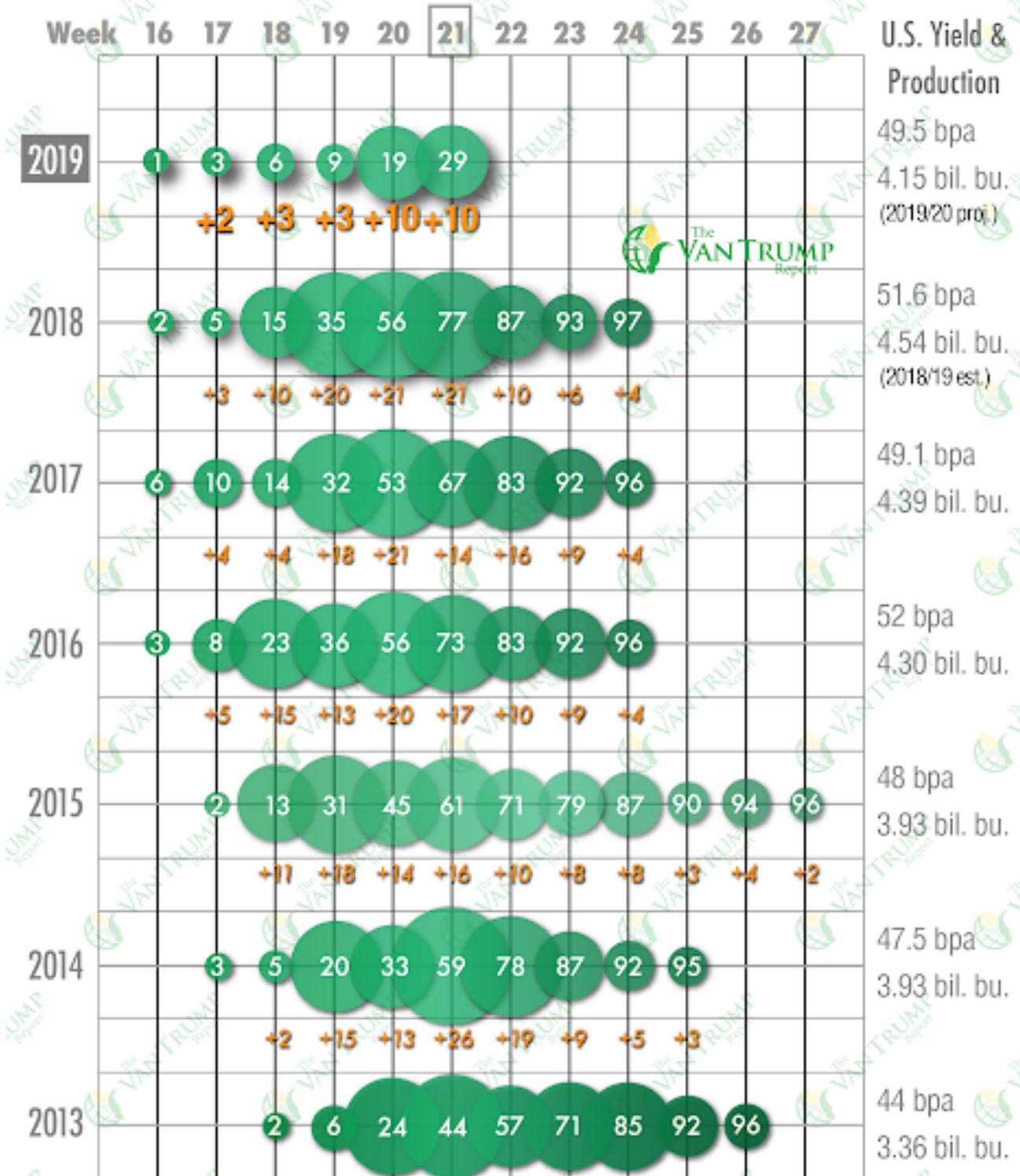
Source: USDA, NASS Crop Progress

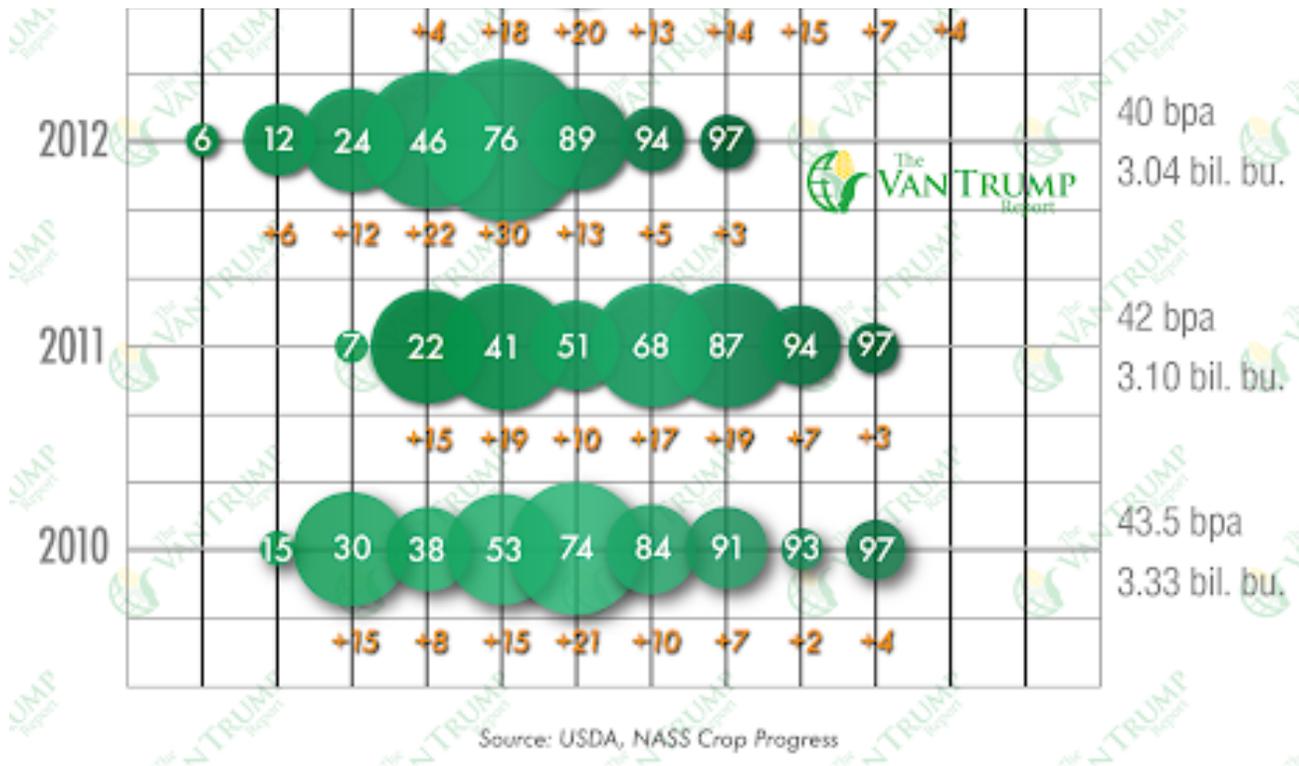
**Soybean** bulls might have gotten a bit ahead of themselves? Keep in mind, the market added close to +50 cents in premium last week alone. Bears argue that soybean planting can actually get caught up in the next few weeks and that ongoing trade tensions with the Chinese should work to keep a lid on most extended rallies. It feels like the bulls might now be inclined to pause and look around a moment. From a technical perspective, it would be nice to see new-crop soybeans garner enough strength to stay above the \$9.00 range. In case you are wondering, the recent new-crop NOV19 high was posted at \$9.18<sup>4</sup> three days ago. As most know, I'm not nearly as bullish soybeans as I am corn. In fact, I don't even have a current spec position in this market. There just seems to be too many unpredictable variables, i.e. Chinese trade, African Swine Fever, South American currency devaluation, etc... Don't forget, Mexico has been our second largest buyer of U.S. soybeans and meal. Bottom-line, there's just simply too many moving parts that could shift direction or momentum on a dime for me to comfortable speculating in this market. I hate the thought of trading or investing when you know you don't have some type of edge. In this case, not only do I not have a defined edge, with so many wild-cards in play, best-of-practice money-management skills and or betting strategies are out the window. I compare it to playing some crazy game of poker where the dealer declares multiple cards as "wild". It just changes all of the rules and dynamics and becomes more about blind luck. Hence, the reason I've elected to sit on the sideline. As a producer, I wrote in Friday's report, "I've gone ahead and feathered in a few more small sales on the rally. Ideally, I would like to have 50% of our estimated risk removed within the next 30-days. It feels like I should be using a scaled up selling approach on any of the big rally days." As for today, the trade will be digesting the latest April crush numbers, which most suspect will be around 170 million bushels. Don't forget, after today's close most sources are looking for the USDA to show 39% to 44% of the U.S. soybean crop is now planted vs. 29% last week vs. the 5-year historical average which is closer to 75% planted by this date. Obviously, the big production states will be in focus: Illinois, Iowa, Minnesota, Nebraska, Indiana, Ohio, Missouri,

Arkansas, and the Dakota's.

# U.S. Soybean Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**

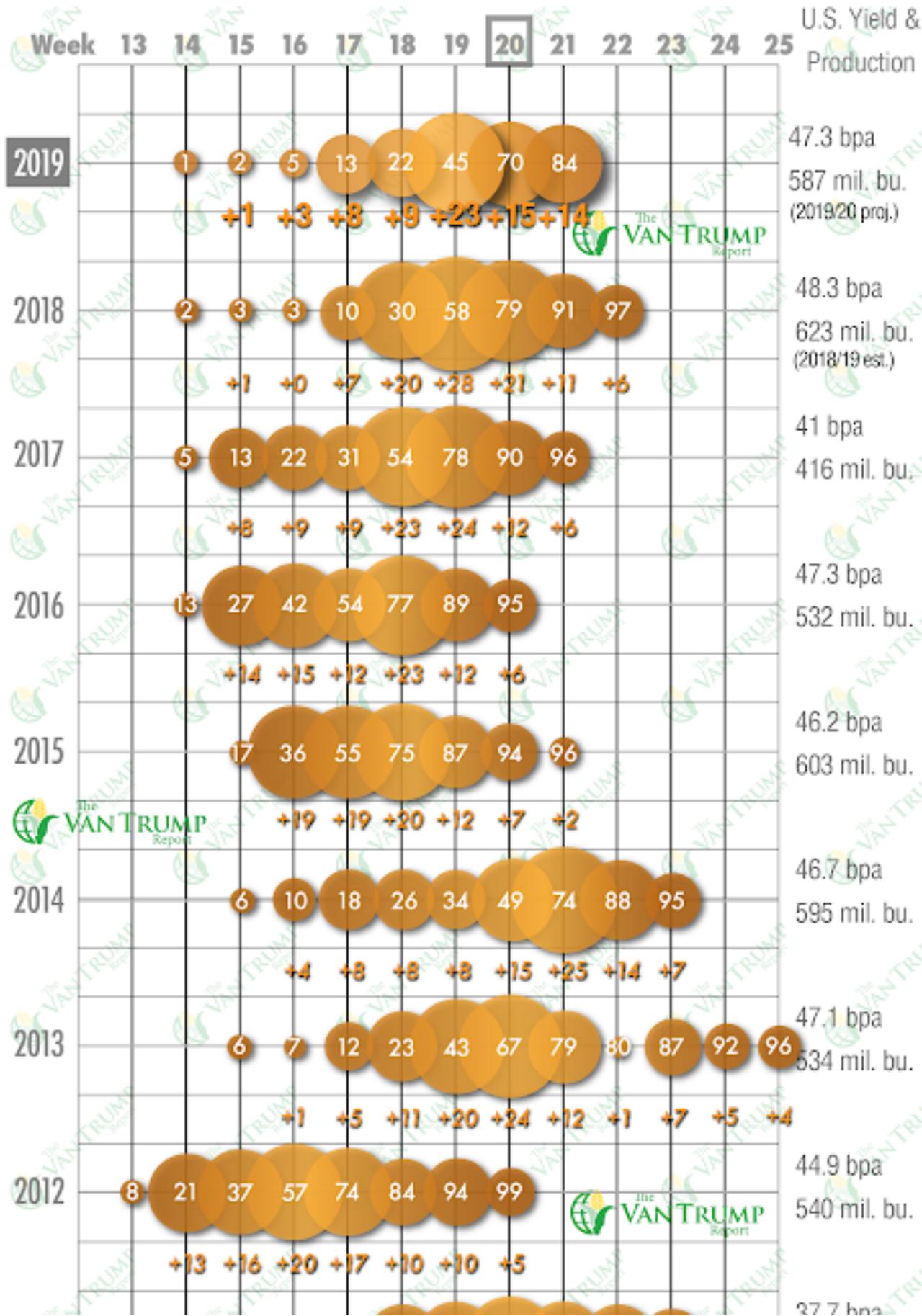


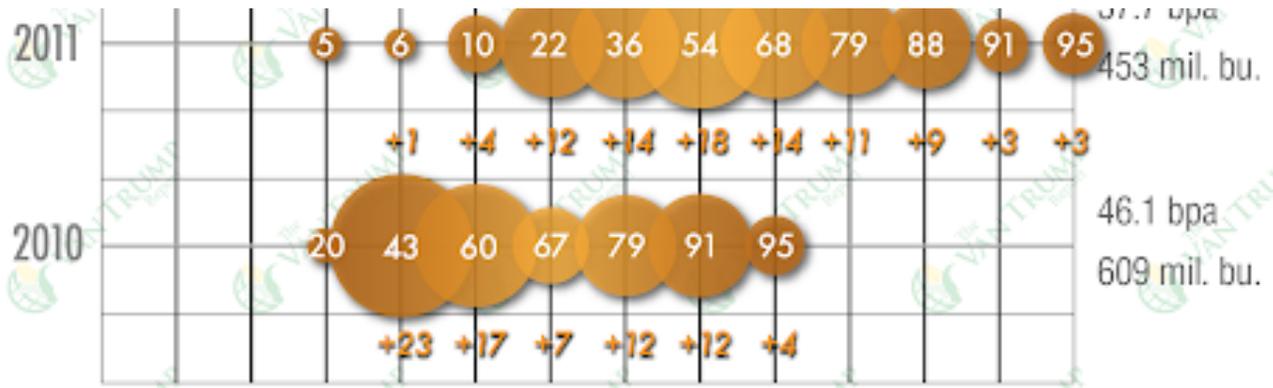


**Wheat** traders are debating U.S. weather uncertainties and headlines out of Washington. Remember, Mexico is the largest importer of U.S. wheat. In fact, Mexico imports +25% of our SRW wheat. Therefore, any talk of escalating trade tensions between the U.S. and Mexico obviously puts the market on notice, especially when U.S. export demand is already being heavily questioned by the bears. Weather extremes, particularly here at home, have many bulls talking about quality concerns and damage caused by excessive moisture, heavy rains, strong winds, hail, etc... It will be interesting to see what the USDA does with overall winter wheat crop-conditions this week. Remember, last week they dropped the Good-to-Excellent rating by -5%. But it was still rated 61% GD/EX, which is certainly better than conditions in some years past. The USDA is also scheduled to release their updated spring planting estimate. Most in the trade are thinking U.S. spring wheat planting will advance to between 90% and 95% which is still lagging our traditional planting pace.

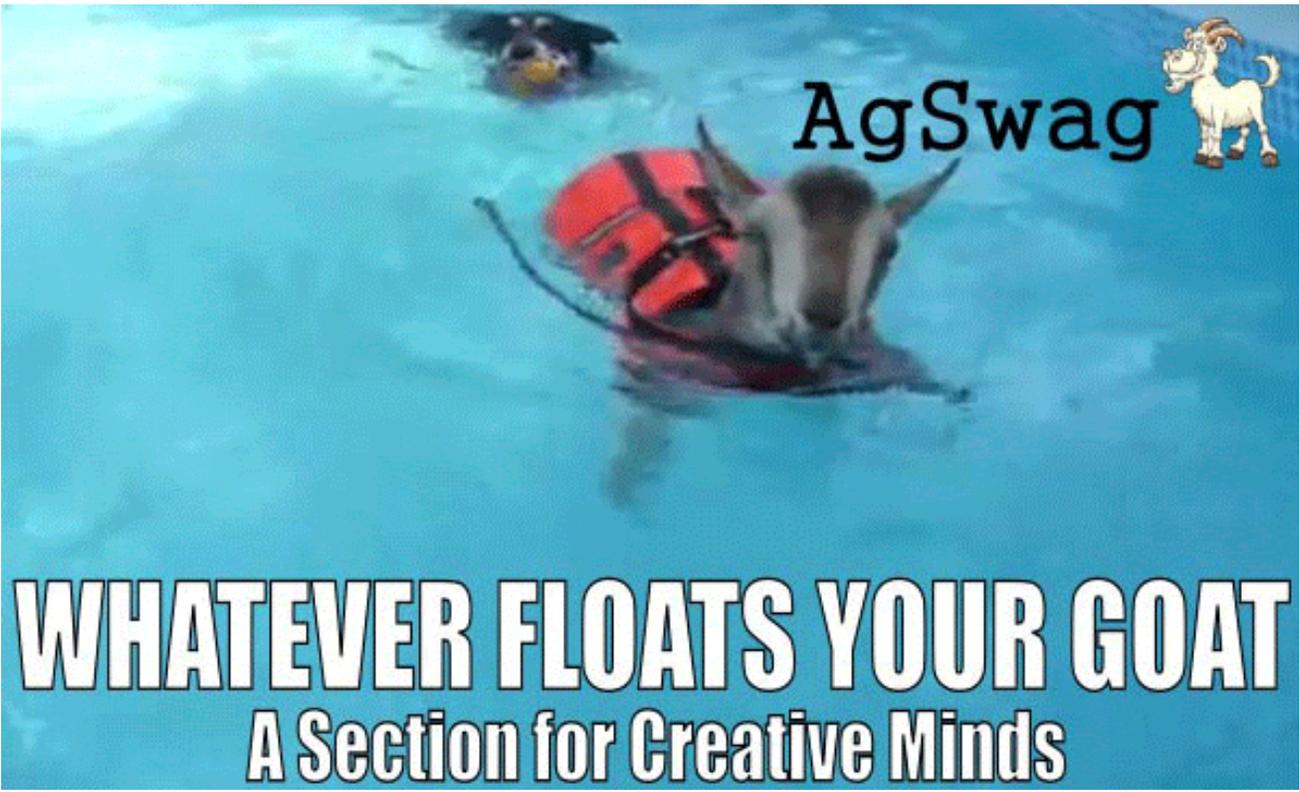
## U.S. Spring Wheat Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**





Source: USDA, NASS Crop Progress



> **Fewer Corn Acres in China, More Pests, Could Mean Higher Prices?** *Insiders are thinking that China's corn acreage will drop a bit more the next couple of years as soybean subsidies are presenting a better opportunity for Chinese producers. Let's also keep in mind, a very rapidly advancing plant eating pest called the "Fall Armyworm" continues to spread across China and now impacts thousands of acres of production in 15 provinces. From what I understand, these troubling pests can travel over 60 miles in a single night and are advancing. To this point they have predominately damaged corn and sugarcane crops in South China. It's the Northeastern regions that are home to China's top growing areas for both soybeans and corn, with farmers in those locations tending to switch between the two crops based on what will be more profitable in a given year. In the past three years, the Fall Armyworm, which is endemic to North America, reportedly has caused*

corn yield losses ranging from -20% to -50% in Africa, South Asia and Southeast Asia. There are currently no pesticides registered to control Fall Armyworm for any crops, the USDA said. "It is important to note that most farmers in China do not have the financial resources and training needed to effectively manage Fall Armyworm," the USDA said. "Even if a mitigation program is employed, costly control measures (mainly chemical sprays) will drag producer margins into negative territory for farmers of most crops that could be affected." (Source: World-Grain.com; Xinhua)

> **Madcow in Brazil?** The Brazilian government reported a case of atypical mad cow disease in an animal in Mato Grosso state, according to a statement from the country's Agriculture Ministry. It will be interesting to see how this plays out or if it's just an isolated occurrence? (Source: Reuters)

> **African Swine Fever Continues to Spread:** Hong Kong confirmed its second case of African Swine Fever, with the government ordering a cull of 4,700 hogs. The latest was found in a slaughterhouse in the New Territories, bordering China's southern province of Guangdong. The slaughter house was closed over the weekend for disinfection. Hong Kong's first case was confirmed three weeks ago. The disease has now spread to every province on the Chinese mainland and is now even further broadening its reach. ( Source: Reuters)

> **More Americans are Living Alone:** Today, 35.7 million Americans live alone, 28% of households. That's up from 13% of households in 1960 and 23% in 1980. (Source: WSJ)

> **Sam Berns' Philosophy For a Happy Life:** Sam Berns went to Foxboro High School, where he was a percussion section leader in the high school marching band as well as an Eagle Scout in the Boy Scouts of America. Unfortunaley, Sam was diagnosed with Progeria, a rare aging disease, at the age of 2. Just before his passing on January 10, 2014, he did a TED Talk about his philosophy on living a happy life. He gives pointers like, "Be OK with what you ultimately can't do, because there is so much you CAN do." This video really gave me different perspective on life! Click [HERE](#) to watch!

> **Alphabet's Google Could be Facing New Headwinds:** The Wall Street Journal leaked an article this weekend that the Justice Department is gearing up for an antitrust investigation of Alphabet's Google, a move that could present a major new layer of regulatory scrutiny for the search giant... The FTC and the department have been in talks recently on who would oversee any new antitrust investigation of a leading U.S. tech giant, and the commission agreed to give the Justice Department jurisdiction over Google. This could cause a bit of de-risking? Read more at [The Wall Street Journal](#)

> **Facebook Launching Own Cryptocurrency:** The world's biggest social media company, Facebook, recently announced they're going to launch their own cryptocurrency in about a dozen countries by the first quarter of 2020. It will be called GlobalCoin. More [HERE](#).

> **How to Work 40 Hours in 16.7:** *Are you working 60, 80, or even 100 hours a week...? Does work play a big part of how you define yourself? Chris Winfield breaks down how you can work with time and not against it, eliminate burnout, manage distractions, and create a better work/life balance to become more productive at work. Click [HERE](#) to learn how Winfield is turning 40-hour weeks into 16.7!*

> **Ben & Jerry's Releases CBD-Infused Ice-Cream:** *Ben and Jerry's recently announced to the public their new plans for CBD ice cream, and is working on lobbying for FDA approval of adding CBD to food and beverages.*

> **Andy Ruiz Jr. Stuns Boxing World:** *In the seventh round of Saturday night's heavyweight title fight, Andy Ruiz Jr. shocked the boxing world by knocking out the heavyweight champion, Anthony Joshua. Keep in mind, Ruiz was a 14-1 underdog coming into the fight and Joshua was undefeated. In addition, Ruiz became the first fighter of Mexican descent to win a heavyweight title. Pretty wild win!*

> **NBA Finals Seeing Record Ticket Prices:** *The Championship Series is now tied 1-1, Toronto won Game 1, Golden State won Game 2. Online ticket resale sites are saying tickets for the Raptors vs. the Warriors is shaping up to be one of the most popular NBA finals ever, at least according to ticket prices. Ticket sales and inquires are up +55% from last year. Some of the Game 1 tickets sold for +\$20,000. Game 2 tickets were averaging about \$10,000. Remember, they heavy demand the first two games has come predominately from Canadian fans. It will be interesting to see ticket prices back in California, where the two teams will battle on Wednesday night. I personally bet prices stay strong.*

> **Must Watch Video to Challenge Your Perspective!:** *This is an old video, but Sam Houston State's baseball coach, Matt Deggs, really challenged my perspective through his inspirational post-game speech after a 19-0 loss. One quote in the interview I really enjoy is, "I'm a transformational coach now. It's not about wins or losses, but it's about love, building men, and building relationships that will last forever." I can go on and on about this quote, but click [HERE](#) to watch this short video of Matt Deggs!*



**Northern Illinois** - *We're starting to make head way on field work late into last week, but it was all stopped by a heavy down pour on Saturday morning. It's supposed to warm up quiet a bit next week, so the inch of rain will not keep us out of the field for more then a few days. It looks like the weather is a little more clear into the beginning of the week, but we have some late week showers that we need to try and get what corn we can plant wrapped up. We've been able to plant some of our rolling fields, but all our flat black ground is still too wet to plant. We'll need to make a decision to either mud this corn in or take preventive plant by the first of next week at the latest. We are hoping for the best at this point!*

**Southern Indiana** - *I thought we'd get corn planted by the weekend, but a couple surprise showers pushed us to the sidelines. I'd say we have maybe 50% of our corn planted at this point and need another 3 days to get the remainder done. For the most part, we missed all the heavy rain over the weekend, so we'll try and push it next week. From the looks of the forecast, we have a chance of rain every day next week. If we do not get corn planted next week we'll push planting until the middle of June, but that's about as far as it makes since with the potential yield drag and insurance percentage deductions.*

**Eastern Missouri** - I was crossing the Missouri and Illinois border over this Missouri River and it was interesting to see how far the water has pushed out of its banks. I did a little scouting and I'd guess the fields that run along the river have no less than 5 feet of water. There's several houses that run along the river that have fairly tall dams to protect them that were at least 2-3 feet under water. There's several bin sites that I saw that have never been in danger of taking water on in that last year that also had water at least 2-3 feet up their sides. I know the guy that owned at least one of the bins wasn't able to get his corn out before the water over took the dam. I notice that the river has overflowed its banks by at least 2 miles in some locations. There's going to be a lot of farm ground that has missed at least 2 seasons at this point because all the same ground flooded right before harvest last year.



**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:

I have branches, sometimes a few and other times hundreds or more, but I have no fruit, trunk or leaves.  
What am I?



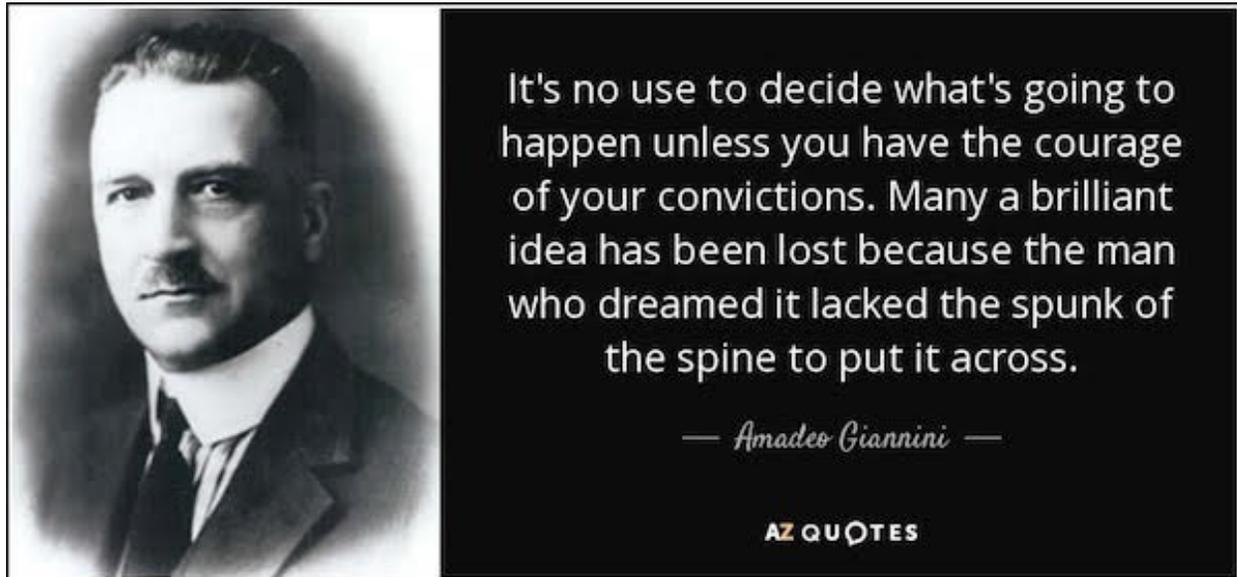
**FROM MY PERSPECTIVE**

Kevin Van Trump

### Today in History 1949... From Tragedy to Triumph!

Few people would leave a deeper legacy to the citizens and economy of California than the founder of Bank

of America. Today in 1949, America would lose one of its greatest businessmen, entrepreneurs, and friend to the working class. Time Magazine would eventually name Amadeo Giannini to its list of the Top-100 most influential people in the United States. Giannini quit school early at the age of 12, going to work full-time for his stepfather in the grocery business, but it wasn't long before he would start his own business as a produce broker, commission merchant and produce dealer for farms in the Santa Clara Valley. Giannini became bored with the business and decided to sell and retire, something many claim he would do multiple times over his career. But like many of us, marriage entered the picture, and provided new opportunities. He would marry Florinda Agnes Cuneo, also the daughter of Italian immigrants, whose father Giuseppe, owned a large stake in Columbus Savings & Loan out in San Francisco. With the marriage came a seat on the board at Columbus Savings & Loan where he gained a working knowledge of banking business. Giannini would eventually share his beliefs in the opportunity he saw to serve the increasing immigrant population who had very little access to the financial institutions. When the board couldn't see the logic in Giannini's belief behind serving the "little man", he started his own bank. So in 1904, the Bank of Italy officially opened with a mission of serving the working class. Deposits grew rapidly during the first year. I should also mention a bit of luck or fate helped propel the bank to unbelievable achievements. In this case it was the tragic 1906 San Francisco earthquake. He found an opportunity to act where others didn't and following the quake and subsequent fires which leveled much of the city, Giannini would set up temporary banks where he claimed to all those still in San Francisco that he would help rise them from the ashes. His post-earthquake success led him to break with the tradition of independent local banks by providing his egalitarian banking services to the "little fellows" in the Yugoslavian, Russian, Mexican, Portuguese, Chinese, Greek, and other immigrant communities here in the U.S., by the mid-1920s, he owned the third largest bank in the nation. Giannini's next move, was to merge with a business called Bank of America, Los Angeles because conservative business leaders in Los Angeles had been less receptive to the name Bank of Italy than those in San Franciscans had been. This new merger gave the bank over +400 branches in the state by 1929. The genius of the merger was that by diversifying the scope of the community the bank served, it was better prepared to ride out any local economic issues, and as a measure of its success, it withstood the Great Depression, funding large industrial and agricultural interests as well as California's burgeoning movie industry - you might recall a childhood favorite that you can thank Giannini for as he helped Walt Disney fund the production of Snow White. He was also responsible for the funding of the Golden Gate bridge. I should mention, he never forgot his roots and after WWII he arranged for loans to help rebuild the damaged Fiat factories in Italy. When laid to rest on June 3, 1949, at age 79, I'm told hundreds of ordinary people showed up for his funeral, a true testament to a hero of the working class.



### Mudding In The Crop

A new friend, Aaron Bobeck, who grew up on a farm in Indiana and graduated from Perdue University, is going to be sharing some insight and info from time to time. After college, Aaron worked at a John Deere dealership selling equipment and supporting Precision Ag products. Aaron currently works independently with growers and others in Ag sector doing technology consulting and selling farm equipment, along with helping on the family farm. Aaron writes and answers questions on Twitter [@AaronBobeck](#) and on his blog [AgSnap.com](#), regarding many tech issues within the Agriculture industry. I like helping young people succeed and hope that I can help Aaron. I believe he genuinely wants to help producers. Below are just a few simple tips and thoughts for mudding in the crop. Perhaps nothing you don't already know, but might stir some additional thoughts...

#### Use what you have and make adjustments:

- *Drive fast to spin off mud*
- *Do NOT stop with the planter in the ground, always be moving with the planter down*
- *Lighten row unit down-pressure*
- *Raise pressure on closing wheels to avoid slotting*
- *Raise row cleaners and coulters*
- *Take weights off tractor and implements*
- *Stay light on seed and fertilizer or other liquids, don't fill all the way up*
- *Forget the variable rate seeding prescription, focus on final stand goals*
- *If possible, drive through mud holes instead of around*
- *Plant partial fields*

**Modify or change your planter:**

- *Spoked gauge wheels*
- *Scrapers on gauge wheels*
- *More aggressive closing wheels*
- *Consider removing seed firmers*
- *Replace ground driven transmissions or pumps with electric or hydraulic driven systems*
- *Replace planter wheel speed sensor with gps or radar speed source*
- *Purchase a mounted planter, instead of pull-type*

**IBM Predicts When Workers Are Going to Quit Their Jobs**

If an employee at IBM is thinking about quitting, then the company likely already knows. IBM recently announced an AI program they've developed that can predict with 95% accuracy when employees are thinking about quitting their job, generally with a six month lead time, perhaps even before the actual employee knows they are going to quit. IBM's "proactive retention" tool analyzes thousands of pieces of data and then nudges managers toward which employees may be on their way out, telling them to "do something now so it never enters their mind." IBM is currently using this technology internally, but is also selling it to its business clients as well. Keep in mind, talent retention is top of mind for many corporate CEO's, especially in this tight labor market. According to a 2016 Compensation Force study, the average total turnover for employees in all industries is 17.8% annually. I should also note, I've even read some studies that show that

replacing an entry-level position can cost up to 40% of an employee's salary, which is hard to imagine. IBM's CEO, Ginni Rometty, has reported this new technology has already saved the company +\$300 million. Remember, a lot more cost goes into hiring new employees other than job posting fees. Some of these costs include the cost of recruiting, training, salary & benefits, and workplace integration. To break this down even more, a study by the National Association of Colleges and Employers showed that hiring an employee in a company with 0-500 people costs an average of \$7,645. In addition, the average company in the United States spends about \$4,000 to hire a new employee, taking up to 52 days to fill a position, according to Glassdoor. Remember, the millennial generation represents the largest segment of the U.S. workforce, which expect employer benefits, retirement investment options, corporate learning, culture, flexibility, etc. Something else interesting I read was small business owners spend around 40% of their working hours on tasks that don't generate income such as hiring. I doubt many of you have the power of IBM's Watson in your back pocket, but I think it's important to consider all of the moving pieces now in play. I know a lot of my farm friends are having a tough time finding and hiring new help. Just remember, the cost to replace and find new can sometimes be more than just giving a pay raise and more perks or benefits. There's definitely a lot to think about...





# AGRICULTURAL & FARMING JOBS

## **Amazing Story of Strength and the Will to Fight for Life**

Writing this report and sharing my thoughts has allowed my wife and I to meet some amazing families across our great nation. This past year has perhaps been the toughest we remember. We have sent many plants, trees, cards of sorrow and prayers to many families. We've truly become friends with many of our readers. Unfortunately, with the good news and photo's of families having fun and kids achieving new highs, we also get the calls of great sorrow. A few families have lost children this past year in tragic accidents, a few kids have lost both parents, and some families have had to battle like they have never had to battle. It's humbling for Michelle and I and really keeps our life in perspective. One farming family that I have come to know fairly well thorough the years is the Ogle family. I am proud to call Justin one of my friends. His family had a tough battle this past year. In fact, it was his families battle that inspired my wife Michelle to start volunteering on a regular basis with Children's Mercy Hospital and The Ronald McDonald House. She is now a regular on the staff and comes home sharing some very heartfelt stories. Back to Justin and his family... I was super excited when I received an e-mail they other day that his son Brooks was celebrating his first birthday! Justin's wife put together an awesome video of their first year and I wanted to share this amazing fight for life!!! This is how you battle... Congrats to the Ogle family, great job, way to stay positive. Click [HERE](#) to watch this amazing video.



After I shared a couple of personal thoughts, I received a second e-mail from Justin. I wanted to share his comments, I felt they were very inspiring:

*Kevin,*

*Thank you my friend. I appreciate that.*

*My son Brook's condition is more common than most realize and many struggle and stress to find the right place to go. My wife did an amazing job of research and found the best home for his procedure. Boston Children's Hospital is pretty amazing and they are creating history with these procedures.*

*I've recently learned the following:*

*If one has cancers I believe you go to Mayo Clinic Rochester MN.*

*If one has a child with a special issue just go to Boston Children's Hospital.*

*And If one is upright with a roof over head, food on the table, and dry feet, we are so very blessed!*

*Thanks again,*

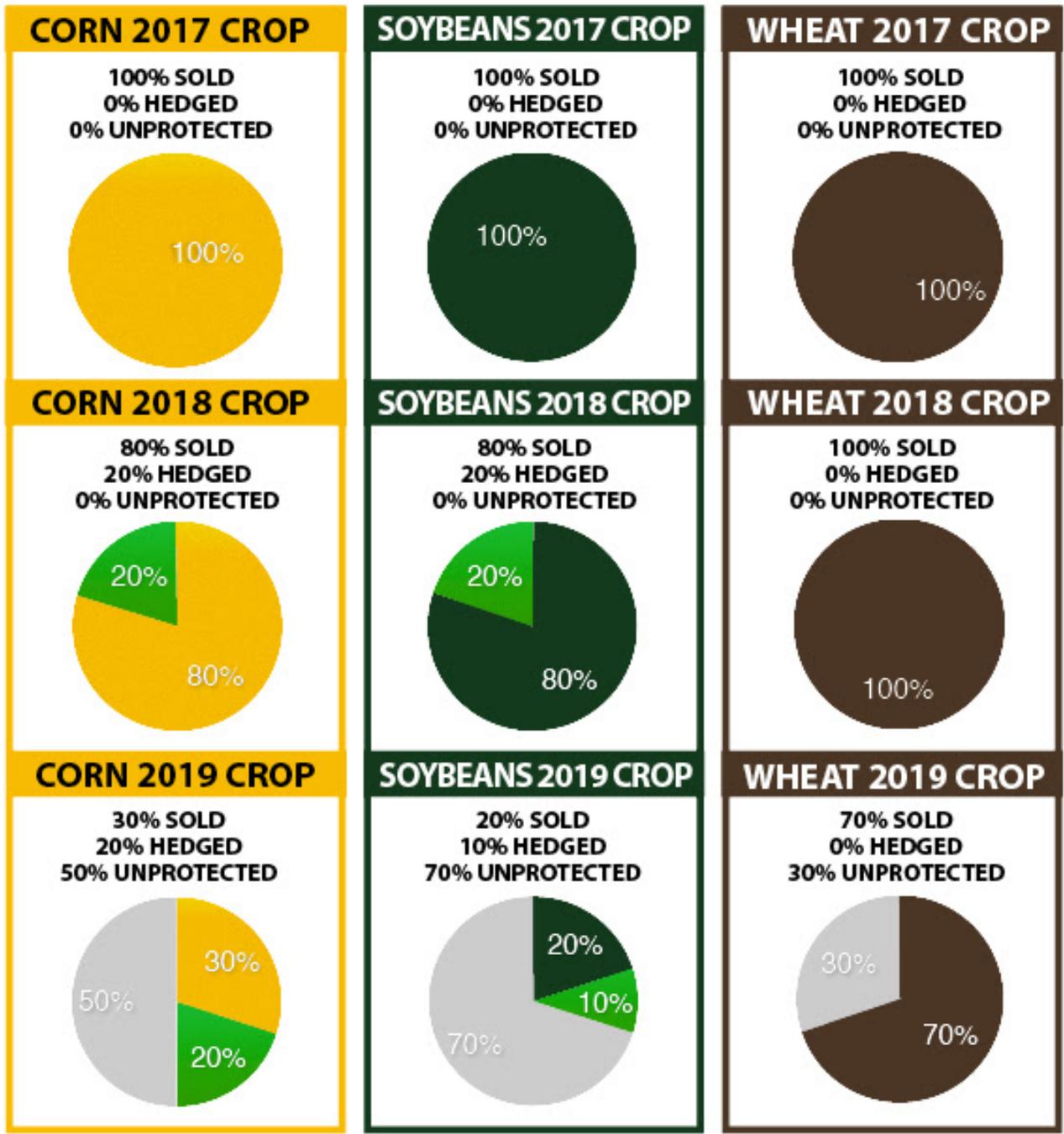
*Justin*



**ANSWER to riddle:** A bank.

## CASH SALES & HEDGING TOTALS

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**Kevin Van Trump** <kvt@farmdirection.com>  
To: Kevin Van Trump <kvt@farmdirection.com>  
Bcc: Josh@farmdirection.com

Mon, Jun 3, 2019 at 6:58 AM

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*"Hell hath no fury like a vested interest masquerading as a moral principle." - Anonymous*

**Monday, June 03, 2019**

[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock traders seem more concerned about downside risk than missing additional upside potential. Talk of the the U.S. economy growing at

+3.0% annual GDP is starting to fade as fears surrounding trade wars weigh more heavily on the market. Bears argue that the reflexive rebound that occurred after Christmas has now run its course and a more protracted fundamental downtrend could now be in play, perhaps just starting to warmup. There's definitely a darker cloud hanging over the market as headlines continue to circulate about trade uncertainties with China and now Mexico. We will be doing more homework on the subject, but a few of the heavier importers and exporters to Mexico include companies like Ford, GM, Union Pacific, Kansas City Southern, Chipotle, Constellation Brands, etc... I am also keeping a close eye on tensions in the Middle East, specifically relationships between the U.S., Iran, Saudi Arabia, Israel, and the United Arab Emirates. There are some very interesting and conflicting personalities at the top which make this a potential powder-keg of volatility. Remember, Iran's Supreme Leader is a man named Ayatollah Ali Khamenei and his deep rooted anti-American sentiment makes it something we have to continue paying close attention. A brief history lesson... Ali Khamenei is a protege of Ayatollah Khomeini, the founder of the Islamic Republic of Iran and the leader of the 1979 Iranian Revolution that led to overthrowing the Shah of Iran, and the end of 2,500 years of Persian monarchy. Khomeini was also known for his support of taking the American hostages during the Iran hostage crisis. Khomeini became the country's first Supreme Leader, a position created as the highest-ranking political and religious authority of the nation, which he held until his death. He was succeeded by the current leader of Iran, who I mention above, Ayatollah Ali Khamenei. Historians say a big part of the current distaste towards the United States and Israel stems from their support of the Shah's security forces. This is the same security forces that jailed Ali Khamenei six times, tortured him and sent into exile for three years while studying under Ayatollah Khomeini. Also note, Khomeini has been lauded as a "charismatic leader of immense popularity", a so called "champion of Islamic revival" by Shia scholars. I'm just wanting to point out the fact there are a ton of moving parts and pieces involved with the Middle East, it's not nearly as straightforward as it might seem on paper. In regards to more traditional economic headlines, The European Central Bank meets on Thursday, but rates are again expected to stay "unchanged". Italy is probably the country inside Europe we are most closely monitoring. If the headlines out of Italy start to

turn more negative, I suspect so will global macro traders. Here at home this week, we will be digesting a more heavy dose of headlines: Construction spending data along with new auto and truck sales numbers are scheduled for release today. Tomorrow we have the latest in Factory Orders; Wednesday is crowded with the latest ADP employment numbers, Fed's Beige Book, etc... Then on Friday we have the highly anticipated monthly employment numbers. Bottom-line, there's a lot of balls in the air this week and the bulls seem content taking a couple of steps backwards. I'm not getting in any major hurry to be an aggressive buyer on the breaks. I still think there could be more downside and prefer taking very small bites in extremely strong companies.

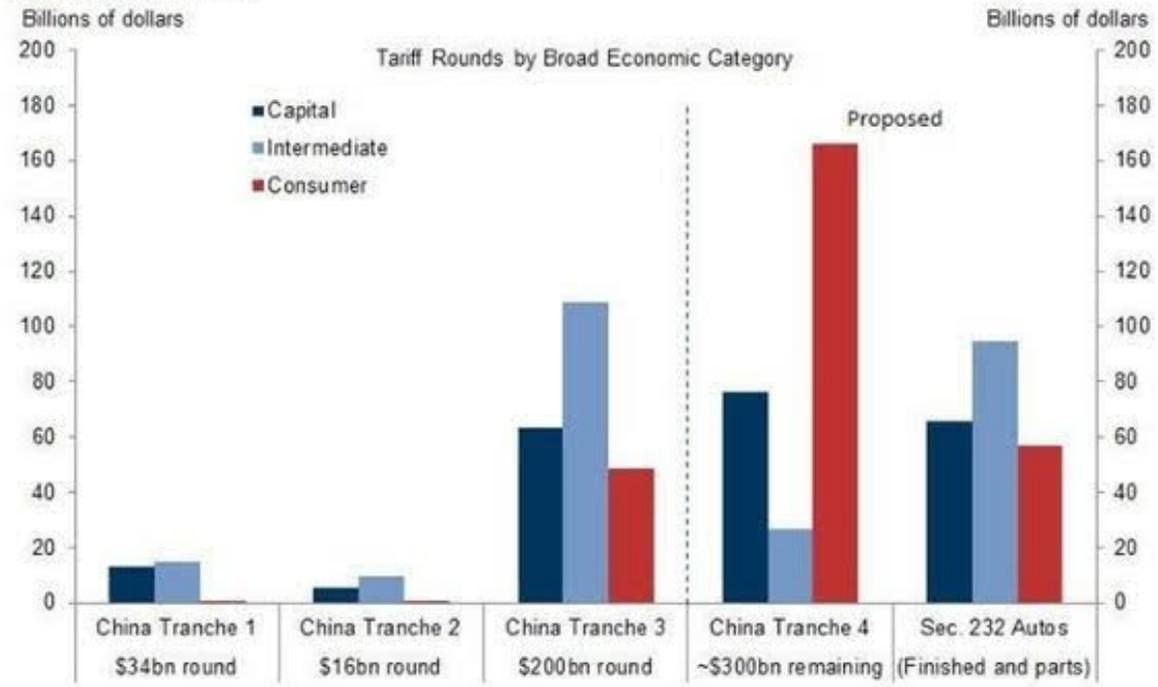
**Mexico Trade Update:** *President Trump wrote on Twitter, "Mexico is sending a big delegation to talk about the Border. Problem is, they've been 'talking' for 25 years, we want action, not talk. Otherwise, our companies and jobs are coming back to the USA!". Mexico's president on Saturday hinted his country could tighten migration controls to defuse President Trump's threat to impose tariffs and expects "good results" from talks planned in Washington this week. Lopez Obrador also said Mexico would not engage in any trade wars with the U.S., but noted that his government had a "plan" - although he didn't specify details - in case Trump did apply the tariffs. Illegal crossings into the U.S. in May were expected to have outpaced the 99,000 people apprehended at the border in April. (source: SeekingAlpha; The Wall Street Journal)*

**Apple WWDC... What You Need to Know:** *Apple investors will have all eyes on the tech companies week-long Worldwide Developers Conference, which kicks off today in San Jose. There's always a lot of hype around these Apple events. Since Apple typically likes saving its biggest hardware unveilings for September and October, just ahead of Christmas, meaning things like iPods, iPads, iPhones, etc... Most inside sources suspect this early-summer conference will focus more on new software and fresh updates that will affect Apple devices and the apps that run on them, as well as potential updates to its streaming TV service. There have been some whispers that a small Bluetooth tracker similar to those made by Tile, which can be attached to a key ring to help locate lost keys, might be introduced by Apple. There's been some talk that Apple might eventually have some spin or play on the "Find My iPhone" and "Find My Friends" apps into some type of single tracking*

*device that would act as a hub for the new wireless accessory that help users find almost anything. Could be very cool... There's also been rumors circulating that iTunes might eventually be broken up into various new apps called "Music", "Podcasts", etc... For full-disclosure, I currently own less Apple stock than I have in years, but am looking to do some scaled-in buying on the breaks. There's been a lot of talk that if the Chinese trade differences continue to escalate, Apple stock could eventually retest the December lows, just below \$143 per share. Remember, Apple seems content transitioning to more of a "service" company rather than a "products" company. The company currently makes +20% of its total revenue from the services sector and is growing each quarter. On the flip side, revenue from "products" have been falling, led by the iPhone sales, which were down -9% in Q1 2019.*

**Next Round of Tariffs Could Create Bargains in Stock Market?** *There's a lot of speculation that the next rounds of tariffs on Chinese goods will start to hit U.S. businesses and the U.S. consumer in a more direct manner. As you can see from the graphics I included below from Goldman Sachs and Deutsche Bank, clothes, shoes, computers, cell phones, etc... are all facing substantial headwinds. This probably helps better explain why big name stocks like Apple, Microsoft and Nike have been under pressure as of late. Think about your portfolio and what stocks may continue to feel some pain. Perhaps there could be some longer-term bargains, as some investors will panic and throw the baby out with the bathwater. Be paying close attention!*

### Exhibit 3: A Final Tranche of Tariffs on Remaining Chinese Imports Would Hit More Consumers Goods



Source: Goldman Sachs Global Investment Research

Figure 1: US imports from China by tariff lists

(Import value, USD bn)	\$50bn list	\$200bn list	Remaining
Food and agricultural products		6.0	1.0
Manufactured goods			
Chemicals	0.0	9.9	5.1
Plastics and rubber	2.2	9.8	7.9
Wood and paper products		6.7	3.0
Leather		7.4	0.0
Metal products	0.9	16.0	8.6
Textile products			
Clothes			35.2
Shoes			14.3
Other textile products		5.3	2.2
Toys			25.5
Furniture		29.2	2.7
Machinery			
Computers	1.5	7.9	41.1
Printers	0.8	0.1	5.3
Air conditioners		1.8	0.8
Refrigerators	0.5	1.6	
Other machinery	15.2	27.0	6.1
Electronics			
Cellphones			44.6
Telephone equipment		22.9	
Television and monitors		0.1	11.4
Cameras	0.8	1.9	3.3
Electronic heaters		1.2	4.1
Other consumer electronics	1.6	7.0	8.6
Other electronics	14.7	15.7	9.2
Automobiles, bikes and parts	2.2	11.6	0.8
Optical and medical equipment	5.1	1.4	5.5
Other	1.1	6.7	15.6
<b>Total</b>	<b>46.4</b>	<b>197.2</b>	<b>261.9</b>

Source : Deutsche Bank Research, USITC, USTR

# FARM TANK

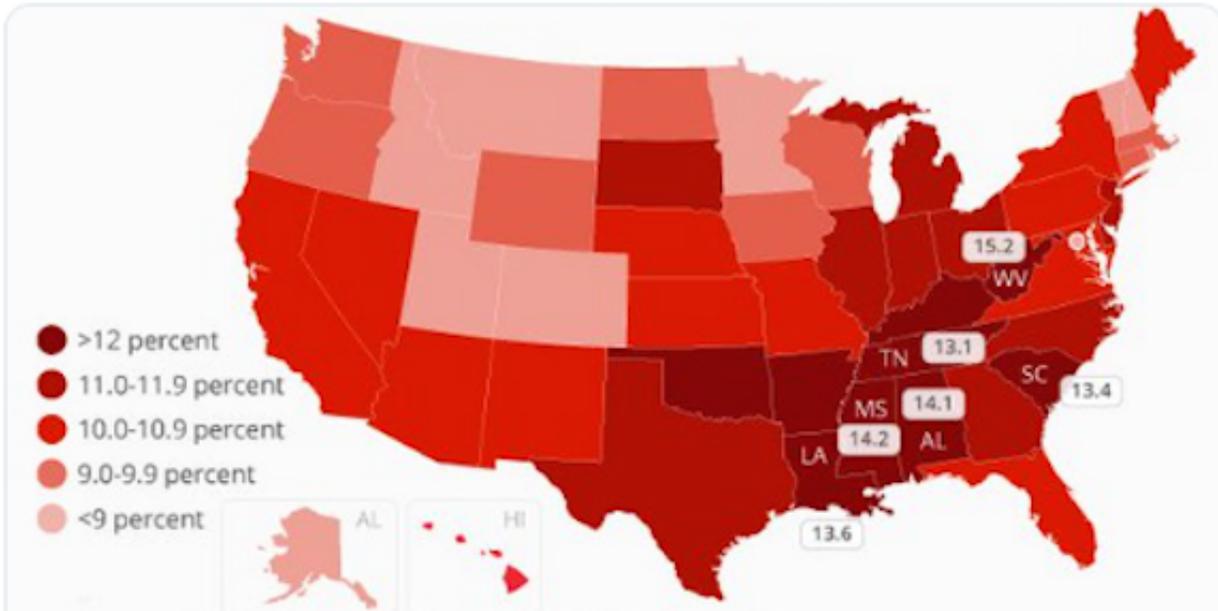
Tweets of the Day





Following

Southern states and those in the Great Lakes region have the highest #diabetes rates in the U.S. [statista.com/chart/18160/us...](https://www.statista.com/chart/18160/us-diabetes-prevalence)  
[@CDCgov](#) [@KaiserFamFound](#)



**Infographic: Where Diabetes is Most Prevalent in the U.S.**

This chart shows the U.S. states with the highest rates of diabetes in 2017.

[statista.com](https://www.statista.com)



**Steve Burns**  
@SJosephBurns

Following



“You have to be extraordinarily patient with winning trades, and ruthless with losing trades.”

- Jon Boorman

[www.facebook.com/tradinglegends](http://www.facebook.com/tradinglegends)



**Katherine M Bell** ©  
@City2FarminIowa

Following



When you don't know whether to cry, cuss, laugh, or all three. #farming #noplant19 #plant19 #iawx #farmers





**Mike Coopriders**     
@INDIANA\_COOP

Following



#Plant19, the struggles are real.





**THROWBACKTRUCKS**  
@THROWBACKTRUCKS

Following



#Plymouth





**The Old Man Club**  
@TheOldManClub

Following



We do not have Wi-Fi. Talk to each other.  
Pretend it's 1995.





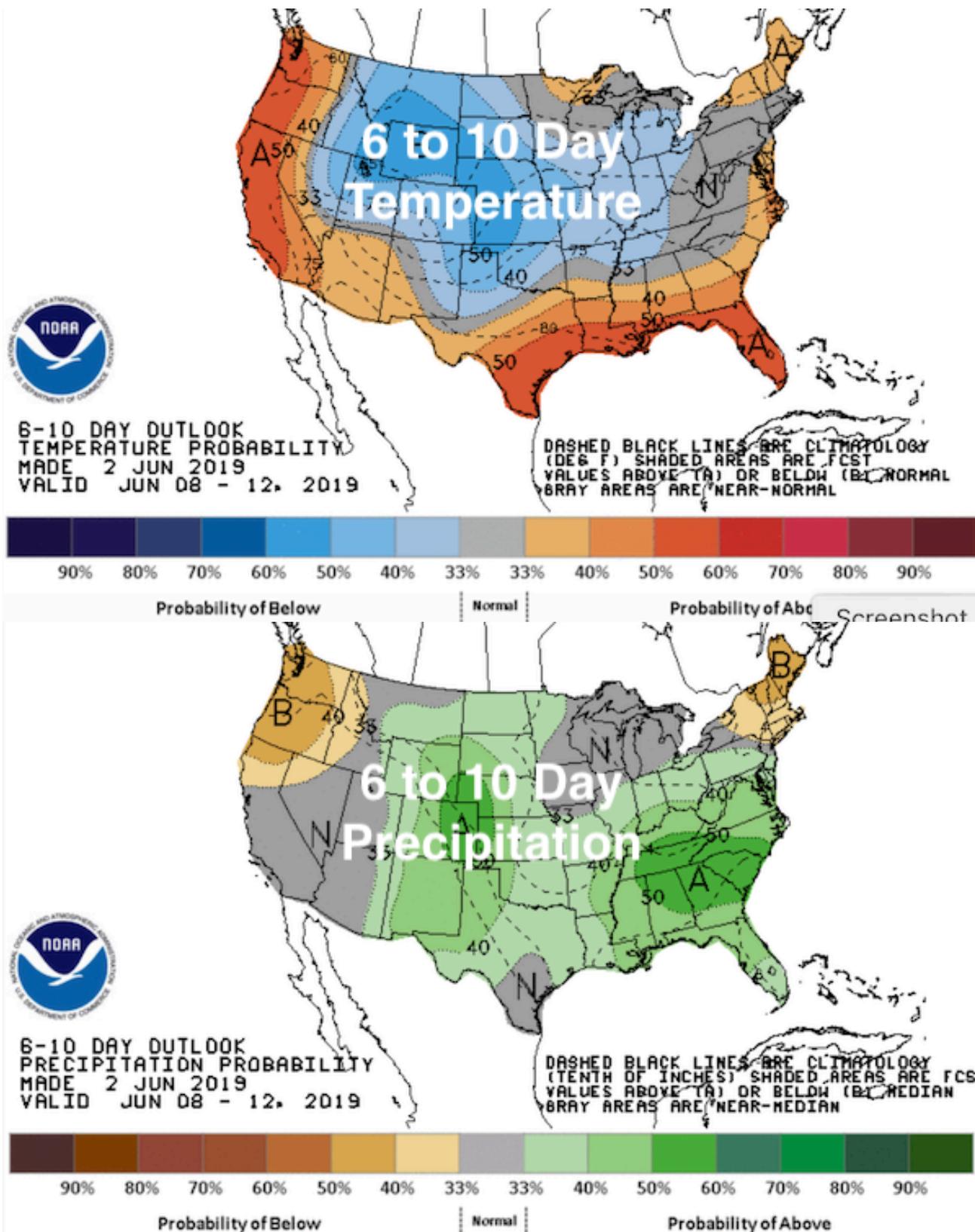
**Sports Motivation**  
@Sports\_HQ

Following



Growth is optional, choose it.



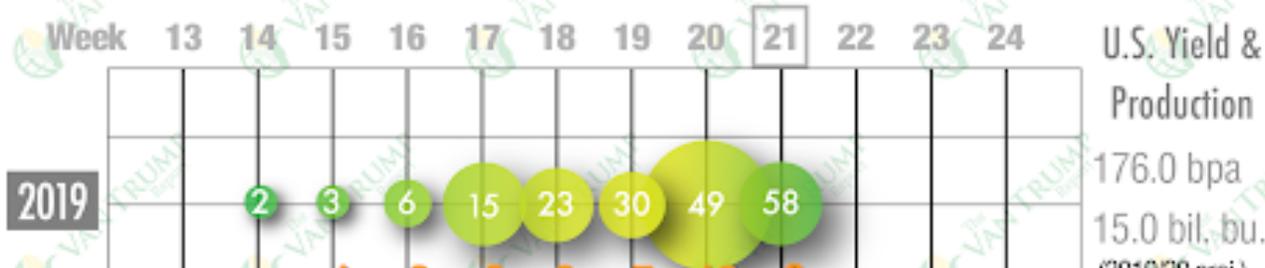


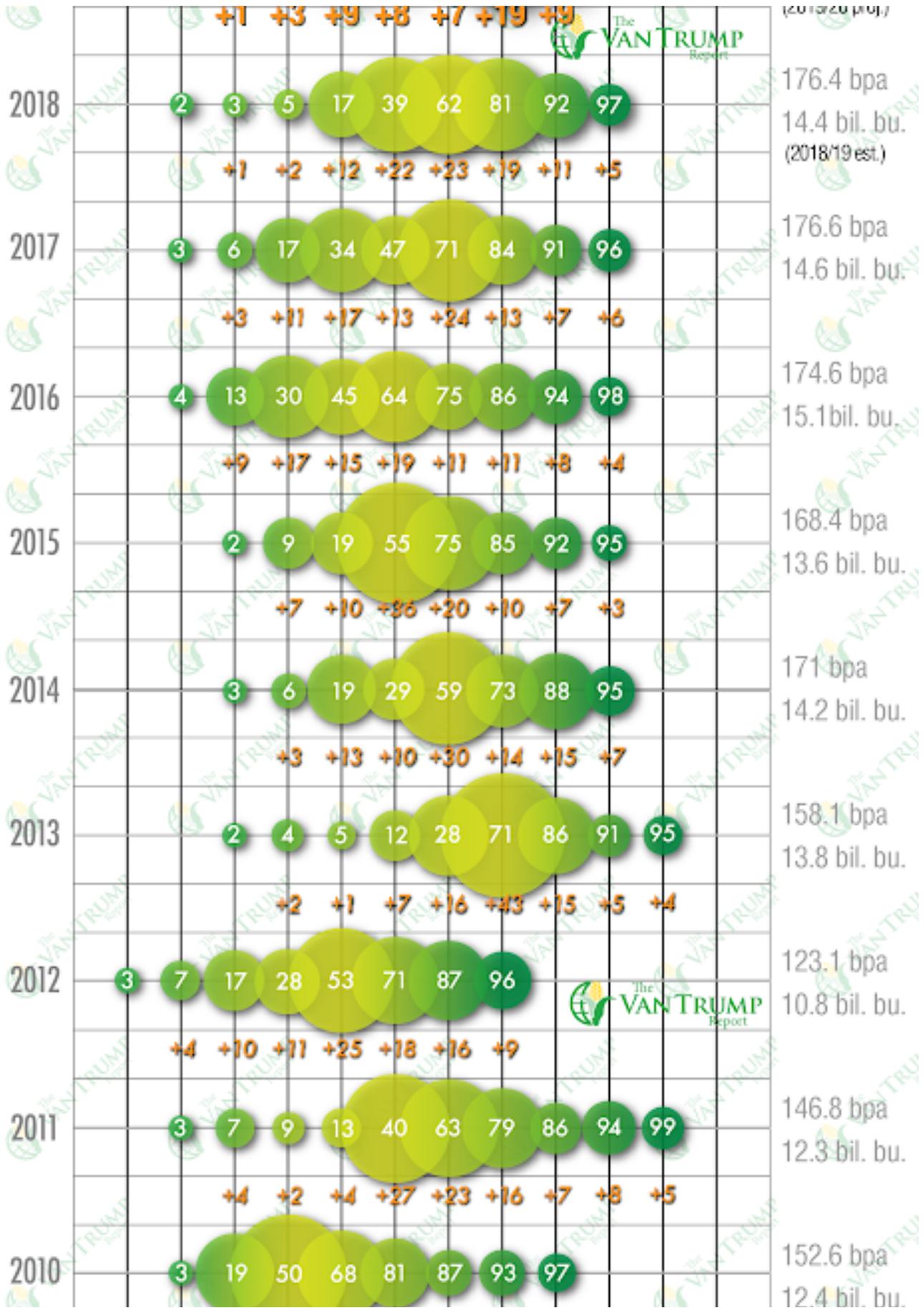
**Corn** bulls face some headwinds as rains over the weekend were a bit less than anticipated, the U.S. forecast shows some windows of opportunity for producers in

several key corn growing regions, and fears of demand destruction are escalated on continued talk of trade uncertainties with Mexico. Keep in mind, Mexico has become our top destination for U.S. corn exports, so as you can imagine the trade is a bit nervous. The fear is if the Mexican government wants to retaliate against the U.S., it will more than likely target agricultural goods produced in states that heavily voted for U.S. President Donald Trump i.e. the market worried that corn exports could be in the cross-hairs. I'm personally betting some type of compromise or deal with Mexico happens sooner rather than later. In other words, as a spec, I'm looking to use negative Mexico trade headlines as a longer-term buying opportunity. If the bears want to over pressure the market on the basis of demand destruction associated with Mexico, I will be looking for longer-term bargains on the deeper breaks in price. I still see more dire supply side problems looming ahead for the U.S. crop. Yes, a window of opportunity has arisen for some producers to plant, but we are now into early-June and yield-drag becomes a much more realistic concern. Like I said last week, you have to believe this market is going to wildly buck, kick, and whip around aggressively as it searches for longer-term direction. I still think we are ultimately going higher, just not certain when we gain the next round of momentum? The USDA is scheduled to release their updated planting progress numbers this afternoon. Most sources seem content forecasting 68% to 73% will now be planted vs. just 58% last week vs. the 5-year traditional planting pace of +95% by this time of year. Bottom-line, I'm still bulled up despite an arguably improved weather forecast and escalating political complications brewing with Mexico. I like the thought of buying or re-owning on the deeper breaks in price.

## U.S. Corn Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**







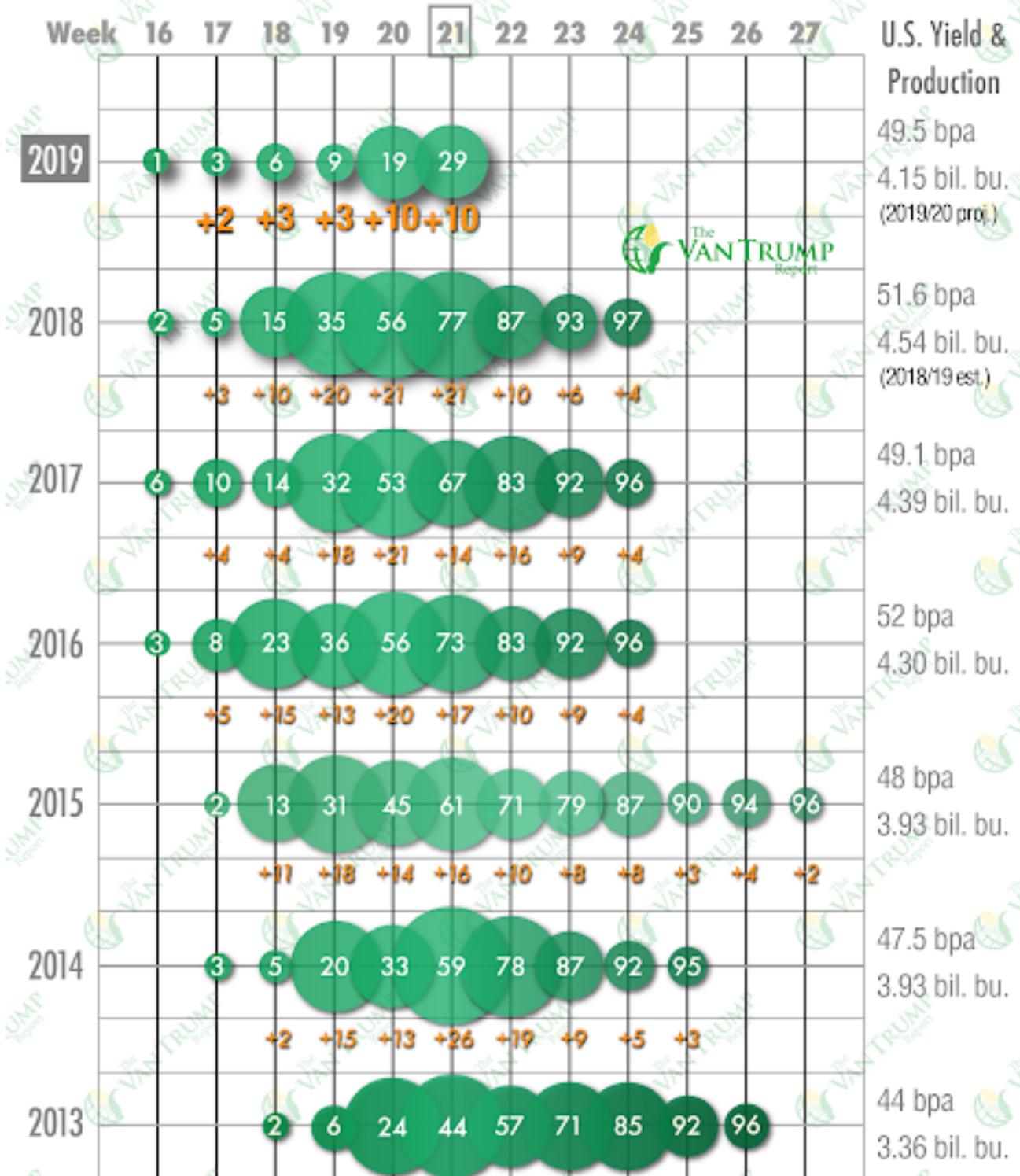
Source: USDA, NASS Crop Progress

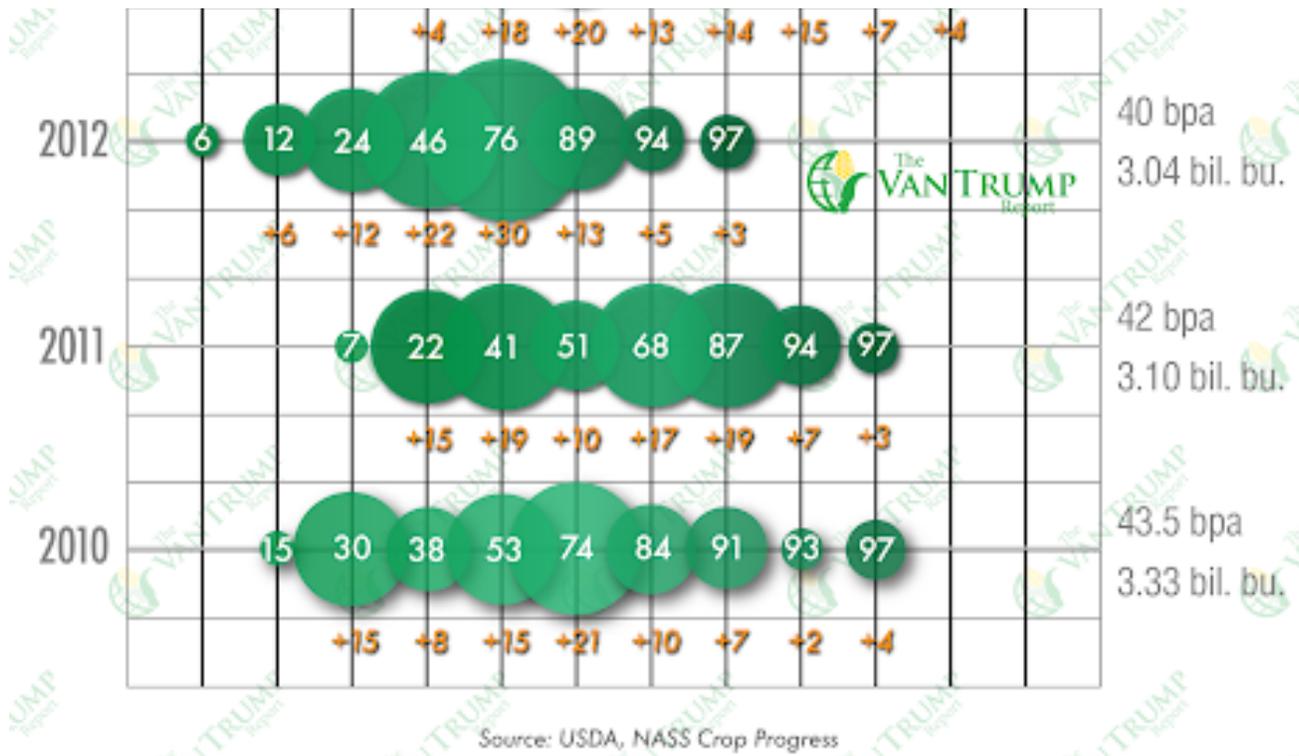
**Soybean** bulls might have gotten a bit ahead of themselves? Keep in mind, the market added close to +50 cents in premium last week alone. Bears argue that soybean planting can actually get caught up in the next few weeks and that ongoing trade tensions with the Chinese should work to keep a lid on most extended rallies. It feels like the bulls might now be inclined to pause and look around a moment. From a technical perspective, it would be nice to see new-crop soybeans garner enough strength to stay above the \$9.00 range. In case you are wondering, the recent new-crop NOV19 high was posted at \$9.18<sup>4</sup> three days ago. As most know, I'm not nearly as bullish soybeans as I am corn. In fact, I don't even have a current spec position in this market. There just seems to be too many unpredictable variables, i.e. Chinese trade, African Swine Fever, South American currency devaluation, etc... Don't forget, Mexico has been our second largest buyer of U.S. soybeans and meal. Bottom-line, there's just simply too many moving parts that could shift direction or momentum on a dime for me to comfortable speculating in this market. I hate the thought of trading or investing when you know you don't have some type of edge. In this case, not only do I not have a defined edge, with so many wild-cards in play, best-of-practice money-management skills and or betting strategies are out the window. I compare it to playing some crazy game of poker where the dealer declares multiple cards as "wild". It just changes all of the rules and dynamics and becomes more about blind luck. Hence, the reason I've elected to sit on the sideline. As a producer, I wrote in Friday's report, "I've gone ahead and feathered in a few more small sales on the rally. Ideally, I would like to have 50% of our estimated risk removed within the next 30-days. It feels like I should be using a scaled up selling approach on any of the big rally days." As for today, the trade will be digesting the latest April crush numbers, which most suspect will be around 170 million bushels. Don't forget, after today's close most sources are looking for the USDA to show 39% to 44% of the U.S. soybean crop is now planted vs. 29% last week vs. the 5-year historical average which is closer to 75% planted by this date. Obviously, the big production states will be in focus: Illinois, Iowa, Minnesota, Nebraska, Indiana, Ohio, Missouri,

Arkansas, and the Dakota's.

# U.S. Soybean Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**

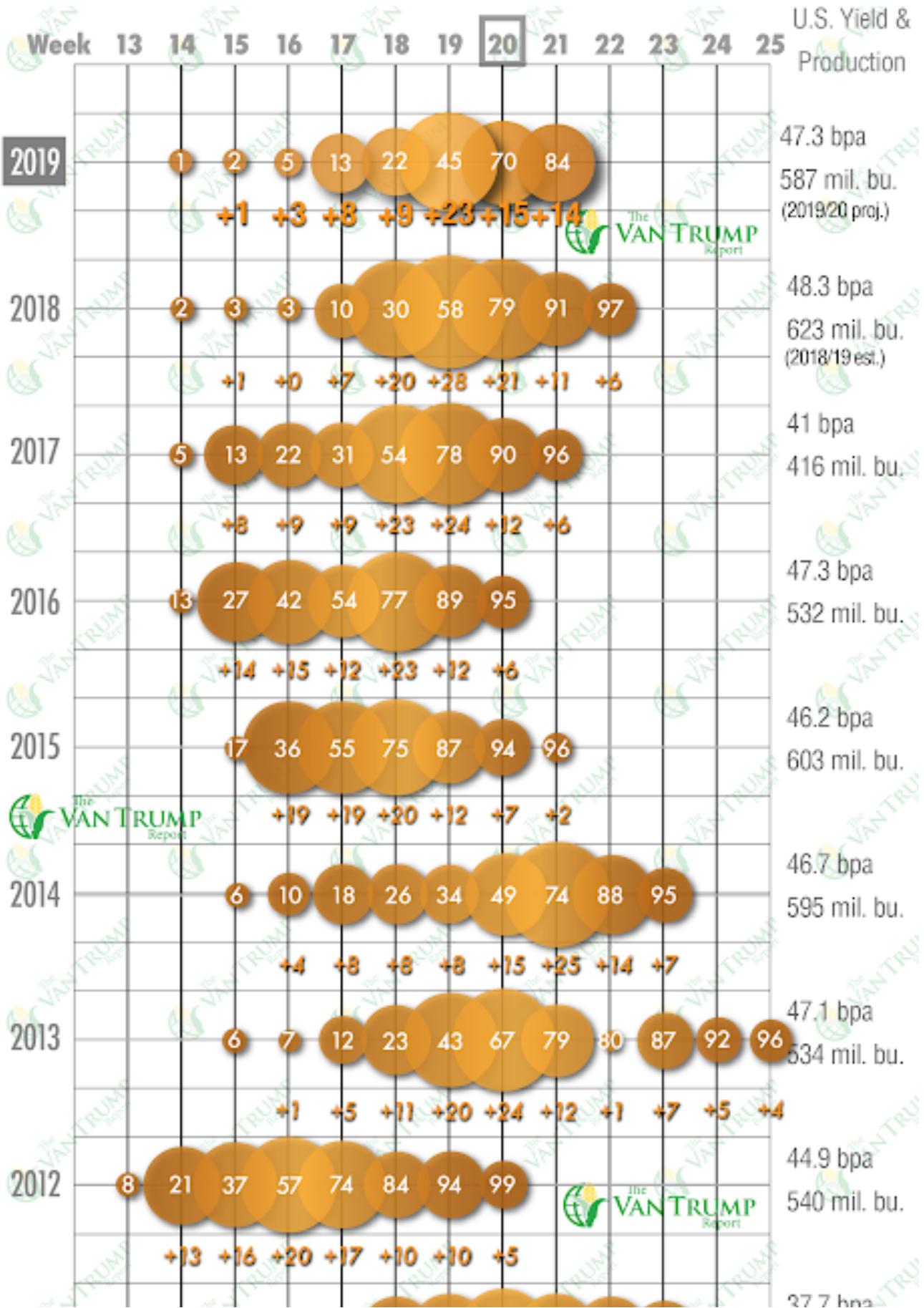


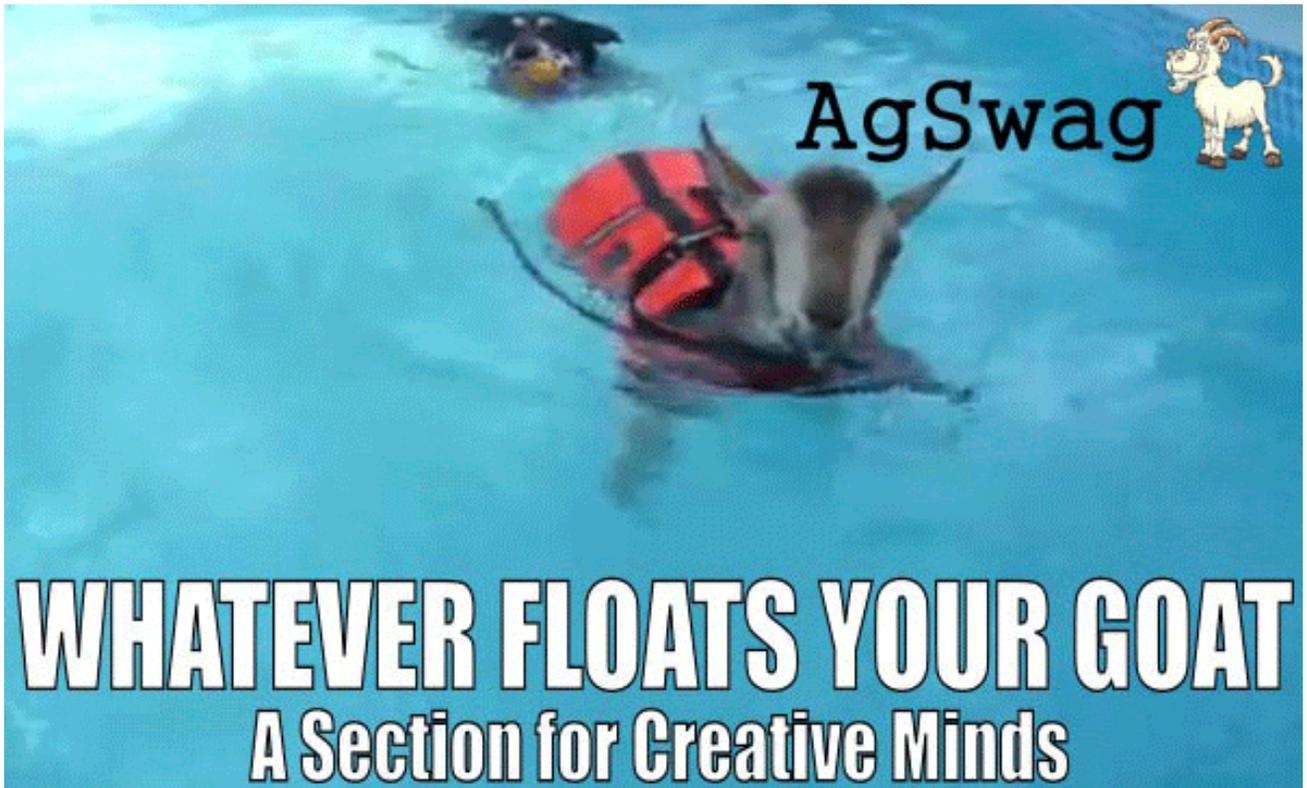
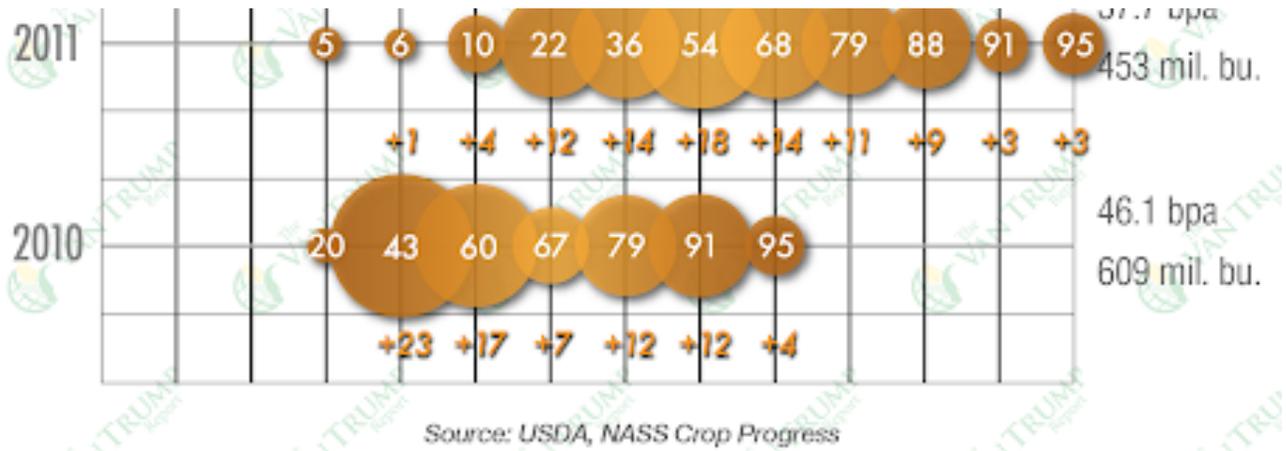


**Wheat** traders are debating U.S. weather uncertainties and headlines out of Washington. Remember, Mexico is the largest importer of U.S. wheat. In fact, Mexico imports +25% of our SRW wheat. Therefore, any talk of escalating trade tensions between the U.S. and Mexico obviously puts the market on notice, especially when U.S. export demand is already being heavily questioned by the bears. Weather extremes, particularly here at home, have many bulls talking about quality concerns and damage caused by excessive moisture, heavy rains, strong winds, hail, etc... It will be interesting to see what the USDA does with overall winter wheat crop-conditions this week. Remember, last week they dropped the Good-to-Excellent rating by -5%. But it was still rated 61% GD/EX, which is certainly better than conditions in some years past. The USDA is also scheduled to release their updated spring planting estimate. Most in the trade are thinking U.S. spring wheat planting will advance to between 90% and 95% which is still lagging our traditional planting pace.

## U.S. Spring Wheat Planting Pace 2010 - 2019

includes Weekly Rating and **Week-over-Week Change**





> **Fewer Corn Acres in China, More Pests, Could Mean Higher Prices?** *Insiders are thinking that China's corn acreage will drop a bit more the next couple of years as soybean subsidies are presenting a better opportunity for Chinese producers. Let's also keep in mind, a very rapidly advancing plant eating pest called the "Fall Armyworm" continues to spread across China and now impacts thousands of acres of production in 15 provinces. From what I understand, these troubling pests can travel over 60 miles in a single night and are advancing. To this point they have predominately damaged corn and sugarcane crops in South China. It's the Northeastern regions that are home to China's top growing areas for both soybeans and corn, with farmers in those locations tending to switch between the two crops based on what will be more profitable in a given year. In the past three years, the Fall Armyworm, which is endemic to North America, reportedly has caused*

corn yield losses ranging from -20% to -50% in Africa, South Asia and Southeast Asia. There are currently no pesticides registered to control Fall Armyworm for any crops, the USDA said. "It is important to note that most farmers in China do not have the financial resources and training needed to effectively manage Fall Armyworm," the USDA said. "Even if a mitigation program is employed, costly control measures (mainly chemical sprays) will drag producer margins into negative territory for farmers of most crops that could be affected." (Source: World-Grain.com; Xinhua)

> **Madcow in Brazil?** The Brazilian government reported a case of atypical mad cow disease in an animal in Mato Grosso state, according to a statement from the country's Agriculture Ministry. It will be interesting to see how this plays out or if it's just an isolated occurrence? (Source: Reuters)

> **African Swine Fever Continues to Spread:** Hong Kong confirmed its second case of African Swine Fever, with the government ordering a cull of 4,700 hogs. The latest was found in a slaughterhouse in the New Territories, bordering China's southern province of Guangdong. The slaughter house was closed over the weekend for disinfection. Hong Kong's first case was confirmed three weeks ago. The disease has now spread to every province on the Chinese mainland and is now even further broadening its reach. ( Source: Reuters)

> **More Americans are Living Alone:** Today, 35.7 million Americans live alone, 28% of households. That's up from 13% of households in 1960 and 23% in 1980. (Source: WSJ)

> **Sam Berns' Philosophy For a Happy Life:** Sam Berns went to Foxboro High School, where he was a percussion section leader in the high school marching band as well as an Eagle Scout in the Boy Scouts of America. Unfortunately, Sam was diagnosed with Progeria, a rare aging disease, at the age of 2. Just before his passing on January 10, 2014, he did a TED Talk about his philosophy on living a happy life. He gives pointers like, "Be OK with what you ultimately can't do, because there is so much you CAN do." This video really gave me different perspective on life! Click [HERE](#) to watch!

> **Alphabet's Google Could be Facing New Headwinds:** The Wall Street Journal leaked an article this weekend that the Justice Department is gearing up for an antitrust investigation of Alphabet's Google, a move that could present a major new layer of regulatory scrutiny for the search giant... The FTC and the department have been in talks recently on who would oversee any new antitrust investigation of a leading U.S. tech giant, and the commission agreed to give the Justice Department jurisdiction over Google. This could cause a bit of de-risking? Read more at [The Wall Street Journal](#)

> **Facebook Launching Own Cryptocurrency:** The world's biggest social media company, Facebook, recently announced they're going to launch their own cryptocurrency in about a dozen countries by the first quarter of 2020. It will be called GlobalCoin. More [HERE](#).

> **How to Work 40 Hours in 16.7:** *Are you working 60, 80, or even 100 hours a week...? Does work play a big part of how you define yourself? Chris Winfield breaks down how you can work with time and not against it, eliminate burnout, manage distractions, and create a better work/life balance to become more productive at work. Click [HERE](#) to learn how Winfield is turning 40-hour weeks into 16.7!*

> **Ben & Jerry's Releases CBD-Infused Ice-Cream:** *Ben and Jerry's recently announced to the public their new plans for CBD ice cream, and is working on lobbying for FDA approval of adding CBD to food and beverages.*

> **Andy Ruiz Jr. Stuns Boxing World:** *In the seventh round of Saturday night's heavyweight title fight, Andy Ruiz Jr. shocked the boxing world by knocking out the heavyweight champion, Anthony Joshua. Keep in mind, Ruiz was a 14-1 underdog coming into the fight and Joshua was undefeated. In addition, Ruiz became the first fighter of Mexican descent to win a heavyweight title. Pretty wild win!*

> **NBA Finals Seeing Record Ticket Prices:** *The Championship Series is now tied 1-1, Toronto won Game 1, Golden State won Game 2. Online ticket resale sites are saying tickets for the Raptors vs. the Warriors is shaping up to be one of the most popular NBA finals ever, at least according to ticket prices. Ticket sales and inquires are up +55% from last year. Some of the Game 1 tickets sold for +\$20,000. Game 2 tickets were averaging about \$10,000. Remember, they heavy demand the first two games has come predominately from Canadian fans. It will be interesting to see ticket prices back in California, where the two teams will battle on Wednesday night. I personally bet prices stay strong.*

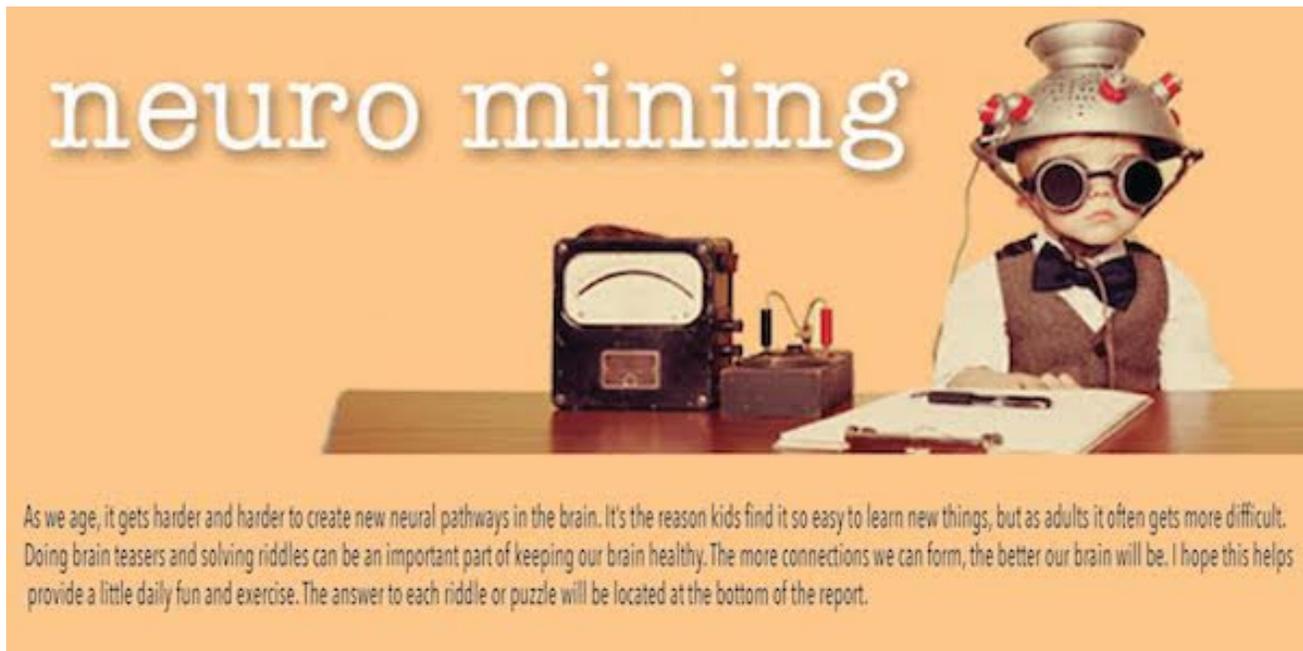
> **Must Watch Video to Challenge Your Perspective!:** *This is an old video, but Sam Houston State's baseball coach, Matt Deggs, really challenged my perspective through his inspirational post-game speech after a 19-0 loss. One quote in the interview I really enjoy is, "I'm a transformational coach now. It's not about wins or losses, but it's about love, building men, and building relationships that will last forever." I can go on and on about this quote, but click [HERE](#) to watch this short video of Matt Deggs!*



**Northern Illinois** - *We're starting to make head way on field work late into last week, but it was all stopped by a heavy down pour on Saturday morning. It's supposed to warm up quiet a bit next week, so the inch of rain will not keep us out of the field for more then a few days. It looks like the weather is a little more clear into the beginning of the week, but we have some late week showers that we need to try and get what corn we can plant wrapped up. We've been able to plant some of our rolling fields, but all our flat black ground is still too wet to plant. We'll need to make a decision to either mud this corn in or take preventive plant by the first of next week at the latest. We are hoping for the best at this point!*

**Southern Indiana** - *I thought we'd get corn planted by the weekend, but a couple surprise showers pushed us to the sidelines. I'd say we have maybe 50% of our corn planted at this point and need another 3 days to get the remainder done. For the most part, we missed all the heavy rain over the weekend, so we'll try and push it next week. From the looks of the forecast, we have a chance of rain every day next week. If we do not get corn planted next week we'll push planting until the middle of June, but that's about as far as it makes since with the potential yield drag and insurance percentage deductions.*

**Eastern Missouri** - I was crossing the Missouri and Illinois border over this Missouri River and it was interesting to see how far the water has pushed out of its banks. I did a little scouting and I'd guess the fields that run along the river have no less than 5 feet of water. There's several houses that run along the river that have fairly tall dams to protect them that were at least 2-3 feet under water. There's several bin sites that I saw that have never been in danger of taking water on in that last year that also had water at least 2-3 feet up their sides. I know the guy that owned at least one of the bins wasn't able to get his corn out before the water over took the dam. I notice that the river has overflowed its banks by at least 2 miles in some locations. There's going to be a lot of farm ground that has missed at least 2 seasons at this point because all the same ground flooded right before harvest last year.



### TODAY'S RIDDLE:

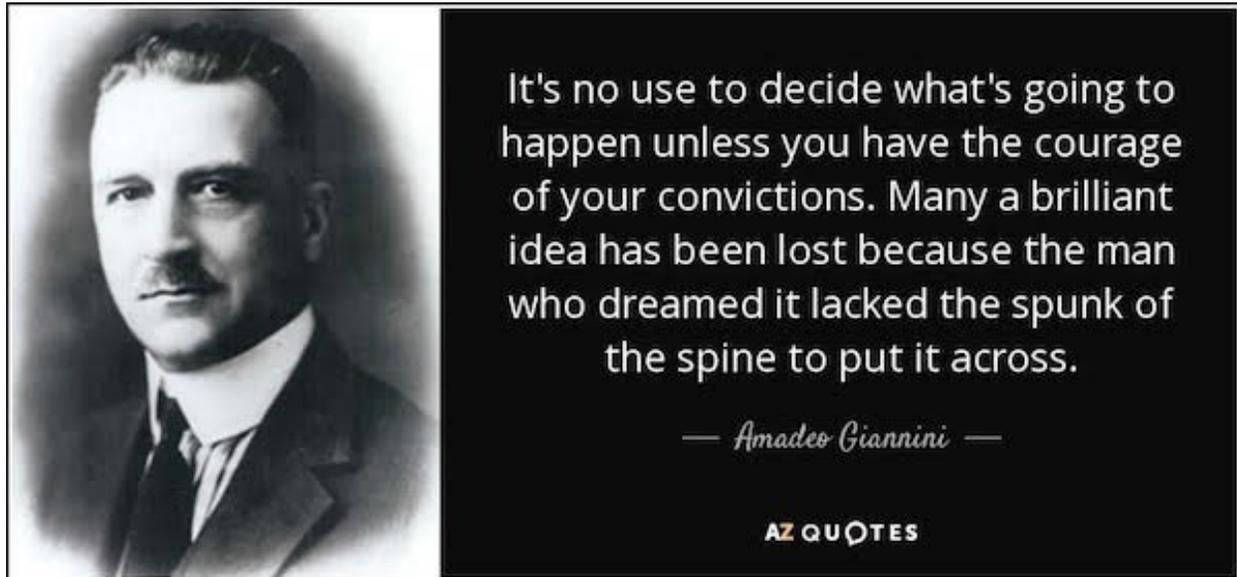
I have branches, sometimes a few and other times hundreds or more, but I have no fruit, trunk or leaves.  
What am I?



### Today in History 1949... From Tragedy to Triumph!

Few people would leave a deeper legacy to the citizens and economy of California than the founder of Bank

of America. Today in 1949, America would lose one of its greatest businessmen, entrepreneurs, and friend to the working class. Time Magazine would eventually name Amadeo Giannini to its list of the Top-100 most influential people in the United States. Giannini quit school early at the age of 12, going to work full-time for his stepfather in the grocery business, but it wasn't long before he would start his own business as a produce broker, commission merchant and produce dealer for farms in the Santa Clara Valley. Giannini became bored with the business and decided to sell and retire, something many claim he would do multiple times over his career. But like many of us, marriage entered the picture, and provided new opportunities. He would marry Florinda Agnes Cuneo, also the daughter of Italian immigrants, whose father Giuseppe, owned a large stake in Columbus Savings & Loan out in San Francisco. With the marriage came a seat on the board at Columbus Savings & Loan where he gained a working knowledge of banking business. Giannini would eventually share his beliefs in the opportunity he saw to serve the increasing immigrant population who had very little access to the financial institutions. When the board couldn't see the logic in Giannini's belief behind serving the "little man", he started his own bank. So in 1904, the Bank of Italy officially opened with a mission of serving the working class. Deposits grew rapidly during the first year. I should also mention a bit of luck or fate helped propel the bank to unbelievable achievements. In this case it was the tragic 1906 San Francisco earthquake. He found an opportunity to act where others didn't and following the quake and subsequent fires which leveled much of the city, Giannini would set up temporary banks where he claimed to all those still in San Francisco that he would help rise them from the ashes. His post-earthquake success led him to break with the tradition of independent local banks by providing his egalitarian banking services to the "little fellows" in the Yugoslavian, Russian, Mexican, Portuguese, Chinese, Greek, and other immigrant communities here in the U.S., by the mid-1920s, he owned the third largest bank in the nation. Giannini's next move, was to merge with a business called Bank of America, Los Angeles because conservative business leaders in Los Angeles had been less receptive to the name Bank of Italy than those in San Franciscans had been. This new merger gave the bank over +400 branches in the state by 1929. The genius of the merger was that by diversifying the scope of the community the bank served, it was better prepared to ride out any local economic issues, and as a measure of its success, it withstood the Great Depression, funding large industrial and agricultural interests as well as California's burgeoning movie industry - you might recall a childhood favorite that you can thank Giannini for as he helped Walt Disney fund the production of Snow White. He was also responsible for the funding of the Golden Gate bridge. I should mention, he never forgot his roots and after WWII he arranged for loans to help rebuild the damaged Fiat factories in Italy. When laid to rest on June 3, 1949, at age 79, I'm told hundreds of ordinary people showed up for his funeral, a true testament to a hero of the working class.



### Mudding In The Crop

A new friend, Aaron Bobeck, who grew up on a farm in Indiana and graduated from Perdue University, is going to be sharing some insight and info from time to time. After college, Aaron worked at a John Deere dealership selling equipment and supporting Precision Ag products. Aaron currently works independently with growers and others in Ag sector doing technology consulting and selling farm equipment, along with helping on the family farm. Aaron writes and answers questions on Twitter [@AaronBobeck](#) and on his blog [AgSnap.com](#), regarding many tech issues within the Agriculture industry. I like helping young people succeed and hope that I can help Aaron. I believe he genuinely wants to help producers. Below are just a few simple tips and thoughts for mudding in the crop. Perhaps nothing you don't already know, but might stir some additional thoughts...

#### Use what you have and make adjustments:

- *Drive fast to spin off mud*
- *Do NOT stop with the planter in the ground, always be moving with the planter down*
- *Lighten row unit down-pressure*
- *Raise pressure on closing wheels to avoid slotting*
- *Raise row cleaners and coulters*
- *Take weights off tractor and implements*
- *Stay light on seed and fertilizer or other liquids, don't fill all the way up*
- *Forget the variable rate seeding prescription, focus on final stand goals*
- *If possible, drive through mud holes instead of around*
- *Plant partial fields*

**Modify or change your planter:**

- *Spoked gauge wheels*
- *Scrapers on gauge wheels*
- *More aggressive closing wheels*
- *Consider removing seed firmers*
- *Replace ground driven transmissions or pumps with electric or hydraulic driven systems*
- *Replace planter wheel speed sensor with gps or radar speed source*
- *Purchase a mounted planter, instead of pull-type*

**IBM Predicts When Workers Are Going to Quit Their Jobs**

If an employee at IBM is thinking about quitting, then the company likely already knows. IBM recently announced an AI program they've developed that can predict with 95% accuracy when employees are thinking about quitting their job, generally with a six month lead time, perhaps even before the actual employee knows they are going to quit. IBM's "proactive retention" tool analyzes thousands of pieces of data and then nudges managers toward which employees may be on their way out, telling them to "do something now so it never enters their mind." IBM is currently using this technology internally, but is also selling it to its business clients as well. Keep in mind, talent retention is top of mind for many corporate CEO's, especially in this tight labor market. According to a 2016 Compensation Force study, the average total turnover for employees in all industries is 17.8% annually. I should also note, I've even read some studies that show that

replacing an entry-level position can cost up to 40% of an employee's salary, which is hard to imagine. IBM's CEO, Ginni Rometty, has reported this new technology has already saved the company +\$300 million. Remember, a lot more cost goes into hiring new employees other than job posting fees. Some of these costs include the cost of recruiting, training, salary & benefits, and workplace integration. To break this down even more, a study by the National Association of Colleges and Employers showed that hiring an employee in a company with 0-500 people costs an average of \$7,645. In addition, the average company in the United States spends about \$4,000 to hire a new employee, taking up to 52 days to fill a position, according to Glassdoor. Remember, the millennial generation represents the largest segment of the U.S. workforce, which expect employer benefits, retirement investment options, corporate learning, culture, flexibility, etc. Something else interesting I read was small business owners spend around 40% of their working hours on tasks that don't generate income such as hiring. I doubt many of you have the power of IBM's Watson in your back pocket, but I think it's important to consider all of the moving pieces now in play. I know a lot of my farm friends are having a tough time finding and hiring new help. Just remember, the cost to replace and find new can sometimes be more than just giving a pay raise and more perks or benefits. There's definitely a lot to think about...





# AGRICULTURAL & FARMING JOBS

## **Amazing Story of Strength and the Will to Fight for Life**

Writing this report and sharing my thoughts has allowed my wife and I to meet some amazing families across our great nation. This past year has perhaps been the toughest we remember. We have sent many plants, trees, cards of sorrow and prayers to many families. We've truly become friends with many of our readers. Unfortunately, with the good news and photo's of families having fun and kids achieving new highs, we also get the calls of great sorrow. A few families have lost children this past year in tragic accidents, a few kids have lost both parents, and some families have had to battle like they have never had to battle. It's humbling for Michelle and I and really keeps our life in perspective. One farming family that I have come to know fairly well thorough the years is the Ogle family. I am proud to call Justin one of my friends. His family had a tough battle this past year. In fact, it was his families battle that inspired my wife Michelle to start volunteering on a regular basis with Children's Mercy Hospital and The Ronald McDonald House. She is now a regular on the staff and comes home sharing some very heartfelt stories. Back to Justin and his family... I was super excited when I received an e-mail they other day that his son Brooks was celebrating his first birthday! Justin's wife put together an awesome video of their first year and I wanted to share this amazing fight for life!!! This is how you battle... Congrats to the Ogle family, great job, way to stay positive. Click [HERE](#) to watch this amazing video.



After I shared a couple of personal thoughts, I received a second e-mail from Justin. I wanted to share his comments, I felt they were very inspiring:

*Kevin,*

*Thank you my friend. I appreciate that.*

*My son Brook's condition is more common than most realize and many struggle and stress to find the right place to go. My wife did an amazing job of research and found the best home for his procedure. Boston Children's Hospital is pretty amazing and they are creating history with these procedures.*

*I've recently learned the following:*

*If one has cancers I believe you go to Mayo Clinic Rochester MN.*

*If one has a child with a special issue just go to Boston Children's Hospital.*

*And If one is upright with a roof over head, food on the table, and dry feet, we are so very blessed!*

*Thanks again,*

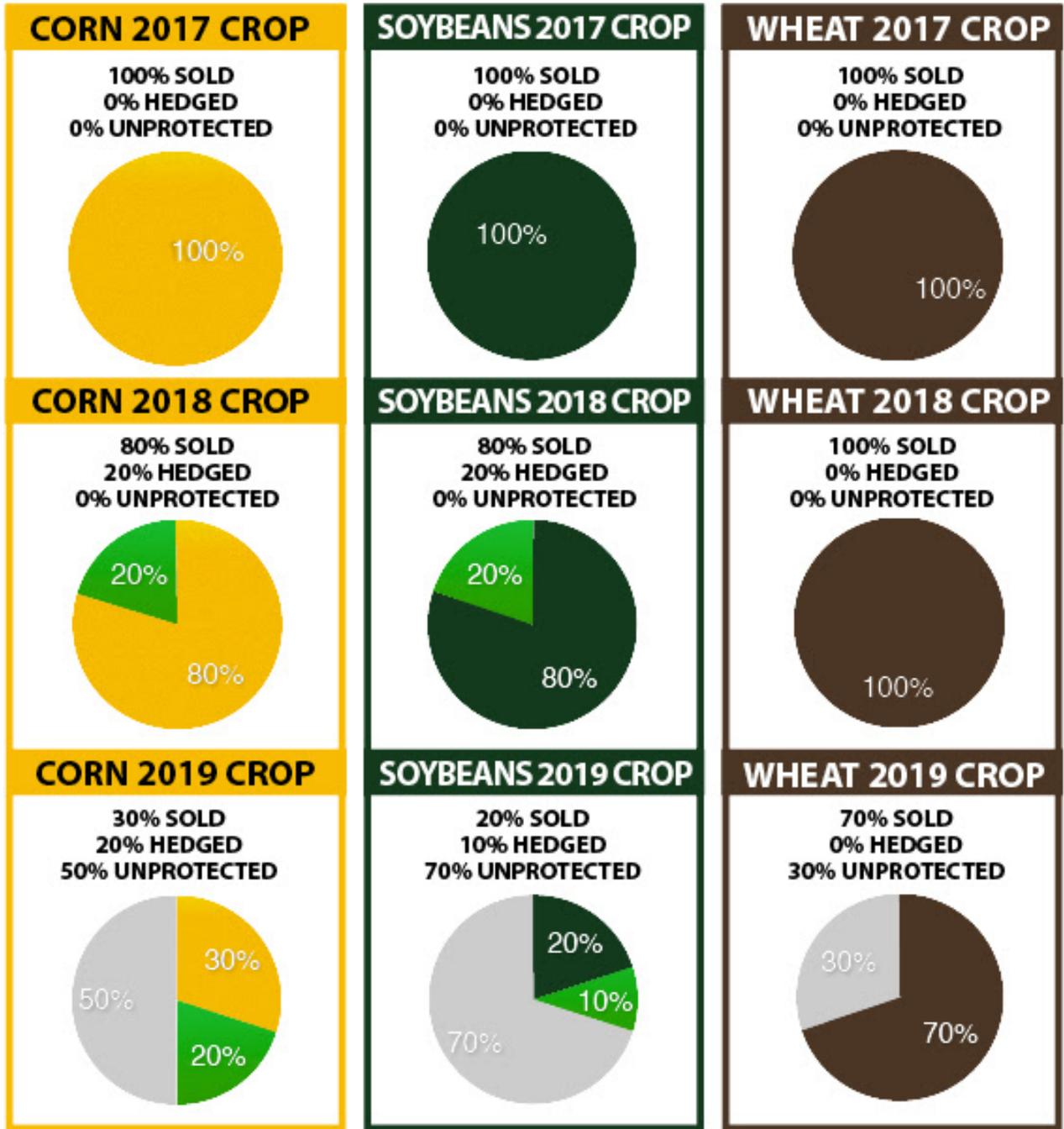
*Justin*



**ANSWER to riddle:** A bank.

## CASH SALES & HEDGING TOTALS

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