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**GOOD MORNING: 06/05/19 Farm Direction - Van Trump Report**

1 message

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**Kevin Van Trump** <kvt@farmdirection.com>  
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Wed, Jun 5, 2019 at 7:12 AM

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



*"There are two ways of spreading light: to be the candle or the mirror that reflects it." - Edith Wharton*

**Wednesday, June 05, 2019**

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

**Morning Summary:** Stocks bulls are happy about yesterday's significant bounce to the upside. Fed officials are closely monitoring the recent escalation in trade tensions, and Chairman Jerome Powell indicates that Fed officials could respond by cutting interest rates if the economic outlook deteriorates. These dovish comments have helped fuel the bullish bounce, while bears are obviously questioning if the recent nearby enthusiasm can continue. Many inside the trade are wanting to see how things play-out with the upcoming G20 meetings later this month in Japan. Some top U.S. officials will be attending meetings earlier in the month, followed by President Trump and Xi scheduled to attend meetings later in the month. Large macro fund traders who place bets based on the outlook of the global economies have clearly backpedaled. The World Bank recently forecast a continued slowdown associated with a spillover from the U.S and Chinese trade dispute. The U.S. is forecast to slow to 2.5% in 2019 from 2.9% in 2018, while China is expected to slow to 6.2% from 6.6%. The U.S. factory activity gauge produced by the Institute for Supply Management fell in May to its lowest level in three years, while

JPMorgan's Global Manufacturing PMI index fell below a reading of 50, which is the dividing line between contraction and expansion. Global factory output is now shrinking by the most since 2012, which was posted during the depths of the Eurozone's fiscal crisis. In the wake of this data, and talk of ongoing trade disputes with other nations, many large traders are starting to forecast a much more dovish Fed. In fact, I heard rumors earlier this week that a Barclays economist was projecting the Fed will cut rates by 0.5 percentage point in September and by another 0.25 percentage point in December. Goldman Sachs, in a note this weekend, said they have sharply raised their odds of a rate cut. JPMorgan is now penciling in a rate cut in 2019. I suspect, a more dovish Fed and weakening U.S. dollar could help eliminate some of the profit pressure now being forecast for U.S. companies. There's just so many moving parts and levers being pulled right now it's hard to separate what's simply loud "noise" and what's really "music". I've been adding some very small length to my portfolio on the recent breaks, but I still consider myself heavily under-invested with my largest position still in cash. I like the market longer-term, as I suspect the President will pull some rabbits out of his hat into 2020, but I'm a bit hesitant in being an aggressive bull nearby, there's a lot of money sloshing around right now searching for new direction. At current elevated stock valuations, there's just not much room for error, any negative impact to top-line growth spills over into lower earnings, which almost always means reduced hiring, reduced expansion and reduced corporate spending. Hence the reason I'm wanting to stay conservative and selective in nature nearby. Not wanting to get in any hurry...

**Stocks Record Second Best Day of the Year:** *Stocks surged yesterday as The Dow Jones Industrial Average climbed 512.40 points or +2.1% to 25,332.18, the S&P 500 jumped +2.1% to 2,803.27, and the Nasdaq Composite climbed higher by +2.7% to 7,527.12. Keep in mind, every major index had their second-best day of 2019. Both the Nasdaq and the S&P recorded their best days since January 4th. Still, the S&P 500 is down more than -5%, the Dow has lost -4.6%, and the Nasdaq is down more than -8% in the past month. These extremes swings in the market are not really a good sign. As in life, moderation is most often the key to long-term success. Larger traders get nervous when they see extreme swings!*

**How Mexico Tariffs Could Hit U.S.** *The U.S. and Mexico are scheduled to start official talks in Washington this afternoon after President Trump threatened to impose punitive tariffs on Mexican products on June 10. Where would the levies hit hardest? Mexico is the world's biggest exporter of beer (BUD, STZ), selling \$3.6B worth to the U.S. last year, along with \$2B in avocados (CVGW, FDP) and \$2B in tomatoes. Corporations are also speaking out. Chipotle (NYSE:CMG) estimated a \$15M hit, but said it could cover that*

by raising burrito prices by around 5 cents, while auto parts maker Aptiv (NYSE:APTIV) said a 5% tariff would cost the company \$17M per month. (Source: SeekingAlpha)

**What Countries Benefit When the U.S. and China Fight?:** WTO Director General, Roberto Azevêdo, says there has been a seven-fold rise in tariffs imposed across the globe in just one year, and growth in world trade has almost halved since 2016. Looking at the chart below, you'll see how much some countries are benefiting from the US-China spat, as trade is being diverted to nations unaffected by the new barriers. I'm told the United Nations Conference on Trade and Development estimates more than 80% of the trade hit by US and Chinese tariffs will be picked up by other countries – with the EU set to make the biggest gains. US president Donald Trump argues the tariffs will bring in \$325 billion to the US Treasury while protecting US firms from unfair competition. But UNCTAD warns that tariffs are ineffective at protecting domestic firms. And in the long run US-China bilateral trade will decline and be replaced by trade originating in other countries.

**Change in exports after imposition of tariffs [+ or - \$ billions]\***




\*Assumes 25% US tariffs on \$200 billion of Chinese goods

Image: Gzeromedia via UNCTAD

# FARM TANK

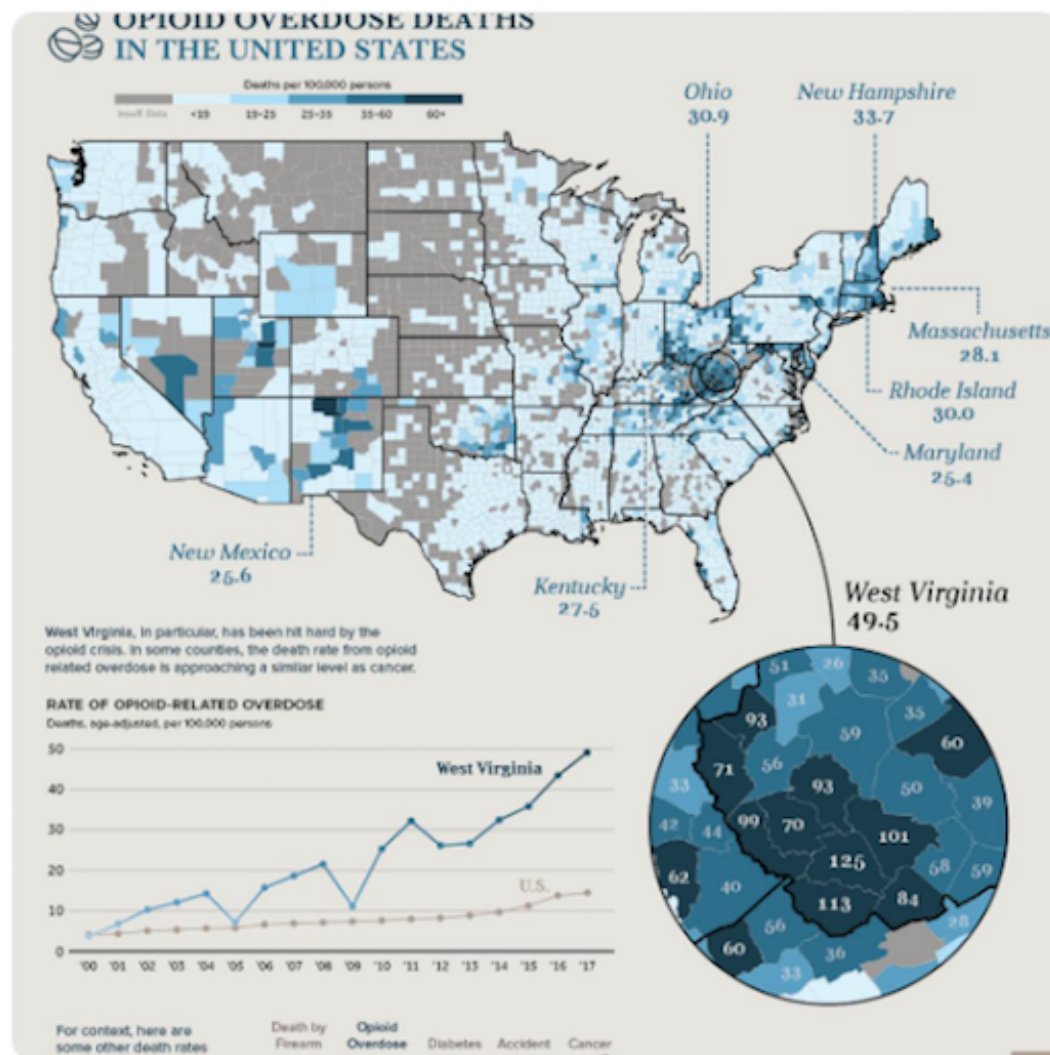
## Tweets of the Day



World Economic Forum   
@wef

Following

Opioids are not much better at treating pain than a placebo [wef.ch/2QvYVhP](https://wef.ch/2QvYVhP) #health #addiction







**Steve Burns**

@SJosephBurns

Following



2018-19 IPOs vs. offering price...

Beyond Meat **\$BYND**: +303%

PagerDuty **\$PD**: +120%

Zoom Video **\$ZM**: +119%

Docusign **\$DOCU**: +90%

Tradeweb **\$TW**: +60%

BJ's **\$BJ**: +51%

Pinterest **\$PINS**: +35%

Dropbox **\$DBX**: +9%

Spotify **\$SPOT**: -4%

Uber **\$UBER**: -11%

Lyft **\$LYFT**: -22%

- @charliebilello



**Mikaela Whiting**

@mlwhiting

Following



would love to say I snapped a pretty “cool” picture last night, but there’s nothing cool about all this rain. #plant19 in a picture... 🌩️





**Q Connealy**

@Qconnealy19

Following



Always remember one of my favorite Jason Aldean lyrics...

"Lord, I never complain, I never ask why, please don't let my dreams run dry." But in this case it's the opposite.... Planted 4/24/19  
[#MuddyMo](#) [#plant19](#)





**Brent Kagy**  
@dynagro

Following



Nobody can say that Ohio isn't trying.  
[#plant19](#)







Rock History In Pics

@RockHistoryPix

Following



## The Eagles, 1975







Facts & Funny

@factsfunnyweb

Following



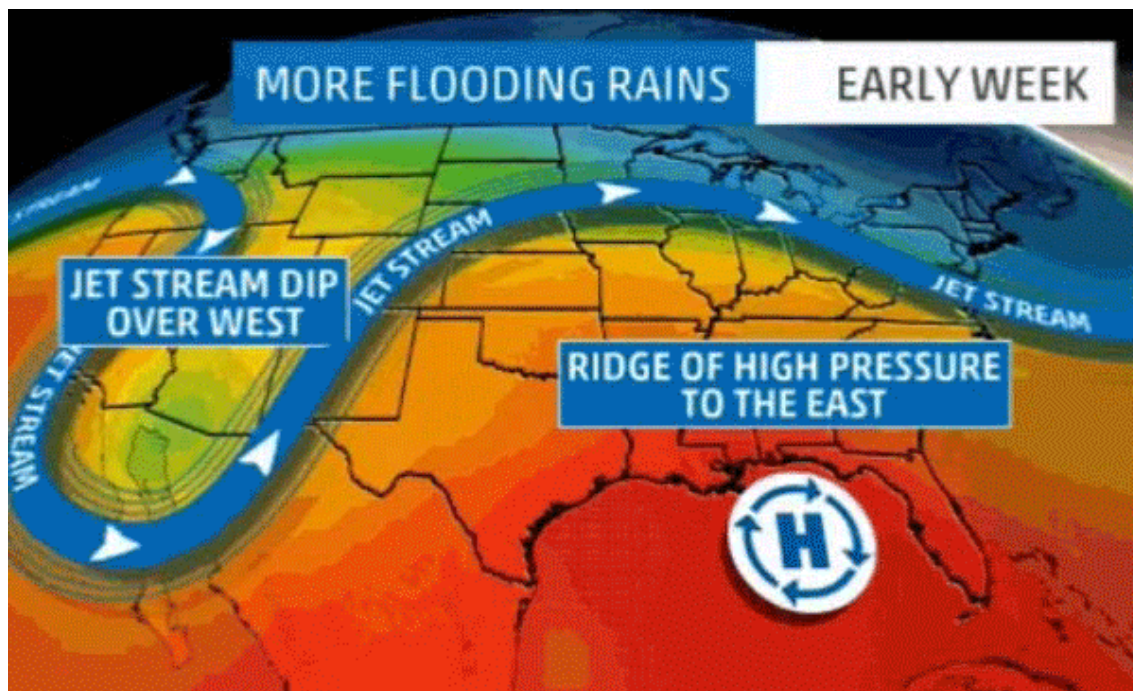
People will forget what you said, people will forget what you did, but people will never forget how you made them feel. - Maya Angelou #feelings #angelou #memory #motivation

PEOPLE WILL FORGET WHAT YOU  
SAID, PEOPLE WILL FORGET WHAT  
YOU DID, BUT PEOPLE WILL NEVER  
FORGET HOW YOU MADE THEM FEEL.

- MAYA ANGELOU

FACTS and  
Funny.com

**Weather Worries Continue!!!**



Source: Alex Wallace (@TWCAlexWallace)

\*Keep in mind, the continental United States recently finished its wettest 12-months in 124 years of modern record-keeping. (Source: NOAA)

**Corn** bulls have struggled to break prices out above the recent highs. Bears are pointing to the more likely possibility of tariffs going into effect against Mexico, associated complications with ASF, windows of opportunity for continued U.S. corn planting, and continued fears of demand destruction associated with higher prices. I should also note, there's continued rumors of South American corn being imported into the U.S. as logistics and higher prices complicate U.S. corn movement. Technical guru's point to the fact open interest has fallen and trading volume is somewhat light for what many professional traders would have suspected to see in this environment. I'm personally not all that surprised. I've been saying I'm wildly bullish, but I've also said, I suspect we could see some sizable setbacks along our journey. Let me reiterate, we currently have +80 million corn and or soybean acres "unplanted". This is +26 million more acres than we've ever seen unplanted in modern history, the last time being 1995 when about 54 million combined corn and soybean acres were unplanted at this late stage. Let's also talk a little bit more about history. I remember when I first got into the trading business. I was working with a group of grain traders that were talking about 8-year cycles in the corn market i.e. they had hit the rally in 1980, then again in 1988, and at the time were projecting rallies in 1996, 2004, 2012 and 2020, with each new 8-year cycle rally being higher than the last. Interestingly, the cycle forecasts have been fairly close. One big exception being the massive rally not forecast in 2008. You could also argue there are some other intermittent rallies in the mix, but overall a very interesting cycle forecast. I don't want to sound like a broken record, but I see an almost perfect storm brewing in

the corn market. Let's put it this way, I haven't seen a setup this good in a very long time. I've also traded long enough to know there's no guarantees or ways of knowing if the setup actually turns into a massive bull run? It's like forecasting a major storm event. The setup looks like it will produce a massive event, but sometimes things just don't play out as anticipated. Personally, I'm staying bullish and adding to my bullish positions on the breaks. I've waited patiently for several years for this setup. I like it a lot! As a producer, I'm holding steady, not wanting to price any more than 50% of my estimated new-crop production. I also like the thought of re-owning to some degree with calls on the breaks. I certainly understand demand destruction and the funds not being onboard because of risk associated with a slowing global economy. But I also recognize that can all change in the blink of an eye, especially as we head into a 2020 presidential election year. You do the math... Keeping the bullish faith!





# TOP 10 U.S. CORN EXPORT MARKETS



Comparing 2018 to 2019 U.S. exports. (in million metric tons)

■ Oct-Mar 2018 ■ Oct-Mar 2019



## World Total

2018

22,942,031.00

2019

28,197,559.00

**+22.9% change**

## % CHANGE



Source: USDA, ERS summary of data released by U.S. Department of Commerce, Census Bureau

**Soybean** bulls could be a bit ahead of themselves fundamentally, but I'm personally starting to get more on the bandwagon. I still think the big bull run won't happen until further out on the horizon, but absolutely see no reason in trying and get cute with timing the short side of the trade. Hence I'm still on the sideline, but thinking very hard about dipping a bullish toe in the water. Fundamentally, it makes very little sense to be bullish, but I'm starting to believe more and more of the what if's! Will the U.S. produce +3.5 billion bushels? I'm not so sure... for references, the USDA is currently forecasting 4.15 billion bushels. Last year we produced +4.5 billion bushels, the year before that +4.4 billion bushels. In other words, could U.S. production fall by more than -1.0 billion bushels? My argument is the market takes a much different approach once South American supplies are more depleted and some positive talk starts to circulate around Chinese trade negotiations. We also have the potential for a U.S. weather story later in the growing cycle. I'm going to be extremely conservative and cautious in nature, but I'm definitely starting to like the bullish bets more than the bearish bets. As a spec, I'm looking to be a buyer on the break! As a producer, I'm pausing a moment. I like the thought of having between 30% to 50% of our estimated cash price removed, but I don't like getting any more aggressive than that. I still believe this is a second-half of 2019 or perhaps early-2020 story, and our journey during the next several months could be extremely wild. Meaning I do not want to get over-leveraged in any capacity. You just don't want to get knocked out of the box early with this type of setup possibly in the mix. I'm also not a fan of getting overly complicated or tricky with positioning. There have been several of my trader friends talking about some more complicated option strategies and or spreads like "long corn vs. short soybeans", etc... I've just always hated the thought of being right the market and wrong the trade. It's happened to me several times throughout the years. I thought I was going to outsmart the market, only to outsmart myself. Just like my coaches would tell me when I was younger. The more chaotic you believe the environment will be, the more you need to simplify and Keep it Simple!



# TOP 10 U.S. SOYBEAN EXPORT MARKETS

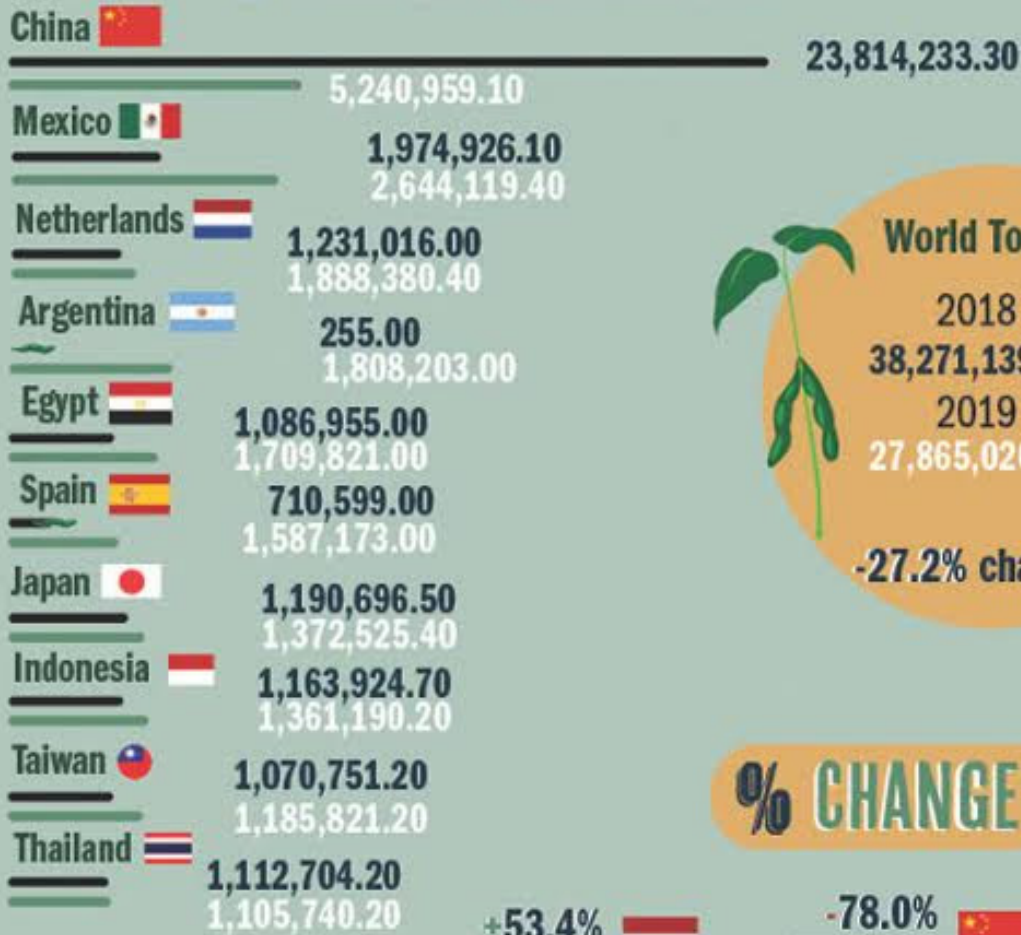


VAN TRUMP  
Prime



Comparing 2018 to 2019 U.S. exports. (in million metric tons)

■ Oct-Mar 2018 ■ Oct-Mar 2019

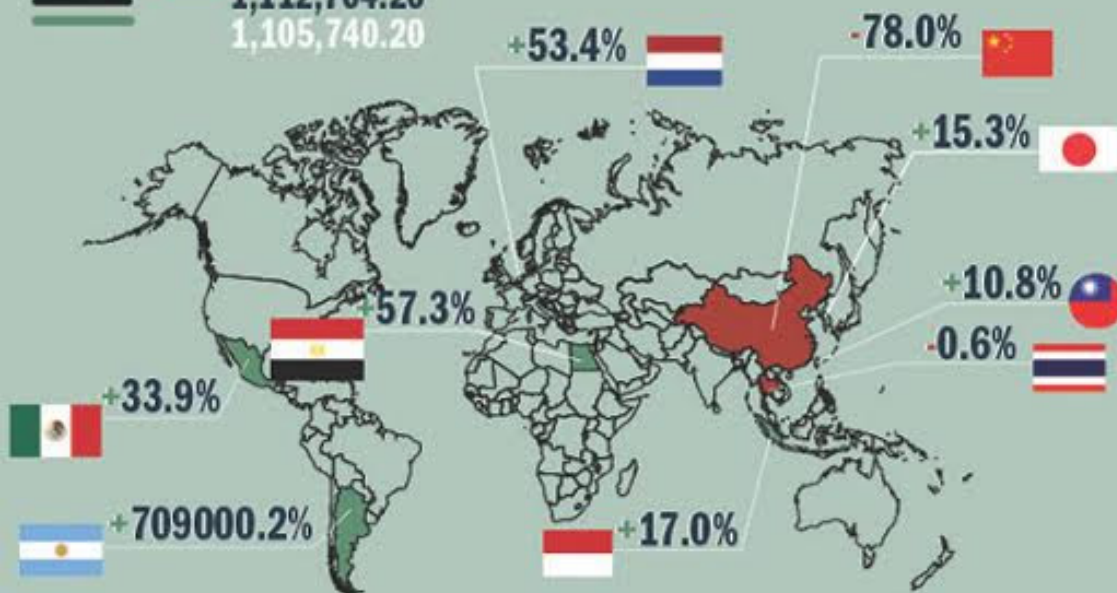


## World Total

2018  
38,271,139.80  
2019  
27,865,020.90

-27.2% change

## % CHANGE



Source: USDA, ERS summary of data released by  
U.S. Department of Commerce, Census Bureau

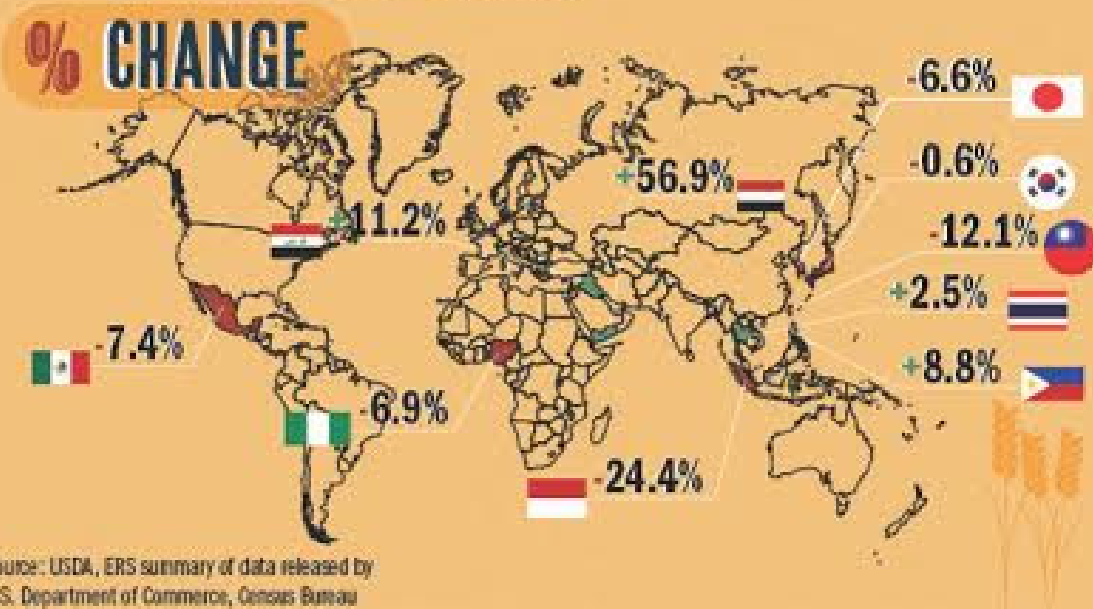
**Wheat** remains a wild market with recent extreme swings in price. Bulls are pointing to weather concerns across parts of the U.S., Russia, Ukraine, Canada and Australia. Bears point to a continued burdensome supply-side balance sheet, and lack of overall demand for U.S. exports. The macro landscape has also created some headwinds as traders consider risk associated with a slowing global economy. One bright spot is the recent weakness in the U.S. dollar, as more traders talk about the Fed taking a more dovish stance towards rate cuts, especially if we see ongoing trade disputes and tariffs in circulation. I'm personally starting to become a bit more bullish the wheat market, perhaps for all the non-conventional reasons. If we can continue to build on the global weather stories and perhaps get the European Union pulled into the mix, then there's definitely room to the upside for additional risk-premium to be added. As a producer, I have 70% of my estimated new-crop winter wheat production priced, but want to remain patient in regards to pricing the remaining +30%. As a spec, I'm not wanting to buy into the teeth of a massive rally, so I will be considering a small bullish position on the next sizable setback. Bottom-line, not in any hurry to be a major bull, but see no compelling reason to be an aggressive bear with the current wild-cards in play.

# TOP 10 U.S. WHEAT AG EXPORT MARKETS



Comparing 2018 to 2019 U.S. exports. (in million metric tons)

■ Jun-Mar 2018 ■ Jun-Mar 2019



Source: USDA, ERS summary of data released by U.S. Department of Commerce, Census Bureau

**Rice** continues to hold its ground. Fears of an acreage set back pushed rice to new yearly highs last week before it settled out a bit after some profit-taking. The acreage debate is still the underlying story for rice. There has been some better demand, but the debate over acreage continues to drive the price. Recent dry weather in the Delta has allowed for some post-insurance date rice to be seeded but a good amount of rain forecast for the rest of the week would more or less put a fork in the planting efforts for the year. This week's crop progress report showed rice at 91% planted nationwide vs 98% on average. Arkansas was still 12% behind average at 87%. Flooding in parts of the Arkansas River basin have claimed some planted acres but the overall impact seems to be minimal. Crop quality will start to be debated more in the coming weeks given the weather extremes and late planting. This will likely be the next market driver for rice. Right now, the bulls will continue to argue reduced acres and poor conditions during seeding and early emergence. I see bears coming in and pointing to global demand being a headwind. Given the momentum recently and uncertainty over the crop in the ground, I would expect rice to trade sideways near its recent highs until we get a better idea of where the crop stands closer to the end of June. Trey Morris - [Husk Trading](#)



> **China to Stand by its Bean Purchases:** *Earlier this year during a truce in the trade war with the U.S., China purchased 14 MMT of soybeans. At the moment, there are still 7 MMT that need to be shipped, and though that has challenges of its own, many are surprised China is holding to their commitment. From what I understand, once the logistics are overcome, they plan to stockpile the beans, which experts take to mean they are planning for a potential long-term battle.*



**> U.S. Grain Traders Importing South American Corn:** *With U.S. corn planting well behind schedule, ADM and other grain traders have turned to SA for those who are planning on shortages this fall, as well as lower prices compared to the U.S. From what I understand, Smithfield Foods likely ordered between five and 10 corn shipments from Brazil, which are expected to be loaded between September and January. I'm told a Reuters source said that Paraguay and Argentina are also shipping corn to the U.S. It was nearly seven years ago that the U.S. last imported a significant amount of Brazilian corn.*

**> Fed May Cut Rate Sooner Than Many Think:** *Billionaire Stan Druckenmiller said he could see the Fed funds rate going to zero in the next 18 months if the economy softens. In addition, Market bull Tony Dwyer sees an interest-rate cut coming sooner than much of Wall Street anticipates, saying the move could happen as soon as the next Fed meeting set for June 18-19. Read more why he believes they have to fix the policy error [HERE](#)!*

**> If You Want to Know How... Ask Someone Who's Been There:** *One of the most basic premises of learning anything is that, when you want to know something, you should try to go directly to the source. So, when author Dr. Greg Reid got curious about what it really takes to get rich and prosper, he didn't mess around and took a full three years to travel the world and talk to more than 100 of the world's wealthiest people. Reid's interview pool includes well-known names like Richard Branson and John Paul DeJoria. But he says that the best insights came from the individuals who aren't constantly in the spotlight, and that the most successful people are actually wildly accessible. Click [HERE](#) for a few more insights how the highly succesful get things done!*

**> How to Activate Your Brain's Ability to Learn:** *Brains are flexible, they are adept at learning new tasks. Takeo Watanabe's research suggests that if you stop training a skill right after you've acquired it the brain stays in its ready-to-learn state. If you then train on a second similar task while your brain is still in a plastic state, it overwrites the first skill. It becomes as though you haven't studied the first skill at all. Click [HERE](#) to gain more knowledge about how to activate your brain's ability to learn!*

**> 25% of Working Americans Don't Have a Retirement Savings:** *Despite a booming job market, many Americans simply have no money in a retirement account, which leads to uncertainties as they look out on the horizon. I'm told one-quarter of working individuals say they have no retirement savings at all, according to a recent Fed survey, and 44% worry that their saving isn't on track. Among younger workers, aged 18 to 29, 42% have nothing set aside, and only*



26% believe they are adequately prepared for retirement. As households struggle to meet monthly obligations, it leaves workers having to make difficult choices, meaning who's not getting paid. From what I understand, 17% say they wouldn't be able to pay all their bills during the month of the survey. In most cases, that means they expect to forgo making part of their rent, mortgage, credit card or utility payments, and sadly, nearly a quarter of adults skipped medical care in 2018 because they were unable to pay, not to mention there are about 40% that have unpaid debt from unexpected medical bills incurred last year. Read more [HERE](#).

**> Tesla Closed its Best Day of the Year:** Tesla had its best performance of the year yesterday, closing up more than +8%. This bounce added more than \$2 billion to its market cap, which now brings it up to \$34.2 billion. Keep in mind, the stock is still the worst performer of 2019 on the Nasdaq 100 Index, down -42% for the year.

**> Uber is Attractive Now?:** There are now 25 analysts rating Uber and none say to sell the stock, according to Tipranks.com. Twenty say "buy" and five say "hold." Analysts with a buy rating include Deutsche Bank, Mizuho, Bank of America, Goldman Sachs, SunTrust, and BTIG. Click [HERE](#) to read some of the reasons why they are suddenly bullish!

**> CVS Health Promises Double-Digit Earnings Growth by 2022:** CVS is sticking to its 2019 forecast of earnings between \$6.75 and \$6.90 per share, compared with the \$6.85 analysts polled by Refinitiv are expecting. For 2020, CVS told investors at its annual investors day they expect adjusted earnings of at least \$7. For 2021, CVS "mid-single digit percent" adjusted earnings. In 2022 and the following years, CVS expects "low-double-digit percent" growth. I should also note, CVS said they would be closing 46 underperforming stores to expand new HealthHUBs. (Source: CNBC)

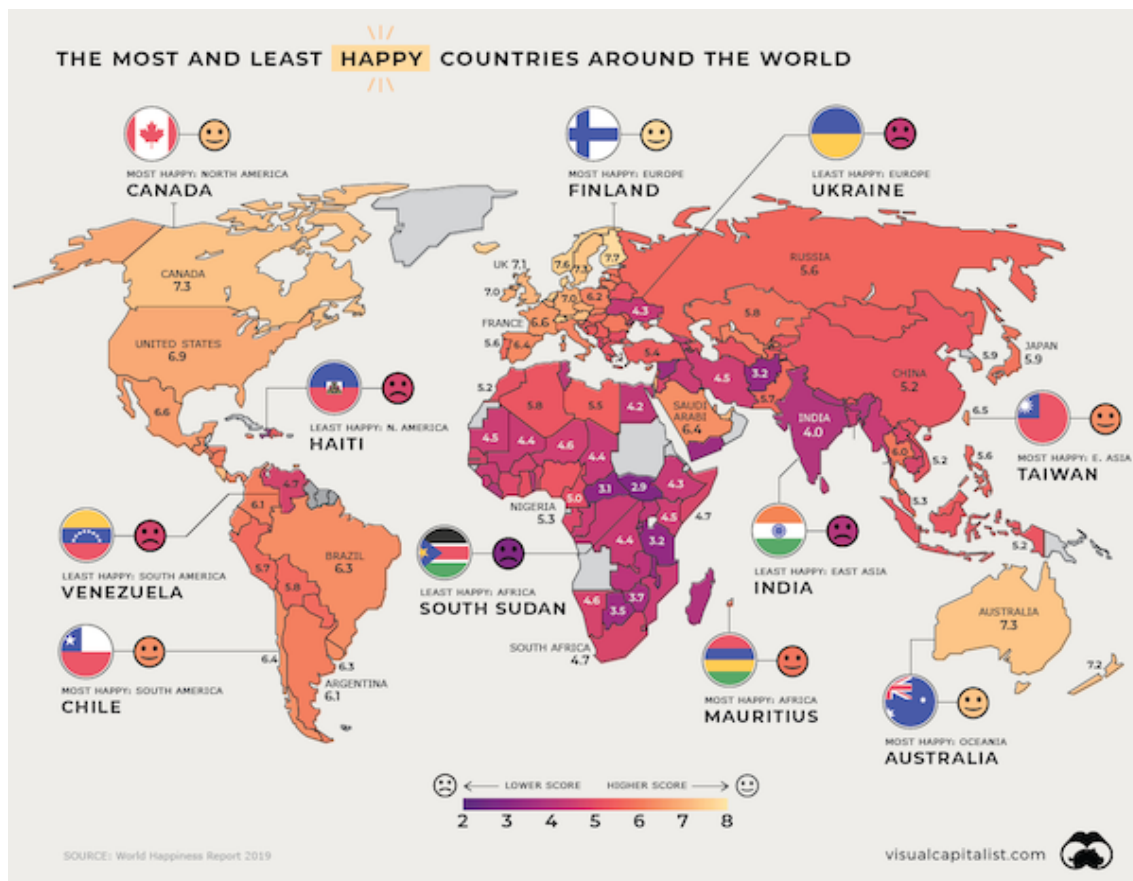
**> Bird's Newest Family Member:** Bird won't stop trying to take over the transportation industry as they have just unveiled the Bird Cruiser, which is an electric vehicle that is essentially a blend between a bicycle and a moped. I'm told the Bird Cruiser can seat up to two people and, depending on the market, will either be pedal-assist or just have a peg. Keep in mind, this marks Bird's first move outside of the scooter space and is designed to be part of their fleet that enables entrepreneurs to run their own businesses using Bird's assets. Click [HERE](#) to get more details and learn how to make a little side cash using Bird's!

**> Cool Things You Can Expect From Siri This Fall:** Apple didn't talk a whole lot about Siri at WWDC 2019, but word is it is being significantly improved. I'm

told Siri has a new voice and will soon be able to control more music services, navigation services and more. Also, Siri Shortcuts will soon be easier to configure and set up, too. See all the newest improvements to Siri [HERE!](#)

**> 21-Year old American Girl Becomes Youngest to Visit Every Country:** A 21-year-old American woman named Lexie Alford stepped foot in North Korea and broke a record, becoming the youngest person in history to travel to every country on earth. In doing so, she beat out the 24-year-old current Guinness World Record holder. Traveling to each one of the world's 196 sovereign nations is an achievement that Alford has been working on since she was a child — though she didn't know it at the time. Alford grew up in a family that owns a travel agency in California. Alford originally wasn't trying to break a record; she was just an intrepid traveler. "Honestly, in the beginning, I simply wanted to push the limits of what I thought I could do with my life and see as much of the world as possible in the process," she says. "It wasn't until things started getting really challenging that I realized I was inspiring people around me, especially young women. Feeling that support meant that I couldn't give up when things got tough. I was determined to show everyone that the world isn't as scary as the media portrays it to be and that there's kindness everywhere." You can read a great article about the details [HERE](#)

**> The Most Happy and Least Happy Countries Around the World:** The image below helps us visualize the happiest country on every continent as well as the world as it ranks 156 countries by their happiness levels. Keep in mind, unhappy Americans have caused the country to tumble in rankings for a third straight year and puts us at 19th overall. I should also note, the report attributes much of this erosion to a variety of addictions such as opioids, workaholism, gambling, internet, exercise, and even shopping are among them. Finland comes out on top of the world for a second consecutive year because the country boasts a stable work-life balance. In addition, South Sudan is the least happy in the world with a score of 2.9. ( Source: Visual Capitalist)




**Northcentral Kansas** – We closed out the month of May strong and the last week we had roughly 4 inches of rain. It didn't look like we were going to ever dry out, but we are already in the field today. We had a warm dry weekend and after a few days of sunshine the ground is solid again. Right now, it feels like we won't be cutting wheat until July, but if this warmer weather sticks around the wheat will turn quickly and we could be full swing harvest by the last week in June. It feels like this year has flown by quickly, but I'm sure that has something to do with how quickly we had to try and get everything in the ground. The corn has looked better than it looks right now but we are still very early in the year and I've seen corn go from looking a lot worse than this to a record yield. The early corn sat in the ground for too long and I think that's part of the problem. The later planted stuff looks better starting off.

**Eastcentral Missouri** – We haven't gotten much corn planted, but what we have planted actually looks pretty good. It has a few drown out spots, but

*outside of those spots the stand is consistent. We're starting to work fields over the weekend, but as quickly as it started, we got rained out and now we are back to waiting. The only difference between rains at the beginning of May and now is they dry out a little quicker. We are still getting rain about every 4-5 days at the longest. It takes about 3 days to dry and we are out there for a day or two at the longest. It's been a slow year. We are going to try and plant corn until the weekend and then we will take prevent plant.*

**Southcentral Illinois** – *We are going to attempt to mud in a little corn over the next 18 hours and call it good for planting. We have a real good chance of rain Wednesday and the rest of the week, so if we get any of them we are pretty much guaranteed to prevent plant. It will push us to far past our planting date. If corn is planted this late we run to many risks with pollination. The heat of the summer has a much greater chance of hitting us and causing pollination problems. We do have a pretty nice-looking wheat crop right now that we should be harvesting within a few weeks. I'm betting we could push that 100 bushel mark in a lot of entire fields.*



neuro mining

As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

**TODAY'S RIDDLE:**

What is thing that you must give before you keep?



### **Today in History 1933... FDR's Bold Move With Gold**

Except for an embargo on gold exports during WWI, the U.S. along with most of the world had been using a gold standard since 1879. On this day in 1933, President Franklin D. Roosevelt took the the U.S. off the gold backed monetary system. To set the scene, you must remember the "Roaring" twenties and keep in mind all the moving parts that led to FDR's decision. In my opinion, it's not only a great history lesson, but could very well serve those in policy making positions today. Remember, the economy was booming during the first part of the 1920's thanks to the construction and automobile industries driving post-war recovery. As the economy flourished, inflation poked its head onto the landscape, prompting the Fed to raise interest rates. There was one problem, European countries who had borrowed money from the U.S. during the war years were struggling to pay their ever-increasing debt load. To combat the concerns, European nations chose to slow down their imports from the U.S. Adding that along with the stock market crash of 1929 and the subsequent wave of bank failures in 1930-31, the U.S. would begin to suffer debilitating levels of deflation, not inflation. Working under the guidelines and restraints of the "gold standard", countries couldn't simply increase the amount of paper money in circulation without also increasing their reserves of gold. This obviously limited the amount of tools the Fed had at their disposal and limited their ability to fight off deflation. So, as consumers began loosing confidence in the economy, they did what they believed was in their best interest and understandably began cashing in money in order to hold their gold at home. Keep in mind, at the time, laws required the Federal Reserve to hold an amount of gold equal to 40% of the value of the currency it issued. As economic pressure mounted, the Fed could no longer honor its commitments to domestic and foreigners alike to convert currency to gold, leading to drastic measures by FDR and his administration. One of FDR's first moves as President was to declare a four-day bank holiday and suspend all gold exports. Using the banking holiday, the U.S. would enact the "Emergency Banking Act," which prohibited banks to pay out any gold whatsoever without a government-issued license. It may be hard to believe today, but following the enactment, the President ordered all gold coins, certificates and bullion in denomination of \$100 or more to be turned in for other types of currency... and if you chose not to, you faced \$10,000 fine and 10 years in prison. Subsequently, in the weeks and months following, there would be other actions taken to detach the dollar from gold and offer the government some room to operate as they sought solutions to the fallout from the Great Depression. It's worth mentioning that most economists now agree 90% of the reason the U.S. was able to get out of the wake from the Great Depression was removing the link to gold. Interestingly, a gold backed monetary system is still heavily debated, I personally see the pro's and con's of both argument for and against. It's a very interesting debate! Realistically though, the sheer size and complexity of the U.S. economy would make the conversion extremely difficult, as just to back the dollars now in circulation and on deposit would require about \$2.7 trillion—with the

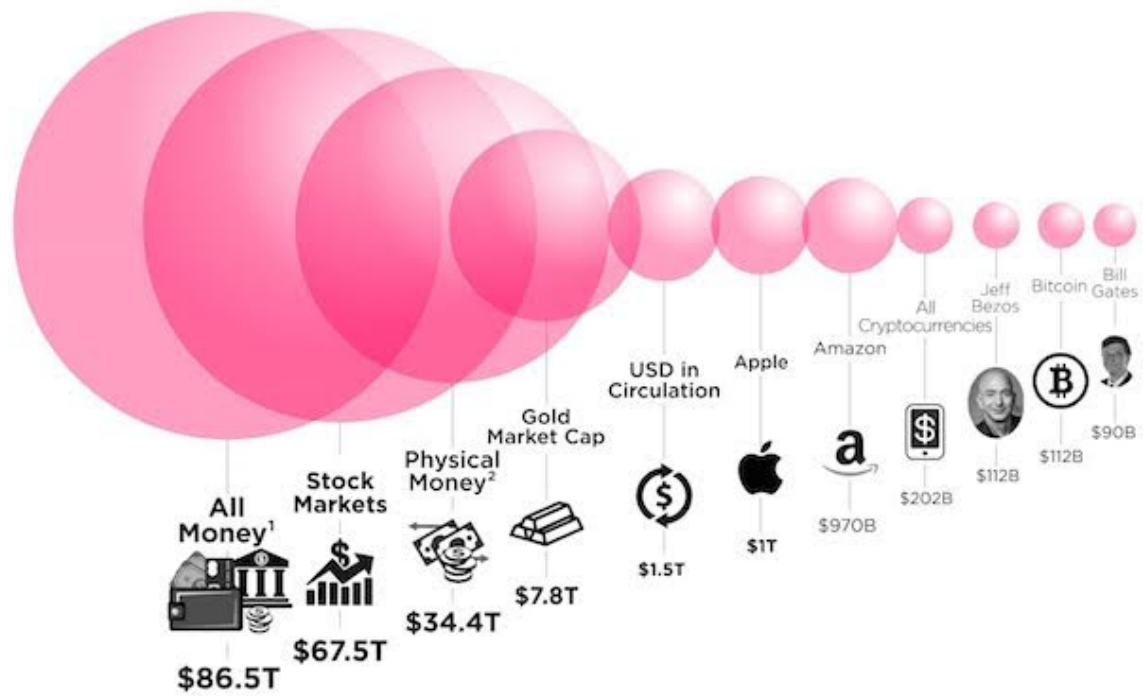


approximately 261 million ounces of gold held by the U.S. government, meaning gold prices would have to rise beyond \$10,000 an ounce vs. the current \$1,300 per ounce, which more than likely would trigger massive hyper-inflation. Not to get too deep in the woods, I just thought it was interesting to look at all of the similar moving parts and pieces and how they compare to our current environment, i.e. a post stock market crash, a Fed worried about inflation, a Fed now worried about deflation, and nations being forced to shift their import and export demands. Very interesting...



*President Franklin D. Roosevelt as he signs the Gold Bill on his 52nd birthday, surrounded by members of the Treasury Department and the Federal Reserve Board. (Credit: Bettmann Archive/Getty Images)*

# Putting the World's Money into Perspective



\* All figures are shown as of latest available data on September 17th, 2018

#### Article & Sources:

<https://howmuch.net/articles/worlds-money-in-perspective-2018>  
<https://coinmarketcap.com>  
<https://www.forbes.com>  
<https://www.federalreserve.gov>  
<https://www.cia.gov>

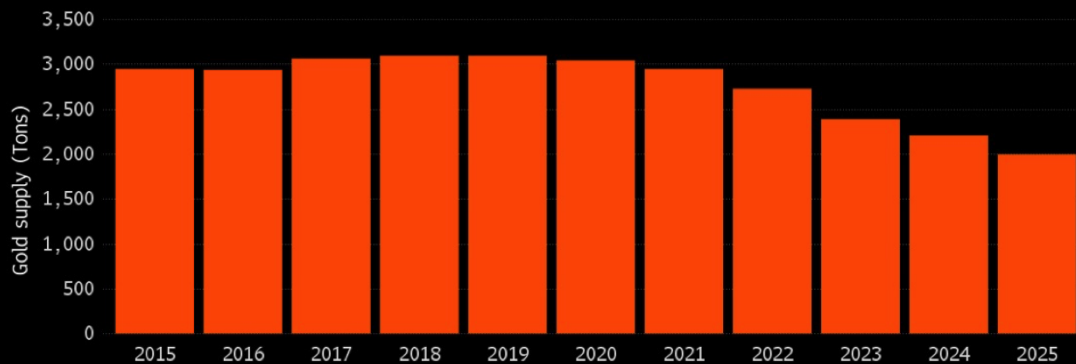
<sup>1</sup> All Money = money in any form including bank or other deposits as well as notes and coins.

<sup>2</sup> Physical Money = money in forms that can be used as a medium of exchange, generally notes, coins, and certain balances held by banks.

howmuch.net

## Peak Gold

Output from the world's gold mines will top out in 2019 before declining



Source: BMO Capital Markets

Bloomberg



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During 2019, iSelect, The VanTrump Report and The Yield Lab Institute are sponsoring a series of weekly webinars featuring the best in agriculture innovation. Agrifood Conversations is all about driving innovation and each month will highlight a specific theme, from biologicals to vertical farms, featuring emerging topics such as soil health, biologics, plant genetics, vertical farming, precision agriculture, herd health and management, and aquaculture, to name a few. Once a quarter, we'll open up the conversation with a panel of experts on that month's topic. Learn about new trends in ag, connect with industry leaders and discover new solutions.

Join us each Thursday at 3pm CT for [Agrifood Conversations](#).

REGISTER NOW



## Learn More About "Holganix"

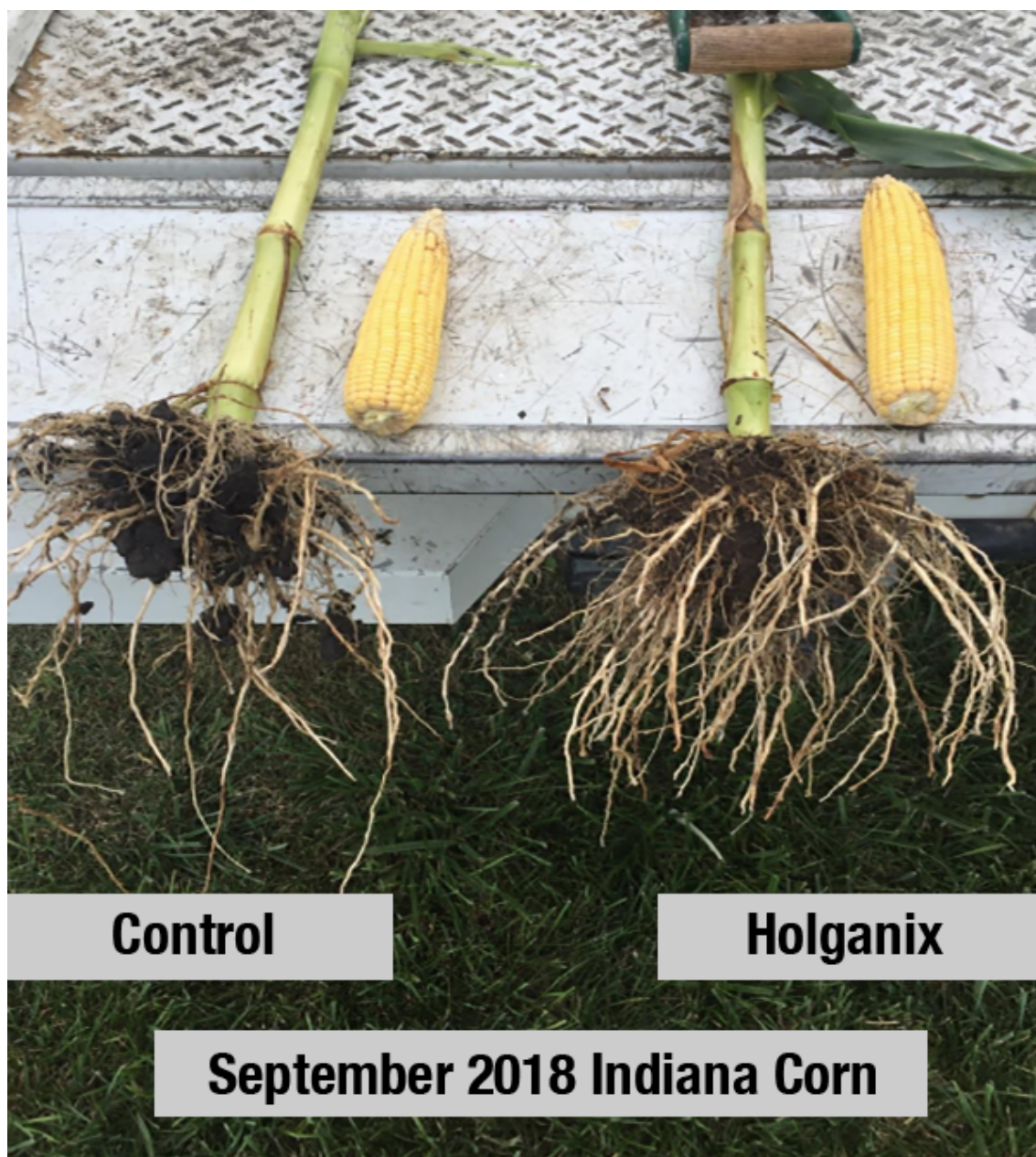
**Title: Plant Probiotics That Grow Strong Crops, from the Ground Up**

**Time: Thursday, June 06 @ 3:00 pm CT**

Food demand is on track to double by 2050, demand for organic food is growing significantly faster than the acreage to produce it, and yet the world has lost a third of all arable land in the last 40 years due to erosion and pollution damage. Farmers today are struggling to cost-effectively meet these increasing demands, in a world where water, fertilizer and other chemical usage is becoming increasingly expensive and regulated. Holganix's plant probiotics increase crop yields while simultaneously reducing the need for water, fertilizer and chemical inputs. With Holganix, farmers can effectively cut their costs while producing more plentiful, natural foods. Holganix is a 100% organic plant probiotic that provides over 800

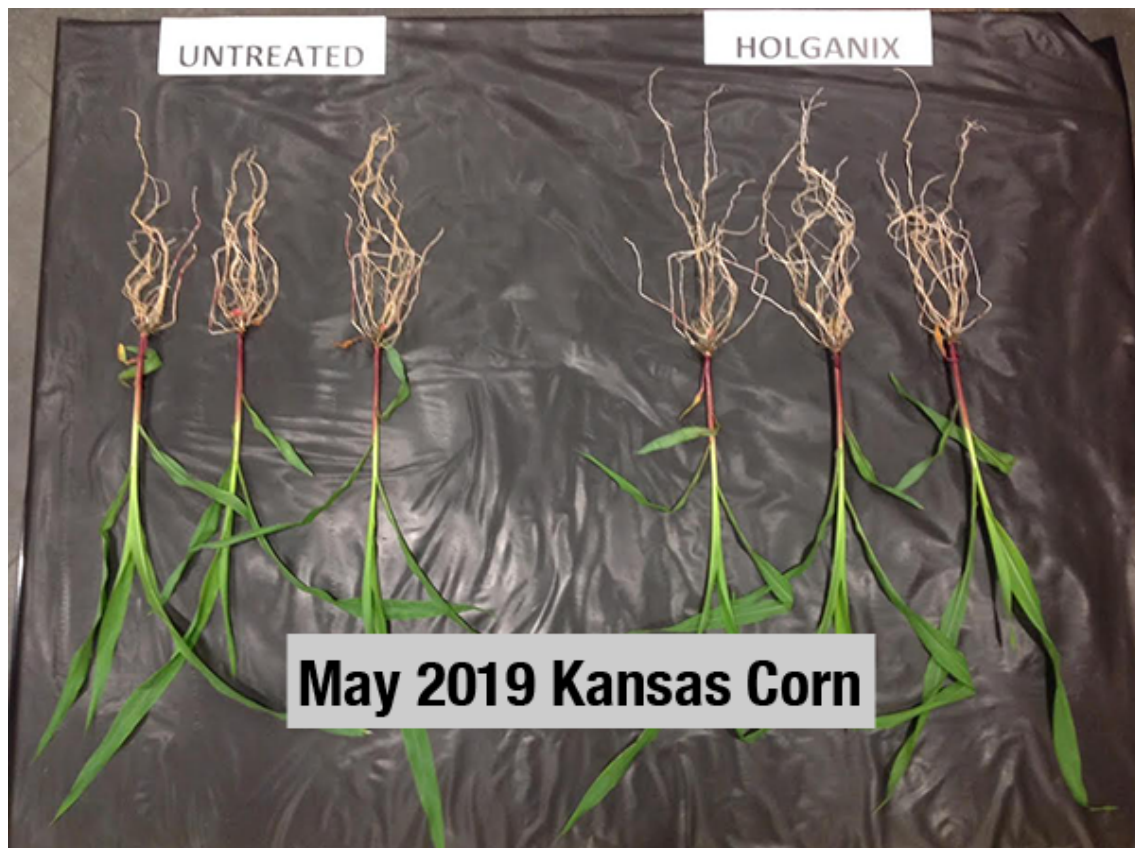
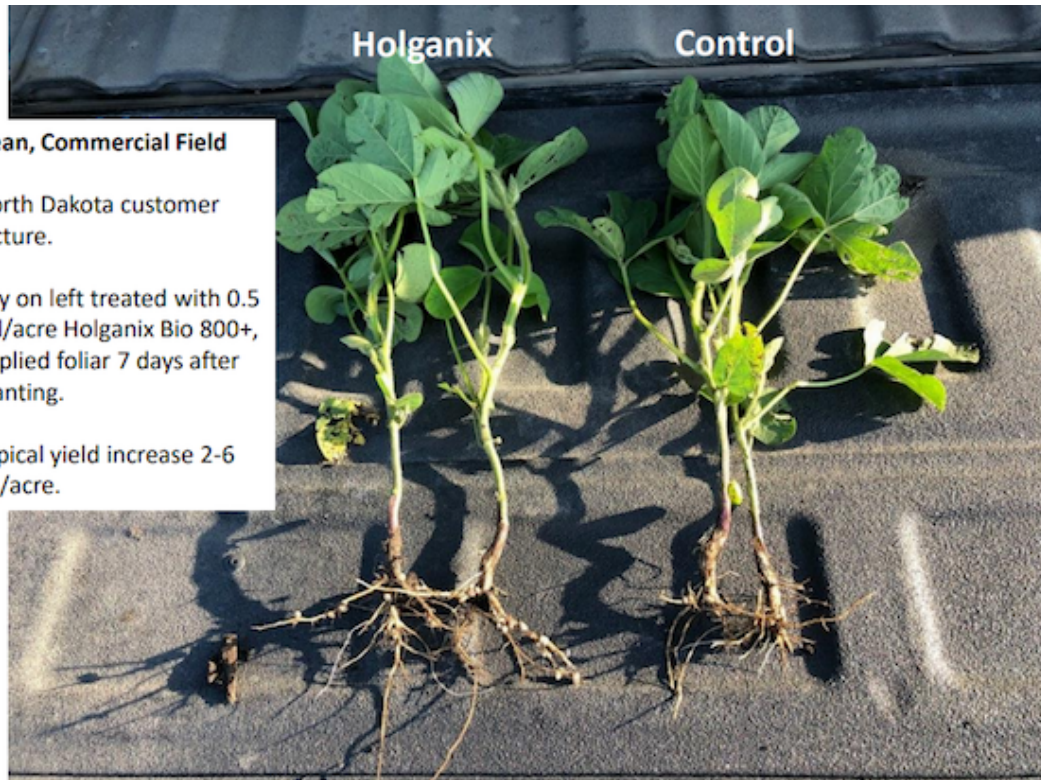
species of beneficial soil microbes, microbe food, and nutrient enhancers to grow healthy, resilient crops. In fact, Holganix Agriculture contains the most complete and diverse blend of beneficial microbes available on the market! I should also note, this is a company we are currently working with at The Van Trump Report and are looking for distributors for the next planting season! We currently have 13 distributors spread across North America in areas like Southeast Missouri, Northern Missouri, North Dakota, Northeast Colorado, Kansas, Western Nebraska, Eastern Nebraska, Northern Illinois, Central Illinois, and Central Indiana. Keep in mind, we are looking for southern U.S., Iowa, Ohio, and Pennsylvania distributors in 2020. Click [HERE](#) or call 816-322-5300 to learn more about The Van Trump Distribution Team! Keep in mind, below are some of the results our team has seen so far throughout 2018 and 2019. Learn how one company is working to help farmers meet this demand while saving money at "Plant Probiotics That Grow Strong Crops, from the Ground Up," a free webinar to be held June 6th at 3 PM CT with Dr. David Stark, President of Holganix.





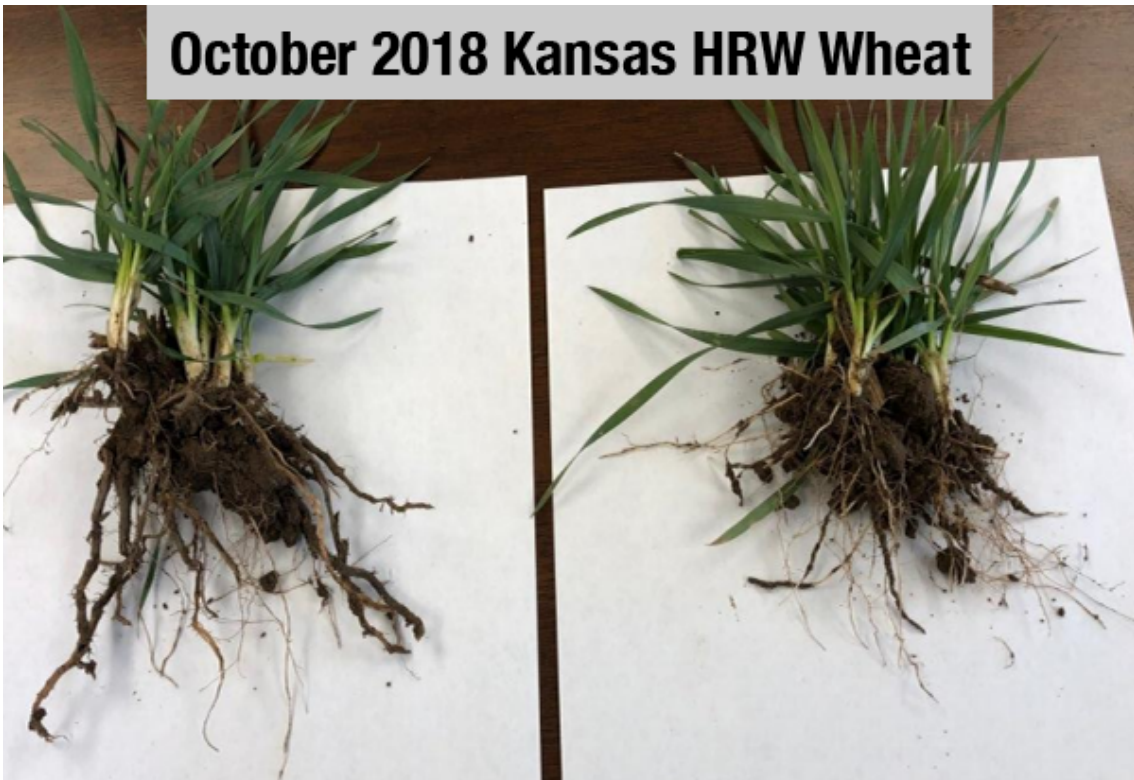
**Soybean, Commercial Field**

- North Dakota customer picture.
- Soy on left treated with 0.5 gal/acre Holganix Bio 800+, applied foliar 7 days after planting.
- Typical yield increase 2-6 bu/acre.





## October 2018 Kansas HRW Wheat



**Holganix**

**Control**



### **Taking a Second Look at Uber's Stock... Why I'm A Buyer!**

Uber recently released their IPO at \$45 per share and they've seen nothing but red since falling more than 10% in value. It may seem like Uber is a bad investment due to its unclear path to profitability as they lost \$1.8 billion last year and \$2.2 billion in 2017, but there are many who argue it could potentially be a great buying opportunity. Many bears are failing to remember Uber is more than just a ride-sharing service. I should note, ride-sharing did account for \$9.2 billion of Uber's

\$11.3 billion in 2018 revenue, but the company is still generating over two billion in other industries. One of the other industries bringing in revenue is Uber Eats, which is going to play a critical role in Uber's path to profitability, as \$1.5 billion was generated for the company last year. Remember, Uber Eats was launched in three cities in 2015 and it's seeing massive growth as it now serves food from more than 220,000 restaurants in more than 500 cities globally. I've even heard from many industry experts that Uber Eats is expected to be in 700 cities and will own 25% of the global food delivery industry in the next few years, which is estimated to be worth more than +\$190 billion by 2023. The dine-in restaurant industry is a +\$2 trillion market and consumers are just starting to adopt delivery more and more, so some deep-thinkers argue this is just the beginning for the food delivery business. For example, Uber Eats' sales grew +58% between March 2018 and March 2019 and DoorDash increased sales by +216% over the same timeframe, according to analytics firm Second Measure. As of right now, Uber believes they have penetrated just 1% of the meal-delivery market. Something else to pay attention to is a recent study on different delivery apps. What they found was a \$7.76 difference between the cheapest and most expensive options when it comes to food delivery and UberEats was the low-cost provider on this scale. I think this is important because it gives Uber Eats more of an advantage to scale. Generally, a high-cost provider in a space is going to find gaining marketshare much more difficult. Something else I find interesting, Uber Eats already has exclusive deals and is partners with some of the nation's largest food brands including McDonalds, Subway, and Starbucks. In addition, Uber is still trying to disrupt the trucking industry through Uber Freight, which has huge potential due to how fragmented the market is. Keep in mind, the U.S. trucking market generates \$260 billion in revenue per year on the global market. In addition, Uber recently partnered with SAP Logistics Business Network to help with gaining real-time quotes and guaranteeing freight capacity. Hala Zeine, president at SAP Digital Supply Chain, said, "Finding and booking freight can be the most expensive and often the most complex piece of the supply chain. This combined solution will remove roadblocks and offers a simpler, more automated approach that streamlines operations, delivers tangible cost savings and ultimately creates a better customer experience." I think there are huge plays to be made on this side of things for Uber. Keep in mind, there are also concerns with Uber entering these spaces like how fast truck drivers can adopt this technology and other competition. For example, Uber Eats is already seeing crazy competition in the food delivery business with rivals like DoorDash, GrubHub, and PostMates. In addition, both DoorDash and GrubHub are already raking in more sales than Uber Eats. At the end of the day, Uber might not be the best company right now when it comes to turning a profit, but I believe they are best-in-class and have plenty of potential to make a big impact in the transportation services space. For full disclosure, I



purchased neither Lyft or Uber stock on their initial IPO. I eventually purchased a small amount of Lyft stock on it's big break in price and banked a +10% profit. I no longer own the stock. I then purchased a small amount of Uber stock on its initial break in price and now have a small profit. I am hoping got be a longer-term player in the "delivery and transportation services space", but I remind myself it's early in the game and things could change or shakeout considerably so I am staying conservative in position size. (Sources: [fortune.com](https://fortune.com); [marketwatch.com](https://marketwatch.com))





### **An Extremely Powerful Message!**

The PROCESS is so much more important than the Product... This is an amazing and powerful message from former Tennessee Cornerback Inky Johnson. What would you do if everything you worked for your whole life was wiped away in one moment? His testimony shows us that the things that happen in life aren't designed to stop us, but to reposition us so we can come in contact for what God really has for us. Sometimes it's the things we think are the absolute worst that end up being our defining moments and redirecting us to our best... If you do one thing today make sure you watch this video and please pass along to the kids and grandkids! [WATCH HERE!](#)

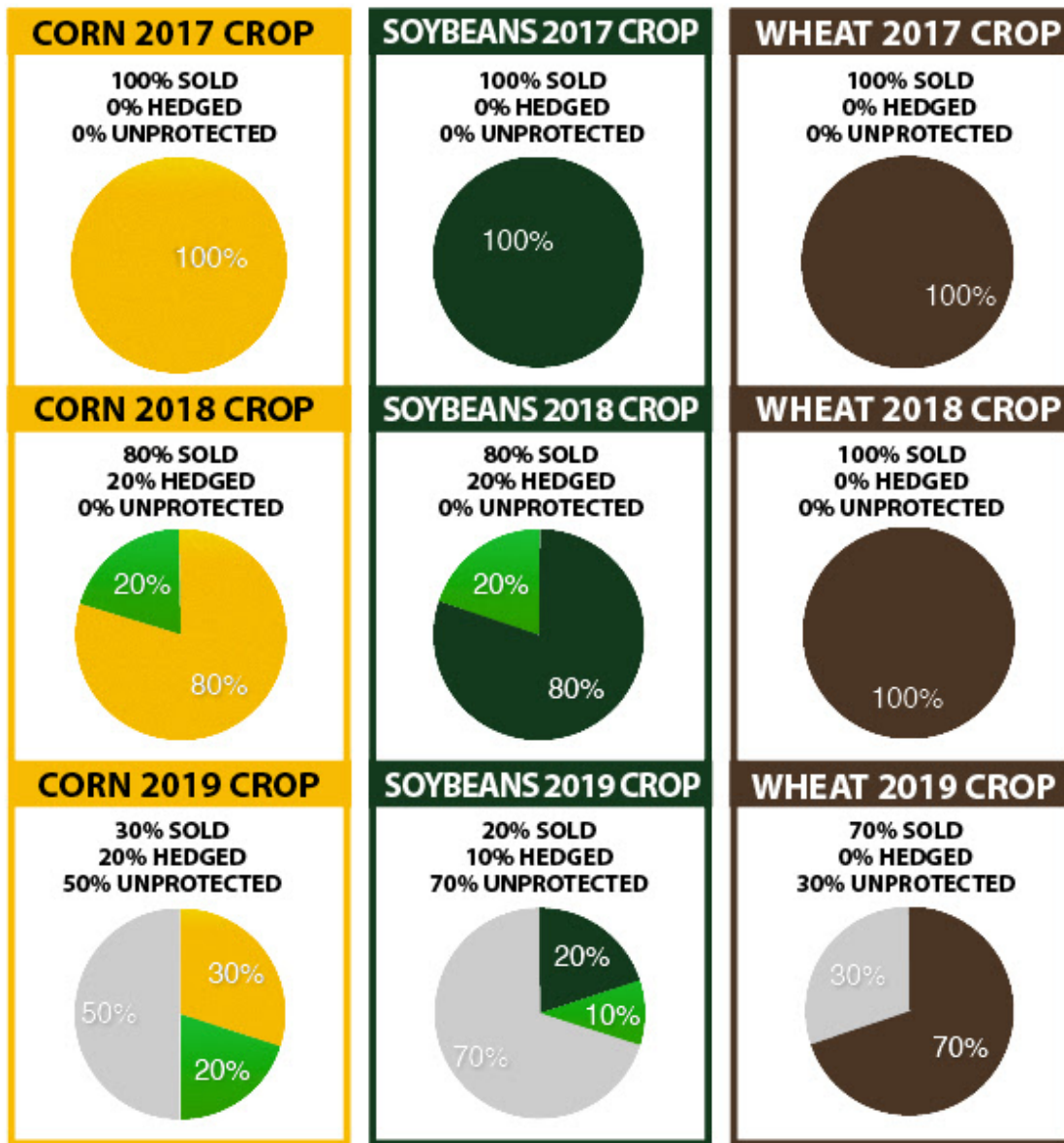


**ANSWER to riddle:** Your word

## CASH SALES & HEDGING TOTALS

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