



Josh Knight &lt;josh@farmdirection.com&gt;

**Fwd: GOOD MORNING: Van Trump Report 8-6-19**

1 message

**Mark Hendershott** <markhendershott@gmail.com>  
To: Trae Hodges <josh@farmdirection.com>

Tue, Aug 6, 2019 at 8:01 AM

----- Forwarded message -----

From: **The Van Trump Report** <reply@vantrumpreport-email.com>  
Date: Tue, Aug 6, 2019 at 5:31 AM  
Subject: GOOD MORNING: Van Trump Report 8-6-19  
To: <markhendershott@gmail.com>

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"We shall see but a little way if we require to understand what we see." - **Henry David Thoreau**

**Tuesday, August 06, 2019**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks bulls are trying to get their legs back underneath them following deeper trade uncertainties between the worlds two top economies. The

U.S. Treasury Department has now officially labeled China a currency manipulator. On the flip side, as a type of retaliation, Chinese companies have suspended purchasing U.S. agricultural products and allowed the yuan to aggressively depreciate. Traders are now debating who moves next and to what level. Bears want to remind the trade of the messy 2015 devaluation of the Chinese currency that sent a few sizable shockwaves through global financial markets. Remember, August of 2015 was also a period of time when U.S. corporate earnings had stagnated, very similar to what we are currently witnessing in the markets. It was also a period of time when oil prices were in somewhat of a free-fall dropping aggressively from +\$100 per barrel. Bulls however are quick to point out, yesterday's massive drop has happened on 30 different occasions since 2009 and the stock market has always recovered from the selloff. In fact, data circulating inside the trade shows the five days following the market sell-off has produced an average return of +2.3%. I should mention, one-month after this type of knee-jerk market sell-off and the average return has been +4%. The recent selloff has dramatically increased the odds of another Fed rate reduction. Market insiders are now pricing in a 100% chance of a rate-cut at the Fed's September meeting, with odds of a 50 basis point rate cut jumping to 30% vs. only 1.5% odds last Friday. Bears are now questioning if the Fed can actually offer the market any type of major safety net? Today's big corporate earnings announcement will come from Disney and Wynn Resorts. Economic data of interest will come from the JOLTS employment report. It looks like political headlines and tweets will drive volatility this week as more traditional economic headlines and data become less available. I was a small buyer on the break yesterday and remain very cautiously optimistic. I am only adding to my absolute favorite holdings and trimming some of the worst performing. From my perspective, this not the time or spot in the game when you want to be taking shots from beyond the three-point line! Remember, one of the worst place to be mentally as a professional investor is thinking it's too late to sell and too early to buy. I'm thinking many large investors could be hanging out and trapped in this space currently. If you find yourself in this type of mental quicksand make certain you have a plan for getting out.

**85% of All Bitcoins Have Been Mined!** *Sound the alarm, bang the gong, yodel down an Austrian valley; as of yesterday over 85% of the total Bitcoin*

*supply has been mined. But seriously, there's no need to worry. According to various Bitcoin blockchain explorers and market information websites, over 17,850,000 Bitcoin (17,850,600 according to CoinMarketCap) have been mined and are classed as being "in circulation." That's a hair over 85 percent of the cryptocurrency's supply limit of 21 million coins. As a result, there are just over 3,000,000 Bitcoin left to mine, until we inch closer to that fabled 21 millionth coin. At present, miners are rewarded with 12.5 Bitcoin for every block mined. At current hash rates the next reward halving is expected to happen in May next year. After which, miners will be rewarded with 6.25 Bitcoin per block. But with the coin's current production rate of 1,800 BTC per day until May 2020, and the projection this will halve every 210,000 blocks, it'll be the year 2140 by the time we get close to Bitcoin's 21 million coins limit. (Source: TNW:HardFork)*

**New Faster Payments System for U.S. Consumers:** *The Wall Street Journal reported that the Federal Reserve is planning to create a payments system for banks to exchange money almost instantaneously, modernizing the U.S. financial system and creating a rival to a private payment network that banks have created. The new government system would allow paychecks, bill payments and other consumer transactions to happen immediately instead of relying on the current system that closes on weekends and sometimes takes days to complete a transaction. The move isn't popular with big U.S. banks, which have invested about \$1 billion in their own system, but community banks and big retailers such as Walmart are in favor. (Source: The Information)*

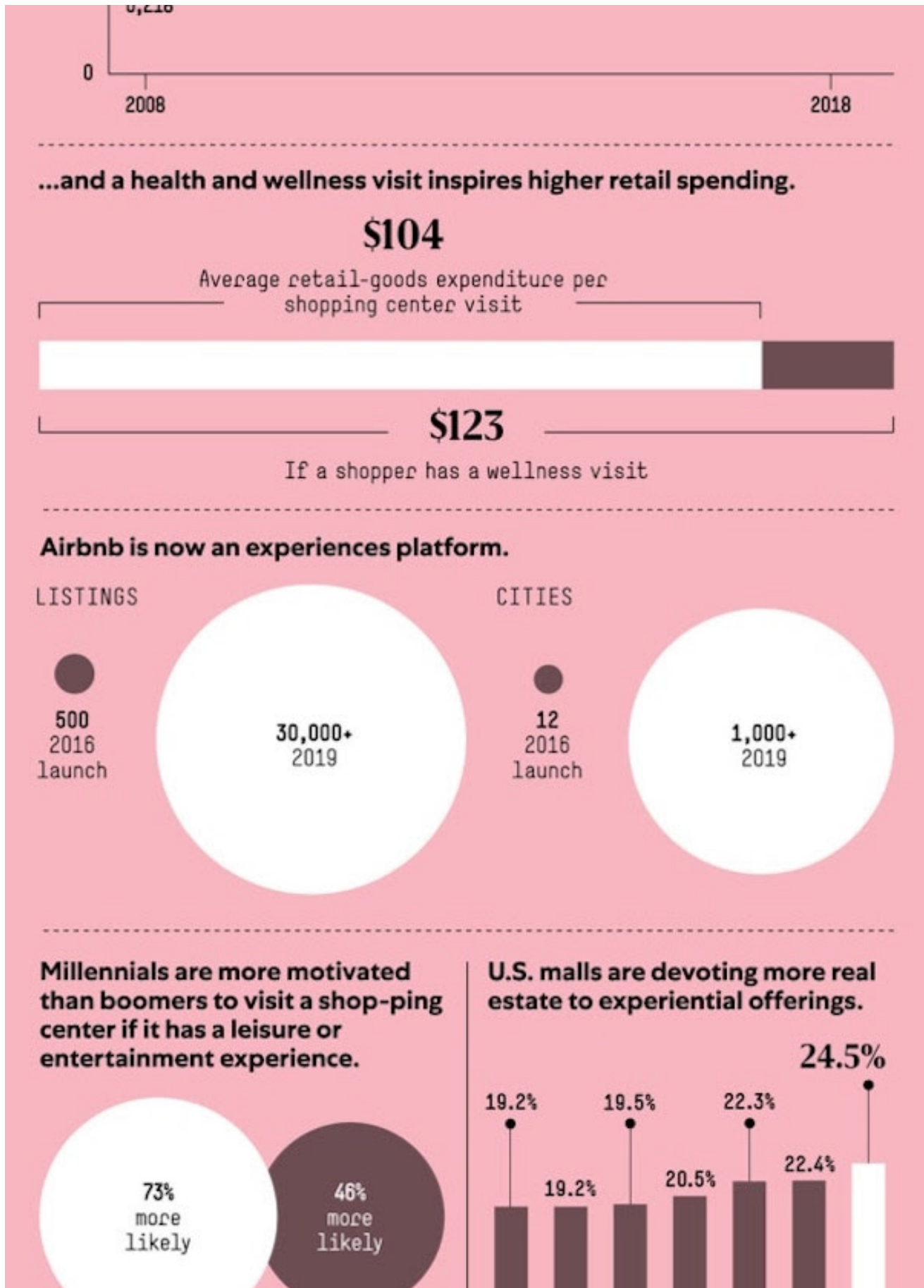
**Tom Brady Gets New 2-Year \$70 Million Extension:** *Tom Brady has never known what it's like to play out the final season of a contract in his 20-year NFL career, and the New England Patriots superstar quarterback isn't about to find out. From what I understand, Brady, at age 42, is signing a two-year, \$70 million extension that runs through 2021 and includes a hefty raise this season. I'm told, Brady will get an \$8 million raise in 2019. Also, the extension calls for him to make \$30 million in 2020 and \$32 million in 2021, making him 44. If Brady can make it that far playing, he'd move up to*

*the top three oldest quarterbacks to play. George Blanda holds the all-time mark as a 48-year-old. I suspect Brady's experience and wisdom will more than makeup for any physical deficiencies as he continues to lead the Patriots, who are favored, along with my KC Chiefs, to win the Super Bowl this year. (Source: USAToday)*

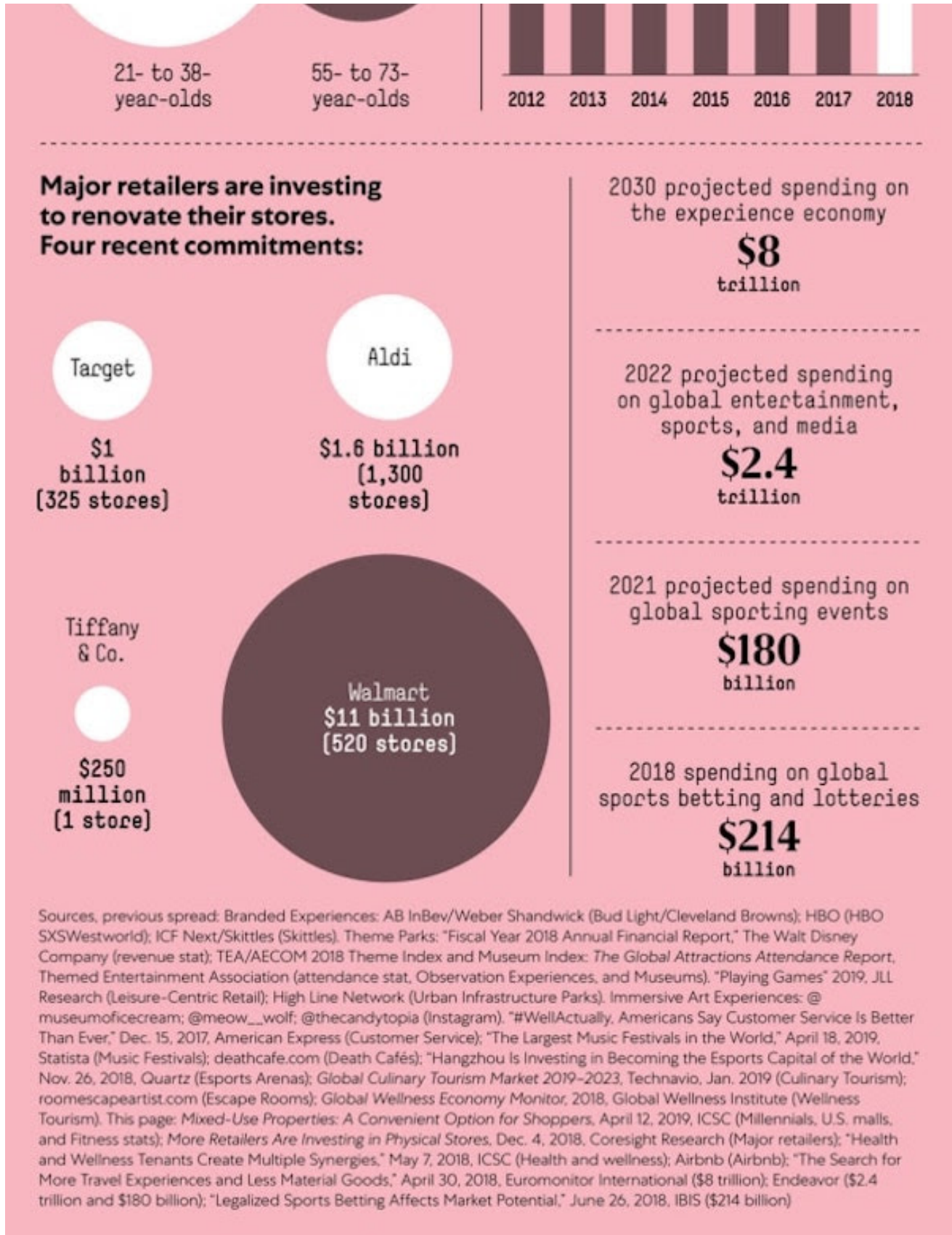
**Healthcare is Eating Up American Paychecks:** *American incomes have barely changed over the past 20 years on an inflation-adjusted basis and that's due in large part to the exploding costs of health coverage. More people are plunging deeper into debt as the costs of housing, college, and consumer goods greatly outgrow their paychecks. And those paychecks have been stagnant because employers are shoveling more money toward workers' health insurance. Back in 1999, the average health insurance coverage for a family consumed 14% of the average household income, according to inflation-adjusted figures from the Census Bureau and the Kaiser Family Foundation, but by 2017, family coverage absorbed more than double that amount to about 31% of take-home pay. Ouch! Read more [HERE](#).*

**Betting on the Experience Economy:** *Consumers are increasingly choosing to spend their money on experiences rather than material goods, and to keep up, retailers are trying to sell their customers both. Now, the experience economy is redefining retail environments as more U.S. malls are sparing space for experiential offerings than ever before. I should mention, the revolutionary Airbnb is helping travelers get out of the houses as the company now provides Airbnb experiences and Airbnb Adventures. Check out the trends in the market below. (Source: FastCompany)*









# FARM TANK

Tweets of the Day





**Steve Burns**  
@SJosephBurns



# Buffett's Portfolio

@successful\_stocks

As of July 22, 2019

Apple 23.76%

Bank of America 12.39%

Wells Fargo 9.92%

Coca-Cola 9.39%

American Exp. 8.30%

Kraft Heinz 5.32%

US Bank 3.12%

JPMorgan 3.02%

Moody's 2.23%



@successful\_stocks





**Eves Hill Farm**  
@EvesHill



The cereal harvest has begun here at Eves Hill Farm, our golden oldie Yellow Peril getting stuck into some spring barley [#harvest19](#) [#familyfarm](#) [#newholland](#)





**Allen Meissner**  
@bigaljack



I think @JohnDeere should bring back yellow cab tops on combines. The #cabcorn wouldn't be so obvious. Dad had #cabcorn on the second hopper. Took me about 5.

Doesn't bother me!

#harvest19





**Kit Papworth**  
@farmerkit



This harvest we have been running this exceptional pre series machine. It's badged as a 770 but will be a 8700. Since January we've been working with [@CLAAS\\_Eastern](#) on a project to replace our two [#Lexion](#) combines with one and this is more than capable. [#harvest19](#)







**Sam Jones**  
@Sam1bar



Just from one spark from the combine header. This was so intense. [#harvest19](#) [#winterbarley](#)





**You Had One Job**  
@\_youhadonejob1



Perfectly timed picture.







**ActionComplete**  
@ActionComplete



You will never reach your destination if you stop and throw...

~Winston Churchill

#motivation #action #quotes

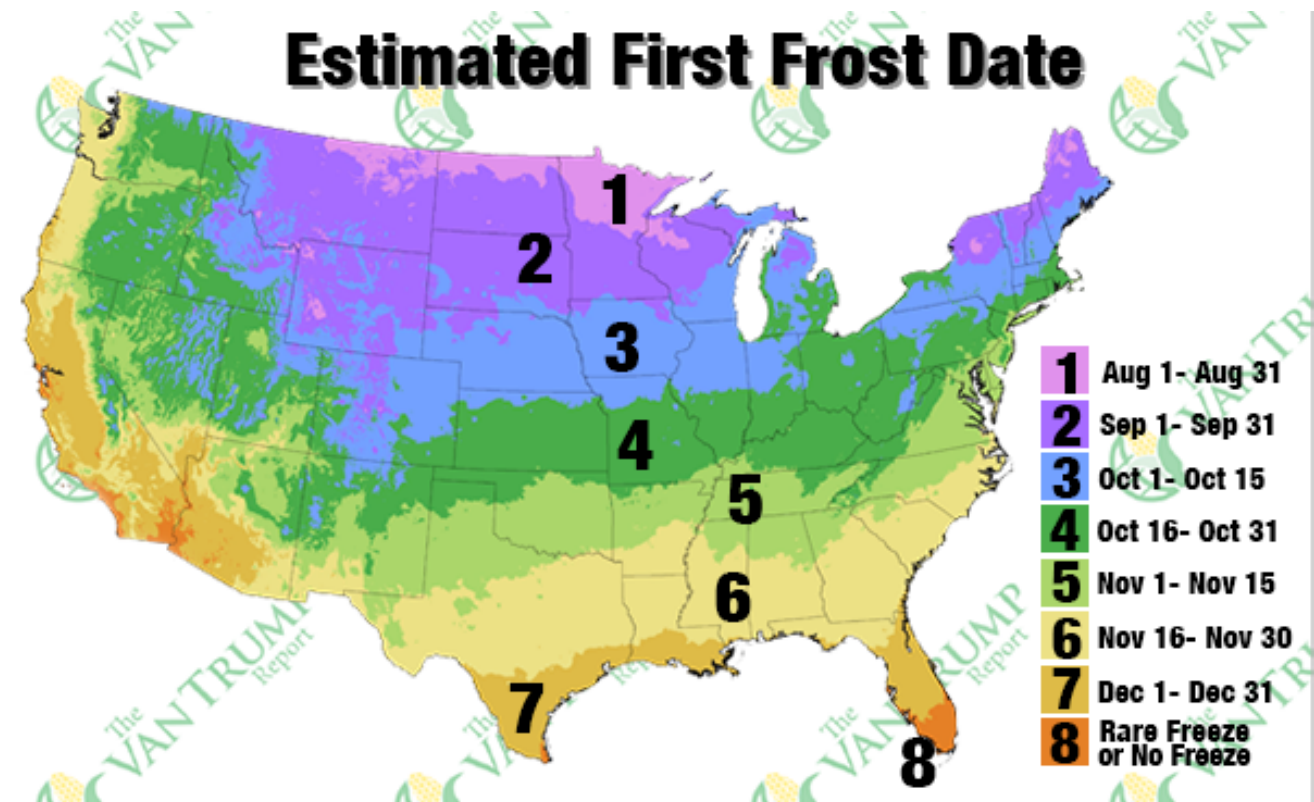
You will never reach  
your destination  
if you stop and throw  
stones at every dog  
that barks.

- Winston Churchill



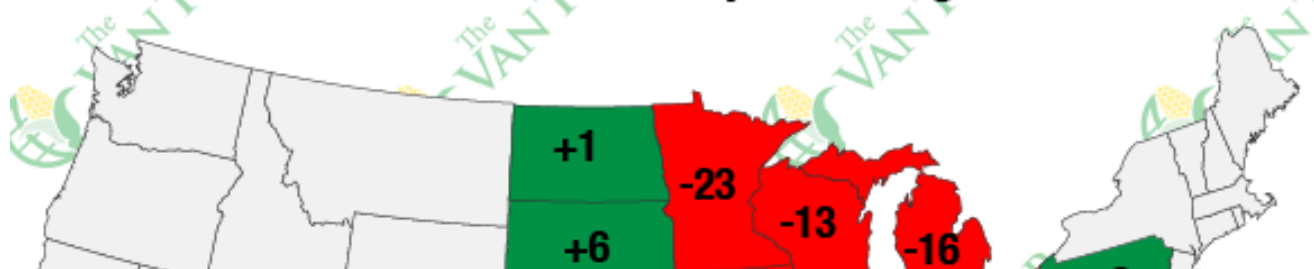
**Corn** bulls are trying to battle the latest trade headwinds and spillover pressure associated with Chinese retaliation. U.S. weather is starting to create a bit of uncertainty, especially in some of the key production areas that are running dry. The USDA slight reduced the weekly crop-condition estimate from 58% down to 57% rated GD/EX vs. what's traditionally +70% rated GD/EX this time of year. Perhaps most importantly was the -3% reduction in the Illinois rating which now

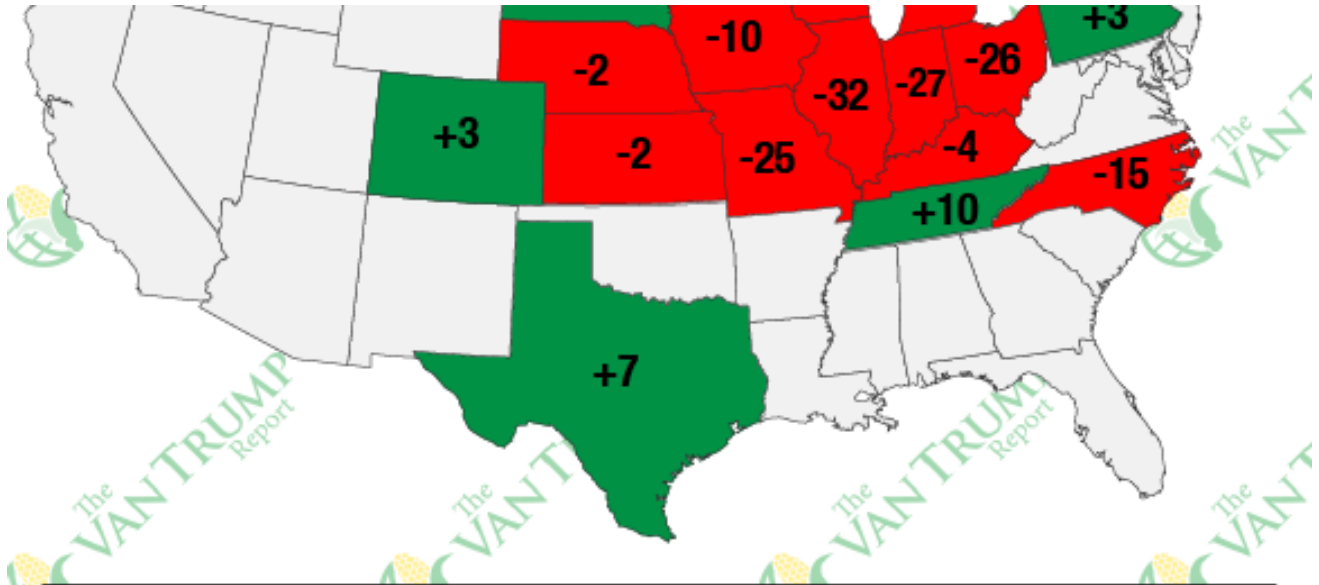
shows just 41% of the crop rated GD/EX. Colorado's conditions fell by -6%, Nebraska and Kansas conditions both fell by -3%. Indian's crop rating was unchanged at just 36% GD/EX. Missouri and Ohio were also unchanged at just 34% GD/EX. The USDA also estimates 78% of the crop "silking" which is well behind the 5-year average of 93% by this date. Adding further evidence of the crop being exceptionally late is the USDA's estimate that only 23% of the crop has reached the "dough stage" vs. the historical average of around 42%. I remain bullish longer-term, betting that the "clock" might ultimately beat the crop. Next Monday's USDA report is the next inflection point!



## U.S. Corn Good-to-Excellent [week 31] August 4, 2019

Current Good-to-Excellent vs. 5 year average for week 31





### Corn % Good-to-Excellent

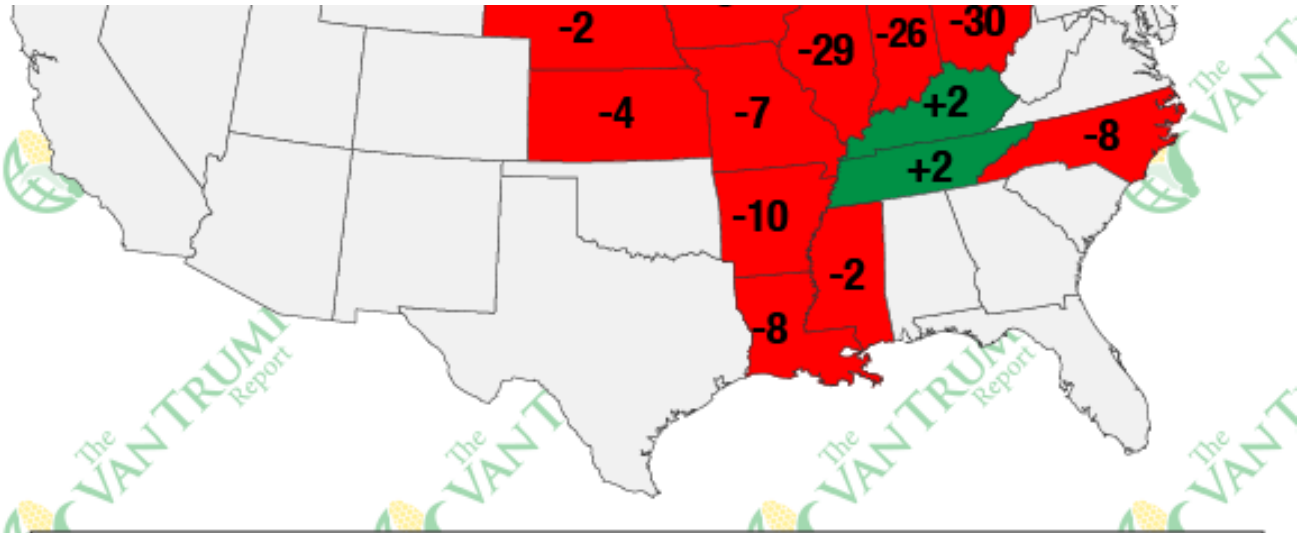
	2017	2018	5-yr avg	This Week	Change vs LW
Colorado	58	71	71	74	-6
Illinois	58	81	73	41	-3
Indiana	52	71	63	36	0
Iowa	64	75	76	66	1
Kansas	54	48	56	54	-3
Kentucky	83	72	75	71	2
Michigan	68	49	62	46	3
Minnesota	80	77	80	57	1
Missouri	63	26	59	34	0
Nebraska	59	85	73	71	-4
North Carolina	74	34	55	40	6
North Dakota	40	85	72	73	-2
Ohio	57	76	60	34	0
Pennsylvania	92	74	76	79	-1
South Dakota	29	70	60	66	5
Tennessee	83	71	76	86	2
Texas	69	31	56	63	-6
Wisconsin	70	81	78	65	2
<b>Total</b>	<b>60</b>	<b>71</b>	<b>68</b>	<b>57</b>	<b>-1</b>

**Soybean** traders are paying very close attention to U.S. weather and the ongoing Chinese trade dispute. Here at home, there's ongoing talk and concern of crop conditions being too dry in several key locations. There's also the ongoing talk of late-planted acres simply running out of time, and specifically what type of yield-drag could be in the cards? On the demand side of the equation, most all eyes are focused on the Chinese trade dispute. From what I understand, Chinese companies have now suspended purchasing U.S. agricultural products as a type of retaliation. The Customs Tariff Commission of the State Council for China is also said to be kicking around talks of import tariffs on newly purchased U.S. agricultural products after August 3rd. There's also some talk that China might try to slap tariffs on U.S. agricultural products recently purchased. Meaning about two million tons of U.S. soybeans are scheduled to be loaded and shipped to China during August, followed by about +300,000 tons currently scheduled for September. It will be interesting to see how this plays out? Technically, bulls are hoping the NOV19 contract can find more heavy support at around the \$8.50 level. The USDA opted to leave weekly U.S. soybean conditions "unchanged" at 54% rated GD/EX. Perhaps more important is how far behind the crop is compared to the traditional pace. The USDA now estimates 72% of the crop is "blooming" vs. the 5-yr. avg. of 87%. The USDA also estimates about 37% of the crop was "setting pods" vs. the traditional pace of 63%. Bottom-line, bulls are worried about U.S. production. Bears on the other hand are worried about deepening Chinese trade tensions and how the differences could negatively weigh on overall demand.

## U.S. Soybean Good-to-Excellent [week 31] August 4, 2019

Current Good-to-Excellent vs. 5 year average for week 31



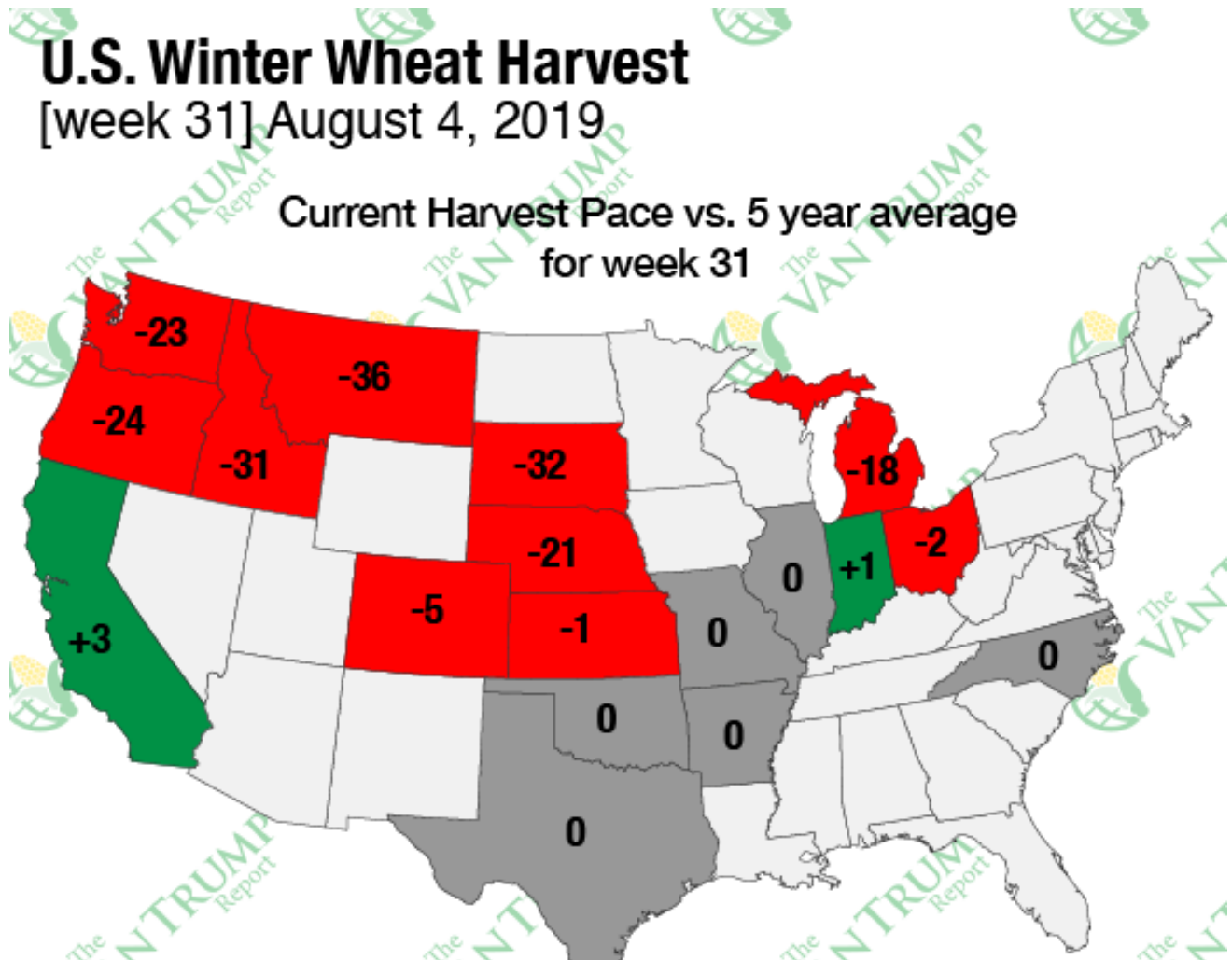


### Soybean % Good-to-Excellent

	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	70	61	63	53	-3
Illinois	64	75	69	40	-4
Indiana	54	68	62	36	0
Iowa	59	74	74	65	3
Kansas	53	43	53	49	-1
Kentucky	72	71	70	72	2
Louisiana	82	52	69	61	2
Michigan	62	57	61	44	3
Minnesota	74	74	75	61	1
Mississippi	72	71	72	70	9
Missouri	64	34	54	47	6
Nebraska	58	84	72	70	-4
North Carolina	70	45	62	54	1
North Dakota	37	73	67	63	-2
Ohio	53	72	59	29	-1
South Dakota	32	65	60	54	4
Tennessee	75	71	75	77	-1
Wisconsin	75	80	78	69	4
<b>Total</b>	<b>60</b>	<b>67</b>	<b>66</b>	<b>54</b>	<b>0</b>



**Wheat** traders continue to look for fresh new headlines. Unfortunately, there's just nothing really new to report. Egypt is back in the global marketplace with a tender to purchase more wheat. The last time Egypt was in the market they ended up buying wheat from Russia, Romanian and Ukraine. It will be interesting to see if the U.S. or European Union can now win any of that marketshare? Here at home, the USDA left their spring wheat rating "unchanged: at 73% rated GD/EX. Idaho, Washington and North Dakota's crop conditions fell under more heavy pressure, while overall spring wheat crop conditions in Montana greatly improved. The USDA bumped their winter wheat harvest estimate from 75% to 82% complete vs. the 5-year average of around 92% complete by this date. In other words, the winter wheat harvest is still running behind schedule. Unfortunately, I just don't see a lot to sink my teeth into as a spec, so I remain on the sideline. As a producer, I still see better windows of opportunity ahead to price cash bushels, content on saying patient.



U.S. Winter Wheat Harvested					
	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	100	100	100	100	0
California	94	97	97	100	3
Colorado	94	99	97	92	12
Idaho	17	45	46	15	9
Illinois	100	100	100	100	2
Indiana	99	100	99	100	4
Kansas	100	100	100	99	1
Michigan	88	92	92	74	29
Missouri	100	100	100	100	0
Montana	65	40	62	26	25
Nebraska	99	93	96	75	20
North Carolina	100	100	100	100	0
Ohio	99	100	99	97	4
Oklahoma	100	100	100	100	0
Oregon	42	75	76	52	19
South Dakota	82	88	81	49	25
Texas	100	100	100	100	0
Washington	31	46	58	35	16
<b>Total</b>	<b>88</b>	<b>89</b>	<b>92</b>	<b>82</b>	<b>7</b>

**Cattle Comments:** Cash fed cattle traded mostly steady on a national average, but slightly lower in some areas including most of the south. Volumes of cattle traded to beef packers was reported by USDA to be around 100,000 head last week. The modest trade volumes being noted recently combined with anecdotal evidence of less than stellar clean-up in recent weeks creates an environment where packer leverage will potentially challenge further advances in the cash market. On a side note, many have inquired as to why the Colorado reporting region has been confidential since mid-April. USDA has a 3/70/20 rule to protect

individual trade data from being isolated. In short, at least three reporting entities need to provide trade data majority of the time. No single entity may account for over 70% of the data and no single entity may be the sole reporting entity more than 20% of the time. All of this is analyzed over the most recent 60-day time period. Beef markets traded firm last week with the cutout closing approximately 2.50/CWT higher than the previous week. Cattle slaughter totals came in a bit smaller than expected with a few weekdays being lighter and several Saturday kills being throttled back or cancelled. Show list data for this week was up slightly from last week and most of the additions seemed to be in the northern feeding regions. Futures have performed poorly in recent sessions and much can be made of the technical setup as well as macro concerns and political influences on all markets. Open interest was down sharply, losing more than 4,000 cars on Friday (8/2). The liquidation out of Aug19 LC is no surprise as we move towards contract expiration, but the more than 2,000 loads lost in Oct19 LC might be an indication of a more deliberate liquidation. Interestingly, the COT data released last Friday would suggest the commercial long is liquidating length. Strong basis is expected to support the market overall, breaks are expected to be short lived and bull spreads may perform better in this setup. [Amarillo Brokerage](#) - Trey Warnock

		8/5/2019		7/29/2019		8/5/2018	
Class		Hd	Price	Hd	Price	Hd	Price
National	Live Str	32,310	\$ 113.93	31,824	\$ 113.91	31,102	\$ 111.63
	Live Hfr	11,606	\$ 112.51	16,255	\$ 113.48	14,493	\$ 111.58
	Drsd Str	22,075	\$ 184.27	11,777	\$ 183.32	352	\$ 173.05
	Drsd Hfr	6,364	\$ 183.37	3,914	\$ 183.10	114	\$ 177.00
	Grand Total	97,490		86,637		73,132	
5 Area	Live Str	25,025	\$ 113.82	25,630	\$ 113.68	28,483	\$ 111.73
	Live Hfr	10,064	\$ 112.25	14,575	\$ 113.36	12,560	\$ 111.58
	Drsd Str	19,796	\$ 184.30	10,919	\$ 183.37	5,577	\$ 176.22
	Drsd Hfr	5,276	\$ 183.16	3,419	\$ 182.94	1,719	\$ 176.50
		60,161		54,543		48,339	
Texas	Live Str	2,922	\$ 111.00	3,657	\$ 111.96	1,908	\$ 111.85
	Live Hfr	2,558	\$ 110.98	1,661	\$ 111.98	293	\$ 112.00
		5,480		5,318		2,201	
Kansas	Live Str	4,221	\$ 111.00	9,293	\$ 111.99	7,476	\$ 111.81
	Live Hfr	4,036	\$ 110.99	5,926	\$ 111.97	4,455	\$ 111.87
		8,257		15,219		11,931	
Nebraska	Live Str	5,289	\$ 113.94	5,062	\$ 114.75	12,857	\$ 111.98
	Live Hfr	1,662	\$ 113.69	4,717	\$ 114.74	5,080	\$ 111.84
	Drsd Str	9,920	\$ 184.23	5,508	\$ 183.20	2,517	\$ 176.12
	Drsd Hfr	2,268	\$ 182.88	1,579	\$ 183.26	779	\$ 176.42
		19,139		16,866		21,233	
CO	Live Str	-	\$ -	-	\$ -	2,714	\$ 111.84
	Live Hfr	-	\$ -	-	\$ -	808	\$ 111.41
		-		-		3,522	
Iowa	Live Str	12,593	\$ 115.37	7,618	\$ 115.85	3,528	\$ 110.46
	Live Hfr	1,808	\$ 115.52	2,271	\$ 115.11	1,924	\$ 110.24
	Drsd Str	9,716	\$ 184.41	5,301	\$ 183.55	3,060	\$ 176.31
	Drsd Hfr	2,888	\$ 183.30	1,720	\$ 182.67	940	\$ 176.56
		27,005		16,910		9,452	





**> China State-Run Ag Firms Asked to Halt U.S. Purchases:** *China's state-ran agricultural firms have now stopped buying American farm goods and waiting to see how trade talks progress. Remember, China does have leverage with its large agricultural purchases and it's starting to look more and more that this issue will work its way into the presidential campaign space. I suspect Trump will use the elevated tariffs, or more bullets in his gun, to his advantage in getting China back to the table, meaning he has a lot more room to ratchet tensions down in an attempt to get talks going again. (Source: Yahoofinance)*

**> Data Shows July was Hottest Month in Recorded History:** *July 2019 may have been the single hottest month in recorded history, according to the World Meteorological Organization. It's worth mentioning, global average temperatures from July 1 to July 29, 2019, met and possibly even surpassed the previous record for the hottest month ever, which was set in July 2016. Keep in mind, the 2016 event occurred during one of the strongest El Niños ever, while this July's weather wasn't and was attributed to changes in weather patterns. Also, it came on the heels of one of the hottest Junes in recorded history. Read more [HERE](#).*



**> How a Back Injury Brought Banana Milk to the Dairy War:** *Jeff Richard stopped working out as well as hung up his paleo diet following a back injury. I'm told, Richard began eating dairy again, but soon discovered he was lactose intolerant. Soon after this discovery, Richard thought he'd enter into the dairy wars with a product that has not been used to this point... bananas. After playing with the idea, he added cinnamon, sunflower seeds, a little salt, and water—and started a company named Mooala (pronounced moo-ah-la, not moo-la, if you're wondering). Then, he slowly introduced his banana milk to 15 stores in the Central Texas market during the summer of 2016, and now, it's turned out to be the company's best sellers. It's worth mentioning, Whole Foods is now taking an interest in the product. Read more [HERE](#).*

**> Newest Steakhouse Trend... Old Beef:** *Steakhouses looking for the next big thing are hoping to lure diners with a new hook of old beef. Traditionally, U.S. restaurants have served meat from cattle that are no older than two years, as they can be tougher and more susceptible to disease. But what most don't know is that the older meat tends to have a richer flavor. U.S. Chefs are now taking a cue from restaurants in Spain, especially the Basque region, where "vaca vieja" is a tradition, by putting old beef on the menu. For high-end steakhouses, this latest trend is hoping to differentiate and bring in more revenue. Read more [HERE](#).*

**> Former Kellogg President Betting Big On CBD Products:** *Paul Norman is now the CEO of HeavenlyRx, a CBD wellness company growing through acquisitions and investments, and says the market is going to grow four or fivefold to 20 plus billion dollars in consumer value over the next five years. According to Norman, although he sees the consumer already adopting products derived from hemp, he says education about CBD going forward will be key. Norman claims, 80% of people who try CBD already feel the benefit in some shape or form, which is their own perceived benefit. Meaning consumer behavior is already happening, and his aim is to build a brand or build a business that capitalizes on that behavior and brings real solutions to people every day in the areas of food, beverage, and skincare. Read more [HERE](#).*

**> Consumers Starting to Balk at \$1,000 Phones:** *Earnings reports last week*

*for Apple and Samsung both showed a clear trend towards consumer resistance to the ever-growing high prices of premium smartphones. iPhone's new line now starts at \$449, versus \$350 in 2018, and topped at \$1,100, while Samsung's premium Galaxy phones are near the \$1,000 mark as well. Don't forget, the new model, the Fold, will break all pricing records when it's released in September at close to \$2,000. But what's the reason behind the recent trend? Basically, the new versions are not game-changing enough, meaning, consumers really don't care about facial recognition, augmented reality, or faster processor enough to pony up the big bucks. Not to mention, the costs of repairing a broken screen or buying a new battery pale in comparison. Read more [HERE](#).*

**> How FedEx and UPS Plan to Afford Shipping 7 Days a Week:** *Sundays will soon look a lot like weekdays at FedEx and UPS as delivery drivers fan out to neighborhoods to deliver online orders to doorsteps. But there will be a significant difference, drivers working that day will be paid at a much lower rate than those who drive during the week. With some assistance from the U.S. Postal Service, both companies will rely mostly on this lower-paid army of delivery drivers as the companies work to turn a profit. Deliveries to residential areas, which will make up the bulk of deliveries, happen to be more costly than deliveries to businesses. Read more [HERE](#) on how the two companies hope to better compete with Amazon.*

**> What are Most Expensive Cities to Live in U.S.:** *New data released by the Council for Community and Economic Research, looked at 257 cities over the first quarter of this year and analyzed the cost of housing, utilities, grocery items, transportation, health care, and miscellaneous goods and services to determine which U.S. city was the most expensive to live in. No surprises were found atop of the list with New York taking the lead. I should also mention, housing was the biggest expense for those living in the top 5 cities, forming 29.34% of the overall composite index of the cost of living. For example, a one-bedroom apartment rental in Manhattan is going for \$3,100 a month according to apartment-search site Naked Apartments. Read more [HERE](#).*

**> When at First You Don't Succeed...** *Second time was a charm for French*

*inventor and former jet-ski champion Franky Zapata, who over the weekend hopped on his custom-made "Flyboard" hoverboard and set off from Sangatte in the Pas de Calais region on the northern coast of France and landed past the white cliffs of Dover in England just 22 minutes later. 40-year-old Zapata reached speeds of up to 110 mph as he flew up to 65 feet above the water level. I'm told, he did have to land on a boat stationed halfway out in the channel to refuel his Flyboard since the device could only carry enough kerosene for about 10 minutes of airtime. You can watch some video of the effort and read more [HERE](#).*

**> \$3.5 Million Not Enough For Petty's Plymouth Superbird:** *Bidding on a 1970 Plymouth Superbird raced by Richard Petty reached \$3.5 million at the most recent Mecum Auctions event, but fell short of the undisclosed reserve price set by the seller. I'm told the amount would've made the iconic Plymouth the most expensive NASCAR ever sold at auction and ranked it among the top five American racing cars. Owner Todd Werner sent a total of over 40 vehicles across the block, which included Petty's 1971 Daytona 500-winning Plymouth Road Runner that sold for \$412,500. Petty, now 82, was at the auction and told the audience "anytime you got in that car you knew you had a chance to win the race." (Source: Foxnews)*









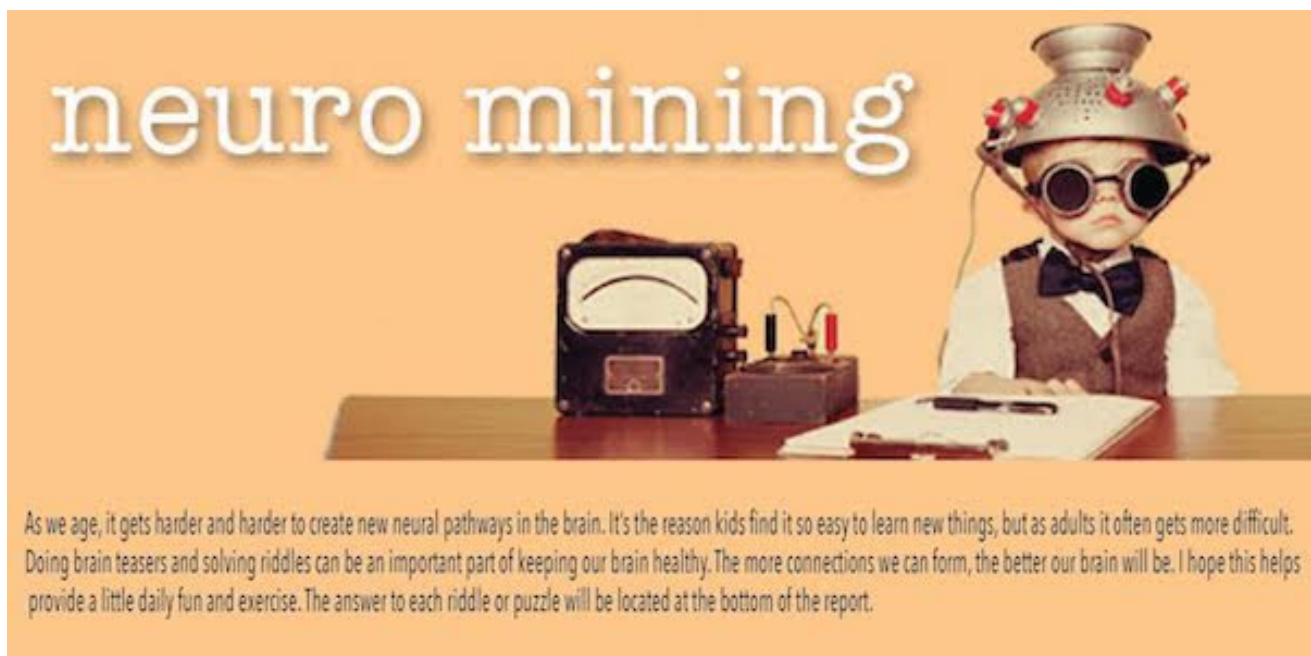
**Northcentral Illinois** – *The variability of this corn crop is insane... You can drive around and see fields in close proximity of each other that have wide variations in their stages. Some fields are just shooting tassels, while others haven't tasseled at all. Then, you'll see a field that's completely pollinated. This area is turning into a dry pocket, we were 90 degrees over the weekend and we're already seeing bottom leaves firing in corn. If this warm weather persists, we're going to see a lot of corn firing within the next week to 10 days. The corn is very susceptible to problems because of the lack of nitrogen and shallow rooting from the excessive moisture we saw through May and June.*

**Northcentral Kansas** – *We got a nice rain over the weekend. Some areas received anywhere from 1-2 inches of rain. Other areas saw much more, while*



*some areas didn't receive any, but as a whole, the rain was definitely a good thing. The dryland corn should be able to finish out and make a fairly decent yield. This might have been the million-dollar rain that we needed as it was on the verge of getting too dry. The corn as a whole looks really good though. All the soybeans look clean and are coming along nicely. There are many guys applying fungicide right now, so everyone is hopeful for a good or at least an average yield.*

**Southern Illinois** – *Right now, we're lucky that we aren't experiencing much wind. If you combine this heat and wind over 15 miles per hours, it's like putting a blow torch to this corn and soybean crop. It's hot here and only going to get hotter over the next week or so. There are a few slight chances of rain, but if misses us then this corn could easily drop 20% of it's yield potential, if not more. The beans are short and will drop pods if we don't get the rain. We went from too wet to dangerously on the edge of a flash drought. Both crops are very vulnerable right now.*



**TODAY'S RIDDLE:** We hurt without moving. We poison without touching. We bear the truth and the lies. We are not to be judged by our size. What are we?



### **One Farms Attempt to Transform Agriculture**

Rick Clark is a fifth-generation farmer in Warren County, Indiana, where his family has lived on the farm since the 1880s. Today, the operation encompasses 7,000 acres. Clark started writing a new chapter for the farm years ago when he began no-tilling his beans and corn, but now the award-winning producer hopes that by sharing the complete regenerative system that works for him, he can provide a model for others who want to make a difference by being good stewards of the land, building soil health, and fulfilling the role of conservationist. Bottom line, for Clark and the growing number of regenerative farmers like him, is to stop the loss of topsoil through erosion because as he points out and science confirms it isn't coming back.

Diversification isn't the only part of Clark's business model, it's part of the management practice built in his soil health program, all of which landed him the opportunity to build a business relationship with Dannon Yogurt. Clark was approached in 2016 when Dannon decided to transition some of its products to non-GMO verification, and because of his success, his farm was chosen along with 15 other farms in the U.S. as research subjects for soil health experts as part of Danone North America's \$6 million soil health research project.

Barriers don't exist in Clark's business model as he sets himself apart from most, according to those that work closely with him. From what I can tell, Clark exhibits the attributes we share on a daily basis with our clients, meaning, he trusts himself to find the answer and doesn't rely on a textbook telling him to do this or don't do that. I'm told, he's an experimenter with a capital "E" and that the phrase "thinking outside the box" doesn't apply because he's never been in one. In my opinion, it's that openness to change and relentless optimism that drives guys like

Clark to their success. It's worth mentioning that in 2017, Clark was honored as Dannon's Sustainable Farmer of the Year, and more recently, Land O' Lakes honored him with an Outstanding Sustainability Award. In addition, he was also a regional winner of the American Soybean Association's Conservation Legacy Award. Bottom line, Clark is constantly seeking better ways to get things done as efficiently and effectively as possible, which is a recipe for success.

Misinformation still abounds in regards to regenerative practices as well as the entire spectrum of going non-GMO. For instance, Clark shares that Non-GMO seed is cheaper and yields as much as GMO seed. Not to mention, conventional row-crop agriculture is so dominated by genetically modified seed there's very little research into the benefits of growing non-GMO seed at the moment. Though there's much more to the process, Clark's focus on crop rotation, no-till, and full use of cover crops, have set him apart in his field and provides an example he's happy to share with anyone wanting to learn. I definitely would take time to consider the implications for your business by taking a look at regenerative practices as they're not only good for the soil and environment, but they could open the doors to premium contracts. Learn more details about Clark's data-driven, forward-thinking operation [HERE](#). (Source: [civileats](#), youtube)











### **What You Need to Know About "Ping An"**

Chinese insurer Ping An has been developing a stable of very cool AI-based apps for its client's businesses and has recently started making some of their technology available to third parties. Ping An built an empire around safe and staid products like life insurance. But now it's betting its future on inventive uses of big data—and gearing up to do battle with some of the fastest-growing tech giants.

Auto insurance customer who use Ping An, who has become China's second-largest insurer, is

now enjoying a much different experience. If a customer gets into a car accident, then they can simply send pictures of the damage from a mobile phone app to receive a repair estimate in about three minutes, which is calculated by an AI-powered algorithm. The customer can then simply approve the estimate and get the repair money instantly via online payment. In 2018, Ping An settled more than +60% of their claims, more than 7 million cases, using this tool and saving the company an estimated +\$750 million in the processing of claims, service, and accounting. Ping An's insurance arm now reaches 184 million customers and accounted for the bulk of the company's \$164 billion in revenue in 2018.

Ping An is now using cloud-based computing to offer AI-powered services to smaller financial institutions, hospitals, and medical clients. For companies issuing loans or dependent on clients telling them the truth, Ping An uses their proprietary AI facial-recognition technology to read 54 distinct "micro-facial-expressions" to determine whether loan applicants are lying. Ping An Healthcare and Technology, better known in China as "Good Doctor," offers consultations to 265 million patients registered via a mobile app —and aids physicians in diagnosing thousands of ailments very quickly and with great accuracy.

Innovation is a huge part of Ping An's business model. The company earmarks a minimum of 1% of total revenue towards investments in innovation. Over the past 10 years, the group has plowed more than +\$7 billion into research and development, and is now vowing to invest \$15 billion more in the decade to come. I should note, Ping An took advantage of widening reforms in the early-90's to become the first Chinese financial institution in which foreign firms could own equity: Goldman Sachs and Morgan Stanley were early backers. The company eventually went public in 2004, listing in Hong Kong. Ping An now employs more than 24,000 software engineers, 800 data scientists, and 180 A.I. specialists. The company says it has filed more than 15,000 technology patent applications. Ping An also controls a gaggle of ventures and private equity funds. (Source: [Ping An](#); Fortune; The Financial Times)



Below is a picture of a "Good Doctor" station in China where patients simply pop in and connect with a doctor via webcam. There are medical instruments and devices built into the booth that can provide the doctor with immediate information and feedback. The doctors can issue a prescription with some of the most popular and most prescribed meds sold directly out of the attached vending machine.





## The Typewriter Artist

Paul Smit passed away a few years back at the age of 85, but his legacy continues. From the very beginning, the cards were stacked against Paul. He was born with a severe spastic cerebral palsy, a neurological disorder that commonly affects muscle function and coordination. Doctors didn't believe he'd live longer than a few years and no one knew what to expect about the quality of his life. The loss of fine motor control of his face and hands made it impossible for him to attend school—or even eat, clothe, or bathe himself—and also made it difficult for him to express himself.

Discovering the typewriter and a technique for using it to create pictures help transform Paul's life and give it meaning. He was able to use one hand to steady the other and thus pressing the desired key. He was creating typewriter art by the age of 15 and steadily refined his technique. To make matters even harder, Paul only used a handful of keys to create his work. Ignoring the letters and numbers found on a keyboard, Paul limited himself to using only the following symbols: !,



@, #, %, ^, \_, (, &, )!

Locking the shift key in place so he never accidentally hit a number key instead of his symbols, Paul would painstakingly position the paper the way he wanted it and hit the keys he needed. He manually adjusted the spacing to type the symbols in proximity and adjusted the rollers for the perfect spacing between lines. For shading, he'd press his thumb to the ribbon and smudge the ink. And as typewriters advanced to include color ink, his art seemed to progress. No one knows how many pictures he created throughout his lifetime, but it's estimated to be over 400. Each one is astounding in its own right when you consider the fact that a typewriter created them. But when you add to that the story of the man doing the creating, the pieces become almost unbelievable!

People often believe for an individual to be good or great, the process must be incredibly technical or complex. But oftentimes, it's a low-tech and simple approach that creates the most beautiful results. It's my opinion that generations should always be intrigued by "the touch of a masters hand." In fact, this reminds me of one of my favorite poems and one I have hanging in my office at home. I included the poem below. I also encourage you to watch the short video showing some of Paul's amazing works of art. Click [HERE!](#)



## The Touch of the Masters Hand

*'Twas battered and scarred,  
And the auctioneer thought it  
hardly worth his while  
To waste his time on the old violin,  
but he held it up with a smile.*

*"What am I bid, good people", he cried,  
"Who starts the bidding for me?"  
"One dollar, one dollar, Do I hear two?"  
"Two dollars, who makes it three?"  
"Three dollars once, three dollars twice, going for three,"*

*But, No,  
From the room far back a gray bearded man  
Came forward and picked up the bow,  
Then wiping the dust from the old violin  
And tightening up the strings,*

*He played a melody, pure and sweet  
As sweet as the angel sings.*

*The music ceased and the auctioneer  
With a voice that was quiet and low,  
Said "What now am I bid for this old violin?"  
As he held it aloft with its' bow.*

*"One thousand, one thousand, Do I hear two?"  
"Two thousand, Who makes it three?"  
"Three thousand once, three thousand twice,  
Going and gone", said he.*

*The audience cheered,  
But some of them cried,  
"We just don't understand."  
"What changed its' worth?"  
Swift came the reply.  
"The Touch of the Masters Hand."*

*"And many a man with life out of tune  
All battered and bruised with hardship  
Is auctioned cheap to a thoughtless crowd  
Much like that old violin*

*A mess of pottage, a glass of wine,  
A game and he travels on.  
He is going once, he is going twice,  
He is going and almost gone.*

*But the Master comes,  
And the foolish crowd never can quite understand,  
The worth of a soul and the change that is wrought  
By the Touch of the Masters' Hand.*

- Myra Brooks Welch

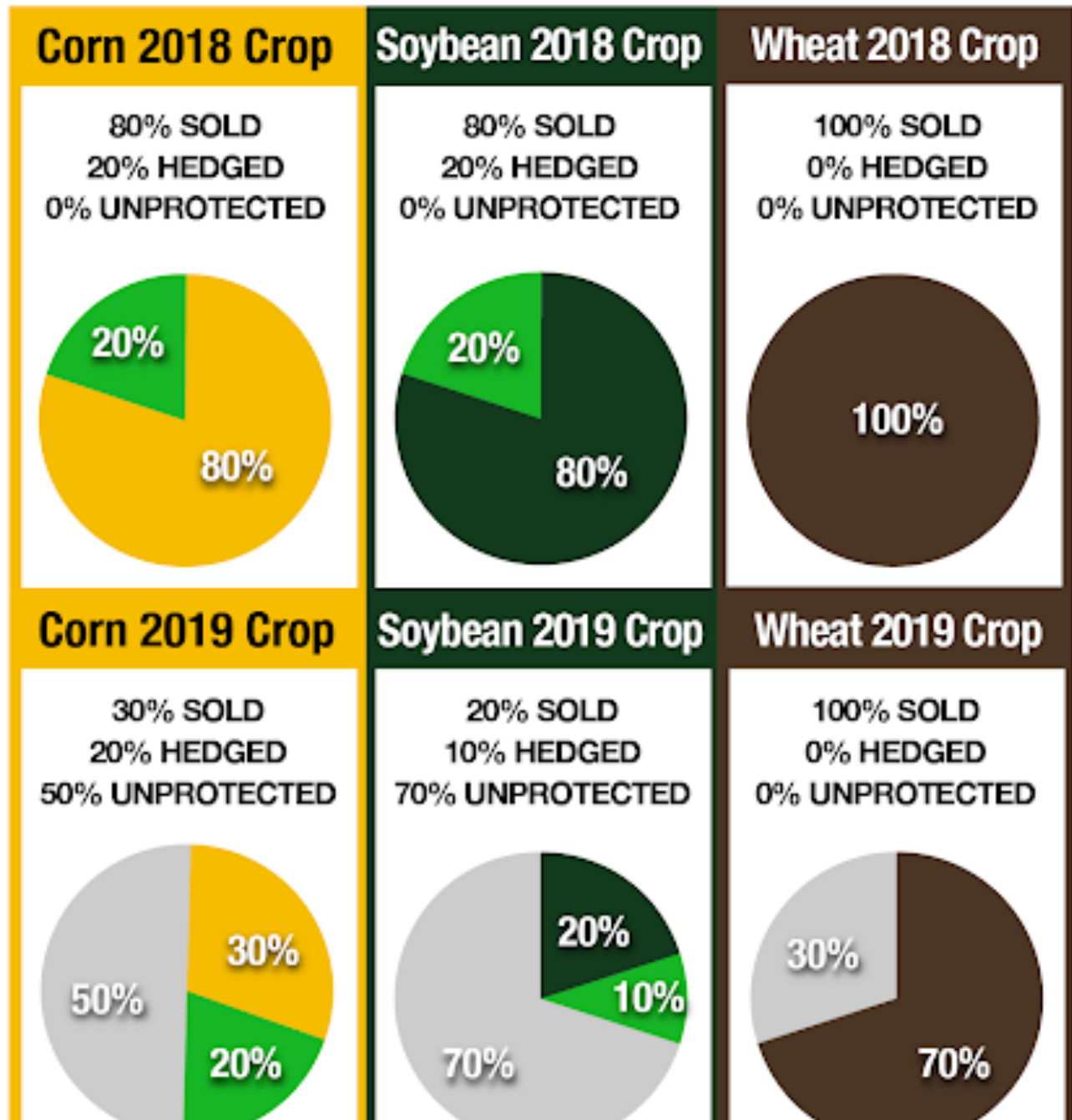


**ANSWER to riddle:** Words.

**CASH SALES & HEDGING TOTALS**



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