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GOOD MORNING: Van Trump Report 8-21-19

2 messages

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

Wed, Aug 21, 2019 at 5:31 AM

Reply-To: Jordan <reply-fec5177474660374-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

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

"Life is about making an impact, not making an income." - **Kevin Kruse**

Wednesday, August 21, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors remain uneasy as they await further details on U.S. policymaker plans to boost the economy, particularly in regards to monetary policy. That issue is key today as the Federal Reserve will release "minutes" from its July policy meeting. Expectations are high that the central bank will raise rates yet again at its next meeting on September 17-18 and investors will be looking for clues as to whether Fed officials are leaning toward loser policy and more dovish rhetoric. President Trump has called for further rate cuts as well as "some" quantitative easing. Traders also remain unclear as to where trade negotiations between the U.S. and China are headed. On a more positive note, second-quarter earnings season is nearly complete with about 95% of S&P 500 companies having

reported results. According to FactSet, earnings for S&P 500 companies are on track to decline just -0.4% which is a much better result than the -2.8% decline analysts were projecting in July. Today, Existing Home Sales are due out and expected to show a slight increase for July. Remember, June existing home sales were down -2.2% compared to last year. Another month of declines is likely to add more fuel to the fire for investors concerned about an impending recession. Also be aware that the EU has several important reports due out tomorrow morning before markets open. Topping the list is the European Central Bank's minutes from their last meeting. Flash PMI is also scheduled, which will provide an early snapshot of August manufacturing levels. July results came in at 50.0. A reading below 50.0 indicates falling output. I remain cautiously underinvested, hoping some of the fog soon lifts so I can see a bit further down the road. No need to drive fast or aggressive with these types of road conditions. Remember, sometimes a great defense can be your best offense!

AppleTV Plus Coming In November: *Apple says they see a free trial period tied with many of their other services, then perhaps a \$9.99 per month subscription fee. Apple seems to be throwing around some big money and attracting some big names. The company has released trailers and teasers for two of its big originals: "The Morning Show", a drama about a morning news broadcast starring Reese Witherspoon, Jennifer Aniston and Steve Carell, and "For All Mankind", a period piece from the creator of Battlestar Galactica that presents an alternative history in which Russian put the first person on the moon. Oprah Winfrey, Steven Spielberg and J.J. Abrams and other big names are also on board. Apple is pushing to reach \$50 billion in service sales by 2020. It will be interesting to see what this does to other big competitors in the space like Netflix? You can read all of the details and learn more about their shows [HERE](#)*

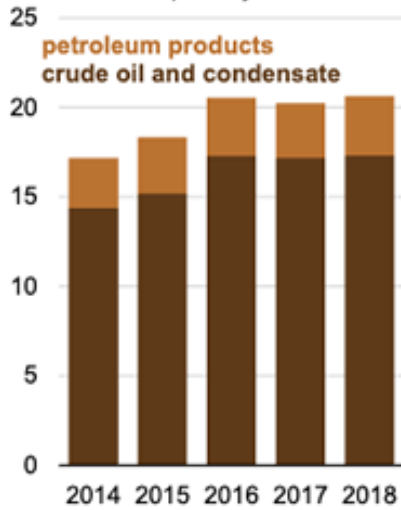
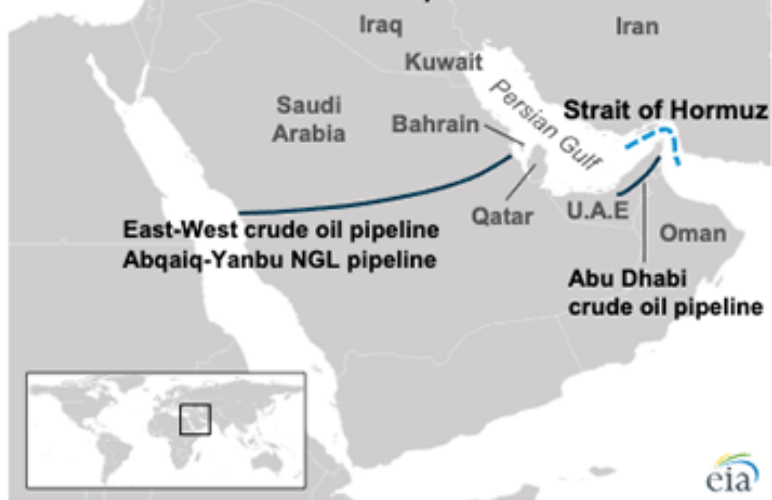
Banks Will Get Relief From Volcker Rule Changes: *U.S. officials confirmed yesterday they would make changes to the so-called "Volcker rule". The tweak, if sanctioned by all regulators, would help clarify the way in which banks trade securities using their own funds, the ban of which was a key portion of legislation from the post-financial crisis bank crackdown. The regulators hope to clarify the definition of proprietary trading and adjust the ban that prohibits banks from making short-term investments with their own capital. The move comes in response to industry complaints that the rules*

are too convoluted and burdensome. The Office of the Comptroller of the Currency approved the revamp earlier Tuesday, while the Federal Reserve and the Securities and Exchange Commission still need to weigh in. The Volcker Rule was initially enacted under the Dodd-Frank Wall Street Reform and Protection Act. It prevented banks from investing their own money in hedge funds and private equity funds. It also tried to remove risk from trading desks at major U.S. banks. A successful rewrite will be viewed as a win for big Wall Street banks, who have been lobbying congress to weaken the current law.

U.S. Warns Greece Against Assisting Iranian Tanker: *The U.S. warned Greece against assisting an Iranian tanker that has been detained in Gibraltar for over a month. Grace 1, which has been renamed Adrian Darya-1, set sail on Sunday after Gibraltar rejected a U.S. request to seize the tanker, which is reportedly carrying 2.1 million barrels of light crude. The U.S. alleges the tanker was assisting Iran's Islamic Revolutionary Guard Corps, which it has designated a terrorist organization, by transporting oil from Iran to Syria. Gibraltar officials say they received assurances from Iran that the oil was not being transported to Syria. Gibraltar operates under EU maritime law and, unlike the U.S., the EU doesn't prohibit Iranian oil sales. The ship is now moving toward Greece, where it is expected to arrive on Monday. The U.S. State Department in a statement warned of the importance "for companies, and mariners to know that any efforts to assist these tankers could be considered as providing material support to a U.S.-designated Foreign Terrorist Organization (FTO), which has immigration and potential criminal consequences." Tensions in the Persian Gulf region have been high since May, when tankers were attacked in the Gulf of Oman and Saudi oil infrastructure was targeted by armed drones launched by Yemen's Iran-aligned Houthi rebels. On July 19, Iranian forces detained the UK-flagged tanker Stena Impero as it passed through the Strait of Hormuz. About a third of the world's seaborne oil is transported through the Strait of Hormuz. (Sources: Platts, Wall Street Journal)*

Crude oil, condensate, and petroleum products transported through the Strait of Hormuz

million barrels per day

**Strait of Hormuz maritime chokepoint**

Source: U.S. Energy Information Administration and ClipperData, Inc.

FARM TANK

Tweets of the Day



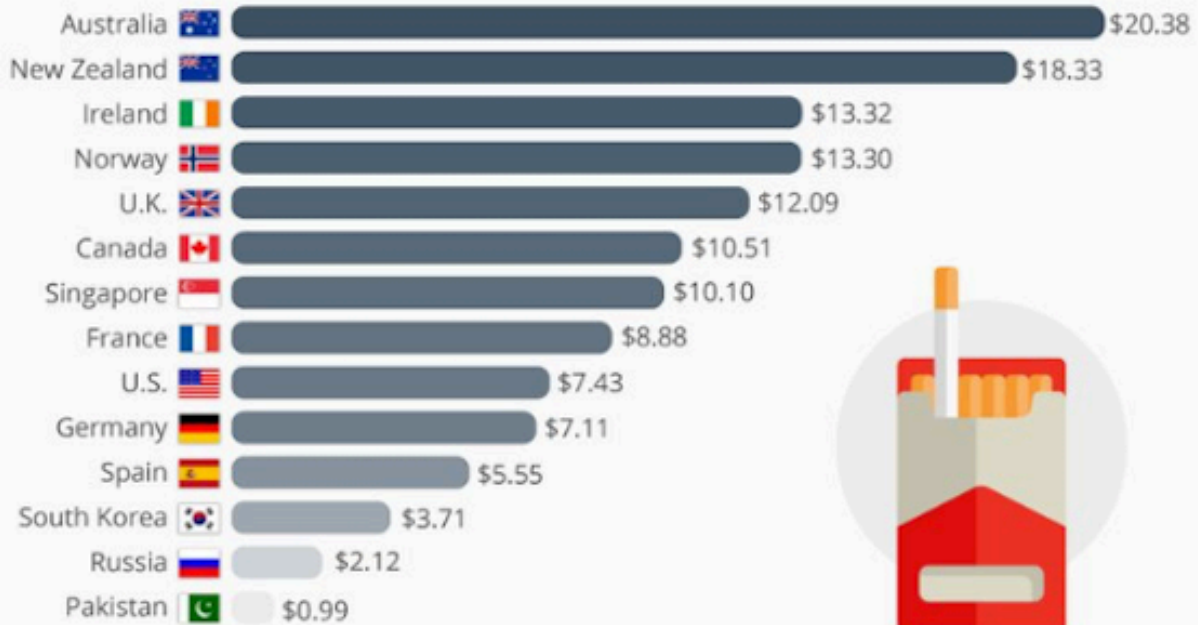


Australia is the world's most expensive country to be a [#smoker](#) costing US\$20 to buy a pack of [#cigarettes](#)

bit.ly/2KDVjdV

The Price of a Pack of Cigarettes around the World

Selling price for a 20 pack of Marlboro cigarettes in selected countries (Aug 2019)



@StatistaCharts Source: numbeo.com

statista

**Landon Friesen**

@landon707



Whoop whoop, been looking forward to this for some time! [#harvest19](#)

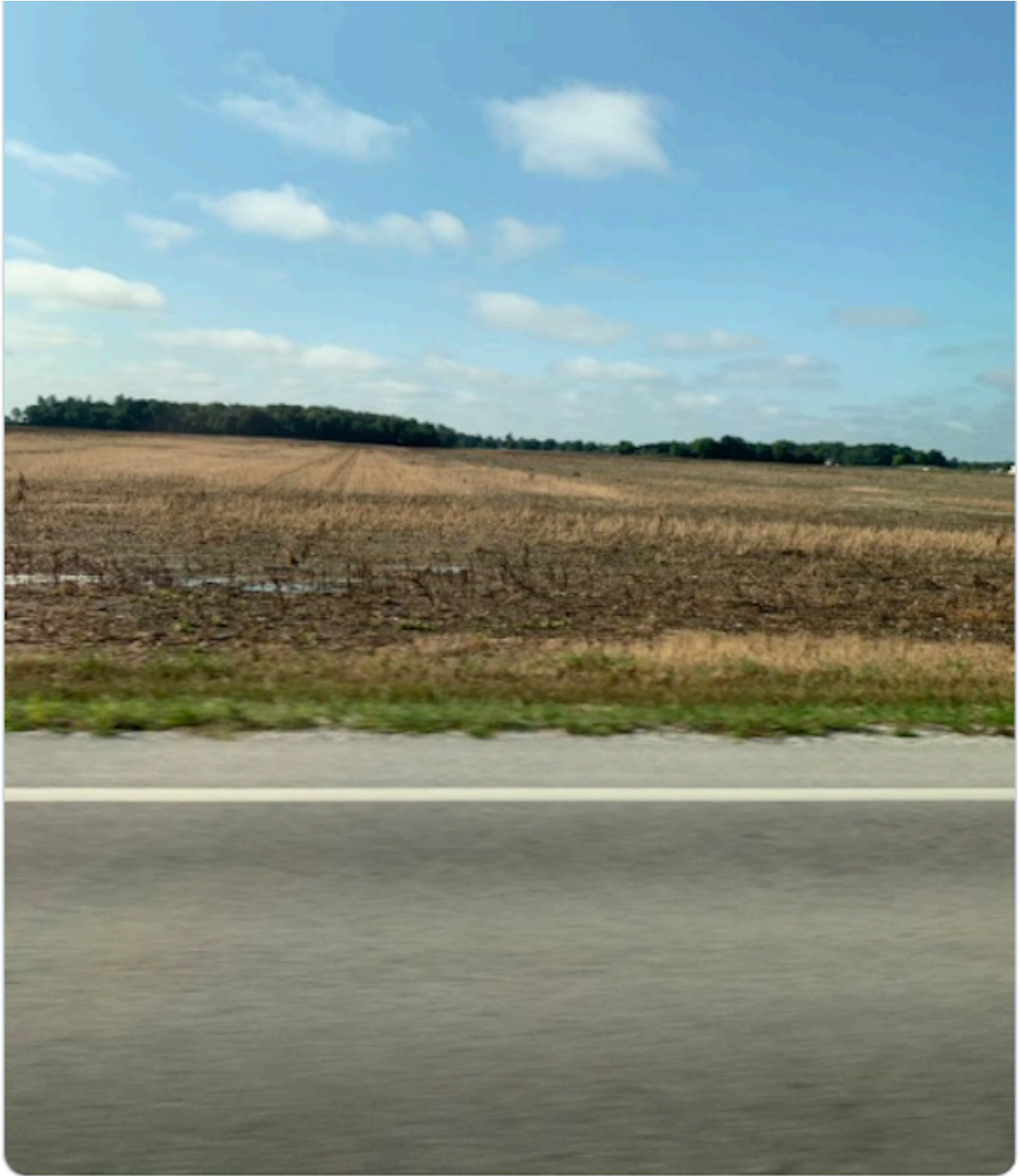
**Doug Warters**

@Caseman4994



Have seen way too much of this in northwest Ohio.
[#pftour19](#)







Joyce Pride ★★ ★
@joycepride



Hwy 136 West of Rock Port, MO 08/17/19 #plant19
#flood19





Kevin Duling
@kdinvestors



There's my 82 year old dad driving a truck he bought new in the 60s. They don't make them like that anymore and I'm not just talking about the truck.

[#harvest19](#) [#wheat](#)





80s Sports N Stuff
@80sSportsNStuff



My parents "fixed" 92% of things by spraying one of these two items on them...





ActionComplete
@ActionComplete



Do something uncomfortable today. By stepping out of your box, you don't...

~Howard Walstein

#inspiration #quotes

"DO SOMETHING
UNCOMFORTABLE TODAY.
BY STEPPING OUT OF
YOUR BOX, YOU DON'T
HAVE TO SETTLE FOR
WHAT YOU ARE - YOU
GET TO CREATE WHO YOU
WANT TO BECOME."

- Howard Walstein

Corn bulls struggle to find much help! Weather has become more competitive, especially in areas that were needing a drink. At the same time demand for both exports and ethanol are being more heavily debated. Export competition is more challenging as the South American currency has depreciated heavily against the U.S. dollar. Corn used for ethanol is also being more heavily debated following the recent waivers given to the small refineries. At the same time, Poet announced yesterday that it will idle production at its bioprocessing facility in Cloverdale, Indiana. The process to idle the plant will take several weeks, after which the plant will cease processing of over 30 million bushels of corn annually. Keep in mind, Poet has reduced production at half of its biorefineries, with the largest drops taking place in Iowa and Ohio. As a result, corn processing could drop by an additional -100 million bushels across Iowa, Ohio, Michigan, Indiana, Minnesota, South Dakota, and Missouri. Demand continues to be a concerning problem that we have to monitor closely. As for U.S. production, It's crazy to think we have +11 million prevent plant acres and still roughly 90 million corn acres planted. I still think the harvested acre number is somewhere slightly over or under 80 million. The other heavily debated question is "yield"? The USDA's current yield forecast is 169.5 bushels per acre. The recent rounds of more cooperative weather have bears thinking this number could be a very real possibility. Bulls, on the other hand, see more extreme "variability" in the fields and a massively late-planted crop that will struggle to produce any type of average north of 165 bushels per acre. In fact, most bulls are still talking about a final yield of somewhere between 155 and 165 bushels per acre. The problem is we might not see numbers like that until the end-of-year report in January, especially with what looks like it will be an extremely late harvest. There's also a lot of debate about the current Pro Farmer Crop Tour and how the tour is handling fields that are not far enough along to accurately count and fields that have been mostly abandoned. Last night, the tour presented an average corn yield for Indiana at 161.46 bushels per acre vs. the current USDA estimate of 166 bushels per acre. Last year, the Pro Farmer Crop Tour estimated the Indiana yield at 182.33 vs. last years USDA estimate of 189. The tour also released its estimate for Nebraska last night, reporting an average yield of 172.55 bushels per acre vs, the current USDA yield of 186 bushels per acre. Last year the Pro Farmer Tour estimated the Nebraska crop at 179.17 bushels per acre vs, the final USDA yield estimate for Nebraska at 192 bushels per acre. In other words, there's a lot of talk that the Pro Farmer Crop Tour often underestimates Nebraska because they don't use enough irrigated crop acres in

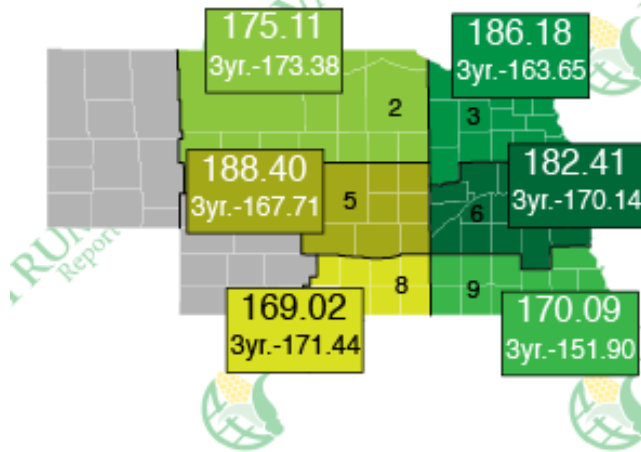
their sampling. I remain a longer-term bull, but it's certainly getting more difficult to hold onto the optimism. I still believe nearby, the bears are ultimately wanting to test the DEC19 contract lows and perhaps make a push towards the \$3.50 level.

FARM JOURNAL CROP TOUR RESULTS

NEBRASKA

2018 Corn Yields

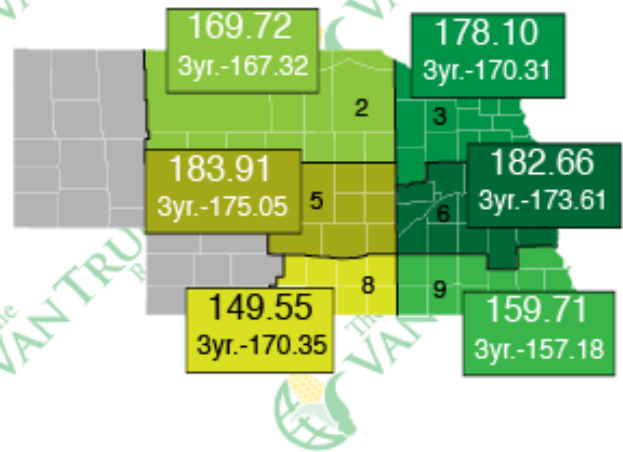
179.17 bpa



Bushels per acre

2019 Corn Yields

172.55 bpa



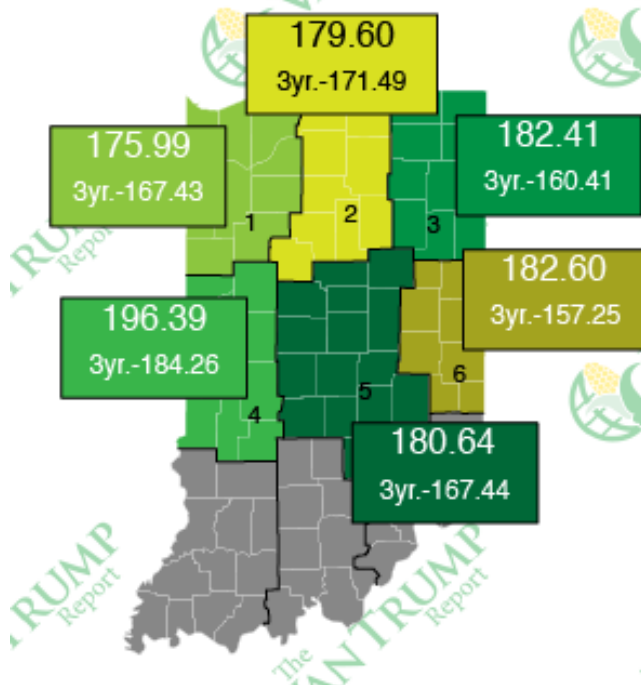
Bushels per acre

FARM JOURNAL CROP TOUR RESULTS

INDIANA

2018 Corn Yields

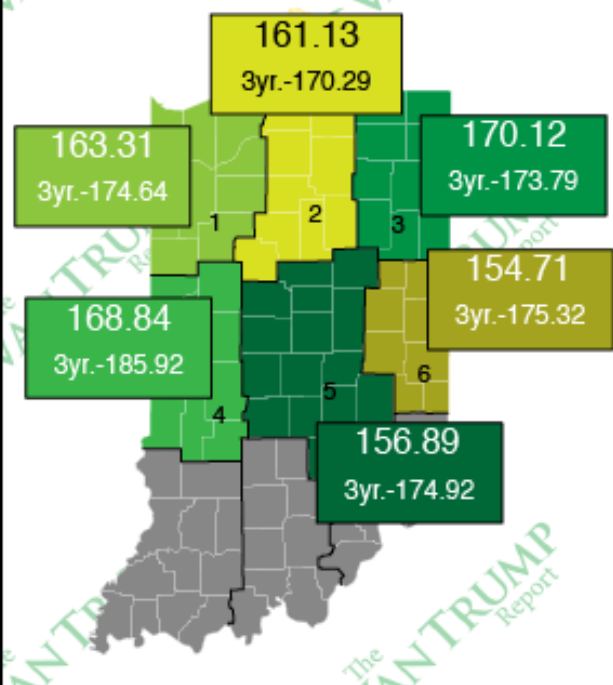
182.33 bpa



Bushels per acre

2019 Corn Yields

161.46 bpa



Bushels per acre

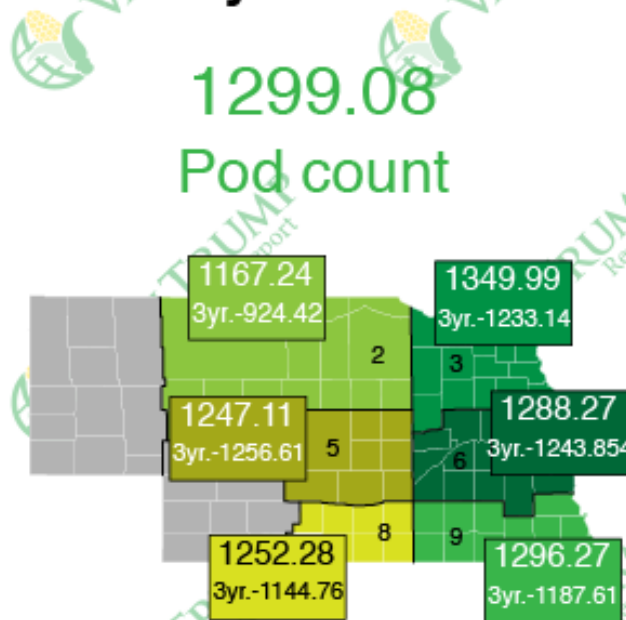
Soybean bulls are battling a similar set of circumstance to corn, i.e. improved U.S., weather, questionable demand, and questionable production. More widespread moisture has fallen in areas of the U.S. that had desperately needed water. There's also still a ton of unanswered questions surrounding global demand, especially with the ongoing Chinese trade dispute and continued spread of African Swine Fever. Here at home, there's still a ton of unanswered questions regarding harvested acres and final yield. The Pro Farmer Crop Tour released their results for Indiana and Nebraska last night. They estimated the Nebraska crop with a 1,210.83 pod count. The USDA currently has the Nebraska yield estimated at 58 bushels per acre vs. 59 bushels per acre the previous year. The crop in Indiana this year was reported to have averaged 923.94 pods vs. the 1,311 pods averaged last year. The USDA has the Indiana crop currently estimated at 50

bushels per acre vs. the 58.5 estimated last year. Net-net, it's the same old story. Bulls talking about a crop that's highly variable and running out of time. On the other side of the fence, bears are talking about overall weakness in demand and improved weather that could help production. As a spec, I continue to hold a very conservative bullish position that is just slightly profitable. I would like to add to my position on a deeper break in price, perhaps sub-\$8.50. As a producer, I'm still targeting late-2019 or early-2020 as a much better window of opportunity.

FARM JOURNAL CROP TOUR RESULTS

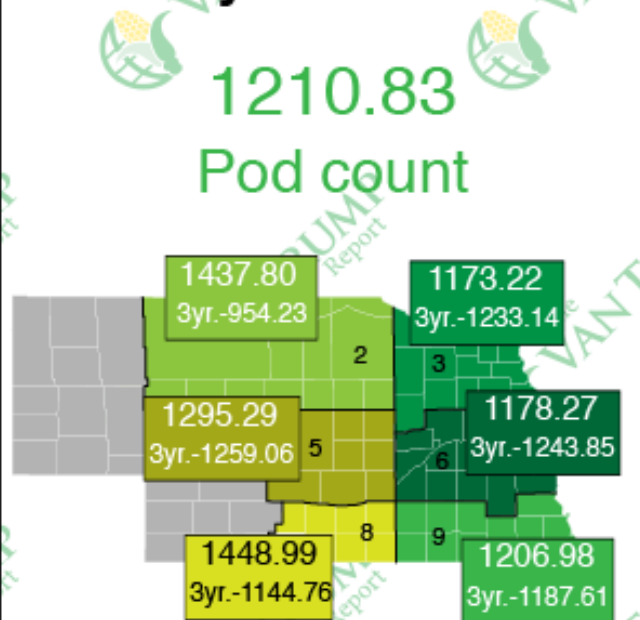
NEBRASKA

2018 Soybean Pod Count



Pod Count in 3 x 3 Square

2019 Soybean Pod Count



Pod Count in 3 x 3 Square

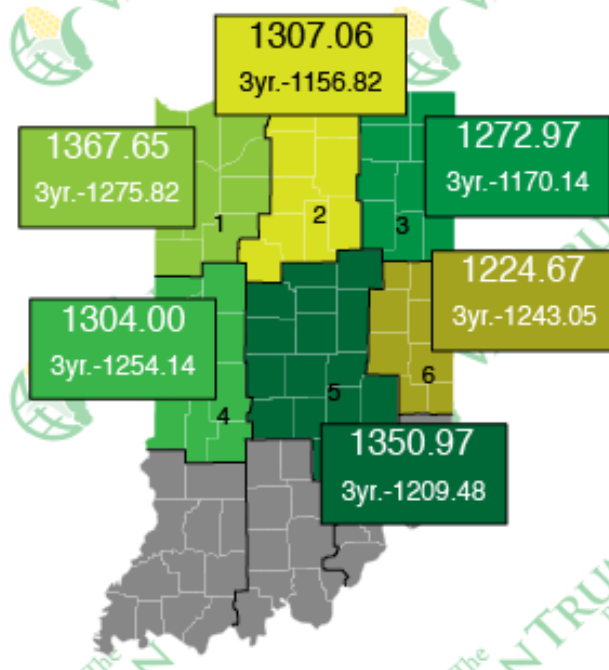
FARM JOURNAL CROP TOUR RESULTS

INDIANA

2018 Soybean Pod Count

1311.87

Pod count

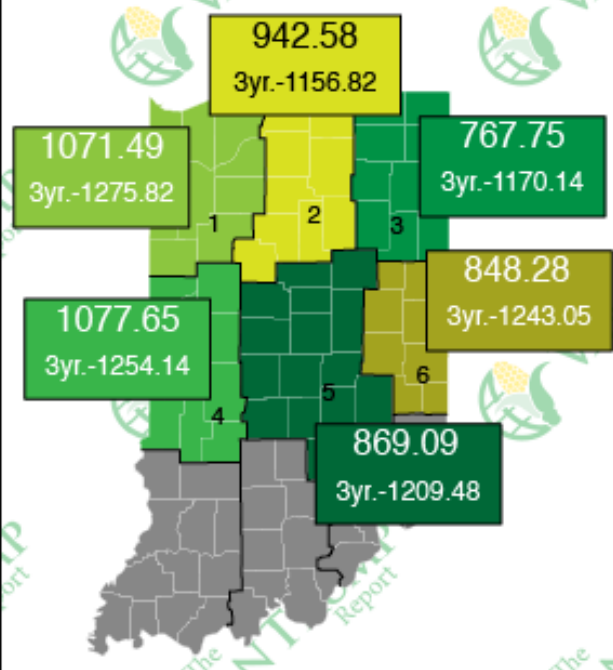


Pod Count in 3 x 3 Square

2019 Soybean Pod Count

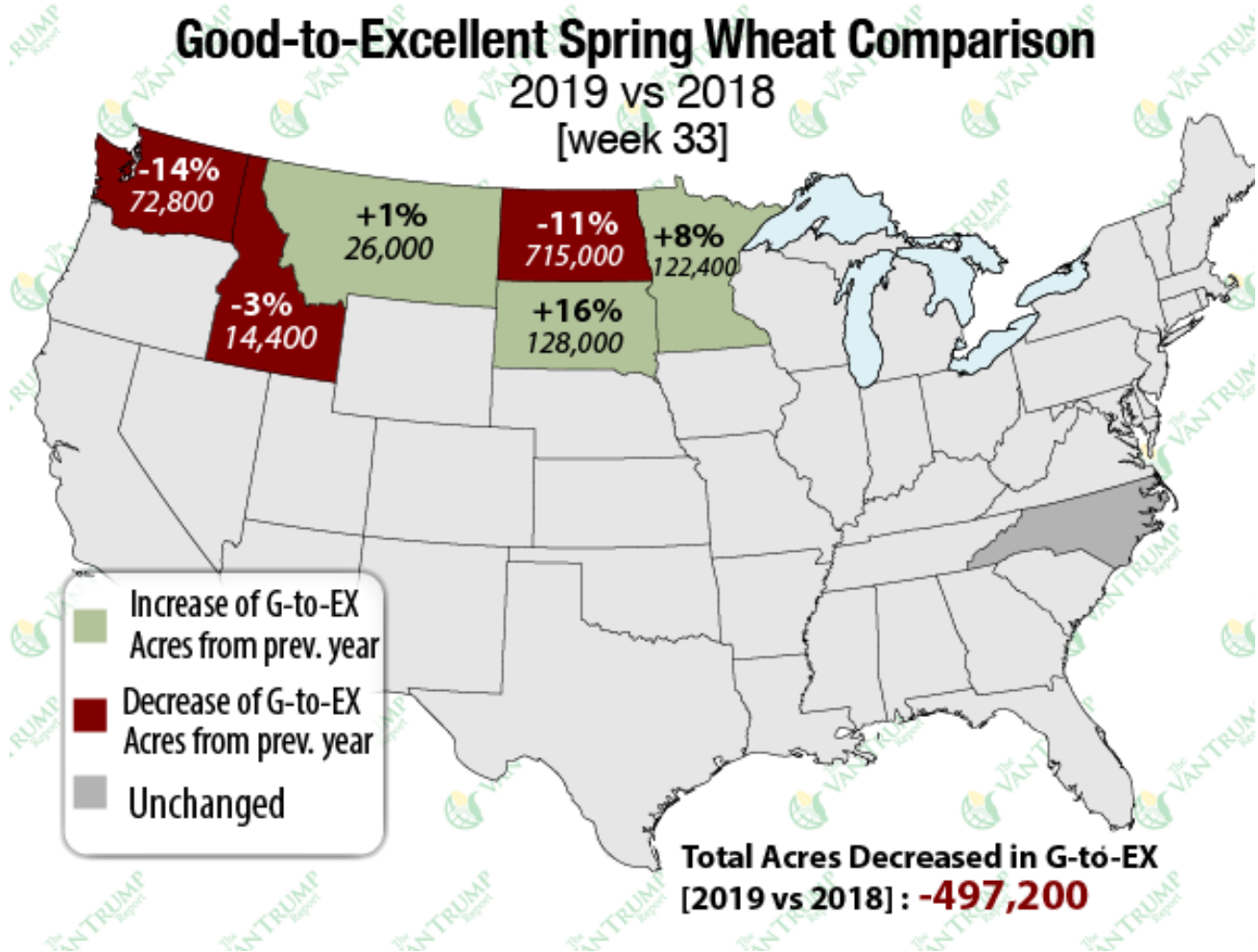
923.94

Pod count



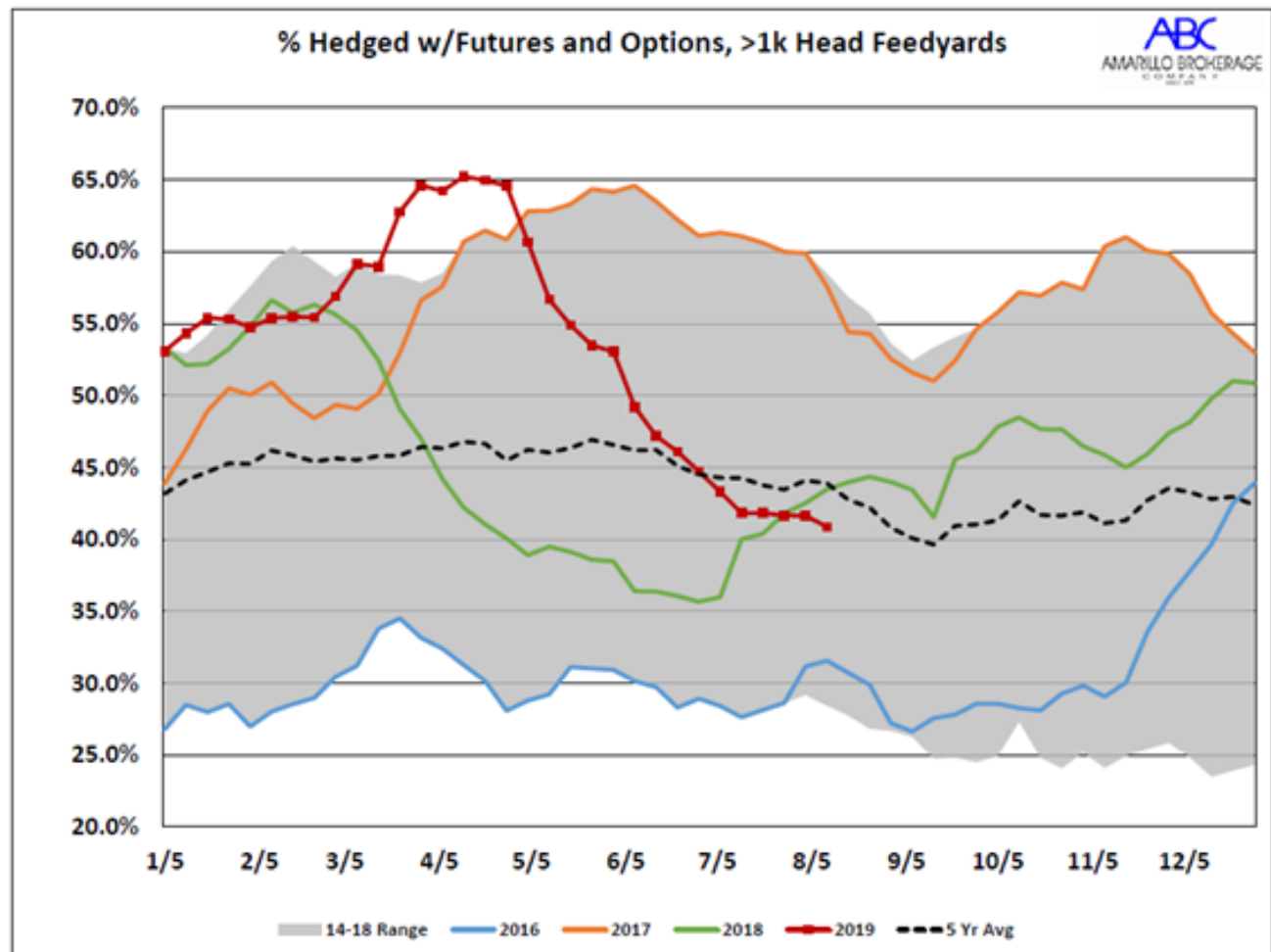
Pod Count in 3 x 3 Square

Wheat bulls struggle to find a fresh new story. Bears seem comfortable with continued sideways to lower price action. Bottom line, very few see much meat left on the bone for the bears, so nobody wants to be an overly aggressive short in this environment. But at the same time, overly burdensome global and domestic supply gives little reason to be in a hurry as a bull. Net-net, this market is frustrating at the moment and gives producers very little to cheer about. As a spec, I would love to make a longer-term bullish bet but just struggle believing the timing is right. I remain on the sideline...



Cattle traders are wondering what the near-term future holds for cattle markets. The event of the past week certainly caught the industry at an awkward time where numbers are historically large, leverage has been given up from expanding bunk space relative to tightening packing capacity and exposure to extreme risk for cattle feeders with less than ideal risk management in place. Volatility is most likely a certain player going forward. The back and forth action of the speculative community buying the early action and selling it late when there is no follow through will give way to commercial players selling at levels that may not provide satisfactory margin and then exiting when there is any hope of upside potential. This is not necessarily a unique situation but a very challenging one. As mentioned last week, it will be really important to make high quality decisions for you and your operation during these times. Cash traded 5.00-6.00/CWT lower on very light volume last week. Basis is strong versus the Aug19 LC contract and might support

the front spreads but the uncertainty with Tyson's Finney County plant is keeping a lid on the nearby contracts versus the deferred contracts. Show lists for cattle to be sold this week were sharply higher with gains being made in all feeding regions. Much was made of last week's estimated slaughter being 651,000 head. This was slightly larger than the previous week and just under this time a year ago. The quandary for many was how this was possible with the reduced capacity from a large fed beef plant being dark. Many things could be pointed out here including the potential for revisions later on. However, I think this was the short-term hope and expectation from the industry. It will be important for the packing sector to flex every way possible in order for us to smoothly navigate the next few months. The futures charts obviously look concerning with the recent declines. An optimist would point out oversold conditions and gaps to be filled as upside targets. The less optimistic might give a nod to the lack of managed money participation and little willingness to follow through on rallies as of late. Trey Warnock - [Amarillo Brokerage Company](#)





> A Look At Ag Land Values And Cash Rents: *What is the average value of agricultural lands across the country, and how much are producers paying in cash rents for ag land? Those questions are answered in USDA's latest study of those economic categories, which USDA's Rod Bain discusses with Deputy Chief Economist Warren Preston [HERE](#).*

> China Pig Farmer Profits Soar As Disease Wipes Out A Third Of The Herd: *Pig breeders in China who have managed to keep fatal African swine fever off their farms since outbreaks began a year ago are now set to reap rewards, with some in line for record profits of \$200 per hog thanks to soaring prices. The virus has reached every province of the world's top pork producer. The pig herd shrank a third in July from the same month a year ago, according to the Ministry of Agriculture and Rural Affairs, though many observers believe half the herd is already gone. Since June, slumping production has triggered a price surge. National average hog prices passed the 2016 record of 21 yuan per kilogram earlier this month to hit 24.6 yuan (\$3.48) per kg on Aug. 19, according to data from Shanghai JC Intelligence Co Ltd. The high prices will eat into profits at processors like WH Group, which last week reported a -17% decline in first half profits and warned that prices are set to keep climbing(Source: Thomson Reuters)*

> Brazil Reports Record Forest Fires: *Wildfires raging in the Amazon rainforest have hit a record number this year, with 72,843 fires detected so far by Brazil's space research center INPE, as concerns grow over right-wing President Jair Bolsonaro's environmental policy. The surge marks an 83% increase over the same period of 2018, the agency said on Tuesday. Since Thursday, INPE said satellite images spotted 9,507 new forest fires in the country, mostly in the Amazon basin, home to the world's largest tropical forest seen as vital to countering global warming. Wildfires have increased in Mato Grosso and Para, two states where Brazil's agricultural frontier has pushed into the Amazon basin and spurred deforestation. Wildfires are common in the dry season, but are also deliberately set by farmers illegally deforesting land for cattle ranching. You can read more [HERE](#).*

> Amazon's Algorithm Is Reading A New Emotion On Faces: Fear: *Amazon recently announced that it had improved the accuracy of its machine learning system Rekognition, improving its "emotion detection" capabilities. Along with detecting the emotions of happy, sad, angry, surprised, disgusted, calm, and confused, Amazon says it has "added a new emotion: fear." Technically, the algorithm works by learning how people's faces usually look when they express fear. Then, when you show it a new image, it can tell you with a certain probability whether that person's face is communicating the emotion of fear, leaving the human to then decide what to do with the information. While Amazon sells its Rekognition product to advertising and marketing companies, Amazon has also been marketing the software to police forces and immigration agencies, according to an investigation by the ACLU. In the past, civil rights groups, AI experts, and even some of Amazon's own investors have asked the company to stop deploying its facial recognition technology given industry-wide issues with accuracy. Read more [HERE](#).*

> Shell's First Greenlots Electric Vehicle Fast Charger Lands In Singapore: *Royal Dutch Shell, the energy giant known for its fossil fuel production and hundreds of Shell gas stations, is creeping into the electric vehicle-power business. The company's first DC fast charger from its newly acquired company Greenlots launched Monday at a Shell gas station in Singapore. Greenlots, an EV charging startup acquired by Shell in January, installed the charger. The decision to target Singapore is part of Greenlots' broader strategy to provide EV charging solutions*

across all applications throughout Asia and North America, the company said. Greenlots was backed by Energy Impact Partners, a cleantech investment firm, before it was acquired by Shell. The company, which combines its management software with the EV charging hardware, has landed some significant customers in recent years, notably Volkswagen. (Source: TechCrunch)

> Climate Change Could Rain On Saudi Aramco's IPO Parade: *Saudi Aramco's biggest asset could also be a liability. The state energy giant's vast oil reserves – it can sustain current production levels for the next 50 years – make it more exposed than any other company to a rising tide of environmental activism and shift away from fossil fuels. In the three years since Saudi Crown Prince Mohammed Bin Salman first proposed a stock market listing, climate change and new green technologies are putting some investors, particularly in Europe and the United States, off the oil and gas sector. Aramco, for its part, argues oil and gas will remain at the heart of the energy mix for decades, saying renewables and nuclear cannot meet rising global demand, and that its crude production has lower greenhouse gas emissions than its rivals. But with the company talking again to banks about an initial public offering (IPO), some investors and lawyers say the window to execute a sale at a juicy price is shrinking. Read more [HERE](#).*

> \$2 Billion Prize For The First Moon Colony? *Elon Musk tweeted his approval for a plan spearheaded by former House Speaker Newt Gingrich to offer a \$2 billion reward to the first private company to land and settle on the moon. Gingrich's proposal was cooked up by the Republican and a varied cast of characters, ranging from NASA advisors to a former publicist for Michael Jackson and Prince. The idea is to reduce public spending on space exploration by incentivising private companies with the cash prize. The cash pot would be split into \$1 billion for the first company to land a "roomy, comfortable human base" on the moon, and \$1 billion to the company that could successfully set up and run the base — although one of the plan's architects told Ars Technica that the pot could be expanded to \$5 billion. Read more [HERE](#).*

> Can We Rely On Our Intuition? *As the world becomes more complex, making decisions becomes harder. Is it best to depend on careful analysis or to trust your gut? Economics Nobel laureate Daniel Kahneman theorizes that intuitive thinking has both advantages and disadvantages: it is faster than a rational approach but more prone to error. Whether we rely on our gut or turn to sober analysis to make*

a decision seems to depend on a variety of factors, such as our past experiences with similar situations and the complexity of the problem. Many cognitive scientists argue that intuitive and analytic thinking should not be viewed as opposites. Studies indicate that our decision-making often works best when we blend both strategies. Read more from [Scientific American](#).

> Soccer Jerseys Are Prime Real Estate For Advertisers And Sponsors: *The Premier League, the top level of the English football league system, is home to some of the world's most valuable sports teams. So, naturally, it's also home to some of the world's most valuable sports real estate: the uniforms those teams wear. Premier League teams make money from their uniforms, or "kits," in two ways: apparel deals and sponsorship deals. This season, Manchester United will receive \$91.9 million from Adidas (kit supplier), \$80 million from Chevrolet (main sponsor) and \$27.5 million from Kohler (sleeve sponsor). Total: \$199.4 million. While this revenue-generating trifecta might not become the norm in the NBA, NFL, MLB and NHL (especially the team-specific apparel deals), jersey sponsorships certainly could. In 2017, the NBA began allowing teams to sell a jersey sponsorship patch (Rakuten pays the Warriors \$20 million per season, for example), and the results have been so promising that other leagues look poised to follow suit. Read more [HERE](#).*

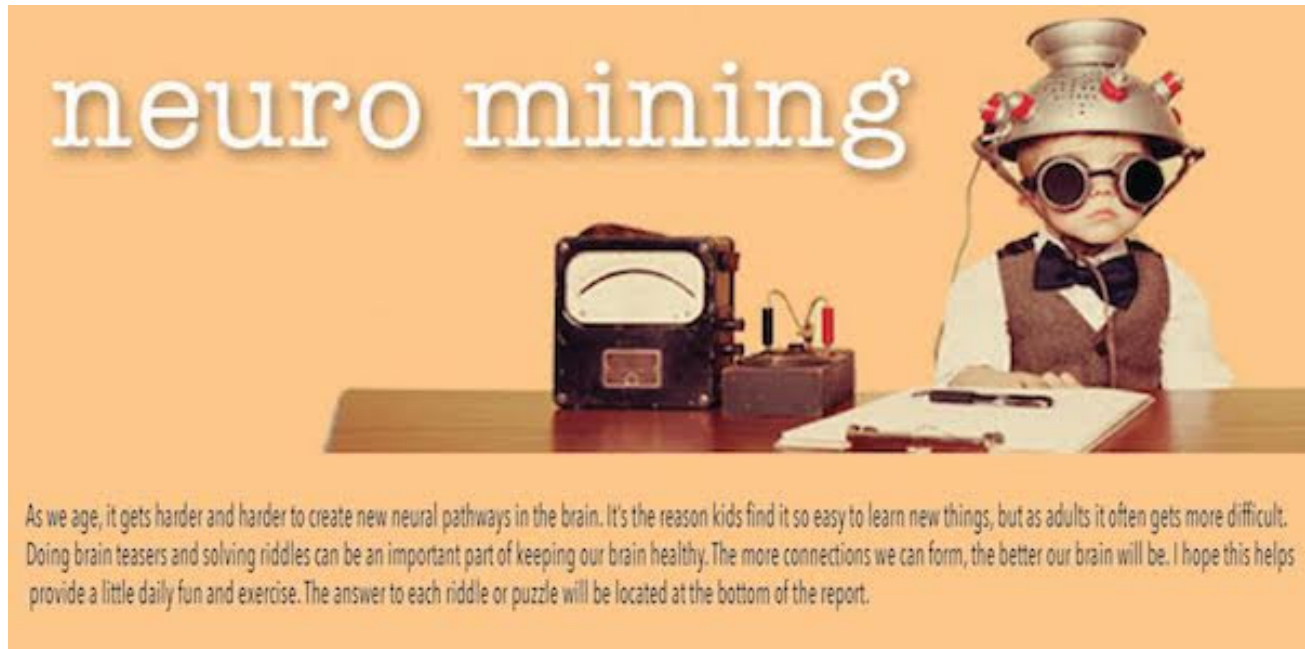




Northwest Illinois – *We got out and scouted a few fields before the tour came through this area. We didn't have any April planted corn this year but we did luckily get some planted in May and early June. Some guys in this area planted much later. The middle of the May planted corn counted out to be roughly just shy of 200 bushels per acre and the June 3rd-4th planted corn counted out to be really close to 170 bushels per acre. Just so you have a point of reference on those fields, they ranged from 215 to 230 bushels per acre the last few years.*

West Central Indiana – *We haven't had any measurable rain in 5 weeks. The grass has only been cut 1 time since the beginning of July. We are 4-6 weeks behind and it's made evident in sweet corn. To give you an example, we are normally done harvesting sweet corn around July 20. We are still about a week from even starting. Right now, if the weather continues to stay on the cooler side and cloudy, we are going to drop the yield back 12-15% off our APH. If we get another decent rain, we have a shot at hitting APH. Corn is supposed to catch up if it's planted late but what I'm told is if the median temperature hits 50 degrees for 5 straight days it will shut down similar to how it would shut down if we had a frost. We may not even need an early frost to hurt this corn, it may just take a cool fall.*

North Central Kansas - *Our June planted corn is R3-R4 right now. We are starting to see signs of Southern Rust. Maybe 10% of plants with a visible pustule, if that's the right word. I've seen one leaf that was completely taken out but other than that no real damage. I'm looking into a few chemical combinations that will cheaply keep the Southern Rust at bay. I'm not wanting to spend too much money on it, but also don't want a crop failure. If Southern Rust get bad it can quickly take out entire fields.*



TODAY'S RIDDLE: I am a small room, but no life lives inside, no matter what weather looms, very cold my residents reside. What am I?



Perspective on "Plant-Based" Foods that Will Make You Think!

Investors and producers are still trying to determine how deeply they want to dive into the plant-based food and beverage sector. Is this just a passing fad or the start of a lasting trend? By most media accounts, you'd be led to believe it's here to stay as consumers are demanding sustainability, transparency, and animal welfare. The media is also talking about the so called "great taste" and ongoing "health benefits." But recent surveys are starting to reveal some interesting data that might provide a different perspective.

Consumers who have identified themselves as having purchased plant-based foods and beverages were asked a series of questions to determine why they were

buying the products. Ironically, the top two reasons were not related to "sustainability" or improved "animal welfare." Rather, it was the perceived individual "health benefits" that led all answers with 57% rating that as extremely or very important. In other words, most people are buying the plant-based foods because they see it as a direct benefit to their longer-term health. As we know, that's not the case. There's really not much in the way of improved healthier eating. Interestingly, survey responses indicated the top reason they were buying didn't have a lot to do with the better treatment of animals or the sustainability issues that so many in the media continue to point towards. Mainstream consumers are also having an issue with taste. The "plant-based" products just don't taste any better.

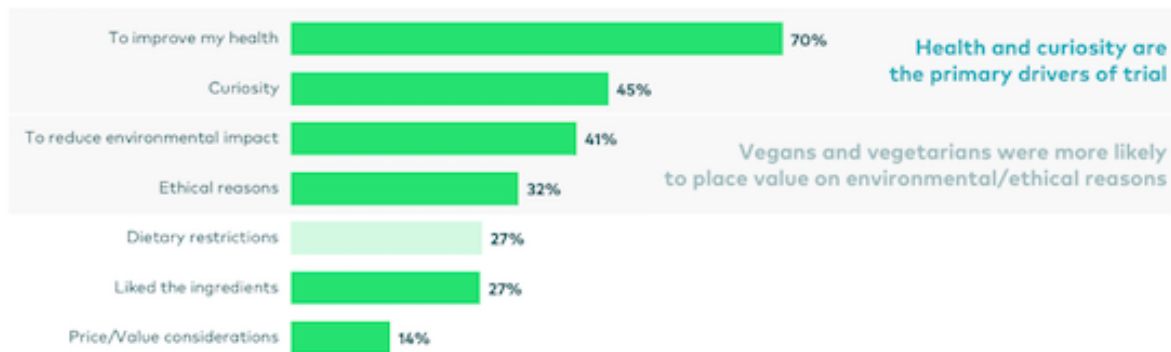
The term "diet soda" is starting to be tossed around by some very experienced investors. Apparently, one of the big reasons why the media and the corporations were touting "diet soda" when it first came on the scene was the more money Coke and Pepsi could make, the more money they would spend no advertising. At that point it becomes a win-win for both of those parties. Consumers thought they were buying it for improved longer-term health benefits and were willing to sacrifice taste to make it happen. In the end however, all of the artificial ingredients couldn't deliver on the consumers perceived health benefits. Diet soda hit its peak in 2005, when more than 3 billion cases were sold in a year. But as diet sodas peaked, concerns regarding aspartame and other artificial sweeteners started gaining more momentum and sales plummeted. In the same 15-year period that the diet sodas declined by massive numbers, single-serve bottled water sales grew by +100% in volume.

Perspective is everything! Some investors believe when consumers finally recognize that plant-based foods, similar to diet sodas, aren't delivering on their perceived promise as the "new healthy option" they are looking for, the consumer might move to the next available option that can deliver on that front. I question the strategy of trying to imitate something that Americans know well. Diet soda tried to imitate real soda and it couldn't fully deliver on a healthier alternative. I feel like many seasoned investors believe that "plant-based" is trying to imitate the real thing but again can't deliver on the perceived health benefits. In other words, perhaps a book we've seen or read once before? Certainly a perspective worth considering...

Rabobank executive director of food and beverage trends Nick Fereday provides excellent insight in a recent "Talking Points" blog that is worth a look, and you can access it [HERE](#). Fereday shares important historical data on an industry that has been trying to replace meat since Kellogg's introduced peanut-based "meatless meat" Nuttose in 1896. He goes on to discuss why substitutes never perform as well as the original, as well as what new companies will need to do in order to become a lasting trend rather than a passing fad. (Sources: Food-Navigator, Rabobank, Numerator)

Dietary restrictions are **not** the top reason shoppers try plant-based meat alternatives

Three most important factors that lead you to try meat alternative products:



*Numerator 2019 Survey of alternative meat buyers



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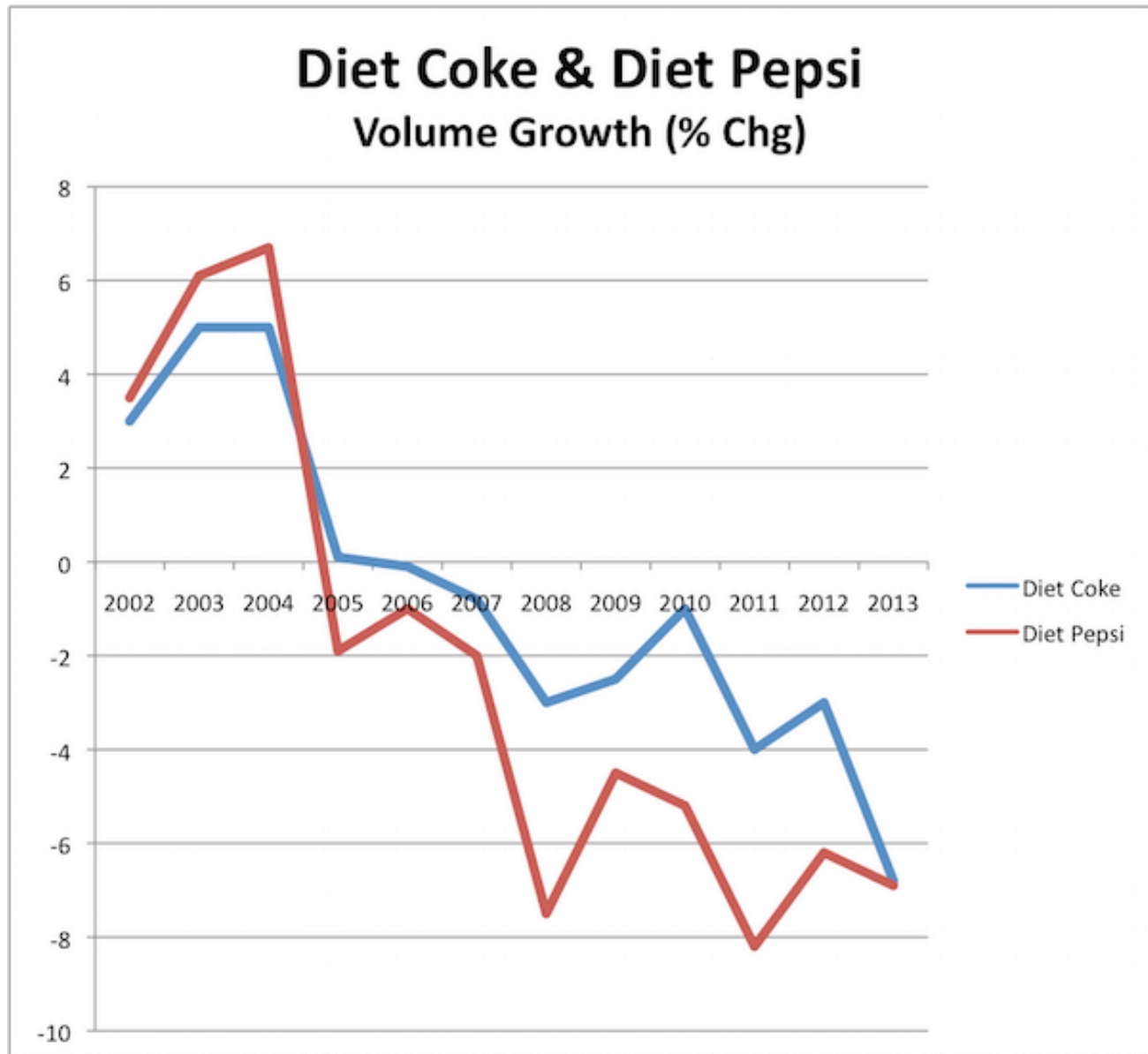
Current plant-based meat advertisements have targeted traditional meat eaters



*Numerator Ad Intel Data 2019



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Say What... Negative Interest Rate Mortgages

Jyske Bank, Denmark's third-largest bank, said recently that customers would now be able to take out a 10-year fixed-rate mortgage with an interest rate of -0.5%. Yes, you read that correctly. A bank in Denmark is offering borrowers the chance to take out mortgages at a negative interest rate, effectively meaning that it will pay customers to borrow money!

Never in my wildest dreams would I have ever thought I would see such a thing. Essentially this bank in Europe, at least from my perspective, is saying they are content to take a guaranteed small loss rather than risk bigger losses in the future.

Numbers might be a bit fuzzy at first, but to put the -0.5% rate in simple terms: If you bought a house for \$1 million and paid off your mortgage in full in 10 years, you would pay the bank back only \$995,000. Keep in mind however, I have to imagine the bank is charging some type of closing fee or other line-item that makes them some kind of money.

Nordea Bank, Scandinavia's biggest lender, said it would soon be offering a 20-year fixed-rate mortgage with 0% interest. Bloomberg reported that some Danish lenders were offering 30-year mortgages at a 0.5% rate.

Money has clearly never been cheaper to borrow. I just worry about what type of "asset bubbles" the cheap money is actually creating. If everyone can borrow at next to nothing you have to believe there's a ton of money now in circulation and those easily available funds are allowing prices to be bid up higher and higher on almost anything and everything. My question is what happens when the music stops? Who's going to be left without a chair? Which asset classes are going to see the bottom fall out? Will it be the art industry, collector cars, real estate, the restaurant and entertainment industry, etc... Cheap money certainly creates "asset bubbles", the key is to be able to identify where they are located. (source: Business Insider, Bloomberg, The Wall Street Journal, [Silver Report](#))





The Story of Oldsmobile... Very Interesting!

Ransom Eli Olds was born in Geneva, Ohio, in 1864 and went on to become the massively wealthy founder of Oldsmobile. Olds was the youngest son of a blacksmith and part-time engine repair man. His parents moved the family to Cleveland, Ohio, when Olds was still a boy. During this period of time he often helped and worked in the family's machine-repair and engine-building business. By 1887 he had actually built his very own steam engine automobile. He was married two years later and moved to Lansing, Michigan.

Gasoline was being tinkered with and Olds built his first gasoline-powered car in 1896. Remember, it wasn't until the early-1900's that a young Henry Ford leased a factory and contracted with a machine shop in Detroit, Michigan, owned by John and Horace E. Dodge. In other words, Olds was one of the first to the party. The modern assembly line and its basic concept is actually credited to Olds, who patented the assembly line concept and used it to build the first mass-produced automobile, the Oldsmobile Curved Dash, beginning in 1901. I had personally thought Ford was credited with the concept. Actually, the Ford assembly line was

introduced by William "Pa" Klann upon his return from visiting Swift & Company's slaughterhouse in Chicago and viewing what was referred to as the "disassembly line", where carcasses were butchered as they moved along a conveyor. The efficiency of one person removing the same piece over and over without himself moving caught his attention. He reported the idea to Peter E. Martin, soon to be head of Ford production, who was doubtful at the time but encouraged him to proceed. Pa Klann's slaughterhouse revelation is well documented in the archives at the Henry Ford Museum and elsewhere, making him an important contributor to the modern automated assembly line concept. Ford was appreciative, having visited the highly automated 40-acre Sears mail order handling facility which was implementing a similar concept around 1906. It wasn't until late-1913, at the Highland Park Ford Plant, that Ford implemented the moving assembly line developed for the Ford Model T.

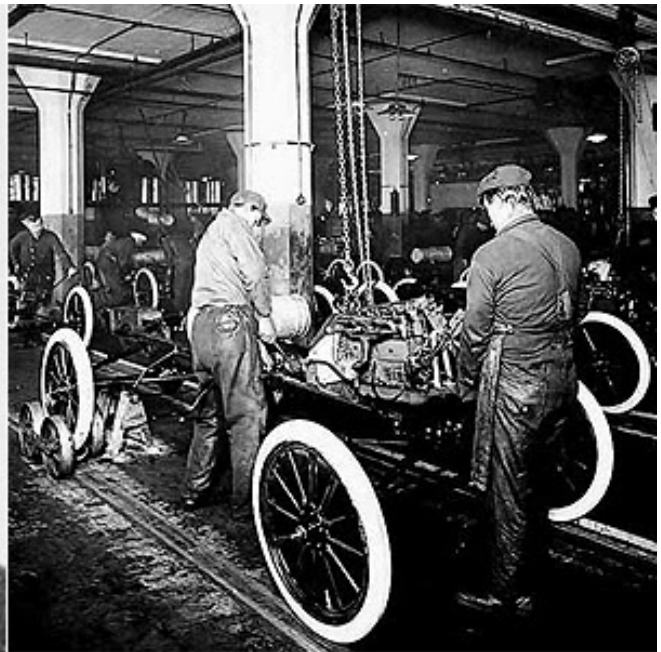
Olds Motor Works was founded in 1897 with financial backing from Samuel L. Smith, who had made his fortune in lumber. After the company moved from Lansing to Detroit in 1900, a fire destroyed all of its cars except its small, one-cylinder curved-dash model. Light, reliable and relatively powerful, the curved-dash Oldsmobile (as Olds had renamed his company) became a commercial sensation after appearing at the New York Auto Show in 1901. Olds returned to Lansing in 1902 and began large-scale production of the car. The Curved Dash Oldsmobile sold for \$650, equal to \$19,575 today. About 600 were sold in 1901, about 3,000 in 1902 and at least 4,000 in 1904. It was this car, rather than Henry Ford's Model T, that was the first mass-produced, low-priced American motor vehicle. Olds soon split with Smith and his board of directors over the future direction of the company, however - Olds wanted to continue the focus on smaller cars, while the others favored the production of larger, more expensive automobiles. In 1904, Olds left to found the REO Motor Car Company (named after Olds' initials, R.E.O.). In fact, the band REO Speedwagon actually took their name from the REO Speed Wagon light delivery truck, an early ancestor to the modern day pickup truck. After Eli Olds departure from the company, Oldsmobile struggled, and in 1908 it was swallowed up by the new General Motors (GM) conglomerate.

Oldsmobile's six and eight-cylinder models were considered the "middle-of-the-line" by the 1920's, basically the mid price-point between GM's lineup of less expensive Chevrolet's and more expensive Buick and or Cadillacs. Oldsmobile

eventually earned a reputation as GM's "experimental" division, introducing the so-called "safety automatic transmission" in 1938, a precursor to 1940's "Hydra-Matic," which was the first successful fully automatic transmission. In 1961, with the release of the upscale compact F-85 (powered by a V-8 engine), Oldsmobile launched its Cutlass, which would become one of the industry's longest-running and most successful names. The Cutlass Supreme would reign as the best-selling American car for much of the 1970s and early 1980s.

GM finally discontinued the Oldsmobile in 2004 after 107 years of existence. At the time of its demise, Oldsmobile was America's oldest continuously operating automaker.

Elli Olds never let much grass grow under his feet. In 1906, Olds organized the Capital National Bank, later called Lansing National Bank, and Michigan National Bank. Olds was also involved in the organization of the Michigan Screw Company and Atlas Drop Forge Company. In 1916, Olds purchased 37,547 acres of land by the northern part of Tampa Bay in Florida and developed the area into what is now the city of Oldsmar. He traded his land for the Fort Harrison Hotel in Clearwater, Florida in 1926. Olds was the primary financier of the Olds Tower. When completed in 1931, it was the tallest office building in Michigan.









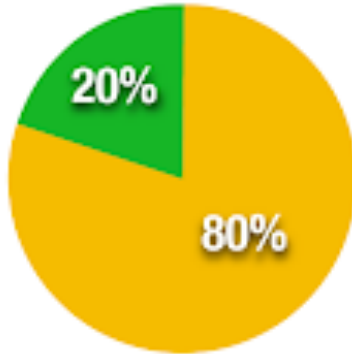
ANSWER to riddle: A refrigerator.

CASH SALES & HEDGING TOTALS

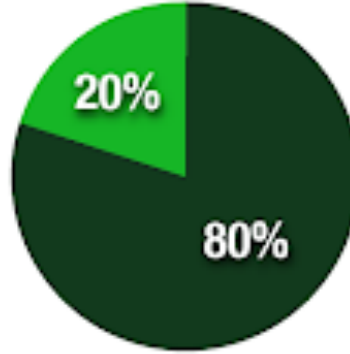
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Corn 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED

**Soybean 2018 Crop**

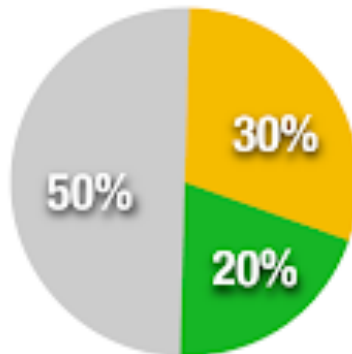
80% SOLD
20% HEDGED
0% UNPROTECTED

**Wheat 2018 Crop**

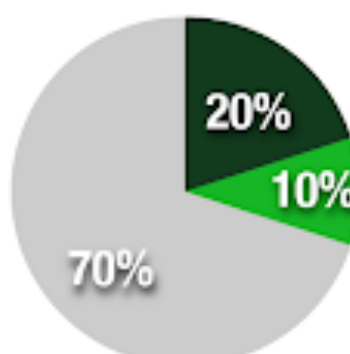
100% SOLD
0% HEDGED
0% UNPROTECTED

**Corn 2019 Crop**

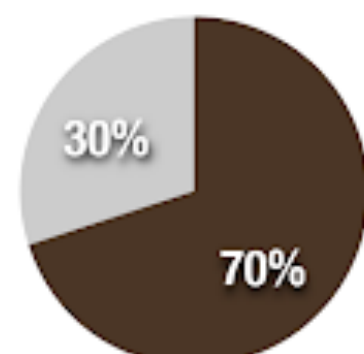
30% SOLD
20% HEDGED
50% UNPROTECTED

**Soybean 2019 Crop**

20% SOLD
10% HEDGED
70% UNPROTECTED

**Wheat 2019 Crop**

100% SOLD
0% HEDGED
0% UNPROTECTED

**Corn 2020 Crop**

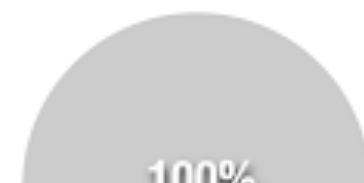
0% SOLD
0% HEDGED
100% UNPROTECTED

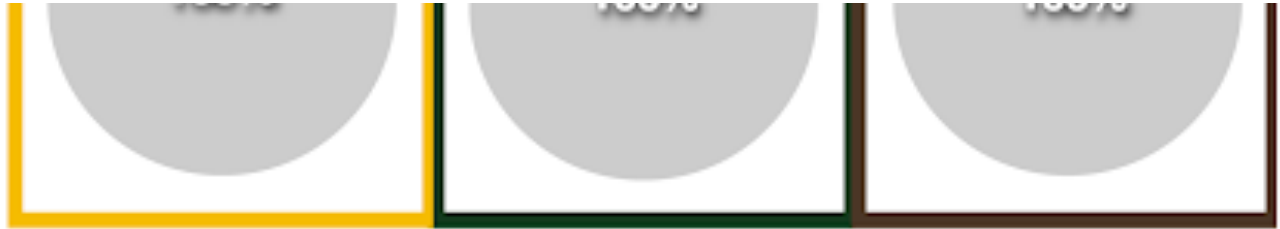
**Soybean 2020 Crop**

0% SOLD
0% HEDGED
100% UNPROTECTED

**Wheat 2020 Crop**

0% SOLD
0% HEDGED
100% UNPROTECTED





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Josh Knight <Josh@farmdirection.com>
To: Mark Hendershott <mark@farmdirection.com>

Wed, Aug 21, 2019 at 8:13 AM

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

From: **The Van Trump Report** <reply@vantrumpreport-email.com>
Date: Wed, Aug 21, 2019 at 5:31 AM
Subject: GOOD MORNING: Van Trump Report 8-21-19
To: <josh@farmdirection.com>

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



"Life is about making an impact, not making an income." - **Kevin Kruse**

Wednesday, August 21, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors remain uneasy as they await further details on U.S. policymaker plans to boost the economy, particularly in regards to monetary policy. That issue is key today as the Federal Reserve will release "minutes" from its July policy meeting. Expectations are high that the central bank will raise rates yet again at its next meeting on September 17-18 and investors will be looking for clues as to whether Fed officials are leaning toward looser policy and more dovish rhetoric. President Trump has called for further rate cuts as well as "some" quantitative easing. Traders also remain unclear as to where trade negotiations between the U.S. and China are headed. On a more positive note, second-quarter earnings season is nearly complete with about 95% of S&P 500 companies having reported results. According to FactSet, earnings for S&P 500 companies are on track to decline just -0.4% which is a much better result than the -2.8% decline analysts were projecting in July. Today, Existing Home Sales are due out and expected to show a slight increase for July. Remember, June existing home sales were down -2.2% compared to last year. Another month of declines is likely to add more fuel to the fire for investors concerned about an impending recession. Also be aware that the EU has several important reports due out tomorrow morning before markets open. Topping the list is the European Central Bank's minutes from their last meeting. Flash PMI is also scheduled, which will provide an early snapshot of August manufacturing levels. July results came in at 50.0. A reading below 50.0 indicates falling output. I remain cautiously underinvested, hoping some of the fog soon lifts so I can see a bit further down the road. No need to drive fast or aggressive with these types of road conditions. Remember, sometimes a great defense can be your best offense!

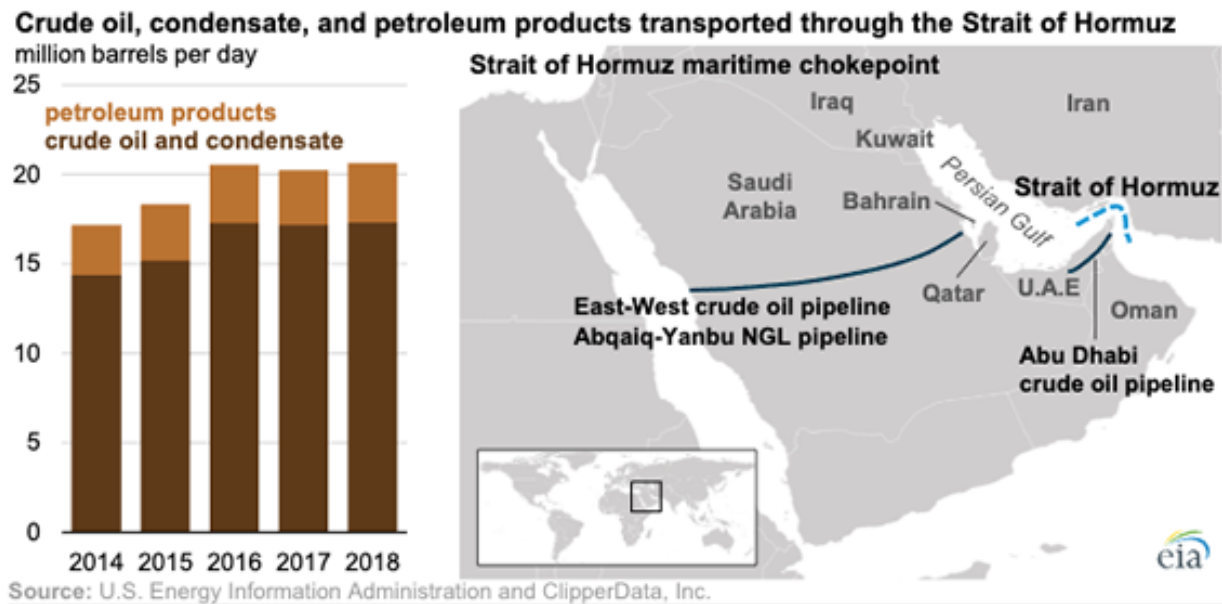
AppleTV Plus Coming In November: *Apple says they see a free trial period tied with many of their other services, then perhaps a \$9.99 per month subscription fee. Apple seems to be throwing around some big money and attracting some big names. The company has released trailers and teasers for two of its big originals: "The Morning Show", a drama about a morning news broadcast starring Reese Witherspoon, Jennifer Aniston and Steve Carell, and "For All Mankind", a period piece from the creator of Battlestar Galactica that presents an alternative history in which Russian put the first person on the moon. Oprah Winfrey, Steven Spielberg and J.J.*

Abrams and other big names are also on board. Apple is pushing to reach \$50 billion in service sales by 2020. It will be interesting to see what this does to other big competitors in the space like Netflix? You can read all of the details and learn more about their shows [HERE](#)

Banks Will Get Relief From Volcker Rule Changes: *U.S. officials confirmed yesterday they would make changes to the so-called "Volcker rule". The tweak, if sanctioned by all regulators, would help clarify the way in which banks trade securities using their own funds, the ban of which was a key portion of legislation from the post-financial crisis bank crackdown. The regulators hope to clarify the definition of proprietary trading and adjust the ban that prohibits banks from making short-term investments with their own capital. The move comes in response to industry complaints that the rules are too convoluted and burdensome. The Office of the Comptroller of the Currency approved the revamp earlier Tuesday, while the Federal Reserve and the Securities and Exchange Commission still need to weigh in. The Volcker Rule was initially enacted under the Dodd-Frank Wall Street Reform and Protection Act. It prevented banks from investing their own money in hedge funds and private equity funds. It also tried to remove risk from trading desks at major U.S. banks. A successful rewrite will be viewed as a win for big Wall Street banks, who have been lobbying congress to weaken the current law.*

U.S. Warns Greece Against Assisting Iranian Tanker: *The U.S. warned Greece against assisting an Iranian tanker that has been detained in Gibraltar for over a month. Grace 1, which has been renamed Adrian Darya-1, set sail on Sunday after Gibraltar rejected a U.S. request to seize the tanker, which is reportedly carrying 2.1 million barrels of light crude. The U.S. alleges the tanker was assisting Iran's Islamic Revolutionary Guard Corps, which it has designated a terrorist organization, by transporting oil from Iran to Syria. Gibraltar officials say they received assurances from Iran that the oil was not being transported to Syria. Gibraltar operates under EU maritime law and, unlike the U.S., the EU doesn't prohibit Iranian oil sales. The ship is now moving toward Greece, where it is expected to arrive on Monday. The U.S. State Department in a statement warned of the importance "for companies, and mariners to know that any efforts to assist these tankers could be considered as providing material support to a U.S.-designated Foreign*

Terrorist Organization (FTO), which has immigration and potential criminal consequences.” Tensions in the Persian Gulf region have been high since May, when tankers were attacked in the Gulf of Oman and Saudi oil infrastructure was targeted by armed drones launched by Yemen’s Iran-aligned Houthi rebels. On July 19, Iranian forces detained the UK-flagged tanker Stena Impero as it passed through the Strait of Hormuz. About a third of the world’s seaborne oil is transported through the Strait of Hormuz. (Sources: Platts, Wall Street Journal)



FARM TANK

Tweets of the Day



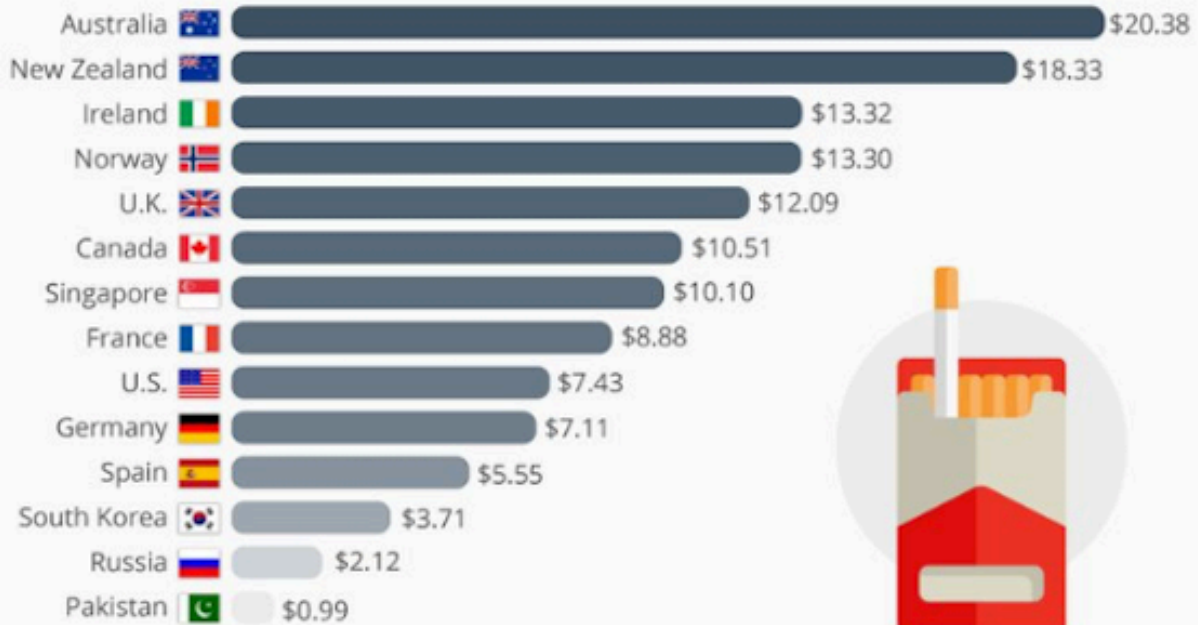


Australia is the world's most expensive country to be a [#smoker](#) costing US\$20 to buy a pack of [#cigarettes](#)

bit.ly/2KDVjdV

The Price of a Pack of Cigarettes around the World

Selling price for a 20 pack of Marlboro cigarettes in selected countries (Aug 2019)



@StatistaCharts Source: numbeo.com

statista

**Landon Friesen**

@landon707



Whoop whoop, been looking forward to this for some time! [#harvest19](#)

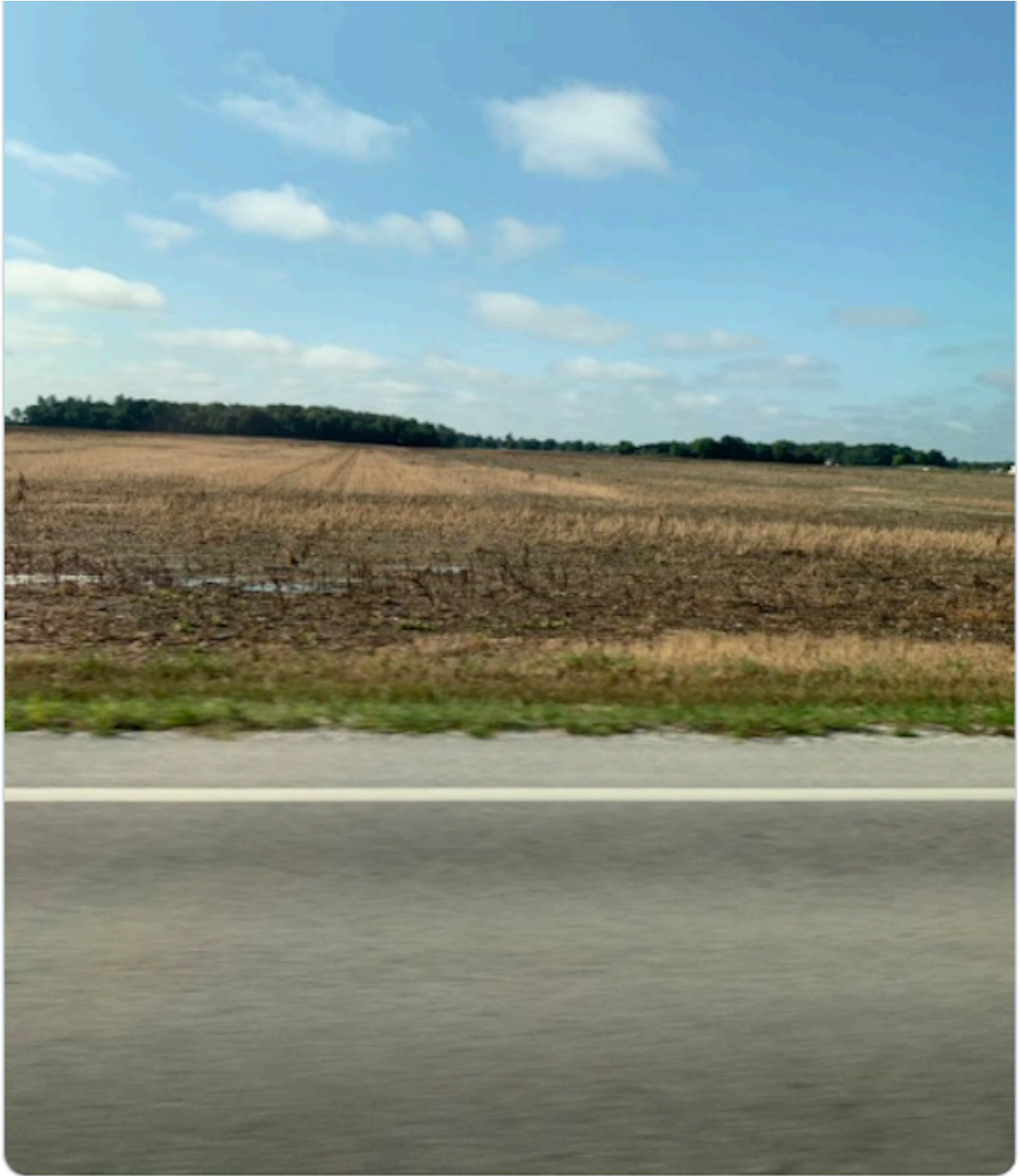
**Doug Warters**

@Caseman4994



Have seen way too much of this in northwest Ohio.
[#pftour19](#)







Joyce Pride ★★ ★
@joycepride



Hwy 136 West of Rock Port, MO 08/17/19 #plant19
#flood19





Kevin Duling
@kdinvestors



There's my 82 year old dad driving a truck he bought new in the 60s. They don't make them like that anymore and I'm not just talking about the truck.
[#harvest19](#) [#wheat](#)





80s Sports N Stuff
@80sSportsNStuff



My parents "fixed" 92% of things by spraying one of these two items on them...





ActionComplete
@ActionComplete



Do something uncomfortable today. By stepping out of your box, you don't...

~Howard Walstein

#inspiration #quotes

**"DO SOMETHING
UNCOMFORTABLE TODAY.
BY STEPPING OUT OF
YOUR BOX, YOU DON'T
HAVE TO SETTLE FOR
WHAT YOU ARE - YOU
GET TO CREATE WHO YOU
WANT TO BECOME."**

- Howard Walstein

Corn bulls struggle to find much help! Weather has become more competitive, especially in areas that were needing a drink. At the same time demand for both exports and ethanol are being more heavily debated. Export competition is more challenging as the South American currency has depreciated heavily against the U.S. dollar. Corn used for ethanol is also being more heavily debated following the recent waivers given to the small refineries. At the same time, Poet announced yesterday that it will idle production at its bioprocessing facility in Cloverdale, Indiana. The process to idle the plant will take several weeks, after which the plant will cease processing of over 30 million bushels of corn annually. Keep in mind, Poet has reduced production at half of its biorefineries, with the largest drops taking place in Iowa and Ohio. As a result, corn processing could drop by an additional -100 million bushels across Iowa, Ohio, Michigan, Indiana, Minnesota, South Dakota, and Missouri. Demand continues to be a concerning problem that we have to monitor closely. As for U.S. production, It's crazy to think we have +11 million prevent plant acres and still roughly 90 million corn acres planted. I still think the harvested acre number is somewhere slightly over or under 80 million. The other heavily debated question is "yield"? The USDA's current yield forecast is 169.5 bushels per acre. The recent rounds of more cooperative weather have bears thinking this number could be a very real possibility. Bulls, on the other hand, see more extreme "variability" in the fields and a massively late-planted crop that will struggle to produce any type of average north of 165 bushels per acre. In fact, most bulls are still talking about a final yield of somewhere between 155 and 165 bushels per acre. The problem is we might not see numbers like that until the end-of-year report in January, especially with what looks like it will be an extremely late harvest. There's also a lot of debate about the current Pro Farmer Crop Tour and how the tour is handling fields that are not far enough along to accurately count and fields that have been mostly abandoned. Last night, the tour presented an average corn yield for Indiana at 161.46 bushels per acre vs. the current USDA estimate of 166 bushels per acre. Last year, the Pro Farmer Crop Tour estimated the Indiana yield at 182.33 vs. last years USDA estimate of 189. The tour also released its estimate for Nebraska last night, reporting an average yield of 172.55 bushels per acre vs, the current USDA yield of 186 bushels per acre. Last year the Pro Farmer Tour estimated the Nebraska crop at 179.17 bushels per acre vs, the final USDA yield estimate for Nebraska at 192 bushels per acre. In other words, there's a lot of talk that the Pro Farmer Crop Tour often underestimates Nebraska because they don't use enough irrigated crop acres in

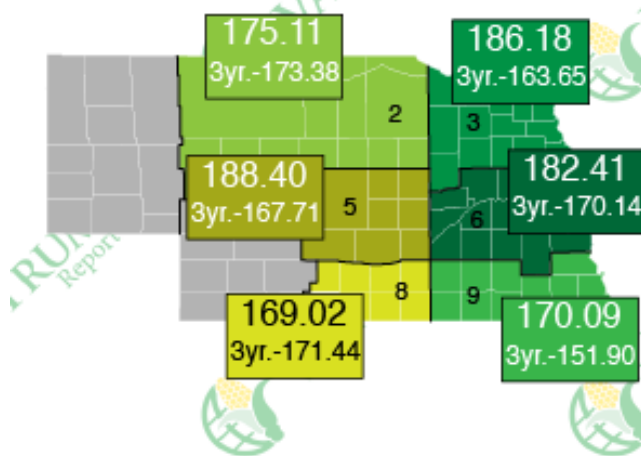
their sampling. I remain a longer-term bull, but it's certainly getting more difficult to hold onto the optimism. I still believe nearby, the bears are ultimately wanting to test the DEC19 contract lows and perhaps make a push towards the \$3.50 level.

FARM JOURNAL CROP TOUR RESULTS

NEBRASKA

2018 Corn Yields

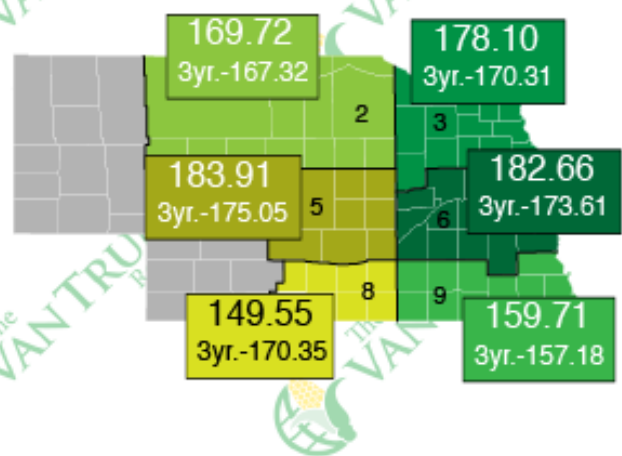
179.17 bpa



Bushels per acre

2019 Corn Yields

172.55 bpa



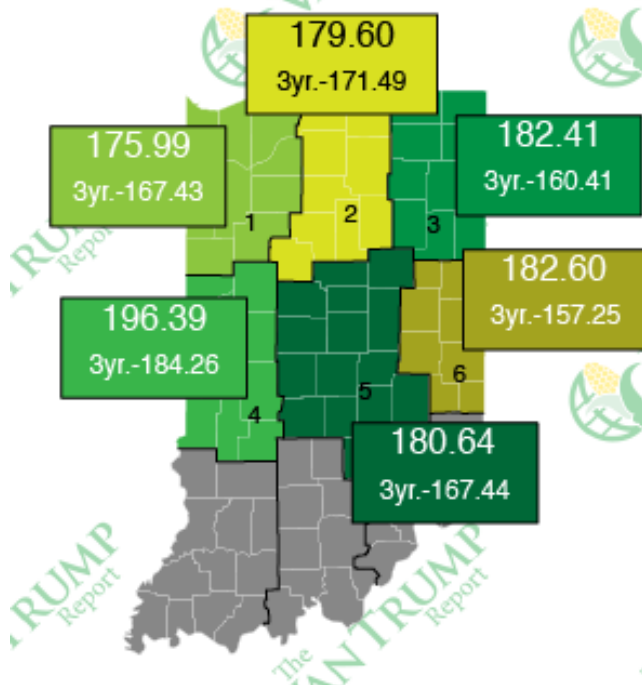
Bushels per acre

FARM JOURNAL CROP TOUR RESULTS

INDIANA

2018 Corn Yields

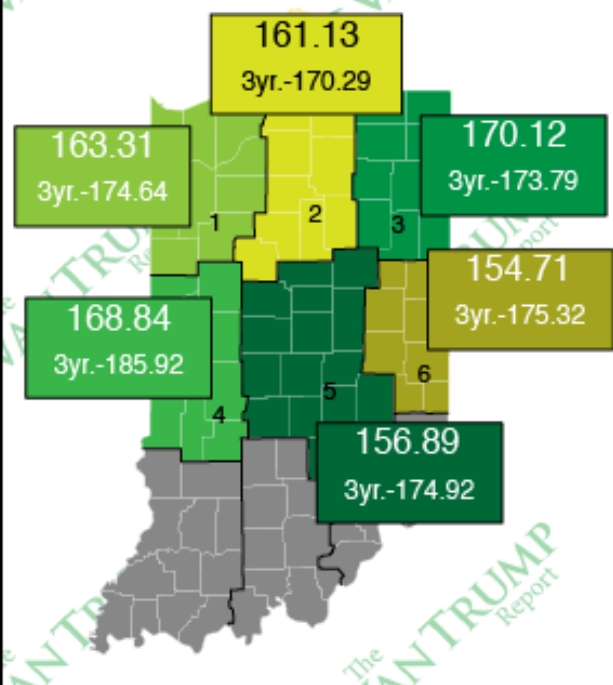
182.33 bpa



Bushels per acre

2019 Corn Yields

161.46 bpa



Bushels per acre

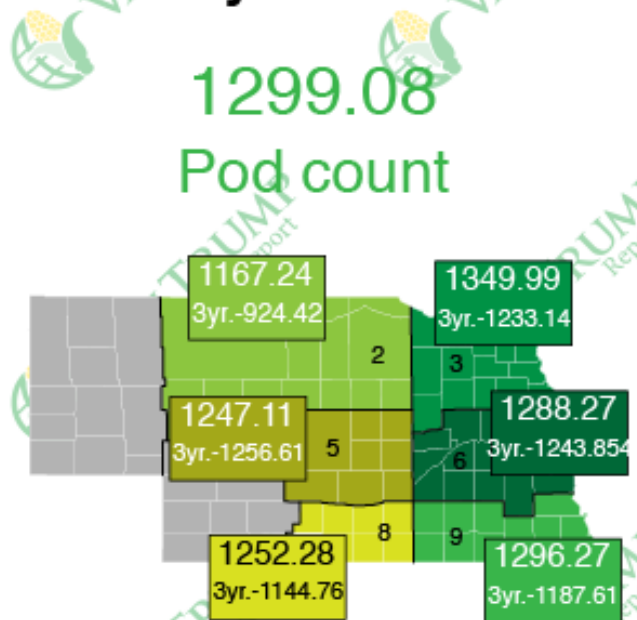
Soybean bulls are battling a similar set of circumstance to corn, i.e. improved U.S., weather, questionable demand, and questionable production. More widespread moisture has fallen in areas of the U.S. that had desperately needed water. There's also still a ton of unanswered questions surrounding global demand, especially with the ongoing Chinese trade dispute and continued spread of African Swine Fever. Here at home, there's still a ton of unanswered questions regarding harvested acres and final yield. The Pro Farmer Crop Tour released their results for Indiana and Nebraska last night. They estimated the Nebraska crop with a 1,210.83 pod count. The USDA currently has the Nebraska yield estimated at 58 bushels per acre vs. 59 bushels per acre the previous year. The crop in Indiana this year was reported to have averaged 923.94 pods vs. the 1,311 pods averaged last year. The USDA has the Indiana crop currently estimated at 50

bushels per acre vs. the 58.5 estimated last year. Net-net, it's the same old story. Bulls talking about a crop that's highly variable and running out of time. On the other side of the fence, bears are talking about overall weakness in demand and improved weather that could help production. As a spec, I continue to hold a very conservative bullish position that is just slightly profitable. I would like to add to my position on a deeper break in price, perhaps sub-\$8.50. As a producer, I'm still targeting late-2019 or early-2020 as a much better window of opportunity.

FARM JOURNAL CROP TOUR RESULTS

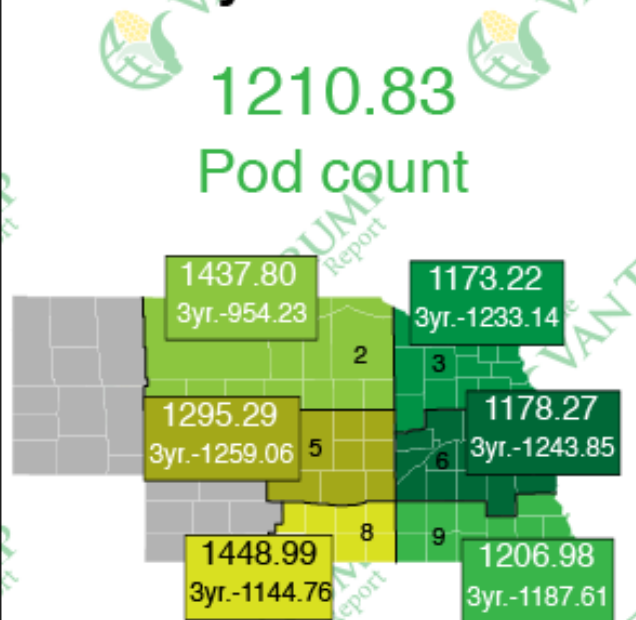
NEBRASKA

2018 Soybean Pod Count



Pod Count in 3 x 3 Square

2019 Soybean Pod Count



Pod Count in 3 x 3 Square

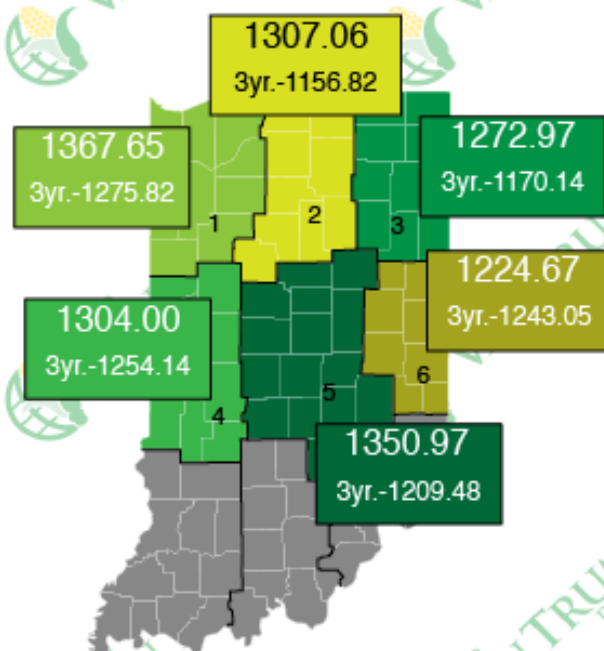
FARM JOURNAL CROP TOUR RESULTS

INDIANA

2018 Soybean Pod Count

1311.87

Pod count

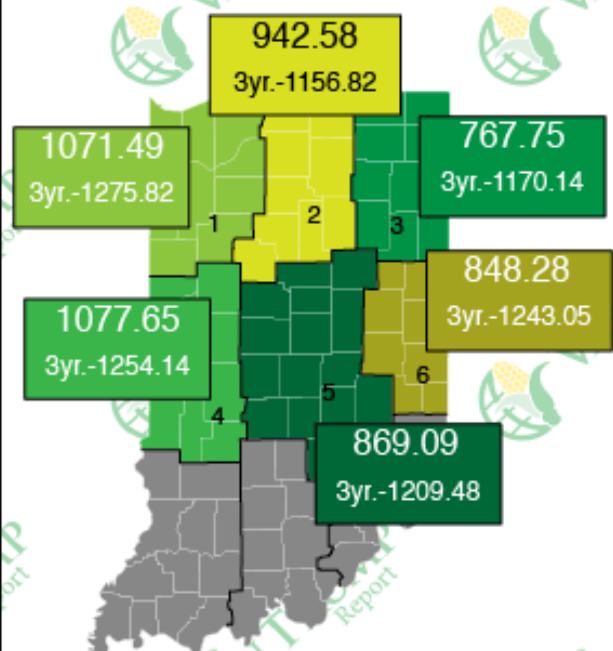


Pod Count in 3 x 3 Square

2019 Soybean Pod Count

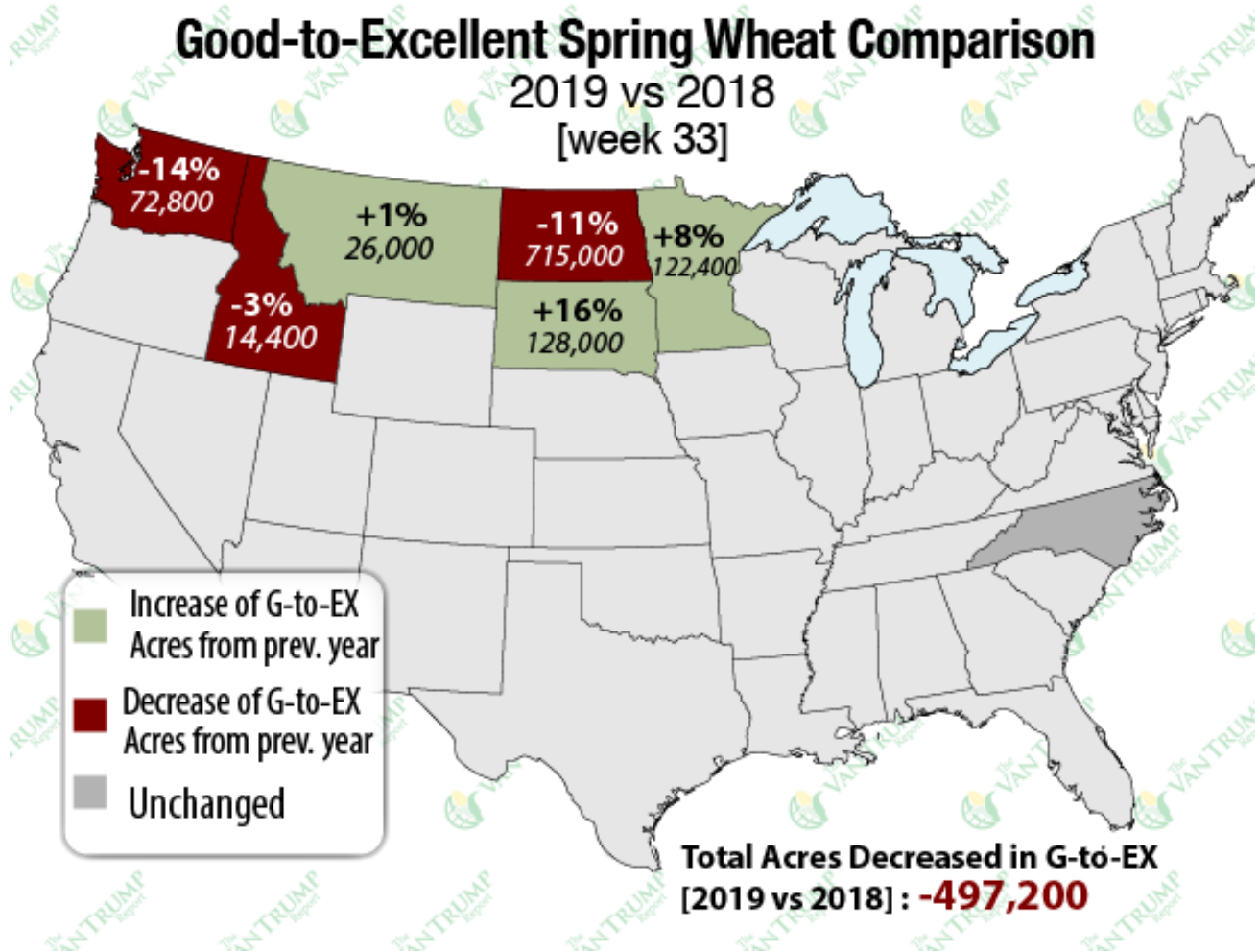
923.94

Pod count



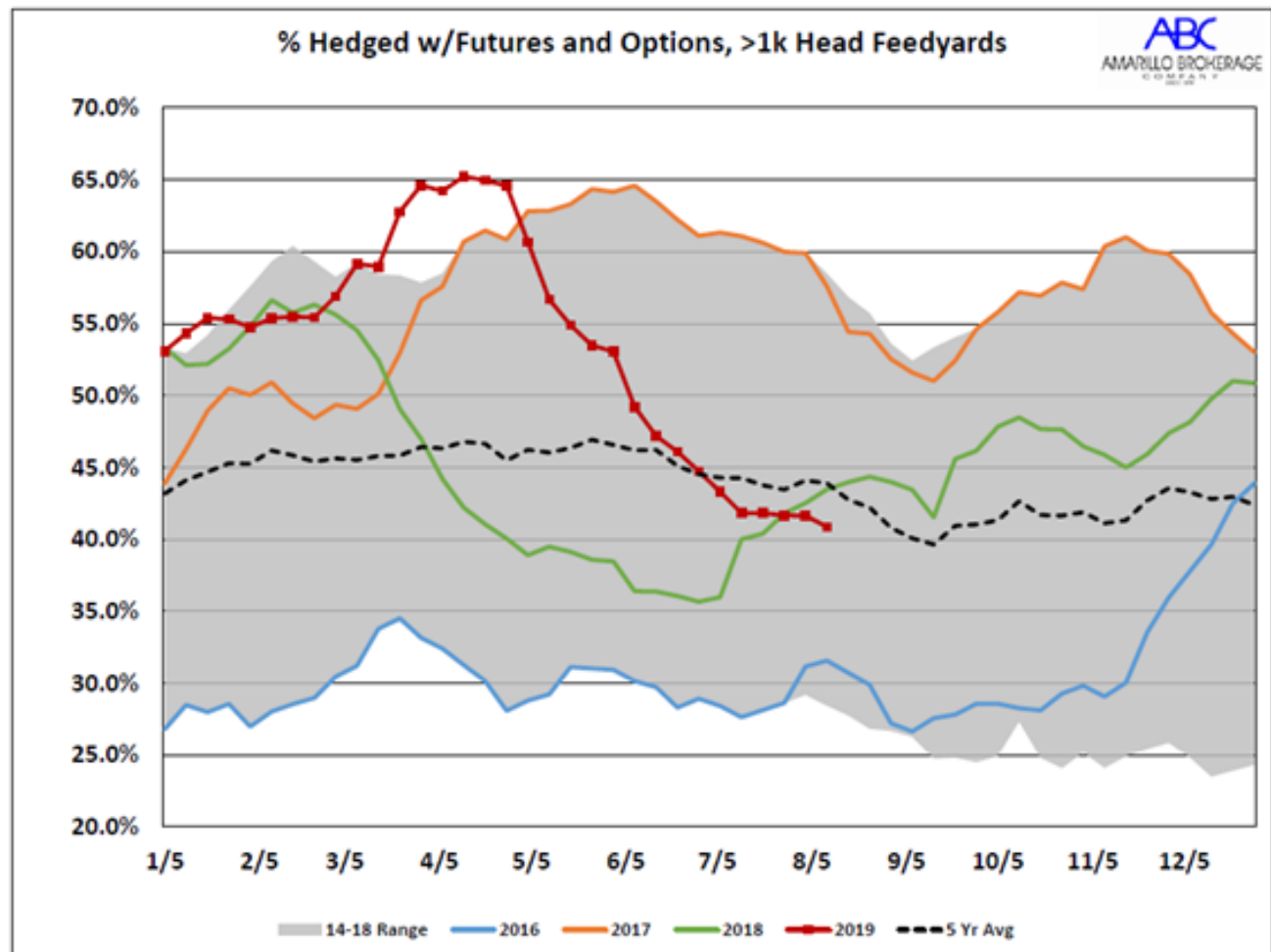
Pod Count in 3 x 3 Square

Wheat bulls struggle to find a fresh new story. Bears seem comfortable with continued sideways to lower price action. Bottom line, very few see much meat left on the bone for the bears, so nobody wants to be an overly aggressive short in this environment. But at the same time, overly burdensome global and domestic supply gives little reason to be in a hurry as a bull. Net-net, this market is frustrating at the moment and gives producers very little to cheer about. As a spec, I would love to make a longer-term bullish bet but just struggle believing the timing is right. I remain on the sideline...



Cattle traders are wondering what the near-term future holds for cattle markets. The event of the past week certainly caught the industry at an awkward time where numbers are historically large, leverage has been given up from expanding bunk space relative to tightening packing capacity and exposure to extreme risk for cattle feeders with less than ideal risk management in place. Volatility is most likely a certain player going forward. The back and forth action of the speculative community buying the early action and selling it late when there is no follow through will give way to commercial players selling at levels that may not provide satisfactory margin and then exiting when there is any hope of upside potential. This is not necessarily a unique situation but a very challenging one. As mentioned last week, it will be really important to make high quality decisions for you and your operation during these times. Cash traded 5.00-6.00/CWT lower on very light volume last week. Basis is strong versus the Aug19 LC contract and might support

the front spreads but the uncertainty with Tyson's Finney County plant is keeping a lid on the nearby contracts versus the deferred contracts. Show lists for cattle to be sold this week were sharply higher with gains being made in all feeding regions. Much was made of last week's estimated slaughter being 651,000 head. This was slightly larger than the previous week and just under this time a year ago. The quandary for many was how this was possible with the reduced capacity from a large fed beef plant being dark. Many things could be pointed out here including the potential for revisions later on. However, I think this was the short-term hope and expectation from the industry. It will be important for the packing sector to flex every way possible in order for us to smoothly navigate the next few months. The futures charts obviously look concerning with the recent declines. An optimist would point out oversold conditions and gaps to be filled as upside targets. The less optimistic might give a nod to the lack of managed money participation and little willingness to follow through on rallies as of late. Trey Warnock - [Amarillo Brokerage Company](#)





> A Look At Ag Land Values And Cash Rents: *What is the average value of agricultural lands across the country, and how much are producers paying in cash rents for ag land? Those questions are answered in USDA's latest study of those economic categories, which USDA's Rod Bain discusses with Deputy Chief Economist Warren Preston [HERE](#).*

> China Pig Farmer Profits Soar As Disease Wipes Out A Third Of The Herd: *Pig breeders in China who have managed to keep fatal African swine fever off their farms since outbreaks began a year ago are now set to reap rewards, with some in line for record profits of \$200 per hog thanks to soaring prices. The virus has reached every province of the world's top pork producer. The pig herd shrank a third in July from the same month a year ago, according to the Ministry of Agriculture and Rural Affairs, though many observers believe half the herd is already gone. Since June, slumping production has triggered a price surge. National average hog prices passed the 2016 record of 21 yuan per kilogram earlier this month to hit 24.6 yuan (\$3.48) per kg on Aug. 19, according to data from Shanghai JC Intelligence Co Ltd. The high prices will eat into profits at processors like WH Group, which last week reported a -17% decline in first half profits and warned that prices are set to keep climbing(Source: Thomson Reuters)*

> Brazil Reports Record Forest Fires: *Wildfires raging in the Amazon rainforest have hit a record number this year, with 72,843 fires detected so far by Brazil's space research center INPE, as concerns grow over right-wing President Jair Bolsonaro's environmental policy. The surge marks an 83% increase over the same period of 2018, the agency said on Tuesday. Since Thursday, INPE said satellite images spotted 9,507 new forest fires in the country, mostly in the Amazon basin, home to the world's largest tropical forest seen as vital to countering global warming. Wildfires have increased in Mato Grosso and Para, two states where Brazil's agricultural frontier has pushed into the Amazon basin and spurred deforestation. Wildfires are common in the dry season, but are also deliberately set by farmers illegally deforesting land for cattle ranching. You can read more [HERE](#).*

> Amazon's Algorithm Is Reading A New Emotion On Faces: Fear: *Amazon recently announced that it had improved the accuracy of its machine learning system Rekognition, improving its "emotion detection" capabilities. Along with detecting the emotions of happy, sad, angry, surprised, disgusted, calm, and confused, Amazon says it has "added a new emotion: fear." Technically, the algorithm works by learning how people's faces usually look when they express fear. Then, when you show it a new image, it can tell you with a certain probability whether that person's face is communicating the emotion of fear, leaving the human to then decide what to do with the information. While Amazon sells its Rekognition product to advertising and marketing companies, Amazon has also been marketing the software to police forces and immigration agencies, according to an investigation by the ACLU. In the past, civil rights groups, AI experts, and even some of Amazon's own investors have asked the company to stop deploying its facial recognition technology given industry-wide issues with accuracy. Read more [HERE](#).*

> Shell's First Greenlots Electric Vehicle Fast Charger Lands In Singapore: *Royal Dutch Shell, the energy giant known for its fossil fuel production and hundreds of Shell gas stations, is creeping into the electric vehicle-power business. The company's first DC fast charger from its newly acquired company Greenlots launched Monday at a Shell gas station in Singapore. Greenlots, an EV charging startup acquired by Shell in January, installed the charger. The decision to target Singapore is part of Greenlots' broader strategy to provide EV charging solutions*

across all applications throughout Asia and North America, the company said. Greenlots was backed by Energy Impact Partners, a cleantech investment firm, before it was acquired by Shell. The company, which combines its management software with the EV charging hardware, has landed some significant customers in recent years, notably Volkswagen. (Source: TechCrunch)

> Climate Change Could Rain On Saudi Aramco's IPO Parade: *Saudi Aramco's biggest asset could also be a liability. The state energy giant's vast oil reserves – it can sustain current production levels for the next 50 years – make it more exposed than any other company to a rising tide of environmental activism and shift away from fossil fuels. In the three years since Saudi Crown Prince Mohammed Bin Salman first proposed a stock market listing, climate change and new green technologies are putting some investors, particularly in Europe and the United States, off the oil and gas sector. Aramco, for its part, argues oil and gas will remain at the heart of the energy mix for decades, saying renewables and nuclear cannot meet rising global demand, and that its crude production has lower greenhouse gas emissions than its rivals. But with the company talking again to banks about an initial public offering (IPO), some investors and lawyers say the window to execute a sale at a juicy price is shrinking. Read more [HERE](#).*

> \$2 Billion Prize For The First Moon Colony? *Elon Musk tweeted his approval for a plan spearheaded by former House Speaker Newt Gingrich to offer a \$2 billion reward to the first private company to land and settle on the moon. Gingrich's proposal was cooked up by the Republican and a varied cast of characters, ranging from NASA advisors to a former publicist for Michael Jackson and Prince. The idea is to reduce public spending on space exploration by incentivising private companies with the cash prize. The cash pot would be split into \$1 billion for the first company to land a "roomy, comfortable human base" on the moon, and \$1 billion to the company that could successfully set up and run the base — although one of the plan's architects told Ars Technica that the pot could be expanded to \$5 billion. Read more [HERE](#).*

> Can We Rely On Our Intuition? *As the world becomes more complex, making decisions becomes harder. Is it best to depend on careful analysis or to trust your gut? Economics Nobel laureate Daniel Kahneman theorizes that intuitive thinking has both advantages and disadvantages: it is faster than a rational approach but more prone to error. Whether we rely on our gut or turn to sober analysis to make*

a decision seems to depend on a variety of factors, such as our past experiences with similar situations and the complexity of the problem. Many cognitive scientists argue that intuitive and analytic thinking should not be viewed as opposites. Studies indicate that our decision-making often works best when we blend both strategies. Read more from [Scientific American](#).

> Soccer Jerseys Are Prime Real Estate For Advertisers And Sponsors: *The Premier League, the top level of the English football league system, is home to some of the world's most valuable sports teams. So, naturally, it's also home to some of the world's most valuable sports real estate: the uniforms those teams wear. Premier League teams make money from their uniforms, or "kits," in two ways: apparel deals and sponsorship deals. This season, Manchester United will receive \$91.9 million from Adidas (kit supplier), \$80 million from Chevrolet (main sponsor) and \$27.5 million from Kohler (sleeve sponsor). Total: \$199.4 million. While this revenue-generating trifecta might not become the norm in the NBA, NFL, MLB and NHL (especially the team-specific apparel deals), jersey sponsorships certainly could. In 2017, the NBA began allowing teams to sell a jersey sponsorship patch (Rakuten pays the Warriors \$20 million per season, for example), and the results have been so promising that other leagues look poised to follow suit. Read more [HERE](#).*

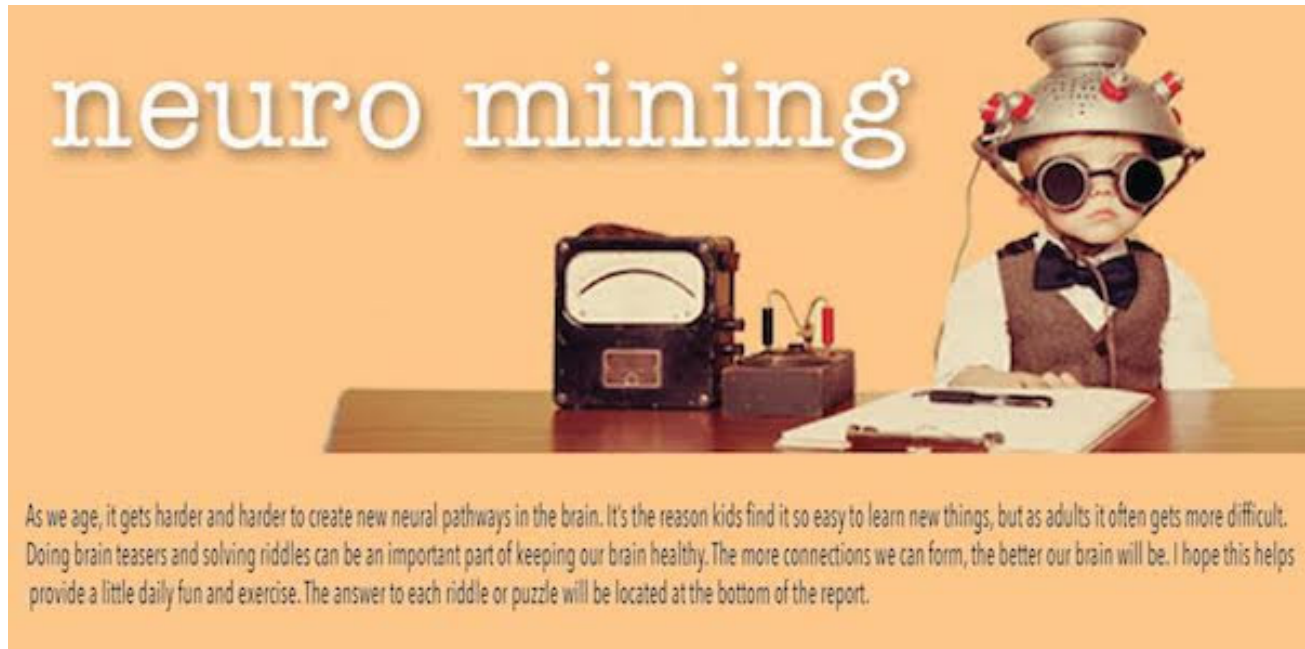




Northwest Illinois – *We got out and scouted a few fields before the tour came through this area. We didn't have any April planted corn this year but we did luckily get some planted in May and early June. Some guys in this area planted much later. The middle of the May planted corn counted out to be roughly just shy of 200 bushels per acre and the June 3rd-4th planted corn counted out to be really close to 170 bushels per acre. Just so you have a point of reference on those fields, they ranged from 215 to 230 bushels per acre the last few years.*

West Central Indiana – *We haven't had any measurable rain in 5 weeks. The grass has only been cut 1 time since the beginning of July. We are 4-6 weeks behind and it's made evident in sweet corn. To give you an example, we are normally done harvesting sweet corn around July 20. We are still about a week from even starting. Right now, if the weather continues to stay on the cooler side and cloudy, we are going to drop the yield back 12-15% off our APH. If we get another decent rain, we have a shot at hitting APH. Corn is supposed to catch up if it's planted late but what I'm told is if the median temperature hits 50 degrees for 5 straight days it will shut down similar to how it would shut down if we had a frost. We may not even need an early frost to hurt this corn, it may just take a cool fall.*

North Central Kansas - *Our June planted corn is R3-R4 right now. We are starting to see signs of Southern Rust. Maybe 10% of plants with a visible pustule, if that's the right word. I've seen one leaf that was completely taken out but other than that no real damage. I'm looking into a few chemical combinations that will cheaply keep the Southern Rust at bay. I'm not wanting to spend too much money on it, but also don't want a crop failure. If Southern Rust get bad it can quickly take out entire fields.*



TODAY'S RIDDLE: I am a small room, but no life lives inside, no matter what weather looms, very cold my residents reside. What am I?



Perspective on "Plant-Based" Foods that Will Make You Think!

Investors and producers are still trying to determine how deeply they want to dive into the plant-based food and beverage sector. Is this just a passing fad or the start of a lasting trend? By most media accounts, you'd be led to believe it's here to stay as consumers are demanding sustainability, transparency, and animal welfare. The media is also talking about the so called "great taste" and ongoing "health benefits." But recent surveys are starting to reveal some interesting data that might provide a different perspective.

Consumers who have identified themselves as having purchased plant-based foods and beverages were asked a series of questions to determine why they were

buying the products. Ironically, the top two reasons were not related to "sustainability" or improved "animal welfare." Rather, it was the perceived individual "health benefits" that led all answers with 57% rating that as extremely or very important. In other words, most people are buying the plant-based foods because they see it as a direct benefit to their longer-term health. As we know, that's not the case. There's really not much in the way of improved healthier eating. Interestingly, survey responses indicated the top reason they were buying didn't have a lot to do with the better treatment of animals or the sustainability issues that so many in the media continue to point towards. Mainstream consumers are also having an issue with taste. The "plant-based" products just don't taste any better.

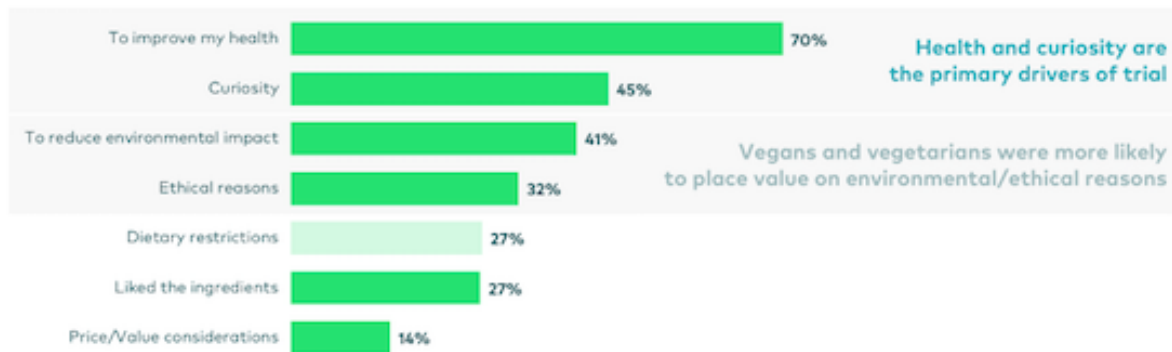
The term "diet soda" is starting to be tossed around by some very experienced investors. Apparently, one of the big reasons why the media and the corporations were touting "diet soda" when it first came on the scene was the more money Coke and Pepsi could make, the more money they would spend no advertising. At that point it becomes a win-win for both of those parties. Consumers thought they were buying it for improved longer-term health benefits and were willing to sacrifice taste to make it happen. In the end however, all of the artificial ingredients couldn't deliver on the consumers perceived health benefits. Diet soda hit its peak in 2005, when more than 3 billion cases were sold in a year. But as diet sodas peaked, concerns regarding aspartame and other artificial sweeteners started gaining more momentum and sales plummeted. In the same 15-year period that the diet sodas declined by massive numbers, single-serve bottled water sales grew by +100% in volume.

Perspective is everything! Some investors believe when consumers finally recognize that plant-based foods, similar to diet sodas, aren't delivering on their perceived promise as the "new healthy option" they are looking for, the consumer might move to the next available option that can deliver on that front. I question the strategy of trying to imitate something that Americans know well. Diet soda tried to imitate real soda and it couldn't fully deliver on a healthier alternative. I feel like many seasoned investors believe that "plant-based" is trying to imitate the real thing but again can't deliver on the perceived health benefits. In other words, perhaps a book we've seen or read once before? Certainly a perspective worth considering...

Rabobank executive director of food and beverage trends Nick Fereday provides excellent insight in a recent "Talking Points" blog that is worth a look, and you can access it [HERE](#). Fereday shares important historical data on an industry that has been trying to replace meat since Kellogg's introduced peanut-based "meatless meat" Nuttose in 1896. He goes on to discuss why substitutes never perform as well as the original, as well as what new companies will need to do in order to become a lasting trend rather than a passing fad. (Sources: Food-Navigator, Rabobank, Numerator)

Dietary restrictions are **not** the top reason shoppers try plant-based meat alternatives

Three most important factors that lead you to try meat alternative products:



*Numerator 2019 Survey of alternative meat buyers



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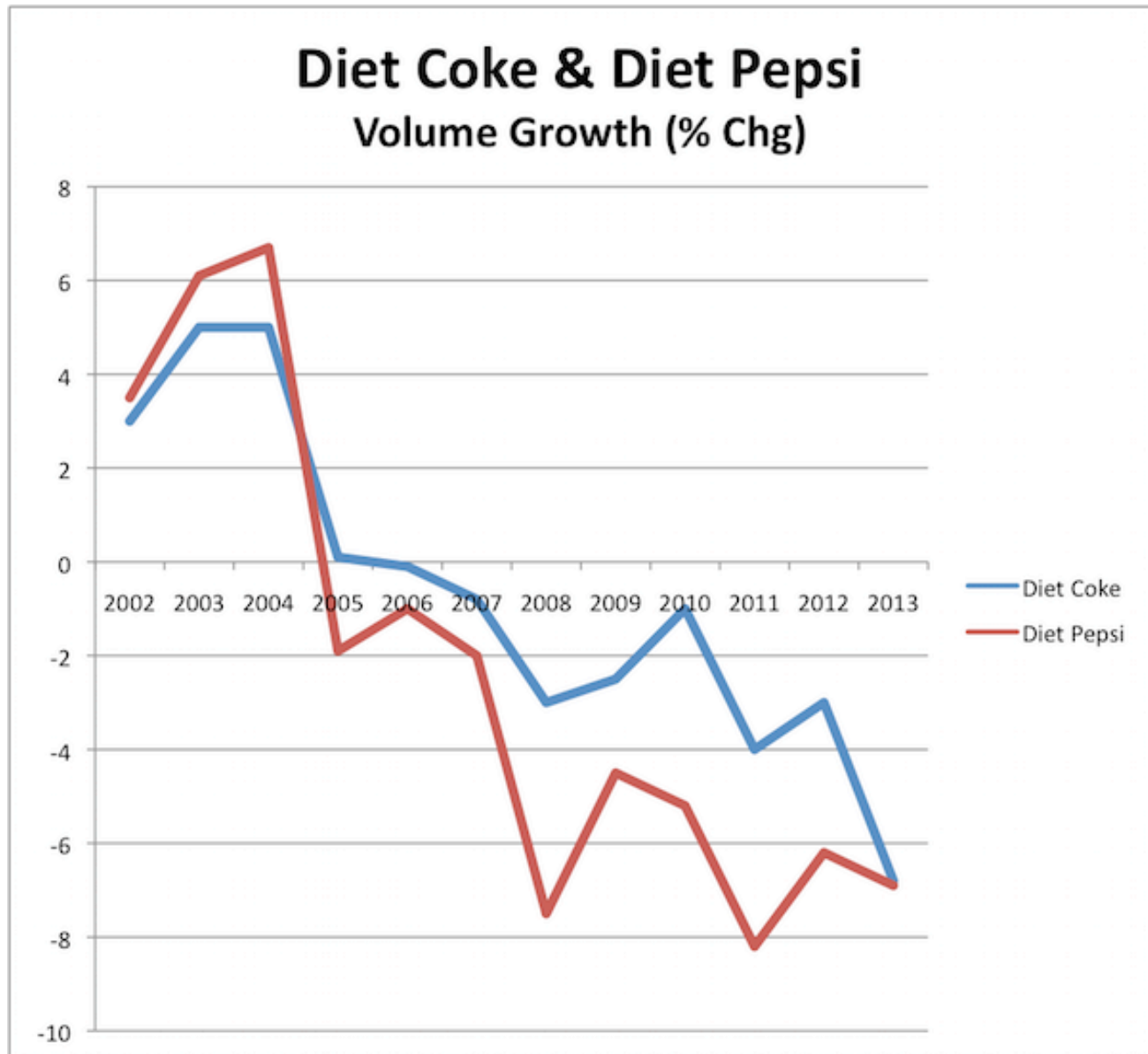
Current plant-based meat advertisements have targeted traditional meat eaters



*Numerator Ad Intel Data 2019

 Numerator

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Say What... Negative Interest Rate Mortgages

Jyske Bank, Denmark's third-largest bank, said recently that customers would now be able to take out a 10-year fixed-rate mortgage with an interest rate of -0.5%. Yes, you read that correctly. A bank in Denmark is offering borrowers the chance to take out mortgages at a negative interest rate, effectively meaning that it will pay customers to borrow money!

Never in my wildest dreams would I have ever thought I would see such a thing. Essentially this bank in Europe, at least from my perspective, is saying they are content to take a guaranteed small loss rather than risk bigger losses in the future.

Numbers might be a bit fuzzy at first, but to put the -0.5% rate in simple terms: If you bought a house for \$1 million and paid off your mortgage in full in 10 years, you would pay the bank back only \$995,000. Keep in mind however, I have to imagine the bank is charging some type of closing fee or other line-item that makes them some kind of money.

Nordea Bank, Scandinavia's biggest lender, said it would soon be offering a 20-year fixed-rate mortgage with 0% interest. Bloomberg reported that some Danish lenders were offering 30-year mortgages at a 0.5% rate.

Money has clearly never been cheaper to borrow. I just worry about what type of "asset bubbles" the cheap money is actually creating. If everyone can borrow at next to nothing you have to believe there's a ton of money now in circulation and those easily available funds are allowing prices to be bid up higher and higher on almost anything and everything. My question is what happens when the music stops? Who's going to be left without a chair? Which asset classes are going to see the bottom fall out? Will it be the art industry, collector cars, real estate, the restaurant and entertainment industry, etc... Cheap money certainly creates "asset bubbles", the key is to be able to identify where they are located. (source: Business Insider, Bloomberg, The Wall Street Journal, [Silver Report](#))



**The Story of Oldsmobile... Very Interesting!**

Ransom Eli Olds was born in Geneva, Ohio, in 1864 and went on to become the massively wealthy founder of Oldsmobile. Olds was the youngest son of a blacksmith and part-time engine repair man. His parents moved the family to Cleveland, Ohio, when Olds was still a boy. During this period of time he often helped and worked in the family's machine-repair and engine-building business. By 1887 he had actually built his very own steam engine automobile. He was married two years later and moved to Lansing, Michigan.

Gasoline was being tinkered with and Olds built his first gasoline-powered car in 1896. Remember, it wasn't until the early-1900's that a young Henry Ford leased a factory and contracted with a machine shop in Detroit, Michigan, owned by John and Horace E. Dodge. In other words, Olds was one of the first to the party. The modern assembly line and its basic concept is actually credited to Olds, who patented the assembly line concept and used it to build the first mass-produced automobile, the Oldsmobile Curved Dash, beginning in 1901. I had personally thought Ford was credited with the concept. Actually, the Ford assembly line was

introduced by William "Pa" Klann upon his return from visiting Swift & Company's slaughterhouse in Chicago and viewing what was referred to as the "disassembly line", where carcasses were butchered as they moved along a conveyor. The efficiency of one person removing the same piece over and over without himself moving caught his attention. He reported the idea to Peter E. Martin, soon to be head of Ford production, who was doubtful at the time but encouraged him to proceed. Pa Klann's slaughterhouse revelation is well documented in the archives at the Henry Ford Museum and elsewhere, making him an important contributor to the modern automated assembly line concept. Ford was appreciative, having visited the highly automated 40-acre Sears mail order handling facility which was implementing a similar concept around 1906. It wasn't until late-1913, at the Highland Park Ford Plant, that Ford implemented the moving assembly line developed for the Ford Model T.

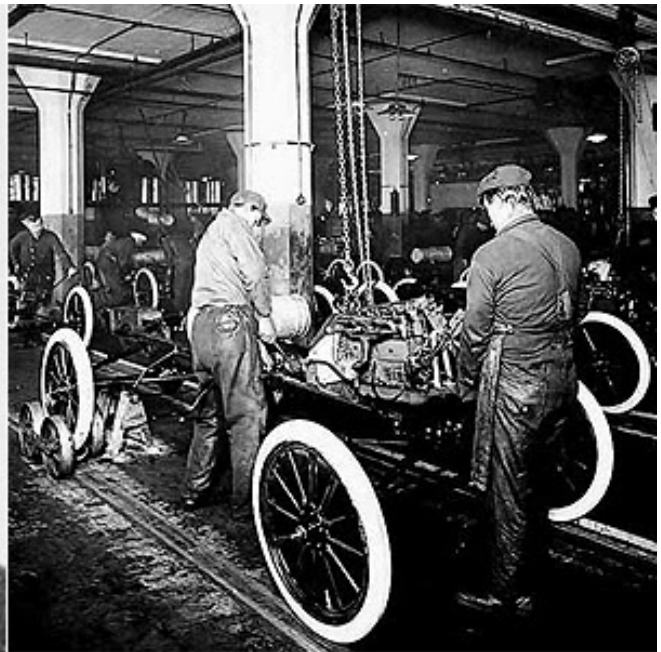
Olds Motor Works was founded in 1897 with financial backing from Samuel L. Smith, who had made his fortune in lumber. After the company moved from Lansing to Detroit in 1900, a fire destroyed all of its cars except its small, one-cylinder curved-dash model. Light, reliable and relatively powerful, the curved-dash Oldsmobile (as Olds had renamed his company) became a commercial sensation after appearing at the New York Auto Show in 1901. Olds returned to Lansing in 1902 and began large-scale production of the car. The Curved Dash Oldsmobile sold for \$650, equal to \$19,575 today. About 600 were sold in 1901, about 3,000 in 1902 and at least 4,000 in 1904. It was this car, rather than Henry Ford's Model T, that was the first mass-produced, low-priced American motor vehicle. Olds soon split with Smith and his board of directors over the future direction of the company, however - Olds wanted to continue the focus on smaller cars, while the others favored the production of larger, more expensive automobiles. In 1904, Olds left to found the REO Motor Car Company (named after Olds' initials, R.E.O.). In fact, the band REO Speedwagon actually took their name from the REO Speed Wagon light delivery truck, an early ancestor to the modern day pickup truck. After Eli Olds departure from the company, Oldsmobile struggled, and in 1908 it was swallowed up by the new General Motors (GM) conglomerate.

Oldsmobile's six and eight-cylinder models were considered the "middle-of-the-line" by the 1920's, basically the mid price-point between GM's lineup of less expensive Chevrolet's and more expensive Buick and or Cadillacs. Oldsmobile

eventually earned a reputation as GM's "experimental" division, introducing the so-called "safety automatic transmission" in 1938, a precursor to 1940's "Hydra-Matic," which was the first successful fully automatic transmission. In 1961, with the release of the upscale compact F-85 (powered by a V-8 engine), Oldsmobile launched its Cutlass, which would become one of the industry's longest-running and most successful names. The Cutlass Supreme would reign as the best-selling American car for much of the 1970s and early 1980s.

GM finally discontinued the Oldsmobile in 2004 after 107 years of existence. At the time of its demise, Oldsmobile was America's oldest continuously operating automaker.

Elli Olds never let much grass grow under his feet. In 1906, Olds organized the Capital National Bank, later called Lansing National Bank, and Michigan National Bank. Olds was also involved in the organization of the Michigan Screw Company and Atlas Drop Forge Company. In 1916, Olds purchased 37,547 acres of land by the northern part of Tampa Bay in Florida and developed the area into what is now the city of Oldsmar. He traded his land for the Fort Harrison Hotel in Clearwater, Florida in 1926. Olds was the primary financier of the Olds Tower. When completed in 1931, it was the tallest office building in Michigan.









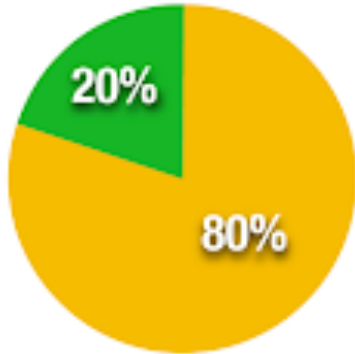
ANSWER to riddle: A refrigerator.

CASH SALES & HEDGING TOTALS

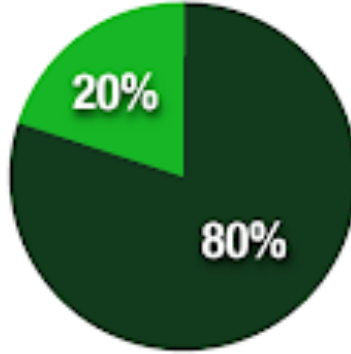
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Corn 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED

**Soybean 2018 Crop**

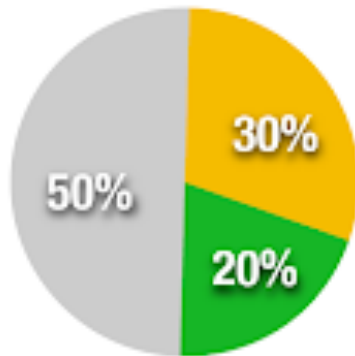
80% SOLD
20% HEDGED
0% UNPROTECTED

**Wheat 2018 Crop**

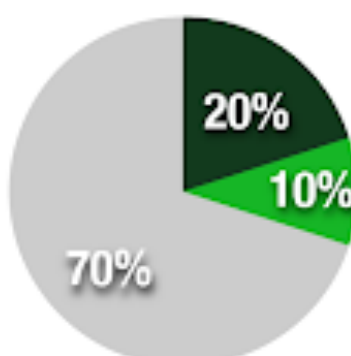
100% SOLD
0% HEDGED
0% UNPROTECTED

**Corn 2019 Crop**

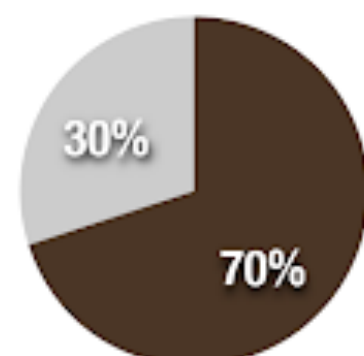
30% SOLD
20% HEDGED
50% UNPROTECTED

**Soybean 2019 Crop**

20% SOLD
10% HEDGED
70% UNPROTECTED

**Wheat 2019 Crop**

100% SOLD
0% HEDGED
0% UNPROTECTED

**Corn 2020 Crop**

0% SOLD
0% HEDGED
100% UNPROTECTED

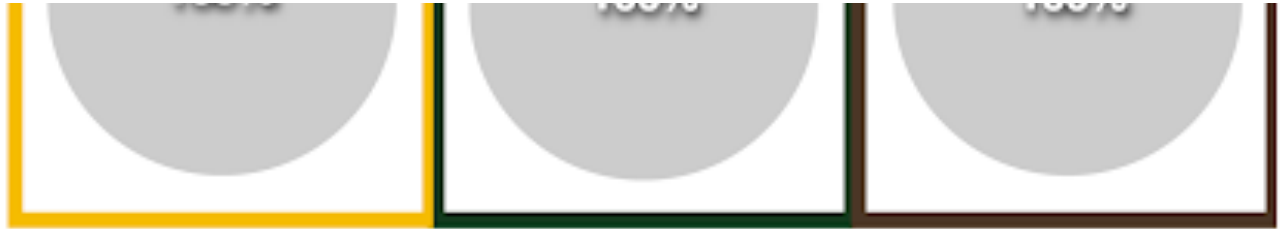
**Soybean 2020 Crop**

0% SOLD
0% HEDGED
100% UNPROTECTED

**Wheat 2020 Crop**

0% SOLD
0% HEDGED
100% UNPROTECTED





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