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GOOD MORNING: Van Trump Report 8-26-19

1 message

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Tue, Aug 27, 2019 at 3:35 PM

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"The greatest use of life is to spend it for something that will outlast it." - **William James**

Monday, August 26, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors start the week with fresh concerns over escalating trade tensions between the U.S. and China. The U.S. stock market is again trading lower, down roughly -6% in the past 30-days. I still believe there is more downside and more volatility on the horizon. On Friday China announced new tariffs on U.S. goods and the U.S. has followed suit by hiking existing tariffs on Chinese goods. President Trump said the U.S. will raise existing tariffs on \$250 billion worth of Chinese goods to 30% from 25% in October. He also raised tariffs from 10% to 15% on another \$300 billion of Chinese goods. Some of those tariffs will start on Sept. 1 while others have been delayed until Dec. 15. China said on Saturday that it strongly opposes Trump's decision to levy additional tariffs on

\$550 billion worth of Chinese goods, and warned the U.S. of consequences if it does not end its 'wrong actions'. President Trump also urged U.S. companies to move their operations out of China which analysts say has spooked Wall Street as its not clear if the President intends to pursue official action on that front. Understandably, investors and analysts alike are concerned that the tit-for-tat between China and the U.S. could balloon into an overarching global financial slowdown. There is no denying the U.S. economy remains strong but there are signs that domestic growth is slowing, which could make the U.S. more vulnerable to external shocks. One potential shock on the radar is the economic slowdown in Asia which is being exacerbated by the U.S.-China trade dispute. A longer drawn out trade war is also seen crimping U.S. corporate profits and business investment which could in turn deliver a blow to the U.S. labor market if companies begin laying people off. Investors will get some insights into the U.S. manufacturing sector today with the release of Durable Goods and the Dallas Fed Manufacturing Survey. Below are more details on some of the top concerns that investors are facing this week.

Trade: *Starting with the positive news, President Trump and Japan's Prime Minister Shinzo Abe say they have agreed on the principles of a trade deal that they expect will be signed next month. Trump's Trade Representative Robert Lighthizer said the deal would open up markets to over \$7 billion worth of goods and covered agriculture, industrial profits and digital trade. Trump also seems to have made inroads with the UK, with British Prime Minister Boris Johnson on Sunday saying he and President Donald Trump were "gung-ho" about a post-Brexit trade deal, which they reportedly have discussed on the sidelines of the G7 conference. At the same time, Johnson apparently warned Trump that his trade war with China was "not the way to proceed," and risked pushing the global economy into a downturn. On the China front, analysts widely expect the September 1st tariffs will soon begin to impact U.S. consumers, with Bank of America Merrill Lynch's Joseph Song warning that U.S. economic growth "is going to start to slow below trend at the turn of the year."*

Central Bank Policy: *Many investors and analysts are looking to the U.S. Federal Reserve for help in easing the fallout from the trade war. Federal Reserve Chairman Jerome Powell signaled Friday that the central bank will cut interest rates again as soon as next month. "Based on our assessment of*

the implications of these developments, we will act as appropriate to sustain the expansion, with a strong labor market and inflation near its symmetric 2% objective," he said at the Fed's annual Jackson Hole symposium. He also noted that global economic turmoil has intensified since the Fed lowered its key interest rate back in July. Fed fund futures markets and many economists expect two more quarter-point rate cuts this year. The next Fed policy meeting is September 17-18.

EU Politics: *Jerome Powell in his speech at the Jackson Hole symposium cited the growing possibility of a "hard Brexit," and "the dissolution of the Italian government," as concerns that could threaten the global economy. British Prime Minister Boris Johnson still has not struck a deal with the EU and said on the sidelines of the G7 conference that "the important thing is to get ready to come out without a deal." Britain is scheduled to leave the eurozone on October 31 and analysts worry a "no deal" exit could send shockwaves through the global economy. In Italy, the government has yet again collapsed with the Prime Minister forced to resign last Tuesday. If the major political parties do not form a new governing coalition and appoint a new Prime Minister by Tuesday, they risk triggering early elections. Without a government in place, Italy can not pass a budget, which needs to be submitted to the EU for approval this fall. Without an approved budget, Italy faces harsh VAT tax hikes that could further weaken the economy. Italy is the Eurozone's third-largest economy and also one of the most indebted. If Italy goes under, it could prompt another major financial crisis in Europe, in turn triggering global financial panic.*

Hong Kong Protests: *There are concerns that the unrest in Hong Kong could negatively impact chances of a U.S.-China trade deal if China feels the U.S. is supporting the protestors. Over the weekend, American flags were seen being waved by some protestors in what they say is an effort to solicit U.S. support to "guard our rights." Analysts worry this will feed into Chinese propaganda that is trying to blame the CIA and other U.S. "instigators" for the unrest. The White House has mostly tried to steer clear of the conflict, though over the weekend Trump did send a warning to China that he would have a hard time doing a trade deal if Hong Kong turned into "another Tiananmen." Last week, an op-ed piece in the Wall Street Journal by Senate Majority Leader Mitch McConnell blamed the protests on Chinese oppression*

and called on China's trading partners "to make it clear that any crackdown would have real and painful costs."

Bitcoin Has Begun Moving In Tandem With Gold: The world's No. 1 cryptocurrency, bitcoin, has enjoyed a very loose relationship with other assets during its brief history, but that could be changing, a recent chart shows. A report from Digital Asset Data illustrates (chart attached) that over the past three months, bitcoin has moved in tandem with gold and has swung inversely to moves in the stock market. In statistical terms, correlation is defined as the tendency of assets to move in the same direction over a given period. In this case, Digital Asset researched the return for gold prices and the SPDR S&P 500 ETF Trust against bitcoin over a rolling 90-day period. The report shows that as the S&P 500 has skidded lower, bitcoin and gold have gained. To be sure, the correlation may not be statistically significant but Digital Asset makes the case that it is evidence of a maturing view of bitcoin as a store of value along with gold. (Source: MarketWatch)

Gold and stock's 90-day correlation with bitcoin



FARM TANK

Tweets of the Day



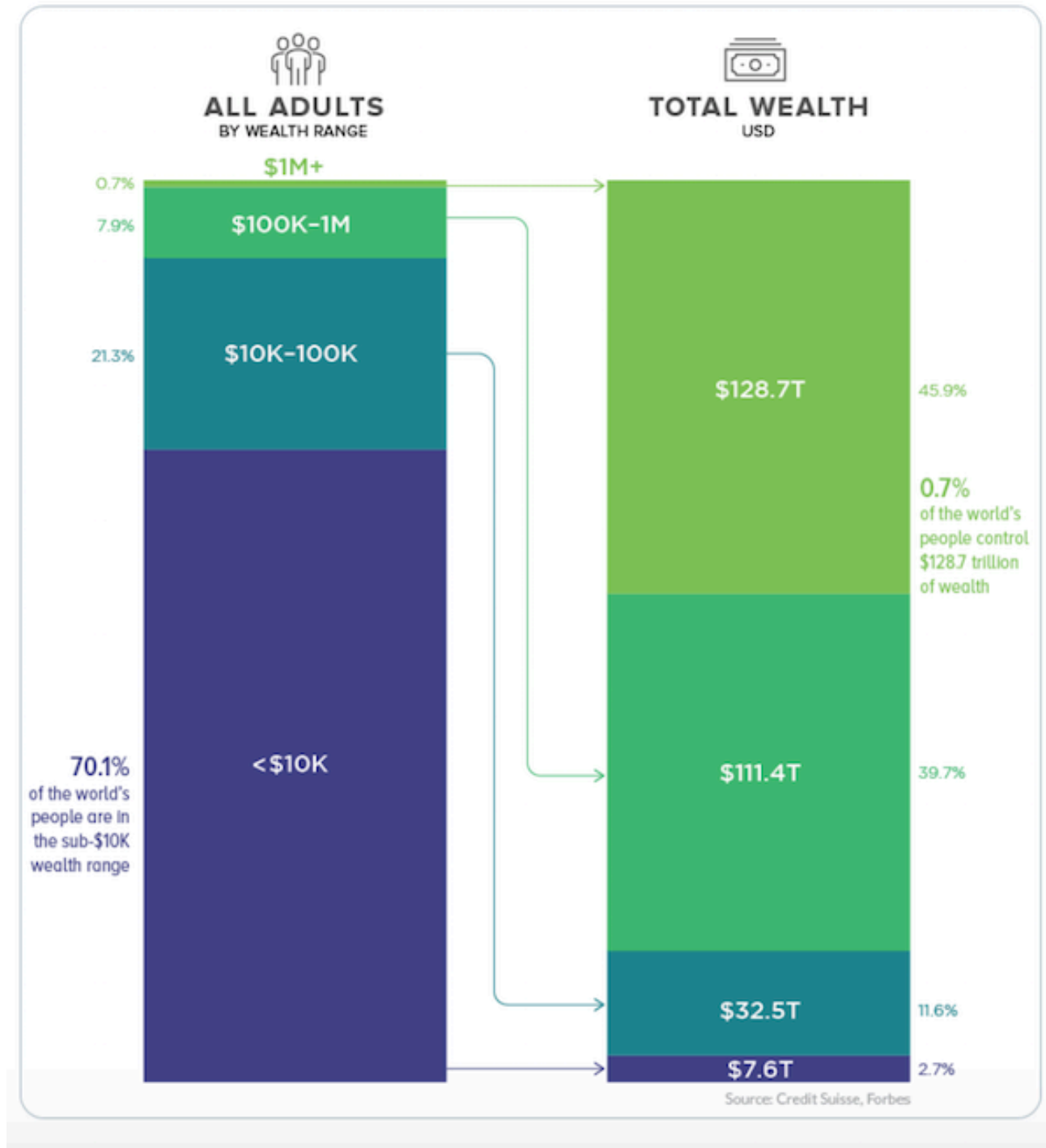


World Economic Forum ✓

@wef



These charts show the extreme concentration of global wealth wef.ch/2RcQgpC #economics #society





Steve Burns
@SJosephBurns



I always say you could publish rules
in a newspaper and no one would
follow them. The key is consistency
and discipline.

— *Richard Dennis* —



Toban Dyck
@tobandyck



I'd like everyone to experience this. I'm grateful for the opportunity. [#cdnag](#) [#wheat](#) [#harvest19](#)



THE GOD OF AG
@bigbushelsag



Even [@JoshSchick3](#) isn't this cool.







Ale Frick
@Engineer_Farmer



My crew is ready to roll - time to go [#graintrains](#)
[#harvest19](#)

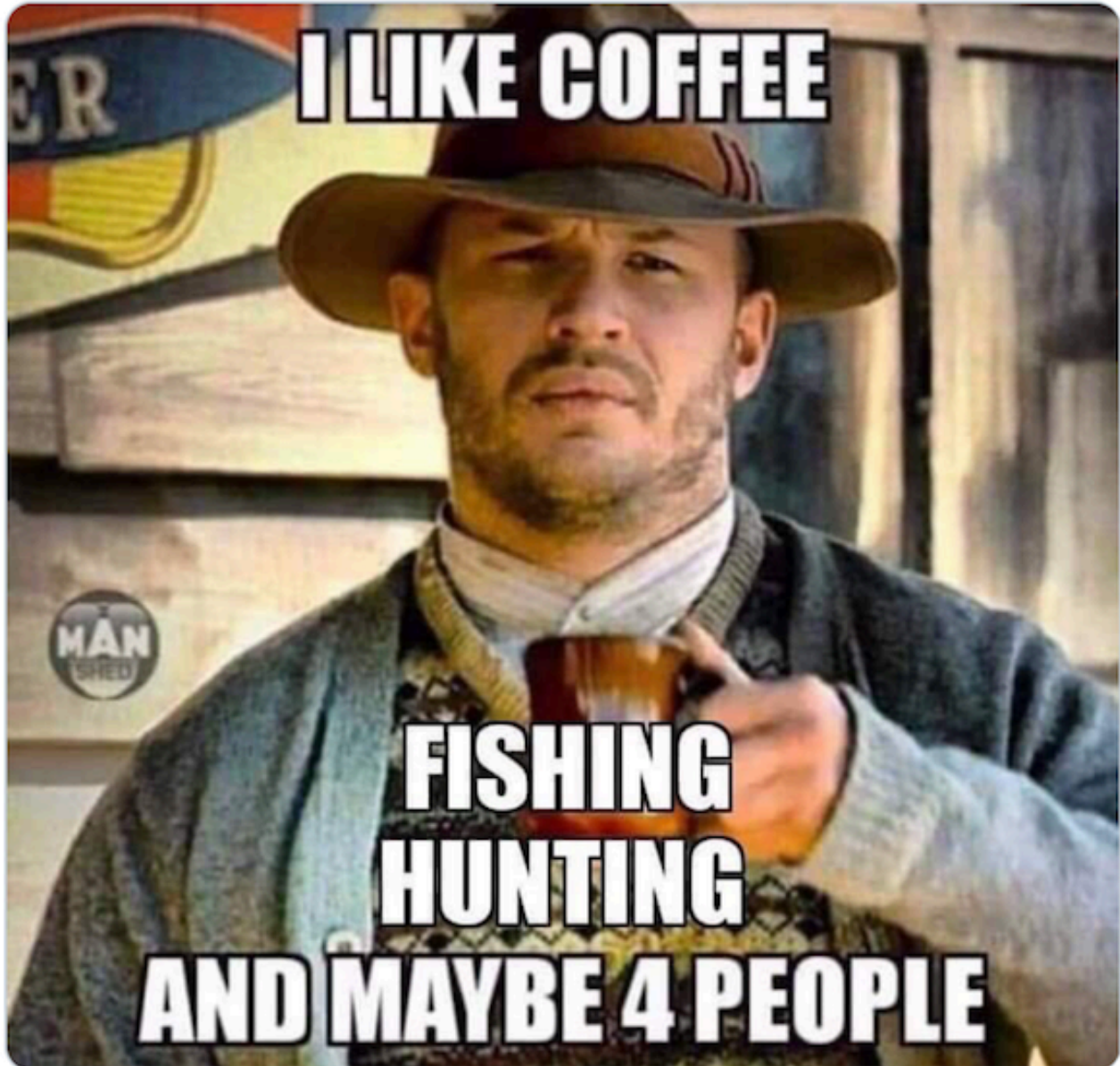




THE GOD OF AG
@bigbushelsag



Bout somes it up.





ActionComplete
@ActionComplete

Following



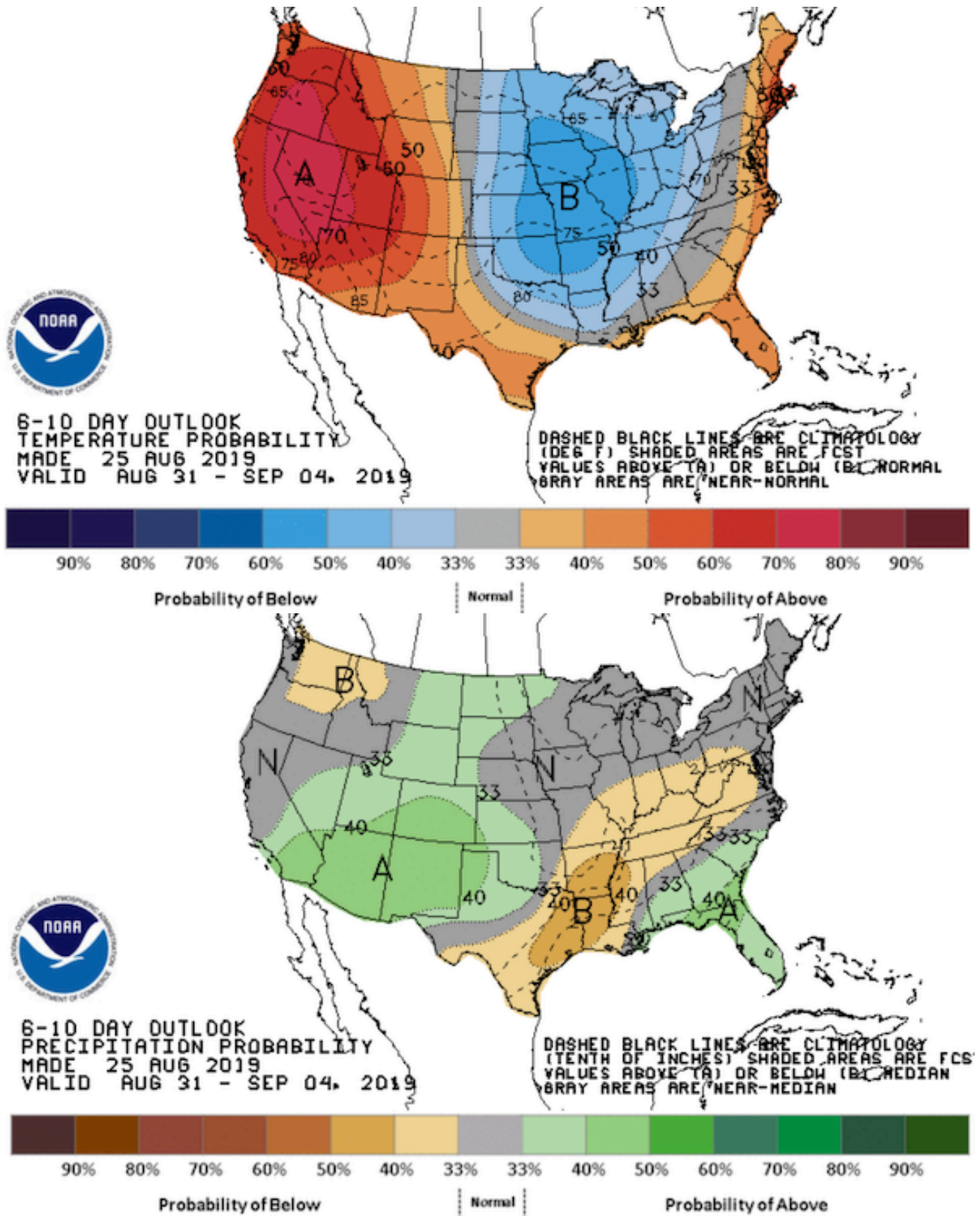
The greatest weapon against stress is our ability to choose one thought...

~William James

#quotes #inspiration

**"THE GREATEST WEAPON
AGAINST STRESS IS
OUR ABILITY TO
CHOOSE ONE THOUGHT
OVER ANOTHER."**

~WILLIAM JAMES



Corn traders continue to debate not only U.S. production headlines but also geopolitical headlines. When we left the market on Friday, bears were talking about increasing trade threats and tensions between the U.S. and China. But over

the weekend reports are circulating that President Trump and Japan's Prime Minister Shinzo Abe have agreed in principle on a massive trade deal that will probably be officially signed next month. To Trade Representative Robert Lighthizer said the deal would open up markets to over +\$7 billion worth of goods including agriculture, industrial and digital trade. Specifically, President Trump said Abe agreed that Japan would soon be buying up excess U.S. corn. I personally don't know of any specifics, direct number of bushels, or time-frame for the purchases, but I am glad to hear the news. As for U.S. production, there's still a ton of wide ranging estimates floating around inside the trade. The Pro Farmer Crop Tour released their final estimate at 13.358 billion bushels on an average yield of 163.3 bushels per acre. These numbers are well below the current USDA estimate of 169.5 bushels per acre and 13.901 billion in total production. Keep in mind, the USDA is still using 90 million planted acres and 82 million harvested acres. I would like to believe the "harvested" number ultimately ends up closer to 80 million. If we could get the yield average down to 162 bushels per acre and harvested down close to 80 million, we would be looking at total U.S. production sub-13 billion bushels. Assuming the demand balance sheet stayed frilly close to unchanged, that would place ending stocks at around 1.3 billion bushels, which is creates a much more bullish landscape than the current USDA ending stock estimate of +2.1 billion bushels. Perhaps throw in a big purchase by the Japanese, bump exports higher and the balance sheet might become even tighter. I just don't see it as that unrealistic, based on the abnormal weather conditions, that we couldn't eventually see a 160 to 162 yield average and a -2 million reduction in the harvested acres. Yes, I'm certainly talking my position and I desperately would like to see price go higher, not only for my own sake, but also for all of my farming friends and families. The rest of the media is doing a good enough job providing the bears with food! I'm staying optimistic and still believing in my longer-term bullish positions.

Cutest and Favorite Crop Tour Partner! *We had a funeral to attend this weekend, and I had Michelle jumping out of the truck every so often to check some fields. She's still my favorite crop tour partner:) Like every time I've been out this season, tons of "variability". I'm so tired of hearing that word...*



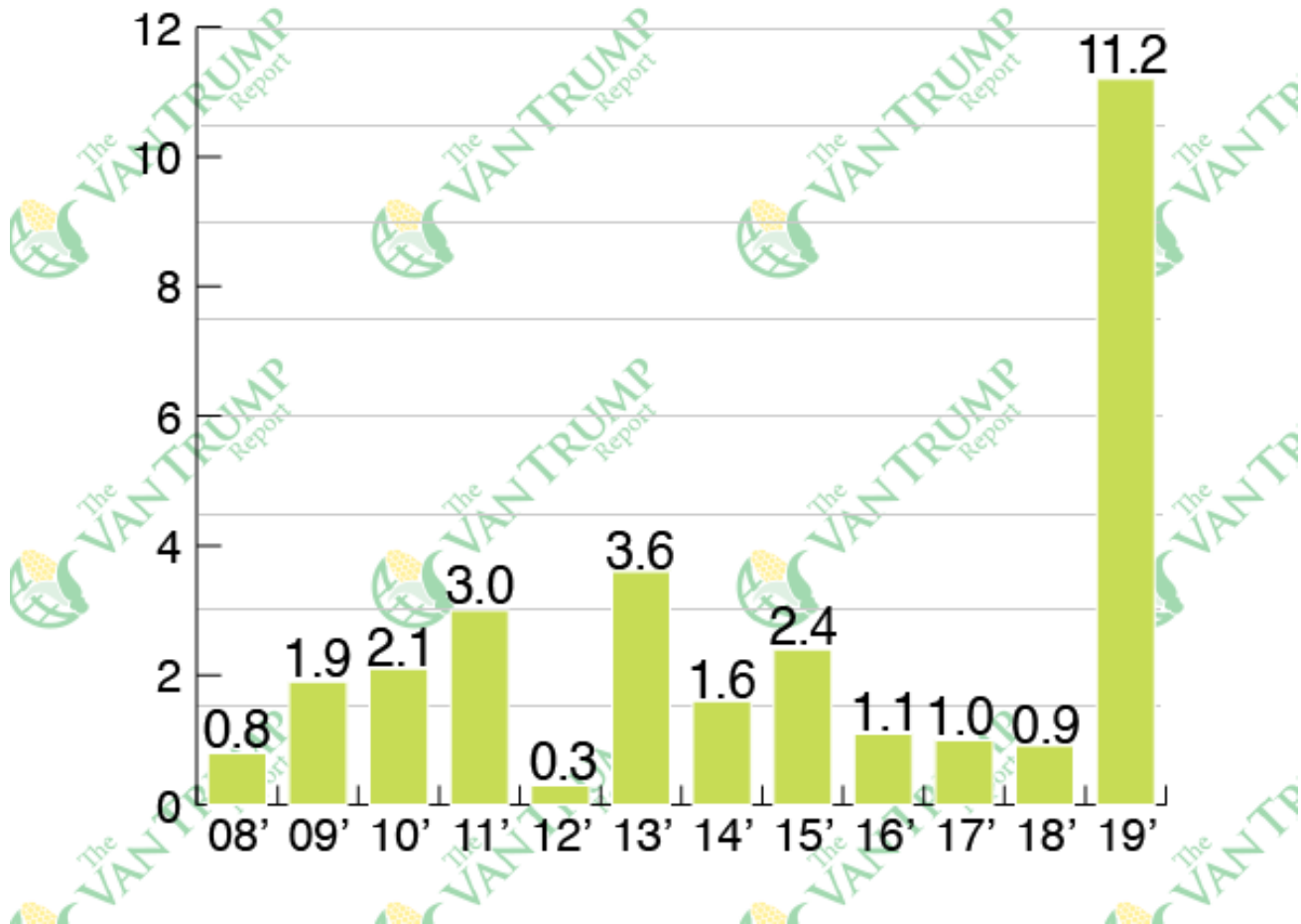






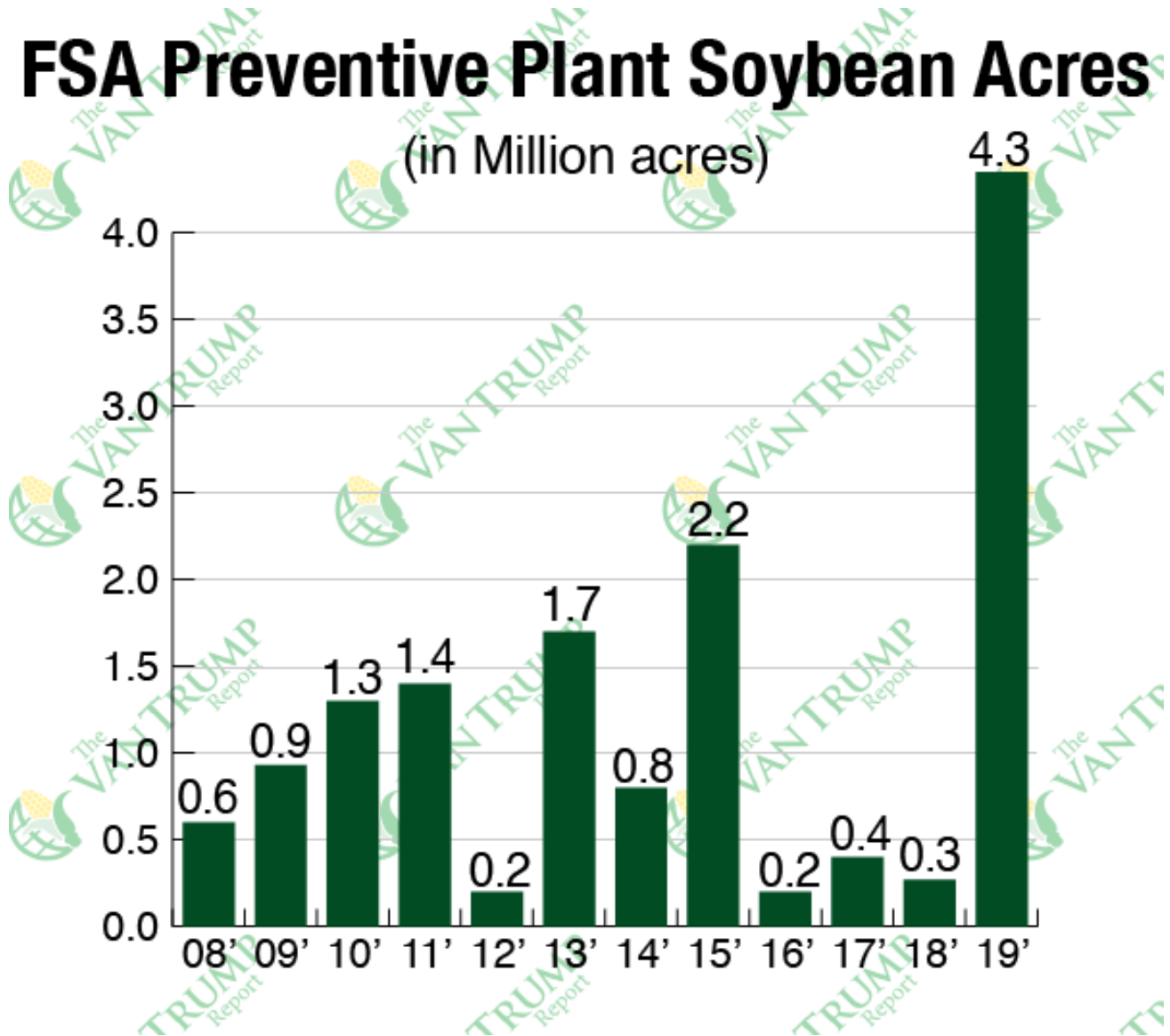
FSA Preventive Plant Corn Acres

(in Million acres)



Soybean bulls are faced with ongoing uncertainties surrounding Chinese trade negotiations and U.S. production. Late last week both Chinese and U.S. leaders raised the stakes by taking a few more swings at one another. This brings about more debate and fear that a resolution is further off in the distance. In fact, several sources inside the trade are worried that the Chinese are becoming more comfortable with idea of waiting until after the 2020 U.S. presidential election to strike a deal, which is well over a year away. We could speculate and debate about this subject all day, bottom-line however, the trade doesn't feel like we are any closer to a Chinese resolution. I'm not saying one couldn't happen in the next few weeks, but as we sit here today, no one seems overly optimistic about a resolution of any sort, and the bears are using that political uncertainty in their favor. There's also a ton of debate and uncertainty surrounding U.S. crop production. The Pro Farmer Crop Tour released their final estimate at 3.497 billion bushels on an average yield of 46.1 bushels per acre. These numbers are well below the current USDA estimates of 48.5 bushels per acre and 3.680 billion in total production. Despite the ongoing political uncertainty I remain a longer-term bull! As a spec, I continue to hold a small conservatively bullish position. As a producer, I continue to play the waiting

game...

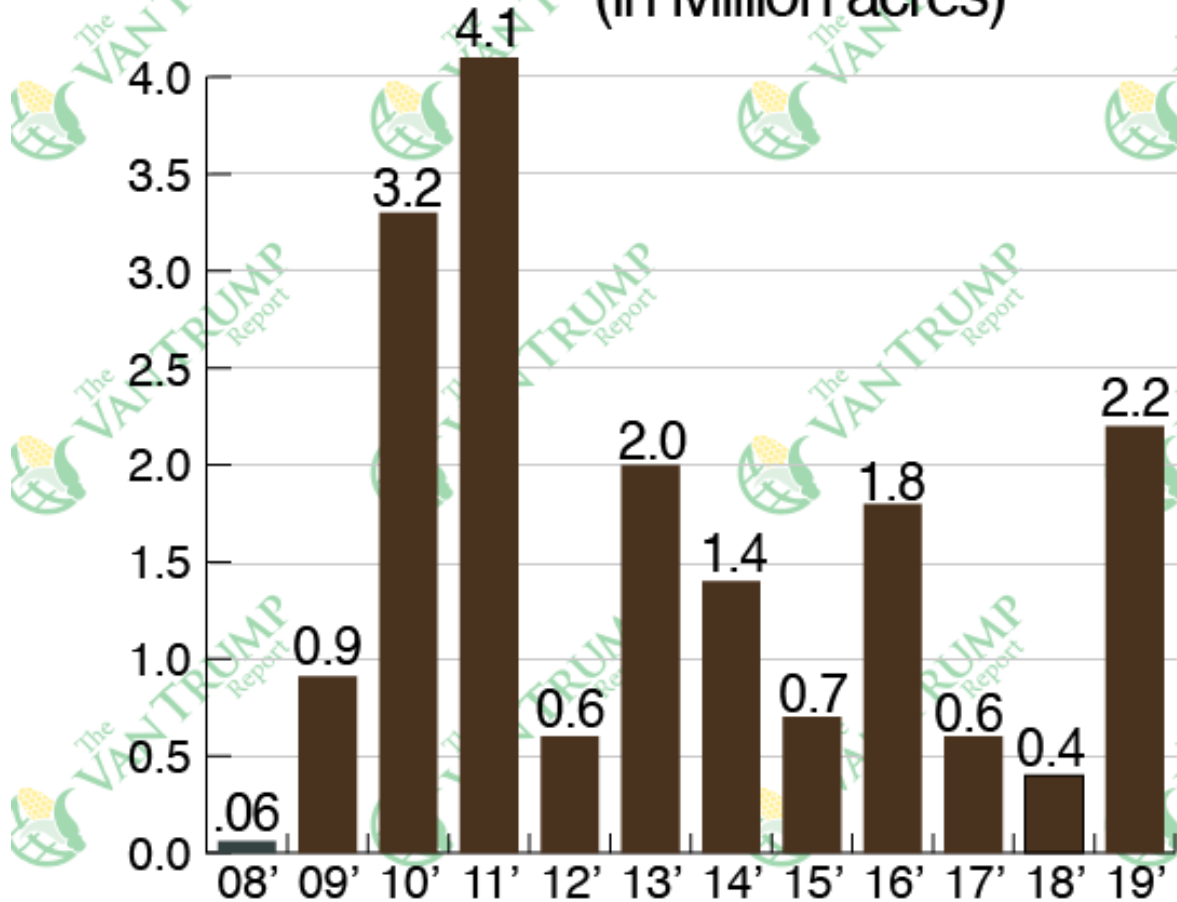


Wheat prices were able to find more stable footing last week. Bulls are hoping the bleeding has stopped as prices are down nearly -20% in the past 52-weeks and down almost -12% year-to-date. Technically, we are still about 30 cents above the lows. Many bears believe the market will continue to post lower-highs and lower-lows until ultimately retesting those lower levels from back in early to mid-May. The increasing trade tensions between the U.S. and China is doing little to help this market. The more bearish and worrisome traders become about the overall global macro landscape, the more difficult it becomes getting the funds to place bullish bets. As a spec, I remain on the sideline. With world ending stocks at or near record large, no major new weather story brewing, and ongoing trade tensions and uncertainty surrounding global growth, it's difficult for to get overly optimistic about this market. As a producer, I believe further out on the horizon will offer some better cash pricing opportunities. I continue to keep a close eye on the longer-term direction of the U.S. dollar, weather in the Black Sea region, and ongoing global trade negotiations. If the dollar can continue

to weaken, perhaps the wheat market will bottom?

FSA Preventive Plant Wheat Acres

(in Million acres)





> Cattle On Feed: *USDA's cattle on feed report, released Friday, August, 23, showed 11.1 million head of cattle on feed as of August 1, slightly above last years levels and marks the highest inventory since the USDA began keeping records in 1996. Placements in feedlots for the month of July totaled 1.71 million head, -2% below 2018. Marketings came in at 2 million head, +7% higher than last year.*

> U.S. Ag Producers Hit Hardest By Tariffs: *U.S. farms are taking the brunt of retaliatory tariffs placed on their products, according to a Knowledge Exchange report released on Aug. 22 by CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States. CoBank noted that China has found alternatives for U.S. soybeans in Brazil, Ukraine, Argentina and other countries. U.S. domestic purchases have significantly offset the loss of the China market and the United States has increased its export value to the rest of the world by over 60%. However, total exported value for 2018-19 was down by nearly 50%, it said. "With a record crop out of South America and declining demand due to African swine fever in China, the U.S. is unlikely to gain back significant export sales in the coming years," CoBank concluded. Read more [HERE](#).*

> USDA Webinar: Farm Income and Financial Forecasts, Friday, August 30 @ 12 p.m. CST: *USDA's Economic Research Service (ERS) releases farm income statement and balance sheet estimates and forecasts three times a year, in February, August and November. These core statistical indicators provide guidance to policy makers, lenders, commodity organizations, farmers, and others interested in the financial status of the farm economy. ERS' farm income statistics also inform the computation of agriculture's contribution to the gross domestic product of the U.S. economy. During this webinar, economist Carrie Litkowski provides the August forecast for 2019 as well as first estimates for 2018. See the latest Farm Income Forecast [HERE](#). Register for Friday's webinar [HERE](#).*

> Brazilian States Are Asking For Military Help With Amazon Fires: *Six states in Brazil's Amazon region requested military help on Saturday to combat record fires that are tearing through the rainforest, provoking an international outcry because of the Amazon's central role in combating global warming. Brazil has 44,000 troops stationed in its northern Amazon region that are available to combat forest fires and could send more from elsewhere in the country, said Raul Botelho, the joint chief of staff for the country's military. Alfredo Sirkis, executive director of think tank Brazil Climate Center and a founder of Brazil's Green Party, said while he supported military involvement, he doubted that anyone would be able to put out the existing fires. Environmentalists have said that farmers clearing land for pasture were responsible for the uptick in fires. Read more [HERE](#).*

> Researcher Identifies Biological Changes Behind Meat Allergy: *A University of Virginia (UVA) School of Medicine scientist has identified key immunological changes in people who abruptly develop an allergic reaction to mammalian meat, such as beef. His work also provides an important framework for other scientists to probe this strange, recently discovered allergy caused by tick bites. The findings by UVA's Dr. Loren Erickson and his team offer important insights into why otherwise healthy people can enjoy meat all their lives until ground beef or a hot dog suddenly become potentially life-threatening. Symptoms of the meat allergy can range from mild hives to nausea and vomiting to severe anaphylaxis, which can result in death. Read more [HERE](#).*

> AAA Forecasts National Gas Price Average to Land at \$2.40 or Lower This Fall: *When filling-up at the pump this fall, the majority of U.S. motorists will find savings of potentially more than 25-cents/gallon compared to this summer.*

The national gas price average, which is already 15-cents cheaper than just five weeks ago, is poised to continue pushing less expensive due to several factors, including less expensive crude oil prices, the drop-off in gasoline demand after Labor Day and the move to winter-blend gasoline. AAA forecasts the national average to drop to \$2.40 or lower this fall. AAA forecasts crude prices to range between \$50 and \$60 per barrel this fall. That is a considerable drop from last fall when prices ranged between \$60 and \$75. More details, including regional forecasts, are available [HERE](#).

> How An Algorithm Is Saving Boston \$5 Million: *Every day across the US, fleets of iconic yellow school buses carry more than 25 million children to and from school, covering around 3.7 billion miles a year. But these instantly recognizable vehicles - and the authorities that run them - are facing a number of challenges. In Boston, automation may offer a route to solving some of these problems. Not in the form of self-driving vehicles, but in the use of machine-learning to improve school bus administration. In 2017, Boston Public Schools announced a competition - the BPS Transportation Challenge - to find smart ways to improve school bus operations and bring down their \$120 million annual cost. The winner was the Quantum Team from the MIT Operations Research Center. Annual costs have been cut by around \$5 million, 50 underutilized routes have been scrapped, and the number of students per bus on the remaining services has increased. Read more [HERE](#).*

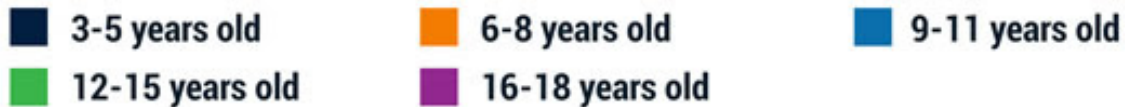
> Ticket Demand For International NFL Games Is Surging: *Ticket demand for the NFL's five international games this season has jumped 55% compared to 2018 thanks to the American football league's efforts to grow its global fan base, ticket retailer StubHub says. Four games will be played in London and one in Mexico in 2019 with the Chicago Bears-Oakland Raiders matchup at the new Tottenham Hotspur Stadium being the most in-demand game. Ticket sales to international buyers looking to catch a game while they are in the United States are up 19% compared to last season, with most of the demand coming from fans in Canada, Mexico, Australia, the UK and Germany. Overall, the most in-demand game of the season is also the first one on the schedule, as the Bears host NFC rivals the Green Bay on Sept. 5 to kick off the NFL's 100th season. Tickets to see the Dallas Cowboys are, for the fifth year running, the most sought after while the Super Bowl champion New England Patriots continue to see rising demand for tickets. (Source: Reuters)*

> World's Longest Running Public Webcam Is Shutting Down: *It has been around longer than Facebook, Billie Eilish and the Impossible Burger. It survived a dot-com boom, bust and boom again. It has outlasted five mayors. But now, after 25 years, the San Francisco FogCam, which many people contend is the world's oldest webcam, will be turned off for good. Jeff Schwartz, known online as Webdog, and Dan Wong, called Danno, started FogCam when they were earning their master's degrees as a way to capture student life at San Francisco State University. Now that the men are older, and the webcam has become harder to maintain, they have decided, "It's just time to move on." Read more from [The New York Times](#).*

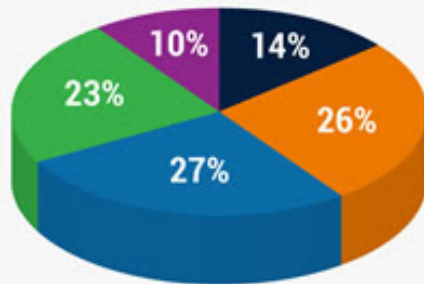
> How Old Should Kids Be When They Get Their Own Digital Devices? *The argument over how we use technology and the role it plays in our lives is often framed in terms of kids: How does growing up with smartphones, tablets, and other smart devices affect childrens' cognitive, emotional, and social development? We won't have definitive answers to those questions for a generation, but meanwhile, today's parents are faced with daily decisions. What boundaries should be set on device and internet use at home? How much screen time should be allowed? Does your child need a smartphone at school, and at what age? PCMag surveyed 1,000 parents with children in grades ranging from preschool to college to gauge when they think is the right time to buy their kids a smartphone, tablet, laptop, and smart speaker. The results are charted in the graphic below and you can find more details [HERE](#).*

How old should kids be when they get their first devices?

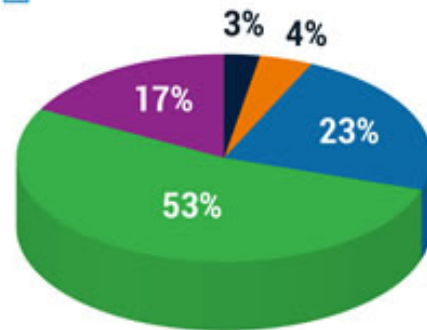
We asked parents when they thought it was appropriate to buy kids top tech devices.



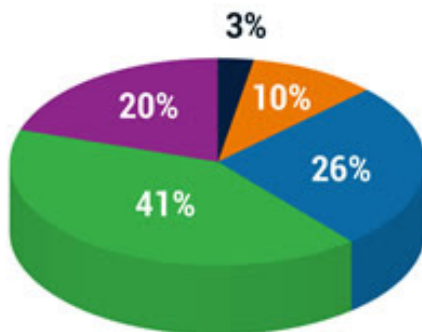
Tablet



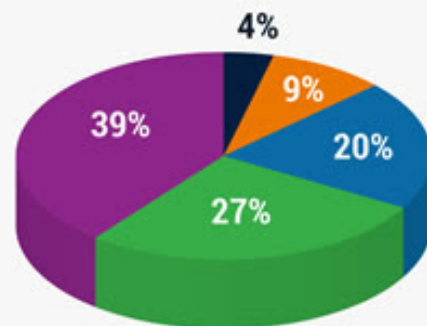
Mobile phone



Laptop



Smart speaker



This survey was conducted on July 26, 2019 via Google Surveys.
We surveyed 1,000 parents with children in grades ranging from preschool to college.





Central North Dakota – *We are cutting wheat right now, but it shouldn't be more than a day before we get rained out. The weather looks like it might put a couple inches on us. Lately we have been getting little showers, just enough to push us out of the field for a day or two. It's a little too wet to be in the field right now but we are looking at big rains next week and we are a good month behind right now. The wheat isn't bad but it's also not nearly as good as last year either. I don't have any corn but I'm hearing guys talking about how they are worried about the cooler weather coming over the next 10 days.*

North Central Iowa – *The early rain really hammered the crop and put us behind but since about mid-July, we haven't seen many consistent rains at least not in our area. There are many guys around this area that would tell you another story, but it just seems like the storms all dissipate before they hit our farms. The soybeans look okay but they just seem short on pods overall. The corn is tipping back on the edges of the fields so I'm not even going to walk out there. I'm afraid all I will find is more bad news and there's nothing I can do to change it.*

Central South Dakota – *The wheat harvest has been slow and challenging but we are making headway. We have had decent wind the last few days so that's helping bring the wheat moisture down a little. The winter wheat is yielding as high we have seen the yield in a number of years. We are staying between 65 and 75 bushels per acre. Normally we would be fine with 50 bushels. The corn around us all looks great. I haven't seen the corn look so good. This is the way corn should look in the "I" states. We were able to get the corn in early enough that we shouldn't have any problems with cold weather.*



TODAY'S RIDDLE: When you bend me I'm kind but I'm very hard to find. I'm easily sold and rhyme with this when told. What am I?



U.S. Leads World in Production of Natural Gas and Petroleum

Domestic natural gas and petroleum production set new records in 2018 when they increased by 12% and 16% respectively compared to the previous year. The output extended the ten-year run over Russian gas production volumes and also surpassed Saudi Arabia to become the world's largest producer of petroleum, according to the U.S. Energy Information Administration (EIA). Last year's increase in the United States was one of the largest absolute petroleum and natural gas production increases from a single country in history. It couldn't have come at a better time as primary energy consumption grew at a rate of 2.9% last year, almost double its 10-year average of 1.5% per year, and the fastest since 2010.

Energy consumption growth was driven by natural gas, which contributed more than 40% of the increase, with all fuels growing faster than their 10-year averages apart from renewables, although renewables still accounted for the second-largest increment to energy growth. As expected, China, the U.S. and India together accounted for more than 66% of the global increase in energy demand, with U.S. consumption expanding at its fastest rate in 30 years.

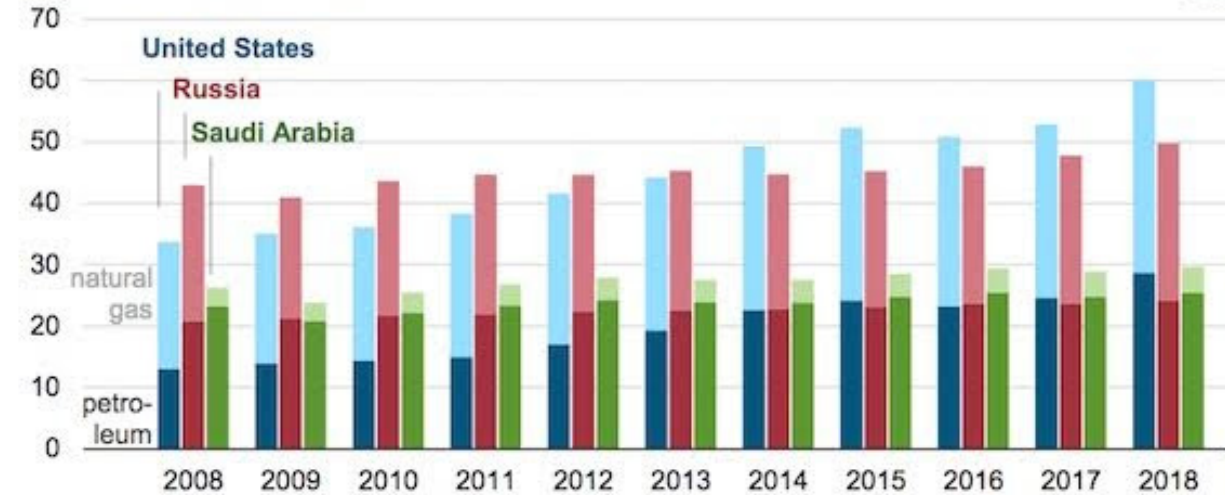
Helping to drive record natural gas production in the U.S. is the fact that liquefied natural gas exports have skyrocketed since 2016, thanks to increased foreign demand for U.S. energy. Data compiled by Refinitiv showing changes in the market share of gas from Norway, Russia and LNG sources is the latest example of how LNG is transforming Europe's gas market. The share of LNG in gas supplied to western and central Europe increased to 14% between October 2018 and August 2019 from 5% in the same period of 2017-18, with U.S. LNG accounting for 2% of the total gas supply into the region.

Investors in shale production have had a nice run over the last two years, supported in part by OPEC production cuts which have propped up prices, but now are facing headwinds on growing their money in the space. U.S. shale production has been increasing at a slower pace this year amid lower oil prices as companies scale back drilling plans and budgets. Insiders are suggesting U.S. shale producers need to slow down production growth and focus more on capital discipline in what has become an oversupplied market.

Forecasting shale's short-term outlook, the EIA sees U.S. monthly production growth slowing at least until 2020, averaging 50,000 bpd a month from the fourth quarter of 2019 through the end of 2020, down from average growth of 110,000 bpd a month from August 2018 through July 2019. Despite the growth slowdown, the EIA still expects U.S. crude oil production to set record production levels in 2019 and 2020, at 12.3 million bpd and 13.3 million bpd, respectively. I suspect the energy markets will be interesting to watch as trade and geopolitical disputes are increasingly at the forefront of headlines. (Source: [eia.gov](https://www.eia.gov/), [bp.com](https://www.bp.com/), [oilprice.com](https://www.oilprice.com/), [pgjonline.com](https://www.pgjonline.com/))

Estimated petroleum and natural gas production in selected countries

quadrillion British thermal units

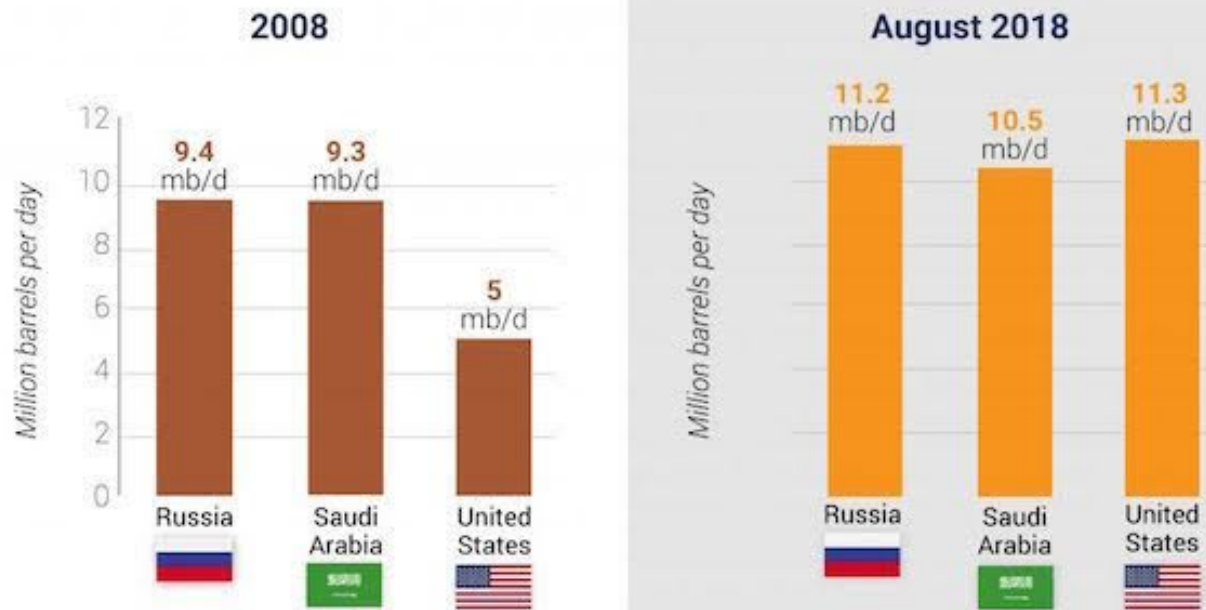


Source: U.S. Energy Information Administration, based on International Energy Statistics
 Note: Petroleum includes crude oil, condensate, and natural gas plant liquids

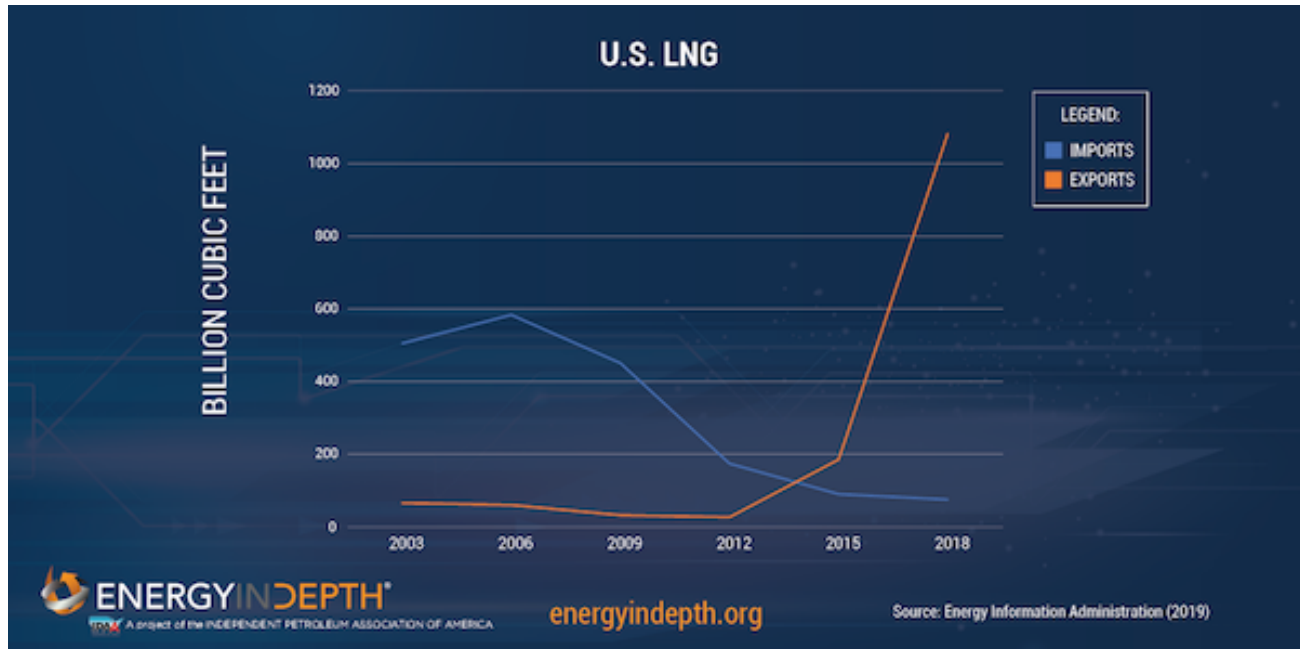


energyindepth.org

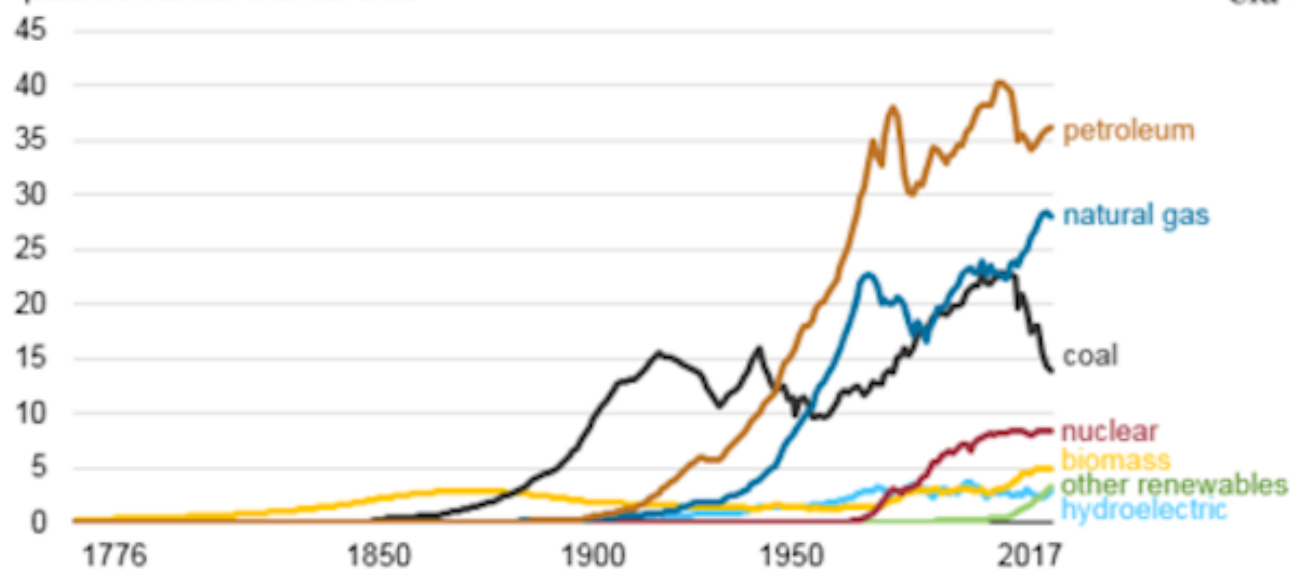
United States Now World's Top Crude Oil Producer – Thanks to Fracking



Sources: U.S. Energy Information Administration and Russian Ministry of Energy



Energy consumption in the United States (1776-2017)
 quadrillion British thermal units



U.S. Space Command Is Ready To Launch!

The Pentagon is set to officially launch the new U.S. Space Command on August 29, the first new combatant command to be introduced since Africa Command in 2009. Space Command will have a total of 87 units responsible for the planning and execution of U.S. space operations, covering "missile warning, satellite operations, space control, and space support." Gen. John Raymond will head the team of around 642 initial personnel pulled from U.S. Strategic Command.

Space Command will join forces with the National Reconnaissance Office to oversee space operations, the first time intelligence community assets would be

under the operational and tactical control of the military during a conflict if U.S. satellites came under attack. A space policy directive issued by President Trump in February — which called for the establishment of a U.S. Space Force — also directed the secretary of defense and the director of national intelligence to figure out how the military and the NRO can work together. Space Command was born from more than 50 suggestion generated by the Department of Defense and the intelligence community to meet the Presidents request.

The new agency will operate out of the National Space Defense Center in Colorado Springs for now. Acting director of national intelligence Joseph Maguire explains, "Should conflict extend to space, the NRO will take direction from the commander of U.S. Space Command and execute defensive operations based on a jointly developed playbook and informed by a series of exercises."

Space Command isn't exactly new, however. United States Space Command was established in 1985 to provide joint command and control of the Air Force, Army, and Navy's space forces. Following the attacks of 9/11, the U.S. military's homeland defense resources were focused on counter-terrorism, resulting in matters of "space" being deemphasized. Subsequently, U.S. Space Command was absorbed into several other agencies until it was eventually replaced altogether and reorganized as the Joint Force Space Component Commander. That was totally scrapped in 2017. In 2018, it was announced that U.S. Space Command would be reactivated as a full unified combatant command.

Space Command is not to be confused with Space Force. The latter would actually be an entirely new branch of the U.S. military, which requires Congressional approval and funding. Both the House and the Senate have passed language in their versions of the 2020 National Defense Authorization Act in support of a space branch, but there are concerns that the current language of the proposals "do not provide all the necessary authority to establish a separate service and sixth branch of the armed forces," according to Acting Air Force Secretary Matt Donovan. Under Space Force, an undersecretary of defense for space will eventually be named, and the program — which would start as a division of the U.S. Air Force — would become the sixth armed service, joining the Air Force, Army, Marine Corps, Navy and Coast Guard.

Critics have laughed at the idea but support has been steadily growing. Proponents believe space will play a critical roll in future conflicts on our planet. This is largely

due to the critical role space-based technologies like satellite communications and navigation play in supporting military operations on the ground. And naturally, those technologies are likely to be targeted in a military conflict. Space Command is seen as the first step toward the new Space Force military branch. (Sources: The Hill, Defense News, WarOnTheRocks, Business Insider)





The Carrot, the Egg or the Coffee Bean?

I received another e-mail the other day that I thought was worth passing along. It certainly made me stop and think...hope you enjoy it. Try and put on a smile on your face as those kids go back to school. Have a safe and happy weekend!

A young woman went to her grandmother and told her about her life and how things were so hard for her. She did not know how she was going to make it and wanted to give up. She was tired of fighting and struggling. It seemed that as one problem was solved, a new one arose. Her grandmother took her to the kitchen. She filled three pots with water and placed each on a high fire. Soon the pots came to a boil. In the first, she placed carrots, in the second she placed eggs, and the last she placed ground coffee beans. She let them sit and boil, without saying a word.

In about twenty minutes she turned off the burners. She fished the carrots out and placed them in a bowl. She then pulled the eggs out and placed them in a bowl. Then she ladled the coffee out and placed it in a bowl. Turning to her granddaughter, she asked, 'Tell me, what do you see?' 'Carrots, eggs, and coffee,' she replied.

She brought her closer and asked her to feel the carrots. She did and noted that they were soft. She then asked her to take an egg and break it. After pulling off

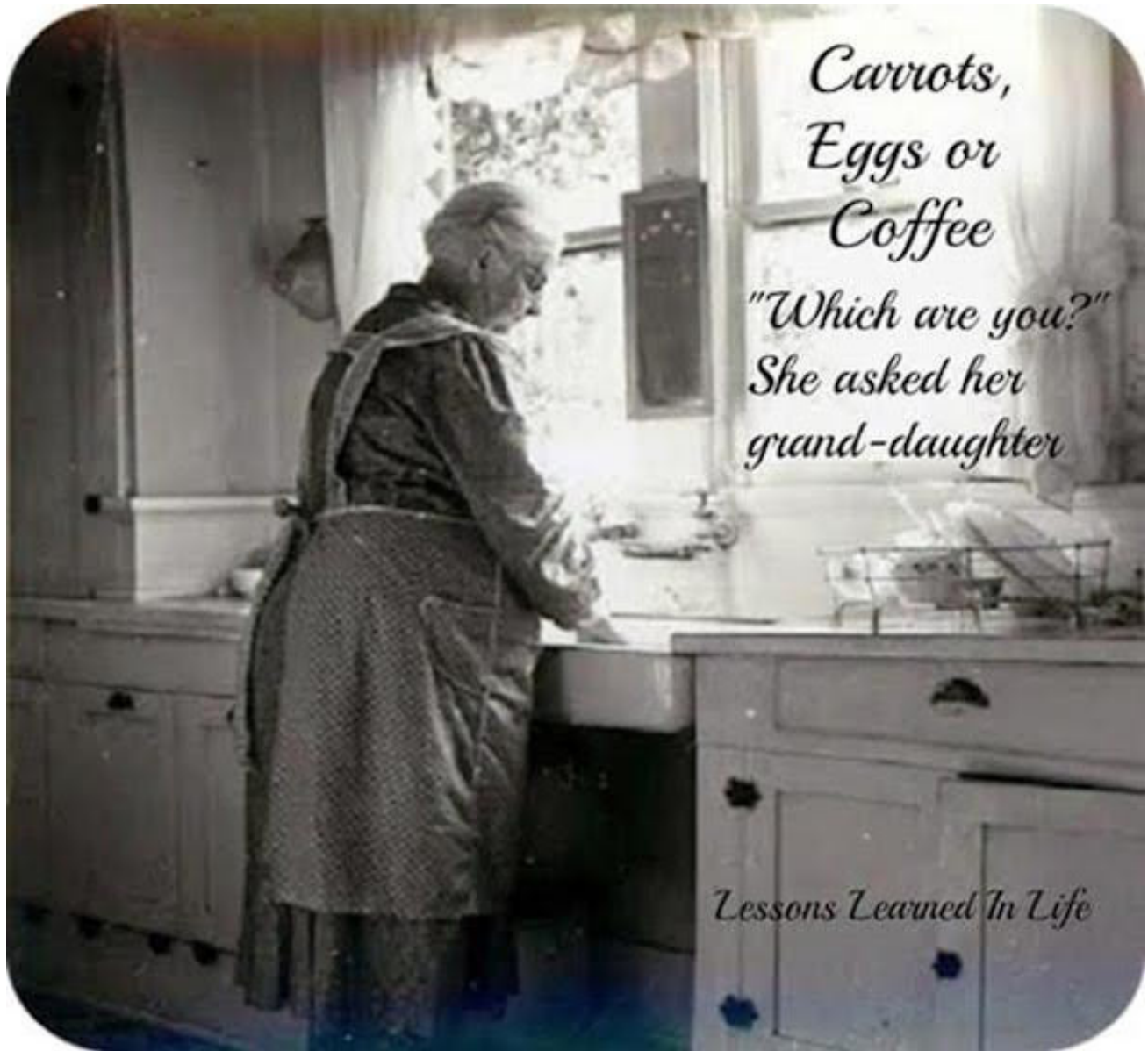
the shell, she observed the hard-boiled egg. Finally, she asked her to sip the coffee. The daughter smiled as she tasted its rich aroma. The granddaughter then asked, "What does it mean, Grandmother?" Her grandmother explained that each of these objects had faced the same adversity — boiling water — but each reacted differently. The carrot went in strong, hard and unrelenting. However, after being subjected to the boiling water, it softened and became weak. The egg had been fragile. Its thin outer shell had protected its liquid interior. But, after sitting through the boiling water, its inside became hardened.

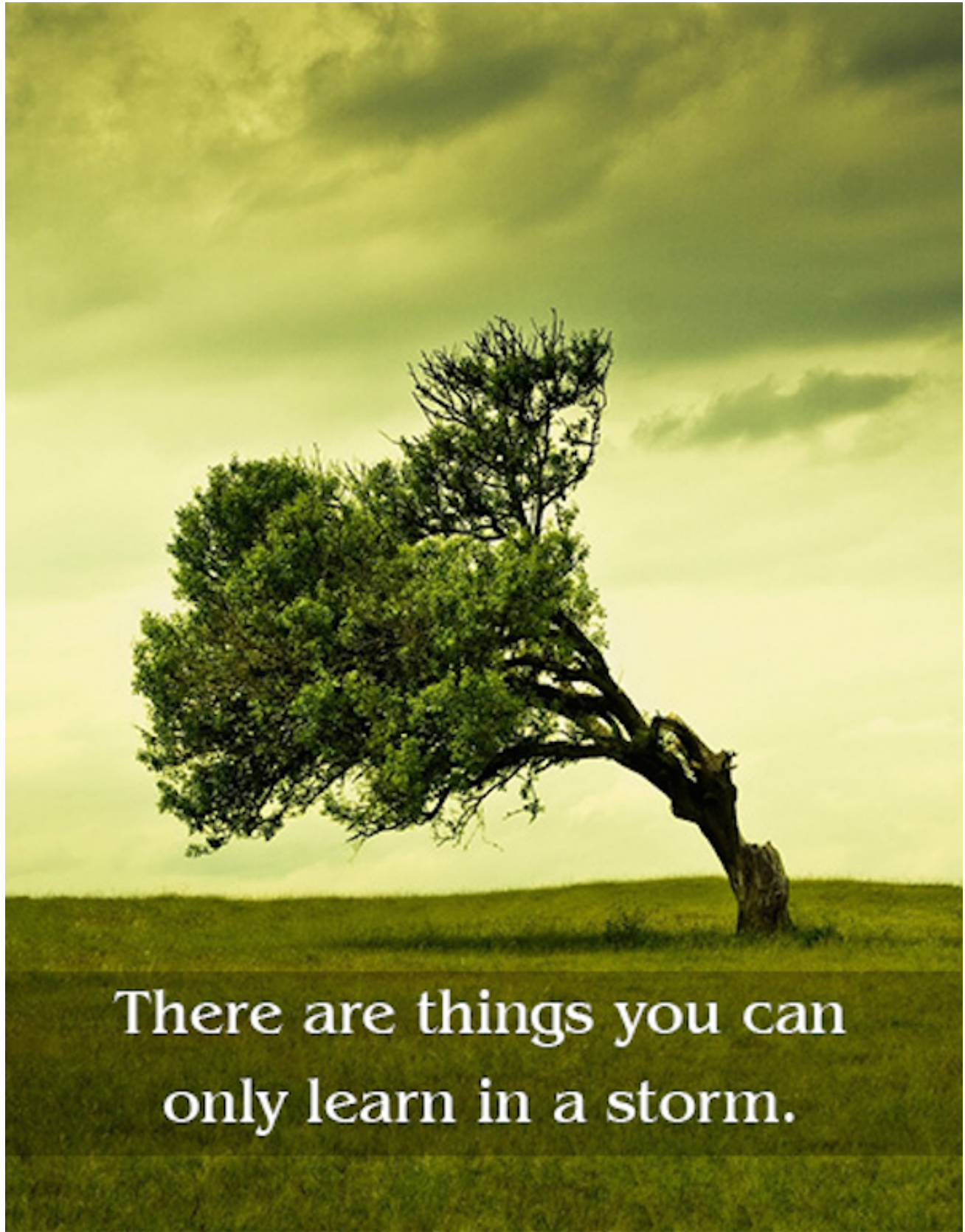
The ground coffee beans were unique, however. After they were in the boiling water, they had changed the water. 'Which are you?' she asked her granddaughter. 'When adversity knocks on your door, how do you respond? Are you a carrot, an egg, or a coffee bean?'

Think of this: Which am I? Am I the carrot that seems strong, but with pain and adversity? Do I wilt and become soft and lose my strength?

Am I the egg that starts with a malleable heart, but changes with the heat? Did I have a fluid spirit, but after a death, a breakup, a financial hardship or some other trial, have I become hardened and stiff? Does my shell look the same, but on the inside am I bitter and tough with a stiff spirit and a hardened heart?

Or am I like the coffee bean? The bean actually changes the hot water, the very circumstance that brings the pain. When the water gets hot, it releases the fragrance and flavor of your life. If you are like the bean, when things are at their worst, you get better and change the situation around you. When the hours are the darkest and trials are their greatest, do you elevate to another level? So... Which one are you? Carrot, egg, or coffee? (Source: littlethings.com)







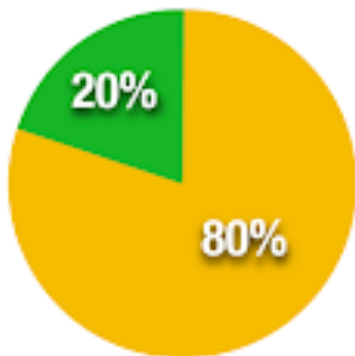
ANSWER to riddle: Gold

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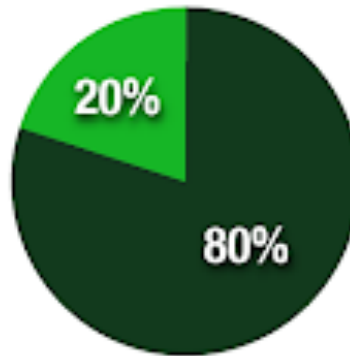
Corn 2018 Crop

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

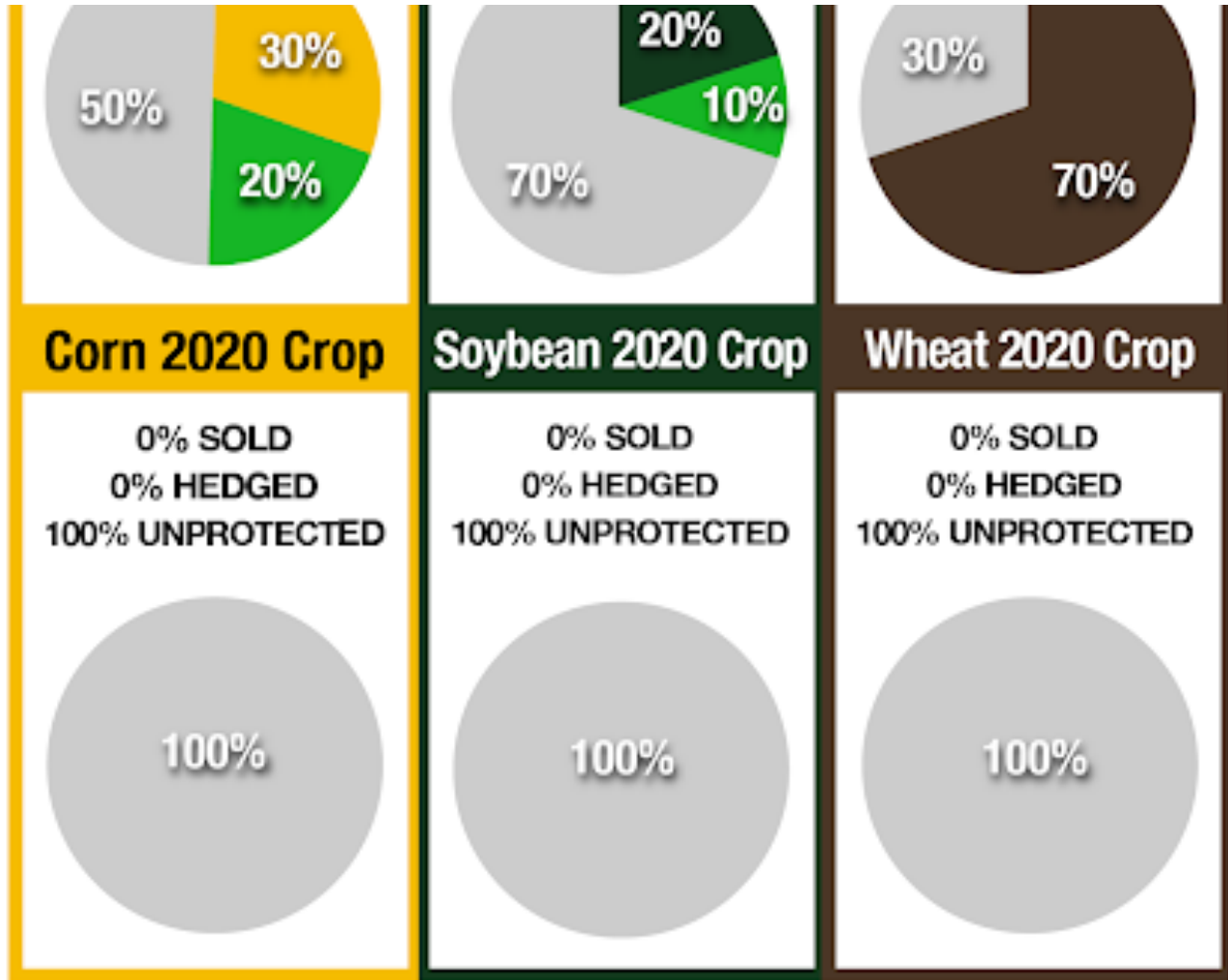
20% SOLD
10% HEDGED
70% UNPROTECTED



Wheat 2019 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED





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