



Jordan Van Trump &lt;jordan@farmdirection.com&gt;

## GOOD MORNING: The Van Trump Report 4-21-20

1 message

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

Tue, Apr 21, 2020 at 5:30 AM

Reply-To: Jordan &lt;reply-fec611737d60077f-1180\_HTML-40325470-100003450-10@vantrumpreport-email.com&gt;

To: jordan@farmdirection.com



*"My father gave me the greatest gift anyone could give another person, he believed in me." - Jim Valvano*

**Tuesday, April 21, 2020**
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**Morning Summary:** Energy meltdown becomes insanely dangerous as the most experienced of traders are left scratching their heads. To throw a little more spice in the fire we have headlines circulating that North Korean leader Kim Jong Un's health is in big question after a recent surgery went bad. In case you missed yesterday's fireworks or were looking a different direction, WTI crude oil futures settled at negative - \$37.63 per barrel. Yes, you read that correctly, the front-end of the market fell by \$55.90 yesterday, down over -305%. The MAY20 WTI crude oil contract expires today at 1:30 PM CST and is trading all over the place trying to find "real value". Bottom-line, nobody has ever seen anything like this. Refiners are rejecting barrels at a historic pace and with U.S. storage levels busting at the seams crude oil prices have come under intense pressure. Some insiders are saying this is just a temporary glitch while other investors are massively worried about the fallout and how it could have far-reaching negative implications across many asset classes. What's crazy is the fact energy was not even the worst sector yesterday, real estate and utilities were actually worse. As I've mentioned before, the only times we've historically seen real estate and utilities under pressure in a low-interest-rate environment is when the market is worried about contagion and or economic fallout that could keep prompt people to stop paying their mortgages or utilities. I should also note, the VIX also posted

its biggest one day jump since March 16, gaining +14% to close back above 40. Let's hope we are not returning the extreme volatility and dangerous price action we experienced during the second half of March. Today's U.S. corporate earnings headlines will feature big names like Netflix, Snapchat, Coca-Cola, Chipotle, Lockheed Martin, Philip Morris, and United Airlines to name a few. Also out today is Existing Home Sales for March, which are expected to show a significant decline.



**NEW Highly Volatile Podcast... "Corn, Crude Oil and Cannabis"** Kevin and Andy talk shop about some their current trades and investments. Then invite special guest Brian Schinderly, EVP GrassRoots Cannabis on to discuss the future of the cannabis market. Brian was the founder of Solidum Capital Advisors and spent 20-years in the investment management space via hedge funds and is a great source of knowledge.

If you haven't yet signed up for the podcast series, you can do so for FREE by [Clicking HERE](#), the podcast will come direct to your inbox from our FarmTank team. Look for the NEW podcast in your inbox around 7:00 AM CST.

**State of Georgia to Reopen its Economy this Friday:** Governor Brian Kemp announced that certain businesses can reopen this week despite the warnings of many public health officials. Kemp said specifically that fitness centers, bowling alleys, body art studios, barbers, hair and nail salons, and massage therapy businesses can reopen as early Friday, April 24. Theaters and restaurants will be allowed to open on Monday, April 27, while bars and night clubs will remain closed for now.

**Hertz Rental Lays Off 10,000 Workers** as demand continues to slump – Hertz says it has experienced increased rental cancellations and declining forward bookings and as a result will need to cut 10,000 workers.

**Plunging Car Prices:** The car price apocalypse appears to have arrived. They're falling faster and steeper than JPMorgan was expecting. Analysts at the bank cited mid-month data from auto-auction firm Manheim, whose closely watched used vehicle value index plunged 11.8% in the first 15 days of April. That's likely to mean multibillion-dollar losses for the finance arms of GM and Ford. (Source: Bloomberg)

**Charlie Munger Just Wants to Get Through "The Worst Typhoon That's Ever Happened":** In an interview with The Wall Street Journal, Charlie Munger, Warren Buffett's longtime business partner and vice Chairman of Berkshire Hathaway, said "Nobody in America's ever seen anything else like this," as he explained why the company is mostly doing

*nothing right now. "I would say basically we're like the captain of a ship when the worst typhoon that's ever happened comes," Mr. Munger said. "We just want to get through the typhoon, and we'd rather come out of it with a whole lot of liquidity." Interestingly, Munger says they've not had scores of businesses hitting Berkshire up for capital. "The typical reaction is that people are frozen....They've never seen anything like it. Their playbook does not have this as a possibility...Everybody's just frozen in the position they're in." Munger wouldn't speculate as to how bad the economic fallout from the coronavirus crisis might be, saying there's no doubt that the U.S. is already in a recession and the only question is how big it will be and how long it will last. "I don't think we'll have a long-lasting Great Depression. I think government will be so active that we won't have one like that. But we may have a different kind of a mess. All this money-printing may start bothering us." He predicts the U.S. will return to a "moderate" economy but we may never again - or at least for a very long time - see a level of employment like we just lost. In the end he says, the coronavirus shutdown is "something we have to live through," letting the chips fall where they may. "What else can you do?" Read the full interview [HERE](#).*

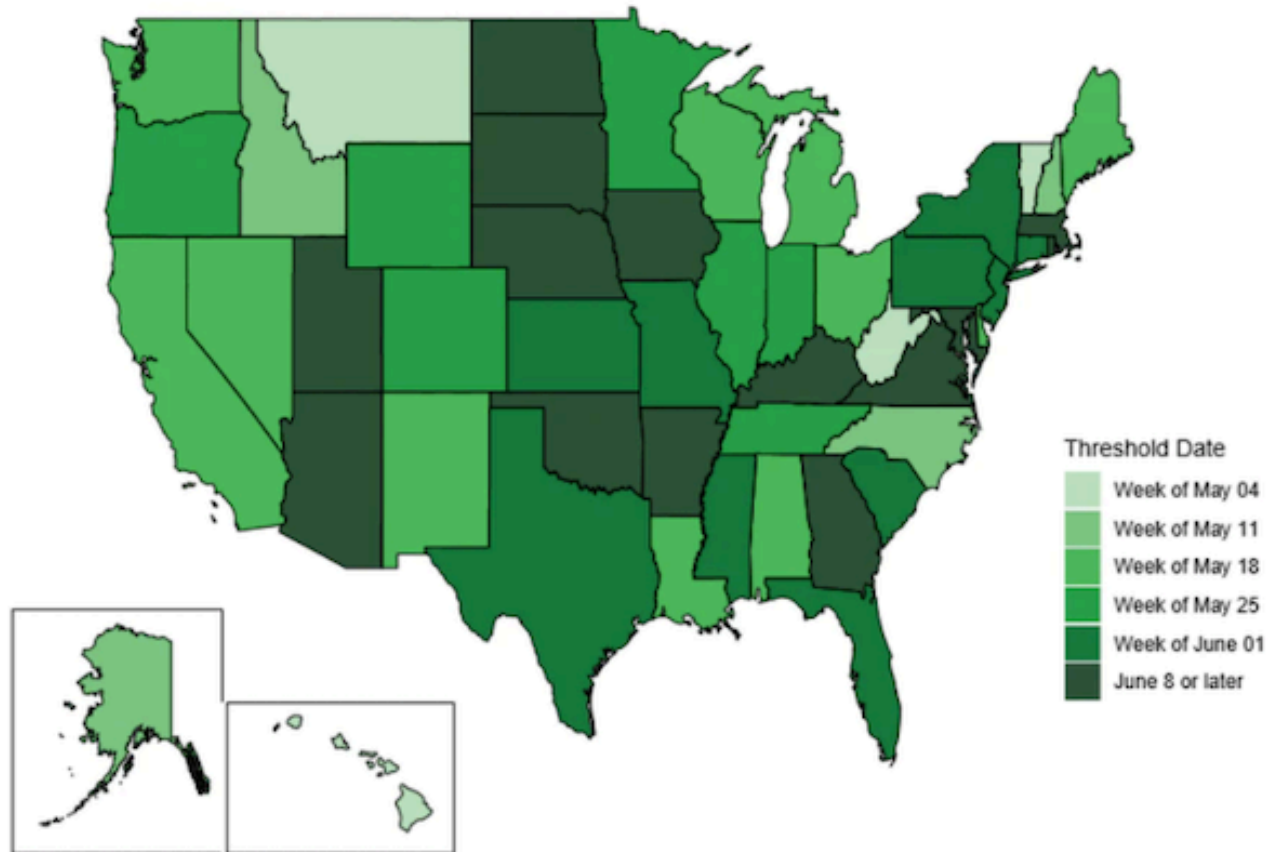
### **Mortgage Payments Reduced or Paused for 3 Million U.S. Households:**

*Some 3 million U.S. households have won at least a measure of relief on mortgage payments, a survey from the Mortgage Bankers Association showed on Monday. About 5.95% of mortgage loans were in forbearance during the survey week of April 6-12, up from 3.74% a week earlier and from just 0.25% the week of March 2, the industry lobbying group said on Monday. That increase helps build the case for a rescue for the mortgage services industry, suggested Mike Fratantoni, MBA's senior vice president and chief economist, saying it would ensure market stability. Congress did not include any such relief in its recent \$2.3 trillion stimulus package, though some top Democrats have called for it and Dallas Fed President Robert Kaplan has said he is open-minded about potentially coming to the sector's aid. The survey covered 38.3 million loans serviced by independent mortgage companies and banks, representing about 77% of the first mortgage-servicing industry. More than 95% of Americans are currently under "stay-at-home" or "shelter-in-place" orders, while the number of Americans seeking unemployment benefits in the last month has topped 22 million. (Source: Reuters)*

**The Fallout in Concerts and Shows:** *More than 50,000 shows around the world were recently canceled, from coffee house appearances to Coachella, and at least \$2.8 billion in ticket sales will be gone for good if there are no shows in the second quarter, according to Pollstar. Facebook and YouTube are now sending out daily updates about show schedules. (Source: Bloomberg)*

### **DON'T SHOOT the MESSENGER: Major Coronavirus Model Forecasts**

**When States Can Loosen Restrictions:** *I know many of my friends and readers won't want to see what the computer models are saying for many parts of the Midwest but I wanted to share the information. Computer modeling projecting the course of the coronavirus outbreak from the University of Washington's Institute for Health Metrics and Evaluation (IHME) estimates some states may be able to relax some social distancing measures as early as May 4, so long as "robust containment strategies" are put in place to prevent a potential second wave of infections. Vermont, West Virginia, Montana and Hawaii could loosen their restrictions as early as the week of May 4 according to the model. Other states such as Iowa, Arizona, North and South Dakota, Nebraska, Utah, Arkansas and Oklahoma could have to wait until June or perhaps even early-July. The model gives recommended dates for reopening all 50 states. The key measurement IHME researchers used in determining when states can begin relaxing social distancing measures is when they believe infections in a state will drop below one infection per 1 million people. The projections also assume states will have adequate resources for virus testing, contact tracing and isolation of infected people. The IHME acknowledged there are likely to be state-by-state variations in how restrictions are eased. The IHME model predicts the U.S. has already passed its peak of deaths last week. And there are of course models that disagree with the IHME, like the University of Texas at Austin that says there's an 80 percent chance the national peak will hit May 7. Read more [HERE](#).*



A map provided by the Institute for Health Metrics and Evaluation on April 17, 2020, predicting the earliest date after which states could begin to ease back some social distancing measures

# FARM TANK

Tweets of the Day







**Charlie Bilello** ✓  
@charliebilello



## Largest US Companies by Market Cap...

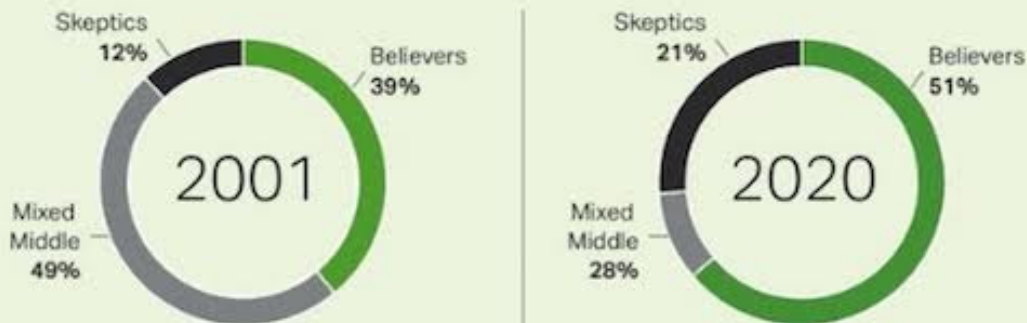
- 1) Microsoft **\$MSFT**: \$1.36 trillion
- 2) Apple **\$AAPL**: \$1.24 trillion
- 3) Amazon **\$AMZN**: \$1.18 trillion
- 4) Google **\$GOOGL**: \$879 billion





Attitudes towards global warming have changed significantly over the last 20 years. 51% of Americans today, are what can be termed "Concerned Believers." They attribute global warming to human actions and take the threat seriously. [bit.ly/3bpQiAD](https://bit.ly/3bpQiAD)

### U.S. Global Warming Opinion Groups, Then and Now



Groups based on cluster analysis of four global warming attitudes: degree of worry, perceived threat in lifetime, perceived cause (human activity vs. natural), accuracy of news reports

GALLUP MARCH 2-13, 2020



**Steve Pitstick**  
@PitstickFarms



When my peers criticize innovation in the planter space I recall how excited my dad was moving away from plates to a plateless system. Think how far we've come because someone said I can make it better 🧐



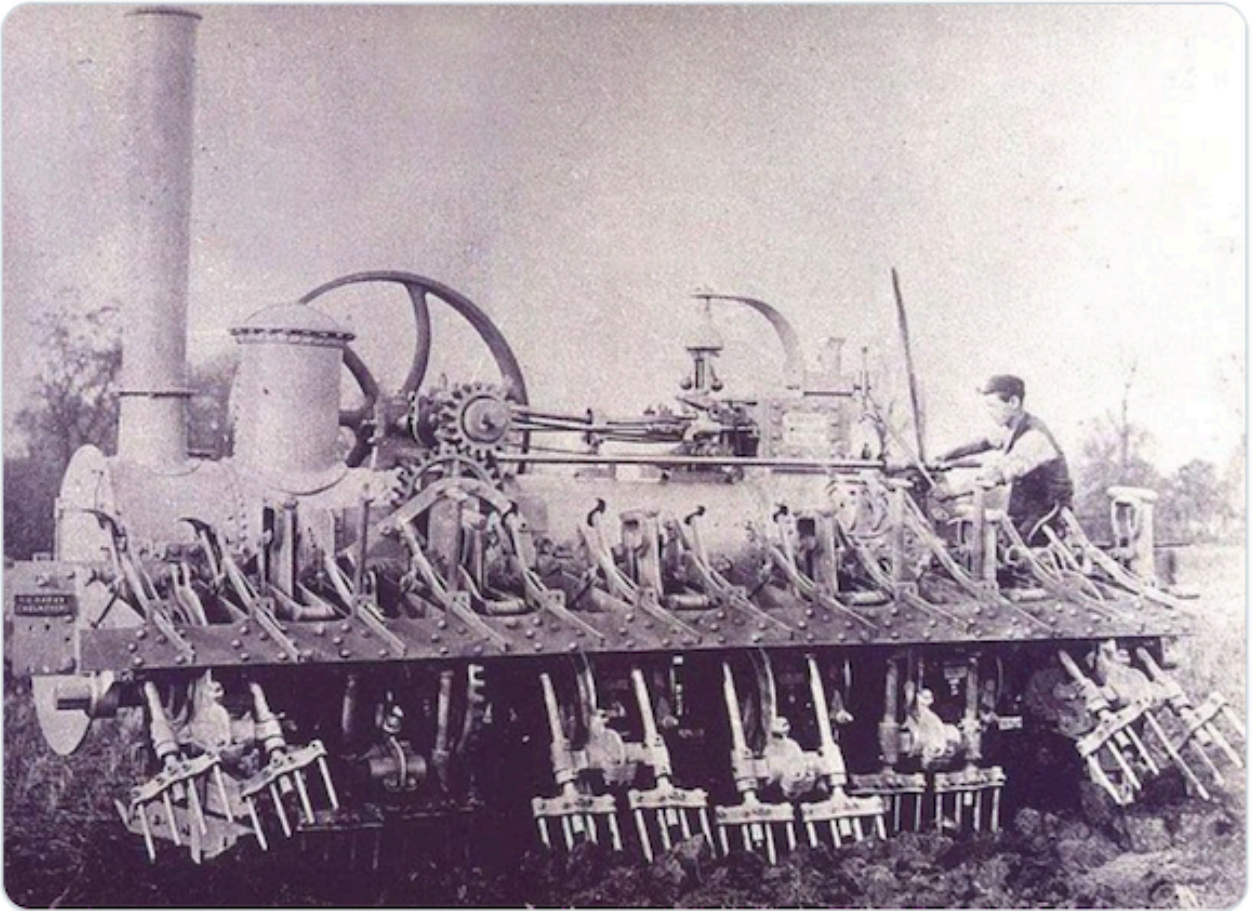




**History Lovers Club**  
@historylvrsclub



## Steam driven farm machinery





**Mike Verdonck**  
@MikeVerdonck



Bringing controlled traffic to another level.







**Blake McKay**  
@BlakeMcKay15



We need more days like today. [#Plant20](#)





**Joe Virgin**  
@jev4320



Go time



Lafayette, IN



**Rusty Lord WOOT** ✓

@RustyLord



Quite possibly the most creative use of the wet heavy snow in these incredibly weird times! Love it! Photo courtesy of Kirk Rasmussen.





Tim Fargo ✓  
@tim\_fargo

Don't let the answers you want to hear get in the way of the answers you need to hear. - The Golden Mirror  
#quote  
#mondaymotivation



**CORN** prices continue to struggle as the fallout in crude oil becomes historically dangerous. Demand worries associated with ethanol becomes more concerning. A few weeks back the trade was talking perhaps -300 million to -500 million bushel reduction in corn demand, now all of a sudden the trade is thinking we could see a much larger reduction in corn used for ethanol. At the same time, we are digesting continued headlines of meat processing plant closures and weakening feed demand. Technically, it feels like the MAY20 contract is wanting to test major psychological support down at \$3.00 per bushel. The new-crop DEC20 contract posted fresh contract lows and will now be trying to hold support in the \$3.30 to \$3.35 range. In Brazil, traders continue to closely monitor rainfall events as a portion of its second-crop is in need of a drink. At this point, the market doesn't see it as much concern especially with such demand uncertainties circulating. Weather here at home seems mostly a non-event. Some producers are saying they have fields that are too dry, while others are saying they have fields that are too wet. Bottom-line, the planters are starting to roll in more big production areas. The USDA showed U.S. planting is now 7% complete, ahead of last year's pace,

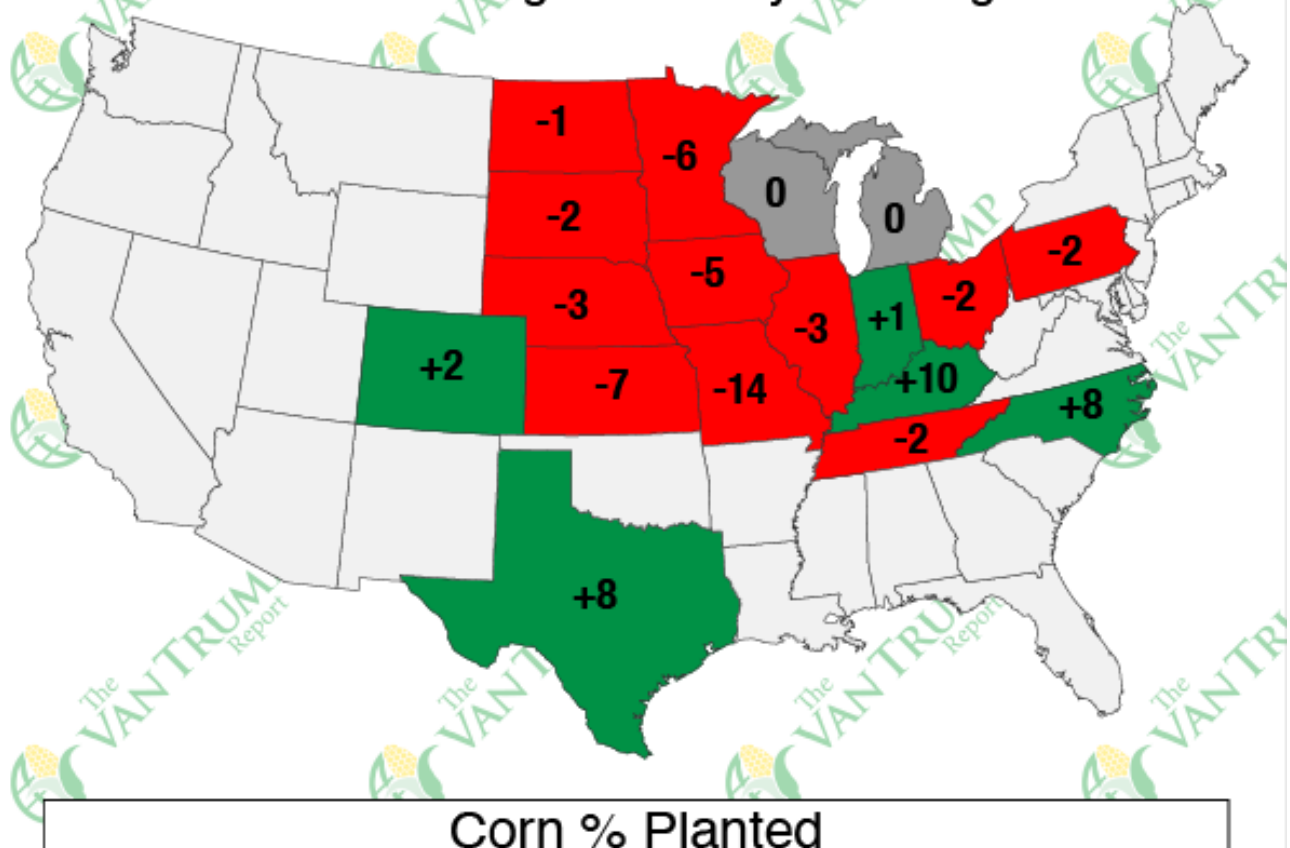
but slightly behind the 9% average. Louisiana is thought to be 99% planted vs. 96% on average; Georgia 86% planted vs. 84% on average; Alabama 62% vs. 58% on average; Mississippi 50% vs. 70% on average; North Carolina 49% vs. 41% on average; Arkansas 37% vs. 69% on average; Kentucky 25% vs. 15% on average; Tennessee 23% vs. 25% on average; Kansas 13% vs. 20% on average; Missouri 11% vs. 25% on average; Illinois 8% vs. 11% planted; Indiana 4% vs. 3% on average; Colorado 4% vs. 2% on average; Iowa 2% vs. 7% on average; Nebraska 2% vs. 5% on average; Minnesota 1% vs. 7% on average; Wisconsin 1% vs. 1% on average. South Dakota, North Dakota, Ohio and Pennsylvania still not on the board and running behind schedule. As a spec, I remain long the JUL20 contract. When I initiated the position my thought was to start extremely small in the low \$3.30's and cost-averaging into more units between \$2.80 and \$3.20 per bushel if the downward pressure persists. The craziness and almost unthinkable in crude oil now has me more concerned and uncertain about nearby corn prices. At least for the moment, I am going to hold off adding any additional length. As a producer, we have only a small number of hedges left in place to protect the downside and I'm probably lifting the remaining ones if we break sub-\$3.00.

## U.S. Corn Planted

April 19, 2020

[Week 16]

Current Planting Pace vs. 5-year Average



	2018	2019	5-yr avg	This Week	Change vs LW
Colorado	2	1	2	4	+4
Illinois	1	1	11	8	+7
Indiana	1	1	3	4	+3
Iowa	4	3	7	2	+2
Kansas	17	14	20	13	+7
Kentucky	17	14	15	25	+13
Michigan	0	0	0	0	0
Minnesota	0	0	7	1	+1
Missouri	16	13	25	11	+7
Nebraska	2	1	5	2	+2
North Carolina	28	25	41	49	+21
North Dakota	0	0	1	0	0
Ohio	1	1	2	0	0
Pennsylvania	0	0	2	0	0
South Dakota	0	0	2	0	0
Tennessee	24	22	25	23	+11
Texas	59	58	57	64	+1
Wisconsin	1	1	1	1	+1
<b>Total</b>	<b>6</b>	<b>5</b>	<b>9</b>	<b>7</b>	<b>+4</b>

**SOYBEAN** bulls remain on the ropes as meal trades to fresh contract lows. Similar to the corn story, bears continue to question overall demand. Restaurants being closed around the globe and miles driven in the taken weighs on soybean oil. Meat processing problems and the backup in livestock has feed demand in question for soybean meal. Massive global economic uncertainties surrounding corona and our overall relationship with China has exports being more heavily questioned. At the same time, talk of increasing U.S. soybean acres, the macro fallout in crude oil, and the strength of the U.S. dollar are adding additional headwinds. Technically, the MAY20 contract is nearing its contract low of \$8.21, the JUL20 contract nearing its contract low of \$8.29, and the new-crop NOV20 nearing its contract low of \$8.36 3/4. As a spec, I would like at some point to be a buyer, but I remain hesitant. I suspect new contract lows will increase my interest. I've been wanting to start a small bullish position for the past 30 cents but luckily have remained disciplined and patient. I have to imagine somewhere in the \$7.80 to \$8.20 range that patience will be thrown to the sideline and I will be in the game as a longer-term bull. The USDA showed U.S. planting at 2% complete which was about as expected and slightly ahead of schedule. As I see it, the big-ticket items moving forward are obviously U.S. weather and Chinese/U.S. relations. I see domestic demand eventually taking care of itself and the uncertainties being overcome. I want to believe China is eventually going to come to the table in a big way for U.S. soybeans, but I suspect a lot now hinges on how things play out with the global coronavirus



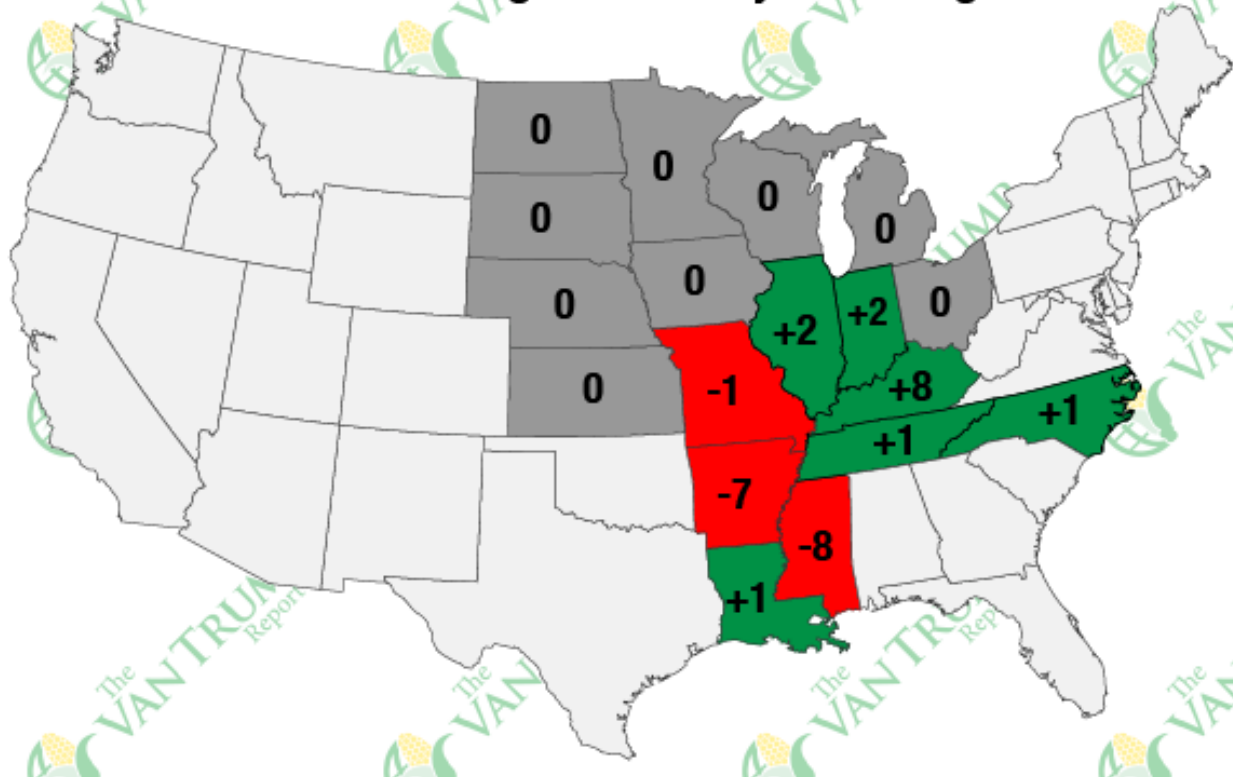
investigations and the worlds overall relationship with Chinese leaders. Nobody is wanting to openly report the relationship worries, but we are certainly all thinking about it and the market seems to be thinking about it as well... Let's hope this too shall pass!

## U.S. Soybeans Planted

April 19, 2020

[Week 16]

Current Planting Pace vs. 5-year Average



### Soybean % Planted

	2018	2019	5-yr avg	This Week	Change vs LW
Arkansas	19	6	15	8	+7
Illinois	0	0	0	2	+2
Indiana	0	0	0	2	+2
Iowa	0	0	0	0	0
Kansas	0	0	0	0	0
Kentucky	0	1	1	9	+5
Louisiana	25	15	23	24	+9
Michigan	0	0	0	0	0
Minnesota	0	0	0	0	0
Mississippi	28	15	29	21	+16

Missouri	1	0	1	0	0
Nebraska	1	0	0	0	0
North Carolina	1	0	0	1	+1
North Dakota	0	0	0	0	0
Ohio	0	0	0	0	0
South Dakota	0	0	0	0	0
Tennessee	1	1	1	2	+1
Wisconsin	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>+2</b>

**WHEAT** bulls are pointing to ongoing uncertainties in parts of Russia, the Balck sea region and parts of the European Union. Bulls are also pointing to the much larger than expected drop in weekly U.S. winter wheat conditions. The USDA lowered winter wheat conditions aggressively down from 62% to 57% now rated "Good-to-Excellent". The downgrades were seen in... South Dakota down -12% from last week; Oklahoma and Oregon conditions were lowered by -10%; Texas and Washington lowered -8%; Nebraska down -6%; California down -5%; Kansas down -4%. Keep in mind, conditions in Kansas are now well below last year, 46% rated GD/EX this year vs. 57% last year. Oklahoma conditions are now rated 65% GD/EX vs. 70% of the crop rated GD/EX last year at this juncture. However, bears are quick to point out that most other states are reporting conditions that are better than last year. Ohio is currently estimating the crop rated 73% GD/EX vs. just 32% of the crop rated GD/EX last year. U.S. spring wheat planting shows signs of being delayed as the USDA showed just 7% is planted vs. the average of 18%. Keep in mind, North Dakota, who is our nation's top-producing spring wheat state, is generally about 9% planted by this date but this year they are still less than 1% planted. South Dakota is only 9% planted vs. 40% on average; Montana just 3% vs. 17% on average; Minnesota just 1% vs. 21% on average. As a spec, I remain on the sideline. I can make the bullish argument, but all of the craziness in the outside macro markets and other row crop markets makes me nervous being a bull up at these levels. I simply have to sit this one out. As a producer, I still like the thought of reducing some 2021 production risk on any nearby rallies. I also like getting to 70% priced with our estimated 2020 production.

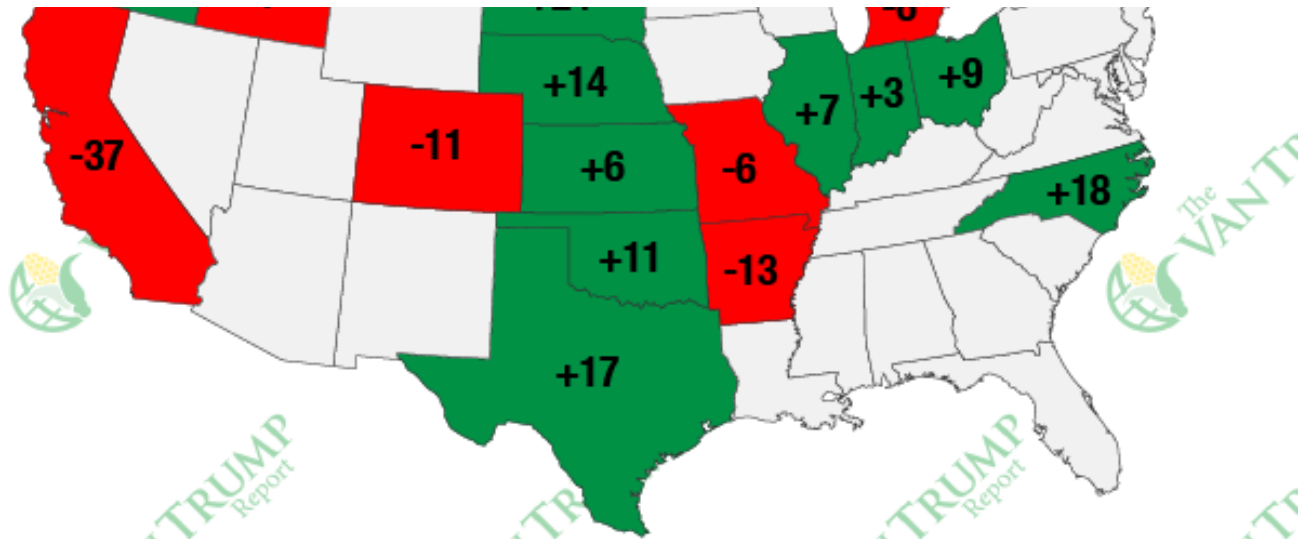
## U.S. Winter Wheat Good-to-Excellent

April 19, 2020

[Week 16]

Good-to-Excellent vs. 5-year Average



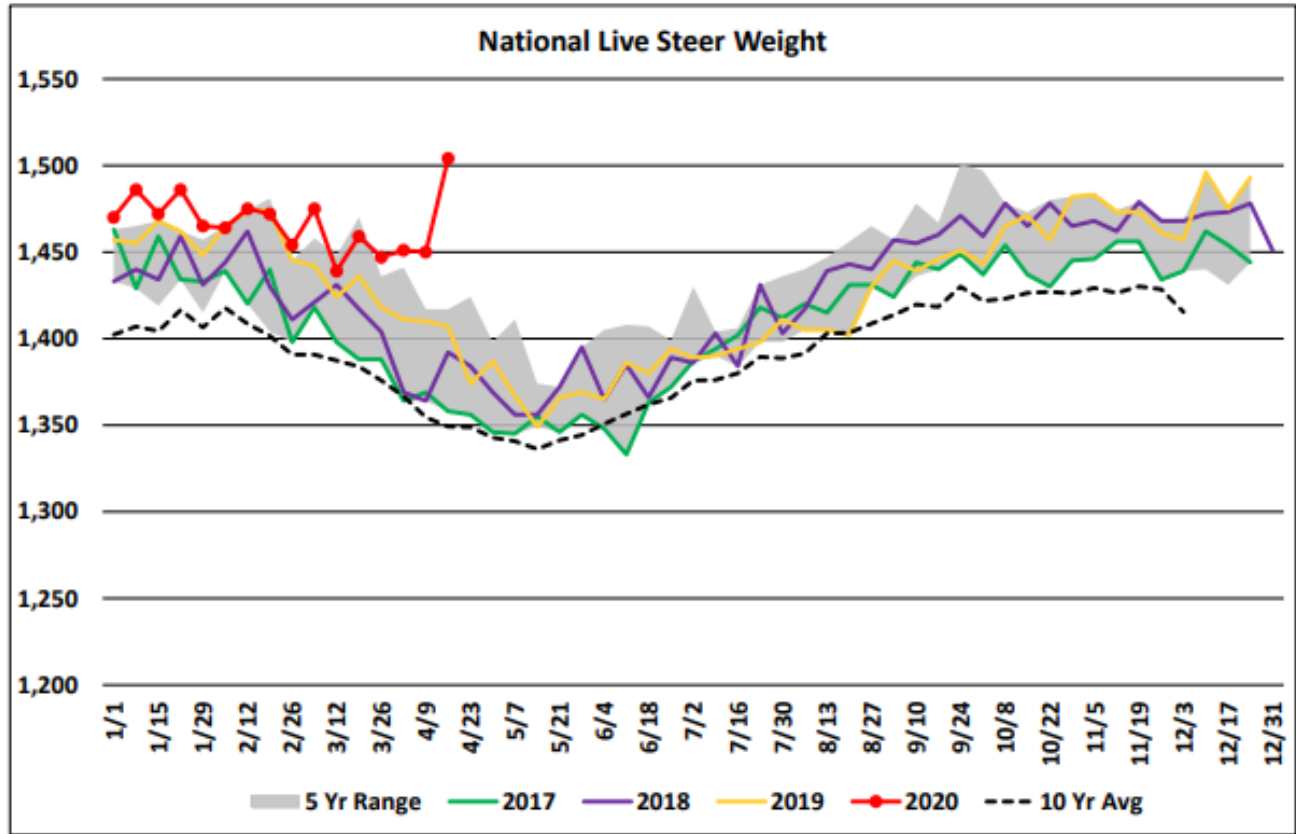


Winter Wheat % Good-to-Excellent					
	2018	2019	5-yr avg	This Week	Change vs LW
Arkansas	55	34	56	43	+2
California	95	100	92	55	-5
Colorado	36	73	53	42	+2
Idaho	64	68	71	70	+1
Illinois	56	55	61	68	+7
Indiana	60	57	64	67	-1
Kansas	12	57	40	46	-4
Michigan	74	40	61	55	-1
Missouri	49	43	56	50	+1
Montana	57	88	67	64	+10
Nebraska	56	69	55	69	-6
North Carolina	76	51	59	77	+2
Ohio	72	32	64	73	-1
Oklahoma	8	70	44	65	-10
Oregon	83	63	67	68	-10
South Dakota	20	53	45	69	-12
Texas	14	52	41	58	+8
Washington	77	66	68	72	-8
<b>Total</b>	<b>31</b>	<b>62</b>	<b>50</b>	<b>57</b>	<b>-5</b>

**Cattle** markets are acting better in some lights but still concerning broadly. Cash

markets are stable and although we did note some weaker trade early in the week, the late week trade was fully steady with the week prior at 105.00/CWT. Beef markets are higher as the production cuts are driving prices higher for now. Today's afternoon beef cutout was 7.00-9.00/CWT higher for Choice and Select carcasses. Futures markets remain stable after an extended period of insane volatility. Furthermore, today's action in equity and energy markets was enough to unsettle the boldest of traders and cattle managed to trade modestly lower. Moving forward the more optimistic data reflecting some regions recovering from COVID19 and thoughts of opening the economy to operate in a more normal fashion will help. Tension remains high and anxiety surrounding the unknown aspects of the future will keep risk priced in the market for now. Some of the factors that still concern the markets fundamentally are getting cattle into harvest facilities in a timely fashion and related maintaining operational packing plants. Additionally, wrapping our minds around what negative impact recessionary demand and extremely competitively priced alternative proteins are concerning. Technically, low liquidity and ominous charts give us very little to be excited about for the near term. Finally, the broad market setup that is still implicated by fear, panic, and uncertainty remains annoying to cattle and beef markets. What does this week bring? Cash markets should remain steady-ish on light volume although plants seem to be working in a positive direction in terms of kill pace. Beef prices are likely sharply higher as retailers and wholesalers fight for inventory. Slaughter could be slightly higher than last week and should continue to firm. As we have mentioned in previous writings, the cash and futures markets will move higher longer term. However, here and now is plagued with uncertainty and until that changes, we should expect more risk. Evaluate your risks, maintain some semblance of a plan and be clear-eyed when moving forward in that plan. Trey Warnock - [Amarillo Brokerage Company](#)





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**> China Forecasts Rising Soybeans, Pork Imports:** *China expects to import more soybeans and pork this year following the novel coronavirus outbreak and African swine fever, which has decimated its pig herds. Soybean imports are forecast at 92.48 million metric tons this year, rising to 96.62 metric tons in 2025 and 99.52 million metric tons in 2029, an official from the agriculture ministry. Pork imports this year are seen rising to 2.8 million metric tons, a +32.7% increase from the previous year. Despite the expected surge in imports, China's 2020 pork consumption is forecast to fall to 42.06 million metric tons, down -5.6% year-on-year, hit by high prices and a fall in consumer demand due to the coronavirus outbreak, according to the agriculture ministry. In line with the slowing consumption, China's slaughtered pig herd this year will fall -7.8% year-on-year to 501.49 million heads. Pork output this year will also decline to 39.34 million metric tons from 2019, but will rebound to around 54 million metric tons in 2022. Meanwhile, China's domestic soybean output is seen at 18.81 million metric tons in 2020, a +3.9% gain from the previous year, while crushing volumes were pegged at 85.98 million metric tons. Soybean consumption will increase steadily and continue to rely mainly on imports in the next 10 years, said a ministry official. China's corn acreage and output are both set to increase in 2020, with production forecast to reach over 260 million metric tons this year, while annual rice output is expected to hold steady above 200 million metric tons per year in the next 10 years. (Source: Reuters)*

**> JBS to Shutter Minnesota Pork Plant:** *Bob Krebs, president of JBS USA Pork says the company plans to shutter its Worthington, Minnesota facility this week as*

*they're finding the virus is much more widespread across the US and in their county. He says the decision wasn't made lightly and over the next two days the facility will wind down operations with a reduced staff to ensure existing product in the facility can be used to support the food supply. The company says it will advise its employees to follow Minnesota governor Tim Walz's stay at home order until returning to work. JBS says employees will continue to receive pay during the plant closure. The JBS Greeley, Colorado beef production facility also remains closed, while the company's beef production facility in Souderton, Pennsylvania reopened yesterday. JBS's Worthington, Minnesota pork facility employs more than 2,000 people and processes around 20,000 hogs per day. (Source: Brownfield Ag)*

**> Rendering Plants Lack Capacity to Handle Mass Disposal of Euthanized Animals:** *As coronavirus shuts meat processing plants nationwide, producers are beginning to wonder what options they have to move finished livestock. The longer the packing plants remain closed, the more livestock supply will back up on feedlots, finishing houses, confinement facilities, etc. If a doomsday scenario of producers having to euthanize whole herds of market-ready animals, the rendering industry would be unable to handle that amount of recycling, according to David Meeker, senior vice president of the Scientific Services for North American Renderers Association (NARA). "Many independent renderers could increase their intake by 10% to 30%, and help depopulate a number of farms, but this could only be a small portion of the total number of pigs going to slaughter plants daily in the U.S. To my knowledge, no pigs have yet been depopulated in this way," Meeker stated. Read more [HERE](#).*

**> Second Locust Generation Threatens Livelihoods of More Than 20 Million in Africa:** *Somalia is deploying surveillance teams and specialized vehicles to prevent desert locust swarms ravaging crops and pastures, and destroying the livelihoods of hundreds of thousands of people, United Nations and government officials said on Monday. The worst outbreak in a generation has seen hungry swarms - some the size of cities - sweep across Somalia, Ethiopia and Kenya since December, destroying swathes of farm and grazing land. Now, a second generation has spawned, just as crops are being planted for the new season, threatening more than 20 million people in the Horn of Africa. Rural areas and populations will be most affected by the infestation, according to the U.N. Food and Agriculture Organization (FAO). Officials also say there had been some delays in acquiring resources due to the COVID-19 pandemic. Read more [HERE](#).*

**> Supreme Court Rules Non-Unanimous Jury Verdicts Unconstitutional:** *The Supreme Court on Monday ruled that defendants in criminal trials can only be convicted by a unanimous jury, striking down a practice used in only one state. The court said in a divided opinion that the Constitution requires agreement among all members of a jury in order to impose a guilty verdict. Oregon is the*



*only state left in which defendants can be convicted over the dissent of up to two jurors. Louisiana recently abandoned the practice after more than a century of use. (Source: The Hill)*

**> Fall of Natural Gas Prices Speeds Energy Shift in East Asia:** *Natural gas in East Asia costs about the same as coal for the first time, a milestone that is likely to accelerate the region's U.S.-style energy transformation. Even before the new coronavirus rocked markets, governments in South Korea, Taiwan and China were pivoting to cleaner-burning natural gas. Since February, the pandemic has pushed the price of liquefied natural gas to record lows, enabling them to move faster. As natural gas became consistently competitive with coal in the U.S. over the past decade, propelled by new discoveries of shale gas, it eventually put many coal-mining companies into bankruptcy and generated opportunities for their gas rivals. Now, with little fanfare, East Asia's biggest economies are going through the same upheaval. In South Korea, the government last month temporarily shut down 28 of the country's 60 coal-fired power plants. Further shutdowns may follow this year if the price of natural gas keeps falling, said officials at state-owned and private companies that operate power plants. And China in the next few years is set to overtake Japan as the world's largest importer of liquefied natural gas. Read more from [The Wall Street Journal](#).*

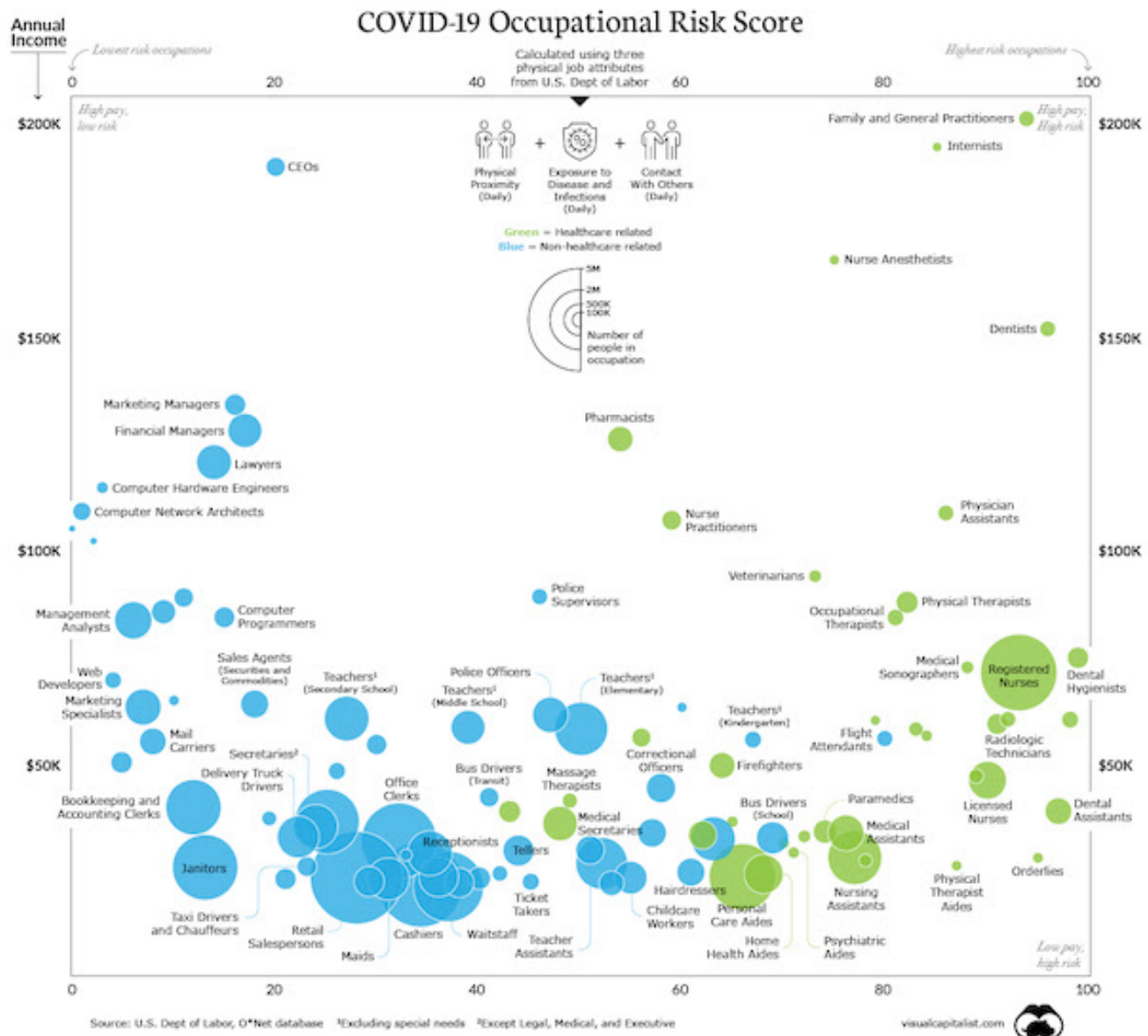
**> Australia Rules Facebook, Google Must Pay Media Companies for Content:** *Australia will force Facebook and Alphabet Inc's Google to share advertising revenue with local media firms, the country's treasurer said on Monday, becoming one of the first countries to require digital platforms to pay for content they use. Treasurer Josh Frydenberg said the move comes after talks with Facebook and Alphabet failed to yield a voluntary code to address complaints by domestic media players that the tech giants have too tight a grip on advertising, their main source of income. The government has now asked the country's competition watchdog, the Australian Competition and Consumer Commission (ACCC) to frame a mandatory code of conduct between media outlets and digital platforms after talks stalled on content payment rules. A draft rule is due by July. Australia's online advertising market is worth about almost A\$9 billion (\$5.72 billion) a year and has grown more than eight-fold since 2005. (Source: Reuters)*

**> Facebook Removes Anti-Quarantine Protest Events in Some U.S. States:** *Facebook announced on Monday that it is removing information on its site that promotes anti-lockdown protests in California, New Jersey, and Nebraska. A spokesman for the company said that it's in discussions with four other states — New York, Wisconsin, Ohio, and Pennsylvania — to determine whether planned protests violate the states' individual stay-home orders. Facebook CEO and co-founder Mark Zuckerberg said Monday that the platform is classifying anti-quarantine protests as "harmful misinformation." Read more [HERE](#).*



**> Musicians Turn to Streaming Concerts From Home to Pay the Bills:** *With the live-music business shut down, musicians are turning to streaming concerts from home to pay the bills. More than 50,000 shows around the world were canceled, from coffee house appearances to Coachella, and at least \$2.8 billion in ticket sales will be gone for good if there are no shows in the second quarter, according to Pollstar. The website Bandsintown, built to alert fans when their favorite acts are playing nearby, has adapted by notifying people about upcoming livestreams. Facebook and YouTube are now sending out daily updates about show schedules, too. (Source: Bloomberg)*

**> COVID-19 Occupational Risk Score:** *Many individuals have been practicing social distancing by working from home in recent weeks. While this arrangement can be a great way to reduce one's exposure to COVID-19, it's a luxury that's available to just 29% of Americans. The situation for the remaining 71% is uncertain, to say the least. A significant portion of the population has lost their jobs due to business shutdowns and mandated lockdown orders. Others employed in "essential services" have continued working as usual, but may face a higher risk of potential exposure to the virus. To that end, the infographic below leverages data from the Occupational Information Network to determine which occupations face the highest risk of exposure to COVID-19. Some of these findings may be obvious—nurses and paramedics have a higher chance of exposure to the virus than lawyers and web developers, for example. Others, however, may surprise you. More details can be found [HERE](#). Click the graphic for a larger view.*




**Central Iowa** - My farms in central Iowa are about finished putting down the anhydrous and if we can get the temps above 60 for a bit, we should start planting corn. I don't see a record-setting corn planting this season. In my opinion, we will see 90-91 million acres at best. I've heard from more than one of my farming friends that some banks are choosing to max out at \$350 an acre and telling

*farmers to pay the rest and take the risk if they want to grow corn. I truly believe there will be an opportunity for corn prices to increase before year-end regardless of all the bad news happening. A floor should be getting close as most of the news is factored in and I suspect the USDA numbers start getting revised and may provide a small window to market our crop. We unfortunately are sitting on ZERO bushels priced for this growing season. I spend time down south where I have some rental properties and am seeing an increase in the numbers of tenants not paying their monthly lease. The bank has extended us a 90 day forbearance so I can carry on fine for a while.*

**Northeast North Dakota** - *Last year wasn't nearly our best year on corn but wasn't the worst we have ever seen either. We left a pretty good chunk out in the field but were able to harvest all but about 12%. The best field last year averaged just above 170 bushels per acre which compares to our entire farm averaging closer to 180 the year before. We left some sugar beets in the field this last year as well. I have included a short video of the late winter harvest from our YouTube channel. Feel free to follow our operations if you would like to keep up with our planting and progress into 2020. Click [HERE](#) for the video of us "thrashing through the snow".*

**South Central Minnesota** - *The further north you go into state, up toward the twin cities, the better the conditions. The ground is nearly perfect for starting to plant corn. The ground temperatures are a little cold but nothing we don't anticipate every year anyway. The further south you go the more snow they have seen from the most recent blizzard and hopefully last snow storm we should see until after harvest. This year is far better than last year at this point. In fact, I would be much more concerned if the temperature jumps up into the 60's and 70's and the sun comes out because I'm more inclined to worry about us drying out as opposed to too much moisture at this point.*

# neuro mining



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

**TODAY'S RIDDLE:** I have all the knowledge you have but I am small enough that your hands can hold me. What am I?



**Memory Training** [Click HERE](#)





### **New Study Says "Megadrought" is Underway in American West**

Nine Western states are currently in the midst of a historic "megadrought", according to scientists at Columbia University who just published their findings in the journal Science. They say it's the worst one in 500 years and has likely been ongoing since 2000.

The researchers were studying the occurrence of megadroughts in the Western U.S., relying heavily on tree ring data to measure the amount of rainfall and soil moisture over the centuries. A megadrought doesn't have a strict scientific definition but they are broadly recognized as severe and extended periods of drought typically lasting a couple of decades, at least. The study shows the years 2000 to 2018 rank as the second-driest 19-year period in the past 1,200 years, exceeded only by the last megadrought event that happened between 1576 and 1603.

The current megadrought is gripping a wide swath of the southwestern United States and northern Mexico. Park Williams, a bioclimatologist at Columbia University and lead author of the study says the severity varies throughout the region, "But when you look at the region as a whole, this is really truly a monumental event."

Over the past 20 years, California has had three stretches of short-term drought, Williams said. They were 2000-2003, 2007-2009 and 2012 to 2016. "In California it looks more like three individual droughts, but when we look at the larger scale, we can see it's really one," Williams said.

The most severe conditions over the past two decades have come in Arizona and Southern California, the research shows. Overall, a record number of wildfires, hundreds of millions of dead trees in Western forests, declining groundwater levels and drying soil moisture levels are all evidence of the current megadrought, the researchers said.

California suffered through a five-year drought from 2012 to 2016. Former Gov. Jerry Brown declared it over when reservoirs filled after huge storms in 2017. But Bill Patzert, a retired oceanographer and research scientist for 35 years at NASA's Jet Propulsion Laboratory, says what he's learned about droughts in the West is that they are large and they are long. "They don't go for a few months. They wax and they wane. They are on-again off-again. Everybody is too quick to terminate droughts."

Patzert and others say the best way to measure whether a drought is over in the West is to look at the level of Lake Mead, the vast reservoir behind Hoover Dam on the Colorado River, which flows through seven Western states. The lake, a critical water source for the West, is currently just 44% full.

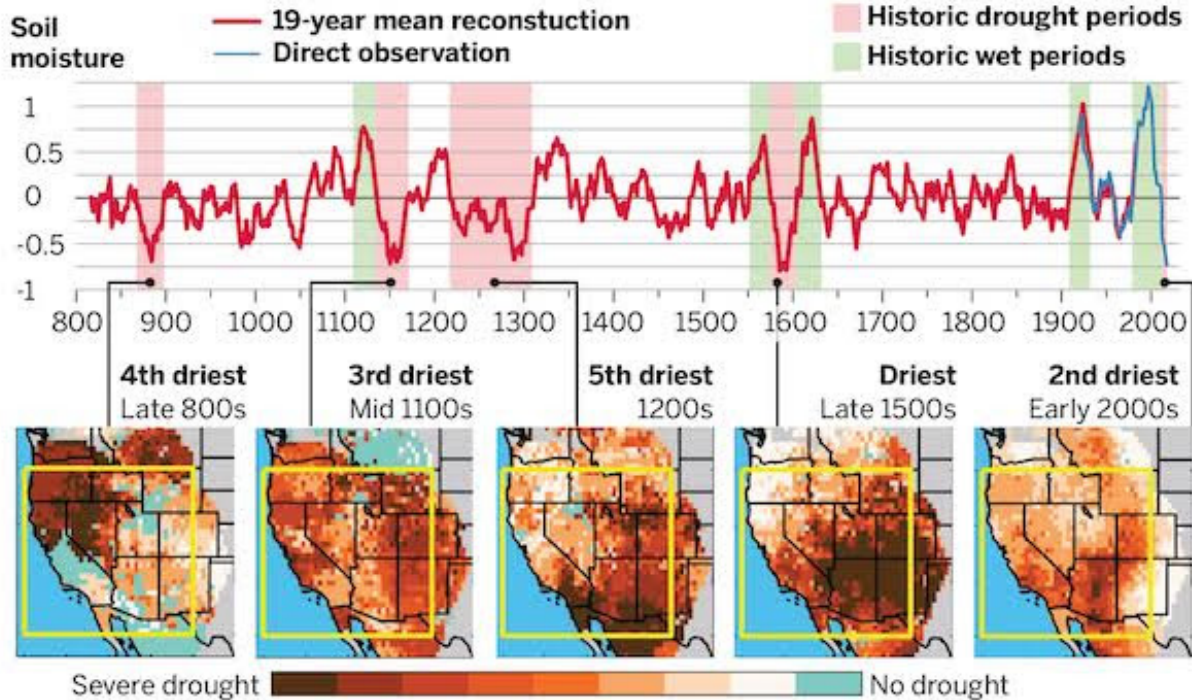
One of the more disturbing finds in the study is that the 20th century was the wettest century in the entire 1,200 years the researchers looked at. That means that despite record levels of rainfall, the Western U.S. is still in a historic drought.

Natural climate cycles play a big role in the current drought but the study concludes climate change is also a driving force. The models they used to investigate its influence on the current situation suggest that the warmer and drier conditions brought by climate change account for nearly half the severity of the current drought.

The study's authors say the findings should serve as a reminder that previous droughts in western North America have been just as severe and even longer than the current event—with only natural climate cycles to blame. Prior research looking thousands of years into the past has suggested that some previous dry periods in the western United States have lasted for hundreds of years at a time. The study can be found [HERE](#). I also included a couple of drought maps below. It's crazy to look at the rest of the country and how little drought there is compared to the some of the previous years. (Sources: Scientific American, Mercury News)

## IS CALIFORNIA IN A HISTORIC MEGADROUGHT?

The years 2000-2018 were the second-driest 19-year period over the past 1,200 years and followed a particularly wet period in the 1980s and 1990s.



Source: Lamont-Doherty Earth Observatory of Columbia University

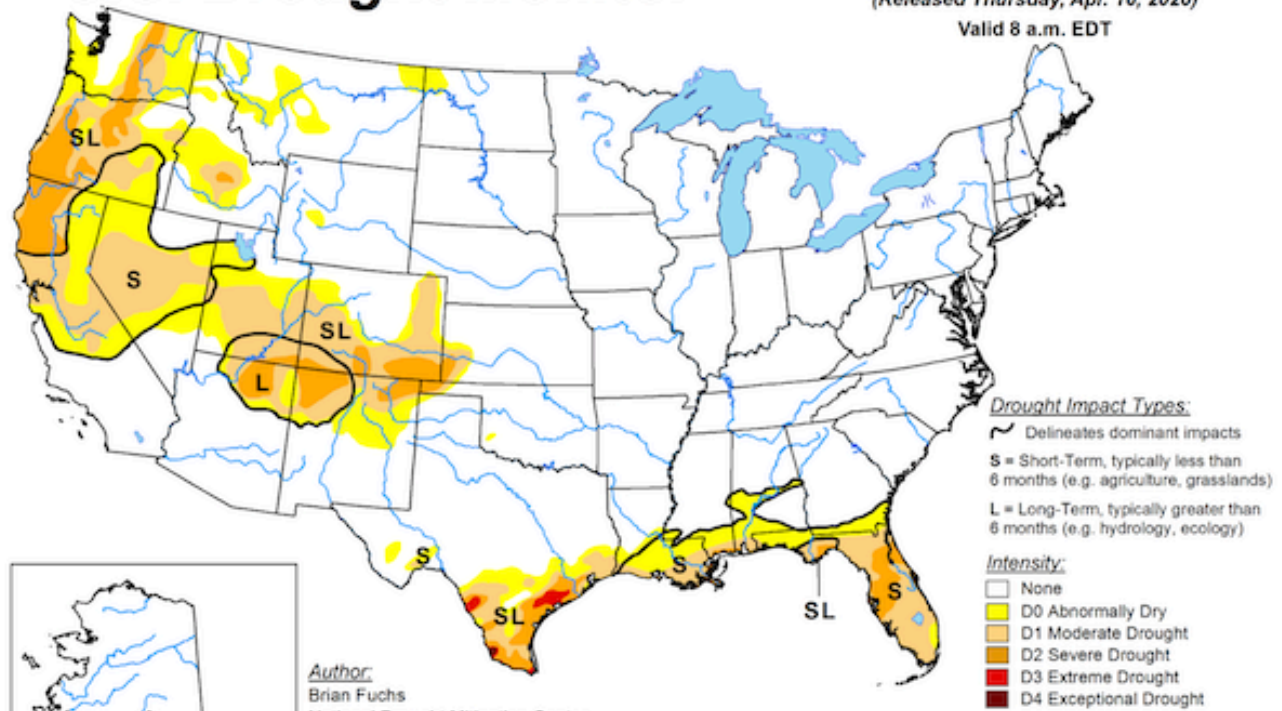
BAY AREA NEWS GROUP

## U.S. Drought Monitor

April 14, 2020

(Released Thursday, Apr. 16, 2020)

Valid 8 a.m. EDT



## **What You Need to Know About "Roblox", the Gaming Site Your Kids Might be Hanging Out On!**

More and more aspects of our lives seem to be moving online as we try to stay in touch with family and friends. Just as adults miss human interactions, so do the kids. While older teens seem to be turning to Zoom and Facebook, a lot of younger kids have latched onto a platform called "Roblox", which allows users to play and/or develop 3D online games.

Another main function of the platform is socializing, which may be part of its booming popularity - the online gaming platform said usage surged +40% in March. Users can play games together and also create their own virtual worlds using Roblox game-building tools. It's described as similar to Minecraft and fashioned after Lego, though not affiliated with either.

One cool thing parents are doing on the platform right now is hosting birthday parties for their kids. They build virtual rooms that invited guests can join via their own avatars. Roblox also just launched a new sort feature that helps players find "Play Together" games, making it easier to find games that really are just about socializing. Users can hang out at a virtual mall, or go "canoeing."

The Roblox platform provides a number of its own in-house games, which are in the same style as Minecraft. It also hosts a huge collection of content created by "amateur" game makers. All of the games can be played online with other children worldwide. One of the most popular games is called "Work at a Pizza Place", in which players assume roles as different types of workers doing real-world jobs in a pizza place to earn "Robux," the in-game currency. Robux can be used to buy things in the game.

Roblox Studio is for those interested in creating games. The platform offers a lot of instructions, a wiki, and a helpful player community. Creators can also monetize their games to earn revenue, both by charging people to play their games and by offering pay-as-you-go in-game purchases. Builders must be over 13 to earn money but popular game creators on the platform are bringing in hundreds of dollars a month. The top echelon of Roblox developers are pulling in more than \$100,000 a month!

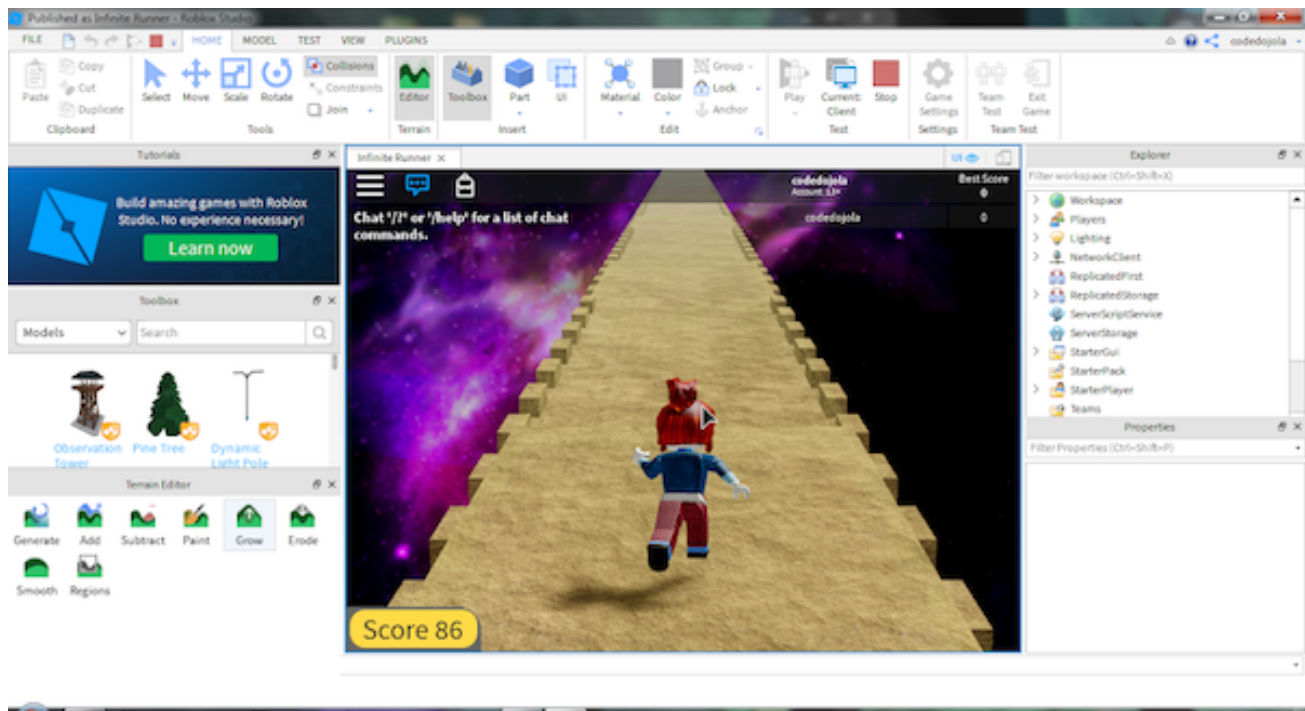
There are some safety concerns about the platform, mostly because users of any age - young to old - can create and join chat groups. This can pose risks for all kids but especially younger children that are more vulnerable to users with ill-intentions. A lack of age restrictions also means some of the content is not appropriate for children. The safe-technology advocacy group Common Sense Media says Roblox is most appropriate for children over 10. They also urge parents to help kids protect themselves by enabling privacy settings, teaching them how to recognize the methods that online predators use to win kids' trust and exploit



them, and showing kids how to report bad behavior and block users. Check out their Parents' Guide [HERE](#).

Roblox does offer a lot of parental account controls that let you monitor and limit kids' interactions on the site. You can control whether kids can be contacted, who can message them, and who can chat with them, and do a few other things in the contact settings. Learn more from the Roblox website [HERE](#). (Sources: CNBC, TechCrunch, CSM)









### **The Hit 70's Single Continues as an American Tradition**

Ironically, it was on this day in 1973 Tony Orlando and Dawn's "Tie a Yellow Ribbon Round The Old Oak Tree" topped the pop charts and embedded a tradition that has lived on forever. Fast-forward to today, and we are seeing all kinds of local campaigns across the country encouraging people to tie up yellow ribbons around their neighborhood in support of health care workers and other people on the front lines of the fight against COVID-19.

I suspect many of us can still remember back to 1980-81 when families and neighbors across the country were tying yellow ribbons around the trees in front yards as a sign of support for the hostage crisis in Iran. A tradition many Americans still practice to show support for our deployed troops or missing loved ones.

Interestingly, where the use of the yellow ribbon began hasn't always been agreed upon by cultural historians. It seems questions began to arise in 1981 when the Library of Congress received a blizzard of inquiries, particularly from the news media, about the history of yellow ribbons.

After significant research at the Library of Congress, it was noted that the tradition did not stem from the civil war as some had thought, but that it resonated from an American folk tale orally passed on beginning around 1940. The tale - which happens to mirror the lyrics to the hit song - shared ex-convicts fear of heading home from prison to see if his true love still cared for him. He asked for a sign - ribbons in the apple tree near the station - signifying it was ok to depart the train

when it arrived in town. The story had sticking power as ABC-TV aired a dramatized version of the story in 1972 with James Earl Jones staring as the ex-con.

Television then pushed the ritual to new heights in 1975 when evening news viewers watched as the wife of watergate famed Jeb Stuart McGruder awaited her husband's arrival home from his prison sentence on their front porch which of course was adorned with yellow ribbons. It is interesting to note that Magruder's return to his home exactly parallels the situation in both the folk narrative and the popular song.

The final act of embedding the tradition was played out as the American ambassador to Iran and his staff was held hostage for 444 days. Led by the wife of the Ambassador - Americans everywhere showed support for their fellow countrymen as they wrapped trees and porches in yellow ribbons. It is believed that this is the first announcement that the yellow ribbon symbol had become a banner through which families could express their determination to be reunited.

I recall the sense of national pride all of us felt as we "did our part" in supporting the hostages. I find it interesting that we are at a time when "nationalism" is again upon our doorstep and our nations is being called to rally in support of those on the frontlines battling COVID-19.

I included below a fun video of Tony Orlando's big hit song. Keep in mind it became the biggest seller of 1973, selling over 6 million copies. My how times have changed! Click [HERE](#) to listen and view. (Source: American Folk Life Center, History.com)

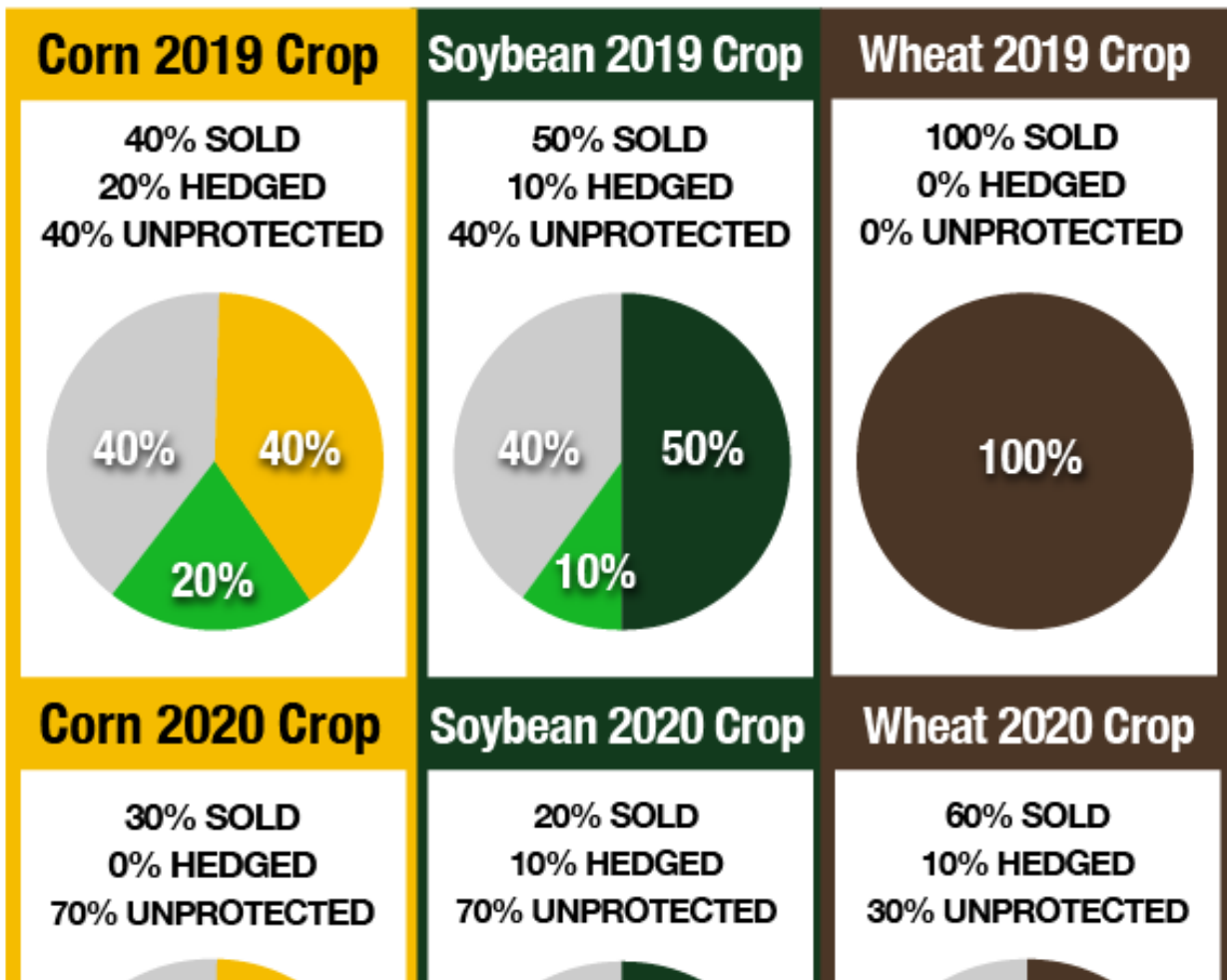


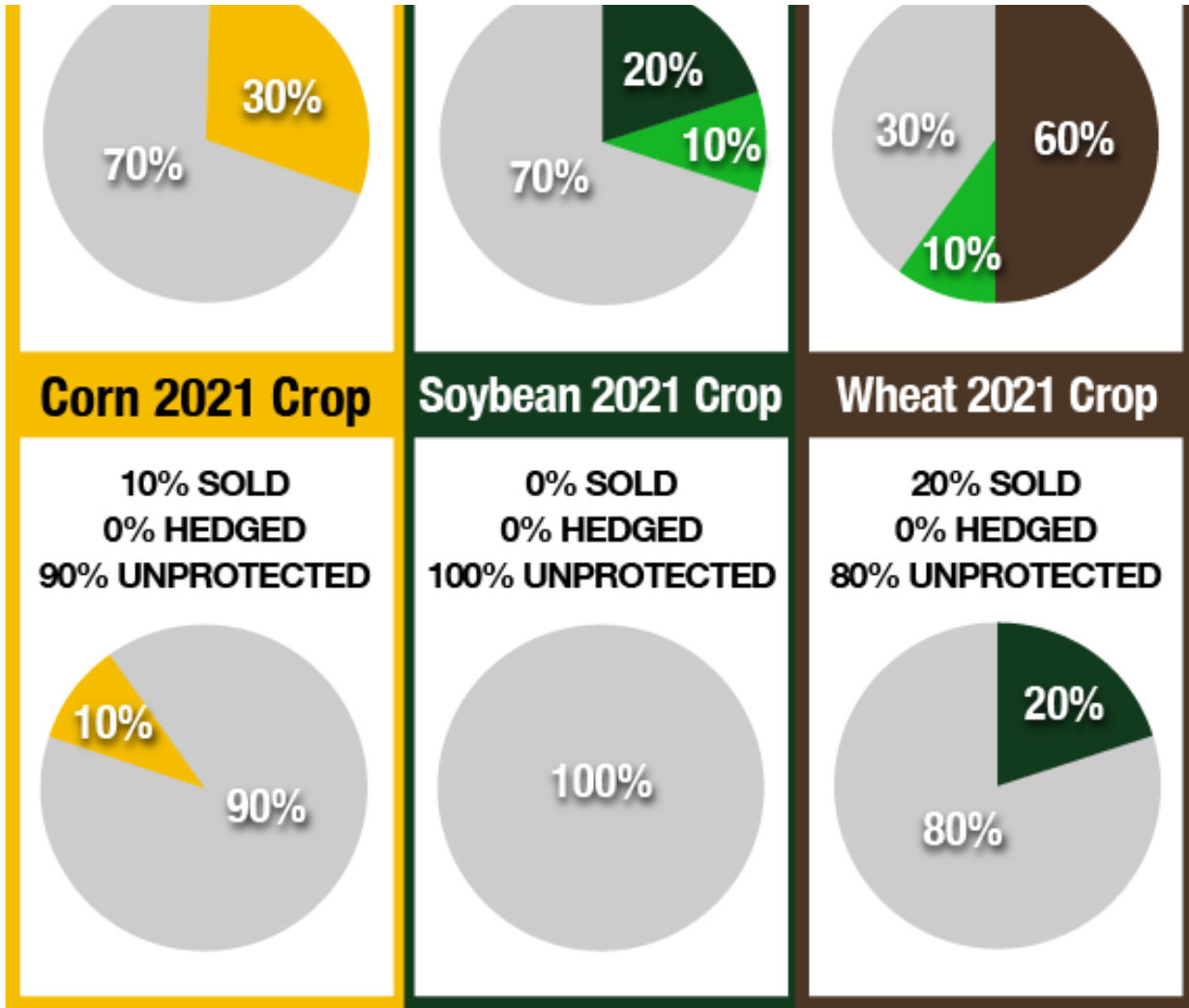


**ANSWER to riddle:** Your brain

## CASH SALES & HEDGING TOTALS

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