



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

**GOOD MORNING: The Van Trump Report 5-11-20**

1 message

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

Mon, May 11, 2020 at 5:30 AM

Reply-To: Jordan &lt;reply-fec7117570640474-1180\_HTML-40325470-100003450-10@vantrumpreport-email.com&gt;

To: jordan@farmdirection.com



*"You do not write your life with words...You write it with actions. What you think is not important. It is only important what you do." - Patrick Ness*

**Monday, May 11, 2020**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock traders enter the week with the Nasdaq now in positive territory for the year. In fact, the S&P 500 has now climbed more than +31% since stocks bottomed on March 23 and is now down just -9% for the year. At the same time, the Labor Department reported the U.S. lost -20.5 million jobs in April, bringing the unemployment rate to a whopping 14.7% vs. 10% unemployment rate at the peak of the Great Recession back in October 2009. Some of the sharpest minds I know are thinking the unemployment rate will still be +10% by the end of the year as restaurants, bars, clubs, hotels, leisure, travel and traditional retail will continue to struggle. Many traders think that because the unemployment rate could remain high, the economic recovery will take longer than initially hoped and perhaps start to weigh more heavily on

consumer sentiment. Stock bulls will continue pointing to the widespread acknowledgement that the "economy" is not necessarily the "stock market". I have of constantly remind myself of this new trading world we've moved into the past decade. The markets are no longer weighing machines that balance supply and demand or traditional fundamental analysis but rather voting booths where individuals, professionals and computer trading models vote on popularity and the anticipated herd movement of money-flow inside the market. I argue it's now more of an edge to be a behavioral psychologist than a fundamental or technical analyst. In any regard, as of today at least 31 states will be back open or partially back open for business. Later this week, New York could begin reopening some parts of the economy. France, Spain, and Iran also plan to loosen some restrictions this week. In the U.K., Prime Minister Boris Johnson over the weekend said people in Britain who can't work from home, such as those in construction or manufacturing jobs, "should be actively encouraged to go to work" this week. Today will also see Disneyland reopen in Shanghai, a major step for the theme park industry and for the overall tourism and hospitality sectors overall. At the same time, cellphone and GPS data in the last few weeks has indicated people here at home are increasingly getting out and about, and that was true even before stay-at-home orders began to be lifted. Experts in the social science and human behavior fields say the success of reopening will come down to peoples' appetite for "risk" and this week is going to be one of the biggest tests yet for what that really is?

**The Stockdale Paradox:** *Jim Collins, the author of one of the most recommended books I've ever read "Good to Great", tells of a great life and business lesson he learned from Admiral James Stockdale. For those who don't the story, Admiral Stockdale was a United States Navy vice admiral and aviator awarded the Medal of Honor in the Vietnam War, during which he was a prisoner of war for over seven years. Commander Stockdale was the most senior naval officer held captive in Hanoi, North Vietnam. He tells Collins his secret to survival in this short video. It's worth the watch Click [HERE](#)*



**Apple Stores to Start Reopening:** Apple will reopen stores in Idaho, South Carolina, Alabama and Alaska starting next week. The stores will have temperature checks and will only permit a limited number of people in the store at one time. Apple has only six stores in those states, and did not confirm that all of them are opening next week. Overall, Apple has 510 stores globally and 271 stores in the U.S. In recent weeks, a few locations have reopened in countries such as South Korea, Australia and Germany. "Our new social distance protocol allows for a limited number of visitors in the store at one time so there may be a delay for walk-in customers. We recommend, where possible, customers buy online for contactless delivery or in-store pick up," Apple said in a statement. (Source: CNBC)

**Facebook/Google Might Not Bring Employees Back Till 2021:** Facebook recently told employees that they can work remotely through 2020 if they like. The social media company doesn't expect to open most offices until July 6 at the earliest. Sundar Pichai, chief executive officer of Google and its parent, Alphabet Inc., told employees to prepare to work remotely through October and possibly to the end of the year. Keep in mind, Google employees well over +100,000 people plus thousands of sub-contractors. (Source: Bloomberg)

**"Sharing Economy" Gets Sliced:** It's been a rough few weeks for the sharing economy. Airbnb, Uber, Lyft, and WeWork, all of which were founded in a four-year period starting from the depths of the great financial crisis, have slashed staff. Airbnb slashed 1,900 jobs last week and expects revenues to be slashed by more than half this year. Uber is cutting 3,700 jobs, 14% of its total workforce, while Lyft let go nearly 1,000 people, or 17% of the company. Some question if these companies and others that benefitted from the so-called "sharing economy" will rebound once social distancing measures are relaxed or if the appeal of sharing space with a total stranger, whether it's in an apartment, a car, or in the kitchen of a shared office, has been dramatically reduced by the coronavirus. (Sources: Yahoo Finance, Business Insider)

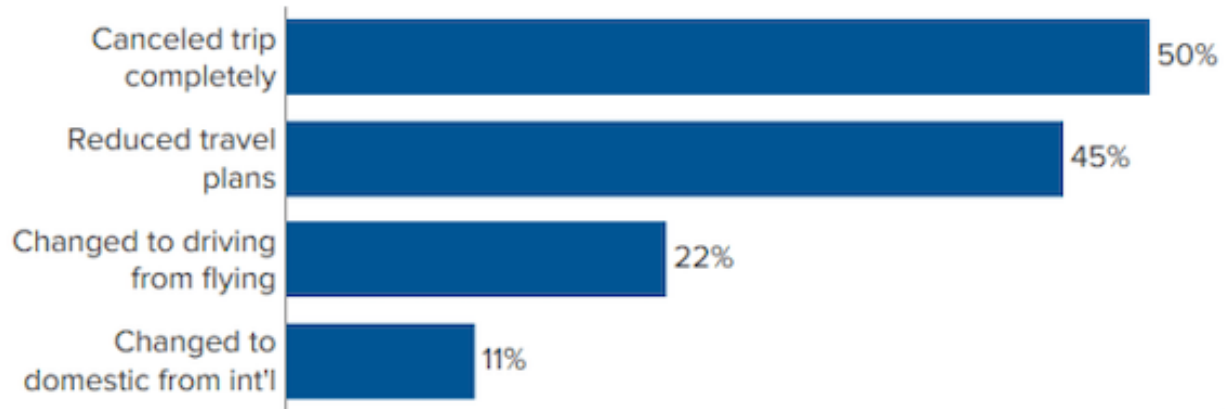
**Child Care Poses a Major Challenge for Reopening Businesses and Some Schools Reopening:**

*As of early April, nearly half of child-care facilities nationwide had closed completely, and 17% remained open only for the children of essential workers, according to a survey of 5,000 child-care providers conducted by the National Association for the Education of Young Children. Schools in 40 states have been ordered to stay shut through the end of the school year. At the same time, millions of workers with young children can't return to jobs without someone to watch their kids. In 2019, more than 50 million U.S. workers had children under the age of 18; almost half that number had children under age 6, according to the Bureau of Labor Statistics. I should note, schools in Montana were given the option to open as early as this week, and some have. Unlike the 48 states and Washington DC who have ordered or recommended that schools close through the end of the academic year because of the coronavirus pandemic, Montana and Idaho officials are leaving it open for debate for local districts to decide. (Source: Wall Street Journal)*

**New Trends Already Emerging for Travel and Tourism:** *The travel industry is struggling to figure out what their industry will look like going forward. What seems sure is that any rebound in travel and tourism, brought to a screeching halt by the coronavirus pandemic, will start slowly and stay closer to home. A recent study from Longwoods International found that 82% of travelers polled had changed their travel plans for the next six months. Of those, nearly a quarter, or 22%, had switched to driving from flying. Online travel insurance comparison site InsureMyTrip is finding that the continental U.S. is the top draw for future client travel but it's also tracking some interest in domestic destinations like Hawaii, as well as the Bahamas and Caribbean destinations like Jamaica. The American Society of Travel Advisors says a new normal is probably necessary before bookings will pick up again. One thing some agencies report - increased reservations during the 2020 holiday season, which some attribute to families having been unable to get together during coronavirus lockdowns. Trends so far indicate a preference for vacation rentals over hotels. More details are available [HERE](#).*

## The coronavirus pandemic's impact on travel plans

82% of people traveling within six months will change plans due to Covid-19. Of those, travelers have made the following adjustments.



SOURCE: Longwoods Int'l & Miles Partnership Travel Sentiment Study Wave 7



# FARM TANK

Tweets of the Day



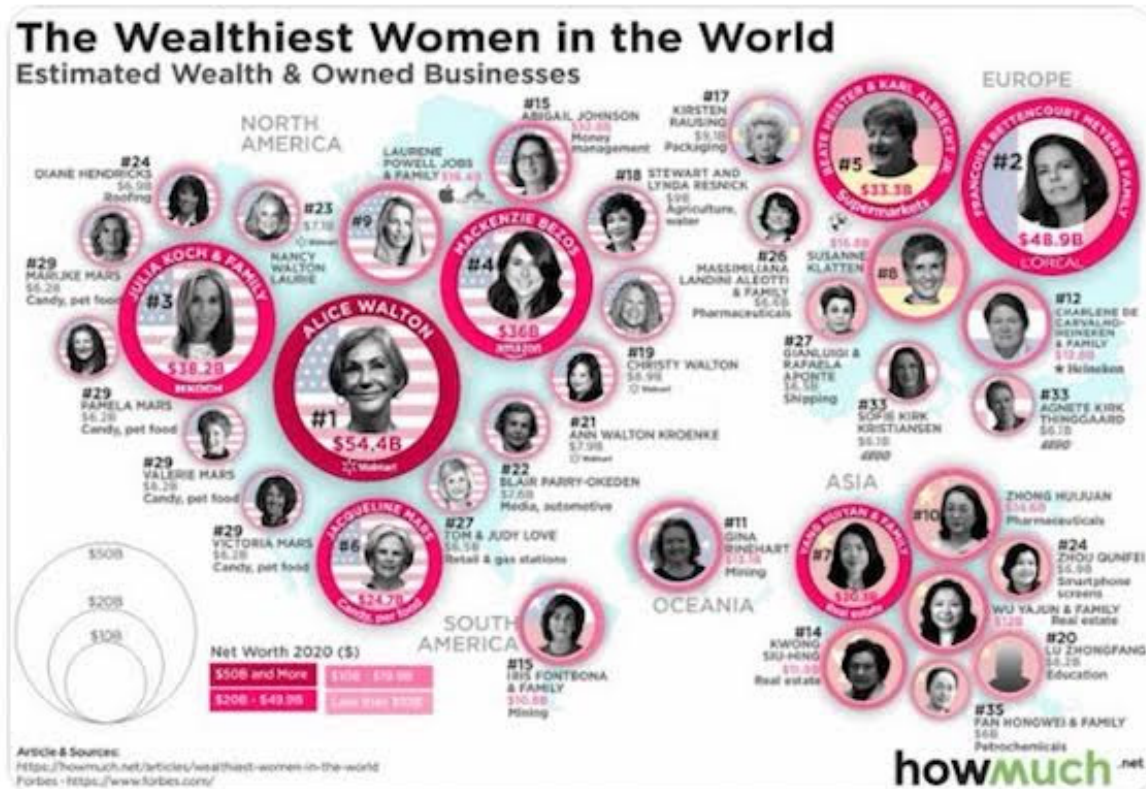




## Top 5 Wealthiest Women in the World

1. Alice Walton: \$54.4B
2. Françoise Bettencourt Meyers & Family: \$48.9B
3. Julia Koch & Family: \$38.20B
4. Mackenzie Bezos: \$36B
5. Beate Heister & Karl Albrecht Jr.: \$33.3B

[howmuch.net/articles/wealt...](https://howmuch.net/articles/wealt...) @howmuch\_net  
 #HowMuchDataViz #wealth #women





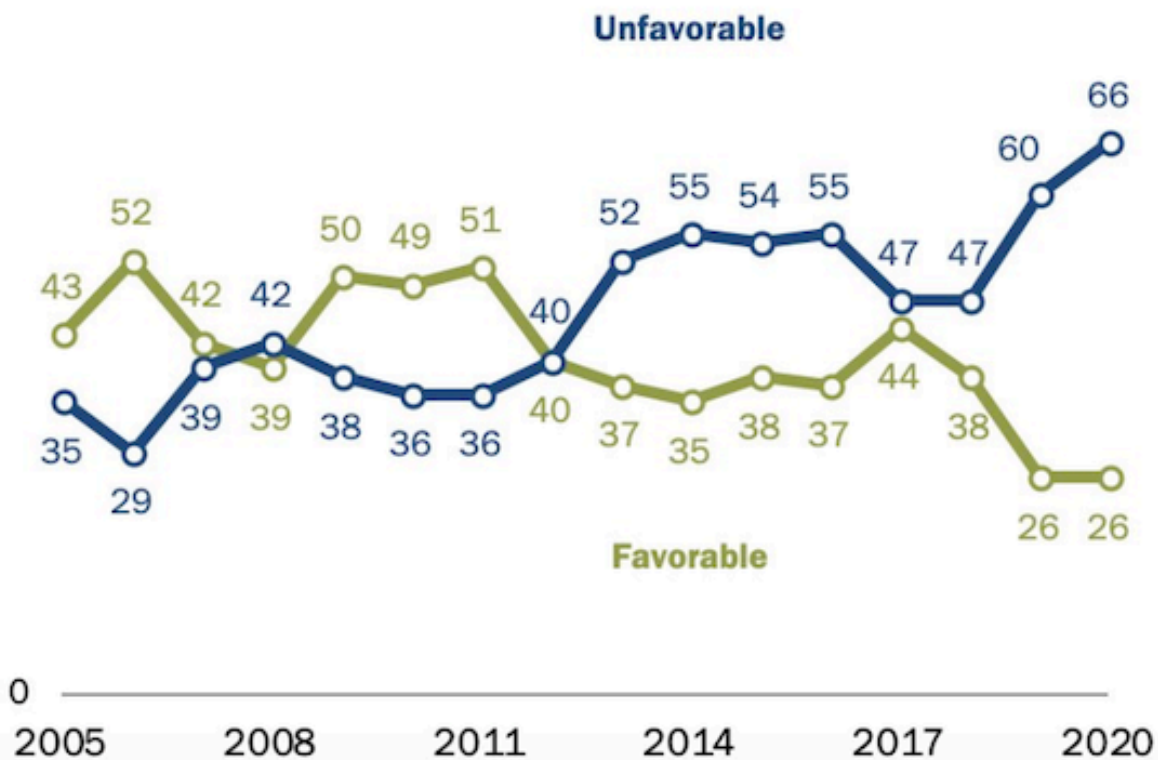
**Liz Ann Sonders** ✓  
@LizAnnSonders

Americans' views of China continue to sour, with nearly 2/3 of those surveyed in March by @pewresearch having unfavorable view toward country

## Negative views of China continue to grow in U.S.

% who say they have a \_\_\_ opinion of China

100 %



**Larry "Can pick bulls I cant afford" Olberding**  
@TheDailyCowman

I have seen some #cowboy shit in my lifetime but a buddy had to hogtie a sick calf so he used a

rattlesnake he had killed 🎯 😊







**Sam Arnson**  
@ArnsonSam



#plant20 is rolling along. Personally finished my #springwheat today! Now onto dads and brothers. Been awesome seeding conditions so far!!





**Allen Meissner**  
@bigaljack



Boxcar Magnum and the idiot bricker. Two machines that don't see much action on our farm. I'm almost cool enough for Hay Kings





**Q Connealy**  
@Qconnealy19



In case you wondered what it's like farming for a day. Here are the three stages from a mini farmer's perspective...







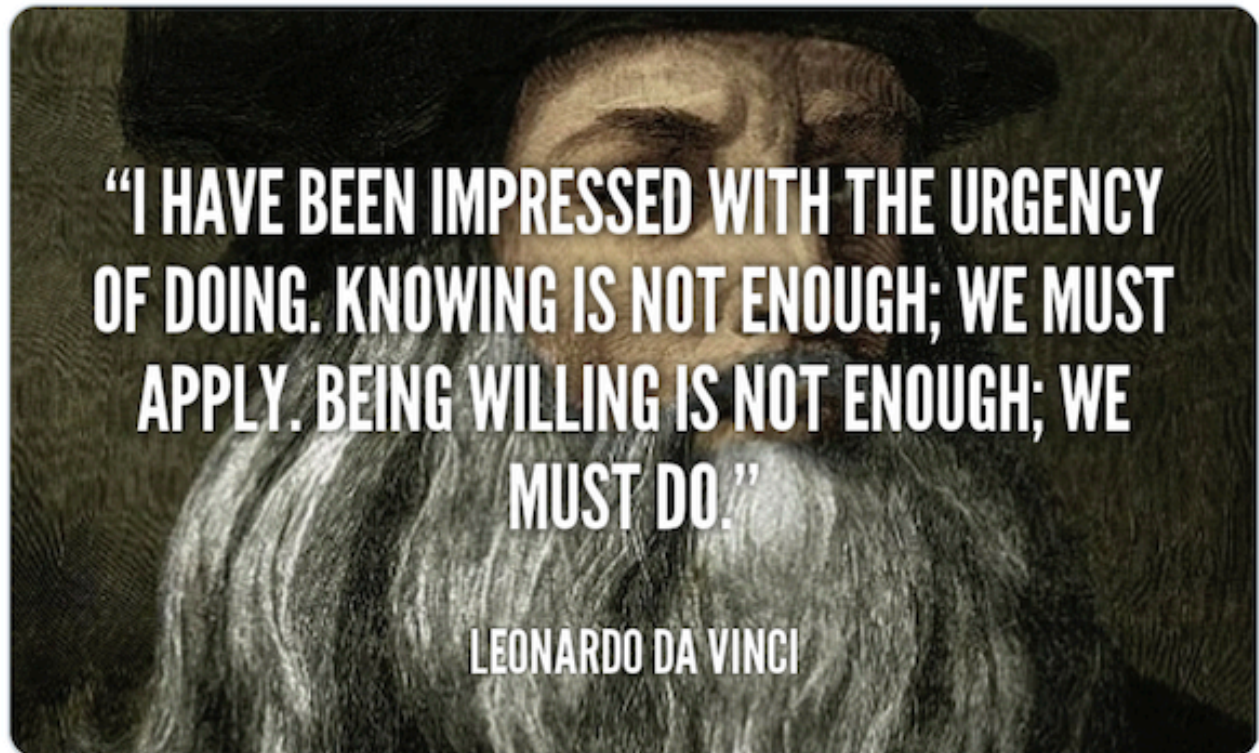
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I have been impressed with the urgency of doing.  
Knowing is not enough; we...

~Leonardo da Vinci

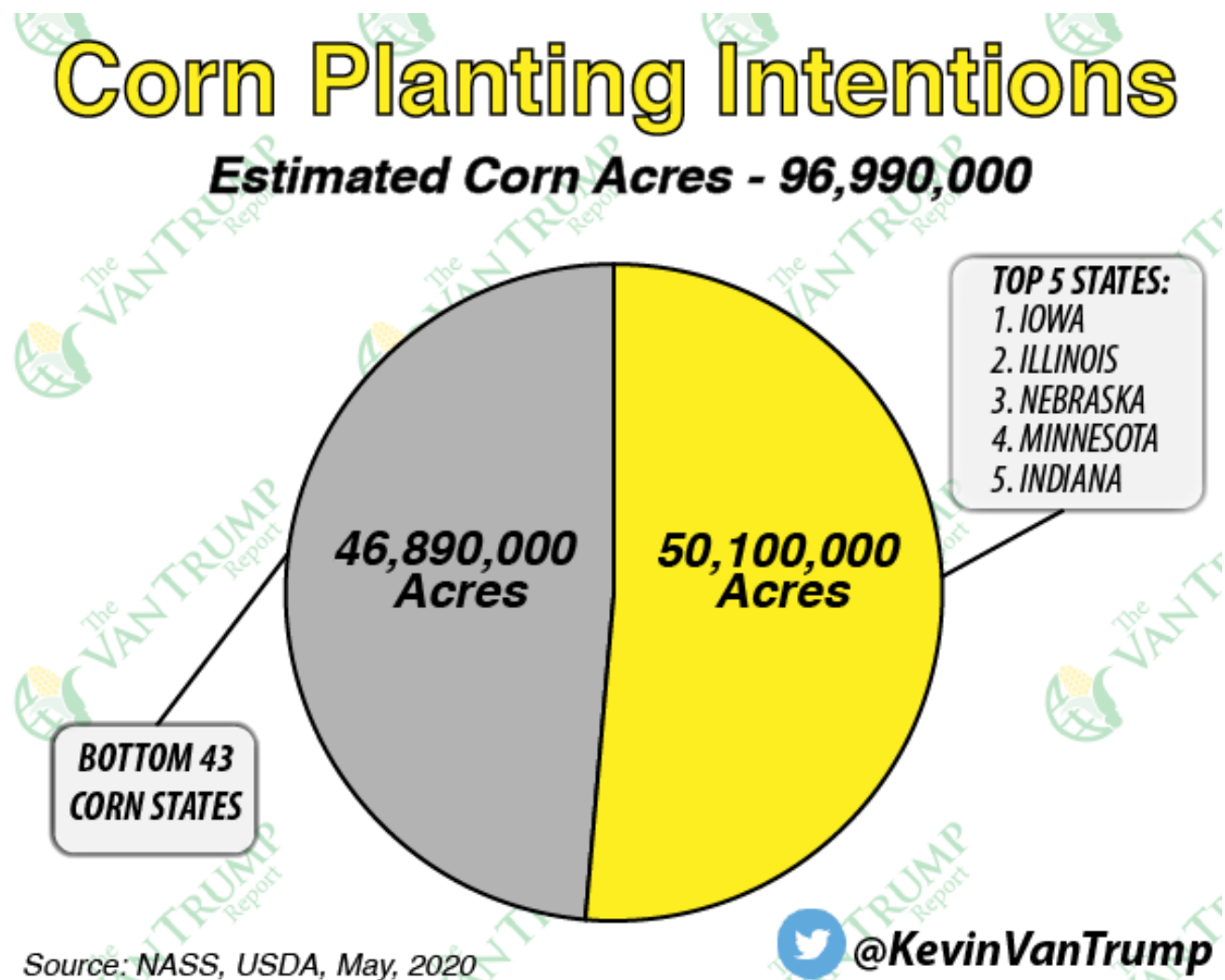
#action #quotes



**CORN** traders are wondering if the recent cold temps did much damage to the early planted U.S. acres? Early talk is probably not enough widespread damage to move the trade in any significant manner. There's talk that rains in Brazil this week should start easing the concerns about dry conditions but at the same time that doesn't repair the yield drag that has already occurred. The question the trade wants to know is how much damage second-crop production in Brazil actually sustained. In Argentina, the harvest should advance at a fairly fast clip with the forecast showing a good window of opportunity. Here at home, the trade is thinking the USDA will show around 70% of the U.S. crop now planted which is well ahead of schedule. I included a graphic below that shows just how many acres the top-5 production states makeup in regard to total production. With these top-5 states off to a good start the trade seems to feel very comfortable about U.S. production. Tomorrow the USDA will release its highly anticipated May supply and demand report. This could be a very big report for the market so pay extremely close attention. Talk inside the trade is that the USDA could lower corn used for ethanol by another -100 to -300 million bushels. As for corn export demand, most are thinking the USDA leaves its current estimate "unchanged" to perhaps +50 million bushels larger. As usual, feed and residual is expected to be a wild-card just depending on how the USDA wants to interpret or



forecast corn used for livestock in the wake of corona related meat processing plant closures. It wouldn't surprise me to see a -50 to -100 million bushel reduction in corn used for feed demand. Lets also not forget, we could see an old-crop balance sheet adjustment based on the "re-surveyed" production from the northern states i.e. MI, MN, SD, WI. From what I understand, the North Dakota data is still being collected and will be incorporated in a future USDA report. Bottom-line, with massive demand destruction, we are probably going to be forced to digest the highest stocks-to-use ratio in over 15-years and highest ending-stocks in +30 years. Keep in mind, the USDA will also be tossing out its new-crop 2020-21 balance sheet forecast in tomorrow's report. Most inside the trade are looking for a massively burdensome +3.1 to 3.5 billion bushel ending stocks estimate. As a producer, I've purchased some cheap puts as a type of insurance policy on all remaining old-crop and new-crop unpriced bushels. After seeing what happened in crude oil I guess I'm a bit spooked. I would like to believe we are at the bottom of the barrel and corn prices couldn't trade sub-\$2.80 per bushel, but I never would have guessed I would have lived to see negative crude oil prices. My fear is without big Chinese buying and or a major wide-spread weather worry rallies could be somewhat limited the next few months. Adjust accordingly...

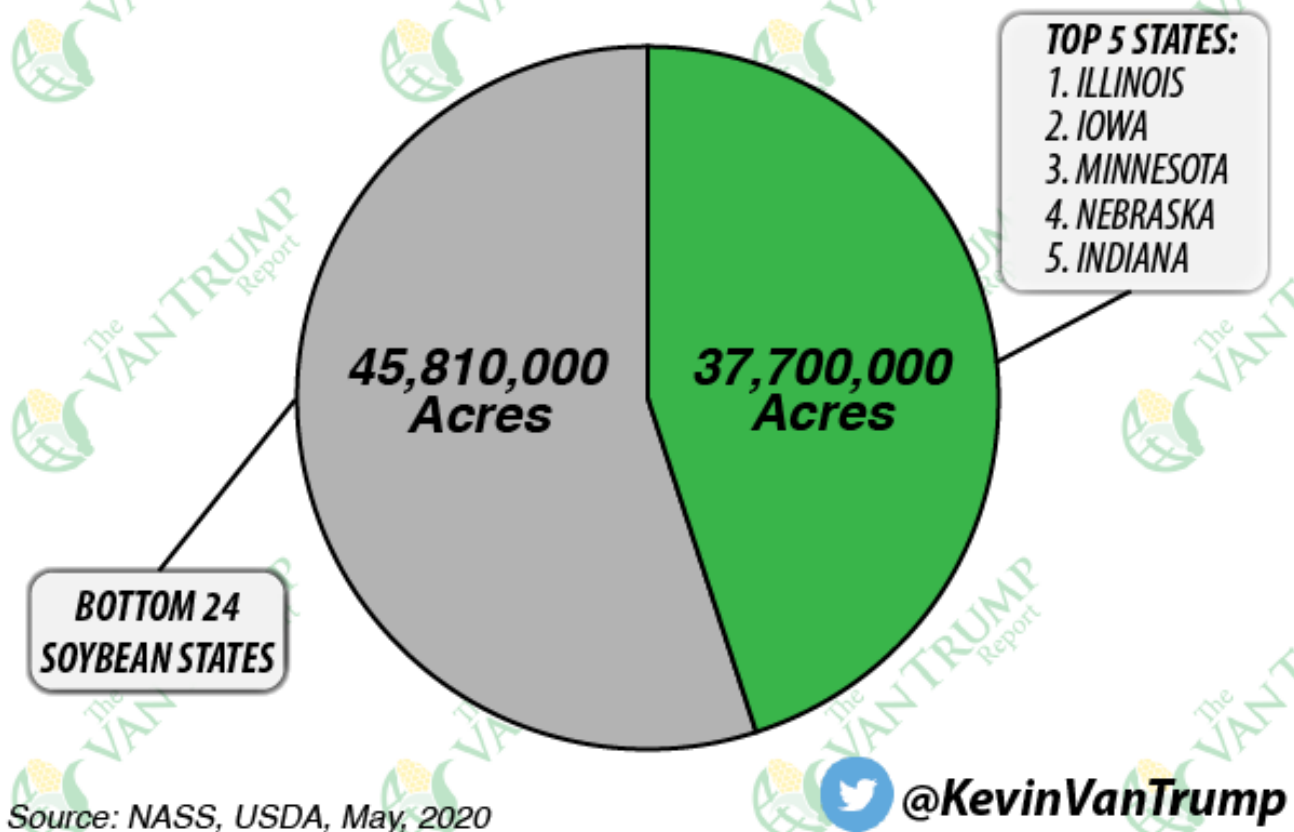


**SOYBEAN** traders are thinking the USDA will show around 40% of the U.S. crop is now planted and well ahead of schedule. More importantly, will be tomorrow's May USDA supply and demand report. Exports seem to be creating the biggest demand debate. Obviously, the Chinese are the big wild-card that nobody is certain about. How the USDA plays that card is still somewhat unclear? Most of the traders I talk with are looking for

the export estimate to range from "unchanged" or lowered by -100 million bushels. Personally, I'm a bit more confused and curious about how the USDA interprets the domestic crush estimate? I was thinking the USDA was a bit conservative on their estimate but with the recent hiccups associated with corona i.e. restaurant closures hurting bean oil demand and meat processing plants backing up livestock demand, I'm now highly uncertain. Meaning I really couldn't argue if the USDA either raised or lowered its current crush estimate by a small margin. Bottom-line, I have to imagine old-crop soybean ending stocks push to +500 million then perhaps to +600 by mid-summer, the USDA was last forecasting 480 million bushels. On the flip-side, there is more talk that new-crop ending stock could come in sub-400 million bushels, perhaps even sub-350 million bushels, which could catch some bears offside and provide a little bounce to the backend.

# Soybean Planting Intentions

**Estimated Corn Acres - 83,510,000**



**WHEAT** traders are looking for U.S. spring wheat to advance to around 50% planted vs. 70% on average. Winter wheat conditions more than likely show little change. However, traders are increasingly eager to see what the USDA has to say about the balance sheet in tomorrow's monthly supply and demand report. The trade is not looking for much change to the old-crop ending stock estimate, with perhaps a slight adjustment to exports, but nothing that should rattle the market. New-crop 2020-21 estimates are another story and could create more extreme price movement. On the supply side, wheat conditions have deteriorated but are still not all that bad and we really don't yet know the extent of any freeze related crop damage. The demand side of the balance sheet also requires some guesswork as Chinese export demand is highly uncertain and what looks as if it will be a glut of U.S. corn could create headwinds and uncertainty for feed wheat demand. Most

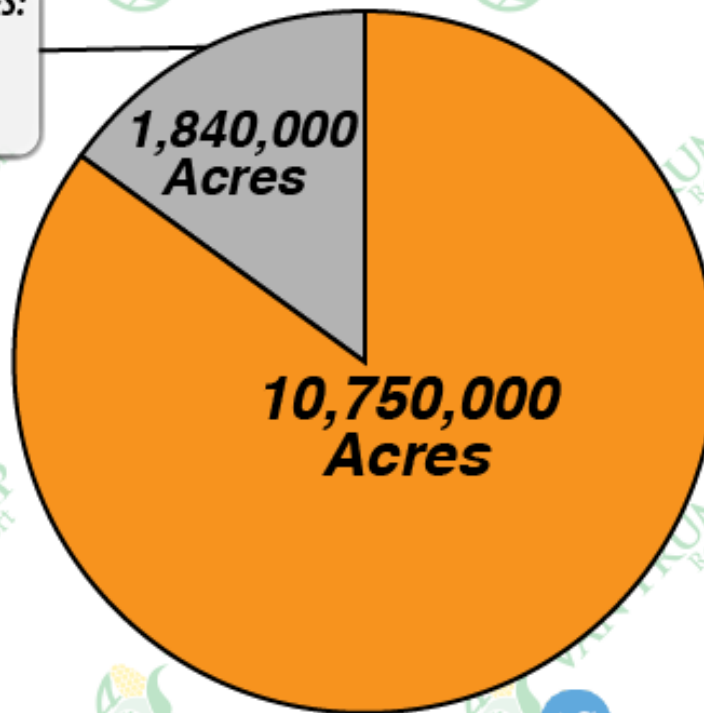
inside the trade are looking for a new-crop 2020-21 ending stock estimate somewhere between 775 million and 850 million bushels, which is tighter than we've seen the past few years but still considered more than ample. As a spec, I'm going to stay on the sideline and look to make a play if we get an extreme move. As a producer, I like my current position and want to remain patient. If we can string together some type of bullish momentum I will look to price more bushels and reduce a bit more longer-term risk. I should note, the trade is also going to be paying close attention to world production estimates for Russia, Ukraine and the European Union.

## Spring Wheat Planting Intentions

**Estimated Spring Wheat Acres - 12,590,000**

### BOTTOM 3 STATES:

4. IDAHO
5. SOUTH DAKOTA
6. WASHINGTON



### TOP 3 STATES:

1. NORTH DAKOTA
2. MONTANA
3. MINNESOTA

Source: NASS, USDA, May, 2020



@KevinVanTrump

## U.S. Grain Ending Stocks 2019/20

(million bushels)

	May #s	Avg. Trade Estimate	Range of Estimates	Previous Estimates	Last Year
Corn	???	2,261	2,025 - 2,545	2,092	2,221
Soybeans	???	497	430 - 581	480	909
Wheat	???	969	925 - 1,041	970	1,080

**U.S. Grain Ending Stocks 2020/21**

(million bushels)

	May #'s	Avg. Trade Estimate	Range of Estimates	Last Year
Corn	???	3,420	2,665 - 4,310	2,092
Soybeans	???	440	299 - 670	480
Wheat	???	818	696 - 971	970

**US Wheat Production 2020/21**

(million acres)

	May #'s	Avg. Trade Estimate	Range of Estimates	Last Year
All Wheat	???	1,847	1,773 - 1,970	1,920
All Winter	???	1,245	1,200 - 1,310	1,304
Hard Red Winter	???	739	678 - 812	833
Soft Red Winter	???	280	233 - 305	239
White Winter	???	226	202 - 239	232

**South American Production 2019/20**

(million metric tons)

	May #'s	Avg. Trade Estimate	Range of Estimates	Previous Estimates	Last Year
Argentina Corn	???	49.5	48.2 - 50.0	50.00	51.0
Argentina Soybeans	???	51.3	50.0 - 52.5	52.00	55.3
Brazil Corn	???	99.0	95.0 - 101.0	101.00	101.00
Brazil Soybeans	???	123.00	120.6 - 124.5	124.50	117.00

**World Ending Stocks 2019/20**

(million tonnes)

	May #'s	Avg. Trade Estimate	Range of Estimates	Previous Estimates	Last Year
Corn	???	306.5	299.0 - 325.0	303.2	320.9



Soybeans	???	99.8	97.5-104.0	100.5	110.8
Wheat	???	291.8	284.0 - 295.0	292.8	278.1

### World Ending Stocks 2020/21

(million tonnes)

	May #s	Avg. Trade Estimate	Range of Estimates	Last Year
Corn	???	317.2	289.0 - 365.0	303.2
Soybeans	???	104.2	96.1 - 115.0	100.5
Wheat	???	292.7	280.0 - 305.9	292.8



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**> Resurveyed Crops to be in USDA Report:** *Last season's corn and soybean crop will be included in the USDA's report out next Tuesday. USDA Outlook Board Chairman Mark Jekanowski says, "If you'll remember, there was a lot of crop that wasn't harvested by the end of the year. Especially up in North Dakota, South Dakota, Minnesota, Wisconsin, a little bit in Michigan as well. So, NASS is resurveying a lot of those areas to get a better handle on how much crop was harvested from the 2019 year." Jekanowski says he doesn't expect big changes in production numbers but they're important because they could affect ending stocks for 2019 and beginning supply numbers for 2020. The first 2020 production estimates for wheat will also be reported Tuesday. (Source: Brownfield Ag)*

**> Union Opposes Reopening Meat Plants:** *The United Food and Commercial Workers International Union (UFCW), which represents more than 250,000 meatpacking and food processing workers, said on Friday it opposed the reopening of plants. According to their statement, at least 30 meatpacking workers have died of the novel coronavirus and more than 10,000 have contracted it. The pandemic caused around 30 meatpacking plants to temporarily close over the past two months, resulting in a -40% drop in pork production capacity and a -25% drop in beef production capacity, the union said. UFCW on Friday said that urgent action was still needed to increase safety standards and called the reopening move "reckless." (Source: Reuters)*

**> Livestock Specialist Warns of Unintended Consequences for Beef**

**Industry:** *Derrell Peel, Oklahoma State University Cooperative Extension livestock marketing specialist says the anger and frustration of some cattle producers has turned to accusations and proposals for change that will have long-term implications and unintended consequences for the cattle and beef industry. As Peel explains, the U.S. cattle and beef industry is probably the most complex set of markets on the planet. It is extremely difficult to understand with many levels of productions and an enormously complicated marketing chain. He warns some current proposals will add cost and risk to the industry and will further increase the differences between cattle and wholesale beef prices. Read more [HERE](#).*

**> Crowded Prisons Pose Coronavirus Threat to Rural America:** *For the past several decades, one of rural America's economic lifelines has been the construction and operation of prisons and immigrant detention centers, both public and for-profit. In the 1990s, a new prison or jail sprung up in a rural area at a rate equivalent to every 15 days and in some swaths of the country, there are more prisoners than farmers. But those lifelines have transformed into vectors for coronavirus, putting rural communities at risk of outbreaks. It's next to impossible to social distance in jails and prisons. Guards and other jail staff have to share tight spaces and physically handle the prisoners — and then they go home at night. So it's not surprising that there have been outbreaks in areas that don't otherwise have risk factors, such as crowded public transportation in densely populated urban centers. Marion County, Ohio, has 2,332 confirmed cases, in a population of 66,501. The Marion County prison is currently the top cluster site in the country by far. Read more from [The Intercept](#).*

**> Over a Million Healthcare Workers Have Lost Jobs:** *It's an ironic twist as the coronavirus pandemic sweeps the nation: The very workers tasked with treating those afflicted with the virus are losing work in droves. Emergency room visits are down. Non-urgent surgical procedures have largely been put on hold. Health care spending fell 18% in the first three months of the year. And 1.4 million health care workers lost their jobs in April, a sharp increase from the 42,000 reported in March, according to the Labor Department. Nearly 135,000 of the April losses were in hospitals. The American Hospital Association recently predicted that U.S. hospitals and health systems would end up taking a \$200 billion hit over a four-month period through June. Most of that money — \$160 billion — is from lost revenue from more lucrative elective procedures. Those losses are expected to more severely affect poorer and more rural hospitals whose finances may be marginal in the best of times. Read more [HERE](#).*

**> Tom Colicchio on What it will Take for Restaurants to Survive:** *Tom Colicchio - chef, restaurateur, and Top Chef host - talked to The New Yorker about the state of the U.S. restaurant industry and his newly founded Independent Restaurant Coalition, a lobbying group that sprang into existence at the end of March. Before then, there was only one major restaurant lobbying group in*



Washington, the National Restaurant Association—also known as "the other N.R.A." Colicchio says what the group is asking for is something they call a restaurant-stabilization package. "We saw that the N.R.A. was asking for a two-hundred-and-forty-billion-dollar package, and we said, 'All right, we think that the independent restaurants should get a hundred and twenty billion of that.' " Independent restaurants employ eleven or so million people, according to Colicchio. "When you factor in our supply chains, like fishermen and winemakers and farmers, we indirectly employ probably another six, seven, ten million. For the most part, with restaurants, every dollar we take in, ninety-five cents of that goes out the door again. So we feel that we're in a unique position to push as much of that federal relief money through the system—it's really stimulus, because it's getting spent." Read more [HERE](#).

**> Coronavirus Lockdown could Cost Beer Industry \$1 Billion:** Perfectly good beer is going bad as distributors and bars deal with a massive supply of untapped kegs spread out across the country as the coronavirus lockdown persists. In fact, the growing mass of past-prime kegs has gotten so bad, following a canceled March Madness tournament, the delayed start to baseball, and a St. Patrick's Day in lockdown, that one beer distributor trade group estimates its become a nearly \$1 billion wash for the beer industry. While beer sales at grocery stores rose as more states enacted lockdown orders, on-site consumption still accounts for about 20% of total beer consumption in America. Read more [HERE](#).

**> Shanghai Dineyland Tickets Sellout for Opening Day:** Tickets for today's reopening of Shanghai Disney sold out within minutes of going on sale. The park was forced to close in late January. Disney will implement the government-issued Shanghai Health QR code, a contact tracing and early detection system that is used widely in China, and require all guests must wear masks throughout the park except while dining. Usually, the Shanghai park sees around 80,000 visitors per day, but the government has mandated Disney operate at 30% capacity, or about 24,000 visitors. Chinese third-party ticket vendor Fliggy said the platform's tickets for today and May 16 sold out within three minutes when they went on sale last week. There are no plans for Disney to reopen any of its other international theme parks, but Shanghai is expected to offer a blueprint for when they do. (Source: CNBC)

**> Tin Can Makers are Doing Well During the Pandemic:** As shoppers stock up on tin after tin of shelf-stable tomatoes and beans, manufacturers of the containers are maintaining a can-do attitude. Can makers across the country are reporting record earnings, orders are flowing in, and some manufacturers are even hoping to staff up. Acquiring the metal hasn't been a problem. Despite the tariffs the Trump administration placed on imported steel and other metals, steel prices have eased this year. Moreover, recycling provides can producers with a reliable source — about 71 percent of steel food containers are recycled. Rea more from

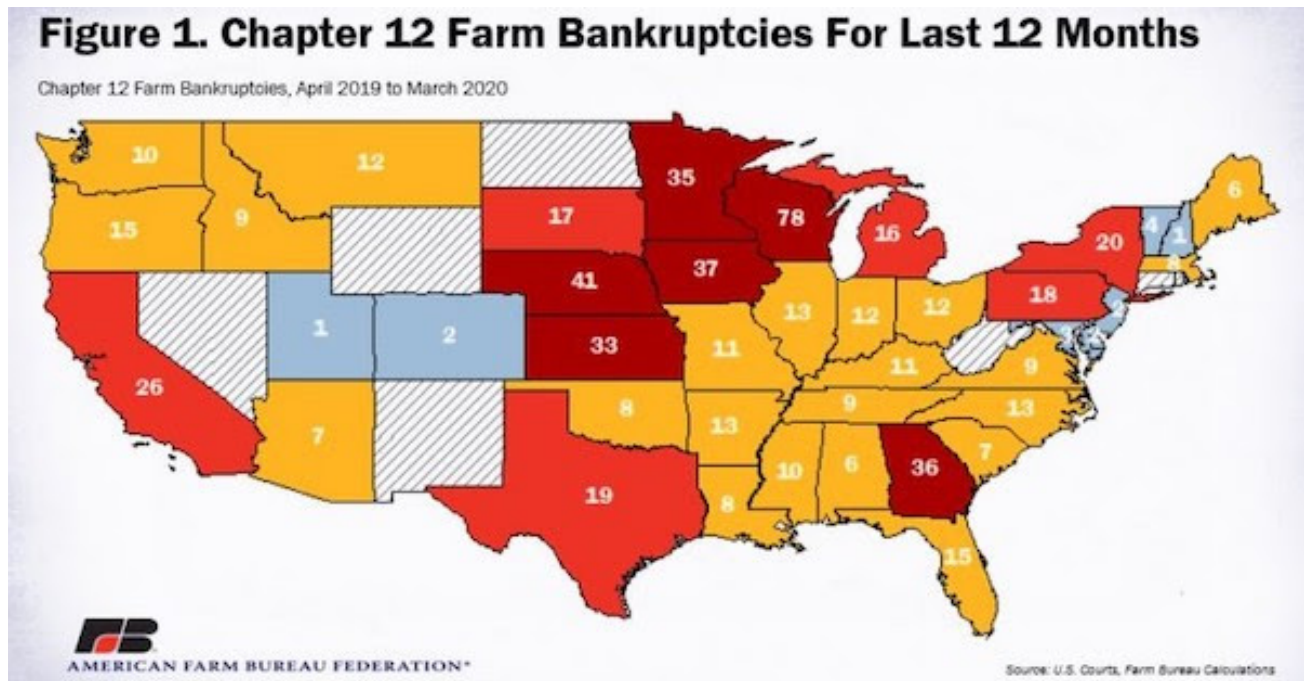


[The New York Times.](#)

**> Lyft and Uber will Require Drivers and Riders to Wear Face Masks:** *Lyft riders and drivers will now have to self-certify that they will wear a mask or face covering if they want to use the ride-sharing service. Lyft says neither drivers nor riders will be able to use the service if they have COVID-19, think they have it, or have any related symptoms, the company said in a release. Lyft's announcement follows Uber's confirmation of a CNN report that the company will also require drivers and riders to wear face coverings when using the service in the U.S. Uber has said it is also developing a technology that will be able to detect if a driver is wearing a mask. (Source: Yahoo Finance)*

**> ESPN Making Changes to Monday Night Football Lineup:** *Joe Tessitore and Booger McFarland are out at "Monday Night Football." The pair had been part of ESPN's "MNF" broadcast team the past two seasons but have been told they will not return, according to two news reports. The New York Post reported that Steve Levy on play-by-play and analysts Dan Orlovsky, Louis Riddick and/or Brian Griese are the favorites as their replacements. ESPN, which named Phil Dean as its new producer for "Monday Night Football" on April 30, recently tried to lure Tony Romo away from CBS and made another run at Peyton Manning. (Source: Associated Press)*

**> Farm Bankruptcies Up +23% Even Before COVID-19 Fallout:** *Year-over-year farm bankruptcies increased 23%, according to recently released data from U.S. courts. An American Farm Bureau Federation "Market Intel" report shows a total of 627 bankruptcy filings during the 12-month period ending March 2020, marking five consecutive years of Chapter 12 bankruptcy increases, including an accelerated rate since January. The continued increase in Chapter 12 filings coincides with recent changes to the bankruptcy rules in the 2019 Family Farmer Relief Act, which raised the debt ceiling to \$10 million. Wisconsin was the hardest-hit state, with 78 filings in the 12-month period, followed by Nebraska with 41 Chapter 12 filings and Iowa with 37. More than 50% of the Chapter 12 filings were in the 13-state Midwest region, followed by 19% in the Southeast. The full report is available [HERE](#).*



**East central North Dakota** - *Where I farm in east-central North Dakota, over 95% of farmers have yet to turn a wheel, let alone plant anything - including us. We went into fall with fully saturated soils and had a little over 1" of rain last week and another 3 tenths today. It's cool and cloudy and that's looking to hold steady in the forecast for a bit. The snow flew north of here, which is never a good situation in the middle of May. Planting may never come at this pace.*

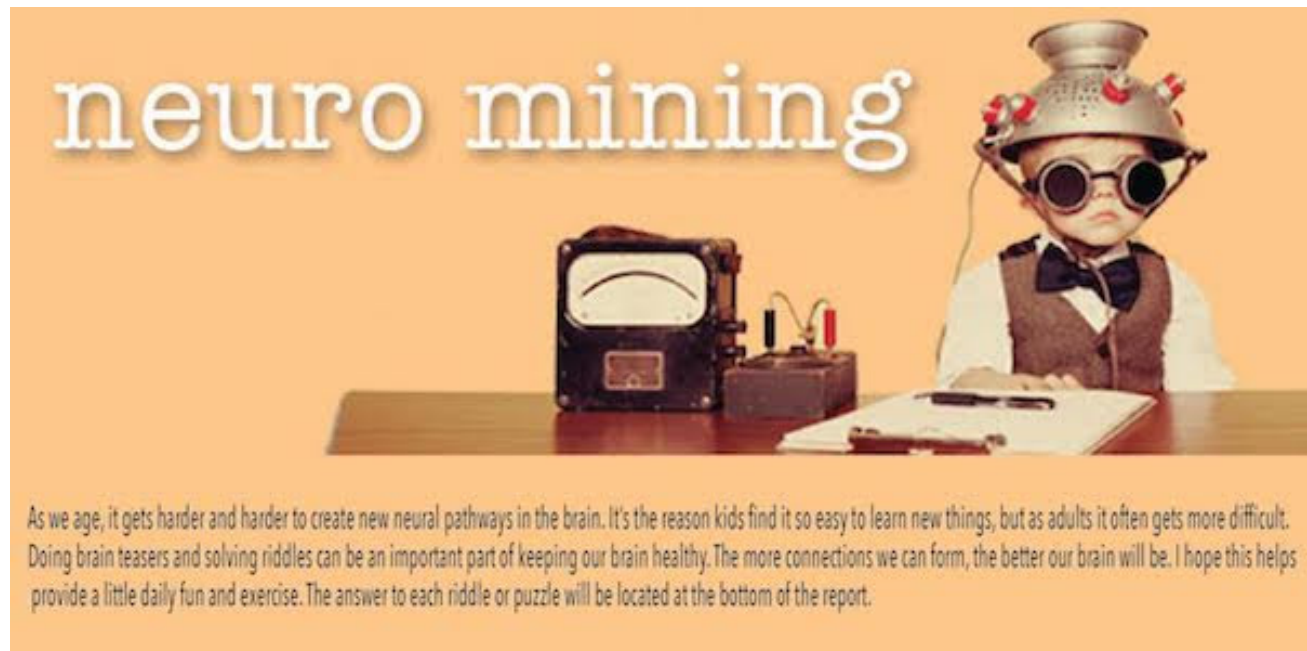
**North central Ohio** - *I was told today the freeze will stop the growth of alfalfa. It was all the way down to 27 degrees this morning. At 11:30 Saturday night I had to scrape ice off of my window to drive home. We are debating on if we should start cutting our 1st pass or wait to see what happens. Hay is around 8 inches tall. I'm told we might not hit bloom on the first cutting but we should be fine after that!*

**Southeast Virginia** - *This seed is four years old, been in a shed that is 30 degrees in the winter and 100 degrees in the summer. I just had it in a plastic tote and forgot about it. So I told a fellow deer hunter I would plant a couple of food plots for free and used this seed. I did 5 germination tests with ten seeds each and*



*ALL SEEDS SPROUTED. I did so many tests because I was showing some neighborhood kids how to do it and plant little gardens. The pictures were taken after the seed had been in a bag for 4 days on a wet paper towel in the garage.*





**TODAY'S RIDDLE:** I have a big mouth and I am also quite loud! I am NOT a gossip but I do get involved with everyone's dirty business. What am I?



## Unraveling USDA's Excess Food Purchase Programs

USDA recently announced details for a \$470 million excess food purchase program designed to support both struggling producers and families in need. The money will be used by the Agricultural Marketing Service (AMS) to purchase a wide variety of produce, meats, and dairy that otherwise may go to waste amid the severe food supply chain disruptions created by the coronavirus pandemic.

Specific amounts have been allocated to purchase different commodities, including surplus dairy (\$120 million), potatoes and turkey products (\$50 million each), strawberries (\$35 million), and pork and chicken (\$30 million each). Catfish, Alaska pollock, asparagus, sweet potatoes, and orange juice are some of the other purchases outlined by the department. You can find the full list [HERE](#). AMS will begin issuing solicitations in June and shipments are expected to begin in July. You can learn more about AMS solicitations [HERE](#).



The \$432 million in new funding is being added to what's known as the Section 32 purchasing account which is permanently funded by the government. It's typically used to fund things like school lunches and farm disaster relief programs. Other coronavirus relief programs passed by Congress have earmarked an additional \$850 million for food bank administrative costs and USDA food purchases, of which a minimum of \$600 million will be designated for food purchases, according to the USDA.

The USDA is also continuing to make purchases under the existing trade mitigation program, which is estimated to have roughly \$700 million left. According to some recent research from the American Farm Bureau, integration of the trade mitigation farm purchases helped to nearly double total AMS commodity purchases, which reached \$3.5 billion in fiscal year 2019, an increase of \$1.3 billion from fiscal year 2018.

The latest purchase plan is in addition to the Farmers to Families Food Box program USDA announced in mid-April. That program directs \$3 billion to be spent at a rate of \$300 million per month on fresh food products that will be assembled into variety boxes and sent to food banks. USDA announced on May 8 that it had awarded \$1.2 billion in contracts so far under the program. The first shipment of food boxes is expected to go out by the middle of this month. More information about the USDA Farmers to Families Food Box program is available [HERE](#). (Sources: USDA, Farm Bureau, Fern)

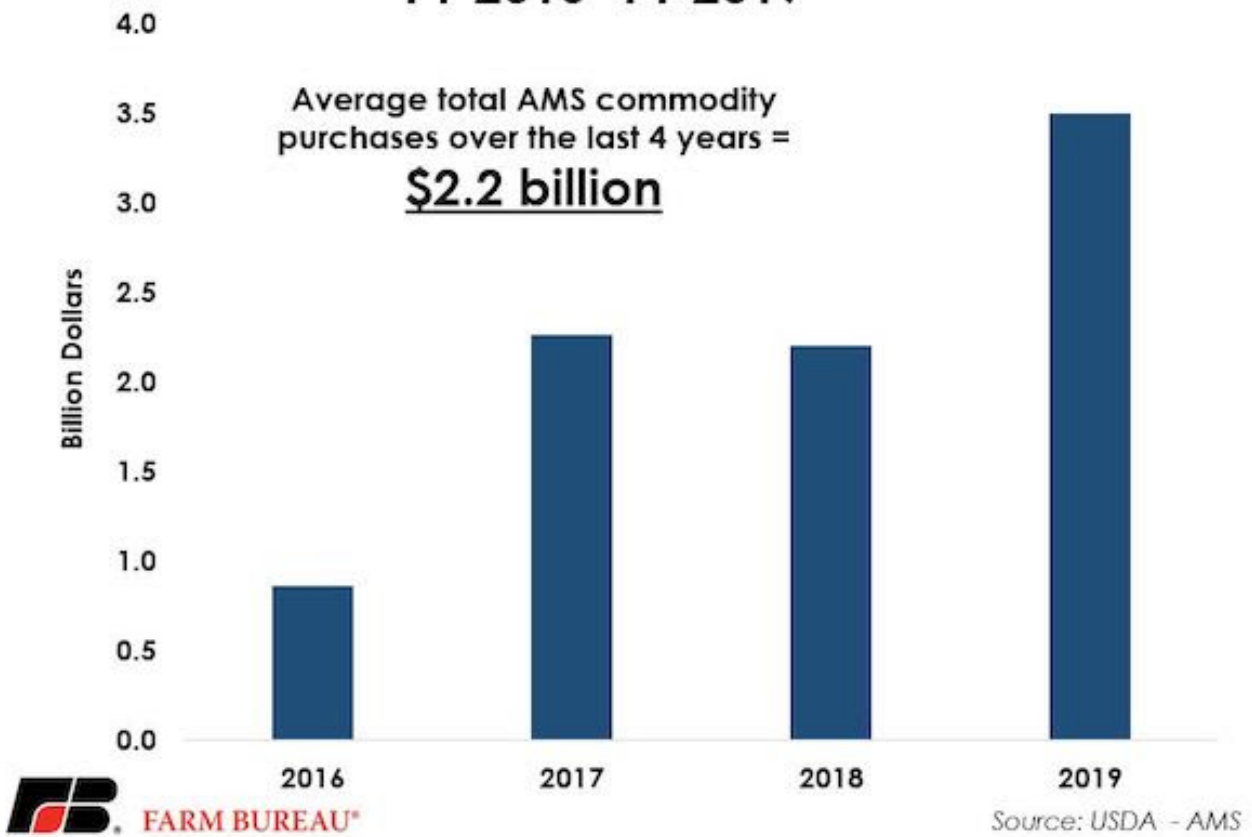


# Farmers to Families Food Box

USDA is partnering with farmers, ranchers, specialty crop producers, food processors and distributors, and non-profit organizations to ensure that all Americans have access to the fresh and wholesome food they need during the COVID-19 national emergency.

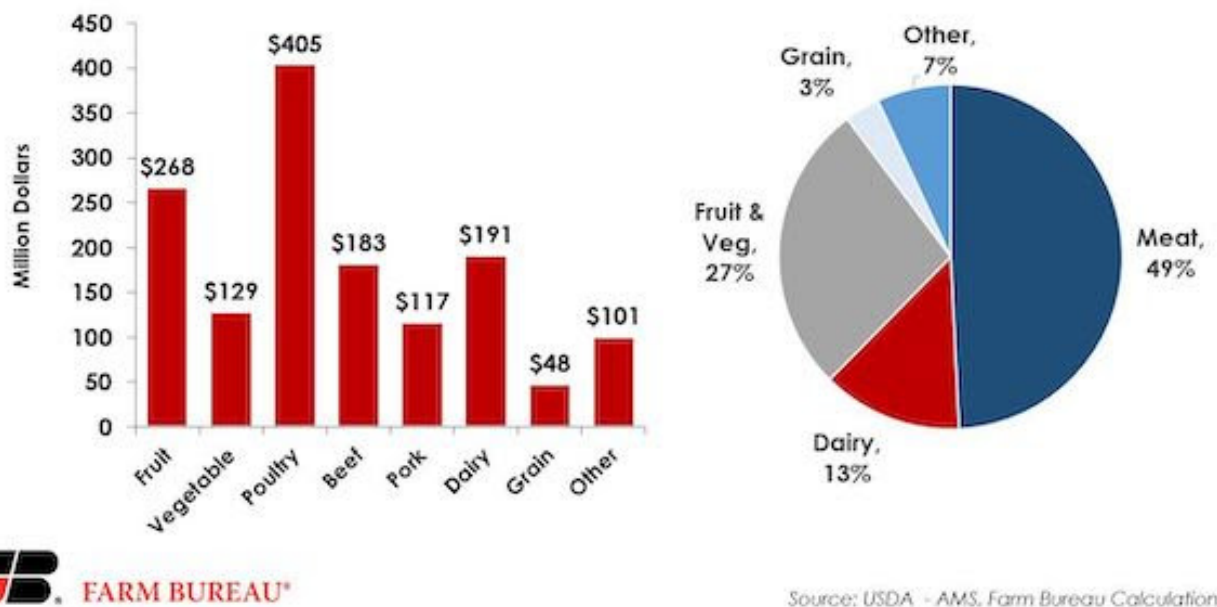


**Figure 2. Total AMS Commodity Purchases:  
FY 2016- FY 2019**



**Figure 1. AMS Purchases by Commodity for FY20 YTD**

Includes purchases under Trade Mitigation and Section 32 Purchase Programs







### **Next Time You Head to the River Think of These Bad Boys**

I'm sure some of you have been sneaking out to nearby watering holes to cast a line during this lockdown phase. A fishing buddy of mine shared this crazy article about British television personality Jeremy Wade, who's best known for his hit series "River Monsters" on the Animal Planet channel, which often features a collection of fish that are normally only found in our nightmares. Growing up, a lot of my friends and I fished river banks, freshwater ponds, and lakes across the Ozarks, as well as many strip pits across the country and I thought this would get some fun conversations and old stories brewing.

Nine seasons of the show "River Monsters" has brought Wade face to face with some of the largest and often, some of the deadliest freshwater fish known to man, from gigantic stingrays and venomous species that can kill in an instant to the small but equally creepy finds like the blood-sucking lamprey. If you're like me, you'd vote Wade as one of the craziest men alive but I would love to fish in some of the locations he has visited.

Like every successful professional, Wade paid his dues, beginning with his first overseas trip to India's mountain rivers in 1982. From what I understand, Wade had less than \$250 with him on the three-month excursion, essentially all the money he had to his name at the time. After landing an 18-pound Himalayan

mahseer and returning to England to write about the experience, a few fishing magazines picked up the story. That lead Wade to contemplate all the other exotic fish out there waiting to be documented on yet another journey, and the rest is history. Enjoy the pics of some of Wade's craziest catches, and when you get back out there, send us a picture after landing your next trophy! I'll feature it in the report. You can see more of Wade's top catches [HERE](#). (Source: [thetravel.com](#), animalplanet, Wiki)

**Queensland Grouper:** *While on the lookout for bull sharks in Australia's Brisbane river, Wade instead stumbled across this gigantic beast known as the Queensland Grouper. Groupers are the kind of fish that can change their sex from female to male to allow the biggest and most dominant female of the group to become male.*



**African Bull Shark:** *On this trip, Wade caught one of the biggest male bull sharks ever recorded at nearly 10 feet long and around 500 pounds in weight. His team got a surprising new insight into bull shark behavior after they released it, finding out that although it swam very close to people, it did leave them alone. I'm told you can find this particular beast in the Zambezi river as well as in both fresh and saltwater locations along the coast of Brazil and eastern Angola.*





**Giant Stingray:** *This is the grand-daddy of all stingrays and one which took Jeremy Wade nearly four hours to catch while fishing in Argentina in the Parana river. Weighing in at a whopping 280 pounds, this alarming river beast was anything but an easy catch to haul in, as I'm told you simply keep holding on to your heavy gear and try to break the suction it has with the bottom of the river.*





**Congo Tiger Fish:** Wade reeled in this catch, which can only be found in an incredibly remote part of the Congo River, and happens to be related to the Piranha. It's also referred to as the "Goliath Tigerfish." Most agree it is essentially a giant piranha, which Wade confirms can "grow to the size of a man". I should mention, the Goliath Tigerfish has something in common with one of our main predators of the sea, as their teeth are the same length as those on a thousand-pound great white shark. Ouch!!



**Kaluga Sturgeon:** *Sturgeon aren't normally aggressive or particularly predatory, but the Kaluga, otherwise known as the "river beluga" is in a whole other ballpark. I'm told Kaluga sturgeon are thought to be the largest freshwater fish on the planet, and can reach a maximum length of around*



*18ft and can weigh over a ton. Wade reeled this bad boy in on the Amur River in East Russia.*



### **Confidence Is Good... But Overconfidence Can Be Dangerous in Business and Investing**

We have all learned that "confidence" is a key component to success. But is there such a thing as being too confident? Absolutely, and it happens when confidence overwhelms accuracy and reality. The problem often found is that overconfidence causes a weird type of blindness and that blindness, in turn, can cause some significant blunders. We become so confident in our own skills and understanding of our environment that we often discredit information and insight that shouldn't be discredited--even information that can be wildly glaring to other outsiders.

My grandfather would often say, "you can't see the forest for all the trees." Some will argue this means you're too involved in the details to see and understand the overall landscape. But for me, my grandfather would say this when he felt I had become overconfident, had my blinders on, and wasn't wanting to consider anyone else's perspective or way to do something. I knew my way worked, I had seen it work, and was extremely confident in the outcome. The issue is I often immediately discredited and didn't even want to hear about another way to solve the problem, even if it yielded a better result because I was overconfident in my



own ability or thought. Be careful falling into this trap. It can happen easily, especially to those of us whose authority is rarely challenged.

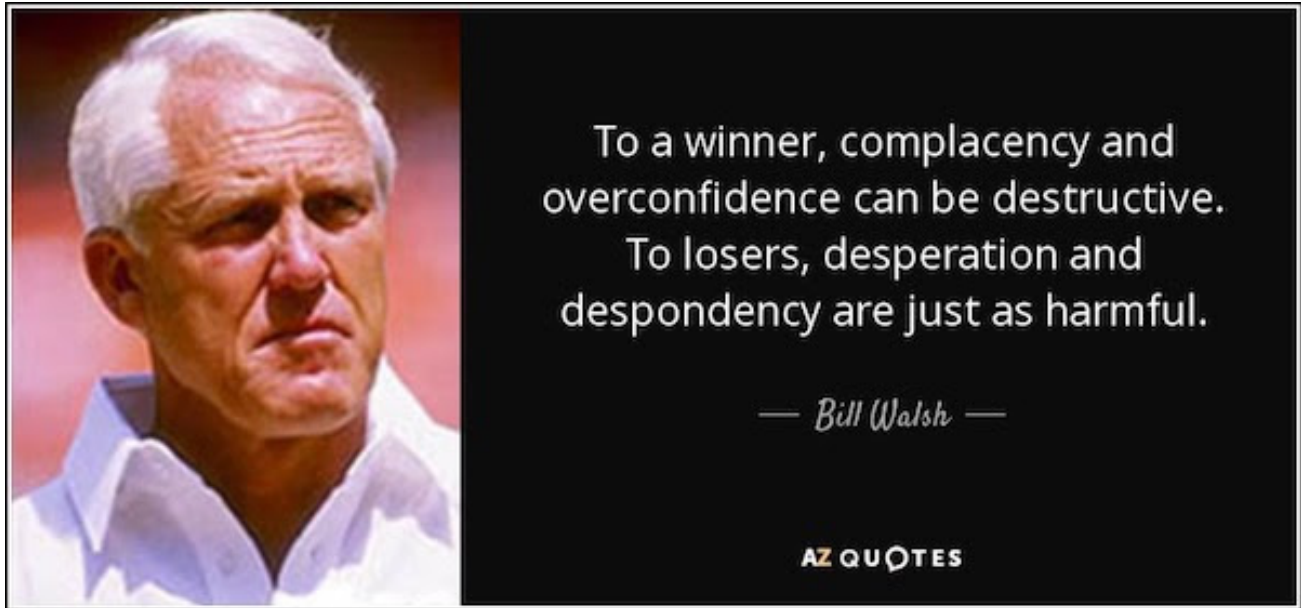
In other words, if you are the head of your farm operation, family, or business and you run a tight ship you can easily become overconfident because you are rarely challenged. It's somewhat of a self-fulfilling prophecy - if you are not challenged, you start to become a genius of your own domain. At the same time, you start to become more and more blind especially towards the bigger ticket items. It's been proven time and time again in psychological studies that overconfident people tend to make the biggest mistakes on the biggest and most important projects because their overconfidence makes it extremely difficult to see or even want to hear another idea or suggestion. Others will simply say, "Why should I change my behavior now, it's gotten me this far?" But I ask, is your current direction taking you to where you ultimately want to go?

Overconfidence has the ability to blind us to the facts and make our reasoning go along very different lines, i.e. "I am skilled enough that I can beat the environment as easily as I have been doing." Everything in our perspective becomes about our own ability and nothing due to with fact that the environment and or surroundings may have changed.

For me, early in my life, it was sports. I was the best in my age group and the best around our area. But to get to the next level, smarter people told me I was going to have to change my swing and my mental approach. But for a long time, I couldn't see that. I was overconfident in my abilities and getting the feedback to keep me on that hamster wheel. Let's put it this way - I was a big fish in a small pond and it felt good to walk around town like I was the man. I could see no need to change or listen to anyone else's perspective. That was until I wanted to go to the next level... Interestingly, this is just like our businesses or farming operations. We don't feel like we need to listen to anyone until we figure out what we are doing isn't bringing home the trophies or winning the games any longer. Perhaps our competition has gotten better, perhaps they are doing things differently to gain an edge... Regardless, it's generally our overconfidence and lack of being challenged and pushed that makes us complacent and somewhat blind.

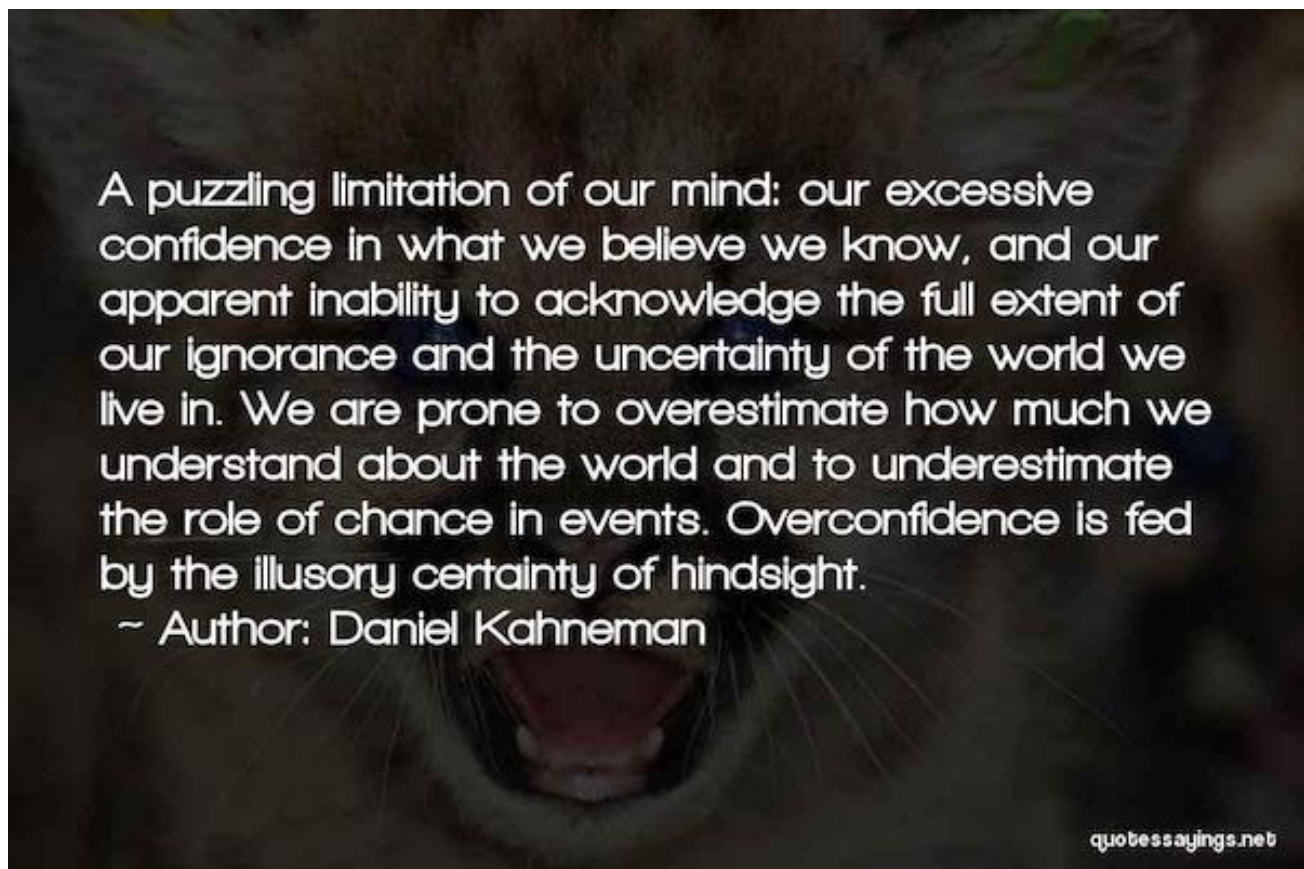
Step back this week and think about a few things. Try to be more open and willing to accept new perspectives and more willing to be challenged. If you knew how to get the family farm or business to the next level wouldn't you already have it there? Perhaps you need some fresh insight, perhaps you have become a bit overconfident. I constantly have to rethink my perspective. I tend to try and bully and beat people with my power and that's what gets me into trouble. As we get older, I see leaders going one of two directions, either more set in their ways and less open to new ideas and outside suggestions, or more open to new perspectives and outside ideas. You need to decide which person you want to lead your family

and/or business and think about it each and every day as you move forward. (You can read more at [Scientific America](#))





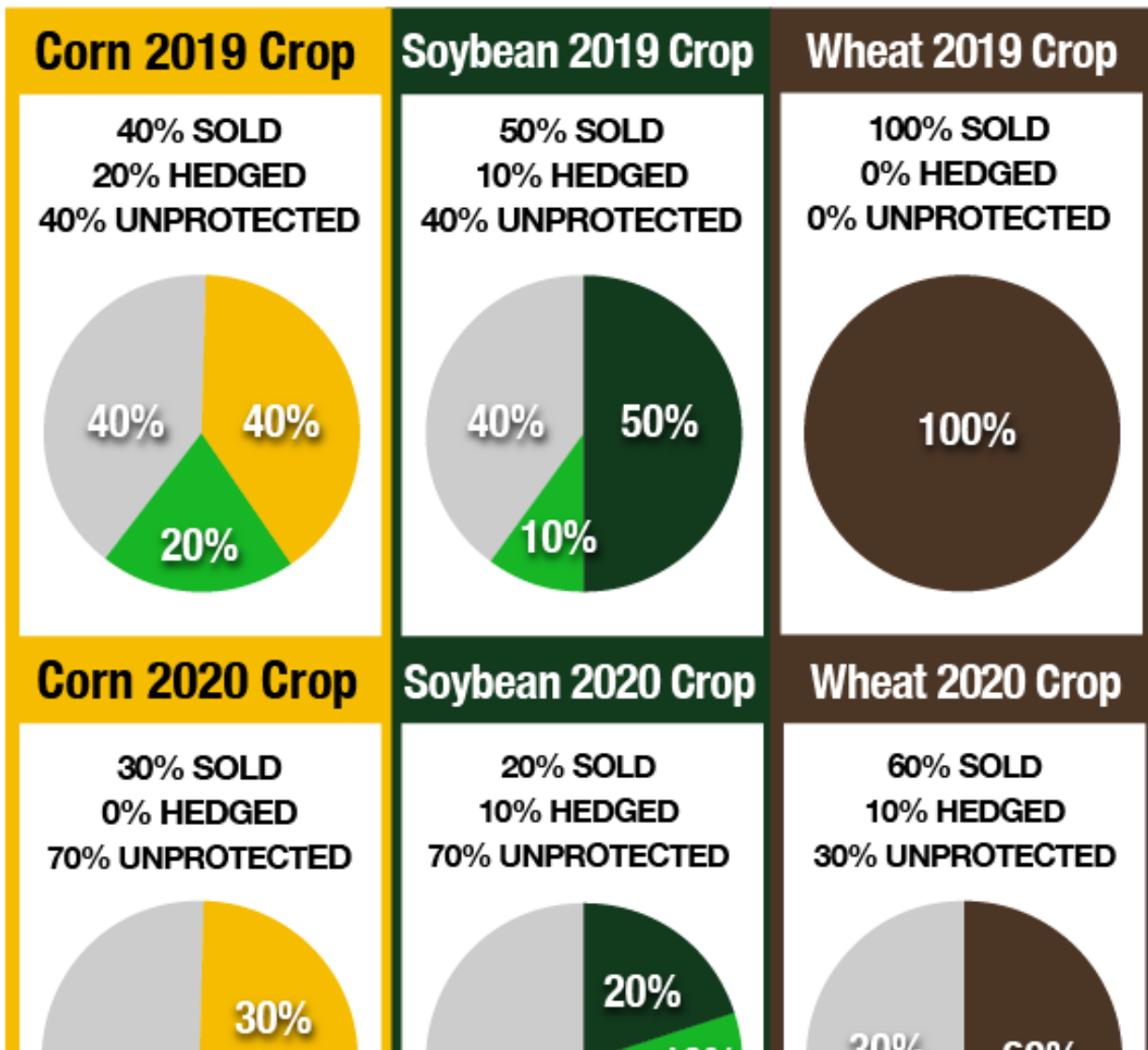


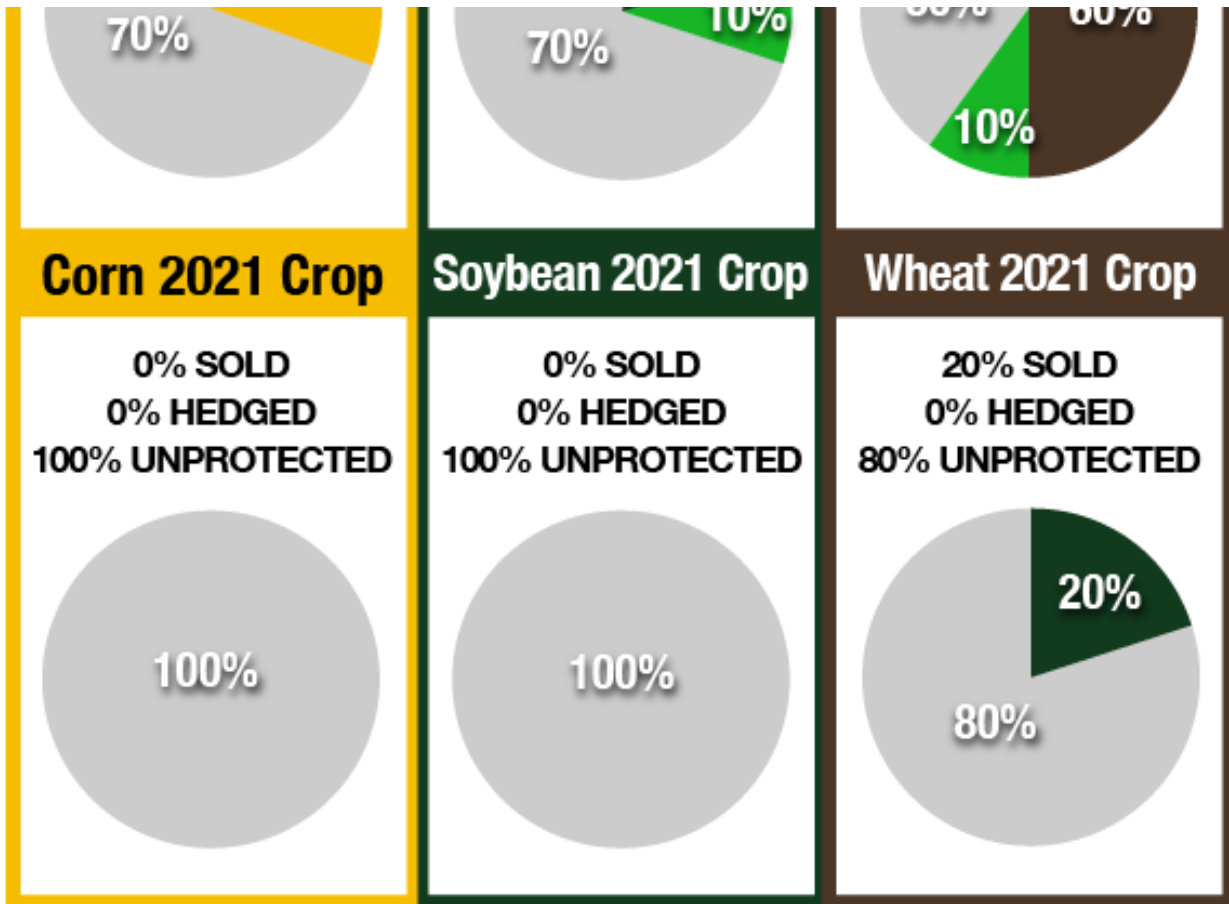


**ANSWER to riddle:** A vacuum cleaner.

## CASH SALES & HEDGING TOTALS

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