



Jordan Van Trump <jordan@farmdirection.com>

GOOD MORNING: The Van Trump Report 7-1-20

1 message

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

Wed, Jul 1, 2020 at 5:31 AM

Reply-To: Jordan <reply-fecd127077660475-1180_HTML-40325470-100003450-9@vantrumpreport-email.com>

To: jordan@farmdirection.com



"We must be free not because we claim freedom, but because we practice it." —
William Faulkner

Wednesday, July 01, 2020[Printable Copy](#) or [Audio Version](#)

REMINDER: Each year I give myself and the others in the office two weeks off per year to spend time with friends and family. One week is between Christmas and New Years, the other is the week of July 4th. With that in mind, the last report we will issue this week will be on Wednesday morning July 1st. We will then re-start our regular schedule with a morning report released the following Thursday. I will personally be monitoring the markets between now and then and if anything significant happens I will jump on and do a brief podcast sharing my thoughts and opinions. From my family to yours, have a safe and happy July 4th. Remember, most markets close early this Friday, July 3rd.

Morning Summary: Stocks bulls cheer as the S&P 500 finishes the quarter up

+20%, the biggest percentage gain since the fourth quarter of 1998. The Dow Jones Industrial Average rose +18%, its best quarter since 1987. The Nasdaq has fared even better, up a whopping +31% in the past three months and now up +12% for the year. The Fed's unprecedented trillions in stimulus and the huge surge in individual speculative trading activity has proved a massive amount of heavy lifting and tailwind for the bulls. The bears however have some very big questions ahead that will still need to be answered... Will a more dangerous second-wave of the coronavirus appear in the Fall like many experts are forecasting? Who will win the upcoming U.S. presidential election, which is only about four months away? Many bears are saying the Democrats could win the White House and perhaps win both the Senate and the House. The fear on Wall Street is a Democratic-controlled government would likely roll back the tax cuts Congress enacted in 2017, and perhaps turn back the Trump administration's reversal of a few key regulatory actions, all of which would work towards constraining corporate profit margins. Another major hurdle in the months ahead will be unemployment and defaults. The coronavirus shutdowns have put massive pressure on many businesses who focus on travel, leisure, entertainment, food, alcohol, lodging, etc... Will the nearly 20 million jobs that have been lost since February be recovered? How many businesses will be unable to pay rents and ultimately file Bankruptcy? How will the U.S. consumer respond once the Fed is forced to stop the printing press? Looking forward, traders should expect the media to focus on increased hospitalizations and rising coronavirus fatalities. Bears might also get the benefit of a flattening economic recovery. In other words, we've seen a big bounce and improvement in economic data, but growth from here forward will be much more suspect. On the flip side, bulls are expecting a steady flow of positive headlines regarding improved coronavirus treatments and a step closer to a vaccine. Don't forget, the next round of U.S. quarterly corporate earnings will start rolling out in a couple of weeks. More than 40% of the companies in the S&P 500 have pulled their earnings guidance, making it extremely difficult to forecast results and truly gauge valuations. According to FactSet, analysts expect earnings for S&P 500 companies will be down -21% from 2019 levels. Ouch! Remember, this will be our last report until next Thursday, when we come back from our annual one week summer vacation. Everyone stay safe and enjoy the Independence Day holiday with family and friends. Again, our family is very thankful for your support and appreciate the fact you allow us to be a part of your daily read. Thank you!

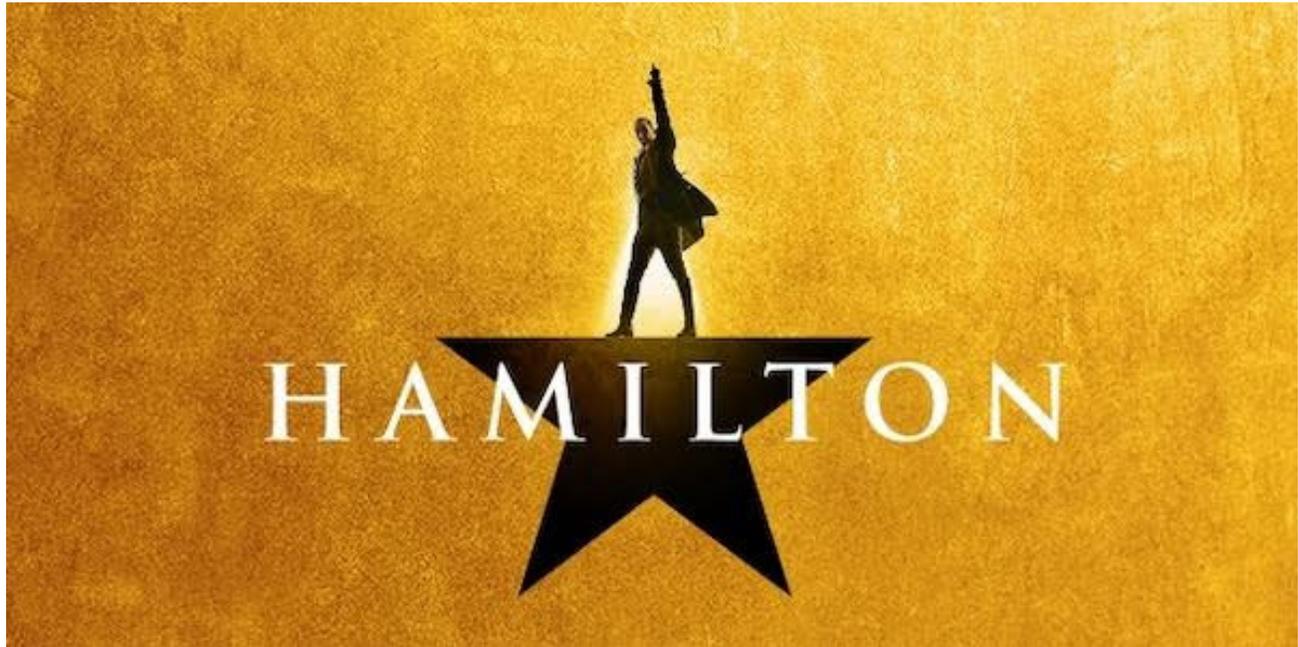
Virgin Galactic moving closer to flying customers to the edge of space, as it expects to clear remaining FAA milestones after one or two more rocket-powered test flights. As of May the company had cleared 24 of the FAA's 29 milestones toward the license.

'Ozark' Renewed for Fourth and Final Season at Netflix: The fourth season will consist of 14 episodes, with the first three seasons having been

*10 episodes each. Season 4 will be split into two parts consisting of seven episodes each. *Source: Variety)*

Can Stocks Predict The Next President?: *COVID-19 and the massive turnaround in the stock market continue to dominate news headlines, but the presidential election is only 18 weeks away. I recently ran across an article written by LPL Financial about how the stock market can predict the next president. Turns out, since 1928, the stock market has accurately predicted the winner of the election 87% of the time and every single year since 1984. I should note, the equation is actually quite simple to figure out... When the S&P 500 Index has been higher the three months before the election, the incumbent party usually won, while when stocks were lower, the incumbent party usually lost. Remember, no one expected Hillary Clinton to lose back in the last election, but the DOW also had a 9-day losing streak directly ahead of the election in 2016. Crazy to think that really matters that much but who knows...(Source: LPL Financial)*

Missing the World of Musicals?: *Broadway may still be shut down the rest of 2020 due to the COVID-19 pandemic, but fans will get a sign of hope heading into the 4th of July weekend! This Friday, on July 3rd, the famous musical "Hamilton" will premiere on Disney+, giving fans the experience of the original Broadway production. For everyone that doesn't know, "Hamilton" is the story of America then, told by America now. Overall, the musical has taken the story of American founding father Alexander Hamilton and created a revolutionary moment in theatre providing a profound impact on culture, politics, and education. I should note, the hip-hop musical won 11 Tony awards in 2016 as well as the 2016 Pulitzer Prize in Drama. In addition, the production available for streaming was originally filmed at the Richard Rodgers Theatre on Broadway in June of 2016. I should also mention, tickets to see a live performance of "Hamilton," which has often sold out in theaters across the country, ranged anywhere from \$149 and up. Personally, I haven't seen the musical and I've heard nothing but great things about it, so this is definitely something Michelle and I will be tuning in to watch this weekend! Click [HERE](#) to watch the trailer!*



A graphic for FarmTank. On the left is a smartphone displaying the FarmTank logo (the word "FARM" in white on an orange background above "TANK" in orange on a white background) and a podcast player interface. On the right, the text "Sign Up for FarmTank" is written in large white font. Below it, a smaller white font reads "A Podcast for Creative Minds in Agriculture, Delivered Free to Your Inbox." An orange button with the text "Sign Me Up!" is positioned below the text. At the bottom right are icons for RSS, a multi-colored bar, and Spotify.

Geopolitical Watch List: *These are the key geopolitical situations that investors are keeping a close eye on right now, and will likely see some evolution in the days and weeks ahead. First up, U.S.-China tensions are expected to intensify over the new security rule that Beijing implemented in Hong Kong. The U.S. says the rule strips Hong Kong of its autonomy and has begun revoking special trade benefits that the region received over mainland China. A Foreign Ministry spokesman said yesterday that China will take "necessary countermeasures" and analysts say the U.S. could implement further*

measures designed to punish Beijing. U.S. relations with Russia are at a critical juncture as well with a controversy brewing over Russia allegedly paying the Taliban to kill U.S. soldiers in Afghanistan. It's early days on this but some Washington lawmakers are already calling for retaliatory action against Russia. There's a possibility the revelation could be viewed as damaging for President Trump's reelection prospects, depending on how the story develops obviously. It's also worth keeping an eye on China and India. The two have been increasingly butting heads lately which has already lead to some trade hiccups, the suspension of business deals, and calls for a boycott of Chinese goods and citizens in India. The latest move saw India ban dozens of Chinese mobile apps, denying those businesses access to one of their largest growing markets.

Oil Prices Nearly Double in Second Quarter: *Oil prices fell on Tuesday but that didn't stop the market from ending June at almost double from where it finished three months ago, a trend that has some analysts scratching their heads as demand recovery for fuel from the coronavirus pandemic has been anemic at best. WTI was up +11% for all of June while climbing a whopping +92% for the second quarter. Brent showed a monthly gain of more than +9% and a quarterly rise of over +81%. U.S. crude output fell from a record high of 13.1 million barrels per day in mid-March to as low as 10.5 million bpd by middle of June, before a surprise rebound of 500,000 barrels two weeks ago. But stockpiles of crude, as well as inventories of gasoline and diesel-led distillates that indicate fuel demand, have never fallen to levels that justified the 300% rally in WTI and near 175% jump in Brent from lows struck in the final days of April. Investors will get another update today from the U.S. Energy Information Administration on where these balances stand. Read more [HERE](#).*

An 18-Month View of Post-Corona Risk: *As the world continues to grapple with the effects of COVID-19, no part of society seems to be left unscathed. Fears are surmounting around the economy's health, and dramatic changes in life as we know it are also underway. The graphic below uses data from a World Economic Forum survey of 347 risk analysts on how they rank the likelihood of major risks we face in the aftermath of the pandemic. In the report, a "risk" is defined as an uncertain event or condition with the potential for significant negative impacts on various countries and industries. The 31 risks have been grouped into five major categories. Among these, risk analysts rank economic factors high on their list, but the far-reaching impacts of the remaining factors are not to be overlooked either. Let's dive deeper into each category. The survey reveals that economic fallout poses the most likely threat in the near future, dominating four of the top five risks overall. With job losses felt the world over, a prolonged recession has 68.6% of experts feeling worried. Visual Capitalist takes a deeper dive into each category [HERE](#), where you can also find a larger version of the graphic.*

⚠ | WHAT'S AT RISK
An 18-Month View of a Post-COVID World

COVID-19 will leave lasting impacts on life as we know it. Many of these dramatic changes are already in effect.

The World Economic Forum surveyed 347 senior risk analysts on the impending threats most likely to contribute to a global fallout —and no area from the economy to the environment is untouched.



ECONOMIC



SOCIETAL



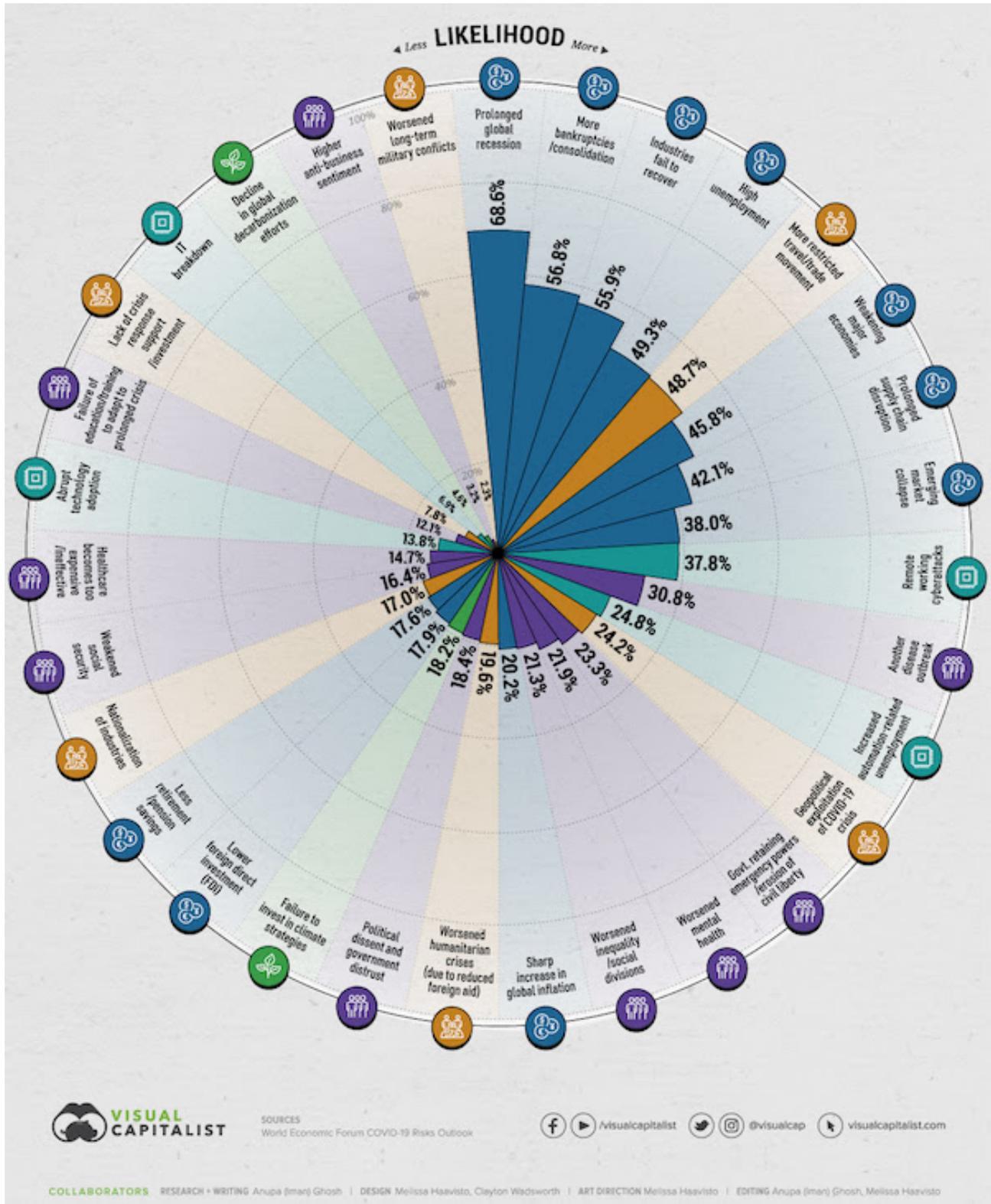
GEOPOLITICAL



TECH



ENVIRONMENTAL



Summer Special

**UNDER ARMOUR TIDE CHASER
& COLUMBIA PFG**

\$39.99
MINIMUM ORDER 12

AgSwag 
and rest run

FARM TANK

Tweets of the Day



Nathan Kitchens WLIO-TV
@NateWx



Much of the nation looks to bask in 90°+ heat for the 4th of July holiday! [#IndependenceDay](#)

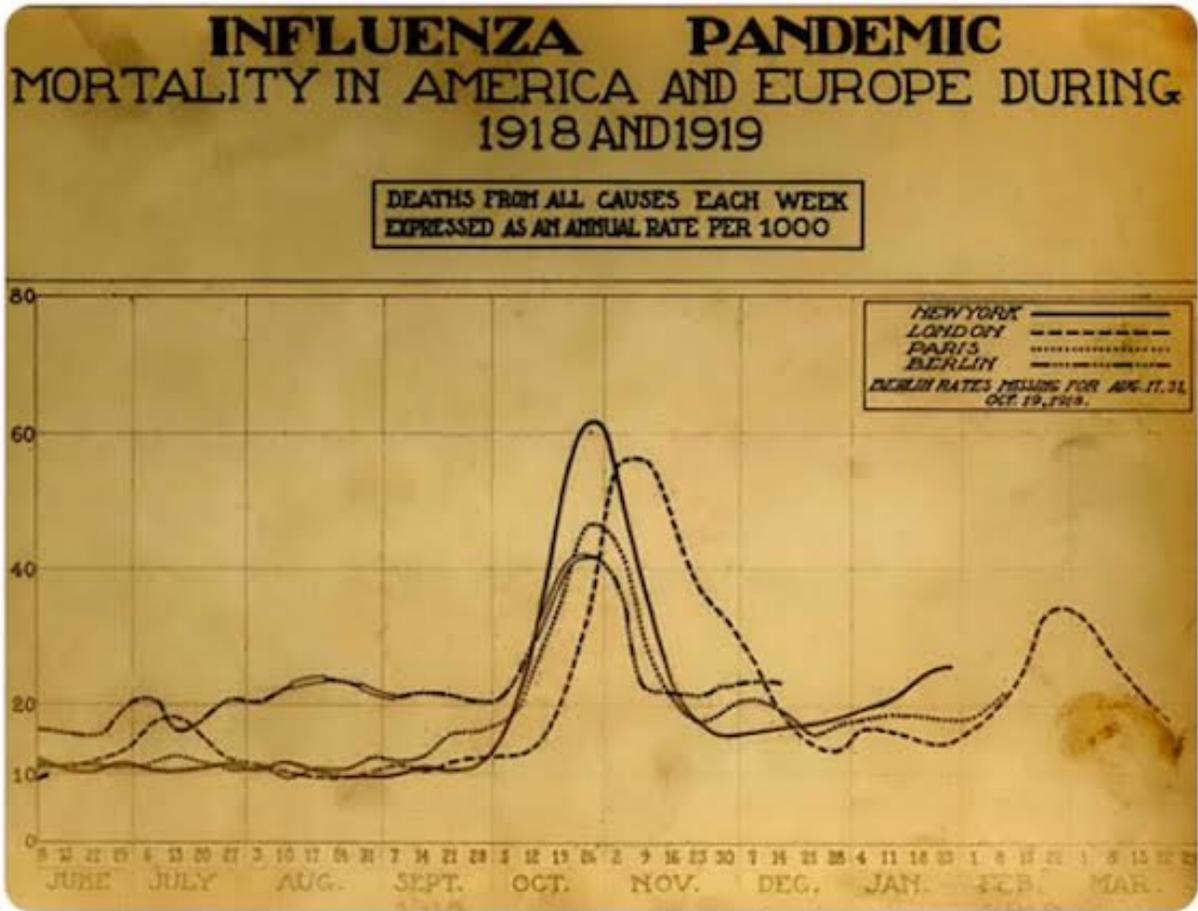




World Economic Forum 
@wef



Coronavirus: what a second wave might look like
bit.ly/3gTuxME #COVID19 #infection





Dan Misener
@DanMisener



Well this is a first two deer in a [@JohnDeere!](#) They were pretty shot from the heat. A couple hours in the cool and mamma took em back from us. Sometimes it's the little things!

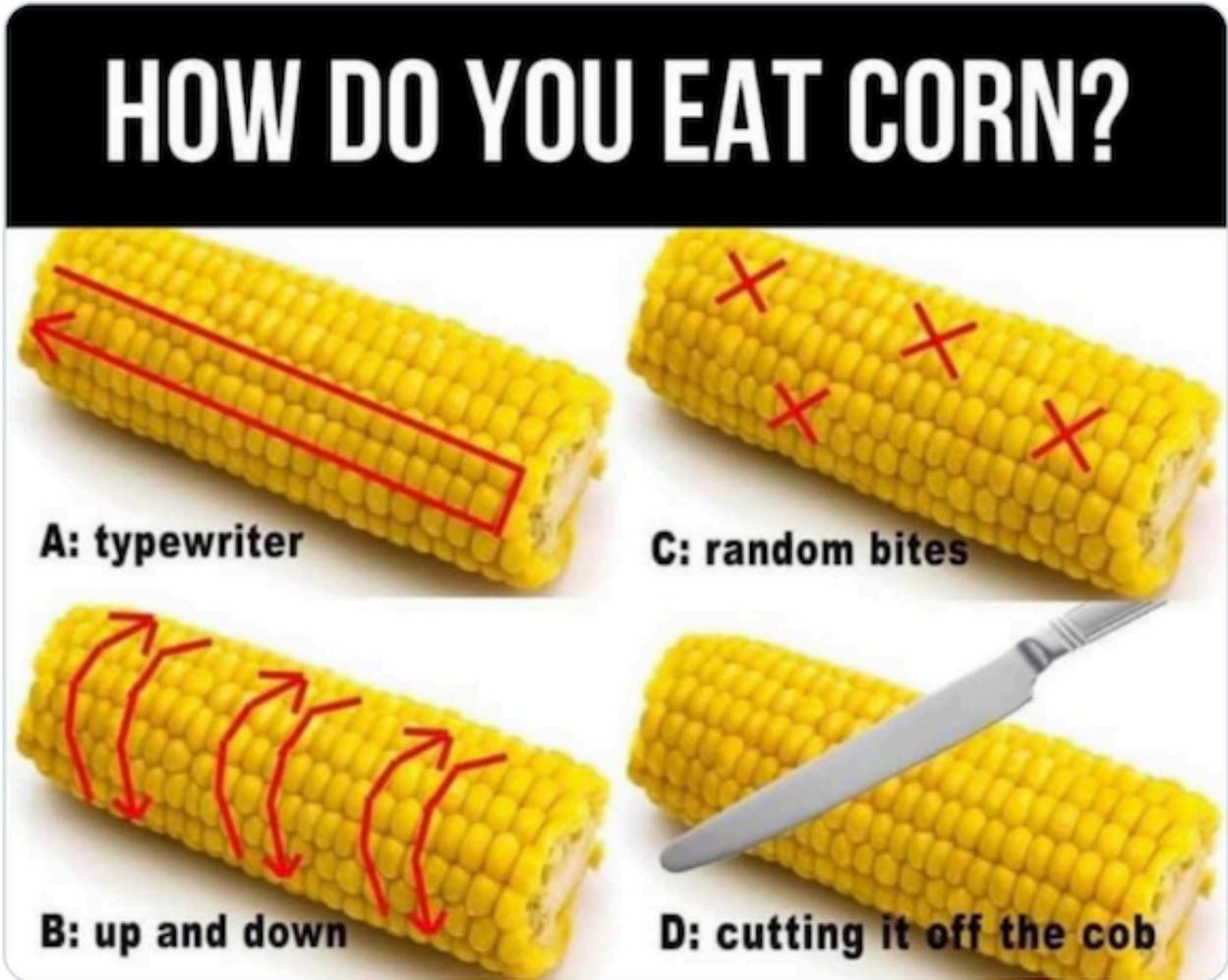




Chad E. Colby
@TheChadColby



How do you eat #sweetcorn?





Dan Maggart
@MaggartDan



15" soybean and 30" row soybean on June 29
Consider these factors [@PrairielandFS](#)

Sunlight interception
row closure - timing
Moisture retention- ET
Soil temp.
Weed control





Bru 🚗
@FarmKid01



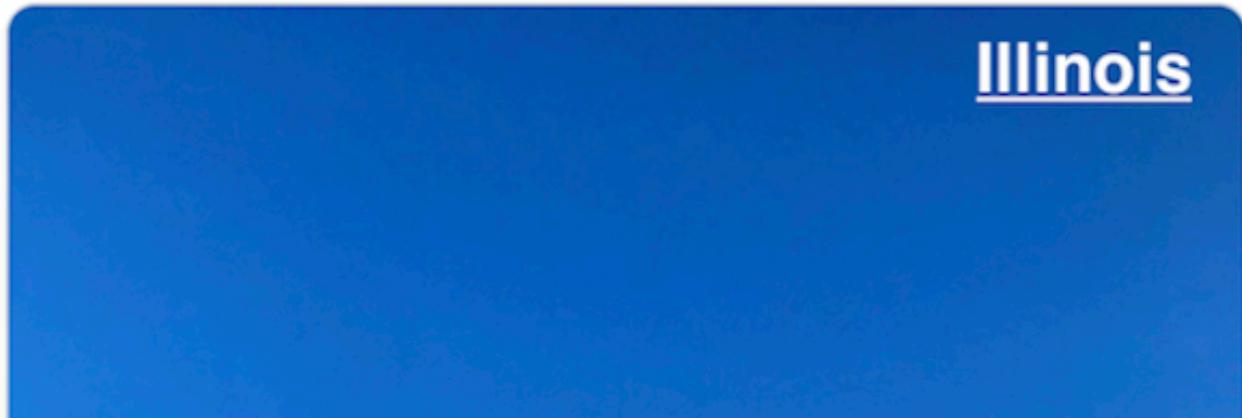
Ain't a bad night to cultivate 🌽



Holly Spangler
@hollyspangler



Nathan, 15, just sidedressing like a boss on a perfect June evening. 🙌







Mike 🐸 🇺🇸
@biconbic



For God and country #GodBlessAmerica



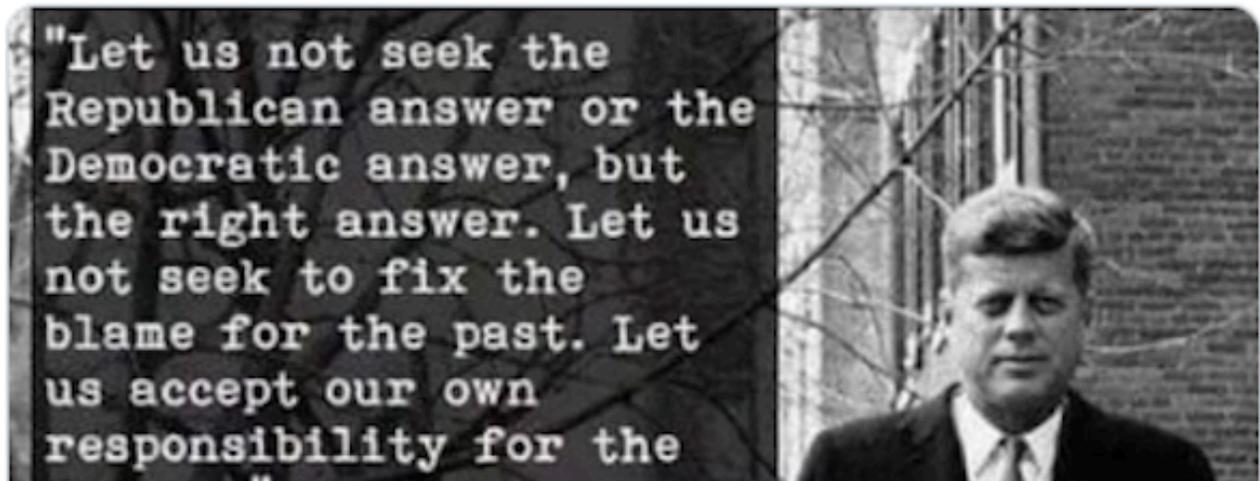
Jan Campbell Pierce 🇺🇸
@jan_pierce

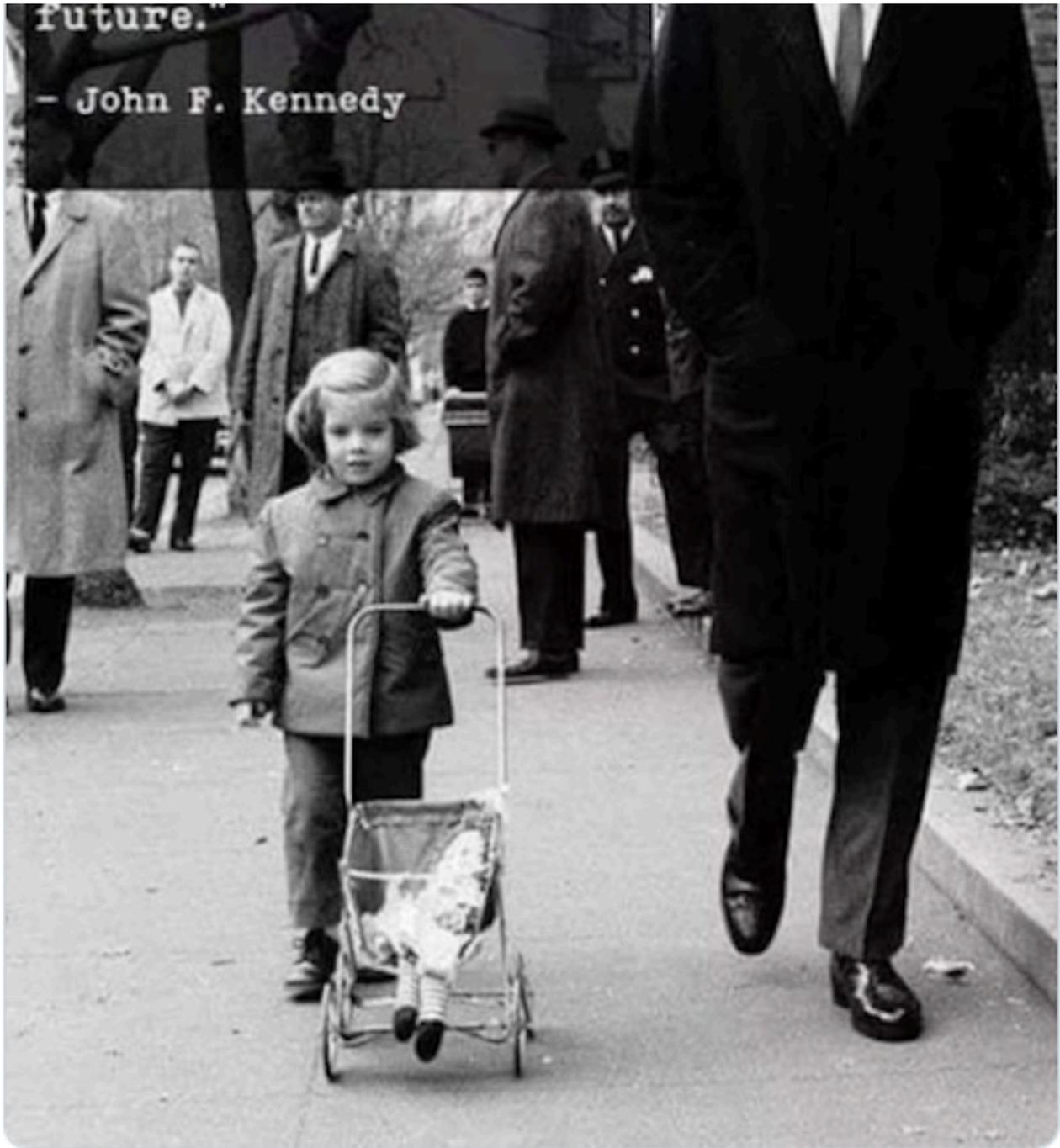


This is a pretty remarkable concept...

#prayforAmerica

#GodBlessAmerica



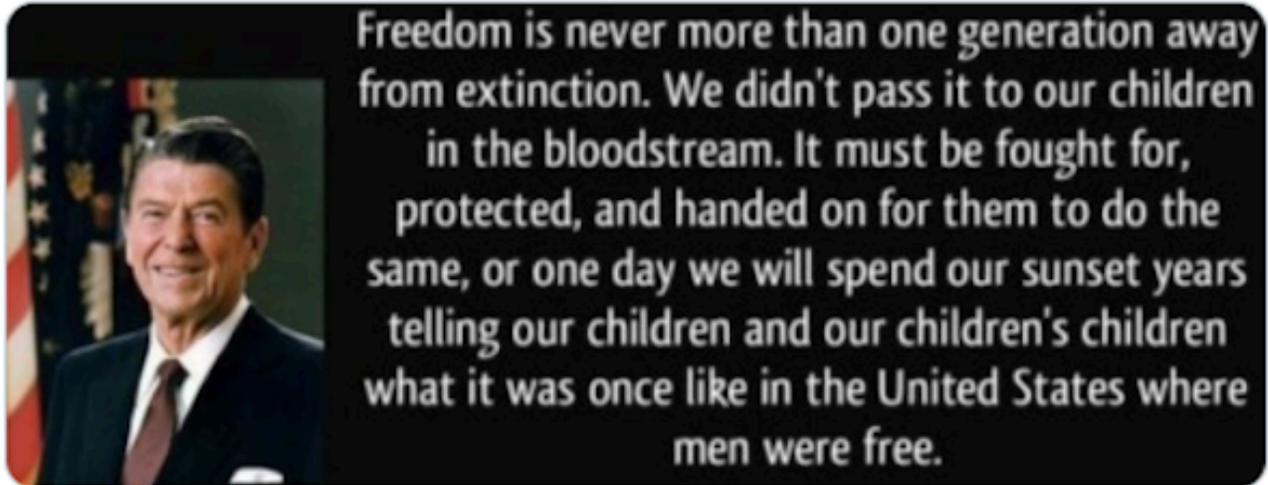




MW_OH1
@TheMW_OH1



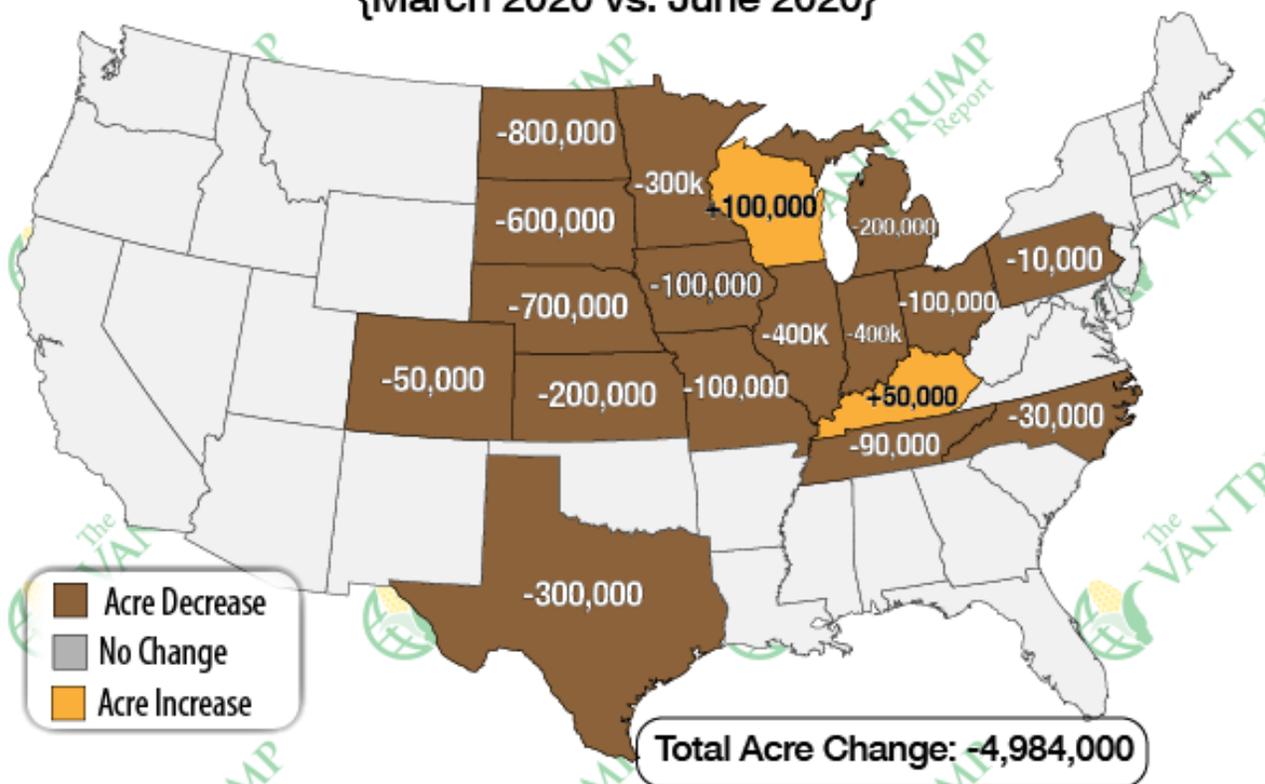
Good, because Reagan was spot-on #FreedomIsNotFree



CORN bulls got what they wanted as the USDA dropped planted acres down to 92.0 million and well below the 95 million acres most in the trade were looking for. Unfortunately, June 1 stocks were reported at 5.224 billion vs. the average trade estimate of around 4.950 billion. In other words, the bulls get an extra -3 million acres trimmed off the supply side vs. what the trade was thinking which is equal to a reduction of an extra -500 to -550 million bushels depending on yield. Bears, however, get an additional +234 million bushels added to the balance sheet vs. what the trade was expecting via the higher than anticipated Quarterly Stocks estimate. Net-net, the bulls certainly come out ahead, but the balance sheet will still show us swimming in excess supply. Obviously, a lot will depend on how the weather plays out in July. The forecasters are calling for a hot and dry start so the trade will be paying close attention as the lower acres at least make things a bit more interesting and uncertain for the bears. I continue to hold a small bullish spec position. I was hoping to add to the position if prices broke further but I'm certainly not complaining about holding onto a winner. In fact, I hope prices do nothing but continue higher. As a producer, I think the smart play is to get caught up on sales into the rally. I know a lot of folks were taken by surprise with the coronavirus and crude oil debacle and missed making sales early, then prices just ran away. I feel I've personally had a horrible year marketing. I kept thinking the administration was going to get the Chinese to step in as big buyers of U.S. ag and at the same time perhaps get a South American or U.S. weather story. Not only did that not occur, but it was three strikes your out with none of them occurring... Swing Batter! I was lucky to price 30% of our estimated new-crop production way

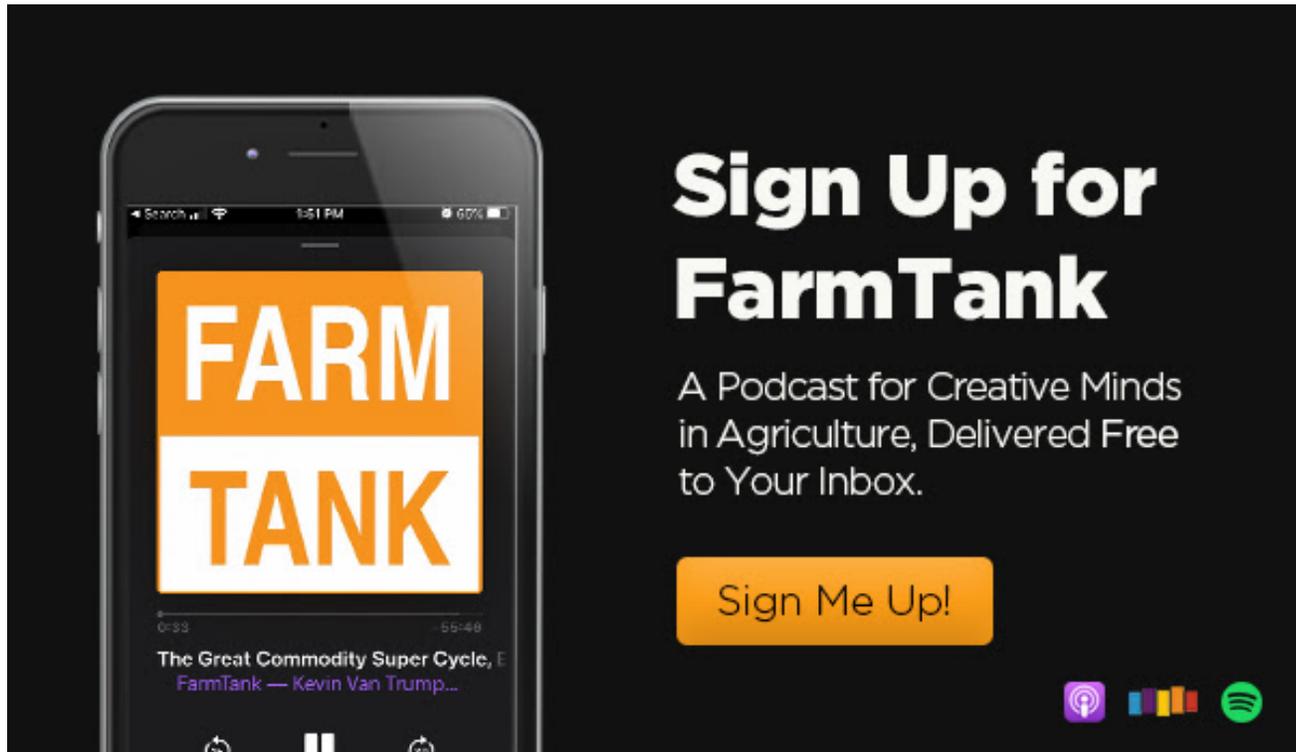
early at good price level. And I have a floor under another 20% just above \$3.50 vs. the DEC20, which isn't really much better than the current price. Normally, I would be a little further along and at much better prices. I'm never one to make excuses, but it's just been a tough year, at least for me. I'll be honest, I've seen a few advisory services do a much better job and have a better average. I guess I'm just always more optimistic and hoping to wake up and see higher prices, so I was apprehensive to get overly sold. Those who tend to be more negative and bearish certainly have had their day in the sun and I tip my hat. I'm ready for a good bullish run, we need a weather story and some improved demand. If those don't happen prices probably sell back off so make your necessary risk adjustments and plan your next move now.

Comparing Quarterly Corn Acreage Estimates {March 2020 vs. June 2020}



@KevinVanTrump

Source: USDA, Planted Acreage, June 2020



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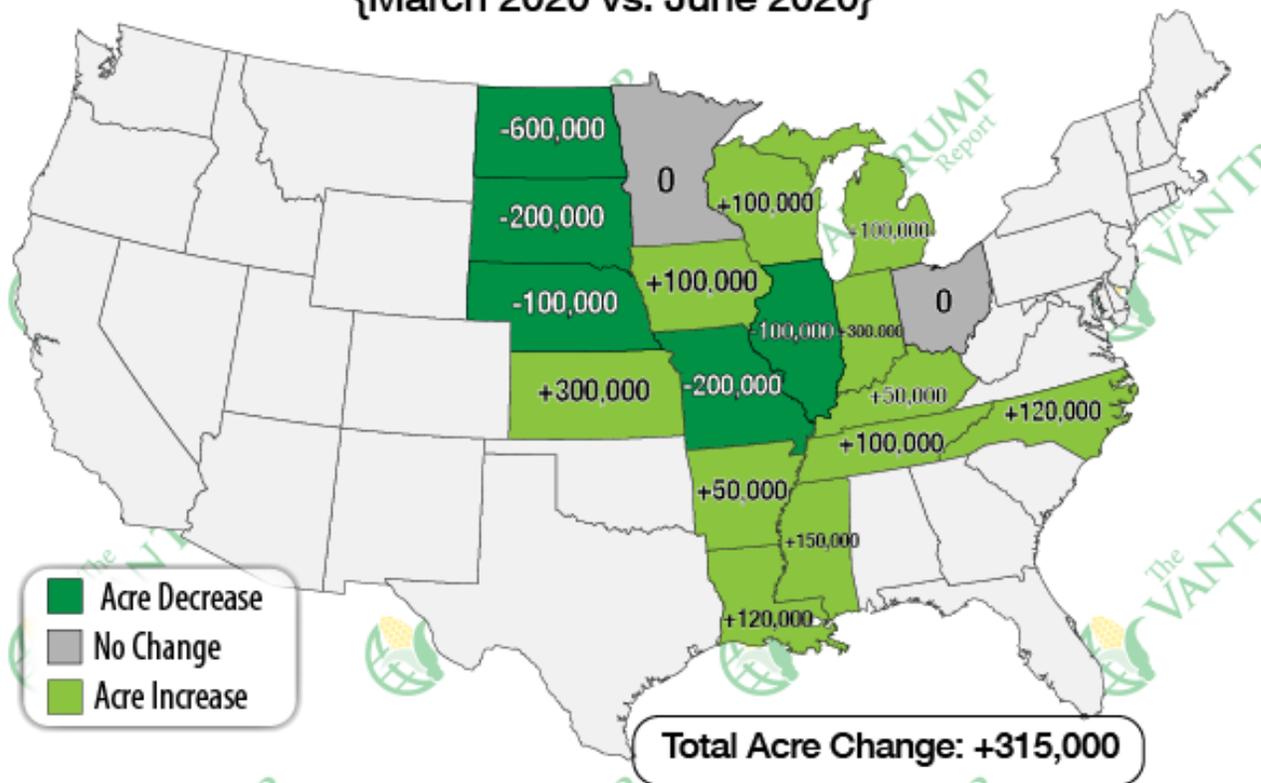
The Great Commodity Super Cycle, E
FarmTank — Kevin Van Trump...

Podcast icons: Apple Podcasts, Google Play, Spotify

SOYBEAN bulls were happy to see the USDA forecast planted acres at 83.8 million, up +10% from last year, but about -900,000 acres lower than the average trade guess of 84.7 million. Bulls were also happy to see the USDA show June 1 stocks reported at 1.386 billion vs. the average trade estimate of around 1.392 billion. Weather in the U.S. provided a little tailwind as forecasts are now showing a more hot and dry start to the month of July. Technically, yesterday was also a constructive day for the soybean bulls. This was the first time the NOV20 contract has closed back above \$8.82 since mid-March. Unfortunately, the trade was not able to take out resistance at \$8.87 per bushel. Some are pointing to a "gap" on the chart up between \$9.00 and \$9.03 as perhaps another upside target. Beyond that, the \$9.10 to \$9.30 area will bring very heavy resistance. In other words, as a producer, I'm going to be looking to price and hedge a few more new-crop bushels somewhere between here and \$9.12, which is the 200-Day Moving Average. I'll probably breakdown the number of bushels I want to price, then break that down into a handful of smaller increments and start feathering in sales or hedges on a rally. I'm still keeping my downside protection in place and have no current spec position. I've now dumped half of my remaining old-crop soybean bushels and have a little bit left to sell just in case there's a late weather rally.

Comparing Quarterly Soybean Acreage Estimates

{March 2020 vs. June 2020}



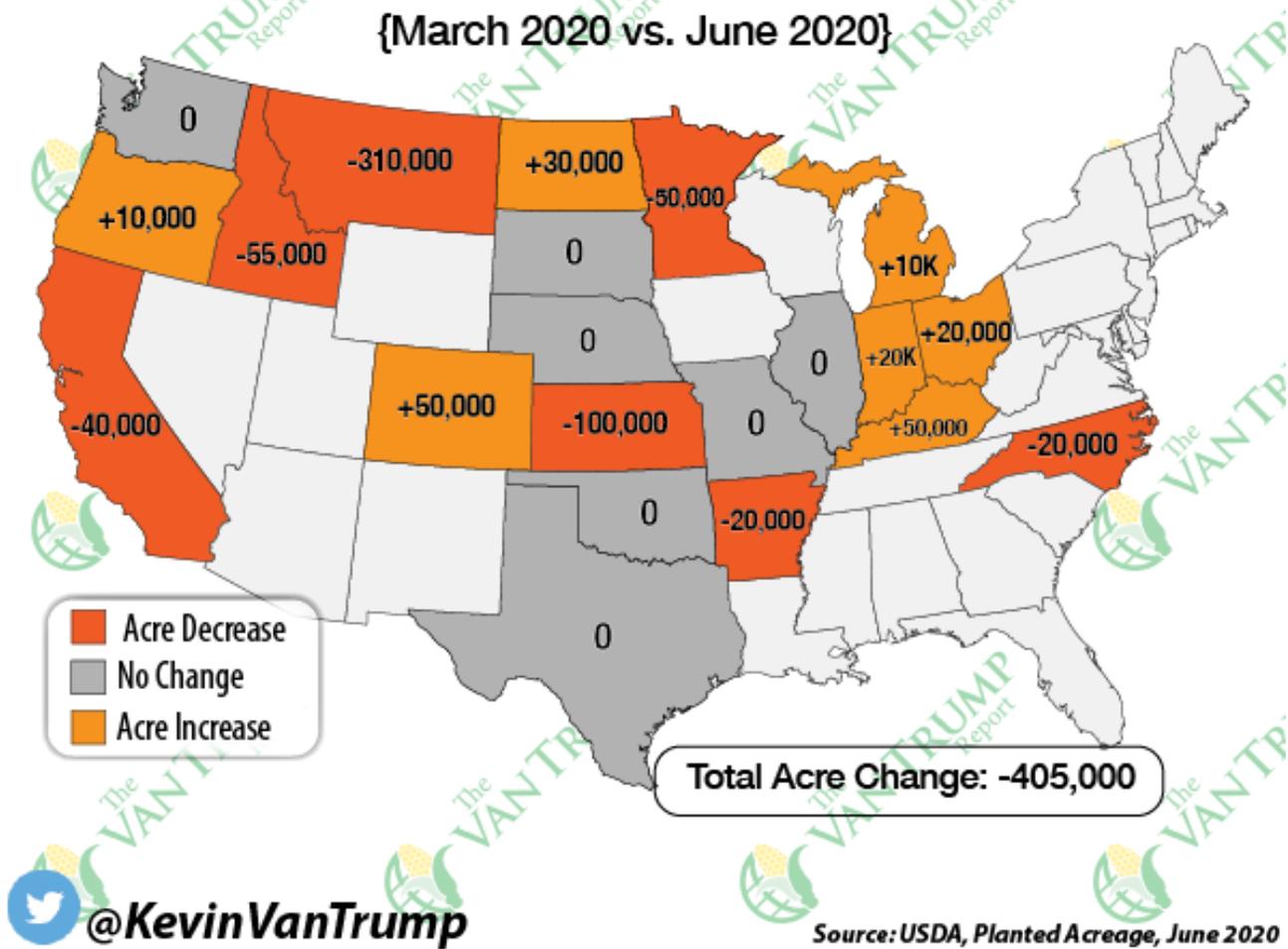
@KevinVanTrump

Source: USDA, Planted Acreage, June 2020

WHEAT bulls were happy to see the USDA estimate planted acres at 44.3 million, down -2% from last year, and the lowest all wheat planted acres since records began in 1919. The 2020 winter wheat planted acres were estimated at 30.6 million acres, down -1% from the previous estimate. Of this total, about 21.5 million acres are Hard Red Winter, 5.63 million acres are Soft Red Winter, and 3.42 million acres are White Winter. Spring wheat acres are estimated at 12.2 million, down -4% from last year, and a bigger reduction than the trade was anticipating. Of this total, about 11.5 million acres are Hard Red Spring wheat. Durum planted acres are forecast at 1.50 million acres, up +12% from last year. Bears are pointing to the continued headwinds created by an advancing U.S. harvest and the USDA's June 1 stocks estimated at 1.044 billion vs. the average trade estimate of around 0.980 billion. Technically, nearby stiffer resistance in the SEP20 SRW contract is thought to be in the \$4.60 to \$4.80 range. Downside support is thought to be in the \$4.20 to \$4.25 range. As a producer, I was an aggressive seller early in the year at much better prices so I've bought myself some time on the 30% of unpriced 2020 bushels. I sold 20% of our estimated 2021 production back when prices were north of +\$5.50 per bushel. As a spec, I remain on the sideline. I'm long corn right now and don't want to get overextended or caught trying to also

manage an uncertain wheat market. I think wheat is going to chop around for a while and be content as a follower...

Comparing Quarterly Wheat Acreage Estimates {March 2020 vs. June 2020}



U.S. Planted Acres

(million acres)

	June #'s	Avg. Trade Estimate	Range of Estimates	2019 Acres	USDA March
Corn	92.006	95.207	93.00 - 97.10	89.70	96.99
Soybeans	83.825	84.716	83.50 - 85.60	76.10	83.51
All Wheat	44.25	44.718	44.20 - 45.10	45.16	44.655
Winter Wheat	30.55	30.849	30.40 - 31.60	31.159	30.775
Other Spring	12.2	12.551	12.15 - 12.81	12.66	12.59
Durum	1.50	1.313	1.20 - 1.44	1.339	1.29
Cotton	12.185	13.153	12.50 - 13.75	13.738	13.703
Sorghum	5.62	5.881	5.60 - 6.15	5.265	5.82
Barley	2.797	2.835	2.50 - 3.00	2.721	2.921
Oats	3.134	2.954	2.70 - 3.30	2.81	3.012
Rice	2.921	2.828	2.60 - 3.00	2.54	2.847

U.S. Grain Ending Stocks as of June 1

(million bushels)

	June #'s	Avg. Trade Estimate	Range of Estimates	Last Year
Corn	5.224	4,951	4,795 - 5,150	5,202
Soybeans	1.386	1,392	1,275 - 1,490	1,783
Wheat	1.044	980	925 - 996	1,080



> Global Farm Subsidies Hit \$2 Billion a Day: *The 54 leading countries of the world spend roughly \$700 billion a year on farm subsidies, equal to 12 percent of gross farm revenues, said the OECD on Tuesday. The average rate of producer support in OECD countries – the industrialized world – is more than double the rate in emerging and developing nations, mostly in Asia, Africa and South America, despite some “convergence” in the past two decades. Government transfers to agriculture are equal to \$2 billion a day. Three-fourths of the supports flowed to individual producers and more than half of the money, or nearly 40 percent overall, was provided through policies with the greatest chance of distorting production. OECD analyst Emily Gray sounded a note of caution about the large U.S. payments of recent years. “Where we say this might become a concern is if these kinds of assistance packages start to discourage producers from adjusting to new market conditions and new climate conditions, and if they discourage the necessary adjustments that are important to improve resiliency in the long term.” Gray said her comments covered the trade-war payments and disaster relief programs created after hurricanes, floods, volcanic eruptions, and wildfires. Read more from [Ag Insider](#).*

> Calls for EPA to Reject "Gap Year" Refinery Exemptions: *Pressure is mounting on the EPA to decide whether to grant more than 50 so-called “gap year” small refinery exemptions. Last week a group of bipartisan U.S. Senators wrote to Administrator Wheeler urging him to deny the petitions. On Monday, Chris Bliley with Growth Energy says the Governors’ Biofuels Coalition did the*

same. "From state capitols to the U.S. Senate, the rural champions are really putting their foot down. Because there's really no excuse to hold back growth in our rural economy and in agriculture by granting these absurd requests." He tells Brownfield EPA must be feeling the heat. "We saw Senator Ernst, and Senator Grassley even today, support the decision to hold back on the nomination of one of the new EPA positions (because of) this issue." Iowa's two U.S. Senators are holding up the nomination of Doug Benevento to be deputy administrator of EPA. Listen to the full interview with [Brownfield Ag](#).

> **DIRECT Act Reduces Red Tape for Smaller Meat Processors:** U.S. Reps. Dusty Johnson (R., S.D.) and Henry Cuellar (D., Texas) introduced the Direct Interstate Retail Exemption for Certain Transactions (DIRECT) Act. This legislation will allow state-inspected meat to be sold across state lines through e-commerce, providing small producers and processors with more options to market directly to consumers. Currently, many states such as South Dakota and Texas have state Meat & Poultry Inspection (MPI) programs that have been approved by the U.S. Department of Agriculture's Food Safety & Inspection Service (FSIS) as "at least equal to" standards set under the Federal Meat Inspection Act (FMIA) and Poultry Products Inspection Act (PPIA). Under the existing framework, however, state-inspected products can only be sold interstate if approved to do so under the Cooperative Interstate Shipping (CIS) Program. Read more from [Feedstuffs](#).

> **Costa Rica Coffee Harvest at Risk:** Coffee connoisseurs across the world prize Costa Rica's gourmet beans, but local farmers warn that if a coronavirus-induced foreign labor shortage is not resolved soon, the crop may rot on the bush. The prospect of a bumper crop this year for the relatively small Central American coffee producer has grown bittersweet as fears grow the harvest may not be picked by the mostly Nicaraguan and Panamanian hands who traditionally do the work. Farmers blame travel restrictions imposed by the government to bar potentially infected visitors from Panama and Nicaragua, which typically account for about two-thirds of Costa Rica's coffee crop workforce. While Costa Rica's coffee exports of around 1 million 60-kg (132 lb) bags are just a drop in global sales, its fine Arabica beans are a staple of the gourmet market. Read more [HERE](#).

> **Shell Secures Biogas Supply:** Royal Dutch Shell said on Tuesday it has agreed to buy renewable gas, known as biomethane, from Denmark's Nature Energy, in what the smaller company termed the largest deal of its kind. The gas will be supplied to Europe's pipeline network from July 1. The size and financial details of the contract were not disclosed. In April, Shell laid out the oil and gas sector's most extensive strategy yet to reduce greenhouse gas emissions to net zero by 2050. Biogas, produced from methanisation of agricultural and other biological waste, could play a key role in Europe's ambitions to become a low-carbon society. Denmark and Germany are pioneers in the nascent biomethane industry, which still depends on government support and has yet to see the

breakthroughs in technology and scale seen in wind and solar power. Biogas competes in Europe with cheaper natural gas imports from countries like Russia and Algeria. Depending on continued political support, biogas has the potential to supply Denmark's entire gas consumption by 2035, up from one-fifth now, according to Nature Energy Chief Executive Ole Hvelplund. (Source: Reuters)

> Amazon Establishes New Aerospace Cloud Unit: *Amazon Web Services announced on Tuesday it was establishing a new space unit called Aerospace and Satellite Solutions, led by former U.S. Air Force Maj. Gen. Clint Crosier — who most recently directed the establishment of the U.S. Space Force. "The aerospace and satellite industry needs the agility, speed, and flexibility that cloud offers. It's one of the first things I heard from a lot of my defense and intelligence customers in the space arena," AWS vice president Teresa Carlson said, adding that she's heard that "eventually we're all going to want the Hulu or Netflix experience when we're in space." While wholly separate from Amazon, founder and CEO Jeff Bezos also runs another space venture called Blue Origin that is developing next-generation rockets and spacecraft such as a lunar lander for returning humans to the moon. Read more from [CNBC](#).*

> Surging Online Car Sales Prompt Shift IPO: *Online used-car seller Shift Technologies Inc. plans to go public in the third quarter, looking to ride the momentum of rivals Carvana Co. and Vroom Inc., whose valuations have jumped as the pandemic propels them past traditional dealers. Shift, founded in 2013, said it would go public through a reverse merger, in which it will sell a minority stake to Insurance Acquisition Corp., a publicly traded special-purpose acquisition company. As dealers shut down for the pandemic, more consumers who have grown accustomed to purchasing other products online moved to buy cars that way as well, said Ivan Drury, an analyst at Edmunds. Together, Carvana, Vroom and Shift sold fewer than 300,000 cars in 2019, less than 1% of the used-car market in the U.S., according to Mr. Drury. The merger marks a quick turnaround for Shift, which two months ago considered shutting down operations in Los Angeles, one of its major markets. Read more from [The Wall Street Journal](#).*

> Converting Shopping Malls to Apartments: *The multiple crises impacting the U.S. economy have delivered a new gut punch to brick-and-mortar retail, a sector that was already reeling. More than half of all U.S. department stores in malls will be gone by 2021, one real estate research firm predicts, and surviving retailers may not be far behind. Last week, the Trump administration floated the idea of turning the glut of empty retail space into affordable housing. At the Alderwood Mall in Lynnwood, a suburb north of Seattle, an adaptive reuse project already in progress suggests that America's vast stock of fading shopping infrastructure could indeed get a second life as places to live. Such transformation could even bring malls closer to the "village square" concept they were initially envisioned to become. Read more from [CityLab](#). On a related note, the biggest U.S.*

mall owner might be making a bid for JC Penney. Check it out [HERE](#).

> **"Sin Taxes" Provide Some Revenue Relief:** Government tax receipts are pretty much down across the board, given the economic havoc created by the pandemic. There is one glimmer of green in this sea of red ink, though: sin taxes, the taxes that governments toss on to cigarettes, alcohol, gasoline and other vices. In Michigan, tax collections are down in every single category except smokes, which saw tobacco tax receipts up 1.6 percent to \$73 million in May, and up 0.1 percent year to date. Those taxes account for 4.5 percent of state tax collections in Michigan, so the power of cigarettes to maintain robust sales in a respiratory pandemic is, perversely, fairly welcome news for state bookkeepers. It's not just tobacco, either: take Colorado, where liquor taxes rose from \$3.4 million in February to \$4.4 million in March. Read more from [Stateline](#).

> **Coronavirus Saps Summer Fun:** Summer's arrival is coinciding with surges in new virus cases around the country. That's putting a damper on national pastimes as people reconcile how to protect their families while celebrating ritual and tradition. 78% say attending a July 4 celebration this year would be a large or moderate risk, and 83% say indoor weddings carry a large or moderate risk, in Week 15 of the Axios-Ipsos Coronavirus Index. "We won't know until it happens exactly how much it affects behavior, but I think this is a leading indicator this may be a seriously dampened or toned down Fourth of July," says Cliff Young, president of Ipsos U.S. Public Affairs. Across all states, the survey shows people may be easing back on re-engaging in general. 45% visited friends and relatives, down from 49% the week before, while 37% now see a large risk with returning to their normal pre-coronavirus lives, up from 30% a week ago. 27% say attending gatherings of friends and family outside of home is a large risk, the highest share in a month. The full results are available [HERE](#).

> **Nathan's Famous Hot Dog-Eating Contest:** Despite the coronavirus pandemic canceling sporting events all across the country, the 2020 Nathan's Famous Hot Dog-Eating Contest is going to go on as scheduled. On Saturday, July 4, fans can tune in and watch on ESPN. ESPN commentator Mike Golic Jr. will do play-by-play of the eating competition. The show will also include an in-depth analysis by Major League Eating's Richard Shea, with reporting by ESPN's Jason Fitz. The coverage will feature Joey Chestnut competing for a record 13th title in the men's contest against 5 other competitors, and Miki Sudo, who will be competing in the women's contest for her 7th title. More details available [HERE](#). If you've never seen the contests - or just want a walk down pre-corona memory lane - here's some footage from last year's contest [HERE](#).



Northwest Iowa - *Our crops are surprisingly good considering the hail storm our area received not long ago. Some of our neighbors were not so lucky and were left with only 10% of their leaves still attached. Our corn is shoulder high and has awesome color at the moment. The beans look good but the 30" rows have still not closed over. We've had to resort to cultivating our beans after it was rightfully determined by our local sprayers not to do our fields with dicamba as fields on all sides were not protected. The guys up here are doing a good job of selectively choosing where to spray to keep everyone happy. Unfortunately, that means we may be walking our beans as the water hemp has gone supernova and isn't responding to anything we've sprayed yet.*

Southern Minnesota - *My family's farm is trying to do some organic acres. In our area, we really struggle with demand for anything but soybeans and corn. Alfalfa is hard to get up before the rain every other day and not much of a market close by. So we are growing first-year corn and were thinking of just planting a cover crop for year two of transition. We have a consultant on the organic side who recommended we plant cereal rye as a cover crop after our first-year*

transition crop to keep the weeds down the next year. We broadcast seeded it and it came up nicely this spring. I had planned on disking it down but then was told to combine the rye. While trying to find someone interested in buying my harvested rye, we found a gentleman who convinced me to plant into the rye and then crimp it. I have obviously heard about it and seen pictures but no one has done this in our area. I rent a crimper and saw mixed results getting the rye to lay down. I am guessing this is because we planted it way too thin. We only planted around 40 lbs as we had no plans on doing any of this when we broadcast the rye. We crimped some of it twice and there is still a fair amount of standing rye. Just drove the soybeans today and it is basically weed-free, so very happy about that.

East Central Kansas - *I'm assuming my corn will be toast, due to a lack of moisture. Hopefully, I am wrong but I am trying to put together a plan just in case. We have had 0.65 inches of rain in June, with no rain in sight. It has pretty much used up the reserves from our wet May. I am thinking it would possibly be a good idea to plant wheat into the corn to try and utilize the remainder of the nitrogen applied in April. If we plant wheat around October 1st I'm hoping that our post applied herbicide will not create any problems with the wheat.*



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: Where was the Declaration of Independence signed?



Cornhenge... From Scorn to King of Corn

Cornhenge is the affectionate nickname given to the 109 concrete ears of corn memorializing the lost agricultural heritage of the Dublin, Ohio region, an area that like many, has been swallowed up by development on all sides. I should mention that the display also pays tribute to agricultural researcher Sam Frantz, who used the site as a test plot for his corn hybridization experiments while he farmed it from 1935 to 1963. I'm told Frantz was well known for his work and when he retired, the land was donated to the city and is named The Sam and Eulalia Frantz Park, home of the Concrete Corn.

Now a renowned travel destination in the state, the officially named, Field of Corn with Osage Oranges, wasn't a local favorite during the planning and development stages. When Cornhenge was created in 1994, it instantly became a joke among some residents and an object of ridicule among those who were rubbed the wrong way over public money being used for the project. Interestingly, Dublin Arts Council Executive Director David Guion's reaction to the public backlash was simply to say that public art should inspire an emotional response, and the Field of Corn has certainly done just that. But as with any field of dreams, if you build it, they will come - and they did.

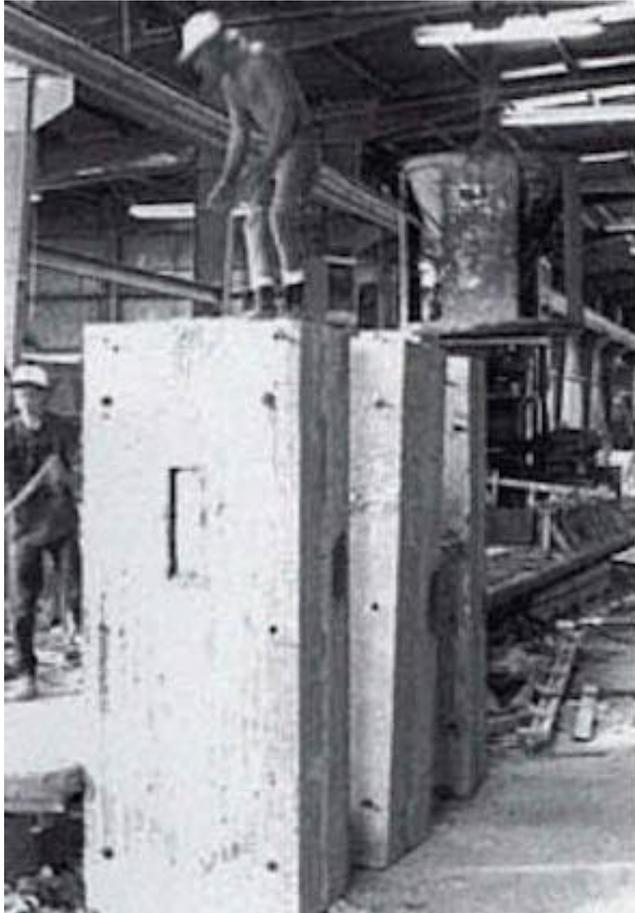
Over time, the Field of Corn has been accepted and since 2008, the now popular display has received "Best of Columbus" honors by readers of Columbus Monthly magazine each year, including four #1 awards as best public artwork in central Ohio. Project artist Malcolm Cochran used three different molds to cast the concrete ears of corn, which stand about 6 feet tall and represent the breed known as Corn Belt Dent Corn, a double-cross hybrid variety that Frantz had a hand in. I'm told in order to give each ear a unique and distinct appearance they have been rotated in several directions. And by the way, don't worry about knocking one over when you visit because each ear weighs in at around 1,500 pounds!

According to Cochran, his design layout with the corn also had a deeper meaning. As he explains, white concrete was chosen to deliberately mimic to the rows of crosses at Arlington National Cemetery. Ultimately, Cochran is memorializing agriculture and by extension, the way of life and regional identity that has been replaced by corporate offices and housing developments.

If you find yourself in the area, be sure to stop by. There's no charge and you can

read all about the history of the region on five large bronze plaques that go back to when the Native Americans resided there. It's definitely different but a great tribute to our heritage as American Farmers and worthy of a bit of reflection on all the generations who came before us and blazed a trail into the great unknown. Something I suspect many of us will have to do again soon as the ag landscape continues to change as technology advances. Check out the pic below of our AgSwag mascot "Gary the Goat", who took a little field trip out to see Cornhenge :) (Sources: RoadsideAmerica, radio.wosu.org, good.is, atlasobscura, Wiki)

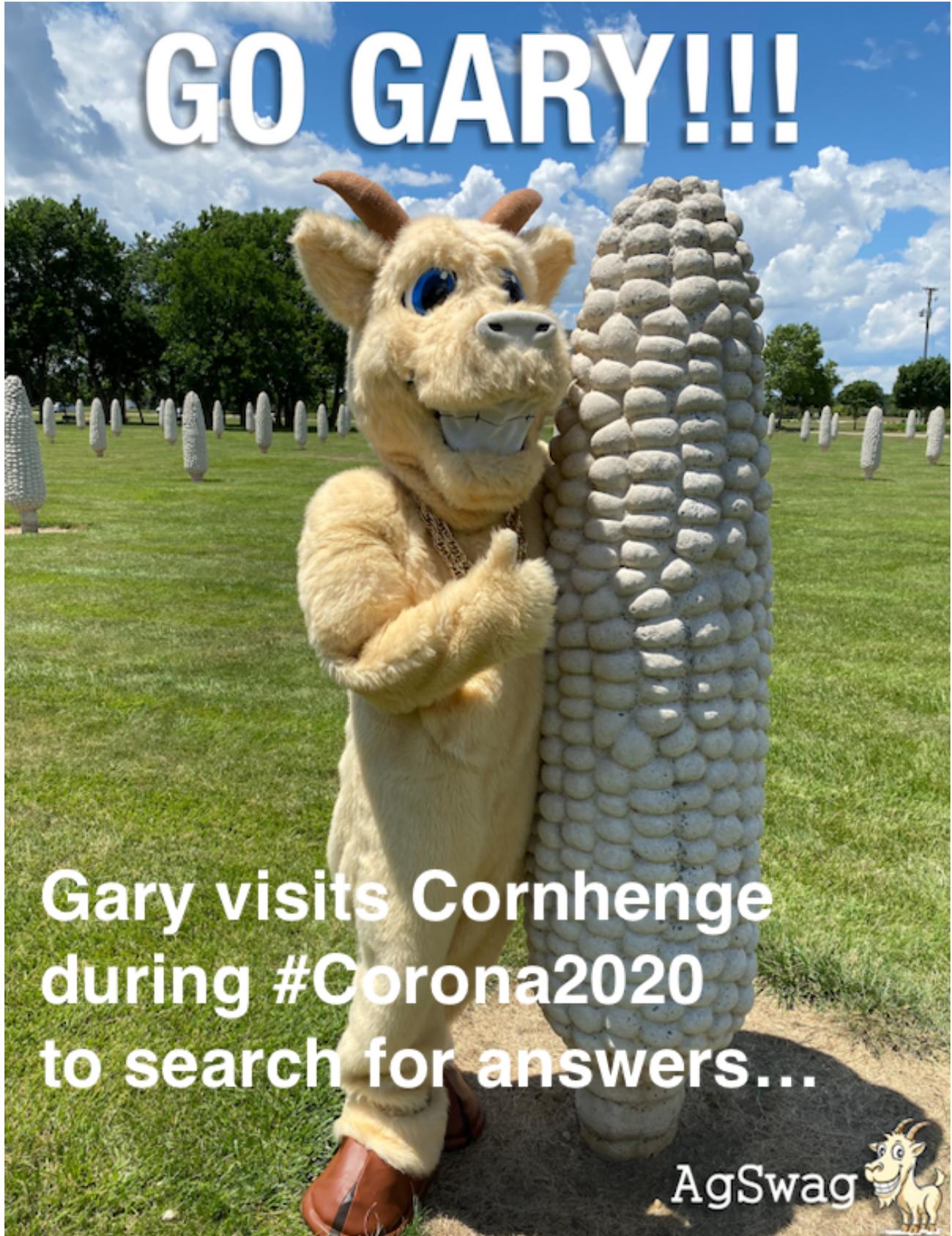






FIELD OF CORN

Dublin, Ohio







Coronavirus Pushing Faster Adoption of Autonomous Vehicles

Delivery services have become essential for Americans that are stuck in lockdown or more vulnerable to coronavirus. For many, a trip to the pharmacy sounds like a high-risk proposition where the odds of crossing paths with a sick person are probably increased. And at the height of the pandemic, services in many areas were stretched thin with simply not enough delivery people to meet demand. Enter Nuro, an autonomous vehicle that CVS will be using to deliver prescriptions in Texas.

The autonomous Prius vehicles deliver prescriptions and other items in the Houston area under a pilot program. Orders can be placed via the CVS website or the CVS pharmacy app under the "autonomous delivery" option. Only one CVS pharmacy is part of the initial pilot but they plan to branch out to other stores. Customers access their delivery by confirming their identification when the Nuro car arrives.

Nuro was founded by two former Google engineers in 2016 and has primarily focused on food and grocery delivery in Arizona and Texas up to this point. In addition to their retrofitted autonomous Prius fleet, Nuro has what they call an "R2" vehicle which the company designed and built from the ground up. The R2 is the first autonomous vehicle to receive a federal exemption to be mass-produced without traditional controls like steering wheels, side mirrors, or windshields that can be seen through. Meaning it is a truly driverless vehicle.

Due to stay-at-home orders issued earlier this year that banned nonessential transportation, Nuro was forced to shut down its self-driving pilots in California. But co-founder Dave Ferguson said they soon realized their vehicles could play an important role in helping health care workers. With just a few alterations, the driverless vehicles were converted to contactless delivery systems and used to ferry medical supplies around for two different overflow field hospitals in California.

The Prius vehicles being used in the CVS pilot are also currently used in the Houston area for some grocery deliveries. From what I understand, the Prius fleet still requires one on-board safety driver but the delivery is totally contactless. It's not clear when they plan to introduce the R2 vehicles for CVS delivery but they are already in use under a very limited pilot program Walmart has running in Houston. You can learn more at Nuro's website [HERE](#).

Autonomous delivery vehicles might actually be a better choice than the little cooler-sized delivery robots that a lot of companies have been looking at adopting. I've seen a lot of stories about them being used during the pandemic but it's hard to see widespread use continuing outside more contained spaces, like college campuses, once foot and vehicle traffic returns to city streets. No matter what, the growth in demand for delivery services brought on by the pandemic is largely expected to hold so investors are going to be closely following the early

successes.

I'm also thinking the complications associated with the coronavirus gives the companies already in the space an even bigger headstart. I have to imagine companies like Tesla, Waymo, and a few others already deep down the path have more available capital and staying power. Those who might have started heading that direction or allocating a few dollars that way will now be forced to scrap that plan because they need all available dollars and people to help keep their cor business afloat. Lots to think about... (Sources: The Verge, Tech Crunch, Robot Report)







Happy Birthday America... Let's Hope We Can Find Common Ground!

I suspect like most, we will be celebrating Independence Day at home this year. Since our office will be closed for the rest of this week as well as some of next week, I guess I will have some time to finish up a few more projects around the house.

I wanted to take a quick moment and wish everyone a safe and happy "Independence Day." What an amazing and important day of recognition for our great nation! This day commemorates the adoption of the Declaration of Independence. The Continental Congress declared that the thirteen American colonies regarded themselves as a new nation, called the United States of America, and were no longer part of the British Empire.

This is a crazy time we now live in. I hope somehow we can soon find that common ground that makes us ALL American's. Several recent studies and polls have shown us that +80% of Americans feel less "safe" and less "free" this year than last year. That's not surprising in light of the restrictions that the coronavirus has put on everyday life, and the recent riots and uprising across the country.

What I hate most is that the algorithms, media, and computers have found a way to define and exploit our differences, which ultimately drives us further apart. I guess things like god, family, tradition, heritage, etc... just aren't sexy enough to sell in today's world. Instead, it seems like better business is to promote something to hate or a cause to be against.

I was hoping this coronavirus pandemic was sent to bring us all closer together as we fight a centralized "bad guy", so far, that hasn't been the case. In fact, perhaps it has been a bit of the opposite. I challenge everyone to take some time this week to think about the things all Americans have in common rather than the things you have come to dislike or even hate about others. I had a coach one time tell me that my job was to try and identify and steal one good thing from every player or coach I came in contact with and try to learn from that strength or trait. Instead, most amateur players, crazy parents and fans look for the bad things and weaknesses in opposing players and coaches. We can't let the computers and social media beat us... we have to find a way to start finding common ground and looking for the good not the bad!

Below are some cool facts and stories that I hope you find interesting:

Many Of Our Founding Fathers Predicted It Would Be Forever Remembered: *In fact, John Adams wrote a letter to his wife Abigail Adams on July 3rd, 1776, stating, "This day of July, 1776, will be the most memorable epoch in the history of America. I am apt to believe that it will be celebrated by succeeding generations as the great anniversary festival. It ought to be commemorated as the day of deliverance, by solemn acts of devotion to God Almighty. It ought to be solemnized with pomp and parade, with shows, games, sports, guns, bells, bonfires, and illuminations, from one end of this continent to the other, from this time forward forevermore." Though, Adams wishes didn't come true till 1783 when Boston made "Independence Day" an official holiday. This has been a tradition throughout the US ever since.*

We Could Be Celebrating On July 2nd, But... *The Continental Congress voted for America's independence on July 2, 1776. If John Adams were still alive today he would tell everyone to celebrate our independence on the 2nd. John Adams himself even though July 2 should be marked as a national holiday for generations to come. We don't shoot fireworks off this day because Congress didn't approve the Declaration of Independence till two days later on July 4th. Imagine that...a delay in Congress :)*

Coincidence or Crazy? *Believe it or not, both John Adams and Thomas Jefferson, the only signers of the Declaration of Independence later to serve as Presidents of the United States, died on the same day: July 4, 1826, which was the 50th anniversary of the Declaration.*

What are the Dunlap Broadside? *Declaration of Independence first published copies were called the Dunlap Broadside. Many people may recognize this document as the one John Hancock's name was printed largely on the bottom of. These copies were published on the night of July 4th, 1776 and originally printed in an estimated run of around 200 copies. These documents were called the Dunlap Broadside because they were printed by John Dunlap from Philadelphia. The main purpose of the broadside was to distribute them throughout the thirteen states to let everyone know the news. The broadside part of the name comes from what they called back in 1776 a large printed piece of paper. Out of the 200 copies originally published only 26 remain in existence today. The most recent Dunlap Broadside discovered was on July 2, 2009, in The National Archives in Kew, England.*

How Much Do We Spend On Fireworks? *It won't be much this year with so many of the public displays and parties canceled, but in 2019, an estimated value of over \$850 million was spent on fireworks on July 4th alone. Keep in mind, Massachusetts still doesn't even let consumers buy fireworks. This also does not take into account all of the money spent days leading up to the holiday. It's hard to believe, but only 44% of America's firework displays are held on the 4th of July.*

Pounds Of Fireworks Per Person Rapidly Rising: *Americans shoot off almost 1 pound of fireworks each year for every adult. And this figure has grown rapidly in recent years, from half a pound per adult in 2000. In 1976, the United States' bicentennial, the figure was just one-sixth of a pound annually.*

Fewer Pros More Rookies: *Back in 2000, roughly one-third of all fireworks were set off during professional displays, the kind that light the skies of cities around the world on holidays like New Year's Eve and national celebrations. By 2017, professional displays comprised less than 10 percent.*

Injuries From Fireworks: *Sadly, an average of 7 people die each year due to firework injuries. Interestingly, the number of injuries has dramatically come down over the years. I remember back when I was kid, everybody and their brother would be getting hurt on July 4th. In fact, back in 1986, fireworks injured about 6.6 out of every 100,000 people. Since 1986, injuries have steadily fallen and were most recently reported at just 2.3 injuries per 100,000 people. The past couple of years, an average of only 760 people visited the hospital with injuries related to fireworks on July 4th. Men suffer about 70% of fireworks injuries.*

Keeping The Grills Going: *According to the Hearth, Patio & Barbecue Association, the Fourth of July is the most popular day for barbecuing on a grill. The National Retail Foundation estimated Americans spend almost \$7 billion on total food to celebrate the 4th of July. Over +\$800 million is generally spent on beef; +\$370 million on chicken; +\$215 million on pork; +150 million on hotdogs; +\$135 million on bacon; +\$125 million on sausages; +\$85 million on shrimp; +\$50 million on turkey; +\$48 million on salmon; +\$43 million on BBQ sauce. There are also many millions spent on Berries, Cherries, and Tomatoes.*

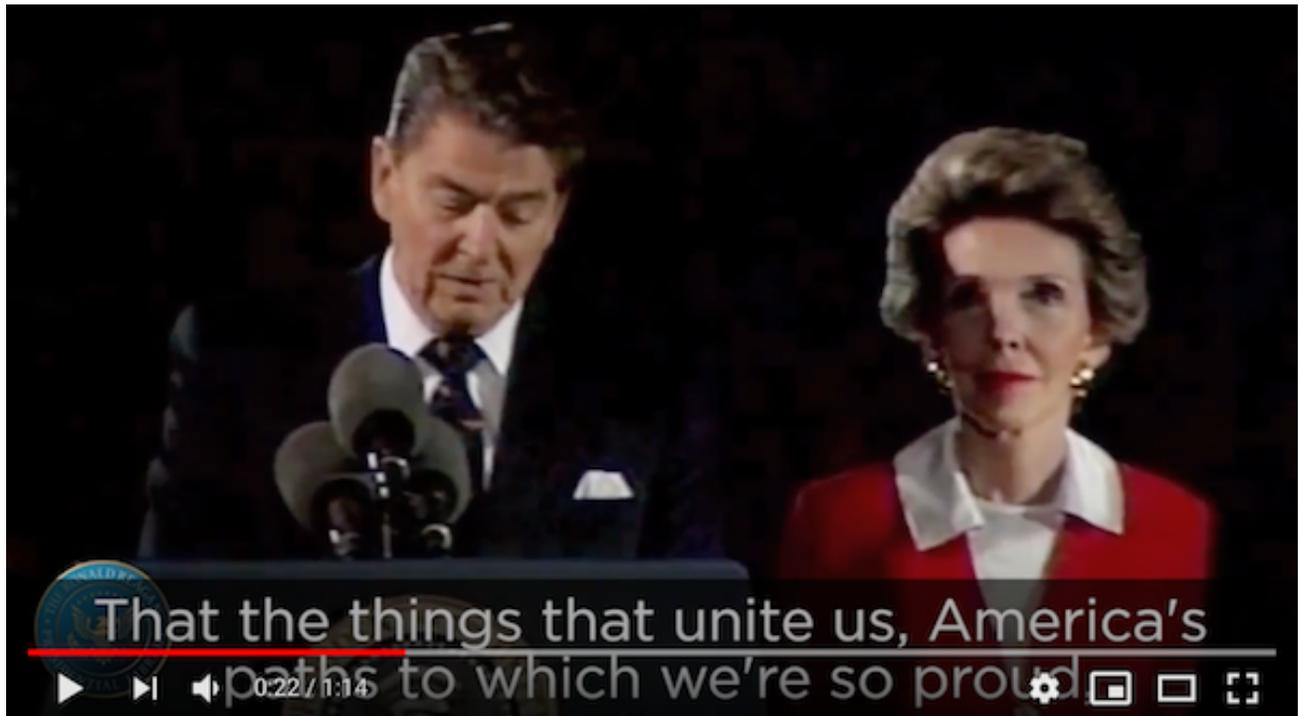
Celebrating With Alcohol: *July 4th is actually America's top beer-drinking holiday each year. An estimated amount of over \$1 billion was spent on beer the last 4th of July. What many people don't know is the Revolutionary War fighters celebrated with rum. George Washington ordered a double ration of rum for American soldiers to celebrate on Independence Day in 1778.*

What About Travel This Year? *Over +49 million Americans traveled +50 miles away to celebrate the 4th last year. I doubt as many people travel that far this year. AAA did not release either Memorial Day or July 4th travel forecasts this year, explaining that the pandemic has undermined the accuracy of the economic data used to create these forecasts. But it predicts that summer travel between July 1 and Sept. 30 will be down 14.6% from last year. While road trips are dipping 3.3% by its estimates, air travel is expected to drop 74%, while traveling by rail, cruise ship and other forms of transportation could plummet 85.5%. Not surprisingly, most Americans have had to either cancel (38%) or postpone (37%) their summer plans this year, and only 25% say their summer plans have been kept.*

Old Glory: *The modern American Flag was designed by a high school student. The story is in 1958,*

a history teacher assigned Heft and his classmates at Lancaster High School to each redesign the national banner to recognize Alaska and Hawaii, both nearing statehood. Heft, who was 16 at the time, crafted a new flag from an old 48-star flag and \$2.87 worth of blue cloth and white iron-on material. His creation earned him a B-minus. Heft's teacher later changed that grade to an A after Heft's flag was sent to Washington, D.C., and selected by President Dwight D. Eisenhower, becoming the official national flag in 1960. The rumor is Heft was one of thousands to actually submit a flag design with alternating rows of five and six stars. But apparently he was the only person who actually took the extra steps to stitch together a flag and ship it to D.C.. Just shows you what going the extra mile can do for you...

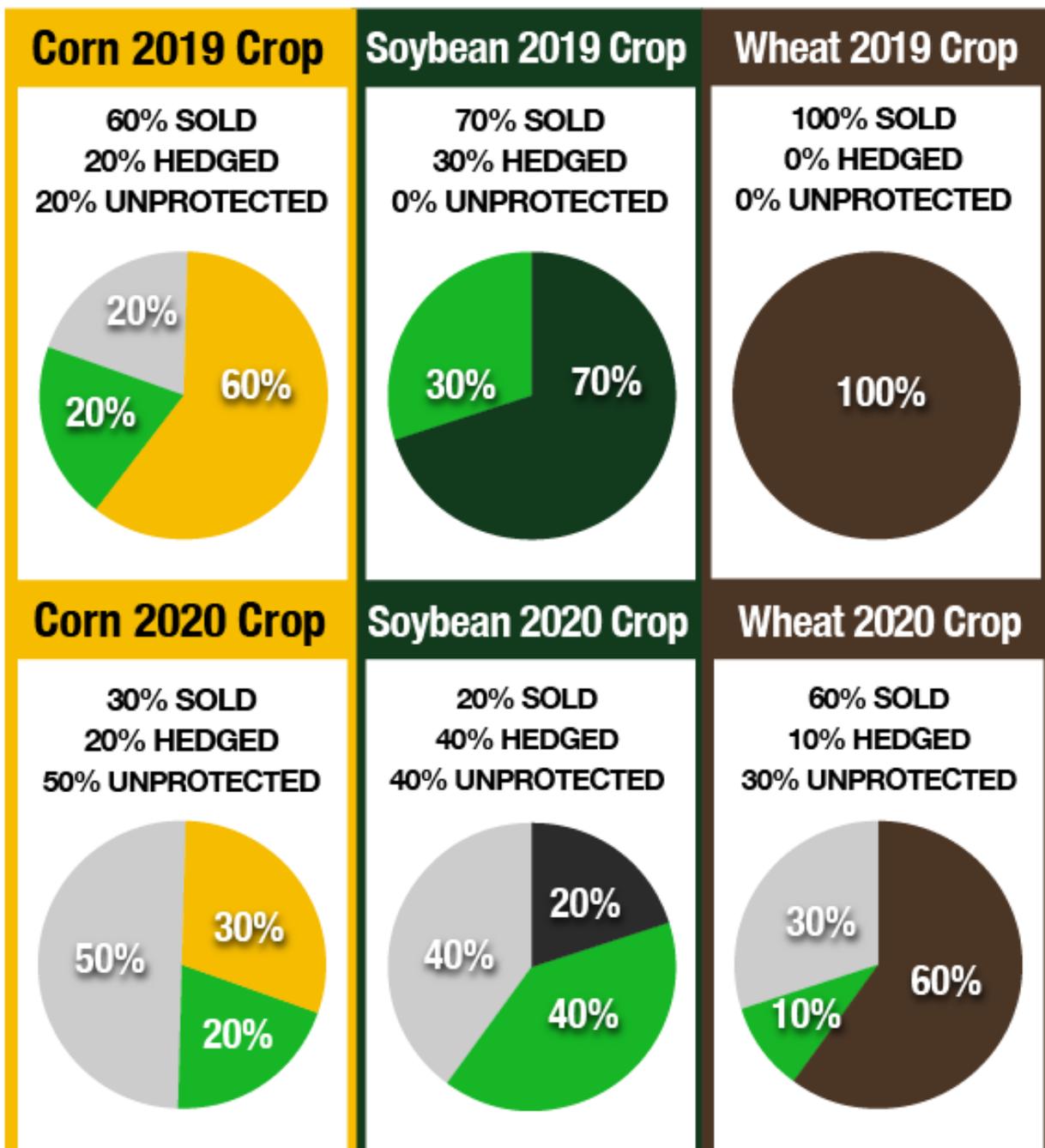
Worth the Listen: Quick 1-minute speech from Ronald Reagan, July 4th, 1986...
Click [HERE](#)

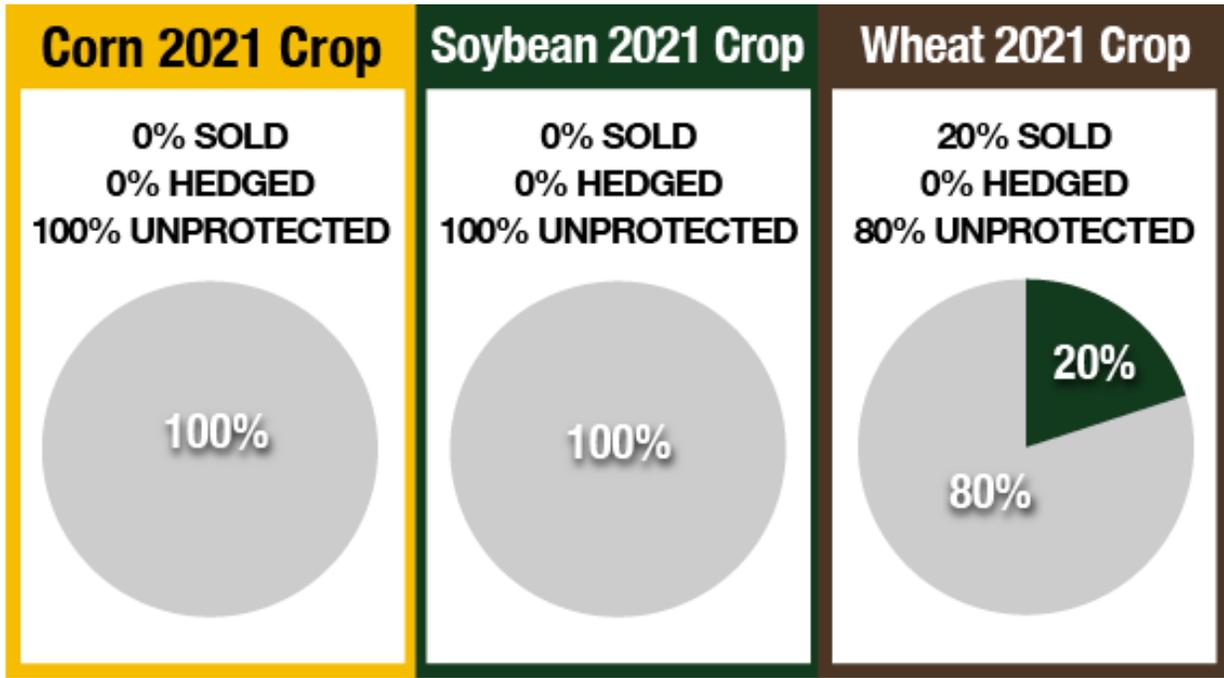


ANSWER to riddle: On the bottom.



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