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GOOD MORNING: The Van Trump Report 7-10-20

1 message

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

Fri, Jul 10, 2020 at 5:30 AM

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To: jordan@farmdirection.com



"Older men declare war. But it is the youth that must fight and die." - **Herbert Hoover**

Friday, July 10, 2020[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investor enthusiasm about the U.S. reopening continues to be tested as the ongoing pandemic casts a relentless shadow over the economic recovery and U.S. politics grow more complicated. The U.S. labor market by the numbers indicates steady improvement but the bears point to longer-term uncertainty. Bed Bath & Beyond announced they were closing several hundred stores and Wells Fargo announced plans yesterday that they will eventually be eliminating tens of thousands of positions due to pressure to "dramatically reduce costs". As the hits keep coming, a rocky economy is also bringing more uncertainty on Wall Street about the November elections. Most oddsmakers now have the Democrats with a commanding lead to win the White House and perhaps sweep Congress. Many recognize and fully discount these are just "polls" and "surveys" which failed miserably in predicting the last November presidential election. If the coronavirus is in full-swing this fall there is going to be a ton of uncertainty and questions regarding the early-November election and I promise there are no polls or surveys that can currently predict the outcome or who will actually go out and vote. Overseas, coronavirus outbreaks are also flaring and

resurging in countries that had earlier brought it under control, so it's not just the U.S. that is struggling. Tokyo and Hong Kong are seeing new record infections, Australia locked down the city of Melbourne again, and even South Korea, an early success story, is again struggling to control outbreaks. Looking to next week, regional Federal Reserve indexes will help shed more light on how the recovery is going for the manufacturing sector, while June Retail Sales will help investors get a better sense of how consumer spending is being impacted. June Housing Starts and Permits and the first read on June Consumer Sentiment are also due out. Next week's real highlight will be the "unofficial" start of second-quarter earnings season, which kicks off with results from JP Morgan Chase, Citigroup, and Wells Fargo on Tuesday.

I've Said it Before... So-Called "Smart-Money" May No Longer Be Smart Money: *Retail investors now account for roughly 20% of stock-market activity on average and nearly one-quarter of trades on peak days, Joe Mecane, the head of execution services at Citadel Securities, said in an interview on Bloomberg TV on Thursday. By contrast, individual investors made up just 10% of the market's trades in 2019. That share then crept to 15% as popular brokerages including E*Trade, TDAmeritrade, and Charles Schwab erased their commission fees and lowered the barrier to entry for casual traders. (Source: [BusinessInsider](#))*

Tesla "Very Close" to Achieving Level 5 Autonomous Driving Technology: *CEO Elon Musk said on Thursday, "I'm extremely confident that level 5, or essentially complete autonomy, will happen, and I think will happen very quickly." Essentially referring to the capability of the vehicle navigating roads without any driver input.*

'67 Corvette May Become Most Expensive Ever Sold at Auction: *Collectible Corvettes often sell for mind-boggling sums, but this '67 Chevy may just take the cake. The ultra-rare ride is expected to reach a cool \$5 million, which would make it the most expensive Corvette ever sold at auction. That's all thanks to its high-performance L88 package, which was fitted to just 20 examples of the Corvette during 1967. This particular model has been deemed the "Ultimate L88" by auction house Mecum and is considered to be the finest example to go under the gavel. Unsurprisingly, it has a price tag to match. The car has a pre-auction estimate of between \$4 million and \$5 million. Learn more [HERE](#).*



The advertisement features a smartphone on the left displaying the FarmTank logo, which consists of the word "FARM" in white on an orange background and "TANK" in orange on a white background. Below the logo, the text "The Great Commodity Super Cycle, E" and "FarmTank — Kevin Van Trump..." is visible. To the right of the phone, the text "Sign Up for FarmTank" is displayed in large white font. Below this, 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, there are icons for Apple Podcasts, a multi-colored bar, and Spotify.

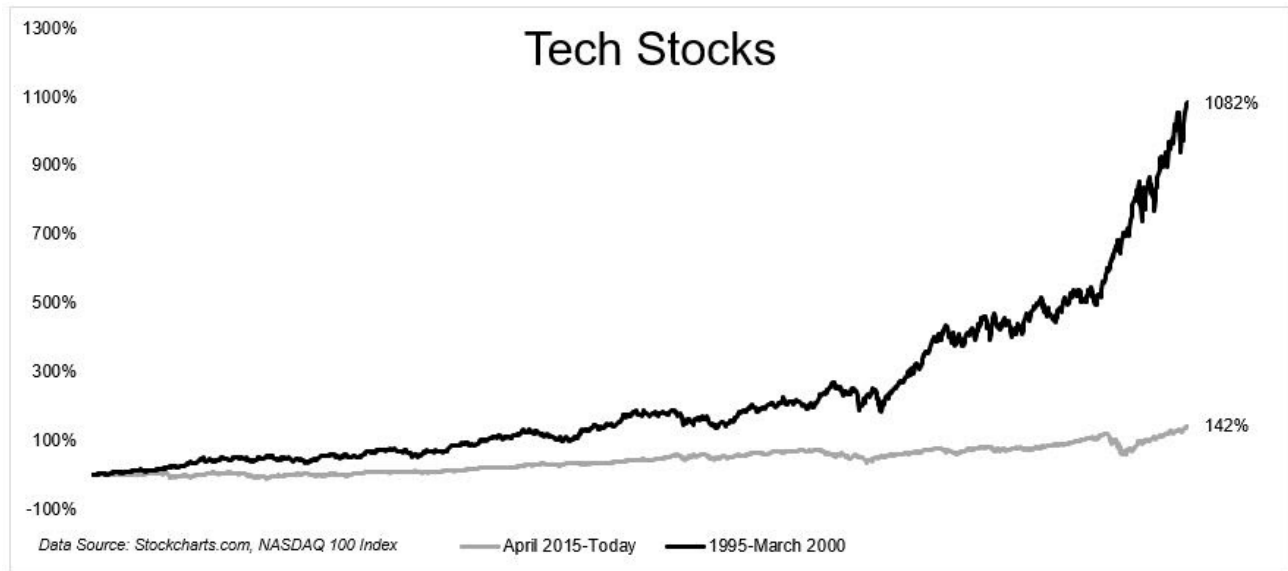
Worries Piling up for U.S. Rental Market: *The National Multifamily Housing Council (NMHC)'s [Rent Payment Tracker](#) found 77.4 percent of apartment households made a full or partial rent payment by July 6 in its survey of 11.4 million units of professionally managed apartment units across the country. This is a 2.3-percentage point decrease from the share who paid*

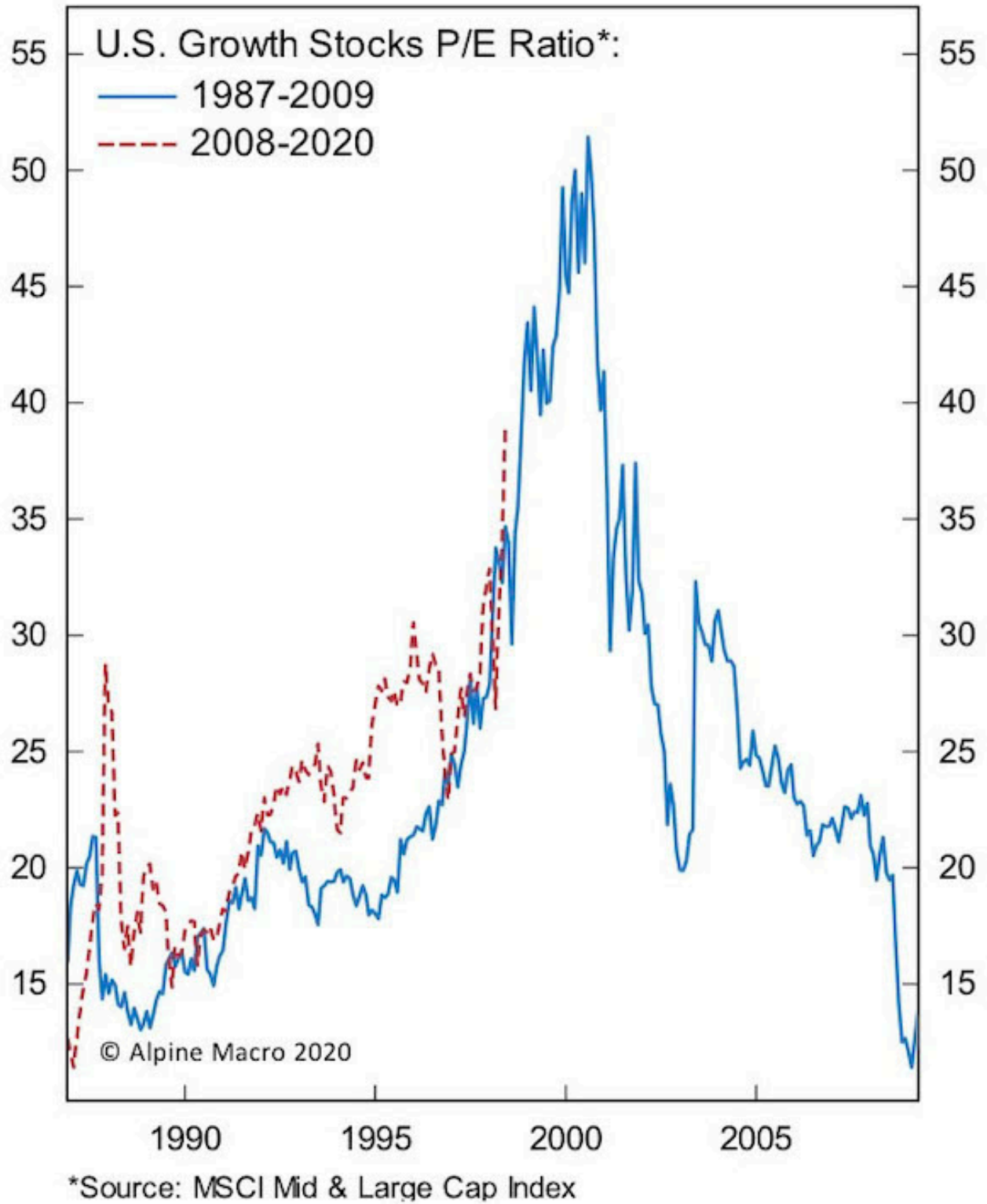
rent through July 6, 2019 and compares to 80.8 percent that had paid by June 6, 2020. In the previous surveys, over the last few months, people were paying their rents at about the same pace as last year. NMHC President Doug Bibby points out the looming July 31 deadline when extra unemployment aid ends and many eviction moratoriums end. Without an extension or a direct renter assistance program, NMHC says the U.S. could be headed toward historic dislocations of renters and business failures among apartment firms, exacerbating both unemployment and homelessness. In New York, the rental market just experienced its worst June in more than a decade with more than 10,000 apartments on the market, an increase of 85% over June 2019. The official vacancy rate hit a record 3.67%, but is far higher in many buildings, according to brokers. Overall, the number of new leases signed for three-bedroom rentals in Manhattan fell by -42% in June compared with a year earlier. That follows a plunge of -62% in May. Read more from [CNBC](#).

Will the U.S. Ban TikTok? Rumors have circulated the last few days of the U.S. banning the social media platform TikTok. For those not familiar, India recently said it would ban 59 China-based apps and services, including ByteDance's TikTok, Alibaba Group's UC Browser and UC News, and Tencent's WeChat over cybersecurity concerns. In the U.S., officials cite worries that the Chinese government is using the app to collect data on Americans, pointing to accusations by many other countries that TikTok collects way more data than it needs. Earlier this week, U.S. Secretary of State Mike Pompeo said the Trump administration is "looking at" banning TikTok and advised Americans to forego loading up on Chinese social media apps like TikTok if they don't want their "private information in the hands of the Chinese Communist Party." The U.S. military has actually banned its members from using TikTok. The company reported 30 million monthly active users in the U.S. as of May, most popular with people between 16 and 24 years old. The U.S. represents nearly 20% of lifetime user spending on the app, the second-most of any country behind China. TikTok owner ByteDance said yesterday that it was considering establishing a headquarters for the app outside of China in order to distance the app's operations from the related political ramifications. ByteDance counts U.S. investor heavyweights such as Coatue Management, General Atlantic, and Sequoia Capital among its backers.

Today's Mega Cap Rally VS 90s Tech Bubble: Michael Batnick over at Irrelevant Investor believes that comparisons between the current rise of mega cap tech stocks to the late 90s is somewhat misguided, something he's been saying for several years now. Back in June 2018, he noted that "The gains have been extraordinary over the past five years, with Facebook, Apple, Amazon, Microsoft and Google growing from \$1.2 trillion to near \$4 trillion." Fast forward to today and the gains have been extra extraordinary,

growing from \$4 trillion to \$6.5 trillion. These 5 stocks now represent 23.3% of the S&P 500. Combined, they are worth as much as the smallest 369 companies in the S&P, and three times as large as the entire Russell 2000. And yet, even with this massive growth, in terms of overall returns, the tech bubble makes this period look quaint by comparison. Today's stocks aren't as crazy as they were back then, but that doesn't mean they're not a little nuts. Read more [HERE](#).





FARM TANK

Tweets of the Day



Dare Obasanjo
@Carnage4Life



These streaming subscriptions are getting out of hand.

Annual Streaming Price



\$108



\$72

You  Red

\$120



\$132



\$84



**HARVARD
UNIVERSITY**

\$50,420



Charlie Bilello ✓
@charliebilello



Big tech returns in 2008 recession...

\$MSFT: -44%

\$AAPL: -57%

\$GOOGL: -56%

\$AMZN: -45%

\$QQQ: -42%

Big tech returns YTD in 2020 recession...

\$MSFT: +34%

\$AAPL: +28%

\$GOOGL: +12%

\$AMZN: +65%

\$QQQ: +22%



Douglas A. Boneparth ✓
@dougboneparth



Maybe the Brooks Brothers bankruptcy is a good thing?





Laura Boroughs-Haffner
@LBHaffner



Last night in Oklahoma. [#harvest20](#) [#wheatharvest](#)





Fred Butt
@FredButt6

Crescent City, IL

2020 corn 🌽 in central Iroquois co. Plus 90 degrees and starting to dry out. Interesting situation 🤔



Gracie
@angel46615

This is how its done!
"I pledge allegiance to the flag..."







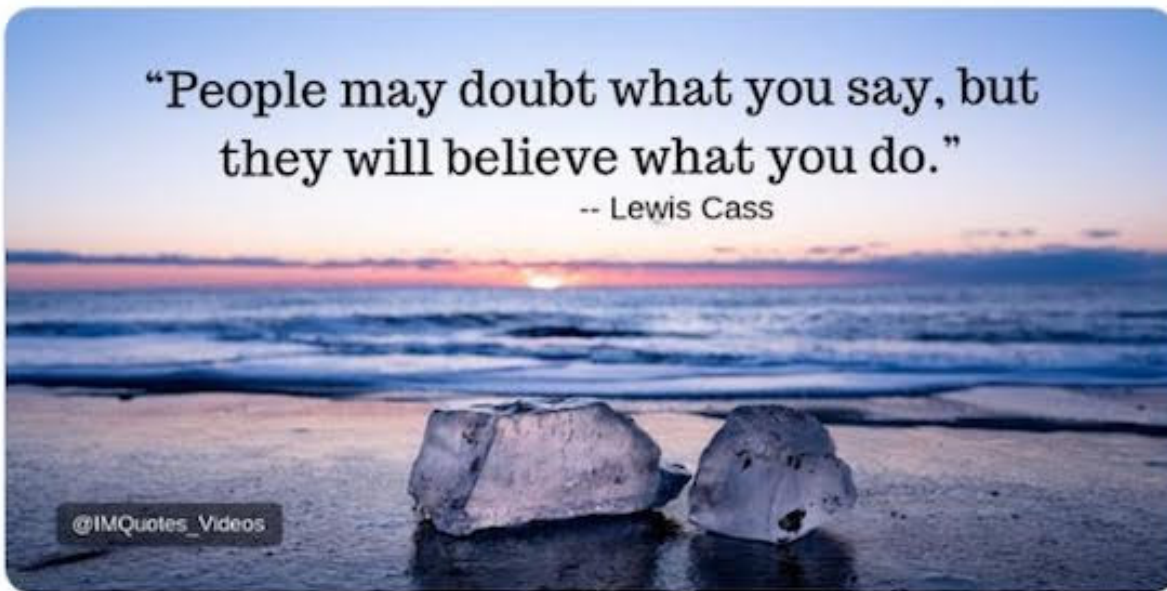
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Actions always speak louder than words.

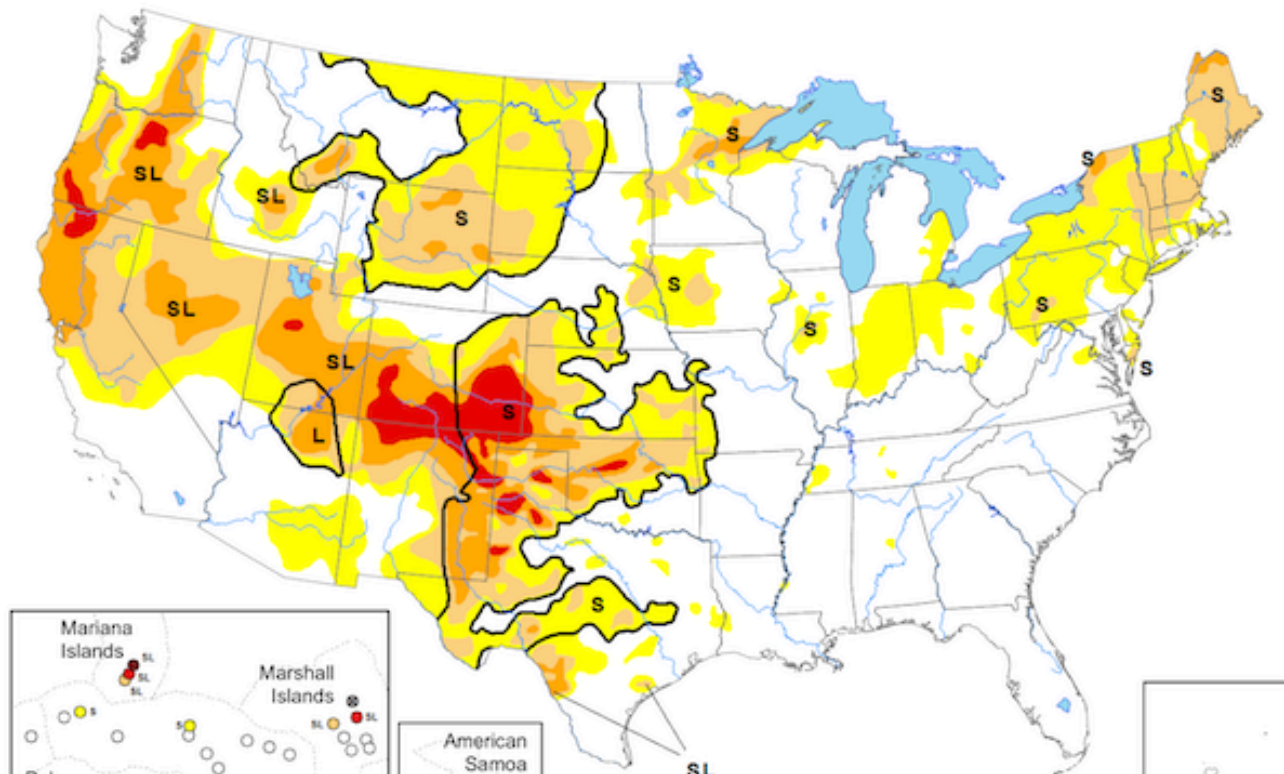
#Quotes



U.S. Drought Monitor now estimating 28.9% of the Midwest is covered by some form of drought/abnormal dryness.

Map released: July 9, 2020

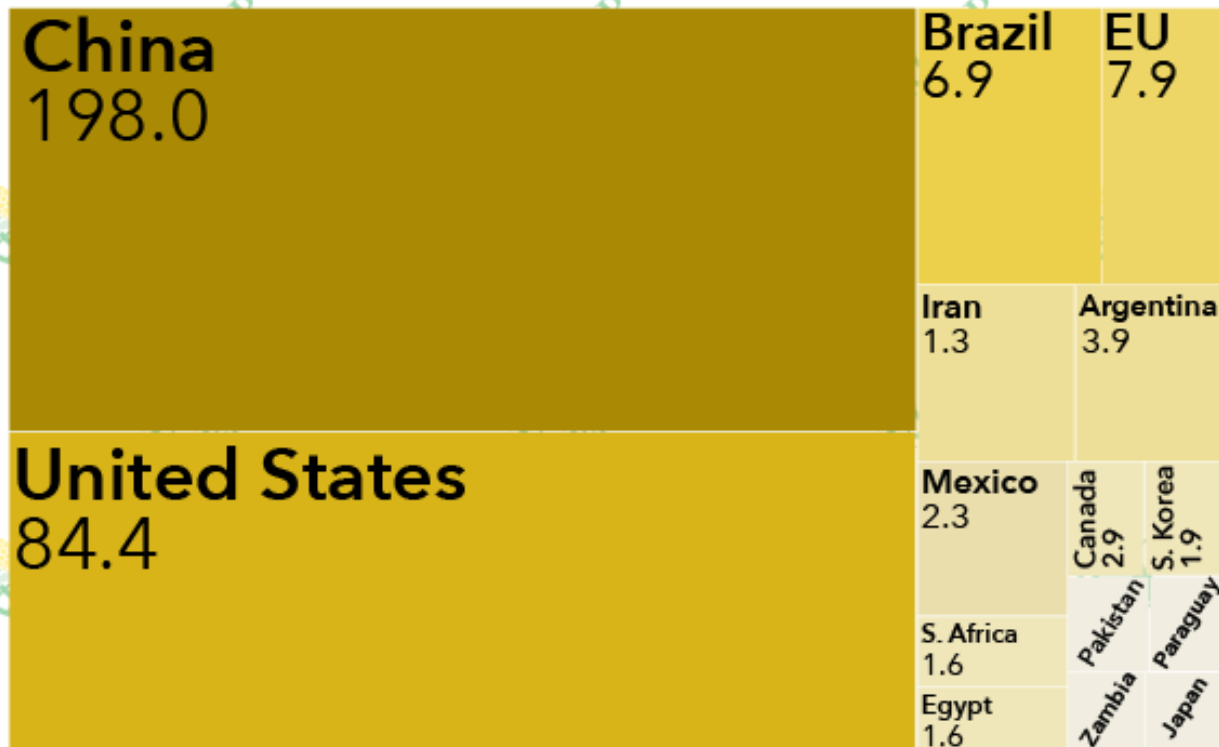
Data valid: July 7, 2020



CORN bulls are pointing to increased weather worries and perhaps greater buying of U.S. supply by the Chinese. As a spec, I continue to hold a small bullish position and am looking to add additional longer-term length if the weather forecast turns cooler and show more wide-spread rain or the USDA throws us a bearish curve-ball in today's July supply and demand report which is scheduled for release at 11:00 am CST. I'm looking for the market to quickly digest the USDA number then get back to focusing on weather. Personally, I see some weather concerns both here at home and abroad. Not only do we have dry conditions in some key parts here at home, with about 20% of the crop now thought to be pollinating, but I'm also seeing some weather uncertainties brewing in parts of China, a portion of India, and the Black sea region. Bottom line, I'm bullish here and as a producer want to hold off on making any additional new-crop sales. If you have to make old crop sales I like the thought of reowning in some capacity. Keep in mind, we are in a weather market so as the forecast changes and shifts so will price. In other words, don't be surprised if you wake up and we are a dime lower one morning on a shift in the forecast. I think however over the course of a few weeks prices have a legitimate chance of working higher.

2020/21 Global Corn Ending Stocks

(in million metric tons)



World Total: 316.09 million metric tons
(Average Trade Estimate: 324.50)

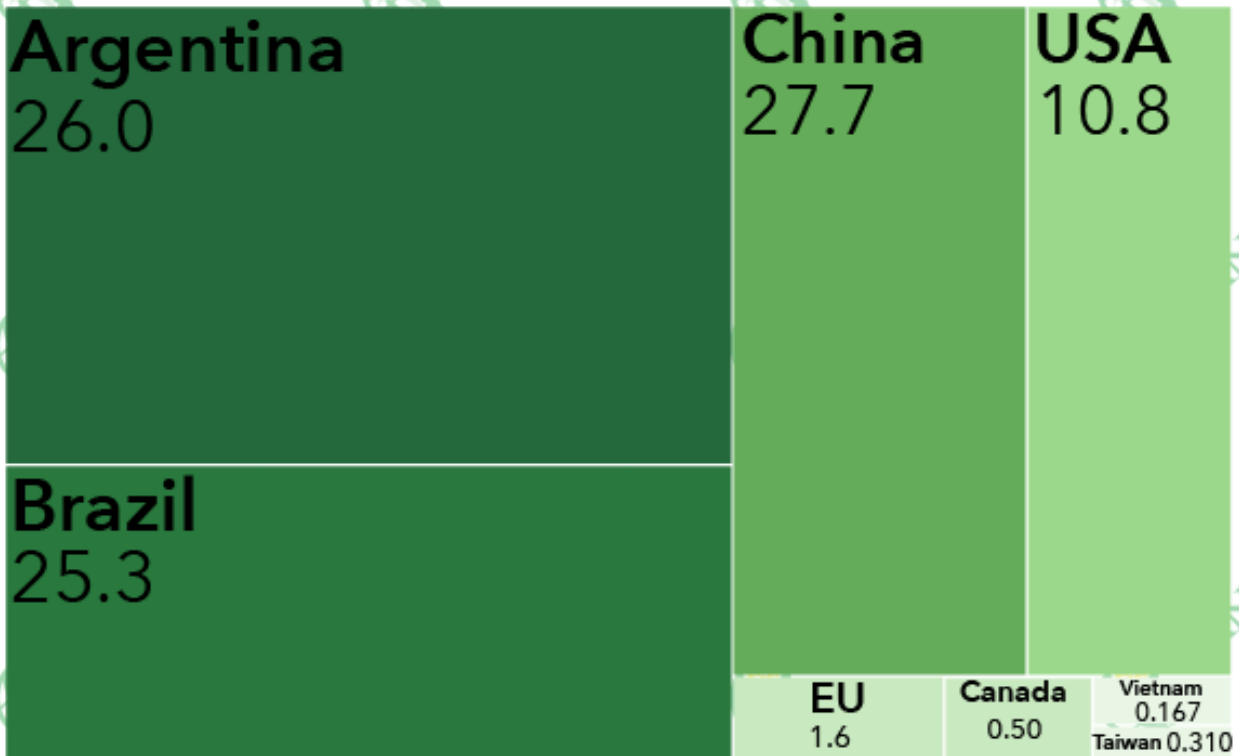
Source: USDA, PS&D, June 2020



@KevinVanTrump

SOYBEAN bulls are pointing to U.S. weather complications in some parts of the belt, continued Chinese buying, and some uncertainties in South America. I'm not really looking for any big changes from the USDA in today's report. I suspect they could slightly lower old crop exports and perhaps raise the new-crop yield and acres a hair higher but I don't see a major bearish impact to the balance sheet. I like the bull story that has been building and similar to corn like the thought of owning or adding on a break. The cash market still seems strong in many parts and I think once we get past this report there's a chance we could push higher into stiffer resistance.

2020/21 Global Soybean Ending Stocks (in million metric tons)



World Total: 96.34 million metric tons
(Average Trade Estimate: 97.70)

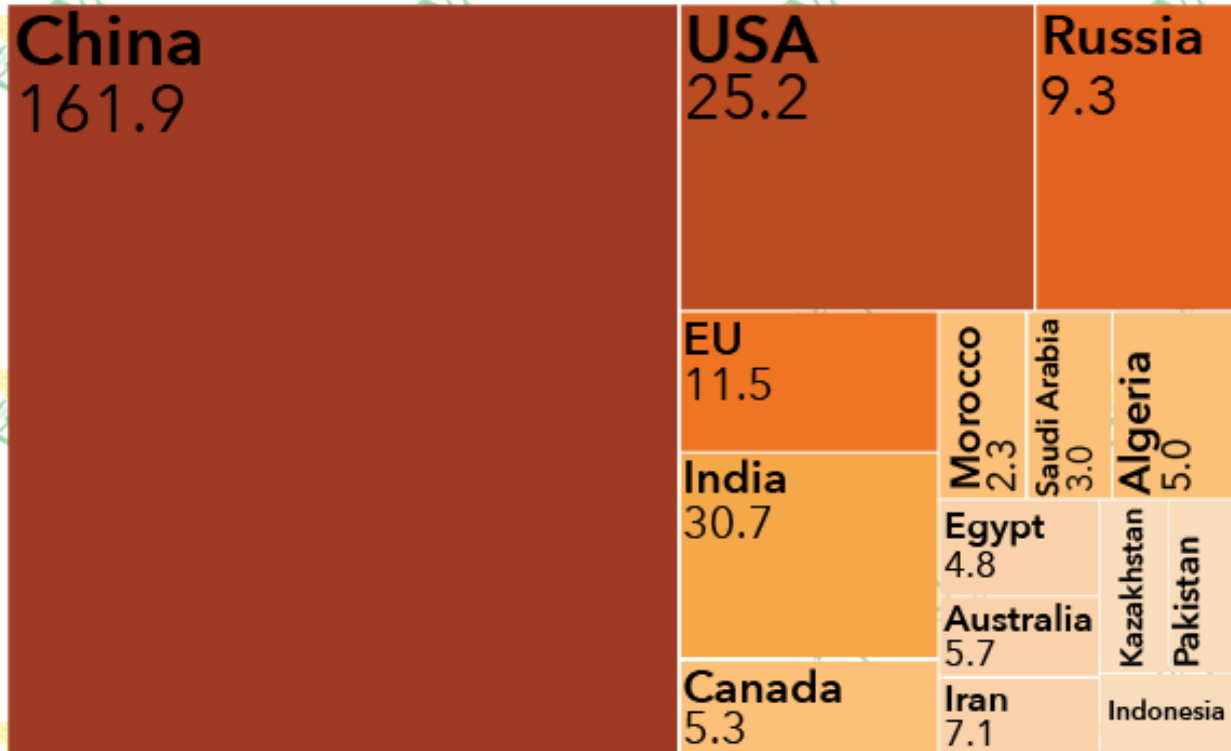
Source: USDA, PS&D, June 2020

 @KevinVanTrump

WHEAT bulls are pointing to continued global weather uncertainties and strong cash demand for wheat, especially certain varieties. Technically, some contracts are starting to show signs of breaking-out to the upside and this could ultimately attract more bullish money-flow. If we start to see more bullish global growth headlines and a weaker dollar we could get some additional interest. As a spec, I don't see this as a place to be adding to short positions. In fact, I'm turning much more bullish as I start to see more and more global weather uncertainties and improved technicals. Producers have a chance to get caught up on sales as prices have rebounded well off their recent lows. Make certain you are keeping an eye on the JUL21 contract as well, as you might soon see an opportunity to feather in a few respectable sales for next year's crop. I priced 20% at +\$5.60 many weeks back and may look to do just a small percentage more if we get back to that level. I don't want to get overly aggressive as I still see more upside potential but taking off a little future risk at profitable levels feels like a smart move.

2020/21 Global Wheat Ending Stocks

(in million metric tons)



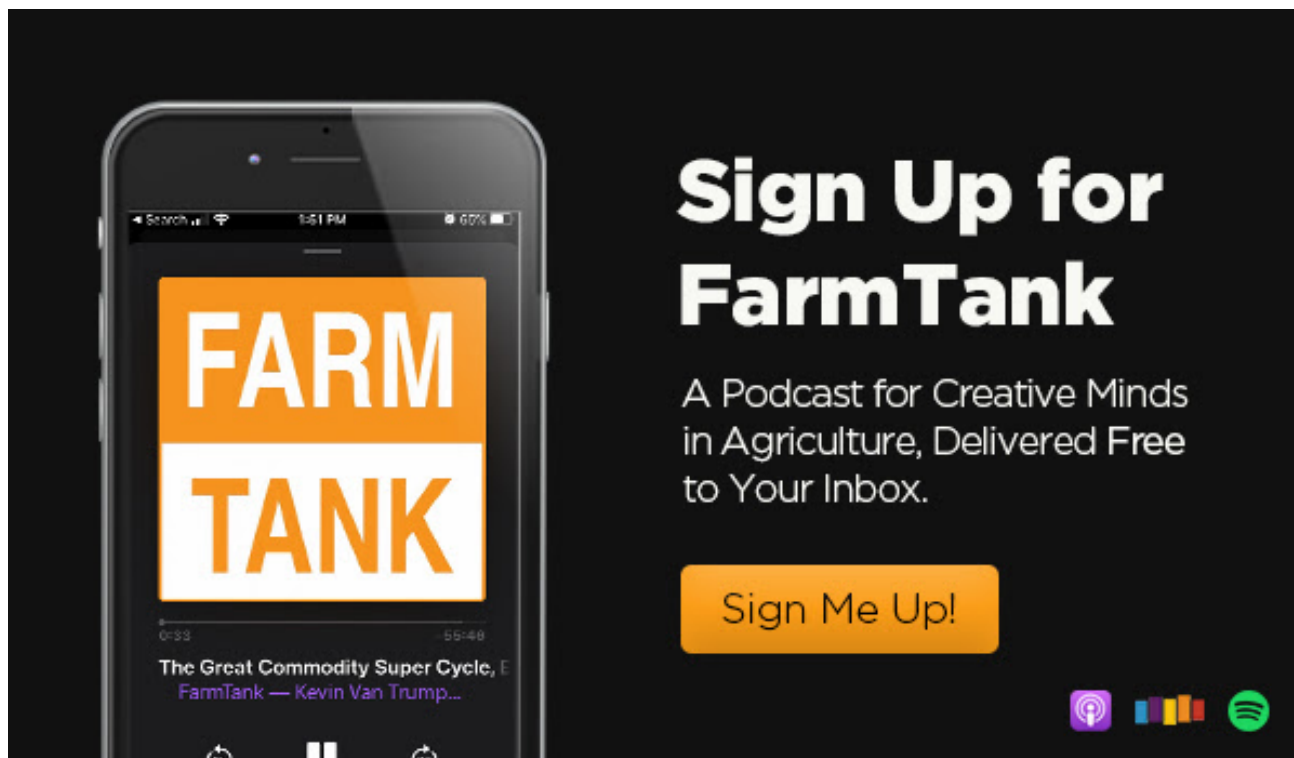
World Total: 316.09 million metric tons

(Average Trade Estimate: 315.90)

Source: USDA, PS&D, June 2020



@KevinVanTrump



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

U.S. Production 2020/21

(million bushels)

Corn	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Production	???	15,065	14,868 - 15,700	15,995	13,617
Yield	???	178.6	176.4 - 180.5	178.5	176.4

Soybeans	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Production	???	4,157	4,115 - 4,382	4,125	3,552
Yield	???	50.1	48.8- 52.8	49.8	47.4

US Wheat Production 2020/21

(million bushels)

	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
All Wheat	???	1,848	1,816 - 1,885	1,877	1,920
All Winter	???	1,246	1,223 - 1,285	1,266	1,304
Hard Red Winter	???	729	710 - 760	743	833

Soft Red Winter	???	290	269 - 298	297	239
White Winter	???	226	224 - 230	225	232
Spring	???	549	529 - 565	n/a	562
Durum	???	57	46 - 65	n/a	54

U.S. Grain Ending Stocks 2019/20

(million bushels)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates	Previous Year
Corn	???	2,287	2,166 - 2,403	2,103	2,221
Soybeans	???	588	560 - 635	585	909

U.S. Grain Ending Stocks 2020/21

(million bushels)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates
Corn	???	2,715	2,400 - 3,150	3,323
Soybeans	???	424	290 - 572	395
Wheat	???	954	825 - 1,006	925

South American Production 2019/20

(million metric tons)

	July #'s	Avg. Trade Estimate	Range of Estimates	USDA June	Last Year
Argentina Corn	???	49.90	49.0 - 50.0	50.00	51.00
Argentina Soybeans	???	50.00	49.0 - 51.0	50.00	55.30
Brazil Corn	???	100.40	98.0 - 102.0	101.00	101.00
Brazil Soybeans	???	123.30	121.0 - 125.0	124.00	119.00

World Ending Stocks 2019/20

(million metric tons)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Corn	???	315.30	311.8 - 320.5	312.90	320.10

Soybeans	???	99.60	98.0 - 101.0	99.20	112.50
Wheat	???	297.20	296.0 - 298.5	295.80	279.80

World Ending Stocks 2020/21

(million metric tons)

	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates
Corn	???	324.50	310.0 - 339.0	337.90
Soybeans	???	97.70	94.7 - 107.6	96.30
Wheat	???	315.90	311.8 - 318.5	316.10



> Additional Commodities Eligible for Coronavirus Assistance: *U.S. Secretary of Agriculture Sonny Perdue announced an initial list of additional commodities that have been added to the Coronavirus Food Assistance Program (CFAP), and that the U.S. Department of Agriculture (USDA) made other adjustments to the program based on comments received from agricultural producers and organizations and review of market data. Producers will be able to*

submit applications that include these commodities on Monday, July 13, 2020. USDA's Farm Service Agency (FSA) is accepting through Aug. 28, 2020, applications for CFAP, which helps offset price declines and additional marketing costs because of the coronavirus pandemic. USDA expects additional eligible commodities to be announced in the coming weeks. The full notice, which includes a list of newly eligible commodities, is available [HERE](#).

> Dicamba 2020: What went wrong in Iowa? *There is no question that dicamba injury across the Iowa landscape in 2020 is the most extensive it has been since the introduction of dicamba in the 1960s. Iowa State University Extension and Outreach field agronomists and commercial agronomists in several areas of the state report nearly all non-dicamba resistant soybean are showing symptoms characteristic of dicamba, and in many fields the injury is fence row to fence row. This is not the type of injury we have observed in the past; it's at a landscape level. The focus over the past three years has been on postemergence dicamba applications on dicamba resistant (DR) soybean; this year it is apparent the problem is not that simple. This article from ISUEO describes factors believed to have contributed to this year's problems. Click [HERE](#).*

> Developments in Infrastructure Legislation Benefit Ag: *The executive director of the US Soy Transportation Coalition says some recent legislation provides opportunities for the federal government to invest in infrastructure and promote long-term wellness. Mike Steenhoek says he's encouraged the House passed a \$1.5 trillion infrastructure package last week, but he's concerned legislation won't move forward..."If you don't do something in a bipartisan fashion when you've got one party controlling the House of Representatives and the other party controlling the senate and the White House, it's very unlikely you'll get things done," he says. Steenhoek says the coalition is encouraging lawmakers to come together and craft a bipartisan bill that can move forward because the "window of opportunity to get things done is shrinking." "We've only got so many days before the election and congress is supposed to reauthorize a new highway bill by the end of September," he says. He says it's critical that infrastructure continues to be improved as the country recovers from the coronavirus pandemic because the competitiveness of the US farmer is linked to having a well-maintained transportation system. Listen to the full interview with [Brownfield Ag](#).*

> Over 1.2 Million Acres Added into CRP Grasslands: *The United States Department of Agriculture's (USDA) Farm Service Agency (FSA) announced the acceptance of more than 1.2 million acres in the Conservation Reserve Program (CRP) Grasslands during the recent signup period that began March 16 and ended May 15. The number of acres offered during this signup period was 1.9 million acres, over 3 times the number offered during the last signup period in 2016. Participants will receive an annual rental payment and may receive up to 50 percent cost-share for establishing approved conservation practices. The duration*

of the CRP contract is 10 or 15 years. For more information on CRP Grasslands, contact your local FSA county office or visit [HERE](#).

> Major Ag Groups Announce Town Hall "AgTalks" Series: *On Thursday, Farmers for Free Trade, the National Milk Producers Federation, the Corn Refiners Association, the National Corn Growers Association, the U.S. Dairy Export Council, the National Association of State Departments of Agriculture, the Iowa Soybean Association, Minnesota AgriGrowth, the Plant Based Products Council, KCoe Isom, and World Strategies announced that they would be jointly launching a series of town hall discussions starting this summer focused on the future of agriculture. The AgTalks series will focus specifically on the big challenges American agriculture faces on trade, international supply chains, and global competitiveness. The Town Halls will be led by ag leaders in five states vital to American ag's role in feeding the world — Iowa, Minnesota, Michigan, Pennsylvania and Wisconsin. The first in the series will be held July 30. Check out more details [HERE](#).*

> Brazil Approves Agrochemicals with Dicamba: *Brazil's Ministry of Agriculture approved several agriculture products that use the chemical dicamba, a weed killer whose use has been blocked by a court in the United States, according to a notice in the government gazette on Thursday. The ministry approved the registry for six dicamba products from Bayer's Monsanto and several smaller Brazilian companies, according to the notice. The U.S. court blocked dicamba's use in June, saying that risks associated with the herbicide were understated. The six dicamba products registered in Brazil were classified as "very dangerous to the environment," the gazette said. (Source: Reuters)*

> United, America Call Off Hong Kong Flights: *United Airlines and American Airlines have canceled service to Hong Kong after crews were told they would have to undergo mandatory Covid-19 testing. Following a new outbreak of local infections, Hong Kong's Centre for Health Protection on Wednesday started making all crew, including pilots, on flights arriving at Hong Kong International Airport provide "deep throat saliva specimens." Hong Kong has seen a resurgence of coronavirus cases in the past week, after weeks of no locally transmitted infections. On Thursday, a day after testing of airline crew started, Hong Kong government officials said three pilots and a flight attendant had tested positive for Covid-19. The news comes as airlines prepare to cut thousands of workers and tap government loans as a surge of coronavirus cases and fresh government travel restrictions elsewhere upended a nascent recovery in travel. Read more from [The Wall Street Journal](#).*

> Keeping Schools Closed Bigger Threat Than Reopening: *Centers for Disease Control and Prevention (CDC) Director Robert Redfield said Thursday that the health risks of keeping schools closed are greater than those of opening them, amid a push by President Trump to have students in classrooms this fall. "I think*

really people underestimate the public health consequences of having the schools closed on the kids," Redfield said at an event hosted by The Hill and sponsored by the Biosimilars Forum. "I'm confident we can open these schools safely, work in partnership with the local jurisdictions." The American Academy of Pediatrics has also called for students to return to classrooms, citing the educational and social harms to children of being away from school for a prolonged period of time. But education groups like the American Association of School Administrators and the American Federation of Teachers say much more funding is needed to safely reopen schools, and that districts are already facing severe budget shortfalls due to the economic downturn sparked by the coronavirus. Read more from [The Hill](#).

> Self-Driving Tech Is Becoming a Game of Partnerships: Building self-driving vehicles, and operating fleets of them, are looking more like team sports rather than solo efforts. Autonomous driving "is a formidable task, and there are going to be very very few actors who can go from silicon [chips] to self-driving systems," Amnon Shashua, cofounder of Israeli autonomous-driving startup Mobileye, told a conference audience in May. The result, he said, "is a great consolidation." Mobileye itself was acquired by Intel in 2017 for \$15.3 billion, when valuations were lofty. In May, Intel and Mobileye acquired Moovit, an app for moving around cities, for \$900 million. "Vehicles are these massively complex systems, and to [build self-driving cars], we need to integrate them with another very complex system and do it in a way that's reliable and cost-optimized. It's really, really hard," says Karl Iagnemma, the president and CEO of a joint venture formed in March between South Korea's Hyundai and Aptiv. "I think that's one of the things that most players in the industry underappreciated, myself included." Read more from [Wired](#).

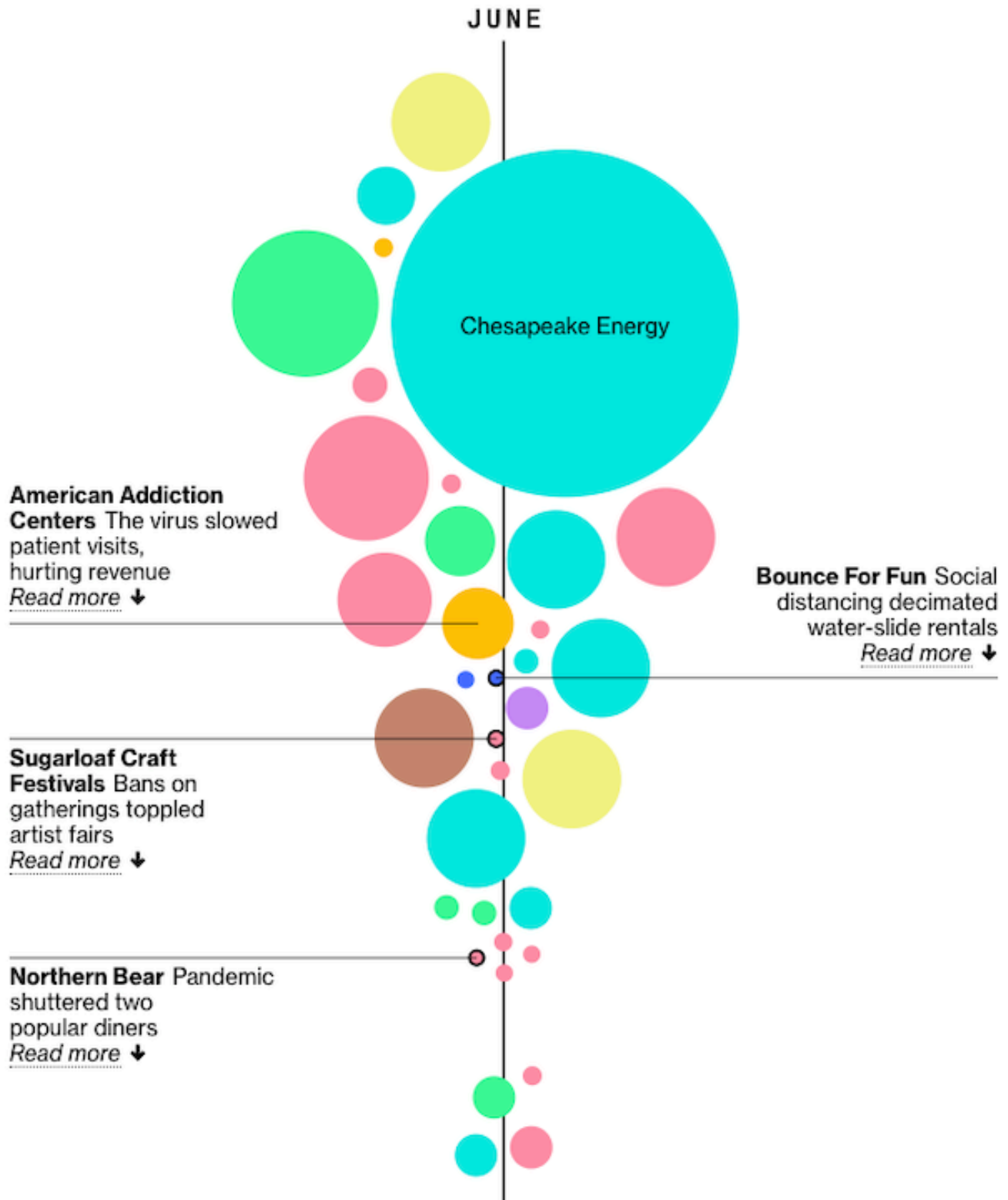
> Jobs for Teens Soared in June: There's good news and not-so-good news for U.S. teen employment this year. The number of 16-to-19-year olds who found work in June reached 1.129 million, beating a record that is more than 20 years old. At the same time, the 4.884 million teens who were working last month represent the lowest total since 2010, when 4.833 million were employed. In June of 2019, 5.941 million teens were working, and in 1999, 7.900 million had jobs. Outplacement firm Challenger, Gray & Christmas reported the data on Thursday. The firm also noted that the unemployment rate for teens in June was 24.5%, nearly 10 points higher than the year-ago unemployment rate of 15%. Commenting on the positive report for June, Challenger Gray Senior Vice President Andrew Challenger said, "This is great news for teens who want to get back to work. The current data suggests many of the jobs returning to the economy due to reopenings are going to teen workers." However, the risks involved in typical summer jobs for teens may limit the number of services like fast-food restaurants and retail stores that reopen. Read more [HERE](#).

> Another Cruel Setback for Millennials: Few events have exposed such a

sharp generational divide as the pandemic. Despite all the mysteries surrounding the virus, one of the few certainties is that people over 70 are much more vulnerable to Covid-19. Yet, amid the economic onslaught that coronavirus has wrought, it is those under 40 who have suffered the biggest economic blow. In effect, the young feel they have had their lives upended in order to save as many of the old as possible. As governments begin to plot a path out of the crisis, generational redistribution is likely to become one of the dominant political themes. Definitions vary but Pew Research considers anyone born between 1981 and 1996 to be a millennial, which means the oldest millennials are aged 39 today, and the youngest 24. One common theme among them in facing this new recession: they have not yet recovered from the last one. Read more from the [Financial Times](#).

> Coronavirus Bankruptcy Wave: *Retailers, airlines, restaurants. But also sports leagues, a cannabis company, and an archdiocese plagued by sex-abuse allegations. These are some of the more than 110 companies that declared bankruptcy in the U.S. this year and blamed Covid-19 in part for their demise. Many were in deep financial trouble even before governors ordered non-essential businesses shut to help contain the spread of the virus. Most will reorganize and emerge from court smaller and less-indebted. The hardest hit, however, are selling off assets and closing for good. They include plenty of big, iconic names. Hertz and J.C. Penney and now Brooks Brothers, too. The vast bulk, though, are small and medium-sized businesses scattered across the country. Their downfall might not normally garner much attention, but it does underscore the full extent of the damage Covid-19 has inflicted on the economy. Bloomberg has a detailed list and a full version of the below graphic [HERE](#).*

● Energy ● Entertainment ● Health and Personal Care
 ● Industrials, Materials, Equipment and Parts ● Retail and Restaurants
 ● Telecoms, Media and Technology ● Travel, Lodging and Leisure ● Other
 Filed for: ● Reorganization ○ Liquidation





Central Kansas - We received a nice surprise rain the other day with just under 2" of needed moisture. From my experience, we will need eight more inches of rain to make our 125-bushel corn. The corn was curling a bit prior to the rain but should be fine. Our beans are nearly canopied on our 10" rows and we made the final passes on weeds as well. Next for us is to get rid of the wheat stubble and think about putting in some cover crops to get ready for our rotation next year. We fortunately took advantage of the minor weather market that popped up and got rid of the corn in storage. Our ethanol plant is in full swing and has a basis of +18 while the coops are still -20. Our wheat has been going to a miller that pays premiums for every % point over 11% and we've done well with that, too. There are a couple of guys who went out on the fringe and have been growing Kernza this year. I am not sure about the market for it yet but the crop is pretty cool as it is a perennial and they chose to plant it between every two rows of alfalfa. It has lots of uses and I can't wait to see how things progress as it could provide opportunities for others in the area.

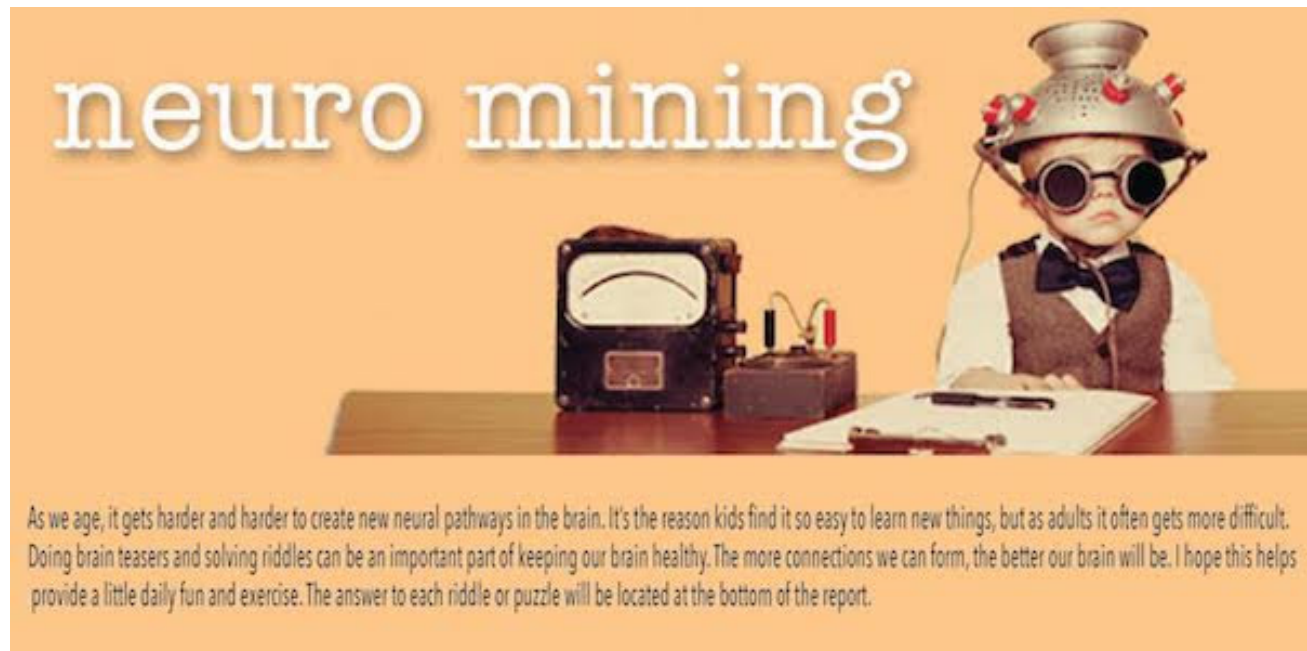
West Central Ohio - We are about 60 miles from Indiana. We have had seven-tenths since the 1st of June but a few miles east, west, north and south, they have had at least twice as much to five times the rain. I saw a corn field this morning four miles south with water standing in a small area. Temperatures have been above 90 degrees here every day for a week or so but scattered showers are all anyone has received. There is a lot of corn not even knee-high in this area, maybe 20%, even though it was planted in early May which is due to a very cold May and a very dry June. On the flip side, 20% of corn looks very good and the rest is most certainly below average looking corn. Half of the beans look great and half look terrible. All of them are very short.

Central Kansas - The first picture below is my milo and the bottom is my neighbor's. Last night we had 4.4 inches of rain, 60+ mile per hour wind, and just a little bit of hail. Needless to say, it wasn't the most ideal rain but it was definitely welcome. Both these fields of milo were planted on the same day, same variety, virtually the same soil. As you can see, my milo is still standing while my neighbor's milo is a mess. He came by this morning to ask what the hell I did that he didn't. We talked for a while and the only difference is we applied Holganix...everything else is exactly the same. I put Holganix on 28 acres of 2nd-

year alfalfa and the results were excellent as well. The first cutting I got 59 bales per acre and the second cutting was 49 bales per acre. The difference in the second cutting was that, unfortunately, we got about a half-inch of rain on the down hay. If we wouldn't have had to rake it and get it dried down, I'm absolutely certain I would have had another 5 bales minimum, possibly 10. In this part of the world, second cuttings are never going to equal or top first cuttings. I had a couple of guys ask me if I would sell them hay as they are going to be short. The wheat I applied Holganix on is visibly better across the top but I'm going to let my combine do the talking on that since we are so close.







TODAY'S RIDDLE: I am weightless, but you can see me. Put me in a bucket, and I'll make it lighter. What am I?



Crops Not Only Thing Stressing in the Heat... so are Cattle!

Cattle ranchers are pointing to the dangerous conditions persisting through the south and parts of the midwest that are significantly raising the risk of heat stress in the herds. It can be a common theme this time of year when hot temperatures combined with other environmental factors often create safety hazards for livestock. With forecasters calling for above-average temperatures across much of U.S. cattle country for the remainder of July and August, livestock producers will need to remain vigilant throughout the summer.

Heat stress is estimated to cost the U.S. cattle industry as much as \$370 million in losses every year. The conditions trigger a cascade of events that impact a bovine's production ability, make it susceptible to disease, and in extreme circumstances, even death.

Compared to other animals, cattle cannot dissipate their heat load very effectively.

A compounding factor on top of climatic conditions is the fermentation process within rumens that generates additional heat. As such, cattle accumulate a heat load during the day and dissipate heat at night when it is cooler. It takes at least six hours to fully dissipate the heat load. During extreme weather conditions with insufficient environmental cooling at night, the heat load accumulates and animals can be at risk within the second or third day. By the time animals do start showing external signs of heat stress, it's already begun wreaking havoc on vital internal systems that can negatively impact productivity.

A.J. Tarpoff, a beef veterinarian with K-State Research and Extension, says that as temperatures rise, cattle will start breathing faster as part of their natural way of dissipating heat. Doing so, however, causes cows to eat less, setting them on a path to poor growth and future performance. The internal temperature of cattle peak about two hours after the temperatures in the surrounding environment peak, a factor he says is important to understand as it can play a role in helping reduce heat stress. He recently shared his list of best management practices with the Great Bend Tribune, which we have condensed below:

Feeding: *Modify feeding times. Feed 70% of the animals' ration as late in the evening as possible, which puts the peak heat of digestion overnight when temperatures are likely cooler. Decrease feeding during the day.*

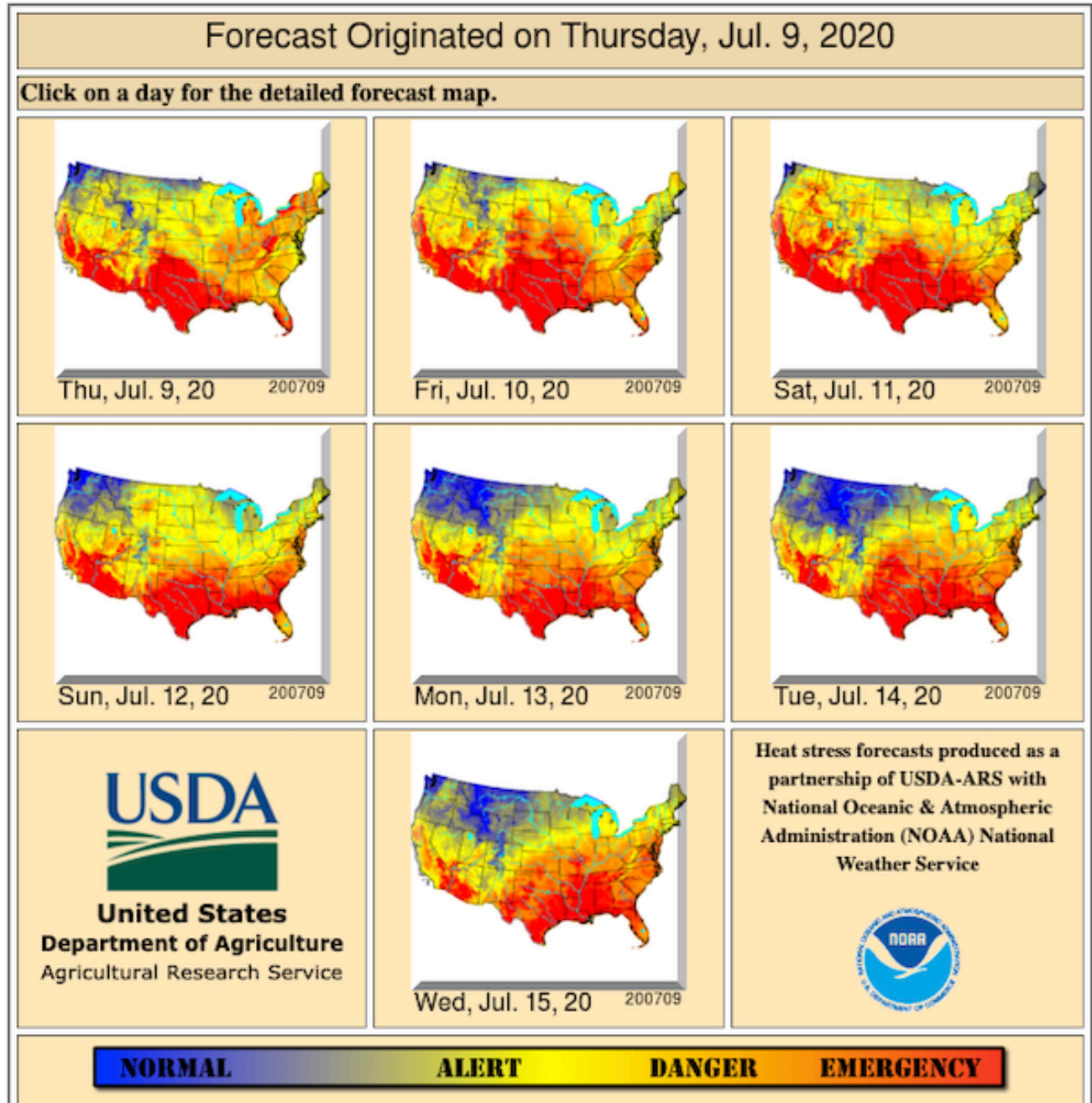
Handling: *Receive, ship, or move cattle only during the coolest parts of the day, preferably before 10 a.m.*

Managing heat: *Split cattle between pens or reduce stocking density. Maximize airflow by removing obstructions around facilities, including weeds. If feasible, install shade structures, which can reduce solar radiation and reduce the temperature on the pen's floor. Install sprinklers to wet cattle down at night or early morning so as not to increase humidity.*

Water: *Lots and lots of water. "To put it into perspective, when the temperature goes from 70 degrees Fahrenheit to 90 degrees, cattle will consume about double the amount of water," Tarpoff said.*

Heat stress risk can be forecast by measuring four key parameters: temperature, wind speed, humidity, and cloud cover (aka solar radiation). The USDA's Agricultural Research Service has a handy tool that does just that using data from the National Weather Service. The Heat Stress Forecast Maps are made using the seven-day forecasts of the four heat stress parameters. The most recent forecast shows heat stress risks persisting at emergency levels in the south and some parts of the midwest. The map is broken out into 6 different regions that you can zoom in on for more details. The website also has a lot of other information about heat stress and ways to manage it. Check it out [HERE](#). (Sources: Drovers, Bovine

Veterinarian, USDA, Great Bend Tribune)



THE 7 MAIN CONSEQUENCES OF HEAT STRESS

2/SKIN & SWEAT

High production of sweat to cool the body by evaporation, causing the loss of sodium, potassium and bicarbonate.

1/LUNG & BLOOD

Breathing increases to reduce the body temperature, which decreases the concentration of sodium bicarbonate in the blood.

7/OVARY & UTERUS

Negative impact on reproduction / fertility: IVF unsuccessful, embryonic death, fetus aborted, etc.

3/SALIVA & INGESTION

High loss of saliva. Low rumen activity and reduced ingestion. The rumen has acidosis.

6/LIVER & URINE

High loss of sodium and bicarbonate in urine which affects the pH of the blood.

4/ FEET

Increased risk of disease. Laminitis. Lameness.

5/MILK

Milk production decreases. Increased risk of mastitis.



Beef Cattle Temperature Humidity Chart													
		Relative Humidity (%)											
		30	35	40	45	50	55	60	65	70	75	80	85
Temperature (°F)	100	84	85	86	87	88	90	91	92	93	94	95	97
	98	83	84	85	86	87	88	89	90	91	93	94	95
	96	81	82	83	85	86	87	88	89	90	91	92	93
	94	80	81	82	83	84	85	86	87	88	89	90	91
	92	79	80	81	82	83	84	85	85	86	87	88	89
	90	78	79	79	80	81	82	83	84	85	86	86	87
	88	76	77	78	79	80	81	81	82	83	84	85	86
	86	75	76	77	78	78	79	80	81	81	82	83	84
	84	74	75	75	76	77	78	78	79	80	80	81	82
	82	73	73	74	75	75	76	77	77	78	79	79	80
	80	72	72	73	73	74	75	75	76	76	77	78	78
	78	70	71	71	72	73	73	74	74	75	78	76	76
	76	69	70	70	71	71	72	72	73	73	74	72	75
Temperature Humidity Index (THI)													
		Normal <75			Alert 75-78			Danger 79-83			Emergency >84		



Don't Forget "Tax Day" is Next Wednesday, July 15th

I hate to bring up a sore subject, but just as a reminder, the 2019 income tax filing and payment deadlines for all taxpayers who file and pay their Federal income taxes on April 15, 2020, were automatically extended until July 15, 2020. This delay in payment comes interest- and penalty-free, for 90 days, until July 15, regardless of the amount owed. Also, keep in mind, you can always fall back on that old standby and file an extension on your taxes, so you can put off preparing them until October 15 if need be. Remember, an extension of time to file your return does not grant you any extension of time to pay your taxes. You should estimate and pay any owed taxes by your regular deadline to help avoid possible penalties. If you guess too high, you'll eventually get the money back as a refund, and if you guess too low, you'll pay more taxes when you do file, and perhaps owe some in penalties.

Don't forget about state taxes. It might be helpful to know that the July 15 deadline only refers to when you need to file your federal taxes. Fortunately, many states are also requiring state taxes to be filed by July 15, but a few states are doing it differently. Idaho, for instance, extended its deadline to June 15, while Iowa, on the other hand, has extended its deadline to July 31.

8 of the Craziest Illegal Tax Deductions I Have Ever Heard

We all hate when tax season rolls around, and it seems like most of us are now frantically working to get all of our ducks in a row. Unfortunately the old adage seems true, "There are only two certainties in life -- death and taxes." Inevitably, every year I always hear about someone trying to get creative in their deductions. However, the IRS doesn't always see it as creative. More often than not, it's just out-right cheating. Here's a list of some of the boldest and down right stupid deductions that people have tried to get past the tax man:

- **Hiring an arsonist to burn down your business isn't tax deductible** - *Rather than continue struggling with a floundering business, one man opted to take the easy way out and hire an arsonist to burn the building to the ground. In addition to planning on collecting a cool half a million in insurance money, the man also attempted to deduct the \$10,000 fee paid to the arsonist. Not only is there the immediate issue of linking himself directly to a criminal act, there's also the added headache of not having the arsonist's 1099 on file...*
- **A "bubble of pure air" is really more of a luxury item than a necessity** - *Northern New Jersey isn't exactly known for being pollution free. So, when a resident who was fed up with the poor air quality decided to do something about it by enclosing himself and his family in "a bubble of pure air," it wasn't the craziest idea ever. However, attempting to deduct what was listed simply as a "pure bubble" on his tax returns might not have been the smartest thing to do. The resulting audit would have been worse if the situation wasn't so*

ludicrous that it left the IRS agent laughing hard enough to waive all penalties and simply deny the deduction.

- **Your marijuana crop** might be a business expense, but it's not legitimate - *If you're running a criminal enterprise, normal tax laws should be the least of your worries. Still, you have to admire a drug dealer who cares enough about obeying the law to sit down with a CPA and make sure everything is being done on the up and up. For one entrepreneur - in a state who listed his crop of marijuana as a deductible business expense, his good intentions quickly turned into a rude awakening. Apparently the U.S. government doesn't want your tax dollars when they can just arrest you and seize your property instead. For those in CA, WA or CO, this lesson may not apply.*
- **Your daughter's wedding** is not a business entertainment expense - *Weddings are a 60-billion-dollar industry, and they didn't get that way by being cheap. It stands to reason that if you're going to foot the bill for your daughter's big day, you'd want any type of break you could get. Unfortunately, inviting a few clients and attempting to write off the entire thing as a business entertainment expense doesn't seem to fly with the IRS - probably because they knew the clients were really attending the wedding just to be polite.*
- **Your dog is not a dependent** - *This one isn't an isolated incident, and on more than one occasion people have attempted to count their dogs (or cats) as dependents. Even though it seems unfair to some, opting to let a pet live under your roof doesn't entitle you to any additional tax credits. Bad news for pet owners looking to recoup some of that money they keep shelling out on obedience training, chew toys, and adorable sweater vests.*
- **Getting a new tattoo is not a medical expense** - *Just because something goes on your body doesn't mean it's a legitimate medical expense. This holds particularly true for elective medical procedures and body decorations like piercings and tattoos. Unfortunately for them, the IRS has a minimal tolerance for people who attempt to deduct their completely optional form of self expression.*
- **A fallout shelter is not "preventative medicine"** - *Your own personal beliefs don't usually fall into the category of things the IRS cares about. But, that can change on a dime as soon as you attempt to deduct your personal fallout shelter as "preventative medicine." From their perspective, the fallout shelter is about as medicinal as a bulletproof vest or a roll-bar for your convertible.*
- **Your deadbeat son isn't tax deductible** - *Just like the multiple people attempting to claim pets as a dependent, bad debt from deadbeat offspring is a sadly common occurrence. While it's one thing to claim a loss on money that can actually be tracked, trying to deduct the \$2,000 you loaned to your unreliable son to help get his real estate business off the ground isn't going to fly. Unless you have paperwork to back up the loan and have already attempted to get the money back through the proper legal channels, the IRS*

doesn't sympathize with your poor decisions or those of your children.

A Few Odd Tax Deductions that Supposedly Worked

I'm no tax accountant or expert so please don't take this as fact, but I've seen this e-mail several times that explains some strange tax deductions that actually worked. (Source: [wisebread](#))

- **Fake Boobs** - *This one is infamous. A stripper going by the name of CHESTY LOVE used her hard-earned savings to boost the size of her boobs, to the eye-popping size of 56-FF (do they even make bras in that size?) She figured it would get her more tips. And the write-off was allowed, being considered a stage prop essential to her act. Ha!*
- **Babysitting costs** - *Believe it or not, you can deduct the cost of a babysitter as a charitable deduction, if the mother of the child is leaving the house to do volunteer work for a charity. Which, of course, we all do on a daily basis.*
- **A beautiful swimming pool** - *This one's a great example of lateral thinking. After being told by his doctor that he needed to exercise (after developing emphysema), the smart fella put in a swimming pool. The deduction was put down as a necessary MEDICAL EXPENSE and was allowed, along with the various chemicals, heating, cleaning and general upkeep of the pool. Now that's using your head.*



**Due to the
COVID-19
outbreak,
Tax Day is
now July 15.**



All Eyes on the Disney Reopen Tomorrow and a Few Facts You Might Not Know

It was in July 1955 that the first Disney theme park opened in Anaheim, California it was called "Disneyland". In October 1971, near the cities of Orlando and Kissimmee Florida, a new Disney resort was opened called "Disney World". Walt

Disney died on December 15, 1966, during the initial planning of the complex. After his death, the company wrestled with the idea of whether to bring the Disneyworld project to fruition. However, Walt's older brother, Roy, came out of retirement to make sure Walt's biggest dream was realized. Construction started in 1967, with the company instead building a resort similar to Disneyland, abandoning the experimental concepts for a planned community. Magic Kingdom was the first theme park to open in the complex, in 1971, followed by Epcot (1982), Disney's Hollywood Studios (1989), and Disney's Animal Kingdom (1998). It was Roy who insisted the name of the entire complex be changed from Disneyworld, to Walt Disney World, ensuring that people would remember that the project was Walt's dream.

How it all began - *Walt Disney came up with the concept of Disneyland after visiting various amusement parks with his daughters in the 1930s and 1940s. He initially envisioned building a tourist attraction adjacent to his studios in Burbank to entertain fans who wished to visit. After hiring a consultant to help him determine an appropriate site for his project, Disney bought a 160-acre (65 ha) site near Anaheim in 1953. Construction began in 1954 and the park was unveiled during a special televised press event on the ABC Television Network on July 17, 1955.*

How Financing Built the Future - *Difficulties in obtaining funding prompted Disney to investigate new methods of fundraising, and he decided to create a show named Disneyland. It was broadcast on then-fledgling ABC. In return, the network agreed to help finance the park. For its first five years of operation, Disneyland was owned by Disneyland, Inc., which was jointly owned by Walt Disney Productions, Walt Disney, Western Publishing and ABC.[18] In addition, Disney rented out many of the shops on Main Street, U.S.A. to outside companies. By 1960, Walt Disney Productions bought out all other shares, a partnership which would eventually lead to the Walt Disney Corporation's acquisition of ABC in the mid-1990s.*

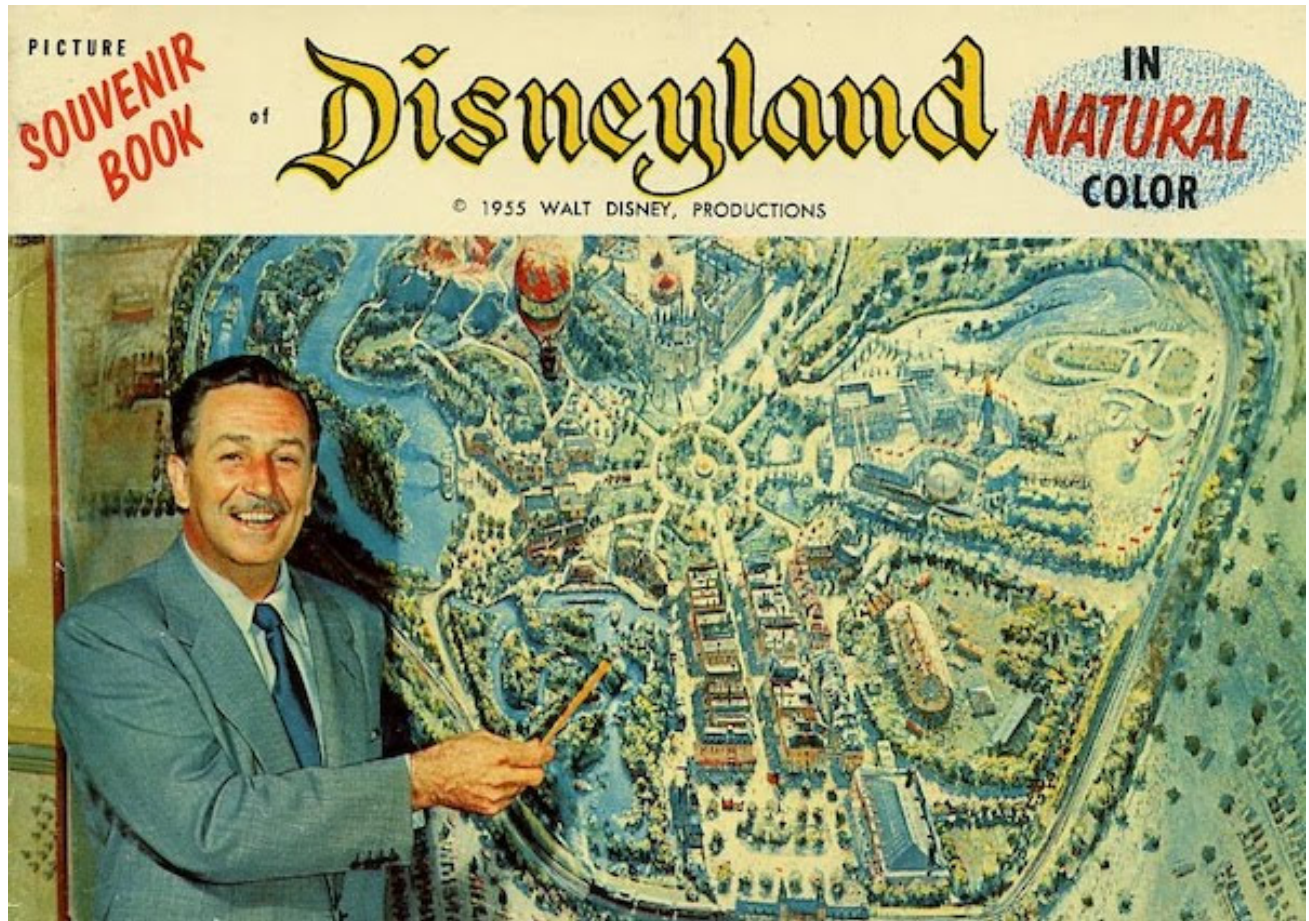
The Real Estate for Disney World - *In 1959, Walt Disney Productions began looking for land to house a second resort to supplement Disneyland in Anaheim, California, which had opened in 1955. Market surveys at the time revealed that only 5% of Disneyland's visitors came from east of the Mississippi River, where 75% of the population of the United States lived. Additionally, Walt Disney disliked the businesses that had sprung up around Disneyland and wanted more control over a larger area of land in the next project. Working strictly in secrecy, real estate agents unaware of their client's identity began making offers to landowners in April 1964 in parts of southwest Orange and northwest Osceola counties. The agents were careful not to reveal the extent of their intentions, and they were able to negotiate numerous land contracts with some including large tracts of land for as little*

as \$100 an acre. The smaller parcels of land acquired were called "outs". They were five-acre (2 ha) lots platted in 1912 by the Munger Land Company and sold to investors. Most of the owners in the 1960s were happy to get rid of the land, which was mostly swamp at the time. Another issue was the mineral rights to the land, which were owned by Tufts University. Without the transfer of these rights, Tufts could come in at any time and demand the removal of buildings to obtain minerals. Eventually, Disney's team negotiated a deal with Tufts to buy the mineral rights for \$15,000.

Millions Visit Each Year - *Walt Disney World was the most visited vacation resort in the world, with an average annual attendance of more than 58 million. Disneyland has been visited by more than +750 million since it opened, making it the most visited theme park in history. In September 1959, Soviet First Secretary Nikita Khrushchev spent thirteen days in the United States, with two requests: to visit Disneyland and to meet John Wayne.*

Lots of Jobs - *Walt Disney World, which includes Animal Kingdom, the Magic Kingdom, Hollywood Studios and Epcot theme parks, employs about 77,000 people. According to reports, Disneyland Resort supports about 65,000 jobs.*

Why the Planned Reopening is so Important - *Disney Resorts have been closed for almost 4 months. This Saturday, July 11th, Disney will welcome guests back to its flagship theme park in Orlando, Florida, and reopen a cornerstone of its business. The Disney resort plans to begin a phased reopening on Saturday for its Magic Kingdom and Animal Kingdom parks, followed by EPCOT and Hollywood Studios on July 15. Disney's media empire is vast. The company has blockbuster film franchises, a popular and growing streaming service, and a robust cable network in ESPN. Still, all those things may not be as vital to the company's bottom line in the near term as its parks and resorts. And no Disney park is as essential as Walt Disney World. Estimates are that Disney World alone generated \$11.2 billion, or about 16% of the company's total revenue in 2019 and added that it's a massive driver of growth for the company. All eyes are on this reopen!*







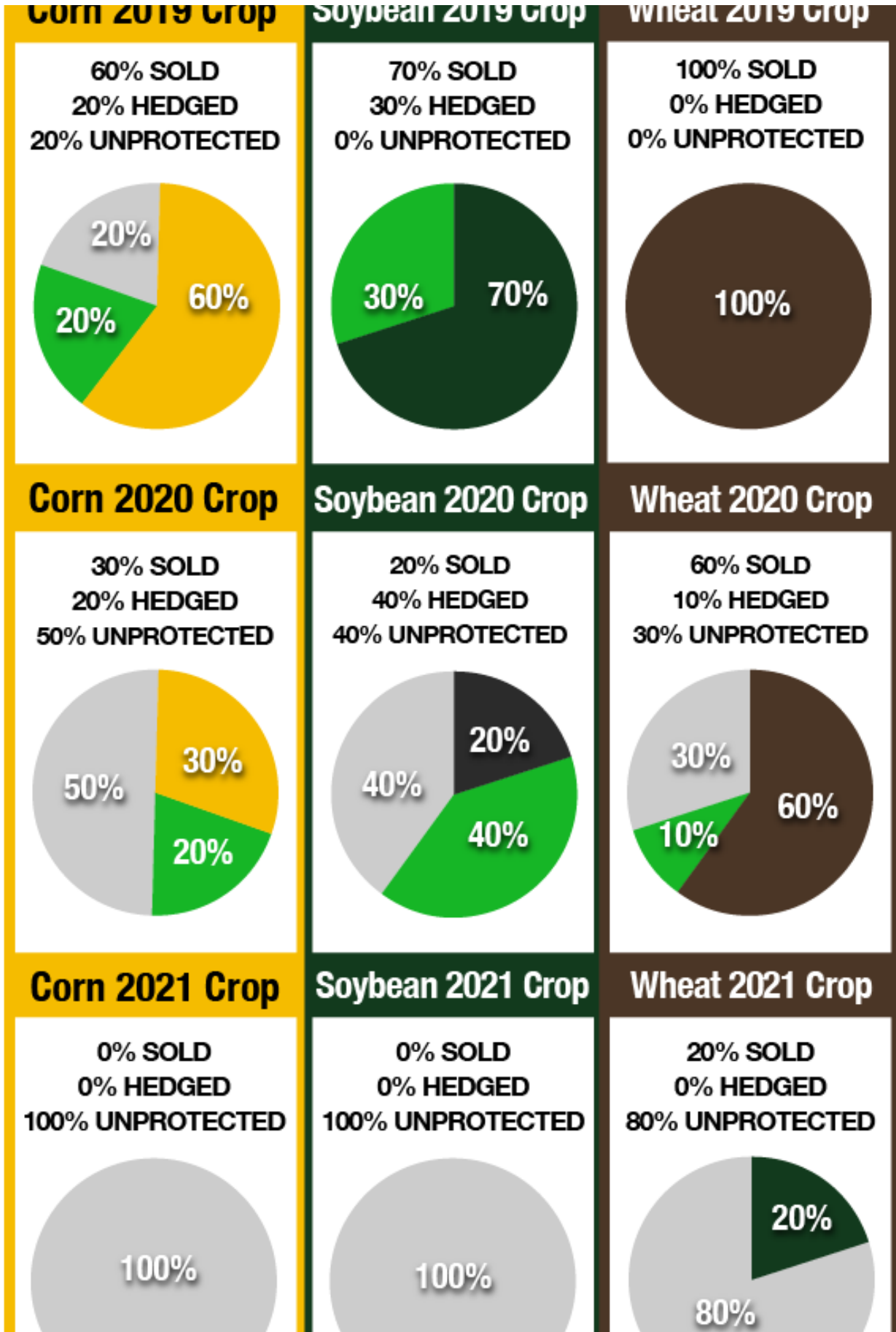


ANSWER to riddle: A hole.

CASH SALES & HEDGING TOTALS

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