

GOOD MORNING: 06/06/17 Farm Direction - VanTrump Report

1 message

Kevin Van Trump <info@farmdirection.com>
To: Kevin Van Trump <info@farmdirection.com>

Tue, Jun 6, 2017 at 6:57 AM



"We have been extremely long on teaching competency but have fallen dramatically behind in teaching character and leadership." - Unknown

TUESDAY, JUNE 06, 2017

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Morning Summary: Stocks start the week backpedaling just a bit as Fed speakers are now on pause ahead of next weeks anticipated rate hike. Word out of Washington is that President Trump appears ready to nominate Randal Quarles and Marvin Goodfriend to two of three vacancies at the Federal Reserve. Both are considered solidly conservative, in line with the Republican President and Congress but perhaps not with current Fed Chair Janet Yellen. Remember both Fed Chair Janet Yell and Vice Chair Stanley Fischer could step down in 2018. Goodfriend is known to be a critic of easing programs, while Quarles currently heads a private investment firm. It's also believed the two could help accelerate Trump's push to make rules friendlier for community and regional banks rather than big Wall Street institutions, as well as other deregulation moves, such as altering the Volcker Rule. President Trump has also provided a few more details regarding his infrastructure plan. One is the proposal of privatizing the nation's air-traffic control system, an idea long championed by Republicans. A bit more longer-term, I'm starting to hear more buzz inside the trade about the very real possibility of perhaps a government shutdown coming later this fall, especially if we don't start to see more compromise in Washington surrounding the Trump budget. There's also more talk and concern that all of this divide and uncertainty in Washington is further delaying "tax-reform" and increased "infrastructure spending". I suspect the trade will continue to closely monitor the headlines out of Washington as the bulls hope to see more signs of pro-growth gaining traction. As far as today's economic data, JOLTS is really the only report due out. Globally, investors are digesting the second terror attack in Britain in the last two weeks. Many insiders believe the increased violence could have an impact on this Thursday's U.K. election. Generally terror events tend to benefit more conservative candidates, like current Prime Minister Theresa May. But at this point, public confidence in May's government has taken a hit as of late due to three terrorist attacks already in 2017. The biggest impact could be felt in the British Parliament, where May's Conservative party might not pick up as many votes as was once expected. That in turn could lessen her "mandate" to negotiate Brexit and perhaps ultimately keep Britain from leaving the European Union. Don't forget Thursday is also the same day we will the latest ECB policy decision, and more than likely hear highly anticipated testimony here at home from former FBI Director James Comey. I suspect one could argue that some of the bulls may look to bank some profits and temporarily move a bit more money to the sideline ahead of couple of potential pop-up storms. I still have to imagine any significant dips will continue to be viewed as buying opportunities as too many big investors are caught underweight.

Facebook Up Over +300%, Tesla Now Up Over +1,700% From IPO: *In just over five short years Facebook stock is now up over +300%. Tesla stock is up over +1,700% from its IPO back in 2010. For many investors these have been considered easy layups! I'm certainly one who is happy with my results, but wish I would have put more money to work with both companies initially. As always hindsight is 20/20.*

Chinese Banks Face Funding Squeeze: *Beijing is squeezing its financial system and its banks may soon find themselves gasping for breath. Household deposits—long the backbone of China's economy, funding inexorable loan growth—are fleeing: Around 1.2 trillion yuan (\$176 billion) left the banking system last month. Meanwhile, growth in corporate deposits has slowed, reducing the rise in deposits overall to a crawl. The exodus is proving a double whammy for China's banks. Not only are they losing a stable source of funding, they are also bearing the brunt of higher costs to raise cash as financial conditions tighten. Much of the money pulled out of conventional deposits is being invested in the rapidly*

Today In History



1933, Drive In Theater - Richard Hollingshead was a young sales manager at his dad's Whiz Auto Products, but had a hankering to invent

something that combined his two interests: cars and movies. Hollingshead's vision was an open-air movie theater where moviegoers could watch from their own cars. He experimented in his own driveway, mounting a 1928 Kodak projector on the hood of his car, projected onto a screen he had nailed to trees in his backyard, and used a radio placed behind the screen for sound. With an investment of \$30,000, he opened the first drive-in on Tuesday June 6, 1933 in Camden, New Jersey. The price of admission was 25 cents for the car and 25 cents per person. The design did not include the in-car speaker system we know today. The inventor contacted a company by the name of RCA Victor to provide the sound system, called "Directional Sound", which consisted of three main speakers mounted next to the screen. The sound quality was not good for cars in the rear of the theater or for the surrounding neighbors. An interesting innovation that followed was a combination drive-in/fly-in theater. Ed Brown's Drive-In and Fly-In of Asbury Park, New Jersey had the capacity for 500 cars and 25 airplanes. An airfield was placed next to the drive-in and planes would taxi to the last row of the theater. When the movies were over, Brown provided a tow for the planes to be brought back to the airfield.



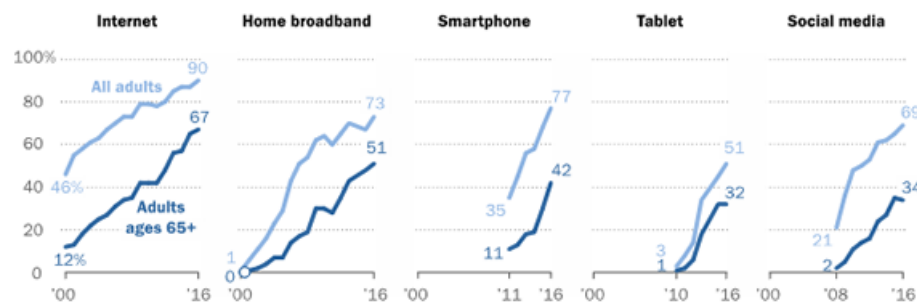
1934, SEC - The Securities Exchange Act of 1934 created the SEC to regulate exchanges, brokers, and over-the-counter markets, as well as to monitor the required financial disclosures. After the stock market crash in 1929, which led to millions of Americans losing their jobs, life savings, and homes, reflections on the cause of the crash prompted calls for reform. Controls on the issuing and trading of securities were virtually nonexistent up to this point, allowing for any number of frauds and schemes, and the unreported concentration of controlling stock interests in a very few

money poured out of conventional deposits is being invested in the rapidly multiplying population of investment funds, which offer higher rates. Ironically, it and other funds are achieving such returns by investing in financing tools issued by banks. When China liberalized deposit rates in 2015, banks started churning out new investment products, including so-called negotiable certificates of deposit. Issuance of these short-term products in April totaled \$180 billion, up 60% from a year earlier. Adding another constraint on liquidity, government deposits into the banking system are slowing. All the same, banks are pushing out ever-more loans to companies and households: The system's total loan-to-deposit ratio, a measure of liquidity, is nearing 80%, its highest level in over a decade. With most avenues of funding becoming expensive, investors should wonder where the banks will turn next. (Source: The Wall Street Journal)

Tech Adoption Climbing Among Older Adults: A record 46 million seniors live in the United States today, and older Americans – those age 65 and older – now account for 15% of the overall U.S. population. By 2050, 22% of Americans will be 65 and older, according to U.S. Census Bureau projections. At the same time America is graying, recent Pew Research Center surveys find that seniors are also moving towards more digitally connected lives. Around four-in-ten (42%) adults ages 65 and older now report owning smartphones, up from just 18% in 2013. Internet use and home broadband adoption among this group have also risen substantially. Today, 67% of seniors use the internet – a 55-percentage-point increase in just under two decades. And for the first time, half of older Americans now have broadband at home. Despite these gains, many seniors remain largely disconnected from the digital revolution. One-third of adults ages 65 and older say they never use the internet, and roughly half (49%) say they do not have home broadband services. Meanwhile, even with their recent gains, the proportion of seniors who say they own smartphones is 42 percentage points lower than those ages 18 to 64.

Smartphone adoption among seniors has nearly quadrupled in the last five years

% of U.S. adults who say they have or use the following



Source: Survey conducted Sept. 29-Nov. 6, 2016. Trend data are from previous Pew Research Center surveys.
"Tech Adoption Climbs Among Older Adults"

PEW RESEARCH CENTER

Weather forecasts show variable temperatures in the Midwest and very little rain for the northern Plains in the coming days. Forecasts are calling for a dry seven-day period in the Midwest. This should favor completion of planting for much of the nation's farmers. Soil moisture supplied by prior rains favor early development; however, a cool pattern later in the week will slow crop growth. Light rain is in store for the southern Plains this week. This round of light showers will be favorable for winter wheat harvest progress. In the northern Plains, generally very warm to hot conditions are indicated through the coming week. Dryness is becoming more of a concern across the region. Fears of an emerging drought across the northern Plains sent wheat futures to their highest level in a year last week. We have heard from a producer in Montana who noted temperatures in the 90s and 25 mph winds. He believes there will be acres in Montana and North Dakota that won't be harvested. Understand, the NOAA drought forecast for June has drought either developing or persisting in the region. This is something we will definitely watch in the coming days and weeks. Looking ahead, eastern regions of the country will continue to experience cool, wet weather through the end of the week, in contrast to generally warm weather across central and western States. The week will begin with wet weather across the South and East, following a late week return to cool, showery conditions in the Pacific Northwest. Five day rainfall totals will be highest from the Appalachians to the Atlantic Seaboard and in the Northwest, with 2 to 4 inches of rain possible in those areas. Elsewhere, warmer than average weather from the northern High Plains southward into the Four Corners States will contrast with cool conditions in the East. The 6 to 10 day outlook for June 10 - 14 indicates that warmer than average weather should return to the central and eastern U.S. while below-average temperatures will be likely across the western one-third of the country.

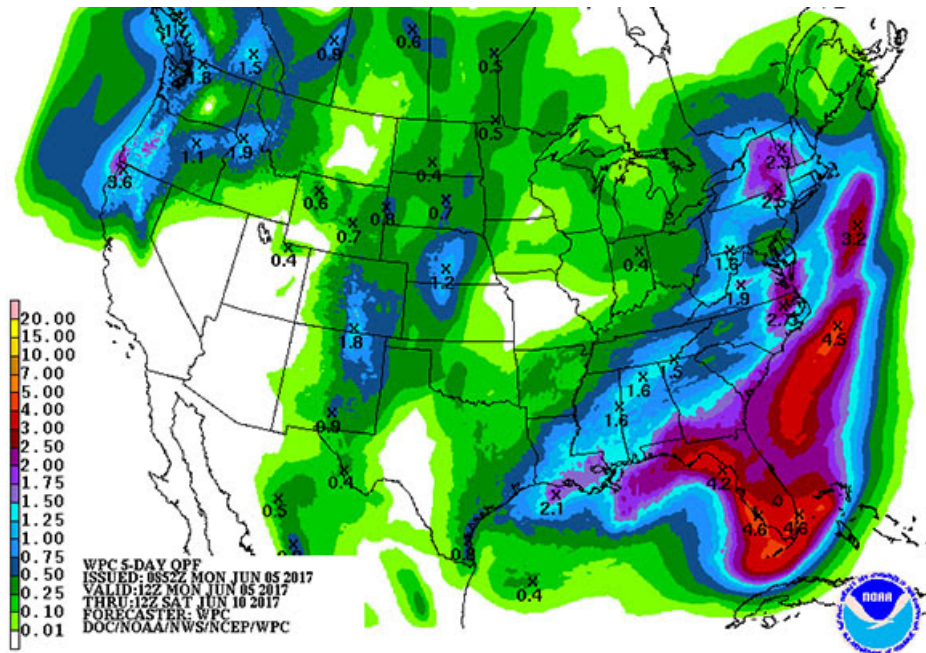
Dry Week for Much of the Midwest: As we said above, planting should have a good chance of getting completely finished up this week as little rain is in the

controlling stock interests in a very few hands led to the abuses of power. Brokers, dealers and exchanges were now legally required to put the interests of the investors first and treat them in a fair and honest manner. Congress established the SEC to enforce these laws for the sake of the investors and the future of market stability. Under the Act, brokers, dealers and exchanges were now legally required to put the interests of the investors first and treat them in a fair and honest manner. The SEC consists of five Commissioners appointed by the President of the United States, with the advice and consent of the US Senate. Their terms last five years, and are staggered so that one Commissioner's term ends on June 5th of each year. To ensure that the SEC remains non-partisan, no more than three Commissioners may belong to the same political party. The chairman of the commission functions as the SEC's chief executive. Joseph P. Kennedy, President John F. Kennedy's father, was the first SEC chairman. Other prominent SEC commissioners and chairmen include William O. Douglas, who went on to be a U.S. Supreme Court justice, and William J. Casey who later headed the Central Intelligence Agency under President Ronald Reagan.



1944, WWII - During World War II (1939-1945), the Battle of Normandy, which lasted from June 1944 to August 1944, resulted in the Allied liberation of Western Europe from Nazi Germany's control. Codenamed Operation Overlord, the battle began on June 6, 1944, also known as D-Day, when some 156,000 American, British and Canadian forces landed on five beaches along a 50-mile stretch of the heavily fortified coast of France's Normandy region. The invasion was one of the largest amphibious military assaults in history and required extensive planning. Prior to D-Day, the Allies conducted a deception campaign designed to mislead the Germans about the intended invasion target. By late August 1944, all of northern France had been liberated, and by the following spring the Allies had defeated the Germans. The Normandy landings have been called the beginning of the end of war in Europe. General Dwight Eisenhower had originally selected June 5th as the date for invasion, but bad weather caused it to be delayed for 24 hours. Giving the go-ahead for Operation Overlord, he told troops, "You are about to embark upon the Great Crusade, toward which we have striven these many months. The eyes of the world are upon you." The Normandy invasion began to turn the tide against the Nazis. A significant psychological blow, it also prevented Hitler from sending troops from France to build up his Eastern Front against the advancing Soviets. The following spring, on May 8, 1945, the Allies formally accepted the unconditional surrender of Nazi Germany. Hitler had committed suicide a week earlier, on April 30.

forecast across much of the nation's mid-section. Below is a 5 day rainfall map valid Monday June 5 through Saturday June 10.



Corn traders are digesting the fact the U.S. crop is now 96% planted and 86% emerged, which is very near our traditional pace. The other difficult data for the bulls to swallow is the fact weekly crop-conditions improved +3% from 65% to 68% rated "Good-to-Excellent". As a producer I continue to worry about a weakening demand story and crop conditions that could stay mixed or slightly improved if the weather cooperates during the next few weeks. Remember, Argentina is close to halfway done harvesting a record crop and will start flooding the market with a wave of supply in the next 60-days, just about the same time Brazil will come online with a wave of surplus and about the same time the U.S. producer will be looking to move final remaining old crop bushels and start harvesting new crop supply. Also keep in mind that the Argentine government, in late-2015, eliminated the 20% tax that had been in place on corn exports. It's just tough for me to envision any type of major demand headlines as we approach this glut of supply. That means any and all bullish tailwinds will have to come from the supply side of the equation. Unfortunately the South American crop looks incredibly strong and record in size. Yes, we can argue U.S. acres are going to be lower and the current yield forecast of 170.7 is overly optimistic, but don't forget, the USDA is already forecasting -4.0 million fewer planted corn acres here in the U.S. when compared to last year and is forecasting -4.3 million fewer harvested acres 82.4 million this year vs. 86.7 million last year. Some in the trade believe we could shave another -500,000 to -1.5 million. Current total U.S. production is forecast at 14.065 billion bushels vs. 15.141 billion last year when the yield was 174.6. I suspect if you trim another -1.0 million acres from the harvested estimate and are eventually able to reduce the yield to 160 or lower, the game quickly becomes a lot more interesting as total U.S. production plunges below 13.0 billion bushels. I'm certainly not there as of yet, but many bulls are already trimming the -1.0 million acres from their books and have their yield penciled in sub-168. Stay tuned...

Corn Planted Acres: The USDA now shows 96% of the U.S. crop as "planted". Top production states like Illinois, Iowa, Minnesota, Missouri, Nebraska, North and South Dakota are all thought to be 98% or more planted.

States Running Behind Their Traditional 5-year Average:

Colorado: 93% planted vs. the 5-year average of 96%
 Indiana: 91% planted vs. the 5-year average of 96%
 Kansas: 90% planted vs. the 5-year average of 96%
 Michigan: 91% planted vs. the 5-year average of 94%
 Ohio: 91% planted vs. the 5-year average of 96%
 Pennsylvania: 82% planted vs. the 5-year average of 90%
 Tennessee: 98% planted vs. the 5-year average of 99%
 Wisconsin: 91% planted vs. the 5-year average of 92%

Corn Conditions: The USDA bumped conditions higher by +3% to 68% rated "Good-to-Excellent". Below are this year's conditions compared to last year:

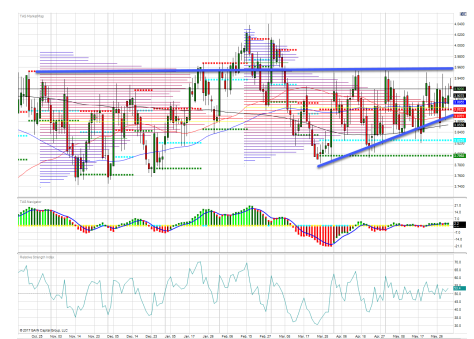
State Conditions Better Than Last Year

Pennsylvania +18% better than last year...+5% this week to 82% GD/EX
 Kentucky +13% better than last year... -3% this week to 82% GD/EX

Upcoming Events

- Fri. 6/9** - USDA Supply and Demand
- Tues.-Wed. 6/13-14** - FOMC Meeting
- Thurs. 6/22** - Cold Storage
- Fri. 6/23** - Cattle on Feed
- Fri. 6/29** - Quarterly Hogs and Pigs
- Fri. 6/30** - Quarterly Stocks and Acreage
- Tues. 7/4** - Independence Day - Markets Closed
- Wed. 7/5** - Minutes From 6/14 FOMC Meeting Released
- Wed. 7/12** - USDA Supply and Demand
- Fri. 7/21** - Cattle on Feed
- Mon. 7/24** - Cold Storage
- Tues.-Wed. 7/25-26** - FOMC Meeting
- Fri. 8/10** - USDA Supply and Demand
- Wed. 8/16** - Minutes From 7/26 FOMC Meeting
- Tues. 8/22** - Cold Storage
- Fri. 8/25** - Cattle on Feed

Chart Of The Week



Dec Corn

The bull trend line support comes in at 3.88. A close above the recent three month highs at 3.95 could help to reinforce bullish momentum

[Enlarge Dec Corn Chart »](#)



Need more help with the "Technical" side of the market? I personally like to use

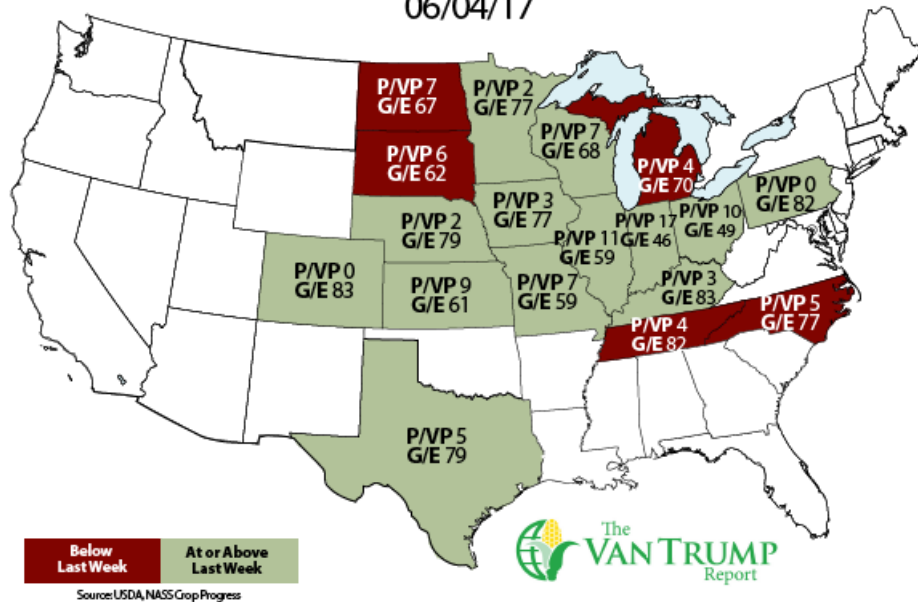
Texas +8% better than last year... +4% this week to 79% GD/EX
 Iowa +7% better than last year... +4% this week to 77%GD/EX
 Colorado +6% better than last year... +11 this week to 83% GD/EX
 Tennessee +4% better than last year... +2% this week to 83% GD/EX
 Nebraska +1% better than last year... +3% this week to 79% GD/EX
 North Carolina +1% better than last year... -6% this week to 77% GD/EX
 Michigan +1% better than last year... -5% this week to 70% GD/EX
 Minnesota same as last year... +9% this week to 77% GD/EX

State Conditions Worse Than Last Year

Indiana -26% worse than last year... +3 this week to 46% GD/EX
 North Dakota -19% worse than last year... +1% this week to 67% GD/EX
 Ohio -18% worse than last year... "unchanged" at 49% GD/EX
 Wisconsin -18% worse than last year... +7% this week to 68% GD/EX
 Illinois -17% worse than last year +7% this week to 59% GD/EX
 South Dakota -12% worse than last year... -5% this week to 62% GD/EX
 Missouri -12% worse than last year... +6% this week to 59% GD/EX
 Kansas -7% worse than last year... +6% this week to 61% GD/EX

Corn Conditions

06/04/17



Soybean traders are looking at a U.S. planting pace that is now running ahead of schedule as the USDA shows 83% planted vs. the 5-year historical average of 79%. The USDA also showed 58% of the U.S. soybean crop is "emerged" vs. the 5-year historical average of 59% by this date. Bottom-line, the trade doesn't seem to feel like acres are in jeopardy. In fact many sources inside the trade believe the current record estimate of 89.5 million planted acres might ultimately push to 90 million, with harvested acres closer to 89 million. I suspect the biggest "wild-card" will continue to be final U.S. yield, which is still a huge unknown and will be for several more weeks. If you figure harvested acres will ultimately fall somewhere between 88.5 and 89.5 million acres, you can start to play around with the pencil and determine that to push total production sub-4.0 billion bushels you need a yield of 45 bushels or lower. The USDA is currently estimating total production at 4.255 billion bushels on a 48.0 bushel yield vs. 4.307 on a 52.1 bushel per acre yield last year.

States Running Behind 5-Year Planting Pace

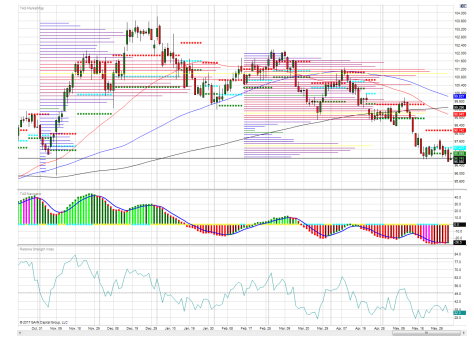
Ohio -13% behind and still has 26% left to plant
 Indiana -10% behind and still has 25% left to plant
 Michigan -10% behind and still has 25% left to plant
 Wisconsin -7% behind and still has 27% left to plant

States Running Ahead 5-Year Planting Pace

North Dakota +13% ahead and has only 6% left to plant
 Missouri +11% ahead and has 29% left to plant
 Arkansas +9% ahead and has only 15% left to plant
 South Dakota +9% ahead and has only 8% left to plant
 Minnesota +8% ahead and has only 6% left to plant
 Iowa +7% ahead and has only 9% left to plant
 Kentucky +6% ahead and has 40% left to plant
 Louisiana +5% ahead and has only 4% left to plant

Tom Dosdall at Technical Ag Knowledge.
[Click here](#) for a complimentary subscription courtesy of The Van Trump Report.

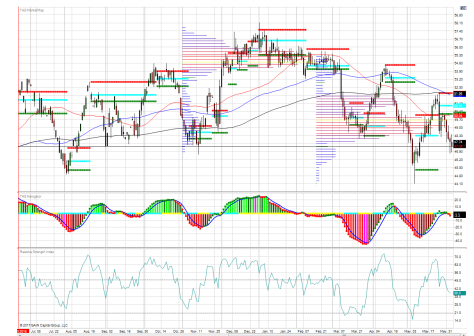
Outside Markets



US Dollar Index

The Dollar is out of balance/bearish but holding near the November lows around 96.500. A close below 96.300 and the charts take on a more bearish outlook.

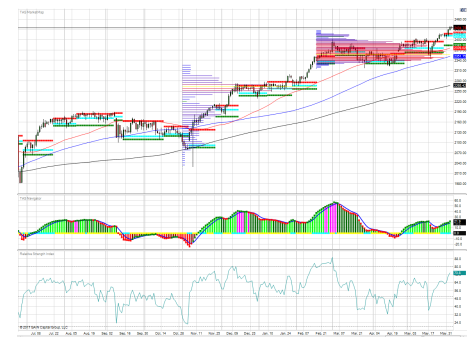
[Enlarge US Dollar Index Chart »](#)



Crude Oil

Crude oil remains out of balance and trending bearish. Next downside objective could be near the TAS low value/demand level at 45.30.

[Enlarge Crude Oil Chart »](#)



E-Mini S&P Index

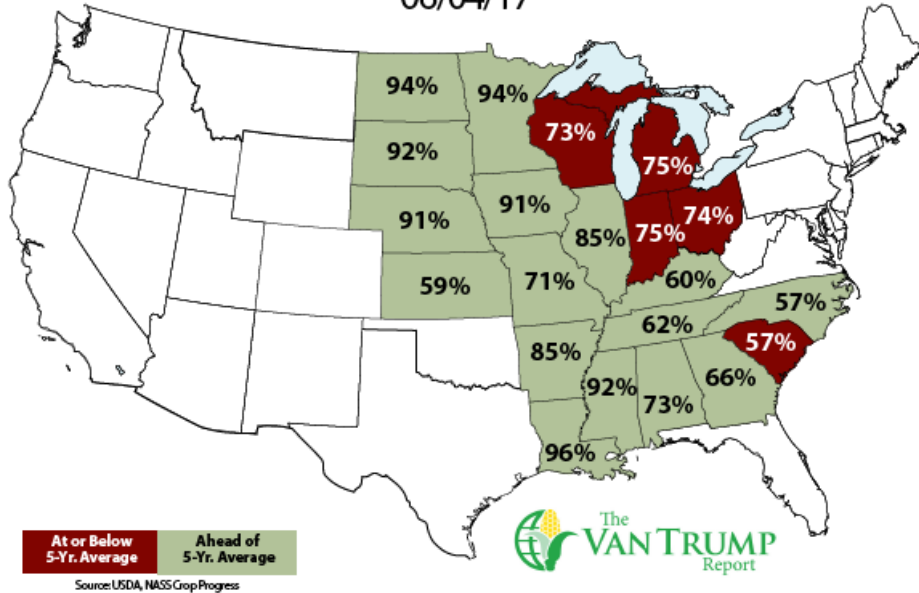
The long term bull trend remains intact with support for the uptrend at 2417.75.

[Enlarge E-Mini S&P Index Chart »](#)

Illinois +4% ahead and has only 15% left to plant
 Mississippi +4% ahead and has only 8% left to plant
 North Carolina +4% ahead and has 43% left to plant
 Kansas +2% ahead and has 41% left to plant
 Tennessee +2% ahead and has 38% left to plant
 Nebraska +1% ahead and has only 9% left to plant

Soybean Planted

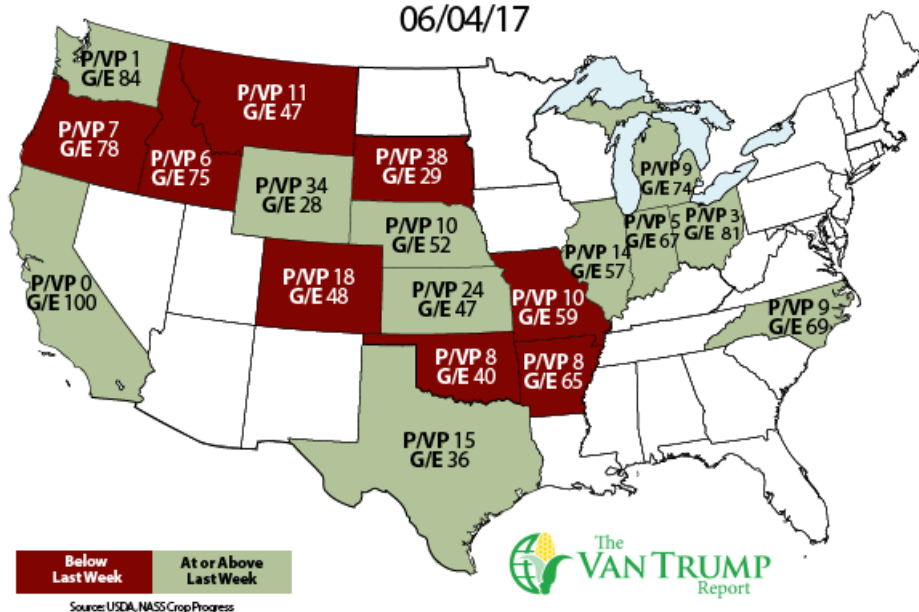
06/04/17



Wheat traders are seeing a U.S. Winter wheat crop that continues to deteriorate in conditions with the USDA now showing 49% rated "Good-to-Excellent" vs. a rating of 62% last year. The Spring wheat crop is increasingly deteriorating, falling this past week by -7% to now 55% rated "Good-to-Excellent" vs. a rating of 79% last year. The crazy part is South Dakota's crop is rated only 25% GD/EX; Montana is rated 48% GD/EX; North Dakota 50% GD/EX. Outside of the U.S. I continue to monitor dry conditions in parts of the Black Sea region, parts of Europe and parts of China. The funds are still holding an extremely large short position and continue to point towards overly burdensome global and domestic supply. I personally believe this song has been overplayed and remain conservatively bullish, believing ultimately there is more opportunity to the upside than current downside risk. I also believe the U.S. crop is going to be lower than currently forecast and global production might also encounter a few hiccups. Perhaps we could see some bullish data by the USDA in this Friday's report... Stay tuned!

Winter Wheat Conditions

06/04/17



Kevin's Song of the Week

WHAT I'M LISTENING TO: ▶



▶ Jason Aldean "They Don't Know"

About the Report

NEXT level THINKING



My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with



> Canada Overtakes U.S. As Top China Pork Supplier: Canada has overtaken the United States as the top North American supplier of pork to China as farmers and meat packers in both nations battle for lucrative shares of the biggest global market. Canada's pork sales to China, after a sharp rise last year, exceeded those of the United States in the first quarter of 2017. That's only happened a handful of times in two decades, according to U.S. and Canadian government data. (Source: Reuters)

> Russia Wheat Exports Seen Hitting New Record: Russia's wheat exports are forecast to reach 28 million metric tons in the 2017-18 season, which starts in July. Citing Dmitry Rylko, director general of Moscow-based consultant IKAR, the amount would be a record and compares with 27.2 to 27.3 million metric tons of exports exported this season. The country's exports currently stand at 25.61 million metric tons for this season.

> China Plans U.S. Visit Spurring Hopes For Poultry Trading: Chinese agricultural delegations are set to visit the United States in the coming months, raising hopes that Beijing may lift a ban on U.S. poultry imports. A decision by Beijing to cancel the ban would benefit U.S. farmers nervous about trade policies under U.S. President Donald Trump, who pulled out of the 12-nation Trans-Pacific Partnership in January and pledged to renegotiate NAFTA. (Source: Reuters)

> House Will Tackle Food, Ag Issues This Week: House lawmakers are jumping straight into food and agricultural issues following their week out of Washington. The House Agriculture Committee will get back to its review of the farm bill with a pair of hearings on two programs that were targeted for cuts in Trump's budget proposal last month: food stamps and foreign food aid. The full committee will convene Wednesday to review "The Future of International Food Aid and Agricultural Development." Those programs are popular among farmers, who get paid for crops that are sent abroad, but Trump's budget would eliminate this revenue stream for producers. Then, on Thursday, the Nutrition Subcommittee will meet to discuss technologies that could help to improve the Supplemental Nutrition Assistance Program. On Thursday afternoon, the House Committee on Natural Resources will gather for what it is calling an "Oversight Hearing on Burdensome Litigation and Federal Bureaucratic Roadblocks to Manage our Nation's Overgrown, Fire-Prone National Forests." Witnesses have yet to be made public. And in a rare Friday hearing, the Energy and Commerce Committee is going to review GOP legislation aimed at easing parts of the Obama administration's menu labeling law. The bill, H.R. 772, would make establishments that do the majority of their business in off-site orders - think: pizza takeout shops - exempt from calorie-labeling requirements for physical menus, among other changes. (Source: Politico)

> Noble Said To Ask Lenders To Extend Credit Facility: Noble Group Ltd. is asking lenders to extend a key credit facility until the end of the year as the embattled commodity trader seeks breathing room to negotiate its future. The company's core banks have hired law firm Clifford Chance LLP to advise them amid crisis talks over a \$2 billion credit facility that expires this month, according to a person with knowledge of the discussions. Noble is asking banks to extend the facility to the end of the year, as well as negotiating new covenants on its bank debt, said the person, who asked not to be named because the discussions are confidential. The moves signal the company and its banks are preparing for protracted negotiations over the trader's future. Noble has sought to sign a new credit line to replace the \$2 billion borrowing base facility that expires this month. As an alternative, it's asking banks to extend the existing facility until the end of the year.

> Syngenta Trial Begins: The first of tens of thousands of U.S. lawsuits began yesterday in Kansas against Swiss agribusiness giant Syngenta over its decision to introduce a genetically engineered corn seed variety to the U.S. market before China approved it for imports. The lawsuits allege Syngenta's move wrecked an increasingly important export market for U.S. corn and resulted in price drops that hurt all producers. Court filings show Syngenta aggressively marketed the seeds even when it knew Chinese approval was going to be a problem. Plaintiffs' experts estimate the economic damage at about \$5 billion, though Syngenta denies its actions caused any losses for farmers. Monday's trial in Kansas City, Kansas, involves four Kansas farmers representing roughly 7,300 farmers from that state, according to William Chaney, an attorney for the plaintiffs. It will mark the first test case. The second, involving about 60,000 cases, goes to trial July 10 in a state court in Minnesota, where Syngenta's North American seed business is based in suburban Minneapolis. The two cases are meant to provide guidance for how the complex web of litigation in state and federal courts could be resolved. (Source: Fox)

the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator
for Farm Programs USDA**

[More Testimonials](#)

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

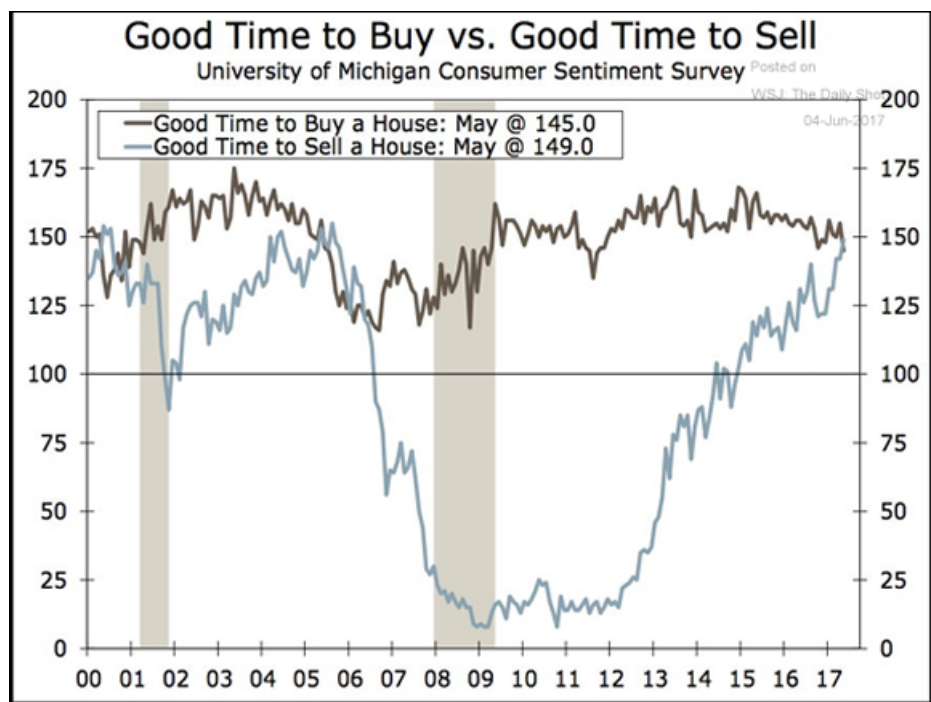
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

> **World Bank Leaves Global Growth Forecast Unchanged:** The World Bank has maintained its forecast for global growth in 2017 and 2018 at 2.7% and 2.9%, respectively, as manufacturing and trade pick up and confidence improves. It's supported by stronger demand from major advanced economies, increased trade flows to and from China, and a diminished drag from weak demand from commodity exporters.

> **Good Time To Buy VS. Good Time To Sell:** For the first time in over a decade, more Americans think it's a good time to sell a home than to buy one. With home prices rising at 6% per year, this trend is likely to continue. According to Fannie Mae's monthly National Housing Survey, consumers also expressed greater confidence about the stability of their jobs, with the net share of that component jumping 7 percentage points. Additionally, on net, the share of respondents reporting that their household income is significantly higher than it was 12 months ago increased 2 percentage points. The net share of Americans who say that mortgage rates will go down over the next twelve months rose 3 percentage points. Finally, the net share of those who think home prices will go up increased by 1 percentage point this month. (Source: Daily Shot, Fannie Mae)



Farm Direction
RECIPES

★ **FAMILY FAVORITES** ★
-SENT IN BY OUR READERS-

Triple-Berry Angel Food Cake Roll

CLICK TO SEE RECIPE



FROM THE FIELD

Northwest Missouri - I think that we are finally getting close to caught up on the spraying between all the rains. The corn went in the ground early and the stand looks pretty good. The emergence was pretty uniform and the population looks good. We are battling the effects of too much rain causing yellow fields. Most of the stand is starting to come out of it and if the weather forecast, is close to being right, we will have some good drying days over the next week and a half. The temperatures should be good for production. The soybean stand has been more adversely affected by the heavy rains. The emergence has not been very uniform, with a very sparse stand with large holes in them. If we have any stress at all on this bean crop I think that you could see the beans go backward in a hurry. Both crops have a long ways to go but the planting has been less than ideal, probably resulting in below trend line yields in the end.

Northcentral South Dakota - Things up here are pretty bad as we are deep in a drought situation. We received a 1/2" of rain in April on our farm and that is it. Things looked so promising as we had plenty of snow cover and even today the valleys that were last to melt are green. We do have a chance of a thunderstorm dropping some showers this afternoon. If we do not receive some rain very soon the drag on yield will be extreme. Crop insurance agents have been out scouting fields and preparing for the worst. I am trying out some new technology with older sprayer to control double coverage. I'm told ROI may take two years so we'll wait and see.

Eastern Mississippi - We are in great shape so far this year. We had a decent early planting window and got things planted ahead of time. The rains have been often so far this spring and it wouldn't hurt us to miss the next round in the forecast. We have not had to run any irrigation this spring, which is a good sign and also keeps fuel costs down. We have done most of the spraying and will see how that plays out with all the moisture we have had. I am using new bean seed varieties this year so we are keeping an eye on that stand. I don't think we will have any problems but have learned from experience that new seed will require more of my time and normally will see a pinch on yields.

CROSSING WIRES

A place to share intelligent thoughts...

Farm Sector Shouldn't Have To Sacrifice More To Help Balance The Budget:

American Farm Bureau Federation President Zippy Duvall writes in an op-ed for Iowa Farmer Today that while he and Farm Bureau members believe agriculture should do its fair share to get us back to fiscal discipline and a balanced budget, they feel the ag sector has already done more than its fair share. "We should not be expected to sacrifice more, when we've already done more than virtually any other sector. When Congress passed the 2014 farm bill, it was estimated to cut the deficit by \$23 billion over 10 years. Agriculture was the only sector that voluntarily offered savings during the 113th Congress, when the 2014 farm bill was passed." Read more [HERE](#).

Open-Minded People Have A Different Visual Perception Of Reality:

Psychologists have only begun to unravel the concept of "personality," that all-important but nebulous feature of individual identity. Recent studies suggest that personality traits don't simply affect your outlook on life, but the way you perceive reality. One study published earlier this year in the Journal of Research in Personality goes so far as to suggest that openness to experience changes what people see in the world. It makes them more likely to experience certain visual perceptions. In the study, researchers from the University of Melbourne in Australia recruited 123 volunteers and gave them the big five personality test, which measures extroversion, agreeableness, conscientiousness, neuroticism, and openness to experience. That last personality trait involves creativity, imagination, and a willingness to try new things. They then tested who experienced a visual perception phenomenon called "binocular rivalry." This phenomenon occurs when each eye is shown a different image—in this case, a red path in one eye and a green patch to another. Most people switch back and forwards between the two incompatible images, as the brain can only perceive one at a time. But some people merge the two images into a unified red-green patch. Participants who scored higher on openness were more likely to perceive this combined image. Read more [HERE](#).

Automated Trading Of Commodity Futures Accelerating: The machines are taking over markets for energy, metals and food. Automated trading systems now account for half the volume in many commodity futures after proliferating over the past two years, a government study has found. The rise of trading run without human intervention has sparked controversy among the farmers, ranchers, industrial companies and hedge funds that trade futures. Some contend prices have become disconnected from forces of supply and demand because of algorithms, while others welcome added volumes. The US Commodity Futures Trading Commission, a derivatives watchdog, has suggested rules to lessen the risk of mayhem from a computer gone awry. Industry groups have pushed back. Read more from [Financial Times](#).

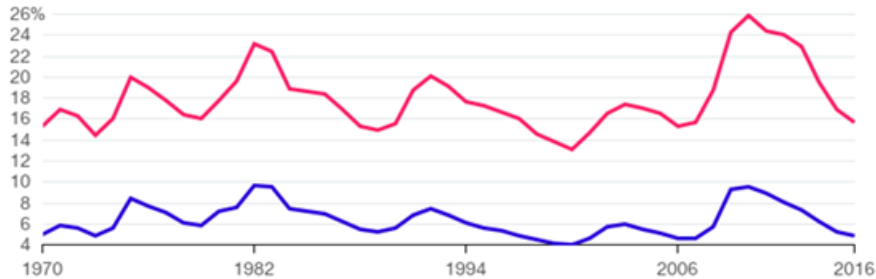
State Of The Internet 2017: Mary Meeker of Kleiner Perkins Caufield & Byers each year puts together a fascinating and influential presentation on the state of the web. The report, chock-full of insights and stats, delves into the biggest trends in digital. She released the 2017 presentation at Vox Media's Code Conference last week, and Business Insider republished it [HERE](#) in full. While last year focused on messaging apps and transportation, this year's Internet Trends report focuses on things like interactive games, China's golden age of entertainment, and the digital disruption of the media business.

Why The American Teenage Worker Is Dwindling: Whether you're looking at summer jobs or at teen employment year-round, the work trends for teenagers show a clear pattern over the last three decades. When recessions hit, in the early 1990s, early 2000s, and from 2007 to 2009, teen labor participation rates plunge. As the economy recovers, though, teen labor doesn't bounce back. The BLS expects the teen labor force participation rate to drop below 27 percent in 2024, or 30 points lower than the peak seasonally adjusted rate in 1989. Why aren't teens working? Lots of theories have been offered, see them [HERE](#).

An Improving Jobs Market

Teens are usually about three times more likely to be unemployed than other Americans.

■ U.S. Unemployment Rate ■ U.S. Unemployment Rate for Ages 16 to 19



U.S. Bureau of Labor Statistics, seasonally adjusted

Bloomberg

FROM MY PERSPECTIVE

Kevin Van Trump



ISELECTFUND



The VAN TRUMP
Report

Featured Ag-Tech Startups

iSelect Webinar Series

The Van Trump Report has partnered with iSelect to help bring ag-tech to the farmer in the field. My good friend Carter Williams, CEO of iSelect, is making a difference in agriculture and I wanted to share some of his insight. Carter was the former director and founder of Boeing Ventures where he led Boeing's technology planning process. Carter is also the past president and founder of the MIT Corporate Venturing Consortium and Co-founder of the MIT Entrepreneurship Society. Today Carter is using his team's talents and abilities to help some of the most innovative in agriculture. Through this process he has the opportunity to see some of the latest innovations and technological shifts that are heading our direction, many times before they ever hit the mainstream market. Each week I will be featuring one of the NEW ag-tech companies and passing along an invitation for readers to join a webinar that will further explain the start-up. Keep in mind the webinars are geared towards investors who are thinking about providing start-up capital and seed funding. I personally find it interesting to hear about the technology and innovation that is being discussed. Some of the technology may be of interest to you, while some may not. I feel it's important to pass along what Carter and his team are seeing happen in the ag space. Remember, we don't have to be in agreement with every thought or idea but we do need to understand and be aware of the changes that are happening.

Ag-Tech Webinar: "Turning Data Into Better Farming", OnFarm's CEO Lance Donny

Date & Time: Thursday, June 8th, 3-4pm CST

How OnFarm Can Make Your Farm More Profitable

OnFarm is based in Fresno, California and was created in 2012 with the goal of connecting data farmers need with technology that makes it easy to access. OnFarm's CEO Lance Donny will be presenting this Thursday with a short webinar titled, "Turning Data Into Better Farming." I'm sure we all remember the old days, before technology like OnFarm's Dashboard, when we were forced to pull together multiple applications to examine information needed to make decisions and enter all that data into spreadsheets. The Dashboard is the result of Donny's desire to marry Ag with what's possible in technology. "Bringing them together for me was the Holy Grail," he said. OnFarm transparently integrates the data into a customizable dashboard with forecasts and recommendations that enable the entire farming organization to make better, more informed decisions resulting in immediate impact on farm inputs, productivity, and profitability. This cloud-based software management solution enables near plug-n-play

adoption of hardware and data solutions from industry leading companies. Nearly any type of data is available in OnFarm from sensors, meters, controls, and equipment, through imaging. In an early project, OnFarms collaborated with both IBM and University of Georgia to provide agricultural businesses within Georgia's Front River Basin with the means to efficiently and effectively manage their water usage. Using real-time and automated agriculture decision making that involved weather variables delivering a 90% accuracy, U of G predicts farmers will save 15% of their supplies which means 50 billion gallons of water a year at the Front River Basin.

Register for the webinar [HERE](#).

Why Am I Getting So Many Sales Calls On My Cellphone?

If you like me, you've probably witnessed a recent spike in the number of robocalls you receive on your cellphone. Citing statistics from YouMail, a developer of robocall-blocking software, the Federal Communications Commission says consumers received an estimated 2.4 billion robocalls per month last year, and the number has spiked dramatically higher the past several months, driven in part by internet-powered phone systems that have made it cheap and easy to make the calls from anywhere in the world. Alex Quilici, chief executive of [YouMail](#), said his company estimated that 2.3 billion calls were made in December 2016, up from 1.5 billion in December 2015. To add insult to injury, these calls are quite often the work of scammers. For instance, callers pretending to represent the Internal Revenue Service, claiming the person they called owes back taxes and threatens them with arrest and other legal action. According to the FCC, this scheme has cost victims more than \$54 million. The next development will be integrated efforts combining email, phone calls and social media to scheme money from consumers, according to Ryan Kalember, senior vice president of cybersecurity strategy at Proofpoint, a cybersecurity company in Sunnyvale, California. He adds that the level of innovation "is really quite astounding," with technology enabling the proliferation of robo-schemes at a scale not witnessed before. So what can you do to protect yourself from possible scams and just the sheer annoyance of robocalls? Here are some helpful tips from YouMail. (Source: NY Times)

Robots Imitate Life: *Be aware that the callers are evolving. Some have numbers that appear to be from your area code (they result in higher response rates); others employ "imitation of life" software in which the robocall sounds like a live person, complete with coughing, laughing and background noise. This artificial intelligence can be programmed to interact in real time with a consumer.*

Careful What You Say: *One recent scheme involves getting consumers to say "yes" and later using a recording of the response to allow unauthorized charges on the person's credit card account, the F.C.C. warned in March. When the caller asks, "Can you hear me?" and the consumer answers "yes," the caller can gain a voice signature that can later be used to authorize fraudulent charges by telephone. Best to simply answer with "I can hear you."*

Don't Answer: *Rule number one in avoiding unwanted calls is to simply not answer numbers you do not recognize. Mr. Quilici stresses that just interacting with these calls is potentially dangerous. If you do answer, don't respond to the invitation to press a number to opt out. That will merely verify that yours is a working number and make you a target for more calls.*

Turn To The Government: *List your phones on the [National Do Not Call Registry](#). If your number is on the registry and you do get unwanted calls, report them. Mr. Quilici said the registry is helpful but should not be seen as a guarantee that the unwanted calls will stop. "If I'm sitting in India dialing a million numbers, what are the odds I'm even going to be fined for violating the Do Not Call Registry?" he asked. "It's probably near zero."*

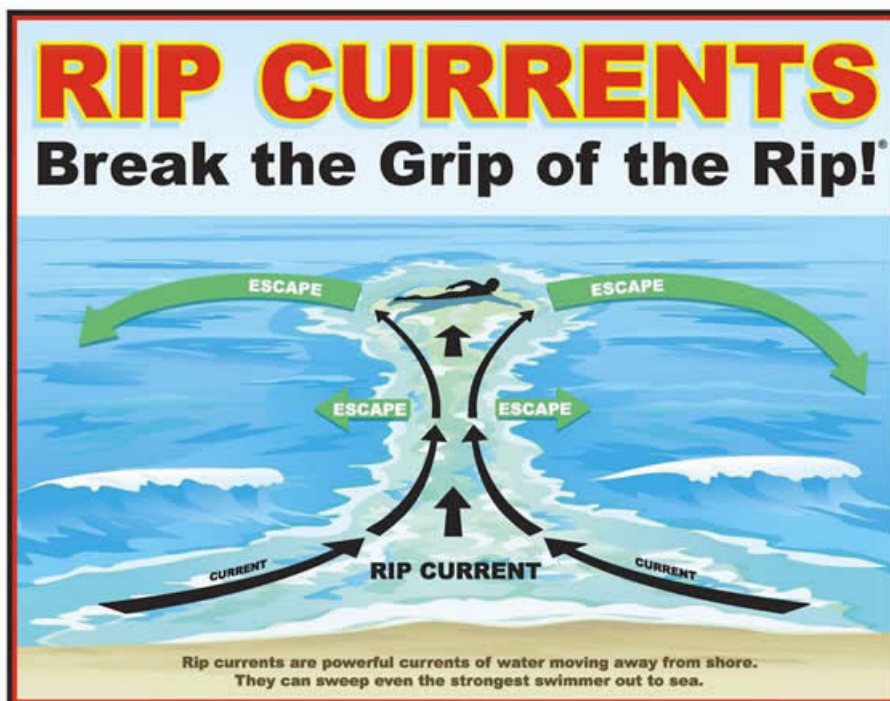
Turn To Technology: *Download apps such as [Truecaller](#), [RoboKiller](#), [Mr. Number](#), [Nomorobo](#) and [Hiya](#), which will block the calls. YouMail will stop your phone from ringing with calls from suspected robocallers and deliver a message that your number is out of service. Mr. Quilici said phone companies, such as T-Mobile, Verizon and AT&T, also have tools to combat robocalls. They work by blocking calls from numbers known to be problematic.*

Turn The Tables: *The [Jolly Roger Phone Company](#) turns the tables on telemarketers. The program allows a customer to put the phone on mute and patch telemarketing calls to a robot, which understands speech patterns and inflections and works to keep the caller engaged. The robots string the callers along with vocal fillers like "Uh-huh" and "O.K., O.K." After several minutes, some will ask the callers to repeat their sales pitch from the beginning.*



Heading to the Beach?

For all those lucky enough to be hitting the beach this summer, I wanted to again pass along this potentially life-saving information. According to the US Lifesaving Association, about 80% of all beach rescues are because of rip currents. These narrow channels of water move at speeds of up to 8 feet per second and can extend 200 to 2,500 feet lengthwise. You may have heard of them referred to as "riptides" or "undertow", but no matter what you call them, they can be extremely dangerous and are the beach's number one killer. Rip currents are created when water is pushed toward the shore and then forced sideways by incoming waves. That water then moves along the shoreline until it finds a way back into the ocean or open lake water. Most commonly, they occur on the East, Gulf and West coasts of the US as well as the Great Lakes. They can happen quite suddenly, which makes them particularly dangerous as they catch beachgoers off guard - a swimmer can quickly go from taking a quick dip close to shore to suddenly being pulled out to sea at speeds of up to 5 miles per hour. Before you dip your toes in the water, please memorize this Rip Current survival graphic released by the NOAA, pictured below. Remember, the best way to survive is to NOT try to swim to shore. The currents are too strong for even the strongest of swimmers to fight and will just wear you out, which is what leads to most drownings. The best thing to do is to swim sideways, parallel to the beach. This will get you out of the currents path. If you can't swim sideways, don't panic! Let the current pull you along until you can feel the water get calmer. Again, swim sideways out of it and head back to shore or signal for help so a lifeguard can help get you back to the beach. Also make sure you check out the pic on how to best identify a Rip Current from the beach. It's the area between the two arrows.



IF CAUGHT IN A RIP CURRENT

- ◆ **Don't fight the current**
- ◆ **Swim out of the current, then to shore**
- ◆ **If you can't escape, float or tread water**
- ◆ **If you need help, call or wave for assistance**

SAFETY

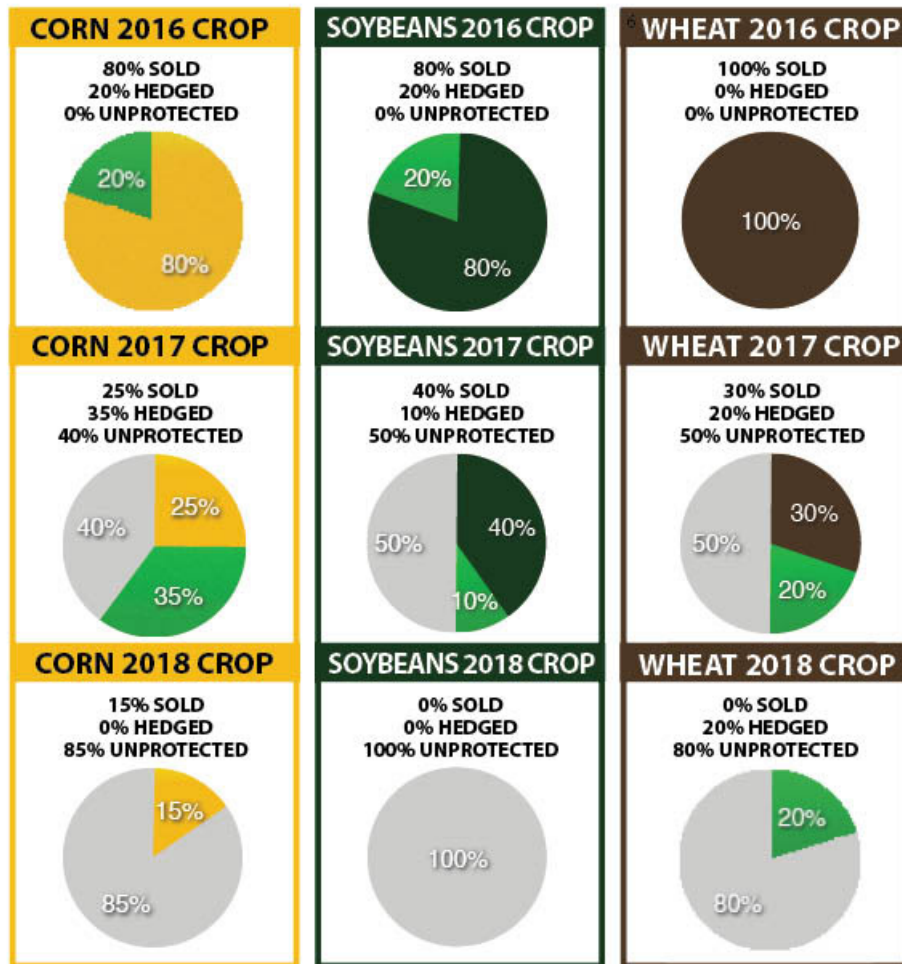
- ◆ **Know how to swim**
- ◆ **Never swim alone**
- ◆ **If in doubt, don't go out**

More information about rip currents can be found at the following web sites:

www.ripcurrents.noaa.gov
www.usla.org



CASH SALES & HEDGING TOTALS



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