

GOOD MORNING: 06/13/17 Farm Direction - Van Trump Report

1 message

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

Tue, Jun 13, 2017 at 6:51 AM



"Don't ask what the world needs. Ask what makes you come alive, and go do it. Because what the world needs is people who have come alive."—Howard Thurman

TUESDAY, JUNE 13, 2017

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Morning Summary: Stocks investors are wondering if asset classes are beginning to "disconnect" while traders await tomorrow's policy decision by the U.S. Federal Reserve and press conference from Fed Chair Janet Yellen. Tech stocks are a bit higher this morning, but have been experiencing the strongest pullback. There is a lot of debate as to whether this is a temporary summer lull or the start of a major shift in leadership. Some insiders believe the tech sector has reached its near-term limits and might now be vulnerable to summer fatigue and rising market anxiety. Apple stock has fallen by more than -6% since last Friday amid a report now circulating that their upcoming iPhone 8 might not be as fast as its rivals. There was also a downgrade from a "buy" rating to a "hold" rating, on limited upside. Facebook, Amazon, Netflix, and Google, who represent the "FANG" stocks have also been under fairly heavy pressure as of late. Google is down about -4% since Friday, Amazon and Facebook down close to -5%, and Netflix down over -8%. Interestingly these are also four stocks most frequently found in the Top-10 holdings for the biggest hedge funds. I can't say I blame anyone for owning the shares, because during the past four years Facebook has soared by over +540%, Netflix advanced +441%, Amazon surged higher by more than +260%, Apple gained +170%, and Alphabet/Google up +124%. Today is somewhat slow in regard to economic data with just the NFIB Small Business Optimism Index and the Producer Price Index scheduled for release. However, Washington will likely be providing some headlines as Attorney General Jeff Sessions testifies publicly before the Senate Intelligence Committee. The hearing is scheduled to start at 1:30 p.m. CST. From what I understand he's expected to be asked questions about his alleged conversations with Russians during the 2016 Presidential campaign. There's also some concern being raised about special counsel Robert Mueller, who was appointed to investigate Russian interference in the U.S. election and related matters. Some Republican heavyweights are saying Mueller will be incapable of being impartial, while others say the investigation is unnecessary thanks to former FBI Director James Comey's testimony last week that the President wasn't under investigation. It's not all "doom-n-gloom" on Wall Street, Morgan Stanley is still talking about a 12-month price target of 2,700 for the S&P 500, which would be a double digit increase from our current level. Remember, if the market made sense and was always logical, everyone would be rich. As I mentioned earlier, a lot of things currently appear disconnected, but I find it extremely difficult longer-term to bet against Apple, Amazon, Facebook and Google. I'm going to stay patient for the time being, and positioning myself to bargain shop on extended summer breaks. We might bounce about a bit higher near term, but I still believe there could be more room to the downside in the tech sector...

Record Setting Ticket Price For NBA Finals: A pair of court-side tickets in Oakland, home of the Golden State Warriors sold last night for record \$133,000. Some news sources joked that you could get a decent home in Cleveland for that price. ESPN reported pairs of other court-side seats for Game 5 also resold online for \$90,000 and \$82,000. From what I understand, court-side seats for the finals at Oakland's Oracle Arena had a face value of around \$3,000 each. That's a real nice profit for some smart sellers. Congratulations to the Golden State Warriors on the NBA Championship victory!

Bitcoin Witnessed A Massive Crash: Bitcoin suddenly plummeted Monday, falling as much as -16% from its record-high of \$3,041.36 on Monday afternoon.

Today In History



1381, Peasants' Revolt - A large mob of English peasants led by Wat Tyler marches into London and begins burning and looting the city. Several

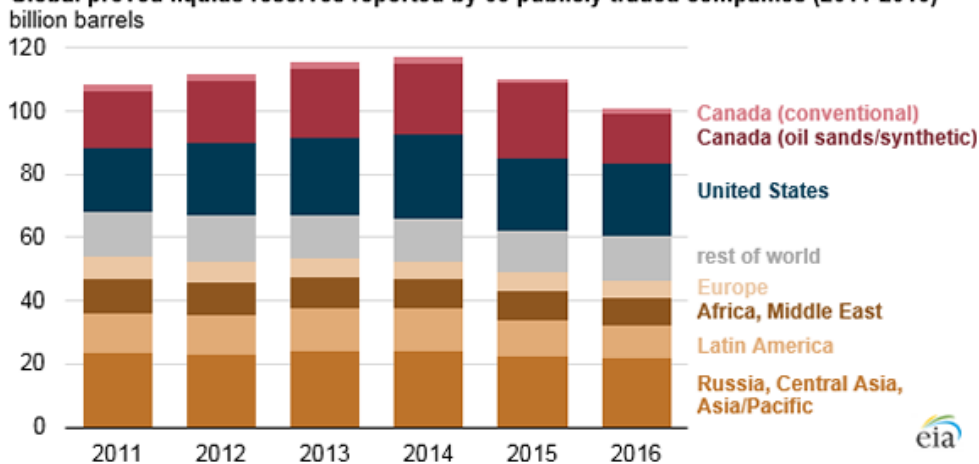
government buildings were destroyed, prisoners were released, and a judge was beheaded along with several dozen other leading citizens. The Peasants' Revolt had its origins in a severe manifestation of bubonic plague in the late 1340s, which killed nearly a third of the population of England. The scarcity of labor brought on by the Black Death led to higher wages and a more mobile peasantry. Parliament, however, resisted these changes to its traditional feudal system and passed laws to hold down wages while encouraging landlords to reassert their ancient manorial rights. In 1380, peasant discontent reached a breaking point when Parliament restricted voting rights through an increase of the poll tax, and the Peasants' Revolt began. In Kent, a county in southeast England, the rebels chose Wat Tyler as their leader, and he led his growing "army" toward London. After he was denied a meeting with King Richard II, he led the rebels into London on June 13, 1381, burning and plundering the city. The next day, the 14-year-old king met with peasant leaders at Mile End and agreed to their demands to abolish serfdom and restrictions on the marketplace. However, fighting continued elsewhere at the same time, and Tyler led a peasant force against the Tower of London, capturing the fortress and executing the archbishop of Canterbury. On June 15, the king met Tyler at Smithfield, and Tyler presented new demands, including one calling for the abolishment of church property. During the meeting, the mayor of London, angered at Tyler's arrogance in the presence of the king, lunged at the rebel leader with a sword, fatally wounding him. As Tyler lay dying on the ground, Richard managed to keep the peasant mob calm until the mayor returned with

falling as much as -10% from its record-high of \$3,041.50 on Monday afternoon. Even with the decline, Bitcoin still remains up more than +150% for the year. Some analysts are worried this could be the start of a larger crash as digital currency systems have grown too quickly. Bitcoin and rival currency Ethereum are also experiencing some pressure from a new "crypto coin" on the block that was sold by Bancor. They raised a record \$153 million in their initial coin offering, which traders have called, "a massive amount of money for a product that's still in very early testing phases", which has drummed up a ton of new skepticism about overall cryptocurrency valuations." (Source: MarketWatch)

U.S. Can Pay Bills Through September: Treasury Secretary Steve Mnuchin reassured a congressional panel yesterday that the U.S. can continue to meet its financial obligations even if Congress misses an August deadline to raise the debt limit. Mnuchin had originally set that deadline and pushed for Congress to increase the Treasury's borrowing authority before lawmakers leave on a five-week break in August. Mnuchin says now that he is "comfortable" that the Treasury can pay the bills through the start of September, saying "we have back up plans." The federal government technically hit the debt limit in March, but the Treasury has been using accounting steps known as "extraordinary measures" to avoid a default. Republicans are struggling to come up with the votes to raise the debt limit, with some members demanding spending cuts in exchange for their vote. Lawmakers are trying to deal with the debt limit while at the same time working to pass spending bills to fund the government. One uncertainty surrounding forecasts is that government revenues have been lower in recent months than previously expected, possibly due to individuals and businesses delaying tax payments in anticipation of GOP tax cuts. If the trend continues, it could cause Treasury to run out of room sooner, analysts have said. The Congressional Budget Office said last week that federal government receipts fell short of expectations for the second month in a row. (Sources: Wall Street Journal, CNBC)

Oil Companies' Proved Reserves Decline For Second Consecutive Year: Annual reports of 68 publicly traded oil companies indicated that their aggregate proved liquids reserves declined in 2016 for the second consecutive year. The decline in proved reserves was heavily concentrated in a few companies that reduced their estimated reserves from Canadian oil sands projects. Downward revisions of existing resources, relatively low extensions and discoveries, and relatively high production also contributed to a decline in proved reserves. Proved reserves are the estimated quantities of oil that, with reasonable certainty, are recoverable under existing economic and operating conditions. Price changes and other economic factors can have a significant effect on the economic viability of oil projects, and some companies specifically cited low crude oil prices in 2016 as a reason to revise their proved reserves base downward. Extensions (more resources at existing fields) and discoveries (resources at new fields) represent newly found quantities of oil and totaled 4.9 billion barrels across the 68 companies in 2016. So far in 2017, capital expenditures remain lower than for the same period in 2016. Generally, larger companies with more production are reducing expenditures, while relatively smaller companies are increasing their capital expenditures. (Source: EIA)

Global proved liquids reserves reported by 68 publicly traded companies (2011-2016)



Weather forecasts are calling for a mix of heat and thunderstorms in the Midwest along with favorable harvest conditions in the southern Plains for winter wheat. On the Plains, slightly cooler air accompanied by scattered thundershowers continues to overspread Montana and the Dakotas, but hot weather persists farther south. Weekend showers on the northern Plains provided scattered but highly beneficial moisture for drought-stressed crops, pastures and rangeland. In the Corn Belt, mostly dry weather

armed troops. Hundreds of rebels were executed and the rest dispersed. During the next few days, the Peasant Revolt was put down with severity all across England, and Richard revoked all the concessions he had made to the peasants at Mile End. For several weeks, Wat Tyler's head was displayed on a pole in a London field.



1807, Aaron Burr - President

Thomas Jefferson receives a subpoena to testify in the treason trial of his former vice president, Aaron Burr, on this day in 1807. In the subpoena, Burr asked Jefferson to produce documents that might exonerate him. Burr had already been politically and socially disgraced by killing former Treasury secretary and Revolutionary-era hero Alexander Hamilton in a duel in 1804. After killing Hamilton, Burr, still Jefferson's vice president, went into hiding to avoid prosecution for murder. (The charges were later dropped.) Burr then concocted a seditious plan to enlist the help of Britain and Spain to create a separate nation in the southwestern reaches of the American continent, including parts of Mexico, over which Burr would rule. The outrageous plan failed miserably when one of Burr's co-conspirators, General James Wilkinson, betrayed Burr and alerted Jefferson to the plot. Burr was hunted down and arrested in 1806 and indicted for treason. Jefferson expressed in his personal papers that he felt no love or loyalty to Burr despite their former political relationship. Burr had run a close and contentious election against the republican Jefferson in the 1800 campaign. After the election resulted in a tie, the vote went to the House of Representatives. Only after Alexander Hamilton reluctantly lobbied for Jefferson did the House select Jefferson for the presidency instead of Burr. This was only one of the many grievances Burr held against Hamilton that led to the fatal duel. Jefferson refused to appear in Burr's defense and released only a few of the documents Burr had requested, invoking his presidential right to protect the public interest. If Jefferson's intent was to help get Burr convicted, his refusal to supply documentation backfired. In the end, Supreme Court Chief Justice John Marshall found Burr not guilty by lack of evidence.

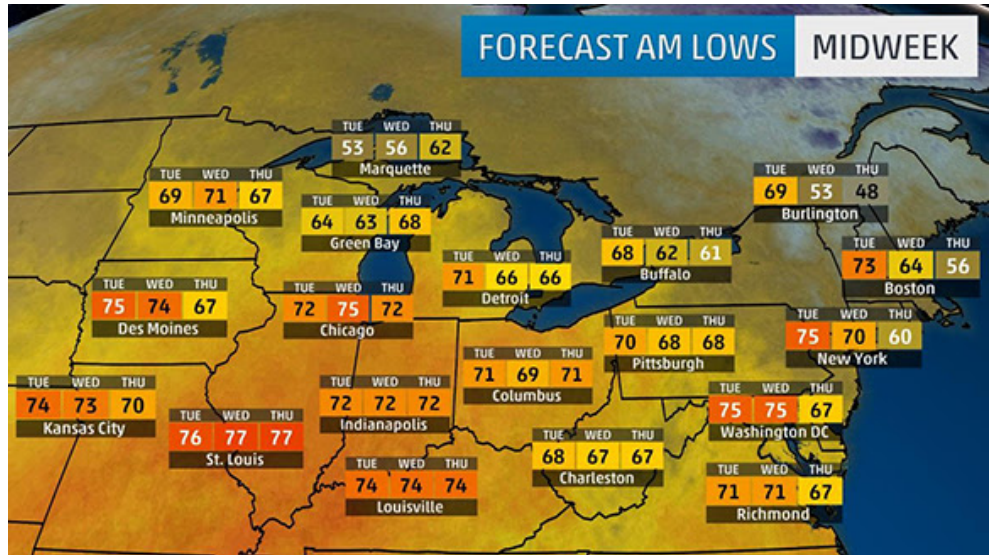
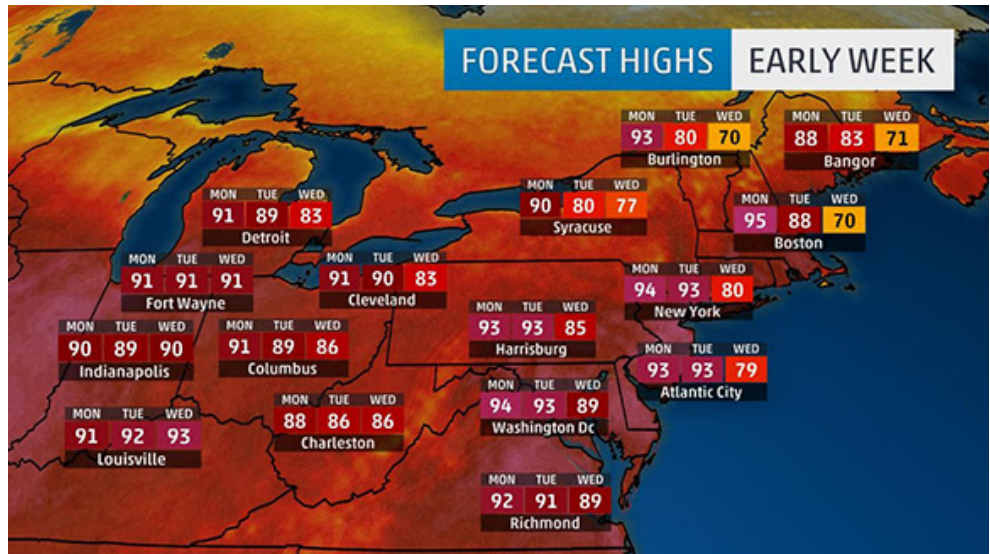


1975, Linda Ronstadt - By

the end of the 1970s, the decade of her greatest commercial success, Linda Ronstadt was being hailed with honors like "the First Lady of Rock" and "Top Female Pop Singer of the Decade." But neither of those titles captured the true breadth of her musical pursuits or of her popularity. As synonymous as she was in the late 1970s with the pop mainstream, Ronstadt began her rise to stardom working in an idiom as

stressed crops, pastures, and rangelands. In the Corn Belt, mostly dry weather continues, except for shower across the region's northern tier. The heart of the Corn Belt, including much of Iowa, Illinois, Indiana, northern Missouri and eastern Nebraska, have received little rain in the last 2 weeks, favoring winter wheat maturation but sharply reducing topsoil moisture for corn and soybean development. Day time temperatures above 90 degrees F reached the western Corn Belt late last week and overspread the remainder of the Midwest on Sunday and will continue through this week. Additional rain is likely to fall in already wet areas of the Southeast, while showers and thunderstorms will also continue across the northern Plains and Great Lakes States. Five-day rainfall totals in the southeast could reach 1 to 2 inches; the Great Lakes States and the Ohio Valley can expect 1 to 3 inches. Rainfall across the nation's northern tier should help limit any further drought growth in the region. However, dry conditions will continue across the southern High Plains, Four Corners States and southern California. Meanwhile, warmer than average weather will persist from the central High Plains through the Ohio Valley and into the Northeast.

Record Setting Heat This Week in the Midwest: *The weather has ushered in summer-like heat and record temps for the Midwest and Northeast early this week. High temps will range from +10 to +25 degrees above average through the central and northern Plains eastward into the Northeast this week. In addition to hotter high temperatures, low temperatures will also be warmer than average for early-to-mid June. Early to mid-week, low temperatures will be +10 to degrees warmer than average for this time of year from the Midwest into the Northeast.*



Corn traders continue to debate U.S. weather, including past, present and future. Many bulls argue that extreme conditions have caused complications in many important growing regions. Conditions in South Dakota fell by -17% last week and are now -27% worse than last year. Conditions in Indiana -29% worse than last year; North Dakota -28% worse; Illinois -17% worse; Ohio -15% worse; Wisconsin -15% worse; Missouri -13% worse; Kansas -5% worse; Iowa -3% worse. Throw on top talk from agronomist in many areas sighting leaves "rolling" early into the high winds and abnormal heat. Meaning plant development has perhaps slowed and adding leaves could be more

standard working in an idiom as compatible with country-music fashions as with rock. In fact, her first top-10 hit was with the Hank Williams song "I Can't Help It (If I'm Still In Love With You)," and the biggest hit of her career was "When Will I Be Loved," which became a #1 hit on the country-music charts on this day in 1975. "When Will I Be Loved," a top-10 pop hit for the Everly Brothers in 1960, came from Linda Ronstadt's 1975 breakthrough album Heart Like A Wheel, which yielded three top-10 hits each on the pop and country-music charts. While Ronstadt's dabbling in new wave and disco on her subsequent albums may have seemed to mark her as a trend-follower, in fact they reflected a natural eclecticism that would become even more pronounced in future stages of her career. Over the course of 30 active years (and counting) since her 1975 breakthrough, Linda Ronstadt has recorded songs by such diverse songwriting giants as Hank Williams, Elvis Costello, Gilbert and Sullivan, Smokey Robinson, Sam and Dave and Cole Porter, as well as an entire album of traditional Spanish canciones.

Upcoming Events

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

...making plant development and perhaps stress and seeding rates seem to be more difficult. The bears argue that the dry conditions may actually help the plant in some locations as the roots will have to move deeper searching for water, ultimately helping to strengthen the plant. The bears also believe the crop is going to get a couple of very good drinks prior to pollination. U.S. weather remains all the talk... Below are some additional thoughts regarding crop conditions.

Corn Conditions: The USDA slightly adjusted crop-conditions lower by -1% to 67% rated "Good-to-Excellent". From my perspective, I see the "Worse Than" group being much more impactful than the "Better Than" group. Hence even more reason to believe the U.S. yield needs to be worked lower. Below are this year's conditions compared to last year:

State Conditions "Better Than" Last Year

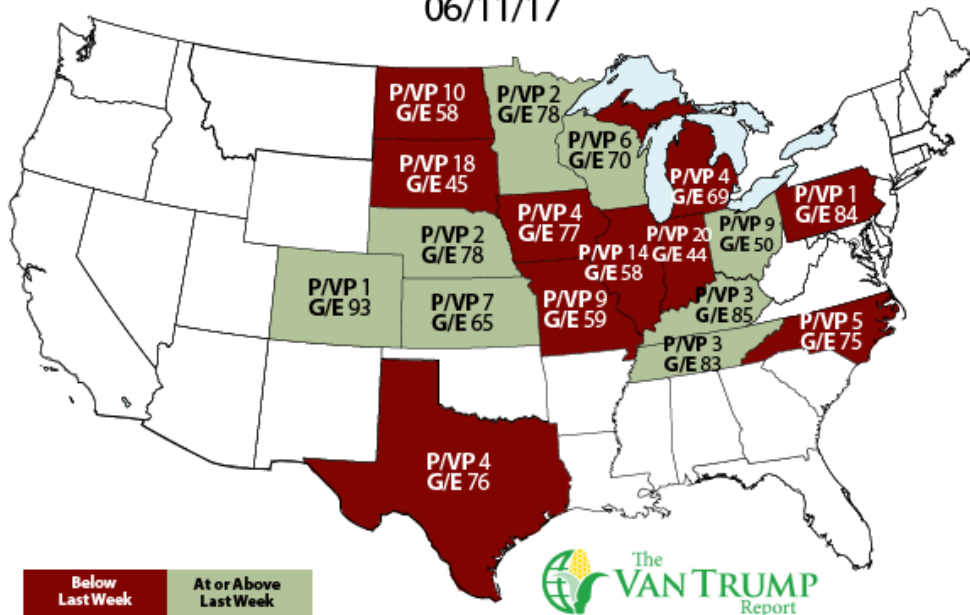
- Pennsylvania +18% better than last year... +2% this week to 84% GD/EX
- Kentucky +16% better than last year... +3% this week to 85% GD/EX
- Colorado +12% better than last year... +10 this week to 93% GD/EX
- Tennessee +5% better than last year... +0% this week to 83% GD/EX
- Texas +2% better than last year... -3% this week to 76% GD/EX
- Nebraska +1% better than last year... -1% this week to 78% GD/EX
- North Carolina +1% better than last year... -2% this week to 75% GD/EX
- Michigan same as last year... -1% this week to 69% GD/EX
- Minnesota same as last year... +1% this week to 78% GD/EX

State Conditions "Worse Than" Last Year

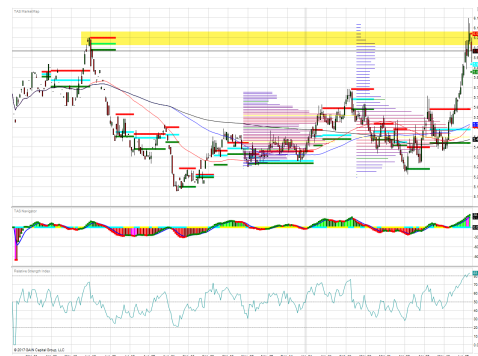
- Indiana -29% worse than last year... -2 this week to 44% GD/EX
- North Dakota -28% worse than last year... -9% this week to 58% GD/EX
- South Dakota -27% worse than last year... -17% this week to 45% GD/EX
- Illinois -17% worse than last year -1% this week to 58% GD/EX
- Ohio -15% worse than last year... +1% this week to 50% GD/EX
- Wisconsin -15% worse than last year... +2% this week to 70% GD/EX
- Missouri -13% worse than last year... +0% this week to 59% GD/EX
- Kansas -5% worse than last year... +4% this week to 65% GD/EX
- Iowa -3% worse than last year... +0% this week to 77%GD/EX

Corn Conditions

06/11/17



Soybean bears are happy to see the USDA report across at 92% planted vs. the 5-year average of 87%. The USDA also showed "emerged" soybeans at 77% vs. the 5-year average of 72%. The first crop-condition estimate by the USDA however showed only 66% of U.S. soybeans rated "Good-to-Excellent" compared to 74% last year and compared to 67% the year prior. From my perspective, states experience "Worse Than" conditions compared to last year are more severe and bigger named production states than those showing "Better Than" conditions. Hence, similar to corn, there's reasons for the bulls to argue for a reduction in yield, despite it being so early in the game. As I mentioned last week, I suspect soybean will be somewhat of a follower as the current weather headlines and stories seem comfortable circulating around corn and spring wheat



July Spring Wheat

Spring wheat is backing away from 1-year highs near 6.05. RSI reading of 83.6 is overbought and TAS Navigator is warning of bull trend exhaustion.

[Enlarge July Spring Wheat Chart »](#)



Need more help with the "Technical" side of the market? I personally like to use 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 has moved into a neutral/sideways trading range between 96.457 and 97.318. A close below or above one of these levels may set the new technical trend in motion.

[Enlarge US Dollar Index Chart »](#)

State Conditions "Better Than" Last Year

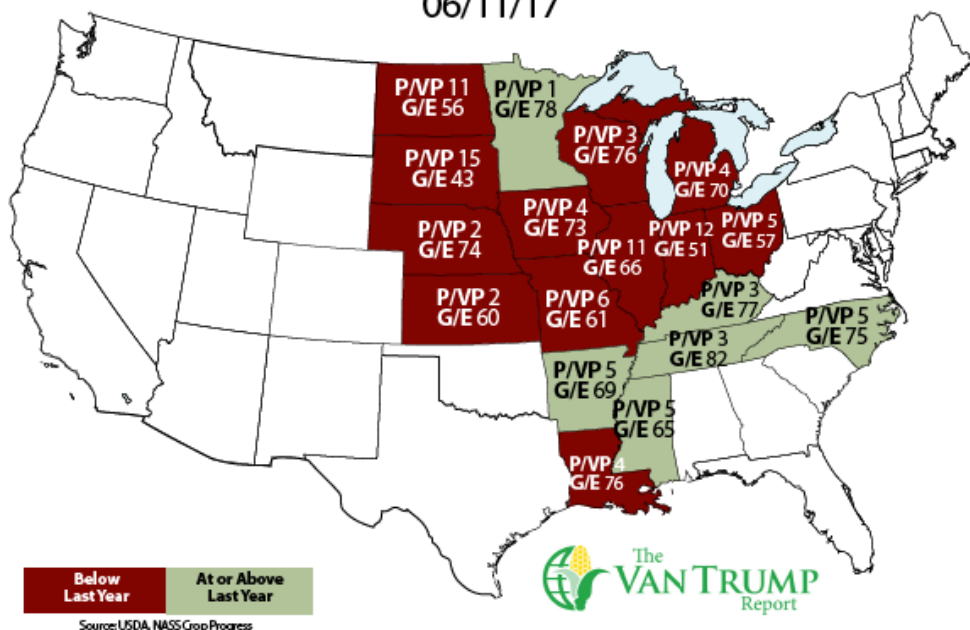
- Arkansas +15% better than last year... at 69% GD/EX
- North Carolina +6% better than last year... at 82% GD/EX
- Tennessee +6% better than last year... at 75% GD/EX
- Kentucky +1% better than last year... at 77% GD/EX
- Minnesota +1% better than last year... at 78% GD/EX
- Louisiana same as last year... at 76% GD/EX
- Mississippi same as last year... at 65% GD/EX

State Conditions "Worse Than" Last Year

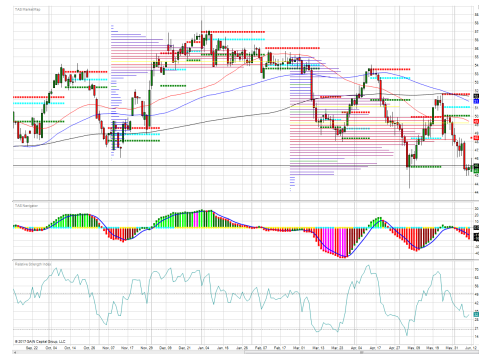
- South Dakota -32% worse than last year... at 43% GD/EX
- North Dakota -25% worse than last year... at 56% GD/EX
- Indiana -24% worse than last year... at 51% GD/EX
- Ohio -11% worse than last year... at 57% GD/EX
- Illinois -9% worse than last year... at 66% GD/EX
- Iowa -8% worse than last year... at 73% GD/EX
- Kansas -7% worse than last year... at 60% GD/EX
- Wisconsin -7% worse than last year... at 76% GD/EX
- Nebraska -5% worse than last year... at 74% GD/EX
- Michigan -4% worse than last year... at 70% GD/EX
- Missouri -3% worse than last year... at 61% GD/EX

Soybean Conditions

06/11/17



Wheat bears continue to point to burdensome fundamentals, while the bulls point to potential "quality" and "protein" problems associated with overall crop conditions. Winter wheat conditions were actually raised a hair higher by the USDA yesterday, from 49% to 50% rated "Good-to-Excellent" vs. 61% last year. Spring wheat conditions however fell by another -10% and now stand at just 45% rated "Good-to-Excellent" vs. 79% last year. Keep in mind we haven't seen a crop-condition rating this low in Spring wheat since 1992. Big problems are obvious in South Dakota where conditions fell by another -12% and now stand at just 13% rated "Good-to-Excellent", along with 57% rated "Poor-to-Very Poor". Montana is also seeing extremely difficult weather with conditions falling by -25% on the week, now standing at just 23% reported "Good-to-Excellent". North Dakota is reporting 43% of their crop rated "Good-to-Excellent". Winter wheat harvest progress gained some momentum and was reported at 17% complete vs. the 5-year average of 15%. California seems to be running the furthest behind schedule with only 1% harvested vs. the normal pace of 39%. Kansas is also running a bit behind schedule with just 4% harvested vs. the traditional average of 15%. Globally, I continue to monitor weather complications in parts of Canada, Russia, Ukraine and perhaps Australia.



Crude Oil

The contract lows are in play as support near 45.30. A close below this level could reinforce bearish technical sentiment. Otherwise, look for a bounce.

[Enlarge Crude Oil Chart »](#)



E-Mini S&P Index

The long term bull trend remains intact with support for the uptrend at 2418.50.

[Enlarge E-Mini S&P Index Chart »](#)

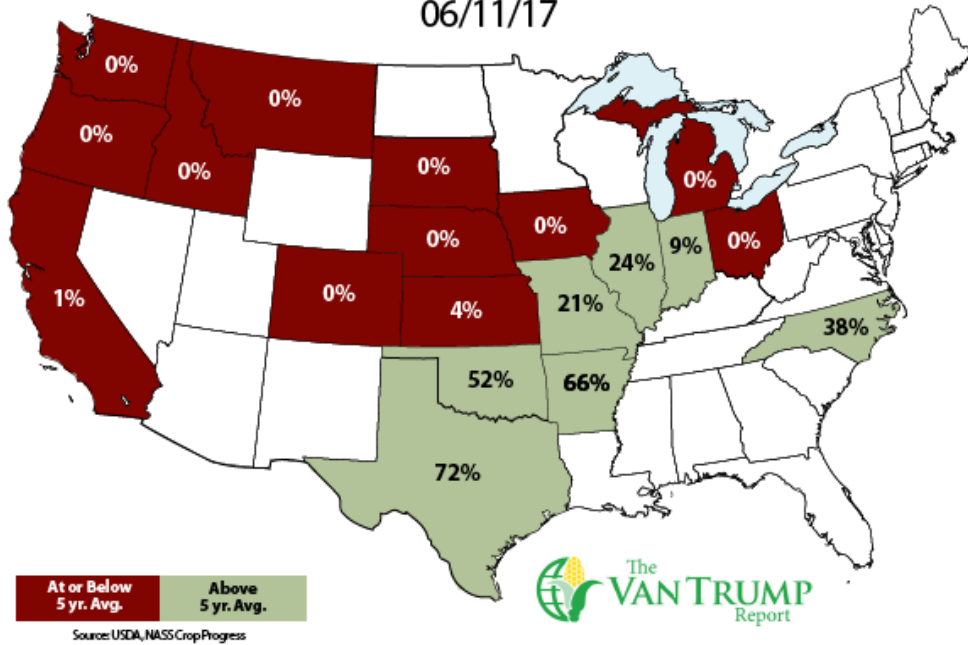
Kevin's Song of the Week



[About the Report](#)

Winter Wheat Harvested

06/11/17



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



> Brazil's Second-Crop Corn Harvest Kicks Off Ahead Of Historical Average: As of Friday, Brazil farmers had harvested 2.6% of the planted area, compared to the four year average of 1.6%. Last week, AgRural estimated the harvested area was at 0.6% of planted area. AgRural equated the progress to a week of clearer skies in most of Brazil's Center-South region. The harvest in Mato Grosso state, Brazil's largest grains producers, has reached 6.6%, and in Parana, the second most important state, it has not hit 1% yet, according to AgRural. (Source: Platts)

> China Steps Up Inspections Of Soybean Imports: China's soybean futures hit three-month highs on Monday, as talk that the world's top bean buyer has ramped up checks on imports of genetically modified (GMO) beans spurred expectations of tighter supplies even as the market remained awash with supplies. China's soybean futures hit three-month highs on Monday, as talk that the world's top bean buyer has ramped up checks on imports of genetically modified (GMO) beans spurred expectations of tighter supplies even as the market remained awash with supplies. Reports over the years have suggested however that several million tonnes of the cheaper imports could be flowing illegally into the food sector. Beijing's efforts to crack down on leaking of imports into the food sector come after China imported record volumes this year and spurred hopes among some investors that the steps may help erode domestic oversupply. Still, a prolonged crackdown will upset major exporting nations including the United States and Brazil. (Source: Reuters)

> Egypt's GASC Says Fungus Ban Will Not Be Reinstated: Egypt will not reinstate a controversial ban on ergot, state-grain buyer GASC told Reuters on Saturday, despite a court ruling which could allow a return to the common grain fungus being barred entirely from wheat cargoes. Traders said the previous zero tolerance requirement, which an Egyptian agricultural department said was to protect human and plant health, is impossible to fulfil and makes doing business with Egypt too risky.

> Russia Offers Cheapest Wheat In Egyptian Tender: The lowest offer at a purchase tender held by Egypt's state grain buyer GASC on Saturday was \$192.77 per tonne free-on-board (fob) for 60,000 tonnes of Russian wheat, traders said. Trading company GTCS made the lowest offer after accounting for shipping costs, which was for \$204.02 per tonne for 60,000 metric tons of Russian wheat on a cost and freight basis. (Source: Reuters)

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 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

> ICE Delists World Cotton Futures Contracts: *Intercontinental Exchange (ICE) said it would delist all currently listed world cotton futures contract months as of the start of trading on Monday, and would defer listing any new contract months. ICE did not provide reasons for the delisting. "The exchange will continue to consult with market participants regarding the possibility of re-listing the contract for trading in the future," ICE said in a statement. (Source: Reuters)*

> Trump To Announce Cuba Policy Friday: *President Trump will travel to Miami on Friday where he is expected to announce the tightening of restrictions on travel and business dealings with Cuba. The move would fulfill his campaign promise to reverse the historic changes former President Barack Obama put in place more than three years ago, when the Democrat eased diplomatic and economic barriers between the two countries that had lasted more than 50 years. While the specifics of Trump's executive action aren't clear yet, the order will likely bear the stamp of two pro-embargo, anti-Castro Miami Republican hardliners: Sen. Marco Rubio and Rep. Mario Diaz-Balart, who helped advise the White House. A group of seven House lawmakers is urging the Trump administration not to take steps to undo the Obama actions that moved toward normalizing relations with Cuba, writing in a letter to the White House last week that any policy reversal "would threaten ... the safety of the American people." (Source: Politico)*

> BASF, Syngenta Are Among Bidders For Bayer-Monsanto Assets: *BASF and Syngenta are among companies that have submitted preliminary bids for assets that Bayer plans to sell in order to get regulatory approval for its \$66 billion takeover of seeds giant Monsanto, according to people familiar with the matter. The two companies have expressed preliminary interest in acquiring the businesses, which include canola, cottonseeds, the LibertyLink herbicide-resistant trait and its glufosinate weed killer. Bayer may also sell garlic and pepper seed operations separately or as part of the whole package, the people said. In total, the disposals may fetch \$2.5 billion to \$3 billion. Discussions are at an early stage and the disposals may still take a few more months to complete, the people said. No final decisions have been made and the companies could still decide against proceeding with offers. (Source: Bloomberg)*

> Supreme Court Allows Copycat Biologics To Hit Market Sooner: *The U.S. Supreme Court on Monday cut the time it will take for copycat versions of biologic drugs to get to the market in a pivotal ruling about an expensive class of medicines that can yield billions of dollars in sales for drug companies. The justices, in a 9-0 ruling, overturned a lower court's decision that had prevented Swiss pharmaceutical company Novartis AG from selling its copycat version of California-based Amgen Inc's Neupogen until six months after the U.S. Food and Drug Administration approved it. The decision has major implications for the pharmaceutical industry because it will dictate how long brand-name makers of biologic drugs can keep near-copies, called biosimilars, off the market. Even the six months at issue in the case can mean hundreds of millions of dollars in sales. Health insurers expect biosimilars to be cheaper than original brands, like generics, saving consumers billions of dollars each year. (Source: Reuters)*

> Saudis Plan To Limit July Oil Volumes To Asia, Slash U.S. Volumes: *Saudi Arabia, the world's top oil exporter, will limit volumes of crude oil to some Asian buyers in July and deepen cuts in allocations to the U.S.. State-run oil firm Saudi Aramco would supply full contracted crude volumes to at least five Asian buyers mainly in North Asia and lower volumes for some customers in India, China and South Korea, the sources told Reuters on condition of anonymity. Elsewhere, crude allocations to the United States have been lowered significantly and Aramco continued to curtail supply to Europe, two sources said. One source said volumes to the United States would be cut by about -35% in July, while Europe supplies will be reduced by about -11% compared to June. Saudi Arabia's, de facto leader of OPEC, has cut oil output as part of a global supply pact and trimmed exports to meet rising domestic demand for power during the hot summer months. Analysts have been speculating for months that higher domestic demand could weigh on summer exports especially if Saudi Arabia kept output at about 10 million barrels per day. Saudi Arabia usually burns about 700,000 barrels per day of oil for power generation in the hottest months from May to August. This summer, the country may reduce domestic oil consumption as it plans to use more natural gas in power stations. (Sources: Reuters, Oil Trading)*

> Fastest Growing City In Each State: *America's cities are the beating heart of its economy and culture. The US Census Bureau recently released their annual population estimates for 752 cities and towns across the country with at least 50,000 residents. Using that data, Business Insider found the city in each state with the highest percent change in population between July 1, 2015 and July 1, 2016. Two states — Vermont and West Virginia — had no cities with at least 50,000 residents. In three states — Alaska, Hawaii, and Delaware — every city of that size saw its population shrink over the year. Those five states are excluded on the map. The below map shows the fastest growing city in each of the other 45 states, along with the percent change in population between 2015 and 2016. Click the map for a larger view. (Source: Business Insider)*

the past 20 years to reach 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..."

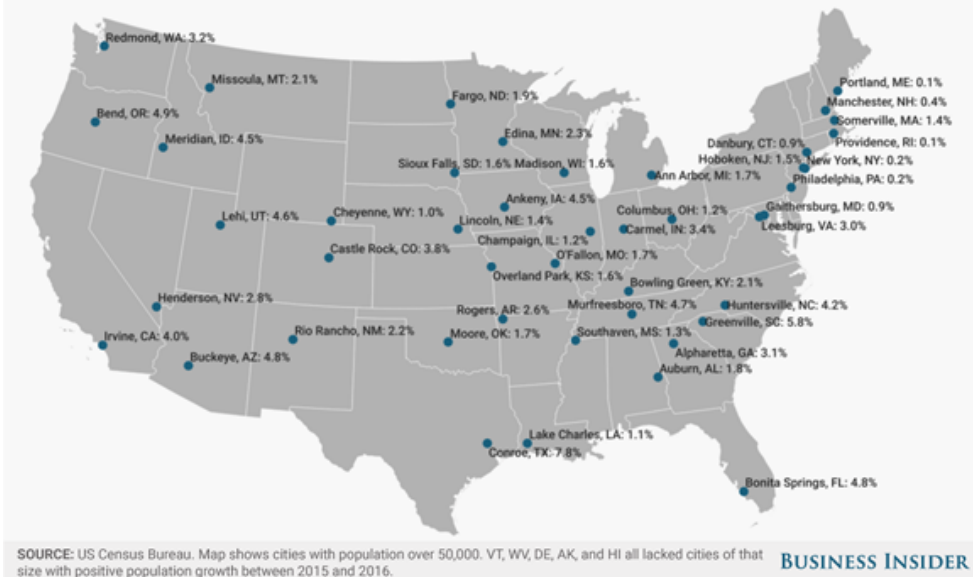
"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

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.

FASTEST GROWING CITY IN EACH STATE



Central Nebraska - We have been planted for a couple of weeks now. The pivots were turned on to get some fields softened up to allow emergence and growth as we have been dry since planting. Most of the stands for us have been overly skimpy and behind normal growth. We planted some fields on Mothers Day but have not had any rain to speak of since. Those fields look to be struggling a bit at this point. I think that our crops look to be average at best. As we travel around the area I am seeing many corn fields that do not look good at all. The beans are a different story. The majority of our beans had very good emergence within 4 or 5 days after being planted. I am not concerned at all with the beans at this stage because they are just getting going and seem to tolerate more when they do not have much growth on them. I would say that overall there are probably 20% of all corn fields look rough at this point but could come out of it if we get favorable weather soon.

Eastern Mississippi - We are having some sun today and overall we have had very favorable weather over the last couple of weeks. It looks like the forecast for the next 5 or 6 days should be drier and warmer but nothing extreme for high temperatures. It will give us a chance to replant a few holes that we have in some bean fields. We have gotten back into adding a good amount of cotton acres. Most guys went from cotton to corn as prices went to \$6 per bushel. The problem is as we put the cotton acres back in we needed to change some equipment, which is costly. We have good cotton ground so it should pay off. The corn looks very good, as we are tasselling now and look to harvest our first corn in late August or early September. We have had good rains all spring and haven't had to run the pivots much at all. We have all the herbicide and fertilizers down. The early planted bean fields are all blooming now but there are some guys still planting a few beans acres that were in low areas.

Western North Dakota - We have been extremely wet all winter and spring. We started out the winter late last year with heavy snows that seemed like they were going to be around until late spring. We got the warm temps that came in March and things melted off in a hurry. After the melting, we saw more rains that had things very muddy and delayed planting. We are supposed to warm up and get drier over the next week. I do not mind it because I am a big believer that really helps things get rooted in. If this heat stays around longer than a week it could be a problem. Now with the trend being drier, we need a half inch of rain to activate the pre-emergent chemicals that we have put down. They will activate on minimal moisture but need a little more to carry things down in the soil. Normally, those chemicals will keep the weeds in check for three or four weeks.

Farm Direction

RECIPES

FAMILY FAVORITES

-SENT IN BY OUR READERS-

Bacon Avocado Fries

[CLICK TO SEE RECIPE](#)

CROSSING WIRES

A place to share intelligent thoughts...

In 25 Years Brazil Has Evolved Into a Major Agricultural Producer: Over the past 25 years, Brazil has grown from just another agricultural producing country to the main agricultural competitor of the United States. During the 25 year period from 1990 to 2014, the acreage of Brazil's three main crops, soybeans, corn, and sugarcane has increased 106.8% with production of those three crops increasing 197.4%. This information is from a recently released study conducted by Embrapa Environment and the Brazilian National Space Research Institute (Inpe). The study was presented at the XVIII Brazilian Symposium of Remote Sensing (SBSR). The data concerning the harvested acreage and productivity was provided by IBGE for the years 1990 to 2014. Read more [HERE](#).

WordPress Parent Closing Office Because Employees Never Show Up: Automattic, the technology company that owns WordPress.com, has a beautiful office in a converted San Francisco warehouse, with soaring ceilings, a library, and a custom-made barn door. If you like the space, you're free to move in. The office at 140 Hawthorne went on the market after CEO Matt Mullenweg came to the realization not enough employees used it. As he explained on the Stack Overflow podcast earlier this year, "We got an office there about six or seven years ago, pretty good lease, but nobody goes in it. Five people go in it and it's 15,000 square feet. They get like 3,000 square feet each. ... There are as many gaming tables as there are people." Read more from [Quartz](#).

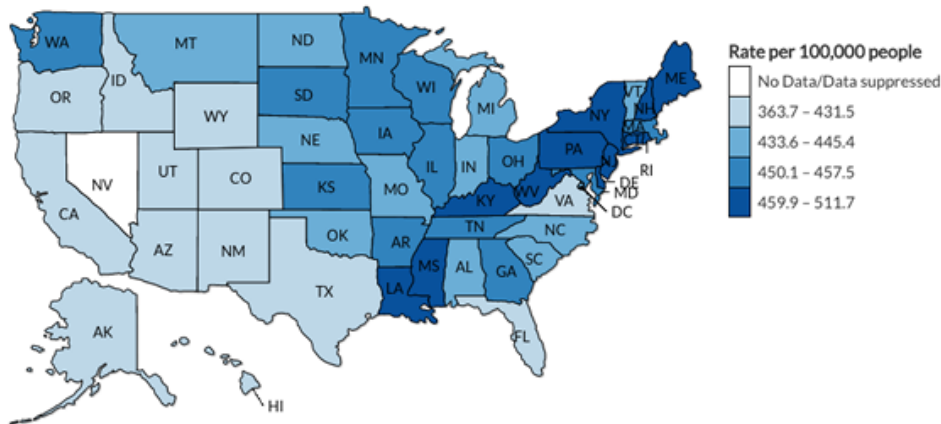
Why Vitamin D Is More Crucial In Remaining Healthy Than Previously Thought: Vitamin D helps our bodies regulate levels of calcium and phosphate – nutrients that keep bones, teeth, and muscles healthy. Often, sunlight on our skin can be enough to enable us to produce all the vitamin D we need. But when sunshine is lacking, vitamin D must be ingested, and it can be difficult to meet the recommended levels from food alone. This matters because the health benefits of adequate vitamin D intake may be even greater than previously thought. Research conducted over the last decade suggests that vitamin D plays a much broader disease-fighting role than thought in the past and you can the benefits [HERE](#).

Why A Marine Who Coaches Fortune 500 Companies Says Setting Goals Is A Waste Of Time: Combat veteran Andrew Wittman was an infantry Marine for 6 years. He explains why setting goals can be a complete waste of time. Wittman is the author of "Ground Zero Leadership: CEO of You," and coaches Fortune 500 CEO's and top executives. Wittman contends that setting goals is the biggest waste of time on planet Earth. "People are shocked when I say that. Setting goals is a complete waste of time if you don't have a target destination. So I say it like this: Have you ever gone on a vacation and you didn't know where you were going? And if that ever happened, how did you pack?" Read more [HERE](#).

CDC Maps Out Where People With Cancer Live In The U.S.: Cancer is the second leading cause of death in the US, accounting for one in four deaths in Americans, according to the Centers for Disease Control and Prevention. Over the last few decades, cancer death rates have been falling, with the exception of a few key types of cancer: liver, pancreatic, and endometrial cancer. To get a better look at the incidence of cancer and cancer death rates across the US, the CDC mapped out the data on a state-by-state level. The map below looks at the rate of new cancer cases by state per 100,000 people. This is specifically looking at 2013, which is the most recent year available. The darker the color, the higher the rate. Check out the rest of the findings [HERE](#).

Rates of New Cancer Cases in the United States

All Types of Cancer, All Ages, All Races/Ethnicities, Both Sexes



Global GMO Crops Surge To A New Record High

The ISAAA -- the gold standard document in the field of modern agri-biotechnology -- recently released its annual review of global biotech crop adoption and commercialization. The [ISAAA Brief 52](#) is the 21st of the series which documents the latest information on the subject, global database on the adoption and distribution of biotech crops in 2016 as well as the accumulative data since 1996. The year 2016 was momentous since for the first time, Nobel Laureates released a statement in support of biotechnology and condemning critics in their critical stance against the technology and Golden Rice. More importantly, the U.S. National Academies of Sciences, Engineering, and Medicine published a review of 900 researches on biotech crops since 1996 and found that genetically modified crops and conventionally-bred crops have no difference in terms of probably risks to human health and the environment. They also state that biotech crops have now had an unblemished record of safe use and consumption for over 20 years. I want to share with you a few highlights from this year's review. Understand, this is only one portion of the data, there's tons of interesting information in the report and I encourage everyone to take a look.

Biotech crops have increased +110 fold form 1996, the fastest adopted crop technology in the world.

Biotech Adoption Remains High: *One year into the third decade of commercialization of biotech/GM crops, 26 countries grew 185.1 million hectares (457.4 million acres) of biotech crops -- an increase of 5.4 million hectares (+13.3 million acres) or +3% higher from the previous year. Except for 2015, this is the twentieth series of increases every single year; and notably 12 of the 20 years were with double-digit growth rates.*

Biotech soybean reached 50% of global biotech crop acreage: *The four major biotech crops: soybean, corn, cotton, and canola, in decreasing area, were the most adopted biotech crops by 26 countries. The area planted to biotech soybean was the highest at 91.4 million hectares (225.9 million acres), which is 50% of the global hectareage of 185.1 million hectares (457.4 million acres) for all biotech crops.*

The U.S. continued to be the leader in commercialization of biotech crops. *Last year there were an estimated 180.4 million acres planted to major biotech crops: corn 86.5 million acres, soybeans 78.6 million acres, cotton 9.1 million acres, etc. The USDA estimates indicate that the percentage adoption of the three principal biotech crops were at, or close to optimal adoption: soybean at 94% (same as 2015), corn 92% (same as 2015), and cotton 93% (lower by 1% in 2015) (USDA, NASS, 2016), for an average of 93%.*

Stacked traits occupied 41% of the global acreage, second to herbicide tolerance at 47%. *Herbicide tolerance deployed in soybean*

herbicide tolerance at 47%: herbicide tolerance deployed in soybean, canola, corn, alfalfa, and cotton, has consistently been the dominant trait at 47% of the global acreage. The latest data for 2016 showed herbicide tolerance is losing ground to stacked traits globally.

New biotech crops and traits are in the pipeline: *It is noteworthy that new biotech crops and traits are being field tested to cater to farmers and consumers. These include:*

- *Beta-carotene enriched Golden Rice being tested in the Philippines and Bangladesh*
- *Bunchy top virus resistant biotech banana in Uganda*
- *Fusarium wilt resistant biotech banana and biotech wheat with disease resistance, drought tolerance, altered oil content and grain composition being field tested in Australia*
- *High yield and biomass wheat in the United Kingdom*
- *Late blight resistant potato varieties Desiree and Victoria in Uganda and late blight and nematode resistant potato variety Maris Piper with less bruising and less acrylamide potato in the EU*
- *Insect resistant chickpea and pigeon pea, and biotech mustard which are staple vegetables and oil source, respectively, in India*
- *Drought tolerant sugarcane in India and Indonesia; and omega-3 enriched camelina in the EU*

GLOBAL STATUS OF COMMERCIALIZED BIOTECH/GM CROPS IN 2016



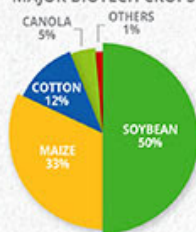
185.1 MILLION HECTARES
BIOTECH CROPS
IN **26** COUNTRIES
PLANTED BY **18** MILLION FARMERS
FASTEST ADOPTED CROP TECHNOLOGY IN RECENT TIMES

DEVELOPING COUNTRIES GREW MORE BIOTECH CROPS IN 2016



BIOTECH CROPS INCREASED ~110-FOLD FROM 1996-2016; ACCUMULATED AREA IS 2.1 BILLION HECTARES

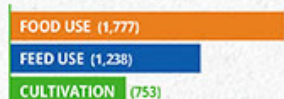
MAJOR BIOTECH CROPS



BIOTECH SOYBEAN
REACHED **50%** OF GLOBAL BIOTECH CROP AREA IN 2016



3,768 APPROVED EVENTS FOR BIOTECH CROPS IN 40 COUNTRIES (1994-2016)



MAIZE
HAS LARGEST NUMBER OF APPROVED EVENTS SINCE 1994
218 APPROVALS IN 29 COUNTRIES

BENEFITS OF BIOTECH CROPS

INCREASE CROP PRODUCTIVITY



CONSERVE BIODIVERSITY



PROVIDE A BETTER ENVIRONMENT



REDUCE CO2 EMISSIONS



HELP ALLEVIATE POVERTY & HUNGER



For more information, visit ISAAA website:

www.isaaa.org

Source: ISAAA. 2016. Global Status of Commercialized Biotech/GM Crops: 2016. ISAAA Brief No. 52.



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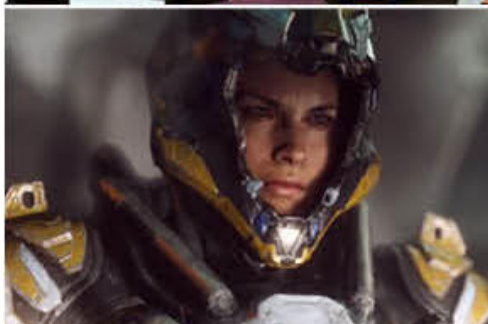
isaaavideos

#GMCrops2016
#ISAAAReport2016

Microsoft Launches Its Most Powerful Xbox

The kids and grandkids will probably be asking for new Xbox this Christmas! From what I understand, a full year after first teasing the new console at a major electronics show (E3), Microsoft finally took the wraps off its new "Xbox One X". The company has already alluded to a number of features on-board, including backward compatibility and processing power that make it the most powerful game console to date. It is a fairly minimalist looking system and impressively the smallest Xbox ever according to the company. The new console is as advertised capable of true 4k gaming with HDR video quality and Premium Dolby sound and BlueRay capability, keeping with Microsoft's long-standing desire to be a full living room entertainment experience rather than simply a gaming machine. According to Microsoft, its Scorpio processor is the fastest processor ever put in a gaming console, which is something we've known since Microsoft announced the specs back in March. What we didn't know is that the processor runs so hot it requires liquid cooling, a first for a console. This powerful processor should allow the console to handle all the new technologies expected in the next few years. What's really interesting is that the new console will be compatible with all existing Xbox One games out of the box. No software or patches are needed. That's pretty important as it gives users plenty of content to get up and running at launch, without having to invest a fortune in new games. Furthermore, any new games being developed for the new console will also work with every member of the Xbox family, though they'll work the best with the new "Xbox One X". That means, among other things, that for cash-strapped users, this won't exactly be a must update like the PlayStation Pro was. New titles will still be compatible with the versions that came before it -- they just won't get that full-4k experience. Microsoft also announced a plan to bring a number of original Xbox games to the Xbox One platform, including the major fan favorite airplane game,

Crimson Skies. For those who do upgrade, the "Xbox One X" should help keep the line atop the gaming console spec race -- at least until the next shoe drops. The console is set to arrive November 7th, and is thought to be priced at \$499, while the Xbox One S will continue to retail for \$250. (Source: Tech Crunch)





If You Were To Die In One Hour, What Would You Regret?

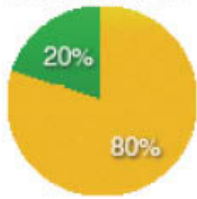
I ran this story a few years ago and it recently came back across my e-mail. Life at times can get difficult and pull us off course, I like to use inspirational videos like this to help me refocus and stay inline with my core set of values and beliefs. I watch this video at least once a year. Each time I seem to find new meaning and a reason to be more thankful than ever. I hope it has the same impact on you as it does me. Ric Elias was a father, husband, and business man in South Carolina... In January of 2009 he sat in the first row of the flight 1549--the infamous Hudson River crash. As he braced for impact and what those on board thought would be their final seconds of life, several life changing thoughts swirled through his head. As you watch this short moving video, keep in mind Ric Elias is very much just like you or I. He has been an extremely hard worker his entire life. He graduated from Harvard Business School and became very successful. Just like other business owners, starters, and entrepreneurs one can often lose track of what truly matters in life. As fierce competitors we tend to focus on the game and the strategy to win. At times we mistakenly take ourselves out of the "REAL" game, in return our priorities often drift and can quickly end up in disarray. Bottom-line, we need to listen carefully to the message presented by Ric Elias, and NOT rely on moments of trauma to recognize what truly matters. Let's open our eyes now before it's too late... To live a life of REAL purpose. [CLICK HERE](#)



CASH SALES & HEDGING TOTALS

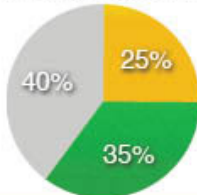
CORN 2016 CROP

80% SOLD
20% HEDGED
0% UNPROTECTED



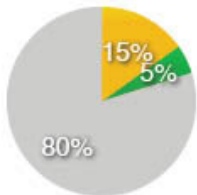
CORN 2017 CROP

25% SOLD
35% HEDGED
40% UNPROTECTED



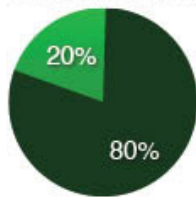
CORN 2018 CROP

15% SOLD
5% HEDGED
80% UNPROTECTED



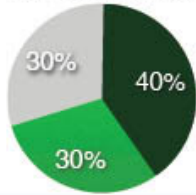
SOYBEANS 2016 CROP

80% SOLD
20% HEDGED
0% UNPROTECTED



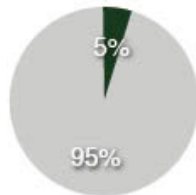
SOYBEANS 2017 CROP

40% SOLD
30% HEDGED
30% UNPROTECTED



SOYBEANS 2018 CROP

5% SOLD
0% HEDGED
95% UNPROTECTED



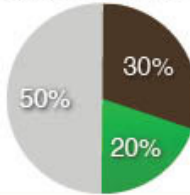
WHEAT 2016 CROP

100% SOLD
0% HEDGED
0% UNPROTECTED



WHEAT 2017 CROP

30% SOLD
20% HEDGED
50% UNPROTECTED



WHEAT 2018 CROP

0% SOLD
20% HEDGED
80% UNPROTECTED



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