

GOOD MORNING: 06/30/17 Farm Direction - VanTrump Report

1 message

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

Fri, Jun 30, 2017 at 7:16 AM



"You have to love a nation that celebrates its independence every July 4th, not with a parade of guns, tanks, and soldiers who file by the White House in a show of strength and muscle, but with family picnics where kids throw frisbees, the potato salad gets iffy, and the flies die from happiness." ~Erma Bombeck

FRIDAY, JUNE 30, 2017

[Printable Copy](#) or [Audio Version](#)

REMINDER: Our offices are closed the week of the July 4th holiday and the week between Christmas and New Year. These seem to be the best weeks to give my staff a break and time to spend with their families. I will however personally be monitoring the markets and will send a "Special Report" to paid subscribers if an event should alter my current marketing thoughts, opinions and or strategies. From my family to yours, have a safe and happy July 4th. No morning reports July 3rd, 4th, 5th, 6th or 7th. Remember, most markets close early on Monday, July 3 and will be closed entirely on Tuesday, July 4, including the CME ([detailed schedule](#)) and New York Stock Exchange ([detailed schedule](#))

Morning Summary: Traders are adjusting portfolios for a long U.S. holiday weekend, as well as bracing for the "end-of-month", "end-of-quarter" and "end-of-first-half" rotation of funds. The stock market has been all over the place the past few days. On Wednesday, Wall Street recorded its best daily climb in seven months. Then yesterday, the S&P 500 and the Dow industrials suffered their worst daily percentage drops in about six weeks, as technology shares continued to give back some of their recent gains. In fact the Nasdaq closed below its 50-day moving average for the first time since April 13, breaking below what many deem a key technical support level. I should also mention, the Nasdaq is on track to post its first monthly loss after seven months of consecutive gains. The U.S. dollar is on track for it's worst quarter in seven years and is also adding to the rotation. Economic data today includes Personal Income and Outlays, Chicago PMI and Consumer Sentiment. Next week brings PMI and ISM Manufacturing and Construction Spending on Monday; Markets are closed on Tuesday for the July 4th holiday; Factory Orders on Wednesday; and International Trade and ISM Non-Manufacturing on Thursday; and the highly anticipated June Employment report on Friday. The Federal Reserve is back in focus next week as well with "minutes" from the Federal Reserve's June 14th policy meeting. If you recall, the central bank hiked interest rates at that meeting, despite declines in inflation. Fed-speak since has very much revolved around that very issue and whether or not it was due to transitory factors, or is tipping its hand towards an underlying deflationary trend. Fed officials seem divided, so traders are going to be very interested in more details about the extent of their concerns. More earnings reports will start trickling out next week as well, although second-quarter earnings season doesn't "officially" kick off until Friday, July 14, when we hear from a bunch of big Wall Street banks. Washington probably won't be generating too many headlines next week as Congress is out for the July 4 recess. Senate Republicans are reportedly going to continue working on their healthcare overhaul plan as they try to appease those members that are rejecting the legislation in its current form. President Trump will be attending the G20 summit in Germany next week. It was announced yesterday that he will meet with Russian President Vladimir Putin on the sidelines of the gathering. Once everyone returns to Washington the following week (7/10), the GOP has quite a to-do-list, including finalizing the health care bill, hammering out a budget deal, raise the debt ceiling and tackling tax reform and increased infrastructure spending.

Will Federal Government Run Out Of Cash In October? *The federal government is expected to run out of money to pay its debts in "early to mid*

Today In History



1936, *Gone With The Wind* -

Margaret Mitchell's *Gone with the Wind*, one of the best-selling novels of all time and the basis for a blockbuster 1939 movie, is published. In 1926, Mitchell was forced to quit her job as a reporter at the Atlanta Journal to recover from a series of physical injuries. With too much time on her hands, Mitchell soon grew restless. Working on a Remington typewriter, a gift from her second husband, John R. Marsh, in their cramped one-bedroom apartment, Mitchell began telling the story of an Atlanta belle named Pansy O'Hara. In tracing Pansy's tumultuous life from the antebellum South through the Civil War and into the Reconstruction era, Mitchell drew on the tales she had heard from her parents and other relatives, as well as from Confederate war veterans she had met as a young girl. While she was extremely secretive about her work, Mitchell eventually gave the manuscript to Harold Latham, an editor from New York's MacMillan Publishing. Latham encouraged Mitchell to complete the novel, with one important change: the heroine's name. Mitchell agreed to change it to Scarlett, now one of the most memorable names in the history of literature. Published in 1936, *Gone with the Wind* caused a sensation in Atlanta and went on to sell millions of copies in the United States and throughout the world. While the book drew some criticism for its romanticized view of the Old South and its slaveholding elite, its epic tale of war, passion and loss captivated readers far and wide. By the time Mitchell won the Pulitzer Prize for Fiction in 1937, a movie project was already in the works. The film was produced by Hollywood giant David O. Selznick, who paid Mitchell a record-high \$50,000 for the film rights to her book.

1953, Corvette - The first production Corvette is built at the General Motors facility in Flint, Michigan. Tony Kleiber, a

government is expected to run out of money to pay its debts in early to mid-October," the Congressional Budget Office announced Thursday. The deadline for Congress to lift the nation's debt limit is approaching more quickly than expected, in part because the federal deficit is growing at a faster pace. With fewer dollars coming in and more going out, CBO estimates that the Treasury "will most likely run out of cash in early to mid-October." It's the first specific time frame for a debt ceiling increase from CBO, which had previously said only that the deadline would come "in the fall." The CBO warns the date could change, however, if there are major fluctuations in government spending and revenues over the next few months. Until Congress tackles the politically tricky debt ceiling vote, the Treasury Department will use what are known as "extraordinary measures" to make its payments. Treasury Secretary Steven Mnuchin has urged lawmakers to take action before the August recess, though he later clarified that the federal government could keep paying its bills through September. (Source: Politico)

Iraq Declares End To Islamic State Caliphate: Iraq's Prime Minister declared an end to the IS caliphate Thursday after Iraqi forces captured the compound of a landmark mosque in Mosul that was blown up last week by the Islamic State group. "We are seeing the end of the fake Daesh state. The liberation of Mosul proves that," Haider al-Abadi said using the Arabic acronym for IS in a statement posted to twitter. Even as the Iraqi leader issued his statement, heavy clashes continued to unfold in Mosul - filling field hospitals and forcing hundreds to flee. U.S.-led coalition spokesman Col. Ryan Dillon told reporters at the Pentagon that victory in Mosul was "imminent" and would likely occur "in days rather than weeks." The advances Thursday come as Iraqi troops are pushing deeper into the Old City, a densely populated neighborhood west of the Tigris River where IS fighters are making their last stand in Iraq's second-largest city. Some 300 IS fighters remain holed up inside the Old City according to Iraq's special forces along with an estimated 50,000 civilians according to the United Nations. (Source: AP, Financial Times)

Who Is The Richest Person In Your State: Forbes has released its third annual list of the richest person in each US state, and the cumulative wealth amounts to over \$745 billion. We've mapped out each state to show you every state's richest resident, along with a breakdown of his or her individual net worth. The list includes leaders from several industries including tech (Bill Gates), retail (Jim and Alice Walton), and finance (Warren Buffett). It's worth noting that some of the country's wealthiest individuals — like Amazon's Jeff Bezos — are not the wealthiest resident of their own state and therefore are not included on this list. Click the graphic for a larger size. You can also check out Forbes' full list [HERE](#).



Weather will see more rain and thunderstorms for the Midwest and eastern Plains, limited rains for the northern Plains for the next 10 days and a cooler trend for now in the southern Plains. Forecasts are calling for rain and thunderstorms late this week and early next week in the Midwest to maintain adequate to surplus soil moisture for developing crops. This is mostly favorable except in areas of local flooding, as was seen



worker on the assembly line, is given the privilege of driving the now-historic car off the line. Harley J. Earl, the man behind the Corvette, got his start in his father's business, Earl Automobile Works, designing custom auto bodies for Hollywood movie stars such as Fatty Arbuckle. In 1927, General Motors hired Earl to redesign the LaSalle, the mid-range option the company had introduced between the Buick and the Cadillac. Earl's revamped LaSalle sold some 50,000 units by the end of 1929, before the Great Depression permanently slowed sales and it was discontinued in 1940. By that time, Earl had earned more attention for designing the Buick "Y Job," recognized as the industry's first "concept" car. Its relatively long, low body came equipped with innovations such as disappearing headlamps, electric windows and air-cooled brake drums over the wheels like those on an airplane. After scoring another hit with the 1950 Buick LeSabre, Earl headed into the 1950s—a boom decade for car manufacturers—at the top of his game. In January 1953, he introduced his latest "dream car," the Corvette, as part of GM's traveling Motorama display at the Waldorf Astoria Hotel in New York City. The sleek Corvette, the first all-fiberglass-bodied American sports car, was an instant hit. It went into production the following June in Flint; 300 models were built that year. All 1953 Corvettes were white convertibles with red interiors and black canvas tops. Underneath its sleek exterior, however, the Corvette was outfitted with parts standard to other GM automobiles, including a "Blue Flame" six-cylinder engine, two-speed Powerglide automatic transmission and the drum brakes from Chevrolet's regular car line. The Corvette's performance as a sports car was disappointing relative to its European competitors, and early sales were unimpressive. GM kept refining the design, however, and the addition of its first V-8 engine in 1955 greatly improved the car's performance. By 1961, the Corvette had cemented its reputation as America's favorite sports car.

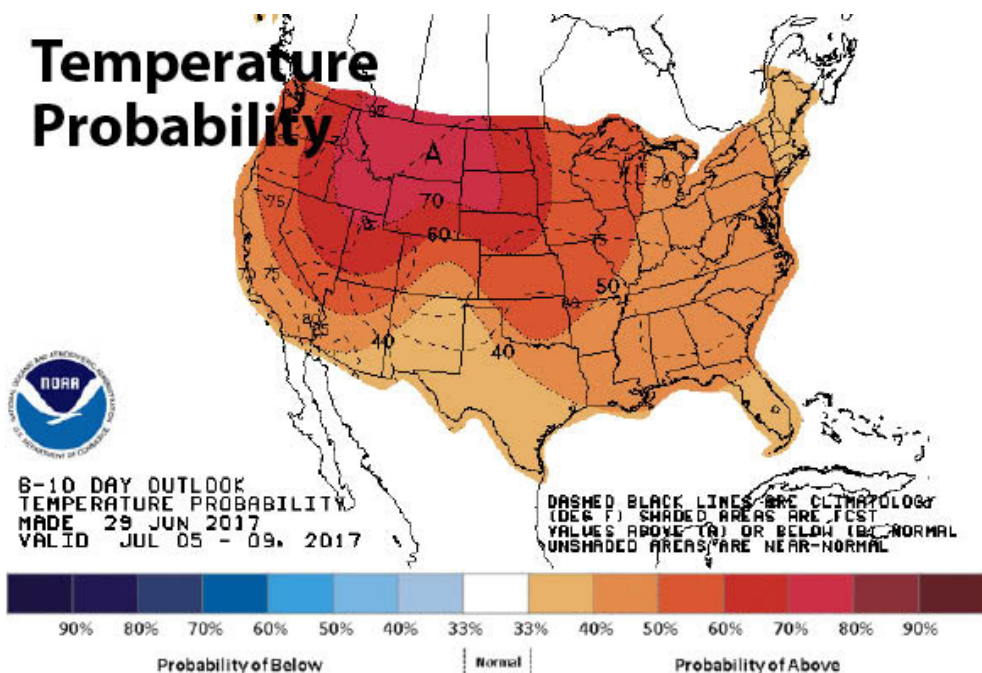


1962, Sandy Koufax - Sandy Koufax strikes out 13 batters and walks five to lead the Brooklyn Dodgers to victory over the New York Mets 5-0 with his first career no-hitter. Koufax went on to throw three more no-hitters, including a perfect game on September 9, 1965, in which he allowed no hits and no walks. Sandy Koufax was a talented all-around athlete from Borough Park in Brooklyn, New York. His first love was basketball, and he attended the University of Cincinnati on a basketball scholarship. His impressive left arm, however, attracted the attention of major league ball clubs and in 1954 he was signed by the Brooklyn Dodgers. Despite

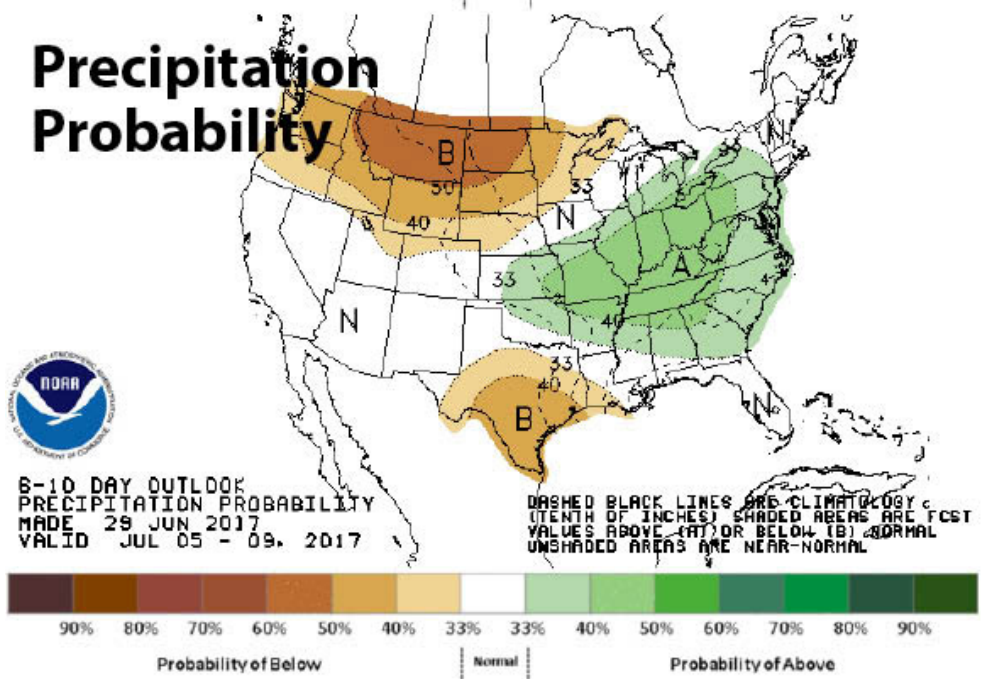
Wednesday in northern Illinois and in areas of the eastern Midwest that are already too wet. Lower temperature have recently helped ease stress to crops, but there is some potential for hot weather in the region in the coming 10 days. The southern Plains sees little concern for mature wheat and the wheat harvest at this time, although showers may at times slow the harvest. A cooler period will favor developing corn and sorghum in the region during this week. Hot wether is expected next week. In the West, hot weather continues in the Four Corners region. More than two dozen wildfires -- in various stages of containment -- are burning across the West. The two largest fires, the Brian head fire in southwestern Utah and the Frye fire in southeastern Arizona, have collectively charred nearly 100,000 acres of timber and brush. Looking ahead, the cold front crossing the Midwest will continue to generate widespread thunderstorms through Saturday. Another disturbance after that will result in additional showers early next week across the nation's mid-section. Five-day rainfall totals could reach 1 to 4 inches across the Midwest and the eastern Plains, but only light showers can be expected on the northern High Plains.

Expect Things to Heat Up Next Week: According to the National Weather Service's 6 to 10 day forecast, the outlook for July 5 - 9 is calling for the likelihood of warmer than normal weather nationwide, except for near normal temperatures in the Pacific Northwest. Meanwhile near to below normal rainfall in most of the country will contrast with wetter than normal conditions from the middle Mississippi Valley into the Mid-Atlantic region.

Temperature Probability



Precipitation Probability



his promising talent, Koufax won just 36 games to 51 losses from 1955 to 1961, and was incredibly inconsistent, blowing hitters away one game and walking runs in the next. Finally, advice from veteran catcher Norm Sherry turned Koufax around. As Koufax recounted in his autobiography, Sherry told him to "take the grunt out of the fastball." From 1962 to 1966, Sandy Koufax executed what are arguably the five greatest seasons by a pitcher in baseball history. His newfound control limited his walks from 4.8 per game to just 2.1. His first no-hitter on this day in 1962 saw him walk five men, but after six innings he had already struck out 12 batters. He pitched a no-hitter every year after that until 1965 and led the Dodgers to World Series wins in 1963 and 1965 and the National League pennant in 1966. He won four World Series games, with a .95 earned run average and 61 strikeouts for his postseason career. Koufax won three Cy Young Awards (1963, 1965 and 1966), all of them unanimous. In 1965 he struck out 382 men, breaking Rube Waddell's 1904 record of 350 by 32. According to longtime Dodgers broadcaster Vin Scully, Koufax was so well-regarded that he would often receive a standing ovation from fans while just warming up for a game. Sandy Koufax retired after the 1966 season at just 30 years old because of arthritis in his elbow. He was elected to the Hall of Fame in 1972.

Upcoming Events

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

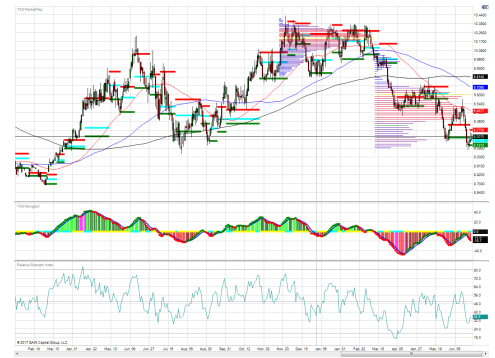
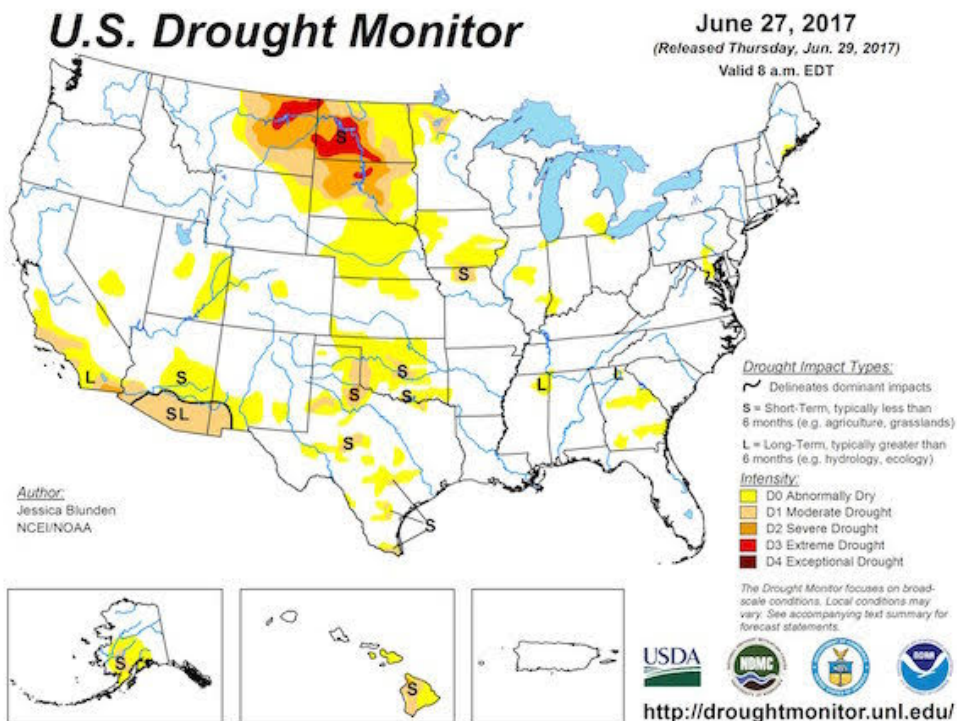
Wed. 8/16 - Minutes From 7/26 FOMC Meeting

Tues. 8/22 - Cold Storage

Fri. 8/25 - Cattle on Feed

Chart Of The Week

Corn traders will have all eyes on the updated USDA data scheduled for release today at 11:00am CST. I have to imagine as soon as the numbers are released, the trade will quickly digest, then all eyes will immediately shift back to U.S. weather forecasts. The question is obviously the U.S. drought in the northern Plains and if it will continue to expand? I included below the most recent image released yesterday, showing dry conditions are clearly growing. There's also a few weather guru's that are talking about summer conditions ending earlier than normal, which could put a large portion of the "late-planted" corn in jeopardy of not fully maturing. Today's USDA acreage estimate, in my opinion, is somewhat a "coin-toss". I would like to argue that acreage will drop by -500,000 to -1.0 million, but the historical tendency of the USDA seems to be adding a few acres in the end of June report. We have to remember, planted fields that had to be "replanted" or might have been "abandoned" still count as planted in this report. Meaning we might not see acreage drift lower until further down the road. If the acres aren't lowered in today's report, the initially knee-jerk will obviously be to the downside., but I suspect it will be difficult to keep the market down. Globally I continue to monitor the heat in China and complications in a few parts of Ukraine. As a producer I'm hitting the pause button, and taking a wait-and-see approach for the next couple of weeks. I believe there's a bullish story starting to brew. If we can catch a move higher, I would like to reduce a bit more 2018 risk if prices reach the \$4.40 to \$4.50 range. The recent high on DEC18 corn was set on June 8th at \$4.18 per bushel, so those numbers aren't completely out of reach. As a spec I have dipped a small toe in the water as a longer-term bull. I believe adding in small conservative increments on any sizable nearby breaks is how I'm going to play it. Preparing for a wild weather related ride the next few weeks!



Nov Soybeans

Lows from August 2016 (9.0350) are potentially the last level of support before 8.80.

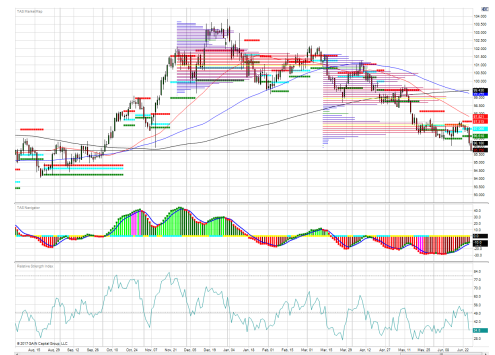
[Enlarge Nov Soybeans Chart »](#)



Need more help with the "Technical" side of the market? I personally like to use Tom Dossdall at Technical Ag Knowledge.

[Click here](#) for a complimentary subscription courtesy of The Van Trump Report.

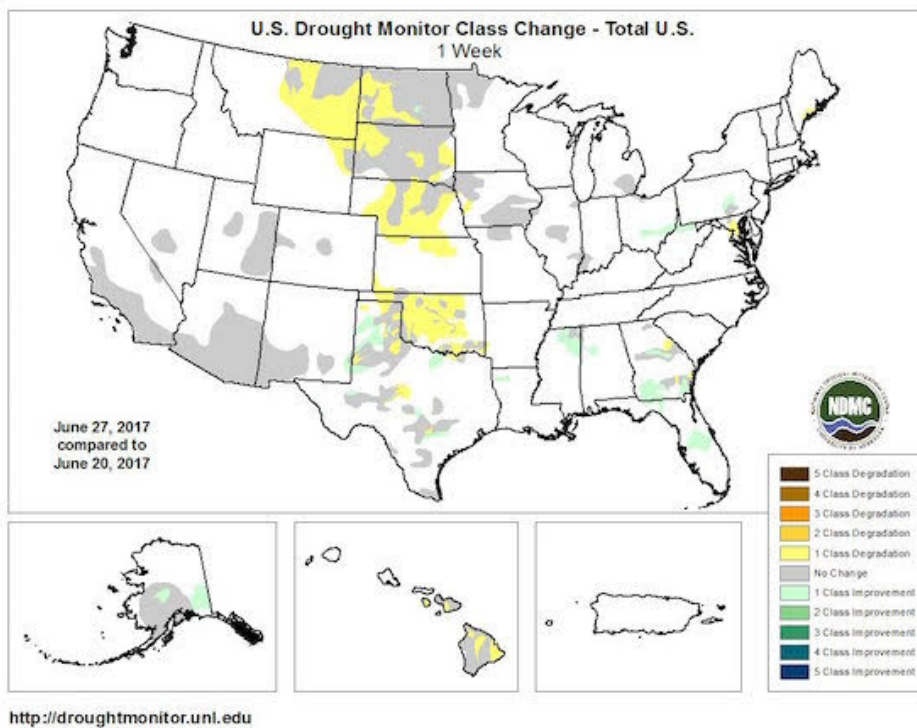
Outside Markets



US Dollar Index

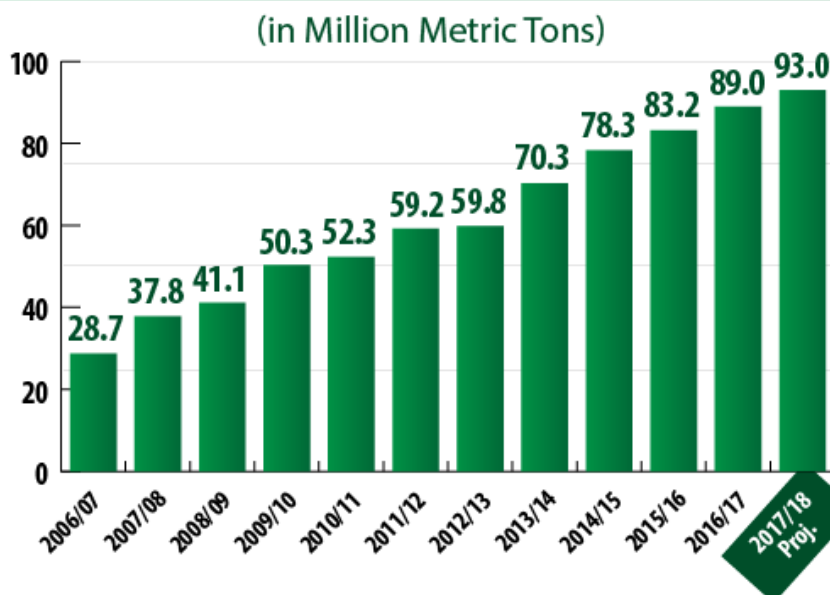
The Dollar falls to fresh 8 1/2 month lows and is technically out of balance/bearish. Next support level down could be 94.250.

[Enlarge US Dollar Index Chart »](#)

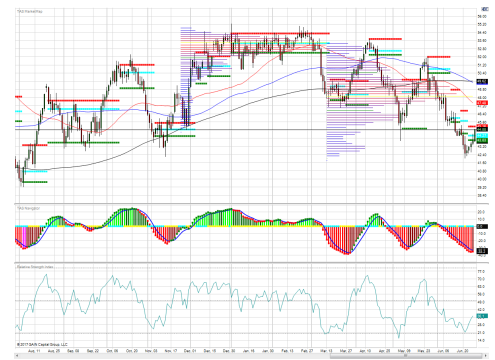


Soybean bears are thinking the USDA will bump planted U.S. acres higher today, perhaps pushing to between 90 and 91 million. A reduction in planted U.S. soybean acres would be considered a complete bullish surprise. In my opinion it's still too early to have much of a serious debate or opinion regarding the U.S. yield. The USDA currently has their yield forecast at 48.0 bushels per acre vs. last years record 52.1 bushel per acre. As a bull however, you can argue, if the ridge that is being talked about and several sources are forecasting, comes to fruition in late-July, a significant number of U.S. soybean acres will be in jeopardy and under the spotlight. Global production has been near perfect and record setting the past few years, which has allowed us to stay one step ahead of growth in demand. If the U.S. were to have a production hiccup, that scenario quickly changes. As both a producer and a spec, I full understand the traditional fundamentals remain burdensome, but if we fast-forward and weather starts to deliver a few wild pitches, the bears may back off the plate a bit and be less free-swinging. I would be extremely cautious in getting overly bearish at the current moment.

Chinese Soybean Imports



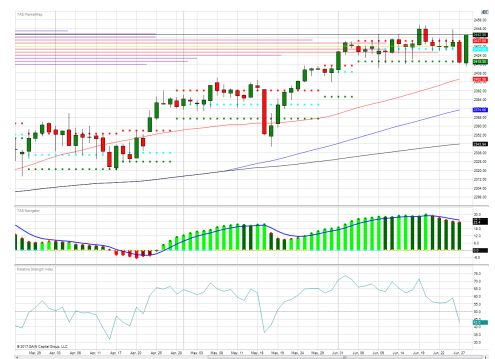
Source: June 09, 2017 WASDE data



Crude Oil

The bounce from oversold levels could potentially meet resistance at the TAS level of supply (45.29). A close above this level would tilt the scales to out of balance/bullish.

[Enlarge Crude Oil Chart »](#)



E-Mini S&P Index

The long term bull trend is showing signs of cracking. A close below 2418.00 could put the market out of balance/bearish and could help to attract technical selling.

[Enlarge E-Mini S&P Index Chart »](#)


Kevin's Song of the Week



[About the Report](#)

Wheat bulls were excited to see spring wheat trade "limit-up" yesterday, touching highs in the \$7.60's. We're almost back to that level again this morning as the current forecast offers little relief in the northern Plains, specifically a large portion of the Dakotas' and almost all of Montana. Remember, North Dakota accounts for more than half of all U.S. spring wheat, followed by production from Montana and South Dakota. For those who aren't familiar with the crop, planting here in the U.S. generally occurs from April through May, while harvest generally occurs from mid-August to mid-September. The bulls are also taking into account possible high-protein production problems in Canada and Australia. The latest StatsCan numbers, released yesterday, showed they reduced their spring wheat acreage estimate by about -870,000 acres from their forecast back in April. As for Australia, several sources are already forecasting a -30% reduction when compared to last year's crop. On top of this we are also hearing some talk about possible reductions to the current E.U. and Russian crop estimates. I also believe the macro landscape continues to improve. The U.S. dollar bulls continue to unwind long positions and the setback is clearly causing a rotation in investments. Crude oil is finding a bit more bullish interest as well as a few other commodities. There's also the argument that wheat is a heavily influenced geopolitical market, meaning perhaps tensions with Russia are causing some to rethink or look at the wheat market a bit differently. As both a producer and a spec I continue to remain a longer-term bull, believing there is still a lot more to this story. I will not be letting today's USDA data shake or dramatically influence my current mindset. I wanted to again include below the latest 6-10 day forecast so you can see the areas being hit the hardest are seeing little to any relief.

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 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."

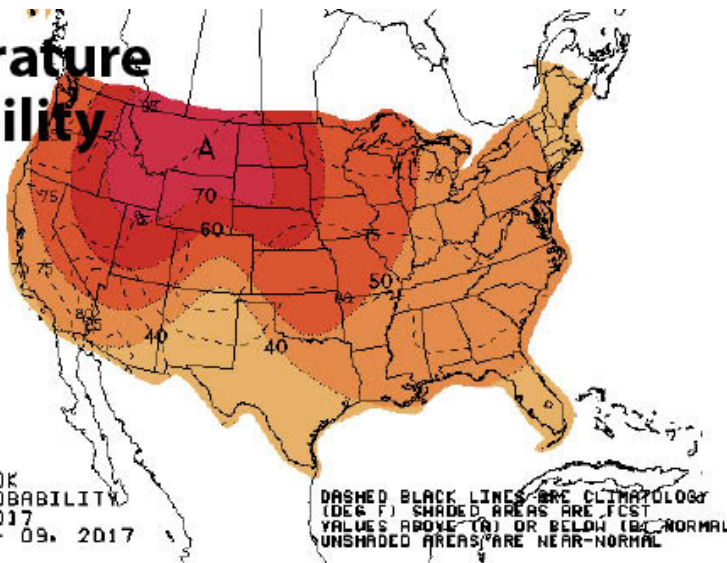
A.M., FDIC

"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

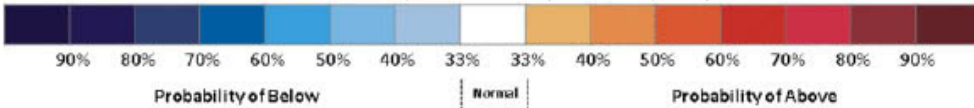
Temperature Probability



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 29 JUN 2017
VALID JUL 05 - 09, 2017



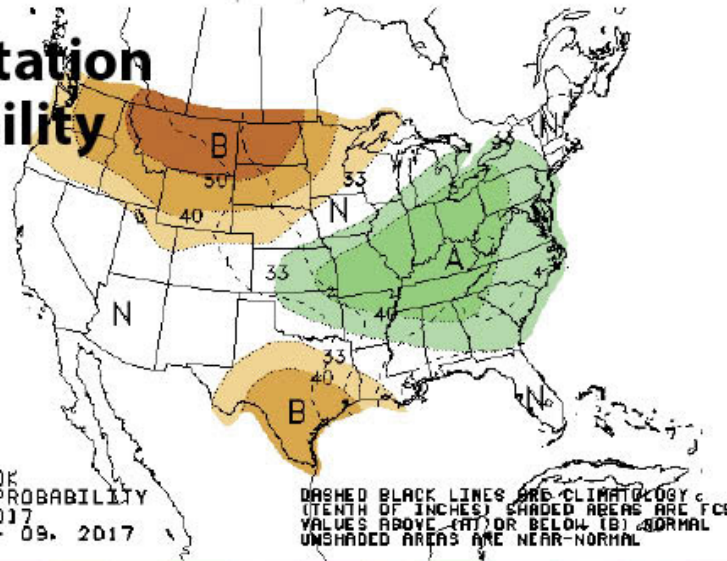
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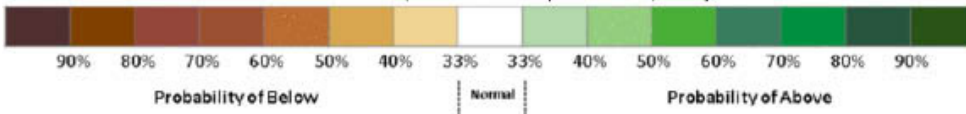
Precipitation Probability



6-10 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 29 JUN 2017
VALID JUL 05 - 09, 2017



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USDA June 30, 2017 Quarterly Stocks & Planted Acres

June Quarterly Grain Stocks

	June #	Avg. Trade Est.	Trade Range	USDA March 1, 2017	USDA June 2016
Corn	???	5.123	4.690 - 5.360	8.616	4.711
Soybeans	???	0.983	0.870 - 1.119	1.735	0.872
Wheat	???	1.137	0.968 - 1.185	1.655	0.976

June Planted Acres

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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.

	June #	Avg. Trade Est.	Trade Range	USDA March 31, 2017	USDA Final 2016
Corn	???	89.903	89.000 - 91.005	89.996	94.004
Soybeans	???	89.750	88.466 - 90.500	89.482	83.433
All Wheat	???	46.070	45.700 - 47.404	46.059	50.154
Winter Wheat	???	32.830	32.505 - 33.752	32.747	36.137
Spring Wheat	???	11.206	10.990 - 11.589	11.308	11.605
Durum	???	2.002	1.900 - 2.219	2.004	2.412



> Quarterly Hogs And Pigs Sets New June Record: *United States inventory of all hogs and pigs on June 1, 2017 was 71.7 million head. This was up +3 percent from June 1, 2016, and up +1 percent from March 1, 2017. This is the highest June 1 inventory of all hogs and pigs since estimates began in 1964. Breeding inventory, at 6.07 million head, was up +2 percent from last year, and up slightly from the previous quarter. Market hog inventory, at 65.6 million head, was up +4 percent from last year, and up 1 percent from last quarter. This is the highest June 1 market hog inventory since estimates began in 1964. The March-May 2017 pig crop, at 32.3 million head, was up +4 percent from 2016. This is the second largest March-May pig crop since estimates began in 1970. Sows farrowed during this period totaled 3.06 million head, up +3 percent from 2016. The sows farrowed during this quarter represented 50 percent of the breeding herd. The average pigs saved per litter was a record high 10.55 for the March-May period, compared to 10.48 last year. Pigs saved per litter by size of operation ranged from 7.70 for operations with 1-99 hogs and pigs to 10.60 for operations with more than 5,000 hogs and pigs. United States hog producers intend to have 3.06 million sows farrow during the June-August 2017 quarter, up slightly from the actual farrowings during the same period in 2016. The market was expecting a "BIG" number so it might not end up being that big of a hurdle for the bulls to overcome!*

> Canadian Soybean & Canola Acres Estimated At Record High: *Canadian farmers reported record high canola and soybean planted area in 2017, with canola area surpassing total wheat area for the first time ever. Area seeded to durum declined while other spring wheat area was up from 2016. Area planted to canola was estimated at a record 22.837 million acres, up 12% from 2016, Statistics Canada said in its principle field crop areas report. Total area planted to wheat in 2017 was estimated at 22.361 million acres, down 4% from 2016. Area planted to soybeans was a record 7.282 million acres, up 33% from 2016, with planted area record high in all four major soybean provinces of Saskatchewan, Manitoba, Ontario and Quebec. Corn planted area was estimated at 3.576 million acres, up about 8% from 2016. (Source: World Grain)*

> South American Wheat Crop Continues To Struggle: *The wheat crop in South America continues to run into problems. The planting pace is behind normal in southern Brazil and recent frosts have impacted the crop in parts of Argentina. According to Emater/RS, farmers in the southern Brazilian state of Rio Grande do Sul planted 53% of their intended winter wheat crop compared to the normal of 75% by this time of the year. The delayed planting is due to heavy rains and saturated conditions that have kept farmers out of the field. In the northwestern region of the state, the ideal planting window has already closed. Emater estimates that the wheat acreage in the state declined -6.4%. In Argentina, news about the wheat crop is also somewhat disappointing. The Grain Exchange in Cordoba Argentina reported that recent freezing temperatures had a negative impact on the wheat crop in the province of Cordoba. In*

Farm Direction
RECIPES

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

Fried Green Tomatoes w/Bacon Remoulade

CLICK TO SEE RECIPE

their third evaluation of the 2017/18 wheat crop, they are estimating that farmers in the province planted -3% less than last year. The wheat crop in Argentina usually experiences several frosts during the growing season with minimal impact on the crop. The difference this year has been the variability in temperatures and the abrupt changes in temperatures. (Source: [Soybeans & Corn](#))

> Russia's Grain Harvest Starts With Lower Yields: Russia has started grain harvesting in its southern regions, with yields so far lower than at the same date a year ago, following a delay caused by rainy weather, the Agriculture Ministry said in statement. The world's leading global wheat exporter is widely expected to harvest a major grain crop this year, although it will be lower than the record crop in 2016.

> ConAgra Posts Sales Decline: ConAgra Brands Inc. reported lower sales, but positive net profit — compared with a year-ago loss — in fiscal 2017 as it worked to reshape its portfolio, the company said in a news release. Net sales for the year ended May 28 were \$7.8 billion, down -9.7% from the prior year. Net income, at \$639.3 million, represented a recovery from a \$677 million loss in fiscal 2016 due to charges taken on discontinued operations. For the company's fourth quarter, sales were \$1.8 billion, down -9.3% from the same period in fiscal 2016. Net income was \$151.9 million, up a healthy +25.6% from a year ago, helped by the acquisition of Duke's meat snacks and BIGS seeds brands. Most of ConAgra's operating segments recorded a slight drop in sales — the exception being the commercial segment, which saw the sales of the Spicetec and JM Swank businesses grow in the first fiscal quarter. (Source: [MeatingPlace](#))

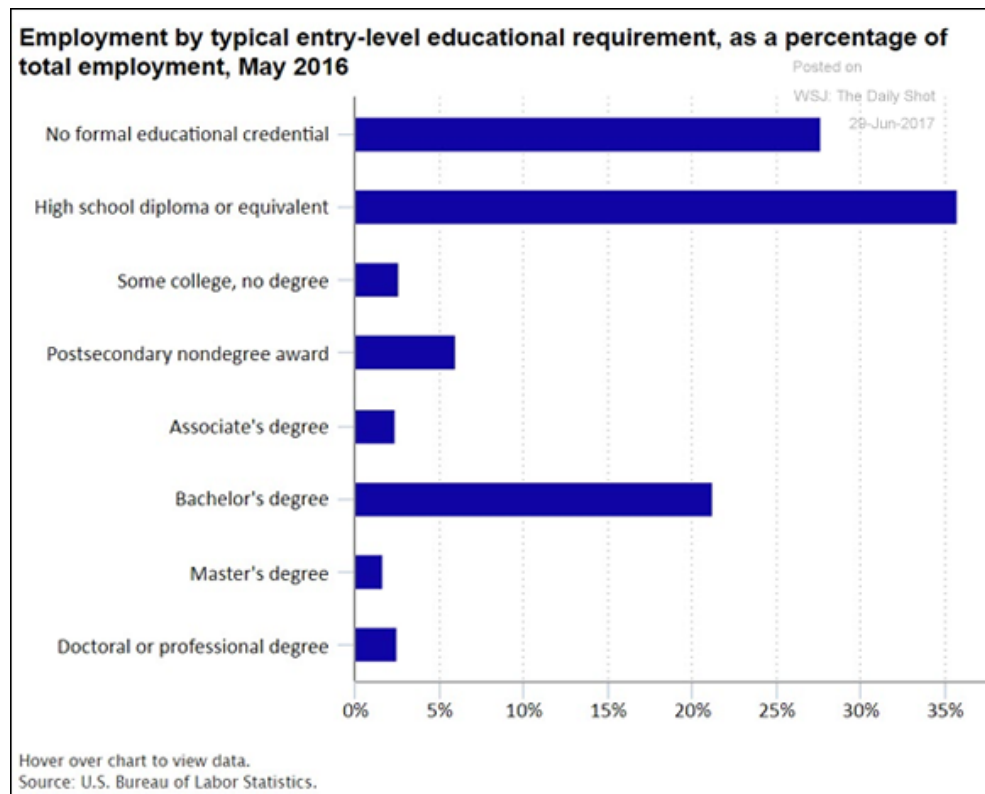
> Global Shipping Feels Fallout From Maersk Cyber Attack: Global shipping is still feeling the effects of a cyber attack that hit A.P. Moller-Maersk two days ago, showing the scale of the damage a computer virus can unleash on the technology dependent and inter-connected industry. About 90 percent of world trade is transported by sea, with ships and ports acting as the arteries of the global economy. Ports increasingly rely on communications systems to keep operations running smoothly, and any IT glitches can create major disruptions for complex logistic supply chains. The cyber attack was among the biggest-ever disruptions to hit global shipping. Several port terminals run by a Maersk division, including in the United States, India, Spain, the Netherlands, were still struggling to revert to normal operations on Thursday after experiencing massive disruptions. Maersk told Reuters that a number of IT systems were still shut down and that it could not say when normal business operations would be resumed. The impact of the attack on the company has reverberated across the industry given its position as the world's biggest container shipping line and also operator of 76 ports via its APM Terminals division. (Source: [Reuters](#))

> Dems Ask Perdue Not To Raise Poultry Line Speeds: Rep. Rosa DeLauro (D-Conn.) and at least a dozen other Democrats plan to send a letter to Agriculture Secretary Sonny Perdue asking him not to increase line speeds at poultry plants. Last month, Rep. Chris Collins (R-Ga.), wrote Perdue on behalf of chicken farmers in his district, asking Perdue to raise line speeds from the current 140 birds per minute to 175 birds per minute. But doing so "would have serious detrimental effects to both food and worker safety," the group of Democrats say. "Without factoring in a potential increase to line speeds, the poultry industry is dangerous enough with the existing line speed," the letter says. "A combination of already break neck line speeds, use of knives and scissors when workers stand shoulder to shoulder, deafening noise levels, and slippery conditions all contribute to high levels of preventable work related injuries." (Source: [Politico](#))

> Senate Committee Votes To Advance CFTC Chairman Nominee: The U.S. Senate Agriculture Committee voted on Thursday to advance the nomination of J. Christopher Giancarlo to lead the Commodity Futures Trading Commission to the full chamber for a vote to confirm him. Giancarlo has already been acting chairman of the CFTC since January, after President Donald Trump took office. In March, Trump nominated him as permanent chairman. Since then, Trump has nominated two other commissioners to fill the remaining two Republican vacancies on the five-member panel - Brian Quintenz, a former fund manager and congressional policy adviser, and Dawn Stump, a former vice president of NYSE Euronext, now part of Intercontinental Exchange Inc. Former president Barack Obama had also nominated Quintenz to the post, but the nomination never made it to the Senate floor for a vote. The Senate panel has not yet held a confirmation hearing for either nominee. (Source: [Reuters](#))

> What Percentage Of Occupations Require A Degree: Occupations that typically require some type of postsecondary education for entry made up nearly 37 percent of employment in May 2016. The most common postsecondary requirement was a bachelor's degree (21 percent). Occupations in this category include many computer, management, and engineering occupations, as well as teachers at the kindergarten through secondary levels. Occupations that typically require a high school diploma or the equivalent for entry, including many production, construction, and office and

administrative support occupations, made up 36 percent of employment. Nearly 28 percent of employment was in occupations that typically need no formal educational credential for entry, including retail salespersons, cashiers, and janitors. Between 2014 and 2024, occupations that typically require a postsecondary nondegree award or higher for entry are projected to grow more rapidly than the average for all occupations. The largest postsecondary category, bachelor's degree, is projected to grow by 8.2 percent, compared with a projected growth rate of 6.5 percent for all occupations. (Source: BLS)



Northeast Montana - Daniels County Montana, we have received only 7 tenths of rain since April 1st, and that came a tenth at a time. Conditions here are extremely dry. This will be the poorest harvest since 1988. Daniels and Sheridan Counties are the largest producers of Peas and Lentils in the State besides raising Spring Wheat and Durum. There will be crops that will not be harvested and with weather forecasts predicting mid-90s after the 4th of July, that will burn whatever little crop we have left.

Southwest Nebraska - Things do not look too bad at this point but we are seeing the effects of needing moisture. We have had no rain to speak of in June. It seems like every day in the afternoon we will start to see the corn roll up, with temps that were 107 degrees last week. So far we still have good deep green color on almost every field. We do not have any beans this year but that is only because of our normal rotation, not market driven. The corn right now is about knee high, which I do not think is too far behind our normal growth stage. We were completely planted by May 15th, which would be considered right in line with the normal timeframe. We do put down starter fertilizer after planting. It seems right now if we could just get a couple of decent rains this crop would take off.

Northwest Missouri - This spring was very wet, with April being as wet as I have ever seen. We really had no drying days early which pushed us out to May 7th before we could get the planting going. We got corn planted but because of the weather we have a very thin stand. We have been growing high amylose corn here which has worked out very well for us, over the past few years. It is similar to growing organic crops, with some of the practices that must be used. The yields could be close, but where we are normally 200bba the test weights are way low and yields around 150bba. The high

Normally 200bpa, the test weights are way low and yields around 150bpa. The high amylose corn isn't tough to grow once things have emerged but that is no easy trick. I think the quicker the seed germinates the success rates for the stand increases dramatically. The other good thing is the premium that is paid for the crop. We have beans also and that stand looks decent. The bean crop may be a few days behind where it normally is for this time of year but overall doesn't look too bad. We plant all 30" rows and most of the beans are a foot tall. They seem to be a little stunted due to emergence issues because many fields were crusted over a little. I have seen some pretty ugly beans make very good yields, so I am not too worried yet.



Rural America's Image Problem: From Jerry Hagstrom, a look at rural America's image problem, one that he says may come to haunt both the Trump administration and the Democrats as they try to address the regions' problems and promote economic development. Over the past several weeks, *The Wall Street Journal*, *The New Yorker*, *The New York Times*, and *The Washington Post* have all published articles that collectively portray rural Americans as culturally alienated from urban America— either unemployed or working in such dangerous jobs that they are in pain and turn to drugs, or at least cigarettes, for relief. Many articles have also pointed out that rural Americans expressed their frustration by voting for President Trump in the highest percentages in the country. That image may help members of Congress seek more government assistance for their constituents in everything from health care to high-speed internet service, but it's terrible for attracting private investment and encouraging young people to stay where they grew up. Read more [HERE](#).

Consumers Still Don't Really Understand "Organic": Think tank Hamilton Place Strategies recently conducted a study looking at the complexities and trends of the organic agricultural industry and the purchasing behaviors of the industry's consumers. We found consumer understanding of "organic" is lacking even among people who frequently purchase organics. At the same time, frequent and infrequent consumers alike place more responsibility with manufacturers than government to educate them on what "organic" means. See the full results [HERE](#).

New Tightened Airline Security Measures: The United States this week unveiled enhanced security measures for flights to the country designed to prevent expanding an in-cabin ban on laptops, but an airline trade group said the changes might cause more disruptions. The measures, which European and U.S. officials said would begin taking effect within three weeks, could require additional time to screen passengers and personal electronic devices for possible explosives. The measures would affect 325,000 airline passengers on about 2,000 commercial flights arriving daily in the United States, on 180 airlines from 280 airports in 105 countries. changes will include tougher screening of laptops and other personal electronic devices at airports, more thorough vetting of travelers, greater use of explosive-sniffing dogs, expanded exchanges of terrorist watch lists, and new systems to help prevent insider attacks by airline employees. Read more [HERE](#).

Big Changes Coming to Millions of Credit Reports in a Few Days: Up to 7% of people with credit scores could see them rise beginning July 1 when credit reporting agencies will start excluding most civil judgments and about half of all tax lien data from credit reports. As announced in March, the three major credit reporting agencies, Equifax, Experian and TransUnion, will start holding public data to new standards. After July 1, any public record data must include a consumer's name and address, as well as their Social Security number or date of birth, to appear on their credit file, according to the Consumer Data Industry Association. Public records like bankruptcies, tax liens and civil judgments typically stay on credit reports for seven years, so those who see these items removed get a long-lasting weight removed from their credit scores. However, most of the people who have items removed will experience score increases of less than 20 points, FICO said. The reason the increase isn't greater is because 92% of people who will have tax liens or judgments removed have other negative information on their credit files. Read more [HERE](#).

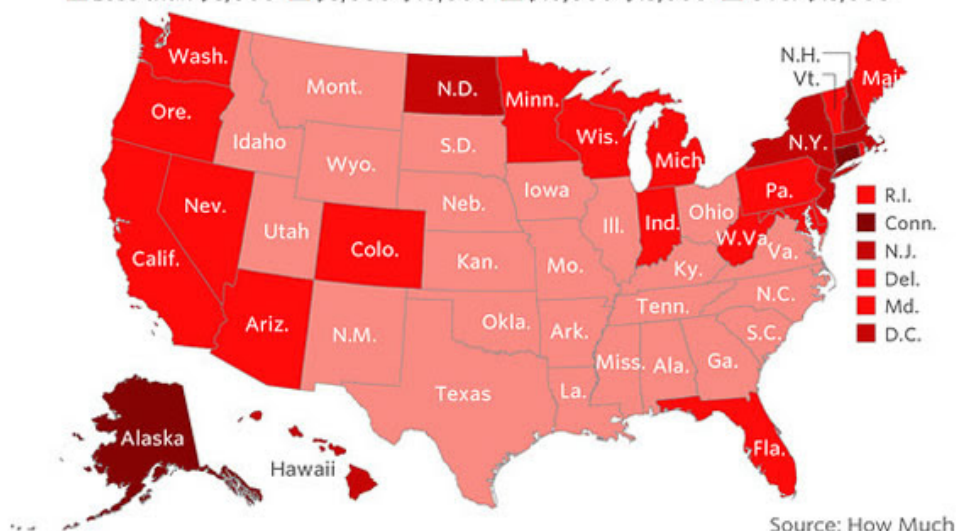
How Much Does Elder Care Cost In Your State: The world's population is getting older, and caring for seniors is getting more expensive — but where you live has a big impact on how much you'll pay. Alaska is on average the most expensive state to grow old, and Alabama is among the cheapest, according to an analysis released by the cost-estimating website HowMuch.net. The report found wide disparities in the costs of elder

care, which can vary dramatically based on whether seniors stay in their own homes or move to facility with round-the-clock care. Click [HERE](#) for more details.

The rising costs of senior care

Monthly costs of adult day health care

■ Less than \$8,000 ■ \$8,000-\$10,000 ■ \$10,000-\$13,000 ■ Over \$13,000



Re-Play Video: Planned "Grazing" A Solution To The Coming Soil Crisis?

I've mentioned this story in the past, but because of its importance I felt it was worthy of another look, especially as "Soil Health" is becoming a much larger topic of consideration world-wide. The video features Allan Savory, a scientist who has been increasingly raising alarms that if soil management practices are not changed drastically, grasslands are at risk of becoming barren deserts. One new practice that is gaining some traction is holistic management, or "planned grazing." The idea is to keep the animals moving, never letting them stay in one spot for very long. The land is grazed then rested in a planned out sequence. This allows regrowing of leaves on grazed plants, and a suppression of less desirable plants where a herd might not naturally choose to graze, thus leading to an increase in the amount of high quality plants per acre. The constant movement of the animals also helps the soil maintain moisture because the hooves of the animals push in the ground. When more water is absorbed by the soil, it is transferred to plants or underground water sources rather than running off, which often adds to the depletion of soil quality. This suppression of the soil also pushes plants and animal manure in to the earth, which adds to soil nutrients. As the quality of the land and plants increases, it can support more animals, allowing ranchers to have larger herds without a need to increase their pastureland. Savory now hopes these techniques can restore threatened grasslands and in turn reduce the poverty level of ranchers worldwide. This is especially important when considering his claim that the majority of the world's land is only capable of feeding people with animals, as most can not sustain crops longer-term. Savory explained his grazing theory in detail at a TED Talk, which you can view by [CLICKING HERE](#). Of course no theory would be complete without controversy. For years the conventional wisdom on rangeland ecology has been that the only way to improve grasslands is to "reduce" the number of animals using it, not "increase" the numbers. So far, Savory's theory has not been subject to a true scientific study. That is all about to change however. The Nature Conservancy in Colorado has a 14,000 acre nature preserve that includes a commercial cattle ranch leased by Nathan Andrews of the Fox Ranch. Andrews is a fifth generation rancher, and is all for 'more grass'. The ranch has been implementing the planned grazing techniques and meticulously documenting the results in order to have proof one way or the other if this 'holistic' approach is effective. Andrews reported that he was indeed able to build up his herd in 2012, the exact opposite of what other ranchers were doing during one of the worst droughts the area had seen in decades. It

will be a few more years before there is enough data to draw a solid conclusion but this is certainly something we need to pay close attention to.



Happy 4th of July, From My Family To Yours!!!

We are actually sticking around the house this 4th of July as the kids have friends coming up from college to stay a few days. They say they are going to camp out in tents around our lake, but I suspect some of Mama's good cooking will have them in the house in no time. I can't lie, we've missed having them and all of their friends at the house, so it should be lots of fun :) I hope you and your family also have a fun and safe holiday. Below are a few facts about the 4th of July that I thought were interesting:

What About July 2nd? *We celebrate the adoption of the Declaration on the 4th, but the Continental Congress actually adopted the first draft of the resolution on July 2, 1776. But this is Congress we're talking about, and as things have apparently not changed in the last 241 years, they immediately began squabbling over the details. Thus Thomas Jefferson had to revise the document and it was again adopted and signed two days later on July 4th. The final signature wasn't put to it until January. The names of the signatories were not revealed for months afterwards as a security measure - if independence had failed, they would have been put to death for treason to Britain.*

Population Then and Now: *There were about 2.5 million people living in the country in 1776. Today, the nation's population is over 318 million!*

Three Strange Presidential Deaths: *Only two of the 56 men who signed the original Declaration of Independence actually became President: John Adams, who was the second president, and his immediate successor Thomas Jefferson. Both died on the Fourth of July - on exactly the same day in 1826, the 50th anniversary of the declaration. Five years later, on July 4, 1831, James Monroe, the last presidential Founding Father, died as well.*

The Liberty Bell *was not actually rung on July 4, but on July 8 to mark the first public reading of the Declaration of Independence. Since being irreparably cracked in 1846, it is now "tapped" thirteen times every 4th of July, not actually rung.*

The First Celebration: *To mark the one year anniversary of that first reading of the document, Philadelphians fired guns, lit candles, and set off firecrackers, which shaped the way we celebrate the 4th of July to this day! Every year, Philadelphia still reads aloud the Declaration of Independence on the steps of Independence Hall and wrap up the days festivities with one of the largest fireworks displays in the country.*

Current Celebrations: Over 76 million Americans will gather together at about 36 million BBQs, spending nearly \$2 billion on their celebration cookouts. \$111 million will be spent on popsicles and charcoal, and another \$203 million on just condiments for the July 4th weekend. Over 155 million hot dogs, 700 million pounds of chicken and 190 million pounds of beef will be eaten! Independence Day weekend is also the most popular holiday for beer purchases, with 68.3 million cases sold last year. New York is actually host to the largest firework's display, The Macy's Fourth of July, which boasts over 50,000 explosions during the 25 minute show...about 1,800 shells per minute! It's estimated that more than 14,000 professional fireworks displays will light up US skies on the 4th. For most of these, the pyrotechnic professionals have spent about 11 months planning them out. American's will set off about 238 million pounds of fireworks in their own back yards.

Be Careful On The Roads: July 4 is surprisingly the deadliest day of the year for traffic fatalities, ABC News reports, even deadlier than New Year's Day. According to a study by the Insurance Institute for Highway Safety on average more people died on July 4, than any other day of the year. Traffic accidents tend to spike around holidays in general, largely due to alcohol consumption. Nearly 41 percent of July 4 traffic fatalities are alcohol-related, compared to 31 percent on an average day. At least there's one good thing about having the Fourth fall on a Tuesday: we may be safer this year than in previous years. Long weekends are typically more dangerous because parties tend to drink more and drive farther. In 2008, 491 people died in car accidents in the U.S. during the three-day July 4th weekend. Stay safe...



Luckiest Man On the Face Of The Earth

On July 4, 1939, Lou Gehrig gave one of the most memorable speeches in all of sports. It was on this day, Gehrig said goodbye to baseball in front of all of his fans in Yankee Stadium. Outside of this famous speech, Gehrig might be most well known as playing for the Yankees for 2,130 consecutive games. Gehrig played first base for the Yankees in all 17 seasons while in the big leagues. He was an All-Star seven consecutive times, a Triple Crown winner once, American League Most Valuable Player twice, and a member of six World Series Championship teams. He had a career .340 batting average, .632 slugging percentage, and a .447 on base average. He hit 493 home runs and had 1,995 runs batted in (RBI). He is a member of the Baseball Hall of Fame and is the first player to ever have his uniform number retired by a team. Gehrig set many records in Major League Baseball, but in 1938, with his usual strength lacking, his batting average dropped below .300 for the first time since his first full-season. People started to ask questions, and even Gehrig said, he didn't feel himself. Doctors first diagnosed Gehrig with a gall bladder problem. Once spring training of 1939 came around many could tell Gehrig had become even weaker. Once the season started, Gehrig only played 8 games, which he managed to get only four hits. On a ball hit back to the pitcher Gehrig had trouble getting to first base, and right after this play, he decided to take himself out of the game. He went to hospital and doctors diagnosed Gehrig with a very rare disease called "amyotrophic lateral sclerosis" (ALS) which is

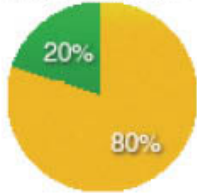
Gehrig with a very rare disease called amyotrophic lateral sclerosis (ALS), which is now called Lou Gehrig's disease. Then on July 4th of that same year, 62,000 fans gathered in Yankee Stadium as Gehrig stood at home plate delivering his iconic speech. He was joined by all his teammates from 1927 to 1939. He fought back many tears and emotion as he echoed... "Fans, for the past two weeks you have been reading about a bad break I got. Yet today I consider myself the luckiest man on the face of the earth. When the New York Giants, a team you would give your right arm to beat, and vice versa, sends you a gift - that's something. When everybody down to the groundskeepers and those boys in white coats remember you with trophies - that's something. When you have a wonderful mother-in-law who takes sides with you in squabbles with her own daughter - that's something. When you have a father and a mother who work all their lives so you can have an education and build your body - it's a blessing. When you have a wife who has been a tower of strength and shown more courage than you dreamed existed - that's the finest I know." It was one of the most emotional moments in sports history and there wasn't a dry eye in Yankee Stadium that afternoon. Gehrig battled the disease until the end, which came on June 2, 1941. Click [HERE](#) to see the speech.



CASH SALES & HEDGING TOTALS

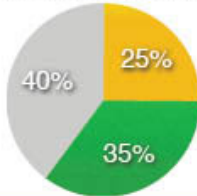
CORN 2016 CROP

80% SOLD
20% HEDGED
0% UNPROTECTED



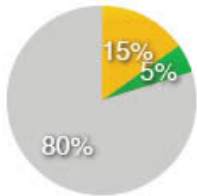
CORN 2017 CROP

25% SOLD
35% HEDGED
40% UNPROTECTED



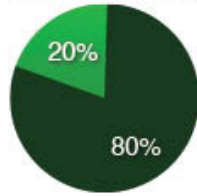
CORN 2018 CROP

15% SOLD
5% HEDGED
80% UNPROTECTED



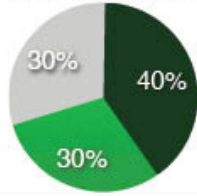
SOYBEANS 2016 CROP

80% SOLD
20% HEDGED
0% UNPROTECTED



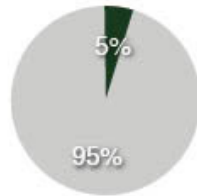
SOYBEANS 2017 CROP

40% SOLD
30% HEDGED
30% UNPROTECTED



SOYBEANS 2018 CROP

5% SOLD
0% HEDGED
95% UNPROTECTED



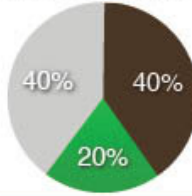
WHEAT 2016 CROP

100% SOLD
0% HEDGED
0% UNPROTECTED



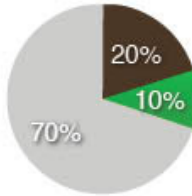
WHEAT 2017 CROP

40% SOLD
20% HEDGED
40% UNPROTECTED



WHEAT 2018 CROP

20% SOLD
10% HEDGED
70% UNPROTECTED



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