

GOOD MORNING: 07/18/17 Farm Direction - VanTrump Report

1 message

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

Tue, Jul 18, 2017 at 7:08 AM



"Most business relationships either become too tense to tolerate or not tense enough to be productive after a while. Either people challenge each other to the point where they don't like each other or they become complacent about each other's feedback and no longer benefit from the relationship." - Ben Horowitz

TUESDAY, JULY 18, 2017
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Morning Summary: Stocks start the week flat - though still in record territory - as investors await an uptick in second-quarter earnings announcements. Netflix is the first of the major "tech stocks" to report, announcing much better than expected results after the close yesterday. The digital streaming service added +5.2 million new users, compared to expectations of 3.23 million. Earnings were a bit below expectations at \$0.15 cents per share versus expectations of \$0.16 cents, while revenue beat on the top-end at \$2.79 billion. The stock jumped over +10% in after-hours trading to hit an all-time high. Corporate earnings of interest today include Bank of America, CSX, Goldman Sachs, Harley Davidson, IBM, Johnson & Johnson, Lockheed Martin, Novartis, TD Ameritrade and United Health. U.S. economic data remains very light with just Import/Export Prices and the Housing Market Index. U.S. Federal Reserve officials are in the "blackout period" ahead of their upcoming monetary policy meeting scheduled for next Tuesday and Wednesday. Recent inflation weakness has many thinking the Fed may be less eager to raise interest rates or delay reducing their balance sheet. Keep in mind, we will be hearing the latest monetary policy decisions from the Bank of Japan on Wednesday and from the European Central Bank on Thursday. Here at home, Republican Senators are still awaiting the Congressional Budget Office's score of the proposed healthcare bill, but still intend to keep their vote on the measure delayed while Senator John McCain recovers from an unexpected surgery. In the House, lawmakers are continuing their work on a massive budget measure, which is scheduled to be up for committee consideration on Wednesday. The conservative House Freedom Caucus is reportedly unwilling to support the resolution, though, apparently over concerns about spending and tax reform. The caucus has 31 members and Republicans can not lose more than 22 votes to pass the bill. It's highly unlikely any Democrats will vote for the resolution. The U.S. dollar is down again this morning and has now fallen by more than -9% from its early-January highs. Commodities might start coming back in fashion...


Chinese "Tech and Start-Up" Stock Market Slammed: Reporters inside China were calling it "Black Monday" yesterday, as more than 500 Chinese stocks fell by their daily limit of -10%. Over 1,200 stocks declined by more than -7% on the Shanghai and Shenzhen stock exchanges, primarily tech and start-up companies. Before we get overly nervous, let's keep in mind both the Shanghai and Shenzhen stock indexes crashed more than -40% back in the summer of 2015. This time around there seems to be rumors circulating that some of China's top leadership have gathered at a work-conference and could be implementing increased scrutiny for the financial sector. The biggest fear is the fact this meeting is held only every five-years, meaning these new tougher regulations could stay in place for an extended period of time.

U.S. Shale Production Forecast To Continue Rising In August: Oil production from several U.S. shale regions is expected to keep on rising in August, the U.S. Energy Information Administration forecast on Monday. The EIA's latest drilling productivity report projects that drillers operating the nation's shale oil fields will increase production by +113,000 barrels a day next month. Total output from these areas is expected to reach 5.59 million barrels a day in

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December 6, 2017

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Economic & Ag Forecast



Dennis Gartman
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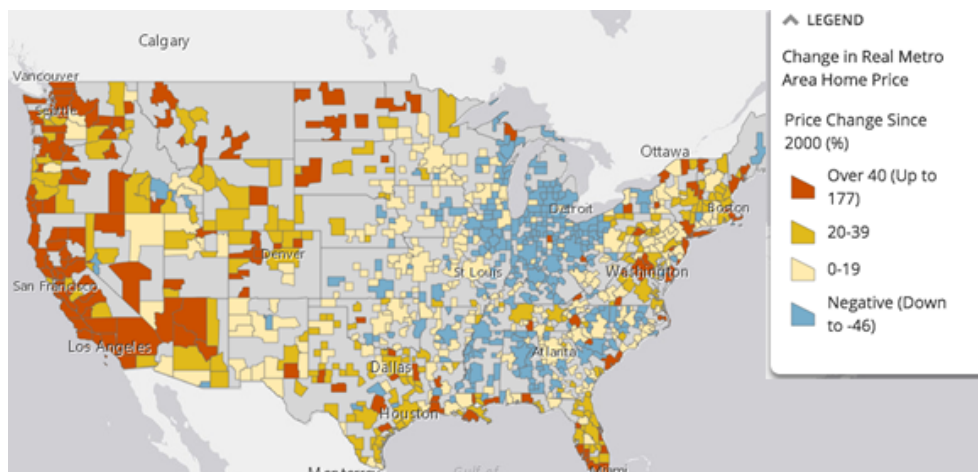
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total output from these areas is expected to reach 3.33 million barrels a day in August. July's report marks the fifth straight month the agency's growth forecast came in above 100,000 barrels a day. The forecast is the latest sign that U.S. drillers continue to pump more. Oil prices are down about 14 percent this year, but the commodity was on an upswing through the first quarter of the year, boosted by production cuts by OPEC and other exporters. That allowed U.S. drillers to lock in higher prices for future delivery, providing the financial incentive to produce more. The Permian basin in Texas and New Mexico is once again projected to see the largest growth in August. EIA forecast drillers there will hike output by 64,000 barrels a day. Total U.S. output has risen from about 8.5 million barrels a day in September to roughly 9.4 million barrels a day this month, with the pace of the recovery surprising many traders. (Source: CNBC)

How Much Have Home Prices Changed? While real home prices rose by +32% nationally between 2000 and 2016, price changes varied across metros. Home prices increased by +40% or more in 153 metros (16 percent), including twelve metros where home prices doubled. In contrast, real prices declined in about 280 metros. In another 200 markets, prices increased by +20-to-39%. And in nearly 300 markets, prices increased but more modestly—by less than +20%. The map below shows price changes across the U.S. By the end of 2016, national home prices reached their pre-recession peak in nominal terms, according to most major measures of home prices. While nominal prices were at or above peak in nearly half of all metros, real prices had not recovered either nationally or in most of the nation's metros. Real home prices exceeded their previous peak in only 15 percent of markets, or about 140 metro areas. In another 355 metros, real prices were still less than 16 percent below peak. In 250 different markets, prices were 16-to-26 percent below peak. And in 190 metros, real prices were still more than 26 percent below their peak. In other words, while the housing market in some areas has rebounded beyond their pre-recession peaks, other areas are still lagging behind and yet to post new highs. (Source: Harvard CGA)



Weather continues to be very hot across the central Plains and gradually build to encompass much of the central and eastern U.S. On the Plains, hot, mostly dry weather prevails, except for slightly cooler conditions in Montana. Today's high temperatures could again top 100 degrees F as far north as South Dakota. Pasture and crop conditions continue to deteriorate across the northern Plains due to extremely dry conditions, aggravated by periods of hot weather. In the Corn Belt, mostly dry weather is promoting a rapid crop development pace, except in a few areas where soil moisture is lacking. Most of the Midwestern dry pockets are limited to portions of the western and central Corn Belt. In contrast, lowland flooding persists in parts of northeastern Illinois and southeastern Wisconsin. Again, hot weather is expected to stick around for much of this week through the nation's mid-section. Farther east, rainy weather will return to parts of the northern and western Corn Belt, with 1 to 4 inch rainfall totals expected. Mostly light, scattered showers will affect the Eastern States. In contrast, little or no rain will fall across the southern Plains, mid-South, and the Far West. Below is the 5 day precipitation forecast valid July 17 - 22.

Remember we sold out early last year!

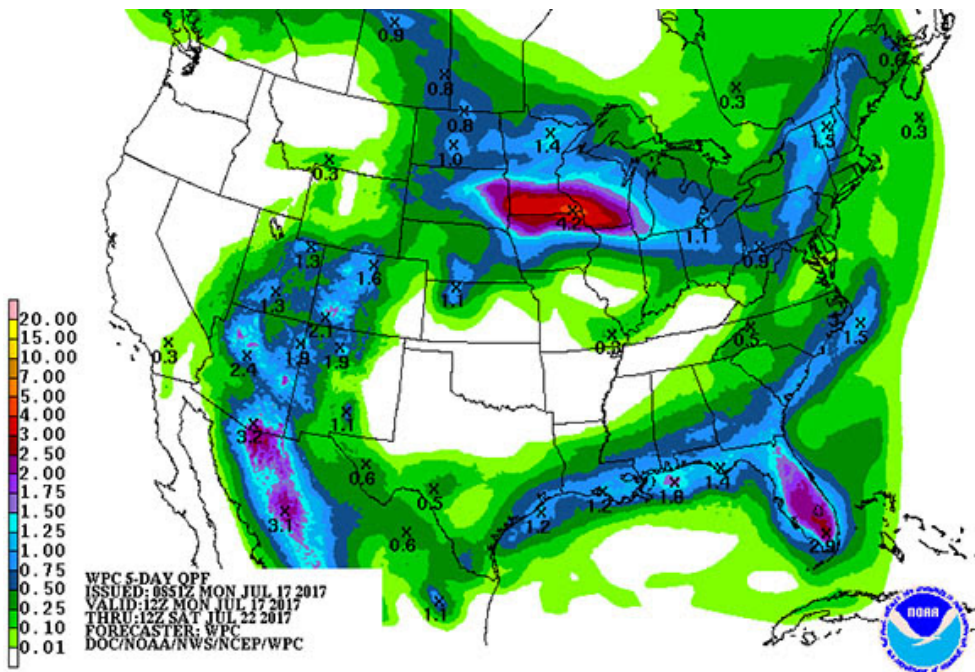


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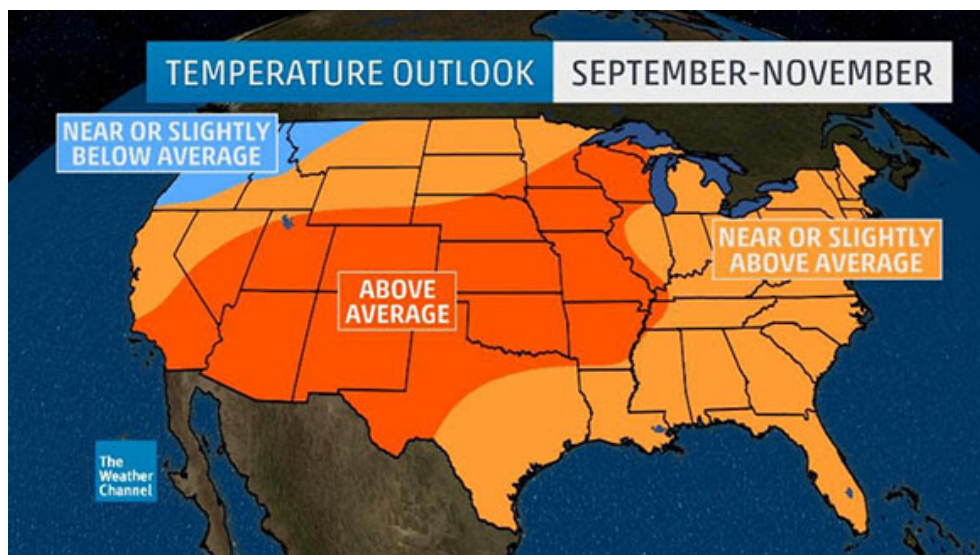
Network directly with some of the top CEO's and ag industry executives. Learn first hand how NEW technology and transparency is influencing today's decisions.

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Early Look at Harvest Forecast: According to the latest outlook from The Weather Company, a warmer than average fall may be in store for areas from the Southwest into portions of the Midwest. Much of the East, South, as well as the northern Plains into parts of the Rockies, will likely see temperatures near or slightly above average during the September through November time period. The development of El Nino is currently not likely to occur this fall and winter, which is one of the factors considered in the temperature forecast over the next few months. The most recent outlook from NOAA said there's a 50-55% chance of an El Nino forming this winter. Overall, we need to pay attention to this outlook as it continues -- what has been quite a hot/dry summer for certain parts of the Midwest and northern Plains -- right on through the Fall harvest season.



Corn prices rebound as the bulls remain somewhat stumped... Yield is still forecast at 170.7 bushels per acre, yet conditions in South Dakota are -33% worse than last year; North Dakota -33% worse than last year; Indiana -27% worse; Illinois -18% worse; Colorado -16% worse; Nebraska -15% worse; Iowa -10% worse; Ohio -10% worse; Kansas -10% worse; Minnesota -3% worse. I understand the current "USDA Yield" for both corn and soybeans right now is simply a "trend" type yield analysis that the World Board plugs in before the August Crop Production report. I'm certain we will see a much better look and more scientific based finding for both corn and soybean yields in the August report. I'm just hoping prices don't deteriorate while waiting for the update. Weekly condition data now shows 40% of nation's corn crop as "silking", up from 19% last week, but still running behind the 5-year average of 47% for the week. I remain a bull, believing the current crop-conditions will pressure production more than the trade is anticipating. Bears are pointing to rain in the nearby forecast for some areas that have been abnormally dry, specifically in parts of the Dakota's, Colorado, Nebraska,



Today In History



1914, Joe Hill - Convicted of murder on meager evidence, the singing Wobbly Joe Hill is sentenced to be executed in Utah. A native of Sweden who immigrated to the U.S. in 1879, Joe Hill joined the International Workers of the World (IWW) in 1910. The IWW was an industrial union that rejected the capitalist system and dreamed one day of leading a national workers' revolution. Members of the IWW--known as Wobblies--were especially active in the western United States, where they enjoyed considerable success in organizing mistreated and exploited workers in the mining, logging, and shipping industries. Beginning in 1908, the IWW began encouraging its membership to express their beliefs through song. The IWW published its Little Red Song Book, otherwise known as the I.W.W. Songs to Fan the Flames of Discontent. A few years later, the witty and handsome Joe Hill became one of the Wobblies' leading singers and songwriters. Hill composed many of the IWW's best-loved anthems, including "The Preacher of the Slave" which introduced the phrase "pie in the sky." By 1915, Hill was one of the most famous Wobblies in the nation. Public notoriety, however, could prove dangerous for a radical union man. In 1915, Hill was arrested and charged with murdering two Salt Lake City policemen during a grocery store robbery. Although the evidence against Hill was tenuous, a jury of conservative Utahans convicted him on this day in 1914 and he was sentenced to death. He was executed by firing squad the following year. Ever since, scholars have debated whether Hill was actually guilty or was railroaded because of his radical politics. Regardless of his guilt or innocence, Hill became a powerful martyr for the IWW cause by telegramming his comrades with a famous last-minute

Minnesota, Iowa and Illinois. Technically, nearby support in DEC17 corn remains in the \$3.75 to \$3.80 range. I remain bullish, believing the crop is overstated. Below are some specifics regarding current corn crop-conditions and comparisons to last week and last year.

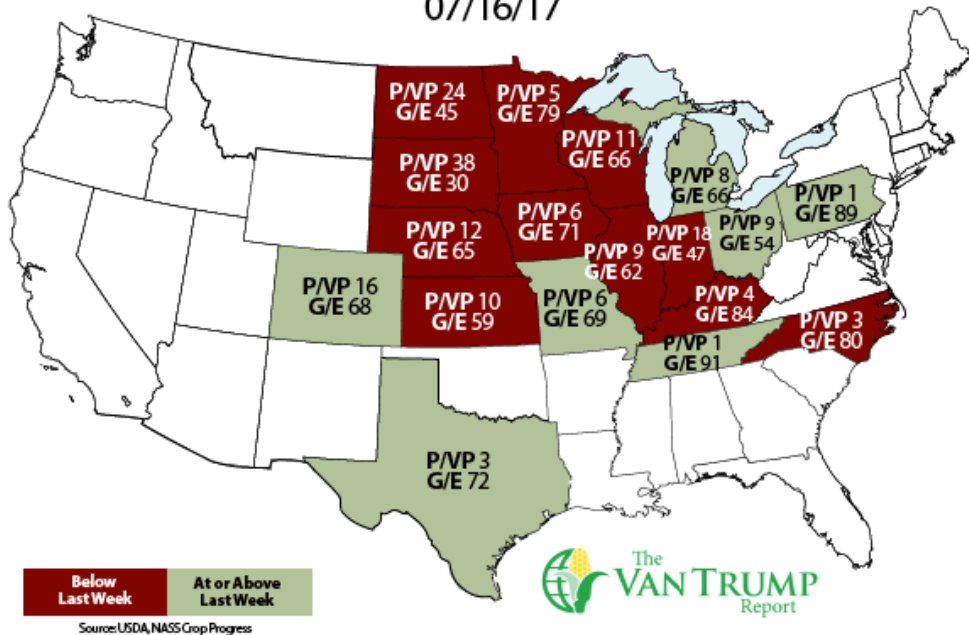
States Where Conditions Improved Last Week

Pennsylvania improved +8% to 89% vs 71% last year
Texas improved +5% to 72% vs 63% last year
Colorado improved +1% to 67% vs 83% last year
Missouri improved +1% to 69% vs 73% last year
Ohio improved +1% to 54% vs. 64% last year
Tennessee "unchanged" at 91% vs 78% last year

States Where Conditions Deteriorated Last Week

North Dakota lowered -7% to 45% vs 78% last year
South Dakota lowered -7% to 30% vs 63% last year
Iowa lowered by -6% to 71% vs 81% last year
Kentucky lowered -3% to 84% vs 72% last year
Wisconsin lowered -3% to 66% vs 86% last year
Kansas lowered by -2% to 59% vs 69% last year
Nebraska lowered -2% to 65% vs 80% last year
North Carolina lowered -2% to 80% vs 69% last year
Illinois lowered by -1% to 62% vs 80% last year
Indiana lowered by -1% to 47% vs 74% last year
Michigan lowered -1% to 66% vs 59% last year
Minnesota lowered -1% to 79% vs 82% last year

Corn Conditions 07/16/17



Soybean prices are higher this morning, but are still down -35 cents from last weeks highs. The bears are talking about possibly improved weather conditions in the U.S. and a somewhat disappointing NOPA crush report. There seems to be a bit more rain in the nearby forecast for some areas the trade has been keeping a close eye on. The NOPA crush data for June came in short of expectations, just north of 138 million bushels, which was down from 149.2 million last month and down from 145 million a year ago. Bottom-line, this means the bears can argue the USDA's current crush estimate might be over estimated by 10 to 20 million bushels. On the flip side, bulls argue that weekly crop-conditions now show the U.S. crop rated at just 61% "Good-to-Excellent," down -1% compared to last week and down -10% compared to last year. Data shows 52% of U.S. soybeans are blooming, up from 34% last week and slightly ahead of the 5-year average at 51%. We also learned that 16% of U.S. soybeans are now "setting pods" vs. 7% last week vs. the 5-year average of 13%. From a technical perspective, it still feels like nearby support in the NOV17 contract is somewhere in the \$9.60 to \$9.80 range. Last Tuesday's high at \$10.47 now becomes major upside resistance. Similar to corn, I believe the crop is overstated. As both a producer and a spec I remain cautious and on the sideline while the trade tries to find nearby direction. It's early and the trade seems as if it can still argue either side, bulls arguing weather and bears

message: "Don't waste any time in mourning. Organize."



1925, Hitler - Seven months after being released from Landsberg jail, Nazi leader Adolf Hitler publishes the first volume of his personal manifesto, Mein Kampf. Dictated by Hitler during his nine-month stay in prison, Mein Kampf, or "My Struggle," was a bitter narrative filled with anti-Semitic outpourings, disdain for morality, worship of power, and the blueprints for his plan of Nazi world domination. The autobiographical work soon became the bible of Germany's Nazi Party. In the early 1920s, the ranks of Hitler's Nazi Party swelled with resentful Germans who sympathized with the party's bitter hatred of Germany's democratic government, leftist politics, and Jews. In November 1923, after the German government resumed the payment of war reparations to Britain and France, the Nazis launched the "Beer Hall Putsch"--their first attempt at seizing the German government by force. Hitler hoped that his nationalist revolution in Bavaria would spread to the dissatisfied German army, which in turn would bring down the government in Berlin. However, the uprising was immediately suppressed, and Hitler was arrested and sentenced to five years in prison for high treason. Sent to Landsberg jail, he spent his time dictating his autobiography, Mein Kampf, and working on his oratorical skills. After nine months in prison, political pressure from supporters of the Nazi Party forced his release.



1940, FDR - Franklin Delano Roosevelt, who first took office in 1933 as America's 32nd president, is nominated for an unprecedented third term. Roosevelt, a Democrat, would eventually be elected to a record four terms in office, the only U.S. president to serve more than two terms. Roosevelt was born January 30, 1882, in Hyde Park, New York, and went on to serve as a New York state senator from 1911 to 1913, assistant secretary of the Navy from 1913 to 1920 and governor of New York from 1929 to 1932. In 1932, he defeated incumbent Herbert Hoover to be elected president for the first time. During his first term, Roosevelt enacted his New Deal social programs, which were aimed at lifting America out of the Great Depression. In 1936, he won his second term in office by defeating Kansas governor Alf Landon in a landslide. On July 18, 1940, Roosevelt was nominated for a third presidential term at the Democratic Party convention in Chicago. The president received some criticism for running again because there was an unwritten rule in American politics that no U.S. president should serve more than two terms. The custom dated back to the country's first president, George

seems as if it can still argue either side...bulls arguing weather and bears arguing record South American supply and perhaps a slowdown in U.S. demand. Below are some specifics regarding current corn crop- conditions and comparisons to last week and last year.

States Where Conditions Improved Last Week

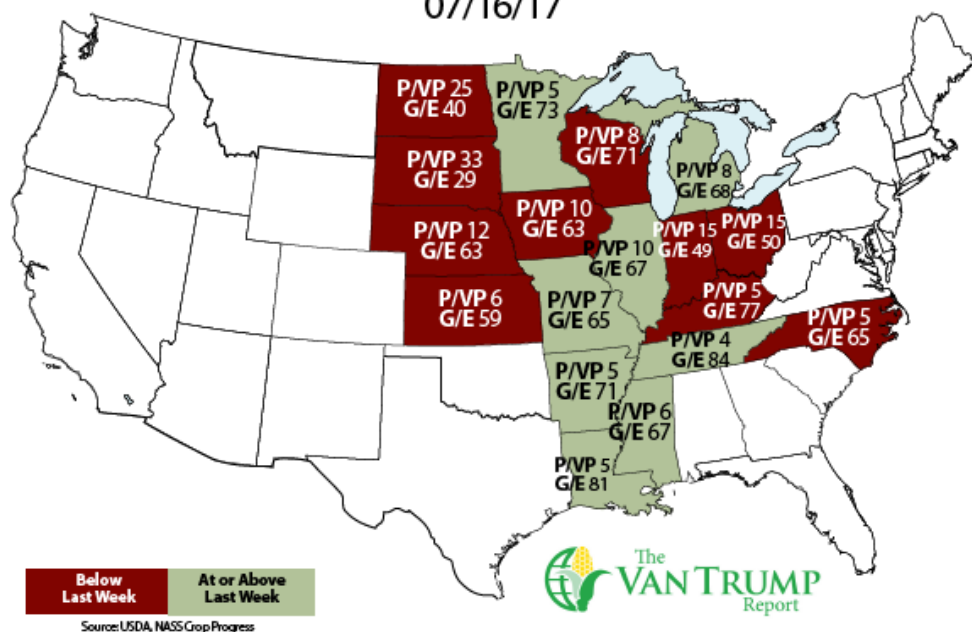
Michigan improved +3% to 68% vs 60% last year
 Missouri improved +3% to 65% vs 67% last year
 Tennessee improved +3% to 84% vs 76% last year
 Louisiana improved +2% to 81% vs 74% last year
 Mississippi improved +2% to 67% vs 67% last year
 Arkansas improved +1% to 71% vs 56% last year
 Illinois improved +1% to 67% vs 76% last year

States Where Conditions Deteriorated Last Week

North Dakota lowered -7% to 40% vs 72% last year
 Kansas lowered -5% to 59% vs. 60% last year
 South Dakota lowered -5% to 29% vs 66% last year
 Iowa lowered -4% to 63% vs 80% last year
 North Carolina lowered -4% to 75% vs 71% last year
 Nebraska lowered -3% to 63% vs 77% last year
 Ohio lowered -3% to 50% vs 66% last year
 Wisconsin lowered -3% to 71% vs 85% last year
 Indiana lowered -1% to 49% vs 72% last year
 Kentucky lowered -1% to 77% vs 70% last year
 Minnesota lowered -1% to 72% vs 78% last year

Soybean Conditions

07/16/17



Wheat bulls continue to talk about weather complications in the northern Plains and Canadian Prairies. Spring wheat conditions continue to deteriorate and now stand at 34% rated "Good-to-Excellent" vs. 69% last year. South Dakota is now reporting 74% of their crop in "Poor-to-Very Poor" condition. Montana is reporting 61% in "Poor-to-Very Poor" condition. North Dakota is reporting 40% in "Poor-to-Very Poor" condition. As for winter wheat, the USDA is now estimating that 75% of the U.S. crop has been "harvested", which is perhaps a bit behind what the trade was looking for, but still ahead of the 5-year average of 73% by this date. Technically, the SRW wheat contract acts as if it wants to approaching "psychological support" down at the \$5.00 level. The SEP17 CBOT contract has given back over -\$0.50 cents from its highs set earlier this month. I hear several insiders saying a close back below \$4.75 would clearly signal an end to the current bull run. It's tough to argue their logic, but I remain a longer-term bull on a more dynamic shift in the underlying fundamentals. I was able to bank some good profits on the run to higher ground and remain extremely patient in regard to adding to any current positions. I suspect this middle portion of the battle ground will be extremely volatile and I don't want to get chewed up in trying to outguess the short-term moves. Spring wheat still has an incredibly strong story, but could make grown

country's first president, George Washington, who in 1796 declined to run for a third term in office. Nevertheless, Roosevelt believed it was his duty to continue serving and lead his country through the mounting crisis in Europe, where Hitler's Nazi Germany was on the rise. The president went on to defeat Republican Wendell Wilkie in the general election, and his third term in office was dominated by America's involvement in World War II. In 1944, with the war still in progress, Roosevelt defeated New York governor Thomas Dewey for a fourth term in office. However, the president was unable to complete the full term. On April 12, 1945, Roosevelt, who had suffered from various health problems for years, died at age 63 in Warm Springs, Georgia. He was succeeded by Vice President Harry S. Truman. On March 21, 1947, Congress passed the 22nd Amendment to the U.S. Constitution, which stated that no person could be elected to the office of president more than twice. The amendment was ratified by the required number of states in 1951.

Upcoming Events

- 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

Kevin's Song of the Week

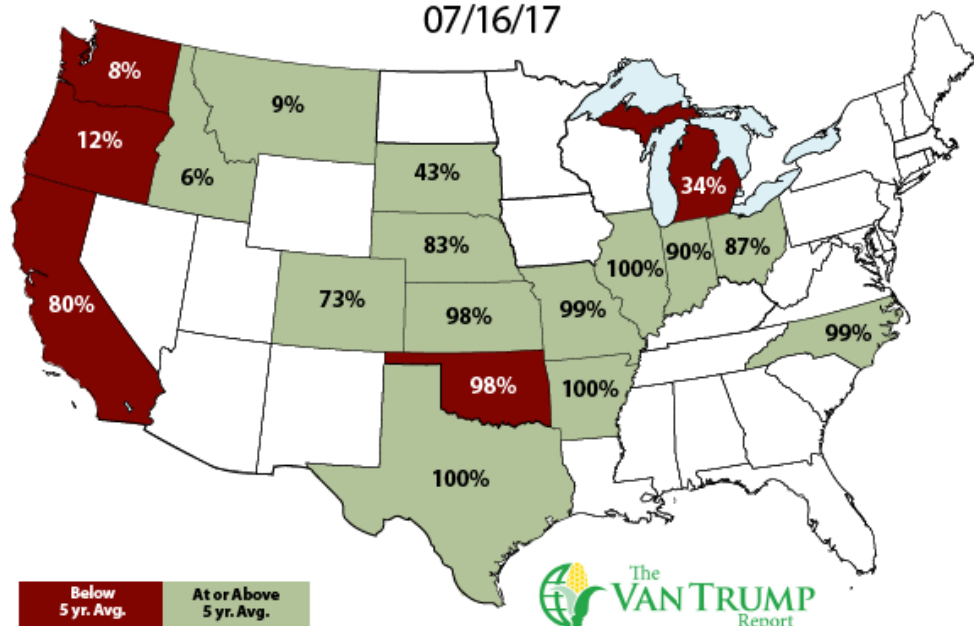


About the Report

men cry before it determines it's final destination. Stay patient and don't allow yourself to get over-extended!

Winter Wheat Harvested

07/16/17



> Australia's Wheat Output May Miss Forecast By As Much As 20%: Australian wheat production is on course to miss official forecasts by more than 20 percent as dry weather crimps yields in the world's fourth-largest exporter, exacerbating fears of tightening global supplies. The expectation of Australia's shortfall follows news that one of the worst heat waves in decades is devastating wheat crops in southern Europe. Output in the United States is also tumbling due to hot, dry weather. Australia's east and west coast regions - the country's largest wheat producing areas - have received less than half the average rainfall typical for the April 1 to June 30 quarter, data from the Australian Bureau of Meteorology (BOM) shows. Due to the outlook for little soil moisture, traders and analysts are cutting expectations for Australia's wheat production by 20 percent below official estimates. The market is beginning to factor in a crop of between 19 million to 21 million metric tons. That compares with Australia's chief commodity forecaster in June pegging wheat output at 24.1 million metric tons. (Source: Reuters)

> Britain's Wheat Area Down -3%: Britain's wheat area is estimated to have contracted by 3 percent this year to 4.35 million acres, according to a survey issued by the Agriculture and Horticulture Development Board on Friday. "The largest reductions were reported in the eastern regions of England, where black-grass remains a key challenge," the AHDB said, referring to one of the most difficult to control and widespread weeds in arable crops. (Source: Reuters)

> China Approves Two More GMO Crops For Import: China has approved two more genetically modified (GMO) crops for import, the Ministry of Agriculture said, the second such move in the past month to expand access to biotech seeds as part of Beijing's 100-day trade talks with Washington. The two new crops, approved from July 16 for a period of three years, are Syngenta's 5307 insect-resistant corn sold under the Agrisure Duracade brand and Monsanto's 87427 glyphosate-resistant corn, sold under the Roundup Ready brand, the ministry said on its website on Monday. The move brings total approvals to four after the government last month gave the go-ahead to Dow Chemical Co's Enlist corn and Monsanto's Vistive Gold soybeans. But it leaves four other products owned by Monsanto, DuPont and Dow still on a waiting list pending approval from Beijing. DuPont was "disappointed" its Pioneer insect-resistant corn was not

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

included, a spokeswoman said in an email. The other three are Dow's Enlist soybeans and two alfalfa products developed by Monsanto. While the country does not permit planting of GMO food crops, it does allow GMO imports such as soybeans and corn for use in its animal feed industry. (Source: Reuters)

> Malaysia, Indonesia May Take Palm Oil Curbs To WTO: Malaysia and Indonesia plan to raise the prospect of European Union curbs on the imports of palm oil with the World Trade Organisation, both countries said in a joint statement on Sunday. A resolution by the European Parliament in April called for the EU to phase out by 2020 the use of vegetable oils in biodiesel that are produced in an unsustainable way leading to deforestation. The resolution includes palm oil, an important commodity for Indonesia and Malaysia, which produce nearly 90 percent of the world's palm oil. The two nations will coordinate plans via the Council of Palm Oil Producing Countries (CPOPC), a joint initiative by Malaysia and Indonesia to work together in managing stockpiles and supporting prices. France said earlier this month it would take steps to restrict the use of palm oil in producing biofuels. Malaysia has called the move discriminatory and added it would review its trade with France, while Indonesia's palm oil association said it was concerned it could prompt other European nations to follow suit. (Source: Reuters)

> EU Wants Member Consensus To Extend Glyphosate License: The European Union will only extend its approval for the herbicide glyphosate if there is sufficient support from the bloc's 28 member states, European Health and Food Safety Commissioner Vytenis Andriukaitis said on Monday. The European Commission decided to propose extending approval for glyphosate by 10 years after the European Chemical Agency (ECHA) said in a study in March that it should not be classified as a substance causing cancer. Andriukaitis told reporters during a meeting of EU agriculture ministers that he had no reason to doubt that glyphosate was safe but it was up to national governments to agree to extend the approval. EU member states have consistently failed to produce a majority firmly in favor or against approving glyphosate. Large member states France and Germany have abstained from voting, forcing the Commission to extend the license by 18 months at the end of June 2016 to give the ECHA time to study the chemical further. A committee of experts from EU nations will hold a first discussion of the issue on Wednesday, with a vote expected later in the year. A qualified majority for a proposal means 16 of 28 member states must vote in favor and the support must come from countries representing at least 65 percent of the EU population. (Source: Reuters)

> JBS Selling Canadian Cattle Feedlot and Farm Land: Brazil's JBS S.A. announced that its JBS Food Canada subsidiary reached an agreement to sell its cattle feedlot and adjacent farm land in Brooks, Alberta, for CAD50 million (\$40 million) to MCF Holdings Ltd. MCF Holdings will continue to supply cattle to JBS Canada's beef processing facility in Brooks after the transactions is completed, JBS said in a statement. JBS is looking to sell non-core assets to reduce leverage. The company in June closed an agreement to sell its beef operations in Paraguay, Argentina and Uruguay to Brazilian competitor Minerva. The world's largest beef processor also plans to proceed with a BRL6 billion (\$1.82 billion) divestment plan that includes selling Five Rivers Cattle Feeding, Moy Park and a 19.2 percent stake in Brazil-based dairy company Vigor. (Source: MeatingPlace)

> Lawmaker Requests Hearing On Amazon-Whole Foods Deal: A top Democrat on the House Judiciary Committee has requested a hearing on Amazon's \$13.7 billion purchase of Whole Foods. "Amazon's proposed acquisition of Whole Foods raises important questions concerning competition policy, such as how the transaction will affect the future of retail grocery stores, whether platform dominance impedes innovation and if the antitrust laws are working effectively to ensure economic opportunity, choice and low prices for American families," Rep. David Cicilline, the top Democrat on Judiciary's antitrust panel, wrote in a letter to Judiciary Chairman Bob Goodlatte and Antitrust Chairman Tom Marino. Cicilline cited possible concerns the merger would "increase Amazon's online dominance, enabling it to prioritize its products and services over competitors." He requested a hearing at the Antitrust Subcommittee level. (Source: Politico)

> Venezuelan Protests Ramping Up: Political turmoil in Venezuela is heating up as opponents called for stepped up protests to defy the government of President Nicolas Maduro. Over the weekend, leaders of the Democratic Unity (MUD) coalition had an unofficial "vote" that they said drew 7 million votes condemning Maduro's rule. To increase the pressure on the embattled president, MUD is now calling for a 24-hour general strike designed to bring the country to a halt. They are urging businesses to shut down and workers to stay home. The actions are a response to Maduro's plans to rewrite the country's constitution, which critics say is an effort by Maduro to gain more power and essentially create a full-blown dictatorship. Opposition leaders are also urging Venezuela's military to uphold the existing constitution and support calls for early elections to replace Maduro. Additionally, opposition parties are calling for a "zero

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..."

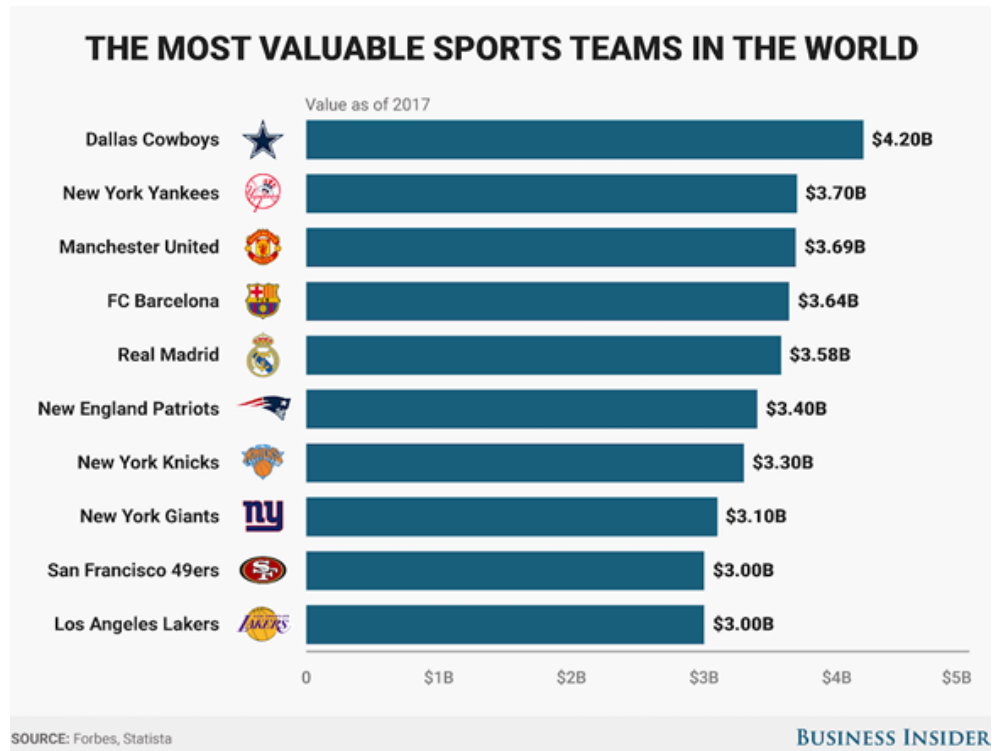
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- 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.

hour” campaign of civil disobedience over the next two weeks leading up to Maduro’s constitution move. Over the last three months of protests, at least 93 people have been killed while more than 1,500 have been wounded. More than 500 protestors and government opponents have been jailed. (Source: Guardian, Washington Post)

> **The World’s Most Valuable Sports Franchises:** The NFL may have slipped in the television ratings last fall, but its marquee franchises remain as valuable as ever. According to data from Forbes, the Dallas Cowboys are the most valuable sports team in the world. The franchise is valued at a whopping \$4.2 billion, half a billion more than any other team. Oil magnate Jerry Jones purchased the Cowboys for \$140 million back in 1989. Together, the NFL’s top four franchises are worth approximately \$13.7 billion, more than those of any other league. Three European soccer teams — Manchester United of the Premier League and FC Barcelona and Real Madrid of La Liga — also cleared the \$3 billion mark, along with two NBA franchises and one from MLB. The chart below shows the top 10 most valuable teams in the world. (Source: Business Insider)



Farm Direction

RECIPES

★ FAMILY ★

FAVORITES

- SENT IN BY OUR READERS -

Cowboy Caviar

CLICK TO SEE RECIPE



Central Illinois - We have had an above average start this season. We got the corn in the ground starting April 15th with the beans a week later. Those around here who got in a bit earlier than us have great looking stands. I have always been fearful of late frost so I choose to wait a few extra days. We did have that cold snap in May and it took the crops 4-5 weeks to come out of the yellow coloring they had. Pollination looks uneven here and I do not expect yields to match the last two seasons. APH is 185 but we’ve had 200+bpa the last two years and if we were to get to 200 I would be pleased. Not much in the way of weed pressure here. As a matter of fact, it has been noticeable how few planes have been in the air. We had a storm blow through last week that dumped 3" of rain so we are good in good shape with moisture for now. Got most all old crops sold during the last rally.

Northeast Kansas - We had good planting conditions and things are looking ok. Of course, we could use some more water but we know others have things a lot worse. Keeping weeds in check on our beans has been the biggest challenge this year. We paid the premium to get the resistant beans and now we are probably too worried about what we are spending on controlling weeds. We are sticking with round up and hoping it controls the weeds. We struggled last year getting crops marketed and used the

recent rally to get it out of the bins. My dad still has some left, guess he knows something I don't.

Southeast Manitoba - We happen to be in a sweet spot this season in our area. Wheat harvest went well and spring planting could not have been better. We did hit a cold wet spell for a bit after planting but once the heat got going things took off. I find myself on the road often for business and I have seen the disparity in the areas from here to Detroit Lakes. Some here are worried about the heat we will see while corn is in the reproductive stage. It appears there are issues with canola all over the place. Due to various issues, we are looking at a minimum of a 10-15% discount on our canola crops.



Perdue Chicken Slaughter Gets Makeover: Perdue Farms Inc., known for its namesake chicken brand, is rolling out gentler slaughter practices as part of its efforts to reduce trauma and discomfort for birds. The company will increase its use of gas stunning, according to the first annual progress report on animal care released by Perdue on Monday. The process exposes birds to a gas mixture that renders them insensible to pain or distress before slaughter. It's the latest step in the poultry industry's campaign to respond to consumers, especially Millennials, who are increasingly concerned about animal welfare. The Salisbury, Maryland-based company, the fourth-largest U.S. chicken producer, is pushing for better poultry care, improved relationships with its contract farmers and transparency with consumers, according to Chairman Jim Perdue. Read more [HERE](#).

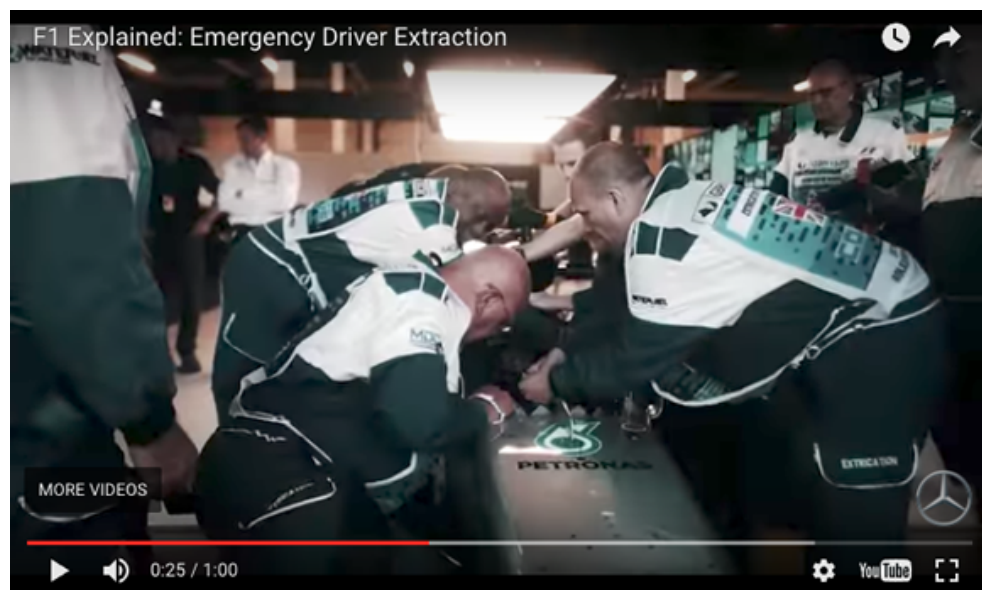
'Living Drug' That Fights Cancer By Harnessing Immune System Clears Key Hurdle: A new kind of cancer treatment that uses genetically engineered cells from a patient's immune system to attack their cancer easily cleared a crucial hurdle Wednesday. A Food and Drug Administration advisory committee unanimously recommended that the agency approve this "living drug" approach for children and young adults who are fighting a common form of leukemia. The agency doesn't have to follow the committee's recommendation but usually does. The treatment takes cells from a patient's body, modifies the genes, and then reinfuses those modified cells back into the person who has cancer. If the agency approves, it would mark the first time the FDA has approved anything considered to be a "gene therapy product." Read more [HERE](#).

A Former Google Executive Say She Will Make Telepathy Possible in Eight Years: Imagine if telepathy were real. If, for example, you could transmit your thoughts to a computer or to another person just by thinking them. In just eight years it will be, says Openwater founder Mary Lou Jepsen, thanks to technology her company is working on. Jepsen is a former engineering executive at Facebook, Oculus, Google[x] (now called X) and Intel. She's also been a professor at MIT and is an inventor on over 100 patents. And that's the abbreviated version of her resume. Jepsen left Facebook to found Openwater in 2016. The San Francisco-based start-up is currently building technology to make medical imaging less expensive. Read more [HERE](#).

Hunting For Antibiotics In The World's Dirtiest Places: Drug resistance—the ability of bacteria to defend themselves against the compounds we use to kill them—has impaired the effectiveness of almost every antibiotic produced since the first ones were developed, in the 1940s. At least 700,000 people are estimated to die worldwide every year from infections that no longer respond to antibiotics. That toll could balloon to more than 10 million a year by 2050 if we can't slow the spread of resistance or find new drugs; routine surgeries and minor injuries will become life-threatening. Yet making the necessary changes to stave off this catastrophe seems to be beyond us. We continue to take antibiotics with abandon (nearly a third of antibiotic prescriptions in the U.S. aren't actually needed) and feed huge quantities of them to farm animals. And pharmaceutical companies—daunted by how quickly resistance can undermine drugs that may take a decade and a billion dollars to develop—are not rushing to fill the gap. That's where bacteria hunters could make a difference. Read more [HERE](#).

How To Get An F1 Driver Out Of The Car In An Emergency: Safety systems these days are top-notch. Thanks to driver cells and impact zones, drivers can walk away from some seriously high-speed crashes. But in the event a driver can't walk away, the FIA has a detailed procedure for getting them out of the car safely. The Mercedes-AMG

Petronas team was picked to run a practice run with a group of FIA race stewards to see how long it would take to extract an incapacitated driver from an F1 car. Using Lewis Hamilton's W08, along with a man named Marcus from its pit crew, the stewards are able to demonstrate how the job is done in a safe, efficient manner. The method used to get a driver out of a car is actually pretty cool. Instead of taking just the driver out, the stewards extract the entire molded seat, without having to move the occupant and risk further injury. The whole process takes four minutes and 19 seconds, start to finish. Watch the video [HERE](#). (Source: Popular Mechanics)



**iSELECT FUND**

The
VAN TRUMP
Report

Featured
Ag-Tech Startups

iSelect Webinar Series

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

Presentation Title: **"Reshaping Weed Control for a Healthier Future,"**
Date & Time: **July 20th at 3pm CST**

It's been nearly 30 years since we discovered a new type of herbicide, and every year the number of chemical-resistant weed strains continues to march higher. Today, there are more than 35 different glyphosate-resistant weed types worldwide, and regulators

are increasingly pushing for clean, non-chemical solutions. Learn how Zasso Group's electroherb system can be attached to a conventional tractor, delivering an electrical current below the surface that kills invasive weeds at the root. Unlike other non-chemical herbicides, this system is fast and long-lasting, preventing erosion and allowing for good water infiltration on treated fields. Dirk Vandenhirtz, CEO of Zasso Group will address this issue at our next free webinar on July 20th at 3PM CST. Even if you can't make the live broadcast, registered users will be able to view a recording on [our website](#) after the fact. Click [here](#) to sign up and learn more.



Golf's First AI Caddie

With the British Open being held this week, I thought it was only fitting to mix some of the oldest in tradition with the latest in technology. I must admit I'm a bit intrigued by the upcoming release of the "Arcos Caddie". From what I understand, Arcos is a

the upcoming release of the Arccos Caddie. From what I understand, Arccos is a Stamford, Connecticut-based startup that builds golf-shot tracking technology, but has recently partnered with Microsoft and its' Azure cloud platform to design and build the "Arccos Caddie". This seems to be the industries first platform that attempts to truly harnesses the power of artificial intelligence to help players make smarter decisions. The "Arccos Caddie" instantly digests unique data sets and delivers actionable advice to any golfer, from beginners to pros. It's interesting to see a traditionally "slow-to-change" conservative sport now embracing new technology. However, as a player, I hate the thought of more people messing with gadgets on the course. We certifiably don't need anything that further slows down the pace of play or adds more to the decision making process. I believe players already have "paralysis by analysis", so lets hope this don't add fuel to that fire. I already find things like smartphone scoring, remote controlled push carts and even the on-cart GPS scoring systems to be an added distraction. On the other hand, I hope this technology helps more quickly and accurately provide data that is useful. What I'm really hoping is that it can help some players find their ball more quickly:) Perhaps that's a better idea, a GPS chip in a golf ball? Supposedly the "Arccos Caddie" has a data set of more than 61 million shots on over 40,000 courses and it is able to recommend optimal course strategy on most golf holes worldwide. It factors in wind speed, direction, participation, temperature and more. It is nice to know that it doesn't require a user to have played a course before its able to make recommendations. Keep in mind that in order to benefit from the caddies expertise, you will first need to acquire the Arccos sensors which fit into the grip end of each of your clubs. Then after you download the app you will pair the sensors with your phone. The system can then track all of your shots, give yardages, and break down and handicap each aspect of your game, as well as telling you what shot to hit. The sensors cost around \$250 and you also will have a yearly fee of \$100 for the caddie. The CEO and co-founder of Arccos, Sal Syed believes the caddie will be the start of a completely different experience in terms of making the game better, faster, more fun, more affordable and a better experience overall. I hope that turns out to be the case. The platform officially launched back in May, for more information click [HERE](#) (Source: Golfdigest, Geekwire)



In the Event Of a Moon Disaster...

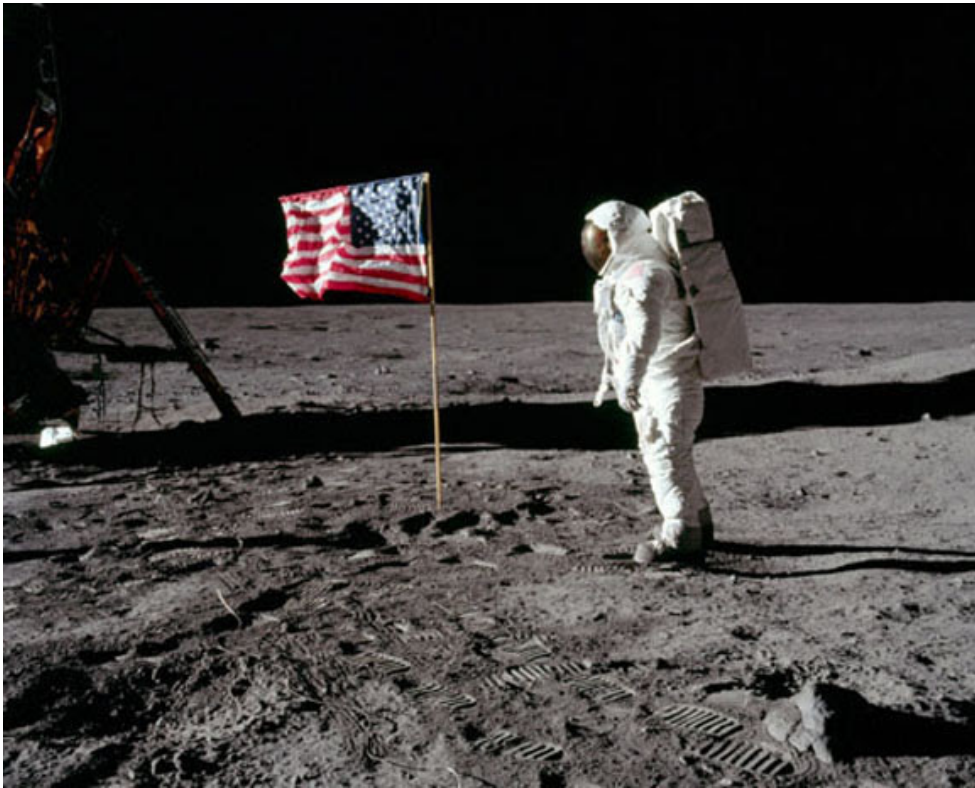
It was on this day back in the summer of 1969, that Apollo 11 first enters the moons atmosphere. On July 20th, the crew of Neil Armstrong (commander), Buzz Aldrin (lunar module pilot) and Michael Collins (command module pilot) become the first manned spacecraft to successfully land on the moon. A few hours later, Neil Armstrong opens and descends from the hatch, becoming the first man to ever walk on the moon. The astronauts planted a specially designed U.S. flag on the lunar surface, in clear view of the TV camera. President Nixon then speaks to Armstrong and Aldrin via radio from the Oval Office, "(it) certainly has to be the most historic telephone call ever made," says Nixon. They speak for two minutes and the call is televised on both ends, being watched by millions across the globe. Something we never think about, is what would have happened if Apollo 11 and the first men to land on the moon, ended in complete disaster? Generally, we don't like to think about those things...at least I don't. However, many of our leaders in Washington are constantly faced with just such a job. I came across a speech from the National Archives, written by William Safire, a well-known author, columnist, journalist and presidential speechwriter. Safire was asked to prepare a speech called "In Event of Moon Disaster" for President Nixon to read on television should astronauts Neil Armstrong and Buzz Aldrin been stranded on the Moon. In 1999, William Safire discussed the speech he wrote for Nixon just in case the mission failed. From Safire's article:

The most dangerous part of the trip was not landing the little module on the moon, but in launching it back up to the mother ship. If that failed, Neil

the moon, but in launching it back up to the mother ship. If that failed, even Armstrong and Buzz Aldrin could not be rescued. Mission Control would have to "close down communications" and, as the world agonized, let the doomed astronauts starve to death or commit suicide.

Nixon aides H. R. Haldeman and Peter Flanigan told me to plan for that tragic contingency. On July 18, 1969, I recommended that "in event of moon disaster . . . the President should telephone each of the widows-to-be" and after NASA cut off contact "a clergyman should adopt the same procedure as a burial at sea, commending their souls to 'the deepest of the deep,' concluding with the Lord's Prayer." A draft Presidential speech was included.

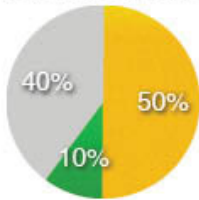
Luckily for all those involved, the memo was never needed. Here is a link to the entire speech titled, "[In Event of Moon Disaster](#)". I encourage you to read it in full, as it's a fascinating speech written during a profound period in American history. (Source: [Letters of Note](#))



CASH SALES & HEDGING TOTALS

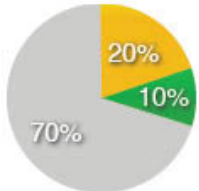
CORN 2017 CROP

50% SOLD
10% HEDGED
40% UNPROTECTED



CORN 2018 CROP

20% SOLD
10% HEDGED
70% UNPROTECTED



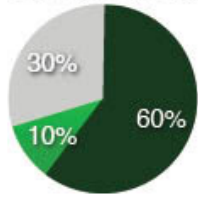
CORN 2019 CROP

0% SOLD
0% HEDGED
100% UNPROTECTED



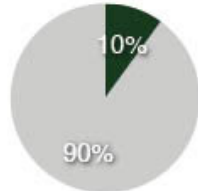
SOYBEANS 2017 CROP

60% SOLD
10% HEDGED
30% UNPROTECTED



SOYBEANS 2018 CROP

10% SOLD
0% HEDGED
90% UNPROTECTED



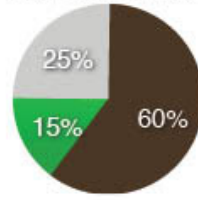
SOYBEANS 2019 CROP

0% SOLD
0% HEDGED
100% UNPROTECTED



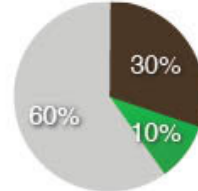
WHEAT 2017 CROP

60% SOLD
15% HEDGED
25% UNPROTECTED



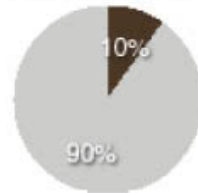
WHEAT 2018 CROP

30% SOLD
10% HEDGED
60% UNPROTECTED



WHEAT 2019 CROP

10% SOLD
0% HEDGED
90% UNPROTECTED



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