



Tim Francisco &lt;info@farmdirection.com&gt;

## GOOD MORNING: 09/06/18 Farm Direction - Van Trump Report

2 messages

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

Thu, Sep 6, 2018 at 6:47 AM



"The best know the importance of being able to differentiate between a great story and a good investment." - **Warren Buffett**

**THURSDAY, SEPTEMBER 06, 2018**

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**Morning Summary:** Stock bulls continue to believe current valuations are reasonable and see strength in the U.S. economy gaining even more momentum, ultimately pushing the stock market higher into yearend. How we get there during the next few months is the big question? Bears believe we could see a substantial setback as tensions between the worlds #1 and #2 economies look to further intensify. Keep in mind, Washington could impose tariffs on roughly half of all Chinese goods entering the U.S. by the end of the week. It's still unclear whether the new tariffs on Chinese goods will be set at 10% or 25%. How China will retaliate remains the unknown? Most suspect China is going to continue to take it slow, trying to drag their feet into the U.S. mid-term November elections. From what I'm hearing, they will probably keep monetary policy loose, try to boost infrastructure spending, and let the yuan continue to gradually depreciate against the U.S. dollar. This should work to help slow the bleed and ease any direct pain their consumers might be feeling. It's certainly not a long-term solution, but more like a temporary bandaid, until they can negotiate a resolution of some sort. As for the European Union, I'm hearing talk that U.S. and EU trade chiefs will hold a first meeting in Brussels early next week. It feels like the U.S. is looking for ways to increase liquefied natural gas exports and or other energy exports into the European Union. I will continue to monitor and keep everyone updated when I learn more. Trade talks with Canada remain ongoing. Both nations leaders seem to be digging in their heels to support their respective farm votes. The Canadian tariffs on U.S. dairy clearly seem to be the sticking point. Canada is far from the only country trying to protect its dairy industry, but this is clearly the point of contention. It will be interesting to see if a resolution can be found. Here at home, traders continue to monitor the longest bull run in U.S. history. Historical data shows us that increased volatility and most extreme downswings tend to happen between the months of August and November, with September and October tending to be the most extreme. With the U.S. economy continuing to show signs of strength, it seems like it will take a substantial geopolitical event to knock the market out of synch or to keep it from making new highs into year end. I continue to hold a conservatively bullish portfolio, but have been gradually banking profits and trimming my positions on the rallies. As for today, the market will be digesting the ADP employment numbers and the latest in Factory Orders and Durable Goods. Tomorrow is the highly anticipated monthly jobs report. Most inside the trade expect employers added +195,000 new positions last month, up from 157,000 in July. The unemployment rate could tick down to 3.8%. Washington trade negotiations still seem to be garnering the most attention.

**Instagram Is Building A Standalone App For Shopping:** Sources are saying Facebook, the owner of Instagram, is planning a major new move into e-commerce. There's some talk the app — which may be called IG Shopping — will let users browse collections of goods from merchants that they follow and purchase them directly within the app. More than 25 million businesses already have Instagram accounts, and 2 million of them are advertisers, Facebook Chief Operating Officer Sheryl Sandberg said on the company's most recent earnings call. Four in five Instagram users follow at least one business. Creating a standalone app would allow the company to provide a dedicated home for an increasingly popular activity on Instagram while also expanding opportunities for revenue. You can read more [HERE](#)

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VAN TRUMP  
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2018**

**NOVEMBER 28 -29, 2018**

**Full MARKET Outlook**

On hand will be several leading market analyst, traders and innovators who will be providing their insight and opinions on both short-term and long-term industry direction and outside investment ideas. You do not want to miss this years special event!

**SPECIAL "MASTER MIND" SESSION**

*Sit front row in the boardroom with some of the best and brightest! Join us for an exclusively look behind the scenes as several of the top CEO's and leaders openly discuss their next moves in the markets,*

**The New Nike Ad "Dream Crazy":** I finally had the chance to view the entire new Nike commercial. It's not as bad as I had originally thought. I like the fact they show people who make it happen against all probable odds, but it still rubs me extremely wrong with Colin Kaepernick doing the narrating, and the words "sacrificing everything" without including those in the military who serve our nation. You can view the short video [HERE](#) and decide for yourself.

**The Race To Deliver:** Walmart is testing its own network of independent delivery drivers in a push to offer home grocery delivery to 100 metro areas by year-end. Meanwhile, Amazon is ordering 20,000 Mercedes-Benz vans as part of its efforts to expand its delivery fleet. (Source: The Wall Street Journal)

**2018 NFL Season Kicks Off Today:** The Philadelphia Eagles will defend their Super Bowl championship facing off against the Atlanta Falcons tonight at 7:20 CST on NBC. The last time these teams faced each other was the divisional championship game last season when the game came down to the last play on 4 and 2. The Eagles are favored by 2.5 after the line opened at 4. The over-under is 45, which is down 1.5 from the opening line. From what I understand, the Eagles defense will be just as good as last year, if not better, gaining talent like defensive end Michael Bennett and cornerback Daryl Worley. The Falcons will bring Devonta Freeman and Julio Jones on offense also gaining star receiver Calvin Ridley. It will be interesting to see who wins the battle between one of the most powerful defenses and one of the most explosive offenses in the NFL.



*their current investments, what they see at out on the horizon, along with heated debates about our future.*

## SPECIAL GUEST SPEAKER

**Molly Bloom** - One of the most intriguing stories of the past decade. Her story was recently turned into a major hit motion picture called "Molly's Game". The true story of "Hollywood's poker princess" who gambled everything, won big, then lost it all.



"A captivating story that is interesting for a wide audience beyond those who enjoy poker. It's a high stakes adventure providing the layperson a peak into a world few will ever truly know or understand. Molly comes from a family of high achievers. She is no slouch. A champion skier, brains to match. Each time she hit a bump in her life she did not complain, she found a solution with a positive attitude. She offers many fantastic life lessons!"



### Weather Wild-Card!

Weather guru Dr. Simon Atkins will be presenting what he is calling one of the most important weather updates and forecasts in years. Join us as he reveals a possible game changer!

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.

## Early Bird Special

**\$299**  
regular price \$500

*Remember we sold out early last year!*

**LEARN MORE**

## neuro mining



As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

### TODAY'S RIDDLE:

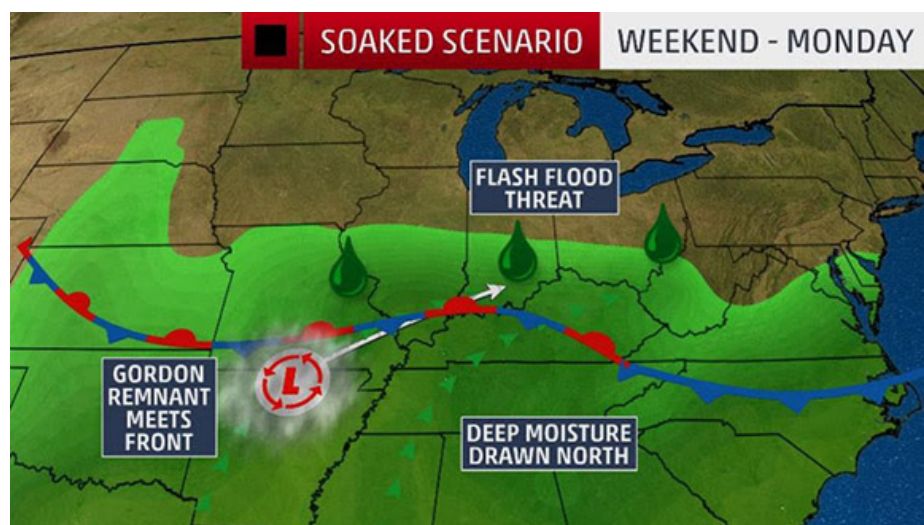
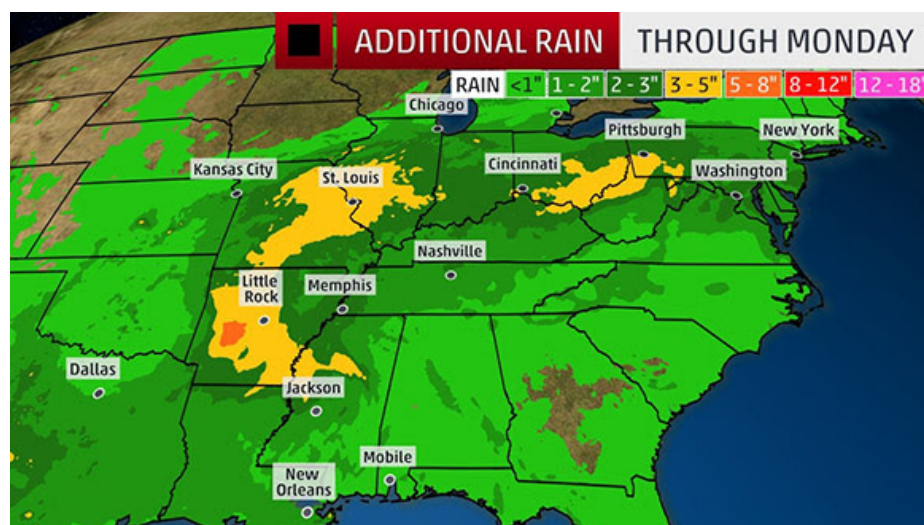
I'm tall when I'm young and I'm short when I'm old. What am I?

**Weather** for the Corn Belt will see locally heavy showers and thunderstorms continue in the upper Midwest resulting in flash flooding and maintaining high water levels along many streams and rivers. Meanwhile in the eastern Corn Belt, a late-season heat wave is hastening summer crop maturation. Nearly one-quarter (22%) of the U.S. corn crop was fully mature by September 2, compared to the 5-year average of 11%. On the Plains, a frost advisory is in effect early today across parts of northern North Dakota, where the small grain harvest is nearly complete. Meanwhile, showers and



thunderstorms continue across the central and southern Plains, slowing fieldwork by generally benefiting rangeland, pastures and immature summer crops. In the South, Tropical Storm Gordon made landfall yesterday in Alabama and has weakened to a tropical depression. Gordon will continue to weaken and move farther inland, but deceleration of the remnant circulation could lead to excessive rainfall (4 to 8 inches, with isolated amounts near 12 inches) from the central Gulf Coast into the mid-South. Later in the week, Gordon's remnants will merge with a cold front, resulting in the potential for excessive rainfall and additional flooding the Corn Belt. Meanwhile, heavy showers will linger across Florida and the central and southern Plains, but hot, dry weather will cover much of the Far West.

**Tropical Storm Will Continue To Bring Heavy Rain to Midwest:** What was once Tropical Storm Gordon still has a long life ahead of it as a remnant until early next week into the Great Lakes or Ohio Valley, boosting the threat of flooding rainfall. As the storm will not exist much longer as a tropical cyclone, its remnant circulation will push north into the Midwest by Friday. As it does so, its circulation and deep moisture it helps tap will intercept a frontal boundary that has helped trigger flooding rain in parts of the Plains and Midwest. This should produce heavy rainfall and flash flooding in the mid-Mississippi Valley, southern Great Lakes, into Ohio Valley this weekend into Monday.



**Corn** bulls are hoping to see the USDA make slight adjustment lower in their average U.S. corn yield next week. Thoughts are the current USDA yield of 178.4 should eventually end up somewhere down between 175 and 177 bushels per acre. Bears obviously argue the opposite, thinking the USDA's yield could push up closer to 180 bushels per acre. Personally, I'm in the bull camp, but I continue to worry about the "Excellent" ratings in the weekly crop condition reports. Last year's U.S. harvest yielded an estimated record average of 176.6 bushels per acre. And this year's crop condition ratings for the big production states are not only stronger, but the "Excellent" ratings are much stronger. Illinois this year is reporting 30% of their crop in "Excellent" condition vs just 11% last year; Indiana 19% this year vs. 11% last year; Iowa 21% this year vs. 9% last year; Minnesota 26% this year vs. 16% last year; Nebraska 29% this year vs. 18% last year; Ohio 22% this year vs. 13% last year. North Dakota 16% this year vs. 4% last year; South Dakota 20% this year vs. 4% last year. In other

## Today In History



**1844, John Fremont** - Western explorer John C. Fremont arrives this day in 1844 on the shores of the Great Salt Lake, one of the

many areas he will map for the lasting benefit of a westward-moving nation. When Fremont reached the strange saltwater inland lake (a remnant of the much larger prehistoric Lake Bonneville), he was not the first Euro-American to view its shores. As early as the 1820s, fur trappers had returned to the East with tales of a bizarre salt lake where no fish swam, and the French explorer Benjamin Bonneville was the first to map the lake's outlines in 1837. But for the far-ranging John C. Fremont, the Great Salt Lake was only one small part of a much wider journey of discovery and mapping.

Born in Savannah, Georgia, in 1813, Fremont began honing his skills as an explorer and mapmaker in his early twenties. His first major expedition was an 1842 survey of the Platte River for the U.S. Corps of Topographical Engineers. More skilled in cartography and science than trailblazing and wilderness survival, Fremont relied heavily on the abilities of men like Kit Carson as guides and advisers. Fremont reached the Great Salt Lake during his second expedition. His 14 months of western rambling also took him across the Sierra Nevada and resulted in the first comprehensive map of the Great Basin, the region between the Wasatch and the Sierra Nevada mountains where water drains to neither the Pacific nor the Atlantic. After Fremont's Great Basin map was published, one commentator noted, it "changed the entire picture of the West." It also made Fremont a national hero. Fremont's initial explorations, his timely scientific reports, co-authored by his wife Jesse, and their romantic writing style, encouraged Americans to travel West. A series of seven maps produced from his findings, published by the Senate in 1846, served as a guide for thousands of American emigrants, depicting the entire length of the Oregon Trail.



**1976, Soviet Pilot Lands MIG in Japan** - Soviet Air Force pilot lands his MIG fighter jet in Japan and asks for asylum in the United

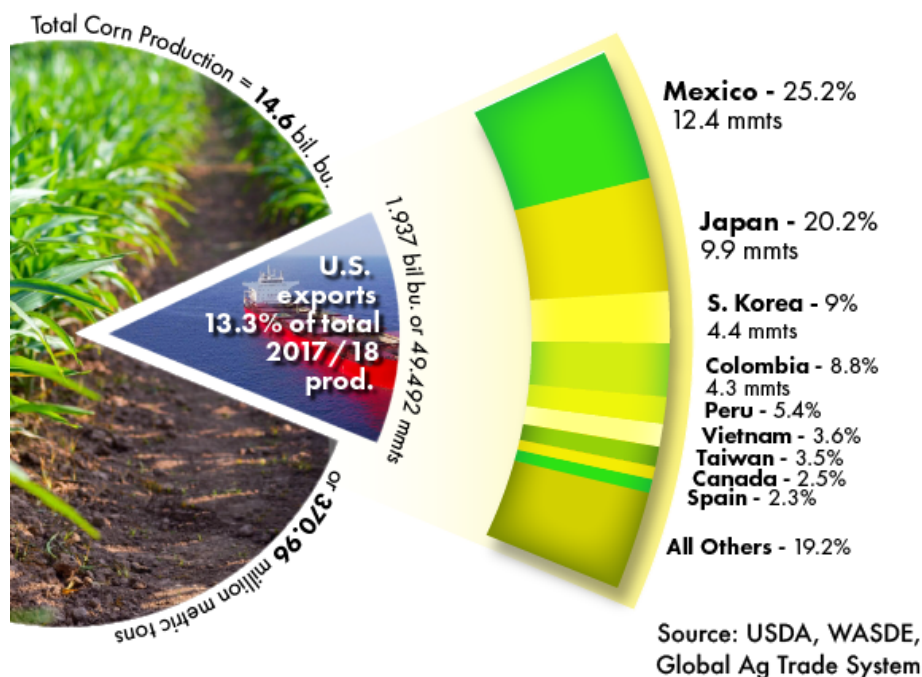
States. Obviously, the incident was a serious embarrassment for the Soviets, and also provided a bit of a surprise for U.S. officials. When the Soviets first put the MIG-25 (known as the Foxbat) into production in the 1960s, U.S. officials became nearly hysterical. The new plane, they claimed, was the fastest, most advanced, and most destructive interceptor jet ever built. Its debut, they argued, meant that the United States was falling dangerously behind in the race to control the skies. On September 6, 1976, those officials got a close-up look at the aircraft. Soviet Air Force Lt. Viktor Belenko took his MIG-25 out of Soviet airspace and landed it at a Japanese

words, these stronger "Excellent" ratings certainly concern me and make wonder how they will impact the overall averages? Weather at the moment is being digested as mostly mixed. Some producers can argue too much rain, while others believe their conditions have been nearly ideal. It sounds like early next week the rains will let up and things will start to dry out. I suspect if that doesn't play itself out and the rains keep coming, the market might start to take a longer harder look and add a bit of premium. Otherwise, I don't think we have any type of weather story or reason for weather premium to be added. The good news is, I continue to see a strong demand story as ethanol, exports, and feed all seem to be firing. The problem is the market needs more help from either a bullish weather story or more bullish macro fund story, neither of which seem to be upon our doorstep. Technically, bears argue that we could ultimately test the \$3.20's to \$3.30's on the downside. Longer-term upside resistance still remains in \$3.90 to \$4.10 range. Bottom-line, it's going to be tough for the market to trade outside this range anytime soon. That's obviously nothing enlightening nor anything you couldn't conclude yourself. But it's my best considering the environment. Picking short-term direction is going to remain difficult. Geopolitical uncertainties and overall lack of weather extremes limit sustained directional movement. In other words, this market is perpetually searching for direction and it's currently not very committed to any one idea or thought. There are certainly some cards in the deck that will help us build a more bullish hand, I'm just thinking it's going to take time...

## How Much U.S. Corn Is Exported And Where Is It Going

Exports based on Marketing Year Sep 17' - Jun 18'

Total production based on latest WASDE data for 2017/18 est.



airfield at Hakodate on the island of Hokkaido. Japanese police took the pilot into custody, where he immediately asked for asylum in the United States. Experts from the U.S. quickly arrived on the scene to get a firsthand look at the aircraft. After being questioned extensively by both Japanese and U.S. officials, Belenko was flown to the United States and granted political asylum. For the Soviets, the MIG-25 incident was a major diplomatic and military embarrassment. To have one of their most advanced planes delivered into the hands of their enemy was mortifying and was viewed as a serious setback to the Soviet weapons program. U.S. officials were in for a surprise. After a thorough check of the MIG-25, the Americans experts came away less than impressed. The plane was quite fast, but also unwieldy and almost completely incapable of close-quarters combat. In addition, the electronic technology of the plane was deemed to be far behind comparable U.S. aircraft. As one U.S. expert joked, "I guess it could be worse; it might have been made out of wood." The MIG-25 incident suggested that U.S. officials may have overestimated the Soviet threat in order to push for even higher American defense spending. After the plane was dismantled and inspected, the Japanese negotiated with Soviet officials to have the plane (in 30 crates) returned to Russia. Japanese officials laid out a plan to return the aircraft from the port of Hitachi and bill the Soviets \$40,000 for crating services and airfield damage at Hakodate. The Soviets unsuccessfully tried to negotiate a return via one of their own Antonov An-22 aircraft and attempted to organize a rigorous inspection of the crates, but Japan refused both demands and the Soviets finally submitted to the Japanese terms. Upon arrival in Russia, technicians found that 22 pieces were missing so the Soviets attempted to charge Japan \$10 million - which was never paid.



**1997, Princess Diana** - Two and a half billion people around the globe tune in to television broadcasts of the funeral of Diana, Princess of Wales on this day in 1997. Remember, she died at the age of 36 in a car crash in Paris the week before. During her 15-year marriage to Prince Charles, the son of Queen Elizabeth II and the heir to the British throne, Diana became one of the most famous, most photographed people on the planet. Her life story was fodder for numerous books, television programs and movies and her image appeared on countless magazine covers, including those of People and Vanity Fair. Even after her death, she remained an iconic figure and a continual source of fascination to the media and entertainment world. Diana Spencer was born on July 1, 1961, in Norfolk, England. On July 29, 1981, at the age of 20, "Shy Di"-as the voracious British media dubbed her-married Prince Charles at London's St. Paul's Cathedral, in a ceremony that was watched by hundreds

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**Soybean** bears continue to talk about a record USDA average yield estimate that's probably too conservative. There's more and more talk of the U.S. yield jumping closer to 53 bushels per acre. Bears are also talking about some additional selling pressure that could take place once headlines are released that Washington has imposed another round of tariffs on Chinese imports, which could happen at any moment. The trade is also digesting reports that the Chinese are desperately trying to reduce some of their meal demand. If matters weren't already bad enough, we now also have to battle the negative headlines associated with the spreading of African Swine Fever in parts of eastern China. I continue to hear mixed feedback when talking about how long China can hold on without sourcing larger doses of U.S. supply? Some insiders say late-November to mid-December is when they will be forced to make a move. Others believe they have found ways to create more time, pushing it back to perhaps late-Feb to mid-March. As for South America, there's some bullish possibilities brewing in regard to Argentina and Brazilian politics and overall social unrest. If their countries continue down the current path, getting soy out of the ports could become more and more difficult for both major exporting nations. As a producer, the weakness in the basis still remains a major hurdle. The last I heard, the average cash price for producers here in the U.S. was somewhere around \$7.85. I know some producers in the Dakota's that would almost kill for that type of offer. In some locations they are dealing with cash

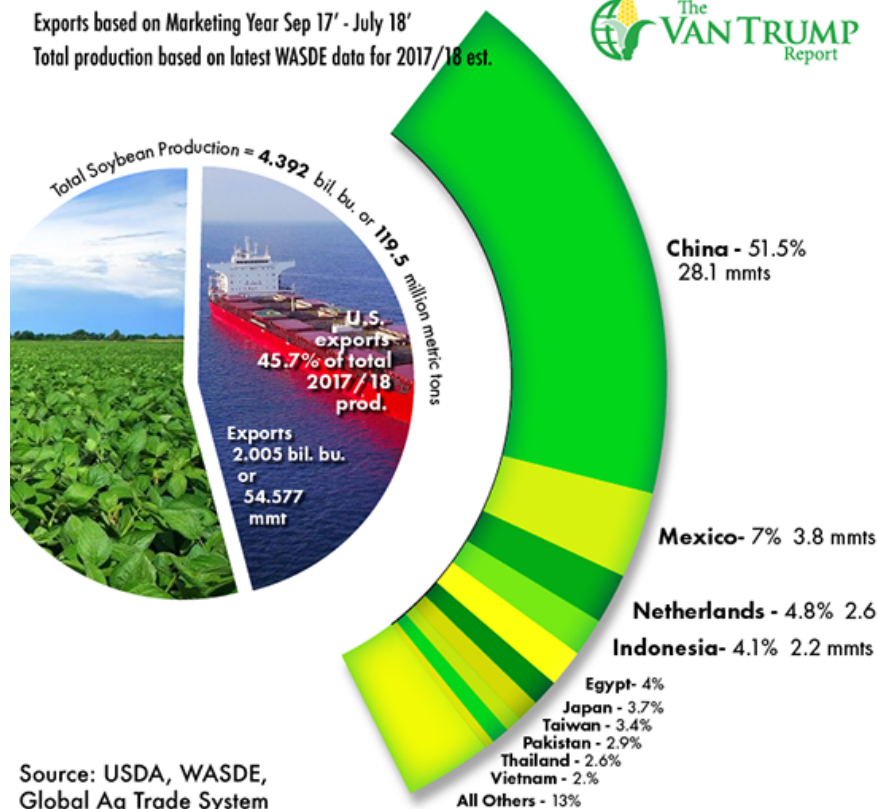


bids sub-\$7.00 per bushel. From what I understand, the average basis bid across the U.S. is close to -50 cents under the NOV18 contract price. As a spec, I've been extremely patient and might start to entertain small steps towards building a longer-term bullish position. I'm thinking on the next leg lower, I will take my first step in that direction. I see no need to be in a hurry...

## How Much U.S. Soybeans Are Exported And Where Is It Going

Exports based on Marketing Year Sep 17' - July 18'

Total production based on latest WASDE data for 2017/18 est.



**Wheat** bears are talking about continued lack of U.S. demand, improved conditions for planting U.S. wheat, perhaps more U.S. wheat acres, and Russia not moving forward with anticipated export restrictions. Bulls continue to talk about the global balance sheet tightening, especially when you remove the Chinese supplies. Bulls see much longer-term concerns, especially if global weather becomes more extreme in 2019. There's just not a lot fresh or new to report. As both a spec and a producer, I remain a longer-term bull, but see the road nearby as being difficult.

of millions of TV viewers around the world. On June 21, 1982, Diana gave birth to Prince William. A second son, Prince Harry, was born September 15, 1984. Nine years after taking their vows, Charles and Diana separated, amidst allegations of infidelities on both sides, and the couple was officially divorced on August 28, 1996. After her divorce, Diana continued the humanitarian work she'd begun as a member of the royal family, campaigning to raise awareness of the deadly AIDS epidemic and to ban the use of landmines, or explosive devices planted on or in the ground that often cause death or injury to civilians. In the early morning hours of August 31, 1997, the driver of Diana's car lost control of the vehicle while trying to elude paparazzi and crashed in the Pont de l'Alma tunnel in Paris. Diana's companion, Dodi al-Fayed, was also killed in the crash, as was the driver, Henri Paul, who was later determined to be speeding and under the influence of alcohol. England experienced an unprecedented outpouring of public grief over Diana's death. On September 6, 1997, hundreds of thousands of people lined the streets of London to watch the former princess's coffin being transported to Westminster Abbey, where politicians, celebrities and royalty gathered for her funeral. Elton John left mourners with a lasting memory after he performed a re-worked version of his song "Candle in the Wind," which he and Bernie Taupin had originally written about Marilyn Monroe. Diana's brother, Lord Spencer, spoke at the funeral and blamed the media for his sister's death, calling her the "most hunted person of the modern age." Diana was buried at Althorp, her family's estate in Northamptonshire, England.

### Upcoming Events

**Mon. 9/10** - Crop Progress

**Tues. 9/11** - 17 Year Anniversary of 9/11

**Thur. 9/12** - USDA Supply and Demand

**Thur. 9/12** - Last Trading Day for September Grain Futures

**Mon. 9/17** - NOPA Crush, Crop Progress

**Fri. 9/21** - Cattle on Feed

**Sat. 9/22** - Autumn Begins

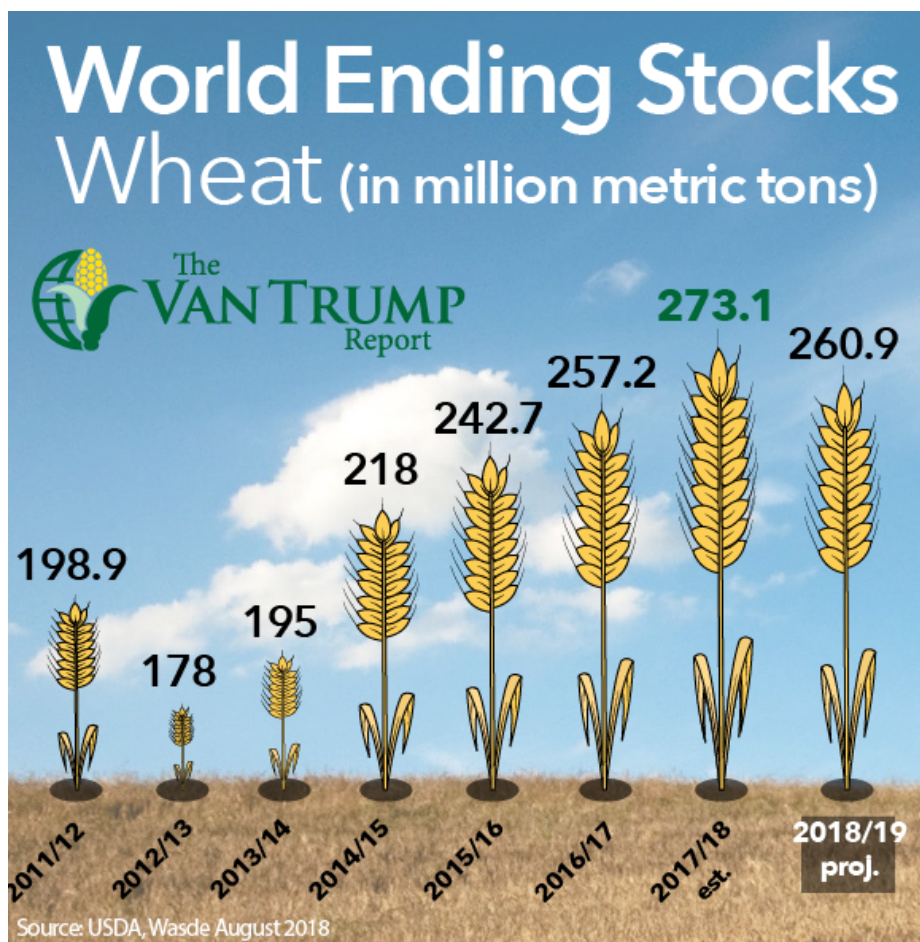
**Mon. 9/24** - Cold Storage, Crop Progress

**Tues.-Wed. 9/25-9/26** - FOMC Meeting

**Fri. 9/27** - Quarterly Hogs and Pigs

**Fri. 9/28** - Quarterly Stocks and Acreage

### Kevin's Song of the Week



> **SNAP (Food Stamp) Participation Continues to Decline:** The portion of the U.S. population receiving SNAP benefits continues to drop as the economic recovery rolls on: In 2017, about 12.9% of the population was enrolled in the program, down from 13.7% in 2016. (Source: USDA, ERS)

> **U.S. Ag Exports Decline, Imports Rise:** U.S. ag trade balance has tightened this month over last with exports dropping to \$11.179 billion of products while imports ran up to \$10.577 billion. Our trade surplus has fallen from the month before by 59% and it is now the fifth time out of seven months where surpluses have fallen short of the \$1 billion mark.

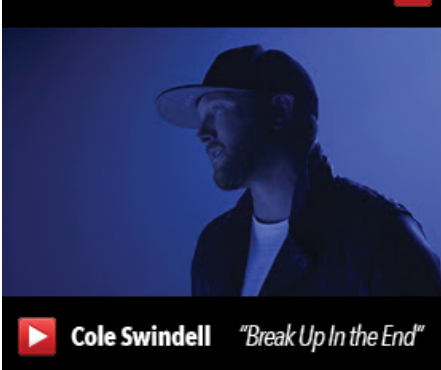
> **Egyptian Government Has Plan To Increase Food Security:** As part of the determined action to improve Egypt's food security and wheat supplies, the government is establishing a program aimed to achieve self-sufficiency in the basic food commodities and reduce Egypt's dependence on importing food. Under the program, the cultivated area will be increased from 17.3 million acres in 2016/2017 to 18.6 million acres by 2021/2022. (Source: Blackseagrains)

> **U.N. to Hold Emergency Meeting On Swine Fever Outbreak:** The United Nations is holding an emergency meeting this week with animal health experts in Asia to discuss the threat of African swine fever after the first outbreak of the disease in the region was discovered in China last month. Along with China, Cambodia, Japan, Laos, Mongolia, Myanmar, the Philippines, South Korea, Thailand, and Vietnam, will be in attendance.

> **Trump Wants Work Requirements In Final Farm Bill:** U.S. President Donald Trump said on Wednesday the final agriculture bill that the U.S. Congress sends to him to sign into law should include work requirements for people receiving food stamps, the grocery subsidies officially called "SNAP." A large bicameral committee will meet yesterday to begin negotiating the final bill, with the hope of completing its work before the current law expires on Sept. 30.

> **Europe Saw Record Temperatures in August:** The heat in Europe this summer has been well documented as it has caused drought and damage to crops across the entire continent. Now, the ECMWF has confirmed August was the warmest on record, and the 3rd month this year with record breaking average temperatures on the continent.

### WHAT I'M LISTENING TO:



### Kevin's Song of the Week



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



> **Brazil Bean Production and Exports Raised:** Crushing industry group Abiove has raised its export projections for Brazilian beans to 76.1 MMT up 2.6 MMT. While beans for crushing will remain at 43.6 MMT. Overall production was 118.8 MMT

> **Food Security in U.S. Continues To Get Better:** According to the latest USDA survey on Food Security here in the U.S., 88.2% (112.3 million) of U.S. households were food secure throughout 2017. That is up from 87.7% in 2016. As for the food insecure, that means that at times during the year, these households were uncertain of having, or unable to acquire, enough food to meet the needs of all their members because they had insufficient money or other resources for food. 11.8% (15 million) of U.S. households were food insecure at some time during 2017. That is down from 12.3% in 2016. While the numbers are getting better, sadly, some 6.5 million children lived in food-insecure households in 2017. For more, you can check the survey out [HERE](#). (Source: USDA, ERS)

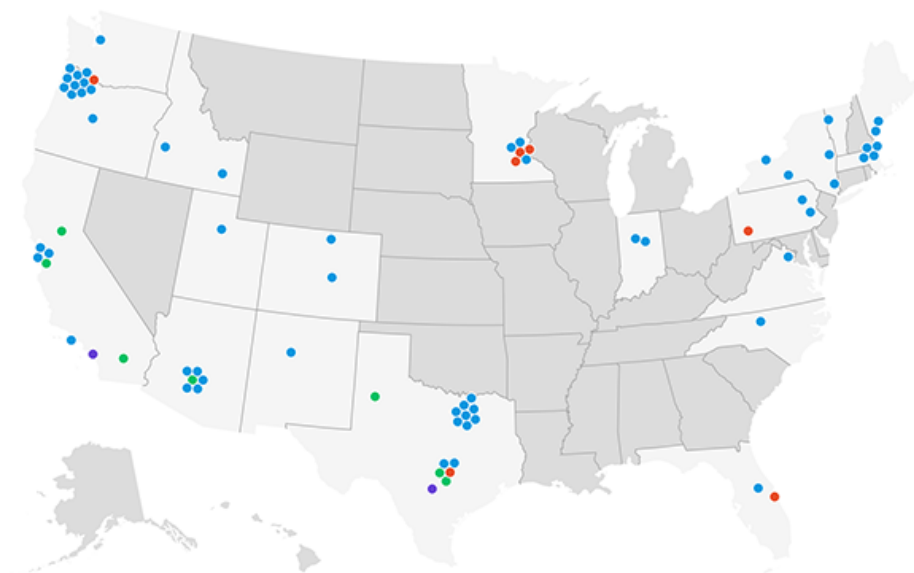
> **Stick Shift Becoming Extinct** - Fewer Americans are learning how to drive with a stick and the arguments - that they make cars more fuel efficient and cheaper to buy - aren't always true anymore because automatic transmissions have greatly improved. The latest... Audi has confirmed that it will no longer offer any manual-transmission vehicles in the U.S. beginning with the 2019 model year. (Source: SeekingAlpha)

> **Going Once, Going Twice, Gone...** Missouri Rep Billy Long used his auctioneer's training to filibuster a protestor during yesterday's House Hearings from Twitter CEO Jack Dorsey's. We had CNBC on in the office when all the sudden we start hearing the familiar sounds of an auctioneer's cadence. It took the cameraman a few seconds to put Representative Long on screen, but I have to admit it was one of the cleverest replies under the circumstances I have ever seen. Watch the short video [HERE](#).

> **Computer Chips Are Still Made in America:** For all the hand-wringing about the loss of manufacturing in the U.S., there is one sector of manufacturing where America remains a leader: computer chips. Some \$44 billion worth of semiconductors are exported from the U.S. each year, making them America's fourth leading manufacturing export after cars, airplanes and refined oil. There are roughly 80 wafer fabrication plants in the U.S., spread across 19 states. An even greater share of the world's computer chips are designed domestically and made overseas by companies including Qualcomm, Apple, Broadcom and Nvidia. (Source: Axios)

Semiconductor plants in the United States

Ownership: ● United States (58) ● Europe (7) ● Asia (7) ● Israel (2)



**Northeast North Dakota** – We finished wheat a few weeks back. We didn't set any records this year except on protein, but we did a little better than I expected or what early harvest was telling us on yield. We had about 800 acres and averaged 53 bushels across the entire 800 acres. We had fields anywhere from 50 to 70 bushels per acre. What we did correct this year was sold everything while the mill was taking higher protein wheat at a premium. They were still paying 5 cents a 5th and we harvested 15.5-16.5 protein. I'm sure many of the guys are regretting holding their wheat at this point because the mill is rejecting anything above 14.5 protein. They won't even take the wheat on a dock they will literally just send you home with the wheat. I have even

influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

**A.M., FDIC**

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

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

#### 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.

heard from a few guys that the mill is considering paying for lower protein wheat to blend off some of the 16-18% protein that they have. What a difference from last year when guys were begging for high protein wheat. I think if you are smart you should throw that higher protein wheat in the bin and use it to blend off wheat over the next 3 years, otherwise you are going to just throw away higher protein wheat for nothing when we all know we will have another year like last. It seems like we have one of those ever 3 years or so.

**Northeast Indiana** – We are chopping corn and it's making close to about 250-bushel corn if it was harvested. I know most guys don't think about the tonnage per acre, so I wanted to equate it out to harvested corn. We are seeing the tons per acre down just a little this year simply because the corn is a little shorter and the ears keep popping off which I have never seen happen when chopping silage, at least not at this scale. We are seeing way more ears on the ground then normal. I think this is moisture, variety and disease related. We are fighting wet spots because we got another inch of rain a couple nights ago. We are going to start helping the neighbors soon, but they are still a little too wet right now.

**Central Missouri** – We plant 140,000 soybeans per acre on 15-inch rows. We are really debating on switching to 7.5-inch rows and increasing the population by 40,000-50,000 to get the same stand count. This will hopefully reduce weed pressure and cause the rows to close faster conserving moisture. We need to do something different to keep us going in the right direction. The weeds seem to be herbicide resistance in a lot of areas unless you really pour it on and then we usually see some yield drag. I hope this helps us, I have heard of other guys doing it with success. The only thing I worry about is a wet year and getting disease which seems unlikely right now.

## CROSSING WIRES

A place to share intelligent thoughts...

**Evolving Role of Ag Tech:** Agtech is a broad category ranging from farm-level analytics to genetics and biochemistry to food processing. This article from Agfunder, focuses exclusively on farm-level analytics — which includes aerial and satellite imagery, farm-level profit optimization, field-level production optimization, and sensing — and for the most part has focused on improving machinery, input decisions, and economic decision-making. In it you will find the core themes in current agtech adoption as well as predictions on the next phase of development. Remember, if you are going to be in the commodity space you have to be pro-technology in order to outproduce the low prices. It is well worth some research to determine where your dollars can best be spent. Read more [HERE](#).

**Why City Leaders are Marketing Their Towns as "Smart":** Cities are increasingly marketing themselves as "smart cities" — hyper-connected, sensor-equipped communities — in their latest economic development pitch to attract workers and businesses. Metropolitan areas across the country are trying to take advantage of new technologies to become more efficient and sustainable — two qualities that appeal to younger generations of workers, as well as the startups and big corporations who want to employ them. If marketing materials are to be believed, smart cities will use gigabit-speed internet and future 5G networks to transform how citizens interact with schools, utilities, their neighbors and local governments. Check out the future of urban life [HERE](#).

**New Study Reveals "CRED"s Linked to Choosing Atheism:** Credibility Enhancing Displays (CREDS) is a term to signify people that convey one mental representation but actually believe something else. At the very least, it means people fudge their level of commitment to a given subject like politics or in this case religion. In 2009, Joseph Henrich, a professor in the Psychology and Economics departments at the University of British Columbia (now at Harvard), proposed the idea and now Joseph Langston, a Ph.D. student at New Zealand's Victoria University and a researcher at the Atheist Research Collaborative, recently applied CREDS to the onset of atheism. Langston offers some thought-provoking and commonsensical ideas in this article as to why we are seeing an increase in atheism - read more [HERE](#).

**How Neuromarketing May Drive Your Future Purchases:** People's subconscious drives 95 per cent of their purchasing decisions. This is not necessarily something marketers want to hear, but true nonetheless, said Arron Child, head of neuromarketing at Finder, at the recent ADMA Global Forum. Understanding the subconscious and how it works can lead to the ability to better predict outcomes, he said, which is where neuromarketing can assist. Neuromarketing uses insights about the brain and human behavior to drive marketing strategies and decisions. It uses three lenses: Neuroscience, which shows how the brain has evolved over millions of years and stores





and processes information; behavioral economics, which is how the brain finds shortcuts to make decisions; and psychology, which is about feelings and emotions. Read more interesting insights [HERE](#).

**RangerBot Sent in to Save Great Barrier Reef:** Australia's Great Barrier Reef can't catch a break: on top of contending with pollution, hurricanes, and back-to-back-to-back bouts of coral bleaching, the world's most iconic reef is being eaten alive by millions of prickly, venomous sea stars known as crown-of-thorns starfish (COTS). Since 2010, the population of native, coral-eating COTS has been booming, mostly caused by multiple factors: the sea stars are prolific and fast growing, agricultural runoff boosts food for their larvae, and humans have overfished the few predators willing to eat the venomous pincushions. I'm told six human divers could only cover half of the reef in a year and the process would cost about \$1.44 million. Six RangerBots, on the other hand, could cover the reef 14 times in one year and would cost \$720,000. Read more [HERE](#) the starfish bounty hunter.



**First Generation Farmers Find Their Niche**

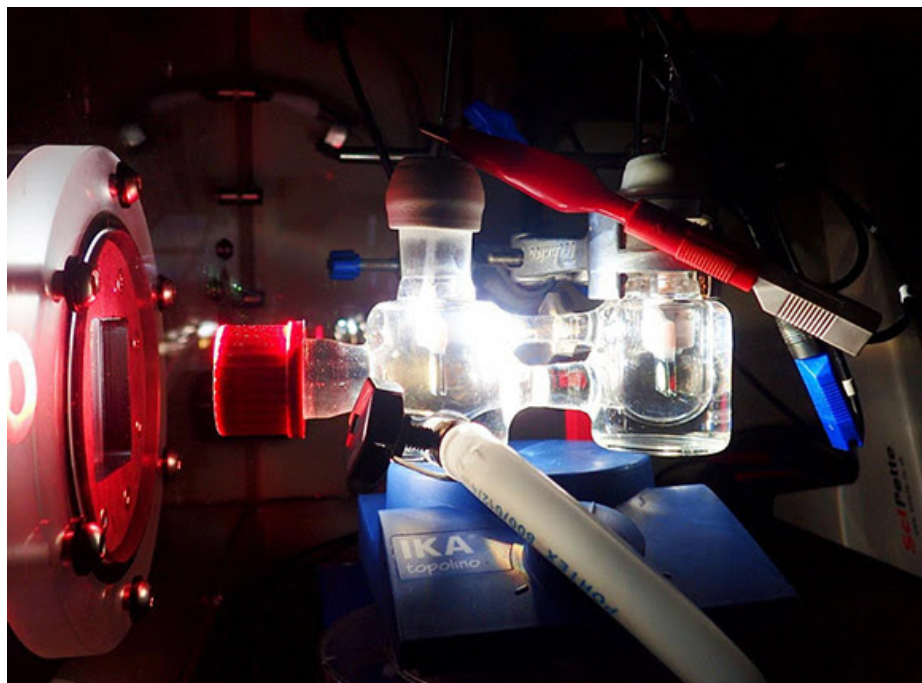
Dustan and Carlyn McKee are first-generation farmers who began growing mushrooms with the hopes of one day providing themselves a sustainable retirement. The couple was looking for a lifestyle change so they sold their home in upstate New York in order to purchase a 14-acre piece of ground to start farming. Neither one had any agricultural background or formal education, so their future business actually began as more of an experiment. A bold move by many standards, Dustan, 40 and Carlyn, 35 started learning their trade through trial and error. They knew they wanted to grow food, build a business and be sustainable, but choosing a crop that would fit the bill was harder than they anticipated. According to Carlyn, it was a long process in making the decision to grow mushrooms. It came after lots of conversations about different types of farming but once it was determined no one in the area was providing mushrooms to the community, they began to explore mycology, which is the study of fungi. In 2014, they started small, in their garage and produced roughly two to three pounds of blue oyster mushrooms a week. Dustan wisely kept his carpentry job while they waited to see if mushrooms could deliver on their dreams. And by 2016, [Greenwood Farm](#) was up and running and provided the ability for the couple to focus on growing mushrooms as their main business. I'm told the farm now produces 100 pounds of mushrooms a week in a climate-controlled fruiting room that Dustan built himself in the barn after converting the space from housing livestock. In case you were not aware, mushrooms are unlike other plants as they breathe in oxygen and release CO2. With local demand steadily rising, the McKees have started thinking about additional expansion and goals—doubling their work and growing space, increasing their weekly yield to 200 pounds of mushrooms in the next 12 months, and also adding to the variety of mushrooms they offer. Now that they are solidly on their feet, the McKees are looking at other investments as well. One opportunity Dustan is considering is planting black walnut or maple trees, though the high-valued wood takes 30-40 to provide any returns, it would be quite lucrative. From what I understand, Carlyn is looking into agritourism as a "here and now" investment. The USDA says that agritourism accounts for \$704 million of value across the country. Bottomline, regardless if you choose mushrooms, flowers, organic beef, shrimp, or whatever, there are opportunities out there to fill needs or create new marketing channels. I continue to find it interesting the amount of farm revenue that's being generated on small plots of ground. The same things can be done on our larger commercial farms and additional revenue streams created, we just have to think a bit more outside-the-box. I often recall a quote by Abraham Maslow, "I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail." (Source: Forbes, Greenwood Farm)





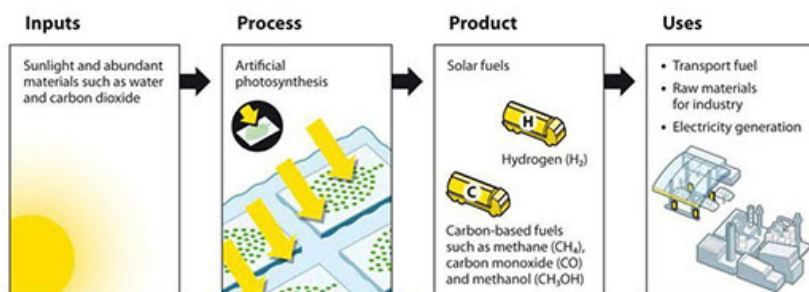
### Could Semi-Artificial Photosynthesis Revolutionize Future Renewable Energy?

Semi-artificial photosynthesis is simply the process of trying to do what plants do naturally, which is splitting water molecules into energy producing hydrogen as well as usable oxygen by using natural sunlight. Interestingly, the idea goes all the way back to 1912 where it can be found in a published science paper. But the technology has never existed to this point to overcome the cost prohibitive nature or pollution stemming from the use of the catalyst. But that may have changed with recent discoveries by researchers at the St. John's College at the University of Cambridge. From what I understand, they may have discovered a workaround by successfully splitting the oxygen and hydrogen molecules in water using a mix of natural processes and recent manmade technologies. Results are leading researchers to believe semi-artificial photosynthesis may potentially be a revolutionary development for producing renewable power. Keep in mind, should scientists make this a viable technology, it would be a game changer for helping to overcoming dangerous CO2 levels in the air. I'm told the Cambridge study focused on an enzyme called Hydrogenase, which was used to split hydrogen and water molecules in a process that stopped occurring naturally because it's no longer necessary for survival. Researchers ran sunlight through their device, which uses a mix of different colored lights, electrodes, and polymers to mimic the process of photosynthesis. I'm also told that this process could be more efficient at harnessing solar power in the future. For now, the process is just a proof of concept, meaning there is much work to do in order to become a commercial reality, but it's definitely raising some eyebrows as it has overcome some major hurdles and challenges associated with crossing biological and organic components. Many researchers see the day where something like this could be used in conjunction with power plants, or, perhaps, the material could be integrated into roof shingles, where they would remove CO2 passively while producing stored energy. You can check out a short video on the process [HERE](#). (Source: Inverse, Nature)



## Solar Energy to Chemical Energy: Artificial Photosynthesis

### Artificial photosynthesis pathway from sunlight to fuels



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[www.rsc.org/solar-fuels](http://www.rsc.org/solar-fuels)

- 1) Light harvesting
- 2) Charge separation
- 3) Water splitting
- 4) Fuel production

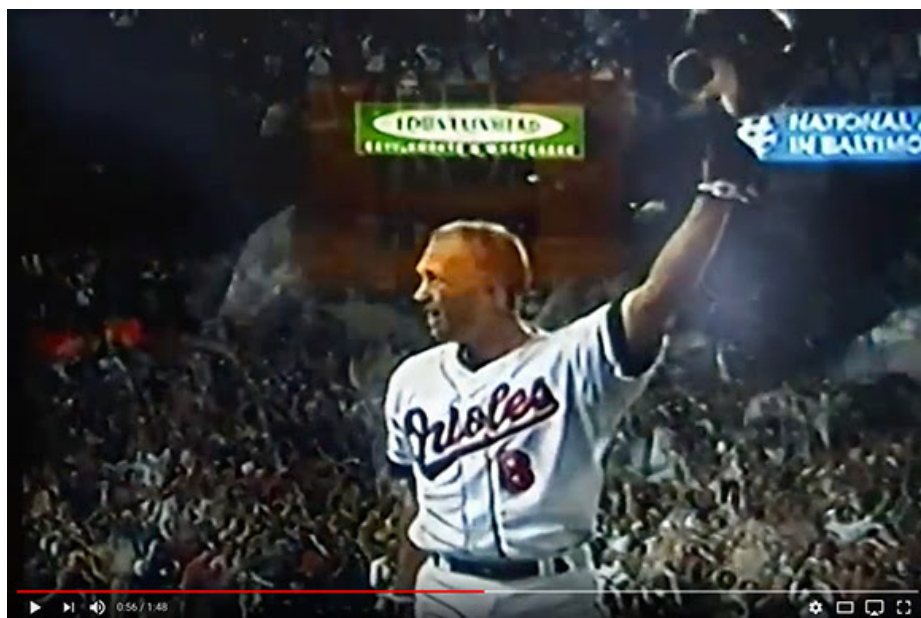


### A Record That May Never Be Broken

It was on this day back in 1995, Cal Ripken Jr. broke a record many thought was unbreakable. I remember it like it was yesterday. My wife Michelle and I were sitting in our first small home with our newborn son Jordan on our lap watching the fireworks and celebration as Ripken made history. I sat in awe, watching a man break a record my grandfather and I never thought would be broken. In case you don't remember the specifics, Cal Ripken Jr. broke the record for most consecutive games played in Major League Baseball History with 2,131, passing Lou Gehrig's record, which stood for 56 years. The streak started on May 30, 1982, when Ripken entered the Orioles' lineup. From that point forward he never missed a game until three more presidents were inaugurated and nearly two decades had passed. He played every single game of each season for the next 16 years. I can't even get some of my new hires to show up ever single day for just one month. And rarely in the Major Leagues today do you see a player complete an entire season never missing a game. Nowadays it's rare to see a player play one full season never missing a game. Possibly the best part about this story is how humble Ripken was about it all. He simply jogged to the dugout after the 5th inning was completed and the record was broken. The crowd however erupted. His teammates said they weren't going to start the game again until he took a lap around the stadium. The best lesson to learn from Ripken is when he said to MLB, "I never really thought about the streak. I never really allowed myself to think about the streak. It was very simple, I wanted to play, I wanted to help my team." I think there's a lot to



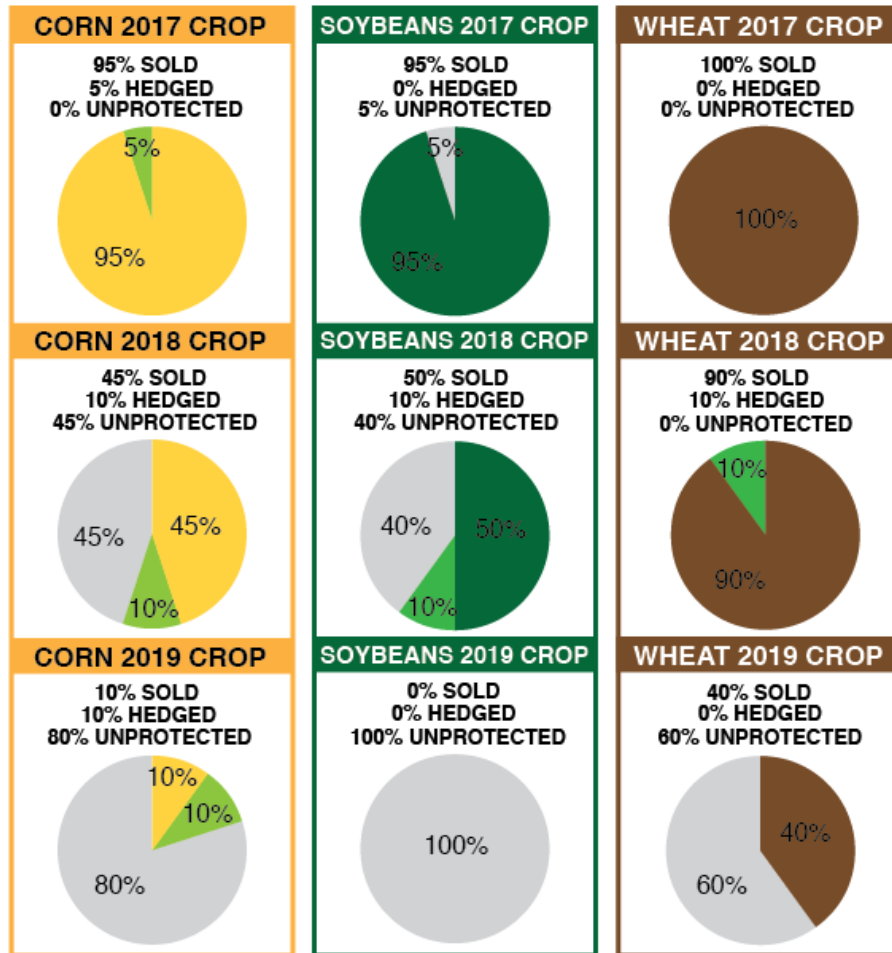
learn from this quote. It really shows Ripken's goal wasn't to break this record or any record for that matter. It shows he wanted to be apart of the team and really wanted to contribute. He never made excuses, he just showed up and made it happen day in and day out. Interestingly, he didn't take a day off after breaking the record. Instead he just kept on going. Ripken continued to play consecutively until Sept. 20, 1998, three more years, when he finally removed himself from the lineup after 2,632 straight games. Lets keep in mind, Ripken was a 19-time All-Star and was twice named American League (AL) Most Valuable Player (MVP). In 1991, he won the Home Run Derby, and was recipient of his first All-Star Game MVP Award. Also keep in mind, he played shortstop and third base his entire career, two seriously hot and psychically demanding positions. A cool story you might not know, started in June 2001, Ripken announced he would retire at the end of the season. In his final farewell tour, he was voted the starting third baseman in the All-Star Game. In a tribute to Ripken's achievements and stature in the game, shortstop Alex Rodriguez insisted on exchanging positions with third baseman Ripken for the first inning, so that Ripken could play shortstop as he had for most of his career. That move allowed Ripken to claim the record of most MLB All-Star Game appearances at shortstop. In the third inning, Ripken made his first plate appearance and was greeted with a standing ovation. Ripken then homered off the first pitch and ended up winning the All-Star MVP honors and the only player to be named All-Star Game MVP in two different decades. What an amazing career! Click [HERE](#) to go back in time and watch the moment that made history. Perhaps you can recall where you were on that amazing September evening...



**ANSWER to riddle:** A candle.

## CASH SALES & HEDGING TOTALS

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

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