

## GOOD MORNING: 09/07/18 Farm Direction - Van Trump Report

2 messages

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Fri, Sep 7, 2018 at 6:33 AM



"What lies behind you and what lies in front of you, pales in comparison to what lies inside of you."—Ralph Waldo Emerson

FRIDAY, SEPTEMBER 07, 2018

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

**Morning Summary:** Stocks are steady this morning but have been under pressure as of late on further concerns surrounding emerging market contagion. Bears believe we could see a continued meltdown in the emerging markets as we await Washington's trade decisions. Even with some currencies starting to stabilize against the dollar, bears cite the fact that the EM Index of equities continues to slide and is nearing bear-market territory. The fear is the fact nobody knows just how slippery the slope could be? The investment world has never experienced a synchronized global quantitative easing effort and what hurdles might be involved once it unwinds. China's economic ministry spokesman Gao Feng is repeating threats that they will retaliate if and when the U.S. imposes a new round of tariffs, which many believe Washington will be implementing in the next few days. Trade talks with Canada continue and most likely continue into next week. Turning to a possible new trade battle, There's now more rumors and headlines that President Trump has his sights set on fixing the trade deficit with Japan. Bears argue that the Japanese economy has just recently started to show signs of improvement, after many years of struggle. Meaning U.S. tariffs on Japan could certainly add more uncertainty to the global growth picture. The good news is, the economy here in the U.S. continues to show signs of strength. Today, traders will get another look at U.S. employment as the government releases their August jobs data. Most inside the trade are expecting that we added +195,000 new jobs last month, up from +157,000 in July. We could also see the unemployment rate tick down to 3.8%. As an individual investor, I've been cautious as of late, expecting increased volatility during September and October, but I also remain a longer-term bull. Remember, historically the fourth quarter of years with a mid-term election, through the second quarter of pre-election years, have typically been the best nine-month stretch of the four-year U.S. presidential cycle. Meaning October of this year through June of next year might just be period of big gains in the market. I'm positioning accordingly on the breaks...

### What You Need to know About U.S. Open Championship This Weekend:

On the men's singles side of the tournament, Rafael Nadal faces off against Juan Martín del Potro in the semifinals today. Shortly after, Kel Nishikori will match up against Novak Djokovic to see who will go to the championship. Nadal and Djokovic are favored and expected to proceed to the final, which will take place Sunday evening on ESPN. Djokovic is the favorite to win it all. The winner on the men's side will receive \$3.8 million. On the women's side of the tournament, Serena Williams will match up against Naomi Osaka for the women's US Open singles championship. Williams is the favorite to win it all. This women's championship will take place Saturday evening on ESPN. The winner on the women's side will also win \$3.8 million. In case you were wondering, Serena Williams won her first U.S. Open back in 1999 at the age of 17. Taking home a check for \$750,000. That was just her first of 23 major victories. To date Serena has won (6) U.S. Open Championships, (3) French Opens, (7) Australian Opens, and (7) Wimbledon titles. She is considered the highest paid female athlete ever, just on prize money alone she has won over +\$86 million. What an incredible story for a girl straight out of Compton.

**Walmart Introduces Spark Delivery For Last Mile:** Walmart announced on Wednesday a new last-mile delivery pilot program, called Spark Delivery, which

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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

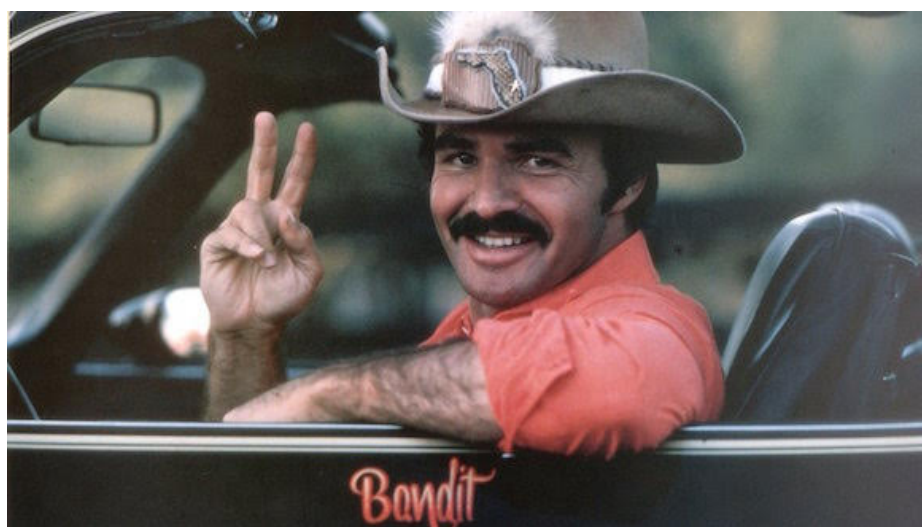


Sit front row in the boardroom with some of the best and brightest! Join us for an exclusively look behind the scenes as several of the top CEO's and leaders openly discuss their next moves in the markets,

focuses on fulfilling customers' online grocery orders. The retailer is working with delivery logistics platform Bringg, a company that offers an Uber-like or Amazon-like level of visibility to retailers' delivery operations. Also similar to Uber, Walmart's Spark delivery program relies on a crowdsourced workforce. That is, drivers will sign up for windows of time when they're available to deliver groceries, and will then be provided with the order details and navigational assistance during their shift. Bringg, fresh off its \$12 million Series B earlier this year, tells TechCrunch it's helping Walmart by offering the retailer the ability to optimize driver schedules, automatically dispatch orders, and allow drivers to communicate their availability. It will also send drivers smart alerts to ensure they don't miss deliveries. Read more [HERE](#).

**More Flights Held for Medical Review?** I'm not really sure what's going on, but all 250 people on separate American Airlines flights from Munich and Paris were "held for a medical review" on Thursday after arriving in Philadelphia from Europe. No one on either plane was quarantined, American Airlines spokeswoman Leslie Scott said, but 12 people aboard became ill with flu-like symptoms. The health scare comes a day after a similar outbreak aboard an Emirates flight from Dubai to New York, where all passengers were held. They say lots of passengers showing flu like symptoms and respiratory issues.

**Hollywood Icon Burt Reynolds Passes:** Once considered the coolest man in Hollywood, Burt Reynolds has died at the age of 82. The cause of death was cardiopulmonary arrest. He was certainly one of my favorites from the 70's and 80's, starring in some all time great movies like, *The Longest Yard*, *Smokey and the Bandit*, *Deliverance*, *The Cannon Ball Run*, *The Best Little Whore House In Texas*, and more recently *Boogie Nights*. What some folks might not know, is Reynolds' turned down roles that ended up creating huge careers for Harrison Ford, Jack Nicholson, Bruce Willis and Richard Gere. Burt turned away the original invite to play Hans Solo, which put Harrison Ford on the map. He also turned down the famous Jack Nicholson role of retired astronaut Garrett Breedlove in *Terms of Endearment*. He also turned down the famous *Die Hard* role of playing cop John McClane, which put Bruce Willis on the map. And believe it or not, he turned down the leading role next to Julia Roberts in *Pretty Woman*, which went to Richard Gere. Lets not forget, Reynolds showed off his mustache and other assets when he posed nude on a bearskin rug for a *Cosmopolitan* centerfold in April 1972. Seven years later, he would become the rare man to grace the cover of *Playboy*. Many might not know it, but Reynolds was also a stud athlete. Reynolds was named First Team All State and All Southern as a fullback, and received multiple college scholarship offers. He attended Florida State University on a football scholarship and played halfback. He was projected to be a first team All-American and to have a career in professional football, but he suffered a knee injury in the first game of his sophomore season, and later that year he lost his spleen and injured his other knee as a result of a car accident. Reynolds was then recruited by the drama department and the rest is history... "I always wanted to experience everything and go down swinging. And there's one thing they can never take away: Nobody had more fun than I did," Reynolds wrote in the final paragraph of his memoir.



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

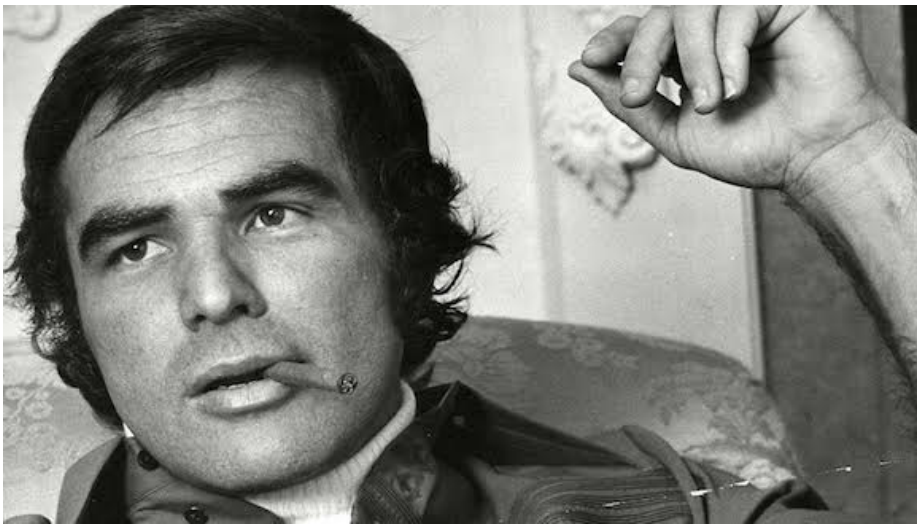
**\$299**

regular price \$500

Remember we sold out early last year!

**LEARN MORE**





## Today In History



### 1776, First Submarine -

During the Revolutionary War, the American submersible craft Turtle attempts to attach a time bomb to the hull of British Admiral Richard Howe's flagship Eagle in New York Harbor. It was the first use of a submarine in warfare. Submarines were first built by Dutch inventor Cornelius van Drebel in the early 17th century, but it was not until 150 years later that they were first used in naval combat. David Bushnell, an American inventor, began building underwater mines while a student at Yale University. Deciding that a submarine would be the best means of delivering his mines in warfare, he built an eight-foot-long wooden submersible that was christened the Turtle for its shape. Large enough to accommodate one operator, the submarine was entirely hand-powered. Lead ballast kept the craft balanced. Donated to the Patriot cause after the outbreak of war with Britain in 1775, Ezra Lee piloted the craft unnoticed out to the 64-gun HMS Eagle in New York Harbor on September 7, 1776. As Lee worked to anchor a time bomb to the hull, he could see British seamen on the deck above, but they failed to notice the strange craft below the surface. Lee had almost secured the bomb when his boring tools failed to penetrate a layer of iron sheathing. He retreated, and the bomb exploded nearby, causing no harm to either the Eagle or the Turtle. During the next week, the Turtle made several more attempts to sink British ships on the Hudson River, but each time it failed, owing to the operator's lack of skill. Only Bushnell was really able to competently execute the submarine's complicated functions, but because of his physical frailty he was unable to pilot the Turtle in any of its combat missions. During the Battle of Fort Mifflin, the Turtle was lost when the American sloop transporting it was sunk by the British. Despite the failures of the Turtle, General George Washington gave Bushnell a commission as an Army engineer, and the drifting mines he constructed destroyed the British frigate Cereberus and wreaked havoc against other British ships. After the war, he became commander of the U.S. Army Corps of Engineers stationed at West Point.



### 1896, Electric Car Wins -

An electric car built by the Riker Electric Motor Company wins the first auto race in the United States, at the Narragansett Trotting Park—a mile-long dirt oval at the state fairgrounds that was normally used for horse racing—in Cranston, Rhode Island. Automobile companies sponsored the race to show off their newfangled electric-, steam-, and gas-powered vehicles to an awestruck audience. The carmakers' gimmick worked: About 60,000 fairgoers attended the event, and many more people read about it in newspapers and magazines. Seven cars

## neuro mining



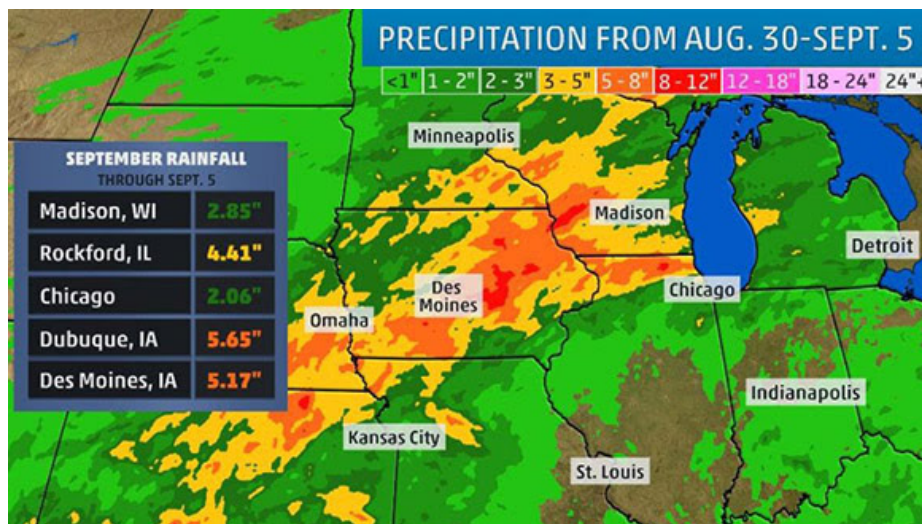
As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we 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:

*Paul's height is six feet, he's an assistant at a butcher's shop, and wears size 9 shoes. What does he weigh?*

**Weather** on the Corn Belt is seeing humid conditions prevail along and southeast of a line from Michigan to Missouri. In contrast, cool, dry weather has returned across the upper Midwest, although several rivers and streams are still running high and causing lowland flooding from eastern Iowa into southern Wisconsin. On the Plains, scattered showers linger across the southern half of the region. Meanwhile, very warm weather has returned to the northern High Plains, promoting late-season harvest efforts. On September 2, however, topsoil moisture was rated at least one-half short to very short in Montana (61%) and North Dakota (51%).

**A Break From The Wet Weather Is Coming:** Weather changes that will be welcomed by many, including drier and cooler conditions, are ahead for the upper Midwest and Northeast. Portions of the Plains and Midwest have experienced repeated rounds of heavy rainfall since late August. This has resulted in numerous flash flood events and river flooding. In the past week, a widespread area from northern Kansas and southeastern Nebraska northeastward into Wisconsin, northern Illinois and western Michigan have received more than 4 inches of rain. Several locations in Wisconsin have seen more than a foot of rainfall since August 26. Many of these areas will begin to see drier conditions on Thursday as the slow-moving frontal system finally tracks eastward. Many of the areas hardest hit by excessive rainfall recently will experience a stretch of dry conditions into next week. Although a few disturbances may track near the upper Midwest next week, heavy rainfall isn't expected.



**Corn** traders continue to debate the U.S. yield. Despite bulls thinking the current USDA estimate is overly optimistic, Informa opted to raise their forecast from 176.0 to 178.8 bushels per acre, slightly ahead of the current USDA estimate. It's just hard to get a good gauge on the variability that's currently in play. Several areas are seeing too much rain and producers seem very uncertain about the outcome. Other areas are reporting huge numbers but low test weights. Others reporting record shattering totals. From my perspective, this is making it extremely difficult to get a strong read. Honestly, it wouldn't surprise me one bit to see a yield number anywhere between 175 and 180 bushels per acre. Outside of that range, I suspect the trade would be scratching its head. Inside this range, I don't think anyone flinches. In other words, I think the market has adjusted and recognizes the fact a big big crop is coming out of the field, the question now is simply how big? And that I'm afraid is enough to keep a nearby lid on extended rallies. Meaning perhaps there's +20 to +25 cents of nearby upside on some positive geopolitical news hitting the headlines. On the flip side, it feels like the downside is limited by a similar amount. Meaning we are more than likely stuck in a sideways trading channel for the next several weeks. Or until a more widespread weather story develops or something significant happens with trade talks. I just can't see a big game changer in the nearby headlines. That makes me worry we could drift sideways to lower, before the bulls find something the can bite on. Demand remains strong, exports and ethanol numbers look good, but the bulls need more help. As both a producer and a spec, I continue to believe we could see more downward drift before we get some sustained upside momentum. I want to be a longer-term bull in a bad way, I'm just not sure we are there yet...

entered the race. Along with the Riker Electric, there were five internal-combustion cars and one other battery-powered machine, this one built by the Electric Carriage and Wagon Company. The race began slowly ("Get a horse!" the spectators shouted as the automobiles wheezed at the starting line), but the Riker soon pulled ahead and won the race easily, finishing its five laps in about 15 minutes. The other electric car came in second, and a gas-powered Duryea took third. Rhode Island is probably not the first place most people think of when they think of American automobile racing, but car racing in the Ocean State actually has a rich history. That Narragansett race was only the beginning: The Cranston track drew so many spectators that cities all over the state soon built dirt ovals of their own. For its part, the original raceway got so much use that its owners had to close it in 1914 for renovations. When it reopened the next year, it was like nothing any car-racing fan had ever seen. The new track was a paved, banked "Super Speedway" designed for 100-mile races. On September 18, 1915, 50,000 people came to the first contest at the new park, where they watched the celebrity racer Eddie Rickenbacker coast to victory over a field of famous drivers in spectacular cars. Unfortunately for the Narragansett track's investors, however, Rhode Islanders' enthusiasm for car-racing waned as other kinds of mass entertainments grew more popular. The Cranston raceway closed for good in 1923.

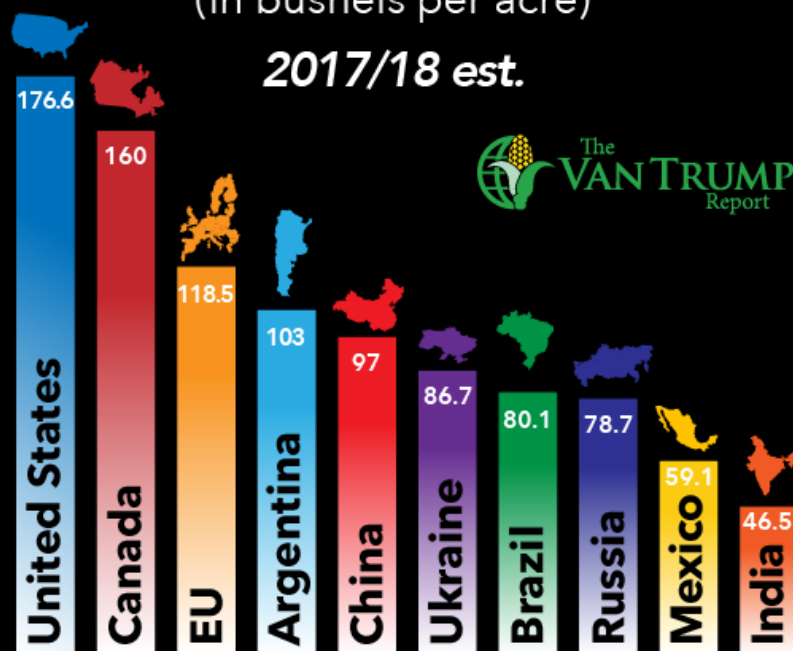


**1936, Buddy Holly** - If you took out a map of the United States and traced a line beginning at New Orleans and running up the Mississippi River to Memphis, the tip of your finger would pass through the very birthplace of rock and roll—a region where nearly every step in its early development took place and where nearly every significant contributor to that development was born. But if the foundation of rock and roll was mostly laid down within 100 miles of the Mississippi River in the mid-1950s, the blueprint for what would follow required the further contributions of a young man born 700 miles to the west on this day in 1936: Charles Harden Holley. Writing and performing under the name Buddy Holly, this Lubbock, Texas, native would have an influence on rock and roll that would far outlast his tragically shortened career. By 1956, Elvis had become a superstar performing material originally written by others, and though Buddy Holly was still an unknown, he was blazing a trail that future giants like the Beatles would follow by writing, performing and eventually producing his own material. Both the Beatles and the Rolling Stones would draw heavily on the Buddy Holly catalog either for cover material or direct songwriting inspiration, and Holly would be a tremendous formative influence on the young Bob Dylan, among many others. In a recording career that lasted little more

# Top Corn Producing Countries Yield Comparison

(in bushels per acre)

2017/18 est.



Source: USDA, FAS, PS&D 09/06/18

**Soybean** traders are paying close attention to politics in South America. Argentina has had a series of economic woes and is in the midst of a complete meltdown. Brazil continues to struggle with logistical issues and trucking complications. We also have the first round of the Brazilian presidential election now 30-days away, and the leading candidate, 63-year-old far-right former army captain, Jair Bolsonaro, stabbed during a street rally in the central state of Minas Gerais yesterday afternoon. From what I understand, he was stabbed in the stomach while he was being carried through the streets of the city of Juiz de Fora by his supporters. Insiders are saying this could bring about some sympathy votes and almost assures Bolsonaro a final spot in the second round later in October. Even though he's a controversial figure, he seems to be fairly popular with many investors because of his free-market approach to the economy. The Brazilian currency was stronger following the news, but who knows how it plays out. The point I'm trying to make, is the fact there are many many non-traditional moving parts right now influencing soybean prices. Keep in mind, the market is also trying to digest all of the headline uncertainty involving trade negotiations between the U.S. and China. This makes this market extremely difficult to forecast right now. The traditional fundamentals continue to paint a burdensome supply side story. There's talk amongst the bears that the U.S. yield could perhaps push closer to 53 bushels per acre and ending stocks up closer to 900 million. I should note, Informa, bumped their soybean yields estimate to 52.9 yesterday. Meaning even if we factored back in Chinese demand (+250 million bushels) we would still be chewing on burdensome supply numbers. The market would obviously bounce on the initial headlines of China coming back in play, but I'm not so sure after the initial knee jerk, we would be able to hold the gains. I'm certainly concerned looking out on the horizon. As a producer, I was blessed to get over 60% of our new-crop priced early and at great levels, but I still need to market the remaining. I also have 0% sold or priced for next year, which is very concerning. As I've mentioned several times, I just don't see a "V" shaped recovery like so many have been forecasting or hoping for. I feel like we are going to be more "U" snapped or perhaps "W" shaped. Next week's USDA report should tell us more about supply, but I'm thinking we are still a ways off from any type of resolution with the Chinese.

than 18 months, Holly contributed an astonishing number of classic songs to the rock-and-roll canon, including "That'll Be The Day," "Peggy Sue," "Not Fade Away," "It's So Easy," "Everyday," "Oh Boy!" and "Maybe Baby." Born on this day in 1936, he died in 1959 at the age 23 in rock and roll's most famous plane crash.

## 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

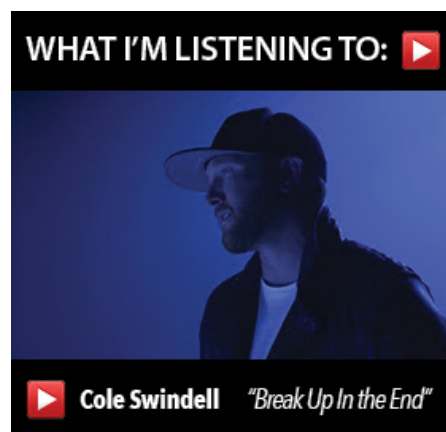
**Mon. 9/24** - Cold Storage, Crop Progress

**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



## Kevin's Song of the Week

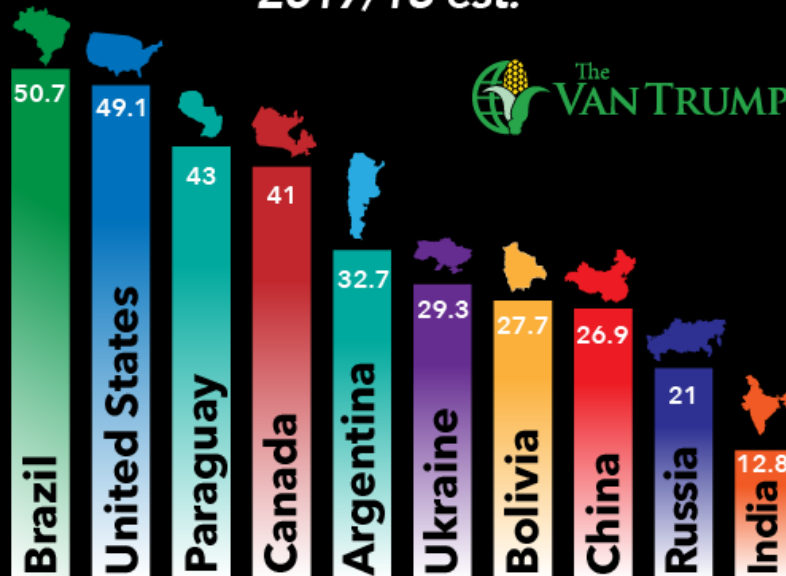


# Top Soybean Producing Countries

## Yield Comparison

(in bushels per acre)

2017/18 est.



Source: USDA, FAS, PS&D 09/06/18

**Wheat** prices have tumbled by -85 cents in the past 30-days, essentially down almost -14% during this time period. To provide some comparison, corn is down about -5% and soybeans down about -6% during the same time. I hate to sound like a broken record, but there's very little fresh or new. The recent rounds of rains here in the U.S. improves overall conditions and brings about talk of increased wheat acres. At the same time we hear that Russian officials will not be working towards restricting exports anytime soon. These two headlines clearly let some air out of the bulls balloon and the fact U.S. exports have shown no real signs of coming to life. I still see some longer-term potential and the possibility of the bulls staging another run. As a producer, I was extremely aggressive in making sales on the rallies and am now in a position to play the waiting game. I am in absolutely no hurry to make new sales. As a spec, I remain conservatively long from a much better price point. If we continue to break I may consider adding another unit. Staying patient...

## 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."

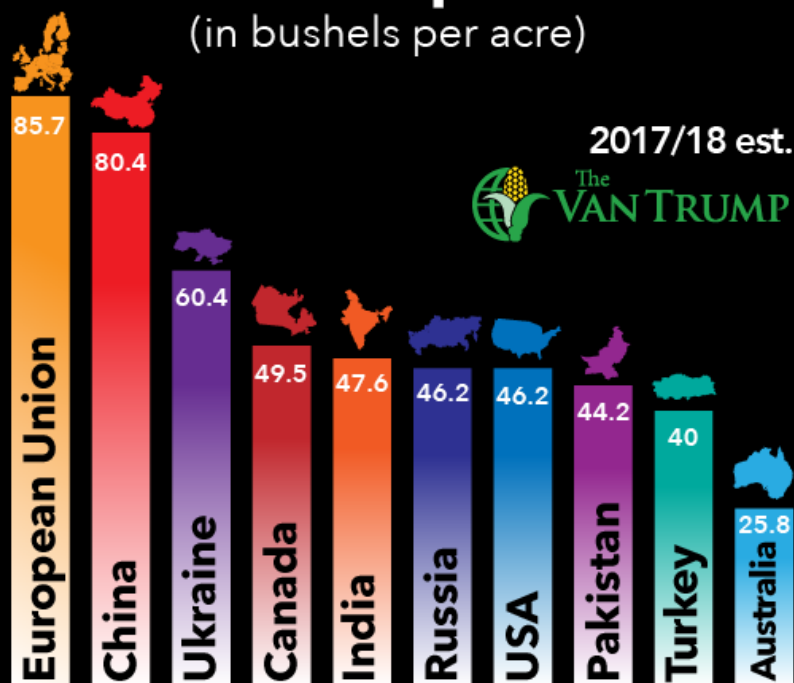
**A.M., FDIC**

"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 several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really

# Top Wheat Producing Countries

## Yield Comparison

(in bushels per acre)



Source: USDA, FAS, PS&D 06/19/18

## Connecting the Dots

> **U.S. Wheat Associates is Closing Doors In Russia:** U.S. Wheat Associates (USW), a trade group that promotes U.S. exports, is closing its office in Moscow after 26 years, it said in a statement, reflecting the emergence of Russia as a major wheat exporter. Russian wheat production has soared in the past few years. As a result, the country became the world's largest wheat exporter in the 2017/18 marketing season, which ended on June 30, increasing supplies to markets traditionally dominated by the United States. (Source: Blackseagrain)

> **Canadian Wheat Production Met Expectations:** Canadian wheat stocks at the end of July this year was 6.180 MMT, meeting expectations but down 9.9% from last year's levels. Higher quality of the crop kept exports up and lowering commercial stocks. Durum stocks came in just a bit lower than the expected 1.600 MMT at 1.473 MMT.

> **Four More Cases of African Swine Fever Found in Single Day in China:** China reported four cases of African swine fever on Thursday alone, bringing the number of outbreaks to 13 since the virus was discovered in the country just over month ago. The disease has traveled vast distances in the world's largest pork producer from Jiamusi, Heilongjiang, on the border with Russia to Wenzhou, which is 1,865 miles to the south. The outbreaks have pushed up pork prices in the country's south as demand grows ahead of a week-long holiday in October and also raised the prospect of more imports. (Source: Reuters)

> **Keeping Our Eye On Ebola:** Congo has confirmed its first Ebola death in the eastern city of Butembo, the first urban outbreak of the virus. The current wave has already killed 89 people and it's close to becoming the eighth largest Ebola outbreak in history. A vaccination campaign has already been underway for weeks, with experimental treatments from companies like Merck and Gilead Sciences. (Source: The Wall Street Journal)

> **U.S. Grain Rail Shipments See Rise:** U.S. rail transportation of grain products for the week ended Saturday totaled 22,633 cars, a 24.3% increase from the same week year ago, Association of American Railroads data showed. Rail transportation of chemical products rose 33.9% year-on-year to 33,408 cars, the data showed. AAR designates fuel-grade ethanol as a chemical product. Cumulatively, grain product shipments have totaled 810,941 in 2018, up 4.2% compared with 2017.

> **Ag Sec. Perdue Pledges Transparency on Ag Payment Deal:** Perdue promised they'd be as transparent as possible in dealing with corn and wheat groups' request for USDA to explain how it

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.

**Central Illinois** – I'm going to keep this short because I don't have a ton to report. We ran the combine over a little corn before the rain hit and the corn is 20-30 bushels per acre better than I expected. Now, we did get rained out, but we didn't get hit nearly as bad as some of other parts of Illinois. I heard the west central Illinois got 6 inches of rain in 18 hours and this was all before the tropical storm start pushing up into our area so I'm nearly sure it's worse now than the last report I have heard. I will keep you posted if I hear anything more or if this rain starts to affect harvest pace, yield or quality.

arrived at the wide-ranging payment rates in its trade relief plan. It seems some corn and wheat groups feel slighted in that three-fourths of the initial aid payments are going to soybean growers. Perdue did mention USDA's chief economist Robert Johansson as the one of the main architects of the payment rates. Johansson is scheduled to appear before the Senate Ag committee next week in a hearing on ag trade. We should no more about the calculations of the payments by then. (Source: Politico)

> **USDA to Hold Listening Sessions on Rural Development Regulations:** USDA has announced a series of listening sessions over the next two weeks on several rural development loan guarantee programs, in an effort to roll back regulations that potentially stymie rural access to capital. The listening sessions will take place in Denver and D.C., as well as in Lexington, KY; Lake Ozark, MO; and East Stroudsburg, PA.

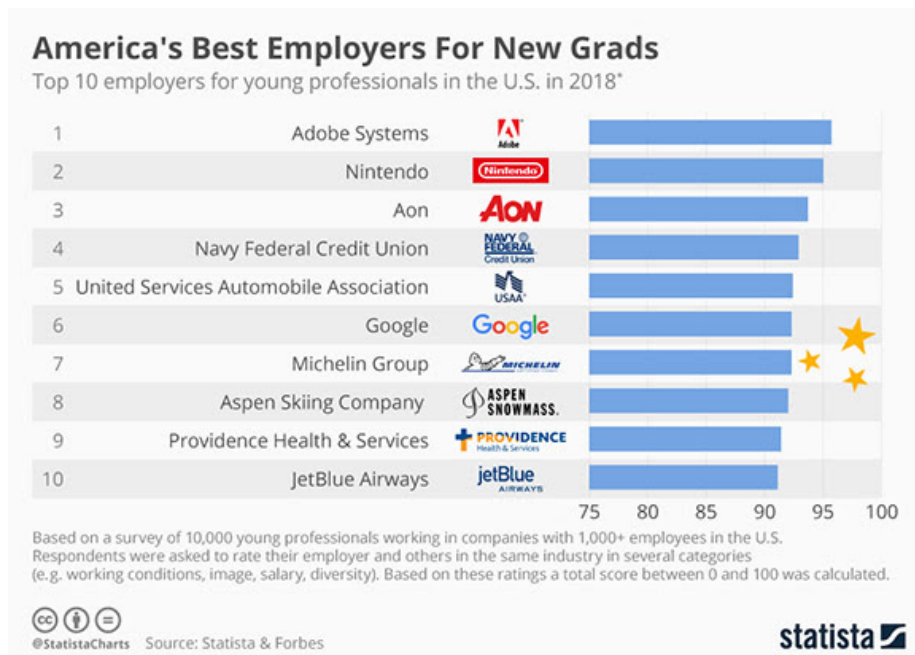
> **Louis Dreyfus Opens New Oilseed Plant in China:** Louis Dreyfus has opened its new oilseed processing facility in the northern city Tianjin as part of its expansion in the world's top consumer of soybeans. The Plant has a daily crushing capacity of 4,000 metric tons and oil refining capacity of 1,200 metric tons.

> **How KFC Became the Biggest Fast Food Chain in China:** It's no secret that KFC is one of America's most popular fast food chains, but the U.S. isn't the company's biggest market. China is actually home to the most KFC stores in the world, with more than 5,600 locations. In 2017 the company generated almost \$5 billion in China. This makes the fast food chain the largest in the country. Click [HERE](#) to watch an interesting video about how KFC reached these incredible heights in China. (Source: CNBC)

> **Costco Continues To Show Growth:** Costco posted a +12% increase in August revenue from a year earlier, helped by growth in e-commerce sales.

> **Get Ready For Barbie and Hot Wheels Movies:** Mattel is launching a film division to develop movies based on Barbie, Hot Wheels and its other popular brands. Academy Award-nominated producer Robbie Brenner has been appointed to lead the business. Mattel has lagged behind toy rivals Lego and Hasbro, which have developed blockbuster branded films, including The Lego Movie and the Transformers franchise. (Source: SeekingAlpha)

> **America's Best Employers for New Grads:** Together with Forbes, Statista identified America's best employers for new graduates by surveying 10,000 Americans with less than ten years professional experience working for companies with at least 1,000 employees in the U.S. The evaluation was based on two distinct criteria - direct and indirect recommendations with the 250 highest scoring companies awarded as the Best Employers for New Grads. Multinational computer software company Adobe Systems came first, ahead of Nintendo and Aon. Unsurprisingly, Google is still a hot property for new graduates due to its extensive list of perks and benefits. The search engine giant comes sixth on the list overall. Browse the full list on Forbes [HERE](#).



**Central Missouri** - We started harvesting wetter corn a few weeks ago but have been



rained out for about a week now. The rain is going to help close the soybeans out and push them from 15-20 bushels per acre to maybe 30 or higher if we are lucky. I haven't been out to look at the corn since last week, but I would bet we are getting closer and closer to ears starting to drop on the ground. The corn grew so fast early on that the stalks are weak so if we get wind like we did a week ago we are going to end up picking our garbage corn one direction or renting a pick-up head. I have had many guys tell me they think their absolute best field are going to make 80-100 bushels on the dry land. The one thing we are thankful for is all this rain is going to build up our subsoil moisture bank for the cover crops we are planning on planting. We have heard more guys planting cover crops this year than any other year at this time. We are strongly considering rolling the dice on a few hundred acres of wheat next year because we just can't count on soybeans working out if they stay at this price level.

**Southern Canada** – We farm on the south end of the Georgian Bay of Lake Huron. We have good black soil that produces good wheat each year. We are just a few miles South of the Bay, so we get the lake effect rain. I wanted to give you a quick harvest update on what we did differently this year. For starters we planted twin row Winter Wheat the first few days of October. It came up good and looked great going into the winter. We did two different test, one field with about 1.2 million seeds per acre and another with 2 million seeds per acre. We ended up harvesting around mid-July. The heavier seed came off at 13.5% moisture and made just over 100 bushels per acre. . . 102 to be exact. The lighter seed came off a little drier at 12% moisture and it made 104 bushels per acre. So, we found that in the twin row did better with less seed. Normally seeding can range from 350,000 in drier areas all the way up to 3 million in wetter areas so we kind of split the difference since we haven't done the twin row in the past.

**Central Illinois** – I'm going to keep this short because I don't have a ton to report. We ran the combine over a little corn before the rain hit and the corn is 20-30 bushels per acre better than I expected. Now, we did get rained out, but we didn't get hit nearly as bad as some of other parts of Illinois. I heard the west central Illinois got 6 inches of rain in 18 hours and this was all before the tropical storm start pushing up into our area so I'm nearly sure it's worse now than the last report I have heard. I will keep you posted if I hear anything more or if this rain starts to affect harvest pace, yield or quality.



**Perdue Farms Inc. Thinking About Non-Meat Options:** Seeking to keep up with consumer sentiment, Perdue Farms is exploring the possibility of entering the non-meat arena. With a goal to be the most trusted name in premium protein, Perdue is keeping their options open as they consider an "all of the above" strategy, eyeing smaller startup companies, pure vegan options and those that combine meat, plant-based proteins and vegetables. Read more [HERE](#) about Perdue making necessary changes to stay relevant in the marketplace.

**Amazon Bumps Delivery Fleet to 20,000 Vans:** The company said Wednesday that it increased its van order from 4,500 after it was surprised by the number of applications it received. The vans, which are stamped with Amazon's smile logo in blue, can be used by contractors to deliver packages. The delivery program is part of Amazon's plan to gain more control over how its packages are delivered and rely less on other delivery services, such as UPS, FedEx and the U.S. Postal Service. With these vans on the road, Amazon said more shoppers would be able to track their packages on a map or see a photo of where a package was left when they weren't home. Read more [HERE](#).

**Another 3D Printing Innovation:** We can now 3D print pretty much anything from seemingly any material. Want to print a house out of concrete, a human cornea out of a bio-ink, or a pizza out of dough, sauce, and cheese? But there has been one material that's proven trickier than the rest... metal. Industrial printers are up to the task, but we've yet to see a commercial 3D printer that can create objects out of metal with the same ease others print with plastic. However, researchers from Yale University think they've found a way to make 3D printing metal objects easier than ever before. Read more [HERE](#).

**Greek Farmer Accidentally Unearths 3,400 Year Old Burial Site:** Earlier this summer, a local Greek farmer accidentally brought a millenia-long rest to an abrupt end when he attempting to park his vehicle beneath a shaded olive grove on his property. I'm told the ground gave way as he parked and he was forced to move. As he started to drive off, the unidentified local noticed a four-foot wide hole that had emerged in the

patch of land he'd just vacated. Perched on the edge of the gaping space, the man realized he'd unintentionally unearthed "a wonderful thing." Read more [HERE](#) on the amazing discovery.

**Ferrari's Newest Release for Only \$210,000:** Ferrari's new Portofino is the replacement — and upgrade — to the brand's bestselling California T, which debuted 10 years ago. The Portofino starts at \$210,000. Faster, smaller and lighter than the California T, the Portofino (named after the seaside village on the Italian Riviera) has a twin-turbo V8 engine with speeds up to 591 horsepower, going from zero to 60 miles per hour in 3.2 seconds and zero to 124 miles per hour in 10 seconds. The top speed is 198 miles per hour. Read more [HERE](#).

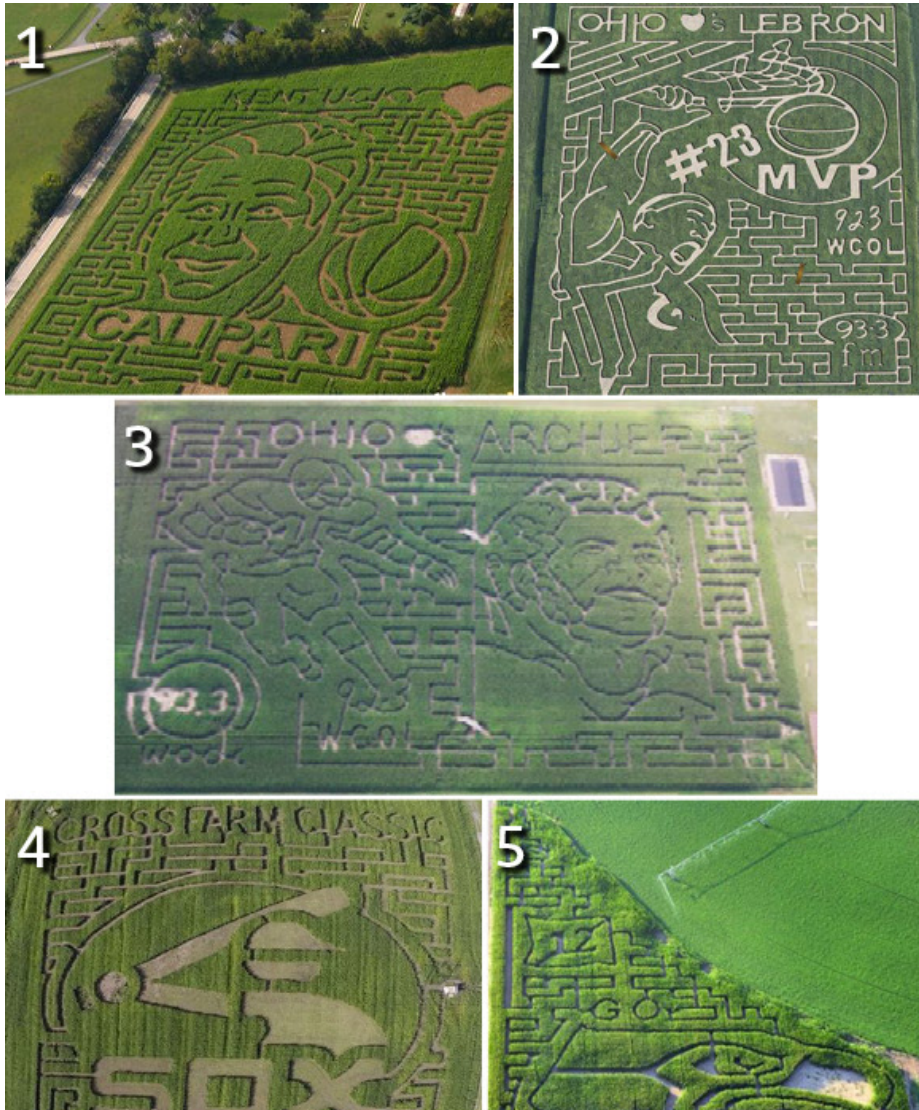


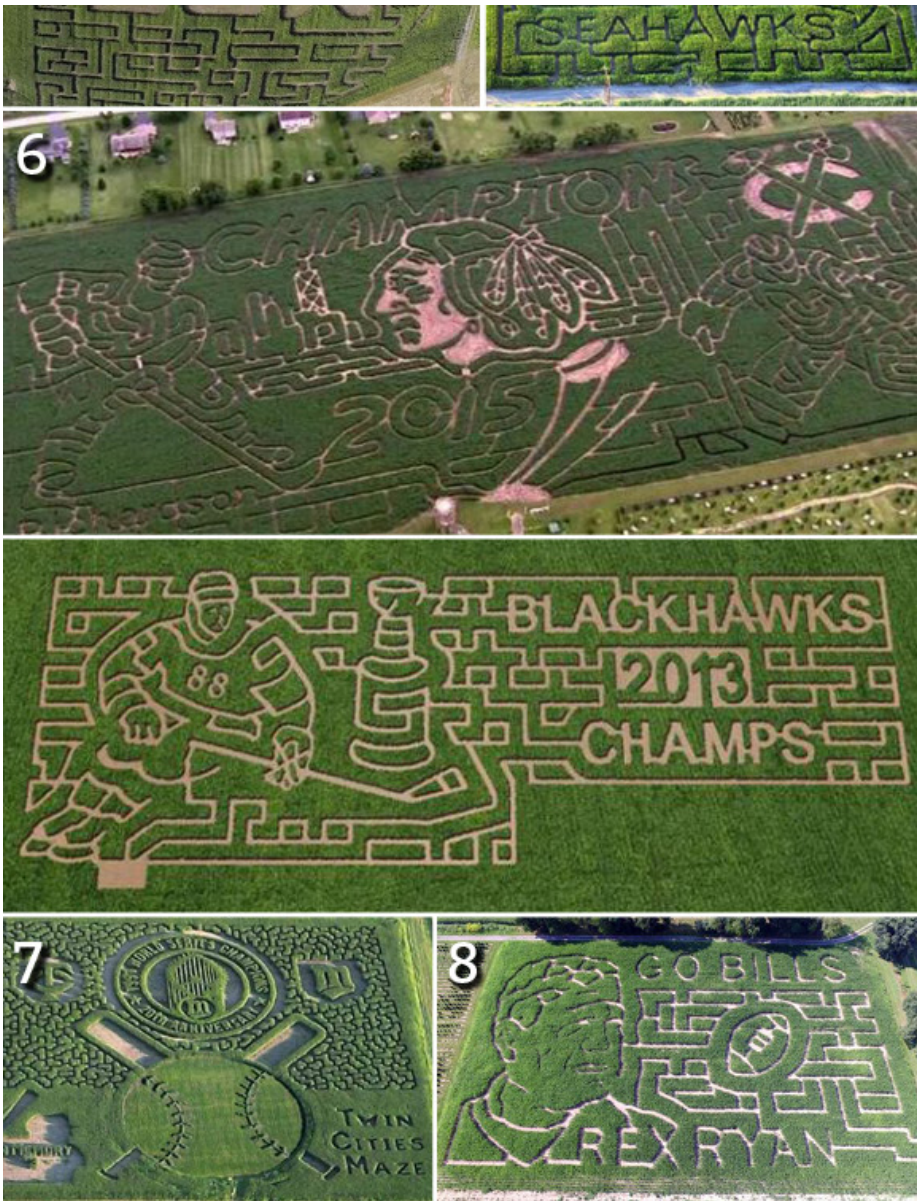


### The Best Sports-Themed Corn Mazes in History

As we are nearing the end of summer with fall just around the corner, it's that time of year where we tend to see a variety of interesting pictures of corn mazes. I'm not exactly sure why, but corn mazes have really made a name for themselves as an important part of Americana. Did you know the first modern big-picture corn maze was created in the early 1990s in the U.S., though simple mazes were around as early as the 1970s. Since that time, the number of corn mazes has mushroomed in size. By 1998 there were thought to be between 50-100 corn mazes in the U.S. In 2008, Corn Mazes America estimated that there were over 800! However, it's difficult to obtain exact numbers since many mazes are privately designed. On the flip side, many corn mazes are designed by professional corn maze companies. These companies designed over 400 mazes alone in 2013. At any rate, I have noticed that over the years there have been some incredible sports-themed corn mazes. With harvest kicking off for many and right around the corner for others, I thought this would be a good time to share some of the more interesting sports-themed mazes:

1. Coach Jon Calipari: For all of you Kentucky fans, here's Coach Cal. This was created by the folks at Kelley Farms in Lexington, KY.
2. LeBron James: This one was actually from 2009 before King James went to play for the Miami Heat. I wonder if this one went up in flames after he announced he was leaving Cleveland...
3. Archie Griffin: Staying in Ohio, we have Ohio State's greatest football player ever ingrained in Corn. He looks so good that he could come out and run for a third Heisman.
4. Seattle 12 Man: This one is pretty awesome, done in honor of the Seattle Seahawk fans who have been dubbed the 12 men with how loud they have been over the last few years. Look how the beak almost looks like a sand trap.
5. Chicago White Sox: I like this one -- it's the old-school White Sox logo. Also, a very clean maze with great symmetry.
6. Chicago Blackhawks: Staying in Chicago, we have two different corn mazes commemorating the Chicago Blackhawks. The second one is from the Richardson Adventure Farm. Look at how big the maze is and how much detail there is.
7. Minnesota Twins: As a Kansas City Royals fan, this one hurts a bit, but it is so well done I had to include it. If you remember back to the 1991 World Series, they had arguably the greatest baseball game ever played -- A game 7 duel between a young John Smoltz and grizzled veteran Jack Morris.
8. Rex Ryan: This maze was created by the owner of Stokoe Farm in Upstate New York. The maze was created to honor the new Bills coach at the time.





### New Bose Smart Speakers Might Be A Cool Gift

Bose is challenging Sonos, Apple, and Google by partnering with Amazon to create new Alexa-powered smart speakers and soundbars. Bose has announced they will be releasing a \$400 home smart speaker called, "Home Speaker 500", and two soundbars, "Soundbar 500" and "Soundbar 700", which will be available in October. The best part about all three products is they will be supported by Alexa voice. The devices will include the microphone technology used in Bose headsets, so the speakers can tell the difference between the user's voice from loud music or other sounds. Bose says the Home Speaker 500 has the widest soundstage of any smart speaker sold in the market today. The speaker uses two custom drivers pointed in opposite directions to enable 360-degree sound, which means the sound reflects off surrounding walls separating instruments to the far left and right that will place vocals where the artist did. There are "1 2 3 4 5 6" numbers that are preset buttons for accessing your favorite playlists, or internet radio stations on the speaker. Bose says the Soundbar 700 is engineered to outperform any other soundbar. This soundbar is included with Bose PhaseGuides, which send multiple channels of a soundtrack or song throughout the room placing discrete sound in places where there aren't speakers. The dimensions of this soundbar are 2 by 38 by 4 inches. The soundbar has a metal grille that wraps around it and a tempered glass top. This soundbar will cost you \$800. The Soundbar 500 is smaller and comes with fewer features, but it comes in at \$550. These speakers will also allow users to stream content with AirPlay 2 like Apple starting in 2019. The Home Speaker 500 will mainly rival Apple's HomePod and Google's Home Max. The main question during this release is how this speaker will compare to the Sonos One, which costs half as much. Looks like Bose is making a push to go up against Sonos, Google, Apple, and other companies that offer speakers with voice activation.





### **A Great Story and Life Lesson About Accepting "Change"**

We all remember the virtual monopoly Kodak had on our childhood memories... If you wanted to photograph a birthday party you would likely have been using a Kodak Instamatic, Kodak film and Kodak flash cubes. You would have had it processed either at the corner drugstore or mail the film to Kodak and get back prints made with Kodak chemistry on Kodak paper. Kodak had a virtual monopoly on the United States photography market, and made money on every step of the photographic process. That is until "digital" cameras hit the marketplace. The crazy part, and something I never knew is that Kodak actually invented the modern day digital camera, but management decided to put it on the shelf, a move many believe eventually led to the Eastman Kodak bankruptcy. The New York Times recently ran an article by James Estrin titled, "[Kodak's First Digital Moment](#)". The article explains how a young 24 year old engineer named Steven Sasson was hired back in 1973 by Eastman Kodak. One of Sasson's first tasks after being hired seemed somewhat unimportant but later led to him inventing the process that now allows us to make photos with our phones, send images around the world in seconds and share them with millions of people. Below are a few excerpts from the article... All I can say is be willing to embrace change!

**Mr. Sasson made a series of demonstrations to groups of executives from the marketing, technical and business departments and then to their bosses and to their bosses. He brought the portable camera into conference rooms and demonstrated the system by taking a photo of people in the room.**

Though the quality was poor, Mr. Sasson told them that the resolution would improve rapidly as technology advanced and that it could compete in the consumer market against 110 film and 135 film cameras. Trying to compare it with already existing consumer electronics, he suggested they "think of it as an HP calculator with a lens." He even talked about sending images on a telephone line.

Their response was tepid, at best.

"They were convinced that no one would ever want to look at their pictures on a television set," he said. "Print had been with us for over 100 years, no one was complaining about prints, they were very inexpensive, and so why would anyone want to look at their picture on a television set?"

When Kodak executives asked when digital photography could compete, Mr. Sasson used Moore's Law, which predicts how fast digital technology advances. He would need two million

pixels to compete against 110 negative color film, so he estimated 15 to 20 years. Kodak offered its first consumer cameras 18 years later.

“When you’re talking to a bunch of corporate guys about 18 to 20 years in the future, when none of those guys will still be in the company, they don’t get too excited about it,” he said.

The first digital camera was patented in 1978. It was called the electronic still camera. But Mr. Sasson was not allowed to publicly talk about it or show his prototype to anyone outside Kodak.

In 1989, Mr. Sasson and a colleague, Robert Hills, created the first modern digital single-lens reflex (S.L.R.) camera that looks and functions like today’s professional models. It had a 1.2 megapixel sensor, and used image compression and memory cards.

But Kodak’s marketing department was not interested in it. Mr. Sasson was told they could sell the camera, but wouldn’t — because it would eat away at the company’s film sales.

Still, until it expired in the United States in 2007, the digital camera patent helped earn billions for Kodak, since it — not Mr. Sasson — owned it, making most digital camera manufacturers pay Kodak for the use of the technology.

Today, the first digital camera Mr. Sasson made in 1975 is on display at the Smithsonian’s National Museum of American History. President Obama awarded Mr. Sasson the National Medal of Technology and Innovation at a 2009 White House ceremony.

Three years later, Eastman Kodak filed for bankruptcy.

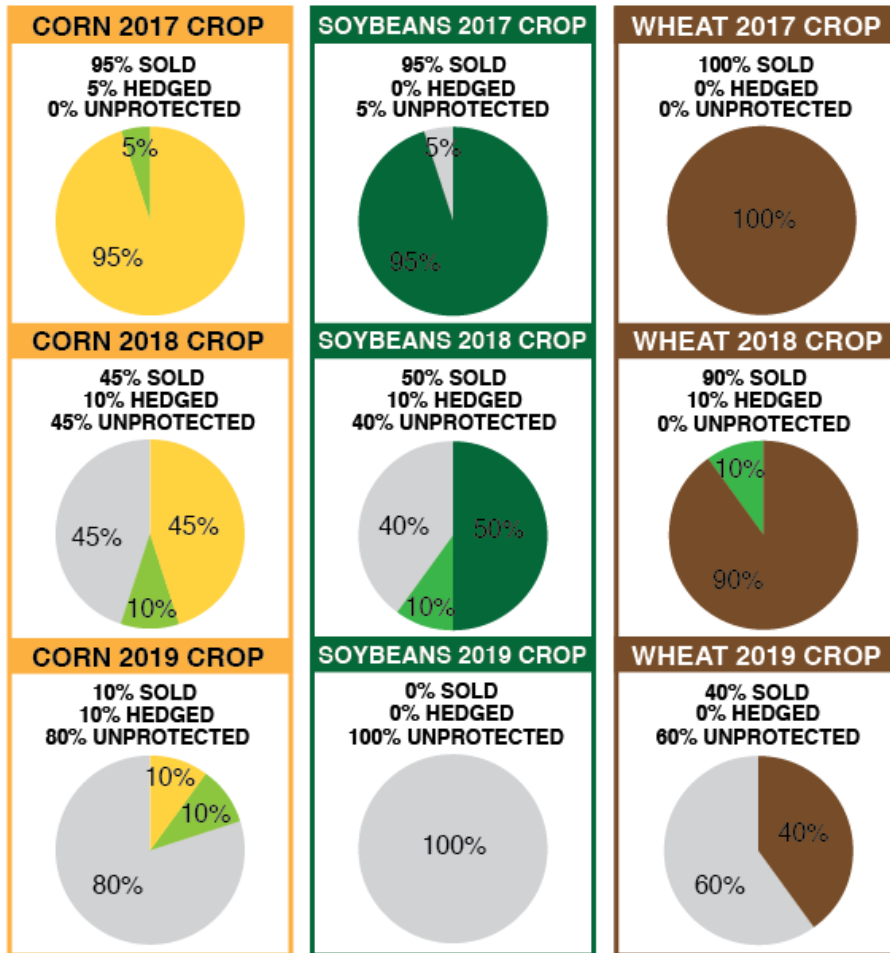


**ANSWER to riddle: Meat**

## CASH SALES & HEDGING TOTALS

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