

GOOD MORNING: 09/10/18 Farm Direction - Van Trump Report

2 messages

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Mon, Sep 10, 2018 at 7:04 AM



"The greatest form of maturity is at harvest time. This is when we must learn how to reap without complaint if the amounts are small and how to reap without apology if the amounts are big." — Jim Rohn

MONDAY, SEPTEMBER 10, 2018

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Morning Summary: Stocks are starting the week slightly higher despite talks about worsening trade tensions between the world's two biggest economies. Data released over the weekend showed that China's trade surplus with the U.S. has now widened to a record level in August, while President Trump is now threatening to go "all-in" regarding Chinese trade tariffs. Of course, China is threatening to retaliate against the U.S. tariffs, which has many inside the trade worried that the standoff between the two countries could further derail the global economies and apply additional pressure on the emerging markets. Bulls continue to point towards strong U.S. economic data being enough to keep the rally in play. Employment numbers recently released continue to show a strong U.S. economy, with over +200,000 jobs being created in August, the unemployment rate at an 18-year low of 3.9%, and the yearly rate of wage growth at its highest level since 2009. The gains in hourly earnings has immediately brought about talk of rising inflation and increasing odds of Fed interest rate hikes. Most sources are looking for two more rates hikes in 2018 and perhaps two or three more in 2019. I'll be keeping my eye on the dollar, as continued strength could certainly start complicating things for the bulls. I'm also keeping an eye on the nearby direction of the oil market. It will be interesting to see how things play out with Iran as U.S. sanctions get closer and closer. More nearby, the trade will be keeping a close eye on Thursday's European Central Bank meeting and any signs or comments about the bank's exposure to Turkish borrowers. In more traditional economic news, traders will be digesting the latest JOLTS report on Tuesday; PPI and EIA Petroleum Reports on Wednesday; CPI and Jobless Claims on Thursday; then the much anticipated Retail Sales numbers on Friday. It looks like another week where we will see what's stronger, the U.S. economic data or the doom and gloom headlines coming from negative news surrounding trade talks and supposed White House drama. I'm staying conservatively bullish. Lets also not forget this week marks the anniversary of some unhappy times, 10 years since the Lehman Brothers bankruptcy and 17-years since the horrific 9/11 attacks.

Is U.S. Employment As Good As It Gets? *There's been data circulating as of late that shows since 1970, there have only been 8-months where U.S. unemployment has been reported at 3.9% or lower. Friday's most recent labor report showed this August to be one of those eight months. There have been three other months in 2018 that also showed unemployment this low. The other four months occurred in the final half of 1999. The market then went on to peak in the early-Spring of 2000, followed by a two-year bear market. There just seems to be more talk about U.S. employment and if it can actually get much better than it is currently?*

What We Are Hearing About Hurricane Florence: *Talk amongst most news media and weather services is that hurricane Florence is headed towards the U.S. East Coast. Guesses this early are extremely difficult, but many sources are forecasting the hurricane could reach a Category 3 or Category 4 status by the time it reaches landfall Thursday or early-Friday. The eye of the storm is currently forecast to hit somewhere in the Carolina's or perhaps southeastern Virginia. A couple of our independent weather sources are thinking the media could be over-hyping the current storm, but it's always better to be safe than sorry when dealing with something so unpredictable. The doubters reference the fact it's*

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"extremely rare" for a CAT 3 or CAT 4 storm to make landfall onto the Carolinas from Florence's current position. Meaning, if this were to play out, and the Carolina's are directly impacted by a CAT4 hurricane, it could make for major headlines and massive damage. One of our biggest concerns is that the storm could stall just after landfall, generating significant freshwater flooding and massive rainfall. The storm has certainly displayed many unusual qualities and is something we must continue to monitor.



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!"



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:

What gets broken without being held?

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.

Weather this week has lingering showers mostly confined to the South and East, while drier air will overspread the Plains and Midwest. The remainder of the U.S. from the Pacific Coast into the upper Midwest, will remain mostly dry this week, except for a few shower in the PNW. Late season heat will accompany the dry weather across the northern Plains and much of the West. The 6 to 10 day calls for above normal temperatures nearly nationwide. Near to below normal precipitation across much of the country should contrast with wetter than normal weather in the Southeastern and Mid-Atlantic States late in the week as we watch Hurricane Florence make landfall sometime Thursday or Friday.

Early Bird Special

\$299
regular price \$500

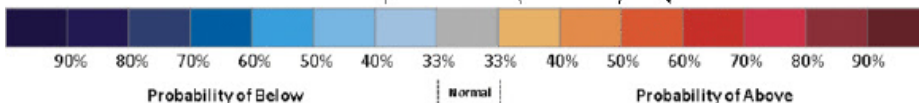
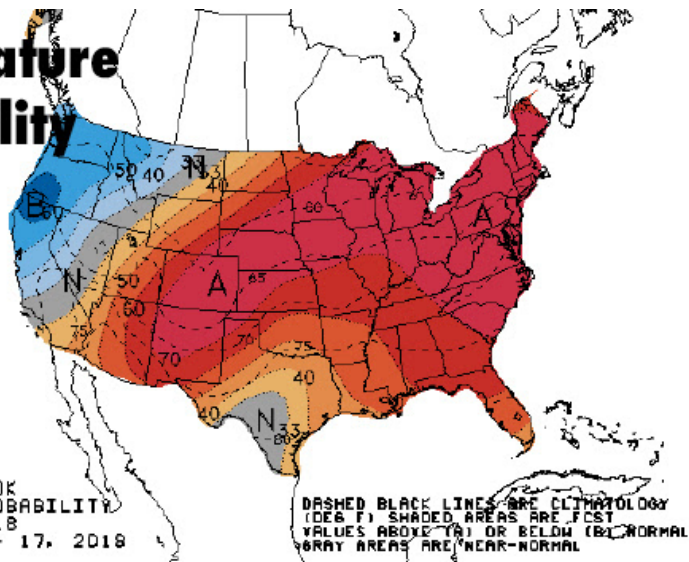
Remember we sold
out early last year!

LEARN MORE

Temperature Probability



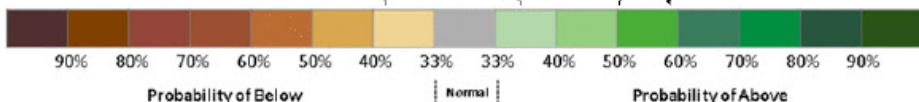
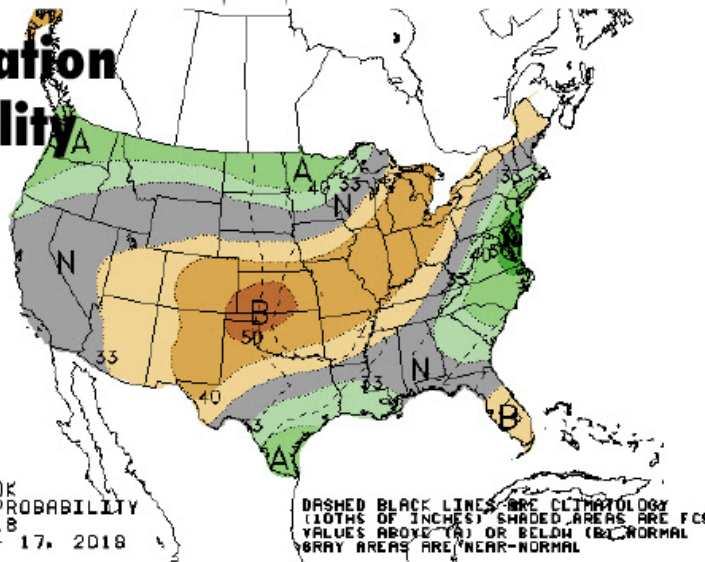
8-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 7 SEP 2018
VALID SEP 13 - 17, 2018



Precipitation Probability



8-10 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 7 SEP 2018
VALID SEP 13 - 17, 2018



Corn prices have been trading in an extremely narrow range the past several sessions as traders seem uncertain about the USDA's next move in regard to U.S. yield? Bulls argue last months massive bump from 174.0 to 178.4 bushels per acre was too overly optimistic and needs to be trimmed. Bears argue the USDA has taken the right steps and will eventually need to push the current record setting forecast even higher, probably closer to 180 bushels per acre. Demand continues to remain strong and I would argue the USDA is currently underestimating both exports and ethanol. The problem is the strong supply side story is showing up earlier than the eventual increasing demand story. Meaning, I'm afraid we could see more downward price pressure before we eventually make our move higher. From a technical perspective, it still feels like nearby resistance is up near \$3.70 per bushel, with more longer-term resistance up near the \$3.90 area. Interestingly, new-crop prices still remain about +10 cents higher than what we were seeing at this time last year. Some areas are seeing a bit wider basis, but for the most part harvest prices are just about the same as last year. Bulls remind us, the past three years (2015, 2016, 2017) we've seen the lows posted in mid to late-August. Bears point to 2014, where the lows were not posted until early-October.

Today In History



1813, Battle of Lake Erie - the first unqualified defeat of a British naval squadron in history, U.S. Captain Oliver Hazard Perry leads a fleet of

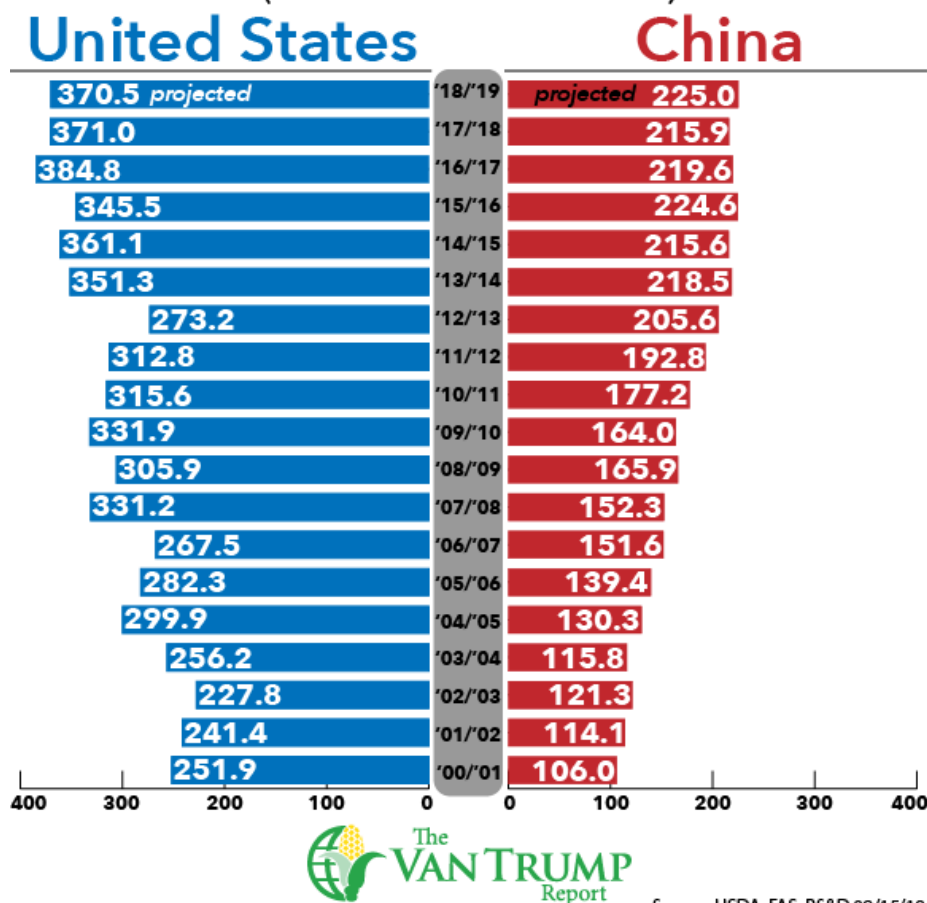
nine American ships to victory over a squadron of six British warships at the Battle of Lake Erie during the War of 1812. When the war broke out, the British immediately seized control of Lake Erie. They already had a small force of warships there: the sloop-of-war Queen Charlotte and the brig General Hunter. The schooner Lady Prevost was under construction and was put into service a few weeks after the outbreak of war. These vessels were controlled by the Provincial Marine, which was a military transport service and not a naval service. Nevertheless, the Americans lacked any counter to the British armed vessels. The only American warship on Lake Erie, the brig Adams, was not ready for service at the start of the war, and when the American army of Brigadier General William Hull abandoned its invasion of Canada, Adams was pinned down in Detroit by the British batteries at Sandwich on the Canadian side of the Detroit River. The British Major-General Isaac Brock used his control of the lake to defeat Hull's army at the Siege of Detroit, by cutting the American supply lines and rapidly transferring himself and some reinforcements to Amherstburg from where they launched a successful landing on the American side of the Detroit River. On the morning of 10 September, the first shot was fired, from Detroit, at 11:45. Perry hoped to get his two largest brigs, his flagship Lawrence and Niagara, into carronade range quickly, but in the light wind his vessels were making very little speed and Lawrence was battered by the assortment of long guns mounted in Detroit for at least 20 minutes before being able to reply effectively. When Lawrence was finally within carronade range at 12:45, her fire was not as effective as Perry hoped, her gunners apparently having overloaded the carronades with shot. The battle was closely contested for hours, and Perry's flagship Lawrence was reduced to a defenseless wreck. He then transferred to the Niagara and sailed directly into the British line, firing broadsides and forcing the British to surrender. Perry had won a complete victory at the cost of 27 Americans killed and 96 wounded; British casualties were 40 dead and 94 wounded. After the battle, Perry sent a famous dispatch to U.S. General William Henry Harrison that read, "We have met the enemy, and they are ours." The Battle of Lake Erie forced the British to abandon Detroit, ensuring U.S. control over Lake Erie and the territorial northwest.



1833, President Andrew Jackson - Jackson announces that the government will no longer use the Second Bank of the United States, the

Corn Production

(in million metric tons)



country's national bank. He then used his executive power to remove all federal funds from the bank, in the final salvo of what is referred to as the "Bank War." A national bank had first been created by George Washington and Alexander Hamilton in 1791 to serve as a central repository for federal funds. The Second Bank of the United States was founded in 1816; five years after this first bank's charter had expired. Traditionally, the bank had been run by a board of directors with ties to industry and manufacturing, and therefore was biased toward the urban and industrial northern states. Jackson, the epitome of the frontiersman, resented the bank's lack of funding for expansion into the unsettled Western territories. Jackson also objected to the bank's unusual political and economic power and to the lack of congressional oversight over its business dealings. Jackson, known as obstinate and brutish but a man of the common people, called for an investigation into the bank's policies and political agenda as soon as he settled in to the White House in March 1829. To Jackson, the bank symbolized how a privileged class of businessmen oppressed the will of the common people of America. He made clear that he planned to challenge the constitutionality of the bank, much to the horror of its supporters. In response, the director of the bank, Nicholas Biddle, flexed his own political power, turning to members of Congress, including the powerful Kentucky Senator Henry Clay and leading businessmen sympathetic to the bank, to fight Jackson. Later that year, Jackson presented his case against the bank in a speech to Congress; to his chagrin, its members generally agreed that the bank was indeed constitutional. Still, controversy over the bank lingered for the next three years. In 1832, the divisiveness led to a split in Jackson's cabinet and, that same year, the obstinate president vetoed an attempt by Congress to draw up a new charter for the bank. All of this took place during Jackson's bid for re-election; the bank's future was the focal point of a bitter political campaign between the Democratic incumbent Jackson and his opponent Henry Clay. Jackson's promises to empower the "common man" of America appealed to the voters and paved the way for his victory. He felt he had received a mandate from the public to close the bank once and for all, despite Congress' objections. Biddle vowed to continue to fight the president, saying that "just because he has scalped Indians and imprisoned Judges [does not mean] he is to have his way with the bank." On September 10, 1833, Jackson removed all federal funds from the Second Bank of the U.S., redistributing them to various state banks, which were popularly known as "pet banks." In addition, he announced that deposits to the bank would not be accepted after October 1. Finally, Jackson had succeeded in destroying the bank; its charter officially expired in 1836. Jackson did not emerge unscathed from the scandal. In 1834, Congress censured

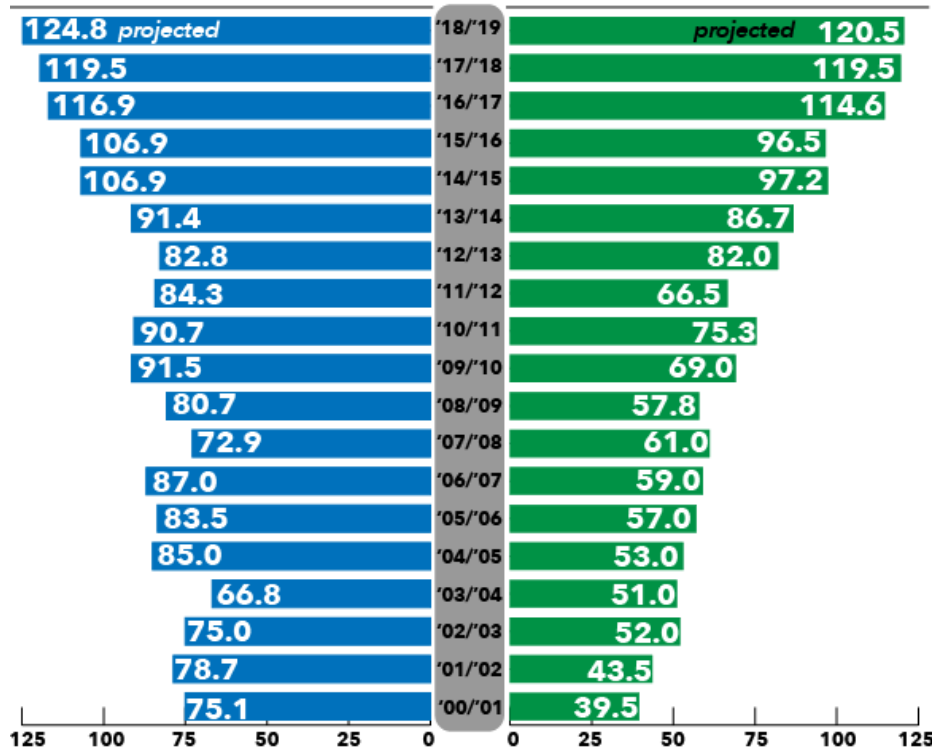
Soybean prices are slightly higher this morning. There's some talk of higher prices in China as a couple of their larger production areas are forecasting a possible weather hiccup. Bears here at home are talking about a drier U.S. forecast and continued talk that an already record USDA production estimate is growing even larger, pushing towards a 53 bushel yield average and +900 million in ending stocks. This is creating what seems to be more talk of the so called perfect bearish storm gaining even more momentum. An all-time record Brazilian crop, being followed by an all-time record U.S. crop, happening at the same time the U.S. is trying to renegotiate trade with the worlds top buyer of soybeans has created the dark clouds. But perhaps intensifying the bearish storm is talk of extended trade complications with the Chinese, as well as an increase in total upcoming South American soybean acres. This has bears talking about the very real possibility of a +1.0 billion bushel U.S. ending stock number out on the horizon. If the early weather in South America looks to be cooperative and we do not see any real progress with the Chinese, the bears will probably try to apply more longer-term pressure to price. There's some talk that with the funds short about 50,000 contracts, we could see some buying nearby in order to square positions ahead of Wednesday's USDA report. There's also some talk that we could see some buying if we get another bearish USDA report. Remember last month, following the massively bearish report in August, many inside the trade were surprised to see the market rally just a few days later. The USDA's updated estimates were released on August 10th, the market fell by -40 cents that afternoon. We fell by another -10 cents the following morning. Then over the next five or six trading sessions the market proceeded to gain it all back. The bulls however quickly ran out of momentum and prices once again took a deep tumble. I just think without the weather creating more widespread complications, and without a resolution between Washington and Beijing, it's going to be tough to hold the nearby rallies. As producers, I suspect most of us are looking for ways to store unpriced new-crop bushels. The problem is, everyone making the same move always tends to worry me and rarely works out as all are anticipating. The current board price is about -\$1.20 less than last year, and most all areas are seeing a significantly weaker basis. I continue to hear more growers to the north trying to figure out how they are going to make \$6.50 cash soybeans work? Bottom-line, I'm worried that prices could remain under water longer than many of us are planning on holding our breath. If we happen to post some type of nearby rally of any significance, I think I will look to reduce a bit more new-crop risk. I just have a hard time believing all of us doing nothing and simply waiting is going to be the right answer. Lets hope I'm wrong...

Soybean Production

(in million metric tons)

United States

Brazil



Source: USDA, FAS, PS&D 08/15/18

Wheat bulls continue to talk about longer-term upside potential. Russian exports remain cheap nearby, but many sources inside the trade believe they will soon start running out of available surplus and prices will begin to ratchet higher. There's also talk that the Canadian and Australian crop production estimates still need to be lowered further. We could also see some additional export limitations from Argentina and the European Union. The bulls contend all of this eventually leads to increased U.S. export demand and higher prices being paid by global buyers. I've been in this longer-term bullish camp for several weeks, but recognize until we get some fresh headlines to chew on, the bears are going to keep swinging their bat. The bears are seeing improved conditions here in the U.S. on widespread rains and increased soil moisture. Bears also argue there is currently ample global supply and until they actually see a lack of availability, there's no need for additional premium to be added to price. Opposite corn and soybeans, the funds remain long about 50,000 contracts of wheat. I remain a longer-term bull, but continue to see potential hiccups and hurdles nearby. I remain in no hurry to price additional bushels or buy additional length as a spec. I continue to view deeper breaks in price as potential longer-term bullish opportunities.

Jackson for what they viewed as his abuse of presidential power during the Bank War.



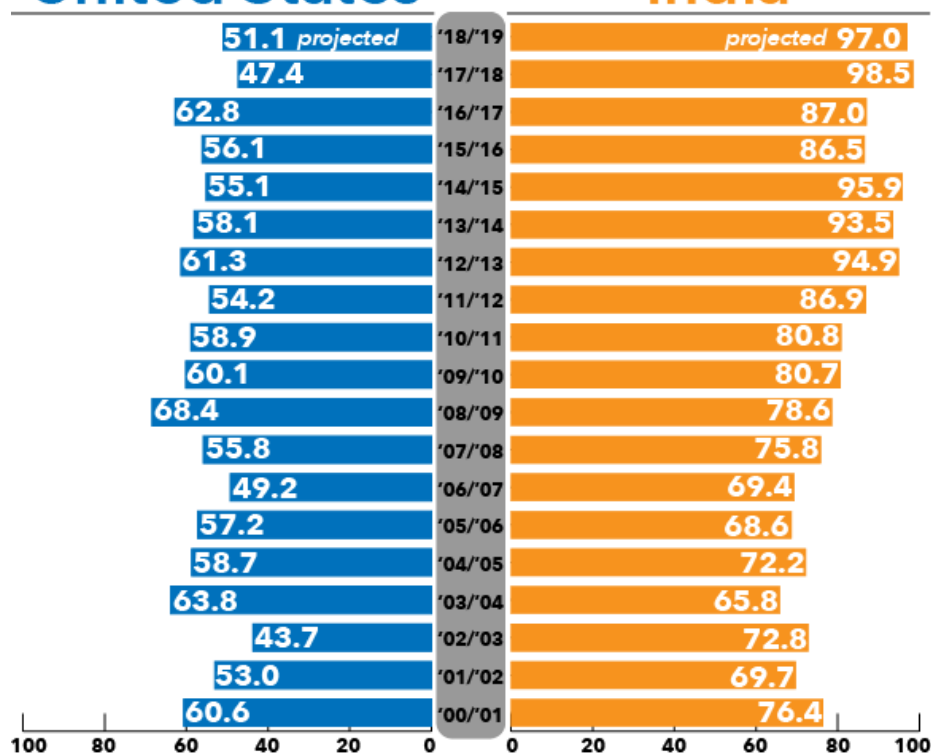
1981, Picasso's 'Guernica' - Spanish artist Pablo Picasso's monumental anti-war mural *Guernica* is received by Spain after four decades of refugee existence. One of Picasso's most important works, the painting was inspired by the destruction of the Basque town of Guernica by the Nazi air force during the Spanish Civil War. In 1939, Picasso gave the painting to New York's Museum of Modern Art on an extended loan and decreed that it not be returned to Spain until democratic liberties were restored in the country. Its eventual return to Spain in 1981—eight years after Picasso's death—was celebrated as a moral endorsement of Spain's young democracy. Early in the Spanish civil war, Spain's leftist Republican government commissioned Picasso to paint a mural for the 1937 Paris International Exposition. Working in Paris, Picasso read in horror of the April 1937 German bombing of Guernica, a Basque town that had sided with the Republicans against General Francisco Franco's right-wing Nationalist forces. *Guernica* was well behind the battle lines, but Franco authorized the attack as a means of intimidating his foes in the region. The attack was later admitted to be an experiment by the German Luftwaffe in carpet bombing—air raids that targeted civilians and civilian infrastructure. More than 1,000 residents of Guernica were killed in the three-hour attack. Outraged by the brutality of the act, Picasso seized on the bombing as the subject of his mural, which he completed in just three weeks. The enormous painting, which measures 11.5 feet by 25.5 feet, is a savage indictment of man's inhumanity to man. Painted in desolate tones of black, white, and gray, the painting shows a gored horse, a screaming mother holding a dead child, a bewildered bull, and other nightmarish images that effectively evoke the horror of war. *Guernica* was exhibited in the Spanish Pavilion at the Paris International Exposition and in 1939 was sent to New York on a tour for the benefit of the Spanish Refugee Committee. When World War II broke out later that year, Picasso requested that *Guernica* and a number of his other works be held at the Museum of Modern Art (MoMA) on extended loan. After the war, most of these works were returned to Europe, but Picasso asked that *Guernica* and its preliminary studies be kept by MoMA until the "reestablishment of public liberties" in Spain. The painting was occasionally lent to European museums at the request of Picasso. Francisco Franco ruled over Spain as dictator for the rest of Picasso's life, and the artist never returned to his native country. In 1967, Franco restored some liberties, and in 1968 his government made an effort to recover *Guernica*. Picasso refused, clarifying that the painting would not be returned until democracy was reestablished. In 1973,

Wheat Production

(in million metric tons)

United States

India



Source: USDA, FAS, PS&D 08/15/18

Picasso died in France at the age of 91. Two years later, Franco died and was succeeded as Spanish leader by King Juan Carlos I, who immediately began a transfer to democracy. Spain then called for the return of Guernica, but opposition by Picasso heirs who questioned Spain's democratic credentials delayed its transfer until 1981. Finally, Picasso's former lawyer gave his ascent to the transfer. On September 10, 1981, Guernica arrived in Madrid under heavy guard. The painting was to be housed in a new annex of the Prado Museum, only two blocks from the Spanish parliament, which had been the scene of an abortive military coup in February 1981. King Juan Carlos defused the revolt by convincing military commanders to remain loyal to Spain's democratic constitution. On October 25—the 100th anniversary of Picasso's birth—Guernica went on exhibit to the public behind a thick layer of bullet-proof glass. Picasso's preparatory sketches for the painting, likewise protected behind thick glass, were housed in adjacent rooms. The threat of terrorism against the highly politicized work required high security, and visitors passed through a metal detector to view the paintings. Because the painting had been damaged in its years of travel, curators at the Prado said it was unlikely that Guernica would ever go on tour again.

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

Connecting the Dots

> Swine Flu Hits Japan With First Case In 26 Years: Japan's agriculture ministry said on Sunday it had confirmed the country's first outbreak of swine fever in 26 years and suspended exports of pork and wild boar meat. I'm told this flu is different from the African swine flu that is currently broken out in China.

> Perdue Calls For Canada To End Milk Scheme: Ag Secretary Sonny Perdue said during a Sunday interview that Canada must end its low-price milk proteins policy to reach a U.S.-Canadian deal to update the North American Free Trade Agreement, as they have encouraged overproduction and flooded export markets for milk proteins used in cheese and yogurt, hurting U.S. dairy farmer. He went on to say that our farmers don't have access to the Canadian markets the way that they have access to us and class 7 has to go. It can't be renamed something or called something else.

> China Getting Ahead Of Tariffs With Soybean Purchases: China imported 9.15 million tonnes of soybeans in August, up 14 % from July, as buyers in the world's top importer continued to buy from Brazil after Beijing imposed tariffs on US shipments. August figures were up from last year's 8.44 million tonnes. Keep in mind, Chinese buyers had already been heavily purchasing soybeans from Brazil before Beijing's hefty taxes on US cargoes took effect, on worries that supplies will tighten up and prices will rise in the fourth quarter. (Source: SCMP.com)

> Russian-Iran Wheat Deal Stalled: Plans for a deal under which Russia and Kazakhstan would supply wheat to Iran have stalled as "no progress" has been made in its financing, the secretary general of the Iran Federation of Food Industry Associations said. Under the deal, Russia would supply around 100,000 tonnes of wheat per month to Iranian private millers, who are not allowed to use domestic wheat for flour exports.

Iran was one of the largest markets for Russian wheat until it slashed purchases in 2016 amid Tehran's self-sufficiency drive.

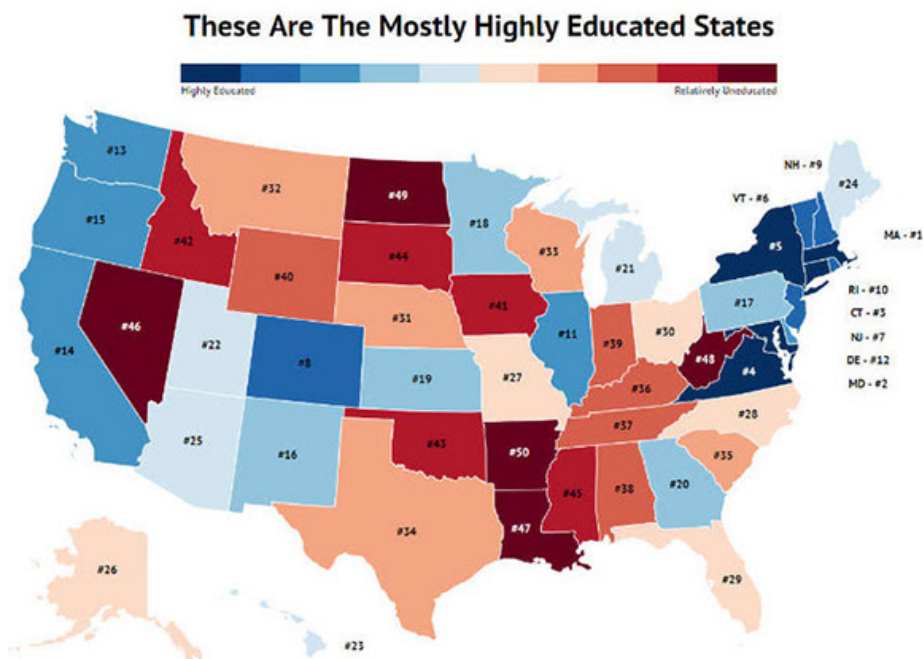
> **Amazon Expands Cashierless Go Store to New York:** A spokesperson for Amazon confirmed its plan to open a Go store in New York, but did not provide details about when it will open or where it might be located. Amazon has three Go stores open in its Seattle home. The first one opened in January. Amazon also has plans to enter San Francisco and Chicago. Remember, Amazon Go stores offer ready-to-eat breakfast, lunch, dinner and snacks. Go carries groceries like bread, milk, artisan cheeses and chocolate, as well as Amazon meal kits, and all you need to do is turn on the app when you enter and the transactions take care of themselves when you leave. (Source:CNN)

> **Walmart Customers Finding Online Items "Out of Stock":** Walmart changed its e-commerce systems to avoid orders that were too expensive to ship, resulting in many grocery and household products being listed as "out of stock" on the company's website. Walmart said the shift is part of a test to deliver more products by ground — which is cheaper than shipping by air — while still upholding the company's two-day delivery promise. A company spokesperson said it also aims to cut down on orders that arrive separately from multiple warehouses — so-called "split shipments."

> **Interesting Housing Data:** Recent reports estimate on average U.S. home prices have gained +75% since bottoming somewhere between 2010 and 2012 (depending on area). The people who are buying homes are older. In fact, the median age of a homebuyer last year was 45. They also have better credit. The average credit score last year for home buyers was 745, which is a huge improvement.

> **From English Teacher to Billionaire back to English Teacher:** Alibaba founder Jack Ma has announced that he plans to retire at age 54 and turn his attention back to education. He started his career as an English teacher and wants to return...

> **The Top 10 Most Highly-Educated State in America:** According to a Zippia report, Massachusetts is the most highly-educated state in the U.S. Using Census 2012-2016 data, Zippia ranked U.S. states based on the percentage of adults in each state with at least a Master's degree. Overall, about 30% of all Americans hold at least a Bachelor's degree, and approximately 11% have at least a Master's. Interestingly, higher education doesn't necessarily mean the most successful, which is something I think we all understand. Zippia's reports highlights this fact as Illinois, Virginia, and Missouri have the states with the most successful cities. Click [HERE](#) to check out the full report. (Source: Zippia)



WHAT I'M LISTENING TO: ▶



▶ **Luke Combs** "She Got The Best of Me"

Kevin's Song of the Week

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

FROM THE FIELD

Northcentral Kansas – We have had 5-7 inches of rain since Saturday night of Labor

Day weekend. This has brought all field work, harvest and everything outside to a screeching halt. We have harvested about 200 acres of corn before the rain, it was all corn that was higher moisture, but we will use our bins to dry it down. The later season later planted corn is still to wet and it's going to take time to dry down especially with rain in the near-term forecast. When it hasn't been raining it's been cloudy, 70 degrees and misting heavily. The early corn that we have harvested took some heat damage in July. Throughout the field you might be harvesting 200 bushels corn and then there will be patches that the yield monitor will drop to 60-70 bushels. Overall the first few fields averaged right around 150 bushels per acre. Soybeans are starting to turn, and they will be good if not great. What's interesting is our double crop soybeans will more then likely make the same as our regular season soybeans. You can't ask for anything better than that!

Northcentral Illinois – Guys are starting to nose around in the corn, mostly knocking out end rows and early corn, shorter season corn. We have picked the end rows on our 105 to 110-day corn and we are seeing 236 bushels per acre in one field all the way to 256 bushels per acre in other fields. If you know anything about corn you know the end rows usually come in around 20-50 bushels less than the field. The 113-116-day corn is still a little wet because the 105-day corn is coming off between 18.5 to 20.5 moisture. I have heard that three soybean fields have been cut and they are minimum of 75 bushels on one field and over 80 on the other two. On the flip side I heard a field 20 miles south of us only go 62 bushels so there will be some variability but it all should be good. We are still at least two weeks out on getting into our soybeans, but I am going to guess they will be in that 80bpa area.

Northeast Iowa – We are going to have more soybeans ready then corn this year which is an anomaly. The variability in this area is unreal, we have some fields that are still green and others that are nearly completely turned. The corn that was planted in April and is 103-105-day corn is just starting to turn. We are seeing the bottom leaves are yellow while the ear and top leaves are still both green. We should be completely turned in about one week then the weather is going to start wreaking havoc on the plant if we don't dry down. My buddy the is a custom harvester is telling me this is one of the better crops they have chopped, and they are even having trouble staying in front of their machines. If the silage harvest is a tell for corn harvest, we should see a pretty good year. I'm predicting we have 230-250-bushel corn.



New Study Suggests We Can Green the Sahara: Installing huge numbers of solar panels and wind turbines in the Sahara desert would have a major impact on rainfall, vegetation and temperatures, researchers say. The scientists modeled what would happen if 3.5 million sq miles of the Sahara desert was covered in renewable energy sources. According to authors' calculations, a massive installation in the desert would generate more than four times the amount of energy that the world currently uses every year. With wind turbines, it's all about the mixing of air caused by the rotation of the blades. Wind farms mix warmer air from above, which creates a feedback loop whereby more evaporation, precipitation and plant growth occurs. Solar panels actually reduce the reflection of sunlight from the surface known as the albedo effect. This triggers a positive albedo-precipitation-vegetation feedback that leads to precipitation increases of about 50%, the authors report. Read more [HERE](#) how renewable energies will play out in the future.

Giant Iceberg Is on the Move: For 13 months after breaking away from the White Continent's long peninsula, the trillion-ton block did little more than shuffle back and forth on the spot. But now its southern end has swung round almost 90 degrees, indicating the berg has been caught in ocean currents. The approaching southern summer should only assist its anticipated slow drift northwards, experts say. A-68 has managed to knock off some of its sharp edges over the past year, but its scale remains much the same - roughly 150km long and some 55km wide. Two largish chunks have detached, one of them sufficiently big to get its own designation (A-68b) in the list of giant bergs kept by the US National Ice Center. Read more [HERE](#).

Unique M-1 Garand Rifle Heads To Auction: General George Patton called it "the greatest battle implement ever devised." It was our nation's first successful semi-automatic battle rifle, and it was used to defeat fascist forces from the frozen forests of Bastogne to the volcanic ridges of Iwo Jima. It is known as the M-1 Garand, thanks to its legendary designer John C. Garand. This week, the only M-1 owned by Garand himself will be offered for sale by the Rock Island Auction Company. I'm told this is absolutely the apex of any advanced M1 Garand rifle collection or any high-end martial arms collection. This is the exact, original M1 Garand milestone serial number

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.

"1000000" that was authorized for presentation to John C. Garand and given to him at his retirement ceremony on April 30th, 1953, at the Kimball Hotel in Springfield, Mass. Read more [HERE](#) on the weapon expected to fetch at least \$225,000.

Largest Wind Farm Opens In Irish Sea: The world's largest offshore wind farm will open on Thursday off the northwest coast of England when Danish energy group Orsted unveils the Walney Extension project. The wind farm has a capacity of 659 megawatts, enough to power almost 600,000 homes, and overtakes the London Array off England's east coast which has a capacity of 630 MW. Walney Extension is made up of 87 turbines built by Siemens Gamesa and MHI Vestas, and covers 55 square miles, which is equivalent to around 20,000 football pitches. Currently, Britain is the world's largest offshore wind market, hosting 36 percent of globally installed offshore wind capacity. Read more [HERE](#).

First Week of 2018 NFL Season Producers 1,040th Scorigami: Yesterday's 48-40 victory by the Tampa Bay Bucs over the New Orleans Saints, was the 1,040th NFL game that finished with a unique score. In other words, a final score that has never before happened. For the uninitiated, Scorigami is a concept thought up by Jon Bois. It is the art of building final scores that have never happened before in NFL history. Due to the unique nature of how points are scored in (American) Football, where it is impossible to score 1 point on its own, as well as the rarity of the 2 point safety and 8 point touchdown and 2 point conversion, there are a lot of scores that are possible, but have never happened. If you have 20 minutes and are a fan of football, numbers or just cool facts you will definitely want to watch this well produced, informatively fun video by Jon Bois [HERE](#).

Artificial Surf Pool Is Making Waves: Surfers have long dreamed of technology that could create perfect barreling waves. Now one of the greatest surfers of all time believes he has cracked the code. Kelly Slater, an 11-time world champion, teamed up with engineers and scientists to create a specially-designed, 100-ton hydrofoil. It's pulled along the length of a 700-yard track, resulting in six-foot waves that last about one minute. The wave system, which is located in Lemoore, California, can produce more than 50 types of waves at the push of a button. According to Slater, the goal was to go and create a wave that was like an ocean swell, definitely not a sort of novelty or a low-energy wave. I'm told it's a strong wave that you feel if you wipe out. Read more and watch a short video [HERE](#).



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FAVORITES
-SENT IN BY OUR READERS-



**Jack Daniel's
Bacon Mac and
Cheese**

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For Your Enjoyment... Pick Your Winter Forecast

It's that time of year, the Old Farmer's Almanac and their younger sibling, the Farmer's Almanac (FA) is forecasting the coming winter season. Founded in 1792, the Old Farmer's Almanac (OFA) has been releasing annual long-range weather forecasts for centuries. Remember, the OFA's weather predictions are made up to 18 months in advance, and according to their own numbers close to 80% correct. My experiences says it's similar to a coin toss. This year, they are predicting a warm and wet winter for the 2018 -19 season. According to the OFA forecast, this winter we should expect to see above normal temperatures almost everywhere in the U.S. except in the Southwest, where they are predicting a colder than normal season. The milder than normal forecast is due to a decrease in solar activity and the expected arrival of a weak El Nino, where will prevent cold air masses from lingering in the North. And don't expect a white Christmas as rain will fall in the above normal range for much of the country. Now turn the page and take a look at the Farmer's Almanac, forecast. Founded in 1818, FA has a different view of things for the upcoming winter, they are predicting that winter 2019 will be "Colder-than-normal... from the Continental Divide east through the Appalachians." They go on to predict above-normal precipitation with lots of snow for the Great Lakes states, Midwest, and central and northern New England, with the majority of it falling in January and February. Specifics to the forecast include frigid weather in mid-February, which may also bring blustery and bitter winds, widespread snow showers, especially in zones and plan for winter to hang on with stormy conditions up through the official start of spring, especially for the East Coast. FA editor Peter Geiger, points out that FA stands by their forecast and formula, despite what most predictions in the news are calling for. He notes that FA accurately predicted many storms last winter as well as this years steamy hot conditions. Interestingly, OFA's predictions do fall in line with the National Weather Services', which sees above normal temperatures for most of the country, particularly the Southwest, Northeast, and Northwestern Alaska. Similarly, the NWS sees the probability of El Nino developing as a reason for the temperature and precipitation outlooks. Sounds like the markets... just pick the side you want to bet on and roll with it. So if you are a fan of outdoor snow activities I suspect you will be pulling for the FA, but if you want your golf season to be a month or two longer you should be cheering for the OFA. Either way, we will know when we get there!

The weather map shows the following conditions across the United States:

- Alaska:** Mild, normal precip
- Northwest (WA, OR, ID):** Warm, wet
- North Central (ND, SD, NE):** Mild, dry
- Central (TX, OK, KS, MN, WI, IL, IN, OH):** Warm, dry
- South Central (AZ, NV, UT, CO, NM):** Warm, dry
- South (LA, AR, MS, AL, GA, FL):** Warm, dry
- East (VA, NC, SC, TN, KY, WV, PA, NY, NJ, DE, MD, CT, RI, MA, NH, VT, ME):** Warm, wet
- West (CA, NV, UT, AZ, NM, CO, WY, MT, ND, SD, NE, MN, WI, IL, IN, OH, PA, NY, NJ, DE, MD, CT, RI, MA, NH, VT, ME):** Cold, dry
- Southwest (AZ, NV, UT, NM, CO, WY, MT, ND, SD, NE, MN, WI, IL, IN, OH, PA, NY, NJ, DE, MD, CT, RI, MA, NH, VT, ME):** Cold, wet
- Northwest (WA, OR, ID):** Cold, wet
- Central (TX, OK, KS, MN, WI, IL, IN, OH):** Mild, snowy
- South Central (AZ, NV, UT, CO, NM):** Cold, snowy
- South (LA, AR, MS, AL, GA, FL):** Warm, dry
- East (VA, NC, SC, TN, KY, WV, PA, NY, NJ, DE, MD, CT, RI, MA, NH, VT, ME):** Warm, wet

In the bottom right corner, there is a small image of the **2019 Farmer's Almanac** cover, which features a decorative border and the text "THE FARMER'S ALMANAC 2019".

Typical Winter Temps., Wet

Teeth-Chattering Cold, Plentiful Snow

Biting Cold, Snowy

Chilly, Wintry Mix

Near-Normal Winter Temps., Wet

Stinging Cold, Average Precipitation

Mild Temps., Average Precipitation

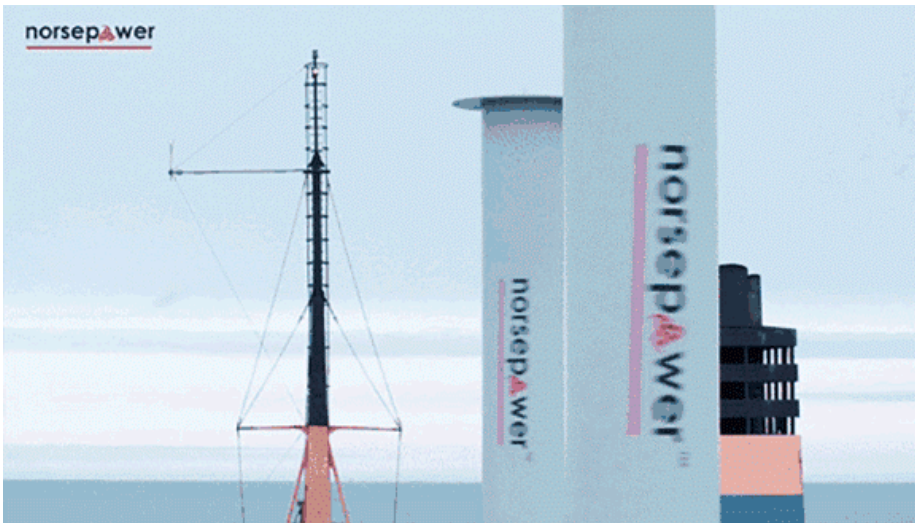
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To reduce fuel costs some of the largest shipping tankers in the world are turn back to sailboats. But they don't look like any sails you have seen before. When you think of sails, you probably think of big rectangles or triangles made out of some type of cloth, relying on the wind directly acting against them to provide propulsion. But these new types of sails, known as "rotor sails", rely on a physics principle called the Magnus Effect. I encourage you to watch this video [HERE](#) to better understand the Magnus Effect. As you can see, the spinning of an object — be it a Rotor Sail or a basketball — drags air around it as it spins. That creates an area of lower pressure on one side of the object which pulls the object forward. If you know how airplane wings work, or even traditional sails made in the past couple of centuries, they work on similar principles of utilizing low pressure to induce movement. In the case of airplane wings, the movement is upward, in the case of sails, the movement is forward. By spinning, the rotor sails pull the ship they're attached to forwards, using nothing but wind power. With enough wind propulsion, ships can ease up on their engines, saving fuel. Ideally, the engines can be turned off entirely. If you want an in-depth explanation, I'll let the folks from Norsepower — the company that makes these new sails — explain it [HERE](#). It would be easy to dismiss the rotor sail as one of those fanciful technologies that stay a "concept" and never actually gets used, but that isn't the case, as the world's largest shipping company, Maersk, is already installing it on one of its ships. You can see the Maersk Pellican with its two 100-foot-tall rotating cylinders or Rotor Sails. Maersk says the high-tech sails could cut the vessel's fuel bill by up to -10%. Maersk spends over \$43 billion on fuel year, so a -10% reduced lion fleet-wide could result in massive savings, more than enough to cover the cost of up to an estimated \$2.3 million of installing rotor-sails on a ship. I think we always envision the most outlandish, sci-fi-like transportation in the future. Who knew we'd be going back to sailboats. (Source: Jaloponik, WSJ)



SPECIAL GUEST SPEAKER at Kansas City Conference.... The Iron Cowboy!

A few years back I ran an unbelievable story of human endurance. It was about a man named James "Iron Cowboy" Lawrence, who challenged himself to complete fifty different iron man courses, in fifty different states, in fifty consecutive days. You read that right, 50 iron mans, in 50 days, in 50 different states! Keep in mind each ironman course includes a 26.2-mile run, a 2.4-mile swim and a 112-mile bike ride. Lawrence said it was absolutely grueling because he didn't completely factor in how long it would take him to unwind and fall asleep. Most of his team estimated at best he was only getting around 4 hours of sleep per night. He was asked which states were the toughest and he said Arizona and Tennessee. Why Tennessee? He said he fell asleep and fell off his bike and crashed at around mile 30, then had to finish the ride with a lot of nasty road rash. I thought it was also interesting when he told reports he drastically underestimated the damage it would do to his feet. He said his feet were just destroyed – blisters in between his toes, and toenails constantly falling off.

From what I understand he was completing each Ironman course in about 14 hours. His best time was posted at his last event in Utah where he finished in about 11.5 hours, with an extremely strong 4:23 marathon time. I almost forgot to mention, James Lawrence is the proud father of five terrific children. If you're wondering how he got the name "Iron Cowboy," it's because he likes to do all of the events wearing his cowboy hat. I'm insanely excited about having Lawrence join us in Kansas City this year. He's going to tell the story of his herculean 50-day journey and all the wonderful, miserable, and life-threatening events that happened along the way. Lawrence survived tropical storms, internal bleeding, hypothermia, hyperthermia, dehydration, nerve damage, infections, a blood-clot scare, extreme sleep deprivation and a bike crash! His story resonates with all, young and old. You won't want to miss this tale of adventure as he 'Redefines Impossible.' Below are a few comments from those who have had the opportunity to see James Lawrence. I'm hoping it will help motivate me to tackle new adventures... you can learn more about the 2018 Van Trump Conference [HERE](#)

I met James Lawrence on a charity bike ride last July - a year before reading this book. I was impressed by his world record, and even moreso by the man. He was one interesting dude. No swagger. No pretence. No BS. Strikingly humble. We discussed family, life, bike rides and - of course - the 50/50/50. -Stephen P. Kane

I finally figured out where the mental strength REALLY comes from and what it REALLY means.

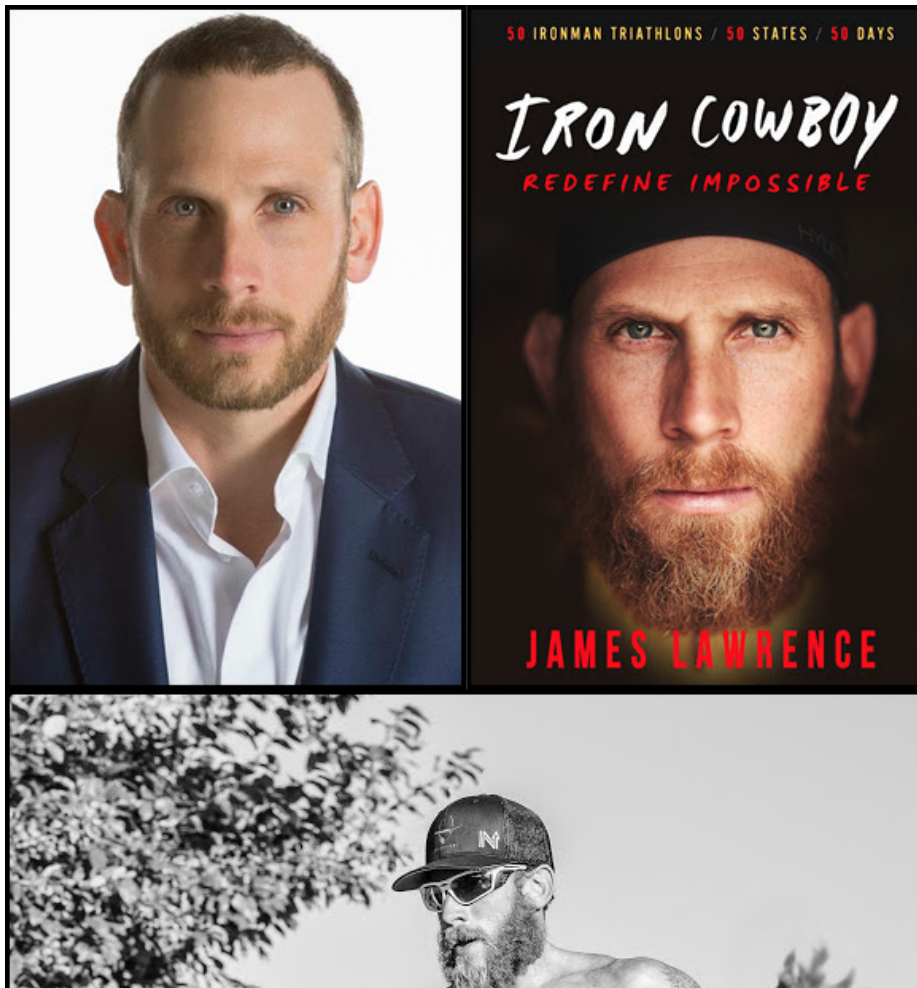
Meeting the Iron Cowboy had a lasting affect on me. I spent the next few months ruminating about what should be my own personal challenge. (James has that effect on you). For me, it sure wasn't triathlons. I wondered how to put the James Lawrence philosophy to work in MY life.

It was like a pep talk for my head. I loved all the real, raw experiences but this also gave me something else that I wasn't expecting. It touched me deeply on a spiritual level and helped me reconnect to my strongest, truest self, someone who now chooses to keep going when life is hard. Thanks Iron Cowboy for your courage and your unstoppable spirit.

One of the grittiest stories on perseverance I've ever heard. The Iron Cowboy has earned his spot on the pantheon of the world's most rigorous, homicidally driven humans. His epiphany that the whole reason quitting is impossible to him is his love for his kids and his wife. That struck an important nerve for me.

I'm the furthest thing from an endurance athlete but I loved the story. It truly inspired me to change my life!

I think of this story every time something seems too hard or impossible. It has truly changed my life! So blessed to have heard it.



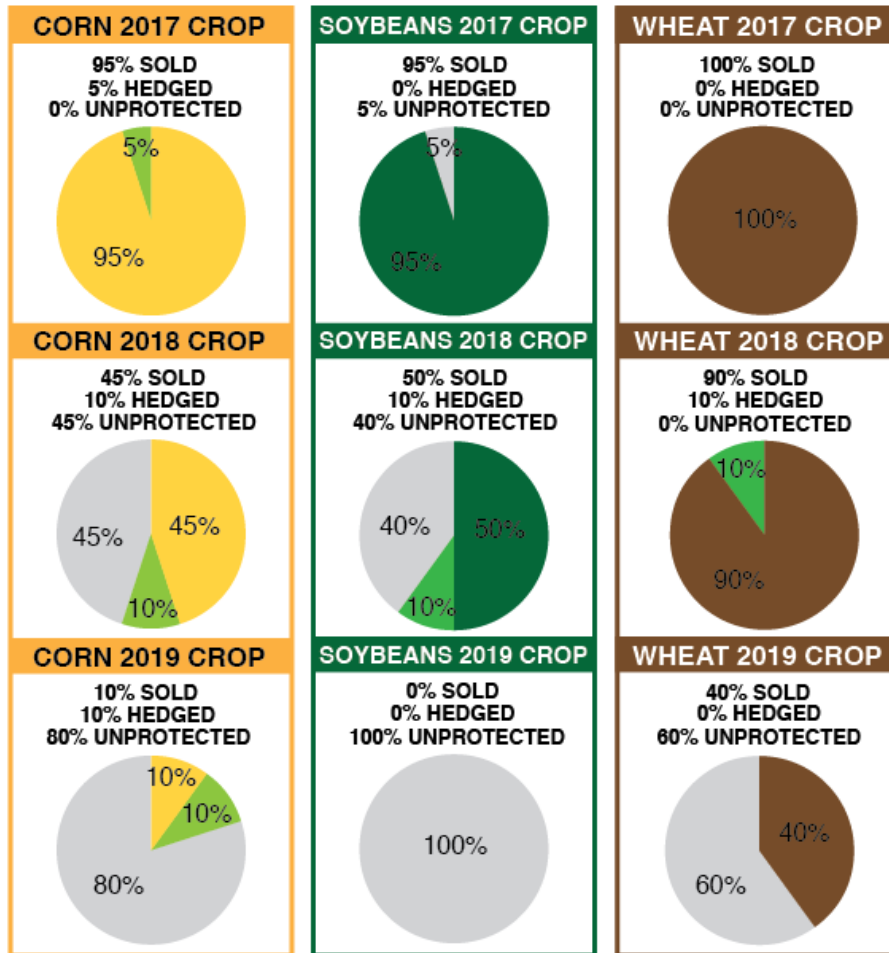


ANSWER to riddle:

A promise.

CASH SALES & HEDGING TOTALS

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