

GOOD MORNING: 09/24/18 Farm Direction - Van Trump Report

2 messages

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Mon, Sep 24, 2018 at 6:32 AM



"Life is too short to spend your time trying to avoid failure." - Michael Bloomberg

MONDAY, SEPTEMBER 24, 2018

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

Morning Summary: Stocks are slightly lower this morning, but continue trading near all-time record highs. Keep in mind, fresh new U.S. tariffs on \$200 billion worth of Chinese imports officially go into play today. Also, over the weekend, Chinese officials announced they were backing out of recently scheduled talks with U.S. negotiators. The fear now is that President Trump could unleash an additional \$267 billion in tariffs against the Chinese and that we are taking further steps towards a longer-term deadlock. To this point, Wall Street has been shrugging off headlines surrounding trade tensions. I'm wondering how traders will respond if we start to see more uncertainty from the Chinese? A longer-term slowdown in global growth will eventually start to be questioned. Also of importance this week will be the two-day Fed meeting scheduled for Tuesday and Wednesday. From what I understand, Fed Chair Powell is expected to hold a press conference on Wednesday afternoon at around 1:30pm CST, after the meeting wraps up. Most are looking for the Fed to make their third rate hike of 2018 and provide somewhat hawkish commentary that keeps the trade looking for another rate hike in December. It's worth noting, since the beginning of the current U.S. fed rate hike cycle, which began December 2015, the markets tend to sell off following a rate hike. From what I understand, the S&P has dropped by an average of -0.75% the week following a rate hike announcement, trading negatively 71% of the time. Looking ahead to 2019, the Fed is currently expected to raise rates three times. There's a lot of debate about 2019. Doves want to argue that could easily slip to just two rate hikes or perhaps as few as one rate hike if Fed members cite increased trade risks associated with tariffs. On the flip side, those who are more hawkish fear we could see another four rate hikes in 2019 as a tightening labor market pushes wage growth and inflation higher than forecast. Both doves and Hawks seem to have very valid arguments and concerns. There's still nothing new in regards to NAFTA. I continue to look for something to break lose following the upcoming Quebec elections on October 1st. As for traditional economic new, there is plenty to digest this week: The obvious big ticket item will be the Fed policy decision and press conference following on Wednesday. Also on Wednesday we have New Home Sales and Durable Goods data. Thursday is the revised estimate of Q2 GDP, International Trade and Jobless claims. There are many moving parts this week. It will be interesting to see if media "headlines" and "noise" make more of an impact on stocks. It just feels like the news flow is really starting to heat up in regards deteriorating U.S. and Chinese relations. Makes me a bit nervous nearby...

Will Crude Oil and Gasoline Keep Moving Higher? OPEC and Russia decided to leave their production "unchanged" over the weekend, electing to not increase in order to help offset the losses from sanctions against Iran. President Trump had asked both Russia and Saudi Arabia to help offset the loss in global supply and to help keep prices low by increasing output. I guess they have other ideas. They mostly seem worried about losing marketshare to larger U.S. production. The OPEC monitoring committee next meets on Nov. 11 in Abu Dhabi, followed by a full OPEC gathering at its Vienna headquarters on Dec. 6-7. I'm worried that between now and then prices could keep inching higher.

Vacuums, Tires, and Computer Parts: These are the goods that will be hit the hardest by Trump's new China tariffs. The tariffs will also hit a wide range of items from furniture to vinyl flooring to industrial chemicals. Economists expect that the items hit by the 10% tariff will increase in price, making those goods

THE
**VAN TRUMP
CONFERENCE**
2018
NOVEMBER 28 -29, 2018

Full MARKET Outlook



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

SPECIAL "MASTER MIND" SESSION



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

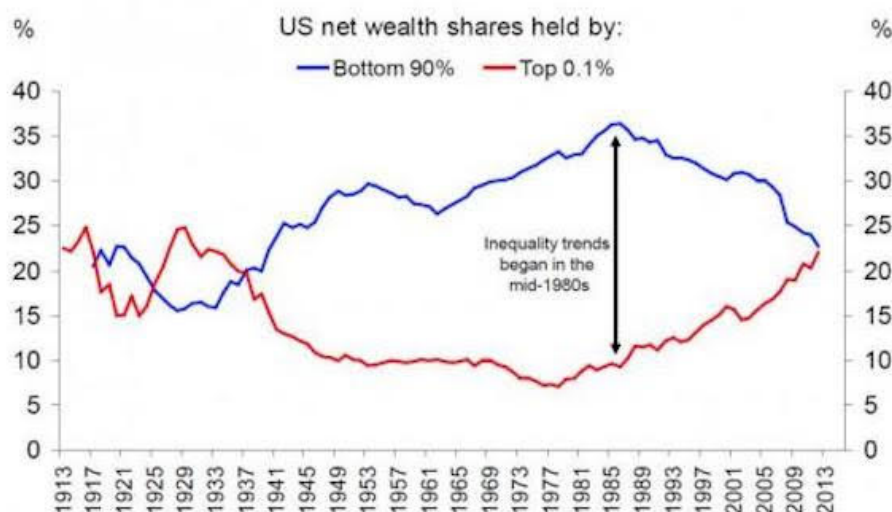
perhaps more expensive for U.S. consumers and businesses. You can read the list of additional items that will be impacted at [Business Insider](#)

Never Say Never... Tiger Woods Returns to Winners Circle: Tigers 80th PGA tour victory comes 1,836 days after his last victory in August of 2013. It was also a good weekend for Wood's banks account. Not only is he going to deposit \$1.6 million for winning this weekends Tour Champions, but he finished second in overall points for the FedEx Cup, which brings him home another \$3 million. Not a bad weekend for a 42 year old with a fused lower spine. I'm hoping Tiger's hot hand can continue as team USA heads to France this week to compete in the Ryder Cup!

Is the Second Farm Crisis Upon Us? A friend sent this my direction this weekend and I encourage everyone to give it a full read. Scary! Read [HERE](#)

Wealth Inequality Remains A Big Concern: The net worth of U.S. households rose to an all time high \$106.9 trillion, increasing for 11 consecutive quarters and up \$2.2 trillion as a result of an estimated \$559 billion increase in real estate values, as well as a \$1.7 trillion increase in various financial assets like corporate equities, mutual and pension funds. The kicker, like Ray Dalio and other famous investors fear, virtually all of the net worth and associated increase thereof, has only benefited a handful of the wealthiest Americans. A recent chart from Deutsche Bank shows, the wealth inequality in the U.S. is now as bad as just before the Great Depression, with the top 0.1% of the U.S. population owning as many assets as the bottom 90%. (Source: Torsten Slok, Deutsche Bank). You can read more details at [ZeroHedge](#).

US: Top 0.1% owns as many assets as the bottom 90%



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.

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:

Early Bird Special

\$299
regular price \$500

Remember we sold
out early last year!

LEARN MORE

CAN YOU OPEN THE LOCK?

6 8 2 One digit is right and in its place

6 1 4 One digit is right,
but in the wrong place

2 0 6 Two digits are right but both
are in the wrong place

7 3 8 All digits are wrong

3 8 0 One digit is right,
but in the wrong place



© BRIGHTSIDE

Weather over the weekend saw rain falling across the south-central U.S. spread eastward. Storm total rainfall could reach 2 to 6 inches from the southern Plains into the lower Ohio Valley. By early next week, a cold front crossing the northern U.S. will spark locally heavy showers (1 to 2 inches) in the Midwest. A surge of late-season warmth will precede the cold front. The 6 to 10 day outlook calls for below normal temperatures across the Rockies, Plains, and upper Midwest, while warmer than normal weather will prevail in the East and the Far West. Meanwhile near to below normal precipitation in the West should contrast with wetter than normal conditions throughout the South, East and much of the Midwest.

Today In History



1941, Japan Preps for Pearl Harbor

- In secret preparations for a Pearl Harbor attack, Japanese consul in Hawaii is instructed to divide Pearl Harbor into five zones and calculate the number of battleships in each zone—and report the findings back to Japan. Relations between the United States and Japan had been deteriorating quickly since Japan's occupation of Indo-China and the implicit menacing of the Philippines, an American protectorate. American retaliation included the seizing of all Japanese assets in the States and the closing of the Panama Canal to Japanese shipping. In September 1941, Roosevelt issued a statement, drafted by British Prime Minister Winston Churchill, that threatened war between the United States and Japan should the Japanese encroach any farther on territory in Southeast Asia or the South Pacific. The Japanese military had long dominated Japanese foreign affairs. So, although official negotiations between the U.S. secretary of state and his Japanese counterpart to ease tensions were ongoing, Hideki Tojo, the minister of war who would soon be prime minister, had no intention of withdrawing from captured territories. He also construed the American "threat" of war as an ultimatum and prepared to deliver the first blow in a Japanese-American confrontation: the bombing of Pearl Harbor. In September 1941, Nagai Kita, the Japanese consul in Hawaii, was told to begin carving up Pearl Harbor into five distinct zones and to determine the number of warships moored in each zone. Little did Japan know that the United States had intercepted the message; unfortunately, it had to be sent back to Washington for decrypting. Flights east were infrequent, so the message was sent via sea, a more time-consuming process. When it finally arrived at the capital, staff shortages and other priorities further delayed the decryption. When the message was finally unscrambled in mid-October—it was dismissed as being of no great consequence. It would be found of consequence on December 7.



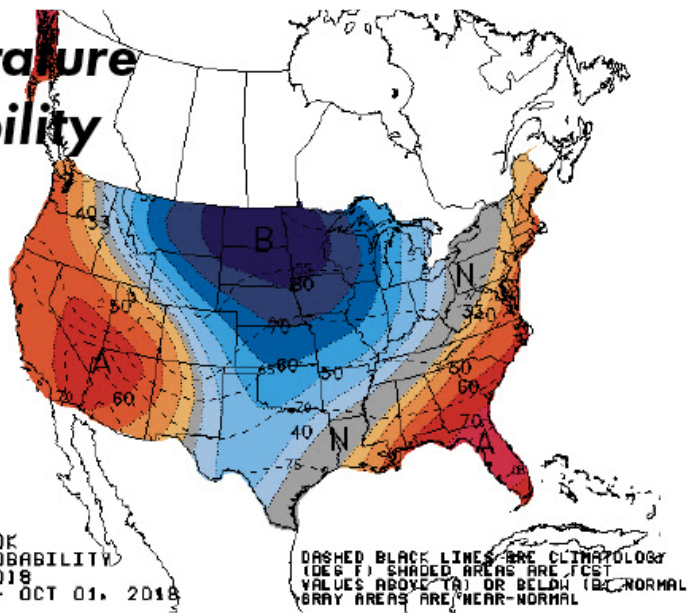
1964, Warren Commission Report

- President Lyndon B. Johnson receives a special commission's report on the assassination of President John F. Kennedy, which had occurred on November 22, 1963, in Dallas, Texas. Since the assassin, Lee Harvey Oswald, was killed by a man named Jack Ruby almost immediately after murdering Kennedy, Oswald's motive for assassinating the president remained unknown. Seven days after the assassination, Johnson appointed the President's Commission on the Assassination of President Kennedy to investigate Kennedy's death. The commission was led by Chief Justice Earl Warren and became known as the Warren

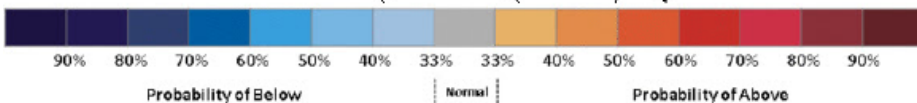
Temperature Probability



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 21 SEP 2018
VALID SEP 27 - OCT 01, 2018



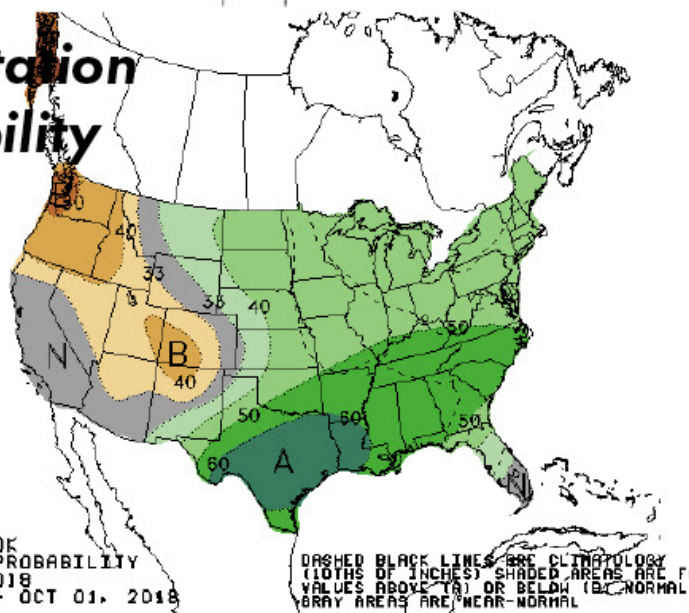
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(100°F) SHADED AREAS ARE FCST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL



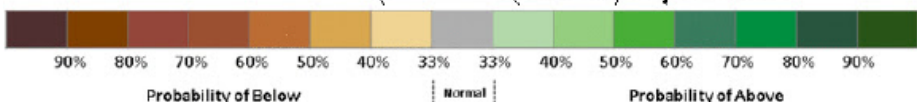
Precipitation Probability



6-10 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 21 SEP 2018
VALID SEP 27 - OCT 01, 2018



DASHED BLACK LINES ARE CLIMATOLOGY
(100°F) SHADED AREAS ARE FCST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL



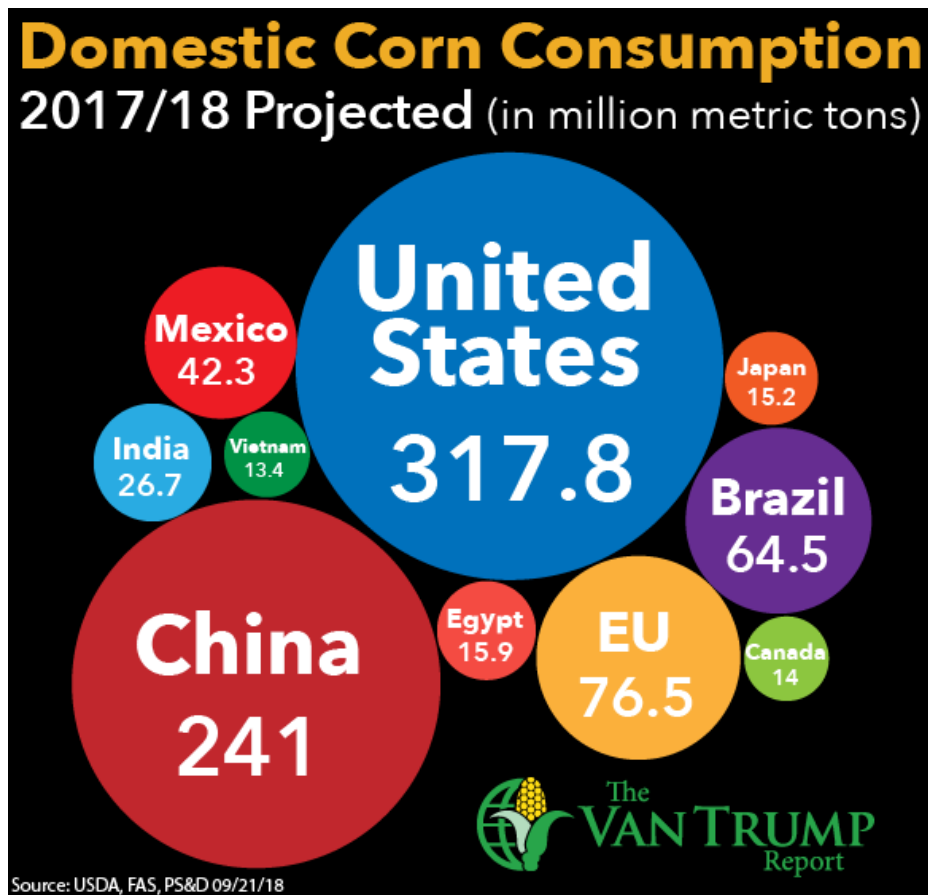
Corn prices have rallied +15 cents from the lows posted last Tuesday. The weather, particularly heavy rains, are creating some harvest complications and some late season disease in areas of the U.S. There's still heavy debate inside the trade about the USDA's next step. Will they raise or lower their current yield estimate? Historical wisdom tells us big crops tend to get bigger, but with the USDA taking their yield estimate higher the past two months, from 174.0 in July to now 181.3 in September, there's many arguing they're overly optimistic and ultimately will need to trim their forecast. I personally believe, regardless, we are still going to be near 180 bushels per acre. I just don't see an aggressive move lower. I feel like the USDA is currently within 2 bushels either side of their current forecast. Meaning, somewhere between 179.3 and 183.3 is probably where the U.S. average yield comes to rest. I'm penciling in total production somewhere between 14.6 and 14.9 billion bushels, meaning there's about 300 million bushels in question or debate. With the current ending stock estimate forecast at 1.774 billion, bulls argue there's still a chance we could fall sub-1.5 billion, if the yield starts to be adjusted lower. On the flip side, bears argue the market could stay bearish for an extended period, especially if the yield works itself higher and ending stocks push north of 2.0 billion bushels. It's interesting that we find ourselves in between these two psychological numbers, sub-1.5 billion carries a somewhat bullish tilt, while closer to

Commission. It concluded that Oswald had acted alone and that the Secret Service had made poor preparations for JFK's visit to Dallas and had failed to sufficiently protect him. The circumstances surrounding Kennedy's death, however, have since given rise to several conspiracy theories involving such disparate characters as the Mafia, Cuban exiles, military leaders and even Lyndon Johnson. The Warren Commission's conclusion that Oswald was a "lone gunman" failed to satisfy some who witnessed the attack and others whose research found conflicting details in the commission's report. Critics of the Warren Commission's report believed that additional ballistics experts' conclusions and a home movie shot at the scene disputed the theory that three bullets fired from Oswald's gun could have caused Kennedy's fatal wounds as well as the injuries to Texas Governor John Connally, who was riding with the president in an open car as it traveled through Dallas' Dealey Plaza that fateful day. So persistent was the controversy that another congressional investigation was conducted in 1979; that committee reached the same conclusion as the Warren Commission. During its almost year-long investigation, the Warren Commission reviewed reports by the Federal Bureau of Investigation, Secret Service, Department of State and the attorney general of Texas. It also pored over Oswald's personal history, political affiliations and military record. Overall, the Warren Commission listened to the testimony of 552 witnesses and even traveled to Dallas several times to visit the site where Kennedy was shot. The enormous volume of documentation from the investigation was placed in the National Archives and much of it is now available to the public. Access to Kennedy's autopsy records, though, are highly restricted. To view them requires membership in a presidential or congressional commission or the permission of the Kennedy family.



1953, John Dulles - In a speech that is by turns confrontational and sarcastic, Secretary of State John Foster Dulles declares that the United States will not "cringe or become panicky" in the face of Soviet nuclear weapons. Dulles' speech indicated that although the Korean War had finally reached a peaceful conclusion, the United States would continue its policy of containing communist expansion, by force if necessary. Secretary Dulles began his speech to the American Federation of Labor by observing that he believed world peace was within reach, but was threatened by "communist leaders who openly repudiate the restraints of moral law." The United States, he declared, "does not believe that salvation can be won merely by making concessions which enhance the power and increase the arrogance of those who have already extended their rule over one-third of the human race." Acknowledging that the

2.0 billion carries a longer-term bearish tilt. I continue to hear wide degrees of "variability" when talking to friends and producers across the country. Several have said they can't believe the resilience of the new traits and are amazed by what they are harvesting. Others are bit surprised by the drag and late disease complications. As a producer, I'm looking to use any nearby rallies as an opportunity to price a few more bushels. I just think rallies towards the upper end of the range are going to be tough to come by between now and yearend. In other words, folks that feel they need make more cash sales between now and yearend should be paying close attention. Those who are more comfortable with cash-flow and have the storage may see better opportunities during the first half of 2019.



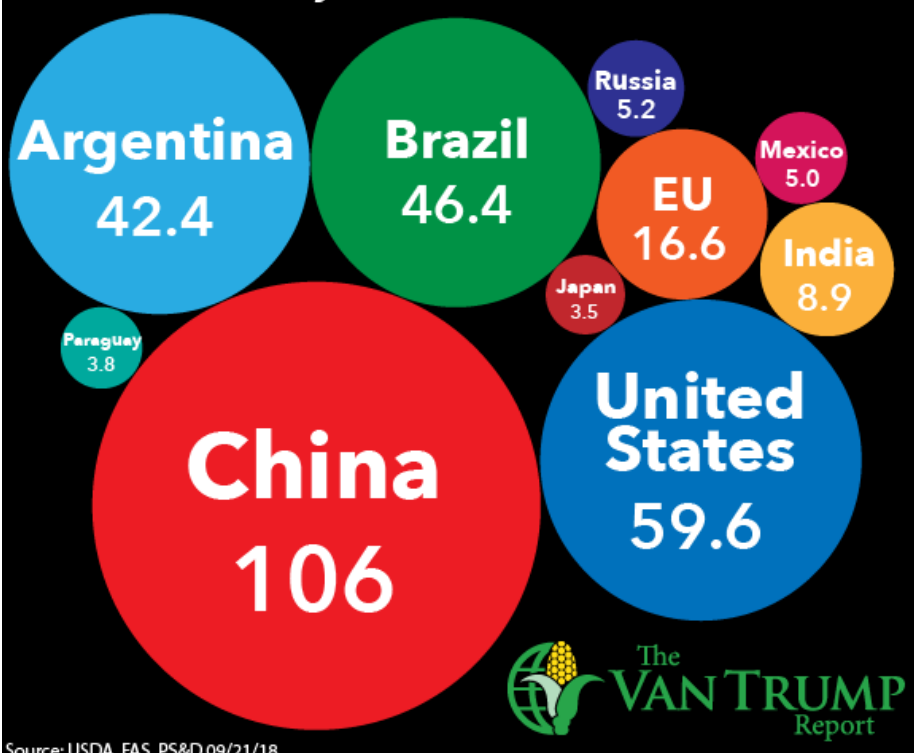
Soybean prices are lower this morning as traders continue to debate U.S. and Chinese trade relations. The worlds top two economies just imposed their largest rounds of tariffs which officially go into effect today. Many inside the trade believe relations are going to get worse before they get better. President Trump has threatened tariffs on another \$267 billion of Chinese products, while over the weekend the Chinese put the brakes on plans for a new round of negotiations. Several inside sources are now worried we could be taking steps towards a longer-term deadlock. Bears are also pointing to complications and negative headlines surrounding African Swine Fever. Keep in mind, China recently reported the first couple of cases showing up in the province of Jilin. China has reported close to 20 outbreaks of the disease in eight provinces in less than two months. They are desperately trying to control the disease, but new cases are hoping up every week. We are also seeing headlines about African Swine Fever showing up in new parts of Europe. This is obviously bringing into question overall global meal demand. Bottom-line, there's still a ton of negative headlines floating around in the soybean market. We rallied +30 cents from the lows posted last Tuesday, but I'm not 100% sold on the fact we can hold and add to the recent momentum. Yes, some areas of the U.S. are fighting too much rainfall, but we are still talking a record setting crop and a balance sheet that could expand towards a massively burdensome +900 million bushels. Lets also keep in mind, producer in Brazil are already planting another record breaking number of soybean acres. As a producer, especially those who feel undersold, using the small rallies to lighten up some additional nearby price risk makes sense. I'm still thinking we will grind sideways to lower until more certainty of a resolution is seen with the Chinese. From a technical perspective, I still believe the nearby range is somewhere between \$7.70 and \$8.70 per bushel. Perhaps after the U.S. mid-term elections my opinion will change. I just don't see a big enough headline or reason to shake the bears. A wide-spread weather scare in South America would certainly be a significant bullish wild-card, but I think it's deeper in the deck if it appears at all. Similar to corn, I'm worried the next couple of months could be tough sledding...

Soviets now possessed a nuclear arsenal, Dulles countered that the United States would not "cringe or become panicky." Turning to the issue of labor, Dulles then spoke at length about what he called the communist "swindle." The secretary spoke derisively of the "hoax" played on Russian workers by their own government. "The Russian worker," Dulles stated, "is the most underpaid, overworked person in any modern industrial state. He is the most managed, checked, spied on, and unrepresented worker in the world today." Dulles' speech indicated that although the new administration of President Dwight D. Eisenhower had recently finished negotiating a cease-fire in Korea, the United States was not backing off from its stated Cold War commitment to containing communism. The speech also hinted at two points that would become mainstays of the Secretary's Cold War diplomacy. First was the idea that the United States would not back down from the Soviets simply because of the threat of nuclear war. This idea eventually became known as "brinkmanship"—the notion that the Soviets, if pushed to the "brink" of nuclear war, would eventually back down. Second was Dulles' frequently repeated assertion that the people living in communist nations were essentially "captives" of repressive communist regimes. In the years to come, Dulles would expand on both ideas in more detail.

Upcoming Events

- 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
- Mon. 10/1** - Crop Progress
- Thur. 10/4** - Export Sales
- Fri. 10/5** - Monthly Unemployment
- Mon. 10/8** - Columbus Day
- Tues. 10/9** - Crop Progress
- Thur. 10/11** - USDA Supply and Demand, Crop Production
- Fri. 10/12** - Export Sales
- Mon. 10/15** - Crop Progress, NOPA Crush
- Thur. 10/18** - Export Sales
- Fri. 10/19** - Cattle on Feed, Milk Production
- Mon. 10/22** - Crop Progress
- Thur. 10/25** - Export Sales
- Mon. 10/29** - Crop Progress

Domestic Soybean Consumption 2017/18 Projected (in million metric tons)



Wed. 10/31 - Halloween

Thur. 11/1 - Export Sales

Fri. 11/2 - Monthly Unemployment

Sun. 11/4 - Daylight Savings Time Ends (turn clocks back and gain an hour)

Mon. 11/5 - Crop Progress

Tues. 11/6 - Midterm Election

Wed.-Thur. 11/7-11/8 - FOMC Meeting

Thur. 11/8 - Export Sales, USDA Supply and Demand, Crop Production

Mon. 11/12 - Veterans Day; US Markets Open

Tues. 11/13 - Crop Progress

Thur. 11/15 - NOPA Crush

Fri. 11/16 - Export Sales

Mon. 11/19 - Crop Progress, Milk Production

Wed. 11/21 - Cattle on Feed, Cold Storage

Thur. 11/22 - Thanksgiving; US Markets Closed

Fri. 11/23 - Export Sales, Black Friday

Mon. 11/26 - Last Crop Progress, Cyber Monday

Wed.-Thur. 11/28-11/29 - 2018 Van Trump Conference

Thur. 12/6 - Export Sales

Fri. 12/7 - Monthly Unemployment

Tues. 12/11 - USDA Supply and Demand, Crop Production

Thur. 12/13 - Export Sales

Mon. 12/17 - NOPA Crush

Thur. 12/20 - Export Sales

Fri. 12/21 - Quarterly Cold Storage, Hogs and Pigs, Monthly Cattle on Feed, Personal Income

Mon. 12/24 - Christmas Eve; Market Closes at Noon CST

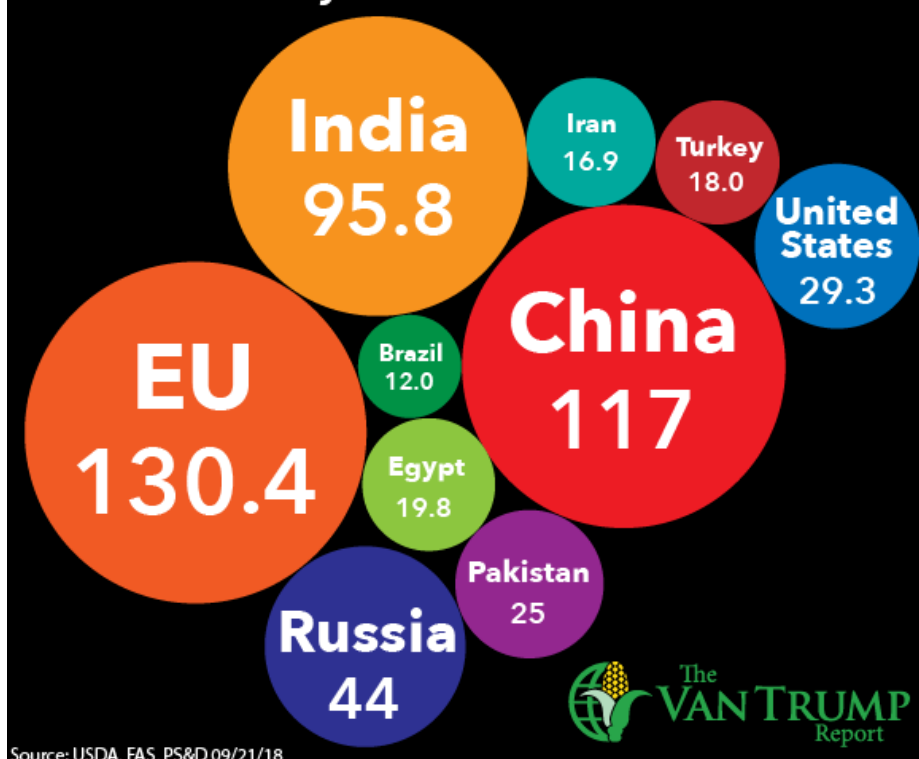
Tues. 12/25 - Christmas Day; US Markets Closed

Fri. 12/28 - Export Sales

Kevin's Song of the Week

Wheat prices have rallied +25 cents from the most recent mid-August lows. The question now becomes, will we have enough fresh nearby headlines to keep the bulls engaged? There's continued talk of fewer exports being available out of Russia, Australia and parts of the European Union. Unfortunately, those headlines have been fairly well advertised, with bears saying the entire reason we are at our current levels, meaning perhaps no additional "risk-premium" needs to be added without additional bullish developments. Bears are also pointing to improved soil moisture profiles across the U.S. and continued talk of increasing acres. As both a spec and a producer, I feel nearby prices are somewhat rangebound, lower end supported by global production hiccups, upper end limited by lack of global economic growth and good weather early here in the U.S. There's also very little increase as of yet for U.S. supply. Longer-term, I remain a bull, but believe nearby prices will struggle to find upside momentum.

Domestic Wheat Consumption 2017/18 Projected (in million metric tons)



WHAT I'M LISTENING TO: ▶



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



> Potential Mexico-U.S. Only NAFTA Deal Looming? Chair of the White House Council of Economics, Kevin Hassett says as the deadline approaches to sign a deal with Canada, the likely hood of a Mexico-U.S. only deal is getting closer. Investor concerns over the future of the 1994 pact, which underscores \$1.2 trillion in annual trade, have regularly hurt stock markets in all three countries, whose economies are highly integrated. The clock is ticking... I personally think a deal gets done.

> Argentina to Launch \$600 Million Satellite For Ag Sector: Scheduled to launch on a SpaceX Falcon rocket from Vandenberg Air Force Base in California on Oct. 6, I'm told Argentina's SAOCOM-1A satellite is going to boost the high quality precision agriculture Argentina relies on. Specifically, the satellite will monitor natural disasters and soil moisture.

> Virulent Bird Flu Outbreak in Bulgaria: An outbreak of a virulent bird flu virus has spread to a farm in southern Bulgaria, the Balkan country's food safety agency said on Friday. From what I understand, a three-kilometer protection zone was set around the farm in the village of Trilistnik, near Bulgaria's second-largest city of Plovdiv and the sale of eggs and the movement of domestic, wild and other birds was banned within it, the agency said in a statement. (Source: Reuters)

> Bayer Anticipates Dicamba Label Approval Soon: Bayer is expected the EPA to announce a renewal and an updated label for the herbicide dicamba in the coming weeks. The weed killer was authorized initially for two years by EPA. That authorization runs out in November. The agency must decide whether to extend its use and whether to make changes to how and when it can be used. Of course, there has been great controversy over drift and volatility complaints against Dicamba in the past two years.

> Adding Up the Devastation To South Carolina Crops: South Carolina Ag Commissioner Hugh Weathers has pegged the crop damage due to Hurricane Florence at somewhere between \$50 million and \$330 million. Initial engagement with growers showed that crops closest to harvest suffered the most damage. They are talking peanut, cotton and soybean fields as being the worse off. He did say that soybeans that were 30 to 40 days out from harvest might be okay once the fields dry out. South Carolina Governor Henry McMaster believes his state could need at least \$1.2 billion in federal aid to rebuild and recover from Florence, including \$125 million for ag programs and another \$165 million from the National Flood Insurance Program.

> **Canada's Legal Weed Market:** Canadians are projected to spend C\$1 billion (\$775 million) on legal marijuana in the final three months of this year after the market opens legally in a few weeks. Statistics Canada used census data to estimate that 5.4 million people will buy cannabis in the legal market that opens Oct. 17, and another 1.7 million will keep making illicit purchases. (Source: Bloomberg)

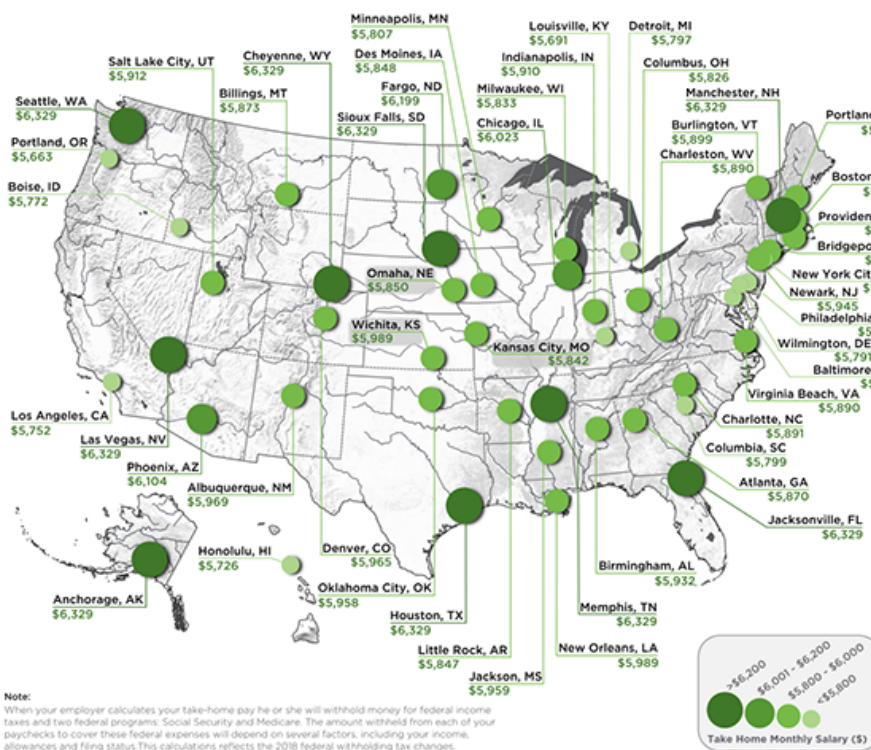
> **U.S. Navy Looking At Blockchain To Track Aircraft Parts:** The Naval Air Systems Command — which provides material support for aircraft and airborne weapons systems for the navy announced that it is investigating whether blockchain could trace parts through their life-cycle more efficiently and cost-effectively than with current methods. Currently, parts are tracked using a paper-based process and manually recorded on a database. They believe the visibility and traceability of a blockchain system will help bring an emphasis on safety and reduce costs. (Source: Coindesk)

> **The Move To No Diesel:** There's word that Volkswagen unit Porsche plans to stop offering diesel versions of its cars. Porsche will be the first German automaker to drop diesel since the emissions-cheating scandal developed within the industry. As it prepares for a diesel-free future, Porsche says it will focus resources on hybrid and battery-powered vehicle development. The unit aims to launch its first fully electric sports car next year when a new Taycan is introduced. (Source: SeekingAlpha)

> **Kavanaugh's Accuser Set to Testify:** The stage is set for a dramatic public hearing over sexual-assault allegations by Christine Blasey Ford against Judge Kavanaugh, who has denied the accusations. Lawyers for Dr. Ford said she would appear before the Senate Judiciary Committee at 10 a.m. ET on Thursday. (The Wall Street Journal)

> **Cities Where The Government Takes More of Your Paycheck:** Cost-estimating website HowMuch.net took each state's biggest city and used a \$100,000 annual income, or \$8,333 a month, as a baseline. From there, it subtracted state and local taxes, if applicable, as well as taxes that apply to everyone, like federal income tax and FICA to find which city carries the heaviest tax burden. As you can see from the Map, New York takes the biggest hit at \$5,574 a month. Yet another reason to live in the Midwest! (Source: HowMuch)

Monthly Take Home Pay from a \$100K Annual Salary



Note: When your employer calculates your take-home pay he or she will withhold money for federal income taxes and two federal programs: Social Security and Medicare. The amount withheld from each of your paychecks to cover these federal expenses will depend on several factors, including your income, allowances and filing status. This calculation reflects the 2018 federal withholding tax changes.

Article & Sources: <https://howmuch.net/articles/take-home-salary-100k-in-every-state>
<https://smartasset.com/taxes/paycheck-calculator>

howmuch.net

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.



Southern Minnesota – We got hammered with 60-70 mile per hour wind late Thursday and early Friday Morning. We were seeing ears dropping in 30 mile per hour wind, so this storm took down some of these disease riddle stocks and knocked a lot of ears off. We are going to see yield loss now to what extent is to be determined when we can get out there and harvest which won't be for at least a few weeks. We are sitting at about 50 degrees and it's overcast which is how it's supposing

to stay for the next few days minimum. The rain did bring us rain about 3-4 inches depending on what gauge I checked this morning. I heard the northern Iowa guys are sitting under water as well, so this rain covered most of Southern Minnesota and Northern Iowa. I know most guys don't think one storm matters, but this was a big area that pumps out a lot of corn and we got hit hard.

Eastcentral Illinois – We are in full swing of corn harvest right now, so I thought I would update you on yield on 5 fields, each did slightly last worst then last year. Let me first preface that all the fields did better than the Illinois state average, but all did worst then last year. We cleared a 40-acre field that made 225, which was about 10 bushels then last year on the same field. The second field was about 80-acres which made just a bit over 210 bushel per acre which was 20 bushels less then last year. The third field, which was 122 acres and made 256 and that was 10 bushels less then last year. The last two fields both did 252 and 225 which was 7 and 12 bushels worst then last year respectively. We did have an excellent crop last year so I'm not to upset but was thinking we might beat last year. Harvest is about 20% complete here on corn give or take.

Central Kansas – I have been hearing yields all over the board for Kansas. A neighbor called and said his corn made just over 30 bushels on fields that averaged 140 bushels on the APH. It was a very poor year for him and he seemed to miss all the rain showers which created a localized drought in his area all summer long. The last summer rain provided a little more hope for the soybeans. I have read this in many areas, but our double crop soybeans are indistinguishable from the full season beans, and in some cases look even better then the full season soybeans which if you are a farmer in Kansas you know is a rare situation. I have harvested soybeans that wouldn't even feed into the head if there wasn't wheat stubble helping them push feed through. That year we were averaging about 9 bushel soybeans across close to 500 acres and made harvest tedious and stressful.

CROSSING WIRES

A place to share intelligent thoughts...

Online Grocer Milk and Eggs Disrupts With "Made to Order": *Milk & Eggs, a Los Angeles-based online perishable food market and delivery service connecting farmers and artisanal food makers with consumers, has completed a \$6 million seed round. While general competitors are stores like Walmart, Kroger, Whole Foods, and online delivery services like Instacart and Amazon Fresh, Milk & Eggs is different because what's purchased is made-to-order. The simplest way to put it is, Milk & Eggs is an online farmer's market that delivers; it's like it's providing people with their own personal farmer, says cofounder and CEO Kent Wu. Read more [HERE](#).*

Delta Begins Facial Recognition Check-In Next Month: *Delta Air Lines Inc. is deploying facial-recognition technology to replace passports and tickets at Atlanta's airport in a test that could lead to more widespread use of biometric identification for flyers. The new system will be phased in on Oct. 15 at check-in kiosks, baggage-drop counters, security checkpoints and boarding lines for international flights in Terminal F of Hartsfield-Jackson Atlanta International Airport, Delta said Thursday. If customers take to the technology at the world's busiest airport, and it helps to reduce boarding times and shorten long lines, the biometrics will be rolled out to other domestic and international airport terminals, said Delta Chief Operating Officer Gil West. Read more [HERE](#) how airlines are trying to streamline our travel experiences.*

Real Estate Company Helps Homeless To Create Win-Win: *It's common for apartment complexes to offer discounted rent, or free rent, to property managers and other staff. In 2014, Chris Finlay, managing partner of Middleburg Real Estate Partners, a D.C.-area real estate company, saw an opportunity to connect these jobs with people who were struggling with homelessness. Finlay had read an article about the number of people who are homeless because of job loss or other temporary circumstances. He realized that his preconceptions about homelessness, shaped by the chronically homeless people he saw living outside, were wrong. Read more [HERE](#). Great story!*

More Than Half Your Calls Next Year Will be Scams: *Scammers are increasingly blowing up your phone. First Orion, an Arkansas company that provides caller ID and call blocking services, found that the volume of mobile scam calls has risen to 29.2% in 2018. They say that number is likely to reach 44.6% by early 2019. First Orion analyzed more than 34 billion calls made with partner T-Mobile USA and identified about 12% of them as scams. Interestingly, the 58 million T-Mobile subscribers will now see "Scam Likely" on the caller ID screen if the service determines a call of fraudulent nature. Keep in mind being on the do-not-call registry doesn't help, because people who run scam businesses are not inclined to follow regulations. Read more [HERE](#).*

Accidental Find Shows Galileo Tempered Remarks to Catholic Church: *Renowned astronomer Galileo Galilei has been lauded for centuries for his courageous principled stance against the Catholic Church. He argued in favor of the Earth moving around the Sun, rather than vice versa, in direct contradiction to church teachings at the time. But a long-lost letter has been discovered at the Royal Society in London*

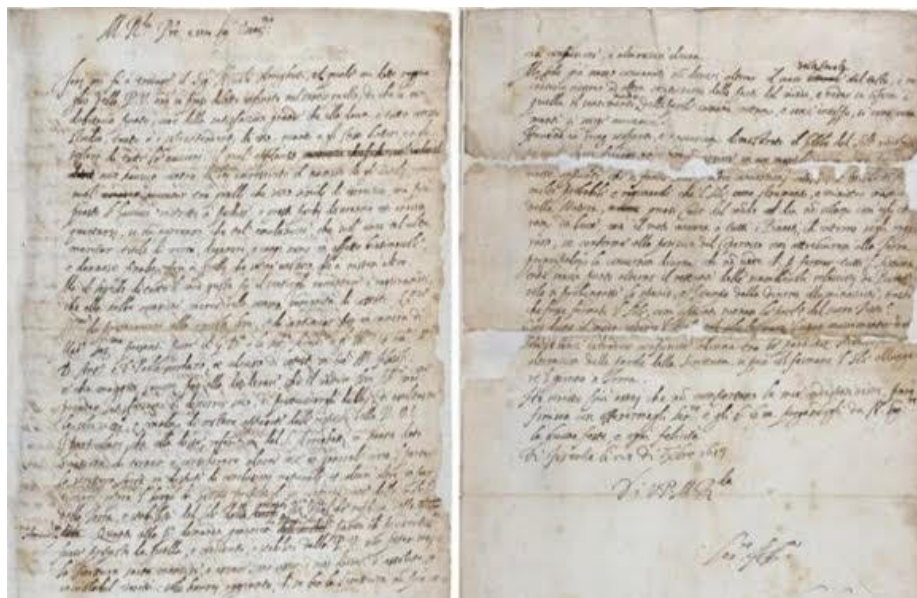
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RECIPES
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**Pork Tenderloin
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indicating that Galileo tried to soften his initial claims to avoid the church's wrath. In August, Salvatore Ricciardo, a postdoc in science history at the University of Bergamo in Italy, visited London and searched various British libraries for any handwritten comments on Galileo's works. He was idly flipping through a catalogue at the Royal Society when he came across the letter Galileo wrote to a friend in 1613, outlining his arguments. Pretty cool find...read more [HERE](#).



Are Warming Global Temperatures Bringing More Insects To The Field?

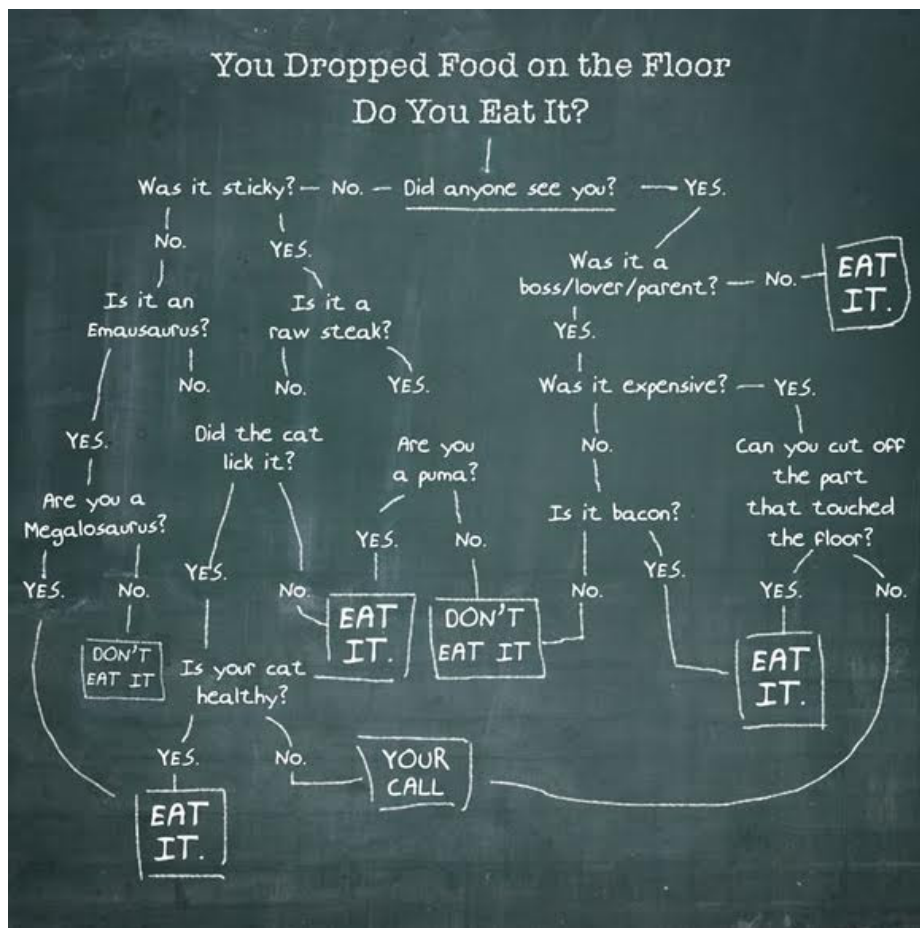
We've heard many producer talking about more insects in the field. Nobody wants to hear it, but some are starting to link or correlate the increase in global temps to an increase in insects. The latest studies show that insects consume nearly 20 percent of the crops grown for human consumption and that number could be pushing higher. To put things in perspective, specialists believe insects are currently eating about one out of every eight loaves of bread before they are ever made. A new study published in the journal Science reveals that as the projected rise in temperatures occurs, that amount of insect damage will increase. It's worth noting, as temps move higher, the life cycle of the insect will accelerate causing reproduction levels to rise. At the same time, higher temperatures speed up many insects' metabolism and causing them to eat more. From what I understand, for every two degrees Fahrenheit that temperatures increase above global historic averages, the loss of corn, wheat and rice to insects will increase by 10% to 25% depending on the region. Researchers tell us that in the temperate agricultural zones like the U.S. and Western Europe fields could be hit the hardest. There are some taking another perspective, believing it's possible that the more beneficial insects are able to thrive in warmer climates, hence perhaps better able to defend and suppress the crop-eating bugs. We can debate all day long about how it plays out, I just thought it was interesting to think about the domino effect associated with what seems like a minor +2 degree move in global temperatures. If you are noticing more insects in the field, perhaps this is why? (Source: IFLScience)



Can We Trust "The Five-Second Rule"

If you've ever dropped food on the floor, you may have said or heard the old adage "the five-second rule", implying that if you picked it up quick enough, it is still safe to eat. Well, scientists have finally put the claim to the test and came up with some interesting results. First and foremost, as soon as your food hits the surface of ANYTHING, it picks up bacteria. Of course the longer it sits on a bacteria-laden surface, the more bacteria it will acquire, but even if it brushes the ground for a second, contamination has happened. The biggest factor in how much bacteria will latch onto the food is its moisture content, meaning wet food - like watermelon in the research case - picked up more bacteria than drier food, like bread. Additionally, carpeted surfaces transferred fewer bacteria to food than did tile or stainless steel, since it soaked up the bacterial solution the scientists applied. Of course, deep down, we probably knew all along that the five-second rule was bunk, so why did we need an "official study"? Food scientist Donald Shaffner of Rutgers University, who conducted the study with his student Robyn Miranda, says that while the rule has been tackled by all manner of amateur scientific studies, they have confused the issue because they rely on experiments that don't pass scientific muster. Shaffner's study is only the second one that was put through rigorous scientific inquiry and peer-reviewed. Paul Dawson, a food scientist at Clemson University, in 2007 similarly found that food can immediately pick up bacteria on contact with a surface. Dawson however, focused more on how long the bacteria could survive on surfaces. Schaffner and his team decided to test a wide variety of food under a wide range of conditions. Schaffner adds that just because your food picks up a little bacteria doesn't make it unsafe to eat. That is all dependent on the kind of bacteria. Say Salmonella, for instance, which could very likely be found on a kitchen floor. A cookie that gets dropped on the carpeted living room floor is probably perfectly safe for someone with a healthy immune system, though. In fact, Schaffner says "Ninety-nine percent of the time, it's probably safe." (Source: Phillyvoice.com)





And So It All Must End...

I've had some readers, friends, and family pass away this past year and it always leaves me thinking... The letter below was posted by blogger Charlotte "Charley" Kitley, who sadly passed away a few years back from cancer. She wrote this one final post that she wished to share with all of her readers. It was sent my way via e-mail by a couple of close friends. I encourage you to take the time, give it a read and pass along. It certainly brings a lot about life into perspective. It also reminds me to try and live my life to the fullest extent as somewhat of a tribute to those loved ones who have passed. In other words, I suspect my Mom, Father In Law, and Grandparents, who have all now passed, would be extremely upset if I wasn't maximizing my daily efforts and keeping a positive perspective. They paid it forward and it's my responsibility to do the same. We have to keep fighting the good fight!

I've always been a good planner. I like lists and tick sheets, to-do notes and objectives. I'm very good at starting things, but honestly, I am also easily bored and quickly lose interest once the original excitement passes.

I haven't had the luxury of being allowed to be bored of having cancer. It isn't something you can just give up if you don't fancy doing it that day. There isn't a switch you can chose to turn off one day from the next. At least not for me. From my first day as a cancer patient, I have attended every test, scan and appointment. I have tried every treatment offered, from the standard medical therapies, to eating oiled cottage cheese, having acupuncture and juicing kale. Cancer has become our life. Holidays, haircuts and helicopter lessons have all been timed around good or bad chemo weekends. Danny and Lu, unwittingly as innocent by-standers have had their childhoods protected but also dictated by my various regimes. This is all they have ever known and, I hope, have still managed to turn out to be pretty good, well-rounded, loved and treasured children.

The innocence that we have protected them from has now had to be revealed. Following my birthday, I started to feel 'unwell'. We 'popped' to hospital where the usual set of tests were carried out. Unfortunately, when combined with a recent scan, the results were nothing short of devastating. We were no longer looking at a month by month action plan with a couple of months buffer at the end. I was given days, perhaps a couple of weeks to live. I wasn't expected to leave the hospital, but somehow, have managed to pull it out of the bag at the last moment and return home, to spend what little time I have with my darling children and loving husband.

As I write this, I am sat on the sofa, relatively pain-free and busy doing my little projects, sorting out the funeral and selling my car. We wake up every morning, grateful I can have a cuddle and kiss my babies.

As you read this, I will no longer be here. Rich will be trying to put one foot in front of the other, to get by, a day at a time, knowing I will no longer awake next to him. He will see me in the luxury of a dream, but in the harsh morning sun, the bed will be empty. He will get two cups from the cupboard, but realise there is only one coffee to make. Lucy will need someone to reach for her hairband box, but there won't be anyone to plait her hair. Danny will have lost one of his Lego policeman, but no one will know exactly which one it is or where to look. You will look for the latest update on the blog. There won't be one, this is the final chapter.

And so I leave a gaping, unjust, cruel and pointless hole, not just in Halliford Road, but in all the homes, thoughts and memories of other loved ones, friends and families. For that I am sorry. I would love to still be with you, laughing, eating my weird and latest miracle food, chatting rubbish 'Charleyisms'. I have so much life I still want to live, but know I won't have that. I want to be there for my friends as they move with their lives, see my children grow up and become old and grumpy with Rich. All these things are to be denied of me.

But, they are not to be denied of you. So, in my absence, please, please, enjoy life. Take it by both hands, grab it, shake it and believe in every second of it. Adore your children. You have literally no idea how blessed you are to shout at them in the morning to hurry up and clean their teeth.

Embrace your loved one and if they cannot embrace you back, find someone who will. Everyone deserves to love and be loved in return. Don't settle for less. Find a job you enjoy, but don't become a slave to it. You will not have 'I wish I'd worked more' on your headstone. Dance, laugh and eat with your friends. True, honest, strong friendships are an utter blessing and a choice we get to make, rather than have to share a loyalty with because there happens to be link through blood. Choose wisely then treasure them with all the love you can muster. Surround yourself with beautiful things. Life has a lot of grey and sadness - look for that rainbow and frame it. There is beauty in everything, sometimes you just have to look a little harder to see it.

So, that's it from me. Thank you so much for the love and kindness you've shown in your own little ways over the last 36 years. From the mean girls in the playing fields who pushed me into the stinging nettles aged six to the bereaved husbands who in the last week have told me what their wives did to help prepare their young children and everyone in between. They and you have all, in some small way helped me become the person I have been.

Please, now use that love for me and pass it to Rich, my children, family and close friends. And when you close your curtains tonight, look out for a star, it will be me, looking down, sipping a pina colada, enjoying a box of (very expensive) chocolates.

Good night, Good bye and God bless.

Charley xx



ANSWER to riddle:

THE ANSWER:

6 8 2 One digit is right and in its place

6 1 4 One digit is right,
but in the wrong place

2 0 6 Two digits are right but both
are in the wrong place

7 3 8 All digits are wrong

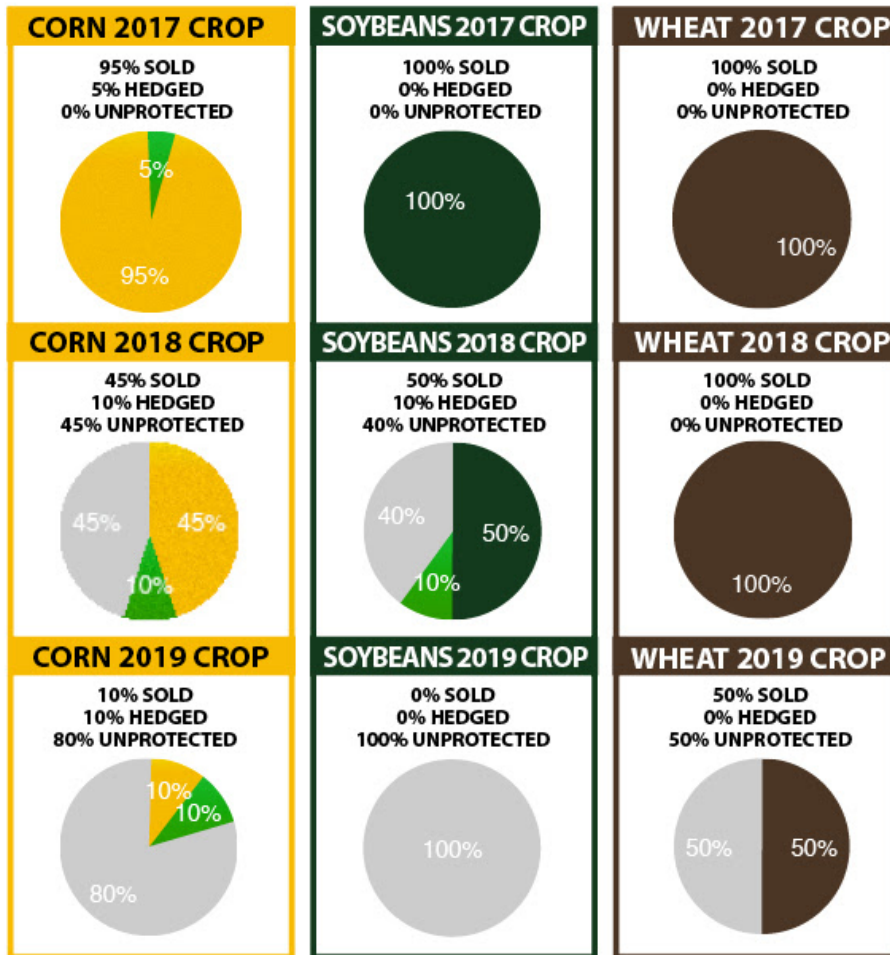
3 8 0 One digit is right,
but in the wrong place



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CASH SALES & HEDGING TOTALS

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