

GOOD MORNING: 09/28/18 Farm Direction - Van Trump Report

2 messages

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Fri, Sep 28, 2018 at 6:10 AM



"For success, like happiness, cannot be pursued; it must ensue, and it only does so as the unintended side effect of one's dedication to a cause greater than oneself or as the by-product of one's surrender to a person other than oneself." - Victor Frankl

FRIDAY, SEPTEMBER 28, 2018

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Morning Summary: Stocks remain near all-time highs as strong U.S. economic data continues to outweigh Washington drama. Don't forget, today will mark the final day of trading for the week, the month, and the third quarter of 2018, so there could be heavy position squaring. Today's economic calendar here at home is fairly light, with Personal Income and Spending data and Michigan Consumer Confidence and speeches from a couple of Fed members. Things will pick up a bit next week, starting with Monday's updated U.S. manufacturing numbers; Tuesday's updated U.S. auto sales data and Fed Chair Powell's speech in Boston; then on Friday the highly anticipated monthly jobs report. The following week, we will kickoff Q3 earnings season with reports from the big banks, Citi, JP Morgan, and Wells Fargo. Globally, there's still a ton of moving parts on our radar. Fallout inside the European Union remains a concern. Not only does Brexit remain a big question mark, but Italy is also up in the air with their current budget crisis. There's certainly still some headline risk involving China and current U.S. trade negotiations. Canadian trade negotiations are also still on the burner. Washington would like to get a deal inked within the next few days, but that sounds highly unlikely at this point. We also see uncertainties involving the energy sector and how things will play out with the Iranian sanctions. Will the Russian's and or Saudi's step up to offset production losses from Iran and Venezuela? Iran is threatening to wreak havoc in the Strait of Hormuz, which could increase complications involving global oil supplies. We also have greater uncertainties brewing between Russia and Ukraine in the Sea of Azov. It sounds like the U.S. might start to get more involved and that Russia is perhaps becoming a bit more aggressive. This is a fluid situation so we need to pay close attention. We also have a highly controversial first-round of a Brazilian election about to take place. The leading far-right candidate, former military leader Jair Bolsonaro, was recently stabbed in an assassination attempt at a local rally. He has been hospitalized for the past few weeks but still seems to be leading in the polls. The highly popular, former President, and leading left candidate, "Lula" da Silva, has been ruled ineligible after being thrown in prison and now serving a 12-year prison sentence. To say there's a ton of social unrest and uncertainty in Brazil would be a huge understatement. Should be a very interesting October, ahead of a very heated and highly anticipated U.S. mid-term election. Stay tuned...

What's Next For Supreme Court Nomination? Senate judiciary committee plans to vote this morning on Judge Brett Kavanaugh's nomination. The Senate judiciary committee is tasked with clearing Kavanaugh's nomination prior to the full chamber holding a vote. The committee is currently comprised of 11 Republicans and 10 Democrats, leaving the majority with little margin for error – if just one Republican breaks, the nomination will be left in limbo. At least one Republican on the committee, Jeff Flake of Arizona, has expressed reservations about Kavanaugh amid the allegations. He has not signaled how he might vote. From there, Kavanaugh's appointment has to be approved by full Senate vote. Keep in mind, Republicans currently hold a slim majority 51 to 49. Assuming all Democrats vote against Kavanaugh, the Republican's can not afford more than one dissenter. If only one Republican votes against Kavanaugh, it would end in a tie 50 votes to 50 votes. It would then get passed to Vice President Mike Pence as tie-breaker vote. From what I understand, on top of Republican Jeff Flake from Arizona, swing-vote senators Susan Collins of Maine, Joe Manchin of West Virginia

THE
**VAN TRUMP
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NOVEMBER 28 -29, 2018

Full MARKET Outlook



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

SPECIAL "MASTER MIND" SESSION



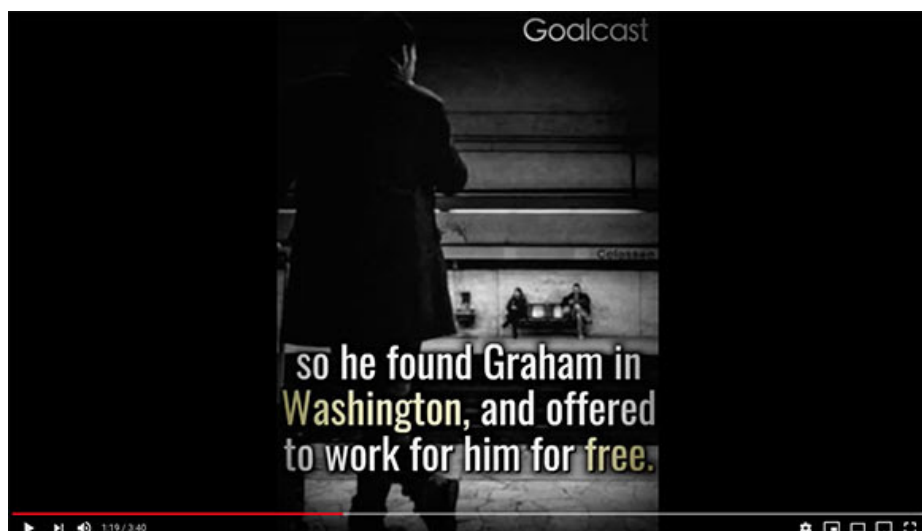
Sit front row in the boardroom with some of the best and brightest! Join us for an exclusively look behind the scenes as several of the top CEO's and leaders openly discuss their next moves in the markets,

and Lisa Murkowski of Alaska, have all raised concerns about Kavanaugh. From what I heard, both former President George Bush, Condoleezza Rice and many others have made calls to the Senate to vouch for Kavanaugh.

How Reliable Is Your Memory? Psychologist Elizabeth Loftus studies memories. She presented at a Global TED event back in 2013. I remember her talk became highly popular amongst those of us who study human behavior, and actually received millions of views. In the talk Loftus shares some startling stories and statistics -- and raises some important ethical questions about "memories". Very interesting... Click [HERE](#)

Mortgage rates in the U.S. jumped to the highest level in more than seven years during the past week, according to Freddie Mac's latest market survey. The 30-year fixed-rate mortgage rose for the fifth straight week, adding seven basis points to an average of 4.72% for the week ending September 27, up from 4.65% in the prior week, and the 15-year FRM averaged 4.16%, up from 4.11%. (Source: SeekingAlpha)

Just Keep Doing It: All Warren Buffett wanted to do when he was younger was go to Harvard Business School to be an investor, where he was rejected. Warren also wanted to work for his idol growing up, Benjamin Graham. Seeking this goal, Warren went to Washington to find Graham. Buffett offered to work for Graham for free but was still rejected. After failing at running a gas station, Buffett returned to Washington to try to get a job again from Graham. He stayed in Washington pitching his ideas to Graham until he eventually hired him. Buffett never gave up trying to be an investor. I bet many didn't know 99% of Warren Buffett's wealth was earned after his 50th birthday. There seems to be a trend with this story, look at Les Brown or Art Williams, both men I've featured in the report recently. The moral of the story is nothing comes easy and you have to "keep doing it" day in and day out. It isn't a sometimes thing, it's an everyday thing. Click [HERE](#) to watch a great short video on Buffett's journey.



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.



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

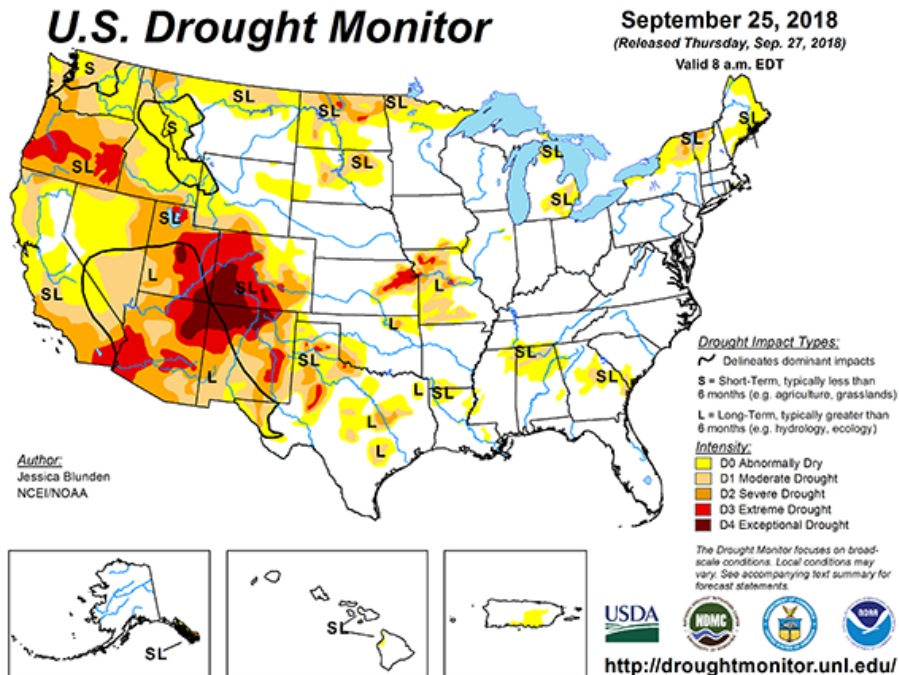
\$299
regular price \$500

Remember we sold
out early last year!

LEARN MORE

Weather on the Plains has seen the coolest air of the season so far engulf the Dakotas and Montana. Precipitation changed over to snow in the mountains of western Montana yesterday, while a chilly rain is fell on the northern Plains. Meanwhile, dry weather returned to the southern Plains, following recent cool, showery conditions. In the Corn Belt, showers are occurring in several areas, including the lower Ohio Valley and parts of the upper Midwest. As a result of the showers and pockets of lingering wetness, some Midwestern producers are not yet able to harvest crops that have matured early. On September 23, nearly three quarter (72%) of the U.S. corn was fully mature, compared to the 5 year average of 53%. In the South, unsettled weather prevails in a vast areas stretching from the Gulf Coast to the Appalachians, slowing or halting fieldwork. Cool conditions accompany the colds and showers, but warmth lingers in the southern Atlantic States. Western warmth will continue through much of the weekend. Meanwhile, two surges of chilly air is overspreading the northern Plains and upper Midwest, resulting in widespread late-week and weekend freezes from Montana to Wisconsin. Farther east, 5 day rainfall totals could reach 1 to 2 inches, with locally higher amounts, from the Gulf Coast region to the Atlantic Coast States. Similar totals can be expected in parts of the upper Midwest.

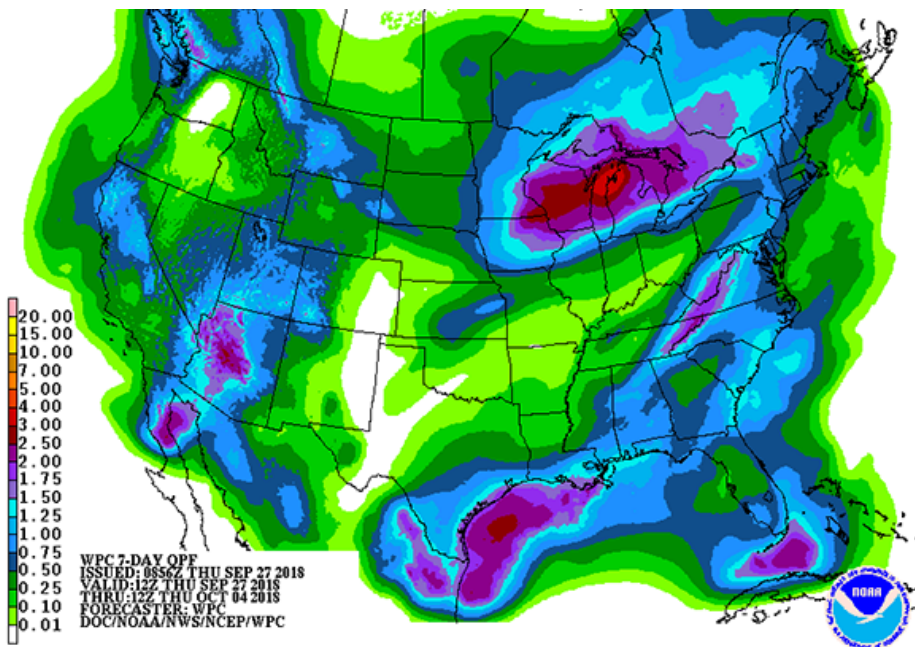
Latest Drought Monitor shows a large reduction in drought areas across Midwest and Plains. Recent rain in the southern Plains has eroded drought and will go a long ways in establishing the new winter wheat crop. As for the Corn Belt, northern portions will receive rain over the next week which will keep harvest slow while central and eastern Corn Belt will carry on.



1066, William the Conqueror - Claiming his right to the English throne, William, Duke of Normandy, invades England at Pevensey on

Britain's southeast coast. His subsequent defeat of King Harold II at the Battle of Hastings marked the beginning of a new era in British history. William was the illegitimate son of Robert I, duke of Normandy, by his concubine Arlette, a tanner's daughter from the town of Falaise. The duke, who had no other sons, designated William his heir, and with his death in 1035 William became Duke of Normandy at age seven. Rebellions were epidemic during the early years of his reign, and on several occasions the young duke narrowly escaped death. Many of his advisers did not. By the time he was 20, William had become an able ruler and was backed by King Henry I of France. Henry later turned against him, but William survived the opposition and in 1063 expanded the borders of his duchy into the region of Maine. In 1051, William is believed to have visited England and met with his cousin Edward the Confessor, the childless English king. According to Norman historians, Edward promised to make William his heir. On his deathbed, however, Edward granted the kingdom to Harold Godwinne, head of the leading noble family in England and more powerful than the king himself. In January 1066, King Edward died, and Harold Godwinne was proclaimed King Harold II. William immediately disputed his claim. In addition, King Harald III Hardraade of Norway had designs on England, as did Tostig, brother of Harold. King Harold rallied his forces for an expected invasion by William, but Tostig launched a series of raids instead, forcing the king to leave the English Channel unprotected. On October 13, Harold arrived near Hastings with his army, and the next day William led his forces out to give battle. At the end of a bloody, all-day battle, King Harold II was killed—shot in the eye with an arrow, according to legend—and his forces were defeated. William then marched on London and received the city's submission. On Christmas Day, 1066, William the Conqueror was crowned the first Norman king of England, in Westminster Abbey, and the Anglo-Saxon phase of English history came to an end. French became the language of the king's court and gradually blended with the Anglo-Saxon tongue to give birth to modern English. William I proved an effective king of England, and the "Domesday Book," a great census of the lands and people of England, was among his notable achievements. Upon the death of William I in 1087, his son, William Rufus, became William II, the second Norman king of England.

1938, Charles Duryea - Inventor Charles Duryea dies in Philadelphia at the age of 76. Duryea and his brother Frank



Corn traders are eager to see today's USDA quarterly stocks estimate. The big question mark once again is "feed and residual". Bulls argue the recent feed and residual numbers are tough to swallow in light of the increasing animal numbers. Keep in mind, cattle, hogs and broiler numbers have all been higher the past three quarters while feed and residual estimates lower, this has left many bulls scratching their head. Also worth considering is the fact we have seen extremely large late-inning adjustments by the USDA in each of the past three years. From my perspective, if there is going to be any surprise it could be in the way of a larger than expected feed and residual number that could be viewed as bullish to the overall balance sheet, perhaps an extra 25 to 50 million bushels of demand. Bears argue that perhaps last years crop was larger than currently estimated. It will be interesting to see how the USDA assembles the puzzle pieces. I should also note, yesterday's weekly export sales were stronger than most had anticipated at +1.7 MMTs, meaning the bullish demand story remains intact. Outside of the U.S., there's some geopolitical uncertainty involving Ukraine and Russia, but at this point it's just a "wild-card" in the deck and something on our radar. Weather conditions in South America can be debated, but for the most part seems cooperative. Several sources are thinking the Argentine crop could easily be larger than the 41.0 MMTs the USDA is currently forecasting. Keep in mind, this past growing season Argentine produced only harvested a 31.7 MMT crop. In other words, we could easily see a +30% jump in Argentine corn production when compared to last season.

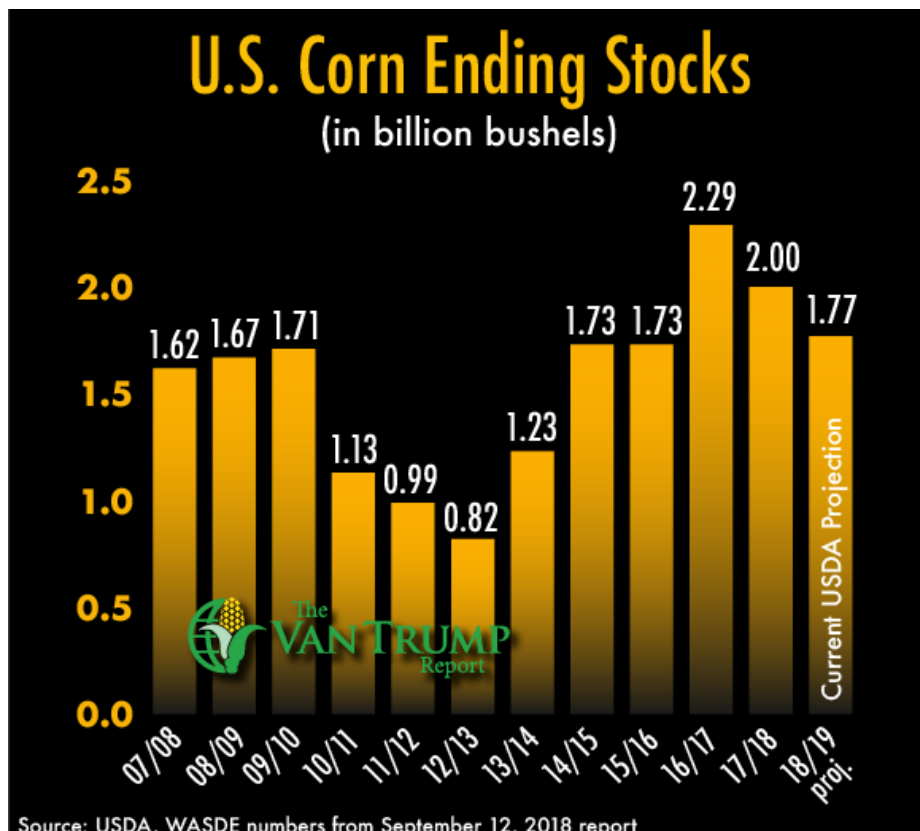


designed and built one of the first functioning "gasoline buggies," or gas-powered automobiles, in the United States. For most of his life, however, Charles insisted on taking full credit for the brothers' innovation. On the patent applications he filed for the Duryea Motor Wagon, for instance, Charles averred that he was the car's sole inventor; he also loftily proclaimed that his brother was "simply a mechanic" hired to execute Charles' plans. Charles Duryea was not the inventor of the first gasoline engine, nor was he the first person to build a gas-powered car. Instead, as his obituary in the New York Times put it, he "had the rare mechanical wit to see how the contributions of his predecessors could be combined into a sound invention." In 1886, Charles was working as a bicycle mechanic in Peoria when he received a jolt of inspiration from a gasoline engine he saw at a state fair. There was no reason, he thought, why such a motor could not be used to power a lightweight quadricycle. He spent seven years designing and redesigning his machine, a one-cylinder, four-horsepower, tiller-steered car with a water-cooled gas engine, a buggy body, and narrow metal oak-spoked wheels turned by bicycle chains. The car also had an electric ignition and a spray carburetor, both designed by Frank. In September 1893, Frank Duryea took the finally-completed Motor Wagon out for its first official spin. He only managed to splutter about 600 feet down his block before the car's friction-belt transmission failed, but even so, it was clear that the Duryea auto was a promising machine. It's worth noting that Charles missed all this excitement: Frank and the car were in Springfield, Massachusetts, while the elder Duryea was fixing bikes in Peoria. Two years later, on Thanksgiving Day, an improved Duryea Motor Wagon with pneumatic rubber tires won the first auto race in the United States. In 1896, the brothers built and sold 13 identical Duryeas, making theirs the first American company to manufacture more than one automobile at a time. After that, the brothers parted ways: Frank went on to build and sell the Stevens-Duryea Limousine, while Charles ("unable," his Times obituary said, "to adapt himself to the public taste") worked on designing less practical vehicles like tiller-steered mechanical tricycles.



1941, Ted Williams - Boston

Red Sox's Ted Williams plays a doubleheader against the Philadelphia Athletics on the last day of the regular season and gets six hits in eight trips to the plate, to boost his batting average to .406 and become the first player since Bill Terry in 1930 to hit .400. Williams, who spent his entire career with the Sox, played his final game exactly 19 years later, on September 28, 1960, at Boston's Fenway Park and hit a home run in his last time at bat, for a career total of 521 home runs. Williams was born on August



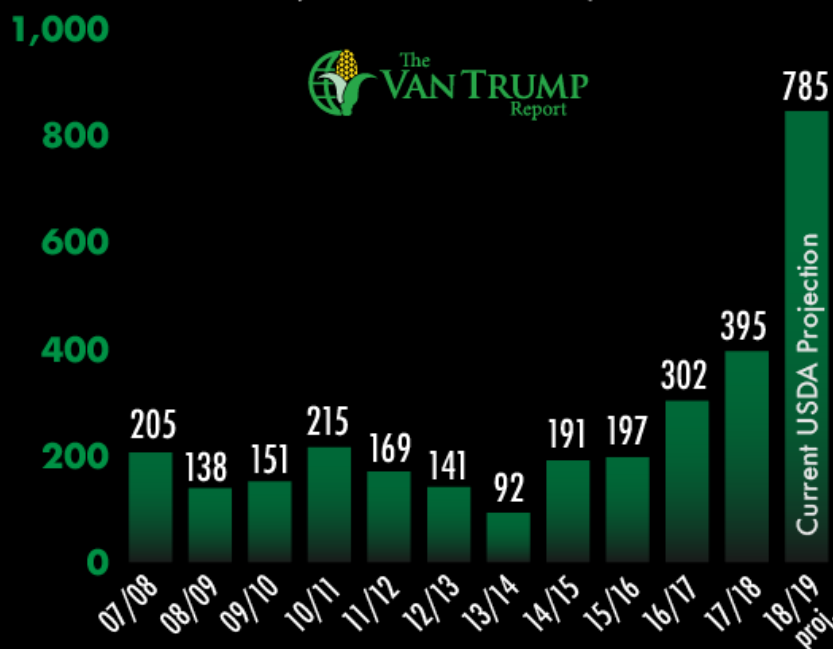
Soybean traders are wanting to see if the USDA makes any adjustment to last year's crop. Most inside the trade see demand as somewhat known with only perhaps a couple of small adjustments. If there's any particular surprise, it would most likely come as an adjustment to last year's crop, but I don't really see that happening. Net-net, I'm thinking the report is mostly a non-event for the soybean market. If I were forced to pick the report being either bullish or bearish, I would pick slightly bullish, with the September 1st soybean stocks number coming in a bit under the average trade estimate. From a technical perspective, it feels like we've moved from the lower end of the trading range back up to the middle of the trading range. Could we continue to push higher towards the upper end of the trading range, nearer \$9.00, certainly. Ultimately however, I still see this market trapped in a nearby trading range until more is known about U.S. and Chinese trade relations and or South American weather. I suspect we could test the higher end of the range and again the lower end of the range, while the market waits patiently for the next major headline. As a spec, I'm on the sideline, worried that while we remain in an apparent vacuum void of major headlines, the market will be extremely difficult to forecast and equity could be easily chewed up. I am keeping my powder dry, preferring to make a move once we move towards a more extreme portion of the trading range. As a producer, I remain patient. For those needing to make cash sales nearby, the upper-end of the range makes sense. I will continue to pay close attention to headlines involving Chinese trade negotiations and South American weather. Keep in mind, most are forecasting a +45% jump in Argentine soybean production and another all-time record crop being planted in Brazil.

30, 1918, in San Diego, and began his major league career with the Red Sox in 1939. 1941 marked Williams' best season. In addition to his .406 batting average—no major league player since him has hit .400—the left fielder led the league with 37 homers, 135 runs and had a slugging average of .735. Also that season, Williams, whose nicknames included "The Splendid Splinter" and "The Thumper," had an on-base percentage of .553, a record that remained unbroken for 61 years, until Barry Bonds achieved a percentage of .582 in 2002. In 1942, Williams won the American League Triple Crown, for highest batting average and most RBIs and home runs. He duplicated the feat in 1947. In 1946 and 1949, he was named the American League's Most Valuable Player and in June 1960, he became the fourth player in major league history to hit 500 homers. He was selected to the All-Star team 17 times. Williams played his last game on September 28, 1960, and retired with a lifetime batting average of .344, a .483 career on-base percentage and 2,654 hits. His achievements are all the more impressive because his career was interrupted twice for military service: Williams was a Marine Corps pilot during World War II and the Korean War and as a result missed a total of nearly five seasons from baseball. Williams, who was inducted into the Baseball Hall of Fame in 1966, managed the Washington Senators (renamed the Texas Rangers in 1972) from 1969 to 1972. In 1984, the Boston Red Sox retired his uniform number (nine). Williams died of cardiac arrest at age 83 on July 5, 2002, in Florida. In a controversial move, his son sent his father's body to be frozen at a cryonics laboratory.

Upcoming Events

- 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

U.S. Soybean Ending Stocks (in million bushels)



Source: USDA, WASDE numbers from September 12, 2018 report

Wheat traders could see the most adjustments from today's USDA Quarterly Stocks report and most specifically the Small Grains Annual Summary report. Bulls are pointing to the historical tendency for the USDA to trim their estimate of the winter wheat crop, so we will have an eye on that number. Some sources are thinking the winter wheat crop could be trimmed by -5 to -20 million bushels, spring wheat perhaps trimmed slightly. As for September 1st stocks, it wouldn't surprise me to see the USDA throw a pitch that's off the plate. In other words, a bit outside the average trade guess. Similar to corn, I suspect feed and residual is a wild-card. Unfortunately, the past couple of years the September 1st Quarterly Stocks number has slightly surprised to the bearish side, with stocks being a bit more burdensome than most have estimated. The big problem with the domestic balance sheet is lack of export demand, which is down over -30% compared to last year, the lowest in almost a decade and the second lowest in almost four decades. In other words, quarterly demand is at multi-year lows and stocks at multi-year highs. Bottom-line, I think it's going to be tough to get a bullish surprise out of this report. In fact, I'm thinking the market could feel a bit of pressure following the numbers. I do however remain a longer-term bull, but looking for another leg higher further out on the horizon.

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

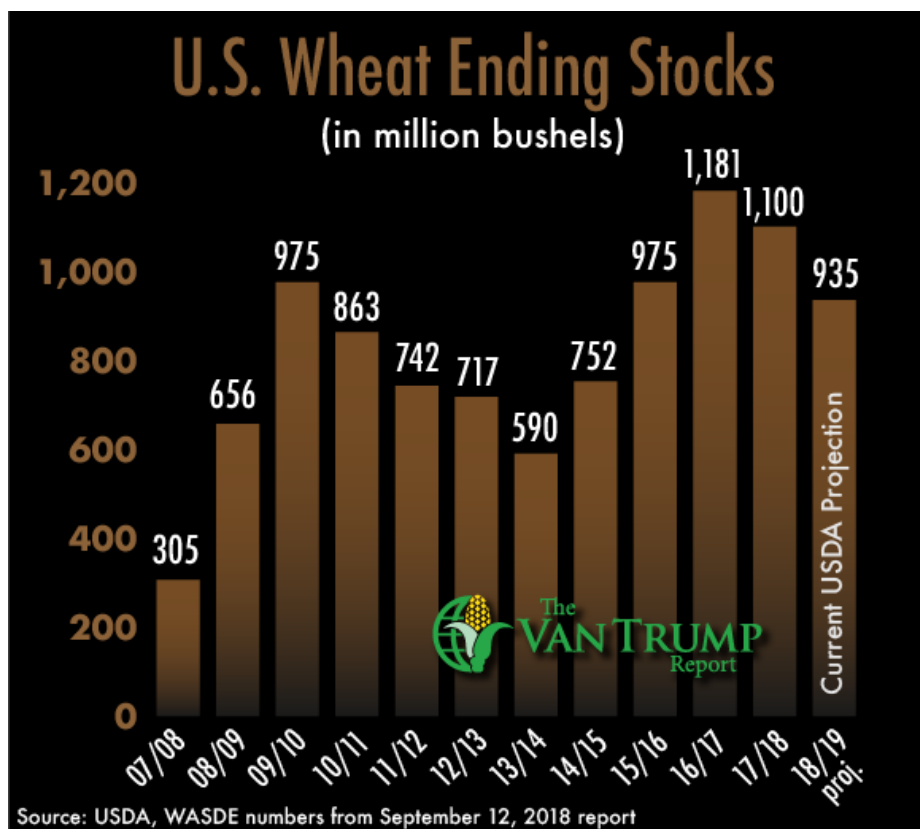
Fri. 12/21 - Quarterly Cold Storage, Hogs and Pigs, Monthly Cattle on Feed, Personal Income

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



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

September 1, U.S. Grain Stocks

	Sep #	Avg. Est.	Trade Range	USDA 17/18 Est.	Last Year
Corn	???	2.010	1.960 - 2.099	2.002	2.293
Soybeans	???	0.401	0.378 - 0.489	0.395	0.302
Wheat	???	2.343	2.155 - 2.443	na	2.266

U.S. Wheat Production 2018/19

	Sep #	Avg. Est.	Trade Range	Previous USDA	Last Year
All Wheat	???	1.872	1.848 - 1.907	1.877	1.741
All Winter Wheat	???	1.188	1.170 - 1.200	1.189	1.269
Hard Red Winter	???	0.661	0.645 - 0.691	0.661	0.750
Soft Red Winter	???	0.290	0.285 - 0.294	0.292	0.292
White Winter	???	0.236	0.213 - 0.247	0.236	0.227
Other Spring	???	0.609	0.591 - 0.635	0.614	0.416
Durum	???	0.073	0.070 - 0.080	0.073	0.055



> **World Wheat and Corn Production Raised:** Latest data from the International Grains Council show the agency raised its forecast for world 2018/19 wheat and corn production by 1 million metric tons to 717 million and by 10 million metric tons to 1.074 billion metric tons respectively. (Source: IGC)

> **Brazil to Book U.S. Soybeans:** Brazil, the world's No. 1 soy exporter, is expected to import around 1 million tonnes of the oilseed in coming months from its largest global competitor, the United States, as local supplies dwindle, according to Sao Paulo-based grain trader Agribrazil. It would be the first time that the South American nation, an agricultural powerhouse, needs to import large volumes of soybeans from the United States – a result of massive exports by Brazilian soy producers to China in recent months after the Asian nation slapped a 25 percent import tariff on U.S. beans. (Source: UkrAgro)

> **Russian Grain Export Lowered:** Russian grain exports lowered by 1.3 MMT and is now expected to be at 42.4 MMT. Wheat exports are also down 400,000 MT with totals projected at 33.5 MMT. The agency lowered its total grain export forecast due to a smaller crop and an increase in domestic wheat consumption as a substitute for corn.

> **Cover Crops Used to Power Trans Atlantic Flight:** On Monday, a United Airlines plane powered by biojet fuel made a landmark non-stop voyage from San Francisco to Zurich. Agrisoma Biosciences, a Canadian agtech company that develops Carinata seeds to produce aviation biojet fuel, partnered with United Airlines and French oil and proteins sector company Avril Group to accomplish the second international commercial flight using the company's seed oil. Earlier this year, Agrisoma and Australia's Qantas Airways partnered on a transpacific flight from Los Angeles to Melbourne that used biojet fuel produced from Carinata, which is a member of the mustard seed family. (Source: Agfunder)

> **It's Flu Season And You Probably Need A Flu Shot:** 80,000 Americans died of the flu last season, according to preliminary data from the CDC. That's more than the number killed in traffic collisions or opioid overdoses. It was also the deadliest flu season in more than forty years. Lately, mild flu seasons tend to kill about 12,000 Americans, and more severe flu seasons kill up to 56,000. But 80,000 deaths is an unusually large toll. You should look into getting your flu shot this year. (Source: Vox)

> **NFL Is Not Changing Roughing the Passer Rule Despite Criticism:** Executive Vice President of Football Operations for the NFL provided a statement saying, basically, they aren't changing the roughing the passer rule. In the statement on Twitter, he also put a link to a video explaining the proper techniques for tackling a quarterback. There have been 33 accepted penalties for roughing the passer through these weeks and many prominent players including some quarterbacks have spoken out against the new rules. However, the NFL doesn't appear to be budging on the rule. (Source: BleacherReport)

> **SoftBank Invests \$400 Million in Opendoor:** Real estate platform Compass has raised \$400 million in a series F round of funding led by SoftBank's Vision Fund. This latest round comes less than a year after the New York-based startup raised \$450 million from the very same SoftBank fund and takes its total capital raised since inception to \$1.2 billion. The company is now valued at \$4.4 billion, double its valuation last December. The four year-old, San Francisco-based company aiming to make it possible to buy and sell residential real estate with a few key strokes.

> **SEC Sues Tesla CEO Elon Musk:** The SEC complaint alleges that Musk issued "false and misleading" statements and failed to properly notify regulators of material company events. Among other remedies, the SEC is seeking to bar Musk from serving as an officer or director of a publicly traded company if found guilty. Sources close to the company was also expecting Tesla to be sued, though Tesla was not named as a defendant in the complaint. The stock is down over -30% from its most recent highs. (Source: CNBC)

> **Most Americans Are Not Saving Enough to Retire:** The U.S. has a much less generous social safety net than other developed countries of the world and a much stronger tradition of private investment. Therefore, you would think American should be more likely than others to make good long-term investment decisions. But they don't. A third of Americans have no money put aside at all. Even those who are saving, the amounts they have tends to be far short of what they will need. (Source: FT) Click graphic below for a larger view.

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..."

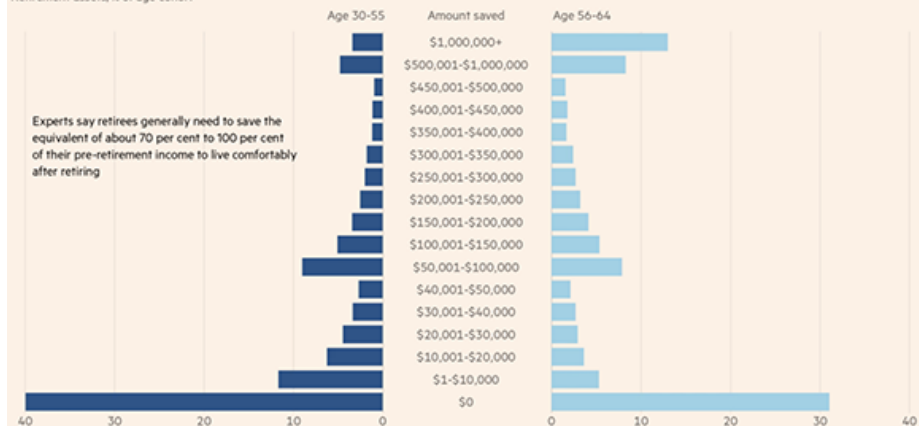
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- 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.

Most Americans do not yet have enough savings to retire

Retirement assets, % of age cohort



Source: 2016 Survey of Consumer Finances



Central Illinois - We are about two thirds done with soybeans. This has been the best year we have ever had by a few bushels. We are about 3-4 bushels better then a few years ago. I can't remember exactly what our best yield was, but it was in the mid to low 70's. We still have a few more acres to harvest but we are switching to corn until the rest of the beans are ready. The corn is also the best we have ever seen and should either get better or stay about the same. We are harvesting 21% moisture on 110-112-day corn. Our test weight is going to be close to 58 pounds once it dries down. This has been an excellent year so far if we can close out harvest.

Northeast Iowa - We chop corn every year for the local dairy. We harvest a little corn every year just to know where we would be if we didn't chop for the dairy. We have some ears that are 35 to 45 kernels long. Nearly all the ears are 18 around. I maybe saw a handful that are 16 around. The corn checks out around 5 bushels better than last year, but the actual weight of the silage was nearly the same. We have not started soybean harvest yet, but we are thinking it will be by the weekend. We are in a good spot of Iowa that hasn't gotten too much rain or too little rain.

Northeast North Dakota - We are pulling off corn to start harvesting edible beans again. We are going to get a few days of dry, warm weather. We should finish harvest by the end of the week. We will then go back to harvesting corn which will take us a few weeks. We will have to bounce back between corn and soybeans over the next month based on the field. This is by far our best corn crop by about 50 bushels and we are 90 bushels over our APH. The beans will probably make close to 55 bushels per acre, while the edibles are making about 2200-3000 pound per acre depending on if they are dry land or irrigated.



DFA to Trial Blockchain: The Dairy Farmers of America (DFA) cooperative announced this week, a joint project with food technology and blockchain startup ripe.io to pilot blockchain technology. Ripe.io's goal is to increase transparency in the food supply chain through the use of blockchain technology and the Internet of Things (IoT). In alignment with this mission, the DFA and ripe.io pilot aims to give dairy consumers confidence in the sources of their food by providing data transparency for this particular food chain. The pilot will use data from a group of DFA member farms and a DFA manufacturing plant. Blockchain will soon be on every farm so be aligning your operations to take advantage of the transparency it will bring to your sector. Read more [HERE](#).

Japan Revolutionizes Wearable Tech: Advances in wearable tech have been pretty impressive lately, but the device described in a new Nature study blows the competition out of the water. While the Apple Watch is now equipped with an FDA-approved EKG sensor and companies like Samsung are going out of their way to make smartwatches look like fashion statements, the device described in the paper, puts both to shame. This heart-sensing device has no wires, requires no charging, and is so small that it can wrap around a rat's heart. While the device isn't more powerful than any

Farm Direction

RECIPES

★ **FAMILY FAVORITES** ★

- SENT IN BY OUR READERS -

**Pork Tenderloin
w/Creamy Dijon Sauce**

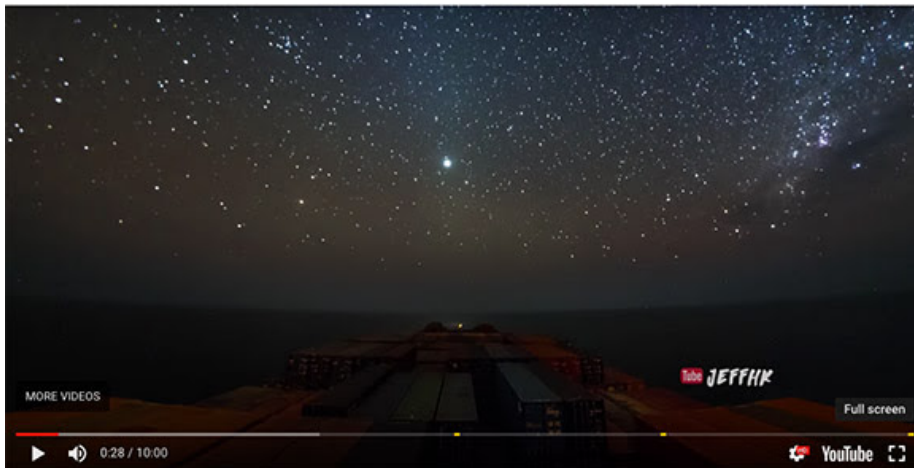
CLICK TO SEE RECIPE

existing heart-sensing technology, it does solve one of the more pressing issues of smartwatch trackers: flexibility. Read more [HERE](#) about a product you may soon be wearing.

Do You Understand the Limitations of Your Cars Safety System? Most drivers don't understand the limitations of advanced safety technology installed on new vehicles, according to a new study by AAA Foundation for Traffic Safety. The study indicates that drivers overestimate the capabilities of features such as blind-spot monitoring systems, automatic emergency braking and adaptive cruise control. The findings raise questions about whether Americans are ready to adapt to partially self-driving vehicles, which typically require drivers to remain alert and ready to take over the steering wheel if the car can't handle the conditions it encounters. Read more [HERE](#) on the problem spots flagged by the AAA.

Racing to Commercialize the Moon: In April, NASA announced it would no longer fund the Resource Prospector, a mission that would have sent a small rover to excavate material at the moon's poles in search of ice and minerals. On the same day NASA announced the demise of Resource Prospector, the agency published a notice soliciting proposals from contractors seeking to develop technology for payload transportation to the moon. A number of companies have set their sights on the moon, and they're ramping up their plans to deliver spacecraft to its surface. They're finalizing spacecraft designs and securing launch contracts, and they've set some fast-approaching deadlines. Read more [HERE](#) on the race to space commercialization.

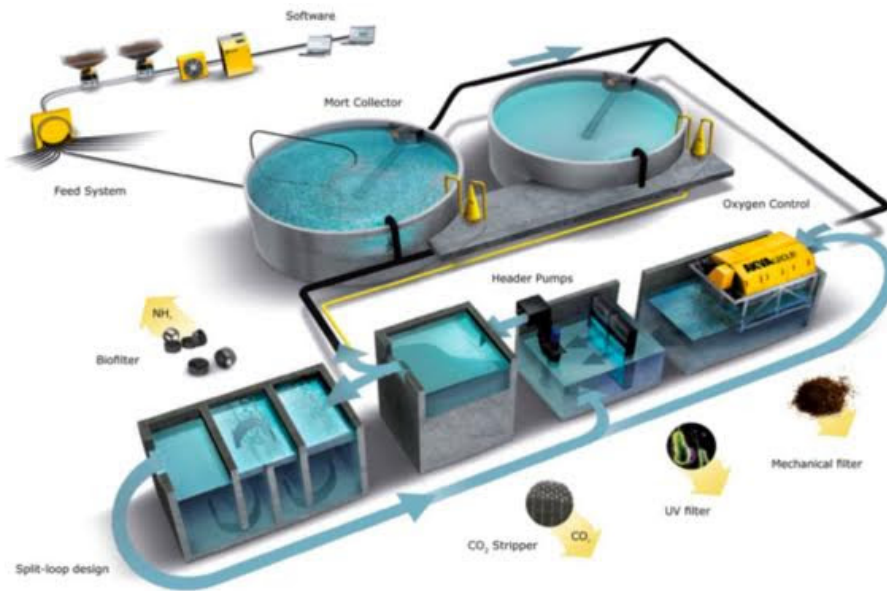
Cool 30-Day Time-Lapse From Cargo Ship at Sea: The ocean is equally as beautiful as it is terrifying and this time-lapse couldn't have been captured anymore perfectly than in this video by YouTuber JeffHK. In the video, JeffHK documents his 30 day journey from the Red Sea to Hong Kong on a shipping barge. During his adventure, he travels through eight different bodies of water, and stops at ports in Sri Lanka and Singapore. The traveling sessions in between stops are the best parts of the video. It's in these sections where you get to see how gorgeous the stars are, and how chilling thunderstorms can be when you're surrounded by nothing but water. Watching the video definitely makes me want to be onboard the vessel. Check out the video [HERE](#).



Bringing Fish Farming Indoors

Imports of fresh seafood into the U.S. currently make up more than 80% of our consumption and now aquaculture accounts for more than 50% of that number. Traditionally these fish farms consist of open-ocean cages that corral fish in suspended pens or simple fish ponds. Unfortunately, these operations are stuck dealing with waste flow as well as pathogens and parasites that can infect the fish. Local governments are becoming more impatient with fish effluents showing up in local waterways along with veterinary medicines used to keep disease away. As consumer trends shift to a clean, safe, traceable food supply as well as to being sustainable, the door opens to innovations from indoor fish farming. Making indoors more viable than outdoors is the use of a recirculating aquaculture system or RAS. It operates much like an aquarium at home and will isolate the fish from the environment and remove most of the waste from the water using RAS. I'm told that currently indoor RAS farms makeup only a tiny fraction of the global market and are considerably smaller than an impressive new \$500 million project by Norway-based firm, [Nordic Aquafarms](#). The firm plans to set up shop in Maine, with one of the world's largest aquaculture tanks. In terms of production, Blue Ridge Aquaculture—the world's largest RAS tilapia farm, located in Virginia—produces less than 10 percent of the quantity of fish Nordic expects to produce in Maine. I'm told recirculating technology has existed in some form since the 1970s, but has evolved enough in recent years that the Monterey Bay Aquarium's Seafood Watch now ranks RAS-farmed fish as one of the most sustainable seafood choices available. Indoor fish

farming is not without its environmental issues though as water supplies will be crucial in the success based on local capacity, even with RAS's recycling more than 90% of the tank water. I like the opportunities indoor farming presents as guys are looking for alternative revenue sources. Something to consider. (Source:Scientific America, Wiki)



MOD Pizza Is Making An 'Impact'

MOD Pizza, short for "Made on Demand", is definitely not just another fast-casual pizza chain, but rather a business model with real social impact. Without blinking an eye or asking any questions, MOD hires folks like Tony D'Aloia, who by the time he was in his early 20s, had been arrested 38 times, with his most recent incarceration lasting five-years for transporting drugs from Canada to Washington. From what I understand, founders Scott and Ally Svenson, the couple that sold The Seattle Coffee Company to Starbucks for \$90 million in 1998, were tracking early-data points that showed ex-cons could make great employees. Interestingly, this would prove itself out in spades. MOD is now known for what they call 'impact hiring', meaning they embrace hiring people with backgrounds of not only incarceration but homelessness, drug addiction and mental disability. When D'Aloia was hired the company had five stores in Washington and now stand at 367 spread out over 28 states and the UK, leading it to be named the fastest-growing restaurant chain in the U.S. Growth is definitely not a coincident as consumers are increasingly willing to support cause-driven companies. I'm told recent surveys show that nearly two-thirds of consumers are willing to spend more money with brands that support social missions. From a business perspective, that makes it increasingly easy to do the right thing, assuming you can consistently execute. It appears that MOD doesn't have to worry about that with their army of believers who carry the torch each day. MOD not only cares about empowering their employees by giving them another shot at building a life for themselves but they've also expanded their mission to the customers they interact with. For instance, employees are

encouraged to improvise in an endless pursuit of service. If they drop a pie, they can offer the customer a milkshake while they make another or they can give someone a coupon for a free pizza. D'Aloia shares how being able to do those types of things was empowering. MOD management basically told their unique staff that this is your house, so take care of it. In that vein, "MODness" was developed for spreading happiness to all who passed through the doors. It's worth noting that MODness has spread to employee relations as well, to the point that the Bridge Fund, a rainy day account was created and now holds over \$350,000 for the purpose of helping out staffers when life throws them another curveball and assistance is needed to get back on their feet. As an employer, there is great satisfaction in seeing your people develop and grow beyond who they were when they started. For D'Aloia, he vividly remembers the day he took his first check for \$800 to the bank and went out to buy a new pair of shoes to replace the ones with holes in them... "Life was better right then," he says. "I could finally provide for myself." You can learn more about MOD [HERE](#) as well as finding a location near you. (Sources: Entrepreneur, fastcasual, mod pizza)



UPDATE On MLB Playoffs

Professional baseball's regular season comes to an end this Sunday, which means it's time for the playoffs. Only 10 teams advance in the battle to compete in the 114th World Series Championship, which is scheduled to begin on Tuesday, October 23rd. I've included below some quick notes and facts on how things are playing out:

- **American League Playoff** picture is mostly set with the Boston Redsox winning the AL East, the Cleveland Indians winning the AL Central, the Houston Astros probably winning the AL West, and the New York Yankees and Oakland Athletics clinching the two wildcard spots. The only controversy would come in the AL West. If the Astros were to just completely fall apart, which I don't see happening, then the match-ups are probably as follows:

Oakland Athletics vs. New York Yankees in the AL wildcard game on Wednesday, October 3rd and home field advantage is still up for grabs. Oakland is 1.5 games behind New York, so it looks like the wild card game will be taking place in the Bronx this year. Remember, the wildcard game is one game playoff to get to the next round, so home field advantage is huge. The Yankees are the favorite in this game and hold 10/1 odds winning the whole thing while the Athletics hold 10/2 odds.

Cleveland Indians vs. Houston Astros - The Indians will match up against the Astros October 5th. The Astros will hold the home-field advantage for this ALDS matchup. The Astros aren't far behind the Red Sox as favorites with 15/4 odds to win the World Series. The Indians hold 15/2 odds winning the whole

thing this year. This will be a really good matchup due to the great pitching on both teams. I think it will come down to whose bats are hot during this series.

Boston Red Sox vs. AL Wild Card Winner - The Red Sox have the best record in the American League with 106 wins so far, so look for them to have home field advantage throughout the entire playoffs. The Red Sox are also the most favored team to win the World Series in Vegas with 7/2 odds.

- **National League Playoff** seems to be a lot more complicated on the National League side of the bracket. If all plays out like it's suppose to the playoffs will look something like this, but there are many different outcomes for the National League this year. Should be one of the most interesting weekends in baseball. I haven't seen a race this tight in a long time.

Colorado Rockies vs. Milwaukee Brewers in the NL wild-card game taking place Tuesday, October 2nd. This is also a one-game series the same as the AL side. The Brewers just clinched playoff berth in some way, but it looks like they will fall short of the Cubs in the division and end up in this game. The Brewers are the favorite to have home-field advantage for this game, which is huge because playing in Colorado is a huge game changer due to how much the ball flies in their stadium. The Brewers have 18/1 odds winning it all in Vegas and the Rockies are holding 25/1 odds. The Rockies could easily win the division though leading the Dodgers in the division by .5 games in the NL West. If this matchup happens, I would have to go with the Brewers since two of my hometown boys and World Series Champions Mike Moustakas and Lorenzo Cain play for them.

Los Angeles Dodgers vs. Atlanta Braves - If everything plays out as everyone predicts, then this game will take place October 4th in LA. The Dodgers are the most favorite to win the World Series in Vegas coming from the NL with 5/1 odds. Honestly, the only clear thing happening in the NL right now is the Atlanta Braves clinched the NL East, who have 11/1 odds of winning the World Series in Vegas. It's going to be hard beating the Dodgers this year with the type of pitching they have. They are probably my favorite on the NL side due to how good Clayton Kershaw is.

Chicago Cubs vs. NL Wild Card Winner - The Cubs are tied for the most wins in the NL with 91 wins so far this season. The other team who has 91 wins is the Brewers who are also in the NL Central. The division winner likely clinches the #1 seed in the NL, while the 2nd place team will face elimination in the Wild Card series, so I would say this weekend for both of these teams is huge. The Cubs hold 8/1 odds winning it all this year in Vegas.

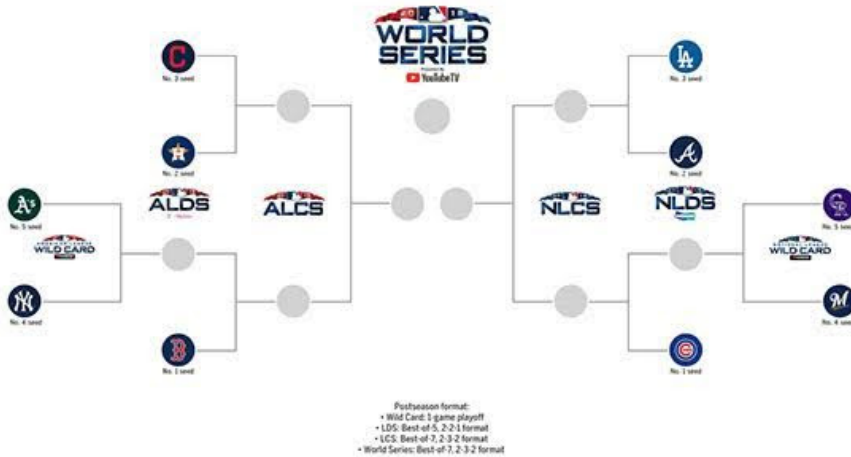
What About the St. Louis Cardinals? The one team not out of the race by any means and causing a lot of question in this playoff race is the St. Louis Cardinals. Though the Cardinals probably won't win the division, they are only 1 game back from getting a wildcard spot. The Cardinals are pulling up the rear in the odds this season to win it all at 25/1 odds because of the tough road beginning on the road every series. I wouldn't sleep on the Cardinals this season. One of NL favorites from the beginning of the season.

Could There be a 4 Way Tie? Yes, there's even talk there could be a 4-way tie between the Brewers, Cardinals, Dodgers, and Rockies. If this happens they are talking about a possible solution of an extra play in game taking place October 1st. The Dodgers would face off against the Rockies and the Brewers would play the Cardinals. Then, another game taking place where NL West loser will play Cardinals/Brewers loser for the other Wild Card spot. The NL wildcard game is supposed to take place October 2nd, which will be the first game kicking off the MLB playoffs.

Series to Watch this Weekend - The best series to tune into this weekend is the matchup between the Cardinals and the Cubs, who both have a lot to play for. Every game during the series will be a day game, so should be a grind for these teams.

2018 POSTSEASON

The bracket reflects the postseason field if the season ended today, with seedings updated after every regular-season game.
 Locked-in seeds: AL: BOS (1), HOU (2), CLE (3)
 Clinched postseason berths: AL: BOS, HOU, CLE, NYY, OAK | NL: ATL
 Tiebreaker scenarios »

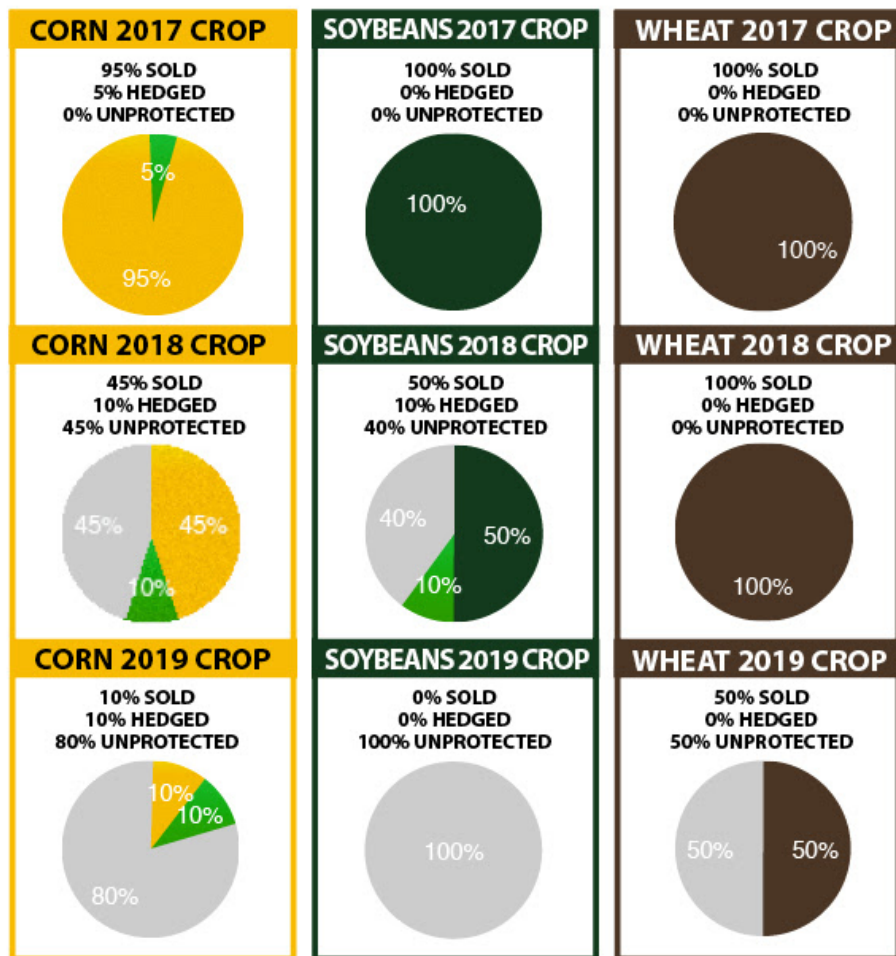


ANSWER to riddle:

Mirror

CASH SALES & HEDGING TOTALS

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