

GOOD MORNING: 10/08/18 Farm Direction - Van Trump Report

2 messages

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 Bcc: info@farmdirection.com

Mon, Oct 8, 2018 at 6:59 AM



"When God gives you a new beginning, it most often starts with an ending." - Unknown

MONDAY, OCTOBER 08, 2018

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

Morning Summary: Stock are down slightly this morning as the Chinese market tumbles by almost -5% overnight. Here at home, banks, government and the bond markets are closed for Columbus Day. Traders here in the U.S. continue to debate "good economic" data. Bulls are pointing to the U.S. jobless rate declining to a 48-year low. Bears are worried that continued strength in U.S. employment is ultimately going to spark increasing wages and more dangerously spark increasing inflation. Bears also keeping a close eye on the speed of change or velocity of changing bond yields. Last week it was the sudden jump in the 10-year Treasury yield, which spiked to over +3.2% that made the trade take notice. It seems there's now more talk and worry surrounding the threat of inflation and a more hawkish Fed. The previous few weeks, it was talk of a more dovish Fed because of longer-term economic headwinds being created by ongoing trade negotiations. Now that we've inked deals with both Mexico and Canada, and are in talks with Japan and the European Union to perhaps form a "trade coalition" to confront China, the bears are talking about the U.S. economy heating up too fast. Don't forget, today is Columbus Day, many U.S. banks, various financial institutions, and government agencies are closed for the holiday, but stock and commodities markets are open normal trading hours. The holiday also means no U.S. economic reports are on the calendar or will be released. Traders will get a better gauge of "inflation" later this week as the PPI and CPI reports are scheduled for release this Tuesday and Wednesday. Remember, both reports calculate the change in price of a set of goods and services. The CPI includes imports; the PPI does not. Many inside the trade argue, that the "Producer Price Index" is often used to calculate real growth by adjusting inflated revenue sources, while the "Consumer Price Index" is often applied to calculate changes in the cost of living by adjusting revenue and expense sources. Later in the week, traders will be digesting the start of Q3 corporate earnings. Many experts are thinking earnings for Q3 are likely to show +20% growth for the third straight quarter. The big banks like JPMorgan, Citibank, Wells Fargo and PNC all report Friday. The financials haven't been performing real well, so it will be interesting to see the updated data. There will also be several Fed officials out on the speaking circuit this week. I will continue to keep my eye on the strength of the U.S. dollar and the price of oil. If both were to continue gaining momentum, it would certainly give the bulls reason to pause...

Kavanaugh Sworn in as Supreme Court Justice: In case you missed it, Judge Brett Kavanaugh, President Trump's second nominee to the Supreme Court, was confirmed by the Senate on Saturday in a largely contested and divided vote. The vote was consistently interrupted by protesters yelling and being escorted out of the Senate Gallery. Kavanaugh on the Court now pushes it in an arguably more conservative direction. Without question Kavanaugh seems to be more conservative than the judge he is replacing -- Anthony Kennedy. Whereas Kennedy was regarded as the swing vote on the court for many years. Most political insiders now believe the Kavanaugh approval likely means a relatively reliable 5-4 conservative majority on the court.

Brazil's Presidential Election: Jair Bolsonaro, a 63-year old former army captain and far-right frontrunner, who was recently stabbed while campaigning, has won the first round of the Brazilian election. Some political insiders argue Bolsonaro's strongman approach to politics and praise for the military

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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,

dictatorship, which ended in 1985, has raised alarm bells among critics who fear he would move Brazil away from a more liberal democracy. As expected, Fernando Haddad, finished in second place, winning almost all the states of the northeast, where Lula and the left leaning Workers' Party had traditionally been strong. The election between the two finalist will be held of October 28th. It will be interesting to see who is elected to lead the world's fourth-largest democracy.

Good Friends Out Hunting This Weekend: Andy Daniels and some other friends went out duck hunting this weekend at the base of the Teton Mountains. The pics they texted my direction were too awesome not to pass along. Below is just a small sample. The setting is unbelievable. Looks like I missed a good one!



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

SPECIAL GUEST SPEAKER

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



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



Weather Wild-Card!

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

Network directly with some of the top CEO's and ag industry executives. Learn first hand how NEW technology and transparency is influencing today's decisions.

Early Bird Special

\$299

regular price \$500

Remember we sold out early last year!

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FARM TANK

Tweets of the Day



Today In History



1862, Battle of Perryville - Two Confederate forces, commanded by Bragg and General Edmund Kirby Smith, entered Kentucky. The Rebels hoped to raise troops and recoup territory lost during the summer. The invasion started well when Bragg captured a Yankee garrison at Munfordville on August 28 and Smith routed a Union force at Richmond on August 30. Despite the victories, the Confederates were disappointed by the response they received from Kentuckians. Bragg's army hauled 15,000 extra rifles to equip Kentuckians they hoped would join the Rebel army, but Union sentiment and presence were strong in the state. Buell's army had 78,000 men, and another 80,000 Federal recruits were drilling in Louisville and Cincinnati, Ohio. With such a strong Union presence, many Kentucky residents were unwilling to take up with the Confederacy. Buell marched 58,000 men toward Bragg's army while sending another 20,000 to confront Smith. Buell caught up with the Confederates outside of Perryville on October 7. Bragg was installing a provisional government in Frankfort, so General Leonidas Polk deployed the Confederate army in front of the Union lines west of Perryville. Bragg arrived the next morning, perturbed because Polk had not yet attacked the Yankees. Bragg did not realize the size of the force he faced—he assumed it was a single corps and not the bulk of Buell's army. He ordered a strike for the early afternoon, hoping to fold the Union's left flank back upon the rest of the army. The plan nearly worked. The assault drove Federals under the command of Alexander McCook back in disarray, and an acoustic shadow prevented Buell, who was two miles away, from hearing the battle. When Buell was finally alerted, he rode forward and directed two brigades to effectively shore up McCook's sagging line. A smaller Confederate attack against the right side of the Yankee line was turned back, and nightfall halted the fighting. Realizing that he was outnumbered, Bragg began a withdrawal. The losses were heavy. Of 23,000 Yankees engaged in the battle, 4,200 were killed, wounded, or missing; of 15,000 Confederates involved, 3,400 were lost. Bragg retreated south to rejoin Smith, and the Confederates slipped back to Tennessee through the Cumberland Gap. Buell did not pursue, and as a result he was replaced by General William Rosecrans. The Confederates abandoned the invasion of Kentucky and it remained firmly in Federal hands for the rest of the war.



1871, Chicago Fire - A fire breaks out in a barn behind the Chicago cottage of Patrick O'Leary. Winds blowing off the prairie fed the flames, and the fire spread rapidly, eventually consuming a four-mile-long and two-third-mile-wide



Jesse Felder

@jessefelder

Following

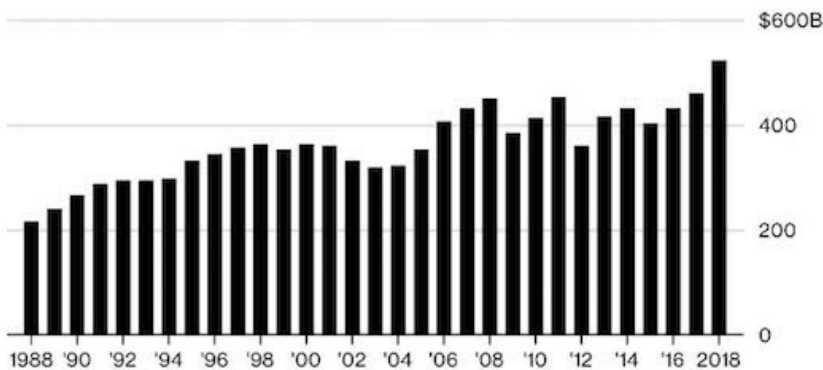
The government shelled out \$523 billion on interest in fiscal year 2018, the highest on record and 14 percent more than the prior 12-month period.

[bloomberg.com/news/articles/](https://www.bloomberg.com/news/articles/2018-10-05/us-interest-expense-reaches-record-523-billion) ... ht
[@SoberLook](#)

Up and Up

Over half a trillion were needed to cover U.S. interest expenses last fiscal year

■ Interest expense on the debt outstanding



Source: Bureau of the Fiscal Service, U.S. Department of Treasury

Note: Fiscal years

9:52 AM - 5 Oct 2018

swath of Chicago. When the Great Fire was finally over two days later, nearly 300 people were dead, one hundred thousand were homeless, and Chicago's booming downtown was in ashes. In the days and weeks following the fire, monetary donations flowed into Chicago from around the country and abroad, along with donations of food, clothing, and other goods. These donations came from individuals, corporations, and cities. New York City gave \$450,000 along with clothing and provisions, St. Louis gave \$300,000, and the Common Council of London gave 1,000 guineas, as well as £7,000 from private donations. Cincinnati, Cleveland, and Buffalo, all commercial rivals, donated hundreds and thousands of dollars. Milwaukee, along with other nearby cities, helped by sending fire-fighting equipment. Additionally, food, clothing and books were brought by train from all over the continent. Mayor Mason placed the Chicago Relief and Aid Society in charge of the city's relief efforts. Despite the devastation, Chicago would rise again and continue to be the economic center of the American West for decades to come. Most people think of Chicago as a midwestern city, and geographically it obviously is. But economically, Chicago is best seen as the unofficial regional capital and economic center of the American West. Because of its location on the western edge of a system of lakes, rivers, and canals that linked the city to the East, Chicago was the natural destination for both western raw materials moving East and eastern manufactured goods moving West. After the Civil War, Chicago quickly eclipsed St. Louis as the primary trading hub between East and West, and the city's fate was inextricably tied to the rapidly growing settlement and development of western natural resources. Millions of dollars worth of cattle, lumber, swine, and grain that had originated in the plains of Wyoming or the mountains of Montana were channeled through the massive freight yards, slaughterhouses, and grain elevators of Chicago. Indeed, a look at a map of the U.S. during the 1880s revealed that while all roads may have once led to Rome, by the late 19th century all railroads led to Chicago. Although the Great Fire of 1871 destroyed Chicago's downtown, it left most of the city's essential industrial infrastructure in place. Scarcely missing a beat, the towering grain elevators and vast stockyards continued to collect the growing output of the West, process it into pork sausages or two-by-fours, and send it onward to the insatiable markets of the East.



1957, Jerry Lee Lewis -

Lewis was not the only early rock-and-roller from a strict Christian background who struggled to reconcile his religious beliefs with the moral implications of the music he created. He may have been the only one to have one of his religious crises caught on tape, however—in between takes on one of his



Ben Erdman
@benerdman

Following

#harvest18 family picture fail



7:16 PM - 4 Oct 2018



Charles Scovill
@corntech

Following

With the wet weather, ear molds are showing up in many area fields. The white colored mold is not nearly as bad as the pink molds for livestock feeds. Manage accordingly. Hybrid selection makes a difference.

#Harvest18



9:02 AM - 5 Oct 2018

legendary hit songs. It was on October 8, 1957, that bible-school dropout Jerry Lee Lewis laid down the definitive version of "Great Balls Of Fire," amidst a losing battle with his conscience and with the legendary Sam Phillips, head of Sun Records. Jerry Lee Lewis had first made his way to Sun Records in September 1956, hoping to catch his big break in the same Memphis recording studio where Elvis had caught his. The result of Lewis' first session, in November 1956, was the minor hit "Crazy Arms," but six months later, he and Phillips struck gold with "Whole Lotta Shakin' Goin On," a million-selling smash. Lewis's signature piano-pounding style and electric stage presence made him an instantaneous star, but stardom didn't quiet the doubts that his upbringing in the Assemblies of God church had given him about rock and roll. Those doubts would be on open display when he went back to the studio on this day in 1957. It was hours into the "Great Balls Of Fire" session when Jerry Lee began arguing with Sam Phillips that the song was too sinful for him to record. As the two talked loudly over each other, Phillips pleaded with Lewis to believe that his music could actually be a force for moral good. It's worth noting, Lewis's rock and roll career faltered in the wake of his marriage to his 13-year-old cousin. He had minimal success in the charts following the scandal, and his popularity quickly eroded. His live performance fees plummeted from \$10,000 per night to \$250. In the meantime, he was determined to gain back some of his popularity. In the early 1960s, he did not have much chart success, with few exceptions, such as a remake of Ray Charles's "What'd I Say". His live performances at this time were increasingly wild and energetic. His 1964 live album Live at the Star Club, Hamburg is regarded by music journalists and fans as one of the wildest and greatest live rock albums ever. In 1968, Lewis made a transition into country music and had hits with songs such as "Another Place, Another Time". This reignited his career, and throughout the late 1960s and 1970s he regularly topped the country-western charts; throughout his seven-decade career, Lewis has had 30 songs reach the top 10 on the "Billboard Country and Western Chart". His No. 1 country hits included "To Make Love Sweeter for You", "There Must Be More to Love Than This", "Would You Take Another Chance on Me", and "Me and Bobby McGee".

Upcoming Events

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



BB
@Benbelnap

Following

So me and my wife had been saving up to pay for our [@Utah_Football](#) tickets in cash. We pulled our money out yesterday to pay my mom for the season... Well we couldn't find the envelope until my wife checked the shredder. Yup. 2 year old shredded \$1,060.



3:40 PM - 2 Oct 2018

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

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



Sports Motivation
@Sports_HQ

Following

It's tough to beat someone who doesn't give up. Keep Hustling



11:14 PM - 29 Sep 2018

Kevin's Song of the Week



Kevin's Song of the Week



My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with

neuro mining



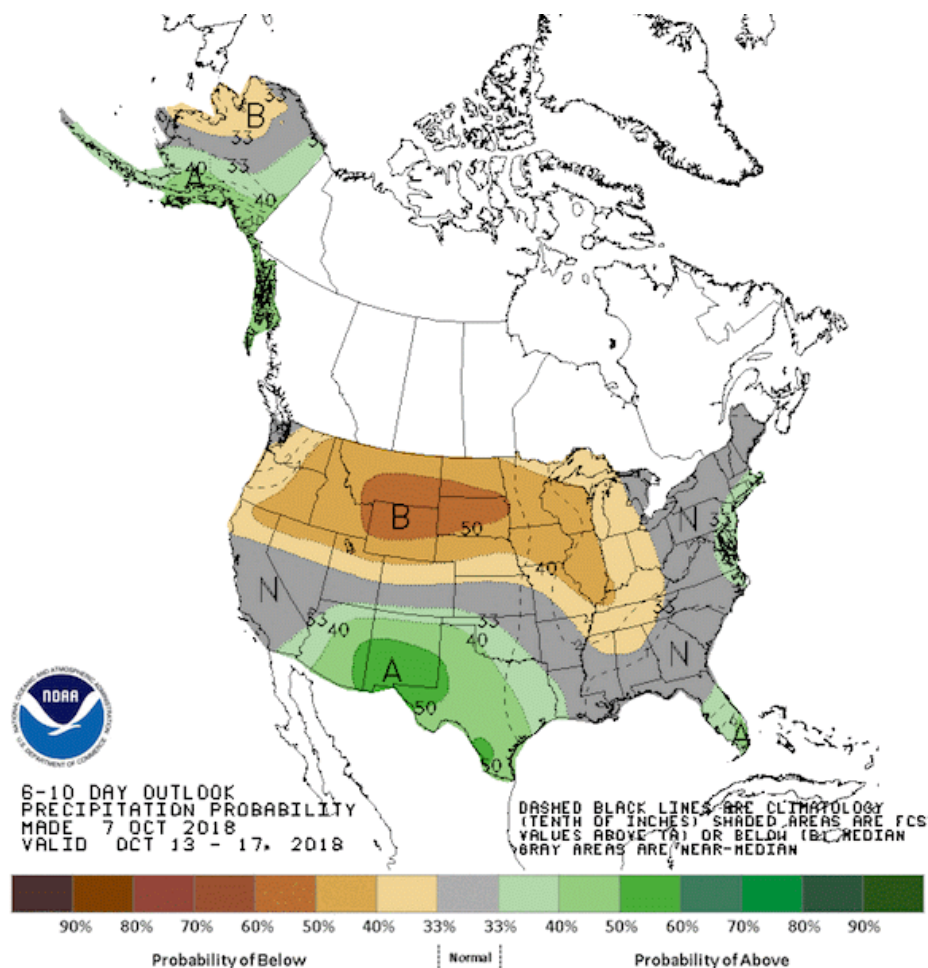
As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we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

TODAY'S RIDDLE:

I can be crushed to pieces but only if I am given away first, I can be clogged and attacked but that's usually my own doing. No matter how many problems I have, you wouldn't dare let me go. What am I?

Weather over the weekend saw a pair of slow-moving storms dump heavy rainfall across the nation's mid-section. Starting Friday, showers and thunderstorms concentrated in a line from the Great Lakes down to northern Texas. Rain will continue to fall across the same general area into this week with 5-day totals reaching 2 to 10 inches from the southern Plains into the upper Midwest. As a result, another significant river flood event could unfold across the upper Midwest, with flash flooding possible across a much broader area. Elsewhere, periods of snow will affect the Rockies and northern Plains, while very warm weather will continue in the Southeast and Atlantic States. The 6 to 10 day calls for above normal temperatures along and east of a line from southern Texas to Michigan, while cooler than normal conditions will cover the Plains, West and upper Midwest. Meanwhile, wetter than normal weather nearly nationwide should contrast with below normal precipitation in the PNW.

Tropical Storm Michael Could Hit Florida as a Category 2 Hurricane: Florida Gov. Rick Scott on Sunday warned that a tropical storm headed for the Florida Panhandle could become a Category 2 hurricane with winds up to 100 miles per hour by the time it makes landfall at midweek. Scott issued an order for a state of emergency for 26 counties in the Florida Panhandle and the Big Bend area. The declaration will free up resources for storm preparation. We will keep our eye on this one. Read more [HERE](#).



the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really 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..."

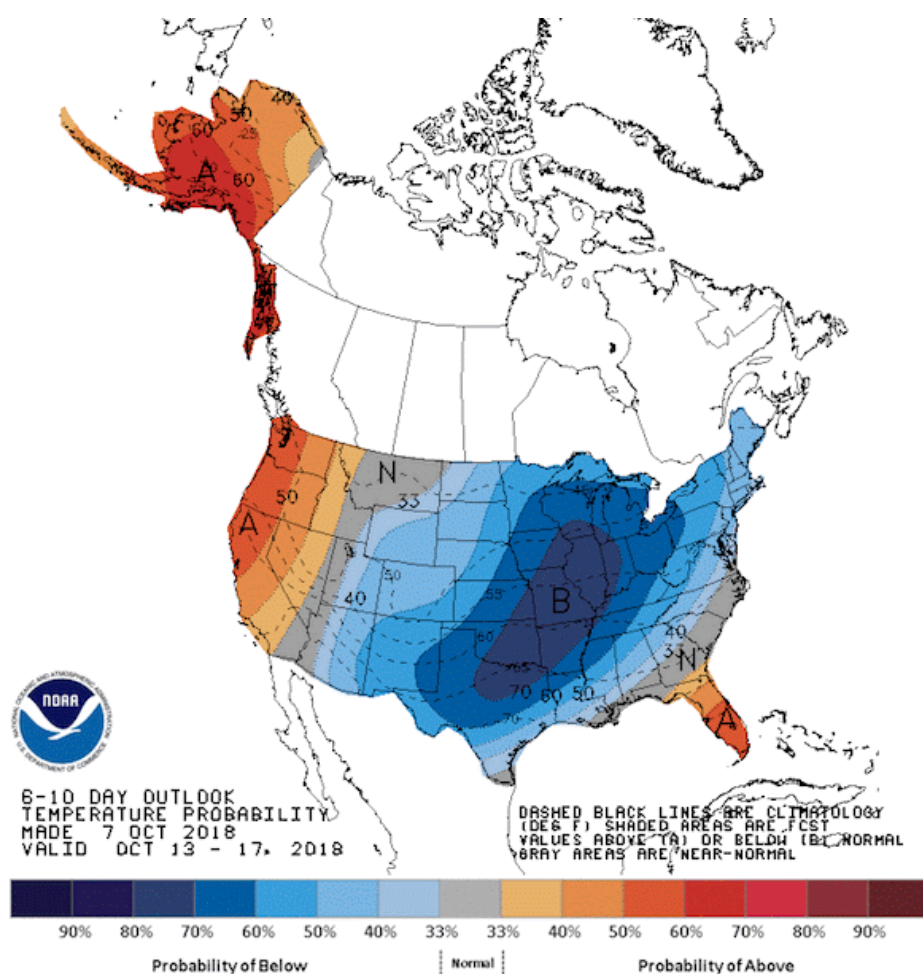
"Bulls make money, Bears make money, but pigs get slaughtered..."

"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.



Corn prices have climbed to multi-week highs on thoughts of improved trade negotiations, late U.S. harvest weather complications, and continued strong demand. Washington has inked deals with both Mexico and Canada, now there are rumors that U.S. leaders are considering a 'Trade Coalition' with Japan and the European Union to confront China. Rains have been heavy in many parts of the U.S., with several areas still having corn in the fields. The rains will continue through mid-week adding big complications in parts of the Plains and northwestern Midwest. There's also talk of heavy snow by mid-week in parts of North Dakota. The longer term 2-to-4 week forecast shows things turning warmer and drier, but between now and then the market could become more concerned. Bulls are hoping the weather threats, strong demand, and improved trade negotiations will help force more shorts to the sideline. Bulls are also pointing to potential tailwind coming from President Trump's visit to Council Bluffs, Iowa tomorrow. Thoughts are we will hear some type of formal announcement directing the Environmental Protection Agency (EPA) to lift the summer ban on E15 gasoline and perhaps tightening restrictions on the trading of ethanol blending credits to keep prices down for merchant refiners struggling with the cost of complying with the U.S. Renewable Fuel Standard (RFS). As I've mentioned in previous reports, the American Petroleum Institute (API) is strongly opposing both the E15 waiver and the proposed trade restrictions, saying the measures would hurt consumers and damage liquidity in the credit market, so the trade is wondering exactly how it will all play out. I suspect we will be a bit smarter tomorrow after listening to the Iowa press conference. Don't forget, we also have a highly anticipated USDA supply and demand report scheduled for release on Thursday. The U.S. yield and overall demand adjustments are in the spotlight. From a technical perspective, as I've mentioned the past several weeks, there are several technical hurdles that could be difficult to clear up between \$3.75 and \$3.90 per bushel in the DEC18 contract. As a producer, I will be looking to reduce a bit more nearby price risk should we test the upper-end of this range. I'm also keeping a close eye on the new-crop DEC19 contract, which is now at or around \$4.00 per bushel. It will be interesting to see how much U.S. corn was "harvested" this past week. Last Monday, the USDA estimated we were 26% harvested, which was well ahead of our historical 5-year average. Let's also keep in mind, many of the largest production states were still showing extremely strong crop-conditions: Illinois corn was rated 80% "Good-to-Excellent"; Nebraska 83% GD/EX; Minnesota 78% GD/EX; and Iowa rated 75% GD/EX. It will be interesting to see if they show the "weather" starting to have a little negative impact? Staying patient and hoping we can continue to grind higher...

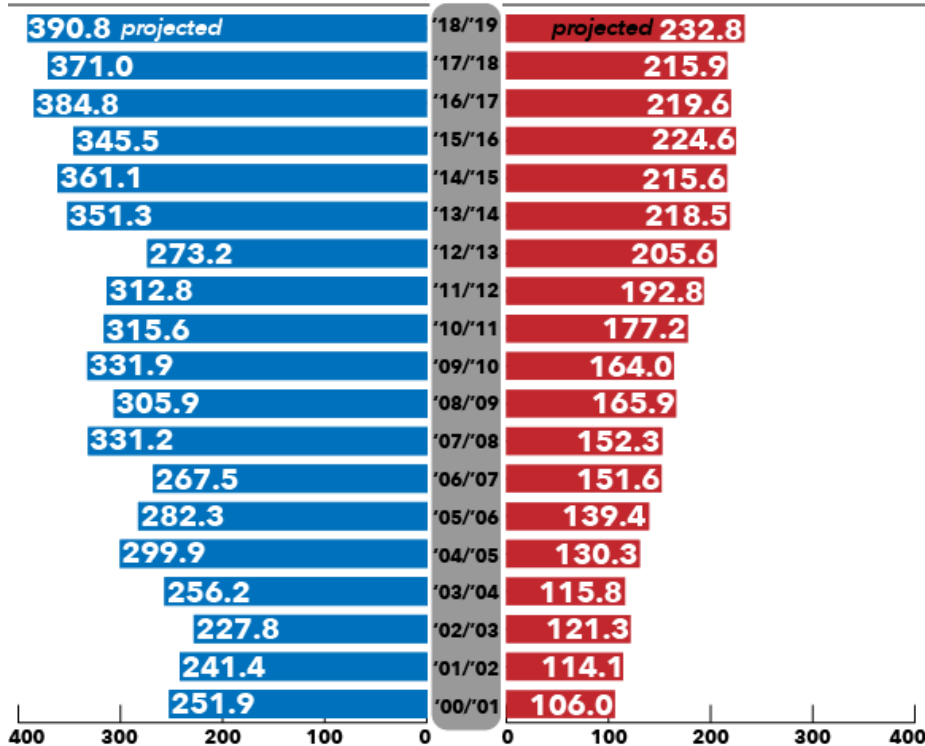
2018 Fall Harvest Price: Corn \$3.66^6

Corn Production

(in million metric tons)

United States

China

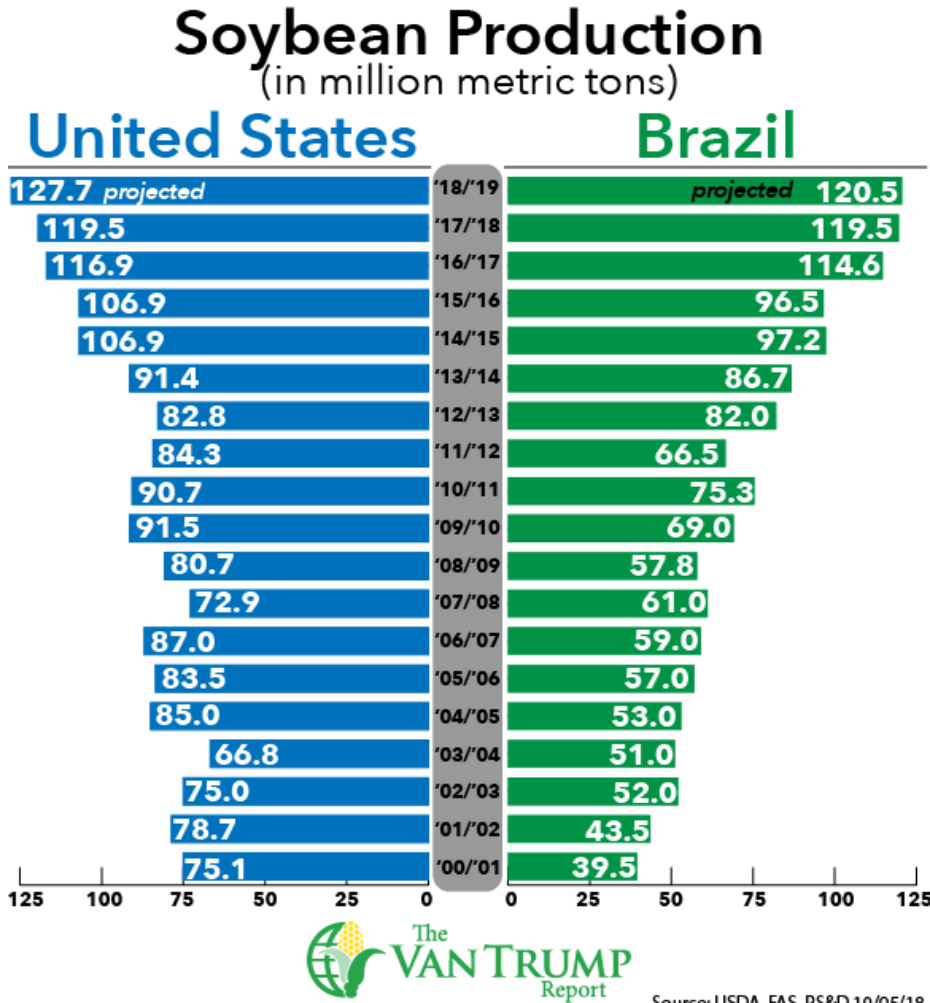


Source: USDA, FAS, PS&D 10/05/18

Soybean bulls have been able to add about +60 cents to the lows set back in September. Heavy rains and extreme delays in the harvest are now adding to the recent gains. Some important production areas are now battling flooded fields and increasing complications. There's talk that parts of central North Dakota could see some fairly heavy snow by mid-week. Last week, the USDA elected to leave their weekly crop-conditions "unchanged" at 68%: Illinois showed a whopping 80% of their crop in "Good-to-Excellent" condition; Iowa showed 74% rated GD/EX; Nebraska 85% rated GD/EX; and Minnesota 72% rated GD/EX. It will be interesting to see if those ratings get hit in this afternoons report. The trade will also be eager to see the USDA's "harvest" estimate. Last week, the USDA estimated 23% of the U.S. crop had been "harvested" vs. the 5-year average of 20%. It seems like we've been averaging around 60% of the U.S. soybean crop harvested by October 15th. I don't see that happening this year, just too much rain in too many areas. For example, North Dakota, South Dakota and Minnesota are generally 70% to 80% harvested by October 15th. On the flip side, South American weather seems fairly cooperative. Bulls could argue parts of Argentina might be a bit too dry. There were also some cold temps reported in parts of Argentina, but I don't see anything wide-spread enough to cause market concern. As for U.S.-Chinese trade negotiations, I'm not seeing any significant change. Late last week, J.P. Morgan lowered its rating for Chinese stocks, predicting a further escalating trade conflict well into 2019. In fact, it seems that most of the big trading banks are all becoming a bit more jittery and less optimistic about the trade conflict being resolved anytime soon. Bottom-line, China remains the huge unknown. Bulls argue that soymeal prices inside China are going to explode higher at some point during the next three to six months. Bears argue that a campaign to lower protein rations, along with fallout from "African Swine Fever", could reduce soymeal demand by -15 MMTs and ultimately soybean import demand by -10 MMTs in the coming months. Technically, this is the highest close we've seen in the NOV18 contract since August 22nd. We are actually back above our 50-Day Moving Average. I should note, there's also some seasonal and historical trade information circulating that show strong bullish tendencies for the market between now and month-end. I still think we are range-bound and simply oscillating back towards the upper end of the range. As I mentioned several week ago, I still think there will be more bad news to digest in regard to Chinese trade negotiations. I think it's going to take more time than most are currently wanting to acknowledge. I hope I'm wrong or that U.S. soybeans can continue to find strong demand elsewhere. As a producer, I will be looking to reduce a bit more nearby price risk if we can push north of \$9.00 per bushel. As a spec, I would only be a buyer on another leg lower. The

headline risk associated with the Chinese unknowns continue to keep me from buying breakouts to the upside. I'm also worried that Thursday's USDA report could bring into the spotlight another round of bearish fundamentals...

2018 Fall Harvest Price: Soybeans \$8.62[^]6



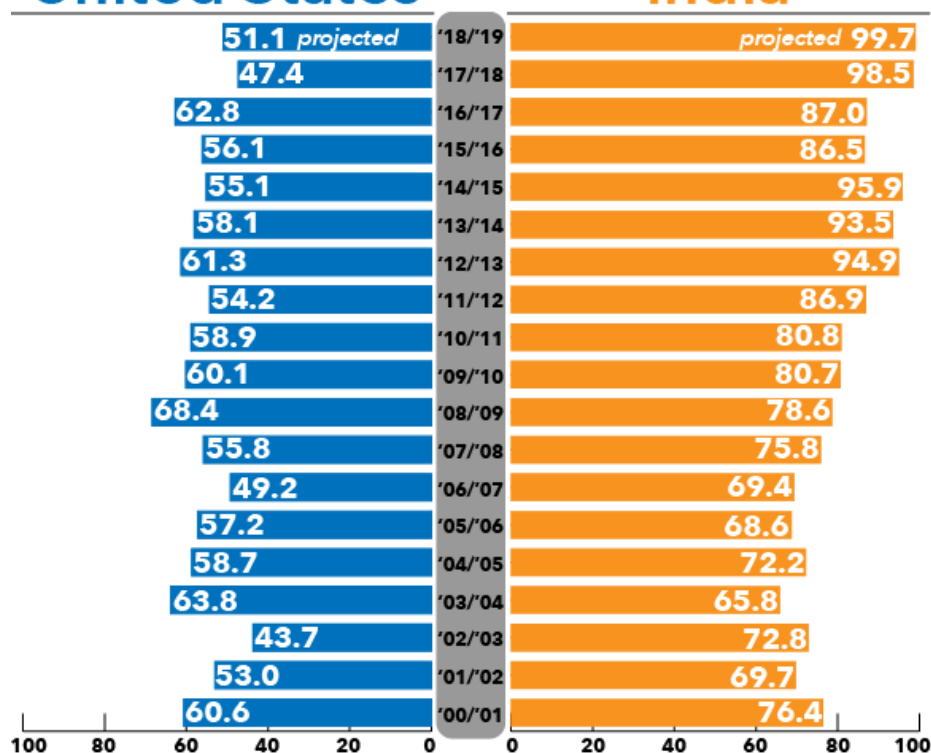
Wheat prices have done very little the past few weeks. Bears continue to point towards ample global supply and an overly burdensome U.S. ending stock estimate. Bears also continue to point towards increasing U.S. winter wheat acres and lack of overall demand for U.S. exports. Bulls are pointing to U.S. weather delays and hopes that heavy rains could negatively impact planting intentions. Last week, the USDA estimated that 43% of U.S. winter wheat had been "planted" vs. the 5-year average of 40%. The crop was also estimated to be 14% "emerged" which was right in line with the 5-year average. States where planting was already estimated to be running behind schedule included: Arkansas; Michigan; Montana; Nebraska; North Carolina; Ohio. Bulls are also pointing to rising prices in Russian exports and continued talk of Russian officials eventually needing to slow the pace of wheat leaving their country. I also continue to hear more talk of production hiccups inside Australia. Last month, the USDA reduced their Australian wheat estimate from 22 down to 20 MMTs. From what I'm hearing, that's still way too high. I've heard recent estimates from inside Australia more realistically between 12 and 15 MMTs. It will be interesting on Thursday to see how much more the USDA will lower their Australian production estimate? I'm also curious to see if they will make any downward adjustments to production in Canada or the European Union? I remain a longer-term bull and continue to hold a small conservative spec position. As a producer, I was an aggressive seller on the early rallies and am now content playing the waiting game. I'm in absolutely no hurry with this market... I believe there's going to be another significant leg higher, we just have to give it time. I also believe there are some geopolitical tensions brewing in the Black Sea region that could ultimately play as the bullish "wild-card".

Wheat Production

(in million metric tons)

United States

India



Source: USDA, FAS, PS&D 10/05/18



> **U.S. Ethanol Exports Hit Three Year Low With Brazil:** *The downturn in U.S. ethanol exports to Brazil, while somewhat expected, was another blow to biofuel producers reeling from low prices and near-record large stockpiles. I'm told only 4,395 gallons, or about 105 barrels of U.S. ethanol were exported to Brazil in August, down sharply from 24.5 million gallons, which is about 583,400 barrels in the same month a year ago. The monthly imports were the smallest since Brazil brought in no U.S. supplies in October of 2015, USDA data showed.*

> **GMO Labeling Rule Coming Soon:** *Speaking in an interview with Organic Insider, Ag Secretary Sonny Perdue said they will have a ruling out by the end of the year on GMO labeling. USDA is planning to release its final rule on labeling genetically engineered ingredients after missing their July 29 deadline set by Congress. (Source: Politico)*

> **Russia's Phosagro to Supply India With Fertilizer:** *The company has struck a deal to supply 2 million tons of fertilizer worth \$1 billion to India by 2021, it said on Friday, adding that supplies would rise further if India cancels a 5% duty on Russian fertilizer imports. India, the world's second largest consumer of crop nutrients after China, fulfills nearly 90 percent of its demand for phosphate-based fertilizers from imports.*

> **Senators Applying for Trade Aid:** *Senator Chuck Grassley, who owns a 750 acre farm in Iowa, is defending his decision to apply for aid as part of the Trump administration's trade relief package for farmers hurt by tariffs. Senator Jon Tester of Montana has also applied for aid.*

> **Oil Demand Remains High Thanks to Petrochemicals:** *The IEA released a new report highlighting the increasingly prominent role that the petrochemical sector is playing in driving global crude oil demand. I'm told petrochemicals will account for more than a third of the growth in oil demand to 2030, and nearly half to 2050, ahead of trucks, aviation and shipping.*

> **Iran Sanctions Workaround Has EU Companies Concerned:** From what I'm hearing, EU companies won't play along with Iran sanctions workaround. I'm told the EU setup a special purpose vehicle to allow companies to continue to do business with Iran, but the FT reports that top European refiners are not convinced that the financing vehicle would shield them from U.S. sanctions. "We cannot afford to take the risk to be banned from using the US financial system," Patrick Pouyanne, CEO of Total SA, said at a conference in Russia.

> **SoftBank and Toyota Tackling Japan's Aging Society:** SoftBank and Toyota are forming a joint venture called Monet to develop businesses that will use driverless-car technology to offer new services, such as mobile convenience stores and delivery vehicles in which food is prepared en route. Over the next decade, Monet plans to roll out services like self-driving buses that can drive the elderly to grocery stores, hospital shuttles where medical exams can be done on board, and mobile offices. It will focus initially on Japan with a view to expanding globally.

> **World-Famous Mormon Tabernacle Choir Changes Name After 89-Years:** The choir was renamed Friday to strip out the word Mormon in a move aimed at ending shorthand names for the religion that have been used for generations by church members and others. The singers will now be called the Tabernacle Choir at Temple Square, The Church of Jesus Christ of Latter-day Saints said in a statement. It's a nod to the home of the choir for the last 150 years, the Tabernacle, located on church grounds known as Temple Square in downtown Salt Lake City. The group had been known as the Mormon Tabernacle Choir since 1929, when it began broadcasting a weekly radio program to a wide audience.

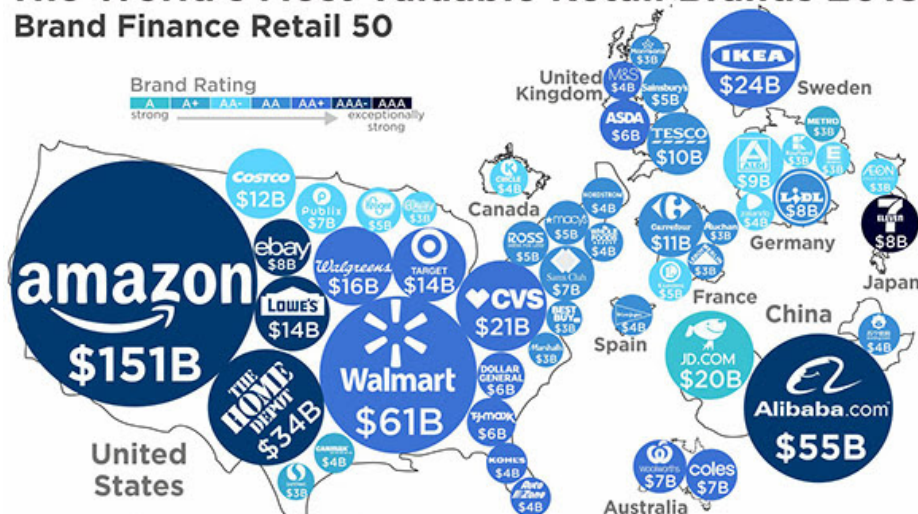
> **Tom Brady Adds Another Page to His Record Book:** The Patriots' quarterback made history on Thursday night, when he completed a touchdown pass to the 71st different receiver of his career. That moment came with 9:19 left in the fourth quarter, when the quarterback uncorked a deep pass to Josh Gordon. Despite defenders on either side of him, Gordon went up and made the catch. The touchdown pass was also the 500th of Brady's career, and his third of the game. Brady is now just the third quarterback in NFL history to reach 500 touchdowns, joining Peyton Manning (539) and Brett Favre (508). Drew Brees will join that club soon, as he's currently sitting at 496.

> **Luxury Trucking:** Pickup trucks are getting larger and more expensive. Because gas is cheap, pickups are in demand, which boosts pickup prices. Edmunds' data shows, through September, the average transaction price for a full-size pickup is \$48,377, a 48-percent boost from 10 years ago and a 19-percent hike from 2013 for the same period. A 48% increase in price is the highest price increase for that time period out of all vehicle categories. Part of that rise in price comes from the fact that more and more people are using their trucks as family haulers, rather than strict work vehicles. When you start doing that, you'll also start looking for more luxury features. (Source: Edmunds)

> **The World's Most Valuable Retail Brands 2018:** The top 50 most valuable retail brands doing things better than everyone else are realizing substantial business value according to a new report from Brand Finance. The map explores the geography of these globally dominant brands according to their overall strength ratings and monetary value. Interestingly, the U.S. dominates the world with 26 out of the 50 companies with a combined value of \$410 Billion followed by Germany with 6, the UK and France with 4 each. (Source: HowMuch)

The World's Most Valuable Retail Brands 2018

Brand Finance Retail 50



How to read this infographic: The infographic shows the brand values of the world's largest retailers (in billions of dollars). Each country is sized according to the total value of its retail brands. The colours represent brand ratings, reflecting the strength of each brand relative to its competitors.

Article & Sources: <https://howmuch.net/articles/the-worlds-most-valuable-retail-brands-2018>
The data has been sourced from the Brand Finance Retail 50 annual study on the world's most valuable retail brands - <http://brandfinance.com/knowledge-centre/reports/brand-finance-retail-50-2018/>

Brand Finance® howmuch.net



FROM THE FIELD

Eastcentral Tennessee – Harvest yields look good considering we didn't see ample rainfall in the heat of the summer. The problem I'm hearing and seeing in many of our fields is soybean seed damage. There is an unusual amount of brown and shriveled seeds. For now the beans are sitting in the bin waiting to go to town, so I don't exactly know where I'm at damage wise. Guys are talking about 10-15% damage dock on average with the high end being closer to 30% and the low end closer to 5%. I have read that guys are seeing this across Kentucky, Arkansas and parts of Missouri as well. A lot of guys are clearing out bins to throw beans in them until they figure out what they want to do. If the elevator hit guys around here with another knock in price by docking them, guys are going to really struggle.

Northcentral Missouri – I don't know about other areas, but we are noticing a lot of black dust on our machines after about one field. I picked until late into the night and you couldn't even see my combine number due to the "black dust" which tells me that these fields are not going to stand into the winter. Stock rot organism will keep eating away at the corn stocks until it falls if we don't get it harvested. We will be sitting for a few days after last night's rain, so I will have plenty of time to think and walk the fields. It looks like we might be sitting for the rest of the week and then we have 100% chance for a big rain on Saturday and Sunday. We will need to get this corn harvested done before we start seeing the stocks give out. I was under the impression that stock rot showed up during wet years and we have not been overly wet until just recently.

Northeast North Dakota – We got 5 inches of snow last night and we are about half done with harvest. It was 5 inches of wet snow, we are seeing large tree branches break and the soybeans all laid down on the ground. My dad is telling me the soybeans are half the height. We are lucky that we didn't have any edible beans wind rowed because then we would have potential mold. I think the only person that is happy is my son because we are going to go hunting this afternoon. We are lucky that the snow didn't come with any wind because it would be much worse with all the lodging and we would have massive amounts of down corn. Right now, we are going to have minimal damage but there will be some. It looks like we are supposed to get at least 3-5 inches of rain over the weekend. So, we will be sitting for at least a week or more if that happens. This is starting to turn into a long harvest.



CROSSING WIRES

A place to share intelligent thoughts...

Pentagon Considers a Bioengineered Insect Army to "Protect Crops": The US Defense Advanced Research Project Agency (Darpa), a government agency responsible for developing new technology usually for use by the military, wants to speed up selective breeding techniques with the use of CRISPR-Cas9, a kind of molecular pair of scissors that can be guided to a precise point in an organism's genome to chop out a troublesome gene, or insert a desirable one. The agency is funding trials that, if they are successful, will mean that insects can be used to deliver genome-editing molecules to crops growing in the field. The research program, which is already underway in four different trials in the US, is now attracting consternation from biologists and ethicists who argue that this new technology poses a biosafety risk and could easily be turned into a new kind of biological weapon. Read more [HERE](#) to decide for yourself.

How One School Teaches Firefighters be Fire Readers: When a wildfire stops burning, an important job begins: Figuring out how it started, and who should be held responsible. In October 2017 a series of fires tore through the sleepy goldenrod hills and green trellised vineyards of California's wine country, forcing many to pack up their families and leave their homes behind. When the fires were extinguished, firefighters eventually deduced that the initial spark came from power lines belonging to Pacific Gas & Electric. If true, the penalty could be in the billions of dollars. But how could anyone know? How could investigators determine if it had been powerlines or something far more subtle, like a bicycle pedal striking a rock (a real cause cited in an investigation)? Burning with curiosity, I called the California Department of Forestry and Fire Protection—more commonly known as Cal Fire—and they invited me to enroll in FI-210, Wildland Fire Investigation, to learn first hand. Read more [HERE](#) on what it takes to get to the bottom of a wildfire.

How AI is Shaping Every Aspect of Amazon's Business: Swami Sivasubramanian lives in a wooded area in the Seattle suburbs that's a favorite with opportunistic local bears, which his wife likes to wait up late for to watch. Because Sivasubramanian, Amazon's VP of machine learning, doesn't share the same passion, he used his skill set and created a solution with a new video camera system known as DeepLens. I'm told the system allows anyone with programming skills to employ deep learning to automate various tasks. Interestingly, DeepLens can perform plenty of other machine-vision tricks, such as figuring out if food is a hot dog or not a hot dog (yes, that's a Silicon Valley reference). It can also transfer an artistic style from one image to an entire video sequence. It's just one of a myriad of ways that Amazon is utilizing AI and machine learning across its many businesses, both for carrying out internal processes and for improving customers' experience. Read more [HERE](#) about how AI is keeping Amazon at the forefront of innovation.

Consider This Next Time You Have A Complex Problem: Simple decisions are best made using cold, hard logic. This way, we can work through the incremental steps that lead to an answer. But the same isn't true for complex decisions, ones that require more creativity in meshing together a web of interconnected ideas. We're wired to remember what we're in the middle of more than what we've completed, a phenomenon known in psychology circles as the Zeigarnik effect, named after Bluma Zeigarnik, the first person to study this concept. As a result, uncompleted tasks and decisions weigh more heavily on our minds than ones we've finished—focus comes when we close these distracting open loops. While annoying during attempts to focus, the Zeigarnik effect can do something stunning when we scatter our attention and let our mind wander. Find out what it does [HERE](#).

One Man's Spare VW Beetle Now Worth \$1 Million: When Rudy Zvarich was 37-years-old, he owned a 1957 Beetle as his daily driver and was very particular about the features and looks of his automobile. When Volkswagen decided to facelift the bug in 1965, he couldn't bear to imagine himself driving the new design so he decided to buy a backup. So, he bought a second pre-facelifted model to fill the space in his garage so that he could ensure that his preference was preserved once his '57 was ready to be retired. Zvarich searched high and low until he found one of the last remaining 1964 models and immediately shelled out \$1,756.90 of his hard-earned cash to take delivery. In 2014, Zvarich passed away at the age of 87, handing the Beetle down to his nephew. Two years later, the time capsule of a car was unsealed and was brought back to running condition. Read more [HERE](#) for the rest of the cool story.





FARM TANK



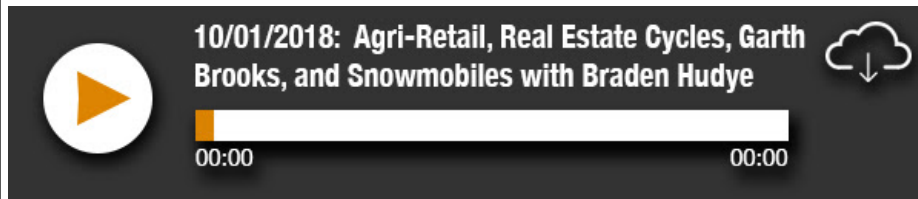
NEW Podcast "Agri-Retail, Real Estate Cycles, Garth Brooks, and Snowmobiles" with Braden Hudye

"Purpose before profit. If you know yourself, who you are, and what you want out of life, then plan for it and go after it. It's about the journey and not the destination." — **Braden Hudye**

Braden Hudye, President of the The Hudye Group, has spent his life as a successful business owner and investor. Braden started his career while attending the University of Saskatchewan where he first started investing in commercial real estate properties. Since then, Braden has ran successful businesses on the farm, agri-retail, real estate development, and equity investments. Braden was an active member of a management team that won the Canadian Association of Agri-Retailers Retailer of the Year in 2011. He and his team were also top-3 finalist for Top Producer of the Year by Farm Journal in 2010 for their U.S. farm operations.

We also talk about a wide variety of interests in his life such as: charity, snowmobiles, Darius Rucker, Garth Brooks and real estate cycles. Listen to the podcast below to learn more about this intriguing real estate investor and Sturgis fanatic.

Click the Media Button Below or [HERE](#)



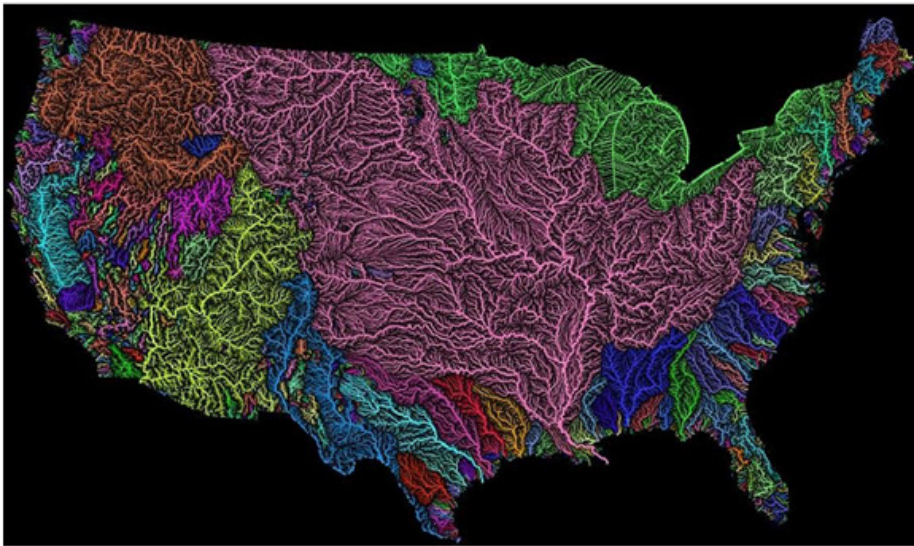
I hope you find this podcast informative and to the point. I believe there's some great lessons we can share to help us all become more successful. My goal is to deliver the information in a quick, relevant and thought provoking manner to those in the world of agriculture.

You can sign up to receive all of our proprietary podcast for FREE for a limited time by clicking [HERE](#).

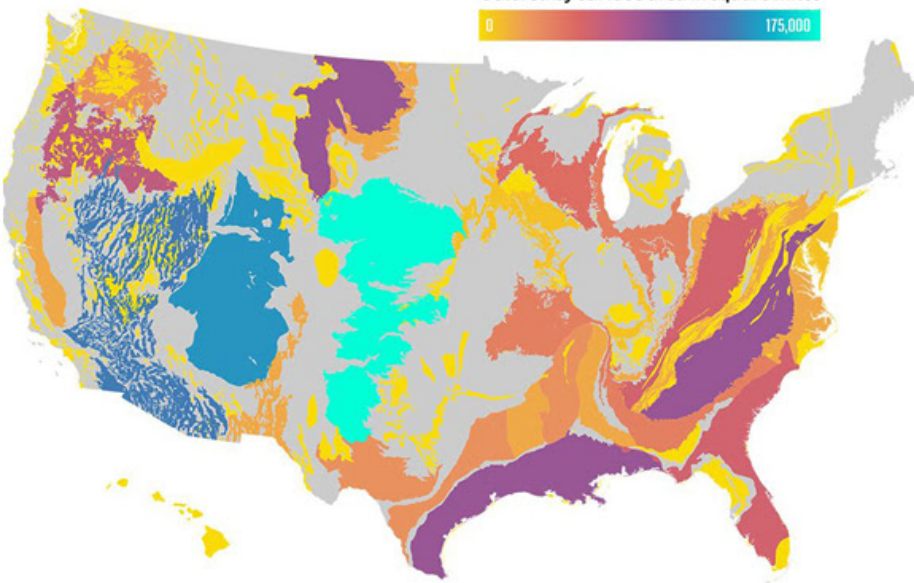
Hope you enjoy,
Jordan Van Trump

Stunning Map Shows Every River Basin in the U.S.

With all of the recent rains and talk of flooding, I thought we would take a look at the U.S. rivers and aquifers. I included below this incredibly detailed map which shows the complex network of rivers and streams that make up the U.S. river basin in the lower 48 states. Created by Imgur user [Femetlenfej](#), a geographer and GIS analyst with a lifelong passion for maps, it highlights the massive expanse of river across the country -- in particular, those which feed the Mississippi River. It's all 100% scientific, based on satellite data and digital elevation models. Every stream and river is placed on a scale of 1 - 10, based on the stream order size. There are 18 major river basins in the 48 states of the contiguous U.S., but much of the map is dominated by the massive area for the Mississippi River, including the Upper and Lower Mississippi River Basins, along with Missouri River Basin and the Arkansas-White-Red Basin, as seen in pink. In this map, there are 18 distinct colors. Pink, for example, represents a river that runs north-south or south-north. The longest river on the map is the Missouri at 2540 miles, although the biggest in terms of water volume is the Mississippi, which is much deeper. The Yellowstone is the longest un-dammed river in the U.S. at 692 miles. If you like the river map, you can actually go [HERE](#) and purchase high quality digital prints. I have also included an interesting look at our nations aquifers, which may have gotten a good drink this year....



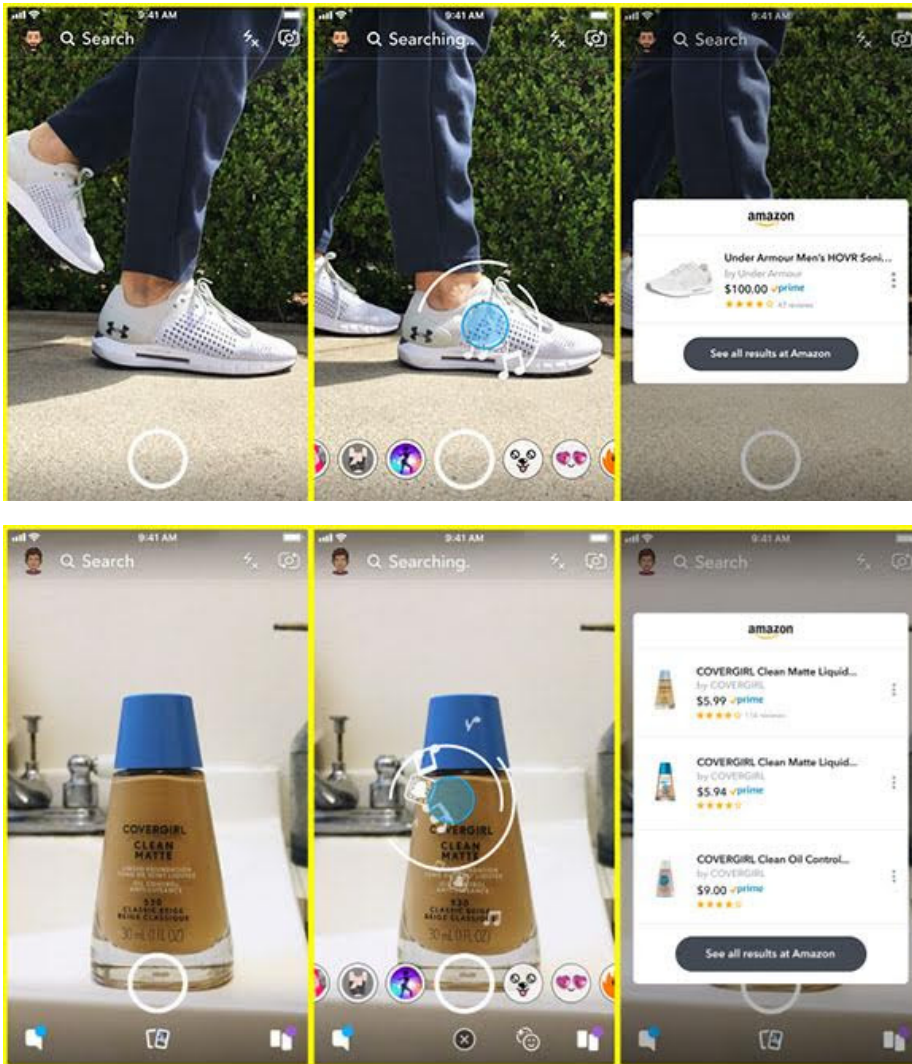
Major Aquifers of the United States
Colored by surface area in square miles



Snapchat Teams Up with Amazon to Invent Crazy Technology

Snapchat users will soon be able to shop on Amazon by taking pictures of whatever catches their eye. Snapchat said they are releasing a new feature called Visual Search that will allow users to point the app's camera at shoes, makeup, or other products to find the item on Amazon and to buy it. This technology is going to make it incredibly easy for shoppers to find and buy objects they see on the street that they have never seen before. The product is still in the testing stage, but from what I've heard it's going to be very easy to use. When a Snapchat user spots an item they want to buy, they can point the app's camera at the product or its barcode, pressing down on the screen until the

app recognizes the item. A card will then pop up within the Snapchat app with information from Amazon on the product, then Snapchat users can click on the card to purchase the item. Snapchat says they will be slowly releasing this product. Is this any different from eBay letting users shop on their site using pictures from their phones that was introduced last year? Maybe Amazon has a new idea to help gain some traction. Seems awfully easy and very disruptive to just ignore. Unfortunately, Snap's stock has taken it on the chin as of late. For full disclosure, I've been in and out of this stock a few times, but currently hold no positions. I may consider jumping back in as a buyer on a further break in price. I see no hurry at the moment, but still see a possible buyout from another company as an opportunity. I heard some rumors the other day that perhaps a company like a Disney or Amazon could find interest as they move deeper into media and communication.



"A Star Is Born"... Worth Going To See

I took Michelle to the movies this weekend to see "A Star Is Born". This is a new spin on the old Barbra Streisand and Kris Kristopherson hit movie from 1976. The latest version stars Bradley Cooper, Lady Gaga, and Sam Elliot, and is getting massively strong reviews. I have to agree! I don't want to spoil the movie, but if you get the chance it's certainly worth going to see. Gaga and Cooper fall in love and for moments their chemistry is absolutely perfect. I am a huge fan of Lady Gaga's musical talent and have always liked Sam Elliot and Bradley Cooper, so the movie kept me well entertained. It was also emotionally moving. There are many great moments in the movie, but one of my favorites was hearing Sam Elliot explain an artist. He says, *"Music is essentially 12 notes between any octave, 12 notes and the octave repeats. All any artist can offer the world is how it sees those twelve notes."* You can see this short two-minute trailer for the movie [HERE](#). Go see it! I also included below an article I wrote a long time ago about Lady Gaga.



Broadening Your Horizons Helps Improve Your Business Skills

Below is something I wrote about Lady Gaga several years back and have since received many "thank you's" and comments about. Most thank me for helping them see things from a different perspective. Not always do our readers agree with the "message", but most everyone seems thankful for the "strategy" and ability to make them think differently. Hope I can continue to challenge the conventional...

Written in December 2011: Personally I know very little about Lady Gaga, except for the fact I always hear her name in the press in regards to her unusual dress or outrageous stage presence. Having two teenage children at home does provide me with the luxury of hearing the name "Gaga" tossed around from time to time. One evening a couple of weeks ago my daughter wanted me to watch a "special performance" that was airing on ABC about Lady Gaga. I hastily agreed, and immediately built a wall of preconceived thoughts and beliefs about Miss Gaga in my mind. During the next hour though I found myself captivated by her stories, genuine kindness, and amazing talent. I couldn't tell you all of the good or bad about Lady Gaga, but I can tell you that as we age we have to learn to become more "open minded." It is critical if we want to keep our minds fresh and enable ourselves to grasp new concepts and "connect-the-dots" in this ever changing world. I have been doing a lot of research as of late in an effort to better understand how the brain best simplifies the "complex," and how the brain is able to connect the so called "dots" in the quickest and most efficient manner. Each and every study talks about training and teaching the brain NOT to make preconceived ideas, NOT to get trapped in the same old routine, NOT to stereotype or build walls. As you know, trying to get your head around all of the new dynamics occurring each day in the Agricultural world has become an almost insurmountable task. In my constant efforts to connect-the-dots and simplify the complex, I have learned I need to be as open to as many new ideas and concepts as I can. I encourage you to do the same. I thought I would pass along a little homework... open up your mind and listen to one Lady Gaga song. After you listen to the link I attached, I want you to reflect back and think about what you originally thought about Lady Gaga versus how you feel about the song you just heard. There is no difference between this exercise and the way we often view the markets and or your own marketing strategies. At times we have preconceived ideas or thoughts about something that we have heard or built up in our heads, often times to the extent we refuse to see or hear the truth. I encourage you to start challenging your brain in an effort to broaden your horizons. Most of all...enjoy the song it is truly amazing!

Gaga wrote this song about her grandfather while he was dying. In her 2011 Thanksgiving special, she revealed that it was a specific moment shared between her grandparents that provided the inspiration for the song. Said Gaga: "They had been married for 60 years, and my grandma used to tell me about my grandpa sleeping in a car on the street just so he could be near her - they were Italian and very strict so there was no way grandpa was going to be sleeping over at grandma's house when she was a kid. When I saw her say goodbye to him, I realized that in that moment, they both acknowledged that they had won at life because they had won at love with each other."

Recalling the loss of her grandfather in 2010 during a Google Goes Gagainterview, the singer revealed that she wrote this song at an emotional moment at the piano with her father. "My dad and I were going to say goodbye to him at the hospice, my dad sat next to me at the piano, and I wrote 'The Edge of Glory' on the piano and my dad and I cried."

Gaga explained the song's meaning during an interview with E! News: "The song is about, how when I watched my grandpa die, I believed that he

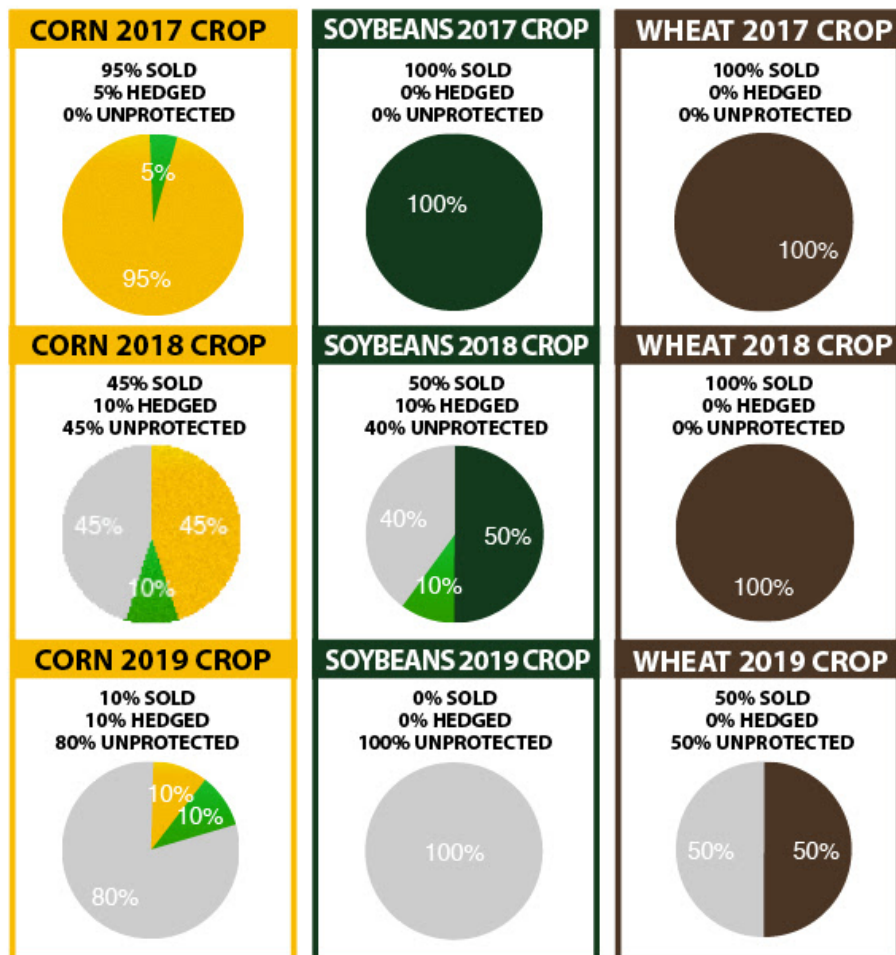
looked at my grandmother, and at that moment realized that he was a champion in the life and that's when he's able to go to the "edge of glory" that represents being on the edge of that glorious moment."

Must Listen To: [Lady Gaga - The Edge of Glory](#) (there is a short advertisement at the beginning so give it a few seconds to start)

ANSWER to riddle: A Heart!

CASH SALES & HEDGING TOTALS

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