

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

2 messages

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Wed, Oct 10, 2018 at 6:55 AM



"A river cuts through rock not because of its power, but because of its persistence." - Jim Watkins

FYI... The Conference in Kansas City on November 28th and 29th is almost full. If you planned on attending you need to reserve your spot within the next few days. Find out more information and details by clicking [HERE](#)

WEDNESDAY, OCTOBER 10, 2018[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks continue to slide a bit as more headwinds creep into the headlines. Not only do we continue to digest more negative headlines surrounding trade negotiations with the Chinese, but we are also seeing talk of a more hawkish Fed and rising interest rates. Also causing concern is a seven week high in the U.S. dollar and talk of further strengthening. Let's also keep in mind, the trade is digesting a bearish downgrade by the IMF, who's latest outlook shows a slowing global economy. International Monetary Fund (IMF) Managing Director Christine Lagarde announced yesterday they were reducing their global economic growth rate from what it had originally predicted back in July. The IMF expects the U.S. economy to continue growing this year at near 3.0%, but sees that rate falling next year amid the country's escalating trade war with China and tax-cuts being further digested. While the IMF's outlook for the Chinese economy stayed at 6.6% this year, its forecast for next year drops to 6.2%, representing the slowest growth rate the Asian country has seen since 1990. You can read their entire Executive Summary [HERE](#). Here at home, in a somewhat surprise move, Nikki Haley, the US Ambassador to the United Nations, announced she was stepping down. Haley, the former governor of South Carolina, has been consider a big supporter of President Trump's administration. This has the media and trade perhaps wondering if there's some more widespread fallout? In traditional economic news, traders today will be digesting the updated PPI data, followed by CPI and weekly Jobless Claims tomorrow. Friday will bring Import and Export Prices along with Consumer Sentiment. Friday also brings the first significant round of corporate earnings, which will include the big banks like JP Morgan, Citibank, and Wells Fargo. Most inside the trade are looking to see what the strength in the U.S. dollar, higher interest rates, tighter labor market, and a continuing trade conflict with the Chinese will do to forward looking earning projections. It's worth noting, Pittsburgh-based coatings giant PPG announced yesterday that they were cutting its earnings forecast for the third and fourth quarters of this year to levels well below what Wall Street was anticipating. PPG cited all of reasons mentioned above for lowering guidance... higher raw material costs, higher wages, elevated logistics cost inflation, and weaker global demand. The trade seems a bit nervous. I continue to keep a "traders" mentality and limited in my bullish convictions. Meaning, I have very little diversification in my current portfolio and only holding a handful of select stocks that I am comfortable adding to on additional breaks in price.

Hurricane Michael Continues To Intensify Now CAT4: *Intensifying into an extremely dangerous Category 4 hurricane, Michael is expected to strengthen further before making landfall in the Florida Panhandle or Big Bend area around noon today. Oil producers - including Anadarko, BHP Billiton, BP and Chevron - have evacuated many personnel, with nearly 40% of daily crude oil production shut in the Gulf. (Source: The Wall Street Journal)*

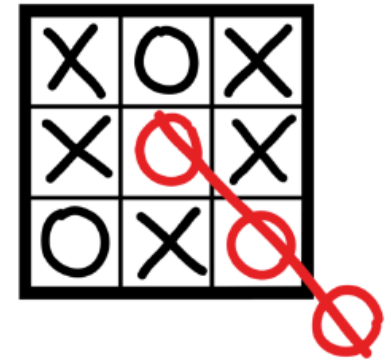
30-year Fixed Mortgage Pushes To 5%, *the first time in eight years. With "rates now more than a full percentage point higher than a year ago, people are taking notice. Keep in mind, we were sub-3.5% in 2016. In fact, U.S. housing affordability has now hit a 10-year low.*

Tesla Outsell Mercedes-Benz In U.S. - Tesla just outsold Mercedes-Benz in the US for the first time. Tesla sold 69,925 vehicles in the US during the third quarter, topping the 66,542 vehicles sold by Mercedes-Benz. (BusinessInsider)

ALCS and NLCS Schedule Set: The Los Angeles Dodgers will play the Milwaukee Brewers in the National League Championship Series starting this Friday night at 7:00pm CST in Milwaukee. The National League games will be shown on FOX. The Houston Astros will be playing the Boston Red Sox in the American League Championship Series which begins Saturday at 7:00pm CST in Boston. The American League games will be shown on TBS. These are a best of seven series with the winners to face off on October 23rd in the 114th edition of the Fall Classic, with two teams battling for the ultimate prize of taking home the iconic World Series trophy.



THINK OUTSIDE THE BOX



2018 VAN TRUMP CONFERENCE



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!

November 28 - 29, 2018

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, 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



FARM TANK

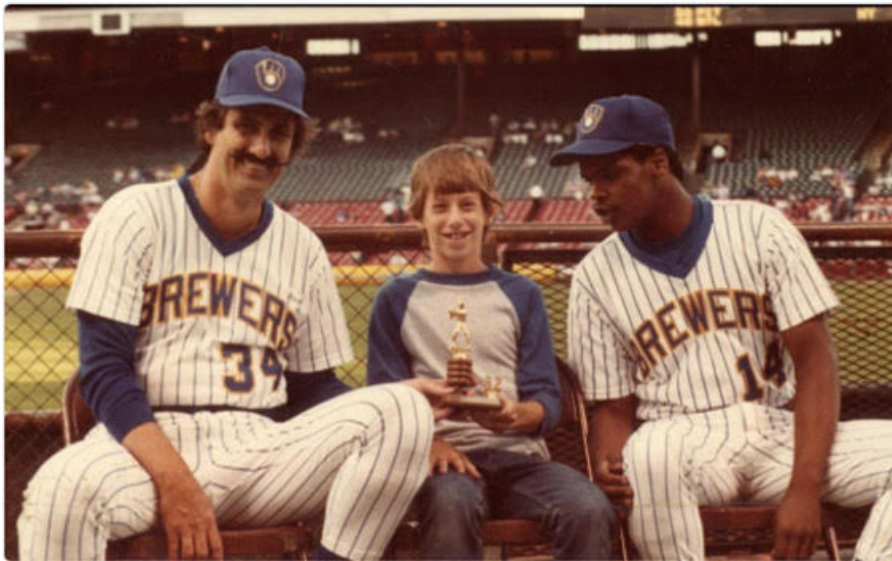
Tweets of the Day



Chris Zantow
@zantow_chris

Following

"Hey Rollie, just humor the kid. Tell him anyone can grow up to be [#Brewers](#) manager."



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!"

REDEFINING THE IMPOSSIBLE: "IRON COWBOY"

Don't miss this tale of adventure as James Lawrence 'Redefines Impossible.'

"Meeting the Iron Cowboy had a lasting affect on me. I spent the next few months ruminating about what should be my own personal challenge. James has that effect on you."

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

"One of the grittiest stories on perseverance I've ever heard. His epiphany that the whole reason quitting is impossible to him is his love for his kids and his wife. That struck an important nerve for me."

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





Greg Stopps

@Greg_Stopps

Following

We're in for a high **#Gibb** year in **#ON #Corn** (regardless of brand). Add in cannibalized stalks & this is a year to go early! Scout carefully as many ears are hiding gibb on the cob. Set your combines to get rid of infected kernels & cob material & check your settings frequently.



6:24 PM - 6 Oct 2018 from **St. Marys, Ontario**



Weather Wild-Card!

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

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

Early Bird Special

\$299

regular price \$500

Remember we sold out early last year!

LEARN MORE

WHAT'S HAPPENING IN WASHINGTON



With Washington's every move impacting our future, it's vitally important that we know the latest developments and better understand future direction. Come listen to our team of insiders provide their latest thoughts.



Braydon potter

@PotterBraydon

Following



Always though heated seats were funny in combines until this year
#Harvest18



7:58 AM - 9 Oct 2018

NETWORKING COCKTAIL EVENT Wednesday, November 28th

*Collaboration is the Name
of the Game*

I recently watched comedian Dusty Slay on the Jimmy Fallon Show, then I saw him again on Jimmy Kimmel. I thought he was funny, so we called him up and booked him for the conference. Come kick back and enjoy the show and some good conversation with friends.

Extend your Network by attending!



MARKETING ROUNDTABLE

Kevin Van Trump, Andy Daniels, Mike Mock, Matt Bennett, Chip Nellinger and Todd Gleason talk about the markets and strategies for reducing risk and improved pricing.



Today In History



1877, General Custer - U.S. Army holds a West Point funeral with full military honors for Lieutenant-Colonel George Armstrong Custer. Killed the previous year in Montana by Sioux and Cheyenne Indians at the Battle of the Little Big Horn, Custer's body had been returned to the East for burial on the grounds of the U.S. Military Academy at West Point, New York, where Custer had graduated in 1861-at the bottom of his

Harvesting Peruvian Purple Corn #corn #growfood #urbanfarm #organic #offgrid #nofilter 🇵🇪 🌴 ☀️



9:17 PM - 7 Oct 2018

class. Even before the Battle of the Little Big Horn, Custer had won national fame as a bold-and some said foolhardy-Civil War commander who eventually became the youngest major general in the U.S. Army. A handsome man, famous for his long blond hair (though he cut it short while in the field), Custer, even after the Civil War, continued to attract the appreciative attention of newspapers and the nation as a lieutenant colonel in the 7th Cavalry, a unit recently created to fight in the western Indian wars. Reports that Custer treated deserters of the 7th with unnecessary cruelty and overworked his soldiers led to a court-martial and conviction in 1867. But Custer redeemed himself, at least in the eyes of some, with his subsequent attack on a winter camp of Cheyenne in on the Washita River. Others, though, faulted Custer for attacking a peaceful band of Cheyenne and leaving behind some of his men when he withdrew from the battle under cover of night. Though Custer was controversial in his day, his spectacular death at the Little Big Horn transformed him into a beloved martyr in the eyes of many Americans, especially those who were calling for wholesale war against the Indians. Some newspapers began to refer to Custer as the "American Murat," a reference to a famous martyr of the French Revolution, and they called for decisive retaliation against the "treacherous Indians" who had murdered the golden-haired general. Others refused to believe that Custer's own tactical mistakes could alone explain the disaster at Little Big Horn, and they instead sought to place the blame on the shoulders of other commanders who had been at the battle. (Tellingly, no one suggested that clever tactics and leadership by the Indians might have been the cause for Custer's defeat.) Custer's widow, Elizabeth, also worked to transform her husband into a legend by writing several adulatory books chronicling his career. Hundreds of other books and movies, many of them more fiction than history, helped cement the image of Custer as the great fallen leader of the Indian wars in many American minds. Custer's status as a national hero and martyr only began to be seriously questioned in the 1960s, and since then he has often been portrayed as a vain and glory-seeking man whose own ineptitude was all the explanation needed for the massacre at Little Big Horn. The truth about George Custer is probably somewhere in between these two extremes.



1881, Charles Darwin - The Formation of Vegetable Mold Through the Action of Worms was published on this day in 1881. Darwin considered the work a more important accomplishment than his The Origin of Species (1859), which turned out to be one of the most influential and controversial books in history. Darwin, the privileged and well-connected son of a successful English doctor, had been interested in botany and

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 flop around on sticks and sometimes you cheer me as I do, I desperately need a white powder to do what needs to be done, and looking at me you might wonder why I look like I am about to go swimming. What am I?

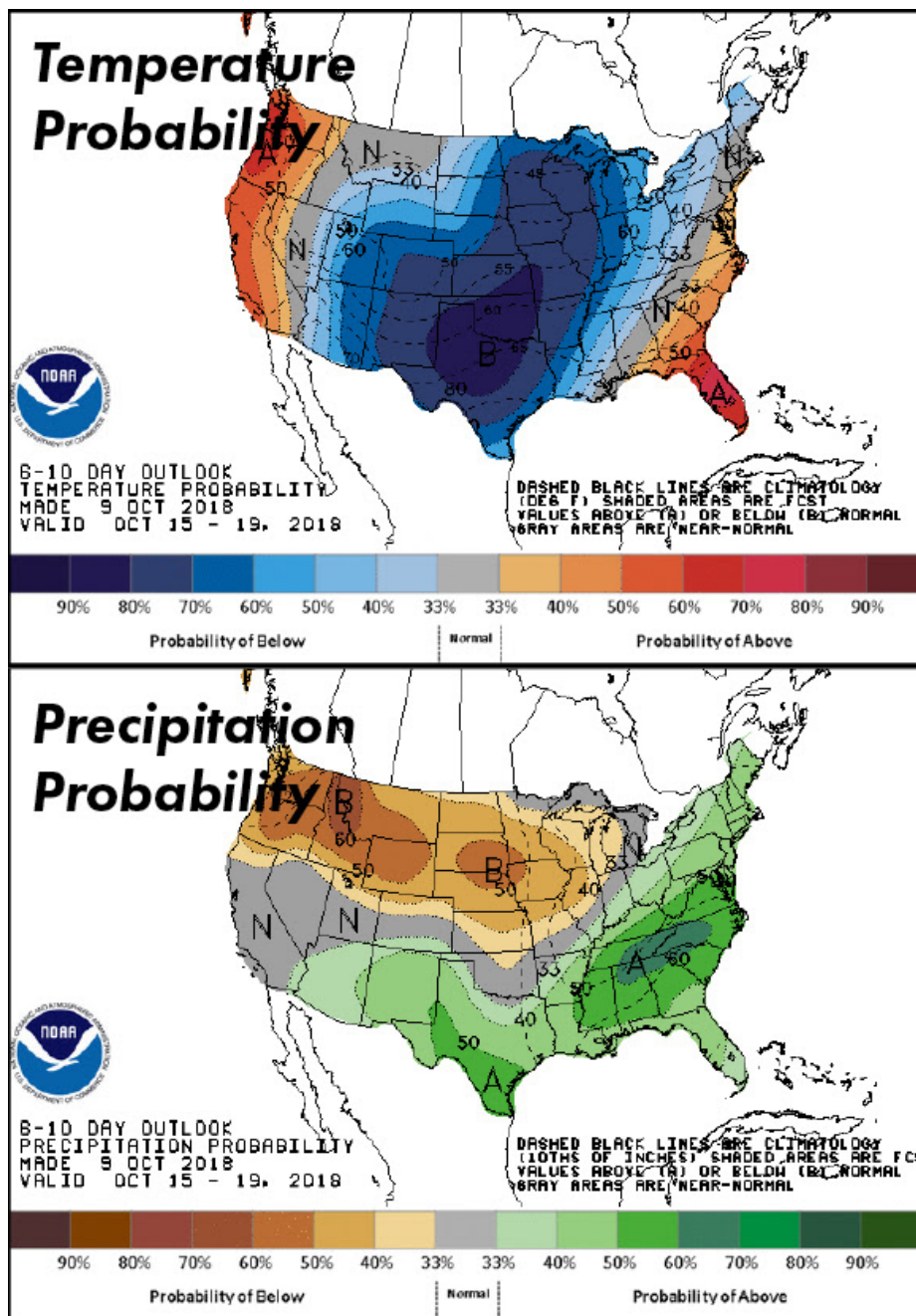
Weather on the Plains has a mix of rain and snow falling in North Dakota. Meanwhile, lingering warmth is confined to the southeastern Plains. Significant rainfall continued to fall yesterday across the southern half of the Plains, halting fieldwork and resulting in local flooding -- especially from south-central Texas into eastern Kansas. In the Corn Belt, locally moderate to major flooding of creeks and rivers is occurring from northern Missouri into southern Wisconsin, following a multi-day rain event. Currently, cool weather persists in the upper Midwest, while warm, dry weather is allowing for some corn and soybean harvesting in the eastern Corn Belt. In the South, warm weather prevails in advance of Hurricane Michael. A few rain showers have begun to develop in the Southeast, but producers in the path of the storm are harvesting crops as conditions permit. Multiple weather events are a concern for U.S. agricultural interests during the next several days. First, Michael is expected to reach western Florida's gulf coast as a Category 3 hurricane today, resulting in major to potentially catastrophic damage due to high winds and storm surge. Unlike Hurricane Florence, Michael will quickly move across the eastern Carolinas on Thursday before further accelerating. Still, Michael could produce rainfall totaling 3 to 6 inches in hurricane recovery areas of the eastern Carolinas on Thursday before further accelerating. By mid-week, cool, dry air will begin to overspread the nation's mid-section. Toward week's end, cool weather will cover much of the country, while rain associated with the remnants of eastern Pacific Hurricane Sergio should overspread parts of the southwestern and south central U.S.

Dry, Cool Air to Push Through Central U.S.: *An end is in sight to the relentless downpours the have doused the central U.S. as cooler, drier air arrives today. Dry days have been hard to come by across the nation's mid-section as a persistent stream of moisture flowing into the region has led to round after round of heavy rainfall since late last week. As the wet weather moves off to the Northeast, drier, cooler conditions are expected to funnel through the central states.*

natural sciences since his boyhood, despite the discouragement of his early teachers. At Cambridge, he found professors and scientists with similar interests and with their help began participating in scientific voyages, including the HMS Beagle's trip. By the time Darwin returned, he had developed an outstanding reputation as a field researcher and scientific writer, based on his many papers and letters dispatched from South America and the Galapagos Islands, which were read at meetings of prominent scientific societies in London. Darwin began publishing studies of zoology and geology as soon as he returned from his voyage, while also secretly working on his radical theory of evolution. Knowing that scientists who had published radical theories before had been ostracized or worse, Darwin held off on publishing his theory of natural selection for nearly two decades. Meanwhile, he married and had seven children. He finally published *The Origin of Species* after another scientist began publishing papers with similar ideas. His book laid the groundwork for modern botany, cellular biology, and genetics. He died in 1882.



1973, Spiro Agnew - Less than a year before Richard M. Nixon's resignation as president of the United States, Spiro Agnew becomes the first U.S. vice president to resign in disgrace. The same day, he pleaded no contest to a charge of federal income tax evasion in exchange for the dropping of charges of political corruption. He was subsequently fined \$10,000, sentenced to three years probation, and disbarred by the Maryland court of appeals. Agnew, a Republican, was elected chief executive of Baltimore County in 1961. In 1967, he became governor of Maryland, an office he held until his nomination as the Republican vice presidential candidate in 1968. During Nixon's successful campaign, Agnew ran on a tough law-and-order platform, and as vice president, he frequently attacked opponents of the Vietnam War and liberals as being disloyal and un-American. Reelected with Nixon in 1972, Agnew resigned on October 10, 1973, after the U.S. Justice Department uncovered widespread evidence of his political corruption, including allegations that his practice of accepting bribes had continued into his tenure as U.S. vice president. He died at the age of 77 on September 17, 1996. Under the process decreed by the 25th Amendment to the Constitution, President Nixon was instructed to fill vacant office of vice president by nominating a candidate who then had to be approved by both houses of Congress. Nixon's appointment of Representative Gerald Ford of Michigan was approved by Congress and, on December 6, Ford was sworn in. He became the 38th president of the United States on August 9, 1974, after the escalating Watergate affair caused Nixon to resign.



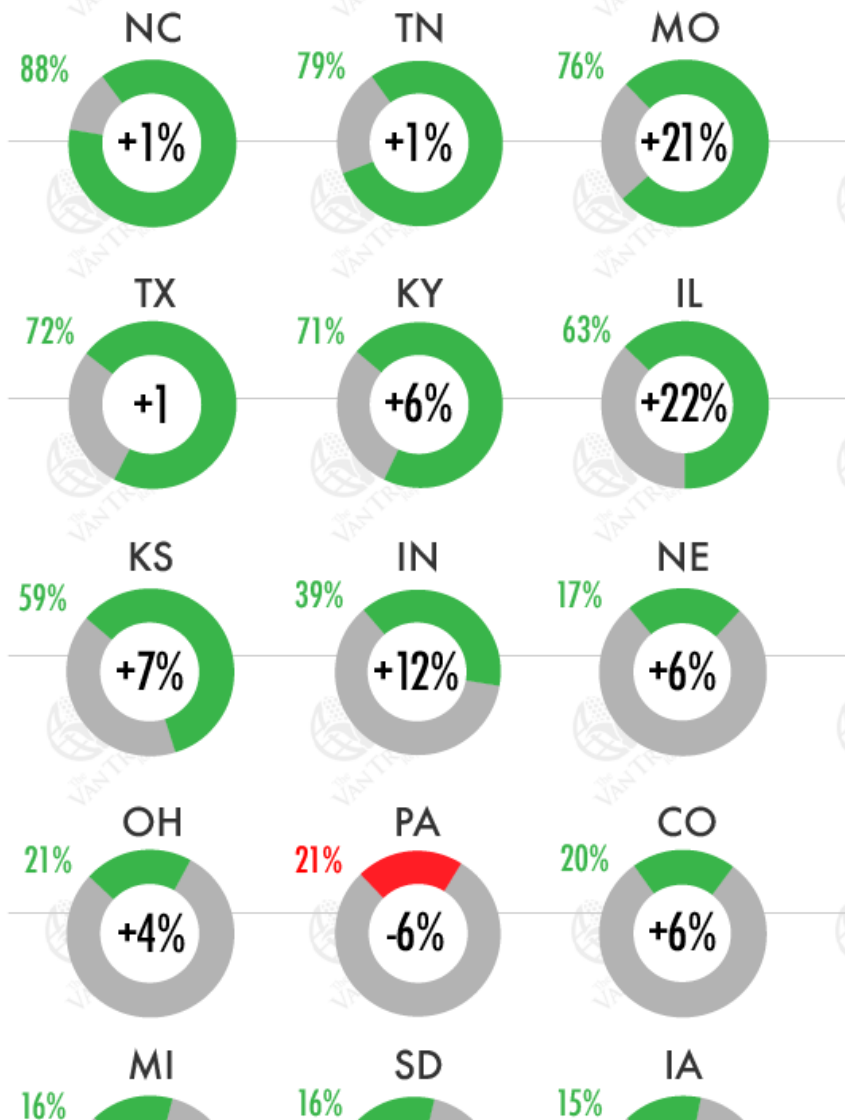
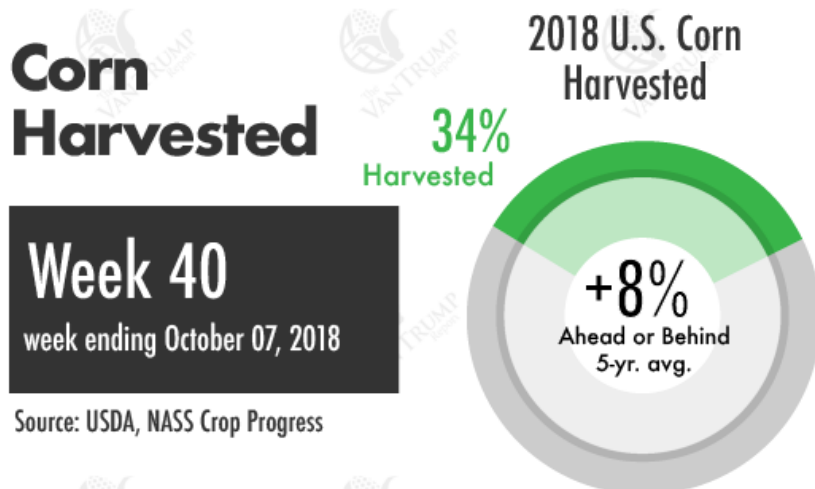
Corn bulls get the confirmation from President Trump regarding year-round E15 but the market shows little interest or reaction. I remember learning long ago, when a market doesn't respond in a positive manner to what should be helpful medicine, the market might be a bit sicker than some are anticipating. From my perspective, the market seems more concerned about tomorrow's USDA report and thoughts of the balance sheet getting a bit more burdensome. Still the market just doesn't seem all that interested in talking or reacting to strength in demand. Personally, I still believe the market is stuck in a range, with nearby downside risk in the \$3.40 to \$3.50 range and nearby upside potential in the \$3.80 to \$3.90 range. If you want to look a bit further out on the horizon, you could add 20 cents to either side and slightly extend the range. As it sits right now, I'm targeting mid to late-Q1 of 2019 (mid-Feb to late-March) as our next opportunity to perhaps breakout to the upside. I just think it's going to be tough to breakout beyond \$4.20 between now and then. I'm not saying it can't happen, but the clock is clearly ticking and risk is coming off the table in regards to the U.S. crop. As producers, we have to pay close attention to the carry. The MAR19 contract is currently trading right around \$3.85 per bushel, the JUL19 contract around \$3.90 vs. the DEC18 contract trading around \$3.65 per bushel. I'm thinking if we can get the deferred contracts up nearer the high-end of the range (\$4.20) I'm going to be much more aggressive in reducing risk. Bottom-line, the market doesn't seem real interested or responsive to traditional demand headlines and I'm not sure that's going to change anytime soon. Producers who have to price a lot more bushels need to have a plan if we get stuck grinding sideways to lower waiting on more positive news surrounding Washington or Chinese trade negotiations. Make sure you are paying close attention to how the market is actually reacting and responding, rather than listening to all of the

Upcoming Events

- 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
- 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,

noise. As a spec, I would prefer being a longer-term bull on a break in price towards the lower-end of the range. The USDA showed the U.S. crop 34% harvested, up +8% from last week and well ahead of the 5-year average of 26% by this date. The trade focused on big-production states like Iowa, Illinois, Nebraska and Minnesota still running ahead of their traditional harvest pace. As a bull, I thought it was interesting to see Iowa's GD/EX crop-condition estimate fall by -5%; Nebraska fell by -4%; Minnesota fell by -1%; Illinois was left "unchanged".

2018 Fall Harvest Price: Corn \$3.66⁴



Personal Income

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

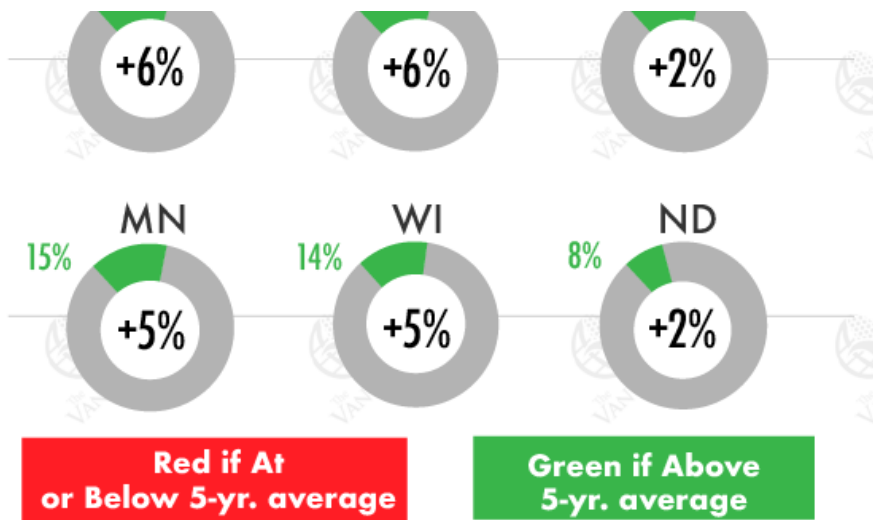
Tues. 12/25 - Christmas Day; US Markets Closed

Fri. 12/28 - Export Sales

Kevin's Song of the Week



Kevin's Song of the Week



Soybean bulls have paused a moment ahead what's expected to be another round of bearish USDA data. Many inside the trade are thinking the U.S. balance sheet becomes more burdensome tomorrow on the USDA increasing record new-crop yield, and a few more old-crop bushels from last year being added to the equation. Demand seems to be a bit of a wild-card at this juncture, with lack of Chinese buying being somewhat offset by non-traditional purchases. The ultimate questions however remain unanswered in full play... How long before the U.S. trade conflict with the Chinese is resolved? Can weather and politics in South America cooperate long enough to adequately supply Chinese demand? Can the Chinese taper soy demand enough to abstain from buying large quantities of U.S. beans? If bears can continue to sensibly debate the questions above, I have to imagine the upside will remain fairly limited. On a bullish note, the USDA showed the U.S. harvest at just 32% complete, which is up +9% from last week, but down compared to the 5-year average of 36%. I still believe the harvest pace is going to lag for the next few weeks. With colder temps pushing into the forecast, I'm hoping this will give a few bulls a reason to run and push a few bears to the sideline. If we catch a move towards the upper end of the range, between \$9.00 and \$9.20 in the NOV18 contract, I will be looking to reduce additional price risk. As a spec, I'm only a longer-term buyer of value on a deeper break in price. I am not interested in buying into strength or into a rally towards the upper-end. All eyes on tomorrow's USDA report... stay tuned!

2018 Fall Harvest Price: Soybeans \$8.63^{^6}

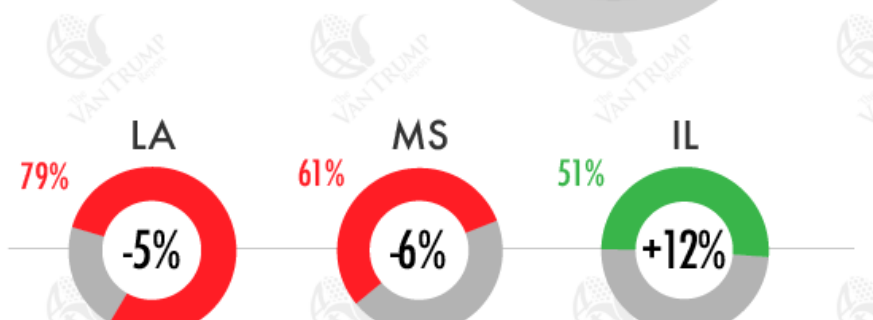
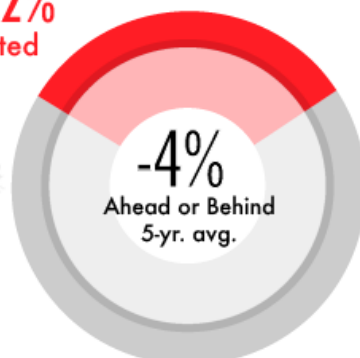
Soybean Harvested

Week 40
week ending October 07, 2018

Source: USDA, NASS Crop Progress

2018 U.S. Soybean Harvested

32%
Harvested



NEXT level THINKING



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

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

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

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

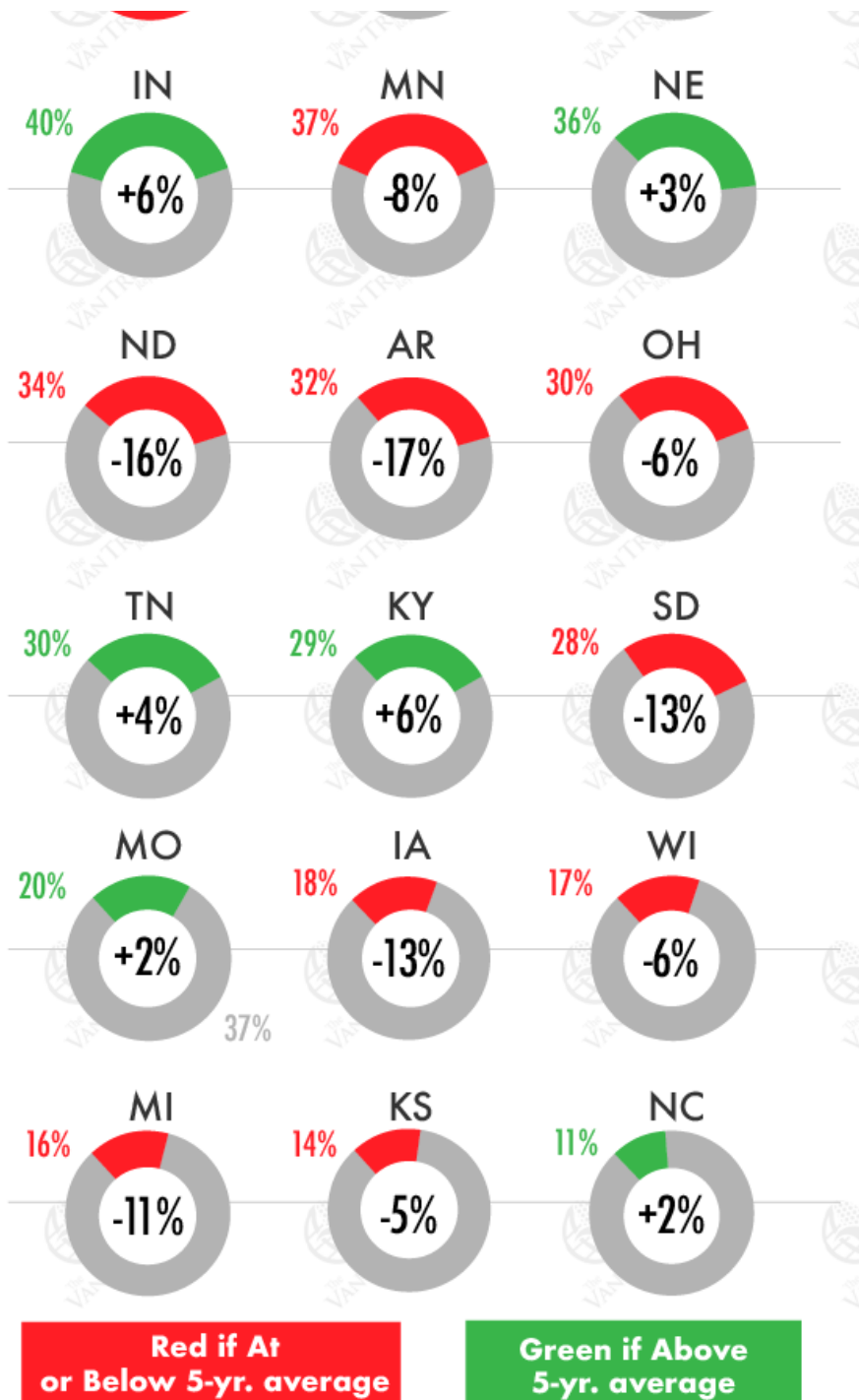
Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

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



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.

Wheat bears are pointing to improved rainfall and soil moisture in parts of Australia and Argentina. Bears also continue to point towards lack of overall demand for U.S. exports and continued strong competition from Russia. Bulls argue that Russian exports are somewhat limited and will eventually have to slow and or grind to a halt. Bulls also see heavy rains and flooding in the U.S. as a potential planting headwind and problems for early establishment. The USDA showed winter wheat planting at 57% complete vs. the 5-year average of 54%. Really the only state significantly lagging in regards to planting is Montana, but I'm thinking they are rapidly closing the gap. There's just not a lot fresh or new in the headlines. As I've said several times the past few weeks, I ultimately believe this market could post another leg higher, but before that happens it might try to test the lower-end of the range. I am currently targeting late-Q4 of 2018 or early-Q1 of 2019 (early-December to late-January) as perhaps a better window of opportunity.

Winter Wheat

2018 U.S. Winter Wheat Planted Percentage

70%

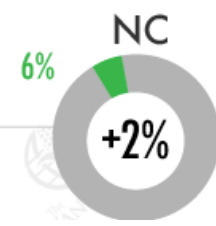
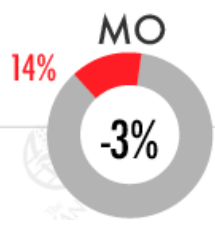
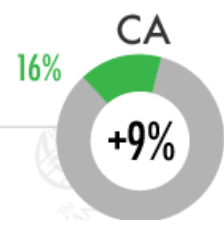
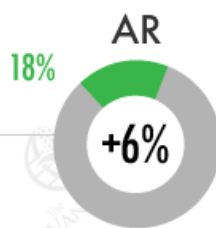
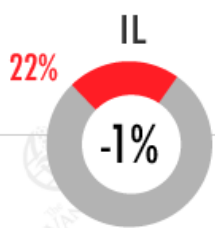
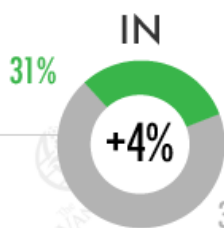
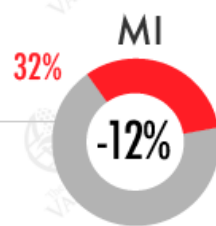
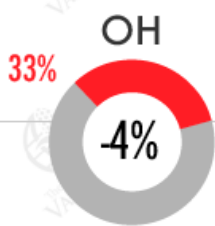
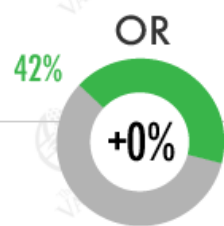
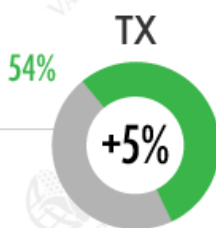
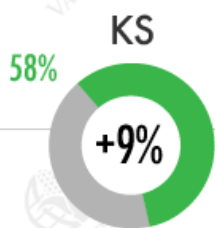
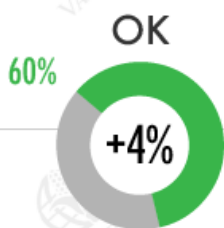
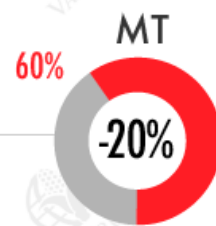
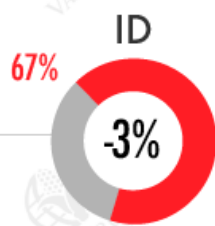
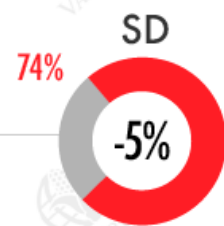
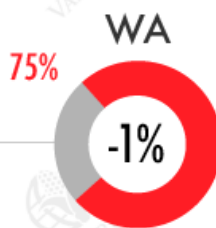
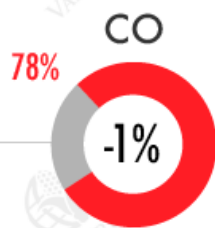
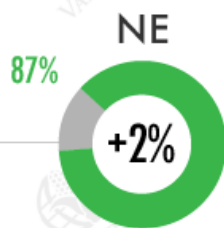
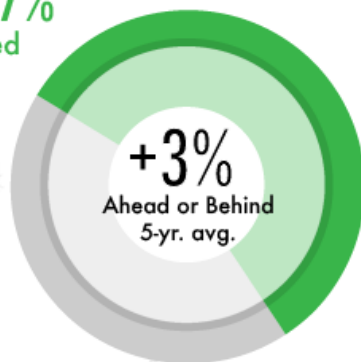
Planted

Week 40

week ending October 07, 2018

Source: USDA, NASS Crop Progress

51%
Planted



Farm Direction
RECIPES

★ FAMILY FAVORITES ★

-SENT IN BY OUR READERS-



Homemade Chicken
and Waffles

CLICK TO SEE RECIPE

**Red if Below
5-yr. average**

**Green if At or Above
5-yr. average**

U.S. Harvested Acres 2018

	Oct. #	Avg. Trade Est.	Trade Range	USDA Sep. 2018
Corn	???	81.720	81.400 - 81.897	81.800
Soybeans	???	88.720	88.353 - 88.900	88.900

U.S. Yields 2018 in Bushels Per Acre

	Oct. #	Avg. Trade Est.	Trade Range	USDA Sep. 2018
Corn	???	182.7	180.6 - 183.5	181.3
Soybeans	???	53.3	52.0 - 55.0	52.8

U.S. Production 2018 in billion bushels

	Oct. #	Avg. Trade Est.	Trade Range	USDA Sep. 2018
Corn	???	14.872	14.700 - 15.220	14.827
Soybeans	???	4.733	4.623 - 4.890	4.693

U.S. Ending Stocks 2018/19

	Oct. #	Avg. Trade Est.	Trade Range	USDA Sep. 2018
Corn	???	1.919	1.766 - 2.352	1.774
Soybeans	???	0.898	0.778 - 0.985	0.845
Wheat	???	0.950	0.895 - 0.997	0.935

World Ending Stocks 2018/19

	Oct. #	Avg. Trade Est.	Trade Range	USDA Sep. 2018
Corn	???	159.30	156.00 - 165.90	157.03
Soybeans	???	109.53	105.50 - 113.00	108.26
Wheat	???	261.41	259.00 - 264.50	261.29



> **E15 Ban Lifted:** President Trump announced the lifting of a ban on summer sales of gasoline blended with 15% ethanol, known as E15, at a closed-door meeting at the White House, Republican senators told reporters after the meeting. Trump told a cheering crowd in Council Bluffs Iowa that we are unleashing the power of E15 to fuel our country all year long.

> **Californians To Vote on New Animal Welfare Rules:** The Humane Society has backed an effort to set new minimum cage sizes for egg-laying hens, breeding pigs and calves raised for veal in the state of California. Called "Proposition 12" the initiative would require egg-laying hens to be fully cage-free by 2022 and ban sales from states that lack standards equal to those of California. This means these changes could have a domino effect for other states that want to do business with Californian poultry operations. (Source: AP)

> **Trade Aid Package to Benefit U.S. Food Banks:** USDA's trade assistance program includes an initial \$1.2 billion to purchase commodities like pork, fruits and dairy goods, and distribute them to food banks, school lunches and other efforts. Feeding America, a network of 200 food banks, expects the tariff relief program to contribute 950 million pounds of food to the roughly 700 million pounds that are given to food banks every year. (Source: WSJ)

> **Trade War Has China Cutting Protein Levels in Feed:** With proposed cuts of minimum thresholds for coarse protein content in pig and poultry feed by 3%, which, the nation's demand for soybeans would drop soybean demand by 10 MMT this marketing year. From what I understand, the state-approved China Feed Industry Association (CFIA) released documents on Tuesday proposing a minimum content of 17% of coarse protein, down from the existing minimum of 20%, in infant pigs weighing between 3-10kg.

> **EU Nearing Talks to Boost U.S. Beef Imports:** EU countries are on the verge of agreeing to start negotiations with the U.S. to allow more American beef into Europe. The European Commission sought approval from its 28 member states at the start of September to open negotiations with Washington. They would look to raise the U.S. share of hormone-free beef imports into Europe, but would need to convince other countries to accept less. A negotiated agreement on beef would settle a dispute that dates back to 1981 when the EU banned the use of growth hormones in meat across the bloc. (Source: Reuters)

> **Syria Produces Smallest Wheat Crop in 30 Years:** Three decades of war and drought has cut production by around 30% according to the UN's Food and Agriculture Organization. Output of 1.2 million metric tons in 2018 was the lowest since 1989 and compared with a pre-crisis average of 4.1 million metric tons a year. That puts pressure on the government as flat bread is a subsidized staple for Syrians, who have suffered under a conflict estimated to have killed several hundred thousand people and forced millions to flee their homes. A large part of Syria's agricultural heartland in the north came under Islamic State control. The Syrian President, Bashar Al-Assad, is under increasing pressure to import wheat. (Source: Reuters)

> **Brazil Confirms Swine Fever Found in Remote Region:** An outbreak of a form of a viral hog disease known as "classical swine fever" has been confirmed in the northeastern state of Ceara, the Brazilian agriculture ministry announced. The outbreak was found on a family owned pig farm with no links to commercial establishments. ABPA, the Brazilian meat trade group, said confirmed illness is 2,175 miles away from the main producing regions in the south of Brazil and poses no risk to the country's pork production. Brazil is the world's fourth largest producer and exporter of pork.

> **Richard Branson Says Weeks Not Months to be in Space:** Virgin Galactic CEO Richard Branson told CNBC that we should be in space within weeks, not months. He went on to say that we will be in space with people not too long after that so we have got a very, very exciting couple of months ahead. I'm told a ticket on Virgin Galactic's Space Ship Two does not come cheap. Currently, the fare price stands at around \$250,000.

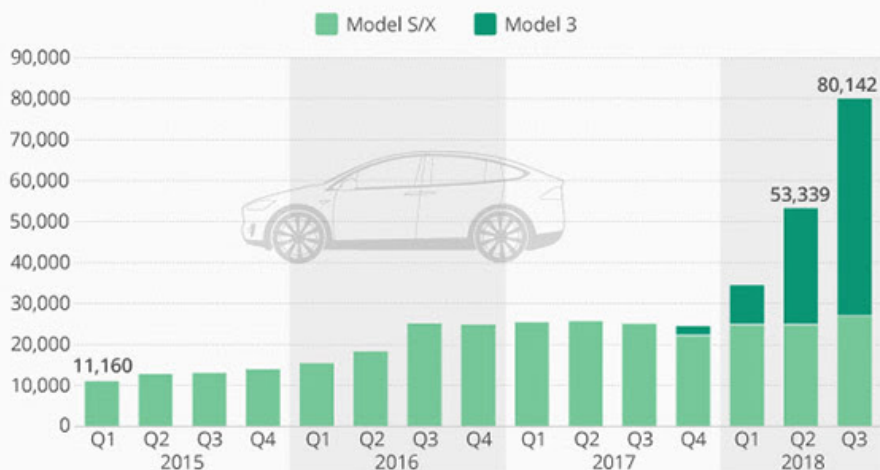
> **Big Stake In Starbucks:** Legendary investor Bill Ackman discloses a stake in Starbucks. The activist investor disclosed a stake of 15.2 million shares, worth about \$900 million, while presenting at the Grant's Fall 2018 Conference in New York, according to CNBC. (Source: BusinessInsider)

> **Online Video Advertising Continues To Gain More Marketshare:** This year will mark a milestone for digital video advertising in the US, according to eMarketer's latest ad spending forecast. In 2018, video will grow nearly 30% to \$27.82 billion. That means video ad spending will make up 25% of US digital ad spending. It is estimated that Facebook will capture nearly 25% of all dollars spent on digital video advertising. (Source: eMarketer)

> **Tesla Ramps Up Vehicle Production In A Big Way:** Having been behind schedule in the production ramp-up for the Model 3 since the day they announced the vehicle, Tesla's vehicle output has improved significantly throughout the first nine months of 2018. As the company announced last week, the electric car maker produced a total of 80,142 vehicles in the past quarter alone, nearly beating its annual production total for 2016 and more than tripling its output compared to last year in September. Most notably, Tesla built twice as many Model 3s in Q3 as it did Model S and Model X vehicles, bringing the company closer to its goal of making the Model 3 the first mass-market Tesla. (Source: Statista)

Tesla's Vehicle Production Is Ramping Up

Tesla's quarterly vehicle production since Q1 2015



@StatistaCharts Source: Tesla

statista

FROM THE FIELD

Southwest Wisconsin – The rain isn't letting up for anyone in Wisconsin, Illinois, Iowa and Minnesota. To make matters worse I have heard that guys in Minnesota might be getting a little snow middle of the week into the weekend. It has been warmer here than most would expect for rainy conditions. We were in the 70's on Monday and much warmer on Tuesday but Wednesday should start to cool as that cold front pushes snow on guys in Minnesota and the Dakota's. The warmer weather is creating a little problem with sprouting in the pods which started a couple days ago. As the weather turns cooler the sprouting should slow down or stop but the damage has already been done in some fields. I have read guys are seeing damage from shrunk beans and now damage from sprouting, this could get a little costly if guys start getting dockage from both ends.

Northwest Ohio – We have seen a lot of rain in this area and seems to be getting more by the day. Right now, we have about 20% of our soybeans done and even less corn. Right when we start making some head way we get back up by a shower. We are seeing a short-lived warm front push through our area over the last few days. We are over 90 degrees on Tuesday and close to 80 degrees on Wednesday which is unseasonably warm for this area. The warm weather will help dry us down a little. We have a chance of rain Wednesday and next weekend so if the past rains stay true we will get rain on those days for sure. We haven't really missed many chances of rain since September 1st. The only good news is we have excellent yield on both corn and beans if we can get out there and get it harvested. I would say we are very close to topping our best yield across the farm but we don't have enough harvested to know yet.

Northeast Arkansas - We are not finished with corn yet but are trying hard to get into the bean fields before more rain comes tomorrow. Since we have not sent any beans to the scales yet, I cannot confirm, but I have heard there is some major docking of beans happening in Memphis. If the calls are true, I'm hearing there are up to \$3.00 a bushel dockings for oil content issues. The recent weather has dumped lots of rain as well as produced extreme heat indexes for this time of year, causing problems for the guys in the area. Our dryland beans are terrible this year but our irrigated ones are seeing average numbers. Based on current trends in the market, we will be planting more cotton acres next year and we can make that pencil a lot better than trying to produce \$8.00 beans. I feel it's real possible to grow 1100 pound an acre cotton and do ok.

CROSSING WIRES

A place to share intelligent thoughts...

IBM's Food Trust Set to Bring Blockchain Mainstream for Grocers: IBM has just

rolled out some new blockchain software. The global technology giant launched IBM Food Trust, a new software suite built for tracking food supply routes with distributed ledgers. IBM Food Trust is its newest contribution to the blockchain ecosystem. It pledges to connect growers, processors, wholesalers, distributors, retailers, and others to a permissioned, immutable, shared database. For a monthly fee, businesses will be able to map "the provenance, location and [sic] status of food products on the supply chain." The fee will depend on the size of the operation. Businesses will fork out anywhere from \$110 to \$11,000 per month to use IBM Food Trust. IBM claims its new platform can even support companies with over \$1 billion in annual revenue. Read more [HERE](#).

VC Capital is Throwing Money Into Auto Tech at Furious Rate: In the third quarter, venture capitalists dropped \$1.9 billion into auto tech companies to bring that vision to fruition, according to a quarterly MoneyTree report from CB Insights and PricewaterhouseCoopers. Lucid Motors, a luxury electric car company that competes with Tesla, received the most funding: \$1 billion from the Saudi Public Investment Fund. Of the top five deals, three went to companies focused on self-driving car tech. That included Pony.ai, ThinCI, and Zoox. What's most remarkable is how much investment in the auto tech sector has leaped forward. Since the end of 2016, auto tech has garnered between \$100 million and \$350 million per quarter in investment funding. This quarter, two investments forced those figures upwards: the billion-dollar investment into Lucid Motors and a \$500 million investment in Zoox. Read more [HERE](#) on how fast things are happening in the sector.

Meeting Your DNA-in-Laws: A lack of regulation has created enormous genetic families and now many of them are searching for one other. Sophia and Arroyo were both conceived with sperm from Donor #2757, a bestseller. Over the years, Donor #2757 sired at least 29 girls and 16 boys, now ages 1 to 21, living in eight states and four countries. Arroyo is on a quest to meet them all, chronicling her journey on Instagram. She has to use an Excel spreadsheet to keep them all straight. "We have a connection. It's hard to explain, but it's there," said Arroyo, an only child who is both comforted and weirded-out by her ever-expanding family tree. Read more of their story [HERE](#).

Hidden Secrets Found on Columbus's 500-Year-Old Map: This 1491 map is the best surviving map of the world as Christopher Columbus knew it as he made his first voyage across the Atlantic. In fact, Columbus likely used a copy of it in planning his journey. The map, created by the German cartographer Henricus Martellus, was originally covered with dozens of legends and bits of descriptive text, all in Latin. Most of it has faded over the centuries. But now researchers have used modern technology to uncover much of this previously illegible text. In the process, they've discovered new clues about the sources Martellus used to make his map and confirmed the huge influence it had on later maps, including a famous 1507 map by Martin Waldseemüller that was the first to use the name "America." Find out more [HERE](#).





AgStartup Wants To Control Weeds Through Electrocuting

We have recently come across the British agtech startup called RootWave, which is trying to provide a new, non-chemical way of controlling weeds. The technology electrocutes weeds boiling them inside out from the root upwards. The approach is in direct response to the growing restriction for pesticide use in the EU. We know that France and Germany are looking to phase out Roundup. Furthermore, 66% of pesticides have already been banned in the last 15 years, with more on the way. RootWave is looking to directly replace mechanical hoes or chemicals sprays with a zap. RootWave began work on this technology for agricultural application after successfully launching a professional hand-weeder for parks and gardens. In November 2016, the startup received a grant from the EU totaling 1.3 million Euros to create an automated agricultural solution. More recently, the company raised \$1 million in seed funding from angel investors and the agri-tech accelerator The Yield Lab. The company is planning to launch in the commercial agriculture market next year by integrating its technology into automated weeders attached to tractors. How it works is the RootWave system takes power from the tractor PTO, runs it through an alternator and then their proprietary "black ox." The output is then wired to an electrode, which delivers the electrical shock to the weed. It has already conducted its first round of trials this year and will move into customer trials next year. Independent analysis found that the total cost of using RootWave will be comparable with that of using herbicides so while capital costs are higher, the running costs are lower. This is a very interesting startup that is finding innovative solutions to what is increasingly being considered a problem — namely — chemical applications in farming. You can check out a video on just how RootWave works to burn-up weeds [HERE](#). (Source: RootWave, AgFunder)



CNBC's Disruptor 50

The CNBC Disruptor 50 was recently released. It features the top 50 private companies whose "innovations" are changing the world. All these companies share a common goal of developing revolutionary new technology into business models to create the next generation of great public companies. 33 disruptors this year have already reached or passed the billion-dollar mark. All 50 of these companies combined have raised nearly \$78 billion in venture capital and have a combined valuation of more than \$350 billion. Only five companies have made the list all six years, which include Airbnb, Pinterest, Palantir, SpaceX, and Uber. Below are the top 10 companies in the Disruptor 50 this year. I should note, our friends at Indigo Agriculture are ranked #18 on the list. If you are wanting to invest in innovation or learn what the innovative companies are doing, be sure to check out the full list and additional details at [CNBC](#)

SpaceX designs, manufactures, and launches advanced rockets and spacecraft. The company was founded in 2002 with the ultimate goal of enabling people to live on other planets. Space X is disrupting the space of aerospace.

Uber is a peer-to-peer ridesharing, taxi cab, food delivery, bicycle-sharing, and transportation network company. Uber is disrupting public transportation, taxi, and limousine services.

Airbnb operates an online community marketplace for people to list, discover, and book travel accommodations across the world online. Airbnb is disrupting the hotel and travel space.

Didi Chuxing is a major Chinese ride-sharing, artificial intelligence, and autonomous technology conglomerate providing transportation services for 550 million users across over 400 cities. Didi Chuxing is disrupting public transportation, taxi, and limousine services.

Lyft is an on-demand transportation company provides over 1 million rides per day in over 300 cities. Lyft is the main competitor with Uber and is also disrupting public transportation, taxi, and limousine services.

Grab is a Singapore-based technology company that offers the only ride-hailing, ride sharing, and logistics services through its app in Singapore and Southeast Asian. Grab originally competed with Uber, but it created a new space in a different region. Grab is another company trying to disrupt public transportation, taxi, and limousine services.

23andMe is the first company to begin offering autosomal DNA testing for ancestry. This company helps you discover what 90+ personalized reports have to say about your ancestry, health, wellness and more. 23andMe is greatly impacting and disrupting the genetic testing space.

Udacity is a for-profit educational organization that provides and promotes digital education services. The company offers free online courses in computer science, mathematics, general sciences, programming, and entrepreneurship. Udacity is really disrupting the education space throughout the US.

Rent the Runway is an online service that provides designer dress and accessory rentals. Rent the Runway is disrupting fashion, retail, and e-commerce space in a

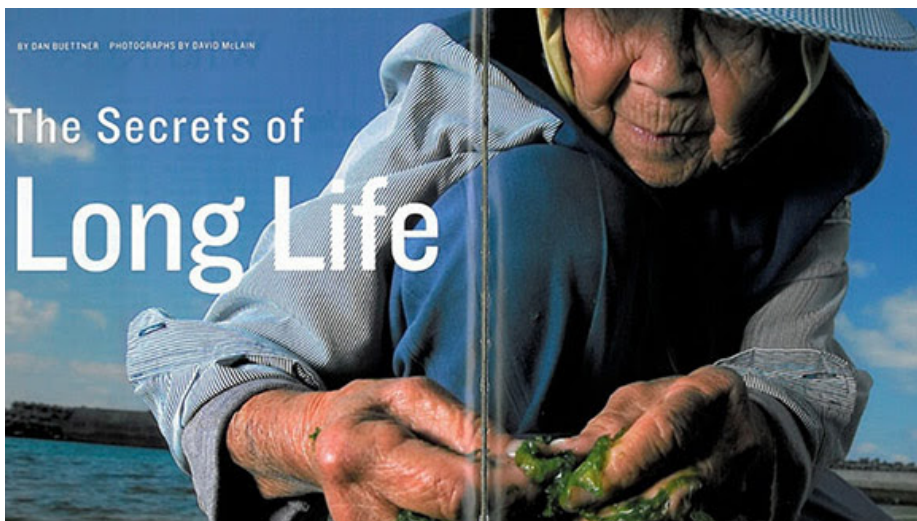
big way.

Coinbase is a digital currency wallet and platform where merchants and consumers can transact with new digital currencies like bitcoin, ethereum, and litecoin. Coinbase is greatly disrupting financial services, e-commerce, and investing spaces.



The Secret of People Who Live Beyond the Age of 100?

Low levels of inflammation -- the long-term overactivation of the immune response -- may be the answer, suggests [a new study of centenarians from researchers in England and Japan](#). Severe inflammation is part of many diseases in the old, such as diabetes or diseases attacking the bones or the body's joints, and chronic inflammation can develop from any of them. In addition to low levels of inflammation, healthy centenarians and supercentenarians (people over 110 years old) also had longer telomeres, which are the caps on the end of DNA strands that protect the chromosomes from aging and poor health. Doctors are saying, "Centenarians and supercentenarians are different - put simply, they age slower. Meaning they can ward off diseases for much longer than the general population." There's now some thought in the investment world that a pharmaceutical company who can come up with the right balance in a drug to reduce inflammation without all of the side-effects might hold the golden ticket. There's presently several available potent anti-inflammatories on the market but none are suited for long-term use because of their strong side-effects. If a safer alternative can be created, we may see individual all across the world standing in line to take it on a daily basis? If your looking for a more natural and holistic way to reduce your own inflammatory levels start with a cleaner diet, less stress and more sleep. The simplest advice for a better diet seems to be eating more green leafy vegetables and cutting out the sugars. You can google "anti-inflammatory foods" for more specifics. Stress is a prime driver of chronic inflammation — meditate, do yoga, garden — anything that really shuts your brain off so stress can melt away. In addition, getting your sweat on clears also helps douse inflammation. Scheduling sleep like you schedule work can also assist; allow your body its healing time. Bottom-line, most all research comes back saying the same thing, we have to find ways to reduce inflammation. Do some homework and start taking small steps towards making it happen...



5 Ways to Reduce Inflammation Quickly

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SUPERCHARGE YOUR HEALTH

- ✓ Good Hydration
- ✓ Regular Movement
- ✓ Anti-Inflammatory Nutrition
- ✓ Reduce Stress and Improve Sleep
- ✓ Use Anti-Inflammatory Nutrient Supplements

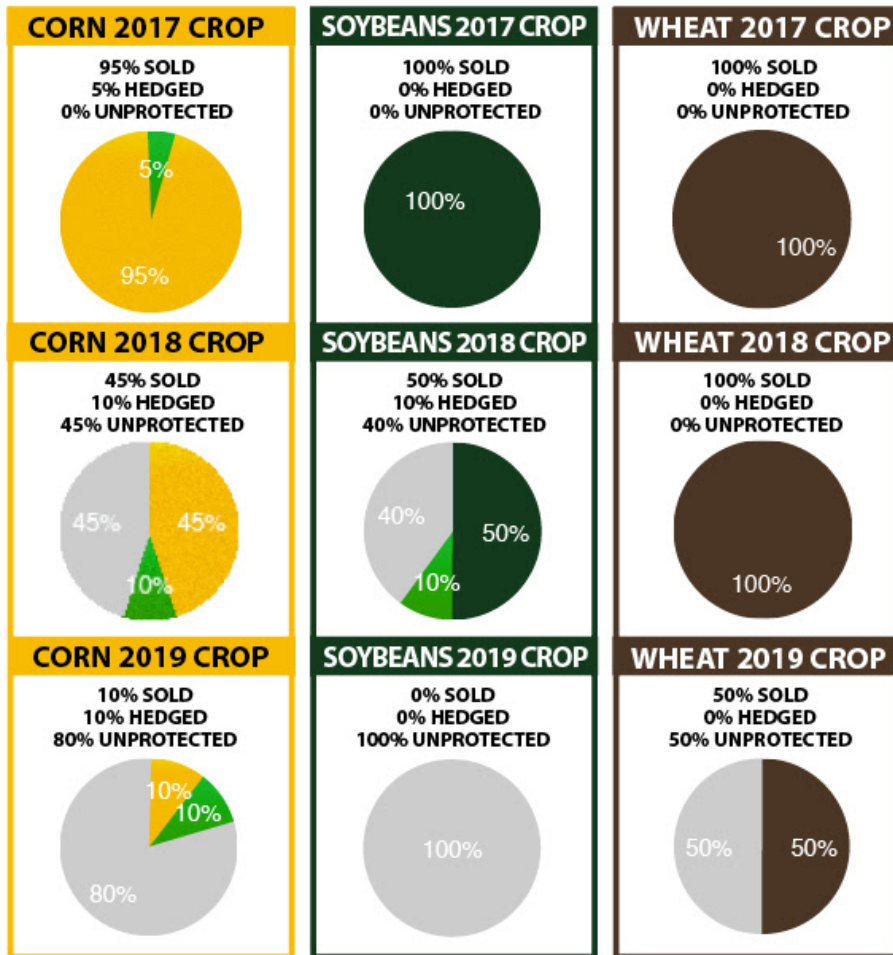


ANSWER to riddle:

A Gymnast

CASH SALES & HEDGING TOTALS

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