

GOOD MORNING: 10/15/18 Farm Direction - Van Trump Report

2 messages

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Mon, Oct 15, 2018 at 6:56 AM



"No one can make you feel inferior without your consent." – Eleanor Roosevelt

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](#)

MONDAY, OCTOBER 15, 2018

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

Morning Summary: Stocks are steady to slightly lower this morning, after bulls took a big step backwards last week. The question now is will we continue to slide? I talked to some technical guru's this past weekend who are worried we have done some major damage to the charts and could see an additional -10% pullback before finding more solid and stable footing for the bulls to begin engineering the next cycle higher. I've talked to some bulls, who believe this is nothing more than another bearish fire drill. Saying, we have them every year, as the market tries to make certain we are all paying attention. From what I understand, since WWII, there have been 56 pullbacks of this size, about -7%, and lasting little more than a month. On top of that, the average time for the market to recoup its losses is has been about six weeks. It's worth noting that the 22 times a so-called correction has occurred, meaning a drop of at least -10% or more, on average it amounted to -13.8% and took a little less than 9-months to regain its losses. Also, keep in mind as we approach the mid-term elections that history offers a bullish outlook regardless who wins. On average, the S&P 500 rallied +14.5% from the end of August to the end of March around mid-term elections. Globally, traders continue closely monitoring relations between U.S. and Chinese officials. Bears believe there are some deeper problems brewing, while bulls see the demeanor of officials in both nations starting to improve. Traders will also be monitoring an EU Leaders Summit schedule for later this week (18-19th), where it looks increasingly like a Brexit deal of some sort will be reached. I have heard negotiators were working through the weekend to try and reach a deal ahead of a self-imposed deadline. I was told the big hiccup is trying to come up with a border solution between Northern Ireland and Britain. There's also a ton of questions and concern still surrounding the Italian debt crisis. Italy's populist government is about to submit its 2019 draft budget to the European Commission, which many believe could spark some heated tensions. Keep in mind, Italy's debt has soared to +130% of their nations GDP. That ratio is more than double the 60% of GDP limit set by European rules. The leaders of the European Union have demanded Italy cut spending and reduce its public deficit. The brash attitude of Italy's new anti-establishment government has the market a bit uncertain about the outcome, we continue to closely monitor. Here at home, the trade seems most eager to see Wednesday's release of Fed "minutes" from their last FOMC meeting. The fear of a hawkish Fed and continuing rise in interest rates have sparked some weakness in the stock market as of late. I suspect any further signs of inflation heating up could reignite another wave of bearish talk and sentiment surrounding higher rates. As for today, we will be digesting Retail Sales. Remember, consumer spending is the most important part of the U.S. economy, generating nearly 70% of the headline GDP. This report is really one of the trades best gauges and read of spending and consumption trends. I don't expect this report to reveal any surprises, thinking U.S. consumer spending remains strong. I should note, we are keeping a closer eye on auto sales and the U.S. housing market as interest rates on loans push to their highest level in more than seven years. Don't forget, Q3 corporate earnings season is heating up and the trade is eager to see there is a negative impact on margins in the wake of a strong dollar, increasing labor expenses, trade conflicts, and overall higher cost of goods. A few of the companies reporting this week are: Netflix, IBM, Pay-Pal, Domino's Pizza, Johnson &

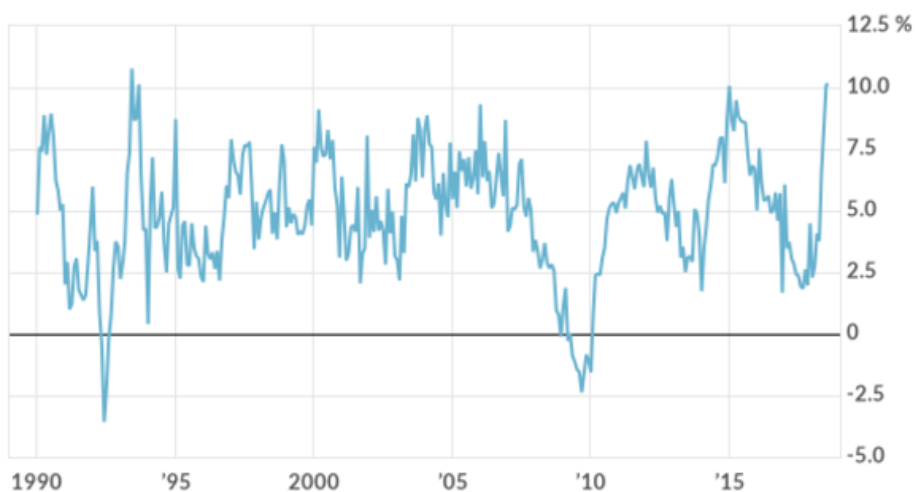
Johnson, Procter & Gamble, Bank of America, Morgan Stanley, Goldman Sachs, JB Hunt, Phillip Morris, Schlumberger, United Rentals, Danaher, and United Airlines.

Energy Costs and Possible Tensions with Saudi Arabia: *In its latest monthly report, the IEA is concerned about a potential upswing in energy prices. With oil, gas, and coal all recently trading near multi-year highs, the IEA believes expensive energy is back and poses a threat to global economic growth. This comes while the Saudis have assured the world there is plenty of supply, and at the same time President Trump is telling the Saudis he will severely punish them if he finds out they are involved in the missing Washington Post journalist Jamal Khashoggi. Saudi officials were quick to push back on what they believe to be threats, leaving the market to wonder how this recent bantering of words plays out. Keep your eye on the headlines, and how the U.S. responds if evidence surfaces that proves Saudi Arabia is responsible for Khashoggi's death.*

Real Test of the Economy Inside Food Spending: *Sky-high spending at restaurants is underscoring the real strength of the U.S. economy as it continues to display momentum. Americans are the most confident in the economy in two decades and it seems like they've got plenty of money to spend. Put another way, people dine out more when the economy is doing well. They eat more at home when times are tough and they're counting pennies. By that standard, the economy is doing great! Spending at restaurants and bars has soared since the early spring, rising to the highest yearly pace in 25 years. Sales of food and drinks purchased outside the home leaped +10.1% in the 12 months from August 2017 to August 2018. However, bears may say we are clearly at the top of the range and ready for a significant break. Read more [HERE](#).*

Strong economy encourages dining out

Year over year increase in spending at bars and restaurants



Source: Commerce Department

My "Country Music" Pic: *We took a couple of pic's this weekend out at the house. They really caught my eye, as I found the combination to have all the makings of a great country song... The fall leaves are changing, there's a picture of our dog, the American flag, the fish were jumping in the lake all weekend, the old Dodge pick-up truck the kids first used when learning to drive is in the background, and Michelle and Jordan are pictured making some good homemade chili, brats and fix'ns in the basement. Doesn't get much better than this...feeling extremely blessed!*

Dare to be Different

2018 Van Trump Conference



Strategy - Collaboration - Leadership

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 everything won her then lost it all





everything, with big, then not 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."





FARM TANK

Tweets of the Day



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.



David Gogerty

@docgoges

Following

Today @caseysgenstore & Prime the Pump announced their partnership to expand #E15 at Casey's locations. This partnership makes Casey's the largest #E15 retailer in the US. Read more here:
growthenergy.org/2018/10/11/cas ...
bit.ly/2PrFs1X #Zymer



8:34 AM - 12 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 Nelling and Todd Gleason talk about the markets and strategies for reducing risk and improved pricing.



Today In History



1880, Victorio - The warrior Victorio, one of the greatest Apache military strategists of all time, dies this day, in 1880, in the Tres Castillos Mountains south of El Paso, Texas. Born in New Mexico around 1809, Victorio grew up during a period of intense hostility between the native Apache Indians of the southwest and encroaching Mexican and American settlers. Determined to resist the loss of his homeland, Victorio began



David S. Bernstein
@dbernstein

Following

When you live in Albuquerque during Balloon Fiesta, sometimes a giant pig balloon lands in your local park and gives rides to all the neighborhood kids.



9:47 AM - 12 Oct 2018

leading his small band of warriors on a long series of devastating raids against Mexican and American settlers and their communities in the 1850s. After more than a decade of evading the best efforts of the Mexican and American armies to capture him, the U.S. Army managed to convince Victorio to accept resettlement of his people on an inhospitable patch of sunburnt land near San Carlos, Arizona, in 1869. But with summer temperatures reaching 110 degrees on the San Carlos reservation (an area also known as Hell's Forty Acres) and farming nearly impossible, Victorio decided the new reservation was unacceptable and moved his followers to more pleasant grounds at Ojo Caliente (Warm Springs), thus again becoming an outlaw in the eyes of the United States. In 1878, the U.S. Army attempted to force the Apaches back to the San Carlos reservation, but Victorio eluded capture, disappearing into the desert with 150 braves. Surviving by raiding the towns and farms of Chihuahua, Mexico, Victorio and his men began to take bloody revenge against their enemies, ambushing U.S. troops with devastating effect and killing any Mexican or American shepherd unfortunate enough to cross their path. In 1880, a combined force of U.S. and Mexican troops finally succeeded in tracking down the wily Apache and his warriors, surrounding them in the Tres Castillos Mountains of Mexico, just south of El Paso, Texas. Having sent the American troops away, the Mexican soldiers proceeded to kill all but 17 of the trapped Apaches, though the exact manner of Victorio's death remains unclear. Some claimed an Indian scout employed by the Mexican army killed the famous warrior. But according to the Apache, Victorio took his own life rather than surrender to the hated Mexicans. Regardless of how it happened, Victorio's death made him a martyr to the Apache people and strengthened the resolve of other warriors to continue the fight. The last of the great Apache warriors, Geronimo, would not surrender until 1886.



1863, C.S.S. Hunley - The world's first successful combat submarine, sinks during a test run, killing its inventor and seven crewmembers. Horace Lawson Hunley developed the 40-foot submarine from a cylinder boiler. It was operated by a crew of eight—one person steered while the other seven turned a crank that drove the ship's propeller. The Hunley could dive, but it required calm seas for safe operations. It was tested successfully in Alabama's Mobile Bay in the summer of 1863, and Confederate commander General Pierre G.T. Beauregard recognized that the vessel might be useful to ram Union ships and break the blockade of Charleston Harbor. The Hunley was placed on a railcar and shipped to South Carolina. The submarine experienced problems upon its arrival. During a test run, a crewmember became tangled in part of the craft's machinery

LADIES AND GENTLEMEN, as a nod to the year of our creation, 1977, we give you.....the 77 pack. Limited time only in College Park, MD.



1:14 PM - 5 Oct 2018

and the craft dove with its hatch open; only two men survived the accident. The ship was raised and repaired, but it was difficult to find another crew that was willing to assume the risk of operating the submarine. Its inventor and namesake stepped forward to restore confidence in his creation. On October 15, he took the submarine into Charleston Harbor for another test. In front of a crowd of spectators, the Hunley slipped below the surface and did not reappear. Horace Hunley and his entire crew perished. Another willing crew was assembled and the Hunley went back into the water. On February 17, 1864, the ship headed out of Charleston Harbor and approached the U.S.S. Housatonic. The Hunley stuck a torpedo into the Yankee ship and then backed away before the explosion. The Housatonic sank in shallow water, and the Hunley became the first submarine to sink a ship in battle. However, its first successful mission was also its last—the Hunley sank before it returned to Charleston, taking yet another crew down with it. The vessel was raised in 2000 and is now on exhibit in Charleston.



1991, Clarence Thomas -

After a bitter confirmation hearing, the U.S. Senate votes 52 to 48 to confirm Clarence Thomas to the U.S. Supreme Court. In July 1991, Thurgood Marshall, the first African American to sit on the Supreme Court, announced his retirement after 34 years. President George Bush quickly nominated Clarence Thomas, a 43-year-old African American judge known for his conservative beliefs, to fill the seat. Thomas had been chairman of the Equal Employment Opportunity Commission (EEOC) during the Reagan administration, and in 1990 Bush had appointed him to the U.S. Court of Appeals. Thomas was one of five candidates on Bush's shortlist and was the one that Bush was most interested in nominating. Bush's staff made three arguments against nominating Thomas at the time: Thomas had only served eight months as a judge at the time; Bush could expect to replace Thurgood Marshall with Thomas in due time; and multiple senior advisors told Bush that they did not feel that Thomas was ready. Bush eventually decided to nominate Judge David Souter of the First Circuit instead, who was easily confirmed. White House Chief of Staff John H. Sununu promised that Bush would fill the next Supreme Court vacancy with a "true conservative" and predicted a "knock-down, drag-out, bloody-knuckles, grass-roots fight" over confirmation. On July 1, 1991, President Bush nominated Clarence Thomas to replace Marshall, who had recently announced his retirement. By then, Thomas had been a federal judge for 16 months. He had not previously argued before the Court, though that has not been a traditional requirement. Thomas's appointment would preserve the existing racial composition of the Court, and it was seen as likely to move its ideological balance to the right. Attorney General



Justinas Grinius
@deopercom

Following

Winners focus on winning. Losers focus on winners. #Motivation



1:26 AM - 11 Oct 2018

Richard Thornburgh had previously warned Bush that replacing Thurgood Marshall, who was widely revered as a civil rights icon, with any candidate who was not perceived to share Marshall's views would make the confirmation process difficult. Civil rights and feminist organizations opposed Thomas' appointment, partially citing Thomas' criticism of affirmative action and also because they were suspicious that Thomas might not be a supporter of *Roe v. Wade*. As the confirmation hearings for Thomas' Supreme Court nomination got underway, he evaded controversy over his conservative views on issues such as abortion by refusing to state a clear political position. He seemed headed for an easy confirmation until Anita Hill, a former aide, stepped forward and accused him of sexual harassment. Hill, who had served as an aide to Thomas at the Department of Education and the EEOC during the 1980s, alleged that the Supreme Court nominee had repeatedly made sexually offensive comments to her in an apparent campaign of seduction. Beginning on October 11, 1991, the Senate Judiciary Committee held four days of televised hearings on Hill's charges. Americans were shocked by both the frankness of Hill's lurid testimony and the unsympathetic response of the all-male committee, some of whom were openly antagonistic toward Hill. Thomas, meanwhile, denied the charges, and some witnesses called on his behalf cast doubt on Hill's character and mental stability. On October 15, the Senate narrowly voted to approve Thomas' confirmation. Although the hearings left the Senate and the nation deeply divided, the episode served to foster a greater public awareness of the problem of sexual harassment in the workplace. In taking over the seat of the ultra-liberal Thurgood Marshall, Thomas contributed significantly to the conservative character of the nation's highest court in the 1990s and after the turn of the century.

Upcoming Events

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

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.

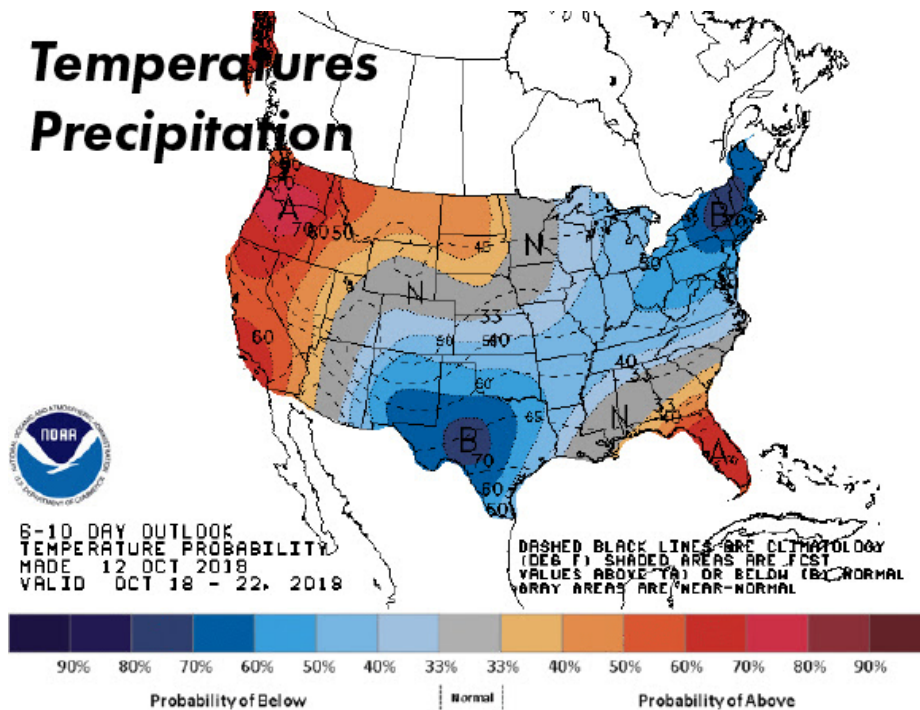
TODAY'S RIDDLE:

How can you add eight 2s together so that they make up a total of 250?

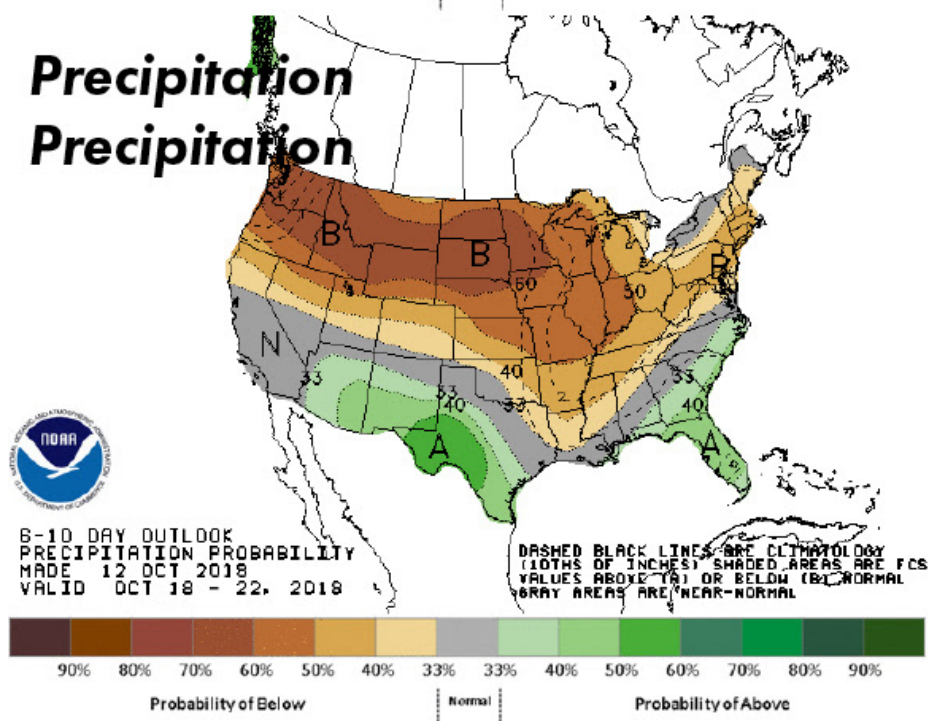
Weather over the weekend saw another surge of cold air reach the nation's mid-section and has overspread much of the remainder of the country. Warmth has prevailed, however, in the Far West and lingers across the lower Southeast. By early this week, freezes can be expected across much of the Plains and Midwest. Meanwhile,

widespread precipitation will precede and accompany the cold surge. The first batch of rain, associated with the remnants of former Hurricane Sergio, will primarily affect the southwestern and south-central U.S. Later, widespread showers will affect the South, East, and lower Midwest, while snow can be expected across central and southern sections of the Rockies and High Plains.

Temperatures Precipitation



Precipitation Precipitation



Corn bulls are happy to see a stronger technical picture on the charts. The close in the DEC19 contract back above \$3.70 per bushel was its first since August 21. The trade is eager to see if the momentum can continue as we approach much stronger resistance between \$3.80 and \$3.90 per bushel. Keep in mind, the market hasn't been able to close back above \$3.90 since early-June. From my perspective, very little has changed. Global stocks have come down significantly compared to the past few years, but a fresh new all-time record yield here in the U.S. and talk of more acres being planted in 2019, keeps the upside fairly limited. The upside also feels somewhat capped by the weight of the soybean market and continued trade conflict between the Chinese. There's really not much of a weather story as of yet in South America. I could argue a few concerns in Argentina, but it's still very early. As I've been saying for weeks, it feels like we are range-bound between \$3.40 and \$3.90 per bushel. I don't see us breaking out to the upside without more weather concerns or some type of positive development in regard to Chinese trade relations. If weather conditions improve and talks with the Chinese

Tues. 11/6 - Midterm Election

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

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

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

Tues. 11/13 - Crop Progress

Thur. 11/15 - NOPA Crush

Fri. 11/16 - Export Sales

Mon. 11/19 - Crop Progress, Milk Production

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

Thur. 11/22 - Thanksgiving; US Markets Closed

Fri. 11/23 - Export Sales, Black Friday

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

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

Thur. 12/6 - Export Sales

Fri. 12/7 - Monthly Unemployment

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

Thur. 12/13 - Export Sales

Mon. 12/17 - NOPA Crush

Thur. 12/20 - Export Sales

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

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

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

Fri. 12/28 - Export Sales

Kevin's Song of the Week

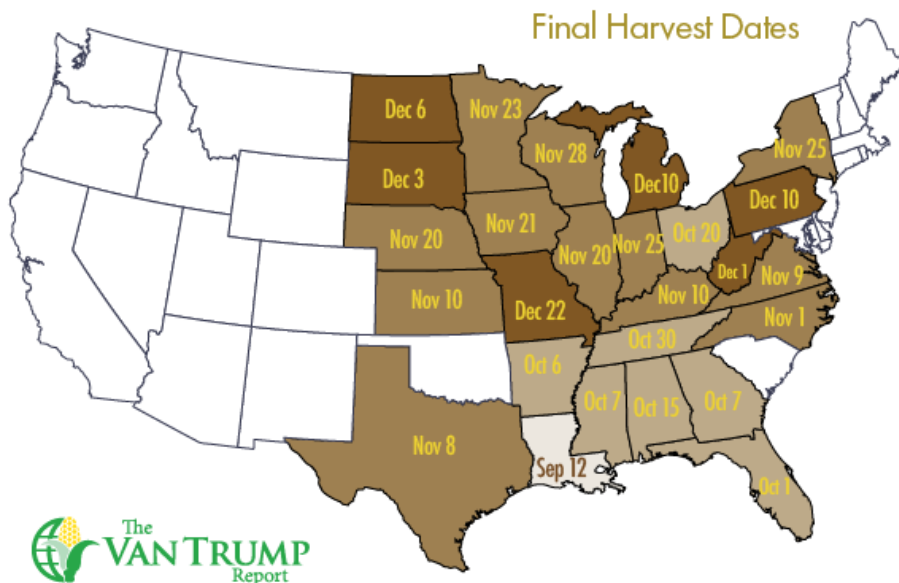
WHAT I'M LISTENING TO:



further deteriorate, then I suspect we move towards the lower end of the range. As a producer, I'll be looking to reduce a bit more nearby risk if we can test the upper limits. I'm also keeping a close eye on the DEC19 contract as we are now trading around \$4.05 per bushel. Looking forward, I suspect demand to stay extremely strong and the U.S. average yield to remain around 180 bushels per acre. I believe at some point we could see a sizable uptick in feed and residual, but that's probably too far off on the horizon to matter. It will be interesting to see how much corn was pulled out of the fields last week considering the heavy rains. The USDA last showed the crop as 34% harvested which was running well ahead of schedule. I suspect we will now be much closer to the 5-year average or perhaps even a bit behind. Remember, last year at this time (week ending October 15th), we had only harvested 28% of the crop vs. the historical 5-year average of 47% complete. I will also be keeping an eye on weekly conditions. Iowa's GD/EX crop-condition estimate fell by -5% last week. Nebraska and Minnesota conditions also deteriorated. It will be interesting to see if they continue to slide...

2018 Fall Harvest Price: Corn \$3.67

U.S. CORN HARVEST DATES



Source: USDA, NASS - Usual Planting and Harvesting Dates Report

States	Begin Date	Most Active	End Date	States	Begin Date	Most Active	End Date
Alabama	Aug 2	Aug 11 - Sep 20	Oct 15	North Carolina	Aug 25	Sep 10 - Oct 10	Nov 1
Arkansas	Aug 16	Aug 23 - Sep 23	Oct 6	North Dakota	Sep 28	Oct 8 - Nov 19	Dec 6
Florida	Jul 15	Aug 1 - Sept 10	Oct 1	Ohio	Aug 20	Aug 29 - Oct 9	Oct 20
Georgia	Aug 6	Aug 16 - Sep 22	Oct 7	Okla.	Aug 20	Aug 29 - Oct 9	Oct 20
Illinois	Sep 14	Sep 23 - Nov 5	Nov 20	Penn.	Sep 25	Oct 15 - Nov 20	Dec 10
Indiana	Sep 15	Oct 1 - Nov 10	Nov 25	South Carolina	Jul 25	Aug 20 - Sep 25	Oct 10
Iowa	Sep 21	Oct 5 - Nov 9	Nov 21	South Dakota	Sep 24	Oct 6 - Nov 16	Dec 3
Kansas	Sep 1	Sep 10 - Oct 25	Nov 10	Tenn.	Aug 25	Sep 1 - Oct 10	Oct 30
Kentucky	Sep 1	Sep 9 - Oct 24	Nov 10	Texas	Jul 18	Aug 1 - Oct 11	Nov 8
Louisiana	Jul 31	Aug 9 - Sep 5	Sep 12	Virginia	Aug 31	Sep 6 - Oct 28	Nov 9
Michigan	Sep 5	Oct 10 - Nov 25	Dec 10	West Virginia	Sep 15	Sep 30 - Nov 20	Dec 1
Minn.	Sep 27	Oct 8 - Nov 8	Nov 23	Wisconsin	Oct 2	Oct 14 - Nov 17	Nov 28
Miss.	Aug 11	Aug 23 - Sep 23	Oct 7				
Missouri	Aug 29	Sep 8 - Nov 3	Dec 22				
Nebraska	Sep 18	Oct 4 - Nov 10	Nov 20				
New York	Oct 7	Oct 14 - Nov 14	Nov 25				

Soybean prices remain in a fairly narrow range despite harvest uncertainty with a portion of the U.S. crop. During the past few weeks, the NOV18 contract has oscillated between \$8.40 and \$8.75 per bushel. Despite last week's late rally, we actually lost a couple of cents on the week. The U.S. balance sheet got a bit larger as some adjustments were made to last year's numbers. The new-crop yield estimate was bumped higher to another all-time record at 53.1 bushels per acre, but total acres were

Kevin's Song of the Week

NEXT level THINKING



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

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

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

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

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that 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

lowered a touch to offset the yield gains. Net-net no real surprises to the U.S. balance sheet, just extremely burdensome at 885 million bushels. Global stocks are also at record levels. The 800-pound gorilla in the room, obviously remains Chinese trade relations. Over the weekend, U.S. Treasury Secretary Steven Mnuchin, made it sound like there's nothing written in stone regarding a rumored meeting between President Donald Trump and Chinese President Xi Jinping, at the G20 leaders conference in Buenos Aires, Argentina at the end of November. The market seems to be clinging to every headline related to Chinese trade relations, so perhaps we might hear some type of official confirmation later this week. Technically, it still feels like we are in a range of between \$8.40 and \$9.20 per bushel. It seems like the market is comfortable trading in this range, at least until it learns more about South American weather and trade relations between Washington and Beijing. As a producer, I'll be looking to reduce a bit more risk on a rally towards the upper-end. As a spec, I refuse to chase the market higher. I only want to be a longer-term bull on a more serious break in price. Keep an eye on today's USDA weekly crop-condition update. Most recently they showed the U.S. soybean harvest at 32% complete, which was below the 5-year average. Last year, for the week ending October 15th, the USDA estimated 49% of the U.S. soybean crop was harvested, which was well below the historical average of 60% by this date. In other words, the heavy rounds of rains, could ultimately put the U.S. crop in harms way of cold temps in several locations as it struggles to get out of the field. Pay attention, we might soon get our opportunity to reduce a bit more risk. Keep in mind, we've only closed above \$9.00 per bushel a handful of times since mid-June.

2018 Fall Harvest Price: Soybeans \$8.62⁴

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..."

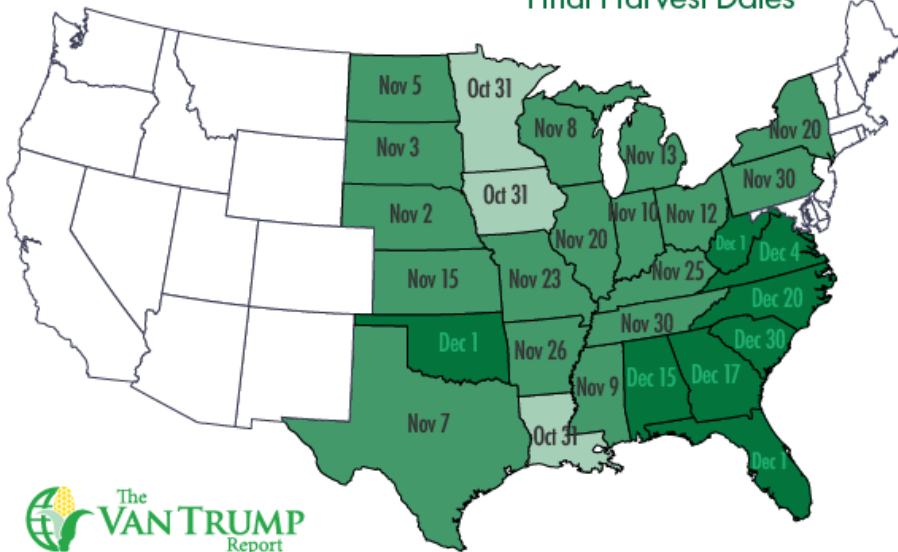
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- 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.

U.S. SOYBEAN HARVEST DATES

Final Harvest Dates



Source: USDA, NASS - Usual Planting and Harvesting Dates Report

States	Begin Date	Most Active	End Date	States	Begin Date	Most Active	End Date
Alabama	Sep 3	Oct 28 - Nov 28	Dec 15	North Carolina	Oct 10	Nov 10 - Dec 5	Dec 20
Arkansas	Sep 10	Sep 29 - Nov 13	Nov 26	North Dakota	Sep 17	Sep 24 - Oct 21	Nov 5
Florida	Oct 1	Oct 15 - Nov 25	Dec 1	Ohio	Sep 23	Sep 30 - Oct 31	Nov 12
Georgia	Oct 11	Oct 25 - Dec 8	Dec 17	Oklahoma	Sep 9	Sep 22 - Nov 20	Dec 1
Illinois	Sep 19	Sep 26 - Oct 26	Nov 20	Penn.	Oct 5	Oct 20 - Nov 10	Nov 30
Indiana	Sep 20	Oct 1 - Nov 1	Nov 10	South Carolina	Oct 20	Nov 10 - Dec 10	Dec 30
Iowa	Sep 21	Sep 28 - Oct 20	Oct 31	South Dakota	Sep 22	Sep 28 - Oct 24	Nov 3
Kansas	Sep 20	Oct 1 - Nov 1	Nov 15	Tenn.	Sep 25	Oct 5 - Nov 20	Nov 30
Kentucky	Sep 25	Oct 10 - Nov 14	Nov 25	Texas	Aug 18	Aug 22 - Oct 17	Nov 7
Louisiana	Aug 28	Sep 3 - Oct 25	Oct 31	Virginia	Oct 4	Oct 16 - Nov 28	Dec 4
Michigan	Sep 25	Oct 3 - Nov 3	Nov 13	West Virginia	Sep 25	Oct 5 - Nov 30	Dec 1
Minn.	Sep 20	Sep 27 - Oct 20	Oct 31	Wisconsin	Sep 29	Oct 4 - Oct 29	Nov 8
Miss.	Sep 10	Sep 13 - Oct 31	Nov 9				
Missouri	Sep 25	Oct 3 - Nov 8	Nov 23				
Nebraska	Sep 23	Sep 29 - Oct 24	Nov 2				
New York	Sep 27	Oct 7 - Nov 14	Nov 20				

Farm Direction

RECIPES

★ **FAMILY FAVORITES** ★

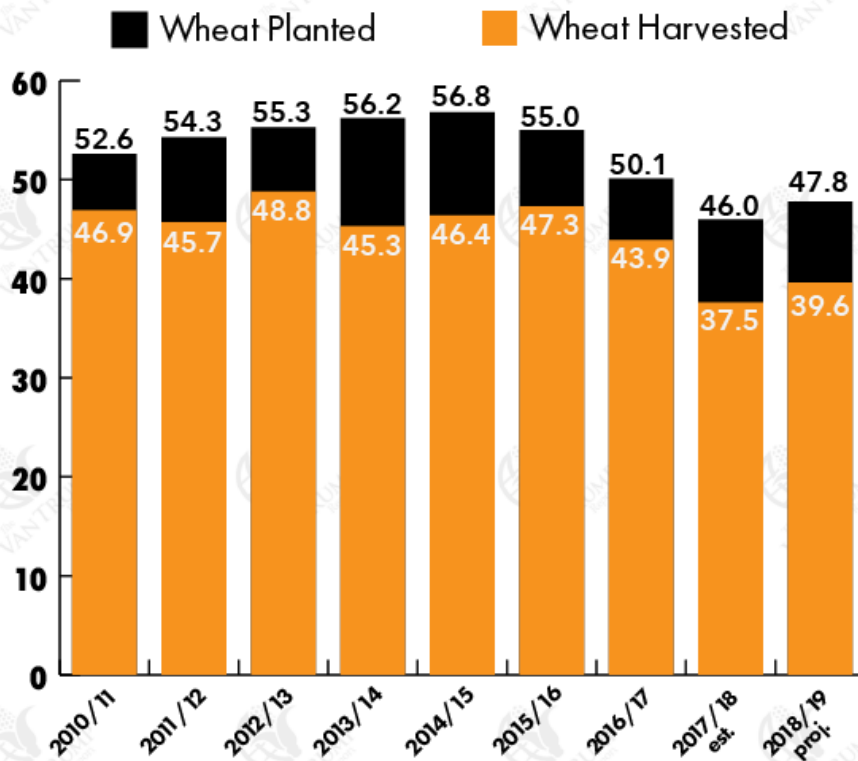
- SENT IN BY OUR READERS -

Italian Melt-In-Your-Mouth Meatballs

CLICK TO SEE RECIPE

Wheat bulls continue to patiently wait for stronger U.S. export demand. Bears believe the USDA may once again be overly optimistic in their current forecast and eventually have to trim demand, perhaps feed, exports or both. Bears also point to much improved soil moisture profiles and more producers talking about planting wheat acres. Russian exports and politics remain a "wild-card" that I will continue to monitor closely. Australian wheat production is also being questioned. The USDA again lowered their estimate from 20.0 MMTs down to 18.5 MMTs, but that number still sounds too high. I've heard several estimates that are sub-15 MMTs. There's also some talk that the Canadian crop estimate, which was left "unchanged", might be a bit too high at 31.5 MMTs. Bottom-line, I remain a longer-term bull, but continue to fear a lack of fresh nearby headlines for the bulls to chew on. 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 for reduce more price risk. The USDA will be updating the winter wheat planting pace this afternoon. Most recently the USDA showed the U.S. winter wheat crop at 57% planted which was slightly ahead of the 5-year average. I suspect we slowed down a bit last week and may actually now be a little behind. Emergence will also lag, but I doubt the market gives it much concern. Staying extremely patient...

U.S. Wheat Planted & Harvested (in million acres)



Source: USDA, data updated with October 12, 2018 WASDE numbers



> **A Tale of Two Cities, Soybeans in U.S. vs. Brazil:** The recent trade war between the U.S. and China has created some incredible opportunities for some and become an albatross for others. Reuters contrasts the situation in Luis Eduardo Magalhães, an agricultural boomtown in northeastern Brazil, with things in Boone, Iowa. Increased sales to China has caused Brazilian soybeans to fetch +\$2.83 more per bushel more than beans from the U.S. It's an insightful and sobering look at the changing dynamics of the global soybean market. (Source: Reuters)

> **France to Build Pig Fence:** France will start putting up fencing along part of its border with Belgium this weekend to prevent wild boars spreading African swine fever, a virulent livestock disease that could disrupt Europe's large pig industry. France has been on alert for African swine fever since Belgium detected the virus last month among wild boars a few miles from the French border.

> **South Korea Turns to Pakistan for Ethanol:** South Korean buyers have turned to Pakistani ENA and REN industrial ethanol grades for late December to January delivery, as prices have dipped below those from Brazil following a rally in Brazilian ethanol prices. Offers of Pakistan ENA grade ethanol for November-December loading had fallen to \$630/mt FOB Karachi. (Source: Platts)

> **Ukraine Wheat Exports Drop:** Ukraine exported 2.16 MMT of wheat in September 2018/19 that is comparable with the previous month's volume (2.15 MMT) but 18.4% less than in September 2017/18, UkrAgroConsult's analysts note. Ukrainian wheat shipments to foreign markets totaled 5.26 MMT in July-September 2018/19 that is down 11.3% from the same period last season. In addition, this volume is the lowest in three years.

> **China's Exports Unfazed by Tariffs as Trade Surplus Hits Record High:** China's trade surplus shot to a record \$34.13 billion in September as exports show no sign of being affected by tariffs. The trade surplus is due in large part to a weakening yuan which has seen nearly a 6% drop versus the U.S. dollar since the start of the year.

> **Garlic Producers Love Trade War:** If you are cooking with garlic or, less commonly, using it medicinally, it's from China, which has an iron grip on the U.S.

market, controlling more than 90% of the dried garlic trade and killing many American garlic farms. U.S. farmers think Trump's new 10% tariff could bring them back to life. (Source: Axios)

> Rise In Used Car Inventory Show Sales Slowing: The sudden increase in used vehicle inventory is a strong signal that the rate of sale has slowed due to price increases that consumers are not willing to absorb. Most retail dealers have a rigid 60-day cut off for used vehicle inventory. As a vehicle nears the 60-day mark, the dealer is forced to heavily discount that vehicle or face an even greater loss by disposing of it through wholesale auction. (Source: Hedgeaccountingly)

> Coast Guard Helps Relocate Rare Whooping Cranes: This past week, the U.S. Coast Guard flew 33 rare whooping cranes from Maryland to Louisiana, where they'll settle into the Freeport-McMoRan Audubon Species Survival Center. The species came dangerously close to extinction in the 20th century, when there were fewer than two dozen of the birds left in the wild. Teams at the U.S. Geological Survey have been breeding and rearing the cranes over the last 50 years. The birds that are alive today are descendants of a flock of just 16 cranes that were wintering in Texas in 1941. (Source: Atlas Obscura)

> Confidence Returning to Emerging Markets: The bulls are finally starting to outweigh the bears in emerging markets. After two-quarters of declines, developing-nation assets will find a floor and remain stable in the final three months of the year as central banks from Argentina to Turkey move to defend their currencies, a Bloomberg survey shows. From what I'm hearing, some confidence in EM has been restored following strong policy responses in both Argentina and Turkey, along with a lighter political calendar. According to Marcelo Assalin, head of emerging markets debt at NN Investment Partners BV in The Hague, which oversees \$280 billion in assets, the majority of EM countries are in relatively healthy economic shape in both external and domestic terms at this time. Check out the survey results [HERE](#).

> Will Sports Gambling Soon Be Legalized? New Jersey's sports betting market brought in \$184M in wagers during September after the U.S. Supreme Court paved the way for legal sports betting. That's almost double the \$96M it took in during August and easily quadruple the \$41M raked in during July. The huge month for New Jersey could add some pressure in nearby states for lawmakers to accelerate their own sports betting legislation. (Source: SeekingAlpha)

> The 15 Companies that Make the Most Cars: Today's infographic comes to us from [Alan's Factory Outlet](#), and it shows the 15 companies that make the majority of the world's cars. Here are those companies, sorted by annual revenue in U.S. dollars. As you can see, the majority of these companies are actually conglomerates with multiple brands falling under one parent company. These brands are either created strategically by the parent company to target new markets, or they are the result of mergers and acquisitions. (Source: VisualCapitalist) click the graphic below to view a larger picture.

probably handled the storm the best if the winds were not severe enough to move the windrows. Peanuts still in the ground are fine if they are not mature enough to dig. Peanuts that were ready to dig will come off in the ground if they are not dug soon. The peanut handling infrastructure was so badly damaged there is some concern about being able to process the peanuts that are still in the field in a timely manner. Expectations are that the crop loss in Georgia alone may be close to a billion dollars. The total economic impact will be much higher. I suspect that the cotton alone could approach that number. We lost approximately 200 pounds of cotton per acre. The damage is staggering.



TasteAtlas will Guide Consumers to Locally Grown Food: Finding something to eat nowadays is easy. But finding good, locally sourced food, or the best restaurants that serve it, can be a chore. TasteAtlas is a new project that aims to make this easier by focusing on traditional cuisine, local food, authentic recipes and expert reviews. A Croatia-based project which has been in the making for three years, TasteAtlas contains nearly 10,000 dishes, drinks and ingredients and nearly 9,000 restaurants, gathered from all over the world by a team of 30 authors and researchers. I'm told the TasteAtlas is different in several ways, First, it has an educational component: You can go there to learn about food and find what's really great to eat in a certain area. And second, its reviews come from experts and true enthusiasts. Learn more at their website [HERE](#).

College Janitor Wins Irelands Most Prestigious Literary Honors: In a story that reminded me of my favorite movie "Good Will Hunting", Trinity College Dublin presented Caitriona Ms. Lally last week with the Rooney Prize for Irish Literature, one of Ireland's most prestigious literary honors. The prize committee praised her book, "Eggshells," as "a work of impressive imaginative reach, witty, subtle and occasionally endearingly unpredictable." For the past three and a half years, Ms. Lally has worked as a janitor at the college, and each morning she wakes at 4:45 a.m., pulls on her blue janitor's smock and heads for the college to clean from 6 a.m. to 9:30 a.m. Then she returns home to take care of her 14-month-old daughter, Alice. I'm reminded of how many people want to say they will do great things when their situation is better...I applaud Ms. Lally for her efforts while doing what it takes to raise a family. Read more [HERE](#).

Usain Bolt Debuts His Skills As Professional Soccer Player: Usain Bolt scored his first goal as a professional soccer player Friday night in Australia. Then, less than 15 minutes later, he added another. In his first start with the Central Coast Mariners of the Australian League, the superstar sprinter scored in the 55th and 69th minutes, helping lead his team to a 4-0 win in their friendly against Macarthur South West United. The eight-time Olympic gold medalist then left the game in the 74th minute. Bolt, 32, retired as a sprinter following the 2017 World Championships and has since turned his focus to soccer. He trained briefly with a Norwegian team earlier this year before joining the Central Coast Mariners for an "indefinite training period" in August.

Watch the Boston Dynamic Robot Version of Parkour: "Parkour" might be pushing it slightly, but the robot is certainly able to jump around a complex environment comprised of a zigzagging stack of steps. Here's Boston Dynamics' explanation of what's going on in that video: "The control software uses the whole body including legs, arms and torso, to marshal the energy and strength for jumping over the log and leaping up the steps without breaking its pace... Atlas uses computer vision to locate itself with respect to visible markers on the approach to hit the terrain accurately." You might remember it wasn't that long ago the robot wasn't able to maneuver like this...I suspect it won't be that long before they will be called into practical application in society!! Watch the video [HERE](#).

Interesting Research on How We View Our Homes: Every year, Ikea Group and INGKA Holding, the holding company that controls the majority of Ikea's retail stores, publishes a research report on how people live in and relate to a specific aspect of their homes. Since 2014 it's dealt with morning routines, food and kitchens, and disagreements at home. This year, it takes on a more existential tone—dealing with loneliness, belonging, and the effects of living in cities. Two years ago, the company asked thousands of people about where they felt "most at home." At the time, 20% of subjects said it wasn't the space in which they lived. Two years later, they asked again, and found the number has risen by 15% among people who live in cities. In other words, 35% of people who live in cities don't feel at home in their house or apartment. Read more [HERE](#) on the trends surrounding our living spaces.

OUR KEY FINDINGS

Home doesn't always feel like home

Most of us believe that it's important for our residential homes to provide these five emotional needs, and in many cases they do that well.

However, we have seen a gap between expectation and reality, particularly amongst those living with friends or strangers. For too many people, home doesn't give them the feeling of home. Today, lots of us are looking to spaces and places beyond four walls to provide us with these emotional needs.

Pushed out:

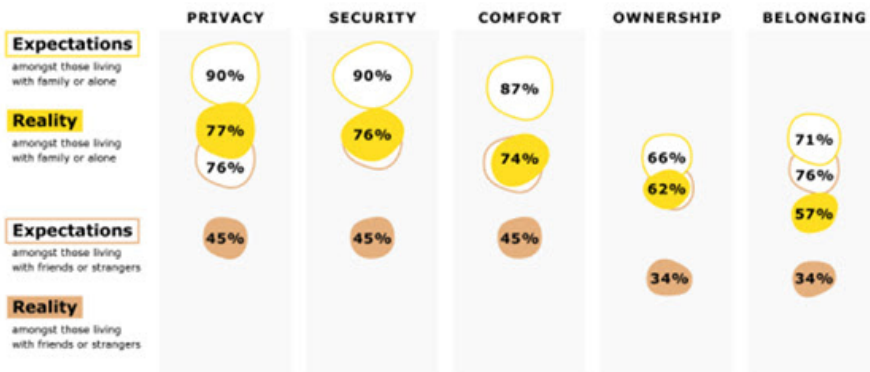
Some people are restricted by what their residential home can give them. **"Home doesn't give me mental privacy, so I like to escape onto my balcony to be alone or go and sit in my car on 'my street' in winter."**

Alessandra, Rome

Pulled in:

Some people are excited by opportunities beyond four walls to enhance their feeling of home. **"The extended home adds the seasoning and spice you can't get at home. Using the extended home imaginatively helps you get the home you want and need, no matter what your home is."**

Sarah, London



[Image: courtesy Ikea]

THE PUSH FACTORS

Pushing beyond four walls

Lack of comfort

When we have less space to play with, life at home can feel restrictive.

"I WOULD MAYBE HAVE FAMILY OVER, BUT DEFINITELY NOT FRIENDS. IT'S WAY TOO SMALL."

Tan Jiaqin, Shanghai

Lack of belonging

Living with people who don't share our interests or values can make us feel disconnected.

53% of young families don't get belonging from their residential home.



Lack of ownership

If we don't own the space we live in or the things within it, life at home can sometimes feel harder.

24% of people who live with strangers don't feel ownership over where they live and feel MORE COMFORTABLE OUTSIDE OF THEIR HOME.

Lack of privacy

As new homes compete for space, we are living closer together than ever before.

23% of people globally feel they have to leave the house to find alone time, and this goes up to 33% for people living with friends or strangers.



Lack of security

It's harder to put down roots when we're moving between homes, cities and countries more than ever.

1 IN 3 PEOPLE

don't feel their residential home provides a sense of security.

These feelings are exacerbated by major shifts in how people live today, which is rapidly adapting to our changing demographics and climate, the increased use of technology, and the exponential rise in urban living.

[Image: courtesy Ikea]

FROM MY PERSPECTIVE

Kevin Van Trump



FARM TANK



Connecting With Innovative Thinkers

NEW Podcast "Biotech Jet Setter, Winning the Congressional with Stewart Cink, and Bacardi Deals with Chris Rivera"

"The most important thing you can invest in during your life is in your education. People can take away your car, they can take your house, and they can take your money, but

they can't take your education." — **Chris Rivera**

Chris Rivera, CEO of Nativis and co-founder of WINGS, has spent nearly his whole life working in the biotech field. Chris played college basketball, has a master's degree from the University of Oklahoma Health Sciences Center, and a business degree from Seattle University. Since then, Chris has overseen one of Washington's largest and fastest growing economic industries and has even mentored more than 400 life science start-up companies. Mr. Rivera was the President & CEO of Life Science Washington from 2009 to 2015. He also founded and led Hyperion Therapeutics, which sold to Horizon Pharma for over \$1 billion in 2015. We also talk about a wide variety of interests in his life such as golf, travel, innovation, Amazon, and investing in yourself. Listen to the podcast below to learn more about this biotech jet setter.

Key Highlights:

- "I always try to picture myself in 3 to 5 years of what I want to do and what I want to be doing. Then, I try to figure out what's the pathway to get there." (5:25)
- "Having a strategy and making sure you articulate that strategy to your entire team, so everybody understands what their role is. Also, important is having a common goal and objective." (10:00)
- "I believe in paying it forward. I think it's our right and duty to leave this world in a better place than we found it. I think youth is the next generation that will make the changes." (20:00)
- "Spending 4 or 5 hours on a golf course is like spending 4 or 5 years with someone in a boardroom." (25:00)
- "Life is changing, the world is changing, and you have to be open to new technology in particular right now." (27:00)

Click the Media Button Below



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

Updated Commodity Costs and Returns... Breakevens Are Moving Higher!

I've been talking to a lot of producers as of late and we are all seeing the same thing...production costs moving higher and profit margins being further squeezed. It looks like fuel expenses could be up +25% or more in 2019. We are also looking at higher fertilizer input costs and higher labor expenses. Rents should be stable. I would like to believe the forecasters who are calling for larger reductions in "cash rents", but for some reason I'm just not sure it happens, especially if we start to see a stronger push in inflation. I'm personally penciling in a stable or slight reduction in rents. I've heard some predicting a -\$10 to -\$15 per acre reduction on the best ground and perhaps a -\$5 to -\$10 per acre reduction on the rest of the ground. I included below the latest estimates of annual productions costs and returns reported for major field corn, soybeans and wheat by the USDA. The graphics below show hypothetical returns based on the data gathered by USDA's Economic Research Service's commodity costs and returns data series. These estimates are based on producer surveys conducted about every 4 - 8 years for each commodity and updated each year with estimates of annual price, acreage, and production changes. The costs and returns numbers below represent the latest data from the USDA/ERS and was just released Monday, October 02, 2018. I also included an estimated forecast from the FarmDocDaily team at the University of Illinois. Gary Schnitkey, Department of Agricultural and Consumer Economics, released the estimates back in August. (Source: [USDA](#); [Farmdocdaily](#))

**Table 1. Corn Revenues and Costs, Central Illinois -- High Productivity Farmland,
Actual for 2012 through 2017, Projected for 2018.¹**

	2012	2013	2014	Year		2017	2018P	2019P
	2015	2016	2017	2018P	2019P			
Yield per acre	126	197	231	200	228	227	215	207
Price per bu	\$6.93	\$4.52	\$3.76	\$3.72	\$3.49	\$3.40	\$3.70	\$3.80
Crop revenue	\$873	\$890	\$869	\$744	\$796	\$772	\$796	\$787
ARC/PLC or ACRE	0	0	4	45	12	1	0	0
Other gov't payments	24	22	0	0	0	0	20	0
Crop insurance proceeds	295	61	10	31	2	6	0	0
Gross revenue	\$1,192	\$973	\$883	\$820	\$810	\$779	\$816	\$787
Fertilizers	200	193	171	166	154	135	130	145
Pesticides	49	66	67	66	64	73	73	75
Seed	108	114	120	118	116	115	114	114
Drying	16	24	28	15	13	16	16	18
Storage	7	8	12	14	11	15	15	15
Crop insurance	25	27	24	24	22	24	24	24
Total direct costs	\$405	\$432	\$422	\$403	\$380	\$378	\$372	\$391
Machine hire/lease	10	11	12	12	12	13	13	13
Utilities	5	5	5	5	5	5	5	5
Machine repair	22	22	24	22	22	24	24	24
Fuel and oil	23	24	24	17	14	15	15	17
Light vehicle	2	2	2	1	1	1	1	1
Mach. depreciation	55	63	65	67	65	64	63	63
Total power costs	\$117	\$127	\$132	\$124	\$119	\$122	\$121	\$123
Hired labor	14	16	16	17	17	18	18	18
Building repair and rent	8	6	6	5	4	5	5	5
Building depreciation	9	5	11	12	12	12	12	12
Insurance	9	10	10	10	10	10	10	10
Misc	8	8	9	8	8	9	9	9
Interest (non-land)	11	11	11	13	13	15	16	18
Total overhead costs	\$59	\$56	\$63	\$65	\$64	\$69	\$70	\$72
Total non-land costs	\$581	\$615	\$617	\$592	\$563	\$569	\$563	\$586
Operator and land return	\$611	\$358	\$266	\$228	\$247	\$210	\$253	\$201
Land costs (e.g. cash rent)	270	290	293	278	273	267	264	245
Farmer return	\$341	\$68	-\$27	-\$50	-\$26	-\$57	-\$12	-\$44

U.S. Corn Cost and Returns Per Planted Acre

(excluding government payments, 2013-2017)



	2017	2016	2015	2014	2013
Total, Gross Value of Production	620.06	620.23	612.60	603.18	720.51
Total, Costs (Operating costs + Overhead)	682.04	692.05	675.33	689.80	676.45
Total, Returns (per planted acre)	-61.98	-71.82	-62.73	-86.62	44.06
Supporting Information					
Yield (bushels per planted acre)	190	188	167	170	156
Price (dollars per bushel at harvest)	\$3.26	\$3.29	\$3.66	\$3.54	\$4.61
Production Practices:					
Irrigated Acres %	11	11	11	11	11
Dryland Acres %	89	89	89	89	89

Compiled by USDA, ERS using Agricultural Resource Management Survey data

Table 2. Soybean Revenues and Costs, Central Illinois -- High Productivity Farmland, Actual for 2012 through 2017, Projected for 2018.¹

	Year							
	2012	2013	2014	2015	2016	2017	2018P	2019P
Yield per acre	50	58	64	66	69	68	65	63
Price per bu	\$14.66	\$13.35	\$10.67	\$9.39	\$9.99	\$9.70	\$8.90	\$9.00
Crop revenue	\$733	\$774	\$683	\$620	\$689	\$660	\$579	\$567
ARC/PLC or ACRE	0	0	4	45	12	1	0	0
Other gov't payments	24	22	0	0	0	0	20	0
Crop insurance proceeds	26	6	5	7	1	3	0	0
Gross revenue	\$783	\$802	\$692	\$672	\$702	\$664	\$599	\$567
Fertilizers	68	65	58	56	49	44	41	54
Pesticides	39	40	41	40	40	44	44	45
Seed	69	73	77	76	74	73	73	73
Drying	1	1	1	1	1	1	1	1
Storage	4	4	7	8	8	8	8	8
Crop insurance	17	18	18	16	14	16	16	16
Total direct costs	\$198	\$201	\$202	\$197	\$186	\$186	\$183	\$197
Machine hire/lease	9	9	10	11	11	14	14	14
Utilities	4	4	5	4	4	4	4	4
Machine repair	19	20	22	19	20	20	20	20
Fuel and oil	20	21	21	15	12	13	13	13
Light vehicle	1	1	2	1	1	1	1	1
Mach. depreciation	48	55	57	57	58	56	54	54
Total power costs	\$101	\$110	\$117	\$107	\$106	\$108	\$106	\$106
Hired labor	13	15	16	16	17	17	17	17
Building repair and rent	6	5	5	4	4	4	4	4
Building depreciation	8	9	9	10	10	11	11	11
Insurance	9	10	10	10	10	10	10	10
Misc	8	8	9	8	8	9	9	9
Interest (non-land)	10	10	10	11	12	13	14	15
Total overhead costs	\$54	\$57	\$59	\$59	\$61	\$64	\$65	\$66
Total non-land costs	\$353	\$368	\$378	\$363	\$353	\$358	\$354	\$369
Operator and land return	\$430	\$434	\$314	\$309	\$349	\$306	\$245	\$198
Land costs (e.g. cash rent)	270	290	293	278	273	267	264	245
Farmer return	\$160	\$144	\$21	\$31	\$76	\$39	-\$20	-\$47

U.S. Soybeans Cost and Returns Per Planted Acre

(excluding government payments, 2013-2017)



	2017	2016	2015	2014	2013
Total, Gross Value of Production	454.72	491.92	430.56	522.24	571.04
Total, Costs (Operating costs + Overhead)	443.50	443.46	463.30	466.72	458.31
Total, Returns (per planted acre)	11.22	48.46	-32.74	55.52	112.73
Supporting Information					
Yield (bushels per planted acre)	49	52	48	48	43
Price (dollars per bushel at harvest)	\$9.28	\$9.46	\$8.97	\$10.88	\$13.28
Production Practices:					
Irrigated Acres %	10	10	10	10	10
Dryland Acres %	90	90	90	90	90

Compiled by USDA, ERS using Agricultural Resource Management Survey data

U.S. Wheat Cost and Returns Per Planted Acre

(excluding government payments, 2013 - 2017)



	2017	2016	2015	2014	2013
Total, Gross Value of Production	203.33	208.46	213.90	247.53	286.63
Total, Costs (Operating costs + Over-head)	302.46	300.94	310.50	316.28	312.03
Total, Returns (per planted acre)	-99.13	-92.48	-96.60	-68.75	-25.40
Supporting Information					
Yield (bushels per planted acre)	41	51	40	37	39
Price (dollars per bushel at harvest)	\$4.72	\$3.93	\$5.12	\$6.44	\$7.09
Production Practices:					
Irrigated Acres %	5	5	5	5	5
Dryland Acres %	95	95	95	95	95

Compiled by USDA, ERS using Agricultural Resource Management Survey data

REMINDER... The Best Time To Book Holiday Travel Is Coming Up

I know it still feels very much like summer in most parts of the U.S., but the holiday season is fast approaching. For many of us, that could mean sorting out travel plans. Many people think that the best money saving strategy is to book airfare as far in advance as possible. However, some new cost analysis data from Skyscanner, a global travel search engine, shows that travelers usually get the best deals about four weeks in advance of the Thanksgiving, Christmas and New Years holidays.

Thanksgiving - Syscanner found that the week of October 31 tends to bring the greatest savings at -7.7%, followed by the week of October 17, which saves an average of -5.1%.

Christmas - The week of November 21 will generally get you a -6.4% discount . However, that is also the week of Thanksgiving, so it may be a bit tough to find time, in which case Skyscanner recommends the week of December 5 for a savings of -5%.

New Year's - If you plan to ring in the new year in a different city, the week of December 5 averages a -10.5% savings. They also found that waiting until the week before will result in savings of -6.6% to -6.5%. Keep in mind, availability may be extremely limited.

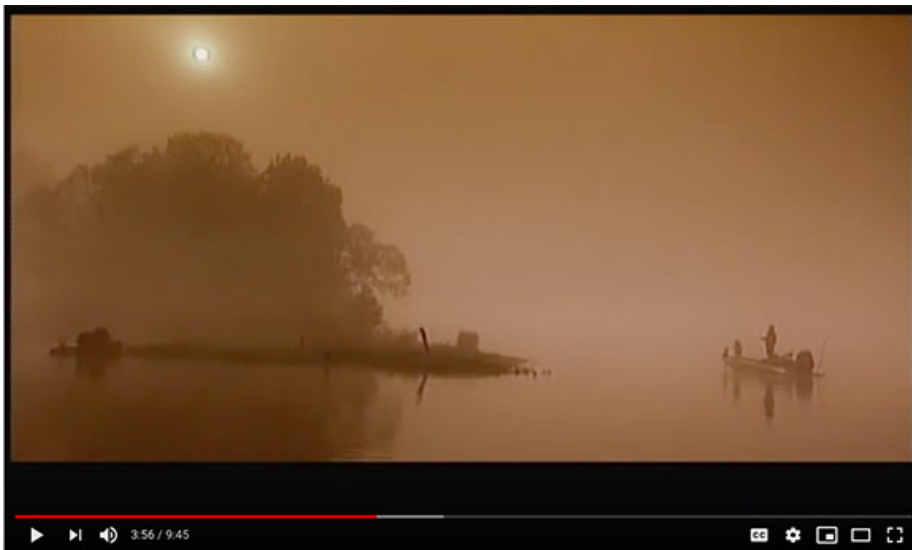
Other Tips - Experts say that you will find the best deals if you fly in or out on Tuesday or Wednesday. Friday and Sunday are by far the most expensive days. The time of day you travel is also important. No one wants to fly at 4 a.m., but you can shave off big bucks from your ticket price if you are willing.

Websites - If you try to book your flight directly through the airlines, comparing costs and other details can be kind of a pain. There are several travel sites out there that will conveniently pull up all published flights, including a couple of my favorites [Google Flights](#) and a site called [Airfare Watchdog](#) which continuously scours airline sites for fresh deals and lists them into one easy to find place.

Non-Refundable Tip - Usually, the bargain airfares are non-refundable tickets, meaning you won't be able to change your ticket if you change your mind or find cheaper alternatives. However, most all tickets are absolutely refundable within 24-hours of purchasing.

Amazing Inspiration!

I thought it was time for a bit of inspiration. I know many of us are facing tough circumstances. I always tell the kids, when times are the toughest and you feel like you can't be pushed any further, stop immediately and search in your mind for further inspiration. Today I share the story of Clay Dyer. Watch the video and realize that your problems are small compared to others. Click [HERE](#)

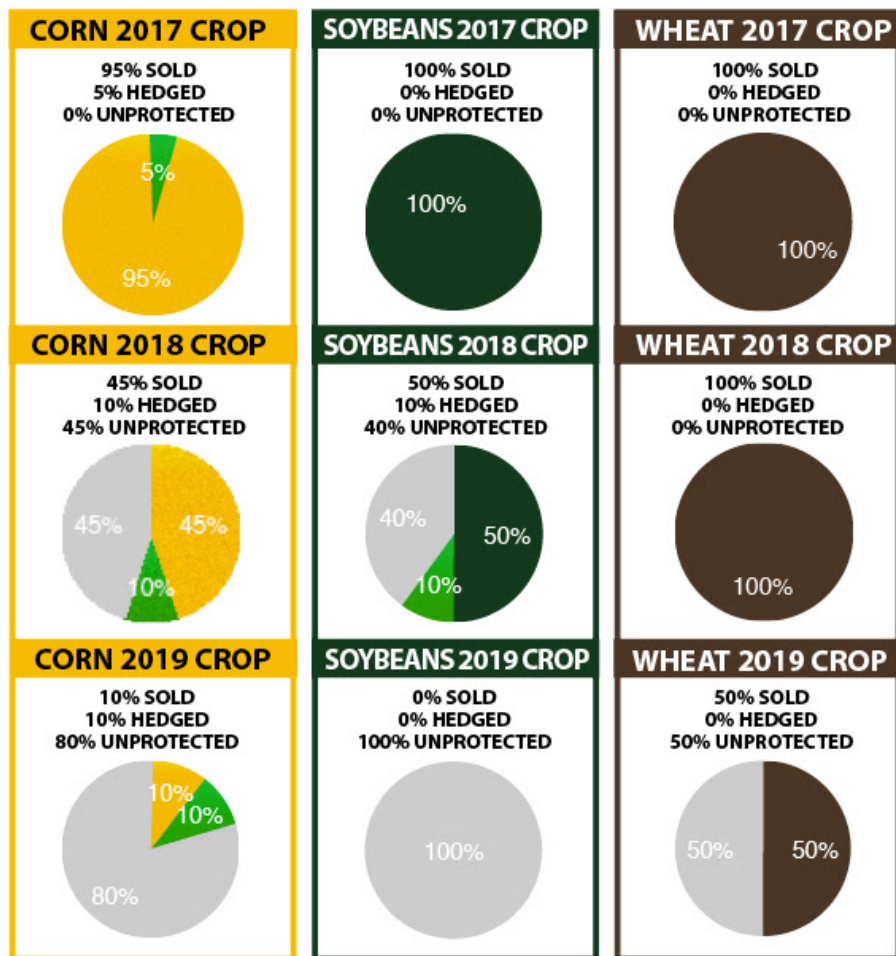


ANSWER to riddle:

$222 + 22 + 2 + 2 + 2$

CASH SALES & HEDGING TOTALS

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