

**GOOD MORNING: 10/19/18 Farm Direction - Van Trump Report**

2 messages

Kevin Van Trump <kvt@farmdirection.com>  
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Fri, Oct 19, 2018 at 6:58 AM



*"Always make your future bigger than your past."* — Dan Sullivan

**FRIDAY, OCTOBER 19, 2018**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stocks are higher this morning, but bulls struggle to find stable footing and the market now finds itself teetering on the edge. From a technical perspective, support appears to be holding for the moment, with the S&P 500 Index trading just above its 200-day moving average of 2768. To this point the 200-day has been a key support level. Pay close attention to how we trade late this afternoon. I'm worried about major selloff or perhaps a possible flash-crash if the computerized trading programs trigger at the same time. The recent uptick in "volatility" and surge in "geopolitical headlines" could put the algorithmic and quant models in high gear. The great investors of the past made their fortunes buying weakness and selling strength. Many of today's computer models are programmed to do just the opposite, i.e. continuing to buy into strength and continuing to sell into weakness, this is what makes the market extremely dangerous and can exponentially increase any and all moves. Certainly the computers have the ability to stay irrational much longer than most of us can stay liquid! I have a few stocks on my shopping list just in case a "fire sale" happens to breakout, it includes: Alphabet (Google); Pfizer; Facebook; PayPal, Square, Sales Force, Alibaba, Blackrock, Amazon, Disney, Nvidia, Edwards Life Sciences, Take-Two Interactive, Celgene, Electronic Arts, Eli Lilly, Johnson & Johnson, and Tesla. Just keep in mind, trading has changed a lot in the past several years.

It feels like "geopolitical" headlines and worries are finally impacting the market. I'm hearing from some larger traders that U.S. earnings aren't offering up the same protective mote as they have the past few quarters. It's not so much the current quarterly earnings that are the problem, but the tone of several companies on their calls have shifted to a more negative forward looking guidance, which is allowing the political fears to gain some momentum. Yesterday, there were basically three main catalyst... Italy's debt situation and budget spending continues to spook the market. In simpleton terms, Italy's new government wants to try and "grow" themselves out of their current hole, i.e. increase spending in an effort to try and spark growth in their economy. Unfortunately, leaders in the European Union, who have loaned Italy money to this point, aren't going for the "spend your way out" plan. This "uncertainty" inside the European Union makes global investors nervous and drives more money towards safety. The ongoing Saudi investigation involving the death of journalist Jamal Khashoggi is also adding further market uncertainty. U.S. stock bulls seemed to take another step backwards yesterday after hearing that U.S. Treasury Secretary Steven Mnuchin would not be participating in the high-profile investor conference scheduled in Saudi Arabia. Again, not that it's a huge deal in and of itself, but when added together with all the other balls in the air, there's becoming a lot more doubt that the bulls can continue to keep juggling. Keep in mind, we also have ongoing "uncertainty" surrounding trade conflicts with the Chinese, Iranian sanctions going into play, rising U.S. interest rates and inflation, rising U.S. wages, a strong U.S. dollar, and a highly anticipated upcoming U.S. mid-term election. Many smart investors have made great returns the past couple of years and now seem content taking a little shelter as they spot a few more potential storm clouds overhead. Perhaps nothing comes of it all, but I clearly see the trade taking more precautionary measures than in the past. I suspect if the stock market continues to climb higher and higher, smart investors will increasingly become more cautionary, as a slip or misstep at these heights could be much more dire in consequence. From my perspective, it feels like the current bullish correction still has more room to the downside. I'm extremely happy I narrowed my portfolio when the market was rallying to new all-time highs. Also lucky to have switched to more of a

trader type mentality rather than longer-term investor several months back. I've preached for weeks, at these elevated levels, you have to be careful in regards to what you are holding, your total number of positions (you can't afford to be overly diversified), and you have to keep a much larger amount of dry powder on hand. This is just not the environment or landscape to be getting yourself over-leveraged! Today's economic news will provide traders with the latest in Existing Home Sales, which probably won't show any significant bullish surprises. Next week we will be digesting the heavily anticipated first read on Q3 GDP along with updated New Home Sales data and weekly Jobless Claims. Earnings reports today will be highlighted by Honeywell, Kansas City Southern, Procter & Gamble, and Schlumberger. Earnings will be even heavier next week, with big names reporting... Alphabet, Amazon, American Airlines, Anheuser-Busch, AT&T, Biogen, Boeing, Bristol-Myers, Caterpillar, Celgene, ConocoPhillips, Gilead, GrubHub, Edwards Life Science, Ford, reeport-McMoran, Haliburton, Harley Davidson, Hasbro, Intel, Kimberly-Clarke, Lockheed Martin, McDonalds, Merck, Microsoft, Morningstar, Owens Corning, Snap, Twitter, Union Pacific, UPS, Verizon and Visa to name a few.

**Happy Anniversary Black Monday!** I'm referring to Black Monday, October 19, 1987, when stock markets around the world crashed. The crash began in Hong Kong and spread west to Europe, hitting the United States after other markets had already sustained significant declines. By the end of October the U.S. stock market had fallen by more than -22% from its August highs. Many people blamed the advancement and adoption of computerized programmed trading by several Wall Street firms. If they thought it was bad in 1987, wait until we see the next fallout from computerized trading platforms. Keep in mind, the stock market crash of 1929 started on October 24th. To say October can be volatile would be a huge understatement. (Source: Wiki; Fortune)

**Gas Prices Not Dropping Much:** Even as U.S. crude-oil slid -6.2% over the last week, the average price for a gallon of regular gasoline in the U.S. slipped by just two cents. The price stood at \$2.89 on Wednesday, according to price-tracking firm GasBuddy. That's +45 cents higher than a year ago and just shy of a four-year-high of \$2.98 reached in May. (Source: The Wall Street Journal)

**President Trump Wants Mexico To Step Up!** President Trump threatened Thursday to scrap a crucial trade deal and send troops to the U.S. southern border in response to a large caravan of Central American immigrants heading toward the United States. In a series of tweets, Trump said that if Mexico is incapable of stopping the immigrants, he will "call up the U.S. Military and CLOSE OUR SOUTHERN BORDER!" Trump also threatened to cancel a pending trade deal with Mexico that took more than a year to negotiate and is designed to replace the North American Free Trade Agreement "The assault on our country at our Southern Border, including the Criminal elements and DRUGS pouring in, is far more important to me, as President, than Trade or the USMCA," Trump said, referring to the United States-Mexico-Canada Agreement. Read more [HERE](#).

**Mega Millions Jackpot Might Reach \$1 Billion!** Lottery fever is spreading across the nation as tonight's Mega Millions jackpot will be near \$1 billion. I should also note, Saturday's Powerball jackpot will be close to \$450 million. The odds of winning a jackpot remain abysmal at 1 in 302 million for Mega Millions and 1 in 292.2 million for Powerball. The odds of winning both jackpots is estimated at more than 1 in 88 quadrillion. The Mega Millions drawing will go down as the second largest lottery jackpot in U.S. history. Mega Millions says its previous record jackpot was a \$656 million prize that was shared by winners from Kansas, Illinois and Maryland in March 2012. Tuesday's drawing produced no winners, Mega Millions reported nine tickets from that drawing matched five white balls to win the second prize - \$1 million. And one of those, sold in Texas, had the Megaplier option, available in most states for an extra \$1. That ticket was worth \$5 million! I thought it was interesting to read the average American spends about \$223 per year on lottery tickets, according to a survey from LENDedu. Massachusetts residents have the biggest taste for playing the odds, spending almost \$763 per year on lottery tickets, the study found. North Dakotans are on the opposite end of the spectrum, spending about \$44 per year on the lottery, or the lowest average figure among residents of all 50 states. See more interesting lottery data [HERE](#)

**Fleetwood Mac...** The family got hooked up with some great seats for last night's Fleetwood Mac concert in Kansas City, front row!!!

## 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 year's special event!

November 28 - 29, 2018

### SPECIAL "MASTER MIND" SESSION



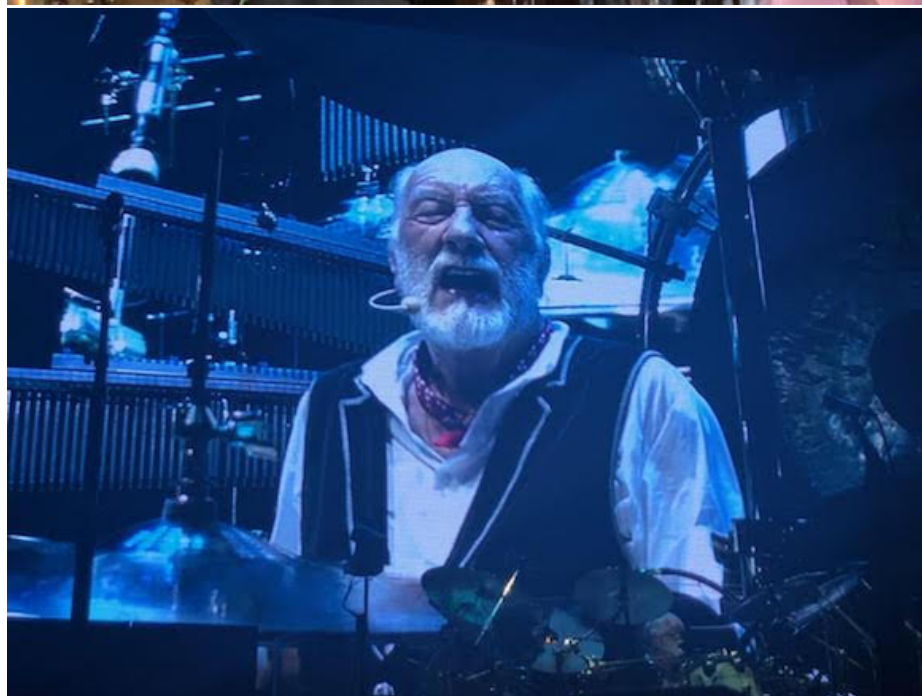
Sit front row in the boardroom with some of the best and brightest! Join us for an exclusively look behind the scenes as several of the top CEO's and leaders openly discuss their next moves in the markets, their current investments, what they see at out on the horizon, along with heated debates about 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 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."*







#### **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.*





# FARM TANK

Tweets of the Day 

## 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



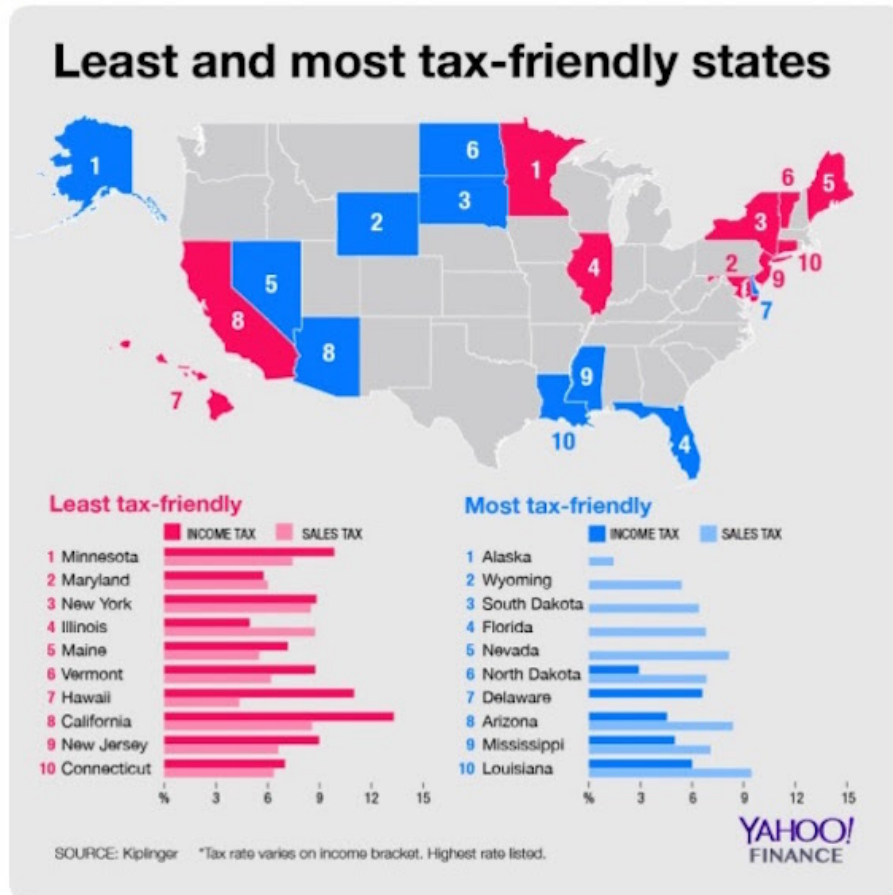
**1781, Yorktown Victory** - Hopelessly trapped at Yorktown, Virginia, British General Lord Cornwallis surrenders 8,000 British

soldiers and seamen to a larger Franco-American force, effectively bringing an end to the American Revolution. Lord Cornwallis was one of the most capable British generals of the American Revolution. In 1776, he drove General George Washington's Patriots forces out



## MAP: The most and least tax-friendly states

[yhoo.it/2CSO3rW](https://yhoo.it/2CSO3rW) by @adrianambells



11:48 AM - 18 Oct 2018

of New Jersey, and in 1780 he won a stunning victory over General Horatio Gates' Patriot army at Camden, South Carolina. Cornwallis' subsequent invasion of North Carolina was less successful, however, and in April 1781 he led his weary and battered troops toward the Virginia coast, where he could maintain seaborne lines of communication with the large British army of General Henry Clinton in New York City. After conducting a series of raids against towns and plantations in Virginia, Cornwallis settled in the Tidewater town of Yorktown in August. The British immediately began fortifying the town and the adjacent promontory of Gloucester Point across the York River. General George Washington instructed the Marquis de Lafayette, who was in Virginia with an American army of around 5,000 men, to block Cornwallis' escape from Yorktown by land. In the meantime, Washington's 2,500 troops in New York were joined by a French army of 4,000 men under the Count de Rochambeau. Washington and Rochambeau made plans to attack Cornwallis with the assistance of a large French fleet under the Count de Grasse, and on August 21 they crossed the Hudson River to march south to Yorktown. Covering 200 miles in 15 days, the allied force reached the head of Chesapeake Bay in early September. Meanwhile, a British fleet under Admiral Thomas Graves failed to break French naval superiority at the Battle of Virginia Capes on September 5, denying Cornwallis his expected reinforcements. Beginning September 14, de Grasse transported Washington and Rochambeau's men down the Chesapeake to Virginia, where they joined Lafayette and completed the encirclement of Yorktown on September 28. De Grasse landed another 3,000 French troops carried by his fleet. During the first two weeks of October, the 14,000 Franco-American troops gradually overcame the fortified British positions with the aid of de Grasse's warships. A large British fleet carrying 7,000 men set out to rescue Cornwallis, but it was too late. On October 19, General Cornwallis surrendered 7,087 officers and men, 900 seamen, 144 cannons, 15 galleys, a frigate, and 30 transport ships. Pleading illness, he did not attend the surrender ceremony, but his second-in-command, General Charles O'Hara, carried Cornwallis' sword to the American and French commanders. As the British and Hessian troops marched out to surrender, the British bands played the song "The World Turned Upside Down." Although the war persisted on the high seas and in other theaters, the Patriot victory at Yorktown effectively ended fighting in the American colonies. Peace negotiations began in 1782, and on September 3, 1783, the Treaty of Paris was signed, formally recognizing the United States as a free and independent nation after eight years of war.

**1869, Adolph Sutro's Tunnel** - On this day in 1869, the famous Prussian-born





**Sandi Knight**

@Sandi\_Knight

Following

'Hay' look! Is that #harvest18 making a comeback? 🙌 #bringiton #westcndag #Manitoba @AgMoreThanEver



8:39 AM - 18 Oct 2018



mining engineer, Adolph Sutro, begins work on one of the most ambitious western engineering projects of the day: a four-mile-long tunnel through the solid rock of the Comstock Lode mining district. One of the richest silver deposits in the world, the Comstock Lode had been discovered by prospectors in 1859, and it quickly became the focus of the most intensive mining activity in the West. But as miners sank shafts ever deeper into the rock in search of more silver and gold, they began to encounter large amounts of water that had to be pumped to the surface at great expense. If only some means could be found to drain the water horizontally, the mining companies would save a fortune. Adolph Sutro's tunnel was intended to do just that. Sutro—who had already demonstrated his technical brilliance by inventing a new way to extract silver from waste rock—proposed to blast a large horizontal tunnel right through the rock of the neighboring Mt. Davidson and straight into the heart of the Comstock mine. Mine water would thus drain through the tunnel without need for expensive pumps, and the mining companies would also be able to use the tunnel to move men and ore in and out of the mine, greatly reducing transportation costs. While all involved agreed that technically Sutro's tunnel would be a boon to the Comstock, progress on the project was continually slowed down by resistance from some of the major mining interests who feared that Sutro would use his tunnel to take control of the entire lode. Only after securing European capital was Sutro able to complete the \$5-million project in 1878. Every bit as successful as promised, the Sutro tunnel drained some two million gallons of water from the mines per year and greatly reduced transportation costs. Unfortunately, by 1878, the richer sections of the Comstock Lode had been tapped out, and the mine had begun to steadily decline in profitability. Sutro, though, succeeded in selling his tunnel in 1879 at a fantastic profit. He moved to San Francisco where he became one of the city's largest landowners as well as the city's mayor from 1894 to 1896.



**1987, Black Monday** - On October 19, 1987, the stock market collapsed. The Dow plunged an astonishing 22.6%, the biggest one-day percentage loss in history. Even bigger than the 1929 stock market crash, just before the Great Depression. Nothing since Black Monday has come close. Not the selloff after the September 11 terror attacks or the 2008 financial crisis. On that day in 1987, as the cameras rolled on the frenzied floor of the New York Stock Exchange, prices on the ticker tumbled, the panic spread, and the crash worsened. By the closing bell, the Dow stood at 1,738.74, down 508 points. A crash like that today would equal more than 5,000 points on the Dow. What was to blame? Heightened hostilities in the



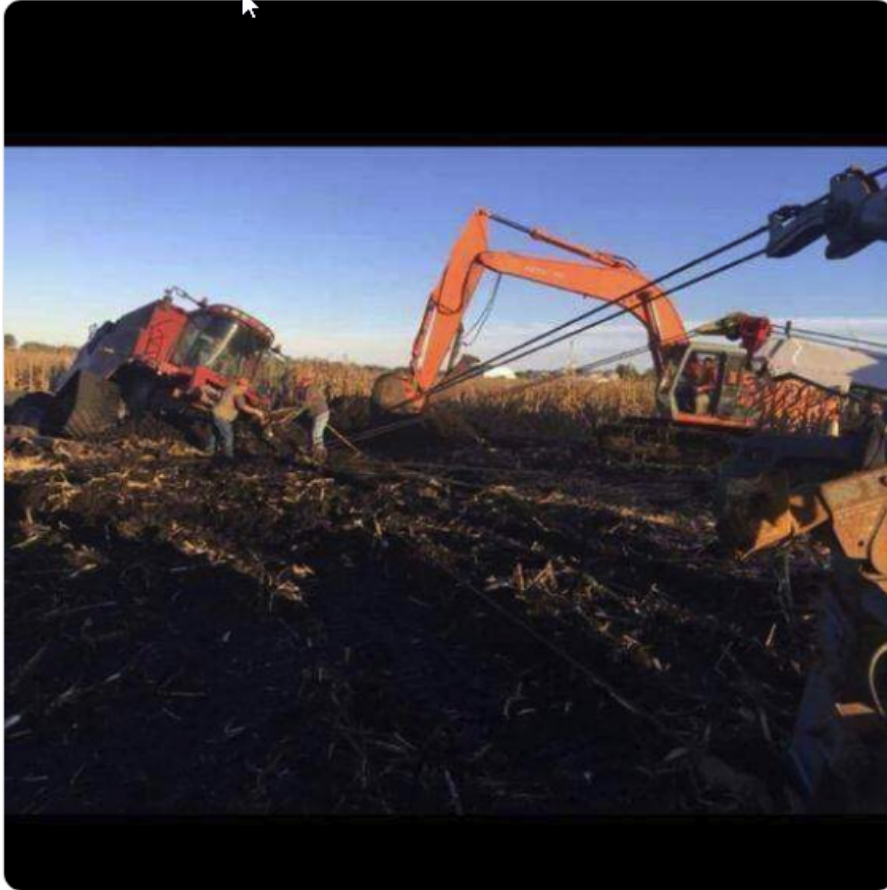
**Cal Bolkema**

@CalBolkema

Following



#Harvest2018 northern Illinois



5:20 AM - 18 Oct 2018



Persian Gulf, fear of higher interest rates, a five-year bull market without a significant correction, and computerized trading that accelerated the selling and fed the frenzy among the human traders. Could it happen again? A panic is always theoretically possible. But a 22% Dow drop? Less likely. At least not in one day. After the Black Monday free fall, the New York Stock Exchange installed what are known as circuit breakers, designed to stop trading when stocks dive too far too fast. It's a forced timeout to give investors a chance to calm down and interrupt a panic. Today, if stocks dived even 7%, trading would be suspended for 15 minutes. A decline of 20% would shut down trading for the rest of the day. After the 1987 crash, the selling ricocheted around the world. But out of the ashes of Black Monday came the green shoots of what would be the longest and strongest bull market in American history.

#### Upcoming Events

**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](#)





**Darin D. Fessler**

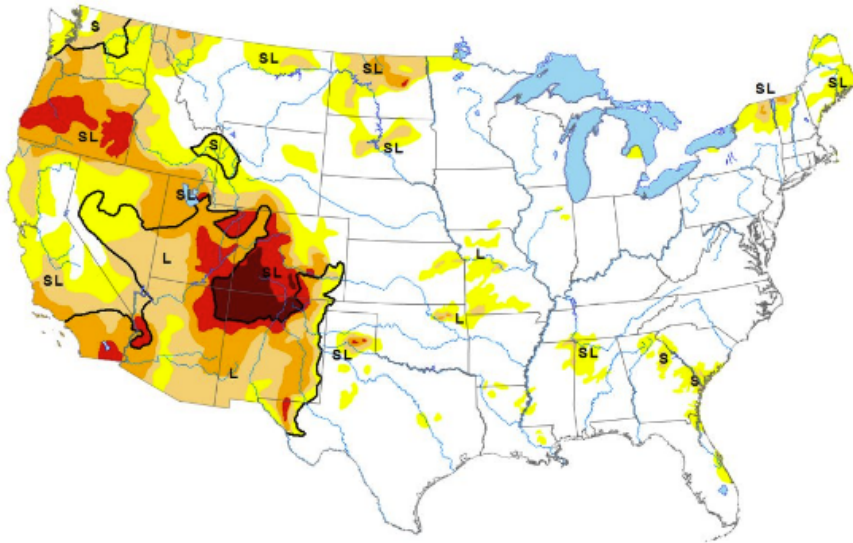
@DDFalpha

Following

## US Drought Monitor: #harvest18

Map released: October 18, 2018

Data valid: October 16, 2018 | Author: **Eric Luebehusen**, U.S. Department of Agriculture



5:38 AM - 18 Oct 2018



**Eric Stoen** ✓

@TravelBabbo

Following

The Ultimate Family Tradition: One-on-One Vacations with Dad #familytravel #travel  
[wp.me/p4UyM3-11F?utm...](http://wp.me/p4UyM3-11F?utm...)



6:00 AM - 18 Oct 2018

**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:



**Jon Pardi**

"Night Shift"

Kevin's Song of the Week



**Jeff Yalden**  
@JeffYalden

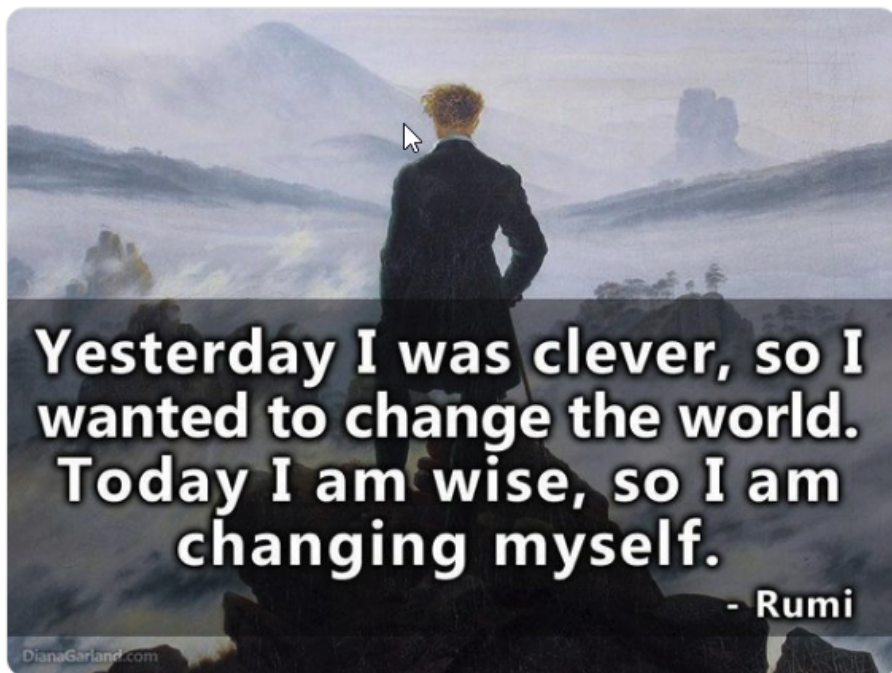
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A starter kit for changing the world...

#dailymotivation

#MondayMotivation #Grind #MondayGrind

#JeffYalden #Motivation #Inspiration



12:40 PM - 16 Oct 2018



## 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*

## 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:

If you want to go from point A to B,  
You'll likely have to make use of me.  
I have no wheels; I'm not a car,  
In fact, I do not travel very far.  
I'm free to use; you need not pay,  
I'll be used by many in a single day.  
I can decide whether or not you'll pass,  
And sometimes I come with a looking glass

### 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."

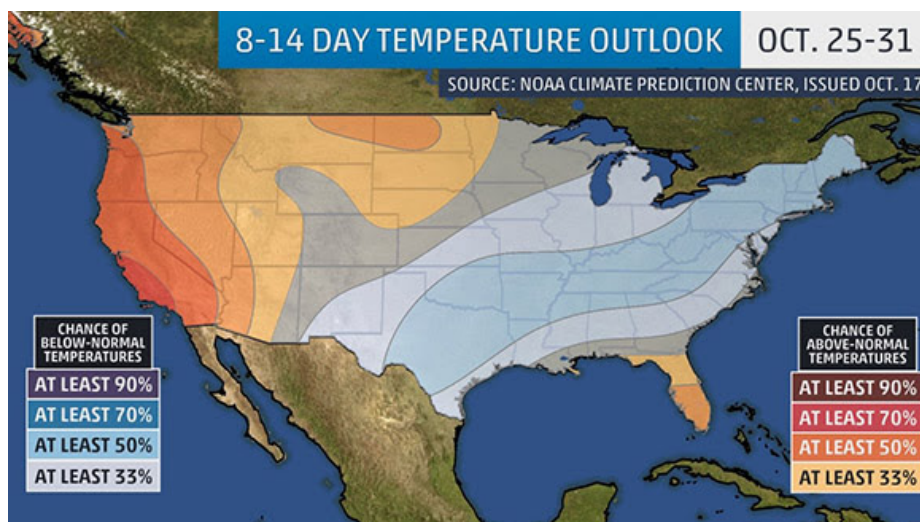
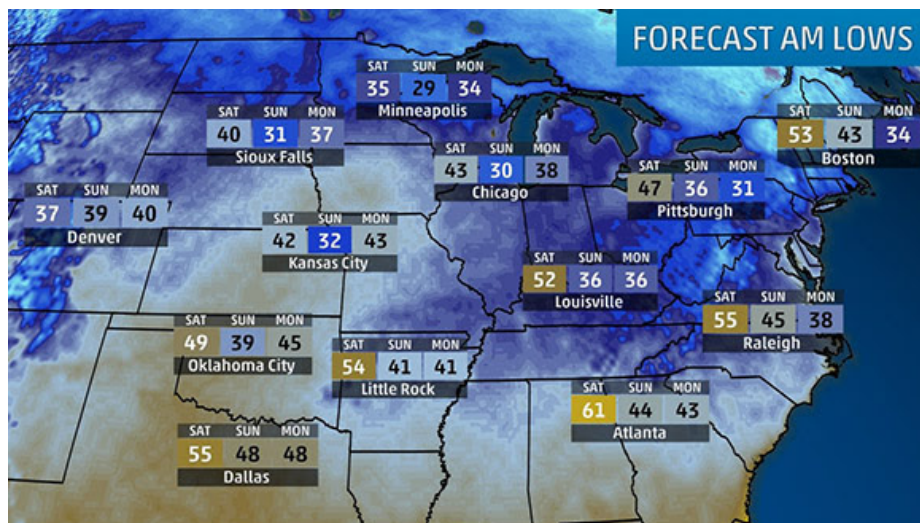
**A.M., FDIC**

"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



**Weather** on the Corn Belt has seen widespread frost and freezes occur east of the Mississippi River over the past day or so. Despite the return of dry weather, harvest delays persist in some areas due to excessively wet fields. In addition, producers in the northern and western Corn Belt are monitoring unharvested soybeans for signs of quality degradation, following drenching rains, early season snow, and multiple freezes. On the Plains, warm weather is temporarily returning to Montana, Nebraska, and the Dakotas, promoting winter wheat emergence and establishment. However, cool, showery weather lingers across the southern Plains. Lowland flooding persists in central Texas and environs, although heavy rain has tapered to showers. Late-season warmth will further expand across the West, except for lingering cool weather in the southern Rockies. Meanwhile, cool weather in the Midwest and Northeast will further intensify during the weekend. In Texas and portions of neighboring states, showery weather could lead to additional fieldwork delays and flooding.

**Cold Blast Is Coming Back:** Warmer than average temperatures were the norm for much of the first half of October in the eastern U.S., but the second half of the month will likely see the opposite, with cooler than average conditions anticipated. Shifts in the upper-level pattern began to take shape in mid-October as the upper-level trough, or southward dip in the jet stream, slid eastward. This southward dip in the jet stream has allowed colder-than-average conditions to surge southward over parts of the central and eastern U.S., and this upper-level pattern will likely generally remain over the East into the end of October. The coldest temperatures of the season so far are likely early next week for much of the East. By Sunday or Monday morning, lows will plunge into the 30s as far south as the Tennessee Valley region. There are indications that the overall colder temperatures will persist through the end of October. The highest chance for chilly conditions will be in the Northeast, Appalachians, mid-South and southern Plains.



**Corn** bulls are keeping an extremely close eye the "demand" story. As I've eluded the past couple of weeks, we absolutely can't afford to see the strong demand story start to unravel. I personally don't see that being the case, but I'm also aware of the fact I might be viewing the field from my own perspective, which is with a bullish lens. Earlier

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.

this week, we had a little downtick in ethanol production and a further build in surplus. Yesterday, we were hit with the weakest weekly export data of the new marketing year and well below market expectations. Not only was the sales number extremely weak, but we also had to digest a sizable cancelation from an "unknown" destination. Mexico, Japan, Columbia, Egypt and South Korea remained buyers of U.S. corn, but in small quantity. Bulls argue it's only a temporary blip, as river barge freight to the Gulf during the heavy rains, pushed U.S. prices to higher levels compared to competition from Argentina and Ukraine. Remember, Ukraine's crop is now thought to be over 50% harvested. Lets also keep in mind, here at home, we've seen about a +30 cent rally the past few weeks off the lows. As a producer, I pulled the trigger on reducing some of our longer-term price risk earlier in the week. I'm just worried, that if the bears punch a few temporary holes in the demand story we could break back towards the lower end of the range. As a spec, I am looking to be a longer-term buyer if we break in a substantial manner. I still see the market stuck in a range... \$3.20 to \$4.20 seems realistic based on the current landscape. If headlines involving Weather and Washington were to turn more bullish I would certainly be ratcheting the range higher.

**2018 Fall Harvest Price: Corn \$3.67**

*Farm Direction*  
RECIPES

★ **FAMILY** ★  
**FAVORITES**  
-SENT IN BY OUR READERS-



**Italian  
Melt-In-Your-Mouth  
Meatballs**

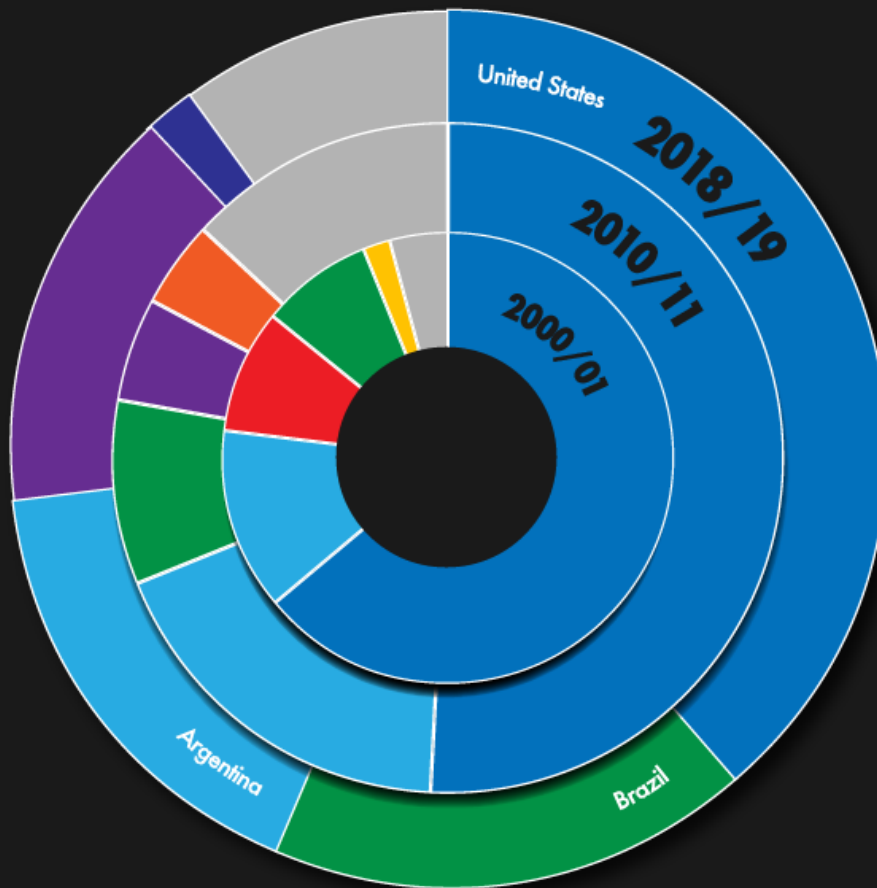
**CLICK TO SEE RECIPE**



# EVOLUTION OF CORN EXPORTS

Snapshot of Top 5 global Corn Exporters  
comparing 3 years, % of Total Global Exports

**2000/01 | 2010/11 | 2018/19**



	#1	#2	#3	#4	#5	
<b>2018/19</b>	<b>U.S.</b>	<b>Brazil</b>	<b>Argentina</b>	<b>Ukraine</b>	<b>Russia</b>	<b>Rest of World</b>
% of Total Exp.	38.58%	17.79%	16.57%	15.34%	1.84%	9.88%
(1,000mt)	<b>62,868</b>	<b>29,000</b>	<b>27,000</b>	<b>25,000</b>	<b>3,000</b>	<b>16,100</b>

	#1	#2	#3	#4	#5	
<b>2010/11</b>	<b>U.S.</b>	<b>Argentina</b>	<b>Brazil</b>	<b>Ukraine</b>	<b>India</b>	<b>Rest of World</b>
% of Total Exp.	50.80%	17.86%	9.18%	5.47%	3.85%	12.85%
(1,000mt)	<b>46,508</b>	<b>16,349</b>	<b>8,404</b>	<b>5,008</b>	<b>3,526</b>	<b>11,762</b>

	#1	#2	#3	#4	#5	
<b>2000/01</b>	<b>U.S.</b>	<b>Argentina</b>	<b>China</b>	<b>Brazil</b>	<b>S. Africa</b>	<b>Rest of World</b>
% of Total Exp.	64.27%	12.61%	9.48%	8.16%	1.67%	3.80%
(1,000mt)	<b>49,313</b>	<b>9,676</b>	<b>7,276</b>	<b>6,261</b>	<b>1,281</b>	<b>2,915</b>

Source: USDA, FAS, PS&D 10/18/19

**Soybean** bears come back up to bat with prices now down about -30 cents from Monday's high. Negative headlines surrounding exports, trade negotiations with the European Union and no headway to report regarding China, has the bears back in the market. Keep in mind, weekly net export sales for U.S. soybeans were reported at their lowest level of the new marketing year. There was data circulating inside the trade yesterday that shows total Chinese soybean commitments from the U.S. are down -91.5% compared to this time last year. I continue to hear talk that the Chinese believe they have enough supply to make out into late-February and may not need to buy any large doses of U.S. soy. Their concern seems to be the later part of Q1 2019. With Brazil off to an extremely fast start and a record number of acres, the trade doesn't want to get ahead of itself. I also have to believe an improved U.S. weather forecast and window of opportunity to get more yield risk out of the field has prompted some of the recent weather bulls to jump back over to the sideline. Again, Brazil is off to an extremely fast planting pace, receiving very cooperative weather, and is forecast to plant a new all-time record number of acres. A few of their drier areas in central Argentina are looking at better rains in the extended forecast. As I've been saying, no weather fears and or no apparent progress with trade, means no need for higher prices. From a technical perspective, I would still love to see the NOV18 contract test nearby resistance up between \$9.00 and \$9.20 per bushel. As a producer, I would like to reduce a bit more risk on a rally. As a spec, I was thinking a rally north of \$9.00 would have sucked in a lot more bullish bets. I'm still patiently waiting for a move back towards the lower end of the range (\$8.20 to \$8.30) before I become more serious about a longer-term bullish position. I am not at all interested in buying bullish breakouts in this environment. I much prefer trying to buy the larger breaks. The balance sheet is clearly stacked against us and I don't currently see any light at the end of the Chinese tunnel. In fact, I still think we could see more negative headlines, more tariffs, and more threats, before we find ourselves in a more optimistic environment. Perhaps the U.S. yield will continue to deteriorate and reduce the balance sheet a bit, but with this many acres in the ground and a lot of record yields being reported, it's certainly not going to be enough to turn the balance sheet from bearish to bullish.

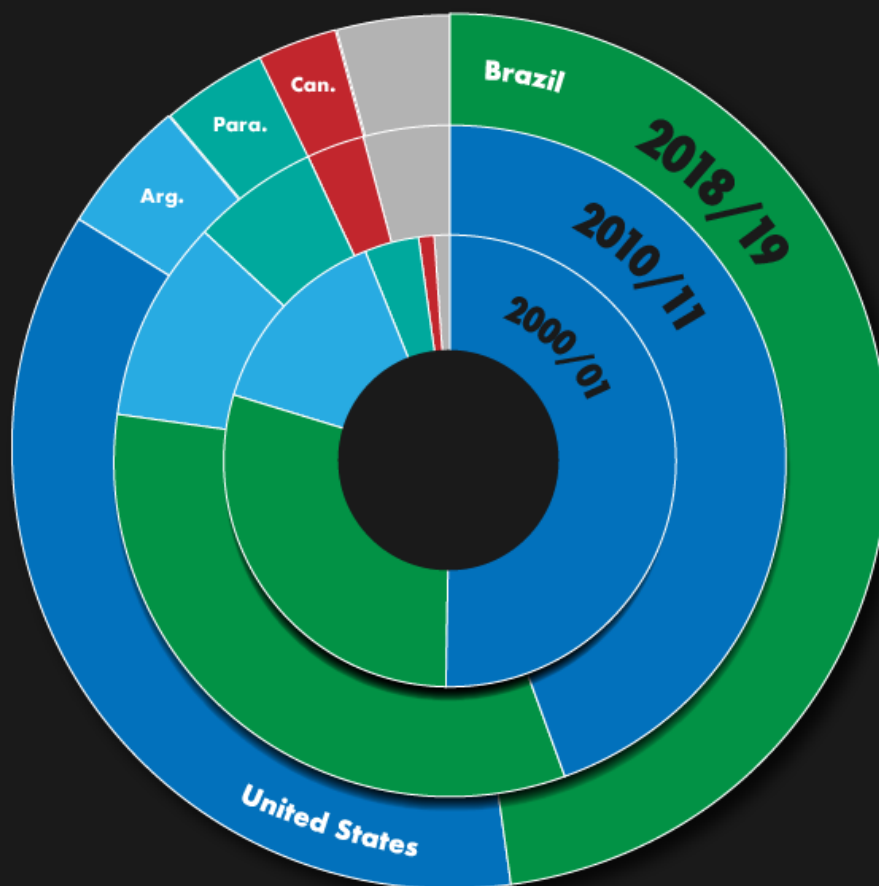
**2018 Fall Harvest Price: Soybeans \$8.62^4**



# EVOLUTION OF SOYBEAN EXPORTS

Snapshot of Top 5 global Corn Exporters  
comparing 3 years, % of Total Global Exports

**2000/01 | 2010/11 | 2018/19**



	#1	#2	#3	#4	#5	
<b>2018/19</b>	<b>Brazil</b>	<b>U.S.</b>	<b>Argentina</b>	<b>Paraguay</b>	<b>Canada</b>	<b>Rest of World</b>
% of Total Exp.	47.65%	35.62%	5.08%	3.75%	3.49%	4.41%
(1,000mt)	<b>75,000</b>	<b>56,064</b>	<b>8,000</b>	<b>5,900</b>	<b>5,500</b>	<b>6,939</b>

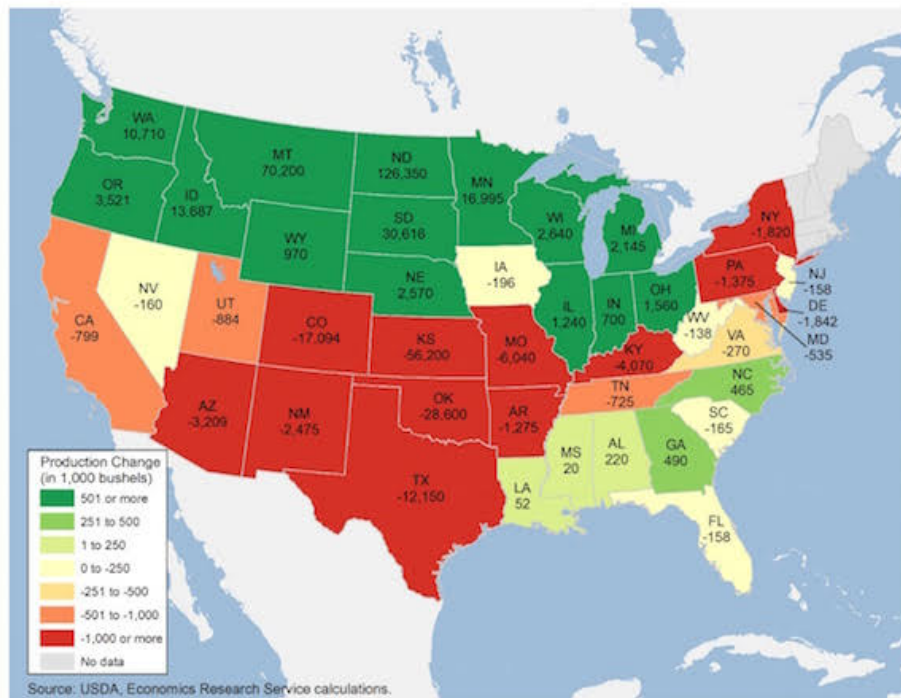
	#1	#2	#3	#4	#5	
<b>2010/11</b>	<b>U.S.</b>	<b>Brazil</b>	<b>Argentina</b>	<b>Paraguay</b>	<b>Canada</b>	<b>Rest of World</b>
% of Total Exp.	44.73%	32.71%	10.05%	5.56%	3.21%	3.74%
(1,000mt)	<b>40,959</b>	<b>29,951</b>	<b>9,206</b>	<b>5,094</b>	<b>2,943</b>	<b>3,421</b>

	#1	#2	#3	#4	#5	
<b>2000/01</b>	<b>U.S.</b>	<b>Brazil</b>	<b>Argentina</b>	<b>Paraguay</b>	<b>Canada</b>	<b>Rest of World</b>
% of Total Exp.	50.47%	28.80%	13.60%	4.47%	1.39%	1.27%
(1,000mt)	<b>27,103</b>	<b>15,469</b>	<b>7,304</b>	<b>2,400</b>	<b>747</b>	<b>681</b>

Source: USDA, FAS, PS&D 10/18/19

**Wheat** bulls were happy to see improved U.S. export sales, but we still remain behind the pace needed to reach the USDA's estimate. Bulls continue to point to crop reductions in Australia and parts of Russia. Bears point to more acres and better production in the U.S. There's very little fresh or new to report. I remain a longer-term bull, but still suspect we will see a nearby setback before another leg higher out towards yearend or early-2019. Staying extremely patient!

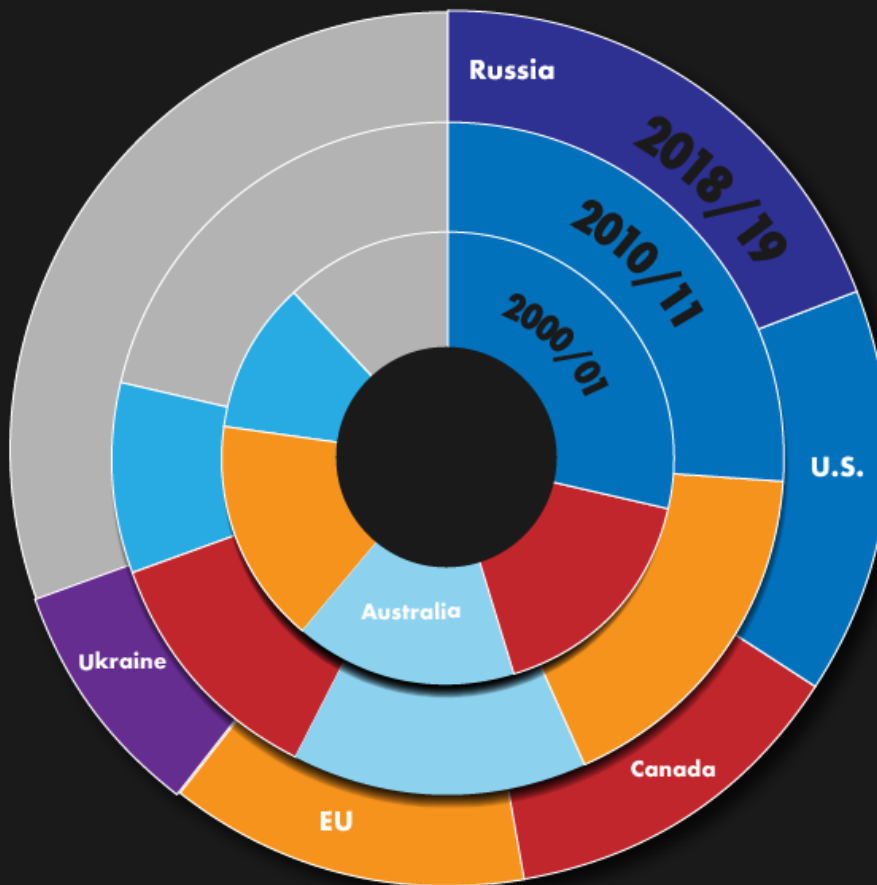
Map 1: Change in wheat production by State, 2018 vs. 2017





# EVOLUTION OF WHEAT EXPORTS

Snapshot of Top 5 global Corn Exporters  
comparing 3 years, % of Total Global Exports  
**2000/01 | 2010/11 | 2018/19**



	#1	#2	#3	#4	#5	
<b>2018/19</b>	<b>Russia</b>	<b>U.S.</b>	<b>Canada</b>	<b>EU</b>	<b>Ukraine</b>	<b>Rest of World</b>
% of Total Exp.	19.40%	15.46%	13.30%	12.75%	9.15%	29.94%
(1,000mt)	<b>35,000</b>	<b>27,896</b>	<b>24,000</b>	<b>23,000</b>	<b>16,500</b>	<b>54,003</b>

	#1	#2	#3	#4	#5	
<b>2010/11</b>	<b>U.S.</b>	<b>EU</b>	<b>Australia</b>	<b>Canada</b>	<b>Argentina</b>	<b>Rest of World</b>
% of Total Exp.	26.42%	17.35%	13.98%	12.46%	7.14%	21.19%
(1,000mt)	<b>35,147</b>	<b>23,086</b>	<b>18,600</b>	<b>16,575</b>	<b>9,494</b>	<b>28,190</b>

	#1	#2	#3	#4	#5	
<b>2000/01</b>	<b>U.S.</b>	<b>Canada</b>	<b>Australia</b>	<b>EU</b>	<b>Argentina</b>	<b>Rest of World</b>
% of Total Exp.	28.56%	17.11%	15.74%	15.53%	11.19%	11.86%
(1,000mt)	<b>28,904</b>	<b>17,316</b>	<b>15,930</b>	<b>15,716</b>	<b>11,325</b>	<b>12,004</b>

Source: USDA, FAS, PS&D 10/18/19



> **Argentina to Plant More Soybeans:** Projections from the Argentine ag ministry has the country planting 43.12 million acres of soybeans in 2018-19. This is up 741,000 acres from the previous season. From what I understand, the ministry currently has not changed corn plantings for next year, they still remain at 23.1 million acres. Wheat acres will remain unchanged as well at 15.3 million acres.

> **No more Pork From Poland:** Pork imports from Poland are being suspended over concerns surrounding African swine fever. The halt comes as the USDA plans to review Poland's export protocols following the finding that a facility had shipped pork to the U.S. without following the requirements designed to prevent any spreading of the deadly disease.

> **Bird Flu Outbreak Continues in Bulgaria:** One duck and one poultry farm in Bulgaria has been found to have an outbreak of bird flu, both farms are located in the southern portion of the country. I'm told all ducks and chickens at the farms will be culled and movement of domestic, wild and other birds and eggs is banned within a six-mile area. At this point we are not sure what strain of flu this is.

> **Russia's Non-Dollar Deals Are Growing:** Seeking to lessen its dependence on the U.S greenback, Russian companies are looking to use other forms of completing global deals without the dollar. I'm told that Russian President Vladimir Putin is encouraging the practice. According to the Russian central bank, folks are listening as the number of non-dollar deals are growing. They went on to say that the share of ruble settlements in Russia/China and Russia/India trades is now between 10% and 20%.

> **Beyond Meat Looking Into IPO:** Beyond Meat has hired major investment banks for an initial public offering. The IPO would be the first in a new wave of upstart plant-based protein companies. The plant-based food company has tapped J.P. Morgan, Goldman Sachs and Credit Suisse to help lead the IPO. Beyond Meat has sold 25 million of its "Beyond Burgers" since 2016 according to the company. Restaurants, including TGI Friday's sell it on its menu. White Castle sells the "Impossible Burger." The company's current investors include Bill Gates, Leonardo DiCaprio, Jack & Suzy Welch, Kleiner Perkins and Tyson Foods. (Source: CNBC)

> **President Trump Asking for 5% Trim to Federal Spending:** Trump is asking federal department leaders to show up to the next meeting with a plan to trim 5% from their budgets. The USDA may try to slash the taxpayer-subsidized crop insurance program, eliminate a green-payment program, or take an ax to its research agencies, if recent proposals are any indication. Crop insurance has been a target every time President Trump has sent a budget package to Congress. Just a few days ago, the administration reported that the overall budget deficit reached a six-year high. (Source: Ag Insider)

> **Salmonella Outbreak Update:** The CDC said 92 people across 29 states have been infected by an outbreak of Salmonella linked to raw chicken. No deaths were reported, but 21 people have been hospitalized. A common supplier of chicken products hasn't been identified yet.

> **Georgia Ag Damage From Hurricane Michael Tops \$1 Billion:** The state's ag industry took at least a \$1 billion hit according to new numbers from the state's Ag Commissioner. Timber damage accounts for most of that total, but pecans, vegetables, cotton, poultry and peanuts were also devastated by the storm.

> **China to Send an Artificial Moon Into Space:** Technically they are sending an illumination satellite in order to enhance the normal illumination of the moon, only this will be brighter. I'm told the "new moon" is intended to replace the city of Chengdu's streetlights. According to officials, the illumination satellite will be eight times as bright as the actual moon and can light an area with a diameter nearing 50 miles. (Source: Verge)

> **Uber Testing On-Demand Labor Service:** Uber is going to test a new service similar to a temp agency and expand the ride-hailing service beyond the transportation realm for the first time. The new service is called Uber Works and is testing in Chicago. Uber Works would offer businesses to hire short-term on-demand staffing for events and corporate functions. Wherever the idea ends up, Uber Works is clearly a push to diversify Uber before its plan to go public next year.

> **Facebook's First War Room:** Facebook's first ever war room is designed to prevent election manipulation. This war room will help election manipulation by improving data-



sharing across the company and enabling quick decision-making. This war room is roughly 900-square-foot room and staffed from 4 a.m. until midnight. Facebook will look to dramatically improve communication and security ahead of the Nov. 6 U.S. midterms.

**>Burger King's Nightmare Burger:** *Burger King is getting ready for Halloween by making a ghoulish green bun that's filled with grilled beef, crispy chicken, bacon, American cheese, and mayonnaise. Burger King is claiming that this sandwich will actually increase nightmares. They tested it with 100 people over ten nights and the study revealed a 3.5x increase in nightmares. Dr. Jose Gabriel Medina says it's the combination of protein and cheese that leads to increased nightmares. This sandwich will cost \$6.39 and be available in selected restaurants starting October 22.*

**> Bitcoin Futures Volume Increasing:** *"The CME has revealed that the average daily trading volume of Bitcoin futures has increased by +41% in Q3 over Q2, while open interest (OI) — or the number of open contracts on Bitcoin futures — has risen by +19% in the third quarter."*

**> Apple Announces Event Oct. 30:** *Apple is expected to announce new iPads and Macs at an event in New York City on Oct. 30. The event will be held at the Brooklyn Academy of Music in New York. Apple is expected to release a new 11-inch iPad Pro with support for Face ID. Apple will likely replace the 10.5-inch iPad Pro model with the new 11-inch model. Apple is also expected to release a new Mac Mini Pro and a lower-cost MacBook with a Retina display.*

**> How America's CEOs Spend Their Money on Midterm Elections:** *About 100 CEOs whose companies are components of the S&P 500 have been willing to fly a markedly Democratic or Republican flag in their political giving as individuals during the current election cycle. MarketWatch gathered data on political contributions by these CEOs between Jan 1, 2017 and Aug. 31, 2018 and has compiled a [searchable database](#) that shows the total money spent and the partisan breakdown, listing every contribution made by a CEO and reported to the Federal Election Commission. (Source: MarketWatch)*

## What America's CEOs spent on midterm elections

# \$24,083,354

contributed by 388 CEOs of S&P 500 companies during the 2018 election cycle beginning Jan. 1, 2017

149 CEOs contributed  
**\$2,632,234**  
to Democratic groups  
and candidates.

200 CEOs contributed  
**\$7,438,781**  
to Republican groups  
and candidates.

### HOW NOTABLE CEOS SPENT THEIR MONEY



Jeff Bezos  
Amazon

**\$10,159,970**

\$10 million went to With Honor, a nonpartisan super PAC that helps military vets get elected.



Warren Buffett  
Berkshire Hathaway

**\$104,900**

100% went to the Democrats, including \$67,800 to the Democratic Senatorial Campaign Committee.



Timothy Sloan  
Wells Fargo

**\$71,900**

\$64,400 went to the RNC, and the rest to Wells Fargo's PAC.



Howard Schultz  
Starbucks

**\$51,000**

\$50,000 went to With Honor, the same fund to which Jeff Bezos contributed.



Laurence Fink  
BlackRock

**\$32,100**

About \$20,000 to GOP-tied funds, and \$12,100 to the Democrats.



Mark Zuckerberg  
Facebook

**\$10,000**

Zuckerberg donated only to Facebook's PAC, which has spent equally on Democrats (\$187,500) and Republicans (\$177,000).



Tim Cook  
Apple

**\$5,400**

All of that to Zoe Lofgren, the incumbent Democrat in San Jose, Calif.'s congressional district.



Jamie Dimon  
JP Morgan

**\$2,700**

Dimon made just one 2017 donation to Republican Orrin Hatch. Hatch later said he will retire at the end of his term.

Source: MarketWatch analysis of itemized contributions from Jan. 1, 2017 to Aug. 31, 2018, as reported to the Federal Election Commission by the Sept. 20, 2018 filing deadline.





# FROM THE FIELD

**Northcentral Iowa** - After 3 inches of snow Sunday the combines are rolling and most picked corn Wednesday. Now we are switching to beans because they are 15% moisture. The ones that added rear wheel drive, tracks, or lugger tires are all going the same speed as ones with duals only. Everyone was loading on the road as fields were too soft for trucks. The beans are average, and corn varies based on tile and rainfall. Everyone should be in a better mood because the beans were starting to show some loss. A week of good weather will probably increase acres harvested to over 50%. As of Monday, I would estimate that we had less than 5% of soybeans harvested in this area. We still have ponding in lower areas and everyone is just leaving the spots that had been flooded, soybeans are not suitable to harvest. We will probably not see any fall tillage until it dries up quiet a bit more.

**Northwest Texas** - By the time this rain is done we are going to be approaching nearly 5 days of straight rain. We should continue to get rain for the balance of the day and early into Saturday morning based on the weather I have seen. This rain is bringing in cold temperatures, and according to my agronomist is starting to wreak havoc on my milo and cotton. The cotton is fully exposed to rain and the boll are already showing signs of stringing out. We have several fields that have fall out and I think we might see a half ton an acre loss or more on those fields. If we don't get this cotton harvested soon we are going to take damage docs especially if the temperature heats back up and the seeds start to sprout. We should have a decent crop if we can get it picked in the next week.

**Central South Dakota** - Things are super wet up here which is a complete turnaround from last year. We just finished planting winter wheat and have increased those acres significantly for next year. We chose to plant more because of the amount of summer fallow acres we had this year after our beans and sunflowers got hailed out. We chose not to replant as many others did and are hoping to benefit with higher yields. We waited a bit longer than normal to plant, usually we are done by the end of September, but I wanted to wait for the volunteers to come up but they never did. A bit of spring wheat popped through but I'm not to concerned even though it will take up some moisture from our winter wheat. We have been it pretty hard the last two years with the weather so I'm hoping we are due in 2019. All I have left to do is combine 400 acres of corn. I can't even pheasant hunt on my land this year because the hail storm was so bad it killed them all. The good news heading into next season is the moisture levels in the soil are fully charged.



## CROSSING WIRES

A place to share intelligent thoughts...

**Researchers Use Machine Learning to Predict Future Water Tensions:** Obviously, the causes of geopolitical tension and conflict are complex, but as the new report makes clear, we shouldn't underestimate the role that water is going to play in the future. Competition for dwindling water resources, including farming needs, will exacerbate tensions on a global scale in the coming decades, with certain regions more vulnerable than others. But how are the various factors that influence water demand and availability likely to affect populations around the world? The authors of a new report, a team from the European Commission's Joint Research Centre (JRC), say the escalating effects of climate change, in conjunction with ongoing trends in population growth, and increasing demands could trigger regional instability and social unrest in regions where freshwater is scarce, and where bordering nations have to manage and share this increasingly scarce commodity. Read more [HERE](#) about all the moving pieces involved.

**Conclusions From the World's Largest Sleep Study:** Researchers at the Brain and Mind Institute at Western University in Canada convinced a massive number of people to track their sleep over a three-day period last year, and then also to undergo a series of cognitive and neurological tests. What separates the Western University study from others before it, the organizers say, is twofold: that the study focused on real-life conditions, as opposed to the lab, and the sheer scale: more than 44,000 people volunteered to participate. After synthesizing the data, from a total of more than 132,000 nights of sleep, they were able to graph length of sleep against test performance, and come to some very specific results. Find out what they were [HERE](#).

**What to do Next After Winning the Mega Millions Jackpot:** If your numbers are called this weekend and you become an instant millionaire, do you have a plan? With no winner in Wednesday night's Powerball drawing, that jackpot grows to \$430 million. The big lottery games will have a combined \$1.3 billion up for grabs at week's end. Experts will tell you the first thing you should do is sign the ticket then find an attorney you trust.

You definitely want to start surrounding yourself with people who have the experience to walk you through the process. Although frivolous lawsuits and family and friends coming out of the woodwork are big concerns, I'm told most problems for lotto winners stem from the dreaded office pool. Read more [HERE](#) how to prepare for the improbable.

**Why McDonald's Coke Tastes so Much Better:** *I don't drink coke much anymore but in the day I always believed that McDonald's Cokes were head and shoulders above the rest. It always seemed to taste crisper, sharper, even fresher than the same drink from other fast-food restaurants. Truth is, the Coke from McDonald's isn't magic. They just use really smart storage tactics and clever drink-mixing strategies to make their Coca-Cola refreshments stand out among the many purveyors of pop. Find out the secrets behind an American favorite [HERE](#).*

**Protecting Our Troops With Lasers:** *Laser weapons, which are still largely under development, are too large to fit in tanks and kill other tanks. But lasers could be used to fry or destabilize flying objects, which is why the U.S. Army is pushing to introduce laser weapons into the field of air defense. The Army wants a 50-kilowatt weapon by 2023, which has enough power to quickly shoot down a drone. The Army is preparing for the day when a swarm of drones might converge on its soldiers, who'll need an air defense system that can rapidly engage multiple targets in a short amount of time. Laser air defenses would also protect friendly forces from cruise missiles like the Russian Kalibr, recently seen in action in Syria. Read more [HERE](#) on the future of laser warfare.*







## NOAA Sees A Mild Winter for Much of U.S.

In their U.S. winter outlook for December through February, above-average temperatures are most likely across the northern and western U.S., Alaska and Hawaii. Additionally, El Nino has a 70 to 75% chance of developing. Though a weak El Nino is expected, it may still influence the winter season by bringing wetter conditions across the southern U.S. and warm, drier conditions to parts of the North. El Nino is an ocean-atmosphere climate interaction that is linked to periodic warming in sea surface temperatures in the central and eastern equatorial Pacific. During the winter, typical El Nino conditions in the U.S. can include wetter-than-average precipitation in the South and drier conditions in part of the North. Let's take a look at a few more factors in determining the [NOAA's 2018 Winter Outlook](#) (December through February). If you watch the outlook, you can check out NOAA's in-depth video [HERE](#).

### Temperature

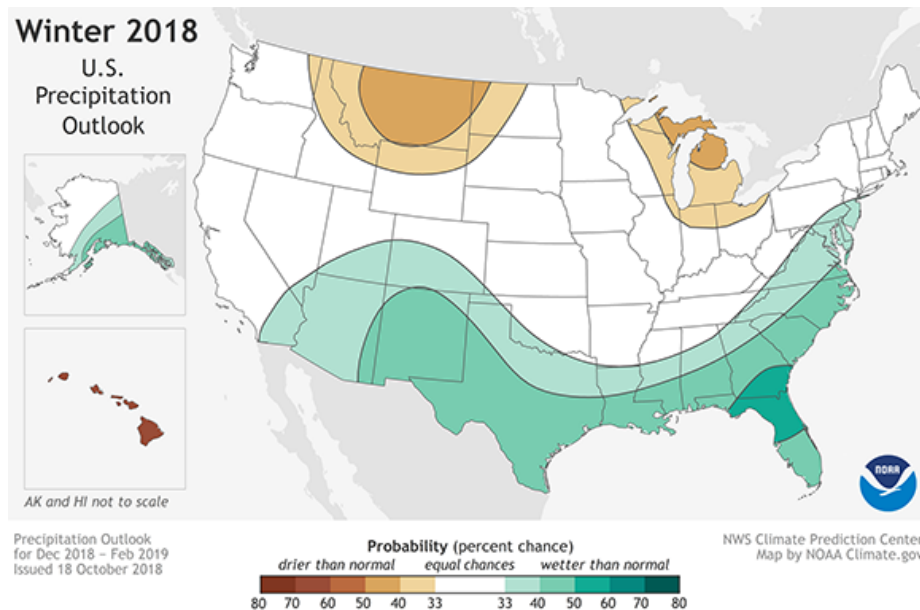
- Warmer-than-normal conditions are anticipated across much of the northern and western U.S., with the greatest likelihood in Alaska and from the Pacific Northwest to the Northern Plains.
- The Southeast, Tennessee Valley, Ohio Valley and Mid-Atlantic all have equal chances for below-, near- or above-average temperatures.
- No part of the U.S. is favored to have below-average temperatures.

### Precipitation

- Wetter-than-average conditions are favored across the southern tier of the U.S., and up into the Mid-Atlantic. Northern Florida and southern Georgia have the greatest odds for above-average precipitation this winter.
- Drier-than-average conditions are most likely in parts of the northern Rockies and Northern Plains, as well as in the Great Lakes and northern Ohio Valley.

### Drought

- Drought conditions are likely to persist across portions of the Southwest, Southern California, the central Great Basin, central Rockies, Northern Plains and portions of the interior Pacific Northwest.
- Drought conditions are anticipated to improve in areas throughout Arizona and New Mexico, southern sections of Utah and Colorado, the coastal Pacific Northwest and the Central Plains.



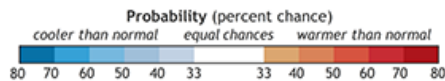
## Winter 2018

### U.S. Temperature Outlook



AK and HI not to scale

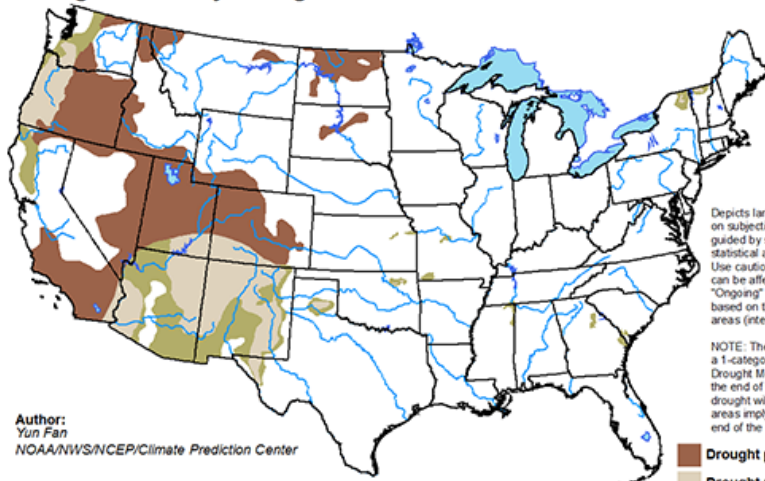
Temperature Outlook  
for Dec 2018 – Feb 2019  
Issued 18 October 2018



NWS Climate Prediction Center  
Map by NOAA Climate.gov

## U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

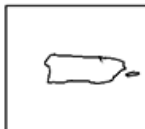
Valid for October 18 - January 31, 2019  
Released October 18, 2018



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely



<http://go.usa.gov/3eZ73>

## Will Science Change The Future Of Families?

Nearly 40 years ago, editors of Nova magazine suggested that In Vitro Fertilization (IVF) was "the biggest threat since the atom bomb". The American Medical Association wanted to cut off all research in the new area. Today science is easily converting adult human cells—taken perhaps from the inside of a cheek or from a piece of skin on the arm—and palling into artificial gametes, creating lab-made eggs and sperm, that could be combined to create an embryo and then be implanted in a womb. I'm told that not only can adults with no sperm or eggs conceivably become parents, but new kinds of families could be on the horizon. For instance, a child could may one day in the nearby future have a single biological parent as science might soon be able to create both an egg and a sperm from a single human DNA. There's also talk that a grieving widow could use fresh hair follicles from a deceased spouse's comb and have a child her late husband didn't live to see. Researchers are now throwing "Crispr-Cas9" gene editing into the IVF mix. Meaning, one day parents could perhaps have their future children's genetics tested and altered prior to birth, hoping to overcome being one of the seven million children born with defects. The story of artificial gametes truly began in 2006, when a Japanese researcher named Shinya Yamanaka reported he had induced adult mouse cells into becoming pluripotent stem cells. A year later, he demonstrated that he could do the same with human cells. Remember, pluripotent stem cells can develop into any type of cell, making them invaluable for researchers studying human development and the origins of disease. Pluripotent stem cells are often called "master cells". They're able to make cells from all three basic body layers, so they can potentially produce any cell or tissue the body needs to repair itself. This "master" property is called pluripotency. Like all stem cells, pluripotent stem cells are also able to self-renew, meaning they can perpetually create more copies of themselves. Researchers guess we are about five years away from producing egg-like cells from other human cells. Though they may hedge on the timeline, they certainly are not on the outcome saying that it took just six years to go from nothing to everything with rodents in the lab, meaning to suggest it won't happen with humans would be

naive. I've stated many times that we are way better off today than years past because of science, but I pause at certain advancements to ask the question... Just because we can, should we? Crazy to think how we might start manipulating or changing DNA and ultimately how it might all change the structure of the "family". (Source: Wired)



### **Pheasant Season Should Be A Good One!**

Wildlife managers in many states such as South Dakota, North Dakota, Iowa, Minnesota, Colorado, and Kansas are reporting strong numbers. In many states – South Dakota, Iowa and Minnesota among them – pheasant counts increased despite springtime snows, summer monsoons and destructive hail events. Relief from a drought has reinvigorated habitat in North Dakota and Montana, and bird numbers will be better than last year. Kansas and Nebraska look good! In places like Michigan and Illinois, hard work by local chapters is paying off with more habitat on the ground, and that means more birds. If you are wondering, the South Dakota pheasant season opens this Saturday, October 20th. The season then lasts through Sunday, January 6, 2019. Shooting hours are 12 noon CST to sunset for the first seven days of the season (October 20-26), after that week you can start at 10 a.m. The Iowa and Nebraska pheasant season begins the following week, October 27th; Kansas season begins November 10th; The North Dakota and Minnesota season has already opened. For more specific details about each state please visit the [Pheasantsforever](http://Pheasantsforever.com) website.

**Colorado:** *It is expected for the population of pheasants to be average, with some areas to be slightly above or below average. The below average areas are going to be near the footprint of the large number of hailstorms that swept across Colorado's front range.*

**Idaho:** *Winter was generally mild and most source are looking for similar population to last year, but still slightly down to what they have seen in years past. The Southwest and Salmon regions could be a bit stronger.*

**Illinois:** *The weather has been all over the board. Hunting is expected to be the best in east-central habitat.*

**Indiana:** *Generally, Indiana pheasant populations are stable but at low densities compared to other Midwestern states like Iowa and Illinois. Significant winter flooding could have negatively affected low-lying habitat areas the provide winter coverage.*

**Iowa:** *Most believe that bird counts could go up as much as 39% which is surprising considering the exceptionally cold April, followed by a warm and wet May and June.*

**Kansas:** *Coming off the second highest pheasant harvest in the country, most believe Kansas will again be among the leading states. The best areas this year will likely be in the northern half of the Kansas pheasant range with areas of high densities also found in central and far southwestern regions.*

**Minnesota:** *Despite late season snowstorms and excessive spring and summers rains surveys showed increases in the pheasant index in all regions of the state.*

**Missouri:** *Winter weather was relatively mild and shouldn't impact the pheasant numbers. Most believe the north-central and northeast regions of the state will offer the best hunting.*



**North Dakota:** *Hunting should get a marginally better this fall, but most will not see the numbers seen in the state before the 2017 drought. Habitat is looking average right now.*

**South Dakota:** *It's South Dakota's 100th pheasant season this fall. A relatively mild winter and a warm, dry spring created a good hatch rate and no summer drought, which makes many believe this will be a good century-mark season. More bird and more acres!*

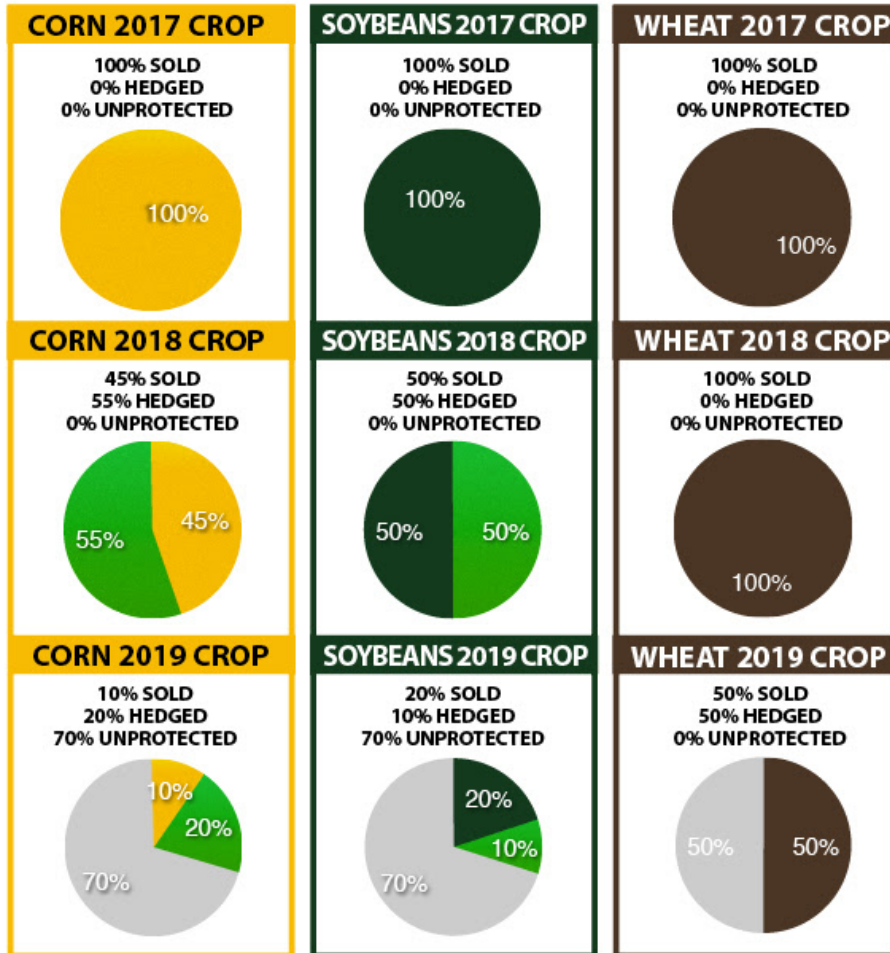


**ANSWER to riddle:**

*A Door*

**CASH SALES & HEDGING TOTALS**

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Fri, Oct 19, 2018 at 6:59 AM

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