

## GOOD MORNING: 12/05/18 Farm Direction - Van Trump Report

1 message

The Van Trump Report <reply@vantrumpreport-email.com>

Wed, Dec 5, 2018 at 7:14 AM

Reply-To: Jordan <reply-fecb157874640c7f-314\_HTML-36250946-100003450-1@vantrumpreport-email.com>

To: info@farmdirection.com



*"Tell me to what you pay attention and I will tell you who you are."* —Jose Ortega y Gasset

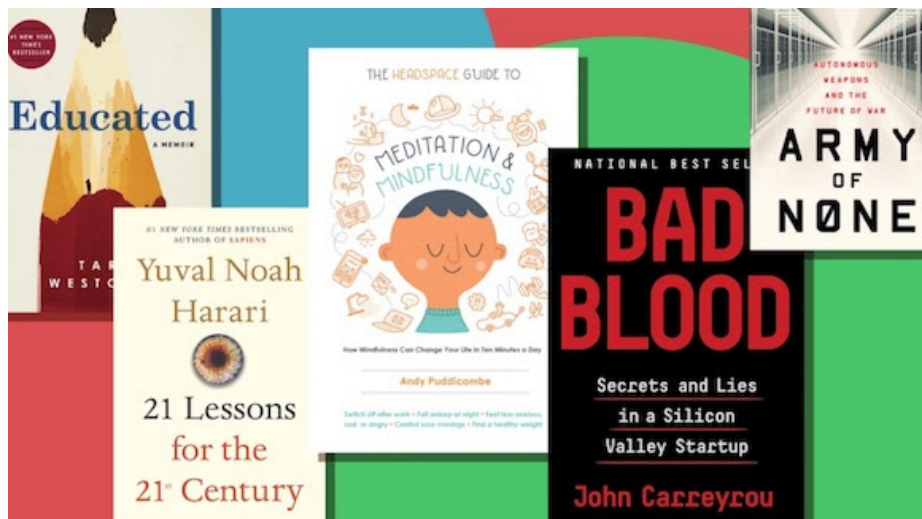
**WEDNESDAY, DECEMBER 05, 2018**

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**Morning Summary:** National day of mourning to honor the passing of former President George H.W. Bush. It is the first such farewell to a president in over a decade. U.S. flags will fly at half-staff, and U.S. markets, including trading on the New York Stock Exchange and Nasdaq, will grind to a halt in honor of the U.S.'s 41st president. Bears continue to talk heavily about the "inverted yield curve" (the 2-year yield has gone above the 5-year yield, nearby rates are higher than the deferred) and the fact it has often signaled or acted like a canary in the coal mine for a coming bear market and or economic recession. Bulls question the relevance of the inversion considering rates had been pushed to such historically low levels for such an extended period of time during the last major recession. In other words, perhaps as the Fed tries to rebound back from the massively and never before attempted round of "Quantitative Easing", historical tendencies might be unreliable. On top of the flattening yield curve, bears are also pointing to the S&P 500 falling below its 200-Day Moving Average. Bottom-line, the majority of the smart money inside the trade believes the current bull market is long in the tooth at over 9-years old. This has created a "sell first" and ask questions later approach inside the market. With this being the case and the pessimism spreading, it's going to take proof rather than talk to make believers. Headlines surrounding President Trump and President Xi to this point are being digested as just talk. Fed Chair Jerome Powell perhaps becoming less hawkish, still just talk, as most suspect the Fed again raises rates in December, and again a couple more times in 2019. The euphoria of "wealth effect" is starting to come back into question... Can falling markets spark or trigger a recession? Most economist will tell you the market reacts to the economy, but some very successful traders I know argue that the market itself controls consumer sentiment, which ultimately dictates the strength or weakness of the overall economy. In other words, psychologist after psychologist have proven that consumer spend more money when they FEEL more wealthy. The two biggest components that make American's feel wealthy are the value of their real estate holdings, i.e. the value of their home or farm ground, and the second being the value of their stock portfolio. Most will tell you they are bit concerned about both right now, which ultimately might make consumers pause in regards to spending or making larger purchases. This then can spill over and make CEO's and business owners pause in regards to expanding or investing additional money in their businesses. Some argue that creates a self-fulfilling prophecy, as major asset classes deflate in value, U.S. consumers hit the brakes in regard to spending and add fuel to the fire. I personally agree with the argument and fully understand the philosophy, but I don't think that's where we are currently at. I don't think the U.S. consumer is in that position or feeling that much uncertainty and pain. Many money-managers or traders might be feeling that way, but I question the general public and the majority of U.S. consumers feeling this way. If you would couple this with massively higher gasoline prices at the pump, then perhaps you would have my attention. Could the stock market continue to pullback and fall under more pressure nearby? Certainly, especially with the overall market sentiment turning negative. But I also believe there's ultimately more room to the upside as the global economies start to find better traction and stabilize. I will continue to look for longer-term "value" plays on the breaks. Don't forget, the financial and interest rate markets are closed today in honor of President George H.W. Bush. Both the NYSE and NASDAQ are entirely closed.

The CME has closed their U.S. based equity and interest rate futures and options products, all other markets on the CME Globex, CME ClearPort, and the trading floor will remain open for regular trading hours.

**2018 Holiday Reading List From Bill Gates:** *If you want to make sense of the world, you need to learn more about it. That's the prevailing theme behind every single one of billionaire philanthropist Bill Gates's biannual book lists, which he releases like clockwork each summer and holiday season. Gates's top five fireplace reads for 2018 just went live on [GatesNotes](#). But anyone who reads between the lines on this year's selections will see that in addition to being "pretty eclectic" and "highly giftable" there's a broader narrative that runs among them: Learning can't happen without realizing that everyone has biases that affect where you're seeking out knowledge or how you make decisions. The selections include a memoir from a highly accomplished woman who grew up isolated among conspiracy theorists but self-educated her way out, a deep dive into what happens if you outsource life-and-death battlefield decisions to artificial intelligence, and a nonfiction detective-like investigation into how a much ballyhooed tech CEO allowed egotism and deception to destroy one of America's biggest and ultimately overrated and fraudulent tech companies.*



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Today In History



**1941, American Carrier Lexington** - On this day, the Lexington, one of the two largest aircraft carriers employed by the United States during World War II, makes its way across the Pacific in order to carry a squadron of dive bombers to defend Midway Island from an anticipated



EssentialTees

@Essential\_Tees

Following



Hey, family! There will be NO mail delivered on Weds, Dec 5th. To mark the national day of mourning for former Pres.

#GeorgeHWBush, the @USPS has suspended regular deliveries & will close post offices. If you're expecting a shipment from us, things will be on track Thurs.

**NO MAIL  
DELIVERIES  
DEC. 5**



Japanese attack. Negotiations between the United States and Japan had been ongoing for months, with Japan wanting an end to U.S. economic sanctions. The Americans wanted Japan out of China and Southeast Asia and Japan to repudiate the Tripartite "Axis" Pact with Germany and Italy before those sanctions could be lifted. Neither side was budging and President Roosevelt and Secretary of State Cordell Hull were anticipating a Japanese strike as retaliation-they just didn't know where. The Philippines, Wake Island, Midway Island-all were possibilities. American intelligence reports had sighted the Japanese fleet movement out from Formosa (Taiwan), apparently headed for Indochina. The U.S. State Department demanded from Japanese envoys explanations for the fleet movement across the South China Sea. The envoys claimed ignorance. Army intelligence reassured the president that, despite fears, Japan was most likely headed for Thailand-not the United States. The Lexington never made it to Midway Island; when it learned that the Japanese fleet had, in fact, attacked Pearl Harbor, it turned back-never encountering a Japanese warship en route or employing a single aircraft in its defense. By the time it reached Hawaii, it was December 13.



**2000, O Brother, Where Art Thou?** - Three weeks prior to the movie release, the

soundtrack of O Brother, Where Art Thou? would catch on slowly, but it would eventually sell upwards of 7 million copies while winning a broad new audience for contemporary artists performing a style of American music-bluegrass- that had been absent from the pop charts for five decades or more. Of the hugely popular album widely credited with sparking a major resurgence of interest in her chosen musical genre, the bluegrass artist Rhonda Vincent said to the Los Angeles Times in 2002, "To me the O Brother, Where Art Thou? soundtrack is not bluegrass, but as long as people love the music, who cares what it's called?" Written and directed by Joel and Ethan Coen, O Brother, Where Art Thou? was a loose adaptation of Homer's Odyssey starring George Clooney as the fast-talking escaped convict Ulysses Everett McGill, who must survive encounters with sirens, a Cyclops and a posse of hooded Klansmen on an epic journey home to Ithaca (Mississippi) to prevent his wife, Penny, from marrying another man. Deciding early on to employ a soundtrack appropriate to the film's setting in the Depression-era South, the Coen brothers enlisted songwriter-producer T-Bone Burnett to find the right music, and he found it in Nashville, though not within the country-music establishment. As the soundtrack's liner notes put it, the sound that Burnett and the Coens were looking for was the sound of country music "before the infidels of [Nashville's] Music Row expropriated that term to describe watered-down pop/rock with greeting-card lyrics." They found





**Baseball by BSmile**  
@BSmile

Following

## Future President George H.W. Bush meets baseball legend Babe Ruth at Yale Field, CT (June 1948) #POTUS #USA #MLB #History



Baseball by @BSmile

that sound alive and well and in the capable hands of musicians whose roots date back across decades—Ralph Stanley and The Fairfield Four, for instance—and others who had made their careers working in a country vernacular far older than themselves—Gillian Welch, Allison Kraus and Emmylou Harris, most prominent among them. Using these and other contemporary musicians, Burnett completed work on the soundtrack to *O Brother, Where Art Thou?* before the first frame of the film was shot, and the Coens consciously built many memorable scenes around songs like Kraus's rendition of "Down To The River To Pray" and "Man Of Constant Sorrow," by the fictitious Soggy Bottom Boys (featuring the real-life Dan Tyminski and Ron Block). Within several months of its release, the *O Brother, Where Art Thou?* soundtrack had topped the country album charts, but its crossover to the pop charts came much more slowly. By August 2001, the film had left theaters in the United States, but the album was still building momentum. It finally reached the #1 spot on the Billboard 200 chart of pop albums in March 2002—the longest climb to #1 for a pop album in the modern era.



### 2002, Rooney Arledge -

Legendary television producer and executive Rooney Arledge dies in New York City, at the age of 71. Born in Forest Hills, Queens, Arledge won his first producing job from New York's Channel 4, where he worked behind the scenes on a puppet show starring Shari Lewis. After unsuccessfully pitching a pilot called *For Men Only* to NBC, he was noticed by ABC executive Ed Sherick, and began working at ABC's fledgling sports division in 1960. From the start of his tenure at ABC, Arledge aimed to "add show business to sports," as he put it. He pioneered a number of new techniques in college football programming, including hand-held cameras, aerial footage and improved sound. With Sherick, he introduced ABC's *Wide World of Sports*, a weekly roundup of sporting events—featuring many less mainstream sports from around the world—hosted by Jim McKay. The groundbreaking show became a hit, and by 1964 Arledge was a network vice president; he became president of ABC Sports four years later. More than anyone else, Arledge brought sports programming out of its limited weekend niche and into prime time, beginning with the broadcast of the Olympic Games in 1968. In 1970, Arledge solidified his impact with the premiere of *Monday Night Football* with Howard Cosell, Frank Gifford and Don Meredith, which opened the floodgates for all major sports to move into prime time. Arledge's enormously influential style—including "up close and personal" stories about athletes' lives and technological innovations such as instant and slow-motion replays, split-screen views and isolated cameras—aimed to thrill audiences and get them emotionally involved in the broadcast. His philosophy continues to define sports programming



**Brad Paisley** ✓

@BradPaisley

Following



War hero, congressman, Ambassador, CIA Director, VP, President, father, family man, friend. Thank you for your friendship & for giving yourself so fully to these United States. I'll miss you pal. Barbara's got the place all organized up there by now, I'm sure. Go home. [#GeorgeHWBush](#)



today. Notoriously detail-oriented, Arledge truly showed his mettle during the 1972 Olympics in Munich, when Arab terrorists took 11 Israeli athletes hostage. As the U.S. broadcaster of the Games, ABC had exclusive access, and under Arledge's guidance, the network covered the unfolding crisis continuously for the next 17 hours, up to and including the announcement that the hostages had been killed. ABC, Jim McKay- and Arledge won a historic total of 29 Emmys for the Munich coverage. Arledge took over ABC's struggling news division in 1977, retaining control of ABC Sports as well. Renaming the nightly newscast World News Tonight, he nurtured the careers of top newscasters such as Peter Jennings and oversaw the coverage of such momentous topics as apartheid in South Africa and the longstanding Israeli-Palestinian conflict. During the Iranian hostage crisis of 1979-80, Arledge produced a nightly special on the crisis, a first in network news. The show later became Nightline, hosted by Ted Koppel. Arledge put another network star, Barbara Walters, at the head of the first news magazine show, 20/20. By 1990, ABC News was turning a yearly profit of some \$70 million, another first for a network news division. In the mid-1990s, Arledge began to relinquish day-to-day control at ABC; the Walt Disney Company's acquisition of the network in 1996 accelerated this process. Three months before his death on December 5, 2002, Arledge was awarded the first-ever lifetime achievement Emmy-his 37th Emmy Award overall.

#### Upcoming Events

**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

#### Kevlin's Song of the Week





JRhakka11  
@JammiRacca1

Following

Rest easy Mr & Mrs 41. ❤️❤️ #GeorgeHW



**"At the end of your life, you will never regret not having passed one more test, winning one more verdict or not closing one more deal. You will regret time not spent with a husband, a child, a friend, or a parent." - Barbara Bush**

WHAT I'M LISTENING TO: ▶



▶ Cody Johnson  
"On My Way To You"

Kevin's Song of the Week



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

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

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

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

*Kevin Van Trump*

What Others Are Saying

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



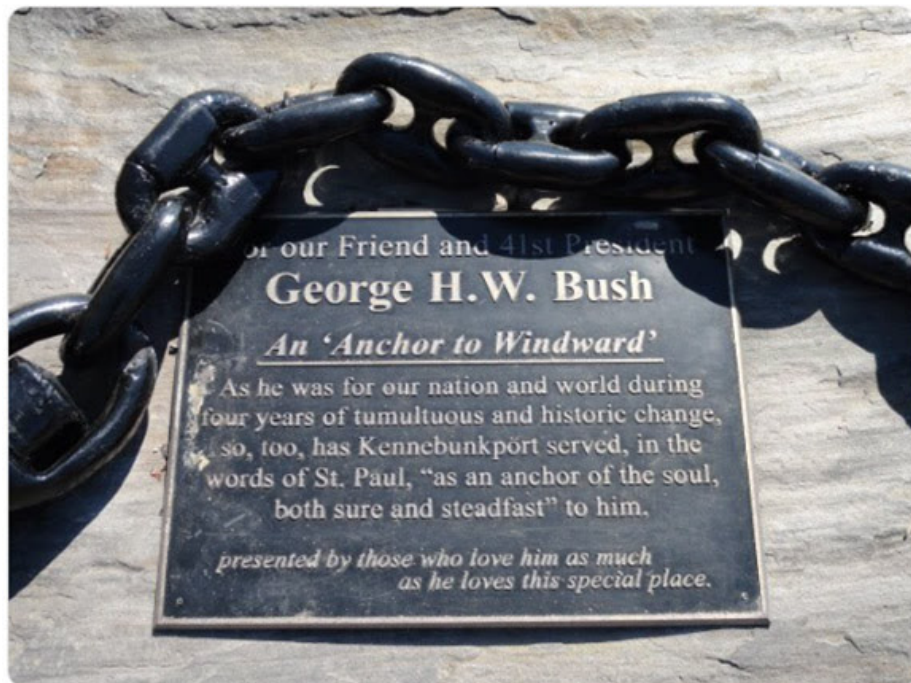
**Audrey DeSisto** ★

@AudreyDesisto

Following

I'm so glad that I was able to see the Bush compound in Kennebunkport recently. It made sense to take a photo of this dedication to President Bush. ❤️.

#GeorgeHWBush



*influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."*

**A.M., FDIC**

*"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."*

**L.T., Assistant Deputy Administrator for Farm Programs USDA**

#### My Own Personal Truisms

*"Not To Trade, is often considered a good trading decision..."*

*"First Rule of HOLES: When you are in one stop digging..."*

*"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."*

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

*"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."*

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

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

*I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.*





US News Agency  
@USANewsAgency

Following

In an emotional scene, former US Sen. Bob Dole was helped out of his wheelchair and saluted the casket of former President George H.W. Bush inside the US Capitol Rotunda.

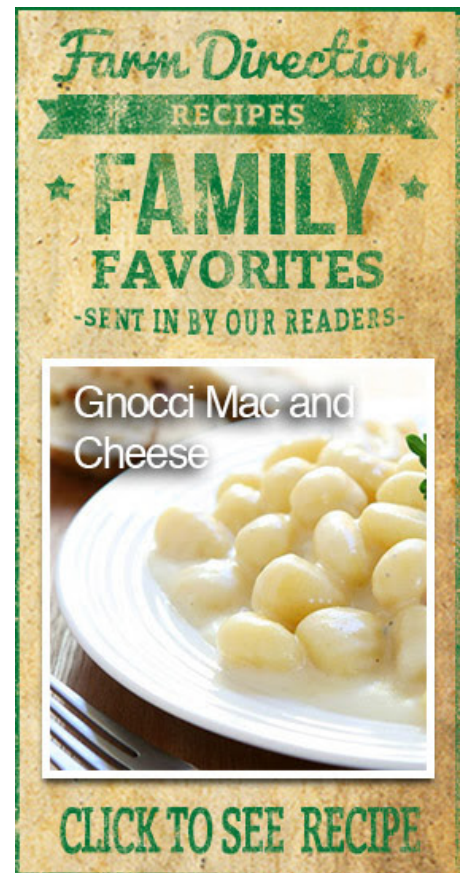
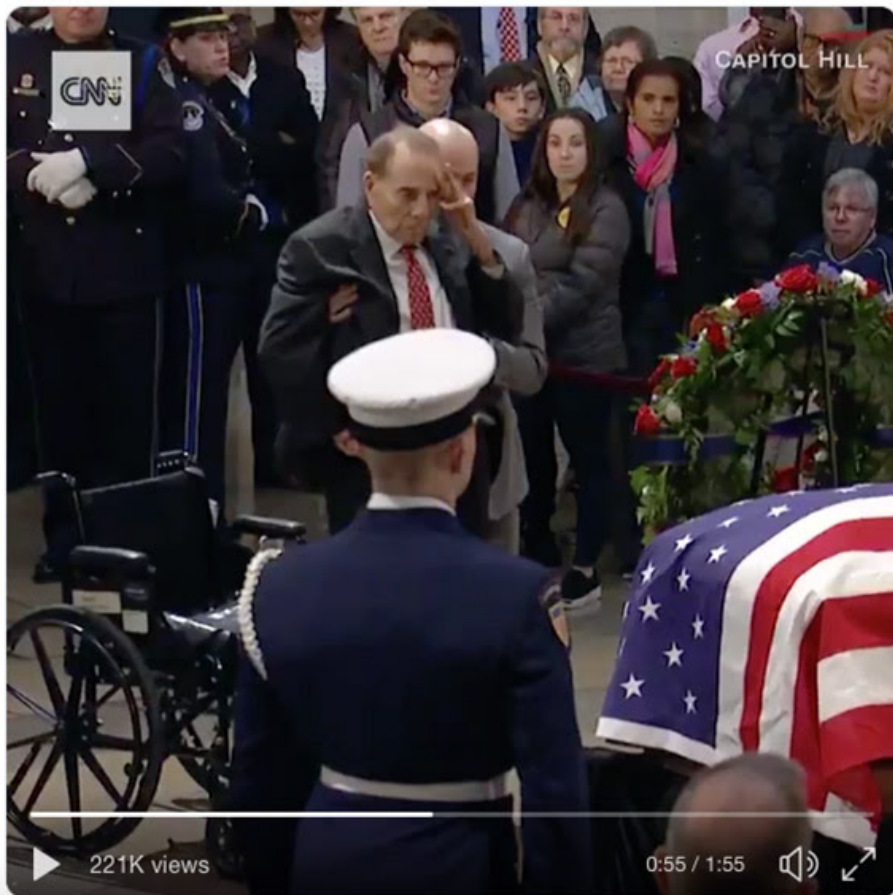
[cnn.it/2Pkuw5d](https://cnn.it/2Pkuw5d)

#GeorgeHWBush #BushFuneral

#Remembering41 



CNN





**Bridgette Matter** ✓  
@bridgetteANjax

Following



Powerful image: President George H. W. Bush's service dog "Sully" lays by his casket. The President will be laid to rest Thursday in Houston, Sully will lay here until then.

#GeorgeHWBush



## 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.*

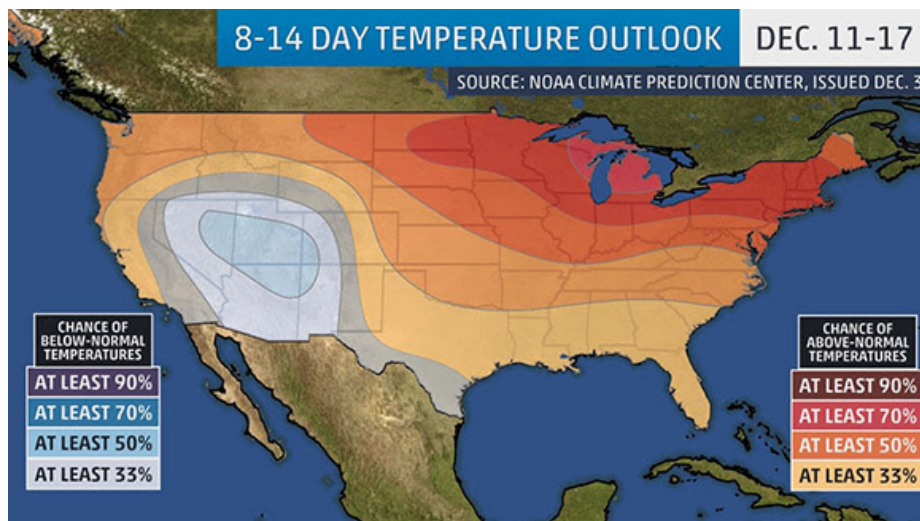
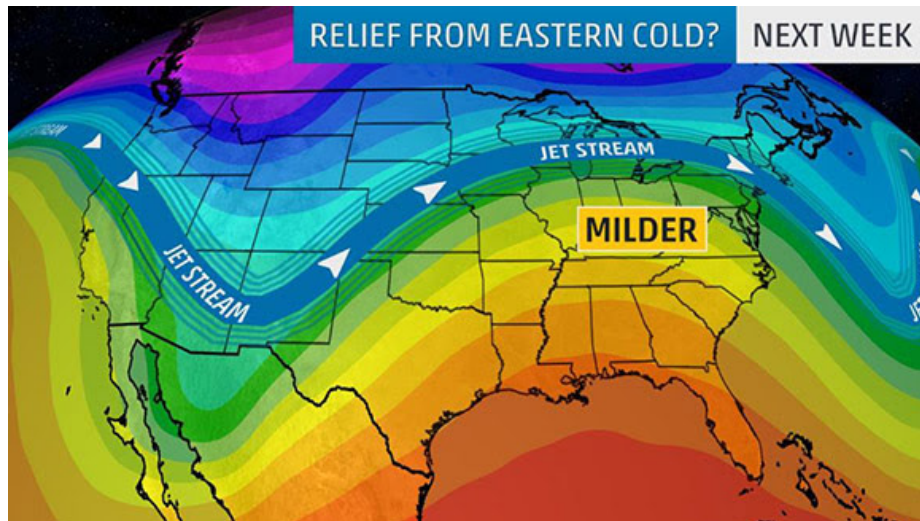
### TODAY'S RIDDLE:

Thirty men and only 2 women, but they hold the most power. Dressed in black and white, they could fight for hours. What are they?

**Weather** conditions on the ground across the Plains shows snow covering much of the northern half of the region, maintaining a slow pace of late-season harvesting. On December 2 in North Dakota, the corn harvest was 88% complete, while the soybean harvest was 95%. On the same date in Kansas, 11% of the sorghum and sunflowers had not yet been harvested. In the Corn Belt, patches of light snow are primarily affecting southern and western areas. Cold, cloudy weather prevails throughout the Midwest, hampering final harvest efforts. In South Dakota, nearly one-fifth of the sunflower acreage remained in the field on December 2. In the South, showers are

shifting southward across Florida's peninsula and decreasing in coverage. Cool, dry weather covers the remainder of the South. Wet soils continue to hamper summer crop harvesting and winter wheat planting in some areas. Below normal temperatures will continue to dominate much of the country during the next several days. Meanwhile a slow moving storm system will drift across the nation's southern tier by mid-week. With cold air positioned north of the storm, a broad area of the country from the Four Corners States to the mid-Atlantic Coast will experience wintry precipitation including snow, sleet and freezing rain.

**Milder Weather Is Coming:** *After experiencing one of the coldest Novembers on record, residents of the central and eastern U.S. might finally get some relief from the persistent cold next week. There are signs that a northward bulge in the jet stream is setting up over the eastern states, which should allow milder temperatures to surge northward. Portions of the northern Plains and upper Midwest should experience an increase in temperatures early to mid-week next week. The rest of the Midwest and the interior Northeast may have to wait until late next week for the milder air to arrive.*



**Corn** bulls are happy to see stronger prices. I know it doesn't feel like it, but yesterday was one of the top-10 highest closes for the MAR19 contract since mid-August. Technical bulls would love to see the MAR19 contract close back above \$3.90 per bushel, something that's only happened once since mid-August. There's been some rumors circulating that Chinese buyers might come in and ink a contract to buy a significant amount of U.S. corn. I've heard rumors and talk of numbers between 400 and 500 million bushels. I've also heard rumors and talk that the Chinese could also ink a deal to buy a heavy dose of U.S. ethanol. Obviously, both would be a nice windfall for the corn market and create an additional nearby tailwind. The kicker is, right now it's all just all talk and rumors, I've heard nothing fact based or proof of any purchases. As for South America, most seem to believe Brazil has almost 100% of their first full-season corn planted. Argentina is thought to be around 60% finished with planting, which is running ahead of their traditional pace. There's also very little in the way of South American weather worries. Sure, I could argue there's some pockets that are still too wet, but I don't see it as game-changing for the market. As I've mentioned as of late, I've become a bit more optimistic and believe higher prices are ahead. Yesterday's

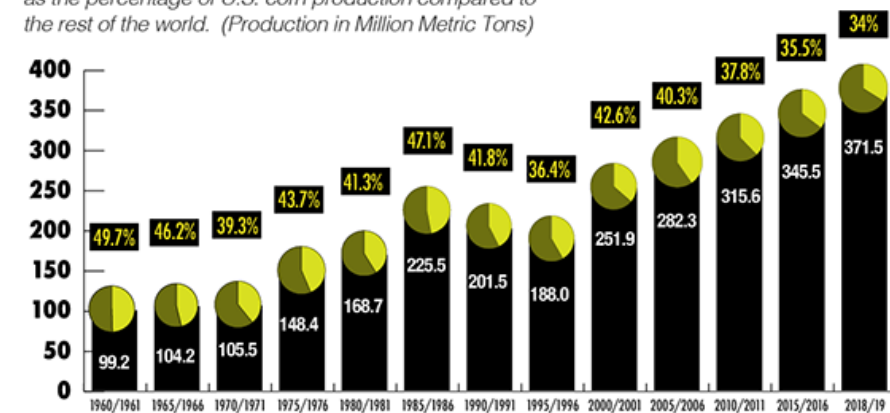


significant drop in the stock market makes be a bit nervous about the macro picture, but I believe there's light at the end of the tunnel in regard to trade with the Chinese, at least for the agricultural sector. Keep in mind, JUL19 corn prices are close to trading above \$4.00 per bushel again. The new-crop DEC19 contract is trading back above \$4.00 per bushel. If you've been gambling and waiting to reduce risk, your move has paid off. Make certain you are paying close attention as we are now back towards the upper end of the range.

## U.S. Corn Production Compared to The Rest of the World



*For each year shown, we see U.S. production as well as the percentage of U.S. corn production compared to the rest of the world. (Production in Million Metric Tons)*



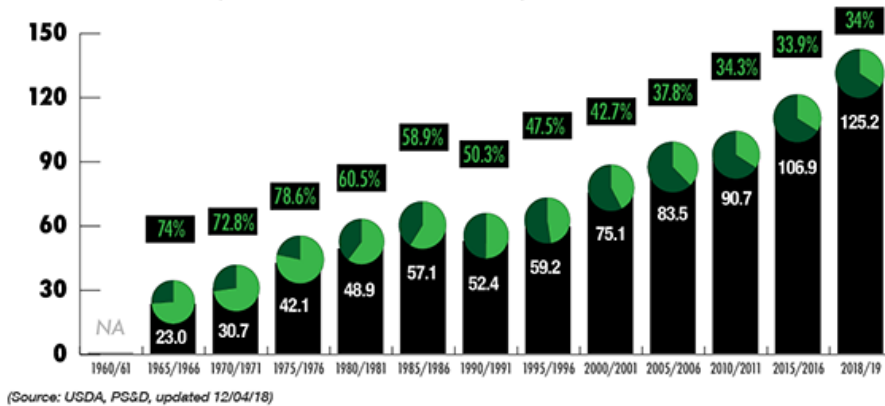
(Source: USDA, PSSD, updated 12/04/18)

**Soybean** bulls are talking about rumors of Chinese buying. There's been some talk that a Chinese delegation will be traveling to the U.S. in mid-December, perhaps to make a symbolic purchase. There's no specificity or details. Insiders are wondering if it will be the typical "frame contract" where Chinese buyers promise to purchase a large amount of new-crop soybeans further out in 2019. Bears argue that talk is cheap and portions and parts of these contracts can and have been canceled or kicked down the road in years past. The real question is will Chinese buyers purchase any of burdensome old-crop supply? I heard rumors on the street yesterday that we could perhaps see a larger old-crop purchase than many are currently anticipating. There's word the Chinese have been snooping around and checking out prices off the PNW, but to this point still just rumors and talk. It feels like there might be a temporary put in place during this 90-day trade truce that is currently in play. It's tough to envision a lot of fresh new bearish money coming into the market with this window of opportunity now open for the Chinese to purchase U.S. bushels. Technical traders are keeping a close eye on the \$9.20 area in the JAN19 contract. There's talk if we can get past this area many more bears could get flushed out of the market. As I mentioned earlier this week, the JAN19 contract has only closed above \$9.25 once since the end of July. Brazil is thought to be somewhere between 95% and 100% planted with full-season soybeans. Argentina is thought to be around 50% finished with planting, which is a bit behind their traditional pace. Weather seems to be adequate in Argentina and should allow for an improved planting progress. Some bulls are arguing that abnormally cold conditions in southern Argentina may have created some complications, but as of yet I'm not hearing or seeing it as a significant problem or concern. As both a producer and spec, I've become much less bearish and have a more optimistic outlook. I am patiently waiting on another leg higher to reduce further price risk.

## U.S. Soybean Production Compared to The Rest of the World



For each year shown, we see U.S. production as well as the percentage of U.S. corn production compared to the rest of the world. (Production in Million Metric Tons)

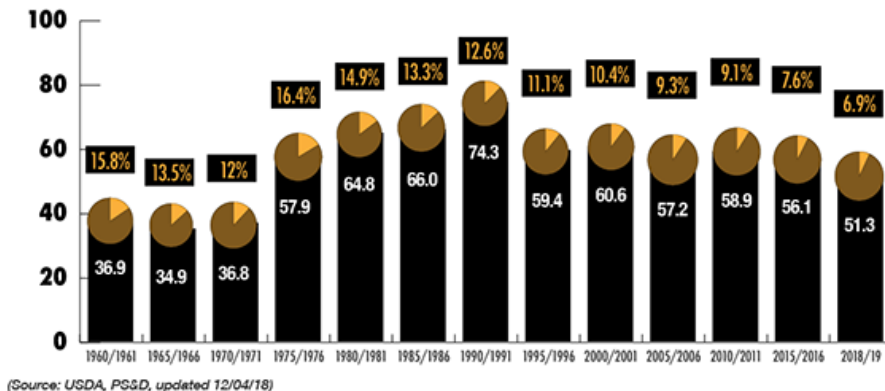


**Wheat** bulls are hoping the rumors of Chinese buyers coming to the U.S market end up being true. There has been some talk circulating inside the trade that perhaps the Chinese might be interested in +200 million bushels of U.S. wheat. That number seems extremely optimistic, but I guess you never know? There's also some bullish talk that the Russian crop is seeing some tough or more extreme conditions in a few areas. I personally, don't see this a major market event at the moment, but is worth keeping on our radar. I continue to believe this market is more exposed to geopolitical shifts and changes. Staying conservatively bullish and looking to add to my position on a deeper break in price or a retesting of the recent lows. Keep in mind, we are only about +20 cents above the recent six-month low and about +40 cents above the one-year low. I believe there's a bullish story brewing but need to stay patient as it could take a while to play out.

## U.S. Wheat Production Compared to The Rest of the World



For each year shown, we see U.S. production as well as the percentage of U.S. corn production compared to the rest of the world. (Production in Million Metric Tons)



> **Beneficial Moisture to Hit South American Corn and Soybeans:** Producers in parts of Argentina, Paraguay and southern Brazil will welcome forecasted rains as the past 10-days have seen dry and cool weather. I'm hearing that one to two inches of rain are expected after the 10th of December in Argentina. Only parts of southern



Buenos Aires and La Pampa may miss out on beneficial totals but still get some light showers. Paraguay and southern Brazil are expecting the moisture shortly thereafter.

**> Purdue Ag Economy Barometer Shows Growing Confidence:** The November reading of the Purdue University Ag Economy Barometer was 134 which is up six points from 2017. Trade disruptions have left the barometer 6% below its most recent high of 138 reached in June. Signs are pointing to producers becoming more optimistic that current trade disputes will not hurt long-run growth opportunities in ag.

**> Ukraine Grain Flowing Again Through Azov Sea:** After a blockage of 10 days by the Russian military, Ukraine has resumed shipping grain from the Azov Sea. From what I understand vessels are passing through the ports of Mariupol and Berdyansk.

**> Ag Secretary Perdue's Updates On Trade Aid:** Perdue speaking yesterday suggested the second installment of trade aid is not likely to be released until after this week or early next week, while USDA works with the White House budget shop to finalize the plans. Now, whether the U.S. - China agreement will affect the new payment rates for commodity producers is yet to be seen. Speaking on this, Perdue said that nothing has changed from the tariff damage that farmers have already experienced. But he also noted that it's hard to determine the impact of the new trade truce without more details.

**> Agricoor Raises \$28 Million To Expand Urban Farming Tech:** Agricoor has announced it has raised \$28 million (\$41 million in total) for its system that uses specially designed trailers to grow strawberries in big cities. The company's "Cooltainers" are retrofitted shipping containers that contain lights, sensors, and water and temperature controls, making it possible to grow large batches of strawberries. The company says it will use the new funding to increase production by 100 times, including expanding to Dubai, where one of its Cooltainers is already in use. (Source: VentureBeat)

**> FDA Recalls Dog Food:** Toxic levels of vitamin D could be inside the bags from at least eight brands of dry dog food. I'm hearing that after vets had received complaints, testing found that samples of the dog food contained potentially toxic amounts of vitamin D. The FDA said the only pet products that have been impacted are food made for dogs. I'm told the affected brands include: Nutrisca, Natural Life Pet Products, Sunshine Mills, Inc., ANF, Inc., Lidl (Orlando brand), Kroger, ELM Pet Foods, Inc. and Ahold Delhaize

**> China Dumping U.S Real Estate:** Chinese investors offloaded more than \$1 billion in U.S. real estate in the third quarter, extending their recent retreat from hotels, office buildings and other foreign property under pressure from Beijing to reduce debt and curb money sent abroad. Insurers, conglomerates and other big investors from China sold \$1.05 billion worth of U.S. real estate in the third quarter, while purchasing \$231 million of property, according to data firm Real Capital Analytics.

**> YouTube's 7-Year-Old Millionaire:** A 7-year-old toy reviewer is officially YouTube's highest-earner of 2018. According to Forbes, Ryan of Ryan Toysreview brought in \$22m from June 2017 through July 2018. In his most popular video (which has snagged more than 1.5m views since Sunday) Ryan opens up giant eggs to find toys from Disney's Cars and Paw Patrol. At the end of the day, Ryan's just your average 1st-grader with millions of dollars, original content on multiple streaming networks, and his own Ryan action figure -- just classic 7-year-old stuff. (Source: The Hustle)

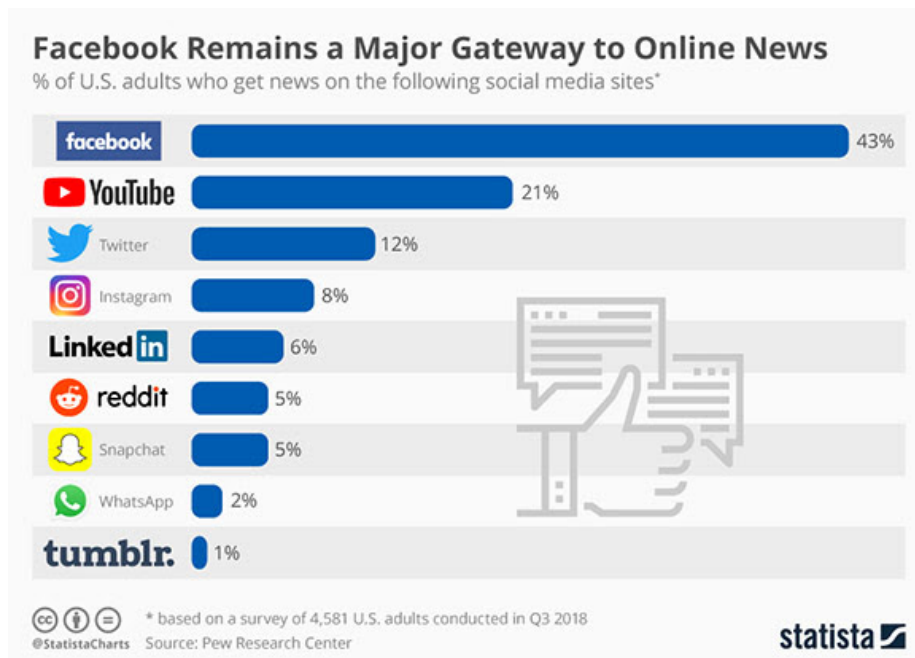
**> Hog Prices Expected To Stay Below Cost of Production Through Winter:** Record pork production and trade disputes continue to be the near-term drag on prices. However, according to Purdue University agricultural economist Chris Hurt, lean hog futures are more optimistic for spring and summer prices to be high enough to provide profitability in the second and third quarters of 2019. Trade dispute have limited U.S. pork sales in China and Mexico beginning last summer. Pork exports to China are down 19% for this calendar year and most of the decrease has been since the summer when Chinese tariffs on U.S. pork were put in place. Hurt believes hog prices will lift by spring and summer of 2019 as traders expect the tariff situation to get worked out by then. (Source: Pork Business)

**> BS Tolleason Inc. Recalls Tainted Beef:** More than 5.1 million pounds of raw beef products that may be tainted with salmonella has been recalled by BS Tolleason, according to the US Department of Agriculture's Food Safety and Inspection Service. From what I understand, the recalled beef was produced and packaged between July 26 and September 7, and the products have been distributed nationwide and include the brands Kroger, Cedar River Farms, Grass. I'm told this is an expansion of a recall that was issued in October for the same reason.

**> 'Gene Drive' Research Gets Green Light:** A UN biodiversity conference approved language that allows scientists to continue their work on so-called gene drives that push modified genes through a population. The Bill and Melinda Gates Foundation has funded a program called Target Malaria that envisions using a gene drive to combat the mosquitoes that carry malaria, a disease that kills nearly half a million people a year. (Source: WashPo)

> **Congress Could Push Government Shutdown Debate To Christmas:** Congress looks like they will punt the upcoming government funding deadline until Dec. 21. This will delay a potential shutdown fight for two more weeks -- setting up a showdown over president Trump's border wall just days before Christmas. (Source: Politico)

> **Facebook Remains a Major Gateway To Online News:** Despite some of the recent perceived problems of Facebook, the world's largest social network remains popular source of news for Americans, far ahead of any other social network. According to survey data published by the Pew Research Center, 43% of U.S. adults get news on Facebook at least occasionally, with YouTube (21 percent) and Twitter (12 percent) the second and third most popular social platforms for news. Interestingly, Pew's finding showed that more than half of social media news consumers expect the news they see there to be largely inaccurate. But it's the convenience of getting news on social media that people like most about it. (Source: Statista, Pew Research)



**Northwest Ohio** – This is late for a late year. The snow just has been lingering. We are sitting here waiting for the snow to come off the leaves. We have tried to harvest a few times, but we are plugging the sieves because we are sitting below 20 degrees and it's not warming up during the day much. We are right on the edge of the snow that is supposed to fall in the next 24 hours, so I feel lucky on that, but we are not making much progress every day. It feels like we are the last farmer still harvesting but there's actually quite a few guys that are not completely done.

**Southern Indiana** – We are completely done with harvest and have been for a while. I don't have any buddies or neighbors that are still harvesting at this point. We personally have a fairly small farm, but we beat our best yields which was last year by almost 40 bushels (38 to be exact) in corn and our soybeans were the best we have seen by 6 bushels. We were 70 bushels on soybeans and last year we were 64 bushels. I had high expectations, but this was better than I thought. It just looked better than I ever thought it would even when we turned a little hot in late July. For some reason I was just less worried than normal.

**Northwest Idaho** - We are working on equipment and considering locking in some of our gas as prices are looking as good as they have in a while and we are not sure what will come from the OPEC meeting this week. I'm afraid prices may start to head north again with expected price cuts. We grow some wheat, peas, lentils and garbanzo beans. The garbanzo's have been affected by tariffs with India as of late and we are seeing our revenues cut in half since they have been in play. Our wheat had a great year with yields around 140bpa. We are fortunate to be near a port that runs 300 miles inland but is coming under pressure as salmon runs are being affected in the area. It would be a real game changer for our logistics if it were to get shut down.



# CROSSING WIRES

A place to share intelligent thoughts...

**New "Deep-Farming" System is Turning Old Coal Mines Into Farms:** Abandoned coal mines are often held up as symbols of the changing state of climate or the economy. But academics at the University of Nottingham see in them the potential future of food and have patented a new system revolving around what they call "deep farming"—turning old coal mines into fully functioning farms. Keep in mind, Deep farms would have advantages that current land-based farms lack, including a controlled climate uninfluenced by weather and no need for expensive farming equipment. It's worth mentioning, Deep farming would incorporate many existing technologies—hydroponic planters with nutrient-rich water, aeroponic plants growing with a mist, and LED units to create photosynthesis. And if they can use groundwater and be located close to the communities they serve, deep farms could reduce the CO2 emissions of farming and cut down on transportation costs at the same time. Read more [HERE](#).

**Perennials Are Causing Business to Adjust:** Older workers—or "perennials," as this cohort has sometimes been called—are now the fastest-growing population of workers, with twice as many seniors as teenagers currently employed in the US. In the 30-year span from 1994 to 2024, workers aged 55 and older will go from being the smallest segment of the US working population to the largest, according to the US Bureau of Labor Statistics. Other industrialized nations are seeing similar trends; in Japan and South Korea, the workforce is aging even faster. Interestingly, when BMW realized how many workers with job protection at one German plant were aging, the automaker retooled its production facility to accommodate older workers, installing ergonomic seating and softer floors, enlarging the type on the computers, and supplying more supportive work boots. Read more [HERE](#) how companies are making their own adjustments to the demographic shift.

**Is Believing Something Without Evidence Always Wrong?** You have probably never heard of William Kingdon Clifford. He is not in the pantheon of great philosophers – perhaps because his life was cut short at the age of 33 – but in our interconnected, AI-driven, digital age, his ideas may be more relevant than ever. This might seem strange given that we are talking about a Victorian Briton whose most famous philosophical work is an essay nearly 150 years ago. However, reality has caught up with Clifford. His once seemingly exaggerated claim that 'it is wrong always, everywhere, and for anyone, to believe anything upon insufficient evidence' is no longer hyperbole but many believe a technical reality. Read more [HERE](#) to see if you agree with Clifford's thoughts.

**Half-Life of Knowledge... and How to Stay Relevant:** In 2013, we created as much data as in all of previous history. I'm told that trend is continuing to the point that information is roughly doubling each year. Michael Simmons has crunched the numbers behind our knowledge economy and issued the following opinion... "You probably need to devote at least 5 hours a week to learning just to keep up with your current field – ideally more if you want to get ahead." It's worth noting that in Germany, a three-year Bachelor's degree consists of 180 credits, each worth 30 hours of studying time. That's 5,400 hours. Sadly, what you learn from those hours starts decaying as soon as you've put in the time. Scientists call this 'the half-life of knowledge,' a metric that's decreasing fast. Read more [HERE](#) on what you can do to stay relevant.

**2018 Was a Big Year for Tiny Living:** Following the subprime home lending crisis in 2008, hundreds of thousands of former homeowners became renters – and they stayed that way. That means high rent prices all over the nation. Some are getting around this problem by investing in a tiny home and 2018 has been a big year for small living. New and established firms are trying to stand out in a crowded market by fitting their models with clever space-saving ideas and novel technology. Featuring raising roofs, motorized beds, and larger models that offer as much living space as a city apartment but on wheels, here are some of the most popular choices in 2018. You can check out more [HERE](#).









### **The Soil Renaissance**

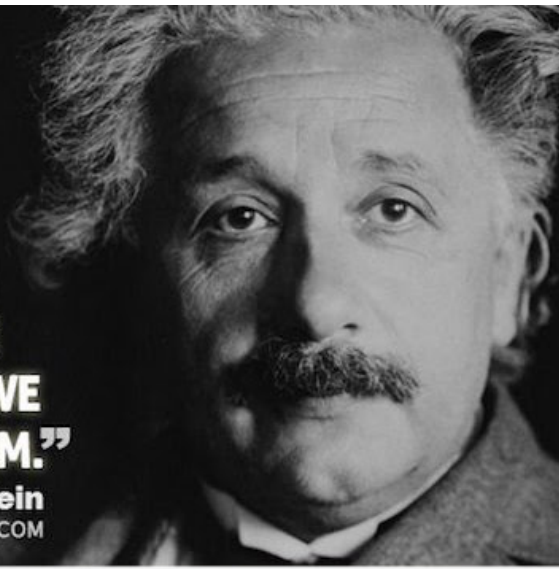
The Soil Health Institute just released a 60-minute documentary featuring innovative farmers and soil health experts from throughout the U.S. They write... "Our soils support 95% of all food production, and by 2060, our soils will be asked to give us as much food as we have consumed in the last 500 years. They filter our water. They are one of our most cost-effective reservoirs for sequestering carbon. They are our foundation for biodiversity. And they are vibrantly alive, teeming with 10,000 pounds of biological life in every acre. Yet in the last 150 years, we've lost half of the basic building block that makes soil productive. The societal and environmental costs of soil loss and degradation in the United States alone are now estimated to be as high as \$85 billion every single year." The documentary details how decades of conventional farming practices have done well to feed the increasing population of the world but have depleted our soils of nutrients and organic matter. The agronomists in Living Soil explain soil management practices they believe will reverse our declining soil health as well as benefit the air, water, and our personal health in the process. Also featured are scenes from soil-focused conventions taking place throughout the year where a large network of policymakers, scientists, manufacturers, agriculture retailers, and other soil health practitioners meet to discuss the latest scientific findings and develop new strategies to quickly incorporate the most up-to-date research. Traveling to laboratories to speak with the scientists performing the cutting-edge research, we learn about how soil health science has developed over time and where we can expect further developments in the future. Bottom-line, we are seeing more and more talk about the health of our soils. As producers, we have to understand that the media and the government are keenly focused on our farms and what is happening with the soils. My suggestion is to be ready for change and take the steps to be a leader in this space. You can Click [HERE](#) to see the documentary.





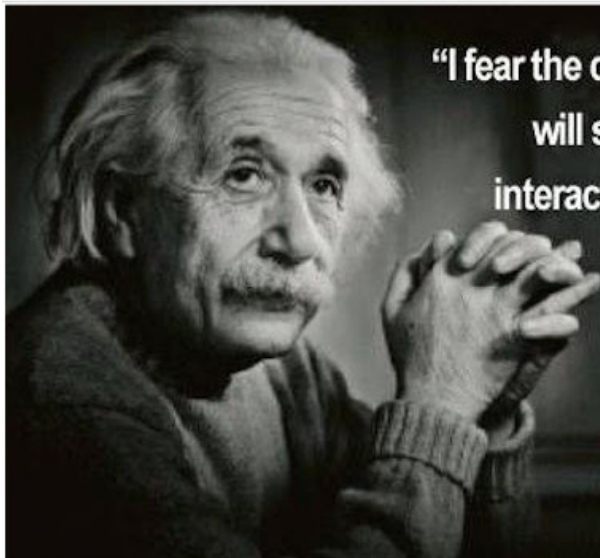
**“WE CANNOT  
SOLVE OUR  
PROBLEMS  
WITH THE  
SAME  
THINKING WE  
USED WHEN WE  
CREATED THEM.”**

**Albert Einstein**  
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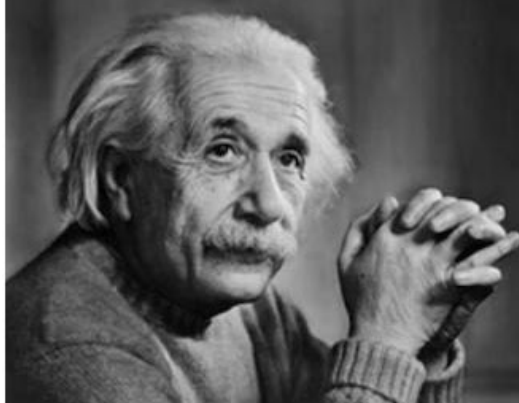
**“I fear the day that technology  
will surpass our human  
interaction. The world will  
have a generation  
of idiots.”**

*Albert Einstein*



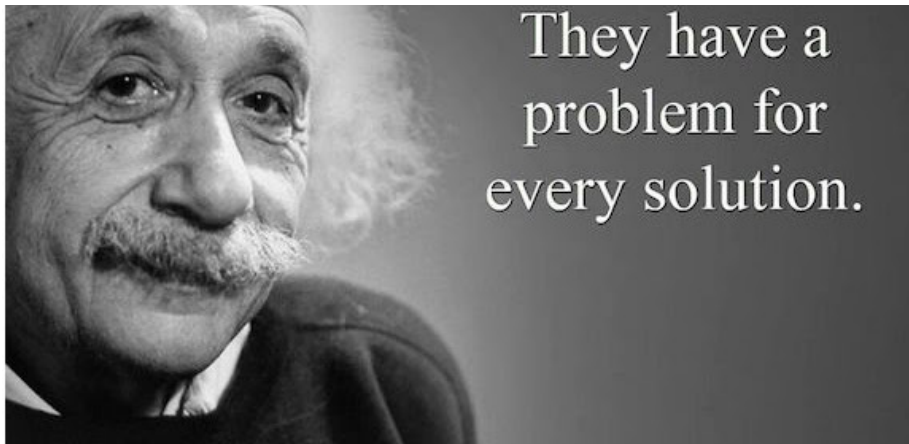
**If you can't explain it *simply*, you  
don't understand it well enough.**

*– Albert Einstein*



**Stay away from  
negative people.**





### **Missing Flight 19... Beginning the Legend of the Bermuda Triangle**

Guesses and opinions abound, but there seems to be no consensus explaining the disappearances involving an untold number of ships and planes in the Bermuda Triangle. Also known as the Devil's Triangle or Hurricane Alley, the area covers an expanse of ocean over 270,000 square miles, and over the past 100 years, it has claimed the lives of more than a 1,000 people. It's worth mentioning that the mysteries that surround the unexplained disasters date back to the first explorers of the continent of North America, but it was the disappearance of Flight 19 on this day in 1945 that many feel began the legend of the space bounded by Miami, Bermuda and Puerto Rico. It began when five U.S. Navy Avenger torpedo bombers making up Flight 19 left the Ft. Lauderdale Naval Station to conduct a routine training mission. About 2 hours in, the squadron leader reported that his compass and back-up compass were malfunctioning. As the other four bombers were experiencing similar issues, the squadron's position was unknown. I'm told, less than a couple of hours later, there was a radio transmission heard in which the squadron leader was instructing his crew to ditch their aircraft due to a lack of fuel. The 14 men were never heard from again. I'm told that land-based radar stations determined that Flight 19 was somewhere north of the Bahamas and east of the Florida coast, so the military decided to send out a Mariner aircraft for a search and rescue mission. Remarkably, the Mariner and its crew of 13 men were also last heard from just a few minutes into their mission and none of the missing planes have ever been found. U.S. military officials have always maintained that the wreckage could not be found due to inclement weather on the day of the disappearances. Over the years there have not only been multiple disappearances involving ships and planes but nearly as many opinions as to why. Below I share a few, leaving you to draw your own conclusions. (Source: History.com, Wikipedia)

**Paranormal Explanations:** *Triangle writers have used a number of supernatural concepts to explain the events, with the most spectacular one connected to the leftover technology from the mythical lost continent of Atlantis. Sometimes connected to the Atlantis story is the submerged rock formation known as the Bimini Road off the island of Bimini in the Bahamas, which is in the Triangle by some definitions. Keep in mind that followers of the purported psychic Edgar Cayce take his prediction that evidence of Atlantis would be found in 1968, as referring to the discovery of the Bimini Road. Believers describe the formation as a road, wall, or other structure, but the Bimini Road is of natural origin, so that's out! Many of us grew up believing UFO's had something to do with the events. Thanks for that goes to Steven Spielberg and his science fiction film Close Encounters of the Third Kind, which features the lost Flight 19 aircrews as alien abductees.*

**Compass Variations:** *While some have theorized that unusual local magnetic anomalies may exist in the area, such anomalies have not been found. Compasses have natural magnetic variations in relation to the magnetic poles, a fact which navigators have known for centuries. Magnetic north and geographic north are exactly the same only for a small number of places – for example, as of 2000, in the United States, only those places on a line running from Wisconsin to the Gulf of Mexico. But the public may not be as informed, and think there is something mysterious about a compass "changing" across an area as large as the Triangle, which it naturally will.*

**Gulf Stream:** *The Gulf Stream is a major surface current, primarily driven by thermohaline circulation that originates in the Gulf of Mexico and then flows through the Straits of Florida into the North Atlantic. Think of it as a river within an ocean, and, like a river, it can and does carry floating objects. It has a maximum surface velocity of about 6.6 ft/s. A small plane making a water landing or a boat having engine trouble can be carried away from its reported position by the current.*

**Human Error:** *One of the most cited explanations in official inquiries as to the loss of any aircraft or vessel is human error. Human stubbornness may have caused*



businessman Harvey Conover to lose his sailing yacht, *Revonoc*, as he sailed into the teeth of a storm south of Florida on January 1, 1958.

**Violent Weather:** Hurricanes are powerful storms and were first cited in the sinking of a ship when it caught up with the Francisco de Bobadilla's Spanish fleet in 1502. These storms have in the past caused a number of incidents related to the Triangle. A powerful downdraft of cold air was suspected to be a cause in the sinking of *Pride of Baltimore* on May 14, 1986. The crew of the sunken vessel noted the wind suddenly shifted and increased velocity from 20 mph to 60–90 mph. Most recently, in August 2018, British scientists speculated that 100 feet "rogue" waves could be the reason why so many boats have been sunk in the Bermuda Triangle.

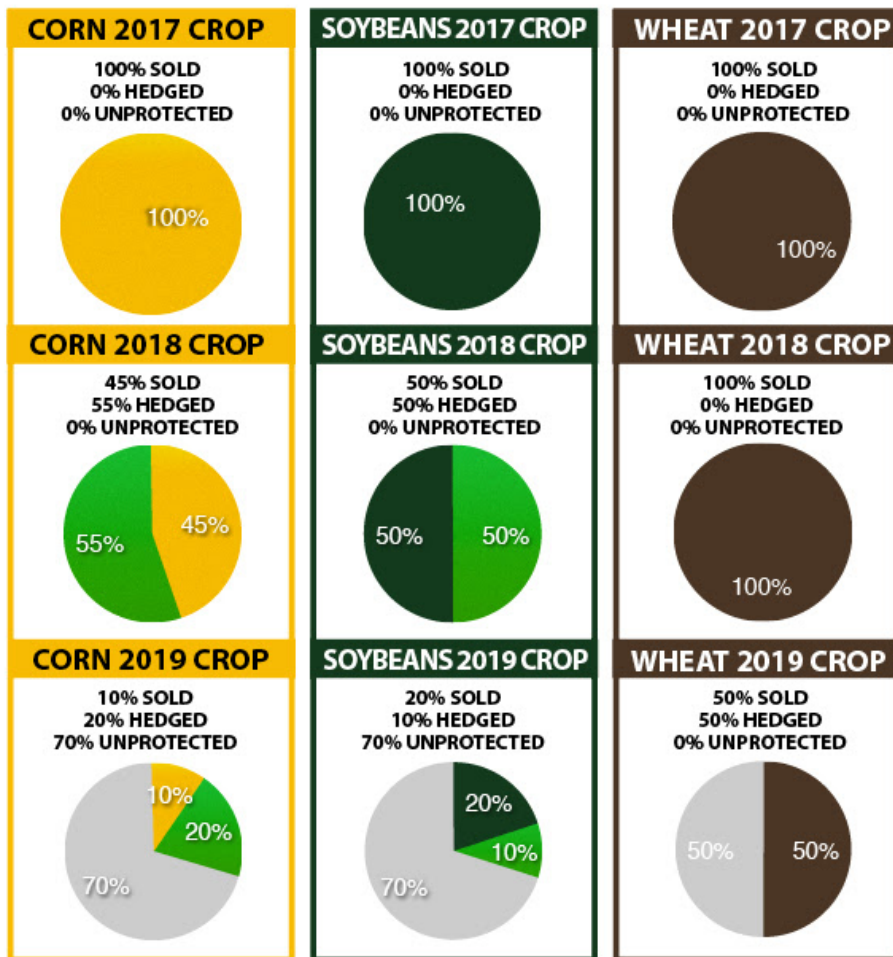
**Methane Hydrates:** An explanation for some of the disappearances has focused on the presence of large fields of methane hydrates (a form of natural gas) on the continental shelves. Laboratory experiments carried out in Australia have proven that bubbles can, indeed, sink a scale model ship by decreasing the density of the water, any wreckage consequently rising to the surface would be rapidly dispersed by the Gulf Stream. It has been hypothesized that periodic methane eruptions (sometimes called "mud volcanoes") may produce regions of frothy water that are no longer capable of providing adequate buoyancy for ships. If this were the case, such an area forming around a ship could cause it to sink very rapidly and without warning.



**ANSWER to riddle:** Chess Pieces

## CASH SALES & HEDGING TOTALS

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