

GOOD MORNING: 12/07/18 Farm Direction - Van Trump Report

1 message

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

Fri, Dec 7, 2018 at 7:22 AM

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"The way to get started is to quit talking and begin doing." - Walt Disney

FRIDAY, DECEMBER 07, 2018
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Morning Summary: Stocks are lower again this morning as media headlines seem to remain the biggest hurdle for the market. Negative sentiment and headline fears surrounding Chinese trade, slowing global growth, and the velocity of Fed rate hikes seem to be the biggest concerns. Uncertainty inside the European Union and the Middle East also appear to be negative outliers. The latest data here at home is causing more doubt about the Fed's next move. A few weeks back, it was almost a certainty that the Fed would hike rates again at their upcoming December 18-19th meeting. Now all of a sudden the probability of a interest rate hike in December has dropped down to below 75%, and the number of anticipated 2019 rate hikes has also come down. Keep in mind, the 10-year yield is now back to its lowest level since August. As for U.S. and Chinese trade negotiations, bears continue to point to the recent arrest of Huawei Technologies, CFO, Meng Wanzhou, as another major hurdle that will need to be cleared. Bulls however say Chinese officials intend to move forward despite claims of human rights violations associated with the arrest. Bottom-line, I don't think anyone knows for certain if, when, or how the trade differences between the U.S. and Chinese ultimately get resolved. I personally think leaders from both nations are going to try and start by piecing things together in small doses where there is some type of common ground between both sides, i.e. agriculture, energy, etc... I should note, OPEC has decided to move forward with anticipated production cuts, but we just don't know the details of how many barrels per day are being cut from supply and or how long the production cuts will remain in play? OPEC leaders seem to be waiting on feedback and confirmation from Russia before finalizing and releasing details. Lets also keep in mind, Alberta, Canada announced just this week it would require producers to cut output by about 325,000 barrels per day. If your a heavy enduser or business that forward contracts large quantities of fuel, I like the thought of starting to hedge or locking in larger portions of supply needs. Even though I believe there could still be another leg lower during the next 60-days, upside risk now seems much greater than downside reward. I continue to hear talk that OPEC and other global producers would prefer seeing crude prices up somewhere between \$60 and \$80 per barrel. Outside the concerns surrounding the Chinese and the Middle East, we also have to be paying attention to the European Union. There's increasing concerns surrounding Brexit and UK Prime Minster Theresa May. The Italian debt and budget issues are also still in play. Traders here at home are eager to see this mornings November Employment Report. Most inside the trade are looking for a number that shows around +200,000 new jobs were added during November, with unemployment holding near historically lows level of 3.7%. Perhaps more interesting will be average hourly earnings, which many expect to advance by over +3% compared to the same month a year earlier. The question most continue to ask is when will rising wages flow through and start to cause more direct inflationary pressure? I suspect a weaker than expected jobs report will create more doubt about the Fed further raising rates. There's been some talk that tariffs and fear surrounding the ongoing trade war has finally started to slow U.S. employment. If this is true, the Fed might actually pause, which will give stock market bulls something to cheer about. Looking towards next week, I will be keeping a close eye on Brexit complications and headlines, as well as rumors that a Chinese delegation is headed to the United States. Stay fully engaged as longer-term opportunities are beginning to present themselves.

Lyft Going Public: Lyft announced that it had confidentially filed to go public, putting it on track to list in Q1'19 — ahead of when Uber will likely IPO. Lyft has not yet determined the number of shares to be offered or the price range, though

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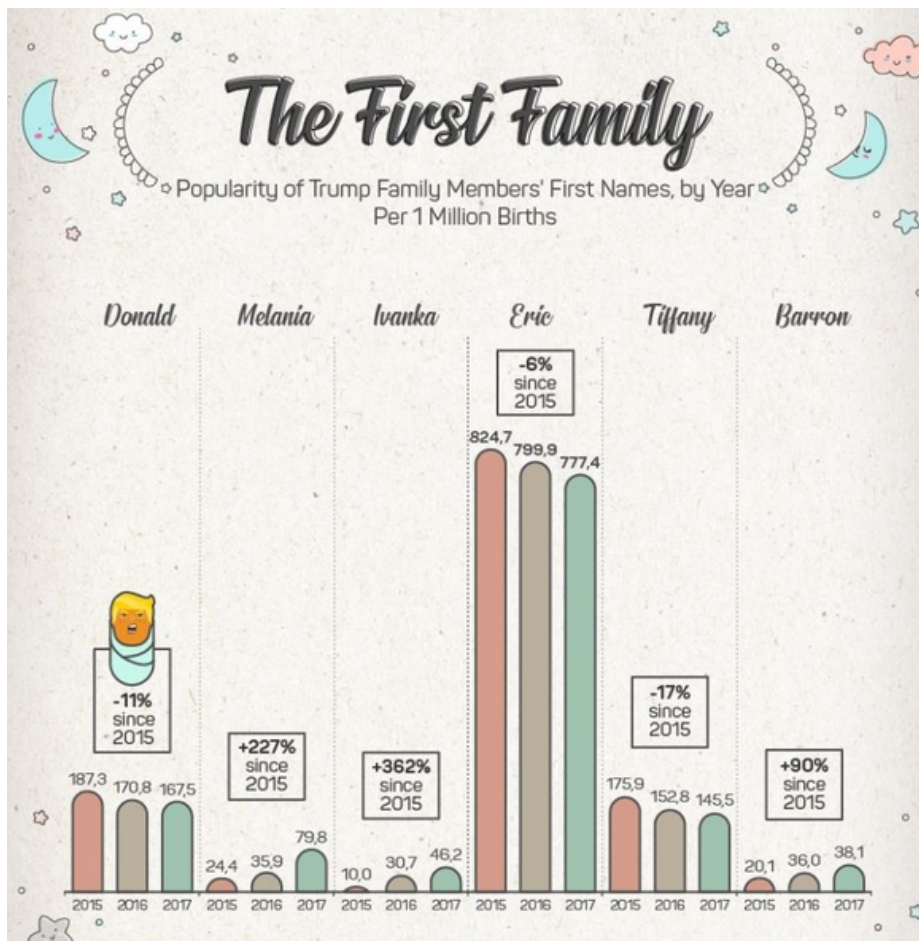


the company was most recently valued at \$15.1 billion in June of this year. Uber is thought to be valued somewhere between \$75 and \$120 billion. Airbnb might also go public in 2019.

Net-Worth of U.S. Households Hits Record High: A recent report released by the Fed shows, "the net worth of US households rose to an all time high of \$109 trillion, increasing for 12 consecutive quarters". That said, a chart from Deutsche Bank shows that "the wealth inequality in the US is now as bad as it was just during the Great Depression, with the top 0.1% of the US population owning as many assets as the bottom 90%."

America Becomes a Net Oil Exporter for First Time in 75 Years: America turned into a net oil exporter last week, breaking 75 years of continued dependence on foreign oil and marking a pivotal -- even if likely brief -- moment toward what U.S. President Donald Trump has branded as "energy independence." The shift to net exports is the dramatic result of an unprecedented boom in American oil production, with thousands of wells pumping from the Permian region of Texas and New Mexico to the Bakken in North Dakota to the Marcellus in Pennsylvania. While the country has been heading in that direction for years, this week's dramatic shift came as data showed a sharp drop in imports and a jump in exports to a record high. Given the volatility in weekly data, the U.S. will likely remain a small net importer most of the time. Read more [HERE](#).

New SSA data shows that "Melania," and "Ivanka," are Favorite of New Parents: The Trump women are popular in hospital nurseries with new parents looking to name their babies. A new survey of Social Security Administration data shows that "Melania," like first lady Melania Trump, and "Ivanka," like first daughter Ivanka Trump, are a roaring pick of parents. An AreaVibes review of names picked around the nation shows that the popularity of "Melania" has surged 227 percent, and for "Ivanka," it's up even more, 362 percent. From what I understand, data indicate that an average of 330 new baby names were invented annually between 1950 and 2017, but unconventional naming is now far more common than in the middle of the 20th century. In fact, 2017 welcomed four times as many unique baby names into the world as 1950, despite the fact that the total number of infants born was roughly equal in those years. For the record, the top name for girls in 2017 was Emma. It is so overused that the report referred to "Emma Nation". For boys, Oliver and Liam were tops.



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Today In History



1787 , Delaware ratifies the Constitution

- On this day in 1787, Delaware becomes the first state to ratify the Constitution, doing so by a unanimous vote. This momentous event occurred exactly one year after the Hampshire Herald published a statement by Thomas Grover listing the demands made by the participants in Shays' Rebellion. The post-war economy left farmers of western Massachusetts and throughout the 13 states in distress. Many were unable to pay debts with the worthless paper money issued by state governments. Captain Daniel Shays, a Continental Army veteran, led an attack on the federal arsenal in Springfield, Massachusetts, as part of an effort to close the courts where debt lawyers sued debtors. Volunteers put down the rebellion, but wealthy men throughout the new states were terrified that such a revolt might be repeated. To further their fears, Shays-ite candidates swept the Massachusetts legislature in the next election. Debtors' uprisings like Shays' Rebellion were a significant impetus for the Philadelphia convention to strengthen the American union. Alexander Hamilton first called for discussions on revising the Articles of Confederation based on improving economic relations in the new republic. The process began in a hurried and extra-legal manner. The Constitutional Convention's dictate that the new Constitution would come into effect after merely nine states ratified was strictly illegal under the Articles, which demanded unanimity among the states for amendments to take effect. The drafters wanted to take action quickly before the nation was irreversibly fractured. Delaware's ratification indicated that the states were indeed willing to consider an extra-legal document drafted behind closed doors. In many ways, the ratification process was a sort of second American revolution and Delaware's unanimous vote accurately foretold that it would take place without bloodshed.



1805 , Lewis and Clark temporarily settle in Fort Clatsop

- Having spied the Pacific Ocean for the first time a few weeks earlier, Meriwether Lewis and William Clark cross to the south shore of the Columbia River (near modern-day Portland) and begin building the small fort that would be their winter home. Lewis, Clark, and their men deserved a rest. During the past year, they had made the difficult trip from the

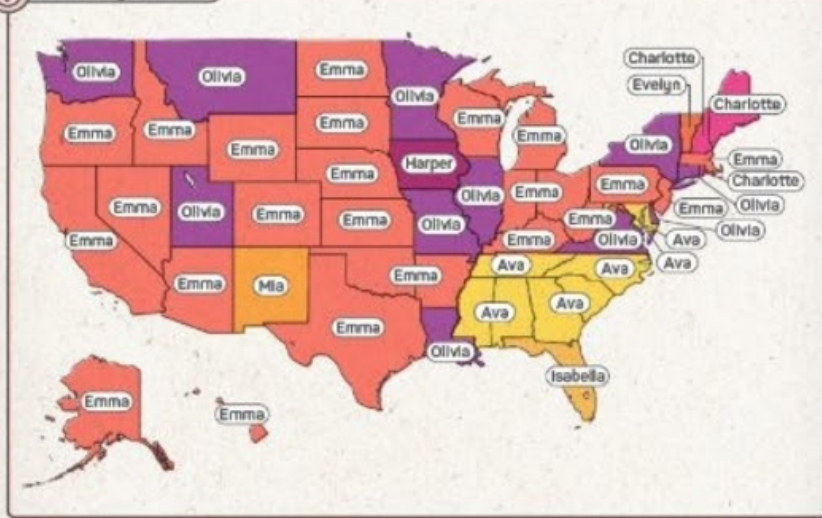
What's My Name?

Top Baby Names in 2017, by Gender and State

No. 1 Baby Boy Name



No. 1 Baby Girl Name



Source: Social Security Administration

areavibes

FARM TANK

Tweets of the Day



upper Missouri River across the rugged Rockies, and down the Columbia River to the ocean. Though they planned to return home by retracing their steps in the spring, the Corps of Discovery settled in the relatively mild climate of the Pacific Coast while winter raged in the mountain highlands. For their fort, Lewis and Clark picked a site three miles up Netul Creek (now Lewis and Clark River), because it had a ready supply of elk and deer and convenient access to the ocean, which the men used to make salt. The men finished building a small log fortress by Christmas Eve; they named their new home Fort Clatsop, in honor of the local Indian tribe. During the three months they spent at Fort Clatsop, Lewis and Clark reworked their journals and began preparing the scientific information they had gathered. Clark labored long hours drawing meticulous maps that proved to be among the most valuable fruits of the expedition. After talking with local Indians, the two men determined that they had taken an unnecessarily difficult path through the Rockies, and planned alternate routes for the return journey. Meanwhile, the enlisted men and fellow travelers hunted and trapped—they killed and ate more than 100 elk and 20 deer during their stay. While the stay at Fort Clatsop was peaceful, it was not entirely pleasant. The Clatsop Indian tribe was friendly, but Clark noted that the Indians were hard bargainers, which caused the expedition party to rapidly deplete its supply of gifts and trading goods, and eventually caused some resentment on both sides. Most vexing, though, was the damp coastal weather—rain fell all but twelve days of the expedition's three-month stay. The men found it impossible to keep dry, and their damp furs and hides rotted and became infested with vermin. Nearly everyone suffered from persistent colds and rheumatism. The expedition departed for home from soggy Fort Clatsop on March 23, 1806. The region they explored later became the state of Oregon—Lewis and Clark's journey strengthened the American claim to the northwest and blazed a trail that was followed by thousands of trappers and settlers.



1987, Mikhail Gorbachev -

On this day in 1987, Gorbachev arrives in United States for summit with Ronald Reagan. Following the near-breakthrough of the previous year's Reykjavik Summit, and much to the chagrin of many supporters of both leaders, Reagan and Gorbachev began putting resources into INF Treaty negotiations. This, in addition to various troubles foreign and domestic in both countries led to a tense time preceding the Washington Summit. For Reagan, trouble with the stock market, failure to win approval for Supreme-Court-nominee Robert Bork, and the Iran-Contra scandal were all generating political pressure. Also, criticism from an uncharacteristically large number of notable conservatives including former President Richard Nixon,

This is where tourists spent the most money in 2017 wef.ch/2zJDCEp #tourism #economics

Where Tourists Splash The Most Cash

Number of tourist arrivals and total inbound expenditure in 2017



* 2016
@StatistaCharts Source: UNWTO

statista



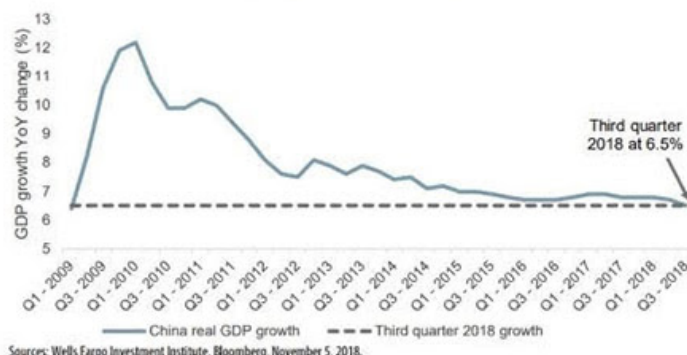
Jesse Colombo

@TheBubbleBubble

Following

The Scariest Economic Chart In The World Right Now May Come From China: forbes.com/sites/pedrodac ... by @pdacosta \$FXI \$EEM

Chart 1. Chinese economic growth slowest since 2009



Sources: Wells Fargo Investment Institute, Bloomberg, November 5, 2018.

former Secretary of State Henry Kissinger, commentator William Buckley, as well as members of his own administration resulted in a contentious political atmosphere around the INF Treaty. Gorbachev too was encountering opposition, not only the INF treaty negotiations, but also his Perestroika reform programs. Despite replacing over 150 senior defense ministers and officers after the Mathias Rust incident, Gorbachev's frustrations were only compounded when just two months before the Washington Summit was held, then-candidate member of the Politburo and supporter of Gorbachev, Boris Yeltsin, denounced the Soviet General Secretary and resigned from his post in an unprecedented and highly controversial move. Though, according to Reagan's Secretary of State George P. Shultz, the Soviet leader was unusually contentious during their late-October meeting in Moscow to finalize the terms of the INF treaty, "Shultz had barely unpacked his bags back in Washington before word came from Moscow that Gorbachev wanted the summit to take place soon. Shevardnadze would be in Washington within two days to see to the final details of the INF Treaty and the summit". Gorbachev and his wife, Raisa, charmed the American public and media by praising the United States and calling for closer relations between the Soviet Union and America. Aside from the excitement surrounding Gorbachev (whose face was soon plastered on T-shirts, cups, and posters), the summit with Reagan resulted in one of the most significant arms control agreements of the Cold War. Reagan and Gorbachev signed off on the Intermediate-Range Nuclear Force (INF) Treaty, which called for the elimination of all ground cruise and ballistic missiles and launchers in Europe with ranges of 320 to 3,400 miles. By June 1991, the United States had eliminated over 800 missiles and the Soviets had eliminated 1,800 such weapons. The INF Treaty was the first arms control agreement that eliminated, rather than simply limited, nuclear weapons. The treaty also required on-site inspections to ensure compliance, part of Reagan's famous "trust but verify" credo. Some critics in the United States denounced the treaty, claiming that it would "de-nuke" Europe and leave America's allies at the mercy of the Soviets' massive conventional forces. Most Americans, however, considered it a monumental step toward the reduction of the risk of nuclear war. The treaty was ratified by the Senate and went into effect in June 1988.

Upcoming Events

Fri. 12/7 – Monthly Unemployment

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

Thur. 12/13 – Export Sales

Mon. 12/17 – NOPA Crush



Bethany McBride
@twentyacrefarms

Following

#Harvest2018 done and in the books! A little unnerving combining to Christmas music but we got done.



John Loewen
@John__Loewen

Following

It sure is a beautiful evening to be hauling some of that white gold **#Cotton #Harvest**



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:



Cody Johnson
"On My Way To You"

Kevin's Song of the Week



James Lawrence
@IronCowboyJames

Following

A one hour workout is only 4% of your day.
No excuses.



NEXT level THINKING



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

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

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

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

Kevin Van Trump

What Others Are Saying

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

A.M., FDIC

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



Super 70s Sports
@Super70sSports

Following

No one at Shea Stadium that day will ever forget Joe Namath entering the game in his fur coat and directing a game-winning drive.



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.

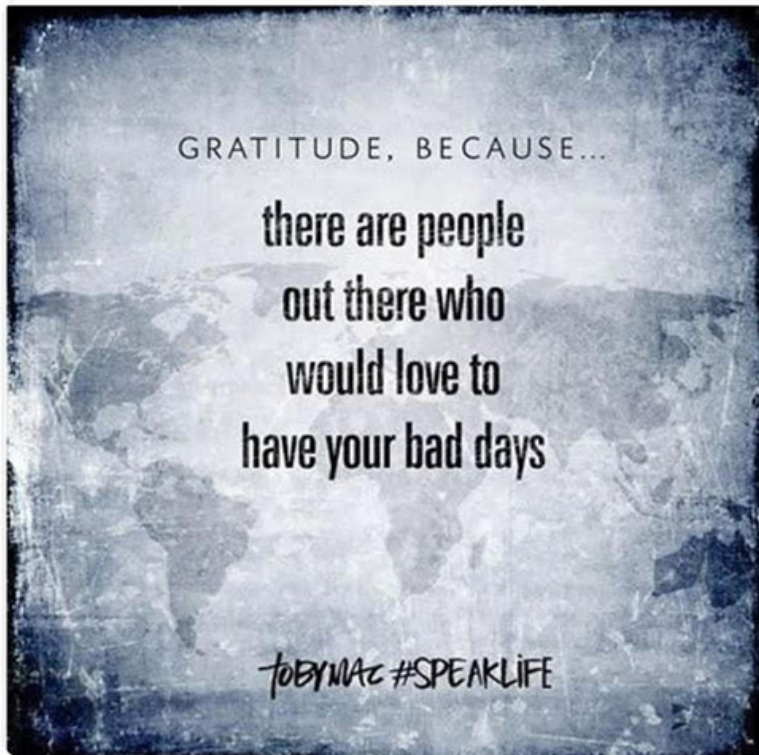


Harold Kurt 💰📞

@TweetWithHKurt

Following

Gratitude. There are people who would love to have your bad days. DareToShare.ws
#gratitude #motivation



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.

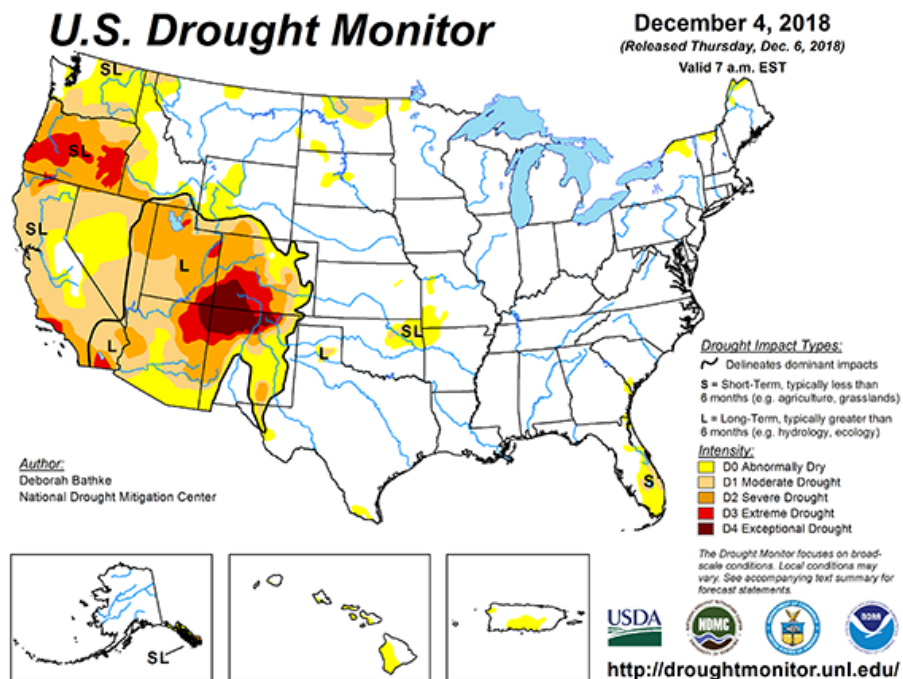
TODAY'S RIDDLE:

When you don't know what I am, then I am something. But when you know what I am, I am nothing. What am I?

Weather on the Plains has seen cold but mostly dry weather prevail in advance of an approaching storm system. Below normal temperatures are limiting winter wheat germination and growth; in Kansas, only 89% of the wheat crop had emerged by December 2. In the Corn Belt, patches of light snow are occurring primarily in northern Missouri and downwind of the Great Lakes. Producers continue to push slowly toward

harvest completion, balancing crop fragility with the impacts of heavy equipment on soggy fields that have not yet fully frozen. In the South, col by dry weather is favoring late-season fieldwork including summer crop harvesting and winter wheat planting. By December 2, winter wheat planting in the lower Mississippi Valley ranged from 68% complete in Louisiana to 93% complete in Arkansas. Over the next few days a slow moving storm system will traverse the nation's southern tier and will produce a large area of precipitation in the form of rain, freezing rain, sleet and snow. The NWS has issued winter storm watches for December 7 - 8 across portions of the southern Plains and mid-South, where wintry precipitation could cause travel disruptions. By early next week, mild weather will return across the northern and western U.S.

Drought Continues to Decline: *Drought has been nearly erased in the central U.S. as we move into December. In the Midwest, drought is only present in 1.9% of the region, appearing in tiny portions of northern Minnesota and southwest Missouri. Drought's foothold across the U.S. has steadily fallen for nearly four months now, affecting just 32.6% of the country as of December 4. The percentage of the U.S. affected by drought has fallen 15 of the past 16 weeks and are now at the lowest levels since September 2017.*

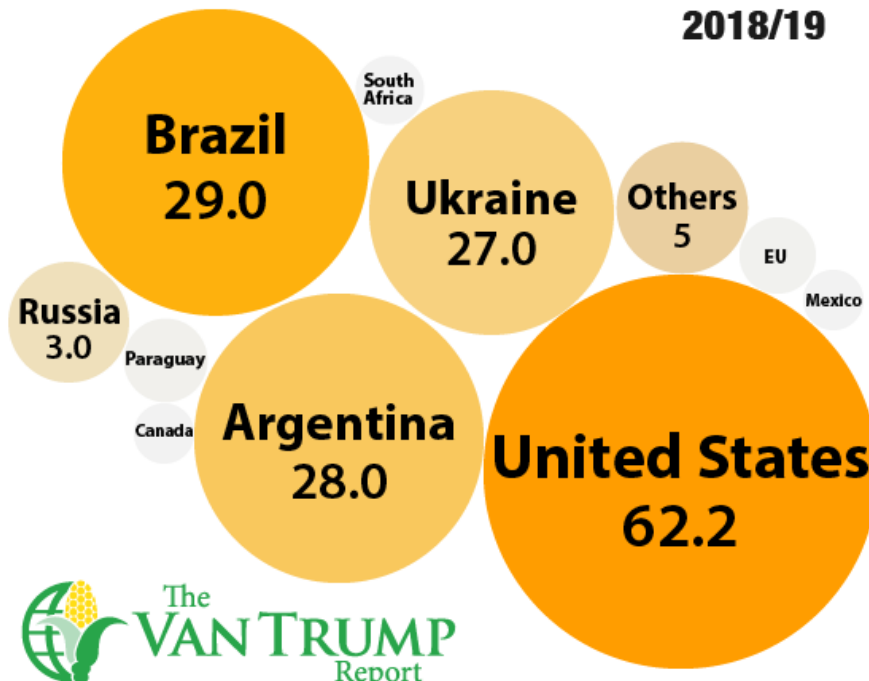


Corn prices have moved very little this week. The trade seems to be balancing the optimism and rumors that Chinese buyers may eventually purchase large amounts of U.S. corn and ethanol, against the bearish talk of increasing South American and Ukraine production. The USDA is currently forecasting a heavy rebound in South American production compared to last year. Interestingly, several sources are starting to bump both their Argentine and Brazilian estimate even a bit higher. Estimates inside Ukraine are also starting to get stronger. The USDA currently has the Ukraine corn crop estimated at 33.5 MMTs, while I'm hearing talk the crop is somewhere between 35.0 and 35.5 MMTs. Keep in mind, many Ukraine producers battled a drought last year and total production for their country was only 24.1 MMTs. Bottom-line, I wouldn't be surprised to see a slight bump higher by the USDA. Don't forget, the USDA will be releasing their updated monthly supply and demand numbers next Tuesday. I'm personally thinking they could bump South American and Ukraine production higher. At the same time, I suspect they make another slight reduction to the size of the current U.S. crop. In the end, I could argue a very slight reduction in U.S. ending stocks and perhaps a slight increase in global supply. Net-net, probably very little shift or change in the balance sheet. I should note, weekly ethanol production jumped back to its highest level since late-August, reported this week at 1.069 million barrels per day. Even though this was a strong number it's still significantly less than last year. Ethanol surplus is also about +4 to +5 million barrels higher than last year. From a technical perspective, the \$3.90 to \$4.00 area in the MAR19 contract is still presenting fairly stiff nearby resistance. I remain conservatively bullish. I still believe we could quickly add another +15 to +30 cents on the announcement of a Chinese trade compromise or reports and details of specific buying by the Asian giant. Staying patient! I'm most interested in Chinese trade headlines, the upcoming USDA report, longer-term weather forecast for Brazil, and the overall global macro landscape.

Top Corn Exporters

(in million metric tons)

2018/19



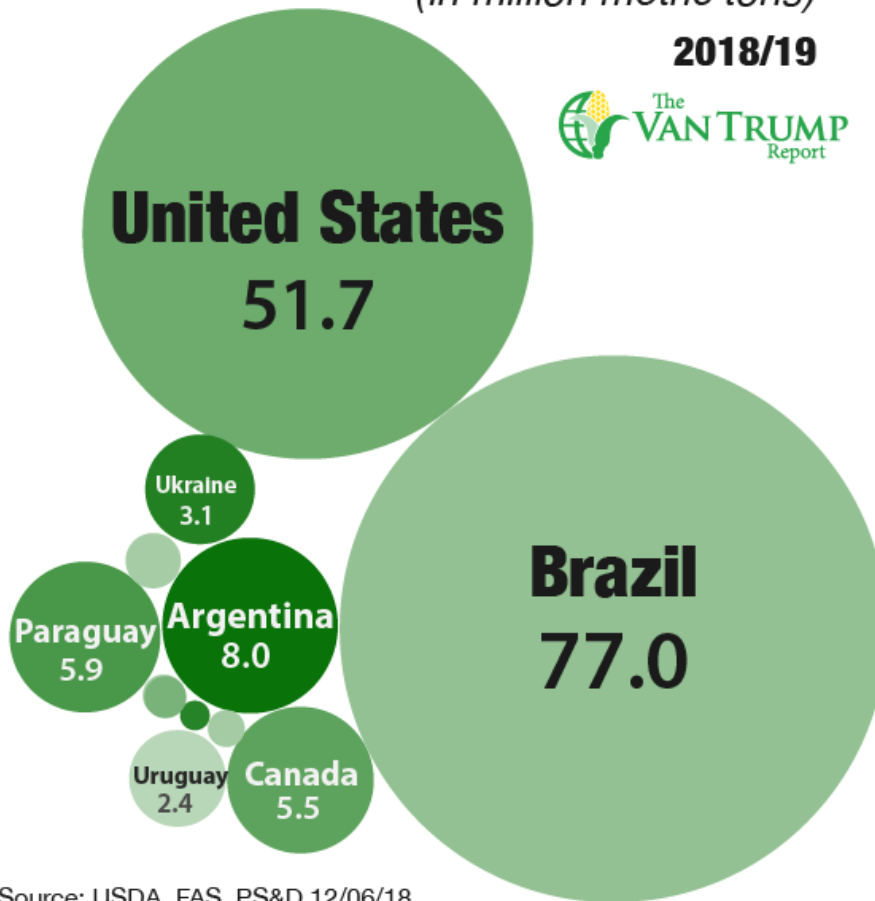
Source: USDA, FAS, PS&D 12/06/18

Soybean traders continue to debate the uncertainty surrounding U.S. and Chinese relations. Any negative headline is causing an almost immediate knee-jerk to the downside, while headlines that might insinuate we are a step closer to a compromise are pulling prices higher. Without knowing the next round of political headlines it's extremely difficult to forecast price. I should note, the recent arrest of Huawei Technologies, CFO, Meng Wanzhou, certainly complicates things and adds a couple of new twist. Bears are saying the wealth of information that could come from a U.S. investigation of the Chinese tech giant may be worth delaying any nearby trade resolution. Bulls on the other hand, believe the recent arrest will make Chinese leaders much more willing to negotiate and come to a compromise. There are just so many moving parts. I continue to look for some type of deal involving soybeans, pork and other U.S. agriculture products. South American weather has to be considered mostly bearish for the moment as updated forecasts are allowing insider to adjust their production estimates higher not lower. I continue to hear talk that the current record production the USDA is forecasting for Brazil could ultimately be 5 to 10 MMTs too conservative. From a technical perspective, it continues to feel like major nearby resistance in the JAN19 contract is up between \$9.20 and \$9.30 per bushel. Keep in mind, since the middle of June, this contract only closed above \$9.20 twice, with the last time being back in early-August. The \$8.90 to \$9.00 area continues to look like nearby support. As for next Tuesday's USDA report, I could argue that U.S. ending stocks tighten up just a touch. Unfortunately, that's probably offset by a jump in South American production estimates and a bump higher in world ending stocks. As both a producer and a spec, I continue to keep a close eye on Chinese trade headlines, worries surrounding African Swine Fever, the overall direction of the U.S. dollar, and extended South American weather. As a producer, I'm looking to reduce some longer-term risk on the next leg higher or announcement of Chinese buying. As a spec, I'm looking to be a buyer on negative knee-jerk to the downside.

Top Soybean Exporters

(in million metric tons)

2018/19

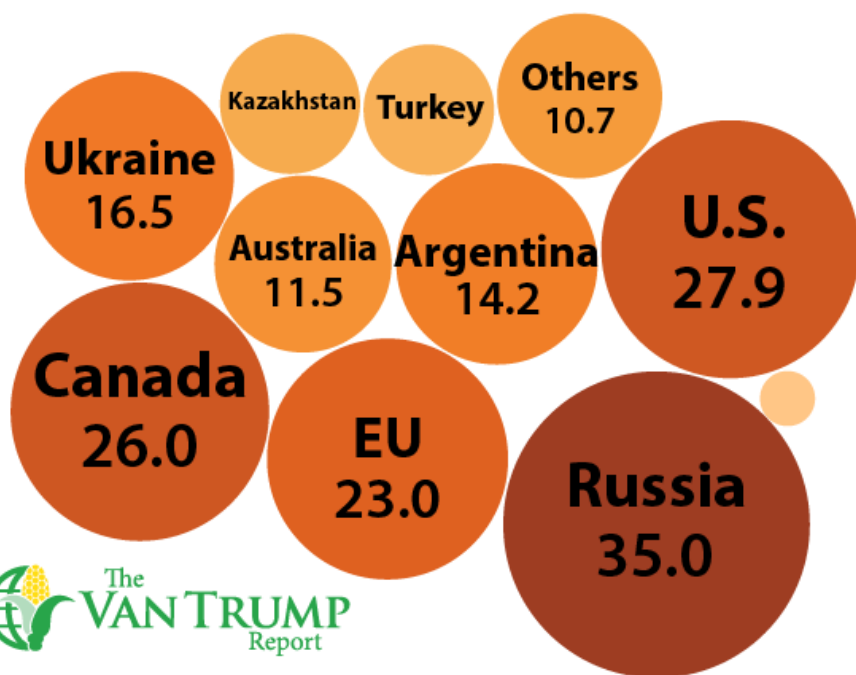


Source: USDA, FAS, PS&D 12/06/18

Wheat continues to trade in sideways channel near the lower end of the range. Essentially winter wheat has traded in a 30 cent range for the past couple of months. Spring wheat has taken a more severe tumble, down over -50 cents from its highs set back in October and down over -\$1.00 per bushel since August. The Spring wheat contract is now within 10 cents from posting new lows on the year. I should note, StatsCan released its updated Canadian crop production estimate yesterday. They bumped their production number higher to 31.769 MMTs, which is up from last year's 29.984 MMTs. The USDA currently has the Canadian wheat crop estimated at around 31.5 MMT. In other words, the current USDA estimate is fairly close. The USDA will release their December supply and demand report next Tuesday. I suspect they further trim the Australian production estimate, and perhaps trim a bit more from their EU production estimate. There's talk they could make an ever so slight bearish adjustment here at home to ending stocks as U.S. exports continue to lag expectations. Keep your eye on this morning's weekly export sales data for nearby direction. I continue to keep a close eye on Russian military movement in and around Ukraine. I am also extremely interested in the direction of the U.S. dollar, total winter wheat acres planted here in the U.S., as well as headlines surrounding U.S. and Chinese trade negotiations. I remain conservatively bullish. As a spec, I would like to add to my current bullish demeanor on a fresh leg lower. As a producer, I remain patient, as I'm sold-out of old-crop supply and already have 50% of my estimated 2019 production priced or hedged.

Top Wheat Exporters

2018/19 (in million metric tons)



Source: USDA, FAS, PS&D 12/06/18



> Smallest Ag Trade Surplus in 12 Years: *U.S. ag exports are always larger than ag imports, but that trade surplus is forecast to narrow this year due to the trade war with China. We already know the 2019 ag exports are projected to be down \$1.9 billion to \$141.5 billion largely due to decreases in soybeans and cotton. These losses are expected to narrow the trade surplus to \$14.5 billion in 2019, which would be the smallest surplus since the \$12.2 billion of 2007 according to USDA economists. Put that in perspective, back in 2014 the trade surplus was \$43.1 billion. (Source: USDA, ERS)*

> India Cotton Production Falls To Multi-Year Low: *There's more reports circulating that cotton production in India could fall to its lowest level in almost a decade. Limited rainfall in a couple of key production areas could cause the crop to fall by a double digit percentage compared to last year. In fact, this might be their lowest production total since 2009-10. There's some who say India will export only about half as much as last year.*

> World Food Prices Fall in November: *World food prices declined in November to their lowest level in more than two years, led by declines in vegetable oils, dairy and cereal, the United Nations Food and Agriculture Organization said. The Food and Agriculture Organization's (FAO) food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 160.8 points last month, down from a revised 162.9 in October, and its lowest level since May 2016. (Source: Reuters)*

> Felons Can Now Farm Hemp: *The bipartisan farm bill's hemp provision has been modified, removing language that would have barred people with felony drug convictions from growing the plant. (Source: McClatchy)*

> Canadian All-Wheat Production Estimate Raised: *StatsCan increased their estimated production of Canada's all-wheat crop production, raising it to 31.8 MMT. That is an 800,000 MMT increase from the September estimate and 400,000 more than the trade was expecting..*

> Wisconsin Dairy Farmers Considering Managing Supply: As a remedy for low prices and the loss of dairy farms, delegates to the Wisconsin Farm Bureau's annual meeting passed a resolution calling for consideration of dairy supply management. Now, this is really early and they are only "considering" the possibility of supply management. If they did develop a system to manage supply, they would put farmers in charge and keep the government out of controlling prices. (Source: Brownfield Ag)

> Farm To Table Continues To Become A Reality: Tech start-ups are helping move food from the farm to the consumer more efficiently. While much of this push has been in order to connect consumers with the folks who produce their food, it also done out of desire to reduce food waste. It is estimated that the amount of food discarded worldwide annually is worth \$1.2 trillion. (Source: Financial Times)

> Getting Paid To Reduce Carbon Emissions: Oil & gas giant Shell announced it will link executive pay to carbon emissions targets — the first energy company to do so. The policy will be based on 3- to 5-year targets beginning in 2020. The announcement was made in partnership with Climate Action 100+, an initiative by 300+ investors to call on companies to curb emissions. (Source: CBInsights)

> U.S. Trade Deficit Hits 10 Year High: The Commerce Department said the trade deficit increased 1.7% to \$55.5 billion, the highest level since October 2008. The trade gap has now widened for a five straight months. Data for September was revised to show the deficit rising to \$54.6 billion instead of the previously reported \$54.0 billion. The trade deficit specifically with China surged 7.1% to a record \$43.1 billion in October as soybean exports continued to fall and imports of consumer goods rose to a record high. (Source: Reuters)

> New Rail Project Will Make Brazil Soybean Growers More Competitive: In order to connect farms in westcentral Brazil with ports in the north, soybean farmers are digging into their pockets. I'm told producers will make equity investments in a 580-mile railway, allowing them to one day better compete with Argentina. Estimates for the project stand at \$3.24 billion and there will be an auction early next year to award a 65-year operating license.

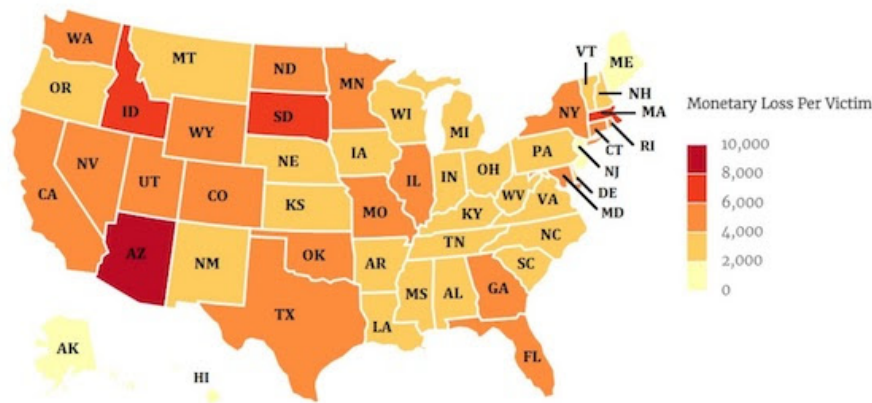
> Cup of Venezuela Coffee is up 285,614%: That newly brewed cup of coffee brings Venezuelan inflation to a preposterous 1.7 million percent annualized over the last 3 months, according to Bloomberg's Café Con Leche Index. Over the past 12 months, we're talking about an inflation rate of 285,614%.

> Uber Plans to Get Back in the Game: Uber is plotting its return to the self-driving road a day after Alphabet launched the first U.S. commercial robotaxi service, called Waymo One, in Arizona. UBER had suspended operations after one of its autonomous cars hit and killed a woman crossing a street in March. It now plans to run the vehicles on a mile loop between its offices in Pittsburgh, not exceeding a speed limit of 25 miles per hour.

> Tesla's China Factory Set to Go Live in 2019: Tesla's China factory, dubbed Gigafactory 3, is set to begin production in the second half of 2019, according to the Shanghai government. Producing in China, the world's largest market for electric vehicles, will allow Tesla to reduce costs significantly. The company has said it is operating at a 55%-60% cost disadvantage versus domestic peers due to ocean transport costs and tariffs

> Congress Races to Pass A Self-Driving Car Law By Year's End: On Wednesday, Waymo officially launched its self-driving taxi service in the suburbs of Phoenix, AZ. The taxis still have humans behind the wheel and they're only open to few hundred people already enrolled in the beta program, but it's a reminder that driverless cars are coming. So, senators have begun to circulate new language for a bill that would create a loose framework for the testing and deployment of automated vehicles. The key is to avoid a patchwork of local and state regulations that will make driverless regulation chaos. The Senate is expected release final, public language for the new AV Start Act by mid-month. (Source: Wired)

> Where Do Cyber Crimes Cost People the Most? Data breaches like last week's massive Marriott hack are becoming all too common. Last year, the Identity Theft Resource Center tracked over 1,500 instances. Yet data breaches are only the beginning: The stolen information can then be used in a variety of frauds and scams. Overall, cyber crimes, which include both attacks and digital fraud, are at a six-year high. The map below breaks down by state the losses incurred. (Source: CNBC)



created with mapseconds.com



Northwest Illinois – Here's the problem I am staring down at. Harvest came in very late which is fine, we got done so I'm happy about that. We had to dig through some fields to get done, meaning rutting them up fairly bad. We didn't have time to go back and fix anything because by the time harvest finished the ground was freezing. We did go back and shred some corn stock on some later harvested fields but that really about it. The earlier harvested stuff needs a disc ran through it. We did zero field work and didn't get any Nitrogen put down. We are out looking for NH3 bids and now we can't find anything under the price we are looking for which is \$400. I'm told it's only going higher.

Southern Indiana – We have beans that are still 25% moisture, so we can't afford to combine the beans for 2 reasons. The most important reason we can't afford to dry them down. We would burn through a buck or more in shrink and electricity. Secondly, we can't crack the pods with our combine. We will kick pods out the back of the combine without a doubt. I would bet we lose 10 bushels on pods being kicked out and 10 bushels in shrink. So with all that be considered we just have to let them sit.

Central Iowa – We hustled and finished the last of harvest up about 10 days ago. We had some dicey weather coming down the pipe and figured we would be better off just getting it gone then wait for ideal conditions. There are still fields standing out there and we have a pretty decent snow coming overnight again so I really have no idea what guys are thinking. Guys are already worried sick about nitrogen and seed and we haven't hit Christmas which I find odd. Usually the markets give us a chance to buy inputs cheaper right in here or after the new year so I don't know why people are so up in arms already.



Digital Tool SmartLabel Reveals Consumer Trends: SmartLabel, the digital tool that makes information about a participating food or beverage product visible on smart phones via QR codes, is celebrating its third anniversary this week, and the tool now provides easy and instantaneous access to detailed information from 826 brands on more than 36,000 food, beverage, personal care, household and pet care products. Research shows more consumer information tends to influence buying decisions. I'm told that a recent online survey done by Atomik Research this past May found that 75% of 1,002 shoppers said they would change their buying habits if they were given more environmental impact, safety and usage information about the products they were purchasing. And 71% said they wanted more information about a product beyond the

label ingredients, such as what role the ingredients play in the product or why they're there. Such attitudes would seem to bolster SmartLabel's future as it adds more participating products to the roster. These are areas we as producers need to be considering as we prepare our businesses for the future. Read more [HERE](#).

Interesting Research Claims Curiosity Biases Our Decisions: Curiosity is a welcome trait in many respects and is the fuel that powers science. Yet literature is filled with fables that warn of the seductive danger of curiosity. We all know the regret that can follow if we give in to curiosity – glancing at a private message that we shouldn't have, for instance, reading a TV review when we know it contains spoilers or trying out what happens if you put metal in a microwave. From whence does curiosity derive such power over us? One answer lies in the brain. In a pair of brain-imaging studies published as a preprint at bioRxiv – aptly titled *Hunger For Knowledge: How The Irresistible Lure of Curiosity Is Generated In the Brain* – Johnny King Lau and his colleagues have shown that curiosity appears to be driven by the same neurobiological process as physical hunger. Researchers laid the groundwork for their brain-scan research with a small behavioral experiment in which hungry volunteers were shown either magic tricks or pictures of tempting food, and then presented with a lottery wheel. Find out what happened and gain more insights [HERE](#).

Are Millennials Losing Their Appetite for Entrepreneurialship? Research suggests entrepreneurial activity has declined among Millennials. The share of people under 30 who own a business has fallen to almost a quarter-century low, according to a 2015 Wall Street Journal analysis of Federal Reserve data. A survey of 1,200 Millennials conducted in 2016 by the Economic Innovation Group found that more Millennials believed they could have a successful career by staying at one company and attempting to climb the ladder than by founding a new one. Two years ago, EIG's president and co-founder, John Lettieri, testified before the U.S. Senate, "Millennials are on track to be the least entrepreneurial generation in recent history." Read why [HERE](#).

Streaming Services Popularity Seen With Golden Globe Nominations: Since streaming services, such as Netflix, Hulu, and Amazon, entered the Golden Globe scene, they have quickly racked up many nominations, translating only some of those nods into actual trophies. Netflix was the first to break ground at the awards, getting nominated for six awards in 2014 and receiving one award that same year for their hit series *House of Cards*. By 2015 Amazon entered the arena, getting three nominations and two awards that year. Hulu has had a more sporadic performance at the Globes, though last year they were able to win two of their three nominations for *The Handmaid's Tale*. The 76th Golden Globe Awards will be held Jan. 6, 2019. The show will air live coast to coast starting at 8 p.m. ET/PT from the Beverly Hilton. Read more [HERE](#) on how streaming is changing the game.

New Tech Shown Off In This Extreme-Terrain Six-Wheeler: The Ferox Azaris is a work of art to look at, and should offer some awesome rough terrain capabilities – but at its heart, it's a test bed and demonstrator for a new, 98 percent efficient in-wheel motor, with a highly responsive fluid drive system that Ferox hopes will enable some pretty crazy future vehicle architectures. I'm told it makes around 100 hp, thanks to a BMW R1200GS motor, and rides on six wheels, the rear four of which are driven, and which sit on a rocker-style suspension system similar to the one used on the Mars Rover. Learn more about it and see more pics [HERE](#).



Making Weather Great Again

The Weather Channel is taking weather reporting by storm with their new style of immersive mixed reality that covers everything from disasters to college football. Media

mogul and former comedian, Byron Allen, recently bought the Weather Channel for a reported \$300 million in March with one goal of turning the weather into an edge-of-your-seat entertainment experience instead of a chore. The Weather Channel is now using technology from partners IBM, who owns the digital rights to the Weather.com brand, and The Future Group, who makes the 'Unreal Engine' that powers many video games, to create an immersive mixed reality experience to engage viewers. The Weather Channel is using the Unreal Engine platform to build these lifelike graphics in real time. Most recently, the Weather Channel released this immersive mixed reality to drive home the dangers of flooding during Hurricane Florence. Click [HERE](#) to watch this immersive mixed reality to feel like you're actually in Hurricane Florence. The Weather Channel has also produced simulations of [tornadoes](#), [wildfires](#), and [lightning](#) that look more like high-budget disaster flicks than weather broadcasts. These videos are going viral because they are frightening in a way that news footage often never is these days. Instead of looking in from the outside, the meteorologist takes us inside the danger. This new technology is forcing viewers to imagine what it would be like if they were caught in a flood or if flames erupted around them. The company plans to be using mixed reality for 80% of its reporting by 2020, and in early 2019 they plan to roll out another new type of technology called mixed reality weather time lapses. The Weather Channel is also pairing with the NFL to use these mixed reality forecasts to help viewers experience the elements their favorite athletes have to endure while playing in different conditions. Click [HERE](#) to see how the technology will show how rainy, windy, and sleety conditions can affect plays on the field. Overall, it looks like the future of weather will be more of an entertainment service than simple teleprompter reporting in the coming years.



Who You Picking To Win The Heisman?

This Saturday at around 7:00pm CST officials in New York will announce the winner of the 84th Heisman Trophy. Finalist for this years Heisman include: Junior, Kyler Murray, QB, Oklahoma is now the odds-on favorite to win it all; Sophomore, Tua Tagovailoa, QB, Alabama had been the favorite most of the season but recently slipped in the rankings; Sophomore, Dwayne Haskins, QB, Ohio State; Senior, Gardner Minshew, QB, Washington State; Senior, Will Grier, QB, West Virginia. Keep in mind, it was actually this day back in 1935 that a young man from Dubuque, Iowa, named Jay Berwanger won the first ever Heisman Trophy. Berwanger was a starting halfback for the

University of Chicago, where he was often known as "the one man football team". Interestingly Berwanger went on to become the first player to ever be drafted in the NFL in its inaugural 1936 draft. I should also note that Berwanger competed in track & field for the University of Chicago, setting a school decathlon record in 1936 that stood until 2007. This where the story gets interesting... Berwanger was selected by the Philadelphia Eagles as the first overall pick, but they did not think they would be able to meet his reported salary demands of \$1,000 per game, so they traded his negotiating rights to the Chicago Bears for tackle Art Buss. Berwanger initially chose not to sign with the Bears in part to preserve his amateur status so that he could compete for a spot on the U.S. team for the 1936 Summer Olympics in the decathlon. After barely missing at the Olympics, Berwanger and Bears' owner George Halas were unable to reach an agreement on salary. It was reported that Berwanger was requesting \$15,000 and Halas' final offer was \$13,500. Instead, he took a job with a Chicago rubber company and also became a part-time coach at the University of Chicago. People close to Berwanger said that later in his life he expressed regret that he did not accept Halas' offer. Folks also said he was very modest and humble about winning the Heisman and used the trophy as a doorstop in his library. The actual trophy was later bequeathed to the University of Chicago Athletic Hall of Fame, where it is on display. There is also a replica of the first Heisman on display in the trophy case in the Nora Gymnasium at Dubuque Senior High School. Also, a bit of history and something you may not know is that the actual award was created by the Downtown Athletic Club in 1935 to recognize the most valuable college football player east of the Mississippi. After the death in October 1936 of the Club's athletic director, John Heisman, the award was named in his honor and broadened to include players west of the Mississippi. The trophy is made out of cast bronze, is 13.5 inches tall and weighs 25 pounds. Below are a few more fun facts. Don't forget the announcement for the 2018 84th Heisman Trophy winner will be held Saturday in New York at 7 p.m. CST on ESPN.

Back-to-back winners from schools: *Kyler Murray is attempting to give the Sooners the first back-to-back Heisman Trophy-winning quarterbacks of any school in the history of the award after Oklahoma QB Baker Mayfield won the award last year. Other back-to-back winners from the same university include USC quarterback Matt Leinart in 2004 and running back Reggie Bush in 2005, Army fullback Doc Blanchard in 1945 and running back Glenn Davis in 1946, and Yale tight end Larry Kelley in 1936 and halfback Clinton Frank in 1937.*

Schools with the Most: *USC and Notre Dame have the most number of Heisman trophies won, each with seven.*

In the Hall of Fame: *Eleven of the Heisman Trophy winners are in the Pro Football Hall of Fame. That means 11/83 winners are in the Pro Football Hall of Fame or 13.3% of winners.*

Multi-Talented: *Two Heisman winners went on to play other professional sports, Bo Jackson in baseball and Charlie Ward in basketball. Kyler Murray will be the third Heisman Trophy winner to do this if he wins this weekend. Murray was drafted 9th overall by the A's last summer and signed a \$4.66 million deal.*

Never Pursued a Sports Career: *Only two winners of the award never pursued a career in professional sports: Pete Dawkins and Dick Kazmaier; Dawkins had a career with the United States Army where he achieved the rank of Brigadier General; Kazmaier attended Harvard Business School, founded a consulting company specializing in sports marketing, and chaired the President's Council on Fitness, Sports, and Nutrition.*

Most Votes: *The player who received the most votes (by percentage) was Reggie Bush of USC in 2005, though his award was voluntarily forfeited back in 2010.*

Widest Margin of Victory: *The player who won by the widest margin was Troy Smith of Ohio State in 2006.*

First Freshman to Win the Award: *Texas A&M quarterback Johnny Manziel became the first freshman to win the Heisman in 2012.*

Youngest to Win the Award: *In 2013, at 19 years and 342 days old, Florida State quarterback Jameis Winston became the youngest Heisman Trophy winner as a freshman. Interestingly the oldest to ever win, Chris Weinke, at the age of 28, also played for Florida State.*

Oh So Close: *Seven players have finished in the top three as freshmen or sophomores but never won a Heisman: Clint Castleberry, Marshall Faulk, Michael Vick, Rex Grossman, Larry Fitzgerald, Adrian Peterson, and Christian McCaffrey.*

Only Defensive Player to Win: *Charles Woodson is the only primarily defensive player to win the award, doing so as a defensive back, kick returner, and occasional wide receiver for Michigan in 1997.*

Selling the Trophy: *Several Heisman trophies have been sold over the years. O. J. Simpson's 1968 trophy was sold in February 1999 for \$230,000 as part of the*

settlement of the civil trial in the O. J. Simpson murder case. Charles White's 1979 trophy first sold for \$184,000 and then for nearly \$300,000 in December 2006 to help pay back federal income taxes. Paul Hornung sold his Heisman for \$250,000 to endow student scholarships for University of Notre Dame students from his hometown of Louisville, Kentucky.

3 High Schools with 2 Winners: Only three high schools have produced multiple Heisman trophy winners. The first was Woodrow Wilson High School in Dallas, Texas (Davey O'Brien in 1938 and Tim Brown in 1987). Woodrow remains the only public high school to be so recognized. Thereafter, two private high schools also achieved this distinction: Fork Union Military Academy in Fork Union, Virginia (Vinny Testaverde as a Postgraduate in 1982, and Eddie George in 1996) and Mater Dei High School in Santa Ana, California (John Huarte in 1964 and Matt Leinart in 2004).



77-Year Anniversary Of The Attack On Pearl Harbor

Hundreds of Japanese fighter planes attacked the American naval base at Pearl Harbor near Honolulu, Hawaii, 77 years ago today. The barrage lasted two devastating hours in which the Japanese destroyed nearly 20 American naval vessels, including eight enormous battleships and almost 200 planes as well as ending the lives of more than 2,000 American soldiers and sailors with another 1,000 being injured. Immediately following the assault, President Franklin D. Roosevelt asked Congress to declare war on Japan and it was approved with just one dissenting vote. Three days later, Japanese allies Germany and Italy declared war on the U.S. There are a million Pearl Harbor stories I could write about. In fact my grandfather had told me several, he was in the Air Force, had an engineering degree, and was a gunner on several B-29 bomber missions. But I thought I would simplify a few things and pass along this short video

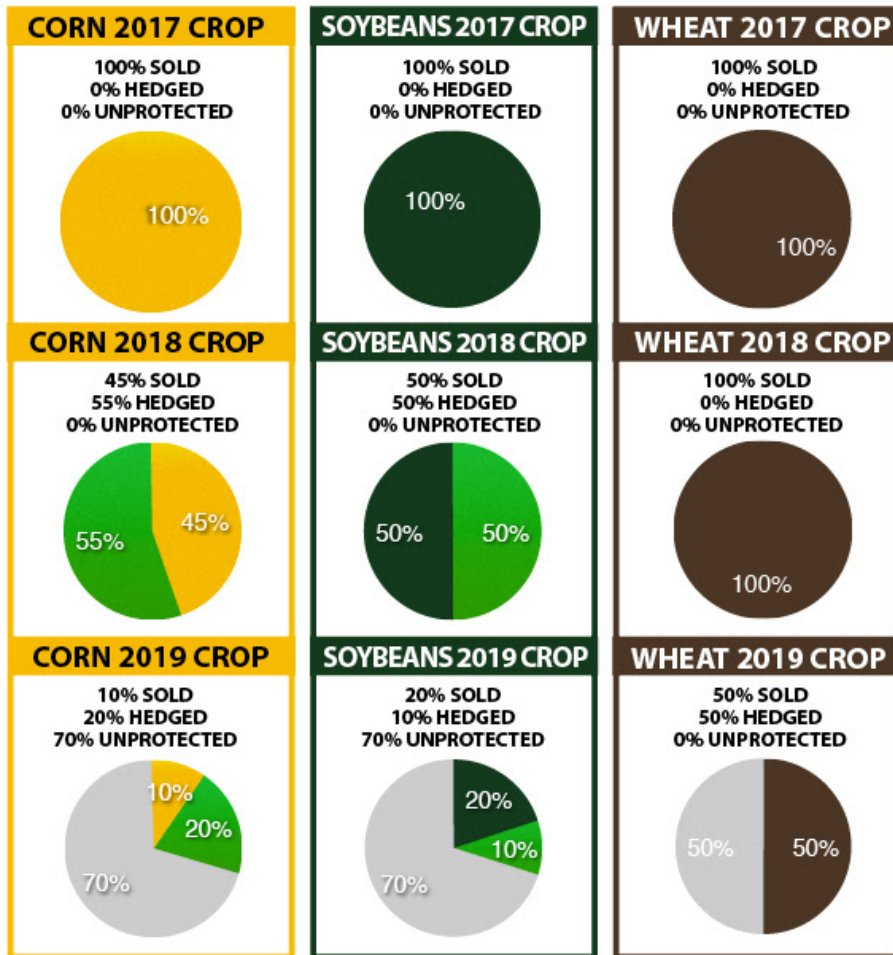
from the oldest living WWII veteran, 109 year old Richard Overton. He's a whiskey-drinking, cigar-smoking supercentenarian that pass along his secrets to a long and happy life. Awesome video to share as we reflect back on this horrific piece of American history. Click [HERE](#)



ANSWER to riddle: A riddle

CASH SALES & HEDGING TOTALS

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