

GOOD MORNING: 12/17/18 Farm Direction - Van Trump Report

1 message

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

Mon, Dec 17, 2018 at 7:15 AM

Reply-To: Jordan <reply-fec1157872600675-314_HTML-36250946-100003450-1@vantrumpreport-email.com>

To: info@farmdirection.com



"People who are unable to motivate themselves must be content with mediocrity, no matter how impressive their other talents." - Andrew Carnegie

MONDAY, DECEMBER 17, 2018
[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stock are steady to start the morning, but bulls are in desperate need of some fresh positive headlines. The Chinese data released at the end of last week gave the bears further confirmation of a global slowdown. The latest Chinese industrial production numbers are nearing 3-year lows, while November retail sales showed the slowest growth in 15-years. I also thought it was interesting to see China's auto market, the world's largest, is on track for its first annual sales decline since the 1990s. I don't know if that's a sign of the overall economic slowdown or a sign of the major shift in transportation. In any regard, the global financial markets become far less optimistic, with an Asian-led economic slowdown. Keep in mind, we've also seen third-quarter contractions for both Europe and Japan. Lets keep in mind, the uncertainty surrounding the Brexit vote is also creating nervousness in the global markets. There's also more headlines brewing about the potential military flair-up between Ukraine and Russia. The Ukraine 20 naval officers captured during the Kerch Strait incident remain in Russian custody. There's also more talk that Russia has mobilized more troops and tanks. In fact, there's satellite imagery circulating this weekend that shows Russian defense forces assembling hundreds of tanks at a new military base near the town of Kamensk-Shakhtinsky just over 10 miles from the Ukraine border. A Pentagon spokesman confirmed American military officials will meet with Ukrainian counterparts this week with a meeting scheduled between US Naval Operations Admiral John Richardson and Ukraine's navy commander Admiral Ihor Voronchenko. Here at home all eyes will be on Washington and the Fed. Leaders in Washington are trying to avoid a government shutdown before everyone in D.C. heads home for the holidays. At the moment, President Trump and congressional Democrats seem somewhat unlikely to resolve their fight over a border wall before some government funding lapses at week's end. As of last night, neither side appeared willing to budge from their negotiating positions. In fact, the White House and a number of federal agencies have started advanced preparations for a partial government shutdown. From what I'm understanding, about 75% of the federal budget controlled by Congress has been funded through next September, but the other 25% is operating on a short-term funding extension that runs out this Friday at midnight. Unless a deal is reached, the departments of the Interior, Agriculture, State, Housing and Urban Development, Treasury, Commerce, and Homeland Security would lose funding. Estimates floating around are that that about a quarter of the government, and slightly more than one-third of federal workers could be left without funding if no deal is reached. The Fed begins their two-day FOMC meeting tomorrow, with most inside the trade thinking they will announce yet another interest rate hike on Wednesday afternoon. Remember, the Fed has already hiked interest rates three times in 2018 and eight times since 2015. Bulls are hoping the Fed sees enough in the headlines and recent economic data to temporarily pause. Fed-fund futures put the odds of a rate hike this week at 77%. At one point the odds were above 90%, so at there's a bit more doubt and uncertainty. I personally think the Fed hikes again in December, but starts to walk back some of their hawkish commentary for 2019. I'm afraid if the Fed doesn't raise at this meeting, it would send a big message of "uncertainty" across the markets. Seasoned traders would try to sniff it out immediately, with many perhaps assuming the Fed gained knowledge of some impending crisis which they were unaware of just a few weeks back. That would certainly make the market nervous. The other problem, to soften their forward looking outlook or guidance, they are going to have to make some negative adjustments to their U.S. economic forecast. My question is how much doubt and or negative uncertainty will they add to the current landscape as they dial back?

SPECIAL Subscriber Pricing
3-DVD SET ONLY \$99



VTC18

The Conference Everyone Is Talking About



Learn insight and thoughts from some of the best and brightest in our industry, while sitting in the comfort of your own home or office.

Learn More







The S&P 500 is already down about -11% from its September close, with many big name stocks down -20% or more. The Nasdaq 100 has fallen by almost -14% from its record close in August. The Russell 2000 Index of small-cap stocks has lost about -19% percent. I still don't think we've seen the full extent of the fallout. I'm personally becoming a bit more bullish as we break further, but I'm not betting overly aggressive, just sitting to nibble. For me it's not a question of when the selling stops, but more a question of when the big buying starts up again? I'm also interested in today's updated Housing Starts data. Tomorrow, I'm interested in the Existing Home Sales data, then I'll be watching the most recent GDP, Consumer Sentiment and Personal Income data coming out on Friday. We also have the Mueller investigation widening and building new clouds overhead. Something else to keep in mind, is this is the last week of full-trading before the holidays. Many large traders will be taking ALL of next week off. Our offices will be closed next week and there will be no daily reports issued as I give our staff time with their friends and family. Lots of position squaring, volatility, and uncertainty as we head into yearend...this week could get extremely wild. I suspect if either Washington or the Fed can deal some "certainty" to the market this week, we could rally into yearend. If either Washington or the Fed add more "uncertainty" to the market, it could be a rough ending to 2018.

California Says All City Busses Must Be Electric By 2040: *Many cities and states are scrambling to find ways to curb the greenhouse gas emissions that they believe are threatening their air quality. As is often the case, California is leading the charge, yesterday becoming the first state to mandate that mass transit agencies purchase fully electric buses only beginning in 2029, and that public transit routes be populated by electric buses alone by 2040. The new rule is expected to require the production and purchase of more than 14,000 new zero-emission buses. Read more at [TechCrunch](#).*

Streaming Now Surpassing Cable: *For the first time ever, the number of streaming shows has surpassed the number of basic cable and broadcast shows. Out of 495 scripted originals that aired in 2018, 160 of them did so on a streaming platform. That is compared to 146 on broadcast and 144 on basic cable. Pay cable accounted for the remaining 45 shows. The decline in scripted basic cable shows comes as networks like WGN America, MTV, and A&E have all but abandoned their scripted series ambitions, focusing instead on acquisitions and unscripted reality shows. (Source: [Variety](#))*

The Stock Markets Response to a Government Shutdown: *Historical data shows minimal market reaction from past government shutdowns. During the last five government shutdowns, two in 2018, one in 2013 and two in 1995, the S&P 500 rose during each of them. For all of the government shutdowns since 1976 (there have been 20), the S&P 500 rose for half of them, according to data from LPL Financial. While there were two brief shutdowns in 2018, the more notable one occurred for three weeks in October 2013, typically a volatile month for the stock market. The S&P 500 rose 3.1% from Oct. 1 to Oct. 17, 2013 — the duration of the shutdown. Read more [HERE](#).*

**If you have any troubles
ordering the DVD's online
please call our office at**

(816) 322-5300

Today In History



1979 , Stuntman Stan Barrett breaks the sound barrier - On December 17, 1979, Hollywood stuntman Stan Barrett blasts across a dry

lakebed at California's Edwards Air Force Base in a rocket- and missile-powered car, becoming the first man to travel faster than the speed of sound on land. He did not set an official record, however. The radar scanner was acting up, and so Barrett's top speed-739.666 miles per hour by the most reliable measure-was only an estimate. Also, he only drove his rocket car across the lakebed once, not twice as official record guidelines require. And, none of the spectators heard a sonic boom as Barrett zoomed across the course. Barrett was a 36-year-old stuntman and ex-lightweight Golden Glove champ who had been introduced to auto racing by Paul Newman in 1971. (He was the actor's stunt double for the film "Sometimes a Great Notion.") Barrett's car, the \$800,000 Budweiser Rocket, was owned by the movie director Hal Needham, a former racer himself who had broken a nine-year-old world land-speed record on the Bonneville Salt Flats the previous September. The car had a 48,000-horsepower rocket engine and, to give it a little extra kick, a 12,000-horsepower Sidewinder missile. December 17 was a dry day with temperatures hovering around 20 degrees Fahrenheit. In order to break the sound barrier under those conditions, Barrett had to go faster than 731.9 miles per hour. He started the rocket engine and stepped on the gas; then, after counting to 12, he pushed a button on his steering wheel to fire the Sidewinder so he could go even faster. After he zoomed past a battery of timing devices, Barrett deployed a parachute to help him slow down. In all, it took only a handful of seconds for Barrett to blast across the 5 3/4-mile lakebed. Unfortunately, the radar speedometers on the ground malfunctioned: Instead of the Rocket's speed, they measured the speed of a passing truck (38 miles per hour). The final speed estimate came from data by the Air Force, whose scanners seemed to indicate that the Rocket had "probably exceeded the speed of sound." Controversy over how fast Barrett actually went persists to this day. It took until October 1997 for another driver, in a British car called the Thrust SSC, to officially break the Mach 1 sound barrier.

1986, "Operation Iceman" nabs the culprit - Richard Kuklinski, a suspect in several murders, is arrested by

STOCKS TEND TO IGNORE SHUTDOWNS

S&P 500 Index Performance During U.S. Government Shutdowns

Start Date	End Date	Length (Days)	S&P 500 Index Returns	President	Senate	House
09/30/76	10/11/76	12	-3.4%	Ford	Democratic	Democratic
09/30/77	10/13/77	14	-3.2%	Carter	Democratic	Democratic
10/31/77	11/09/77	10	0.7%	Carter	Democratic	Democratic
11/30/77	12/09/77	10	-1.2%	Carter	Democratic	Democratic
09/30/78	10/18/78	19	-2.0%	Carter	Democratic	Democratic
09/30/79	10/12/79	13	-4.4%	Carter	Democratic	Democratic
11/20/81	11/23/81	3	-0.1%	Reagan	Republican	Democratic
09/30/82	10/02/82	3	1.3%	Reagan	Republican	Democratic
12/17/82	12/21/82	5	0.8%	Reagan	Republican	Democratic
11/10/83	11/14/83	4	1.3%	Reagan	Republican	Democratic
09/30/84	10/03/84	4	-2.2%	Reagan	Republican	Democratic
10/03/84	10/05/84	3	0.1%	Reagan	Republican	Democratic
10/16/86	10/18/86	3	-0.3%	Reagan	Republican	Democratic
12/18/87	12/20/87	3	0.0%	Reagan	Democratic	Democratic
10/05/90	10/09/90	5	-2.1%	G.H.W. Bush	Democratic	Democratic
11/13/95	11/19/95	7	1.3%	Clinton	Republican	Republican
12/15/95	01/06/96	21	0.1%	Clinton	Republican	Republican
10/01/13	10/17/13	17	3.1%	Obama	Democratic	Republican
01/20/18	01/22/18	3	0.8%	Trump	Republican	Republican
02/09/18	02/09/18	1	1.5%	Trump	Republican	Republican
12/21/18	?	?	?	Trump	Republican	Republican
Average			-0.4%			
Median			0.0%			
% Positive			50.0%			

Source: LPL Research, FactSet 12/12/18

Indexes are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results.

51-Point Buck... Waiting to Hear if it's a New Record: Keith Szableswki from Williamson County, Illinois, might have bagged the biggest buck in U.S. history. Szableswki shot the non-typical buck during Illinois' shotgun season, in mid-November. The current record, held by Stephen Tucker from Tennessee, is a 47-point buck. Tucker shot his buck with a muzzleloader in 2016. Reports out of Illinois say conservation officers predict the buck is 7 to 9 years old, weighed around 265 pounds, and could have as many as 51 scoreable points. While there are many scoring systems to judge the value of a bagged buck, the most commonly accepted seems to be the Boone and Crockett system. Szableswki has spent 29 years working in law enforcement and has only been deer hunting for the past four years. His prior hunting successes include a 4-pointer, a 6-pointer and an 11-pointer. Both bucks are shown below with Szableswki's pics on top. The Tennessee 47-Pointer pictured on the bottom, looks broad and wide.



undercover agents at a truck stop off the New Jersey Turnpike, marking the culmination of the Bureau of Alcohol, Tobacco, and Firearms' "Operation Iceman." Kuklinski had sealed his fate when he showed operative Dominick Polifrone how to poison a person with cyanide. The first murder authorities were able to link Kuklinski to was that of George Mallibrand, whom he shot over a debt in 1980. He then stuffed Mallibrand's body into a 55-gallon drum in Jersey City. In July 1981, Kuklinski's partner, Louis Masgay, mysteriously disappeared on the eve of an illegal business transaction, but there was no evidence linking Kuklinski to the incident. When his body turned up in September 1983, authorities determined that Masgay had been shot in the head and kept frozen since the day of the disappearance; his body was then dumped two years later. In 1982, Kuklinski joined Dan Deppner and Gary Smith in a scam to steal cars. But because he apparently believed Deppner and Smith to be inept crooks, Kuklinski decided to kill them in order to protect himself. In a northern New Jersey hotel, Kuklinski poisoned Smith's hamburger and then stuffed the dead body under the bed. Despite the fact that other guests had rented the room in the meantime, Smith was not discovered for four days. In May 1983, a plastic bag containing Dan Deppner's body was discovered near a tree in northern New Jersey. Because he was believed to have died from cyanide poisoning, police were convinced that Kuklinski was behind the series of murders, and they decided to institute a sting operation. Kuklinski was later taped discussing cyanide's efficacy as a murder weapon, saying "It's quiet, it's not messy, it's not noisy... You can spray it in someone's face and they go to sleep." At his trial in 1987, Kuklinski argued that Smith and Deppner had not been killed with poison. Indeed, it is difficult to prove murder by cyanide since the poison leaves few traces behind. Nonetheless, the prosecution managed to prove Kuklinski's guilt beyond a reasonable doubt, and he was sentenced to life imprisonment. He later confessed to killing Louis Masgay.



2011, Kim Jong Il, leader of North Korea, dies

- On this day in 2011, Kim Jong Il, North Korea's enigmatic, reclusive dictator, dies of a heart attack while reportedly traveling on a train in his country. Kim, who assumed leadership of North Korea upon the death of his father in 1994, ruled the Communist nation with an iron fist, and his isolated, repressive regime was accused of numerous human rights violations. Little is known about Kim's early life, although it is believed he was born in 1941 at a Soviet military base near Khabarovsk, Russia, where his father was stationed. However, when Kim became leader of North Korea, the government propaganda machine, which presented numerous myths about him as



FARM TANK

Tweets of the Day



fact, claimed he was born on February 16, 1942, atop Korea's sacred Mount Paektu, as a new star and double rainbow appeared overhead. (Among the many other questionable claims reported by the state media about the man known as the "Dear Leader" and "Supreme Leader" to his followers was that he made 11 holes-in-one in a single round of golf, composed numerous operas, invented an invisible cell phone and could control the weather.) In 1948, Kim's father, Kim Il Sung (1912-1994), became head of the newly established Communist nation of North Korea (officially named the Democratic People's Republic of Korea). The younger Kim graduated from the country's Kim Il Sung University in 1964, and went on to rise through the Korean Workers' Party, the ruling political party, while also developing a reputation as a playboy who enjoyed fine food and expensive liquor. Additionally, Kim, a film fanatic, amassed a vast collection of foreign movies, and in 1978 ordered the kidnapping of a famous South Korean actress and her director husband in order to boost North Korea's movie industry. Soon after Kim succeeded his father, North Korea experienced a series of severe famines that killed an estimated 2 million people by the late 1990s. As ordinary citizens suffered economic hardships, Kim directed a substantial portion of the nation's budget to maintaining a large military and to the development of nuclear weapons (which North Korea tested in 2006 and 2009). Additionally, under Kim's totalitarian regime, the media was controlled by the state, and average North Koreans had minimal personal liberties and couldn't leave the country (the few foreigners who were allowed in were closely monitored). Those who opposed the government were sent to harsh prison camps. As with his father (now referred to by North Koreans as the "eternal president"), a cult of personality built up around Kim. The two men were portrayed as deities and images of them appeared on all public buildings. The relationship between North Korea and the United States, along with much of the West, was strained due to Kim's secretive nuclear weapons program. In 2002, President George Bush called out North Korea as part of an "axis of evil," along with Iran and Iraq. However, in 2008, the Bush administration took North Korea off the U.S. list of terrorist-supporting nations after it agreed to allow some inspections of its nuclear sites. After Kim died on December 17, 2011, his embalmed body was put on permanent public display in Kumsusan Memorial Palace in the nation's capital, Pyongyang. (The body of Kim Il Sung has been on display there since he died.) Kim was succeeded as leader of North Korea by the youngest of his three sons, Kim Jong Un, then in his 20s and largely unknown to the world.

Upcoming Events

Mon. 12/17 – NOPA Crush



Tmc Interiors
@TMCinteriors

Following

Only one season can make the world feel like this **#Christmas**



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:



Alan Jackson
"Let It Be Christmas"

Kevin's Song of the Week



poyntesm
@poyntesm

Following

Just a little one this year #ChristmasTree



Richard vallance
@Dick_Vallance

Following

Neighbours pitching in to give a hand.
Harvest 2018 Case IH
2388,1688,1666,1660,1440. 30,000+ hrs
between them @CaseIHAus



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



Laura Westerhof

@marleighfarmgal

Following



Making big business decisions today
[@MarleighFarms](#) [#farmkid](#) [#farm365](#)
[#raisingthemright](#) [@JohnDeere](#)



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.



You Had One Job

@YouHadOneJOB

Following



Every time.



Farm Direction
RECIPES

★ **FAMILY** ★
FAVORITES

-SENT IN BY OUR READERS-



**Cranberry
Butter
Cake**

CLICK TO SEE RECIPE



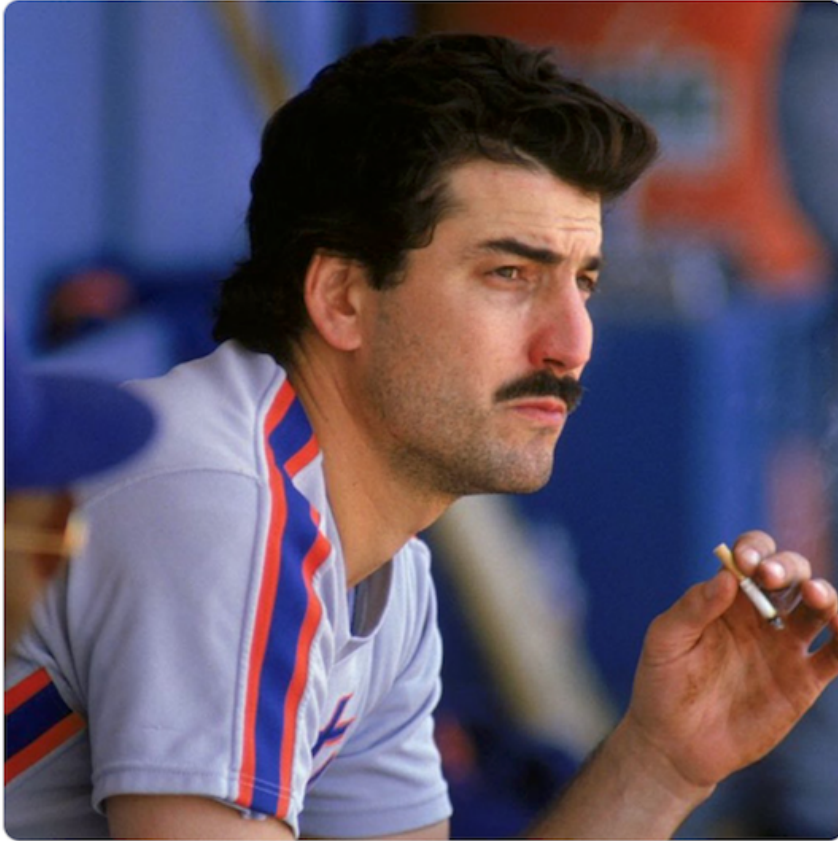
Super 70s Sports

@Super70sSports

Following



Third inning? That's flavor country time.





Which advice would you rather follow? Leave a comment.

#Motivated #inspiration #MotivationalQuotes



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.

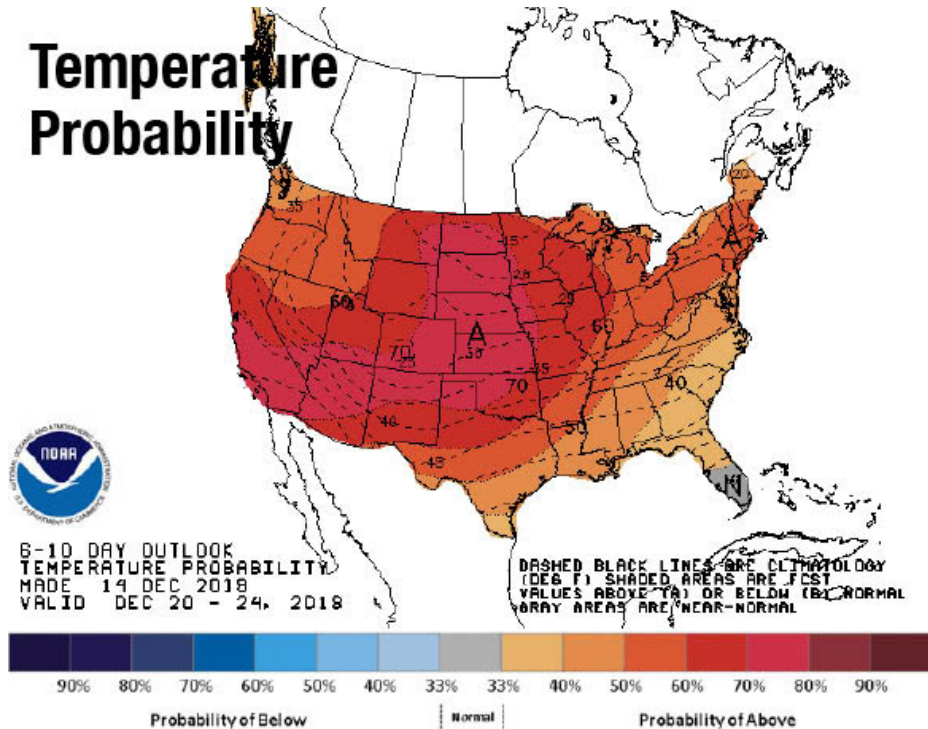
TODAY'S RIDDLE:

The shorter I am, the bigger I am. What am I?

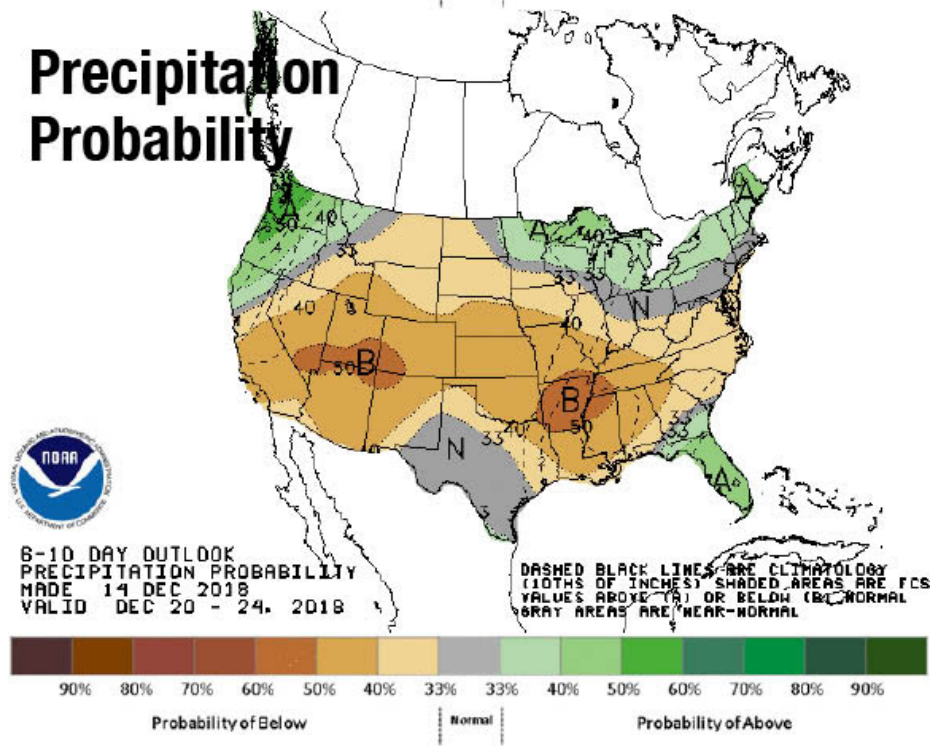
Weather over the weekend saw heavy rain associated with a slow moving storm

system fall across the middle and southern Atlantic States, bringing from 1 to 3 inches or more. Heavy rain also fell in parts of the mid-South and the Ohio Valley. In contrast, dry weather will prevail during the next 5 days across the Plains, Southwest, and upper Midwest. Meanwhile, a trio of cold fronts will deliver periods of heavy precipitation to northern California and the Pacific Northwest. Most areas of the country will experience above normal temperatures during the next few days particularly across the northern and central Plains and the Midwest. The 6 to 10 day is calling for warmer than normal weather nationwide, except for near normal temperatures for the Northeast, Florida and Mid-Atlantic Coast. Meanwhile, near to below normal precipitation in most areas of the country should contrast with wetter than normal conditions in Florida and southern and western Texas, and across portions of the nation's northern tier.

Temperature Probability

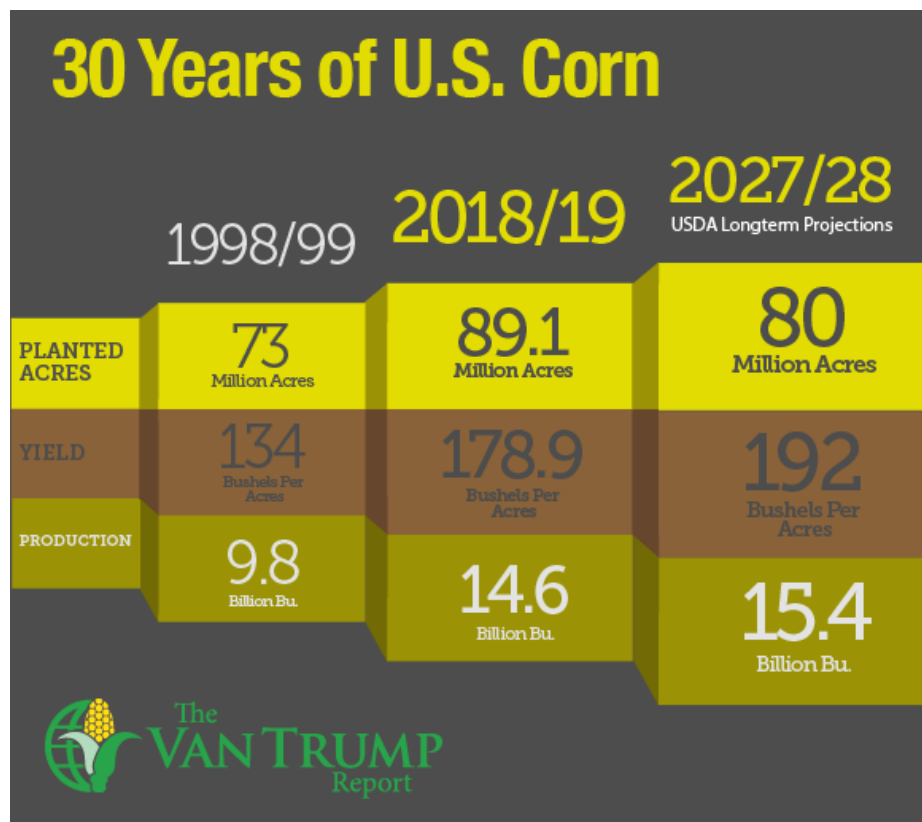


Precipitation Probability



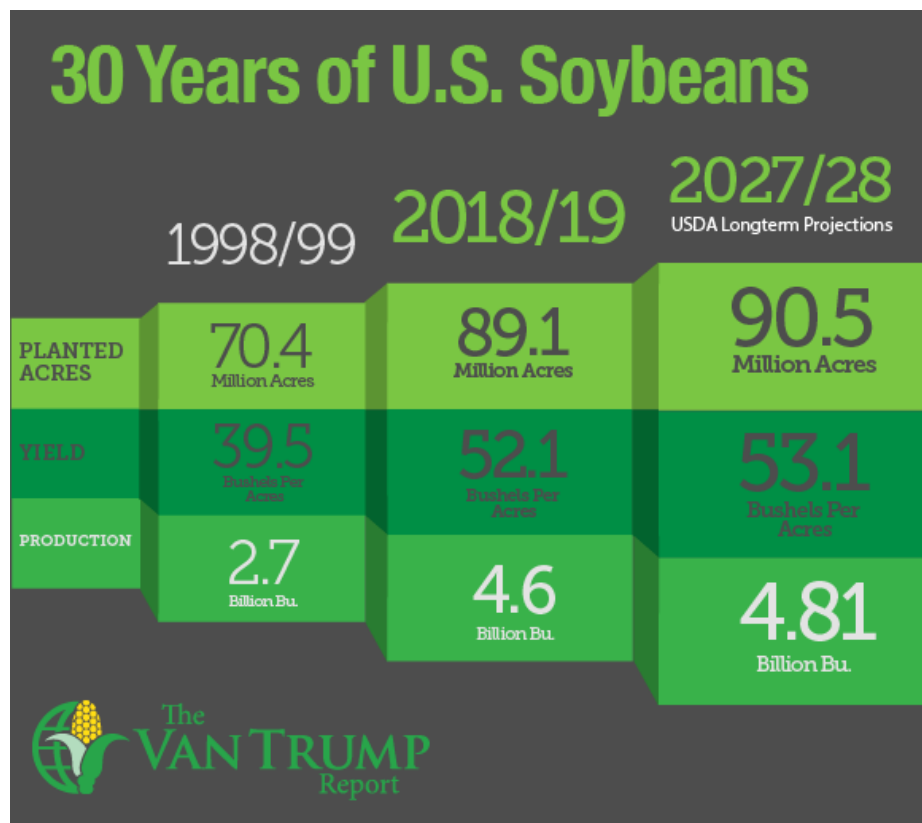
Corn bulls continue to hold out hope of large Chinese purchases in the days and weeks ahead. There's talk that the downside could be fairly limited as bears remain apprehensive ahead of the potential Chinese headlines. It's not that the fundamentals are wildly bullish at the moment, it's just the fact bears might not want to post new wagers ahead of uncertainty involving the Chinese. Despite more talk and rumors of the Chinese buying Ukraine corn, they still have the firepower and means to buy large

doses of U.S. supply. Hence, bears might feel it's best to pause for a moment. I'm also hearing more talk and conversation that weather in parts of South America is perhaps getting a bit more suspect, which could also help keep bears sidelined. As a producer, I'm hearing there's lots of resting sell orders in the market up between \$4.05 and \$4.15 per bushel in the DEC19 contract. For what it's worth, the 200-Day Moving Average is just below \$4.05 per bushel. In fact, the DEC19 contract is now more than +20 cents higher than the DEC18 contract was trading at this point last year. Those who are looking to reduce a portion of their longer-term risk need to be paying close attention. The highest close we've seen as of late in the DEC19 contract occurred back on October 15th at \$4.08 per bushel. Prior to that, the highest close occurred on August 6th at \$4.11⁶. The highest close in the past year occurred on May 25th at \$4.22⁶ per bushel. The contracts all-time high is just \$4.24 per bushel. As for old-crop bushels, I continue to look for the JUL19 contract to eventually close back above \$4.00. The last time the JUL19 contract closed back above \$4.10 per bushel was more than six-months ago on June 13th. Bottom-line, there looks to be a lot of congestion and resistance on the chart between here and \$4.25 per bushel. Make certain you have a plan in play and the ability to execute in a timely fashion. If the Chinese step in and make a larger purchase, we could get that bounce to the upper end of the range, but I'm just not sure how long the bulls can hold the market higher. There's some more questions being asked about U.S. demand growth in both exports and ethanol. There's also continued talk of much larger production out of South America when compared to last year. There's more talk of Ukraine competition. And we also have talk inside the market of increase U.S. corn acres in 2019. As a producer, it still seems like best-of-practice is to shoot when the ducks are in the air... As a spec, I'm going to look at the next rally as an opportunity to bank profits and move to the sideline for a bit.

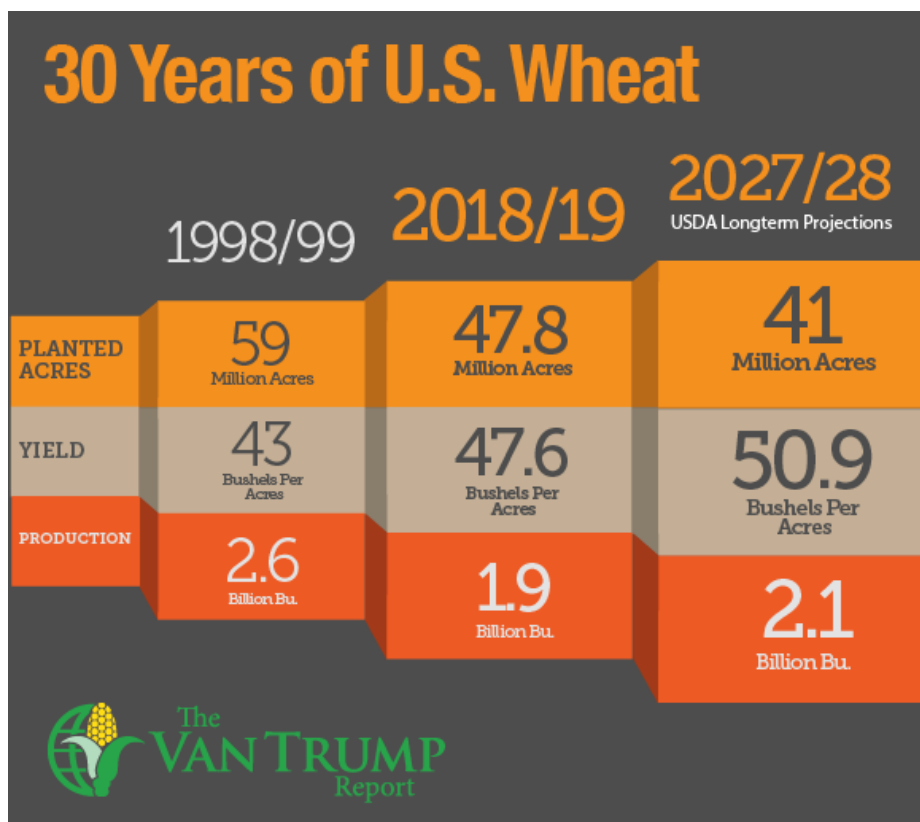


Soybean bears argue that weak economic data out of China adds to further uncertainty. The U.S. dollar has recently posted an 18-month high. On the flip side, China's recently released industrial production numbers are now near a fresh 3-year low, while the Chinese November retail sales data showed a 15 year low. Moral of the story, growth inside China is clearly being questioned. There's also more talk circulating that the Chinese are simply hedging a portion of their bets on South America supply, by purchasing small quantities of U.S. beans and keeping the U.S. door open... just in case. The Chinese understand there could be weather hiccups, rust issues, quality concerns and logistical complications in South America, and perhaps they want to hedge that bet a little bit. Hence, the recent purchases of around 2 MMTs and talk of perhaps more in the coming days. We still have not seen the Chinese lift the 25% tariffs on U.S. supply to private Chinese buyers. Bottom-line, it's going to be all about Chinese headlines during the next few weeks. Bulls argue there's a lot more Chinese buying still to come. In total, the fundamentalist are thinking it will take somewhere between 8 MMTs and 11 MMTs of Chinese buying to turn the U.S. balance sheet bullish. For what it's worth, I heard over the weekend that some beans are starting to come out of the fields in Paraguay, and the early reports are that yields aren't all that great. It's early, so the market probably doesn't give it much consideration, but we now have it on the

radar. Weather in Brazil has become a bit more mixed and there's starting to be a few pockets of dry conditions and high temps that are worth monitoring and causing some stress. I should note, I still have not heard anything new in regard to the second Market Facilitation Payment for producers. I keep hearing mixed rumors out of Washington, one minute we might get the payment in full, next minute no secondary payment will be made, the next minute we will receive a portion of the payment. Bottom-line, I just don't know. I continue to keep a close eye Chinese buying rumors and South American weather. As a producer, I continue to like the thought of reducing additional longer-term risk on the rallies. The recent high in the NOV19 contract was posted last week at \$9.71 per bushel and looks to now become the next area of resistance on the charts. Prior to this, the last time the NOV19 contract traded to \$9.70 was back on June 13th. I should also note, there's now a gap on the chart between \$9.42 and \$9.43, some argue the market will need to drift lower and close that gap before attempting to post its next leg higher. Make certain you have a plan and resting orders in place to help improve your speed and rate of "execution". As a spec, I continued to see extreme volatility and more upside potential. Staying patient...



Wheat traders are keeping a close eye on Russia and talks of a scheduled meeting this Friday between the government and the exporters. Bulls believe we are getting closer to some type of export restriction being implemented. I'm also keeping a close eye on the Russian military headlines involving Ukraine. In regards to the Kerch Strait incident in which Russia captured Ukrainian ships and more than 20 naval officers. Russia has still not released the captured men and Ukraine has accused Russia of a concerted effort to mobilize its troops and tanks. There's satellite imagery circulating that shows Russian defense forces assembling hundreds of tanks at a new military base near the town of Kamensk-Shakhtinsky just over 10 miles from the Ukraine border. A Pentagon spokesman confirmed American military officials will meet with Ukrainian counterparts this week with a meeting scheduled between US Naval Operations Admiral John Richardson and Ukraine's navy commander Admiral Ihor Voronchenko. Bottom-line, this situation between Russia and Ukraine is still extremely fluid and worth paying close attention. Weather concerns in parts of Argentina also continue to bring about talk of poor wheat quality and a total crop size that seems to be getting smaller not larger. I remain a longer-term bull, but am concerned about the strength of the U.S. dollar and the fact macro bulls need to see some nearby weakness. I am also keeping my eye on Chinese trade headlines. I continue to hear rumors and talk that we could soon see China buying a bit of U.S. wheat.



> **News On The Romaine Outbreak:** FDA identified a farm in Santa Barbara County, California that is likely linked to the E. coli O157:H7 outbreak that led officials to warn American consumers to avoid romaine lettuce altogether before Thanksgiving.

> **Farmers, Other Industries Push More EU Access:** U.S. farm, automaker and food and beverage groups pressed the Trump administration on Friday to ensure that any new trade talks with the European Union lead to an increase in their access to EU markets with less red tape. The farm and food groups on Friday also urged U.S. officials to address tariff barriers and other regulatory and labeling issues that hinder U.S. access to the lucrative European market. (Source: Reuters)

> **Two New Cases of African Swine Fever in China:** China confirmed two new cases of African swine fever, as the disease continues to spread through the world's largest hog herd, the Ministry of Agriculture and Rural Affairs said late on Sunday in a statement on its website. One outbreak occurred on a farm of 210 pigs in Yanting county in the southwestern province of Sichuan, killing 26. Another case was confirmed in a district of the city of Jixi in the northeastern province of Heilongjiang where 24 pigs died on a farm of 84 pigs. (Source: Reuters)

> **USDA's New Program to Bring High-Speed Internet to Rural America:** Ag Secretary Sonny Perdue announced that the USDA is offering up to \$600 million in loans and grants to help build broadband infrastructure in rural America. They are calling it the ReConnect Program and they are hoping that it can answer the Administration's call to action for rural prosperity. Funding for the program has been appropriated in the fiscal year 2018 budget for this broadband pilot program. (Source: USDA)

> **Amazon Kicks Instacart To the Curb:** Amazon buying Whole Foods didn't kill grocery delivery company Instacart, but it has ended the company's partnership years before its contract was supposed to end. It's thought that 350 Instacart shoppers will lose their jobs. Insiders say the relationship with Amazon was rocky from day one as the e-commerce giant has had its own delivery ambitions. (Source: Forbes)

> **Indoor Farming Startup Raises \$90 million:** Bowery announced its Series B round of funding on Wednesday, led by GV and including Uber CEO Dara Khosrowshahi.

The New York-based startup, whose produce is already available at certain Whole Foods and Sweetgreen stores, uses vision systems and machine learning to continuously monitor plants and study the variables that maximize growth. (Source: Crunchbase)

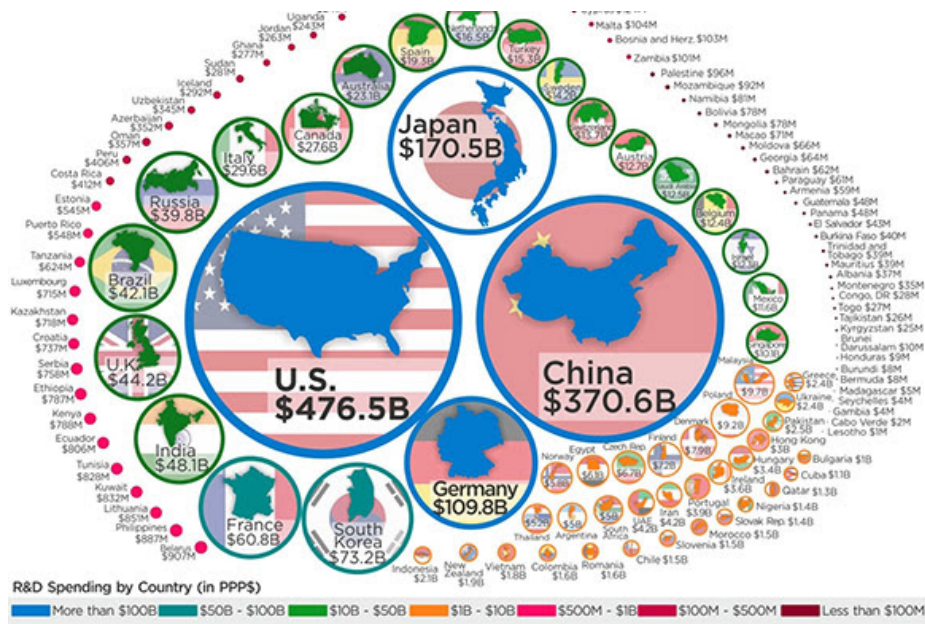
> **U.S. Death Row At Historic Low:** A new report by the DC-based Death Penalty Information Center said executions are at a 25 year low, with 2018 the fourth year they stayed below 30. American's support for the death penalty has declined in recent decades. (Source: AP)

> **Senate Votes To End Support for U.S. Involvement in Yemen:** The Senate sent a strong message last week, voting to end U.S. participation in the Saudi-led war in Yemen and then unanimously approving a measure blaming the kingdom's crown prince Mohammed bin Salman as responsible for the killing of journalist Jamal Khashoggi. Many inside the Beltway believe this bipartisan amorality of senators will pursue punitive measures when Congress regroupes next year — including sanctions and a halt to weapons transfers to Saudi Arabia. (Source: Bloomberg)

> **Jaguar Land Rover Slashing Jobs:** The company will announce plans early next year to slash up to 5,000 jobs as part of a turnaround strategy, sources told the FT. It's part of a £2.5B savings plan to ward off the threat from Brexit, falling sales in China and a drop in demand for diesel cars. The plans come after the automaker, which is owned by the Indian conglomerate Tata, posted a £90M loss in the three months to September. (Source: SeekingAlpha)

> **Santa Claus Rally?** Since 1969, the S&P 500 has averaged a gain of +1.3% over the seven-day period that encompasses the last five sessions of the year and the first two trading days of the new year. Such a year-end boost will likely be necessary if the S&P 500 is to avoid finishing in the red: It is down -2.8% this year. (The Wall Street Journal)

> **How Much Countries Spend On Research & Development:** Innovation can give any developed economy a major competitive advantage. The reality is that innovation is a complex and difficult outcome to measure, and there are many different variables that factor into it at a national level. Today's infographic comes from HowMuch.net and it compares R&D numbers for nearly every country in the world. It uses data from the UNESCO Institute for Statistics. As you can see, R&D expenditures are heavily concentrated at the top of the food chain. (Source: [HowMuch](#), UNESCO)



FROM THE FIELD

Northern Minnesota - We are spending the next several months hauling grain. We are actually getting better corn bids across the Canadian border at a new grain buyer. They are half the distance compared to the ethanol plant and 20 cents better on basis, the only problem is 4-5 years ago they didn't pay a few guys so most guys are leery about selling them grain. We didn't have the best corn year because of the drought but

still made close to 130 bushels per acre. The beans did good, making close to 40 bushels and the wheat did 85 bushels per acre which isn't as good as last year but beats our APH of 70 bushels. We got a lot of field work done early but left acres in limbo because we may not plant many soybeans due to the 130 cent basis. We are hoping the bids improve in the next 90 days but if they don't we will probably plant more corn and wheat and just do the minimum acres of soybeans to keep our rotation right. The next 90 days will be crucial for us when it comes to deciding what we will plant.

Southwest Ohio - We actually got more soybeans harvested last week than the entire season. We finally dried out and made progress but we still have plenty of fields to harvest. This harvest has been top 5 wettest in Ohio history and to me it feels like it is the wettest by far. We just got another inch of rain Saturday so we are parked again at least until the ground freezes or the temperatures warm up. From the look of the 10-day forecast we might get another day or two next week and then more rain on Thursday. We might finish by Christmas if we miss the Thursday's rain but otherwise we are looking at finishing between Christmas and New Year's, or at least that's my hope.

Northcentral Missouri - I keep telling my guys to get their early seed and obvious inputs locked in but everyone seems to be in the do nothing or deer in head lights look in their eyes right now. I think everyone is just scared to make a move one way or another because this last year was so bad production wise. Most guys around here that planted any wheat got it washed away or very poor stands because of the 15 inches of rain that fell right after planting. It was just way too much rain, over to short of time. I don't know if I will be regretting complaining about the rain next summer or if it will just be a continuation of now. We are getting some level of rain or snow weekly now. It's actually warmed up enough to do field work if the ground wasn't so wet but I'm looking at the extended forecast and we are going to freeze back up before it dries out.



Where Can Hemp Take Us? In 1985, legendary cannabis activist Jack Herer published a magnum opus called *The Emperor Wears No Clothes*, which through painstaking research told the hidden history of hemp—a once-revered crop cultivated for more than 10,000 years that played a vital role in America's economy from colonial times until the Marijuana Tax Act of 1937 made growing it a federal crime. Herer's underground bestseller argued that ending hemp's misguided prohibition, and allowing a commercial crop to flourish once again, would yield incredible benefits, including but not limited to feeding the world, freeing us from fossil fuels, reversing climate change, replacing plastics, ending the housing crisis, and restoring our planet's depleted soils. Read more [HERE](#) about the future of the hemp market.

Precision Medicine? Precision medicine flips the script on conventional medicine, which typically offers blanket recommendations and prescribes treatments designed to help more people than they harm but that might not work for you. The approach recognizes that we each possess distinct molecular characteristics, and they have an outsized impact on our health. Around the world, researchers are creating precision tools unimaginable just a decade ago: superfast DNA sequencing, tissue engineering, cellular reprogramming, gene editing, and more. The science and technology soon will make it feasible to predict your risk of cancer, heart disease, and countless other ailments years before you get sick. The work also offers prospects—tantalizing or unnerving, depending on your point of view—for altering genes in embryos and eliminating inherited diseases. Read more [HERE](#).

The Invasive Asian Longhorned Tick Now In America: It's never a good sign when an entomologist says a new species of invasive tick "will be difficult to impossible to eradicate." The Asian longhorned tick had infiltrated American borders for years before anyone realized it, and will probably continue to spread until it's just as pervasive as every other disease-bearing vector in this country. Asian longhorned ticks are terrifying in a number of ways. One is that they can reproduce without mating, which means a female can make anywhere from one to 2,000 offspring whenever she wants. Another is the intensity with which the insects can swarm on livestock; cows have died of blood loss due to the sheer number of Asian longhorned ticks clustering on their bodies to feed. Yet another troubling quality of the species is that it may be able to carry a virus that's currently only known to spread by one tick: Heartland virus. Learn more [HERE](#).

Here's How to Block Robocalls on iPhone and Android: Robocallers have gotten more devious by masking their calls with phone numbers that use the first three or first six digits of your phone number. Many pretend to be major banks, big tech companies,

or government organizations like the IRS. Whatever the scam, here are several ways to stop unwanted calls on your smartphone – and one way to stop them cold. if you don't get a lot of unwanted calls, you can block calls one at a time. On the iPhone you do this by selecting "Phone" then tapping the information icon (the encircled lowercase "i"), and selecting "Block this Caller." On Android, it's similar, you tap on the caller's name, then long-press the number and tap "Block/report spam. You can read more ways you can end robocalls [HERE](#)

Blackhawks Mascot Body Slams Man Who Attacked Him: A video of "Tommy Hawk" getting into a fight with a fan at the United Center recently went viral after Saturday nights game. Unfortunately for Blackhawks fans, this might be the most fight that the team has shown all season. They've been one of the worst teams in the NHL to this point in the season and currently sit second-to-last in the league standings. Maybe Tommy Hawk's refusal to go down without a fight is just the spark the locker room needs. See the video and read more [HERE](#)

Untouched 4,400-year-old tomb discovered at Saqqara, Egypt: During Egypt's pyramid age, a well-connected man named Wahtye died and was laid to rest in the vast royal cemetery that now occupies the desert west of modern Cairo. His colorfully decorated tomb, apparently intact, has recently come to light some 16 feet (five meters) beneath the sand at the archaeological site known as Saqqara. The stunning tomb displays clues to the life of a royal official, with more discoveries likely. The team of Egyptian archaeologists working here found five shafts in the tomb. One was open and held nothing inside, but the others are sealed—a situation that offers exciting possibilities. Work on the sealed shafts could begin as early as this week: Read more and see more pictures at [National Geographic](#)



Indigo Acquires Satellite Imagery Startup TellusLabs

Satellite Imagery Startup TellusLabs originally built its satellite Geospatial analytics platform to sell insights to non-farming clients such as commodity traders, governments and insurance companies, but they have just recently been acquired by Indigo Ag to monitor the world's croplands and offer agribusinesses and producers insights by tracing farm management decisions and agronomic parameters in real time. I have to say, Indigo continues to add to their platform of offerings to producers, making them worthy of a look as you begin your business planning for 2019. Keep in mind that "Geospatial analytics" is simply a fancy way of saying that these companies gather information by analyzing satellite images. I should mention they currently offer some interesting data to businesses by using trigonometry and shipping containers to estimate oil supply, prognosticating on financial returns by analyzing the number of cars in big box mart parking lots, and even surveying demolished houses after storms. Tellus will now set their eyes on predicting corn and soybean output, which it happens they are pretty good at it. From what I'm told, in their initial beta, a model with daily forecasts for the two crops ended the year at the exact USDA estimate for soy and within 1 percent of the USDA estimate for corn, which is no small feat. Interestingly,



2016 US SOY YIELD: TELLUSLABS VS. USDA FORECAST



Few Last Minute Gift Ideas For The Girls

If you're struggling to figure out what to get the girls on your holiday shopping list this year, the staff and I have done some research to try to help you out! Some of these were taken straight from the wish lists of girls in the family and office.

Beats Studio³ Wireless Headphones, \$239.95: This headphone delivers award-winning sound with fine-tuned acoustics that maximizes clarity, breadth, and balance. The comfort-cushion ear cups buffer outside noise for immersive sound, so you can experience music the way it was meant to be heard. These headphones also bring 40 hours of battery life, 5-minute Fast Fuel, and seamless setup and switching for your Apple devices to the Beats Solo3 Wireless. I bought these for my wife last year and she absolutely loves them.



UGG Women's Robe, \$129.95: Bring her the hotel experience without having to leave her home. This robe is crafted with a cozy jersey on the outside and the softest fleece on the inside, so it feels like wrapping yourself in a blanket. It also features a flattering belted waist and hidden side pockets. This is one gift my kids bought my wife last year, and a day doesn't go by she doesn't wear it.



Portal from Facebook, \$149: The Portal is a smart camera that allows users to move and talk freely without having to worry about ever leaving the frame. This device allows us to experience more together no matter where we are. The Portal connects us with friends, even if they don't have Portal through Facebook Messenger with up to six other people into a group call. Portal also has Alexa built-in, so you can ask a question, set a timer, add items to your shopping list, control your smart home or more.



Vitruvi Stone Diffuser, \$119: Help her make her own spa at home with the Vitruvi Stone Diffuser. This product was created out of a passion for botanicals and design, which resulted in a premium essential oil products that look as beautiful as they smell. This is the first essential oils company built by and designed for millennial women with a goal to help you take care of yourself, so you can take on the world. The company believes that taking time for yourself is time well spent. That's why they make essential oils that elevate simple moments, so you can turn any time into "you time."



Macaron Variety Box, \$33: These macarons are made by Dana's Bakery. The Box includes flavors like S'mores, Chocolate Molten, Cookie Dough, Fruity Cereal, Strawberry Shortcake, Birthday Cake, Peanut Butter and Jelly, Café Mocha, Red Velvet, the flavor of the month and some from the specialty boxes!



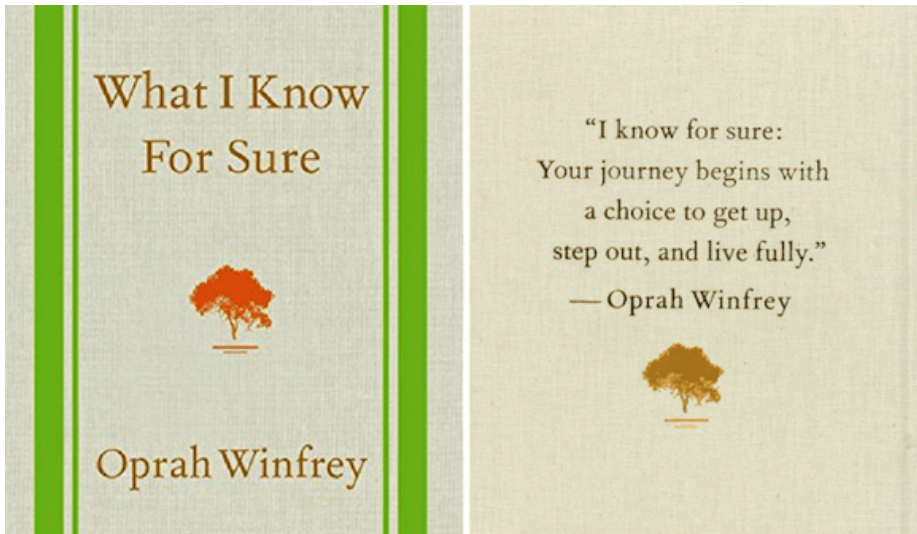
Hello Fresh Food Subscription Box, \$69+: The Classic Box features a variety of recipes for meat, fish, produce, and grains. Starting at \$69 per week, choose dinner for 2 or for 4. Then decide on 3, 4 or 5 meals per week. Along with pre-measured, fresh ingredients, you'll also receive recipes.



Fitbit Alta, \$129: This smart fitness activity tracker tracks your heart rate, sleep, steps, distance, calories burned, and active minutes with up to 7 days of battery life. This device also helps you stay active throughout the day by giving you friendly reminders to move and celebrating when you do. The Fitbit Alta also gives call, text & calendar alerts, has tap display, and water resistant.



"What I Know For Sure" by Oprah Winfrey, \$11.24: This book is about the lifelong lessons from Oprah herself that'll help guide you along your journey, and land you in the attitude of gratitude. This is great for someone looking for a rare, powerful, and intimate glimpse into the heart and mind of one of the world's most extraordinary women while providing readers a guide to becoming their best selves.



Le Creuset Signature Cast Iron Round Dutch Oven, \$129.95: The Dutch oven is a versatile size for any kitchen. Use it for small-batch cooking for two - soups, braises, and casseroles - as well as side dishes for a holiday crowd. This cast-iron pot is available in 9 colors and makes the perfect gift for cooks. I bought this for my wife one year and she absolutely loves it saying, "It really makes a difference while cooking."



Adidas Originals Women's Superstar Shoes, \$65: The Superstars Shoes are an authentic reissue of a classic sneaker. From basketball MVP to streetwear queen, the Adidas Superstar shoe has been going strong since 1969. These women's sneakers are a faithful reproduction of the shell-toe shoe with a smooth leather upper riding on a rubber cup sole. I always see my wife, daughter, sister, niece, and even mother in law always wearing these sneakers.



A Christmas Gift

With this being the week ahead of Christmas, I like to start sharing and passing along some of our favorite holiday stories. Some of the stories this week are ones I've shared in the past some are new. It seems we always get a few requests to resend or repost the better ones. I just hope this helps bring a smile or gives us a better appreciate and perspective of the little things in life! I wish you and your family great joy and happiness this holiday season.

The Gold Wrapping Paper

Once upon a time, there was a man who worked very hard just to keep food on the table for his family. This particular year, a few days before Christmas, he punished his little five-year-old daughter after learning that she had used up the family's only roll of expensive gold wrapping paper.

As money was tight, he became even more upset when on Christmas Eve he saw that the child had used all of the expensive gold paper to decorate one shoebox she had put under the Christmas tree. He also was concerned about where she had gotten money to buy what was in the shoebox.

Nevertheless, the next morning the little girl, filled with excitement, brought the gift box to her father and said, "This is for you, Daddy!"

As he opened the box, the father was embarrassed by his earlier overreaction, now regretting how he had punished her.

But when he opened the shoebox, he found it was empty and again his anger flared. "Don't you know, young lady," he said harshly, "when you give someone a present, there's supposed to be something inside the package!"

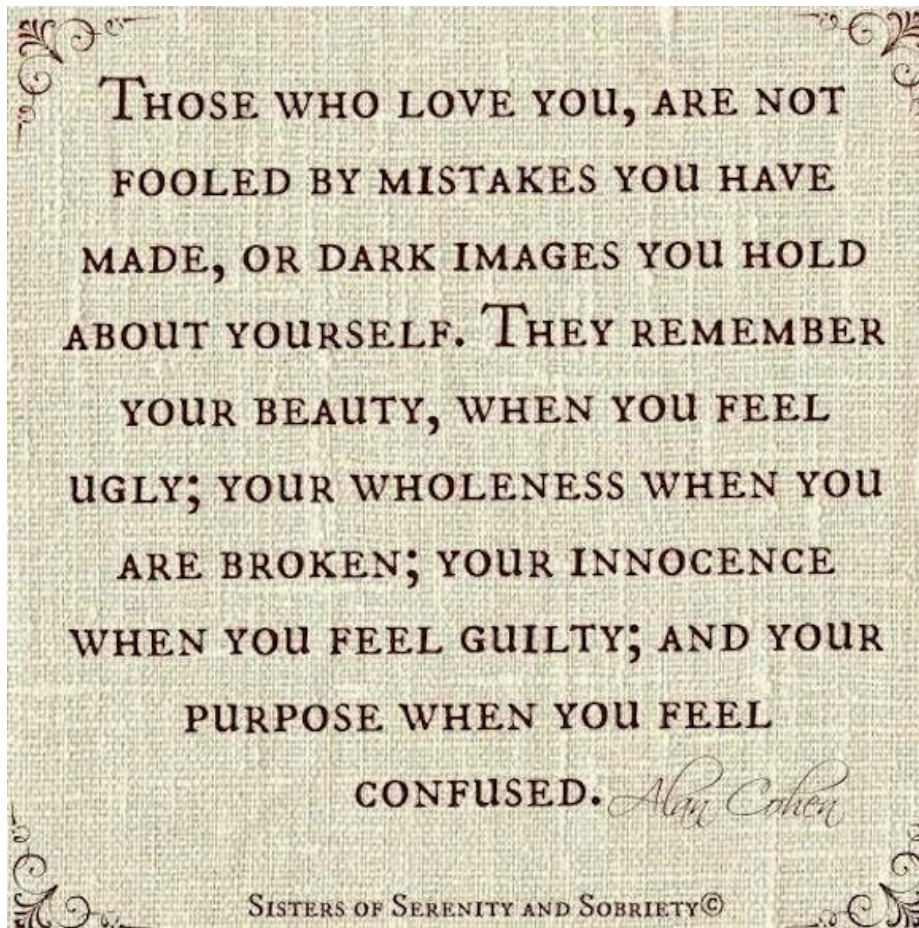
The little girl looked up at him with sad tears rolling from her eyes and whispered: "Daddy, it's not empty. I blew kisses into it until it was all full."

The father was crushed. He fell on his knees and put his arms around his precious little girl. He begged her to forgive him for his unnecessary anger.

An accident took the life of the child only a short time later. It is told that the father kept this little gold box by his bed for all the years of his life. Whenever he was discouraged or faced difficult problems, he would open the box, take out an imaginary kiss, and remember the love of this beautiful child who had put it there.

In a very real sense, each of us has been given an invisible golden box filled with unconditional love and kisses from our children, family, friends and God. There is no more precious possession anyone could hold.

Remember, God has given us the gift of unconditional love as well by sacrificing his son so that we have forgiveness of our sins and eternal life in heaven.



A Must Watch Video... Dear Kyle

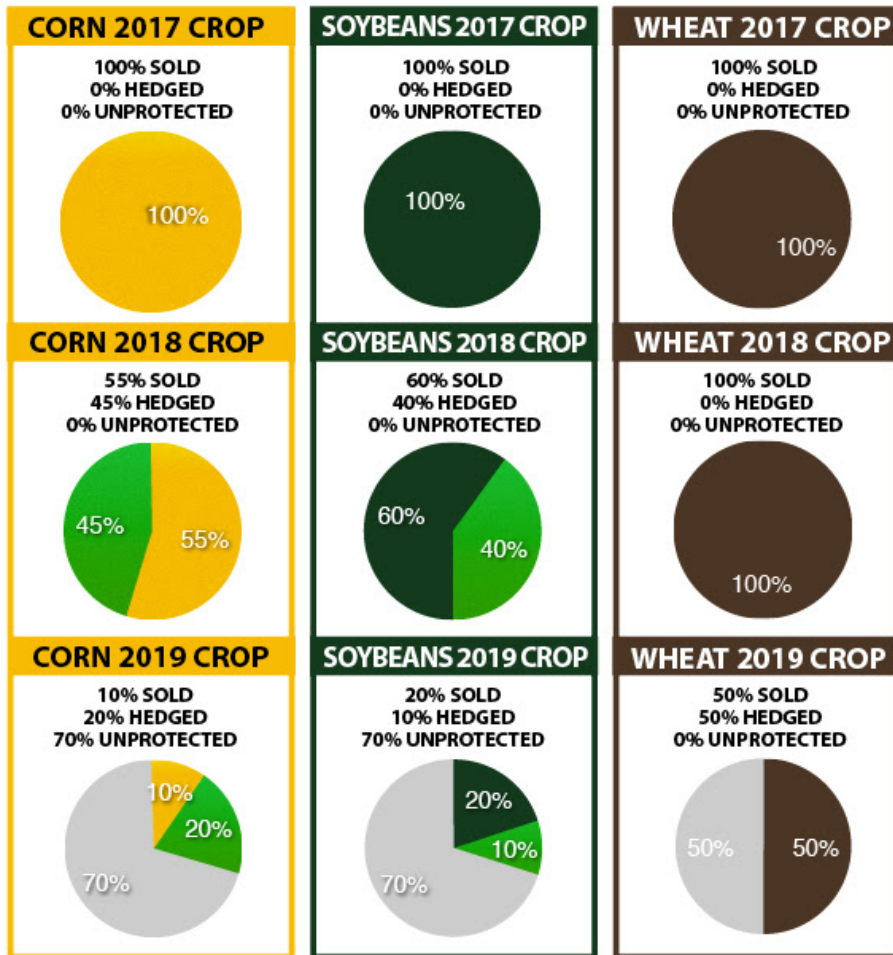
Kyle Rudolph is the starting tight end for the Minnesota Vikings, but what he does off the field seems to be more important than what he does on the field. Rudolph attended Elder High School in Cincinnati, Ohio. He received full-ride scholarship offers from Michigan, Tennessee, and Ohio State, but decided to go play for Notre Dame. As a true freshman in 2008, Rudolph became the first tight end in Notre Dame history to start all 13 games. Also, he became the first freshman to ever start a season opener at tight end for the Fighting Irish. In 2011, Rudolph was selected by the Minnesota Vikings with the 43rd overall pick. Kyle is now currently in the lead for the Walter Payton Man of the Year Award with over 80,000 votes this season. He recently donated to the University of Minnesota Masonic Children's Hospital by making Kyle Rudolph's End Zone, which officially opened in March 2018 after more than a year of fundraising. This unique space was designed to provide opportunities for patients and families to take their minds off treatments and troubling times. It features an indoor basketball hoop, lounge, small kitchen, digital sports simulator, sensory walk/area for patients on the autism spectrum, and several video game consoles. Kyle Rudolph's End Zone already has more than 3,300 visits since opening. Kyle Rudolph himself has regularly attended the Holiday Huddle events at the University of Minnesota Masonic Children's Hospital during October, November, and December since his rookie season in 2011. Word is he will be there again this holiday season hosting his "Holiday Huddles". It's awesome to see people giving back. I challenge all of my friends and followers to get out and help others. Click [HERE](#) to watch this amazing video of Kyle's journey. Challenge yourself to do just a little bit more...



ANSWER to riddle: A temper

CASH SALES & HEDGING TOTALS

PLEASE READ The Van Trump Report is a publication intended to give analytical research to the Agricultural community. The Van Trump Report is not rendering investment or hedging advice based on individual portfolios or individual business operations. Kevin Van Trump is NOT registered as a stock or commodity advisor in any jurisdiction. You need to consult with your own registered advisor for specific strategies and ideas that are appropriate to your specific portfolio or business entity. Information included in this report is derived from many sources believed to be reliable but no representation is made that it is accurate or complete. This report is not intended, and shall not constitute, or be construed as an offer or recommendation to "buy", "sell" or "invest" in any securities or commodities referred to in this report. Rather, this research is intended to identify issues and macro situations that those invested in the agricultural industry should be aware of to help better assess and improve their own risk management skills. Please read the entire [DISCLAIMER PAGE](#) for full risk-disclosure and copyright laws.



© FARM DIRECTION 2011

[About Us](#) | [Testimonials](#) | [Subscribe](#) | [Contact Us](#) | [Disclaimer](#) | [Update Profile](#)

This email was sent by: **Farm Direction**
1020 Pennsylvania Ave Kansas City, MO, 64105, US