

## GOOD MORNING: 12/19/18 Farm Direction - Van Trump Report

1 message

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

Wed, Dec 19, 2018 at 7:49 AM

Reply-To: Jordan &lt;reply-fec115787c650379-314\_HTML-36250946-100003450-1@vantrumpreport-email.com&gt;

To: info@farmdirection.com

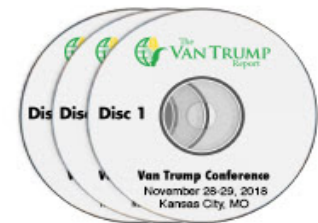


*"Today I choose life. Every morning when I wake up I can choose joy, happiness, negativity, pain... To feel the freedom that comes from being able to continue to make mistakes and choices - today I choose to feel life, not to deny my humanity but embrace it." - Kevyn Aucoin*

**WEDNESDAY, DECEMBER 19, 2018**
[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Traders have all eyes on today's Fed policy announcement. In fact, many sources are saying this is the most heavily anticipated Fed announcement in the past decade. If you remember, it was on December 16th, 2008, that the Fed elected to reduce rates one last time, to the lowest level in our nation's history. That massive rate reducing cycle began back in August of 2007, with media headlines swirling around something they were calling the "subprime mortgage crisis". It was in July of 2007 that investment bank Bear Stearns announced that two of its hedge funds that had heavily invested in subprime mortgages had imploded. Once the smoke started to clear and dust began to settle, losses in the stock market and housing values had already started to tumble. This caused U.S. consumers and business leaders to "pause", which further accelerated the downside momentum. I hate hearing everyone talk about selling pressure. We have to remember, it's not just about short-side sellers or long liquidation. Perhaps an even bigger concern when the markets are at elevated levels is the sheer lack of fresh buy-side interest. If buyers or new bullish money simply "pauses" to look around, liquidity can become an issue and we are left with heavy downward pressure in the market that is often very unexplainable. It's not so much that big investors have turned massively bearish, but simply big investors have become more uncertain and a simple "pause" can quickly dry up buy-side volume and tip the scales to favor the bears. I'm worried that's the case right now. Most large investors seem to believe we are late in the bullish cycle, which is hard to argue against, and causes the bulls to be a bit edgy or perhaps a bit nervous about their longer-term bullish bets. This can cause them to get spooked at the slightest noise or rumor in the night. This is also why many of the largest gains in the market are posted "late-cycle". The waters get much more dangerous late in the game and money-mangers can easily get caught "under-invested", then when they are forced to jump back in, it can cause an explosive surge to the upside. I personally think that game has yet to play itself out. The market probably still hasn't trapped enough bulls underwater, so I suspect there's still more downside. Keep in mind, the S&P 500 is still up over +170% since 2010, so a lot of players are still playing with a ton of "house money". I'm not sure where that psychological threshold of pain in the market is located, but I suspect it's when we start to see more longer-term bulls throwing in the towel. At this point, it feels mostly like saber rattling by the "perma-bears" who have been waiting a long time to get their day in the sun. Most of the bigger bulls, including myself, are still just calling it a sloppy correction. I think the market needs to pull-back far enough, and inflict enough pain, that some of these bulls start to really question their own thoughts and actually flip to the bearish camp. I'm worried that if the Fed doesn't follow through with a rate hike following today's meeting, which a decision and statement will be announced at 1:00pm CST, followed by a press conference with Fed Chair Jerome Powell, the knee-jerk in the market will be to the upside, but I doubt the rally will be able to hold and build continuing momentum. If the Fed "pauses", I thinking it only adds more uncertainty and questions to the mix. Hence the rally won't hold. If the Fed moves forward with the rate hike, I suspect the market takes a nearby tumble, but might start to find more stable footing as some uncertainty and drama comes out of the market. I'm going to be looking to add to a few of my favorite longer-term holdings if we catch another leg lower into yearend. Looking ahead, I'm most worried about the overcrowded bullish U.S. dollar trade, the continued fallout in crude oil, economic uncertainty in Europe, and of course the ongoing trade dispute between the U.S. and China. Clearly lots of risk will

**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**







still be in the air, so I have to remain conservative in demeanor and respectful to what the market itself has been telling us. In other words, I'm not wildly bullish, but there are some areas that have been beaten up badly enough that I have to close my eyes, hold my nose, and just add some length. I'm looking at a few bargains in the Financial sector, Biotech sector, Gaming sector, and some beaten up names in the Chip sector. Still holding over 60% in cash...

**White House Signaled that a Government Shutdown May be Averted** by tapping other existing sources of money for a border wall. Lawmakers are seeking a way to prevent a partial shutdown that would begin after Friday night. President Trump had pledged to shut down the government if he didn't get the \$5 billion he's seeking for a wall on the border with Mexico, an amount that Democrats reject. White House Press Secretary Sarah Huckabee Sanders said yesterday, "We have other ways we can get to that \$5 billion. At the end of the day, we don't want to shut down the government. We want to shut down the border." (Source: Reuters)

**You Thought You Had A Bad Couple Of Months In The Market:** Facebook founder Mark Zuckerberg began the year with an estimated net-worth of around \$75 billion, but, according to Bloomberg's Billionaire Index, he was recently estimated to be worth about \$55 billion. He still has a massive fortune, but that's about a -\$20 billion dollar whammy...Ouch!

**Crude Prices Down -40% Since October Highs:** Crude Oil prices have plunged -12% in the past three sessions. WTI crude has not been this cheap since August of last year. Not only do we have record supply being pumped by the U.S. but several industry analysts are starting to point to signs of faltering demand. From a technical perspective, it sounds like we started triggering a lot of sell-side activity once we closed below \$50 per barrel. It now feels like the next major level of support is around \$42 per barrel, which is around the 2017 low. Keep in mind, WTI has lost nearly -40% of its market value since hitting a roughly four-year high in early-October. This month, oil output from U.S. shale fields is set to rise above +8 million barrels per day for the first time ever. Production from the seven key regions is forecast to rise by nearly 134,000 barrels per day in January, the biggest increase since Sept. Read more [HERE](#).

Crude Oil WTI Feb '19 (CLG19)  
46.83 +0.23 (+0.49%) 06:42 CT [NYMEX]  
46.82 x 15 46.83 x 9

INTERACTIVE CHART for Wed, Dec 19th, 2018



# FARM TANK

## Tweets of the Day



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

**(816) 322-5300**

### Today In History



**1732, Poor Richard's Almanack is published** - On this day in 1732, Benjamin Franklin of Philadelphia first published Poor Richard's

Almanack. The book, filled with proverbs preaching industry and prudence, was published continuously for 25 years and became one of the most popular publications in colonial America, selling an average of 10,000 copies a year. Franklin was born in Boston in 1706 and was apprenticed to his brother, a printer, at age 12. In 1729, Franklin became the official printer of currency for the colony of Pennsylvania. He began publishing Poor Richard's, as well as the Pennsylvania Gazette, one of the colonies' first and best newspapers. One of the appeals of the Almanack was that it contained various "news stories" in serial format, so that readers would purchase it year after year to find out what happened to the protagonists. One of the earliest of these was the "prediction" that the author's "good Friend and Fellow-Student, Mr. Titan Leeds" would die on October 17 of that year, followed by the rebuttal of Mr. Leeds himself that he would die, not on the 17th, but on October 26. Appealing to his readers, Franklin urged them to purchase the next year or two or three or four editions to show their support for his prediction. The following year, Franklin expressed his regret that he was too ill to learn whether he or Leeds was correct. Nevertheless, the ruse had its desired effect: people purchased the Almanack to find out who was correct. By 1748, Franklin had become more interested in inventions and science than publishing. He spent time in London representing Pennsylvania in its dispute with England and later spent time in France. He returned to America in March 1775, with war on the horizon. He served on the Second Continental Congress and helped draft the Declaration of Independence. He was also instrumental in persuading the French to lend military assistance to the colonies. He died in Philadelphia in 1790.



**1776, Thomas Paine publishes American Crisis** - These are the times that try men's souls; the summer soldier and the sunshine patriot

will, in this crisis, shrink from the service of his country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the





Ivan the K™  
@IvanTheK

Following



more glorious the triumph. When these phrases appeared in the pages of the Pennsylvania Journal for the first time, General George Washington's troops were encamped at MCKonkey's Ferry on the Delaware River opposite Trenton, New Jersey. In August, they had suffered humiliating defeats and lost New York City to British troops. Between September and December, 11,000 American volunteers gave up the fight and returned to their families. General Washington could foresee the destiny of a rebellion without an army if the rest of his men returned home when their service contracts expired on December 31. He knew that without an upswing in morale and a significant victory, the American Revolution would come to a swift and humiliating end. Thomas Paine was similarly astute. His Common Sense was the clarion call that began the revolution. As Washington's troops retreated from New York through New Jersey, Paine again rose to the challenge of literary warfare. With American Crisis, he delivered the words that would salvage the revolution. Washington commanded that the freshly printed pamphlet be read aloud to his dispirited men; the rousing prose had its intended effect. Reciting Paine's impassioned words, the beleaguered troops mustered their remaining hopes for victory and crossed the icy Delaware River to defeat hung-over Hessians on Christmas night and on January 2, the British army's best general, Earl Cornwallis, at the Battle of Princeton. With victory in New Jersey, Washington won not only two battles, but also the love and thanks of man and woman.



#### **1917, National Hockey League**

- On this day in 1917, four teams of the National Hockey League (NHL) play in the fledgling league's first two games. At the time of its inception, the NHL was made up of five franchises: the Canadiens and the Wanderers (both of Montreal), the Ottawa Senators, the Quebec Bulldogs and the Toronto Arenas. The Montreal teams won two victories that first day, as the Canadiens beat Ottawa 7-4 and the Wanderers triumphed over Toronto 10-9. The first professional ice hockey league was the International Pro Hockey League, founded in 1904 in Michigan. After it folded, two bigger leagues emerged in Canada: the National Hockey Association (NHA) and the Pacific Coast League (PCL). In 1914, the two leagues played a championship series, and the winner was awarded the famous silver bowl donated for Canada's amateur hockey leagues by Lord Stanley, the English governor general of Canada, in 1892. The NHA stopped operating during World War II, and after the war the five elite teams from Canada formed the NHL in its place. Despite that early defeat, Toronto went on to win the inaugural season. In March 1918, they defeated the PCL champions, the Vancouver Millionaires, three games to two for the Stanley Cup. By 1926, the PCL had



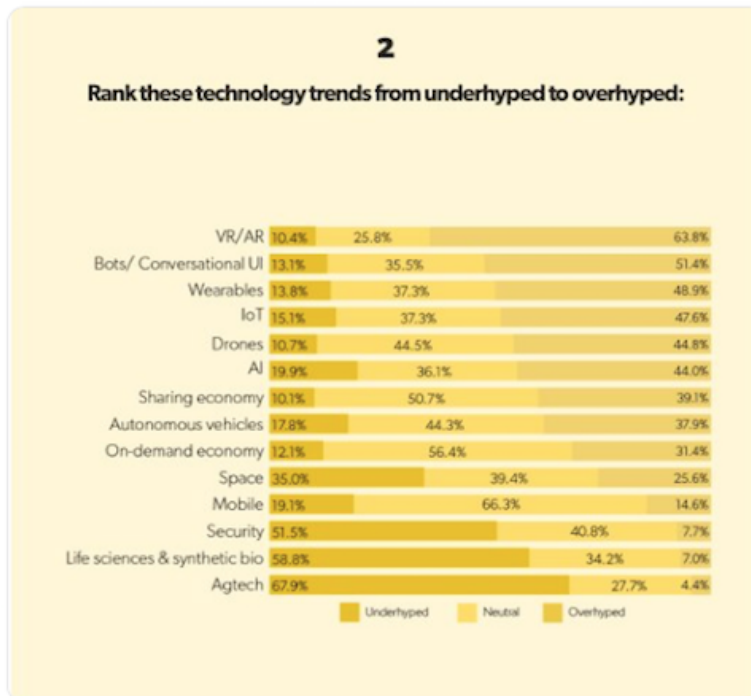
Connie Bowen

@ConnieBowen\_

Following

Spending a sunny Sunday catching up on reports - this graphic on @firstround 2018 #stateofstartups survey stood out: #AgTech is #1 most underhyped industry according to 529 founders surveyed.

stateofstartups.firstround.com/2018



folded, and the 10 teams of the NHL divided into two divisions. The champions of each those two divisions—the Eastern and the Western Conference—now face each other at the end of each season in the Stanley Cup Championship.

#### Upcoming Events

**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



#### Kevin's Song of the Week



Sam Coggins

@SamCogg

Following

Here's to #Agriculture!







**Quint Pottinger**  
@Affinity\_Farms

Following

Farm supervisor here to make sure the rye gets planted tonight. #affinityfarms #harvest18 #bourbon #sunset #farmdog #aussie #rye #plant18 #plant19 #itsamazingoutthere #ram #johndeere #KyAg365



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



**Medart Marine**  
@Medart\_Marine

Following

Looks like Santa is only visiting house near the water this year #boating #christmaslights



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.



**Super 70s Sports**  
@Super70sSports

Following

The day the 80s reached maximum 80s-ness.



*Farm Direction*  
RECIPES

★ **FAMILY** ★  
**FAVORITES**

-SENT IN BY OUR READERS-



**Cranberry  
Butter  
Cake**

**CLICK TO SEE RECIPE**





Steve Burns  
@SJosephBurns

Following

“Man needs difficulties. They are necessary for health.” -Carl Jung. Yet most people instinctually avoid pain. This is true whether we are talking about building the body (e.g., weight lifting) or the mind (e.g., frustration, mental struggle). via [@RayDalio](#)

### PRINCIPLE OF THE DAY LIFE PRINCIPLE 1.6c

IT IS A FUNDAMENTAL LAW OF NATURE  
THAT IN ORDER TO GAIN STRENGTH,  
ONE HAS TO PUSH ONE'S LIMITS,  
WHICH IS PAINFUL.

## 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.*

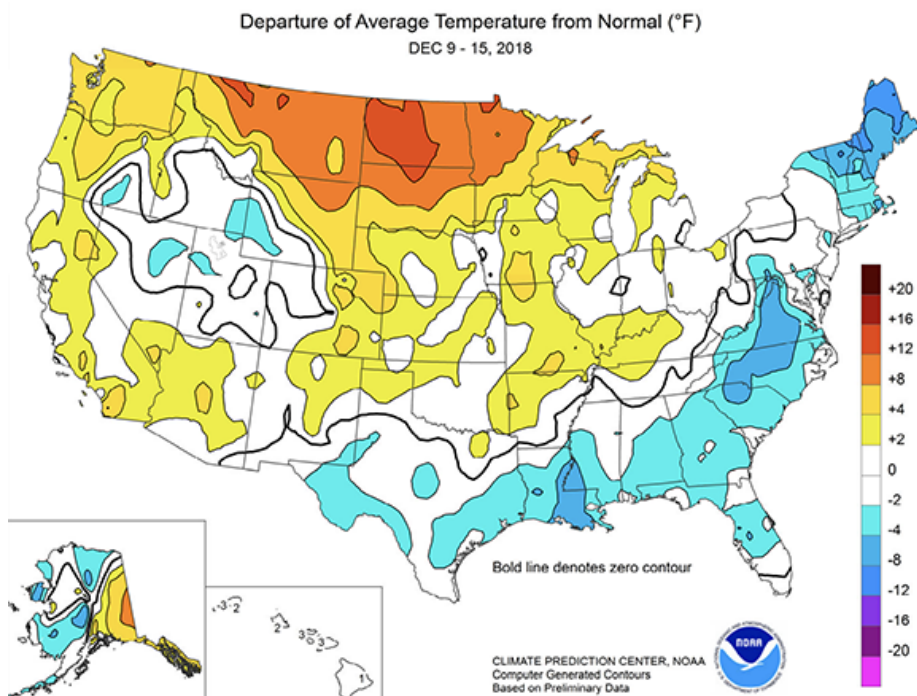
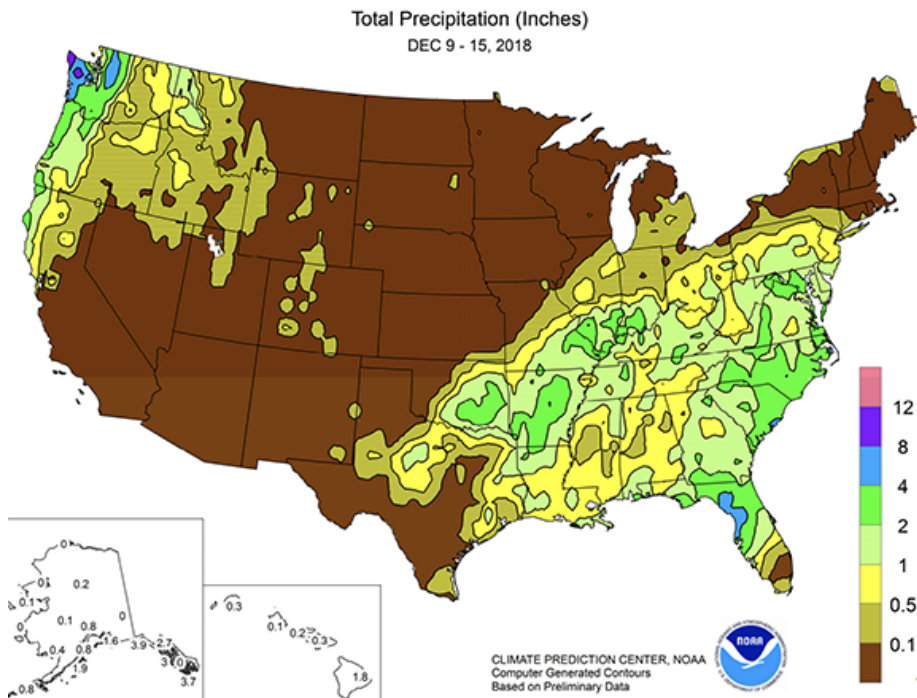
#### TODAY'S RIDDLE:

This is easy to lift but hard to throw. What is it?

**Weather** on the Plains continue to be mild and dry, with cloudiness increasing. Today's high temperatures could again approach 60 degrees F as far north as western Nebraska. The mild weather is especially beneficial with respect to promoting additional development of poorly established winter wheat prior to full dormancy. In the Corn Belt, dry weather accompanies a gradual warming trend. However, warmer than normal temperatures in the upper Midwest have begun to thaw fields that had previously frozen, limiting any late-season harvest efforts. In the South, chilly weather lingers across the Atlantic Coast States. Mild, dry weather covers the remainder of the region, although widespread fog is occurring early today in the western and central Gulf Coast States. Late season fieldwork delays persist in some areas due to chronically wet conditions. In Florida, for example, the cotton harvest was 82% complete by December 16, compared to 97% on the same date a year ago. A pair of Western storms will merge, leading to another round of heavy rain across the eastern U.S. Five day rainfall could reach 1 to 2 inches or more from the Appalachians to the Atlantic Seaboard, with most of the rain falling on December 20 - 21. Meanwhile, periods of significant precipitation will continue across the Northwest, with heavy snow expected in the

Cascades and the northern Rockies. Most of the remainder of the country will experience mild, dry weather, except for a late-week cool spell -- following the heavy rain -- in the Southeast.

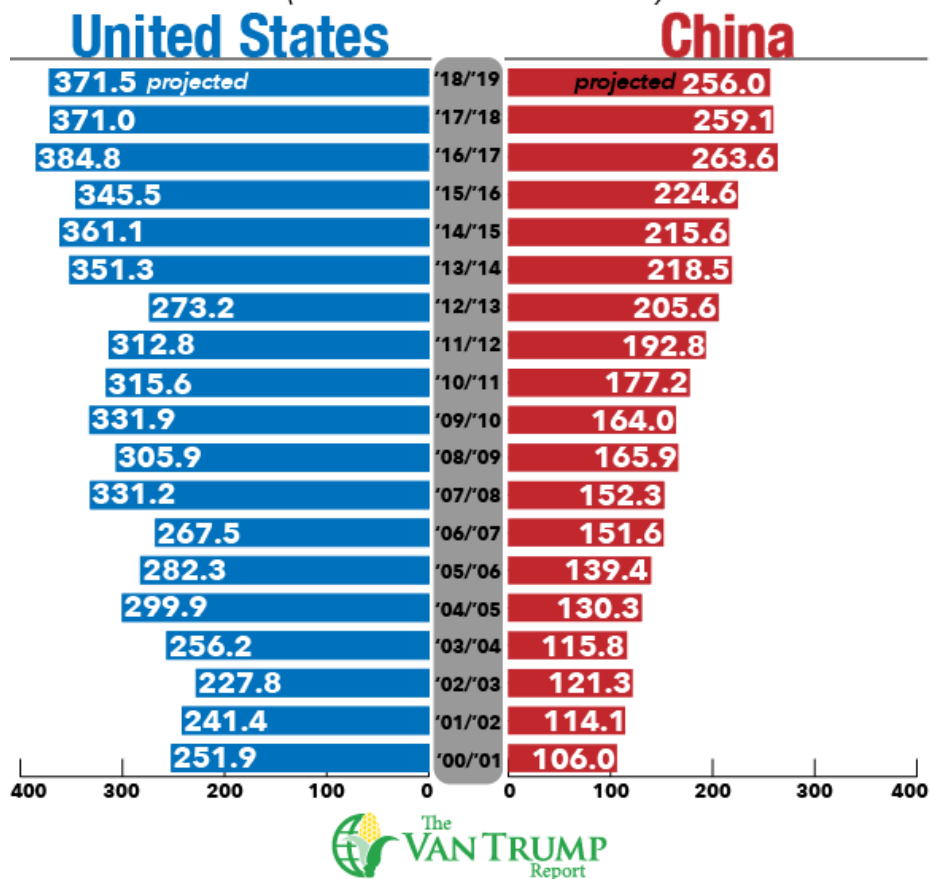
**Warming Trend Settles In Across Nation's Mid-Section:** A west-to-east warming trend brought to an end a protracted cold spell that had gripped much of the eastern half of the country since early November. However before milder air arrived, an early-season winter storm delivered heavy snow to a broad area, including the southern Mid-Atlantic region, starting on December 9. Colder than normal weather dominated the Gulf and Atlantic Coast States, with temperatures averaging as much as 10 degrees F below normal in northern New England. In contrast, weekly temperatures averaged at least 10 degrees F above normal in parts of Montana, northern Minnesota, and the Dakotas. Large sections of the Plains, Southwest, and upper Midwest experienced dry conditions. The stretch of dry weather allowed harvest activities to near completion, although milder conditions thawed some northern fields that had previously frozen.



**Corn** bulls are hoping to hear some type of confirmation that the Chinese are actually going to buy U.S. supply. I've heard all kinds of rumors and talk that the Chinese could soon purchase anywhere from 2 to 4 MMTs of U.S. corn, and also make purchases of

U.S. ethanol, DDGs, and sorghum. Unfortunately, to this point it's just all been talk, I've seen nothing official. Keep in mind, the last time China purchased any real significant amount of U.S. corn was around 3 MMTs in 2013. This has the bears starting to more heavily question the rumors. The bears are also thinking U.S. and Chinese negotiations might be cooling off bit? The question now is how long can the bulls go without being feed fresh new demand headlines? We also have to remember that crude oil prices have been getting hammered as of late, down about -12% in just the past three sessions. There are also more headlines of U.S. ethanol plants making closures and or idling facilities. There was talk circulating yesterday that Green Plains plans to idle the 55 million gallon a year at their Otter Tail ethanol plant in Fergus Falls, Minnesota. Remember, the USDA just recently trimmed their corn used for ethanol estimate by -50 million bushels, let's hope they don't have to cut more from the forecast. Export competition from South America is also becoming more widely discussed and debated. Bottom-line, growth in demand is being more heavily questioned. On the supply-side of the equation, I could argue the U.S. crop has gotten a bit smaller as some rough weather has kept some acres from getting harvested in a timely fashion. There's starting to be a few more weather concerns popping up in South America that need to be monitored, but it seem too early for the market to add a ton of risk-premium at this juncture. Technically, the market has been responding very well. Yesterday, the DEC19 new-crop contract closed back above its 200-Day Moving Average for the first time in many weeks. I suspect it also triggered many resting sell orders in place at \$4.05 per bushel. We might have to back-and-fill a bit before we make another run up towards the \$4.10 to \$4.15 area. As I've mentioned on several occasions as of late, the next +10 to +20 cents to the upside could be extremely tough sledding. I should also note, the JUL19 old-crop contract continues to poke its head just a bit above \$4.00. Producers who have been waiting on that number to make sales have had some opportunities. I'm staying patient, believing there's still more room to the upside.

## Corn Production (in million metric tons)



Source: USDA, updated with latest WASDE

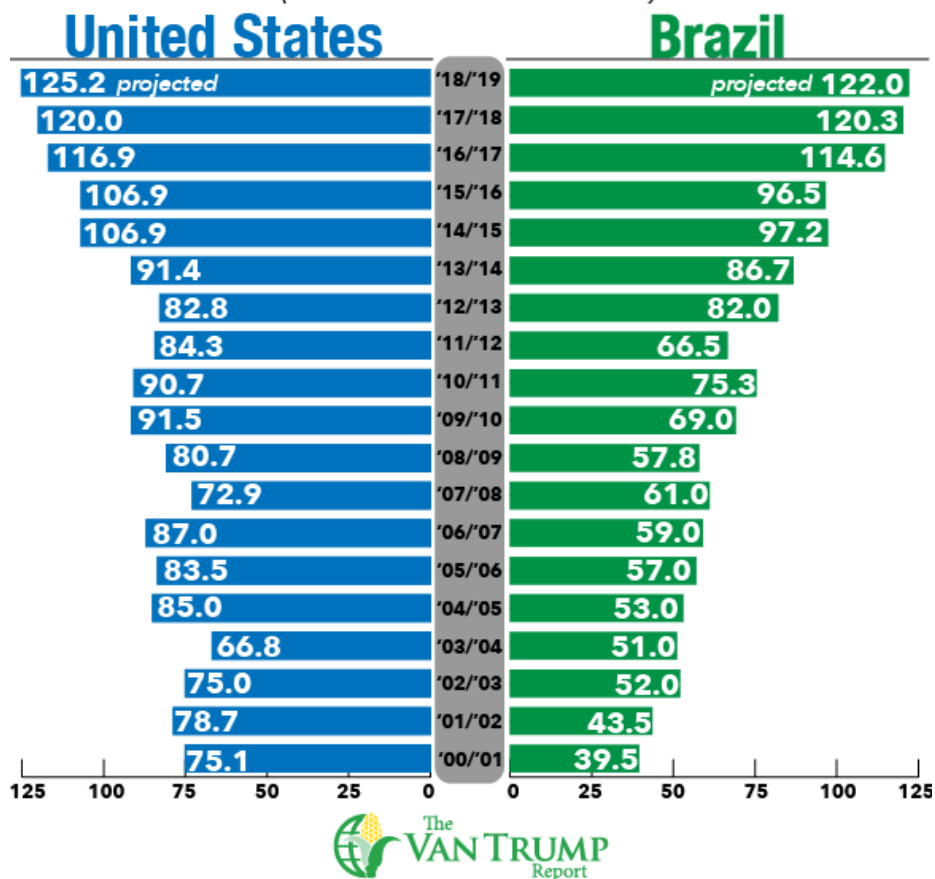
**Soybean** bulls are happy to hear about more Chinese buying. There was talk yesterday circulating inside the trade that Chinese buyers had purchased a few more cargoes of U.S. soybean supply. I've heard the purchases totaled anywhere from 600,000 to 1.2 million metric tons. I suspect the USDA will let us know more specifics today when they release an official number. Bulls believe there are still more purchases pending and the USDA probably won't have all of the details to include all of what might be coming. Bulls are also talking about South American weather concerns, and the possibility that



the U.S. dollar might be topping out. There's some early South American yield data floating around inside the trade that shows less than anticipated results at harvest. In the grand scheme of things, it's a very small sample size, so I don't see the market giving it a lot of credence just yet. I would simply call it more "noise" than anything else right now, but I will watch the numbers closely as they start to come in. There's some suspect weather brewing in parts of Argentina and Brazil that also needs to be monitored. Technically, it still feels like the new-crop NOV19 contract has good nearby support in the \$9.40 to \$9.50 range, while longer-term upside resistance remains in the \$9.75 to \$10.00 range. Producers who still need to price old-crop bushels, need to be paying close attention to the JUL19 contract, which is still up around \$9.50 per bushel. Last weeks high of \$9.64<sup>2</sup> is the highest the contract has traded since June 18th. With the second MFP payment now in play we should be paying very close attention!

## Soybean Production

(in million metric tons)



Source: USDA, updated with latest WASDE

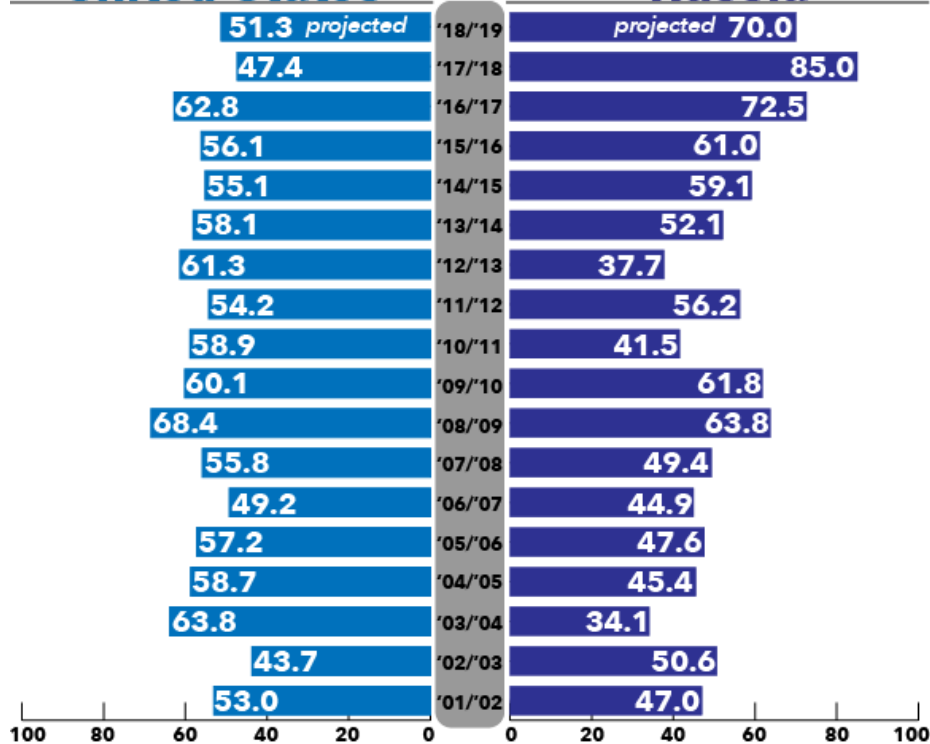
**Wheat** bulls are in need of fresh new headlines. The market seems to be pausing, waiting to see if the Chinese are going to step in and purchase U.S. supply, and if Russian officials are going to start limiting their exports in some capacity. There's some weather concerns in parts of Russia and Argentina, but these have been fairly well advertised. The weather here at home is being viewed as bearish or helping to improve the recently planted winter wheat crop. The outside macro markets have been creating some headwind, as many inside the trade continue to fear a global economic slowdown. Economic data out of Germany and Japan continue to show negative pressure, while Chinese data continues to bring about questions of overall global growth. The only bright spot might be that an extremely over-crowded long dollar trade might be topping out. If the U.S. dollar starts to weaken on news that the Fed is becoming less hawkish, perhaps it provides some bullish commodity tailwinds for the funds, i.e. wheat could be a beneficiary. I continue to remain bullish, for what seems to be all non-traditional reasons. Testing my patience, but staying with my longer-term plan. As a producer, I'm giving myself another 90-days where I can just sit and somewhat watch. If we don't catch a significant rally by then, I will have to become much more creative and sensitive to both time and headlines.

# Wheat Production

(in million metric tons)

## United States

## Russia



Source: USDA, updated with latest WASDE



> **What Could Ag Sacrifice In A Partial Government Shutdown?** *I certainly don't know all of the specifics, but from what I'm hearing...if Washington leaders can't find a compromise and we have a partial shutdown things could be a bit different. The USDA's website could be impacted or not updated. There's also talk that the USDA's statistical reports, including weekly sales data could be halted. There's also talk the FSA offices could be closed, and any payments associated with their offices would be delayed. Stay tuned...*

> **Brazil Soybean Exports Much Stronger Than Most Expected:** *Soybean exports out of Brazil are set to rise +23% on the year to a record volume of 84 MMTs as December exports are set to hit a new record on strong Chinese demand. From the start of January until the first half of December, Brazil exported a staggering 82.7 MMTs of soybeans with another 1.08 MMTs lined up for export during the slower second half of December. That would place total 2018 exports at 83.8 MMTs, up from 68.2 MMTs in 2017. (Source: AgriCensus)*

> **Argentina Gets Needed Rains:** *Bolstered by strong showers in key parts of the Pampas farm region, which meteorologists expect to continue over the week ahead, Argentina's harvest should reach 55.5 million tonnes, according to the U.S. Department of Agriculture. That would mark a sharp recovery from the 2017/18 season, which was walloped by a drought that reduced the harvest to an anemic 37.8 million tonnes. (Source Reuters)*

> **Hog Herds Expected to Expand:** *When the Hogs and Pig report comes out tomorrow it is expected to show the U.S. hog herd at 74.725 million head as of Dec. 1. The increase of 2% would be a record for December yet fall a bit short of the*

September record of 75.486 million head. From what I'm hearing the rate of expansion will begin to slow from earlier in the year.

**> Santa and His Elves Have Been Checking USDA's Traveler Website:** *USDA has announced that representatives from the North Pole were among the visitors checking out the Agency's new traveler information web page. The site, launched in September 2018, provides everyone with important information about which agricultural items are safe to enter the U.S. -- and which ones are best left behind. Even Ag Secretary Sonny Perdue came out and thanked Santa "for setting great example of thoughtful and responsible gift giving." I had absolutely no idea that United States regulates or prohibits the entry of musical instruments that contain materials derived from protected and endangered animal and plant species protected under the U.S. Endangered Species Act (ESA) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Brazilian rosewood, tortoiseshell, and elephant ivory are among the protected species most commonly found in musical instruments. (Source: USDA, [APHIS](#))*

**> Cheese Still Piling Up:** *The U.S. cheese stockpile continues to grow, topping 1.4 billion pounds, as consumers move away from American cheddar cheese and toward foreign varieties. Cheese is less valuable once it spends weeks in cold-storage, and producers are concerned that the glut and price drop that has come with it could eat into profits. Spot market prices for 40 pound blocks of cheddar fell around 25% this year from 2014 prices, while 500 pound barrels typically used for processed cheese declined 28%. While Americans ate a record 37 pounds of cheese per capita last year, they are ditching processed, American and cheddar cheese for foreign varieties like mozzarella. (Source: MarketWatch)*

**> Food Samples Rarely Exceed Pesticide Limits:** *More than 99% of the samples of fresh and processed foods, honey, milk and bottled water tested by USDA during 2017 had pesticide residue levels below the allowable levels set by EPA. USDA tests a wide variety of domestic and imported foods, with a strong focus on foods that are consumed by infants and children. (Source: USDA, FDA)*

**> Missouri Poacher Ordered To Watch 'Bambi' in Jail:** *David Berry Jr. was ordered to watch the Disney classic at least once a month during his year-long jail sentence in what conservation agents have called one of the largest deer poaching cases in state history. The deer were trophy bucks taken illegally, mostly at night, for their heads, leaving the bodies of the deer to waste. Berry, his father, two brothers and another man who helped them had their hunting, fishing and trapping privileges revoked temporarily or permanently. The man has paid a combined \$51,000 in fines and court costs, but the judge ordered a special addition to Berry's sentence. (Source: AP)*

**> Landmark Bill Changing Sentencing Guidelines for Some Federal Prisoners:** *Late yesterday, the Senate passed what is being called a landmark bill changing sentencing guidelines for some nonviolent federal prisoners—and allowing early release for potentially tens of thousands of inmates who were convicted of nonviolent crimes. Known as the First Step Act, the bill would be the most far-reaching overhaul of the federal criminal justice system in decades. It would change sentencing for mandatory minimum sentences and give judges more discretion in determining penalties, among other provisions. The bill applies only to the federal prison system, which has about 180,785 inmates and makes up a small percentage of the U.S. jail and prison population. But for future defendants in federal courtrooms and present convicts in federal prisons, it could spell less prison time—and sooner release. (Source: The Wall Street Journal Read more [HERE](#))*

**> Death Row Executions Near Historic Lows:** *In a report by the District of Columbia-based Death Penalty Information Center, data shows that 25 executions were carried out in 2018, the fourth consecutive year in which there have been fewer than 30 executions nationwide. Since the death penalty was re-instated in the United States in 1976, the number of executions peaked in 1999 with 98. They were at their lowest in 2016 with 20, according to center statistics. A 2018 Gallup poll showed 56 percent of Americans supported the death penalty for a person convicted of murder. (Source: AP)*

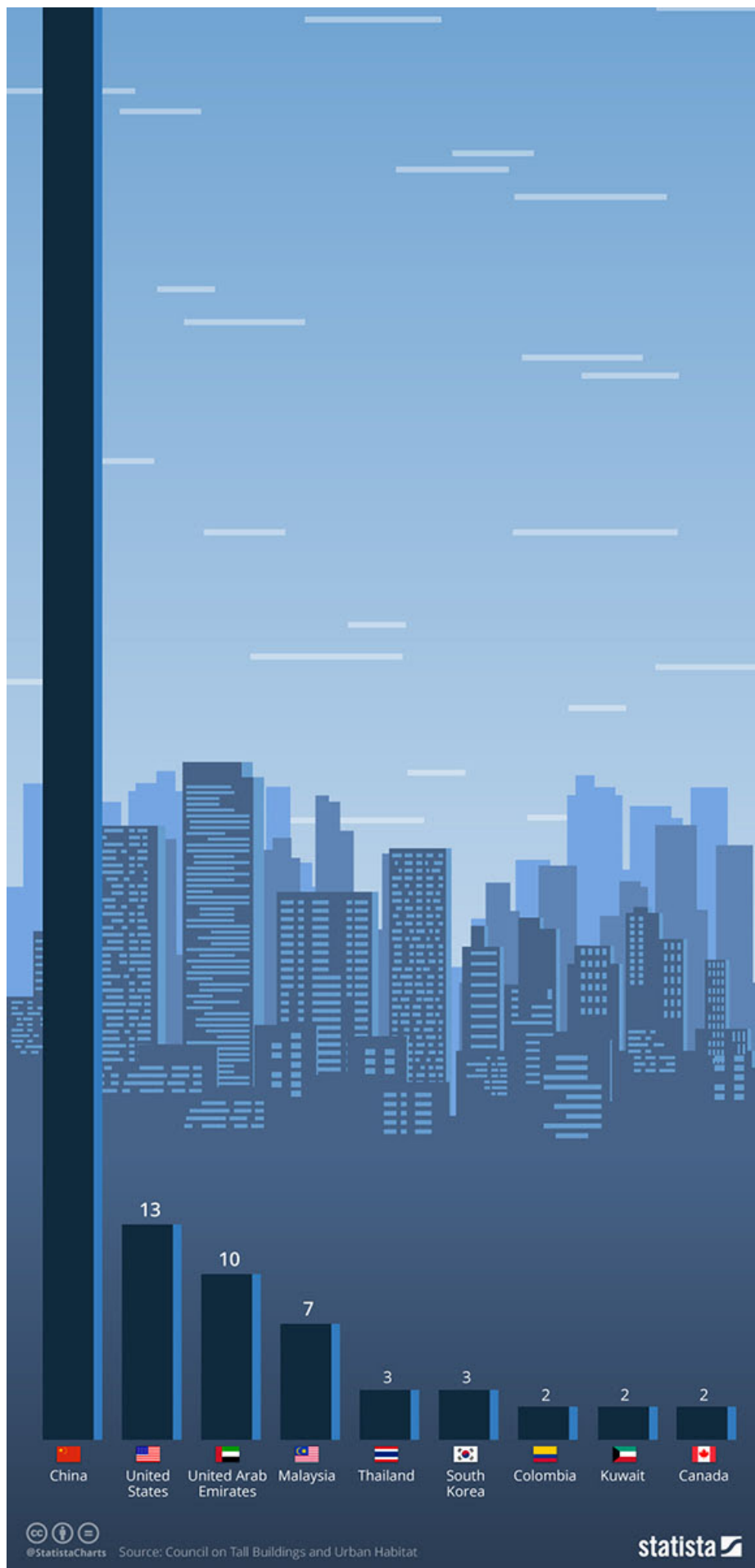
**> Nobody Comes Close to China in Skyscraper Construction:** *With 143 buildings 660 feet or taller constructed across the globe, 2018 was another hugely impressive year for skyscraper construction. China is at the forefront of the boom in skyscraper construction, building 88 in total this year. After China, the U.S. comes a distant second in the 2018 skyscraper league with 13 completions while the UAE comes third with 10. Due to China's skyward ambitions, Asia is the global hub of skyscraper share of the total while the Middle East and Africa had 9.1%. (Source: Council on Tall Buildings and Urban Habitat, Statista)*

## Skyscraper Construction: Nobody Comes Close To China

Number of buildings completed that are 200 meters in height or greater in 2018

88







# FROM THE FIELD

**Southern Wisconsin** – We are done with harvest and for the most part it went well, especially in comparison to some of the experiences I have read where it took guys 3 months to complete. We have a lot of corn stocks that we don't really know what to do with. It's warmed up a lot and most of the snow that's not in massive piles has melted, so we are hoping it dries down enough that we can get out there and knock the stock down either with a light disc or a shredder. They are just too thick and tall to plant into next year and we want to get them broke down over the winter, so they compose back into the soil. We will either plant beans or go back in with corn again. Right now, we are just waiting for drier weather or extremely cold weather to get a little field work done to be ready for next year.

**Northern Kansas** – Most guys got wheat planted and established but shortly after the rain shut off. We could use some warmer days and a little rain to ensure this wheat doesn't just die off this winter. Right now, it's looking patchy and, in some areas, even brownish in color. We have seen wheat look like this before and when spring rolls around, it starts to rain which will still produce a 50-60-bushel crop easy. At this point because the wheat is mostly dormant, we really just need rain to keep the top soil from blowing all over the country side. I actually saw a field the other day that looked like the hill tops had already blown most of the wheat out of the ground. We have had several days where the wind gust is hitting 30-40 miles per hour. I have heard a few guys talking like they would rather just scrap the wheat and plant soybeans or sorghum anyway, but we would prefer the wheat crop because it's the lowest cost crop we can raise around here.

**Western Nebraska** – We had a bad year as far as production goes because of hail. We had several fields hailed out to nearly zero. We couldn't even cut them for silage because the guys were going to have chop the field got so busy that they never came back. There wasn't anyone else that was available because several states around us got hammered. We ended up trying to harvest the field, but our insurance agent finally came out after a few phone calls and realized we were just wasting our time. We ended up running a neighbor's cows on it and we should be getting an insurance check by the first part of next year.



## CROSSING WIRES

A place to share intelligent thoughts...

**Bowery Raises \$90 Million:** Bowery Farming has closed a \$90 million Series B round of funding led by Google's venture arm. Bowery is a New York based indoor farming group that sells eight pesticide-free leafy green products including arugula, butterhead lettuce, romaine, bok choy, basil, and lettuce mixes branded as spring blend, kale mix, and sweet and spicy mix. Their customers include Whole Foods, Foragers and Sweetgreens in the New York area, as well as a few restaurants. Click [HERE](#) to learn more about Bowery.

**Bumblebees Turning Into Live Drones:** Engineers at the University of Washington announced they have come up with a power source both strong and light enough to keep their "drone" in flight for a continuous stretch of about 7 hours. Vikram Iyer says, "We decided to use bumblebees because they're large enough to carry a tiny battery that can power our system." Because insects can fly on their own, the package requires only a tiny rechargeable battery that can last for 7 hours of flight. The whole sensor package costs just a few dollars and weighs only 102 mg, or about the weight of 7 grains of uncooked rice. Click [HERE](#) to read more!

**Mastering the Skill of Storytelling:** You need a great story to build a great company. No one embodies this principle more fully than Scott Harrison, founder of Charity: Water. A master storyteller, Scott built his nonprofit on 3 radical principles: 100% of donations would go to water projects, progress reports would be utterly transparent, sharing victories, defeats, and even GPS coordinates of water wells, and the brand's storytelling would lead with hope instead of guilt, inspiring joyful participation without sacrificing honesty. Click [HERE](#) to listen to this podcast with Scott Harrison!

**How to Write a Book:** For many us, writing a book lies on our bucket list. Here, bestselling author Ryan Holiday lays out the process for how he writes his books and what to focus on aka what your M.I.T.'s in the various phases of the process should be. Holiday touches on many aspects throughout his process such as ideation, structure, how writing starts at the beginning, and how the editing process is the most grueling. To take a deeper dive about his research, writing, and editing Click [HERE](#).

**50 Cool Stocking Stuffers You Can Get on Amazon for Under \$20:** To save you the time, we curated a few of our all-time favorites and other great products from a wide range of interests below. Most of these items are available with expedited shipping, and some should arrive within a few days' time, so don't stress too hard about your last-minute shopping. Read more [HERE](#)

**"Suicide Doors" Make a Comeback:** Ford is celebrating the 80th anniversary of the long-lived luxury Lincoln line by making 80 cars in 2019 with the classic center-opening doors that once served as the signature of the Continental. The doors are not just a gimmick or aesthetic flourish. By opening toward the rear of the car, they allow passengers in the rear seats to enter and exit the vehicle more comfortably. Click [HERE](#) to read more about this comeback by Lincoln.



BROUGHT TO YOU BY:



During 2018, iSelect, The VanTrump Report and The Yield Lab Institute are sponsoring a series of weekly webinars featuring the best in agriculture innovation. Agrifood Conversations is all about driving innovation and each month will highlight a specific theme, from biologicals to vertical farms, featuring emerging topics such as soil health, biologics, plant genetics, vertical farming, precision agriculture, herd health and management, and aquaculture, to name a few. Once a quarter, we'll open up the conversation with a panel of experts on that month's topic. Learn about new trends in ag, connect with industry leaders and discover new solutions.



Join us each Thursday at 3pm CT for [Agrifood Conversations](#).

REGISTER NOW




## Learn More About "Performance Livestock Analytics"

**Title: Big Data Comes to the Livestock Industry**

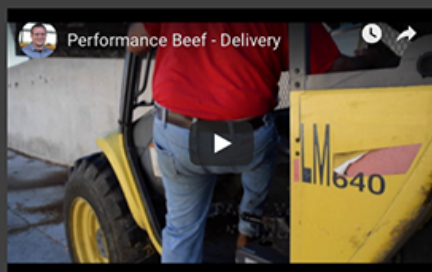
**Time: Thursday, December 20 @ 3:00 pm CT**

Believe it or not, meat is underappreciated. Although livestock contributes 40% of the global value of agricultural output and supports the livelihoods and food security of 1.3 billion people, it receives less than 5% of all developmental funding. The livestock sector is one of the fastest growing parts of the agricultural economy, but it remains underserved by technology. Performance Livestock Analytics aims to help livestock producers become more sustainable and profitable, with precision ag applications that combine today's cloud-based technologies with on-farm information, bringing big data solutions to the livestock industry. Its Performance Beef platform is a farmer-friendly software solution that automates the feed delivery process, so the producer can capture every pound of feed delivered and every dollar spent, allowing for real-time access to on-farm data and closeout reports. Learn how one company is working to address that shortcoming at "Big Data Comes to the Livestock Industry," a webinar to be held at 3 pm CT on December 20th featuring Dane Kuper, CEO and co-founder of Performance Livestock Analytics. You can visit the website [HERE](#)



	Bunk Score	Ration Type	AM Delivery	PM Delivery	Total Lbs	DMU/Day
East Mono	N/A	Test	5000	0	5,000 lbs	65.78 lbs
West Mono	N/A	Ration 2	4500	0	4,500 lbs	26.50 lbs
North Yard	N/A	Ration 2	2000	0	2,000 lbs	51.21 lbs
Barn	N/A	Ration 2	8000	0	8,000 lbs	28.38 lbs

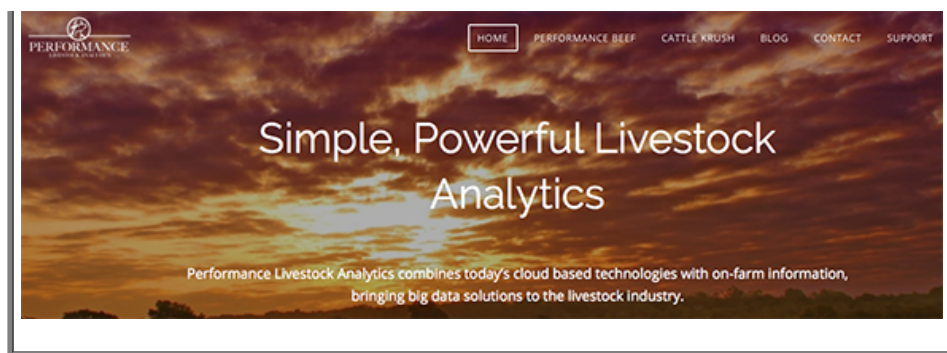
## Revolutionizing the way we feed.



Performance Beef

### Performance Beef Scale Integration

Performance Beef provides a farmer friendly software solution built by feedlot producers. Performance beef has created a revolutionary Bluetooth Smart scale device that automates the feed delivery process, so the producer can capture every pound of feed delivered and every dollar spent. This device works with a majority of scale systems already in use on beef operations today. Performance Beef allows real-time access to on farm data and closeout reports. The program can connect to all your trusted advisors, so the right information is getting to those who help the producer make important performance and financial decisions. Being a cloud-based system allows you to access this information on any device from any where in the world.



### **Presents For The Pooch!**

It's estimated that 68% of Americans now own a pet, that's up from about 56% estimated 30 years ago. It's believed that just over 60 million American households own one or more dogs. Cats come in second with about 47 million households. Freshwater fish are third with about 12.5 million households, while birds are in about 8 million households. Clearly, my favorite pet is a dog. And data shows about half of all dog owners now buy their furry friend a gift at Christmas. Surveys also reveal that dog owners spend an average of \$15 to \$20 per dog. Millennials tend to spend higher amounts on gifts for their dog than any other generation. I included below a few gift ideas for the family dog that I've seen floating around:



**BarkBox Subscriptions starts at \$35:** *Your dog will never look at a cardboard box the same again. Each month, a themed collection will be delivered free of charge to your home with at least 2 innovative toys, 2 all-natural bags of treats, and a chew toy. With over 2 million happy dogs served, BarkBox 100% guarantees your pets approval or they will make it right!*



**Chuckit! Dog Ball Launcher \$7.42:** *The Chuckit! Dog Ball Launcher helps you throw a ball farther to give your dog a better workout. Having one myself, I have to share that this is a great tool to keep us "older" folks from throwing our arms out. We use it every day and the dogs certainly get a work out that they enjoy. Worth every penny!*

## A tool to improve your fetch game



Amazon

**Whistle 3 GPS Pet Tracker & Activity Monitor \$99.95:** *Looking for a way to ensure your pets never get lost? Whistle 3 is a great tool whether you live in the city or way out in the country. I know our pups will bust through their electric fence at times and this is a sure fire way to get them safely back home.*

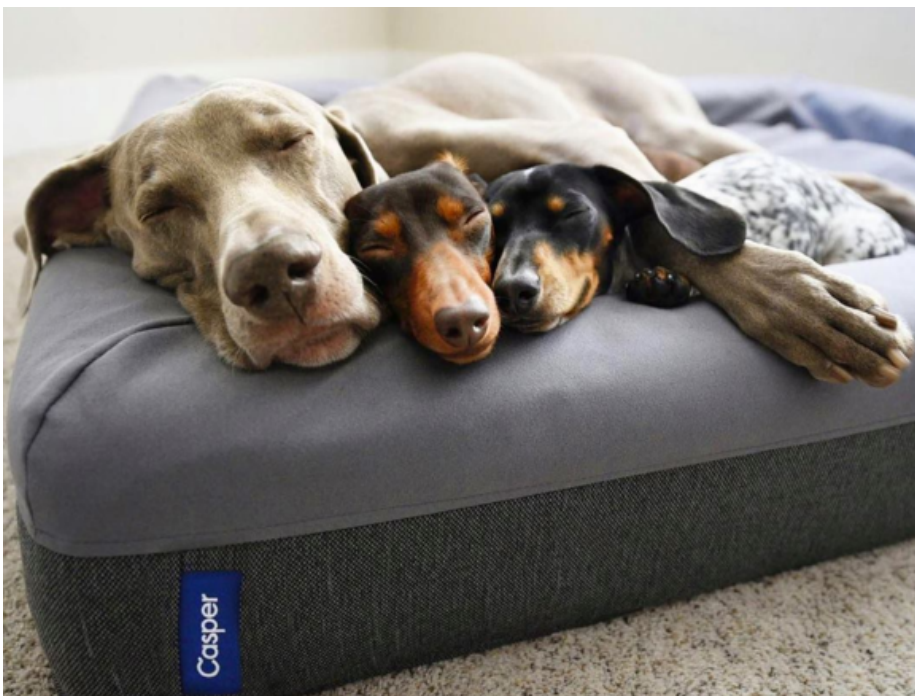




**COMSUN 2-Pack Collapsible Dog Bowl \$9.99:** *Want to make that next road trip easier for you and the family dog, then you have to try the COMSUN Collapsible dog bowl. The collapsible, non-slip material means you can set up shop anywhere to feed or water your animals as you travel. Makes sense for everyone who likes to travel with their animals.*



**Casper Dog Bed \$125:** *Designed by the same engineering team behind all of Casper's sleep products, the dog bed is a universally comfortable sleep surface for our four-legged friends. I'm told they combined their mattress-making know-how with extensive dog-centered research to create a sleep environment that caters to canines' natural behaviors. With hundreds of hours of research, it's sure to offer your pup a good sleep.*



**Furbo Treat Tossing Dog Camera \$134.99:** *If you are like many pet owners, you may have a small case of separation anxiety... always wanting to know how your dog is doing or if you have a new family member (puppy), just making sure they are not tearing things up. The Furbo Treat Tossing Camera offers a Full HD Camera & Night Vision with live stream video to monitor your pet with a wide-angle view, day and*

night. Also, sensors will send you a push notification to your smartphone when it detects barking. For those who like to know what's always going on the Furbo is a perfect gift.



**Classic Kong 2-Pack \$23.99:** This is another toy we've tried out at home and the dogs love it. It's not only one of the most durable chew toys I've run across, but it allows you to place food, treats or even peanut butter inside, providing them plenty to do while you are getting your jobs done around the house. You can also use it as a fetch toy when it's time to play.



**ThunderShirt Classic Dog Anxiety Jacket \$44.95:** I'm told these snug-fitting shirts target various pressure points, creating a sensation similar to swaddling a baby.



Veterinarians and dog trainers frequently recommend this drug-free option for dogs that suffer from separation anxiety, fear of loud noises (thus the name "Thundershirt") and travel anxiety. Definitely worth a try if your pet is skiddish at loud noises or car rides.



### College Football Bowl Games Preview

The College Football Playoff's aren't until December 29th, but the 2018-19 college football bowl season is in full-swing, which will give us plenty of football to watch this holiday season. Below is a preview to every bowl this holiday season including lines from SportsLine's advanced computer model, which simulated every college football bowl game 10,000 times. We had some fun in the office picking games, my picks are highlighted below in yellow.

#### Wednesday, December 19th

Frisco Bowl: *Ohio (8-4) vs. San Diego State (7-5) / Ohio by 3 / O-U 54*

#### Thursday, December 20th

Gasparilla Bowl: *Marshall (8-4) vs. South Florida (7-5) / Marshall by 2.5 / O-U 55.5*

#### Friday, December 21st

Bahamas Bowl: *Toledo (7-5) vs. FIU (8-4) / Toledo by 5.5 / O-U 68.5*

Idaho Potato Bowl: *BYU (6-6) vs. Western Michigan (7-5) / BYU by -12 / O-U 48.5*

#### Saturday, December 22nd

Birmingham Bowl: *Memphis (8-5) VS. Wake Forest (6-6) / Memphis by 5 / O-U 74*

Armed Forces Bowl: *Army (9-2) vs. Houston (8-4) / Army by 3 / O-U 67*

Dollar General Bowl: *Buffalo (10-3) vs. Troy (9-3) / Buffalo by 2.5 / O-U 53.5*

Hawaii Bowl: *Hawaii (8-5) vs. Louisiana Tech (7-5) / Hawaii by 1 / O-U 60*

#### Wednesday, December 26th

First Responder Bowl: *Boston College (7-5) vs. Boise State (10-3) / Boise State by 3 / O-U 55*

Quick Lane Bowl: *Minnesota (6-6) vs. Georgia Tech (7-5) / Georgia Tech by 4 / O-U 60.5*

Cheez-It Bowl: *TCU (6-6) vs. California (7-5) / Pick'm / O-U 40.5*

#### Thursday, December 27th

Independence Bowl: *Temple (8-4) vs. Duke (7-5) / Temple by 3.5 / O-U 55.5*  
 Pinstripe Bowl: *Miami (7-5) vs. Wisconsin (7-5) / Miami by 4 / O-U 47*  
 Texas Bowl: *Baylor (6-6) vs. Vanderbilt (6-6) / Baylor by 3.5 / O-U 55*  
 Music City Bowl: *Auburn (7-5) vs. Purdue (6-6) / Auburn by 3.5 / O-U 54.5*

#### Friday, December 28th

Camping World Bowl: *West Virginia (8-3) vs. Syracuse (9-3) / West Virginia by 1.5 / O-U 68.5*  
 Alamo Bowl: *Iowa State (8-4) vs. Washington State (10-2) / Washington by 3.5 / O-U 54.5*

#### Saturday, December 29th

Belk Bowl: *South Carolina (7-5) vs. Virginia (7-5) / South Carolina by 4 / O-U 54.5*  
 Arizona Bowl: *Nevada (7-5) vs. Arkansas State (8-4) / Arkansas State by 1.5 / O-U 60.5*

#### Monday, December 31st

Military Bowl: *Cincinnati (10-2) vs. Virginia Tech (6-6) / Cincinnati by 5 / O-U 53.5*  
 Red Box Bowl: *Michigan State (7-5) vs. Oregon (8-4) / Oregon by 3 / O-U 48*  
 Liberty Bowl: *Missouri (8-4) vs. Oklahoma State (6-6) / Missouri by 8 / O-U 74*  
 Holiday Bowl: *Northwestern (8-5) vs. Utah (9-4) / Utah by 7 / O-U 45.5*  
 Taxslayer Bowl: *Texas A&M (8-4) vs. North Carolina State (9-3) / Texas A&M by 4.5 / O-U 59.5*  
 Sun Bowl: *Pittsburgh (7-6) vs. Stanford (8-4) / Stanford by 6.5 / O-U 52*

#### Tuesday, January 1st

Outback Bowl: *Mississippi (8-4) vs. Iowa (8-4) / Mississippi State by 6.5 / O-U 44.5*  
 Citrus Bowl: *Kentucky (9-3) vs. Penn State (9-3) / Penn State by 6.5 / O-U 47.5*  
 Peach Bowl: *Michigan (10-2) vs. Florida (9-3) / Michigan by 7.5 / O-U 50.5*  
 Rose Bowl: *Ohio State (12-1) vs. Washington (10-3) / Ohio State 6.5 / O-U 58*  
 Fiesta Bowl: *UCF (12-0) vs. LSU (9-3) / LSU by 7.5 / O-U 55.5*  
 Sugar Bowl: *Texas (9-4) vs. Georgia (11-2) / Georgia by 11.5 / O-U 58*

#### BCS National Championship Playoffs - Saturday, December 29th

Orange Bowl: *Alabama (13-0) vs. Oklahoma (12-1) / Alabama by 14 / O-U 81*  
 Cotton Bowl: *Clemson (13-0) vs. Notre Dame (12-0) / Clemson by 11 / O-U 55*



#### Tis The Season Of Lights!

Many families believe Christmas lights are one of the most magical parts of the holiday season. Before the invention of the lightbulb, the popular tradition was to put lit candles in Christmas trees to represent shining stars. Obviously, this was a huge fire hazard. The first electric lights were used by an associate of Thomas Edison. History tells us that Edison introduced the lightbulb in 1879, but it was senior marketing staffer Edward Johnson that had the idea of stringing the bulbs together and hanging them in his Christmas tree. It could be seen through his windows outside and streams of people flooded by that year to see them shine. However, it wasn't until 1902 that General Electric (founded by Edison) began mass-producing the stringed lights. Even so, the lights were so expensive that it wasn't until the 1930's that they were affordable for most Americans. Now families across America string hundreds of thousands of the twinkling decorations around their homes and yards every year. There are now contests for every aspect of the displays, from "most lights used" to "most original theme". Below are just a few crazy pics of our twinkly tradition, I hope you enjoy:











#### **Annual Johnson Family Christmas Light Show**

I wanted to include the Star Wars Christmas light show from the report last year, but I think this one topped it. They also did a Star Wars themed show last year, but I wanted to include the show from 2016 that was featured at the San Antonio Zoo. The shows started in 2013 when the show was the first to be featured on ABC's "The Great Christmas Light Fight" TV series after only one year in existence. Let me tell you, this show isn't your traditional light show! There aren't inflatables, characters, blow molds, or other "traditional" elements. Even the music is not traditional Christmas music; it's a custom soundtrack composed of Dubstep, EDM, hip-hop, movie clips, and even their children! The result is an exciting show that feels like a dance party! Even the lights are not traditional. The family uses Pixels, which are similar to what you would see in a stadium Jumbotron. Click [HERE](#) to watch this unbelievable light show!



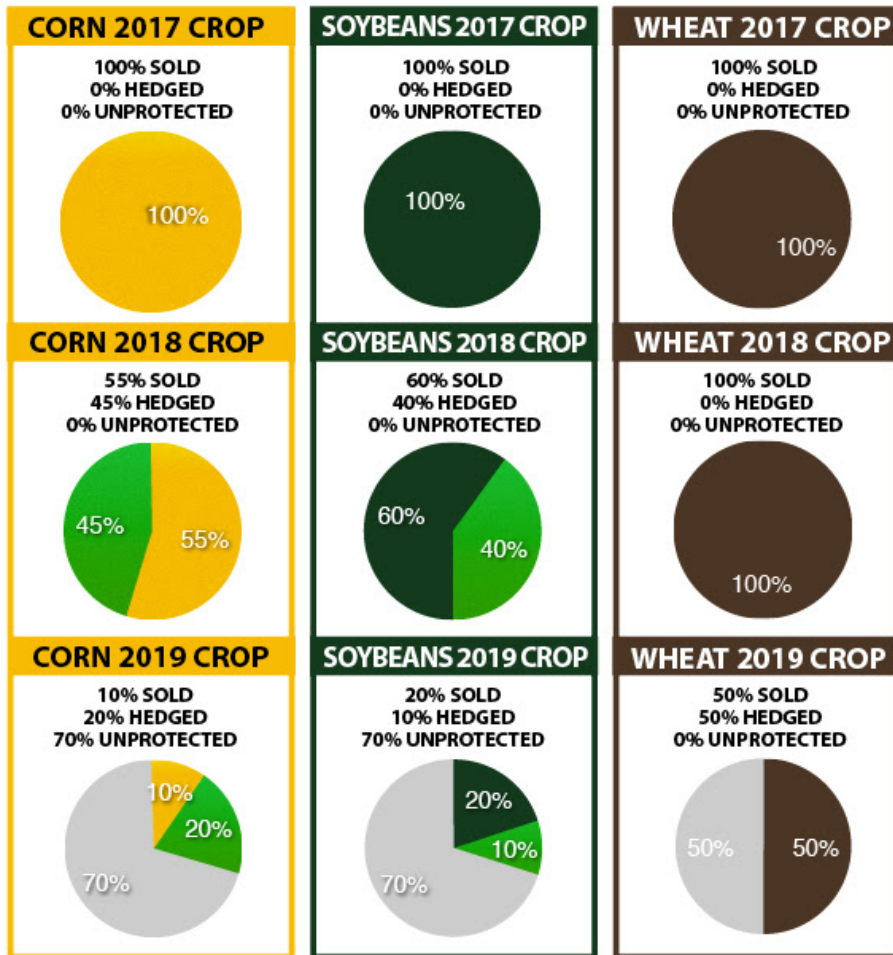


**ANSWER to riddle:** A feather

## 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