



Josh Knight <josh@farmdirection.com>

GOOD MORNING: Van Trump Report 9-9-19

1 message

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

Mon, Sep 9, 2019 at 5:30 AM

Reply-To: Jordan <reply-fecb17757166007f-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

To: josh@farmdirection.com

To view this email as a web page, go [here](#).

"Personal confidence comes from making progress toward goals that are far bigger than your present capabilities." — **Dan Sullivan**

Monday, September 09, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors continue to keep a close eye on the U.S. and global economies while looking to the world's monetary policymakers to deliver proactive measures that could counter an economic downturn. The European Central Bank (ECB) will release its latest policy decision on Thursday, where investors anticipate a cut to interest rates and, at the very least, a plan for adding economic stimulus measures. The ECB left rates unchanged in July but ECB president Mario Draghi hinted that the bank could revive quantitative easing measures to boost the slowing economy. If the ECB follows through on those expectations, it will increase investor expectations that the U.S. Federal Reserve

will cut rates when they meet next on September 17-18. While speaking in Switzerland Friday, Fed Chairman Jerome Powell said the July rate cut of 25 basis points has already helped to support the U.S. economy and that the current environment of increased uncertainty called for "vigilance and flexibility." According to the CME FedWatch Tool, investors place a 91% probability on another quarter-point rate cut in September. The Employment report on Friday showed U.S. employers added +130,000 jobs in August, a lower-than-expected number that may compound fears that the U.S. economy is slowing. The figure is the weakest in three months and was coupled with downward revisions to job growth for the two previous months. Manufacturing jobs were particularly concerning, coming in at just +3,000, which was -5,000 short of expectations. The Labor Department also steeply revised July's manufacturing job number lower to just 4,000 from a previous estimate of +16,000. Investors expect the Federal Reserve to view the employment results as a clear sign that another rate cut is in order. Several traders interpret this as meaning "bad news" now becomes "good news" for the stock market as it almost insures another Fed rate reduction. Today will bring more insight into the health of consumer spending with the Consumer Credit report for July. Borrowing in June expanded at the slowest pace in three months and was nearly -\$1.5 billion below what economists were expecting. If the weakness in borrowing continues for another couple month, it could further underpin fears that the economy is struggling. As Chicago Fed President Charles Evans said last week, healthy consumer spending is the "linchpin" for relatively optimistic growth forecasts. This Friday's retail sales figures for August will be another key release to watch this week. On the trade front, analysts are noting more signs of pain in China, where data released Sunday showed exports unexpectedly fell in August with shipments to the U.S. dropping -16%. China's central bank on Friday announced more stimulus measures and more support is expected to be announced in the coming weeks, including cuts to key lending rates. The bank's benchmark interest rate comes up for review on September 20. The U.S. and China are still expected to resume face-to-face trade negotiations in early October, though officials have not released an exact date yet. In Washington, Congress is back in session following the August recess. Both houses still need to pass the USMCA, which replaces NAFTA. Lawmakers have indicated that Congress has the votes to pass the U.S.-Mexico-Canada agreement but it is not clear when it will come up for a vote. I'm thinking stock market bulls could find some unexpected and optimistic headlines the next few weeks. There's still a ton of investors leaning over the bearish side of the boat...

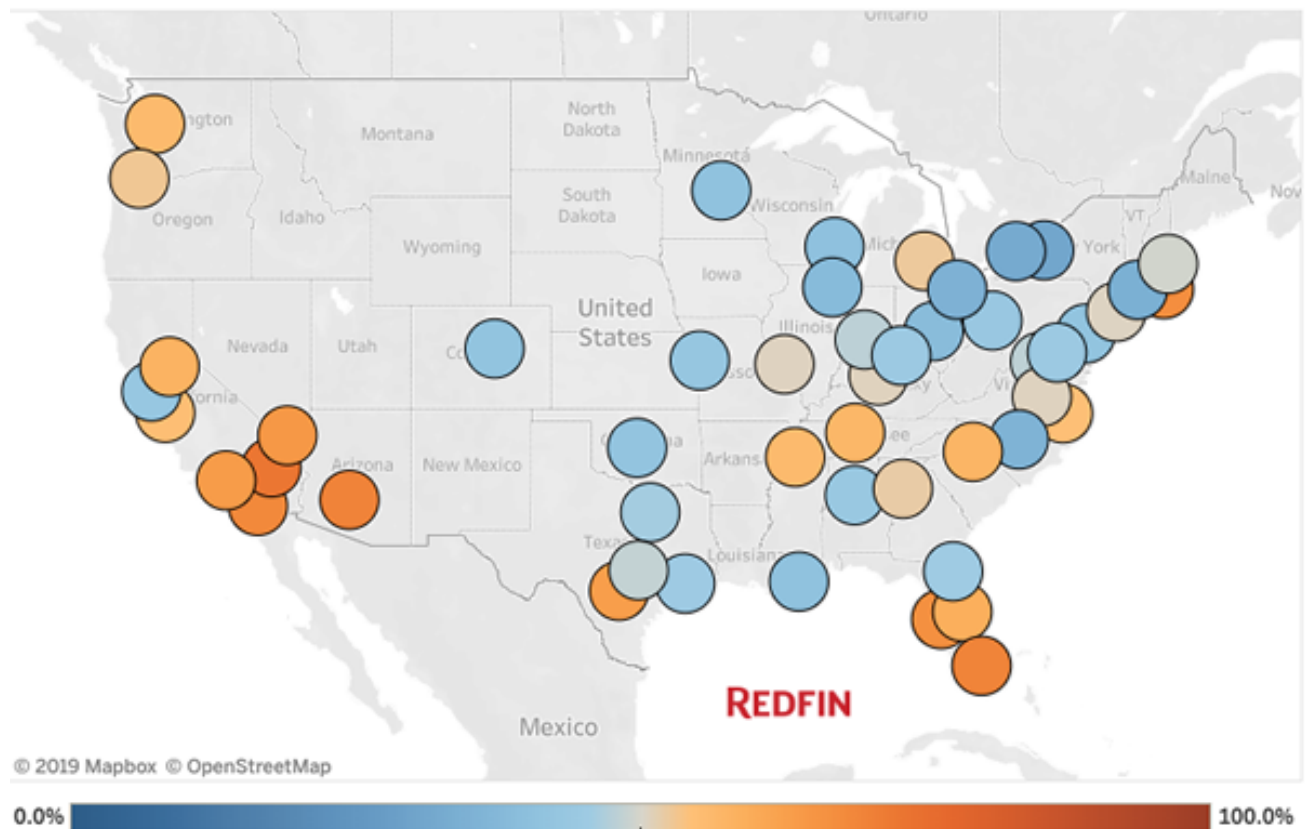
Apple's Big Event! *Apple is expected to roll out its new iPhone tomorrow along with perhaps some other interesting upgrades to the Watch, AirPods, Apple Music, and deeper details about AppleTV and Apple Arcade. There could also be some talk about a new product called Apple Tag, a tracking device that attaches to keys and other often-misplaced personal items. I suspect we will also see a couple of new computers. Remember, Apple stocks is almost 4% of the S&P 500, which is actually a larger weighting than the entire Utilities sector (3.4%), Real Estate sector (3.2%) or Materials sector (2.7%). In other words, if Apple delivers something big at their upcoming event, there's a chance it could propel the stock market back towards all-time highs. Stay tuned...*

Modest Hiring Is Enough To Continue Fueling U.S. Economy: *Over the past six months, employers have added an average of 150,000 jobs, down from an average of 223,000 last year. Even so, job gains at that pace are enough to lower the unemployment rate over time. Average hourly pay rose 11 cents in August to \$28.11, up 3.2% from a year earlier, easily ahead of inflation. The pay measure has now been above the 3% threshold for more than a year after lagging for much of the expansion. One reason hiring is slipping is that with the unemployment rate so low, companies are having a harder time finding qualified workers. The solid wage gain in August suggests that more businesses are deciding that they need to offer higher pay to attract and keep employees. In Friday's jobs report for August, one positive sign was an increase in the proportion of Americans age 25 through 54 with jobs. Economists typically focus on that age bracket because it filters out students and older Americans nearing retirement. Eighty percent of them now have jobs, the highest level since January 2008, just after the Great Recession began. "With slower but still solid job gains and good wage growth, households will continue to spend," said Gus Faucher, chief economist at PNC. "The U.S. economy should avoid recession."*

China's New Stimulus Could Raise Currency Tensions With U.S.: *China's central bank said it will cut the amount of cash banks must hold as reserves to the lowest level since 2007, injecting liquidity into an economy facing both a domestic slowdown and trade-war headwinds. The cuts will release 900 billion yuan (\$126 billion) of liquidity, the PBOC said, helping to offset the tightening impact of upcoming tax payments. That is more than the previous cuts in January and May, which released 800 billion yuan and 280 billion yuan, respectively, the PBOC said at those times. The shift is aimed at supporting demand by funneling credit to small firms and echoes the earlier cuts this year. While limited, it could also put pressure on the already weakening yuan which may antagonize President Donald Trump. China's economy softened again in August after poor results in July, and will likely deteriorate further in the remainder of the year. Trade tension between China and the U.S. expanded onto the financial front recently after China allowed the currency to decline below 7 a dollar, prompting the U.S. to name it a currency manipulator. Many analysts believe the PBOC will need to continue ramping up stimulus measures will need to continue if China's economy continues to slip under the trade war pressures. (Sources: Business Insider, Bloomberg)*

Housing Markets In Some Parts Of The Country Are More At Risk Than Others In The Next Downturn: *Whether it happens this year, next year, or in 10 years, another recession is inevitable. Regardless of when it comes, it's unlikely to have a large negative impact on the real estate market. However, there are some metro areas that are more at risk of a housing downturn than others. With the Great Recession still fresh in Americans' memories, the idea of a housing crash is psychologically linked with an economic recession for many people today. But historically that usually hasn't been the case. Since 1980, there have been five official recessions in the United States. In all but the 2007-2009 Great Recession, inflation-adjusted home prices only declined an average of 2.7 percent from the month before the recession began to the final month of the recession, according to the home price index data from Robert Shiller. The Great Recession is a major outlier in the relationship between home prices and recessions largely because the overinflated housing market was its major cause. Whatever does end up causing the next recession, housing markets in certain metro areas are at greater risk of negative impacts like declining prices and a glut of homes for sale. Redfin crunched the numbers to identify the housing markets at greatest risk. The ones viewed as most vulnerable are markets that tend to be more volatile due to their relatively high loan-to-value ratios, and larger share of the market that is dominated by home flippers. These markets tend to attract a lot of investor activity, which can drive prices up, leading local homeowners to take on more debt to afford homes in their area. More details are available [HERE](#).*

Redfin Housing Downturn Risk Score



FARM TANK

Tweets of the Day



Charlie Bilello ✓
@charliebilello



S&P 500 Cumulative/Annualized Total Returns by Decade...

1930-39: -9%/-1%

1940-49: +126%/+9%

1950-59: +492%/+19%

1960-69: +111%/+8%

1970-79: +78%/+6%

1980-89: +396%/+17%

1990-99: +433%/+18%

2000-09: -9%/-1%

2010-19: +221%/+13%

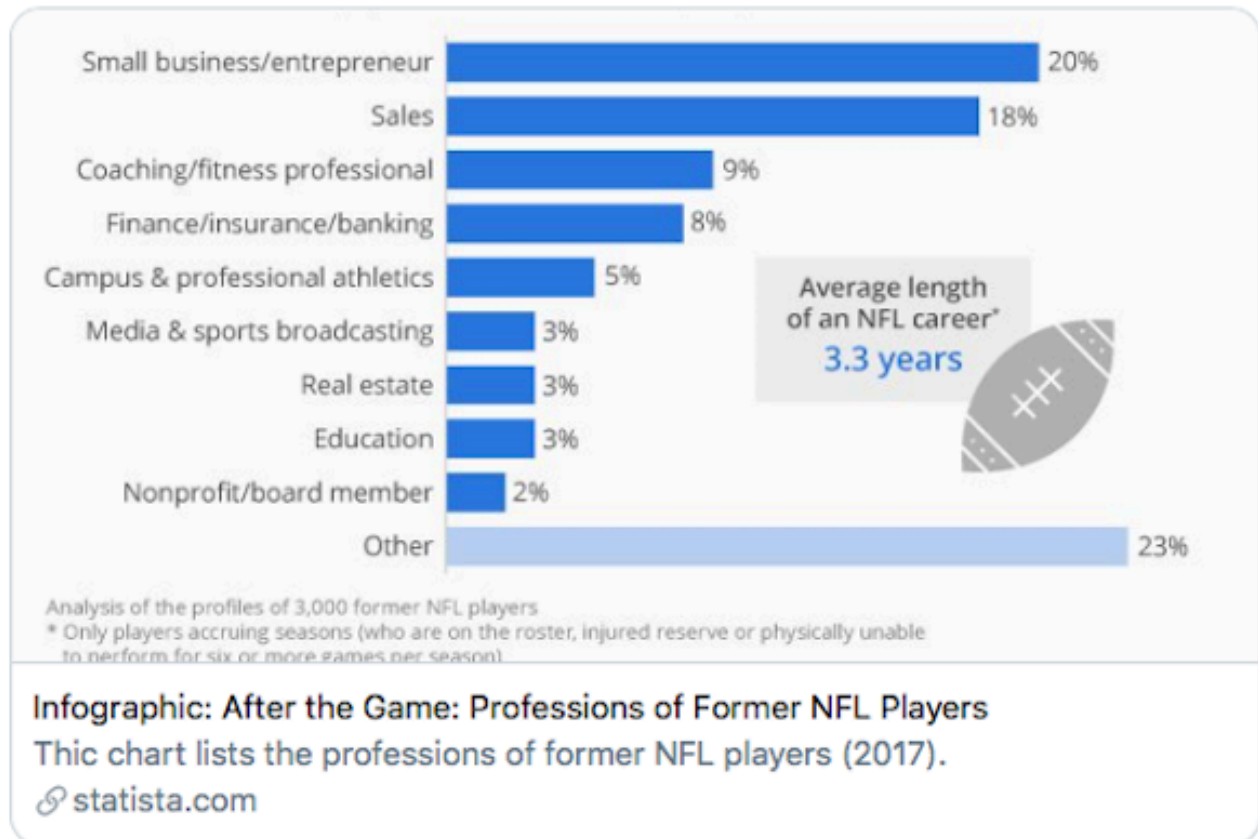
\$SPX



Statista
@StatistaCharts



What are **#NFL** players doing once their (short) careers in professional sports are over? **#football**
[statista.com/chart/19179/pr...](https://www.statista.com/chart/19179/professions-of-former-nfl-players) @LinkedIn





John
@KowalchukFarms



If you've ever harvested with your dad and watched him grab grain out of a pail, chew it and say "Oh yeah it's ready" even before running it through the tester.

And now catch yourself doing the same

....you might just be a regular farmer

[#RegularFarmer](#) [#Harvest19](#)





Dan Lakey
@danlakey21



I'm the only one in the subdivision where what's parked in the driveway costs more than the house!





Antler Valley Farm
@5thGenFarming



First meal in the field #feedwagon #mealsonwheels
#antlervalleyfarm #harvest19

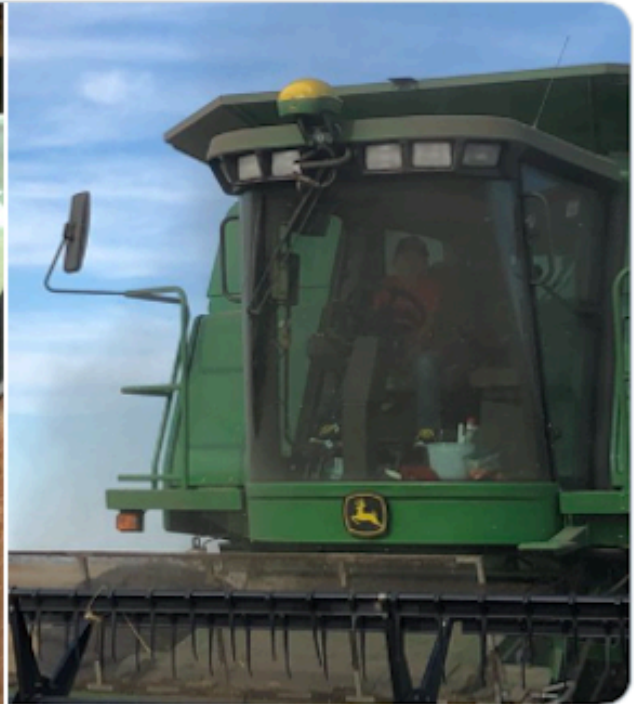




Ben Dyck
@Ben_volleyball



Training the new guy. #harvest19
#inthebuddyseatnow

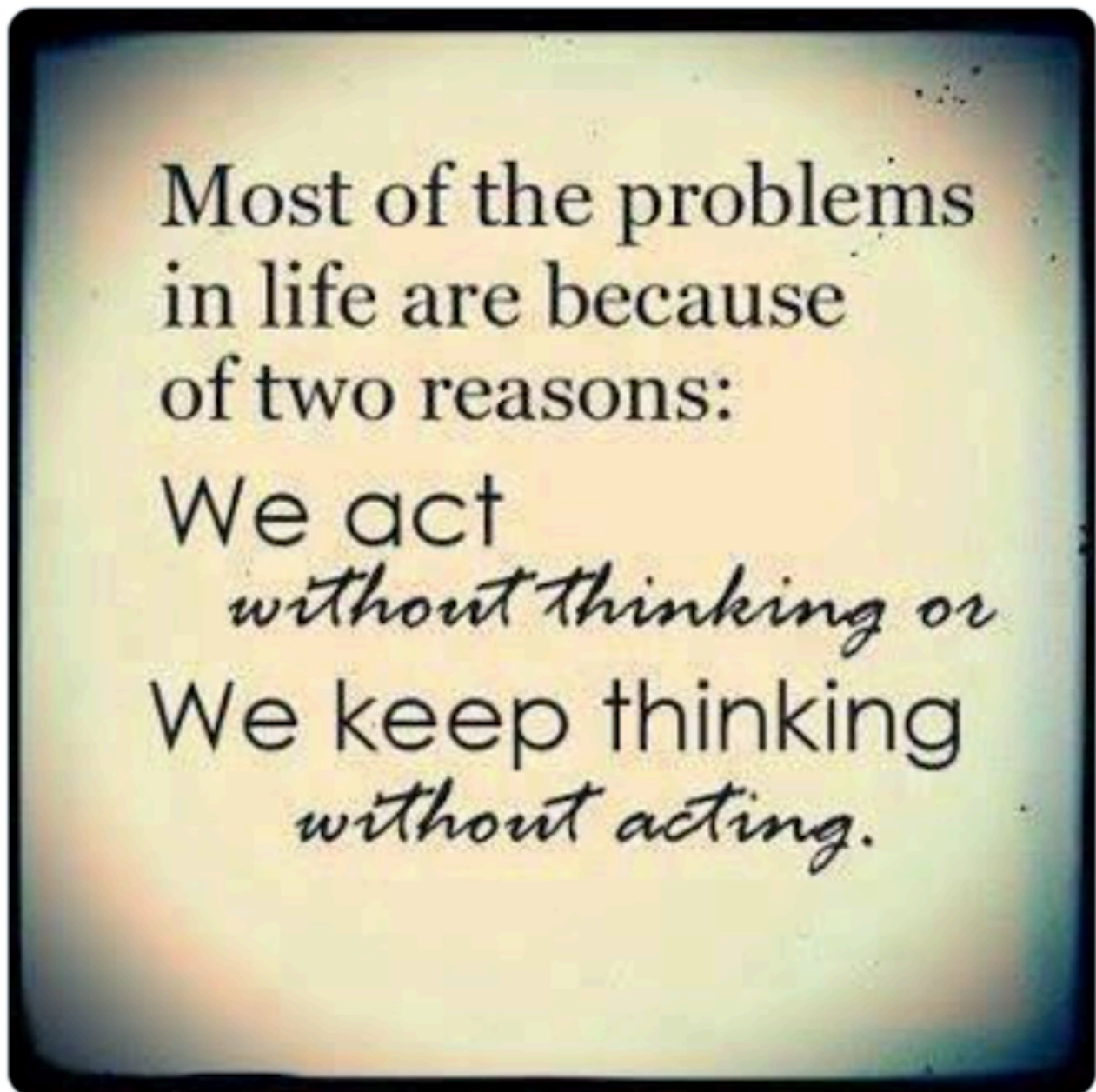


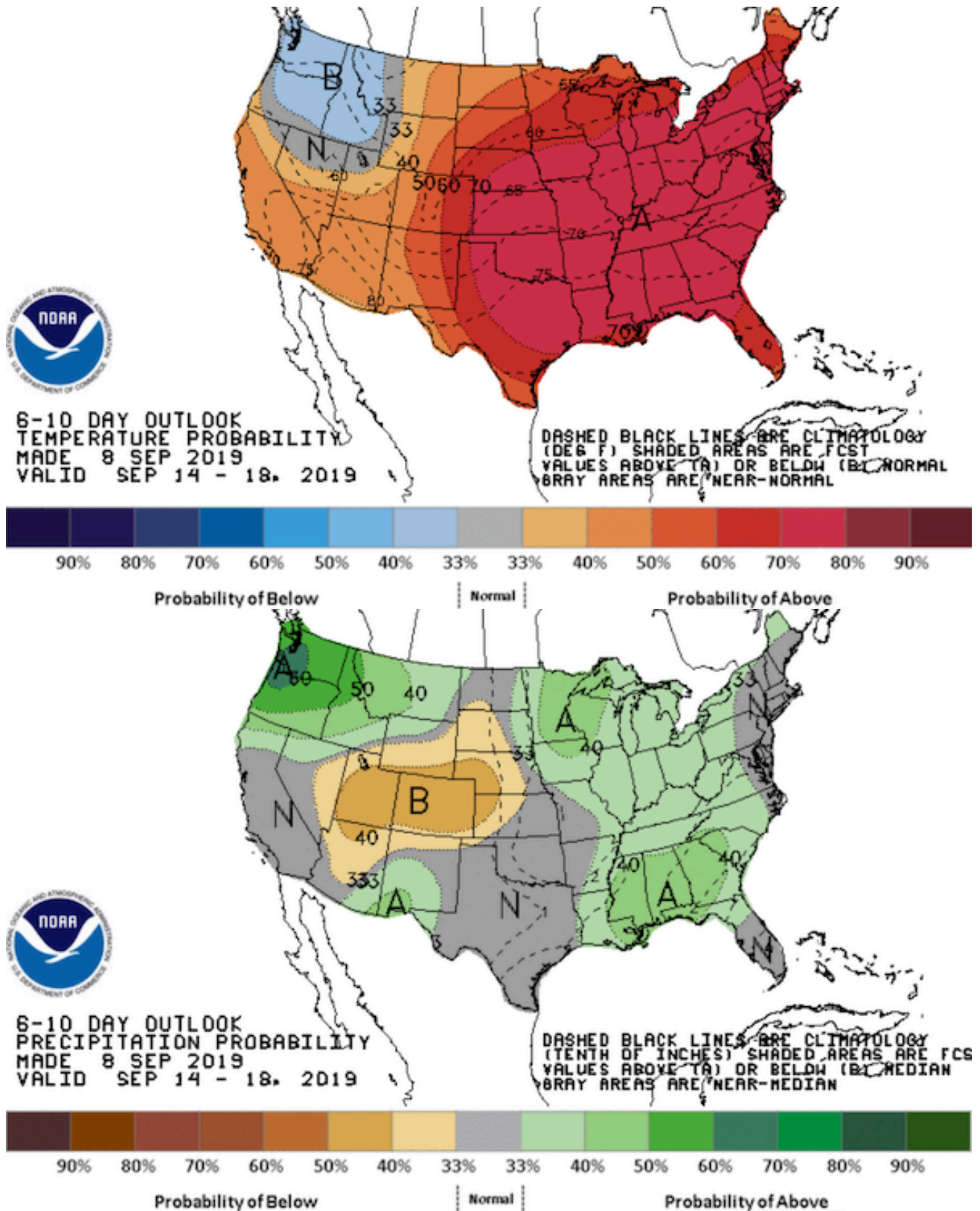


Inspirational Quotes
@QuoteloveU



Most of the problems in life are because of two reasons:
we act without thinking or we keep thinking without
acting. #Quote



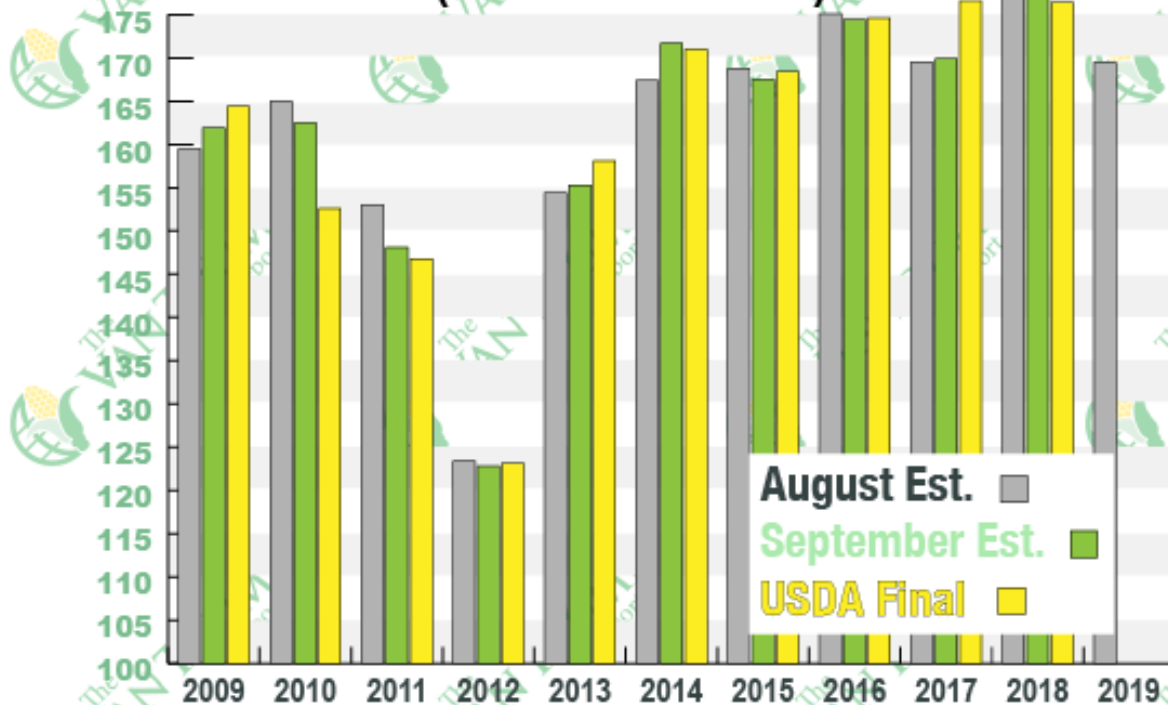


Corn bulls are hoping to have a better week than the past several. Prices in the DEC19 contract fell to a fresh new contract low at \$3.53 per bushel on Friday. We are now down over -\$1.10 per bushel from the mid-June highs and hopefully close

to finding a bottom. Bears are still thinking we could drift down to the \$3.20 to \$3.30 area before finding more stable footing. They argue that overall "demand" remains suspect, weather is mostly cooperative, funds are now short over 110,000 contracts, the USDA could deliver another bearish blow on Thursday, and the technical chart pattern remains bearish. Bulls are hoping that President Trump can deliver on promises to increase biofuel demand, promises of big purchases from Japan, and perhaps some type of buying from the Chinese. Bulls are also hoping the USDA will revise their U.S. production estimate lower without making a dramatic reduction to the demand side of the balance sheet. As you can see, the bullish argument is full of a lot of "hope". I'm worried that until one of those ships come in and the underlying landscape changes, bulls are going to have a tough time sustaining upside momentum.

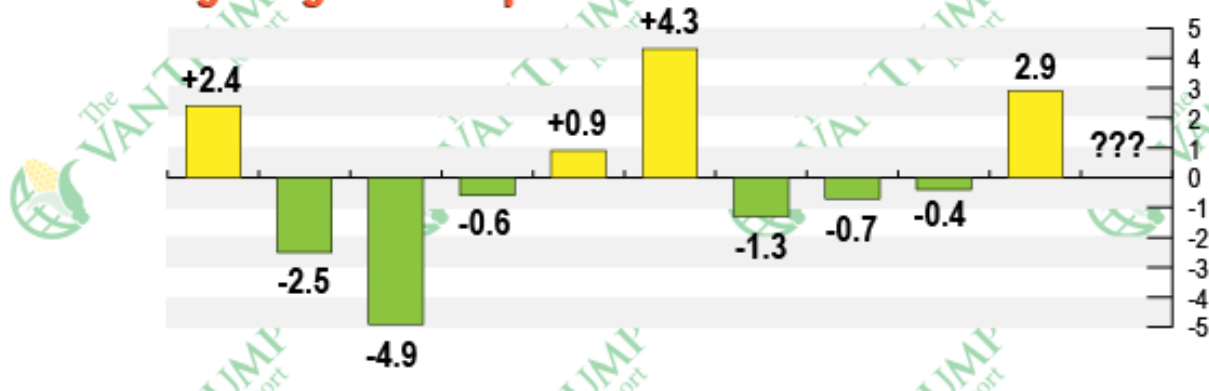
Comparing USDA Corn Yields Estimates August to September

(in Bushels Per Acre)



Aug. Est.	159.5	165	153	123.4	154.4	167.4	168.8	175.1	169.5	178.4	169.5
Sep. Est.	161.9	162.5	148.1	122.8	155.3	171.7	167.5	174.4	169.9	181.3	???
Final USDA	164.4	152.6	146.8	123.1	158.1	171	168.4	174.6	176.6	176.4	???

Change August-to-September

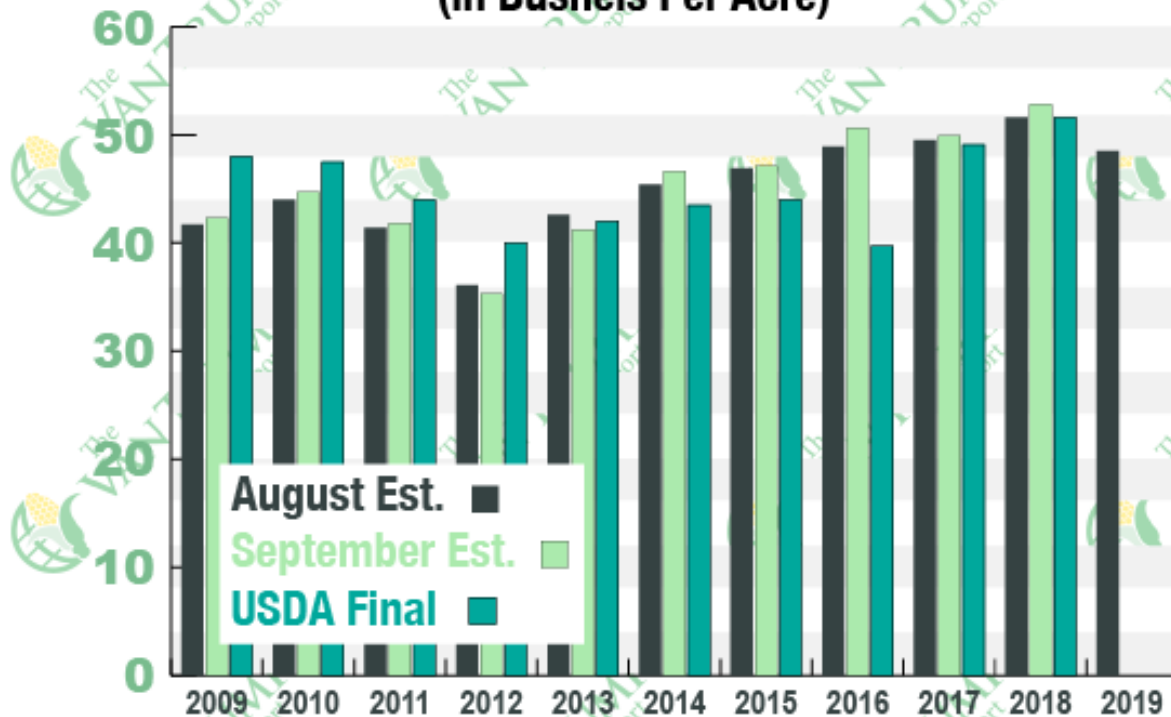


Soybean prices continue to chop around as bulls believe some type of deal with the Chinese is closer than the market is giving credit. There's been many reports and rumors circulating that Chinese leaders are willing to purchase U.S. agricultural products if U.S. leaders agree not to move forward with the next two

rounds of scheduled tariffs. Bulls also remain concerned about an extremely late-planted U.S. crop and what type of yield drag could ultimately be incurred. Bears continue to point to African Swine Fever, sluggish demand, and ongoing uncertainty in regard to global growth. Don't forget, the USDA is scheduled to deliver updated supply and demand numbers on Thursday. Most sources are looking for the USDA to once again lower their production estimate. It will be interesting to see how they interpret the data. I hate to sound like a broken record, but weather and Washington will continue to remain the driving theme. Unfortunately, prices haven't changed all that much. We've traveled down to \$7.95 in the front-end of the market and up to \$9.71 in the NOV19 contract, but as a whole, prices haven't changed all that much from last-September. Perhaps during the next few weeks, we will see a breakthrough in trade negotiations? The trade is also starting to keep a much closer eye on upcoming South American weather and geopolitical changes and complications impacting both Argentina and Brazil. As both a spec and a producer, I remain optimistic longer-term. I will be looking to take small bites as a bull if prices continue to break.

Comparing USDA Soybean Yields Estimates August to September

(in Bushels Per Acre)



Aug. Est.	41.7	44	41.4	36.1	42.6	45.4	46.9	48.9	49.5	51.6	48.5
Sep. Est.	42.3	44.7	41.8	35.3	41.2	46.6	47.1	50.6	49.9	52.8	???
Final USDA	48	47.5	44	40	42	43.5	44	39.7	49.1	51.6	???

Change August-to-September

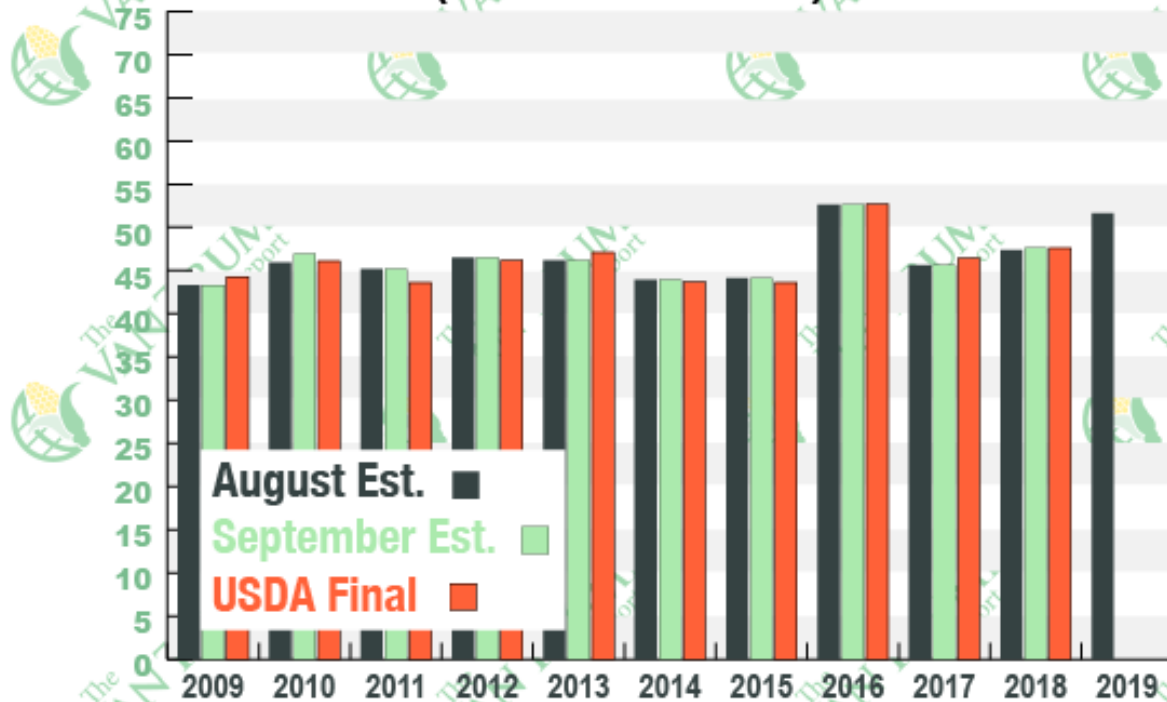


Wheat bears appear to remain in control. Prices have deteriorated to multi-year lows on overly burdensome supplies, strength in the U.S. dollar, and no major weather-related production hiccups. U.S. exporters continue to battle stiff competition from the European Union and Black Sea region. When corn prices

where rallying higher during this past spring, demand for wheat was starting to find some traction. As I worried, without a bullish corn story, the market looked for wheat to stand on its own merit. Unfortunately for the bulls, production was better than expected and overall demand less than impressive. The negative tone from the outside macro markets and ongoing concerns about global growth have also provided a stiff headwind. As a producer, I would like to believe prices have found a seasonal bottom, but as a spec, I'm still not ready to place any money on that bet. I still see no reason to be in a nearby hurry as a bull. Yes, longer-term I can argue some bullish potential, but the current underlying landscape has to show signs of changing before I make that play. Staying very patient...

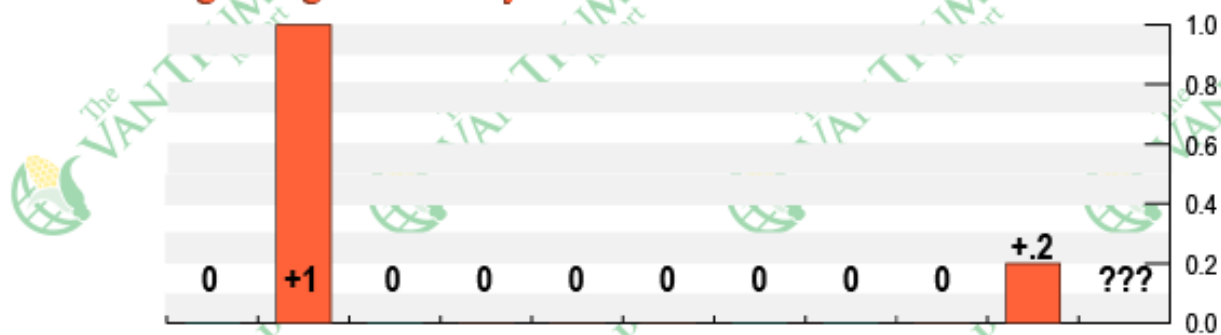
Comparing USDA Wheat Yields Estimates August to September

(in Bushels Per Acre)



Aug. Est.	43.3	45.9	45.2	46.5	46.2	43.9	44.1	52.6	45.6	47.4	51.6
Sep. Est.	43.3	46.9	45.2	46.5	46.2	43.9	44.1	52.6	45.6	47.6	???
Final USDA	44.3	46.1	43.6	46.2	47.1	43.7	43.6	52.7	46.4	47.6	???

Change August-to-September





> FOA Forecasts Increase For Global Cereal Output: *The Food and Agriculture Organization (FAO) of the United Nations on Sept. 6 released a new Cereal Supply and Demand Brief, raising its July forecast for global cereal output by 22 million metric tons to 2.7 billion metric tons, which would mark a +2.1% from 2018 production. The revisions mostly reflect improved expectations for U.S. corn production. The FAO lowered its estimate for global wheat output in 2019 due to reduced crop productivity in the European Union and the Russian Federation, but it is still expected to be +5% higher than in 2018. World cereal utilization for the year ahead is expected to hit a new record of 2.7 billion metric tons, buoyed by rice consumption hitting an all-time high of 519 million metric tons. The stronger harvest prospects point to world cereal stocks reaching 847 million metric tons by the close of seasons in 2020, which would be around -16 million metric tons below their opening levels. Corn inventories are expected to accumulate sharply in the United States, while China's wheat stocks are currently set to expand by +7.9% and reach an all-time high. In a separate report, the FAO noted that global food prices declined in August, driven by sharp falls in the prices of staple cereals and sugar. The FAO Food Price Index, which tracks monthly changes in the international prices of commonly traded food commodities, averaged 169.8 points in August, down -1.1% from July while still up +1.1% from its August 2018 level. The FAO Cereal Price Index declined by -6.4% from the previous month. Corn values turned sharply lower due to expectations of a much larger than previously anticipated harvest in the United States. Wheat prices also remained*

under downward pressure, reflecting ample export availabilities. The FAO Vegetable Oil Index rose by +5.9% in August, hitting an 11-month high amid a rebound in global import demand for palm oil as well as unfavorable weather conditions in Indonesia's major growing regions. Soy oil prices also rose, driven in part by lower than anticipated crush volumes in North America. (Source: [World-Grain](#))

> Biofuel Plan Faces Fresh Backlash From U.S. Ag Trade Groups: *U.S. agricultural trade groups on Friday told the Trump administration a proposed biofuel reform package falls short of expectations, four sources familiar with discussions said, complicating plans the administration had for presenting the proposal to President Donald Trump. The draft plan under consideration would include a previously discussed increase of 500 million gallons for conventional biofuels, largely corn-based ethanol, as well as an additional 500 million gallons for advanced biofuels like biodiesel for 2020, sources said. It would also include an addition to the biodiesel mandate for 2021 of 250 million gallons. The plan already faced backlash during a conference call the USDA held early Friday with biofuels advocates to detail plans, sources said. The agricultural industry wants the administration to force larger refineries to make up for the exempted gallons through a process called "reallocation," but it has not committed to that yet, the sources said. "Plants are closing now. Farmers are going bankrupt now. The biofuel industry made it clear that restoring the exempted gallons by 2020 is the only way to stop the bleeding," said a biofuel source familiar with the call. "Anything short of that is going to face united opposition, which means the president won't want to show his face in Iowa." Source: Reuters)*

> Questions Being Raised About Dairy Exec Salaries: *The Milwaukee Journal Sentinel recently published an article that shines a spotlight on high salaries being paid to Dairy Management Inc. (DMI) executives that's creating quite a stir. Dairy farmers are required by federal law to pay 15 cents per hundred pounds of milk sold into a checkoff program administered by the U.S. Department of Agriculture. Ten cents of the checkoff money goes to regional marketing/promotion programs, and the remaining nickel goes to national programs. A Journal Sentinel review of financial records from Dairy Management Inc., a nonprofit based in Rosemont, Il., shows that it received about \$155 million of the checkoff cash in 2017. According to the Sentinel, DMI paid 10 executives a combined \$8 million in 2017. That year, 1,600 dairy farms closed across the country. The Journal Sentinel interviewed farmers who pay the checkoff and expressed anger with the salaries paid to leadership, as dairy farmers struggle to make ends meet. You can read more [HERE](#).*

> Saudi Arabia Names New Energy Minister: *OPEC kingpin Saudi Arabia relieved Energy Minister Khalid al-Falih from his post, less than a week after he was removed as chairman of its state-owned oil giant, a surprise shift as plans for*

an initial public offering accelerate. Falih was replaced with Prince Abdulaziz bin Salman, the son of the Saudi king and minister of state for energy affairs. It is the first time Saudi Arabia has placed a royal in charge of the energy ministry, breaking with tradition that put non-royals at the helm of the finance and oil ministries. Mr. Falih's removal isn't expected to change Saudi oil policy, according to Saudi officials. Prince Abdulaziz is considered hawkish kingpin who has a reputation inside OPEC for bargaining hard at the table—notably with its chief rival Iran. (Source: The Wall Street Journal)

> Has The Drone "Bubble" Burst? *Some of the biggest drone startups began closing their doors last year after burning through hundreds of millions in venture capital poured into a fledgling industry that, despite forecasts for explosive growth, is taking longer to mature than expected. Dozens of others are getting swept up in a consolidation wave as drone companies search for a profitable niche in a rapidly shifting marketplace. "There was some irrationality around drones, a period of hype driven by the popularity of the hobby sector," said Kay Wackwitz, founder and chief executive officer of research group Drone Industry Insights. "We're getting past that and people are coming back to reality." The shake-up is altering the U.S. landscape, which quickly shifted from an emphasis on hardware and manufacturing in the early days, to one providing software and services, such as detailed inspection and data-analysis. Now, it's larger service companies offering a kind of soup-to-nuts menu that are best positioned for the future, providing the drones, flying the missions and then analyzing the data for customers. Read more [HERE](#).*

> App Builders Should Heavily Consider Whether They Need Push Notifications Because Everyone Hates Them: *According to a new survey, the number one reason people delete an app is because they receive too many irrelevant notifications, which make them a real liability for overzealous businesses. That holds true across age groups and demographics, all of which reported deleting apps because of annoying notifications—though a huge 78% of millennials in particular reported deleting an app because it was bothering them. These insights come courtesy of the brand engagement platform Leanplum. Push notifications are the most reviled form of communication in general. They are the least preferred way people want to be contacted—only 15% of people surveyed chose it as their preferred method of communication, while email performed the best, garnering 46% of preference. One format where you can actually get away with incessant push notifications? Email apps. Only 9% of respondents reported finding push notifications from email annoying. Read more [HERE](#).*

> Sweden Partially Privatized Its Social Security - Here's How It Has Worked Out: *As part of sweeping pension reforms in the 1990s, Sweden made a part of its Social Security system private. Employers and employees contribute 18.5% of workers' salaries to the country's pension system, but about 2.5% of*

that goes into a privatized investment account earmarked solely for an individual, called a "premium pension." Employees can choose how that money is invested, and are offered a list of funds to choose from. Separating the pension into individual accounts was meant to garner interest and commitment to the system. The Swedish system also requires, or encourages, workers to take time to research the funds and choose the appropriate one for their portfolios, according to Brookings. Obviously, not everyone will choose wisely. Privatizing a portion of the pension system was just a small piece of the reform, but it is something the U.S. couldn't do. President George W. Bush proposed privatizing Social Security in the early 2000s, arguing the system had funding issues and needed to be changed. Critics said private accounts could hinder Americans' future retirement security, since so much of their money would be at risk if the markets were to see a downturn. So far, Sweden has proved its system works — the Swedish pension has survived during periods of market volatility, including the Great Recession, Hervé Boulhol, senior economist of pensions and population aging at the Organisation for Economic Cooperation and Development said. "The system proved to be resilient." Read more [HERE](#).

> Founders Of Successful Tech Companies Are Mostly Middle-Aged: A new study being published in the journal *American Economic Review: Insights* has found that typical "superstar" entrepreneurs are rarely fresh out of college - or freshly dropped out of college. The researchers looked at start-ups established between 2007 and 2014 and analyzed the top 0.1 percent — defined as those with the fastest growth in employment and sales. The average age of those companies' founders was 45. The findings go against the prevailing myth that tech, and American innovation overall, is fueled by wunderkinds. The study provides the first systematic calculation of the ages of the founders of high-growth start-ups in the United States. The findings on age and entrepreneurship echo earlier myth-busting by researchers about scientific breakthroughs. While Albert Einstein did pathbreaking work on special relativity and the photoelectric effect at 26, such early discoveries aren't typical. A study of Nobel laureates in physics over the 20th century found that those scientists did their prizewinning work at an average age of 37. Read more [HERE](#).

> Farmers Urge Congress To Pass USMCA In Song Spoofing "YMCA": A group of U.S. growers calling themselves the Farming People have released a parody of the Village People's "YMCA" that urges members of a gridlocked Congress including House Speaker Nancy Pelosi to pass the "USMCA," an acronym for the U.S.-Mexico-Canada Agreement. The trade deal is the Trump administration's overhaul of the Clinton-era North American Free Trade Agreement. Missouri Farm Bureau President Blake Hurst told FOX Business' Lauren Simonetti that he's still "optimistic," and it's important to have the USMCA to counter the damage to farmers' finances from the Trump administration's trade war with China. Check it their video [HERE](#)!

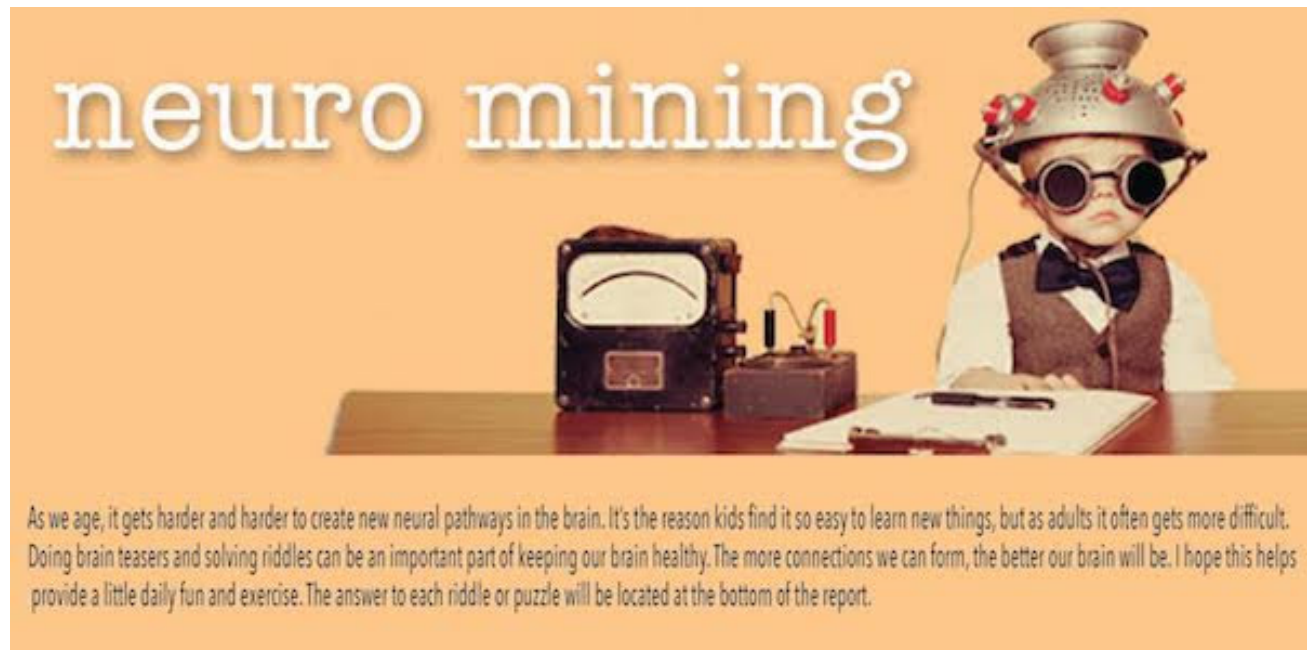


Central Illinois – *We started chopping corn today. Same hybrid as last year that was planted April 21st. So far, we have done 90ft and it's taken almost 8 acres. Last year every 100 ft of bag took 4.2 acres. Very disappointing tonnage this year. For reference, the yield across the scales last year on the remainder of the field was 225 bushels per acre. Population this year is 31,000 and this corn had 150 units nitrogen pre plant and then we side-dressed 50 pounds more. What we are finding is very inconsistent ear and stalk sizes. Some stalks have no ear. You could not see this from the road and the corn has looked green and healthy all year.*

Western Kansas – *We are about 2 weeks behind right now but it shouldn't be a big issue as the forecast is warm. We should be starting to harvest around the first week in October. As a whole, everything looks good around here. The irrigated corn isn't as good as we would like to see but the dryland is going to make up the*

difference. We had a few early hailstorms but got all that corn replanted. Last year we had way too many hailstorms, so we are definitely happy with how everything looks.

Southern Indiana – *I talk to my agronomist and learned something interesting. In the past I have always learned that corn will stall if the weather gets cool or stays overcast for too many days. What my agronomist told me is if we drop to 50 degrees as the median temperature for 5 straight days the corn will shutdown exactly like it would if we got a freeze. If that's true we may have a strong chance of the corn shutting down sooner rather than later as it's already starting to cool and stay overcast.*



TODAY'S RIDDLE: No matter how hard you try, I can open what you can't. If it wasn't for me, on your front porch you would stand. What am I?



Russia is Making Serious Moves to Limit Roles of Foreign Grain Businesses

Russian state-controlled VTB bank has been buying up grain infrastructure assets in the country and abroad as part of a plan to curb foreign traders' access to the country's ag export business. The move could dramatically weaken the role of some of the world's largest grain companies, including Cargill, Louis Dreyfus, Glencore, and China's COFCO.

In June, VTB Chairman Andrey Kostin asked Russian President Vladimir Putin to support the bank's plan to create an all-Russian grain corporation, according to a letter recently obtained by Reuters. Kostin argues that establishing a "national leader" would help ensure reliable grain trade and increase national food security. He proposes calling the new company "United Grain Holding."

The new holding company would consolidate a raft of assets related to grain exports and storage and "take on the role of a leading Russian wheat trader", VTB said. It said in the letter it would need another two to three years to consolidate and acquire more assets.

Russian grain supplies play a key role in President Vladimir Putin's plan, announced a year ago, to increase the country's exports of agricultural products to \$45 billion by 2024. The Russian Agriculture Ministry in July released a "2035 strategy" that increases Russia's grain output to a base-case scenario of 140 million metric tons while exporting 55.9 million metric tons. The ministry's plan would invest billions of dollars into grain infrastructure and logistics with an estimated cost of more than 4.4 trillion rubles (US\$70 billion), which would be drawn from private investors, loans and government financing.

This year's Russian grain crop is estimated at 118 million metric tons with exports for the 2019/2020 marketing season at 45 million metric tons, according to the ministry. Russia has earned over \$20 billion a year from grain exports in recent years, making it the country's second-biggest export product after raw materials.

VTB's recent buying spree has made it Russia's largest operator of grain export infrastructure. Following their purchase of local grain trader Mirogroup, VTB is now building their own export arm with plans to enter markets in Africa, the Middle

East, and Asia. Two months into the 2019/20 marketing season, VTB's Mirogroup is the 4th largest grain exporter from Russia's deep-water ports of the Black and Azov Seas after local traders RIF, Aston and Swiss trader Glencore, according to VTB's Vitaly Sergeichuk. The ports exported a combined 6.1 million metric tons of grain between July 1 and Aug. 25, he added.

The Russian government is the largest shareholder in VTB, at 60%, and as of December 31, 2018, the group was the second-largest financial group in Russia in terms of assets. (Sources: Reuters, Moscow Times)





Farmer's Almanac Forecasts a "Polar Coaster" for this Winter!

Farmer's Almanac says that this upcoming winter is "filled with so many ups and downs on the thermometer, it may remind you of a 'Polar Coaster.'" The annual periodical, which has been publishing yearly weather forecasts since 1818, warned that the season will be "freezing, frigid, and frosty," especially for those east of the Rockies.

Peter Geiger, the publication's editor, warned that the season will be a "wild ride" full of unexpected changes in temperature and "some hefty snowfalls." The biggest drop is forecast to take hold from the northern Plains into the Great Lakes. The Northeast, including the densely populated corridor running from Washington to Boston, will experience colder-than-normal temperatures for much of the upcoming winter. Only the western third of the country will see near-normal winter temperatures. Farmer's says the coldest outbreak of the season should arrive during the final week of January and last through the beginning of February, with temps in the Midwest seen dipping as low as -40 below zero!

The Midwest and Northeast can also look forward to above-average precipitation.

They are calling for "copious amounts" of snow, rain, sleet, and ice from early to mid-January in the eastern third of the country. "And for those who live northeast of the Texas Panhandle to the western Great Lakes, watch out for what could prove to be a memorable storm producing hefty snows for the Great Plains during the third week of January," the publication says. This system, says the Almanac, will cause temperatures to plummet and drag the coldest Arctic air across the rest of the country into the beginning of February.

Unfortunately, Farmer's Almanac says a harsh winter will lead to a late spring. "Occasional wet snow and unseasonably chilly conditions will hang on for a ride that you may not be able to get off until April," the outlook warns.

The Farmers' Almanac provides 16 months of weather forecasts for seven zones across the U.S. and Canada. Its accuracy has long come under fire from modern day meteorologists, however, who take particular issue with forecasting the weather so far in advance, as well as the Almanac's "secret" methodology. The Farmer's Almanac uses "a top-secret mathematical and astronomical formula, taking sunspot activity, tidal action, the position of the planet, and many other factors into consideration," according to their website.

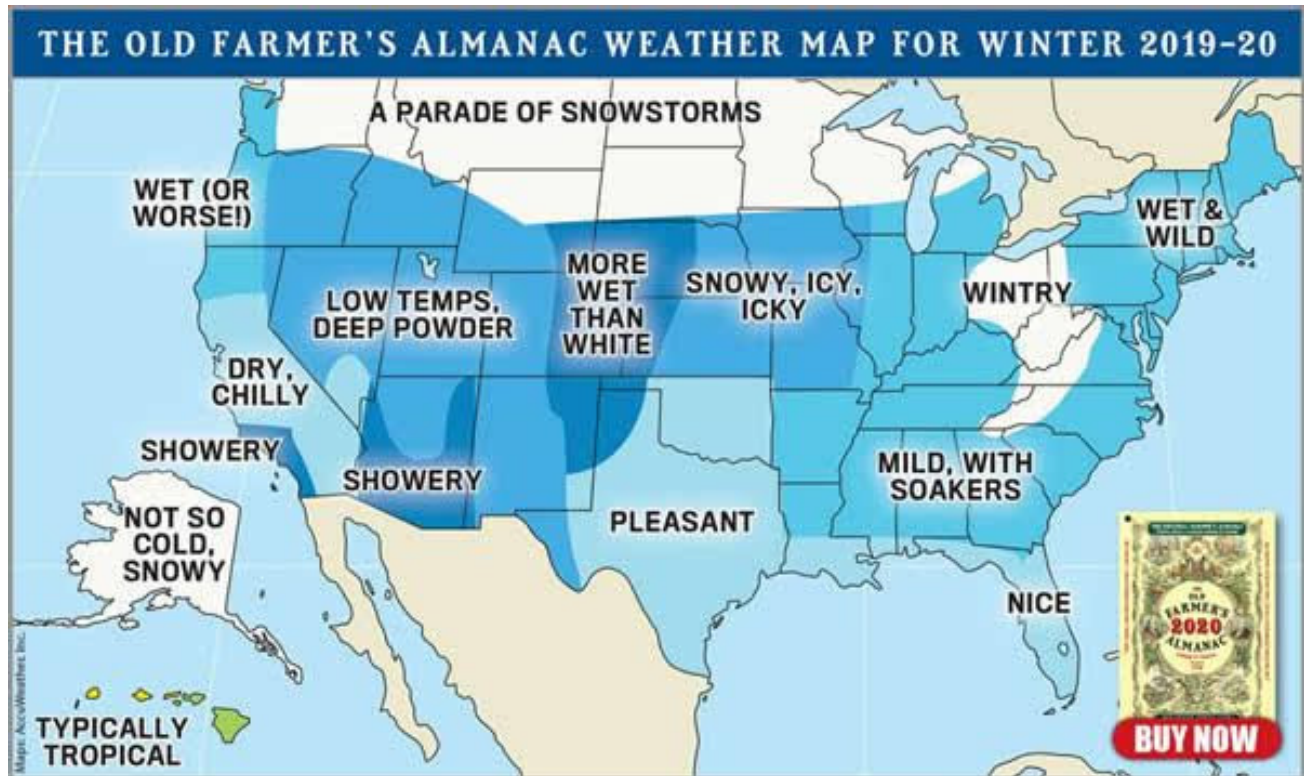
The Farmer's Almanac is not to be confused with The Old Farmer's Almanac, which has been around since 1792 and uses a similarly "top secret" methodology to predict the weather. The formula was created in the late 18th century by founder Robert B. Thomas who strongly believed magnetic storms on the surface of the sun governed weather here on earth. Thomas allegedly locked the formula in a box, where it remains to this day. Today's Old Farmer's Almanac forecasters say they use a more "scientifically enhanced" version of the formula and claim an 80% accuracy rate.

Interestingly, The Old Farmer's Almanac is calling for a similarly brutal winter season, predicting it "will be remembered for strong storms" featuring heavy rain, sleet, and "no fewer than seven big snowstorms from coast to coast." They also forecast a late start to spring, saying, "This could feel like the never-ending winter, particularly in the Midwest and east to the Ohio Valley and Appalachians, where wintery weather will last well into March and even through the first days of spring."

Regardless of the forecast accuracy of either Almanac, both publications remain extremely popular thanks in large-part to their folksy anecdotes and what some describe as "a guide to good living." This year's Farmer's Almanac has sections dedicated to "Unusual But Useful Ways to Use Potatoes", "Easy, Cost Effective Ways To Naturally Melt Ice," and "Is Salt Therapy The Next Miracle Cure?" Similarly, The Old Farmer's Almanac has a section explaining the origins of old folklore sayings and a guide for "Planting by the Moon's Phase."

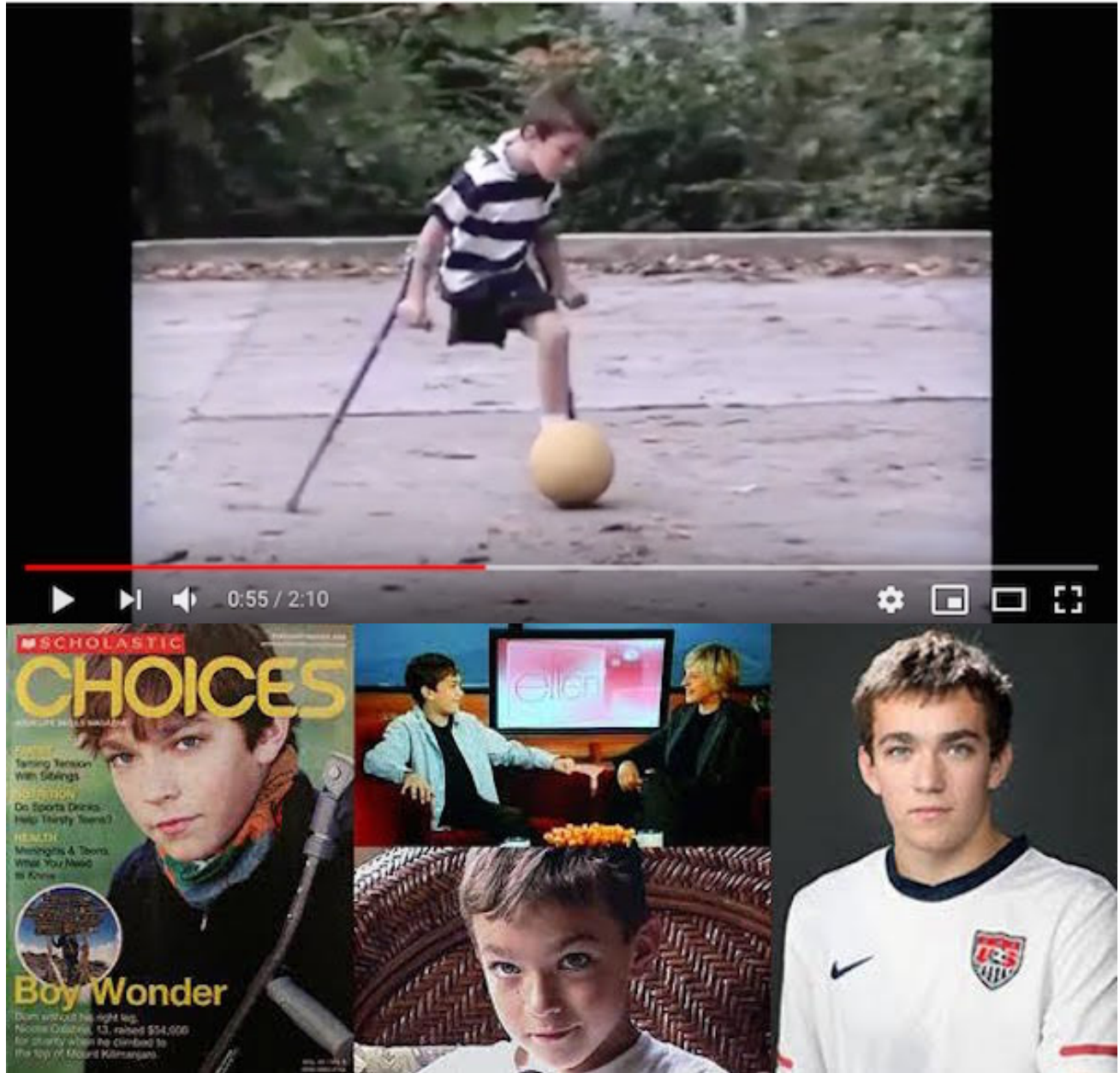
If you're interested in more details about upcoming weather in your area or just want to learn more about the game of Horseshoe (Old Farmer's Almanac, page 180!) you can pick up your own copies on their websites: [Farmer's Almanac](#) and [The Old Farmer's Almanac](#) (Sources: Farmer's Almanac, The Old Farmer's Almanac, CNN)





Tough Times Don't Last... Tough People Do!

Nico Calabria was born with one leg, but that didn't stop him from realizing his passion for sports - culminating in becoming a member of the national soccer team. This short 2-minute documentary produced by Powerade provides a glimpse into the life of a very special young man. It never ceases to amaze me the adversity that some people can overcome. I like to say these videos help keep me in check and thankful for all the little things in life. My wife has called me "Mary Poppins" on occasion, generally, it's when I frustrate her with a positive smile and optimistic outlook even in the darkest of times. It's how you play those difficult hands... Again, it's all about perspective! Click [HERE](#).



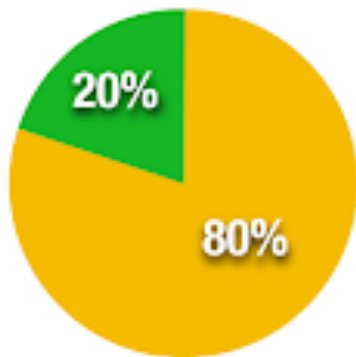
ANSWER to riddle: A key.

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.

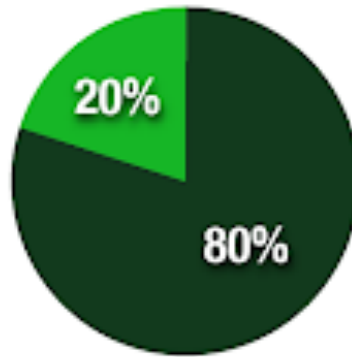
Corn 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



Soybean 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



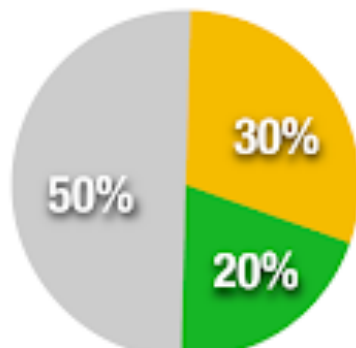
Wheat 2018 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED



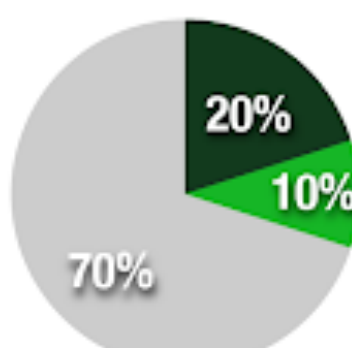
Corn 2019 Crop

30% SOLD
20% HEDGED
50% UNPROTECTED



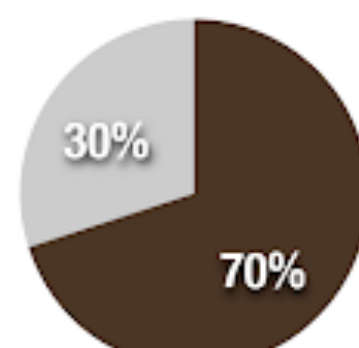
Soybean 2019 Crop

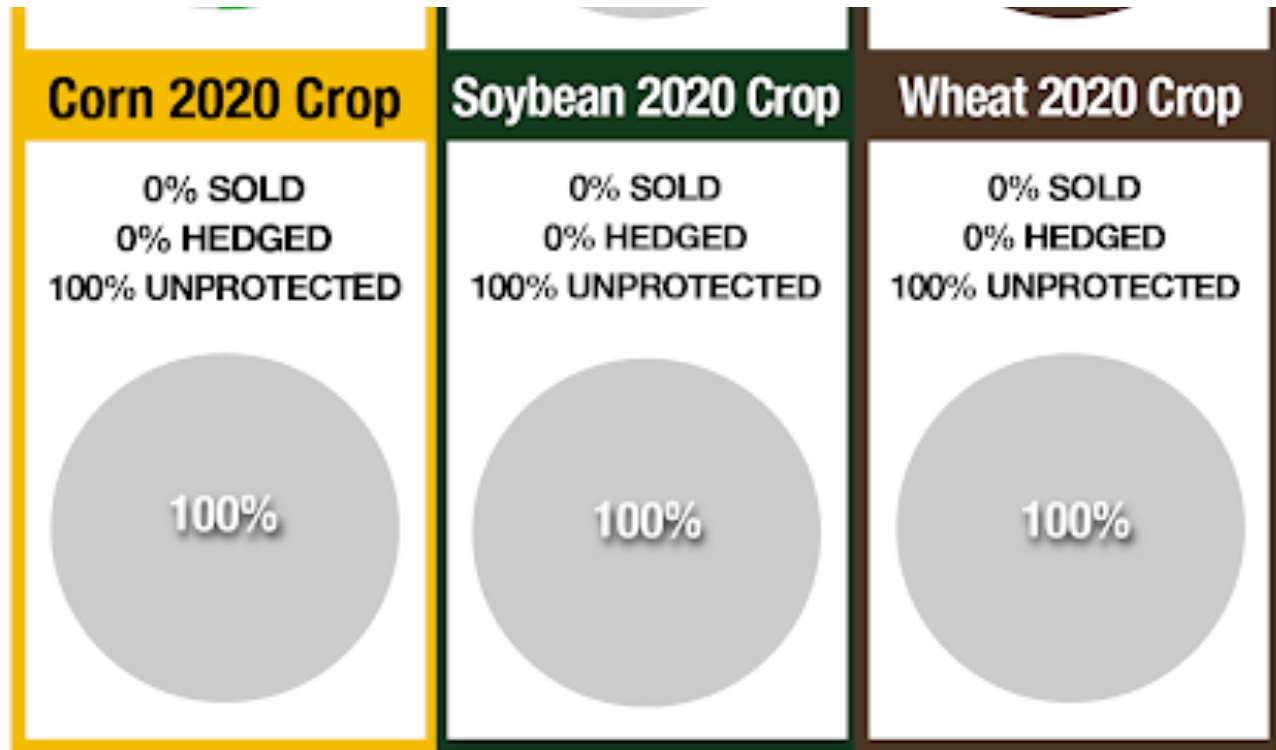
20% SOLD
10% HEDGED
70% UNPROTECTED



Wheat 2019 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED





Your #1 Source for the Coolest Swag in Ag

Sponsored by **AgSwag**

Tired of battling poor customer service, poor quality and lack of premium selection in the swag space?

AgSwag now offers our members the latest fashions and trends from brands such as: Branded Bills, Carhartt, Champion, Cutter & Buck, Drake, Fairway and Greene, Filson, Ice Shaker, Marmot, New Era, Nike, North Face, Pacific Headwear, Under Armour, Yeti... and more

Swag should NOT be considered a "cost" or an expense for business owners.

When used properly in a well thought out campaign “corporate swag” can dramatically reduce the cost of new customer acquisition, client churn and retention, expedited development of brand ambassadors, etc. The Van Trump family believes their AgSwag business can deliver on those promises.

AgSwag is not trying to be the lowest cost supplier. We are trying to partner with “best-of-practice” and like-minded businesses to bring a better “return-on-investment” by designing and helping to implement a well thought out corporate swag strategy and campaign. There are hundreds of online companies that offer quick ways to throw a corporate logo on a cheap hat or t-shirt. AgSwag offers the best in selection, design, implementation, and service! Click [HERE](#) to learn more!

Call to order your AgSwag today @ 816-221-SWAG!

YOUR CUSTOM BUSINESS LOGOS ON THE MOST POPULAR BRANDS







Can't see the images? [View As Webpage](#)



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

Privacy Policy

Update Profile

Manage Subscriptions