



Josh Knight <josh@farmdirection.com>

Fwd: GOOD MORNING: Van Trump Report 9-12-19

1 message

Mark Hendershott <mark@farmdirection.com>

Thu, Sep 12, 2019 at 7:32 AM

To: Drew Durham <josh@farmdirection.com>

Sent from my iPhone

Begin forwarded message:

From: Todd Loechler <todd@farmdirection.com>**Date:** September 12, 2019 at 7:01:14 AM CDT**To:** Chase Orstad <mark@farmdirection.com>**Subject:** Fwd: GOOD MORNING: Van Trump Report 9-12-19To view this email as a web page, go [here](#).

"If you only walk on sunny days you'll never reach your destination." - **Paulo Coelho**

Thursday, September 12, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Investors will be digesting the European Central Bank's latest policy decision, which is due out this morning before U.S. markets open. Policymakers are expected to unveil stimulus measures to help combat slowing growth in the eurozone. ECB President Mario Draghi laid the groundwork for a fresh stimulus package following last month's meeting and the EU economy has not really seen any improvements since that time. In fact, the zone's largest

economy, Germany, actually saw a -0.1% decline in second quarter GDP. Later today, investors here at home are wanting to see the U.S. Consumer Price Index results for August. The inflation gauge is expected to slow. Remember, the U.S. Federal Reserve's target inflation rate is +2.0% and the slow pace of inflation has been a major concern since the financial crisis. In fact, it was mentioned by the Fed as an underlying concern at their most recent July meeting, when they cut rates by -25 basis points. The trade is expecting another rate cut at next week's meeting on September 17-18. I guess if inflation were to show signs of really pushing higher the Fed could be prompted to pause in regard to further rate reductions and stock market bulls would be forced to pullback higher valuations. On the trade front, investors are still hoping to hear more details about ongoing negotiations with both China and Japan. China yesterday announced it was exempting 16 U.S. products from additional tariffs which some analysts view as a sort of "olive branch." Others feel China did it more out of economic necessity. The person whose opinion probably matters most in this, President Trump, praised the decision, saying the "gesture" could help upcoming trade talks. Preliminary meetings are still set to take place later this month in Washington before U.S. treasury secretary Steven Mnuchin and trade representative Robert Lighthizer meet China's vice premier Liu He in October. Trump is still aiming to finalize a deal with Japan in time for their face-to-face meeting on the sidelines of the UN General Assembly, which begins September 23. Also be aware that the third Democratic debate is scheduled for tonight. It will be broadcast on ABC starting at 8 p.m. CST.

Peloton Pedals its Way to Massive IPO: *Peloton seeks to raise as much as \$1.16 billion in its Initial Public Offering, the company known for its connected at-home fitness equipment said Tuesday in a regulatory filing. Peloton plans to price its shares between \$26 and \$29. The company is offering 40 million shares, which would value Peloton at \$8.06 billion at the high end of the range. The company sells fitness equipment, including stationary bikes and treadmills, that are equipped with screens. Users pay \$39 a month to stream Peloton's classes." Read more at [CNBC](#)*

Apple Reclaims its Trillion-Dollar Status for First Time in 2019: *Apple Inc. reclaimed its status as a trillion-dollar company Wednesday, hitting that level for the first time since last November on the day after it showed off its next iPhones. Apple shares gained +3.2% Wednesday, giving it a market capitalization of \$1.01 trillion. Apple shares have climbed +40% so far this year, as the Dow Jones Industrial Average, which counts Apple as a component, has risen 16%. (Source: MarketWatch)*

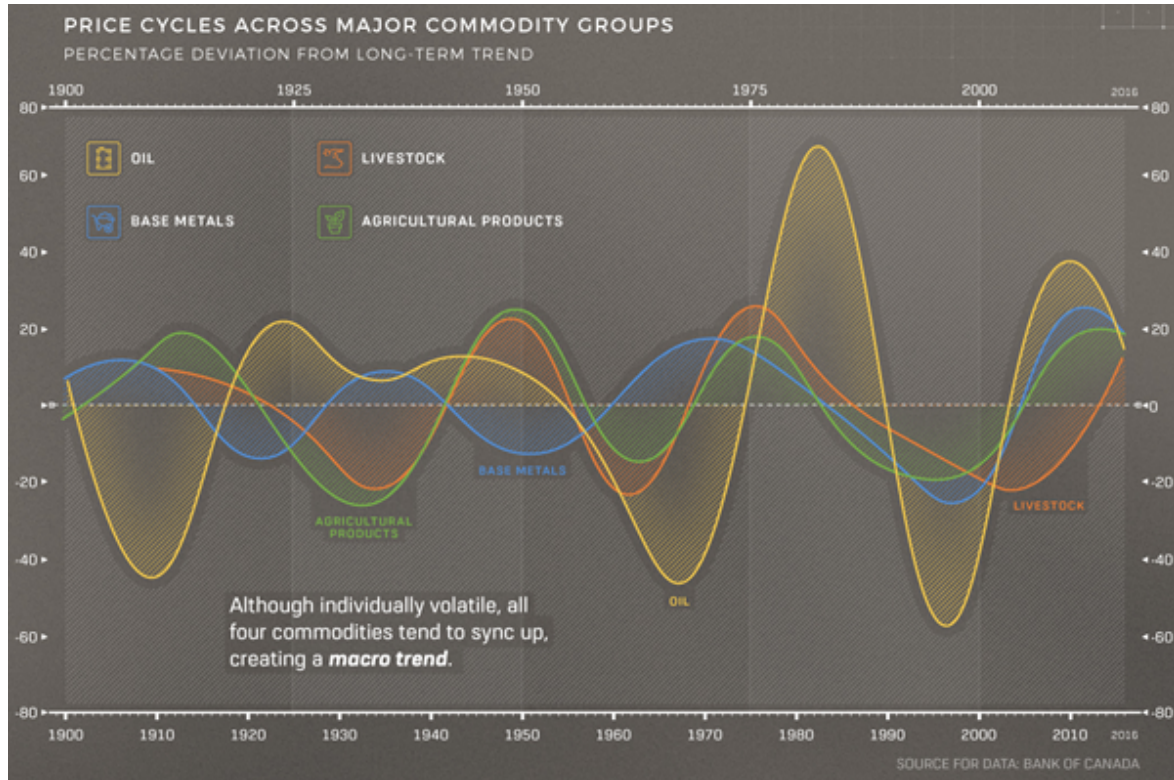
Oil Demand Lower... OPEC Talking About Deeper Oil Output Cuts: *At a meeting scheduled for today, the Joint Ministerial Monitoring Committee (JMMC) of the OPEC and non-OPEC countries that are part of the oil production cut pact isn't planning to discuss any deeper oil output cuts nor any other adjustments to the current supply pact, according to officials. The officials stressed that the JMMC does not have the mandate to consider policy changes. However, Iraq's Oil Minister said yesterday that OPEC and its Russia-led partners will discuss deeper cuts at the meeting, claiming ""That's*

why this meeting is going to be held." OPEC and allies are currently taking a total of 1.2 million bpd off the market in a deal that they extended in July through March 2020. In its monthly report, OPEC yesterday cut its forecast for growth in world oil demand in 2020. The oil cartel said oil demand worldwide would expand by 1.08 million barrels per day, 60,000 bpd less than previously estimated, and indicated the market would be in surplus. The weaker outlook amid a U.S.-China trade war and Brexit could press the case for OPEC and its allies to maintain or adjust their policy of cutting output. OPEC also lowered its forecast for world economic growth in 2020 to 3.1% from 3.2% and said next year's increase in oil demand would be outpaced by "strong growth" in supply from rival producers such as the United States. (Sources: Platts, Reuters)

California Passes Landmark Bill Requiring Contract Workers to Be Labeled as Employees: *The California State Senate voted to pass a bill that would make it much more difficult for gig economy companies like Uber and Lyft to classify workers as independent contractors rather than employees. Called AB5, the law has garnered national attention, largely owing to the size of California's workforce. The bill strikes at the heart of the "gig economy" business model of technology platforms like Uber, Lyft, DoorDash, PostMates and others who rely on hundreds of thousands of independent workers, not full-time employees, to drive passengers or deliver food via app-based services. The consequences of the bill remain unclear in the short-term for both Uber and Lyft, who have argued that the legislation compromises the flexibility prized by their workforce, and that fewer workers would be hired were they considered employees. In a statement following the vote in the Senate, Lyft said it was ready to begin a ballot-measure fight next year to win provisions to exclude it from the law. Uber has also expressed plans to fight the legislation. The bill, which was introduced last December and would take effect Jan. 1, 2020, would reclassify workers in a range of other industries from trucking to janitorial services to music workers. Some experts expect other states to follow suit given California's economic size and its precedent of creating influential business regulations. More details are available [HERE](#).*

Visualizing A Commodity Super Cycle: *Since the beginning of the Industrial Revolution, the world has seen its population and the need for natural resources boom. As more people and wealth translate into the demand for global goods, the prices of commodities—such as energy, agriculture, livestock, and metals—have often followed in sync. This cycle tends to coincide with extended periods of industrialization and modernization. Commodity prices go through extended periods during which prices are well above or below their long-term price trend. Many economists believe that the upswing phase in super cycles results from a lag between unexpected, persistent, and positive trends to support commodity demand with slow-moving supply, such as the building of a new mine or planting a new crop. Eventually, as adequate supply becomes available and demand growth slows, the cycle enters a downswing phase. While individual commodity groups have their own price patterns, when charted together they*

form extended periods of price trends known as "Commodity Super Cycles" where there is a recognizable pattern across major commodity groups. Visual Capitalist has a full version of the graphic and more details available [HERE](#).



FARM TANK

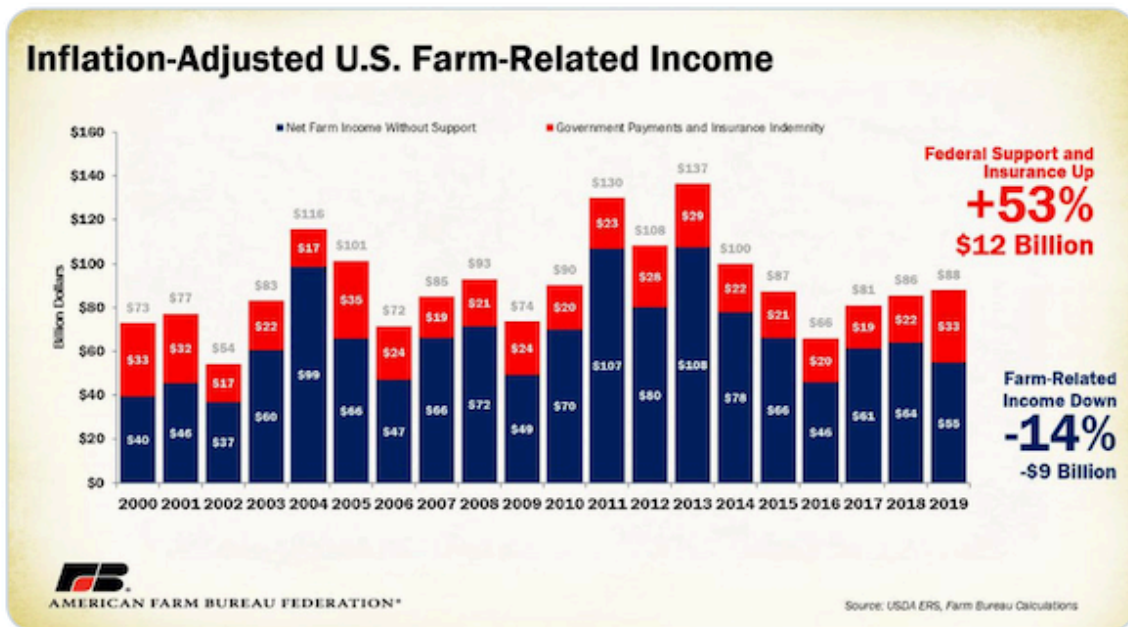
Tweets of the Day





John Newton
@New10_AgEcon

Inflation-adjusted income from [#farming](#) (minus [#FarmBill](#) [#MFP](#) and [#Insurance](#)) is down 14% or \$9 Billion from 2018, well below historical 20-YR avg of \$66B [@FarmBureau fb.org/market-intel/i...](#)





Jake
@jakehansen_5



Another beauty day of #harvest19





David DuByne
@adapt2030



Ohio Corn: What's Causing "Barbell" Ears?

agfax.com/2019/09/04/ohi...

#gotminiiceage #miniiceage #littleiceage #grandsolarm
inimum #earthchanges #daviddubyne #adapt2030 #cor
n #Ohio #US





Greg Peterson
@MachineryPete



8 x 2 = 16

#V16Hoss





Classic Rock In Pics
@crockpics

Following



Eric Clapton and Duane Allman in Miami,
1970.

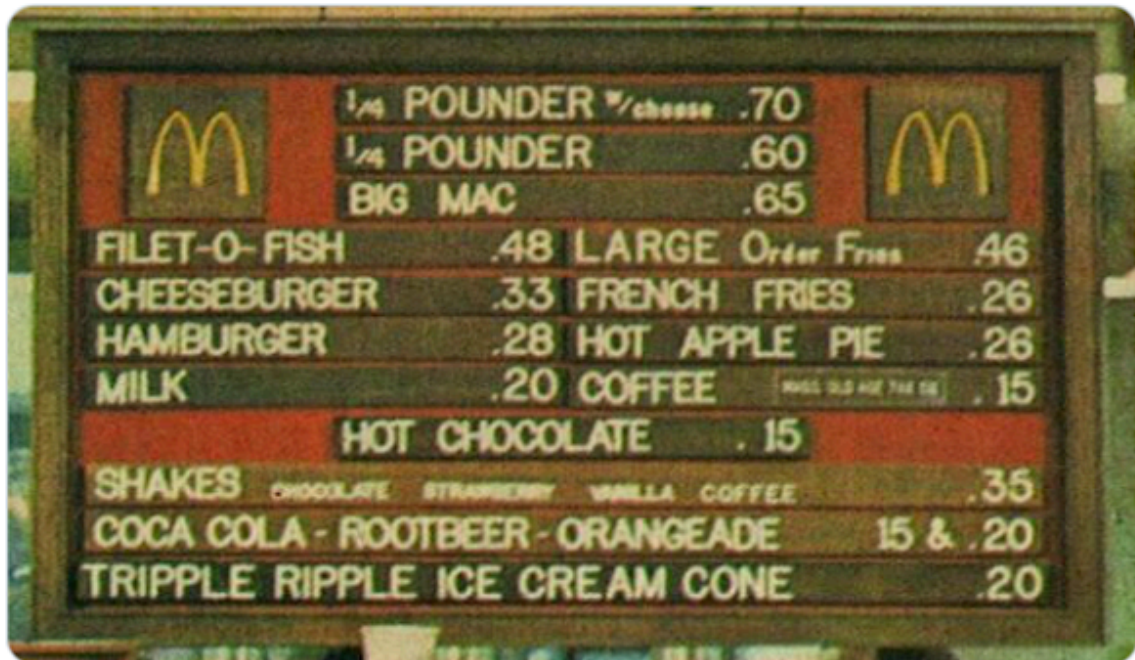




Weird History
@WeirdHistoryPic



This is what McDonald's menu looked like in 1972.





Motivational Quotes
@DavidRoads



Great thing to remember.

**LIFE ALWAYS
OFFERS YOU A
SECOND CHANCE.
IT'S CALLED
TOMORROW.**

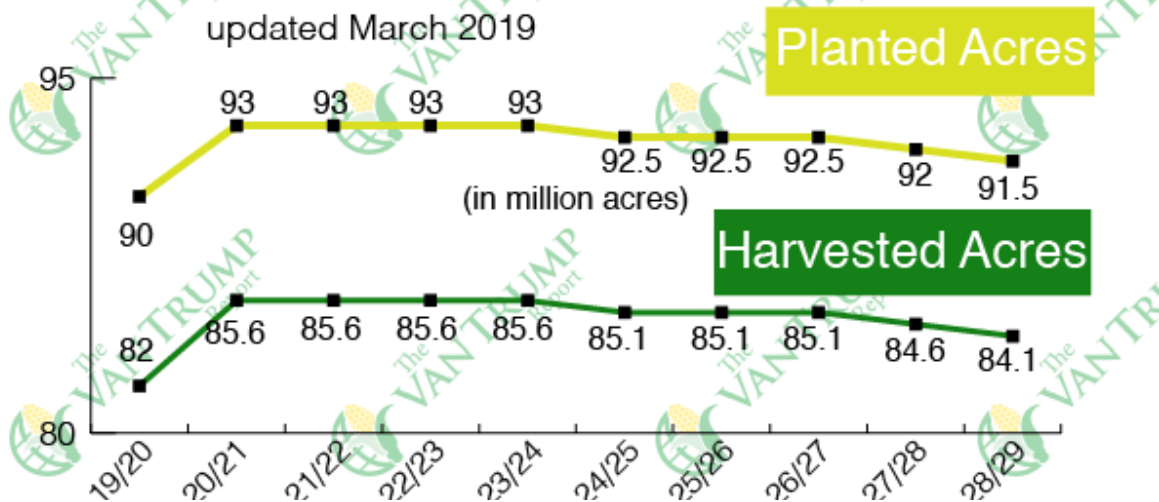
Corn traders are belted in waiting for another wild ride as the USDA prepares to deliver updated estimates. Total U.S. production was forecast back in August at 13.901 billion bushels on a yield of 169.5 bushels per acre. Most sources are looking for the yield to be trimmed to between 166 and 167 bushels per acre. I'm personally not holding my breath, the weather has been mostly cooperative and the USDA has been at the higher end with yield estimates all year. I'm just not seeing much that would have wildly altered their opinion, but then again you never know. The bigger question is what the USDA does with demand. If they trim -100

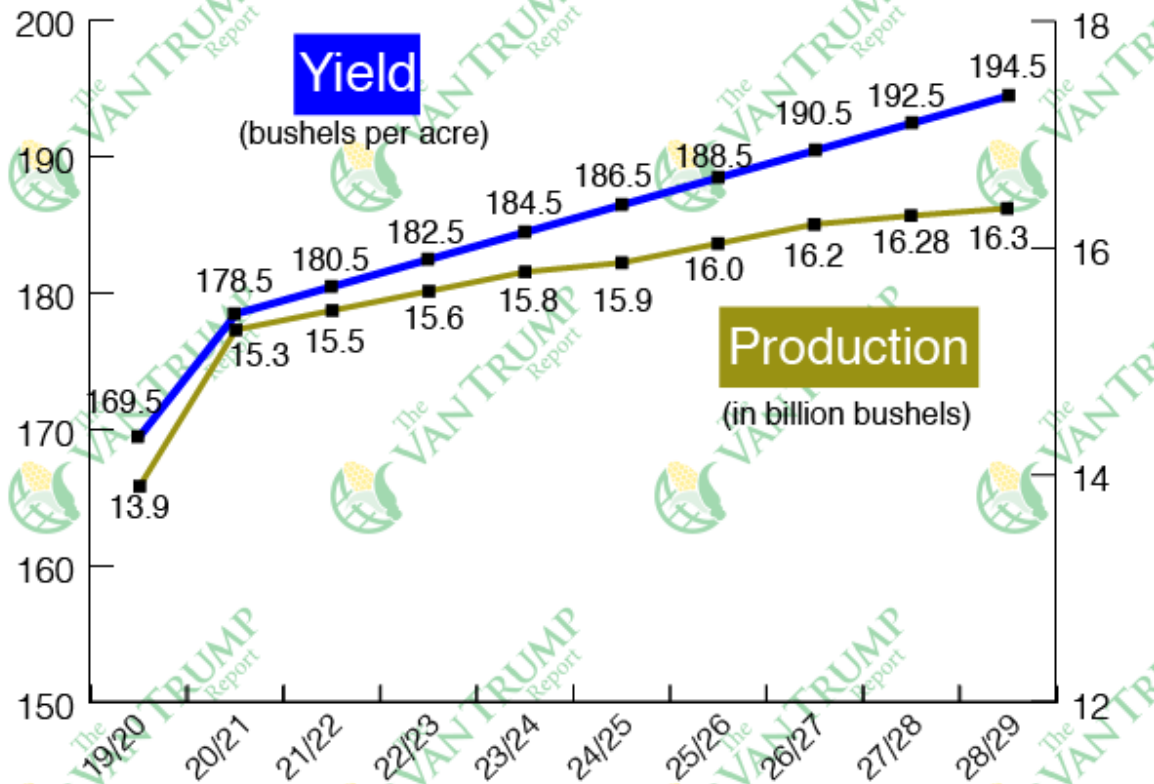
to -300 million from the production side of the balance sheet, how much will they trim from the demand side of the balance sheet? Both ethanol and export demand are in the crosshairs so pay close attention. As a producer, I do not want to sell any additional cash bushels while we are down near the lows. I still think there are a few bullish cards in the deck that could eventually help drag prices somewhat higher. I'm not envisioning anything north of \$4.20 unless South America runs into a major weather story. The weather here at home has simply been too cooperative the past several weeks to envision a major reduction in yield. It's crazy to think about how rough of a spring we had, then, like a light switch, it all changed. I really thought we were going to tighten the balance sheet this year and enjoy at least a period of time with prices above breakeven. I could talk about an extremely late crop, but from my perspective, it doesn't look like an early-frost is going to be much of a wide-spread problem, hence the crop more than likely finishes without major complications. I could argue harvested acres, but we really won't know that whole story for a few more months. Even then, it feels like many of the extremely late-planted acres that were simply thrown in last minute as a hope and a prayer, turned out better than many could have imagined. I was talking to some traders yesterday, and we were all asking the same question, what it will take in the years ahead to generate a weather story that really does significant damage to the crop and really rallies price? So many more fields have been tilled and irrigated, equipment and planting technology have made massive strides, seed technology and traits have made huge leaps... What type of weather will it take to kill the crop and more importantly what will it take to make the computer trading platforms really bite on a major production problem? Interesting to think about...

U.S. Corn Long-term Projections

USDA Long-term Agricultural Projections to 2029

updated March 2019





Cost of Production: Costs and Returns

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
Farm Price (\$ per bushel)	3.60	3.95	4.00	4.10	3.95	3.80	3.80	3.70	3.70	3.70
Cost of Pro- duction (\$ per acre)	344	347	351	356	360	365	369	371	375	379
Net Returns (\$ per acre)	344	358	371	392	369	344	348	334	337	341

Source: USDA, Agriculture Projections February 2019

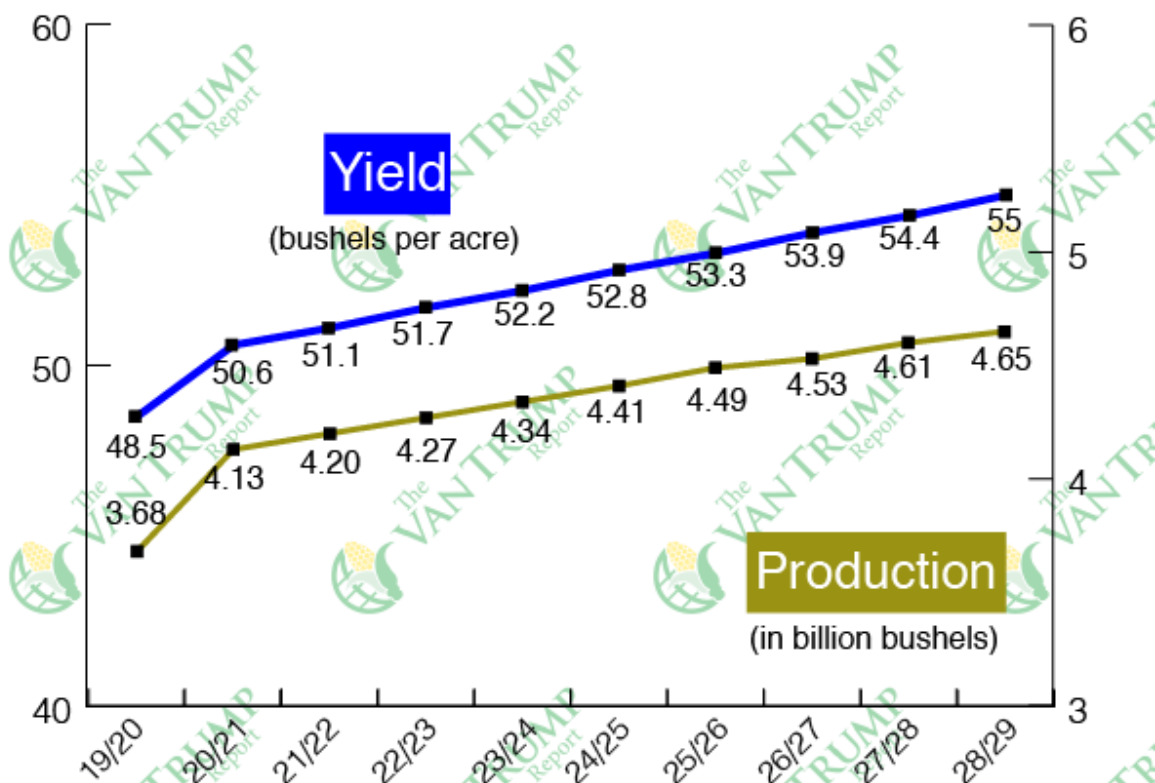
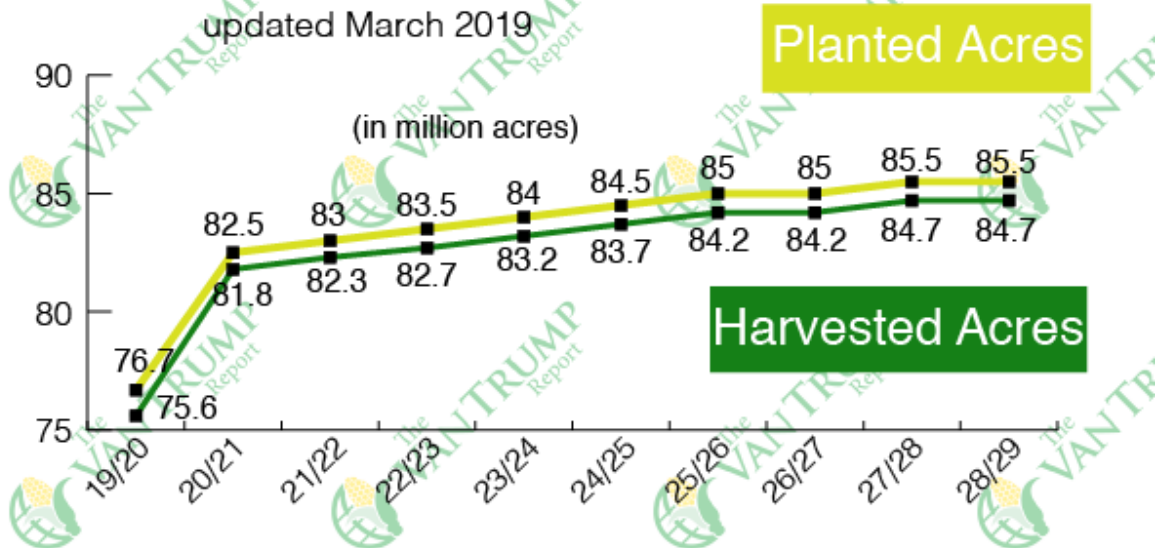
Soybean bulls are hoping to see the USDA further reduce their yield forecast. Most inside the trade are talking about a final U.S. yield somewhere between 46 and 48 bushels per acre. The USDA is currently estimating the crop at 48.5 bushels per acre vs. 51.6 bushel per acre average last year. Bulls are also thinking U.S. demand could creep a hair higher. Net-net, most are looking for a tightening of the balance sheet and a slightly more bullish outlook. Obviously, a lot will still depend on finishing weather in the U.S. and upcoming weather in South America. The 800-pound gorilla in the room will remain U.S. and Chinese trade headlines. As a spec, I remain a conservative bull looking to take additional small bites

should we break aggressively lower. I still believe there could be a longer-term story brewing, especially if South America runs into any type of production hiccups.

U.S. Soybeans Long-term Projections

USDA Long-term Agricultural Projections to 2029

updated March 2019

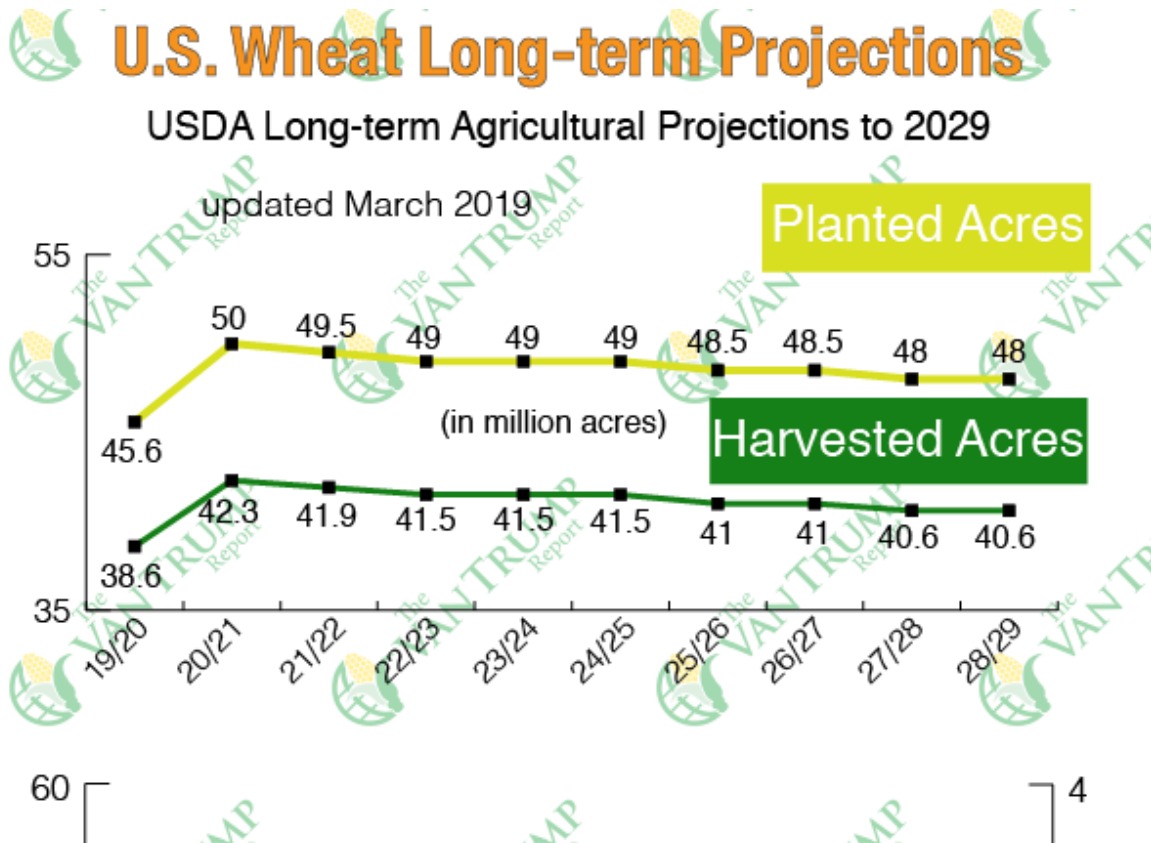


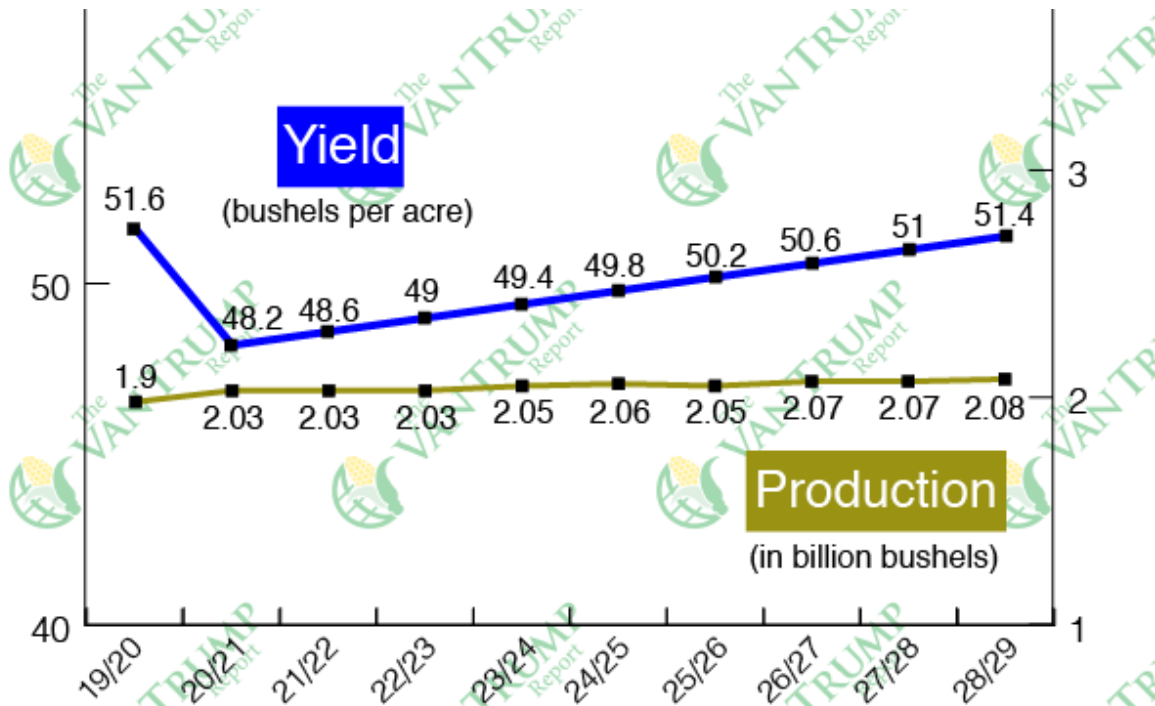
Cost of Production: Costs and Returns

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
Farm Price (\$ per bushel)	8.40	9.15	9.55	9.95	9.90	9.70	9.65	9.45	9.45	9.45
Cost of Pro- duction (\$ per acre)	165	166	168	171	173	175	177	178	180	182
Net Returns (\$ per acre)	273	296	320	343	344	337	338	331	334	337

Source: USDA, Agriculture Projections February 2019

Wheat traders seem to be in agreement that today's USDA will report do very little to alter the current balance sheet. Most all suspect to see domestic and global ending stocks remain overly burdensome. World ending stocks could jump a hair higher to +285 MMTs, while U.S. ending stocks could stay north of +1.0 billion bushels. I suspect more importantly will be the USDA's corn data. Meaning the direction of the corn market probably sets the tone for wheat. As far as global production, bulls continue to closely monitor weather complications in eastern Australia and western Argentina. Personally, I don't see these as game-changing events for the market, but with prices so low, the ongoing headlines might have been enough to prompt some bulls to exit. Keep in mind, most of the bigger wheat adjustments will come via the Small Grains report at the end of this quarter scheduled for release on September 30th.





Cost of Production: Costs and Returns

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
Farm Price (\$ per bushel)	5.00	5.20	5.30	5.40	5.40	5.20	5.10	5.00	5.00	5.00
Cost of Production (\$ per acre)	112	114	115	117	119	121	122	123	125	127
Net Returns (\$ per acre)	136	137	142	147	148	138	134	130	130	130

Source: USDA, Agriculture Projections February 2019

U.S. Production 2019/20

(million bushels)

Corn	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Production	???	13,557	12,617 - 14,003	13,901	14,420
Yield	???	166.7	162.0 - 171.5	169.5	176.4

Soybeans	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Production	???	3,578	3,430 - 3,735	3,680	4,544
Yield	???	47.2	45.5 - 49.0	48.5	51.6

U.S. Grain Ending Stocks 2019/20

(million bushels)

	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Corn	???	1,936	1,482 - 2,269	2,181	2,360
Soybeans	???	660	535 - 797	755	1,070
Wheat	???	1,015	909 - 1,066	1,014	1,102

U.S. Grain Ending Stocks 2018/19

(million bushels)

	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Corn	???	2,399	2,180 - 2,515	2,360	2,140
Soybeans	???	1,050	993 - 1,084	1,070	438

World Ending Stocks 2019/20

(million tonnes)

	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Corn	???	302.1	292.7 - 310.0	307.7	328.6
Soybeans	???	100.5	89.6 - 119.0	101.7	114.5
Wheat	???	285.8	283.0 - 288.1	285.4	275.5

World Ending Stocks 2018/19

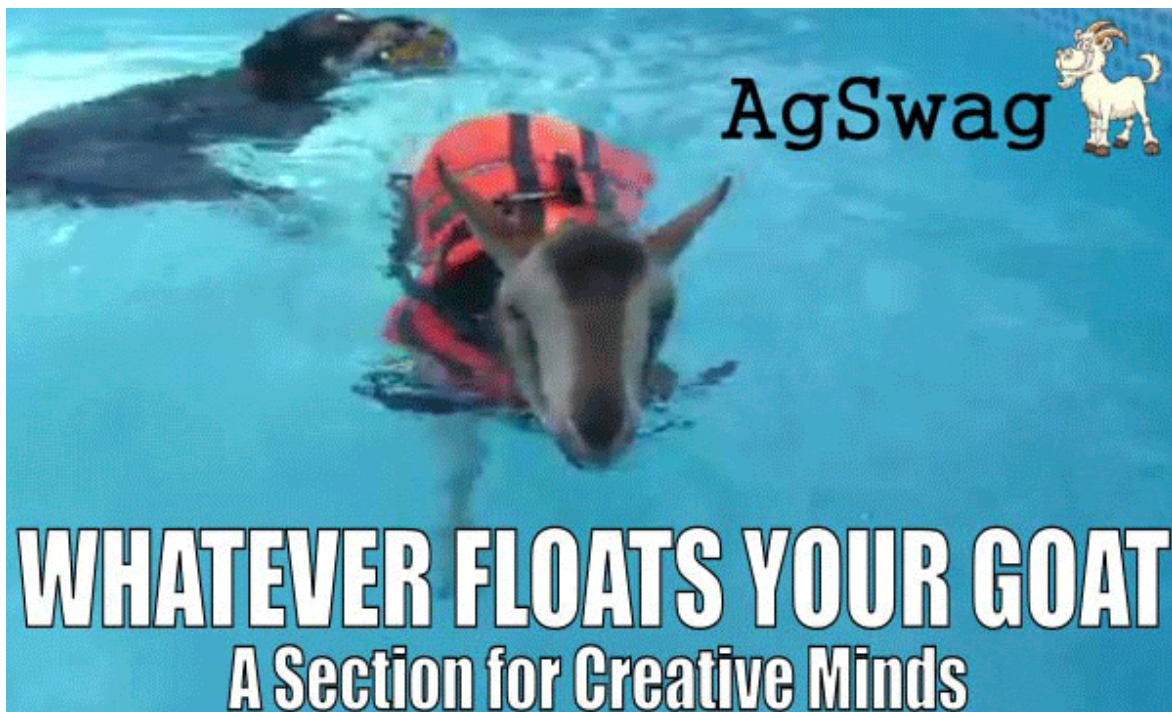
(million tonnes)

	September Estimates	Avg. Trade Estimate	Range of Estimates	August Estimates	Last Year
Corn	???	329.4	328.5 - 332.3	328.6	340.4
Soybeans	???	114.3	113.0 - 115.9	114.5	99.1
Wheat	???	275.7	275.0 - 276.9	275.5	281.9

Rice futures continue to climb higher. On Tuesday, nearby NOV futures closed above the important technical level of 12.00/cwt which should give a bit more confidence to the bulls. Later today USDA will release its September S&D report. It may be too early for any major adjustment to the rice numbers on this report. Harvest is rolling along nicely due to favorable weather, but it is still too early to see where the yield is going to shake out. Far southern states (Louisiana and

Texas) are about wrapped up it sounds like yields were average at best. I believe that if there are any problems with yields overall, we will see it in the crop that was put in late. Let's focus on Arkansas specifically for a bit since it accounts for nearly 50 percent of all US production. As of Monday's crop progress report, rice harvest in Arkansas is 23 percent complete. One thing that I think could impact prices to the upside is another trim to the acreage number. For Arkansas, current harvested acreage is projected at 1.28 million acres. Given just how wet it was across the state during planting, I would not be surprised to see another trim to that number. I am willing to go out on a limb and say it is possible that we see another 100k drop to the harvested acreage number. The question remains, does any adjustment come in the next couple of months or January? Outside of production, exports in recent weeks have been better than average. If anything, the stronger exports seem to be keeping the bears on the sidelines. Overall, I believe that if exports stay strong it would at least provide solid support. However, it will likely be any notable drop in acreage that gives the bulls their next meal.

Trey Morris - [Husk Trading](#)



> China Exempts some American Products from Tariffs, None Ag-Related:

China made a good-faith gesture yesterday by announcing it would exempt 16 American-made products from tariffs ahead of talks scheduled for next month. But the gesture, which Beijing said was designed to ease the dispute's impact on American companies. But analysts pointed out that the exemption list didn't include major goods subject to tariffs, like soybeans or meat. Iris Pang, economist for Greater China at ING, added that while the exemptions could be seen as a "gesture of sincerity," they are "probably more a means of supporting the economy." The trade war is weighing on the Chinese economy, which is suffering a

major slump in growth. And tariffs have only been getting more severe lately. The United States has levied tariffs on Chinese goods worth hundreds of billions of dollars. Beijing has retaliated with its own tariffs that target more than 5,000 US products. Some of those have already taken effect, while others are expected to take effect in the coming weeks. China's State Council Tariff Commission, which made Wednesday's announcement, said it will continue to review exemption requests and announce new lists in the future. (Source: CNN)

> Grains Council Targeting Other Parts of Asia for Ethanol Sales: The U.S. Grains Council has stepped up efforts to drum up demand for its ethanol exports across Asia, its officials said, after former top customer China imposed steep import tariffs on the fuel amid the Sino-U.S. trade war, shutting out sales. Council representatives took a booth for the first time at the Asia Pacific Petroleum Conference (APPEC), the largest oil industry gathering in Asia, to promote blending the renewable fuel with gasoline. The United States exports 200 million to 300 million gallons of ethanol a year to Asia, equivalent to about 13,000 to 19,600 barrels per day. It had been targeting 1.5 billion gallons within five years, but the figure would likely be closer to 1 billion gallons without China, according to Tim Tierney, regional director strategic marketing for ethanol in north Asia. The 1 billion gallon target does not include India, which Tierney said was a "significant ethanol growth market for us as well." Read more [HERE](#).

> China Says Pork Supply Will be Sufficient for Upcoming Holidays: China, the world's top pork consumer, will secure sufficient supplies of the meat for upcoming holidays, including the Lunar New Year in late January, said an official on Wednesday, as concerns grow over a looming shortage and soaring prices. China's pig herd has shrunk by a third following a severe outbreak of deadly African swine fever, and pork prices have surged since June on tightening supplies. China produces about half of the world's pork, but analysts have said output could fall by as much as 25% this year, and that imports will not be able to cover the gap. Peng Shaozong, a manager in the pricing department of the National Development and Reform Commission, sought to allay growing fears about the rocketing prices, saying the government had the "confidence and capability" to secure enough meat and stabilize the market. He also said the government is studying plans to release pork from state reserves for the holidays. Some cities have already released pork from reserves and sold it into the market at discounted prices. Vice Agriculture Minister Yu Kangzhen, speaking at the same briefing, noted that the African swine fever situation is still "severe". A fresh outbreak was reported by the ministry in the Ningxia region in China's northwest on Tuesday. (Source: Reuters)

> Truckers Brace For Impact from California's New "Gig Worker" Rules: California trucking companies say they are under threat from a bill that could turn so-called gig workers into employees. California state senators late on Tuesday passed AB5, proposed legislation that would set tougher standards for determining which workers can be properly classified as independent contractors. Democratic Governor Gavin Newsom has signaled support for the measure, which would take effect on Jan. 1. The legislation threatens to upend a swath of California businesses that rely on freelance drivers. While the spotlight has been on ride-

sharing companies Uber Technologies Inc (UBER.N) and Lyft Inc (LYFT.O), the trucking industry that underpins the U.S. agriculture, retail and industrial sectors is also heavily exposed. Trucking companies of all stripes call on the roughly 70,000 California independent big rig owners to haul loads in the state and around the country. Experts say California's mostly small 137,000 trucking firms are vulnerable to upheaval wrought by AB5. Read more [HERE](#).

> Wendy's Making a \$20 Million Bet On Breakfast: Wendy's Co. will be serving breakfast nationwide in 2020, the company's latest attempt to offer morning fare after a number of stops and starts, and analysts are wondering what's changed to make this time a success. The plan comes with a \$20 million price tag. Wendy's and its franchisees will hire about 20,000 workers to take the breakfast menu across the country from more than 300 U.S. restaurants now. As of June 30, Wendy's and its franchisees operated 6,719 Wendy's restaurants. Wendy's says it will use its Applewood smoked bacon in the form of the Breakfast Baconator and the Frosty-ccino, a play on the frozen, creamy dessert item, as fuel for the breakfast menu. Wendy's has tried to add breakfast to the lineup in the past, but in late 2012 decided to abandon the effort until it finds "a more profitable way to approach that daypart opportunity." Wendy's has not elaborated on why their breakfast scheme will be successful this time around, which has prompted some analyst downgrades. Read more [HERE](#).

> Bill Gates, Deere's Largest Stakeholder, Adds to His Holdings: Bill Gates, the largest holder of Deere stock, recently bought even more shares after holding steady for a couple of years. Gates bought 87,000 additional shares of Deere in late August, according to the SEC filing. The purchase brought his holdings to 31,510,573 shares, a stake of just above 10%. Gates made the purchase through his investing vehicle, Cascade Investment LLC, which holds all the Deere stock Gates owns. Deere stock has been volatile this year, but it sported an 10.7% year-to-date gain through Wednesday's close. The trade war with China has been weighing on the stock. Uncertainty about the outlook has sown confusion among both investors and analysts. (Source: Barron's)

> Trump Administration Moves to Ban Flavored Vaping Products: President Donald Trump said Wednesday he will seek to ban the sale of non-tobacco flavored vaping products in an effort to get young people to give up e-cigarettes. The Food and Drug Administration will soon issue guidance on how to take flavored vaping products off the market, said Health and Human Services Secretary Alex Azar, a process that could take months. It's unclear whether vaping companies could take legal action to block a ban. The move comes as officials are investigating more than 450 potential cases of pulmonary illness related to vaping and e-cigarette products. Six deaths in the U.S. have been associated with the illness. The latest death, reported Tuesday, was a Kansas resident over the age of 50, the state's health department said. Public-health officials say sweet and fruity flavors are appealing to young people and have contributed to a surge in teen vaping. The most popular flavors for Juul Labs Inc., the fast-growing market leader, are mint and mango, according to analysts. While the specific cause of recent lung illnesses is still unclear, doctors say some sort of chemical exposure related to vaping or e-cigarette use may be causing inflammation or injury in the

lungs. Many of the illnesses have been linked to cannabis-related products, specifically THC, or tetrahydrocannabinol, a chemical in marijuana known for its psychoactive effects. Last week, Michigan became the first state to ban flavored e-cigarettes. Cities around the country, including San Francisco, have taken similar steps. (Sources: USA Today, Wall Street Journal)

> Silicon Valley's Quest to Build the Wellness Community of the Future:

The exclusive, invite-only event series dubbed "Young TED meets Burning Man" is building a mountain village full of communal gathering and wellness-infused programming. Summit Series launched the exclusive event in 2008, and has since evolved into an ambitious real estate development in the posh ski resort area of Eden, Utah. In 2013, Summit purchased the 10,000 acres making up the Powder Mountain, Utah, ski resort area for \$40 million. The founders want to build the experiential neighborhood of the future—one built on wellness, community, and influence. That entails selling homes on the premise that this is where you can dine on organic food with your neighbors in the outdoors while potentially recruiting an investor. Only two years into its construction cycle, Summit's Powder Mountain has already built 35 homes and sold 158 parcels of land. The three neighborhoods, each afforded their own design style, encompass cabins, townhomes, and custom home sites. Homes start at \$200,000 for 350 square feet and go up to several million. Per Summit regulations, they cannot exceed 5,000 square feet in size, thereby ending the arms race of who can have the biggest house. The progressive plans and exclusivity of Summit undoubtedly rankles some longtime Eden residents, many of whom don't share the vision for a high-powered, coastal-elite utopia. Read the full story [HERE](#).

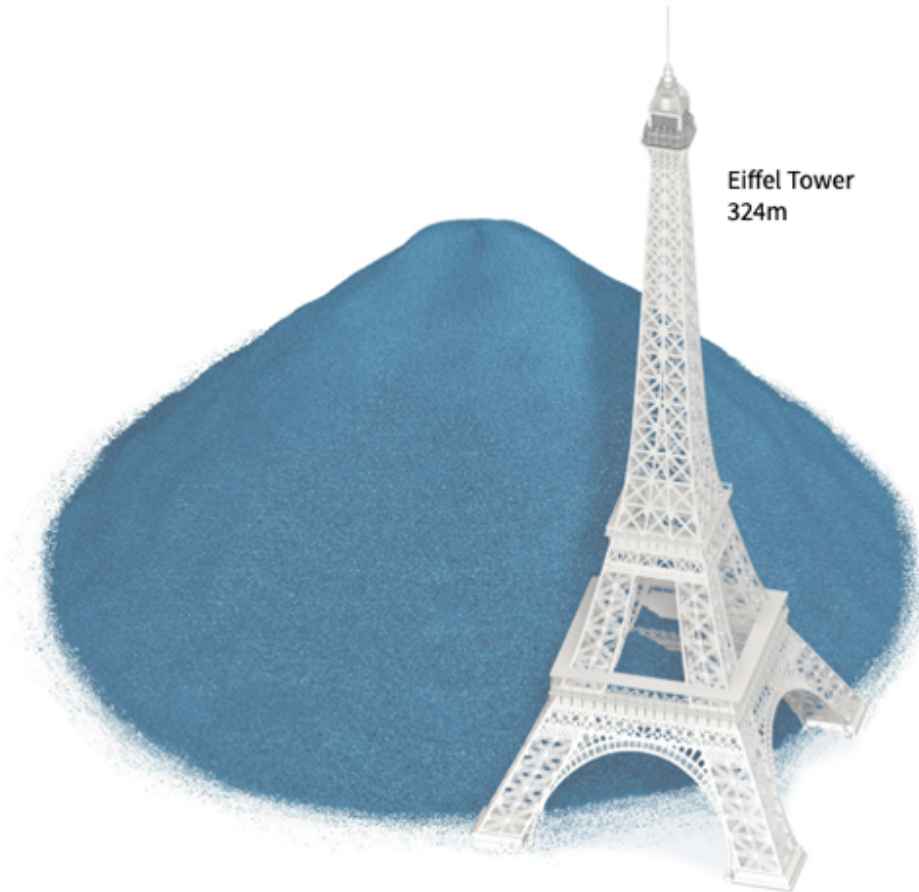
> Harvest Moon on Friday the 13th: These next several nights – September 12, 13 and 14, 2019 – look for a full-looking moon to light up the nighttime sky from dusk till dawn. Depending on where you live worldwide, this upcoming full moon will fall on Friday, September 13, or Saturday, September 14. For the Northern Hemisphere, this September full moon counts as the closest full moon to the September autumn equinox, so it's the Northern Hemisphere's full Harvest Moon. Although the moon appears full to the eye for a few to several days in succession, it is only truly full for a fleeting instant. Astronomically speaking, the moon is full at the moment that it's exactly 180 degrees opposite the sun in ecliptic longitude. This moment falls on September 14, at 4:33 Universal Time. The last time that the Northern Hemisphere's full Harvest Moon fell on a Friday the 13 (for at least a portion of the world) was in the year 1935, and the next time won't be until the year 2171! Learn more over at [EarthSky](#).

> Visualizing The World's Addiction To Plastic Bottles: Global consumers buy 1.3 billion plastic bottles every day, amounting to 481.6 billion in a full year. In the past 10 years, 4 trillion plastic bottles were sold worldwide. These are really large numbers that are hard to visualize, so Reuters put together an interactive graphic to help better understand the problem. Check it out [HERE](#).

Every day

1.3 billion bottles

Every day the equivalent of a bottle pile half the size of the Eiffel Tower in Paris is sold around the world.

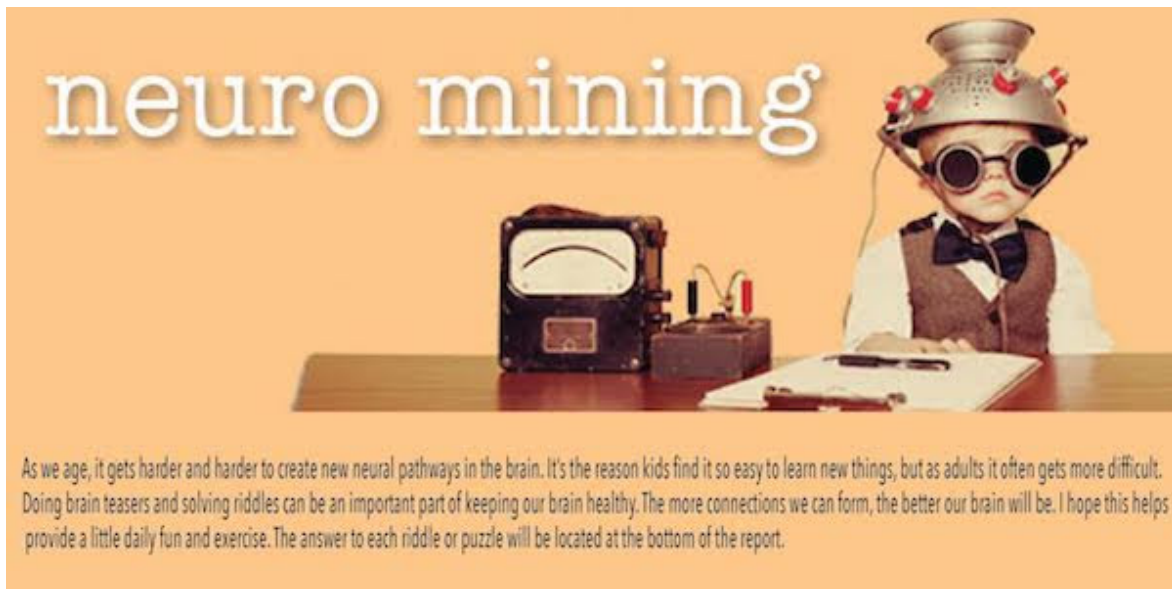


Southern Minnesota – *There is a lot of variability in this area. The corn ground definitely has nitrogen deficiencies from all the rain we got swamped with from May to July. Most of the corn is yellow in color and it's still too early for it to be turning. We actually got a touch dry in August, so the corn will be sub-par at best. The soybeans have disease showing up in spots but it shouldn't get out of hand. We are expecting 45-50 bushel beans if we don't get an early frost. The soybeans never really got very tall nor did they put on a lot of pods. There aren't many 3*

bean pods towards the top of the plant which will also limit our yield.

Eastern Indiana – *It's very weird how fast this corn can swing from too wet and now too dry. We have been constantly battling this most of August and September. I would have to imagine that the shallow roots are causing the drought problems. We planted in wet dirt and it rained fairly continuously the first few months the corn was planted so the root had no real reason to go deep for water. We are right on the edge of being far enough along that weather shouldn't hurt us much more. We need the rain over the weekend and if we get that, I think we will sneak across the finish line with respectable yields.*

Southeast North Dakota - *I have come to the realization that 2019 corn crop is going to be train wreck. I can't possibly imagine that corn will have any quality at all. . . short of a miracle. I have corn that still has not dented at all and is very much in milk stage still. If the corn is extremely wet or has low test weight I absolutely will not harvest until this spring. I'm not sure how federal crop insurance handles low quality corn. I don't know how they handle yield when the crop is still standing in the field.*



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: A mirror for the famous, but informative to all. I'll show you the world, but it may be a bit small.



Tiling Fields Continues to Increase Despite Downturn in Price

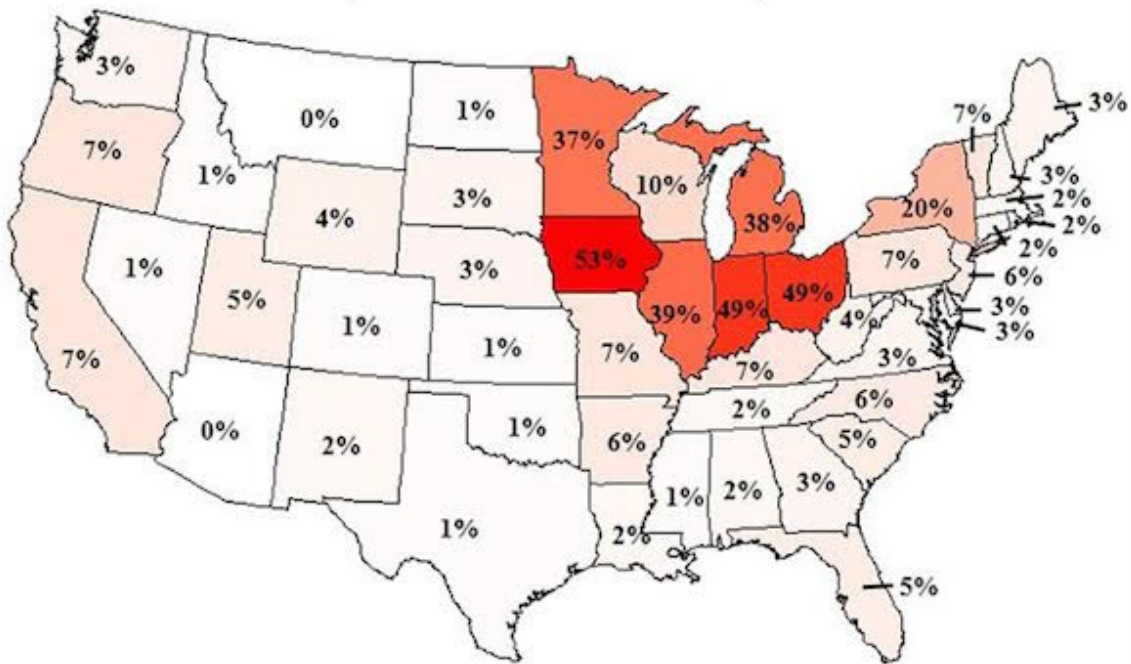
56 million acres of cropland in the U.S. were reported as being drained by tile in the 2017 census, meaning seven million acres have been installed since the last time producers were asked in 2012. As cash flows and incomes have steadily decreased, more producers are seeing the financial returns on dollars spent for tiling. From what I understand, total tiled acres made up 14% of all cropland in 2017, an increase from 11% in 2012.

Benefits from tiling are many, though computing the total yield improvement isn't straightforward. You find all kinds of yield response estimates from tiling, but I will admit I was surprised by the increases even when the lowest estimates were used. The tile trade association estimates a yield gain of +15% to +40%, while various university studies have shown responses of +10 to +45 bushels per acre for corn and +4 to +15 bushels per acre for beans.

Growth in the number of acres tiled comes mostly from states that border the Great Lakes or in the Corn Belt. Keep in mind, this region generally receives plenty of rain for its fertile soils, which happen to be more prone to periods of excess water than to dryness, making the management of excess water critical to meet revenue projections. You can see from the chart below that seven states had 20% or more of their cropland acres tiled in 2017, showing that despite the downturn in farm prices and returns since 2012, growers in areas where tile is common continue to invest in this land management practice. Some suggest that more frequent and extreme rain events will cause this number of tiled acres to continue their growth throughout the corn belt. It will be interesting to see if there is a spike in tile installations this fall following the extreme spring we endured.

Determining whether tiling is the right move for some of your acres is not only a matter of seeing yield increases but understanding there are time savings involved as well. Keep in mind, depending on your soil types and amount of rain, you could buy yourself an extra two weeks in some circumstances. Also, by getting work done when others can't, you'll extend both planting and harvest season, have less wear and tear on your equipment as well as cut down on the effects of compaction. Don't pass on researching a tiling project just because you're looking at the expense side of things. Source: (farmdocdaily, extension.iastate, succesfulfarming)

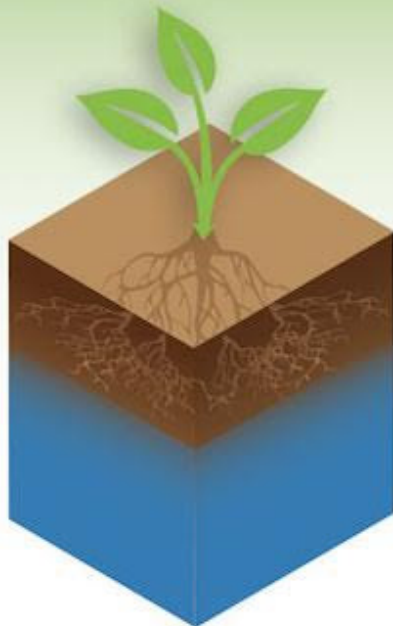
**Figure 1. Acres Tiled as a Share of Cropland Acres, U.S., 2017
(Rounded to Nearest Percent)**



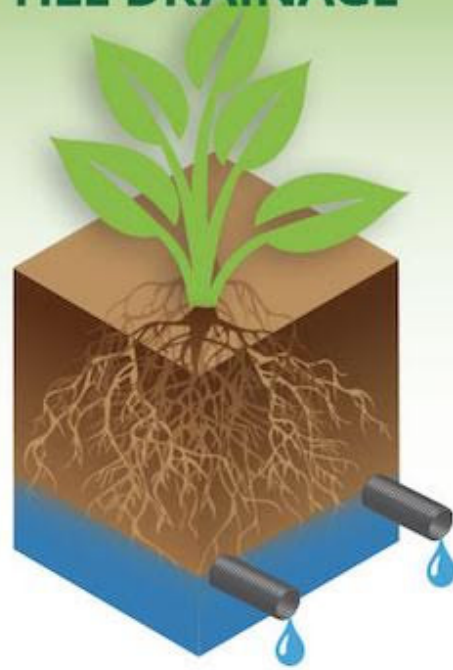
Data Source: Author Calculation from USDA Censuses of Agriculture



UNDRAINED

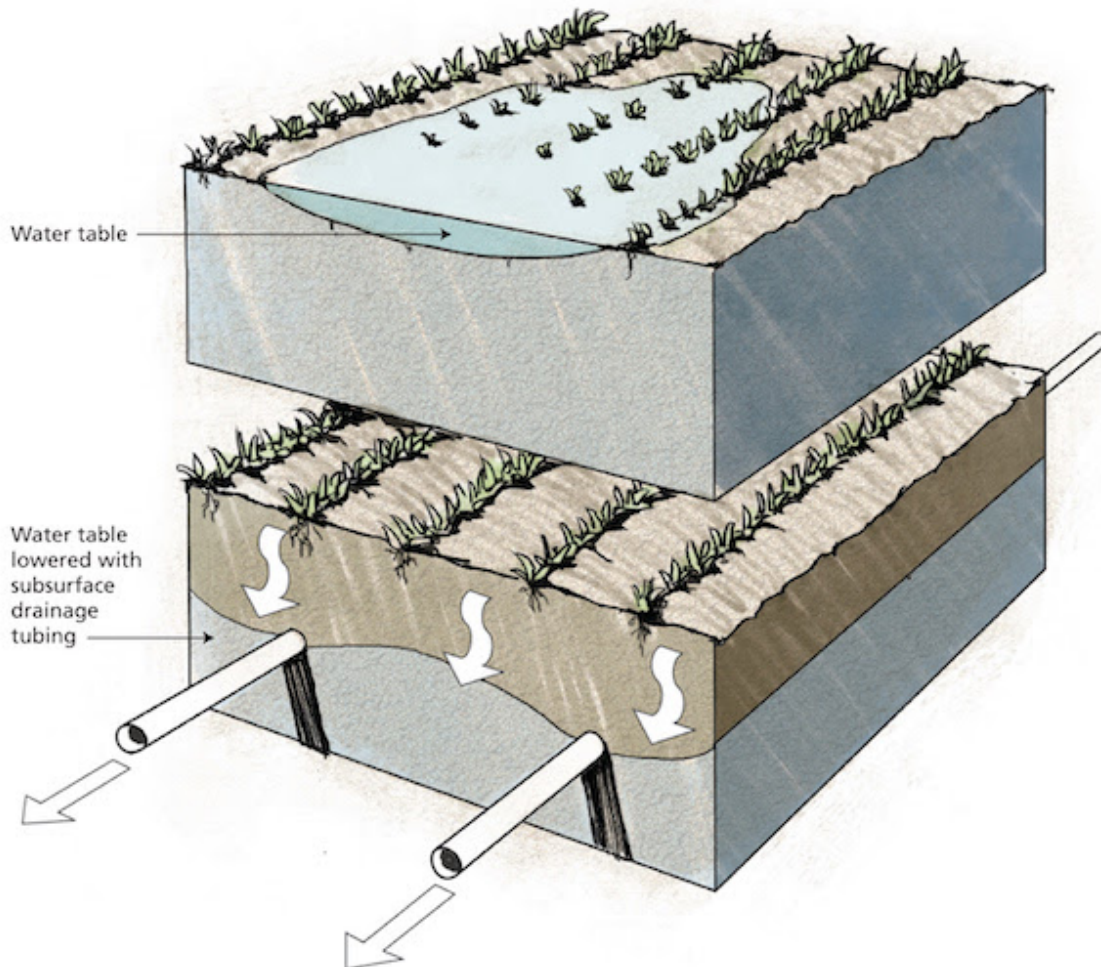


TILE DRAINAGE



Agricultural drainage

The top illustration represents agricultural land without drainage improvement. The water table is near the soil surface and water ponds in surface depressions. The land in the bottom illustration is drained by a system of subsurface plastic tubing or clay tile. The water table is lowered, which allows timely field operations and helps increase crop yields.



Source: Ohio State University

DAVID KALLEMYN/THE REGISTER

20,000 Year Old "Cave Paintings" Discovered

On this day in 1940, four teenagers looking for their lost dog stumbled upon what is now known as the entrance to the "Lascaux Cave". The four kids entered the cave through a 50 foot deep shaft that they believed might be a legendary secret passage to a nearby mansion. When they got down the shaft and into the cave, the teenagers discovered that the walls were covered with beautiful depictions of animals.

Historians and archaeologists from around the world raced to the site near Montignac, France. It was found to be a large and complex maze of caves that they would collectively call "The Lascaux Cave". The experts finally concluded that

the drawings were 17,000 to 20,000 years old.

Galleries inside the cave were given names which include: the Hall of the Bulls, the Passageway, the Shaft, the Nave, the Apse, and the Chamber of Felines. The walls of the massive cavern are decorated with some 600 painted and drawn animals and symbols and nearly 1,500 engravings. The pictures depict in excellent detail numerous types of animals, including horses, red deer, stags, bovines, felines, and what appear to be mythical creatures. There is only one human figure depicted in the cave: a bird-headed man with an erect penis, which seems rather odd. Archaeologists believe that the cave was used over a long period of time as a center for hunting and religious rites.

The Lascaux Cave was opened to the public in 1948 but was closed in 1963 because artificial lights, carbon dioxide, heat, humidity, and other contaminants produced by 1,200 visitors per day had visibly damaged the paintings and caused algae to grow over some of them. A replica of the Lascaux cave was opened nearby in 1983 and receives tens of thousands of visitors annually.

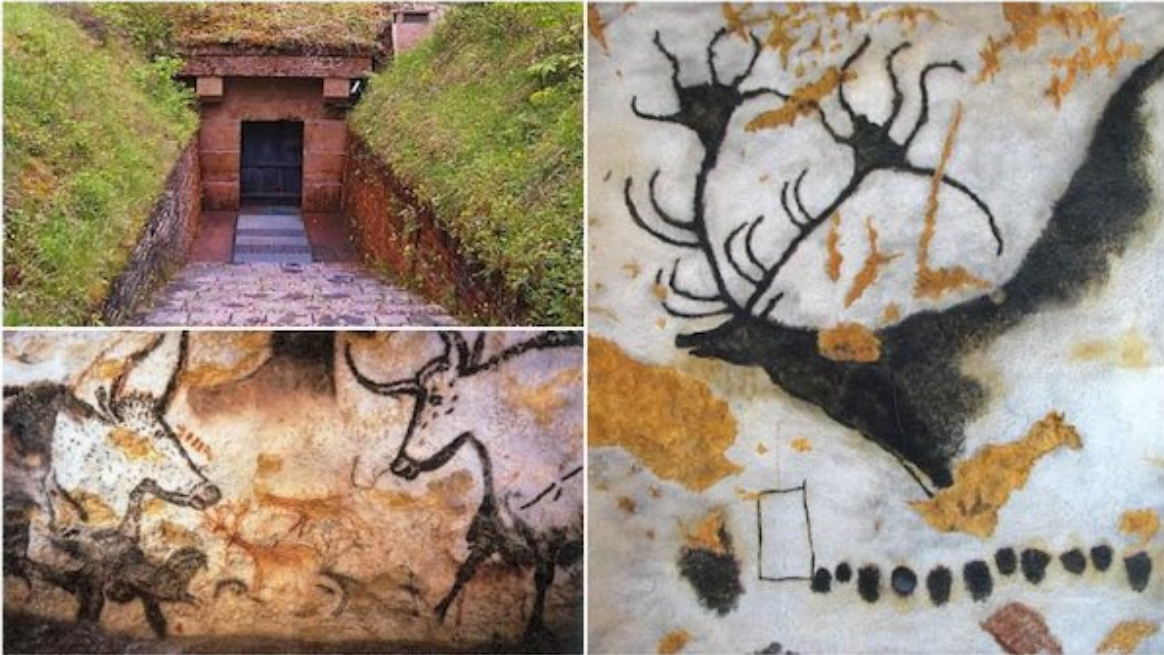






BIRD-HEADED MAN WITH BISON
Shaft scene in Lascaux Cave. c. 15,000 BCE.
Paint on limestone, length approx. 9' (2.75 m). [Fig. 01-12]





The Legendary T. Boone Pickens Dies At 91

T. Boone Pickens has always been one of my favorite investors and business leaders and I was sad to hear the news of his passing yesterday. In case you haven't heard his story... He was born in Holdenville, Oklahoma in 1928. By the age of 12, Pickens was delivering newspapers. He quickly expanded his paper route from 28 papers to 156 in just a few weeks. Pickens later cited his boyhood job as an early introduction to "expanding quickly by acquisition", a business practice he favored later in life. When the oil boom in Oklahoma ended in the late 1930s, Pickens' family moved to Amarillo, Texas.[5] Pickens attended Texas A&M on a basketball scholarship, but he lost the scholarship and transferred to Oklahoma A&M (now Oklahoma State University), where he majored in geology. Following his graduation, Pickens was employed by Phillips Petroleum as a wildcatter for about five years. Following his period as a wildcatter, he founded the company that would later become Mesa Petroleum. By 1981, Mesa had grown into one of the largest independent oil companies in the world. Pickens led Mesa's first major acquisition, a takeover of the Hugoton Production Company, which was 30 times the size of Mesa. He then shifted his focus to acquiring other oil and gas companies by making solicited and unsolicited buyout bids and other merger and acquisition activity. His most publicized deals included attempted buyouts of Cities Service, Gulf Oil, Phillips Petroleum, and Unocal. His later takeover targets included Newmont Mining, a New York-based firm, Diamond Shamrock, and Koito Mfg., Ltd., a Japanese auto-parts manufacturer, making substantial gains in the process. Pickens' corporate acquisitions made him a celebrity during the 1980s, arguably one of the most talked about "corporate raiders". In 1997, Pickens founded BP Capital Management (then called BP Energy Fund) – the initials standing for "Boone Pickens" and not related to British Petroleum. He holds a 46% interest in the company which runs two hedge funds, Capital Commodity and Capital Equity, both of which invest primarily in traditional energy companies such

as oil, natural gas, and nuclear power corporations like Halliburton, Schlumberger, and Shaw Group. Pickens has given away hundreds of millions to charity and is among the elite group of billionaires who have made "The Giving Pledge," a commitment to give away half of his wealth for charitable purposes. Pickens was recently awarded the Albert Schweitzer Leadership Award by the Hugh O'Brian Youth Leadership Foundation for his lifetime of accomplishments and in particular for the example that he has set for the future leaders of the world. Below is a letter he penned to the class of 2018 that ran in Forbes last year. I've shared it here before and think it is well worth passing along once again.

Ninety Years Of Lessons Learned:

T. Boone Pickens' Letter To The Class Of 2018

By T. Boone Pickens

This article originally appeared on forbes.com.

I'm often asked for my advice and insights on leadership. And I give it in many forms - in speeches, on social media, and here on Forbes. And every May, I am especially keen to impart my near-90 years of experience to the next generation of aggressive young entrepreneurs - college and university graduates.

*Perhaps my best advice can be found in *The First Billion is the Hardest*, a book I published 10 years ago that chronicled some of my biggest life comebacks. From walking off my first job to starting my first company to closing down Mesa Petroleum and to opening up my own hedge fund at 68, it's three quarters of my life laid bare.*

The book is built around little bits of advice I've been known to give over the years. At some point, family, friends and staff began writing them down and they became their own genre, now known as "Booneisms." Many of them are about life and leadership, and other lessons I've learned through my ups and downs over 90 years.

And many of them just happen to apply very well to recent graduates who are chomping at the bit to join the real world. So, Class of 2018, here are a handful of Booneisms to get you started.

"A fool with a plan can beat a genius with no plan."

This one is actually from my father. I was at Oklahoma State University (Oklahoma A&M at the time) when he pulled me aside. He asked - rather told - me to change my major from Business to Geology and get the hell out of college, because I wasn't following his plan for me to graduate in June of 1951. When I saw that he was serious, he said: "Listen son, a fool with a plan can beat a genius with no plan. Your mother and I are concerned that we have a fool with no plan."

You graduates have made it this far, which is itself an impressive feat. But as you go now from having a rigid academic schedule to striking out on your

own, you have to fill in the blanks. You have to take what you've learned and come up with a strategic plan to get where you want to go.

"Keep focused. When you are hunting elephants, don't get distracted chasing rabbits."

Life is full of distractions - personal and professional ones. It's important to maintain focus on the plan and the ultimate objectives. There will be curveballs thrown your way, and opportunities presented to you. Periodically step back and assess how they advance your overall plan. Often times they don't. And you can spend a lot of wasted time on small deals that, at the end of the day, just don't amount to much.

"Don't fall victim to what I call the 'ready-aim-aim-aim' syndrome. You must be willing to fire."

You've got a plan, but now, you have to execute the plan. After all, a plan without action is not a plan - it's a speech.

When I did graduate that June in 1951, my father pulled me aside again. I thought he was about to pull out a bundle of money. Instead, it was his hand, reaching to shake mine. "Good luck, son."

That was not what I was expecting, but it was all I needed. It was an early lesson that I was not going to be able to sit around and wait for help with my hand out. I'd have to take initiative for myself. No one was going to make my decisions for me.

It turned out to be one of my most valuable lessons. Early in my career, I saw that much of mainstream corporate America would often fall into a pattern of "Ready, Aim, Aim," instead of taking prudent action. I jumped into the ring and began to shake things up with my attempted corporate takeovers and shareholder rights initiatives. I now believe that decisiveness played a major role in my success.

So, remember: be willing to make decisions. That's the most important quality in a good leader.

"Work hard. Come early, stay late."

You've worked hard to get here and have every right to celebrate. But your degree is not an end, it is a means. You've got to hit the pavement and continue to prove yourself, because once you've been invited to dinner, you've got to bring the duck.

Your education is a tool that you now have to move you forward in your strategic plan. Nothing will substitute for old-fashioned hard work. It's why, entering my ninth decade, I'm still the first in the office and the one who hits the lights on the way out.

I tell anyone who will listen that the most critical trait for success in the workplace is hard work. So, set and maintain a good work ethic. That's the way leaders have to approach it to be successful.

"Be the eternal optimist. Act like the fella who fell off the top of a 10-story building...as he passed the third floor, said, 'I'm not dead yet. So far, so good.'"

I'm a geologist, and in this field, you have to be optimistic. You drill your fair share of dry holes, in the oilfield, and in life. Optimism is key. Never count yourself out.

I formed my first oil and gas firm, Petroleum Exploration Inc., with \$2,500 of borrowed money. It was tough work, and I, at one point, was living in my truck and shaving in gas station bathrooms. But that firm was a predecessor company to Mesa Petroleum, the company I took public in 1964, which became one of America's largest independent natural gas and oil companies. A good plan and hard work helped me get there, but neither are possible without healthy optimism. So, be the eternal optimist.

"The higher the monkey climbs a tree, the more you can see his ass."

In order to launch the BP Energy Fund in the fall of 1996, I had to pass a National Futures Association exam to become a commodity pool operator. Well, I failed. Twice.

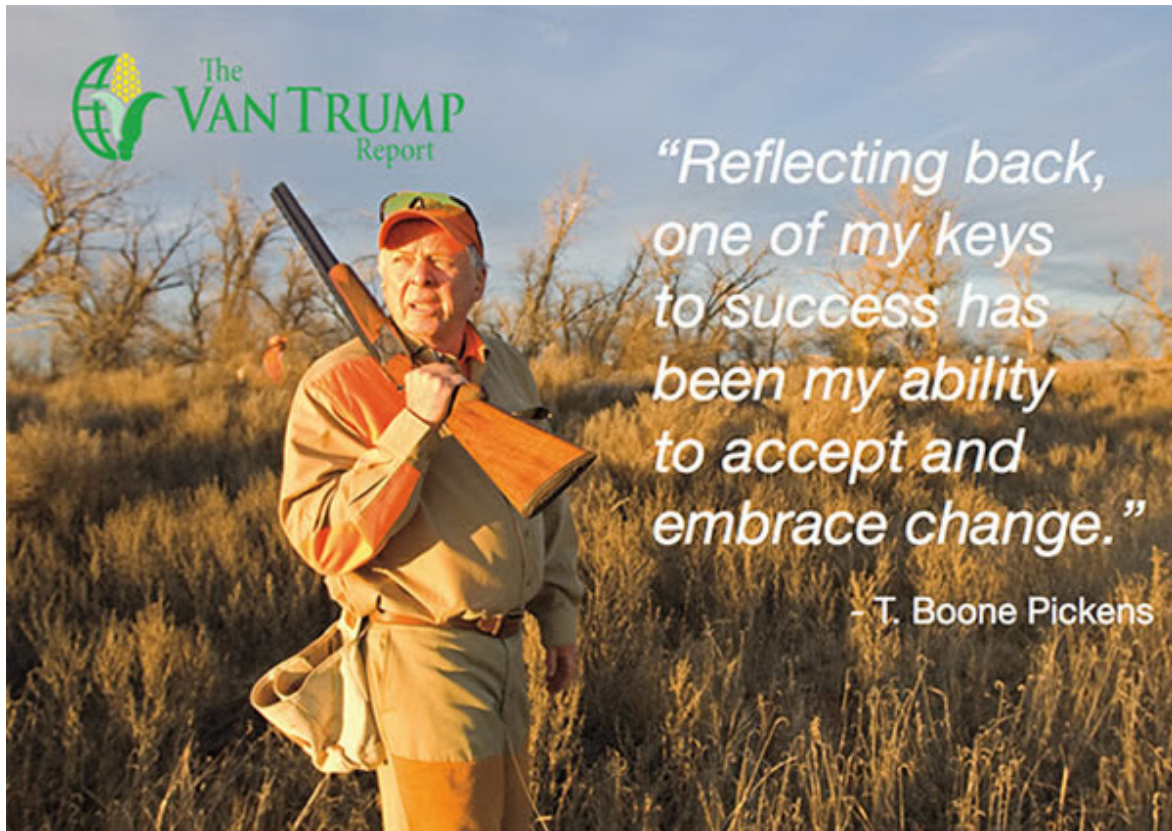
I've always been confident in my abilities, and it's kept me going in times like when I failed two exams at age 68. Failures are almost always fuel for my determination to finally get it right. But they also keep me humble.

I didn't make my first billion until I was 70. Not bragging, just making a point. Be confident, yet modest.

You all are Forbes readers, and maybe you one day want to be featured in Forbes like me. You are entrepreneurs, young visionaries and innovators ready to make your mark on industries and businesses. You'll get there, I'm sure of it. Just keep these Booneisms in mind.

Now go get 'em!

T. Boone Pickens



ANSWER to riddle: A television.

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

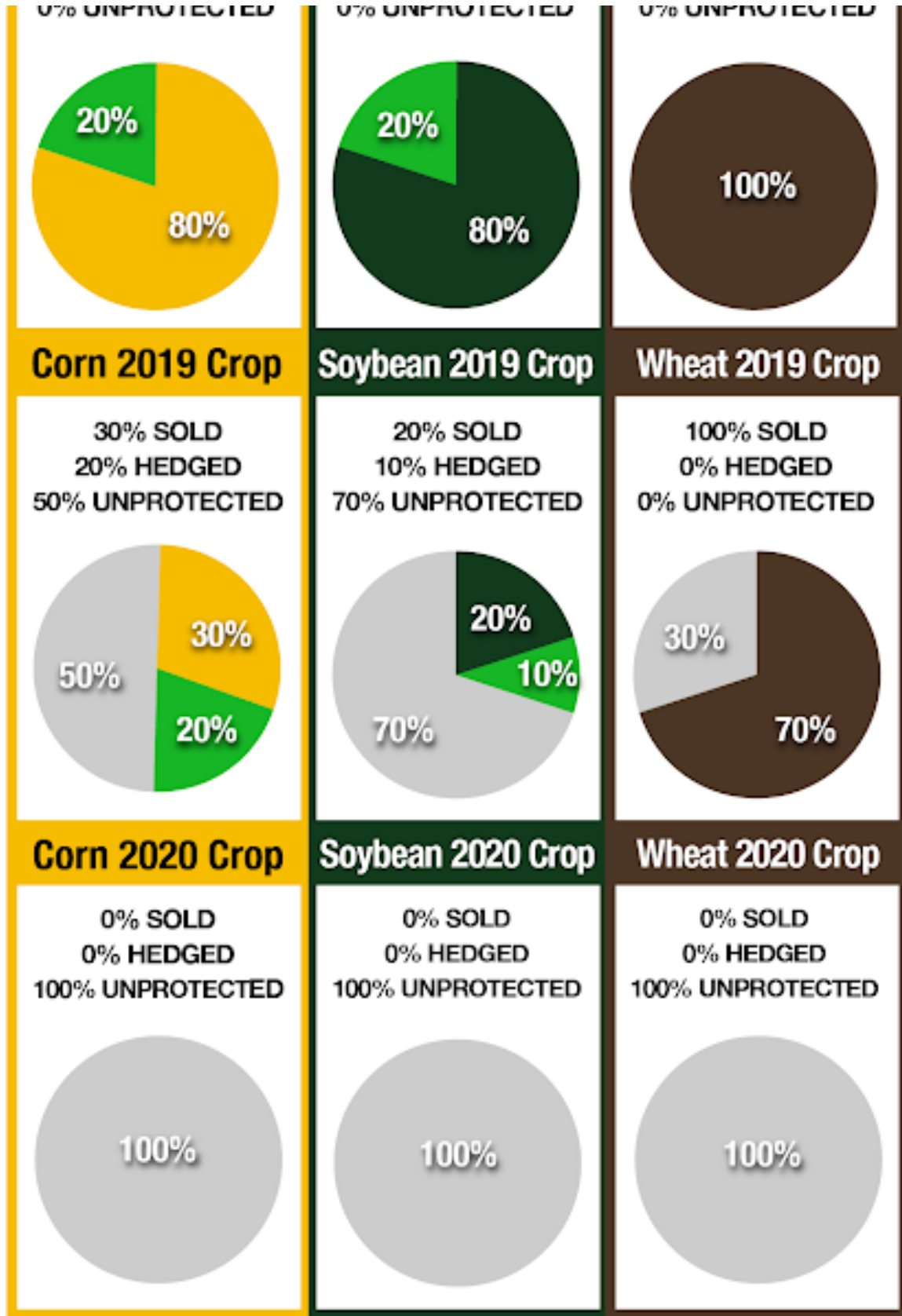
80% SOLD
20% HEDGED
0% UNPROTECTED

Soybean 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED

Wheat 2018 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED





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](#)

Powered by
salesforce marketing cloud

This email was sent by: Farm Direction

1020 Pennsylvania Ave, Kansas City, MO, 64105 US

Privacy Policy

Update Profile

Manage Subscriptions