



FARMCON &lt;josh@farmdirection.com&gt;

**Fwd: GOOD MORNING: Van Trump Report 9-17-19**

1 message

**Jordan Van Trump** <jordan@farmdirection.com>  
To: Drew <josh@farmdirection.com>

Tue, Sep 17, 2019 at 8:23 AM

----- Forwarded message -----

From: **The Van Trump Report** <reply@vantrumpreport-email.com>  
Date: Tue, Sep 17, 2019 at 5:30 AM  
Subject: GOOD MORNING: Van Trump Report 9-17-19  
To: <jordan@farmdirection.com>

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

"Be nice to people on the way up, because you may meet them on the way back down." - **Jimmy Durante**

**Tuesday, September 17, 2019**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Wall Street remains on edge following the weekend attack on Saudi's crucial oil processing plant at Abqaiq. Crude oil production has no doubt taken a serious hit but analysts say the growth of the U.S. as both an oil producer and exporter is helping cap a spike in prices. Brent crude rallied almost +15% yesterday, actually the biggest percentage single-day gain in recent market

history. In fact, we haven't seen a single-day rally anywhere close to this big since December 2008. Energy insiders are saying if the outage is extended more than several weeks, Brent crude could easily push north of \$75 per barrel. Most argue that supply is not a problem as the world has plenty of excess oil. The broader issue is the security of critical oil assets. As Citi energy analyst John Kemp explains, "Abqaiq has always been a much greater source of risk for the oil market than Strait of Hormuz. But until the last 48-hours, it was assumed to be a high consequence low probability danger so it was largely discounted. That won't be the case moving forward". Keep in mind, these attacks were carried out by drones that were estimated to cost less than \$15,000 each with no threat of human death for those wreaking the havoc. This makes the energy market extremely nervous as risk in the Middle East takes on a new perspective. Officials produced satellite photos showing what they said were at least 19 points of impact at two Saudi facilities, including the damage at Abqaiq. Other insiders argue that Iran's goal in launching such an attack would be "to cause a short sharp spike in the commodity markets so the world will put pressure on the Trump administration to change its policies." The big question now is how will the world respond? The possibility of a military response from the U.S. or Saudi Arabia can't be ruled out and the uncertainty is likely to keep traders on edge and oil prices volatile. Stock market bulls worry that a steeper escalation in oil prices will spook the trade and perhaps cause a self-inflicted sell-off. Everyone understands that our biggest modern-day recessions and economic downturns have been triggered by higher gas prices at the pump. Here at home, headlines surrounding "trade" continue to look positive. Deputy-level U.S.-China trade talks are scheduled to start in Washington on Thursday. U.S. Trade Representative Lighthizer and U.S. Treasury Secretary Steven Mnuchin are expected to meet with China's top negotiator, Vice Premier Liu He, in early-October. The two sides have not held in-person talks since July. Several large economists believe China is finally starting to feel the pressure of U.S. sanctions, with slowdowns in both factory and consumer sectors deepening in August. In fact, recent data showed China's industrial production grew at the slowest pace in over 17 years. The data is also increasing speculation that China will introduce more stimulus measures as well as further cuts to lending rates. Today brings the start of the Federal Reserve's two-day policy meeting. The market still expects the Fed to cut interest rates by -25 basis points, though the probability of them leaving rates "unchanged" continues to rise. CME's FedWatch tool now shows a 34% chance the Fed holds steady, compared to 0% probability just a month ago. Today's economic data will include Industrial Production and the Housing Market Index. Also of interest today will be FedEx earnings, which is considered a bellwether for the broader U.S. economy. It could also provide some deeper insight into the fallout from the ongoing trade war as the company's business is closely linked to the ebbs and flows of worldwide trade.



**FARMCON**  
Conference for Creative Minds in Agriculture

**Business • Profit • Scale • Automation**  
January 15 - 16 Kansas City, MO  
**Helping to Revive Rural America**  
Formerly The Van Trump Conference! Seats Limited

*"The Best Investment You'll Make In Your Ag Business All Year..."*  
Kevin Van Trump, CEO of Farm Direction

[CLICK HERE TO LEARN MORE](#)



HELPING TO REVIVE RURAL AMERICA!

**BUSINESS.  
PROFIT.  
SCALE.  
AUTOMATION.**



**FARMCON**  
Conference for Creative Minds in Agriculture

JANUARY  
**15<sup>th</sup> & 16<sup>th</sup>**  
KANSAS CITY, MO

Limited Tickets  
Available, Reserve  
Your Spot Now!



**GM Strike Could Cost Company \$100 Million a Day:** *For the first time in more than a decade, the United Automobile Workers are on strike at General Motors. After a Sunday vote, the union instructed about 46,000 workers to head for the picket lines. The strike has brought 50 factories and parts warehouses to a standstill and analysts estimate it could cost the number-one U.S. automaker anywhere from \$50 to \$100 million per day. It could also potentially impact the broader economy as workers won't draw paychecks from General Motors during the strike, though they will receive a weekly \$250 stipend from a UAW strike fund. GM says its hourly workers make an average of \$90,000 a year. The last national work stoppage at GM lasted about two days in 2007. (Source: CNN)*

**WeWork Postpones IPO:** *WeWork shelved its initial public offering on Monday night after struggling to drum up investor interest in the multibillion-dollar listing, in an embarrassing setback for a property group whose stated mission is to "elevate the world's consciousness". The New York-based company intended to price and list its shares next week. It said it now hopes to complete its offering by year-end. (Source: The Financial Times)*

**Trade Commission Approves Nexstar-Tribune Merger:** *The Federal Communications Commission (FCC) on Monday announced it has approved the merger of the Nexstar Media Group and Tribune Media Company, green-lighting a deal that would create the country's largest local TV broadcast station ownership group. The Department of Justice (DOJ) signed off on the deal over the summer after requiring the broadcasters to divest TV stations in 13 markets over antitrust concerns. Nexstar Media is the second-largest owner of local television stations in the U.S. Critics of the deal have argued it could harm the local news ecosystem, raising concerns that it could jeopardize "competition, diversity, and local control in local television broadcasting." In December, Nexstar announced it would buy Tribune for \$4.1 billion after Sinclair Broadcast Group failed to win approval to buy the Chicago-based conglomerate. Combined, Nexstar and Tribune will hold 144 station licenses in 115 markets across the country, enabling them to broadcast to over half of all U.S. household televisions. (Source: The Hill)*

**Netflix Purchases Right to "Seinfeld":** *Terms of the deal were not disclosed, but a person familiar with the negotiations told reporters that the price far exceeds the \$425 million that AT&T's WarnerMedia paid for "Friends" and the \$500 million NBCUniversal paid for the "The Office." In 2015 Hulu purchased the 5-year rights to Seinfeld for just \$130 million, it's crazy how the prices in this industry have exploded.*

**Rare Event... U.S. Taps "Strategic Petroleum Reserves" -** *The weekend attack on major crude-oil facilities in Saudi Arabia could prompt an*



*occurrence that has come about only three times in the past: an emergency release from the U.S. Strategic Petroleum Reserve. The President has authorized tapping the so-called SPR in response to the attack, "if needed," to keep oil markets supplied and moderated prices. Energy Secretary Rick Perry, speaking Monday on CNBC, said it was premature to discuss using the reserve, which now holds about 645 million barrels of oil, according to the Energy Department. The U.S. stockpile of crude is believed to be the largest such reserve in the world. While there have been sales and exchanges for nonemergency reasons, the SPR, set up in the mid-1970s amid the Arab oil embargo, has been used for emergency purposes only three times, in 1991, 2005 and 2011, which are detailed in the graphic below. The 1973 embargo triggered an oil crisis and sent the U.S. economy into recession. President Gerald Ford signed legislation in 1975 to establish a strategic reserve that would hold up to 1 billion barrels of oil to mitigate the damage from any future shortages in global supply. The crude is stored across four deep underground caverns created in salt domes along the Texas and Louisiana Gulf Coasts. Maintained by the Department of Energy, the caverns can hold up to 727 million barrels of crude. If President Trump orders an emergency sale from the strategic reserve, it will take 13 days for the U.S. Energy Department to deliver oil to the market. Under the law, the reserve can pump a maximum of 4.4 million barrels per day for up to 90 days. If the crisis is determined to be less severe, the maximum drawdown is limited to a total of 30 million barrels for no more than 60 days. (Sources: MarketWatch, CBS)*

# Emergency drawdowns from the U.S. Strategic Petroleum Reserve

## 1991: Operation Desert Storm

The first emergency release from the SPR was in 1991 in the midst of U.S. and allied attacks on Iraq. To avoid a major strain on oil supply, President George H.W. Bush authorized the sale of 34 million barrels, and 17.3 million barrels were sold.



## 2005: Hurricane Katrina

Hurricane Katrina severely damaged several major oil production facilities located in the Gulf of Mexico. Gasoline prices spiked nationwide, and President George W. Bush authorized the sale of 30 million barrels from the SPR. A total of 11 million barrels were sold.



## 2011: Tensions in Libya

The NATO military intervention and civil unrest in Libya disrupted oil supply from the country as well as its oil-producing neighbors. This prompted President Barack Obama to order the sale of 30.6 million barrels.



Sources: MarketWatch reporting, Getty Images

# FARM TANK

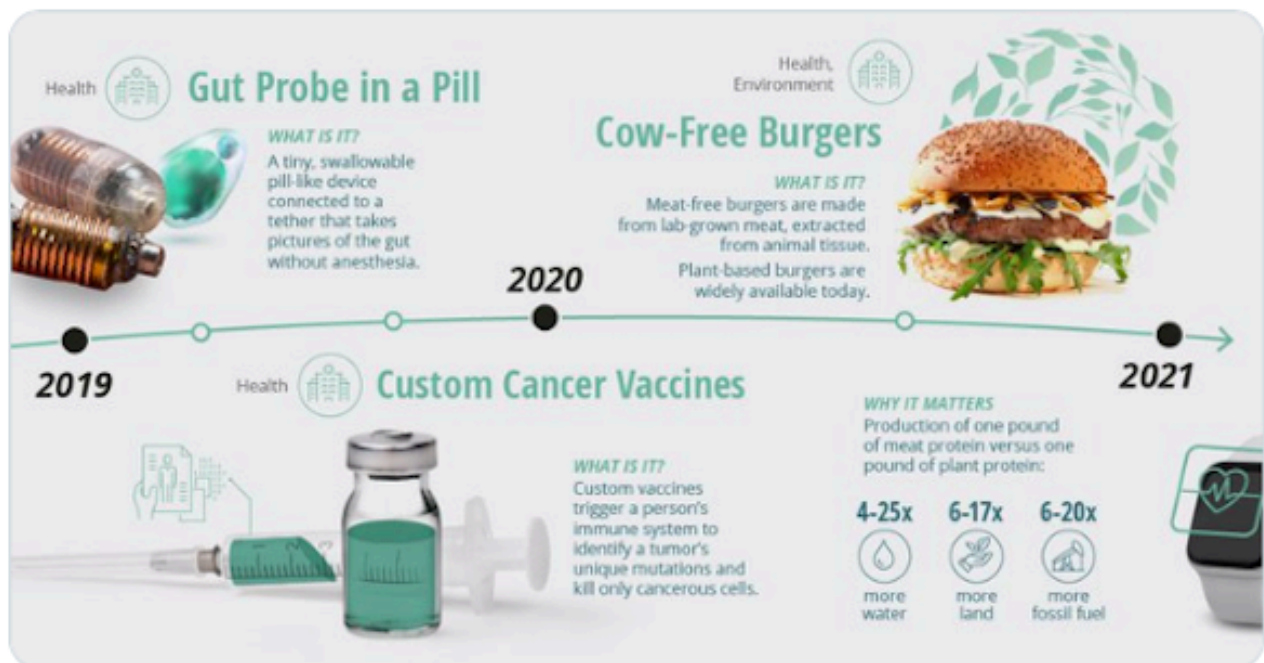
## Tweets of the Day



**Visual Capitalist** ✓  
@VisualCap



The 10 Breakthrough Technologies That Will Define 2019  
[visualcapitalist.com/the-10-breakth...](http://visualcapitalist.com/the-10-breakth...)





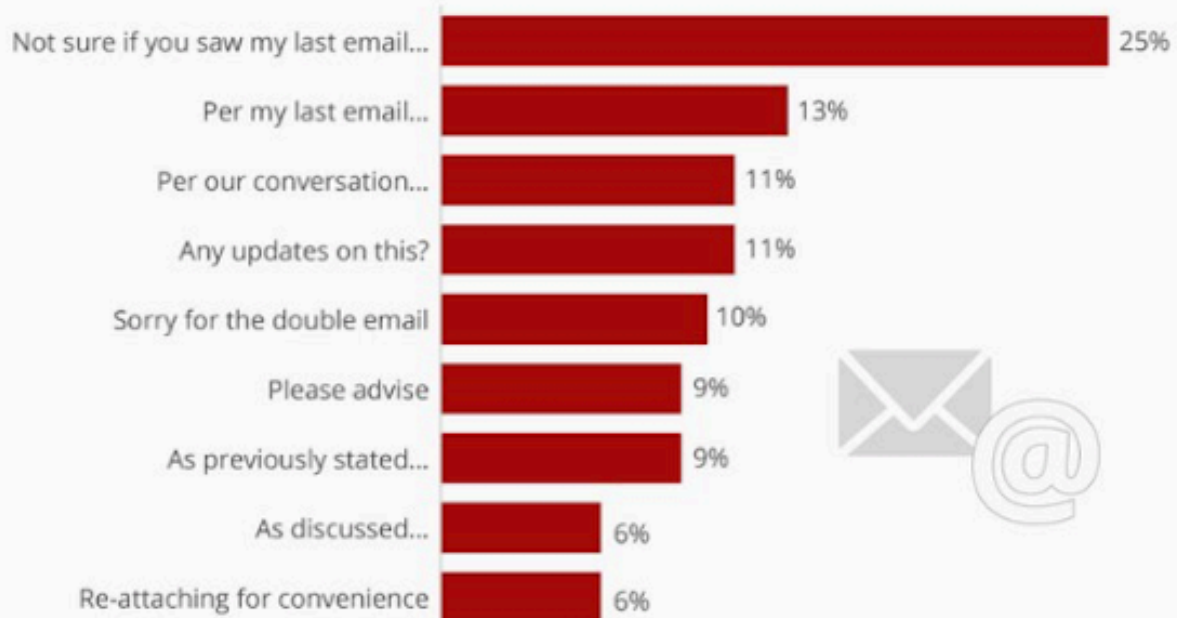
**Larry Kim** ✓  
@larrykim



## The Most Hated Email Jargon

### The Most Hated Email Jargon

Share of employees that find the following phrases annoying (2018)



n=1,001 U.S. respondents in an online survey between June 21 and 27, 2018

@StatistaCharts

Source: Adobe Consumer Email Survey

**statista**





**Landon Friesen**  
@landon707



I was annoyed with the clouds all day but this makes up for it. [#harvest19](#) [@NHAgriculture](#) [@GoodyearFarm](#)

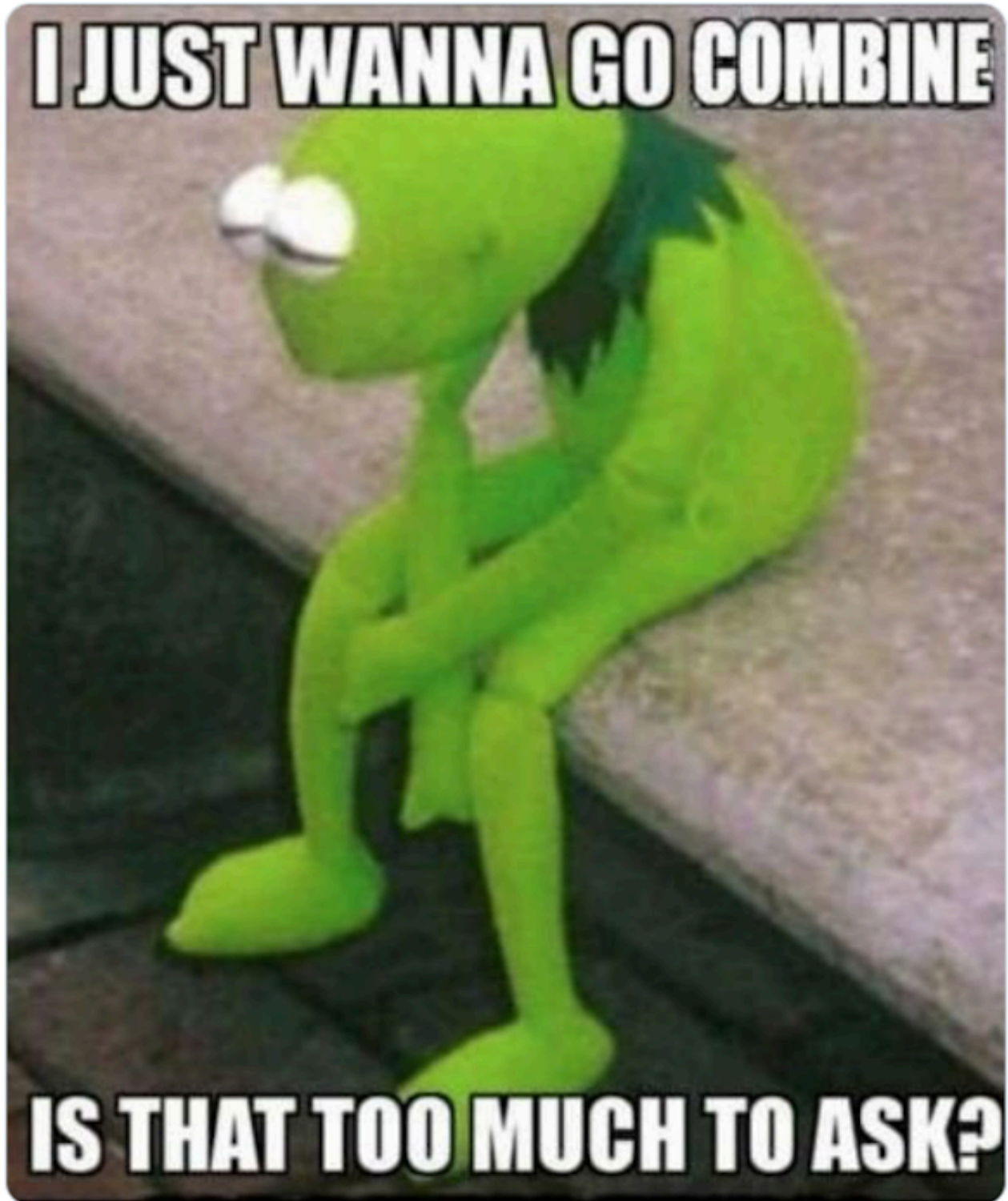




**Cervus Equipment**  
@CervusEquipment



Anyone else feel this way? [#Harvest19](#)





**Wade Bartkiw**  
@elkridgefarms



What could possibly be more appealing than this right now. [#hammerdown](#) [#harvest19](#)







**History Lovers Club**  
@historylvrsclub



Cesar Romero prior to filming his surfing scene with Adam West on Batman 1967. See more: [cmore.pics/eqYsl](https://cmore.pics/eqYsl)



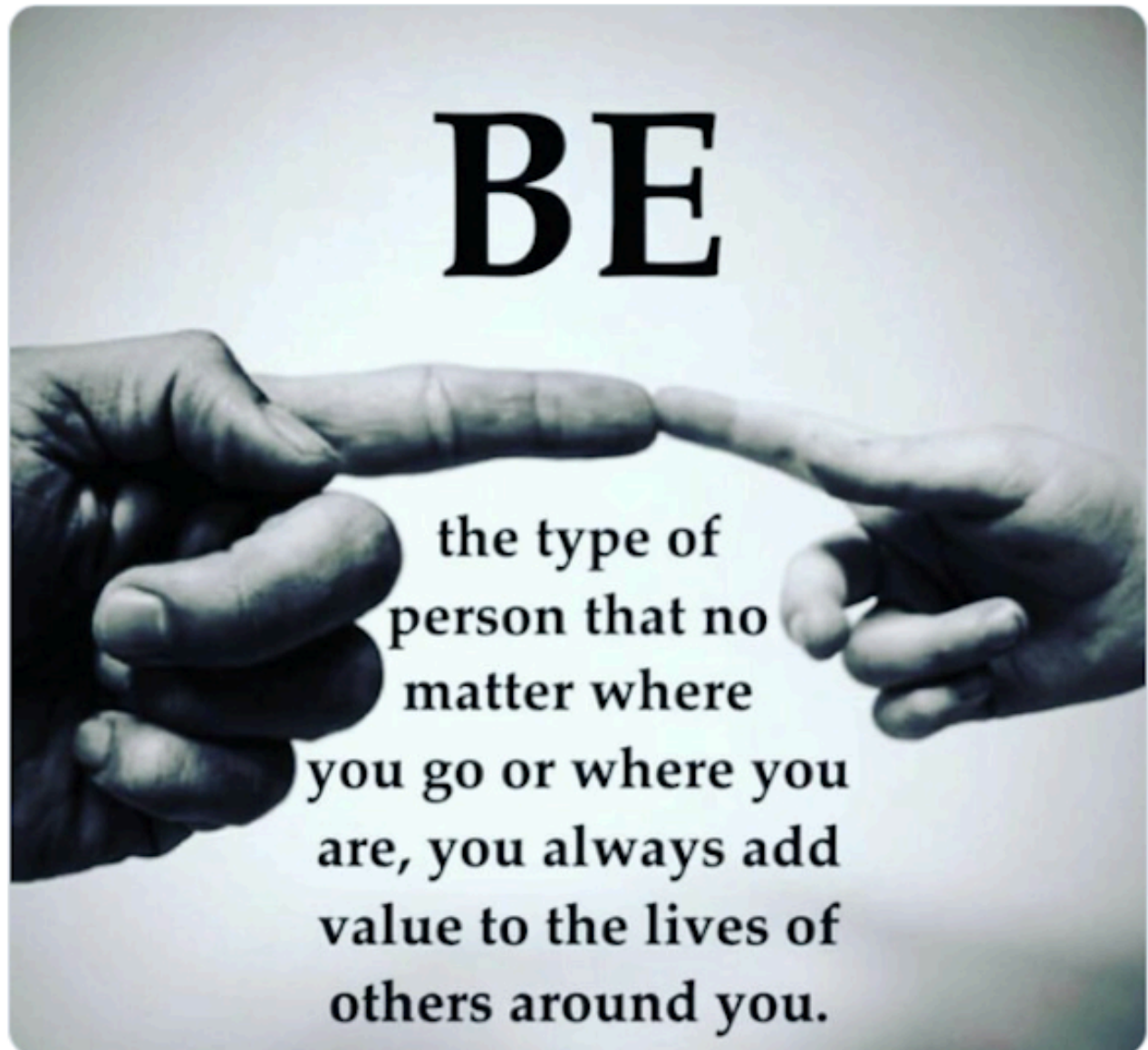




**Inspirational Quotes**  
@QuotelLoveU



#Quoteoftheday  
#SundayMotivation  
#SundayThoughts  
#Quote





**Everybody**  
**has**



**questions**



**has**  
**answers**

**Jan. 15th & 16th, Kansas City, MO – Click Here to Learn More**

**Corn** bulls are happy to see prices yesterday close at their highest level in several weeks. I should note, the new-crop DEC20 contract closed at its highest level in over a month just north of \$4.10 per bushel. Bears are doubting the bulls will be able to find enough in the way of fresh new headlines to keep the rally and momentum alive. Technically, most are still thinking nearby resistance in the DEC19 contract is in the \$3.85 to \$3.95 per bushel range. The USDA elected to leave overall corn conditions unchanged at 55% rated "Good-to-Excellent" vs. 68% last year. There's really not much in the nearby forecast that would make the trade worry about conditions greatly deteriorating. Some inside the trade believe the warmer than normal temps this week could actually help speed up the crop and get it a bit closer to maturity. As a producer, I'm keeping an eye on the new crop DEC20 contract. If we can get a close back above \$4.15, perhaps we can push to

\$4.20, which might prove to be the upper end of the range for a period of time.

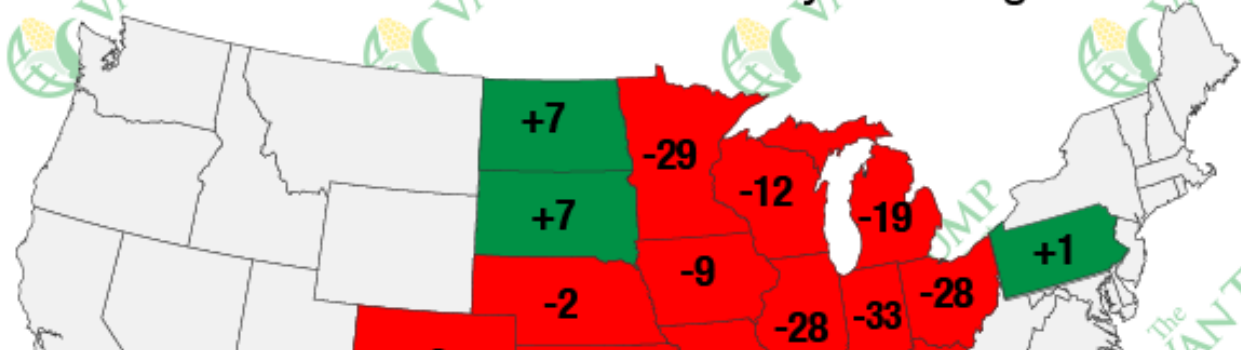
Conditions in Illinois improved by +3% with the crop now rated 41% GD/EX but is still massively below last years rating of 76% by this date; Iowa improved +2% to 65% rated GD/EX vs. 73% last year; Ohio's conditions improved +1% to 34% rated GD/EX vs. 79% last year; Indiana conditions fell by -2% to 31% rated GD/EX vs. 71% last year; Minnesota conditions fell by -3% to 52% rated GD/EX vs. 77% last year; Colorado's conditions fell by -14% to 66% rated GD/EX vs. 79% last year; Michigan conditions improved by +1% to 42% rated GD/EX vs. 51% last year; Wisconsin conditions fell by -3% to 64% rated GD/EX vs. 74% last year; Nebraska conditions fell by -2% to 71% rated GD/EX vs. 82% last year.

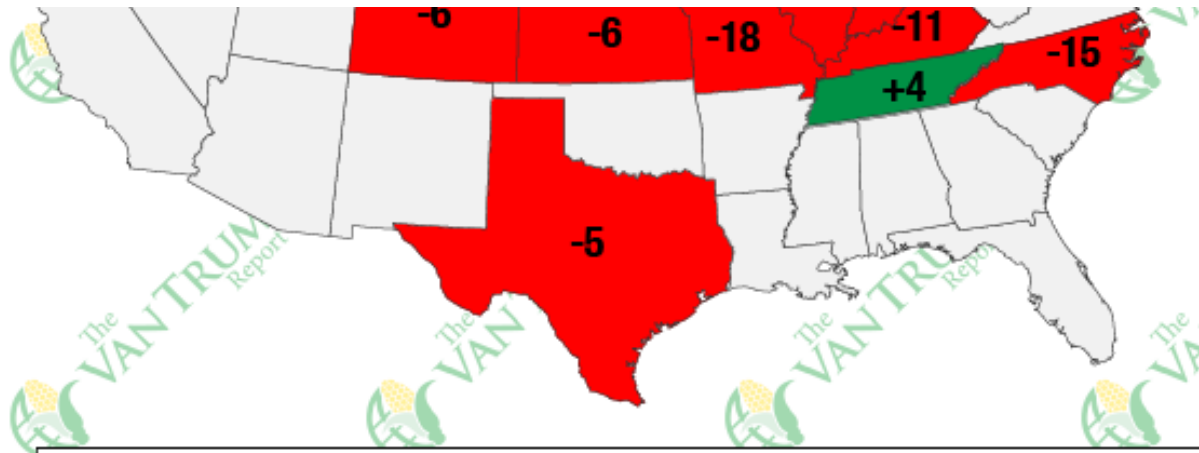
States with overall conditions better than last year include: Kansas 50% vs. 47% last year; Missouri 43% vs. 29% last year; North Carolina 41% vs. 33% last year; North Dakota 74% vs. 62% last year; South Dakota 69% vs. 73%; Tennessee 83% vs. 73% last year; Texas 52% vs. 29% last year.

Harvest was reported at 4% complete vs. 8% last year vs. 5-year average of 7%: North Carolina 72% complete; Texas 59% complete; Tennessee 38% complete; Kentucky 26%; Kansas 10%; Missouri 8%; Pennsylvania 6%; Indiana, Illinois, and Ohio 1% complete. Corn in the "Dented" stage was reported at 68% vs. 5-year average of 87% by this date. Corn reported as "Mature" was just 18% vs. the 5-year average of 39%. Bottom line, the crop continues to run well behind schedule.

## U.S. Corn Good-to-Excellent September 15, 2019 [Week 37]

Current Good-to-Excellent vs. 5-year Average



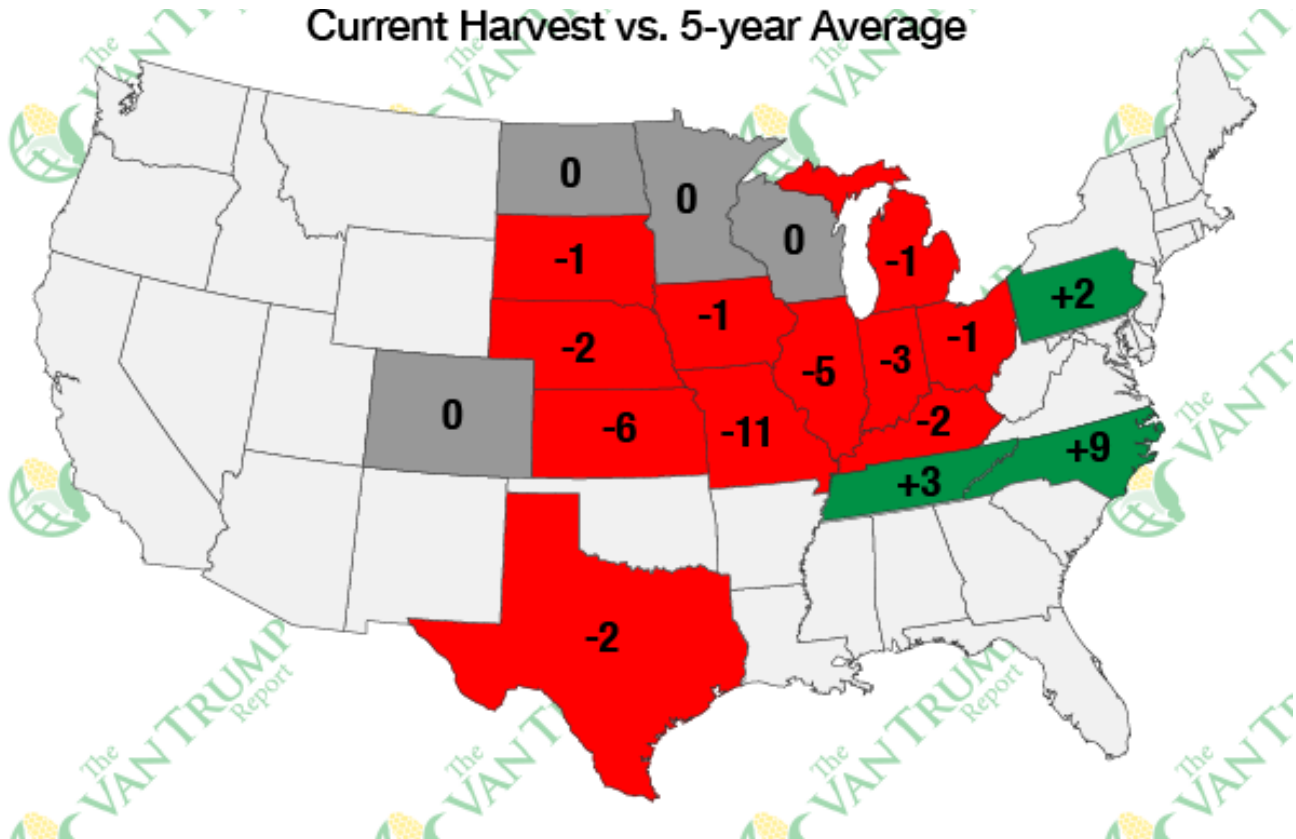


Corn % Good-to-Excellent					
	2017	2018	5-yr avg	This Week	Change vs LW
Colorado	65	68	72	66	-14
Illinois	52	80	69	41	3
Indiana	52	73	64	31	-2
Iowa	59	69	74	65	2
Kansas	55	47	56	50	2
Kentucky	83	79	77	66	1
Michigan	51	55	61	42	1
Minnesota	81	75	81	52	-3
Missouri	63	28	61	43	1
Nebraska	62	80	73	71	-2
North Carolina	77	33	56	41	0
North Dakota	51	61	67	74	0
Ohio	62	82	62	34	1
Pennsylvania	91	75	74	75	4
South Dakota	40	64	62	69	0
Tennessee	87	76	79	83	1
Texas	79	29	57	52	0
Wisconsin	70	69	76	64	-3
<b>Total</b>	<b>61</b>	<b>68</b>	<b>68</b>	<b>55</b>	<b>0</b>

**U.S. Corn Harvested**  
 September 15, 2019  
 [Week 37]



## Current Harvest vs. 5-year Average



## U.S. Corn Harvested

	2017	2018	5-yr avg	This Week	Change vs LY
Colorado	2	0	0	0	0
Illinois	5	11	6	1	-10
Indiana	5	6	4	1	-5
Iowa	1	2	1	0	-2
Kansas	19	15	16	10	-5
Kentucky	29	33	28	26	-7
Michigan	3	1	1	0	-1
Minnesota	0	1	0	0	-1
Missouri	21	23	19	8	-15
Nebraska	2	4	2	0	-4
North Carolina	68	63	63	72	9
North Dakota	0	1	0	0	-1
Ohio	1	2	1	0	-2
Pennsylvania	4	1	4	6	5
South Dakota	0	2	1	0	-2
Tennessee	46	38	35	38	0

Texas	67	66	61	59	-7
Wisconsin	0	1	0	0	-1
<b>Total</b>	<b>7</b>	<b>8</b>	<b>7</b>	<b>4</b>	<b>-4</b>

### Corn Dented vs 5-year Average

State	15-Sep-19	5-year Average	Difference	Acres Behind the 5-yr
Illinois	67	94	-27	2,821,500
Minnesota	59	88	-29	2,146,000
Iowa	74	89	-15	1,980,000
South Dakota	50	84	-34	1,363,400
Indiana	59	86	-27	1,323,000
North Dakota	38	78	-40	1,308,000
Ohio	44	81	-37	958,300
Wisconsin	44	73	-29	823,600
Nebraska	82	90	-8	772,000
Missouri	80	97	-17	520,200
Michigan	41	71	-30	510,000
Kansas	88	92	-4	240,000
Colorado	61	80	-19	231,800
Pennsylvania	74	76	-2	19,200
North Carolina	97	99	-2	17,800
Kentucky	91	92	-1	15,000
Tennessee	97	97	0	-
Texas	97	91	6	123,000
<b>Total</b>	<b>68</b>	<b>87</b>	<b>-19</b>	<b>14,555,900</b>

Corn Mature vs 5-year Average				
State	15-Sep-19	5-year Average	Difference	Acres Behind the 5-yr
Illinois	14	53	-39	4,075,500
Iowa	8	34	-26	3,432,000
Minnesota	2	23	-21	1,554,000
Nebraska	19	35	-16	1,544,000
Indiana	16	42	-26	1,274,000
Missouri	30	66	-36	1,101,600
South Dakota	6	26	-20	802,000
Kansas	43	56	-13	780,000
North Dakota	3	22	-19	621,300
Wisconsin	2	22	-20	568,000
Ohio	8	29	-21	543,900
Michigan	3	19	-16	272,000
Colorado	5	18	-13	158,600
Texas	67	73	-6	123,000
Kentucky	71	74	-3	45,000
Tennessee	84	81	3	27,600
North Carolina	93	93	0	-
Pennsylvania	32	32	0	-
<b>Total</b>	<b>18</b>	<b>39</b>	<b>-21</b>	<b>16,088,100</b>

**Soybean** traders are wondering if bulls can actually push prices higher or was this recent move simply a short-covering rally on the heels of China agreeing to purchase some U.S. soybeans? On the demand side, bulls are pointing to better than expected August crush numbers from the NOPA report at just over 168 million bushels vs. just over 158 million bushels last August. Technically, there seems to be fairly heavy resistance on the NOV19 chart up between \$9.05 and \$9.25 per bushel. As a producer, who feels a bit undersold, I might actually have to price a few cash bushels if we start to test the higher end of this range. Somewhere between \$9.20 and \$9.40 would be worth a much closer look. I should note, the USDA further reduced their weekly crop condition estimate by -1% to 54% rated "Good-to-Excellent" vs. 67% last year. They now estimate 14% of the crop is in "Poor-to-Very Poor" condition vs. 12% last week

Improved conditions were reported in Mississippi which was up by +9% to 75% rated GD/EX vs. 66% last year; Missouri improved +6% to 54% rated GD/EX vs.

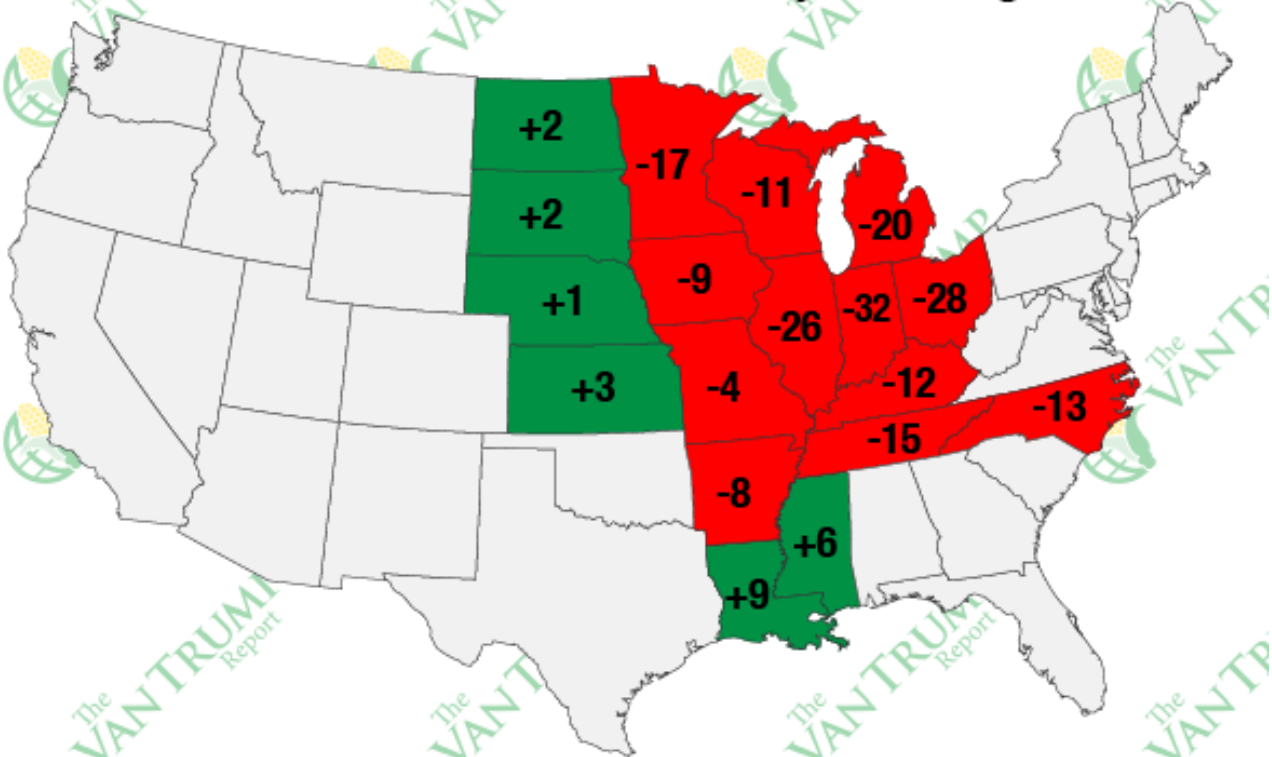
46% last year; Kansas improved +4% to 59% vs. 56% last year; Iowa improved +2% to 63% vs. 72% last year; Illinois improved +1% to 42% vs. 77% last year; Ohio improved +1% to 35% vs. 79% last year.

Deteriorating conditions were reported in Tennessee down -7% to 62% GD/EX vs. 69% last year; Minnesota down -4% to 55% vs. 69% last year; Wisconsin down -3% to 67% vs. 74% last year; North Dakota down -2% to 64% vs. 51% last year; Indiana down -1% to 31% vs. 70% last year; Michigan down -1% to 41% vs. 65% last year; Nebraska down -1% to 74% vs. 84% last year.

Crop maturity remains a concern. The USDA is now estimated 15% of the crop as "Dropping Leaves" vs. the 5-year average of 38%. Soybeans "Setting Pods" were reported at 95% vs. the 5-year average of 100%. Again, similar to corn, the soybean crop is running well behind schedule.

## U.S. Soybean Good-to-Excellent September 15, 2019 [Week 37]

Current Good-to-Excellent vs. 5-year Average



Soybean % Good-to-Excellent



	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	66	62	62	54	2
Illinois	53	77	68	42	1
Indiana	52	70	63	31	-1
Iowa	58	72	72	63	2
Kansas	45	56	56	59	4
Kentucky	77	79	73	61	2
Louisiana	62	53	59	68	-3
Michigan	52	65	61	41	-1
Minnesota	72	69	72	55	-4
Mississippi	66	66	69	75	9
Missouri	65	46	58	54	6
Nebraska	60	84	73	74	-1
North Carolina	73	55	63	50	2
North Dakota	48	51	62	64	-2
Ohio	58	79	63	35	1
South Dakota	46	60	63	65	0
Tennessee	80	69	77	62	-7
Wisconsin	76	74	78	67	-3
<b>Total</b>	<b>59</b>	<b>67</b>	<b>66</b>	<b>54</b>	<b>-1</b>

## Soybeans Dropping Leaves vs 5-year Average

State	15-Sep-19	5-year Average	Difference	Acres Behind the 5-yr
Illinois	3	33	-30	2,982,000
Iowa	5	29	-24	2,191,200
Indiana	5	44	-39	2,094,300
Minnesota	14	38	-24	1,636,800
South Dakota	9	51	-42	1,453,200
Ohio	5	38	-33	1,376,100
North Dakota	42	64	-22	1,243,000
Nebraska	22	44	-22	1,089,000
Missouri	2	16	-14	704,200
Kansas	13	25	-12	546,000
Arkansas	30	47	-17	450,500
Wisconsin	6	24	-18	320,400
Michigan	17	34	-17	292,400
Mississippi	50	63	-13	217,100
Louisiana	71	78	-7	60,900
North Carolina	32	24	8	122,400
Tennessee	39	37	2	29,400
Kentucky	25	24	1	16,900
<b>Total</b>	<b>15</b>	<b>38</b>	<b>-23</b>	<b>16,663,500</b>

**Wheat** continues to follow the overall direction of corn. Wheat prices have rebounded +30 cents from the recent lows but without much fresh news or influence of its own. I could argue that weekly export inspections are higher and improved from last year, but with domestic ending stocks over +1.0 billion bushels it's not enough to really matter. U.S. exporters continue to remain an ancillary supplier behind lower-cost producers in the European Union and Black Sea region. I could also argue that weather in a few areas (parts of Argentina, parts of Australia, parts of Russia, parts of the EU) might soon add some additional risk premium, but with global ending stocks at record levels, it's tough to make much out of that argument either. Here at home, there are some dry conditions that could eventually cause some winter wheat complications as the crop is just starting to be planted, but again, with an over-supplied balance sheet, it's tough for the bulls to gain much traction with this argument. Bottom line, I would like to see hints of some type of game-changer to the overall landscape before I make a

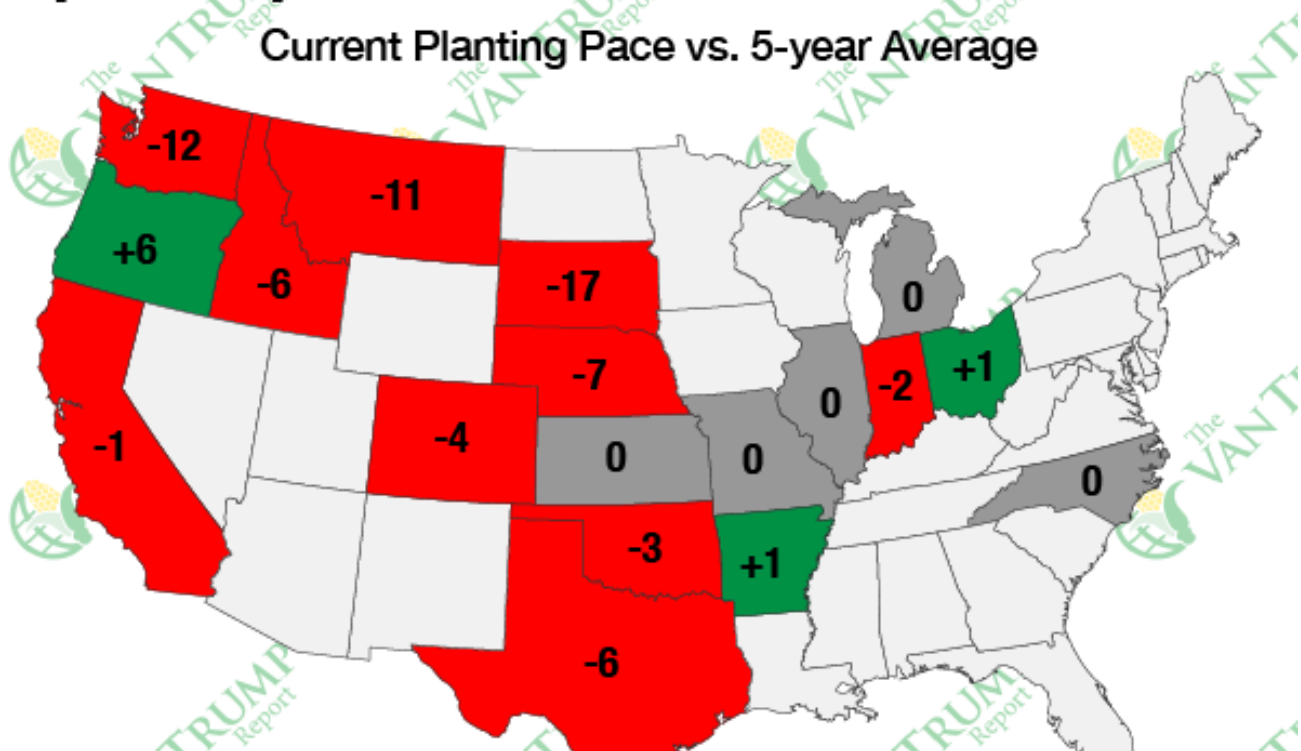
nearby bullish bet as a speculator. As a producer, I'm comfortable playing the waiting game. I continue to pay close attention to new-crop DEC20 winter wheat prices, the SRW contract has improved to around \$5.20 per bushel. Unfortunately, the DEC20 HRW contract is only trading at around \$4.70 per bushel.

Spring wheat harvest was reported at 76% complete vs 96% last year vs. 5-year average of 93%. Montana is only 69% harvested vs. 91% on average; North Dakota is 73% harvested vs. 91% on average; Minnesota 83% harvested vs. 95% on average; Washington 87% vs. 98%; Idaho 89% vs. 97%; South Dakota 96% vs. 98% on average.

Winter wheat planting was reported at 8% complete vs 12% last year vs 12% on average. Washington 30% planted vs. 42% average; Colorado 21% planted vs. 26% on average; Nebraska 19% planted vs. 26% on average; Oregon 14% planted vs. 8% average; Oklahoma 7% planted vs. 10% average; Kansas 6% planted vs. 6% average; South Dakota 5% planted vs. 22% average. Texas 4% planted vs. 10% average. Michigan 3% planted vs. 3% average.

## U.S. Winter Wheat Planted September 15, 2019 [Week 37]

Current Planting Pace vs. 5-year Average



## U.S. Winter Wheat Planted

	2017	2018	5-yr avg	This Week	Change vs LY
Arkansas	1	0	0	1	1
California	5	2	1	0	-2
Colorado	23	22	25	21	-1
Idaho	22	22	19	13	-9
Illinois	0	0	0	0	0
Indiana	2	4	2	0	-4
Kansas	7	6	6	6	0
Michigan	2	3	3	3	0
Missouri	1	0	0	0	0
Montana	16	0	16	5	5
Nebraska	23	19	26	19	0
North Carolina	1	0	0	0	0
Ohio	1	0	0	1	1
Oklahoma	11	11	10	7	-4
Oregon	8	9	8	14	5
South Dakota	30	26	22	5	-21
Texas	14	12	10	4	-8
Washington	43	44	42	30	-14
<b>Total</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>8</b>	<b>-4</b>





**> Biofuels Plan Details Still Emerging:** *President Trump has backed a plan that would raise 2020 U.S. Biofuel quotas +10% in 2020 to compensate for the exemptions handed out to 31 refineries that received waivers. According to sources familiar with the matter, the U.S. EPA will calculate a three-year rolling average of total biofuels gallons exempted from the mandates under its Small Refinery Exemption program and add that figure to its annual biofuel blending quotas each year. For 2020, that figure would be 1.35 billion gallons, according to a Reuters calculation. That would come in addition to a tentative agreement to boost next year's blending volumes by 1 billion gallons, including 500 million gallons for conventional biofuels like corn-based ethanol and 500 million gallons for advanced biofuels like biodiesel, the sources said. If they follow through with this plan, next year's total blending mandate would come out to about 22.4 billion gallons, from just over 20 billion in the EPA's current proposal. The EPA has until the end of November to finalize its 2020 biofuel volumes mandates. (Source: Reuters)*

**> China's Pig Herd Fell -38.7% In August Versus Last Year:** *China's pig herd fell by -38.7% in August versus a year ago, according to data published by China's Ministry of Agriculture and Rural Affairs, marking another record drop as the impact of a year-long African Swine Fever epidemic continues to emerge. The country's sow herd has declined by -37.4%. Pork prices are soaring as a result of the shrinking herd, sending the country's food price index to the highest since*

January 2012. Many in the industry believe the impact on the herd is much larger than official data suggest. (Source: Reuters)

**> Dairy Margin Coverage Deadline Fast Approaching:** With a looming enrollment deadline of Friday, Sept. 20, fewer producers than anticipated have opted to enroll in Dairy Margin Coverage, the 2018 farm bill's improved replacement for the Margin Protection Program. USDA is working diligently to communicate the deadline and potential benefits of participating in the program to the approximately 50% of the nation's dairy producers who have yet to sign up. Additionally, USDA has developed a decision aid tool to help producers understand the program and determine the best coverage options. For 2019, FSA expects to make more than \$257 million in payments to currently enrolled operations, and that number will only go up as more operations enroll in the program. So far, nearly half of the producers enrolling in DMC are taking advantage of the 25% premium discount by locking in for five years of margin protection coverage. The income-over-feed-cost margin is what is compared to the farmer's elected coverage level to determine whether or not payments under DMC are made. So far, FSA has announced seven months' worth of income-over-feed-cost margins for 2019, as well as the corresponding feed ingredient and milk prices. More information is available from [American Farm Bureau](#).

**> Uber Lays Off More Than 400 Workers As It Reassesses Organization:** Uber has laid off 435 employees across its product and engineering teams, the company announced. Combined, the layoffs represent about 8% of the organization, with 170 people leaving the product team and 265 people leaving the engineering team. The layoffs came after Uber CEO Dara Khosrowshahi asked every member of his executive leadership team if they were to start from scratch, would their respective organizations look the way they do today? "After careful consideration, our Engineering and Product leaders concluded the answer to this question in many respects was 'no,'" the spokesperson said. These layoffs come shortly after Uber laid off 400 people from its marketing team. In Q2 2019, Uber lost more than \$5 billion — its biggest quarterly revenue loss to date — though a chunk of its losses were a result of stock-based compensation expenses for employees following the company's IPO in May. While it may seem these layoffs are in response to those quarterly losses, Uber says the conversations have been ongoing. Read more [HERE](#).

**> Defense Stocks Are Getting Attention Amid Saudi Attacks:** Shares of defense companies rose Monday after President Donald Trump declared that the United States was "locked and loaded" following weekend drone attacks on Saudi Arabian oil installations. The S&P 500 Aerospace and Defense index rose 1%, with shares of L3Harris and Raytheon leading the gains with increases of about 3% each. Lockheed Martin's stock also climbed 2%, while Northrup Grumman rose 2.1%. The gains came as the broader stock market declined. Jeffries analyst

*Sheila Kahyaoglu told CNBC called it a "missile defense play," explaining how it "highlights the continuous need for air defense missile systems and Lockheed and Raytheon are the biggest beneficiaries of that." (Source: CNBC)*

**> Food-Delivery Robots Descend On Purdue University Campus:** *For the past month, Purdue students have seen little robots making their way across campus, down sidewalks and across streets. They're white and about the size of a cooler with six little wheels and a long pole with an orange flag alerting those around of their presence. 30 such robots, owned by Starship Technologies, officially began delivering food on Purdue's campus this week. Purdue is the largest university campus and the first in the Big Ten Conference to have partnered with Starship to offer the delivery service, which operates through an app called Starship Deliveries and works in conjunction with student meal plans. To use the service, users open the app and choose from the listed restaurants their food or drink items of choice. They then drop a pin where they want the delivery to be sent and can watch in real time as the robot picks up the items and makes its way to the pin. Once the robot has arrived, the user will be alerted and can unlock the cooler inside to retrieve the items ordered. Although Starship is based in San Francisco, Purdue's strong engineering program and "innovative style" seemed to be a good match for the robots to start delivering. Starship's robot deliveries have launched at other campuses around the country, including George Mason University in Virginia and Northern Arizona University in Arizona. But with 43,000 students, Purdue is Starship's largest campus-based clientele. Read more [HERE](#).*

**> Inside The NFL's \$5 Billion Bet To Make Football Work In Los Angeles:** *Have you ever faced the prospect of spending \$1 billion, maybe \$2 billion on something—and then decided to shell out \$5 billion instead? That is precisely what L.A. Rams owner Stan Kroenke is doing with Los Angeles Stadium at Hollywood Park, the extravagant attempt to create a West Coast shrine for the NFL that is under construction. There's a big cost to building a state-of-the-art football stadium these days, and this one dwarfs all others. The new L.A. stadium isn't just the most expensive in the U.S., and perhaps the world. It's costing more than double the next priciest NFL stadium, and far more than the industry standard. The complex is far larger than just a stadium, and the approximately \$5 billion spent on the stadium may wind up being less than half the total cost. When the plot is fully developed, the total expenditure could exceed \$10 billion, people familiar with the matter said. It isn't just the largest sports complex around, it's one of the largest privately financed projects in the entire country. Read more [HERE](#).*

**> The Mythology of Microdosing Continues to Grow. Can Science Catch Up?** *Microdosing is the practice of taking subperceptual doses of psychedelic drugs on a routine basis. Although microdosers typically ingest LSD or psilocybin*

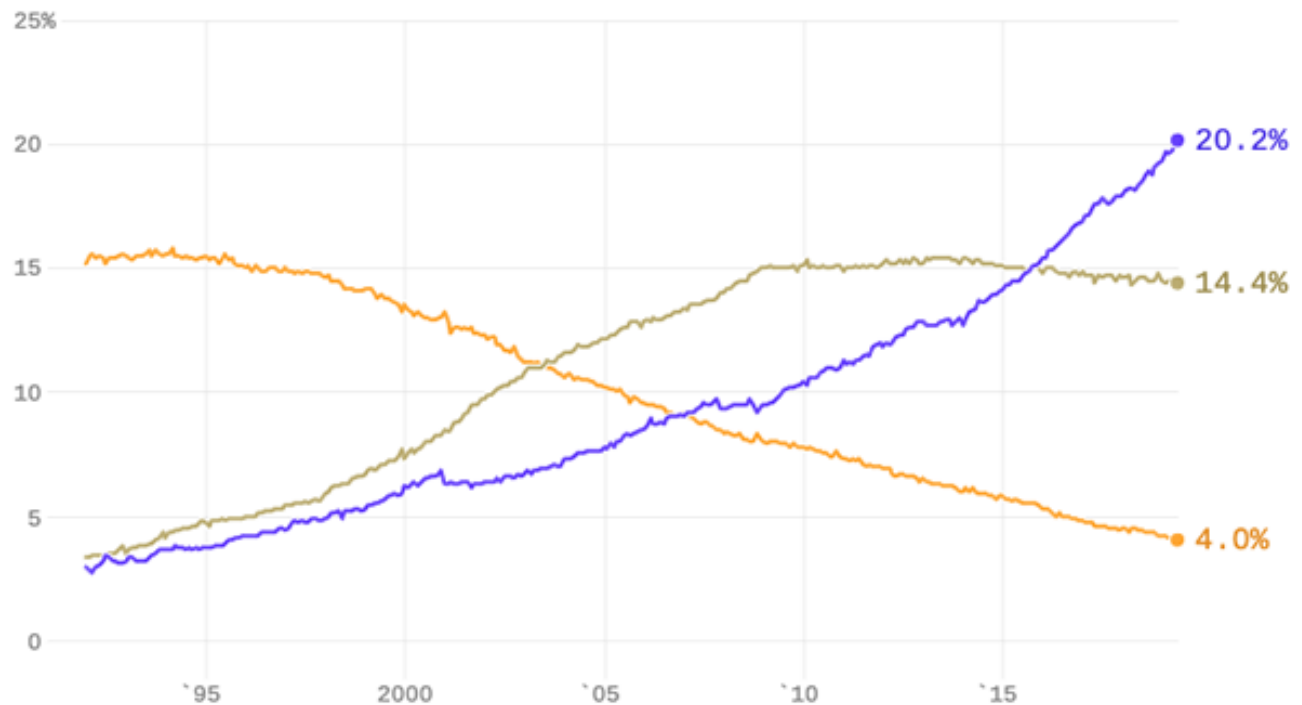
*mushrooms, microdosers don't take drugs to get high. In fact, most microdosers ingest about a tenth of what would be required for a full psychedelic trip. Goals of microdosers vary—from increasing energy to decreasing anxiety—and the effects of a microdose are subtle. Most proponents are effusive in their praise of the life-changing power of microdosing, and their glowing claims are one of the reasons microdosing has grown in popularity over the last few years. As plentiful as the praise is, evaluating the many too-good-to-be-true claims against hard science is challenging. Clinical research on psychedelics, in particular LSD, dried up in the 1970s following the passage of the Controlled Substances Act (CSA). While there is a large body of research suggesting that psychedelics can help in the treatment of depression, end-of-life anxiety, PTSD, and addiction, the practice of microdosing psychedelics has not been evaluated according to the same standards. Without conducting controlled, scientific trials, there is no way to evaluate the truth behind the claims. Read more [HERE](#).*

**> More Retail Job Losses Are Likely:** Publicly traded U.S. retailers have announced closures of 8,558 store locations, and openings of just 3,446 so far this year. In all of 2018, during what even then was being called a "retailpocalypse," there were 5,844 store closures and 3,258 openings. Coresight Research estimated that the total store closures in 2019 could hit 12,000. Economists at the Institute of International Finance says brick and mortar retail is likely to keep shedding jobs for the foreseeable future because of an "efficiency gap" between traditional stores and e-commerce. IIF asserts that it takes significantly fewer employees to deliver the same amount of product for e-commerce businesses, meaning they will continue to deliver better profits and push out old-school retailers in large stores. "This efficiency gap has persisted because ongoing job losses in brick-and-mortar retail are only just keeping pace with falling market share, which unfortunately means that downsizing is likely to continue for some time," IIF managing director and chief economist Robin Brooks and economist Jonathan Fortun say in a report. They also note this interesting stat: "Department stores need 8 employees to generate \$1 million in sales per year, while electronic shopping & mail-order houses, the category that captures e-commerce in the establishment survey, need as few as 0.6." (Source: Axios)



## U.S. retail sales share, Jan. 1992 to June 2019

— Online shopping/mail-order — Warehouse clubs — Department stores



Reproduced from IIF report; Chart: Axios Visuals

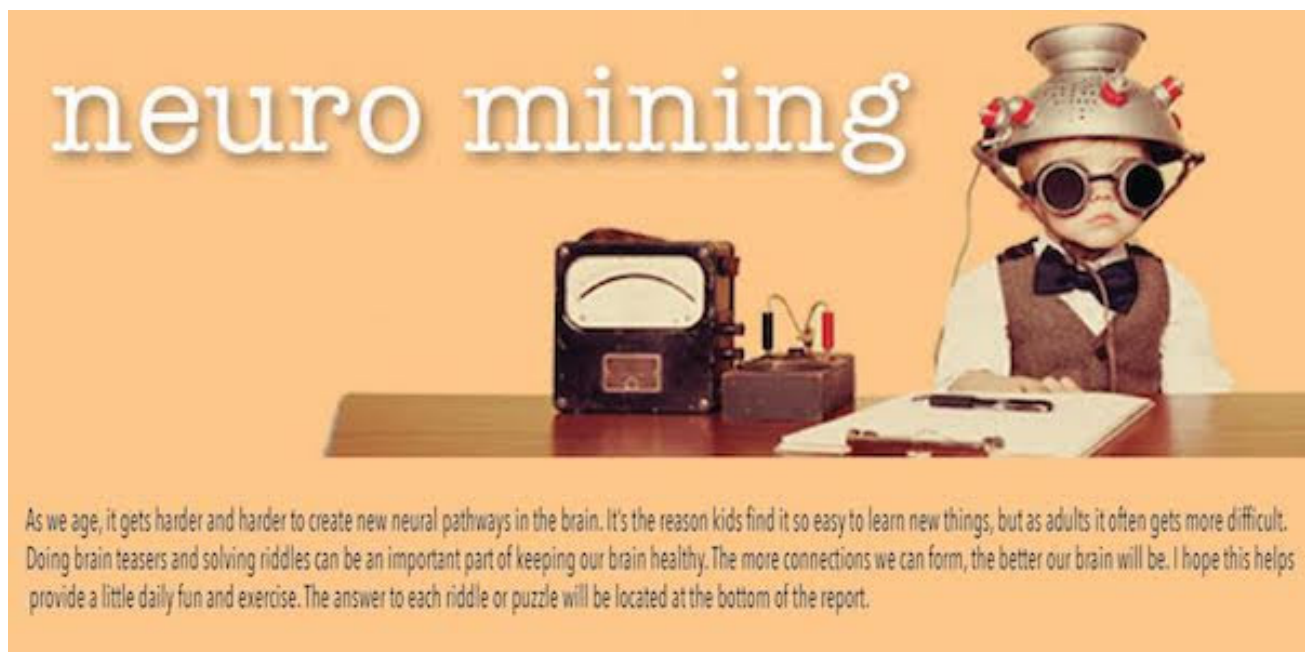


**Central Illinois** – As I travelled through Illinois and part of Indiana recently, I saw a lot of dirty soybean fields. I saw a lot of clean fields as well, but it looked like more folks let the weeds go compared to what I have seen in the past. The beans varied drastically from field to field. It wasn't as if I saw a field in one county that was dropping leaves and in another county it was still green. Those fields sat next to each other or within the same mile section. There were even a few fields that were harvested with the exception of the draws through the field.

**Eastern Iowa** – Soybean harvest is roughly 10 days out if we have dry weather. This last week we had roughly 5 inches, so everything got the drink it needed.

*About a month ago the soybeans were not looking any better than maybe 50-bushels but now they are looking like 60 to 65 bushels per acre. The corn should be good but there is some variability out there. I would bet we are 15-30 bushels behind last year but last year was a record crop.*

**Western Kansas** – *We have had strong winds that have been blowing for 4-5 days. Usually the winds are a good sign of seasons changing. We need it to settle down a bit before we start planting wheat. It's not good to plant wheat in the heat and you don't want the wind to dry the ground out right after you plant either. We were wet 10 days ago and if this wind and heat slows a little, guys will be able to plant into moisture, but we could definitely use a shot of rain after planting to get the wheat to a good start.*



**TODAY'S RIDDLE:** I have memories, but none of my own, whatever's on my inside is what is shown. If I'm ever different it's because you changed me, I feel like a decoration, here for you to arrange me.



## **What's Up With "WOTUS"?**

The controversial Waters of the United States (WOTUS) rule, was recently rolled back by the Trump administration, a move that many industry groups, including the American Farm Bureau Federation, have been pushing for since enactment in 2015. From what I understand, the Environmental Protection Agency (EPA) is crafting a scaled-back version of the regulations which they aim to have finalized by the end of the year. In the meantime, a slew of lawsuits challenging the rollback are expected to be filed by states and environmental groups in the weeks ahead. (Sources: Politico, AgriPulse, EPA)

**What is WOTUS?** *Waters of the United States was a regulatory rule added to the Clean Water Act that expanded the definition of "waters of the United States," also known as "navigable waters." It granted federal government regulatory control over virtually any waters – and many land areas that only temporarily hold water.*

**Why was WOTUS a problem?** *Opponents argued that the new definition meant few, if any, waters would fall outside federal control. Critics also claimed the rule's scope expanded the EPA's and U.S. Army Corps of Engineer's regulatory authority beyond the limits authorized by Congress. A key argument made by farmers and ranchers was that the new rules were ambiguous and made it impossible to know whether the specific ditches, ephemeral drains or low areas on their land will be deemed "waters of the U.S." Thirty-one states and dozens of agricultural, conservation and industry groups filed legal challenges to the 2015 WOTUS rule.*

**What will replace WOTUS?** *Repeal of the rule was step one of a two-part plan. Next up is a replacement rule that's expected by the end of the year. The proposed version of that replacement rule would significantly restrict the number of waterways that fall under federal jurisdiction. The new proposal follows a view that industry groups have pushed for years: that the law should cover only major rivers, their primary tributaries, and wetlands along their banks. Acting EPA Administrator Andrew Wheeler said this will save regulatory costs for industries such as mining and homebuilding, while arguing it will have little impact on the health of the country's waters. The Trump administration argues the new definition would return power to state governments, which it says are in a better position to set the pollution rules and protect the waterways within their own borders.*

**Who is challenging the rollback?** *The state of California and several other state's Attorney Generals, along with numerous environmental groups, have vowed to challenge the changes. Some intend to head straight to court and*



*directly challenge the repeal itself. That will be a long, drawn-out process as there is a maze of existing litigation already working its way through the courts over the initial regulations. Other states and organizations will be waiting for the release of the new rules before deciding how to proceed. Once the Trump administration finalizes the new regulation, it will be open for comment and could possibly go through one or more revisions before becoming law. That whole process will likely take several months. Bottom line, WOTUS is far from being settled!*





**Your Next Cup of Coffee Could Come From A Lab**

Coffee is the latest offering from scientists looking to reduce agriculture's role in the world's food system. Seattle-based Atomo says it's created the world's first synthetic coffee and it could hit the market as soon as next year, thanks to a recent \$2.6 seed investment from the same venture capital group that backed Impossible Foods.

In the summer of 2018 Jarret told his friend Andy about his desire to create a great-tasting cup of coffee without using coffee beans. Andy, a serial entrepreneur looking for his next venture and Jarret, a food scientist with expertise in product development, knew that they were onto something big. After listening to Jarret describe his scientific approach Andy exclaimed, "You're blowing my mind!" and a great partnership was formed.

They started in a garage (of course) and after months of research and formulation, they finally shared a small batch of Atomo Molecular Coffee with students at the nearby University of Washington. The coffee was a hit with students! Encouraged by this success, the Atomo team launched (and successfully funded) a Kickstarter campaign in February 2019.

The drink is the result of reverse-engineering the molecules that makeup coffee at the chemical level. The company won't reveal their exact process or ingredients, but say it's a combination of "natural ingredients" like antioxidants, flavonoids, and coffee acids, as well as caffeine.

Food scientist Jarret Stopforth spent four months identifying the more than 1,000 compounds that make up a standard cup of coffee. They ran green beans, roasted beans, and brewed coffee through gas and liquid chromatography to separate and catalog the compounds. They then worked to find the right combination to create what they say tastes like a single-source coffee from Costa Rica with "roasted almond, toffee notes." Stopforth says that process involved drinking and spitting out a lot of terrible blends.

In fact, there were so many bad concoctions that they began second-guessing whether their whole scheme was even possible. Then they tested a blend that didn't contain chlorogenic acid, which gives coffee its bitterness. Stopforth's wife declared it a winner, saying "This is what coffee should taste like." Further taste tests at the University of Washington also received praise, with one lifelong "cream and sugar" guy even saying he would drink the Atomo coffee black.

With no U.S. laws governing the definition of coffee, Atomo plans to call their concoction coffee, but also say they'll be very transparent about it not coming from a bean. They believe they'll find a strong customer base with consumers that are already embracing the so-called "eco-friendly" food trend.

Stopforth explains that as they got more involved in their little science experiment, they learned more about the threats to the coffee-growing world as a whole, which include deforestation and global warming. Arabica coffee, the most common source bean for coffee worldwide, is in a particularly dire situation due to its climate inflexibility. A change in temperature of even just 1 degree Celsius can hamper growth. Overall, about 60% of wild coffee species are under threat of extinction due to climate change, according to Britain's Royal Botanical Gardens. They also note the increasing popularity of coffee in huge markets like China, which could prove problematic for coffee production as the amount of land suitable for growing it is expected to shrink by an estimated 50% by 2050, according to a report by the International Center for Tropical Agriculture.

(Sources: NPR, FoodDive)



**What is it?**

Atomo is coffee - without the bean.

Designed in Seattle, Atomo uses naturally derived sustainable ingredients to create the smoothest coffee you've ever had - with the caffeine kick you'd expect.





### Talking About My Generation...

Introducing them at the Monterey Pop Festival in the summer of 1967, Eric Burdon of the Animals had offered high praise for an up-and-coming British rock band called "Thee Who". A band that was unleashing a full sonic assault on the world of music along with their high-energy, instrument-destroying antics, marking the arrival of a powerful new force in rock and roll. The rest of America got its introduction on September 17, 1967, when The Who ended with an explosive, nationally televised performance of "My Generation" on The Smothers Brothers Comedy Hour.

The Who was one of my favorite 60's-70's rock bands. They had an all-star cast consisting of lead singer Roger Daltrey, guitarist and singer Pete Townshend, bass guitarist John Entwistle and drummer Keith Moon. Many music historians considered The Who one of the most influential rock bands of the 20th century, selling over 100 million records worldwide.

In 1967, the band performed at the Monterey Pop Festival and released their first U.S. top-10 single titled, "I Can See for Miles". The group's fourth album, 1969's rock opera Tommy, included the smash hit single "[Pinball Wizard](#)" and was a critical and commercial success. Live appearances at Woodstock and the Isle of Wight Festival, along with the live album Live at Leeds, cemented their reputation as one of the all-time greatest rock bands. Other great songs and well-known hits span over three decades including: 1965 - "My Generation"; 1967 - "[I Can See for Miles](#)"; 1971 - "[Won't Get Fooled Again](#)"; 1972 "[Join Together](#)"; 1978 - "[Who are You](#)"; 1981 -

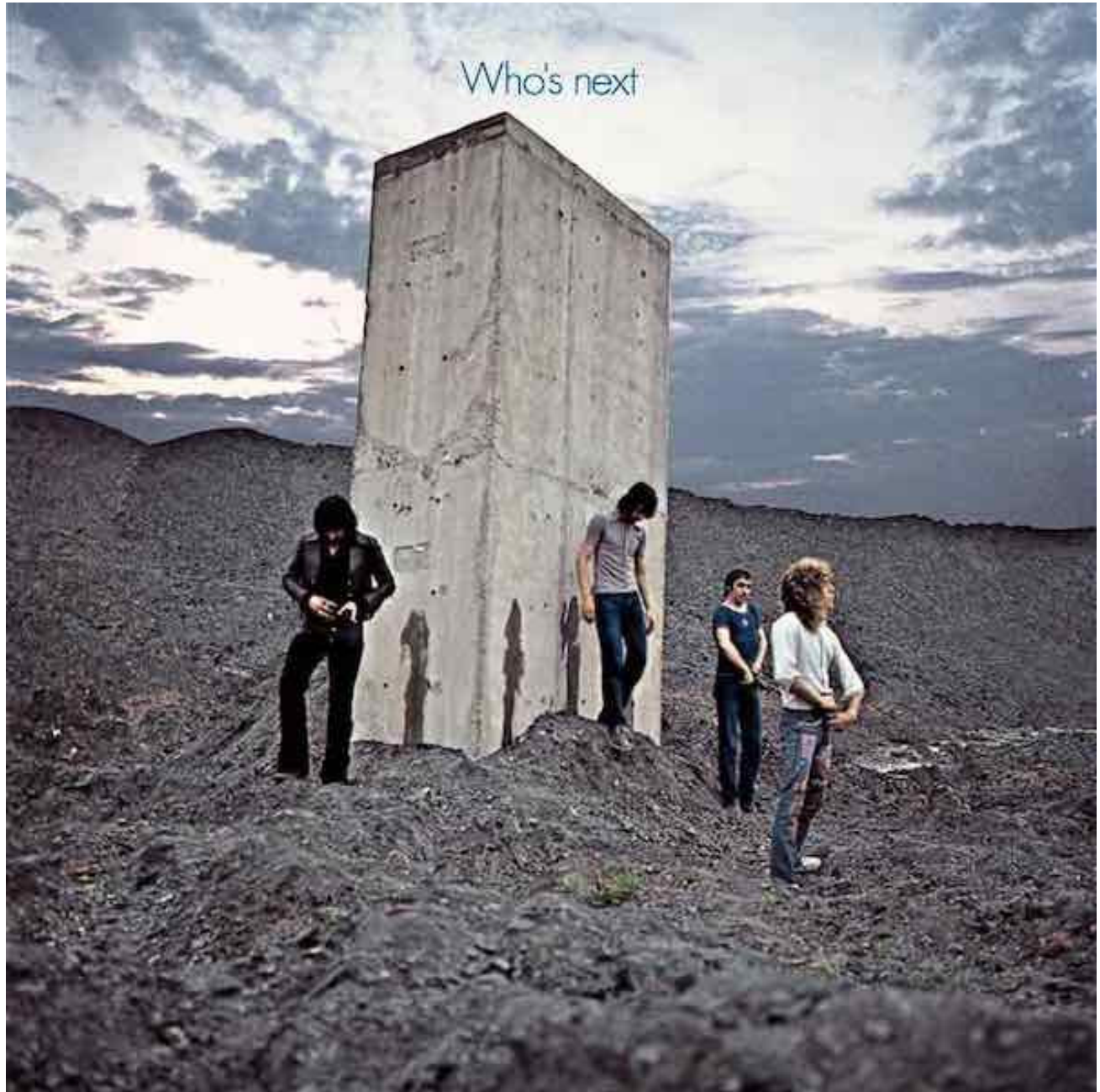


"You Better You Bet".

Though there was nothing overtly political about the Who, it was more than just lyrics like "Hope I die before I get old" that marked the group as happy warriors in the generational battle being waged in the late 1960s. It was also, among other things, the sheer volume at which they preferred to play and their penchant for leaving every stage they played on looking as if a bomb had just gone off. On this day in 1967, one actually did. Keith Moon was already in the habit of placing an explosive charge in one his two bass drums to detonate during Pete Townshend's guitar-smashing at the end of each Who performance. But for their Smothers Brothers appearance, Moon packed several times the normal amount of explosives into his drum kit, and when he set it off, a gigantic explosion rocked the set as a cloud of white smoke engulfed Townshend and singer Roger Daltrey. Though bassist John Entwistle never lost his cool, Daltrey practically flew downstage and when Townshend emerged from the smoke, his hair was almost literally blown to one side of his head. Though the incredible explosion has been rumored to have caused Pete Townshend's eventual near-deafness, credit for that should probably go instead to the Who's pioneering use of stacked Marshall amplifiers as a means of achieving maximum volume during their live performances. You can click [HERE](#) to see their Smothers Brothers performance.

My all-time favorite song by The Who is called "Baba O'Riley"... the song was released on the legendary 1971 album called "Who's Next". I listened to this song and album thousands of times growing up. The song's title is a combination of the names of two of Townshend's philosophical and musical influences: Meher Baba and Terry Riley. The song and lyrics describe the scenes Pete Townshend witnessed during the Who's legendary performance at the Woodstock Festival. The song "Baba O'Riley" is included in Time magazine's list of the All-Time 100 Greatest Songs; including Rolling Stone's list of "The 500 Greatest Songs of All Time"; included in the Rock and Roll Hall of Fame as one of the Songs That Shaped Rock and Roll History. Click [HERE](#) to watch this cool video. (Source: Rock History; History.Com; Wiki; Youtube)













**ANSWER to riddle:** Picture frame.



# Business. Profit. Scale. Automation.



## 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**

**Soybean 2018 Crop**

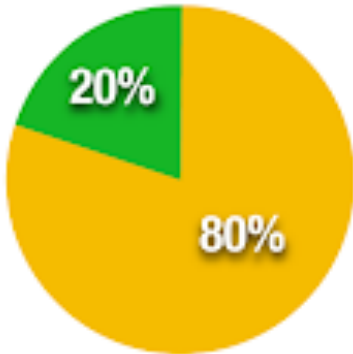
**80% SOLD**

**Wheat 2018 Crop**

**100% SOLD**

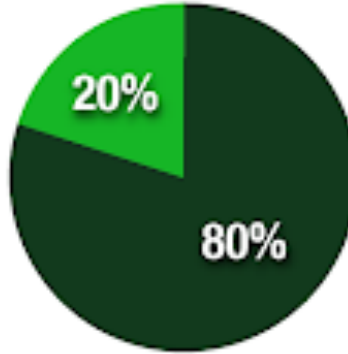


**20% HEDGED**  
**0% UNPROTECTED**



**Corn 2019 Crop**

**20% HEDGED**  
**0% UNPROTECTED**



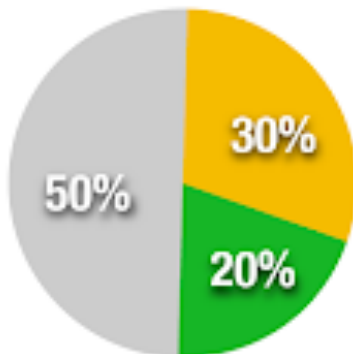
**Soybean 2019 Crop**

**0% HEDGED**  
**0% UNPROTECTED**



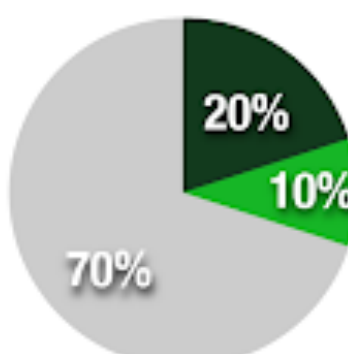
**Wheat 2019 Crop**

**30% SOLD**  
**20% HEDGED**  
**50% UNPROTECTED**



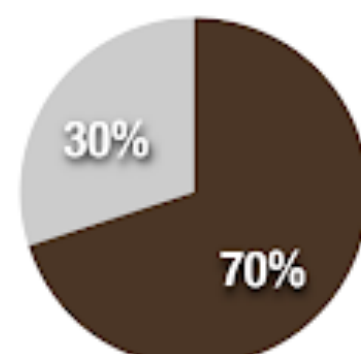
**Corn 2020 Crop**

**20% SOLD**  
**10% HEDGED**  
**70% UNPROTECTED**



**Soybean 2020 Crop**

**100% SOLD**  
**0% HEDGED**  
**0% UNPROTECTED**



**Wheat 2020 Crop**

**0% SOLD**  
**0% HEDGED**  
**100% UNPROTECTED**



**0% SOLD**  
**0% HEDGED**  
**100% UNPROTECTED**



**0% SOLD**  
**0% HEDGED**  
**100% UNPROTECTED**





Jan. 15th & 16th, Kansas City, MO



No one grows Creative Minds in Ag like FARMCON.

Jan. 15th & 16th, Kansas City, MO - [Click Here to Learn More](#)



# AgSwag



**Bold. Fast. Fun**

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



Champion



FAIRWAY & GREENE



Marmot



COMFORT COLORS®



YETI



# AgSwag





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](#)

--  
Respectfully,

Jordan Van Trump

-“We are what we repeatedly do. Excellence, then, is not an act, but a habit” – Aristotle

