



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

**Fwd: GOOD MORNING: The Van Trump Report 10-10-19**

1 message

Tucker Perkins <tucker@agswag.com>  
To: josh@farmdirection.com

Thu, Oct 10, 20

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From: The Van Trump Report <reply@vantrumpreport-email.com>  
Date: Thu, Oct 10, 2019 at 5:31 AM  
Subject: GOOD MORNING: The Van Trump Report 10-10-19  
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"A family is a place where principles are hammered and honed on the anvil of everyday living." - **Charles R. Swindoll**

**Thursday, October 10, 2019**  
[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Conflicting reports out of Washington regarding U.S. and Chinese trade talks had the stock market bouncing around all over the place in the overnight session. U.S. stocks plunged after the South China Morning Post reported that the U.S. and China had made no progress in deputy level talks this week and that the entire Chinese delegation planned to leave Washington early. Later, however, a report circulated that the White House may implement a previously-agreed-upon currency deal with China ahead of schedule, and suspend tariff hikes scheduled to take effect next week. Remember, tariffs on \$250 billion of Chinese goods are scheduled to increase from 25% to 30% next Tuesday, while fresh new tariffs of 15% could be placed on \$160 billion of consumer-based products on December 15. In U.S. economic news, yesterday's JOLTS report has raised more questions about the strength of the U.S. economy and perhaps a more worrisome labor market. U.S. job openings fell for a third straight month in August, making it the first time since November 2008 through January 2009 that we've seen something like this. The number of available positions fell by -123k to 7.051 million in August 2019, while hires declined by -199k to 5.779 million. Bottom-line, this was the worst JOLTS report we've seen in a while and shows the U.S. labor market is losing momentum. In fact, the raw number of job openings peaked back in November at 7.6 million but have fallen by about -500,000 since, standing at 7.1 million in August. While the overall decline in the number of job openings doesn't seem that large, the worry stems from the fact that the number has dropped for three straight months, indicating that the labor market has hit a downward trajectory. The declines are not consistent across the board, however. Manufacturing jobs have definitely declined as have those in the information sector, while job openings continue to increase for construction, transportation, finance, and healthcare. "Minutes" released yesterday from the last Federal Reserve meeting showed that central bankers are increasingly worried about the impact of trade conflicts on overall business spending, which could in turn dent job growth. Slower job growth could lead to fewer raises and pullback in consumer spending, which has been the largest factor behind U.S. economic growth. Jerome

Powell has repeated those concerns in speeches this week, so the "minutes" don't really provide much new information. Powell this week has also been trying to explain why "low inflation" is such a concern, which was cited by most Fed officials in the meeting "minutes" as an ongoing worry. In a speech yesterday, he called "low inflation" one of the "longer-term challenges" facing the United States. The Fed targets 2% inflation as a cushion against deflation, which is a destabilizing fall in prices and wages that can cause a recession. Powell and other Fed officials worry that "low inflation" makes it harder for the central bank to raise interest rates, which then gives the Fed less room to maneuver if the economy hits a slump. Inflation remains in the spotlight today with the Consumer Price Index, which is expected to hold steady at a year-on-year rate of +2.4%. Keep in mind, the Producer Price Index released earlier this week dropped further than expected to its lowest level in three years. If that weakness spreads to consumer prices as well, some will see that as justification for the Federal Reserve to cut rates again at their next policy meeting on October 29-30. I still like the thought of buying the deeper breaks during the next few weeks.

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**"The idea is not to live forever but to create something that will..."**

Andy Warhol

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**97 Year Old with No Cell Phone Wins Noble Prize!** The Nobel Prize in Chemistry was awarded to three scientists for their work developing lithium-

ion batteries—power sources that touched off a technological revolution and gave rise to cellphones and electric cars. U.S. engineer John B. Goodenough, M. Stanley Whittingham of the U.K. and Akira Yoshino of Japan shared the 9 million Swedish kronor (\$906,000) prize awarded by the Royal Swedish Academy of Sciences. The award honors research that has transformed everyday life. Making lithium batteries usable enabled devices to get smaller and more powerful. Today, the batteries power cellphones, iPads and many other of our most popular electronic goods. At his news conference, Dr. Yoshino recalled that sales of the product were terrible in the first two or three years. "I felt as if my neck was being squeezed with cotton," he said, as hope for the product seemed to die out. Then, he said, the introduction of Windows 95 in 1995 paved the way for a new era of computing, and the battery took off in popularity. Dr. Yoshino didn't get a cellphone until about five years ago, and, at age 97, Dr. Goodenough still doesn't have one. (Source: *The Wall Street Journal*)

**CEO Turnover Report Shows Highest Departures on Record:** In a quarterly report from Challenger, Gray, and Christmas, they recorded that last quarter had the highest ever total of CEO departures. It is not a blip, either. So far this year, 1,160 chief executives have left their posts. It is the highest total of CEO exits in the first nine months of a year since Challenger began tracking in 2002. "Coming off a decade-long expansion, companies that started and developed during this period find themselves now needing new leadership to continue to grow," said Andrew Challenger. The full report is available [HERE](#). There is also a good article on Forbes that highlights why so many CEOs might be getting the push [HERE](#).

**Simone Biles Breaks Record as Team USA Wins World Championship:** In case you missed it, the U.S. women's gymnastics team won their fifth consecutive world championship in Germany Tuesday. Team USA's gold medal was Simone Biles' 21st World Gymnastics Championships medal in her career, the most in women's gymnastics history. Biles, 22, anchored the U.S. team, scoring the highest individual points in vault, balance beam and floor exercise. Fifteen of her world medals are gold — also a record. The Texan gymnast is now just three medals away from surpassing the all-time world medals leader, Belarusian Vitaly Scherbo. Biles now has four signature gymnastic moves named after her. In order for a gymnast to have a move named for them, they must submit it for consideration and successfully land it at a major competition such as the world championships or the Olympics. Two of those moves were added during Biles's 2019 performances. One is the newly named "Biles II", a high-flying triple-twisting double backflip, also known as the triple-double, which she performed at this year's World Championships. It's absolutely unbelievable! Check it out [HERE](#).



# FARM TANK

## Tweets of the Day



Jon Erlichman @JonErlichman

Netflix went public in 2002.

A \$1,000 investment in the IPO would be worth nearly \$250,000 today.





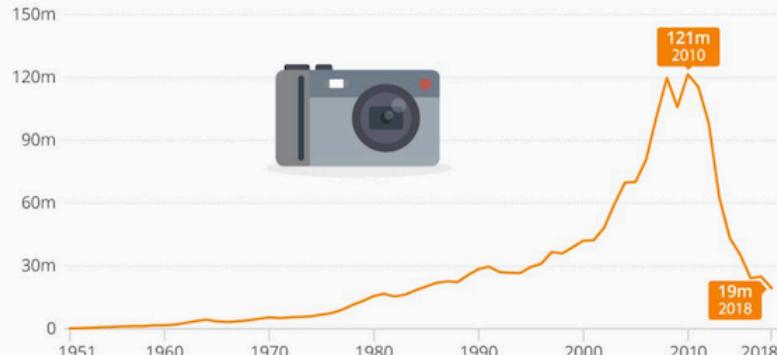
World Economic Forum   
@wef

## How smartphones devastated the camera industry

[wef.ch/2I6aZMO](https://wef.ch/2I6aZMO) #technology

### What Smartphones Have Done to the Camera Industry

Worldwide shipments of photo cameras by CIPA members since 1951\*



\* CIPA (Camera & Imaging Products Association) is an international industry group consisting of members engaged in the development, production or sale of imaging related devices.  
Members include Olympus, Casio, Canon, Fujifilm, Sony and Nikon among others.



@StatistaCharts Source: CIPA

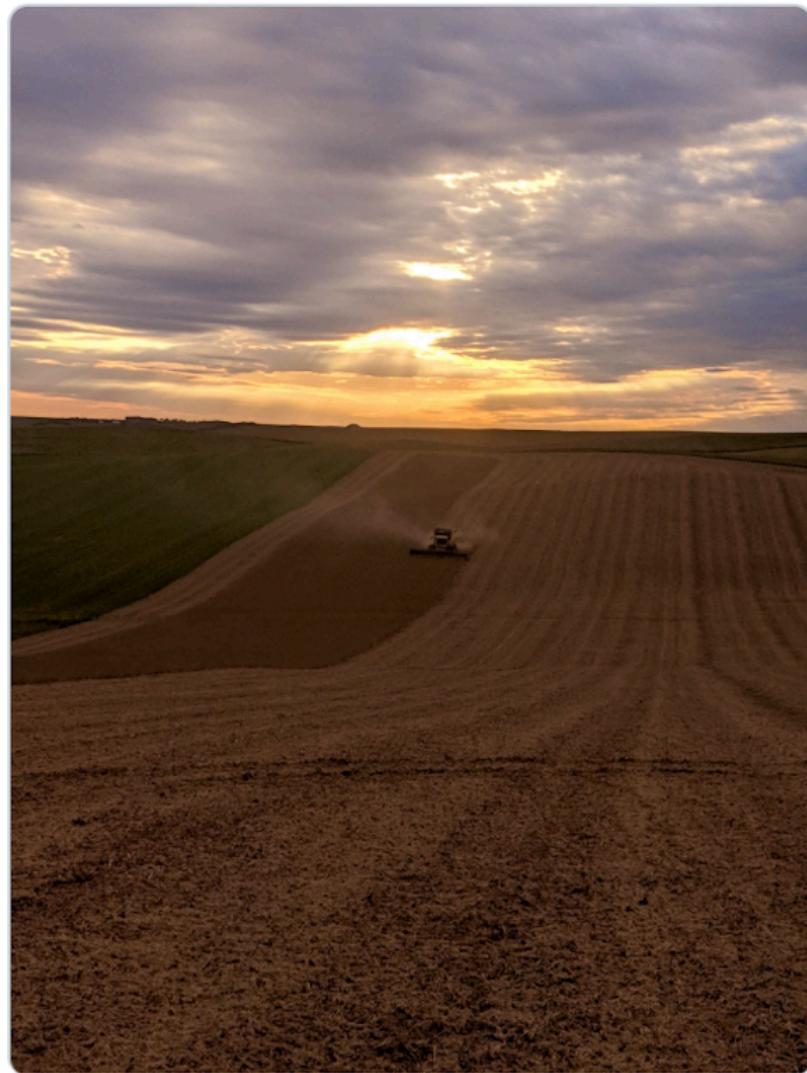
statista

**Farm Girl Next Door**

@farmgirlnextdr

If this doesn't make you **#proudtobeafarmer**, I don't know what will.

**#AgTwitter #harvest19 #america**





Danielle Wildfong  
@DaniWildfong

Took Dad out for lunch....thought it would take his mind off combining. Not a chance. #harvest19





**Christopher Gordon**  
@Brushy06

Being the last one in the field has its rewards.  
**#Harvest19**



**Super 70s Sports**  
@Super70sSports

Following

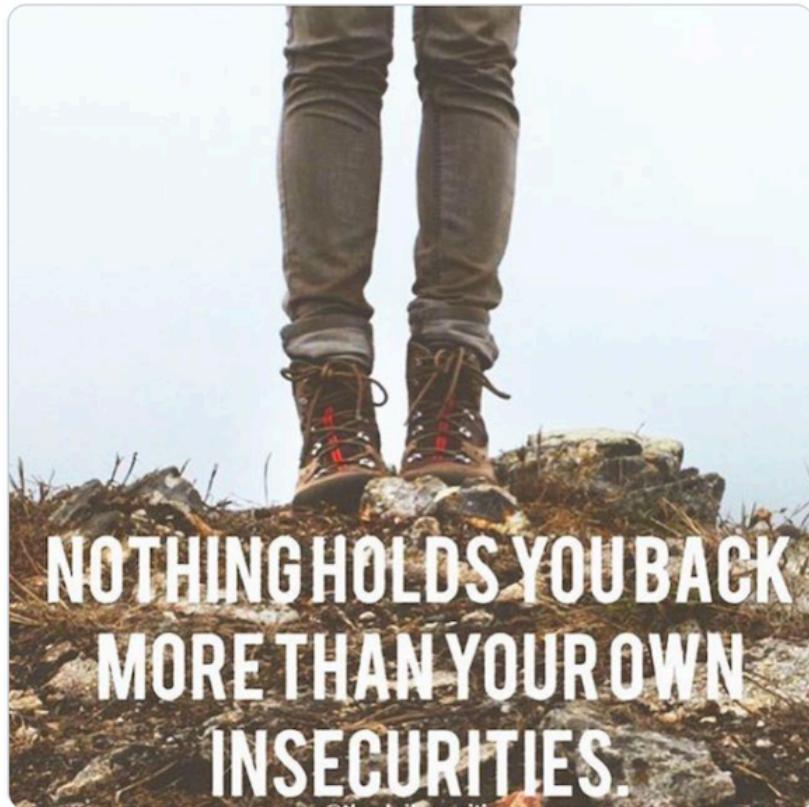
Birds of a feather.





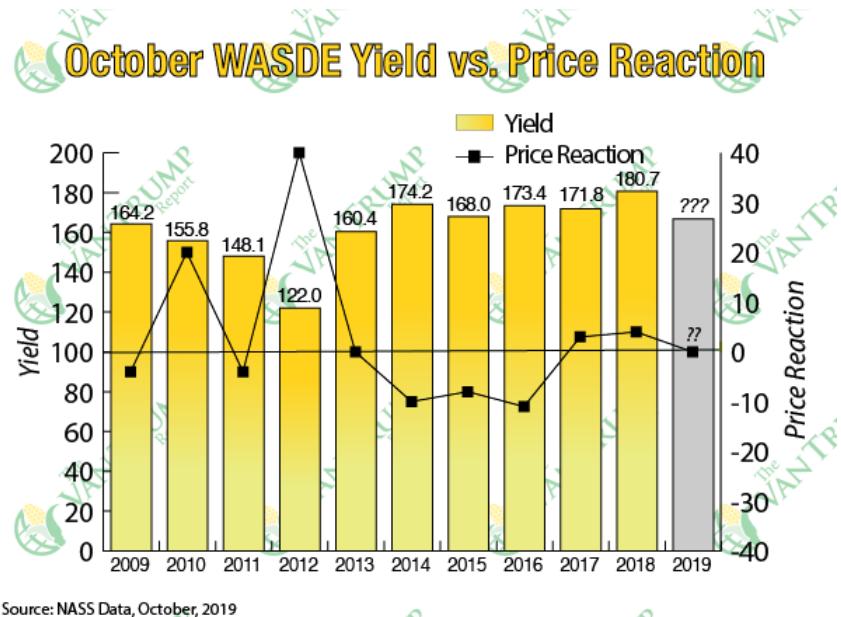
Motivational Quotes  
@DavidRoads

Have faith and push on.



**Corn** traders are trying to predict the intensity of a winter storm moving across the Northern Plains, trying to predict the next series of moves by the USDA, and trying to predict the outcome in Washington between U.S. and Chinese negotiators. From my perspective, this is nothing more than a huge guessing game right now! Damage from the winter storm will be very difficult to assess nearby. As for the USDA numbers, most inside the trade are looking for a sizeable

reduction in ending stocks with most talking about a reduction from the current 2.190 billion bushels estimate down to between 1.6 and 1.8 billion. The average yield is thought to be lowered to something between 165 and 167 bushels per acre vs. the USDA's current estimate of 168.2 bushels per acre. Technically, the DEC19 contract is facing much stiffer technical resistance up in the \$4.00 to \$4.10 range, where both the 100 and 200-Day Moving Average hurdles have to be cleared. It's worth noting, production cuts are already being made to the Argentine crop. From what I heard yesterday the Rosario Grain Exchange lowered its Argentine corn production estimate from 50 MMTs down to 47.5 MMTs on dry field conditions and rising political uncertainties that might push more corn acres to soybeans. Brazil is also starting to become more interesting, as dry conditions are creating more extended delays in planting. If soybean planting is delayed long enough it could certainly create a negative for second-crop corn acres. As I've stressed, this is a very important period of time for both the corn and soybean market. As a producer, I like the thought of using the recent rally to reduce a bit of our price risk i.e. selling cash bushels and reowning the board in some capacity or perhaps simply buying puts to build somewhat of a safety-net. Everyone may have a different way they prefer to go about reducing their risk, what's important is that you are thinking about reducing risk and building a plan that you can easily execute. I'm hoping for a bullish report...

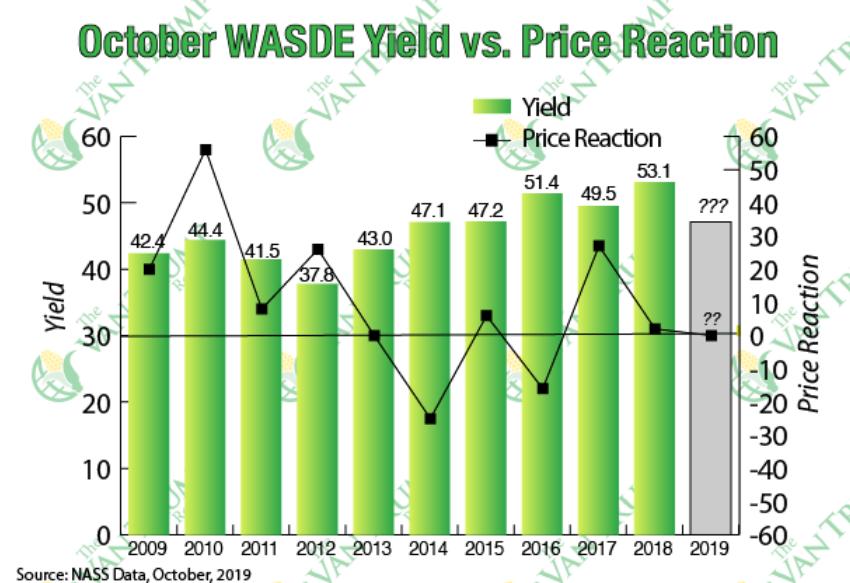


**Soybean** traders are trying to figure out exactly what's happening with U.S. and Chinese trade talks. One minute we supposedly have some type of ag deal in place and the next minute rumors are circulating that Chinese delegates are going back to China early with no real progress. On top of playing the Chinese guessing game, we now have to try and outguess the next move by the USDA. Most inside the trade are throwing around average yield estimate somewhere in the vicinity of 47 bushels per acre, with a wide range of guesses from roughly 45 to 48 bushels vs. the USDA's current estimate of 47.9 bushels per acre. Total U.S. crop production is mostly being forecast lower at between 3.5 and 3.6 billion bushels vs. the USDA's most recent estimate of 3.633 billion bushels. As for total U.S. ending stocks, most estimates seem to be in that 450 to 550 million range vs. the USDA's most recent ending stocks estimate of 640 million bushels. Bottom-line, the trade is looking for a bullish report from the USDA and some type of ag related deal with the Chinese. If neither of these sources deliver the bullish news this market is going to be very disappointed. As a producer, I like the thought of having a bit of downside protection in place. I also like the thought of making some cash sales if we catch a

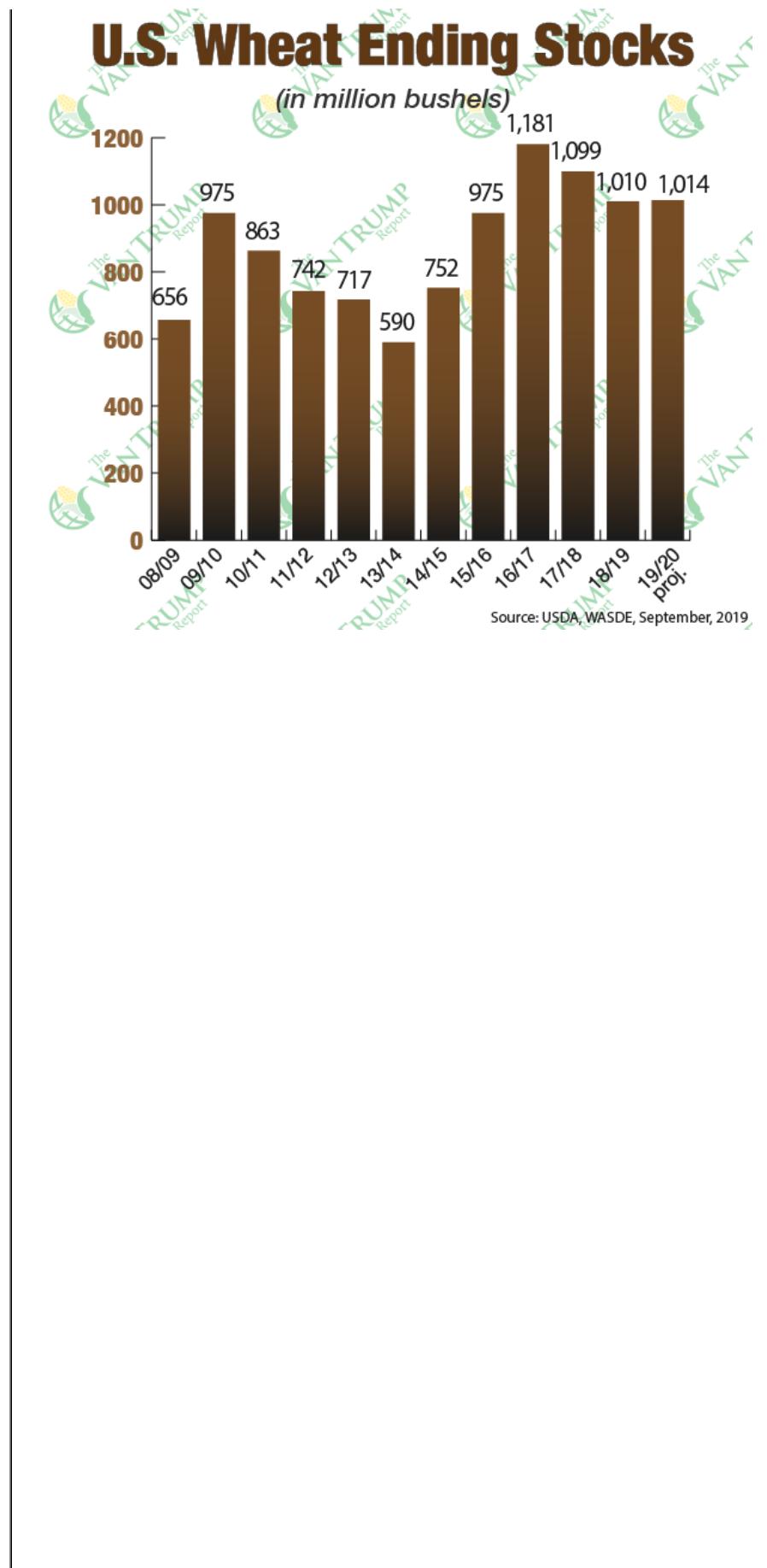
knee-jerk reaction to the upside. From a technical perspective, I continue to hear many traders talking about more difficult resistance up in this \$9.30 to \$9.50 range so be paying close attention. I would like to hope we can hold and close above this level but I do have some concerns. In many areas, cash prices are the best we've seen in a few months. It's imperative that we pay very close attention these next 48 hours!

**Harvest Crop Revenue Insurance Guarantee \$9.17^2** - Remember this price will update daily during the month of October as the monthly price average is determined.

2019 - Spring price \$9.54; Harvest price ???  
 2018 - Spring price \$10.16; Harvest price \$8.60  
 2017 - Spring price \$10.19; Harvest price \$9.75  
 2016 - Spring price \$8.85; Harvest price \$9.74  
 2015 - Spring price \$9.73; Harvest price \$8.91  
 2014 - Spring price \$11.36; Harvest price \$9.65  
 2013 - Spring price \$12.87; Harvest price \$12.87  
 2012 - Spring price \$12.55; Harvest price \$15.39  
 2011 - Spring price \$13.49; Harvest price \$12.14  
 2010 - Spring price \$9.23; Harvest price \$11.63  
 2009 - Spring price \$8.80; Harvest price \$9.66



**Wheat** more than likely will be a follower of both corn and soybeans when today's USDA report is released. There's really not much change forecast for the wheat balance sheet. Bulls are pointing to the massive winter storm to the North, while bears say it makes little difference when global stocks remain record large and domestic supply is north of +1.0 billion bushels. Hence, wheat probably doesn't have much of its own story and remains a follower.



**U.S. Production 2019/20**

(million bushels)

Corn	October Estimates	Avg. Trade Estimate	Range of Estimates	September Estimates	Last Year
Production	???	13,591	12,736 - 13,900	13,799	14,420
Yield	???	166.8	159.0 - 169.6	168.2	176.4
Harvested Acres	???	81.51	80.1 - 82.6	82.017	81.74

Soybeans	October Estimates	Avg. Trade Estimate	Range of Estimates	September Estimates	Last Year
Production	???	3,555	3,384 - 3,660	3,633	4,428
Yield	???	47.1	45.5 - 48.5	47.9	50.6
Harvested Acres	???	75.639	74.5 - 76.2	75.866	87.594

**U.S. Grain Ending Stocks 2019/20**

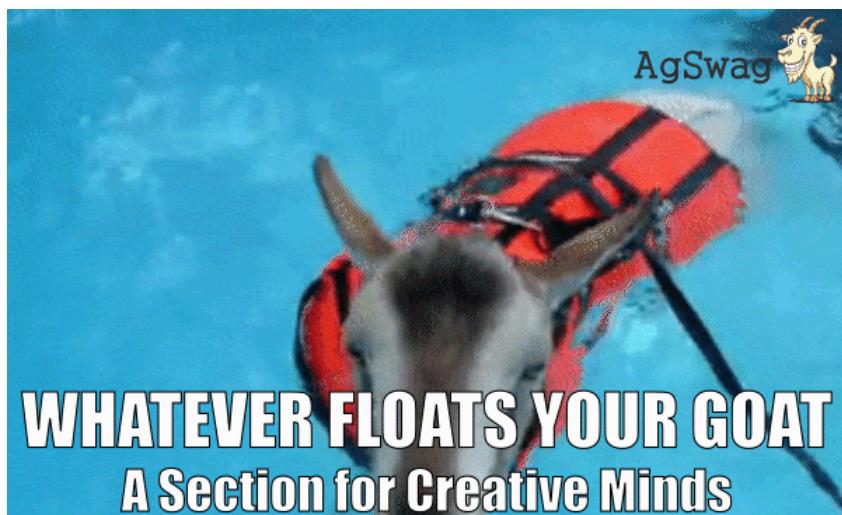
(million bushels)

		Avg. Trade Estimate	Range of Estimates	September Estimates	Last Year
Corn	???	1,689	1,280 - 1,963	2,190	2,116
Soybeans	???	497	324 - 584	640	913
Wheat	???	1,040	939 - 1,054	1,014	1,080

**World Grain Ending Stocks 2019/20**

(million tonnes)

		October Estimates	Avg. Trade Estimate	Range of Estimates	September Estimates	Last Year
Corn	???	296.4	289.3 - 304.5	306.3	329.6	
Soybeans	???	97.0	92.3 - 108.8	199.2	112.4	
Wheat	???	285.2	280.5 - 288.7	286.5	277.2	



> **China Fly's Pigs in from Denmark:** Reports are circulating that China has imported +900 breeding pigs from Denmark. The pigs were supposedly flown in and spent a month in quarantine. Remember, China has lost nearly half its pig herd due to the recent battle with African Swine Fever.

> **U.S. Senators Call for Probe of Brazilian Meatpacker JBS:** Two U.S. senators called on the U.S. Treasury on Tuesday to open an investigation into the world's largest meat processing company, Brazil's JBS S.A. due to alleged ties with the Venezuelan government of leftist President Nicolas Maduro. The U.S. has imposed sanctions on dozens of top Venezuelan officials as well as state oil company PDVSA in an effort to remove Maduro, whom it accuses of fixing elections last year and abusing human rights in the oil-rich nation. Senators Marco Rubio and Robert Menendez sent a letter to Treasury Secretary Steven Mnuchin asking for the Committee on Foreign Investment in the United States (CFIUS) to review transactions by JBS, which has bought several American meat companies in recent years. The senators said JBS had engaged in the bribery of public officials in Brazil to obtain funds to expand abroad, acquiring in recent years U.S. meatpacker Swift Foods Co and chicken producer Pilgrim's Pride Corp. Brothers Joesley and Wesley Batista, founders of JBS's holding company J&F, signed plea bargain and leniency deals in May 2017, in which they confessed to running a political bribery ring in Brazil. In a statement, JBS said it had always cooperated "transparently" with U.S. authorities regarding "passed events" in Brazil. (Source: Reuters)

> **Missouri Posts Proposed Hemp Regulations:** The Missouri Department of Agriculture has posted proposed hemp regulations. The department says the public comment period won't begin until November 1st but it wanted to give growers the chance to review the proposed rules before that. The department expects applications for the state's Industrial Hemp program will begin December 2nd. The Missouri Industrial Hemp Program framework is structured into two parts: Producer registration authorizes a person who is a Missouri resident, or an entity that is domiciled in this state, to cultivate industrial hemp. An Agricultural Hemp Propagule and Seed Permit authorizes a permit holder to sell, distribute, or offer for sale any viable agricultural hemp propagule or agricultural hemp seed to registered producers or other permit holders. You can view the full text of the proposed rules [HERE](#).

> **Dean Foods Leaving Dairy Council to Focus on Labeling Feud:** The Dallas-based dairy processor is dropping out of the International Dairy Foods Association (IDFA), faulting the industry group for not taking a firm stance against plant-based products using traditional dairy terms like "milk" or "butter" in their labeling, a Dean Foods spokesperson tells Politico. The company says the "IDFA has been unable to reach consensus and take a stance on this important issue." Dean Foods said it will divert its advocacy efforts to focus on the product labeling fight, which the company called "one of our core priorities." An IDFA spokesperson said departures from the group "are very rare," and that more than 30 companies became members in 2019 "thanks to a more inclusive association that represents and engages all segments of the growing dairy industry, from milk, yogurt and ice cream to cheese and dairy-derived ingredients." (Source: Politico)

> **USDA Invests in Rural Electric Infrastructure Improvements:** U.S. Department of Agriculture (USDA) Deputy Under Secretary for Rural Development Donald "DJ" LaVoy announced yesterday that USDA is investing \$251 million to upgrade rural electric systems in 13 states. The funding includes \$38.2 million to finance smart grid technologies that improve system operations and monitor grid security. USDA is providing financing through the Electric Loan Program for 12 projects that will serve rural areas in Colorado, Georgia, Indiana, Kentucky, Maine, Maryland, Minnesota, Nebraska, North Carolina, North Dakota, Virginia, Wisconsin and Wyoming. The funding will help build and improve 1,971 miles of line to improve electric reliability in rural areas. USDA will make additional funding announcements in coming weeks. USDA had \$5.5 billion available for Electric Program loans in fiscal year 2019. Details of the Electric Loan Program are available [HERE](#).

> **How Unilever Plans to Dramatically Slash its Use of Plastic:** The consumer products giant Unilever—which owns hundreds of brands from Dove and Seventh

*Generation to Hellman's and Breyers—uses 700,000 metric tons of plastic in its packaging every year. But the company is planning some major changes: to cut its use of virgin plastic packaging in half by 2025 and take a major step away from single-use plastic. As part of a pilot that launched earlier this year, Unilever will soon begin selling toothpaste that comes in chewable tablets so it avoids the need for hard-to-recycle plastic toothpaste tubes. In another pilot in Vietnam this summer, the company tested selling a beauty and skincare brand at refill stations instead of in single-use bottles. In the U.K., the company now sells refill cartridges for a common cleaning spray. The company also plans to reduce its use of plastic packaging in absolute terms by 100,000 metric tons, making it the first large consumer products company with such an ambitious goal. Simultaneously, the company is working to help collect more plastic waste and has a new goal to collect and process more plastic waste than it creates by 2025. Read more [HERE](#).*

**> The Inheritance Enigma: Why do People Save in Retirement?** Americans are notoriously bad at saving money for the future, especially compared with their elders, who had not only grown thrifty during the Great Depression but also often got a pension from paternalistic employers. Most people dying these days, on the other hand, are lucky if they had a 401(k) plan with any kind of employer match. So it's no great surprise that about 40 percent of Americans die more or less broke. What is surprising is that in a nation of non-savers about 60 percent of people (mainly the nation's "haves") manage to sock away enough to bequeath money to their heirs. Exactly how they manage this, or why, hasn't been clear. With one-third of US wealth held by households headed by people aged 65 or older — and the average age of the population expected to keep rising — their financial decisions will matter more and more for the economy as a whole. Digging into the question of why people save in retirement, economists writing in the Annual Review of Economics say that it's not clear how many bequests — some of which are enormous — are intentional. Some retirees may want to pass on something to the next generation, but many seem to be anticipating bad times: huge medical bills or expensive nursing homes. Read more [HERE](#).

**> Goodyear has Listed its Blimp on Airbnb for 3 Nights Only:** Many sports-loving Americans can say they've spotted one of Goodyear's famous blimps hovering overhead at a football game. Far fewer can say they've spent the night inside one. Goodyear listed one of its blimps on Airbnb for three separate one-night stays October 22 through 24. But aviation lovers, be warned—the blimp will stay grounded during your stay. Somehow, Goodyear squeezed a bed, a couch, two chairs, several tables, a potted plant and plenty of football knicknacks into the tiny blimp gondola, and it looks surprisingly cozy. The blimp will stay parked in an air hangar minutes from Goodyear's headquarters in Akron, Ohio. Luckily, guests can stretch their legs in a wall-less entertaining space just outside, complete with a TV and open bar (it's a good thing—Goodyear won't allow guests to bring their own alcohol). Blimp boarders can't leave the property for the entirety of their stay, either, but they can wander beyond the blimp to Wingfoot Lake just outside, where Goodyear set up a grill, fire pit and cornhole. A stay runs only \$150 a night—if you're lucky enough to snag a reservation. Goodyear advised fans to monitor its Airbnb listing on October 15 for opportunities to book. What's more, all guests will be gifted tickets to watch rivals Michigan and Notre Dame face off on October 26. And if you're fortunate, you can watch the blimp take flight that day after you've slept in it. The listing can be found [HERE](#). (Source: CNN)



## FROM THE FIELD

**North Central South Dakota** - If 2019 is like 2009 then 1/2 our crop got harvested in March & April. Those that went in the fall had big drying bills and very light corn that didn't store worth a crap. When we finally were able to harvest we rolled through 17% moisture at 55-pound test weight. Luckily, we had a lot of stalk and shank strength, high ear set going for us that year.

**Western Minnesota** - I wanted to give you a really quick, short update on this corn that is way behind on maturity. We farm in western Minnesota and if this cool weather holds true we are not safe from the frost yet. This is not going to be good. We will see light corn this year if we get the frost and snow. Hoping it holds off for a few more weeks.

**Central Missouri** - Just a quick couple thoughts on this frost and snow we are going to see up north. According to some, it's no big deal, nothing more than a fluke. It's a 1 in 100 events but oh well... In my opinion, get ready for more of this type of weather in the years to come. We will see more wet falls, springs, colder temperatures, etc. It's one thing to be cold and dry, but it's entirely different to be cold and wet. Just some quick thoughts for guys to chew on!

# 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:** How do you make the number one disappear by adding to it?

## FROM MY PERSPECTIVE

*Kevin Van Trump*

### Fall Colors Are Blooming...

Every year the USDA Forest Service hosts a Fall Colors webpage chock full of information about where and when to see fall colors in your part of the country. Along with sharing this, I wanted to include some interesting facts about how and why leaves turn colors.

While fall colors are brilliant, they are even more spectacular when you consider that the incredible collection of reds and golds depends in part on the timing of weather conditions reaching all the way back to leaf emergence in the spring. While it seems like sheer art, fall color is really a function of chemistry. Pigments are the chemicals in leaves that produce the colors we see. Some of these pigments, such as chlorophyll that appear green and carotenoids that appear yellow, are a natural component of healthy leaves during the growing season. Chlorophyll is instrumental in photosynthesis, the process by which energy from sunlight splits water and carbon dioxide to make the sugar that fuels plant growth. The health of a tree drives the production and function of these chemicals. If a midsummer drought causes a tree to lose leaves to reduce water loss, that leaf is not likely to develop such a brilliant coloration.

Too much or too little moisture is not the only factor affecting trees. Particularly for urban and community trees, de-icing salts can result in injury that stresses a tree and causes it to not have a timely display of fall color.

For more information on how leaves turn colors, you can check out U.S. Forest Service's [Kevin T. Smith](#) who does a good job of not getting too deep into the woods explaining the details. Below I also wanted to include what is widely regarded as the top places to view amazing fall trees around the U.S. and the best times to view them.(Source: USDA, U.S. Forest Service)

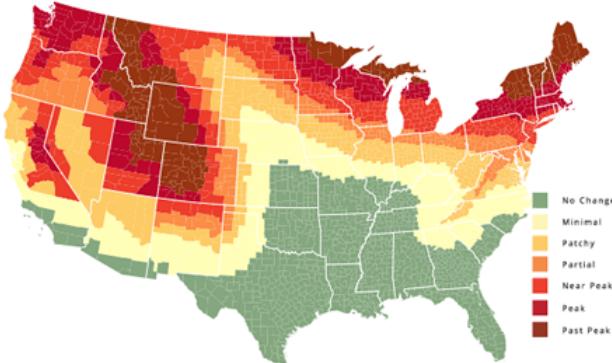
- **Aspen, Colorado:** *Aspen season is short. It kicks in during mid-September and peaks at the end of the month. You may get lucky and have some pretty trees the first week of October.*
- **The Catskills, New York:** *Now through mid to late October are prime time for fall foliage in the Catskills*
- **Columbia River Gorge, Oregon:** *Now to mid to late-October is the best time for fall foliage in the Columbia River Gorge.*
- **Green Mountain Byway, Vermont:** *The northern Vermont leaf*

observation season is in full swing and may last a couple more weeks.

- **Great Smoky Mountains, North Carolina and Tennessee:** Great Smoky Mountains National Park is ablaze in fall color from early-October through early-November.
- **Upper Peninsula, Michigan:** The best time is late-September to mid to late-October with the peak happening in October.
- **Lake of the Ozarks, Missouri:** The last two weeks of October are the indisputable prime time for leaf-peeping at the Lake of the Ozarks.

THE 2019

## Fall Foliage Prediction Map



Sept 7th Sept 14th Sept 21st Sept 28th Oct 5th Oct 12th Oct 19th Oct 26th Nov 2nd Nov 9th Nov 16th Nov 23rd Nov 30th







### **Why Is October So Spooky For Investors?**

Throughout the course of modern American history, October has accumulated a high number of devastating stock market events. They include the Panic of 1907, Black Thursday (1929) Black Monday (1929), Black Tuesday (1929), and Black Monday (1987). In turn, these events have helped to give the month a bad reputation with investors. Referred to as the "October Effect", there is a widespread belief that stocks tend to decline during the month, although the actual statistics don't support the theory. But it's a good excuse to take a look at some of those historical market crashes as they all provide unique lessons that are best not forgotten.

**Panic of 1907:** Also known as the 1907 Bankers' Panic and the Knickerbocker Crisis, the Panic of 1907 was a financial crisis that took place over a three-week period starting in mid-October, when the New York Stock Exchange fell almost 50% from its peak the previous year. The panic was triggered by the failed attempt in October 1907 to corner the market on stock of the United Copper Company. When this bid failed, banks that had lent money to the cornering scheme suffered runs that later spread to affiliated banks and trusts, leading a week later to the downfall of the Knickerbocker Trust Company—New York City's third-largest trust. The collapse of the Knickerbocker spread fear throughout the city's trusts as regional banks withdrew reserves from New York City banks. Panic extended across the nation as vast numbers of people withdrew deposits from their regional banks. It was ultimately quelled when the federal government provided over \$30 million in aid, and leading financiers like J.P. Morgan and John D. Rockefeller continued orchestrating deals to bring confidence and liquidity back to the financial markets. The panic's impact led to the eventual development of the Federal Reserve System.

**Black Thursday, Black Monday, and Black Tuesday, 1929:** Black Thursday is the name given to Thursday, October 24, 1929, when panicked investors sent the Dow Jones Industrial Average plunging 11 percent at the open in very heavy volume. Black Thursday began the Wall Street crash of 1929, which lasted until October 29, 1929, known as Black Tuesday. Many investors had borrowed or leveraged heavily to buy stocks, and the crash on Black Thursday wiped them out financially-leading to widespread bank failures. As people realized that banks had used their savings to invest on Wall Street, they rushed to take out their deposits. Banks closed over the weekend, and then only gave out 10 cents on the dollar. Black Monday refers to October 28, which saw stocks fall another 13%. Black Tuesday marked another sharp fall in the stock market. The DJIA fell 12%, one of the largest one-day drops in stock market history. More than 16 million shares were traded in the panic sell-off, which effectively ended the Roaring '20s and led the global economy into the Great Depression.

The market hit a 20th-century low of 41.22 on July 8, 1932, which was a fall of 89 percent from its high of 381.17 on Sept. 3, 1929. During this time, unemployment rose to double digits as industries laid off workers they had hired during the boom years. It was only after President Franklin Delano Roosevelt was elected that the economy showed signs of taking a turn towards the better. Among his

achievements is stopping the Smoot-Hawley tariffs and establishing the Reciprocal Trade Agreement Act in 1934. Still, a new high wasn't reached until Nov. 23, 1954.

**Black Monday, 1987:** This was the largest one-day percentage drop in stock market history. On Monday, October 19, 1987, the Dow Jones Industrial Average dropped 22.61%, falling 508 points to 1738.74. The S&P 500 fell 20.4%, dropping 57.64 points to 225.06. The stock market had been in a bull market for five years. It rose 43% in 1987 alone, reaching a peak of 2,746.65 on August 25, 1987. It continued to stay in a slightly lower trading range until October 2. Then it began falling dramatically. It lost 15 % in the two weeks leading up to Black Monday. By the end of October, stock markets had fallen in Hong Kong (45.5%), Australia (41.8%), Spain (31%), the United Kingdom (26.45%), the United States (22.68%) and Canada (22.5%).

A popular explanation for the 1987 crash was computerized stock selling programs. Computerized trading was still relatively new to Wall Street. These computer programs automatically began to liquidate stocks as certain loss targets were hit, pushing prices lower and creating a domino effect as the falling markets triggered more stop-loss orders. Since the same programs also automatically turned off all buying, bids vanished all around the stock market at basically the same time. Another theory about the cause of the crash comes from a Securities and Exchange Commission study that concluded that it was traders' fears over the impact of anti-takeover legislation that was moving through the House Ways and Means Committee. The bill aimed to eliminate the tax deduction for loans used to finance corporate takeovers. Ironically, the tax deduction provision was stripped from the bill before it became law. Another contributing factor was an announcement on October 16 by Treasury Secretary James Baker that the United States might let the value of the dollar fall. Baker thought that a lower dollar would help reduce the alarming rise in the U.S. trade deficit.

Many feared the crash would cause a recession. But the Federal Reserve started pumping money into banks. As a result, the market stabilized. By the end of October, the Dow had already risen 15% higher. It spent the rest of the year in a narrow trading range, between 1,776 and 2,014. It was a precursor to the 1989 Savings and Loan Crisis and the 1990-1991 recession. After Black Monday, regulators overhauled trade-clearing protocols to bring uniformity to all prominent market products. They also developed new rules, known as "trading curbs" or colloquially as circuit breakers, allowing exchanges to temporarily halt trading in instances of exceptionally large price declines in some indexes. (Sources: Wikipedia, Investopedia, The Balance)





**Keep Your Fork...**

Great e-mail that was recently sent my direction from a good friend. I wanted to pass along. Hope you enjoy and share with your family and friends. Terrific message!

*There was a young man who had been diagnosed with a terminal illness and had been given three months to live. So as he was getting his things 'in order,' he contacted his Priest and had him come to his house to discuss certain aspects of his final wishes.*

*He told him which songs he wanted sung at the service, what scriptures he would like read, and what outfit he wanted to be buried in.*

*Everything was in order and the Priest was preparing to leave when the young man suddenly remembered something very important to him.*

*'There's one more thing,' he said excitedly..*

*'What's that?' came the Priest's reply.*

*'This is very important,' the young man continued.*

*'I want to be buried with a fork in my right hand.'*

*The Priest stood looking at the young man, not knowing quite what to say.*

*'That surprises you, doesn't it?' the young man asked.*

*'Well, to be honest, I'm puzzled by the request,' said the Priest.*

*The young man explained 'My grandmother once told me this story, and from that time on I have always tried to pass along its message to those I love and those who are in need of encouragement.*

*In all my years of attending socials and dinners, I always remember that when the dishes of the main course were being cleared, someone would inevitably lean over and say, 'Keep your fork. '*

*'It was my favorite part because I knew that something better was coming like velvety chocolate cake or deep-dish apple pie.*

*Something wonderful, and with substance!*

*So, I just want people to see me there in that casket with a fork in my hand*

*and I want them to wonder 'What's with the fork?'*

*Then I want you to tell them: 'Keep your fork ... the best is yet to come.'*

*The Priest's eyes welled up with tears of joy as he hugged the young man good-bye. He knew this would be one of the last times he would see him before his death.*

*But he also knew that the young man had a better grasp of heaven than he did. He had a better grasp of what heaven would be like than many people twice his age, with twice as much experience and knowledge.*

*He knew that something better was coming.*

*At the funeral people were walking by the young man's casket and they saw the suit he was wearing and the fork placed in his right hand. Over and over, the Priest heard the question, 'What's with the fork?' And over and over he smiled.*

*During his message, the Priest told the people of the conversation he had with the young man shortly before he died. He also told them about the fork and about what it symbolized to him.*

*He told the people how he could not stop thinking about the fork and told them that they probably would not be able to stop thinking about it either.*

*He was right. So the next time you reach down for your fork let it remind you, ever so gently, that the best is yet to come.*

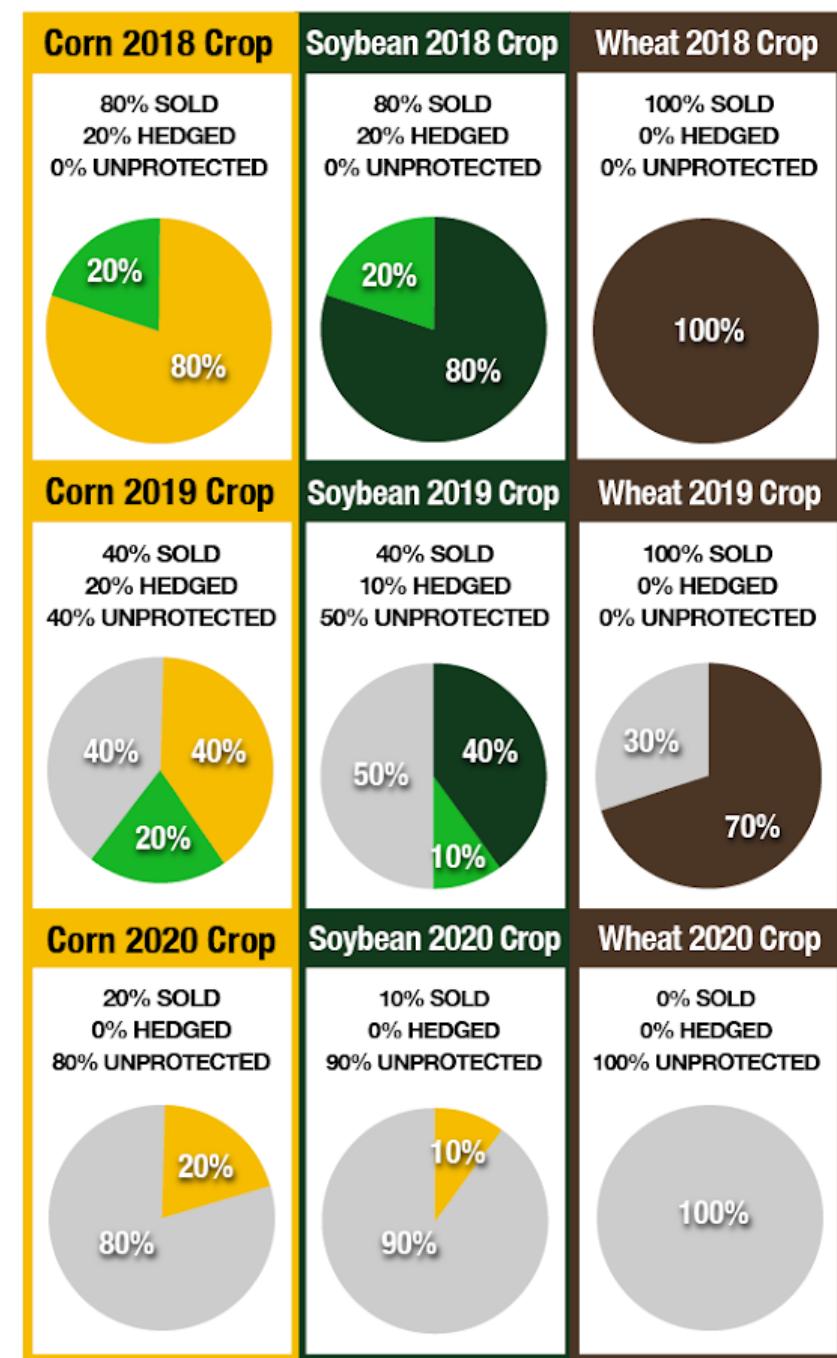


**ANSWER to riddle:** Add the letter 'G' and it's 'Gone'.



## CASH SALES & HEDGING TOTALS

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