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GOOD MORNING: The Van Trump Report 10-21-19

1 message

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

Mon, Oct 21, 2019 at 5:31 AM

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"Your mind will take on the character of your most frequent thoughts, make certain you chose wisely." - **Marcus Aurelius**

Monday, October 21, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: U.S. investors are looking to third-quarter earnings for a jolt of positivity to finally push major indexes above the record levels set back in July. The S&P 500 is up nearly +20% this year but has struggled to gain much traction since this summer as trade uncertainties and geopolitical tensions have kept a lid on most rallies. With a few of the concerns recently moving closer to a resolution, bulls are hoping a better-than-expected earnings season could be the catalyst needed to finally drive stocks to new highs. Almost 25% of S&P 500 companies are scheduled to report earnings results this week, starting today with TD Ameritrade, Halliburton, and Celanese. The most highly anticipated releases will hit Tuesday, Wednesday, and Thursday. Those results will include, tech giants like Amazon, Microsoft, Intel, Tesla, and Paypal, as well as important bellwethers like Boeing, Caterpillar, Ford, McDonalds, Procter & Gamble, UPS, Verizon, and Visa. Trade negotiations will also remain a top

concern for investors as data continues to show the U.S. and the rest of the global economy are experiencing a slowdown that most economists link to the tit-for-tat tariffs between the U.S. and China. At the IMF's fall meeting this past week, finance ministers and central bankers all cited trade-related uncertainty as the biggest fear for the global economy. I should note, the IMF is now forecasting global economic growth for 2019 at just +3%, its slowest pace since the 2009 recession. Chinese Vice Premier Liu He said on Saturday that China will be working with the United States to address each other's core concerns. He also said that stopping the escalation of the trade war benefits both China and the U.S. Data last week showed China's third-quarter growth slowed to its weakest pace in almost three decades, a fact many inside the trade see as providing additional motivation for China to work with the U.S. in securing an end to the 15-month trade dispute. Investors are also still waiting for Congress to approve the USMCA (new NAFTA). Negotiations between the Trump administration and the Democrats working to secure changes to USMCA are said to be close to wrapping up. Democrats received a letter on Thursday from Mexican President Andrés Manuel López Obrador pledging to implement labor reforms required under the new agreement, which they called a step in the right direction. The Trump administration is pushing for the trade pact to be passed this fall. Additional headlines that investors are closely following revolve around Brexit and the UK's ability to leave the European Union. UK Prime Minister Boris Johnson has asked the EU for another extension, though he still plans to try again this week to get the Brexit deal passed in time to exit the EU by the October 31 deadline. Bottom-line, I don't think this Brexit deal can't be kicked too much further down the road. Remember, the original Brexit referendum vote happened back in June of 2016. As an investor, I'm still looking to add a bit more length to my favorite positions on any significant pullbacks. I still believe we are going to see another leg higher in the next six-months.

The Biggest Ovation Goes to the Smallest Player! I once again tip my hat to the amazingly great Houston Astros second baseman Jose Altuve. In case you missed the game Saturday night, Altuve hit a walk-off home run to defeat the New York Yankees and send the Houston Astros to the World Series against the Washington Nationals. Altuve, at just 5'6", came from an extremely poor and humbling beginning in Venezuela and has now become one of the greatest baseball players in all of American history. At age 16, Altuve attended a Houston Astros' tryout camp in Maracay. However, the team's scouts declined to allow him to participate because they decided he was too short and they suspected that he had lied about his age. The next day, with encouragement from his father, Altuve returned to the camp and produced his birth certificate. The rest is history... I should also point out he is the shortest active player in Major League Baseball and the shortest since Freddie Patek retired following the 1981 season. Altuve has won the American League batting title multiple times and has also lead the League in stolen bases. He has also been selected a six-time MLB All-Star, won the AL Most Valuable Player Award, the Hank Aaron Award, Rawlings Gold Glove Award, the Associated Press Male Athlete of the Year, The Sporting News Major League Player of the Year, and Sports Illustrated's Sportsperson of the Year for his off-field humanitarian efforts. The World Series starts tomorrow night if you get a chance to catch a game make certain you watch #27 the second baseman for the Houston

Astros. He's one of the greatest to ever play the game!



Family Pumpkin Dunk 2019! *Forget the Christmas time family pics where everyone poses in matching sweaters in a festive setting. This year Mark and Sidney Norton have outdone the field with they are calling "Their Pumpkin Dunk Pics". Too awesome and funny not to share!*







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Kevin Van Trump, CEO of Farm Direction

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Schwab Will Allow Investors to Buy and Sell Fractions of Stocks: *Charles Schwab Corp. will let investors buy and sell fractions of shares in coming months as part of an effort to attract younger clients to its online brokerage platform. Founder and Chairman Charles R. Schwab told The Wall Street that along with fractional share trading, the firm will also be introducing several other new programs as the online brokerage looks ahead after eliminating trading commissions. Now, Mr. Schwab said the company is focusing on efforts to expand access to investing, particularly to young people. Schwab's move would be the first by a major online brokerage to allow investors to buy and sell fractions of stocks. Some of the most well-known and popular companies have high price tags, making owning a share impossible for some would-be investors. A share of Amazon.com Inc., for example, costs around \$1,794. In addition, fractional shares can help younger and less-wealthy investors diversify their investment portfolios by spreading relatively small pots of money over a broader range of stocks. Fractional trading is already offered by a handful of newer online brokerages. One such startup, Social Finance, says it launched its fractional trading program in July, after noticing some clients delayed investing and chose companies based on share price, rather than fundamentals. Read more from [The Wall Street Journal](#).*

Two-thirds of U.S. Households are Preparing for a Recession: *Some 69% of participants in a recent poll said they were taking steps to shore up their finances ahead of a possible downturn, including 44% who said they were spending less money. Some 10%, including 13% of college graduates, are looking for a better or more stable job. Recession fears can be self-reinforcing, if they cause consumers to scale back on spending. That is especially true of they cut back going into the holiday shopping period, a key period for many consumer businesses. While recent news has improved, many Americans remain poorly positioned if the economy does turn down next year. Some 40% told the pollsters they were under-prepared for a recession, including 16%, equivalent to about 40 million Americans, who said they were not prepared at all. The economy is expected to be a hot issue—as usual—in next year’s presidential election. The poll shows some of the key battlegrounds—such as white voters, and those in the Midwest—are no more optimistic than the rest of the country. (Source: MarketWatch)*

When Women Lead, Firms Win: *In one of the most comprehensive studies of its kind, a new report from the S&P Global Market Intelligence Quantamental Research Team examines the performance of firms that have made female appointments to their CEO and CFO positions. The study finds that firms with female CFOs are more profitable and generated excess profits of \$1.8T over the study horizon. Firms with female CEOs and CFOs have produced superior stock price performance, compared to the market average. In the 24 months post-appointment, female CEOs saw a 20% increase in stock price momentum and female CFOs saw a 6% increase in profitability and 8% larger stock returns. These results are economically and statistically significant. Analysis of executive biographies suggests that one driver of superior results by females may be that females are held to a higher standard. The average female executive has characteristics in common with the most successful male executives, suggesting that common attributes drive success among males and females, alike. Overall, the attributes that correlate with success among male executives were found more often in female executives. This finding refutes the commonly held belief in ‘token’ female executives. The full report is available [HERE](#).*

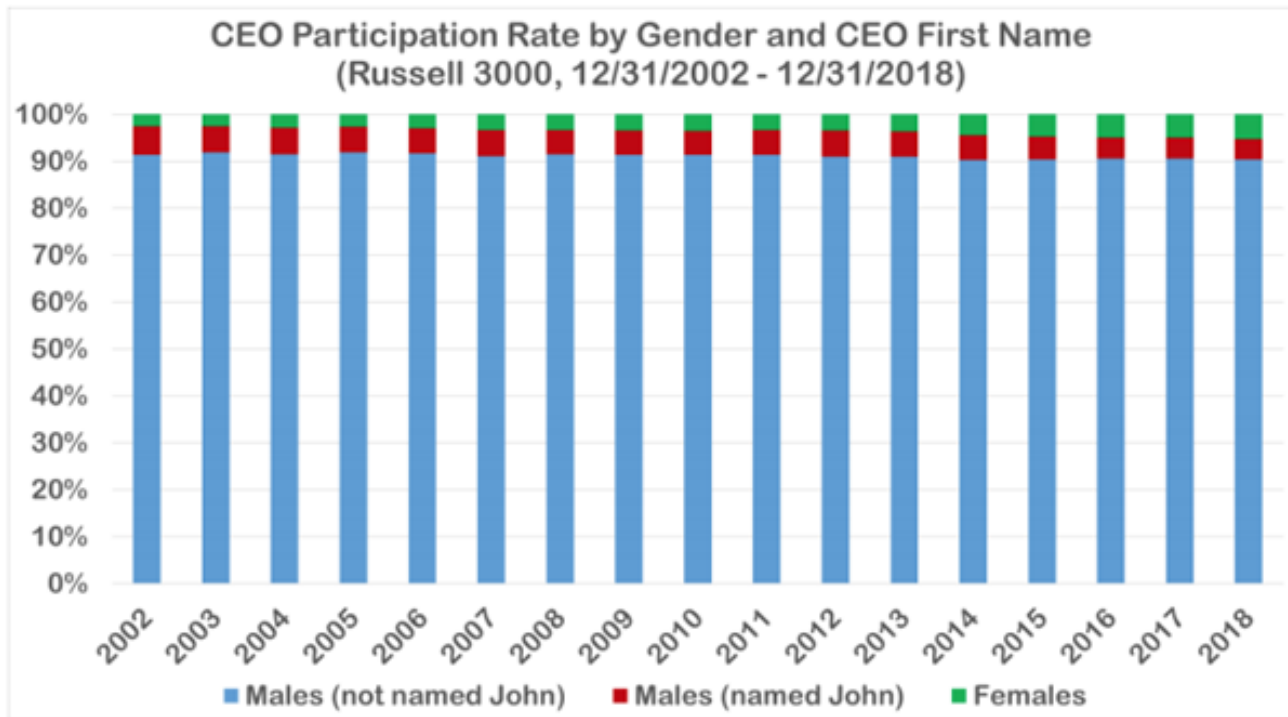
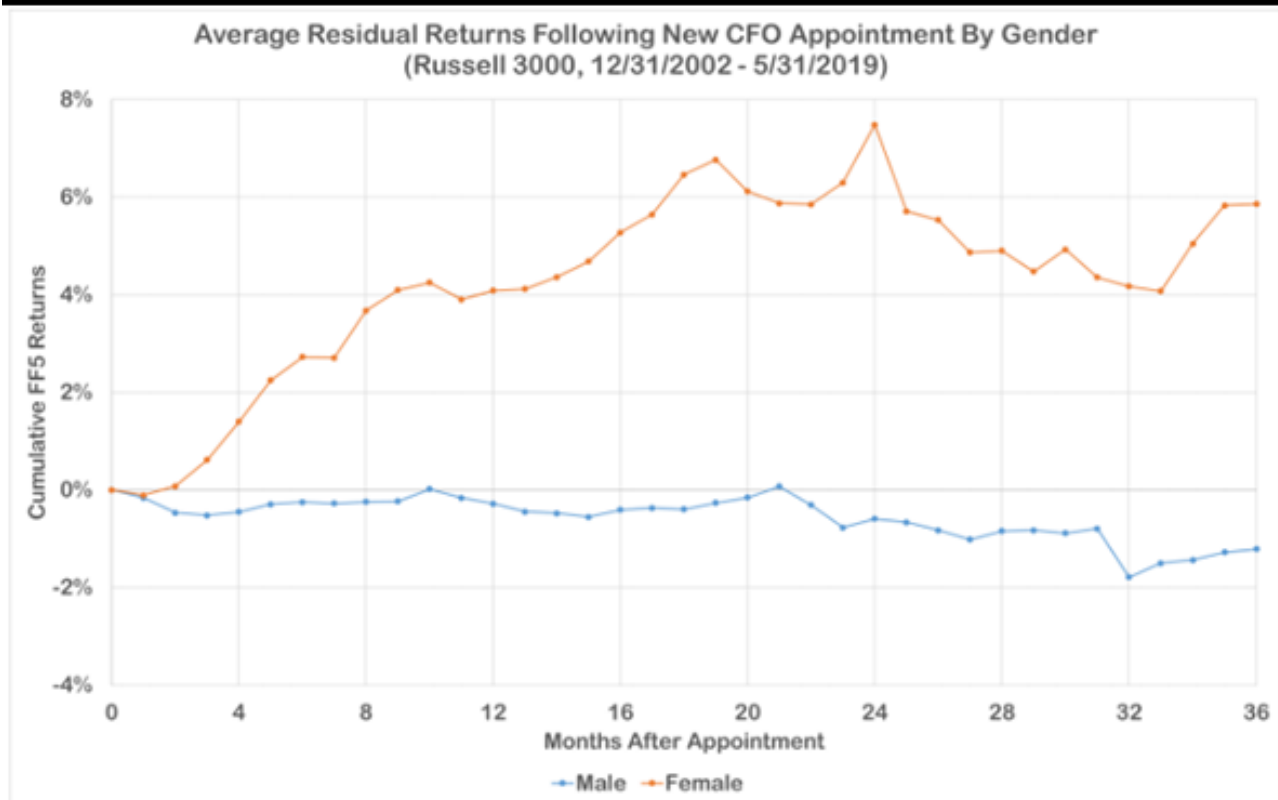


Figure 1. Female Participation Rate for Chief Executive Officer Positions. Relative percentage of companies in the Russell 3000 Index by gender. Males are subdivided by those named John versus not named John. Source: S&P Global Market Intelligence Quantamental Research. Data as of June 6, 2019.



FARM TANK

Tweets of the Day



Visual Capitalist ✓
@VisualCap



The World's Most Powerful Reserve Currencies \$

[visualcapitalist.com/the-worlds-mos...](https://visualcapitalist.com/the-worlds-most-powerful-reserve-currencies/)

Total Allocated Exchange Reserves by Currency (in \$)



**Article & Sources:**

<https://howmuch.net/articles/worlds-top-reserve-currencies-2019>
International Monetary Fund - <http://data.imf.org>

howmuch.net



McKinsey Global Inst 
@McKinsey_MGI



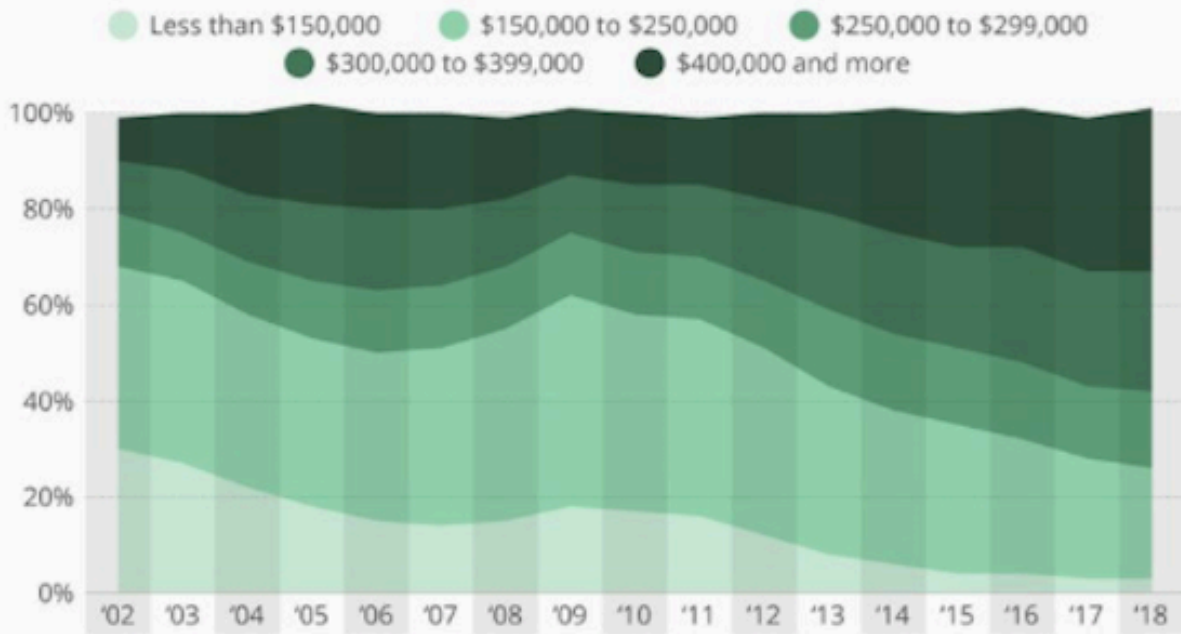
The share of houses costing less than \$150,000 decreased from 30% in 2002 to 3% percent in 2018, according to the US Census Bureau



: @StatistaCharts bit.ly/2ATcdzr #affordablehousing

New Homes in the U.S. Grow Pricier

Price ranges of new single-family homes by frequency



May not add up to 100 percent due to rounding

@StatistaCharts

Source: U.S. Census Bureau

statista 



Marcus Tishner
@MarcusTishner



Wow!! One of our local Pioneer growers showing off a little muscle this morning as they prepare to keep soybean harvest moving! [#Pioneer](#) [#HAA](#) [#Harvest19](#) [#HarvestHeros](#)





Brad C.
@CoppleBrad



Seeing ear molds more than average in [#harvest19](#) in northeast Nebraska. Gibberella and Fusarium are most common. Diplodia, like this, aren't uncommon. [@tjcksn](#)
[@LemmonsCCA](#) [@hybridmaizeman](#)





Katie Macfarlane
@FarlaneLivestk



Couldn't ask for a more beautiful day! ☀️ #harvest19





Isaac Borland
@isaac_borland



Can't beat working on a farm with views like this!
[#Harvest19](#)





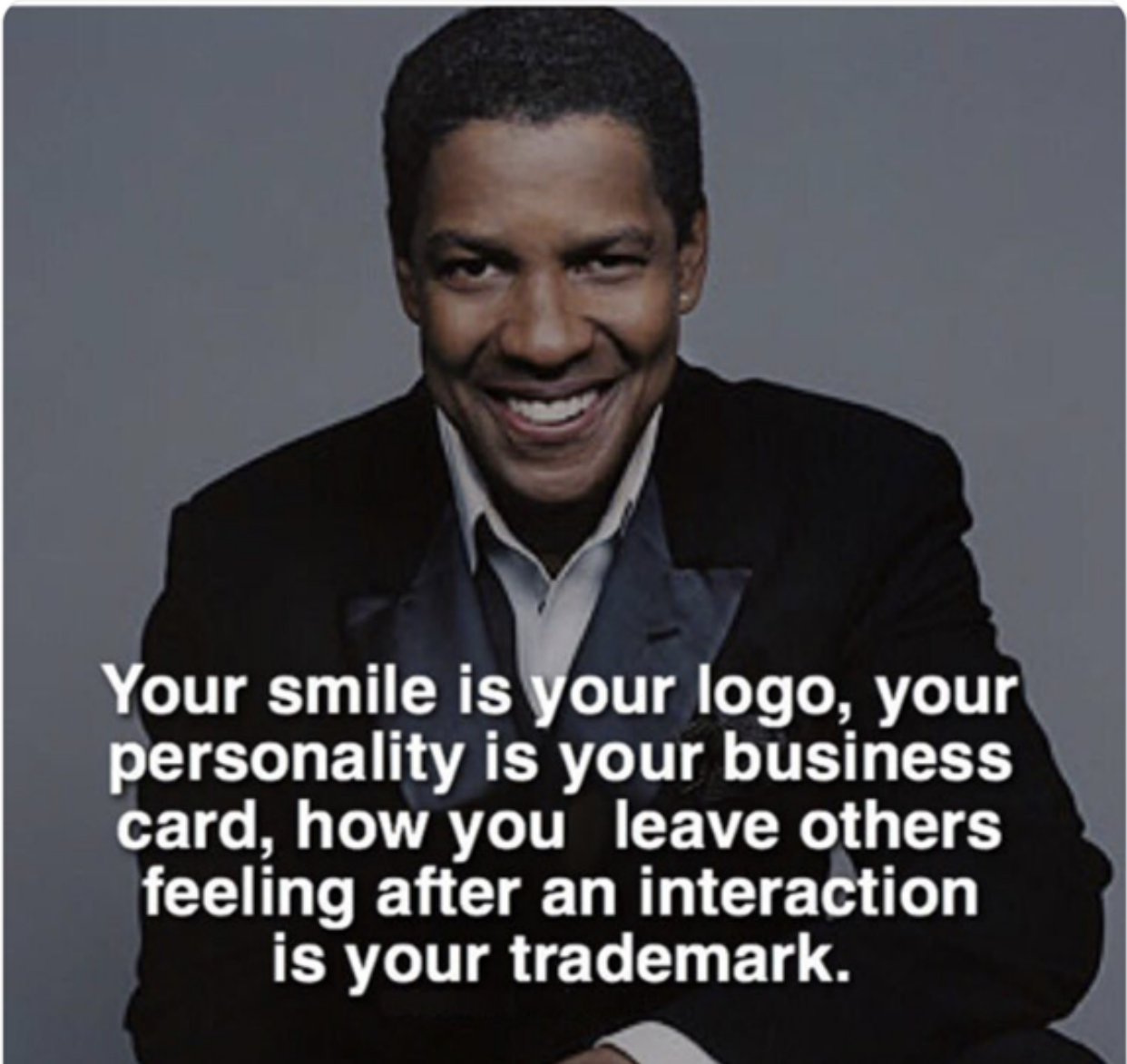
Norm Lewis ✓
@normlewis777

Following



Remember, you're a brand
...how you leave others feeling after an
interaction is your Trademark. ~ Denzel
Washington

#WednesdayWisdom #quote



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Corn bulls are needing to see fresh headlines in order to attract new bullish money-flow. Bears are pointing to disappointing ethanol headlines associated with

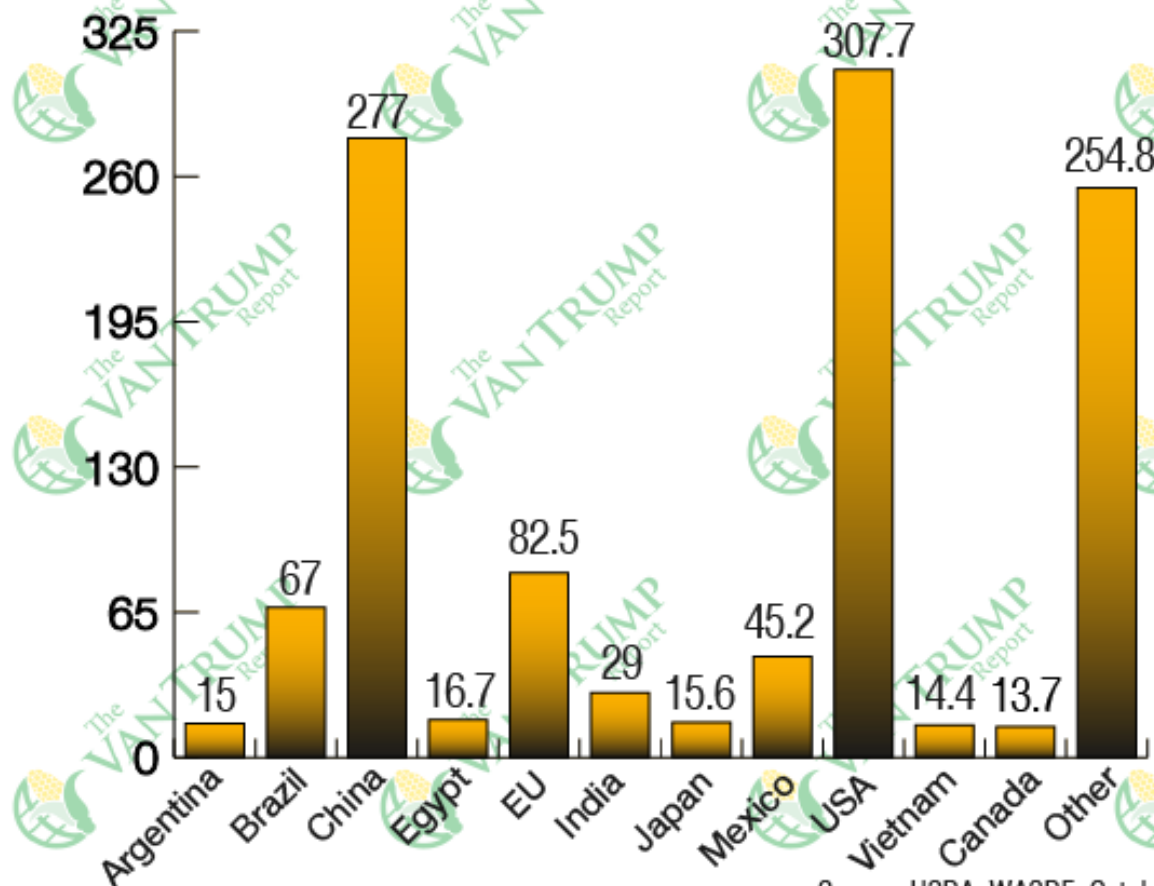
uncertainties surrounding RFS and blending regulations, as well as, lack of specifics regarding "Phase 1" of the Chinese trade agreement. What will the Chinese agreement mean for U.S. corn, ethanol, DDGs? As the bulls pause based on "uncertainty" it causes more "fear" to start brewing inside the market. That fear can then begin to circulate and cause more hesitation by the bulls. Hence the reason professional traders often quip that we need to keep the bulls fed with fresh new headlines in order to keep the market moving higher. Technically, it feels like the DEC19 contract is currently comfortable trading between \$3.80 and \$4.10 per bushel. As a producer, I continue to like the thought of selling cash bushels directly out of the field, especially in areas that are working with a stronger than normal harvest basis. Then coming back into the market and reowning with some type of limited-risk strategy on the board i.e. buying calls, bull-call spreads, etc... Why mess with paying the storage at the elevators if you have an end-user in your area that's bidding up for it right now. The large commercials know they ultimately need ownership of the grain if they want to make any money in this environment of extremely thin margins. I'm just worried that in many areas, once the larger commercials get their quota booked, the basis could start to deteriorate. I also worry that there could be some quality and moisture issues associated with storing this year's crop. Therefore, if I can pass this risk to someone else it might be a smart play. I still want to participate in the upside in some capacity in case there's a rally during the first part of 2020, that's why I like selling the cash bushels now and reowning the board. I think eventually we could perhaps push this market back up towards \$4.40, I'm just worried about how long it takes to get there and the path we will be travel. I don't want to be undersold, then the market breaks aggressively and I get psychologically shaken out of my bushels on the tumble. Remember, good marketing is planing your moves out far enough that you are forced to fully consider your emotions and how you will react psychologically if your biggest fears become a reality. Do you want to be on a winter vacation with your wife and battling quality problems back home in the bins? While at the same time the basis has deteriorated and flat-price has pulled back? If you have enough money in the bank that mentally that's not going to be an emotional concern then more power to you. The marketing game becomes much easier when you have enough money you don't have to be emotionally vested or tied to short-term price swings. I was always told from more experienced traders and investors, the ones who generally care about the money the least tend to end up with the most. My suggestion, only you know your personal pain tolerance and psychological breaking point. Try and think deeply about yourself and what your mental state will be based on various scenarios. How will that mental state impact your decision making, how will it impact your family life, then try and navigate your marketing to avoid the mental meltdown. Currently looking for the market to remain mostly range-bound between \$3.80 and \$4.10 per bushel as the supply side bulls battle it out against the demand side bears.

Harvest Crop Revenue Insurance Guarantee \$3.91^{^2} - Remember this price will update daily during the month of October as the monthly price average is determined.

2019 - Spring price \$4.00; Harvest price ???
 2018 - Spring price \$3.96; Harvest price \$3.68
 2017 - Spring price \$3.97; Harvest price \$3.49
 2016 - Spring price \$3.86; Harvest price \$3.49
 2015 - Spring price \$4.15; Harvest price \$3.83
 2014 - Spring price \$4.62; Harvest price \$3.49
 2013 - Spring price \$5.65; Harvest price \$4.39
 2012 - Spring price \$5.68; Harvest price \$7.50
 2011 - Spring price \$6.01; Harvest price \$6.32
 2010 - Spring price \$3.99; Harvest price \$5.52
 2009 - Spring price \$4.04; Harvest price \$3.90

Corn Domestic Consumption

(in million metric tonnes)



Source: USDA, WASDE, October, 2019

Soybeans prices have rallied +80 cents from the early-September lows. Technically, we should start to run into much stiffer resistance on the charts up between \$9.40 and \$9.70 per bushel vs. the NOV19 contract. Keep in mind, we posted a high in the NOV19 contract back in mid-December of last year at \$9.71 per bushel. We then traded down to a low of around \$8.15 by mid-May. Then rallied back to a high of

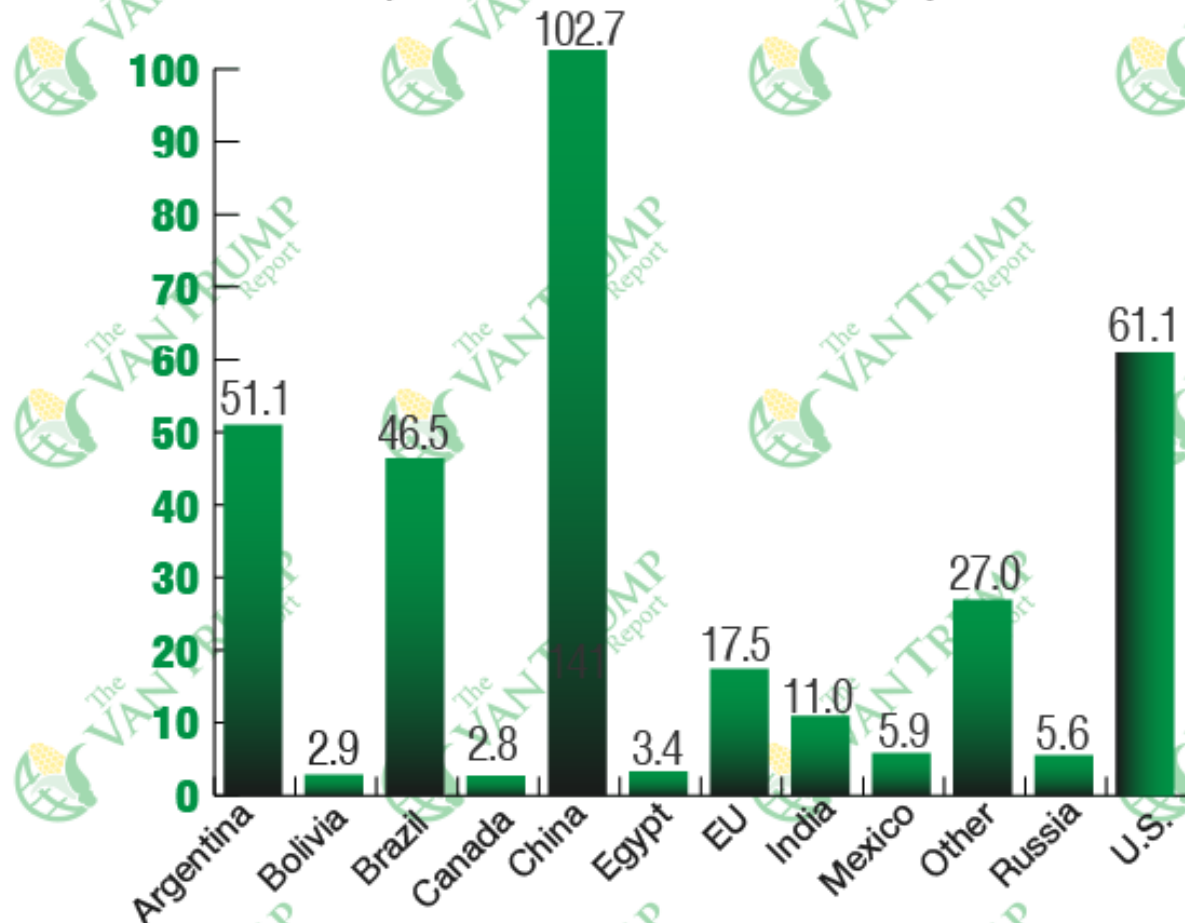
\$9.48 by mid-June. Unfortunately, the NOV19 contract has never traded back above that level since. From my perspective, it's going to be fairly tough climbing between here and \$9.80 per bushel, make certain you are paying extremely close attention. This "window-of-opportunity" where Brazil has limited supply, we have an improved trade relationship in the works with China, and weather uncertainty in play both here at home and in South America should help to keep the downside supported. I'm just not sure how long this window-of-opportunity stays open? That's why I'm saying as producers we really need to stay on top of this market and the associated headlines. I've personally purchased some puts on the board to help provide a bit of a safety-net. I suspect if we see the market post another leg higher, I will look to make some additional cash sales or perhaps sell some out-of-the-money call premium to finance the floor. Bears are pointing to ongoing uncertainties and no real specifics in regard to "Phase 1" of the Chinese trade agreement. Bulls are pointing to most U.S. harvest reports showing less than expected yield results, ongoing weather risk associated with beans remaining in the fields, a weaker U.S. dollar, and another week of strong export sales. As for South America, most inside the trade continue to keep a close eye on the weather forecast. Several parts of Argentina arguably still need more rain. Brazil seems to be enjoying better conditions than Argentina but could also use more soil moisture in several areas. Most sources with boots on the ground inside Brazil suggest the country has about 30% to 40% of its full-season soybeans planted. They seem to be about -10% to -15% behind their traditional planting pace in many locations. The bulls would like to see further delays in planting as that could ultimately equate to fewer double-crop acres. I should also note, the funds are now thought to have flipped from a net-short position to a net-long position. With the short-covering now behind us, bulls will need to find fresh bullish news to keep prices climbing higher. As a spec, I continue to hold my bullish positions but will be paying very close attention this week, perhaps electing to bank some profits.

Harvest Crop Revenue Insurance Guarantee \$9.25^0 - 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

Soybean Domestic Consumption

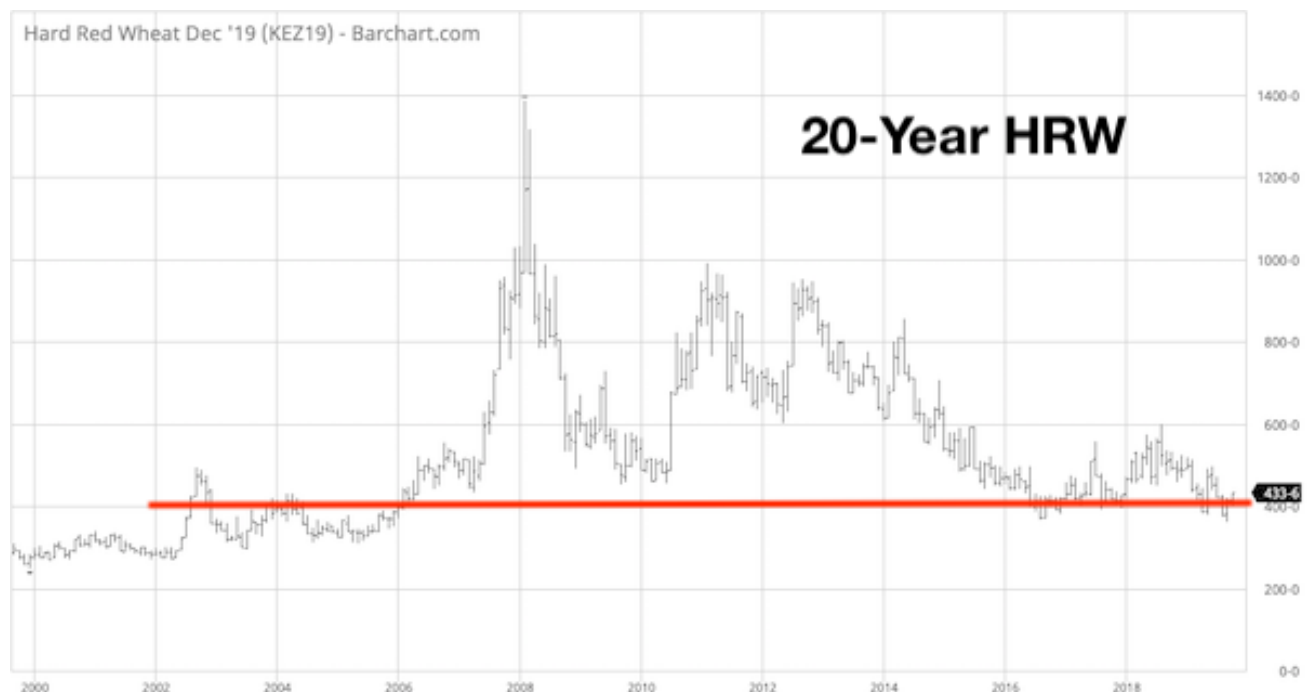
(in million metric tonnes)



Source: USDA, WASDE, October 2019

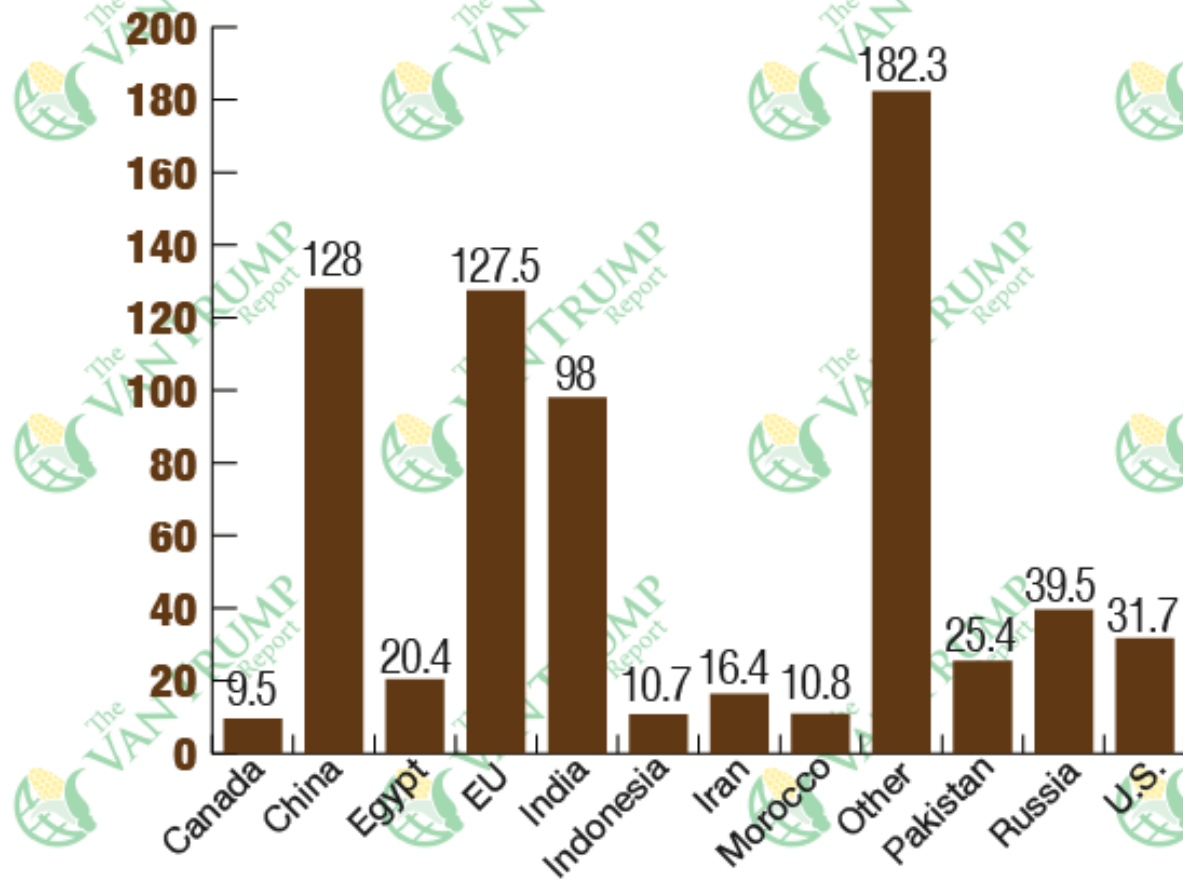
Wheat bulls are pointing to the recent weakness in the U.S. dollar, along with production uncertainties in Argentina, Australia, and now Ukraine, which has allowed the market to rally back to the mid-July highs. Bottom-line, a weaker U.S. dollar, a bit of optimism involving the global macro space, and shrinking world production has been enough to push a few of the bears to the sideline and spark a bit of longer-term bullish interest. However, similar to corn and soybeans, the short-covering rally has helped drive prices higher the past few weeks, but the question now is what will become the driving catalyst moving forward? How can we keep the bulls fed and attract new buying interest? From my perspective, we need a larger and more widespread weather worry in Russia, Europe, or here in North America. I'm concerned that as long as U.S. ending stocks stay above +1.0 billion bushels it will be tough to mount ongoing and sustained upside momentum unless we can do some bigger damage to the production side of the global balance sheet. Technically, the trade is looking at the \$5.50 level in DEC19 SRW wheat contract as a battleground area. If you recall, we

ran into some stiff headwinds last year in mid-October and the market stumbled hard into early-November. As a producer, we have to consider the fact we've added +80 cents in the SRW wheat since early-September and making a few cash sales might be a smart play, especially for those who believe they are undersold or needing to reduce longer-term risk. The HRW wheat contract has added +50 cents from the early-September lows but still remains cheap in comparison to what we've seen the past 10-years. I'm hesitant to make HRW cash sales at this moment. I'm also hesitant to make spring wheat sales at this time. As a spec, I am content sitting on the sideline until I can more clearly see the next major bullish catalyst. Keeping my eye on world cash prices, the longer-term term direction of the U.S. dollar, and macro fund money-flow.



Wheat Domestic Consumption

(in million metric tonnes)



Source: USDA, WASDE, October, 2019



> **20% of Vietnam's Hog Herd Dead from ASF:** *Reports are circulating that about -20% of Vietnam's hog herd has quickly been lost due to African Swine Fever. There's really no way to fully know if the outbreak has been contained so many suspect the numbers are going to get worse before they get better. Stay tuned...*

> **Next Round of Trade Aid Still to be Determined:** *Now that the U.S. and China have reached a partial trade deal including promises of massive Chinese ag purchases, USDA is deciding whether to go through with the next installment of trade relief payments to farmers for 2019 production. USDA Deputy Secretary Stephen Censky said last week that the department is aiming to make a final call "in the very near future." The department is divvying up the \$14.5 billion it allocated for direct payments in three installments: The first round became available over the summer, while the second and third tranches will be available in November and January, if warranted. China has already started buying greater quantities of U.S. soybeans, pork and other farm goods in recent weeks, and the Trump administration claims Beijing will soon ramp up its purchases to more than \$40 billion per year. That could make it harder for USDA to justify doling out the remainder of the \$14.5 billion allotted for this year's direct aid program. (Source: Politico)*

> **U.S. Organic Soybean Prices Trend Lower in August-September:** *Organic food-grade soybean prices averaged \$22.11 per bushel in the latest two-month period, down \$1.07 from June-July but up 55¢ from April-May. The August-*

September price was up 7¢ from \$22.04 per bushel in the same period a year ago. "Organic soybean prices were lower again over the August-September time period, pulling nearly even with last year's level," said Ryan Koory, director of economics at Mercaris, the organic and non-GMO trading platform and market information company. "The organic crop harvest is just beginning across much of the United States, and bouts of rain and colder weather at the start of October will likely slow its pace. With reduced acres, and expectations of lower yields, U.S. organic soybean production is set to decline." Koory says the reduced production outlook is not yet reflected in prices, with purchasers indicating they heavily pursued contracts for new crop delivery over the spring in an attempt to get ahead of harvest supply and price risks. "As crops are pulled in from fields, and supplies materialize, market activity is expected to pick up again adding bullish support to prices," says Koory. Last month Mercaris forecast 2019 U.S. harvested organic soybean acres will decline -8% year over year, despite a +7% increase in overall organic field crop harvested area at 3.1 million acres. Trading volumes were too low to generate price quotes for organic food-grade corn and wheat, Mercaris said. (Source: World Grain)

> USDA Pork Sales Data May Included Old Deals: U.S. Department of Agriculture pork export sales data issued on Friday for Oct. 4-10 included "a significant quantity" that might have been sold in previous weeks, the agency said, after traders and analysts questioned the accuracy of the weekly report. Traders have been paying close attention to U.S. sales amid the devastating ASF outbreak in China that has tightened global meat supplies. The report showed U.S. sales of 292,161 tonnes for 2019, a high for the year, including record-large weekly sales to China and Mexico. Sales to Mexico, the largest export market for U.S. pork, surged to 132,381 tonnes from 2,692 tonnes a week earlier, prompting skepticism among traders. The USDA did not provide details about the size of sales from previous weeks that were included in the latest report. It also did not reveal which countries bought the previously unreported pork. Underreporting pork exports could help keep U.S. hog futures prices lower than they otherwise would be. An official from Foreign Agricultural Service in Washington told Reuters on Tuesday that the agency had identified shippers who were not reporting pork sales, though he did not say why. Read more from [Reuters](#).

> Electric Vehicle Prices Finally in Reach of Millennial, Gen Z Car Buyers: Members of the millennial and Gen Z generations care more than past generations about climate change, but younger Americans have been slow to show that belief in one important way: electric car buying. Only 10% of electric vehicle buyers are between the ages of 25 and 34, according to Cox Automotive. A big reason: price. Younger generations of Americans are struggling with student debt and wage stagnation at a time when more than 70% of electric car customers' incomes are at least \$100,000. But with global auto manufacturers including GM, Volkswagen, Nissan and Kia coming to market with more electric car offerings, the situation is changing. The cost gap between electric models and gas models is beginning to shrink, according to Rachelle Petusky, the manager of research and market intelligence for

Cox Automotive Mobility. And that shift is going to accelerate. Other concerns are still holding them back, according to Petusky. Their biggest concern is not price, but range anxiety — the fear that the car will run out of power before the battery can be recharged. Read more from [CNBC](#).

> Credit Suisse to Start Charging Wealthy Clients for Cash Deposits: *Credit Suisse will start charging wealthy clients with large cash deposits in Swiss francs, the latest Swiss bank to pass on negative interest rates to customers. Individual and business customers will be charged a rate of -0.75% on cash balances above 2 million Swiss francs (\$2.02 million), Switzerland's second biggest lender said. Balances of less than 2 million francs will be unaffected. A rate of -0.85% will be imposed on business customers with balances above 10 million francs. Several banks in Switzerland and the eurozone also pass on the cost of negative official rates to corporate depositors, though most large players have refrained from doing so with individual clients. The Swiss National Bank (SNB) has charged a negative rate of -0.75% since January 2015 on deposits parked with the central bank by commercial banks overnight, one of the tools the SNB uses to deter investor appetite for the Swiss franc. Many economists expect the SNB to take the interest rate lower next year to prevent further strengthening of the safe-haven currency, which could damage Switzerland's export-reliant economy. (Source: Business Insider)*

> Top 10 Brands in the World in 2019: *Brand image can be a huge factor for companies and their success, often influencing consumer decisions with it. Interbrand, a brand consultancy firm, has ranked the world's brand to see which were the most important in 2019. They did this by looking at three main factors - brand strength currently - in other words, how positive is the perception of the brand across the world; what value does the brand itself add to the company; and, what plans does the brand have for the future. The firm then calculated "overall financial return to an organization's investors, or its economic profit," as well as "the ability of the brand to create loyalty and, therefore, sustainable demand and profit into the future." Brands in tech stood out, such as Apple, Google and Amazon, while Spotify and Harley Davidson and were courting less favor with consumers. Facebook fell out of the top 10 to 14th place and sportswear giant Nike came in at 16th place. Check out the full top 10 list over at [Business Insider](#).*

> The Yankees' Decade of Almost: \$2 Billion Spent, Zero Titles Won: *In many respects, the New York Yankees just completed an extraordinary decade. Over the past 10 regular seasons, they won 921 games, more than any other team in baseball. They made the playoffs seven times—no other team played into October more often. The 2010s were a success by every measure—that is, except for the only one their fans actually care about: winning the World Series. New York's season-ending defeat to the Houston Astros in the American League Championship Series on Saturday means that for the first time since the 1910s, they have gone a full calendar decade without so much as appearing in the World Series. They spent more than \$2 billion on*

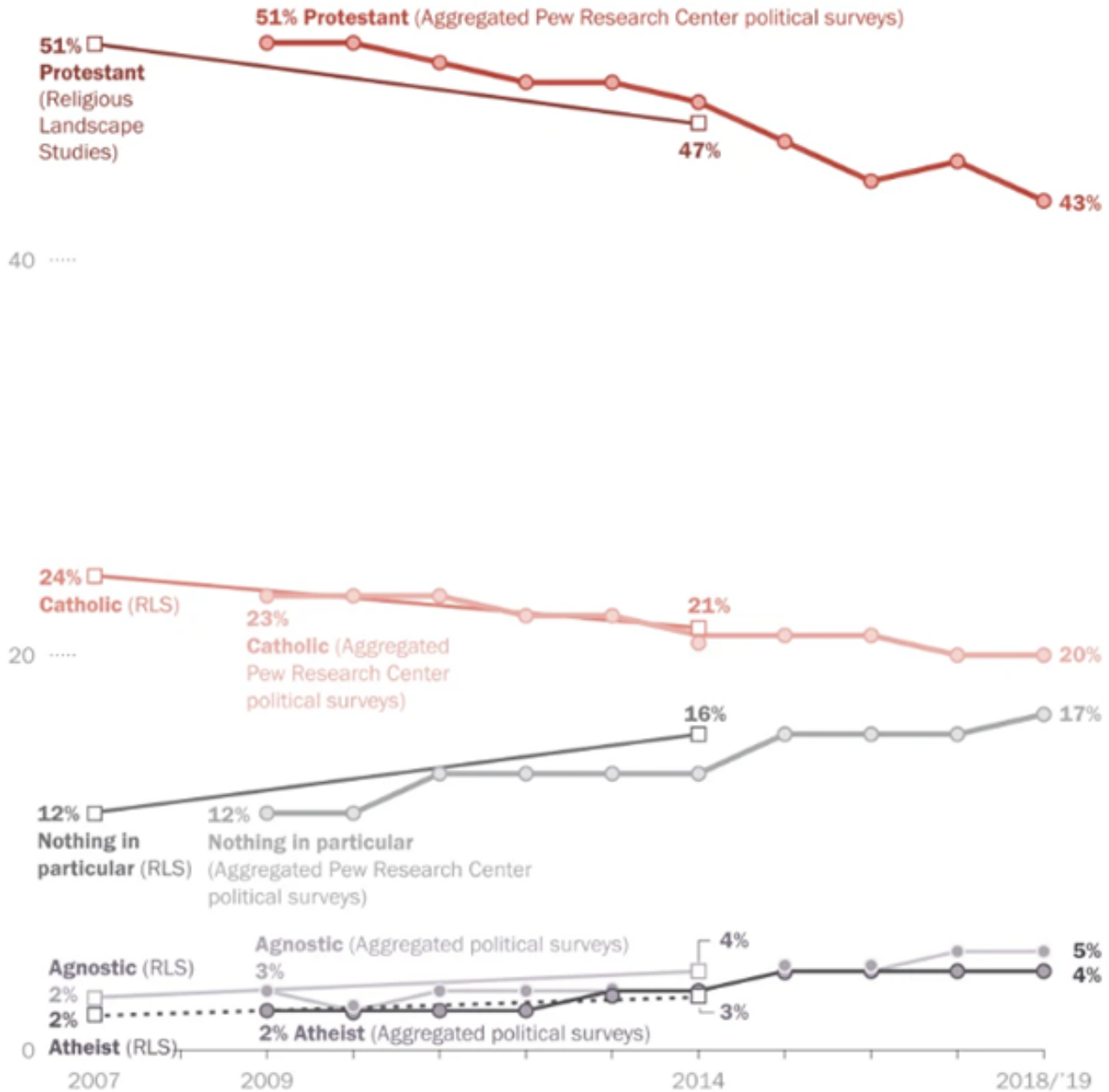
player salaries, more than any other team in the majors over that span. They employed at least eight current, likely or possible future Hall of Famers. And yet, along the way, the Yankees settled into a strange, new normal. They have become the sort of franchise their fans used to mock: great in every way but the one that counts. Read more from [The Wall Street Journal](#).

> Society's Tendency to Denigrate Kids These Days is a "Memory Tic": They're leaders in important social, environmental and political movements, finding ways to tackle the most pressing issues of our time, from climate change to gun violence. One even stood up to the Taliban at 15 years old and received the Nobel Peace Prize at 17. And yet, as their elders, we roll our eyes, brush aside their generation as a whole, or, perhaps worse, actively demean them because, well, they're kids. As it turns out, grumbling about the younger generation is an age-old practice. It's what UC Santa Barbara psychological scientist John Protzko terms the "kids these days effect." "Humanity has been lodging the same complaints against 'kids these days' for at least 2,600 years," said Protzko, who capped his estimate at 2.6 millennia only because some of the older statements couldn't be verified. "It's the exact same complaints time after time—they're disrespectful, they don't listen to their elders and they don't like to work," Protzko said, adding that these gripes cut across not only generations, but also cultures. It's not as though society has been in objective decline since 340 BCE, Protzko said. Rather, he continued, the older generation's tendency to bash its youths is a result of our faulty memories. Read more [HERE](#).

> In U.S., Decline of Christianity Continues at Rapid Pace: The religious landscape of the United States continues to change at a rapid clip. In Pew Research Center telephone surveys conducted in 2018 and 2019, 65% of American adults describe themselves as Christians when asked about their religion, down 12 percentage points over the past decade. Meanwhile, the religiously unaffiliated share of the population, consisting of people who describe their religious identity as atheist, agnostic or "nothing in particular," now stands at 26%, up from 17% in 2009. Both Protestantism and Catholicism are experiencing losses of population share. Currently, 43% of U.S. adults identify with Protestantism, down from 51% in 2009. And one-in-five adults (20%) are Catholic, down from 23% in 2009. Meanwhile, all subsets of the religiously unaffiliated population – a group also known as religious "nones" – have seen their numbers swell. Self-described atheists now account for 4% of U.S. adults, up modestly but significantly from 2% in 2009; agnostics make up 5% of U.S. adults, up from 3% a decade ago; and 17% of Americans now describe their religion as "nothing in particular," up from 12% in 2009. Members of non-Christian religions also have grown modestly as a share of the adult population. You can find the full survey results [HERE](#).

Protestants and Catholics shrinking as share of U.S. population; all subsets of 'nones' are growing

% of U.S. adults who identify as ...



Source: Pew Research Center Religious Landscape Studies (2007 and 2014). Aggregated Pew Research Center political surveys conducted 2009-July 2019 on the telephone.

"In U.S., Decline of Christianity Continues at Rapid Pace"

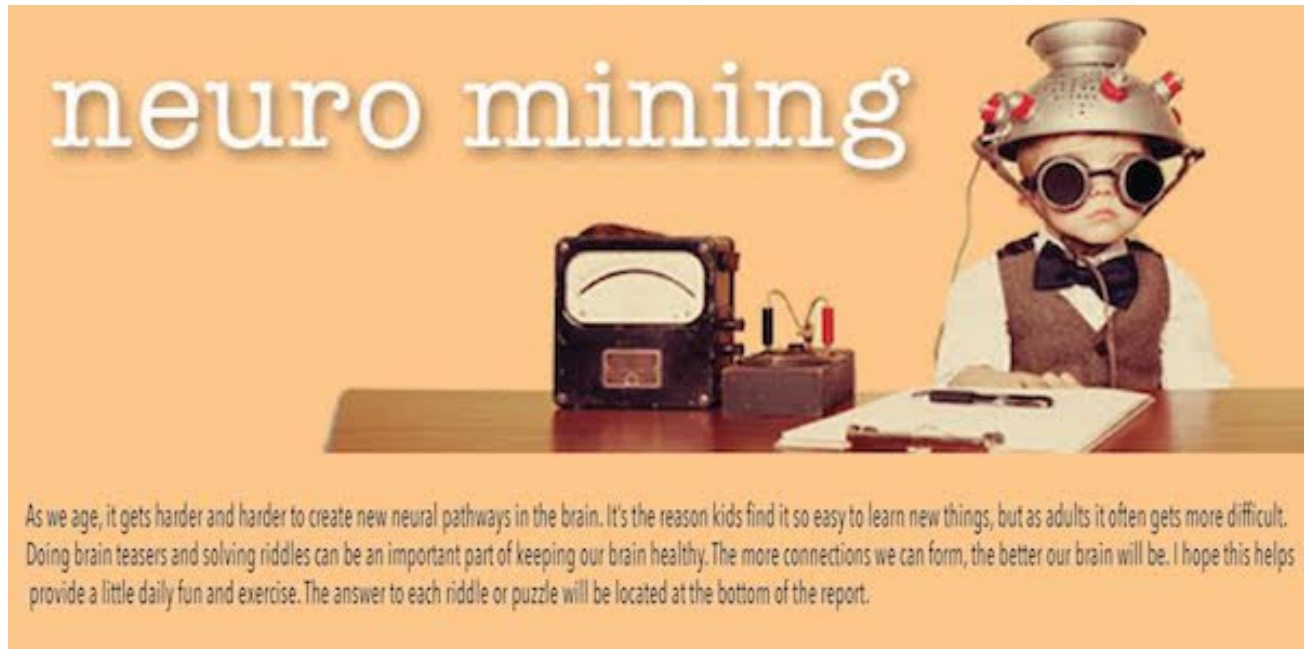
PEW RESEARCH CENTER



Northeast Pennsylvania - *The corn is coming out of the field at 15-17% moisture and yielding better than expected. I've never had corn this dry this early. It was 100-day corn planted 4/24. We had a real dry spell in late July and early August so I thought the gravel ground wouldn't yield out but it has. Nice getting in the mill a few weeks before the rush. We have no storage/dryer so harvest is a long process for us. 100 mile round trip to the mill that only takes corn from 7-3 so 2 loads a day and none on Saturday. That drives my operator/wife and me nuts that we sit on a nice day like today. I'd love to find about 5 trucks and slam them in there Monday morning. I envy all of you who have the bins and a dryer. Words of advice from an old-timer: If you're starting out in this crazy corn and bean farming, put those bins up before you even buy a combine. Good luck to all and have a fun and safe harvest.*

Northern Minnesota - *Thank goodness for tracks or we would be unloading on the roads straight into the trucks, which would stretch harvest out even longer. We are cutting decent ruts with our quad but nothing too major at this point. We have to keep loads in the cart no heavier than 3/4 full or you greatly increase the odds of sinking. Harvest is just getting started and already feels like it is old.*

Central Missouri - *This is the same story as last year. Great corn but a pain in the butt to get the crop out. We are equal or better in yield to last year but the rain keeps pushing us to the sidelines. It's a mix of big heavy rains or just 1/4th of an inch here and there. It's getting hard on the spirit to stand on the side and do nothing. I am hoping we catch a hard freeze and are just able to run that way otherwise it's going to be a muddy, hard on equipment process.*



TODAY'S RIDDLE: What demands an answer, but asks no question?



Are Giant Pigs the Answer to China's Pork Shortage?

Mainstream media has picked up on a story about hog farmers in China who are turning to massive pigs in an effort to not only help make up for a pork shortage but to also reap the economic benefits. Bloomberg recently profiled a farmer in Nanning that is breeding a herd of enormous hogs, some of which have grown to over 1,100 pounds. A pig of that size at slaughter can sell for more than \$1,400, which is over three times the average monthly disposable income in Nanning, according to Bloomberg.

The idea to maximize the weights of animals that haven't been impacted by the devastating African swine flu is spreading across China, though the weights aren't quite as extreme as the Nanning example. Large producers are focusing on boosting weights by around 14%, according to Lin Guofa, a senior analyst with consulting firm Bric Agriculture Group. Average slaughter weights across the industry have climbed

from 240 pounds to about 310 pounds. This is similar to what the American beef industry experienced after severe drought decimated the U.S. cattle herd during 2010-12. Producers were encouraged to grow feeder cattle for longer once feed costs started falling in 2013 which led to a succession of record dressed weights, even though total production didn't recover for years.

Chinese officials estimate the country faces a pork shortage of 10 million metric tons this year. Even if they wanted to, the country can't make that up through increased imports as the global trade availability is only around 8 million metric tons. China has lost around half its pig population, according to government estimates, though some experts say the number is likely much higher. The government has released supplies from emergency reserves but prices for pork have still skyrocketed by as much as 50%. The government is urging hog producers to increase production but some producers are nervous over increasing their herd size, fearing an AFS outbreak could strike and wipe out their investment.

Farmers that have been forced to cull their herds are not compensated by the government or insurance company because AFS is considered a "force majeure" event, meaning caused by a natural or unavoidable catastrophe that could not be anticipated. South China Morning Post spoke to a farmer in Jian who said he suffered around \$700,000 in losses after his herd of 10,000 pigs contracted AFS. He says he will try to rebuild with 20 or 30 sows later this year but can't afford to restart at the same size as his previous operation, which had an annual output of around 25,000. He'll also be using the same farmland where the original herd became infected with AFS because he can't afford to buy new land. If the virus is still present, the new sows are likely to become infected as well. But he says if they survive, "I will try my luck to expand to a few hundred early next year."

The government has promised subsidies to help producers boost output but it's not clear that those subsidies would flow to smaller operations. And small pig farmers are leery of government promises in general as they have faced discriminatory government policies for decades. With the AFS outbreak, pig farmers in affected provinces have been banned from transporting pigs, which has crippled trade and financially devastated operations that didn't even have an outbreak. Large industrial operations, however, are not subject to the same transportation bans. Tens of thousands of small farms are expected to abandon pig farming, which alone is estimated to reduce production in the country by 20% this year.

Chinese agriculture experts say that government policies are designed so as not to encourage small farmers to raise pigs. Beijing has been very open about its desire for the scaling up and industrialization of farming to raise efficiency and quality. Still, about half of Chinese pig farms are small and medium-sized enterprises (SMEs). At the same time, most pig farms infected with ASF are SMEs.

As for a new wave of gargantuan "polar bear sized" pigs, it's unlikely to become a widespread practice. Massive hogs generally have lower-quality meat and tend to have a lot of health problems. Such massive animals present other challenges, too, such as needing barns, trailers, and processing facilities designed to handle them. While a small farmer might be able to customize some of these things to accommodate 1,000-pound pigs, it makes more sense for industrial operations to capitalize on higher prices with only moderately heavier weights that don't require them to overhaul their entire operations. (Sources: South China Morning Post, Bloomberg, Pork Business)



African swine fever hits China's pig farms

Year-on-year change in hog inventories (%)

— Live pigs — Breeding sows



Source: Ministry of Agriculture, via Wind

FINANCIAL TIMES

UPDATE: 2020 Presidential Election

There has been more talk that Michael Bloomberg, the billionaire former mayor of New York, and former Democrat, former Republican and independent, might enter the 2020 Presidential election, as former Democratic Vice President Joe Biden struggles against Democratic Senator Elizabeth Warren. From the reports I'm hearing, it sounds like Bloomberg is only in the race if Biden drops out before or during the early stages of the primary.

With the election less than 13-months away Wall Street investors are starting to pay much more attention. Keep in mind, there are still a ton of moving parts on the

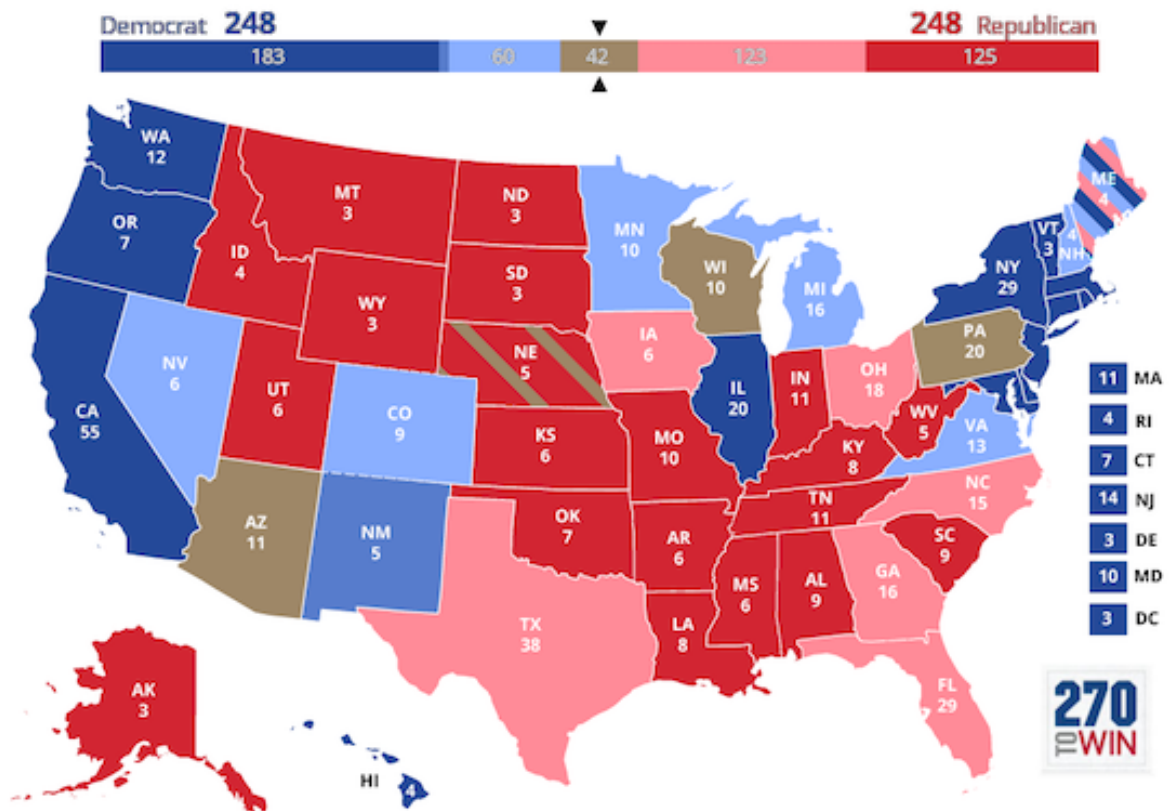
Democratic side of the equation.

PredictIt.org, a site where users place wagers on political outcomes, has Elizabeth Warren's favored to win the Democratic nomination odds stand at 45%, which seems to be down slightly from early-October when they peaked at 52%. Even though the former Vice President was considered the early favorite, Joe Biden's odds are posted at around 20% vs. his highest odds at 31% back in August. Bernie Sanders and Pete Buttigieg are next with odds of about 12%. Andrew Yang has odds of 10%. Interestingly, the former first lady and presidential candidate Hillary Clinton has odds of 6% even though she is not yet declared a candidate. Kamala Harris and Michael Bloomberg are given odds of 3%. Amy Klobuchar, Tulsi Gabbard, and Tom Steyer are given 2% odds.

I always like to use Google search to help give me a good read on the general public, it certainly helped give me better insight into the last U.S. presidential election when all the polls had it wrong. As of right now, Elizabeth Warren's search volumes are significantly higher than others in the race. Reports are circulating that during the past 90-days Warren's searches have been +115% higher than Biden and +65% higher than Bernie Sanders. Warren wins the Google search volume race in 47 of 50 states and is exceptionally strong in Michigan and Ohio. Sanders gets the most attention of the four front-runners in 2 states: Montana and South Carolina. Joe Biden has the top search interest only in his home state of Delaware. Also interesting is the fact, other candidates search volume peaks during and immediately after his debate appearances but then holds little significant weight as the debate fades from the media.

Bottom-line, Wall Street money is looking at data that shows Elizabeth Warren's search volume is holding steady and giving her a sizeable lead. Big money is deeply considering Warren's policy positions on regulating industries such as health care, banking, and energy. Nobody seems to be making many adjustments as of yet, but Wall Street seems to be keeping a very close eye and is extremely curious about how things are going to play out. I'm certainly not providing any political endorsement or trying to push anyone in any direction. I'm just telling readers what data big traders are starting to consider more heavily. All of this could easily change between now and February when the primaries are scheduled to begin. (Source: Wiki: DataTrek: Predict.org, Google)





The Blind Girl...

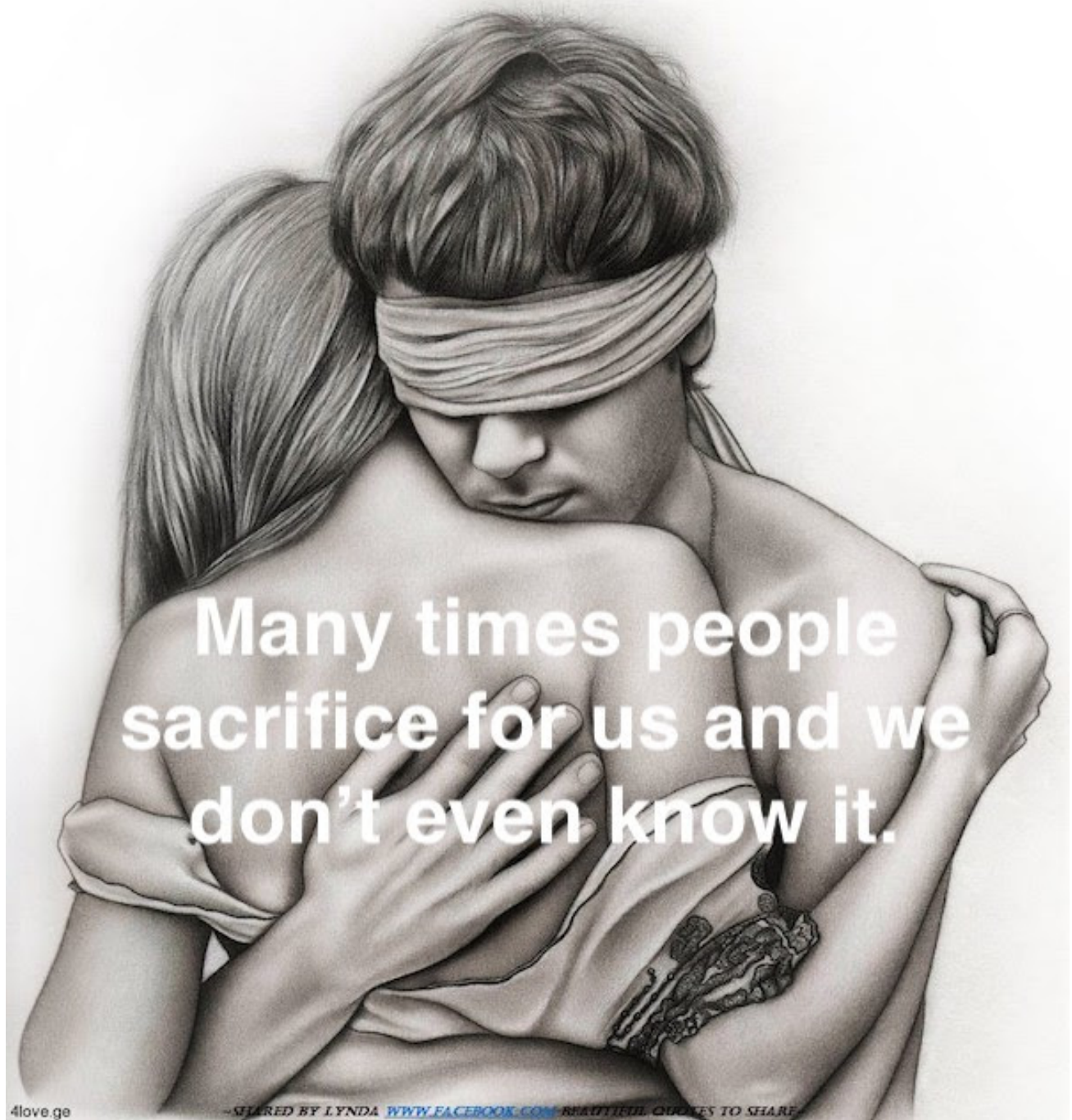
There was a blind girl who hated herself purely for the fact she was blind. The only person she didn't hate was her loving boyfriend, as he was always there for her. She said that if she could only see the world, she would marry him.

One day, someone donated a pair of eyes to her - now she could see everything, including her boyfriend. Her boyfriend asked her, "Now that you can see the world, will you marry me?"

The girl was shocked when she saw that her boyfriend was blind too, and refused to marry him. Her boyfriend walked away in tears, and later wrote a letter to her saying: "Just take care of my eyes, dear."

Moral of the story, it's sad to believe but oftentimes, when our circumstances change so does our mind and perspective.

~ THE STORY OF A BLIND GIRL ~



ANSWER to riddle: A telephone.



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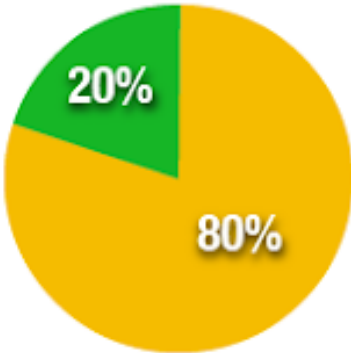
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Corn 2018 Crop

Soybean 2018 Crop

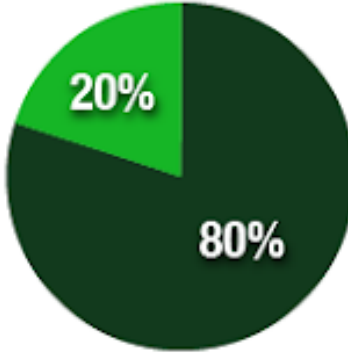
Wheat 2018 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



Corn 2019 Crop

80% SOLD
20% HEDGED
0% UNPROTECTED



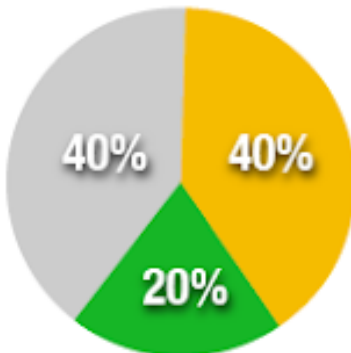
Soybean 2019 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED



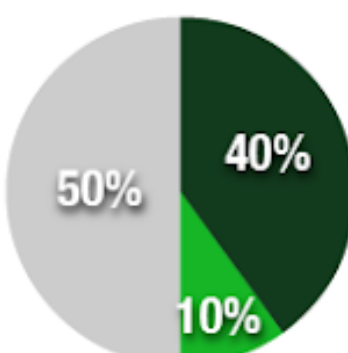
Wheat 2019 Crop

40% SOLD
20% HEDGED
40% UNPROTECTED



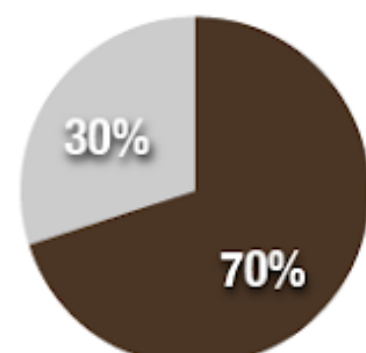
Corn 2020 Crop

40% SOLD
10% HEDGED
50% UNPROTECTED



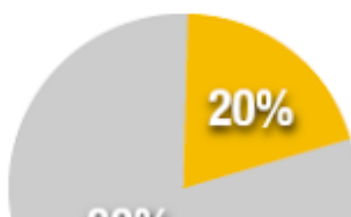
Soybean 2020 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED

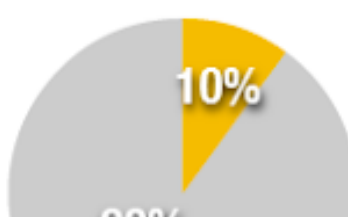


Wheat 2020 Crop

20% SOLD
0% HEDGED
80% UNPROTECTED

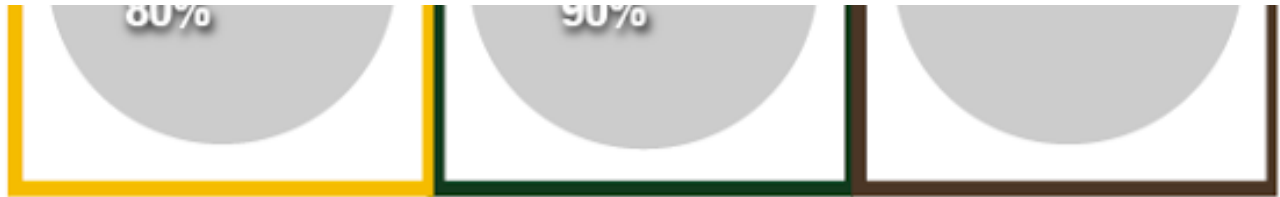


10% SOLD
0% HEDGED
90% UNPROTECTED



0% SOLD
0% HEDGED
100% UNPROTECTED





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