



Josh Knight <josh@farmdirection.com>

GOOD MORNING: The Van Trump Report 11-5-19

1 message

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

Tue, Nov 5, 2019 at 5:30 AM

Reply-To: Jordan <reply-feb817797c650c74-1142_HTML-68584704-100003450-8@vantrumpreport-email.com>

To: josh@farmdirection.com

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

"If Columbus had an advisory committee he would probably still be at the dock." -
Justice Arthur Goldberg

Tuesday, November 5, 2019[Printable Copy](#) or [Audio Version](#)

Morning Summary: Professional investors continue to debate if the stock market is "fully valued" or on the verge of a major breakout to the upside? The S&P 500, Nasdaq and Dow have all recently set new highs. It's somewhat scary right here because the computer trading models tend to always overdo it, buying aggressively into strength, pushing the upside too far, and selling aggressively into weakness, pushing the downside too far. I actually thought the stock market might break in late-September or early-October and provide us a chance to add some additional length into yearend. That break never occurred, so I wasn't able to get back to the 80% I wanted to have working in the market into early0-2020. The question now is do I chase the market higher hoping the computer models push to further extremes or bank some profits and wait for better valuations? I'm getting old and much more reserved so I'm choosing the latter, i.e. taking off some risk off

the table and banking some profits. I personally think we might be a bit overvalued, but I also believe many other large money managers might have been thinking the same thing I was, and are now caught trailing the indexes and will be chasing higher returns into yearend. Remember, large fund managers need to beat the indexes and their peers or they could see serious redemptions and or money leave their fund the following year. With the indexes up +20% this year and some huge moves higher by a few of the big-name stocks, money managers may have no choice but to chase. There's not much new to report on the U.S.-China trade front aside from officials on both fronts saying things are moving along and they are optimistic a "Phase 1" deal will soon be signed. Overall, the relationship between the U.S. and China seems like it's in a much better place than it was just a few months ago when the tariff spat was generating almost daily headlines. Reports started rolling in late yesterday that President Trump is considering removing some existing tariffs on Chinese goods as a concession toward sealing the partial deal. According to the Financial Times, five people briefed on the discussions say the White House is considering rolling back 15% tariffs on \$112 billion worth of Chinese imports — including clothing, appliances, and flatscreen monitors — that were implemented on September 1. Washington already suspended a planned increase in tariffs on \$250 billion worth of goods from 25% to 30% that was due to take effect on October 15. If the two can get the first part of this deal completed, analysts believe the U.S. tariffs planned to hit on December 15 will likely be suspended as well. Today will bring fresh economic data that investors are anxious to see, namely International Trade which will provide some insight into whether the tariffs that have gone into effect are denting consumer spending on imported goods. Other data set for release includes the ISM Non-Manufacturing Index and the Labor Department's JOLTS report. It's also another busy day for earnings with results scheduled from big names like Caesars Entertainment, Chesapeake Energy, Choice Hotels, Cinemark, Diamondback Energy, Fidelity, Match Group, Omega Healthcare, Peloton, Regeneron, Toyota, and U.S. Foods. It's also worth mentioning some key elections are happening today which some analysts will be watching in an effort to gauge how things might play out in next year's Presidential election. Mississippi and Kentucky have important gubernatorial contests and political analysts say it's possible both states could flip to the Democrats. In Virginia, voters will be choosing state legislature members. The last time Democrats won control of the state Senate in Virginia was in 2007.

The Workforce: *It is estimated that about 42% of the current U.S. workforce has a 4-year college degree, whereas 25% completed high school but did not attend a 2- or 4-year college. Friday's October jobs report showed African American unemployment at 5.4%, the lowest reading back to 1972 when data for this demographic group first started being collected. The job market for young college graduates, those aged 22 to 27, is starting to become more difficult and their unemployment rate is ticking higher.*

Roger Penske Buys Indy Motor Speedway: *The board of directors of Hulman & Co., owner of the Indianapolis Motor Speedway, says it is selling the speedway and the NTT IndyCar Series to Penske. The Hulman family owned the speedway for 74 years. Tony Hulman bought the run-down speedway in 1945, and following a four-year hiatus after World War II returned racing to 16th Street and Georgetown in Indianapolis. Penske's history with Indianapolis Motor Speedway dates to 1951 when he attended the Indianapolis 500 with his father. Penske then went on to become the winningest team owner in Indianapolis 500 history with 18 victories, so I guess one can argue that it's going to a most worthy buyer.*





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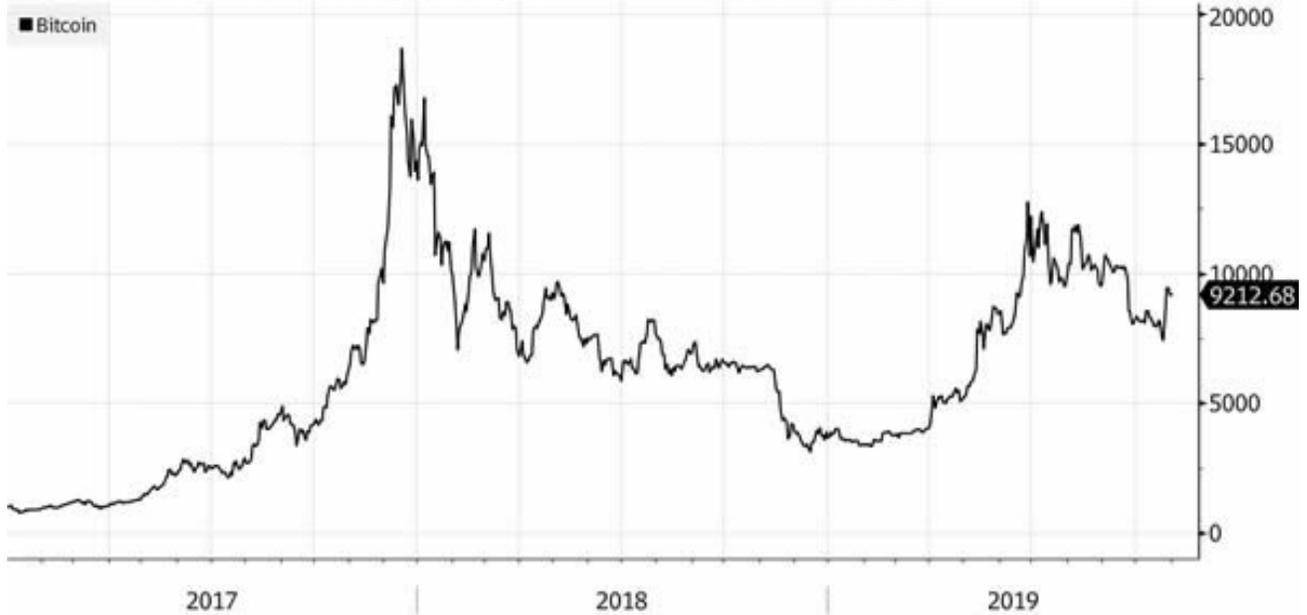
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Under Armor Stock Gets Hammered: *Under Armour Inc. stock plummeted 18% in Monday trading after the athletic gear company reported a third-quarter decline in North America sales and cut its outlook. It was also revealed that the company is under federal investigation for its accounting practices. Third-quarter net income totaled \$102.3 million, or 23 cents per share, up from \$75.3 million, or 17 cents per share, last year. The bad news was North American sales fell -3%, with the company also trimming its revenue outlook for the full year, citing "traffic challenges." It said its outlet stores and website in North America have proven to be weak spots. Under Armour said it now expects revenue to be up roughly 2% in fiscal 2019, compared with a prior range of up 3% to 4%. The bad news for Under Armour started on Sunday night, when the company confirmed it has been cooperating with the Securities and Exchange Commission and Justice Department into whether the company used bad accounting practices to make its finances look healthier. Under Armour says it has been responding to requests for documents related to its accounting practices since 2017, which is about when an incredible sales streak came to an end. Until the end of 2016, it had reported more than 20 consecutive quarters of sales growth topping 20%, making it one of the fastest growing retailers in the U.S. Read more [HERE](#).*

Blackstone Strategist: Mother of all Bubbles Could Burst: *Blackstone strategist Joseph Zidle warned in a recent investor note about the "mother of all bubbles" in the sovereign debt market. Zidle thinks it is the catalyst that will likely trigger the next recession and he expects it to happen between mid-2020 and the end of 2021. "At the end of any economic cycle, we often get warnings that appear to be unrelated," he wrote in a recent note. "It's in hindsight that we realize that they were not at all random." Investors saw this during the runup and aftermath of the housing bubble, he added, and we're seeing it now. Among the recent troubles he thinks are connected are repo market woes, negative-yielding debt, global trade conflicts and collapsing manufacturing. And every cycle ends with excess. Zidle says the corollary to this is when the global economy tries to solve for anemic growth it overdoes indulgences, like excess liquidity. And it does this because a lot of other things aren't working. "That subtle point hasn't mattered to investors this year, creating a path for equity and credit to massively outperform." He goes on to warn that "without fundamental improvements in the real economy, this bull market is at risk. The good times can continue even as a recession draws closer. But for markets to have meaningful upside from here, profits growth must improve." Read the full note [HERE](#).*

Was Bitcoin Manipulated? *A Texas academic created a stir last year by alleging that Bitcoin's astronomical surge in 2017 was probably triggered by manipulation. He's now doubling down with a striking new claim: a single market whale was likely behind the misconduct, seemingly with the power to move prices at will. One entity on the cryptocurrency exchange Bitfinex appears capable of sending the price of Bitcoin higher when it falls below certain thresholds, according to University of Texas Professor John Griffin and Ohio State University's Amin Shams. Griffin and Shams, who have updated a paper they first published in 2018, say the transactions rely on Tether, a widely used digital token that is meant to hold its value at \$1. Griffin and Shams's hypothesis that Bitcoin was manipulated is based partly on the theory that new Tethers are created without the dollars to back them and then used to buy Bitcoin, leading to rising prices. The authors examined Tether and Bitcoin transactions from March 1, 2017 to March 31, 2018, concluding that Bitcoin purchases on Bitfinex increased whenever Bitcoin's value fell by certain increments. Read more from [Bloomberg](#).*

Did Manipulation Fuel Bitcoin's 2017 Surge? Academics claim Tether used to prop up price following dips



Source: Data compiled by Bloomberg

Performance in 2017

	HIGH
Bitcoin	663%
Apple Stock	49
Nasdaq Composite	26
Dow Index	19
Gold	17
S&P	16
VIX	14
Brent Crude Oil	9
10-year Treasury Note	3
US Dollar Index	1

FARM TANK

Tweets of the Day

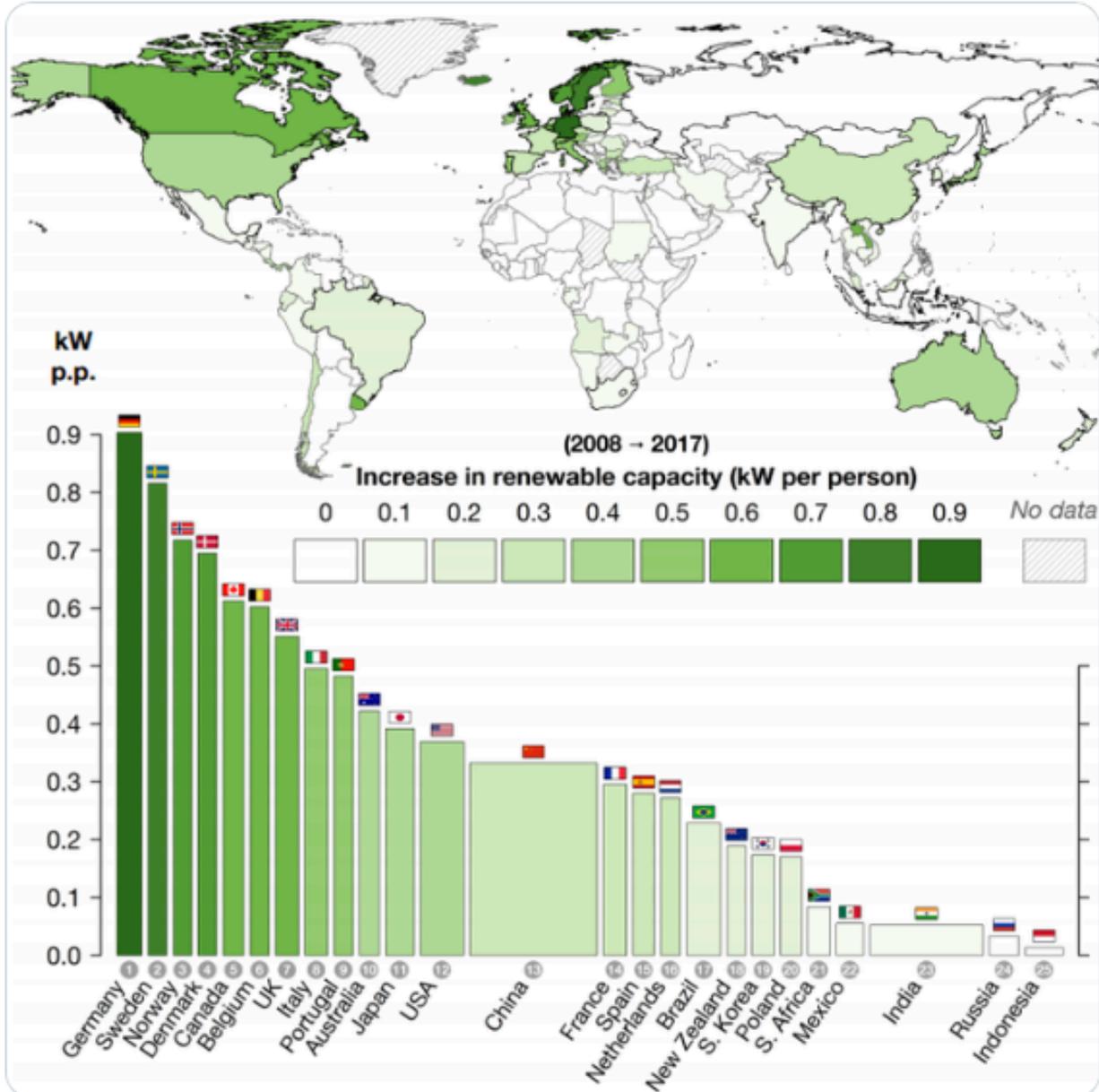




World Economic Forum
@wef



These countries are leading the charge to clean [#energy](#) [wef.ch/2RG5KxK](#) [#innovation](#)





SLE Farms 
@StaLuziaEsteio



Replying to @GrainStats and @edreynolds17

In the 1986/87 years **#Brazil**  was a corn importer from the United States. Nowadays Brazil is the 2nd largest corn exporter in the world.

#agro

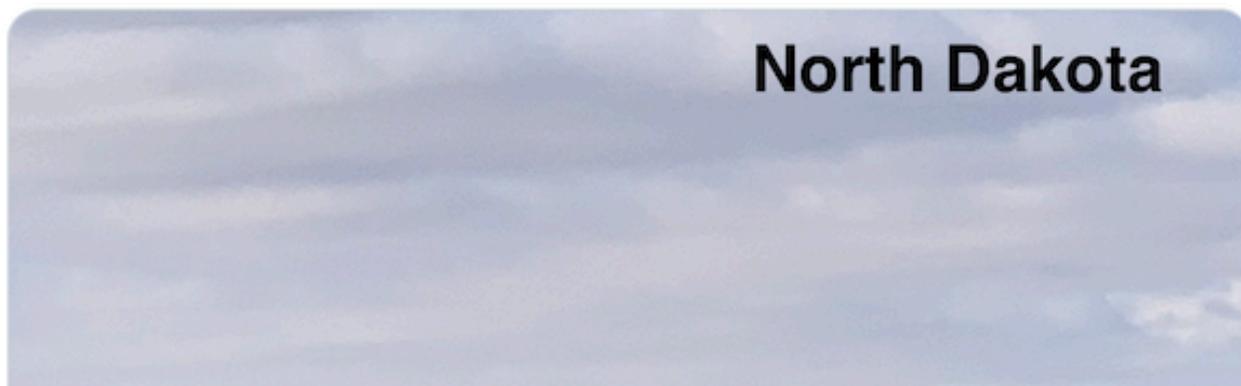


Chris Erlandson
@ndgrainfarm



BREAKING NEWS. Beans on a boat headed for China!

#harvest19







Susan David
@susan__david



@CGBGrain





Coach Lehman
@LeemsMcGeems



Gramps always said if you used the lights twice a day, you were doing it right #Harvest19





Super 70s Sports
@Super70sSports



I hope the parents of the kid on the end know a good back surgeon ...



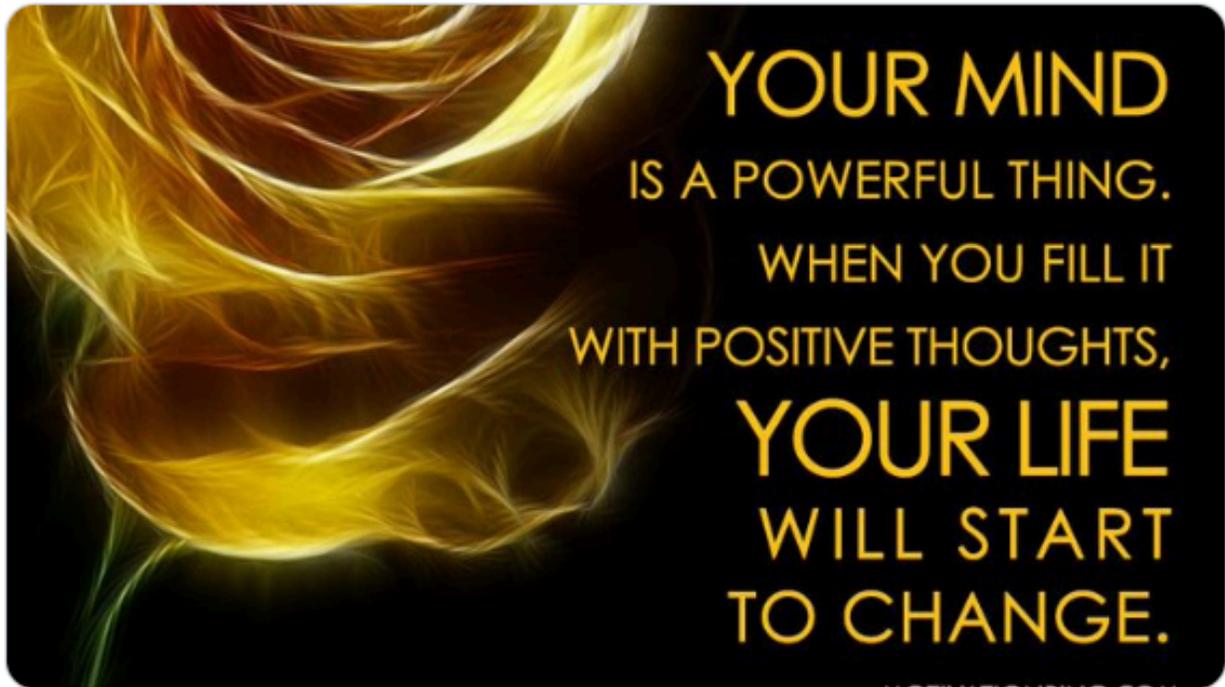


Journal
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"Your mind is a powerful thing. When you fill it with positive thoughts, your life will start to change."

#MotivationalQuotes





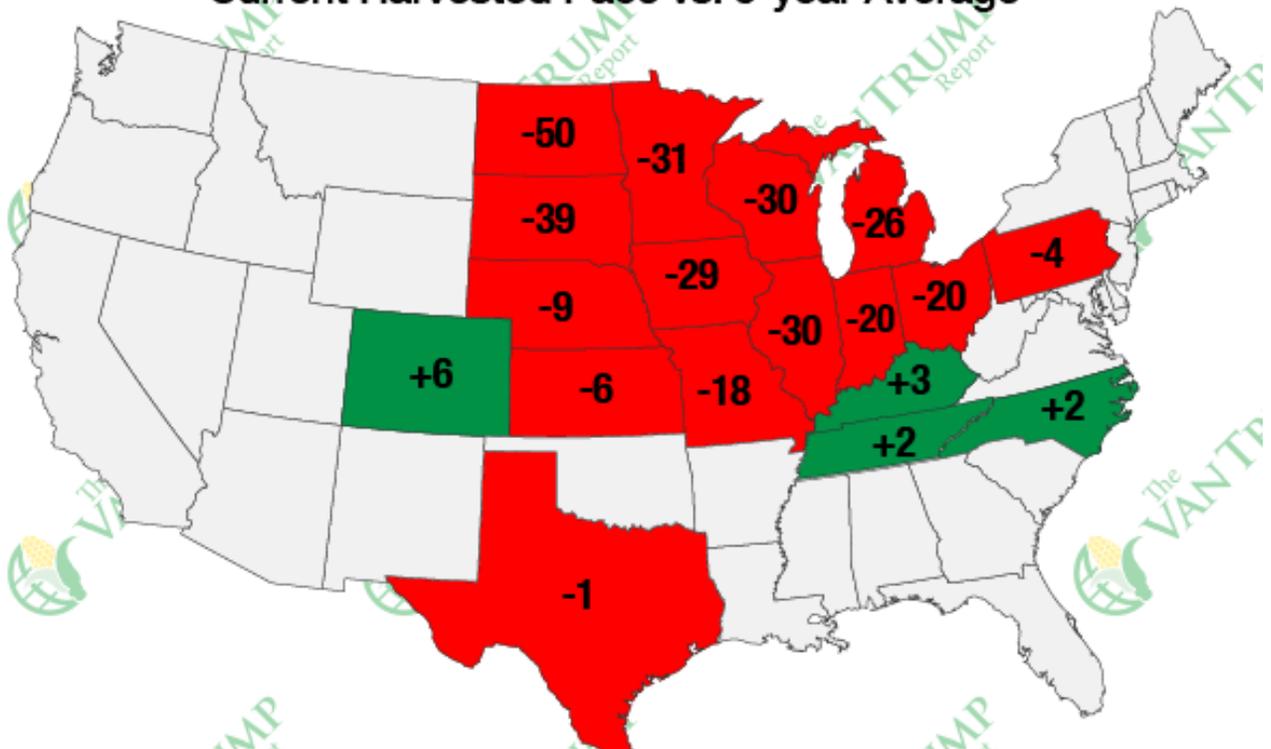
Corn bulls are pointing to the fact only 52% of the U.S. crop is harvested which is well behind the traditional pace. North Dakota is just 10% harvested vs. 60% historically; Wisconsin just 21% harvested vs. 51% historically; Michigan just 25% harvested vs. 51% historically; South Dakota just 27% harvested vs. 66% historically; Iowa 43% harvested vs. 72% historically; Minnesota 43% harvested vs. 72% historically; Ohio 49% harvested vs. 69% historically; Indiana 57% harvested vs. 77% historically; Illinois 58% harvested vs. 88% historically. As you can see, many of our largest production states are running well behind average at less than 60% harvested. The question now becomes will the USDA show the results as damaging to production or simply elect to readjust much further down the road when they have more data collected? Overall crop conditions were left "unchanged" at 58% of the crop rated "Good-to-Excellent". Technically, the market still feels mostly rangebound into Friday's USDA report. I suspect if the numbers once again disappoint prices will be pressured lower and breakout to the downside. Keep in mind, the funds are already thought to be short just under -100,000 corn contracts. Thoughts of demand shrinking more than production continues to make me nervous. I've been thinking U.S. production estimates were going to be trimmed the past several months, but that's never really come to fruition. In fact, the USDA did just the opposite last month and actually bumped yield a hair higher. It's hard for me to argue however when most producers I speak with continue to talk about better than expected yields coming out of the field. As a producer, I

continue to see the best-of-practice strategy as selling the cash bushels into a strong basis bid and reowning the board in some limited risk capacity. As a spec, I'm playing the extremely long-term game, and am trying to build a much larger bullish position on the breaks. I'm still not interested in buying strength in the corn market, at least not at this point. That might change moving forward and or once we move out of this oversupplied space.

U.S. Corn Harvested

November 3, 2019
[Week 44]

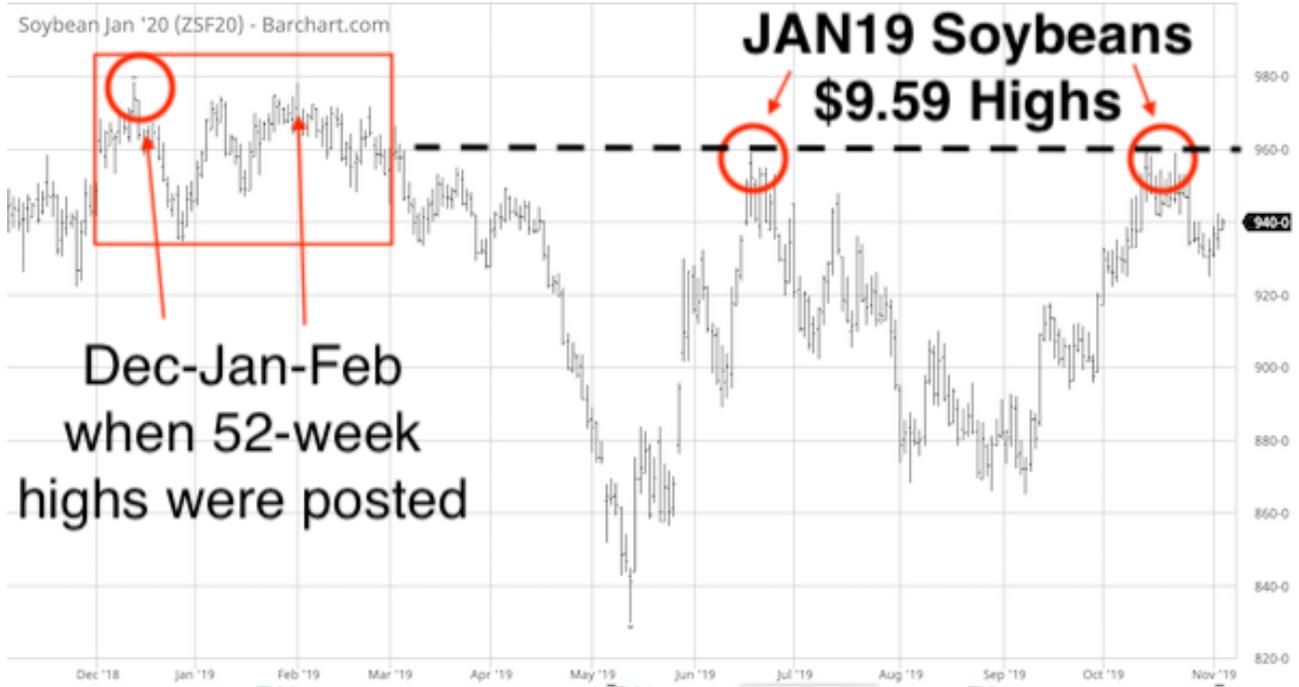
Current Harvested Pace vs. 5-year Average



State	2017	2018	5-yr avg	This Week	Change vs LW
Colorado	50	63	60	66	10
Illinois	83	92	88	58	4
Indiana	70	82	77	57	9
Iowa	67	69	72	43	17
Kansas	88	84	89	83	9
Kentucky	90	92	92	95	1
Michigan	57	55	51	25	4
Minnesota	60	75	75	44	22
Missouri	87	92	89	71	7
Nebraska	68	62	69	60	16
North Carolina	98	98	97	99	2

North Dakota	59	47	60	10	4
Ohio	60	69	69	49	12
Pennsylvania	58	59	62	58	5
South Dakota	61	56	66	27	13
Tennessee	98	96	97	99	1
Texas	92	89	89	88	3
Wisconsin	37	57	51	21	8
Total	70	74	75	52	11

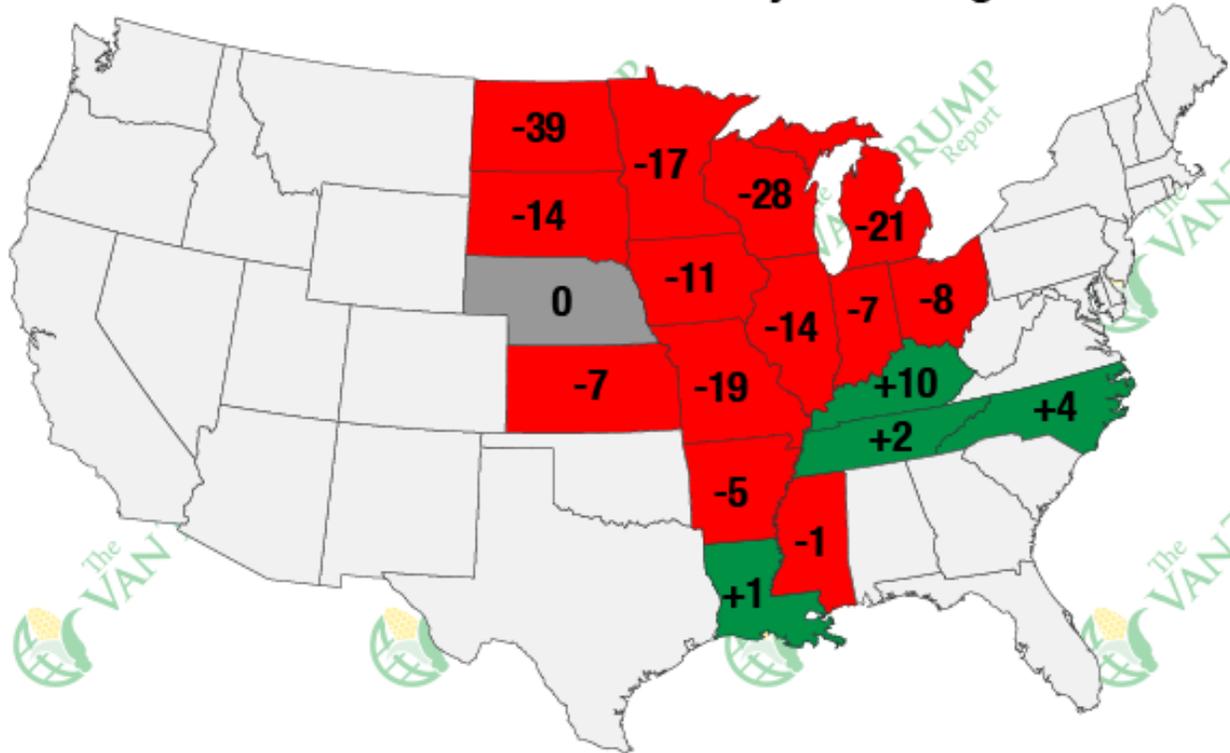
Soybean traders continue to debate U.S. and South American production, along with Chinese demand uncertainties. Here at home, the USDA reported 75% of the U.S. soybean crop is now considered "harvested". Bulls point to the fact there's still plenty of soybeans out in the field and battling the elements. Between Illinois, Iowa and Missouri there is thought to be about +300 million bushels still left to harvest. There's arguably close to the same amount left harvest in the northern states between the Dakota's, Michigan, Minnesota and Wisconsin. I've included more of the harvest specifics in the graphic down below. South American weather has become more cooperative. In fact, several sources inside Brazil are now thinking their planting pace has moved from well behind to slightly ahead of schedule. Technically, the JAN20 contract seems comfortable trading in this \$9.25 to \$9.59 range, the same range we have been in for the past 30-days. Just keep in mind, this contract has traded to the \$9.59 level on only three occasions since last March and has never able to push beyond \$9.60. You can see the resistance on the chart included below. Be paying very close attention we are only about 20 cents away from this important level. I should note, the NOV20 contract is actually trading at its highest levels since last March and starting to pressure the \$9.80 level. As a producer, this could be an important inflection point where you may need to make some tough decisions. Only you can answer if these numbers work or don't work and if what degree of "risk" you are comfortable moving forward with. As I was often reminded by some of the best traders in the business... "Indecision will eventually become a decision with time, you just might not like the outcome."



U.S. Soybeans Harvested

November 3, 2019
[Week 44]

Current Harvested Pace vs. 5-year Average



US Soybeans Harvested

State	2017	2018	5-yr avg	This Week	Change vs LW
Montana					
North Dakota					
South Dakota					
Nebraska					
Minnesota					
Wisconsin					
Illinois					
Indiana					
Michigan					
Ohio					
Missouri					
Arkansas					
Alabama					
Georgia					
Florida					
Louisiana					
Mississippi					
Texas					

Arkansas	94	71	87	82	5
Illinois	92	91	91	77	8
Indiana	85	86	86	79	8
Iowa	92	86	91	80	14
Kansas	85	60	77	70	14
Kentucky	63	63	67	77	8
Louisiana	100	95	98	99	1
Michigan	84	73	78	57	6
Minnesota	99	93	97	80	18
Mississippi	95	91	94	93	3
Missouri	77	62	73	54	11
Nebraska	95	88	94	94	9
North Carolina	50	43	41	45	6
North Dakota	98	85	95	56	27
Ohio	90	81	86	78	8
South Dakota	99	90	96	82	24
Tennessee	68	67	73	75	3
Wisconsin	86	76	85	62	16
Total	90	81	87	75	13

Wheat prices continue to chop around in search of longer-term direction. Eventually, the trade will task and challenge this market to stand on its own two feet. Bears say as long as we are sitting on record global surplus and burdensome supply levels here in the U.S. there will be no major panic or reason to add much risk-premium to price. Bulls are saying just a little uptick in demand and a wide-spread weather story brewing in Russia, Europe, or the U.S. would be enough to push the market towards fresh new nearby highs. The USDA shows winter wheat planting and emergence running mostly on schedule. The USDA estimates that 89% of the winter wheat crop has now been planted, with most guessing that planting will be wrapped up in the next couple of weeks depending on the weather. As of Sunday, 71% of the winter wheat crop was considered "emerged". The USDA also bumped their weekly crop condition estimate a hair higher from 56% last week to 57% rated "Good-to-Excellent" this week. Keep in mind, this is about +7% better than crop condition ratings last year at this time. Bears also continue to question total demand? There's some fear that overall U.S. wheat exports could again be pressured lower. It would be nice to hear that China was going to buy some U.S. bushels or that we could eventually supply Egypt with some U.S. wheat. There's just nothing real exciting to report and nobody's really looking for much change from the USDA on Friday. I hate to say it, but it seems like wheat is going

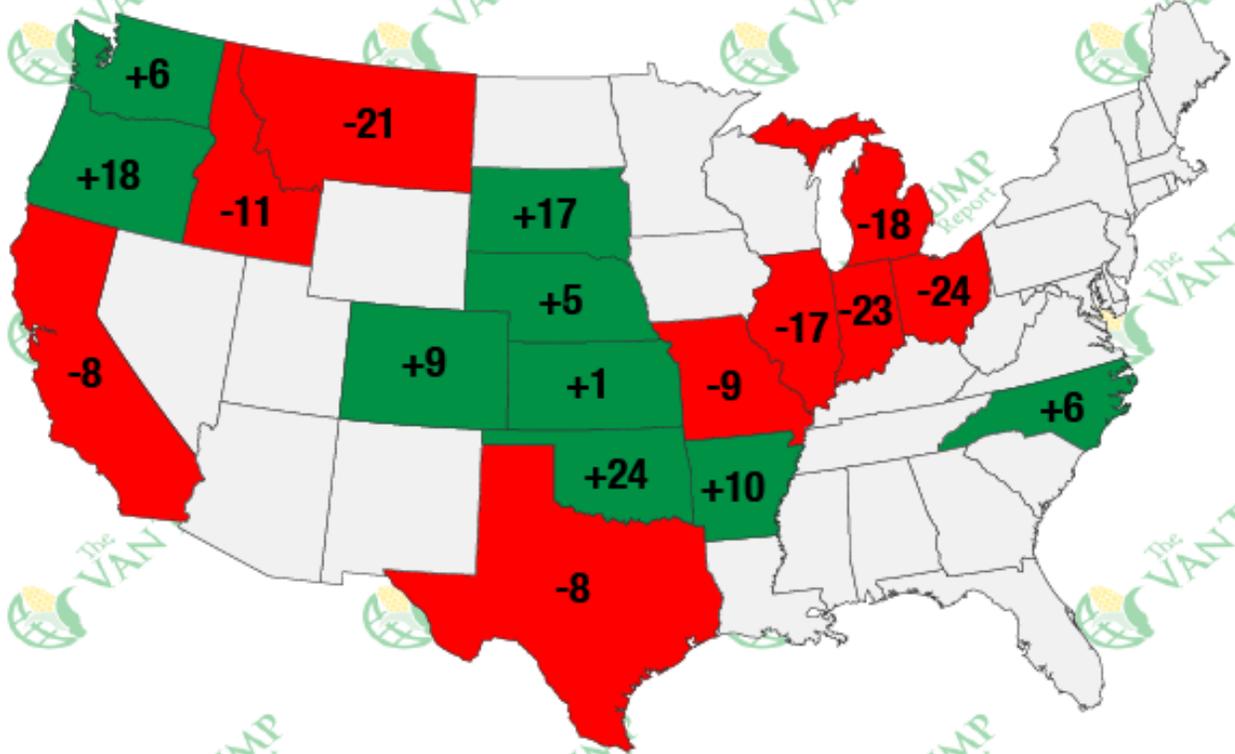
to remain a follower.

U.S. Winter Wheat Good-to-Excellent

November 3, 2019

[Week 44]

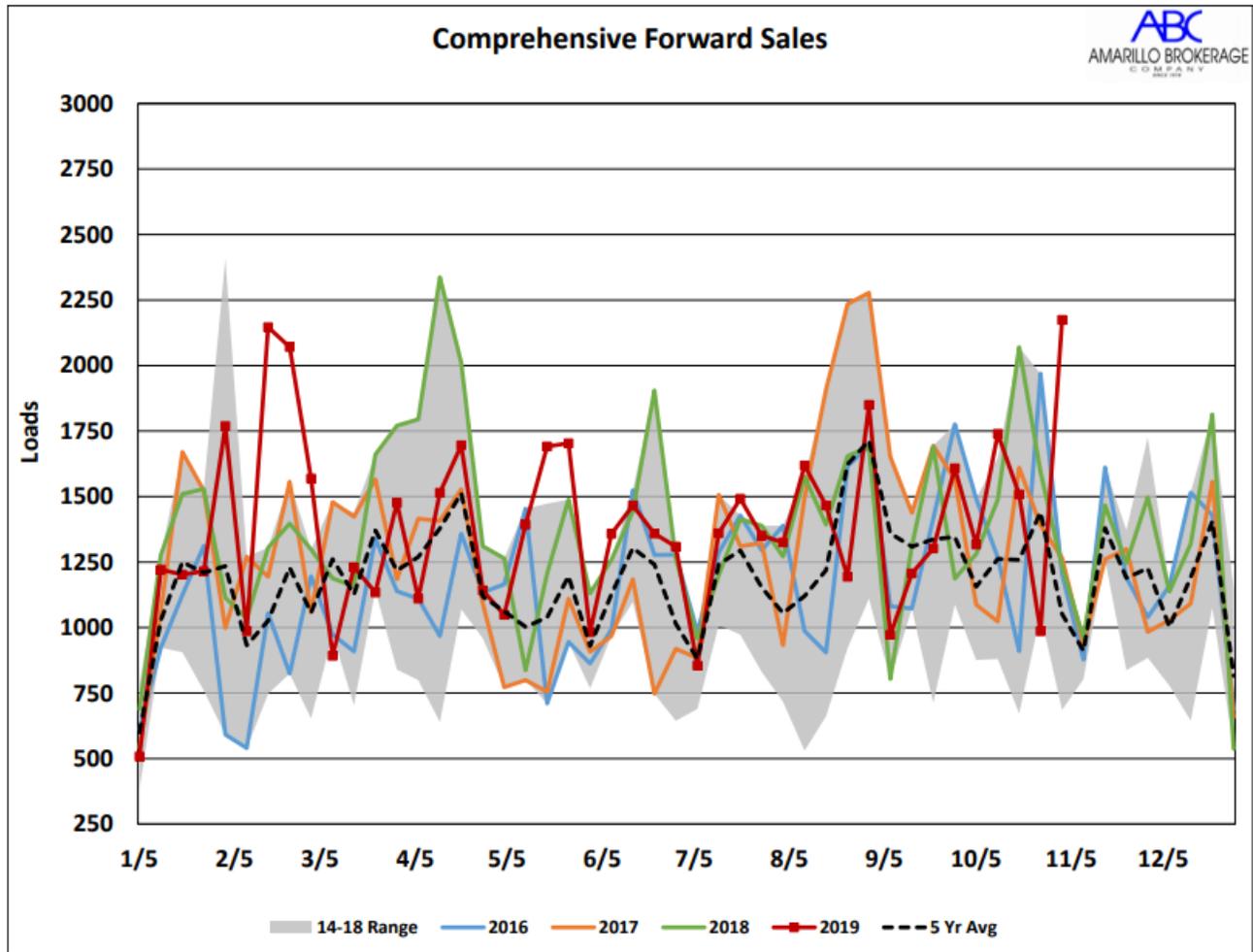
Good-to-Excellent vs. 5-year Average



US Winter Wheat % Good-to-Excellent					
State	2017	2018	5-yr avg	This Week	Change vs LW
Arkansas	42	59	52	62	9
California	95	80	82	90	-5
Colorado	65	60	56	65	6
Idaho	56	60	71	60	4
Illinois	60	64	63	46	1
Indiana	72	64	68	45	-1
Kansas	59	46	54	55	0
Michigan	74	61	70	52	-4
Missouri	64	47	53	44	1
Montana	43	81	69	48	-13
Nebraska	62	70	67	72	11
North Carolina	79	81	75	81	7
Ohio	88	73	75	51	3

Oklahoma	42	35	46	70	9
Oregon	78	55	49	67	-8
South Dakota	19	59	54	71	-7
Texas	49	42	46	38	1
Washington	82	57	61	67	0
Total	55	51	62	57	1

Cattle markets continue to surprise some and encourage others. As of today, the futures markets are beginning the ninth consecutive higher week of trade after making spot lows around 98.00 in September and posting new highs of 120.325 today. For perspective, we made an approximate 295.00/head swing in two months. Cash trade moved 2.00-3.00/CWT higher last week with lighter volumes noted in the south and much heavier in the north. USDA reported some limited 115.00/CWT trade in the north today (11.4.19), which would be a steady firm with the higher end of last week's trade. Live cattle basis has turned much more negative in recent weeks. Deliveries were drawn out against the Oct19 LC contract but did little to offset the pulling back of cattle due to the wide Oct-Dec19 LC spread. The short-term risk of a negative basis is a real possibility, but there is some seasonal evidence that basis can strengthen moving into the late 4th quarter. Last week's spot beef cutout rallied 7.75/CWT and the comprehensive report showed a 6.50/CWT uptick with sizeable forward domestic sales. There has been some chatter lately about the trim market moving sharply higher. Lean 90 trim bounced in response to much higher imported 90 prices and potentially strong trim demand from Asian destinations. 50 trim has also moved seasonally higher and is nearing a potential top for the remainder of the year. The number of cattle for sale moving into November is not surprisingly large. The question will be how to quantify the potential offsetting demand and to what extent this impacts packer demand. Non-commercial roll out of Dec19 LC and into Feb20 LC is moving and will flip open interest in the coming weeks. The futures are technically strong but possibly overbought at these levels. There is a strong seasonal for the Feb LC contract to experience a material move lower starting in the late Oct/early Nov on average. The extent of the break certainly varies, but some analysis would suggest 10.00-12.00/CWT. Trey Warnock - [Amarillo Brokerage Company](#)





> **USDA to Hold Career Fair for New K.C. Locale:** *The Department of Agriculture is hiring for multiple vacancies at the Economic Research Service (ERS) and the National Institute of Food and Agriculture (NIFA). Both agencies recently relocated to the Kansas City metropolitan area and are seeking qualified candidates for a variety of positions. Job seekers can attend the ERS and NIFA Career Opportunities Expo on Wednesday, November 6, at Kansas State University Olathe campus. For more information, click [HERE](#).*

> **Brazil Says China Approves Seven Plants for Exports of Pork Innards:** *The Brazilian government said on Monday that China has approved seven meatpacking plants in the state of Santa Catarina for the export of pork innards. Exports can begin immediately, Agriculture Minister Tereza Cristina Dias said, adding that the approvals came as a result of talks held during President Jair Bolsonaro's visit to China last month. The units authorized to export pork innards to China include one operated by BRF SA and two by JBS SA. The remaining four are run by privately owned food processors Cooperativa Central Aurora Alimentos and Pamplona Alimentos, each with two new plants approved. (Source: Reuters)*

> **Checkoff Helps McDonald's Reformulate Chocolate Milk:** *Support from dairy checkoff food scientists has helped McDonald's USA produce a reduced-sugar, low-fat chocolate milk that will be unveiled nationwide in January. The new formulation has 25% less sugar than McDonald's previous chocolate milk and is no*

longer a fat-free product. Dairy Management Inc. (DMI), which manages the national dairy checkoff, provided on-site support from food scientists and other resources and worked closely with the McDonald's team to create the final product. DMI also provides McDonald's with insights on dairy and consumer trends and taste preferences. In June 2018, the fast food giant pulled cheeseburgers and chocolate milk from its Happy Meal menu in an effort to cut down on the calories, sodium, saturated fat and sugar kids consume at its restaurants. (Source: Dairy Herd)

> Hemp Producers Getting Bitter Taste from CBD Boom: Dan Maclure planted eight acres of hemp on his Vermont farm for the first time this year, aiming to cash in on the exploding demand for CBD, a derivative of the plant reputed to ease anxiety and other ills without the high of its close cousin, marijuana. He persevered when some of his hemp plants grew white with mildew and others failed lab tests and had to be destroyed. With his harvest now complete, Maclure has one more challenge to overcome: selling his surviving crop and recouping an estimated \$140,000 investment. Maclure is one of thousands of U.S. farmers who poured into the crop after the passage of the 2018 Farm Bill, which legalized the cultivation of hemp. Many of them are now trying to survive a glut that has flooded the market, market experts say, driving down prices and in some cases leaving farmers with few buyers. Last April, as farmers planted, a pound of hemp biomass sold for about \$40. Now, as farmers harvest and take their crops to market, the same amount sells for \$18-\$25. Read more [HERE](#).

> India Rejects China-Backed Asian Trade Deal: China joined 14 countries on Monday in agreeing terms for what could be the world's biggest trade pact, but India pulled out at the last minute on the grounds that the deal would hurt its farmers, businesses, workers and consumers. The Regional Comprehensive Economic Partnership (RCEP) brings together the 10-member Association of Southeast Asian Nations (ASEAN), China, Japan, South Korea, Australia and New Zealand. Members said the deal would be signed next year after the 15 countries without India reached agreement in Bangkok on the text and market access issues. They opened the door to India potentially joining them later, if the issues it has with the deal are resolved. India has been worried that the agreement, which requires the gradual elimination of tariffs, would open its markets to a flood of cheap Chinese goods and agricultural produce from Australia and New Zealand that would harm local producers. Even without India, the countries in the RCEP bloc account for nearly a third of global gross domestic product, but its departure means they have less than a third of the world's population instead of around half. Read more [HERE](#).

> Boeing Space Taxi Test Hits a Hiccup: Boeing Co said on Monday that one of three parachutes failed to open during a crucial unmanned test of the CST-100 Starliner, which the company is developing to ferry astronauts to and from the

International Space Station. The deployment failure happened during a test of a system designed to propel the crew to safety in the event of an emergency, Boeing spokesman Todd Blecher said by email. Boeing and U.S. space agency NASA said they were still targeting Dec. 17 for the Starliner's first uncrewed mission to the International Space Station. NASA has picked Boeing and Elon Musk's SpaceX as the main contractors to build rocket-and-capsule launch systems to return Americans to the orbiting research lab for the first time since the U.S. space shuttle program ended in 2011. Parachute deployment has been among the top technical challenges both companies have faced that have raised questions over crew safety and pressured launch schedules. SpaceX is working to fly its Crew Dragon capsule on a first crewed test flight into orbit in the first quarter of next year, after completing its uncrewed test in March, the company and NASA have said. (Source: Reuters)

> Why One TV Mogul is Going all in on Sports: *As streaming has rocked the television industry, one media mogul has gone against the trend by spending big on live broadcast rights. In a recently released interview, he revealed the key advice from News Corp. Founder Rupert Murdoch by way of Oracle Chairman Larry Ellison that led him to do it. The gist: Go all in on sports. Byron Allen, the chief executive of Entertainment Studios Inc., did just that, joining an ownership group that in August spent \$9.6 billion to acquire 21 regional sports networks from 21st Century Fox, a former subsidiary of Murdoch's News Corp. "Larry Ellison from Oracle was a neighbor of mine out in Malibu," Allen recalls. "And one day, he was over at my house, and he said, I was with Rupert Murdoch earlier today, and I asked Rupert. I said, 'Talk to me about television. How's the TV business?'" "Rupert said to Larry Ellison, 'Larry, I can tell you everything you need to know about television in 30 seconds. Do you have time?'" Allen continues. "And Rupert said to Larry, 'One word: sports.'" Check out the full interview [HERE](#).*

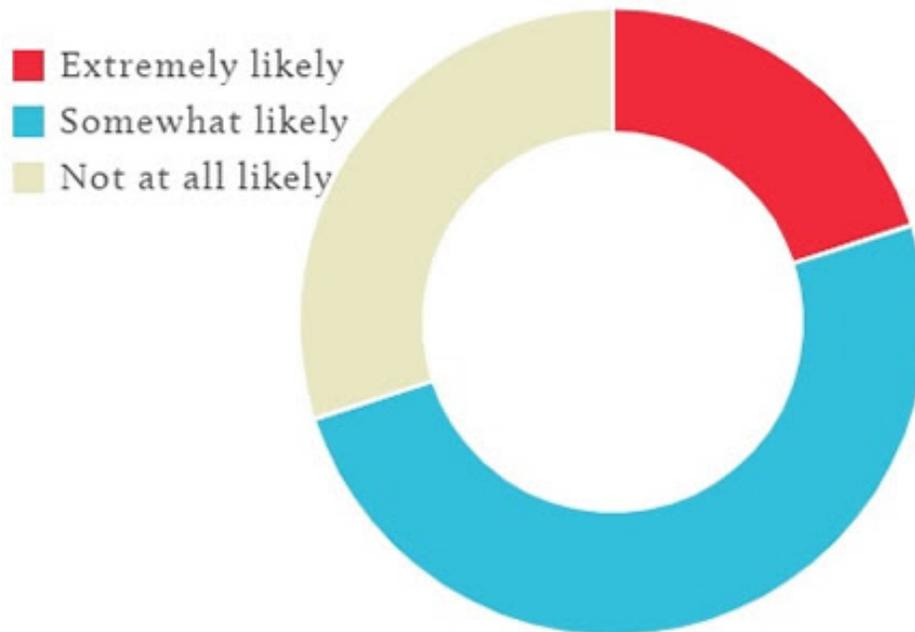
> The Dark Side of the 'Angel's Share': *A fungus known as Baudoinia compniacensis can be found growing all over neighborhoods in Kentucky. From a distance it looks sooty. Up close, a little like thin, black felt. Anything left untouched for years ends up a convincing burnt-to-a-crisp black. Several communities in Kentucky spent years wondering why the dark film always returns, no matter how deep they clean. Some suspected it was ash from chimney smoke. Others blamed nearby factories. Come to find out, Kentucky's beloved bourbon is to blame. Kentucky makes 95 percent of the world's bourbon. Large warehouses hold stacks of bourbon left to expand and contract in charred oak barrels, a process that takes at least a couple of years and results in bourbon's caramel color and smoky sweetness. During this phase, an estimated two to five percent of the alcohol evaporates. In the bourbon world, the lost ethanol is referred to as "the angel's share." The name suggests that ethanol vapors reach the heavens. But research shows that vapors actually filter out, traveling as far as a mile, and fall back down to earth. When that ethanol combines with a hint of moisture (say,*

morning dew or humidity) *Baudoinia compniacensis* thrives, earning *Baudoinia* its nickname: whiskey fungus. Read more [HERE](#).

> America's Massive Teacher Shortage is Stunting Student Learning: *There's a shortfall in education across the U.S., with more than 300,000 unfilled public teaching jobs needed to keep up with enrollment, according to an analysis from the Economic Policy Institute. State and local governments cut education budgets during the recession, which forced many educators to take part-time jobs, organize walkouts for better conditions or leave the field altogether, the EPI report shows. Last year, teachers quit at the fastest rate ever recorded due to unsatisfactory wages, leaving school districts to cope with surging student enrollment. The lack of teachers is stunting student learning, as growing class sizes are becoming unmanageable learning environments, and teacher aides are in short supply. Meanwhile, educators are strapped for time and resources to create more individualized lesson plans and volunteer for extracurricular activities. (Source: Axios)*

> More than a Third of Millennials Polled Approve of Communism: *A new survey released by the Washington, D.C., nonprofit Victims of Communism Memorial Foundation reflects that, if the younger generation gets out and votes in 2020, those running for office on the far left have reason to be hopeful. According to YouGov, which conducted the poll, capitalism, amid a widening divide between the haves and have-nots, has plunged in popularity from a year ago, with one out of every two millennials — ages 23 to 38 — supporting it. Meanwhile, 36% of millennials polled say that they approve of communism, which is up significantly from 28% in 2018. Socialism, a dirty word to the president and many of his supporters, has shown a decrease in favorability in all age groups except the Silent Generation (age 74+) and millennials, of which 70% say they'd be likely to vote for a socialist candidate. Other nuggets from the report include that 22% of millennials believe "society would be better if all private property was abolished," and that 45% of Generation Z members and millennials believe that "all higher education should be free." Read more [HERE](#).*

70% of Millennials say they are likely to vote socialist.



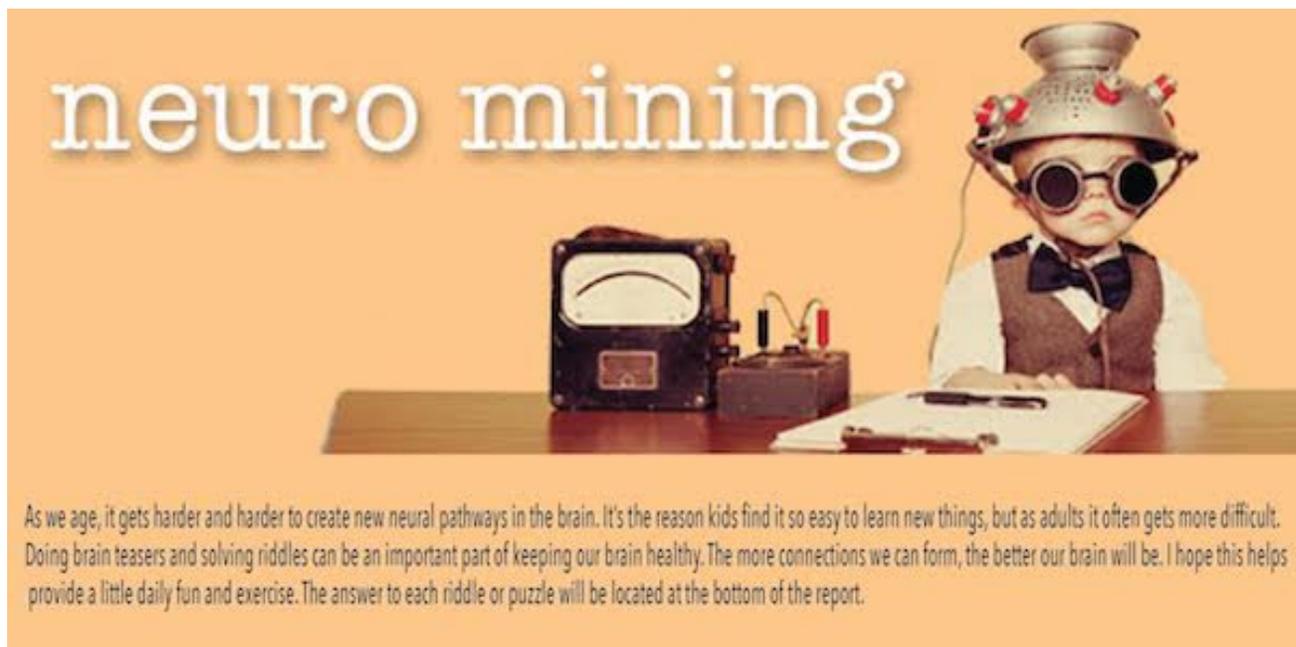
The percentage of Millennials who say they are "extremely likely" to vote for a socialist candidate has doubled from 2018 to 2019 (20% vs. 10%).



East Central Missouri - *We whacked a few soybeans out this weekend but we kept running into either wet soybeans or wet ground. I'm not going to start complaining because these early soybeans are yielding in the 50's, but they are our better soybeans. When we get into the later planted soybeans they will drop in yield by quite a bit. They have thinner stands and just don't look nearly as good. We are definitely hoping to keep they yield above 45 bushels when it's all said and done though.*

Central Illinois - *I have spoken with a bunch of guys around the area and some are done with soybeans while others are getting close. The consensus is the soybeans are 10 bushels worse than last year on the better stuff. They are 25 bushels behind last year in the poorer areas. Soybeans that made 70 bushels last year are making 45 bushels. In this area soybeans yielding in the 40s is about as common as soybeans yielding 90 bushels per acre. It's takes fairly inconsistent growing conditions to produce yields that low across entire farms. For the most part, guys are less than pleased with soybeans this year. Corn is a little better than expected but not what we saw last year.*

Eastern Indiana - *We finished corn over the weekend and it was a pleasant surprise. I constantly felt like we were one missed rain from our corn crop going down the toilet. It seems to hang in there and just make it. My yield monitor has shown 220-bushel corn and 130-bushel corn. It's been variable but when I get all the bins measured I think we will be slightly north of 180 bushels per acre. Obviously we didn't make the 230 bushels whole-farm average that last year brought our direction but all in all, it wasn't the worst year for the weather.*



TODAY'S RIDDLE: What has a foot but no leg?



Creative Look at America's Food Supply Chain

Megan Konar, an assistant professor of civil and environmental engineering at University of Illinois at Urbana-Champaign and her team took a deep dive into our country's food supply chain, and came up with a comprehensive snapshot of how our food flows. In the end, the team created a high-resolution map, detailing how grains, fruits and vegetables, animal feed, and processed food items all move between counties in the U.S. I'm told, the map, brought together information from eight databases, including the Freight Analysis Framework from Oak Ridge National Laboratory, which tracks where items are shipped around the country, and Port Trade data from the U.S. Census Bureau, which shows the international ports through which goods are traded. I thought all the team's hard work was worth a share, so what does the map tell us? (Source: [theconversation](#), [fastcompany](#))

Where Our Foods Start Out: *Residents from each county can see how they are connected to all other counties in the country via our food movements. Incredibly, there are 9.5 million links between counties on the map below. Interestingly, all consumers rely on distant producers, agricultural processing plants, food storage like grain silos and grocery stores, and food transportation systems. For example, the map shows how a shipment of corn starts at a farm in Illinois, travels to a grain elevator in Iowa before heading to a feedlot in Kansas, and then travels in animal products being sent to grocery stores in Chicago.*

What Are The Food Hubs: *Los Angeles County received more food than any other county in 2012, the year of the study, and shipped out even more, 22 million tons. California's Fresno County and Stanislaus County are the next largest, respectively. In fact, many of the counties that shipped and received the most food were located in California. Researchers also looked for the core counties, meaning the places that are most central to the overall structure of the food supply network. A disruption to any of these counties may have ripple effects on the food supply chain of the entire country. This was done by looking for counties with the largest number of connections to others, as well as those that score highly in a factor called "betweenness centrality," a measurement of the places with the largest fraction of the shortest paths. San Bernardino County led the list, followed again by a*

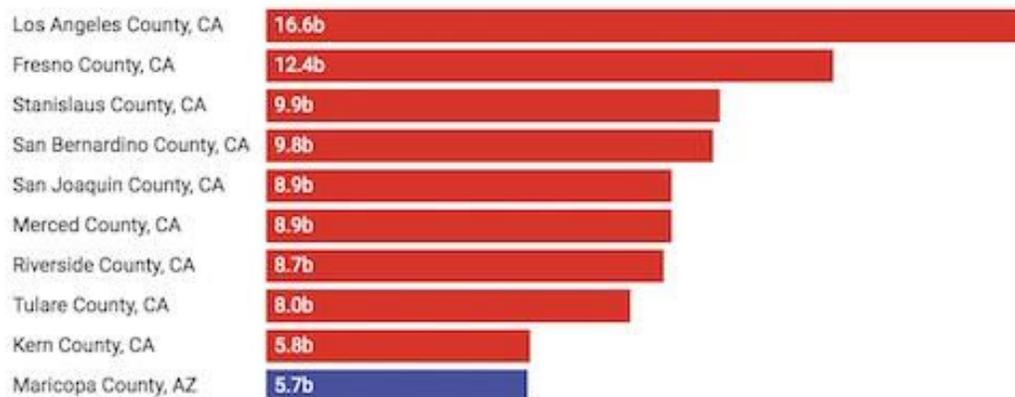
number of other California transit hubs. Also on the list are Maricopa County, Arizona; Shelby County, Tennessee; and Harris County, Texas.

How We Move Our Food: Many of the largest food transport links were within California, indicating that there is a lot of internal food movement within the state. But one of the largest links is from Niagara County to Erie County in New York. That's due to the flow of food through an important international overland port with Canada. I should mention, some of the other largest links were inside the counties themselves. This is because of moving food items around for manufacturing within a county—for example, milk gets off a truck at a large depot and is then shipped to a yogurt facility, then the yogurt is moved to a grocery distribution warehouse, all within the same county.

Who ships and receives the most food, kilograms per year

In 2012, Los Angeles County both shipped (outflows) and received (inflows) more kilograms of food than any other U.S. county. Other **California** counties ranked highly in both categories.

Outflow



Inflow

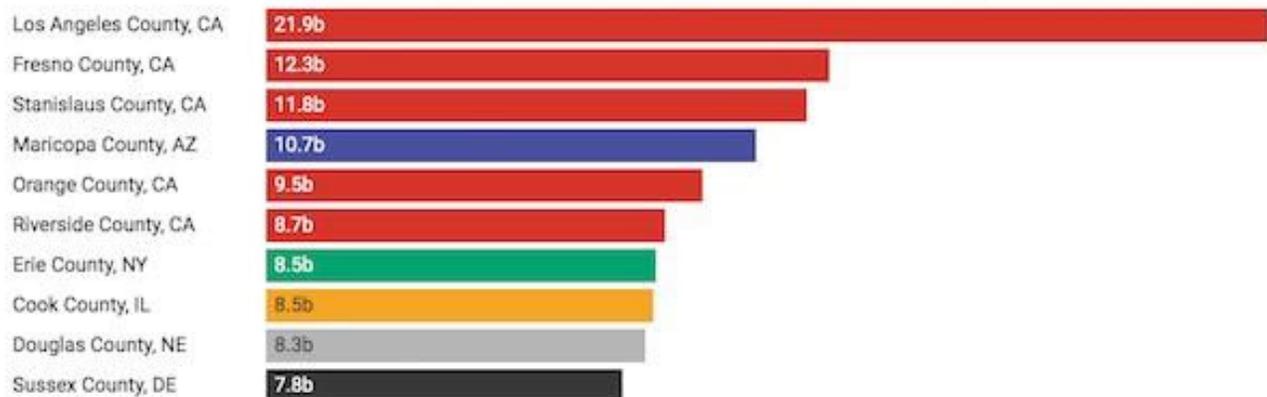
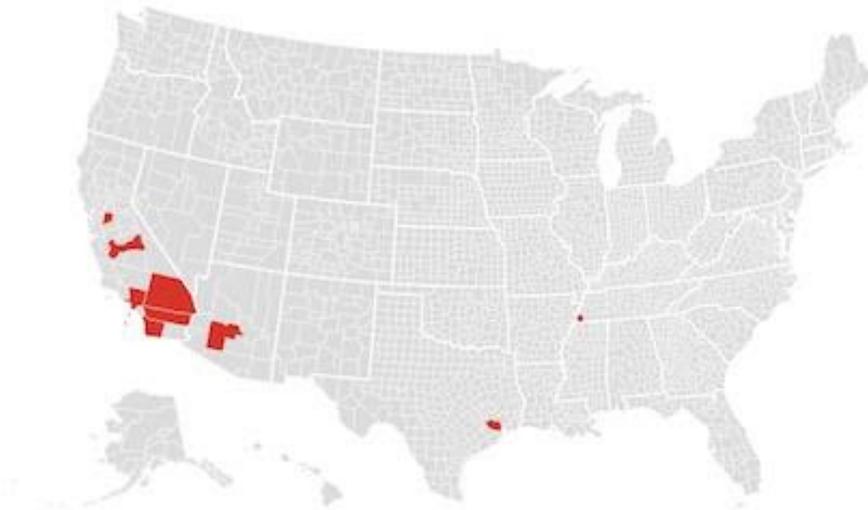


Chart: The Conversation, CC-BY-ND • Source: [Environmental Research Letters \(2019\)](#) • [Get the data](#)



Core counties for the US food supply

A study showed that these nine counties – mostly in California – are most central to the overall structure of the food supply network. A disruption to any of these counties may have ripple effects for the food supply chain of the entire country.



Map: The Conversation, CC-BY-ND • Source: [Environmental Research Letters \(2019\)](#) • [Get the data](#)

Japan Delivers the Secret Orders to Bomb Pearl Harbor

It was on this day November 5, 1941, the Combine Japanese Fleet receive "Top-Secret Order No. 1". On Sunday morning, December 7, 1941 Pearl Harbor is bombed, along with Mayala, the Dutch East Indies and the Philippines.

Axis powers, which included Germany, Italy and Japan had the upper hand early in WWII. But historians argue that tide turned when the Axis leaders started to overreach and the Allied Forces which include Great Britain, Australia, Canada, Russia and the United States, started steering their more massive economies and populations into wartime mode.

In 1942, early in the war, the Axis powers seemed invincible, but the course of the war soon changed in ways that offer big lessons. Understanding how miscalculations by Germany and Japan led to their defeat offers lessons for world leaders today. At the start of the war, the misperception was "that the Axis powers, particularly Germany and Japan, were ferocious war-makers in the global sense and that they were strategically adept and almost unstoppable." Hanson said in a recent interview.

Germany had a head start rearming militarily in the 1930s after the global depression, and then it enjoyed quick success in 10 border wars against much weaker European states. As for Japan, it had been battling with China and other much smaller military groups and faced very little resistance. The Axis powers, Japan and Germany primarily, had convinced the world, and most dangerously themselves, that they were capable, militarily and economically, of waging a global war. In fact, fascism was pronounced superior and modern – the future of humankind – by the Axis nations. Let's just say they were certainly drinking their own Koolaid. But there was nothing in their prior histories, and nothing in their rearmament strategies, to suggest that was true. So, they had to win the war very quickly.

The other misunderstanding is the world had this idea of Britain as a weak link. But they really punched above their weight and with much more fight and intensity than anyone had projected. Keep in mind, they were the only country to face Hitler alone for a year between June 1940 and June 1941. British technology, cryptology, aircraft and vehicle production were almost all superior to Germany's.

Britain, was really the only country to go to war on virtually the first day of the conflict, Germany invaded Poland on September 1, 1939, and Britain declared war on Germany two days later, and would fight until the last day of the war, the surrender of Japan on September 2, 1945. In fact, the British were exclusive in going to war on the principle of protecting an ally, who was Poland at the time, rather than being first attacked themselves – or surprise-attacking another country. And, British prime minister Winston Churchill was the strongest and most eloquent voice in making the case that WWII was an existential war for the West.

Appeasement during the 1930s had convinced Hitler that the West was so traumatized by WWI that those countries, including Great Britain and the U.S., did

not want to fight. The pacifist political correctness represented weakness to Hitler and leaders in Japan that could be easily exploited rather than accepted and appreciated. Let's also keep in mind, the Axis Powers recognized the fact they needed control of "natural resources" if they ever wanted to control and lead the world.

Historians argue that Hitler mistakenly assumed that America's isolationism would mean it would not move millions of soldiers to Europe as it had in WWI. Similarly, the Japanese doubted that America would worry much about what they were doing to Allied friends in parts of China, Malaysia or Southeast Asia. But a few months changed the course of civilization. In June 1941, Germany attacked Russia, opening itself to a two-front war, and in December 1941, Japan struck the U.S. at Pearl Harbor. America entered the war on both Asian and European fronts.

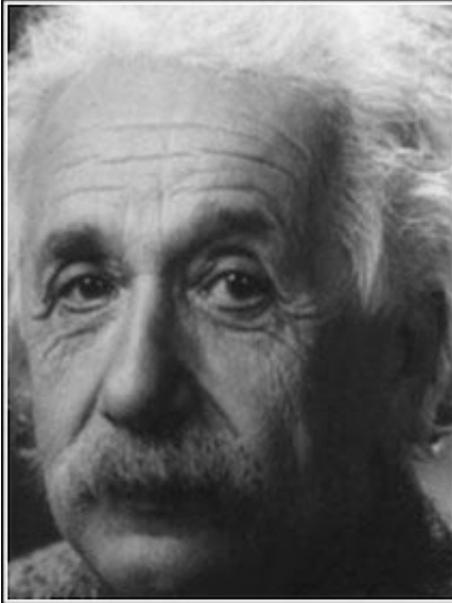
After June 1942, the Allies grew more united and pragmatic in their approach than the overreaching Axis powers, which had smaller populations, economies and industrial production. The Allied powers eventually built more long-range bombers and aircraft carriers and became highly efficient at transporting troops and machines to faraway theaters, Hanson said. By 1945, the gross domestic product of the U.S. economy alone was almost larger than that of the Axis and other Allied powers combined. Meanwhile, Germany had no aircraft carriers, and both Germany and Japan had no true long-range bomber advantage.

World War II went on to be the bloodiest war in human history, killing over 60 million people. This means that around 3 percent of the entire 1939 world population died in the war. Nobody has exact figures, but it is estimated the U.S. recorded around 406,000 military deaths. Sadly, as we must always remind ourselves... freedom is not free! (Source: Stanford; Victor Davis Hanson, Hoover Institution)

US Wars Ranked By Total American Deaths		
War	Years	Deaths
American Civil War	1861–1865	625,000
World War II	1941–1945	405,399
World War I	1917–1918	116,516
Vietnam War	1955–1975	58,151
Korean War	1950–1953	36,516
American Revolutionary War	1775–1783	25,000
War of 1812	1812–1815	20,000
Mexican–American War	1846–1848	13,283
Afghanistan & Iraq	2001–present	5,491
Philippine–American War	1899–1913	4,196

May 2011

source: http://en.wikipedia.org/wiki/United_States_military_casualties_of_war



I don't know what weapons will be used in the Third World War. But I can tell you what they'll use in the Fourth - rocks!

— *Albert Einstein* —

AZ QUOTES



Great Read, Lots of Lessons... The McDonalds Empire!

In case you missed yesterday's headline, famed McDonald's CEO, Steve Easterbrook, 52, was fired after reports surfaced that he was in a consensual relationship with a female company employee. Easterbrook first started working for McDonald's in 1993 at the age of 26 as a manager in a London location before working his way up the company ladder. His compensation peaked in 2017 at a total of \$21.8 million including \$9.1 million in incentive-based pay. He received \$15.9 million in total compensation last year. He also sits on the board of Walmart. Easterbrook is divorced, has three children and lives in Chicago, Illinois. The company said it fired Mr. Easterbrook after a board investigation into his relationship with an unnamed employee. McDonald's said it has a longstanding policy barring employees from relationships with direct or indirect reports. A representative for Mr. Easterbrook said he is grateful for his time at the company and has declined to comment further. I thought this might be a good time to look back on how McDonald's first came about and how they achieved massive success. Keep in mind, they now serve almost 70 million customers each day in over 100 countries across almost, 38,000 stores. Two private reports I have read also site McDonald's as the world's second-largest private employer with 1.7 million employees, behind only Walmart who employees 2.3 million. Wow!

Let me paint the picture, it was mid-April 1955 in the city of Des Plaines, Illinois, when a 55-year-old former blender salesman stated one of the greatest American institutions ever known. Like most successful business it made absolutely no sense on paper and many people thought he was nuts.

Ray Kroc, the founder of McDonalds, had been traveling around the country selling Multimixer blenders to folks who were making lots of milkshakes. While in California he noticed a drive-in that seemed to be doing much better than any of the others he had visited. The story is, Kroc looked at what made it different from all the others: it was extremely clean, the service was very fast, and the food was always consistent. In fact, it appeared to Kroc that great care was taken in setting up their kitchen like an assembly line to ensure maximum efficiency. And probably more than anything else the "fries" were mouth-watering.

Tired of being a salesman, Kroc asked the owners, two brothers named Richard and Maurice McDonald, if he could franchise their fast-food hamburger joint across the nation. The rest is history!

Kroc returned to his home just outside of Chicago with the rights to launch "McDonald's." His first store opened at 400 North Lee Avenue in Des Plaines, Illinois, near Chicago. Records indicate it made a total of \$366 during the first 24-hours, last year the fast-food chain averaged over +\$80,000,000 each day of the week.

In 1965, McDonald's Corporation went public. Common shares were offered at

\$22.50 per share. If you would have had the vision and foresight to purchase just 100 shares at its IPO price of \$22.50 per share, after 12 stock splits, you would now own about 74,360 shares, and now be worth over +\$14 million. How's that for Lovin it!

Heres an interesting twist and a lesson I find very interesting. In 1961 the McDonald brothers agreed to sell Kroc ALL business rights to their operation for \$2.7 million. As you can imagine Kroc thought this was a huge sum of money at the time, but agreed and borrowed the funds from a number of investors.

The inflated sales price started to rub Kroc the wrong way and began to strain the relationship. In the handshake agreement, the brothers would also receive an overriding royalty of 1% on all gross sales. However, at the closing table, the brothers told Ray that they decided not to include the real estate and rights to the original restaurant. Supposedly, Kroc went ahead and paid the agreed-upon \$2.7 million, but took out the 1% royalty that was going to be given on all gross sales. The brothers would get to keep their original restaurant and real estate and Kroc would never have to pay any royalties.

Perhaps not so ironically, one of Kroc's newly modeled McDonald's would open right down the street and eventually drove the original brothers out of business. Word is if the brothers would have simply followed through with their original handshake agreement, which granted them the royalties, they or their heirs would still today be collecting in excess of \$100 million per year!

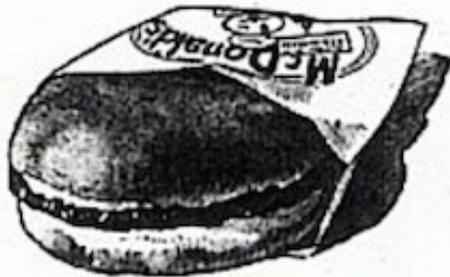


"The two most important requirements for major success are: first, being in the right place at the right time, and second, doing something about it."

Ray Kroc

FULL MEAL, 45^c

• Bring the Family to **McDonald's!**



Pure Beef
Hamburgers 15^c



Triple Thick
Shakes 20^c



Crisp Golden
Fries 10^c

McDonald's

1515 W. JEFFERSON
(between Midland and Larkin)

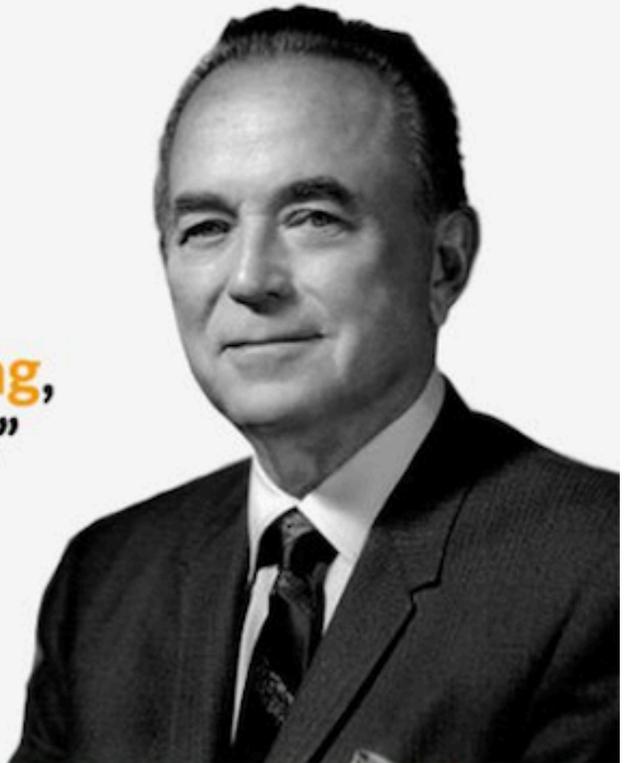


© Courtesy-Ronald McDonald



“If you work just for money, you'll never make it, but if you **love what you're doing**, success will be yours.”

- Ray Kroc
Founder of McDonald's



ANSWER to riddle: A ruler.

SEE YOU IN KANSAS CITY



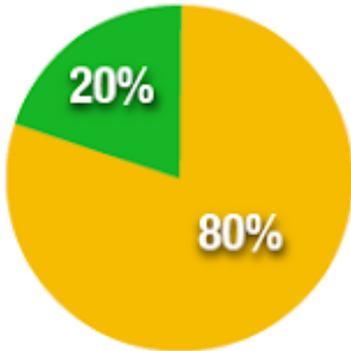
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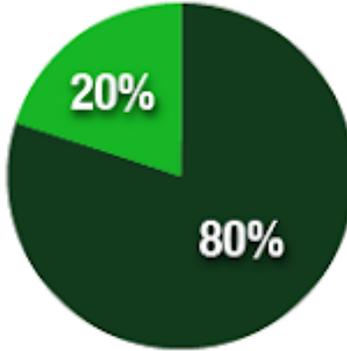
Corn 2018 Crop	Soybean 2018 Crop	Wheat 2018 Crop
80% SOLD	80% SOLD	100% SOLD

20% HEDGED
0% UNPROTECTED



Corn 2019 Crop

20% HEDGED
0% UNPROTECTED



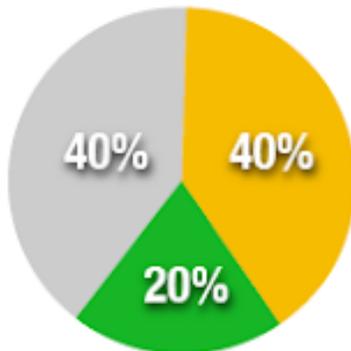
Soybean 2019 Crop

0% HEDGED
0% UNPROTECTED



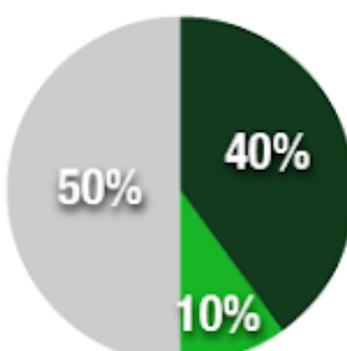
Wheat 2019 Crop

40% SOLD
20% HEDGED
40% UNPROTECTED



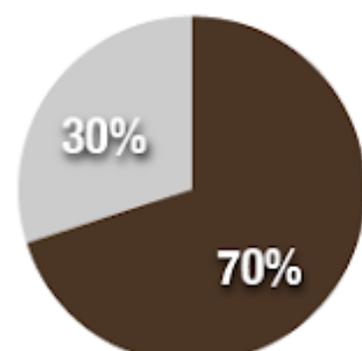
Corn 2020 Crop

40% SOLD
10% HEDGED
50% UNPROTECTED



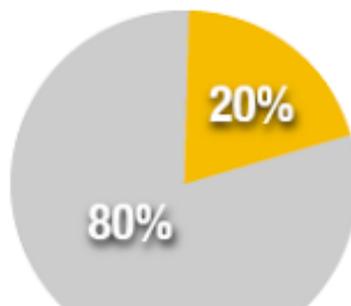
Soybean 2020 Crop

100% SOLD
0% HEDGED
0% UNPROTECTED

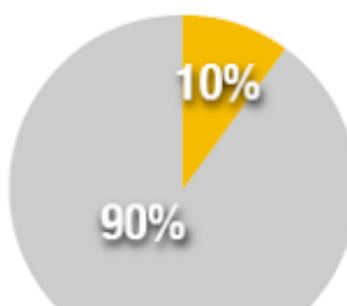


Wheat 2020 Crop

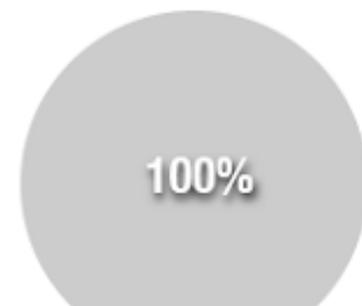
20% SOLD
0% HEDGED
80% UNPROTECTED



10% SOLD
0% HEDGED
90% UNPROTECTED



0% SOLD
0% HEDGED
100% UNPROTECTED



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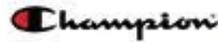
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