



Josh Knight &lt;josh@farmdirection.com&gt;

**GOOD MORNING: The Van Trump Report 1-2-20**

1 message

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

Thu, Jan 2, 2020 at 5:30 AM

Reply-To: Jordan &lt;reply-fec710747162047b-1142\_HTML-68584704-100003450-8@vantrumpreport-email.com&gt;

To: josh@farmdirection.com



"The pony you are sitting on right now is the one you will enter in the race..." -  
**Zig Ziglar**

**Thursday, January 2, 2020**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock markets closed out a stellar year with all three major U.S. indexes chalking up big gains. The S&P 500 closed the year with a gain of nearly +30%, Dow Jones gained nearly +25%, and the Nasdaq rose a whopping +35%. Technology stocks led the climb in 2019, with Apple rallying +85% and Microsoft just over +54%. They were actually the best-performing Dow stocks of the year and accounted for about +15% of the S&P 500's overall gains. As we turn to a new year, the big question for stock bulls is what will be the main catalysts for even higher valuations? Last years massive gains seemed to be underpinned by good news on the trade front, a very healthy labor market, and strong consumer confidence. One of the biggest news stories so far this week is President Trump's announcement that he will sign the "Phase One" China trade deal at a White House ceremony on January 15. Trump also says he'll be traveling to China "at a later date" to begin negotiations on a "Phase Two" deal that will address broader structural issues, that many speculate will directly impact the tech sector. Details

during this "Phase" are expected to be even more complicated - so there's some fear that the headlines might actually confuse the trade bit and perhaps cause some hesitation. Let's also not forget, the trade will soon start paying closer attention to U.S. presidential election headlines and debate rhetoric. There's some early fear that Democratic candidates are going to take some big shots at large tech companies which could also cause some headline hesitation. If history is any indication, the "health of the economy" is going to be extremely important in 2020, and these temporary headwinds may prove to be the catalyst that create the next round of longer-term buying opportunities? Simply look back to 1992, "The economy, stupid" was coined by political strategist James Carville during Bill Clinton's successful presidential campaign against incumbent George H. W. Bush. Clinton's campaign used the then-prevailing recession in the United States as one of the campaign's means to successfully unseat George H. W. Bush. In March 1991, days after the ground war in Kuwait, 90% of polled Americans approved of President Bush's job performance. Later the next year, Americans' opinions turned dramatically - 64% of polled Americans disapproved of Bush's job performance in August 1992 thanks to the recession. With that in mind, 2020 is going to be all about the economy. There are a few key economic data releases scheduled to close out this week, including the PMI Manufacturing Index today. Tomorrow brings the more closely followed ISM Manufacturing Index, Construction Spending, Motor Vehicle Sales, and "minutes" from the Federal Reserve's December meeting. I remain bullish early into the New Year but have to imagine the bulls pause to catch their breath in a couple of weeks.

**Tensions Rising in the Middle East:** *The situation in the Middle East has been steadily deteriorating the last few months, with the most recent unrest resulting in an attack on the U.S. Embassy in Iraq. According to news reports, hundreds of anti-American protestors stormed the Embassy on Tuesday to express anger over U.S. airstrikes that killed members of an Iranian-backed militia group this past weekend. The militia group known as Kataib Hezbollah is accused by the U.S. of killing an American contractor and injuring four service members last Friday in a rocket attack on a base housing American troops. According to the State Department, the U.S. took action against Kataib Hezbollah after Iraqi authorities ignored repeated appeals to stop Shiite militias from firing rockets at bases where American troops are located. The Friday strike was the 11th rocket attack by a militia group over the past two months. About 5,000 U.S. troops are still in Iraq under a partnership with the country to help in the fight against the Islamic State, which has been trying to regroup amid widespread political unrest in Iraq. Iraqi's have been protesting for months against militia groups like the Kataib Hezbollah and other Iranian-backed supporters of Iraqi Prime Minister Adel Abdul Mahdi, who was forced to resign earlier this month. The attack on the U.S. Embassy seems to have been led mostly by Iranian-backed militia leaders and their supporters that want the U.S. to leave Iraq. The question now seems to be, will the U.S. in fact pull out of the country? Some Iraqi leaders say they need the U.S. to help prevent a resurgence of Islamic State and serve as a counterweight to Iran. At the same time, the most powerful Iraqi clerics, as well as Iran and its proxies, are fanning anti-American sentiment which could make it even more dangerous for the U.S. to stay in the country.*

**Record Setting Returns:** *U.S. consumers are expected to send back a record +\$100 billion worth of*

*unwanted goods bought between the Thanksgiving and Christmas holidays as the rise of e-commerce causes a returns epidemic. Online purchases are almost three times more likely to be returned than those in stores, leaving retailers with millions of items to sort. (Source: The Financial Times)*

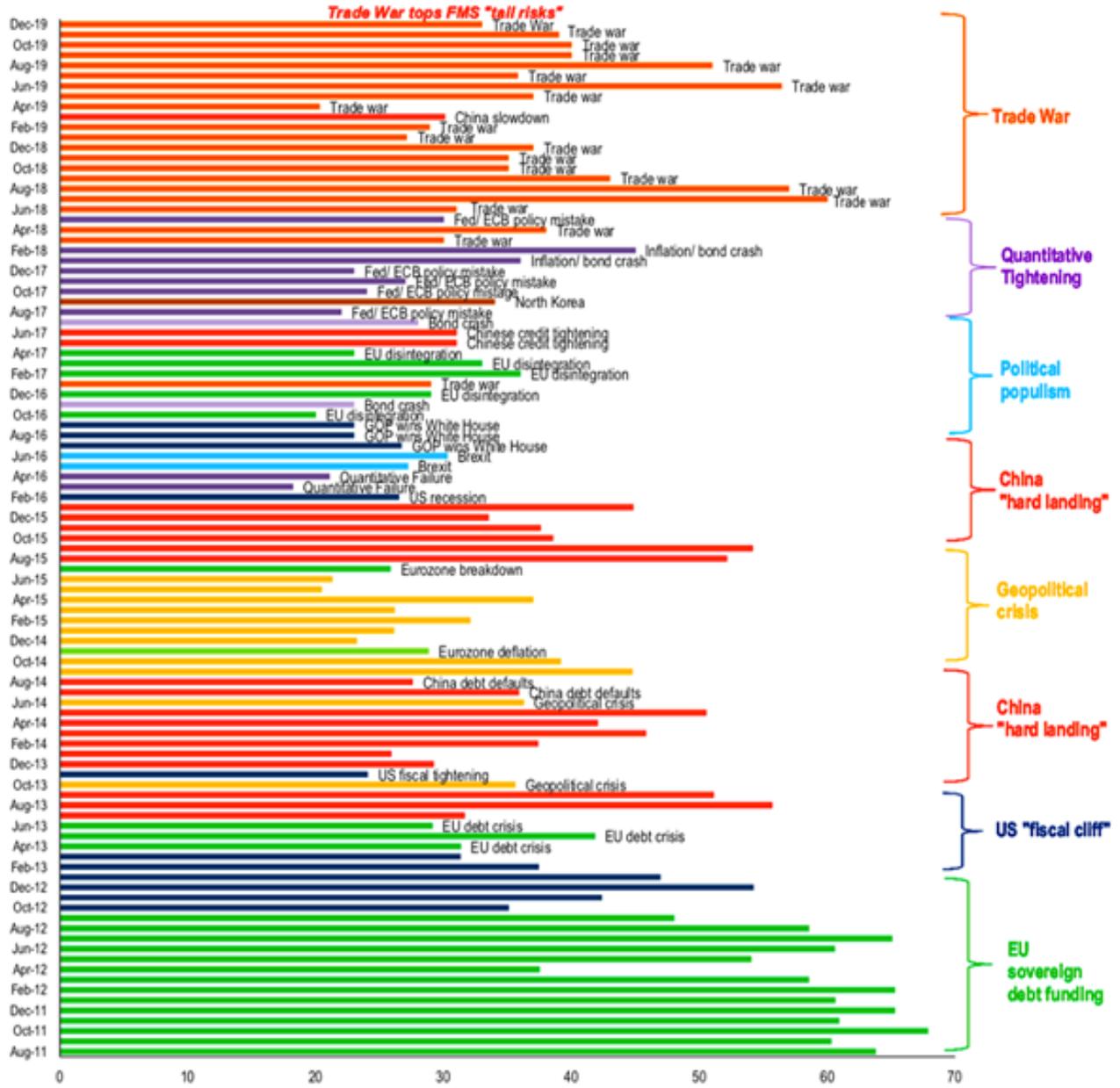
**Hong Kong is Still Unhinged:** *Hong Kong's pro-democracy protesters marked the new year Wednesday by marching in the tens of thousands to reiterate their calls for greater autonomy in the Chinese-controlled city, and denounce their government and the police. The large gathering, the biggest seen in the territory in weeks, underscored the continued momentum behind the anti-government movement now in its seventh month. Organizers said more than a million people participated. In a further escalation Wednesday evening, some protesters dug in, barricading roads, starting fires and pointed lasers at officers, prompting police to deploy a water cannon and fire more tear gas. As Hong Kong authorities double-down on denials of wrongdoing and balk at charges that basic freedoms are being eroded, protesters say they will not back down or give up — setting the stage for more clashes that will continue to pose a major headache for Beijing, also contending with greater demands for autonomy in nearby Taiwan. For the U.S., how to respond to the situation is a little less problematic now that 'Phase One' of the U.S.-China trade deal seems to be wrapped up but the continued destabilization of the massive Asian money-power definitely bears watching in the new year. (Sources: Washington Post, NBC News)*

**Social Media Millionaires:** *Cristiano Ronaldo was the highest paid person on Instagram this year. The soccer star received \$975k per post, made roughly 49 post to his 195 million Instagram followers. In case you are wondering, that made him over +\$47 million via Instagram. Model Kendall Jenner was the highest-paid woman on the social media platform in 2019, having earned roughly \$611k per post and has 120 million followers. Her sister Kylie Jenner has +155 million Instagram followers and also earns several hundred thousand per post. You can see the full list of top Instagram earners [HERE](#)*

**Disney Dominates!** *Walt Disney had seven of the top 10 movies world-wide in 2019 and the company sold roughly a third of all movie tickets purchased in the U.S. this past year. Disney actually became the first studio in modern times to command one-third of Hollywood's box-office take, with a 33.1% share of the domestic market... WOW! The list of massive box office hits this year included: The Avengers; The Lion King; Frozen 2; Captain Marvel; Toy Story 4; Aladdin; Star Wars. (Source: The Wall Street Journal)*

**There is Always Something to Worry About:** *Unfortunately, there will always be something that'll make you feel uncomfortable about putting money into the stock market. Consider the chart below from Bank of America Global Research's December fund manager survey. It tracks the various "biggest tail risks" identified by BofA's fund manager clients over the years. The truth is that history is riddled with some truly worrisome events. And yet the stock market has managed to come out of the other end just fine. Consider how Warren Buffett sees the stock market. "Over the long term, the stock market news will be good," Warren Buffett said in a 2008 op-ed during the financial crisis. "In the 20th century, the United States endured two world wars and other traumatic and expensive military conflicts; the Depression; a dozen or so recessions and financial panics; oil shocks; a flu epidemic; and the resignation of a disgraced president. Yet the Dow rose from 66 to 11,497." On Jan. 4, 2010, the Dow kicked off the decade by opening at 10,430. Through Dec. 30, 2019, it was just shy of 29,000. Click the chart for a larger view. (Source: Yahoo Finance)*

**Exhibit 10: Evolution of Global FMS "biggest tail risk"**

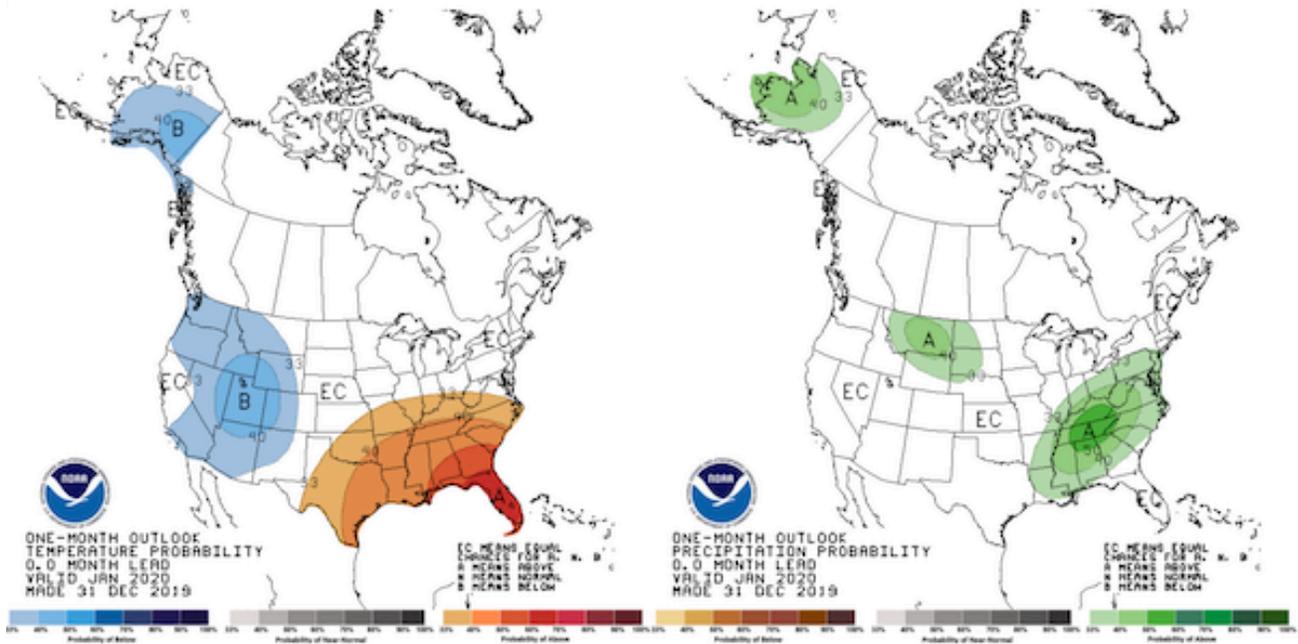


Source: BofA Global Fund Manager Survey

**Updated Weather Outlook**

# Revised OFFICIAL 30-Day Forecasts

Issued: December 31, 2019





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# Founding Partners





# FARM TANK

Tweets of the Day



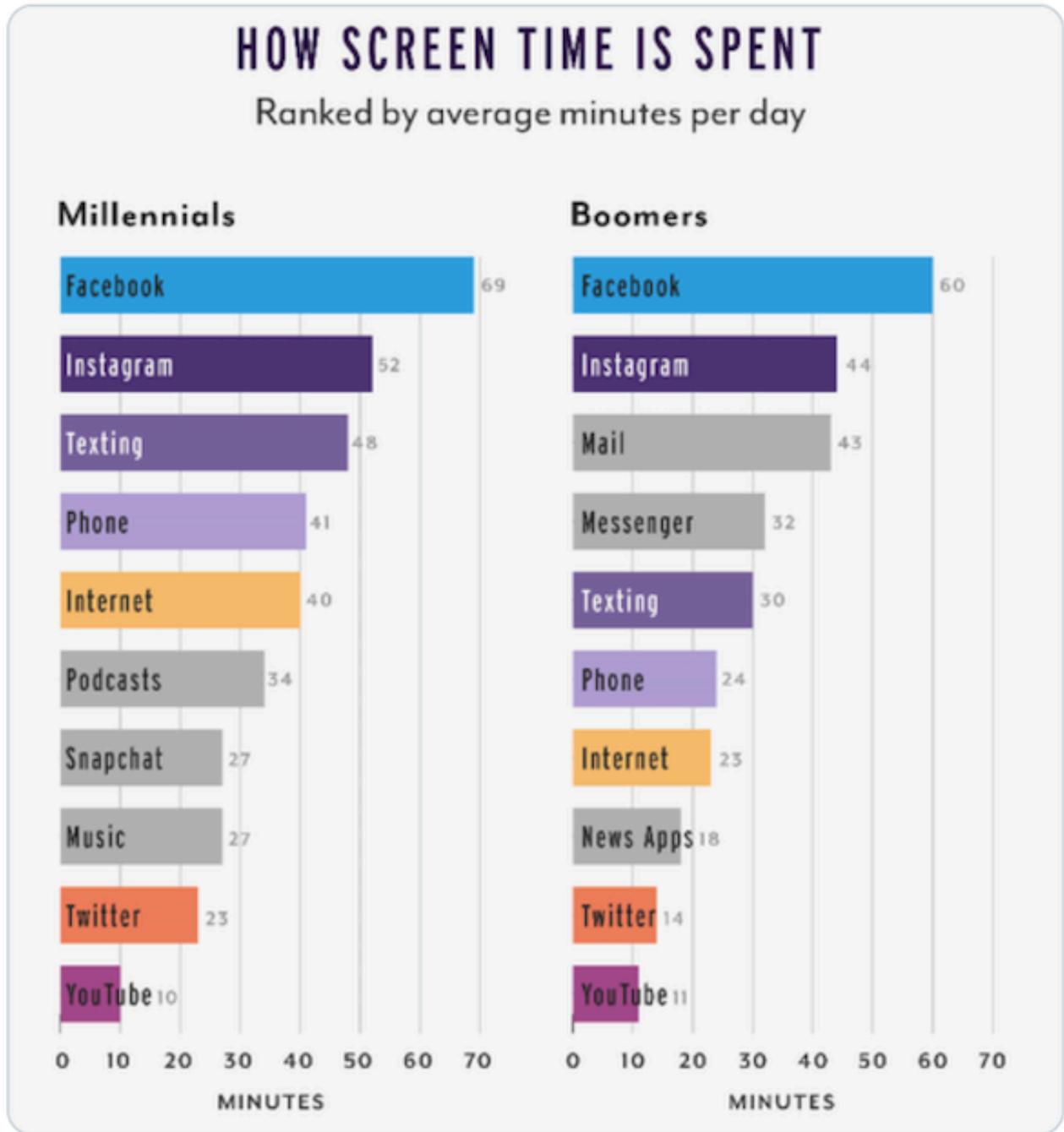


World Economic Forum

@wef



Best of 2019 How millennials' relationship with their phones is changing the [#economy](#) [wef.ch/2Q5ZKB9](#)  
[#technology](#)





**CRMAgriCommodities**  
@CRMagri



Winter **#wheat** plantings resuming 🚜 in the South west of **#France** after the recent dry spell (finally).  
**#HappyNewYear #HappyNewDecade #oatt**





**Trevor Cuning**  
@tcuning



Last night of drying. #Ontag #topdry #corn



**Vankleek Hill, Ontario**



**Corn Warriors TV**  
@cornwarriors



Brooks Cardinal managed an impressive 319 bu/a this growing season, despite a rough start! Great job Brooks! Check out the new season on [cornwarriorstv.com](http://cornwarriorstv.com) now! #cornwarriors #brookscardinal #corn #harvest19 #yields #farm #farmer #farm365 #ag





**Jonathan Dyer**  
@dyerjonathan



Making pasta from scratch. #harvest19





**History Lovers Club**  
@historylvrsclub



JFK bought 1,200 cuban cigars just hours before signing the embargo against Cuba.





**Vijayendra**  
@PorgaSanglich



A great list to implement in the new year..  
[#2020resolution](#) [#NewYearPlans](#)

*5 THINGS TO QUIT*

1. Trying to please everyone
2. Fearing Change
3. Living in the past
4. Putting yourself down
5. Overthinking

@LewisHowes



**Corn** prices have shown little to any movement since the Christmas break with the MAR20 contract continuing to consolidate between \$3.85 and \$3.90 per bushel. Keep in mind, back in early to mid-October this contract pushed to just over \$4.10 per bushel. Cooperative weather in South America seems to be keeping a lid on current prices. There are more headlines circulating about strong production in Brazil and heavy talk of more second-crop corn acres. The good news is record-setting Brazilian exports of beef, pork, and poultry, and the opening of corn-based ethanol plants should help increase their domestic corn demand, but at the same time, it's strengthening cash prices in many areas and encouraging more acres. Here at home, bulls remain optimistic and believe China is going to step in as a larger buyer of U.S. corn, ethanol, and DDGs. I tend to agree but as always timing is everything? When the Chinese decide to step in as buyers will be very important for price. I have heard talk that the mini-trade deal we struck with Japan will now be in play which will mean some improved headlines for U.S. agriculture, lowered tariffs on U.S. ethanol, dairy, beef, pork, etc... As a producer, I made a few small cash sales ahead of the Christmas break and reduced some 2020 new-crop price risk with flat-price north of \$4.00. I still believe corn is going to find a bull story in 2020. Therefore I opted to reown the board via some bull-call-ratio spreads to help participate should we catch a run to the upside. Don't

forget, the highly anticipated yearned USDA report is scheduled for release next Friday, January 10. For what it's worth, the short-sided funds continue to exit some of their bearish positions but are still thought to be holding some 80,000 short positions. Bulls are hoping the USDA delivers a major adjustment lower to U.S. production, the same thing we've been hoping for all year. I want to believe in a bullish adjustment so bad, but all I have running through my head is the definition of "insanity"... doing the same thing over and over and expecting different results! Will this time really be any different or will a slight reduction in production be offset by a slight reduction in demand? Stay tuned...

### Price Recovery Since '16 & '17, But What About 2020?



Center for Commercial Agriculture

Ag Outlook Webinar, December 19, 2019



**Shaeffer Steward**  
@sstewardag

March #corn closed on 200 day MA on Friday, pushed higher this am but fighting the fight still at 388-390

Can't rule out a failure here just yet....

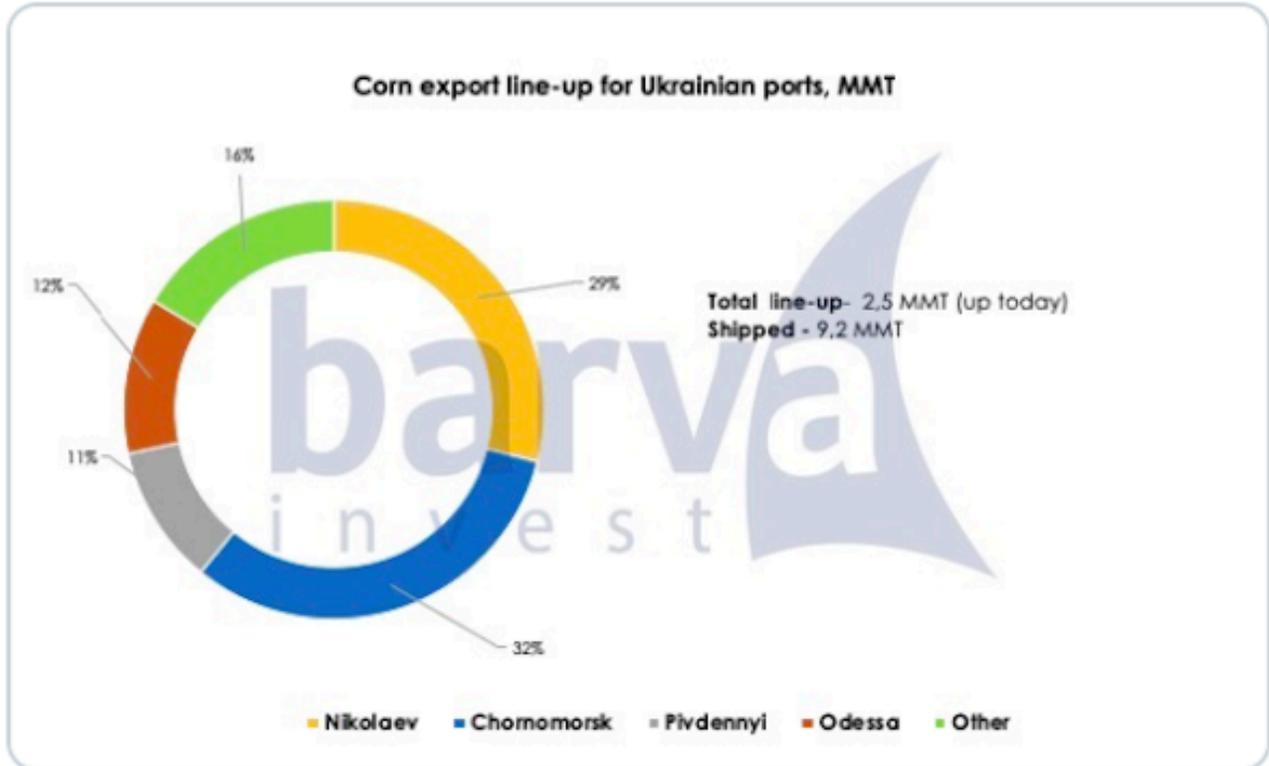




**Barva Invest**  
@BarvaInvest



**#Ukrainian #corn** is preparing to meet 2020 with a new record for exports. Happy New Year!

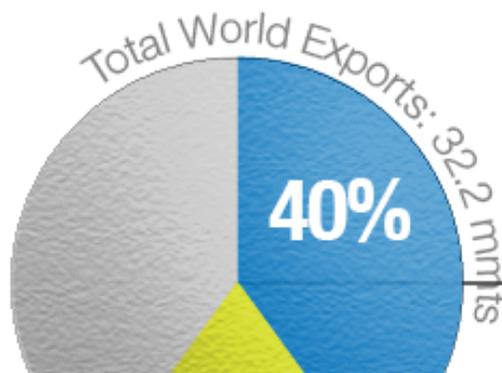


# Corn Export Market Share

*United States vs. Argentina*

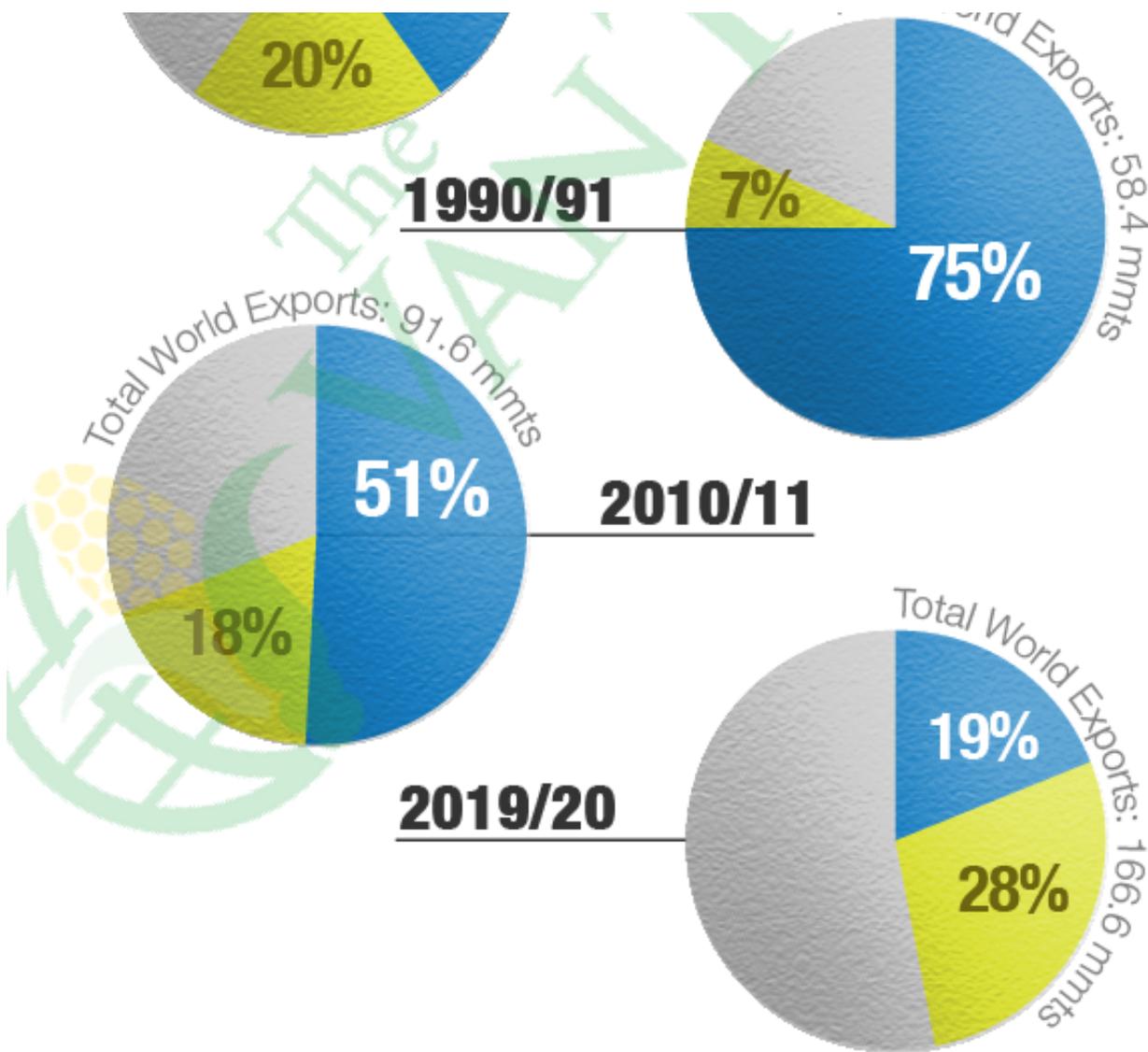
■ United States    ■ Argentina

■ Rest of the World



**1970/71**

Total Wor...



Source: USDA, PS&D, December, 2019

**Soybean** prices have rallied by approximately +10 cents since the Christmas break with the MAR20 contract pushing to levels not seen since late-October. The contract is still however about -30 cents below its twelve-month high at \$9.82<sup>2</sup> posted back on January 9 of last year. Bulls continue to speculate on increasing Chinese demand and improved trade relations. Bears remain focused on cooperative weather in South America, talk of perhaps another record harvest in Brazil, and early speculation of +9 million more planted soybean acres here at home in 2020. The good news is the fact the funds seem a bit more optimistic about the overall commodity space so perhaps we could see improved buying conditions, especially if we continue to see weakness in the U.S. dollar. As a speculator, I have to imagine soybeans could easily build a bullish story in 2020 if the weather creates any major complication. Global economies seem to be stabilizing and the U.S. balance sheet is not overly burdensome. I am currently flat this market having recently banked bullish profits. I would like to be a buyer but believe I will eventually have a better point of entry. As a producer, I recently

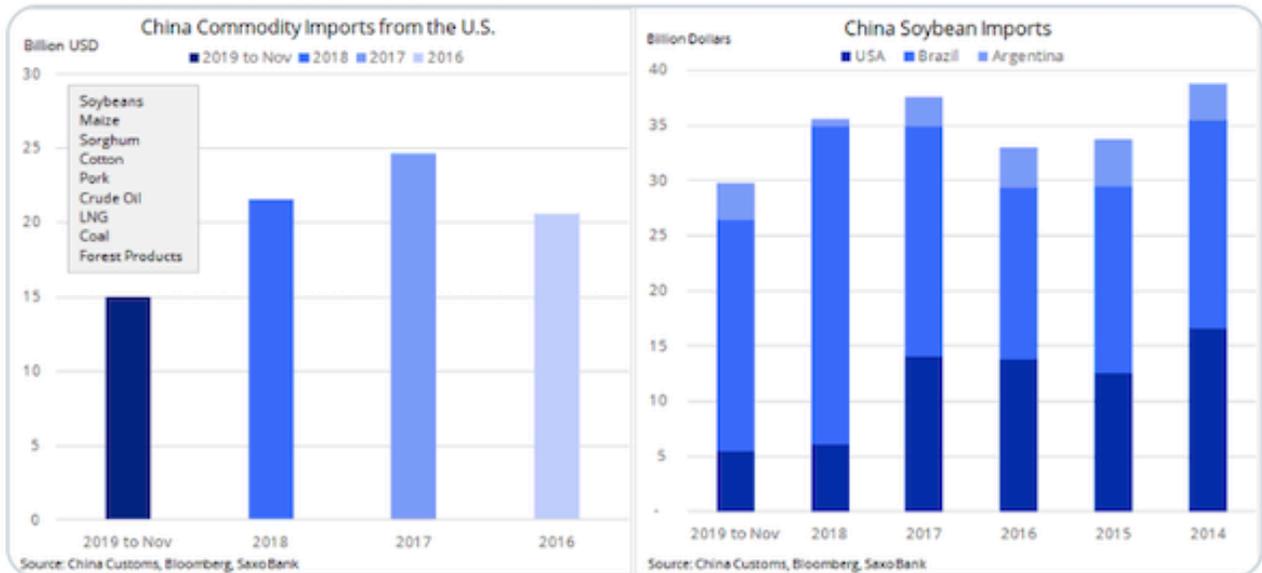
rewarded the rally by reducing a bit more longer-term price risk. I've used the board to reown to keep a bit of upside potential in play. I would still like to price another 20% to 30% during the next 90-days so I will be paying close attention to trade talk, weather, and macro headlines. Don't forget the USDA will be releasing its monthly Oilseeds Crushing report today. Most in the trade are looking for a crush number of around 175 to 177 million bushels which would be down slightly from last year's number. The next big USDA report will be released next Friday, January 10th. Make sure you have a game plan!



**Ole S Hansen**  
@Ole\_S\_Hansen



China's total **#commodity** import from the U.S. and the lost market share in **#soybeans**, especially to Brazil



# Soybean Export Market Share

*United States vs. Brazil*



United States

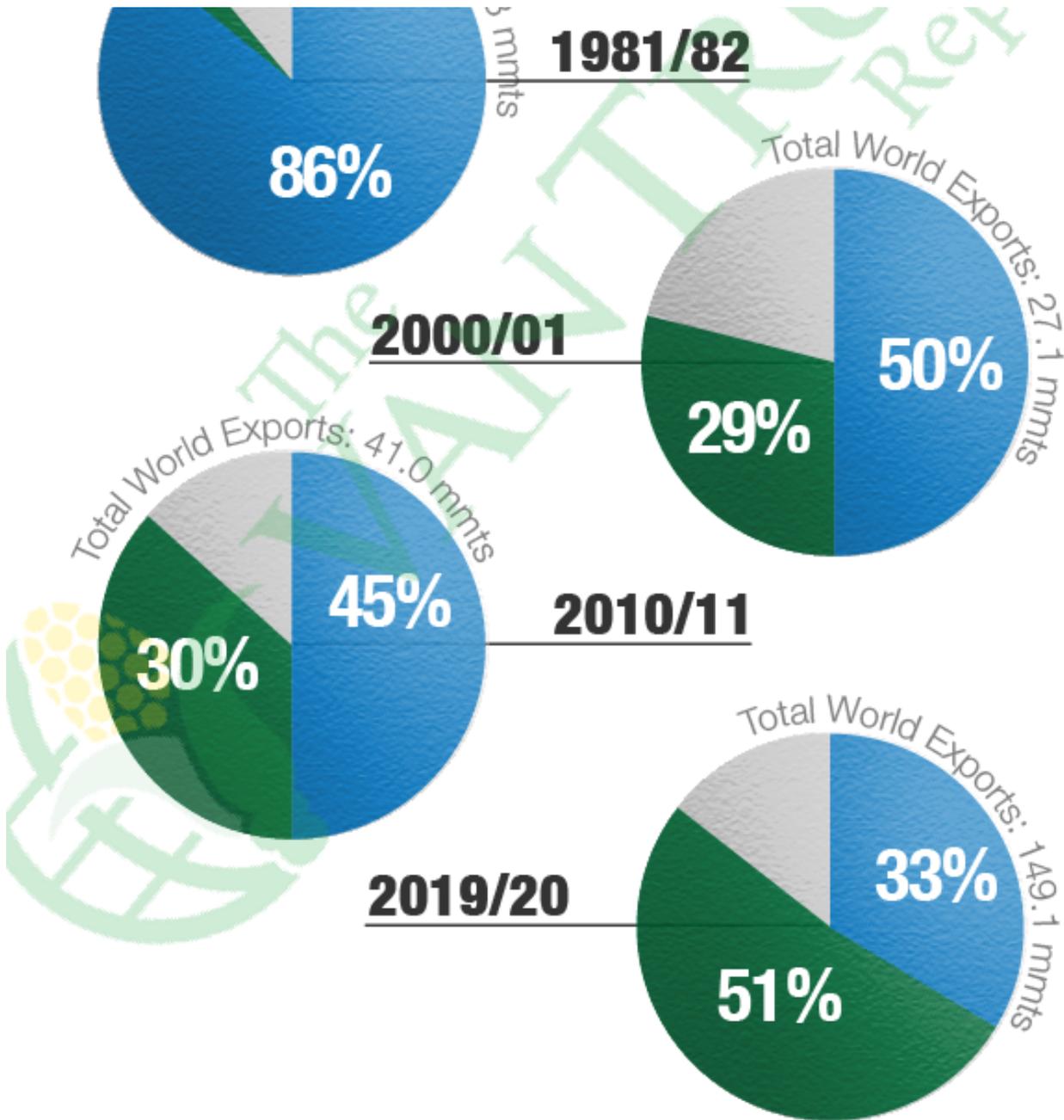


Brazil



Rest of the World



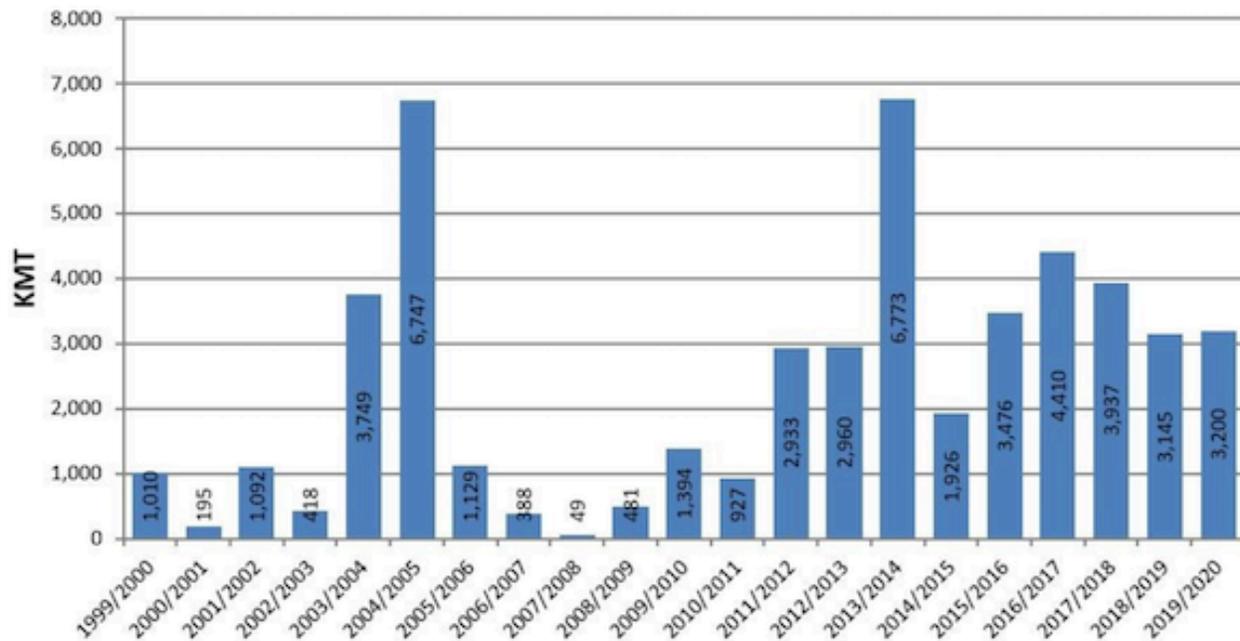


Source: USDA, PS&D December, 2019

**Wheat** prices in the SRW contract have rallied +15 cents from the Christmas break with the MAR20 contract up +\$1.00 from the early-September low. The contract is now within spitting distance from the late-June high posted at \$5.73<sup>4</sup>. The HRW wheat contract has rallied +80 cents in the past four months and back to levels not seen since mid-July, unfortunately, the contract is still trading sub-\$5.00 per bushel and well below the \$5.72 high posted in early-January of last year. As a spec, I've been fortunate enough to participate in a portion of the Minneapolis Spring wheat rally, which has been +50 cents since late-November. Overall demand headlines and macros have improved on the heels of the U.S. dollar falling to a fresh five-month low. Technically, the charts are also in great shape.

However, European wheat prices are starting to be pressured a bit so I'm worried the market will soon be in need of some fresh bullish headlines to keep the momentum moving higher. Bulls are hoping the new Chinese trade deal will also bring along some bullish demand headlines. I've included a graphic below that shows the Chinese wheat imports from years past, and yes, there is some potential for stronger demand, I'm just not certain all the stars are aligned? Hence, the reason I've opted to bank profits on all of my spec positions and price a few more cash bushels. I'm not saying we won't eventually see higher prices, I'm just thinking the market might need a moment to take a few deeper breaths. Producers who feel they are behind in sales or needing to reduce risk should be proactive. I will continue to keep an eye on dry areas here in the U.S. Several areas in the central and southern Plains have gotten some recent moisture relief but still need to be monitored. I am also extremely interested in learning the USDA's take on total U.S. wheat acres?

### China wheat imports



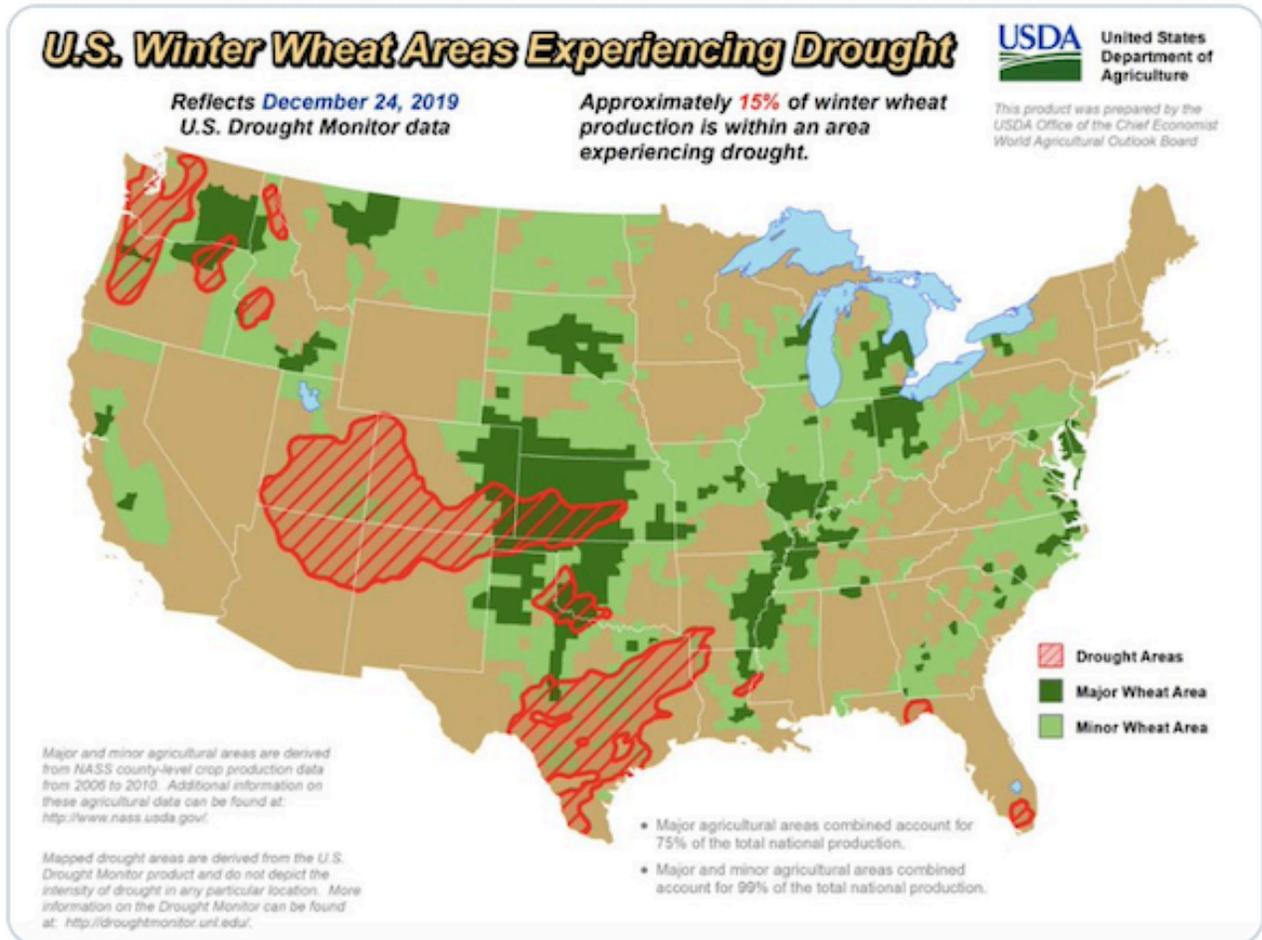
Source: USDA/FarmLink



Farm Policy  
@FarmPolicy



Approximately 15% of winter #wheat production is within an area experiencing #drought, @usda\_oce



# Wheat Export Market Share

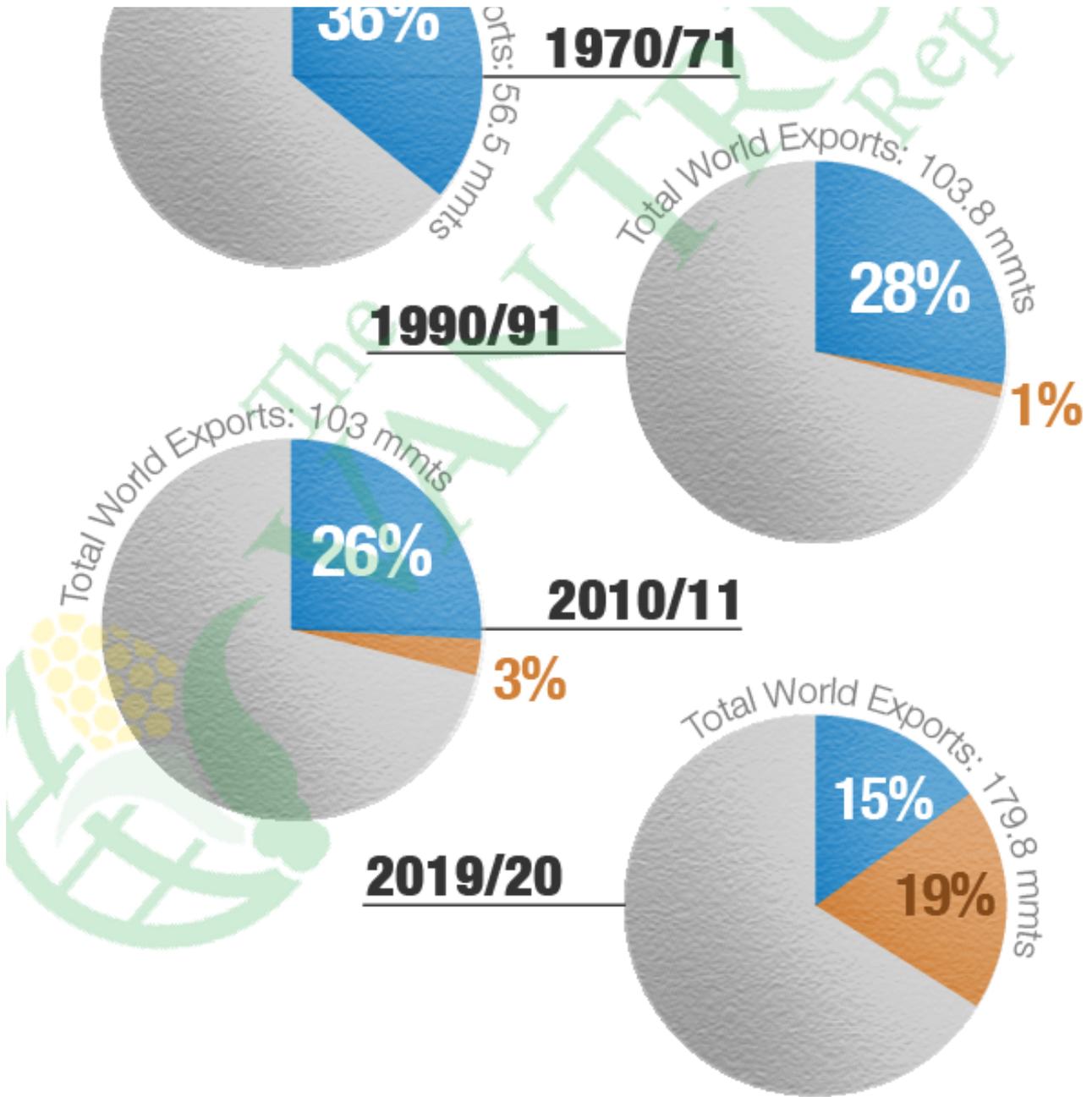
United States vs. Russia

United States Russia

Rest of the World

Russia  
0%





Source: USDA, PS&D, December, 2019



**> China Paves the Way for Domestic GMO Crops:** *China's agriculture ministry said on Monday it plans to issue biosafety certificates to a domestically grown, genetically modified (GM) soybean crop and two corn crops, in a move toward commercializing GM grain production in the world's top market. Beijing has spent billions of dollars researching GM crops, but has held back from commercial production of any food grains because of consumer concerns about their safety. China granted biosafety certificates to its first GM corn varieties and two domestic rice varieties in 2009, but has never moved to commercialize these crops. Some in the industry believe Beijing's most recent move could mean that China is ready to start commercialization of some domestic GM crops. China has said it aims to push forward the commercialization of GM corn and soybeans by 2020. Beijing has long approved imports of these products. (Source: Reuters)*

**> China Approves Two New GM Crops from U.S. for Import:** *China approved two new genetically modified (GM) crops for import on Monday that could boost agricultural purchases from the United States, while renewing permits for 10 others, the Chinese agriculture ministry said. The United States has demanded that China change its GM crop import application process, saying they want it to be more transparent, timely and based on scientific methods. The two new GM crops approved were Corteva Agriscience's DAS-81419-2 soybean and 55-1 papaya, jointly developed by the U.S. Department of Agriculture and Hawaii University. Corteva was the agricultural unit of DowDuPont, prior to being spun off as an independent company. It is still waiting for Chinese regulators to review a*

*canola trait, which has been approved for years in the United States, Canada and other markets. Monday's approvals were seen "as more evidence of progress as a result of the trade talks," said Arlan Suderman, chief commodities economist for U.S. broker INTL FCStone. Read more [HERE](#).*

**> USDA Decides Hemp Farmers are Eligible for Crop Insurance Under Pilot Program:** *The USDA Risk Management Agency (RMA) has announced a new crop insurance option to help farmers protect against losses related to drought or plant disease in twenty-one states. Hemp farmers in Alabama, California, Colorado, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Minnesota, Montana, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Tennessee, Virginia, and Wisconsin, could qualify for coverage. More info is available [HERE](#).*

**> Maryland Farmer Wins National Corn Yield Contest:** *This year, Drew Haines of Middletown yielded over 422 bushels of corn per acre, beating Maryland's state corn yield record and winning first place in the National Corn Yield Contest in the no-till, non-irrigated corn category. The National Corn Yield Contest is a program of the National Corn Growers Association. Any NCGA member is eligible to apply for the contest, which has both national and state-level winners. The contest has been in existence since 1965, and receives about 8,000 entries a year. Haines said the success didn't just happen. He's been working on better understanding the soil and producing high yields for about 10 years. "It's turned into an addiction," he said. Read more [HERE](#).*

**> Warren Buffett is Spending Billions to Make Iowa 'The Saudi Arabia of Wind':** *Warren Buffett is spending billions to turn Iowa into "the wind capital of the world, the Saudi Arabia of wind," he told the Financial Times. His motivation, however, is not climate change. Rather than leading the charge on climate change, hoping to cut carbon emissions at any cost, he told the newspaper he was simply taking advantage of government incentives for renewable-energy investments. One of Berkshire's businesses, MidAmerican Energy, owns and operates more than 2,600 wind turbines in Iowa. Those generate over half of the electricity the company provides customers in the state each year. Moreover, it is expanding capacity with the goal of satisfying 100% of its Iowa customers' annual energy needs using renewable sources. Read more from [Business Insider](#).*

**> Airbus Beats Goal with 863 Jet Deliveries in 2019, Ousting Boeing from Top Spot:** *Airbus has become the world's largest planemaker for the first time since 2011 after delivering a forecast-beating 863 aircraft in 2019, seizing the crown from embattled U.S. rival Boeing. A reversal in the pecking order between the two giants had been expected as a crisis over Boeing's grounded 737 MAX drags into 2020. But the record European data further underscores the distance Boeing must travel to recoup its market position. Airbus, which had been forced by*

*its own industrial problems to cut its 2019 delivery goal by 2-3% in October, deployed extra resources until hours before midnight to reach 863 aircraft for the year, compared with its revised target of 860 jets. Read more [HERE](#).*

**> Is it Time to Switch Banks?** *It's been said that you're more likely to change your spouse than your bank. But, as you run the ruler over your personal finances, ask yourself whether your bank has been doing the right thing by you. There's plenty of research that shows we suffer from "inertia" when it comes to switching financial services, even though this could save us – or earn us – significant sums. Think about it: When interest rates fall, does your bank pass on the full extent of those rate cuts so your mortgage is cheaper? When interest rates rise, do you get the full benefit with a commensurately higher rate on your savings? Have you been stung by the auto-renewal of a term deposit onto a below-par rate? Lesley Gregory of the Evidence Investor blog has prepared a list of questions that could help you determine if it's time to consider switching to a new bank. Check it out [HERE](#).*

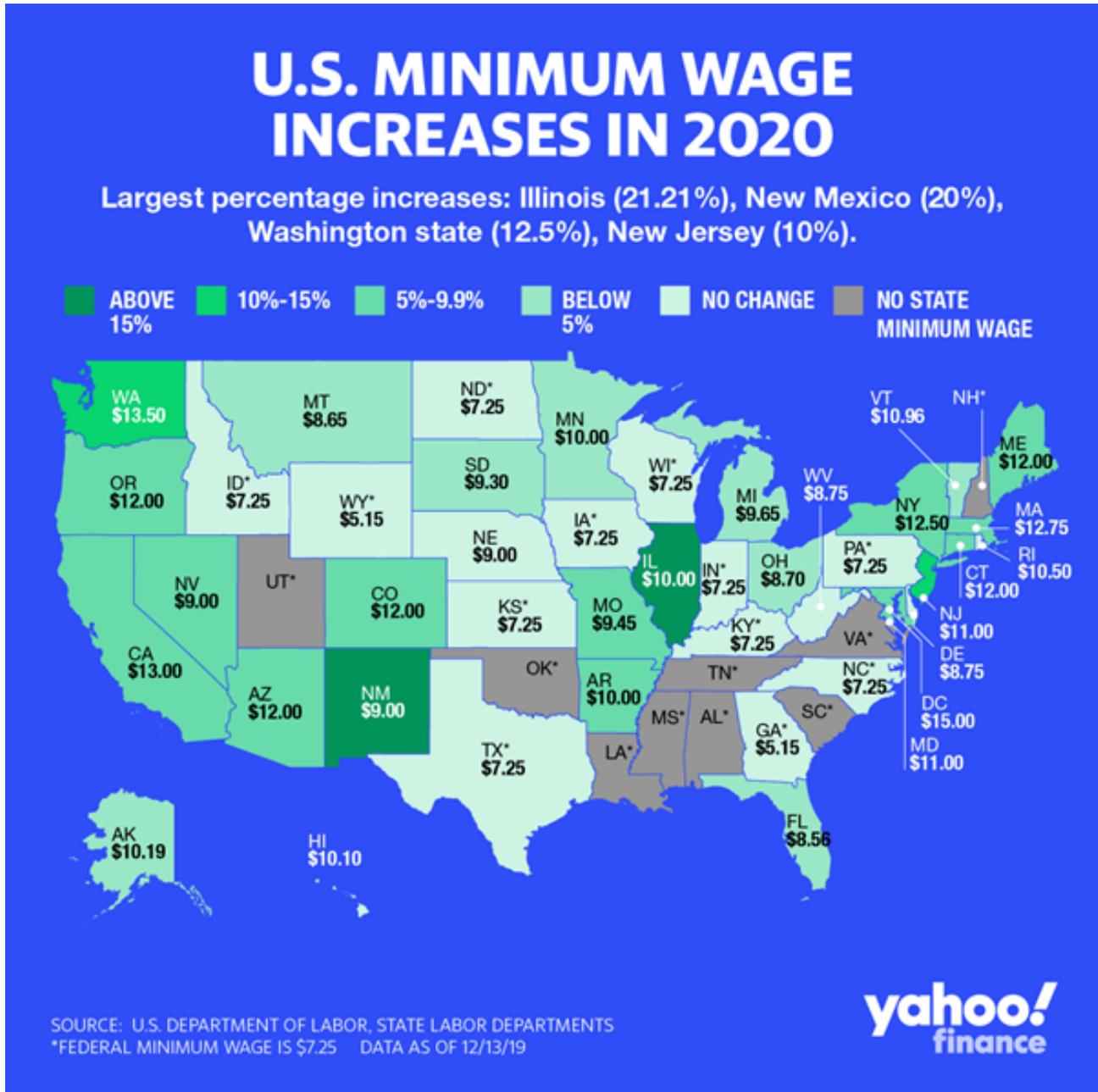
**> Celebrating the Good Things That Happened in 2019:** *Maybe you think the past year was awful and depressing and went on for far too long...but really, it was not ALL bad. To help us close out 2019 on a good note, Tom Campbell over at OCR compiled a list of some of the good things that happened last year, including job and wage gains, the first photograph of a black hole, and the eradication of Type 3 Polio. The full list is available [HERE](#).*

**> Ford Says Reservations for its First Edition Electric Mustang are Full:** *Ford is no longer taking orders for the First Edition version of its new electric Mustang, the Mach-E. The company will still be taking pre-orders for other versions of the crossover, including premium and GT, according to a press release. But the special First Edition is sold out. Ford unveiled the Mustang Mach-E in November and began taking \$500 refundable reservations before the Mach-E makes its debut next year. Prices for the Mustang Mach-E start at about \$45,000. The most expensive version of the vehicle is the Mach-E GT Performance Edition, which will start at about \$60,000. Those prices are similar to Tesla's Model Y, which will range from \$47,000 to \$60,000. More than 80% of the people who have placed Mach-E orders so far have opted for the extended range battery, which Ford says can give the car up to 300 miles of range. (Source: CNN)*

**> Steve McQueen's Bullitt Could Be the Most Expensive Mustang Ever Sold at Auction:** *There are Fords, then there are Mustangs. There are Mustangs, then there is Steve McQueen's "Bullitt" Mustang, the 1968 fastback that the King of Cool drove as he flew over the tops of San Francisco's steepest hills in one of the most famous car chases in film history. The famous green Mustang driven by Steve McQueen in the 1968 Warner Bros. film "Bullitt" is headed to auction in January, in Kissimmee, Fla., and if Mecum Auctions gets what they are expecting,*

*the car could sell for more than \$3.5 million— that's the record price for an American muscle car. According to Hagerty, an insurer and valuator of classic vehicles, the "Bullitt" Mustang could end up the most expensive Mustang ever sold at auction, surpassing a 1967 Shelby GT500 Super Snake that Mecum sold for \$2.2 million at the 2019 Kissimmee auction. Read more [HERE](#).*

**> Nearly Half of States will Raise Minimum Wage in 2020:** *A slew of states are set to raise their minimum wages in the new year. New York state raised its wage on December 31, and 13 more states have wage increases set to go into effect on January 1. Seven more states — Alaska, Florida, Minnesota, Montana, Ohio, South Dakota, and Vermont — have automatic cost-of-living adjustments that went into effect January 1. Three more states and the District of Columbia have wage increases scheduled to take effect over the course of 2020. The federal minimum wage has been fixed at \$7.25 an hour since 2009. Workers in 21 states remain at that minimum. A New York Times analysis of the effective national minimum wage — an average across all federal, state and local minimum wage laws — found a rate of \$11.80 an hour in 2019. Read more [HERE](#).*



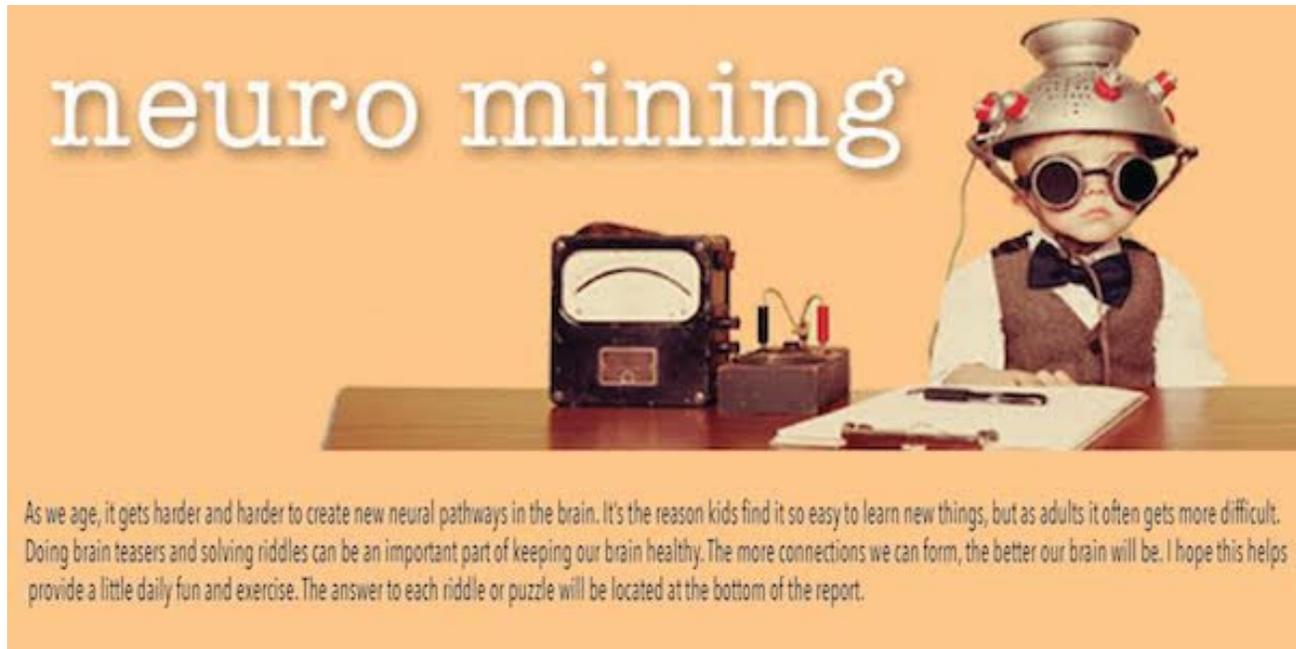
**Southern North Dakota** - *The crops weren't good but they weren't terrible either. We did not have corn and haven't tried growing it in years. In fact, we just sold our corn head recently so there's no chance of us growing corn now!! We*

*have seen a good deal of junk corn, barley, and wheat in this area that is virtually worthless to the elevator when we sell to them. Of course, they blend it off and probably make a fortune off us. I am hearing that guys are either looking at taking some of the barley or corn and using it to feed their own cattle, rather than selling it at a massive discount. You might see more North Dakotan's becoming cattlemen in the next 6-12 months!*

**Northeast Iowa** - *I'm getting rid of the cows this winter. I have 8 acres of pasture that used to be tilled 20 years ago. I've never raised beans before. They say the field is between two creeks but has some tile in it. It's a tough field to access at times - getting bids to correct that problem. I'd honestly like to keep it in a forage crop for one more year until I get it in rotation as I want it. I'm thinking of killing it off and growing soybeans as that makes the most sense right now.*

**Eastern North Dakota** - *We got a good bit of snow over the last few days. The wind blew and the snow drifted, in spots as high as the corn is currently standing. I don't know if you saw the pictures but guys were combining in mud when it was below freezing because we haven't had a big frost yet. If anyone had hopes of combining in the next few weeks, those are officially gone. A lot of corn is still standing and I'm not just looking out my back door - it's everywhere all over the state.*





**TODAY'S RIDDLE:** I was the first and now I am the one. What am I?



### **Fortunes Made in Food and Agriculture... Could Your Family be Next?**

American wealth is filled with amazing stories of families building massive fortunes in the food space. The stories are similar in the fact they all revolve around individuals and families that had the vision to see "opportunity" rather than "obstacles" in the midst of massive change.

I'm personally of the opinion we are again at a massive inflection point within the food and agriculture industry. I believe there are great opportunities available and presenting themselves for those who are open and looking from a new perspective.

In case you missed the History Channels "The Food That Built America" series, I thought writing about a few of those great innovative leaders might spark a few ideas or perhaps lead to further insight, interest, and additional perspective.

Following the Civil War, a revolution was starting to take place in the food industry,

and John and Will Kellogg would be smack in the middle of changing the way Americans would view the food they were eating. Few people realize that the story of the two men from Battle Creek, Michigan, who created those famously crispy, golden flakes of corn back in 1895, began with a secret recipe straight from the pages of the teachings of the Seventh-day Adventist church. I should mention, since 1854, Battle Creek was the Vatican of the Seventh-day Adventist church and its' founders, the self-proclaimed prophetess Ellen White and her husband, James. I'm told the homegrown American faith linked spiritual and physical health, and would play a major role in the Kellogg family's life.

From what I understand, the Whites were impressed with young John Harvey Kellogg's intellect, spirit and drive and began to groom him for a key role in the Church. With health programs a vital part of life for the denomination, the White's wanted a first-rate physician to run the medical and health programs at the yet to be created Battle Creek Sanitarium, and John Kellogg was the man selected. Kellogg was sent Michigan State Normal College in Ypsilanti, the University of Michigan in Ann Arbor and the Bellevue Hospital Medical College in New York. During his time at medical school, a time-crunched John, who prepared his own meals on top of studying round the clock, first began to think about creating a nutritious, ready-to-eat cereal.

Battle Creek's Sanitarium, which Dr. Kellogg headed up upon graduation, would quickly establish itself as a world-famous medical center, grand hotel and a spa run by John and his younger brother Will. Known as the "University of Health" the facility preached disease prevention, sound digestion, and "wellness." Interestingly, at its peak, it saw more than 12,000 to 15,000 new patients a year, treated the rich and famous, and became a health destination for the worried well and the truly ill.

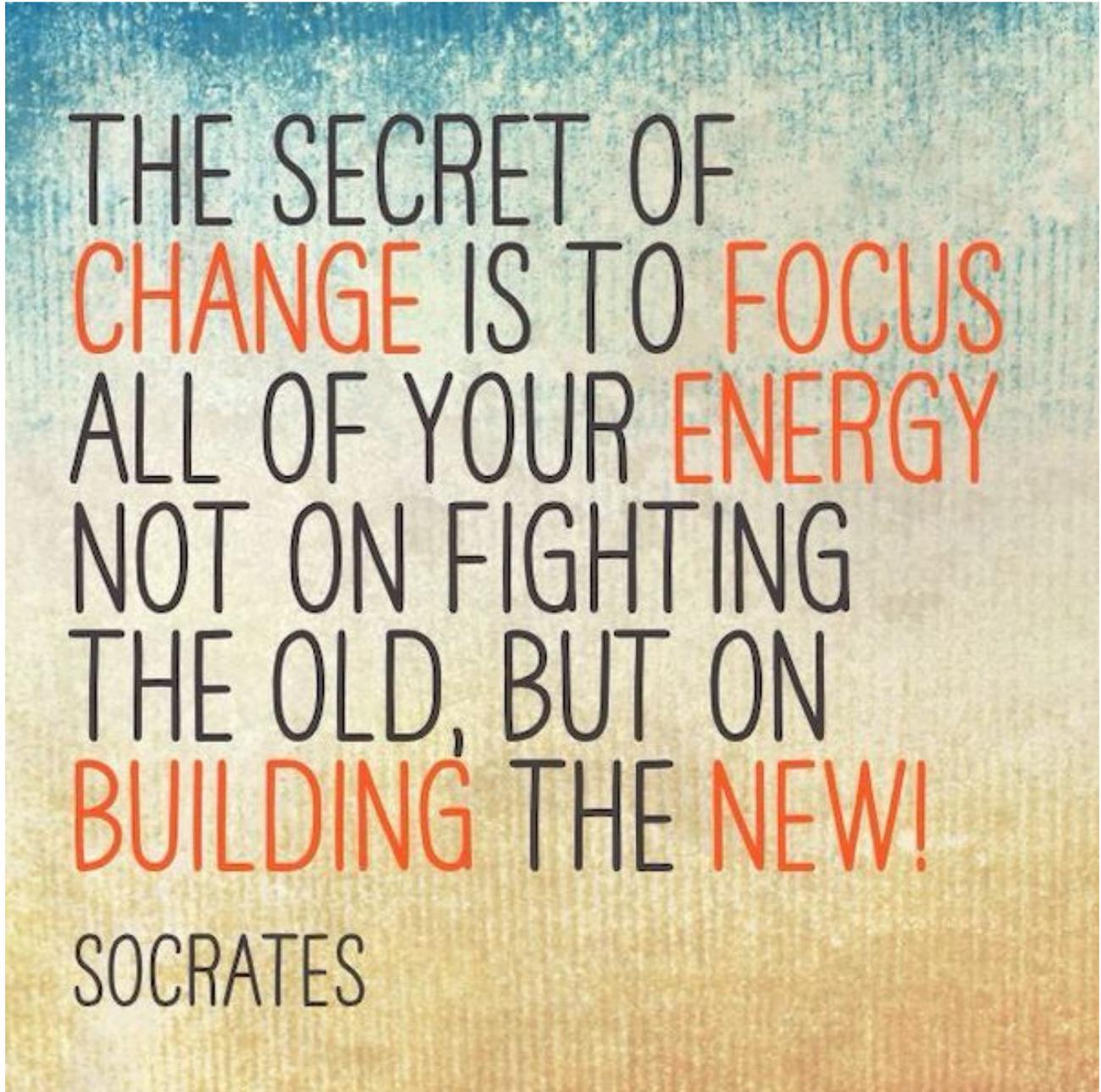
Breakfast at the time for most included filling, starchy potatoes, fried in the congealed fat from last night's dinner, so looking back, as the science of the day came into play, it seems obvious then that the next step was to fill a need for a palatable, grain-based "health food" that was "easy on the digestion" and also easy to prepare. Kellogg's theory was that the digestive process would be helped along if grains were pre-cooked—essentially, pre-digested—before they entered the patient's mouth, so he baked the dough at extremely high heat to break down starch contained in the grain into the simple sugar dextrose. I'm told it would be the brothers years in a basement kitchen before coming up with dextrinized flaked cereals, first wheat flakes, then the tastier corn flakes, which we all know today. Interestingly, time and modern science have altered their view a bit about eating processes cereals to begin your day.

Starting the Sanitas Food Company together around 1897, it took Will less than a decade to be fed up with what he deemed a domineering brother, who wouldn't let

him grow the business beyond the walls of the Sanitarium like he knew he could. So in 1906, Will founded the Battle Creek Toasted Corn Flake Company, which would later become the Kellogg Company. Will would quickly become successful. But then John started making his own cereal and calling it "Kellogg's" as well, which of course led to a lawsuit that Will would eventually win after nearly a decade in the courts.

Kellogg's story probably resonates with many families out there who are being forced to look for new and innovative ideas in order to survive. As I mentioned above, I believe opportunities exist to disrupt the food and agriculture space it's just a matter of how we choose to react and move your pieces. I suspect many parts of the supply chain will look massively different in the next decade... If you're interested in learning more AE has a video posted on youtube titled "[Corn Flake Kings: The Kellogg Brothers](#)". I love looking back in history to gain inspiration about the future. I admire all of those who were daring enough to embrace and be part of the positive change that has impacted all of our lives. History often teaches the best lessons. Remember, your life does not get better by chance, it gets better by change! (Source: History Channel, Smithsonian, NPR, Wiki)





“Everyone thinks  
of changing the  
world, but no one  
thinks of changing  
himself.”

Leo Tolstoy

EVERYDAY POWER

### **Milk Baths to Flexitarianism - Facebook's Top Trend Predictions for 2020**

Facebook recently released its third annual Facebook IQ Topics and Trend Report, predicting trends that are on the cusp of going mainstream in 2020. The company taps its own data to gauge what topics have been gaining momentum on Facebook this year, which helps them determine where attitudes and behaviors might be headed. For companies, identifying trends early can help better inform marketing strategy and product development. This year, Facebook expanded its analysis to include trends from four regions - Asia Pacific, Europe, Latin America and North America — and 14 countries within them. Facebook says the new global view is beneficial particularly because an existing trend in one market can often soon emerge in another. The analysis covers trends across six categories: Art and

Design, Beauty and Fashion, Entertainment, Food and Drink, Mind and Body, and Travel and Leisure. The full report is available [HERE](#). Below are the five emerging patterns from around the globe that Facebook has identified as the trends poised to breakthrough in 2020: (Sources: Facebook, CNN)

**Acting Greener:** *People have been talking about sustainability for years. Now, many are making small lifestyle changes that have a big impact on the environment as access to information and eco-friendly products grows around the world. In Canada, people are taking on beekeeping as a form of environmental activism. In Sweden and the UK, people are making conscientious choices when it comes to fashion purchases. And in Germany and the U.S., people are seeking more plant-based foods in an effort to reduce their meat consumption. Facebook says the rise of flexitarianism - a majority plant-based diet that occasionally incorporates meat and fish - could become a 2020 movement here in the U.S.*

**Changing the Channel:** *From art to entertainment, people are experiencing popular stories and pastimes in new mediums, and some are even discovering these for the first time on new channels. In Mexico, up-and-coming artists are bringing their work to social media and independent spaces across major cities. In the U.S., podcast lovers are prompting the entertainment industry to create companion podcasts for popular TV shows and, conversely, to bring popular podcasts to TV. Pointing to "The Farewell," the acclaimed film based on a segment in NPR's "This American Life" and podcasts like "Dirty John" and "2 Dope Queens" that were adapted as TV series, the company says we'll see the audio medium become so massive that Hollywood will increasingly capitalize on its fandom and creative freedom.*

**Getting Hands-On:** *Tactile activities are moving into the mainstream as more people discover the value—and fun—in getting their hands dirty. In Brazil, a new maker culture is emerging, helping people experiment with technologies like 3D printing and laser cutting. In Canada, indoor gardening is taking root among people looking to grow plants in urban spaces; while in India, people are exploring the outdoors, using hiking and backpacking to experience their nation's natural offerings.*

**Going Back to Basics:** *People are looking for minimalistic products and routines that have maximum impact. In the Philippines, beauty lovers are reducing their skincare routines from 10 steps to three, focusing on products that protect their skin against sun damage. In France, conscious consumers are using new apps to screen their everyday items for harmful ingredients. Additionally, in Australia, people are seeking out specific foods to foster a healthy gut microbiome. Facebook predicts growing consumption of gut-*

*healthy foods like kimchi and ghee, or clarified butter. The U.S. adopted avocado toast from the Aussies, so maybe the American masses will follow Australia's lead again. Kimchi, a stalwart of Korean fare, and kombucha have already crossed over into the U.S.*

**Making Everyday Moments Special:** *Around the world, people are elevating the mundane by turning everyday rituals into micro-moments of excitement. In Thailand, the craft coffee scene is booming as people increasingly see the drink as a delicacy instead of just a daily caffeine boost. In the UK, exercise is supplanting a night out, as people engage in party-esque fitness activities that give them a good time and a good sweat. And in the U.S., people are increasingly embracing baths as a self-care ritual, using specialty soaks and chill-out music to create spa-like experiences at home. Specifically, Facebook predicts, milk baths will become en vogue. Rumored to be a pastime of Cleopatra, the baths are supposedly moisturizing for dry skin.*

# The 2020 Topics and Trends Report From Facebook IQ

See the conversations on the cusp of going mainstream



Neon  
UNITED KINGDOM

Plant-Based Diet  
UNITED STATES



Houseplant  
CANADA





### **My Plans for 2020 and A Few Good E-Mails I've Recently Received**

Michelle and I are committing to more travel and more "experiences". The kids are now adulting, out of the house and on their own. We are anxiously awaiting grandkids, but that still seems out on the horizon. So Michelle says this is our window-of-opportunity to travel. Once the grandkids come about she wants to hunker down and play grandma all day every day. With that in mind, we have scheduled a few fun trips for 2020 and are hoping to knock several things off the bucket list. Neither of us had much opportunity to travel when we were younger so this could be a crazy year of experiences. I will keep everyone updated with the good, the bad, and the ugly:) We are going to try and tour a bit of Europe in the Spring so I will be looking for some insight and tips.

During the holiday break, I received many great e-mails from friends, family, and subscribers. I appreciate all of those who share and include me in their e-mail group. Below are just a few of the e-mails and images that made me stop and think or brought about a little emotion. I'm looking forward to an amazing 2020. Thank you again for your support!

#### **You Decide What's In Your Cup...**

*Great analogy, worth thinking about!*

*You are holding a cup of coffee when someone comes along and bumps into you or shakes your arm, making you spill your coffee everywhere.*

*Why did you spill the coffee?*

*"Because someone bumped into me!!!"*

*Wrong answer.*

*You spilled the coffee because there was coffee in your cup.*

*Had there been tea in the cup, you would have spilled tea.*

*\*Whatever is inside the cup is what will spill out.\**

*Therefore, when life comes along and shakes you (which WILL happen), whatever is inside you will come out. It's easy to fake it, until you get rattled.*

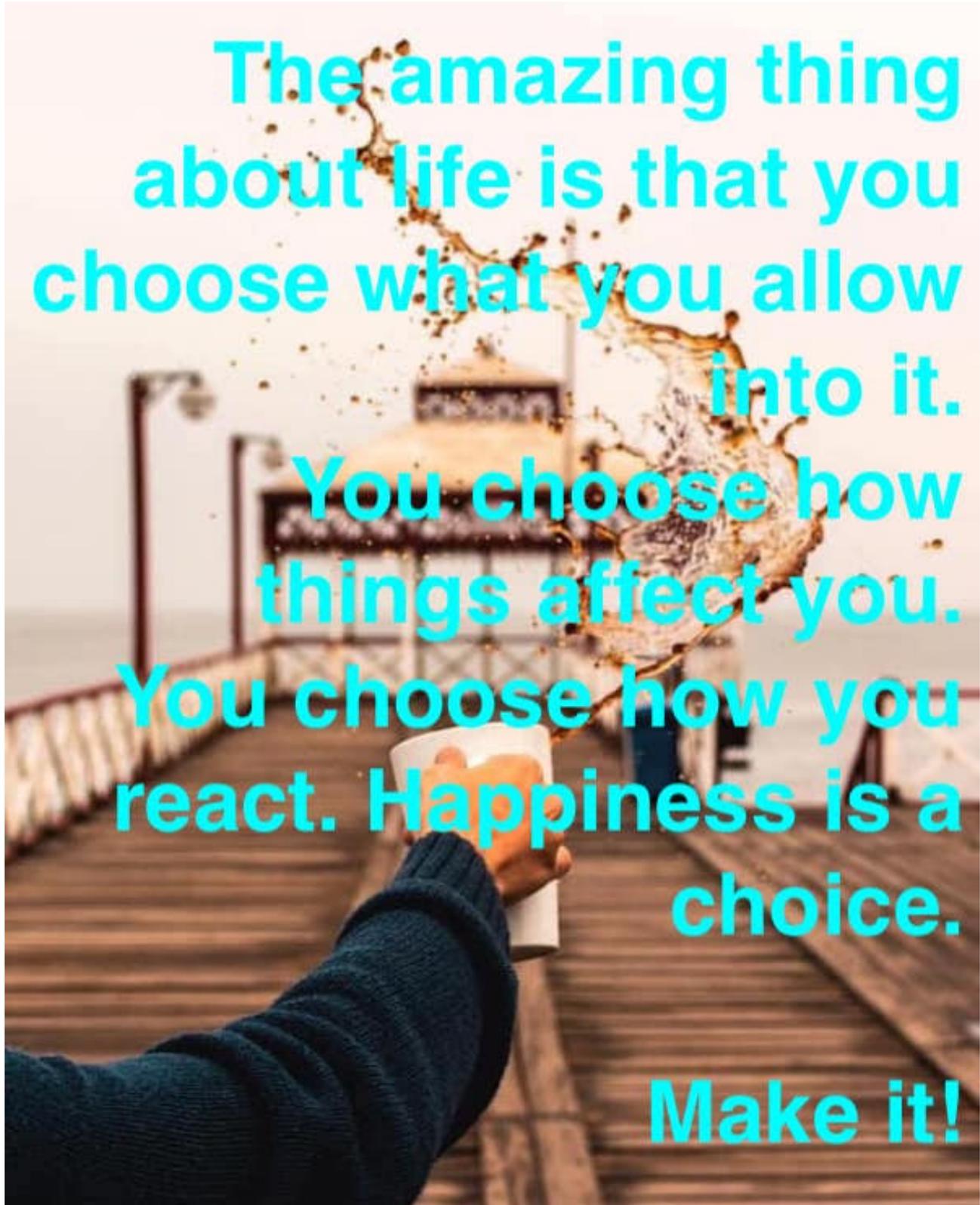
*\*So we have to ask ourselves... "what's in my cup?"\**

*When life gets tough, what spills over?*

*Joy, gratefulness, peace and humility?*

*Anger, bitterness, harsh words and reactions?*

*Life provides the cup, YOU choose how to fill it.*



**Made Michelle and I Chuckle... Our Kids Didn't Find It As Funny:)**



**Feeding the Elk... Amazing Pics!**

*The Wyoming Game and Fish Department started a feeding program for the elk around 1918 because of the harsh winters we have the elk were starving to death by the thousands. There are 22 feed grounds today. The G&F buy the hay and hire feeders to feed the elk on each feed ground.*

*My grandpa, father, uncles, brothers and myself have all fed elk during the winter. Kevin Campbell is the feeder in these images and he feeds the Dell Creek feed ground. He's fed here for 22 years.*

*I kick myself for not packing a camera in my earlier years. Happy end of the decade.... live slowly!  
(Source: Skye Clark)*













**ANSWER to riddle:** George Washington.

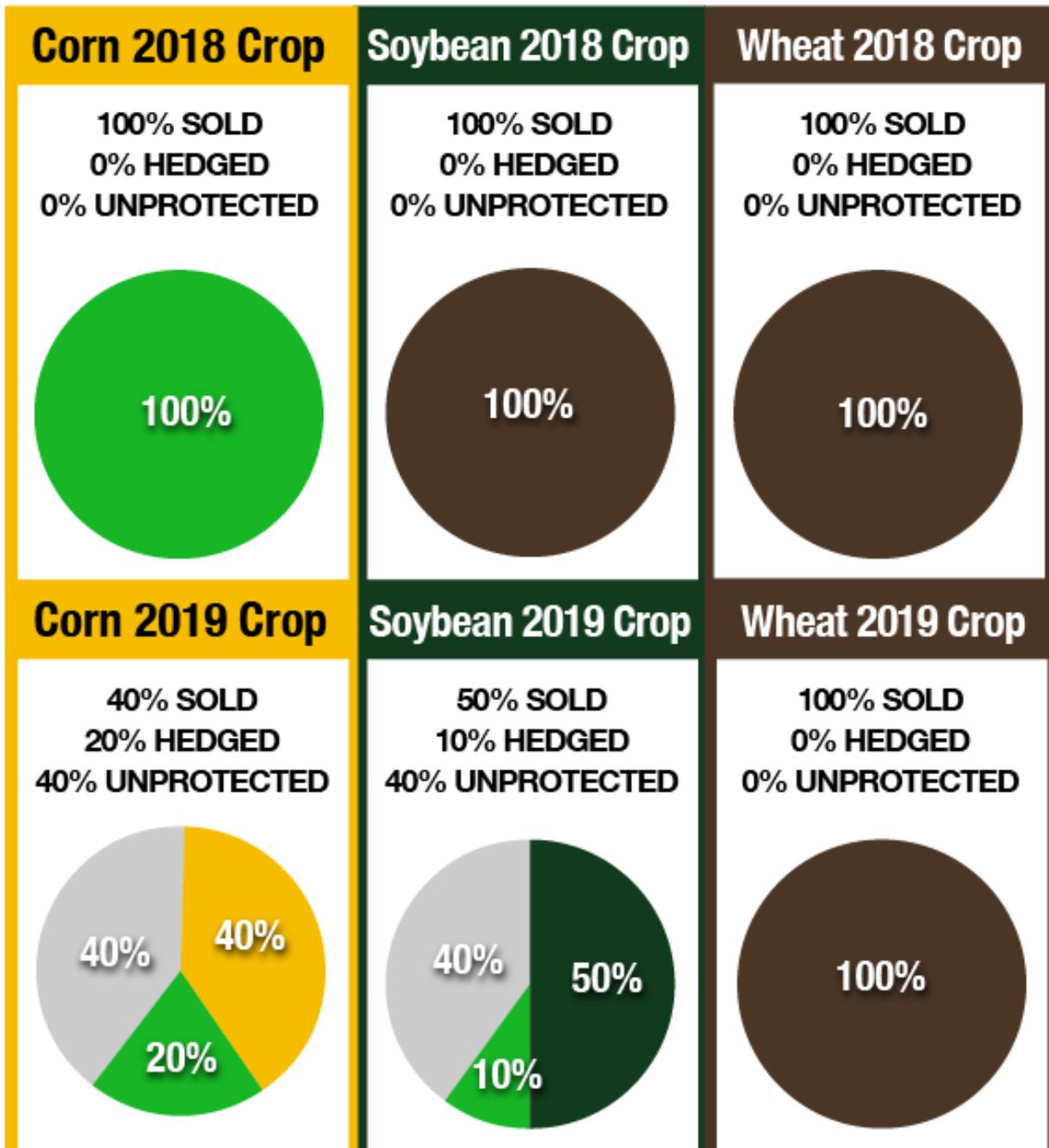
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**OUT!!!**

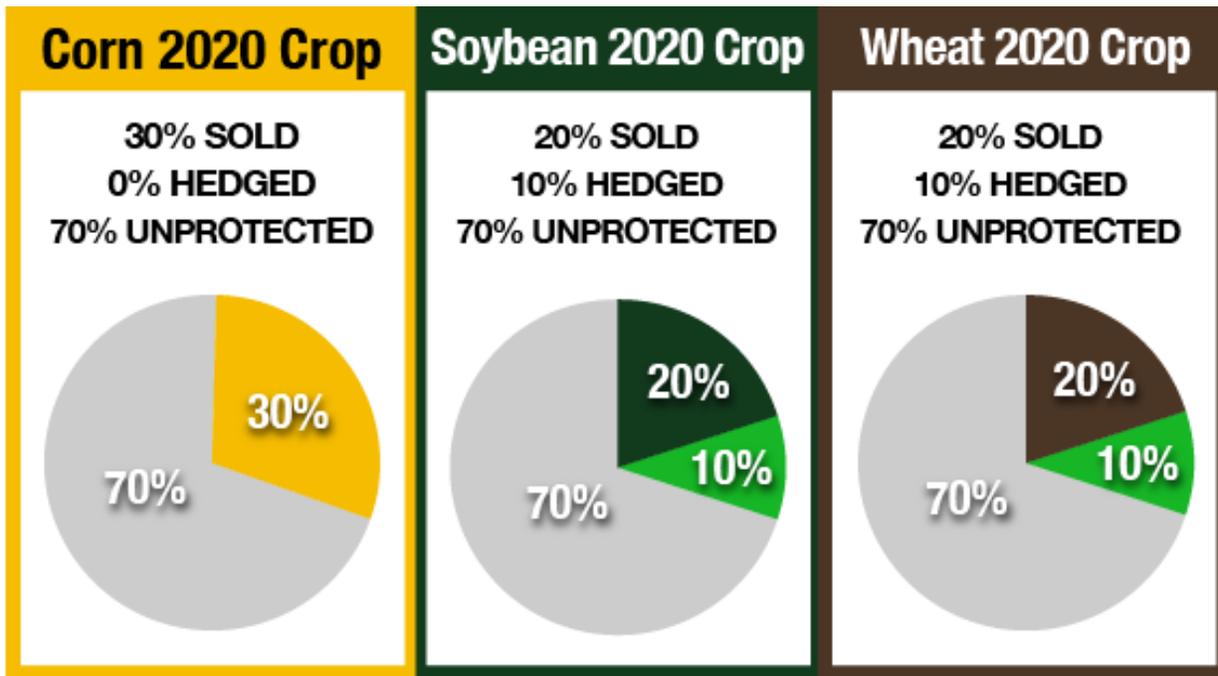
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