

GOOD MORNING: 08/23/17 Farm Direction - VanTrump Report

1 message

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To: Kevin Van Trump <info@farmdirection.com>

Wed, Aug 23, 2017 at 7:15 AM



"The joy we feel has little to do with the circumstances of our lives and everything to do with the focus of our lives."- R.Nelson

WEDNESDAY, AUGUST 23, 2017

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Morning Summary: Stocks around the globe are mixed at mid-week. The Dow had one of its best days since April yesterday on renewed talks of tax-reform, but all three main indexes still seem to remain range-bound. There really hasn't been any fresh catalysts to provide the market with a solid sense of direction. U.S. corporate earnings data has slowed and Congress isn't due back in session for another two weeks. At a Trump rally last night in Arizona, the President might have spooked the market a bit, as many insiders negatively interpreted his comments about building the wall, saying, even if we have to close down our government, we're building that wall. Keep in mind Congress is already facing a serious "debt ceiling" issue and if a new spending bill isn't passed by September 30th, a government shutdown will occur. More nearby, today's economic data will offer up only New Home Sales and Flash PMI numbers. We will also hear from Dallas Fed President Robert Kaplan who will participate in a Q&A both on a panel, then followed by a session with the media and audience. Most traders are likely to maintain their 'wait-and-see' approach ahead of the Jackson Hole meeting that starts on Thursday. The event is attended by top central bankers from around the globe every year and has a reputation for delivering surprising news. In 2010, then Fed Chair Ben Bernanke set off a major stock market rally when he announced the start of the U.S. central bank's Quantitative Easing program. This year, both Federal Reserve Chair Janet Yellen and European Central Bank head Mario Draghi are expected to speak. Investors are anticipating Draghi may provide some details on when the ECB might begin following in the U.S. Fed's footsteps in normalizing monetary policy. The big question on investors minds is when and how much the ECB might start trimming the size of its asset purchases.

Warren Buffett's Berkshire Hathaway Shares Hit All-Time Highs: *Berkshire "A" shares hit \$270,960.00 and "B" shares rose to \$180.61, both all-time highs.*

Samsung is set to unveil its Galaxy Note 8 at an Unpacked event in NYC, with hopes to bounce back from last year's Note 7 debacle and a recall that cost it more than \$6.5B. Leaks suggest the device will sport a dual camera setup, glass back, bezel-less front (Infinity Display) and a stylus pen. (Source: SeekingAlpha)

Oil Traders Will Be Keeping An Eye On Tropical Storm Harvey: *The National Hurricane Center (NHC) said what is left of Tropical Storm Harvey is grinding across the Yucatan Peninsula. Tim Evans, Citi Futures' energy futures specialist, told media outlets that it may make landfall between Corpus Christi and Port Lavaca as a Category 1 hurricane Friday evening. This puts it in the Houston area, home to several oil refineries. Harvey may be wedged between two areas of high pressure aloft, one over the Desert Southwest and a weaker one over the central Gulf of Mexico. A tropical cyclone's rainfall potential is a function of its forward speed, not its intensity. Therefore, if Harvey stalls for a period of a few days, it has the potential for producing prolific rainfall, capable of major flash flooding. Steady intensification will be possible as Harvey tracks through the Bay of Campeche over warm waters and then into the Texas Coast by Friday night, the meteorologist said. For now, areas near the Texas and Louisiana Gulf Coasts are at the biggest risk for torrential rainfall and major flash flooding, potentially including Houston and Corpus Christi. Harvey may still linger over parts of the*

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December 6, 2017

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Dennis Gartman
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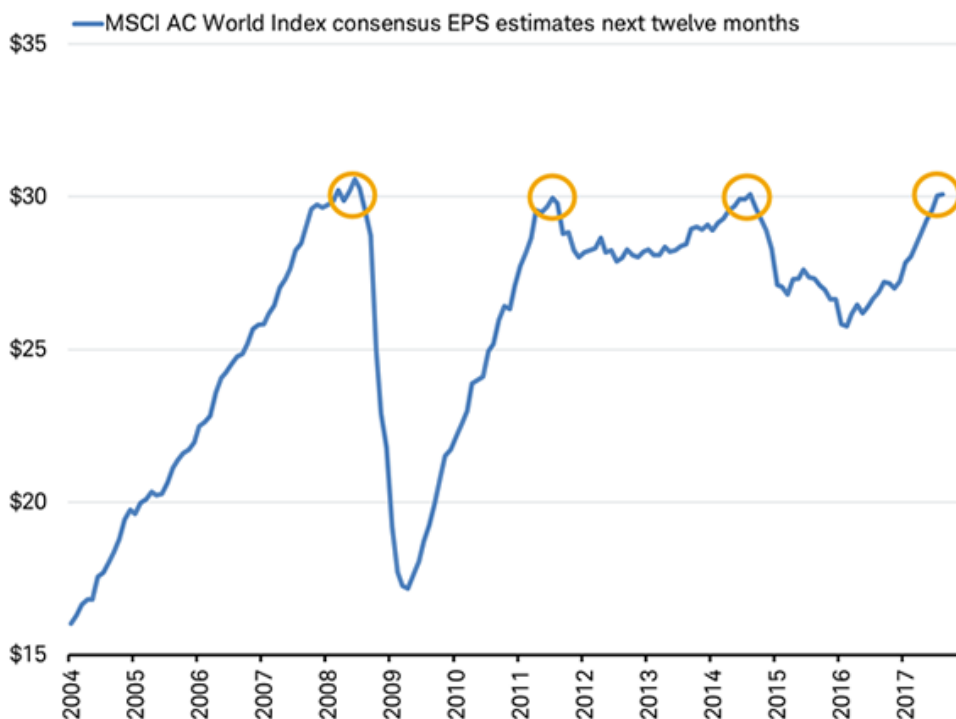
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western Gulf Coast into early next week before it finally moves east. This could spread additional heavy rainfall into parts of the Lower Mississippi Valley. There are even scenarios where Harvey either stalls just off the Gulf Coast or moves back over the Gulf of Mexico at some point after having made landfall. (Sources: Weather.com, Reuters)

Are Earnings About To Set A New Milestone? Investors may be getting a sense of déjà vu from corporate earnings. The analyst consensus estimate for earnings per share over the next twelve months for the world's companies (measured by the MSCI All Country World Index) has risen back to \$30 again for the fourth time in 10 years, as you can see in the chart below. Since first reaching this level in 2008, earnings per share for the world's companies has taken about three years to return to \$30 after each decline. Despite the similar three year intervals, each decline in earnings was unique with differing depths and drivers. The good news is that earnings may finally be able to remain above \$30 over the course of the coming year. The strongest and broadest global economic growth in years supports a lift in earnings above \$30 for the first time ever. All of the world's top 20 economies are growing in 2017, marking the first year this has happened since 2010. The International Monetary Fund forecasts global growth to continue to accelerate in 2018, according to their World Economic Outlook released in July. The two regions that have yet to recover their past peaks look set to make further progress: Emerging markets and Europe. (Source: Schwab)



Weather in the Corn Belt has seen showers and strong thunderstorms move through the middle Mississippi and Ohio Valleys. Flood Warnings and Watches were in effect all across Kansas and Missouri, where flash flooding is already occurring locally, and strong thunderstorms could develop later in the Ohio Valley and Northeast. On the Plains, drier weather prevails from the Dakotas to Nebraska following locally heavy showers early in the week. Rain also developed along a frontal boundary spanning the southern Plains. In the South, hot and humid weather continues from the Delta to the southern Atlantic Coast, spurring rapid development of cotton and other summer row crops. Showers and thunderstorms are forecast for some coastal areas, and rain could reach the lower Mississippi and Tennessee Valleys from an approaching cold front. Looking ahead, showers and thunderstorms will become more prevalent over the Southeast during the next few days as cold front continues to advance toward the Gulf Coast. Looking ahead, milder, drier weather will prevail throughout the Midwest in the wake of the passing front, favoring late development of corn and soybeans. Farther West, monsoon showers may gradually push eastward into the southern High Plains and some rain could develop in the Rockies, helping to abate the risk of new fire activity. In the 6 to 10 day, cooler conditions are expected for much of the country, with the highest likelihood of below normal temperatures stretching from the southern Plains to the Mid-Atlantic States.

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Corn Belt Moisture Trades Places Over the Last Month: *Interesting chart showing calculated soil moisture anomaly change from July. Shows a moist western Corn Belt with dryness noted in the eastern Corn Belt. This is a complete reversal from the first half of the summer which saw plentiful moisture in the ECB and dryness in the WCB.*

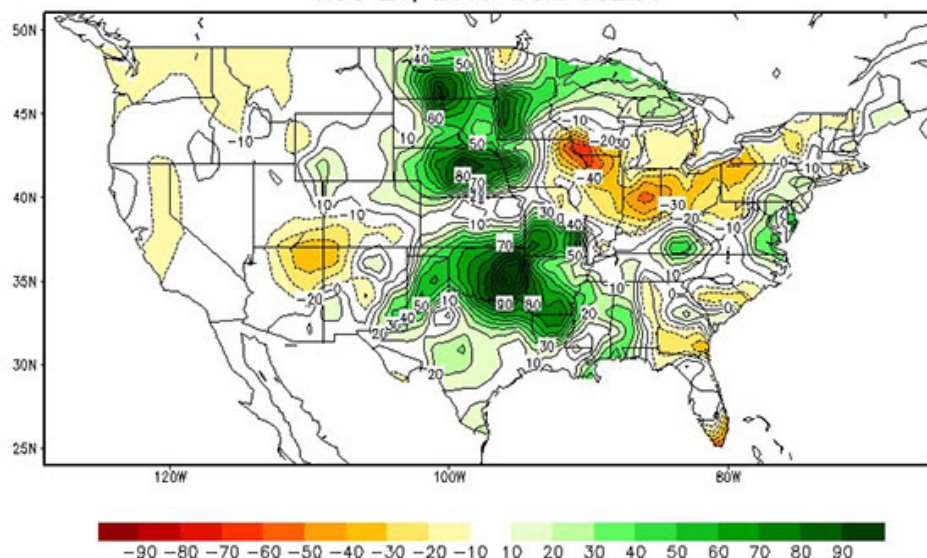
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**Calculated Soil Moisture Anomaly Change
AUG 21, 2017 from JUL.31**



Corn bears have recently pressured the SEP17 contract to fresh new contract lows. Not only is there a large amount of old-crop corn still in circulation, but many areas have seen much more cooperative weather in the past 30-days for new-crop. Looking ahead, there is some extended dryness in the forecast for many areas, but moderate temperatures could keep the headlines from becoming extreme and the bulls from gaining much longer-term traction. There seems to be an overall consensus that the USDA's current yield estimate of 169.5 is overly optimistic, but earlier Spring thoughts of the U.S. yield falling to perhaps sub-160 levels has also been abandoned by most traders. The talk I keep continuing to hear forecasts the U.S. new-crop yield in the 163 to 166 range. Not a record crop for very many producer, but not widespread devastation either. The Pro Farmer Crop Tour delivered results for Indiana and Nebraska last night. The Western leg of the Tour is estimating the Nebraska yield at 165.42 bushels per acre vs. 158.60 last year and vs. a 3-year average of 162.51. Even though this is a strong estimate for Nebraska, it is no where near the USDA's most recent estimate of 183 bushels per acre for the Cornhusker state. From what I understand, 50% of the Nebraska field samples were from dryland fields and 50% from irrigated fields. The Eastern leg of the tour estimated the Indiana corn crop at 171.23 bushels per acre vs. 173.42 last year vs. the Tour's 3-year average of 167.13 bushels per acre. Again, extreme variability is being noted. The tour today will move through the final portion of Illinois and across a large chunk of Iowa, our nations two largest corn producing states, looking for lots of headlines action.

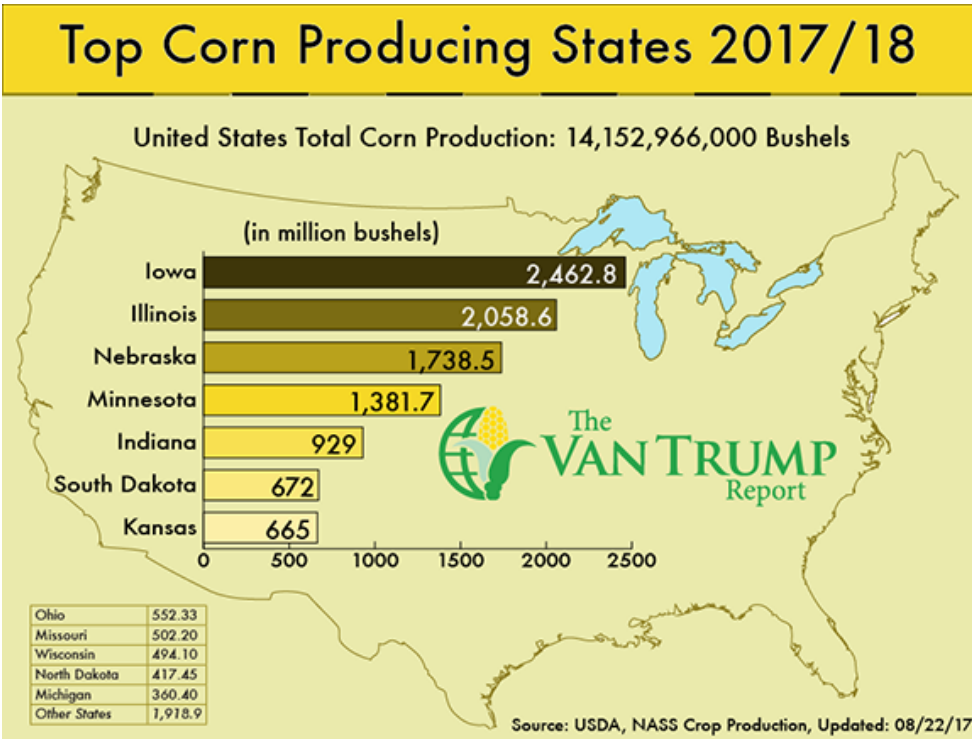
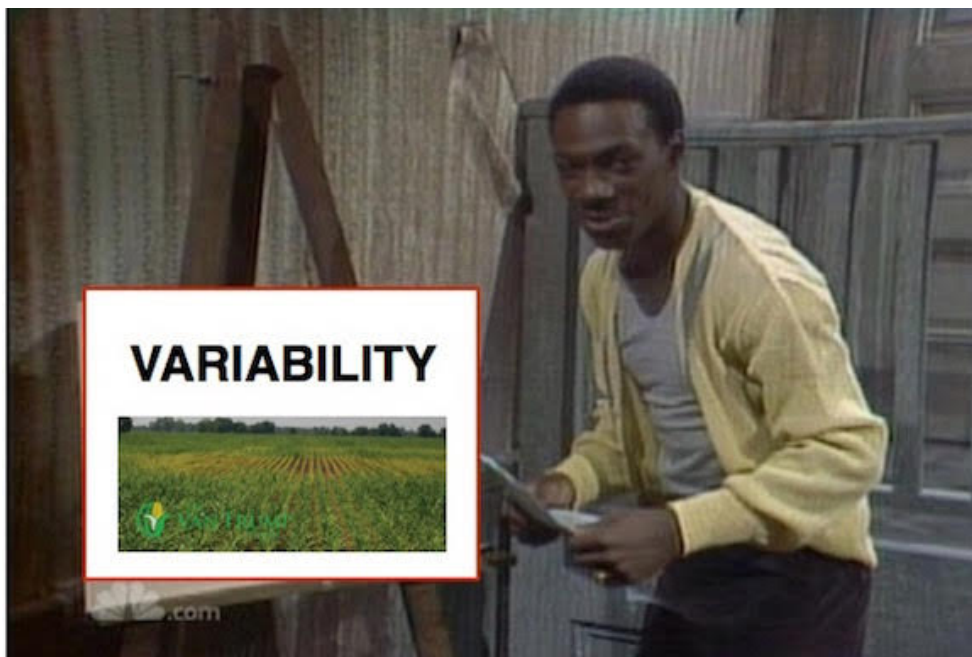
Our word of the week kids is... "Variability", lots and lost of "Variability".

Today In History



1784, State Of Franklin -

Four counties in western North Carolina declare their independence as the state of Franklin. The counties lay in what would eventually become Tennessee. The previous April, the state of North Carolina had ceded its western land claims between the Allegheny Mountains and the Mississippi River to the United States Congress. The settlers in this area, known as the Cumberland River Valley, had formed their own independent government from 1772 to 1777 and were concerned that Congress would sell the territory to Spain or France as a means of paying off some of the government's war debt. As a result, North Carolina retracted its cession and began to organize an administration for the territory. Simultaneously, representatives from Washington, Sullivan, Spencer (modern-day Hawkins) and Greene counties declared their independence from North Carolina. The following May, the counties petitioned for statehood as "Frankland" to the United States Congress. A simple majority of states favored acceptance of the petition, but it fell short of the two-thirds majority needed to pass, even after the counties' changed their proposed name to "Franklin" in an attempt to curry Benjamin Franklin's and others' favor. Franklin managed to survive as an independent nation for four years with its own constitution, Indian treaties and legislated system of barter in lieu of currency. Finally, Franklin's weak economy forced its governor, John Sevier,



Soybean bulls are talking about possible late-inning weather hiccups in the South and cooler than normal temps causing uncertainty for many late-planted fields to the East. The trade still feels like it wants to pause and learn a bit more about U.S. production before taking it's next step. Meaning we are probably rangebound until something more exciting happens with the weather headlines or further crop risk comes out of the field. Technically there still seems to be talk of heavy resistance in the \$9.50 to \$9.75 range. To the downside, many insiders continue to see nearby support in the \$9.00 to \$9.20 range. The Pro Farmer Crop Tour released production estimates for both Indiana and Nebraska last night. The Western leg of the Tour estimated the Nebraska pod count at 1131.02 pods in a 3x3 square vs. 1223.07 last year vs. the Tour's 3-year average of 1182.12 pods. The Eastern leg of the tour estimated the Indiana pod count at 1168.78 vs. 1178.41 last year vs. the Tour's 3-year average of 1164.09 pods. As you can see from the graphic below, the nations top three soybean producing states are ahead for scouts. The market will be extremely curious to hear details.

to approach the Spanish for aid. North Carolina, terrified of having a Spanish client state on its border, arrested Sevier. When Cherokee, Chickamauga and Chickasaw began to attack settlements within Franklin's borders in 1788, it quickly rejoined North Carolina to gain its militia's protection from attack.



1902, Fannie Farmer - Pioneering cookbook author Fannie Farmer, who changed the way Americans prepare food by advocating the use of

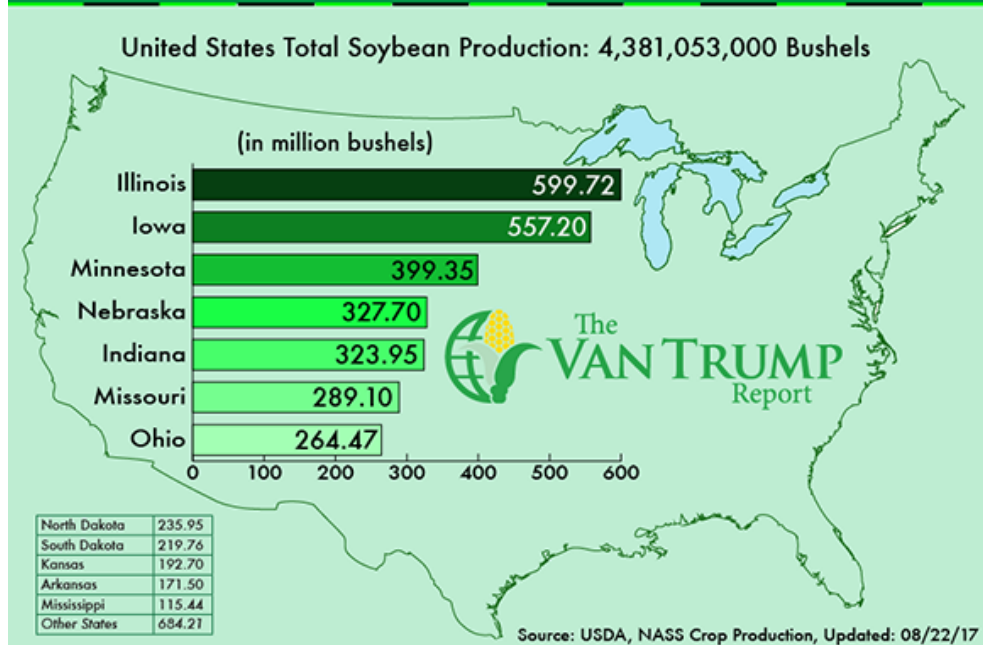
standardized measurements in recipes, opens Miss Farmer's School of Cookery in Boston. In addition to teaching women about cooking, Farmer later educated medical professionals about the importance of proper nutrition for the sick. Farmer was born March 23, 1857, and raised near Boston, Massachusetts. Her family believed in education for women and Farmer attended Medford High School; however, as a teenager she suffered a paralytic stroke that turned her into a homebound invalid for a period of years. As a result, she was unable to complete high school or attend college and her illness left her with a permanent limp. When she was in her early 30s, Farmer attended the Boston Cooking School. Founded in 1879, the school promoted a scientific approach to food preparation and trained women to become cooking teachers at a time when their employment opportunities were limited. Farmer graduated from the program in 1889 and in 1891 became the school's principal. In 1896, she published her first cookbook, The Boston Cooking School Cookbook. Farmer's book became a bestseller and revolutionized American cooking through its use of precise measurements, a novel culinary concept at the time. In 1902, Farmer left the Boston Cooking School and founded Miss Farmer's School of Cookery. In addition to running her school, she traveled to speaking engagements around the U.S. and continued to write cookbooks. In 1904, she published Food and Cookery for the Sick and Convalescent, which provided food recommendations for specific diseases, nutritional information for children and information about the digestive system, among other topics. Farmer's expertise in the areas of nutrition and illness led her to lecture at Harvard Medical School. Farmer died January 15, 1915, at age 57. After Farmer's death, Alice Bradley, who taught at Miss Farmer's School of Cookery, took over the business and ran it until the mid-1940s. The Fannie Farmer Cookbook is still in print today.



1939 - Hitler-Stalin Pact - Germany and the Soviet Union sign a non-aggression pact, stunning the world, given their diametrically opposed

ideologies. But the dictators were, despite appearances, both playing to their own

Top Soybean Producing States 2017/18



Wheat prices remain on the ropes as Russian and Black Sea crop estimates continue to inch themselves higher. There are also some additional headlines about global crop improvements being thrown around inside the trade. I shouldn't really say improvements, but rather more stabilizing conditions, meaning perhaps not as bad as some were once forecasting. As the trade turned away from U.S. headlines and more towards global news it clearly took a strong right hook to the chin. Global supply remains near record levels and the amount of crop being grown by the world's low-cost providers remain strong. I could argue setbacks in Australia, Canada, parts of Europe and the U.S., but those headlines have been so well advertised, they lost their luster and now aren't enough to bring new bullish money-flow into the market. We seem to be trapped in a temporary vacuum with no fresh bullish news and an overly burdensome balance sheet.

September Options Expire this Friday



> Brazil's Summer Plantings Threatened By Dryness: *Oil World* reports that very dry conditions in central Brazil over recent weeks is raising concerns that preparations for summer crops could be delayed and lower the total acreage. This is not a concern yet for soybeans, but experts say the area needs rain to arrive in the next four weeks or soybean plantings will be affected.

> Celeres Projects Lower Brazilian Corn & Soybean Production Next Season: *Brazil's 2017-18 corn and soybean crops will likely come down from this year's record-setting levels according to consultancy Celeres. They peg the country's soybean crop at 109.1 million metric tons in 2017-18, versus 113.8 million metric tons in 2016-17 citing lower yield expectations. It forecast Brazil's corn crop at 95.8 million metric tons, versus this season's 100.7 million. Celeres expects farmers will cut summer production but boost safrinha acreage.*

> German Wheat Harvest Hit By Rain, Risk Of Quality Loss: *Recent repeated rainfall has delayed Germany's wheat harvest and created concern about late quality loss, possibly reducing export supplies and generating larger than expected volumes of feed wheat, traders and industry officials said. "We had hoped the wheat harvest would be finished by now but between 40 to 50 percent of the crop in the major north German wheat export regions is still in the fields waiting to be cut," one German trader said. (Source: Reuters)*

political needs. After Nazi Germany's invasion of Czechoslovakia, Britain had to decide to what extent it would intervene should Hitler continue German expansion. Prime Minister Neville Chamberlain, at first indifferent to Hitler's capture of the Sudetenland, the German-speaking area of Czechoslovakia, suddenly snapped to life when Poland became threatened. He made it plain that Britain would be obliged to come to the aid of Poland in the event of German invasion. But he wanted, and needed, an ally. The only power large enough to stop Hitler, and with a vested interest in doing so, was the Soviet Union. But Stalin was cool to Britain after its effort to create a political alliance with Britain and France against Germany had been rebuffed a year earlier. Plus, Poland's leaders were less than thrilled with the prospect of Russia becoming its guardian; to them, it was simply occupation by another monstrous regime. Hitler believed that Britain would never take him on alone, so he decided to swallow his fear and loathing of communism and cozy up to the Soviet dictator, thereby pulling the rug out from the British initiative. Both sides were extremely suspicious of the other, trying to discern ulterior motives. But Hitler was in a hurry; he knew if he was to invade Poland it had to be done quickly, before the West could create a unified front. Agreeing basically to carve up parts of Eastern Europe—and leave each other alone in the process—Hitler's foreign minister, Joachim von Ribbentrop, flew to Moscow and signed the non-aggression pact with his Soviet counterpart, V.M. Molotov (which is why the pact is often referred to as the Ribbentrop-Molotov Pact). Supporters of bolshevism around the world had their heretofore romantic view of "international socialism" ruined; they were outraged that Stalin would enter into any kind of league with the fascist dictator. But once Poland was German-occupied territory, the alliance would not last for long.

Upcoming Events

Fri. 8/25 - Cattle on Feed

Mon. 9/4 - Labor Day - Markets Closed

Tues. 9/12 - USDA Supply and Demand

Fri. 9/22 - Cattle on Feed

Fri. 9/22 - Cold Storage

Thurs. 9/28 - Quarterly Hogs and Pigs

Fri. 9/29 - Quarterly Stocks

Thurs. 10/2 - USDA Supply and Demand

Fri. 10/20 - Cattle on Feed

Mon. 10/23 - Cold Storage

> Egypt Likely To Reject Romanian Wheat: *Egypt's public prosecutor is looking likely to reject and re-export a cargo of Romanian wheat shipment purchased by its state grain buyer GASC for containing poppy seeds, a judicial source said on Tuesday. If re-exported, the cargo would be the first GASC wheat purchase to be turned away from an Egyptian port since a French wheat cargo sold by Bunge was rejected for containing the common grain fungus ergot in late 2015. A report on the 63,000 metric ton cargo, which was inspected at the Red Sea port of Safaga, was submitted to the prosecutor's office and contains evidence of the presence of poppy seeds. Traders said any rejection of a wheat cargo purchased by GASC could again make global wheat suppliers hesitant to do business with Egypt after a near year-long row over import requirements last year that led many of them to boycott state tenders. (Source: Reuters)*

> EU Begins In-Depth Probe Of Bayer, Monsanto Deal: *The European Commission has started an in-depth investigation of Bayer's planned \$66 billion takeover of U.S. seeds group Monsanto, saying it was worried about competition in various pesticide and seeds markets. The deal would create the world's largest integrated pesticides and seeds company, the Commission said, adding this limited the number of competitors selling herbicides and seeds in Europe. "The Commission has preliminary concerns that the proposed acquisition could reduce competition in a number of different markets resulting in higher prices, lower quality, less choice and less innovation," it said in a statement on Tuesday. While the Commission could block the deal, it has approved others in the industry, such as Dow's tie-up with DuPont and ChemChina's takeover of Syngenta - although only after securing big concessions. The Commission said divestments offered by Bayer so far did not go far enough and that it aimed to make a final decision on the deal by Jan. 8. (Source: Reuters)*

> Red Meat Supplies Down -8% From Last Year: *USDA's Cold Storage report pegs total meat supplies on July 31, 2017, up +1% from last month but down -8% compared to last year. Total pounds of beef in freezers were up +4% from the previous month but down -8% from last year. Frozen pork supplies were down -1% from the previous month and down -7% from last year. Stocks of pork bellies were down -21% from last month and down -65% from last year. Total frozen poultry supplies on July 31, 2017, were up +1% from the previous month and up +2% from a year ago. Total stocks of chicken were down -1% from the previous month and down -4% from last year. Total pounds of turkey in freezers were up +4% from last month and up +11% from July 31, 2016.*

> U.S. Egg Production Up +3% In July: *USDA's Chickens and Eggs report showed U.S. egg production totaled 8.91 billion during July 2017, up +3% from last year. Production included 7.74 billion table eggs, and 1.17 billion hatching eggs, of which 1.09 billion were broiler-type and 74.9 million were egg-type. The total number of layers during July 2017 averaged 371 million, up +2% from last year. July egg production per 100 layers was 2,401 eggs, up +1% from July 2016. All layers in the United States on August 1, 2017, totaled 371 million, up +2% from last year. Egg-type chicks hatched during July 2017 totaled 41.6 million, down slightly from July 2016. Broiler-type chicks hatched during July 2017 totaled 826 million, up +2% from July 2016.*

> U.S. Targets Russian and Chinese Entities Over North Korea: *The United States recently imposed new North Korea-related sanctions, targeting Chinese and Russian firms and individuals for supporting Pyongyang's weapons programs, but stopped short of an anticipated focus on Chinese banks. The U.S. Treasury designated six Chinese-owned entities, one Russian, one North Korean and two based in Singapore. The sanctions also targeted six individuals - four Russians, one Chinese and one North Korean. Their alleged activities included providing North Korea with materials for weapons, buying coal and other resources that generate cash for Pyongyang, facilitating the export of North Korean workers, and helping companies in the hermit state access the US financial system. Three Chinese coal companies are accused of breaching UN sanctions by importing nearly \$500m of the fuel from North Korea. The Treasury said one of the companies, Dandong Zhicheng Metallic Metals, used some of the proceeds of its sales to procure nuclear and missile components for North Korea. The move follows toughened United Nations sanctions agreed this month after North Korea tested its first two intercontinental ballistic missiles in July. China reacted with irritation, saying Washington should "immediately correct its mistake" of imposing unilateral sanctions on Chinese companies and individuals to avoid damaging bilateral cooperation. (Sources: CNBC, Financial Times)*

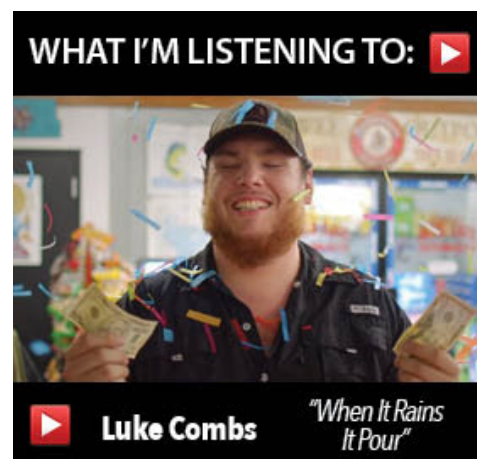
> U.S. Troops In Afghanistan: *U.S. President Donald Trump wants to put more U.S. boots on the ground in Afghanistan. Trump didn't say how many more soldiers he wants deployed to the South Asian hotspot to prop up the Afghan National Security Forces (ANSF) in their fight against the Taliban insurgency. However, observers think 4,000 troops are likely, as this is the figure the Pentagon has asked for. As the below infographic shows, the United States has pulled out most its troops since late 2014. Whereas the number of personnel stood at more than a 100,000 in September 2011,*

Mon. 11/5 - Daylight Saving Time Ends

Thurs. 11/9 - USDA Supply and Demand

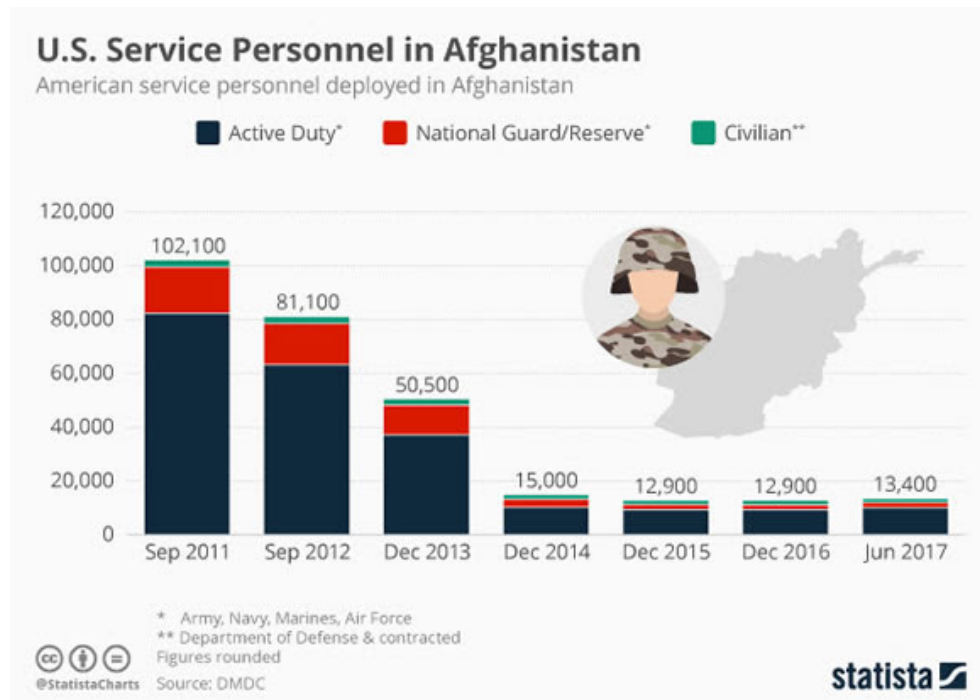
Thurs. 11/23 - Thanksgiving - Markets Closed

Kevin's Song of the Week



About the Report

Troop levels have dropped to roughly 13,000 for the last two years, according to the Defense Manpower Data Center. This includes all active duty service personnel from all branches (Army, Navy, Marines, Air Force), national guard and reserve, as well as civilian employees of the Department of Defense and civilian contractors (APF) – which make up the smallest group. The U.S. military engagement in Afghanistan is America's longest war. The current NATO-led operation in Afghanistan is called "Resolute Support" and aims to train and advise the Afghan security forces. Sporadic combat operations are left to special forces. This could change if the additional troops are deployed. (Source: Statista)



Westcentral Illinois - We have received intermittent smaller rains the last two weeks which is keeping us going for now. We will need more moisture to finish off the crops. I happen to plant at the worst time as it turns out and had some replant and to fill some holes. Emergence was, of course, varied and our crop will not be setting any records this season. There hasn't been any weed pressure in our area and no dicamba issues either. As it turns out our local sprayer chose not to purchase a sprayer for that purpose so most in our area didn't have to worry about things. We have had all our old crop sold for some time now and it looks like that was a good call. I don't have a lot of acres so not much technology being added here, and won't be with prices where they are.

Western Indiana - We have had a difficult year from the time we starting planting. I think that the things have stabilized to some degree but we are not out of the woods yet, knowing that we will have a late harvest and any early freezes could cause problems. The beans are just now canopying and not for sure how much damage was done early because of all the excess moisture. Last years crops were record levels for both corn and beans, which I know that we will not see this year. We are needing heat units if you can believe that. We have had moderate temperatures all summer with just a few days close to 100 degrees. We did not spray all of the fields with fungicide this year because we did not want the growing process to be extended at all. I know many guys thought yields could be off 10% to 20% in different parts of the state and I think we have recovered a little but production will be off from previous years.

Northeast Iowa - It's been a little dry lately in our corner of the state. We have only seen a couple of rains producing no more than a couple of tenths each time. It was so hot during pollination that we went two weeks without mowing the yard. I haven't been able to get myself excited enough to pull any ears but I suspect we will be at least 20

NEXT level THINKING

My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over

bushels shy of last years crop. Most of the corn on our lighter soils have burned up already so it will depend on how the kernel fills. The beans are just too hard to know for sure but hoping we get 60bpa this season which is also a bit behind last year's crop. We recently went to precision planting this season and I believe it truly made a difference on our emergence.



Water As Commodity May Now Be The Most Valuable: When the word water appears in print these days, crisis is rarely far behind. Water, it is said, is the new oil: a resource long squandered, now growing expensive and soon to be overwhelmed by insatiable demand. The number of people on Earth rose to 6 billion in 2000, nearly 7 billion today, and is heading for 9 billion in 2050. The area under irrigation has doubled and the amount of water drawn for farming has tripled. The proportion of people living in countries chronically short of water, which stood at 8% (500m) at the turn of the 21st century, is set to rise to 45% (4 billion) by 2050. And already 1 billion people go to bed hungry each night, partly for lack of water to grow food. See more details on water demands and how to meet them [HERE](#).

MIT Lists These As The Smartest Companies Of 2017: Being an American or Chinese company helps, so does developing or embracing artificial intelligence. But perhaps the most striking thing that many on the list of the 50 Smartest Companies have in common is the fact that most of us have never heard of them. The list is put together by the MIT Technology Review and is dominated by firms based in the US or China. Check out these well known and some otherwise never heard of companies that made the list [HERE](#).

How To Avoid Post-Vacation Blues: Didn't want to come back from your Summer vacation? You might have a touch of the post-vacation blues. "It's like an anxiety disorder," explains Erika Martinez, a Miami psychologist who specializes in wellness issues. Symptoms, she says, include excessive worry, restlessness, irritability, headaches and poor attention or concentration. Have you experienced these symptoms? As hundreds of thousands of Americans come home from their annual trips to the beaches and mountains, chances are many of them will. In a recent Wyndham Vacation Rentals study, 45 percent of respondents said the prospect of going home added to the stress of their vacation. Read more [HERE](#).

Mark Cuban Invests In Cryptocurrency After Bitcoin Bubble Remarks: Mark Cuban wants in on the cryptocurrency boom even if it turns out he's right that bitcoin is in a bubble. Cuban is investing in 1confirmation, a fund that plans to raise \$20 million to invest in blockchain-based companies, the tech billionaire said in an interview. Cuban, who is a majority owner of the Dallas Mavericks basketball team and star of startup investing theme show 'Shark Tank,' tweeted in June that bitcoin was in a bubble, causing the cryptocurrency to drop in price. See what Cuban likes about the developing underlying technology [HERE](#).

"Mayweather vs. McGregor"... All The Details: CBS Sports has put together a page with all kinds of information and links to details about this weekends upcoming fight. Mayweather (49-0, 26 KOs) will be returning from a two-year retirement at the age of 40. The 29-year-old McGregor (21-3 in MMA), meanwhile, is making his professional boxing debut. Below are just a few details. Click [HERE](#) to learn more.

Date & Time: Saturday, August 26th, 8:00pm CST

The Talk Of The Town: Not only are many expecting the fight to surpass the 2015 record of 4.6 million pay-per-view buys, but betting on the fight in Las Vegas has reached unforeseen levels. Betting excerpts are now projecting Mayweather-McGregor wagers to actually eclipse the Super Bowl.

The Odds: The latest odds I've seen now show Mayweather as just a -450 to -550 favorite and McGregor as a +325 to +425 underdog. There's obviously been a ton of money pouring in over the past several weeks on McGregor, when you consider that Mayweather originally opened as high as a -2250 favorite and McGregor a +950 underdog. According to OddsShark.com, betting Mayweather to win at the current odds provides a better value than every Mayweather fight (with the exception of the Manny Pacquiao and Canelo Alvarez fights) dating back to 2011. To better illustrate that point, McGregor is now less of a betting underdog

the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator
for Farm Programs USDA**

[More Testimonials](#)

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

than Mayweather opponents Marcos Maidana (both fights), Miguel Cotto, Zab Judah, Andre Berto and Victor Ortiz. I suspect a knockout victory by McGregor could ultimately cost Vegas millions.

Prop Bets: I hear there are a ton of "prop bets" floating around with this fight. Some interesting ones are: Will either corner throw in the towel?; Which fighter will bleed first?; Who will lose their mouthpiece first? Will McGregor throw a kick?; Which fighter will have a larger entourage accompanying them during their walkout to the ring?

The Gloves: Both fighters have agreed to use lighter than normal eight-ounce gloves for the bout. The lighter gloves are seen as an advantage to McGregor, who is widely viewed as the more powerful puncher. Traditionally Mayweather would be using ten-ounce boxing gloves and McGregor four-ounce MMA gloves.

How Can McGregor Win: He's at the peak of his physical prime, Mayweather hasn't fought in a couple of years and is 40 years old. McGregor's also a southpaw who is taller, stronger, naturally bigger and longer than Mayweather. McGregor's strongest skill in MMA has been his ability to negotiate distance by lulling his opponents into a false sense of security before closing the gap quickly to land big punches. It's a combination of strong footwork and precision punching that makes him so dangerous in the Octagon. Perhaps he can land a haymaker using his aggressive and unorthodox style?



ODDS SHARK

TALE OF THE TAPE

49-0	RECORD	21-3	MMA
5'8"	HEIGHT	5'9"	
146	WEIGHT	155	LAST FIGHT
72"	REACH	74"	

FLOYD MAYWEATHER

CONOR MCGREGOR



Vertical Farming Startup "Plenty Inc." May Have Cracked The Code On Growing Indoor Crops Efficiently

SoftBank's, Masayoshi Son, has discovered a green thumb. His Vision Fund is leading a \$200 million investment in Silicon Valley vertical farming startup Plenty Inc. It is hoped that Son's infusion, will provide a much-needed boost to vertical farming. While the industry has been hyped up over the last few years, no one seems to be able to make a financial go of it. Companies including Atlanta-based Podponics, Vancouver's LocalGarden and Chicago-area FarmedHere have shut down indoor farms the past couple of years because they weren't economically viable. Plenty Inc. claims it can grow more crops per square foot using less energy than its competitors. As I understand it, the plant food is mostly gravity-fed rather than pumped which occurs as their system uses 20-foot-tall columns from which the plants jut horizontally. Poles are lined up in rows, carpeted in plants from top to bottom then nutrients and water drip down the columns. Matt Barnard, Plenty's co-founder shares that their internet connected system delivers specific light, air composition, humidity and nutrition, depending on which crop is being grown. Plenty says it can yield up to 350 times more produce in a given area than conventional farms -- with 1 percent of the water. As you know, vertical farms are best suited for leafy produce and not the "rooting and fruiting vegetables, but Barnard



Farm Direction

RECIPES

★ FAMILY ★

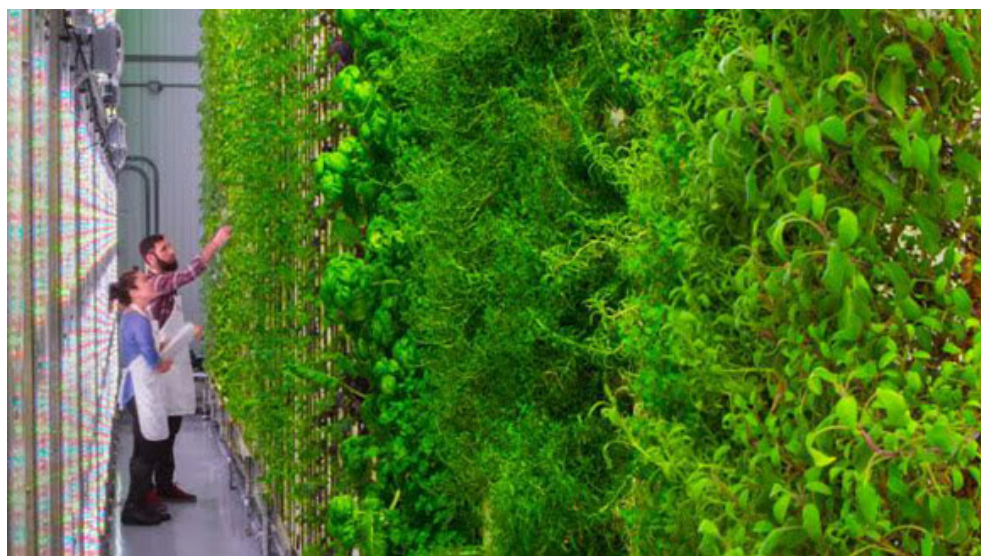
FAVORITES

-SENT IN BY OUR READERS-

Avocado-Pesto Pasta Salad w/ Fresh Corn

CLICK TO SEE RECIPE

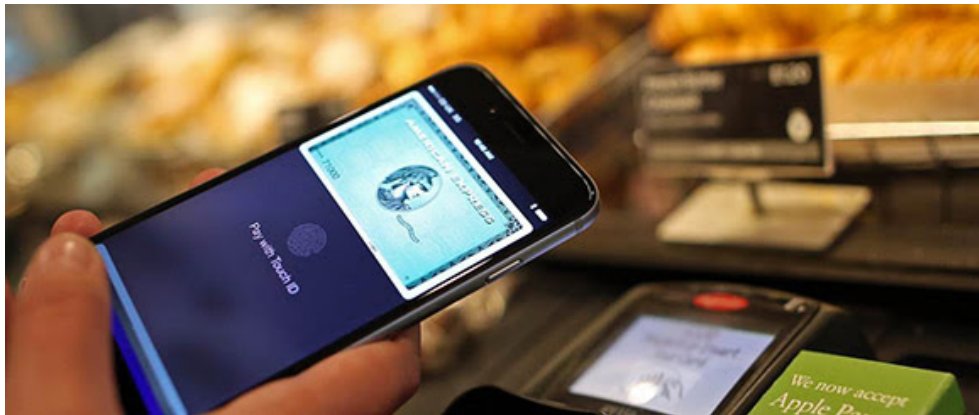
claims they are working on a cucumber as well. For now, the company is donating its' produce to food banks or used for consumer tests, including at a Google campus kitchen. Plenty will start distribution in the San Francisco Bay Area this year with International expansion being the next step and that's where Son comes in. I'm told Son's particular interest is in how Plenty can help nations grow sufficient food to support their populations. As it happens, Son's home country of Japan imports most of its' food as the country's farmland is still suffering from the nuclear power plant accident six years ago. His Vision Fund backers are on board with Son's philosophy as the money flow is coming from the Middle East where drought, population growth and a lack of arable land present potential food shortages and political instability. Plenty will use the funds to globally roll out more indoor farms near populated areas. One advantage indoor farming continues to have over the traditional fields is the short supply chain. Customers can be communicated with and responded to by producing the specific produce they want and then having it delivered the same day it is harvested. If Plenty can indeed keep production costs down and provide quick delivery of consumer's preferences for fresh and tasty, they could change the way we get a lot of food to our tables. Not to be overlooked in this deal is the fact that one of Jeff Bezo's groups, DCM Ventures, has also invested. It proves to be another step deeper into the fresh foods industry for Bezos, after purchasing Whole Foods. It should be interesting to watch his play in this space. (Source: Bloomberg, techcrunch, geekwire)



How Criminals Are Now Hijacking Cellphone Accounts

Cybercriminals come up with new ways to swindle and defraud victims on what seems like a daily basis. The latest alarm being sounded is a type of fraud known as "account takeover," which most often involves a person's cellphone. Thieves are able to gain control of someone's mobile account by using their login and password information for their service provider. A person's user name and password info may have been gained via an original hack of the provider, or some other account that the same credentials were used for. Once the criminal gets in, they can change the password and lock the true owner out. From there, they are able to transfer the phone number to another device and wreak all sorts of havoc. They have access to all the information available on your cellphone, including stored credit cards. More often than not, they will "upgrade" equipment via the victim's service provider account, later selling the cellphones. They also seek to leverage the mobile accounts to gain access to a victim's other accounts, such as a financial institution that relies on mobile-based alerting to prevent fraud. When the bank contacts the "customer" to authorize changes or transactions, they're just confirming the details with the fraudster. Many of us now have various other accounts that require two-factor authentication (2FA) — where a unique code is sent to our mobile device. It's becoming an increasingly important way to verify someone's identity online when they try to log onto financial and social media accounts. But 2FA breaks down when a crook has your phone number and gets those verification codes. Mobile phone accounts represented 12% of all takeovers in 2016, up from 7% in 2015. The first warning signs that something is wrong are generally a notice that your account password has been changed or you are locked out of phone - as in can't access text messages or make phone calls. Don't assume that this is just some temporary glitch. Keep in mind that contacting your carrier may not be effective, because you don't know your password at this point and the fraudster may have also changed your security questions. What you can do is attempt to notify financial institutions right away, before the criminals have had a chance to mine that info from your cellphone account. Also be aware that thieves are taking over more than just cellphone accounts, including auto, checking, 401(k)s and IRAs, demand deposit, health savings. Basically, if it is accessible via the internet, it is a target. Experts say there are a few things you

can do to limit the damage and risk of account takeover: First, do not use the same password for multiple accounts, including your phone. Other options to protect yourself include getting a separate, low-limit credit card for online shopping; don't use public wifi to check sensitive accounts; and do use two-factor authentication. What gets stressed the most though: Don't reuse passwords! (Sources: CSM, Marketplace)



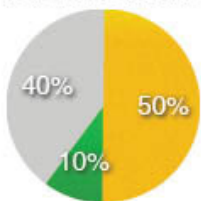
The Secret To Living Longer May Be Your "Social Life"

I received this TED Talk e-mail the other day featuring psychologist Susan Pinker. I found it very intriguing and wanted to pass along. She talks about the Italian island of Sardinia and how it has more than six times as many centenarians as the mainland and ten times as many as North America. Why? According to Pinker, it's not a sunny disposition or a low-fat, gluten-free diet that keeps the islanders healthy. Click [HERE](#) to learn her secrets to living longer.



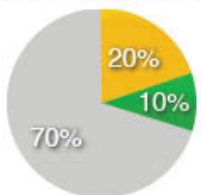
CORN 2017 CROP

50% SOLD
10% HEDGED
40% UNPROTECTED



CORN 2018 CROP

20% SOLD
10% HEDGED
70% UNPROTECTED



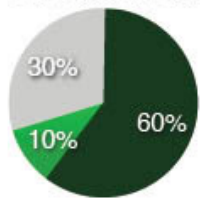
CORN 2019 CROP

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0% HEDGED
100% UNPROTECTED



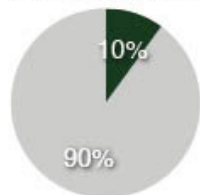
SOYBEANS 2017 CROP

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10% HEDGED
30% UNPROTECTED



SOYBEANS 2018 CROP

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0% HEDGED
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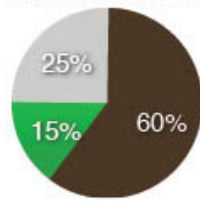
SOYBEANS 2019 CROP

0% SOLD
0% HEDGED
100% UNPROTECTED



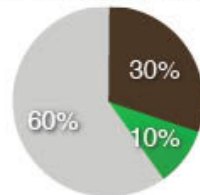
WHEAT 2017 CROP

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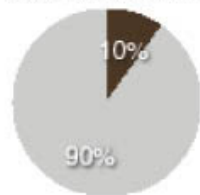
WHEAT 2018 CROP

30% SOLD
10% HEDGED
60% UNPROTECTED



WHEAT 2019 CROP

10% SOLD
0% HEDGED
90% UNPROTECTED



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