

GOOD MORNING: 09/15/17 Farm Direction - VanTrump Report

1 message

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Fri, Sep 15, 2017 at 6:57 AM



"You don't have to be great to start, but you have to start to be great." — Zig Ziglar

FRIDAY, SEPTEMBER 15, 2017

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Morning Summary: Investors are digesting yet another North Korean missile launch over Japan, which comes almost immediately after the UN Security Council imposed tougher sanctions. From what I understand, the most recent UN sanctions, when combined with earlier measures, place 90% of North Korean exports under embargo. Last night's missile launch represents the second time the people of Japan, a major ally of the United States, have been directly threatened in recent weeks. Japan said the missile flew east for about 2,300 miles before falling into the Pacific Ocean some 10 minutes later. The most recent launch is the first since North Korea conducted its nuclear test back on September 3rd. In other geopolitical headlines, concerns are again on the rise with Russia recently launching its "Zapad" war games in Belarus. Russia says around 12,700 troops are participating but NATO contends the number is significantly higher. Ukraine is worried the exercise could be a prelude for an invasion of its territory and stepped up security at its borders. Poland, Estonia, Latvia and Lithuania are also concerned as they all four share a border with Belarus and Russia. The latter three, which are former-Soviet states, contend the exercises are an attempt to make them feel "insecure". The exercise is scheduled to last through September 20, but Belarus says Russian troops are expected to stay in the country until September 30th. Let's also keep in mind the annual UN meeting begins on Tuesday, September 19, in New York, I suspect there should be lots to talk about. Here at home traders will be digesting a fairly heavy dose of economic data today, which will include Retail Sales, Empire State Manufacturing, Business Inventories and Consumer Sentiment. Next week should bring even more economic headlines as the Federal Reserve's policy meeting is held Tuesday and Wednesday. Most insiders believe the Fed will leave rates "unchanged". The CME Group's FedWatch Tool tool puts the likelihood of a rate hike at less than 2%. December has the highest probability of a hike at just over 50%. Next week also brings the Housing Market Index on Monday; Import and Export Prices on Tuesday; the Philadelphia Fed Business Outlook, FHFA House Price Index and Leading Indicators on Thursday; and the Atlanta Fed Business Inflation Expectations on Friday. We will also hear from three Fed officials next Friday - San Francisco Fed President John Williams, Kansas City Fed President Esther George and Dallas Fed President Robert Kaplan. Also worth noting, OPEC will hold its compliance meeting on Friday, September 22. As we've seen in the past, crude oil prices are rallying not the meeting, trading at near 5-month highs on talk of increased nearby demand and hopes the current glut will be reduced.

Bitcoin Down Big: The cryptocurrency is down another -9% and has now plunged more than -37% since its September 1 peak.

Just 100 Days Until Christmas! I heard someone talking about this today and couldn't believe how quickly time has flown by. What else I find crazy is the fact you'll probably never see a day for the rest of your life where the pace of change will be slower than it is now...

Tribe Wins 22 In A Row! Cleveland Indians extend their all-time record winning streak to 22 games, beating the Kansas City Royals 3-2 in extra innings. Wow!

Getting Rid Of All Tax Breaks Could Reduce Corporate Taxes To 26%: A new study imagined a fantasy universe where essentially all the tax breaks for corporations and individuals were stricken starting next year, to see how low taxes could go. The lowest corporate tax rates could end up being about 26 percent, according to the analysis by the nonpartisan Urban-Brookings Tax Policy Center. That's much higher than the 15 percent rate President Trump has

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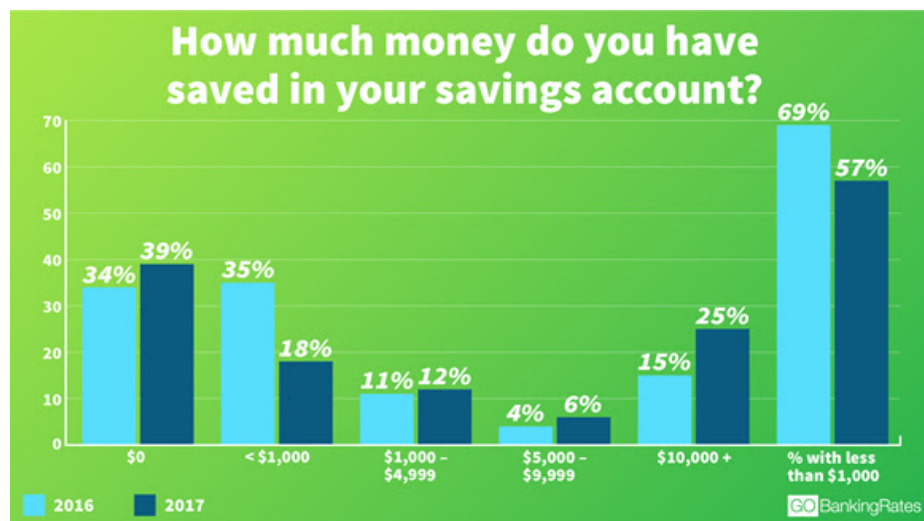


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proposed but lower than the current rate of 35 percent. The study also found that if the goal was to prevent the new tax rates from hitting the poor and middle class, there would need to be a zero tax bracket and the highest individual tax rate would be capped just under 30 percent — lower than current law. But it is also extremely unlikely to happen as modeled; politicians have talked about changing or limiting specific tax breaks, not a wholesale elimination of every policy in the code. The latest study was a highly theoretical exercise, making the assumption that it would be possible, in one sweeping blow, to get rid of essentially all the deductions, tax credits and exclusions that are woven into the complex American tax code. The Tax Policy Center also found that individual tax rates could go as low as 6.1, 11 and 28 percent. (Source: The Washington Post)

What Could Happen To Rates When The Fed Shrinks Balance Sheet? The answer might surprise you, as most are thinking it will causes rates to move higher, but Bryce Coward, CFA, Knowledge Leaders Capital sees things playing out a bit differently. "The question now is what will happen to rates as the Fed begins to unwind its balance sheet. Is there a reason to believe that inflation and growth expectations will rise as the Fed tightens policy? In other words, is there reason to believe rates will act differently during the unwind than they did during the wind? We think the same economic mechanisms that were in place between 2009-2014 are still in place today and that long rates are likely to move lower as the Fed tightens policy via a smaller balance sheet." Read more [HERE](#)

How Much Do Americans Have In Their Savings Accounts? If your savings account balance is hovering at or below \$1,000, you're not alone. According to a 2017 GOBankingRates survey, more than half of Americans (57 percent) have less than \$1,000 in their savings accounts. While that's an improvement from last year, when 69 percent of Americans reported having less than \$1,000 in savings, a higher percentage have no savings at all: 39 percent, up from 34 percent in 2016. So how much should you have tucked away? While the amount you need in savings is highly personal, and specific dollar amounts can be arbitrary, Intuit's Kimmie Greene offers a simple formula to help you figure out if you're setting aside enough money. In your 20s, aim to save 25 percent of your overall gross pay. By age 30, have the equivalent of your annual salary saved. So, if you earn \$50,000 a year, aim to have \$50,000 in savings when you hit 30. Every five years, the amount added to savings should equal your annual salary. That means by age 65, you should have eight times your annual salary saved. (Source: CNBC)



Weather across the Corn Belt is generally seen as favorable this week, allowing for filling, maturing and early harvest of corn and soybeans. Again, there's no real damaging cold weather in the forecast over the next week to 10 days. Actually, we are looking at heat moving across much of the nation's midsection in the coming week or so. In the southern Plains, there are mostly favorable warm and dry conditions for the fieldwork and planting of hard red winter wheat at this time. Soil moisture continues to diminish under this weather pattern, especially with well above normal temperatures. Rainfall will be needed to ensure good wheat stands before we head into winter. On the northern Plains, a chilly rain fell yesterday across parts of Montana and the Dakotas. This rain is desperately needed in the northern High Plains, where Montana recently completed its second driest summer on record. On September 10, Montana led the nation with 77% of its rangeland and pastures rated very poor to poor. In the South, warm, humid weather is prevailing in the hurricane recovery areas of Florida. Looking ahead, a winter-like storm will provide much-needed precipitation--including high-elevation snow -- across northern sections of the Rockies and Plains. During the weekend, a second storm will bring the season's first significant precipitation to the Pacific Northwest. Five-day precipitation totals could reach 1 to 3 inches from the Pacific

Here are a few of this year's early sponsors



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Northwest into the upper Midwest. The 6 to 10 day for September 19 - 23 calls for the likelihood of above normal temperatures along and east of a line from the southern Rockies into the upper Midwest, while cooler than normal conditions will cover the northern High Plains and much of the West. Meanwhile, near to below normal rainfall across the southern and eastern U.S. should contrast with wetter than normal weather from the PNW into the upper Midwest.

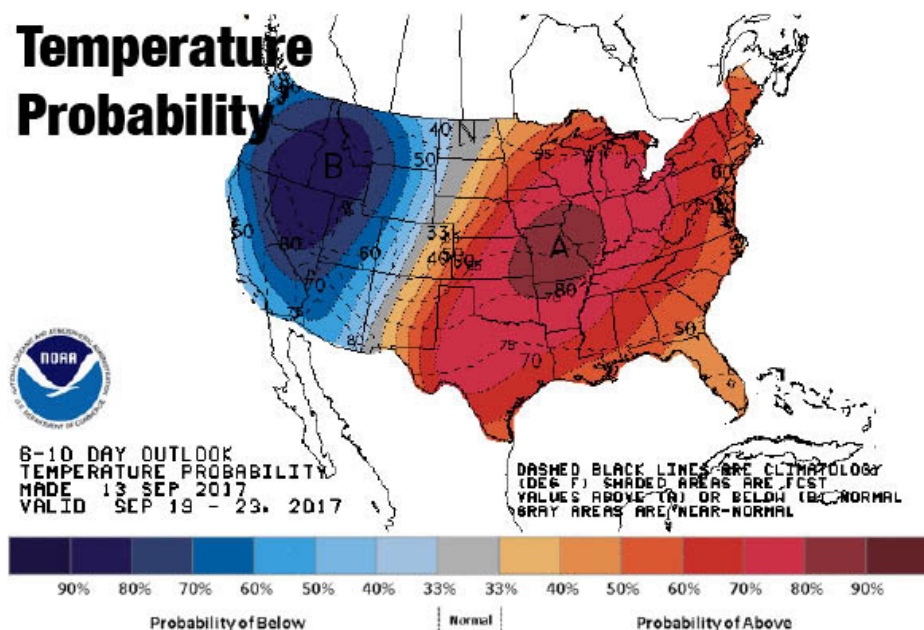
Today In History



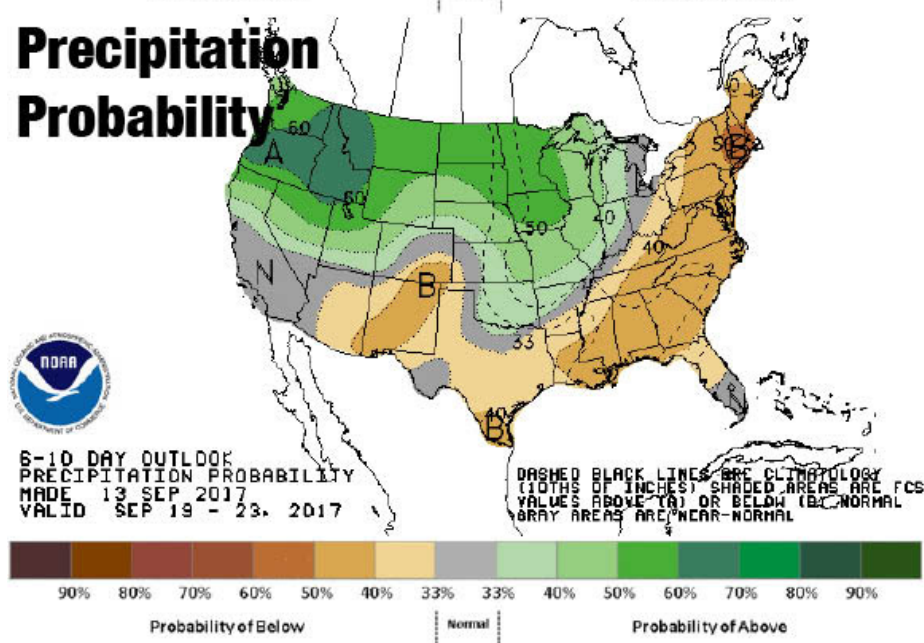
1858, Overland Mail Company - The new Overland Mail Company sends out its first two stages, inaugurating government mail service

between the eastern and western regions of the nation. With California booming, thanks to the 1849 Gold Rush, Americans east and west had been clamoring for faster and surer transcontinental mail service for years. Finally, in March 1857, the U.S. Congress passed an act authorizing an overland mail delivery service and a \$600,000 yearly subsidy for whatever company could succeed in reliably transporting the mail twice a week from St. Louis to San Francisco in less than 25 days. The postmaster general awarded the first government contract and subsidy to the Overland Mail Company. Under the guidance of a board of directors that included John Butterfield and William Fargo, the Overland Mail Company spent \$1 million improving its winding 2,800-mile route and building way stations at 10-15 mile intervals. Teams of thundering horses soon raced across the wide open spaces of the West, pulling custom-built Concord coaches with seats for nine passengers and a rear boot for the mail. For passengers, the overland route was anything but a pleasure trip. Packed into the narrow confines of the coaches, they alternately baked or froze as they bumped across the countryside, and dust was an inescapable companion. Since the coaches traveled night and day, travelers were reluctant to stop and sleep at one of the "home stations" along the route because they risked being stranded if later stages were full. Many opted to try and make it through the three-week trip by sleeping on the stage, but the constant bumping and noise made real sleep almost impossible. Travelers also found that toilets and baths were few and far between, the food was poor and pricey, and the stage drivers were often drunk, rude, profane, or all three. Robberies and Indian attacks were a genuine threat, though they occurred far less commonly than popularly believed. The company posted guards at stations in dangerous areas, and armed men occasionally rode with the coach driver to protect passengers. Though other faster mail delivery services soon came to compete with the Overland Mail Company-most famously the Pony Express-the nation's first regular trans-western mail service continued to operate as a part of the larger Wells, Fargo and Company operation until May 10, 1869, the day the first transcontinental railroad was completed. On that day the U.S.

Temperature Probability



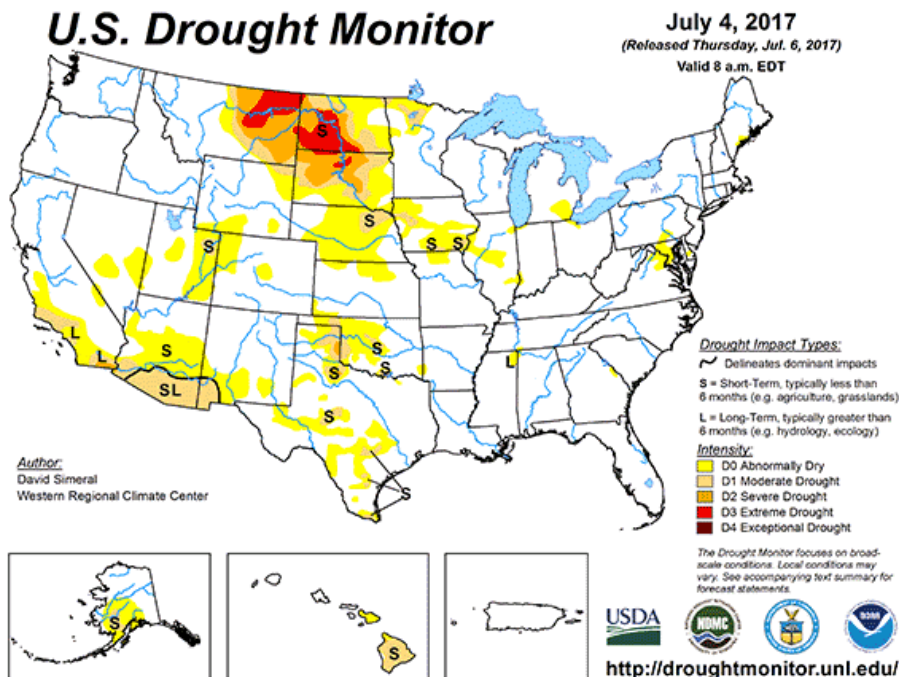
Precipitation Probability



Increasing Chances of La Nina This Winter: Over the last month equatorial sea surface temperatures were near to below average across the Pacific. While these temps were pretty mild at the surface, if you go lower into the sub-surface ocean, temperatures became increasingly cooler. This is leading a majority of the weather models to favor the formation of La Nina possibly as soon as the Northern Hemisphere's fall 2017. Forecasters favor these predictions in part because of the recent cooling of the surface and sub-surface temperature anomalies, and also because of the higher degree of forecast skill at this time of year. In summary, there is an increased chance (~55-60%) of La Niña during the Northern Hemisphere fall and winter 2017-18.

Corn prices still appear stuck in a trading range. Bearish fundamentals, a glut of old-crop supply, harvest pressure, and some heat in the U.S. forecast for slower maturing corn is working to keep a lid on most rallies. Bulls are pointing to continued strong export demand and ongoing thoughts of U.S. production estimates starting to move lower between now and yearend. There's also been some outside market support as crude oil pushes to fresh multi-month highs. Bears aren't buying the arguments and see an oversupplied domestic balance sheet that asks not if but when prices are going to trend lower? Early surveys are already talking about perhaps more corn acres being

planted next year in the U.S. We are also digesting early talk of corn planting in Argentina being pushed to fresh new record levels into very good soil moisture profiles. Bulls might argue it's a bit too wet in some locations, but it's tough to make that argument in Argentina this early. I've include the most recent drought monitors, dating back to early-June. As you can see in the images, the drought in the Dakota's has intensified a bit, but has gained more of a stronghold to the West into Montana. It's also worth noting that the drought conditions in Southern Iowa have also intensified, along with the abnormally dry conditions in a large proton of Illinois, eastern Missouri and central Kansas.



Soybean bulls are betting the current USDA crop production estimate is as high as it's going to get and will start to come down from here. There's also some bullish saber rattling about weather conditions in South America being a bit problematic in regards to early planted acres. Boots on the ground are saying fields in portions of Brazil are simply too dry, while portions of Argentina are too wet. Certainly the South American weather headlines will be more closely monitored as we move deeper into their planting season. Bulls are also talking about increased biodiesel exports leaving Argentina after the European Union drastically lowered their import duties. If you remember, the U.S. raised tariffs on imported Argentine biodiesel and the trade started to worry about global supplies backing-up in the pipeline. With the European Union reducing their import duties that has provided a nice outlet for Argentine supply and surplus. There's still some talk that Argentine production could be lowered, but perhaps not as aggressively as some had previously forecast. There also seems to be a bit more debate brewing about Chinese demand next year. The USDA has recently bumped their estimate a hard higher, but several inside sources seem a bit apprehensive to bite, sighting much larger forecasts for Chinese acreage shifting towards soybeans. I suspect this debate about Chinese acres will continue for several more months, with neither side knowing for certain until the cards are all turned over. Here at home it's difficult to get bullied up with a fresh new all-time record crop being forecast by the USDA. A mild-August and more timely rains in portions of the Dakota's, Kansas, and parts of Iowa have helped keep yield estimates strong. We also have more talk of increased acreage coming in one of the reports ahead. Below is a simple graphic we created in the office that shows the massive increase in soybean acres for the U.S. during the past 100-years. With this years acreage being record large, it's just tough pencil a bullish balance sheet without a major weather event. As a producer, I made a couple of small new-crop cash sales yesterday on the recent rally. The combination of the cash sale and the hedge on the board provided us a net sale of \$10.25. I also made a small move in reducing some risk out in 2018. Specifics were sent in the mid-day "Special Report". If you are not getting our cash marketing alerts or hedging ideas in the "Special Report", please call the office at (816) 322-5300. We've made some good plays this summer that you would have liked to reference.

government cancelled its last overland mail contract.

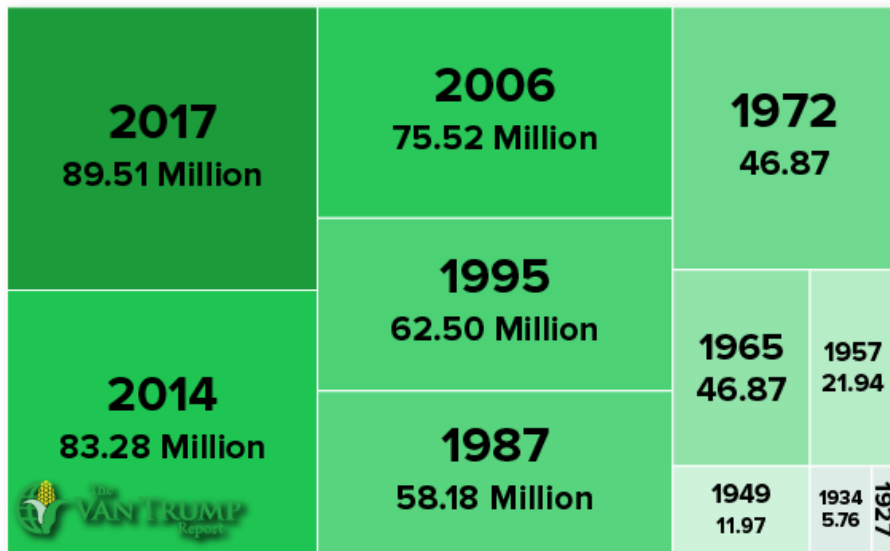


1916, WWI - During the Battle of the Somme, the British launch a major offensive against the Germans, employing tanks for the first time in history. At Flers Courcellette, some of the 40 or so primitive tanks advanced over a mile into enemy lines but were too slow to hold their positions during the German counterattack and subject to mechanical breakdown. However, General Douglas Haig, commander of Allied forces at the Somme, saw the promise of this new instrument of war and ordered the war department to produce hundreds more. On July 1, the British launched a massive offensive against German forces in the Somme River region of France. During the preceding week, 250,000 Allied shells had pounded German positions near the Somme, and 100,000 British soldiers poured out of their trenches and into no-man's-land on July 1, expecting to find the way cleared for them. However, scores of heavy German machine guns had survived the artillery onslaught, and the infantry were massacred. By the end of the day, 20,000 British soldiers were dead and 40,000 wounded. It was the single heaviest day of casualties in British military history. After the initial disaster, Haig resigned himself to smaller but equally ineffectual advances, and more than 1,000 Allied lives were extinguished for every 100 yards gained on the Germans. Even Britain's September 15 introduction of tanks into warfare for the first time in history failed to break the deadlock in the Battle of the Somme. In October, heavy rains turned the battlefield into a sea of mud, and on November 18 Haig called off the Somme offensive after more than four months of mass slaughter.

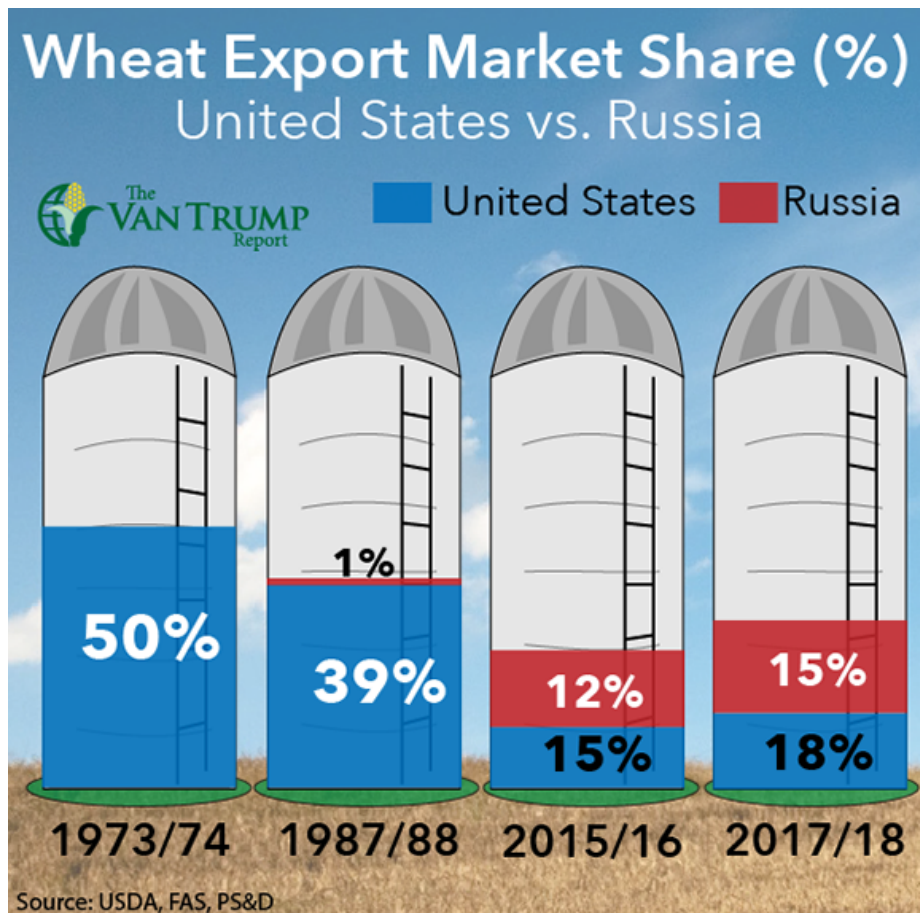


1959, Cold War - Nikita Khrushchev becomes the first Soviet head of state to visit the United States. During the next two weeks, Khrushchev's visit dominated the news and provided some dramatic and humorous moments in the history of the Cold War. Many observers believed that Khrushchev, a devoted follower of Stalin during the 1930s and 1940s, would not provide much difference in leadership. He surprised them, however, by announcing that he sought "peaceful coexistence" with the United States and denouncing the "excesses" of Stalinism. During the late 1950s, Khrushchev continued to court a closer relationship with the United States and often praised President Dwight D. Eisenhower as a man who also sought peace. In 1959, the U.S. and Soviet governments shocked the world by announcing that Khrushchev would visit America in September and meet with Eisenhower face to face. Khrushchev's first day in America was mostly taken up with formal receptions and a motorcade from the airport to downtown Washington. Groups of spectators and

U.S. Soybean Planted Acres



Wheat bears continue to point to ample global surplus, record Russian production, and less than impressive U.S. exports. I wanted to hammer home in a simple to understand manner, the amount of total global marketshare the U.S. has lost over the past few decades. We randomly selected a few years down below to show the grave differences. Also take a close look at how much marketshare Russia has gained. With them harvesting a record crop and often being the worlds low-cost provider, the market simple doesn't care as much about U.S. production. Winter wheat production by class here in the U.S. will be updated following NASS's September 29th release of its Small Grains report.



several military bands lined the way of the motorcade procession from the airport, and Eisenhower, Khrushchev, and Mme. Khrushchev sat together in the back of a convertible to wave at the crowds. Once in town, Khrushchev almost immediately sat for a nearly two-hour talk with Eisenhower and his advisers. Longer and more involved talks were scheduled for later in the Soviet leader's visit. Because of our importance in the world, it is vital that we understand each other better," Eisenhower declared at a state dinner that night. Khrushchev agreed, adding that friendship was necessary "because our two countries are much too strong and we cannot quarrel with each other."

Upcoming Events

- Tues.-Wed. 9/19-20** - FOMC Meeting
- 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
- Wed. 10/11** - Minutes From 9/20 FOMC Meeting Released
- Fri. 10/20** - Cattle on Feed
- Mon. 10/23** - Cold Storage
- Tues.-Wed. 10/31-11/1** - FOMC Meeting
- Mon. 11/5** - Daylight Saving Time Ends
- Thurs. 11/9** - USDA Supply and Demand
- Wed. 11/22** - Minutes From 11/1 FOMC Meeting Released
- Thurs. 11/23** - Thanksgiving - Markets Closed
- Tues.-Wed. 12/12-12/13** - FOMC Meeting

Kevin's Song of the Week



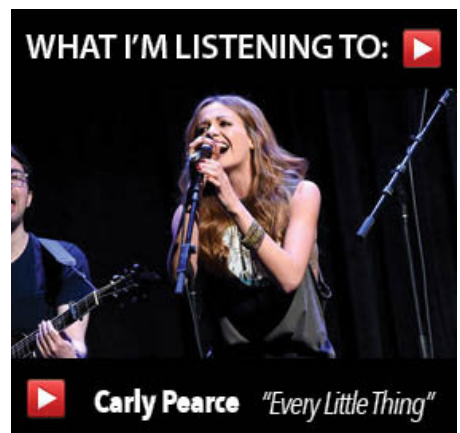
> Weather Causing Some Planting Hiccups In South America: Central Argentina continues to be in the grips of a very wet weather pattern. Many regions of central Argentina have suffered from numerous episodes of localized flooding and saturated conditions over the past 18 months. Over this past weekend, many regions of Buenos Aires and La Pampa provinces once again received heavy rains leaving farmers to wonder when it will ever end. The province of Buenos Aires seems to be the hardest hit by the excessive rains. Reuters reported that the farm group Rural Confederation of Buenos Aires and La Pampa (Carbap) estimates that 28% of the agricultural land in the province of Buenos Aires is suffering from excessive moisture. The Agricultural Minister of Buenos Aires is already warning that under a worst case scenario, some areas of the province may not be planted at all this growing season. For farmers in western Buenos Aires and eastern La Pampa, this is the second year in a row of excess moisture. In contrast, Brazil is suffering from dry weather across some of its key growing areas. The three key growing states of Mato Grosso, Parana, and Mato Grosso do Sul are all experiencing an extended dry season, which has prevented farmers from planting. Farmers in the state of Parana in southern Brazil were allowed to start planting their 2017/18 soybean crop on September 10th, but dry weather in the state has kept the planters out of the field. The state is also a major producer of dry beans and the start of the bean planting has also been delayed. Farmers in Mato Grosso and Mato Grosso do Sul may start planting their soybeans at the end of the "soybean-free" period on September 15th, but they are too dry as well. (Source: [Soybean & Corn Advisor](#))

> Argentine Begins Shipping Biodiesel To EU Again: Argentina has started shipping biodiesel supplies to the European Union, returning to what was once its biggest market after a four-year legal battle over import tariffs, buoying expectations of export growth, an industry representative said. "We have begun exporting biodiesel to Europe very gradually," Claudio Molina, executive director of the Argentina Association of Biofuels and Hydrogen, an industry group, said in an email. Exports to the EU likely will "reach a volume like the one that existed in 2013," he said, without specifying how long this could take. Argentina exported a total of 1.1 million mt of supplies in 2013, most of it to the EU, according to Energy Ministry data. In November 2013, however, the EU imposed duties of 22%-25.7% on Argentinian biodiesel after allegations that exporters from that country were dumping the product in its market or selling at below cost. Argentina took the case to the World Trade Organization, WTO, which ruled in its favor last October that the EU must cut the duties. Early this month, the EU said it will sharply lower the duties by September 28, likely to less than 10%. (Source: [Platts](#))

> Syria Cancels Million Ton Russian Wheat Deal: A mysterious Syrian wheat purchase signed last October with a little-known Russian trader has formally been called off, a government source has told Reuters. War-torn Syria had sought 1 million metric of wheat from trader Zernomir to feed government-held territories and prevent bread shortages. But there was skepticism about the ability of Zernomir to deliver on the deal from the start. "The deal was canceled due to difficulties in banking operations and execution," a government source told Reuters. A Russian agriculture ministry official had told Reuters the main problem was that the supplier lacked experience and had set the price too low. State grain buyer the General Authority for Cereal Processing and Trade (Hoboob) instead signed contracts in February with local traders for around 1.2 million metric tons of Russian wheat.


> India's Edible Oil Imports To Fall In Coming Crop Year: India's edible oil imports are set to fall in 2017/18 as a bumper crop of oilseeds are carried forward and will boost domestic edible oil production in the year ahead, a leading industry analyst and trade expert said. A drop in imports next year would be the first in seven years, although in July the view was that India's higher oilseed output and crushing would lead to a fall in the current year. Instead, farmers were reluctant to sell this year's bumper oilseed output at low prices and stocks will be carried forward to be crushed next year, said managing director of trading firm G.G. Patel & Nikhil Research Company, Govindbhai Patel. Lower purchases by the world's biggest importer of vegetable oils could put pressure next year on soybean and palm oil prices. India is expected to import 15.13 million tonnes of edible oils in the year starting on Nov. 1, down 70,000 tonnes from the current year, Patel told an industry conference. (Source: [Reuters](#))

> Moody's Cuts Bunge Outlook To Negative: Moody's Investors Service cut its outlook for Bunge Ltd on Wednesday and cautioned that without much-improved earnings it could cut the U.S. agribusiness' credit rating to just a step above junk status. The agency revised Bunge's outlook from stable to negative after it opened a



About the Report

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

\$900 million credit facility to help fund a deal for a controlling stake in Malaysian palm oil producer IOI Loders Croklaan. (Source: Reuters)

> USDA Fails To Issue Dairy Checkoff Reports: It has been four years since the USDA published legally required annual financial reports on a \$400 million dairy research and promotional fund — one of the largest pots of cash among federal checkoff programs, Pro Agriculture's Catherine Boudreau reports. The missing reports add to the controversy surrounding federal checkoffs, fueling renewed arguments from farmers and advocacy groups who have long demanded greater transparency in the checkoff universe. The reports on the dairy checkoff, which is funded by taxes on producers of milk products, should be posted within the month, a USDA spokeswoman told POLITICO. She said they are in the final clearance stage, and the 2016 installment is still in the works. She declined to explain the reason for the years-long delay. Prior to 2012, the dairy checkoff was one of the most transparent, regularly filing annual financial reports that often topped 100 pages. The reports were then sent to Capitol Hill. Only the dairy checkoff's evaluations must be sent to Congress, because of the way its authorizing statute was written. (Source: Politico)

> Trump Blocked Chinese Takeover Of An American Tech Company: President Trump has stopped the takeover of an American chip maker by a private equity firm with ties to China. The deal, which would have seen China-backed Canyon Bridge Capital Partners acquire Lattice Semiconductors, was blocked over national security concerns. "Today, consistent with the administration's commitment to take all actions necessary to ensure the protection of U.S. national security, the president issued an order prohibiting the acquisition," Treasury Secretary Steven Mnuchin said in a statement. The Trump administration launched an investigation last month into whether China is unfairly getting hold of American technology and intellectual property. The Committee on Foreign Investment in the U.S., which reviews deals that could result in a foreign entity taking control of an American company, had previously recommended halting the deal. Chinese investment into U.S. firms so far in 2017 includes 83 deals worth about \$25 billion, according to research firm Rhodium Group. (Source: CNN)

> Harvey Could Cost The Government \$11 Billion: The head of the National Flood Insurance Program says early estimates indicate Hurricane Harvey will result in about \$11 billion in payouts to insured homeowners, mostly in southeast Texas. That would likely put Harvey as the second costliest storm in the history of the federal insurance program, said Roy E. Wright, the Federal Emergency Management Agency's deputy associate administrator for insurance and mitigation. More than \$16 billion was paid out after Hurricane Katrina in 2005. It is still too soon to estimate losses from Hurricane Irma, Wright said. But he predicted that the storm damage in Florida and other affected states could rival the nearly \$9 billion paid out after Superstorm Sandy in 2012. Even before the recent back-to-back hurricanes, the federal flood insurance program was about \$25 billion in debt to the U.S. Treasury. Wright said the program currently has enough cash to absorb the initial wave of payments to help homeowners get back on their feet but will need billions more within about a month. The program has received more than 84,000 claims from Harvey-affected policyholders, he said, with more expected. That ranks Harvey third, so far, in storms with the highest flood insurance claims, behind Hurricanes Katrina and Sandy at 250,000 and 144,000. The program was set to expire at the end of September. But last week, Congress voted — as part of a broad stopgap spending bill that raised the debt ceiling and included more than \$15 billion in Harvey aid — to extend it by three months. (Sources: Business Insider, Dallas News)

> Best Jobs Without A College Degree In 2017: The Great Recession destroyed the job market for workers without college degrees, and the situation hasn't gotten any better. This begs the question—can you still enjoy a high standard of living without a college degree? And what are the highest paying jobs for people without a traditional higher education? The latest chart from cost estimating site HowMuch sheds some light on these pressing questions. You can quickly see some pretty interesting trends. There are a lot of people without college degrees who make a great living. The median household income in the U.S. is \$56,516. By that standard, all the jobs on the chart pay well above average. Specialization is the key to earning a high wage, especially in an area that cannot be outsourced. Elevator installers, power plant operators, transportation inspectors—these are all professions that require a high level of skill and must be done in person by someone with years of experience and certifications. Regardless of how automation affects the economy, you won't ever be able to replace jobs like firefighting and law enforcement. Click the graphic for a larger view. (Source: HowMuch.com)

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 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..."

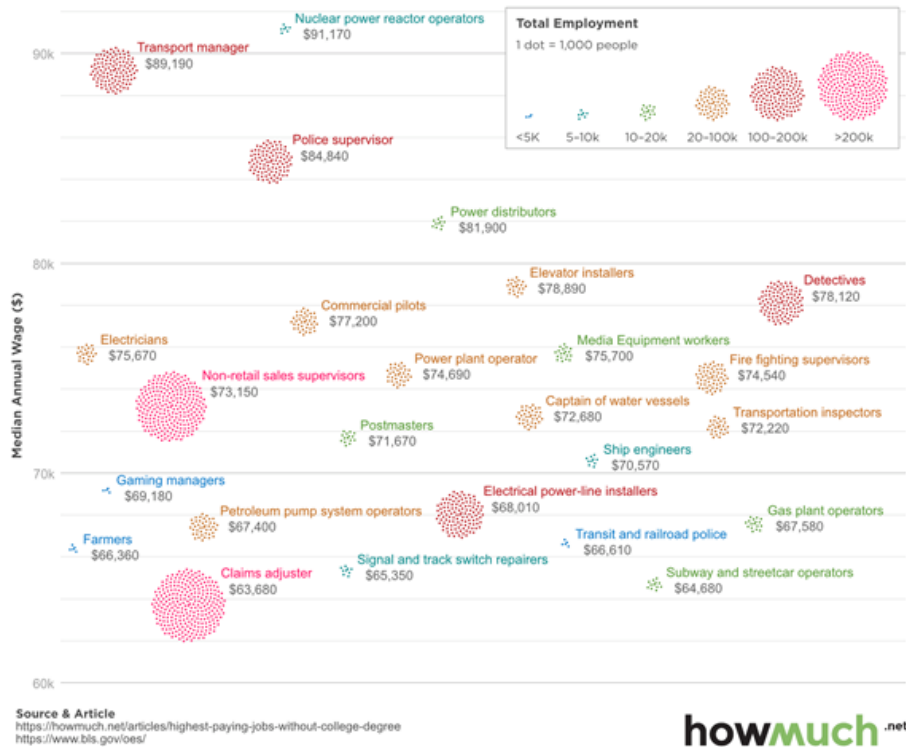
"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

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.

25 Highest Paying Jobs Without a College Degree



Farm Direction
RECIPES

★ **FAMILY FAVORITES** ★

-SENT IN BY OUR READERS-

Strawberry Pretzel Salad

CLICK TO SEE RECIPE



Northeast Colorado - It was an incredibly challenging spring as we dealt with a local grass fire that took out 400 of our acres and burned down a neighbor's home. That was followed up with a hail storm that decimated a complete circle of wheat. We planted oats into the burned ground but they didn't do so well as we are sure the moisture had been taken out of the soil by the fire. We did yellow peas for the first and probably the last time this year as they turned out to be a struggle. Harvest will start soon and we will pull the millet ahead of corn as we have learned it will not suffer a snow as well.

Southwest Indiana - We have been getting pretty dry here after having great weather all summer. August was one of the mildest I think I can remember. I have been shelling corn the last few days and the crop is better than what I thought I would be seeing. I think that our whole farm average may end up being right at 200bpa. Those yields will be above last year when we saw production in the 185bpa range. We had disease problems last year that took the top off of yields. We have some rain headed this way from the hurricane which will help the beans but not so much the corn. We have some corn fields leaning over and need to get everything out of the field soon. The moisture levels are higher than we wanted, most around 27%, but will dry it down. I am a little concerned about the beans. With our weather being so dry lately, I am just not for sure how pod filling will be. To go along with the dryness has been extremely cool temps each day and cooler nights. I have had some neighbors say that some of their beans have aborted top pods while trying to finish the lower pods.

Central Illinois - We are not quite rolling yet with the combines as we are probably at least a week or two out. Most of the corn around here is in the 28% to 30% moisture range right now. We will probably try to start when we are closer to 20%. If we would have had a typical warm August we would probably be harvesting by now. The other issue is that we didn't get some of the timely rains that others received over the past few weeks. We do have fields that look very good overall, with yields above our APh but the whole farm average should be between 180bpa to 190bpa. The beans are not turning yet but should soon. We have a lot of seed beans and this year I am seeing the most four bean pods that I ever have. The really good thing is that they seem to all be filling very good.

CROSSING WIRES

A place to share intelligent thoughts...

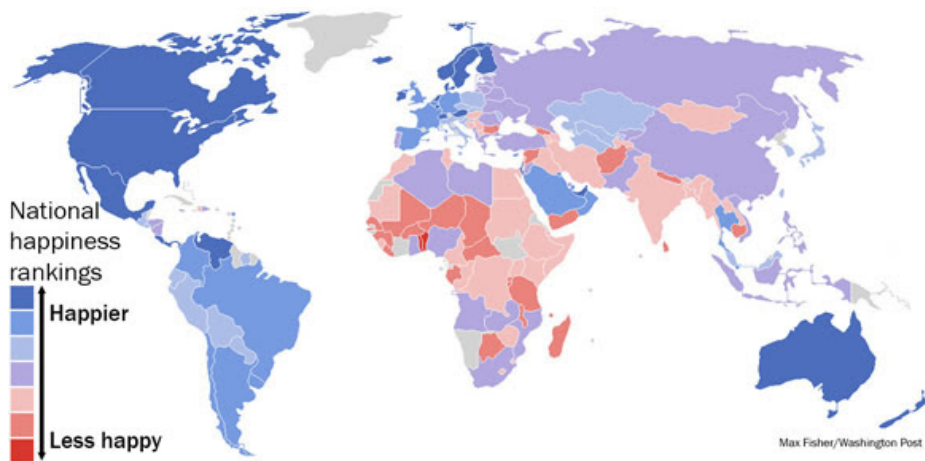
ASA Considers EU Ruling On GMO Bans A Victory: *The European Court of Justice has ruled EU member state governments cannot ban the cultivation of genetically engineered crops without scientific evidence of risk to human health. The decision reverses the "precautionary principle" which has been the EU's longstanding default argument to support unverified safety concerns about the importation or cultivation of biotech crops. American Soybean Association president and Illinois farmer Ron Moore says this is good news for US agriculture. "Over 95 percent of the soybeans that are raised in the United States have some form of biotechnology trait," he says. "It's an opportunity to finally get some sound-science and common sense behind the ability for U.S. agriculture to export over to the European Union." Listen to the full interview over at [Brownfield Ag](#).*

Former Navy SEAL Sniper Reveals How Staying Focused Is The Key To Success: *Brandon Webb, former Navy SEAL and author of "Total Focus" explains why excellence matters. "I see the biggest problem people in careers, or whether starting a business as a young entrepreneur, they get distracted and they're taking on all these different opportunities and nothing ends up working out. So focus on one opportunity at a time, see it to completion. Have that focus, stay focused on your opportunities and see it to success or failure, and then pick something else." Watch his video [HERE](#).*

Allbirds Eco-Friendly Wool Shoes Take Silicon Valley By Storm: *You can't walk outside your door in San Francisco these days without seeing some tech worker or VC wearing a pair of Allbirds. The eco-friendly wool shoes have taken over the tech world since the startup's launch a mere 18 months ago. Now, it plans to expand globally and develop new materials beyond its signature merino wool. Allbirds currently manufactures the product in South Korea, with material sourcing coming from what I'm told is the same mill Armani uses in Italy to make its wool suits. See more details and pictures on what is being called "the worlds most comfortable shoe" [HERE](#).*

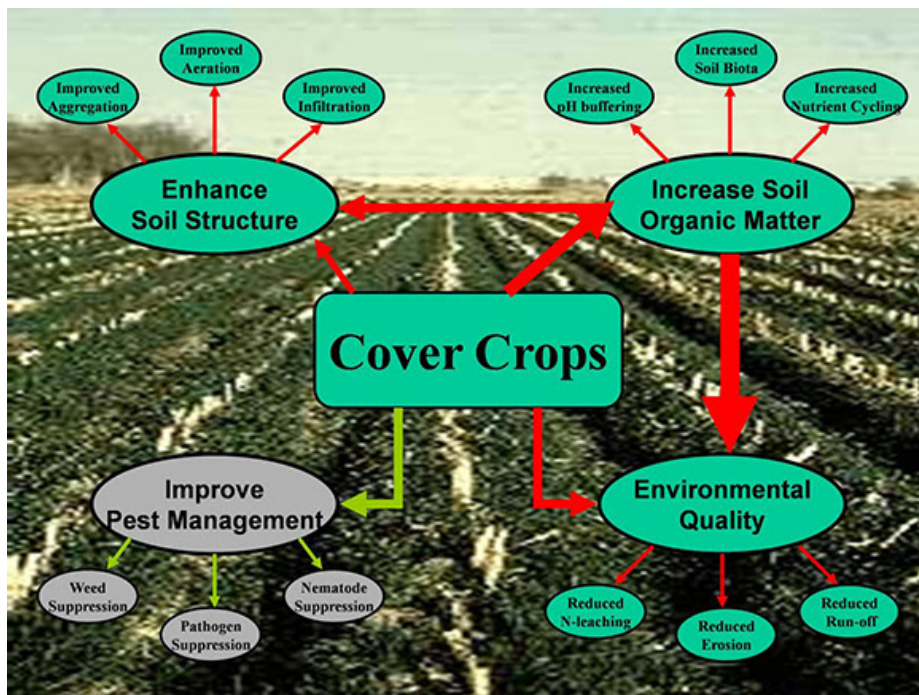
What The Sport's Community Took Away From Apple's Keynote Event: *Apple's first keynote event from the company's new Steve Jobs Theater featured strong sports components throughout the presentation. Here are SportTechie's top three takeaways: Apple Watch - While baseball's Boston Red Sox inadvertently introduced the sports world to one illicit feature of the Apple Watch — sign stealing — the tech giant unveiled the Apple Watch Series 3 with several on-label sporting features in an apparent shift to reposition the device more as a fitness wearable than a fashion accessory. Read more [HERE](#).*

Americans Are Pretty Darn Happy: *According to Moran Cerf, a neuroscientist at Northwestern University who has been studying decision-making for over a decade, the surest way to maximize happiness has nothing to do with experiences, material goods, or personal philosophy. It's all about who you decide to spend time with. But "it's not just advice to choose your friends carefully," Cerf told Business Insider. There are two premises that lead Cerf to believe personal company is the most important factor for long-term satisfaction. The first is that decision-making is tiring. A great deal of research has found that humans have a limited amount of mental energy to devote to making choices. Picking our clothes, where to eat, what to eat when we get there, what music to listen to, whether it should actually be a podcast, and what to do in our free time all demand our brains to exert that energy on a daily basis. The second premise is that humans falsely believe they are in full control of their happiness by making those choices. So long as we make the right choices, the thinking goes, we'll put ourselves on a path toward life satisfaction. Read more [HERE](#).*



Study Shows "Cover Crops & No-Till" Can Increase Net Farm Income By +\$100 Per Acre

We all know that the use of cover crops and no-till farming are valuable practices for the health of our soils. What most don't know is how the adoption of the two will affect their bottom line. I've spoken with farmers across the country and in Canada that all have their reasons for not practicing either, and usually one of them is that they are unsure of the return on their time and financial investment. Now, after a three-year study by the National Association of Conservation Districts (NACD) and Datu Research LLC., we can say that an economic result of more than \$100 is possible. As with the adoption of most new practices and technologies, growers need to see a bump to their bottom lines in order to incentivize their use. I'm told that during the three-year study period, corn and soybean farmers experimented with cover crops and/or no-till and quantified the year-by-year changes in income compared to a pre-adoption baseline. It's worth noting that the planting costs did increase the per acre expense by around +\$38. But the savings far outweigh the cost, with fertilizer expenses going down as much as -\$50 per acre, erosion repair costs decreased by as much as -\$16 and yields increased up to +\$76 an acre. Keep in mind that this is not a quick fix and patience will be required as you make the change. As I understand it, there is a good chance of not seeing the financial results the first year. Iowa farmer Frank Moore who works 2,300 acres, said he saw no yield improvements attributable to cover crops in the first year, but he understood the necessity of long-term soil health practices before seeing significant returns. By the time Moore got into his third season of cover crops and no-till, he did not need post-emergent weed control. I think we all agree that the choices are going to need to be made to adopt more and more of these sustainable practices as consumers seek to do business with growers who produce their crops with their values in mind. My advice to anyone adopting any new practice, innovation or technology is to do your due diligence and see how the numbers crunch. Too often we don't consider profitable options because we think they are a net expense. Make some time to consider what you can do on your operation to enhance not only the bottom line but the long-term success of our land. If not cover and no-till, it may be the introduction of alternative cash crops. What I'm saying is that most of us will not be doing the same things the same way in a few short years, take the time to find a niche that fits your circumstances and can aid the bottom line. A final piece of good advice when considering adoption of cover crops comes from Missouri producer Michael Willis, who says to "start small enough so it doesn't freak you out but large enough to matter". Read the full case studies [HERE](#). (Source: [Feedstuff](#))



What You Need To Know About The Massive Equifax Data Breach

Nearly half of all Americans may have had personal data exposed in one of the most severe data breaches in history. Equifax announced last week that the sensitive information of 143 million consumers had been stolen. That could include one or all of the following - your address, Social Security number, driver's license and credit card numbers. All of this information is likely being auctioned off to the highest bidders somewhere on the dark web. Equifax and the other two national bureaus, Experian and TransUnion, keep files on approximately 220 million individuals, so roughly two-thirds of consumers are potentially at risk from the breach. Equifax and the other two national credit reporting bureaus, Experian and TransUnion, keep files on approximately 220 million individuals. Hackers targeted Equifax from mid-May to June. The company discovered the hack on July 29. Equifax has since turned the whole debacle into a public relations nightmare, starting with the fact that they did not notify the public until September 7, nearly six weeks later. The company then set up a website where consumers could check to see if their data had been stolen and offering free one-year credit monitoring. However, anyone signing up for the monitoring service gave up their right to sue over the breach, via a clause in the fine print. Public outrage finally led to the company to reverse that. Then there was the revelation that three senior executives sold shares totaling almost \$1.8 million just days after the breach was discovered. Equifax says none of the executives, which included a chief financial officer and the president of information services, were not aware of the hack. Security breaches in the past have affected far more people - the 2016 attack on Yahoo compromised the data of over 1 billion people. However, the severity of this one stands to be far greater

because of the information that was stolen. Armed with social security numbers and birth dates, thieves could open credit cards or bank accounts in your name that you know nothing about. Or try to file a false tax return and make off with the refund. What's more, you can not change that personal information, meaning anyone whose data was stolen is going to be at risk FOREVER. Consumers that sign up for the free credit monitoring service will need to pay for that protection after Equifax's one-year coverage ends. And credit monitoring is not the most effective tool for consumers to protect themselves. Credit monitoring only alerts you to the fact that your identity has already been stolen. What should you do?

Was Your Information Compromised? Find out if your information was exposed via Equifax's website [HERE](#). Click on the "Potential Impact" tab and enter your last name and the last six digits of your Social Security number. The site will tell you if you've been affected by this breach. Whether or not your information was exposed, U.S. consumers can get a year of free credit monitoring and other services. The site will give you a date when you can come back to enroll. Write down the date and come back to the site and click "Enroll" on that date. You have until November 21, 2017 to enroll.

Implement A Credit Freeze: The only way to effectively prevent your identity from being stolen is by initiating a credit freeze. Equifax will do that for free [HERE](#). You also need to request a credit freeze at the other two credit bureaus, Experian ([HERE](#)) and TransUnion ([HERE](#)). Those two charge around \$10 each for a credit freeze. Remember, a credit freeze only works if it's applied to all three credit bureaus. Also understand that you'll need to unfreeze your credit with all three agencies if you ever want to initiate a new line of credit, such as a mortgage or car loan.

Place A Fraud Alert On Your Files: If you decide against a credit freeze, consider placing a fraud alert on your files. A fraud alert warns creditors that you may be an identity theft victim and that they should verify that anyone seeking credit in your name really is you. You only need to ask 1 of the 3 credit bureaus to place this on your credit report. They are required by law to report it to the other 2. The initial alert stays on your report for at least 90 days. You can renew it after 90 days. Step-by-step instructions are available [HERE](#).

Monitor Your Accounts: It is important to monitor your existing credit cards and bank accounts closely for charges you do not recognize. Check your credit reports from all three credit bureaus as well. You can do that for free once a year [HERE](#). Accounts or activity that you don't recognize could indicate identity theft.



Rockefeller Estate Hits The Market For \$22 Million

An historic estate is being sold, per David Rockefeller Sr.'s last will and testament. The Hudson Pines estate in Westchester, New York, has been listed for \$22 million. The 75-acre manor has been in the Rockefeller family since its construction in 1938, when it was designed and built by Mott Schmidt for Rockefeller's sister, Abby. Rockefeller and his wife Peggy bought the house in 1946. The 11,343-square-foot main residence has three stories: The first floor features a living room and a dining room both overlooking sweeping lawn and river views, along with a library, and an office with fireplace. The second floor includes a master wing with a private balcony, dressing galleries and fitted closets, as well as five bedrooms and five full baths. The third floor has three more bedrooms and three baths. A basement features a wine vault, hobby rooms and offices. Spanning 11,343 square feet, the estate has a total of 11 bedrooms, specimen gardens,

a heated pool, a large carriage house, a six-stall barn, three greenhouses, an apple orchard, and a helipad. Other structures on the 75-acre property include cattle barns, quarters for staff, stables and a carriage house, where Rockefeller collected antique horse carriages. Rockefeller was the last grandson of oil tycoon John D. Rockefeller Sr., and was a banker and philanthropist, as well as the heir to one of the U.S.'s greatest fortunes. In his lifetime, Rockefeller served as CEO and chairman of Chase Manhattan Bank. Rockefeller died in March of this year at 101 and over 70 years at Hudson Pines. He was a signer of the Giving Pledge, an agreement to give away the majority of one's wealth. Peggy Rockefeller, who dedicated her life to the preservation of agriculture, died in 1996. She started Hudson Pines Farm, a cattle-breeding enterprise that spanned decades. For decades, cattle buyers from across the country came to the twice-yearly sales at the farm. The farm is home to approximately 200 head of Simmental cattle, which will be available for viewing for prospective buyers from Oct. 28 to 31. Once described as "Bonanza meets Downton Abbey," Hudson Pines Farm will host a "complete dispersal" sale on November 1. Just an FYI in case you are thinking about buying, the property taxes are about \$240,405 a year. Ouch! (Sources: Mansion Global, Hudson Independent)

> Hudson Pines, the Mount Pleasant home of financier and philanthropist David Rockefeller

> David Rockefeller in the carriage house of his estate in Pocantico Hills, N.Y., in 2006. Credit Jean-Claude Deutsch/Paris Match, via Getty Images

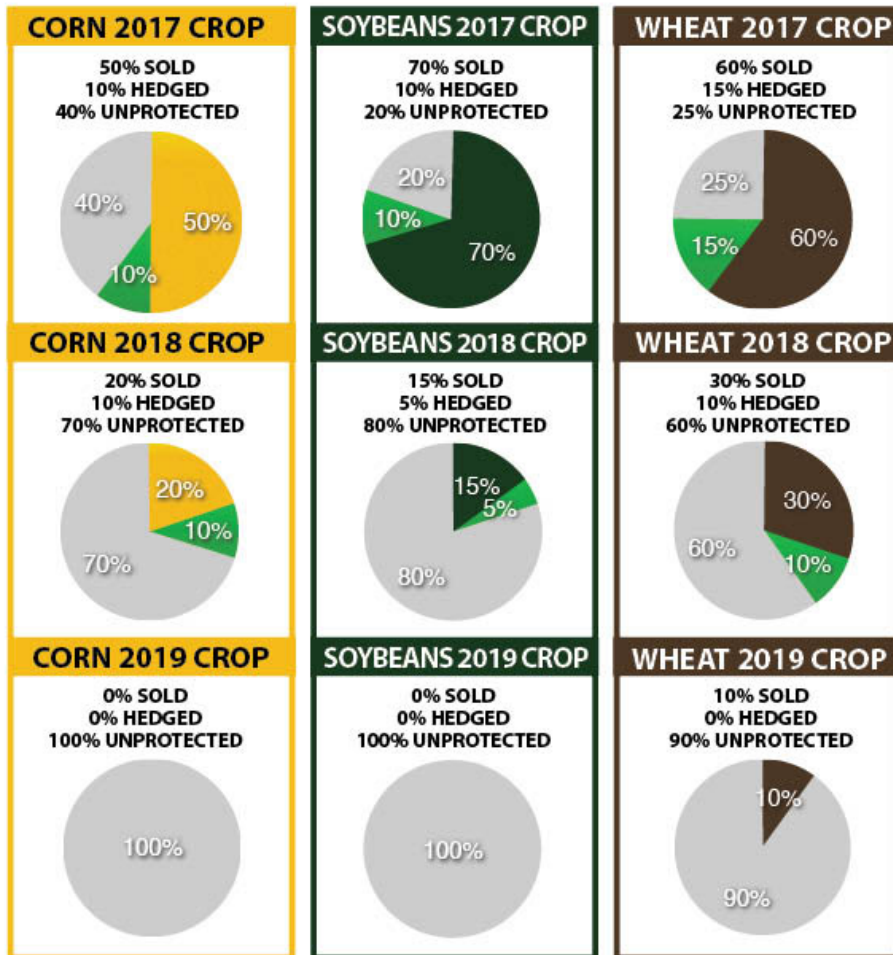
> A living room in the Westchester mansion. Credit Tim Lee

> A barn on the 75-acre property. Credit Jane Beiles for The New York Times





CASH SALES & HEDGING TOTALS



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