

## GOOD MORNING: 09/22/17 Farm Direction - VanTrump Report

1 message

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

Fri, Sep 22, 2017 at 7:18 AM



"If people like you, they'll listen to you, but if they trust you, they'll do business with you." - Zig Ziglar

FRIDAY, SEPTEMBER 22, 2017

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**Morning Summary:** Stock market bulls are taking a bit of a breather after pushing stocks to new record highs several times this week. The pause might be attributed to Standard & Poor's rating agency downgrading China's credit by one notch, saying strong credit growth had raised the country's economic and financial risks and reduced its financial stability. Bulls are also perhaps backpedaling a bit on stronger threats coming from North Korea. Reports say after President Trump made his UN speech, North Korean leader Kim Jong Un quickly took to the media calling President Donald Trump "mentally deranged". Then North Korea's minister of foreign affairs, said his country may consider testing a hydrogen bomb in the Pacific Ocean. Bottom-line, tougher talk seems to be bringing about threats. President Trump yesterday signed a new executive order that further expands sanctions against North Korea. Trump said it would significantly expand the U.S. ability to crack down on individuals and companies that do business with North Korea. The Treasury now has broad authority to "target any individual or entity that conducts trade in goods, services or technology" with the country." As written, there are some questions as to whether the order could have a negative impact on trade with China? Here at home, the markets will be digesting a wave of FedSpeak as Fed Presidents John Williams of San Francisco, Esther George of Kansas City, and Robert Kaplan of Dallas are all on the schedule for today. Their thoughts on current inflation trends and what that means for hiking rates again this year will be highly scrutinized as investors seek some greater clarity on the Fed's next move. Economic data today brings only the Atlanta Fed Business Inflation Expectations and the Baker Hughes Rig Count. Looking to next week, Congress will be back and it's expected the Senate will hold a vote on their latest Obamacare repeal bill. Wall Street is also still waiting to hear details on tax reform, an outline for which is expected next week as well. The Federal Reserve will be very much in focus with 11 central bankers scheduled to speak, including Fed Chair Janet Yellen on Tuesday. Economic data coming up next week will be highlighted by fresh housing and manufacturing numbers as well as the final estimate of second-quarter GDP. Updating some annual performances: The S&P500 is up about +12% on the year and the Nasdaq up +22%. Despite it's recent rally, Crude Oil prices are still down about -11% on the year, and the U.S. dollar is down about -10%. On the flip side, the U.S. stock market is up anywhere from +12% (S&P 500) to +22% (Nasdaq). Gold is up +11%, silver up +5%, copper up +16% and palladium up +32%. I should also note that lumber prices are up over +10% on the year.

**Russia Warns U.S. Over Military Clashes In Syria:** Russia on Thursday issued a stern warning to U.S. forces and their allies in Syria, saying it has deployed Russian special forces alongside Syrian government troops in the battle for the oil-rich Deir el-Zour province and that Moscow would retaliate if the Russians come under fire. The Russian Ministry of Defense said the U.S.-backed Syrian Democratic Forces have already shelled Syrian government positions outside of Deir el-Zour twice in recent days. The Russian special forces deployment raises the specter of a direct confrontation on the ground between Russian and pro-Syrian troops they back on one side, and the U.S.-supported Kurdish-led Syrian forces on the other. U.S. special forces are also operating with the SDF, providing artillery and other support. A Syrian commander with the U.S.-backed SDF denied Russian accusations of shelling, saying at least 4 miles of ISIS-held territory separates them from the Syrian government troops. According to U.S. officials, American and Russian military commands operating in Syria have opened a new communication channel for ground forces. This is in addition to a

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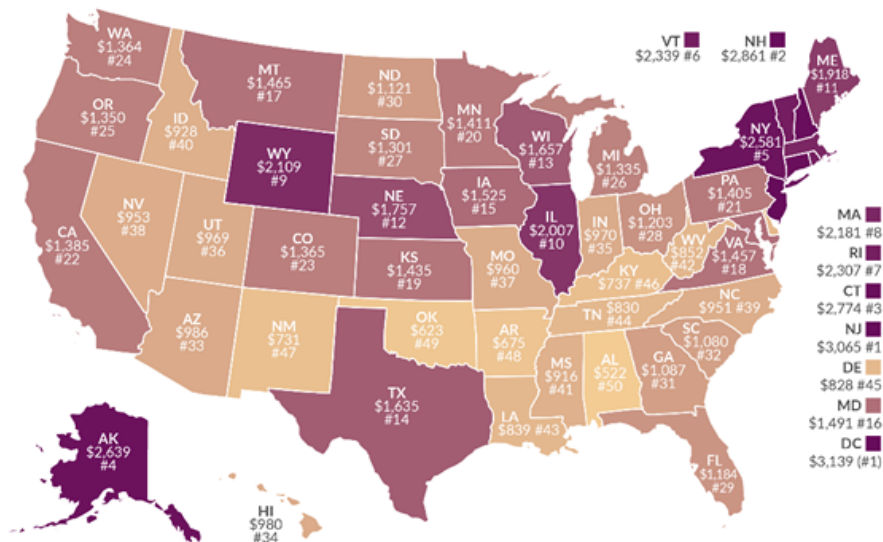


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longstanding phone line that U.S. and Russian air forces use to "deconflict" their operations over Syria. On the ground in Syria, American and Russian special operations teams still do not communicate with each other directly, even though they are in close proximity. (Sources: Reuters, Politico)

**Dow One Million:** The world's best investor, Warren Buffett, is extremely bullish the stock market. At an event celebrating the 100th anniversary of Forbes Magazine this week, Buffett said he thinks people who talk negatively about America are "out of their mind." He pointed out that the Dow Jones Industrial Average traded for about \$81 when Forbes was first published in September 1917. The index has risen over 275-fold in the ensuing century (an average of about 5.8% annually, or 10% when including dividends), thus "being short America has been a loser's game," said Buffett. "I predict to you it will continue to be a loser's game," he added, offering a forecast that the Dow will trade to 1,000,000 in the next hundred years. Having some "fun with the numbers" afterward, fellow millionaire Mario Gabelli joked that Buffett had turned bearish. He notes that it would take roughly a 3.9% compound annual growth rate to get from where the Dow is today to where Buffett predicts it will be in 2117. The CAGR has averaged 5.5% since the beginning of the 20th century until now. If the Dow's performance going forward is the same as it has been over the last 100 years, the index would be well over 6 million after another century goes by. (Source: Forbes, Motley Fool)

**How High Are Property Taxes In Your Area?** States collect property taxes in a number of ways: some impose a rate or a millage on the fair market value of property, while others impose it on some percentage of the market value. Regardless of how they are collected, property taxes are an important revenue tool for state and local governments. In fiscal year 2014, they comprised the largest source of state and local tax collections, at 31.3 percent. They also make up the largest revenue source for local governments. On average, U.S. state and local governments collect \$1,462 per capita in property taxes, but, as you can tell from the map, collections can vary widely from state to state. The highest per capita collections are found in D.C. (\$3,139), New Jersey (\$3,065), and New Hampshire (\$2,861). On the other end of the spectrum, the lowest per capita collections are found in Arkansas (\$675), Oklahoma (\$623), and Alaska (\$522). Click the map for a larger view. (Source: Tax Foundation)





## Despite Rain Last Week, Drought Expands in Portions of the Midwest:

According to the latest U.S. Drought Monitor, pockets of significant rain spread into the Midwest last week resulting in local trimming of dryness and drought. However, several other areas of the Midwest saw further drought expansion. Specifically, moderate drought was introduced or expanded in areas such as the Minnesota-Iowa-Wisconsin triple point. In southern Iowa, a small area of severe to extreme drought expanded. According to the USDA, topsoil moisture in Illinois rated short to very short increased from 51 to 75% during the 2 week period ending September 17. On the same date, nearly half of the pastures in Iowa 47% and Illinois 46% were rated in poor to very poor condition. Almost one-third 31% of Michigan's pastures were rated poor to very poor.

INTELLIFARMS GROUP

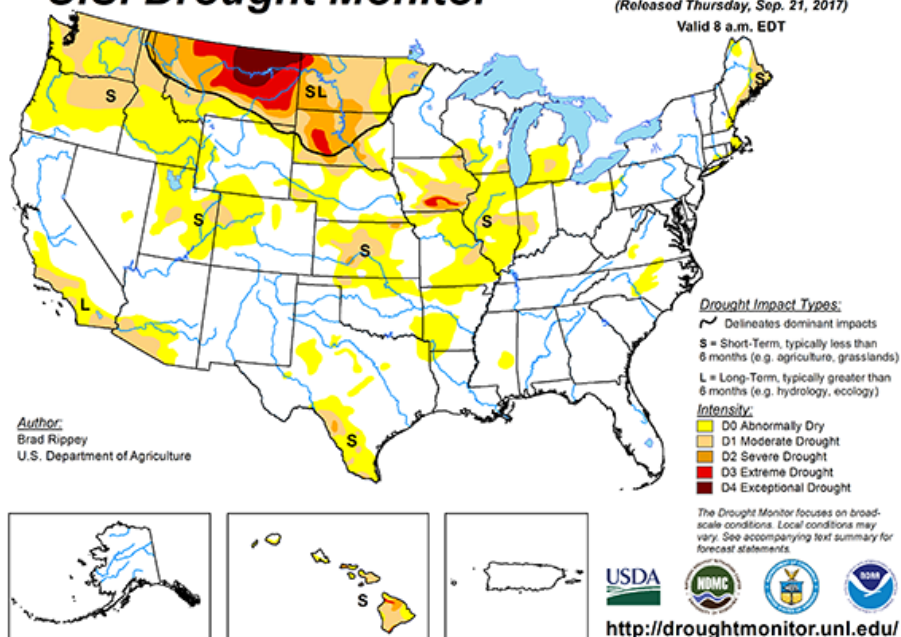


## Today In History

## U.S. Drought Monitor

September 19, 2017  
(Released Thursday, Sep. 21, 2017)

Valid 8 a.m. EDT



**1776, Nathan Hale** - In New York City, Nathan Hale, a Connecticut schoolteacher and captain in the Continental Army, is executed by the British for spying.

A graduate of Yale University, Hale joined a Connecticut regiment in 1775 and served in the successful siege of British-occupied Boston. On September 10, 1776, he volunteered to cross behind British lines on Long Island to spy on the British in preparation for the Battle of Harlem Heights. Disguised as a Dutch schoolmaster, the Yale-educated Hale slipped behind British lines on Long Island and successfully gathered information about British troop movements for the next several weeks. While Hale was behind enemy lines, the British invaded the island of Manhattan; they took control of the city on September 15, 1776. When the city was set on fire on September 20, British soldiers were told to look out for sympathizers to the Patriot cause. The following evening, September 21, Hale was captured while sailing Long Island Sound, trying to cross back into American-controlled territory. Although rumors surfaced that Hale was betrayed by his first cousin and British Loyalist Samuel Hale, the exact circumstances of Hale's capture have never been discovered. Hale was interrogated by British General William Howe and, when it was discovered that he was carrying incriminating documents, General Howe ordered his execution for spying, which was set for the following morning. After being led to the gallows, legend holds that the 21-year-old Hale said, "I only regret that I have but one life to give for my country."



**1945, General Patton** - Gen.

George S. Patton tells reporters that he does not see the need for "this denazification thing" and compares the controversy

over Nazism to a "Democratic and Republican election fight." Once again, "Old Blood and Guts" had put his foot in his mouth. Descended from a long line of military men, Patton graduated from the West Point Military Academy in 1909 and served in the Tank Corps during World War I. As a result of this experience, Patton became a dedicated proponent of tank warfare. During World War II, as commander of the U.S. 7th Army, he captured Palermo, Sicily, in 1943 by just such means. Patton's audacity made itself evident in 1944, when, as commander of the 3rd Army, he overran much of

**Corn** producers are starting to get into more fields. Most of my friends and subscribers are telling me they are seeing slightly better results than they anticipated. There is still huge "variability" in many locations from field-to-field and even within many fields. A lot of producers are saying the early planted corn seems to be doing much better, while the next call or text I receive is a friend telling me the later planted corn looks much better. It seems apparent that every area is going to be a bit different this year with no real wide-spread major tendency to report. The one caveat being most reporting better than expected results. I also think this tends to be human nature for most producers. Don't we all try and mentally prepare ourselves for the worst and simply hope for the best? I feel like most of us walk the fields and talk ourselves into a yield number that generally tends to turn out a bit better than anticipated. I suspect, the psychologist would say we are "prevention-focused" people, meaning we tend to see our goals as responsibilities, and concentrate on keeping our family and business safe. We worry about what might go wrong if we don't work hard enough or aren't careful enough. We are vigilant, but don't necessarily playing to win at all cost. I believe we tend to play a good defense in an attempt not to lose the things most important to us or that have been passed down from the hard work of our ancestors. We tend to work more thoroughly and are more carefully considered than those who might be playing exclusively to win or taking more aggressive risk. Some would say we are more meticulous, slower in our thinking and perhaps less creative, but I suspect it's because we are forced to more regular use our analytical and problem-solving skills. Regardless of the reasons, I was always told by grandfather, "never count your chickens before they are hatched and to always mentally prepare yourself for the worst." Hence problem the reason many of my friends and readers are reporting a bit better than expected yields... There's just not a lot new to report. Bulls are saying China could start importing a lot more corn as they begin to use more ethanol in their fuel. The latest reports circulating say the Chinese will be using E-10 by 2020. Unfortunately, this isn't anything that will push demand nearby, so the bears are giving it little notice. The DEC17 corn contract is down almost -8% on the year and I have a hunch it might be going lower before it makes any type of significant run back towards \$3.90.

**From A Good Friend In SW Kansas:** Kevin, Corn bottom in regards to moisture fell out. We are harvesting +10% bushels better than last year at 15% moisture. Only the first few days in the fields for harvest, but have been hearing lots of "better than expected " out of a big portion of this region. Don't know if it matter

*sin the grand scheme of things, but I am seeing the same thing you have been talking about. Better than we thought!*

**Lots Of Friends Posting Some Awesome Harvest Pic's:** *A lot of my friends have been posting and sending some awesome harvest pics of both corn and soybeans, below is just a small sample. Hope you enjoy... From my family to yours I wish everyone a safe and happy harvest!*

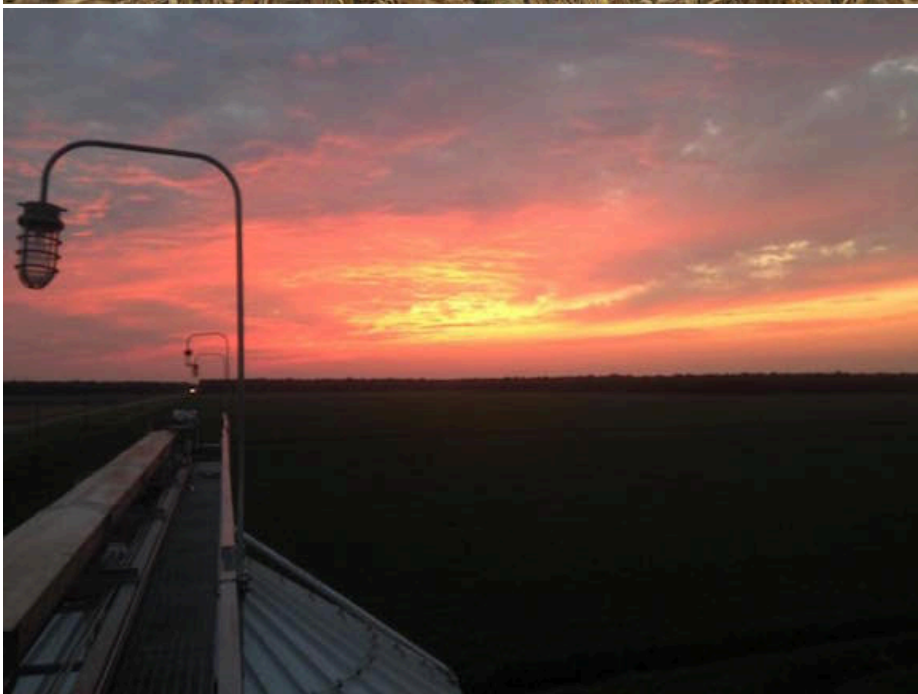


northern France in an unorthodox--and ruthless--strategy. Along the way, Patton's mouth proved as dangerous to his career as the Germans. When he berated and slapped a hospitalized soldier diagnosed with shell shock, but whom Patton accused of "malingering," the press turned on him, and pressure was applied to cut him down to size. He might have found himself enjoying early retirement had not Generals Dwight Eisenhower and George Marshall intervened on his behalf. After several months of inactivity, he was put back to work. And work he did--at the Battle of the Bulge, during which Patton once again succeeded in employing a complex and quick-witted strategy, turning the German thrust in Bastogne into an Allied counterthrust, driving the Germans east across the Rhine. In March 1945, Patton's army swept through southern Germany into Czechoslovakia--which he was stopped by the Allies from capturing, out of respect for the Soviets' postwar political plans for Eastern Europe. Patton had many gifts, but diplomacy was not one of them. After the war, while stationed in Germany, he criticized the process of denazification, or the removal of former Nazi party members from positions of political, administrative, and governmental power, probably out of naivete more than anything else. Nevertheless, his impolitic press statements questioning the policy resulted in Eisenhower's removing him as U.S. commander in Bavaria. He was transferred to the 15th Army Group, but in December 1945 he suffered a broken neck in a car accident and died less than two weeks later at the age of 60.



**1985, Farm Aid** - It started with an offhand remark made by Bob Dylan during his performance at Live Aid, the massive fundraising concert held at Wembley Stadium, London, and JFK Stadium, Philadelphia, in the early summer of 1985. As television viewers around the world phoned in donations in support of African famine relief, Dylan said from the stage, "I hope that some of the money...maybe they can just take a little bit of it, maybe...one or two million, maybe...and use it, say, to pay the mortgages on some of the farms and, the farmers here, owe to the banks." Dylan would come under harsh criticism from Live Aid organizer Bob Geldof for his remarks ("It was a crass, stupid and nationalistic thing to say," Geldof would later write), but he planted a seed with several fellow musicians who shared his concern over the state of the American family farm. Less than one month later, Willie Nelson, Neil Young and John Mellencamp announced plans for "Farm Aid," a benefit concert for America's farmers held in Champaign, Illinois, on this day in 1985. As one might have expected of a concert staged to "raise awareness about the loss of family farms and to raise funds to keep farm families on their land," Farm Aid featured a number of performers from the worlds of





country, folk and rootsy rock music. There were the three main organizers and the instigator Bob Dylan, for instance, along with Hoyt Axton, Johnny Cash, Merle Haggard, Emmylou Harris, Waylon Jennings, Loretta Lynn, Joni Mitchell and Charley Pride. But the first Farm Aid, more than any of the annual Farm Aid concerts since, was a bit of a stylistic free-for-all, featuring artists united only by their interest in supporting a good cause. "As soon as I read in the paper that there was gonna be such a thing," Sammy Hagar told MTV's cameras on the day of the show, "I called my manager and said, 'I wanna do it.' And he said, 'It's all country.' I said, 'I don't care. It's America. I wanna do it.' If there was anything more surprising than hearing Hagar perform his hard-rock anthem "I Can't Drive 55" on the same stage that had earlier featured the quiet folk of Arlo Guthrie, it was hearing Lou Reed perform "Walk On The Wild Side" on a stage that had featured John Denver. Over the years since its first charity concert on this day in 1985, the Farm Aid organization has raised upwards of \$33 million to support small farmers, promote sustainable farming practices and encourage consumption of "good food from family farms."

#### Upcoming Events

**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





## WHAT I'M LISTENING TO:



 **Montgomery Gentry** "Where I Come From"

## 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*





*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.*





*Farm Direction*  
RECIPES

★ **FAMILY** ★  
**FAVORITES**  
-SENT IN BY OUR READERS-



Apple Pie  
Pancake Muffins

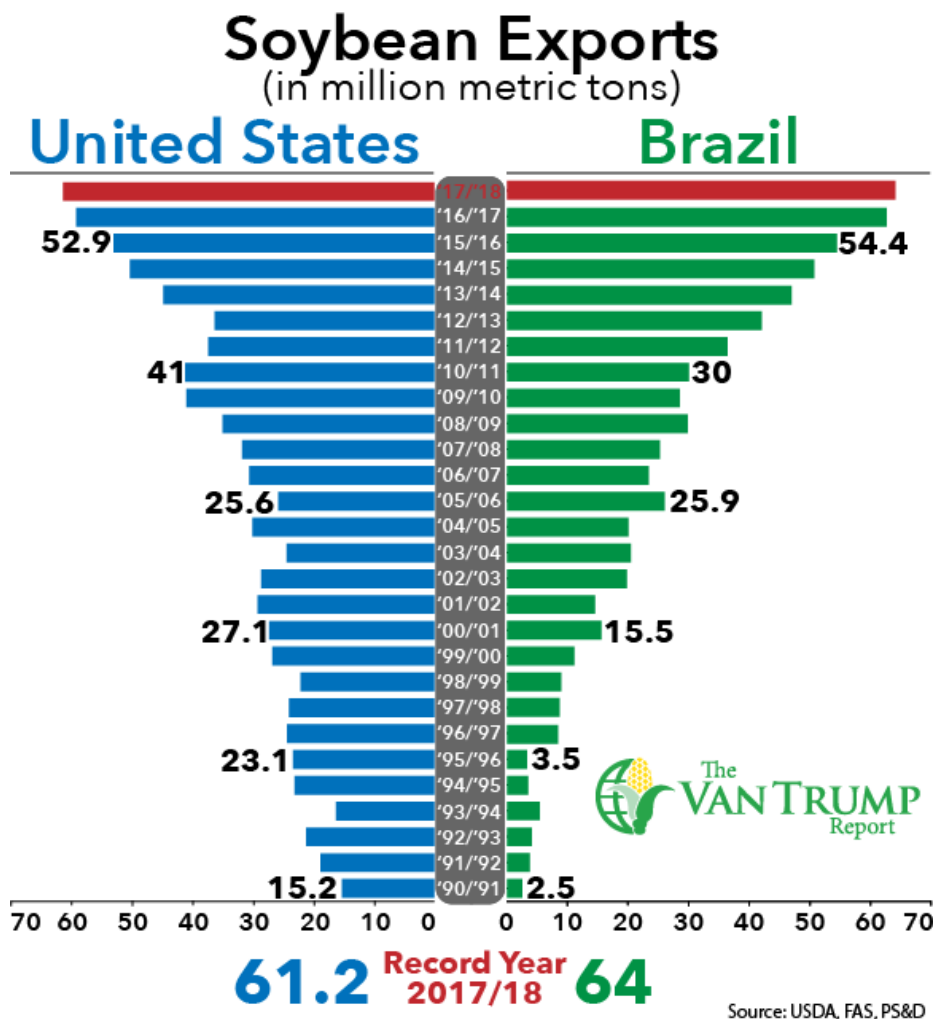
**CLICK TO SEE RECIPE**





**Soybean** traders continue to see more stiff technical resistance on the charts up between \$9.80 and \$10.00 per bushel. Bulls are pointing to strong Chinese demand, for meal and early weather complications in portions of South America. The bears continue to talk of between 250k and 1 million more U.S. planted acres being added to the current estimate once the USDA digests all of the updated FSA numbers. There's also more field reports circulating that show a mix of results, but none being wildly surprised to the downside. The U.S. weather during August and September might have been dry

for many important areas, but the mild temps might have protected the crop more than some have suspected? I have no idea of where the USDA's final yield will end up, but I'm thinking it stays north of 48 bushels per acre. Obviously, time will tell, but it's just tough for me to get that number much lower without really stretching the downside. Trust me, I would love to see a 47 bushel yield and a chance to market soybeans at better prices, but I'm having a tough time with that coming to fruition. Lets hope I'm wrong. I'm also worried that any cut in the current yield estimate might just be offset by the adjustment higher in planted acres. I'm gong to stay patient for the moment on hopes that South American weather headlines and continued Chinese buying give me more opportunity in the weeks ahead, but balance sheet fundamentals here at home are making me extremely nervous about the downside. Those who feel they are undersold might want to look at some type of "min-max" or hedge strategy to protect downside exposure if South American weather begins to be more cooperative... Keep in mind, NOV18 soybean prices are again approaching \$10.00 per bushel.



**Wheat** continues to be a follower and in search of a fresh new story. Russian wheat production continues to set new records, with many inside the nation reporting +15% to +20% better yields than last year. Then Russian's have already set a record in regard to total harvested production and It's beloved they still have 10% to 15% left to harvest. Three seems to be a bit more talk and uncertainty brewing in regard to weather in Argentina and Australia, but it still doesn't seem to be scaring the bears. Here at home nothing has really changed. Exports are nothing to cheer about still running behind pace. For the year, the price of the DEC17 SRW wheat contract is now down by almost -3%, HRW down about -5%, while the DEC17 Spring Wheat contract is still up over +12%.

**Cattle-on-Feed** is due out this afternoon after the close. Most inside the trade seem to be looking for the "on-feed" estimate to be about 103% of last year. "Placements" in August are thought to be around 97% of last year. "Marketings" at around 106% of last year. For what it's worth, DEC17 Live Cattle contract are up over +15% on the year, while the OCT17 Feeder Cattle contract is up almost +30%.





**> Farmland Prices Fall Again, But Decline Slows In Machinery:** U.S. farmland prices extended their decline nearly to four years, amid growing strain on farm incomes, a lender survey showed - but the ag equipment market showed signs of slowing its shrinkage. The farmland price index compiled by Creighton University showed a reading of 39.6 for September, a 46th month below the 50.0 level which indicates a neutral market. The figure represented a retreat from the 43.0-point level recorded for August, a three-year high. And it came amid evidence of stressed producer finances, with 51% of bankers answering the survey reporting have restructured farm loans, although default levels remained low. However, the Creighton data offered some hope for machinery groups, in giving a reading of 27.4 for sector sales this month. While indicating a 49th successive month of shrinkage, the figure was the highest since January 2015, and echoes some signs of improvement in monthly data from the Association of Equipment Manufacturers too. The Creighton equipment index set its record low level, of 6.7, in March last year. (Source: Agrimoney)

**> U.S. Grain, Chemical Rail Shipments Down Year-On-Year:** U.S. rail transportation of grain products for the week ended September 16 totaled 20,856 cars, down -7.4% from the corresponding week a year ago, according to data released by the Association of American Railroads. Rail transportation of chemical products fell -60.8% year on year to 30,467 cars. AAR designates fuel-grade ethanol as a chemical product. Cumulatively, grain product shipments totaled 816,447 carloads thus far in 2017, up +1.5% from the same period in 2016. Chemical product shipments totaled 1.145 million cars, -0.1% behind the 2016 pace, AAR said. (Source: Platts)

**> Coceral Upgrades EU Rapeseed Crop Estimate:** Coceral has lifted its estimate for the 2017 EU rapeseed crop to 22.1 million metric tons, an increase of 630,000 metric tons from its previous estimate and +1.56 million metric tons higher than 2016. Coceral upgraded production in both France and the UK, though they did lower their estimate for Germany. Coceral pegged the EU soft wheat harvest this year at 142.14 million metric tons, an upgrade of some 150,000 metric tons from the previous estimate. (Source: Agrimoney)

**> Majority Of Crop Insurance Claims Are The Result Of Drought, Flooding:** About 72% of crop insurance indemnities paid to farmers and ranchers between 2001 and 2015 were due to losses from drought and flooding, according to a new report published by the USDA Risk Management Agency. Hail and low prices each were the cause of 7% of payouts, while cold temperatures were responsible for 6%. The focus of the report, which RMA plans to publish every four years, was an analysis of market penetration and market potential of the federal crop insurance program for field crops, produce and nuts and livestock. Market penetration in 2015 totaled 85% of U.S. acres for all commodities, with the exception of a few. (Source: Politico)

**> Argentina Opens Market For Fresh Brazilian Beef Imports:** The government of Argentina has announced that imports of Brazilian beef will once again be allowed. Brazilian imports have been blocked for the last five years following an outbreak of mad-cow disease in the state of Parana. (Source: AgroSouth)

**> Tyson Backs Out Of Planned Kansas Plant:** Tyson Foods, which planned to build its first new protein facility in the U.S. in 20 years, is backing out after county commissioners in eastern Kansas withdrew their financial support for the project. Leavenworth County commissioners reversed a plan to issue \$500 million in industrial revenue bonds for the plant after residents of Tonganoxie, Kansas protested, citing environmental and financial concerns. Earlier this month, Tyson Foods and Kansas officials had promoted the \$320 million processing plant, hatchery and feed mill that would employ an estimated 1,600 people. Tyson's poultry president, Doug Ramsey wrote in a community letter Tuesday that the Arkansas-based company would still consider locating the plant in the state. "We still have interest in Leavenworth County, but will prioritize the other locations in Kansas and other states that have expressed support," he wrote. Tyson Foods already operates six facilities in the state. (Source: Politico)

**> Tourism Takes A Dip:** According to new data released by the U.S. Department of Commerce, there were 700,000 fewer international travelers who stayed at least one night in the first three months of 2017 compared to the same time period the previous year. This is a drop of -4.2% to 15.8 million. According to market research firm Tourism Economics, the drop caused a loss of nearly \$2.7 billion in spending. There was a -4.2% decrease overall in international tourism, with an even bigger drop among travelers from Europe, whose numbers fell -10.1% for the quarter. The \$2.7 billion decline in one quarter would mean we are on pace to hit Tourism Economics' earlier forecast for 2017

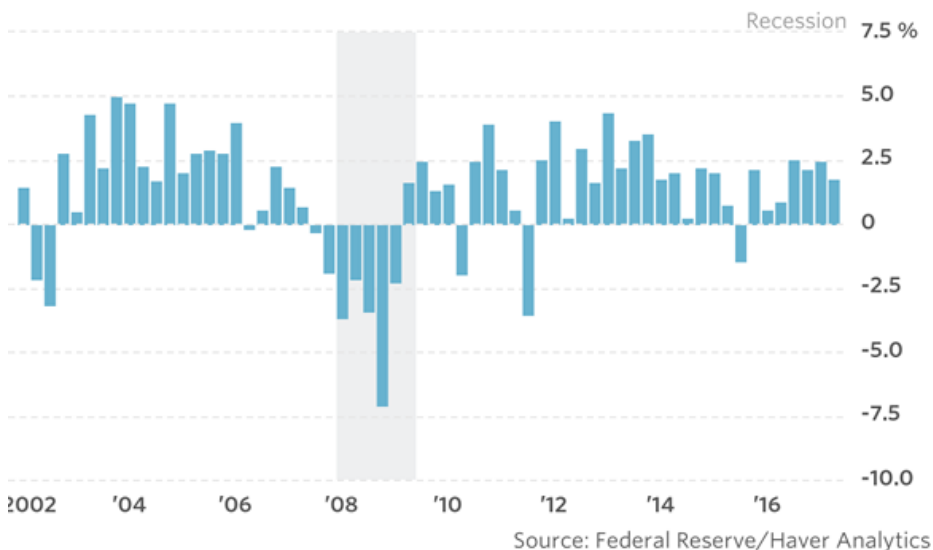
overall, to the tune of \$10.8 billion in lost spending. That is likely to be even higher with the recent hurricane damage that tourist mecca Florida has sustained, as well as the destruction in Texas.

**> U.S. Regulator Hacked:** Hackers may have exploited a software flaw in the Securities and Exchange Commission's (SEC) online filing system to gain access to nonpublic information and reap "illicit" trading gains, SEC chairman Jay Clayton said. Commission officials learned last month that a previously detected 2016 cyber attack, which exploited a "software vulnerability" in the online Edgar reporting system, may have involved improper securities trading. The software flaw did not result in unauthorized access to personal information or involve systemic market risk, the SEC said. (Source: Financial Times)

**> Household Net Worth Grows By +\$1.7 Trillion As Stocks, Home Prices Climb:** The net worth of households climbed by +\$1.7 trillion in the second quarter, on the continued rally in the stock market as well as the continued expansion of house prices. The Federal Reserve said the net worth of households and nonprofits rose by +1.7% to \$96.2 trillion, as the value of equities rose by \$1.1 trillion and the value of real estate rose by about \$600 billion. Those gains aren't distributed evenly, however. An earlier report from the Federal Reserve said that less than half of all families hold stocks. Meanwhile, businesses continue to pile on debt, as nonfinancial borrowing grew at a +5.3% rate. Household debt grew at a +3.7% rate, again driven by student and auto loans. Mortgage debt excluding charge-offs rose +2.8%. State and local government debt meanwhile contracted by -1%, the second contraction in a row. (Source: MarketWatch)

## Household net worth growth

Includes nonprofits



**Southcentral Minnesota** - Some years the field loss for holding on until the corn is dry isn't too bad and some years it's not good at all. In my opinion, corn over 28% moves hard and you don't get all the tips to come out of the cobs. If I could pick a moisture I would take it all between 21-24%, dries and handles decent and has a lot less field loss than when it gets under 20. I am a believer in phantom yield loss have seen it many times. It's also able to prove actual yield loss when it gets dry. Without your own drying system, I would try to take it around 18% depending what your coop charges for drying.

**Eastcentral Iowa** - Around here it looks like the early planted beans will out produce the later crop. The corn wasn't our best either this year. We have some 103-day planted mid-April and there is some green left on it. Only a couple of weeks ago it was ready to black layer. It is taking its time to dry down for sure though. I've talked to some guys down the way with 101-day corn planted a bit earlier and it still has 28%. It



seems this dry finish has really messed with our crops maturing properly. I am worried about kernel depth as well. I am hoping our corn roots were able to get down to the clay soils and find some moisture.

**Central Illinois** - We had a wet spring up here and had some replant on our corn acres. Once the crops were in the field it seemed that every shower that came through the our area hit our fields, we were truly blessed. Though it won't be our best year by any means we will see over 200+bpa corn for sure. The beans look great with plenty of pods hanging from the plants. Hoping for nearly 80bpa this year. We are a little later that some getting started with cutting. All in all a great season so far!



**Taking Aim At Food Waste, Companies Plan To Simplify Expiration Labels:** Some of the world's largest consumer goods companies including Kellogg Co. and Wal-Mart Stores Inc. have announced they will simplify food expiration labels in an effort to eliminate confusion that contributes to food waste. Standardized labeling will use a single expiration date on perishable items and a single quality indicator for non-perishable items, the Consumer Goods Forum (CGF) announced. Confusion over expiration labels costs families up to \$29 billion annually in the United States alone, according to CGF. Labels now in use such as "Sell by," "Use by" and "Best before" were developed beginning in the 1960s to increase consumer safety but have multiplied to as much as 15 different expressions today. Read more [HERE](#).

**High-Flying Life Sciences Stocks Make FANG's Look Weak:** Companies that make lab equipment, testing supplies and analytical devices have driven the sector up 41 percent, beating the much-discussed internet giants. Companies that make lab equipment, testing supplies and analytical devices have driven the sector up 41 percent, beating the much-discussed internet giants. Click [HERE](#) to learn more.

**The Science Behind The 15 Most Common Smart Drugs:** Not all drug users are searching for a chemical escape hatch. A newer and increasingly normalized drug culture is all about heightening one's current relationship to reality—whether at work or school—by boosting the brain's ability to think under stress, stay alert and productive for long hours, and keep track of large amounts of information. In the name of becoming sharper traders, medical interns, or coders, people are taking pills typically prescribed for conditions including ADHD, narcolepsy, and Alzheimer's. Others down "stacks" of special "nootropic" supplements. For obvious reasons, it's difficult for researchers to know just how common the "smart drug" or "neuro-enhancing" lifestyle is. However, a few recent studies suggest cognition hacking is appealing to a growing number of people. But do these brain-hacking drugs actually make you smarter? The answers are murky at best. Read more [HERE](#).

**How Air-Conditioning Invented the Modern World:** A new book by the economist Tim Harford on history's greatest breakthroughs explains why barbed wire was a revolution, paper money was an accident, and HVACs were a productivity booster. In the beginning, it wasn't the heat, but the humidity. In 1902, the workers at Sackett & Wilhelms Lithographing & Printing Company in New York City were fed up with the muggy summer air, which kept morphing their paper and ruining their prints. To fix the problem, they needed a humidity-control system. The challenge fell to a young engineer named Willis Carrier. He devised a system to circulate air over coils that were cooled by compressed ammonia. The machine worked beautifully, alleviating the humidity and allowing New York's lithographers to print without fear of sweaty pages and runny ink. But Carrier had a bigger idea. He recognized that a weather-making device to control humidity had even more potential to control heat. Air-conditioning went on to change far more than modern printing—it shaped global productivity, migration, and even politics. Read more [HERE](#).

**Health Benefits Await Those Who Try New Things:** There's a lot of comfort in routine: waking up to your favorite cup of coffee every a.m. and doing the same before-bed yoga moves to unwind before dozing off to dreamland. But just imagine—like the main character in some Netflix sitcom you just binged—that today was on repeat for the rest of your life. Doing the same thing day in, day out would get old, and really freaking fast. Variety, truly, is the spice of life. But avoiding repetition isn't the only reason you should break the mold and do something different. There are serious benefits to tackling something totally new and scary. That's why this month of Shape's #MyPersonalBest campaign is dedicated to trying new things—from a new workout to a tricky yoga inversion or a different kind of healthy diet. Read more [HERE](#).

**The "Nature Boy" Ric Flair Fighting For His Life:** Wrestling legend Ric Flair may have once commanded the ring – but after the cameras turned off, things "just got out of control." Decades of "social" drinking finally caught up with the 16-time pro wrestling world champion this year, landing him in the hospital and near death last month. "I crashed in an airplane and broke my back, I've been hit by lightning," Flair tells PEOPLE in this week's issue. "But this is totally different. Anything I've been through before is nothing like this." On Aug. 11, the 68-year-old was rushed to the hospital with stomach pains. Within hours, Flair was in the early stages of kidney failure and on the verge of congestive heart failure – the result of years of alcohol abuse. Flair's family members were told he had only 20 percent odds of surviving, and he was placed in a medically induced coma while they – including daughter, pro wrestler Charlotte Flair – took to social media to asks fans for prayers. (Source: [People](#))



### **China Is Pushing Public To Accept GMOs**

China recently carried out a nationwide poll to test the public's acceptance of genetically-modified food, a technology the government says would boost yields and sustainable agriculture in a country that's seen consumption soar. The poll, sponsored by the government, was carried out by a couple of China's most prestigious Universities. Alongside, they have been running a campaign on social media to broadcast basic knowledge on GMO technology, which is widely misunderstood in the country. China is the world's fourth-largest grower of GMO cotton and the top importer of soybeans, most of which are genetically modified and used for cooking oil and animal feed for pigs and chickens. But public concern over food safety issues and skepticism about the effects of consuming GMO foods have made the government reluctant to introduce the technology for staple crops. If you remember back to the 2012 incident with Golden Rice -- a yellow GMO variant of the grain that produces beta-carotene -- which caused a public storm after reports that the rice was fed to children without the parents being aware that it was genetically modified. From what I am hearing, many people still believe GMO food can cause cancer and impair childbirth, due to misleading reports in newspapers and social media. The government is hoping the national survey will help them discover what exactly the public's concerns are so that they can assuage them. Understand, China itself has spent billions on research of its own GMO technology over the past decade, but has not allowed commercial production of grains, with scientists citing public resistance as part of the reason for the delay. Despite this, China is turning the page and announced they would allow commercial production of modified corn and soybeans by 2020. There's no greater sign of China's commitment to GMOs than the state-run China National Chemical Corp.'s purchase of Swiss agribusiness and GMO seed corn-giant Syngenta. The Chinese state-owned company is expected to complete the \$43 billion deal this month. This is why the government needs the public to change their minds on this food technology. Like I said, Chinese officials have set a timeframe of 2020 for commercial production of GMO corn and soybeans. They are hoping GMO technology will allow Chinese producers to meet the nearly 20% growth in corn consumption estimated in the coming decade as demand for protein-rich meat and dairy products are on the rise in one of the largest populations in the world. (Source: Bloomberg)





### **Fall Officially Begins Today!**

Before it was called "Fall", it was called "Autumn", before then it was called "Harvest". While the modern names of winter and summer have been around for more than 1,000 years, the names of fall and spring are more recent—and less constant. Americans tend to use the word Fall and most of Europe like to use the word Autumn. Regardless of your preference, today is when the sun is directly in line with Earth's celestial equator, or the equator projected onto the sky. Both day and night will last about equally as long today, with approximately 12 hours of daylight and 12 hours of darkness. This same phenomenon occurs on the spring equinox. Unlike spring though, the Northern hemisphere will begin receiving less direct sunlight due to the tilt of the Earth's axis, bringing shorter and cooler days. With fewer hours of sunshine comes a change in leaf color as trees begin to go into hibernation, producing less green chlorophyll and allowing brilliant reds, oranges and yellows to peak through. The date of the fall equinox (and its spring counterpart) varies slightly each year, sometimes falling on the 23rd, 24th or 25th depending on the quirks of the calendar, along with Earth's slightly irregular orbit. Below are some fun facts about the fall equinox.

**Why Trees Lose Their Leaves** - *All deciduous trees will eventually shed their leaves as they head into dormancy for the winter. It's a brilliant self-preservation technique, where the pathways that carry water to and from the leaves are "shut off". This is due to the fact that if this soft vegetation contained water when harsh winter temperatures arrived, they would freeze and damage the leaf stems and then the limbs. In the end, the damage would eventually kill the tree. There is the exception though, with so-called "evergreen" trees. Evergreens do actually lose their "leaves", but they do it in batches instead of all at once. Think of it like your own hair, which is continuously falling out and being replaced. Evergreen species also have a waxy coating which makes them resistant to the cold and keeps them from drying out. While the trees may look like they do even in warm weather, they are mostly dormant over the winter. While today*

**Changing Leaf Colors** - *With fewer hours of sunshine comes a change in leaf color as trees begin to go into hibernation, producing less chlorophyll. You may recall from your grade school science class that chlorophyll is the key component in a plant's ability to turn sunlight into glucose, which in turn feeds the trees. Many millions of these chlorophyll cells saturate the leaves, ultimately making them appear green to the eye. However, when chlorophyll production slows down, the "true" color of the leaves are revealed, giving way to the brilliant reds, oranges and yellows of autumn foliage. Red and purple leaves are only that color because of the presence of sugars and sap that are trapped within the leaves. These sugars provide plants with the energy they need to survive. Evergreen trees such as pines, cedars, and spruces stay green because their leaves (needles) are covered with thick wax and they contain materials that prevent freezing when it gets cold. The U.S. National Parks Service actually has a state-by-state guide that outlines peak fall foliage, what the typical colors are and some of their recommended viewing spots.*

**Migrating Birds** - *Fall is a peak migration time for many species of birds. During autumn, birds will fly to other areas seeking more hospitable climates. The Arctic tern journeys about 11,000 miles each way for its annual migration. That is like going all the way across the United States about three and a half times!*

**Fall's Full Moon** - *Autumn is preceded by the arrival of the Harvest Moon. Full moons are named for the month or season in which they rise and the*

*Harvest Moon is the full moon closest to the autumn equinox, which occurred on the night of Sept. 16 this year. Before artificial lighting, farmers took advantage of the full moon's light to harvest their crops. In late summer and early autumn, many crops ripen all at once, making lots of work for farmers who had to stay in the fields after sundown to harvest all the goods. This late season light, or the "Harvest Moon", was essential to getting everything out of the fields.*

**Enjoy The Northern Lights** - *The aurora borealis, also known as the Northern Lights, tends to be visible this time of year. This is because geomagnetic storms are about twice as likely to occur during the fall thanks to cool evening weather.*

**Start The Diet Early** - *Weight gain around this time of year may not only be due to comforting fall foods like pumpkin pie and cider, but researchers have found the transition and dialing back of sunlight and "vitamin D" could reduce fat breakdown and triggers increased fat storage. Kinda of like when the bears body prepares for hibernation and the winter months. Perhaps our bodies are wired to store more food as we head into the winter months?*



### **I'm Ordering An Electric Pickup/Sport Utility For The Farm**

Bollinger Motors, a small new American EV startup, founded by Robert Bollinger, recently unveiled its first vehicle during an event at Manhattan's Classic Car Club —it's being called the "B1," an all-electric "sport utility truck," with up to 200 miles of range for somewhere around \$60,000. Many who have viewed the new vehicle say it looks like some type of cross between a Jeep Wrangler and a Land Rover Defender. Bollinger says he is trying to prove that there's room for some "grit" in the typically clean electric vehicle space. In short order, he became fed up with the limited versatility of both the small utility vehicles as well as the larger trucks that now seem to be too long for everything when you are driving around in the city, so he set out to design something in between. The B1 has an all-aluminum, sharp, Jeep-like exterior that can be converted to a halfback pickup truck. Inside, there are no bright screens or flashing displays; just simple analog radio dials and battery level indicators, and a massive 95 cubic feet of cargo if you remove two of the four seats. The 360 horsepower electric vehicle has a 200 mile range, is all-wheel drive, with a top

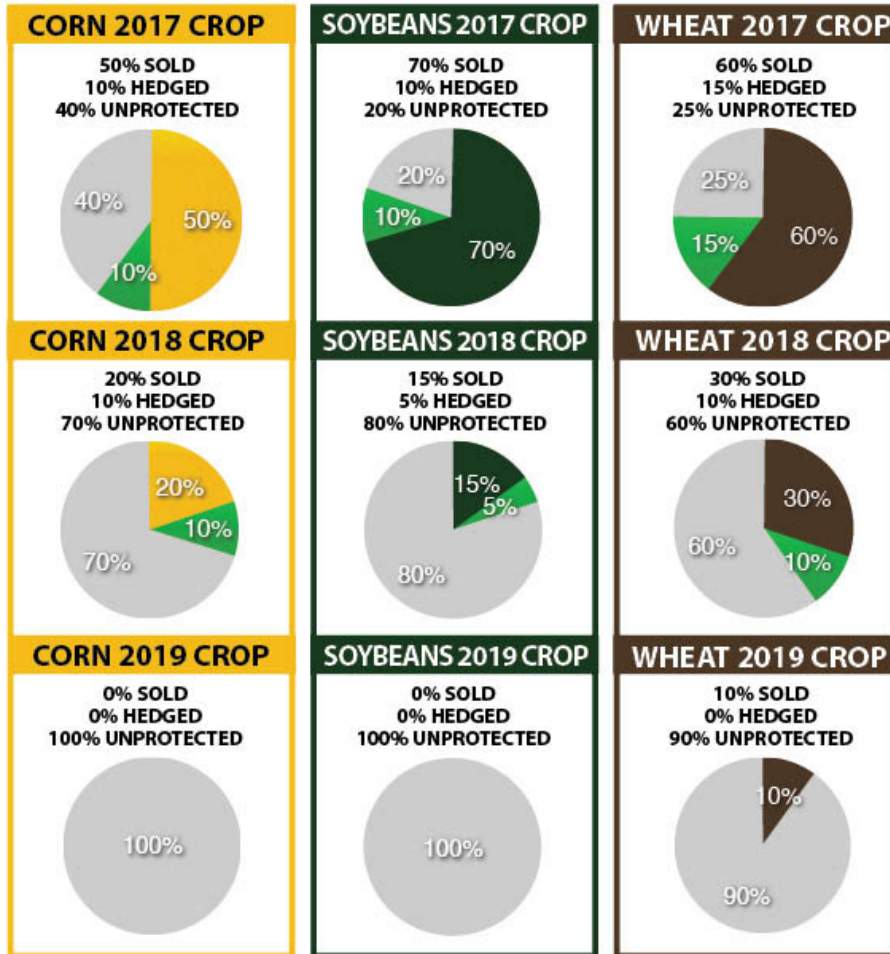


speed of 127 mph and achieves a perfect 50/50 weight balance for rugged off-road terrain. Many say the vehicle is perfect for ranchers, builders and do it yourselfers, which is a slightly different demographic than the usual Tesla Model X or Nissan Leaf customers. Bollinger said that they wanted to go back to the basics, and create an American-made, rough and tough, full electric truck. Four engineers, two designers, a welder, a painter, a communications officer and one dog comprised the small team that built the vehicle from the ground up. The B1 is expected to cost about \$60,000 and should start being delivered within 18 months. Interested consumers can reserve a vehicle on [Bollinger's website](#) for free, and the company will begin taking \$1,000 for reservations in 2018. The big draw for the B1 is the amount of space available. The two rear seats are removable, and the back trunk area is 49 inches wide between the wheel wells, which is big enough to stack 4 X 8 foot plywood sheets. There's also a front trunk too, since there's no engine taking up the space. And while we have seen front trunks in other EVs, the B1's is connected to the cockpit so you could run something very long down the entire length of the vehicle all the way into the back. It will be interesting to see if Bollinger can find that right production partner and begin manufacturing this vehicle before they get outmuscled by one of the many OEMs that have pledge to push their fleets toward electric power in the immediate future. The idea and concept of an all-electric, all-terrain truck with great range and abundant utility is exciting to think about, but it's hard to say whether the B1 will stand out from the crowd in two more years. There seems to be a ton of players moving in that direction... I've personally reserved one and love the rough and rugged look, I'll keep everyone posted with updates! Click [HERE](#) (Source: Jalopnik)





# CASH SALES & HEDGING TOTALS



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