

## GOOD MORNING: 09/26/17 Farm Direction - VanTrump Report

1 message

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

Tue, Sep 26, 2017 at 6:49 AM



*"They will hate you if you are beautiful. They will hate you if you are successful. They will hate you if you are right. They will hate you if you are popular... They just hate. However, remember this: They hate you because you represent something they feel they don't have. It really isn't about you. It is about the hatred they have for themselves. So smile today because there is something you are doing right that has a lot of people thinking about you."* — **Shannon L. Alder**

**TUESDAY, SEPTEMBER 26, 2017**

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**Morning Summary:** U.S. stocks start the week lower with North Korea again making threats and FANG stocks (Facebook, Amazon, Apple, Netflix, Google) witnessing sharp declines. North Korea's vocal disapproval of U.S.-led sanctions and continued military exercises has investors a bit rattled, prompting some to bank profits and move more money into so-called safe haven assets like gold and bonds. Investors also seem to be getting a bit more nervous about some of the tech stock valuations. According to Bloomberg, just four tech companies account for +22% of the S&P 500's year-to-date gain. This outsized gain has many traders booking the profits they've chalked up and moving into less risky assets as they rebalance ahead of fourth-quarter, which begins next week. At the same time, the U.S. dollar remains near two-year lows and on track for a seventh consecutive monthly loss if it fails to mount a meaningful rally. According to CFTC data, net short positions increased by \$900 million to \$8.4 billion last week, sending the dollar down to levels not seen since early 2014. The dollar's weakness has surprised many inside the trade, especially when you consider the Federal Reserve's more hawkish stance as of late. Brent crude oil prices have risen back to levels not seen in more than two years. The oil market has been clearly trying to rebalance itself after new technology brought about a glut of global supply. In fact, global oil prices have gained back about +30% in the past few months as world stockpiles have tightened while at the same time overall demand in industrialized and emerging markets have strengthened for the first time in almost a decade. The global oil market has also become a bit more nervous about Kurdish supplies, which account for over +500,000 barrels per day, possibly being blocked from export by the Turkish government. Also helping the recent run up in price has been the big buying by the Chinese. From what I have heard reported, China's government has been trying to re-build its strategic petroleum reserve on the recent drop in price. There was a recent report from OPEC floating around that estimated crude exports from the Middle East to Asia could increase by +7.5 million barrel per day during the next 20 to 25 years. I personally don't know if this will play itself out considering all of the technological advancements in the alternative energy space, but it's certainly a large number to think about. I still remain a longer-term bear in the crude oil space but understand political tension with North Korea, Russia and or the Middle East could easily increase risk-premium within the trade. Economic data out today includes the S&P Corelogic Case-Shiller Home Price Index, New Home Sales, Consumer Confidence and Richmond Fed Manufacturing. The main highlight for today is likely to be Fed Chair Janet Yellen's speech, where she will deliver a keynote address and participate in an audience Q&A in Cleveland this afternoon starting at 11:45 a.m. CST. We'll also hear from Federal Reserve Governor Lael Brainard, Chicago Fed President Charles Evans, Cleveland Fed President Loretta Mester and Atlanta Fed President Raphael Bostic. In Washington, GOP leaders appear to be struggling to drum up the necessary support to pass their latest Obamacare repeal bill. So far, two Republicans -- Senators John McCain of Arizona and Rand Paul of Kentucky -- have publicly come out against the bill. It also looks like at least two other Republican Senators are poised to vote against it. President Trump is apparently set to unveil details on the GOP tax reform plan during a speech scheduled for Wednesday.

# VAN TRUMP CONFERENCE 2017

**December 6, 2017**

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Chief of Counterintelligence

**Interesting Perspective From Clemson Head Coach:** *I was sent this video that made me stop and think. I know it's a heated subject but wanted to pass along for you to chew on. I thought it was worth listening to the end... Click [HERE](#)*



**North Korea Insists U.S. Has "Declared War":** *North Korea is rattling its sabers again, this time saying it can shoot down U.S. warplanes in international airspace under a United Nations charter that grants countries the right to self-defense. The country's foreign minister claimed yesterday that the U.S. has declared war against them, which seems to have been prompted by the U.S. sending warplanes near North Korea's border and President Trump tweeting over the weekend that North Korea "won't be around much longer." The U.S. planes did not cross into North Korea's territory and the Pentagon maintains the exercise was designed as a show of strength. U.S. officials also maintain that America has not declared war on the hermit kingdom. U.S. analysts now estimate that North Korea may have as many as 60 nuclear weapons, according to a Washington Post report. That's in addition to cyber warfare capabilities, a biological weapons research program and a chemical weapons stockpile. The country also has a wide array of weapons pointed toward Seoul in South Korea. Defense officials say the USS Ronald Reagan aircraft carrier will go ahead with naval maritime exercises with the South Korean navy off the peninsula at the end of October. Pentagon officials also say they will continue to give President Trump "options" to deal with North Korea should their threats continue. (Sources: CNN, Fox)*

**Have High Home Prices Hit Their Limit:** *There is so much demand for housing and so few homes for sale that prices have nowhere to go but up — unless of course, they get so high that potential buyers have no choice but to back away. That may be what is happening now. After hitting a peak in March of this year, price gains month to month have been coming down. In July, the latest reading on home prices, the price gain compared with a year ago stabilized at 6.2 percent. That annual gain had been accelerating in every other month this year, according to Black Knight Financial Services. Historically, home prices have always lagged sales, and sales have been falling for the past several months. While prices are not falling, the gains are cooling. The biggest problem is lack of supply in more affordable price ranges. As more and more millennials, the largest population cohort, age into their homebuying years, affordability is playing a bigger role in overall sales. The share of first-time buyers has been low for several years and moved even lower in August. The supply of homes for sale is weakest at the lower price ranges. A new survey from the National Association of Realtors found that more current renters think now is a good time to buy a home, but fewer plan to do so, even though most expect their rent to rise next year. They simply can't afford the down payment on the current high-priced homes. Even buyer competition, which remains incredibly high, may be finally cooling. A recent report from real estate brokerage Redfin showed that while annual price gains were still high, monthly gains over the summer were flat. That may be the result of fewer bidding wars. (Source: CNBC)*

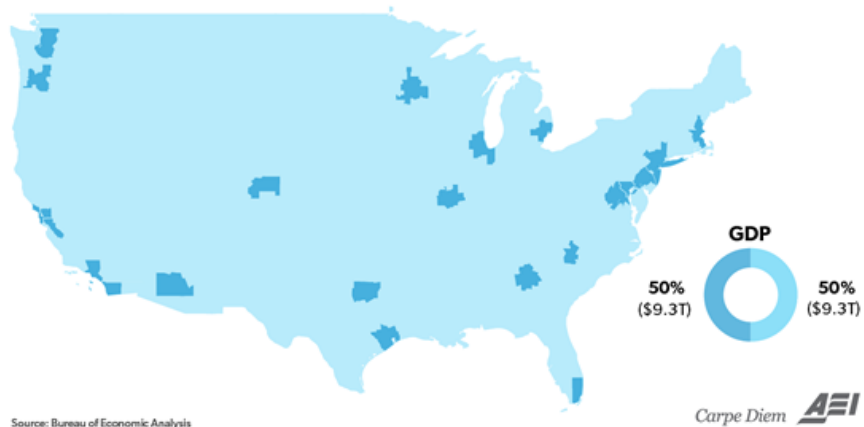
**America's \$18.6 Trillion Economy Divided In Half (2016):** *Roughly half of America's GDP last year (\$9.3 trillion) was produced in the country's 22 largest metro areas. Moreover, America's 18 largest metro economies as separate nations would all rank in the world's 50 largest economies. The top seven largest U.S. metro areas last year produced \$5.2 trillion of economic output (GDP) last year, and those metro areas (NY, LA, Chicago, Dallas, DC, Houston and San Francisco) combined as a separate country would have been the third largest national economy in the world, ahead of No. 4 Japan's \$4.9 trillion GDP in 2016. America's largest metro economy — the New York area — produced 8.4% more economic output last year (\$1.65 trillion of GDP) than the entire country of*

Here are a few of this year's early sponsors



Canada (\$1.52 trillion of GDP) and the New York metro area as a separate country would have been the 10th largest economy in the world behind No. 9 Brazil in 2016 (\$1.8 trillion GDP). The LA area, the second largest U.S. metro economy, produced just slightly less economic output (\$1.0 trillion of GDP) in 2016 than the entire country of Mexico (\$1.05 trillion of GDP) and LA would have been the 16th largest economy in the world last year as a separate country behind No. 15 Mexico. (Source: AEI)

## America's \$18.6 Trillion Economy Divided in Half (2016)



## Top 20 US Metro Areas by Economic Activity, Renamed for Countries with Similar GDPs (2016)



### Today In History



**1820, Daniel Boone** - The great pioneering frontiersman Daniel Boone dies quietly in his sleep at his son's home near present-day Defiance, Missouri.

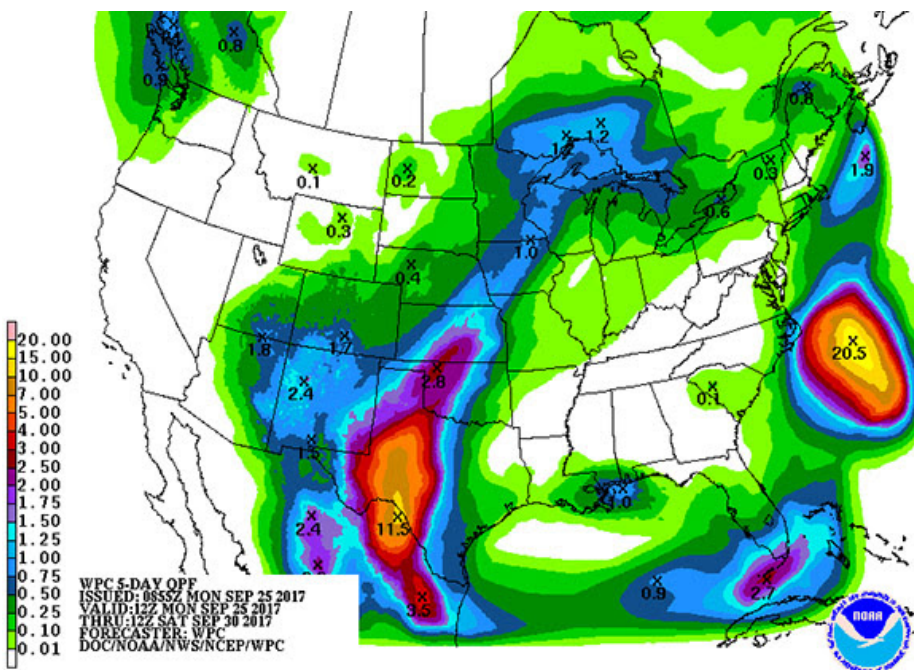
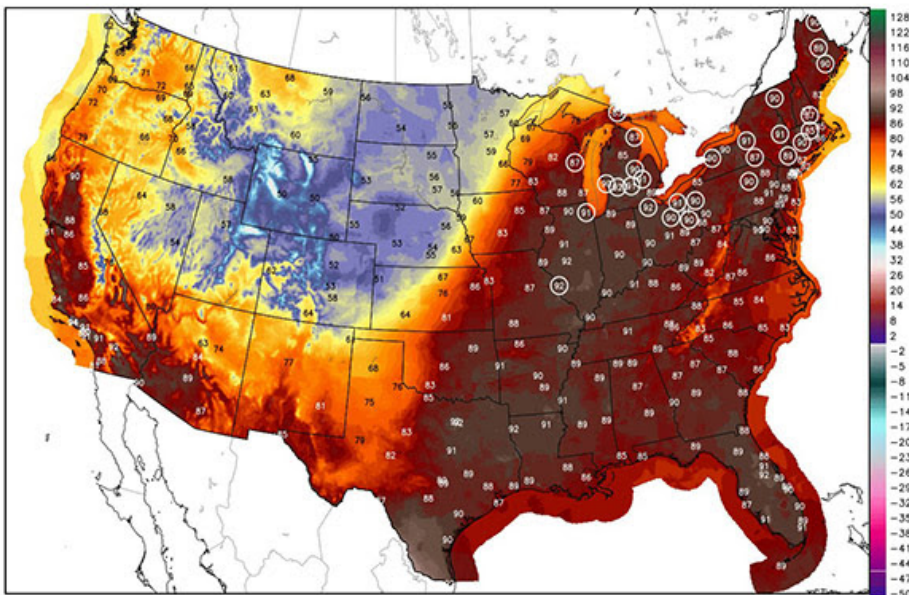
The indefatigable voyager was 86. Boone was born in 1734 to Quaker parents living in Berks County, Pennsylvania. Following a squabble with the Pennsylvania Quakers, Boone's family decided to head south and west for less crowded regions, and they eventually settled in the Yadkin Valley of North Carolina. There the young Daniel Boone began his life-long love for wilderness, spending long days exploring the still relatively unspoiled forests and mountains of the region. An indifferent student who never learned to write more than a crude sentence or two, Boone's passion was for the outdoors, and he quickly became a superb marksman, hunter and woodsman. Never satisfied to stay put for very long, Boone soon began making ever longer and more ambitious journeys into the relatively unexplored lands to the west. In May of 1769, Boone and five companions crossed over the Cumberland Gap and explored along the south fork of the Kentucky River. Impressed by the fertility and relative emptiness of the land—although the native inhabitants hardly considered it to be empty—Boone returned in 1773 with his family, hoping to establish a permanent settlement. An Indian attack prevented that first attempt from succeeding, but Boone returned two years later to open the route that became known as Boone's Trace (or the Wilderness Road) between the Cumberland Gap and a new settlement along the Kentucky River called Fortress Boonesboro. After years of struggles against both Native Americans and British soldiers, Boonesboro eventually became one of the most important gateways for the early American settlement of the Trans-Appalachian West. Made a legend in his own time by John Filson's "Boone Autobiography" and Lord Byron's depiction of him as the quintessential frontiersman in the book Don Juan, Boone became a symbol of the western pioneering spirit for many Americans. Ironically, though, Boone's fame and his success in opening the Trans-Appalachian West to large-scale settlement later came to haunt him. Having lost his Kentucky land holdings by failing to properly register them, Boone moved even further west in 1799, trying to escape the civilized regions he had been so instrumental in creating. Finally settling in Missouri—though he never stopped

**Weather** is focused on the warm, dry conditions over most of the central U.S. and an improved chance for rain in Brazil. In the Corn Belt, significant weekend rainfall was mainly limited to the far upper Midwest, stretching from central Nebraska to central Minnesota. Across the remainder of the Corn Belt, warm, dry weather continues to promote the maturation of developmentally delayed corn and soybeans. Any rain over the next week will likely help recharge soil moisture. With these temperatures, there is no threat from damaging cold expected this week. On the Plains, over the weekend, a band of heavy rain occurred from eastern New Mexico and westernmost Texas into the eastern Dakotas. Currently, rain showers continue in the same general area, halting fieldwork but benefiting rangeland, pastures, and recently planted winter wheat. Cool weather accompanies this wet pattern, especially on the central High Plains. Rain this week will disrupt early harvest on the High Plains, but will also help replenish soil moisture along with easing of extreme drought conditions. No damaging cold weather is expected this week. Looking ahead, somewhat cooler air will gradually overspread the South, East, and Midwest although mostly dry weather will persist. Over the western Atlantic Ocean, Maria will remain offshore and continue to weaken, with peripheral effects mostly limited to the Mid-Atlantic States on the coast. Elsewhere, generally dry weather will accompany a gradual warming trend across the northern High Plains and much of the West. toward week's end, however, a few showers may arrive in the Pacific Northwest. The 6 to 10 day outlook for September 30 - October 4 calls for the likelihood of near to above normal temperatures nationwide, except for cooler than normal conditions in the south central U.S. Meanwhile, near to below normal precipitation across most of the country should contrast with wetter than normal weather in the Pacific Northwest, the southern Rockies and the southern Atlantic region.



**Record Breaking Temperatures in the Midwest:** Monday saw another day of record breaking heat across the eastern U.S., including the Midwest. Below is a map showing 28 places out of 287 that saw record high temperatures. Meanwhile, the northern Plains have cooled down significantly. Below is also a 5 day rainfall map. Gives you a good indication of the rain expected for the southern and central Plains.

NWS NDFD 2-m MAXIMUM TEMPERATURE [°F]  
Init: 2017092512 Maximum Mon 25SEP2017 Within 1°F Total Record Highs n=28 of 287 possible



**Corn** traders are finding very little fresh or new to talk about. The USDA reported corn "dented" at 93% vs. the 5-year average of 95%. Corn classified as "mature" was pushed higher to 51% but is still well behind last years 70% and the 5-year historical average of 64% by this date. Corn "harvested" was report at 11% vs. 14% last year vs. the 5-year average of 17%. As you can see from the graphic I included below, most everyone in the Midwest is running behind their traditional harvest pace. As I've been reporting the past couple of weeks, as more producers get into the fields, I'm hearing more talk of "better than expected" yields. A few folks are talking about perhaps record setting production, but certainly not very many. In fact most are still seeing the top-end off a bit, but just not as bad as they thought a month ago. I am starting to hear more talk of "quality" concerns from some of the production down South. From what I understand there's some fairly stiff penalties being handed out on corn being delivered with mold and toxin issues. I don't know if those problems will work their way to the North, but I'm starting to hear a bit more buzz. I suspect with some of the pockets of heavy moisture and plenty of old-crop supply, there could be more penalties hand down

dreaming of continuing westward—he lived out the rest of his life doing what he loved best: hunting and trapping in a fertile wild land still largely untouched by the Anglo pioneers who had followed the path he blazed to the West.



**1864, Civil War - Confederate General Sterling Price invades Missouri and engages Union pickets near Fort Davidson at Pilot Knob.** Price's troops captured the fort within two days and scattered the Union defenders, but also suffered heavy losses. Going into the battle, the Confederate military fortunes were at an all-time low, and Price had hoped the mission would destabilize Missouri just prior to the fall elections and give new hope to the Confederate cause. He also hoped to capture one of the major cities in Missouri and secure supplies for his troops. However, he failed to achieve these goals. Price mounted his campaign from Pocahontas, Arkansas, and entered Missouri in mid-September. After encountering the Union pickets on September 26, he hurled his 12,000 troops at lightly defended Fort Davidson on September 27. By the following day, the Confederates had driven the 1,400 Yankee defenders away, but the attack was costly. Some 1,000 of Price's troops were killed or wounded, and the Confederates gained little in the way of strategic value or political impact. The rest of Price's raid didn't fare any better. He was harassed by state militia and had difficulty raising supplies. Additionally, Union resistance at important points such as the capital, Jefferson City, was much greater than expected. Through October, Price drove north to St. Louis, west to Kansas City, and then south into Texas. Much of his force disintegrated along the way, and in November Missouri voters elected Radical Republicans, who advocated for the abolition of slavery, into office.



**1960, Presidential Debate -** For the first time in U.S. history, a debate between major party presidential candidates is shown on television. The presidential hopefuls, John F. Kennedy, a Democratic senator of Massachusetts, and Richard M. Nixon, the vice president of the United States, met in a Chicago studio to discuss U.S. domestic matters. Kennedy emerged the apparent winner from this first of four televised debates, partly owing to his greater ease before the camera than Nixon, who, unlike Kennedy, seemed nervous and declined to wear makeup. Nixon fared better in the second and third debates, and on October 21 the candidates met to discuss foreign affairs in their fourth and final debate. Less than three weeks later, on November 8, Kennedy won 49.7 percent of the popular vote in one of the closest presidential elections in U.S. history, surpassing by a fraction the 49.6 percent received by his Republican opponent. One year after leaving the vice presidency, Nixon returned to politics,

from buyers than we have seen in the past. Make certain you are talking to your delivery points about any specific penalty charges that might be in the works...

#### States Where Corn Conditions Appear Above Average

Kansas  
Kentucky  
Minnesota  
Missouri  
Nebraska  
Ohio  
Pennsylvania  
South Carolina  
Tennessee  
Texas  
Wisconsin

#### States Where Corn Conditions Appear Around Average

Indiana  
Iowa

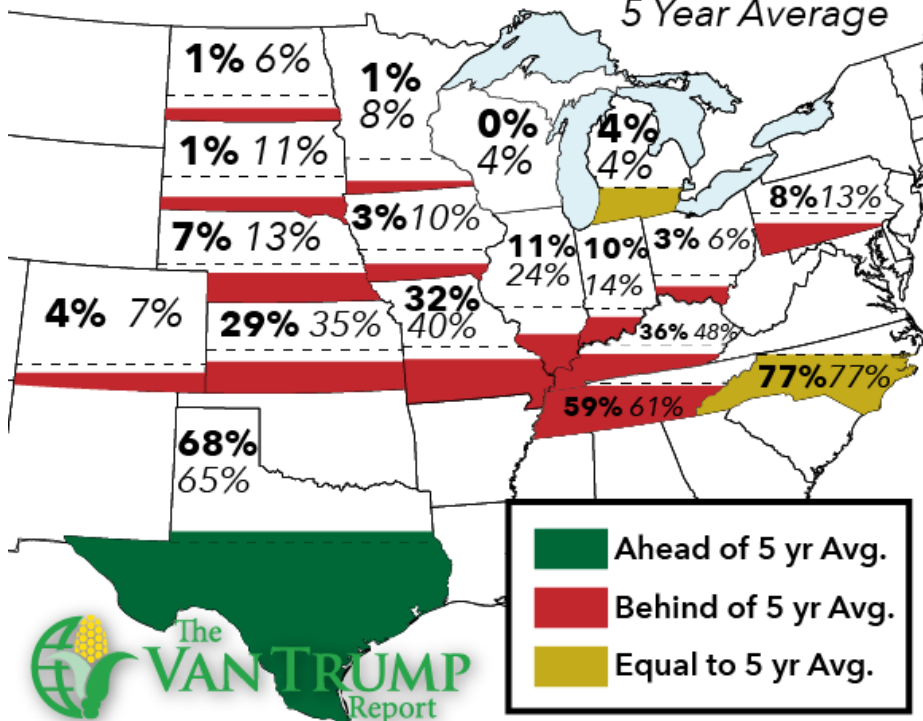
#### States Where Corn Conditions Appear Below Average

Illinois  
Michigan  
North Dakota  
South Dakota

## Corn Harvested (%)

9/24/17

Current Week  
5 Year Average



Source: USDA, Crop Progress 09/25/17

**Soybeans** backpedal on improved chances of moisture in key areas of Brazil, as well as improved crop-conditions here in the U.S., and the Chinese government announcing they will auction off more state owned soybean reserves. From a technical perspective, the market still seems trapped in a nearby sideways channel between \$9.50 and \$10.00 per bushel. The USDA reported U.S. soybean crop-conditions improved from 59% to 60% "Good-to-Excellent". States showing improvements were: Nebraska, North Dakota and Mississippi +4%; Illinois, South Dakota +3%; Iowa and Tennessee +2%; Arkansas and Indiana +1%. States where conditions deteriorated were: Michigan -4%; Kansas, Missouri and Wisconsin -2%; Ohio and Minnesota -1%. "Dropping leaves" were reported at 63% vs. the 5-year average of 63%. Soybeans "harvested" were reported at 10% complete vs. 9% last year vs. the 5-year historical average of 11%.

winning the Republican nomination for governor of California. Although he lost the election, Nixon returned to the national stage in 1968 in a successful bid for the presidency. Like Lyndon Johnson in 1964, Nixon declined to debate his opponent in the 1968 presidential campaign. Televised presidential debates returned in 1976, and have been held in every presidential campaign since.

#### Upcoming Events

**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

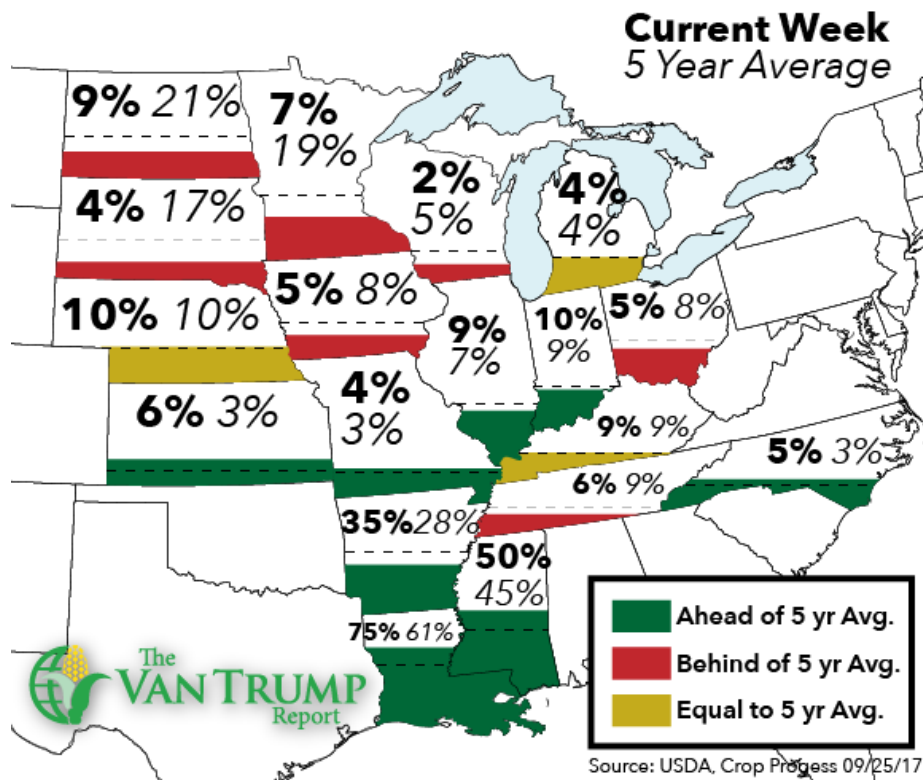


#### About the Report



# Soybean Harvested (%)

## 9/24/17



**Wheat** bulls are hoping to see the USDA cut another -5% from their current spring wheat production estimate in this Friday's Small Grains Report. Bulls are also talking about the rather slow pace of U.S. planting. The USDA showed U.S. winter wheat planting at 24%, which is actually better than I expected, but is still well behind the traditional 5-year average of 28%. Nebraska is running -12% behind; Colorado -10% behind; Oklahoma -9% behind; Kansas -6% behind. From a global perspective, the crop in Australia is thought to be getting a bit worse as dry conditions continue to negatively impact production. On the flip side, analysts are saying the crop in Canada is showing signs of improvement, which I'm personally not so sure of, but if it is true could offset the additional losses in Australia and parts of Argentina. I should also note that prices in Russia and parts of Europe are starting to work their way higher, so perhaps the U.S. will become more competitive in the global marketplace and give prices a slightly opportunity to work higher. As both a producer and a spec, I continue to prefer navigating from a longer-term bullish position.

## 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."

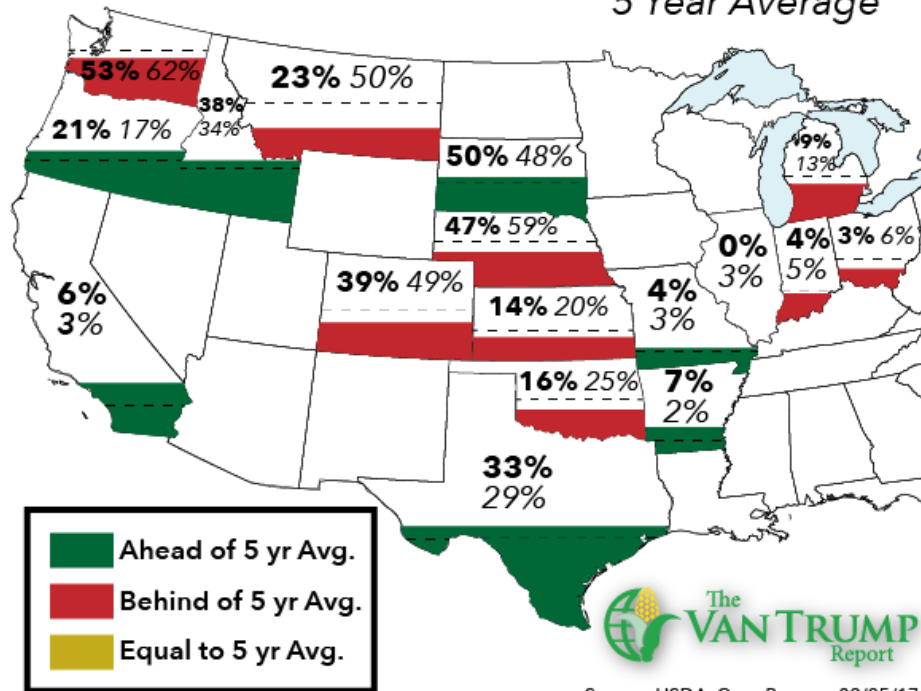
A.M., FDIC

"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

# Winter Wheat Planted (%)

## 9/24/17

**Current Week**  
**5 Year Average**



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.



**> Oilworld Increases World Oilseed Supply Estimate:** Oilworld upwardly revised its production estimate of 10 oilseeds to 561.6 million metric tons, an increase of +21 million from their previous estimate. Soybeans were upwardly revised to 346.2 million metric tons in 2017-18 compared with a previous estimate of 344.7 million and last year's production of 348.7 million. Soybean production for the U.S. was pegged at 118.4 million metric tons. Production of 9 other oilseeds is now expected to show a below-average growth of 4.0 million metric tons or +2% from a year earlier to 215.4 million metric tons in 2017-18. (Source: Oil World)

**> Egypt Approves Sieving Of Romanian Wheat Cargo:** Egyptian prosecutors on Sunday said they had approved a decision to sieve a Romanian wheat shipment which had been rejected by the agriculture quarantine authority for containing poppy seeds. The sieving will separate the seeds from the wheat, an agriculture ministry spokesman told Reuters on Sunday. (Source: Reuters)

**> Pork Prices At Seasonally Lowest Levels In 8 Years:** Cheap pork is here for American football fans firing up the grill for tailgate parties. While meat costs in the U.S. tend to drop as summer wraps up, this year the declines are more pronounced. Wholesale pork has fallen to the lowest seasonally since 2009, which could bring down grocery-store bills. Carnivores can thank a boom in U.S. production for cheaper grocery bills, with output expected to reach an all-time high in 2017. There are signs that prices will stay low. December hog futures are on pace for a third straight monthly loss, and hedge funds have lowered their bets on a rebound in five of the past six weeks. American pork production is forecast to rise 3.6 percent this year, with even more meat coming in 2018, according to the U.S. Department of Agriculture. Beef and chicken output are also climbing as steady corn prices keep feed costs low for livestock producers. Expanding supplies signal lower costs ahead. Total U.S. meat output may top 100 billion pounds for the first time ever this year. U.S. pork processors are adding plants in the Midwest, and capacity may rise as much as 10 percent by mid-2019, according to a June report from CoBank. (Source: Bloomberg)

**> WTO Panel Established On China-USA Row On Grain Import Quotas:** A World Trade Organization (WTO) dispute panel was set up on Friday to rule on a U.S. complaint over Chinese import quotas on farm goods including wheat, rice and corn, a trade official said. The panel on tariff rate quotas (TRQs) for agricultural products was automatically established as it was the second request by the United States at the WTO Dispute Settlement Body, after China blocked the first attempt on Aug. 31. (Source: Reuters)

**> Farm Bureau Urges Farmer Friendly Tax Reform:** The tax system should better appreciate the distinctive financial challenges farmers face, the Farm Bureau urged in a statement to the Senate Finance Committee. The Farm Bureau ultimately would like a tax system that helps "success, savings, investment and entrepreneurship for all farm and ranch businesses." The farm bureau favors cost-recovery tools like business interest expensing, cash accounting, Sect. 1031 like-kind exchanges and deductions for local and state taxes. What they warned against: the estate tax repeal, the continuation of unlimited stepped-up basis and the reduction of capital gains tax rates. And they would like to see a capital gains tax exclusion for land that remains in production. "Tax reform plans that fail to factor in the impact of lost deductions for all business entities and for all rate brackets could result in a tax increase for agriculture," the group cautioned. (Source: Politico)

**> France Is A "NO" Vote On Glyphosate Renewal:** The future of glyphosate in Europe is once again in question after France, a major agriculture power on the continent, announced that it would oppose renewing the 10-year approval for the herbicide in a vote set for later this fall. EU member countries have been debating for almost two years whether and for how long to keep the widely used agricultural chemical on the market, even as their regulatory bodies have found it doesn't pose unnecessary risks when used properly. "The progressive phase-out of these substances is a commitment from the president that he will fulfill but that won't happen in a day," a spokesperson for the French presidency told POLITICO EU. If the EU market authorization is not renewed, he said, existing stocks will still allow for the use of the substance for 12 to 18 months. "France will have this time to find alternatives with its European partners," the spokesperson said.

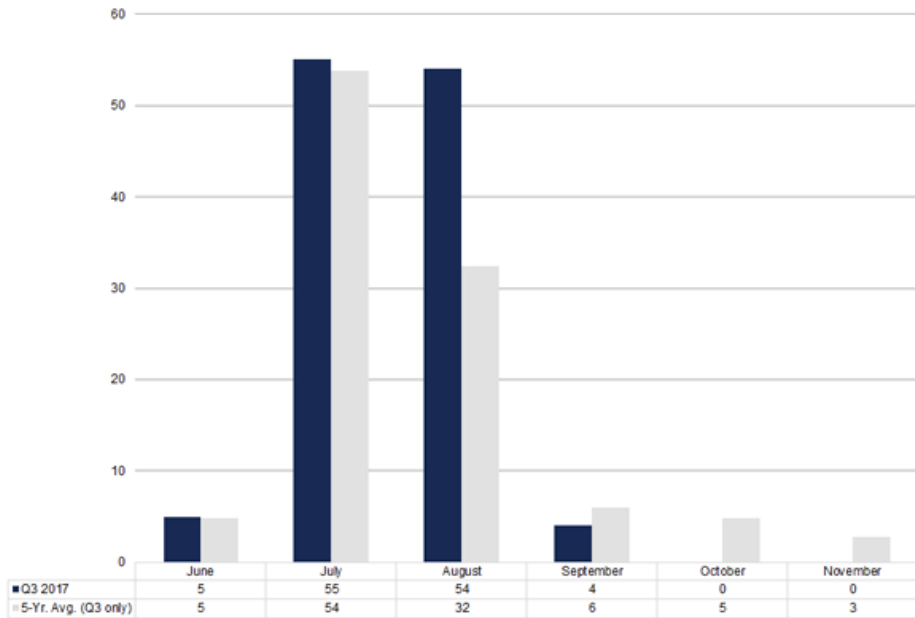
**> Other Kansas Towns Could Welcome Tyson Poultry Plant:** While Tonganoxie, Kan., residents' opposition prompted Tyson Foods to shelve plans to build a \$320 million poultry plant there, more than 20 other communities in Kansas have expressed interest in the project and Nebraska might get into the bidding as well, according to local media reports. Tyson turned its sights off Tonganoxie after getting a loud earful from residents on environmental and other concerns, including how an influx of workers would affect schools and why Leavenworth County officials didn't announce the plans sooner. County officials were forced to rescind their support for the project. In an open letter to Tonganoxie residents, Tyson President of Poultry Operations Doug Ramsey said the company is still interested in building a plant in their town, but indicated it will prioritize other locations in Kansas and other states that have expressed support. Tyson operates six facilities in Kansas. (Source: MeatingPlace)

**> Few Companies Issuing EPS Guidance For Q3:** For the third quarter, 75 companies in the S&P 500 have issued negative EPS guidance and 43 companies in the S&P 500 have issued positive EPS guidance. While the number of companies issuing negative EPS is slightly below the five-year average (79), the number of companies issuing positive EPS guidance is well above the five-year average (27). If 43 is the final number for the quarter, it will mark a tie (with Q4'10) for the third highest number of S&P 500 companies issuing positive EPS guidance since FactSet began tracking EPS guidance in 2006. The unusually high number of companies issuing positive EPS guidance can be attributed in part to the unusually high number of S&P 500 companies issuing positive revenue guidance. However, given the loss of business and property damage caused by Hurricanes Harvey and Irma, why is the positive EPS guidance number above average and the negative EPS guidance number below average for the third quarter? This dichotomy can be attributed to the date the EPS guidance was issued by most of these companies. Nearly all of the S&P 500 companies that have issued EPS guidance to date for the third quarter issued the guidance before the hurricanes hit the U.S. Of the 118 S&P 500 companies that have issued EPS guidance for Q3 2017, only six (or 5%) have issued EPS guidance since Hurricane Harvey first hit the U.S. on August 25. One reason is normal seasonality. Over the past five third quarters, 101 S&P 500 companies on average have issued EPS guidance for the third quarter. Of these 101 companies, 88 on average issued EPS guidance prior to September 1. Only 13 S&P 500 companies on average have issued EPS guidance for the third quarter after September 1. Only 6 S&P 500 companies on average have issued EPS guidance for the third quarter during the month of September. Thus, S&P 500 companies may provide more EPS guidance at a later time once the impact of the property damage and lost business can be quantified. (Source: Factset Insight)





# of S&P 500 Companies Issuing EPS Guidance for Q3



Source: FactSet



**Central Illinois** - We were cutting beans all weekend putting a pretty good dent in the bean harvest. Things are unbelievably dry due to lack of any rainfall. The beans need a shot of rain to put a little moisture back in to them. Most of the beans we are cutting are very dry coming in around 9%. Its crazy there are still some green leaves on some plants but the plant shutdown on the pods. Once things did start turning they went in a hurry. We should finish beans in about 10 days if the weather cooperates. Normally we harvest our corn before any beans but we had to replant 95% of our corn and it is late. This spring we had monsoon like rains early. We did pick some early corn and the yields were high. I had some fields that the highest yields ever in the past were around 190bpa but this year we are seeing 245bpa. We experimented with the timing of applications for fertilizer and fungicide that seem to have paid off. The moisture levels are way high for the corn coming in at 25% to 27%, needing to see that number down near 20%. We don't mind picking around 20%-22%, knowing we will dry things down on the farm.

**Southwest Kansas** - We have been fortunate to have some great rains this year and just got another 2.5" last week. We typically average 15" of annual rainfall but this year we have had 32". We have irrigation but limited not by water rights but by the ability to pump because the water table being so low. The dryland corn is making great yields seeing anything from 95bpa to 165bpa depending on farm and field. The lower yield corn is in the 15% to 16% moisture levels and the higher yielding corn being in the 18% to 21%. These are great yields for us. This on ground that was planted with a 13k to 14k population. The rain early on kept us out of the fields for a couple weeks making spraying tough. We did see some weed pressure but went back over the top even though I don't like to as much. The wheat crop here came back after having the big snowstorm that layed it all down. The dryland handled the snow better than the irrigated. We had a great stand with good yields across the board. The mild wet weather all spring and summer really helped.

**Northern Brazil** - In my region, the planting starts in October as the first rains at the south of the state of Maranhão, and coming to the north, the planting goes on until the end of January. We are still preparing the soil for new areas that have been deforested to become soybeans. We will have an increase of soybean area in MATOPIBA, Maranhão, Tocantins, Piauí. and Bahia. The general comment in Brazil is that the area of first crop corn will decrease due to the price of corn being very low. The producers here did not make many sales. The soybean sales that occurred was when CBOT was above \$10.20, about 3 months ago. After that the producers stopped making any sales. Some points in Argentina are very wet, but I do not know how much it will impact Argentina's harvest. With regard to climate, the Canadian and European climate models are very contradictory. Climatologists of Brazil are saying that the year will be neutral,

with a slight delay in the rains, rather than starting late September, they will start in October. This fact that does not impact on yields. The corn area must be reduced to have some better prices for the second crop.

# CROSSING WIRES

A place to share intelligent thoughts...

**Poll Reveals What Americans Don't Know About Food:** *We don't trust experts, we're worried about safety, and we think we know a lot more than we actually do. Americans are confused about food and don't know where to get answers, according to a new "food literacy" poll. More than one-third of Americans do not know that foods with no genetically modified ingredients contain genes, according to the new nationally representative Food Literacy and Engagement Poll we recently conducted at Michigan State University. For the record, all foods contain genes, and so do all people. The majority of respondents who answered this question incorrectly were young and affluent, and also more likely than their peers to describe themselves as having a higher-than-average understanding of the global food system. The full survey revealed that much of the U.S. public remains disengaged or misinformed about food. These findings are problematic because food shapes our lives on a personal level, while consumer choices and agricultural practices set the course for our collective future in a number of ways, from food production impacts to public health. Read more [HERE](#).*

**Tesla Wants To Build "Mega Supercharging" Stops:** *Tesla wants to take the tedium out of the charging experience by turning its stops into convenience stores. Tesla owners already have it pretty good when it comes to juicing up their vehicles. Customers can drive to one of the companies' many Supercharger stations and be back on the road in just 30 minutes. Most electric-car owners need to set aside at least an hour, making an overnight charge in the garage the best option. Still, 30 minutes is a long time for anyone who is used to the convenience of a gas station. That's why the company wants to build new Superchargers near restaurants and coffee shops: to make it a little easier to bide the time. Read more [HERE](#).*

**How To Make Mindfulness A Working Advantage (And Not Just Cuddly Nonsense):** *Today, mindfulness is big business. From book-length treatments and quick-tip guides to downloadable apps and virtual reality, mindfulness has moved not just into the mainstream but onto the Main Street of commercialism. And it's gotten more than a little misconstrued in the process. As Alison Carter, a principal research fellow at the Institute for Employment Studies, recently put it, "Attitudes toward mindfulness in workplaces tend to be binary: it's either considered brilliantly effective or cuddly nonsense." Some of the shakier popular claims around mindfulness are that it shrinks the amygdala—when, in fact, researchers found "a longitudinal decrease in right amygdala activation"—recalibrates emotional set-points—which by-and-large are biologically determined—and can even slow aging. Despite making headlines three years ago all the way on up to CNN (another site declared, "Nobel Prize Winner Shows that Meditation Significantly Slows Aging"), the real finding was far more about the side effects of reduced stress than any direct correlation. Read more [HERE](#).*

**In World's Hottest Oil Patch, Jitters Mount That a Bust Is Near:** *Steve Pruett has seen more than his share of booms in three decades in the oil business. None, though, as strange as the one gripping the Permian Basin right now. The telltale signs are the same as always, with companies like his desperate for skilled workers to man the drilling rigs that pierce the horizon in west Texas. What's unusual, and unnerving, is that the Permian is still thrumming with activity after prices cratered for the stuff it pumps out. Crude is trading for around \$50 a barrel, but this is the hottest oil patch anywhere on Earth, a swing producer influencing the trajectory of global markets and threatening OPEC. That either means the industry has become so incredibly efficient that production can continue to rise even if prices don't, or that it's throwing money after a mirage. Pruett, chief executive officer of Midland, Texas-based Elevation Resources LLC, is more and more concerned about the latter. Read more [HERE](#).*

**Two Trillion Later, Does The Fed Even Know If QE Worked?** *After spending \$2 trillion on government bonds in an effort to stimulate the economy, the U.S. Federal Reserve can hardly admit that it doesn't know how, or even if, it worked. This matters enormously to investors as the Fed sets out on quantitative tightening. It's starting small, allowing a maximum of \$10 billion of bonds a month to mature without the money being reinvested. But in a year, that will be up to \$50 billion a month—more than the Fed bought each month during the first phase of QE3 in 2013. The basic investor belief about QE is simple: It makes bond yields go down, shares go up and the currency go down. All make intuitive sense. Buying more bonds pushes up their price (so reducing yield). Those who sold bonds have to redeploy their money and so buy shares, while the combination of lower yields and money creation weakens the*



currency. On top of this "portfolio balance" effect, there's a signaling effect, because QE suggests no rate increases for a long time. Read more [HERE](#).

**Steelers Alejandro Villanueva: 'I Threw My Teammates Under The Bus Unintentionally':** "Unfortunately I threw my teammates under the bus, unintentionally," Villanueva said. "Every single time I see that picture of me standing by myself I feel embarrassed," Villanueva said in a press conference Monday. Villanueva was the only Steelers player standing outside the tunnel for the national anthem before their game Sunday against the Chicago Bears. Read more on his interesting perspective [HERE](#)



**iSELECT FUND**

**The VAN TRUMP Report**

**Featured**  
**Ag-Tech Startups**

**iSelect Webinar Series**  
The Van Trump Report has partnered with iSelect to help bring ag-tech to the farmer in the field. My good friend Carter Williams, CEO of iSelect, is making a difference in agriculture and I wanted to share some of his insight. Carter was the former director and founder of Boeing Ventures where he led Boeing's technology planning process. Carter is also the past president and founder of the MIT Corporate Venturing Consortium and Co-founder of the MIT Entrepreneurship Society. Today Carter is using his team's talents and abilities to help some of the most innovative in agriculture. Through this process he has the opportunity to see some of the latest innovations and technological shifts that are heading our direction, many times before they ever hit the mainstream market. Each week I will be featuring one of the NEW ag-tech companies and passing along an invitation for readers to join a webinar that will further explain the start-up. Keep in mind the webinars are geared towards investors who are thinking about providing start-up capital and seed funding. I personally find it interesting to hear about the technology and innovation that is being discussed. Some of the technology may be of interest to you, while some may not. I feel it's important to pass along what Carter and his team are seeing happen in the ag space. Remember, we don't have to be in agreement with every thought or idea but we do need to understand and be aware of the changes that are happening.

**"How Aquaculture Is Going To Revolutionize The Agriculture, Food Industries"**  
**Presentation: Thursday, September 28th - 3:00pm CST** Click [HERE](#) to register.  
Aquaculture is the fastest growing animal food production industry in the world, outpacing the combined growth rate of poultry and livestock by more than three times over the past 40 years. Learn how one company, "Catalina Sea Ranch", is producing naturally-grown shellfish at scale in an effort to help supply the proteins that humans and animals need to survive. The global seafood market is currently more than \$400 billion and aquaculture provides about half of that market, but the United States imports 91% of its seafood. Catalina Sea Ranch's automated offshore aquaculture monitoring system will allow it to expand operations in ways never before possible in the industry, producing enough alternative proteins to have a significant impact both the American food supply as well as the American food industry.

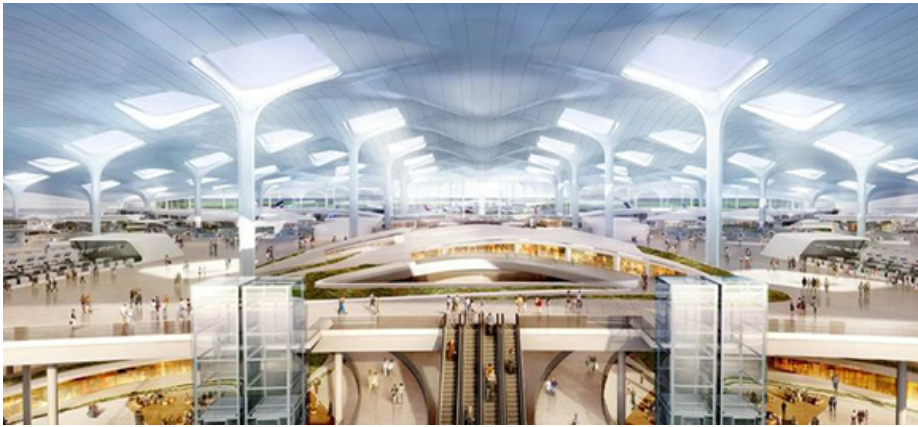
*\*Even if you can't make the live broadcast, registered users will be able to view a recording on our website after the fact.*



### **A Look Ahead To Airports Of The Future**

Airport experiences are pretty much the same as you go from the curb to the gate. Granted some modern structures definitely provide a less stressful environment, but essentially the decades-old paradigm of security screens, luggage check-ins, snack vendors, and gate-waiting prevails. As America prepares to spend a recommended \$20 billion a year for the next five years on airport infrastructure, what should we expect for our future airport experiences? Like everything in the modern world, many resources are being devoted to making air travel more comfortable, convenient and environmentally friendly. According to Dallas-based architecture and design firm Corgan, travelers will migrate around the terminal faster and see fewer walls and physical barriers thanks to the abundance of sophisticated sensors. As I understand it, one-day airports will know everything about everyone moving in the airport with a goal towards a security infrastructure that is constantly screening people from door to the gate. I'm told it is hoped to move away from the "toll-booth" mentality, especially considering that 99.9% of passengers are clean. Currently, airports are considered "transient space", which means it is not a space to be in but rather to move through. As the designs of the future prevail we will see terminals become more like little cities according to Jonathan Massey, the aviation leader at Corgan. To imagine what this might look like consider this, some of these airports will no longer be relegated to the outskirts of town—they will merge with city centers, becoming new destination "cities" within a city for people without travel plans. Folks will head to the terminals for dinner, to watch a movie, see a concert and shop? People will choose to go to the airport. Your employer may even relocate there. Considering the sheer number of folks that pass through a terminal on a daily basis, it truly makes sense to grab their attention instead of instilling in them an "I can't wait to get out of here" attitude. One need look no further than Singapore for a glimpse of how airports will change over the next 20 years. Changi Airport, a pioneer of the industry, recently opened a "living lab" to pursue further innovation. They will offer a five-story garden with thousands of trees and plants, along with a 131 foot "Rain Vortex" lighted water display. In March, it was named the world's best airport for the fifth consecutive year by Skytrax. Some believe all the amenities are a necessity to remain economically viable as nearly a quarter of airports revenues come from parking fees which many say will evaporate as technologies allow shorter trips to be taken in autonomous vehicles. I suspect that as airports use all the data mining tools available they will continue to innovate and keep us moving fast and free through terminals as all processes will become more seamless and customer friendly. (Source: [Bloomberg](#))





### **...The Back Nine of My Life**

Here's another e-mail that has once again come back across my desk that I believe is worth sharing. I hope you enjoy and pass it along to your family and friends!

#### **And then its Winter**

You know... time has a way of moving quickly and catching you unaware of the passing years. It seems just yesterday that I was young, just married and embarking on my new life with my mate. Yet in a way, it seems like eons ago, and I wonder where all the years went. I know that I lived them all. I have glimpses of how it was back then and of all my hopes and dreams.



But, here it is... the back nine of my life and it catches me by surprise... How did I get here so fast? Where did the years go and where did my youth go?

I remember well seeing older people through the years and thinking that those older people were years away from me and that I was only on the first hole and the back nine was so far off that I could not fathom it or imagine fully what it would be like.

But, here it is... my friends are retired and getting gray.. they move slower and I see an older person now. Some are in better and some worse shape than me... but, I see the great change... Not like the ones that I remember who were young and vibrant... but, like me, their age is beginning to show and we are now those older folks that we used to see and never thought we'd become.

Each day now, I find that just getting a shower is a real target for the day! And taking a nap is not a treat anymore... it's mandatory! Cause if I don't on my own free will... I just fall asleep where I sit!

And so...now I enter into this new season of my life unprepared for all the aches and pains and the loss of strength and ability to go and do things that I wish I had done but never did!! But, at least I know, that though I'm on the back nine, and I'm not sure how long it will last...this I know, that when it's over on this earth...it's over. A new adventure will begin! Yes, I have regrets. There are things I wish I hadn't done...things I should have done, but indeed, there are many things I'm happy to have done. It's all in a lifetime.

So, if you're not on the back nine yet...let me remind you, that it will be here faster than you think. So, whatever you would like to accomplish in your life please do it quickly! Don't put things off too long!! Life goes by quickly. So, do what you can today, as you can never be sure whether you're on the back nine or not!

You have no promise that you will see all the seasons of your life...so, live for today and say all the things that you want your loved ones to remember...and hope that they appreciate and love you for all the things that you have done for them in all the years past!!

"Life" is a gift to you. The way you live your life is your gift to those who come after. Make it a fantastic one. LIVE IT WELL! ENJOY TODAY! DO

SOMETHING FUN! BE HAPPY ! HAVE A GREAT DAY Remember "It is health that is real wealth and not pieces of gold and silver. LIVE HAPPY IN 2015!

LASTLY, CONSIDER THIS:

*~Your kids are becoming you.....but your grandchildren are perfect!*  
*~Going out is good.. Coming home is better!*  
*~You forget names.... But it's OK because some people forgot they even knew you!!!*  
*~You realize you're never going to be really good at anything like golf.*  
*~The things you used to care to do, you aren't as interested in anymore, but you really do care that you aren't as interested.*  
*~You sleep better on a lounge chair with the TV 'ON' than in bed. It's called "pre-sleep".*  
*~You miss the days when everything worked with just an "ON" and "OFF" switch..*  
*~You tend to use more 4 letter words ... "what?"..."when?"... ???*  
*~You notice everything they sell in stores is "sleeveless"?!!!*  
*~What used to be freckles are now liver spots.*  
*~Everybody whispers.*  
*~You have 3 sizes of clothes in your closet.... 2 of which you will never wear.*

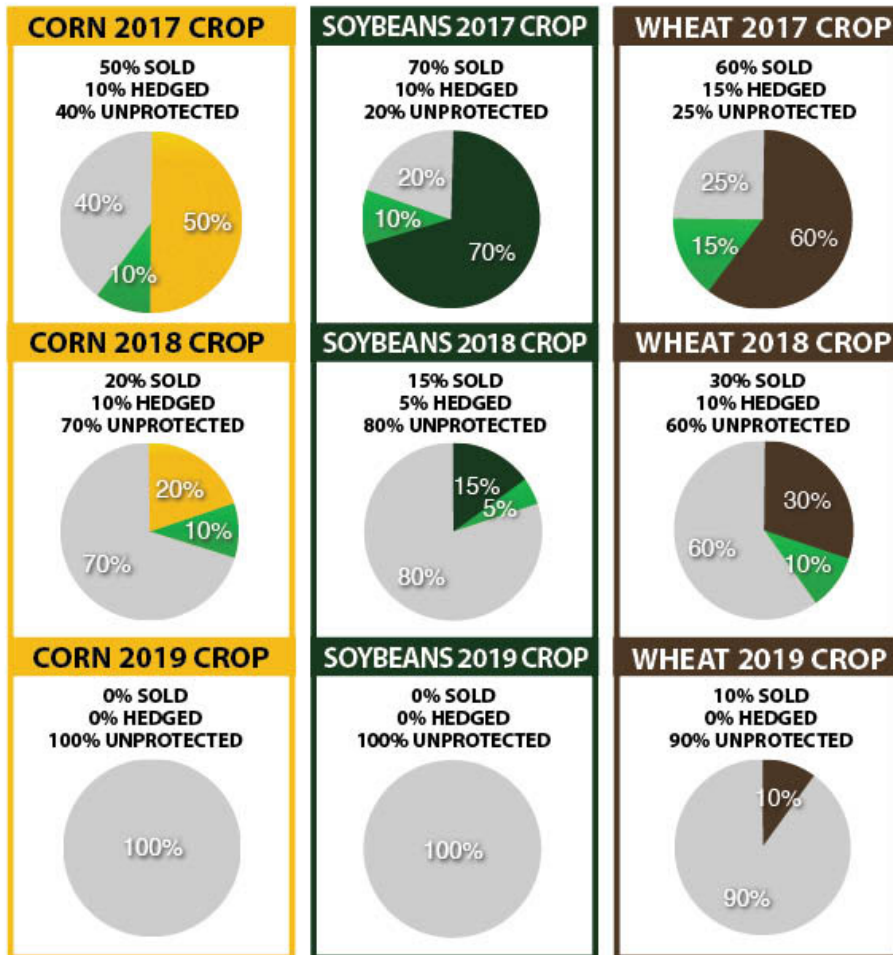
~~~But Old is good in some things: Old Songs, Old movies, and best of all, OLD FRIENDS!!

Stay well, "OLD FRIEND!" Send this on to other "Old Friends!" and let them laugh in AGREEMENT!!! It's Not What You Gather, But What You Scatter That Tells What Kind Of Life You Have Lived.



**CASH SALES & HEDGING TOTALS**





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