

GOOD MORNING 11/03/17 Farm Direction - VanTrump Report

1 message

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Fri, Nov 3, 2017 at 6:50 AM



"The man who views the world in his 50's the same as he did in his 20's has perhaps wasted 30 years of his life." - Muhammad Ali

FRIDAY, NOVEMBER 03, 2017

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Morning Summary: Investors have pushed the Dow to yet another new record close with the GOP unveiling their highly anticipated tax reform proposal and President Trump naming Jerome Powell as his pick to lead the Federal Reserve. The House tax plan is reportedly the biggest tax overhaul since the one implemented by President Ronald Reagan. The meat of the tax plan cuts corporate taxes to 20%, condensed the number of individual tax brackets and will eventually hope to do away with the highly controversial estate tax. The bill now has to be passed by the House and Senate, which President Trump wants to happen by Thanksgiving. The President's nominee for Federal Reserve Chair, Fed Governor Jerome Powell, is viewed as a fairly safe one in the respect that it shouldn't upset markets and he has broad bipartisan support in the Senate. The president said the Fed requires "strong, sound and steady leadership" and Powell "will provide exactly that type of leadership." It's also expected that he will closely follow the same path as current Fed Chair Janet Yellen. We are getting toward the tail end of third-quarter corporate earnings season. One of the most highly anticipated came after the close yesterday, with Apple blowing away analyst expectations with revenue or the quarter being reported at \$52.6 billion compared to \$46.9 billion last year. Additionally, the company is projecting revenue of \$84 billion to \$87 billion in the next quarter, largely in anticipation of the new iPhone X. Earnings today will come from Berkshire Hathaway, Duke Energy, Fortis, Moody's and Novo Nordisk. Today's true highlight will be the October Employment Report, which insiders forecast will show over +310,000 jobs were added in October. Keep in mind, in September the unemployment rate fell to a 16-year low of 4.2 percent and is expected to hold there in October. Turning to next week, some of the companies investors are still waiting to hear earnings results from including AstraZeneca, Coach, CVS, Equifax, Humana, Marriott, Nintendo, Nissan, Nvidia, Royal Caribbean, Regeneron, Ryanair, Siemens, Snap, Transcanada, Valeant and Walt Disney. Data wise, it will be exceptionally quiet next week with just Jolts and Consumer Credit on Tuesday and Consumer Sentiment on Friday. I suspect the market could take a couple of small steps back on the news vacuum or lack of fresh headlines.

President Donald Trump's Twitter Account was taken offline by a departing employee for eleven minutes, and some are calling it a glaring security issue. What if the employee instead had composed a tweet bashing a company's stock, or declaring war on North Korea? For eleven minutes on Thursday night, the world experienced a first: US President Donald Trump was not on Twitter. Trump's account was temporarily kicked offline, as a result of the actions of a Twitter employee. At first, Twitter said it was an "inadvertent" human error. But the company followed up a couple of hours later and said the incident was caused by a "customer support employee who did this on the employee's last day of work," suggesting it might not have been an accident. (Source: [Business Insider](#))

Blackstone Is Returning Cash To Investors As Commodities Sour: The Blackstone Resources Select fund, run by New York's Blackstone Group, is returning money to investors after half of the star managers announced they were shutting operations. The fund held at least \$2.4 billion at its peak. It farmed out money from pension plans and other institutions to four managers in energy, metals and agricultural markets, according to industry executives. Blackstone launched the fund in May 2007 as commodities ranging from oil to wheat were racing to all-time records. It was a long-only product, meaning it bet exclusively on rising prices. But rather than take direct positions in futures markets, the fund delegated trading decisions to outside hedge funds led by big names in the

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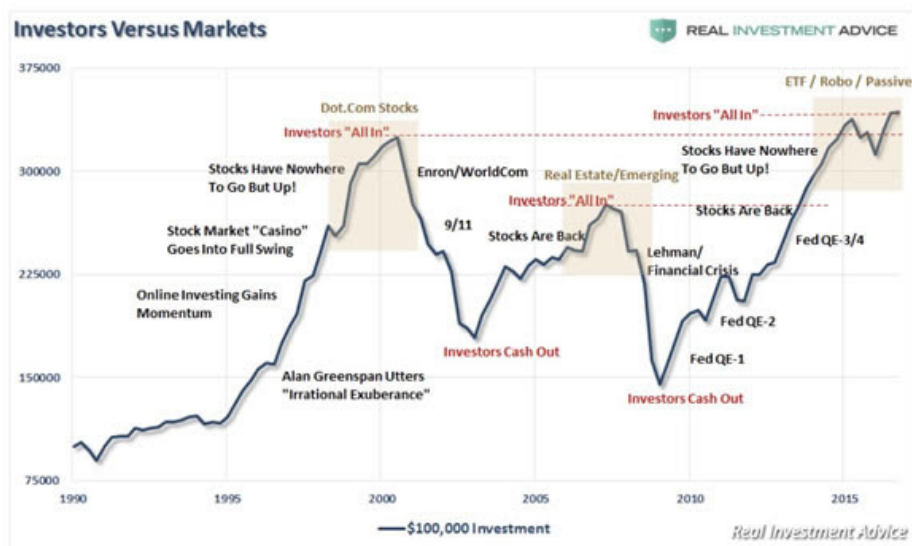


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industry. Astenbeck Capital Management, managed by famed oil trader Andy Hall, closed its main fund in August. That was followed by a decision in September by Edesia Asset Management, an agricultural fund unit of commodities merchant Louis Dreyfus, to stop managing third-party money. Investors have soured on commodities as an asset class as ample supplies cap prices. The average hedge fund focusing on commodity futures lost -3% in the nine months to September, according to the SG Commodity Trading Index, an industry barometer. With \$74 billion under management, Blackstone's Hedge Fund Solutions group still invests with some individual commodity managers as part of its broader platform. (Source: Financial Times)

House Tax Plan Slashes Corporate Rate Permanently and At Once: The headline figure in the Tax Cuts and Jobs Act is a permanent cut in the corporate tax rate to 20%—higher than the 15% that President Trump has on occasion mentioned, but the number that most observers were expecting. It is, in fact, a mild relief compared to talk earlier this week of phasing in the cut over a number of years. The good news was accompanied by some changes that aren't quite what corporate America was hoping for. The major one is the slightly higher-than-expected proposed tax rate of 12% for a one-time repatriation of cash and liquid investments held by foreign subsidiaries of U.S. companies. The corporate tax change that may have the biggest short-term impact on the economy is the immediate deductibility of capital investments such as factories and machinery. After weak spending for years during the economic recovery, businesses have boosted spending significantly this year in anticipation of faster growth. Currently, companies depreciate these expenses, but at different times the government has allowed accelerated depreciation to boost weak economies. For individuals, the House bill would also slash the number of income tax brackets from seven to four: 12 percent, 25 percent, 35 percent and 39.6 percent. The bill seeks to raise the child tax credit to \$1,600 from its current maximum of \$1,000. It also preserves popular retirement savings plans like 401(k)s and Individual Retirement Accounts. The GOP bill would also allow taxpayers to write off up to \$10,000 in state and local property taxes. However, the plan would cut a popular mortgage interest deduction in half. (Sources: Wall Street Journal, CNBC)

Investors VS The Market: Different variations of the below graphic have been floating around for years, highlighting one of the most oft-forgotten rules of investing - You can not time the market. It also highlights one of the biggest impediments to successful investing - investor psychology. Despite the logic behind buying and holding stocks over the long term, the biggest single impediment to the success over time is psychology. The behavioral bias that leads to poor investment decision-making is the single largest contributor to underperformance over time. The two biggest irrational investment behavior biases are the herding effect and loss aversion. Those two behaviors tend to function together, compounding investor mistakes over time. As markets are rising, individuals are led to believe that the current price trend will continue for an indefinite period. The longer the rising trend lasts, the more ingrained the belief becomes until the last of holdouts finally buys in, as the financial markets evolve into a euphoric state. As the markets decline, investors slowly realize they are looking at something more than a "buy the dip" opportunity. As losses mount, anxiety pushes investors to try to avoid further losses by selling. This behavioral trend runs counter-intuitive to the "buy low/sell high" investment rule and continually leads to poor investment returns over time. Click the graph for a larger view. (Source: MarketWatch)



Here are a few of this year's early sponsors



Weather in the Corn Belt is seeing cool, mostly cloudy conditions linger across the upper Midwest, where producers continue to attempt to harvest corn ahead of deteriorating weather conditions. On October 29, the corn harvest was less than 40% complete in Wisconsin (25%), South Dakota (35%), North Dakota (93%), and Minnesota (38%). Meanwhile, mild weather is returning to the Ohio Valley, although scattered showers are limiting fieldwork. On the Plains, cool air blankets the northern half of the region, where late-planted winter wheat has struggled to become established. Snow is falling across portions of the northern High Plains, particularly in Montana. In contrast, warm, breezy weather prevails on the southern Plains, where today's high temperatures will exceed 90 degrees F in some locations and an elevated risk of grass fires exists. In the South, warmth favors the development of recently planted winter grains and cover crops. In addition, summer crop harvesting continues, except in a few Southeastern areas where isolated showers are occurring. During the next several days, Northwestern precipitation will spread eastward across the nation's northern tier and as far south as central California and the Intermountain West. Significant, high elevation snow can be expected from the Cascades and Sierra Nevada to the northern Rockies. Late-week snow should also blanket portions of the northern Plains and far upper Midwest. Farther east, significant rain (1 to 3 inches) should occur from the Tennessee Valley into the lower Great Lakes region and northern New England. In contrast, mostly dry weather will prevail in the southern Atlantic region and from the Desert Southwest to the southern Plains.

Big Change In Weather Coming: *A large-scale pattern change will usher in a warm start to November and continue through this weekend, particularly in the East and South. Some record highs are possible in the South, while mild temperatures head to parts of the Midwest and Northeast. Highs in the 60s and 70s will make a comeback into portions of the Midwest and Northeast, with 90's returning to the southern Plains, Gulf Coast and Florida. Dallas-Forth Worth could reach 90 degrees Thursday for the first time on record in November.*



Corn bulls are happy to see Mexico continuing to step up as large purchasers of U.S. supply. Yesterday's buy of over 53 million bushels is thought to be one of the top-10 largest single day purchases of U.S. corn in our nations history. Lets' also keep in mind, South Korean buyers have been a bit more active as of late in the global marketplace. Unfortunately, bears continue to point to the fact the U.S. crop might still be getting larger, meaning perhaps ending stocks might still be getting a bit more burdensome. Informa updated their yield estimate yesterday and bumped their forecast higher by +2.9 bushels per acre to 173.4 bpa, with total U.S. production just north of 14.4 billion bushels per acre vs. the USDA at 171.8 bushels per acre and total production at 14.28 billion bushels. From a technical standpoint, it still feels like there's fairly significant nearby chart resistance up into the \$3.60 to \$3.65 range. A bit longer-term it seems the \$3.75 to \$3.90 area will be extremely difficult to overcome without some type of widespread production hiccup in South America. Looking for next Thursday's USDA report to dictate the next small move. I'm hoping the USDA doesn't raise their yield estimate as much as some are talking about...



Today In History



1777, American Revolution

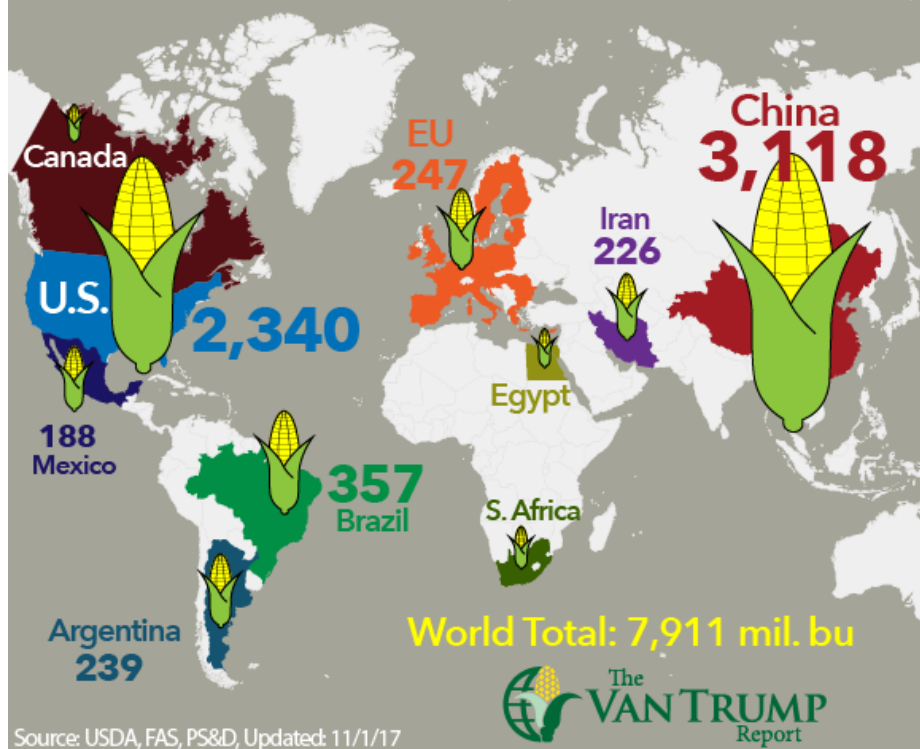
- General George Washington is informed that a conspiracy is afoot to discredit him with Congress and have him replaced by General Horatio Gates. Thomas Conway, who would be made inspector general of the United States less than two months later on December 14, led the effort. Conway, who was born in Ireland but raised in France, entered the French army in 1749. He was recruited to the Patriot cause by Silas Deane, the American ambassador to France, and after meeting with Washington at Morristown in May 1777, he was appointed brigadier general and assigned to Major General John Sullivan's division. Conway served admirably under Sullivan at the battles of Brandywine, in September 1777, and Germantown, in October 1777, before becoming involved in an unconfirmed conspiracy to remove General Washington from command of the Continental Army. The rumored conspiracy would go down in history as the "Conway cabal." After the Continental Army suffered several defeats in the fall of 1777, some members of Congress expressed displeasure with Washington's leadership and Conway began writing letters to prominent leaders, including General Horatio Gates, that were critical of Washington. After Washington got wind of Conway's letter to General Gates, he responded with a letter to Congress in January 1778. Embarrassed, Conway offered his resignation in March 1778 by way of apology, and was surprised and humiliated when Congress accepted. After General John Cadwalader wounded him in a duel defending Washington's honor, Conway returned to France, where he died in exile in 1800.



1941, WWII - The Combine

Japanese Fleet receive Top-Secret Order No. 1: In 34 days time, Pearl Harbor is to be bombed, along with Mayala, the Dutch East Indies, and the Philippines. Relations between the United States and Japan had been deteriorating quickly since Japan's occupation of Indochina in 1940 and the implicit menacing of the Philippines (an American protectorate), with the occupation of the Cam Ranh naval base only eight miles from Manila. American retaliation included the seizing of all Japanese assets in the

Global Ending Stocks Corn 2017/18 (in million bushels)



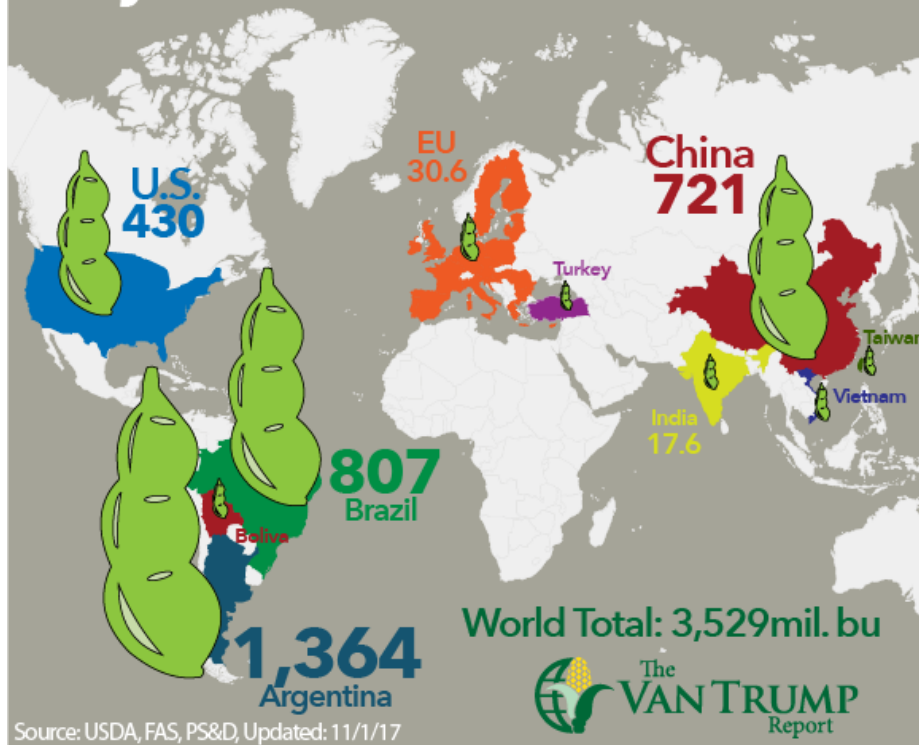
Soybeans bulls continue to talk about the late-inning U.S. harvest being somewhat of a disappointment. This has many inside the trade thinking the USDA could continue to make slight reductions in their yield estimate into yearend. Just yesterday, Informa confirmed some of these thoughts by reducing their yield estimate slightly to 49.7 bpa. I really don't have much opinion, thinking the USDA is fairly close, and regardless believe we are still going to be digesting a fresh new all-time record crop. Yes, a -0.5 to -1.0 bushel reduction would certainly make the balance sheet more interesting, but with global supply near record levels it's tough to get overly optimistic about followthrough to the upside without a more widespread weather story out of South America. As a producer, I continue to keep a very close eye on the NOV18 contract, believing I may soon have an opportunity to reduce a bit more risk. Assuming export sales remain strong and weather in South America remains in question. From a technical perspective, the NOV18 contract is nearing a contract high up at \$10.28 per bushel. I'll personally be looking to make another small 2018 sale somewhere up between \$10.15 and \$10.25 per bushel. The more nearby JAN17 contract has a high up near \$10.50, which was set back in mid-July. Perhaps more nearby resistance in the NOV17 contract looks to be in the \$10.10 to \$10.30 range. I continue to keep a close eye on Chinese buying and South American weather forecasts.

States and the closing of the Panama Canal to Japanese shipping. In September 1941, Roosevelt issued a statement, drafted by British Prime Minister Winston Churchill, that threatened war between the United States and Japan should the Japanese encroach any further on territory in Southeast Asia or the South Pacific. The Japanese military had long dominated Japanese foreign affairs; although official negotiations between the U.S. secretary of state and his Japanese counterpart to ease tensions were ongoing, Hideki Tojo, the minister of war who would soon be prime minister, had no intention of withdrawing from captured territories. He also construed the American "threat" of war as an ultimatum and prepared to deliver the first blow in a Japanese-American confrontation: the bombing of Pearl Harbor. And so Tokyo delivered the order to all pertinent Fleet commanders, that not only the United States—and its protectorate the Philippines—but British and Dutch colonies in the Pacific were to be attacked. War was going to be declared on the West.



1964 - Residents of the District of Columbia cast their ballots in a presidential election for the first time. The passage of the 23rd Amendment in 1961 gave citizens of the nation's capital the right to vote for a commander in chief and vice president. They went on to help Democrat Lyndon Johnson defeat Republican Barry Goldwater in 1964, the next presidential election. Between 1776 and 1800, New York and then Philadelphia served as the temporary center of government for the newly formed United States. The capital's location was a source of much controversy and debate, especially for Southern politicians, who didn't want it located too far north. In 1790, Congress passed a law allowing President George Washington to choose the permanent site. As a compromise, he selected a tract of undeveloped swampland on the Potomac River, between Maryland and Virginia, and began to refer to it as Federal City. The commissioners overseeing the development of the new city picked its permanent name—Washington—to honor the president. Congress met for the first time in Washington, D.C., on November 17, 1800. The District was put under the jurisdiction of Congress, which terminated D.C. residents' voting rights in 1801. In 1961, the 23rd Amendment restored these rights, allowing D.C. voters to choose electors for the Electoral College based on population, with a maximum of as many electors as the least populated state. With a current population of over 550,000 residents, 61-square-mile D.C. has three electoral votes, just like Wyoming, America's smallest state, population-wise. The majority of D.C.'s residents are African Americans and they have voted overwhelmingly for Democratic candidates in past presidential elections. In 1970, Congress gave

Global Ending Stocks Soybean 2017/18 (in million bushels)



Wheat prices have regained what they lost earlier in the week and are being supported by somewhat unexpected direct buying from Iraq. From what I understand from the rumors, Iraq purchased close to 500,000 metric tons of U.S. HRW wheat in some type of direct deal to be shipped in the next 90-days. Keep in mind, the USDA reported earlier this week that Iraq was in and buying smaller quantities of U.S. HRW wheat, so I suspect there is some definite truth, as for the exact specifics, it still seems a bit fuzzy. Bottom-line, we might starting to see a bit more interest in U.S. wheat. Unfortunately, bears are quick to point out U.S. exports will probably still come up well short of the USDA's current estimate, based on too much global competition from low-cost providers in the Black Sea region and parts of Europe. Staying patient...

Washington, D.C., one non-voting delegate to the House of Representatives and with the passage of 1973's Home Rule Act, Washingtonians got their first elected mayor and city council. In 1978, a proposed amendment would have given D.C. the right to select electors, representatives and senators, just like a state, but it failed to pass, as have subsequent calls for D.C. statehood.

Upcoming Events

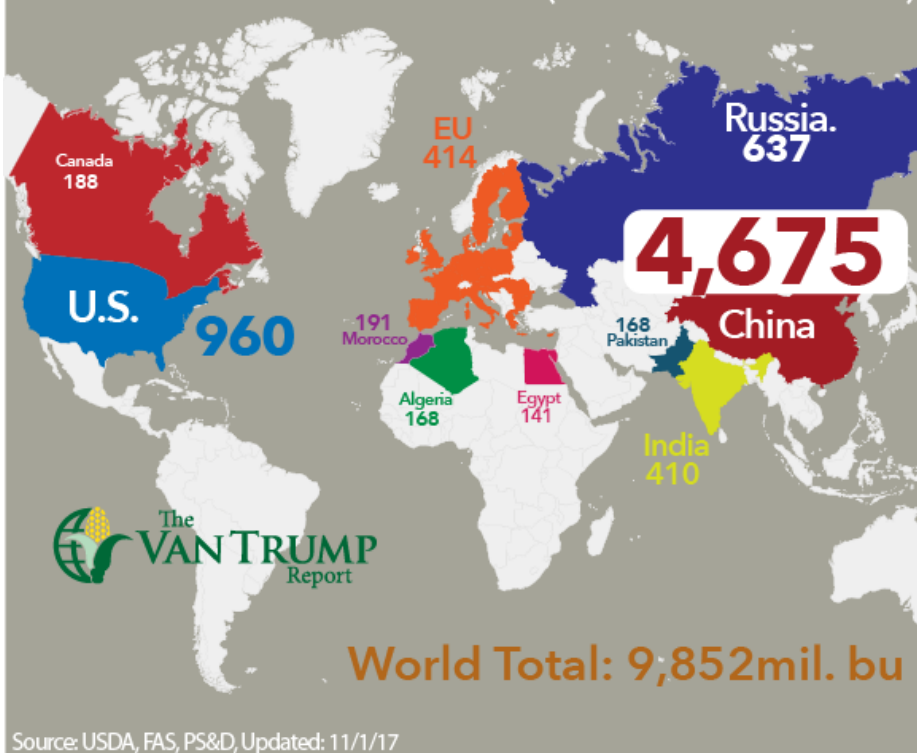
- Mon. 11/5** - Daylight Saving Time Ends
- Thurs. 11/9** - USDA Supply and Demand
- Wed. 11/22** - Minutes From 11/1 FOMC Meeting Released
- Thurs. 11/23** - Thanksgiving - Markets Closed
- Tues.-Wed. 12/12-12/13** - FOMC Meeting
- Tues. 12/12** - USDA Supply and Demand
- Mon. 12/25** - Christmas - Markets Closed
- Mon. 1/1** - New Year's Day - Markets Closed
- Fri. 1/12** - USDA Supply and Demand
- Thurs. 2/8** - USDA Supply and Demand

Kevin's Song of the Week



About the Report

Global Ending Stocks Wheat 2017/18 (in million bushels)



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

> **Ethanol Milestone:** Growth Energy CEO Emily Skor reports that U.S. drivers have now driven 2 billion total miles on E15. More than 1,000 gas stations across the country now give around 16 million Americans daily access to this fuel option. (Source: Farm Futures)

> **Ukraine Winter Wheat Sowings 96% Complete:** Ukrainian farmers have sown 14.58 million acres of winter wheat for the 2018 harvest, or 96 percent of the expected area of 15.20 million acres, the agriculture ministry said. Ukraine plans to sow 17.8 million acres of various winter grains for next year's harvest. (Source: Reuters)

> **Argentina's Sugarcane Ethanol Price Cut Will Hurt The Industry:** decision by the Argentine government to lower the local price of sugarcane-based ethanol is a "brutal blow" to the biofuel industry, says Alberto Rocchia Ferro, vice president of the country's sugarcane ethanol industry chamber. The decision calls for a sharp cut in the price of the fuel that is estimated will cost the local ethanol industry 4.8 billion pesos. "It's a 29 percent drop in two tranches, 15 percent now and 14 percent more from February 1. This means a brutal blow to the sector," he said. According to the resolution, the price of Argentine ethanol made from sugarcane will drop -14.5% to 14,342 pesos (about \$0.8) per liter, while that produced with corn will come to 10,742 pesos per liter, for a drop of -21.1%, according to data from the Ministry of Energy. (Source: Reuters)

> **Clovis Withdraws From USDA Consideration:** Sam Clovis has formerly withdrawn from consideration for the position of USDA undersecretary for research, education and economics. "The political climate inside Washington has made it impossible for me to receive balanced and fair consideration for this position," Clovis wrote in a letter to the President. Clovis's nomination has been controversial from the start. He has no academic credentials in science or agriculture, which have been the hallmarks of individuals holding this position in the past. (Source: MeatingPlace)

> EWG Updates Subsidy Database: The Environmental Working Group has updated its farm subsidy database with information from 2015 and 2016, reflecting programs enacted as part of the 2014 farm bill. Over those two years, farm subsidies cost \$32.2 billion in the form of commodity supports from programs like Agriculture Risk Coverage and Price Loss Coverage; premium discounts in the federal crop insurance program; conservation payments; and disaster assistance. Commodity programs were the most expensive, which paid out \$14.5 billion in subsidies primarily to growers of corn, soybeans, wheat, cotton and rice. Crop insurance subsidies cost nearly \$12 billion, while conservation payments totaled \$3.7 billion and disaster assistance about \$2 billion. EWG is pushing for eliminating subsidies for wealthy operations. The database is available [HERE](#).

> **Amazon Has An Interest In Cryptocurrencies:** Amazon has registered three new domain names related to cryptocurrency, sparking speculation that the e-commerce giant may accept it as payments or even move into the space. They include: amazonethereum.com, amazoncryptocurrency.com and amazoncryptocurrencies.com. The company already signed up for the domain "amazonbitcoin.com" three years ago, and the address takes you straight to Amazon.com. (Source: Seeking Alpha)

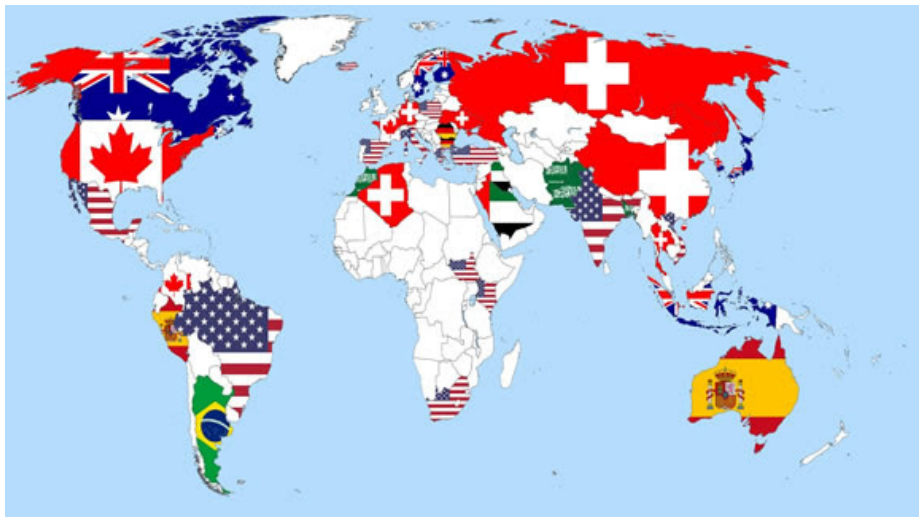
> Other Than The Country In Which You Currently Reside, Where Would You Like To Live? The map below shows which country in the world people would most want to live in, if there were no barriers preventing them from doing so. The data comes from a WIN/Gallup International Association End of Year Survey. The specific question asked was: "If there were no barriers to living in any country of the world, which country would you like to live in?" In most countries, the majority of people said they'd want to keep living where they are living. So the map just shows the top international destination people would choose to move to if they could. For some reason, the map omits data for the UK, which picked Australia. Click the map for a larger view. (Source: MoverDB)

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

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.



FROM THE FIELD

Central Illinois - We are done with this year's harvest finishing up about a week ago. Most guys are just now wrapping harvest up with just a little corn to still come out of the fields. Our beans this year were not as good as last years crop. I think across all of our farms we will be off by about 10bpa. The beans last year made 70+bpa in a lot of fields but this year we have not had any beans above 68bpa. We just missed rains here when the beans really needed them. The corn is off a little from our average due to the lighter soils not performing well when things got dry. Again, there was a streak in the area that missed all the rains. The corn yields are just slightly off from last year and seeing yields that are ranging from 170bpa to 240bpa. It did take the corn awhile to dry down this year, that slowed the process early on.

Eastern Iowa - The beans are all out of the fields at this time but still seeing corn moisture levels that are too high. The weather has sucked for the corn harvest. There is a lot of corn that is still in the 23% range. We attempt to avoid all drying if possible to keep the costs down. The soybean yields are coming in from mid50bpa to mid 60bpa. The whole farm average will right at 60bpa which is less than last year by 7bpa to 8bpa. The early cold, wet weather slowed the beans growth down after they emerged resulting in very short bean plants. We are not complaining about either corn or bean yields this year. The corn yields have been coming in between 220bpa to 303bpa.

Southcentral Wisconsin - We are done with the beans and finished with 48bpa average on our roughest ground. We chose to put all the corn on the good ground and we are very happy with the bean yields. We have not touched the corn yet as we are hoping it will come down off the 23% moisture levels soon. I don't dry my own corn and so am counting on the recent freeze to bring the crop down a point or two. I'll pull it out of the ground at 20% and be happy. We are undersold this year on our corn but the stuff that is marketed was done above breakevens so we have a good start. I plan on cutting back on fertilizer next year as we battle these low prices.



CROSSING WIRES

A place to share intelligent thoughts...

When Steers And Beers Get Together: When a brewer makes a batch of beer, it requires several tons of grain. At McKinney-based Tupps Brewery, specifically, owner/brewer Keith Lewis needs 2 1/2 tons for just one run of its Full Grown Jack pumpkin stout. After he brews, however, the malted barley is known as "spent grain" -- essentially trash. "A lot of the flavor and a lot of the sugar has been taken out of it, which is what we use for the beer process, so what's left is what humans would say is sawdust," Lewis says. "The really neat thing about it is cows love it." For decades, breweries have relied on nearby farmers to help dispose of their beers' byproduct. It's a symbiotic relationship -- brewers get rid of their garbage and farmers use it to feed their livestock, most times at no cost to either business. In North Texas, the practice is not only ubiquitous, it's also essential to both local industries. Read more [HERE](#).

Using Motion-Sensing Technology From A Nintendo Wii For Better Medicine: A little toying around can pay off. Joshua Broder, an ER physician at Duke University, couldn't understand why his son's handheld Nintendo Wii controller was better at detecting movement than the professional ultrasound machine he used work. One day, while his son was playing Wii, he got an idea: Why not tape this controller onto an ultrasound machine to better understand the angles at which scans were taken? Kinda reminds me of the tricorder that "Bones" used on Star Trek. Read more [HERE](#).

"Stop Eating Beef" Is An Oversimplification Of The Issue: "What troubles me is the repetition sort of ad nauseam is that cattle are inherently problematic for the environment and that the best thing we can do is give up beef," says Nicole Hahn Niman. For years, Hahn Niman was an environmental lawyer and a vegetarian working with the environmental non-profit Waterkeeper Alliance. As part of that role she was tasked with looking at the environmental impact that livestock, including beef, had on water systems. She looked at the scientific research, traveled all over the country visiting farms, flew over farm operations, and essentially went down the cattle rabbit hole for two years. Her work eventually culminated in the book *Defending Beef*. Read more [HERE](#).

How Wood Got In Our Food, Then Out, Then Back In: Typically, there are just four ingredients defining breadiness: flour, water, salt and yeast. But breadmakers have long added another ingredient to even the simplest loaves. Wood. Sawdust. Wood fiber. In fact, there's been some kind of wood in all kinds of food, from at least the dawn of the industrial era, up to today. The story of edible (or less-than-edible) wood is the story of food regulation in a nutshell. Or maybe in a lumber yard. The story starts in the 1700s along the banks of Europe's rivers among mills and breadmakers who were trying to solve a problem: How do you feed the poor, cheaply? "At some point, some clever miller was like, 'Hey, what if we combine the flour with sawdust?'" said Penn State food historian Bryan McDonald. "'We're selling stuff by weight, and people don't really have a good way of knowing what's flour and what's sawdust.'" Advocates for the poor weren't as excited about this so-called "tree flour." Read more [HERE](#).

Wildfires Destroy a Piece of Calculator History: California's deadly wildfires destroyed much of an archive from tech pioneers William Hewlett and David Packard, such as a decades-old memo in which Hewlett proposes designing a calculator that can fit in his pocket, authorities involved with the archives say. The more than 100 boxes of letters and other materials from the early days of Hewlett-Packard, now called HP, were stored in two modular buildings at the Santa Rosa offices of Keysight Technologies, an electronics measurement company that acquired the historical trove through a series of spinoffs. Packard and Hewlett pioneered California's tech industry when they started an electronics firm in a Palo Alto garage with \$538 in cash. The destroyed archives had been valued at nearly \$2 million in 2005. Former HP staff archivist Karen Lewis called the collection irreplaceable. Read more [HERE](#).

Would You Carry Your Steering Wheel With You Everywhere Like A Phone? Jaguar has a vision for a fully self-driving car, 23 years in the future. The car is Jaguar Land Rover's Future-TYPE concept, and it exists only within the virtual realm. The steering wheel, however, lives also outside of the digital domain, as a physical prototype. And like Alexa or Siri, it has a sense of humor and a name: Sayer, in honor of Malcolm Sayer, designer of Jaguar's iconic 1968 E-Type roadster. Sayer is an artificial intelligence-powered steering wheel—the first of its kind—programmed to serve as a personal assistant and chauffeur. In fact, Jaguar Land Rover thinks, in the year 2040, the steering wheel might be the only part of the car a consumer owns. Read more [HERE](#).

Watch The Once-In-A-Decade Cork Harvest: A hugely satisfying portrait of production, this short documentary observes workers in Spain's La Mancha region as they harvest cork from a quercus suber (commonly known as a cork oak). The process requires immense patience: each tree must be 25 years old before its uniquely light and durable bark can be harvested, and even after the tree has reached maturity, it can only be stripped again roughly every nine years thereafter. At harvest time, teams skillfully remove the bark with small axes, making sure not to harm the tree and risk damaging the renewable resource. Check it out [HERE](#).

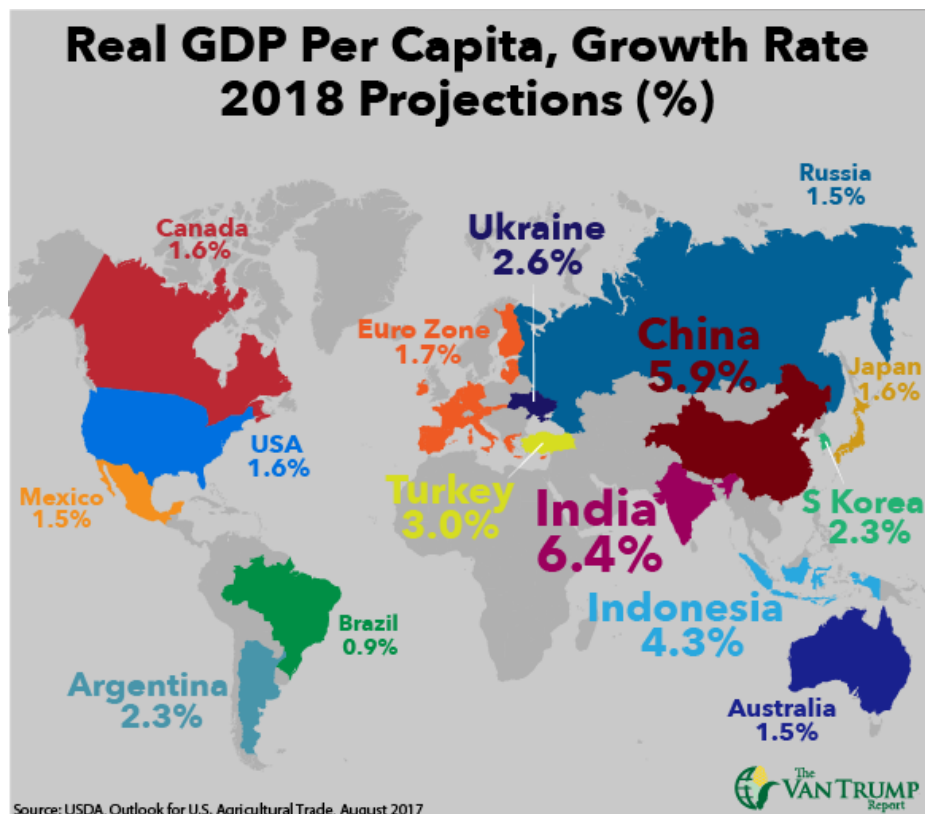
Most Commonly Listed Collector Cars In Each State: Plenty of stereotypes exist for each region of our vast country, and those include preconceptions about what sorts of cars prove most popular from state to state. But how often do they hold true? Fortunately, we have plenty of data to draw from. Hemmings drew from their classified records dating back to 2010. They chose for sale listings because it by default indicated that the cars already existed in those states, signifying that collectors in those states deliberately selected those cars. Aside from four states, the overwhelming results were Corvette and Mustang. Hemmings says that while they understand that Corvette and Mustang fans make up a good portion of the collector car hobby, their numbers are far from the monolithic picture this query presents. So they removed Corvettes and Mustangs from the equation to see whether we can get a more representative picture of the collector car landscape. Check out the full results [HERE](#).





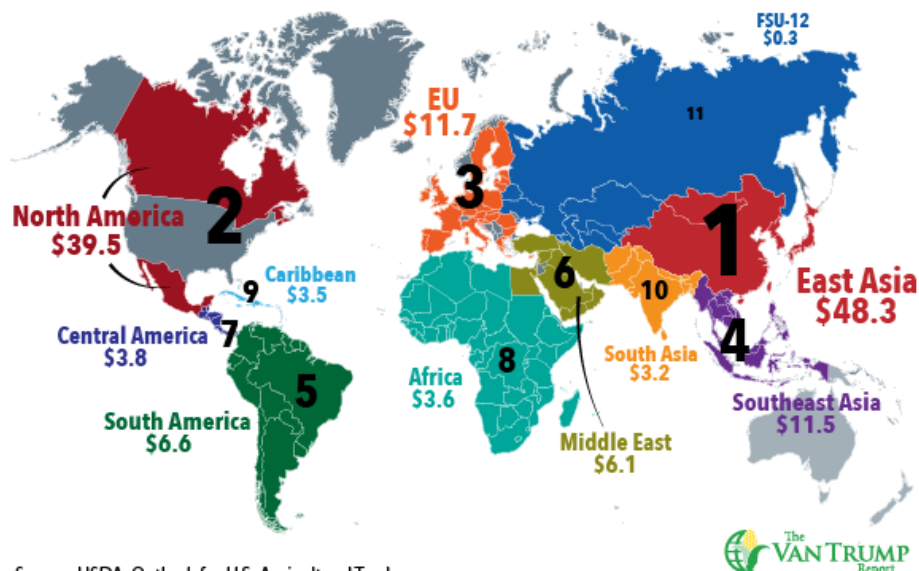
Deeper Look At U.S. Agricultural Export Numbers

The quarterly outlook for U.S. agricultural trade is out and there's some data that you need to see. For 2018 ag exports are projected at \$139.0 billion, down \$800 million from the revised fiscal 2017 forecast of \$139.8 billion, largely due to reductions in corn and cotton export forecasts. Corn exports are forecast down \$1.6 billion to \$8.0 billion due to lower volumes and values. Strong competition from South America is expected to trim exports. Cotton is forecast at \$4.5 billion, down \$1.3 billion from the fiscal 2017 estimate, as sharply higher stocks outside of China will limit U.S. export opportunities and put downward pressure on prices. Oilseeds and product exports are forecast up \$500 million. Ag imports into the U.S. are forecast at \$115.5 billion, \$700 million lower than fiscal 2017 due to reductions in livestock and dairy products, oilseeds and products, and sugar and tropical products. The U.S. agricultural trade surplus is expected to decline moderately by \$100 million in fiscal 2018 to \$23.5 billion. As for those buying our exports, China is forecast to acquire \$22.6 billion's worth of U.S. Ag products. This is \$300 million higher than the fiscal 2017 estimate. Lower cotton prices are expected to curtail the export value of U.S. cotton to China. However, record U.S. soybean production and lower prices are expected to boost sales. Another top trading partner -- Mexico -- is forecast up \$300 million as a result of stronger expected exports of pork and dairy products. The forecast for Canada is up \$200 million to \$21.2 billion, largely due to higher sale soft fresh fruit and vegetables. Exports to South America are reduced by \$100 million to \$6.5 billion due to lower shipments to Venezuela. For more information on U.S. Agricultural Trade check out the USDA/ERS [Quarterly Report](#). Below are numerous graphics created using data released from their report.

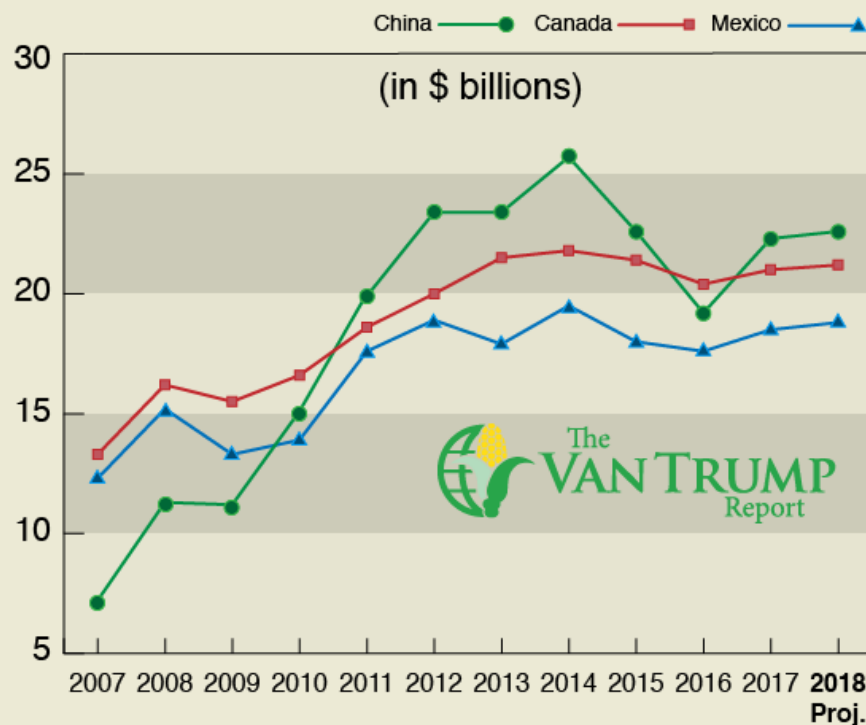


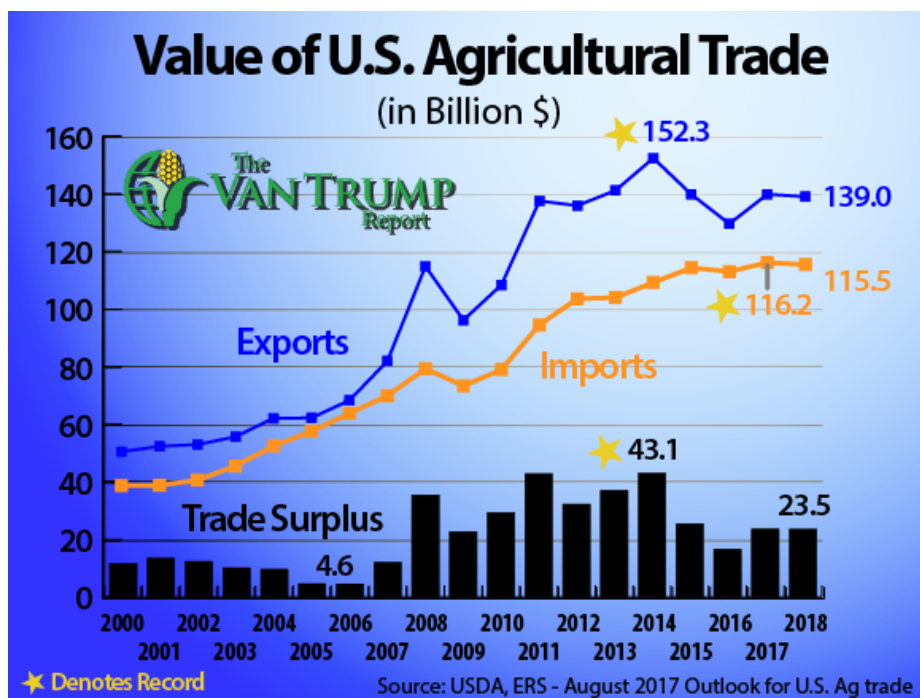
U.S. Agricultural Exports

Value by Region, 2017 (\$ Billion)



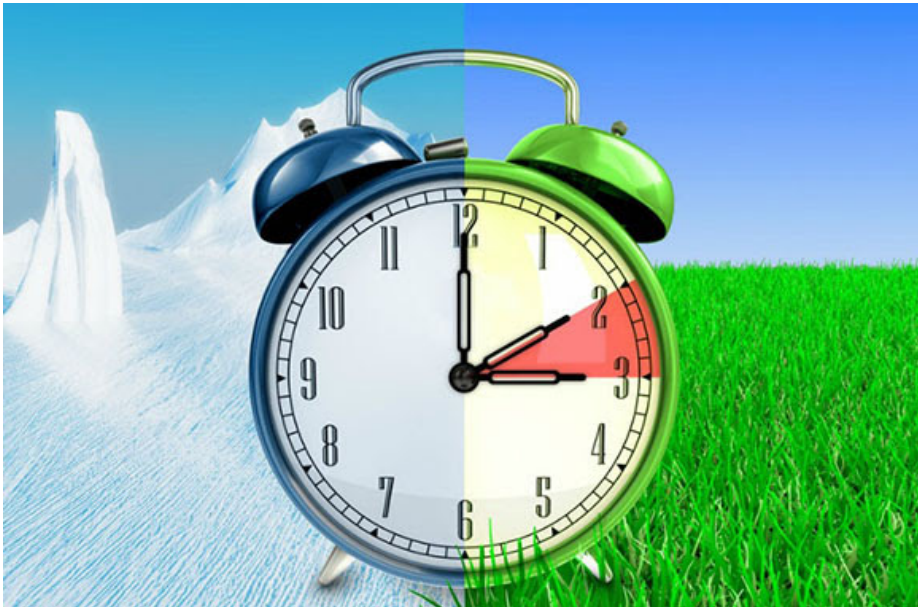
U.S. Agricultural Exports





Time To Fall Back... Daylight Savings Time Ends This Weekend

Maximum daylight comes to an end this Sunday! America rolls the clocks back by one hour at 2 a.m. on Sunday, November 5. The tradition of "falling back" means you will get an extra hour to sleep Sunday morning but also signals the start of dark afternoons. The switch pushes sunrise and sunset back an hour, meaning there will be more light in the morning with darkness coming sooner in the afternoon. On Sunday, sunset time will be around 4:50 p.m. CST. One convenience of the modern age is that most digital gadgets - like computers, tablets, cellphones - automatically adjust their time. You'll likely need to manually change the time on things like microwaves and coffee pots, though. Credit — or blame — for the biannual shift goes back to Benjamin Franklin, who published *An Economical Project for Diminishing the Cost of Light* in a 1784 journal after he noticed that people burned candles at night but slept past dawn. Franklin never witnessed the idea in action, however. The U.S. didn't begin experimenting with Daylight Savings Time until 1918 when Congress passed the Standard Time Act, which established our time zones. However, this experiment lasted only until 1920, when the law was repealed due to opposition from dairy farmers. During World War II, Daylight Savings Time was imposed again -- this time year-round -- to save fuel and vital energy. In 1966, President Lyndon Johnson signed the Uniform Time Act into law which officially established Daylight Savings Time. Though the law stipulated DST start on the last Sunday in April and end on the final Sunday in October, it has since been changed twice. In 1986, resident Ronald Reagan signed Public Law 99-359 that moved the start time to the first Sunday in April. Among the many reasons cited for the change was providing children with more daylight outdoor playtime. More recently, President George W. Bush signed the Energy Policy Act of 2005, which among other things extended DST by four weeks. The change, which took effect in 2007, revised the start date to the second Sunday in March and pushed back the end date to the first Sunday in November. The 1966 law also allowed for states and territories to opt out of participating in DST. Currently, Arizona and Hawaii do not fall back or spring forward. In August of this year, the Maine legislature passed a bill that would end DST. A provision to the bill requires Maine voters to approve the change in a referendum, and the referendum could only be triggered if Massachusetts and New Hampshire agree to drop DST, also. Approximately 40% of the world uses Daylight Savings Time, which includes around 70 countries. Some experts maintain that time change has an adverse effect on health. However, while there have been some attempts to get DST repealed at the national level, lawmakers are reluctant because of the purported negative impact the change could have on businesses. Those in states that still practice the time-change will remain on "standard time" until Sunday, March 11, 2018. Interestingly, we are only on standard time four months of every year, while DST lasts for eight, which makes it seem kind of strange to call it standard! (Sources: Time & Date, USAToday, Washington Post)



Meet Lazarus Lake....The Man Behind The "Impossible Race"

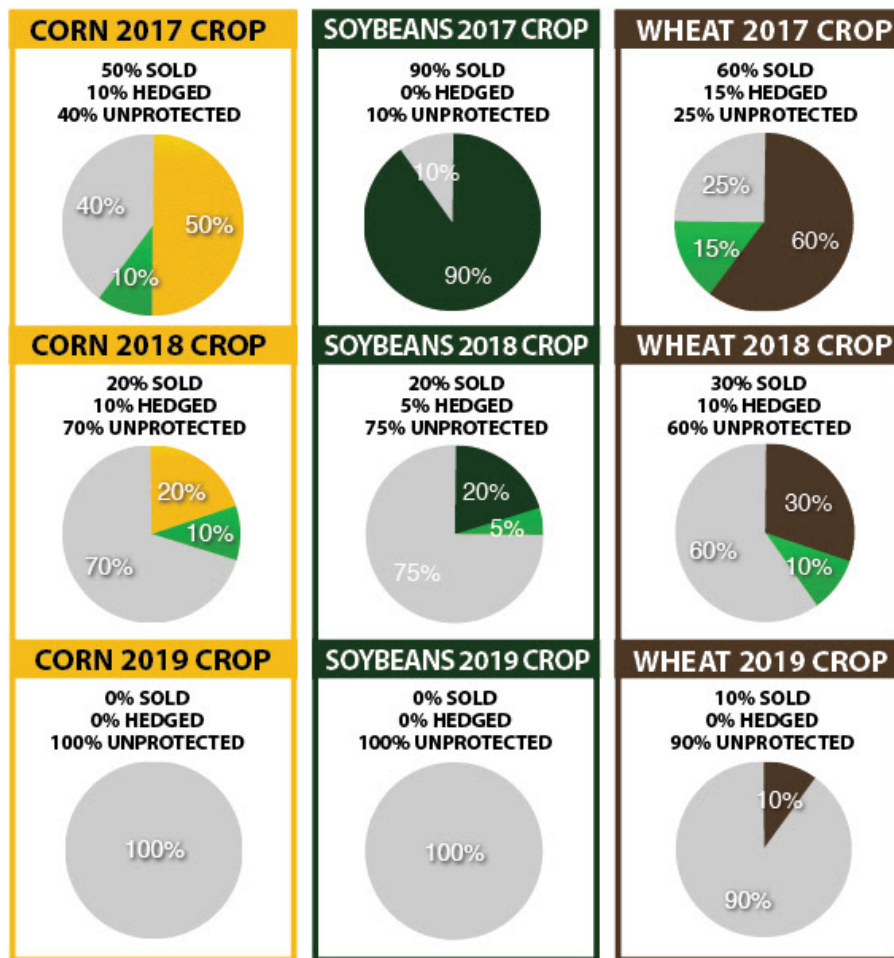
According to Lazarus Lake, most people are so obsessed with comfort to the point that they forget that if you don't have discomfort, how can you tell when you feel good. Thirty years ago this backwoods, eastern Tennessee resident began what is considered the cruellest footrace in the world. The thing I found interesting was his motive for starting the race as well as his desire to push you beyond human limits. The story begins with the escape from Brushy Mountain Penitentiary in 1977. It was James Earl Ray, who assassinated Rev. Martin Luther King in 1968 that was on the run for 55 hours before he was caught after only making it 8 miles through the heavily wooded area. Inspired by that story, a wager was made that someone could travel 100 miles in those woods in the same amount of time. And with that the Barkley was born. As I understand it, Laz is quite the cult figure in the running world as he has run over 100,000 miles in the last 50 years, but more than that this guy has a charisma and view on life that was worthy of television documentaries. I'm told Laz also created [The Big Dog Backyard Ultra](#), which is affectionately known as the "cruellest" footrace in the world, in which the last man standing wins. [HERE](#) is a great five-minute video that interviews Laz and showcases the Barkley Marathon - which is known as the "race that eats its young". (Source: bittersoutherner.com, youtube)







CASH SALES & HEDGING TOTALS



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