

GOOD MORNING: 11/06/17 Farm Direction - VanTrump Report

1 message

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"One mark of a great mind is the willingness to change it" - Walter Isaacson talking about Da Vinci

MONDAY, NOVEMBER 06, 2017
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Morning Summary: U.S. stock markets are coming off another winning week as investor optimism is further fueled by positive economic data, strong corporate earnings and forward momentum on tax reform in Washington. On Friday, the Labor Department reported that the U.S. added +261,000 jobs in October. They also adjusted the September number, revising it upward to a gain of +18,000 versus the initial estimate of -33,000 jobs lost. With that revision, the U.S. has now added jobs for 85 straight months, the longest streak ever on record. The unemployment rate declined to 4.1%, the lowest in nearly 17 years. There are no economic reports on the calendar today. However, we will hear from New York Fed President William Dudley, who is scheduled to deliver a speech titled "Lessons from the Financial Crisis." The tech sector got a big boost on Friday thanks to Apple shares surging as traders rewarded the company for a stellar earnings report and very lofty forward guidance for next quarter. Additionally, the company's new iPhone X went on sale Friday, with lengthy lines at retailers being reported across the globe. Today's earnings highlight will be led by Berkshire Hathaway. Other releases of note include Duke Energy, Moody's and Novo Nordisk. President Trump on Friday kicked off a tour of Asia that will be closely followed by investors, especially any talks regarding trade and possible military actions involving North Korea. The President's first stop is Japan, where talk about North Korea is definitely going to dominate the conversation. If you recall, North Korea launched missiles over Japanese territory earlier this year. It's expected Japanese Prime Minister Shinzo Abe will be seeking reassurances from President Trump that the U.S. stands with them against the threat North Korea poses. Trade is also certain to be on the agenda, as it has been a thorny subject since Trump announced America's withdrawal from the Trans-Pacific Partnership - a free trade agreement in which Abe had invested considerable time and political capital. This is looking like a fairly slow week for headlines, look for outside influence to play a more major role.

Brent Crude Oil Hits Two-Year High: *There's more uncertainty in the Middle East after the Saudi government this weekend detained dozens of prominent businessmen and several top officials, including 11 Saudi princes, one being the billionaire investor Prince al-Waleed bin Talal, who is heavily invested in several U.S. companies. Meanwhile, Saudi Prince Mansour bin Muqrin and a number of government officials were killed on Sunday in a helicopter crash near Yemen, a day after the nation intercepted a ballistic missile that was said to have originated from its war-torn neighbor. The kingdom blamed the launch on Iran and warned it could be considered "an act of war." The investment world is clearly keeping a close eye on Saudi Arabia... (Source: SeekingAlpha)*

American Woman Wins NYC Marathon For First Time In Four Decades: *What a beautiful scene it was when Olympic medalist Shalane Flanagan crossed the finish line in tears before proudly holding the Stars and Stripes over her head after becoming the first American woman in 40 years to win the NYC Marathon. Per race rules, her time of 2 hours, 26 minutes and 53 seconds won't become official until later this month. The 36-year-old Flanagan beat three-time defending champion Mary Keitany of Kenya by a minute and one second. Read More [HERE](#).*

VAN TRUMP CONFERENCE 2017

December 6, 2017

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Fed's Unwinding Of Its Balance Sheet Officially Showing Up In The Data:

The Fed's campaign to reduce its \$4.4 trillion balance sheet is now taking effect and showing up in the data. Last Thursday's Federal Reserve report on its portfolio holdings showed a near \$6 billion decline in its holdings of Treasury securities. It's the biggest outright weekly decline since 2012. It's just the leading edge of more to come as the Fed gradually ramps up its effort to "normalize" its balance sheet. The Fed hasn't explicitly said what level it's aiming for, only that it will ramp up its sales of Treasuries and mortgage-backed securities to a point where it eventually is reducing them at a clip of \$50 billion a month. The decline in mortgage-backed securities, which is already taking place, should begin showing up in the data next month. (Source: CNBC)

Apple's New iPhone X Draws Massive Crowds: The \$1,000 price tag on Apple Inc.'s new iPhone X didn't deter throngs of enthusiasts around the world who waited—sometimes overnight—in long lines with no guarantee they would walk out of the store with one of the coveted devices. It's Apple's third iPhone release in just over a year. The iPhone 7 rolled out in September 2016, and less than two months ago, the iPhone 8 and 8 Plus models went on sale. Still, lengthy queues of hardcore Apple fans snaked around city blocks across the world, indicating strong demand for the iPhone X. One news report on Friday said some consumers that were able to actually get their hands on one were turning around and selling them for as much as triple the retail price to customers that didn't get so lucky.



Chief of Counterintelligence

Here are a few of this year's early sponsors



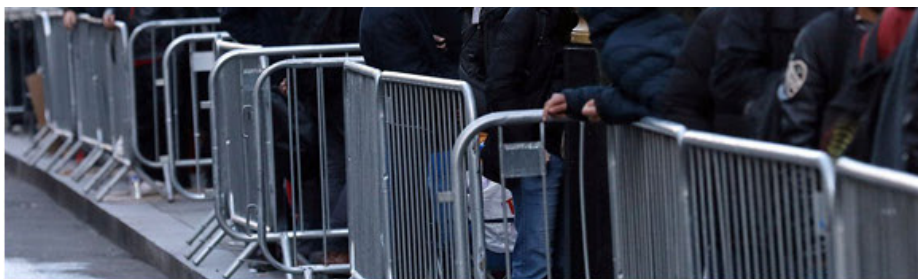
FARMERSSM
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Weather over the weekend saw cold air remain entrenched across much of the northern and western U.S. while warm weather prevailed across the South and East. Weekend temperatures dipped below 0 degrees F across northern portions of the Rockies and the High Plains. While in Texas, temperatures were above 90F. Forecasts are calling for cool and periodically wet conditions nearby that could continue to slow down Midwest harvest progress through the first part of the week. But if you look below at the 6-10 day forecast the rains really clear out and provide a huge window. We are hearing reports out of Brazil of an improving rainfall pattern indicated after several weeks of hot and dry weather. The most notable chances for rain is in Mato Grosso and should help planting and developing soybeans. Argentina seems to be drying out and helping to improve their overall planting pace.

FAMILY FARMS
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Today In History



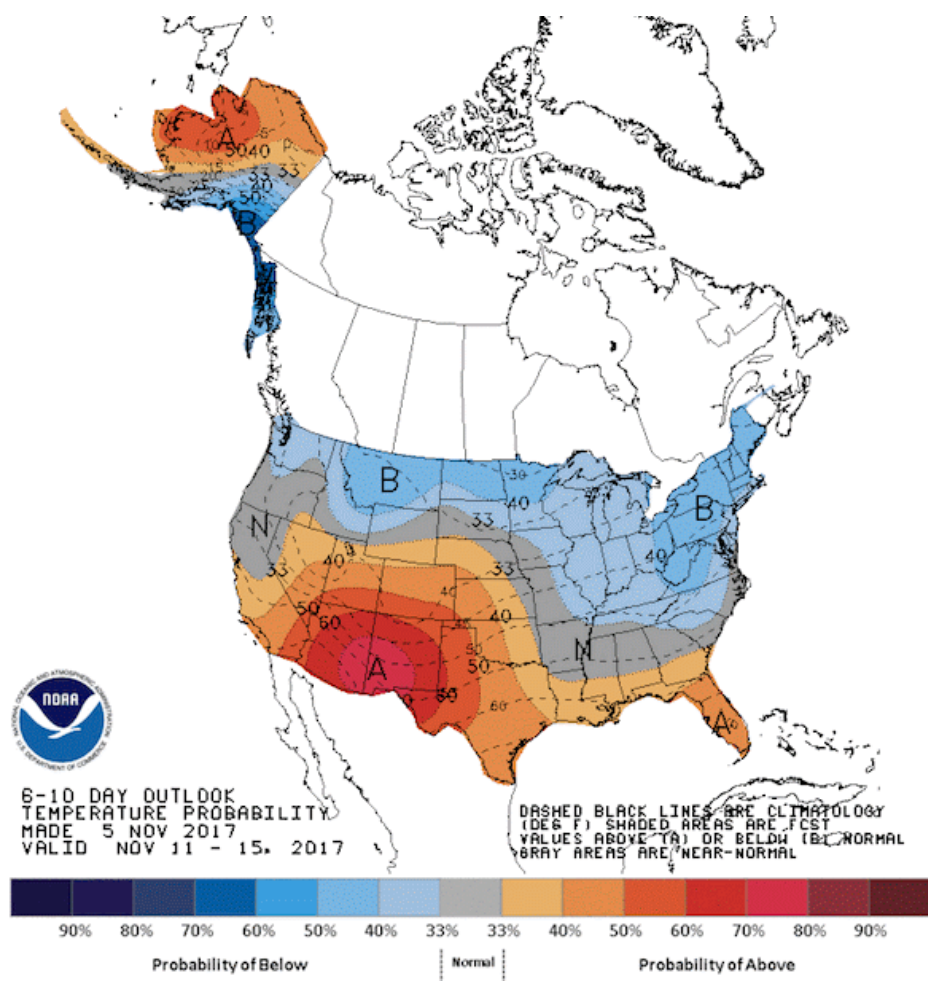
1528, The New World -

Spanish conquistador Alvar Nunez Cabeza de Vaca is shipwrecked on a low sandy island off the coast of Texas. Starving, dehydrated, and desperate, he is the first European to set foot on the soil of the future Lone Star state. Cabeza de Vaca's unintentional journey to Texas was a disaster from the start. A series of dire accidents and Indian attacks plagued his expedition's 300 men as they explored north Florida. The survivors then cobbled together five flimsy boats and headed to sea, where they endured vicious storms, severe shortages of food and water, and attacks from Indians wherever they put to shore. With his exploration party reduced to only 80 or 90 men, Cabeza de Vaca's motley flotilla finally wrecked on what was probably Galveston Island just off the coast of Texas. Unfortunately, landing on shore did not end Cabeza de Vaca's trials. During the next four years, the party barely managed to eke out a tenuous existence by trading with the Indians located in modern-day east Texas. The crew steadily died off from illness, accidents, and attacks until only Cabeza de Vaca and three others remained. In 1532, the four survivors set out on an arduous journey across the present-day states of Texas, New Mexico, and Arizona. Captured by the Karankawa Indians, they lived in virtual slavery for nearly two years. Only after Cabeza de Vaca had won the respect of the Karankawa by becoming a skilled medicine man and diplomat did the small band win their freedom. In 1536, the men encountered a party of Spanish slave hunters in what is now the Mexican state of Sinaloa. They followed them back to Mexico City, where the tale of their amazing odyssey became famous throughout the colony and in Europe. Despite the many hardships experienced by Cabeza de Vaca and his men during their northern travels, their stories inspired others to intensify exploration of the region that would one day become Texas.



1854, American Music -

John Philip Sousa did not invent the musical genre he came to personify, but even if no other composer had ever written a single piece in the same style, the

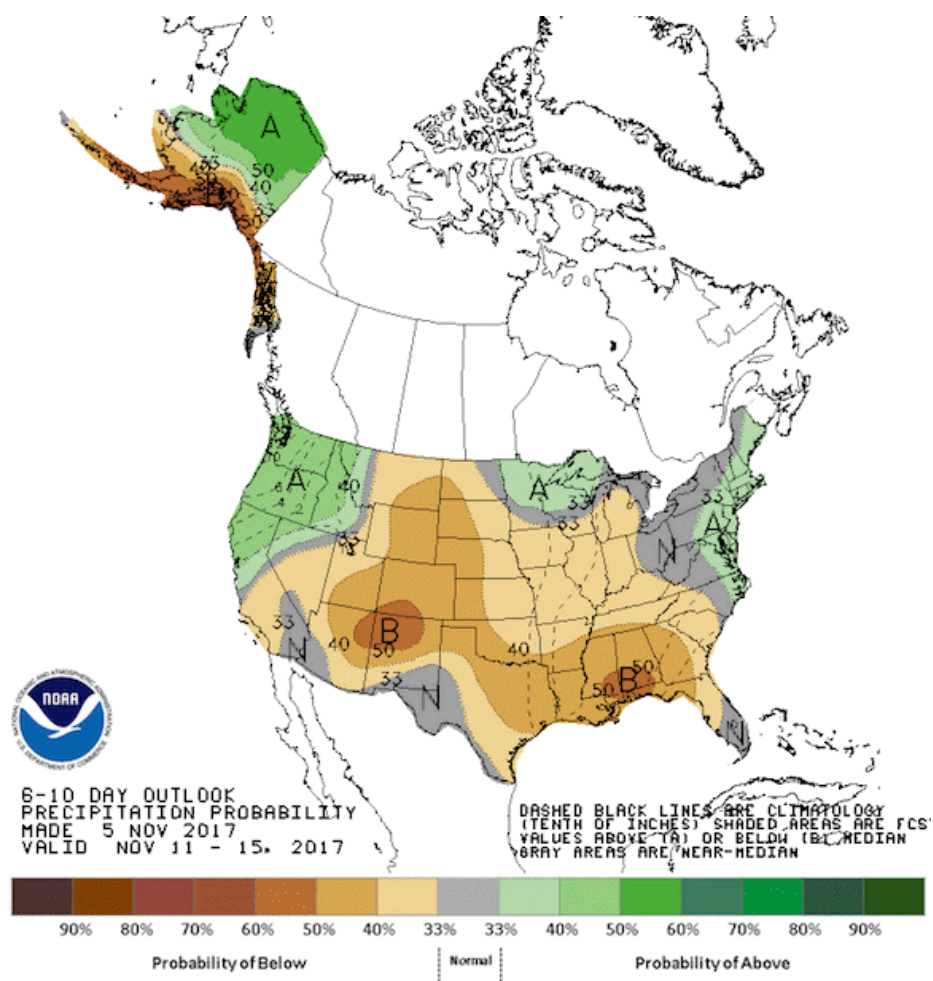


standard repertoire of the American marching band would be little changed. The instantly recognizable sound of Sousa's timeless pieces—"The Washington Post" (1889), "The Liberty Bell" (1893), and "Stars And Stripes Forever" (1896)—is permanently etched in many Americans' memory banks. One of the most popular, prolific and important American composers of all time, John Philip Sousa—"the March King"—was born in Washington, D.C., on this day in 1854. The son of a United States Marine Band trombonist, John Philip Sousa began his musical education at the age of six, but his musical and political sensibilities were shaped as much by external events as by his formal training. Raised in the nation's capital during the Civil War, Sousa was exposed to military music on a regular basis, and at a time when the role of military bands was not merely to provide entertainment and stoke patriotic fervor among civilians, but sometimes to accompany actual marches onto the field of combat. Following the war, Sousa served a seven-year apprenticeship in the Marine Band and then returned as the group's Director in 1880. It was in the late 1880s that he began to make his name not just as the conductor of America's oldest professional musical organization, but as a composer in the patriotic style of music he'd been immersed in since childhood. Sousa would compose upwards of 300 diverse musical works in his long and prosperous career, but it is his 136 marches for which he is best known. After leaving the Marine Band, he became the leader of his own group, the Sousa Band, which he would lead from 1892 until shortly before his death in 1932. Ironically, although it was a major international concert draw traveling the world and playing its conductor's famous marches, the Sousa Band rarely ever marched. It did, however, make John Philip Sousa a very wealthy and famous individual, as well as making his very name synonymous with some of the most quintessentially American music ever written.



1906, Teddy Roosevelt - President Theodore "Teddy" Roosevelt embarks on a 17-day trip to Panama and Puerto Rico, becoming the first

president to make an official diplomatic tour outside of the continental United States. Roosevelt entered office in 1901 with the firm intention of asserting American influence over Central and South American politics, partly as a result of his own past experiences in the area. In 1897, he became secretary of the Navy under President William McKinley, whose administration worked to secure access to ports and industries in countries with close proximity to the U.S. At the time of Roosevelt's appointment to the Navy's highest civilian office, American sea power was on the rise, enabling the U.S. to become a greater influence in world affairs. Five years later, now-President Roosevelt visited Panama to check on the progress of the Panama Canal, the



construction of which had suffered many setbacks, including worker accidents and disease outbreaks. Roosevelt's tenacious demands for improvements in health care and better working conditions pushed the canal project forward just when it appeared doomed to failure. His trip to the construction site in 1906 –which included the taking of a November 15 photo of the president himself working the controls of a large steam shovel—helped to boost flagging morale. Roosevelt's next stop was Puerto Rico, which had become a U.S. protectorate after the Spanish-American War of 1898. In 1900, President William McKinley promised to help establish a civilian government there without becoming an occupying power. McKinley was assassinated in 1901, and Roosevelt, who was then serving as McKinley's vice president became president, inheriting the stewardship of Puerto Rico. In 1906, he traveled to the country to recommend that Puerto Ricans become U.S. citizens. He stopped short of suggesting Puerto Rico become another U.S. state, however, and vowed to allow the island a certain amount of autonomy. Although presidents before Roosevelt had traveled outside the U.S. in other diplomatic capacities prior to or after serving as president, Roosevelt was the first to make a "state" visit while in office. His trip to Panama and Puerto Rico signaled a new era in how presidents conducted diplomatic relations with other countries.

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

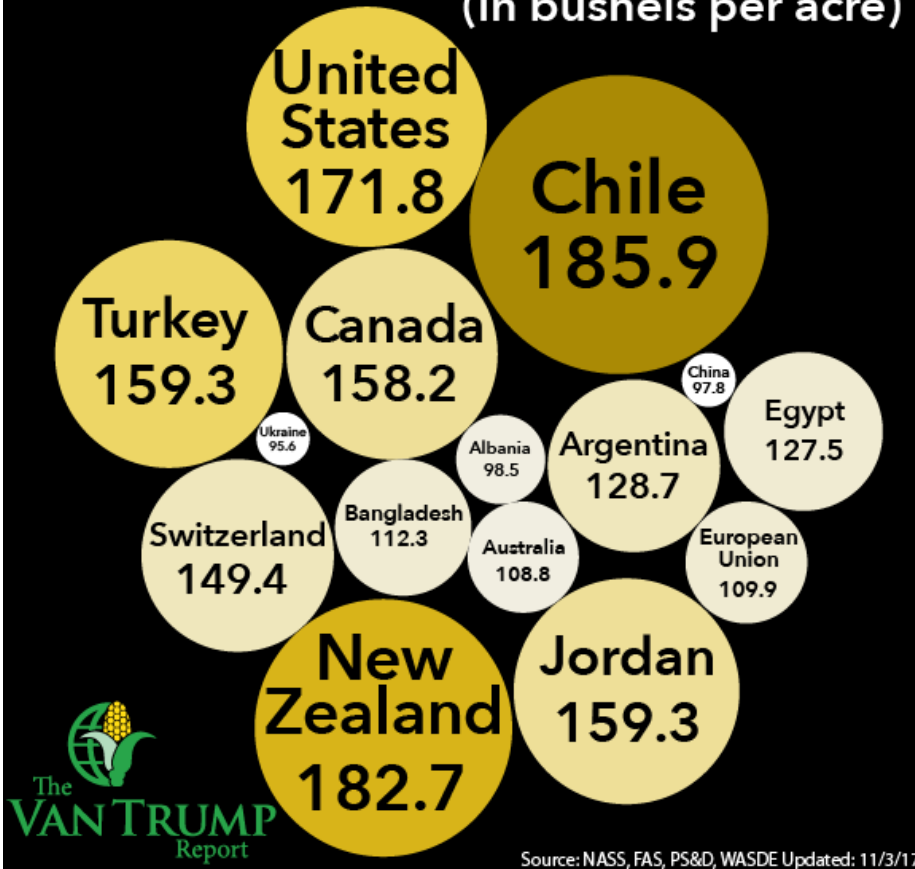
Thurs. 2/8 - USDA Supply and Demand

Kevin's Song of the Week

Corn traders continue to debate the U.S. yield and pace of the harvest. Last week the USDA showed U.S. producers harvested +16% of their crop, pushing the total harvest to 54% complete, which was still -18% behind the traditional pace of 72% harvested. States that were running the furthest behind and ones the trade will be most eager to see data from this afternoon are: Minnesota (-35% behind) 38% harvested vs. 5-year average of 73%; South Dakota (-31% behind) 35% harvested vs. 5-year average of 66%; **Colorado (-30%)** 31% harvested vs. 5-year average of 61%; Iowa (-26% behind) 44% harvested vs. 5-year average of 70%; Wisconsin (-25%) 25% harvested vs. 5-year average of **50%**; **Nebraska (-22%)** 45% harvested vs. 5-year average of **67%**; **North Dakota (-21%)** 37% harvested vs. 5-year average of 58%. Corn conditions were left "unchanged" last week at 66% rated "Good-to-Excellent" vs. 74% last year, I don't see much changing this week. As for U.S. yield, the USDA is currently forecasting 171.8 bushels per acre, but will update that number on Thursday. Most sources inside the trade are thinking the updated yield estimate moves higher once again by +0.5 to +1.5 bushels per acre. Rember, just last week, INTL FC Stone bumped their corn yield estimate higher from 169.2 to 173.7 bushels per acre. Informa also bumped up their estimate, raising it by +2.9 bushels per acre to 173.4 bushels per acre. In turn, both groups pushed their total U.S. production estimate north of 14.4 billion bushels, which would certainly make the balance sheet more burdensome. Hence the reason there's really no strong bullish interest or talk of an extended rally, especially with what appears to be more moisture falling across a wide-spread portion of Brazil and areas of Argentina looking as if it they are starting to dry out. The market continues to trade in a narrow range right around \$3.50 per bushel with the funds aggressively short.

Global Corn Yields

(in bushels per acre)



Soybean bulls continue to find it difficult to maintain upside momentum. We tested the higher end of the nearby range this past week, but with arguably improved weather in South America and a further deterioration of the Brazilian currency, it's tough to hold extended gains. The U.S. harvest seems like it's near its historical pace and will probably reach 100% complete in the next two to three weeks. Last week, producers pulled another 13% out of the fields, pushing the total to 83% harvested vs. the traditional 5-year historical average of 84% harvested by this date. Most states that we're lagging closed the gap last week. The furthest behind was Iowa (-8% behind) 83% harvested vs. 5-year average of 91%; Kentucky (-6% behind) 55% harvested vs. 5-year average of 61%; Nebraska (-4% behind) 89% harvested vs. 5-year average of 93%. As for U.S. yield, the USDA will be updating their current estimate on Thursday. Most sources seem to think the current yield of 49.5 bushels per acre is still a bit overly optimistic. I'm personally not sold on the argument that the USDA will make a further reduction in yield. I'm also not looking for any type of cut or reduction to South American production estimates. Yes, weather has created some complications, but it's still early. I am however interested in seeing if the USDA makes any kind of change to Chinese demand? I'm also interested to see if the USDA makes any changes to U.S. domestic demand, I'm hoping we've seen some improvements. Staying patient and looking to reduce more risk on a breakout to the upside.

WHAT I'M LISTENING TO:



Brothers Osborne "21 Summer"

About the Report



NEXT level THINKING

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

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

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

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

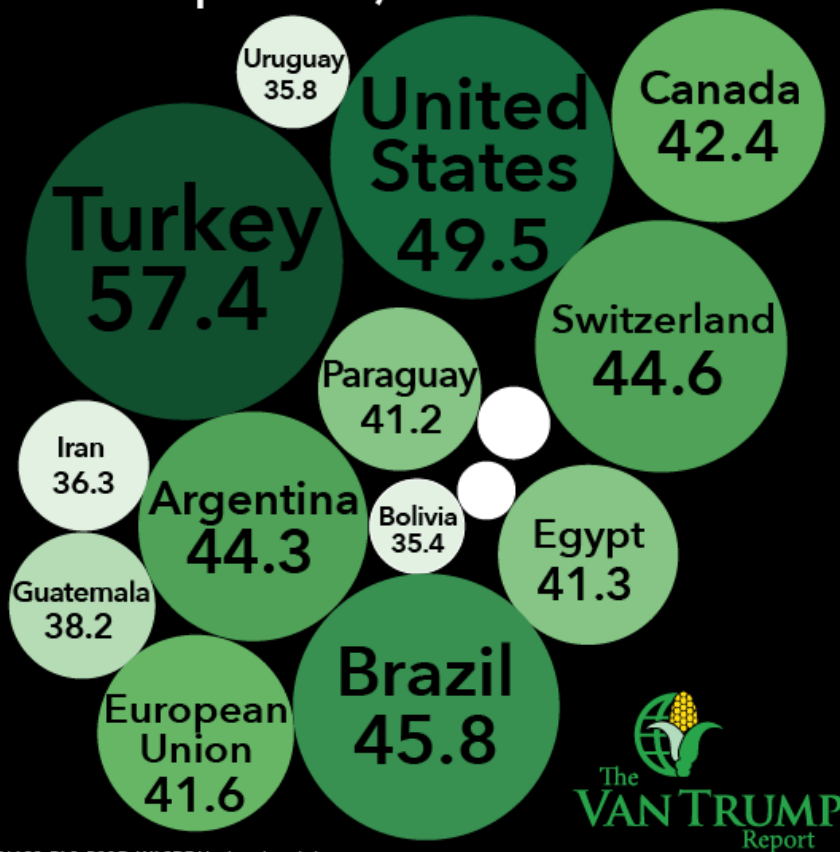
Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that

Global Soybean Yields

(in bushels per acre)



Source: NASS, FAS, PS&D, WASDE Updated: 11/3/17

influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

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

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.

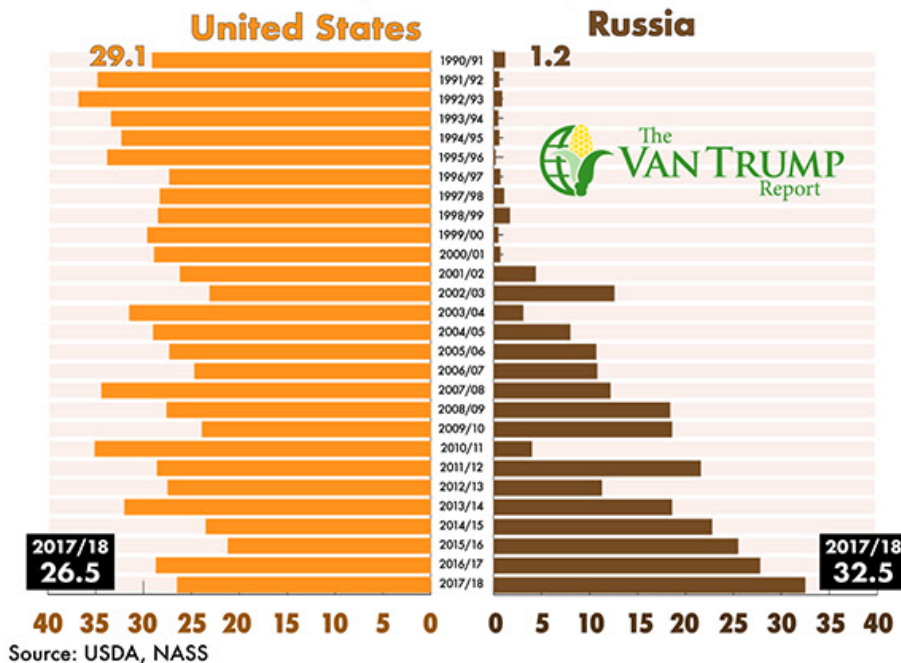
- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

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.

Wheat traders are wanting to see if the USDA's winter wheat conditions change much this afternoon. The first estimate last week showed just 52% of the U.S. crop was rated "Good-to-Excellent". South Dakota seemed to be in the worst shape with just 17% of their crop rated GD/EX. The USDA also showed the winter wheat crop was 84% planted vs. the 5-year historical pace of 87%. Globally, U.S. wheat has become a bit more competitive but total U.S. exports are still nothing to write home about. It continues to feel like low-cost providers in the Black Sea region and parts of Europe still have room to offer deeper bargains. Here at home it seems like "planted acres" continue to work their way lower. As of last week, there were still a few states lagging behind. It will be interesting to see how many originally intended acres ultimately go "unplanted". As of last week... Kansas was still -9% behind, 84% planted vs. 93% average; Oklahoma was -8% behind, 83% planted vs. 91% average; Missouri -6% behind, 55% planted vs. 61% average; California -4% behind, 30% planted vs. 34% average; Washington -4% behind, 91% planted vs. 95% average; Illinois -3% behind, 76% planted vs. 79% average; Colorado -2% behind, 97% planted vs. 99% average; Indiana -2% behind, 81% planted vs. 83% average; Nebraska -1% behind, 98% planted vs. 99% average. There's very little fresh or new to report in the global headlines. The funds continue to hold an extremely large net-short position, but the overly burdensome global balance sheet gives them very little reason or fear to alter their position.

WHEAT EXPORTS

(in Million Metric Tons)



> Brazil Expected To Capture Lion's Share Of China's Soybean Biz: Brazil is expected to win a larger share of China's soybean imports in coming months, hitting U.S. exporters during the peak marketing season for their most valuable farm product as the world grapples with a fifth consecutive bumper crop. China is expected to buy about five million tonnes of soybeans from Brazil for the fourth quarter of 2017, two senior trade sources said, double the 2.49 million tonnes shipped over the same period last year. (Source: Reuters)

> Egypt Issues Wheat Shipment Guidelines: Egypt's agriculture ministry has issued a list of guidelines for port inspectors detailing which wheat shipments should be accepted or rejected by the world's largest buyer, a document seen by Reuters showed. Egypt is looking to address the concerns of suppliers who have been adding risk premiums of up to \$500,000 per cargo because of what they say are inconsistent import rules and erratic inspection procedures. (Source: Reuters)

> Indonesia Threatens To Bar EU Milk Powder Amid Palm Oil Dispute: Indonesia, the world's biggest producer and exporter of palm oil, said it could halt milk powder imports from the European Union if the bloc pushes forward with a resolution to restrict imports of the vegetable oil. Indonesia's exports of palm oil in 2016 were worth \$18 billion, with the EU accounting for 16 percent of its sales last year. But the EU is concerned that booming demand for palm oil is causing massive deforestation. Indonesia imports milk powder from EU countries, as well as Australia and the United States. (Source: Reuters)

> DuPont To Sell Cellulosic Ethanol Plant: DuPont Industrial Biosciences, a unit of DowDuPont Inc, on Thursday said it halted operations at a two-year-old ethanol plant and will sell it, dealing another blow to efforts to create biofuels without using food crops. The decision to shut the Iowa plant comes as political winds are undercutting efforts to produce ethanol from plant waste and wood shavings. DuPont spent about \$225 million to build the facility, which used corn stalks and stems to make ethanol. The plant was designed to produce 30 million gallons a year. A DuPont Industrial Biosciences spokeswoman said the EPA's plan to decrease cellulosic biofuel volumes played no role in shutting the plant. (Source: Reuters)

> USDA Has Serious Personnel Woes: With Sam Clovis withdrawing his name from consideration for chief USDA scientist, Agriculture Secretary Sonny Perdue could ride into 2018 with just two of his seven undersecretary posts filled -- vacancies that will

delay policy making on issues like food stamps, forest management and rural development. "It's ridiculous what we're going through here," said John Block, who served as Agriculture secretary during the Reagan administration and on Trump's agriculture advisory committee. "I think this is really very bad for our country, our economy and it sets a very bad example to be able to fill these slots that are vital and are important." No one can recall an administration having so few political nominees confirmed at USDA 10 months in. (Source: Politico)

> Soil-Free Decision Escalates Controversy: The National Organic Standards Board has wrestled for years with the issue of soil-free production methods and whether they violate the Organic Foods Production Act. After a narrow vote this week, NOSB has voted to recommend allowing hydroponics and aquaponics to keep the organics label. Old-school farmers are threatening to leave NOSB, a program they helped create, over the decision. (Source: Washington Post)

> U.S. Sets Tariff On Canadian Softwood Lumber: The U.S. Department of Commerce has said it has concluded that imports of Canadian softwood lumber are being unfairly subsidized and set a final total tariff for most Canadian producers at 20.8%. A handful of producers were singled out for individual duties, including one of up to 23.8%. Except in one instance, those combined countervailing and anti-dumping duties are below preliminary tariffs issued earlier this year. The final tariffs will be set if the US International Trade Commission (ITC) makes a determination that the U.S. industry was harmed. An ITC decision is due by December 18. (Source: BBC)

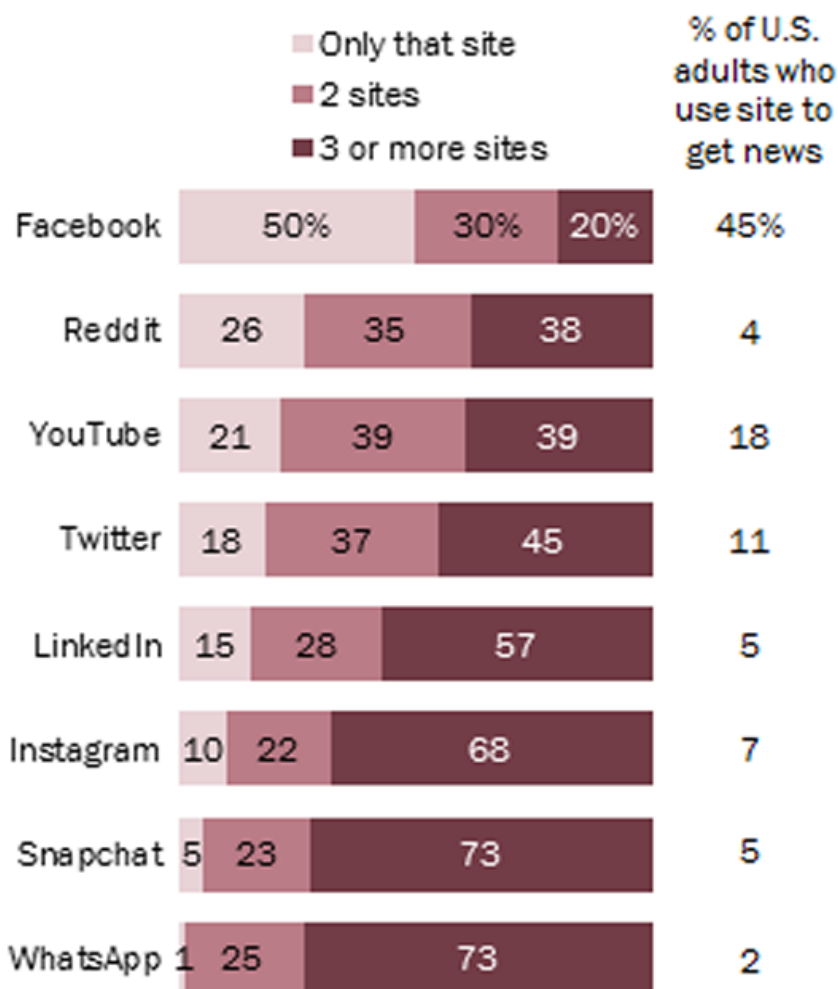
> Amazon Ending Fresh Delivery In Some Areas: Amazon.com Inc is ending its Fresh grocery delivery service for select areas, though it continues to operate in more than a dozen cities from Los Angeles to Tokyo, it said in a statement. AmazonFresh deliveries will stop for some people after Nov. 30, according to messages sent to customers in suburban Pennsylvania and New Jersey, seen by Reuters. Some Amazon customers in California, New York and Maryland posted on Twitter that they were losing the service as well. AmazonFresh started more than a decade ago but has yet to make a major dent in the \$700 billion U.S. grocery market. Whole Foods Market, which Amazon acquired in August for \$13.7 billion, is expected to play a key role in Amazon's grocery delivery going forward. (Source: Business Insider)

> Broadcom Plans A \$100 Billion Unsolicited Bid For Qualcomm: Broadcom is planning to make an unsolicited takeover bid for Qualcomm that could value its rival US chipmaker at more than \$100bn, according to two people briefed on its plans. One person close to Broadcom said the offer for Qualcomm would be about \$70 per share, a level the stock has not seen for more than two years. Broadcom's offer comes after months of weakness in Qualcomm's stock, as its legal battle with Apple over wireless chip pricing, patents and alleged anticompetitive behaviour has continued to escalate. A deal would cap an acquisition binge which has made Hock Tan, Broadcom's chief executive, the chip industry's leading dealmaker in a period of heightened consolidation. Broadcom also announced that it will switch legal base and headquarters to the US, a move that was seen as a prelude to further acquisitions. The move, which he announced in the the Oval Office alongside President Donald Trump, was expected to clear the way in the short term for Broadcom's \$5.5bn acquisition of Brocade, which has been held up by a security review in Washington because Broadcom's legal base is outside the US. But analysts said it would also remove a barrier which stood in the way of Broadcom's next phase of acquisition-fueled growth. (Sources: Financial Times, Wall Street Journal)

> Nearly Half Of Facebook Users Get Their News Exclusively On The Social Media Platform: Americans are more likely than ever to get news from multiple social media sites, according to a recent Pew Research Center report. About a quarter of all U.S. adults (26%) get news from two or more social media sites, up from 15% in 2013 and 18% in 2016. But there is considerable variation in the extent to which each site's news users get news from other sites, and which sites those are. Facebook claims the largest share of social media news consumers, and its news users are much more likely to rely solely on that site for news. Just under half (45%) of U.S. adults use Facebook for news. Half of Facebook's news users get news from that social media site alone, with just one-in-five relying on three or more sites for news. By comparison, news users of LinkedIn, Instagram, Snapchat and WhatsApp are particularly likely to get news on multiple social networks: Half or more of their news users get news on three or more social media sites. (Source: Pew Research)

Half of Facebook news users get news from that social media site alone; other audiences rely on multiple sites

% of each site's news users who get news from ...



Note: Tumblr not shown due to small sample size. Numbers may not add to 100% because of rounding.

Source: Survey of U.S. adults conducted Aug. 8-21, 2017.

PEW RESEARCH CENTER



Northcentral Illinois - We got a little rain last night and we have a pretty good layer of fog today. We are moving some corn to other storage in prep for the remaining acres

of harvest. We have 600 acres of both corn and beans left to harvest. The yields look very good so far, around 230bpa. Some of our fields on the other side of the river are yielding 210, but averages overall will be good. We are wishing we pulled the trigger on more sales in July as we still have a majority of the crop left to market. We are in good shape overall but if we see a couple more years of this, it could be a different story.

Central Iowa - We are still picking corn after finishing up beans last week. The corn has not wanted to dry very fast this year at all. The first field that we picked was up over 20% moisture levels but the latest fields are coming in closer to 16.5%. This summer during the time we didn't have any rain I thought we would only make 130bpa. I know that we will be better than that but not sure how much. We will be ripping anything that had corn on it. We are also on a two-year hog manure program that has been beneficial. We have not finished up the corn harvest yet but the yields have been pretty surprising. We are seeing some stalk damage throughout some fields. Over the summer we went about two months with very little rain that set things back on production. Between July 1st and the beginning of September we only had maybe 1.5" to 3" of rain. The beans received no late rains and they had a hard time finishing. This year's bean yields were only at 47bpa.

Eastcentral Wisconsin - We have finished beans with an average of 44bpa. Most guys are getting 45-50 this year and our averages are 50-55bpa. We suffered through a late-season hail storm which brought yields down a bit. The corn will end up around 180bpa when all said and done. We received plenty of rain this season but we are dry now. One of my excavating friends said it is really dry beneath the surface, so I hope we get some good winter precipitation. We have two ethanol plants near and I was fortunate to get some contracts in place at \$4.00. We no-till and have been using cover crops for eight years now. Once you get past year two or three the cover crops really help with weed suppression.



Genetic Discovery Another Tool In Battle Against Wheat Pests: Greenbug and Hessian fly infestations can significantly reduce wheat yield and quality. Breeding for resistance to these two pests using marker-assisted selection just got a new tool from a Texas A&M AgriLife Research study. AgriLife Research wheat geneticist Dr. Shuyu Liu began two years ago searching for breeder-friendly markers for those two insects. Through the years, a number of greenbug resistance genes have been identified in wheat and its relatives based on their differential reactions to different biotypes, which range from A through K. There are also 18 Hessian fly biotypes, and because it has the ability to overcome resistance genes deployed in wheat cultivars through mutations, it is necessary to identify and utilize resistance genes from diverse sources for wheat breeding. Read more [HERE](#).

Meet Your Newest Research Tool: Imagine having a button that can instantly tell you (virtually) everything there is to know about something or someone. That, in a nutshell, is Detective by Charlie, which uses natural language processing and AI to unearth and collate information about a particular subject in a couple of seconds. Here it is in action, as demonstrated by the company's CEO, Aaron Frazin: In a matter of seconds, Detective by Charlie unearthed almost everything you might want to know about Uber. It identified the CEO, Dara Khosrowshahi, and found his LinkedIn and Twitter accounts. It figured out how much funding it'd pulled in over the years, and who its biggest competitors are. Eventually, everyone will have the power to set up and use Detective to do their research. Read more [HERE](#).

Taking Your Idea To Market Has Never Be Easier: There has never been a better time to pursue a product idea. I really believe that. You don't have to drain your savings account or quit your day job to get a concept off the ground. You don't need co-founders, investors, or even to write a business plan. From the advent of rapid prototyping and crowdfunding to the widespread affordability of digital tools and technologies, the opportunities available to creative people today are fundamentally different -- and enormously exciting. I'd argue that barriers to participating in technological, social, and creative innovation and entrepreneurship are at an all-time low, actually. Read more [HERE](#).

How You Can Protect Your Credit Card Info This Holiday Season: In the aftermath of many high-profile data breaches, Americans are more concerned than ever about the security of their credit cards. Credit cards are a frequent target of criminal hackers, and as payment technology evolves, it's important that you know how to protect your financial data. In 2015 the total losses for US credit card fraud were nearly

\$8 billion and estimated to be \$12 billion by 2020. See the steps you can take to protect yourself [HERE](#).

Why 2018 Could Be A Milestone Year For Commercial Space Travel: Next year will mark the 50th anniversary of the first manned lunar mission, during which three Apollo 8 astronauts orbited the moon and gave the U.S. a decisive lead in its space race against the Soviet Union. These days, with NASA's milestones receding in the national memory, Russian spaceships are the ones ferrying American astronauts to and from the International Space Station (ISS). If all goes well, that will change in 2018, see the what big plans are ahead for NASA [HERE](#).

Bitcoin Transactions Use More Energy Than Some Small Countries: Bitcoin's incredible price run to break over \$7,000 this year has sent its overall electricity consumption soaring, as people worldwide bring more energy-hungry computers online to mine the digital currency. An index from cryptocurrency analyst Alex de Vries, aka Digiconomist, estimates that with prices the way they are now, it would be profitable for Bitcoin miners to burn through over 24 terawatt-hours of electricity annually as they compete to solve increasingly difficult cryptographic puzzles to "mine" more Bitcoins. That's about as much as Nigeria, a country of 186 million people, uses in a year. Read more [HERE](#).

Is 'Natural Flavor' Healthier Than 'Artificial Flavor'? Pick up any packaged, processed food, and there's a decent chance that one of its listed ingredients will be "natural flavor." The ingredient sounds good, particularly in contrast to another common and mysterious ingredient, "artificial flavor." But what exactly does natural flavor mean? The U.S. Food and Drug Administration defines "natural flavor" as oils, resins or other extracts derived from natural sources like plants, meat or seafood. When consumers see "natural flavor" on a beverage label, they shouldn't assume that someone is zesting oranges into their bottle. Even though natural flavor must come from natural sources, it need not all come from the plant or meat whose flavor is being mimicked. For example, orange flavor might contain not only orange extract but also extracts from bark and grass. Read more [HERE](#).

How Science Transformed The World In 100 Years: In an essay for the BBC, Nobel Prize-winner and Royal Society President Sir Venki Ramakrishnan contemplates the nature of scientific discovery - how it has transformed our worldview in a short space of time, and why we need to be just as watchful today about the uses of research as we've ever been. Check it out [HERE](#).

This Is The Face Of American Political Power: Take a close look at the face shown below. Who do you see? We'd call him a clean-cut, middle-aged white man. He looks like a John, a James, or a Robert. Perhaps you've met him once: the husband of a friend, or a former colleague. Or maybe you've only ever seen him on television. What you're actually looking at is the face of American politics in 2017. He is a composite image of the US Congress: all 100 Senators and 435 members of the House of Representatives, blended into one. Remember, in politics, faces matter. Click [HERE](#).



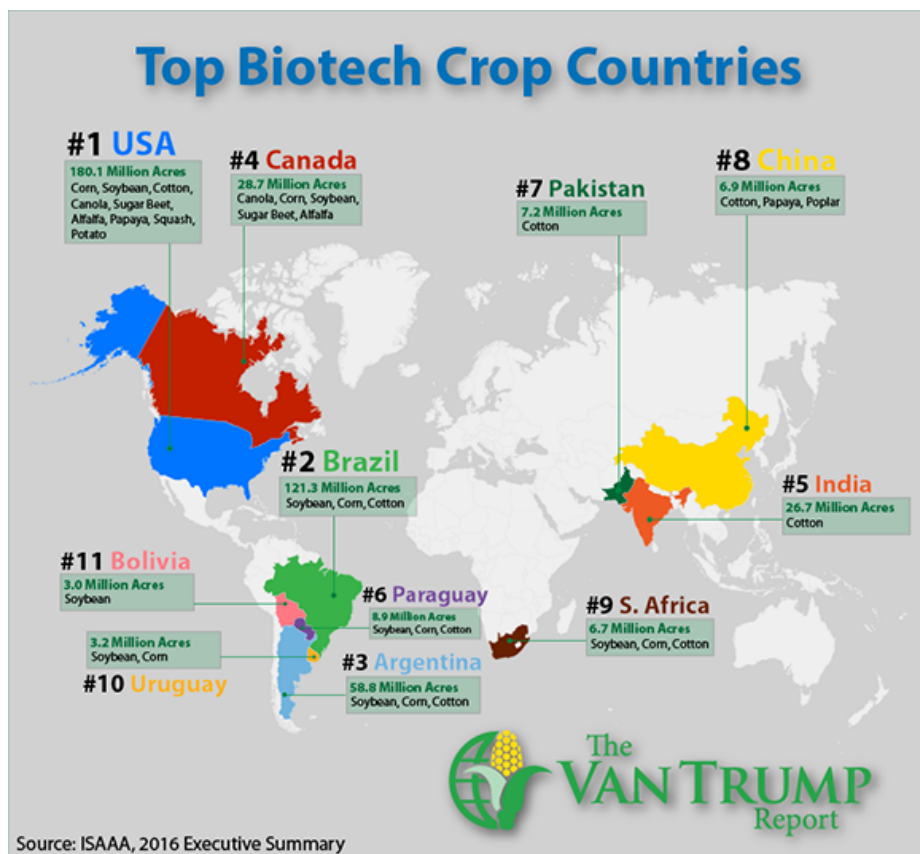
Genetically Modified Crops Are Adopted Around the Globe At Highest Rate Ever

Each year the International Service for the Acquisition of Agri-biotech Applications or (ISAAA) publishes the most comprehensive brief on the adoption and distribution of biotech crops around the world. The information covered in the [ISAAA Brief 52](#) is one of the most cited references in the field of modern agri-biotechnology due to its credibility and accuracy. Since the adoption of biotech crops in 1996, ISAAA has remained the single most prominent source of this information. I think people in agriculture in this country have a general understanding of biotech crop adoption. However, I am often asked about what biotech crops are being planted in other parts of the world. According to this year's report, 26 countries grew 457.4 million acres (185.1 million hectares) of biotech crops -- an increase of +13.3 million acres (5.4 million hectares) or up +3% from the previous year. This is the twentieth consecutive series of increases, outside of the drought year; and notably 12 of the 20 years showed double-digit growth rates. Below is a graphic that shows what, where and how many biotech crops are being planted internationally and a few highlights that are worth noting. I encourage everyone to take a look at the report in its entirety by clicking the link provided above:

- **U.S.** We continue to be the leader in the global commercialization of biotech crops since 1996. In 2016, 180 million acres were planted to major biotech crops: maize (86.6 million acres), soybean (78.7 million acres), cotton (9.1 million acres), some areas of biotech crops: alfalfa (3 million acres), canola (1.5 million acres), and sugar beet (1.2 million acres) and small areas of virus resistant papaya and squash (1,471 acres each), and non-browning Innate™ potatoes (6,177 acres). The immediate increase of biotech/GM crop planted area in the USA in 2016 indicates that the 2015 slight decrease attributed to low commodity prices of maize and cotton was only temporary. Resumption of global prices and the active trade with countries for livestock feeds, food processing, and biofuel needs in 2016 put the US biotech crop adoption back on track with 3% increase from 2015.
- **Brazil:** They retained their #2 world ranking after the U.S., with 121.13 million acres of biotech crops planted, representing 27% of the global acreage of 457.4

million acres. Brazil's total biotech crop acreage of 121.13 million acres is an increase of 11% from 2015. This increase was by far the highest in any country worldwide in 2016 making Brazil the engine of growth in biotech crops worldwide.

- **Latin America:** Ten countries in Latin America grew 197.7 million acres of biotech crops. Except for Chile and Costa Rica which continuously plant biotech crops for export, biotech crop countries in Latin America grew biotech crops for food, feed and processing. Total soybean and biotech plantings in Argentina and Bolivia were affected by severe drought. Moreover, in Paraguay, marginal decrease in soybean area was due to competition with maize planting to cater for the increasing demand of the expanding pork industry in the country. In Mexico, reduced soybean planting was due to conflicts resulting from negative propaganda for biotech crops. Biotech soybean and maize decreased in Uruguay due to lowered prices, higher production costs and positive policy developments for grain and soybean sector in Argentina. Lowered cotton prices also negatively affected Argentina, Mexico, and Colombia.
- **South Africa and Sudan:** By 2016, at least four countries had in the past placed a GM crop in the market - Burkina Faso, Egypt, South Africa, and Sudan. However, due to a temporary setback in Burkina Faso and Egypt, only South Africa and Sudan planted biotech crops at 6.9 million acres. South Africa is one of the top ten countries planting more than 1.5 million acres in 2016 and continued to lead the adoption of biotech crops in the African continent. Biotech maize, soybean and cotton area increased to 6.6 million acres in 2016, a 16% increase from the 5.6 million acres in 2015. A new wave of acceptance is emerging in the continent. Three countries: Kenya, Malawi and Nigeria transitioned from research to granting environmental release approvals, while six others - Burkina Faso, Ethiopia, Ghana, Nigeria, Swaziland and Uganda made significant progress in moving towards completion of multi-location trials in readiness for considering commercial approval.
- **European Union:** Surprisingly four countries inside the European Union have continued to plant biotech corn on just over +336,000 acres.
- **Asia and the Pacific** actually grew +46 million acres of biotech crops.



U.S. Army Is Set To Overhaul Its Physical Fitness Test

Officials at the U.S. Army Center for Initial Military Training are looking to overhaul their physical fitness test. According to a CIMT study, the current test, known as the Army Physical Fitness Test or APFT, is only predictive of a Soldier's ability to do his or her job. The proposed Army Combat Readiness Test (ACRT) is considered to be about 81% predictive. CIMT officials said the current APFT does well assessing a Soldier's endurance but does not reliably predict a Soldier's ability to go into combat. While endurance is relevant, the APFT in no way helps Soldiers focus on preparing to do their jobs. "If we have prepared individuals to fight the fight, then we are a better, more optimized organization ready to defend this nation against all enemies," said USACIMT

Command Sgt. Maj. Michael Gragg on the ACRT. The ACRT is also a "one size fits all" standard, meaning there are no adjustments for age or gender. Officials point out that in general, the Army currently faces challenges when it comes to physical fitness. The CIMT says tens of thousands of soldiers aren't deployable because of injuries, many caused by poor physical fitness. The current test consists of timed push-ups, sit-ups and a two-mile run. Developed in the eighties, it was the product of the aerobic craze at the time, as well as the idea that combat was "obsolete." The ACRT is made up of six test events, including: T push-up, 250-meter sprint/drag/carry, leg tuck, standing power throw, 3-repetition deadlift and a 2-mile run. Although the grading for the ACRT has yet to be determined, officials said there will be a minimum baseline standard without "go" or "no go" events. The Army has been conducting field studies of the proposed ACRT standards at five different installations. At Ft. Leonard Wood in Missouri earlier this month, soldiers that tried it out overall had positive feedback. One called it a "really good program", explaining that if you train for it, "it will definitely get you more physically fit than the current PT test. The Army says an estimated 2,000 soldiers on five bases, including Leonard Wood, are expected to try out the test before any decisions are made on its future. (Sources: Task and Purpose, U.S. Army)

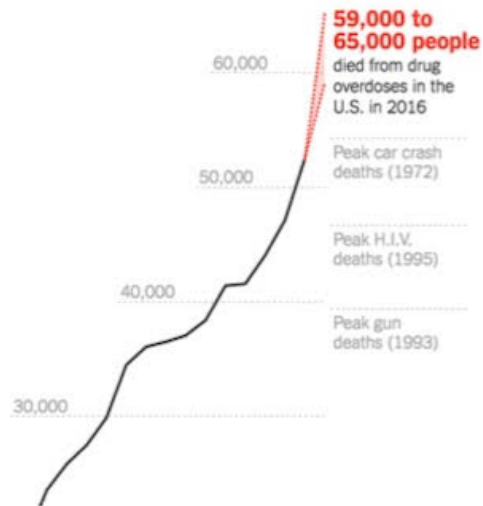




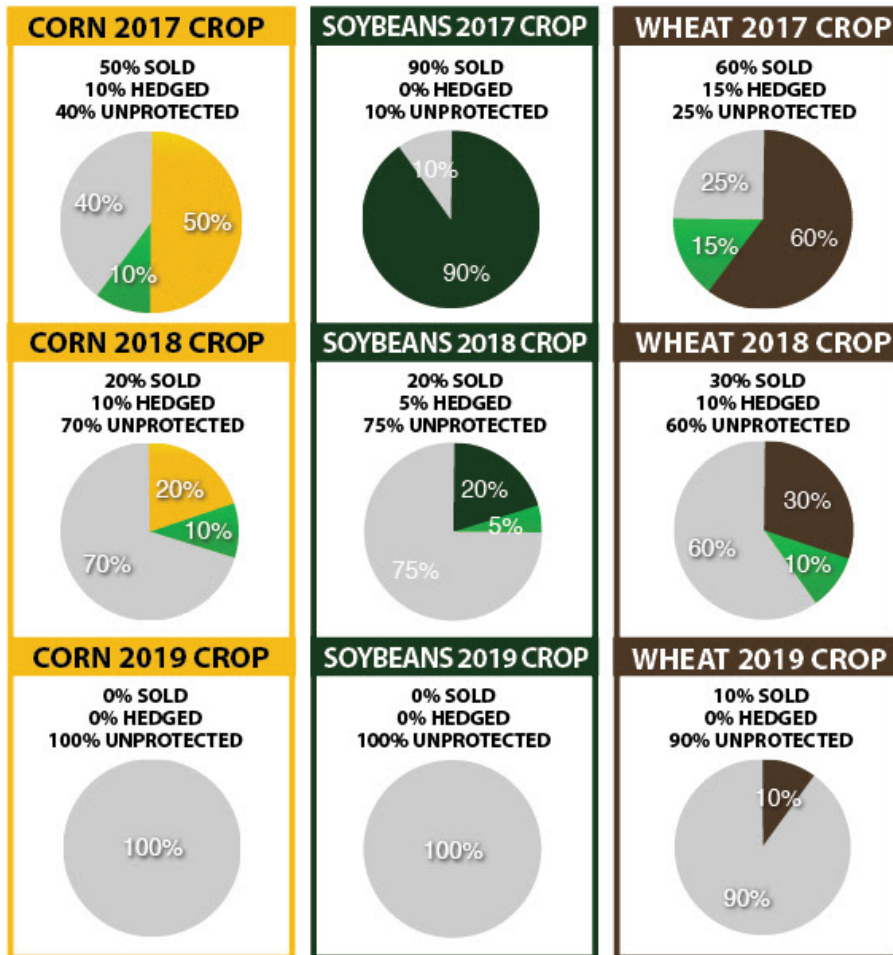
Getting My Head Around The Drug Epidemic

We've all read the headlines and heard the talk about the fight against drugs, but what's been happening the past few years seems nuts. Can you believe, drug overdoses are now the leading cause of death for Americans under 50! Since 1990, the number of Americans who have died every year from drug overdoses has increased by more than 650 percent. In 2015, more Americans died from drug overdoses than from car accidents and gun homicides combined. By far it's the worst drug overdose epidemic in American history, spurred by rising drug abuse, increased availability of prescription opioids and an influx of potent synthetics. Many of the top researchers and medical professionals say, "it's not even the magnitude — it's the steepness at which it's climbing." Interestingly, the opioid epidemic has not fallen equally on all races or regions. Among those 15 to 44 — the age group in which drug overdose accounts for the greatest share of deaths — there are vast differences across racial categories and between urban and rural places. Despite the perception of the epidemic as primarily afflicting the rural working class, drug overdoses account for a greater percentage of deaths among the young in large cities and their suburbs, with urban and suburban whites most at risk. Understand, deaths from opioids—which include painkillers and heroine—make up a large portion of these deaths; 91 Americans die every day from an opioid overdose. However, a new study finds that many opioid-related deaths are underreported, meaning the epidemic may be a lot worse than anyone thought. In the report, Christopher Ruhm, a professor of public policy & economics at the University of Virginia, found that nationwide, the death rate from opioids is 24% higher than what has been estimated previously. Deaths related to heroin, which is cheaper than prescription painkillers, are 22% higher, he says. Ruhm contends that one of the reasons U.S. officials have been unable to win this war "is the lack of reliable information on the drugs causing fatal overdoses." Another recent report shows that America's opioid problem may be hindering the full recovery of the job market. The research indicates rising opioid prescriptions from 1999 to 2015 may account for about 20% of the decline in men's labor force participation during that same period. This number peaked at 67.3% in the early 2000s, and has been steadily declining since. Over the same timeframe, the study shows the LFP rate fell more in counties where more opioids were prescribed. The Trump administration established a commission, led by Gov. Chris Christie of New Jersey, to study responses to the epidemic. Their final report, issued last week, called for a nationwide system of drug courts and easier access to alternatives to opioids for people in pain, part of a wide-ranging menu of improvements it said are needed to curb the epidemic. The more than 50 recommendations in the draft report also include requiring doctors and others who prescribe opioids to show they have received training in the safe provision of those drugs before they can renew their licenses to handle controlled substances with the Drug Enforcement Administration. (Sources: NY Times, NBC, Time)

Drug overdose deaths,
1980 to 2016



CASH SALES & HEDGING TOTALS



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