

GOOD MORNING: 11/20/17 Farm Direction - VanTrump Report

1 message

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

Mon, Nov 20, 2017 at 6:45 AM



"In the end, we will remember not the words of our enemies, but the silence of our friends." —Martin Luther King, Jr.

MONDAY, NOVEMBER 20, 2017

[Printable Copy](#) or [Audio Version](#)

Van Trump Conference Update: This years conference is going to be amazing! After last year's record one day event, the KC Convention Center bumped us to their newest venue overlooking the Kaufman Center. They set us up for 750 people, but again we've reached our max. They are now working to open up a few more spaces, so please call the office soon if you are still wanting to attend (816) 322-5300. We have also sold out the entire Crowne Plaza Hotel and are now booking rooms right next door at The Aladdin and the Marriott, both nice places. I think we have our best lineup of speakers and panelist to date, if you haven't seen the entire list Click [HERE](#). I suspect there are going to be some heated discussions and debates about the future, including but not limited to... crop and livestock prices, land prices, changes in transportation, the future of ethanol, disruptive technology, shifts in the agricultural value chain, transparency in inputs, dynamic changes in farm equipment, etc. Our goal was to bring together some of the top-minds in agriculture to network and brainstorm about the massive changes and disruptive shifts that are rapidly reshaping the face of our industry. I am happy to see so many are interested in discussing and learning more about our future. I'm glad I can bring together those who want to share. I look forward to seeing everyone in a few weeks. Below is the tentative agenda for the event.

Cocktail Reception - December 5th, Tuesday

8:00pm to 10:00pm Crown Plaza Hotel Penthouse Suite

The Van Trump Report and Farmers Business Network are hosting this special event. There will be many industry leading executives, producers and traders networking and discussing the future of agriculture and various other asset classes. Great opportunity to meet and talk shop in a casual friendly environment.

The Main Event - December 6th, Wednesday

6:45am to 7:45am - Registration and Exhibitor Networking

7:45am to 8:00am - Welcome by Kevin Van Trump

8:00am to 8:45am - Macro Keynote

Dennis Gartman, Professional Trader/Investor, Publisher "The Gartman Letter", will provide his latest macro insights, including the current geopolitical landscape, the future of energy and some of his favorite and least favorite investments.

8:45am to 9:30am Q&A - Transparency, Disruptive Tech and The Value Chain

Carter Williams, CEO, iSelect Fund
Sid Gorham, CEO, Granular
Larry Trebesch, COO, Farmers Business Network
Jesse Vollmar, CEO, FarmLogs
Natalie DiNicola, President, DiNicola, LLC

9:30am to 9:45am Break / Exhibitor Viewing

9:45am to 10:30am Q&A - The Future of Ag Infrastructure



SOLD OUT

December 6, 2017

Full MARKET Outlook



On hand with market insights

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Economic & Ag Forecast

G Dennis Gartman
Editor/Publisher
The Gartman Letter

Network directly with top industry leaders and ag industry executives to learn how to grow your business

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Special Keynote Speaker
James Olson - Former CIA
Chief of Counterintelligence

Todd Sears, CEO, IntelliFarms
Paul Miller, Co-Founder and Chief Science Officer, Agrible
Barret Ersek, CEO, Holganix
Harold Birch, CEO, Family Farms
Pat Christie, EVP, Conservis
Gordon Clark, CEO, Silveus

10:30am to 11:30am Motivational Keynote

Dr. Rick Rigsby recently delivered one of the most passionate speeches ever heard! More than 130 million people worldwide viewed the video in less than 30 days. This is one you do not want to miss! Click [HERE](#) to see it yourself

11:30am to 12:30pm Lunch Served

Lunch Presentation - Diversify the Farm - "How I Got Started In the Whiskey Business" by **Jamie Walter**, CEO, Whiskey Acres Distilling

12:30pm to 1:15pm Q&A - Valuing Farm Land and Thoughts On Future Ag Policy

Paul Pittman, CEO, Farmland Partners
Jim Farrell, President, Farmers National Company
Steve Bruere, CEO, Peoples Company
Eric O'Brien, Co Founder, Fall Line Capital
John Nitz, Principal, Ag Investments Unit Prudential
Jonathan Coppess, Director of Bock Ag Policy Center, University of Illinois
Joe Outlaw, Co-Director, Ag and Food Policy Center, Texas A&M
John Newton, Director, Market Intelligence, American Farm Bureau Federation

1:15pm to 1:45pm Thriving Into The Next Generation

Mark Jewell, expert business consultant, coach and solutions designer will provide a look into the future and provide tools and techniques we can use to better work with those who are forever changing our agricultural landscape.

1:45pm to 2:00pm Break / Exhibitor Viewing

2:00pm to 2:20pm Crypto, Blockchain and Artificial Intelligence

Howard Getson, CEO, Capitalogix, provides us a behind the scenes look at his amazing artificial intelligence trading platform and explains what is happening in regard to blockchain and cryptocurrency technologies.

2:20pm to 3:00pm Current Thoughts On Ag and Alternative Investments

Kevin Van Trump, CEO, Farm Direction

3:00pm to 4:00pm Geopolitical Keynote

James Olson, Former CIA Chief of Counterintelligence, provides one of the most electrifying presentations of our lifetime. Olson walks the audience through his years of being a top CIA agent, taking listeners inside the real world of intelligence. His fascinating story will leave the crowd speechless. Olson will also provide his opinion about terrorism today and what is needed to win the war against it.

4:00pm to 4:15pm Break / Exhibitor Viewing

4:15pm to 5:30pm "Texas Cage Match" - Final Wrap Up Roundtable - Heated debates and discussions about a variety of topics from the audience. Should be a relaxed, fun "Town Hall" type format with many of the days participants.

Kevin Van Trump, CEO, Farm Direction
Andy Daniels, CEO, Kronus and Founder of Daniels Ag
Mike Mock, CEO, Mock Consulting
Matt Bennett, Owner Bennett Consulting, Marketing Consulting for Channel Seed
Andrew Ward, Director of Business Development, McDonald Pelz
Tom Williamson, CEO, Transportation Consultants Company
Tom Willis, CEO, Conestoga Energy
Jesse Vollmar, CEO, FarmLogs
Carter Williams, CEO, iSelect Fund
Howard Getson, CEO, Capitalogix
and several others...

Morning Summary: U.S. stocks are coming off the second week in a row of losses, though indexes are still nowhere close to experiencing any sort of significant "correction." In fact, the S&P 500 is up over +14% for the year and most insiders believe that stocks will continue to climb throughout the tail-end of 2017 thanks to solid

Here are a few of this
year's early sponsors



third-quarter earnings and continued confidence in the U.S. economy. However, that is also assuming tax reform clears its remaining hurdles. The Senate will bring their version of the overhaul to the floor for a vote after Thanksgiving. If the full Senate approves its measure, it will have to be reconciled with the House version before legislation can be sent to President Trump's desk for his signature. Republicans have been promising to meet that goal by Christmas. The only economic data on the calendar for today is Leading Indicators. Later this week on Wednesday, the Federal Reserve releases minutes from their November 1 meeting, though it's not expected to reveal any new or unexpected information. Oil markets could see some extra volatility this week as the powder-keg in the Middle East continues to create concern. From what I understand, The Arab League held an emergency meeting in Cairo over the weekend, with harsh words for Iran and its Lebanese proxy Hezbollah. Recently, Saudi Arabia's Crown Prince Mohammed bin Salman accused Iran of "direct military aggression" against his Kingdom. The comments follow the launch of an Iranian-supplied ballistic missile at Riyadh from Houthi militia-held territory in Yemen on Nov. 4, and an explosion and fire at a Bahraini oil pipeline last Friday, also blamed on Iran. There's also been some rumors flying around that Saudi Arabia's King Salman might abdicate the throne this week, handing power over to his son. The move would obviously add to an already major shakeup as the Crown Prince and the Royal Family has aggressively attempted to consolidate power in their home kingdom as of late. If you recall, over the last couple of weeks, numerous princes and senior officials have been arrested. There is also suspicion that the "resignation" of Lebanon's prime minister earlier this month was engineered by Saudi Arabia in an effort to undermine Iran. This is clearly a situation the trade will continue monitoring in the coming weeks.

Who Are The Richest Bitcoin Holders: *A while back, I was sent a research report by Robert Parker, CEO of Holborn Assets in Dubai. At that time he claimed there were just over 16,650,000 Bitcoins that had been mined. According to some sources, there are only a couple of holders that have in excess of 100,000 Bitcoin. There is some talk that a guy named Satoshi Nakamoto may have mined 1 million bitcoins in the currency's early days. His stash is supposedly spread across many electric wallets. So, he is probably the richest person in Bitcoin. Interestingly, some speculate the second largest Bitcoin holder might belong to the US government, actually to the FBI. Remember, the FBI shut down the Silk Road online drug marketplace, and it started seizing bitcoins belonging to the Dread Pirate Roberts — the operator of the illicit online marketplace, who they say is an American man named Ross Ulbricht. The seizure sparked an ongoing public discussion about the future of Bitcoin, the world's most popular digital currency, but it had an unforeseen side-effect: By default it might have made the FBI the holder of one of the world's biggest Bitcoin wallets. There's also reports circulating that Cameron and Tyler Winklevoss own close to 1% of all Bitcoins, making their investment worth well over \$1 billion. These are the same twins who became infamous for their legal dispute with Mark Zuckerberg over the latter's alleged stealing of their original concept for the Facebook social network. It seems like it's working out well for all of them...*

Goldman Sachs Is Forecasting An Even Better 2018: *Economic growth around the world has picked up steam this year. Germany — Europe's largest economy — grew an unexpectedly strong +0.8% in the third quarter. In Japan, the economy has grown for seven straight quarters. Meanwhile, in the U.S., the economy grew +3% in the third quarter. "2017 is shaping up to be the first year of the expansion in which growth surprises to the upside," Goldman analyst Charles Himmelberg said in a note to clients. "We expect 2018 to deliver more of the same." Himmelberg and his team expect the global economy to grow +4% next year for several reasons, including strong growth momentum, easing financial conditions, global monetary policy remaining "highly accommodative by historical standards". Stocks around the world have benefited from this year's global economic growth. In the U.S., the S&P 500 has risen more than +14% in 2017. In Europe, the German Dax is up more than +13% year to date. In Japan, the Nikkei 225 has risen +17.2% this year. (Source: CNBC)*

Global Wealth Climbs To \$280 Trillion: *According to the eighth edition of the Credit Suisse Research Institute's Global Wealth Report, total global assets rose +6.4% to \$280 trillion in one year through mid-2017, the highest rate since 2012. This is mainly due to stock market gains and price increases. For the first time this year, assets were above the level of the pre-crisis year 2007. Asset growth also outstripped population growth, increasing global average wealth per adult by +4.9% to a new record high of USD \$56,540. (Sources: Daily Shot, Credit Suisse)*

FAMILY FARMS
GROUP



Today In History

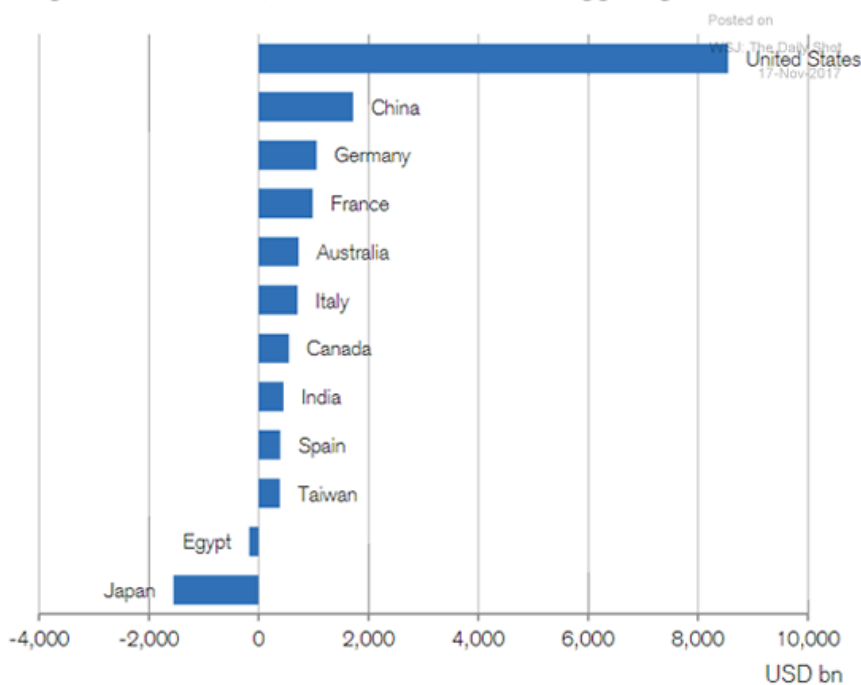


1820, The Essex - The American whaler Essex, which hailed from Nantucket, Massachusetts, is attacked by an 80-ton sperm whale 2,000 miles from the western coast of South America. The 238-ton Essex was in pursuit of sperm whales, specifically the precious oil and bone that could be derived from them, when an enraged bull whale rammed the ship twice and capsized the vessel. The 20 crew members escaped in three open boats, but only five of the men survived the harrowing 83-day journey to the coastal waters of South America, where they were picked up by other ships. Most of the crew resorted to cannibalism during the long journey, and at one point men on one of the long boats drew straws to determine which of the men would be shot in order to provide sustenance for the others. Three other men who had been left on a desolate Pacific island were saved later. The first capture of a sperm whale by an American vessel was in 1711, marking the birth of an important American industry that commanded a fleet of more than 700 ships by the mid 18th century. Herman Melville's classic novel Moby Dick (1851) was inspired in part by the story of the Essex.



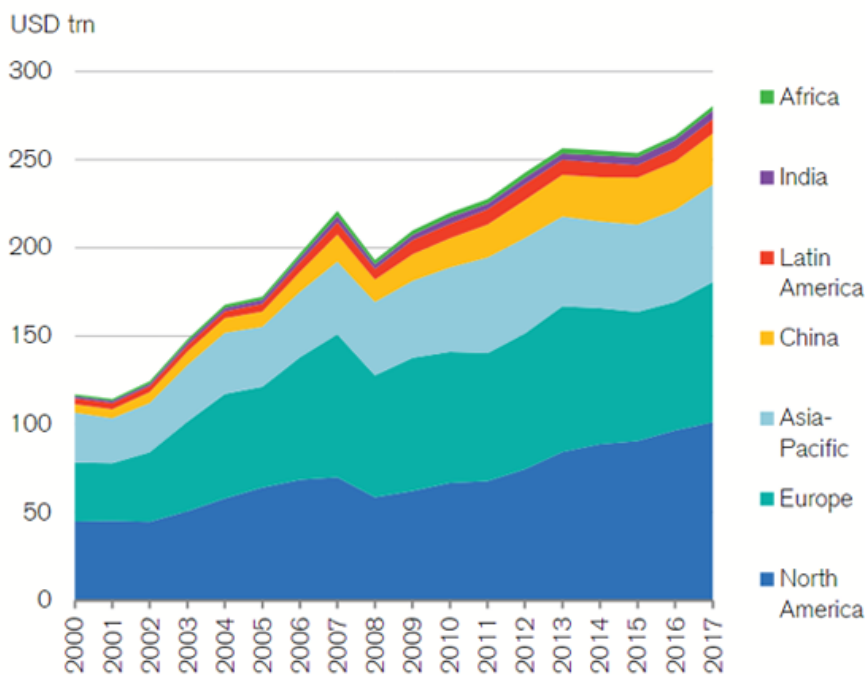
1982, "The Play" - The Cal football team wins an improbable last-second victory over Stanford when they complete five lateral passes around members of the Cardinals' marching band, who had wandered onto the field a bit early to celebrate the upset they were sure their team had won, and score a touchdown. After catching the last pass of the series, Cal's Kevin Moen careened through the confused horn section and made it safely to the end zone. Then he slammed into trombone player Gary Tyrell. Late in the game's fourth quarter, with Cal leading 19-17, Stanford quarterback John Elway managed to nudge his team down the field and into field goal range with just eight seconds--a crucial few seconds too many, it turned out--left to play. Mark Harmon kicked a 35-yard field goal, and Stanford took a 20-19 lead. The Cardinals flooded the field to celebrate, and the ref

Change in total wealth, 2016–2017 (USD bn): Biggest gains and losses



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2017

Total global wealth 2000–2017, current exchange rates



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2017

ushered them back to the bench and slapped them with a penalty for unsportsmanlike conduct. As a result, Harmon had to kick off from the 25 with four seconds to play. Harmon squibbed the kick, and Cal's Moen scrambled to retrieve it at the Cal 46-yard-line. He considered trying to run the ball for a touchdown--but then, as he wrote later in an alumni journal, "I remembered 'grabass,' one of Coach Kapp's training games. It had no rules, just one bunch of guys trying to keep the ball away from another bunch of guys." So, that's what he started to do. He pitched the ball behind him to teammate Richard Rodgers, who tossed it to freshman Dwight Garner, who returned it just as two Stanford defenders barreled into him. Then Rodgers lobbed the ball to Mariet Ford, who returned it to Moen by flinging the ball backwards over his shoulder just as he was about to get nailed by three panicking Stanford defenders. Moen caught the ball and bolted for the end zone, 25 yards away. Meanwhile, Stanford's band, confident that their team had won the game, had already gathered at the end of the field. Apparently without noticing that 22 football players were hurtling toward them, they began to play Free's "All Right Now." Before the band really knew what was happening, Moen crashed triumphantly into the end zone--and into trombonist Tyrell. The touchdown counted, and the Bears won the game 25-20. "The Play," as it became known remains one of the most famous in college football history.

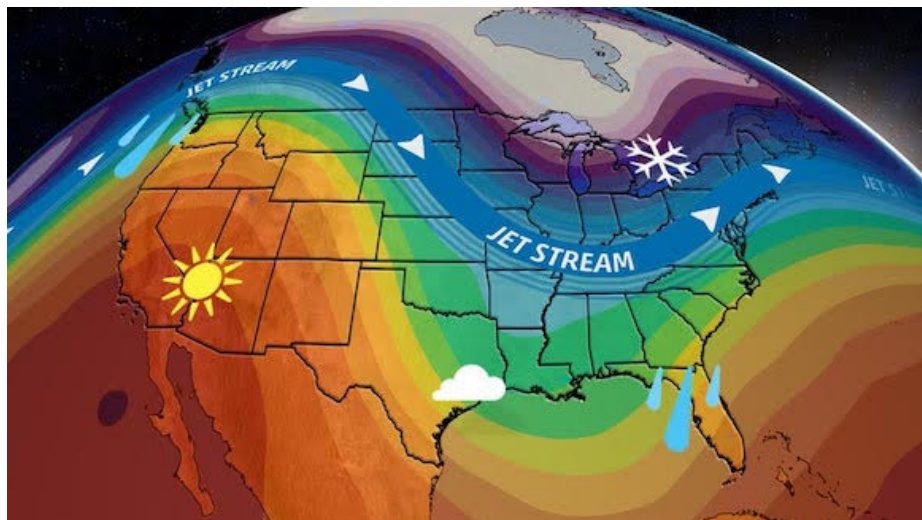


1991, Cascade International Fraud - Cascade International Inc, a fashion chain near the top of BusinessWeek's 1990 list of "hot growth companies,"

announces that its chairman, Victor Incendy, has disappeared -- along with more than 200 of Cascade's stores. Incendy had claimed that Cascade had between 255 and 400 outlets -- but in reality, there are fewer than 30. The company had reported earning \$11 million the previous year; it actually lost \$7 million. At its peak price of \$11.62 in August, Cascade's stock had been valued around \$200 million; less than a year later, the incredible disappearing company's stores are sold off for a mere \$370,000. Incendy has never been found and remains an international fugitive. Victor and Jeanette Incendy started as typical entrepreneurs. In the early 1970s they launched a company that made lipstick cases. It failed after two years and their similar start-ups went nowhere. Then, in 1985, Incendy gave creditors stock in a new public company that would sell Jean Cosmetics designed by his wife. Investors bought in, and Incendy began taking over bankrupt women's clothing stores as outlets. Analysts, relying mostly on Incendy's rosy projections, predicted ever-higher earnings. At the same time, Incendy began secretly selling more than 6 million shares of unauthorized stock, federal prosecutors later charged. Incendy was indicted in absentia in 1994

Thanksgiving Week Weather has arrived and there are several features that need to be watched heading into the holiday. The good news: many in the central and eastern U.S. will see dry conditions, although chilly temperatures are also expected as millions prepare to hit the road for holiday travel. Nearly 51 million Americans are expected to travel this Thanksgiving week. An active weather pattern is expected across the U.S., with temperatures remaining chilly in the East and warmer-than-average in the West. The week will start off with chilly temperatures and lake-effect snow in parts of the Midwest and Northeast. High temperatures will be 5 to 10 degrees colder than average for the Midwest, Northeast and Southeast into Monday. This means highs will generally be in the 30s and 40s in the Midwest and Northeast, with 50s in the South. Low temperatures Monday morning will be up to 15 degrees colder than average, dropping into the 20s from the southern Great Lakes into the Ohio Valley and interior Northeast,

with 30s along the East Coast and as far south as northern Florida. Highs will return to closer to average by Tuesday in the Midwest and Northeast. Wet and windy conditions will prevail in the Pacific Northwest. Parts of Florida and the Southeast coast will see a wet Thanksgiving week. Another blast of arctic cold may dive into the Midwest and East after Thanksgiving. Daily record-high temperatures will likely be broken across the West midweek. Interestingly, Minneapolis might not see temperatures reach +50 degrees this November for the first time in two decades. Colder-than-average temperatures have persisted across the northern Plains and Upper Midwest so far this November due to a persistent southward dip in the jet stream.



Corn bulls continue to talk about Chinese buying rumors and dry conditions in Argentina becoming more apparent. There was a lot of speculation and rumors circulating late last week that China had stepped in and purchased several cargoes of U.S. corn and ethanol. Thoughts are since U.S. corn prices have continued to deteriorate in comparison to the Chinese, some profitable importing opportunities have arisen. I personally don't see it as any type of game changer or signal that China is in short supply, but merely a few Chinese importers taking advantage of arbitrage type opportunities when presented. As for South American weather, the trade seems to be a bit more nervous about dry conditions in some important production areas inside Argentina. I continue to hear conflicting weather forecasts, some saying a La Niña pattern could bring more problematic concerns for Argentina. Others say it might be indeed be dry the next couple of weeks, but then more widespread moisture will come into play during early-December across a large portion of Argentina. Bottom-line, we are heading into a shortened holiday trade week with the funds recently holding record short positions. Talk of Chinese buying and early rumors of a possible La Niña induced drought brewing in Argentina are problem enough to prompt some of the bears to bank profits and move to the sideline. In fact, I'm wondering if some of the bears might just stay on the sideline through the Christmas and New Year holidays. This would give them a better look at South American weather and perhaps a better re-entry point on the short side. Keep in mind, there's also a seasonal tendency for corn to start finding some type of bottom in late-November to early-December. As a producer I'm looking for any sizable rally as an opportunity to reduce risk. For those who have to make sales against the MAR18 contract, anything north of \$3.65 is certainly worth a long hard look. From a technical perspective, I continue to hear talk of heavy resistance in the MAR18 contract up between \$3.65 and \$3.75 per bushel. The USDA after the close will report on the pace of harvest. Last week they showed the U.S. harvest at 83% complete vs. 91% last year. States the furthest behind last week... Wisconsin -20% behind; Minnesota -15% behind; Colorado -14% behind; Ohio -14% behind; Indiana -10% behind; Pennsylvania -10% behind; North Dakota -9% behind; South Dakota -8% behind; Iowa -7% behind; Illinois -6% behind.

on more than 100 counts of conspiracy, money laundering and securities, mail and bank fraud. If convicted, he faces a maximum sentence of more than 100 years in prison. Jeanette, his ex-wife, also fled but was arrested in 1995 while living under a new name in Tequesta. She pleaded guilty to tax and conspiracy charges and in 1997 was sentenced to seven years in prison, a term she's serving in a federal facility in Florida.

Upcoming Events

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

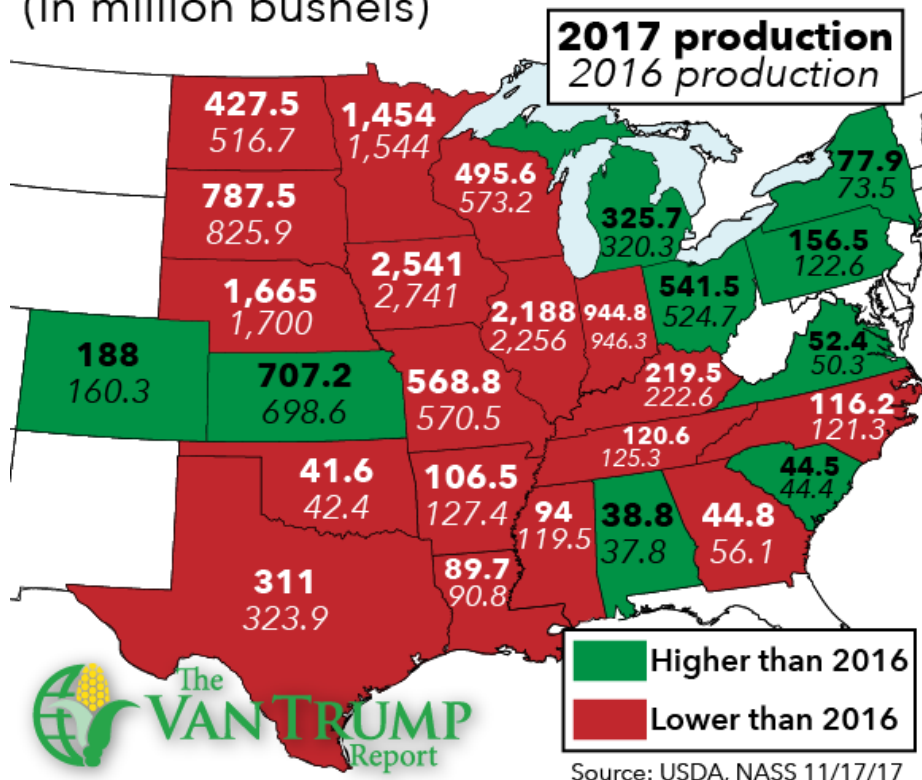


About the Report

Corn Production by State

2016-2017 Comparison

(in million bushels)



Soybean bulls jumped on the weather headlines and talks of a possible drought in Argentina late last week. Bears are now saying the forecast has gotten a bit wetter and that it's too early to get overly excited about the Argentine weather. They are also saying burdensome U.S. supply should help to keep a lid on rallies and the market will remain range-bound. There is also still the debate and talk that started last week about less than ideal U.S. soybean quality. Processors were saying they were a bit disappointed about the amount of oil they were squeezing out of beans. In fact, the most recent crush data showed the results as being the weakest in the past two years. Bulls argue this could prompt the USDA to raise their domestic crush estimates. The bears argue a lack of quality could shift some Chinese purchases to South America. One headline that's not really debatable from a bullish or bearish perspective, are recent rumors that Chinese soybean crushing volume could perhaps double or triple next year. If these rumors are true, it ultimately means Chinese soybean imports could continue pushing higher. More nearby, the USDA will update its latest harvest estimate. Last week they showed the U.S. harvest up just +3% to 93% complete vs. our historical 5-year average of 95% harvested by this date. The only states still running behind were: Kentucky -13% behind; Tennessee -8% behind; Indiana -6% behind; Michigan -4% behind; Wisconsin -3% behind; Illinois -3% behind; Ohio -2% behind; Iowa -1% behind; Mississippi -1% behind; Missouri -1% behind. Weather in South America will obviously be a "wild-card" moving forward. I'm staying extremely patient.

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."

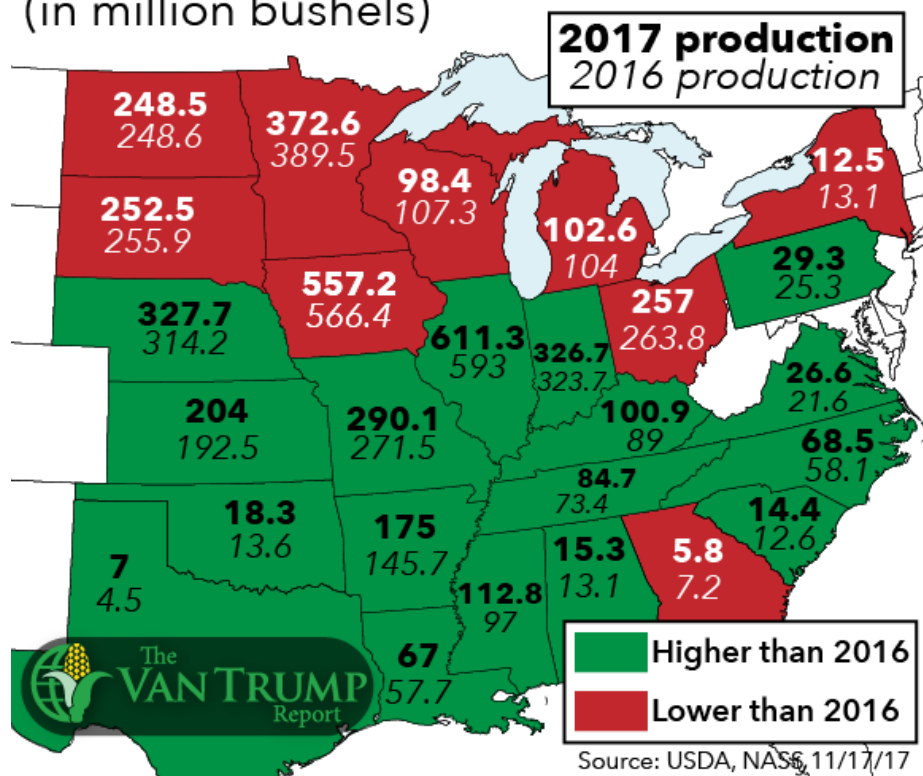
A.M., FDIC

"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

Soybean Production by State

2016-2017 Comparison

(in million bushels)



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.

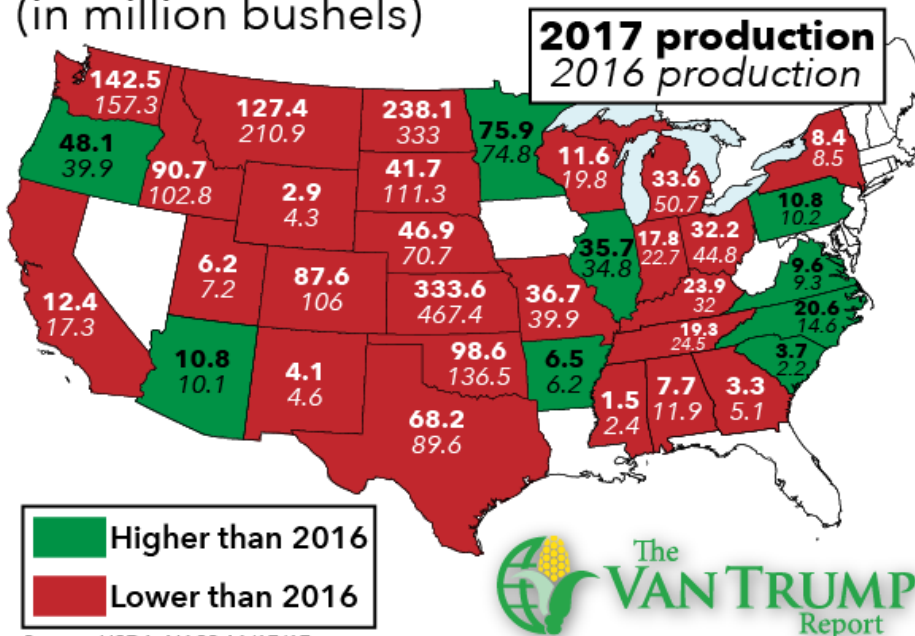
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

Wheat bulls are talking about underdeveloped crops here in the U.S and the possibility it is already taking the top end off the yield in several important growing regions. Late-planting and cooler than normal temps have not allowed the plants in some areas to reach maturity or full-strength heading into winter dormancy. In addition, lack of snow cover with the recent high winds, dry soil and cooler temps here in the U.S. could be a recipe for yield drag in 2018. Unfortunately the bears continue to point towards burdensome global supply and cheap wheat pouring out of Russia and portions of the European Union. Keep in mind, both Russia and the European Union are viewed as the world's low-cost providers, so more bushels in their hands make it tough to build a nearby fundamental bullish story. On the demand side of the equation, Egypt, the world's top buyer of wheat, continues to raise some uncertainties with their zero-tolerance ergot policy being reinstated. Here at home the USDA will update their weekly winter wheat crop conditions,. Last week the USDA showed 54% of the U.S. crop rated "Good-to-Excellent". States showing the worst conditions were: South Dakota with just 14% of their crop rated GD/EX; Montana 39% rated GD/EX; Oklahoma 41% rated GD/EX; Texas 46% rated GD/EX; Arkansas 53% rated GD/EX; Illinois 54% rated GD/EX; Kansas 56% rated GD/EX. The USDA also estimated that 95% of the winter wheat crop was planted, which was right inline with our traditional pace. Kansas wheat was 97% and Oklahoma 93% planted. As a producer, I continue to look longer-term, believing better opportunities are on the horizon. As a spec, despite the obvious bearish fundamentals, I continue to hold a conservative bullish tilt.

Wheat Production by State

2016-2017 Comparison

(in million bushels)



Farm Direction
RECIPES

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

Pan-Seared Venison Steaks w/Bacon Pan Sauce

[CLICK TO SEE RECIPE](#)



> U.S. Ag Exports Soar To Third-Highest Level On Record: U.S. agricultural exports in fiscal year 2017 reached \$140.5 billion, up 8% from fiscal 2016 and the third-highest level on record, according to the U.S. Department of Agriculture. The U.S. agricultural sector also recorded an annual trade surplus of \$21.3 billion, up nearly 30% from \$16.6 billion a year ago. According to the USDA, China finished the fiscal year as the United States' largest export customer, with shipments valued at \$22 billion, followed by Canada at \$20.4 billion. U.S. agricultural exports to Mexico reached \$18.6 billion, up 6% from last year, while exports to Japan increased 12%, to \$11.8 billion. Rounding out the top 10 markets were the European Union (\$11.6 billion), South Korea (\$6.9 billion), Hong Kong (\$4 billion), Taiwan (\$3.4 billion), Indonesia (\$3 billion) and the Philippines (\$2.6 billion). Exports account for 20% of U.S. farm income, according to the USDA. (Source: World Grain)

> Audit Finds Faults In Brazil's Food Safety System: USDA's Food Safety and Inspection Service has issued a report identifying a number of deficiencies in Brazil's meat inspection system that the agency discovered during verification audits. FSIS conducted onsite equivalence verification audits in Brazil from May 15 to June 2, 2017 to determine whether the country's meat inspection system remains equivalent to that of the United States, with the ability to export products that are safe, wholesome, unadulterated, and correctly labeled and packaged. At the time of the audit, Brazil was approved to export raw intact, ready-to-eat (RTE), not ready-to-eat (NRTE) processed, and thermally processed, commercially sterile (TPCS) meat.

> French Wheat Export Forecast Cut: FranceAgriMer lowered its forecast of French soft wheat shipments outside the EU in 2017/8 as the farm office factored in a sluggish export pace so far this season. France, the European Union's biggest cereal producer, has been facing strong competition overseas from Black Sea grain suppliers such as Russia, reducing its export prospects despite a much improved French harvest this year. Inspectors cited numerous areas of "inadequate" and "inconsistent" systems, including government oversight, inspection procedures, sanitation requirements, implementation and design of HACCP systems and chemical residue testing, among others. (Source: MeatingPlace)

> Ag Group Concerned Tax Bill Could Jeopardize Farm Bill: National Farmers Union President Roger Johnson said \$5.5 trillion Tax Cuts and Jobs Act passed by the

House last week could potentially jeopardize passage of the 2018 farm bill because they would add \$1.5 trillion to the national debt, and therefore require the White House Office of Management and Budget to sequester billions each year to offset that unless Congress takes action. Commodity supports, conservation and research programs would be hit with cuts as a result of the sequester. (Source: Politico)

> U.S. Biodiesel Production and Imports Rose In October: U.S. production and imports of biomass-based diesel rose by 12.11 million gallons in October compared with September, Environmental Protection Agency data showed. Biodiesel production and imports reached 227.5 million gallons in October, rising 5.6% from September. The total also was 3.2 million gallons, or 1.43%, higher than in October 2016. The EPA data also showed an increase in D4 RINs generation in October compared with September. More than 349 million biodiesel RINs were generated last month, a climb of 18.6 million RINs from September and up by more than 6 million RINs from the same month last year. (Source: Platts)

> J.B. Hunt Has Already Reserved Multiple Tesla Semis: U.S. trucking company J.B. Hunt Transport Services Inc has placed a reservation for Tesla Inc's Semi trucks, Hunt said in a statement on Friday. The company said it was reserving "multiple" of the Tesla trucks launched on Thursday. Tesla has been trying to convince the trucking community that it can build an affordable electric big rig with the range and cargo capacity to compete with relatively low-cost, time-tested diesel trucks. It said on Thursday that trucks could be reserved for \$5,000 each. (Source: Business Insider)

> Venezuela Officially In Default: The International Swaps and Derivatives Association has ruled that Venezuela and its state oil company PDVSA have defaulted on their debts. The decision will trigger credit-default swaps, with the details of how they will be settled to be determined by the committee on Nov. 20. President Nicolas Maduro has estimated the country's total debt is close to \$150 billion. (Source: Seeking Alpha)

> Housing Starts Rebound Strongly In October: Housing starts and permits posted unexpectedly strong gains in October, up +13.7% for starts to a 1.290 million annualized rate and up +5.9% for permits to 1.297 million. All readings show strength including single-family homes, up +5.3% for starts to an 877,000 rate and up +1.9% for permits to 839,000. Multi-family starts jumped +36.8% to 413,000 with permits up +13.9% to 458,000. The very large increase in multi-family starts has some insiders cautioning against over-optimism, as the sector tends to be highly volatile. Completions are a special positive, up +12.6% overall to 1.232 million and adding immediate supply to a very thin new home market. This is the highest level of completions since February 2008. Homes under construction are also up, +0.9% higher to 1.096 million. Looking past monthly volatility, overall starts in the first 10 months of the year were up 2.4% from the same period in 2016. Single-family starts were up 8.4% through October, while multifamily starts were down 9.9%. (Sources: Econoday, Wall Street Journal)

> Abundance Of Turkeys Makes Thanksgiving Dinner The Cheapest It's Been In 5 Years: Shoppers, check your receipts when you buy Thanksgiving dinner ingredients. It's likely the total cost will be the lower than what you paid in 2013. American Farm Bureau Federation volunteers scoured stores in 39 states to record prices for traditional Thanksgiving fixings. The survey found that for a party of 10, an average dinner runs \$49.12 — 75 cents less than last year. The primary reason? Turkeys. Lots of them. The commercial turkey flock has recovered from the massive bird flu outbreak to the point that the U.S. Department of Agriculture predicts farmers will produce more than 6 billion pounds of turkey this year. That's 10 million more than 2016. In turn, wholesale turkey prices are just under a dollar per pound for the first time since 2013, according to John Newton, the federation's market intelligence director. Shoppers will be charged an average of \$1.40 per pound. It's not just cheaper meat, though. Milk, sweet potatoes and rolls are cheaper this year compared to last. But dessert will cost a little extra, as whipping cream and pumpkin pie mix are up eight cents from last year. (Source: Harvest Public Media)



FROM THE FIELD

Westcentral Missouri - We are still pulling beans out of the field and the yields have been very decent. The corn, on the other hand, is all over the board across our fields. At this point, I intend to plant more beans than anything next season, unless someone comes up with a better idea! We have moved entirely away from wheat and have no intention of going back. Heck, we are talking about the possibility of letting others farm our land with the outlook on prices being what they are for the foreseeable future. Hard to know what the right answer is at this point. We do have the majority of all both crops sold and with all things considered it should get us just above breakeven.

Westcentral Illinois - We are happy that the season ended better than expected. With the dry June and cool August we were still able to hit good yields. Our beans got into the 70's and our corn was between 230-250bpa. We are near the river and do not have the best ground in the state as it is a little sandy and we have to irrigate it. We are working on getting a little more technology with irrigation so we can adjust the speeds. We mostly have 50/50 crop share arrangements and are glad not to be paying the \$350-\$400 rents that seem to be putting a little more pressure on some guys. On top of corn and beans, we also grow popcorn and green beans that are direct marketed near us.

Southcentral Nebraska - We have finished harvest and are out working on our pivots and doing some tillage. Like most everyone in the area we were hit with the wind and hail damage this year. It only cost us about 20bpa which took our averages to around 225bpa. I've got relatives who lost 100bpa from the wind and hail and have corn on the ground everywhere. We aren't using cows to pick it up as there has been too many die already from overeating, I do hear that steers are being put out in some fields and are able to handle things better. We are happy with our marketing as all corn has been sold above \$4.00 this year as well as for next.

CROSSING WIRES

A place to share intelligent thoughts...

What Is The Food And Ag Industries Impact In Your Community: America's food and agriculture sectors feed the economy and fuel the nation. Together, they account for roughly one-fifth of the country's economic activity, supporting over 22 million jobs or nearly 15% of US employment. It begins in the rich soil of America's farms and ranches – more than 2.1 million of them -- spread across the heartland and stretching to the coasts, covering two out of every five American acres. Meanwhile, millions of food scientists, grocers and truck-drivers work in more than 200,000 food manufacturing, processing, and storage facilities, to keep food fresh and deliver it on time. The journey may conclude at one of the nation's 1 million restaurant locations staffed by some of the 14.7 million Americans employed there. More often, it ends at home, at the kitchen table, surrounded by a family grateful for the nation's bounty. Check out more details and an interactive map [HERE](#).

Doctors Find CTE In A Former NFL Player While Still Alive: Researchers in Chicago report that they have detected evidence of chronic traumatic encephalopathy, more commonly known as CTE, in a living patient for the first time. Currently, CTE, a degenerative brain disease found in those with a history of repetitive brain trauma, can only be formally diagnosed after an autopsy. But a new study indicates researchers may be one step closer to being able to diagnose the disease while a patient is still alive by detecting deposits of tau proteins. Scans performed on 14 retired NFL players while they were still alive indicated the presence of tau, a type of protein that clumps up over neural cells that have been damaged. When one of the former players died, doctors were able to determine whether the "distinctive CTE pattern" that resulted in his scan actually indicated the presence of the disease. Once the man's brain was examined after his death, doctors made the official CTE diagnosis, according to the study. Read more [HERE](#).

First Ever Human Head Transplant Occurs On Corpse: Scientists have carried out a head transplant on a human corpse, the neurosurgeon behind the operation has announced. At a press conference in Vienna, Austria, Sergio Canavero said his team was able to remove the head from one body and connect it to the body of another by fusing the spine, nerves and blood vessels. He said the next step will be to carry out the operation on a living person. Canavero said a "high number" of people have volunteered to be his first head transplant patient. It is thought he will carry out the operation in China in December. Read more [HERE](#).

Take A Look At What They Put Inside A 16th Century Milan Church: Artist Asad Raza collaborated with Converso to turn a former 16th-century church in Milan into a tennis court, complete with bright orange flooring, nets, personal coaches and iced jasmine tea in the sidelines. An avid tennis player himself, Raza "reorients the sport as a reflection on the importance of non-productive activities in a society focused on work." Called 'Untitled (Plot of Dialogue)', this installation was created for Converso, an art-dedicated exhibition space. It is free for all who want to play tennis, but one can also come over to simply admire the historical, architectural and symbolic features of this unique and magnificent location. Take a look inside just to enjoy the beauty of the architecture [HERE](#).

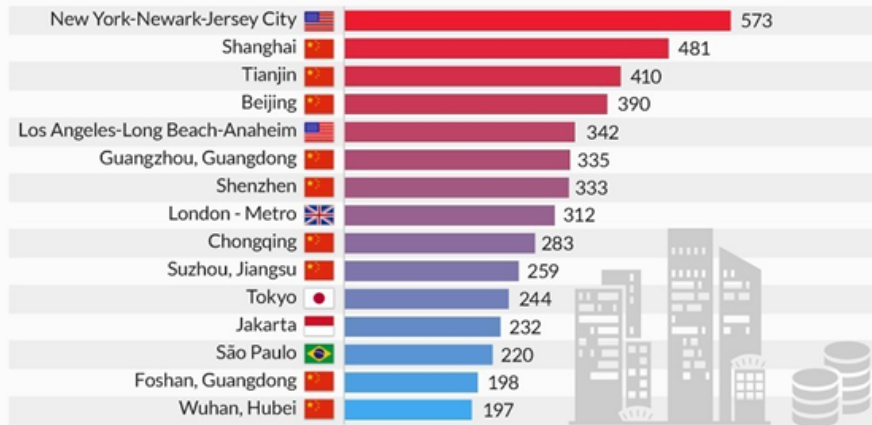
Combining Agriculture And Dining With This Solar Powered Floating Farm: As urban farming becomes increasingly popular, people are finding new, unexpected ways of incorporating agriculture into cities. From rooftops and community gardens, urban farming has descended to waterways and lakes – as in this solar-powered floating farm that doubles as a restaurant. Lotus is designed to grow fresh produce with a vertical hydroponic garden and then serve it in indoor and outdoor dining areas where visitors can enjoy waterside views and learn more about the production of the food. Read more [HERE](#).

\$423 Billion Investor Explains Why Tech Stocks Are Not Over-Valued: Some of the closely followed measures of tech valuations show they are over-expensive, and for some investors, they point to trouble ahead. They include the cyclically adjusted price-earnings ratio, which takes the price of the S&P 500 and divides it by ten years worth of earnings. For the broader stock market, this gauge is back to its highs of the dotcom bubble in the early 2000s. But tech valuations are justified and it would be a mistake to view the sector through this lens, according to Jim McCaughan, CEO of Principal Global Investors, which oversees \$423 billion in assets. McCaughan argues that the US economy's base has shifted from being manufacturing and capital-intensive to being intellectual. Read more [HERE](#).

Cities Projected To Contribute Most To Global GDP: "When building hardware, all roads lead to Shenzhen." So says Haxlr8r, the world's first and largest hardware accelerator which has already grown and developed 118 startups by introducing them to the style and speed of manufacturing that can be found in China's megacity. Shenzhen is known as "the world's factory" because so much of our stuff is made there. In fact, Inc. reported that 90% of the world's electronics come from Shenzhen, including toys, televisions, air conditioning units, mobile phones and drones. Just 30 years ago, however, Shenzhen was just an ordinary fishing village. Ordinary, that is, until it was chosen as China's first special economic zone to pilot the country's efforts to open up to overseas investors by offering preferential policies. Thus began its transformation. And that transformation is far from over. Read more [HERE](#).

The cities contributing most to global GDP by 2030

Top 15 cities worldwide by GDP in 2030 (in billion GBP)



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Converted from USD to GBP on 13/10/15
Source: Oxford Economics

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Are Sweet Potatoes A Natural GMO?

With Thanksgiving this Thursday, I thought it only appropriate to debate Sweet Potatoes. As many scientist argue, the first genetically modified crop wasn't made by a corporation...nature did it -- some 8,000 years ago. Actually bacteria in the soil were the engineers and the microbe's handiwork is present in sweet potatoes all around the world today. Scientists at the International Potato Center in Lima, Peru have found genes from bacteria in 291 sweet potato varieties, including ones grown in the U.S., Indonesia, China parts of South America and Africa. The findings suggest bacteria inserted the genes into the crop's wild ancestor, long before humans started cooking up sweet potato recipes. Scientists reporting in the [Proceedings of the National Academy of Sciences](#) think that extra DNA helped with the domestication of the sugary vegetable in Central or South America. Sweet potatoes aren't tubers, like potatoes. They are roots -- swollen, puffed-up parts of the root. When our ancestors started to farm sweet potatoes, they very likely noticed the puffed up root and selected plants that carried the foreign genes. The genes stuck around as the sweet potato spread across the globe -- first to Polynesia and Southeast Asia, then to Europe and Africa. Today, the sweet potato is the world's seventh most important crop, in terms of pounds of food produced according to the UN Food and Agriculture Organization. While sweet potatoes seem to be important only at Thanksgiving in the U.S., in many parts of Africa it's a staple crop. In China, sweet potatoes are used to feed livestock. Interestingly, science says all these farmers are basically raising a natural GMO crop. So why does this matter? The sweet potato example is helping many around the globe better understand how plant genetics have been being changed for hundreds of years. I also understand the flip side of that argument, which is that genetics changing naturally in "nature" is much different than genetics being changed in the "laboratory". I like the thought of a natural GMO, but I doubt it does much to alter the opinion of those who are wildly protesting and against genetically engineered corps. Try explaining it at Thanksgiving dinner with the cousin or aunt who only buys organic. I suspect it will be huge hit:) (Source: NPR)



Denver Might Be Getting +200 MPH Hyper-Tunnel

Drivers in Denver, Colorado, may be the first in the U.S. to experience a traffic-free commute via a hyperloop-inspired system. Los Angeles-based Arrivo has partnered with the city to create a system of roadside tubes that will carry drivers and their cars from congested downtown Denver to their destinations at speeds as fast as 200 miles per hour. Arrivo CEO Brogan BamBrogan explains that the system differs from the concept that Elon Musk popularized. That system relies on vacuum-sealed tubes to push pods filled with people, vehicles and/or cargo from one city to another at speeds of 670 miles per hour. The vacuum conditions eliminate nearly all friction and drag, which would allow for the pods to travel at near supersonic speeds on very little energy. A lot of people have been trying to make Musk's vision a reality, including Musk himself, but so far no one has been able to deliver a practical model. Arrivo is going to build its test track on a half mile of land near an abandoned toll plaza near the E-470 highway. Arrivo will use the existing highway right of ways to install above ground tubes that would transport a variety of pods - some would hold entire cars, others just freight and some would operate much like a standard shuttle bus. The pods are accelerated by the road infrastructure using electricity and magnets. The roads would have a linear electric motor to propel the vehicles along at up to 200 mph. You may have noticed there is no vacuum involved. BamBrogan says building a tube and keeping it in a near-vacuum state is simply too complicated and expensive to make it worthwhile. He also explains that maximum speed is not where the value is - Arrivo's pods would travel at about one-third the speed of a hyperloop. The value is going point-to-point with no traffic. The system could turn a trip from downtown Denver from a 35- to 70-minute drive to a 10-minute whisk. Arrivo's technology has not been proven, but BamBrogan is actually a former SpaceX engineer and co-founder of Hyperloop One. He started Arrivo last year and believes they can have the their system up and running by 2021. BamBrogan ideally would like to expand beyond Denver, concentrating on connecting areas within cities, rather than connecting distant cities or countries. "If I want to travel really fast between two cities in a low-pressure environment inside a metal tube, I would use an airplane," BamBrogan says. (Sources: Wired, Denver Post)



Remembering One Of The Greatest To Play The Game... Walter Payton

It was on this day back in 1977, Chicago Bears running back Walter Payton set an NFL record rushing for 275 yards. For many, including myself, Payton was a true inspiration on the field. I thought I would take a quick moment and list a few highlights from his amazing journey: (Source: Wiki, Sports Illustrated, ESPN)

Childhood: *Walter Payton was born in Columbia, Mississippi. His father was a factory worker who had played semi-professional baseball. Payton was an active member of the Boy Scouts, Little League, and his local church.*

High School: *At John J. Jefferson High School, Payton played drums in the marching band, participated in the track team and sang in the school choir. Outside of school, he played drums in jazz-rock groups. His brother Eddie was on the football team, and Payton did not play partly to avoid competing with him. After Eddie graduated, the football coach asked Payton to try out for the team, and he agreed on condition that he be allowed to continue playing in the band. Once he began to play football, as a junior, he achieved instant success as a running back, running 65 yards for a touchdown on his first high school carry. He went on to score in every game during his junior and senior years. He was named to the all-conference team two years in a row. Payton also led the Little Dixie Conference in scoring his senior year and made the all-state team. In addition to excelling at football, Payton averaged 18 points a game for Columbia's basketball team, leaped three-quarters of an inch short of 23 feet in the long jump, played baseball, and continued to drum in the school band.*

College: *Though Payton had established himself as one of Mississippi's best running back prospects, he received no invitations from Southeastern Conference colleges, which accepted few black players at the time. After originally committing to Kansas State University, he decided to pursue his collegiate career at the historically black school Jackson State University (MS) where his older brother Eddie played football. As a member of the Jackson State Tigers, Payton rushed for more than 3,500 yards, averaging 6.1 yards per carry, and set the school record for career rushing touchdowns with 65. In 1973, Payton was named Black College Player of the Year. He won this award again in 1974, in addition to being selected for the All-American Team. Payton graduated in 1975 with a Bachelor's degree.*

Pro Career: *The Chicago Bears drafted Walter Payton in the first round of the 1975 NFL Draft, as the fourth overall pick. The Bears had endured several losing seasons after the retirement of the iconic Gale Sayers in 1972. Payton's first game was not particularly successful; he was held to zero net rushing yards on eight attempts. His best performance of the season was the final game against the New Orleans Saints, where he rushed for 134 yards on 20 carries. Payton was eager to improve his performance. During the 1976 NFL season, Payton rushed for 1,390 yards and scored 13 touchdowns. After the season, he was selected to play in the 1977 Pro Bowl, where he was declared the Pro Bowl MVP. The next year, he rushed for 1,852 yards and scored 16 touchdowns, becoming the league's leading scorer for the season. He earned numerous awards that season, including the Associated Press and Pro Football Writers of America's Most Valuable Player awards. A memorable game of the 1977 NFL season was against the Minnesota Vikings on November 20. He rushed for a then-record 275 yards, breaking the previous record of 273 yards held by O. J. Simpson. In that record-setting game against the Vikings, Payton was suffering with a high fever and intense flu. His record stood for 23 years. By the end of his career in 1988, Payton had rushed for 16,726 yards, which broke the record for most rushing yards by any NFL player in history, and scored 110 touchdowns. He caught 492 passes for 4,538 yards and 15 touchdowns. Payton set several team records, including most career rushing yards, receptions, touchdowns, and touchdown passes by a running back. His jersey #34 was retired by the Bears, and he was inducted into the Pro Football Hall of Fame in 1993. The only game he missed in his 13-year career was in his rookie season of 1975.*

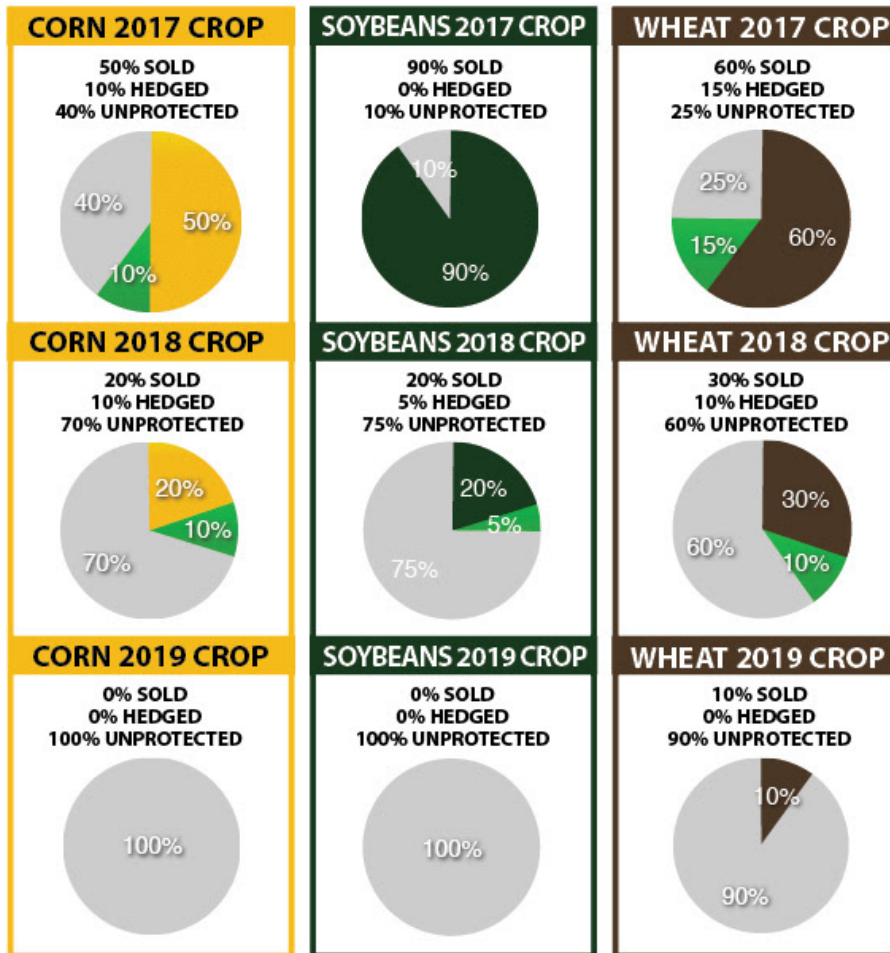
Personal Life: *There's been a lot written about Payton's personal life after football, mostly good but some bad. A 2011 biography by Pearlman describes a somewhat tumultuous personal life, fueled by being hooked on painkillers, presumably used to cope with the punishment he absorbed during games, and which continued after his football career ended. We often forget the personal price these individuals pay to entertain the crowds. In February 1999, just 8 years after his career ended, Payton announced that he had a rare autoimmune liver disease known as primary sclerosing cholangitis, which may have led to his cholangiocarcinoma (bile duct cancer). He spent his final months as an advocate for organ transplants, appearing in many commercials to encourage others to donate*

organs. In April of that year, Payton made a final public appearance at a Chicago Cubs game with Mike Ditka, where he threw the game's ceremonial first pitch. Author Don Yaeger worked with him during the last weeks of his life to create his autobiography, *Never Die Easy!*

Here's remembering and tipping my hat to one of the greatest to ever play the game! This is a great video Click [HERE](#)



CASH SALES & HEDGING TOTALS



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