

GOOD MORNING: 11/28/17 Farm Direction - VanTrump Report

1 message

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Tue, Nov 28, 2017 at 7:07 AM



"Life will only change when you become more committed to your dreams than you are to your comfort zone." - Billy Cox

TUESDAY, NOVEMBER 28, 2017

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Morning Summary: Stocks start the week fairly flat as investors await key decisions from both the U.S. Congress and OPEC. In Washington, Senate leaders are pushing to get their tax plan passed this week. They have very little room to lose support - they need 50 of their 52 Republican votes, assuming none of the Democrats climb on board. Rumor has it they could vote as early as Thursday. Another major issue that Congress faces is government funding. Lawmakers need to craft and pass a spending bill by December 8th in order to prevent a partial government shutdown. Some are already floating the idea of passing another continuing resolution that would last a few weeks, giving them more time to reach a long-term deal. Also keep in mind that spending levels are higher than the caps set by the 2011 Budget Control Act. That means without a spending bill that raises those caps, automatic spending cuts would be triggered. This is likely to be a hard sell to the more fiscally conservative members of the GOP. In the energy markets, oil traders are very anxious about Thursday's OPEC meeting in Vienna, Austria, where the group and other participating oil producing countries will decide the fate of their production cut agreement. Insiders are saying that Saudi Arabia still has not convinced Russia to commit to extending the agreement through the entirety of 2018, which adds a degree of uncertainty ahead of the meeting. The cuts, which took effect in January, will expire in March unless the cartel and fellow producers extend the accord. In other closely watched oil news, TransCanada is set to restart the Keystone oil pipeline today after getting approval from U.S. regulators. Calgary-based TransCanada shut down the 590,000 barrel-per-day pipeline, one of Canada's main crude export routes, on Nov. 16 after a leak was discovered in South Dakota. Today, economic data includes International Trade, FHFA House Price Index, Consumer Confidence and Richmond Fed Manufacturing. Consensus is calling for home prices to increase +0.6%. Interestingly, New Home Sales reported yesterday showed that prices in October actually fell -3.7% to a median price of \$312,800, which now puts the annual gain at +3.3%. However, home sales volume was up +6.2%, with total year-on-year sales now up +18.7%. Fed speakers today include New York President William Dudley and Fed Governor Jerome Powell. The latter is speaking before the U.S. Senate Committee on Banking, Housing, and Urban Affairs, which is holding hearings on his nomination for Federal Reserve Chair.

Year-End Pump Prices To Be Most Expensive Since 2014: This December motorists will not find significant holiday savings at the gas pump. The week started with national gas prices averaging \$2.51, which is 38 cents more than this time last year. While AAA does expect gas prices to decline between now and the end of the year, motorists will still pay the highest November and December gas prices since 2014. Driving factors for cheaper gas prices this winter include colder temperatures, the threat of inclement weather and online shopping. In 2017, gas prices have strayed from typical trends. Historically, year-end gas prices tend to be relatively cheap due to a drop-off in fall gasoline demand around Labor Day and the move to cheaper to produce winter-blend gasoline in mid-September. This year, the typical factors that drive gas prices down in winter were outweighed by the impact of two major hurricanes, steady consumer demand and continued growth in gasoline exports. Summer driving season traditionally brings the highest gas prices of the year and year-end brings the lowest, but not this year. 2017's high came on September 11 at \$2.67, while the low of \$2.23 occurred on July 5. Motorists can expect gas prices to continue to trend cheaper the first few months of 2018, with potential to see the national gas price average in the \$2.25-\$2.35 range by February. Of course OPEC's November 30, 2017

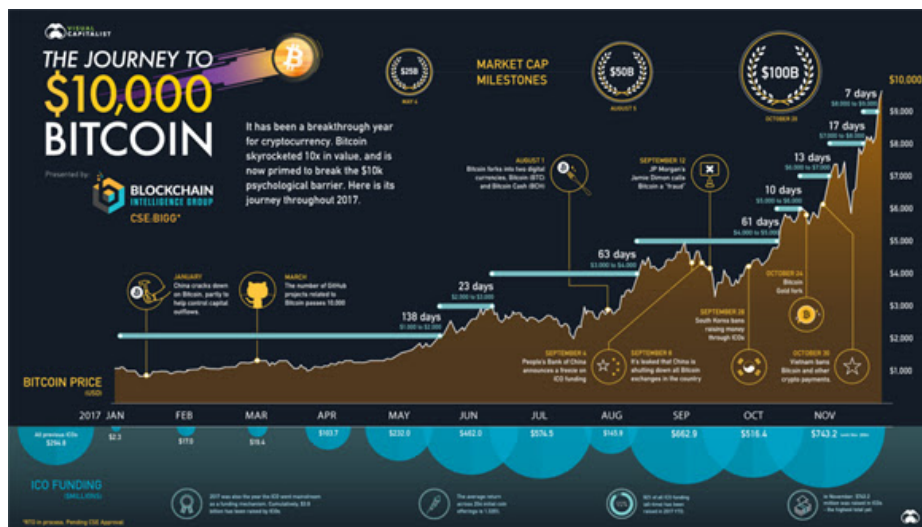


meeting and any decisions to further cut or keep production rates stable will influence longer-term forecasts for 2018. (Source: AAA)

Online Shopping Explodes Higher: In the latest report released by Adobe, Cyber Monday hit record revenues of \$6.59 billion, making it the largest U.S. online sales day ever. In comparison, Black Friday and Thanksgiving Day brought in \$5.03 billion and \$2.87 billion respectively. The internet holiday shopping season has so far (Nov. 1-27) driven a total of \$50 billion in revenue, a 16.8% increase, and Adobe predicts it will be the first-ever season to break \$100 billion in online sales. (Source: SeelingAlpha)

Stocks Around The World Staging Most Widely Shared Rally in Years: The vast majority of global stock markets in 2017 have surged either to fresh records or multiyear highs, one of the broadest rallies in years that investors say is a result of the increasingly synchronized global economic recovery. Half of the 35 major indexes representing the world's biggest stock markets by value have hit all-time highs this year, the most since 2007, according to an analysis by The Wall Street Journal. In the U.S., the Dow Jones Industrial Average has logged 60 record closing highs this year, the most since 1995. The Nasdaq Composite has gained +28% this year and set 69 new highs, the most ever in a calendar year. The S&P 500 cleared 2600 for the first time Friday, marking its second-fastest round-number milestone ever. Investors say the global stock rally has been a culmination of improving corporate earnings, strengthening economies and supportive monetary policies from central banks around the world. Market volatility has fallen to historic lows and investors have used nearly every dip as a buying opportunity. Despite lofty valuations, analysts and investors say conditions are ripe for the rallies to continue. A rare outlier: Chinese stocks. The Shenzhen Composite, made up of many manufacturing and tech companies, fell into negative territory for the year after a market selloff last Thursday. (Source: The Wall Street Journal)

Visualizing Bitcoin's Climb To \$10,000: It has been a breakthrough year for the world's original cryptocurrency. Bitcoin stands poised to break through \$10,000, more than 10X higher than where it started 2017. The below infographic from Blockchain Intelligence Group helps to visualize the ups and downs of Bitcoin on its journey to \$10,000. While the journey to \$10,000 bitcoin is an incredible one, it is part of a wider story as well. Initial Coin Offerings (ICOs) for other cryptocurrencies have also boomed, and more than 92% of all funds raised through ICOs happened in this year alone. With this mechanism hitting the mainstream, about \$3.8 billion has been raised through ICOs in total. Further, they've been profitable for speculators. A report from Mangrove Capital last month noted the average return across 204 ICOs it was tracking was +1,320%. Despite being temporarily banned in China and South Korea, ICOs have not been slowing down. As of Nov 26, 2017, ICOs had already hit new highs with \$743.2 million raised, surpassing the earlier record-holding month of September 2017 (\$662.9 million). Click the graphic for a larger view. (Source: Visual Capitalist)



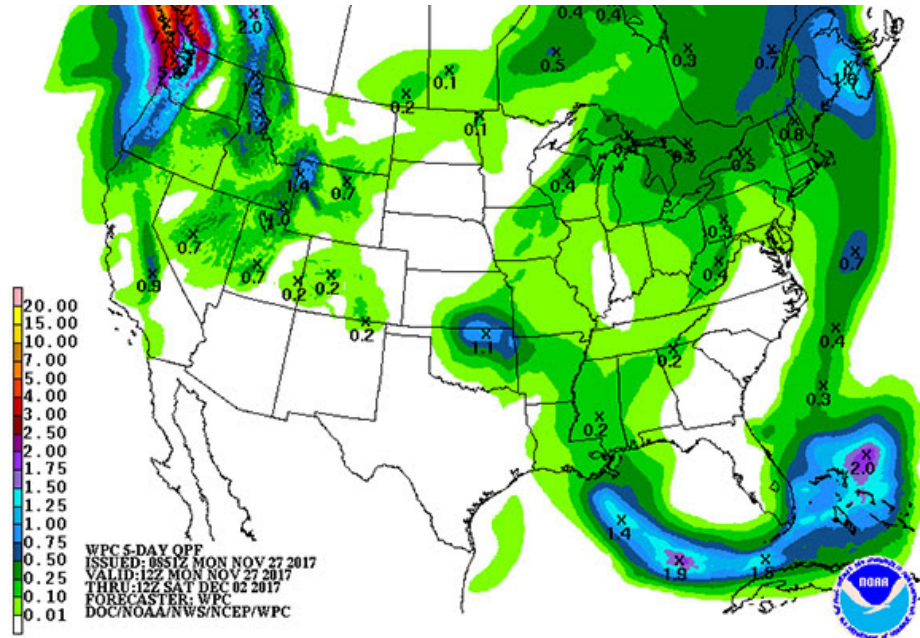
Weather forecasts are calling for a very warm and dry pattern to continue across the Midwest this week. This should be beneficial for remaining harvest including parts of Indiana, Ohio and Michigan which were delayed due to prior rains. This current weather pattern will continue to extract soil moisture from winter wheat areas in the southern Plains. We are expecting stress to winter wheat particularly in western and southwestern growing areas. Yesterday's high temperatures exceeded 80 degrees F as far north as southwestern Nebraska. The ongoing warmth has caused sharp decreases in topsoil moisture availability for winter grains and cover crops. In addition, breezy, dry conditions are resulting in an elevated risk of wildfires on the central and southern

Here are a few of this year's early sponsors



High Plains. In the South, dry weather accompanies a gradual warming trend. Conditions are nearly ideal for late-season fieldwork, such as cotton and soybean harvesting, but rain is needed in several areas to support winter grain establishment. Portions of the mid-South, Mississippi Delta, and southern Atlantic region are especially dry. Unusually mild weather will cover much of the country for the remainder of the week. Completely dry weather can be expected through week's end in much of the southern Atlantic region and from southern California to the central and southern High Plains.

Very Little Rain In the Forecast This Week: Below is the 5-day precipitation outlook valid through Sunday Dec. 3. Should give us a chance to finish fieldwork all across the Midwest, especially in the Western Corn Belt.



Corn traders continue to debate Argentine weather, particularly how things will play out in southern Argentina in regard to moisture. There's also the recent headlines surrounding abnormally cold weather causing some complications with early planted corn in parts of their country. The bulls obviously want to argue that Argentine corn acres are going to come down. Bears say the acreage cuts in question don't really matter in the grand scheme of things, considering such burdensome global supply. A bit further out on the time horizon will be weather headlines surrounding second-crop corn production in Brazil. Remember, second-crop corn planting in Brazil really doesn't get started until late-February and early-March, after some of the early-soybeans are harvested. Here at home the USDA showed corn producers pulling another +5% of the crop out of the U.S. fields. We now have 95% harvested vs. the 5-year average of 98%. Below are some additional state specifics:

Ohio (-10% behind) +7% to 86% harvested vs. 5-year average of 96%
 Wisconsin (-9% behind) +12% to 81% harvested vs. 5-year average of 90%
 Pennsylvania (-5% behind) +8% to 86% harvested vs. 5-year average of 91%
 Colorado (-4% behind) +8% to 94% harvested vs. 5-year average of 98%
 Indiana (-4% behind) +7% to 94% harvested vs. 5-year average of 98%
 Michigan (-4%) +8% to 84% harvested vs. 5-year average of 88%
 Iowa (-3% behind) +4% to 96% harvested vs. 5-year average of 99%
 Kentucky (-3%) +2% to 96% harvested vs. 5-year average of 99%
 Minnesota (-3% behind) +6% to 96% harvested vs. 5-year average of 99%
 Kansas (-2%) +2% to 98% harvested vs. 5-year average of 100%
 Illinois (-1%) +3% to 98% harvested vs. 5-year average of 99%
 Nebraska (-1%) +4% to 97% harvested vs. 5-year average of 98%
 North Dakota (-1% behind) +8% to 94% harvested vs. 5-year average of 95%
 South Dakota (-1% behind) +5% to 97% harvested vs. 5-year average of 98%
 Texas (On Pace) +2% to 99% harvested vs. 5-year average of 99%
 Missouri (+1% ahead) +5% to 100% harvested vs. 5-year average of 99%
 Tennessee (Complete) 100% harvested
 North Carolina (Complete) 100% harvested

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Today In History

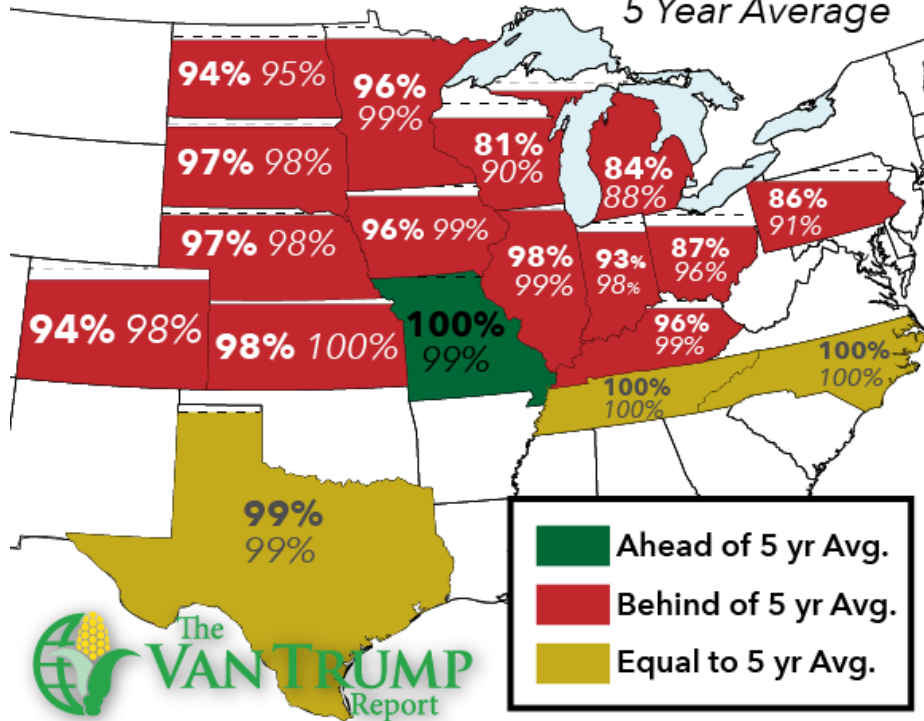


1520, Magellan - After sailing through the dangerous straits below South America that now bear his name, Portuguese navigator Ferdinand Magellan enters the Pacific Ocean with three ships, becoming the first European explorer to reach the Pacific from the Atlantic. On September 20, 1519, Magellan set sail from Spain in an effort to find a western sea route to the rich Spice Islands of Indonesia. In command of five ships and 270 men, Magellan sailed to West Africa and then to Brazil, where he searched the South American coast for a strait that would take him to the Pacific. He searched the Rio de la Plata, a large estuary south of Brazil, for a way through; failing, he continued south along the coast of Patagonia. At the end of March 1520, the expedition set up winter quarters at Port St. Julian. On Easter day at midnight, the Spanish captains mutinied against their Portuguese captain, but Magellan crushed the revolt, executing one of the captains and leaving another ashore when his ship left St. Julian in August. On October 21, he finally discovered the strait he had been seeking. The Strait of Magellan, as it became known, is located near the tip of South America, separating Tierra del Fuego and the continental mainland. Only three ships entered the passage; one had been wrecked and another deserted. It took 38 days to navigate the treacherous strait, and when ocean was sighted at the other end Magellan wept with joy. His fleet accomplished the westward crossing of the ocean in 99 days, crossing waters so strangely calm that the ocean was named "Pacific," from the Latin word *pacificus*, meaning "tranquil." By the end, the men were out of food and chewed the leather parts of their gear to keep themselves alive. On March 6, 1521, the expedition landed at the island of Guam. Ten days later, they dropped anchor at the Philippine island of Cebu—they were only about 400 miles from the Spice Islands. Magellan met with the chief of Cebu, who after converting to Christianity persuaded the Europeans to assist him in conquering a rival tribe on the neighboring island of Mactan. In fighting on April 27, Magellan was hit by a

Corn Harvested (%)

11/26/17

Current Week
5 Year Average



Source: USDA, Crop Progress 11/26/17

Soybean bulls continue to keep a close eye on South American weather. Of particular interest has been the dryness in parts of Argentina and debates surrounding a possible La Niña weather pattern increasing the concerns. Bears seems less worried about South American weather and more concerned about total U.S. demand. There seems to be more debate circulating in regard to ongoing Chinese buying in the final few weeks of 2017 and into 2018. Will the Chinese continue to source U.S. soybeans or shift essentially all attention to South American imports? Another bearish headwind still blowing strong is the size of the palm oil import tax increase from India. It's not that another import tax hike was unexpected, but the size of the hike caught many in the trade offside. I feel like the global market is still trying to wrap their hands around the changes and implications it may hold moving forward. Keep in mind, a large portion of Argentine bean oil traditionally flows to India. Meaning prices in Argentina could drop and become more competitive on a global scale as their supply increases. Good news as of late has been the strong bid for soymeal, which has kept us supported nearby posting their highest close in almost two-months. From a technical perspective, it feels like the JAN18 contract continues to run into stiff resistance at \$10.00 per bushel. Several technical traders I know think we need to see a close back above \$10.15 to get some of the larger bulls on the bandwagon. Bottom-line, the bulls are talking about South American weather, while the bears continue to question overall demand.

poisoned arrow and left to die by his retreating comrades. After Magellan's death, the survivors, in two ships, sailed on to the Moluccas and loaded the hulls with spice. One ship attempted, unsuccessfully, to return across the Pacific. The other ship, the Vittoria, continued west under the command of Basque navigator Juan Sebastian de Elcano. The vessel sailed across the Indian Ocean, rounded the Cape of Good Hope, and arrived at the Spanish port of Sanlucar de Barrameda on September 6, 1522, becoming the first ship to circumnavigate the globe.



1925, Grand Ole Opry - The Grand Ole Opry, one of the longest-lived and most popular showcases for western music, begins broadcasting live from

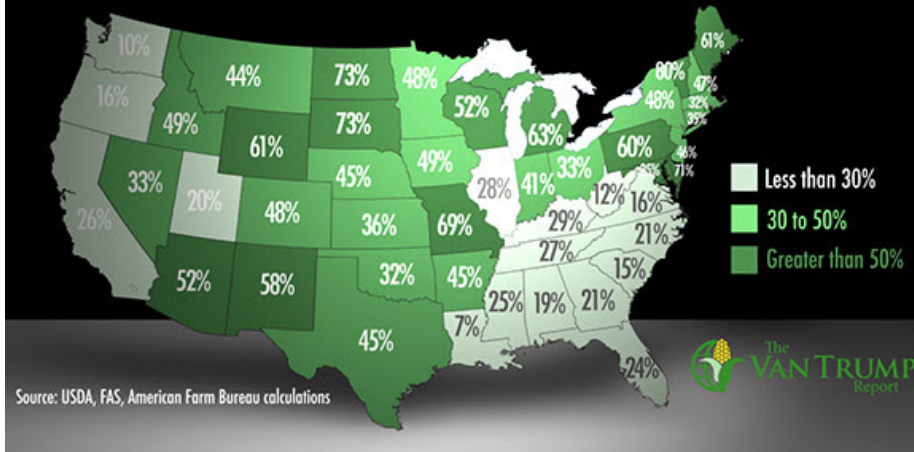
Nashville, Tennessee. The showcase was originally named the Barn Dance, after a Chicago radio program called the National Barn Dance that had begun broadcasting the previous year. Impressed by the popularity of the Chicago-based National Barn Dance, producers at WSM radio in Nashville decided to create their own version of the show to cater to southern audiences who could not receive the Chicago signal. Both the Grand Ole Opry and the National Barn Dance aired on Saturday nights and featured folk music, fiddling, and the relatively new genre of country-western music. Both shows created a growing audience for a uniquely American style of music and were launching grounds for many of America's most-loved musicians—the singing cowboy Gene Autry got his first big break on the National Barn Dance. The WSM producers recognized that Americans were growing nostalgic for the rural past, so all live performers at the Grand Ole Opry were required to dress in hillbilly costumes and adopt old-time names. The four-and-a-half-hour Grand Ole Opry program became one of the most popular broadcasts in the South, and like its Chicago cousin, helped make country-western an enduring part of the popular American musical landscape.



1979, Arctic Crash - A New Zealander sightseeing plane traveling over Antarctica crashes, killing all 257 people on board, on this day in 1979.

During the 1970s, air travel to Antarctica became more popular, as tourists sought to view the isolated and mysterious continent at the bottom of the world firsthand. Day-long excursions from New Zealand gave people tremendous views of the Ross Ice Shelf. However, the trips did pose a danger, as flights to Antarctica can be problematic. The vast ice plains provide virtually no visual reference points for pilots and magnetic compasses are useless so close to the South Pole. The McDonnell Douglas DC-10 that carried 257 people to Antarctica on November 28 was piloted by five officers who had no experience flying to the icy continent. To make matters even worse, the data entered into the flight profile was

Share of Total Agricultural Exports to NAFTA, 2016



wrong. When this same data had been used on prior flights, no problems had been encountered because visibility was good. The poor visibility on November 28, though, led to a fatal pilot error. As the plane headed over the Ross Ice Shelf, the pilot descended below the clouds to give the passengers a better view. The pilot was supposed to stay above 6,000 feet at all times, but went down to 1,500 feet due to the overcast skies. Because of the wrong data on the flight profile, the pilot didn't know that his descent came right as the plane reached Mount Erebus, a 12,444-foot volcano. The plane crashed into the side of the mountain at 300 miles per hour. There were no survivors.

Upcoming Events

Tues.-Wed. 12/12-12/13 - FOMC Meeting

Tues. 12/12 - USDA Supply and Demand

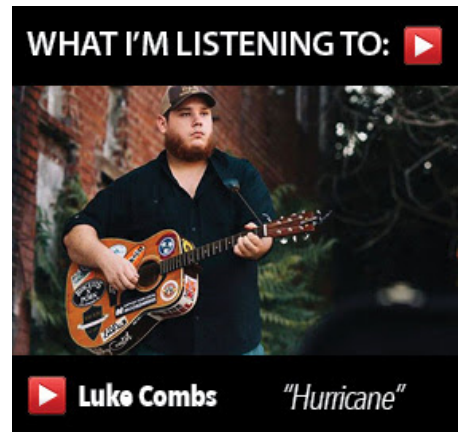
Mon. 12/25 - Christmas - Markets Closed

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

Biggest Export Trading Partner



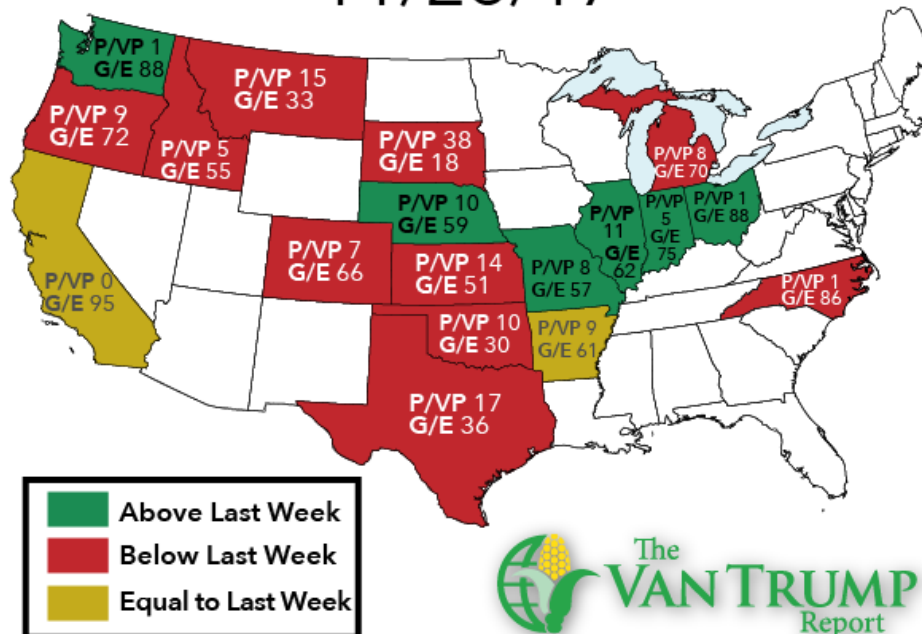
Wheat traders are digesting another round of new contract lows. Weather guru's are saying some of the dry areas in the Plains might get some much needed moisture in the days ahead. Not only did the winter wheat contracts post fresh new lows, but the spring wheat contracts are now teetering on extremely dangerous levels of support. The USDA now estimates that 92% of the U.S. winter wheat crop is "emerged," which is right inline with our traditional pace. As for overall crop-conditions, the USDA showed another slight setback down -2%, with the crop now rated 50% "Good-to-Excellent" vs. 52% last week vs. 58% last year. Keep in mind, this should be the last winter wheat crop-progress report of the year. I continue to hear more talk about dry conditions building in many key areas of the Plains. Bulls are shaking their head, as U.S. acres are at or near all-time historical lows, crop conditions appear to be deteriorating on less than ideal weather conditions, yet the market continues to trade near fresh new contract lows. Below are some state specifics, I listed them from states showing the worst conditions, South Dakota now shows only 18% rated GD/EX, whereas California shows 95% of their crop rated GD/EX. Unfortunately, just as I said last week, until we get more global weather headlines and concerns, I'm preaching to the choir...

*South Dakota decreased -1% to 18% rated GD/EX
Oklahoma deteriorated -7% to 30% rated GD/EX
Montana deteriorated -3% to 33% rated GD/EX
Texas deteriorated -5% to 36% rated GD/EX
Kansas deteriorated -5% to 51% rated GD/EX
Idaho deteriorated -7% to 55% rated GD/EX
Missouri improved +2% to 57% rated GD/EX
Nebraska improved +2% to 59% rated GD/EX
Arkansas unchanged at 61% rated GD/EX
Illinois improved +1% to 62% rated GD/EX
Colorado deteriorated -7% at 66% rated GD/EX
Michigan deteriorated -2% to 70% rated GD/EX*

Oregon deteriorated -5% to 72% rated GD/EX
 Indiana improved +1% to 75% rated GD/EX
 North Carolina deteriorated -1% to 86% rated GD/EX
 Washington improved +12% to 88% rated GD/EX
 Ohio improved +2% to 88% rated GD/EX
 California unchanged at 95% rated GD/EX

Winter Wheat Conditions

11/26/17



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



> **Germany Swings EU Vote In Favor Of Glyphosate:** Germany defeated its key EU ally France in a very tight vote on Monday to clear the use of weed-killer glyphosate for the next five years after a heated debate over whether it causes cancer. After months of indecisive votes among the 28 member states, Germany came off the fence after abstaining in previous meetings. The Commission, the European Union executive arm, said in a statement that 18 countries had backed its proposal to renew the chemical's license, with nine against and one abstaining -- a "positive opinion" by the narrowest of possible margins under rules requiring more than a simple majority. (Source: Reuters)

> **India Wheat Sowings Down:** According to official estimates, wheat planting in India was completed on 15.32 million acres, compared to 18.53 million last year and the average of 23.23 million acres. Reduced water levels in reservoirs and competition from chickpeas is expected to cap seeding. (Source: IGC)

> **Russian Wheat Exports Increase:** Russian wheat shipments have totaled 15.6 million metric tons so far in 2017-18 season that started July 1, up +25% year-on-year, Russia's Agriculture Ministry says on its website. Corn exports were 1.59 million metric tons, down -4% year-on-year.

> **U.K. Meat Industry Faces Crisis Under No-Deal Brexit:** If the U.K. leaves the European Union without a trade deal, the impact would be catastrophic for the European meat industry, according to a new report. A no-deal outcome would lead to "trade collapsing and market prices falling, resulting in job losses across the EU," said the report commissioned by the European Livestock and Meat Traders Union. Meat products would face the highest tariffs of all industries, the group said. In a so-called hard Brexit scenario, beef trade from the U.K to the EU and vice versa would fall more than 80 percent due to the costs for customs and veterinary checks and higher transport costs, the report estimated. (Source: Bloomberg)

> Producers Encouraged To Comment On New Trucking Rule: The Federal Motor Carrier Safety Administration (FMCSA) held a meeting to announce that agricultural haulers will receive a 90-day extension to comply with the Electronic Logging Device (ELD) mandate. The rule is set to go into effect Dec. 18, but this extension temporarily exempts agricultural haulers and will allow the agency to analyze a long-term delay and review comments relating a request to delay the rule for livestock haulers. Missouri Cattlemen's Assn. (MCA) executive vice president Mike Deering said the association's major concern is the hours-of-service mandates associated with the regulation. These mandates restrict truck drivers to 11 hours of driving in a 24-hour period, which must be followed by 10 consecutive hours of rest. Click [HERE](#) to submit comments.

> China To Subsidize Grain Transportation And Storage Facilities: China plans to subsidize grain transportation and storage facilities in the latest push by Beijing to modernize the world's largest agriculture sector. Beijing will subsidize projects upgrading or building facilities to load and receive grains along main railways and ports for major waterways including the Yangtze and Pearl rivers, a document issued by China's National Development and Research Commission (NDRC) said. Inadequate transportation capacity for grain has caused backlog in the north and spiked prices in the past, while poor storage facilities are a major cause of grain losses in China. (Source: Reuters)

> Louis Dreyfus To Buy Chinese Oilseed Firm: Global trading house Louis Dreyfus Company is to buy an oilseed crushing and vegetable oil refining business in China from Singapore-based Golden Agri-Resources. A Louis Dreyfus subsidiary is to buy Sinarmas Natural Resources Foodstuff Technology (Tianjin) Co. from a subsidiary of Golden Agri-Resources on the basis of an enterprise value of \$111 million, Golden Agri-Resources said in a filing on Monday. The final price is subject to adjustment. The business being acquired by Louis Dreyfus owns and operates oilseed crushing and refining facilities in the northeastern Chinese port city of Tianjin. (Source: Reuters)

> COFCO Sees International Growth: Chinese grain trading group COFCO International aims to expand rapidly after focusing this year on integrating overseas acquisitions, its CEO told the Financial Times. COFCO International (CIL) spent more than \$3 billion to buy Dutch trader Nidera and Noble Agri, but it has faced an arduous integration process after inheriting losses at Nidera. CIL, controlled by state-owned COFCO Corp. is preparing for a "fast pace of growth" and expects the business to expand in 2018, Chief Executive Johnny Chi told the paper. Chi, who said personnel gaps had been filled, said the goal was to be a global player like ADM, Bunge, Cargill and Louis Dreyfus, the so-called ABCDs of agricultural trading. (Source: Bloomberg)

> Walmart Gains Ground On Amazon With Online Sales: Online sales at the world's largest retailer grew 50 percent year-over-year in the most recent quarter, helping it post its strongest quarterly U.S. revenue growth in nearly a decade. It now accounts for 3.6 percent of total U.S. online sales in the 12 months to October 2017, up from a 2.8 percent share a year ago, according to digital research firm eMarketer. Prices at Walmart.com are now only 0.3 percent more expensive than Amazon on average, according to the study by retail data analytics firm Market Track, which analyzed prices of 213 products in 11 categories over a period of 700 days ending Nov 7, 2017. By comparison, Wal-Mart's online prices were +3% higher than Amazon's on average in the first 350 days ending November 7, 2016, according to the study.

> Meredith Corp. Buying Time Inc. for about \$1.8 Billion in a huge merger of magazines. Meredith will pay \$18.50 a share in cash and tack on about \$1 billion in debt. Meredith brings with it a magazine portfolio that includes Better Homes & Gardens, Family Circle, and Allrecipes, while Time owns properties including Time, Sports Illustrated, and Fortune. (Source: BusinessInsider)

> Americans Can Not Resist Using Their Smartphones Before Bed: Various scientific studies have linked smartphone usage in bed to inferior quality of sleep, and yet, millions of Americans cannot resist the allure of checking their Twitter timeline one more time before falling asleep. According to research conducted by Deloitte, 14 percent of smartphone owners in the U.S. check their smartphone immediately before trying to go to sleep and 35 percent do so within 5 minutes. While many smartphone manufacturers now equip their devices with a so-called night mode to limit the negative effects of bedside smartphone use, these are merely filtering out blue light which suppresses the secretion of melatonin, a hormone that regulates sleep cycles. What these "night modes" cannot do is limit the negative effects that smartphones and their steady stream of stimulation have on people's ability to unwind and fall asleep. It's not just at night that smartphones make for an unhealthy but popular bedside companion. Checking your phone right after waking up isn't the best idea either. Instead of waking up slowly and sorting their thoughts for the day ahead, smartphones divert people's attention away from their own thoughts by confronting them with the outside world immediately. As the chart illustrates, early morning smartphone use is nearly as prevalent as it is late at night. (Source: Statista)

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..."

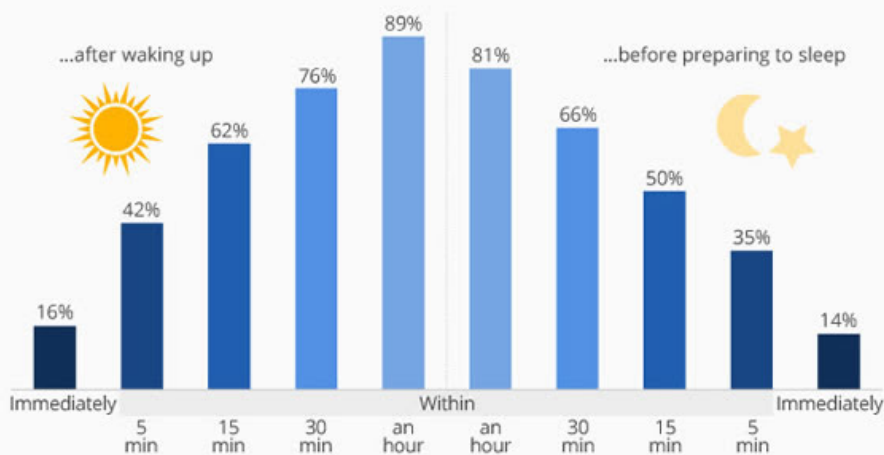
I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- 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.

America's Favorite Bedside Companion?

% of U.S. smartphone owners who look at their phone within x minutes...



Based on a survey of 1,634 smartphone owners in the United States
Source: Deloitte

statista

FROM THE FIELD

Farm Direction RECIPES

★ FAMILY FAVORITES ★ -SENT IN BY OUR READERS-



CLICK TO SEE RECIPE

Central North Dakota - We have been done for a while and are catching up on some ditch work. The corn was good this year with yields around 170bpa. We side-dressed our nitrogen for the second year now and we are liking the results. Though the weather was pretty good up here, we feel it added bushels. The beans also yielded well, finishing in the mid-50's. We are storing most of our crops for now. No plans to do anything new next season and but will continue to side-dress. I'm finishing up a degree at Bismark State while helping the dad and my brother and I hope to do appraisals when I graduate.

Northeast Nebraska - We finished up harvest over the Thanksgiving weekend. We don't have much land and finished harvest in a week after letting the corn dry down a bit. The weather was good for us for the most part with no real stresses anywhere. We are all corn and irrigated and had variable yields across our fields ranging from 150bpa on the lighter ground up to 230-250bpa on the good land. We had good sales this year but would love to see something happen before we move the rest of our bushels. We were able to bag a couple of deer over the weekend as well. We are considering getting back to some beans next year.

Westcentral Illinois - We finished up harvest right about the end of October, which is a pretty normal for us. We battled a lot of different weather issues all year but once we got going on the harvest things went smoothly. There is a lot of talk out there regarding the USDA yield numbers and how the growers may have overstated their production but really not seeing that once they got finished up with harvest. I know that we were off considerably for both corn and beans compared to last year. The corn had problems early with things being too dry then later in the year was too wet and cold. This year's yields came in at 238bpa which was a disappointment especially compared to last year's 217bpa. It was just a very thin stand all year. The beans may have been off a little more than the corn for a lot of guys around here. We had great bean yields last year seeing a whole farm average just north of 80bpa but this year's numbers were just under 70bpa.

CROSSING WIRES

A place to share intelligent thoughts...

What Young Farmers Want: The Young Farmers Coalition released its 2017 report of 3,517 current, former, and aspiring U.S. farmers under 40 who have some specifics for lawmakers about how they can help make farming a viable occupation. Young farmers said that land access remained their most significant barrier to farming, followed by student loan debt. A 2014 survey noted that 53 percent of young farmers asked were struggling to make monthly loan payments; about 30 percent could not farm or delayed farming because of student debt. Young farmers suggested that as lawmakers work on the next farm bill, lawmakers should: create or designate staff at USDA's county and state offices to work with young and beginning farmers; move USDA loan application and servicing systems online; and streamline loan application processes by creating a system that allows farmers to pre-qualify for loans. "If nothing more is done to help transition young people into American agriculture, we will be importing all our food," commented Kathleen Merrigan, executive director of sustainability at George Washington University and a former USDA deputy secretary. Read the full report [HERE](#).

Black Friday Gun Sales Soar, New Record For Background Checks: It seems guns were highly sought after on Black Friday. The FBI was pinged with 203,086 background check requests for firearm sales on Friday, according to data obtained by USA Today. Interestingly, that number set a new record for such requests in a single day, surpassing the 185,713 requests sent to the FBI on Black Friday last year. The numbers come as the nation grapples with a string of mass shootings, and lawmakers attempt to fix the marred background checks system. Read more [HERE](#).

What Happens When We Stuff Ourselves During The Holiday's: Overindulgence is a common ritual among Americans at holiday time. That you can eat until you feel like you might burst without actually bursting tells us a lot about the physics and physiology of the stomach and the neuroscience of appetite. At maximum capacity, the stomach can hold a gallon of food, about sixty-five times its empty volume. As the stomach stretches to accommodate additional food, it inflates like a balloon, pushing against the other organs in the abdomen and making it increasingly uncomfortable to keep eating. Eventually, the stomach will start pushing on the diaphragm, making it difficult to take a deep breath. Well before you reach that maximum volume, the body begins to take action. Between "full" and the body's reflexive defense strategy, there is a lot of room for holiday overeating. Read more [HERE](#).

Experts Say Certain Words And Phrases Can Make You Appear Less Intelligent: It's not just what you say; it's how you say it that matters. Even if you're only talking to yourself. And there are certain words and phrases that are often counterproductive. Below, Business Insider has rounded up a series of those words and phrases to avoid, based on recs from psychologists, engineers, and workplace experts. Read more [HERE](#).

Scientists Discover New Metal Capable Of Producing Electricity, But Not Heat: In science, there exists a law known as the Wiedemann-Franz Law that states, simply, that most metals that are good conductors of electricity are also good conductors of heat. This law essentially explains why things like motors and smartphones become hot when they're used for an extended period of time. However, one metal has been discovered to break this rule. Known as metallic vanadium dioxide (VO₂), it's seemingly capable of conducting electricity without the accompanying heat. Read more [HERE](#).

Check Out This Unbelievable SR-71 Blackbird Cockpit Tour: SR-71 pilot, former 9th Strategic Reconnaissance Wing commander, and successful author Richard Graham gave the following in-depth video tour of the Blackbird's front and rear cockpits to aviation videographer Erik Johnston, and it's simply outstanding. Read more and watch the video [HERE](#).





How China's Deregulation Could Increase Corn Processing & Demand

China cancelled their corn storage policy earlier this year and many believe this dumped tons of old supply on China's domestic market. Thoughts are the government was trying to drive down price in an attempt to help stimulate economic growth. Following were reports that China had cancelled all restrictions of foreign investments into their corn processing and fuel ethanol industries. Meaning both domestic and foreign investors can equally invest in the industry and mergers and acquisitions between enterprises are now easier. The restriction for foreign investment was established in 2007 as a response to the limited corn supply which was needed for the food and feed industry rather than used in the corn processing industry. The result of the restrictions were that only about one-quarter of their corn was made available to use in industrial processing. The new policy change however should help spur an increase in domestic competition, as foreign enterprises are generally enjoying better funded companies, stronger research and development abilities, as well as higher talent in human resources. As a result, the industry in China might likely consolidate at a faster pace and in turn bring technological advancements to the forefront in a more timely manner. Not only have the restrictions for foreign investments in corn processing been lifted, but also processing of edible oil and fats from soybean, rapeseed, peanut, cottonseed, camellia seed, sunflower seed, and palm. What's more, corn processing enterprises will certainly benefit from the corn subsidy policy, especially starch sugar manufacturers: starch sugar, particularly corn soft sugar, will be an increasingly popular substitute for sugar, as the current sugar price trades at a premium. China's top corn processing firm, COFCO, recently said that China will work off its massive corn stockpile in the next three to five years as the country ramps up processing capacity to use up the old stocks of grain. COFCO itself will boost its annual corn processing capacity to more than 10 million metric tons by 2020, up from 6 million metric tons a year today. It is believed that China's total corn processing capacity will hit 70 million metric tons a year by the end of 2018, up from just over 50 million metric tons currently. China chewing through more bushels has to be considered a longer-term bullish move for the global balance sheet. Keep in mind this might also might drive feed cost higher for those in the livestock business. (Source: [All About Feed](#))



FDA Warns Over Herbal Supplement Blamed For 36 Deaths

An herbal supplement that claims to ease withdrawal from opioids is being blamed for at least 36 deaths, prompting the Food and Drug Administration (FDA) to issue a public health advisory. Known as "kratom", it is sold in powdered form and often consumed as a tea. It comes from a plant native to Southeast Asia and has grown in popularity in the U.S. as a "natural" treatment for pain, anxiety and drug dependence. Kratom has been touted as a way to help addicts get off drugs like heroin and opioid painkillers. Supposedly, it not only eases mild to moderate pain but also helps curb withdrawal symptoms. Proponents of the supplement view it as a miracle solution to the country's opioid epidemic. The FDA however, says at least 36 people have died after consuming products made with kratom and hundreds of calls have been coming into poison control centers. In some of the overdose deaths, the victims had mixed kratom with opioids, though it's not clear if that was the case in all incidents. The FDA says kratom also has addictive properties of its own and carries similar risks of abuse, addiction and in some cases, death, as opioids. It is also often used recreationally for its euphoric effects. Last October, the DEA delayed plans to classify kratom as a controlled substance, saying

they would wait until the FDA issued a recommendation. The FDA says they are still reviewing kratom, despite the health warning they've issued. Kratom remains legal under federal law, but it has been banned in some states, including Alabama, Arkansas, Indiana, Tennessee and Wisconsin. With kratom being sold as a supplement, it is largely unregulated. Experts point out that that means buyers never know what the real strength or other ingredients might be. Christopher McCurdy, president-elect of the American Association of Pharmaceutical Scientists, is one of only a few scientists that has studied kratom closely. He says there is a "huge wealth of anecdotal evidence, and some scientific, that there is definite medical potential for this plant." He has also examined samples of kratom from emergency room patients and found that they frequently aren't what they claim to be. He's seen them spiked with morphine, oxycodone and even increased concentrations of 7-hydroxymitragynine, the more addictive of the plant's naturally occurring alkaloids. Turning kratom into a therapy is something McCurdy is working on, but it's slow work that doesn't have any big money behind it. McCurdy says there isn't much interest from the pharmaceutical industry as the cost-benefit is just too high. (Sources: CNN, USA Today, FDA)



MUST READ: America's First Auto Race... Amazing History!

The race took place on this day back in 1895 and was organized by the "Chicago Times-Herald". The race featured just six cars that traveled from Chicago to Evanston and back, approximately 55 miles. The winner averaged a whopping 7 MPH. On July 10, 1895, the Chicago Times-Herald announced a race was to be held in the city, prizes totaling \$5,000 (almost \$200K in today's money). The promotion was an attempt to foster growth of the young auto industry in the United States and to boost newspaper sales. The first automobiles in the nation were produced only two years earlier, and they were so new at the time that the paper's editors could not easily agree upon a name for them. After considerable wrangling, the editors decided to call it a Moto Cycle race, and first used the term in a July 15 article. The original course of the race was to run from Chicago north to Milwaukee, but the roads were found to be too poor for early cars to traverse. The route was changed to be only from Chicago to Evanston and back. The finish line was near what is now the Chicago Museum of Science and Industry. The race was intended to be held on November 2, but few cars had shown up, and the race was rescheduled. Eighty-three cars were initially entered into the race, but only six arrived for the actual competition. Many of the entrants were unable to complete the journey and make it to the starting line. Interestingly, two drivers were stopped by police while driving their cars into the city. They were forced to requisition horses to pull the cars... as the police informed them, they had no right to drive their vehicles on the city streets. The situation caused the race to again be postponed while the Times-Herald editors convinced the city leaders to pass an ordinance to confirm the right of these vehicles to travel on city streets. Once the ordinance passed, the race was held on November 28, which was actually Thanksgiving Day. Conditions were somewhat cold with snow and heavy mud all along the route. The first car to arrive at the starting line was a German made car by inventor named Karl Benz. In total, three Benz cars ran in the race. The only other four-wheeled car to run in the race was Frank Duryea's motorized wagon, which actually ended up winning. The two other vehicles that took part were two-wheeled automobiles that were just being introduced, later to be called "motorcycles". Newspapers across the country carried stories about the race and many started predicted the coming demise of horse-born transportation, citing the cars' ability to travel even in poor weather. The commercial production of American automobiles began only one year later.



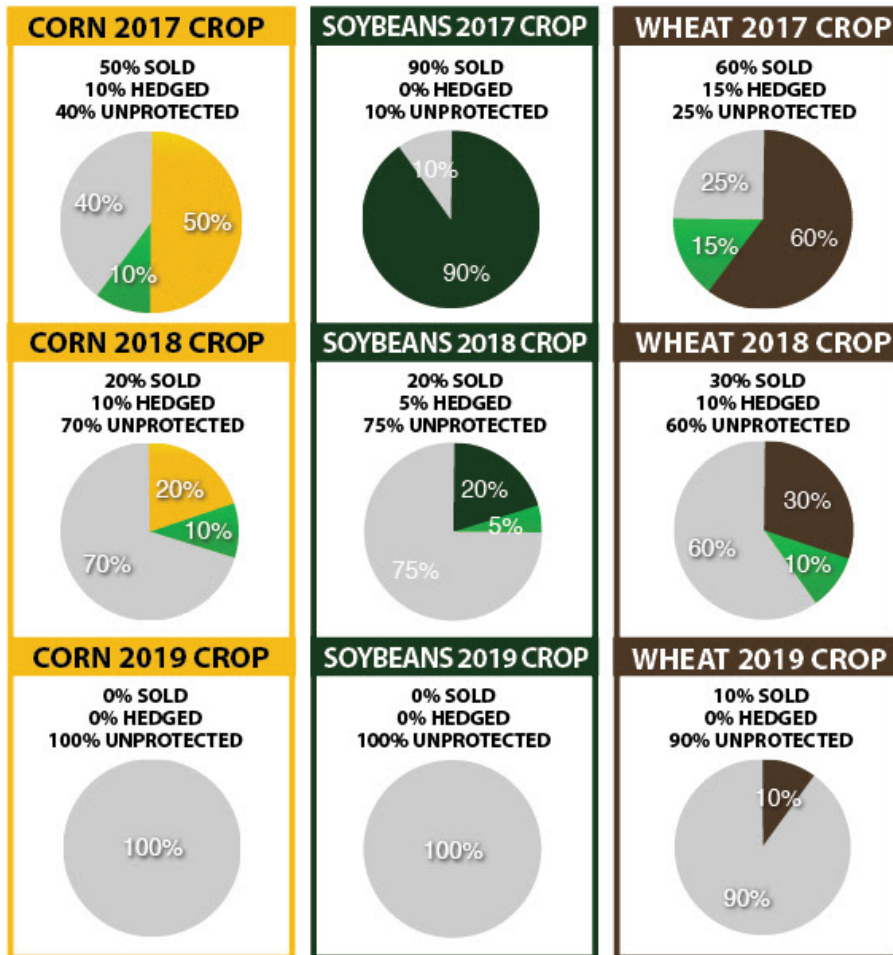




1986 Champion



CASH SALES & HEDGING TOTALS



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