

## GOOD MORNING12/11/17 Farm Direction - VanTrump Report

3 messages

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Mon, Dec 11, 2017 at 6:33 AM



"We cannot solve our problems with the same thinking we used when we created them." —Albert Einstein

MONDAY, DECEMBER 11, 2017

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**Morning Summary:** U.S. stock are coming off another winning week as economic data remains positive and the promise of tax reform gets another step closer to becoming reality. All eyes this week will be focused on the Federal Reserves policy meeting on Tuesday and Wednesday. Most traders are thinking the Fed is again going to hike interest rates. For those of you scoring at home, the Fed raised interest rates in December of 2015, in December of 2016, in March of 2017, and again in June of 2017. Each rate hike has been quarter-point. Many traders and large investors I know believe we will see 3 to 4 more rate hikes between now and the end of next year. As for economic data, the recent Employment Report showed +228,000 jobs were added in November, better than most were expecting, and the unemployment rate remains at a very low 4.1%. This was considered the first "clean" reading of the employment data, following two months of numbers that was skewed by hurricanes in Texas and Florida. The tight labor market however is still not doing much to push wages higher, with an annual increase of just +2.5%. Today's only significant economic data is JOLTS. Analysts are anxious to see if job openings are still increasing amid the tight labor market conditions. They are also very curious to see if turnover rates have ticked up any, as right now the rate is much lower than it has been in past times when unemployment was close to 4%. Many economists believe a tight labor market alone is not enough to drive up wages. The market also needs competition for that labor - in other words, employers competing for the same employees. In Washington, both chambers of Congress are now trying to hammer out their differences and deliver a final version to the President's desk before lawmakers leave town for the holidays. President Trump also signed a spending bill late last week to keep the federal government running through Dec. 22 and effectively preventing a government shutdown. The White House and congressional leaders are negotiating a longer-term agreement, but that is not expected to be ready for a vote until after Congress returns from the holiday break. Instead, insiders believe another short-term measure will be passed, extending funding into early-January. Crude oil prices were under a bit of pressure last week, but gasoline price remain firm. GasBuddy is staying national prices are at \$2.45 per gallon. A year ago prices were at \$2.21 per gallon, meaning gasoline prices are up almost +25% per gallon year-over-year.

**Keeping An Eye On Bitcoin:** With Bitcoin futures trading starting last night on the CBOE and expected to start next week at the CME, there seems to be a wide divergence of opinion about the likely effects. Conventional wisdom, originally had me thinking the more easy ability to short the board would add a some pressure to the downside. But with many investors uneasy about the cash settlement and the fact the futures could easily get out of synch with the actual Bitcoin digital market, many traders are a bit apprehensive in going short in a major capacity. I'm also thinking some of the larger holders of Bitcoin might be willing to defend price and protect their investments by being heavy buyers of the futures. In essence they can drive up the futures market and either bank gains on the board or use the opportunity to bank profits in the actual digital currency marketplace. If I were holding millions and millions in Bitcoin, I would certainly make the short side players go all-in and show me their cards. Lots to think about... Early data out this morning showed the CBOE contract, which trades under the symbol "XBT", surged to \$18,850, up roughly +25% during its opening session. Bitcoin itself rallied up roughly +12% to \$16,773, according to CoinDesk.

**China Imported A Record Amount Of U.S. Crude Last Month:** Chinese crude oil imports hit the second highest level on record last month, and U.S. oil producers are reaping the benefits. U.S. crude oil imports into China hit an all-time high in November, according to figures from ClipperData. The tanker-tracking firm reports that 289,000 barrels a day of U.S. crude hit Chinese shores by the end of the month. That is a small share of the 9.01 million barrels a day that China imported in November, but it shows that U.S. producers continue to



Kevin Van Trump  
CEO, Farm Direction  
The Van Trump Report

**I've helped hundreds  
of producers improve  
their marketing**

**Learn-the-Secret  
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You and your spouse will stay at my home for a special "One-on-One" learning and development session. You will walk away with a clear plan as well as my personal cell-phone number for individual coaching during the marketing year.

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EXECUTION is an art.**

Learn more by calling my office at  
(816) 322 - 5300 or e-mail me  
directly at [kvt@farmdirection.com](mailto:kvt@farmdirection.com)

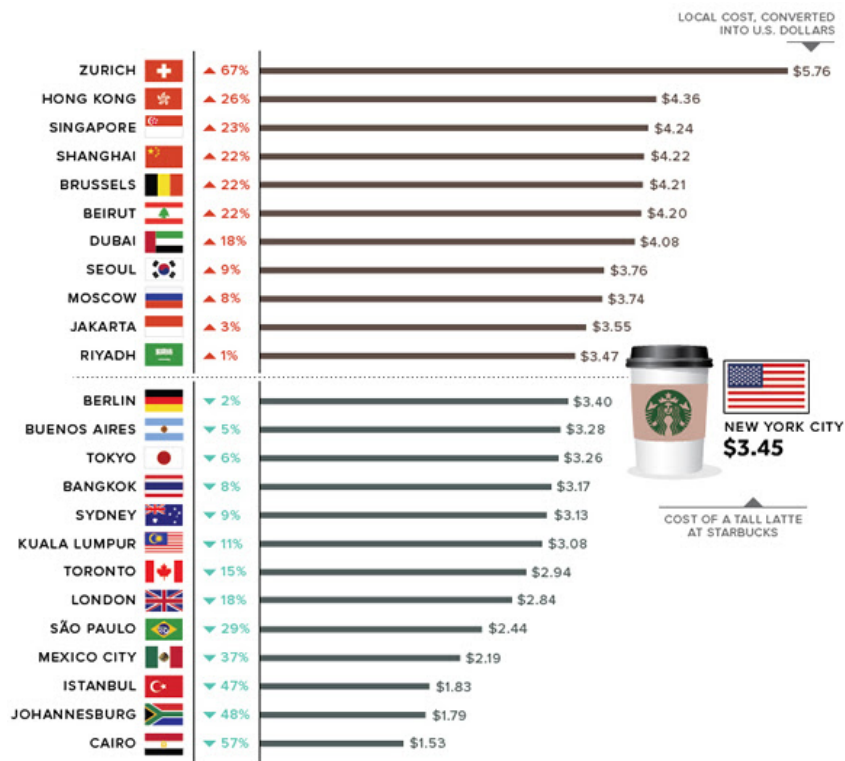
### Today In History



**1872, Old West** - Already appearing as a well-known figure of the Wild West in popular dime novels, Buffalo Bill Cody makes his first stage appearance on this day, in a Chicago-based production of The Scouts of the Prairie. Unlike many of his imitators in Wild West shows and movies, William Frederick Cody actually played an important role in the western settlement that he later romanticized and celebrated. Born in Iowa in 1846, Cody joined the western messenger service of Majors and Russell as a rider while still in his teens. He later rode for the famous Pony Express, during which time he completed the third longest emergency ride in the brief history of that company. During the Civil War, Cody joined forces with a variety of irregular militia groups supporting the North. In 1864, he enlisted in the Union army as a private and served as a cavalry teamster until 1865. Cody

make inroads into the country two years after Congress lifted a 40-year ban on crude oil exports. The United States has been able to penetrate the market in part because OPEC, Russia and nine other oil exporters are limiting their production in order to balance an oversupplied market. But there is another factor at play - U.S. crude is trading at a significant discount to international oil prices. The price spread between WTI and Brent has narrowed recently but still stands at about \$6 a barrel. Chinese crude oil imports are up about 900,000 barrels a day to an average of nearly 8.5 million barrels a day through November, according to figures provided by Energy Aspects. Next year, the firm sees that growth slowing down, but it still expects Chinese demand to increase by about 500,000 barrels a day. (Source: CNBC)

**Using The Impartial Coffee Bean To Estimate Currency Value:** Like any other market, there are many opinions on what a currency ought to be worth relative to others. With certain currencies, that spectrum of opinions is fairly narrow. As an example, for the world's most traded currency - the U.S. dollar - the majority of opinions currently fall in a range from the dollar being 2% to 11% overvalued. For other currencies, the spectrum is much wider. The Swiss franc, which some have called the world's most perplexing currency, has estimates from those same groups ranging from about 13% undervalued to 21% overvalued. The "Latte Index", developed by The Wall Street Journal, uses purchasing-power parity (PPP) - comparing the cost of the same good in different countries - to estimate which currencies are overvalued and undervalued. In this case, the WSJ tracked down the price of a tall Starbucks latte in dozens of cities around the world. These prices are then converted to U.S. dollars and compared to the benchmark price, which is a tall Starbucks latte in New York City (US\$3.45). The Latte Index is mostly for fun, but it's also broadly in line with predictions made by the experts. For example, the price of a latte in Toronto, Canada works out to US\$2.94, which is about 14.8% under the benchmark NYC price. This suggests that relative to the USD, the Canadian dollar is undervalued. (Source: Visual Capitalist)



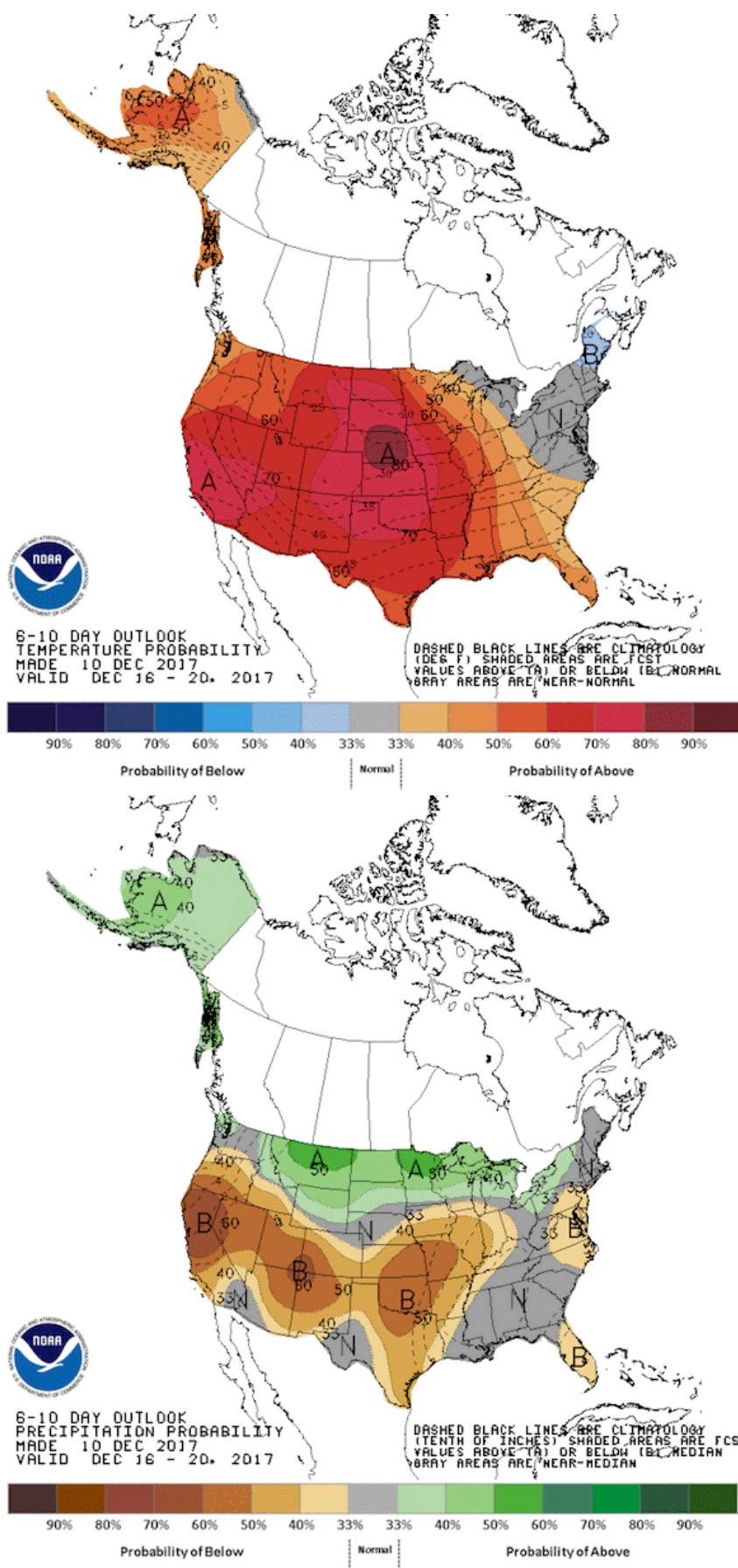
**Weather** for this week is calling for a settled pattern of seasonal cold across the Midwest. This pattern will also be mostly dry, with precipitation confined to the immediate Great Lakes. Transportation will be favored along with final-stage harvest. In the southern Plains, dry conditions and recent much above normal temperatures remain in place for more drying of soil in winter wheat areas. A colder pattern is welcome, due to the cold putting wheat into dormancy and reducing crop moisture needs. The 6 to 10 day outlook is calling for below normal temperatures from the Mississippi River eastward, while warmer than normal weather will prevail from the Pacific Coast to the High Plains. Meanwhile near to below normal precipitation nearly nationwide should contrast with wetter than normal weather from the Dakotas to Michigan.

began to earn his famous nickname in 1867, when he signed on to provide buffalo meat for the workers of the Eastern Division of the Union Pacific Railroad construction project. His reputation for skilled marksmanship and experience as a rapid-delivery messenger attracted the attention of U.S. Army Lieutenant General Philip Sheridan, who gave Cody an unusual four-year position as a scout-a testament to Cody's extraordinary frontier skills. Cody's work as a scout in the western Indian wars laid the foundation for his later fame. Cody again gained national attention by serving as a hunting guide for famous Europeans and Americans eager to experience a bit of the "Wild West" before it disappeared. As luck would have it, one of Cody's customers was Edward Judson, a successful writer who penned popular dime novels under the name Ned Buntline. Impressed by his young guide's calm competence and stories of dramatic fights with Indians, Buntline made Cody the hero of a highly imaginative Wild West novel published in 1869. When a stage version of the novel debuted in Chicago as The Scouts of the Prairie, Buntline convinced Cody to abandon his real-life western adventures to play a highly exaggerated version of himself in the play. Once he had a taste of the performing life, Cody never looked back. Though he continued to spend time scouting or guiding hunt trips in the West, Cody remained on the Chicago stage for the next 11 years. Buffalo Bill Cody was the hero of more than 1,700 variant issues of dime novels, and his star shone even more brightly when his world-famous Buffalo Bill's Wild West Show debuted in 1883. The show was still touring when Buffalo Bill Cody died in 1917.



**1941, WWII** - Adolf Hitler declares war on the United States, bringing America, which had been neutral, into the European conflict. The bombing of Pearl Harbor surprised even Germany. Although Hitler had made an oral agreement with his Axis partner Japan that Germany would join a war against the United States, he was uncertain as to how the war would be engaged. Japan's attack on Pearl Harbor answered that question. On December 8, Japanese Ambassador Oshima went to German Foreign Minister von Ribbentrop to nail the Germans down on a formal declaration of war against America. Von Ribbentrop stalled for time; he knew that Germany was under no obligation to do this under the terms of the Tripartite Pact, which promised help if Japan was attacked, but not if Japan was the aggressor. Von Ribbentrop feared that the addition of another antagonist, the United States, would overwhelm the German war effort. But Hitler thought otherwise. He was convinced that the United States would soon beat him to the punch and declare war on Germany. The U.S. Navy was already attacking German U-boats, and Hitler despised Roosevelt for his repeated verbal attacks against his Nazi ideology. He also believed that Japan was much stronger than it was, that once it had defeated the United States, it would turn and help Germany defeat Russia. So at 3:30 p.m. (Berlin time) on December 11, the German charge d'affaires in Washington handed American Secretary





of State Cordell Hull a copy of the declaration of war.



**2008, Bernie Madoff** - Bernard Madoff is arrested at his New York City apartment and charged with masterminding a long-running

Ponzi scheme later estimated to involve around \$65 billion, making it one of the biggest investment frauds in Wall Street history. Madoff, who was born in Queens, New York, in 1938, founded a small trading firm bearing his name in 1960. The business was established, in part, with money he earned working as a lifeguard. Two decades later, Madoff's firm, which helped revolutionize the way stocks are traded, had grown into one of the largest independent trading operations in the securities industry, and he and his family lived a life of luxury, owning multiple homes, boats and expensive artwork and jewelry. Based on the success of his legitimate operations, Madoff launched an investment-advisory business as part of his firm, and it was this business that by the 1990s had become a Ponzi scheme, in which he paid his earlier investors with funds received from more recent investors. For years, clients of this business were sent account statements showing consistently high—and fraudulent—returns. Potential new customers clamored for Madoff to invest their money. However, in 2008, with the U.S. economy in crisis, Madoff's financial swindle began to fall apart as his clients took money out faster than he could bring in fresh cash. On December 10, 2008, Madoff revealed to his brother and two sons, who worked for the legitimate arm of his firm, that his investment-advisory business was a fraud and nearly bankrupt. Madoff's sons turned in their father to federal authorities, who arrested him the next day. The fallout from Madoff's scam was widespread: The victims included everyone from his wealthy country-club acquaintances, Hollywood celebrities, banks and hedge funds to universities, charities and ordinary individual investors, some of whom lost their life savings. The charitable foundation of Holocaust survivor and Nobel Peace Prize winner Elie Wiesel lost more than \$15 million, and Wiesel also lost his personal savings. Public outrage was further stoked when it was revealed that since the late 1990s a private financial fraud investigator, Harry Markopolos, had repeatedly warned the Securities and Exchange Commission about his suspicion that Madoff was operating a massive investment scam. On March 12, 2009, Madoff pleaded guilty to the 11 felony counts against him, including securities fraud, money laundering and perjury. On June 29 of that year, a federal district court judge in Manhattan sentenced Madoff to 150 years behind bars, calling his actions "extraordinary evil."

#### Upcoming Events

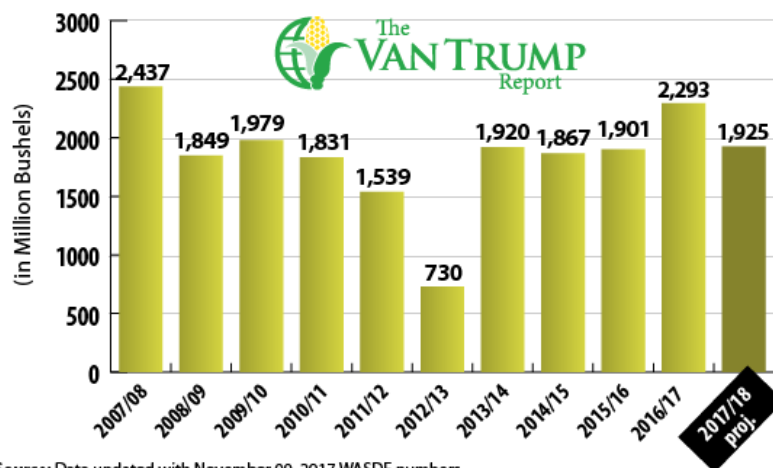
**Tues.-Wed. 12/12-12/13** - FOMC Meeting

**Tues. 12/12** - USDA Supply and Demand

**Corn** prices remain stuck in their longer-term, lower-to-sideways channel. Depending on the contract, prices have remained in a narrow 20 to 30 cent range for an extended period of time. Both domestic and global demand seems robust, especially for ethanol and feed. The problem is we are sitting on so much supply, it's tough to get the bulls excited and or the bears scared without more significant weather headlines. As a longer-term bulls, we have to continue keeping a close eye on La Niña weather patterns, especially rainfall totals across Argentina and portions of Southern Brazil.

Weather and rainfall totals will become even more scrutinized once we get closer to second-crop corn being planted in Brazil. Remember, there's already a lot of uncertainty surrounding second-crop corn acres in Brazil and just how many will or will not be planted. There's already some sources inside Brazil forecasting a -15% to -20% reduction in second-crop corn production compared to last year. There's also talk inside China that their government is becoming much more receptive to being a larger importer. Meaning, perhaps there's some bullish cards hidden a bit deeper in the deck. As a producer, I'm hoping to catch some type of upward push during the next 90-days, basically between now and mid-March. Could we push lower first? I think we could. Hence, the reason I'm keeping my nearby hedges in place. As a spec, I still see us staying rangebound nearby, posting lower highs and lower lows. Weather remains the "wild-card" so stay tuned... Keep in mind, the funds remain extremely short this market.

## U.S. Corn Exports



Source: Data updated with November 09, 2017 WASDE numbers

**Soybean** prices are down about -30 cents from the highs posted early last week. From a technical perspective, traders continue to see heavy resistance in the MAR18 contract up between \$10.25 and \$10.50 per bushel. Downside support appears strong at or around the \$9.75 area, and has helped keep us within the same 50 cent range since mid-September, essentially between \$9.75 and \$10.25 per bushel. Bulls continue to talk about weather concern in South America, specifically more wide-spread concerns about dry conditions further developing in several parts of Argentina and southern Brazil. Bears however are pointing to recent moisture and perhaps better chances in the days ahead. Bears also continue to talk about the USDA needing to lower their U.S. export estimate, probably at the expense of increased export demand out of Brazil. Several inside sources believe Brazilian soybean exports are up +25% to +30% compared to last year. Chinese import demand looks like it might be getting a bit stronger, but the trade seems a bit reluctant to add premium, thinking perhaps the demand could further go to South America. Not only is South American demand and weather being highly monitored, but so is the Brazilian currency, which took a little tumble last week, opposite of the U.S. dollar, and created a bit more concern for the bulls. As a producer I still feel "best-of-practice" is to price the deferred contracts, remove some risk and bank some longer-term profits. From a spec perspective, short-term players continue to like buying the breaks and selling the rallies. It will be interesting to see how the market responds this week. I remain extremely cautious and conservative when swimming in these waters...

**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

## 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.

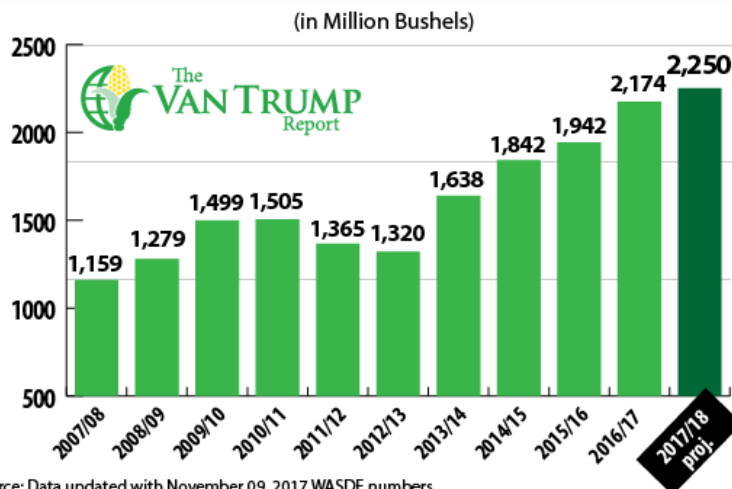
My family and I would like to thank you again for your support!

*Kevin Van Trump*

### What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of

# U.S. Soybean Exports



**Wheat** prices will try to recover this week. Last week was tough on the bulls as prices across the board fell by double-digits. Several contracts actually posted fresh new lows. It's difficult for producers to watch continued downward momentum while the drought here in the Plains widens and further intensifies. Bears simply point to ample global supply, no significant weather worries in Russia and lack of real U.S. demand as reason enough to keep prices subdued. As for tomorrow's USDA report, most sources seem to be looking for Russian and Canadian production to push higher, while Argentine and Australian production could fall under more pressure. Longer-term, I personally believe we are going to see the U.S. balance sheet start to shrink. I also believe the world will eventually be forced to start bidding up for "quality" as we move into 2018. As both a producer and a spec, I still feel like most all of the bearish cards have been turned over and the best risk-to-reward is to the upside.

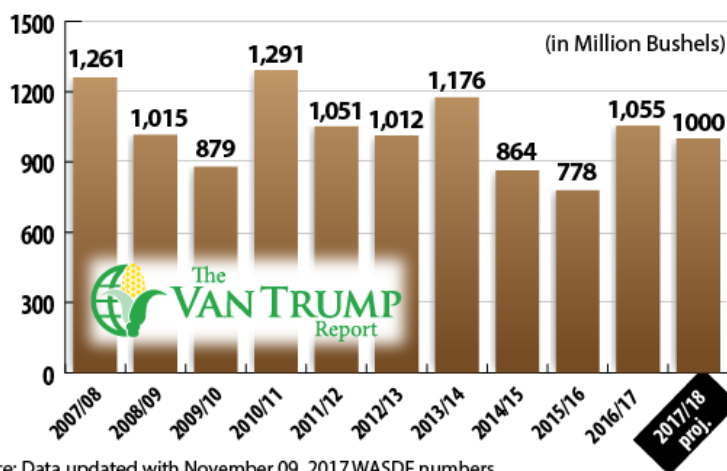
many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so 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 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

# U.S. Wheat Exports



## U.S. Ending Stocks

	Dec. Est.	Avg. Guess	Trade Range	USDA November
Corn	???	2.478	2.394 - 2.517	2.487
Soybeans	???	0.438	0.425 - 0.486	0.425
Wheat	???	0.938	0.925 - 0.960	0.935

## World Ending Stocks

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## 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.



	Dec. Est.	Avg. Guess	Trade Range	USDA November
Corn	???	202.72	195.70 - 205.00	203.86
Soybeans	???	97.82	95.20 - 99.00	97.90
Wheat	???	267.07	264.00 - 270.00	267.53

#### South American Production

	Dec. Est.	Avg. Guess	Trade Range	USDA November
Argentina Corn	???	41.77	41.00 - 42.00	42.00
Argentina Soybeans	???	56.52	54.00 - 57.00	57.00
Brazil Corn	???	93.26	86.90 - 95.00	95.00
Brazil Soybeans	???	108.21	107.60 - 109.00	108.00



> **Chinese November Soybean Imports Up Nearly 50%:** Chinese customs data showed November soybean imports at 8.68 million metric tons, up +48% from October and +11% from last year, with cumulative January-November imports at 85.99 million metric tons, up from last year's 74.92 million metric tons pace. Their government also pegged 2017 grain output at 617.9 million metric tons, up +0.3% from 616.2 million metric tons last year. (Source: FCStone)

> **Dutch Farmers Ordered To Keep Poultry Indoors Amid Bird Flu Breakout:** The Dutch government has ordered the country's farmers to keep all poultry indoors after bird flu was discovered at a duck farm. Authorities issued the order Friday after a suspected highly pathogenic variant of the H5 bird flu was discovered. All 16,000 ducks at the farm were to be culled. The Netherlands has a huge poultry industry, producing eggs and meat that are exported around the world. (Source: New York Times)

> **Rabobank Says U.S. Farmers Must Reinvent Themselves:** Rabobank's food and agribusiness research group is recommending that American row crop farmers "transform their businesses" to ensure long-term financial stability during what is predicted to be five more years of low commodity prices and tight margins. "Given the outlook for tight margins, the fundamental risks facing farmers, and increasing export competition from Brazil, Ukraine, Russia and other growing regions, there is clearly a need for U.S. growers to reinvent themselves." Analysts said growers could manage risk and strengthen their financial position by adopting new technology that promotes more efficient nutrient use and greater yields; acquiring additional land and planting other types of crops, or shifting a portion of acreage to organic; using vertical integration, such as controlling grain storage for greater flexibility in deciding when and where to sell; and turning to contract-farming arrangements. (Source: Politico)

> **Blockchain Could Revolutionize the Food Industry:** Blockchain, the distributed ledger technology, will lower transaction costs for food companies, improve efficiency and create new business opportunities, said Harry Smit, a senior analyst at Rabobank International. Firms should explore options to adapt to the new technology or risk losing their competitive edge as innovation takes hold, he said in a new report. Wal-Mart Stores Inc. and International Business Machines Corp. have already jumped on the bandwagon and more are joining in, including Nestle SA and Dole Food Co. Companies are seeking to improve transparency in an industry targeted by food-fraud that's been estimated by Michigan State University to cost as much as \$40 billion a year. "In order for goods to be traceable from farm to fork, all parties that handle the goods should be linked to the blockchain," Smit said. "Once the hurdle of broad participation is taken and the benefits of a more transparent supply chain manifest themselves, laggards will be forced to join fast, or otherwise remain at a competitive disadvantage." (Source: Bloomberg)

> **Trump Pushing For Oil And Ethanol Compromise:** Oil-state Republican lawmakers left a meeting with President Donald Trump on Thursday with a directive to



work on a biofuels compromise that would benefit both gasoline makers and corn growers, according to Politico. The president "wants us to come to him with something that's going to make both sides happy, and I believe we can do it, and believe he thinks we can do it after this meeting," Senator Jim Inhofe said, adding he and Senator John Cornyn had begun working with corn-state Republicans on possible solutions. Senators who attended the meeting said EPA Administrator Scott Pruitt floated the idea that administrative actions could cut the costs that refiners bear to comply with the Renewable Fuel Standard. (Source: Politico)

**> Russia Will Boost Transport Subsidies To Speed Grain Exports In 2018:** Russia will spend 2 billion roubles (\$34 million) in grain transportation subsidies to help to speed exports in 2018, the Deputy Agriculture Minister said. Already among the world's largest wheat exporters, Russia is trying to step up a gear after this year's record crop, which is keeping its grain storage, railway transport and export infrastructure working at maximum capacity. (Source: Reuters)

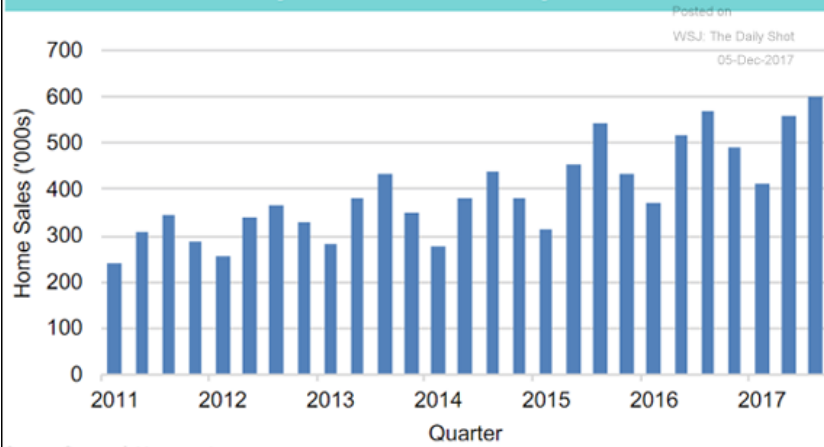
**> ED&F Mann Winds Down Physical Grains Business:** ED&F Man is winding down its physical grains business, three sources with knowledge of the matter said on Friday, in the latest leg of restructuring at the centuries-old commodities merchant. The employee-owned agricultural commodities and brokerage group, established in 1783, announced a restructuring of its core sugar business as it struggled to cope with surplus stocks depressing prices. The sources, who declined to be identified, said Man was in the process of exiting the physical grains business. The company's wider portfolio includes businesses involved in trading coffee, molasses and animal feeds, grains, pulses, shipping and capital markets as well as sugar. (Source: Reuters)

**> Brexit Deal Reached:** "We have made the breakthrough we needed," said European Commission President Jean-Claude Juncker, declaring a long-awaited Brexit deal and the opportunity to now discuss trade arrangements. A financial settlement was agreed that was "fair to the British taxpayer" and enshrined the "special rights of EU nationals," announced Theresa May, adding a guarantee that there would be "no hard border" in Ireland. (Source: Seeking Alpha)

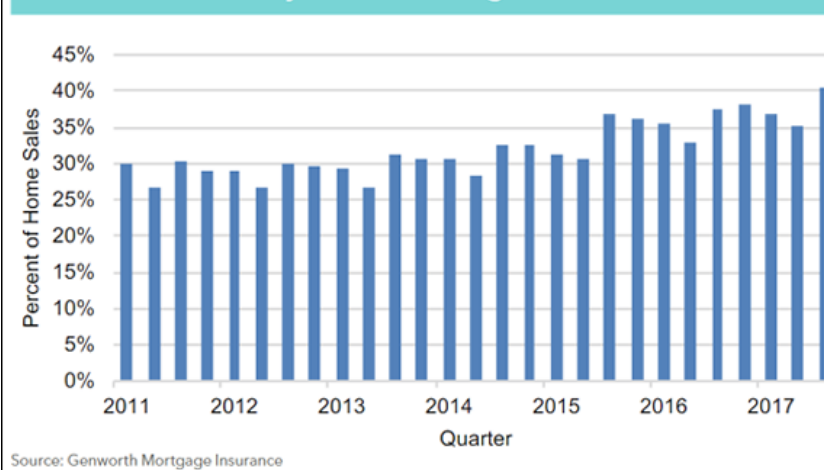
**> Christie's Confirms That Abu Dhabi's Culture Arm Acquired The \$450 Million Da Vinci:** Christie's confirmed on Friday that the Abu Dhabi Department of Culture and Tourism acquired Leonardo da Vinci's "Salvator Mundi." It's the first statement from the auction house about the acquirer of the work, which sold for a record \$450 million. The statement by a company spokesman followed a press release issued earlier in the day by the culture department, which said the painting will be displayed at the Louvre Abu Dhabi. U.S. intelligence officials had said that Saudi Arabia's crown prince Mohammed bin Salman had purchased the painting. A little-known Saudi prince, Badr bin Abdullah al Saud, was authorised to purchase the painting on behalf of the Abu Dhabi culture ministry. The museum announced last week that it would go on display there, in a coup for the institution and its backers, the rulers of the United Arab Emirates. (Sources: Wall Street Journal, The Guardian)

**> Number Of First-Time Homebuyers Keeps Climbing:** The first-time homebuyer market is growing much faster than other buyer segments in the housing market, thus defining the current housing cycle. This trend first emerged in 2015 and growth in the first-time homebuyer market has represented 85 percent of the growth in single-family home sales. The sustained growth in the first-time homebuyer market means that not only has it recovered to its historical level, but that it is historically high in number and as a percentage of home sales. A strong economy with full employment for those in primary household formation ages (between 25 and 44), and historically low interest rates, has provided a firm economic foundation. The Millennials' entry into the housing market, and the delayed purchase over the previous 10 years, also contributed to its rapid growth in the past two years. The large influx of first-time homebuyers is creating a unique challenge in the housing market. Unlike repeat buyers, first-time homebuyers do not have a home to buy and sell at the same time. Their presence is an important reason why housing inventory has been declining, while sales and price growth have been up. Compounding this challenge is that rising demand from potential first-time homebuyers has not been met by a large increase in affordable new homes. This disconnect between first-time homebuyer demand and supply means that home price gains are likely to continue. (Source: Genworth)

## First-Time Homebuyer Market—Quarterly



## First-Time Homebuyer Mix—Housing Market



## FROM THE FIELD

**Westcentral Missouri** - We've been finished with harvest for a few weeks. We had a very good year even with our slow start. It was wet early and there were stretches of dryness this summer but nothing terribly bad. Yields were above average across all our fields in both beans and corn. Temps in August were unseasonably cool and that seemed to allow the corn to fill slower and fuller. There was a bit of dicamba drift in our area but it didn't seem to affect anyone's production. It will be interesting to see the final outcome for the product's use next year. We didn't move as much corn as we should have in July but isn't hindsight 20/20. We will have a bit more corn planted next year.

**Northcentral Iowa** - We were fortunate to miss the storms in July that brought some hail damage in the area. Most of the corn in those areas were tilled up it was so bad. Incredibly the beans nearby were able to grow back and get harvested. We did well with yields above our aph on beans more so than our corn. We have a bit of tile work to do on some recently purchased ground. Would sure like to see land prices start coming down a bit as we would like to pick some up, just hard to pencil it now. Hopefully the input companies will be able to lend a helping hand with costs.

**Southcentral Kansas** - My dad and I had a real good year especially on the irrigated ground. Our corn and beans hit good numbers. Weather was pretty good all year. We also run 1500 head of cattle that we get ready for our clients. We get them around 450lbs and send them out around 900. We are able to chew through a lot of our corn feeding cattle. We have some work to do on irrigation system and not a lot of other expenditures at this time. Our bean sales were pretty good so we can sit back and wait for a couple of months on the rest.



# CROSSING WIRES

A place to share intelligent thoughts...

**More Production, Competition Expected in Livestock Market:** *Animal protein production is expanding around the world, and increasing competition —between the species for share of consumer wallet and between exporters for access to import destinations— is creating many areas of opportunity for both producers and processors, according to RaboResearch's Animal Protein Outlook for 2018. Looking at production across species, beef joins pork as a strong contributor to global expansion. In 2018, global beef production is expected to expand for a third consecutive year, and global pork production is expected to see another year of significant expansion. Poultry production is also expected to grow but will be down slightly on 2017. Read more [HERE](#).*

**Asgardia Claims It Is The First "Space Kingdom":** *The self-declared Space Kingdom of Asgardia, a nation founded by a Russian aerospace engineer and billionaire, just deployed its first satellite into orbit. Asgardia is currently a non-profit non-governmental organization based out of Vienna, Austria. But its leaders want to eventually build a kingdom in space that mines asteroids and defends planet Earth from meteorites, space debris, and other threats. Its new satellite is called Asgardia-1. The blocky object is technically called a nanosatellite or "nanosat," weighs about as much as a newborn baby, and is roughly the size of a loaf of bread. Asgardia's tiny spacecraft contains a 512-gigabyte hard drive loaded with "the nation's constitution, national symbols, and the personally selected data of the Asgardian citizenship," according to a statement emailed to Business Insider. There are currently about 154,000 citizens of Asgardia, enough to qualify for consideration as a state by the United Nations. But it's unlikely the world will acknowledge Asgardia as a sovereign nation, even now that it has claimed territory in space. Read more [HERE](#).*

**Pantone And The Universal Language Of Color:** *Is that off-white paint ivory, pearl, bone, eggshell, eburnean, ecru, cream, flax, or beige? Ask anyone who's ever argued about the shade of a wall: Describing color with words is a near-impossible task. That's why professional designers cite alpha-numeric codes from big color directories to communicate the exact color they want. Japan has the TOYO Color Finder and Germany has its HKS color chart, but New Jersey's Pantone matching system is the most widely-used system. Pantone's founder Lawrence Herbert called it a "universal language of color." Pantone, once a technical tool for the design and printing industry, has become a pop culture icon through some genius marketing and countless independently generated memes. Pantone color chips have been reincarnated as mugs, cell phones, underwear, smoothies, and even a 3-star boutique hotel in Brussels. Name it, it's likely been Pantoned. Read more [HERE](#).*

**Seven Ways To Diffuse Holiday Stress:** *This may be the most wonderful time of the year, but it can also be the most stressful. The holidays often bring more personal and professional obligations, but that doesn't mean your workload goes away. More than half of U.S. workers say they are happier on the job during the holidays, but 35% admit they're more stressed this time of year, according to a new survey from staffing firm Accountemps. Balancing holiday events and work obligations were ranked as the most stressful part of the holiday season, according to the Accountemps survey. Instead of feeling the frenzy, try these seven ways to cope listed over at [Fast Company](#).*

**Fort Lauderdale Tops List Of Least Safest Cities:** *No big city can say they can make their streets crime or hazard-free, but one personal finance website says some cities around the U.S. are doing a better job keeping residents safe than others. WalletHub has released its list of this year's safest cities in America and the rankings for some of the country's biggest population centers may have some Americans wanting to move... View Full Report [HERE](#)*

Here's a look at WalletHub's Top 10 safest cities for 2017:

1. Nashua, NH
2. South Burlington, VT
3. Warwick, RI
4. Columbia, MD
5. Gilbert, AZ
6. Fargo, ND
7. Lewiston, ME
8. Plano, TX
9. Portland, ME
10. Brownsville, TX

Here's a look at WalletHub's LEAST safest cities for 2017:

173. Jackson, MS
174. Baton Rouge, LA
175. Chattanooga, TN
176. Orlando, FL
177. Little Rock, AR
178. Detroit MI
179. Oklahoma City, OK
180. San Bernardino, CA
181. St. Louis, MO

**Why do we form such strong friendships in high school and college** and form comparatively fewer as the years go on? I often think about a piece I read in 2015 in the Atlantic, by Julie Beck, called "How Friendships Change in Adulthood." It's a familiar tale that Beck tells: Early in life, friendships are central to our development and sense of self. This is true right up through to those early post-collegiate years, when everyone is starting out in their professional lives. And then people get married. They have kids. Their parents get older and need more care. They settle into careers. All those obligations — spouses, kids, family, work — are things we have to do. Friendships are things we choose to do. And that means, when time constricts and things get busy, friendships often get bumped. So as we get older, time with friends tapers off. "[In a study we did,] we asked people to tell us the story of the last person they became friends with, how they transitioned from acquaintance to friend," researcher Emily Langan told Beck. "It was interesting that people kind of struggled". Read more [HERE](#)

**Earnings Insight: Q3'17 By The Numbers:** FactSet has put together a great infographic that covers some of the most interesting developments of third-quarter earnings. Check out the full graphic [HERE](#) to see which sectors saw the most growth, which economic events dominated earnings calls and other interesting insights.



Seventy-four percent of S&P 500 companies exceeded EPS estimates.

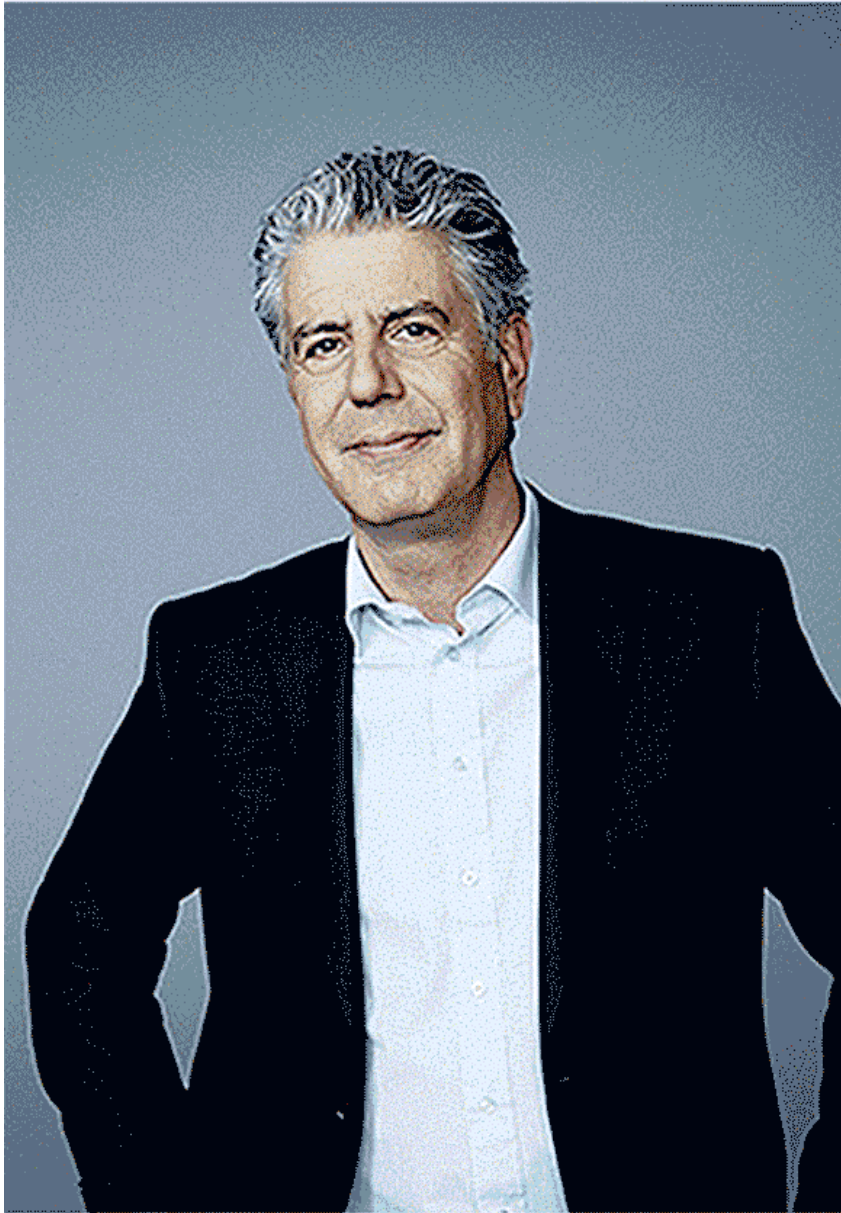
74 percent of S&P 500 companies reported actual EPS above estimated EPS for Q3 – above the 5-year average of 69%.



#### How Big Brands Food Waste Campaigns Could Impact The Farms

Concerns over food waste may have finally reached a tipping point this year. It seems the number of published articles on food waste have increased by 25% over the last 6 years, thus pushing the topic into mainstream discourse. Food activists for years have fretted about the topic, but Anthony Bourdain, host and writer of the travel/foodie show "Parts Unknown", has brought the subject mainstream with his recent release of the feature-length documentary "Wasted". According to The Hartman Group, a market research consultancy, more and more shoppers are concerned about unused food, proven by the fact that they will bring the issue up in conversations without being prompted. It is like I always say, perception is reality and in this case that could mean everyone along the supply chain will be drawn into the arena and judged by their position. Interestingly, it seems that big food companies trying to address the issue could be in a sticky spot. Meaning, anti-waste marketing is most likely not going to strengthen brand preference, yet on the other hand, if you don't make a move you risk becoming the poster child for the problem. This pretty much means all big food and beverage companies will need to invest in the matter. It's worth noting a couple of big names are trying to get ahead of the trend with recent initiatives. I'm told Quaker Oats hosted an online recipe contest called "More Taste, Less Waste" that used oats and "rescued food" and had customers vote for their favorite. Jessica Spaulding, senior marketing director of Quaker Foods North America believes this is not a passing trend and that the contest was a way to raise awareness and inspire solutions. Anheuser-Busch InBev chose to address the issue by funding a startup that uses leftover grain

from beer making. Using the brand position: "Find the good in everything. Often, things that are cast aside have the biggest impact," has led to the production of a smoothie-like, barley milk beverage. I'm told, the flavored dairy-free, high-fiber drinks will start to show up on retail shelves by December, under the brand name Canvas. In an era where our business decisions are more and more driven by consumer demand, you have to ask what will this mean to you as a producer. I suspect, it will mean greater scrutiny of our use of land, water, and inputs as they are directly related to our production. Once again, as we move to the music of consumer demand, we need to be aware of what that is and it looks like food waste has become a mainstream discussion. (Source: [adweek.com](http://adweek.com), [fastcompany.com](http://fastcompany.com))



#### **MUST READ: Flip A "Crypto-Kitty" And Make \$60,000!!!**

*"Think breedable Beanie Babies." That is how their website describes this new game for collecting, breeding and selling digital cats that is quickly becoming the new online craze. The game is built upon the digital currency platform called ethereum and works on a blockchain. I know this is bizarre, but I want to explain to you how it works. CryptoKitty players buy and sell unique digital or virtual kittens, that are both breedable and carry a distinct genome. Each one has a unique DNA and comes with different attributes. Since each kitten has a genome of 256-bits, this means there are 4 billion possible variations of cats that can be bred. They're all kind of cool and can pass on traits such as having striped fur, spots or a certain eye color. The players purchase the kitties using the digital currency ethereum, for a certain amount of Ether or "Eth's". With two kittens, players can then breed their own digital kittens and sell them on the marketplace. The starting price is set by the user, the price goes down until the end of the auction or the kitten is sold. Players have spent millions buying CryptoKitties. Normal kitties can sell for just a few dollars, but breed the right mix and it could bring you a fortune. I've heard some CryptoKitties are selling for over \$20,000. The first cat ever created — known as the Genesis cat — sold for \$114,481.59. I heard one CryptoKitty was flipped in four days netting the owner +\$60,000. The craze was created by Vancouver-based Axiom Zen, which "CryptoKitties" to 200 users on*



Thanksgiving and was opened to the public last Tuesday. Supposedly, More than 50,000 unique kittens have been sold and thousands are chasing to breed to the right combo. An important factor is your kitties "cooldown time," or the time it takes your kitty to recover after breeding. Some kitties are quick to recover and can breed again after 1 minute, others are slow to recover, taking 1 week and even longer. Basically, kitties are ranked from "fast" to "catatonic", telling the owner how much time a kitty needs before it can breed after it last gave birth. Obviously, kitties that can breed faster are more desirable, but perhaps the slower breeding contain the better genetics. The trick, however, is that every time a kitty breeds, its "cooldown" gets a little bit worse and takes longer. There's also the generation number. The generation number tells you how many generations a kitty is removed from the Gen 0 kitties, which are introduced into the game every 15 minutes. If a Gen 0 kitty breeds with another Gen 0 kitty, the offspring will be Gen 1. If a Gen 1 breeds with a Gen 5 kitty, the offspring will be Gen 6. Supposedly, the higher the generation number, the worse the kitty will perform, long-term, and the lower its value. Bottom-line, there's just a ton of moving parts that can make or break your breeding stock. I also heard the site recently added the ability to track the historical price of any kitten, which reveals the inner workings of the virtual cat trade. For example: "Kitten number 23" was first traded or sold to someone from its original breeder for just over \$4,000 on Dec. 2. Two days later, it was sold again for over \$32,000. Then just a couple of days later, to a user named "It's All About The Money" paid about \$63,000 for it, and it's now one of the the most expensive cats for sale in that user's stable. That breeder now has it listed for sale for 240.12 ether, which is somewhere between \$100,000 and \$120,000 depending on today's valuations of ethereum. I heard some talk that a few "Gen 0" kitty owners where purchased by investors, who have kept them from breeding, supposedly think there will be a major premium paid for virginity from the original generation once the game has played itself out. You can check out the CryptoKitties website [HERE](#). In my opinion, it would be cooler if they were dogs, so perhaps "digital doggies" will be next:) Below are a few picks and screenshots that might help bring it all together... Good luck!



Kitty #3 - Gen 0 - Fast Cooldown ⓘ

## Bio

What's up! I'm Founder Cat #3. I'm a pro love steak. When I'm not swiping left, I'm the ultra purrrsonal stuff to yourself, ple

## Cattributes

☐ orangesoda

☐ jaguar

☐ simple

☐ pouty

☐ himalayan

## Cooldowns

After a Kitty breeds with another Kitty, it will be temporarily unable to breed again for a brief period of time. The time it takes to recover will increase each time the Kitty breeds.

<b>Fast:</b>	<b>1m</b>
Swift:	2m - 5m
Snappy:	10m - 30m
Brisk:	1h - 2h
Plodding:	4h - 8h
Slow:	16h - 24h
Sluggish:	2d - 4d
Catatonic:	1 week

Rank	ID	Ether	USD (at time of sale)	USD (current value)	Sale Date
1	1	Ξ 246.9255	\$114481.59	\$111610.34	12/2/2017, 12:32:3...
2	5	Ξ 222.0000	\$100488.74	\$100344	12/5/2017, 8:45:01 ...
3	7	Ξ 190.0468	\$87677.34	\$85901.17	12/4/2017, 11:45:4...
4	35	Ξ 188.8897	\$85501.28	\$85378.12	12/5/2017, 11:18:0...
5	101	Ξ 175.7532	\$81993.25	\$79440.44	12/3/2017, 7:28:49 ...
6	30	Ξ 168.6849	\$76355.56	\$76245.57	12/5/2017, 8:28:28 ...
7	78	Ξ 156.8700	\$73495.3	\$70905.22	12/4/2017, 10:49:1...
8	19	Ξ 154.0000	\$69708.41	\$69608	12/5/2017, 6:19:43 ...
9	18	Ξ 154.0000	\$69708.41	\$69608	12/5/2017, 6:37:44 ...
10	2	Ξ 150.0000	\$70166.1	\$67800	12/3/2017, 5:16:36 ...



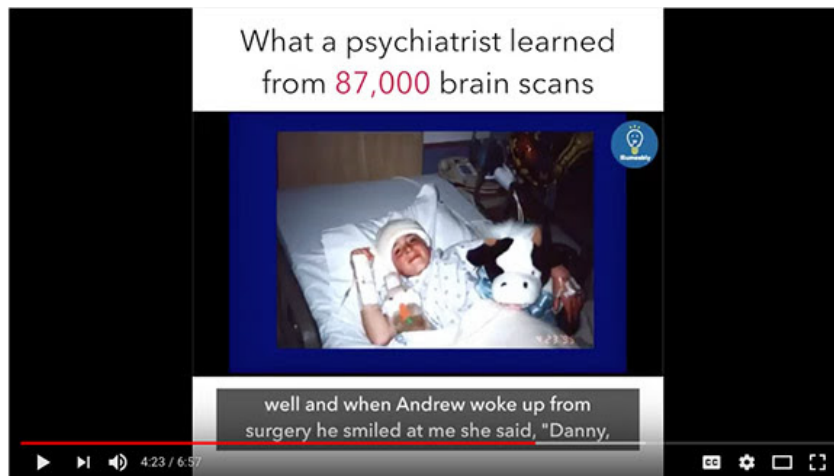
By clicking the button below, you will transfer **0.9599 ETH** to **hisdearqueen** and **G9 BLOODRED CALICOOL VIRGIN** will be transferred to you in return.

Note: If Metamask gives you a warning (e.g. "Gas limit is set dangerously high"), hit reject, refresh the page, and try again.

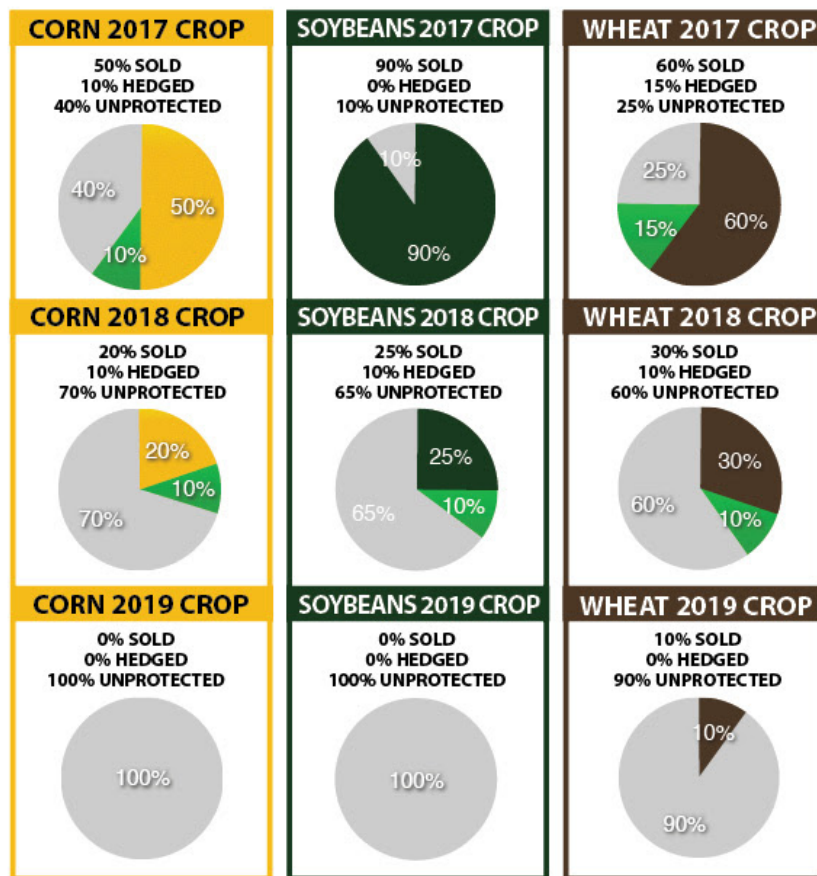
OK, buy this Kitty

### I Hope This Helps You Or Someone You Know

A friend sent me this video the other day and it made me stop and think about all of the folks who might be misdiagnosed or taking meds when there is actually a more underlying problem. It's crazy to think that with all the technological advancements we've made during the past 150 years, we are still using many of the psychiatric practices that were used to diagnose Abraham Lincoln's depression back in 1840. This short video is definitely worth watching and sharing with those who might be struggling. I'll admit, when I was younger I use to think people were just being weak or didn't have mental toughness...wow, was I ever wrong! Please watch and share. Click [HERE](#)



**CASH SALES & HEDGING TOTALS**



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Mon, Dec 11, 2017 at 6:34 AM

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