

GOOD MORNING: 12/19/17 Farm Direction - VanTrump Report

1 message

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Tue, Dec 19, 2017 at 6:48 AM



"The most difficult subjects can be explained to the most slow-witted man if he has not formed any idea of them already; but the simplest thing cannot be made clear to the most intelligent man if he is firmly persuaded that he knows already, without a shadow of doubt, what is laid before him." - Leo Tolstoy

TUESDAY, DECEMBER 19, 2017

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Morning Summary: Stocks again set new record highs with the Nasdaq passing the 7,000 milestone during intraday trading. Investors remain extremely positive about the tax reform, which Congress is expected to begin voting on today.. GOP lawmakers aim to have the legislation on President Trump's desk by Thursday. It's Wall Street's hope that the sweeping overhaul will boost corporate profits and continue to fuel the bull market. Additionally, investors are looking for some of those tax savings to go to shareholders via share buybacks and/or dividends. A more problematic issue on Capital Hill is the spending bill, which must be passed before the end of the day Friday in order to prevent a partial government shutdown. The most likely outcome is passage of another short-term measure that will stretch funding into January. Positive economic data also continues to boost investor confidence. The National Association of Home Builders reported yesterday that homebuilders have not been this confident since 1999. The Housing Market Index hit an 18-year high of 74, higher than the level it was at any point during the housing bubble. Notably, the buyer traffic component climbed +8 points to 58, which most analysts equate to the severe shortage of existing homes for sale, which realtors say is the lowest supply on record. Today brings Housing Starts, which are expected to fall slightly to 1.240 million from a previous 1.290. This is a number that the housing market wants to see accelerate as it has been rising only moderately and is still no where near historical averages. San Francisco Fed President John Williams had mostly positive comments about the economy in an interview with the Wall Street Journal. He said the year was ending with very good momentum, with the economy "operating on all cylinders, which is, I think, a positive sign in terms of the sustainability of the expansion." He also forecast three rate increases next year on the assumption the economy continues to perform as he expects, adding that he doesn't see anything so far that would fundamentally change his view of what lies ahead. Today we will hear from Minneapolis Fed President Neel Kashkari.

Shoutout To Grannies For Old-School Security... Had to pass along:)

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Today In History

1777, American Revolution - With the onset of the bitter winter cold, the Continental Army under General George Washington, still in the field, enters its

Italian Security Cameras



Berkshire Hathaway Stock Trades To \$300,000 Per Share: Warren Buffett's Berkshire Hathaway "A" shares have actually outperformed the S&P 500 this year — rising more than +22%. The company's "B" shares are also up around 22% for the year. Buffett, the billionaire investor, has long refused to split Berkshire's A shares, which are the world's most expensive stock, saying he wanted long-term investors not short-term speculators. Interestingly, over the 53 years, the "A" shares have increased an average of 19% annually. If you really want to make yourself sick, Buffett first took over the company in 1964, when the stock was trading at about \$12.37 per share. If you, your parents or grandparents would have had the vision to invest \$10,000, you would have owned about 808 shares of the company, which would now be worth more than \$240,000,000.00. Perhaps even more crazy, if Berkshire's stock price were to grow at a similar 19% annualized rate for another 53 years, it would produce a share price of over \$5.5 billion.

Top U.S. Companies Making Bank: Imagine that for every second that passes, your bank account inches up \$1. You'd be making \$60 per minute, or the equivalent of \$86,400 in a day. Over the course of a year, you'd roll in a solid \$3.2 million of profit. While this would be prolific for almost any person or company in the world — the truth is that for many of America's top companies, this amount of profit would be just a drop in the pan. TitleMax, built an infographic that shows the net income generated per second by America's most profitable Fortune 500 companies. Apple leads the pack by a wide margin, making \$1,444 in profit per second — this is equal to \$5.2 million per hour, \$127 million per day, or \$45.7 billion per year, based on 2016 net income figures. Since the list was published, Apple has released their 2017 results, and we now know that the company has seen another increase in net income — this time it is up to \$48.4 billion (\$1,533.17 per second). JPMorgan Chase and Berkshire Hathaway make more than \$750 per second; Alphabet and Wells Fargo over \$600 per second; Bank of America, Microsoft and Johnson & Johnson over \$500 per second; AT&T, Verizon, Gilead Sciences, Walmart and Citigroup all over \$400 per second. (Source: [Visualcapitalist](#))



winter camp at Valley Forge, 22 miles from British-occupied Philadelphia. Washington chose a site on the west bank of the Schuylkill River that could be effectively defended in the event of a British attack. During 1777, Patriot forces under General Washington suffered major defeats against the British at the battles of Brandywine and Germantown; Philadelphia, the capital of the United States, fell into British hands. The particularly severe winter of 1777-1778 proved to be a great trial for the American army, and of the 11,000 soldiers stationed at Valley Forge, hundreds died from disease. However, the suffering troops were held together by loyalty to the Patriot cause and to General Washington, who stayed with his men. As the winter stretched on, Prussian military adviser Frederick von Steuben kept the soldiers busy with drills and training in modern military strategy. When Washington's army marched out of Valley Forge on June 19, 1778, the men were better disciplined and stronger in spirit than when they had entered. Nine days later, they won a victory against the British under Lord Cornwallis at the Battle of Monmouth in New Jersey.



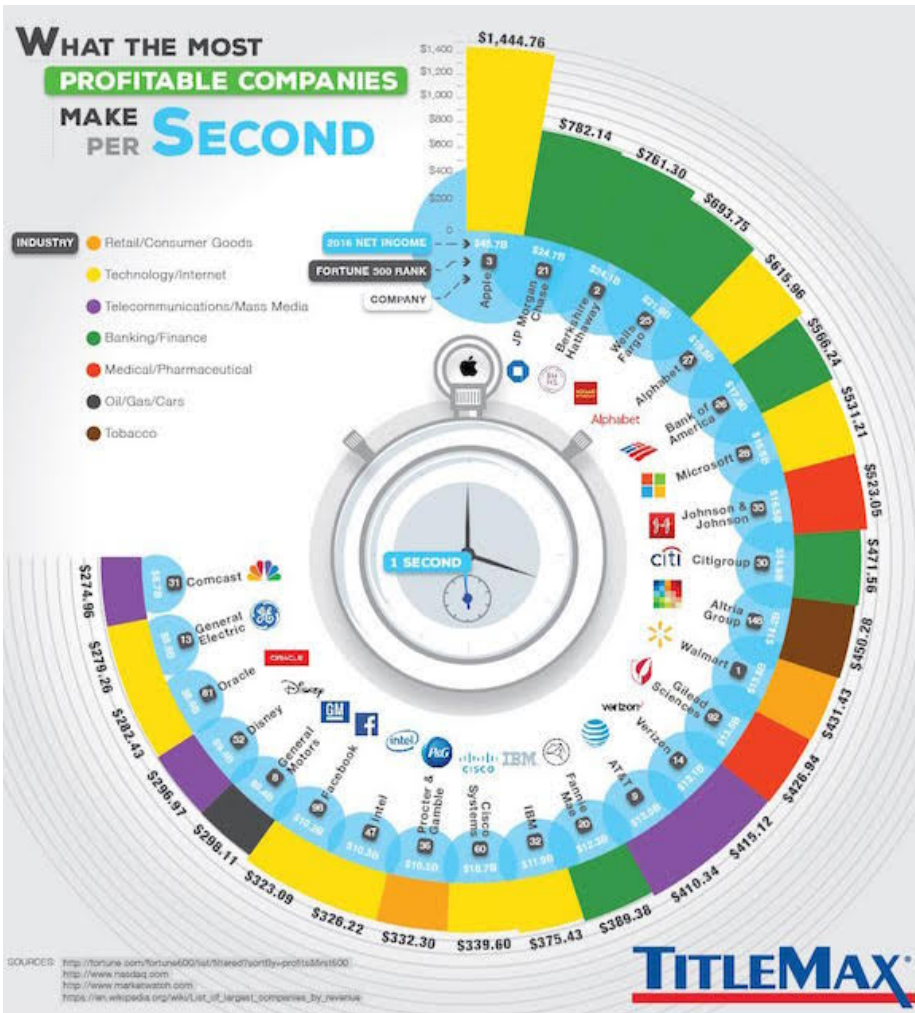
1986, World Series - Michael Sergio, who parachuted into Game Six of the 1986 World Series at New York's Shea Stadium, is fined \$500 and sentenced to 100 hours of community service. On October 25, Sergio, a 37-year-old actor and Mets fan, landed on the infield with a "Let's Go Mets" banner in the first inning of the sixth game between the Mets and the Boston Red Sox. Over 55,000 stadium spectators witnessed the sky diver's arrival and cheered him on. Sergio, who was quickly removed from the field by police, claimed he was an experienced parachutist who made the jump to show support for the Mets. Prosecutors in Queens, New York, home of Shea Stadium, claimed that Sergio's actions could have injured fans and players and interrupted air traffic from nearby LaGuardia Airport. They charged him with reckless endangerment and criminal trespassing. Sergio spent a night in jail and was released without bail. On October 27, the Mets came from behind to win the World Series. On December 10 of that year, Sergio, who claimed that several Mets players helped him get a lawyer, pled guilty to a criminal trespass charge in exchange for prosecutors dropping a more serious charge of reckless endangerment. On December 19, he was sentenced to community service and fined. However, Sergio was later held in contempt of court for refusing to reveal the name of the pilot who flew the plane from which he jumped. As a result, in May 1987, he was sentenced to six months in federal jail.



1998, Bill Clinton - After nearly 14 hours of debate, the House of Representatives approves two articles of

INDUSTRY

- Retail/Consumer Goods
- Technology/Internet
- Telecommunications/Mass Media
- Banking/Finance
- Medical/Pharmaceutical
- Oil/Gas/Cars
- Tobacco



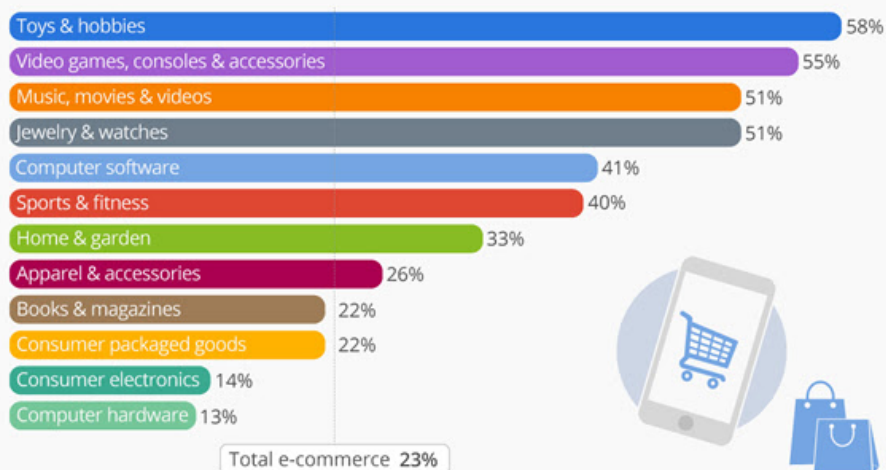
impeachment against President Bill Clinton, charging him with lying under oath to a federal grand jury and obstructing justice. Clinton, the second president in American history to be impeached, vowed to finish his term. In November 1995, Clinton began an affair with Monica Lewinsky, a 21-year-old unpaid intern. In April 1996, Lewinsky was transferred to the Pentagon. That summer, she first confided in Pentagon co-worker Linda Tripp about her sexual relationship with the president. In 1997, with the relationship over, Tripp began secretly to record conversations with Lewinsky, in which Lewinsky gave Tripp details about the affair. In December, lawyers for Paula Jones, who was suing the president on sexual harassment charges, subpoenaed Lewinsky. On January 16, Lewinsky was taken by FBI agents and U.S. attorneys to a hotel room where she was questioned and offered immunity if she cooperated with the prosecution. A few days later, the story broke, and Clinton publicly denied the allegations, saying, "I did not have sexual relations with that woman." In late July, lawyers for Lewinsky and Starr worked out a full-immunity agreement covering both Lewinsky and her parents, all of whom Starr had threatened with prosecution. On August 6, Lewinsky appeared before the grand jury to begin her testimony, and on August 17 President Clinton testified. Contrary to his testimony in the Paula Jones sexual-harassment case, President Clinton acknowledged to prosecutors from the office of the independent counsel that he had had an extramarital affair with Ms. Lewinsky. Less than a month later, on September 9, Kenneth Starr submitted his report and 18 boxes of supporting documents to the House of Representatives. Released to the public two days later, the Starr Report outlined a case for impeaching Clinton on 11 grounds, including perjury, obstruction of justice, witness-tampering, and abuse of power. On October 8, the House authorized a wide-ranging impeachment inquiry, and on December 11, the House Judiciary Committee approved three articles of impeachment. On December 19, the House impeached Clinton. On January 7, 1999, the trial of President Clinton got underway in the Senate. Five weeks later, on February 12, the Senate voted on whether to remove Clinton from office. The president was acquitted on both articles of impeachment. The prosecution needed a two-thirds majority to convict but failed to achieve even a bare majority. Rejecting the first charge of perjury, 45 Democrats and 10 Republicans voted "not guilty," and on the charge of obstruction of justice the Senate was split 50-50.

Upcoming Events

Fri. 12/22 - Cattle on Feed, Cold Storage & Quarterly Hogs and Pigs

1 in 4 E-Commerce Dollars Is Spent on a Mobile Device

Mobile share of U.S. e-commerce spending in Q3 2017, by category



@StatistaCharts Source: comScore

statista

Mon. 12/25 - Christmas - Markets Closed

Mon. 1/1 - New Year's Day - Markets Closed

Wed. 1/3 - Minutes From 12/13 FOMC Meeting Released

Fri. 1/12 - USDA Crop Production Annual Summary, Supply and Demand

Tues. 1/23 - Cold Storage

Fri. 1/26 - Cattle on Feed

Tues.-Wed. 1/30-1/31 - FOMC Meeting

Thurs. 2/8 - USDA Supply and Demand

Fri. 2/16 - Farms and Land in Farms

Thurs. 2/22 - Cold Storage (month & annual)

Fri. 2/23 - Cattle on Feed

Kevin's Song of the Week



About the Report

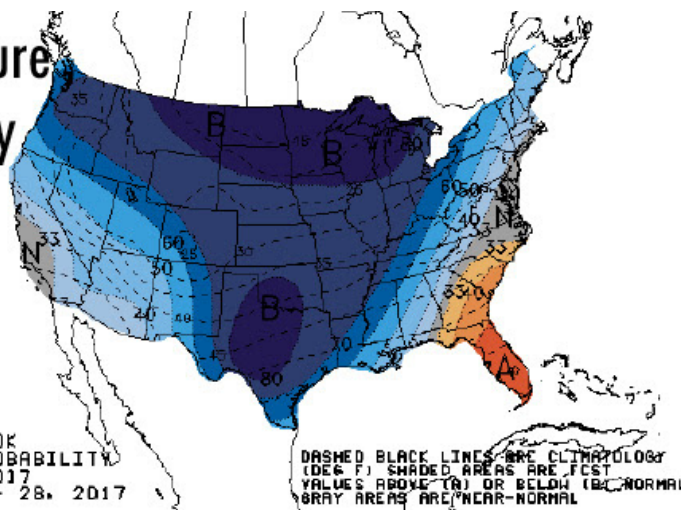
Weather forecasts for the Midwest are indicating rains for the Ohio Valley over the next few days, with heavy rain farther south. This will go a long way in recharging soil moisture for soft red winter wheat. Some ice and snow are also possible, which would affect transportation and travel as we are just inside a week until Christmas. Elsewhere in the Midwest, northern areas have a chance at measurable snow, with dry and cold conditions otherwise in the next week to 10 days. A strong push of cold arctic air is in store for the northern Plains later this week and continuing through next week. This could bring some snow and blowing snow by mid-week. In the southern Plains, a warm and dry pattern continues to stress non-dormant winter wheat. Looking to South America, Argentina is expected see variable rain for a different portion of the main crop growing areas. In Brazil, recent rain is bringing favorable crop conditions with prospects for a large crop this season.

Arctic Air For Christmas: *As frigid air plunges into and builds over the nation's midsection, a stormy pattern with snow, ice and rain may unfold from Texas to Maine on Christmas. The 6 to 10-day outlook for December 23 - 27 calls for the likelihood of near to below normal temperatures nationwide, except for lingering mild conditions along the Atlantic. Meanwhile below normal precipitation across Florida, the upper Midwest and the Far West should contrast with wetter than normal weather in the central and southern section of the Rockies and High Plains as well as a broad area stretching from the western and central Gulf Coast regions into the Mid-Atlantic and Northeastern States.*

Temperature Probability



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 18 DEC 2017
VALID DEC 24 - 28, 2017



DASHED BLACK LINES ARE CLIMATOLOGY (10ths OF INCHES) SHADED AREAS ARE FCS VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%

Probability of Below

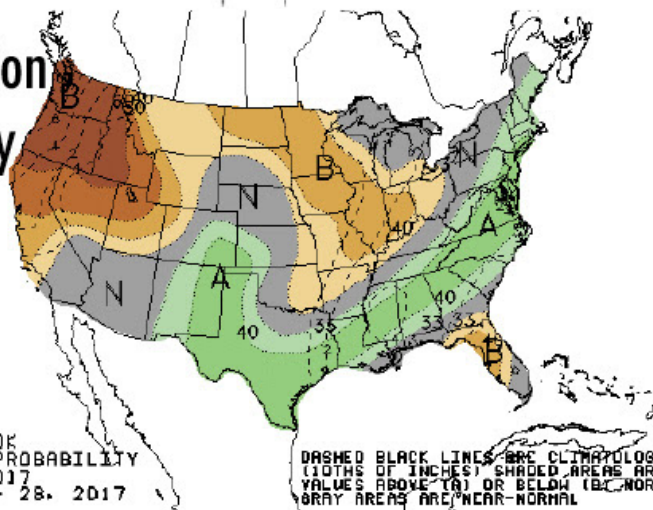
Normal

Probability of Above

Precipitation Probability



6-10 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 18 DEC 2017
VALID DEC 24 - 28, 2017



DASHED BLACK LINES ARE CLIMATOLOGY (10ths OF INCHES) SHADED AREAS ARE FCS VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%

Probability of Below

Normal

Probability of Above

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

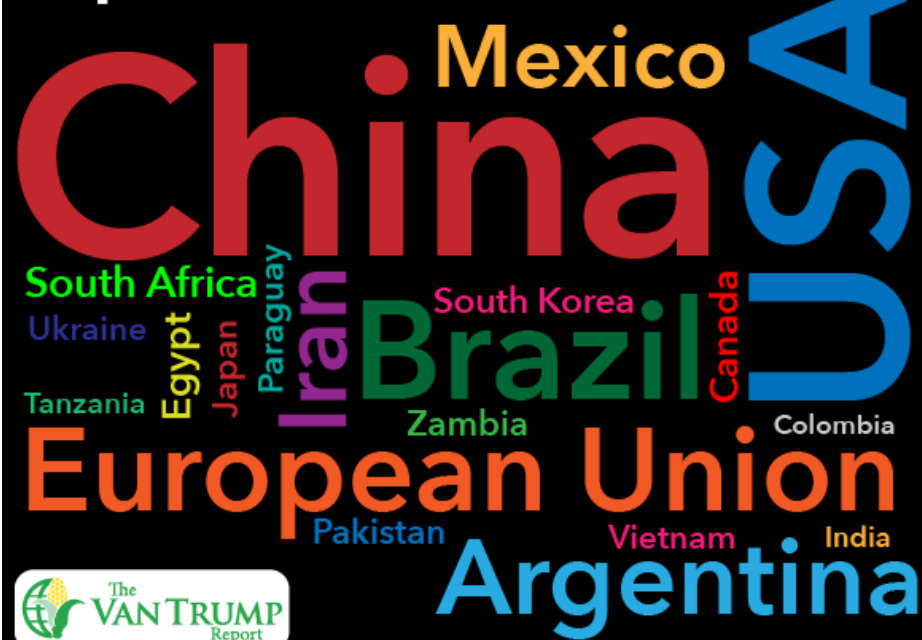
"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis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

Corn prices struggle to find upside traction as the funds approach a record short position. Bullish weather headlines from South America have fizzled out nearby. Adding to headwinds are bears who think the USDA might actually bump their U.S. domestic ending stocks higher in their upcoming yearend report scheduled for January 12th. There's talk of strong demand, but perhaps more talk of a bigger crop in the cards nearby. Informa recently pushed their 2017 U.S. corn yields higher from 173.4 estimated back in November to 176.6, which is clearly higher than the USDAs current yield estimate of 175.4 bushel per acre. As both a producer and a spec, I see the possibility of a more bullish environment, but it still seems further out on the time horizon. I'm thinking more like mid-February to early-March, when Brazil's second-crop corn comes more into the spotlight, this is also when U.S. demand might start surprising more of the bears. In the meantime, short fund traders seem content on squeezing the downside and keeping the theme of lower-highs and lower-lows fully in place. Personally I'm staying patient... But I'm hearing producers who need cash flow are selling bushels and looking for ways to re-own the board in some type of limited-risk capacity, calls seem cheap... From a technical perspective, I continue to hear the bears talk about the \$3.30 to \$3.40 area as longer-term support. I still believe nearby there could be more downside pressure.

Corn Global Ending Stocks Top 20



Soybean bulls continue to backpedal as the funds move from a net-long to net-short position on weather headlines out of South America losing some momentum. Argentina still looks as if it will remain dry for an extended period, but the heat isn't as bad as some bulls had been forecasting. Brazil seems to be in fairly good condition. One could always argue pockets of problems, but for the most part weather seems cooperative. Technically, traders are keeping a very close eye on psychological support at or around \$9.50 per bushel. If that level doesn't hold, several cycle traders and others are forecasting a drop into the \$9.30's. As a producer, I'm extremely happy I made early sales on the rallies and am now more than content sitting idle. As a spec, I have to continue keeping a close eye on South America weather, Chinese demand and the possibility of picking up some cheap calls on the pullback in price. Not only are traders monitoring conditions in Argentina and southern Brazil but the bulls seems to also have more longer-term questions about conditions in northeastern Brazil. On the flip side, the bears are starting to talk more openly about the fact Brazil's total production could be much larger than most are forecasting, especially if the weather as a whole continues to cooperate. In fact, some sources say the USDA could be underestimating Brazil's soybean production by 3 to 5 MMTs. There's clearly still a ton of questions surrounding South American production.

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..."

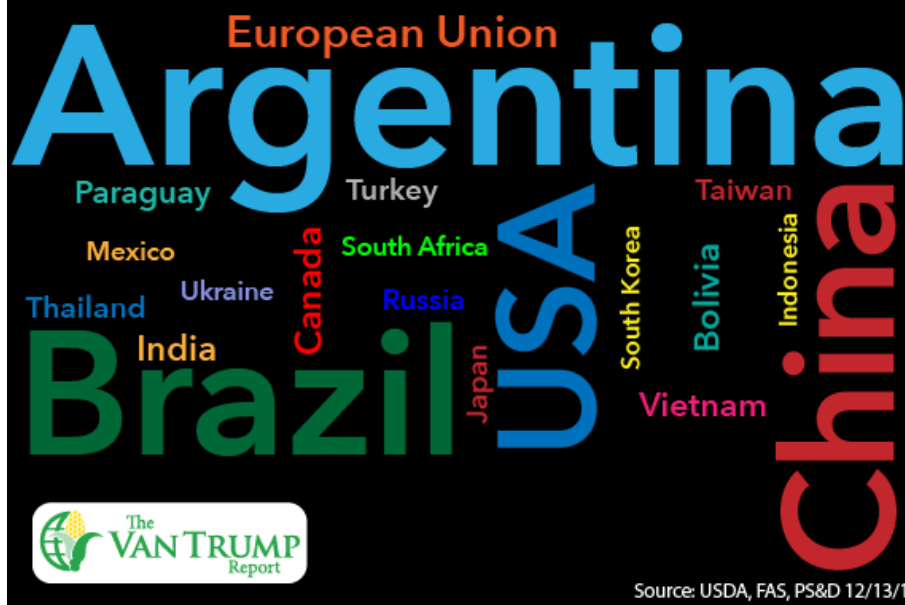
"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

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.

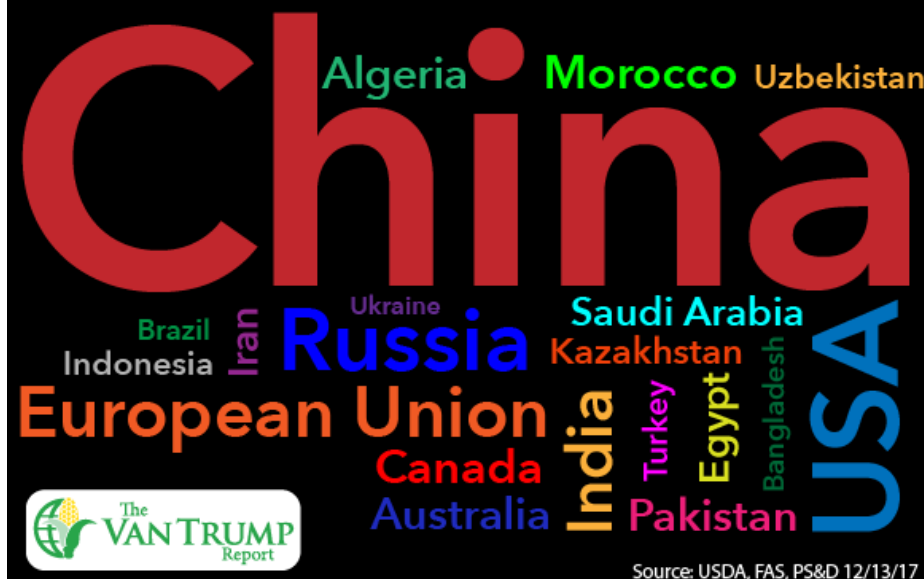
I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.

Soybean Global Ending Stocks Top 20



Wheat bulls continue to point to more extreme weather complications here in the U.S. Not only do we have increasingly dry conditions, but we also have a massive cold-snap heading our direction, which could further weaken overall conditions as the crop heads into dormancy. The bulls are also quick to remind the trade that planted winter wheat acres here in the U.S. are thought to be the lowest ever on record and the last weekly USDA condition report showed overall conditions well below that of last year.. Bears continue to point to more than ample global supply and the fact nearby prices in Russia have recently ticked lower. It's Russia's first price break in the past month. The bulls were hoping Russian prices were starting to strengthen and could build on that momentum, making U.S. exports more competitive. I wish there was more to talk about, but the headlines this time of year remain stagnant. I think we have to sit patient for perhaps several more weeks...

Wheat Global Ending Stocks Top 20



Farm Direction
RECIPES

★ FAMILY ★
FAVORITES
-SENT IN BY OUR READERS-

Rosemary Pecan Mashed Potatoes

CLICK TO SEE RECIPE



> China Reducing Corn Planting Area: China's corn planting area is expected to be reduced by 8.12 million acres as the country seeks to address excessive corn stock, according to the Ministry of Agriculture (MOA). The reductions mainly concentrate in areas with low and unsteady output, including the country's arid northwest and desertified regions in the southwest. In 2016, China's corn output stood at around 220 million metric tons, while stocks amounted to 230 million metric tons. To balance the market, China has been pushing for agricultural reform since 2016, urging farmers to adjust their mix of crops to stop blind expansion and focus on sustainable development, particularly in the corn industry. (Source: UkrAgroConsult)

> E.U. Rapeseed To Decline As Biofuel Wanes: Rapeseed will lose ground as a crop in the European Union in the next decade as biofuel demand wanes and other oilseeds capture more growth from edible oil and livestock feed markets, the EU's executive forecast. A sharp decline in the rapeseed area, to around 14.83 million acres by 2030/31 versus an average 16.06 million in the past five years, would outweigh improving yields and push down production, the European Commission said. Rapeseed oil accounts for over 60% of vegetable oil use in biodiesel in the EU, leaving it more exposed to an expected decline in biofuel demand, the Commission said, forecasting biofuel demand for vegetable oils would fall to 9.1 million metric tons in 2030/31 from 10.5 million in 2017/18. (Source: Reuters)

> Red Meat Prices Witnessing Year-End Upswing: Government data analysis by Steiner Consulting Group shows while retail chicken prices remain low, retail prices for beef and pork in November started to climb. In the Daily Livestock Report, the analysts noted the choice beef cutout moved higher in September and October, leading to the higher prices for beef in November and very likely in December as well. Retail pork prices were also higher in November, which could negatively impact consumer purchases into yearend and especially in January and February. (Source: MeatingPlace)

> Cruz Wants To Cap Biofuel Credit: Senator Ted Cruz has sent a proposal to the White House that calls for setting biofuel credits at 10 cents a gallon, a fraction their current levels of around 70 cents a gallon. Cruz's pitch doesn't fly with ethanol backers, who oppose any caps, especially one at such a low level. The proposal marks the latest step in talks being mediated by the White House between oil industry backers and rivals in the ethanol industry over the Renewable Fuels Standard. Refiners claim complying with the law, known as the RFS, costs hundreds of millions of dollars a year and could put them out of business. (Source: Reuters)

> USDA Cutting Red Tape: The USDA plans to carry out 27 final rules in fiscal 2018 aimed at easing regulatory requirements to save an estimated \$56 million, Agriculture Secretary Sonny Perdue said. That's a fraction of the department's roughly \$150 billion budget. The actions were part of the Trump administration's Unified Agenda, which outlines regulatory priorities across the federal government and an overarching goal to reduce "burdensome" regulations. The final rules range from efforts to reduce paperwork in the Summer Food Service Program for low-income children to consolidating Farm Service Agency debt collection. The department also wants to relax a SNAP regulation rolled out during the Obama administration that would require retailers accepting food stamps to stock a larger variety of healthful foods. The measure primarily targeted convenience stores. The government spending law blocks the USDA from implementing that rule in its current form. (Source: Politico)

> Cargill Goes Tech With Plan To Nurture New Wave Of Food Startups: Long synonymous with the buying and selling of U.S. grain, agricultural giant Cargill Inc. is taking a page out of Silicon Valley's playbook with a startup accelerator that it hopes will identify important new food technologies. Techstars Farm to Fork Accelerator is a partnership involving Cargill, water and hygiene technology company Ecolab Inc. and venture-capital firm Techstars. The initiative will focus on food security and safety, and will begin accepting applications next month. The first class of 10 startups will go to Cargill's hometown of Minneapolis next summer and spend 13 weeks building their businesses and raising capital. (Source: Bloomberg)

> EU Putting More Pressure On Bayer-Monsanto Merger: The European Commission has issued formal objections to Bayer's planned \$66 billion takeover of Monsanto, according to two people briefed on the case, signaling the deal may be blocked unless the German company makes more significant concessions. When announced, Bayer's tie-up with Monsanto was set to create the world's largest portfolio of pesticides, but Bayer has already sold off some businesses to allay competition concerns. As was the case with the inquiry into Dow and DuPont, which merged earlier this year, people following the Bayer case say the Commission is running an extremely

wide-reaching investigation and is demanding huge amounts of information. (Source: Politico)

> China Orders Big Oil Firms To Conserve Gas In Order To Ease Shortfall: China has ordered the country's biggest explorers to cut their use of natural gas to divert more of the fuel to the north, where a harsh winter is causing shortages. National Development and Reform Commission official Meng Wei said China National Petroleum Corp., China Petrochemical Corp. and China National Offshore Oil Corp. should reduce the consumption of natural gas in their refineries, oil drilling and liquefied natural gas factories. China has been scrambling to secure more gas for residential use after the country's push to implement coal-to-gas conversion projects led to an unprecedented increase in consumption of the fuel and caused shortages in northern provinces. Switching industrial and residential users to gas pushed demand up +19% during the first 10 months of the year, according to data from the NDRC. The new policy may have a limited impact on China's supply of refined fuels as the country has already produced more than it can consume. However, refiners may reduce oil-product exports during the winter months. China's oil processing in November rose to about 12.08 million barrels per day, +0.2% higher than October and +8.0% higher than last year. (Sources: Bloomberg, Hellenic Shipping)

> White House Releases "America First" National Security Strategy: President Trump has released his first national security strategy, a document that envisions confrontations with "revisionist" powers like Russia and China that are working against U.S. interests. The document casts the U.S. in a struggle for international influence with China and Russia, both countries it says are seeking to challenge America's role as the world's preeminent super power. The two nations are "attempting to erode American security and prosperity" and are "determined to make economies less free and less fair, to grow their militaries, and to control information and data to repress their societies and expand their influence," the strategy says. To maintain the U.S.'s edge, the Trump administration is outlining a plan to de-emphasize international agreements in favor of a go-it-alone approach when confronting rivals on trade and security issues. The strategy also rolls back former President Obama's focus on climate change as a centerpiece of American foreign policy. Nonetheless, the Trump administration says it is committed to cooperating with allies and partners to curb North Korea's nuclear program, to counter Iran's influence in the Middle East and to stop "jihadist terrorists" operating worldwide. (Source: The Hill)

> BMW hits its sales target for electric cars. The German luxury automaker said sales of electric vehicles were up 60% versus a year ago and had reached the company's sales target of 100,000, Reuters reports.

> What's Happening To Your Brain During The Holidays: This time of year triggers different emotions for everyone. "We are used to running on adrenaline, going from one stressful deadline to another and trying to juggle work and our personal lives," Emma Seppälä, PhD, science director of Stanford University's Center for Compassion and Altruism Research and Education, tells Yahoo Health. That's why when we're finally able to settle down and enjoy time with friends and family, it can lead to a surge of sentiments. If we're getting scientific, the twinkling lights, Santas, menorahs, wreaths, and other holiday insignia trigger neurological processes that are created by the cerebral cortex of the brain. It leads to a culmination of emotions — if you celebrate Christmas, for example, that'll likely be Christmas Eve or Christmas morning. As you go through your family's traditions, the graphic below shows what's happening inside your brain to make you feel the way you do. (Source: Yahoo Health)

WHAT'S HAPPENING IN
YOUR BRAIN DURING THE

Holidays

Anticipation

As you get ready to open your gifts, your brain releases dopamine.

Love

Oxytocin is released, making you feel more bonded and trusting.

Joy

Dopamine levels increase, similarly to when you feel gratitude and love.

Gratitude

Dopamine levels increase, as does activity in the hypothalamus.

Relaxation

The parasympathetic nervous system is activated, and your mind calms down.

Nostalgia

You can thank your brain's amygdala, which is responsible for forming memories tied to emotional experiences.

Loneliness

if you're by yourself for the holidays, feeling alone may lower levels of serotonin.



FROM THE FIELD

Central Wisconsin - Our crops were under a lot of stress all year from the very unstable weather that we saw the entire production year. We were very wet early, which slowed everything down with many fields having problems ponding. There were both corn and beans under water or close to it. We did get dry and that really seemed to set things back and knock the top end off of the yields. I do think even with it being so dry that the seed genetics have helped the downside for yields. The corn made just north of 190bpa with the hillier, rolling ground performing the best and the bottom, heavier ground not as good due to nitrogen leaching. We are starting to see more of a yield drag for the corn on corn fields. The beans struggled a little too but ended up making 61bpa across all farms.

Northcentral Ohio - We are seeing a mild December so far that has brought some moisture and above average temps. Since planting, this production year was very challenging. The end of July and most of August saw cooler than normal temperatures that hurt the bean yields overall. The corn yields were pushing 200+bpa after seeing

the past two years of below APH production levels. We have been no-till for some time and have incorporated cover crops for all our acres over the past few years. We have seen some inherent problems using the cover crops but I still think it is beneficial and will pay off over time. I believe the bean average yield was right at 58bpa. We will be planting more non-GMO beans again next year. We have done some the last two years and I like the premiums but we are seeing more and more water hemp show up. The water hemp is tough to keep under control and we may have to change some things up to get better results.

Northwest Kansas - We had a late start in our area due to moisture and a lot of guys had to mud things in. Those that didn't wait for a bit drier soils ended up with some terrible yields from what I saw. We ended up with averages between 190 and 200bpa. It sounds like not many folks got any forward contract or sales in so there is a lot of corn on the farm in our area. I know some folks who came out well due to taking PP acres, saying they would have needed to produce over 300bpa to match the income.



Two Brothers, Tied to the Land, Face Wrath of America's Farm Bust: *The Wall Street Journal* ran a very interesting article yesterday that I encourage everyone to read in full. Ron McMartin Jr. built a colossal farm business called McM Inc., that at its peak controlled more than 50,000 acres. The McMartin brothers shared many things, including their stoic demeanor and love of the remote prairie. But their approach to farming couldn't have been more different. Larry, 50 years old, was at home in the fields, comfortable with fewer acres and less debt. He was a whiz with machinery, and preferred it to managing a roster of employees. He liked working outdoors and heading home for dinner with his family. Ron, 51, rejected the American Gothic stereotype of pitchfork-wielding Midwesterners on small family farms. Ambitious and driven, he wanted to run a modern business, leveraging economies of scale into big profits. Both brothers made a life in farming. Their differing visions for what that life could be drove them apart at times—before unexpectedly bringing them closer this year, as disaster loomed. Read more [HERE](#)

Ethanol Groups Up In Arms Over Supposed Cruz RIN Cap Proposal: Rumors of a proposed limit on Renewable Identification Number—or RIN—credits have ethanol groups up in arms. American Coalition for Ethanol (ACE) CEO Brian Jennings tells Brownfield there are unconfirmed reports Texas Senator Ted Cruz has asked President Trump to cap RIN credits at 10 cents apiece. "And that would be a serious problem. Frankly, a solution in search of a problem. Probably unlawful. And I don't think that idea will fly." Jennings describes RINs as a proof-of-purchase coupon that rewards refiners for blending renewable fuels. He says capping the credit completely erases that incentive and limits savings at the pump. In response to Cruz's rumored RIN cap proposal, Growth Energy CEO Emily Skor accused the senator of trying to undermine the RFS. And Advanced Biofuels Business Council director Brooke Coleman says Ted Cruz and his backers don't seem to be taking the White House seriously. Listen to the full report [HERE](#).

Danish Artist Carl Krull Creates Amazing 3D Paintings Using Single Lines: In an almost sculptural manner, Carl Krull seems to break with the two-dimensional surface of the paper. He employs drawing techniques that simultaneously act as obstructions and potential. The obsessiveness of the line work is an ongoing exploration. Rather than having contours that outline a subject, an abundance of lines seems to protrude the subject. As a spectator your eye is constantly on the move. Don't miss the short video [HERE](#) that time-lapses his work....very cool!

Knightscope Security Robot Given Pink Slip After Altercations With Homeless: The San Francisco SPCA animal shelter had been using a 5-foot-tall Knightscope security robot to deal with things like drug needles and car break-ins. But the robot program led to other problems -- including news stories about the robot deterring nearby homeless encampments, leading to vandalism and attacks aimed at the shelter. Read more [HERE](#).

Check Out These Knock-Off Designs From A Car Company You've Never Heard Of: If you had to imagine the ideal lineup for a car company, I suspect that most of you would come up with something like this: a tiny three-wheeled microcar called "the flying saucer," a tiny knockoff Jeep, another microcar with four wheels, a Mercedes 190 SL knockoff, and a bizarrely misshapen sedan. Right? If that's your list, then get ready to be delighted, because that's pretty much what Kapi built. Read more [HERE](#).

The Safest Way To Walk On Ice Is To Impersonate A Penguin: As winter storms roll through, folks who live in icy areas have to re-acquaint themselves with how to navigate a slick icy surface. For some, it comes naturally. For others, that tailbone is going to take a beating. When in doubt, just remember: Walk like the penguins. When we walk, we keep our center of gravity between our legs, so each leg supports half our weight. Because the leg is at an angle, we're more vulnerable to losing our balance. But penguins don't walk this way. Their legs are too short, so they must waddle, keeping all their weight on one leg at a time. When on the ice, do as the penguins do. Watch a video demonstrating exactly how to do a penguin walk and read more details [HERE](#).

Surprising Number Of Americans Are 'Self-Gifting' This Holiday Season: You liked it so much, you decided to buy it for yourself. How many times has that happened? Quite a lot, it seems. Nearly one quarter (22%) of Americans say they usually buy themselves gifts over the holidays, according to a new survey by market research group Mintel. Holiday "self-gifting" is most popular among younger generations: 24% of those aged 18 to 22 self-gift, compared to 27% of millennials aged 23 to 40. Still, most people appear to be spending their money on their friends and loved ones, even if more than half (57%) say they'd rather spend the holiday season buying gifts for themselves. Read more [HERE](#).

Commodities Markets 2018: Invisible Enemies And Solid Friends: If you're looking for what kept a lid on commodities this year, just keep in mind that it's invisible. Having notched a gain in 2016 for the first time in six years, it looks like the Bloomberg Commodity Index will end 2017 back in the red again. Breaking down the 22 underlying commodities' weighted returns for the year so far, only nine show a gain. The chart below shows the top and bottom five performers. One stands out -- and not in a good way. Peering into 2018, the index likely needs industrial metals to get their mojo back after this quarter's breather. There is good reason to think they will, with global economic growth on a synchronized upswing and manufacturing indicators reading bullish. Read more [HERE](#).

The Invisible Enemy

Natural gas was a clear drag on the overall performance of the index this year



Source: Bloomberg, Bloomberg Gadfly analysis

Note: Returns adjusted for 2017 target weighting in the Bloomberg Commodity Index.



Worldwide Economic Growth Leads To More Soy Crushing Plants In U.S.

Coops are building soybean crushing facilities faster than they've done in the last twenty years. Thanks to an increase in incomes across the world, more consumers are able to afford to purchase pork and chicken in greater amounts. I'm told, U.S. processors plan to open facilities capable of crushing 120 million bushels in 2019. This would amount to a five percent increase from the current capacity. Strong demand has been boosting margins for crushers, which stand at more than \$1 a bushel, making it the strongest in the last 18 months. Demand appears to remain strong for the foreseeable future as experts claim soy production needs to increase 20% over the next ten years in order to keep up with feed consumption. As it stands now, the USDA predicts U.S. soybean acres will increase to 91 million acres in 2018 up from the 90.2 this year. As I understand it, crushing capacity could reach two billion in under two years but projections are that we likely won't reach that crushing level until 2020-21. Leading the pack, AGP, the largest cooperative soybean processor in the world, broke ground earlier this year on a new soy plant in Aberdeen, South Dakota, that will have annual capacity to process 40 million bushels. This should provide growers in the area as well as those who can pencil in the transportation costs, an increase in local prices as the demand grows. With hopes by some that there could be an extra 10 to 15 cents per

bushel available, it provides a bit of support to make it through another season. Keep in mind the other economic impacts as the opportunity to raise livestock should increase because of the added supply of soybean meal. Farmers in the area are already starting to hear of more interest for pork and poultry since the announcement. As new opportunities come on line in North Dakota and Michigan as well, growers can look to save more money in transportation costs as well. Currently, there are no processing plants in Michigan and all the beans head to Ohio for crushing then back to Michigan for feeding. This will be a win win for both growers and feeders as costs come down. Hopefully many will be able to take advantage of this opportunity to better the bottom line in 2018. (Source: agprofessional.com)



America's Final Lunar Mission

On December 19, 1972, the last three men to set foot on the moon splash down safely in the Pacific Ocean, marking the end of a very exciting era in NASA history. Apollo 17, launched just 10 days before, was the final lunar mission conducted by U.S. space

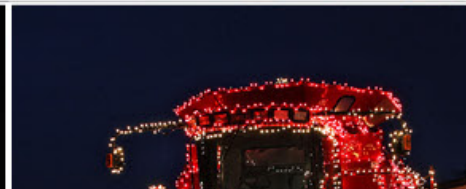
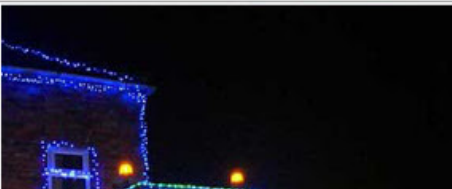
agency NASA. The lunar-landing program was first proposed by President John F. Kennedy. Also known as Project Apollo, the human spaceflight program ran from 1961 to 1972, with the first manned flight in 1968. President Kennedy's goal of putting a man on the the moon was realized on July 20, 1969 when astronauts Neil Armstrong and Buzz Aldrin walked on the surface during the Apollo 11 mission. Five subsequent Apollo missions also landed astronauts on the Moon, with Apollo 17 being the last. In total, 12 U.S. astronauts walked on the Moon throughout the course of these spaceflights. The decision to end the Apollo program was largely a political one that stemmed from its huge financial cost. Understand, the first moon landing had enormous political significance and public support as it was the finishing move in the Space Race with the Soviet Union. It consequently also had a near-unlimited budget. Once the lunar landing was accomplished, however, support quickly faded. Even though Apollo 17 was the final moon mission, it managed to set several new records, including the longest moon landing, longest total extravehicular activities (moonwalks), largest lunar sample, and longest time in lunar orbit. Astronauts Eugene A. Cernan and Harrison H. Schmitt stayed for a record 75 hours on the surface of the moon, conducting three separate surface excursions in the Lunar Rover vehicle and collecting 243 pounds of rock and soil samples. It was also the first mission to have no one on board that had been a test pilot, and the first spaceflight to have a scientist on board (Schmitt). One of the most notable experiments deployed was a traverse gravimeter. The astronauts carried this experiment on the rover and took it out at several sites to measure the relative gravity, which gave scientists an idea about the lunar substructure. The Apollo 17 mission was not only our final Moon landing, it was also the last time we left low Earth orbit. Although Apollo 17 was the last lunar landing, the last official Apollo mission was conducted in July 1975, when an Apollo spacecraft successfully rendezvoused and docked with the Soviet Soyuz 19 spacecraft in orbit around the Earth. (Sources: Space, History.com, Wikipedia)



Tis The Season Of Lights!

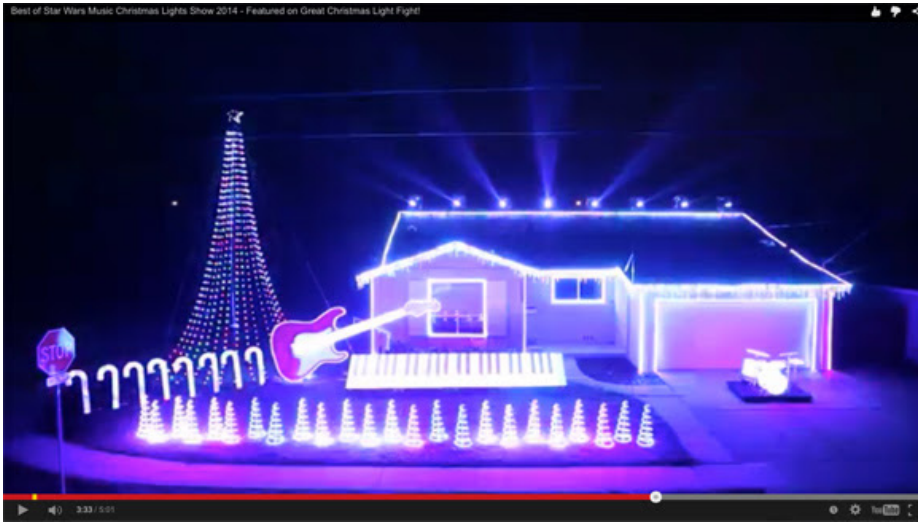
Many families believe Christmas lights are one of the most magical parts of the holiday season. Before the invention of the lightbulb, the popular tradition was to put lit candles in Christmas trees to represent shining stars. Obviously, this was a huge fire hazard. The first electric lights were used by an associate of Thomas Edison. History tells us that Edison introduced the lightbulb in 1879, but it was senior marketing staffer Edward Johnson that had the idea of stringing the bulbs together and hanging them in his Christmas tree. It could be seen through his windows outside and streams of people flooded by that year to see them shine. However, it wasn't until 1902 that General Electric (founded by Edison) began mass-producing the strung lights. Even so, the lights were so expensive that it wasn't until the 1930's that they were affordable for most of Americans. Now families across America string hundreds of thousands of the twinkling decorations around their homes and yards every year. There are now contests for every aspect of the displays, from "most lights used" to "most original theme". Below are just a few crazy pics of our twinkly tradition, I hope you enjoy:



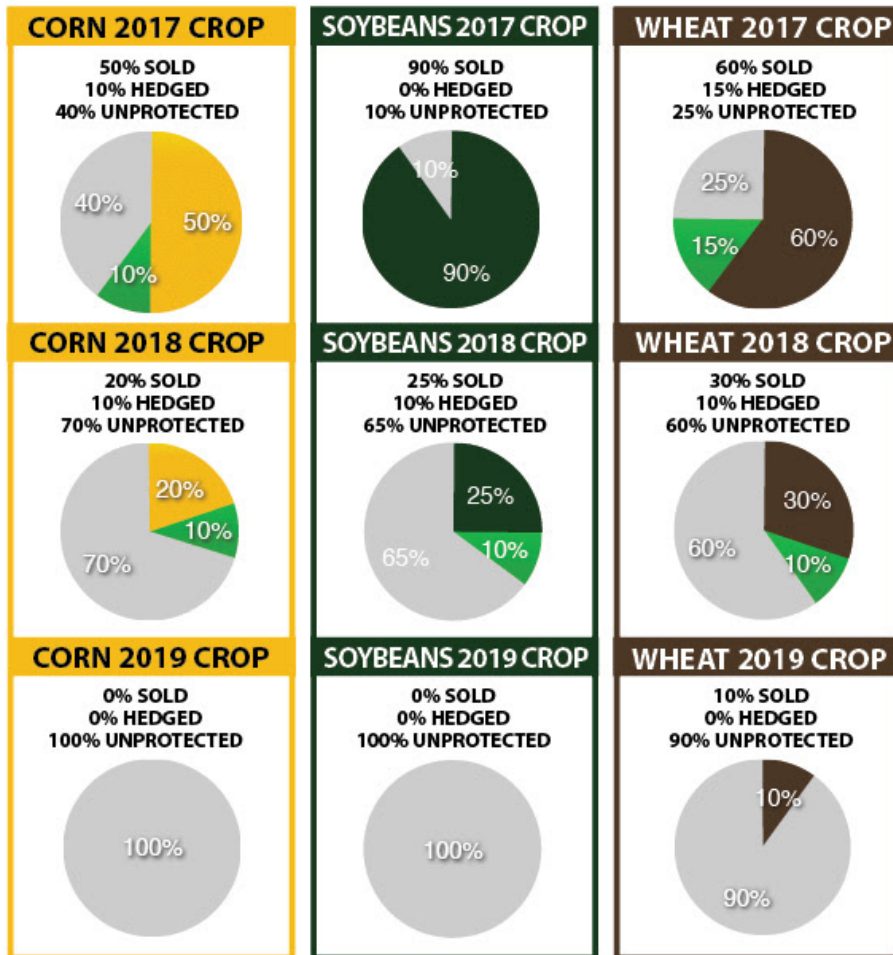




In Honor of "Star Wars" - With *Star Wars* burning up the box-office this week I thought was only fitting to pass along this crazy home display from a couple of years back. It's a *Star Wars* themed Christmas lighting display that you have to see to believe. It features a huge 17-foot guitar and some 100,000 lights all set to a *Star Wars* mash-up that includes not just music, but also other unmistakably "*Star Wars*" sounds like light sabers and blasters. While I would probably really hate being one of their neighbors, I have to admit it's crazy cool. Watch a video of the display [HERE](#).



CASH SALES & HEDGING TOTALS



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