

GOOD MORNING: 12/21/17 Farm Direction - VanTrump Report

1 message

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Thu, Dec 21, 2017 at 7:08 AM



"The greatest wisdom is in simplicity. Love, respect, tolerance, sharing, gratitude, forgiveness. It's not complex or elaborate. The real knowledge is free. It's encoded in your DNA. All you need is within you. Great teachers have said that from the beginning. Find your heart, and you will find your way." — Carlos Barrios

THURSDAY, DECEMBER 21, 2017

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Morning Summary: U.S. stocks remain near all-time highs with tax reform awaiting the final stamp of approval and assurances from lawmakers that a government shutdown is not going to happen. The highly anticipated tax legislation was approved by the House again yesterday, now sending it to President Trump's desk where it will be signed into law no later than Friday. The President praised lawmakers for passage of the plan, saying it would supercharge the U.S. economy. Trump has predicted the corporate tax cuts would bring companies back to the U.S. and attract as much as \$4 trillion in new investments. It is now hoped that the positive momentum generated by the tax reform victory will help lawmakers unite behind a must-pass stopgap measure that will keep the government funded through mid-January. Some Republicans were trying to attach a new healthcare proposal to the bill, which was seen as a major roadblock to passing it. However, it's being reported that GOP leaders have agreed to wait and introduce the healthcare measure sometime early next year. On the economic data front, Existing Home Sales surprised to the upside. Sales of previously owned homes increased for the third month in a row to the fastest pace since December 2006. All regions except for the West saw a jump in sales activity last month. Inventory levels remain problematic, though, with just a 3.4 months supply at the current sales pace. The median existing-home price for all housing types was up +5.8% from November 2016, the 69th straight month of year-over-year gains. There are concerns regarding the continued strength in sales with prices pushing up amid low supplies. It's also expected mortgage rates will increase next year, further cutting into affordability. Data today includes the final estimate of 3rd quarter GDP, which is seen holding steady at +3.3%. Also on the calendar is the Philadelphia Fed Business Outlook, Chicago Fed National Activity, Corporate Profits, FHFA House Price Index and Leading Indicators. Turning to oil, prices were edging slightly following the Energy Information Administration reporting another drawdown in U.S. inventories last week, the fifth in a row. Stockpiles fell by -6.5 million barrels. Gasoline inventories were not so bullish though, rising by +1.2 million barrels as refiners continue to run at above-average rates for this time of year. For the most recent week, refiner capacity utilization rose to 94.1%, the highest since the summer. That helps reduce oil inventories but it's creating more significantly more byproducts than U.S. consumers are currently chewing through.

Crypto Volumes About Same As New York Stock Exchange: *Global volume in cryptocurrency markets has passed \$50 billion a day, close to the average turnover on the New York Stock Exchange. The comparison is inexact but highlights just how popular digital currencies have become.*

U.S. Seeks U.N. Ban On Ships Helping North Korea Dodge Sanctions: *Presenting newly declassified intelligence reports, the U.S. has urged the United Nations Security Council to blacklist 10 ships it says have violated international sanctions against North Korea, American officials said. The American intelligence was provided in recent weeks to try to persuade a sanctions committee that reports to the Security Council to formally designate the ships as sanctions violators, the officials said. That would allow nations to take punitive measures such as banning them from entering ports or obtaining insurance. It might also provide a basis for seizing the assets of the companies that own the ships. American officials had hoped the designations would be made earlier this month. But China, a key trade partner that has kept North Korea's economy afloat, had asked that the deadline be extended. North Korea considers the U.N. sanctions to*

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Today In History

1968, NASA - Apollo 8, the first manned mission to the moon, is successfully launched from Cape Canaveral, Florida, with astronauts Frank Borman, James

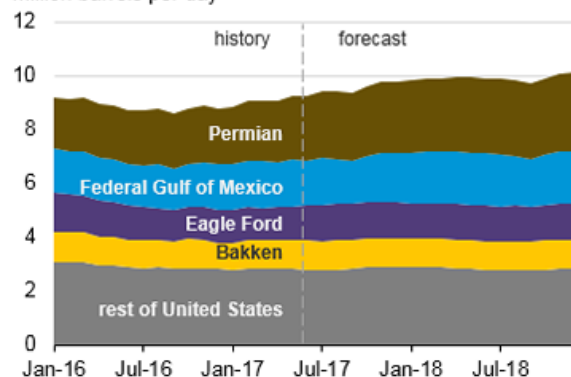
be illegal and confrontational. The American intelligence includes photos that show how foreign-flagged ships have evaded sanctions by illicitly transferring refined petroleum products to North Korean vessels at sea. Ships American intelligence has identified as aiding North Korea include at least two under the Russian flag and one operating under the flag of Panama. The registry of two ships with Chinese names has not yet been determined. (Source: The Wall Street Journal)

Weed Gone Wild: Recreational marijuana sales become legal in California starting on New Year's Day 2018. Given that one in eight Americans live in the state, this move will have major implications for the entire US legal cannabis industry. From what we understand, consumers have to be 21 or older to buy retail marijuana, can possess up to 28.5 grams of flower or 8 grams of cannabis concentrate, and can grow up to six plants. As in other states where retail cannabis is legal, people cannot smoke in public, only in a private home or a business licensed for on-site smoking. There is expected to be huge demand. The potential problem is California's state wildfires, which have damaged or wiped out many growers in Northern California, where marijuana is mostly produced in the US, could lead to shortages in overall supply and higher prices across the entire U.S. (Source: DataTrek)

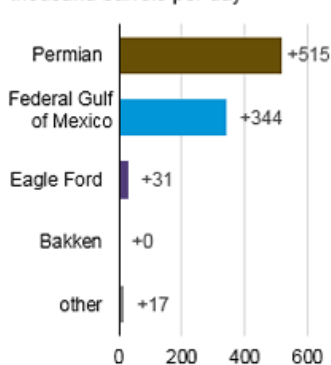
AT&T Plans Employee Bonuses After Trump Signs Tax Reform: AT&T says it is going to pay a \$1,000 bonus to more than 200,000 US employees after the Tax Cuts and Jobs Act is signed into law. The bill, which just needs the President's signature to become law, reduces the corporate tax rate to 21% from 35% while allowing a one-time repatriation of overseas cash. Companies are mostly expected to buy back stock or pay down debt with their savings. Still, AT&T was quick to announce its bonus plan after the House of Representatives passed the plan. CEO Randall Stephenson said in a press release, "If the President signs the bill before Christmas, employees will receive the bonus over the holidays." AT&T wasn't alone in touting its plans to spend a portion of its windfall on workers. Boeing also announced what it described as a \$300 million "employee-related and charitable investment" stemming from the tax cuts. (Source: Business Insider)

U.S. Crude Oil Production Forecast To Reach Record High In 2018: In EIA's latest Short-Term Energy Outlook (STEO), total U.S. crude oil production is forecast to average 9.3 million barrels per day (b/d) in 2017, up 0.5 million b/d from 2016. In 2018, EIA expects crude oil production to reach an average of 9.9 million b/d, which would surpass the previous record of 9.6 million b/d set in 1970. EIA forecasts that most of the growth in U.S. crude oil production through the end of 2018 will come from tight rock formations within the Permian region in Texas and from the Federal Gulf of Mexico. Based on data from Baker Hughes, over a third of onshore rigs in the Lower 48 states are operating in the Permian region. EIA forecasts that the Permian's rig count will fall slightly at the end of 2017 and then grow to 370 by the end of 2018. (Source: U.S. Energy Information Administration)

Monthly U.S. crude oil production by region
Jan 2016 - Dec 2018
million barrels per day



Forecasted change
Jun 2017 - Dec 2018
thousand barrels per day



Weather across the Corn Belt continues to be mild and dry despite expanding cloud cover. We continue to hear reports that melting snow and wet conditions are hampering final corn harvest efforts in the Great Lakes region. On the northern Plains, the weather continues to be active as snow fell earlier this week ushering in a storm system. In contrast, short-term drought across the central and southern Plains coupled with sharp temperature fluctuations are raising concerns over the hardness of dormant winter wheat. We continue to hear about promising chances for rain across South American crop areas. Rain through this week and the next has crop conditions and prospects in central Brazil in favorable categories. In Argentina, moderate to heavy rain in most of Argentina's major crop areas through the end of this week is seen as beneficial for developing crops. A strong cold front will push southward across the Plains over the next couple days before reaching the East Coast over the upcoming holiday weekend.



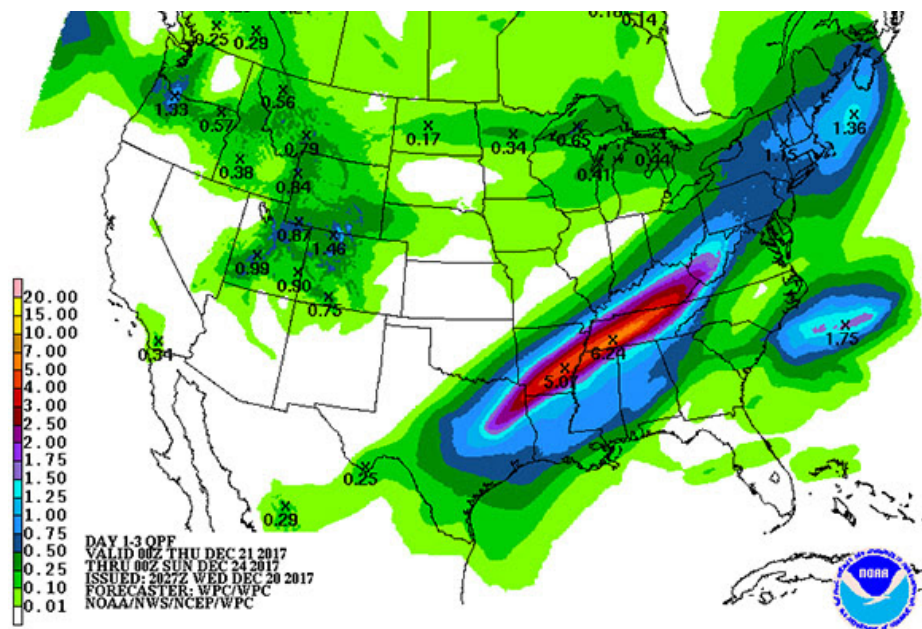
Lovell, Jr., and William Anders aboard. On Christmas Eve, the astronauts entered into orbit around the moon, the first manned spacecraft ever to do so. During Apollo 8's 10 lunar orbits, television images were sent back home, and spectacular photos were taken of Earth and the moon from the spacecraft. In addition to being the first human beings to view firsthand their home world in its entirety, the three astronauts were also the first to see the dark side of the moon. On Christmas morning, Apollo 8 left its lunar orbit and began its journey back to Earth, landing safely in the Pacific Ocean on December 27. On July 20 of the next year, Neil A. Armstrong and Edwin "Buzz" Aldrin, astronauts of the Apollo 11 mission, became the first men to walk on the moon.



1970, U.S. Presidential - Rock star Elvis Presley is greeted at the White House by President Richard M. Nixon. Presley's visit was not just a social call: He wanted to meet Nixon in order to offer his services in the government's war on drugs. Three weeks earlier, Presley, who wanted to distance himself from rock-and-roll's unseemly association with drug use and the counterculture, had met Nixon's vice president, Spiro Agnew, in Palm Springs, California and offered to use his celebrity status to help promote the administration's anti-drug campaign. Presley then flew to Washington, checking into a hotel under an alias on December 20. The next day, he and two of his bodyguards proceeded to the White House gates, where Presley handed the guard a handwritten letter. In the letter, Presley told Nixon he did not associate or agree with the "Drug Culture, hippie elements," student protestors and "Black Panthers," whom he believed hated America. He declared that he wanted nothing but to "help the country out" and asked to be designated a "federal agent-at-large." The guard immediately recognized Presley, but followed protocol and asked for permission to send him on to the White House. He apparently was not searched before being granted admission: Upon meeting Nixon he presented the president with a gift—a World War II-era Colt .45 pistol. The two were photographed shaking hands and Nixon and "The King" exchanged pleasantries and agreed that "those who use drugs are in the vanguard of American protest." Presley again reiterated his desire to do whatever he could to help influence young people and fellow musicians to reject drugs and anti-Americanism. At the conclusion of the brief meeting, Presley surprised Nixon with a hug. On December 31, Nixon wrote a thank-you note to Presley for the gift of the pistol and for visiting him at the White House. In the end, Nixon never offered Elvis an official position in his administration's war on drugs.

Showers associated with the front will be light on the central and southern Plains, while locally heavy upslope snow develops behind the front across the central and northern Rockies. By Friday, colder than normal conditions across the Great Plains will contrast with lingering warmth from the Texas Gulf Coast to the Southeastern and Mid-Atlantic States. An Area of low pressure will develop along the front toward week's end and move northeast, bringing another round of moderate to heavy rain to the south and central U.S.

Possible Flooding in the South: *Over the last few days, the Delta has been receiving some locally heavy rain, which has helped ease short-term drought and provided much needed rain across northern Texas. However, over the next few days, more rain is in the forecast -- till the weekend -- which could bring some flooding. Again, heavy amounts are in store for the Delta and Tennessee Valley which would likely recharge soil moisture for soft red winter wheat. However, we need to keep our eye on possible flooding throughout the region.*



Corn bulls continue to see greater complications ahead for producers in South America, especially in parts of Argentina, where dry conditions could again become a more serious concern in early to mid-January. Bulls are also talking about fewer acres in Brazil and a late soybean harvest that could deter some second-crop corn planting. Ethanol production here at home remains strong and at the same time global usage also seems to be ramping up. I know there's a ton of bullish talk circulating in regard to the ethanol space, but I keep hearing that some of the more inefficient plants are going to start running into bigger problems and will eventually have to take some production offline. Many of the insiders I know and talk to on a regular basis just aren't sold on the fact we can continue producing at our current levels. Instead we might have to take a couple of steps backwards as some of the more inefficient plants get gobbled up. On the flip side however, I think U.S. export demand could get better in the coming weeks and surprise some to the upside. I also think the corn used for feed numbers could eventually be a bit of a surprise. In other words, I'm not really in the camp that the U.S. balance sheet is getting larger long-term. Yes, bears can argue a minor uptick on an increase in yield, but I really think demand may continue to keep the balance sheet steady, and as we move forward perhaps start to tighten supply. Bottom-line, nearby I could see the funds trying to push prices a bit further to the downside, but long-term I think we will get another chance in 2018 to market +\$4.00 corn. As a producer, any cash sales I make at this point I'm re-owning on the board in some capacity. As a spec, I like the thought of dipping a bullish toe in the water on the breaks. Trying to ultimately build a longer-term bullish position costs-averaging between \$3.15 and \$3.45 per bushel.

1988, Pan Am Tragedy - Pan Am Flight



103 from London to New York explodes in midair over Lockerbie, Scotland, killing all 243 passengers and 16 crew members aboard, as well as 11 Lockerbie residents on the ground. A bomb hidden inside an audio cassette player detonated in the cargo area when the plane was at an altitude of 31,000 feet. The disaster, which became the subject of Britain's largest criminal investigation, was believed to be an attack against the United States. One hundred eighty nine of the victims were American. Islamic terrorists were accused of planting the bomb on the plane while it was at the airport in Frankfurt, Germany. Authorities suspected the attack was in retaliation for either the 1986 U.S. air strikes against Libya, in which leader Muammar al-Qaddafi's young daughter was killed along with dozens of other people, or a 1988 incident, in which the U.S. mistakenly shot down an Iran Air commercial flight over the Persian Gulf, killing 290 people. Sixteen days before the explosion over Lockerbie, the U.S. embassy in Helsinki, Finland, received a call warning that a bomb would be placed on a Pan Am flight out of Frankfurt. There is controversy over how seriously the U.S. took the threat and whether travelers should have been alerted, but officials later said that the connection between the call and the bomb was coincidental. In 1991, following a joint investigation by the British authorities and the F.B.I., Libyan intelligence agents Abdel Basset Ali al-Megrahi and Lamen Khalifa Fhimah were indicted for murder; however, Libya refused to hand over the suspects to the U.S. Finally, in 1999, in an effort to ease United Nations sanctions against his country, Qaddafi agreed to turn over the two men to Scotland for trial in the Netherlands using Scottish law and prosecutors. In early 2001, al-Megrahi was convicted and sentenced to life in prison and Fhimah was acquitted. Over the U.S. government's objections, Al-Megrahi was freed and returned to Libya in August 2009 after doctors determined that he had only months to live. In 2003, Libya accepted responsibility for the bombing, but didn't express remorse. The U.N. and U.S. lifted sanctions against Libya and Libya agreed to pay each victim's family approximately \$8 million in restitution. In 2004, Libya's prime minister said that the deal was the "price for peace," implying that his country only took responsibility to get the sanctions lifted, a statement that infuriated the victims' families. Pan Am Airlines, which went bankrupt three years after the bombing, sued Libya and later received a \$30 million settlement.

Upcoming Events

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

State Corn Production

(in million bushels)

Iowa 2,541	Nebraska 1,665	South Dakota 788	Kansas 707		MO 569	
	Minnesota 1,454	Ohio 541	MI	TX	KY	
		Wisconsin 496	CO	PA	TN	NC
Illinois 2,188	Indiana 945	North Dakota 427	AR	VA		
			MS	MD		
			LA	Other		

US Total: 14,578 million bushels

Source: USDA, NASS 12/20/17



Soybean prices are now down about -60 cents from the highs set back on December 5th. Bears continue to sight rumors and talk of Brazil's crop perhaps being much larger than the USDA is currently forecasting, some saying +3 to +5 MMTs larger. There's also the continued talk that the USDA will need to make another downward adjustment to U.S. exports, perhaps -25 to -50 million bushels lower. Traders are also saying the recent headline and report that China will be reducing the amount of Foreign Material it allows in its shipments is creating some debate. I've heard arguments that it could ultimately be a positive for U.S. exporters, some saying it will make almost zero difference and some saying it could be a longer-term headwind. I guess we will have to wait until the market digest more specifics before we get a definite feel. As a producer, I've heard a lot of folks talking about "missing the boat" or perhaps getting a bit greedy and missing the sales opportunities north of \$10.00. Many are hoping to see it come back, saying they will pull the trigger if given the opportunity. I wish it were only that easy... Remember, having a plan is worthless if you aren't willing to execute! I'm happy I stayed disciplined and pulled the trigger when the ducks were in the air. I'm now staying patient and looking to perhaps re-own a bit on a deeper break in price.

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

WHAT I'M LISTENING TO:



Alan Jackson "Have Yourself a Merry Christmas"

About the Report

State Soybean Production (in million bushels)

Illinois 611	Nebraska 328	South Dakota 252	North Dakota 249	Kansas 204
	Indiana 327			
Iowa 557	Missouri 290	Arkansas 175	WI 98	TN 85
		Mississippi 113	NC 68	LA 67
Minnesota 373	Ohio 257	Michigan 103	PA	
		Kentucky 101	VA	
			MD	

US Total: 4,425 million bushels

Source: USDA, NASS 12/20/17



NEXT level THINKING



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

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

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

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

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

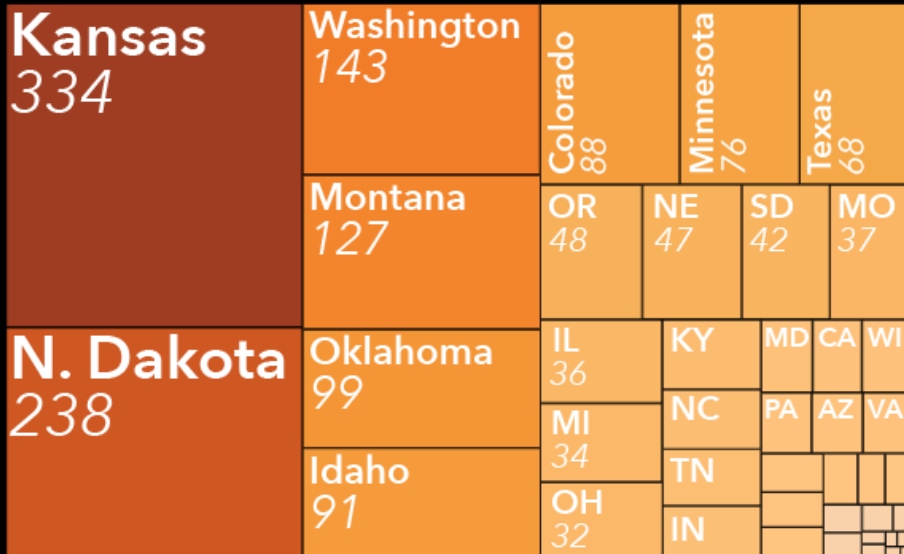
A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really

Wheat bulls perhaps backpedaling a bit on talks of less fear surrounding U.S. winter kill, but are still quick to point to a weak stand, poor overall crop conditions, and U.S. exporters becoming much more competitive in price. Bears continue to point to a global glut and continued stiff competition from Russia and parts of the European Union. Without a substantial weather event, it's tough for the bears to embrace higher premiums. Bottom-line, I remain bullish and am going to keep paying close attention to U.S. weather and longer-term complications. Forecasters are saying an arctic blast will hit Saturday and last through New Years, bringing the coldest temps in a year. The Northern, Central and Southern Plains could create the most concern without ample snow cover in several key locations. I'm also wondering if some winter weather worries won't prompt some cross-hedging by the funds and eventually provide a more bullish tailwind? Staying conservatively optimistic..

State Wheat Production

(in million bushels)



US Total: 1,741 million bushels

Source: USDA, NASS 12/20/17



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.



> Argentine Soybeans Still Face Rainfall Shortage: Oil World in a recent report noted dry conditions in some key growing areas of Argentina eased with rainfall received this past weekend, primarily in the eastern part. However, they say there is still concern that crop regions will receive significantly below-normal rainfall for the third consecutive month in December. Additionally, there are some forecasts indicating January and February will also deliver below-average precipitation, reflecting typical effects of La Nina conditions. (Source: Oil World)

> Top French Wheat Shipper Sees Low Price Linger On Glut: Wheat prices are set to remain in the doldrums as global output keeps expanding, curbing volatility and trading opportunities, according to InVivo, a union of cooperatives that's France's biggest exporter of the grain. Prices will probably remain low for another year as output rises in top shipper Russia and Argentina's comeback continues, Chief Executive Officer Thierry Blandinieres said in an interview. (Source: Bloomberg)

> Favorable Conditions Boost Romania's Crop Production: Romania's production of wheat, corn and barley in 2017 is expected to increase 10% due to favorable weather, government subsidies, fertilizer management and disease prevention. This follows good yields in 2016, which means there is additional pressure on the nation's transportation network and storage capacity, according to a report from the U.S. Department of Agriculture's Foreign Agricultural Service (FAS). Wheat production is estimated at 9.1 million metric tons for 2017-18, about 5% higher than last year and 16% higher than initial estimates. Exports are forecast to surpass record levels set in 2016-17 by 4.6% to 7.1 million metric tons. (Source: World Grain)

> Pork Margins Rebound In November: Pork production margins rebounded in November after sharp declines in October, USDA reported in its latest Livestock, Dairy and Poultry Outlook report. November margins were driven by strong wholesale demand for pork products and by lower than expected November hog slaughter. November's gross packer margin averaged almost \$25 per hundredweight (cwt), more

than 21 percent higher than the average per cwt margin in October. (Source: MeatingPlace)

> Grassley To Explore Post NAFTA Fund Rumors: If it's any indication about how nervous lawmakers have become about a NAFTA pullout, talk turned on Tuesday to the prospect of a bailout of sorts for farmers. On a morning call with reporters, Sen. Chuck Grassley said he was going to ask U.S. Trade Representative Robert Lighthizer about "rumors" of money being set aside to help farmers in the event NAFTA renegotiations go south. "I've heard rumors that people in the bureaucracy are trying to anticipate - if that's a possibility - what are we going to do to protect small farmers from drops in prices," Grassley said. "There's some talk about putting together a pot of money so you could support prices that fall apart if we pull out of NAFTA." Grassley added that government assistance was the last thing the agriculture industry wanted. "Farmers don't want more money from the federal treasury. They want their money from the marketplace." (Source: Politico)

> Trump Will Address Farm Bureau Convention Attendees: President Trump will address farm and ranch families from across the nation at the American Farm Bureau Federation's 99th Annual Convention, Jan. 5-10 in Nashville, Tenn. The White House has not yet formally announced the exact date the President will speak. Trump will be the first president to speak to the Farm Bureau since George H.W. Bush in 1992.

> Google Narrows Search Gap With Amazon, Retailers Left in Dust: Amazon.com Inc. remains the top online destination for U.S. shoppers seeking products, but Alphabet Inc.'s Google and other search engines narrowed the gap over the past year. About 49 percent of online shoppers visit Amazon first when searching for products, down from 55 percent in 2016, according to a consumer survey from San Francisco research firm Survata. Google and other search engines followed at 36 percent, up from 28 percent. Consumers visited individual retailers' websites first only 15 percent of the time, compared with 16 percent last year. Being thought of first by consumers for product searches helps Amazon maintain its lead in e-commerce. Online retail spending will grow about 16 percent this year to \$453 billion, according to EMarketer Inc. (Source: Bloomberg)

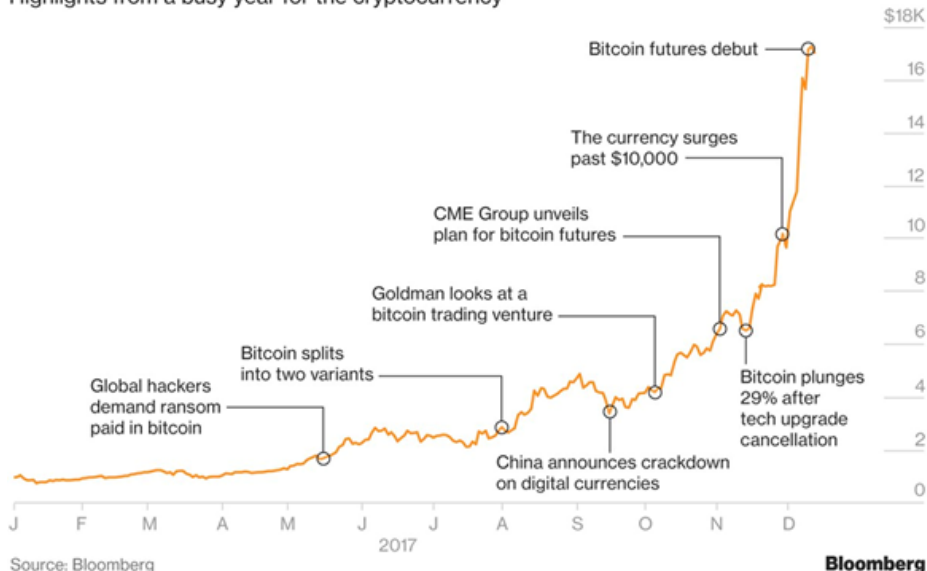
> White House Petition Site Taken Offline: The We the People section of the White House's website was launched in 2011 by the Obama administration, where it pledged to answer any petition that garnered over 100,000 in 30 days. Under the Obama administration, over 200 such petitions met those requirements and were answered. Since Trump entered the White House, 17 such petitions have met the requirements, but all have remained unanswered, reports the New York Times. The White House has now announced that it was taking down the We the People section of the website at midnight last night with a promise to relaunch it in January as a new site. Trump officials promise that when the new site is relaunched, all petitions that have met the requirements will be answered.

> NYSE Applies To List Bitcoin ETFs: The NYSE has formally filed with the the Securities and Exchange Commission to list two ProShares bitcoin ETFs. two exchange-traded funds that would allow traders to bet on how the volatile cryptocurrency futures contracts will perform. ProShares, which has more than \$29 billion in assets under management, filed its own documents with the SEC for the two bitcoin ETFs in September. The funds would track either the Cboe or CME bitcoin futures and would invest their assets in benchmark futures contracts with the option of investing in contracts outside the benchmark. The NYSE request is being viewed by many as bringing cryptocurrencies one step closer to "mainstream." It's been more than eight years since the birth of bitcoin and 2017 has been its wildest ride yet. The Bank for International Settlements - the central bank for central banks - has warned that policy makers can't ignore the growth of cryptocurrencies and will likely have to consider whether it makes sense for them to issue their own digital currencies at some point. Agustín Carstens, the incoming head of the BIS, told Bloomberg that bitcoin deserves close scrutiny. "Anything that grows in price as fast as bitcoin has done it, without having a real clear understanding of what is behind it, should at least raise some eyebrows," he said. (Sources: CNBC, Bloomberg)



Bitcoin's Wild Ride

Highlights from a busy year for the cryptocurrency



Saskatchewan Canada - Things are dry right now, and were for a lot of the year but the subsoil moisture from late 2016 got us through the season. If we don't see some moisture soon, it could be a challenging 2018. We did see more beans move into the area but I'm guessing a lot of them do not return due to low yields caused by the lack of moisture. Some corn has moved its way this far north as well but significantly less than the beans. We have attended seminars on soil health and may be looking into biofertilizers in the near future.

Central Iowa - It is with mixed feelings that this was my last year farming and it turned out to be a great one to end on. The corn yields were by far my best ever. We saw yields across all farms that averaged 270bpa and some even landed in the 280's. The weather was perfect, maybe not wet enough for the beans, as their yields were just average. With the production level so high, I was ok selling most all the corn for \$3.05 and call it a career. Wishing everyone a successful 2018!

Northcentral Kansas - We had a good year overall. The weather was decent and yields were good. We could use a little rain for our winter wheat but there is some subsoil moisture down there so all is good. We are mostly dryland and our corn yielded 183bpa. On top of that we farm beans, wheat, canola and have 20,000 hogs. We are getting things ready for winter now and are making plans to grow some spring wheat for the first time. We believe there is an opportunity to profit from the protein markets, so we will see if we can grow it here.



Atari's True Story Behind 'Ready Player One': The early days of Atari were the stuff of legend, but things weren't so rosy for the company's star programmers, who were often treated like replaceable cogs in a machine, and even denied credit for their hit creations. Enter the Adventure "Easter egg": A now-legendary attempt by programmer Warren Robinett to sneak due credit into a game, without his Atari bosses knowledge nor consent. By following an arcane series of steps, players could unlock a secret room that featured the giant flashing words: "Created by Warren Robinett". Click [HERE](#) to read how programmers sought to break out of anonymity.

America's Corn Syrup Habit Requires a New Jersey-Sized Crop: *Imagine riding a train through America's most densely populated region. The cities and suburbs are gone, and instead you see nothing but corn. Estimated at 83.1 million acres this year, transplanting the Corn Belt to the Northeast would cover the combined area of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and Washington D.C. Breaking down acreage by use, the amount of land devoted to producing corn for ethanol would require a field the size of New York. Animal feed would fill a field the size of Pennsylvania and Delaware combined. Sweetener production of glucose, dextrose and high-fructose corn syrup would cover New Jersey. If you just broke off production of high-fructose—a sugar substitute criticized by nutritionists for its ability to create cheap, but empty, calories—you could fit its production inside Connecticut. Read more [HERE](#).*

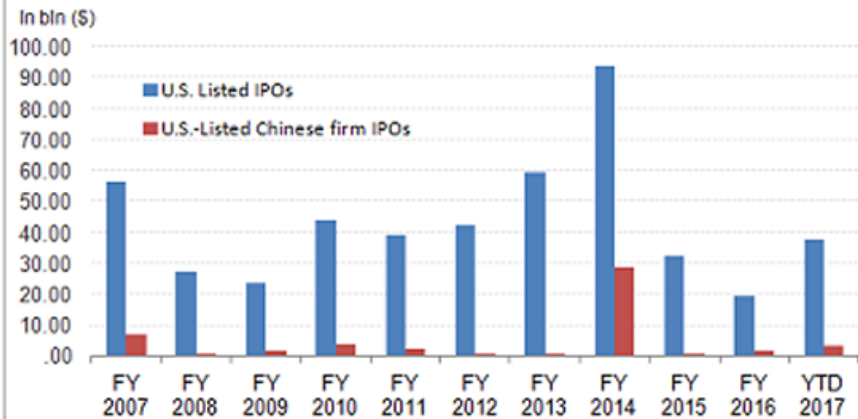
Pro Poker Player Matches Your Giving To 10 Charities: *Philanthropy's biggest crux is pretty universal: No matter how much people give to charitable causes, it won't ever be enough. The world has a lot of problems; many needs will continue to go unmet without broader, systemic change. For a growing contingent of so-called effective altruists, that paradox means using some math and logic to calculate what they think is the most strategic way to positively affect the most lives for the fewest dollars spent. Professional poker player Dan Smith likes that logic, so he's sweetening the pot. Smith, the fourth-ranked player in the world, has cleared about \$20 million in winnings on the professional circuit. Between now and the end of the year, he and two other poker and fantasy sports icons, the brothers Martin and Tom Crowley, have promised to match up to \$1 million in donations toward 10 cost-effective charities. Read more [HERE](#).*

U.S. Life Expectancy Drops for Second Year Amid Opioid Crisis: *First time in more than 50 years that it fell twice in a row. The overall decrease in longevity -- to an average of 78.6 years -- was driven by higher death rates among young and middle-aged Americans, even as older people are living longer. Fatal drug overdoses jumped by 21 percent, and the rate of deaths from synthetic opioids like fentanyl doubled from 2015 to 2016, the National Center for Health Statistics said Thursday. Read more at [Bloomberg](#)*

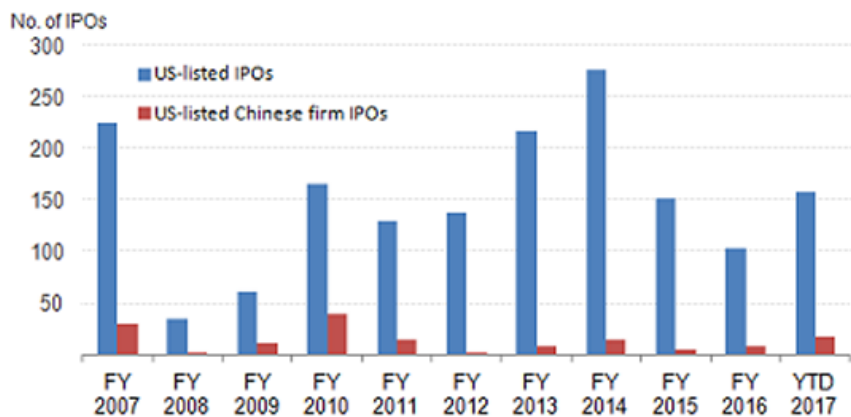
Is U.S. Gasoline Consumption Set To Collapse? *U.S. individual vehicle miles traveled (VMT) growth has been flat since June 2017, and the potential end of the VMT growth that started in early 2014 may be an indicator of slowing oil consumption, according to government data compiled by Labyrinth Consulting Services, Inc. Gasoline is the most consumed petroleum product in the U.S. Last year, motor gasoline consumption averaged about 9.3 million bpd, or 391 million gallons per day—the largest amount recorded and equal to about 47 percent of total U.S. petroleum consumption, data by the EIA shows. Some 29 percent of all U.S. energy consumption in 2016 was for transporting people and goods from one place to another. Read more [HERE](#).*

Wall Street Rally Sets The Stage For Big IPO Year In 2018: *A relentless bull-run in U.S. stock indexes this year has set the stage for a strong IPO market in 2018, with several multi-billion dollar firms including Airbnb and Spotify widely expected to grab headlines with their offerings. The S&P 500, the Dow Jones Industrial Average and the Nasdaq are all set to cap the year with their biggest annual gains since 2013. Riding the rally, the U.S. IPO market also recovered in the second half of 2017, after being spooked by a slump in shares of Snapchat owner Snap Inc and meal-kit delivery company Blue Apron following their debut earlier in the year. While several "unicorns", or companies valued at more than \$1 billion, are likely to list in 2018, it will be the small- and mid-sized firms and listings by foreign companies that will fuel the market, experts say. According to consultancy firm CB Insights, 14 unicorns went public globally this year, compared with eight in 2016 and 10 in 2015. Most of them made their debut in the United States. Read more [HERE](#).*

U.S. IPO proceeds in the last 10 yrs



U.S. IPO volume slowly gaining steam



Source: Reuters data Reuters graphic/Ankur Banerjee 15/12/17



Welcome To The First Day Of Winter

The first day of Winter is officially upon us, with the Winter Solstice arriving at 10:28 a.m. CST today, December 21. This first day of winter is also the shortest day of the year for those of us here in the Northern Hemisphere - it's the longest day of the year for those in the Southern Hemisphere. The word solstice comes from Latin sol "sun" and sistere "to stand still." At the winter solstice, the Sun's path has reached its southernmost position. The next day, the path will advance northward. However, a few days before and after the winter solstice, the change is so slight that the Sun's path seems to stay the same, or stand still. The Sun is directly overhead at "high-noon" on Winter Solstice at the latitude called the Tropic of Capricorn. The day after the winter solstice marks the beginning of lengthening days, leading up to the summer solstice in June. The December solstice marks the 'turning of the Sun' as the days slowly get longer. Celebrations of the lighter days to come have been common throughout history with feasts, festivals and holidays, as well as various tributes. Below are a few of the most popular, along with some other interesting facts: (Sources: Live Science, Time-Science Magazine, Almanac.com)

Saturnalia: The festival of Saturnalia was one of the most popular Roman celebrations. It was a seven day holiday that began on December 17 with a sacrifice at the Temple of Saturn, in the Roman Forum, and a public banquet, followed by private gift-giving, continual partying, and a carnival atmosphere that overturned Roman social norms. The festival was characterised as a free-for-all when all discipline and orderly behavior was ignored.

Feast of Juul: *The Feast of Juul (where we get the term 'Yule' from at this time of year) was a pre-Christian festival observed in Scandinavia at the time of the December solstice. People would light fires to symbolise the heat and light of the returning sun and a Juul (or Yule) log was brought in and dropped in the hearth as a tribute the Norse god Thor. The Yule Log often was an entire tree, carefully chosen and brought into the house with great ceremony and sometimes, the largest end of the log would be placed into the fire hearth, while the rest of the tree stuck out into the room. The log was burned until nothing but ash remained. The ashes were then collected and either strewn on the fields as fertilizer every night until Twelfth Night or kept as a charm and or as medicine.*

Stonehenge: *This structure in southern England is one of the most famous archaeological sites in the world. Carefully positioned rocks form what's known as a megalith, which some think may have begun as a burial site. It was built between 3000 B.C. and 2000 B.C., over the course of roughly 1,500 years, in a series of several major phases. When the sun sets on the winter solstice, its rays align with what are known as the central Altar stone and the Slaughter stone.*

Maeshowe: *Built in Orkney, Scotland, around 2800 B.C., Maeshowe is a burial ground that appears as a grassy mound rising about 24 feet above a grassy field. The inside of the mound contains a maze of chambers and passageways that become illuminated by sunlight during the winter solstice.*

Stone lines at Cerro del Gentil pyramid: *In 2013, researchers discovered two stone lines that, when approached straight on, appear to frame Peru's Cerro del Gentil pyramid in the distance. The lines are located roughly 1.2 miles southeast of the pyramid, and extend about 1,640 feet. Using 3D-modeling software, the researchers discovered that the winter solstice sun sets exactly where the lines converge on the pyramid in the horizon.*

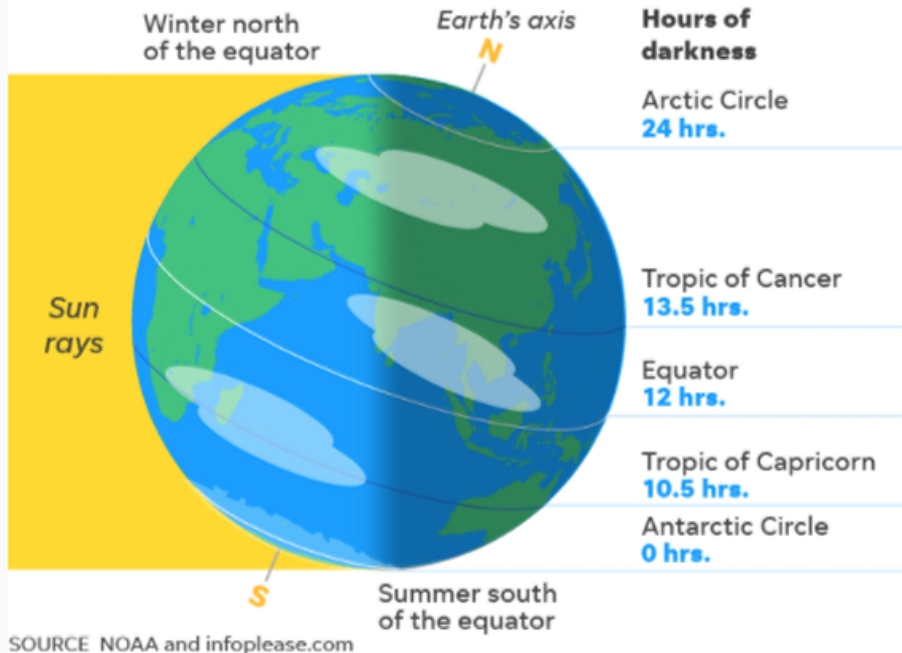
Is the Winter Solstice related to Christmas? *Sort of. There's no date in the Bible specifically pointing to Dec. 25 as the birth of Jesus Christ, so some experts believe the Christian church selected the date several centuries later, tying it to the Roman holiday Dies Natalis Solis Invictus, or the Birthday of the Unconquerable Sun. The winter solstice serves a turning point in many cultures, which is why it was tied to the Mayan apocalypse scare that marked the end of the calendar and to some believers, the end of the world.*

Does the solstice mark the start of winter or the mid-point of winter? *There is not a black-and-white answer—it depends. The solstice is the beginning of astronomical winter. Astronomical seasons are based on the position of the Earth in relation to the Sun. However, meteorological seasons are based on the annual temperature cycle. In order to compare climatological statistics from one year to the next, meteorologists break the seasons down into groupings of three months. Winter includes December, January, and February.*

Does the solstice always occur on December 21? *The shortest day of the year often falls on December 21st, but the modern calendar of 365 days a year - with an extra day every four years - does not correspond exactly to the solar year of 365.2422 days. The solstice can happen on December 20, 21, 22 or 23, though December 20 or 23 solstices are rare. The last December 23 solstice was in 1903 and will not happen again until 2303.*

The longest night of the year

The Northern Hemisphere winter begins Thursday at 11:28 a.m. ET with the winter solstice. This is the precise moment at which the Northern Hemisphere is tilted farthest from the sun. The low sun angle and lack of daylight account for the season's cold.



Holiday Travel Expected To Set Another Record This Year

Americans tend to take advantage of extra-long holiday weekends by putting in a little travel time. The 2017 year-end holiday season, which runs Saturday, Dec. 23 through Monday, Jan. 1, is expected to see a record number of travelers take to planes, trains, automobiles and other modes of transportation. AAA forecasts 107.3 million Americans will travel to visit family and friends, or simply to get away. That will be the highest year-end travel volume on record and a 3.1% increase in travel volume compared with last year. 2017 marks the ninth consecutive year of rising year-end holiday travel. Since 2005, total year-end holiday travel volume has grown by 21.6 million, an increase of more than 25%. AAA notes that not even this year's more expensive gas prices are swaying people to stay home. In fact, across the board this year, travel has increased year-over-year for every major holiday weekend – Memorial Day, Independence Day, Thanksgiving – and AAA expects to see this trend continue for the year-end holidays. For the 97.4 million Americans traveling by automobile, INRIX, a global transportation analytics company, in collaboration with AAA, predicts travel times during the holiday week could be as much as three times longer than the normal trip. AAA projects the majority of travelers – 97.4 million – will hit the road, a 3% year-over-year increase. INRIX chief economist Dr. Graham Cookson says with record-level travelers hitting the road this holiday, drivers must be prepared for delays in major metros. "Our advice to drivers is to avoid peak times altogether or consider alternative routes." The 90% of holiday travelers choosing to drive will find the most expensive year-end gas prices since 2014. This December's national average price is \$2.47 (Dec. 1-13), which is 28 cents more than last December. The good news is that AAA does expect the average to drop at least another five cents by year-end, saving motorists a few pennies at the pump. Holiday fares are nearly 20% cheaper than last year. At \$165, the average end of year holiday airfare for a round-trip flight for the top 40 domestic routes is at a five-year low, according to AAA's Leisure Travel Index. On average, 2017 fares are 5% less expensive compared to 2016. Overall, competition, capacity over-expansion and lower oil prices are contributing to the decline. Airports will be busy and security lines may be longer than usual around the holidays. Travelers should plan to arrive at the airport at least two hours prior to the scheduled departure of their flight. During peak travel times, contact your airline for guidance, as it may be necessary to arrive even earlier. This time of year travelers need to also be aware of potential weather delays. Make sure to check flight status regularly before traveling to the airport. (Sources: AAA, USA Today)

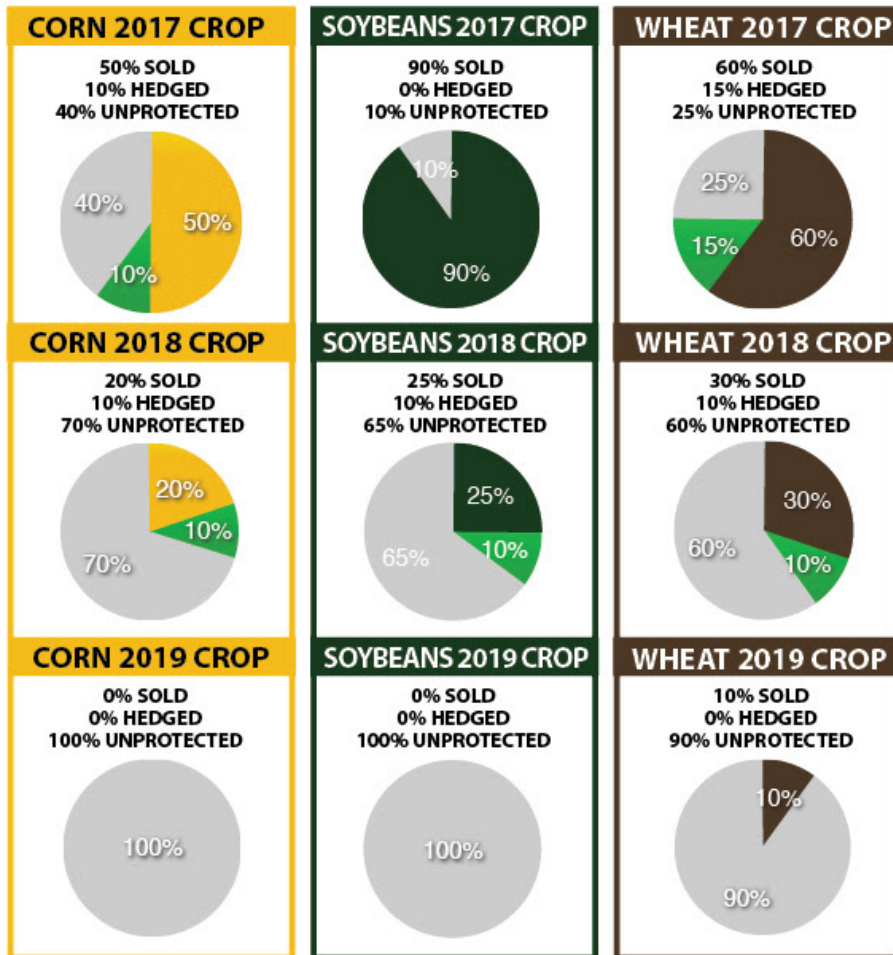


Great Short Video... My Christmas Eve

Drawing from a lifetime of experiences that include a tour of duty in the U.S. Navy and 29 years as an Ohio State Trooper, Bob Welsh has mesmerized listeners around campfires, in churches, schools and auditoriums with inspirational stories. I wanted to share one that was sent my direction a few years back, and always makes me stop and count my blessings. Click [HERE](#)



CASH SALES & HEDGING TOTALS



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