

GOOD MORNING: 12/22/17 Farm Direction - VanTrump Report

1 message

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Fri, Dec 22, 2017 at 7:11 AM



"One of the most glorious messes in the world is the mess created in the living room on Christmas Day. Don't clean it up too quickly." - **Andy Rooney**

This will be the last Van Trump Report for 2017. We are taking our annual one-week break between Christmas and New Year. The report will resume the morning of Tuesday, January 2nd 2018. We wish all of our friends a Merry Christmas and a safe and Happy New Year!

FRIDAY, DECEMBER 22, 2017

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Morning Summary: Stocks to trade right around all-time record highs. The Dow is just a fraction away from setting its 71st record-high for the year, and is up over 5,000 points in 2017. Wall Street was relieved to see Congress pass a stop-gap funding bill that will keep the government operating through January 19, giving lawmakers another month to work on a long-term spending deal for fiscal 2018. The President could sign it as early as today. If not, he'll have to make it official in 2018 when lawmakers return to Washington. Either way, investors can stop worrying about a possible government shutdown and concentrate on more positive things as we wrap up the year's remaining few trading days. Remember, markets are closed Monday for the Christmas holiday and the following Monday to celebrate New Years day. Investors today will be digesting several economic reports, including Durable Goods, Personal Income and Outlays, New Home Sales, Consumer Sentiment and Kansas City Fed Manufacturing. The Commerce Department yesterday released their final estimate of third-quarter GDP. At +3.2%, the fastest pace of growth the U.S. economy has seen in more than two year. Turning to next week, overall it will be extremely quiet. With Washington closed for the week there is not likely to be much U.S. political news making the headlines. Economic data is very light as well with the main highlights being Pending Home Sales, Consumer Confidence and International Trade. Traders would be advised to use the lull to catch their breath as the first week of 2018 is jam packed with a slew of fresh and significant data, including ISM manufacturing, the December Employment Report and "minutes" from the Fed's December meeting. For the latter, keep in mind the central bank raised interest rates for the third time in 2017 at that policy meeting and at the same time made it sound like they could raise another three times in 2018. Bottom-line, the trade will be paying close attention to the Fed's "minutes" when we return to start the new year.

Bitcoin fell as much as 20% to a low of \$12,504 overnight, extending its loss from an intraday high this month toward 40% and on track for its worst week since 2013. Investors are having a "reality check," said some traders, while others commented that "a lot of the capital is flowing from bitcoin into alternative coins." There are also reports that the SEC's crackdown on cryptos is about to "get serious." (Source: SeekingAlpha)

State Minimum Wage Hikes Will Add \$5 Billion To Paychecks In 2018:

More than 4.5 million American workers will get a fatter paycheck beginning next month, and the raise has nothing to do with the sweeping tax overhaul bill approved this week. Nineteen states and the District of Columbia will boost the statutory minimum wage effective in January, giving those workers a combined wage increase of more than \$5 billion next year. Maine will boost the bottom pay rate by \$1, to \$10 an hour, a rise that will benefit an estimated 59,000 workers. California increased its minimum wage by 50 cents, to \$11 an hour, helping more than 2 million workers. In most states, the increases are the result of recent laws that boost the pay rates for those at the bottom of the income ladder. Others have laws on the books that automatically increase the minimum wage to keep up with inflation. That's not the case with the federal minimum wage, which is currently \$7.25 an hour. Because it's not pegged to inflation, the buying power of

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Today In History

1775, American Revolution - The Continental Congress creates a Continental Navy, naming Esek Hopkins, Esq., as commander in chief of the fleet.

a minimum wage paycheck has been falling for the last 50 years, despite periodic increases. In 1968, the statutory minimum wage of \$2 an hour was worth about \$10.90 an hour in 2017 dollars. (Source: CNBC)

Stores Staying Open Around The Clock Until Christmas: Two big chains, one known for apparel and the other for toys, are catering to the tardy and pushing the last-minute shopping envelope to its limit. Department store Kohl's is already in the middle of a marathon, staying open around the clock through 6 p.m. Christmas Eve. This is the fifth year Kohl's has offered 24-hour shopping leading up to Christmas "to offer customers a convenient opportunity to complete their last-minute holiday shopping when it works best for their schedule," Jon Grosso, Kohl's executive vice president and director of stores, said in a statement. Toys R Us began their 63-hour shopping spree at 6 a.m. this morning. Stores nationwide will stay open until 9 p.m. Christmas Eve. Saturday is expected to be one of the biggest shopping days of the year, according to the National Retail Federation. About 126 million consumers will shop on Super Saturday, the organization predicts. (Source: USA Today)

Get A Leg Up On Those New Year's Resolutions: If you're like most people you probably made a New Year's resolution for 2017. And also like most people, you probably broke it. The infographic below can possibly help you feel better about falling short of your goal(s) and also give you some tips on how to actually follow through on next year's resolutions! Click the graphic for the full sized version.



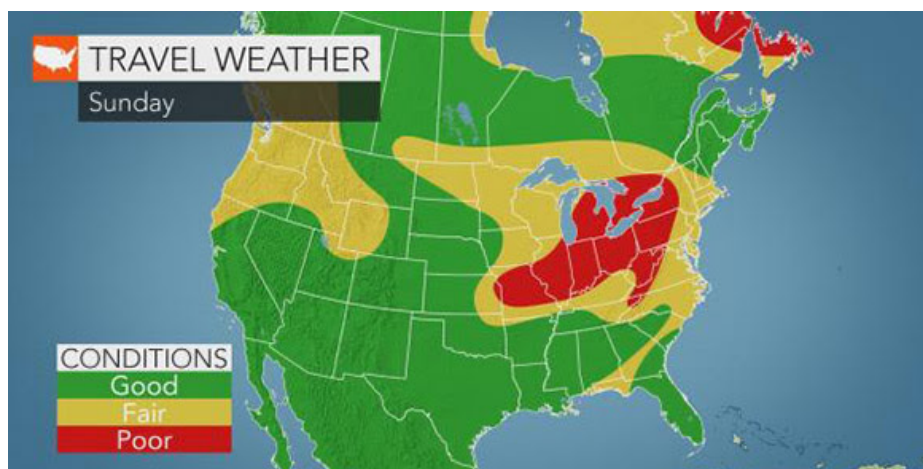
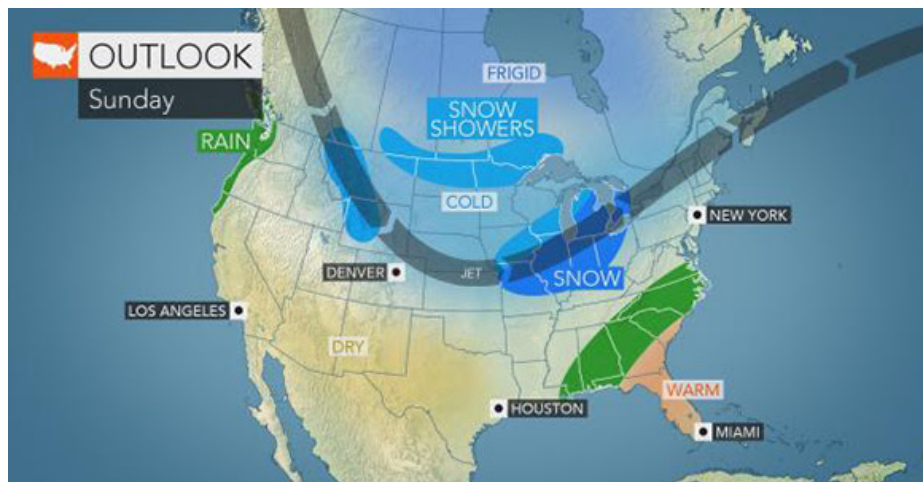
Congress also named four captains to the new service: Dudley Saltonstall, Abraham Whipple, Nicholas Biddle and John Burrows Hopkins. Their respective vessels, the Alfred, Columbus, Andrew Doria and Cabot, became the first ships of the Navy's fleet. Five first lieutenants, including future American hero John Paul Jones, five second lieutenants, and three third lieutenants also received their commissions. The new Admiral Hopkins, as he was dubbed by George Washington, was a Rhode Islander of some standing. His brother was Stephen Hopkins, the state's governor. Esek Hopkins had married well and used his wife's fortune to buy a ship. It proved a wise investment. He added to his wealth working as a privateer during the Seven Years' War. In his new position, Congress promised to pay him 125 dollars per calendar month; they also informed that he could look forward to some share of the prizes allotted to the captors. Christopher Gadsden of South Carolina designed Hopkins' personal standard, which flew from the first navy fleet. The yellow flag bore the image of a coiled snake and the Patriot motto, Don't Tread on Me. Hopkins' first assignment was to assess the feasibility of an attack on British naval forces in the Chesapeake Bay. After sailing south with his meager force of eight ships, Hopkins decided that victory in such an encounter was impossible. He sailed to the Bahamas instead, where he attacked the British port of Nassau, a decision for which he was relieved of his command upon returning to the continent.



1884, John Chisum - A central player in the violent Lincoln County War of 1878-81, the cattleman John Chisum dies at Eureka Springs, Arkansas. Born in Tennessee in 1824, Chisum moved with his family to Paris, Texas, when he was eleven years old. For several years he worked as construction contractor, but in 1854, he decided to go into the cattle ranching business. By 1875, Chisum was running over 80,000 head of cattle near the Pecos River in Lincoln County, New Mexico. Inevitably, such a large herd ranging over a vast and isolated area attracted the interests of rustlers, and Chisum claimed to have lost nearly 10,000 head to thieves. Fed-up, Chisum joined forces with two other New Mexico cattle kings to do battle with the small cattlemen and merchants they believed were behind the thefts. In particular, the big ranchers targeted two Irishmen who owned a large general store, called the House, in the town of Lincoln. Besides giving aid to the rustlers and small ranchers that Chisum despised, the House also managed to gain control over most of the government contracts for supplying beef to Army posts and Indian Reservations, undercutting the ability of the big ranchers to sell their cattle directly to these buyers at high profits. When a deputy sheriff under the control of the House murdered one of

Weather forecasts point to a significant weather pattern change that is well underway. Sharply colder air is currently engulfing the western half of the country and will continue to push eastward. By week's end, cold air will stretch from the Rockies to the Appalachians, with lingering warmth confined to the Atlantic Seaboard. At the same time, mild weather will return to California and the Southwest, following a brief cold spell. Five day precipitation totals could reach 1 to 2 inches across the South and East, with higher amounts expected from northern Texas to the central Appalachians. Although most of the precipitation will fall as rain, some snow may accumulate on December 23 - 24 from the middle Mississippi Valley to northern New England. The 6 to 10 day outlook for December 26 - 30 calls for the likelihood of colder than normal weather nationwide, except for above normal temperatures in much of California, southern Florida and the Desert Southwest. Meanwhile, near to above normal precipitation across most of the country should contrast with drier than normal conditions in a few areas including parts of California, the Great Basin and the Southeast. Looking to Brazil, the entire south Brazil region is in line for moderate to heavy rainfall within the next few days. This will maintain favorable conditions for developing crops. Forecasts are calling for developing rain in central Argentina to bring additional beneficial moisture to corn and soybeans. Rain coverage includes very-dry northwestern crop areas.

Snow Storm Spreads Across Plains and Midwest: A winter storm has spread into the Great Lakes and is poised to produce a mix of snow and ice in parts of the Northeast in time for Christmas holiday travel through Saturday. The storm dumped up to 40 inches of snow in Montana's Glacier National Park. In the Plains and upper Midwest, parts of the Dakotas, Nebraska, Minnesota, Wisconsin and Upper Michigan have seen light to moderate amounts of accumulating snow. Winter weather advisories and winter storm warnings have been posted by the National Weather Service from the Rockies to northern New England. A record 107.3 million people will take to planes, trains, aircraft and buses during the period from Saturday, December 23, through Monday, January 1. Areas of rain, ice and snow will affect heavily populated areas and popular travel routes. Be safe out there!



Corn bulls are happy to see a small bounce off the recent contract lows, but very little has changed in regard to the overall fundamentals or technicals. The funds have been holding an extremely large short position and there's talk that a portion have squared-up ahead of the new year. There's also talk that many fund managers were short corn and wheat against long soybean positions. Once they began to unwind these positions it put downward pressure on the soybean market and provided a little additional tailwind to both corn and wheat. As for South American weather, it all depends how you want to interpret the forecasts. The bears are saying some key locations that had been abnormally dry for an extended period have gotten a much needed drink. The bulls argue dry conditions have already done some damage and could return in the days ahead. A few big questions are... Is there any substantial damage already done to the crop? Is the heat going to turn up and the dry conditions return? Will there be good finishing weather? I think as we witnessed most recently here in the U.S., how we start the race hasn't been nearly as important as how we finish the race. This past growing season here at home, we had very sketchy weather early on, and now we are chewing on an all-time new record yield north of +175 bushels per acre. From a demand perspective, I see some headwinds for the ethanol industry in the weeks ahead. Several insiders I know are thinking some of the more inefficient plants are going to struggle. I think U.S. exports can hang tough, but there's some new talk of export inspection fees in Argentina being drastically lowered, which could make Argentine corn more competitive. I will be keeping a close eye on this in the days ahead. I think the feed demand side might actually surprise to the upside in 2018. Meaning net-net, I think demand stays extremely strong. Supply once again will be the major determinant of price. The past few years supply has simply outproduced demand. As we sit here right now with nearly 2.5 billion bushels in domestic ending stocks and ample global

Chisum's allies in 1878, the Lincoln County War erupted. The battle was about more than that murder, though—it was a struggle for economic and political control of the region. Chisum and the big ranchers turned their cowboys into gunslingers—including a friendly young man named William Bonney, better known as Billy the Kid. Devastated by the Lincoln County War and the continuing losses of his cattle to rustlers and Indians, Chisum lost much of his wealth and power. Nonetheless, when he died at Eureka Springs, Arkansas, three years after the Lincoln County War ended in 1881, he left an estate that was still worth half a million dollars, a striking indication of the massive wealth he had accumulated.



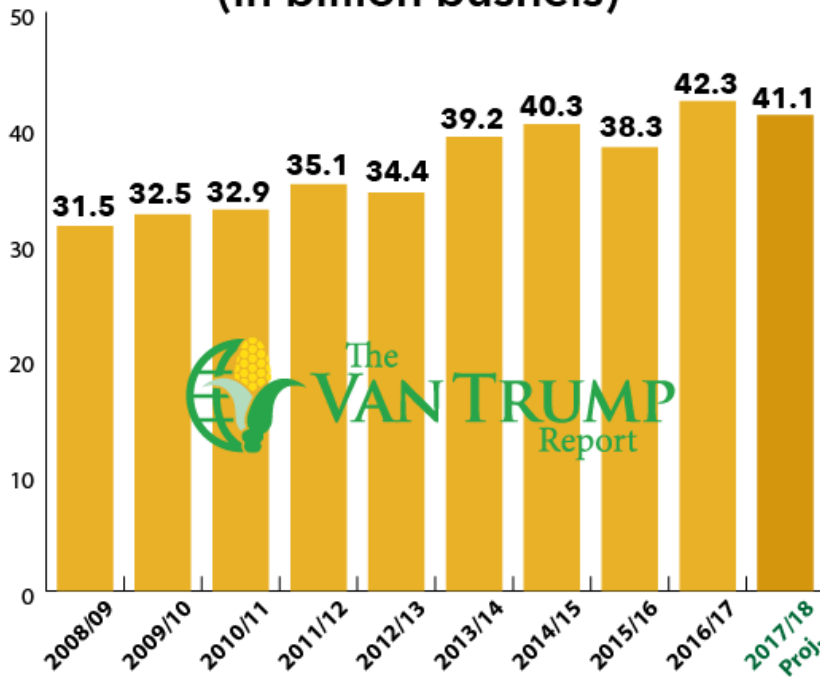
1900, Mercedes - The first car to be produced under the "Mercedes" name is delivered to its buyer: Emil Jellinek, the Austrian car racer. Jellinek had

commissioned the Mercedes car from the German company Daimler-Motoren-Gesellschaft. It was faster, lighter, and sleeker than any car the company had ever made before, and Jellinek was confident that it would win races so handily that besotted buyers would snap it up. In exchange for his extraordinary patronage, the company agreed to name its new machine after Jellinek's 11-year-old daughter, Mercedes. In 1886, the German engineers Gottlieb Daimler and Wilhelm Maybach had built one of the world's first "horseless carriages": literally, their vehicle was a four-wheeled carriage with an engine bolted to it. In 1889, the two men built the world's first four-wheeled automobile powered by a four-stroke engine. They formed Daimler-Motoren-Gesellschaft the next year. In 1896, Emil Jellinek saw an ad for the D-M-G auto in a German magazine. Jellinek was a rich tobacco trader and banker with a passion for fast, flashy cars. As the story goes, Jellinek traveled to D-M-G's Cannstatt factory, charged onto the factory floor and demanded the most spectacular car the company had. The first of his D-M-G cars was sturdy, but it could only go 15 miles per hour—not even close to fast enough for Jellinek. In 1898, he ordered two more cars, stipulating that they be able to go at least 10 miles per hour faster than the first one could. Daimler complied; the result was the eight-horsepower Phoenix. Jellinek was impressed enough with his new cars that he began to sell them to his friends. At the same time, he needed a racing car that could go even faster than the Phoenix. Jellinek went back to D-M-G with a business proposition: if it would build him the world's best speedster (and name it the Mercedes), he would buy 36 of them. The new Mercedes car introduced the aluminum crankcase, magnalium bearings and the pressed-steel frame, a new kind of coil-spring clutch and the honeycomb radiator. It was longer, wider, and lower than the Phoenix and had better brakes. Also, a mechanic could convert the new Mercedes from a two-seat racer to a four-seat family car in just

supply, we are going to need confirmation of a fairly significant production setback to get a pop in price beyond \$4.25 per bushel. We could certainly get back to \$4.00 or perhaps \$4.20 on rumors and worries, especially with demand this strong, but beyond that level, I think it takes real confirmation of a significant problem. As a producer, I like the thought of re-owning any sub-\$3.50 cash sales with some type of bullish strategy on the board. As a spec, I like the thought of building a longer-term position on the break, averaging in during the next 20 to 30 cents of potential downside.

World Corn Production

(in billion bushels)



Source: USDA, FAS, PS&D 12/21/17

Soybean prices have been eroding for the past couple of weeks as weather conditions in South America stabilize and U.S. exports still appear overstated. The question is how much lower can we go? From a technical perspective, I continue to hear some of the best in the business talking about there important numbers on the downside in the MAR18 contract... psychological support at \$9.50; the most recent low set back in mid-August at just above \$9.37; and the contract low this year set back in June at just above \$9.22. These are three key-levels I'm watching as we move forward the next couple of weeks. To the upside it seems like resistance is revolving around some of the larger numbers like \$9.75, \$10.00 and \$10.25. From a fundamental perspective not a lot has changed. Weather in South America remains important. Chinese demand is also being highly monitored, especially with their government throwing some new rules and regulations in the mix. Chinese demand and South American production seem to be the two main driving forces at the moment. Looking ahead into January, the USDA's yearend report will obviously be of importance, but many sources think the U.S. balance sheet could get a touch larger on a slight readjustment lower in demand. Most are also suspecting to see more confirmation of record soybean acres being planted by U.S. farmers in 2018. Global demand remains strong, but competition from South American suppliers and year-after-year of record setting production makes sustained rallies tough to muster. We clearly need a widespread production hiccup to get that big jump... As both a spec and a producer, if we start to get closer to that \$9.20 to \$9.30 area, I like the thought of re-owning some sales and perhaps taking a bigger bullish bite.

a few minutes. The new car was a hit. In 1902, the company legally registered the Mercedes brand name, and in 1903, Emil Jellinek legally changed his own name to Jellinek-Mercedes.

Upcoming Events

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

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

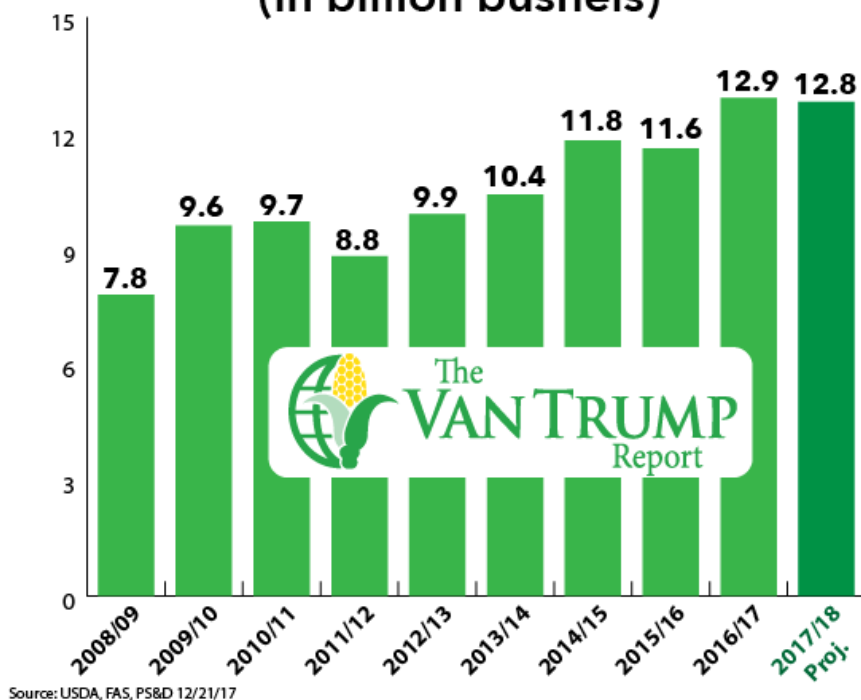
Kevin's Song of the Week



About the Report

World Soybean Production

(in billion bushels)



Wheat bulls continue to talk about U.S. weather, cold and dry conditions have the bulls very intrigued. Extremely low temps in the forecast have been moderated a bit, but there is still "winter kill" risk in the air. The abnormally dry conditions in parts of Texas, Oklahoma, Kansas, Nebraska, and the Dakotas appear to be a deeper more troubling concern. As a producer, I've been hearing some folks making small cash-sales vs. the JUL18 contract at +\$4.50 and re-owning the board with bull-call and bull-call ratio spreads. Producers just don't want to watch the carry slip away as we move forward into 2018. I personally think we have some bullish cards in the deck and will have better opportunity in 2018 to market our crop at higher prices, but I also already have 40% of my estimated new-crop production priced at levels between \$5.25 and \$6.10 per bushel, so I'm in good shape to sit and wait. My goal is to get another 30-40% priced by July, but I'm in no real rush. Keeping a close eye on U.S. weather and geopolitical rumblings in Russia. Keeping my bullish tilt...

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

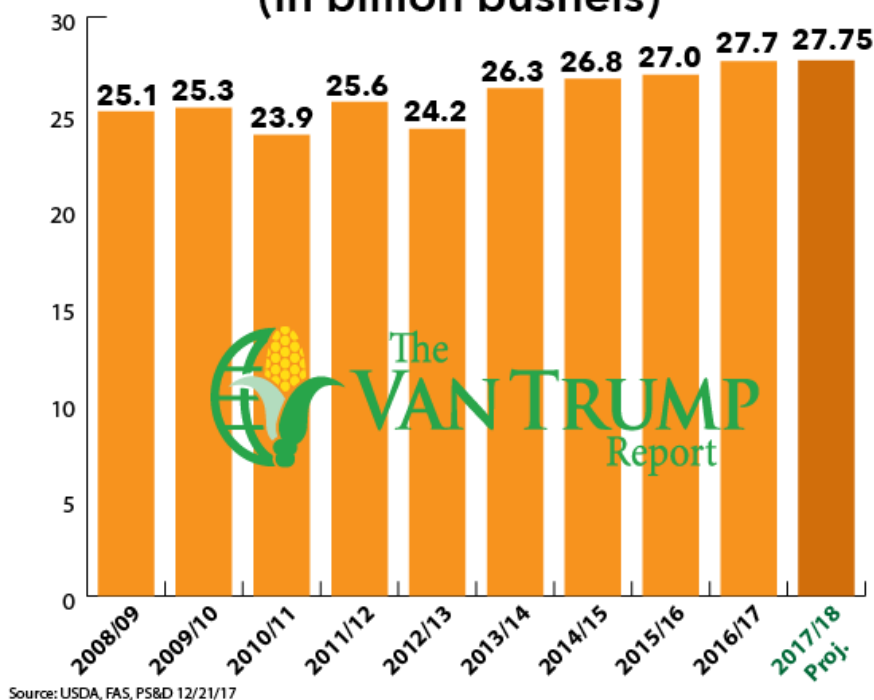
"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis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

World Wheat Production

(in billion bushels)



happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator
for Farm Programs USDA**

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

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

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

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

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

Connecting the Dots

> China Tightens Import Specs On Soybeans: China, the world's top soybean buyer, will reduce the amount of foreign material allowed in shipments of U.S. soybeans as of Jan. 1, the U.S. Department of Agriculture has announced, a move that may curb imports. U.S. soybean shipments arriving at Chinese ports containing up to 1 percent of foreign material would be expedited while shipments with more than 1 percent could be held back for testing, according to Will Wepsala, a spokesman at USDA's Animal and Plant Health Inspection Service. (Source: Reuters)

> Brazil Sugar Mills May Suspend 9 MMTs Of Crush Capacity: Companies in Brazil's main sugarcane belt in the center-south will likely suspend operation of plants with nearly 9 million metric tons of combined crushing capacity, as cane supplies run low and mills struggle under financial difficulties. That volume was calculated by Reuters based on company announcements and industry sources. It could rise to more than 20 million metric tons if other plants, going through bankruptcy protection and facing uncertainty, also suspend operations. (Source: Reuters)

> France Will Raise Minimum Food Prices To Underpin Farmer Incomes: France has announced a plan to raise regulated minimum food prices and limit bargain sales in supermarkets as part of a wider field-to-fork plan aimed at increasing farmers' income. The measures are part of a wider review promised by President Emmanuel Macron to appease farmers, an important constituency in French politics, who have long complained of being hit by squeezed margins and retail price wars. (Source: Reuters)

> Hops Production Jumped 20% This Year: Data released this week by USDA's Economic Research Service showed that hops production for Idaho, Oregon, and Washington (where most of our hops come from) jumped +20% in 2017 to a record 104 million pounds. The actual acreage that was harvested in those three states grew 5 percent to 53,282 acres in 2017. The nation's hop yield rose 246 pounds to 1,959 pounds per acre in 2017. These latest figures seem to reflect a longer-term trend for hops production that Hop Growers of America, the Yakima, Wash.-based trade group, has been tracking. In the past, hops have been on track to double acreage within five

years. And the amount of acreage added in the past five years in the U.S. is larger than the total acreage of most other hop-growing countries. (Source: Politico)

> Red Meat Production Rises Slightly: USDA's Livestock Slaughter report shows commercial red meat production for the United States totaled 4.55 billion pounds in November, up +1% from the 4.50 billion pounds produced in November 2016. Beef production, at 2.29 billion pounds, was +2% above the previous year. Cattle slaughter totaled 2.76 million head, up +3% from November 2016. The average live weight was down 11 pounds from the previous year, at 1,373 pounds. Pork production totaled 2.24 billion pounds, up slightly from the previous year. Hog slaughter totaled 10.5 million head, down -1% from November 2016. The average live weight was up 3 pounds from the previous year, at 286 pounds. January to November 2017 commercial red meat production was 47.6 billion pounds, up +3% from 2016. Accumulated beef production was up +4% from last year, pork was up +3% from last year veal was down -1%, and lamb and mutton production was down -4%.

> Georgia Snowstorm Did More Damage Than Initially Believed: A Dec. 8 snowstorm that dumped 10 inches of snow in Carroll County, Ga., caused more damage and killed more poultry than initially thought, according to county officials. Initial reports following the storm that dumped 10 inches of snow across Carroll County indicated poultry farmers had been only lightly affected. But more farmers have subsequently contacted local agencies, with some claiming significant losses. Carroll is one of the top poultry-producing counties in the state and when all reports are filed, they will likely reflect a negative impact on the industry; one from which it will take some time to recover. Additionally, JBS USA/Pilgrim said it suffered a "substantial" loss to its Carrollton plant. Six pullet/boiler houses at the Carrollton plant sustained considerable structural damage, three of them deemed complete losses. (Source: Times-Georgian)

> EPA Says Glyphosate Not Likely To Be Carcinogenic: The U.S. Environmental Protection Agency has said that glyphosate, the key ingredient in Monsanto Co's top-selling weed killer Roundup, is not likely to be carcinogenic to humans, contradicting a World Health Organization panel. The EPA, in a draft risk assessment report issued this week, also said it found "no other meaningful risks to human health" when glyphosate, the world's biggest-selling weed killer, is used according to its label instructions. (Source: Reuters)

> Ag Sector Benefits From Tax Cut: As a result of the GOP tax revamp, Blumberg Partners CEO Philip Blumberg says one of the firm's companies, Blumberg Grain, will build new facilities in Iowa, Alabama and Florida, creating 250 jobs. (Source: Politico)

> U.S. Finalizes Jet Duties In Boeing Case: In a win for Boeing, the U.S. Commerce Department has finalized duties of nearly 300% on passenger jets made by Bombardier. The decision escalates the bitter trade dispute between the two aircraft manufacturers in a battle that has ensnared U.S. airlines and strained relations between the U.S. and Canada. The decision follows the DoC's preliminary recommendation of duties on Bombardier's C Series jets earlier this fall. Delta last year agreed to buy at least 75 C Series jets. Boeing, which launched the petition over the sale of the jets, says the decision validates its complaint. (Source: Seeking Alpha)

> Cuba Postpones Handover To New President: Communist-run Cuba's parliament extended its legislative period by two months to April on Thursday, delaying the historic transition from Raul Castro to a new president, state-run media reported. The national assembly, which meets twice a year, put the delay down to havoc wrought in September by Hurricane Irma, which tore across the island lifting roofs, uprooting trees and flooding low-lying coastal areas. Some Cuba watchers believe it is more due to concerns about ensuring stability in the handover from the leaders of the 1959 revolution that ousted a U.S.-backed dictator to a new generation. Castro and his late, older brother Fidel have led the country for nearly 60 years. Their heir apparent, First Vice President Miguel Diaz-Canel, was born the year after the revolution and has a much weaker public profile. (Source: Reuters)

> How Many Calories Are In Your Christmas Dinner? We all like to splurge on turkey and all the trimmings when Christmas day arrives with the average person eating as many as 5,240 calories on your festive blowout, including snacks and booze. To burn that off you would need to run TWO marathons. On average a marathon runner burns 2,600 calories over 26.2 mile course – that's around 100 calories a mile. If you'd rather cycle off your roasties you'll need to hop on your bike for 109 miles, burning an average of 48 calories per mile. Gym goers will need to spend nine hours working out, burning 590 calories an hour, and if you'd rather jump in the pool you'll need to a front crawl for 13 hours. Over the festive period the average person puts on around four pounds just between Christmas Eve and New Year's Day. And it takes until Easter for most dieters to shift the excess weight – just in time for Easter eggs to tempt them. (Source: The Sun)



REVEALED: WHAT IT TAKES TO BURN OFF YOUR CHRISTMAS DINNER

You'll have to cycle 109 miles
Burning 48 kcals a mile

You'll need to work out for nine hours
Burning 590 kcals an hour



5,240 calories



You'll need to swim for 13 hours
Burning 413 kcals an hour doing front crawl

You'll need to run TWO marathons
Burning off 100 kcals

FROM THE FIELD

Northeast North Dakota - We have to consider ourselves fortunate considering how many in our area suffered this year. Thanks to a very wet late 2016, we had good subsoil moisture which carried us through the season better than most. Our beans looked good early but were set back a bit by the prolonged dryness. We also farm sugarbeets, potatoes, wheat and dry beans. We would like to get into the fields to do some tillage but time just doesn't allow it as we were harvesting late into November and now winter is on the doorstep. We will need some more moisture heading into next season or things could get bad here.

Northwest Missouri - We are trying to finish putting down anhydrous this week. A tenth of an inch yesterday was enough to knock us out of the field, but it was definitely needed to settle the dust. We run a few different farms in the area and the yields were better at some than others. Both the beans and corn yields were above APH so that was good and we were able to make some sales during the July rally. We are sitting on more than last year though as we weren't as aggressive as we should have been. We are sticking with normal rotation next season and are looking at upgrading the tractor. We are able to save a bunch of money sourcing our own chemicals to apply.

Central Iowa - We had a good year, making better yields this season than we did last year, which happen to be one of our best. The corn climbed over 270bpa and the beans reached into the 70's. I've been farming with family for some time now and we are really watching the dollars going forward. We have passed on most all of our rented ground and are farming only owned acres. We made some decent sales during the summer but are sitting on a good amount as well. We are hoping for a little bump before March to unload.

CROSSING WIRES

A place to share intelligent thoughts...

Will Philip Morris International's New iQOS Clear Regulator's Hurdles?: The iQOS is essentially an electronic cigarette that heats – without burning – plugs of tobacco, releasing tendrils of nicotine-laced aerosol. And the world's largest publicly traded tobacco company by market value, which has spent more than \$3 billion in developing new smoking devices, says iQOS is nothing less than its future. Wowing consumers with the prospect of a less harmful smoke built on flashy technology is

essential to iQOS' rapid success. Consumers, though, aren't the only target. Read more [HERE](#).

Global Disaster Costs Double From A Year Ago.....And Look To Get Worse: Hurricanes, earthquakes, and wildfires ravaged the world in 2017, as they do each year. But the economic loss from this year's global disasters cost us more than usual. Insurance firm Swiss Re, which makes this calculation every six months, estimates the economic loss in 2017 to be \$306 billion, which is almost double 2016's loss of \$188 billion (and also much higher than the 10-year-average of \$190 billion). If you look at the trend of economic losses since 1970, the world should prepare for greater losses in the future: Read more [HERE](#).

Elon Musk Reveals Mars Rocket: Elon Musk offered a first glimpse Wednesday at the rocket that will launch SpaceX into the heavyweight class of spaceflight in 2018. The CEO of the commercial rocket company and founder of Tesla tweeted photos of SpaceX's Falcon Heavy rocket in a hangar in Florida where it's being readied for its maiden launch in January. After years of delays, the powerful new rocket -- which is essentially three Falcon 9 rockets strapped together with a second stage added to the top of the center rocket -- is ready for primetime. See the SpaceX Falcon Heavy rocket [HERE](#).

Soybeans Stealing Corn's Thunder At Brazil Ports: November through January is typically the least active period for Brazilian soybean exports, but that quiet time has lately been getting louder - and possibly at the expense of the United States. Record-large crops were harvested earlier this year in Brazil, the No. 1 and No. 2 soybean and corn supplier, respectively, though fewer total shipments are scheduled within the next month or so than was the case two years ago. But while corn shipments should be near peak, the current port lineup is only half as heavy as the 2015 record for the month, reflective of bloated world supplies. Read more [HERE](#).

You're Not Drunk: Long Island Iced Tea Is Now Long Blockchain: There's a new leader in the sweepstakes for the zaniest name change in the crypto craze. Long Island Iced Tea Corp. shares rose as much as 289 percent after the unprofitable Hicksville, New York-based company rebranded itself Long Blockchain Corp. It's the latest in a near-daily phenomenon sweeping the stock market, where obscure microcap companies reorient to focus on some aspect of the mania sparked by bitcoin's almost 1,500 percent rally this year. Long Blockchain, whose business has been selling non-alcoholic beverages, says it will now seek to partner with or invest in companies that develop the decentralized ledgers known as blockchain, the technology that underpins bitcoin. And they'll still sell drinks. Read more [HERE](#).

Tech Trends That Will Define 2018: No one can predict how the future will shake out, but we can make some educated guesses. Global design and strategy firm frog has shared with Business Insider its forecasts for the technologies that will define the upcoming year. Last year, the firm correctly predicted that buildings would harness the power of nature and that businesses would continue using artificially-intelligent bots to run efficiently. Check out what they believe will lead next year's tech trends [HERE](#).

Oil Prices in 2018: Again It's All About U.S. Shale Output: Crude oil production out of the U.S. is expected to hit record levels next year, buoyed in part by OPEC supply curbs that have put a floor under prices. For analysts forecasting prices next year, there are two key questions: exactly how far American production grows and whether the global economy is strong enough to swallow those extra barrels? Brent crude is expected to average \$60 a barrel in 2018, while its U.S. counterpart is seen at about \$55 a barrel, according to the median estimate of 27 analysts surveyed by Bloomberg. That's below where oil prices sit now -- currently near \$64 a barrel for Brent and close to \$58 for West Texas Intermediate. Around those averages forecasts vary considerably. Read more [HERE](#).

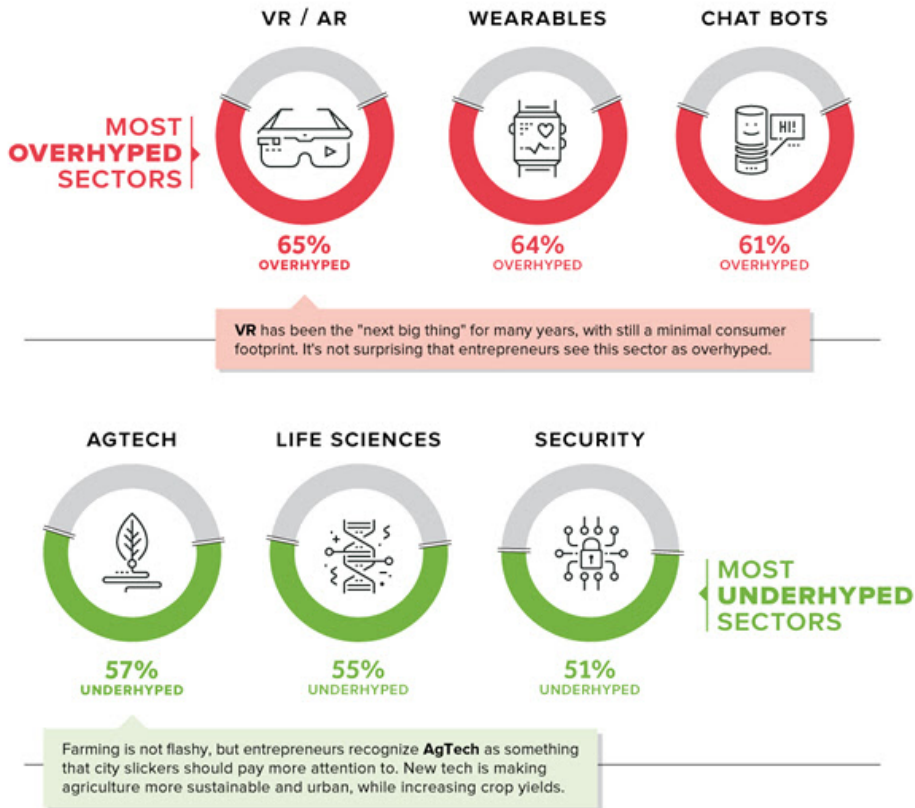
Most Overhyped Sectors In Tech, According To Entrepreneurs: Founders are at the very ground level, and their pursuits have a ripple effect on the entire startup ecosystem. As a result, how entrepreneurs think about different subsectors within tech is of utmost importance. Not only do their perceptions influence what projects they themselves choose to build, but how founders allocate their time and energy may also be a useful gauge of where future economic potential lies. Today's chart from Visual Capitalist focuses on what entrepreneurs think of specific technologies, using data from a survey of 869 entrepreneurs that was done by First Round Capital. Read more [HERE](#).

THE MOST OVERHYPED AND UNDERHYPED SECTORS IN TECH

What entrepreneurs think about emerging technologies

► **Hype is inevitable in tech**, but some technologies get more of it than others.

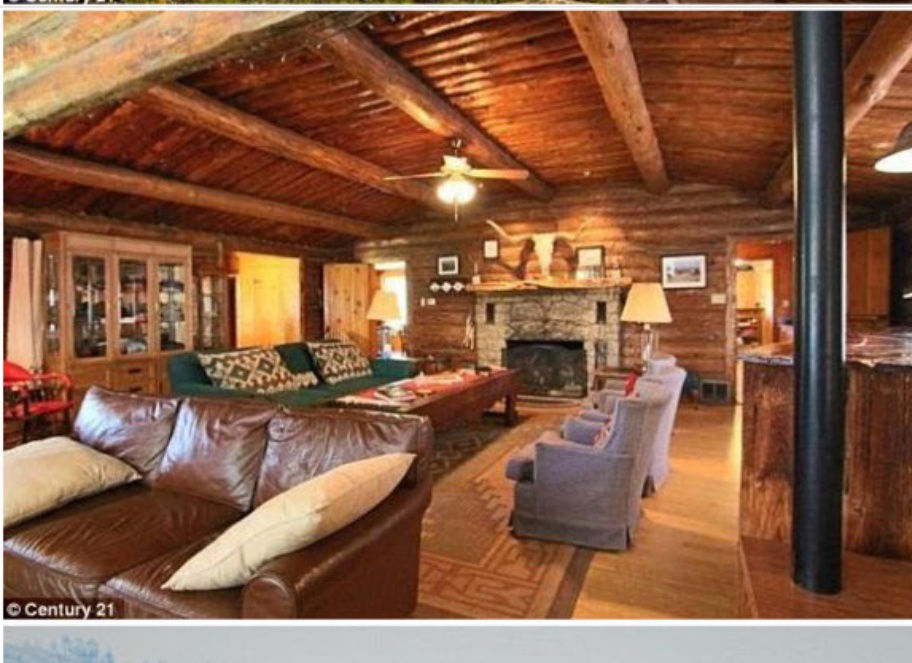
First Round Capital surveyed **869 tech entrepreneurs** to get a feel for what they thought were the most overhyped or underhyped areas within tech.



Mars Candy Heir's Sprawling Montana Ranch Sells For \$65 Million

Spread across 187 square miles, the 119,000 acre Diamond Cross Ranch, previously owned by Mars Candy heir Forrest Mars Jr., was recently sold for just under \$65 million. Mars passed away in Sheridan, Wyoming back in 2016, at the age of 84 and was worth a reported \$25 billion. There are not many words I can use to describe the beauty of this space, which took Mars 15 years to put together. From what I understand, the new owners, Heal Holdings out of Naples, Florida is listed as a limited liability company, with a focus on sustainable and regenerative projects. Interestingly, selling large tracts of land usually take two to three years, this sale only took nine months. It is believed that its extremely large size and the previous owner's commitment to conservation practices had an influence. Mar's clout and conservation connections were called into play when coal tracts that were part of a 1996 federal deal with Crown Butte Mines looked to invade the pristine area. Initially, Mars joined the fight to protect his nearby land. As I understand it, in 2008 he lost a court fight to prevent a company from drilling for natural gas on his property. Then in 2011, he invested in the Tongue River Railroad to ensure the proposed line didn't pass from the coal fields through his ranch and on to Wyoming. After that, he wrote the Northern Plains Resource Council telling the group they were on their own in the fight to halt the railroad and coal mine. As things turned out, the decline in the coal economy resulted in Arch Coal declaring bankruptcy in 2016. Over the course of 15 years, Mars was able to purchase adjoining lands which included three main "operation centers". I'm told each center includes one or more residences, barns, workshops, and corrals. The working ranch also has numerous cow camps and cabins in the hills away from the Tongue River which runs through the entire property. As you would imagine, the 20 miles of Tongue River provide great fishing and waterfowl hunting, as well as being home to some trophy whitetail and mule deer. It's worth noting that the acreage breaks down into 93,280 acres deeded, 6,440 acres of state lease and 19,280 acres of BLM Lease. The majority of the deeded acres consist of dry rangeland, where ranch hands grazed nearly 2,000 head of cattle on rotated acres. I

can definitely see why anyone would fall in love with these open spaces. Enjoy the pictures below. (Source: usnews, dailymail, kpvi)





College Bowls and a National Champion?

If your somewhat lost on the college bowl picture and how the playoff for the National Championship will play out, I've included a brief guide. The good folks over at Sports Illustrated have put together a bit of a cheat sheet that I wanted to pass along. To somewhat generalize and simplify, there are Six Major New Year's Bowls. The Rose

Bowl and Sugar Bowl will play host to what the selection committee deems the top-four NCAA football teams. The other Bowls will be filled with the highest ranking teams or those sponsors and conferences with specific contractual obligations. Remember, fan travel and geographical location factor into bowl selection as much as conference standings. Thus, leagues and committees aren't necessarily obligated to fill bowls based on records and rankings. Remember, the odds below aren't mine, they are considered the current average from the professional handicappers and could change dramatically. My personal picks against the spread are highlighted below.

Tuesday, December 26th

Heart of Dallas Bowl - Utah vs. West Virginia - Utah favored by 6.5
Quick Lane Bowl in Detroit, MI - Duke vs. Northern Illinois - Duke favored by 5
Cactus Bowl in Phoenix, AZ - K-State vs. UCLA - K-State favored by 2.5

Wednesday, December 27th

Independence Bowl in Shreveport, LA - Florida State vs. Southern Mississippi - FSU favored by 16
Pinstripe Bowl in Bronx, NY - Boston College vs. Iowa - Iowa favored by 2.5
Foster Farms Bowl in Santa Clara, CA - Arizona vs. Purdue - Arizona favored by 3.5
Texas Bowl in Houston, TX - Missouri vs. Texas - Missouri favored by 3

Thursday, December 28th

Military Bowl in Annapolis, MD - Navy vs. Virginia - Navy favored by 1.5
Camping World Bowl in Orlando, FL - #19 Oklahoma State vs. #22 Virginia Tech - OK State by 4
Alamo Bowl in San Antonio, TX - #13 Stanford vs. #15 TCU - TCU favored by 2.5
Holiday Bowl in San Diego, CA - #16 Michigan State vs. #18 Washington State - Washington State by 1.5

Friday, December 29th

Bel Bowl in Charlotte, NC - Texas A&M vs. Wake Forest - Wake Forest favored by 3
Sun Bowl in El Paso, TX - Arizona State vs. #24 NC State - NC State favored by 6.5
Arizona Bowl in Tucson, AZ - New Mexico State vs. Utah State - New Mexico favored by 4
Music City Bowl in Nashville, TN - Kentucky vs. #21 Northwestern - Northwestern favored by 8
Cotton Bowl in Arlington, TX - #5 Ohio State vs. #8 USC - Ohio State favored by 7.5

Saturday, December 30th

Taxslayer Bowl in Jackson, FL - Louisville vs. #23 Mississippi State - Louisville favored by 6.5
Liberty Bowl in Memphis, TN - Iowa State vs. #20 Memphis - Memphis favored by 3.5
Fiesta Bowl in Glendale, AZ - #9 Penn State vs. #11 Washington - Penn State favored by 2
Orange Bowl in Miami, FL - #10 Miami vs. Wisconsin - Wisconsin favored by 6.5

Monday, January 1st

Outback Bowl in Tampa, FL - Michigan vs. South Carolina - Michigan favored by 8.5
Peach Bowl in Atlanta, GA - #7 Auburn vs. #12 UCF - Auburn favored by 9.5
Citrus Bowl in Orlando, FL - #14 Notre Dame vs. #17 LSU - LSU favored by 3
Rose Bowl in Pasadena, CA - #2 Oklahoma vs. #3 Georgia - Georgia favored by 1.5
Sugar Bowl in New Orleans, LA - #1 Clemson vs. #4 Alabama - Alabama favored by 3

Monday, January 8th

National Championship - Winner of the Rose Bowl vs. Winner of the Sugar Bowl
Clemson vs. Oklahoma = Clemson repeats as National Champions



One Of My Favorite Christmas Stories...

The story I included below is one of my all-time favorites. I include it in the report each year. I hope you enjoy it as much as I have though the years.

For the Man Who Hated Christmas

By Nancy W. Gavin

It's just a small, white envelope stuck among the branches of our Christmas tree. No name, no identification, no inscription. It has peeked through the branches of our tree for the past ten years.

It all began because my husband Mike hated Christmas. Oh, not the true meaning of Christmas, but the commercial aspects of it – overspending and the frantic running around at the last minute to get a tie for Uncle Harry and the dusting powder for Grandma – the gifts given in desperation because you couldn't think of anything else.

Knowing he felt this way, I decided one year to bypass the usual shirts, sweaters, ties and so forth. I reached for something special just for Mike. The inspiration came in an unusual way.

Our son Kevin, who was 12 that year, was on the wrestling team at the school he attended. Shortly before Christmas, there was a non-league match against a team sponsored by an inner-city church. These youngsters, dressed in sneakers so ragged that shoestrings seemed to be the only thing holding them together, presented a sharp contrast to our boys in their spiffy blue and gold uniforms and sparkling new wrestling shoes.

As the match began, I was alarmed to see that the other team was wrestling without headgear, a kind of light helmet designed to protect a wrestler's ears. It was a luxury the ragtag team obviously could not afford.

Well, we ended up walloping them. We took every weight class. Mike, seated beside me, shook his head sadly, "I wish just one of them could have won," he said. "They have a lot of potential, but losing like this could take the heart right out of them." Mike loved kids – all kids. He so enjoyed coaching little league football, baseball and lacrosse. That's when the idea for his present came.

That afternoon, I went to a local sporting goods store and bought an assortment of wrestling headgear and shoes, and sent them anonymously to the inner-city church. On Christmas Eve, I placed a small, white envelope on the tree, the note inside telling Mike what I had done, and that this was his gift from me.

Mike's smile was the brightest thing about Christmas that year. And that same bright smile lit up succeeding years. For each Christmas, I followed the tradition – one year sending a group of mentally handicapped youngsters to a hockey game, another year a check to a pair of elderly brothers whose home had burned to the ground the week before Christmas, and on and on.

The white envelope became the highlight of our Christmas. It was always the last thing opened on Christmas morning, and our children – ignoring their new toys – would stand with wide-eyed anticipation as their dad lifted the envelope from the tree to reveal its contents.

As the children grew, the toys gave way to more practical presents, but the small, white envelope never lost its allure.

The story doesn't end there. You see, we lost Mike last year due to dreaded cancer. When Christmas rolled around, I was still so wrapped in grief that I barely got the tree up. But Christmas Eve found me placing an envelope on the tree. And the next morning, I found it was magically joined by three more.

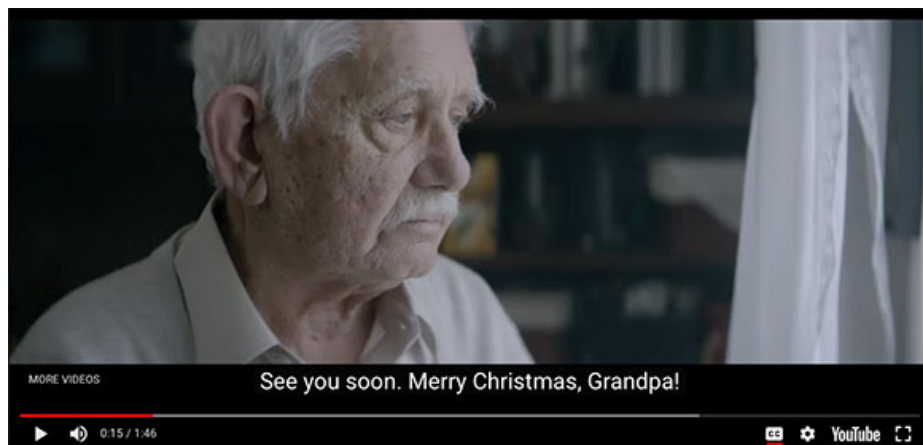
Unbeknownst to the others, each of our three children had for the first time placed a white envelope on the tree for their dad. The tradition has grown and someday will expand even further with our grandchildren standing to take down that special envelope.

Mike's spirit, like the Christmas spirit will always be with us.



The Important Things In Life

This Christmas video always makes me stop and remember the important things in life. It's sad to see so many of my friends running around chasing false dreams while the togetherness of their family is sacrificed. I also hate to see and hear stories of families being torn apart by small senseless arguments or differences of opinions. Just remember, there are no do-overs in life... Click [HERE](#)

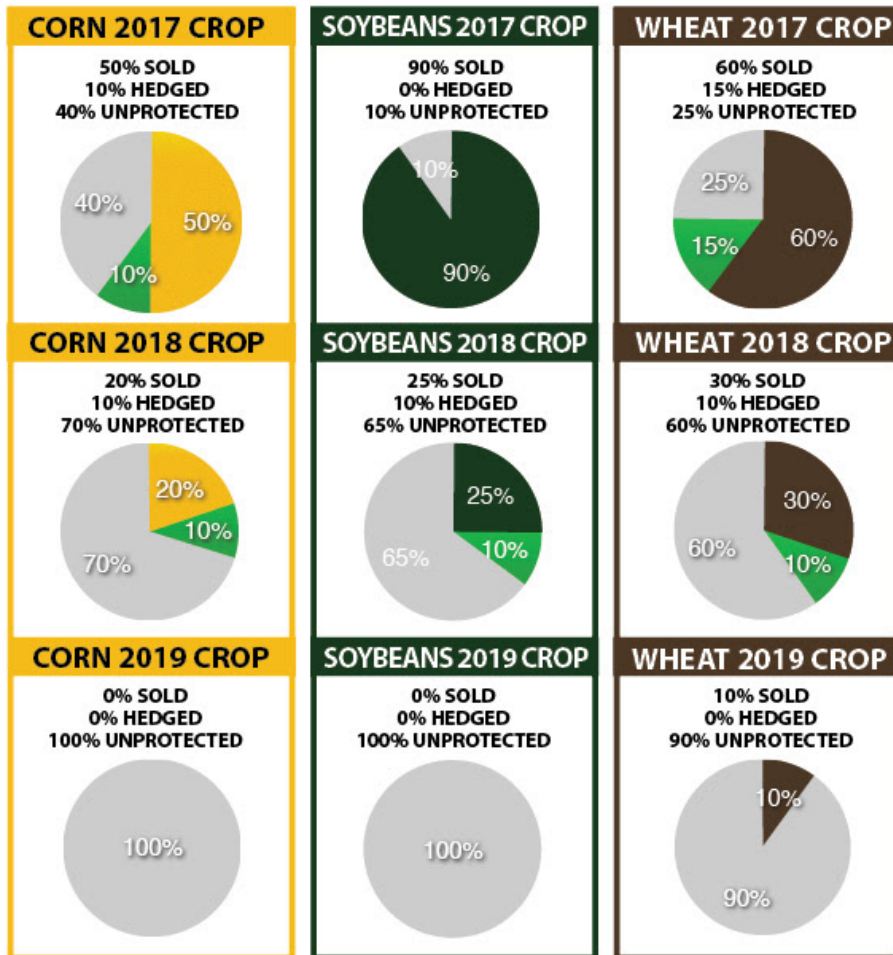


From Our Family To Yours...

Thank you for allowing my family and I to be a part of your daily life. We deeply appreciate all of the support and the wonderful friends we have made through the years. If there's anything I can do to be of additional help in 2018 please let me know. Wishing you and your family a safe and happy holiday, The Van Trump's.



CASH SALES & HEDGING TOTALS



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