

HIGH IMPACT REPORT ALERT: Friday, 2/1/13

Monthly Unemployment rate / Non-Farm Employment Change				CL 03-13
8:30 am Eastern / 5:30 am Pacific		Forecast: +161K jobs / 7.8%		
Avg 1st Peak: 62 ticks (1-3 min after report)	Min: 22 ticks (JAN '13)		Max: 277 ticks (AUG '11)	
Avg 2nd Peak: 182 ticks (8-35 min after report)	Min: 106 ticks (FEB '12)		Max: 296 ticks (MAY '12)	
Avg Reversal: 108 ticks (12-42 min after report)	Min: 44 ticks (AUG '12)		Max: 265 ticks (SEP '12)	
Last 6 Reports:	4 : SPK/REV	2 : 2ND PK	0 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:			7-10	

Monthly Unemployment rate / Non-Farm Employment Change				TF 03-13
8:30 am Eastern / 5:30 am Pacific		Forecast: +161K jobs / 7.8%		
Avg 1st Peak: 54 ticks (1-3 min after report)	Min: 23 ticks (JAN '13)		Max: 132 ticks (JUN '12)	
Avg 2nd Peak: 71 ticks (26-100 min after report)	Min: 40 ticks (AUG '12)		Max: 108 ticks (OCT '12)	
Avg Reversal: 79 ticks (60-135 min after report)	Min: 37 ticks (JAN '13)		Max: 127 ticks (JUN '12)	
Last 6 Reports:	2 : SPK/REV	4 : 2ND PK	0 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:			7-10	

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Monthly Unemployment rate / Non-Farm Employment Change				ZB 03-13	
8:30 am Eastern / 5:30 am Pacific			Forecast: +161K jobs / 7.8%		
Avg 1st Peak: 31 ticks (1-3 min after report)		Min: 17 ticks (JAN '13)		Max: 44 ticks (SEP '12)	
Avg 2nd Peak: 44 ticks (4-60 min after report)		Min: 29 ticks (AUG '12)		Max: 78 ticks (SEP '12)	
Avg Reversal: 21 ticks (110-145 min after rpt)		Min: 8 ticks (JUL '12)		Max: 45 ticks (JUN '12)	
Last 6 Reports:	1 : SPK/REV	5 : 2ND PK	0 : DULL	0 : INDECISIVE	
Recommended BracketDistance setting:			3-4	5 tick stop loss	

*****We continue to promote trading the TF and the ZB for the NFP report as an alternative to the CL. I recommend picking 1 of the 3 indexes and trading ONLY 1. The ZB has proven to be the best performer lately, giving a safe entry with minimal slippage, low margin, high value per tick, a bit more stable, and remains at the peak of the spike longer making it easier to capture and achieve more profit. Keep in mind 1 tick on the ZB is \$31.25.**

Most of the reports in the last several months have been mixed bags. Usually a moderate 70-125K increase with variable changes in the rate. Any drop in the rate has been due to less people in the labor force, not sizable gains in hiring. This makes traders suspect of any positive news. The ADP report on Thursday showed a greater than expected 192K jobs were created. While there is little correlation between the BOLS report and the ADP report, this is possibly a bullish indicator. Remember the # of jobs created carries more weight here than the U-3 % of unemployed, but if the rate change is divergent to the job #s, it can cause initial indecision. **The investors are also suspect**

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of the Bureau of Labor Statistics (BLS) cooking the books as the drop in the rate has been tied to people leaving the labor force and the election. With the dramatic decrease to 7.8% in October without the job creation to support, we could still see some correcting. It is easier to fudge the rate than the # of jobs.

ISM Manufacturing PMI				CL 03-13	
10:00 am Eastern / 7:00 am Pacific			Forecast: 50.8		
Avg 1st Peak: 40 ticks (1-4 min after report)		Min: 7 ticks (AUG '12)		Max: 83 ticks (OCT '11)	
Avg 2nd Peak: 104 ticks (14-35 min after report)		Min: 66 ticks (JUN '11)		Max: 201 ticks (AUG '11)	
Avg Reversal: 46 ticks (8-15 min after last peak)		Min: 22 ticks (JUL '12)		Max: 73 ticks (MAR '12)	
Last 6 Reports:	2 : SPK/REV	3 : 2ND PK	1 : DULL	0 : INDECISIVE	
Recommended BracketDistance setting:			7		

A top tier report that usually delivers a large reaction. The forecast of 50.8 is in line with the tight range it has held between 49.5 and 51.7 for the last 7 months. If it comes in less than 49.5, it should bring in the bears for a good dip, but if it comes in close to the forecast, look for a small 1st peak, but likely bigger 2nd peak as the bad news is absorbed by the market. If it comes in greater than 52.0, look for a good long move. Lately the peak has been after the :01 bar and the forecast deviations have been smaller. Look for 20-50 ticks on the spike and 50-120 ticks on a potential 2nd peak. The Reversal usually yields 30-60 ticks and is finished by 15 minutes after the last peak.