

## **HIGH IMPACT REPORT ALERT: Week of 04 – 08 March Schedule:**

**Busy week with beginning of the month reports and Central Bank news.**

Monday: AUS Retail Sales – 7:30 PM EST

AUS Cash Rate / RBA Rate Statement – 10:30 PM EST

Tuesday: ISM Non-Manufacturing PMI – 10:00 AM EST

AUS GDP – 7:30 PM EST

Wednesday: CAN BOC Rate Statement – 9:00 AM EST

Factory Orders – 10:00 AM EST

Crude Oil Inventories – 10:30 AM EST

Beige Book – 2:00 PM

AUS Trade Balance – 7:30 PM EST

Thursday: EUR ECB Minimum Bid Rate – 7:45 AM EST

Natural Gas Storage – 10:30 AM EST

Friday: Non-Farm Employment Change – 8:30 AM EST

WASDE report – Corn – 12:00 PM EST

Notes:

1. We will not trade the Unemployment claims this week as Trade Balance will be released at the same time causing a potentially volatile and risky proposition.

2. Shift your ZB chart to the new front month contract 06–13.

3. Shift your ZC chart to the new front month contract 05–13.

## HIGH IMPACT REPORT ALERT: Week of 04 – 08 March Schedule:

Monday, 3/4/13

<b>AUS Retail Sales</b>				<b>6A 03-13</b>	
<b>7:30 pm Eastern / 4:30 pm Pacific</b>			<b>Forecast: 0.4%</b>		
<b>Avg 1st Peak: 26 ticks (1-4 min after report)</b>		<b>Min: 8 ticks (APR '12)</b>		<b>Max: 53 ticks (AUG '11)</b>	
<b>Avg 2nd Peak: 39 ticks (12-28 min after report)</b>		<b>Min: 23 ticks (NOV '12)</b>		<b>Max: 62 ticks (AUG '11)</b>	
<b>Avg Reversal: 23 ticks (16-21 min after report)</b>		<b>Min: 13 ticks (NOV '12)</b>		<b>Max: 53 ticks (OCT '11)</b>	
<b>Last 6 Reports:</b>	<b>1 : SPK/REV</b>	<b>4 : 2ND PK</b>	<b>0 : DULL</b>	<b>1 : INDECISIVE</b>	
<b>Recommended BracketDistance setting:</b>			<b>4-5</b>		

Medium yield report that is consistent. Look for 15-30 ticks on the first peak which can happen after the :01 candle. Lately (last 4 reports) has a second peak for about 6-20 more ticks than the first peak around 12-28 minutes after the report release. Reversal usually yields 15-25 ticks in 16-21 minutes after the release; however if there is a second peak, look for the reversal to take 35-80 minutes.

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<b>AUS Cash Rate / RBA Rate Statement</b>				<b>6A 03-13</b>	
<b>10:30 pm Eastern / 7:30 pm Pacific</b>			<b>Forecast: 3.00% (no change)</b>		
<b>Avg 1st Peak: 41 ticks (1-2 min after report)</b>		<b>Min: 10 ticks (MAR '12)</b>		<b>Max: 107 ticks (FEB '12)</b>	
<b>Avg 2nd Pk/Fan: 61 ticks (8-14 min after report)</b>		<b>Min: 50 ticks (SEP '12)</b>		<b>Max: 107 ticks (MAY '12)</b>	
<b>Avg Reversal: 36 ticks (9-35 min after report)</b>		<b>Min: 20 ticks (AUG '11)</b>		<b>Max: 72 ticks (APR '12)</b>	
<b>Last 6 Reports:</b>	<b>3 : SPK/REV</b>	<b>2 : 2ND PK</b>	<b>0 : DULL</b>	<b>1 : INDECISIVE</b>	
<b>Recommended BracketDistance setting:</b>			<b>7</b>		

Parameters	
AtmStrategy	stop 1
BracketDistance	7
Entry CancelledIfGapp	False
Entry Slippage Ticks	5
Entry StopLimit Orders	True
Entry Time	22:29:57

Based on the potential for high slippage, I am recommending the stop limit orders with the settings to the left with software V.4.

One of the major AUS monthly reports that is also riskier. After bearish economic news hit the AUS economy in April last year, the RBA executed a drastic 50 BP rate cut. Then the European crisis and the slowdown of the Chinese economy had ripple effects on the AUS \$ in May prompting the RBA to cut rates another 25 BP in June. The RBA left rates unchanged in July, August, and September, then unexpectedly cut them 25 BP in October. In December, another 25 BP cut was instituted making the total rate cut 125 BP in 2012. There is no expectation of a rate cut this month as the consensus is seeing constant improvement in financial markets and consumer spending, but RBA Governor Stevens said further rate cuts may be an option in future months if required.

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**This report is one of the riskier ones to trade. December saw an indecisive reaction prior to the OCO function logic and ATM strategy could place a stop loss on the chart. This resulted in a successful first test of the "Knife switch" built into v.3 of the software preventing additional undesired stop orders from executing.**

If you see a trend long or short in the 2–3 hrs before the report, the market is likely pricing in an expectation of a cut (if short move) or no change (if long move). If you see such precursors, beware of volatility right before the news release and the risks to using JOBB.

Look for 25–50 ticks on the spike, a possible slow developing 2nd peak for a few more ticks, and a longer slower reversal for 20–40 ticks.