

HIGH IMPACT REPORT ALERT: Week of 30 April–4 May Schedule

Another Big Week!

Monday: AUS Cash Rate/ RBA Rate Statement – 12:30 AM (Tues) EDT

Tuesday: ISM Manufacturing PMI – 10:00 AM EDT

Wednesday: Factory Orders – 10:00 AM EDT
Crude Oil Inventory – 10:30 AM EDT

Thursday: Unemployment Claims – 8:30 AM EDT
Factory Orders – 10:00 AM EDT
Natural Gas Inventory – 10:30 AM EDT
AUS RBA Monetary Policy Statement – 9:30 PM EDT

Friday: Non-Farm Employment Change / Unemployment Rate – 8:30 AM EDT

Monday, 4/30/12

AUS Cash Rate / RBA Rate Statement (Use 6A 06-12)				
12:30 am Eastern / 9:30 pm Pacific		Forecast: 4.0%		
Avg 1st Peak: 38 ticks (2-6 min after report)	Min: 10 ticks (MAR '12)	Max: 107 ticks (FEB '12)		
Avg 2nd Pk/Fan: 57 ticks (8-14 min after report)	Min: 51 ticks (DEC '11)	Max: 69 ticks (AUG '11)		
Avg Reversal: 39 ticks (9-35 min after report)	Min: 20 ticks (AUG '11)	Max: 72 ticks (APR '12)		
Last 6 Reports:	4 : SPK/RTC	2 : 2ND PK	0 : FAN	0 : INDECISIVE

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One of the major AUS monthly reports. Given the strongly disappointing figures for PPI and CPI last week, all expectations are placed on a 0.25% rate cut by the RBA. With inflation nowhere near a concern and plenty of room to cut, this is the most likely scenario. With the expectation of a rate cut, the 2 plausible scenarios will play out for a big reaction. In FEB, the RBA unexpectedly left rates at 4.25% after a cut was expected, yielding a 107 tick spike on the first candle. In NOV and DEC, a rate cut of 0.25% was implemented as expected and spikes of 40 and 50 ticks resulted.

So if the reaction goes short, you will know that the rate was cut and expect a 40–50 tick spike with a possible 2nd peak for a few more ticks in the 7–14 min range. On the other hand if the reaction goes long, you will know that the RBA left rates unchanged and you can expect an even bigger spike of at least 80 ticks. Study the 10/31, 12/5 and 2/6 reactions before trading this report.