

HIGH IMPACT REPORT ALERT: Thursday, 7/19/12

Unemployment Claims				
8:30 am Eastern / 5:30 am Pacific			Forecast: 370K	
Avg 1st Peak: 17 ticks (1-2 min after report)		Min: 6 ticks (6/7/12)		Max: 47 ticks (4/12/12)
Last 6 Reports:	4 : SPK/RTC	0 : 2ND PK	2 : DULL	0 : INDECISIVE

The forecast for claims is a little lower this week. If the reading comes in above 400, or below 360 look for a big pop of 30 or more ticks. Otherwise, a quick 15-25 ticks with a pullback a few seconds later will likely be seen on a reading within 15K of the forecast - in that case move the stop loss to near break even and close/exit with a handful of ticks.

Philly FED Manufacturing Index				
10:00 am Eastern / 7:00 am Pacific			Forecast: -7.8	
Avg 1st Peak: 37 ticks (1 min after report)		Min: 7 ticks (MAR '12)		Max: 99 ticks (AUG '11)
Avg 2nd Peak: 71 ticks (6-7 min after report)		Min: 39 ticks (FEB '12)		Max: 149 ticks (AUG '11)
Avg Reversal: 52 ticks (8-26 min after report)		Min: 17 ticks (MAR '12)		Max: 81 ticks (AUG '11)
Last 6 Reports:	2 : SPK/RTC	3 : 2ND PK	1 : DULL	0 : INDECISIVE

Normally reliable report to trade. Good for 20-40 ticks on an average break with much more if the delta on the forecast exceeds 15. The Peak occurred on the :01 bar after the release every time except once in the last 6 months and has a tendency to finish at or very near its max as it rolls over to the next candle. Reversal almost always exceeds the magnitude of the initial peak. Existing Home Sales will break at the same time, but should be far less influential.

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Natural Gas Storage (Yellow Report) (Use NG 08-12)				
10:30 am Eastern / 7:30 am Pacific		Forecast: +34B FT³		
Avg 1st Peak: 54 ticks (1-2 min after report)	Min: 19 ticks (4/19/12)		Max: 142 ticks (6/14/12)	
Avg 2nd Peak: 127 ticks (4-20 min after rpt)	Min: 55 ticks (5/17/12)		Max: 257 ticks (6/14/12)	
Avg Reversal: 52 ticks (6-19 min after Pk)	Min: 16 ticks (3/8/12)		Max: 98 ticks (4/12/12)	
Last 10 Reports:	4 : SPK/RTC	2 : 2ND PK	0 : DULL	4 : INDECISIVE

Trade with caution and ensure you understand the risk. Occasionally prone to opposite direction spike 1-2 sec before report is released. USE of JOBB is highly discouraged.

This report is similar to the CL inventory, but it is prone to a decisive direction after the report release and about 15-25 ticks of slippage. Look for 40-60 ticks on the spike after, and a reversal that often exceeds the spike. If the offset is less than 20, trading the reversal is a safe proposition. If the results are matching or nearly matching, trap trading the breakouts is a good play.