

HIGH IMPACT REPORT ALERT: Thursday, 9/6/12

7 Reports Total!

Euro-zone Minimum Bid Rate (Trade 6E 09-12)	
7:45 am Eastern / 4:45 am Pacific	Forecast: 0.75%
Recommended BracketDistance setting:	7-10
Euro-Zone ECB Press Conference (Trade 6E 09-12)	
8:30 am Eastern / 5:30 am Pacific	Forecast: n/a

No analysis has been done on this report as it is not regularly a impact report; however, these days much more attention is on the ECB as the Euro is hovering on the brink and a 25 BP rate cut is possible. Look for about 20-30 ticks on the :46 bar on the earlier report, then a potential FAN to carry the momentum for 30-45 min to just before the press conference. Remember the 6E is much tamer than the CL. Mario Draghi has pledged to "do everything in his power to save the Euro", so pressure will be on the ECB to own up to their claims.

The Press conference is a different animal, and not recommended for JOBB. Keep an eye on a news feed and look for the commentary to drive hawkish or bearish sentiment. The Q&A session can be volatile too. If you see a decisive trend, you may want to manually "buy the dips" or "sell the rips".

Unemployment Claims				
8:30 am Eastern / 5:30 am Pacific		Forecast: 369K		
Avg 1st Peak: 20 ticks (1-2 min after report)	Min: 5 ticks (8/23/12)		Max: 47 ticks (4/12/12)	
Avg 2nd Peak: 42 ticks (4-17 min after report)	Min: 15 ticks (7/12/12)		Max: 66 ticks (4/12/12)	
Avg Reversal: 30 ticks (4-10 min after last Pk)	Min: 7 ticks (6/28/12)		Max: 79 ticks (8/2/12)	
Last 6 Reports:	1 : SPK/RTC	4 : 2ND PK	1 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:			7	

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The last 2 weeks have seen claims rise to the mid 370s after the previous 4 weeks had seen the claims drop into the 355-365K range. If the reading comes in above 380, or below 350 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.

ISM Non-Manufacturing PMI				
10:00 am Eastern / 7:00 am Pacific			Forecast: 52.5	
Avg 1st Peak: 31 ticks (1-3 min after report)	Min: 15 ticks (DEC '11)		Max: 67 ticks (AUG '12)	
Avg 2nd Peak: 51 ticks (8-16 min after report)	Min: 34 ticks (DEC '11)		Max: 72 ticks (AUG '12)	
Avg Reversal: 36 ticks (8-31 min after report)	Min: 20 ticks (APR '12)		Max: 72 ticks (JUL '12)	
Last 6 Reports:	2 : SPK/RTC	4 : 2ND PK	0 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:			5-7	

Another medium mover with about half the typical yield of the Manufacturing PMI that is very safe, having never had a dull or indecisive occurrence in the last year. It will seek a 2nd peak more often than not. The 1st peak often takes more than 1 candle to hit its max. Reversal usually exceeds the peak. Look for 20-40 ticks on the spike and 20-40 ticks on the reversal.

Natural Gas Storage (Yellow Report) (Use NG 10-12)				
10:30 am Eastern / 7:30 am Pacific			Forecast: +40B FT³	
Avg 1st Peak: 68 ticks (1-2 min after report)	Min: 19 ticks (4/19/12)		Max: 142 ticks (6/14/12)	
Avg 2nd Peak: 122 ticks (4-20 min after rpt)	Min: 39 ticks (7/26/12)		Max: 257 ticks (6/14/12)	
Avg Reversal: 66 ticks (11-40 min after Pk)	Min: 16 ticks (3/8/12)		Max: 155 ticks (8/16/12)	
Last 10 Reports:	4 : SPK/RTC	4 : 2ND PK	0 : DULL	2 : INDECISIVE
Recommended BracketDistance setting:			10*	*if using JOBB

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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 risky due to the potential of the order filling in the wrong direction.

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 net on the spike after slippage, and a reversal that often exceeds the spike. If the offset between the result and the forecast 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.

Crude Oil Inventory				
11:00 am Eastern / 8:00 am Pacific		Forecast: -4.9M		
Avg 1st Peak: 41 ticks (1-3 min after report)	Min: 13 ticks (3/28/12)		Max: 93 ticks (4/4/12)	
Avg 2nd Peak: 85 ticks (5-23 min after report)	Min: 26 ticks (5/2/12)		Max: 172 ticks (4/4/12)	
Avg Reversal: 62 ticks (17-44 min after Pk)	Min: 25 ticks (2/23/12)		Max: 181 ticks (7/12/12)	
Last 10 Reports:	3 : SPK/RVS	4 : 2ND PK	0 : DULL	3 : INDECISIVE
Recommended BracketDistance setting:			10	

Trade with caution and ensure you understand the risk. Use a 10 tick buffer for this trade to avoid a premature fill in the wrong direction.

After a safe April - June timeframe for this report with only one indecisive report, 3 reports in late June and early July were losers, then the last 6 reports were safe and delivered a big yield. That is the nature of this report, though. Look for 30-50 ticks on the spike, and 40-60 ticks on the reversal. If the initial spike pops for only 15-20 ticks, get out there if possible, because a reversal is likely forthcoming. Does not routinely abide by the laws of supply and demand.

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It is also a safe play to wait out the initial reaction to check the results and enter a manual trade 2-5 min after the report breaks. Paper trade this if you have not traded this report before.

AUS Trade Balance (Use 6A 09-12)				
9:30 pm Eastern / 6:30 pm Pacific			Forecast: -0.30B	
Avg 1st Peak: 20 ticks (1-6 min after report)		Min: 8 ticks (JAN '12)		Max: 53 ticks (AUG '11)
Avg 2nd Peak: 32 ticks (11-27 min after report)		Min: 17 ticks (JUN '12)		Max: 62 ticks (AUG '11)
Avg Reversal: 20 ticks (20-37 min after report)		Min: 10 ticks (JAN '12)		Max: 45 ticks (OCT '11)
Last 6 Reports:	2 : SPK/RTC	3 : 2ND PK	0 : DULL	1 : INDECISIVE
Recommended BracketDistance setting:			5	

Bottom tier report that does not have the same shock value of the unemployment, GDP, or RBA reports. Still good for about 8-10 ticks after slippage and JOBB buffer. Often peaks after the 1st candle. The 2nd peak consistently delivers a meager 8-12 ticks extra about 50% of the time, and the reversal will yield 10-25 ticks slowly as the volume dries up.