

HIGH IMPACT REPORT ALERT: Week of 15-19 October Schedule:

Average middle of the month activity.

Monday: Retail Sales - 8:30 AM EDT

AUS Monetary Policy Meeting Minutes - 8:30 PM EDT

Tuesday: Nothing

Wednesday: Crude Oil Inventories - 10:30 AM EDT

Thursday: Unemployment Claims - 8:30 AM EDT

Philly FED Manufacturing Index - 10:00 AM EDT

Natural Gas Storage - 10:30 AM EDT

Friday: CAN CPI - 8:30 AM EDT

Notes:

1. We will likely shift to the new front month CL contract of 12-12 toward the end of the week. I will put out an advisory on the Thursday or Friday HIRA.
2. Empire State Manufacturing Index will be released at the same time as Retail Sales on Monday. This marginally increases the risk, but it will be overshadowed by the Retail Sales report.

HIGH IMPACT REPORT ALERT: Week of 15-19 October Schedule:

Monday, 10/15/12

Monthly (Core) Retail Sales				
8:30 am Eastern / 5:30 am Pacific		Forecast: 0.6% (Core) 0.7% (Reg)		
Avg 1st Peak: 22 ticks (1 min after report)	Min: 8 ticks (JUL '12)		Max: 69 ticks (AUG '11)	
Avg 2nd Peak: 46 ticks (9-24 min after report)	Min: 14 ticks (MAR '12)		Max: 104 ticks (AUG '11)	
Avg Reversal: 50 ticks (26-46 min after report)	Min: 18 ticks (MAR '12)		Max: 117 ticks (MAY '12)	
Last 6 Reports:	0 : SPK/REV	4 : 2ND PK	1 : DULL	1 : INDECISIVE
Recommended Bracket Distance			7	

One of the best middle of the month reports to trade that delivers a good yield and has a predictable reaction. Empire State Manufacturing Index will be released at the same time, but should be overshadowed. **Nearly Every report has a 2nd peak (12 of the last 13)** in the 9-24 min range. Also generates a big reversal slightly more than the 2nd peak magnitude just before or after the open of the CL. Even with the dull reaction four months ago with both readings matching, it still had a 2nd peak 6 min after the report release. Look for 15 - 30 ticks on the spike, 30 - 60 ticks on the 2nd peak, and 30 - 60 ticks on the reversal.

HIGH IMPACT REPORT ALERT: Week of 15-19 October Schedule:

AUS Monetary Policy Meeting Minutes (Use 6A 12-12)				
8:30 pm Eastern / 5:30 pm Pacific			Forecast: n/a	
Avg 1st Peak: 21 ticks (1-6 min after report)		Min: 5 ticks (AUG '12)		Max: 46 ticks (SEP '11)
Avg 2nd Peak: 40 ticks (8-11 min after report)		Min: 28 ticks (DEC '11)		Max: 51 ticks (SEP '11)
Avg Reversal: 26 ticks (11-21 min after report)		Min: 5 ticks (MAR '12)		Max: 50 ticks (SEP '12)
Last 6 Reports:	5 : SPK/REV	0 : 2ND PK	1 : DULL	0 : INDECISIVE
Recommended Bracket Distance			5	

Reliable Australian report for moderate impact. Usually good for 15-30 ticks and normally peaks after the first candle. Occasional (2 out of 10 reports) second peak in the 8-11 min range with just a few more ticks than the original peak. This should deliver a good reaction as the RBA unexpectedly cut rates by 25 BP 2 weeks ago, and the detailed explanation is forthcoming.