

## HIGH IMPACT REPORT ALERT: Wednesday, 10/24/12

Crude Oil Inventory				
<b>10:30 am Eastern / 7:30 am Pacific</b>			<b>Forecast: +2.0M</b>	
<b>Avg 1st Peak: 40 ticks (1-3 min after report)</b>		<b>Min: 13 ticks (3/28/12)</b>		<b>Max: 93 ticks (4/4/12)</b>
<b>Avg 2nd Peak: 83 ticks (5-23 min after report)</b>		<b>Min: 25 ticks (10/11/12)</b>		<b>Max: 172 ticks (4/4/12)</b>
<b>Avg Reversal: 68 ticks (17-44 min after Pk)</b>		<b>Min: 25 ticks (2/23/12)</b>		<b>Max: 181 ticks (7/12/12)</b>
<b>Last 10 Reports:</b>	<b>5 : SPK/REV</b>	<b>3 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>10</b>	

**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 7 reports were safe and delivered a big yield. Then last week was indecisive again. 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.

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.

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FOMC Statement				
<b>2:15 pm Eastern / 11:15 am Pacific</b>		<b>Forecast: n/a</b>		
<b>Avg 1st Peak: 81 ticks (4-10 min after report)</b>	<b>Min: 14 ticks (MAR '12)</b>		<b>Max: 247 ticks (AUG '11)</b>	
<b>Avg 2nd Peak: 137 ticks (14-53 min after report)</b>	<b>Min: 24 ticks (MAR '12)</b>		<b>Max: 310 ticks (AUG '11)</b>	
<b>Avg Reversal: 102 ticks (44-72 min after report)</b>	<b>Min: 34 ticks (APR '12)</b>		<b>Max: 180 ticks (AUG '11)</b>	
<b>Last 6 Reports:</b>	<b>2 : FAN</b>	<b>2 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>

**\*\*DO NOT USE JOB TO TRADE THIS REPORT\*\***

2 of the meetings in the Spring were indecisive as traders and economists were eager for intervention and hanging on every word when nothing actionable came out. The expectation for this meeting is for a continuation of the 40B/month of QE3 and the Operation Twist policy. This report often breaks early or late but hardly ever on time. Keep an eye on the news, Bloomberg.com or the Marketwatch.com Breaking News ticker and watch for the announcement of the result as this is the reaction to the written statement and will likely be the catalyst of a FAN long or short driven by the Dollar index (DX). If you get in on the FAN, stay in for at least about 30 min and then keep an eye on the MACD and 13/20 SMAs for indications of the termination of the FAN usually by 60 min at the latest. If you see a large candle or series of 3-5 candles that yield 40 or more ticks, that is also a good spot to get out in the 30-60 min area. If you trade the reversal, wait to get in until the MACD crosses with angle, then go for about half as many ticks as the FAN maximum (if there is a pivot point or major SMA in the vicinity that is also a good place to exit).