

## HIGH IMPACT REPORT ALERT: Thursday, 11/1/12

This week's schedule has been completely upended by the hurricane and its effects on the financial markets. Now Oil inventory will be released at 11:00 (similar to a week with a Monday holiday). CB Consumer Confidence was shifted from Tuesday to Thursday to be released at the same time as ISM Manufacturing PMI, so we will sit that out as it is an unprecedented situation with high risk.

Natural Gas Storage (Yellow Report) (Use NG 12-12)				
10:30 am Eastern / 7:30 am Pacific		Forecast: +77B FT <sup>3</sup>		
Avg 1st Peak: 65 ticks (1-2 min after report)	Min: 17 ticks (9/27/12)		Max: 142 ticks (6/14/12)	
Avg 2nd Peak: 116 ticks (4-20 min after rpt)	Min: 39 ticks (7/26/12)		Max: 257 ticks (6/14/12)	
Avg Reversal: 67 ticks (11-40 min after Pk)	Min: 16 ticks (3/8/12)		Max: 155 ticks (8/16/12)	
Last 10 Reports:	6 : SPK/RTC	3 : 2ND PK	0 : DULL	1 : INDECISIVE
Recommended BracketDistance setting:			10*	*if using JOBB

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.

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Crude Oil Inventory				
<b>11:00 am Eastern / 8:00 am Pacific</b>			<b>Forecast: +1.6M</b>	
<b>Avg 1st Peak: 41 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: 84 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 2 weeks ago 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.