

**HIGH IMPACT REPORT ALERT: Friday, 12/7/12**

<b>Monthly Unemployment rate / Non-Farm Employment Change</b>				<b>CL 01-13</b>	
<b>8:30 am Eastern / 5:30 am Pacific</b>			<b>Forecast: +90K jobs / 7.9%</b>		
<b>Avg 1st Peak: 65 ticks (1 min after report)</b>		<b>Min: 35 ticks (MAY '12)</b>		<b>Max: 277 ticks (AUG '11)</b>	
<b>Avg 2nd Peak: 182 ticks (8-35 min after report)</b>		<b>Min: 106 ticks (FEB '12)</b>		<b>Max: 296 ticks (MAY '12)</b>	
<b>Avg Reversal: 116 ticks (12-42 min after report)</b>		<b>Min: 44 ticks (AUG '12)</b>		<b>Max: 265 ticks (SEP '12)</b>	
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>4 : 2ND PK</b>	<b>0 : DULL</b>	<b>0 : INDECISIVE</b>	
<b>Recommended BracketDistance setting:</b>			<b>7-10</b>		

<b>Monthly Unemployment rate / Non-Farm Employment Change</b>				<b>TF 12-12</b>	
<b>8:30 am Eastern / 5:30 am Pacific</b>			<b>Forecast: +90K jobs / 7.9%</b>		
<b>Avg 1st Peak: 56 ticks (1-2 min after report)</b>		<b>Min: 35 ticks (AUG '12)</b>		<b>Max: 132 ticks (JUN '12)</b>	
<b>Avg 2nd Peak: 71 ticks (26-100 min after report)</b>		<b>Min: 40 ticks (AUG '12)</b>		<b>Max: 108 ticks (OCT '12)</b>	
<b>Avg Reversal: 79 ticks (60-135 min after report)</b>		<b>Min: 43 ticks (JUL '12)</b>		<b>Max: 127 ticks (JUN '12)</b>	
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>4 : 2ND PK</b>	<b>0 : DULL</b>	<b>0 : INDECISIVE</b>	
<b>Recommended BracketDistance setting:</b>			<b>7</b>		

<b>Monthly Unemployment rate / Non-Farm Employment Change</b>				<b>ZB 03-13</b>	
<b>8:30 am Eastern / 5:30 am Pacific</b>			<b>Forecast: +90K jobs / 7.9%</b>		
<b>Avg 1st Peak: 30 ticks (1-3 min after report)</b>		<b>Min: 20 ticks (JUL '12)</b>		<b>Max: 44 ticks (SEP '12)</b>	
<b>Avg 2nd Peak: 44 ticks (4-60 min after report)</b>		<b>Min: 29 ticks (AUG '12)</b>		<b>Max: 78 ticks (SEP '12)</b>	
<b>Avg Reversal: 21 ticks (110-145 min after rpt)</b>		<b>Min: 8 ticks (JUL '12)</b>		<b>Max: 45 ticks (JUN '12)</b>	
<b>Last 6 Reports:</b>	<b>0 : SPK/REV</b>	<b>6 : 2ND PK</b>	<b>0 : DULL</b>	<b>0 : INDECISIVE</b>	
<b>Recommended BracketDistance setting:</b>			<b>3-4</b>		<b>5 tick stop loss</b>

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**\*\*\*For the first time we are promoting trading the TF and the ZB for the NFP report as an alternative to the CL. I recommend picking 1 of the 3 indexes and trading ONLY 1. The ZB and the TF tend to be a bit more stable and remain at the peak of the spike longer making it easier to capture and achieve more profit. Keep in mind 1 tick on the ZB is \$31.25.**

We have had only 1 legitimate positive report (AUG) since March. May-July were strongly negative, with an uptick in the rate, a dismal increase of only ~70K jobs each month, and downward revisions of the previous reports. In June and July, the market reacted accordingly and fell precipitously. The ADP report on Wednesday showed a slightly worse than expected 118K jobs were created. There is also a negative effect anticipated due to Hurricane Sandy. While there is little correlation between the BOLS report and the ADP report, this is possibly a bearish indicator. Remember the # of jobs created carries more weight here than the U-3 % of unemployed, but if the rate change is divergent to the job #s, it can cause initial indecision. **The investors are also suspect of the Bureau of Labor Statistics (BLS) cooking the books as the drop in the rate has been tied to people leaving the labor force and the election. With the dramatic decrease to 7.8% in October without the job creation to support, we could see some correcting.** It is easier to fudge the rate than the # of jobs. For the CL, Look for 40-80 ticks on the spike, a possible 2nd peak north of 100 ticks, and a reversal of 60-120 ticks.