

## HIGH IMPACT REPORT ALERT:

Wednesday, 5/1/13

<b>ISM Manufacturing PMI</b>			<b>RISK: 2</b>	<b>CL 06-13</b>
<b>10:00 am Eastern / 7:00 am Pacific</b>		<b>Forecast: 51.0</b>		
<b>Avg 1st Peak: 40 ticks (1-4 min after report)</b>	<b>Min: 7 ticks (AUG '12)</b>		<b>Max: 83 ticks (OCT '11)</b>	
<b>Avg 2nd Peak: 108 ticks (14-35 min after report)</b>	<b>Min: 33 ticks (NOV '12)</b>		<b>Max: 201 ticks (AUG '11)</b>	
<b>Avg Reversal: 46 ticks (8-15 min after last peak)</b>	<b>Min: 22 ticks (JUL '12)</b>		<b>Max: 73 ticks (MAR '12)</b>	
<b>Last 6 Reports:</b>	<b>1 : SPK/REV</b>	<b>5 : 2ND PK</b>	<b>0 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Last 12 Reports:</b>	<b>3 : SPK/REV</b>	<b>6 : 2ND PK</b>	<b>2 : DULL</b>	<b>1 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>5</b>	<b>12 Tick Stop</b>

A top tier report that usually delivers a large reaction. The forecast of 51.0 a drop after recent months have disappointed and in between the range of 49.5 to 51.7 that has mostly held for the last year. If it comes in less than 49.5, it should bring in the bears for a good dip, but if it comes in close to the forecast, look for a small 1st peak, but likely bigger 2nd peak as the bad news is absorbed by the market. If it comes in greater than 52.5, look for a good long move. Lately the peak has been after the :01 bar and the forecast deviations have been smaller. Look for 20-50 ticks on the spike and 50-120 ticks on a potential 2nd peak. The Reversal usually yields 30-60 ticks and is finished by 15 minutes after the last peak.

<b>Crude Oil Inventory</b>			<b>RISK: 4</b>	<b>CL 06-13</b>
<b>10:30 am Eastern / 7:30 am Pacific</b>		<b>Forecast: 0.8M</b>		
<b>Avg 1st Peak: 36 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: 64 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>2 : SPK/REV</b>	<b>4 : 2ND PK</b>	<b>0 : DULL</b>	<b>4 : INDECISIVE</b>
<b>Last 25 Reports:</b>	<b>4 : SPK/REV</b>	<b>12 : 2ND PK</b>	<b>1 : DULL</b>	<b>8 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>10</b>	<b>15 Tick Stop</b>

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**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.**

Now that we are moving into the Spring months and into May, we should see a transition where the Distillate reading drops in significance making the report more stable and safe. The January through April reports were volatile, but relatively safe, with small yields and only 2 indecisive reports, but then the last 2 weeks were also indecisive with an initial move in the wrong direction. 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.

<b>FOMC Statement / Federal Funds Rate</b>		<b>RISK: 3</b>	<b>CL 06-13</b>	
<b>2:00 pm Eastern / 11:00 am Pacific</b>		<b>Forecast: n/a (&lt;0.25%)</b>		
<b>Avg 1st Peak: 71 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: 127 ticks (14-53 min after report)</b>	<b>Min: 24 ticks (MAR '12)</b>	<b>Max: 310 ticks (AUG '11)</b>		
<b>Avg Reversal: 92 ticks (44-72 min after report)</b>	<b>Min: 17 ticks (MAR '13)</b>	<b>Max: 190 ticks (SEP '12)</b>		
<b>Last 6 Reports:</b>	<b>4 : SPK/REV</b>	<b>2 : 2ND PK</b>	<b>0 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Last 12 Reports:</b>	<b>4 : SPK/REV</b>	<b>6 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>

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

2 of the meetings in the Spring of 2012 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 accommodative \$45B/month of QE3 and the Operation Twist policy, but commentary on an exit strategy or drawdown of the easing will cause a hawkish

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reaction. This report often breaks early or late but hardly ever on time making the use of JOBB unsafe. 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 may be the catalyst of a FAN long or short driven by a large move on 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).