

## HIGH IMPACT REPORT ALERT:

Tuesday, 6/4/13

<b>AUS Cash Rate / RBA Rate Statement</b>		<b>RISK: 4</b>	<b>6A 06-13</b>	
<b>12:30 am Eastern / 9:30 pm Pacific</b>		<b>Forecast: 2.75% (no change)</b>		
<b>Avg 1st Peak: 39 ticks (1-2 min after report)</b>	<b>Min: 10 ticks (MAR '12)</b>	<b>Max: 107 ticks (FEB '12)</b>		
<b>Avg 2nd Pk/Fan: 61 ticks (8-14 min after report)</b>	<b>Min: 33 ticks (DEC '12)</b>	<b>Max: 107 ticks (MAY '12)</b>		
<b>Avg Reversal: 35 ticks (9-35 min after report)</b>	<b>Min: 18 ticks (AUG '11)</b>	<b>Max: 75 ticks (FEB '13)</b>		
<b>Last 6 Reports:</b>	<b>4 : SPK/REV</b>	<b>0 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>
<b>Last 12 Reports:</b>	<b>6 : SPK/REV</b>	<b>3 : 2ND PK</b>	<b>0 : DULL</b>	<b>3 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>7</b>	<b>15 Tick Stop</b>

<b>Parameters</b>	
AtmStrategy	stop 1
BracketDistance	7
Entry CancelledIfGapp	False
Entry Slippage Ticks	5
Entry StopLimit Orders	True
Entry Time	22:29:57

Based on the potential for high slippage, I am recommending the stop limit orders with the settings to the left with software V.4 if you trade this with JOBB (time is Mountain).

**\*\*Lately the trend has been for all central bank news to be volatile and indecisive. We have seen premature spikes, double wickers, and unsustainable moves with the RBA, ECB, and BOC...if you see volatility increase dramatically in the waning seconds before the strategy activates, DISABLE JOBB in the control center strategies tab as it will prevent a loss in most cases.\*\***

One of the major AUS monthly reports that is also riskier. Since April last year, the RBA has executed 5 rate cuts for a total of 150 BP. This includes the surprise cut last month down to 2.75%. The RBA is common to act in an unexpected manner, so the moves are rarely priced in. Since we just had a cut last month, there is no expectation of a rate cut this month as the consensus is seeing constant, but slow improvement in financial markets and consumer spending, but RBA Governor Stevens said further rate cuts may be an option in future months if required.

If you see a trend long or short in the 2-3 hrs before the report, the market is likely pricing in an expectation of a cut (if short move) or no change (if long

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move). If you see such precursors, beware of volatility right before the news release and the risks to using JOBB. Look for 20-40 ticks on the spike and exit quickly, a possible slow developing 2nd peak for a few more ticks, and a longer slower reversal for 20-40 ticks.

It is also a proposition of minimal risk to look to trap trade the breakouts with a pivot or SMA that is about 20-25 ticks from the origin.

U.S. Trade Balance			RISK: 2	CL 07-13
<b>8:30 am Eastern / 5:30 am Pacific</b>		<b>Forecast: -41.1B</b>		
<b>Avg 1st Peak: 26 ticks (1-2 min after report)</b>	<b>Min: 9 ticks (JAN '12)</b>		<b>Max: 47 ticks (APR '12)</b>	
<b>Avg 2nd Peak: 53 ticks (12-17 min after report)</b>	<b>Min: 31 ticks (JUL '12)</b>		<b>Max: 66 ticks (APR '12)</b>	
<b>Avg Reversal: 46 ticks (4-11 min after last Peak)</b>	<b>Min: 14 ticks (JAN '12)</b>		<b>Max: 91 ticks (AUG '11)</b>	
<b>Last 6 Reports:</b>	<b>4 : SPK/REV</b>	<b>1 : 2ND PK</b>	<b>1 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Last 12 Reports:</b>	<b>8 : SPK/REV</b>	<b>3 : 2ND PK</b>	<b>1 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>5</b>	<b>10 Tick Stop</b>

Medium moving US report that is often paired up with Unemployment Claims and disqualified from trading. So the last reports in the date sample are over more than 1 year. Still, look for 12-25 ticks on the spike in 1-2 min and a higher reversal of 20-40 ticks that is quick to rebound. 2nd Peaks are a rarity on this report with only 3 in the last 2 years.

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<b>AUS Quarterly GDP</b>			<b>RISK: 2</b>	<b>6A 06-13</b>
<b>9:30 pm Eastern / 6:30 pm Pacific</b>		<b>Forecast: 0.8%</b>		
<b>Avg 1st Peak: 33 ticks (1-2 min after report)</b>	<b>Min: 8 ticks (DEC '12)</b>		<b>Max: 55 ticks (JUN '12)</b>	
<b>Avg 2nd Peak: 53 ticks (11-35 min after report)</b>	<b>Min: 11 ticks (DEC '12)</b>		<b>Max: 86 ticks (JUN '12)</b>	
<b>Avg Reversal: 21 ticks (26-51 min after report)</b>	<b>Min: 11 ticks (MAY '11)</b>		<b>Max: 35 ticks (JUN '12)</b>	
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>2 : 2ND PK</b>	<b>1 : DULL</b>	<b>1 : INDECISIVE</b>
<b>Last 8 Reports:</b>	<b>2 : SPK/REV</b>	<b>4 : 2ND PK</b>	<b>1 : DULL</b>	<b>1 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>5</b>	<b>10 Tick Stop</b>

A rare and impacting report to trade that only comes 4 times a year. Due to the infrequent reporting, small offsets between the result and the forecast will yield several ticks; however March was indecisive due to a matching report, and December was dull after a narrow 0.1% offset. This report typically delivers a healthy spike of 25-50 ticks and has the potential to take more than 1 bar to reach the pinnacle. 4 of the last 8 reports have gone for a 2nd peak for another 10-20 ticks. Not the best report to trade the reversal as the yield is only about 15-20 ticks in 16 - 26 min after the last peak.