

HIGH IMPACT REPORT ALERT:

Wednesday, 9/4/13

U.S. Trade Balance		RISK: 2	6J 09-13
8:30 am Eastern / 5:30 am Pacific	Forecast: -38.6B		
Recommended BracketDistance setting:		3	8 Tick Stop

Medium moving US report that is often paired up with Unemployment Claims and disqualified from trading. We have been trading this on the CL, but it has recently been a dull mover, so we will try out the 6J for a second time. Still, look for 10-15 ticks on the spike in 1-2 min and a higher reversal of 15-20 ticks that is quick to rebound. 2nd Peaks are a rarity on this report with only 3 in the last 2 years.

Canadian BOC Rate Statement / Overnight Rate		RISK: 4	6C 09-13
10:00 am Eastern / 7:00 am Pacific	Forecast: 1.00% (no change)		
Trap Trade (JOB B not recommended)			
Recommended offset		20-30	20 Tick Stop

This is the Bank Of Canada's periodic adjustment of monetary policy. RISK level raised to "4" as the last 3 reports have been indecisive with very big double wickers, but that makes it a perfect candidate for the Trap Trade. Expectations are for no change to the rate or big policy changes with easing. Look for a span of up to 50-60 ticks on the :01 bar.

Beige Book (ORANGE REPORT)		RISK: 3	CL 10-13	
2:00 pm Eastern / 11:00 am Pacific		Forecast: n/a		
Avg 1st Peak: 22 ticks (3-9 min after report)	Min: 6 ticks (AUG '12)	Max: 57 ticks (OCT '11)		
Avg 2nd Peak: 67 ticks (24-42 min after report)	Min: 21 ticks (JUN '13)	Max: 223 ticks (OCT '11)		
Avg Reversal: 36 ticks (6-30 min after last Pk)	Min: 13 ticks (MAR '13)	Max: 73 ticks (JUL '13)		
Last 6 Reports:	1 : SPK/REV	3 : 2ND PK	2 : DULL	0 : INDECISIVE
Last 12 Reports:	2 : SPK/REV	7 : 2ND PK	2 : DULL	1 : INDECISIVE
Recommended BracketDistance setting:		5	10 Tick Stop	

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A very influential Orange report to trade, but lately it has been more of a dull mover on the initial reaction. This is the only publicly shared economic anecdotal data that the FED uses to make policy decisions. It is usually prone to a slower and longer developing reaction since it breaks later in the day after all other news is released and takes multiple bars. I recommend waiting at least 2 bars for a fill before cancelling the order. Look for 10 - 25 ticks on the initial spike in 3-9 minutes, 35-100 ticks on a likely 2nd peak in 20-40 min, and 20-45 ticks on the reversal. A 2nd peak is more than likely for several more ticks with a variable time frame. Then the reversal will come at the end for about 20 - 45 ticks. The reversal usually exceeds the spike. The entire report including the reversal can take as little as 30 min or as much as 90 min to pan out.

AUS Trade Balance			RISK: 2	6A 09-13
9:30 pm Eastern / 6:30 pm Pacific		Forecast: 0.11B		
Avg 1st Peak: 17 ticks (1-4 min after report)	Min: 7 ticks (DEC '12)		Max: 53 ticks (AUG '11)	
Avg 2nd Peak: 29 ticks (11-27 min after report)	Min: 17 ticks (JUN '12)		Max: 62 ticks (AUG '11)	
Avg Reversal: 18 ticks (20-45 min after report)	Min: 10 ticks (JAN '12)		Max: 45 ticks (OCT '11)	
Last 6 Reports:	3 : SPK/REV	1 : 2ND PK	0 : DULL	2 : INDECISIVE
Last 12 Reports:	5 : SPK/REV	4 : 2ND PK	1 : DULL	2 : INDECISIVE
Recommended BracketDistance setting:			3	5 Tick Stop

Bottom tier report that does not have the same shock value of the employment, GDP, or RBA reports. Still good for about 8-10 ticks after minimal slippage and JOBB buffer. May and August were indecisive due to Quarterly HPI that broke at the same time with a large opposite result. This month has no other report releasing at the same time. Often peaks after the 1st bar. The 2nd peak consistently delivers a meager 8-12 ticks extra about 50% of the time, and the reversal will yield 10-25 ticks slowly as the volume dries up.