

HIGH IMPACT REPORT ALERT:

Wednesday, 9/25/13

| | | | | |
|--|--------------------------------|--------------------------------|-----------------|-----------------------|
| Core Durable Goods Orders/Durable Goods Orders | | RISK: 3 | 6J 12-13 | |
| 8:30 am Eastern / 5:30 am Pacific | | Forecast: 1.1% / 0.0% | | |
| Avg 1st Peak: 14 ticks (1-2 min after report) | Min: 4 ticks (FEB '13) | Max: 21 ticks (MAY '13) | | |
| Avg 2nd Peak: 28 ticks (6-24 min after report) | Min: 24 ticks (OCT '12) | Max: 36 ticks (FEB '13) | | |
| Avg Reversal: 26 ticks (18-93 min after report) | Min: 17 ticks (FEB '13) | Max: 58 ticks (JAN '13) | | |
| Last 6 Reports: | 3 : SPK/REV | 1 : 2ND PK | 0 : DULL | 2 : INDECISIVE |
| Recommended Bracket Distance | | | 4 | 5 Tick Stop |

We sat out July due to pairing with another report, but since March this report has been performing well. Still the report is a riskier one as it can have bipolar results on the core and regular readings and the forecasts are split. A smaller moving report of late that has the potential for a 2nd peak. FEB and MAR had very divergent forecasts for the core and regular reading resulting in indecisive reactions. The 1st peak often takes hits its max early in the :31 bar then retreats, so a profit target is recommended of about 6-8 ticks. Reversal usually greatly exceeds the peak. Look for about 10-15 ticks on the spike, 25-35 ticks on a potential 2nd peak, and 20-30 ticks on the reversal.

HIGH IMPACT REPORT ALERT:

Wednesday, 9/25/13

| | | | | |
|---|---------------------------------|------------------------|---------------------------------|-----------------------|
| Crude Oil Inventory | | | RISK: 3 | CL 11-13 |
| 10:30 am Eastern / 7:30 am Pacific | | Forecast: -1.0M | | |
| Avg 1st Peak: 35 ticks (1-3 min after report) | Min: 11 ticks (3/27/13) | | Max: 93 ticks (4/4/12) | |
| Avg 2nd Peak: 86 ticks (5-40 min after report) | Min: 25 ticks (10/11/12) | | Max: 182 ticks (4/17/13) | |
| Avg Reversal: 65 ticks (17-44 min after Pk) | Min: 19 ticks (3/27/13) | | Max: 211 ticks (5/15/13) | |
| Last 10 Reports: | 1 : SPK/REV | 7 : 2ND PK | 0 : DULL | 2 : INDECISIVE |
| Last 25 Reports: | 5 : SPK/REV | 14 : 2ND PK | 1 : DULL | 5 : INDECISIVE |
| Recommended BracketDistance setting: | | | 10 | 15 Tick Stop |

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. RISK lowered to "3" as of May due to the season shift. This report is 3-pronged (Crude oil, Gasoline, and Distillates - Heating Oil)

Now that we are in the Summer months and beyond May, we have seen 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 in April were also indecisive with an initial move in the wrong direction. Only 3 reports of the last 16 were indecisive since April. Look for 20-50 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.