

HIGH IMPACT REPORT ALERT:

Tuesday, 10/22/13

Unemployment rate / Non-Farm Employment Change		RISK: 1	ZB 12-13	
8:30 am Eastern / 5:30 am Pacific		Forecast: +179K jobs / 7.3%		
Avg 1st Peak: 32 ticks (1-3 min after report)	Min: 9 ticks (MAR '12)	Max: 69 ticks (FEB '12)		
Avg 2nd Peak: 48 ticks (4-65 min after report)	Min: 21 ticks (NOV '11)	Max: 78 ticks (SEP '12)		
Avg Reversal: 27 ticks (110-145 min after rpt)	Min: 8 ticks (JUL '12)	Max: 56 ticks (SEP '11)		
Last 6 Reports:	1 : SPK/REV	4 : 2ND PK	0 : DULL	1 : INDECISIVE
Last 12 Reports:	2 : SPK/REV	9 : 2ND PK	0 : DULL	1 : INDECISIVE
Recommended BracketDistance setting:			3-4	5 Tick stop

Parameters	
BracketDistance	3
Entry CancelledIfGapped	False
Entry Slippage Ticks	16
Entry StopLimit Orders	True
Entry Time	09:59:57
Mode	StrategyInternal

*****Be sure to select "Strategy Internal" in the JOBB settings to ensure your stop loss is not rejected. I recommend using a breakeven setting of 15 and limit orders with a limit setting of 16 or less. The**

parameters will prevent the exchange manipulation of your orders (time will vary)

This report was originally scheduled to release on 10/4 but was delayed due to the US Gov shutdown. The report stats were all compiled and ready for release 3 weeks ago, but unable to release due to the shutdown. So this is the identical report releasing late. Due to the different routine, I recommend taking a conservative approach with a smaller lot and tighter profit target. Most of the reports in the last several months have been mixed bags for the economy, but March was unexpectedly strong. We saw a moderate 70-165K increase (barely keeping up with population growth) with variable changes in the rate until March came in at 236K. Then May was mildly positive, June was a mixed bag, July was fairly positive, and August was mildly negative. Last month was the first indecisive report we have seen in about 18 months, as the jobs #s were nearly matching while the rate improved. Still, any drop in the rate has been primarily due to less people in the labor force or gains in part time labor, not sizable gains in normal

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hiring, so the jobs #s carry much more weight as the rate is discounted. This makes traders suspect of any positive news. The ADP report on 10/2 showed worse than expected 166K jobs created, but this should be a distant memory about 3 weeks ago, There is little correlation between the BOLS report and the ADP report since the calculation metrics differ entirely. 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 lack of conviction.

This continues to be our safest and most profitable trade for the program offering an average of about 20 ticks net to be captured with ease on the initial spike. There were 4 indecisive reports between SEP '11 and MAY '12 due to inconsistent results where the BOLS was cooking the results in the election season. Now the markets are wiser and the same precursors would not cause indecision as the last 13 reports have been safe. Any improvement in the rate with lackluster job #s is viewed negatively as a drop in the labor force.

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Natural Gas Storage (Yellow Report)			RISK: 5	NG 11-13
10:30 am Eastern / 7:30 am Pacific		Forecast: 96B FT³		
Avg 1st Peak: 68 ticks (1-2 min after report)	Min: 16 ticks (10/25/12)		Max: 170 ticks (5/2/13)	
Avg 2nd Peak: 121 ticks (4-20 min after rpt)	Min: 39 ticks (7/26/12)		Max: 257 ticks (6/14/12)	
Avg Reversal: 68 ticks (11-40 min after Pk)	Min: 16 ticks (3/8/12)		Max: 155 ticks (8/16/12)	
Last 10 Reports:	4 : SPK/REV	4 : 2ND PK	0 : DULL	2 : INDECISIVE
Last 25 Reports:	12 : SPK/REV	10 : 2ND PK	0 : DULL	3 : INDECISIVE
Recommended BracketDistance setting:			10	20 Tick Stop

Trade with caution and ensure you understand the risk. THIS IS THE RISKIEST REPORT FOR JOBB. Occasionally prone to opposite direction spike 1-2 sec before report is released. USE of JOBB is highly risky due to the potential of the order filling in the wrong direction.

We are recommending a new approach to this report after a successful trial period in the last 4 months. This report offers large profit potential, but often has a premature spike and high slippage. **Set your bracket entry time 1 min early (xx:28:57).** If you get a premature spike, then look to exit and take the profit. If you do not get a filled on the :30 bar, leave the order to wait to fill on the :31 bar for the normal move.

This report is similar to the CL inventory, but it is prone to a decisive direction after the report release and about 15-30 ticks of slippage. Look for 20-40 ticks net on the spike after slippage, and a reversal that often exceeds the spike. If the offset between the result and the forecast is less than 10, trading the reversal is a safe proposition. If the results are matching or nearly matching, trap trading the breakouts is a good play.

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AUS Quarterly CPI			RISK: 3	6A 12-13
8:30 pm Eastern / 5:30 pm Pacific		Forecast: 0.8%		
Avg 1st Peak: 47 ticks (2-6 min after report)	Min: 12 ticks (JAN '12)		Max: 103 ticks (JUL '11)	
Avg 2nd Pk/Fan: 63 ticks (11-65 min after report)	Min: 42 ticks (APR '13)		Max: 124 ticks (JUL '11)	
Avg Reversal: 35 ticks (80-100 min after report)	Min: 17 ticks (APR '13)		Max: 83 ticks (JUL '13)	
Last 6 Reports:	4 : SPK/REV	2 : 2ND PK	0 : FAN	0 : INDECISIVE
Last 11 Reports:	5 : SPK/REV	4 : 2ND PK	1 : FAN	1 : INDECISIVE
Recommended BracketDistance setting:			7	15 Tick Stop

Parameters	
AtmStrategy	stop 1
BracketDistance	7
Entry CancelledIfGapp	False
Entry Slippage Ticks	10
Entry StopLimit Orders	True
Entry Time	19:29:57

Based on the high slippage that caused an undesirable entry in OCT '12, I am recommending the stop limit orders with the settings to the left (time will vary).

The most impacting AUS report based on average tick yield. Due to the unique quarterly reporting frequency where most countries report monthly, this report has much bigger impact, similar to water behind a dam as it is released. Even if the report matches the forecast, it will still deliver a reliable spike (OCT '11). The only situation that is a recipe for a bad report is a reading of 0.0% (JAN '12). This caused the indecisive reaction even with a forecast of 0.2%. 0% CPI brings out the jitters in the market as it is the borderline between deflation and inflation. With a forecast of 0.5%, the risk of a 0% reading is low, but possible. Look for at least 25-35 ticks on the spike, with a potential for much more. The initial spike can take up to 4-5 minutes to hit its peak. Good chance of a second peak in the 11 minute area with the potential to be far later for about 15-25 more ticks. The Reversal is very long and slow developing...I would not advise trading it unless you have the patience and discipline to ride it out.