

## **HIGH IMPACT REPORT ALERT:**

**Wednesday, 11/6/13**

<b>Crude Oil Inventory</b>			<b>RISK: 3</b>	<b>CL 12-13</b>
<b>10:30 am Eastern / 7:30 am Pacific</b>		<b>Forecast: 1.7M</b>		
<b>Avg 1st Peak: 35 ticks (1-3 min after report)</b>	<b>Min: 11 ticks (3/27/13)</b>		<b>Max: 93 ticks (4/4/12)</b>	
<b>Avg 2nd Peak: 86 ticks (5-40 min after report)</b>	<b>Min: 25 ticks (10/11/12)</b>		<b>Max: 182 ticks (4/17/13)</b>	
<b>Avg Reversal: 65 ticks (17-44 min after Pk)</b>	<b>Min: 19 ticks (3/27/13)</b>		<b>Max: 211 ticks (5/15/13)</b>	
<b>Last 10 Reports:</b>	<b>1 : SPK/REV</b>	<b>7 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>
<b>Last 25 Reports:</b>	<b>5 : SPK/REV</b>	<b>14 : 2ND PK</b>	<b>1 : DULL</b>	<b>5 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>10</b>	<b>15 Tick Stop</b>

**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 as we are transitioning from the summer months into fall, we will begin to see a transition where the Distillate reading gains in significance making the report less stable and safe. With last week indecisive due to draws in the products and gains in the crude, this could be the change. 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 indecisive with an initial move in the wrong direction. Only 6 reports of the last 30 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.

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Wednesday, 11/6/13

AUS Employment Change / Unemployment Rate		RISK: 3	6A 12-13	
7:30 pm Eastern / 4:30 pm Pacific		Forecast: 10.3K / 5.7%		
Avg 1st Peak: 45 ticks (1 min after report)	Min: 13 ticks (SEP '12)	Max: 86 ticks (JUN '13)		
Avg 2nd Peak: 54 ticks (26-50 min after report)	Min: 34 ticks (DEC '12)	Max: 76 ticks (MAR '13)		
Avg Reversal: 35 ticks (15-30 min after last Pk)	Min: 15 ticks (DEC '12)	Max: 96 ticks (JUN '13)		
Last 6 Reports:	2 : SPK/REV	2 : 2ND PK	0 : DULL	2 : INDECISIVE
Last 12 Reports:	4 : SPK/REV	5 : 2ND PK	0 : DULL	3 : INDECISIVE
Recommended BracketDistance setting:		8	15 Tick Stop	

One of the bigger periodic AUS reports. April to June saw premature volatility and manipulation to make the report more risky while April and May were both indecisive. May and June would have seen a tripwire to cancel about 18 sec before the report and April presented an odd and devastating indecisive scenario with a premature spike 3 sec before just as the bracket was setting up. **Given these dynamics, set the activation time to :59 sec instead of :57 sec.** This approach has made the report safer to profit since June. Last month was the first indecisive report since May due to mixed results. Check the archive screen shot and caption to see what happened if you are unfamiliar. Very consistent spike of 25-50 ticks on the 1st bar except for June which garnered 86 ticks, then surrendered it fairly quickly. Lately, more reports have seen a 2nd Peak reaction, but on every occasion except for once, the 2nd peak has only garnered another 4-15 ticks. Since that is the case, be careful trading the reversal. It is better to wait for a trade against the grain and miss it, then go in too early and find yourself eating a loss. The 25-30 min area after the report is a good area to evaluate an entry for the reversal. Look for 20-40 ticks on the reversal.