

HIGH IMPACT REPORT ALERT:

Monday, 2/17/14

AUS Monetary Policy Meeting Minutes - Trap Trade		RISK: 2	6A 03-14	
7:30 pm Eastern / 4:30 pm Pacific		Forecast: n/a		
Avg 1st Peak: 17 ticks (0:05-0:24 sec)	Min: 4 ticks (OCT '13)	Max: 40 ticks (JUL '13)		
Avg Reversal: 20 ticks (0:12 - 1:30 after report)	Min: 11 ticks (AUG '13)	Max: 36 ticks (SEP '13)		
Last 6 Reports:	5 : SPK/REV	0 : DULL (no fill)	0 : DULL (fill)	1 : STOPPED
Recommended settings:		Tier 1: 7-10 ticks	Tier 2: 15-16 ticks	10 Tick Stop

Now with about 6 months of data on the Trap Trade Approach, we have our first consolidated statistics out. I recommend using a two tier Trap Trade approach to trade the breakouts with a 10 tick stop loss. This is the detailed results that follow the RBA rate statement from 2 weeks ago. The Minutes often reflect a similar reaction to the cash rate, but are not bound by that. In this case since the Cash Rate resulted in a FAN that broke out decisively long, if you are filled on the long side with a short entry, be careful about staying in too long as the follow on sustained reaction should go long. A long entry on the short side would be ideal to patiently wait and see where it will go.