

HIGH IMPACT REPORT ALERT:

Wednesday, 4/2/14

GBP Construction PMI			RISK: 2	6B 06-14
4:30 am Eastern / 1:30 am Pacific		Forecast: 63.1		
Avg 1st Peak: 21 ticks (1-2 min after report)	Min: 12 ticks (OCT '13)	Max: 42 ticks (FEB '14)		
Avg 2nd Peak: 32 ticks (13-38 min after report)	Min: 14 ticks (OCT '13)	Max: 45 ticks (FEB '14)		
Avg Reversal: 24 ticks (6-35 min after report)	Min: 17 ticks (NOV '13)	Max: 38 ticks (OCT '13)		
Last 6 Reports:	2 : SPK/REV	4 : 2ND Peak	1 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:			4	12 Tick Stop

Parameters	
BracketDistance	4
Entry CancelledIfGapped	False
Entry Slippage Ticks	8
Entry StopLimit Orders	True
Entry Time	04:29:59
Mode	StrategyInternal

Due to the potential for high slippage, I am recommending the Limit Orders with settings to the left. The banding limit for the 6B is 20 ticks.

New Report for JOBB, as is all GBP news. This is the second of 3 PMI reports and less impacting than the Manufacturing report. **Due to the shifty nature of the 6B, and bid spread issues, set your activation time for xx:29:59 and ensure you have a precise clock synch.** 3 of the last 6 reports have generated 12-13 ticks, 2 yielded 20, 26 ticks, and the remaining report yielded 42. The smaller reactions typically come with an offset of 0.8 or less. 4 of the last 6 reports have achieved a 2nd Peak, yielding only a few ticks more than the 1st peak 13-38 min after the report. This is a good report to trade a reversal with about 15-20 ticks being surrendered after the 2nd peak by 20 or so min.

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ADP Non-Farm Employment Change		RISK: 2	ZB 06-14	
8:15 am Eastern / 5:15 am Pacific		Forecast: 192K		
Avg 1st Peak: 10 ticks (1-3 min after report)	Min: 4 ticks (FEB '14)	Max: 16 ticks (DEC '13)		
Avg 2nd Peak: 19 ticks (6-20 min after report)	Min: 15 ticks (OCT '13)	Max: 25 ticks (DEC '13)		
Avg Reversal: 12 ticks (45-60 min after last pk)	Min: 6 ticks (AUG '13)	Max: 24 ticks (SEP '13)		
Last 6 Reports:	2 : SPK/REV	3 : 2ND PK	0 : DULL	1 : INDECISIVE
Last 8 Reports:	2 : SPK/REV	4 : 2ND PK	0 : DULL	2 : INDECISIVE
Recommended BracketDistance setting:		3	5 Tick Stop	

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

Be sure to select "Strategy Internal" mode in the JOBB settings to ensure your stop loss is not rejected. It is also recommended to use limit orders with a slippage setting of 16 or less to bypass the CME restrictions (time will vary).

Newer Report for JOBB that we will continue to trade on the ZB. Sept 2013 and Feb 2014 were indecisive due to near matching results to the forecast, but the remaining reports have been very safe. The reactions have resulted in 10-16 ticks on the 1st peak, then a reversal back to the origin of 10 - 15 ticks realized within a few min. I recommend using a profit target of 5-8 ticks and exiting within 10 sec of the bar open. Look for 5-12 ticks net on the spike and 10-12 ticks on the reversal. A 2nd peak is very likely to happen for about 6-9 ticks more than the original peak within 20 min after the report.

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Crude Oil Inventory			RISK: 4	CL 05-14
10:30 am Eastern / 7:30 am Pacific		Forecast(C/G/D): 2.50M/-1.50M/-0.65M		
Avg 1st Peak: 36 ticks (1-3 min after report)	Min: 11 ticks (3/27/13)		Max: 93 ticks (4/4/12)	
Avg 2nd Peak: 82 ticks (5-40 min after report)	Min: 25 ticks (10/11/12)		Max: 191 ticks (9/18/13)	
Avg Reversal: 71 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	1 : DULL	1 : INDECISIVE
Last 25 Reports:	7 : SPK/REV	14 : 2ND PK	1 : DULL	3 : 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 raised to "4" due to the season shift. This report is 3-pronged (Crude oil, Gasoline, and Distillates - Heating Oil)

Now as we are in the winter, we have seen a transition where the Distillate reading gains in significance making the report less stable and safe. The reports are still profitable, but are more difficult to make a safe exit. Quick and large reversals are common, so I recommend using a breakeven and profit target. Be sure and exit if you see the price action hovering for more than 5 sec as it will likely reverse strongly. 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 or use a Trap Trade with an offset of 20-25 ticks and look for a quick exit with around 5-10 ticks. Paper trade this if you have not traded this report before.

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AUS Retail Sales / Trade Balance - Trap Trade		RISK: 2	6A 06-14
8:30 pm Eastern / 5:30 pm Pacific		Forecast: 0.4% RTL / 0.82B Trade	
Recommended settings:	Tier 1: 20-25 ticks	Tier 2: n/a	15 Tick Stop

Due to the double booking and a 50/50 results in the last 2 months, we are only recommending the higher tier of 20-25 ticks to minimize the risk. We will continue to recommend the Trap Trade for this report as opposed to disqualifying it, but there is a possibility that the reaction will not breach the trap tier. The largest spike on Retail sales has been 33 ticks in the last 18 months, and there is a cluster in the 17-20 range, then mid to upper 20s. This should either be a whipsaw, or have a sharp pullback in the intrabar. Feb yielded a 16 tick spike, followed by a 50 tick reversal in 60 seconds as Retail matched and Trade Balance came in strongly bullish. Mar gave us a 43 tick spike as both reports saw extremely strong consistent readings (look at the report archives to investigate further).