

HIGH IMPACT REPORT ALERT:

Friday, 4/4/14

Unemployment rate / Non-Farm Employment Change		RISK: 2	ZB 06-14	
8:30 am Eastern / 5:30 am Pacific		Forecast: +199K jobs / 6.6%		
Avg 1st Peak: 34 ticks (1-3 min after report)	Min: 9 ticks (MAR '12)	Max: 69 ticks (FEB '12)		
Avg 2nd Peak: 50 ticks (4-65 min after report)	Min: 21 ticks (NOV '11)	Max: 88 ticks (NOV '13)		
Avg Reversal: 26 ticks (110-145 min after rpt)	Min: 8 ticks (JUL '12)	Max: 56 ticks (SEP '11)		
Last 6 Reports:	4 : SPK/REV	0 : 2ND PK	0 : DULL	2 : INDECISIVE
Last 12 Reports:	5 : SPK/REV	4 : 2ND PK	0 : DULL	3 : 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	08:29:57
Mode	StrategyInternal
StrategyInternal Trading	
BreakEvenProfit Ticks	10
BreakEvenTrigger Ticks	15
Position 1 Size	1
Position 2 Size	0
ProfitTarget 1 Ticks	15
ProfitTarget 2 Ticks	0
ReverseIfStoppedOut	True
StopLoss Ticks	5

*****Be sure to select "Strategy Internal" in the JOBB settings to ensure your stop loss is not rejected. I recommend using the settings to the left (Time and Position size may vary; Breakeven and Profit Target settings are suggestions). The parameters will prevent the exchange manipulation of your orders and allow the Reverse if you are stopped on a premature move.**

Most of the reports in the last several months have been mixed bags for the economy, with about 150-200K jobs added with the rate improving due to other circumstances or getting worse. About 125-150K jobs need to be created each month just to keep up with population growth. SEP was the first indecisive report we have seen in about 18 months, as the jobs #s were nearly matching while the rate improved. Then Nov and Feb had premature spikes before the true move came. On 2 occasions, we have also seen 5 sec freezes as the news is released. This is why we developed and recommend the "Reverse if StoppedOut" feature as

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this would have taken the loss, then allowed a new entry at the stop to overcome the loss and make a profit.

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 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 4/2 showed a matching 191K jobs created earlier this week. 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. Expect up to 12 ticks of slippage, and I recommend a profit target of about 15-20 ticks for a conservative exit.

Important margin consideration for the ReverseSelfStoppedOut feature: This will add contracts to your stop loss, so ensure you have ample margin to handle the additional orders. For example, if you are trading 2 contracts on the bracket, after a fill and OCO, the stop loss will establish with 4 contracts and the Profit Target with 2 contracts. You need to be able to trade 4 contracts in this case.