

HIGH IMPACT REPORT ALERT:

Sunday, 5/4/14

CNY HSBC Final Manufacturing PMI		RISK: 2	HG 07-14	
9:45 pm Eastern / 6:45 pm Pacific		Forecast: 48.4		
Avg 1st Peak: 14 ticks (1-3 min after report)	Min: 3 ticks (FEB '14)	Max: 34 ticks (MAR '14)		
Avg 2nd Peak: 26 ticks (20-35 min after report)	Min: 20 ticks (FEB '14)	Max: 39 ticks (MAR '14)		
Avg Reversal: 18 ticks (30-55 min after report)	Min: 6 ticks (SEP '13)	Max: 29 ticks (OCT '13)		
Last 6 Reports:	2 : SPK/REV	2 : 2ND PK	2 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:		3	8 Tick Stop	

This is the monthly final indicator of China manufacturing activity that follows the flash reading from a week ago. Trade on the HG since there is no index for CNY. This report has grown in influence in the past several months and is now reliable to trade. Even when offering a dull reaction, it allows for an easy exit near breakeven or slight profit. In addition on 2 of the dull initial reactions, it followed with a substantial 2nd peak about 20 min later. This will not normally cause a huge reaction, but is reliable to capture 3-10 ticks in most cases. The offset from the forecast is normally within 0.3 pts. 4 of the last 6 reactions have yielded 2nd Peaks with as many as 15 more ticks than the original peak. The reversals are not as routine, with varying time frames and tick yields.