

HIGH IMPACT REPORT ALERT:

Thursday, 5/29/14

Unemployment Claims - Trap Trade		RISK: 1	6J 06-14	
8:30 am Eastern / 5:30 am Pacific		Forecast: 321K		
Avg 1st Peak: 14 ticks (0:01-0:22 sec)	Min: 8 ticks (11/21/13)	Max: 21 ticks (12/5/13)		
Avg Reversal: 13 ticks (0:11 - 3:30 after report)	Min: 8 ticks (11/21/13)	Max: 26 ticks (12/12/13)		
Last 12 Reports:	5 : SPK/REV	7 : DULL (no fill)	0 : DULL (fill)	0 : STOPPED
Recommended settings:	Tier 1: 10-12 ticks	Tier 2: 18-20 ticks	10 Tick Stop	

Look for the first peak to be reached in 1-22 sec after the release, then the reversal to materialize between 11 sec on the :31 bar up to about 4-5 min. Of the reactions that would have breached the Trap tiers, we have had 5 reports yield 8-12 ticks and 9 reports yield 19-21 ticks since inception, so use a 2 tier approach with 1 trap at about 10-12 ticks offset and the outer tier at 18-20 ticks offset. Try to optimize the location of the tier to be just outside of a Pivot, SMA, or HOD/LOD/OOD. **If you are not filled in the first 20 sec, cancel the order. Prelim GDP will be released with this report adding to the volatility with a very dismal forecast of -0.6%.**

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Natural Gas Storage (Yellow Report)		RISK: 5	NG 07-14	
10:30 am Eastern / 7:30 am Pacific		Forecast: 110B FT³		
Avg 1st Peak: 64 ticks (1-2 min after report)	Min: 13 ticks (11/7/13)	Max: 170 ticks (5/2/13)		
Avg 2nd Peak: 108 ticks (4-20 min after rpt)	Min: 23 ticks (11/7/13)	Max: 257 ticks (6/14/12)		
Avg Reversal: 63 ticks (11-40 min after Pk)	Min: 16 ticks (3/8/12)	Max: 155 ticks (8/16/12)		
Last 10 Reports:	3 : SPK/REV	3 : 2ND PK	0 : DULL	4 : INDECISIVE
Last 25 Reports:	10 : SPK/REV	7 : 2ND PK	0 : DULL	8 : INDECISIVE
Recommended BracketDistance setting:			10	20 Tick Stop

Trade with caution and ensure you understand the risk. THIS IS THE RISKIEST REPORT FOR JOBB. Occasionally prone to opposite direction spike 1-2 sec before report is released and slippage up to 30+ ticks (40-50 ticks on moves that gross over 100 ticks). USE of JOBB is highly risky due to the potential of the order filling in the wrong direction.

Set your bracket entry time only 1 second early (xx:29:59) and ensure a good clock synch. A profit target of 20 ticks or less is safer, while also using a breakeven to move the stop to a more favorable position. This report is similar to the CL inventory, but it is prone to a decisive direction after the report release and about 15-30 ticks of slippage. Look for 20-40 ticks net on the spike after slippage, and a reversal that often exceeds the spike. If the offset between the result and the forecast is less than 10, trading the reversal is a safe proposition. If the results are matching or nearly matching, buying the dips and selling the tops is a good play.

Another reliable approach is to look for a reversal entry late in the :33 bar and look for 15-20 ticks. As long as there is a stable spike on the :31 bar, this is successful about 2/3 of the time with a stop of about 10 ticks.

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Crude Oil Inventory			RISK: 3	CL 07-14
11:00 am Eastern / 8:00 am Pacific		Forecast(C/G/D): 0.67M/ 0.67M/ 0.20M		
Avg 1st Peak: 35 ticks (1-3 min after report)	Min: 11 ticks (3/27/13)		Max: 93 ticks (4/4/12)	
Avg 2nd Peak: 80 ticks (5-40 min after report)	Min: 25 ticks (10/11/12)		Max: 191 ticks (9/18/13)	
Avg Reversal: 68 ticks (17-44 min after Pk)	Min: 17 ticks (8/21/13)		Max: 211 ticks (5/15/13)	
Last 10 Reports:	1 : SPK/REV	6 : 2ND PK	1 : DULL	2 : 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. Downgraded to RISK "3" due to the ending winter season making the Distillate reading less impact. This report is 3-pronged (Crude oil, Gasoline, and Distillates - Heating Oil)

Now as we are in the entering the warmer months, we have seen a transition where the Distillate reading will fall off the radar making the report more stable and safe. 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 10-20 ticks net on the spike, and 40-60 ticks on the reversal. If the initial spike pops for only a few ticks beyond your fill point and hovers, 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 after a reversal about 3 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. Also look for trend lines on the swings to use for favorable entries. Paper trade this if you have not traded this report before.

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7-y Bond Auction		RISK: 2	ZB 06-14	
1:01 pm Eastern / 10:01 am Pacific		Forecast: n/a		
Avg 1st Peak: 5 ticks (1-5 min after report)	Min: 2 ticks (JUL '13)	Max: 13 ticks (JUN '13)		
Avg 2nd Peak: 10 ticks (35-50 min after report)	Min: 5 ticks (JUL '13)	Max: 17 ticks (AUG '13)		
Avg Reversal: 9 ticks (14-120 min after report)	Min: 4 ticks (OCT '13)	Max: 19 ticks (MAR '14)		
Last 6 Reports:	2 : SPK/REV	4 : 2ND PK	0 : DULL	0 : INDECISIVE
Recommended BracketDistance setting:		2	3 Tick Stop	

Be sure to select "Strategy Internal" mode in the JOBB settings to ensure your stop loss is not rejected on the ZB. This will be close to contract rollover time, so switch to the 09-14 contract if volume is about 2x or more.

Set your activation time for xx:01:30 as the spike will happen a little over 1 min late. Use a 3 tick stop loss. Expect to be filled with 0-2 ticks of slippage, then look for 2-4 ticks on the spike and a point of support or resistance in that area. Though this is the 7-y Auction, it has consistently caused a reaction on the ZB. This has been a trickier report to trade lately. It can take several min to reach its peak and often is dull. If you are not filled before the :02 bar expires, cancel the order. If you see it hover around your fill point for more than 2 min, exit near breakeven as it is likely a dull reaction. While the 10-y and 30-y auctions are on Forex Factory, the 7-y auction is not. The reversal has been nearly double the spike and takes much longer to pan out.

***A trap trade approach with 4-5 tick tier and 3 tick stop is also a good idea.**

If you are new to JOBB in the last month, please click on the following link to watch a 15 min video discussing the unique nature of the Bond Auctions:

<https://jobbracketbreakout.net/new-report-to-trade-bond-auction>