

## HIGH IMPACT REPORT ALERT:

Monday, 6/2/14

<b>GBP Manufacturing PMI</b>			<b>RISK: 2</b>	<b>6B 06-14</b>
<b>4:30 am Eastern / 1:30 am Pacific</b>		<b>Forecast: 57.1</b>		
<b>Avg 1st Peak: 30 ticks (1-2 min after report)</b>	<b>Min: 7 ticks (NOV '13)</b>		<b>Max: 46 ticks (DEC '13)</b>	
<b>Avg 2nd Peak: 46 ticks (9-33 min after report)</b>	<b>Min: 31 ticks (APR '14)</b>		<b>Max: 64 ticks (FEB '14)</b>	
<b>Avg Reversal: 21 ticks (6-35 min after report)</b>	<b>Min: 12 ticks (NOV '13)</b>		<b>Max: 32 ticks (AUG '13)</b>	
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>3 : 2ND Peak</b>	<b>1 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Last 9 Reports:</b>	<b>5 : SPK/REV</b>	<b>3 : 2ND Peak</b>	<b>1 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>5</b>	<b>15 Tick Stop</b>

Parameters	
BracketDistance	5
Entry CancelledIfGapped	False
Entry Slippage Ticks	12
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.

Newer Report for JOBB, as is all GBP news. This is the first of 3 PMI reports and the most impacting. Release time has been changed to 0430 vice 0428. **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.** 7 of the last 9 reports have generated 28-46 ticks, and the remaining 2 have yielded 7 and 10 ticks with near matching forecasts. An offset above 0.3 should cause a reaction of at least 20 ticks. Only 3 of the last 6 reports have achieved a 2nd Peak, but they yielded about 30 ticks more than the initial peak 9-64 min after the report. This is a good report to trade a reversal with about 20 ticks being surrendered after the initial peak or 2nd peak by 24 min.

## HIGH IMPACT REPORT ALERT:

Monday, 6/2/14

<b>ISM Manufacturing PMI</b>			<b>RISK: 2</b>	<b>6J 06-14</b>
<b>10:00 am Eastern / 7:00 am Pacific</b>		<b>Forecast: 55.7</b>		
<b>Avg 1st Peak: 21 ticks (1-2 min after report)</b>	<b>Min: 9 ticks (APR '14)</b>	<b>Max: 37 ticks (FEB '14)</b>		
<b>Avg 2nd Peak: 44 ticks (10-21 min after report)</b>	<b>Min: 38 ticks (NOV '13)</b>	<b>Max: 52 ticks (FEB '14)</b>		
<b>Avg Reversal: 18 ticks (6-35 min after report)</b>	<b>Min: 11 ticks (NOV '13)</b>	<b>Max: 21 ticks (FEB '14)</b>		
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>2 : 2ND Peak</b>	<b>2 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>4</b>	<b>8 Tick Stop</b>

Good medium impact report to trade. We are shifting this trade back to the 6J after the declining performance of the ZB recently. Unless the result deviates less than 1 point from the forecast, look for 20+ gross ticks on the initial spike and about 15 on the reversal as it usually delivers close to what the spike yields. A deviation of less than 1 pt should offer about 10-15 ticks gross. A potential 2nd peak should deliver about 15 more ticks than the initial peak on a large deviation. The peak can be shortly sustained, so a profit target is strongly recommended of about 7-10 ticks.

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Monday, 6/2/14

<b>AUS Retail Sales</b>			<b>RISK: 3</b>	<b>6A 06-14</b>
<b>9:30 pm Eastern / 6:30 pm Pacific</b>		<b>Forecast: 0.3%</b>		
<b>Avg 1st Peak: 25 ticks (1-2 min after report)</b>	<b>Min: 8 ticks (APR '12)</b>		<b>Max: 53 ticks (AUG '11)</b>	
<b>Avg 2nd Peak: 37 ticks (12-28 min after report)</b>	<b>Min: 23 ticks (NOV '12)</b>		<b>Max: 62 ticks (AUG '11)</b>	
<b>Avg Reversal: 25 ticks (16-21 min after report)</b>	<b>Min: 10 ticks (OCT '13)</b>		<b>Max: 58 ticks (AUG '13)</b>	
<b>Last 6 Reports:</b>	<b>3 : SPK/REV</b>	<b>1 : 2ND PK</b>	<b>0 : DULL</b>	<b>2 : INDECISIVE</b>
<b>Last 12 Reports:</b>	<b>3 : SPK/REV</b>	<b>6 : 2ND PK</b>	<b>0 : DULL</b>	<b>3 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>6</b>	<b>10 Tick Stop</b>

Medium yield report that was quite erratic last summer, but the last 4 opportunities dating back to the end of 2013 have been safe. In 2014 (Feb - April), this report has been paired up with Trade Balance each time, so we have used the Trap Trade for those. RISK rating raised to 3 after August 2013 had an indecisive report with no apparent cause. This report will not be released with any other AUS news. Look for 10-15 ticks net on the first peak which can take more than one bar to be achieved. While November 2012 through March 2013 all had 2<sup>nd</sup> Peaks for about 6-20 more ticks than the first peak around 12-28 minutes after the report release, we have not seen a 2<sup>nd</sup> Peak since then with the exception of November 2013. The Reversal usually yields 15-25 ticks in 16-21 minutes after the release; however if there is a second peak, look for the reversal to take 35-80 minutes.

## HIGH IMPACT REPORT ALERT:

Monday, 6/2/14

<b>CNY HSBC Final Manufacturing PMI</b>			<b>RISK: 2</b>	<b>HG 07-14</b>
<b>9:45 pm Eastern / 6:45 pm Pacific</b>		<b>Forecast: 49.7</b>		
<b>Avg 1st Peak: 14 ticks (1-3 min after report)</b>	<b>Min: 3 ticks (FEB '14)</b>		<b>Max: 34 ticks (MAR '14)</b>	
<b>Avg 2nd Peak: 26 ticks (20-35 min after report)</b>	<b>Min: 20 ticks (FEB '14)</b>		<b>Max: 39 ticks (MAR '14)</b>	
<b>Avg Reversal: 16 ticks (30-55 min after report)</b>	<b>Min: 6 ticks (SEP '13)</b>		<b>Max: 29 ticks (OCT '13)</b>	
<b>Last 6 Reports:</b>	<b>2 : SPK/REV</b>	<b>2 : 2ND PK</b>	<b>2 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Last 6 Reports:</b>	<b>3 : SPK/REV</b>	<b>2 : 2ND PK</b>	<b>3 : DULL</b>	<b>0 : INDECISIVE</b>
<b>Recommended BracketDistance setting:</b>			<b>3</b>	<b>8 Tick Stop</b>

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.