

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

***This is the largest alert we have ever issued with 8 reports in one day! As a reminder, we have CAN BOC rate statement and ISM Non Manufacturing releasing at the same time at 10:00 EDT. Trading one or the other will be safe, but trading both is highly discouraged due to splitting your attention.**

| | | | | | |
|--|-------------------|--------------------------------|-----------------------------|--------------------------------|--------------------|
| GBP Services PMI - Trap Trade | | | | RISK: 2 | 6B 06-14 |
| 4:30 am Eastern / 1:30 am Pacific | | | Forecast: 58.3 | | |
| Avg 1st Peak: 26 ticks (0:00-0:08 sec) | | Min: 9 ticks (MAR '14) | | Max: 46 ticks (FEB '14) | |
| Avg Reversal: 22 ticks (0:07 - 0:42 after report) | | Min: 13 ticks (JAN '14) | | Max: 38 ticks (FEB '14) | |
| Last 6 Reports: | 2 : Tier 1 | 1: Tier 2 | 3 : DULL (no fill) | 0 : DULL (fill) | 0 : STOPPED |
| Last 8 Reports: | 4 : Tier 1 | 1: Tier 2 | 3 : DULL (no fill) | 0 : DULL (fill) | 0 : STOPPED |
| Recommended settings: | | Tier1: 20 +/-3 ticks | Tier2: 35 +/-3 ticks | 15 Tick Stop | |

Newer Report for JOBB, as is all GBP news. This is the last of 3 PMI reports and least impacting of the three. It is also less stable and tends to have a shortly sustained peak and quick sizeable reversal making it a good candidate for the Trap Trade. Hence, the slippage that normally comes with the 6B is not a factor. In the last year, we have seen 6 reactions yield 20 - 32 ticks, 2 reactions of 35 and 46 ticks, and 4 reactions 8-15 ticks (gross). So we are going with large tiers to be conservative with the understanding that about a third of the opportunities will not cause a fill, but this factors out the risk of a large move stopping you with a small tier. If filled, look to exit after the reversal with 10-15 ticks net no later than 20 sec into the :31 bar as the reversal typically hovers and achieves max value at a point of support or resistance then pulls back in the direction of the original peak for at least 5-8 ticks after that.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | | | |
|--|-------------------------------|--------------------------------|----------------------------|------------------------|--------------------|
| ADP Non-Farm Employment Change - Trap Trade | | RISK: 2 | 6J 06-14 | | |
| 8:15 am Eastern / 5:15 am Pacific | | Forecast: 217K | | | |
| Avg 1st Peak: 16 ticks (0:03-0:18 sec) | Min: 9 ticks (MAR '14) | Max: 28 ticks (DEC '13) | | | |
| Avg Reversal: 14 ticks (0:30-3:00 after report) | Min: 6 ticks (AUG '13) | Max: 24 ticks (SEP '13) | | | |
| Last 6 Reports: | 4 : Tier 1 | 2: Tier 2 | 0 : DULL (no fill) | 0 : DULL (fill) | 0 : STOPPED |
| Recommended settings: | | Tier 1: 8-10 ticks | Tier 2: 18-20 ticks | 12 Tick Stop | |

After the declining performance of the ZB, a fresh approach to this report will shift to a Trap Trade on the 6J. A look at the last 6 months with reactions matching, small deviation, and large deviation, show a range of 9 to 28 ticks, with a quick acting reversal or naked tail/wick common. Then the debut of last month fell 10 ticks and reversed quickly allowing an easy 7 ticks of profit.

*For the Trap Trade an activation time of about 1 min to 45 sec before the news release is recommended to allow time to reposition the orders to adhere to a nearby area of support/resistance. **If you are not filled in the first 30 sec, cancel the order.**

Look for the initial spike to occur normally by 5 sec, but if a small deviation, could be as late as 30 sec. The reversal usually retreats about 2/3 to 3/4 of the way back to the origin as early as 30 sec or up to 3 min after the report.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | |
|---|--|-------------------------|--------------------|
| U.S. Trade Balance | | RISK: 2 | 6J 06-14 |
| 8:30 am Eastern / 5:30 am Pacific | | Forecast: -40.8B | |
| Recommended BracketDistance setting: | | 3 | 8 Tick Stop |

Small moving US report that is often paired up with Unemployment Claims then has the Trap Trade approach used. We continue to trade this on the 6J after 5 times (JUN, AUG, SEP, DEC, JAN). JUN and AUG were nice for 14 and 16 tick spikes (gross), while SEP, DEC, and MAY were all dull with no fill after 10 sec. JAN allowed about 2 ticks to be captured. Look for 5-10 ticks net on the spike in 1-2 min and a higher reversal of 10-15 ticks that is quick to rebound. 2nd Peaks are a rarity on this report.

| | | | | |
|--|--------------------------------|------------------------------------|------------------------|---------------------|
| CAN BOC Rate Statement / Overnight Rate - Trap | | RISK: 3 | 6C 06-14 | |
| 10:00 am Eastern / 7:00 am Pacific | | Forecast: 1.00% (no change) | | |
| Avg 1st Peak: 28 ticks (0:00-0:59 sec) | Min: 12 ticks (DEC '13) | Max: 49 ticks (JUL '13) | | |
| Avg Reversal: 32 ticks (0:03 - 2:40 after report) | Min: 10 ticks (SEP '13) | Max: 51 ticks (SEP '13) | | |
| Last 6 Reports: | 3 : SPK/REV | 3 : DULL (no fill) | 0 : DULL (fill) | 0 : STOPPED |
| Recommended settings: | | Tier 1: 20-30 ticks | Tier 2: n/a | 20 Tick Stop |

This is the Bank Of Canada's periodic adjustment of monetary policy. As with other central bank news, we have shifted to the Trap Trade approach. This report is riskier though since it varies greatly on the size of its spikes. July fell about 50 ticks and then rebounded to recover all of it in 4 bars, but September only moved about 12 ticks on either side of the anchor point. I would still recommend a larger offset just to be safe, even though there is a good chance it will not fill. Expectations are for no change to the rate or big policy changes with easing, so as usual any move will be subject to the minutia. Look for a span of up to 50-60 ticks on the :01-04 bars from the high point to low point.

© 2014 JOBracketBreakout.net

Risk Disclosure: Derivative transactions, including futures, are complex and carry a high degree of risk. They are intended for sophisticated investors and are not suitable for everyone. We at JOBracketBreakout.net (JOB) provide this material for informational and educational purposes only and should in no way be construed as investment recommendations. JOB does not make recommendations in any securities, and does not provide financial, tax, or legal advice. Risk of loss in electronic trading can be substantial. Therefore, you should carefully consider whether such trading is suitable for you in light of circumstances and financial resources. Past performance is not indicative of future results. There is a risk of loss in futures trading.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | | |
|--|--------------------------------|-----------------------|--------------------------------|-----------------------|
| ISM Non-Manufacturing PMI | | | RISK: 2 | 6J 06-14 |
| 10:00 am Eastern / 7:00 am Pacific | | Forecast: 55.6 | | |
| Avg 1st Peak: 19 ticks (1 min after report) | Min: 10 ticks (JAN '14) | | Max: 23 ticks (FEB '14) | |
| Avg 2nd Peak: 25 ticks (6-29 min after report) | Min: 22 ticks (AUG '13) | | Max: 33 ticks (FEB '14) | |
| Avg Reversal: 18 ticks (23-74 min after report) | Min: 10 ticks (OCT '13) | | Max: 47 ticks (FEB '14) | |
| Last 6 Reports: | 0 : SPK/REV | 4 : 2ND PK | 1 : DULL | 1 : INDECISIVE |
| Last 9 Reports: | 0 : SPK/REV | 7 : 2ND PK | 1 : DULL | 1 : INDECISIVE |
| Recommended BracketDistance setting: | | | 3 | 8 Tick Stop |

A medium mover, but influential and reliable report. This report will be released separately from Factory Orders this time. We have been trading this on the 6J since July 2013 with all reactions except April being safe. With only 0.4 pts offset, the near match caused an indecisive situation. Then last month saw a dull reaction that would have allowed an exit at breakeven. All others have been safe and achieved a 2nd peak of a few more ticks. Look for 10-15 ticks net on the spike, and if it hovers and reverses after about 20 sec, be sure to exit at or better than break even. Look for 10-25 ticks on the reversal and a 2nd Peak for an additional 5-10 ticks normally around 5-7 min is probable.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | | |
|---|---------------------------------|--|---------------------------------|-----------------------|
| Crude Oil Inventory | | | RISK: 3 | CL 07-14 |
| 10:30 am Eastern / 7:30 am Pacific | | Forecast(C/G/D): 0.17M/ 0.83M/ 0.83M | | |
| 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 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.

© 2014 JOBracketBreakout.net

Risk Disclosure: Derivative transactions, including futures, are complex and carry a high degree of risk. They are intended for sophisticated investors and are not suitable for everyone. We at JOBracketBreakout.net (JOB) provide this material for informational and educational purposes only and should in no way be construed as investment recommendations. JOB does not make recommendations in any securities, and does not provide financial, tax, or legal advice. Risk of loss in electronic trading can be substantial. Therefore, you should carefully consider whether such trading is suitable for you in light of circumstances and financial resources. Past performance is not indicative of future results. There is a risk of loss in futures trading.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | | |
|--|--------------------------------|---------------------------------|---------------------|-----------------------|
| Beige Book (ORANGE REPORT) | | RISK: 3 | CL 07-14 | |
| 2:00 pm Eastern / 11:00 am Pacific | | Forecast: n/a | | |
| Avg 1st Peak: 21 ticks (3-9 min after report) | Min: 6 ticks (AUG '12) | Max: 57 ticks (OCT '11) | | |
| Avg 2nd Peak: 63 ticks (15-42 min after report) | Min: 21 ticks (JUN '13) | Max: 223 ticks (OCT '11) | | |
| Avg Reversal: 36 ticks (6-30 min after last Pk) | Min: 13 ticks (MAR '13) | Max: 73 ticks (JUL '13) | | |
| Last 6 Reports: | 1 : SPK/REV | 2 : 2ND PK | 3 : DULL | 0 : INDECISIVE |
| Last 12 Reports: | 1 : SPK/REV | 6 : 2ND PK | 5 : DULL | 0 : INDECISIVE |
| Recommended BracketDistance setting: | | 5 | 10 Tick Stop | |

A very influential Orange report to trade, but lately it has been more of a dull mover on the initial reaction. This is the only publicly shared economic anecdotal data that the FED uses to make policy decisions. It is usually prone to a slower and longer developing reaction since it breaks later in the day after all other news is released and takes multiple bars to peak. I recommend waiting at least 2 bars for a fill before cancelling the order. Look for 10 - 25 ticks on the initial spike in 3-9 minutes, 20-50 ticks on a likely 2nd peak in 15-40 min, and 20-45 ticks on the reversal. A 2nd peak is more than likely for several more ticks with a variable time frame. Then the reversal will come at the end for about 20 - 45 ticks. The reversal usually exceeds the spike. The entire report including the reversal can take as little as 30 min or as much as 90 min to pan out.

HIGH IMPACT REPORT ALERT:

Wednesday, 6/4/14

| | | | |
|-----------------------------------|-------------------|---------------------|--------------|
| AUS Trade Balance - Trap Trade | | RISK: 2 | 6A 06-14 |
| 9:30 pm Eastern / 6:30 pm Pacific | | Forecast: 0.53B | |
| Recommended settings: | Tier 1: 7-8 ticks | Tier 2: 14-16 ticks | 10 Tick Stop |

We traded this report by itself last month for the first time since January as the previous 3 months were double booked with AUS Retail Sales. May saw a 9 tick spike followed by an immediate 9 tick reversal to allow up to 5 ticks to be captured. Both December and January were indecisive with 8 and 9 tick spikes initially. Prior to that, we had reactions of 15-18 ticks in November and September that were initially stable and reversed quickly in the following few minutes. Look for the reversal to retrace to 2/3 to all of the way back to the origin.

*For the Trap Trade an activation time of about 1 min to 45 sec before the news release is recommended to allow time to reposition the orders to adhere to a nearby area of support/resistance. **If you are not filled in the first 20 sec, cancel the order.**