

HIGH IMPACT REPORT ALERT:

Thursday, 6/5/14

GBP Official Bank Rate - Trap Trade				RISK: 2	6B 06-14
7:00 am Eastern / 4:00 am Pacific			Forecast: 0.50% (No change)		
Avg 1st Peak: 22 ticks (0:00-0:16 sec)		Min: 8 ticks (APR '14)		Max: 37 ticks (FEB '14)	
Avg Reversal: 24 ticks (0:03 - 0:50 after report)		Min: 12 ticks (JAN '14)		Max: 42 ticks (FEB '14)	
Last 6 Reports:	2 : Tier 1	1: Tier 2	3 : DULL (no fill)	0 : DULL (fill)	0 : STOPPED
Last 8 Reports:	3 : Tier 1	2: Tier 2	3 : DULL (no fill)	0 : DULL (fill)	0 : STOPPED
Recommended settings:		Tier1: 16-18 ticks	Tier2: 26-28 ticks	15 Tick Stop	

Newer Report for JOBB, as is all GBP news. This is the Bank of England Official Bank Rate and Asset Purchase Facility. As there has not been any change to these in over a year, the reaction is always a whipsaw or unsustainable spike. Out of the last 8 reports, we have seen 3 reports fill the inner tier and 2 fill the outer tier, then the reversal gives 12-18 ticks from the first tier or average entry to be captured usually in the latter part of the :01 bar (0:15 - 0:46). The remaining 3 were dull with no fill.

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EUR ECB Minimum Bid Rate - Trap Trade		RISK: 3	6E 06-14	
7:45 am Eastern / 4:45 am Pacific		Forecast: 0.10% (cut)		
Avg 1st Peak: 28 ticks (0:01-0:06 sec)	Min: 20 ticks (APR '14)	Max: 35 ticks (MAR '14)		
Avg Reversal: 42 ticks (0:06 - 1:26 after report)	Min: 18 ticks (FEB '14)	Max: 64 ticks (MAR '14)		
Last 4 Reports:	4 : SPK/REV	0 : DULL (no fill)	0 : DULL (fill)	0 : STOPPED
Recommended settings:		Tier 1: 28-32 ticks	Tier 2: n/a	15 Tick Stop

The last 4 months have shown great Trap Trade opportunities for this trade as the ECB is desperate to devalue the EURO with limited options. Prior to that this was a dull mover for several months. With the forecast rate cut, we will just use the outer tier setting of an average of 30 ticks. Look for the first peak to be reached quickly within 10 sec after the release, then the reversal to materialize between 6 sec on the :31 bar up to about 90 sec. The last 3 reactions have yielded 20, 28, and 35 ticks initially, with reversals of 45, 18, and 64 ticks. 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.**

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Unemployment Claims - Trap Trade		RISK: 1	6J 06-14	
8:30 am Eastern / 5:30 am Pacific		Forecast: 314K		
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:	6 : SPK/REV	6 : 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: 116B 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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