

HIGH IMPACT REPORT ALERT:

Friday, 7/25/14

EUR German Ifo Business Climate			RISK: 2	6E 09-14
4:00 am Eastern / 1:00 am Pacific		Forecast: 109.6		
Avg 1st Peak: 19 ticks (1-2 min after report)	Min: 9 ticks (JUL '13)		Max: 34 ticks (APR '13)	
Avg 2nd Peak: 32 ticks (16-50 min after report)	Min: 17 ticks (OCT '13)		Max: 64 ticks (MAY '13)	
Avg Reversal: 28 ticks (15-100 min after report)	Min: 10 ticks (APR '14)		Max: 65 ticks (AUG '13)	
Last 6 Reports:	3 : SPK/REV	3 : 2ND PK	0 : DULL	0 : INDECISIVE
Last 12 Reports:	7 : SPK/REV	4 : 2ND PK	0 : DULL	1 : INDECISIVE
Recommended BracketDistance setting:			4	8 Tick Stop

January and March were indecisive in 2013, but since March, only September was indecisive. If the result is nearly matching (less than 0.5 pts offset), it will only yield about 10 ticks gross, so keep that in mind when you are looking to exit and comprehend the results. On the other hand, a difference of more than 1.0 has the potential for a large move of 20-35 ticks gross. This report normally peaks on the :01 bar, but occasionally peaks after the first bar. It also occasionally releases several seconds late yielding a delayed spike so wait to cancel until 30 seconds after the top of the hour. Look for 8-15 ticks net on the spike, 20-40 ticks net on a potential 2nd peak in 16-50 min, and 20-45 on the reversal in 15-100 min. This breaks 2 hours into the European trading session, so the volume on the 6E will be fairly high.

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GBP Prelim GDP - Trap Trade			RISK: 3	6B 09-14	
4:30 am Eastern / 1:30 am Pacific			Forecast: 0.8%		
Avg 1st Peak: 50 ticks (0:00-0:18 sec)		Min: 37 ticks (OCT '13)		Max: 79 ticks (APR '13)	
Avg Reversal: 32 ticks (0:07 - 0:56 after report)		Min: 9 ticks (JAN '13)		Max: 69 ticks (OCT '13)	
Last 6 Reports:	3 : Tier 1	1: Tier 2	0 : DULL (no fill)	1 : DULL (fill)	1 : STOPPED
Recommended settings:		Tier1: ~35 ticks	Tier2: ~50 ticks	15 Tick Stop	

Newer Report for JOBB, as is all GBP news. This is the quarterly Prelim GDP which is the earliest and most impacting of 3 reports (prelim, secondary, and final). The last report was a near match and the previous 3 reports were matching, aiding the Trap Trade approach. April 2013 was a strong reaction resulting in a stop out, and January 2013 filled the inner tier and allowed an exit at breakeven. With the large reactions and low potential for a surprise reading, this is a Risk 3. Still the most likely scenario is a whipsaw or unsustainable peak. We have seen 4 reports fill the inner tier and 2 fill the outer tier including the stop and dull fills, then the reversal gives 16-48 ticks from the first tier or average entry to be captured usually in the middle to latter part of the :01 bar (0:07 - 0:56).

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Friday, 7/25/14

(Core) Durable Goods Orders - Trap Trade		RISK: 2	6J 09-14
8:30 am Eastern / 5:30 am Pacific		Forecast: 0.6% (Core) / 0.4% (Reg)	
Recommended settings:	Tier 1: 10-12 ticks	Tier 2: 18-20 ticks	12 Tick Stop

*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.**

After several reports were indecisive since the Spring of 2013, we shifted this report to the Trap Trade after the new year. It often sees matching results, a reading of 0.0%, or conflicting results on the core and regular readings that causes a whipsaw or a sharp pullback. This report is a smaller mover with the typical range of the initial spike being 10-16 ticks (8 of last 12 reactions). It has also had 4 reactions of 18 - 25 ticks. Look for the reversal to either be quick within 1-8 min or take up to 20 min and return to the area of the origin.

Last month resulted in a dangerous situation with the surprise Final GDP reading concurrently booked, but this month this report is a lone warrior.