

HIGH IMPACT REPORT ALERT:

Friday, 9/19/14

Canadian (Core) CPI - Trap Trade				RISK: 2	6C 12-14
8:30 am Eastern / 5:30 am Pacific		Forecast: 0.2% (Core) / -0.1% (Reg)			
Avg 1st Peak: 16 ticks (0:01-0:08 sec)	Min: 5 ticks (OCT '13)		Max: 41 ticks (MAR '14)		
Avg Reversal: 20 ticks (0:02 - 2:05 after report)	Min: 9 ticks (OCT '13)		Max: 41 ticks (FEB '14)		
Last 6 Reports:	2 : Tier 1	1 : Tier 2	0 : DULL (no fill)	2 : DULL (fill)	1 : STOPPED
Last 10 Reports	3 : Tier 1	3 : Tier 2	1 : DULL (no fill)	2 : DULL (fill)	1 : STOPPED
Recommended settings:		Tier 1: 18-20 ticks	Tier 2: n/a		15 Tick Stop

This report is a good Trap Trade candidate as 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. The only time we were stopped was March when double booked with retail sales having strong consistent results using a 2-tier approach. We now only use the outer tier when retail or wholesale sales are double booked. This report will be released with wholesale sales, so we are only using the outer tier as the reaction should be larger, but also more volatile to shift direction. The typical range of the initial spike is 8-15 ticks when alone, but swells out to 19-30 ticks when double booked. In the last 2 yrs it has had 7 reactions of 19 - 30 ticks and 1 reaction of 41 ticks (March 14 stop out).