

HIGH IMPACT REPORT ALERT:

Thursday, 10/20/14

EUR French Flash Manufacturing / Services PMI		RISK: 2	6E 12-14	
3:00 am Eastern / 12:00 am Pacific		Forecast: 48.9 / 48.6		
Avg 1st Peak: 17 ticks (1-2 min after report)	Min: 6 ticks (OCT '12)	Max: 43 ticks (MAR '14)		
Avg 2nd Peak: 29 ticks (9-29 min after report)	Min: 17 ticks (JUN '14)	Max: 44 ticks (JAN '13)		
Avg Reversal: 14 ticks (12-23 min after report)	Min: 8 ticks (FEB '14)	Max: 31 ticks (JUL '12)		
Last 6 Reports:	3 : SPK/REV	2 : 2ND PK	0 : DULL	1 : INDECISIVE
Last 12 Reports:	4 : SPK/REV	6 : 2ND PK	0 : DULL	2 : INDECISIVE
Recommended BracketDistance setting:			3	5 Tick Stop

This report consists of a high impacting manufacturing reading along with a lesser influential services reading. Sep 2013 and Aug 2014 were indecisive with the services reading opposing the manufacturing, and June 2013 was also indecisive with high slippage due to the aftermath of the FED shock to the markets, but all others in the last year have been safe. Due to each indecisive report having a valid cause and the tight stop of only 5 ticks, this is still a Risk 2 report. This report normally peaks on the :01 bar. Look for 8-20 ticks net on the spike, 25-35 ticks on a very likely 2nd peak, and 10-17 ticks on the reversal in 12-23 min. This breaks at the beginning of the European trading session, so the volume on the 6E will be fairly high. The potential for a 2nd peak is fairly high with 6 occurrences in the last 12. Remember the German report breaks 30 min after the French, so ensure you are out of any trade before the bottom of the hour (:29 bar).

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EUR German Flash Manufacturing / Services PMI		RISK: 2	6E 12-14	
3:30 am Eastern / 12:30 am Pacific		Forecast: 51.5 / 54.5		
Avg 1st Peak: 21 ticks (1-4 min after report)	Min: 6 ticks (SEP '14)	Max: 53 ticks (APR '13)		
Avg 2nd Peak: 41 ticks (9-29 min after report)	Min: 13 ticks (JUN '14)	Max: 104 ticks (APR '13)		
Avg Reversal: 22 ticks (12-23 min after report)	Min: 7 ticks (JUL '14)	Max: 40 ticks (MAR '13)		
Last 6 Reports:	1 : SPK/REV	5 : 2ND PK	0 : DULL	1 : INDECISIVE
Last 12 Reports:	2 : SPK/REV	8 : 2ND PK	0 : DULL	2 : INDECISIVE
Recommended BracketDistance setting:			4	5 Tick Stop

If the French report is has conflicting data, do not trade the German report as the probability of a similar result and unsafe reaction is high. This consists of a high impacting manufacturing reading along with a lesser influential services reading. Sep 2013 was indecisive with the services reading opposing the manufacturing. Then May 2014 was indecisive after the French report was safe due to conflicting results. This report occasionally peaks after the first bar. All of the reports have yielded a 2nd peak except Feb (even those that are initially indecisive), so it is safe to look for a manual entry later after a quick reversal. Look for 7 - 15 ticks net on the spike, 26-50 ticks on a likely 2nd peak in 9-25 min, and 10-17 ticks on the reversal in 12-23 min. This breaks 30 min after the beginning of the European trading session and the French report, so the volume on the 6E will be fairly high.

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Unemployment Claims - Trap Trade				RISK: 1	6J 12-14
8:30 am Eastern / 5:30 am Pacific			Forecast: 286K		
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:	5 : Tier 1	1: Tier 2	6 : DULL (no fill)	0 : DULL (fill)	0 : STOPPED
Recommended settings:		Tier 1: 8-10 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 several reports yield 8-12 ticks and a few other reports yield 19-21 ticks since inception, so use a 2 tier approach with 1 trap at about 8-10 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 or if it falls short of a tier and hovers it is also safe to manually move the order closer for an entry.** CPI will be released with this report and should add to the volatility, thereby enhancing the Trap Trade.

Philly FED Manufacturing Index				RISK: 2	6J 12-14
10:00 am Eastern / 7:00 am Pacific			Forecast: 18.9		
Recommended BracketDistance setting:				3	7 Tick Stop

A medium mover, but influential and reliable report that we are shifting back to the 6J for the 5th month. April and July yielded 11 ticks that reversed very quickly due to market dynamics but May and June were both dull with no fill on near matching results. Look for 4-10 ticks net on the spike. If it hovers for more than 6-8 sec, be sure to secure your profit as a reversal is likely. Look for about 10-15 ticks on a reversal and another 5-8 ticks on an occasional 2nd peak.

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Natural Gas Storage (Yellow Report)		RISK: 5	NG 12-14	
10:30 am Eastern / 7:30 am Pacific		Forecast: -12B 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	4 : 2ND PK	0 : DULL	3 : 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.