

## HIGH IMPACT REPORT ALERT:

Thursday, 12/4/14

|  |                   |                               |                                    |                                |                    |
|--|-------------------|-------------------------------|------------------------------------|--------------------------------|--------------------|
| <b>GBP Official Bank Rate - Trap Trade</b>                   |                   |                               |                                    | <b>RISK: 2</b>                 | <b>6B 12-14</b>    |
| <b>7:00 am Eastern / 4:00 am Pacific</b>                     |                   |                               | <b>Forecast: 0.50% (No change)</b> |                                |                    |
| <b>Avg 1st Peak: 18 ticks<br/>(0:00-0:16 sec)</b>            |                   | <b>Min: 4 ticks (JUL '14)</b> |                                    | <b>Max: 37 ticks (FEB '14)</b> |                    |
| <b>Avg Reversal: 20 ticks<br/>(0:03 - 0:50 after report)</b> |                   | <b>Min: 6 ticks (JUL '14)</b> |                                    | <b>Max: 42 ticks (FEB '14)</b> |                    |
| <b>Last 6 Reports:</b>                                       | <b>1 : Tier 1</b> | <b>1: Tier 2</b>              | <b>4 : DULL (no fill)</b>          | <b>0 : DULL (fill)</b>         | <b>0 : STOPPED</b> |
| <b>Last 12 Reports:</b>                                      | <b>4 : Tier 1</b> | <b>2: Tier 2</b>              | <b>6 : DULL (no fill)</b>          | <b>0 : DULL (fill)</b>         | <b>0 : STOPPED</b> |
| <b>Recommended settings:</b>                                 |                   | <b>Tier1: 8-10 ticks</b>      | <b>Tier2: 18-20 ticks</b>          | <b>15 Tick Stop</b>            |                    |

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 10 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 5 reports were dull with no fill so we have had no poor setups to cause a loss. The reactions have all been less than 11 ticks for the last 7 months, so we have shifted the tier settings closer.

## HIGH IMPACT REPORT ALERT:

Thursday, 12/4/14

|  |                                |                                    |                                |                        |                    |
|--|--------------------------------|------------------------------------|--------------------------------|------------------------|--------------------|
| <b>EUR ECB Minimum Bid Rate - Trap Trade</b>                 |                                |                                    | <b>RISK: 3</b>                 | <b>6E 12-14</b>        |                    |
| <b>7:45 am Eastern / 4:45 am Pacific</b>                     |                                | <b>Forecast: 0.05% (no change)</b> |                                |                        |                    |
| <b>Avg 1st Peak: 28 ticks<br/>(0:01-0:06 sec)</b>            | <b>Min: 20 ticks (APR '14)</b> |                                    | <b>Max: 35 ticks (MAR '14)</b> |                        |                    |
| <b>Avg Reversal: 42 ticks<br/>(0:06 - 1:26 after report)</b> | <b>Min: 18 ticks (FEB '14)</b> |                                    | <b>Max: 64 ticks (MAR '14)</b> |                        |                    |
| <b>Last 6 Reports:</b>                                       | <b>3 : Tier 1</b>              | <b>1: Tier 2</b>                   | <b>2 : DULL (no fill)</b>      | <b>0 : DULL (fill)</b> | <b>1 : STOPPED</b> |
| <b>Recommended settings:</b>                                 |                                | <b>Tier 1: 18-20 ticks</b>         | <b>Tier 2: 28-32 ticks</b>     | <b>15 Tick Stop</b>    |                    |

4 of the last 7 months have shown great Trap Trade opportunities for this trade as the ECB is desperate to devalue the EURO with limited options. In Sept we had an unexpected rate cut that caused a large move to stop us out. The previous 2 reactions were dull with no fill. Prior to March this was a dull mover for several months. With the forecast rate cut in June, we just used the outer tier setting of an average of 30 ticks and it yielded a max of about 40 ticks for an ideal setup. No change is expected this time in the rate, but the other actions by the ECB will be on watch. 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 4 reactions other than the dull reports have yielded 20, 21, 28, and 35 ticks initially, with reversals of 45, 18, 16 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.**

## HIGH IMPACT REPORT ALERT:

Thursday, 12/4/14

|  |            |                         |                     |                          |             |
|--|------------|-------------------------|---------------------|--------------------------|-------------|
| Unemployment Claims - Trap Trade                     |            |                         |                     | RISK: 1                  | 6J 12-14    |
| 8:30 am Eastern / 5:30 am Pacific                    |            |                         | Forecast: 296K      |                          |             |
| Avg 1st Peak: 14 ticks<br>(0:01-0:22 sec)            |            | Min: 8 ticks (11/21/13) |                     | Max: 21 ticks (12/5/13)  |             |
| Avg Reversal: 13 ticks<br>(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.** No other significant statistical reports will be release with this. ECB Press conference will commence at the same time, but take a few min to have an effect.

## HIGH IMPACT REPORT ALERT:

Thursday, 12/4/14

|  |                                |                                      |                     |                       |
|--|--------------------------------|--------------------------------------|---------------------|-----------------------|
| <b>Natural Gas Storage (Yellow Report)</b>               |                                | <b>RISK: 5</b>                       | <b>NG 01-15</b>     |                       |
| <b>10:30 am Eastern / 7:30 am Pacific</b>                |                                | <b>Forecast: -51B FT<sup>3</sup></b> |                     |                       |
| <b>Avg 1st Peak: 64 ticks<br/>(1-2 min after report)</b> | <b>Min: 13 ticks (11/7/13)</b> | <b>Max: 170 ticks (5/2/13)</b>       |                     |                       |
| <b>Avg 2nd Peak: 108 ticks<br/>(4-20 min after rpt)</b>  | <b>Min: 23 ticks (11/7/13)</b> | <b>Max: 257 ticks (6/14/12)</b>      |                     |                       |
| <b>Avg Reversal: 63 ticks<br/>(11-40 min after Pk)</b>   | <b>Min: 16 ticks (3/8/12)</b>  | <b>Max: 155 ticks (8/16/12)</b>      |                     |                       |
| <b>Last 10 Reports:</b>                                  | <b>3 : SPK/REV</b>             | <b>4 : 2ND PK</b>                    | <b>0 : DULL</b>     | <b>3 : INDECISIVE</b> |
| <b>Last 25 Reports:</b>                                  | <b>10 : SPK/REV</b>            | <b>7 : 2ND PK</b>                    | <b>0 : DULL</b>     | <b>8 : INDECISIVE</b> |
| <b>Recommended BracketDistance setting:</b>              |                                | <b>10</b>                            | <b>20 Tick Stop</b> |                       |

**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.