



Trading Strategy #2: Daily Bulletin Analysis

Veröffentlicht am 28. November 2016



Sergey Shirko | [+ Folgen](#)

Chief Dealer – FXOpen

[7 Artikel](#)



2



0



0

I have received a lot of requests where you ask me to show how I analyze Daily Bulletin (DB), as very little information about this can be found on the Internet. So today we will continue our analysis of the futures on the Swiss franc that we began in [the previous article](#), where we used the data provided in the COT report.

I would like to emphasise that I use the same sequence when analysing any market. First I work with the COT report where I find the markets with the emerging trend or at least that are ready to make a strong directional movement, based on the net open position of

commercial participants. Only after that I look at the balance of the option levels with the maximum open interest using DB to determine the entry point with the least risk. As a result of this sequence, we can open a trade with a good potential movement and low risk.

DB description

Chicago Mercantile Exchange (CME) publishes Daily Bulletin (DB) every day except weekends and holidays. This is a report of changes in open interest on the futures and futures options, which have occurred over the last trading session. In this report I only focus on open interest changes on the options, and everything that I describe below refers specifically to them. The put and call options data can be stored in one report, for example, Euro FX... PG 39, or they can be divided into two reports, for example, Swiss Franc... PG 35 and PG 36.



Suchen

Premium gratis
testen

INDIVIDUAL CONTRACT PRICE DATA FOR OPEN, HIGH, LOW, CLOSE AND SETTLEMENT PLUS CLEARED VOLUME FIGURES REFLECT CME REGULAR TRADING VOLUME REFLECTS PIT TRADING AND CASH-FOR-FUTURES ONLY. VOLUME OR OPEN INTEREST (BOTH BEFORE AND AFTER THE LAST DAY OF TRADE FOR FUTURES, SPREADS, PRIOR DAYS' CLEARED TRADES (OUT-TRADES), POSITION ADJUSTMENTS, OPTIONS EXERCISES, POSITIONS IN DELIV SETTLEMENT CYCLE. B=BIID A=ASK N=NONOMINAL P=POST SETTLEMENT SESSION #=NEW CONTRACT HIGH PRICE *NEW CONTRACT LOW PRICE R=RECO PRICE DETERMINED BY CME RULE 813. B=BIID A=ASK N=NONOMINAL P=POST SETTLEMENT. CAB= (CABINET TRANSACTION) * 1/2 TICK VALUE = 16 REPRESENT CONTRACTS WITH PRICE/VOLUME ACTIVITY AND/OR HAVE ESTABLISHED OPEN INTEREST. PRODUCTS ELIGIBLE TO TRADE BUT ARE IN REPORT.

SWISS FRANC CONTRACTS LAST TRADE DATES									
EXPIRATION:	NOV16	DEC16	JAN17	FEB17	MAR17	APR17	JUN17	SEP17	
SWISS FRNC PUT		12/19			03/13		06/19	09/18	
SWISS FRNC OPT	11/04	12/09			03/03		06/09	09/08	
SWISS FRNC OPT (EUR)	11/04	12/09	01/06	02/03	03/03	04/07	06/09	09/08	
S FRNC WK 1 (EUR)		12/02							
S FRNC WK 2 (EUR)		11/11							
S FRNC WK 3 (EUR)		11/18	12/16						
S FRNC WK 4 (EUR)		11/25	12/23						

SWISS FRANC OPTIONS ON FUTURES									
ELIGIBLE OPTIONS SERIES (CALLS & PUTS) FOR TRADING: WED, NOV 23									
	NOV16	WEEK 1	WEEK 2	WEEK 3	WEEK 4				
II	NOV16	1010-1170	1007-1170	1007-1170	1007-1170				
1W	NOV16	865-1170	880-1170	875-1170	865-1170				
	DEC16	865-1170	870-1170	870-1167	870-1167				
	NOV16	DEC16	JAN17	FEB17	MAR17	APR17	JUN17	SEP17	
OF	870-5100	865-5100	870-5100	870-1170	870-5100	875-1185	875-1185	885-1175	
YS	870-1180	865-1180	870-1180	870-1170	870-1170	875-1185	875-1185	885-1175	
RZ	1010-1170	1007-1170	1007-1167	1007-1167	1007-1167	1007-1162	1007-1162	1005-1152	

We see the day when these changes occurred at the top of the page. Below we can find the options start date 11/04 and the expiration date 12/09. It is worth mentioning that I analyse only American options. However, the report contains data on European options as well. It will always be marked as (EUR).

Note: starting December 2016 the period of American options will change to three months instead of one.

What information we receive

Below I'm looking for a section with the call options that expire in December 2016.

SWISS FRANC CALLS **SETT. PRICE**													
1	STRIKE OPEN RANGE	HIGH	LOW	CLOSING RANGE	SETT. PRICE & PT. CHGE.	DELTA	EXER CISES	VOLUME TRADES CLEARED	OPEN INTEREST	CONTRACT--	HIGH	LOW	
	SWISS FRNC CALL			(FUTURES SETT. .98430 55.0)	3	4		5	6	7			
	DEC16												
	982			1.08N	.82 + NEW	-.490	----	52	52 +	52	8.43B	-.80A	
	985			0.59N	.43 -	-.308	----	36	36 +	28	7.59B	-.42A	
	1000			0.42N	.30 -	-.231	----	50	50	UNCH	7.18B	-.29A	
	1005			0.30N	.21 -	-.170	----	70	101 +	70	6.81B	-.21	
	1010			0.21N	.14 -	-.120	----	3	157 +	3	6.84B	-.15A	
	1015			0.15N	.09 -	-.081	----	53	UNCH	53	6.45B	-.10A	
	1020			0.11N	.06 -	-.056	----	177	UNCH	177	6.08B	-.08A	
	1025			0.08N	.04 -	-.038	----	122	UNCH	122	5.72B	-.06A	
	1030			0.06N	.03 -	-.028	----	85	UNCH	85	5.37B	-.05A	
	1035			0.04N	.02 -	-.019	----	90	UNCH	90	5.03B	-.06A	
	1040			0.03N	.01 -	-.014	----	145	UNCH	145	4.71B	-.05A	
	1045			0.02N	.01 -	-.009	----	129	UNCH	129	4.40B	-.05A	
	1050			0.01N	.01 -	-.008	----	470	UNCH	470	4.13B	-.11A	
	1055			0.01N	.00 -	-.004	----	58	UNCH	58	3.95B	-.10A	
	1060			0.01N	.00 -	-.002	----	165	UNCH	165	3.86B	-.09A	
	1065			0.00N	CAB	-.001	----	80	UNCH	80	3.65B	-.08A	
	1070			0.00N	CAB	-.000	----	165	UNCH	165	3.44B	-.06A	
	1075			----	CAB	-.000	----	79	UNCH	79	3.24B	-.10A	
	1080			----	CAB	-.000	----	187	UNCH	187	3.06B	-.08	
	1085			----	CAB	-.000	----	50	UNCH	50	2.88B	-.08A	
	1090			----	CAB	-.000	----	135	UNCH	135	2.72B	-.07A	
	1095			----	CAB	-.000	----	90	UNCH	90	2.56B	-.07A	
	1100			----	CAB	-.000	----	1	UNCH	1	2.41B	-.08A	
	1105			----	CAB	-.000	----	5	UNCH	5	2.28B	-.08A	
	1110			----	CAB	-.000	----	1	UNCH	1	2.10B	-.06A	
	1115			----	CAB	-.000	----	40	UNCH	40	1.21B	-.14	
	1120			----	CAB	-.000	----	1	UNCH	1	.06B	-.02A	
	TOTAL							211	2727 +	147			
	MAR17	SWISS FRNC CALL		(FUTURES SETT. .98990 55.0)	1.48 -	18	-.427	----	7	UNCH	7.87B	1.47A	
	1000			1.66N	1.30 -	16	-.388	----	6	UNCH	7.49B	1.29A	
	1005			1.46N	1.14 -	14	-.351	----	30 +	6	7.12B	1.13A	
	1010			1.29N	.88 -	11	-.285	----	22 +	13	6.40B	-.88A	
	1020			0.99N	.87N	10	-.236	----	52	51	UNCH	6.06B	-.77A
	1025			0.87N	.68 -	8	-.230	----	2	52	UNCH	5.73B	-.68A
	1030			0.76N									

Here I start with finding the price levels (column 1) with the maximum accumulation of open interest (column 6), noting any significant growth of this value over the last trading session (column 7). If there is any, I allocate a strike (price level), which clearly indicates these changes. If this price level is of interest to me, I will indicate the premium that traders have paid at the end of the day (column 3) on this strike. The premium is always displayed in points and can be useful if we want to determine the area of price reversal more accurately.

I have also noted the columns, which may be of interest to you. Column 2- the premium which was at the end of the day preceding the reporting one. Column 4 shows the difference between columns 2 and 3. Column 5 reflects traded volume on strikes.

Then I'm looking for a section with the put options that expire in December as well. In the case of the Swiss franc I have to open another report for this. I can see what changes have



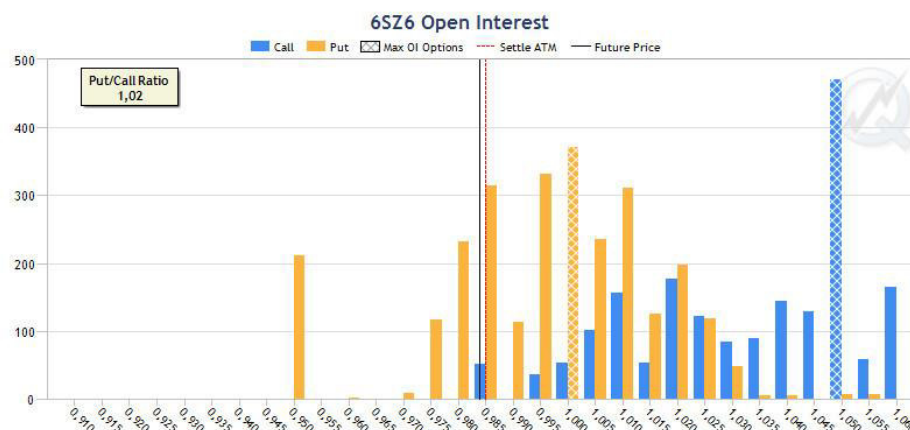
Suchen

Premium gratis
testen

SWISS FRANC PUTS **SETT. PRICE**											
STRIKE OPEN RANGE	HIGH	LOW	CLOSING RANGE	SETT. PRICE & PT. CHG.	DELTA	EXER CISES	VOLUME TRADES CLEARED	OPEN INTEREST	--CONTRACT--		
SWISS FRANC PUT									HIGH	LOW	
940	---	---	---	---	---	---	---	16	UNCH	.40	.08
950	---	---	---	---	---	---	---	10	UNCH	.968	.03
960	---	---	---	---	---	---	---	211	UNCH	2.158	.03
970	---	---	---	---	---	---	---	2	UNCH	2.508	.08A
980	---	---	---	---	---	---	---	9	UNCH	2.898	.06A
990	---	---	---	---	---	---	---	117	UNCH	3.118	.08A
1000	---	---	---	---	---	---	---	231	UNCH	3.348	.09A
1010	---	---	---	---	---	---	---	20	UNCH	3.578	.12A
1020	---	---	---	---	---	---	---	114	UNCH	3.828	.10
1030	---	---	---	---	---	---	---	371	UNCH	4.088	.13
1040	---	---	---	---	---	---	---	256	UNCH	4.158	.19
1050	---	---	---	---	---	---	---	310	UNCH	4.158	.27A
1060	---	---	---	---	---	---	---	125	UNCH	4.868	.36A
1070	---	---	---	---	---	---	---	19	UNCH	5.168	.48A
1080	---	---	---	---	---	---	---	119	UNCH	5.488	.62A
1090	---	---	---	---	---	---	---	49	UNCH	5.368	.76A
1100	---	---	---	---	---	---	---	5	UNCH	5.648	.90A
1110	---	---	---	---	---	---	---	5	UNCH	5.998	1.06A
1120	---	---	---	---	---	---	---	5	UNCH	6.348	1.25A
1130	---	---	---	---	---	---	---	8	UNCH	7.088	1.69A
1140	---	---	---	---	---	---	---	7	UNCH	7.468	1.95A
1150	---	---	---	---	---	---	---	175	UNCH		
TOTAL	---	---	---	---	---	---	---	2787	---	---	---
MAR17	---	---	---	---	---	---	---	10	UNCH	.428	.10
950	---	---	---	---	---	---	---	156	UNCH	.938	.13A
970	---	---	---	---	---	---	---	2	UNCH	1.458	.23
980	---	---	---	---	---	---	---	85	UNCH	1.728	.32A
990	---	---	---	---	---	---	---	20	UNCH	2.068	.48A
1000	---	---	---	---	---	---	---	50	UNCH	2.748	.77A
1010	---	---	---	---	---	---	---	125	UNCH	2.498	.66A
1020	---	---	---	---	---	---	---	57	UNCH	2.818	.74A
1030	---	---	---	---	---	---	---	90	UNCH	3.168	.83A

What conclusions we can draw

According to the analysis of two reports, we see that the maximum concentration of call options - 470 contracts - is at the strike 1.050. The maximum open interest accumulation of put options - 371 contracts - is at the strike - 1.000. We have not seen a significant increase in open interest at any level. The picture below shows the distribution of open interest at the strike as a histogram.



We see that at the moment the price has fallen far down relative to the strike 1,000 and is within the buying zone. This information is interesting itself and can be used to find entry points into the market.

Digging deeper

However, we will go further and try to determine the area of the pivot point more accurately. For this reason, I review DB on a daily basis, looking for a significant increase in open interest and detecting the premium, which was at the closing.

"A significant increase" is the different value of contracts for each market, which depends on the total open interest. In particular, it is 100 contracts and more for the Swiss franc.

I found the report in the history of the current option month, where such changes have occurred, to show you how this works.



Suchen

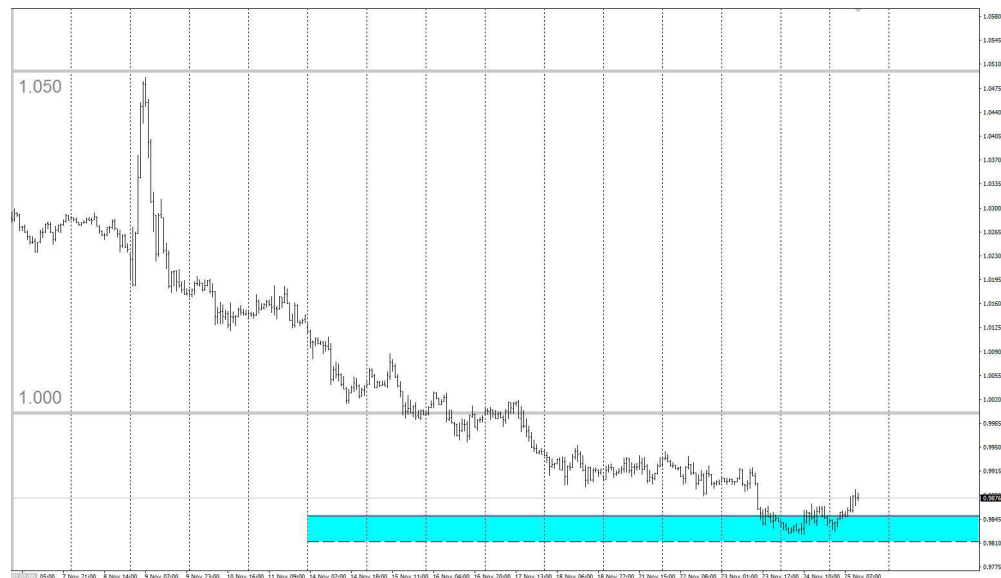
Premium gratis
testen

REPRESENT CONTRACTS WITH PRICE/VOLUME ACTIVITY AND/OR HAVE ESTABLISHED OPEN INTEREST. PRODUCTS ELIGIBLE TO TRADE BUT ARE INACTIVE DO NOT APPEAR IN THIS REPORT.

SWISS FRANC PUTS **SETT. PRICE**													
STRIKE	OPEN	RANGE	HIGH	LOW	CLOSING RANGE	SETT. PRICE & PT. CHGE.	DELTA	EXER	VOLUME	OPEN	INTEREST	CONTRACT--	LOW
SWISS FRANC PUT	SWISS FRANC PUT								TRADES			HIGH	
DEC18					(FUTURES SETT. 1.00270 - 106.0)				CLEARED				
870	----	----	----	----	----	CAB	----	----	----	16	UNCH	.40	.08
900	----	----	----	----	----	CAB	----	----	----	10	UNCH	.96B	.11
950	----	----	----	----	0.01N	.04+	3	----	----	181	UNCH	2.15B	.06A
960	----	----	----	----	0.03N	.08+	4	----	----	2	UNCH	2.50B	.10A
970	----	----	----	----	0.06N	.15+	9	----	----	3	UNCH	2.89B	.06A
975	----	----	----	----	0.09N	.20+	11	----	----	94	UNCH	3.11B	.08A
980	----	----	----	----	0.13N	.28+	15	----	----	230	UNCH	3.34B	.09A
985	----	----	----	----	0.18N	.38+	20	----	111	357 +	151	3.57B	.11A
990	----	----	----	----	0.23N	.52+	27	----	151	213 +	151	3.82B	.10
995	----	----	----	----	0.35N	.70+	35	----	61	332 +	61	4.08B	.13
1000	----	----	----	----	0.48N	.92+	44	----	3	398	UNCH	4.15B	.19
1005	----	----	----	----	0.64N	1.18+	54	----	1	207 +	1	4.15B	.27A
1010	----	----	----	----	0.85N	1.48+	63	----	1	310	----	4.86B	.36A
1015	----	----	----	----	1.11N	1.81+	70	----	----	125	UNCH	5.16B	.48A
1020	----	----	----	----	1.41N	2.18+	77	----	----	205	UNCH	5.46B	.62A
1025	----	----	----	----	1.74N	2.58+	84	----	----	119	UNCH	5.96B	.76A
1030	----	----	----	----	2.12N	3.00+	88	----	----	49	UNCH	5.64B	.90A
1035	----	----	----	----	2.52N	3.44+	92	----	----	5	UNCH	5.99B	1.06A
1040	----	----	----	----	2.94N	3.89+	95	----	----	5	UNCH	6.34B	1.25A
1050	----	----	----	----	3.84N	4.89+	99	----	----	8	UNCH	7.08B	1.69A
1055	----	----	----	----	4.30N	5.31+	101	----	----	7	UNCH	7.46B	1.95A
TOTAL									329	2776 +	211		
MARKET	SWISS FRANC PUT				(FUTURES SETT. 1.00810 - 106.0)								
920	----	----	----	----	0.08N	.14+	6	----	----	10	UNCH	.42B	.10
950	----	----	----	----	0.22N	.37+	15	----	155	155 +	155	93B	.13A
975A	----	----	----	----	0.44N	.71+	59	----	155	155 +	155	1.46B	.32A

As we can see, on November 14, in the put report was added 151 contracts at the strike 0.985. The premium at the end of the day was 38 points on this level.

Thus, we can assume that the one who has taken the liberty and sold this option will be in profit at the end of the option month if the futures price of the Swiss franc is above 0.9812 (0.985 — 0.0038 = 0.9812) for \$ 1. Here's how it looks on the chart.



Despite the fact that the chart looks beautiful at the moment and my credibility is growing in your eyes, I would ask you not to deceive ourselves regarding this tool. I haven't seen the market levels that would not break, and this is no exception. However, I am sure that if you start using this tool in your trading, you will take profits more often. Just as I believe that after reading this material you have more questions than before.

So if you are interested in getting my reviews regarding the current market situation according to the described methods from time to time, please send me an email and I'll add you in the newsletter.
sergey.shirko@gmail.com

Dies melden

2 Gefällt mir

0 Kommentare

Kommentar hinzufügen ...




Sergey Shirko
Chief Dealer – FXOpen

+ Folgen

Mehr von Sergey Shirko [Alle 7 Artikel anzeigen](#)




Trading Strategy: COT Report Analysis
Sergey Shirko auf LinkedIn



What to do if your trading system has stopped working?
Sergey Shirko auf LinkedIn





How to predict the market?
Sergey Shirko auf LinkedIn



What is 1 System?
Sergey Sh



LinkedIn
Berichtlinien
Datenschutz & AGB
Feedback senden
© 2018

-  Fragen?
Besuchen Sie unseren Hilfebereich.
-  Konto und Datenschutz verwalten.
Gehen Sie zu Ihren Einstellungen.

Sprache wählen

Deutsch