

The Morning Email: US & Germany

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Want something added? Let me know: jgoulding@ghco.com

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Quotes 1



		32 nds								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
TUAM8	106.275	(0.002)	106.282	106.237	106.265	22,963	265,482	2y Futures	US Futures Market	
FVAM8	113.017	(0.005)	113.047	112.270	113.007	44,330	598,318	5y Futures		
TYAM8	117.165	0.035	117.205	117.070	117.110	80,671	939,955	10y Futures		
USAM8	117.205	0.065	117.235	117.065	117.105	14,626	262,503	30y Futures		
	Last	Net	Hi	Low	Open	Volume				
BUS02P	99.235	0.7	99.245	99.202	99.232	2y				US Cash Treasury Market
BUS05P	98.307	2.0	99.012	98.230	98.300	5y				
BUS10P	99.100	5.0	99.145	99.020	99.075	10y				
BUS30P	99.250	15.0	100.020	99.140	99.180	30y				
	Last	Net	Hi	Low	Open	Volume				
BUS02Y	1.883	(0.80)	1.948	1.863	1.92	2y Yield				
BUS05Y	2.724	(0.90)	2.779	2.704	2.757	5y Yield				
BUS10Y	3.581	(1.90)	3.617	3.562	3.612	10y Yield				
BUS30Y	4.382	(2.50)	4.413	4.362	4.413	30y Yield				



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	104.29	4.50	104.35	104.17	104.23	279,981	665,511	Schatz(2Y)	German Futures Markets
DLM8	109.87	6.50	109.98	109.66	109.76	225,931	599,646	Bobl(5Y)	
DBM8	115.36	0.10	115.45	115.09	115.23	459,955	1,074,602	Bund(10Y)	

	Price	Yield				
	Last	Last	Coupon	Maturity	SYM NAME	
T.US.DE030P0310***	99.02	3.516	3.000	3/12/2010	2 yr CTD	German Cash Treasury Market
T.US.DE044P0113**	103.45	3.680	4.500	1/4/2013	5 yr CTD	
T.US.DE036P0117**	98.28	3.978	3.750	1/4/2017	10 yr CTD	
DEP2P*	99.05	3.516	3.000	3/12/2010	2yr OTR	
DEP5P*	102.28	3.687	4.250	10/12/2012	5yr OTR	
DEP10P*	100.17	3.977	4.000	1/4/2018	10yr OTR	

Notes
 Y = Yield
 DE = German Country Code
 CTD = Cheapest to Deliver
 OTR = On the Run
 * OTR
 ** CTD
 *** CTD & OTR

Quotes 2

This page provided a more detailed look at the quotes for the German Bonds

German Bonds are quoted in decimal, not 32nds.



		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
DGM8	104.29	104.29	104.29	104.35	104.17	4.50	Schatz(2Y)
DLM8	109.87	109.88	109.87	109.98	109.66	6.50	Bobl(5Y)
DBM8	115.36	115.37	115.36	115.45	115.09	0.10	Bund(10Y)
		Y Bid	Y Ask	Y Last	Y Hi	Y Lo	
DGM8		3.737	3.734	3.737	3.796	3.706	Schatz(2Y)
DLM8		3.796	3.795	3.795	3.841	3.774	Bobl(5Y)
DBM8		4.097	4.096	4.096	4.128	4.087	Bund(10Y)
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng	
T.US.DE030P0310***	3.533	3.516	3.516	3.599	3.478		2 yr CTD
T.US.DE044P0113**	3.690	3.680	3.680	3.733	3.655		5 yr CTD
T.US.DE036P0117**	3.985	3.978	3.978	4.016	3.961		10 yr CTD
DEP2P*	3.533	3.516	3.516	3.599	3.478	6	2yr OTR
DEP5P*	3.697	3.687	3.687	3.738	3.661	11	5yr OTR
DEP10P*	3.983	3.977	3.977	4.013	3.967	12	10yr OTR
		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE030P0310***	99.02	99.05	99.05	99.12	98.90	3.000	2 yr CTD
T.US.DE044P0113**	103.45	103.49	103.49	103.60	103.26	12	5 yr CTD
T.US.DE036P0117**	98.28	98.33	98.33	98.45	98.06	11	10 yr CTD
DEP2P*	99.02	99.05	99.05	99.12	98.90	6	2yr OTR
DEP5P*	102.24	102.28	102.28	102.39	102.07	11	5yr OTR
DEP10P*	100.12	100.17	100.17	100.25	99.88	12	10yr OTR

German
Futures

German
Futures

German
Cash

German
Cash

Notes

Y = Yield
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OTR = On the Run
* OTR
** CTD
*** CTD & OTR

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (M)	1.60	2.80	3.24
Bobl (M)	0.92	1.59	1.79
Shatz (M)	0.38	0.66	0.74

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.4	3.4	6.1
Bobl (M)	2.6	6.2	11.1
Shatz (M)	6.2	15.0	26.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.81	4.37
Bobl (M)	0.55		2.41
Shatz (M)	0.23	0.42	

Note: Eurex products are pulled from Bloomberg and are static. Meaning, I only update them once in a while but always on rolls.

US Cash Treasuries (OTR)

	Bid	Ask	Last
US2y	1.887	1.883	1.883
US5y	2.726	2.724	2.724
US10y	3.583	3.581	3.581

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.533	3.516	3.516
DE5y	3.697	3.687	3.687
DE10y	3.983	3.977	3.977

Spreads (Bps)

ZT/SCHATZ	-1.681
ZF/BOBL	-1.048
ZN/BUND	-0.621

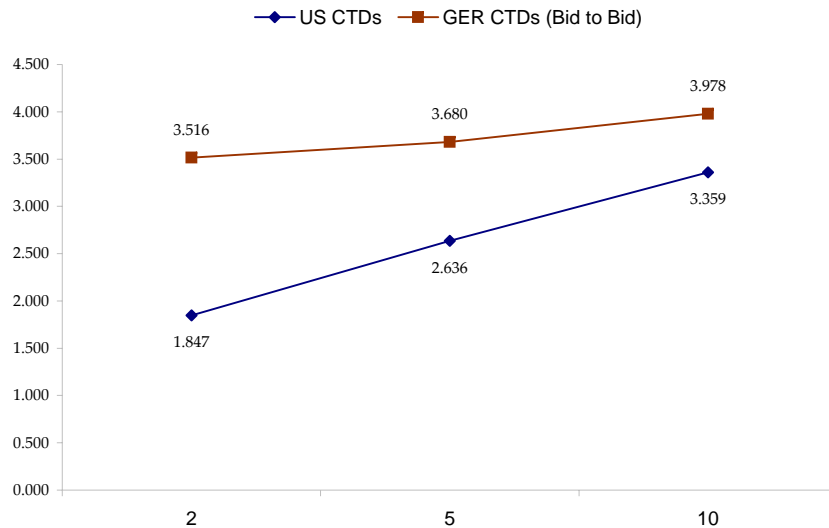
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	1.847	1.835	1.835
4.125 of 08/12	2.636	2.633	2.633
5.125 of 05/16	3.359	3.357	3.357

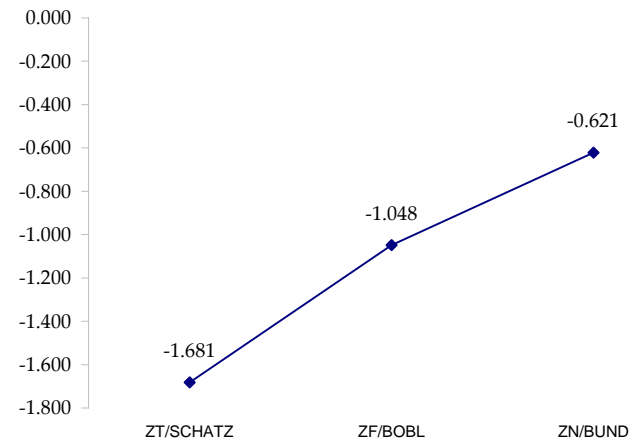
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.533	3.516	3.516
4.500 of 01/13	3.690	3.680	3.680
3.750 of 01/17	3.985	3.978	3.978

This chart shows the US futures, ZT, ZF, and ZN quoted in yield, then, comparing them to the German Futures, the Schatz (2yr), Bobl (5yr), and Bund (10yr). Cheapest to Deliver (CTD) are used as proxies for the yields.



US minus German, Futures (bps)



When does the volume trade? Between what hours of the day? These are the two questions most frequently asked, by new traders to this contract. Of course number releases pertaining to the German economy will produce volume. Past that we can look at a chart of the Bund as determine when volume occurs.

Time	Volume	
	Rises	Drops
1:00 AM CST	x	
7:00 AM CST	x	
10:00 AM CST		x
11:00 AM CST		x
German Econ Release	x	
US Econ Release	x	

Bond Market Characteristics

From The Treasury Bond Basis Book 3rd Edition, by Galen Burghardt

Accrued Interest	Germany	Japan	UK
Coupon (date)	Annual	semi (20th)	semi
Ex-dividend (days)	no	no	yes (7)
Accrual basis	actual	actual	actual
Year Basis	actual	365	actual

Settlement time frame

Domestic	T+2	T+3	T+3
International	T+3	na	na

Trading Basis

Quotation	price	simple yield	price
Tick	decimal	bp	decimal
Tax (resident)	0	0	0
Price/Yield Method	ISMA	Simple	DMO

Repo

Accrual basis	actual	actual	actual
Year basis	360	0	365

