

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	106.285	0.015	106.290	106.277	106.287	11,752	241,660	2y Futures	
FVAM8	113.042	0.040	113.050	113.025	113.047	20,388	503,846	5y Futures	
TYAM8	117.185	0.055	117.205	117.140	117.165	26,796	702,628	10y Futures	
USAM8	117.260	0.085	117.275	117.160	117.185	6,855	215,985	30y Futures	
		Last	Net	Hi	Low	Open	Volume		
BUS02P	99.227	1.0	99.232	99.222	99.230	2y			
BUS05P	98.297	3.0	98.300	98.272	98.285	5y			
BUS10P	99.130	5.0	99.155	99.080	99.080	10y			
BUS30P	100.040	12.5	100.045	99.250	99.255	30y			
		Last	Net	Hi	Low	Open	Volume		
BUS02Y	1.896	(0.70)	1.916	1.876	1.908	2y Yield			
BUS05Y	2.732	(1.30)	2.755	2.726	2.743	5y Yield			
BUS10Y	3.570	(2.10)	3.596	3.558	3.583	10y Yield			
BUS30Y	4.363	(2.20)	4.396	4.359	4.382	30y Yield			

US Futures Market

US Cash Treasury Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	104.31	(0.50)	104.36	104.28	104.28	160,967	594,656	Schatz(2Y)	
DLM8	109.84	(1.00)	109.91	109.78	109.78	169,256	525,245	Bobl(5Y)	
DBM8	115.27	0.20	115.33	115.17	115.19	227,329	910,247	Bund(10Y)	

German Futures Markets

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE030P0310***	99.06	3.495	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	103.43	3.684	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	98.22	3.986	3.750	1/4/2017	10 yr CTD
DEP2P*	99.09	3.495	3.000	3/12/2010	2yr OTR
DEP5P*	102.26	3.692	4.250	10/12/2012	5yr OTR
DEP10P*	100.18	3.975	4.000	1/4/2018	10yr OTR

German Cash Treasury Market

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	104.31	104.32	104.31	104.36	104.28	-0.50	Schatz(2Y)	German Futures
DLM8	109.84	109.84	109.84	109.91	109.78	-1.00	Bobl(5Y)	
DBM8	115.27	115.28	115.27	115.33	115.17	0.20	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo			
DGM8	3.726	3.721	3.726	3.739	3.698		Schatz(2Y)	German Futures
DLM8	3.803	3.802	3.802	3.815	3.787		Bobl(5Y)	
DBM8	4.107	4.106	4.107	4.119	4.100		Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng		
T.US.DE030P0310***	3.512	3.495	3.495	3.523	3.479		2 yr CTD	German Cash
T.US.DE044P0113**	3.694	3.684	3.684	3.703	3.671		5 yr CTD	
T.US.DE036P0117**	3.993	3.986	3.986	4.005	3.978		10 yr CTD	
DEP2P*	3.512	3.495	3.495	3.523	3.479	-3	2yr OTR	
DEP5P*	3.702	3.692	3.692	3.711	3.675	-4	5yr OTR	
DEP10P*	3.982	3.975	3.975	3.999	3.970	3	10yr OTR	
Decimal								
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
T.US.DE030P0310***	99.06	99.09	99.09	99.12	99.04	3.000	2 yr CTD	German Cash
T.US.DE044P0113**	103.43	103.47	103.47	103.53	103.39	-5	5 yr CTD	
T.US.DE036P0117**	98.22	98.27	98.27	98.33	98.14	-1	10 yr CTD	
DEP2P*	99.06	99.09	99.09	99.12	99.04	-3	2yr OTR	
DEP5P*	102.22	102.26	102.26	102.33	102.18	-4	5yr OTR	
DEP10P*	100.13	100.18	100.18	100.22	99.99	3	10yr OTR	

Notes

- Y = Yield
- DE = German Country Code
- CTD = Cheapest to Deliver
- 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	1.900	1.896	1.896
US5y	2.733	2.732	2.732
US10y	3.570	3.566	3.570

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.512	3.495	3.495
DE5y	3.702	3.692	3.692
DE10y	3.982	3.975	3.975

Spreads (Bps)

ZT/SCHATZ	-1.667
ZF/BOBL	-1.062
ZN/BUND	-0.676

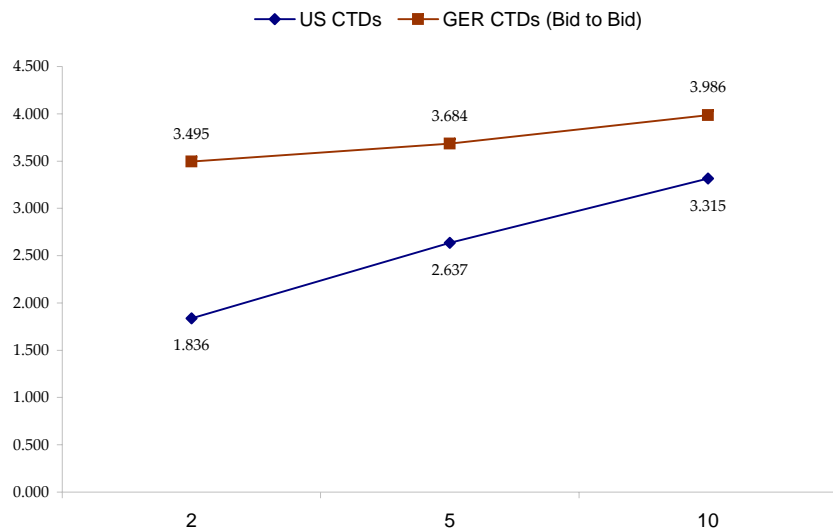
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	1.836	1.828	1.828
4.125 of 08/12	2.637	2.623	2.623
5.125 of 05/16	3.315	3.311	3.311

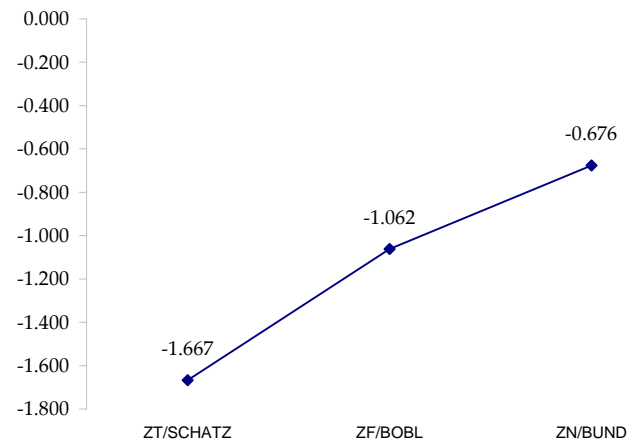
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.512	3.495	3.495
4.500 of 01/13	3.694	3.684	3.684
3.750 of 01/17	3.993	3.986	3.986

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

