

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	(0.037)	107.005	106.275	107.005	18,380	251,305	2y Futures	
FVAM8	113.095	(0.087)	113.197	113.070	113.197	37,906	601,051	5y Futures	
TYAM8	117.310	(0.110)	118.120	117.255	118.120	83,214	1,012,470	10y Futures	
USAM8	118.225	(0.125)	119.070	118.135	119.055	16,579	330,293	30y Futures	
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02P	99.240	(3.5)	99.267	99.232	99.267	2y			
BUS05P	99.047	(9.0)	99.125	99.022	99.122	5y			
BUS10P	99.270	(13.5)	100.035	99.215	100.035	10y			
BUS30P	100.170	(18.0)	100.240	100.075	100.240	30y			
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02Y	1.876	6.50	1.9	1.795	1.831	2y Yield			
BUS05Y	2.682	6.70	2.704	2.606	2.62	5y Yield			
BUS10Y	3.515	4.90	3.543	3.46	3.469	10y Yield			
BUS30Y	4.339	3.20	4.368	4.306	4.31	30y Yield			

US
Futures
Market

US Cash
Treasury
Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	104.26	(9.00)	104.32	104.23	104.31	147,613	466,889	Schatz(2Y)	
DLM8	109.78	(22.50)	109.88	109.75	109.87	154,588	499,767	Bobl(5Y)	
DBM8	115.22	(2.80)	115.34	115.12	115.28	264,259	900,805	Bund(10Y)	

German
Futures
Markets

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE030P0310***	99.01	3.523	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	103.37	3.698	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	98.17	3.993	3.750	1/4/2017	10 yr CTD
DEP2P*	99.04	3.523	3.000	3/12/2010	2yr OTR
DEP5P*	102.20	3.706	4.250	10/12/2012	5yr OTR
DEP10P*	100.14	3.980	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								SYM NAME	
Bid	Ask	Last	Hi	Low	Chng				
DGM8	104.26	104.27	104.26	104.32	104.23	-9.00	Schatz(2Y)	German Futures	
DLM8	109.78	109.79	109.78	109.88	109.75	-22.50	Bobl(5Y)		
DBM8	115.21	115.23	115.22	115.34	115.12	-2.80	Bund(10Y)		
Yield								SYM NAME	
Y Bid	Y Ask	Y Last	Y Hi	Y Lo					
DGM8	3.749	3.747	3.747	3.765	3.719		Schatz(2Y)	German Futures	
DLM8	3.816	3.814	3.816	3.822	3.794		Bobl(5Y)		
DBM8	4.114	4.112	4.113	4.124	4.099		Bund(10Y)		
Yield								SYM NAME	
Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng				
T.US.DE030P0310***	3.540	3.523	3.523	3.556	3.474		2 yr CTD	German Cash	
T.US.DE044P0113**	3.707	3.698	3.698	3.716	3.675		5 yr CTD		
T.US.DE036P0117**	4.000	3.993	3.993	4.010	3.978		10 yr CTD		
DEP2P*	3.540	3.523	3.523	3.556	3.474	-9	2yr OTR		
DEP5P*	3.716	3.706	3.706	3.725	3.682	-18	5yr OTR		
DEP10P*	3.987	3.980	3.980	3.999	3.969	-28	10yr OTR		
Decimal								SYM NAME	
Bid	Ask	Last	Hi	Low	Chng				
T.US.DE030P0310***	99.01	99.04	99.04	99.13	98.98	3.000	2 yr CTD	German Cash	
T.US.DE044P0113**	103.37	103.41	103.41	103.51	103.33	-19	5 yr CTD		
T.US.DE036P0117**	98.17	98.22	98.22	98.33	98.10	-27	10 yr CTD		
DEP2P*	99.01	99.04	99.04	99.13	98.98	-9	2yr OTR		
DEP5P*	102.16	102.20	102.20	102.30	102.12	-18	5yr OTR		
DEP10P*	100.09	100.14	100.14	100.23	99.99	-28	10yr OTR		

Notes

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- DE = German Country Code
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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	1.880	1.876	1.876
US5y	2.684	2.682	2.682
US10y	3.519	3.515	3.515

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.540	3.523	3.523
DE5y	3.716	3.706	3.706
DE10y	3.987	3.980	3.980

Spreads

	(Bps)
ZT/SCHATZ	-1.702
ZF/BOBL	-1.116
ZN/BUND	-0.733

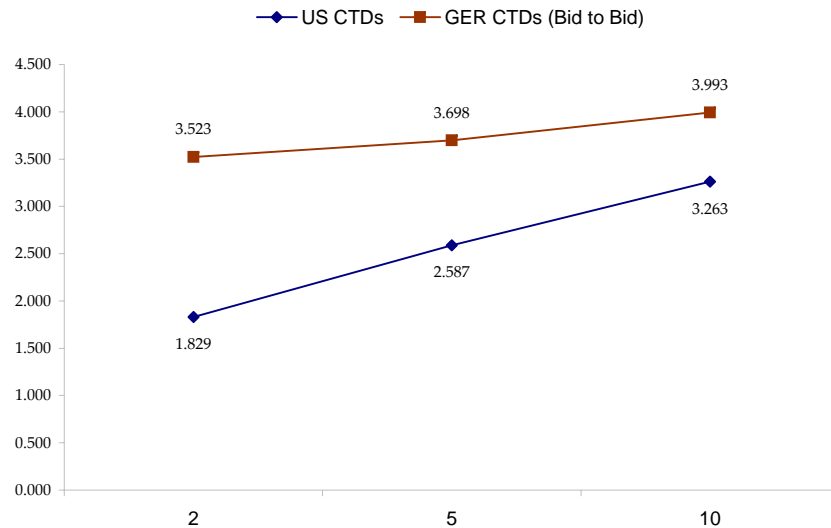
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	1.829	1.821	1.821
4.125 of 08/12	2.587	2.581	2.581
5.125 of 05/16	3.263	3.261	3.261

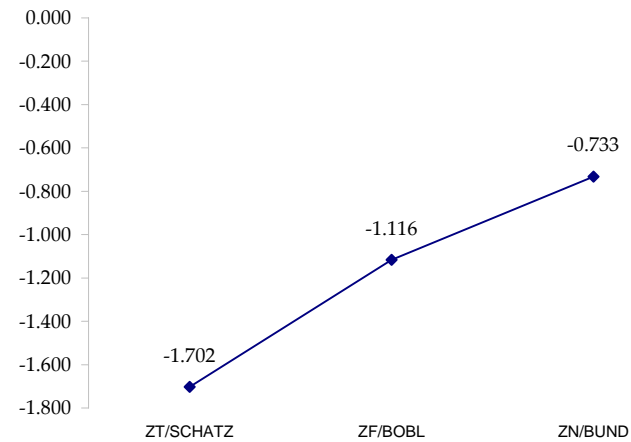
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.540	3.523	3.523
4.500 of 01/13	3.707	3.698	3.698
3.750 of 01/17	4.000	3.993	3.993

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

