

## The Morning Email: US & Germany

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Quotes 1



		32 nds							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
TUAM8	106.165	0.035	106.167	106.120	106.152	26,853	243,183	2y Futures	
FVAM8	112.130	0.052	112.140	112.055	112.127	46,028	586,985	5y Futures	
TYAM8	116.075	0.030	116.085	115.290	116.070	83,100	889,463	10y Futures	
USAM8	116.200	0.065	116.245	116.040	116.245	22,988	265,982	30y Futures	
		Net	Hi	Low	Open	Volume			
BUS02P	99.090	(0.2)	99.095	99.055	99.070	2y			
BUS05P	98.027	(2.5)	98.037	97.280	98.007	5y			
BUS10P	98.025	(7.5)	98.040	97.235	98.015	10y			
BUS30P	97.205	(13.0)	97.300	97.010	97.300	30y			
		Net	Hi	Low	Open	Volume			
BUS02Y	2.127	0.10	2.197	2.114	2.151	2y Yield			
BUS05Y	2.917	3.10	2.966	2.891	2.905	5y Yield			
BUS10Y	3.731	4.80	3.78	3.708	3.718	10y Yield			
BUS30Y	4.517	2.40	4.561	4.499	4.504	30y Yield			

**US Futures Market**

**US Cash Treasury Market**



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	103.76	(4.50)	103.81	103.67	103.69	309,551	863,361	Schatz(2Y)	
DLM8	108.75	(9.00)	108.86	108.57	108.61	242,376	719,923	Bobl(5Y)	
DBM8	114.12	(1.30)	114.24	113.90	114.01	421,743	1,110,874	Bund(10Y)	

**German Futures Markets**

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE030P0310***	98.54	3.798	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	102.36	3.926	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	97.23	4.126	3.750	1/4/2017	10 yr CTD
DEP2P*	98.57	3.798	3.000	3/12/2010	2yr OTR
DEP5P*	98.30	3.882	3.500	4/12/2013	5yr OTR
DEP10P*	99.12	4.110	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	103.75	103.76	103.76	103.81	103.67	-4.50	Schatz(2Y)	German Futures	
DLM8	108.74	108.75	108.75	108.86	108.57	-9.00	Bobl(5Y)	German Futures	
DBM8	114.11	114.12	114.12	114.24	113.90	-1.30	Bund(10Y)	German Futures	
Y Bid	Y Ask	Y Last	Y Hi	Y Lo					
DGM8	4.011	4.009	4.011	4.055	3.983		Schatz(2Y)	German Futures	
DLM8	4.035	4.034	4.035	4.072	4.010		Bobl(5Y)	German Futures	
DBM8	4.240	4.238	4.240	4.264	4.225		Bund(10Y)	German Futures	
Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng				
T.US.DE030P0310***	3.815	3.798	3.798	3.866	3.764		2 yr CTD	German Cash	
T.US.DE044P0113**	3.935	3.926	3.926	3.977	3.900		5 yr CTD	German Cash	
T.US.DE036P0117**	4.133	4.126	4.126	4.165	4.108		10 yr CTD	German Cash	
DEP2P*	3.815	3.798	3.798	3.866	3.764	2	2yr OTR	German Cash	
DEP5P*	3.892	3.882	3.882	3.933	3.855	9	5yr OTR	German Cash	
DEP10P*	4.116	4.110	4.110	4.143	4.092	13	10yr OTR	German Cash	
Decimal								SYM NAME	
Bid	Ask	Last	Hi	Low	Chng				
T.US.DE030P0310***	98.54	98.57	98.57	98.63	98.45	2	2 yr CTD	German Cash	
T.US.DE044P0113**	102.36	102.40	102.40	102.51	102.18	9	5 yr CTD	German Cash	
T.US.DE036P0117**	97.23	97.28	97.28	97.41	97.01	15	10 yr CTD	German Cash	
DEP2P*	98.54	98.57	98.57	98.63	98.45	2	2yr OTR	German Cash	
DEP5P*	98.26	98.30	98.30	98.42	98.08	9	5yr OTR	German Cash	
DEP10P*	99.07	99.12	99.12	99.26	98.86	13	10yr OTR	German Cash	

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)	1.65	2.80	3.24
Bobl (M)	0.91	1.59	1.79
Shatz (M)	0.37	0.65	0.75

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.5	3.5	6.2
Bobl (M)	2.6	6.3	11.3
Shatz (M)	6.4	15.4	27.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.81	4.42
Bobl (M)	0.55		2.44
Shatz (M)	0.23	0.41	

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

**Yields & Spreads**

**US Cash Treasuries (OTR)**

	Bid	Ask	Last
US2y	2.131	2.127	2.127
US5y	2.919	2.917	2.917
US10y	3.735	3.731	3.731

**German Cash Treasuries (OTR)**

	Bid	Ask	Last
DE2y	3.815	3.798	3.798
DE5y	3.892	3.882	3.882
DE10y	4.116	4.110	4.110

**Spreads (Bps)**

ZT/SCHATZ	-1.731
ZF/BOBL	-1.101
ZN/BUND	-0.884

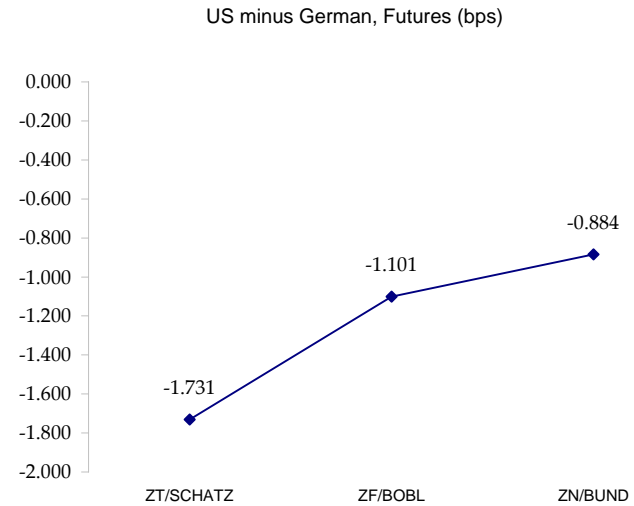
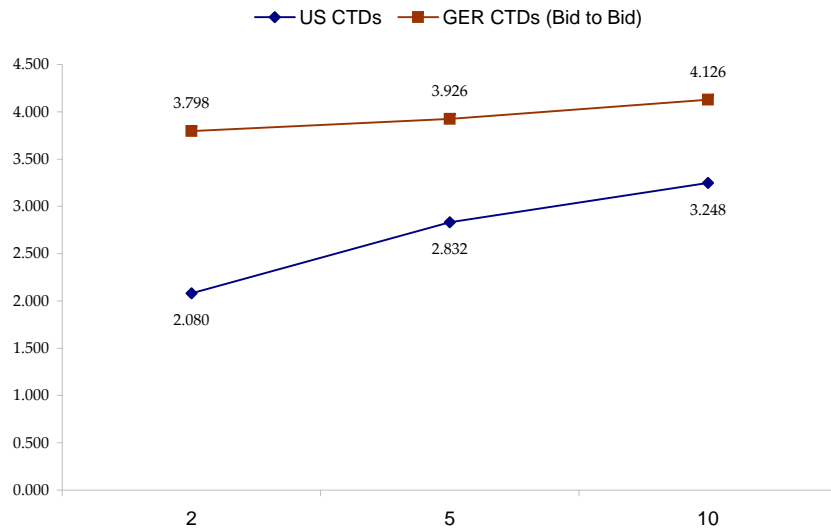
**US Cash Treasuries (CTD)**

	Bid	Ask	Last
4.000 of 03/10	2.080	2.067	2.067
4.125 of 08/12	2.832	2.825	2.825
4.000 of 02/15	3.248	3.242	3.242

**German Futures (CTD)**

	Bid	Ask	Last
3.000 of 03/10	3.815	3.798	3.798
4.500 of 01/13	3.935	3.926	3.926
3.750 of 01/17	4.133	4.126	4.126

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.



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





