

The Morning Email: US & Germany

Table of Contents

Pg 1 Quotes 1

Pg 2 Quotes 2

Pg 3 Hedge Ratios - Bloomberg

Pg 4 Yields & Spreads

Pg 5 Volume Questions & Global Bond Market Characteristics



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	106.112	(0.027)	106.145	106.100	106.132	22,834	158,397	2y Futures	
FVAM8	112.025	(0.082)	112.125	111.315	112.085	54,991	416,534	5y Futures	
TYAM8	116.015	(0.115)	116.155	115.305	116.090	91,493	660,173	10y Futures	
USAM8	116.210	(0.145)	117.050	116.180	117.000	17,991	199,624	30y Futures	
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02P	99.040	(2.5)	99.077	99.032	99.070	2y			
BUS05P	97.265	(5.2)	98.037	97.242	98.017	5y			
BUS10P	97.305	(5.0)	98.105	97.295	98.065	10y			
BUS30P	97.255	(9.0)	98.085	97.240	98.070	30y			
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02Y	2.206	3.40	2.231	2.144	2.181	2y Yield			
BUS05Y	2.973	3.80	2.995	2.909	2.935	5y Yield			
BUS10Y	3.747	2.00	3.759	3.7	3.72	10y Yield			
BUS30Y	4.506	1.80	4.515	4.472	4.483	30y Yield			

US Futures Market

US Cash Treasury Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	103.60	(12.50)	103.78	103.50	103.76	403,598	586,731	Schatz(2Y)	
DLM8	108.51	(28.50)	108.87	108.36	108.83	325,509	502,034	Bobl(5Y)	
DBM8	113.83	(3.20)	114.24	113.68	114.24	497,400	869,776	Bund(10Y)	

German Futures Markets

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE030P0310***	98.40	3.878	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	102.13	3.979	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	96.98	4.162	3.750	1/4/2017	10 yr CTD
DEP2P*	98.43	3.878	3.000	3/12/2010	2yr OTR
DEP5P*	98.06	3.937	3.500	4/12/2013	5yr OTR
DEP10P*	98.84	4.146	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	103.60	103.60	103.60	103.78	103.50	-12.50	Schatz(2Y)
DLM8	108.50	108.51	108.51	108.87	108.36	-28.50	Bobl(5Y)
DBM8	113.82	113.83	113.83	114.24	113.68	-3.20	Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		
DGM8	4.091	4.089	4.089	4.141	3.996		Schatz(2Y)
DLM8	4.086	4.085	4.085	4.117	4.008		Bobl(5Y)
DBM8	4.273	4.272	4.272	4.289	4.225		Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng	
T.US.DE030P0310***	3.895	3.878	3.878	3.952	3.782		2 yr CTD
T.US.DE044P0113**	3.989	3.979	3.979	4.022	3.898		5 yr CTD
T.US.DE036P0117**	4.169	4.162	4.162	4.186	4.114		10 yr CTD
DEP2P*	3.895	3.878	3.878	3.952	3.782	-17	2yr OTR
DEP5P*	3.946	3.937	3.937	3.974	3.858	-34	5yr OTR
DEP10P*	4.152	4.146	4.146	4.169	4.097	-32	10yr OTR
German Cash							
		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE030P0310***	98.40	98.43	98.43	98.60	98.30	-17	2 yr CTD
T.US.DE044P0113**	102.13	102.17	102.17	102.52	101.99	-34	5 yr CTD
T.US.DE036P0117**	96.98	97.03	97.03	97.37	96.86	-29	10 yr CTD
DEP2P*	98.40	98.43	98.43	98.60	98.30	-17	2yr OTR
DEP5P*	98.02	98.06	98.06	98.41	97.90	-34	5yr OTR
DEP10P*	98.79	98.84	98.84	99.22	98.66	-32	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.

US Cash Treasuries (OTR)

	Bid	Ask	Last
US2y	2.214	2.206	2.206
US5y	2.976	2.973	2.973
US10y	3.751	3.747	3.747

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.895	3.878	3.878
DE5y	3.946	3.937	3.937
DE10y	4.152	4.146	4.146

Spreads (Bps)

ZT/SCHATZ	-1.727
ZF/BOBL	-1.096
ZN/BUND	-0.915

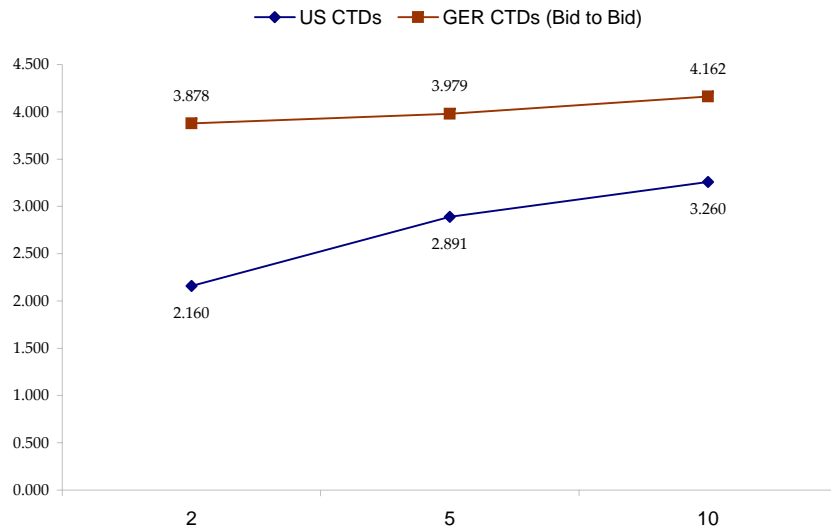
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	2.160	2.151	2.151
4.125 of 08/12	2.891	2.883	2.883
4.000 of 02/15	3.260	3.247	3.247

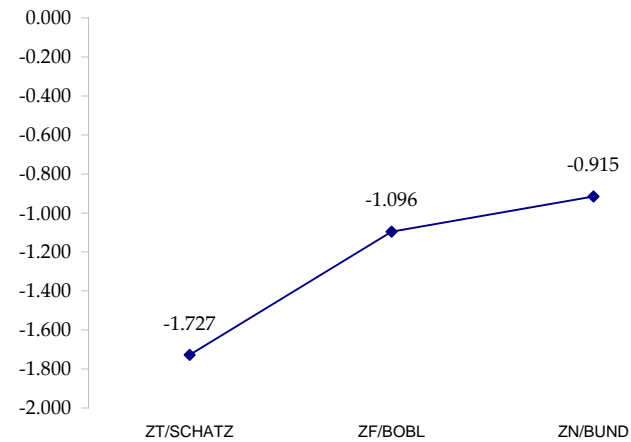
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.895	3.878	3.878
4.500 of 01/13	3.989	3.979	3.979
3.750 of 01/17	4.169	4.162	4.162

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

