

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	106.140	0.025	106.145	106.110	106.110	27,311	190,902	2y Futures	
FVAM8	112.077	0.030	112.092	112.012	112.050	41,721	435,355	5y Futures	
TYAM8	116.040	0.010	116.070	115.275	116.010	110,201	735,116	10y Futures	
USAM8	116.295	(0.015)	117.050	116.200	116.290	13,429	228,324	30y Futures	
			Hi	Low	Open	Volume			
BUS02P	99.272	22.0	99.277	99.250	99.275	2y			
BUS05P	97.307	1.2	98.000	97.255	97.300	5y			
BUS10P	98.035	1.5	98.070	97.290	98.035	10y			
BUS30P	98.000	(1.0)	98.125	97.220	98.100	30y			
			Hi	Low	Open	Volume			
BUS02Y	2.194	0.40	2.254	2.186	2.25	2y Yield			
BUS05Y	2.944	(1.00)	2.987	2.935	2.973	5y Yield			
BUS10Y	3.728	(0.30)	3.761	3.712	3.745	10y Yield			
BUS30Y	4.494	0.10	4.521	4.468	4.501	30y Yield			

US Futures Market

US Cash Treasury Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	103.81	17.50	103.87	103.62	103.62	486,283	608,144	Schatz(2Y)	
DLM8	108.90	33.00	109.03	108.53	108.55	294,441	553,976	Bobl(5Y)	
DBM8	114.26	3.50	114.46	113.81	113.84	521,184	954,447	Bund(10Y)	

German Futures Markets

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE030P0310***	98.60	3.769	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	102.51	3.889	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	97.34	4.111	3.750	1/4/2017	10 yr CTD
DEP2P*	98.63	3.769	3.000	3/12/2010	2yr OTR
DEP5P*	98.45	3.849	3.500	4/12/2013	5yr OTR
DEP10P*	99.19	4.101	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	103.81	103.81	103.81	103.87	103.62	17.50	Schatz(2Y)
DLM8	108.90	108.91	108.90	109.03	108.53	33.00	Bobl(5Y)
DBM8	114.25	114.26	114.26	114.46	113.81	3.50	Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		
DGM8	3.983	3.981	3.981	4.081	3.950		Schatz(2Y)
DLM8	4.001	4.000	4.001	4.081	3.974		Bobl(5Y)
DBM8	4.224	4.222	4.224	4.274	4.199		Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng	
T.US.DE030P0310***	3.786	3.769	3.769	3.883	3.724		2 yr CTD
T.US.DE044P0113**	3.899	3.889	3.889	3.976	3.854		5 yr CTD
T.US.DE036P0117**	4.118	4.111	4.111	4.172	4.080		10 yr CTD
DEP2P*	3.786	3.769	3.769	3.883	3.724	14	2yr OTR
DEP5P*	3.858	3.849	3.849	3.936	3.822	31	5yr OTR
DEP10P*	4.107	4.101	4.101	4.160	4.070	38	10yr OTR
German Cash							
		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE030P0310***	98.60	98.63	98.63	98.71	98.43	14	2 yr CTD
T.US.DE044P0113**	102.51	102.55	102.55	102.70	102.18	31	5 yr CTD
T.US.DE036P0117**	97.34	97.39	97.39	97.61	96.96	35	10 yr CTD
DEP2P*	98.60	98.63	98.63	98.71	98.43	14	2yr OTR
DEP5P*	98.41	98.45	98.45	98.57	98.07	31	5yr OTR
DEP10P*	99.14	99.19	99.19	99.43	98.73	38	10yr OTR
German Cash							

Notes

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- 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	2.202	2.194	2.194
US5y	2.947	2.944	2.944
US10y	3.731	3.728	3.728

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.786	3.769	3.769
DE5y	3.858	3.849	3.849
DE10y	4.107	4.101	4.101

Spreads (Bps)

ZT/SCHATZ	-1.661
ZF/BOBL	-1.031
ZN/BUND	-0.848

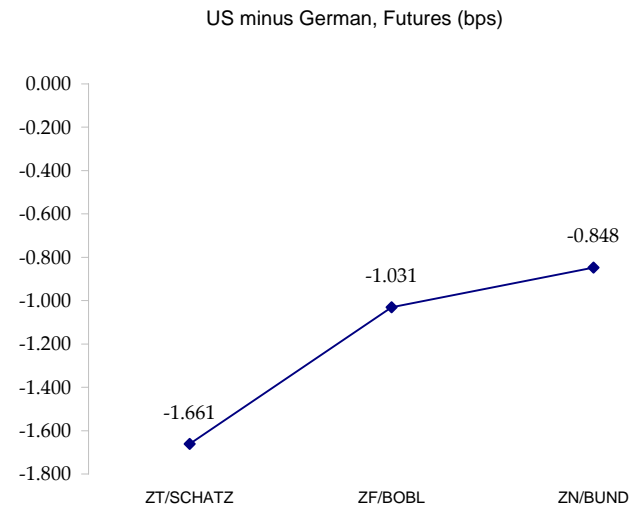
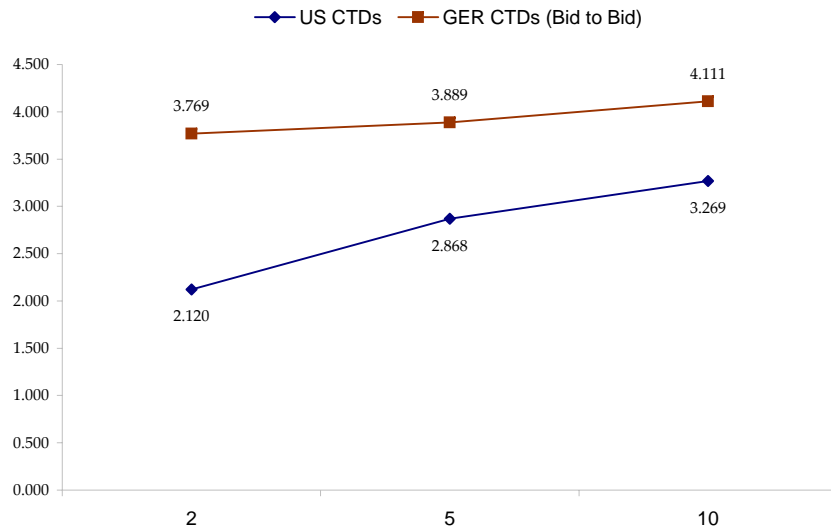
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	2.120	2.108	2.108
4.125 of 08/12	2.868	2.858	2.858
4.000 of 02/15	3.269	3.264	3.264

German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.786	3.769	3.769
4.500 of 01/13	3.899	3.889	3.889
3.750 of 01/17	4.118	4.111	4.111

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

