

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		
TUAZ8	106.035	0.005	106.047	106.022	106.035	28,849	195,025	2y Futures	US Futures Market	
FVAZ8	112.000	0.022	112.010	111.290	112.000	44,439	382,852	5y Futures		
TYAZ8	115.240	0.025	115.260	115.200	115.260	83,092	248,484	10y Futures		
USAZ8	118.005	0.035	118.020	117.260	118.020	16,656	74,447	30y Futures		
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02P	100.002	(0.5)	100.005	99.307	100.005	2y			US Cash Treasury Market	
BUS05P	100.075	(107.5)	100.085	100.035	100.067	5y				
BUS10P	101.240	(0.5)	101.250	101.175	101.240	10y				
BUS30P	101.315	(2.0)	102.005	101.210	101.210	30y				
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02Y	2.368	0.80	2.404	2.347	2.384	2y Yield				
BUS05Y	3.071	2.70	3.118	3.057	3.086	5y Yield				
BUS10Y	3.785	0.30	3.815	3.774	3.789	10y Yield				
BUS30Y	4.376	0.00	4.434	4.373	4.381	30y Yield				



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	103.18	4.00	103.19	103.09	103.13	261,398	634,950	Schatz(2Y)	German Futures Markets	
DLU8	108.33	6.50	108.36	108.14	108.33	232,139	707,795	Bobl(5Y)		
DBU8	114.47	1.70	114.53	114.21	114.42	320,035	926,326	Bund(10Y)		

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE046P0610***	101.07	4.102	4.750	6/11/2010	2 yr CTD
T.US.DE034P0413***	97.70	4.053	3.500	4/12/2013	5 yr CTD
T.US.DE042P0718*	101.05	4.104	4.250	7/4/2017	10 yr CTD
DEP2P*	101.07	4.102	4.750	6/11/2010	2yr OTR
DEP5P*	97.70	4.053	3.500	4/12/2013	5yr OTR
DEP10P*	100.94	4.130	4.250	7/4/2018	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		
DGU8	103.18	103.19	103.18	103.19	103.09	4.00	Schatz(2Y)	German Futures
DLU8	108.33	108.34	108.33	108.36	108.14	6.50	Bobl(5Y)	
DBU8	114.46	114.47	114.47	114.53	114.21	1.70	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGU8	4.307	4.304	4.307	4.353	4.301		Schatz(2Y)	
DLU8	4.122	4.121	4.122	4.164	4.116		Bobl(5Y)	
DBU8	4.199	4.198	4.198	4.228	4.191		Bund(10Y)	German Cash
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE046P0610***	4.119	4.102	4.102	4.167	4.090		2 yr CTD	
T.US.DE034P0413***	4.063	4.053	4.053	4.112	4.046		5 yr CTD	
T.US.DE042P0718*	4.111	4.104	4.104	4.143	4.096		10 yr CTD	
DEP2P*	4.119	4.102	4.102	4.167	4.090	6	2yr OTR	
DEP5P*	4.063	4.053	4.053	4.112	4.046	15	5yr OTR	
DEP10P*	4.137	4.130	4.130	4.172	4.122	39	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE046P0610***	101.04	101.07	101.07	101.09	100.96	6	2 yr CTD	
T.US.DE034P0413***	97.66	97.70	97.70	97.73	97.46	15	5 yr CTD	
T.US.DE042P0718*	101.00	101.05	101.05	101.11	100.77	34	10 yr CTD	
DEP2P*	101.04	101.07	101.07	101.09	100.96	6	2yr OTR	
DEP5P*	97.66	97.70	97.70	97.73	97.46	15	5yr OTR	
DEP10P*	100.89	100.94	100.94	101.01	100.61	39	10yr OTR	

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- ** CTD
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US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (U)	1.62	2.50	2.89
Bobl (U)	0.88	1.36	1.57
Shatz (U)	0.34	0.52	0.61

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (U)	1.5	3.7	6.8
Bobl (U)	2.8	6.9	12.4
Shatz (U)	7.3	17.8	32.4

	Bund (U)	Bobl (U)	Shatz (U)
Bund (U)		1.84	4.78
Bobl (U)	0.55		2.60
Shatz (U)	0.21	0.38	

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	2.372	2.368	2.368
US5y	3.074	3.071	3.071
US10y	3.787	3.785	3.785

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.119	4.102	4.102
DE5y	4.063	4.053	4.053
DE10y	4.137	4.130	4.130

Spreads (Bps)

ZT/SCHATZ	-1.858
ZF/BOBL	-1.094
ZN/BUND	-0.660

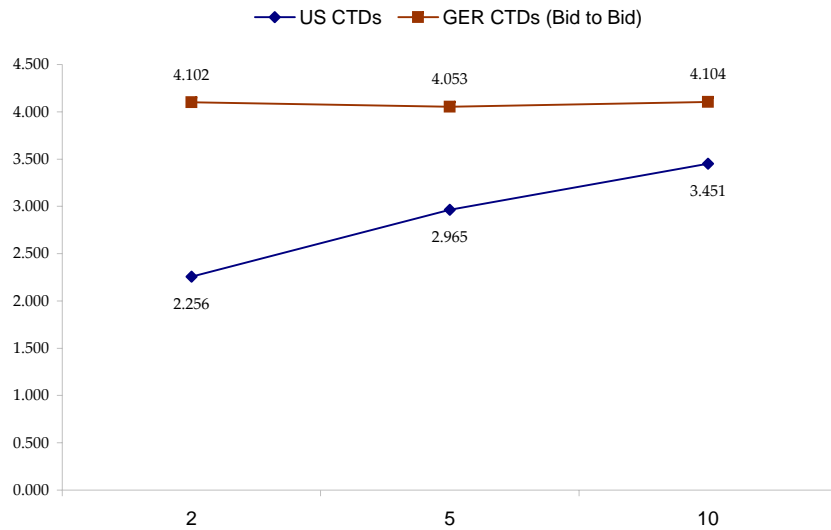
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.875 of 09/10	2.256	2.244	2.244
2.750 of 02/13	2.965	2.960	2.960
5.125 of 05/16	3.451	3.444	3.444

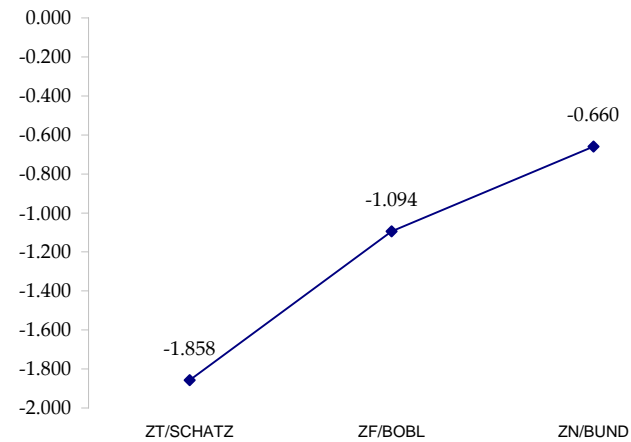
German Futures (CTD)

	Bid	Ask	Last
4.750 of 06/10	4.119	4.102	4.102
3.500 of 04/13	4.063	4.053	4.053
4.250 of 07/17	4.111	4.104	4.104

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

