

The Morning Email: US & Germany

Table of Contents

Pg 1 Quotes 1

Pg 2 Quotes 2

Pg 3 Intrinsic & Tic for Tic Matrix'

Pg 4 Hedge Ratios - Bloomberg

Pg 5 Yields & Spreads

Pg 6 Volume Questions & Global Bond Market Characteristics



Want something added? Let me know: jgoulding@ghco.com

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Quotes 1



32 nds								SYM NAME		
Last	Net	Hi	Low	Open	Volume	Yest Volume				
TUAH8	106.242	(0.002)	106.257	106.232	106.240	60,300	411,103	2y Futures	US Futures Market	
FVAH8	112.220	0.000	112.265	112.200	112.215	62,238	621,272	5y Futures		
TYAH8	115.220	0.020	115.260	115.175	115.200	129,360	1,086,902	10y Futures		
USAH8	115.310	0.005	116.050	115.250	115.300	22,729	329,052	30y Futures		
32 nds								SYM NAME		
Last	Net	Hi	Low	Open	Volume	Yest Volume				
BUS02P	100.010	0.5	100.025	100.002	100.017	2y			US Cash Treasury Market	
BUS05P	99.215	2.2	99.260	99.202	99.215	5y				
BUS10P	96.260	4.5	96.310	96.235	96.240	10y				
BUS30P	95.170	8.0	95.235	95.120	95.140	30y				
32 nds								SYM NAME		
Last	Net	Hi	Low	Open	Volume	Yest Volume				
BUS02Y	2.105	(0.80)	2.125	2.075	2.121	2y Yield				
BUS05Y	2.944	(1.70)	2.964	2.913	2.949	5y Yield				
BUS10Y	3.887	(1.70)	3.912	3.865	3.912	10y Yield				
BUS30Y	4.649	(1.20)	4.673	4.635	4.671	30y Yield				



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.44	(5.50)	104.57	104.36	104.50	563,729	738,790	Schatz(2Y)	German Futures Markets
DLH8	110.13	(25.50)	110.53	110.05	110.38	457,526	678,067	Bobl(5Y)	
DBH8	115.33	(3.30)	115.75	115.19	115.66	725,977	1,093,536	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.05	3.359	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	102.57	3.622	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	97.91	4.027	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.08	3.359	4.000	12/11/2009	2yr OTR	
DEP5P*	102.61	3.622	4.250	10/12/2012	5yr OTR	
DEP10P*	99.41	4.073	4.000	1/4/2018	10yr OTR	

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
DGH8	104.44	104.44	104.44	104.57	104.36	-5.50
DLH8	110.12	110.13	110.13	110.53	110.05	-25.50
DBH8	115.32	115.33	115.33	115.75	115.19	-3.30

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8	3.660	3.657	3.660	3.701	3.591
DLH8	3.743	3.741	3.743	3.759	3.657
DBH8	4.102	4.100	4.102	4.116	4.053

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.377	3.359	3.359	3.435	3.307	
T.US.DE042P1012***	3.631	3.622	3.622	3.657	3.545	
T.US.DE036P0117**	4.034	4.027	4.027	4.055	3.979	
DEP2P*	3.377	3.359	3.359	3.435	3.307	-8
DEP5P*	3.631	3.622	3.622	3.657	3.545	-29
DEP10P*	4.079	4.073	4.073	4.100	4.025	-33

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.05	101.08	101.08	101.17	100.95	-8
T.US.DE042P1012***	102.57	102.61	102.61	102.94	102.46	-29
T.US.DE036P0117**	97.91	97.96	97.96	98.31	97.76	-32
DEP2P*	101.05	101.08	101.08	101.17	100.95	-8
DEP5P*	102.57	102.61	102.61	102.94	102.46	-29
DEP10P*	99.36	99.41	99.41	99.79	99.19	-33

SYM NAME	
Schatz(2Y)	German Futures
Bobl(5Y)	
Bund(10Y)	

Schatz(2Y)	German Futures
Bobl(5Y)	
Bund(10Y)	

2 yr CTD	German Cash
5 yr CTD	
10 yr CTD	
2yr OTR	
5yr OTR	
10yr OTR	

SYM NAME	
2 yr CTD	German Cash
5 yr CTD	
10 yr CTD	
2yr OTR	
5yr OTR	
10yr OTR	

Notes

- Y = Yield
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- CTD = Cheapest to Deliver
- OTR = On the Run
- * OTR
- ** CTD
- *** CTD & OTR

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	16.26	4.98	\$1,557	€ 2,315
10y	8.30	2.57	\$805	€ 1,196
5y	4.55	1.47	\$458	€ 681
2y	1.87	0.60	\$188	€ 279
ZB	10.38	3.88	\$121	€ 180
ZN	5.77	2.17	\$68	€ 101
ZF	3.83	1.40	\$44	€ 65
ZT	1.73	0.60	\$19	€ 28

^Futures are Based on CTD

German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.34	€ 253	\$170	0.849146
Bobl	4.08	€ 136	\$91	0.931197
Schatz	1.94	€ 63	\$42	0.947563
DE10Y	7.95	€ 1,182	\$795	
DE5Y	4.08	€ 632	\$425	
DE2Y	1.94	€ 300	\$202	

^Futures are Based on CTD

Last
EURUSD 148.66

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y	9.14	17.04	37.00
10y	4.73	8.80	19.12
5y	2.69	5.01	10.88
2y	1.10	2.06	4.46
ZB	0.71	1.33	2.88
ZN	0.40	1.34	1.61
ZF	0.26	0.48	1.04
ZT	0.11	0.20	0.44

Notes

1) CF = Conversion Factor

2) MDuration = Modified Macaulay Duration

3) MDuration & DV01s for Futures are based on proxy issue (CTD)

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (H)	1.90	2.90	3.40
Bobl (H)	1.00	1.60	1.80
Shatz (H)	0.39	0.60	0.71

Bloomberg
Ratio's

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (H)	1.5	3.6	6.4
Bobl (H)	2.8	6.7	11.8
Shatz (H)	7.1	17.2	30.4

Bloomberg
Ratio's

	Bund (H)	Bobl (H)	Shatz (H)
Bund (H)	1.00	1.86	4.80
Bobl (H)	0.54	1.00	2.58
Shatz (H)	0.21	0.39	1.00

Bloomberg
Ratio's

Yields & Spreads

US Cash Treasuries (OTR)			
	Bid	Ask	Last
US2y	2.109	2.105	2.105
US5y	2.947	2.944	2.944
US10y	3.889	3.887	3.887

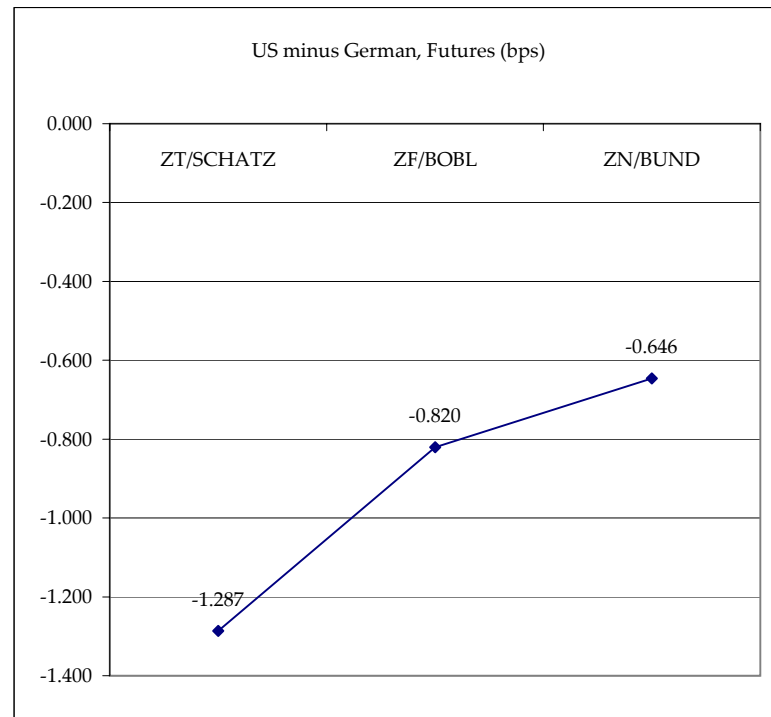
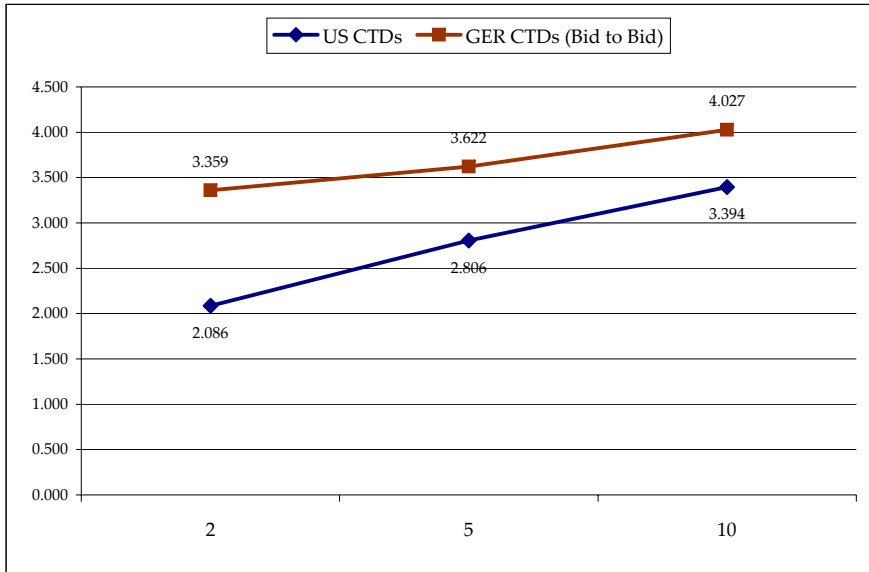
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.377	3.359	3.359
DE5y	3.631	3.622	3.622
DE10y	4.079	4.073	4.073

Spreads	
	Bps
ZT/SCHATZ	-1.287
ZF/BOBL	-0.820
ZN/BUND	-0.646

US Cash Treasuries (CTD)			
	Bid	Ask	Last
3.500 of 12/09	2.086	2.103	2.073
4.750 of 05/12	2.806	2.802	2.802
4.250 of 11/14	3.394	3.381	3.381

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.377	3.359	3.359
4.250 of 10/12	3.631	3.622	3.622
3.750 of 01/17	4.034	4.027	4.027

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

