

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	
TUAU8	104.287	0.040	104.290	104.257	104.270	16,242	320,384	2y Futures	
FVAU8	109.070	0.082	109.070	109.002	109.010	27,887	570,284	5y Futures	
TYAU8	112.055	0.105	112.065	111.280	111.305	79,379	919,632	10y Futures	
USAU8	112.260	0.055	112.280	112.175	112.185	13,994	279,186	30y Futures	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02P	99.152	2.5	99.157	99.135	99.135			2y	
BUS05P	99.177	6.7	99.180	99.120	99.127			5y	
BUS10P	97.180	8.0	97.190	97.100	97.110			10y	
BUS30P	94.035	5.0	94.075	93.270	93.285			30y	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02Y	2.897	(4.90)	2.96	2.888	2.955			2y Yield	
BUS05Y	3.597	(4.00)	3.653	3.594	3.653			5y Yield	
BUS10Y	4.172	(3.50)	4.213	4.17	4.211			10y Yield	
BUS30Y	4.742	(1.30)	4.768	4.737	4.762			30y Yield	

US Futures Market

US Cash Treasury Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGU8	102.19	13.00	102.20	102.13	102.15	132,375	723,256	Schatz(2Y)	
DLU8	105.37	18.50	105.38	105.22	105.28	122,270	612,678	Bobl(5Y)	
DBU8	110.04	3.00	110.06	109.85	109.93	218,665	1,143,850	Bund(10Y)	

German Futures Markets

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE024P1010***	95.34	4.653	4/4/1900	4/4/1900	2 yr CTD
T.US.DE034P0413***	94.85	4.712	3.500	4/12/2013	5 yr CTD
T.US.DE042P0717***	97.12	4.641	4.250	7/4/2017	10 yr CTD
DEP2P*	100.18	4.500	4.750	6/11/2010	2yr OTR
DEP5P*	94.89	4.712	3.500	4/12/2013	5yr OTR
DEP10P*	96.90	4.643	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					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
DGU8	102.19	102.19	102.19	102.20	102.13	13.00	Schatz(2Y)
DLU8	105.36	105.37	105.37	105.38	105.22	18.50	Bobl(5Y)
DBU8	110.03	110.04	110.04	110.06	109.85	3.00	Bund(10Y)
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME
DGU8	4.828	4.825	4.825	4.857	4.820		Schatz(2Y)
DLU8	4.770	4.769	4.769	4.802	4.767		Bobl(5Y)
DBU8	4.719	4.718	4.718	4.740	4.715		Bund(10Y)
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME
T.US.DE024P1010***	4.667	4.653	4.653	4.692	4.638		2 yr CTD
T.US.DE034P0413***	4.722	4.712	4.712	4.756	4.707		5 yr CTD
T.US.DE042P0717***	4.648	4.641	4.641	4.673	4.638		10 yr CTD
DEP2P*	4.516	4.500	4.500	4.543	4.495	7	2yr OTR
DEP5P*	4.722	4.712	4.712	4.756	4.707	20	5yr OTR
DEP10P*	4.650	4.643	4.643	4.675	4.640	30	10yr OTR

German Futures

		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE024P1010***	95.34	95.34	95.34	95.34	95.34	95	2 yr CTD
T.US.DE034P0413***	94.85	94.89	94.89	94.91	94.71	20	5 yr CTD
T.US.DE042P0717***	97.12	97.17	97.17	97.19	96.94	28	10 yr CTD
DEP2P*	100.15	100.18	100.18	100.19	100.10	7	2yr OTR
DEP5P*	94.85	94.89	94.89	94.91	94.71	20	5yr OTR
DEP10P*	96.85	96.90	96.90	96.93	96.66	30	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 (U)	1.68	2.76	2.98
Bobl (U)	0.95	1.55	1.73
Shatz (U)	0.43	0.65	0.72

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (U)	1.5	3.6	6.4
Bobl (U)	2.7	6.4	11.3
Shatz (U)	6.4	15.4	27.1

	Bund (U)	Bobl (U)	Shatz (U)
Bund (U)		1.78	4.26
Bobl (U)	0.56		2.40
Shatz (U)	0.24	0.42	

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	2.905	2.897	2.897
US5y	3.599	3.597	3.597
US10y	4.180	4.172	4.172

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.516	4.500	4.500
DE5y	4.722	4.712	4.712
DE10y	4.650	4.643	4.643

Spreads (Bps)

ZT/SCHATZ	-1.778
ZF/BOBL	-1.166
ZN/BUND	-0.549

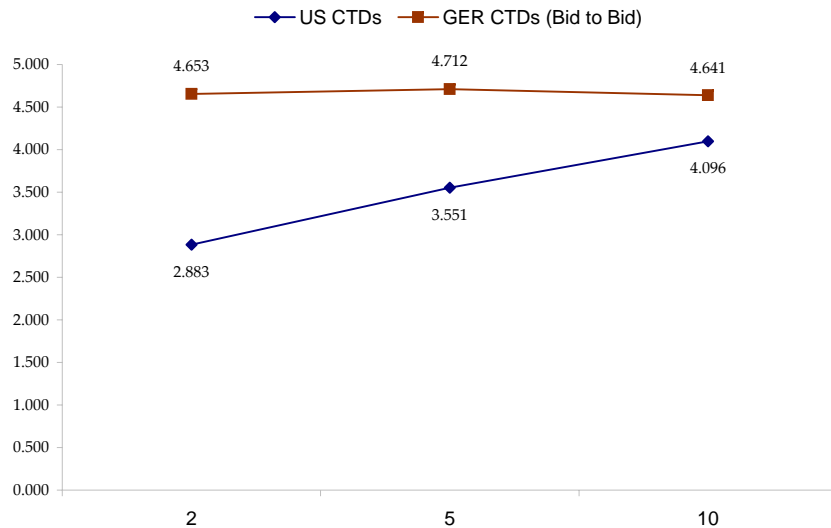
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.625 of 06/10	2.883	2.875	2.875
3.375 of 11/12	3.551	3.545	3.545
5.125 of 05/16	4.096	4.091	4.091

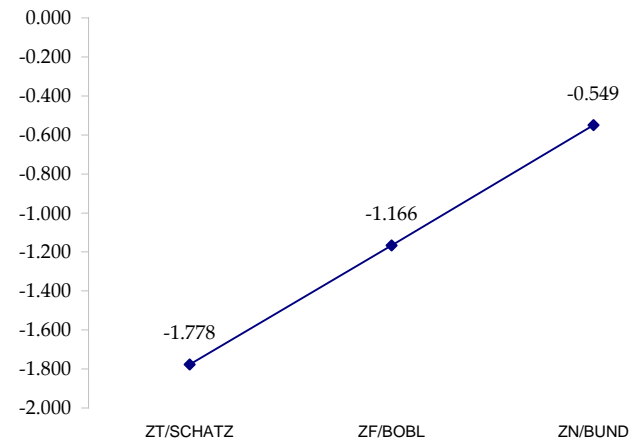
German Futures (CTD)

	Bid	Ask	Last
95.34 of 04/00	4.667	4.653	4.653
3.500 of 04/13	4.722	4.712	4.712
4.250 of 07/17	4.648	4.641	4.641

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

