

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	105.300	0.022	105.307	105.250	105.285	37,443	404,764	2y Futures	US Futures Market
FVAM8	111.147	0.050	111.172	111.040	111.107	69,463	722,253	5y Futures	
TYAM8	114.305	0.070	115.010	114.155	114.230	151,719	1,183,952	10y Futures	
USAM8	116.035	0.095	116.085	115.195	115.255	29,443	396,672	30y Futures	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02P	99.087	1.7	99.097	99.040	99.062			2y	US Cash Treasury Market
BUS05P	99.210	4.2	99.232	99.105	99.160			5y	
BUS10P	99.270	7.0	99.305	99.140	99.210			10y	
BUS30P	96.090	8.5	96.140	95.235	95.275			30y	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02Y	2.510	(2.30)	2.602	2.489	2.548			2y Yield	US Cash Treasury Market
BUS05Y	3.196	(3.10)	3.275	3.184	3.229			5y Yield	
BUS10Y	3.892	(2.50)	3.947	3.877	3.917			10y Yield	
BUS30Y	4.604	(1.70)	4.645	4.592	4.624			30y Yield	



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	103.08	5.50	103.12	102.90	103.01	347,993	735,269	Schatz(2Y)	German Futures Markets
DLM8	107.67	21.00	107.74	107.30	107.47	238,225	482,930	Bobl(5Y)	
DBM8	113.06	3.30	113.15	112.53	112.66	421,960	858,499	Bund(10Y)	

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE030P0310***	98.01	4.153	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	101.34	4.159	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	96.34	4.257	3.750	1/4/2017	10 yr CTD
DEP2P*	98.04	4.153	3.000	3/12/2010	2yr OTR
DEP5P*	97.29	4.124	3.500	4/12/2013	5yr OTR
DEP10P*	98.01	4.254	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	103.08	103.08	103.08	103.12	102.90	5.50	Schatz(2Y)	German Futures
DLM8	107.67	107.68	107.67	107.74	107.30	21.00	Bobl(5Y)	
DBM8	113.06	113.07	113.06	113.15	112.53	3.30	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
DGM8	4.361	4.359	4.361	4.452	4.338		Schatz(2Y)	German Futures
DLM8	4.264	4.263	4.264	4.345	4.250		Bobl(5Y)	
DBM8	4.361	4.360	4.361	4.423	4.350		Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE030P0310***	4.171	4.153	4.153	4.274	4.135		2 yr CTD	German Cash
T.US.DE044P0113**	4.169	4.159	4.159	4.255	4.144		5 yr CTD	
T.US.DE036P0117**	4.265	4.257	4.257	4.333	4.246		10 yr CTD	
DEP2P*	4.171	4.153	4.153	4.274	4.135	6	2yr OTR	
DEP5P*	4.133	4.124	4.124	4.213	4.109	14	5yr OTR	
DEP10P*	4.261	4.254	4.254	4.324	4.239	32	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
T.US.DE030P0310***	98.01	98.04	98.04	98.07	97.84	6	2 yr CTD	German Cash
T.US.DE044P0113**	101.34	101.38	101.38	101.44	100.98	17	5 yr CTD	
T.US.DE036P0117**	96.34	96.39	96.39	96.47	95.87	31	10 yr CTD	
DEP2P*	98.01	98.04	98.04	98.07	97.84	6	2yr OTR	
DEP5P*	97.25	97.29	97.29	97.35	96.91	14	5yr OTR	
DEP10P*	97.96	98.01	98.01	98.13	97.48	32	10yr OTR	

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)	1.87	2.90	3.34
Bobl (M)	1.03	1.59	1.83
Shatz (M)	0.42	0.65	0.75

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.5	3.6	6.2
Bobl (M)	2.7	6.5	11.2
Shatz (M)	6.7	16.0	27.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.82	4.48
Bobl (M)	0.55		2.46
Shatz (M)	0.22	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	2.514	2.510	2.510
US5y	3.203	3.196	3.196
US10y	3.894	3.892	3.892

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.171	4.153	4.153
DE5y	4.133	4.124	4.124
DE10y	4.261	4.254	4.254

Spreads (Bps)

ZT/SCHATZ	-1.698
ZF/BOBL	-1.070
ZN/BUND	-0.709

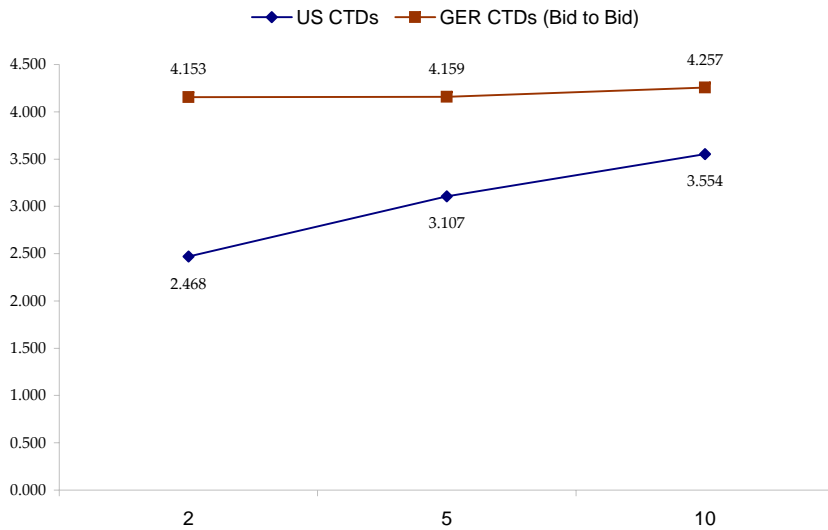
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	2.468	2.455	2.455
4.125 of 08/12	3.107	3.089	3.089
4.000 of 02/15	3.554	3.549	3.549

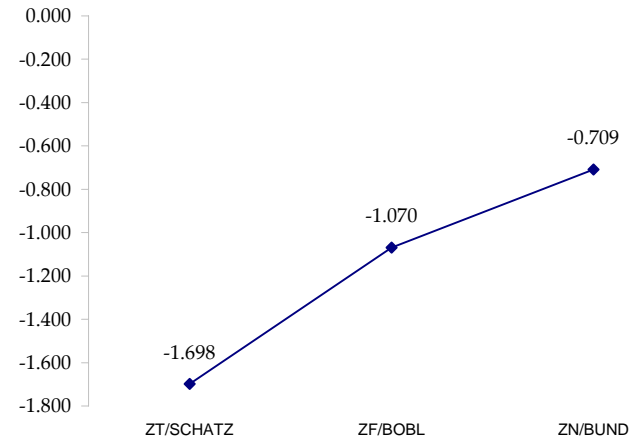
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	4.171	4.153	4.153
4.500 of 01/13	4.169	4.159	4.159
3.750 of 01/17	4.265	4.257	4.257

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

