

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	106.092	(0.010)	106.102	106.082	106.087	33,586	259,911	2y Futures	US Futures Market	
FVAZ8	112.140	0.005	112.152	112.102	112.135	58,319	647,039	5y Futures		
TYAZ8	116.085	0.015	116.100	116.015	116.065	111,048	986,503	10y Futures		
USAZ8	118.035	0.000	118.065	117.295	118.050	19,360	310,140	30y Futures		
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02P	100.062	(1.2)	100.067	100.052	100.062	2y			US Cash Treasury Market	
BUS05P	100.195	(0.5)	100.205	100.167	100.187	5y				
BUS10P	102.040	(1.5)	102.055	101.315	102.035	10y				
BUS30P	102.085	(2.0)	102.135	102.030	102.070	30y				
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02Y	2.271	2.00	2.299	2.246	2.283	2y Yield				
BUS05Y	2.986	0.30	3.015	2.983	3	5y Yield				
BUS10Y	3.738	0.30	3.763	3.733	3.74	10y Yield				
BUS30Y	4.361	0.90	4.376	4.352	4.356	30y Yield				



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	103.22	(5.00)	103.37	103.21	103.28	1,041,454	1,005,700	Schatz(2Y)	German Futures Markets	
DLU8	108.56	1.00	108.81	108.46	108.58	802,629	857,735	Bobl(5Y)		
DBU8	114.50	(0.10)	114.82	114.29	114.52	916,050	1,378,439	Bund(10Y)		

	Price	Yield				
	Last	Last	Coupon	Maturity	SYM NAME	
T.US.DE046P0610***	101.09	4.085	4.750	6/11/2010	2 yr CTD	German Cash Treasury Market
T.US.DE034P0413***	97.92	4.001	3.500	4/12/2013	5 yr CTD	
T.US.DE042P0718*	101.09	4.099	4.250	7/4/2017	10 yr CTD	
DEP2P*	101.09	4.085	4.750	6/11/2010	2yr OTR	
DEP5P*	97.92	4.001	3.500	4/12/2013	5yr OTR	
DEP10P*	100.99	4.124	4.250	7/4/2018	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	SYM NAME
DGU8	103.21	103.22	103.22	103.37	103.21	-5.00	Schatz(2Y)
DLU8	108.56	108.56	108.56	108.81	108.46	1.00	Bobl(5Y)
DBU8	114.49	114.50	114.50	114.82	114.29	-0.10	Bund(10Y)
		Y Bid	Y Ask	Y Last	Y Hi	Y Lo	SYM NAME
DGU8		4.291	4.288	4.288	4.294	4.208	Schatz(2Y)
DLU8		4.074	4.073	4.074	4.095	4.020	Bobl(5Y)
DBU8		4.196	4.195	4.195	4.219	4.158	Bund(10Y)
		Y Bid	Y Ask	Y Last	Y Hi	Y Lo	SYM NAME
T.US.DE046P0610***		4.102	4.085	4.085	4.102	3.990	2 yr CTD
T.US.DE034P0413***		4.010	4.001	4.001	4.033	3.947	5 yr CTD
T.US.DE042P0718*		4.105	4.099	4.099	4.134	4.059	10 yr CTD
DEP2P*		4.102	4.085	4.085	4.102	3.990	2yr OTR
DEP5P*		4.010	4.001	4.001	4.033	3.947	5yr OTR
DEP10P*		4.130	4.124	4.124	4.156	4.086	10yr OTR

		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE046P0610***	101.06	101.09	101.09	101.25	101.06	-2	2 yr CTD
T.US.DE034P0413***	97.88	97.92	97.92	98.14	97.79	7	5 yr CTD
T.US.DE042P0718*	101.04	101.09	101.09	101.38	100.83	6	10 yr CTD
DEP2P*	101.06	101.09	101.09	101.25	101.06	-2	2yr OTR
DEP5P*	97.88	97.92	97.92	98.14	97.79	7	5yr OTR
DEP10P*	100.94	100.99	100.99	101.29	100.73	7	10yr OTR

German Futures

German Futures

German Cash

German Cash

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- Y = Yield
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- * OTR
- ** CTD
- *** CTD & OTR

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	2.275	2.271	2.271
US5y	2.993	2.986	2.986
US10y	3.746	3.738	3.738

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.102	4.085	4.085
DE5y	4.010	4.001	4.001
DE10y	4.130	4.124	4.124

Spreads (Bps)

ZT/SCHATZ	-1.932
ZF/BOBL	-1.144
ZN/BUND	-0.711

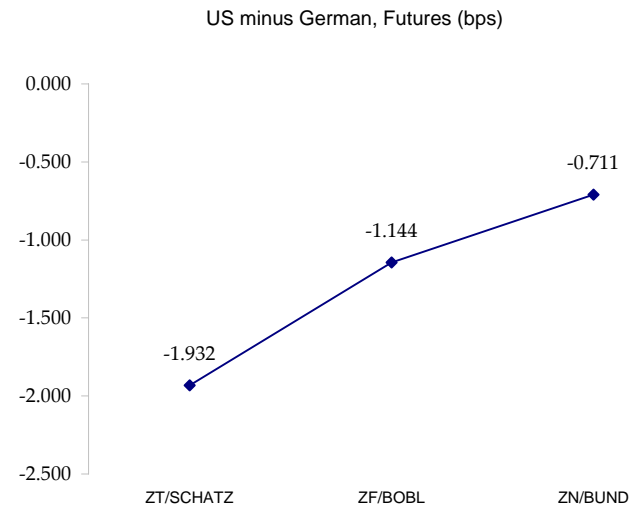
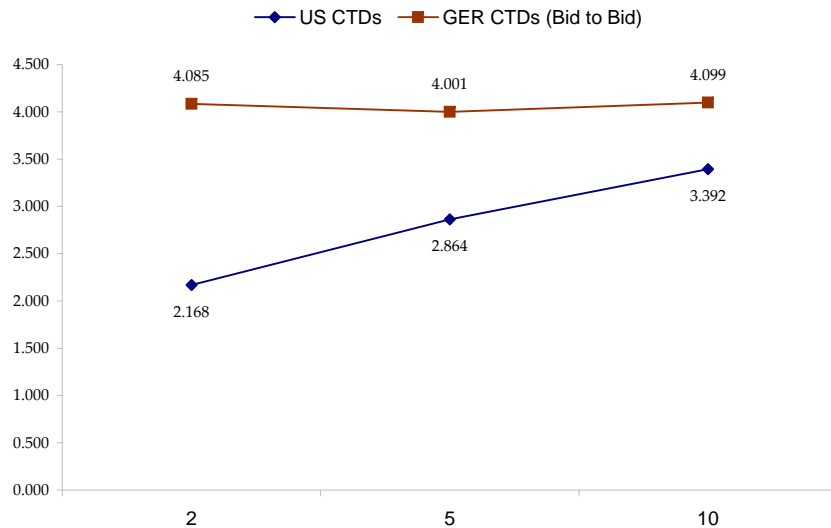
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.875 of 09/10	2.168	2.152	2.152
2.750 of 02/13	2.864	2.857	2.857
5.125 of 05/16	3.392	3.388	3.388

German Futures (CTD)

	Bid	Ask	Last
4.750 of 06/10	4.102	4.085	4.085
3.500 of 04/13	4.010	4.001	4.001
4.250 of 07/17	4.105	4.099	4.099

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

