

## The Morning Email: US & Germany

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Quotes 1



		32 nds								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
TUAZ8	106.107	(0.002)	106.115	106.077	106.100	44,408	219,795	2y Futures	<b>US Futures Market</b>	
FVAZ8	112.202	(0.010)	112.225	112.137	112.192	59,093	514,657	5y Futures		
TYAZ8	116.170	(0.025)	116.200	116.090	116.155	111,531	759,128	10y Futures		
USAZ8	118.145	(0.045)	118.190	118.070	118.175	24,370	212,079	30y Futures		
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02P	100.075	0.5	100.082	100.052	100.067	2y			<b>US Cash Treasury Market</b>	
BUS05P	100.267	0.7	100.292	100.210	100.250	5y				
BUS10P	102.145	(0.5)	102.190	102.075	102.140	10y				
BUS30P	102.235	(7.0)	102.295	102.170	102.295	30y				
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02Y	2.250	0.00	2.299	2.234	2.283	2y Yield				
BUS05Y	2.944	0.20	2.986	2.923	2.964	5y Yield				
BUS10Y	3.699	0.20	3.733	3.684	3.708	10y Yield				
BUS30Y	4.333	1.70	4.349	4.318	4.322	30y Yield				



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	103.14	1.00	103.19	102.90	103.11	1,266,610	1,198,384	Schatz(2Y)	<b>German Futures Markets</b>	
DLU8	108.61	11.00	108.70	108.08	108.38	812,707	989,250	Bobl(5Y)		
DBU8	114.55	1.20	114.65	113.92	114.28	1,213,123	1,467,318	Bund(10Y)		

	Price	Yield				
	Last	Last	Coupon	Maturity	SYM NAME	
T.US.DE046P0610***	101.05	4.107	4.750	6/11/2010	2 yr CTD	<b>German Cash Treasury Market</b>
T.US.DE034P0413***	97.98	3.986	3.500	4/12/2013	5 yr CTD	
T.US.DE042P0718*	101.13	4.093	4.250	7/4/2017	10 yr CTD	
DEP2P*	101.05	4.107	4.750	6/11/2010	2yr OTR	
DEP5P*	97.98	3.986	3.500	4/12/2013	5yr OTR	
DEP10P*	101.04	4.118	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				SYM NAME	
	Bid	Ask	Last	Hi	Low	Chng		
DGU8	103.14	103.14	103.14	103.19	102.90	1.00	Schatz(2Y)	German Futures
DLU8	108.61	108.61	108.61	108.70	108.08	11.00	Bobl(5Y)	
DBU8	114.55	114.56	114.55	114.65	113.92	1.20	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGU8	4.330	4.327	4.327	4.452	4.301		Schatz(2Y)	
DLU8	4.064	4.063	4.064	4.177	4.044		Bobl(5Y)	
DBU8	4.189	4.188	4.189	4.261	4.178		Bund(10Y)	German Cash
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE046P0610***	4.125	4.107	4.107	4.215	4.083		2 yr CTD	
T.US.DE034P0413***	3.996	3.986	3.986	4.104	3.966		5 yr CTD	
T.US.DE042P0718*	4.100	4.093	4.093	4.177	4.079		10 yr CTD	
DEP2P*	4.125	4.107	4.107	4.215	4.083	-1	2yr OTR	
DEP5P*	3.996	3.986	3.986	4.104	3.966	13	5yr OTR	
DEP10P*	4.124	4.118	4.118	4.202	4.104	14	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE046P0610***	101.02	101.05	101.05	101.09	100.87	-1	2 yr CTD	
T.US.DE034P0413***	97.94	97.98	97.98	98.06	97.50	13	5 yr CTD	
T.US.DE042P0718*	101.08	101.13	101.13	101.23	100.52	13	10 yr CTD	
DEP2P*	101.02	101.05	101.05	101.09	100.87	-1	2yr OTR	
DEP5P*	97.94	97.98	97.98	98.06	97.50	13	5yr OTR	
DEP10P*	100.99	101.04	101.04	101.15	100.37	14	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 (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	2.254	2.250	2.250
US5y	2.944	2.942	2.944
US10y	3.703	3.699	3.699

**German Cash Treasuries (OTR)**

	Bid	Ask	Last
DE2y	4.125	4.107	4.107
DE5y	3.996	3.986	3.986
DE10y	4.124	4.118	4.118

**Spreads (Bps)**

ZT/SCHATZ	-1.981
ZF/BOBL	-1.159
ZN/BUND	-0.707

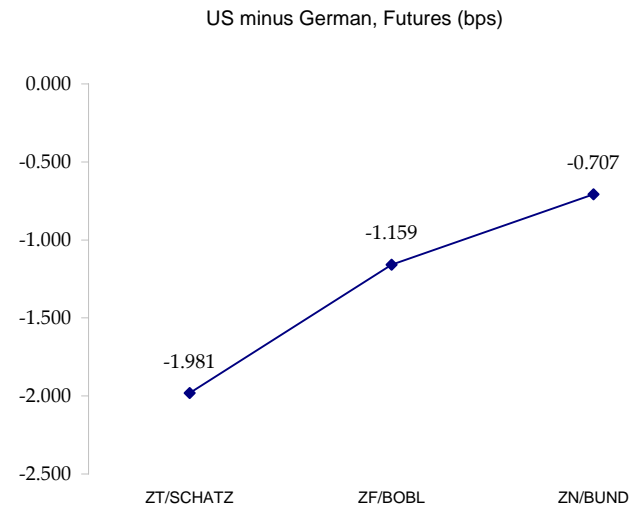
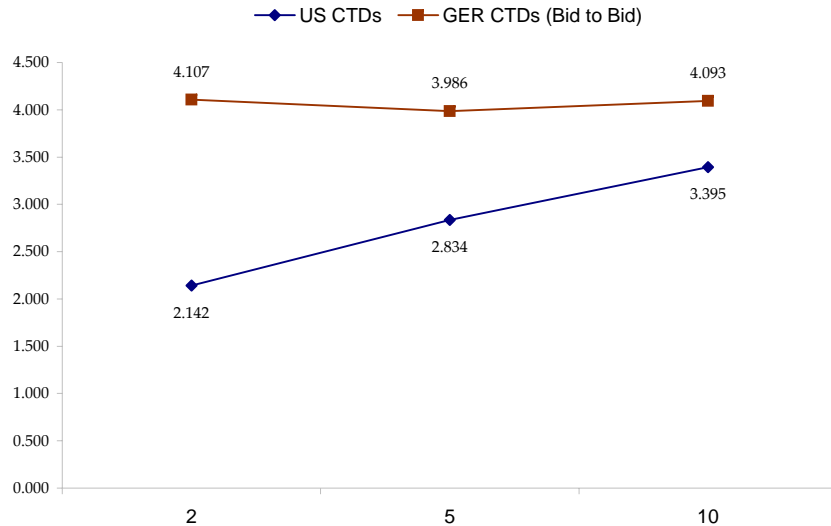
**US Cash Treasuries (CTD)**

	Bid	Ask	Last
3.875 of 09/10	2.142	2.126	2.126
2.750 of 02/13	2.834	2.827	2.827
5.125 of 05/16	3.395	3.386	3.386

**German Futures (CTD)**

	Bid	Ask	Last
4.750 of 06/10	4.125	4.107	4.107
3.500 of 04/13	3.996	3.986	3.986
4.250 of 07/17	4.100	4.093	4.093

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





