

## The Morning Email: US & Germany

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Quotes 1



		32 nds								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
TUAZ8	106.000	(0.122)	106.042	105.252	106.042	130,615	349,442	2y Futures	<b>US Futures Market</b>	
FVAZ8	111.192	(1.045)	112.040	111.062	112.040	211,414	750,285	5y Futures		
TYAZ8	115.090	(1.110)	115.255	114.240	115.250	302,847	1,158,187	10y Futures		
USAZ8	117.255	(1.090)	118.065	117.055	118.065	66,379	345,888	30y Futures		
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02P	99.285	(6.7)	99.297	99.225	99.245	2y			<b>US Cash Treasury Market</b>	
BUS05P	99.297	(22.2)	99.312	99.180	99.200	5y				
BUS10P	101.175	(25.5)	101.225	100.280	100.280	10y				
BUS30P	102.075	(25.0)	102.165	101.215	102.015	30y				
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02Y	2.429	11.80	2.547	2.254	2.29	2y Yield				
BUS05Y	3.137	15.30	3.224	2.935	2.948	5y Yield				
BUS10Y	3.809	10.50	3.902	3.667	3.674	10y Yield				
BUS30Y	4.361	4.90	4.404	4.276	4.28	30y Yield				



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	103.19	(15.00)	103.22	103.03	103.15	455,589	486,686	Schatz(2Y)	<b>German Futures Markets</b>	
DLU8	108.74	(37.00)	108.82	108.28	108.28	434,151	436,973	Bobl(5Y)		
DBU8	114.76	(5.10)	114.90	114.29	114.66	567,937	796,315	Bund(10Y)		

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE046P0610***	101.10	4.075	4.750	6/11/2010	2 yr CTD
T.US.DE034P0413***	98.05	3.969	3.500	4/12/2013	5 yr CTD
T.US.DE042P0718*	101.21	4.082	4.250	7/4/2017	10 yr CTD
DEP2P*	101.10	4.075	4.750	6/11/2010	2yr OTR
DEP5P*	98.05	3.969	3.500	4/12/2013	5yr OTR
DEP10P*	101.12	4.107	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				SYM NAME	
	Bid	Ask	Last	Hi	Low	Chng		
DGU8	103.19	103.19	103.19	103.22	103.03	-15.00	Schatz(2Y)	German Futures
DLU8	108.74	108.74	108.74	108.82	108.28	-37.00	Bobl(5Y)	
DBU8	114.74	114.77	114.76	114.90	114.29	-5.10	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
DGU8	4.304	4.301	4.304	4.387	4.286		Schatz(2Y)	German Futures
DLU8	4.036	4.035	4.035	4.133	4.018		Bobl(5Y)	
DBU8	4.168	4.164	4.164	4.219	4.149		Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE046P0610***	4.093	4.075	4.075	5.473	4.069		2 yr CTD	German Cash
T.US.DE034P0413***	3.979	3.969	3.969	4.016	2.923		5 yr CTD	
T.US.DE042P0718*	4.089	4.082	4.082	4.107	4.051		10 yr CTD	
DEP2P*	4.093	4.075	4.075	5.473	4.069	-17	2yr OTR	
DEP5P*	3.979	3.969	3.969	4.016	2.923	-45	5yr OTR	
DEP10P*	4.114	4.107	4.107	4.135	4.080	-68	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
T.US.DE046P0610***	101.07	101.10	101.10	101.11	98.80	-17	2 yr CTD	German Cash
T.US.DE034P0413***	98.01	98.05	98.05	102.43	97.86	-45	5 yr CTD	
T.US.DE042P0718*	101.16	101.21	101.21	101.44	101.03	-64	10 yr CTD	
DEP2P*	101.07	101.10	101.10	101.11	98.80	-17	2yr OTR	
DEP5P*	98.01	98.05	98.05	102.43	97.86	-45	5yr OTR	
DEP10P*	101.07	101.12	101.12	101.34	100.90	-68	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	2.433	2.429	2.429
US5y	3.144	3.137	3.137
US10y	3.811	3.809	3.809

**German Cash Treasuries (OTR)**

	Bid	Ask	Last
DE2y	4.093	4.075	4.075
DE5y	3.979	3.969	3.969
DE10y	4.114	4.107	4.107

**Spreads (Bps)**

ZT/SCHATZ	-1.754
ZF/BOBL	-0.941
ZN/BUND	-0.565

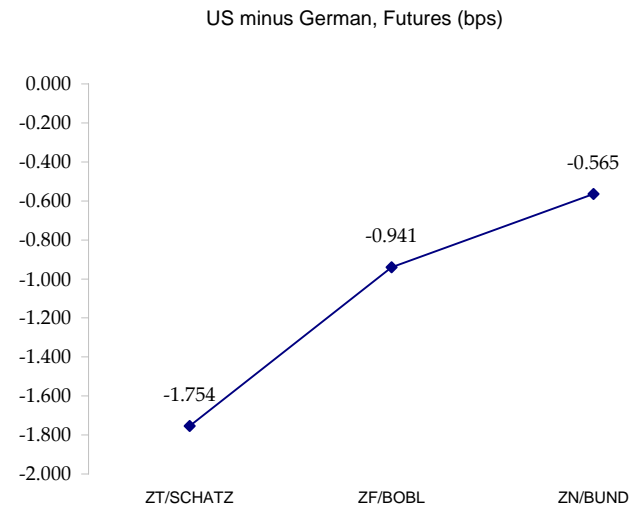
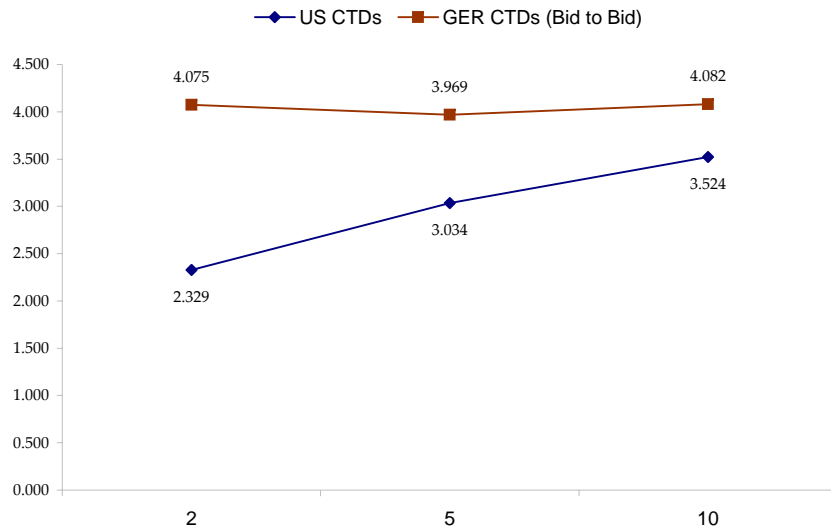
**US Cash Treasuries (CTD)**

	Bid	Ask	Last
3.875 of 09/10	2.329	2.321	2.321
2.750 of 02/13	3.034	3.029	3.029
5.125 of 05/16	3.524	3.517	3.517

**German Futures (CTD)**

	Bid	Ask	Last
4.750 of 06/10	4.093	4.075	4.075
3.500 of 04/13	3.979	3.969	3.969
4.250 of 07/17	4.089	4.082	4.082

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





