<HELP> for explanation. N127 Comdty **F3**

Hit {NUMBER} <Go> to view detailed ranking/"F3 C" <Go> for Conventional Risk

16:08

CHEAPEST-TO-DELIVER SUMMARY

Fri 3/31

Contract	Cash Tkr	Futr	JUN 2006 Price	Risk	CTD	Issue		SEP 2006 Price	Risk	CTD	Issue
US 20yr 6%	T	1) USM6	109-05	10.6	$8\frac{1}{8}$	8/21	2)	109-06	10.8	8	11/21
US 10yr 6%	T	3) TYM6	106-12+	6.30	$3\frac{7}{8}$	2/13	4)	106-14	6.53	$3\frac{5}{8}$	5/13
US 5yr 6%	T	5) FVM6	104-14	4.12	$4\frac{1}{8}$	8/10	6)	104-13+	4.30	$4\frac{1}{2}$	11/10
US 2yr 6%	T	7) TUM6	101-30	1.92	$4\frac{5}{8}$	3/08		n/a			
UK 10yr 6.0 %	UKT	9) G M6	111.65	7.99	8	12/15	10)	111.54	8.01	8	12/15
Euro-Bund 10yr 6%	DBR	11) RXM6	117.17	8.79	$3\frac{3}{4}$	1/15	12)	117.54	9.39	$3\frac{1}{4}$	7/15
Euro-Bobl 5yr 6%	DBR	13) OEM6	110.07	4.72	$5\frac{1}{4}$	1/11	14)	110.11	5.08	$3\frac{1}{2}$	4/11
Euro-Schatz 2yr 6%	BKO	15) DUM6	104.460	1.97	3	3/08	16)	104.260	2.27	$4\frac{3}{4}$	7/08
Can 10yr 6%	CAN	17) CNM6	111.72	7.51	5	6/14	18)	111.12	8.45	$4\frac{1}{2}$	6/15
Jpn 10yr 6%	JGB	19) JBM6	133.46	9.26	#252	6/13	20)	131.92	9.32	# 253	9/13
Jpn 10yr 6%	JGB	21) N M6	133.35	9.25	#252	6/13	22)	131.81	9.31	# 253	9/13
Euro 10yr 3.5%	FRTR	23) MNM6	94.70	8.08	3	10/15		n/a			
		25) EHM6	63.80	.0	0			n/a			
Swiss 10yr 6%	SWIS	27) FBM6	129.50	10.3	$3\frac{3}{4}$	6/15	28)	128.91	10.3	$3\frac{3}{4}$	6/15
Spanish 10yr 4.0%	SPGB	29) NTM6	101.52	7.54	4.4	1/15		n/a			

CF Basis

Bond price - Delivery Price

Represents BNOC.
POSITIVE Value means
LONG BASIS POSITION WILL
PRODUCE A LOSS.

<HELP> for explanation.
Hit {NUMBER} <GO> to view Historical Basis/Repo

N127 Comdty **F3**

Cheapest to Deliver

US 10YR NOTE FUT Jun06 **TYM6** 106-12+

Trade 3/31/06 Dlv 6/30/06
Set 4/ 3/06 Cheapest IRP= 4.37
88 Days Act/360

PRICES AS DECIMALS? N
Order DR re-sort? Y

	(Mid) Price	Source	Conv. Yield	C.Factor	(32NDS) Gross Basis	Implied Repo%	Actual Repo%	(32NDS) Net Basis
MASTER:							4.74	
1) T 3 7/8 02/15/13	94-09+	BGN	4.861	.8870	-2.3	4.37	4.74	2.7
2) T 3 5/8 05/15/13	92-22+	BGN	4.849	.8697	5.6	3.07	4.74	12.2
3) T 4 1/4 08/15/13	96-06+	BGN	4.868	.9012	10.4	3.00	4.74	13.2
4) T 4 1/4 11/15/13	96-02	BGN	4.874	.8983	15.7	2.26	4.74	18.8
5) T 4 02/15/14	94-10	BGN	4.878	.8806	20.0	1.50	4.74	24.1
6) T 4 3/4 05/15/14	99-04+	BGN	4.879	.9233	29.1	.96	4.74	29.5
7) T 4 1/4 08/15/14	95-23	BGN	4.878	.8901	32.7	.05	4.74	35.3
8) T 4 1/4 11/15/14	95-19	BGN	4.882	.8873	38.2	-.72	4.74	41.1
9) T 4 02/15/15	93-24	BGN	4.876	.8683	43.9	-1.73	4.74	47.7
10) T 4 1/8 05/15/15	94-16+	BGN	4.877	.8737	50.0	-2.45	4.74	53.4
11) T 4 1/4 08/15/15	95-09	BGN	4.883	.8797	54.1	-2.80	4.74	56.6
12) T 4 1/2 11/15/15	97-01+	BGN	4.888	.8946	59.8	-3.29	4.74	61.3
13) T 4 1/2 02/15/16	97-09	BGN	4.849	.8926	74.1	-5.11	4.74	75.4

Source of quote = BGN (Bloomberg)

<HELP> for explanation. N127 Comdty F3

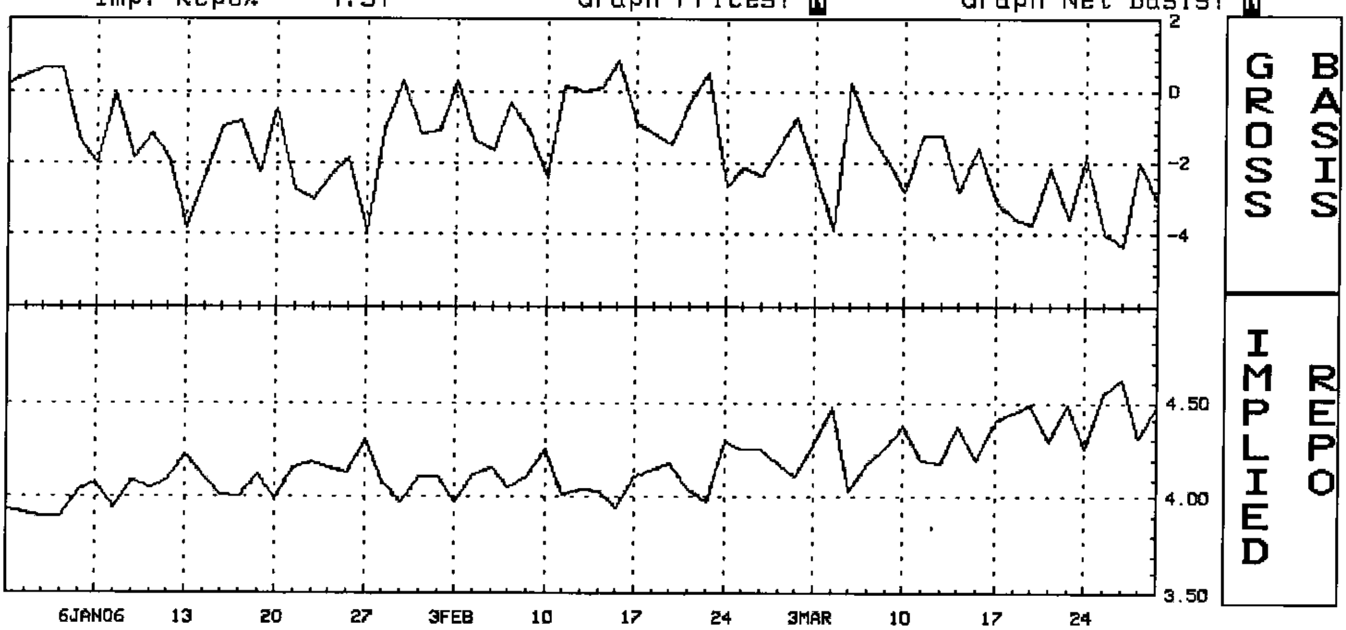
HISTORICAL BASIS/IMPLD. REPO GRAPH page 1 of 5

TYM6 US 10YR NOTE FUT Jun06 (106-12+) Range 12/30/05 to 3/30/06

US TREASURY N/B T 3 7/8 02/15/13 (94-09+) BGN , CLOSE , MID PERIOD D/W D

Current: Basis = -2.3 in 32nds= 94-09+ - 0.887000 x 106-12+

Imp. Repo% = 4.37 Graph Prices? N Graph Net Basis? N



<HELP> for explanation. N127 Comdty F3

HISTORICAL BASIS/IMPLD. REPO TABLE

TYM6 US 10YR NOTE FUT Jun06 (106-12+) Range 12/30/05 to 3/30/06

US TREASURY N/B T 3 7/8 02/15/13 (94-09+) BGN , CLOSE , MID PERIOD D/W D

Current: Basis = -2.3 in 32nds= 94-09+ - 0.887000 × 106-12+ 4.37%

Date	Day	Future	Cash	Dlv Prc	Basis	in 32nd	Days	Settle	Imp. Repo%
3/30	Thu	106-10	94-06+	94.29919	-.096	-3.1	91	3/31	4.47
3/29	Wed	106-20	94-16	94.56252	-.063	-2.0	92	3/30	4.32
3/28	Tue	106-25	94-18+	94.71497	-.137	-4.4	93	3/29	4.61
3/27	Mon	107-10	95-02	95.18619	-.124	-4.0	94	3/28	4.53
3/24	Fri	107-16	95-09	95.33864	-.057	-1.8	95	3/27	4.25
3/23	Thu	107-00	94-25+	94.90900	-.112	-3.6	98	3/24	4.48
3/22	Wed	107-09	95-02+	95.14461	-.066	-2.1	99	3/23	4.29
3/21	Tue	107-08	95-00	95.11689	-.117	-3.7	100	3/22	4.48
3/20	Mon	107-22	95-13	95.51881	-.113	-3.6	101	3/21	4.44
3/17	Fri	107-18	95-09+	95.39408	-.097	-3.1	102	3/20	4.39
3/16	Thu	107-22	95-15	95.51881	-.050	-1.6	105	3/17	4.20
3/15	Wed	107-03	94-28+	94.97829	-.088	-2.8	106	3/16	4.36
3/14	Tue	107-08	95-02+	95.11689	-.039	-1.2	107	3/15	4.18
3/13	Mon	106-22	94-19	94.63181	-.038	-1.2	108	3/14	4.20
3/10	Fri	106-26	94-20+	94.72883	-.088	-2.8	109	3/13	4.37
3/ 9	Thu	106-29	94-24+	94.82584	-.060	-1.9	112	3/10	4.26
3/ 8	Wed	106-27	94-23+	94.77041	-.036	-1.2	113	3/ 9	4.18
3/ 7	Tue	106-26	94-24	94.74269	.007	0.2	114	3/ 8	4.03

<HELP> to contact our 24/7 Help Desk, <MENU> to return. Comdty **F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**
Search **F3** <HELP> for: [redacted] Page 1 / 9

F3 displays the near and next delivery months for all global futures contracts eligible for delivery. The contracts' near month is when the first contract expires, and the contracts' next month is when the next contract can be fulfilled. F3 displays the name of the contract, the price of the future, the Bloomberg Risk, and the next current cheapest-to-deliver issue for both months, all on one screen.

INSTRUCTIONS
Once you enter F3 <Go>, additional instructions appear on the screens.

To display the one-security functions menu for any security listed, enter {menu-number} <YELLOW KEY> <Go>.

DESCRIPTION OF DISPLAY
The following information appears on the main F3 screen:

Contract: The security's country, maturity, and coupon.
Cash Tkr: The underlying security's ticker symbol.
Futr: The futures contract's ticker symbol.

<HELP> to contact our 24/7 Help Desk, <MENU> to return. **Comdty F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**
Search **F3** <HELP> for: [redacted] Page 3 / 9

CTD Issue: The cheapest-to-deliver issue. The coupon or bond number and maturity of the underlying bond that most closely matches the future's price multiplied by the bond's conversion factor appears.

Also Futr: The security's ticker symbol as it appears on other exchanges, if applicable.

Once you select a security, the top of the screen displays the name, exchange of the selected contract, date of the security, ticker symbol, and price. The left side of the screen lists all the deliverable-grade bonds (including ticker symbol, coupon, and maturity) eligible to be delivered into the futures contract. Some or all of the following fields also appear: CLICK AN ISSUE TO GET TO NEXT SCREEN. THEN THE FIELDS BELOW APPEAR

Trade: The trade date.

Dlv: The first day the futures contract can be delivered.

Set: The settlement date, which is the date securities must be delivered and paid for to complete the transaction.

Cheapest IRP: The highest implied repo rate, which is the rate charged for borrowing cash in a repurchase agreement.

<HELP> to contact our 24/7 Help Desk, <MENU> to return. **Comdty F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**

Search **F3** <HELP> for: [redacted] Page 4 / 9

PRICES AS DECIMALS?: Choose (Y) to have the prices display in decimal format.

Order: The order in which the securities are sorted. For a list of choices, move your cursor to the highlighted field.

re-sort?: Choose (N) to have the current security order kept constant. This allows you to make changes while keeping the order of your securities constant.

MASTER: The universal increment by which to increase/decrease the corresponding column of values. To decrease the values, enter -{number}.

{XX} Price: The mid, bid, or ask price as determined by your personal defaults. Enter PDF <Go> to change your defaults.

Source: The pricing source for the cash bonds (e.g. BGN is Bloomberg generic pricing, ML is Merrill Lynch, etc). Enter PCS <Go> or FMPS <Go> to change the bond's pricing source. NOTE: The source is replaced by (P) Price Change or (Y) Yield Change once you make any changes.

Conv. Yield: The conventional yield, which is the yield calculated according to the conventions used in the market in which the bond was issued.

Must click issue for this, then, you'll get the graph page. Use mouse wheel to scroll down a page & DLV Prc will appear.

<HELP> to contact our 24/7 Help Desk, <MENU> to return. Comdty **F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**

Search **F3** <HELP> for: [redacted] Page 5 / 9

C.Factor: The conversion factor as specified by the exchange. For synthetics, the factor is calculated according to the rules of the futures exchange. The conversion factor times the future delivery price is the delivery price of the contract.

Dlv.Prc: Appears instead of conversion factor for yield-based contracts, such as those on the Stockholm exchange. The delivery price, which is the price at which the futures contract is settled when deliveries are made.

Gross Basis: The bond price minus the delivery price, expressed as a decimal or in 32nds, depending on the individual contract. For conversion factor futures, the delivery price equals the futures price times the conversion factor. For yield-based futures, the delivery price equals the issue's price on delivery date using the future's yield.

{XX}Days Act/{XX}: The number of days and day type used in calculating the Implied Repo and Actual Repo rates.

<HELP> to contact our 24/7 Help Desk, <MENU> to return. **Comdty F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**

Search **F3** <HELP> for: [redacted] Page 6 / 9

Implied Repo%: The cash-and-carry return, which is the effective rate earned by purchasing a cash bond and selling the future with the intention of delivering that particular bond in the future. In the case of when-issueds or certain Gilt bonds, you can use an issue-specific settlement date and/or delivery date. When this occurs the date is indicated, and the implied repo is calculated accordingly.

Actual Repo%: The available collateralized term borrowing rate at which funds can be obtained to finance the market value of the bond to the indicated delivery date for this issue. Initially, a non-issue-specific general rate is provided.

Net Basis: The gross basis adjusted for net carry. Net carry is the actual coupon income and re-investment less borrowing expense, which is at the security's actual repo rate. Net basis is the true economic basis. A positive value represents a loss or net cost to the long cash/short futures position. Net basis is the expected profit for the short-cash/long-futures position (where actual repo is the reverse repo rate and vice versa for negative net basis values). Net basis is also called Basis Over Carry or Basis Adjusted for Carry.

OR BNOC

<HELP> to contact our 24/7 Help Desk, <MENU> to return. **Comdty F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**
Search **F3** <HELP> for: [redacted] Page 7 / 9

Once you select a security, the HISTORICAL BASIS/IMPLD. REPO GRAPH screen appears. A description of the securities appears at the top of the screen. The ticker symbol, description, date, and current price appear for futures contracts. The description, ticker symbol, coupon, maturity, bond number, and current price may appear for the bond. The source, value type, and market type of the bond's price appear to the right. The following information also appears:

Range: The date range under observation.
PERIOD: Choose to display the data on a (D) daily or (W) weekly basis.
Current: The current basis and the basis calculation in 32nds or decimals (in Dec.). The basis is calculated as follows:

(Underling Issue Price - Conversion Factor) * Futures Price

<HELP> to contact our 24/7 Help Desk, <MENU> to return. **Comdty F3**

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**

Search **F3** <HELP> for: [redacted] Page 8 / 9

Imp. Repo%: The cash-and-carry return, which is the effective rate earned by purchasing a cash bond and selling the future with the intention of delivering that particular bond in the future. In the case of when-issueds or certain Gilt bonds, you can use an issue-specific different settlement date and/or delivery date. When this occurs the date is indicated, and the implied repo is calculated accordingly.

Graph Prices?: Enter (Y) to have the bottom graph display prices instead of the implied repo rate.

Graph Net Basis?: Enter (Y) to have the top graph display the net basis instead of the gross basis. Net basis, also called Basis Over Carry or Basis Adjusted for Carry, is the gross basis adjusted for net carry. Net carry is the actual coupon income and re-investment less borrowing expense, which is at the security's actual repo rate.

NOTE

HELP FOR **CHEAPEST-TO-DELIVER SUMMARY**

Search **F3** <HELP> for:

GRAPHS

Both graphs display the date on the horizontal x-axis. The top graph displays either the gross or net basis on the vertical y-axis, depending on your selection in the Graph Net Basis? field. The bottom graph displays either the implied repo rate, actual repo, or prices on the vertical y-axis, depending on your selection in the Graph Prices? field.

Subsequent pages display the data points used to construct the graph. The data is organized in descending chronological order. The date and day of the week, the price for the futures contract and bond, the delivery price, the basis or net basis (depending on your selection in Graph Net Basis? field), the basis expressed in 32nds or decimals, the days until the contract's last delivery date, the settlement date, and the implied repo percentage appear for each data point.