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The Morning Email: Treasuries

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Want something added?
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Important Econ Releases Highs & Lows

	5y*	10y*	ZN	ZB	Date
Non-farm High	100.0200	102.1200	108.2050	113.0000	10/6/2006
Non-farm Low	99.1050	101.1100	107.1850	111.1500	10/6/2006
FOMC High	99.0750	101.0975	107.1900	111.1000	9/20/2006
FOMC Low	99.0350	101.0100	107.1000	111.1000	9/20/2006
PPI High	99.0625	101.0450	17.1400	111.0600	10/17/2006
PPI Low	98.2875	100.2200	106.3150	110.1500	10/17/2006
CPI High	99.0125	100.3000	107.0750	110.3100	10/18/2006
CPI Low	98.2650	100.1950	106.2950	110.1400	10/18/2006

*Adjusted for New Issue

Prices are recorded from econ release to 2pm CDT

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Quotes

	32 nds						
	ls	net	high	low	open	Volume	SYM NAME
TUAZ6	101.265	0.00	101.267	101.255	101.260	72,886	2y Futures
FVAZ6	104.195	(1.00)	104.210	104.185	104.195	144,087	5y Futures
TYAZ6	106.240	0.00	106.255	106.215	106.225	388,124	10y Futures
USAZ6	110.040	(1)	110.080	109.310	110.000	122,465	30y Futures
	ls	net	high	low	open	Volume	SYM NAME
BUS02P	99.147	(0.2)	99.155	99.145	99.152	na	2y
BUS05P	98.217	0.2	98.227	98.207	98.220	na	5y
BUS10P	100.120	1.5	100.140	100.100	100.130	na	10y
BUS30P	93.030	5	93.075	92.310	92.315	na	30y
	ls	net	high	low	open	Volume	SYM NAME
BUS02Y	4.915	0.50	4.936	4.893	4.932	na	2y Yield
BUS05Y	4.801	0.20	4.812	4.792	4.809	na	5y Yield
BUS10Y	4.824	(0.60)	4.838	4.814	4.834	na	10y Yield
BUS30Y	4.947	(1.20)	4.962	4.937	4.956	na	30y Yield

Source: CQG

Yesterday

Source: **Yahoo!**

Overnight

Source: **Yahoo!**

Other Sources: Reuters, MNI, Dow Jones, Bloomberg, Yahoo!

Yield Curve Spreads & Flys, DV01s, CFs

M Duration

30y	15.55
10y	7.66
5y	4.36
3y	2.57
2y	2.01
ZB	9.96
ZN	5.78
ZF	3.88
ZT	1.82

DV01s (32nds)

30y	4.67
10y	2.48
5y	1.38
3y	0.82
2y	0.58
ZB	3.55
ZN	1.99
ZF	1.31
ZT	1.19

DV01s ($s)

30y	$1,461
10y	$776
5y	$431
3y	$257
2y	$181
ZB	$111
ZN	$62
ZF	$41
ZT	$37

Yield Curve Spreads

2/3	-7.00
3/5	-4.40
2/5	-11.40
5/10	2.30
2/10	-9.10
10/30	12.30
5/30	14.60
2/30	3.20

Fly's

2/3/5	-2.60
2/5/10	-13.70
2/10/30	-21.40
5/10/30	-10.00

CFs

OTR*

ZB	0.7943
ZN	0.9178
ZF	0.9387
ZT	0.9774

*OTR = On the Run

*CF OTR Basis = Conversion Factor On-the-Run Basis
(Cash price - (Futures price* OTR CF))= CF OTR Basis

MDuration & DV01s for Futures are based on
proxy issue (CTD)

MDuration = Modified Macaulay Duration

Hedge Ratios: US Financial Futures / Eurex Bund, Bobl, Schatz,

US Financial Futures / Eurex Bond Hedge Ratios

Short Number of Contracts

	ZB	ZN	ZF	ZT
Bund (Z)	1.000	1.800	2.700	2.900
Bobl (Z)	0.530	0.940	1.400	1.500
Shatz (Z)	0.230	0.410	0.620	0.680

Eurex Hedge Ratio's source: Bloomberg

Number of contracts LONG

US Financial Futures Hedge Ratios

	ZB	ZN	ZF	ZT
ZB		1.788	2.718	2.991
ZN	0.559		1.520	1.673
ZF	0.368	0.658		1.114
ZT	0.669	1.195	1.817	

H=Mch
M=Jun
U=Sep
Z=Dec

Hedge Ratios: US Treasury Cash / Eurex Bund, Bobl, Schatz

US Treasuries v US Financial Futures Hedge Ratios

	2y	3y	5y	10y	30y
ZB	1.63	2.32	3.88	6.99	13.15
ZN	2.92	4.14	6.94	12.49	23.51
ZF	4.44	6.30	10.55	18.98	35.74
ZT	4.89	6.93	11.61	20.89	39.33

US Treasuries v Eurex Bonds Hedge Ratios

	2y	3y	5y	10y	30y
Bund (Z)	1.7	2.4	3.9	7.0	13.1
Bobl (Z)	3.1	4.7	7.3	13.5	25.2
Shatz (Z)	7.1	10.4	16.7	30.0	56.1

Eurex Hedge Ratio's source: Bloomberg

Eurex Hedge Ratios

	Bund (Z)	Bobl (Z)	Shatz (Z)
Bund (Z)		1.880	4.800
Bobl (Z)	0.532		2.484
Shatz (Z)	0.214	0.403	

Eurex Hedge Ratio's source: Bloomberg

H=Mch
M=Jun
U=Sep
Z=Dec

Hedge Ratios: US Cash Treasuries / Eurodollar

US Treasuries v US Treasuries

	2y	3y	5y	10y	30y
2y		1.418	2.376	4.275	8.049
3y	0.705		1.676	3.015	5.676
5y	0.421	0.597		1.799	3.388
10y	0.234	0.332	0.556		1.883
30y	0.124	0.176	0.295	0.531	

Commitment of Traders (COT)

Maximum and Minimum Positions*

	Small Spec				Large Spec				Commercials			
	Max	Date	Min	Date	Max	Date	Min	Date	Max	Date	Min	Date
ZF	29,192	10/3/2006	(179,890)	10/25/2005	45,278	7/11/2006	(284,813)	8/9/2005	459,733	8/9/2005	(66,981)	10/3/2006
ZN	(27,856)	8/29/2006	(274,045)	3/21/2006	537,763	10/3/2006	(117,947)	10/25/2005	292,853	10/25/2005	(476,446)	10/3/2006
ZB	(3,728)	10/3/2006	(92,110)	4/25/2006	44,491	8/23/2005	(172,009)	5/2/2006	255,085	5/2/2006	(6,409)	8/30/2005

Current Positions

	Small Spec			Large Spec			Commercials (Hedgers)			
	Long	Short	Net	Long	Short	Net	Long	Short	Net	
ZF	271,211	273,227	(2,016)	186,943	183,015	3,928	1,000,663	1,002,575	(1,912)	ZF
ZN	337,809	430,194	(92,385)	727,705	282,618	445,087	1,636,386	1,989,088	(352,702)	ZN
ZB	154,880	176,317	(21,437)	101,215	157,609	(56,394)	554,339	476,507	77,832	ZB

WoW** Position Change

	Sml Spec	Lrg Spec	Comm	
	Net	Net	Net	As of 10/17/2006
ZF	12,554	(37,763)	25,209	
ZN	(14,373)	(50,647)	65,020	
ZB	(16,864)	(11,226)	28,092	

*Minimum and Maximum Positions
go back to 07/05/2005
**WoW = Week over week

Closes2pm

2 PM CDT Closes: US Treasuries, US Financial Futures, YC Spreads, Basis

	Cpn	Mty	32nds	Yield
2y	4.875	39721	99.1550	4.906
3y	4.875	40040	100.0250	4.842
5y	4.625	40816	98.2250	4.798
10y	4.875	42597	100.125	4.823
30y	4.500	49720	93.02	4.952

	CF Basis*	GHCO Basis
5y	0.41	15.263
10y	2.62	71.830
30y	5.61	175.920

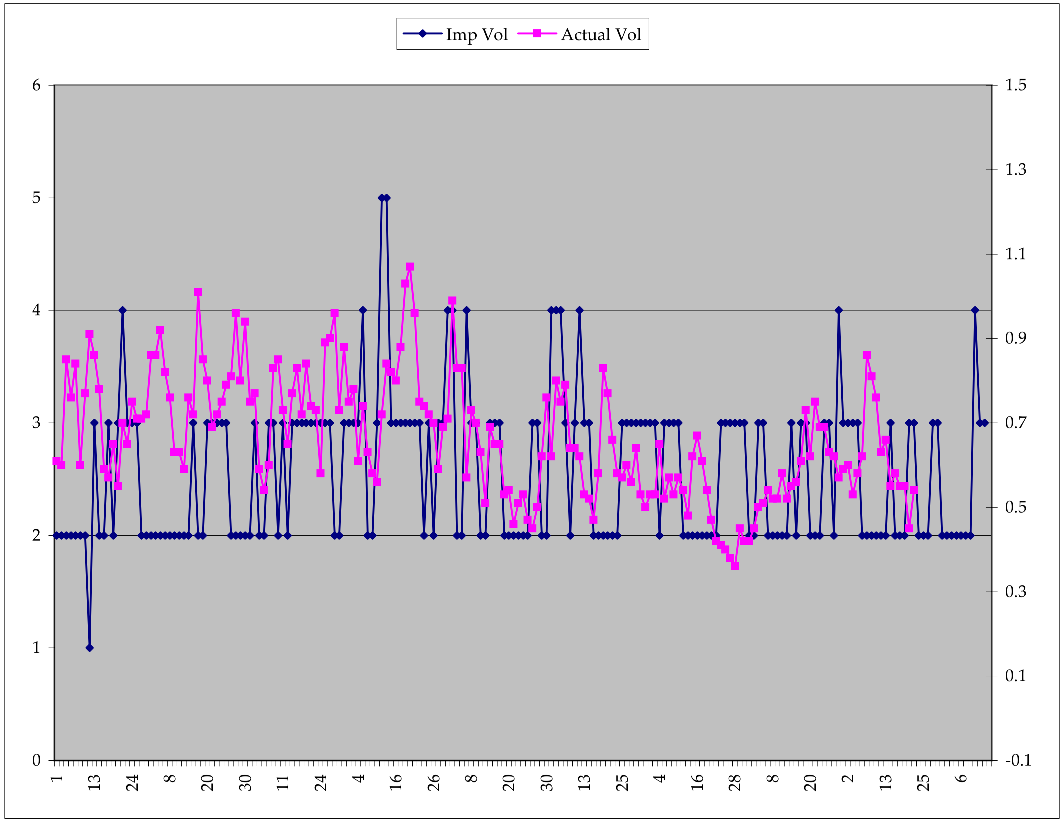
	32nds
ZF	104.2050
ZN	106.2400
ZB	110.04

Curve Spreads bps	
2/3	(0.064)
3/5	(0.044)
2/5	(0.108)
5/10	0.025
2/10	(0.083)
10/30	0.129
5/30	0.154
2/30	0.046

CF = Conversion Factor

Cash - (Futures * CF)

Implied Volatility (Daily)



Begins Feb 1. No weekends

Scale is 1-9 (left axis)
1,2 = very slow
3 = moderate
4,5 = volatile
6-9 = very volatile

Implied Volatility on left axis.
Actual Volatility on right axis.
Actual Vol based on 3 day MA.

Implied Volatility (3-Hour)

CDT Time	UT Time	EDT Time	10/24/2007	10/25/2007	10/26/2007
1900-2200	0000-0300	2000-2300	2	2	2
2200-0100	0300-0600	2300-0200	1	1	1
0100-0400	0600-0900	0200-0500	2	2	2
0400-0700	0900-1200	0500-0800	1	1	1
0700-1000	1200-1500	0800-1100	1	1	1
1000-1300	1500-1800	1100-1400	1	1	1
1300-1600	1800-2100	1400-1700	1	1	1
1600-1900	2100-0000	1700-2000	1	1	1

Shaded boxes denote market hours 4am to 4pm CDT

Scale is 1-9
1,2 = very slow
3 = moderate
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