

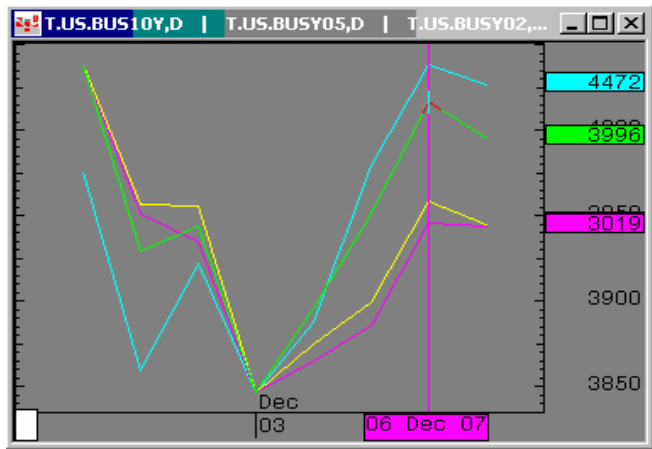


The Morning Email: Treasuries

Table of Contents

- Pg 1 Important Econ Releases, Highs & Lows
- Pg 2 Quotes
- Pg 3 News: Yesterday & Overnight Recap for the United States
- Pg 4 News: Snapshots throughout the day
- Pg 5 Duration, DV01s, Curve Spreads, CF
- Pg 6 Hedge Ratio's
- Pg 7 Closes: 2pm CST vs this Morning
- Pg 8 Cash Duration Matrix
- Pg 9 Tic for Tic & Box for Box Matrix
- Pg 10 Valuing the Basis

Daily Yield Curve



Source: CQG, Inc. © 2007

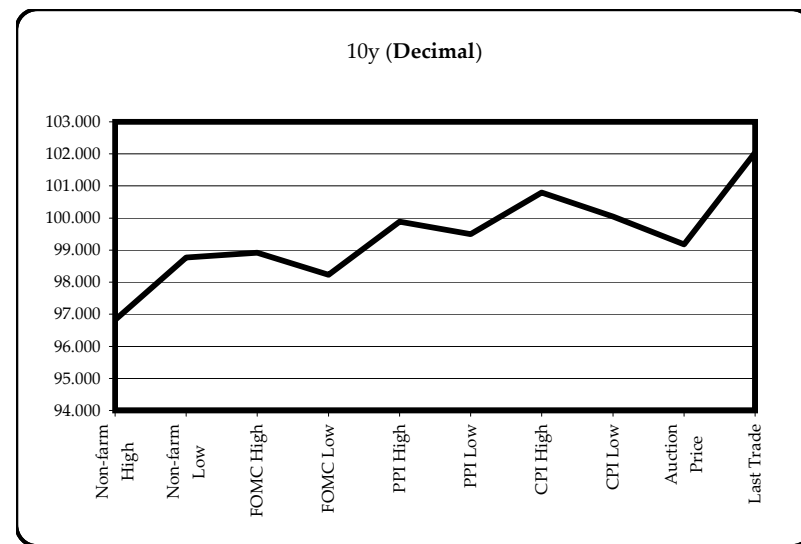
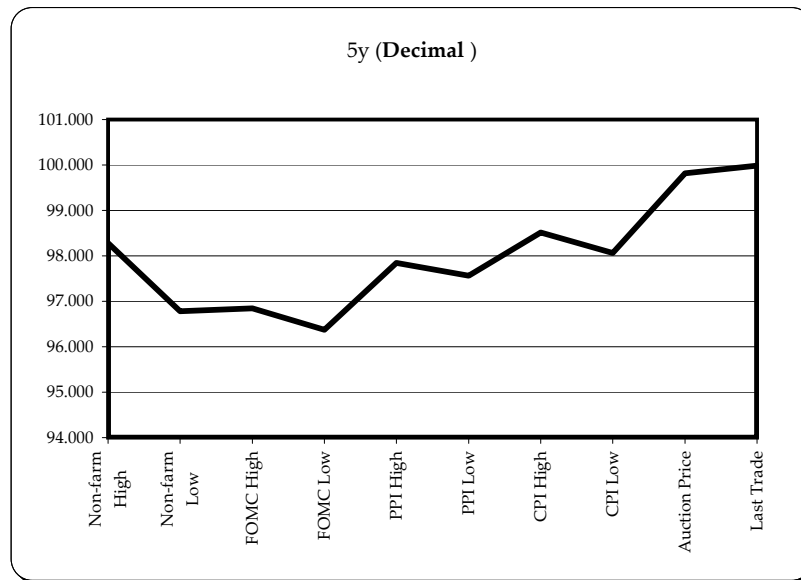
Fri Dec 07 2007 05:46:03



Want something added? Let me know: jgoulding@ghco.com
Disclaimer: All information within this newsletter is meant for internal use at GH Trader's LLC, only. All information has been recorded to the best of my ability. This material is based upon information that I consider reliable, but I do not represent that it is accurate or complete.

| Economic Releases - 32nds | | | | | |
|---------------------------|---------|---------|---------|--------|----------------|
| | 5y | 10y | ZNH8 | ZBH8 | Date |
| Non-farm High | 98.0900 | 96.265 | 110.220 | 114.22 | 11/2/2007 |
| Non-farm Low | 96.2500 | 98.245 | 109.205 | 113.11 | 11/2/2007 |
| FOMC High | 96.2700 | 98.295 | 109.260 | 113.20 | 10/31/2007 |
| FOMC Low | 96.1200 | 98.075 | 109.055 | 112.18 | 10/31/2007 |
| PPI High | 97.2700 | 99.285 | 110.300 | 114.17 | 11/14/2007 |
| PPI Low | 97.1800 | 99.160 | 110.155 | 113.27 | 11/14/2007 |
| CPI High | 98.1650 | 100.255 | 111.170 | 115.18 | 10/15/2007 |
| CPI Low | 98.0200 | 100.015 | 111.005 | 114.17 | 10/15/2007 |
| Auction Price | 99.2616 | 99.056 | | | |
| Last Trade | 99.3150 | 102.015 | 113.115 | 116.22 | 12/7/2007 5:51 |

| Auctions - 32nds | | | | |
|---------------------|------------|------------|-----------|-----------|
| | 2 y | 5y | 10y | 30y |
| Auction Price | 99.299 | 99.262 | 99.056 | 105.103 |
| Auction Yield Stop | 3.159 | 3.415 | 4.353 | 4.666 |
| Actual Auction Date | 11/28/2007 | 11/29/2007 | 11/7/2007 | 11/8/2007 |



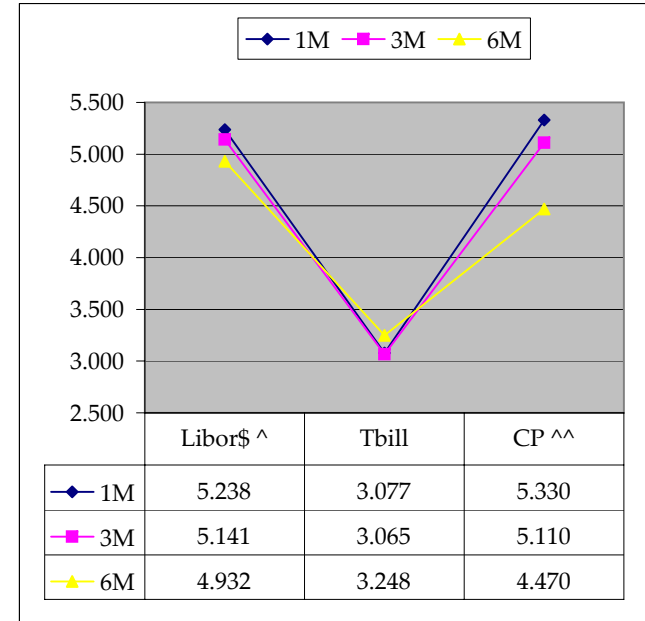
Notes: Cash and futures are adjusted for roll.
 Release times are from release to 2pm cdt
 {Dec07 to Mch08 Futures roll: ZF = (-12); ZN = (-25); ZB = (+1) [tics]}
 r = reopen

| | Last | Net | 32 nds | | | Volume | SYM NAME |
|--------|---------|--------|---------|---------|---------|--------|-----------|
| | | | High | Low | Open | | |
| TUAH8 | 105.022 | (0.0) | 105.047 | 105.017 | 105.022 | 19,117 | 2y Fut |
| FVAH8 | 110.095 | (0.0) | 110.135 | 110.080 | 110.090 | 68,434 | 5y Fut |
| TYAH8 | 113.115 | (0.0) | 113.150 | 113.080 | 113.110 | 96,260 | 10y Fut |
| USAH8 | 116.220 | 0 | 116.240 | 116.140 | 116.180 | 20,078 | 30y Fut |
| | Last | Net | High | Low | Open | Volume | SYM NAME |
| BUS02P | 100.062 | 0.7 | 100.085 | 100.057 | 100.065 | na | 2y Cash |
| BUS05P | 99.315 | 2.5 | 100.022 | 99.287 | 99.302 | na | 5y Cash |
| BUS10P | 102.010 | 6.5 | 102.035 | 101.285 | 101.315 | na | 10y Cash |
| BUS30P | 108.210 | 9 | 108.225 | 108.105 | 108.160 | na | 30y Cash |
| | Last | Net | High | Low | Open | Volume | SYM NAME |
| BUS02Y | 3.023 | 0.00 | 3.043 | 2.982 | 3.039 | na | 2y Yield |
| BUS05Y | 3.375 | (2.10) | 3.404 | 3.356 | 3.391 | na | 5y Yield |
| BUS10Y | 3.996 | (2.10) | 4.021 | 3.987 | 4.011 | na | 10y Yield |
| BUS30Y | 4.466 | (1.60) | 4.489 | 4.463 | 4.476 | na | 30y Yield |

| | Libor\$ ^ | Tbill | CP ^^ |
|----|-----------|-------|-------|
| 1M | 5.238 | 3.077 | 5.330 |
| 3M | 5.141 | 3.065 | 5.110 |
| 6M | 4.932 | 3.248 | 4.470 |

| | Libor\$ ^ | Repos |
|-------|-----------|---------|
| 0/N | 4.548 | #VALUE! |
| 1week | 4.736 | #VALUE! |
| 2week | 4.788 | #VALUE! |

| | TSY | Swap | ED Pks ^^ |
|-----|-------|-------|-----------|
| 2y | 3.018 | 96.50 | 3.655 |
| 5y | 3.378 | 85.25 | |
| 10y | 3.996 | 67.50 | |



Notes

^Quoted in US Dollars
 ^^CP = Commercial Paper
 ^^ED Pks are colored for pack identifications. Example, the red pack is a 2-yr proxy and is colored red.
 Lastly, SYM = Symbol

**All Times Eastern unless otherwise marked****Yesterday:**

15:23 12/06 **US TSYS/RECAP:** Tsys end lower as 1) US stocks gain after Pres. Bush, Tsy Secy. Paulson speak on subprime loan rate freeze/aid plan and Fed Chair Bernake hailed plan. Tsys saw 2) profit-taking on recent gains into Friday 8:30am ET Nov. jobs report, as 3) +189,000 Nov. ADP private payrolls report spurred caution, though Monster report proved weak. 4) Traders cited selling to de-leverage positions amid approaching year-end. 5) Earlier, were light, mixed flows, with mixed data (lower than expected wkly initial claims but high 4-wk avg; strong retail store sales) with banks selling intermediates. 6) Then bargainhunting at lows with Street buying 5Ys, lvrgrd acctg buy 2Ys. 7) Then renewed slide with German Bunds, as ECB's Trichet said some at ECB wanted rate hike; brisk selling in Mar Bund futurs, 80K in stop-loss orders on break below 115.3. 8) 2Y/10Y steepener unwinds too. 9) Some sold Tsys/buy MBS. 10) Bargain hunting at lows. 11) T-bills drew buying. 12) MNI economist poll projects +75K median Nov jobs est (but with lot of upwdly revised ests.)

15:43 12/06 **US TSYS/RECAP II:** On a 3:00 p.m. Wed to 3:00 pm ET Thurs basis close, the cash 2-year note yield rose 9 bps to 3.002%. The 5-year yield rose 9.0 bps to 3.365%. The 10-year yield rose 8.9 bps to 4.0%, and the 30-year yield rose 8.9 bps to 4.48%. The 2-year/5-year curve flattened 3.2 bps to +36.3 bps, the 2-year/10-year flattened 3.3 bps to +99.8 bps, and the 2-year/30-year flattened 3.3 bps to +147.8 bps. (Please see 15:23 bullet for full Tsys market summary with trading flows.)

15:05 12/06 **US SWAPS:** Spreads widened off earlier levels as the mkt readies for Fri's NFP report. Earlier in the session, swap spreads see-sawed to the tightest levels of the week, mirroring gyrations in FI markets.

| Time (ET) | 2Y Swap/Mid | 5Y Swap/Mid | 10Y Swap/Mid | 30Y Swap/Mid |
|-----------|-------------|-------------|--------------|--------------|
| 3:00 | -2.00/97.00 | +0.00/84.75 | -0.25/67.75 | -0.75/54.75 |
| 10:15 | -3.25/95.75 | -1.75/83.00 | -1.25/66.75 | -1.75/53.75 |
| 9:55 | -3.75/95.25 | -2.00/82.75 | -1.25/66.75 | -1.75/53.75 |
| 9:10 | -2.75/96.25 | -2.00/82.75 | -1.25/66.75 | -1.50/54.00 |
| Thu Open | -3.75/95.25 | -2.00/82.75 | -1.50/66.50 | -1.75/53.75 |

(cont)

Overnight:

05:35 12/07 **TSYS:** Treasuries are trading modestly lower across the board in London Friday, as market player square their books ahead of key U.S. data. However, traders say volumes are light, with most players sidelined ahead of the employment report at 1330GM. Treasuries were initially higher in Tokyo, helped by light bargain-hunting from regional players after the overnight weakness in New York. Real money names, including Asian central banks, were buyers of the two-year note, with leveraged players also light buyers of the 10-year. In London, prices continued to trade modestly lower, although volumes were light and the muted flows were largely interdealer as the data loomed large. The 10-year Bund/US T-Note spread was trading at -9 bps, widening 1.5 bps on the day. Ahead of the U.S. session, the 2-yr note was trading 1/64 higher at 100 6/32 to yield 3.02%. The 10-yr note was 1/32 higher at 101 31/32 (4.01%), while the Bond was 1/32 higher at 108 18/32 (4.47%).

04:07 12/07 **CREDIT:1)** Olivant, the independent investment group run by Luqman Arnold, has announced this morning that it has submitted further detailed materials in support of its indicative proposal for Northern Rock. The details of the proposal will see Luqman Arnold appointed chairman of the bank, implementing a restructuring strategy to scale Northern Rock to its natural funding and operational capacity. Equity capital of Stg600-800 million would be raised by Northern Rock through a transferable rights issue and an equity subscription by Olivant. Debt financing to be arranged by Northern Rock, with the assistance of Olivant's capital markets team, with an initial refinancing facility to enable Stg10-15 billion of the existing BoE liquidity support facility to be repaid on completion of the rights issue and Olivant equity subscription. Repayment of the balance of the liquidity support facility would hopefully be completed by the end of 2009.




07:47 12/06 **US OUTLOOK/MBS:** Sources point out details of the Mtg Forbearance plan: Eligibility limited to those who are behind on payments, to those who are at least 97% LTV, to those who have FICO scores under 640, and to cover only loans originated between Jan 2005 and July 2007. Chris Low at FTN says the biggest investor concern "is that they might be forced into accepting a deal against their will. Many will be relieved to hear that the deal is only binding if they agree to it, but it's hard to conceive how this can be achieved. There are many investors on the hook for each pool, after all. But the target group is so narrow that it may not be as hard as all that to pull off the plan. Most deals allow for 5-10% loan modifications anyway, at the discretion of the servicer. That may be enough to cover this small group."

08:09 12/06 **DOLLAR/RATES:** BNY Mellon currency strategist Michael Woolfolk eyes the BOE rate cut today and the rate cut by the BOC earlier in the week and suggests that this could be "the beginning of coordinated monetary easing to maintain orderly market conditions and prevent a crisis of confidence in the US dollar." Woolfolk explains "The US outlook deteriorated in November as financial market turmoil resumed. As a result, market players raised their expectations of further Fed rate cuts in 2008 and the greenback came under renewed selling pressure. With the USD already at record lows against the EUR and CAD, and multi-decade lows against both the GBP and AUD, the greenback was positioned to plunge further if the Fed continued cutting interest rates. The potential crisis of confidence in the USD and resulting disorderly market conditions may have been too great a risk for policy makers." Looking ahead, Woolfolk expects ECB's Trichet to lay the groundwork for a Jan rate cut by the ECB at the upcoming press conf.

12:47 12/06 **US CMBS:** The next 2 new deals to price will be the \$2.3B JP Morgan/CIBC and the \$2B BSCMS 07-PWR18. The last deal to price was the \$3.17B LBUBS 07-C7, with 10Y SS AAAs at S+102 and BBB- at S+650. New issuance has been slow recently as no new deals have been priced over the last week. In floaters, the \$2B MLMT 07-LAQ deal, backed by loans on the La Quinta hotel portfolio that Blackstone purchased earlier in the year, is now in the market. These last few deals for 2007 will end a record breaking year for issuance. CMBS strategists at RBS Greenwich projects \$186B of new fixed rate issuance for 2007 and \$240 billion for all domestic CMBS representing in total an 18% increase over 2006. Much of the credit for the historic level of new issuance in CMBS is due to the utterly frantic dash to issue in the first half of the year as Q4'07, by contrast, issuance volumes nearly ground to a halt.

12:23 12/06 **US MBS:** FDIC Chair Bair summarized the mtg problem in her Congressional testimony: "Our calculations based on owner-occupied subprime mortgages included in private mortgage-backed securitizations (MBS) indicate that almost 1.3 million hybrid loans are scheduled to undergo their first reset during 2008. An additional 422,000 subprime hybrid loans are scheduled to reset in 2009, which means these problems will not end anytime soon."



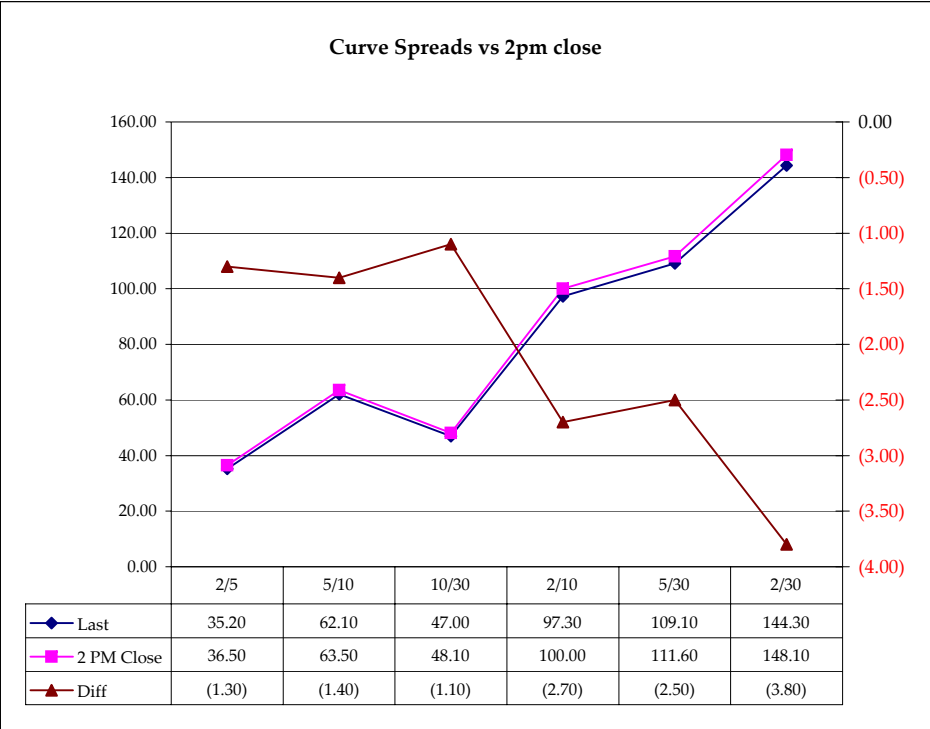
| | M Duration | DV01 32 | DV01 \$ | DV01 Box | CF |
|-----|------------|---------|---------|----------|--------|
| 30y | 15.75 | 5.56 | \$1,737 | 11.11 | n/a |
| 10y | 8.04 | 2.63 | \$823 | 5.27 | n/a |
| 5y | 4.54 | 1.46 | \$455 | 5.83 | n/a |
| 2y | 1.90 | 0.61 | \$190 | 2.44 | n/a |
| ZB | 10.34 | 3.94 | \$123 | 3.94 | 0.8633 |
| ZN | 5.97 | 2.18 | \$68 | 4.36 | 0.8747 |
| ZF | 4.02 | 1.43 | \$45 | 2.85 | 0.9159 |
| ZT | 1.90 | 0.65 | \$20 | 2.60 | 0.9486 |

| Yield Curve Spreads | | | |
|---------------------|--------|-----------|--------|
| | Last | 2pm close | Diff |
| 2/5 | 35.20 | 36.50 | (1.30) |
| 5/10 | 62.10 | 63.50 | (1.40) |
| 10/30 | 47.00 | 48.10 | (1.10) |
| 2/10 | 97.30 | 100.00 | (2.70) |
| 5/30 | 109.10 | 111.60 | (2.50) |
| 2/30 | 144.30 | 148.10 | (3.80) |

DV01 32, said differently, is "how many TICS are in a basis point?".

Example, If ZN moves 1~basis point, then, it's moved 2.08 tics (Today, 10/25/07, the value in the box is 2.08).

Since ZN trades in half tics, then, 4.17 boxes = 1 basis point in ZN. (Again, today, 10/25/07, the value in the box is 4.17). Of course the values will be different as you look at this. But, they won't be that much different. So, I think you can get the idea I'm trying to get across.



Notes

CF = Conversion Factor

MDuration = Modified Macaulay Duration

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

DV01 Box = Dollar Value of 1 basis point move per Box

US Financial Futures / Eurex Bond

| | ZB | ZN | ZF | ZT |
|-----------|-------|-------|-------|-------|
| Bund (H) | 0.980 | 1.700 | 2.700 | 2.900 |
| Bobl (H) | 0.530 | 0.960 | 1.500 | 1.570 |
| Shatz (H) | 0.210 | 0.380 | 0.580 | 0.630 |

US Financial Futures

| | ZB | ZN | ZF | ZT |
|----|-------|-------|-------|-------|
| ZB | | 1.809 | 2.765 | 3.029 |
| ZN | 0.553 | | 1.529 | 1.675 |
| ZF | 0.362 | 0.654 | | 1.095 |
| ZT | 0.330 | 0.597 | 0.913 | |

Eurex Bonds

| | Bund (H) | Bobl (H) | Shatz (H) |
|-----------|----------|----------|-----------|
| Bund (H) | 1.0 | 1.7 | 3.4 |
| Bobl (H) | 0.6 | 1.0 | 2.0 |
| Shatz (H) | 0.3 | 0.5 | 1.0 |

US Treasuries v US Financial Futures

| | 2y | 5y | 10y | 30y |
|----|------|-------|-------|-------|
| ZB | 1.54 | 3.69 | 6.68 | 14.09 |
| ZN | 2.79 | 6.68 | 12.08 | 25.48 |
| ZF | 4.27 | 10.22 | 18.46 | 38.95 |
| ZT | 4.68 | 11.19 | 20.22 | 42.67 |

US Treasuries v Eurex Bonds

| | 2y | 5y | 10y | 30y |
|-----------|-----|------|------|------|
| Bund (H) | 1.7 | 3.9 | 7.1 | 14.3 |
| Bobl (H) | 3.1 | 7.1 | 12.8 | 25.8 |
| Shatz (H) | 7.8 | 15.9 | 28.8 | 58.1 |

US Treasuries

| | 2y | 5y | 10y | 30y |
|-----|-------|-------|-------|-------|
| 2y | | 2.392 | 4.323 | 9.121 |
| 5y | 0.418 | | 1.807 | 3.813 |
| 10y | 0.231 | 0.553 | | 2.110 |
| 30y | 0.110 | 0.262 | 0.474 | |

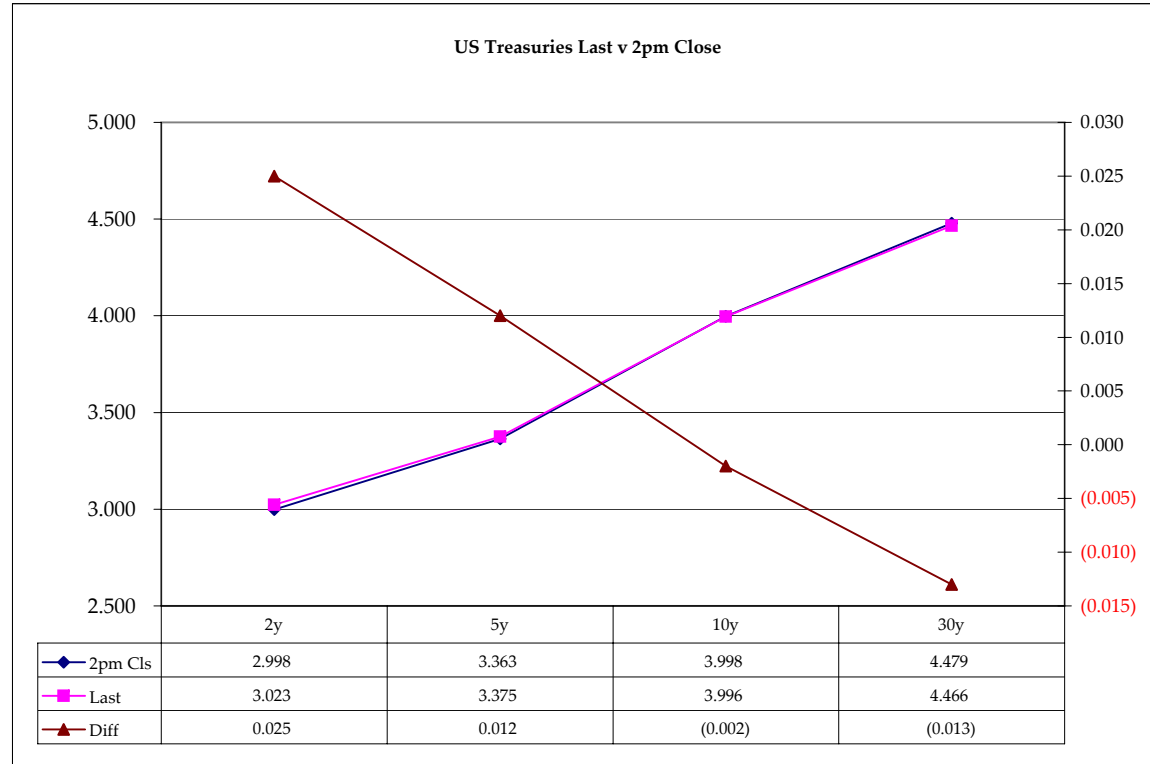
Note: Any ratio with the Bund, Bobl, or Shatz is from Bloomberg. So, the Bloomberg hedge ratios, in this spreadsheet, are static. Meaning, I only update them once in a while but always on rolls. My hedge ratio's are live, meaning, they're updated in real-time.

| | Cpn | Mty | Close 32 | Close | Last | Diff | Basis | | Roll | | Close 32 | Last |
|-----|-------|----------|----------|-------|-------|---------|--------|--------|------|-------|----------|---------|
| | | | | | | | Close | Last | | | | |
| 2y | 3.125 | 11/30/09 | 100.0775 | 2.998 | 3.023 | 0.025 | | | | FVAH8 | 110.105 | 110.095 |
| 5y | 3.375 | 11/30/12 | 100.0175 | 3.363 | 3.375 | 0.012 | -31.83 | -33.17 | | TYAH8 | 113.125 | 113.115 |
| 10y | 4.250 | 11/17/17 | 102.015 | 3.998 | 3.996 | (0.002) | 91.65 | 92.53 | | USAH8 | 116.20 | 116.220 |
| 30y | 5.000 | 5/15/37 | 108.15 | 4.479 | 4.466 | (0.013) | 249.16 | 253.44 | | | | |

| Curve Spreads | | |
|---------------|-----------|----------|
| | Close bps | Last bps |
| 2/5 | 36.5 | 35.2 |
| 5/10 | 63.5 | 62.1 |
| 10/30 | 48.1 | 47.0 |
| 2/10 | 100.0 | 97.3 |
| 5/30 | 111.6 | 109.1 |
| 2/30 | 148.1 | 144.3 |

| | |
|-------|------|
| TUAR1 | -1.0 |
| FVAR1 | 10.5 |
| TYAR1 | 24.7 |
| USAR1 | -1.7 |

These are the 1/4 tic spreads. They are quoted in tics.
 .2 = 1/4
 .5 = 1/2
 .7 = 3/4



Notes:
 Basis = (Cash Decimal - (Futures Decimal * CF))*32
 MDuration for Curve Spreads:
 Longer duration minus shorter duration
 32 = price is quoted in 32nds

Cash Duration Matrix

| Cash Duration Matrix | | | | |
|--|--------|--------|--------|---------|
| | 2 | 5 | 10 | 30 |
| 2 | 100% | | | |
| 5 | 42% | 100% | | |
| 10 | 24% | 56% | 100% | |
| 30 | 12% | 29% | 51% | 135% |
| Cash Matrix [DV01 x Duration] | | | | |
| | 2 | 5 | 10 | 30 |
| 2 | \$190 | | | |
| 5 | \$190 | \$455 | | |
| 10 | \$194 | \$465 | \$823 | |
| 30 | \$209 | \$500 | \$887 | \$1,737 |
| Cash Matrix [DV01 over / (under) valued] | | | | |
| | 2 | 5 | 10 | 30 |
| 2 | | | | |
| 5 | (\$0) | | | |
| 10 | (\$4) | (\$9) | | |
| 30 | (\$19) | (\$45) | (\$63) | |
| Cash Matrix [DV01 over / (under) as %] | | | | |
| | 2 | 5 | 10 | 30 |
| 2 | | | | |
| 5 | -0.06% | | | |
| 10 | -2.02% | -1.96% | | |
| 30 | -9.03% | -8.98% | -7.16% | |

What is this? (1):
 2yr cash has X% duration of 5yr cash .

What is this? (2):
 -2yr cash has DV01 of \$202
 -Multiply the 2yr DV01 by the percent duration to come up with what the 2yrs DV01 SHOULD be compared to the 5yr.

What is this? (3):
 -Now you can see the over/under value, based on the DV01, from contract to contract. In this example we are looking at the 2yr compared to the 5yr.

 Or you can look at the over/under value as a percentage instead of dollar terms.

| Tic for Tic Matrix | | | | |
|--------------------|------|------|------|------|
| | 2y | 5y | 10y | 30y |
| ZT | 0.94 | 2.24 | 4.04 | 8.53 |
| ZF | 0.43 | 1.02 | 1.85 | 3.90 |
| ZN | 0.28 | 0.67 | 1.21 | 2.55 |
| ZB | 0.15 | 0.37 | 0.67 | 1.41 |

| Box for Box Matrix | | | | |
|--------------------|------|------|------|-------|
| | 2y | 5y | 10y | 30y |
| ZT | 0.94 | 2.24 | 8.09 | 17.07 |
| ZF | 0.43 | 2.04 | 3.69 | 7.79 |
| ZN | 0.56 | 1.34 | 1.21 | 2.55 |
| ZB | 0.62 | 1.48 | 1.34 | 2.82 |

| | 2y | 5y | 10y | 30y |
|-----|------|------|------|------|
| 2y | 1.00 | 2.39 | 4.32 | 9.12 |
| 5y | 0.42 | 1.00 | 1.81 | 3.81 |
| 10y | 0.23 | 0.55 | 1.00 | 2.11 |
| 30y | 0.11 | 0.26 | 0.47 | 1.00 |

| | 2y | 5y | 10y | 30y |
|-----|------|------|------|------|
| 2y | | 2.39 | 2.16 | 4.56 |
| 5y | 0.42 | | 0.45 | 1.91 |
| 10y | 0.46 | 2.21 | | 2.11 |
| 30y | 0.22 | 0.52 | 0.47 | |

| | ZT | ZF | ZN | ZB |
|----|------|------|------|------|
| ZT | 1.00 | 2.19 | 3.35 | 6.06 |
| ZF | 0.46 | 1.00 | 1.53 | 2.77 |
| ZN | 0.30 | 0.65 | 1.00 | 1.81 |
| ZB | 0.17 | 0.36 | 0.55 | 1.00 |

| | 2y | 5y | 10y | 30y |
|----|------|------|------|-------|
| ZT | | 2.19 | 6.70 | 24.23 |
| ZF | 0.46 | | 1.53 | 5.53 |
| ZN | 0.15 | 0.65 | | 3.62 |
| ZB | 0.04 | 0.18 | 0.28 | |

Valuing the Basis

This page is based on the work of Galen Burghardt.

| | Basis | | Delivery Basket | | | Futures Price | |
|-------------------------------|---------|---------|---|---------|---------|---------------|------|
| | Bullish | Bearish | DC^ | HDB | LDB | Up | Down |
| Repo in GC | | x | | | | | |
| Repo on Special | x | | Steepen | | | | |
| Repo Rate Down | x | | Flatten | | | | x |
| Repo Rate Up | | x | | | | x | |
| Fed buys back issue | x | | Flatten | Deliver | Deliver | | |
| Fed stops selling issue | x | | Flatten | Deliver | Deliver | | |
| Volatility Up (in general) | x | | | | | | x |
| Volatility Down (in general) | | x | | | | x | |
| Volatility Up, PS | | x | | | | x | |
| Volatility Down, NPS | x | | | | | | x |
| Volatility Down, PS | | x | | | | x | |
| Volatility Up, NPS | x | | | | | | x |
| Fed Raising Rates | | | Flattens | Deliver | Deliver | | |
| Cost-to-Carry up | | x | <p><u>What affects the basis?</u> changes in rp rates changes in the slope of the yc and dc changes in yield spreads changes in yield volatility carry convergence</p> | | | | |
| Cost-to-Carry down | x | | | | | | |
| Market Rallying | x | | | | | | |
| Market Breaking | | x | | | | | |
| BNOc is Negative | | x | | | | | |
| BNOc is Positive | x | | | | | | |
| Curve Steepening (in general) | x | | | | | | |
| Curve Flattening (in general) | | x | | | | | |
| Curve Parallel (in general) | | x | | | | | |

Please see the morning email "US Deliverable Basket" for charts of the Deliverables.

If you're long the basis and the markets going up but the basis is barely going up, then check to see if there's a parallel shift going on in the curve.

Long basis and a parallel shift lowers the value of being long the basis. You won't make as much as you thought. You might even lose money.

Notes:

^ DC = Delivery Curve. See morning email, US Deliverable Basket for full basket.

PS = Parallel Shift

NPS = Non-Parallel Shift.

BNOc = Basis Net of Change

yc = yield curve

HDB = High Duration Bond/Note

LDB = Low Duration Bond/Note