

## The Morning Email: Eurodollars & Fed Funds

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### Eurodollar Color Codes for Individual Year Strips:

Color	Year	Contracts
White	One	1 – 4
Red	Two	5 – 8
Green	Three	9 – 12
Blue	Four	13 – 16
Gold	Five	17 – 20
Purple	Six	21 – 24
Orange	Seven	25 – 28
Pink	Eight	29 – 32
Silver	Nine	33 – 36
Copper	Ten	37 – 40

Note: Serial Contracts are not included in color scheme.

Want something added? Let me know: [jgoulding@ghco.com](mailto:jgoulding@ghco.com)

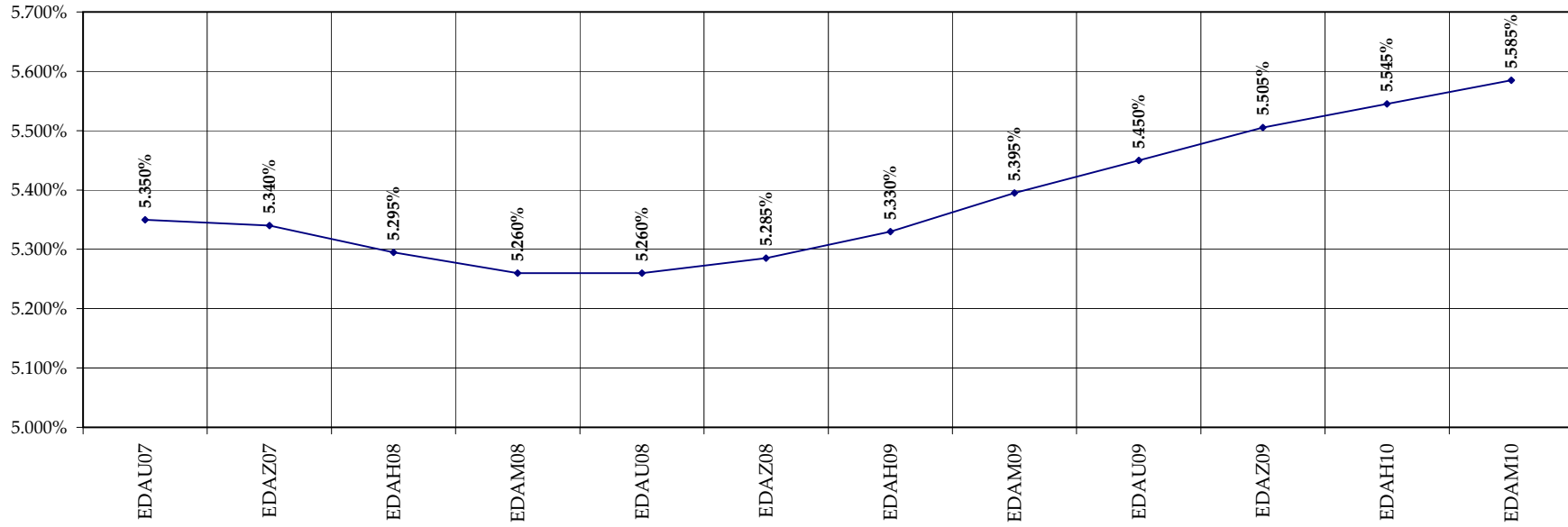
**Disclaimer:**All information within this newsletter is meant for internal use at GH Trader's LLC, only. All information has been recorded to the best of my ability. This material is based upon information that I consider reliable, but I do not represent that it is accurate or complete.

(Excluding Serial)

	Last	High	Low	Open	Month	Net	Exp Date	Implied		
EDAU07	94.650	94.655	94.650	94.650	SEP	0.0	9/17/2007	5.350%	Whites	1st Year
EDAZ07	94.660	94.665	94.645	94.645	DEC	1.5	12/17/2007	5.340%		
EDAH08	94.705	94.715	94.675	94.685	MAR	3.5	3/17/2008	5.295%		
EDAM08	94.740	94.750	94.705	94.720	JUN	4.0	6/16/2008	5.260%		
EDAU08	94.740	94.750	94.705	94.720	SEP	4.5	9/15/2008	5.260%	Reds	1-2 yrs out
EDAZ08	94.715	94.725	94.685	94.700	DEC	4.5	12/15/2008	5.285%		
EDAH09	94.670	94.675	94.635	94.645	MAR	4.5	3/16/2009	5.330%		
EDAM09	94.605	94.615	94.575	94.585	JUN	4.5	6/15/2009	5.395%		
EDAU09	94.550	94.560	94.520	94.530	SEP	4.0	9/14/2009	5.450%	Greens	2-3 yrs out
EDAZ09	94.495	94.500	94.475	94.480	DEC	3.5	12/14/2009	5.505%		
EDAH10	94.455	94.455	94.455	94.455	MAR	3.0	3/15/2010	5.545%		
EDAM10	94.415	94.420	94.415	94.420	JUN	3.5	6/14/2010	5.585%		
EDAU10	94.380	94.380	94.380	94.380	SEP	4.5	9/13/2010	5.620%	Blues	3-4 yrs out
EDAZ10	94.310	#VALUE!	#VALUE!	#VALUE!	DEC	10.5	12/13/2010			
EDAH11	94.285	#VALUE!	#VALUE!	#VALUE!	MAR	2.5	3/14/2011	5.715%		
EDAM11	94.260	#VALUE!	#VALUE!	#VALUE!	JUN	-4.0	6/13/2011	5.740%		
EDAU11	94.225	#VALUE!	#VALUE!	#VALUE!	SEP	#VALUE!	9/19/2011	5.775%	Golds	4-5 yrs out
EDAZ11	94.185	#VALUE!	#VALUE!	#VALUE!	DEC	#VALUE!	12/19/2011	5.815%		
EDAH12	94.160	#VALUE!	#VALUE!	#VALUE!	MAR	#VALUE!	3/19/2012	5.840%		
EDAM12	94.130	#VALUE!	#VALUE!	#VALUE!	JUN	#VALUE!	6/18/2012	5.870%		
EDAU12									Purples	5-6 yrs out
EDAZ12										
EDZH13										
EDAM13										
EDAU13									Oranges	6-7 yrs out
EDAZ13										
EDAH14										
EDAM14										
EDAU14									Pinks	7-8 yrs out
EDAZ14										
EDAH15										
EDAM15										
EDAU15									Grays	8-9 yrs out
EDAZ15										
EDAH16										
EDAM16										
EDAU16									Coppers	8-10 yrs out
EDAZ16										
EDAH17										
EDAM17										

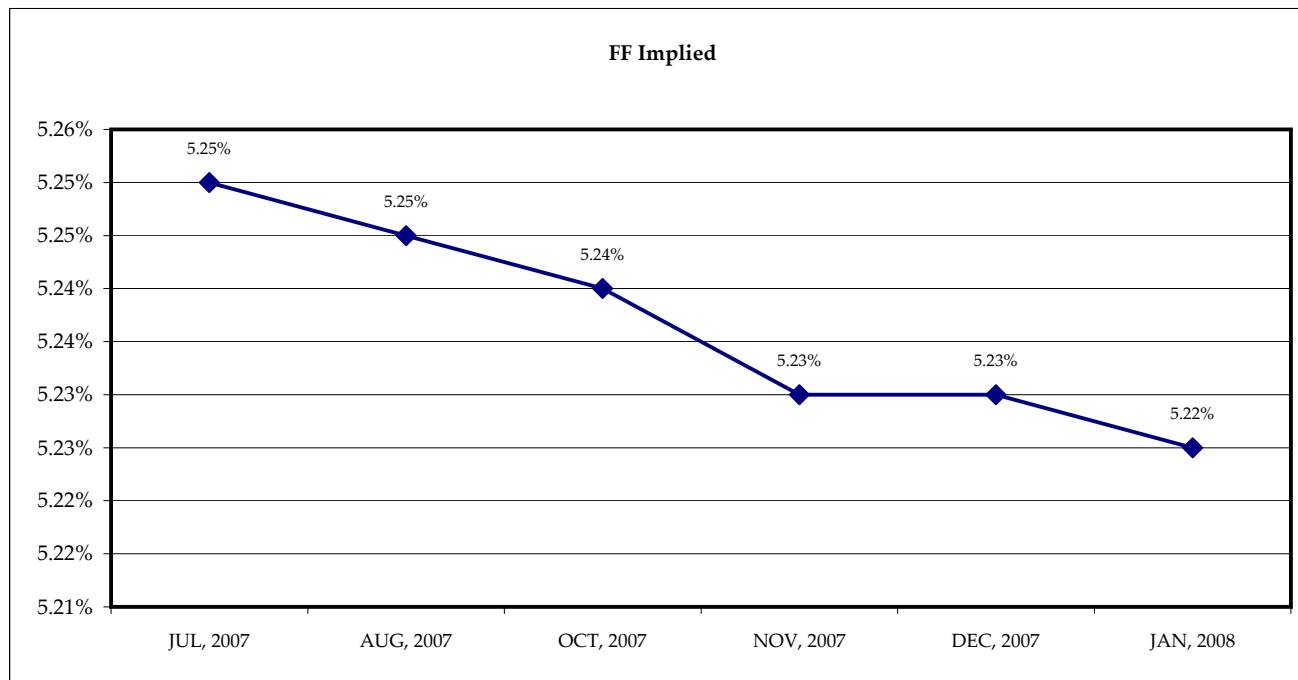
I do not keep stats on purples through coppers due to lack of volume

ED Curve (Whites, Greens, Reds )



## Fed Funds

	Last Price	Imp Rate
JUL, 2007	94.76	5.25%
AUG, 2007	94.76	5.25%
OCT, 2007	94.77	5.24%
NOV, 2007	94.77	5.23%
DEC, 2007	94.78	5.23%
JAN, 2008	94.78	5.22%
FEB, 2008	94.76	5.22%
MCH, 2008	94.78	5.24%
APR, 2008	#VALUE!	5.22%
MAY, 2008	#VALUE!	#VALUE!



Actual FF Rate

5.25%

FOMC Meeting Date	FF Rate Projected on X date*	FF Futures Month	% Chance of Change
8/7/2007	5.00%	AUG, 2007	3%
9/18/2007	5.00%	SEP, 2007	9%
10/31/2007	5.00%	OCT, 2007	
12/11/2007	5.00%	DEC, 2007	15%
	5.00%	JAN, 2008	

problem with Oct calc again.

\*FF Rate Projected X date is provided by me. Meaning, I'm asking the question, "what are the odds in the FF Futures that the fed will raise/lower to X percent FF Rate, from the current (Actual) FF Rate?"

Volume is non-existent or too small to evaluate anything past 7 months out. This is why I'm only going out that far.

Table is Day Count Equation

Current Positions									
Long	Small Spec		Net	Long	Large Spec		Commercials		
	Short				Short	Net	Long	Short	Net
1,151,589	1,538,042		(386,453)	1,078,338	1,023,651	54,687	9,943,770	9,612,005	331,765

As of  
1/0/1900

Week over Week Change		
Sm Spec	Lg Spec	Commrci
(75,241)	(107,238)	182,477

**Implied Eurodollar Rate minus Implied Fed Funds Rate Spread^ Price (bps)^**

JUL, 2007	<b>10.750</b>
AUG, 2007	<b>11.000</b>
SEP, 2007	<b>11.000</b>
DEC, 2007	<b>11.500</b>
MCH, 2008	<b>7.500</b>

^ Example: 12.250 = 12 1/4 basis points

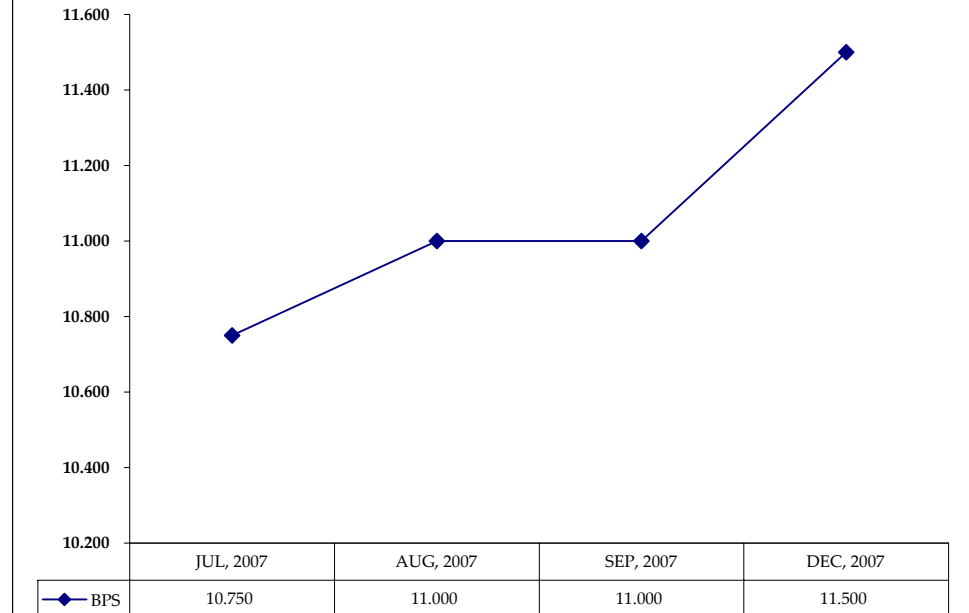
**Fed Funds Outright**

Contract	Imp Rate	Month
JUL, 2007	5.2500	JUL, 2007
AUG, 2007	5.2450	AUG, 2007
SEP, 2007	5.2400	SEP, 2007
OCT, 2007	5.2300	OCT, 2007
NOV, 2007	5.2300	NOV, 2007
DEC, 2007	5.2250	DEC, 2007
JAN, 2008	5.2250	JAN, 2008
FEB, 2008	5.2400	FEB, 2008
MCH, 2008	5.2200	MCH, 2008
APR, 2008	#VALUE!	APR, 2008

**Eurodollars Outright**

Contract	Imp Rate	Month	Q/S
F.EDAN07	5.358	JUL, 2007	S
F.EDAQ07	5.355	AUG, 2007	S
F.EDAU07	5.350	SEP, 2007	Q
F.EDAZ07	5.340	DEC, 2007	Q
F.EDAH08	5.295	MCH, 2008	Q

Implied Eurodollar Rate minus Implied Fed Funds Rate



**Notes:**

Q/S = Quarterly or Serial contract

#Value = No quote being given by exchange









