

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

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.

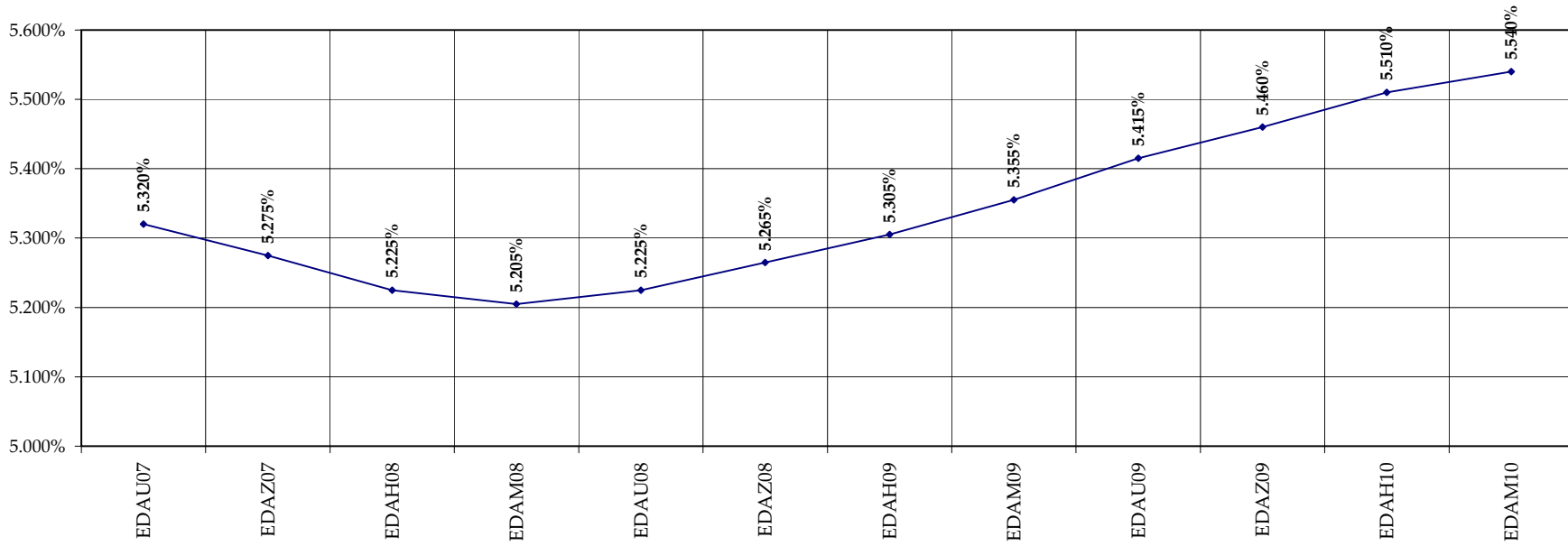
(Excluding Serial)

	Last	High	Low	Open	Month	Net	Exp Date	Implied		
EDAU07	94.680	94.685	94.675	94.680	SEP	0.5	9/17/2007	5.320%	Whites	1st Year
EDAZ07	94.725	94.735	94.715	94.715	DEC	1.5	12/17/2007	5.275%		
EDAH08	94.775	94.785	94.750	94.755	MAR	3.5	3/17/2008	5.225%		
EDAM08	94.795	94.810	94.775	94.775	JUN	3.0	6/16/2008	5.205%		
EDAU08	94.775	94.785	94.750	94.755	SEP	3.5	9/15/2008	5.225%	Reds	1-2 yrs out
EDAZ08	94.735	94.745	94.720	94.720	DEC	2.5	12/15/2008	5.265%		
EDAH09	94.695	94.705	94.680	94.690	MAR	2.5	3/16/2009	5.305%		
EDAM09	94.645	94.650	94.630	94.645	JUN	3.0	6/15/2009	5.355%		
EDAU09	94.585	94.595	94.580	94.595	SEP	3.0	9/14/2009	5.415%	Greens	2-3 yrs out
EDAZ09	94.540	94.540	94.535	94.535	DEC	2.5	12/14/2009	5.460%		
EDAH10	94.490	94.510	94.490	94.495	MAR	2.5	3/15/2010	5.510%		
EDAM10	94.460	94.460	94.440	94.450	JUN	2.0	6/14/2010	5.540%		
EDAU10	94.420	94.420	94.415	94.415	SEP	2.0	9/13/2010	5.580%	Blues	3-4 yrs out
EDAZ10	#VALUE!	#VALUE!	#VALUE!	#VALUE!	DEC	2.0	12/13/2010			
EDAH11	#VALUE!	#VALUE!	#VALUE!	#VALUE!	MAR	2.0	3/14/2011	#VALUE!		
EDAM11	#VALUE!	#VALUE!	#VALUE!	#VALUE!	JUN	2.0	6/13/2011	#VALUE!		
EDAU11	#VALUE!	#VALUE!	#VALUE!	#VALUE!	SEP	-1.5	9/19/2011	#VALUE!	Golds	4-5 yrs out
EDAZ11	#VALUE!	#VALUE!	#VALUE!	#VALUE!	DEC	13.5	12/19/2011	#VALUE!		
EDAH12	#VALUE!	#VALUE!	#VALUE!	#VALUE!	MAR	-1.5	3/19/2012	#VALUE!		
EDAM12	#VALUE!	#VALUE!	#VALUE!	#VALUE!	JUN	-2.0	6/18/2012	#VALUE!		
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										

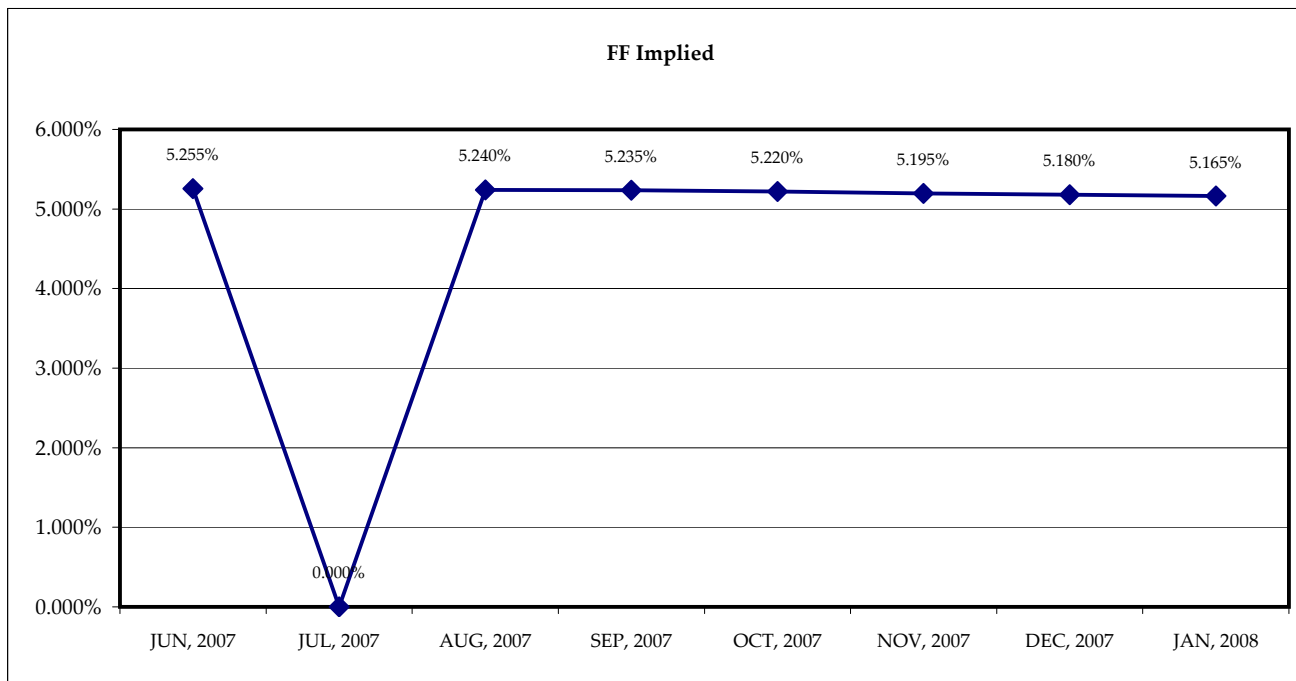
Red pack/Gold packsread, is a 2/10 proxy

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

ED Curve (Whites, Greens, Reds)



Fed Funds			
	Is	net	Implied
F.FFAM07	94.745	0.000	5.255%
F.FFAN07	#VALUE!	0.500	#VALUE!
F.FFAQ07	94.760	0.000	5.240%
F.FFAU07	94.765	0.000	5.235%
F.FFAV07	94.780	1.000	5.220%
F.FFAX07	94.805	2.000	5.195%
F.FFAZ07	94.820	1.000	5.180%
F.FFAF08	94.835	#VALUE!	5.165%
F.FFAG08	94.855	#VALUE!	5.145%
F.FFAH08	94.850	0.500	5.150%



Actual FF Rate

5.25%

FOMC Meeting Date	FF Rate		% Chance of Change
	Projected on X date*	FF Futures Month	
6/28/2007	5.00%	JUN, 2007	-42%
8/7/2007	5.00%	AUG, 2007	5%
9/18/2007	5.00%	SEP, 2007	14%
10/31/2007	5.00%	OCT, 2007	10%
12/11/2007	5.00%	DEC, 2007	38%
1/30/2008		JAN, 2008	

*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								
Small Spec			Large Spec			Commercials		
Long	Short	Net	Long	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
6/19/2007

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	#VALUE!
AUG, 2007	10.000
SEP, 2007	8.500
DEC, 2007	9.500
MCH, 2008	7.500

^ Example: 12.250 = 12 1/4 basis points

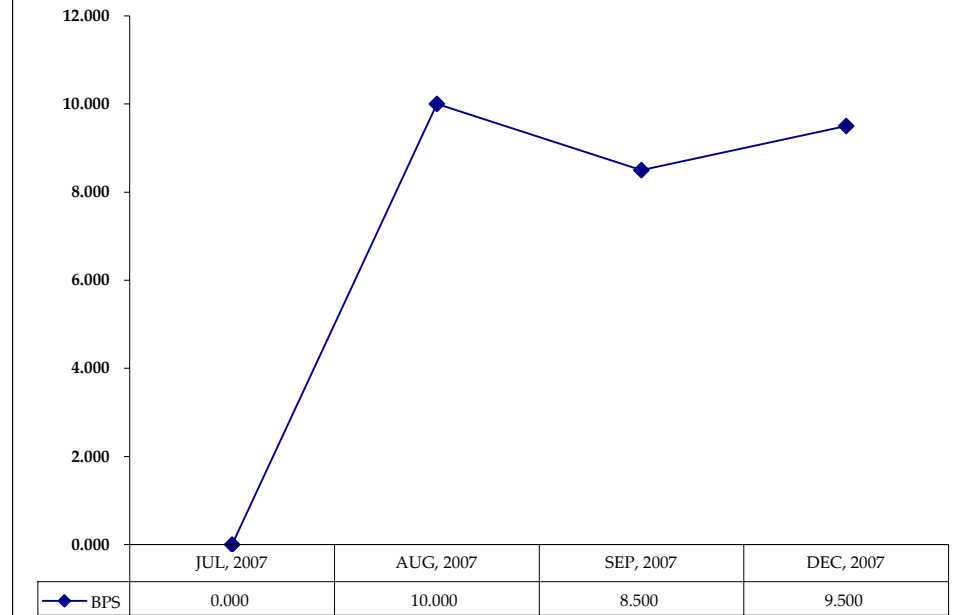
Fed Funds Outright

Contract	Imp Rate	Month
F.FFAM07	0.0526	JUN, 2007
F.FFAN07	#VALUE!	JUL, 2007
F.FFAQ07	5.2400	AUG, 2007
F.FFAU07	5.2350	SEP, 2007
F.FFAV07	5.2200	OCT, 2007
F.FFAX07	5.1950	NOV, 2007
F.FFAZ07	5.1800	DEC, 2007
F.FFAF08	5.1650	JAN, 2008
F.FFAG08	5.1450	FEB, 2008
F.FFAH08	5.1500	MCH, 2008
F.FFAJ08	5.1650	APR, 2008

Eurodollars Outright

Contract	Imp Rate	Month	Q/S
F.EDAN07	#VALUE!	JUL, 2007	S
F.EDAQ07	5.340	AUG, 2007	S
F.EDAU07	5.320	SEP, 2007	Q
F.EDAZ07	5.275	DEC, 2007	Q
F.EDAH08	5.225	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

