

The Morning Email: Eurodollars & Fed Funds

Table of Contents

Pg 1	Eurodollars - Electronic Outright Contracts
Pg 2	Eurodollar - Charted Quarterly Curve
Pg 3	Fed Funds - Outright (Electronically Traded Contracts)
Pg 4	Fed Funds % Chance of Tightening, Easing
Pg 5	Eurodollar COT Data
Pg 6	Eurodollars and Fed Fund Spreads

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

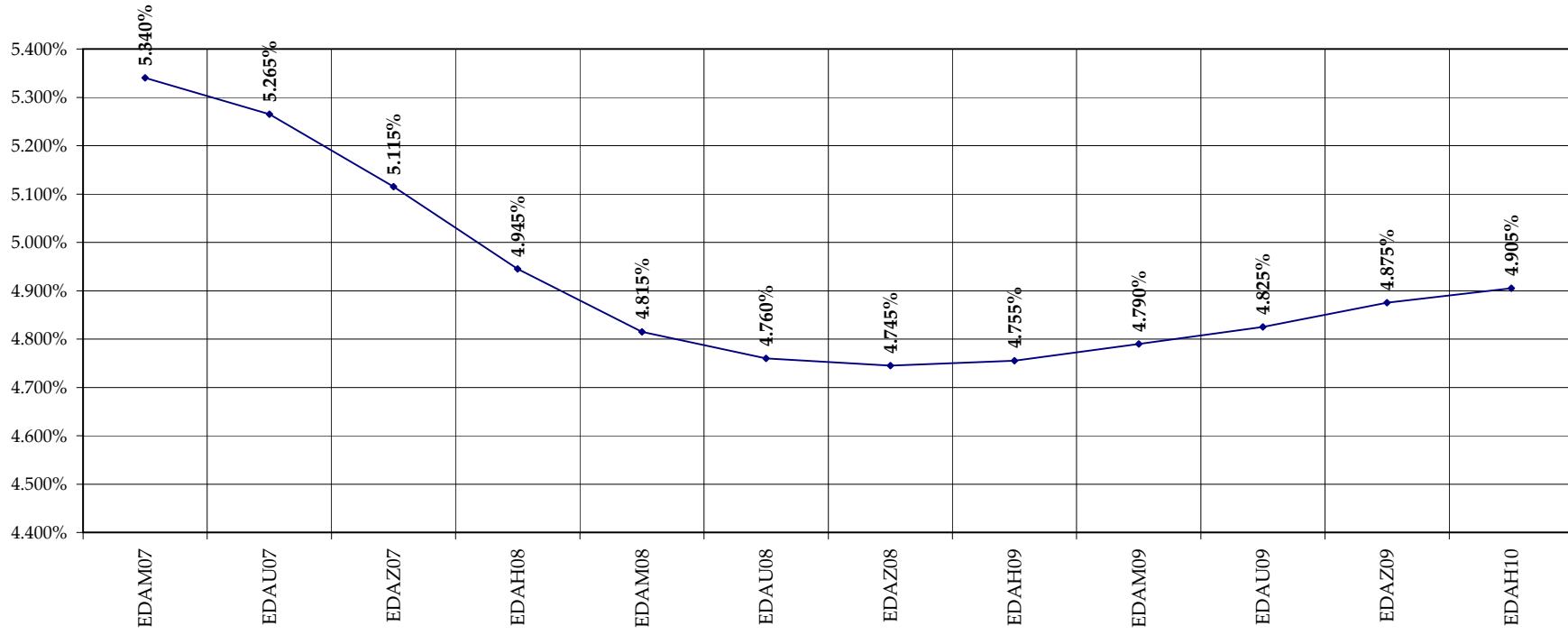
Note: Serial Contracts are not included in color scheme.

(Excluding Serial)

	Last	High	Low	Open	Month	Net	Exp Date	Implied		
EDAM07	94.660	94.675	94.655	94.675	JUN	-0.5	6/18/2007	5.340%	Whites	1st Year
EDAU07	94.735	94.780	94.730	94.770	SEP	-4.0	9/17/2007	5.265%		
EDAZ07	94.885	94.970	94.885	94.935	DEC	-5.0	12/17/2007	5.115%		
EDAH08	95.055	95.160	95.055	95.125	MAR	-7.0	3/17/2008	4.945%	Reds	1-2 yrs out
EDAM08	95.185	95.295	95.180	95.260	JUN	-7.5	6/16/2008	4.815%		
EDAU08	95.240	95.355	95.235	95.315	SEP	-7.0	9/15/2008	4.760%		
EDAZ08	95.255	95.360	95.245	95.320	DEC	-7.5	12/15/2008	4.745%		
EDAH09	95.245	95.345	95.240	95.310	MAR	-6.5	3/16/2009	4.755%	Greens	2-3 yrs out
EDAM09	95.210	95.305	95.200	95.270	JUN	-6.0	6/15/2009	4.790%		
EDAU09	95.175	95.260	95.165	95.220	SEP	-5.0	9/14/2009	4.825%		
EDAZ09	95.125	95.205	95.120	95.170	DEC	-4.5	12/14/2009	4.875%		
EDAH10	95.095	95.200	95.090	95.130	MAR	-4.0	3/15/2010	4.905%	Blues	3-4 yrs out
EDAM10	95.055	95.125	95.055	95.125	JUN	-4.0	6/14/2010	4.945%		
EDAU10	95.025	95.055	95.025	95.055	SEP	-3.0	9/13/2010	4.975%		
EDAZ10	94.980	95.075	94.980	95.015	DEC	-3.0	12/13/2010			
EDAH11	94.970	95.000	94.970	95.000	MAR	-2.0	3/14/2011	5.030%	Golds	4-5 yrs out
EDAM11	94.940	94.950	94.940	94.950	JUN	-2.0	6/13/2011	5.060%		
EDAU11	94.885	94.945	94.885	94.945	SEP	-2.0	9/19/2011	5.115%		
EDAZ11	94.865	94.865	94.865	94.865	DEC	-1.5	12/19/2011	5.135%		
EDAH12	94.840	94.875	94.840	94.875	MAR	-1.5	3/19/2012	5.160%	Purples	5-6 yrs out
EDAM12		I do not keep data on purples through the coppers due to the non-liquidity.								
EDAU12										
EDAZ12										
EDZH13										
EDAM13		I do not keep data on purples through the coppers due to the non-liquidity.							Oranges	6-7 yrs out
EDAU13										
EDAZ13										
EDAH14										
RDAM14		I do not keep data on purples through the coppers due to the non-liquidity.							Pinks	7-8 yrs out
EDAU14										
EDAZ14										
EDAH15										
EDAM15		I do not keep data on purples through the coppers due to the non-liquidity.							Grays	8-9 yrs out
EDAU15										
EDAZ15										
EDAH16										
EDAM16		I do not keep data on purples through the coppers due to the non-liquidity.							Coppers	8-10 yrs out
EDAU16										
EDAZ16										
EDAH17										

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

GE Curve (Whites, Greens, Reds)



Fed Funds - Outright (Electronically Traded Contracts)

Fed Funds

	Is	net	Implied	
F.FFAJ07	#VALUE!	#VALUE!	#VALUE!	Apr
F.FFAK07	94.755	0.000	5.245%	May
F.FFAM07	94.750	0.000	5.250%	June
F.FFAN07	94.765	-0.500	5.235%	July
F.FFAQ07	94.780	-1.500	5.220%	August
F.FFAU07	94.800	-2.500	5.200%	September
F.FFAV07	94.820	-2.500	5.180%	October
F.FFAZ07	94.930	-4.000	5.070%	December

[Note: Table linked to FF % chance]

Fed Funds % Chance of Tightening, Easing

Actual FF Rate

5.25%

FOMC Meeting Date	FF Rate Projected on X date*	FF Futures Month	% Chance of Change
5/9/2007	5.00%	MAY, 2007	3%
6/28/2007	5.00%	JUN, 2007	0%
8/7/2007	5.00%	AUG, 2007	15%
9/18/2007	5.00%	SEP, 2007	38%
10/31/2007	5.00%	OCT, 2007	100%
12/11/2007	4.75%	DEC, 2007	47%

*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

Jim Goulding, GH Traders LLC, Treas-Arb, Chicago, jgoulding@ghco.com

Eurodollar COT Data

Current Positions								
Long	Small Spec		Long	Large Spec		Long	Commercials	
	Short	Net		Short	Net		Short	Net
1,320,102	1,615,819	(295,717)	1,005,654	711,810	293,844	10,295,311	10,293,437	1,874

As of
4/24/2007

Week over Week Change		
Sm Spec	Lg Spec	Commrc
39,323	76,898	(116,220)

Eurodollars and Fed Fund Spreads

Implied Eurodollar Rate minus Implied Fed Funds Rate

Spread Price (bps)*

Apr-2007	#VALUE!
May-2007	11.000
Jun-2007	9.000
Jul-2007	8.500
Sep-2007	6.500

* example, 12.250 = 12 1/4 basis points

#Value = No quote being provided by exchange

Fed Funds Outright

Contract	Imp Rate	Contract Month
F.FFAJ07	#VALUE!	Apr-2007
F.FFAK07	5.2450	May-2007
F.FFAM07	5.2500	Jun-2007
F.FFAN07	5.2350	Jul-2007
F.FFAQ07	5.2200	Aug-2007
F.FFAU07	5.2000	Sep-2007
F.FFAV07	5.1800	Oct-2007
F.FFAX07	5.1300	Nov-2007
F.FFAZ07	5.0700	Dec-2007

Eurodollars Outright

Contract	Imp Rate	Contract Month
F.EDAJ07	#VALUE!	Apr-2007
F.EDAK07	5.355	May-2007
F.EDAM07	5.340	Jun-2007
F.EDAN07	5.320	Jul-2007
F.EDAU07	5.265	Sep-2007
F.EDAZ07	5.115	Dec-2007

