

The Morning Email: Treasuries

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Where are the economic releases and the speakers & events?
They're in a new morning email called "Econ&Events"

Want something added?

Let me know: jgoulding@ghco.com

Disclaimer:

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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.

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	Economic Releases - 32nds				Date
	5y*	10y*	ZNM7**	ZBM7**	
Non-farm High	99.200	99.190	107.300	111.01	4/6/2007
Non-farm Low	99.085	98.310	107.110	110.00	4/6/2007
FOMC High	101.000	100.290	109.020	113.03	3/22/2007
FOMC Low	100.170	100.085	108.100	112.06	3/22/2007
PPI High	99.135	99.075	107.195	110.23	4/13/2007
PPI Low	99.065	98.285	107.080	110.02	4/13/2007
CPI High	99.185	99.175	107.265	111.06	4/17/2007
CPI Low	99.085	99.060	107.135	110.17	4/17/2007
Auction Price	99.208	100.257			
Last Trade	99.182	99.170	107.280	111.09	5/4/2007 5:36

*Adjusted for New Issue

**Adjusted for Futures Roll

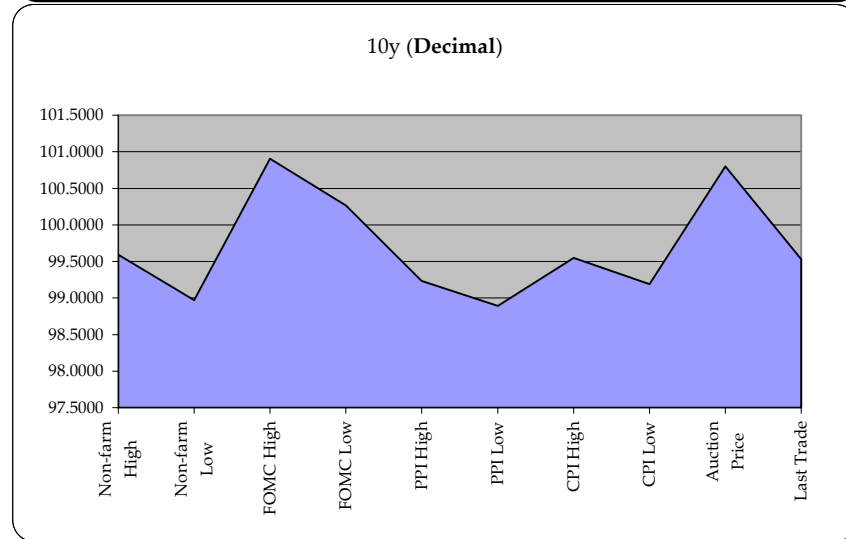
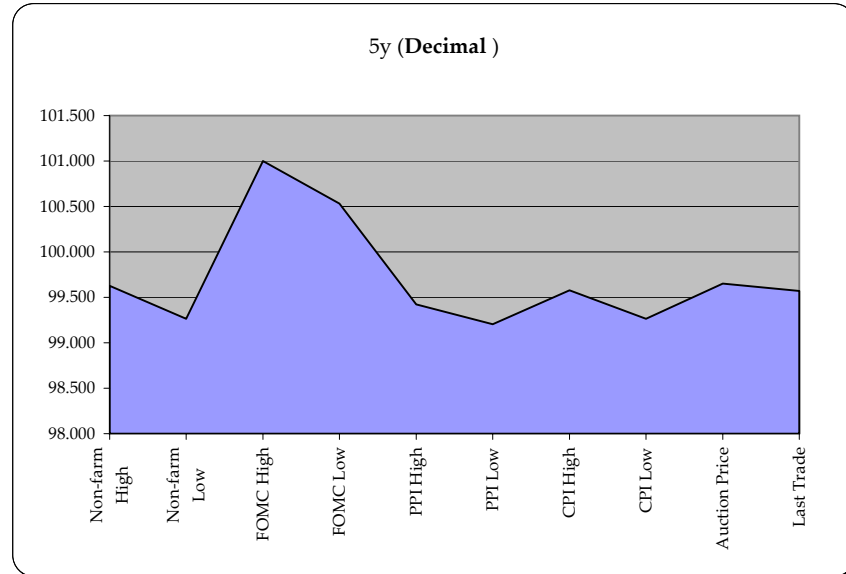
Prices are recorded from econ release to 2pm CDT

ZBH/ZBM Rolled at -2 tics

ZNH/ZNM Rolled at +5 tics

	Auctions - 32nds			
	2 y	5y	10y	30y
Auction Price	99.256	99.208	100.257	99.007
Auction Yield Stop	4.606	4.579	4.523	4.812
Actual Auction Date	4/25/2007	4/26/2007	03/13/2007 re	2/8/2007

re = reopen



Quotes

32 nds							
	ls	net	high	low	open	Volume	SYM NAME
TUAM7	102.052	(3.7)	102.117	102.052	102.090	188,208	2y Futures
FVAM7	105.145	(7.0)	105.285	105.140	105.215	553,914	5y Futures
TYAM7	107.280	(9.5)	108.120	107.275	108.060	1,056,384	10y Futures
USAM7	111.090	(14)	112.020	111.080	111.240	313,502	30y Futures
	ls	net	high	low	open	Volume	SYM NAME
BUS02P	99.195	(3.2)	99.250	99.197	99.235	na	2y
BUS05P	99.182	(7.2)	99.297	99.182	99.247	na	5y
BUS10P	99.170	(9.5)	100.020	99.170	99.260	na	10y
BUS30P	98.140	(16)	99.090	98.140	98.290	na	30y
	ls	net	high	low	open	Volume	SYM NAME
BUS02Y	4.696	5.40	4.713	4.613	4.642	na	2y Yield
BUS05Y	4.596	5.30	4.601	4.514	4.548	na	5y Yield
BUS10Y	4.682	3.80	4.688	4.612	4.646	na	10y Yield
BUS30Y	4.848	3.30	4.851	4.793	4.813	na	30y Yield

Source: CQG

News Recap for the United States *from*

Yesterday

15:07 05/03 **US TSYS/RECAP:** Tsys move off lows late on light short-covering, rate-lock unwinds Thu after a.m. slide on -21K dip in wkly jobless claims (tho Unit Labor Costs bond-bullish at 0.6%) and then on strong non-mfrg ISM. Black box accts and fast money accts did 2y/10Y flatteners (maybe were rumored big sellers in Tsys, and talk macro funds exiting longs). Real money, fast money early sold 2s, 5s, but was 2Y buying by hedge funds. 2/10Y, 2Y/30Y flatter as some do flatteners, others did steepeners. There were Street, fast money bids for intermediates. Centr/banks inactive. Buy-and-hold accts sold 10Ys, with early corporate rate-lock selling in Tsys. German Bunds weak, but outperformed Tsys after ISM, some sell Tsys/Buy Bunds. There were a.m. deal-tied 5Y flows, and morning size buyer of Sept 10Y 105 puts in Tsy options. There was ongoing seller of Sep 10yr at-the-money option vols by a French comm. Some accts began to roll futures position into longer expiries, some 35,000 Jun/Sep spds traded Thu. Some cover shorts in front end, belly.

15:07 05/03 **US Eurodlr/Swaps:** Spds finished session tighter across the curve, the front end outpacing as the futures curve flattened strongly for the 3rd consecutive session. Belying the move, sources reported more widening biased flow--deal related hedges in 5s, payers in 4s while fast money accts jumped on flatteners.

Overnight

06:02 05/04 **TSYS:** Treasuries are modestly firmer. Volumes are light but traders have talked about some earlier demand in the 10-year sector. Ahead of the U.S. session, the 2-yr note trades 1/64 higher, at 99 21/32 to yield 4.68%, while the 5-yr note is 1/32 higher at 99 21/32 (4.58%). The 10-year note was 2/32 higher at 99 22/32 (4.66%), with the Bond 3+/32 higher at 98 23/32 (4.83%). The 2-yr/5-yr yield curve was unchanged on overnight levels, trading at -11 bps. The 2-/10-yr curve was unchanged, trading at -2 bps, as was the 2-yr/30-yr curve, standing at +15 bps.

06:12 05/04 **UST/BUNDS:** Bunds are trading modestly higher against U.S. 10-year T-notes, up 0.5 bps from Thursday at 48 bps.

Duration, DV01s, Curve, Flys, CFs

M Duration

30y	#VALUE!
10y	7.71
5y	4.41
3y	2.55
2y	1.87
ZB	9.77
ZN	5.80
ZF	3.84
ZT	1.79

DV01s (32nds)

30y	#VALUE!
10y	2.48
5y	1.41
3y	0.82
2y	0.60
ZB	3.53
ZN	2.02
ZF	1.31
ZT	1.18

DV01s (\$s)

30y	#VALUE!
10y	\$775
5y	\$440
3y	\$256
2y	\$187
ZB	\$110
ZN	\$63
ZF	\$41
ZT	\$37

Yield Curve Spreads

2/3	-6.90
3/5	-3.10
2/5	-10.00
5/10	8.60
2/10	-1.40
10/30	16.60
5/30	25.20
2/30	15.20

Fly's

2/3/5	-3.80
2/5/10	-18.60
2/10/30	-18.00
5/10/30	-8.00

CFs

ZB	0.8281
ZN	0.9015
ZF	0.9378
ZT	0.9742

Notes

- 1) CF = Conversion Factor
- 2) MDuration = Modified Macaulay Duration
- 3) MDuration & DV01s for Futures are based on proxy issue (CTD)

US Financial Futures / Eurex Bond

	ZB	ZN	ZF	ZT
Bund (M)	1.000	1.800	2.700	2.600
Bobl (M)	0.530	0.930	1.400	1.300
Shatz (M)	0.210	0.400	0.550	0.530

US Financial Futures

	ZB	ZN	ZF	ZT
ZB		1.750	2.699	2.998
ZN	0.572		1.543	1.714
ZF	0.370	0.648		1.000
ZT	0.334	0.584	0.900	

US Treasuries v US Financial Futures

	2y	3y	5y	10y	30y
ZB	1.69	2.32	3.99	7.03	#VALUE!
ZN	2.96	4.06	6.98	12.31	#VALUE!
ZF	4.57	6.26	10.77	18.99	#VALUE!
ZT	5.08	6.96	11.96	21.09	#VALUE!

US Treasuries v Eurex Bonds

	2y	3y	5y	10y	30y
Bund (M)	1.6	2.4	3.9	6.9	13.8
Bobl (M)	3.0	4.4	7.2	12.9	25.7
Shatz (M)	7.1	10.5	17.2	30.8	61.3

US Treasuries

	2y	3y	5y	10y	30y
2y		1.427	2.453	4.325	#VALUE!
3y	0.730		1.719	3.032	#VALUE!
5y	0.424	0.582		1.763	#VALUE!
10y	0.241	0.330	0.567		#VALUE!
30y	#####	#VALUE!	#VALUE!	#VALUE!	

Note:

Eurex Ratio's from Bloomberg.

All other Ratio's from GH Trader's LLC

Commitment of Traders (COT)

Current Positions										
	Small Spec			Large Spec			Commercials (Hedgers)			
	Long	Short	Net	Long	Short	Net	Long	Short	Net	
ZF	270,946	253,232	17,714	235,601	385,822	(150,221)	1,206,459	1,073,953	132,506	ZF
ZN	309,473	448,395	(138,922)	728,973	307,055	421,918	1,709,948	1,992,943	(282,995)	ZN
ZB	146,098	190,274	(44,176)	122,668	178,870	(56,202)	656,358	555,981	100,377	ZB

WoW* Position Change				As of
	Sml Spec	Lrg Spec	Comm	
	Net	Net	Net	
ZF	29,361	(14,867)	(14,496)	4/24/2007
ZN	29,020	21,944	(50,963)	
ZB	28,049	42,798	(70,848)	

**WoW = Week over week

	Cpn	Mty	32nds	Yield
2y	4.500	3/31/09	99.2025	4.695
3y	4.750	2/15/10	100.1050	4.620
5y	4.500	4/30/12	99.1950	4.588
10y	4.625	2/15/17	99.200	4.672
30y	4.750	2/15/37	98.20	4.837

	CF Basis* (decimal)	GHCO Basis		32nds
5y	0.59	1.703	ZF	105.1500
10y	2.46	42.678	ZN	107.3050
30y	6.16	318.890	ZB	111.14

Curve Spreads bps

2/3	(0.075)
3/5	(0.032)
2/5	(0.107)
5/10	0.084
2/10	(0.023)
10/30	0.165
5/30	0.249
2/30	0.142

CF = Conversion Factor

Cash - (Futures * CF)

