

## 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.

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.

Eurodollars - Electronic Outright Contracts

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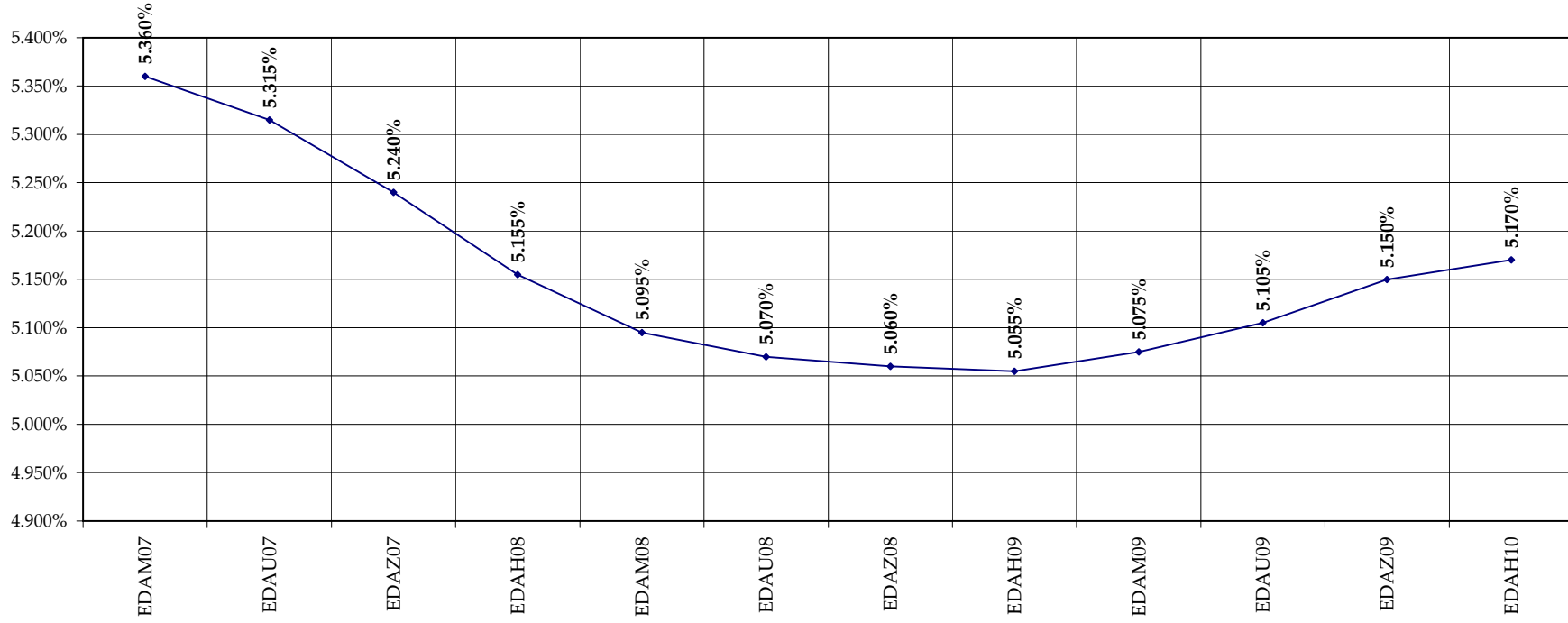
(Excluding Serial)

	Last	High	Low	Open	Month	Net	Exp Date	Implied						
EDAM07	94.640	94.643	94.640	94.640	JUN	0.0	6/18/2007	5.360%	Whites	1st Year				
EDAU07	94.685	94.690	94.670	94.675	SEP	0.5	9/17/2007	5.315%						
EDAZ07	94.760	94.770	94.735	94.740	DEC	1.0	12/17/2007	5.240%						
EDAH08	94.845	94.860	94.815	94.820	MAR	1.5	3/17/2008	5.155%	Reds	1-2 yrs out				
EDAM08	94.905	94.920	94.875	94.880	JUN	1.5	6/16/2008	5.095%						
EDAU08	94.930	94.945	94.900	94.910	SEP	1.5	9/15/2008	5.070%						
EDAZ08	94.940	94.955	94.910	94.915	DEC	2.0	12/15/2008	5.060%	Greens	2-3 yrs out				
EDAH09	94.945	94.960	94.920	94.920	MAR	1.0	3/16/2009	5.055%						
EDAM09	94.925	94.940	94.925	94.925	JUN	1.0	6/15/2009	5.075%						
EDAU09	94.895	94.900	94.870	94.870	SEP	0.5	9/14/2009	5.105%	Blues	3-4 yrs out				
EDAZ09	94.850	94.860	94.850	94.855	DEC	1.0	12/14/2009	5.150%						
EDAH10	94.830	94.830	94.825	94.825	MAR	1.5	3/15/2010	5.170%						
EDAM10	94.800	94.800	94.800	94.800	JUN	2.0	6/14/2010	5.200%	Golds	4-5 yrs out				
EDAU10	94.765	94.770	94.765	94.770	SEP	2.0	9/13/2010	5.235%						
EDAZ10	94.730	94.735	94.730	94.735	DEC	2.5	12/13/2010							
EDAH11	94.710	94.715	94.710	94.715	MAR	2.5	3/14/2011	5.290%	Purples	5-6 yrs out				
EDAM11	94.655	#VALUE!	#VALUE!	#VALUE!	JUN	3.0	6/13/2011	5.345%						
EDAU11	94.620	#VALUE!	#VALUE!	#VALUE!	SEP	#VALUE!	9/19/2011	5.380%						
EDAZ11	94.590	#VALUE!	#VALUE!	#VALUE!	DEC	#VALUE!	12/19/2011	5.410%	Oranges	6-7 yrs out				
EDAH12	94.570	#VALUE!	#VALUE!	#VALUE!	MAR	#VALUE!	3/19/2012	5.430%						
EDAM12		I do not keep data on purples through the coppers due to the non-liquidity.									Pinks	7-8 yrs out		
EDAU12													Greys	8-9 yrs out
EDAZ12														
EDZH13														
EDAM13														
EDAU13														
EDAZ13														
EDAH14														
EDAM14														
EDAU14														
EDAZ14														
EDAH15														
EDAM15														
EDAU15														
EDAZ15														
EDAH16														
EDAM16														
EDAU16														
EDAZ16														
EDAH17														

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

**Eurodollar - Charted Quarterly Curve**

**ED Curve (Whites, Greens, Reds )**



**Fed Funds - Outright (Electronically Traded Contracts)**

**Fed Funds**

	<b>ls</b>	<b>net</b>	<b>Implied</b>	
F.FFAK07	94.750	0.000	5.250%	May
F.FFAM07	94.750	-0.500	5.250%	June
F.FFAN07	94.755	-0.500	5.245%	July
F.FFAQ07	94.755	-0.500	5.245%	August
F.FFAU07	94.765	0.000	5.235%	September
F.FFAV07	94.785	1.000	5.215%	October
F.FFAZ07	94.830	0.000	5.170%	December

**[Jim's 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
6/28/2007	5.00%	JUN, 2007	0%
8/7/2007	5.00%	AUG, 2007	3%
9/18/2007	5.00%	SEP, 2007	14%
10/30/2007	5.00%	OCT, 2007	83%
12/11/2007	4.75%	DEC, 2007	23%

\*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

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## Eurodollar COT Data

Current Positions								
Long	Small Spec		Long	Large Spec		Long	Commercials	
	Short	Net		Short	Net		Short	Net
1,178,180	1,500,075	(321,895)	1,373,729	1,104,191	269,538	10,867,543	10,815,187	52,356

As of  
5/22/2007

Week over Week Change		
Sm Spec	Lg Spec	Commrc
(18,844)	50,683	(31,839)

**Eurodollars and Fed Fund Spreads**

**Implied Eurodollar Rate minus Implied Fed Funds Rate**

Spread^ Price (bps)^

Jun-2007	11.000
Jul-2007	11.000
Sep-2007	8.000
Dec-2007	7.000

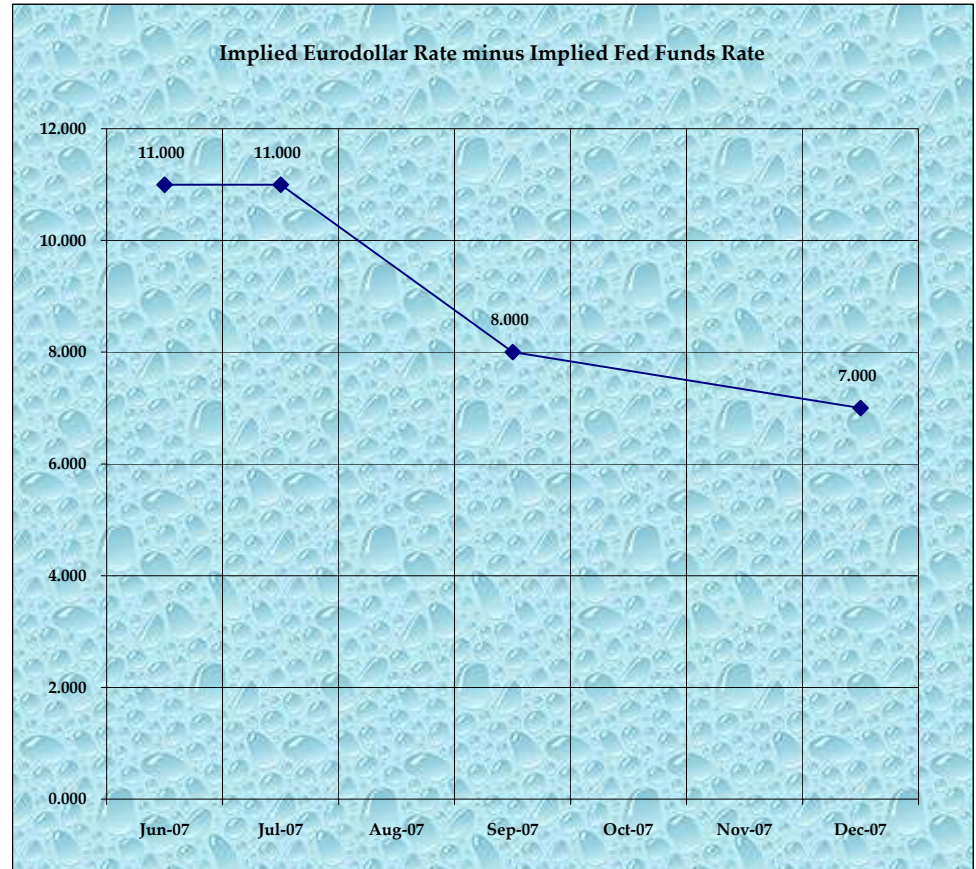
^ Example: 12.250 = 12 1/4 basis points  
 #Value = No quote being provided by exchange

**Fed Funds Outright**

Contract	Imp Rate	Contract Month
F.FFAM07	5.2500	Jun-2007
F.FFAN07	5.2450	Jul-2007
F.FFAQ07	5.2450	Aug-2007
F.FFAU07	5.2350	Sep-2007
F.FFAV07	5.2150	Oct-2007
F.FFAX07	5.1800	Nov-2007
F.FFAZ07	5.1700	Dec-2007

**Eurodollars Outright**

Contract	Imp Rate	Contract Month
F.EDAM07	5.360	Jun-2007
F.EDAN07	5.355	Jul-2007
F.EDAU07	5.315	Sep-2007
F.EDAZ07	5.240	Dec-2007



	Last
Red Pack	5.070
Gold Pack	5.385
Gold - Red	0.315

US 2yr	4.859
US 10yr	4.863
10yr - 2yr	0.004

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