

## The Morning Email: Eurodollars & Fed Funds

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**NEW**

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

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	Last	High	Low	Open	Month	Net	Exp Date	Implied		
EDAZ07	95.225	95.235	95.200	95.230	DEC	-2.5	12/17/2007	4.775%	Whites	1st Year
EDAH08	95.470	95.495	95.455	95.485	MAR	-3.5	3/17/2008	4.530%		
EDAM08	95.585	95.610	95.560	95.600	JUN	-3.5	6/16/2008	4.415%		
EDAU08	95.645	95.680	95.625	95.675	SEP	-5.0	9/15/2008	4.355%		
EDAZ08	95.645	95.685	95.630	95.680	DEC	-5.5	12/15/2008	4.355%	Reds	1-2 yrs out
EDAH09	95.595	95.640	95.580	95.640	MAR	-5.5	3/16/2009	4.405%		
EDAM09	95.505	95.540	95.490	95.540	JUN	-5.5	6/15/2009	4.495%		
EDAU09	95.410	95.430	95.395	95.430	SEP	-5.0	9/14/2009	4.590%		
EDAZ09	95.310	95.335	95.300	95.335	DEC	-4.5	12/14/2009	4.690%	Greens	2-3 yrs out
EDAH10	95.240	95.250	95.230	95.245	MAR	-4.5	3/15/2010	4.760%		
EDAM10	95.165	95.175	95.160	95.175	JUN	-4.5	6/14/2010	4.835%		
EDAU10	95.095	95.105	95.095	95.095	SEP	-4.5	9/13/2010	4.905%		
EDAZ10	95.030	95.030	95.030	95.030	DEC	-4.5	12/13/2010	4.970%	Blues	3-4 yrs out
EDAH11	95.020	#VALUE!	#VALUE!	#VALUE!	MAR	-4.0	3/14/2011	4.980%		
EDAM11	94.970	#VALUE!	#VALUE!	#VALUE!	JUN	-2.5	6/13/2011	5.030%		
EDAU11	94.880	#VALUE!	#VALUE!	#VALUE!	SEP	-4.5	9/19/2011	5.120%		
EDAZ11	94.930	#VALUE!	#VALUE!	#VALUE!	DEC	#VALUE!	12/19/2011	5.070%	Golds	4-5 yrs out
EDAH12	94.810	#VALUE!	#VALUE!	#VALUE!	MAR	#VALUE!	3/19/2012	5.190%		
EDAM12	94.760	#VALUE!	#VALUE!	#VALUE!	JUN	#VALUE!	6/18/2012	5.240%		
EDAU12	94.710	#VALUE!	#VALUE!	#VALUE!	SEP	#VALUE!	9/17/2012	5.290%		
EDAZ12	94.665								Purples	5-6 yrs out
EDZH13										
EDAM13										
EDAU13										
EDAZ13									Oranges	6-7 yrs out
EDAH14										
EDAM14										
EDAU14										
EDAZ14									Pinks	7-8 yrs out
EDAH15										
EDAM15										
EDAU15										
EDAZ15									Grays	8-9 yrs out
EDAH16										
EDAM16										
EDAU16										
EDAZ16									Coppers	8-10 yrs out
EDAH17										
EDAM17										
EDAU17										

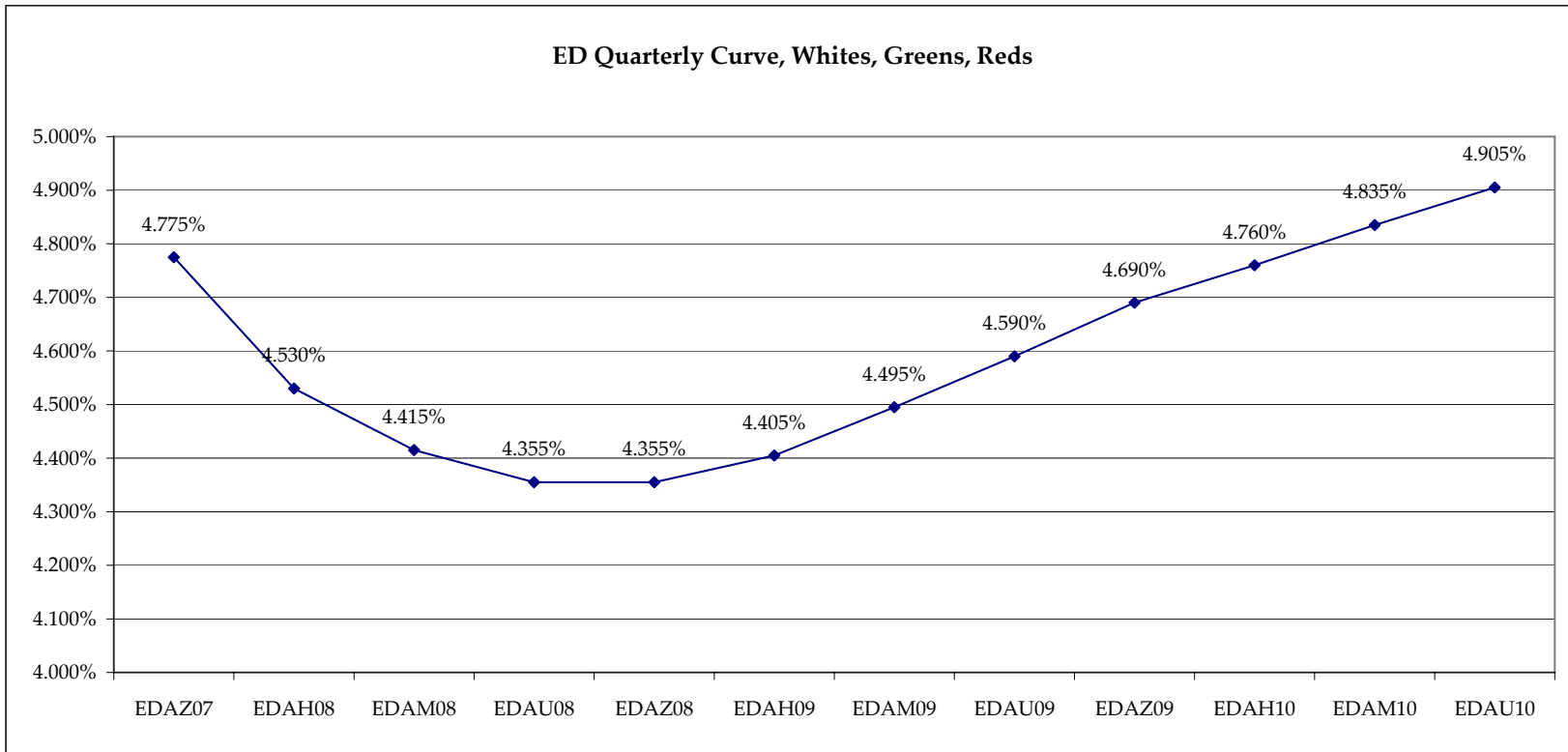
Red Pack is a 2 YR Proxy.  
See pg 6 for pack pricing

Red/Gold pack is  
2/10 Spread Proxy

Gold Pack is a 10 YR Proxy

Red pack is a 2yr proxy  
Gold pack is a 10yr proxy  
Red /Gold is a 2/10 proxy  
Blue pack is a 5yr proxy  
Blue/Gold is a 5/10 proxy

I do not keep stats on  
purples through  
coppers due to lack of  
volume.  
Also, matrix excludes  
serial contracts.  
Serials can be found  
on the ED and FF  
spread page.

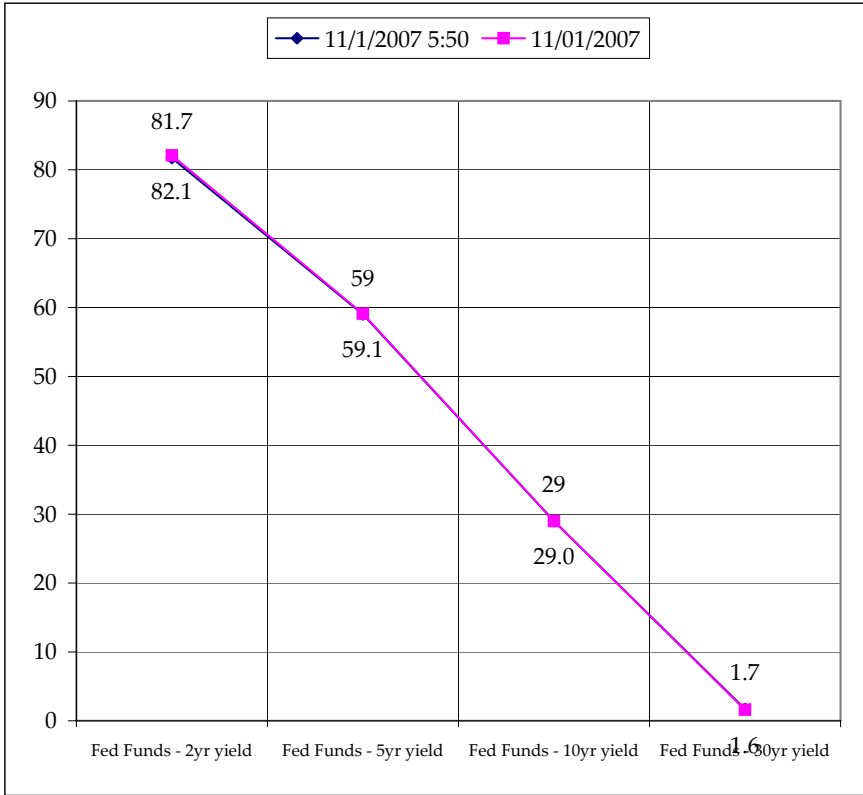
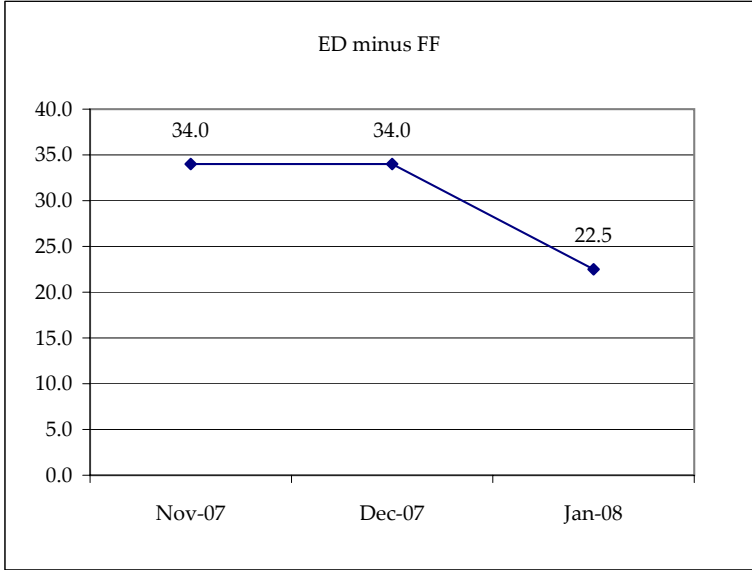


Month	Fed Funds (FF)			ED	ED - FF
	Last	Net	Implied	Implied	bps
Oct-07	#VALUE!	#VALUE!	#VALUE!		
Nov-07	95.505	0.000	4.495	4.835	34.0
Dec-07	95.565	-0.100	4.435	4.775	34.0
Jan-08	95.600	-0.050	4.400	4.625	22.5
Feb-08	95.675	0.000	4.325		
Mar-08	95.700	0.050	4.300	4.530	23.0
Apr-08	95.740	-0.050	4.260		
May-08	#VALUE!	#VALUE!	#VALUE!		
Jun-08	#VALUE!	#VALUE!	#VALUE!	4.415	#VALUE!
Jul-08	#VALUE!	#VALUE!	#VALUE!		
Aug-08	#VALUE!	#VALUE!	#VALUE!		
Sep-08	#VALUE!	#VALUE!	#VALUE!	4.355	#VALUE!

Fed Funds Daily Effective Rate Minus US Treasury Yields			
Spread Name	Diff bps	Net Chng	11/01/2007
Fed Funds - 2yr yield	81.7	-3.8	82.1
Fed Funds - 5yr yield	59	-2.1	59.1
Fed Funds - 10yr yield	29	-1.9	29.0
Fed Funds - 30yr yield	1.7	-2.2	1.6
GFER	4.78	#VALUE!	

GFER = Fed Funds Daily Effective Rate

Why 11/01/2007?  
The morning after the FOMC is a good benchmark.



<b>October</b>		<b>avg target</b>	<b>400</b>	<b>425</b>	<b>450</b>	<b>475</b>	<b>500</b>	<b>525</b>	
<b>10/29/2007</b>	4.502%	1.9%	10.7%	72.6%	14.5%	0.0%	0.3%		
<b>10/30/2007</b>	4.512%	1.5%	8.6%	73.8%	15.9%	0.0%	0.2%		
<b>December</b>		<b>avg target</b>	<b>375</b>	<b>400</b>	<b>425</b>	<b>450</b>	<b>475</b>	<b>500</b>	<b>525</b>
<b>10/29/2007</b>	4.329%	0.0%	13.9%	41.3%	44.6%	0.0%	0.0%	0.2%	
<b>10/30/2007</b>	4.323%	0.0%	10.6%	50.4%	38.6%	0.0%	0.4%	0.0%	

This page shows the month of the FOMC meeting and the probabilities that they will ease/tighten to a certain Fed Funds Target Rate.

These probabilities take options into account and are much better at forecasting the FOMC intentions than the 'day-count' equation most analysts on the street use.

Notes:  
All probabilities are taken from The Cleveland Federal Reserve

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**Eurodollar COT Data**

All COT data has been moved to Morning Email: CoT&DP

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SYMBOL	Last Quote	Last Trade	High	Low	Net	Open	Expiration	Today's Volume	Yesterday's Volume	Name	Proxy
EDAP1	(375)	(275)	(275)	(500)	(375)	(450)	12/17/2007	803	7,020	White Pack	1yr
EDAP2	(600)	(550)	(450)	(700)	(600)	(500)	12/15/2008	1,160	13,250	Red Pack	2yr
EDAP3	(475)	(400)	(350)	(475)	(475)	(375)	12/14/2009	180	3,820	Green Pack	5yr
EDAP4	(525)	(775)			(525)		12/13/2010	0	1,096	Blue Pack	5yr
EDAP5		(575)					12/19/2011	0	932	Gold Pack	10yr
<b>BUNDLES</b>											
EDAB2	(425)	(375)	(375)	(600)	(425)	(425)	12/17/2007	337	7,938	2yr Bundle	2yr
EDAB3	(500)	(375)	(375)	(550)	(500)	(450)	12/17/2007	125	1,698	3yr Bundle	3yr
EDAB4							12/17/2007	0	0	4yr Bundle	4yr
EDAB5		(25)					12/17/2007	0	0	5yr Bundle	5yr
<b>CAL SPREADS</b>											
EDAS3	1000	950	950	950	0	950	9/14/2009	277	4,663		
EDAS6	(1750)	(1750)	(1650)	(1900)	100	(1900)	3/17/2008	4,460	30,529		
EDAS9	(150)	(100)	(50)	(300)	200	(200)	6/16/2008	1,426	13,311		
EDAS12	(1300)	(1250)	(1200)	(1450)	200	(1350)	3/17/2008	1,228	11,469		

	Last Yield	Net Yield	Last Price	
Q.ED.White	4.634	-3.500	9548.125	} Pack Prices
Q.ED.Red	4.574	-5.500	9553.875	
Q.ED.Green	4.923	-4.250	9520.250	
Q.ED.Blue	-0.750		9496.625	
Q.ED.Gold	0.000		9475.875	









