

The Morning Email: Eurodollars & Fed Funds

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NEW

Want something added? Let me know: jgoulding@ghco.com

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	Last	High	Low	Open	Month	Net	Exp Date	Implied		
EDAZ07	95.255	95.280	95.250	95.275	DEC	0.5	12/17/2007	4.745%	Whites	1st Year
EDAH08	95.600	95.615	95.575	95.590	MAR	3.0	3/17/2008	4.400%		
EDAM08	95.765	95.780	95.740	95.760	JUN	2.5	6/16/2008	4.235%		
EDAU08	95.850	95.865	95.825	95.845	SEP	3.0	9/15/2008	4.150%		
EDAZ08	95.855	95.865	95.825	95.845	DEC	3.0	12/15/2008	4.145%	Reds	1-2 yrs out
EDAH09	95.795	95.805	95.765	95.785	MAR	2.5	3/16/2009	4.205%		
EDAM09	95.695	95.705	95.660	95.685	JUN	2.5	6/15/2009	4.305%		
EDAU09	95.595	95.600	95.560	95.585	SEP	2.0	9/14/2009	4.405%		
EDAZ09	95.500	95.500	95.465	95.475	DEC	2.0	12/14/2009	4.500%	Greens	2-3 yrs out
EDAH10	95.420	95.420	95.380	95.400	MAR	3.0	3/15/2010	4.580%		
EDAM10	95.335	95.335	95.305	95.335	JUN	2.5	6/14/2010	4.665%		
EDAU10	95.235	95.235	95.235	95.235	SEP	2.5	9/13/2010	4.765%		
EDAZ10	95.205	#VALUE!	#VALUE!	#VALUE!	DEC	3.0	12/13/2010	4.795%	Blues	3-4 yrs out
EDAH11	95.125	#VALUE!	#VALUE!	#VALUE!	MAR	3.5	3/14/2011	4.875%		
EDAM11	95.080	#VALUE!	#VALUE!	#VALUE!	JUN	2.5	6/13/2011	4.920%		
EDAU11	94.995	#VALUE!	#VALUE!	#VALUE!	SEP	-1.0	9/19/2011	5.005%		
EDAZ11	94.940	94.940	94.940	94.940	DEC	0.0	12/19/2011	5.060%	Golds	4-5 yrs out
EDAH12	94.900	94.900	94.900	94.900	MAR	0.0	3/19/2012	5.100%		
EDAM12	94.850	94.850	94.850	94.850	JUN	0.0	6/18/2012	5.150%		
EDAU12	94.805	94.805	94.805	94.805	SEP	0.0	9/17/2012	5.195%		
EDAZ12	94.665								Purples	5-6 yrs out
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
EDAZ16										
EDAH16										
EDAM16										
EDAU16									Coppers	8-10 yrs out
EDAZ17										
EDAH17										
EDAM17										
EDAU17										

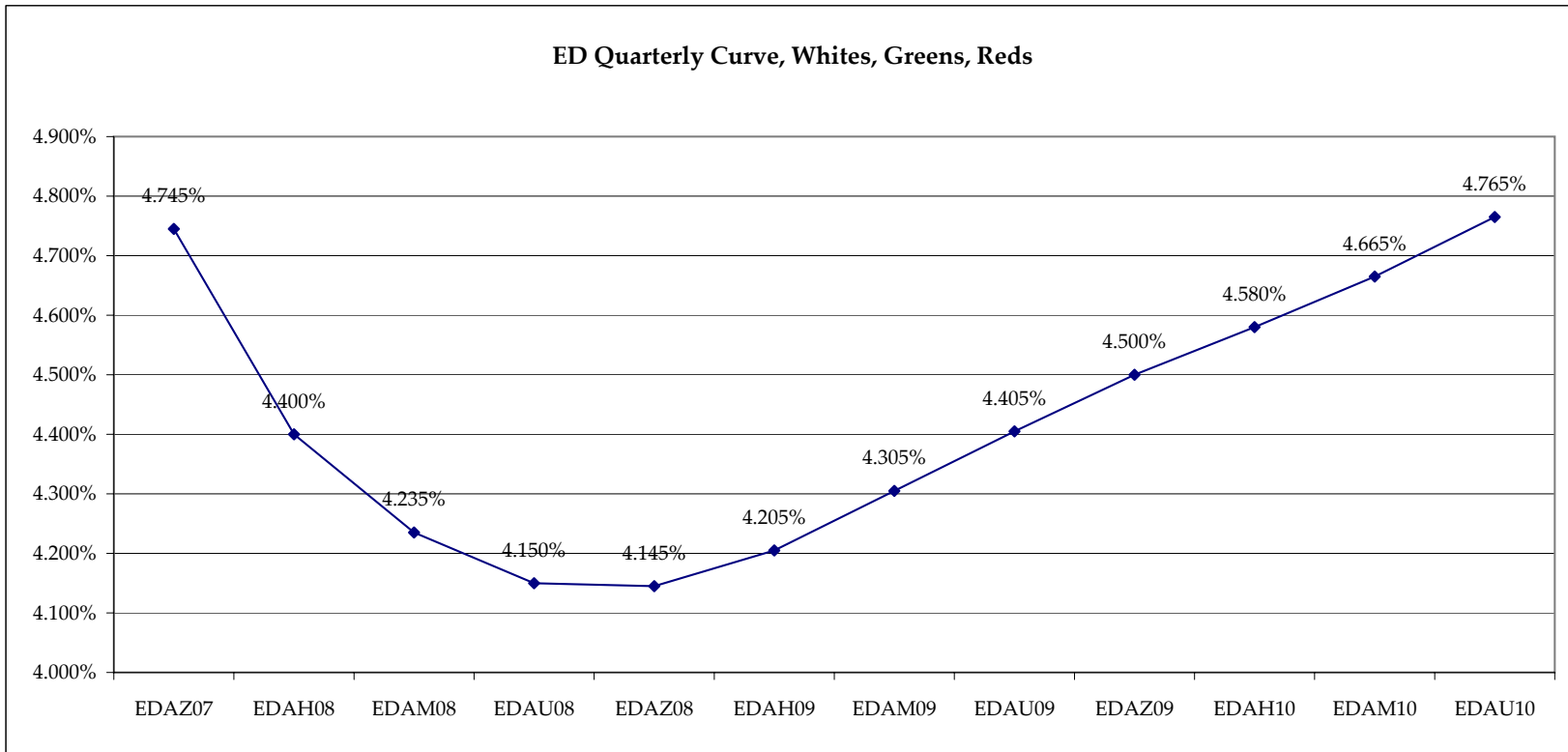
Red Pack is a 2 YR Proxy.
See pg 6 for pack pricing

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.

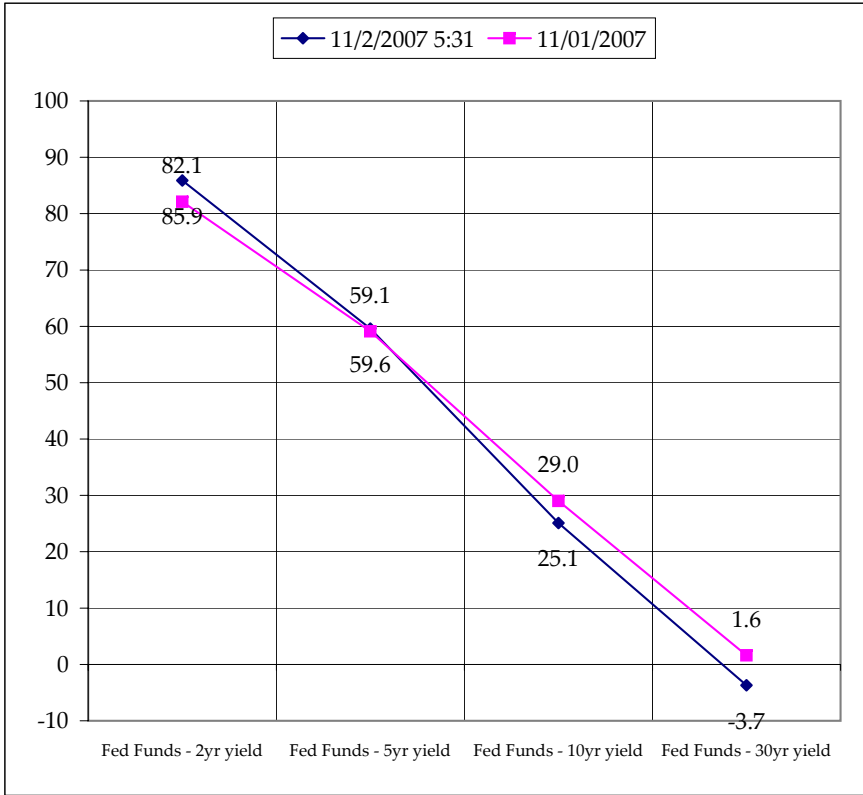
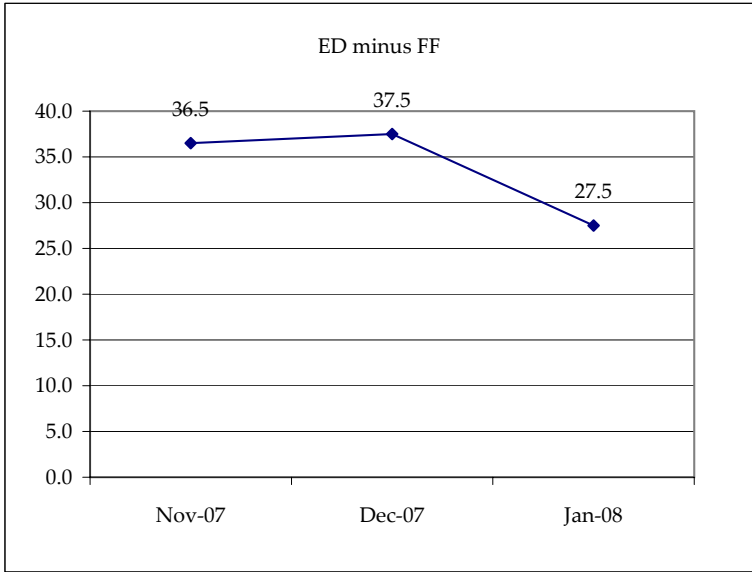


Month	Fed Funds (FF)			ED	ED - FF
	Last	Net	Implied	Implied	bps
Nov-07	95.530	0.150	4.470	4.835	36.5
Dec-07	95.630	0.250	4.370	4.745	37.5
Jan-08	95.680	0.300	4.320	4.595	27.5
Feb-08	95.795	0.200	4.205		
Mar-08	95.830	0.200	4.170	4.400	23.0
Apr-08	#VALUE!	#VALUE!	#VALUE!		
May-08	#VALUE!	#VALUE!	#VALUE!		
Jun-08	#VALUE!	#VALUE!	#VALUE!	4.235	#VALUE!
Jul-08	#VALUE!	#VALUE!	#VALUE!		
Aug-08	#VALUE!	#VALUE!	#VALUE!		
Sep-08	#VALUE!	#VALUE!	#VALUE!	4.150	#VALUE!

Fed Funds Daily Effective Rate Minus US Treasury Yields			
Spread Name	Diff bps	Net Chng	11/01/2007
Fed Funds - 2yr yield	85.9	-0.1	82.1
Fed Funds - 5yr yield	59.6	-0.3	59.1
Fed Funds - 10yr yield	25.1	-0.7	29.0
Fed Funds - 30yr yield	-3.7	-0.4	1.6
GFER	4.60	#VALUE!	

GFER = Fed Funds Daily Effective Rate

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



December		avg target	375	400	425	450	475	500
10/31/2007	4.381%	1.3%	4.6%	36.3%	56.1%	1.8%	0.0%	
11/1/2007	4.337%	0.4%	11.5%	42.9%	43.2%	1.9%	0.0%	

January		avg target	400	425	450	475
10/31/2007	4.321%	25.3%	27.7%	40.3%	6.8%	
11/1/2007	4.230%	48.6%	16.4%	29.4%	5.6%	

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

11/2/2007 5:31

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
PACKS											
EDAP1	225	125	325	125	225	325	12/17/2007	55	8,127	White Pack	1yr
EDAP2	250	250	250	(100)	250	(75)	12/15/2008	502	12,006	Red Pack	2yr
EDAP3	250	1375	225	(150)	250		12/14/2009	0	2,061	Green Pack	
EDAP4		1325	0				12/13/2010	0	1,147	Blue Pack	5yr
EDAP5	0	0	0	0	0	0	12/19/2011	2	673	Gold Pack	10yr
BUNDLES											
EDAB2	200	175	275	25	200	75	12/17/2007	285	13,653	2yr Bundle	2yr
EDAB3	250	1175	225	(25)	250		12/17/2007	0	1,585	3yr Bundle	3yr
EDAB4			0				12/17/2007	0	0	4yr Bundle	4yr
EDAB5		1400	0				12/17/2007	0	25	5yr Bundle	5yr
CAL SPREADS											
EDAS3	950	1000	1000	950	(50)	1000	9/14/2009	461	6,051		
EDAS6	(2550)	(2500)	(2350)	(2500)	(50)	(2500)	3/17/2008	2,924	35,798		
EDAS9	(250)	(300)	(50)	(300)	100	(250)	6/16/2008	1,119	14,274		
EDAS12	(2000)	(1950)	(1650)	(1950)	0	(1900)	3/17/2008	4,794	22,793		

	Last Yield	Net Yield	Last Price	
Q.ED.White	4.493	1.875	9561.750	} Pack Prices
Q.ED.Red	4.371	2.125	9573.500	
Q.ED.Green	4.747	1.250	9537.250	
Q.ED.Blue		0.000	9508.875	
Q.ED.Gold	5.265	0.000	9487.375	

