

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	95.290	95.300	95.290	95.295	DEC	-0.5	12/17/2007	4.710%	Whites	1st Year
EDAH08	95.600	95.625	95.600	95.615	MAR	-1.0	3/17/2008	4.400%		
EDAM08	95.730	95.755	95.725	95.745	JUN	-2.5	6/16/2008	4.270%		
EDAU08	95.800	95.830	95.800	95.825	SEP	-3.0	9/15/2008	4.200%		
EDAZ08	95.810	95.840	95.810	95.835	DEC	-3.0	12/15/2008	4.190%	Reds	1-2 yrs out
EDAH09	95.760	95.795	95.760	95.790	MAR	-2.5	3/16/2009	4.240%		
EDAM09	95.665	95.695	95.665	95.690	JUN	-3.5	6/15/2009	4.335%		
EDAU09	95.560	95.595	95.560	95.585	SEP	-3.5	9/14/2009	4.440%		
EDAZ09	95.455	95.485	95.455	95.480	DEC	-3.5	12/14/2009	4.545%	Greens	2-3 yrs out
EDAH10	95.380	95.400	95.380	95.400	MAR	-3.5	3/15/2010	4.620%		
EDAM10	95.300	95.320	95.300	95.320	JUN	-2.0	6/14/2010	4.700%		
EDAU10	95.240	95.250	95.240	95.240	SEP	-1.0	9/13/2010	4.760%		
EDAZ10	95.160	95.170	95.160	95.170	DEC	-3.5	12/13/2010	4.840%	Blues	3-4 yrs out
EDAH11	95.105	95.105	95.100	95.100	MAR	0.0	3/14/2011	4.895%		
EDAM11	95.040	95.040	95.040	95.040	JUN	0.0	6/13/2011	4.960%		
EDAU11	94.980	94.980	94.980	94.980	SEP	0.0	9/19/2011	5.020%		
EDAZ11	94.915	94.915	94.915	94.915	DEC	#VALUE!	12/19/2011	5.085%	Golds	4-5 yrs out
EDAH12	94.900	#VALUE!	#VALUE!	#VALUE!	MAR	0.5	3/19/2012	5.100%		
EDAM12	94.830	#VALUE!	#VALUE!	#VALUE!	JUN	2.0	6/18/2012	5.170%		
EDAU12	94.785	#VALUE!	#VALUE!	#VALUE!	SEP	#VALUE!	9/17/2012	5.215%		
EDAZ12	#VALUE!								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										

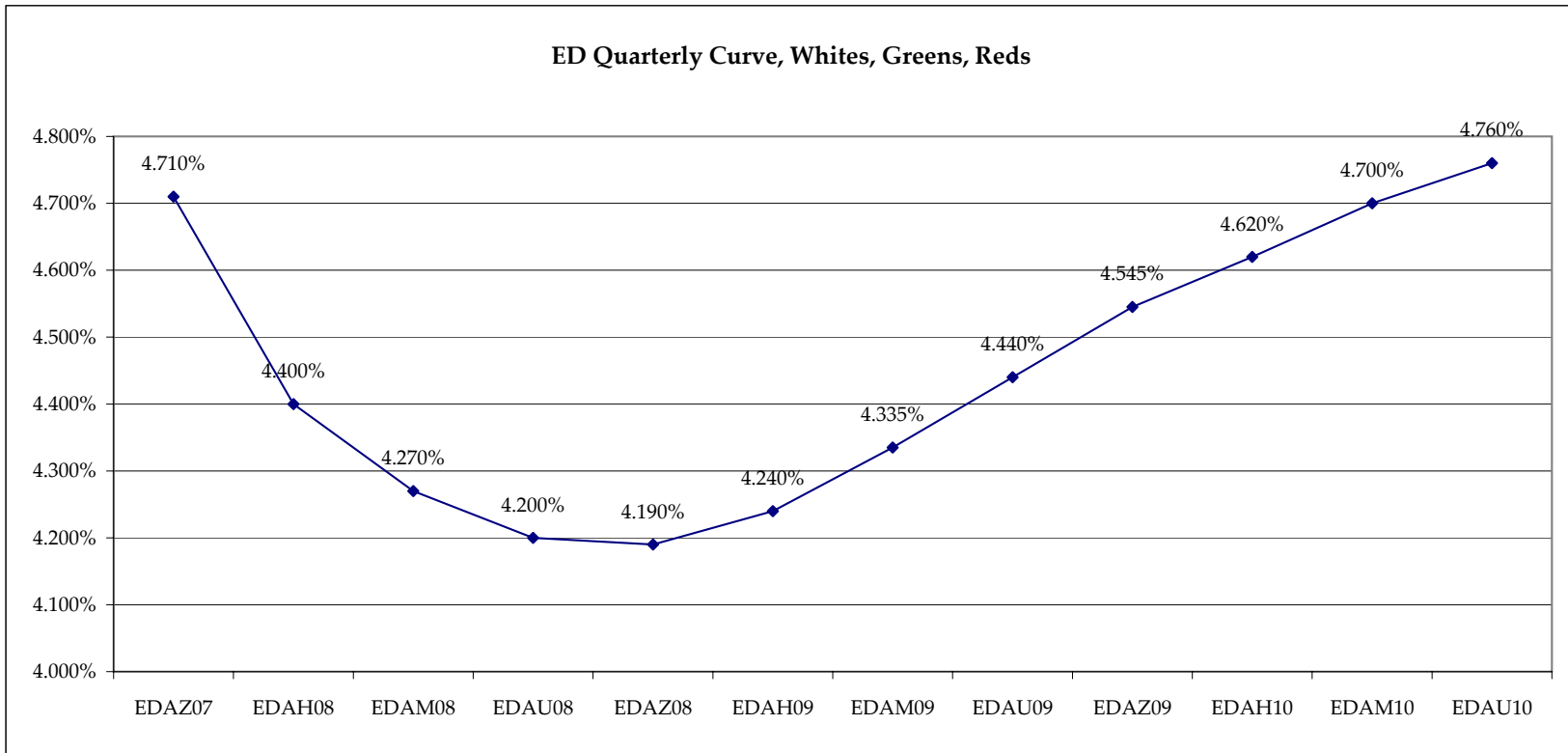
Red Pack is a 2 YR Proxy.
See pg 6 for pack pricing

Red/Gold pack is
2/10 Spread Proxy

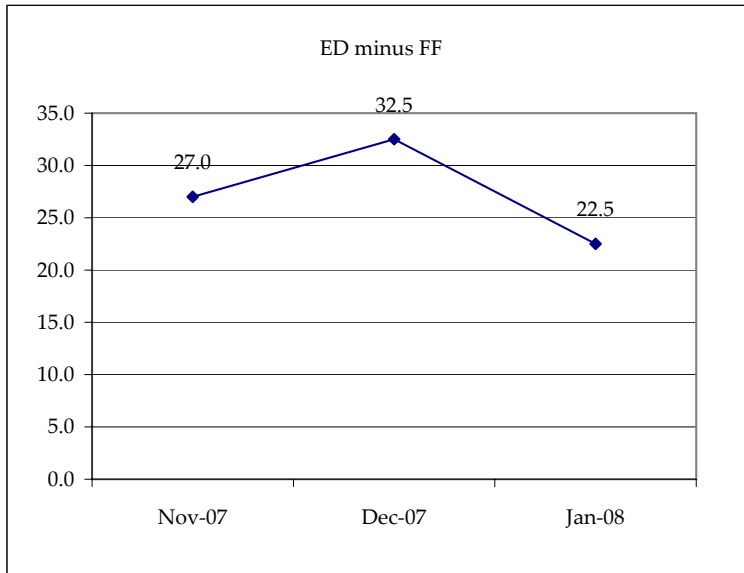
Gold Pack is a 10 YR Proxy

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.



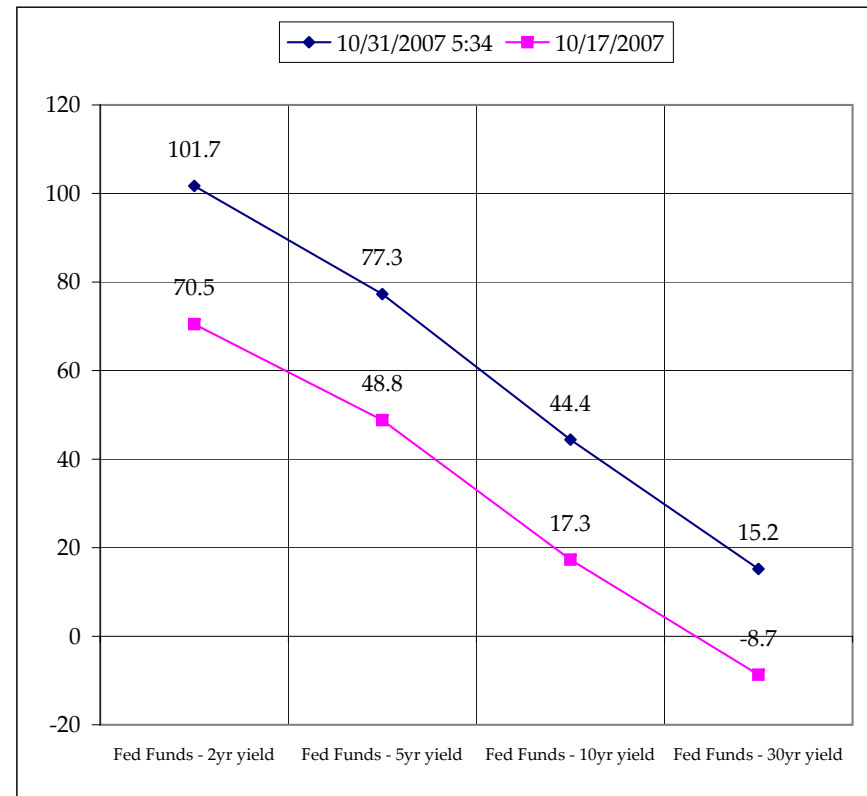
Month	Fed Funds (FF)			ED	ED - FF
	Last	Net	Implied	Implied	bps
Oct-07	95.250	0.000	4.750		
Nov-07	95.485	0.000	4.515	4.785	27.0
Dec-07	95.615	0.050	4.385	4.710	32.5
Jan-08	95.665	0.050	4.335	4.560	22.5
Feb-08	95.770	0.050	4.230		
Mar-08	95.800	0.050	4.200	4.400	20.0
Apr-08	95.855	0.000	4.145		
May-08	#VALUE!	#VALUE!	#VALUE!		
Jun-08	#VALUE!	#VALUE!	#VALUE!	4.270	#VALUE!
Jul-08	#VALUE!	#VALUE!	#VALUE!		
Aug-08	#VALUE!	#VALUE!	#VALUE!		
Sep-08	#VALUE!	#VALUE!	#VALUE!	4.200	#VALUE!



Fed Funds Daily Effective Rate Minus US Treasury Yields			
Spread Name	Diff bps	Net Chng	10/17/2007
Fed Funds - 2yr yield	101.7	-1.7	70.5
Fed Funds - 5yr yield	77.3	-1.8	48.8
Fed Funds - 10yr yield	44.4	-1.5	17.3
Fed Funds - 30yr yield	15.2	-1.2	-8.7
GFER	4.93	#VALUE!	

GFER = Fed Funds Daily Effective Rate

Why 10/17/2007?
 The morning of the CPI release is a good benchmark. I marked them at 5:30am CT, which was 2 hours before the CPI release.



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

10/31/2007 5:34

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	(150)	0	0	(150)	(150)	(25)	12/17/2007	170	4,645	White Pack	1yr
EDAP2	(325)	(275)	0	(275)	(325)	(75)	12/15/2008	205	9,053	Red Pack	2yr
EDAP3	(350)	50		(225)	(350)		12/14/2009	0	2,213	Green Pack	
EDAP4	(350)	0	0	(50)	(350)	0	12/13/2010	1	975	Blue Pack	5yr
EDAP5		200					12/19/2011	0	609	Gold Pack	10yr
BUNDLES											
EDAB2	(200)	(125)	0	(225)	(200)	(25)	12/17/2007	435	8,729	2yr Bundle	2yr
EDAB3	(300)	25	25	(200)	(300)	25	12/17/2007	25	390	3yr Bundle	3yr
EDAB4		(200)					12/17/2007	0	0	4yr Bundle	4yr
EDAB5		(25)					12/17/2007	0	85	5yr Bundle	5yr
CAL SPREADS											
EDAS3	1000	1050	1050	1050	(50)	1050	9/14/2009	235	3,127		
EDAS6	(1950)	(2000)	(2000)	(2100)	200	(2100)	3/17/2008	2,026	34,195		
EDAS9	(300)	(300)	(300)	(450)	100	(350)	6/16/2008	802	8,120		
EDAS12	(1650)	(1600)	(1600)	(1700)	100	(1700)	3/17/2008	74	11,333		

	Last Yield	Net Yield	Last Price	
Q.ED.White	4.506	-1.875	9560.500	} Pack Prices
Q.ED.Red	4.408	-3.000	9569.875	
Q.ED.Green	4.777	-1.750	9534.375	
Q.ED.Blue	5.060	0.000	9507.125	
Q.ED.Gold		0.000	9484.375	

