

The Morning Email: US & Germany

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

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Quotes 1



		32 nds								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
TUAM8	106.280	0.015	106.292	106.262	106.272	13,901	162,379	2y Futures	US Futures Market	
FVAM8	113.050	0.047	113.075	113.002	113.015	29,565	479,342	5y Futures		
TYAM8	117.220	0.065	117.275	117.145	117.180	78,633	674,208	10y Futures		
USAM8	118.225	0.120	118.310	118.115	118.170	15,129	216,733	30y Futures		
	Last	Net	Hi	Low	Open	Volume				
BUS02P	99.225	1.5	99.232	99.212	99.212	2y				US Cash Treasury Market
BUS05P	99.012	3.2	99.030	98.295	98.295	5y				
BUS10P	99.230	4.0	99.290	99.220	99.225	10y				
BUS30P	100.150	6.5	100.280	100.150	100.245	30y				
	Last	Net	Hi	Low	Open	Volume				
BUS02Y	1.900	(1.60)	1.941	1.884	1.937	2y Yield				
BUS05Y	2.705	(2.20)	2.75	2.694	2.733	5y Yield				
BUS10Y	3.532	(0.90)	3.555	3.507	3.541	10y Yield				
BUS30Y	4.341	(1.00)	4.358	4.318	4.348	30y Yield				



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	104.22	1.00	104.26	104.19	104.21	172,299	372,701	Schatz(2Y)	German Futures Markets
DLM8	109.69	4.00	109.80	109.64	109.69	164,120	409,559	Bobl(5Y)	
DBM8	115.13	1.30	115.28	115.02	115.07	340,969	678,811	Bund(10Y)	

	Price	Yield			SYM NAME	
	Last	Last	Coupon	Maturity		
T.US.DE030P0310***	98.97	3.546	3.000	3/12/2010	2 yr CTD	German Cash Treasury Market
T.US.DE044P0113**	103.27	3.720	4.500	1/4/2013	5 yr CTD	
T.US.DE036P0117**	98.11	4.002	3.750	1/4/2017	10 yr CTD	
DEP2P*	99.00	3.546	3.000	3/12/2010	2yr OTR	
DEP5P*	102.07	3.737	4.250	10/12/2012	5yr OTR	
DEP10P*	100.03	3.994	4.000	1/4/2018	10yr OTR	

Notes

- Y = Yield
- DE = German Country Code
- CTD = Cheapest to Deliver
- OTR = On the Run
- * OTR
- ** CTD
- *** CTD & OTR

Quotes 2

This page provided a more detailed look at the quotes for the German Bonds
 German Bonds are quoted in decimal, not 32nds.



Decimal								SYM NAME	
Bid	Ask	Last	Hi	Low	Chng				
DGM8	104.22	104.22	104.22	104.26	104.19	1.00	Schatz(2Y)	German Futures	
DLM8	109.68	109.69	109.69	109.80	109.64	4.00	Bobl(5Y)		
DBM8	115.12	115.13	115.13	115.28	115.02	1.30	Bund(10Y)		
Y Bid	Y Ask	Y Last	Y Hi	Y Lo				German Futures	
DGM8	3.773	3.770	3.770	3.788	3.752		Schatz(2Y)		
DLM8	3.836	3.835	3.835	3.844	3.811		Bobl(5Y)		
DBM8	4.124	4.123	4.123	4.136	4.106		Bund(10Y)		
Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng			German Cash	
T.US.DE030P0310***	3.563	3.546	3.546	3.568	3.518		2 yr CTD		
T.US.DE044P0113**	3.729	3.720	3.720	3.739	3.695		5 yr CTD		
T.US.DE036P0117**	4.009	4.002	4.002	4.024	3.987		10 yr CTD		
DEP2P*	3.563	3.546	3.546	3.568	3.518	1	2yr OTR		
DEP5P*	3.747	3.737	3.737	3.754	3.713	9	5yr OTR		
DEP10P*	4.001	3.994	3.994	4.012	3.978	15	10yr OTR		
Decimal								SYM NAME	
Bid	Ask	Last	Hi	Low	Chng				
T.US.DE030P0310***	98.97	99.00	99.00	99.05	98.96	3.000	2 yr CTD	German Cash	
T.US.DE044P0113**	103.27	103.31	103.31	103.42	103.23	10	5 yr CTD		
T.US.DE036P0117**	98.11	98.16	98.16	98.27	98.00	17	10 yr CTD		
DEP2P*	98.97	99.00	99.00	99.05	98.96	1	2yr OTR		
DEP5P*	102.03	102.07	102.07	102.17	102.00	9	5yr OTR		
DEP10P*	99.98	100.03	100.03	100.16	99.89	15	10yr OTR		

Notes

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- DE = German Country Code
- CTD = Cheapest to Deliver
- OTR = On the Run
- * OTR
- ** CTD
- *** CTD & OTR

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (M)	1.60	2.80	3.24
Bobl (M)	0.92	1.59	1.79
Shatz (M)	0.38	0.66	0.74

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.4	3.4	6.1
Bobl (M)	2.6	6.2	11.1
Shatz (M)	6.2	15.0	26.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.81	4.37
Bobl (M)	0.55		2.41
Shatz (M)	0.23	0.42	

Note: Eurex products are pulled from Bloomberg and are static. Meaning, I only update them once in a while but always on rolls.

US Cash Treasuries (OTR)

	Bid	Ask	Last
US2y	1.904	1.900	1.900
US5y	2.708	2.705	2.705
US10y	3.534	3.532	3.532

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.563	3.546	3.546
DE5y	3.747	3.737	3.737
DE10y	4.001	3.994	3.994

Spreads (Bps)

ZT/SCHATZ	-1.700
ZF/BOBL	-1.096
ZN/BUND	-0.686

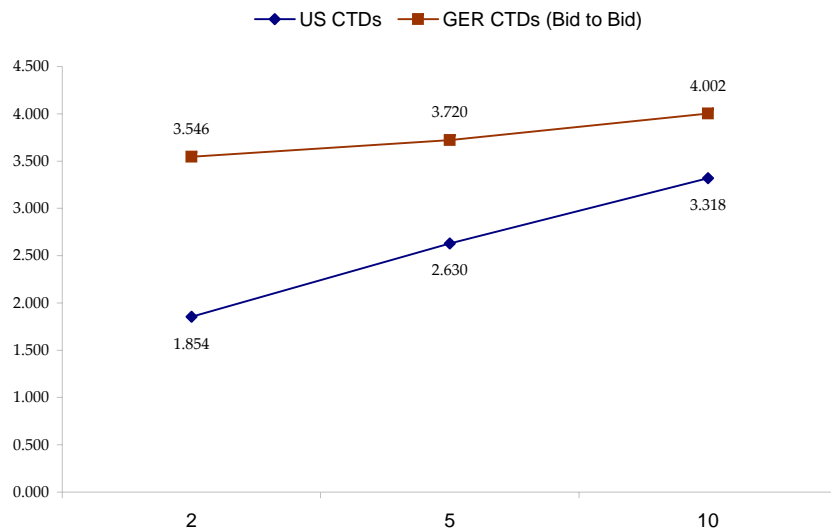
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	1.854	1.846	1.846
4.125 of 08/12	2.630	2.624	2.624
5.125 of 05/16	3.318	3.316	3.316

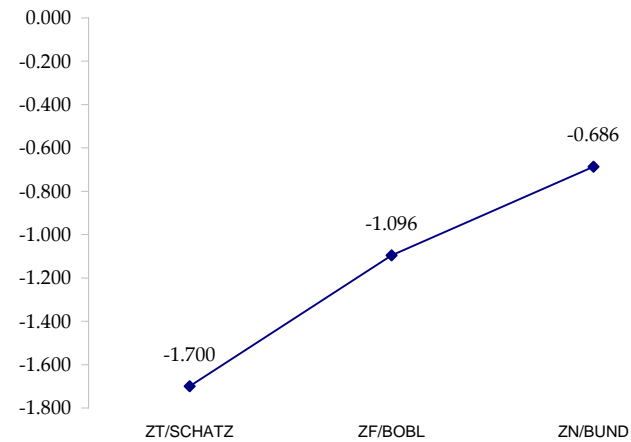
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.563	3.546	3.546
4.500 of 01/13	3.729	3.720	3.720
3.750 of 01/17	4.009	4.002	4.002

This chart shows the US futures, ZT, ZF, and ZN quoted in yield, then, comparing them to the German Futures, the Schatz (2yr), Bobl (5yr), and Bund (10yr). Cheapest to Deliver (CTD) are used as proxies for the yields.



US minus German, Futures (bps)



When does the volume trade? Between what hours of the day? These are the two questions most frequently asked, by new traders to this contract. Of course number releases pertaining to the German economy will produce volume. Past that we can look at a chart of the Bund as determine when volume occurs.

Time	Volume	
	Rises	Drops
1:00 AM CST	x	
7:00 AM CST	x	
10:00 AM CST		x
11:00 AM CST		x
German Econ Release	x	
US Econ Release	x	

Bond Market Characteristics

From The Treasury Bond Basis Book 3rd Edition, by Galen Burghardt

Accrued Interest	Germany	Japan	UK
Coupon (date)	Annual	semi (20th)	semi
Ex-dividend (days)	no	no	yes (7)
Accrual basis	actual	actual	actual
Year Basis	actual	365	actual

Settlement time frame

Domestic	T+2	T+3	T+3
International	T+3	na	na

Trading Basis

Quotation	price	simple yield	price
Tick	decimal	bp	decimal
Tax (resident)	0	0	0
Price/Yield Method	ISMA	Simple	DMO

Repo

Accrual basis	actual	actual	actual
Year basis	360	0	365

