

## The Morning Email: US & Germany

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Quotes 1



		32 nds							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
TUAM8	107.110	0.032	107.112	107.082	107.090	17,855	146,103	2y Futures	
FVAM8	114.047	0.060	114.052	113.317	113.317	43,501	426,321	5y Futures	
TYAM8	118.145	0.075	118.150	118.065	118.090	70,981	729,682	10y Futures	
USAM8	119.300	0.080	119.305	119.220	119.235	11,457	210,537	30y Futures	
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02P	100.032	3.0	100.035	100.007	100.015	2y			
BUS05P	99.272	6.5	99.280	99.222	99.245	5y			
BUS10P	100.145	8.0	100.155	100.075	100.105	10y			
BUS30P	101.135	6.5	101.140	101.055	101.090	30y			
		32 nds							
	Last	Net	Hi	Low	Open	Volume			
BUS02Y	1.694	(4.80)	1.763	1.685	1.763	2y Yield			
BUS05Y	2.527	(4.40)	2.578	2.525	2.578	5y Yield			
BUS10Y	3.443	(2.80)	3.475	3.437	3.471	10y Yield			
BUS30Y	4.288	(1.40)	4.309	4.287	4.298	30y Yield			

**US Futures Market**

**US Cash Treasury Market**



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	104.51	(0.50)	104.56	104.47	104.56	198,023	539,447	Schatz(2Y)	
DLM8	110.36	2.00	110.48	110.26	110.38	207,979	522,197	Bobl(5Y)	
DBM8	115.97	0.20	116.13	115.78	115.96	447,156	968,348	Bund(10Y)	

**German Futures Markets**

	Price	Yield			SYM NAME
	Last	Last	Coupon	Maturity	
T.US.DE030P0310***	99.26	3.389	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	103.90	3.573	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	98.82	3.903	3.750	1/4/2017	10 yr CTD
DEP2P*	99.29	3.389	3.000	3/12/2010	2yr OTR
DEP5P*	102.66	3.593	4.250	10/12/2012	5yr OTR
DEP10P*	100.75	3.904	4.000	1/4/2018	10yr OTR

**German Cash Treasury Market**

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								
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
DGM8	104.51	104.52	104.51	104.56	104.47	-0.50	Schatz(2Y)	German Futures
DLM8	110.36	110.36	110.36	110.48	110.26	2.00	Bobl(5Y)	
DBM8	115.97	115.98	115.97	116.13	115.78	0.20	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo			
DGM8	3.622	3.619	3.622	3.642	3.596		Schatz(2Y)	German Futures
DLM8	3.694	3.693	3.694	3.715	3.669		Bobl(5Y)	
DBM8	4.028	4.027	4.028	4.050	4.010		Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng		
T.US.DE030P0310***	3.406	3.389	3.389	3.428	3.367		2 yr CTD	German Cash
T.US.DE044P0113**	3.582	3.573	3.573	3.605	3.550		5 yr CTD	
T.US.DE036P0117**	3.910	3.903	3.903	3.935	3.887		10 yr CTD	
DEP2P*	3.406	3.389	3.389	3.428	3.367	1	2yr OTR	
DEP5P*	3.602	3.593	3.593	3.627	3.569	2	5yr OTR	
DEP10P*	3.910	3.904	3.904	3.936	3.888	7	10yr OTR	
Decimal								
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
T.US.DE030P0310***	99.26	99.29	99.29	99.33	99.22	1	2 yr CTD	German Cash
T.US.DE044P0113**	103.90	103.94	103.94	104.04	103.80	2	5 yr CTD	
T.US.DE036P0117**	98.82	98.87	98.87	98.99	98.64	7	10 yr CTD	
DEP2P*	99.26	99.29	99.29	99.33	99.22	1	2yr OTR	
DEP5P*	102.62	102.66	102.66	102.76	102.52	2	5yr OTR	
DEP10P*	100.70	100.75	100.75	100.88	100.49	7	10yr OTR	

Notes

- Y = Yield
- 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)	1.65	2.80	3.24
Bobl (M)	0.91	1.59	1.79
Shatz (M)	0.37	0.65	0.75

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.5	3.5	6.2
Bobl (M)	2.6	6.3	11.3
Shatz (M)	6.4	15.4	27.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.81	4.42
Bobl (M)	0.55		2.44
Shatz (M)	0.23	0.41	

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	1.698	1.694	1.694
US5y	2.534	2.527	2.527
US10y	3.445	3.443	3.443

**German Cash Treasuries (OTR)**

	Bid	Ask	Last
DE2y	3.406	3.389	3.389
DE5y	3.602	3.593	3.593
DE10y	3.910	3.904	3.904

**Spreads (Bps)**

ZT/SCHATZ	-1.771
ZF/BOBL	-1.146
ZN/BUND	-0.956

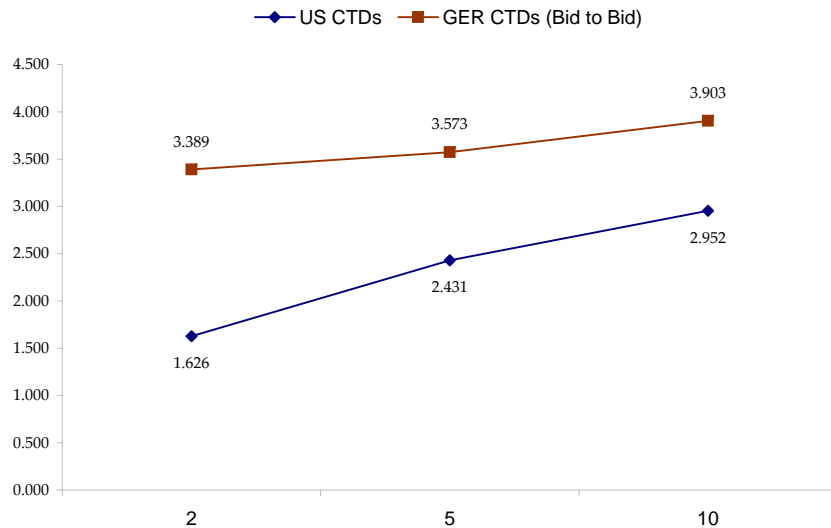
**US Cash Treasuries (CTD)**

	Bid	Ask	Last
4.000 of 03/10	1.626	1.618	1.618
4.125 of 08/12	2.431	2.427	2.427
4.000 of 02/15	2.952	2.947	2.947

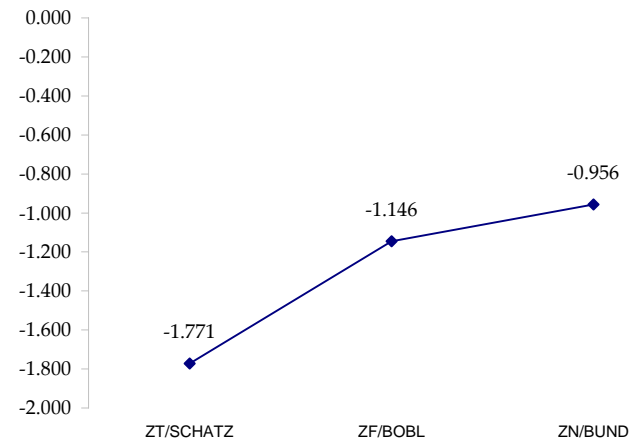
**German Futures (CTD)**

	Bid	Ask	Last
3.000 of 03/10	3.406	3.389	3.389
4.500 of 01/13	3.582	3.573	3.573
3.750 of 01/17	3.910	3.903	3.903

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







