

The Morning Email: US & Germany

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The ECB, BOE, and EU information have been moved to a new morning email titled, "The Morning Email: Central Banks".

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

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Quotes 1



32 nds								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
TUAH8	106.235	(0.015)	106.250	106.212	106.247	24,340	419,472	2y Futures	US Futures Market
FVAH8	113.070	(0.045)	113.120	113.045	113.110	38,604	897,099	5y Futures	
TYAH8	116.275	(0.065)	117.015	116.255	117.015	95,767	1,562,370	10y Futures	
USAH8	119.170	(0.011)	119.310	119.150	119.310	20,935	541,349	30y Futures	
32 nds								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
BUS02P	100.020	(1.7)	100.035	100.007	100.020	2y			US Cash Treasury Market
BUS05P	100.155	(3.7)	100.185	100.130	100.165	5y			
BUS10P	105.040	(7.0)	105.105	105.020	105.060	10y			
BUS30P	#VALUE!	(14.5)	111.055	110.260	111.010	30y			
32 nds								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
BUS02Y	2.089	3.20	2.126	2.053	2.089	2y Yield			US Cash Treasury Market
BUS05Y	2.767	2.70	2.791	2.729	2.742	5y Yield			
BUS10Y	3.620	2.70	3.633	3.581	3.591	10y Yield			
BUS30Y	4.336	2.60	4.348	4.301	4.306	30y Yield			



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.44	(3.00)	104.52	104.41	104.44	186,404	858,630	Schatz(2Y)	German Futures Markets
DLH8	110.46	(13.00)	110.58	110.41	110.47	164,655	768,657	Bobl(5Y)	
DBH8	116.54	(1.60)	116.66	116.43	116.47	274,614	1,334,474	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.04	3.387	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	102.85	3.565	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	98.89	3.892	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.07	3.387	4.000	12/11/2009	2yr OTR	
DEP5P*	102.89	3.565	4.250	10/12/2012	5yr OTR	
DEP10P*	100.56	3.930	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						
	Bid	Ask	Last	Hi	Low	Chng
DGH8	104.44	#VALUE!	104.44	104.52	104.41	-3.00
DLH8	110.45	110.46	110.46	110.58	110.41	-13.00
DBH8	116.53	116.54	116.54	116.66	116.43	-1.60

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8	3.657		3.657	3.675	3.619
DLH8	3.675	3.673	3.673	3.683	3.647
DBH8	3.965	3.964	3.964	3.977	3.951

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.404	3.387	3.387	3.421	3.342	
T.US.DE042P1012***	3.574	3.565	3.565	3.583	3.539	
T.US.DE036P0117**	3.899	3.892	3.892	3.911	3.875	
DEP2P*	3.404	3.387	3.387	3.421	3.342	-3
DEP5P*	3.574	3.565	3.565	3.583	3.539	-11
DEP10P*	3.936	3.930	3.930	3.955	3.918	-14

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.04	101.07	101.07	101.15	101.01	-3
T.US.DE042P1012***	102.85	102.89	102.89	103.00	102.81	-11
T.US.DE036P0117**	98.89	98.94	98.94	99.07	98.80	-18
DEP2P*	101.04	101.07	101.07	101.15	101.01	-3
DEP5P*	102.85	102.89	102.89	103.00	102.81	-11
DEP10P*	100.51	100.56	100.56	100.66	100.36	-14

SYM NAME	
Schatz(2Y)	German Futures
Bobl(5Y)	
Bund(10Y)	

SYM NAME	
Schatz(2Y)	German Futures
Bobl(5Y)	
Bund(10Y)	

SYM NAME	
2 yr CTD	German Cash
5 yr CTD	
10 yr CTD	
2yr OTR	
5yr OTR	
10yr OTR	

SYM NAME	
2 yr CTD	German Cash
5 yr CTD	
10 yr CTD	
2yr OTR	
5yr OTR	
10yr OTR	

Notes

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- ** CTD
- *** CTD & OTR

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	15.75	5.71	\$1,784	€ 2,644
10y	7.93	2.69	\$842	€ 1,247
5y	4.62	1.50	\$467	€ 693
2y	1.93	0.62	\$194	€ 287
ZB	10.27	4.04	\$126	€ 187
ZN	5.84	2.21	\$69	€ 103
ZF	3.89	1.43	\$45	€ 66
ZT	1.79	0.62	\$19	€ 29

^Futures are Based on CTD

German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.42	€ 257	\$173	0.849146
Bobl	4.14	€ 137	\$93	0.931197
Schatz	2.00	€ 64	\$43	0.947563
DE10Y	8.03	€ 1,201	\$810	
DE5Y	4.14	€ 640	\$432	
DE2Y	2.00	€ 308	\$208	

^Futures are Based on CTD

Last
EURUSD 148.20

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y	10.29	19.23	41.28
10y	4.86	9.07	19.47
5y	2.70	5.04	10.81
2y	1.12	2.09	4.48
ZB	0.73	1.36	2.92
ZN	0.40	1.34	1.60
ZF	0.26	0.48	1.03
ZT	0.11	0.21	0.45

Notes

1) CF = Conversion Factor

2) MDuration = Modified Macaulay Duration

3) MDuration & DV01s for Futures are based on proxy issue (CTD)

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (H)	1.80	2.80	3.10
Bobl (H)	1.00	1.54	1.69
Shatz (H)	0.41	0.63	0.69

Bloomberg
Ratio's

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (H)	1.7	3.9	7.1
Bobl (H)	3.1	7.1	12.8
Shatz (H)	7.8	15.9	28.8

Bloomberg
Ratio's

	Bund (H)	Bobl (H)	Shatz (H)
Bund (H)	1.00	1.85	4.55
Bobl (H)	0.54	1.00	2.46
Shatz (H)	0.22	0.41	1.00

Bloomberg
Ratio's

Yields & Spreads

US Cash Treasuries (OTR)			
	Bid	Ask	Last
US2y	2.093	2.089	2.089
US5y	2.769	2.767	2.767
US10y	3.622	3.620	3.620

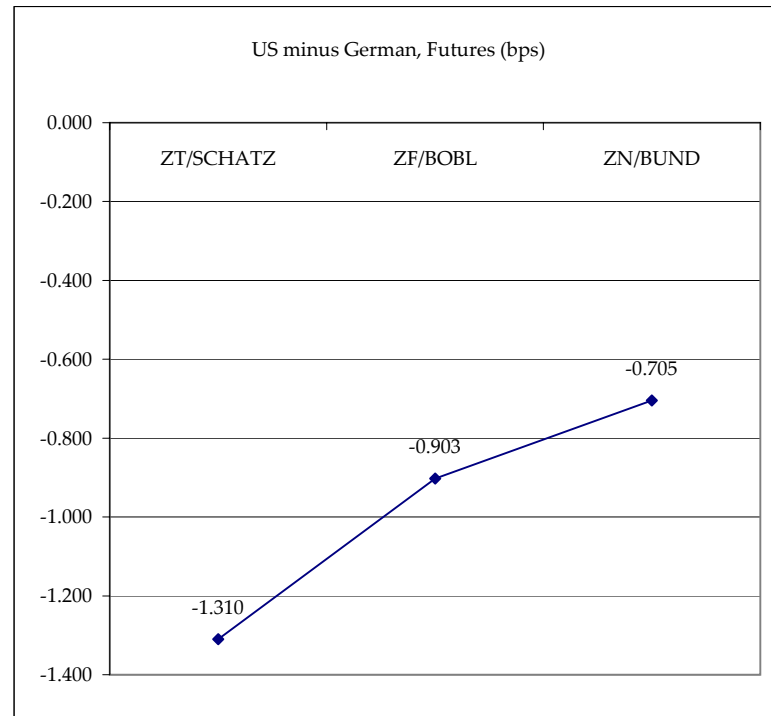
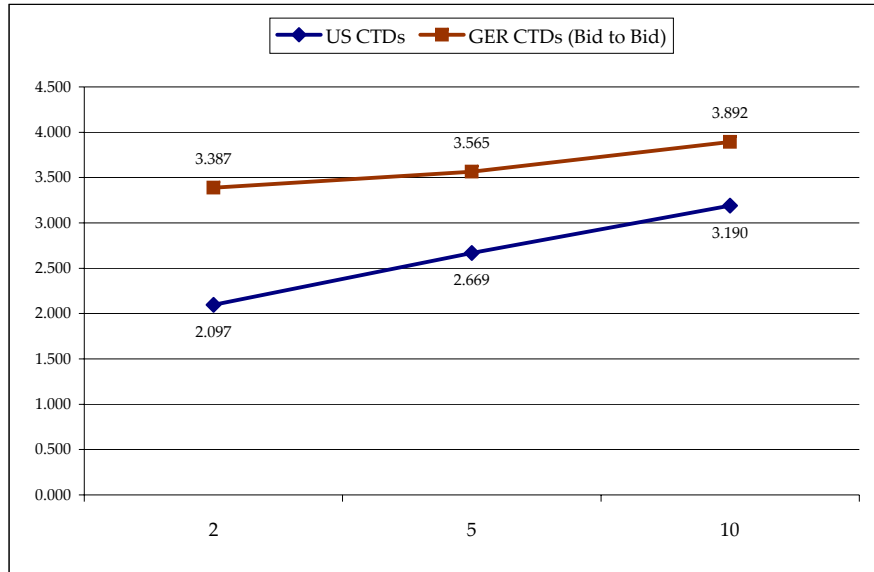
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.404	3.387	3.387
DE5y	3.574	3.565	3.565
DE10y	3.936	3.930	3.930

Spreads	
	Bps
ZT/SCHATZ	-1.310
ZF/BOBL	-0.903
ZN/BUND	-0.705

US Cash Treasuries (CTD)			
	Bid	Ask	Last
3.250 of 12/09	2.097	2.077	2.077
4.750 of 05/12	2.669	2.662	2.662
4.250 of 11/14	3.190	3.187	3.187

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.404	3.387	3.387
4.250 of 10/12	3.574	3.565	3.565
3.750 of 01/17	3.899	3.892	3.892

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.



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

