

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								SYM NAME		
Last	Net	Hi	Low	Open	Volume	Yest Volume				
TUAH8	107.022	0.010	107.050	107.020	107.020	24,219	326,323	2y Futures	US Futures Market	
FVAH8	113.255	0.030	113.315	113.250	113.265	48,089	692,750	5y Futures		
TYAH8	117.160	0.020	117.255	117.155	117.180	127,273	1,304,109	10y Futures		
USAH8	119.290	0.004	120.100	119.290	119.310	20,692	452,960	30y Futures		
US Cash Treasury Market										
Last	Net	Hi	Low	Open	Volume					
BUS02P	100.130	0.0	100.152	100.130	100.132	2y				
BUS05P	101.030	(1.5)	101.090	101.032	101.040	5y				
BUS10P	105.160	(4.5)	105.250	105.165	105.190	10y				
BUS30P	110.280	(10.0)	111.135	110.300	111.085	30y				
Last	Net	Hi	Low	Open	Volume					
BUS02Y	1.912	0.80	1.932	1.867	1.932	2y Yield				
BUS05Y	2.634	1.50	2.641	2.596	2.641	5y Yield				
BUS10Y	3.574	1.70	3.579	3.54	3.572	10y Yield				
BUS30Y	4.338	1.90	4.342	4.301	4.325	30y Yield				



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.76	(0.50)	104.85	104.74	104.79	311,804	941,731	Schatz(2Y)	German Futures Markets
DLH8	111.09	(10.50)	111.31	111.07	111.23	354,081	912,147	Bobl(5Y)	
DBH8	117.11	(3.10)	117.50	117.07	117.49	574,649	1,465,475	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.34	3.214	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	103.43	3.429	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	99.38	3.826	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.37	3.214	4.000	12/11/2009	2yr OTR	
DEP5P*	103.47	3.429	4.250	10/12/2012	5yr OTR	
DEP10P*	101.01	3.874	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	#VALUE!	104.76	104.76	104.85	104.74	-0.50
DLH8	111.09	#VALUE!	111.09	111.31	111.07	-10.50
DBH8	117.10	117.11	117.11	117.50	117.07	-3.10

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8		3.497	3.497	3.505	3.451
DLH8	3.542		3.542	3.546	3.495
DBH8	3.902	3.901	3.901	3.905	3.858

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.230	3.214	3.214	3.236	3.163	
T.US.DE042P1012***	3.439	3.429	3.429	3.446	3.379	
T.US.DE036P0117**	3.833	3.826	3.826	3.838	3.781	
DEP2P*	3.230	3.214	3.214	3.236	3.163	4
DEP5P*	3.439	3.429	3.429	3.446	3.379	-3
DEP10P*	3.880	3.874	3.874	3.888	3.827	-28

	Decimal					
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.34	101.37	101.37	101.46	101.33	4
T.US.DE042P1012***	103.43	103.47	103.47	103.69	103.40	-3
T.US.DE036P0117**	99.38	99.43	99.43	99.76	99.34	-21
DEP2P*	101.34	101.37	101.37	101.46	101.33	4
DEP5P*	103.43	103.47	103.47	103.69	103.40	-3
DEP10P*	100.96	101.01	101.01	101.40	100.90	-28

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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- * OTR
- ** CTD
- *** CTD & OTR

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	15.74	5.71	\$1,784	€ 2,609
10y	7.93	2.70	\$845	€ 1,235
5y	4.62	1.50	\$470	€ 687
2y	1.93	0.62	\$194	€ 284
ZB	10.22	3.96	\$124	€ 181
ZN	5.84	2.23	\$70	€ 102
ZF	3.89	1.43	\$45	€ 65
ZT	1.79	0.62	\$19	€ 28

^Futures are Based on CTD

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y	10.24	19.11	41.18
10y	4.85	9.05	19.50
5y	2.70	5.04	10.85
2y	1.11	2.08	4.48
ZB	0.71	1.33	2.86
ZN	0.40	1.34	1.61
ZF	0.26	0.48	1.03
ZT	0.11	0.21	0.44

Notes

1) CF = Conversion Factor

2) MDuration = Modified Macaulay Duration

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



German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.42	€ 255	\$174	0.849146
Bobl	4.15	€ 136	\$93	0.931197
Schatz	2.00	€ 63	\$43	0.947563
DE10Y	8.04	€ 1,191	\$815	
DE5Y	4.15	€ 636	\$435	
DE2Y	2.00	€ 304	\$208	

^Futures are Based on CTD

Last
EURUSD 146.22

US Financial Futures / Eurex Bond

	ZN	ZF	ZT	
Bund (H)	1.80	2.80	3.10	Bloomberg Ratio's
Bobl (H)	1.00	1.54	1.69	
Shatz (H)	0.41	0.63	0.69	

US Treasuries v Eurex Bonds

	2y	5y	10y	
Bund (H)	1.7	3.9	7.1	Bloomberg Ratio's
Bobl (H)	3.1	7.1	12.8	
Shatz (H)	7.8	15.9	28.8	

	Bund (H)	Bobl (H)	Shatz (H)	
Bund (H)	1.00	1.85	4.55	Bloomberg Ratio's
Bobl (H)	0.54	1.00	2.46	
Shatz (H)	0.22	0.41	1.00	

Yields & Spreads

US Cash Treasuries (OTR)			
	Bid	Ask	Last
US2y	1.916	1.912	1.912
US5y	2.641	2.634	2.634
US10y	3.577	3.574	3.574

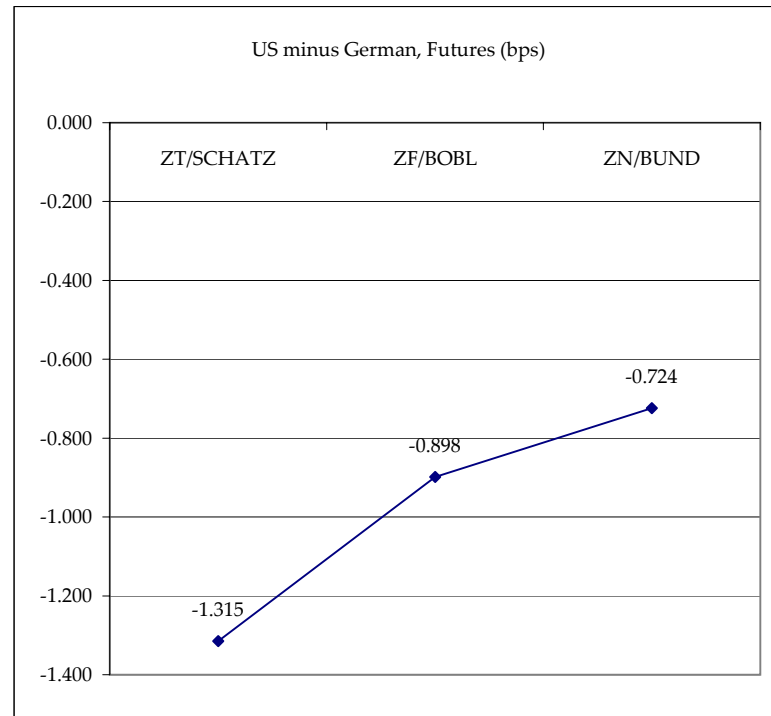
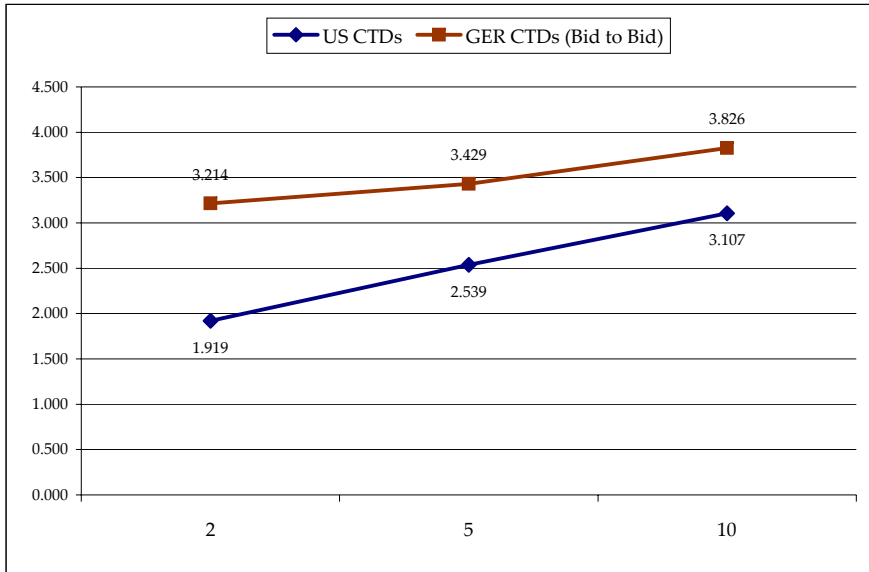
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.230	3.214	3.214
DE5y	3.439	3.429	3.429
DE10y	3.880	3.874	3.874

Spreads Bps	
ZT/SCHATZ	-1.315
ZF/BOBL	-0.898
ZN/BUND	-0.724

US Cash Treasuries (CTD)			
	Bid	Ask	Last
3.250 of 12/09	1.919	1.898	1.898
4.750 of 05/12	2.539	2.531	2.531
4.250 of 11/14	3.107	3.102	3.102

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.230	3.214	3.214
4.250 of 10/12	3.439	3.429	3.429
3.750 of 01/17	3.833	3.826	3.826

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

