

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	107.035	0.035	107.047	107.002	107.002	28,125	22,740	2y Futures	US Futures Market
FVAH8	113.065	0.080	113.090	112.300	112.300	77,669	45,095	5y Futures	
TYAH8	116.040	0.075	116.090	115.290	115.290	163,691	68,254	10y Futures	
USAH8	116.160	0.001	116.230	116.070	116.150	34,215	14,532	30y Futures	
32 nds								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
BUS02P	100.122	(1.7)	100.137	100.092	100.097	2y		2y	US Cash Treasury Market
BUS05P	100.127	(6.0)	100.160	100.055	100.065	5y		5y	
BUS10P	97.135	(13.0)	97.185	97.065	97.080	10y		10y	
BUS30P	95.280	(29.5)	96.210	95.150	96.210	30y		30y	
32 nds								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
BUS02Y	1.916	2.40	1.994	1.879	1.916	2y Yield		2y Yield	US Cash Treasury Market
BUS05Y	2.785	3.60	2.85	2.744	2.759	5y Yield		5y Yield	
BUS10Y	3.807	4.80	3.846	3.757	3.765	10y Yield		10y Yield	
BUS30Y	4.629	5.20	4.66	4.542	4.583	30y Yield		30y Yield	



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.86	9.00	104.89	104.77	104.77	350,255	416,727	Schatz(2Y)	German Futures Markets
DLH8	110.92	23.00	111.02	110.66	110.71	317,188	317,771	Bobl(5Y)	
DBH8	116.25	3.10	116.39	115.82	115.91	601,551	517,119	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.46	3.131	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	103.28	3.459	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	98.66	3.924	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.49	3.131	4.000	12/11/2009	2yr OTR	
DEP5P*	103.32	3.459	4.250	10/12/2012	5yr OTR	
DEP10P*	100.19	3.975	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	104.85	104.86	104.86	104.89	104.77	9.00
DLH8	110.91	110.92	110.92	111.02	110.66	23.00
DBH8	116.24	116.25	116.25	116.39	115.82	3.10

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8	3.449	3.446	3.446	3.492	3.429
DLH8	3.578	3.576	3.576	3.630	3.556
DBH8	3.998	3.997	3.997	4.045	3.981

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.149	3.131	3.131	3.200	3.120	
T.US.DE042P1012***	3.468	3.459	3.459	3.529	3.438	
T.US.DE036P0117**	3.931	3.924	3.924	3.980	3.903	
DEP2P*	3.149	3.131	3.131	3.200	3.120	12
DEP5P*	3.468	3.459	3.459	3.529	3.438	28
DEP10P*	3.981	3.975	3.975	4.031	3.959	33

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.46	101.49	101.49	101.51	101.37	12
T.US.DE042P1012***	103.28	103.32	103.32	103.41	103.02	28
T.US.DE036P0117**	98.66	98.71	98.71	98.86	98.30	29
DEP2P*	101.46	101.49	101.49	101.51	101.37	12
DEP5P*	103.28	103.32	103.32	103.41	103.02	28
DEP10P*	100.14	100.19	100.19	100.32	99.74	33

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
 Y = Yield
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 CTD = Cheapest to Deliver
 OTR = On the Run
 * OTR
 ** CTD
 *** CTD & OTR



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	16.30	5.01	\$1,564	€ 2,306
10y	8.33	2.60	\$812	€ 1,197
5y	4.57	1.48	\$463	€ 683
2y	1.90	0.61	\$191	€ 281
ZB	10.62	3.97	\$124	€ 183
ZN	5.80	2.19	\$68	€ 101
ZF	3.85	1.41	\$44	€ 65
ZT	1.75	0.60	\$19	€ 28

^Futures are Based on CTD

German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.37	€ 254	\$172	0.849146
Bobl	4.11	€ 136	\$93	0.931197
Schatz	1.96	€ 63	\$43	0.947563
DE10Y	7.99	€ 1,186	\$804	
DE5Y	4.11	€ 635	\$431	
DE2Y	1.96	€ 302	\$205	

^Futures are Based on CTD

Last
EURUSD 147.44

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y	9.08	16.90	36.63
10y	4.71	8.77	19.01
5y	2.69	5.01	10.85
2y	1.11	2.06	4.46
ZB	0.72	1.34	2.90
ZN	0.40	1.34	1.60
ZF	0.26	0.48	1.03
ZT	0.11	0.20	0.44

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	1.924	1.916	1.916
US5y	2.788	2.785	2.785
US10y	3.815	3.807	3.807

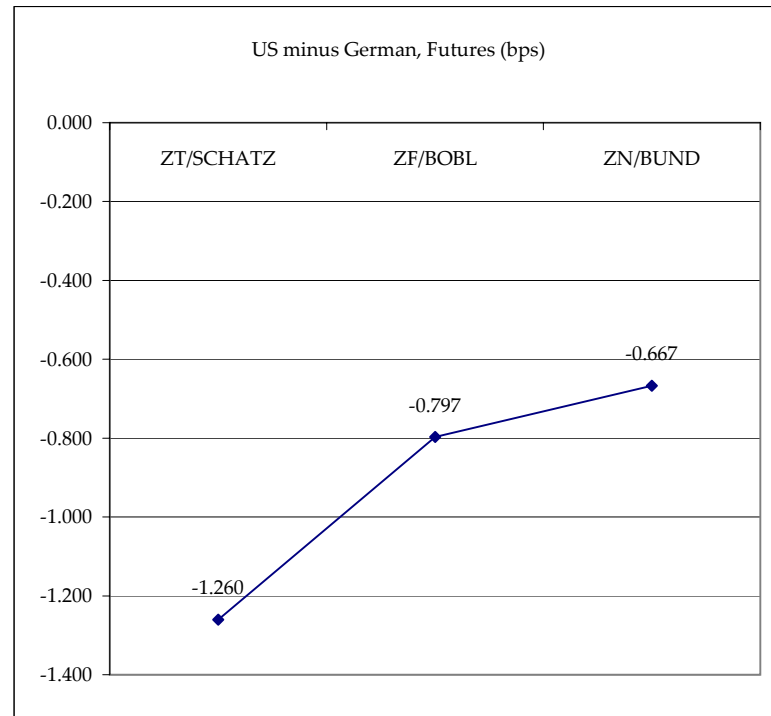
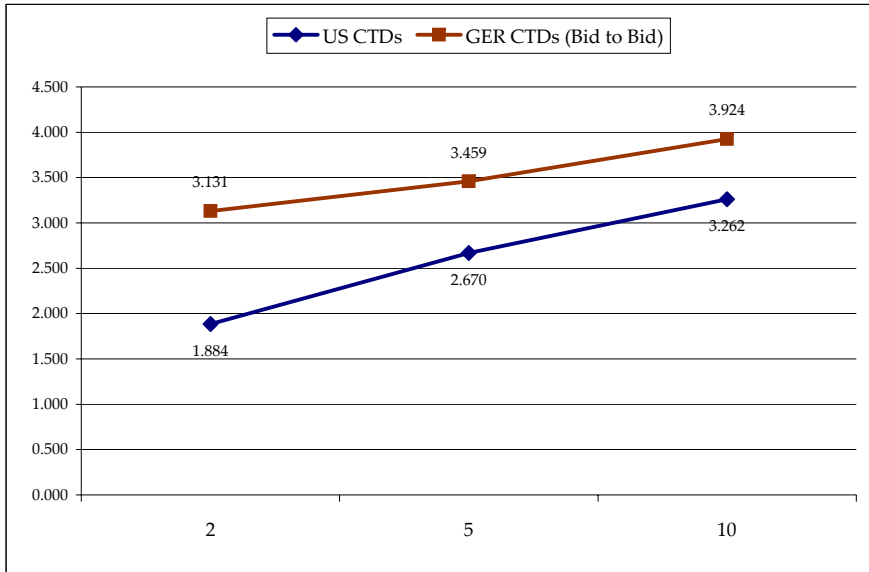
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.149	3.131	3.131
DE5y	3.468	3.459	3.459
DE10y	3.981	3.975	3.975

Spreads	
	Bps
ZT/SCHATZ	-1.260
ZF/BOBL	-0.797
ZN/BUND	-0.667

US Cash Treasuries (CTD)			
	Bid	Ask	Last
3.250 of 12/09	1.884	1.915	1.871
4.750 of 05/12	2.670	2.663	2.663
4.250 of 11/14	3.262	3.257	3.257

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.149	3.131	3.131
4.250 of 10/12	3.468	3.459	3.459
3.750 of 01/17	3.931	3.924	3.924

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

