

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	106.177	(0.035)	106.220	106.170	106.217	65,501	457,538	2y Futures	US Futures Market	
FVAH8	112.130	(0.010)	112.190	112.095	112.170	78,435	1,054,216	5y Futures		
TYAH8	115.130	0.035	115.190	115.075	115.150	156,902	1,800,941	10y Futures		
USAH8	116.060	0.009	116.180	116.020	116.090	42,087	555,018	30y Futures		
US Cash Treasury Market										
Last	Net	Hi	Low	Open	Volume					
BUS02P	99.280	(3.5)	100.005	99.280	99.312	2y				
BUS05P	99.137	(3.7)	99.207	99.107	99.150	5y				
BUS10P	96.225	(2.5)	97.000	96.195	96.255	10y				
BUS30P	96.080	3.5	96.215	96.060	96.075	30y				
Last	Net	Hi	Low	Open	Volume					
BUS02Y	2.187	5.30	2.2	2.109	2.142	2y Yield				
BUS05Y	2.997	2.30	3.024	2.949	2.981	5y Yield				
BUS10Y	3.898	1.00	3.917	3.861	3.89	10y Yield				
BUS30Y	4.603	(0.10)	4.621	4.573	4.611	30y Yield				



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.45	(16.50)	104.61	104.42	104.61	690,501	1,162,463	Schatz(2Y)	German Futures Markets
DLH8	110.20	(31.00)	110.52	110.15	110.51	436,888	886,374	Bobl(5Y)	
DBH8	115.48	(2.70)	115.87	115.41	115.73	665,575	1,465,385	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.04	3.368	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	102.59	3.618	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	98.02	4.012	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.07	3.368	4.000	12/11/2009	2yr OTR	
DEP5P*	102.63	3.618	4.250	10/12/2012	5yr OTR	
DEP10P*	99.51	4.060	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	104.45	104.45	104.45	104.61	104.42	-16.50
DLH8	110.20	110.21	110.20	110.52	110.15	-31.00
DBH8	115.47	115.48	115.48	115.87	115.41	-2.70

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8	3.655	3.652	3.655	3.670	3.571
DLH8	3.726	3.725	3.726	3.738	3.659
DBH8	4.085	4.084	4.085	4.091	4.040

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.386	3.368	3.368	3.397	3.282	
T.US.DE042P1012***	3.628	3.618	3.618	3.642	3.544	
T.US.DE036P0117**	4.019	4.012	4.012	4.029	3.967	
DEP2P*	3.386	3.368	3.368	3.397	3.282	-24
DEP5P*	3.628	3.618	3.618	3.642	3.544	-41
DEP10P*	4.066	4.060	4.060	4.076	4.014	-30

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.04	101.07	101.07	101.22	101.02	-24
T.US.DE042P1012***	102.59	102.63	102.63	102.95	102.53	-41
T.US.DE036P0117**	98.02	98.07	98.07	98.40	97.95	-32
DEP2P*	101.04	101.07	101.07	101.22	101.02	-24
DEP5P*	102.59	102.63	102.63	102.95	102.53	-41
DEP10P*	99.46	99.51	99.51	99.88	99.38	-30

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

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

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

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	16.33	5.04	\$1,574	€ 2,316
10y	8.31	2.57	\$805	€ 1,184
5y	4.56	1.46	\$458	€ 674
2y	1.89	0.60	\$189	€ 278
ZB	10.39	3.88	\$121	€ 178
ZN	5.78	2.17	\$68	€ 100
ZF	3.84	1.40	\$44	€ 64
ZT	1.74	0.60	\$19	€ 28

^Futures are Based on CTD

German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.36	€ 251	\$171	0.849146
Bobl	4.10	€ 135	\$92	0.931197
Schatz	1.95	€ 62	\$42	0.947563
DE10Y	7.97	€ 1,173	\$797	
DE5Y	4.10	€ 628	\$427	
DE2Y	1.95	€ 299	\$203	

^Futures are Based on CTD

Last

EURUSD 147.17

Tic for Tic Matrix (\$)

	Bund	Bobl	Schatz
30y	9.22	17.17	37.18
10y	4.71	8.78	19.01
5y	2.68	4.99	10.81
2y	1.11	2.06	4.46
ZB	0.71	1.32	2.86
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	2.192	2.187	2.187
US5y	3.004	2.997	2.997
US10y	3.902	3.898	3.898

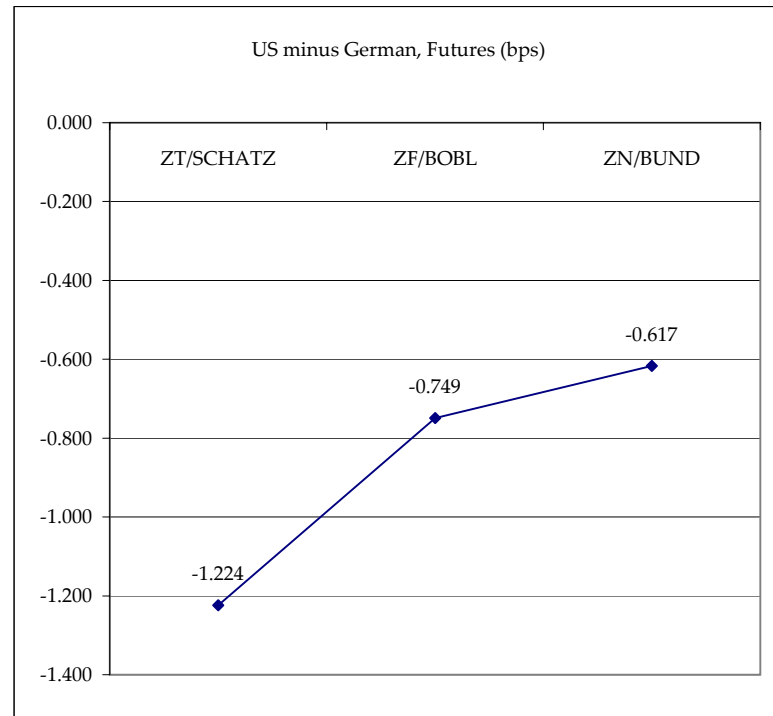
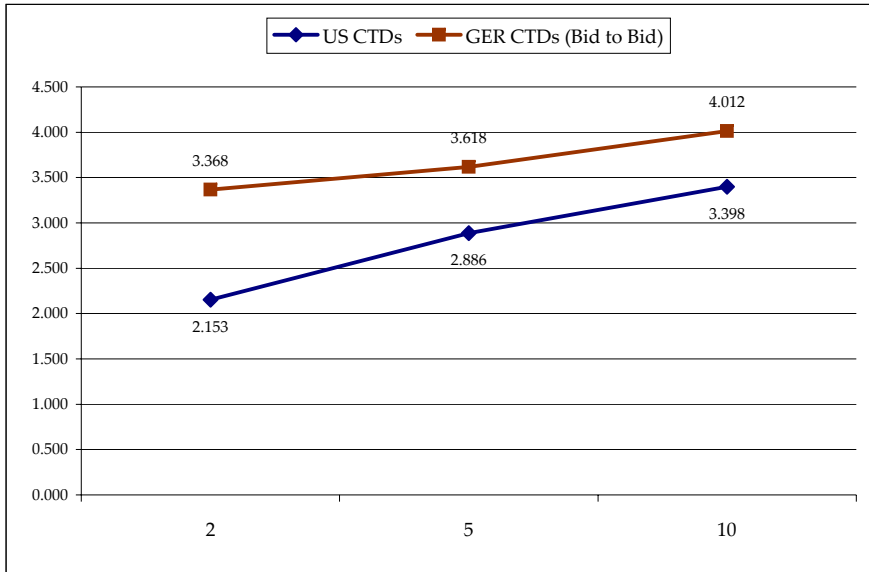
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.386	3.368	3.368
DE5y	3.628	3.618	3.618
DE10y	4.066	4.060	4.060

Spreads Bps	
ZT/SCHATZ	-1.224
ZF/BOBL	-0.749
ZN/BUND	-0.617

US Cash Treasuries (CTD)			
	Bid	Ask	Last
3.500 of 12/09	2.153	2.185	2.145
4.750 of 05/12	2.886	2.869	2.869
4.250 of 11/14	3.398	3.395	3.395

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.386	3.368	3.368
4.250 of 10/12	3.628	3.618	3.618
3.750 of 01/17	4.019	4.012	4.012

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

