

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							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
TUAU8	105.205	0.012	105.210	105.157	105.182	42,456	199,856	2y Futures	US Futures Market
FVAU8	110.225	0.050	110.230	110.115	110.165	61,000	501,156	5y Futures	
TYAU8	114.050	0.075	114.060	113.225	113.285	117,552	855,388	10y Futures	
USAU8	116.005	0.135	116.005	115.150	115.215	25,129	307,626	30y Futures	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02P	100.175	2.5	100.177	100.130	100.147			2y	US Cash Treasury Market
BUS05P	100.102	4.5	100.107	99.315	100.045			5y	
BUS10P	99.120	6.5	99.125	98.315	99.055			10y	
BUS30P	97.295	10.0	97.310	97.110	97.160			30y	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02Y	2.580	(4.50)	2.673	2.58	2.633			2y Yield	US Cash Treasury Market
BUS05Y	3.303	(3.10)	3.382	3.298	3.331			5y Yield	
BUS10Y	3.950	(2.10)	4.004	3.946	3.969			10y Yield	
BUS30Y	4.499	(2.00)	4.541	4.498	4.518			30y Yield	



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGU8	102.36	8.00	102.37	102.21	102.30	295,473	790,985	Schatz(2Y)	German Futures Markets
DLU8	105.85	33.00	105.88	105.57	105.70	265,615	680,791	Bobl(5Y)	
DBU8	110.72	1.80	110.73	110.29	110.45	325,216	1,111,644	Bund(10Y)	

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE046P0610***	97.70	4.559	4.750	6/11/2010	2 yr CTD
T.US.DE034P0413***	95.31	4.604	3.500	4/12/2013	5 yr CTD
T.US.DE042P0717***	97.70	4.560	4.250	7/4/2017	10 yr CTD
DEP2P*	100.34	4.559	4.750	6/11/2010	2yr OTR
DEP5P*	95.35	4.604	3.500	4/12/2013	5yr OTR
DEP10P*	97.38	4.582	4.250	7/4/2018	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				SYM NAME	
	Bid	Ask	Last	Hi	Low	Chng		
DGU8	102.36	102.36	102.36	102.37	102.21	8.00	Schatz(2Y)	German Futures
DLU8	105.85	105.86	105.85	105.88	105.57	33.00	Bobl(5Y)	
DBU8	110.71	110.72	110.72	110.73	110.29	1.80	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGU8	4.738	4.736	4.738	4.815	4.730		Schatz(2Y)	
DLU8	4.663	4.660	4.661	4.724	4.656		Bobl(5Y)	
DBU8	4.637	4.636	4.636	4.688	4.635		Bund(10Y)	German Cash
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE046P0610***	4.576	4.559	4.559	4.642	4.548		2 yr CTD	
T.US.DE034P0413***	4.614	4.604	4.604	4.671	4.594		5 yr CTD	
T.US.DE042P0717***	4.567	4.560	4.560	4.621	4.559		10 yr CTD	
DEP2P*	4.576	4.559	4.559	4.642	4.548	7	2yr OTR	
DEP5P*	4.614	4.604	4.604	4.671	4.594	16	5yr OTR	
DEP10P*	4.589	4.582	4.582	4.646	4.580	33	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE046P0610***	97.70	97.75	97.75	97.76	97.32	28	2 yr CTD	
T.US.DE034P0413***	95.31	95.35	95.35	95.39	95.08	16	5 yr CTD	
T.US.DE042P0717***	97.70	97.75	97.75	97.76	97.32	28	10 yr CTD	
DEP2P*	100.31	100.34	100.34	100.36	100.19	7	2yr OTR	
DEP5P*	95.31	95.35	95.35	95.39	95.08	16	5yr OTR	
DEP10P*	97.33	97.38	97.38	97.40	96.89	33	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 (U)	1.68	2.90	3.50
Bobl (U)	0.95	1.55	2.00
Shatz (U)	0.43	0.70	0.80

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (U)	1.5	3.6	6.3
Bobl (U)	2.7	6.3	11.2
Shatz (U)	6.6	15.3	27.1

	Bund (U)	Bobl (U)	Shatz (U)
Bund (U)		1.78	4.32
Bobl (U)	0.56		2.42
Shatz (U)	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	2.597	2.580	2.580
US5y	3.305	3.303	3.303
US10y	3.952	3.950	3.950

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.576	4.559	4.559
DE5y	4.614	4.604	4.604
DE10y	4.589	4.582	4.582

Spreads

	(Bps)
ZT/SCHATZ	-2.066
ZF/BOBL	-1.394
ZN/BUND	-0.831

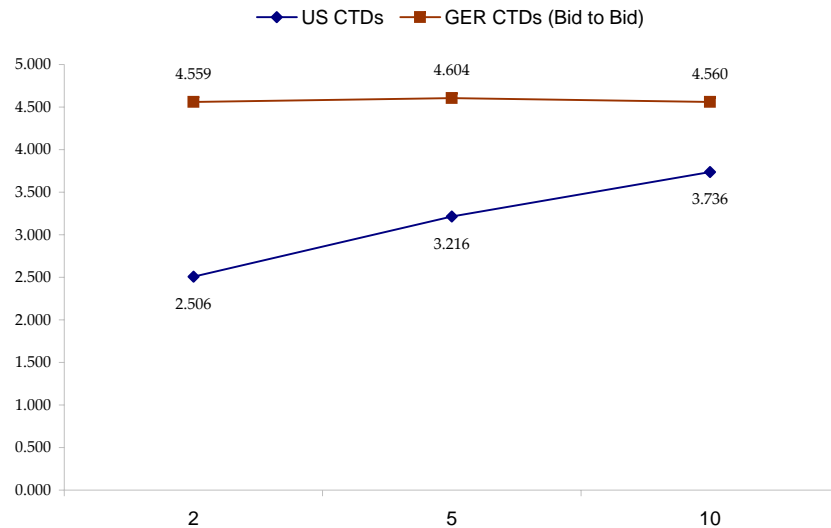
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.625 of 06/10	2.506	2.493	2.493
3.375 of 11/12	3.216	3.210	3.210
5.125 of 05/16	3.736	3.729	3.729

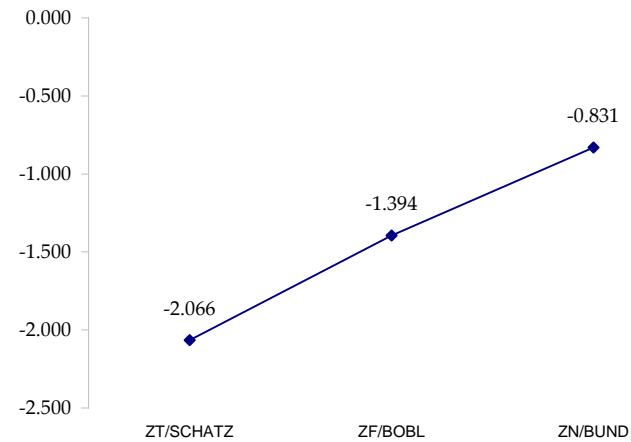
German Futures (CTD)

	Bid	Ask	Last
4.750 of 06/10	4.576	4.559	4.559
3.500 of 04/13	4.614	4.604	4.604
4.250 of 07/17	4.567	4.560	4.560

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

