

## The Morning Email: US & Germany

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Want something added? Let me know: [jgoulding@ghco.com](mailto:jgoulding@ghco.com)

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Quotes 1



32 nds									
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
TUAM8	107.010	0.037	107.017	106.287	106.297	19,612	230,052	2y Futures	
FVAM8	113.227	0.057	113.232	113.142	113.160	28,394	442,744	5y Futures	
TYAM8	118.200	0.025	118.210	118.100	118.140	69,014	677,042	10y Futures	
USAM8	118.295	(0.050)	119.010	118.170	118.305	11,666	243,193	30y Futures	

	Last	Net	Hi	Low	Open	Volume	
BUS02P	100.160	2.2	100.165	100.130	100.135	2y	US Cash Treasury Market
BUS05P	100.275	6.5	100.282	100.212	100.220	5y	
BUS10P	100.050	7.5	100.060	99.285	99.300	10y	
BUS30P	101.035	2.5	101.085	100.270	101.060	30y	

	Last	Net	Hi	Low	Open	Volume	
BUS02Y	1.731	(4.20)	1.793	1.719	1.785	2y Yield	US Cash Treasury Market
BUS05Y	2.555	(5.10)	2.614	2.555	2.612	5y Yield	
BUS10Y	3.477	(2.80)	3.526	3.473	3.511	10y Yield	
BUS30Y	4.304	(0.10)	4.33	4.295	4.307	30y Yield	



Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME
DGM8	104.33	(7.50)	104.53	104.27	104.40	321,851	698,671	Schatz(2Y)
DLM8	110.07	(13.00)	110.36	109.95	110.19	291,765	636,150	Bobl(5Y)
DBM8	116.16	(0.30)	116.47	116.06	116.24	457,818	1,128,349	Bund(10Y)

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE030P0310***	99.02	3.511	3.000	3.000	2 yr CTD	German Cash Treasury Market
T.US.DE044P0113**	103.63	3.643	4.500	1/4/2013	5 yr CTD	
T.US.DE036P0117**	98.97	3.882	3.750	1/4/2017	10 yr CTD	
DEP2P*	99.05	3.511	3.000	3/12/2010	2yr OTR	
DEP5P*	102.30	3.685	4.250	10/12/2012	5yr OTR	
DEP10P*	100.96	3.878	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
DGM8	104.33	104.34	104.33	104.53	104.27	-7.50
DLM8	110.06	110.07	110.07	110.36	109.95	-13.00
DBM8	116.15	116.16	116.16	116.47	116.06	-0.30

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGM8	3.714	3.711	3.711	3.747	3.614
DLM8	3.756	3.755	3.756	3.779	3.693
DBM8	4.008	4.007	4.007	4.018	3.972

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE030P0310***	3.528	3.511	3.511	3.544	3.397	
T.US.DE044P0113**	3.652	3.643	3.643	3.675	3.580	
T.US.DE036P0117**	3.889	3.882	3.882	3.904	3.844	
DEP2P*	3.528	3.511	3.511	3.544	3.397	-7
DEP5P*	3.695	3.685	3.685	3.716	3.613	-8
DEP10P*	3.884	3.878	3.878	3.899	3.846	4

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE030P0310***	99.02	99.05	99.05	99.26	98.99	3.000
T.US.DE044P0113**	103.63	103.67	103.67	103.95	103.53	-7
T.US.DE036P0117**	98.97	99.02	99.02	99.30	98.86	-1
DEP2P*	99.02	99.05	99.05	99.26	98.99	-7
DEP5P*	102.26	102.30	102.30	102.60	102.17	-8
DEP10P*	100.91	100.96	100.96	101.22	100.79	4

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
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- OTR = On the Run
- \* OTR
- \*\* CTD
- \*\*\* CTD & OTR

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	16.59	5.40	\$1,687	€ 2,651
10y	8.27	2.66	\$831	€ 1,306
5y	4.58	1.49	\$466	€ 733
2y	1.88	0.61	\$189	€ 297
ZB	10.39	3.98	\$124	€ 196
ZN	6.63	2.58	\$81	€ 126
ZF	4.04	1.49	\$47	€ 73
ZT	1.89	0.66	\$20	€ 32

^Futures are Based on CTD

German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.28	€ 268	\$171	0
Bobl	0.00	€ 0	\$0	0
Schatz	2.04	€ 70	\$45	0
DE10Y	7.91	€ 1,265	\$805	
DE5Y	0.00	€ 0	\$0	
DE2Y	2.04	€ 299	\$191	

^Futures are Based on CTD

Last  
EURUSD 157.13

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y			
10y			
5y			
2y			
ZB			
ZN			
ZF			
ZT			

This matrix needs to be updated now that the CME has changed the tic size. I'll get to this in the next few days.  
Thanks,  
Jim

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)	1.60	2.80	3.24
Bobl (H)	0.92	1.59	1.79
Shatz (H)	0.38	0.66	0.74

Bloomberg  
Ratio's

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (H)	1.4	3.4	6.1
Bobl (H)	2.6	6.2	11.1
Shatz (H)	6.2	15.0	26.6

Bloomberg  
Ratio's

	Bund (H)	Bobl (H)	Shatz (H)
Bund (H)		1.81	4.37
Bobl (H)	0.55		2.41
Shatz (H)	0.23	0.42	

Bloomberg  
Ratio's

**Yields & Spreads**

US Cash Treasuries (OTR)			
	Bid	Ask	Last
US2y	1.735	1.731	1.731
US5y	2.558	2.555	2.555
US10y	3.479	3.477	3.477

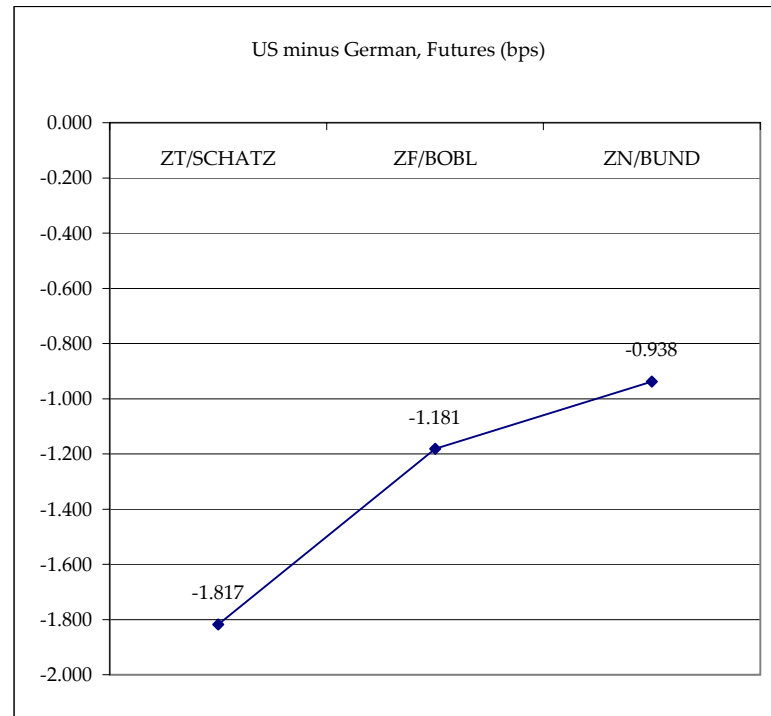
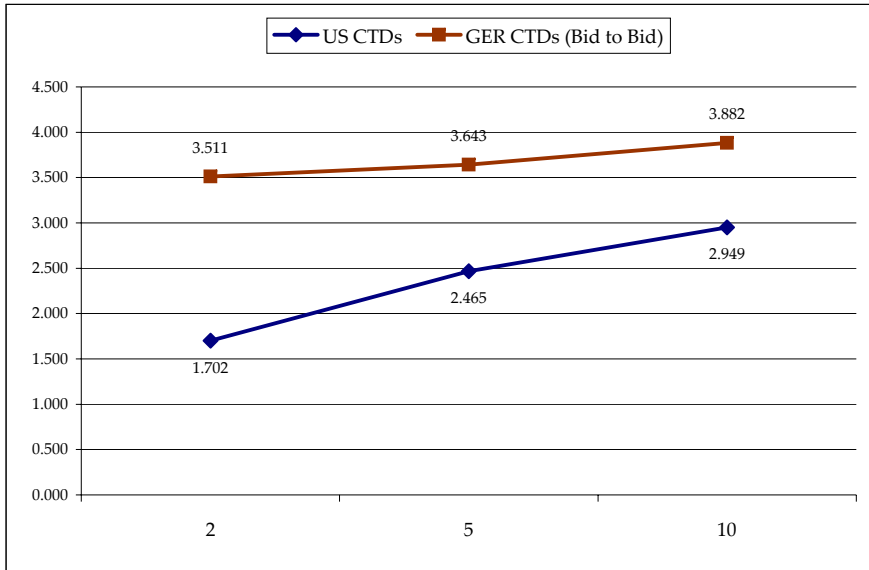
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.528	3.511	3.511
DE5y	3.695	3.685	3.685
DE10y	3.884	3.878	3.878

Spreads	
	Bps
ZT/SCHATZ	-1.817
ZF/BOBL	-1.181
ZN/BUND	-0.938

US Cash Treasuries (CTD)			
	Bid	Ask	Last
4.000 of 03/10	1.702	1.694	1.694
4.125 of 08/12	2.465	2.462	2.462
4.000 of 02/15	2.949	2.945	2.945

German Futures (CTD)			
	Bid	Ask	Last
3.250 of 04/10	3.528	3.511	3.511
of 01/00	3.652	3.643	3.643
3.750 of 01/17	3.889	3.882	3.882

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





