

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	
TUAM8	106.070	0.035	106.072	106.035	106.047	15,868	124,431	2y Futures	
FVAM8	111.207	0.045	111.212	111.150	111.175	30,054	332,026	5y Futures	
TYAM8	115.135	0.030	115.150	115.080	115.105	60,420	490,423	10y Futures	
USAM8	116.045	0.030	116.065	115.295	116.015	10,430	177,542	30y Futures	
		Net	Hi	Low	Open	Volume			
BUS02P	99.200	1.5	99.202	99.177	99.177	2y			
BUS05P	100.025	1.5	100.030	99.315	99.315	5y			
BUS10P	97.120	2.0	97.125	97.080	97.100	10y			
BUS30P	97.015	5.0	97.030	96.265	97.000	30y			
		Net	Hi	Low	Open	Volume			
BUS02Y	2.307	(3.60)	2.375	2.307	2.367	2y Yield			
BUS05Y	3.107	(0.60)	3.136	3.102	3.125	5y Yield			
BUS10Y	3.821	(0.60)	3.843	3.817	3.829	10y Yield			
BUS30Y	4.553	(0.90)	4.576	4.549	4.561	30y Yield			

US Futures Market

US Cash Treasury Market



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGM8	103.78	9.00	103.79	103.66	103.66	173,501	437,868	Schatz(2Y)	
DLM8	108.70	16.50	108.72	108.46	108.48	147,634	383,924	Bobl(5Y)	
DBM8	113.75	2.40	113.78	113.42	113.49	333,599	647,370	Bund(10Y)	

German Futures Markets

	Price	Yield		Maturity	SYM NAME
	Last	Last	Coupon		
T.US.DE030P0310***	98.59	3.781	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	102.31	3.934	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	96.91	4.173	3.750	1/4/2017	10 yr CTD
DEP2P*	98.62	3.781	3.000	3/12/2010	2yr OTR
DEP5P*	98.27	3.891	3.500	4/12/2013	5yr OTR
DEP10P*	98.69	4.165	4.000	1/4/2018	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					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
DGM8	103.78	103.78	103.78	103.79	103.66	9.00	Schatz(2Y)
DLM8	108.69	108.70	108.70	108.72	108.46	16.50	Bobl(5Y)
DBM8	113.75	113.76	113.75	113.78	113.42	2.40	Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		
DGM8	3.999	3.996	3.999	4.058	3.993		Schatz(2Y)
DLM8	4.045	4.043	4.043	4.095	4.040		Bobl(5Y)
DBM8	4.281	4.280	4.280	4.319	4.277		Bund(10Y)
German Futures							
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng	
T.US.DE030P0310***	3.798	3.781	3.781	3.856	3.770		2 yr CTD
T.US.DE044P0113**	3.943	3.934	3.934	3.983	3.932		5 yr CTD
T.US.DE036P0117**	4.180	4.173	4.173	4.210	4.167		10 yr CTD
DEP2P*	3.798	3.781	3.781	3.856	3.770	10	2yr OTR
DEP5P*	3.900	3.891	3.891	3.946	3.889	17	5yr OTR
DEP10P*	4.172	4.165	4.165	4.203	4.160	24	10yr OTR
German Cash							
		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE030P0310***	98.59	98.62	98.62	98.64	98.49	10	2 yr CTD
T.US.DE044P0113**	102.31	102.35	102.35	102.36	102.14	15	5 yr CTD
T.US.DE036P0117**	96.91	96.96	96.96	97.00	96.70	21	10 yr CTD
DEP2P*	98.59	98.62	98.62	98.64	98.49	10	2yr OTR
DEP5P*	98.23	98.27	98.27	98.28	98.03	17	5yr OTR
DEP10P*	98.64	98.69	98.69	98.73	98.40	24	10yr OTR
German Cash							

Notes

- Y = Yield
- DE = German Country Code
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- OTR = On the Run
- * OTR
- ** CTD
- *** CTD & OTR

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (M)	1.87	2.90	3.34
Bobl (M)	1.03	1.59	1.83
Shatz (M)	0.42	0.65	0.75

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.5	3.6	6.2
Bobl (M)	2.7	6.5	11.2
Shatz (M)	6.7	16.0	27.6

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)		1.82	4.48
Bobl (M)	0.55		2.46
Shatz (M)	0.22	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	2.323	2.307	2.307
US5y	3.108	3.107	3.107
US10y	3.823	3.821	3.821

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.798	3.781	3.781
DE5y	3.900	3.891	3.891
DE10y	4.172	4.165	4.165

Spreads (Bps)

ZT/SCHATZ	-1.556
ZF/BOBL	-0.950
ZN/BUND	-0.834

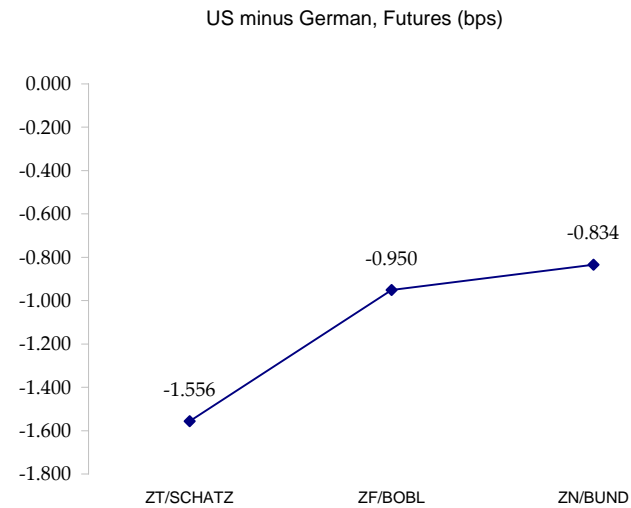
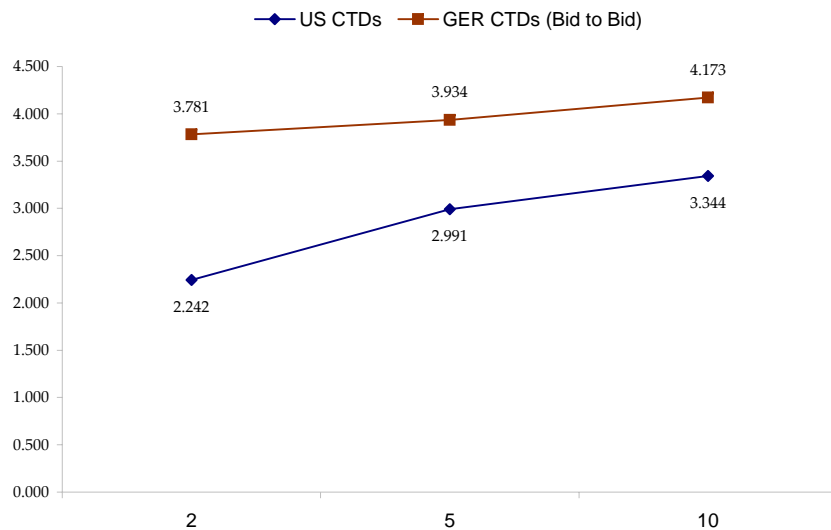
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	2.242	2.226	2.226
4.125 of 08/12	2.991	2.984	2.984
4.000 of 02/15	3.344	3.339	3.339

German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.798	3.781	3.781
4.500 of 01/13	3.943	3.934	3.934
3.750 of 01/17	4.180	4.173	4.173

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

