

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	105.167	(0.015)	105.195	105.162	105.182	24,254	357,654	2y Futures	US Futures Market	
FVAU8	110.120	(0.042)	110.187	110.107	110.152	57,025	758,685	5y Futures		
TYAU8	113.210	(0.070)	113.315	113.170	113.285	101,878	1,185,852	10y Futures		
USAU8	115.110	(0.055)	115.240	115.040	115.190	22,620	347,985	30y Futures		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02P	100.125	(0.7)	100.155	100.122	100.132			2y	US Cash Treasury Market	
BUS05P	100.007	(1.7)	100.077	99.315	100.020			5y		
BUS10P	98.255	(4.0)	99.045	98.220	99.000			10y		
BUS30P	97.010	(3.0)	97.155	96.250	97.095			30y		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02Y	2.669	2.00	2.685	2.616	2.673			2y Yield		
BUS05Y	3.368	1.30	3.38	3.32	3.365			5y Yield		
BUS10Y	4.022	1.80	4.041	3.977	4.01			10y Yield		
BUS30Y	4.555	0.60	4.576	4.528	4.553			30y Yield		



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	102.22	(9.50)	102.33	102.16	102.32	280,353	712,024	Schatz(2Y)	German Futures Markets	
DLU8	105.49	(20.50)	105.73	105.34	105.72	286,744	653,550	Bobl(5Y)		
DBU8	110.06	(3.60)	110.53	109.86	110.53	556,231	1,130,450	Bund(10Y)		

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE046P0610***	97.11	4.624	4.750	6/11/2010	2 yr CTD
T.US.DE034P0413***	95.00	4.682	3.500	4/12/2013	5 yr CTD
T.US.DE042P0717***	97.11	4.643	4.250	7/4/2017	10 yr CTD
DEP2P*	100.22	4.624	4.750	6/11/2010	2yr OTR
DEP5P*	95.04	4.682	3.500	4/12/2013	5yr OTR
DEP10P*	96.75	4.664	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	102.21	102.22	102.22	102.33	102.16	-9.50	Schatz(2Y)	German Futures
DLU8	105.49	105.49	105.49	105.73	105.34	-20.50	Bobl(5Y)	
DBU8	110.05	110.06	110.06	110.53	109.86	-3.60	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGU8	4.815	4.812	4.812	4.844	4.754		Schatz(2Y)	
DLU8	4.742	4.741	4.741	4.774	4.689		Bobl(5Y)	
DBU8	4.716	4.715	4.715	4.739	4.659		Bund(10Y)	German Cash
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE046P0610***	4.641	4.624	4.624	4.679	4.563		2 yr CTD	
T.US.DE034P0413***	4.692	4.682	4.682	4.727	4.616		5 yr CTD	
T.US.DE042P0717***	4.650	4.643	4.643	4.675	4.576		10 yr CTD	
DEP2P*	4.641	4.624	4.624	4.679	4.563	-10	2yr OTR	
DEP5P*	4.692	4.682	4.682	4.727	4.616	-25	5yr OTR	
DEP10P*	4.671	4.664	4.664	4.697	4.602	-45	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE046P0610***	97.11	97.16	97.16	97.64	96.94	-45	2 yr CTD	
T.US.DE034P0413***	95.00	95.04	95.04	95.31	94.86	-25	5 yr CTD	
T.US.DE042P0717***	97.11	97.16	97.16	97.64	96.94	-45	10 yr CTD	
DEP2P*	100.19	100.22	100.22	100.33	100.12	-10	2yr OTR	
DEP5P*	95.00	95.04	95.04	95.31	94.86	-25	5yr OTR	
DEP10P*	96.70	96.75	96.75	97.23	96.50	-45	10yr OTR	

Notes

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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	2.673	2.669	2.669
US5y	3.370	3.368	3.368
US10y	4.023	4.022	4.022

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.641	4.624	4.624
DE5y	4.692	4.682	4.682
DE10y	4.671	4.664	4.664

Spreads (Bps)

ZT/SCHATZ	-2.043
ZF/BOBL	-1.373
ZN/BUND	-1.081

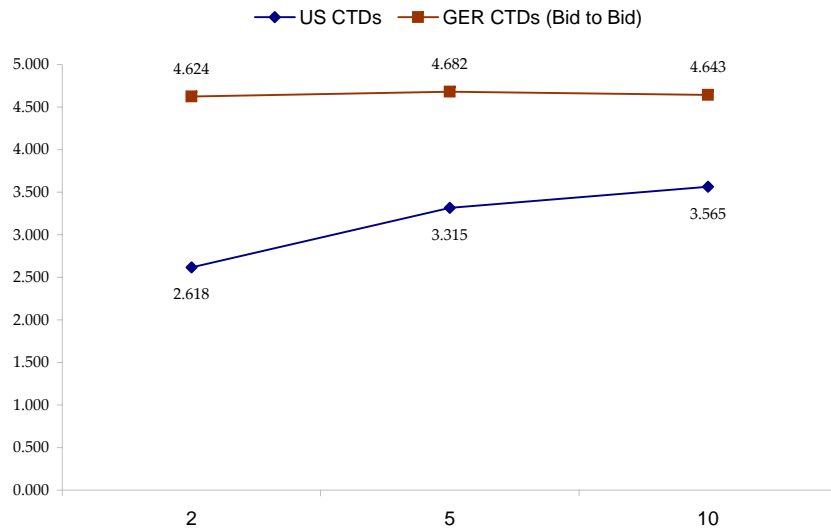
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.625 of 06/10	2.618	2.581	2.581
3.375 of 11/12	3.315	3.309	3.309
4.125 of 05/15	3.565	3.563	3.563

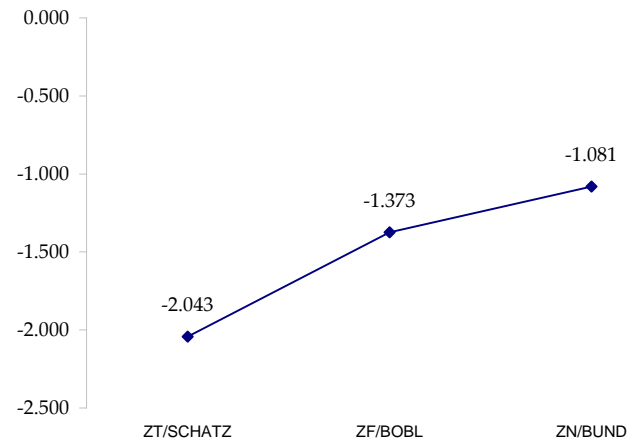
German Futures (CTD)

	Bid	Ask	Last
4.750 of 06/10	4.641	4.624	4.624
3.500 of 04/13	4.692	4.682	4.682
4.250 of 07/17	4.650	4.643	4.643

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

