

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	104.302	(0.087)	105.072	104.212	105.072	78,256	401,865	2y Futures	US Futures Market	
FVAU8	109.207	(0.155)	110.050	109.110	110.045	94,769	865,550	5y Futures		
TYAU8	112.190	(0.220)	113.080	112.120	113.025	142,206	1,084,379	10y Futures		
USAU8	113.220	(0.200)	114.070	113.160	114.010	26,910	377,989	30y Futures		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02P	99.172	(9.2)	99.267	99.125	99.265			2y	US Cash Treasury Market	
BUS05P	100.005	(14.2)	100.167	99.257	100.155			5y		
BUS10P	98.190	(7.0)	99.020	98.140	98.300			10y		
BUS30P	95.215	(4.0)	95.315	95.160	95.315			30y		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02Y	2.860	15.30	2.971	2.687	2.724			2y Yield	US Cash Treasury Market	
BUS05Y	3.493	10.30	3.55	3.376	3.392			5y Yield		
BUS10Y	4.046	3.70	4.073	3.982	3.996			10y Yield		
BUS30Y	4.643	0.50	4.661	4.619	4.627			30y Yield		



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGU8	102.42	1.00	102.44	102.12	102.29	411,288	995,900	Schatz(2Y)	German Futures Markets	
DLU8	106.12	(20.50)	106.14	105.74	106.03	351,538	827,833	Bobl(5Y)		
DBU8	111.24	(1.80)	111.29	110.85	111.18	535,890	1,694,449	Bund(10Y)		

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE052P0710**	97.31	4.612	3.000	3/12/2010	2 yr CTD
T.US.DE034P0413***	99.57	4.591	4.500	1/4/2013	5 yr CTD
T.US.DE042P0717***	94.63	4.510	3.750	1/4/2017	10 yr CTD
DEP2P*	97.34	4.612	3.000	3/12/2010	2yr OTR
DEP5P*	95.59	4.534	3.500	4/12/2013	5yr OTR
DEP10P*	98.01	4.500	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	102.42	102.42	102.42	102.44	102.12	1.00	Schatz(2Y)	German Futures
DLU8	106.12	106.12	106.12	106.14	105.74	-20.50	Bobl(5Y)	
DBU8	111.24	111.25	111.24	111.29	110.85	-1.80	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGU8	4.707	4.704	4.704	4.865	4.693		Schatz(2Y)	
DLU8	4.603	4.602	4.602	4.687	4.599		Bobl(5Y)	
DBU8	4.574	4.573	4.574	4.621	4.568		Bund(10Y)	German Cash
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE052P0710**	4.630	4.612	4.612	4.773	4.612		2 yr CTD	
T.US.DE034P0413***	4.601	4.591	4.591	4.698	4.588		5 yr CTD	
T.US.DE042P0717***	4.518	4.510	4.510	4.559	4.498		10 yr CTD	
DEP2P*	4.630	4.612	4.612	4.773	4.612	12	2yr OTR	
DEP5P*	4.544	4.534	4.534	4.634	4.532	2	5yr OTR	
DEP10P*	4.506	4.500	4.500	4.556	4.493	-11	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE052P0710**	97.31	97.34	97.34	97.34	97.08	12	2 yr CTD	
T.US.DE034P0413***	99.57	99.61	99.61	99.62	99.18	3	5 yr CTD	
T.US.DE042P0717***	94.63	94.68	94.68	94.76	94.35	-15	10 yr CTD	
DEP2P*	97.31	97.34	97.34	97.34	97.08	12	2yr OTR	
DEP5P*	95.55	95.59	95.59	95.60	95.18	2	5yr OTR	
DEP10P*	97.96	98.01	98.01	98.06	97.57	-11	10yr OTR	

Notes

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US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (M)	1.68	2.76	2.98
Bobl (M)	0.95	1.55	1.73
Shatz (M)	0.40	0.59	0.74

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (M)	1.5	3.6	6.4
Bobl (M)	2.7	6.4	11.3
Shatz (M)	6.3	14.9	26.3

	Bund (M)	Bobl (M)	Shatz (M)
Bund (M)	0.00	1.78	4.15
Bobl (M)	0.56	0.00	2.33
Shatz (M)	0.24	0.43	0.00

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	2.864	2.860	2.860
US5y	3.495	3.493	3.493
US10y	4.048	4.046	4.046

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.630	4.612	4.612
DE5y	4.544	4.534	4.534
DE10y	4.506	4.500	4.500

Spreads (Bps)

ZT/SCHATZ	-1.765
ZF/BOBL	-1.163
ZN/BUND	-0.798

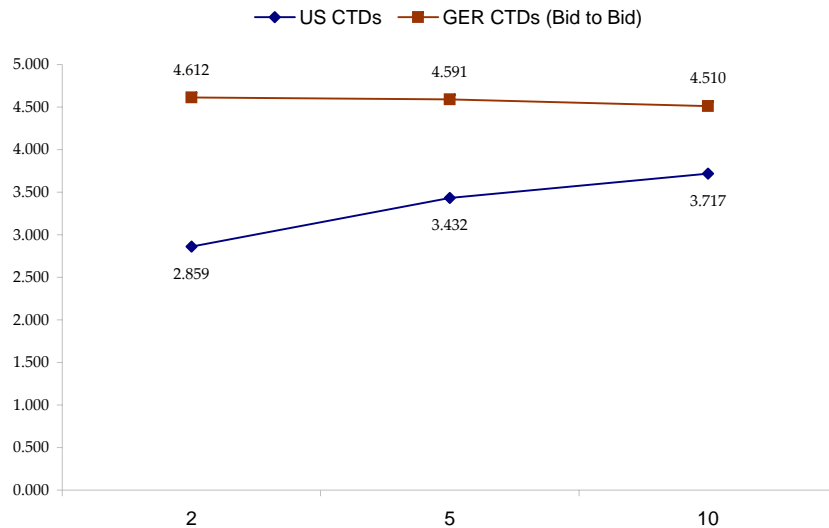
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.625 of 06/10	2.859	2.847	2.847
3.375 of 11/12	3.432	3.428	3.428
4.125 of 05/15	3.717	3.712	3.712

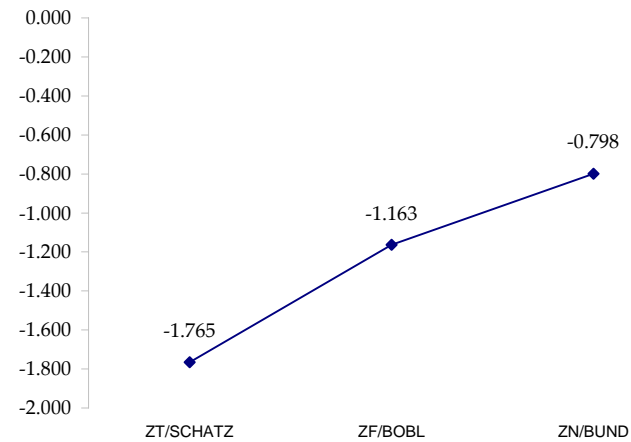
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	4.630	4.612	4.612
4.500 of 01/13	4.601	4.591	4.591
3.750 of 01/17	4.518	4.510	4.510

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

