

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	104.290	(0.030)	104.307	104.277	104.287	16,779	207,673	2y Futures	US Futures Market
FVAU8	109.100	(0.050)	109.135	109.075	109.092	43,396	445,673	5y Futures	
TYAU8	112.095	(0.060)	112.160	112.050	112.070	72,338	791,521	10y Futures	
USAU8	113.065	(0.075)	113.170	113.030	113.040	13,974	243,057	30y Futures	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02P	99.155	(0.5)	99.172	99.155	99.160			2y	US Cash Treasury Market
BUS05P	99.182	(0.7)	99.220	99.175	99.187			5y	
BUS10P	97.215	1.0	97.285	97.200	97.200			10y	
BUS30P	94.175	3.5	94.310	94.185	94.205			30y	
		Last	Net	Hi	Low	Open		SYM NAME	
BUS02Y	2.897	1.70	2.914	2.863	2.897			2y Yield	US Cash Treasury Market
BUS05Y	3.590	0.30	3.603	3.566	3.597			5y Yield	
BUS10Y	4.162	0.00	4.182	4.133	4.164			10y Yield	
BUS30Y	4.716	(0.40)	4.726	4.689	4.724			30y Yield	



		Decimal							
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME	
DGU8	102.37	10.00	102.43	102.25	102.28	207,843	423,441	Schatz(2Y)	German Futures Markets
DLU8	105.75	29.50	105.87	105.47	105.47	190,919	391,984	Bobl(5Y)	
DBU8	110.46	3.90	110.69	110.10	110.11	314,365	675,014	Bund(10Y)	

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE024P1010***	95.47	4.553	4/4/1900	4/4/1900	2 yr CTD
T.US.DE034P0413***	95.19	4.629	3.500	4/12/2013	5 yr CTD
T.US.DE042P0717***	97.47	4.592	4.250	7/4/2017	10 yr CTD
DEP2P*	100.34	4.562	4.750	6/11/2010	2yr OTR
DEP5P*	95.23	4.629	3.500	4/12/2013	5yr OTR
DEP10P*	97.28	4.594	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					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
DGU8	102.37	102.37	102.37	102.43	102.25	10.00	Schatz(2Y)
DLU8	105.74	105.75	105.75	105.87	105.47	29.50	Bobl(5Y)
DBU8	110.46	110.47	110.46	110.69	110.10	3.90	Bund(10Y)
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME
DGU8	4.733	4.730	4.733	4.793	4.701		Schatz(2Y)
DLU8	4.686	4.685	4.685	4.747	4.658		Bobl(5Y)
DBU8	4.667	4.666	4.667	4.710	4.640		Bund(10Y)
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME
T.US.DE024P1010***	4.568	4.553	4.553	4.631	4.524		2 yr CTD
T.US.DE034P0413***	4.639	4.629	4.629	4.690	4.600		5 yr CTD
T.US.DE042P0717***	4.599	4.592	4.592	4.637	4.561		10 yr CTD
DEP2P*	4.579	4.562	4.562	4.633	4.530	8	2yr OTR
DEP5P*	4.639	4.629	4.629	4.690	4.600	19	5yr OTR
DEP10P*	4.601	4.594	4.594	4.637	4.562	29	10yr OTR
		Decimal					
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME
T.US.DE024P1010***	95.47	95.47	95.47	95.47	95.47	95	2 yr CTD
T.US.DE034P0413***	95.19	95.23	95.23	95.35	94.98	19	5 yr CTD
T.US.DE042P0717***	97.47	97.52	97.52	97.74	97.20	28	10 yr CTD
DEP2P*	100.31	100.34	100.34	100.40	100.21	8	2yr OTR
DEP5P*	95.19	95.23	95.23	95.35	94.98	19	5yr OTR
DEP10P*	97.23	97.28	97.28	97.53	96.95	29	10yr OTR

German
Futures

German
Futures

German
Cash

German
Cash

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	2.76	2.98
Bobl (U)	0.95	1.55	1.73
Shatz (U)	0.43	0.65	0.72

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (U)	1.5	3.6	6.4
Bobl (U)	2.7	6.4	11.3
Shatz (U)	6.4	15.4	27.1

	Bund (U)	Bobl (U)	Shatz (U)
Bund (U)		1.78	4.26
Bobl (U)	0.56		2.40
Shatz (U)	0.24	0.42	

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	2.901	2.897	2.897
US5y	3.594	3.590	3.590
US10y	4.166	4.162	4.162

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	4.579	4.562	4.562
DE5y	4.639	4.629	4.629
DE10y	4.601	4.594	4.594

Spreads (Bps)

ZT/SCHATZ	-1.675
ZF/BOBL	-1.091
ZN/BUND	-0.494

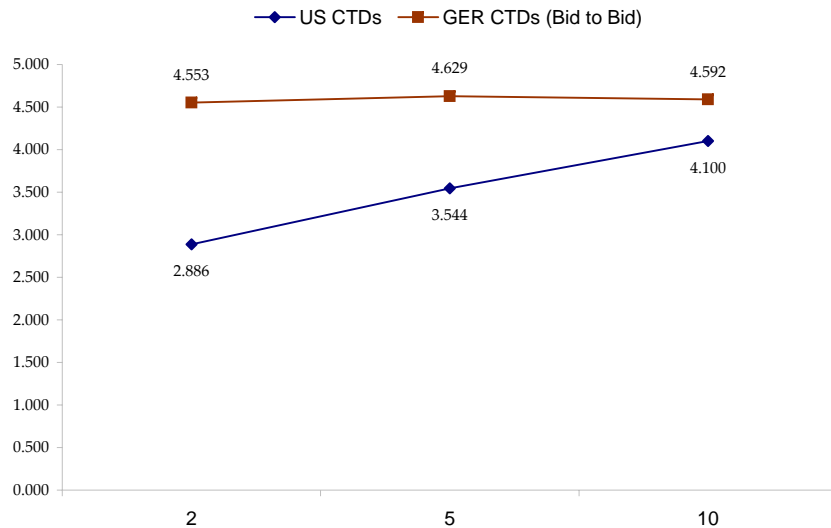
US Cash Treasuries (CTD)

	Bid	Ask	Last
3.625 of 06/10	2.886	2.878	2.878
3.375 of 11/12	3.544	3.538	3.538
5.125 of 05/16	4.100	4.098	4.098

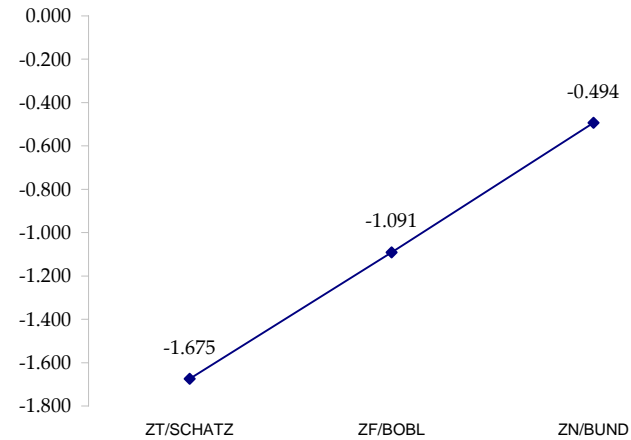
German Futures (CTD)

	Bid	Ask	Last
95.47 of 04/00	4.568	4.553	4.553
3.500 of 04/13	4.639	4.629	4.629
4.250 of 07/17	4.599	4.592	4.592

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

