

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								SYM NAME		
Last	Net	Hi	Low	Open	Volume	Yest Volume				
TUAM8	107.137	(0.007)	107.182	107.112	107.162	71,155	372,578	2y Futures	US Futures Market	
FVAM8	114.075	(0.005)	114.145	114.042	114.117	128,483	660,964	5y Futures		
TYAM8	117.060	(0.035)	117.140	117.020	117.120	184,134	961,076	10y Futures		
USAM8	118.155	(0.050)	118.310	118.110	118.290	58,086	389,453	30y Futures		
US Cash Treasury Market										
Last	Net	Hi	Low	Open	Volume					
BUS02P	100.235	0.2	100.272	100.212	100.257	2y				
BUS05P	101.070	(1.7)	101.140	101.032	101.105	5y				
BUS10P	99.220	(5.0)	99.295	99.180	99.250	10y				
BUS30P	99.050	1.5	99.220	99.000	99.220	30y				
Last	Net	Hi	Low	Open	Volume					
BUS02Y	1.620	(0.10)	1.668	1.556	1.656	2y Yield				
BUS05Y	2.486	0.90	2.517	2.439	2.496	5y Yield				
BUS10Y	3.535	1.30	3.556	3.505	3.526	10y Yield				
BUS30Y	4.420	(0.20)	4.437	4.388	4.424	30y Yield				



Decimal								SYM NAME	
Last	Net	Hi	Low	Open	Volume	Yest Volume			
DGH8	104.84	(2.00)	104.92	104.81	104.92	865,350	1,121,956	Schatz(2Y)	German Futures Markets
DLH8	111.49	6.00	111.51	111.33	111.46	730,104	968,013	Bobl(5Y)	
DBH8	117.44	1.80	117.53	117.11	117.25	1,316,845	1,823,320	Bund(10Y)	

	Price	Yield		Maturity	SYM NAME	
	Last	Last	Coupon			
T.US.DE040P1209***	101.37	3.165	4.000	12/11/2009	2 yr CTD	German Cash Treasury Market
T.US.DE042P1012***	103.77	3.339	4.250	10/12/2012	5 yr CTD	
T.US.DE036P0117**	99.67	3.787	3.750	1/4/2017	10 yr CTD	
DEP2P*	101.40	3.165	4.000	12/11/2009	2yr OTR	
DEP5P*	103.81	3.339	4.250	10/12/2012	5yr OTR	
DEP10P*	101.22	3.847	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
DGH8	104.84	104.85	104.84	104.92	104.81	-2.00
DLH8	111.49	111.49	111.49	111.51	111.33	6.00
DBH8	117.43	117.44	117.44	117.53	117.11	1.80

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo
DGH8	3.454	3.451	3.454	3.469	3.413
DLH8	3.459	3.458	3.458	3.491	3.454
DBH8	3.865	3.864	3.864	3.901	3.854

	Y Bid	Y Ask	Y Last	Y Hi	Y Lo	Chng
T.US.DE040P1209***	3.182	3.165	3.165	3.194	3.101	
T.US.DE042P1012***	3.348	3.339	3.339	3.378	3.327	
T.US.DE036P0117**	3.793	3.787	3.787	3.821	3.773	
DEP2P*	3.182	3.165	3.165	3.194	3.101	-5
DEP5P*	3.348	3.339	3.339	3.378	3.327	7
DEP10P*	3.853	3.847	3.847	3.882	3.835	31

Decimal						
	Bid	Ask	Last	Hi	Low	Chng
T.US.DE040P1209***	101.37	101.40	101.40	101.51	101.35	-5
T.US.DE042P1012***	103.77	103.81	103.81	103.86	103.64	7
T.US.DE036P0117**	99.67	99.72	99.72	99.82	99.47	27
DEP2P*	101.37	101.40	101.40	101.51	101.35	-5
DEP5P*	103.77	103.81	103.81	103.86	103.64	7
DEP10P*	101.17	101.22	101.22	101.32	100.94	31

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
- ** CTD
- *** CTD & OTR

Intrinsics & Tic for Tic Matrix'



US Intrinsic's ^				
	M Duration	DV01 32	DV01 \$	DV01(€)
30y	16.52	5.26	\$1,643	€ 2,495
10y	8.32	2.66	\$831	€ 1,263
5y	4.64	1.52	\$474	€ 720
2y	1.94	0.63	\$196	€ 298
ZB	10.48	4.07	\$127	€ 193
ZN	6.06	2.31	\$72	€ 109
ZF	4.11	1.52	\$47	€ 72
ZT	1.92	0.68	\$21	€ 32

^Futures are Based on CTD

Tic for Tic Matrix (\$)			
	Bund	Bobl	Schatz
30y	9.46	17.77	39.06
10y	4.78	8.99	19.77
5y	2.73	5.13	11.27
2y	1.13	2.12	4.66
ZB	0.73	1.38	3.03
ZN	0.41	1.34	1.71
ZF	0.27	0.51	1.13
ZT	0.12	0.23	0.50

Notes

1) CF = Conversion Factor

2) MDuration = Modified Macaulay Duration

3) MDuration & DV01s for Futures are based on proxy issue (CTD)



German Intrinsic's ^				
	M Duration	DV01(€)	DV01(\$)	CF
Bund	7.35	€ 264	\$174	0.849146
Bobl	4.08	€ 140	\$92	0.931197
Schatz	1.93	€ 64	\$42	0.947563
DE10Y	7.97	€ 1,233	\$812	
DE5Y	4.08	€ 654	\$430	
DE2Y	1.93	€ 306	\$202	

^Futures are Based on CTD

Last	
EURUSD	151.90

US Financial Futures / Eurex Bond			
	ZN	ZF	ZT
Bund (H)	1.90	2.90	3.40
Bobl (H)	1.00	1.60	1.80
Shatz (H)	0.39	0.60	0.71

Bloomberg
Ratio's

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (H)	1.5	3.6	6.4
Bobl (H)	2.8	6.7	11.8
Shatz (H)	7.1	17.2	30.4

Bloomberg
Ratio's

	Bund (H)	Bobl (H)	Shatz (H)
Bund (H)	1.00	1.86	4.80
Bobl (H)	0.54	1.00	2.58
Shatz (H)	0.21	0.39	1.00

Bloomberg
Ratio's

Yields & Spreads

US Cash Treasuries (OTR)			
	Bid	Ask	Last
US2y	1.624	1.620	1.620
US5y	2.487	2.486	2.486
US10y	3.537	3.535	3.535

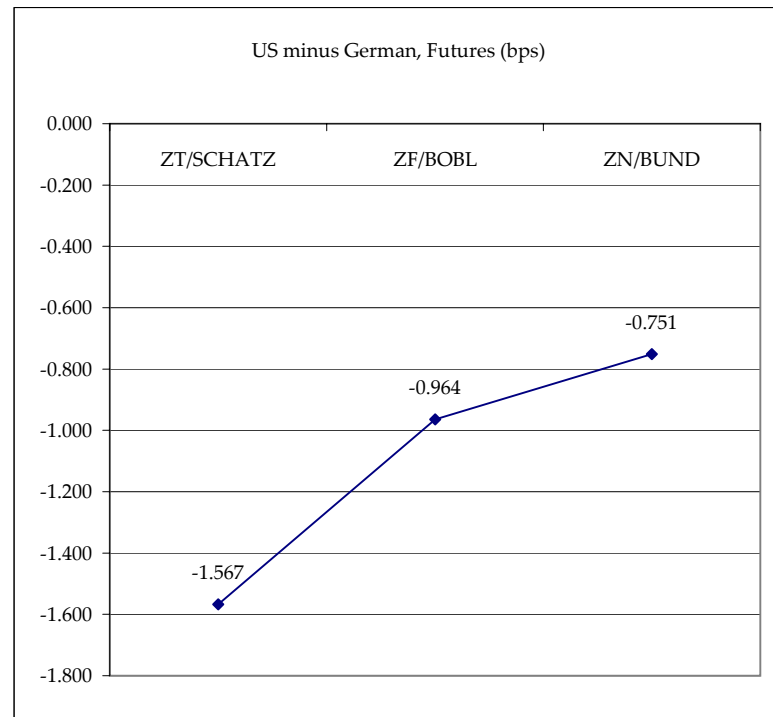
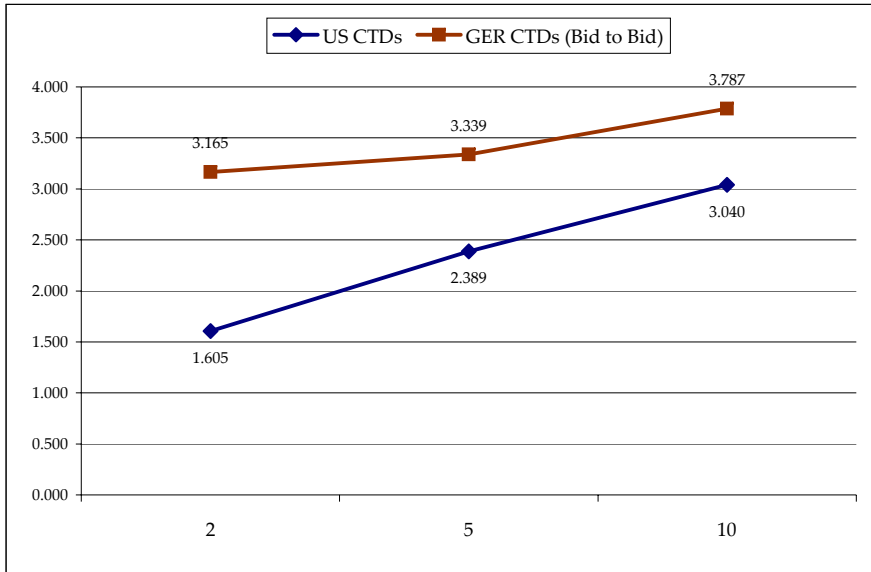
German Cash Treasuries (OTR)			
	Bid	Ask	Last
DE2y	3.182	3.165	3.165
DE5y	3.348	3.339	3.339
DE10y	3.853	3.847	3.847

Spreads Bps	
ZT/SCHATZ	-1.567
ZF/BOBL	-0.964
ZN/BUND	-0.751

US Cash Treasuries (CTD)			
	Bid	Ask	Last
4.000 of 03/10	1.605	1.598	1.598
4.125 of 08/12	2.389	2.375	2.375
4.000 of 02/15	3.040	3.035	3.035

German Futures (CTD)			
	Bid	Ask	Last
5.375 of 04/10	3.182	3.165	3.165
4.250 of 10/12	3.348	3.339	3.339
3.750 of 01/17	3.793	3.787	3.787

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

