

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	106.062	0.010	106.067	106.037	106.037	21,338	239,697	2y Futures	US Futures Market	
FVAM8	111.270	(0.007)	111.280	111.240	111.250	28,180	502,839	5y Futures		
TYAM8	115.200	(0.030)	115.230	115.175	115.180	52,694	766,804	10y Futures		
USAM8	116.310	(0.060)	117.035	116.270	116.285	9,217	291,758	30y Futures		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02P	99.185	1.7	99.187	99.167	99.170			2y	US Cash Treasury Market	
BUS05P	100.082	1.7	100.092	100.062	100.072			5y		
BUS10P	97.260	(1.5)	97.290	97.240	97.270			10y		
BUS30P	97.280	(5.0)	98.065	97.250	98.035			30y		
		Last	Net	Hi	Low	Open		SYM NAME		
BUS02Y	2.340	(2.80)	2.393	2.332	2.393			2y Yield	US Cash Treasury Market	
BUS05Y	3.067	(0.90)	3.112	3.059	3.091			5y Yield		
BUS10Y	3.767	0.60	3.781	3.753	3.773			10y Yield		
BUS30Y	4.501	0.90	4.513	4.48	4.5			30y Yield		



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGM8	103.87	5.00	103.91	103.81	103.81	145,039	528,240	Schatz(2Y)	German Futures Markets	
DLM8	108.91	5.00	108.95	108.76	108.81	143,203	471,742	Bobl(5Y)		
DBM8	114.14	(0.20)	114.21	113.92	114.03	222,967	891,799	Bund(10Y)		

	Price	Yield			
	Last	Last	Coupon	Maturity	SYM NAME
T.US.DE030P0310***	98.70	3.720	3.000	3/12/2010	2 yr CTD
T.US.DE044P0113**	102.52	3.884	4.500	1/4/2013	5 yr CTD
T.US.DE036P0117**	97.27	4.122	3.750	1/4/2017	10 yr CTD
DEP2P*	98.73	3.720	3.000	3/12/2010	2yr OTR
DEP5P*	98.46	3.848	3.500	4/12/2013	5yr OTR
DEP10P*	99.19	4.101	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				SYM NAME	
	Bid	Ask	Last	Hi	Low	Chng		
DGM8	103.87	103.88	103.87	103.91	103.81	5.00	Schatz(2Y)	German Futures
DLM8	108.91	108.92	108.91	108.95	108.76	5.00	Bobl(5Y)	
DBM8	114.13	114.14	114.14	114.21	113.92	-0.20	Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Futures
DGM8	3.950	3.947	3.947	3.981	3.932		Schatz(2Y)	
DLM8	3.999	3.998	3.998	4.031	3.991		Bobl(5Y)	
DBM8	4.237	4.236	4.237	4.261	4.228		Bund(10Y)	
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	German Cash
T.US.DE030P0310***	3.737	3.720	3.720	3.766	3.697		2 yr CTD	
T.US.DE044P0113**	3.893	3.884	3.884	3.929	3.877		5 yr CTD	
T.US.DE036P0117**	4.129	4.122	4.122	4.157	4.112		10 yr CTD	
DEP2P*	3.737	3.720	3.720	3.766	3.697	7	2yr OTR	
DEP5P*	3.857	3.848	3.848	3.889	3.839	14	5yr OTR	
DEP10P*	4.107	4.101	4.101	4.139	4.095	14	10yr OTR	
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	German Cash
T.US.DE030P0310***	98.70	98.73	98.73	98.77	98.65	7	2 yr CTD	
T.US.DE044P0113**	102.52	102.56	102.56	102.59	102.37	15	5 yr CTD	
T.US.DE036P0117**	97.27	97.32	97.32	97.39	97.07	15	10 yr CTD	
DEP2P*	98.70	98.73	98.73	98.77	98.65	7	2yr OTR	
DEP5P*	98.42	98.46	98.46	98.50	98.28	14	5yr OTR	
DEP10P*	99.14	99.19	99.19	99.24	98.89	14	10yr OTR	

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 (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	2.344	2.340	2.340
US5y	3.069	3.067	3.067
US10y	3.769	3.767	3.767

German Cash Treasuries (OTR)

	Bid	Ask	Last
DE2y	3.737	3.720	3.720
DE5y	3.857	3.848	3.848
DE10y	4.107	4.101	4.101

Spreads (Bps)

ZT/SCHATZ	-1.456
ZF/BOBL	-0.936
ZN/BUND	-0.764

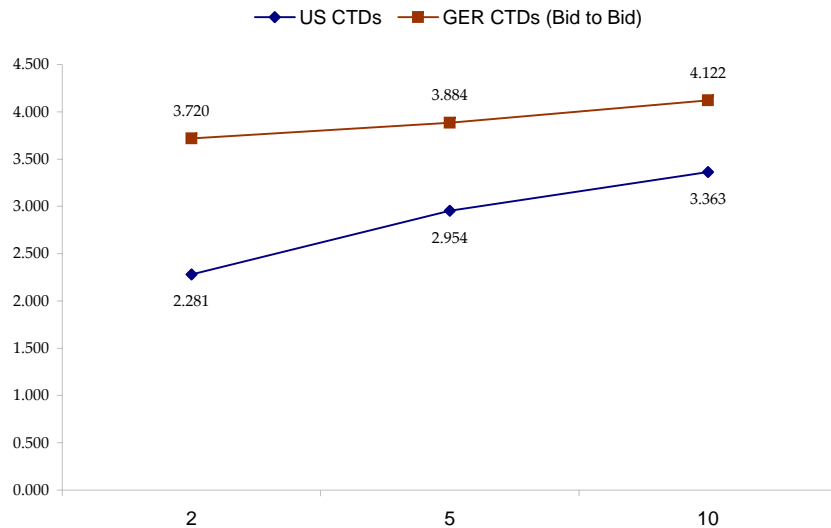
US Cash Treasuries (CTD)

	Bid	Ask	Last
4.000 of 03/10	2.281	2.264	2.264
4.125 of 08/12	2.954	2.948	2.948
4.000 of 02/15	3.363	3.358	3.358

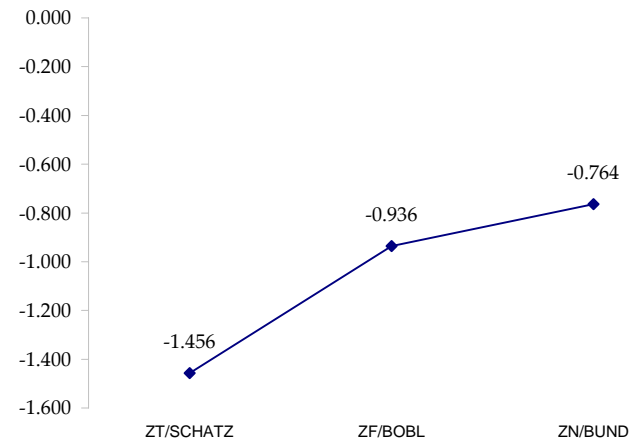
German Futures (CTD)

	Bid	Ask	Last
3.000 of 03/10	3.737	3.720	3.720
4.500 of 01/13	3.893	3.884	3.884
3.750 of 01/17	4.129	4.122	4.122

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

