

## The Morning Email: US & Germany

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Quotes 1



		32 nds								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
TUAZ8	106.262	0.050	106.270	106.157	106.180	20,126	231,140	2y Futures	<b>US Futures Market</b>	
FVAZ8	112.162	0.110	112.170	111.255	111.297	43,504	459,234	5y Futures		
TYAZ8	115.140	0.200	115.150	114.090	114.160	88,410	549,541	10y Futures		
USAZ8	118.045	0.230	118.045	116.250	117.040	19,239	193,292	30y Futures		
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02P	100.007	6.0	100.015	99.250	99.250	2y		<b>US Cash Treasury Market</b>		
BUS05P	100.282	17.2	100.290	100.090	100.100	5y				
BUS10P	102.000	24.5	102.010	101.025	101.060	10y				
BUS30P	103.085	106.5	103.110	101.270	101.290	30y				
	Last	Net	Hi	Low	Open	SYM NAME				
BUS02Y	1.981	(10.00)	2.137	1.969	2.137	2y Yield				
BUS05Y	2.931	(11.10)	3.071	2.927	3.071	5y Yield				
BUS10Y	3.753	(9.30)	3.905	3.748	3.854	10y Yield				
BUS30Y	4.300	(7.00)	4.392	4.296	4.368	30y Yield				



		Decimal								
	Last	Net	Hi	Low	Open	Volume	Yest Volume	SYM NAME		
DGZ8	104.44	41.50	104.49	104.11	104.14	421,092	592,877	Schatz(2Y)	<b>German Futures Markets</b>	
DLZ8	109.95	93.00	109.97	109.12	109.22	275,949	499,296	Bobl(5Y)		
DBZ8	114.87	11.40	114.91	113.82	113.90	488,508	624,822	Bund(10Y)		

	Price	Yield				
	Last	Last	Coupon	Maturity	SYM NAME	
T.US.DE040P0910***	100.74	3.467	4/9/1900	9/10/2010	2 yr CTD	<b>German Cash Treasury Market</b>
T.US.DE036P0713**	100.21	3.698	3.750	7/4/2013	5 yr CTD	
T.US.DE042P0718*	101.71	4.012	4.250	7/4/2017	10 yr CTD	
DEP2P*	100.98	3.467	4.000	9/10/2010	2yr OTR	
DEP5P*	100.21	3.698	3.750	7/4/2013	5yr OTR	
DEP10P*	101.62	4.044	4.250	7/4/2018	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	SYM NAME	
DGZ8	104.44	104.45	104.44	104.49	104.11	41.50	Schatz(2Y)	German Futures
DLZ8	109.95	109.95	109.95	109.97	109.12	93.00	Bobl(5Y)	
DBZ8	114.86	114.87	114.87	114.91	113.82	11.40	Bund(10Y)	
		Decimal						
	Y Bid	Y Ask	Y Last	Y Hi	Y Lo		SYM NAME	
T.US.DE040P0910***	3.483	3.467	3.467	3.601	3.440		2 yr CTD	German Cash
T.US.DE036P0713**	3.707	3.698	3.698	3.852	3.686		5 yr CTD	
T.US.DE042P0718*	4.019	4.012	4.012	4.145	4.010		10 yr CTD	
DEP2P*	3.483	3.467	3.467	3.601	3.440	35	2yr OTR	
DEP5P*	3.707	3.698	3.698	3.852	3.686	72	5yr OTR	
DEP10P*	4.050	4.044	4.044	4.177	4.041	96	10yr OTR	
		Decimal						
	Bid	Ask	Last	Hi	Low	Chng	SYM NAME	
T.US.DE040P0910***	100.74	100.74	100.74	100.74	100.74	101	2 yr CTD	German Cash
T.US.DE036P0713**	100.17	100.21	100.21	100.26	99.55	72	5 yr CTD	
T.US.DE042P0718*	101.66	101.71	101.71	101.73	100.74	88	10 yr CTD	
DEP2P*	100.95	100.98	100.98	101.03	100.73	35	2yr OTR	
DEP5P*	100.17	100.21	100.21	100.26	99.55	72	5yr OTR	
DEP10P*	101.57	101.62	101.62	101.64	100.56	96	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 (U)	1.56	2.50	2.83
Bobl (U)	0.88	1.36	1.57
Shatz (U)	0.34	0.61	0.69

US Treasuries v Eurex Bonds			
	2y	5y	10y
Bund (U)	1.6	3.9	7.1
Bobl (U)	2.9	6.9	12.6
Shatz (U)	6.7	16.0	29.1

	Bund (U)	Bobl (U)	Shatz (U)
Bund (U)		1.76	4.09
Bobl (U)	0.57		2.32
Shatz (U)	0.25	0.43	

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	1.989	1.981	1.981
US5y	2.934	2.931	2.931
US10y	3.755	3.753	3.753

**German Cash Treasuries (OTR)**

	Bid	Ask	Last
DE2y	3.483	3.467	3.467
DE5y	3.707	3.698	3.698
DE10y	4.050	4.044	4.044

**Spreads (Bps)**

ZT/SCHATZ	-1.487
ZF/BOBL	-0.901
ZN/BUND	-0.507

**US Cash Treasuries (CTD)**

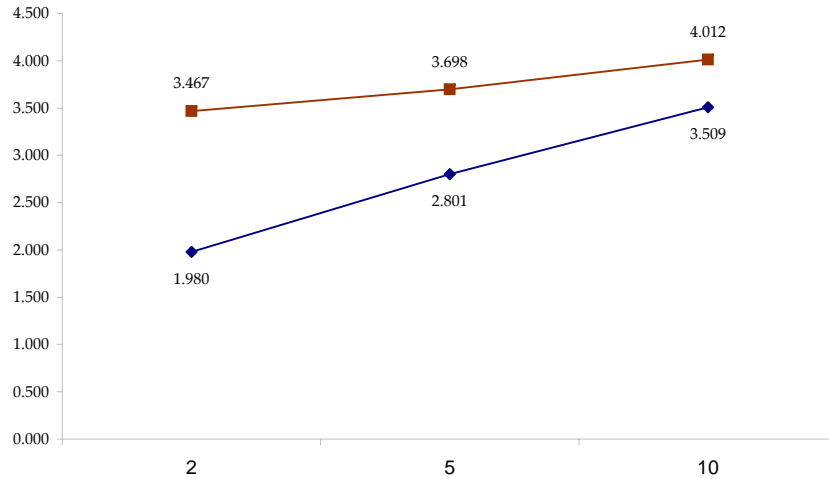
	Bid	Ask	Last
2.000 of 09/10	1.980	1.980	1.980
2.750 of 02/13	2.801	2.797	2.797
5.125 of 05/16	3.509	3.505	3.505

**German Futures (CTD)**

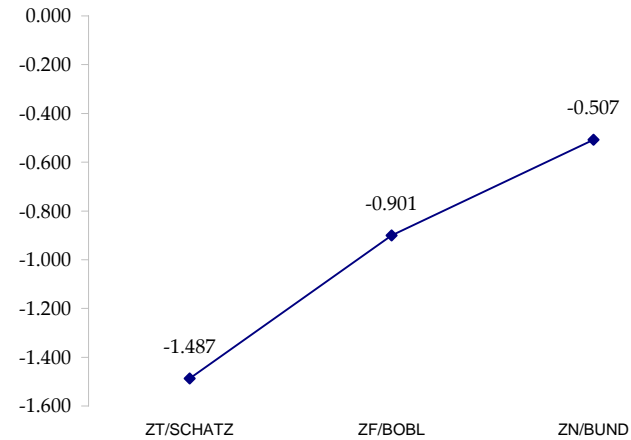
	Bid	Ask	Last
100.74 of 09/10	3.483	3.467	3.467
3.750 of 07/13	3.707	3.698	3.698
4.250 of 07/17	4.019	4.012	4.012

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 CTDs GER CTDs (Bid to Bid)



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







