



MNI Pi (Positioning indicator)



MNI Comment: Long-setting has been the theme going into Thursday's ECB decision, at least for EGBs over the past week (with Gilts bucking the trend). This leaves European bond futures positioning mixed, with three contracts structurally short, two flat, and two long/very long. These are mostly unchanged since our last update on July 7.

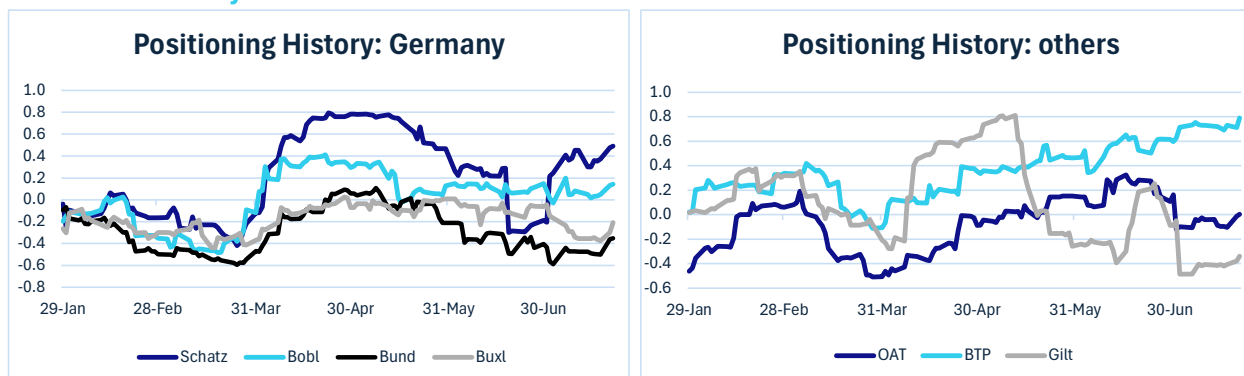
German contracts' structural positioning has remained fairly steady since our latest update. **Schatz** remains in "long", and on the cusp of "very long" territory. **Bund** has reverted to **short** from "very short" previously. **Buxl** remains "short", with **Bobl** staying flat. Longs were set across all four contracts last week.

OAT remains in **flat** territory (having flirted with longs in June). The most recent week's trade was indicative of long setting.

Gilt structural positioning remains in **short** territory. In contrast to other European contracts, shorts were set in the last week.

BTP continues to extend further into "very long" territory. Trade indicative of long-setting was seen in the most recent week.

Six month history of MNI Pi Estimates



Updated Jul 23, 2025 based on OI/price data through Jul 22, 2025. MNI Pi provides an estimate of fast money positioning in futures. Calculations are for guidance only, and are not trade recommendations in any way. **Source:** Eurex, ICE, Bloomberg Finance L.P., MNI Calculations

For full methodology visit: <https://tinyurl.com/MNI-PI-Methodology>

MNI Pi (Positioning indicator)

Explanation: MNI Pi provides an estimate of the fast money positioning in futures markets. Conceptually, the calculation looks first at the general direction of the bond market. For example, if prices are rising they can be fresh buyers or short covering. If open interest is rising as market prices improve, then we assume that fresh buyers are arriving. By contrast, if markets rise because of short covering, then open interest would fall. More specifically, MNI looks at correlations between daily changes in open interest and market direction over a six week period. We use front-month open interest and we exclude particularly heavy contract rolling days. These calculations are for guidance only and are not trade recommendations in any way.

The matrix below shows the 4 possible combinations of movement between open interest and price changes and what these combinations imply for market positioning.

Matrix: relationship between price direction and open interest changes

Contract Price Chg		Open interest direction	
		Up	Down
		Up	Down
	Up	Fresh Longs	Short cover
	Down	Fresh Shorts	Liquidate Longs

Uses: Estimating market positioning is useful for determining whether a contract might have a price bias in the future. However, it becomes more interesting as the contract approaches delivery and investors roll into the next calendar date. Rolling a long position would put upward pressure on the new contract and downward pressure on the current and vice versa.

How to Read: For each contract we report a summary of the market positioning i.e. flat/long/short, a chart of the position to give more accuracy, the most recent trade (past week), a Z-score of the 3 month price move so the reader can quickly see if prices are rising/falling and then finally small chart of a 1 month price history.