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**From:** Vahe Stepanian [redacted]  
**Sent:** 8/17/2015 10:46:28 AM  
**To:** jeffrey E. [jeevacation@gmail.com]  
**CC:** Daniel Sabba [redacted]; Ariane Dwyer [redacted]; Paul Morris [redacted];  
Stewart Oldfield [redacted]; Richard Kahn [redacted]  
**Subject:** FW: Trade ideas for shorting Asian currencies [C]  
**Attachments:** CNY 8.14.15.pdf

Classification: **Confidential**

Jeffrey - I'm following up on Rich's email below about shorting Asian currency. Given your CNH maturity last week, we thought it made sense to revisit CNH options. Initially looked at premium neutral risk reversals, but given USD calls are nearly 4 vols over the puts, we decided to look at USDCNH call spreads instead.

Indicative pricing:

Spot ref = 6.444

SOFL buys Call, sells Call on USD/CNH in a Call Spread

Strikes 6.55 / 6.75  
Notional: USD 50,000,000 USD  
**Expiry: Tue 17-Nov-2015 (3m)**  
Premium: SOFL pays 324,500 (USD 486,000:-161,500)  
Premium Date: Wed 19-Aug-2015

SOFL buys Call, sells Call on USD/CNH in a Call Spread

Strikes 6.55 / 6.8  
Notional: USD 50,000,000 USD  
**Expiry: Wed 17-Feb-2016 (6m)**  
Premium: SOFL pays 428,000 (USD 794,500:-366,500)  
Premium Date: Wed 19-Aug-2015

SOFL buys Call, sells Call on USD/CNH in a Call Spread

Strikes: 6.55 / 7.10  
Notional: USD 50,000,000 USD  
**Expiry: Wed 17-Aug-2016 (12m)**  
Premium: SOFL pays 783,500 (USD 1,216,000:-432,500)  
Premium Date: Wed 19-Aug-2015

I've also attached a short DB Research note from Friday which details recent forecast revisions to CNY. Note that the above options use CNH as underlying. Please let us know if you have thoughts.

Thank you,  
Vahe

-----Original Message-----

From: Richard Kahn [mailto:[redacted]]  
Sent: Monday, August 17, 2015 8:04 AM  
To: Daniel Sabba; Vahe Stepanian  
Subject: Trade ideas for shorting Asian currencies