
From: Paul Morris [REDACTED]
Sent: 11/14/2014 12:43:15 PM
To: Daniel Sabba [REDACTED]
CC: [REDACTED]
Subject: Re: Follow-up on EUR hedging discussion [C]

Classification: Confidential

was there another idea he wanted us to come back on?

Paul Morris
Managing Director
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[REDACTED]

From: Daniel Sabba/db/dbcom
To: "Jeffrey E." <jeevacation@gmail.com>@DEUBAINT,
Cc: [REDACTED]
Date: 11/13/2014 04:33 PM
Subject: Re: Follow-up on EUR hedging discussion [C]

Classification: Confidential

Jeffrey, please see below. It would help our hedging if you executed this in the morning since the Euribor market just closed at 4pm EST, so the market for the 5y forward is wider. If we executed this during London hours, we believe the market on this structure would be tighter.

Spot ref = 1.2472
Fwd points ref = 1030

Southern Financial buys Put, sells Call on EURUSD in a Risk Reversal

Put Strike: 1.2450
Call Strike: 1.4600
Notional: EUR 50,000,000
Expiry: Thu 14-Nov-2019 (5y)
Settlement: Mon 18-Nov-2019
ZoneCut: NY
Premium Date: Mon 17-Nov-2014
Put Premium Offer: USD 2,928,000 (mid would be USD 2,878,000)
Call Premium Bid: (USD 2,946,500) (mid would be USD 2,996,500)

Net Premium: Southern Financial Receives USD 18,500 (mid for the structure would be for SF to receive USD 118,500)

Please advise on how to proceed.

Daniel