
From: Daniel Sabba [REDACTED]
Sent: 6/9/2015 11:21:35 AM
To: Paul Morris [REDACTED]
CC: Stewart Oldfield [REDACTED]
Subject: RE: Idea for US equity hedging... [C]

Classification: **Confidential**

He emailed me over the weekend me saying he will call on Thursday. I reached out to Lesley and left a message. He might be out of pocket until Thursday.

From: Paul Morris
Sent: Tuesday, June 09, 2015 11:16 AM
To: Daniel Sabba
Cc: Stewart Oldfield
Subject: RE: Idea for US equity hedging... [C]

Classification: **Confidential**

Did you speak to him about ways to implement his bullish views on the stocks he sent over?, he could play that various ways as you know but need to show him thx

Paul Morris
Managing Director
Deutsche Bank Private Bank
Office: [REDACTED]
Cell: [REDACTED]

From: Daniel Sabba
Sent: Tuesday, June 09, 2015 11:06 AM
To: jeffrey E.
Cc: Paul Morris; Stewart Oldfield; Vahe Stepanian; Ariane Dwyer; Richard Kahn
Subject: RE: Idea for US equity hedging... [C]

Classification: **Confidential**

Most investors are familiar with the usual negative correlation between bonds and equities, often relying in bond/equity portfolio allocations as a hedge. They believe their portfolios to be protected because they have observed equities sell-offs being followed by bond rallies and vice versa.

We wanted to follow-up on the hedges below in light of the recent price action. **Last week we observed two trading days with sell-offs in both bonds and equities in the US.** We think this is scenario worth noting given (i) the upcoming Fed lift-off, (ii) the potential reversal of a secular bull market in bonds, which started in the 1980ies, (iii) elevated equity valuations, a potential result of monetary policy stimulus.

With the hedge below, an investor can get up to 5x their premium in the event of a shallow sell-off in both equities and bonds. Happy to discuss in further details.

From: Daniel Sabba
Sent: Wednesday, June 03, 2015 9:43 AM
To: 'jeffrey E.'
Cc: Paul Morris; Stewart Oldfield; Vahe Stepanian; Ariane Dwyer; 'Richard Kahn'
Subject: Idea for US equity hedging... [C]