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Sent: 7/20/2018 12:02:57 PM
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CC: Stewart Oldfield [REDACTED]; Xavier Avila [REDACTED]; Davide-A Sferrazza [REDACTED]
[REDACTED]; Liam Osullivan [REDACTED]
Subject: XPO trade - listed options zero cost structure

November 2018 expiry costless call spread collar to take advantage of recent uptick in skew (expensiveness of puts vs calls):

Ref. XPO \$101.17

Sell Nov 95 put (6% otm) @ \$5.30
vs
Buy Nov 105 call (3.8% otm) @ \$7.10
Sell Nov 125 call (23% otm) @ \$1.80

Trade offers tremendous upside leverage should XPO trade up near DB price target of \$133.00.

- Max profit limited to difference in call strikes, or \$20.00, if XPO trades \$125 or higher at expiry
- Risk to this trade is if XPO trades below \$95 and you get put stock at that level



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