

Tactical Trading Thoughts

GPS – Americas

1/4/18

INTERNAL USE ONLY

Listed Options

Investment Ideas - GPS Americas

Tactical View

Buy costless April upside risk reversal to take advantage of ~10% pullback in INTC from December high due to security issue.

Trade Implementation

Ref. INTC \$43.00Buy

April 50 / 36 risk reversal @ zero \$ cost

- Buy April 50 call, Sell April 36 put
- Significant leverage with unlimited upside potential
- Risk of being put INTC stock @ \$36 or ~16% lower than current level

Rationale

- DB research analysts, Ross Seymour and Sidney Ho, see little risk to INTC market share and financials due to recent security issues
- INTC to resolve issues relatively quickly
- Expect investor attention to move to CES (Jan 9-12) and earnings announcement on Jan 25.
- Recent selloff and increase in hedging has driven put prices higher
- INTC has BUY rating and price target of \$50.00

Contact

Listed Options Desk at [REDACTED]

Risks/Considerations

- Risk to buying call is limited to premium paid
- Risk to selling put is significant and may result in losses greater than premium received

Content is subject to change without notice. Certain tactical trade ideas may require participating clients to meet minimum eligibility prerequisites.

Transactions in options carry a

high degree of risk. Client-Facing professionals are responsible for determining the suitability of products and services recommended to clients.

Past performance of any tactical

trade idea is not indicative of future results, and any historical exchange rates shown herein are not indicative of future exchange rates.

Deutsche Bank

Wealth Management

FOR INTERNAL GPS AMERICAS USE ONLY - NOT FOR REDISTRIBUTION

For internal use only

—

1

Important information for client-facing professionals

This material has been prepared solely for informational purposes, and does not contain the full range of products and services available through Deutsche Bank.

Client-Facing Professionals should not rely solely on this material to determine the products or services to introduce to clients, as all products included herein

may not be suitable for every client, and there may be eligibility requirements for certain products. Client-Facing Professionals are responsible for determining

the suitability of products and services recommended to clients and for confirming that clients meet any applicable eligibility requirements.

Products and services

discussed herein may not be offered by every division within Deutsche Bank Wealth Management.

The investment idea presented herein is subject to investment risk, including possible loss of principal. The past performance of securities or other instruments

does not necessarily indicate or predict future performance and the value of investments and income arising there from can decrease as well as increase, the

investor may get back less than was invested and no assurance can be given that any trade idea or investment described herein would yield favorable investment results.

This material was prepared by a Sales or Trading function within Deutsche Bank Wealth Management Global Products and Solutions of the Americas, and was not produced, reviewed or edited by the Research Department of Deutsche Bank. These trading and investment ideas are not necessarily consistent with trading

and investment ideas provided by other persons within Deutsche Bank Securities Inc. or with the views of the Research Department of Deutsche Bank.

This is not an offer, recommendation, advice or solicitation to buy or sell, nor is it an official confirmation of terms. It is based on information from sources believe

to be reliable. No representation is made that it is accurate or complete or that any returns indicated will be achieved. Changes to assumptions may have a

material impact on any returns detailed. Past performance is not indicative of future returns. Price and availability are subject to change without notice. Additional

information is available upon request.

This material is a product of Wealth Management Global Products & Solutions Group of the Americas.

This document is for Internal Use Only. It does not include the requisite disclosure for public distribution and should not be released to the public under any circumstances.