

Subject: RE: XPO Logistics and FEDEX [I]
From: Martin Zeman <[REDACTED]>
Date: Tue, 06 Mar 2018 11:59:53 -0500
To: Stewart Oldfield <[REDACTED]>

Classification: For internal use only

I agree. I flew in the cockpit of Fedex planes last year 4-5 times. Love the company... I just didn't know that on relative value basis UPS is so much behind Fedex.

From: Stewart Oldfield
Sent: Tuesday, March 06, 2018 11:53 AM
To: Martin Zeman <[REDACTED]>
Subject: RE: XPO Logistics and FEDEX [I]

I love the sector. And the CEO of XPO is the real deal.

From: Martin Zeman
Sent: Tuesday, March 06, 2018 11:52 AM
To: Stewart Oldfield <[REDACTED]>
Subject: RE: XPO Logistics and FEDEX [I]

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I know but I just personally know nada about them. I think selling puts and collecting premium on all 3 would make sense for him. He really is not in that industry at all.

From: Stewart Oldfield
Sent: Tuesday, March 06, 2018 11:48 AM
To: Martin Zeman <[REDACTED]>

Subject: RE: XPO Logistics and FEDEX

KNX is his other top pick fyi

From: Martin Zeman

Sent: Tuesday, March 06, 2018 11:45 AM

To: 'Paul Barrett ([REDACTED])' <[REDACTED]>

Cc: Joshua Shoshan ([REDACTED]); Davide-A Sferrazza ([REDACTED]);
[REDACTED]; Xavier Avila ([REDACTED]); Stewart Oldfield
<[REDACTED]>

Subject: XPO Logistics and FEDEX

Paul,

Please see attached 1-pager published two weeks ago (and also a more detailed report on the industry). Our analyst is really bullish on FEDEX and XPO and doesn't like UPS which really got beat up last few weeks.

What I think makes sense is picking up premium on puts on these two stocks that you should be long if they dip lower from current levels. You get \$4.50 for \$220 June Fedex Puts (the stock now at \$242 and still 10% down to January highs).

When it comes to XPO, you can get \$2.45 for May 90 Puts (we have a \$133 target on that stock and I recently sat in a meeting with our analyst and he clearly is very bullish this company).

My point is, you have nothing in logistics and you could be long a more defensive industry if you get exercised on stocks that have really good growth stories.

On UPS – they really got beat lately, but they are way behind in capex investments compared to where Fedex is and their automation levels are 20

years behind Fedex now. Could be a punt, but not sure it makes sense trying to catch a falling knife on a story that is not attractive.

Martin

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