

From: Tazia Smith [REDACTED]
Sent: 5/15/2014 3:51:48 PM
To: jeevacation@gmail.com
CC: [REDACTED]; Paul Morris [REDACTED]; Vahe Stepanian [REDACTED]; Vinit Sahni [REDACTED]; Nav Gupta [REDACTED]
Subject: Fw: Consider: \$10-15mm Total Return Swap on Cash Return On Capital Invested (CROCI), 3mL+85bps or relative value TRS vs S&P... [C]
Attachments: pic20893.gif; pic09211.gif; pic15697.gif; pic06002.gif; pic20567.gif; FINAL I-34272-1 slimCROCI 12-31-13.pdf; pic25279.gif; pic31599.gif

Classification: Confidential

Jeffrey -

Our global colleagues are re-highlighting the CROCI solution at current levels and/or for outperformance in this rotational environment. sending their commentary and resending implementation solutions here (full detail if you scroll down):

Long only - TRS on CROCI US Dividends (DBUSSDUT):
Underlying: CROCI Div (DBUSSDUT)
Client Pays: 3mLibor + 0.85% p.a., x Notional
compounded quarterly
Client Rcvs: Notional x [Final/Initial - 1]
Initial Margin: 20%

Long/short US Only - Long CROCI US Dividends vs. Short S&P 500 (two swaps):
Underlying: CROCI Div (DBUSSDUT) and S&P 500 (SPTR)
Client Pays: [SPTR Perf - (3mLibor + 0.20% p.a.)] x Notional
Client Rcvs: [DBUSSDUT Perf - (3mLibor + 0.80% p.a.)] x Notional
Initial Margin: 20%
Index Perf = [(Final/Initial - 1)]

Indicative levels. Source: DB GM Equity Derivatives.
* (Enterprise Value/Net Capital Invested)/(Cash Return on Capital Invested)

----- Forwarded by Tazia Smith/db/dbcom on 05/15/2014 03:28 PM -----

From: Pierluigi Amicarella/[REDACTED]
To: [REDACTED]
Date: 05/15/2014 06:24 AM
Subject: Bond Yields and DB Dividend Strategies [I]

Classification: For internal use only

Ciao

as bond yields are still going down (US 10Y to the lowest YTD (chart 1) and bunds to the lowest in 12mths (Chart 2)) we could see further inflows in favour of "income" strategies in the equity space. Dividends could come back again as a theme to play in this "anaemic" market for returns.

A part from CROCI DIVIDEND strategies (the core for an asset allocation in dividend stocks via dynamic strategies), here are a few DB custom synthetic baskets that are investing in "dividend" related stocks (static baskets):

DBCDD3N	Dependable Dividends
DBCTDGYN	Dividend Growth, high yield
DBCTUQDN	UK Quality Dividend