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**From:** Tazia Smith [REDACTED]  
**Sent:** 12/27/2013 2:52:33 PM  
**To:** jeevacation@gmail.com  
**CC:** Paul Morris [REDACTED]; Vahe Stepanian [REDACTED]; Joseph Cothron [REDACTED]  
**Subject:** Turkey and EURUSD [C]  
**Attachments:** GEM Strategy 12.11.13.pdf

Classification: Confidential

Jeffrey:

Called to get your views on Turkey. Depending your views, consider simple implementations on weakness, including short-term sovereign debt (TRY denominated) ex: TURKGB 8.3% 10/7/15 offered ~9.7% and TUR (iShares ETF tracking MSCI Turkey Investable Market Index, off ~22% since 10/25). Our KCP desk has seen a pick-up in interest this week on the back of news flow that I'm sure you know better than most (existing political unrest compounded upon by accusations against of bribery, gold smuggling, and money laundering against government officials, the replacement of half the cabinet, upcoming elections in 2015, and debate around FX intervention going forward to fight TRY depreciation). DB Global Emerging Market (GEM) Research highlights that, at present levels, the major risks for Turkish equities are priced in (full report attached, Bloomberg article below).

If you agree with the asymmetric upside risk to Turkish equities (broadly) consider: \$250k position in TUR (to start) in Southern Financial.

If you agree with a reversion in credit spreads and a mean reversion (from the latest leg in TRY sell-off, consider: 2mm (~\$1mm usd worth) of short term sovereign notes in Southern Trust (be aware, they trade thin).

Happy to show FX structures around TRY and/or other debt/equity solutions as well.

Separately, the EURUSD bounced back up to 1.38 this morning. Curious if you remain bullish and, if so, you had an opportunity to review the deposit plus strategy (works best if EURUSD bounces within a range - not as good of entry point here, but worth watching for entry point if you decide you it matches your view).

Speak with you soon,  
Tazia

----- Forwarded by Tazia Smith/db/dbcom on 12/27/2013 02:25 PM -----

**From:** "Tazia Smith (DEUTSCHE ASSET MANAG)" [REDACTED] >  
**To:** undisclosed-recipients:;  
**Date:** 12/27/2013 02:24 PM  
**Subject:** (BN) Foreigners Unload Turkey Bonds as Probe Tarnishes Erdogan G

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