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<mime-attachment.gif>

From: Jeffrey Epstein <[jeevacation@gmail.com](mailto:jeevacation@gmail.com)>  
To: Tazia Smith/db/dbcom@DBAMERICAS,  
Date: 01/17/2014 11:15 AM  
Subject: Re: Trade Idea: Long 3-Month USDCAD KI Call Spread - 1.10 with a 1.13 sold call knocking-in only if USDCAD trades to 1.17 [!]

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i like it .. size ?

On Fri, Jan 17, 2014 at 11:48 AM, Tazia Smith <[tazia.smith@db.com](mailto:tazia.smith@db.com)> wrote:  
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Jeffrey -

Our US FX traders agree/like Nav's call here. The 3-month 1.10/1.13 USDCAD, 1.17 knock-in call spread (where that 1.13 short call only exists if USDCAD goes to 1.17 during the life of the trade) described below is currently offered ~1.1% (Source: DB FX Sales, 1/17/14). Please see the investment thesis below and let us know your thoughts.

Best,  
Tazia

Indicative levels only. Subject to market movement. Source: DB Key Client Partners London, as of 1/17/14.

----- Forwarded by Tazia Smith/db/dbcom on 01/17/2014 10:35 AM -----

From: Nav Gupta/db/dbcom@DBEMEA  
To: [kcp-emea@list.db.com](mailto:kcp-emea@list.db.com), [loop@list.db.com](mailto:loop@list.db.com),  
Date: 01/17/2014 07:35 AM  
Subject: I like buying USDCAD calls to position for further weakness in CAD. Spot FX is currently 1.095. [!]

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I like USDCAD call options to position for further weakness in CAD. Spot FX is currently 1.095.

Over the course of the past week the interest rate curve has started pricing in a small amount of rate cuts - this development is significant and clearly a beginning of a pain trade. I believe it can go further. Lower CAD rates from here will drive USD CAD higher.