

From: Tazia Smith [REDACTED]
Sent: 2/4/2014 3:25:42 PM
To: jeevacation@gmail.com
CC: Paul Morris [REDACTED]; Vinit Sahni [REDACTED]; Nav Gupta [REDACTED]; Vahe Stepanian [REDACTED]
Subject: Re: percentages get a read from your team [C]

Classification: Confidential

Jeffrey -

Summary below takes into account the DB team's feedback. We agree with overall themes. Commentary here, further implementation detail below and to follow:

- Specific recommendations for modifications to the thematic baskets (Please see Healthcare detailed below -back with specifics on each level)
- Propose allocation to US Tech equity (cognizant though that you have private equity investments)
- Propose additional opportunistic FX exposure (trades like your short CAD)
- Energy renaissance will include trades on crude, in addition to equities that are beneficiaries of secular shift in underlying energy supply, and supply chains (not just the nat gas theme in the US, but also companies like Hannon Armstrong (HASI) that finance energy efficiency)
- We are reviewing PO v IO mortgages with rates where they are.

	<u>Proposed</u>	<u>Suggest</u>	
<u>US</u>			
Healthcare	15	15	
Energy Renaissance	15	15	
Financials	22	12	-10
Tech	0	5	+5
S&P Barrier Note	0	5	+5
	52	52	
<u>Europe</u>			
Single Stocks	10	5	-5
European Credit	0	10	+10
Eurostoxx Barrier Note	10	5	-5
	20	20	
<u>Japan</u>			
Single Stocks	5	5	
Topix Swap (or Delta 1)	7	7	
Short Yen (premium)	13	5	-8
	25	17	-8
<u>FX - Tactical (premium)</u>	0	10	+10
<u>Alternatives</u>	8	1	-7
	105	100	

- Not a typo on Proposed total of 105; original just didn't include the single names in Japan