
From: Tazia Smith [REDACTED]
Sent: 2/18/2014 12:49:55 PM
To: jeevacation@gmail.com
CC: Paul Morris [REDACTED]; [REDACTED]
Subject: Fw: percentages get a read from your team [C]
Attachments: pic11362.gif; pic01914.gif; pic03756.gif; pic10772.gif; pic05526.gif; pic26576.gif; pic02321.gif; pic06893.gif; pic03118.gif

Classification: Confidential

Jeffrey-

Would love to run through details of implementation. Could you give me a call when you have a moment? Or if you're back in NY I can run up and go through it in person.

Market rally last week (and Japan overnight, +3%) makes for a less opportune entry points on some of your asset classes. Healthcare's on a tear; you may have seen, Actavis, which is in the Healthcare basket we're looking to buy, is up ~8% after announcing a bid for Forrest Labs.

Tech and Energy look attractive for entry.

Ex: XLK currently \$36.15, XLK Jan15 36 risk reversal, collect ~\$0.40 net premium and create a synthetic long for \$35.60 (giving up dividends, of course)

Have details of tech and energy baskets we can review (single names and options)

Best,
Tazia

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----- Forwarded by Tazia Smith/db/dbcom on 02/14/2014 12:09 PM -----

From: Tazia Smith/db/dbcom
To: Jeffrey Epstein <jeevacation@gmail.com>@DEUBAINT,
Cc: Paul Morris
Date: 02/14/2014 10:45 AM
Subject: Re: Fwd: percentages get a read from your team [C]

Classification: Confidential

Understood Jeffrey.

Implementation:
Today/Mon (and Tuesday in US due to holiday Mon) start with 1/4 positions (within that 50mm allocation) across the direct equities (healthcare, energy, financials, tech, Japan, Europe)

Topix TRS - add \$3.5mm usd notional via swap and indirect hedge = gives you capital efficient leverage (financing 3mL+70bps, ~20% initial collateral). OR