
From: Vahe Stepanian [REDACTED]
Sent: 12/5/2013 1:00:35 PM
To: Paul Morris [REDACTED]
CC: [REDACTED]
Subject: Fw: GBP + AAPL [C]
Attachments: pic05051.gif; pic20883.gif

Classification: Confidential

Paul - would like to send JE the below as a follow up to Tuesday. If he wants to write calls vs. AAPL, think now is an opportune time. Let me know what you think

Thanks,
Vahe

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Good Afternoon Jeffrey - following up Tuesday's email (included below):

1) WSJ has reported that AAPL has signed a deal w/China mobile, providing it a boost in the world's largest mobile market. Shares have reacted, reaching a new 52 wk. high @ ~\$572 (vs. \$565.00 close yesterday) on the back of the report. Consider selling Jan 595 or 600 Calls (currently \$12.20 and \$10.70 bid, respectively).

2) We believe the GBP trade is still relevant ahead of payrolls tomorrow. ADP came in ahead of street expectations yesterday (215k vs. 170k expected; revised October +54k), and street is calling for headline number of +185k tomorrow morning. GBP is currently ~1.6350 (vs. USD), but is bouncing around today and we'd look to enter trade on additional GBP strength.

Thank you,
Vahe
[REDACTED]

----- Forwarded by Vahe Stepanian [REDACTED] on 12/05/2013 08:50 AM -----

From: Vahe Stepanian [REDACTED]
To: jeevacation@gmail.com,
Cc: [REDACTED], Paul Morris [REDACTED]
Date: 12/03/2013 10:20 AM
Subject: GBP + AAPL [C]

Classification: Confidential

Good Morning Jeffrey,

Hope you had a great holiday weekend. As you have likely seen, GBP is currently at a 2 yr. high vs. USD (@ ~1.64; see graph below). The most recent move up has been attributed to a rise in construction activity for a seventh month, the fastest pace since August 2007. I recall you mentioned in our meeting that your view is to sell GBP if it approaches 1.65.

For what it's worth, our DB analysts have a bearish view on the pound. A recent (DB) FX note discusses reasons why it's tough to build a fundamentally bullish case for sterling with the market pricing the first BoE hikes by mid-2015 (well ahead of the ECB and even the Fed). We see potential for GBP to