

Subject: RE: Turkey and CNH [C]
From: Paul Morris <[REDACTED]>
Date: Fri, 30 Oct 2015 14:28:53 -0400
To: Vahe Stepanian <[REDACTED]>

Classification: Confidential

Thx he called

Paul Morris

Managing Director

Deutsche Bank Private Bank



From: Vahe Stepanian
Sent: Friday, October 30, 2015 2:14 PM
To: Paul Morris
Cc: Ariane Dwyer; Daniel Sabba
Subject: RE: Turkey and CNH [C]

Classification: Confidential

Paul – we just hit send on pricing and followed up with a call.

We'll let you know if he comes back.

Thank you,

Vahe

From: Paul Morris
Sent: Friday, October 30, 2015 1:36 PM

To: Vahe Stepanian; Daniel Sabba
Subject: RE: Turkey and CNH [C]

Classification: Confidential

Vahe sound like he is looking for pricing for long yen /short Korean won,
let's get this to him today not Monday, he's looking to trade

thanks

Paul Morris

Managing Director

Deutsche Bank Private Bank

From: Vahe Stepanian
Sent: Friday, October 30, 2015 11:27 AM
To: jeffrey E.
Cc: Daniel Sabba; Ariane Dwyer; Paul Morris; Stewart Oldfield; Richard Kahn
Subject: Turkey and CNH [C]

Classification: Confidential

Jeffrey – we're following up our phone calls earlier this week with two
trade ideas:

1) Buy Turkey 5y CDS – currently @ ~253

· It seems Turkey has rallied recently on the back of the broader

macro EM rally and FOMC dovishness, although fundamentally not much has changed in Turkey

- General elections are taking place this weekend, which have created increased tension within Turkey and continue to generate headlines
- Recent opinion polls still point to another hung parliament (additional details in attached DB research piece)
- Outright short EM positions have cleaned up extensively and we believe it makes sense to slowly build out those positions
- Cheap funding has resulted in large rise in corporate debt in Turkey, some of which has been funded in foreign currency
- Turkey foreign reserves amongst lowest of EM countries, second only to Ukraine

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2) Revisiting CNH as we know you're generally bearish Asian currencies.

Given vols and skew, indicative pricing for 1y, USD/CNH 6.5 – 7.0 call spread:

Spot Ref: 6.3935 (pricing as of 10/27/15)

Leg 1: European Option Call

S0FL buys European USD Call on USD/CNH

Strike: 6.5

Notional: USD 10,000,000

Expiry: Thu 27-Oct-2016 (1y)

Premium: USD 287,100 (2.87%)

Delta: 53%

Strike vol: 6.24%

Leg 2: European Option Call

S0FL sells European USD Call on USD/CNH

Strike: 7.0

Notional: USD 10,000,000

Expiry: Thu 27-Oct-2016 (1y)

Premium: USD -127,100 (1.27%)

Delta: 24%

Strike vol: 9.15%

Net premium: USD 160,000 (1.60%)

Thank you,

Vahe

Vahe Stepanian

Assistant Vice President | Key Client Partners
Deutsche Bank Securities Inc.

Email [REDACTED]

All trade execution information contained herein is being provided as an accommodation at your request in advance of your receipt of the official trade confirmation(s). Additional trade detail information available upon

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