

To: Jeffrey Epstein[jeevacation@gmail.com]
Cc: [REDACTED] Giuffrida, David
From: Barrett, Paul S
Sent: Mon 9/19/2011 2:08:30 PM
Subject: Update

Hi Jeffrey

We are long \$10MM worth of Indian Rupee and Singapore Dollar. Both currencies have sold off recently (SGD 5% and INR 3%) since Sept 1st on liquidation and position squaring. I am worried that things will get worse in the near term before recovering. So I think we switch from outright forwards into options.

Our recommendation is:

- Unwind SGD forward and enter into a 1 month SGD call option. We are back to breakeven on this position and I do not want to go into a loss. A 1 month SGD call will cost 1.2%. If it snaps back then we are long but if the unwind continues we have no more downside exposure
- Unwind INR Forward. We are now down \$150K on the position since inception. INR has sold off 8% since early Aug. I do think INR is cheap but remains vulnerable to worse macro news. We would recommend unwinding the forward and buying a 47.00 Call on \$20MM (twice what we have on via the forward) notional. Cost around 50bps.

Are you free to discuss?

Paul

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