

From: Laurie Cameron <[REDACTED]>

To: Jeffrey Epstein <jeevacation@gmail.com>

Subject: 13 sept 13 position

Date: Sat, 14 Sep 2013 03:20:25 +0000

Attachments: SEPT_13_FINAL.xls

Hi there.

I hope that you are well. Attached is the weekly position. There are three factors which have hurt the position this week

1) the sell off in the USD

- August non farm payrolls low enough to show the market that a 6.5% unemployment rate sufficient for the Fed to slowing its bond purchases by year end

- the data coming out of China a little stronger than expected has pushed AUD and NZD up slightly

2) an AUD option (.92 call) which was kicked in unexpectedly (causing a step up in value overnight)

3) profit taking on NZD and AUD put positions which left delta hedges (forward contracts) open and losing value.

This week we added short currency put positions in AUD, NZD and JPY to create strangles in these currencies. NZD and JPY vol are higher than usual. I also want to receive premium which will tick away while we sit with a short term correction in the USD.

My view has not changed that the USD is undervalued vs the AUD and NZD. The narrowing of the U.S. trade gap despite a rising USD is also good news to policy makers who want to attract foreign capital to our bond market. The uncertainty regarding a potential conflicting Syria and the stage show of the U. S. Debt ceiling negotiation have hurt the USD but it will end. It is just painful for now.

Overall position is down approx \$120k. I am closing out the forward contracts little by little. I will keep the 92 AUD call, it will just stay with us longer than I originally had hoped.

Enjoy your weekend. Please let me know if you would like to discuss any of this.

With kind regards

Laurie