

**From:** "Barrett, Paul S" <[REDACTED]>  
**To:** Jeffrey <jeevacation@gmail.com>  
**CC:** "Giuffrida, David J" <[REDACTED]>, "Ens, Amanda" <[REDACTED]>  
**Subject:** To Do in Haze  
**Date:** Thu, 03 May 2012 16:02:18 +0000

---

Hi Jeffrey

I think we should switch our Peabody Coal bonds into Lloyds. The structural shift from coal into natural gas combined with the environmental headwind makes us less comfortable with the Peabody bonds. We are up \$50K all in since we bought them last year. We would do the following:

#1

Sell 1.2MM face of the Peabody 7.375% 2016 yielding 4.68%

Buy 1.2MM face of the Lloyds Bank 9.875% of 2021 yield to call of 7.53%. We think these bonds do get called in 2016 because the coupon will switch to 5yr swaps plus 850bps.

#2

I put the mortgage bond we bought earlier this week into Haze. This will still leave us with 800K in cash. You could add that to the Lloyds bond and make it an even 2MM.

Let me know

Paul

Paul Barrett, CFA  
Managing Director  
Global Investment Opportunities Group  
JPMorgan Private Bank  
320 Park Avenue, 14th Floor, New York, NY 10022  
[REDACTED] (W) [REDACTED] (F)  
NMLS ID# 853441  
[REDACTED]

This email is confidential and subject to important disclaimers and conditions including on offers for the purchase or sale of securities, accuracy and completeness of information, viruses, confidentiality, legal privilege, and legal entity disclaimers, available at <http://www.jpmorgan.com/pages/disclosures/email>.