From: Richard Kahn <[redacted]>
To: "jeffrey E." <jeevacation@gmail.com>
Subject: Fwd: indication on WTI risk reversals [C]
Date: Tue, 07 Jun 2016 19:12:33 +0000

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue 4th Floor
New York, NY 10022
tel [redacted]
fax
cel

Begin forwarded message:

From: Vahe Stepanian <[redacted]>
Subject: RE: indication on WTI risk reversals [C]
Date: June 7, 2016 at 11:23:22 AM EDT
To: Richard Kahn <[redacted]>
Cc: Daniel Sabba <[redacted]>, Stewart Oldfield <[redacted]>

Classification: **Confidential**

Rich,

Please see below refreshed indications – these levels are not tradable. As previously mentioned, we heard back from our Credit Risk Management team and they would require **40% IA for the below transactions in cash or treasures (i.e. approx. $20mm on 1mm barrels of WTI).**

Notional: 1mm barrels of WTI

WTI futures references:
CLU6 ref 50.90, option exp 17Aug16
CLZ6 ref 51.75, option exp 16Nov16
CLH7 ref 52.15, option exp 15Feb17

Risk reversals on WTI - Indications
Southern financial buys calls and sells puts. Indications below are bid/ask per barrel on structure.
These are listed look-alike structures to be executed through Southern Financial's ISDA.

option exp 17Aug16
Future reference: CLU6

Call strike: 55
Put strike: 45

CLU6 55/45 fence **0.24/0.54**

option exp 16Nov16
Future reference: CLZ6

Call strike: 55
Put strike: 45
CLZ6 55/45 fence **1.00/1.36**

option exp 15Feb17
Future reference: CLH7

Call strike: 55
Put strike: 45
CLH7 55/45 fence **1.58/1.94**

Thank you,
Vahe

From: Richard Kahn [mailto:[redacted]]
Sent: Tuesday, June 07, 2016 8:32 AM
To: Vahe Stepanian
Cc: Daniel Sabba; Stewart Oldfield
Subject: Re: indication on WTI risk reversals [C]

Yes
Thank you

From: Vahe Stepanian <[redacted]>
Date: Tuesday, June 7, 2016 at 8:28 AM
To: Richard Kahn <[redacted]>
Cc: Daniel Sabba <[redacted]>, Stewart Oldfield <[redacted]>
Subject: RE: indication on WTI risk reversals [C]

Classification: **Confidential**

Hi Rich – following up on the below. To make sure we're on the same page, please confirm he would like to see pricing on WTI risk reversals with a 55 strike call and 45 strike put out to expiries listed below?

Thank you,
Vahe

From: Richard Kahn [mailto:[redacted]]
Sent: Monday, June 06, 2016 5:10 PM
To: Vahe Stepanian
Cc: Daniel Sabba; Stewart Oldfield
Subject: Re: indication on WTI risk reversals [C]

tomorrow morning can you price 45 / 55 WTI reversals
i understand it may not be cashless however jeffrey would like to see that level of pricing
thank you

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue 4th Floor
New York, NY 10022
tel [redacted]
fax
cel

On May 31, 2016, at 11:01 AM, Vahe Stepanian <[redacted]> wrote:

Classification: **Confidential**
Rich,

Please see below refreshed indications – these levels are not tradable. We did not refresh the $50 strikes as they are well in the money now. Further, we heard back from our Credit Risk Management team and they would require **40% IA for the below transactions in cash or treasures (i.e. approx. $20mm on 1mm barrels of WTI).**

Notional: 1mm barrels of WTI

WTI futures references:
CLU6 ref 50.75, option exp 17Aug16
CLZ6 ref 51.65, option exp 16Nov16
CLH7 ref 52.00, option exp 15Feb17

Premium neutral risk reversals on WTI - Indications
Southern financial buys calls and sells puts for zero net premium.
These are listed look-alike structures to be executed through Southern Financial's ISDA.

option exp 17Aug16
Future reference: CLU6

Call strike: 55
Put strike: 47.00

option exp 16Nov16
Future reference: CLZ6

Call strike: 55
Put strike: 48.90

option exp 15Feb17
Future reference: CLH7

Call strike: 55
Put strike: 49.85

Thank you,
Vahe

From: Richard Kahn [mailto:[redacted]]
Sent: Tuesday, May 31, 2016 10:17 AM

To: Daniel Sabba; Vahe Stepanian
Subject: Re: indication on WTI risk reversals

can you please refresh attached quote
thank you

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue 4th Floor
New York, NY 10022
tel [redacted]
fax
cell

On May 20, 2016, at 11:06 AM, Daniel Sabba <[redacted]> wrote:

Please note these are indications – these levels are not tradable. We need Credit Risk sign off, assessment of any potential credit charges and initial amounts before trading. Any credit charges would impact these indications.

Notional: 1mm barrels of WTI

WTI futures references:
CLU6 ref 49.55, option exp 17Aug16
CLZ6 ref 50.00, option exp 16Nov16
CLH7 ref 50.20, option exp 15Feb17

Premium neutral risk reversals on WTI - Indications
Southern financial buys calls and sells puts for zero net premium.
These are listed look-alike structures to be executed through Southern Financial's ISDA.

option exp 17Aug16
Future reference: CLU6

Call strike: 55
Put strike: 45

Call strike: 50
Put strike: 49.75

option exp 16Nov16
Future reference: CLZ6

Call strike: 55
Put strike: 45.90

Call strike: 50
Put strike: 50.4

option exp 15Feb17
Future reference: CLH7

Call strike: 55
Put strike: 46.50

Call strike: 50
Put strike: 51

Daniel Sabba
Deutsche Bank Securities Inc.
Tel. [redacted]
Email [redacted]

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