From: Nav Gupta [redacted]
Sent: 5/21/2014 6:29:58 AM
To: jeevacation@gmail.com
CC: Paul Morris [redacted] Tazia Smith [redacted]; Vinit Sahni [redacted]
Subject: Re: Jeffrey - Rupee Appreciation - Nav
Attachments: pic11466.gif; pic26229.gif; pic27859.gif

Jeffrey

We don't have the tools in place to graph FX option prices historically. I am figuring out how we can build it for you over the weekend.

Nav

From: "jeffrey E." <jeevacation@gmail.com>

To: [redacted]

Cc: [redacted]

Date: 20/05/2014 17:22

Subject: Re: Jeffrey - Rupee Appreciation - Nav

can you send me a chart of where this has been over the past 6 months? thaks

On Tue, May 20, 2014 at 9:49 AM, Nav Gupta [redacted] wrote:
Jeffrey

After pricing lots of possibilities, are two ways i like best to play usdinr lower

1) b
uy vanilla European style USDINR puts

Ref spot: 58.67
(Embedded image moved to file: pic11466.gif)
This table has 9 offers in %notional: 1m 3m and 6m expiries for spot, spot-1%, spot-2%

Of these I like 6month ATMspot USDINR European style put offered at 1.19%.
The roll in the forwards offsets some of theta which is why the 3mth ATMspot put costs a similar (1.07%) amount

2) Buying vanilla European style out-of-the-money USDINR puts, funded by selling OTM calls on USDINR

6month expiry
spot ref 58.67
Buy USDINR put strike 58.08 (ATMspot -1%)
Sell USDINR call strike 64.18 (ATMspot +9.4%)
Net upfront premia zero

I see from your last msg you want 9months. I'll price those and get back to you.

Nav
