
From: Paul Barrett <[REDACTED]>
Sent: Friday, August 3, 2018 6:52 PM
To: jeffrey E.
Cc: Richard Kahn
Subject: RE: PLN

Total profit on the trade was \$648,894 (44% total gain)

We realized a gain of \$587,681 on the equity positions and \$61,213 on the FX hedges. I took part of the trade off on 06/19.

The remaining fx hedge was short PLN 3,300,000 vs USD. Proceeds from this most recent stock sale were PLN 3,982,916. Thus the sale today of PLN 682,916 (excess over hedge amount). On Tuesday the PLN 3,982,916 proceeds from the share sale will settle against the PLN 3,300,000 hedge + PLN 682,916 spot trade resulting in USD proceeds of \$1,089,970.

The PLN value of the position had increased beyond the size of the hedge. As the stock moved higher, I did not want to increase the size of the hedge in case it reversed and I ended up being over-hedged.

Summary below as requested. I can walk you through everything on the phone if that is easier.

Trade 1: Bought 10,000 shares at 112.50 on 03/27. Bought 1,126,261 PLN at 3.3872 as a trade cover

Trade 2: Bought 20,000 shares at 120.00 on 04/06. Bought 2,410,966 PLN at 3.4142 as a trade cover

Trade 3: Bought 11,348 shares at 121.50 on 04/18. Bought 1,375,796 PLN at 3.3575 as a trade cover

Trade 4: Hedged the position on 04/30 by selling PLN 4,800,000 vs USD through a 1 month forward contract @ 3.5100

Trade 5: Rolled the maturing 4,800,000 hedge on 05/29 and realized a \$75,879 gain. New hedge on PLN 4,800,000 maturing 07/02 at 3.7146.

Trade 6: Sold 21,348 shares at 165.20 on 06/19. Converted proceeds into \$944,764 (spot ref 3.7298). Also reduced the size of the hedge from 4,800,000 to 3,300,000 to reflect the remaining value of the position.

Trade 7: Rolled maturing 3,300,000 PLN hedge on 06/29 out to 08/02. Realized a gain of \$10,574

Trade 8: Rolled maturing 3,300,000 PLN hedge on 08/01 out to 08/07. Realized a loss of \$25,241

Trade 9: Sold remaining 20,000 shares on 08/02 and 08/03 at an average of 199.29. Proceeds of PLN 3,982,916. Sold PLN 682,916 for spot delivery.

Trade Date

Asset Description

Quantity

Syndicate

Closing Date

Total Cost

Closing Value

Cost

Closing Px

Gain/(Loss)

3/27/18

CD PROJEKT SA

10,000

N

19-Jun-18

\$ 332,505

\$442,929

PLN 112.5

PLN 165.20

\$110,424

4/18/18

CD PROJEKT SA

11,348

N

19-Jun-18

\$ 409,768

\$502,636

PLN 121.1

PLN 165.20

\$92,868

4/6/18

CD PROJEKT SA

4,680

N

2-Aug-18

\$ 165,241

\$254,312

PLN 120

PLN 198.57

\$89,071

4/6/18

CD PROJEKT SA

15,320

N

3-Aug-18

\$ 540,917

\$836,234

PLN 120

PLN 199.46

\$295,317

Total Southern Financial LLC - Equities (DB)

\$2,036,112

\$587,681

FX Forwards/Options

Trade

Long

Short

Total

Date

Currency

Notional

Currency

Notional

Maturity

Rate

Close Date

Value

Unwind

Return

4/30/18

USD

1,367,521

PLN

4,800,000

1-Jun-18

3.51

29-May-18

\$75,879

3.7162

\$75,879

5/29/18

USD

1,292,186

PLN

4,800,000

2-Jul-18

3.714635

Forward

\$14,140

3.755733

\$14,140

6/21/18

PLN

1,500,000

USD

(402,955)

2-Jul-18

3.7225

Forward

(\$3,566)

3.755733

(\$3,566)

6/29/18

USD

878,884

PLN

3,300,000

2-Aug-18

3.754762

Forward

Rolled 08/01

(\$25,241)

3.649938

(\$25,241)

Total Southern Financial LLC - FX

\$61,213

\$61,213

Paul Barrett

Alpha Group Capital LLC

142 W 57th Street, 11th Floor, New York, NY 10019

████████ (o) █████ (c)

████████ <mailto:████████>

From: jeffrey E. <jeevacation@gmail.com>
Sent: Friday, August 03, 2018 12:54 PM
To: Paul Barrett <[REDACTED]>
Subject: Re: PLN

why excess? . your emails are confusing . at least to rich and me / summarzie the entire postion date bought date solad. hedegs net p&l etc. this is not difficult

On Fri, Aug 3, 2018 at 10:29 AM, Paul Barrett <[REDACTED] <mailto:[REDACTED]>> wrote:

Jeffrey

OK to convert the excess PLN back into USD? I need to sell around 682K PLN (~\$185K).

Paul

Paul Barrett

Alpha Group Capital LLC

142 W 57 <https://maps.google.com/?q=142+W+57&entry=gmail&source=g> th Street, 11th Floor, New York, NY 10019

[REDACTED] (o) [REDACTED] (c)

[REDACTED] <mailto:[REDACTED]>

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please note

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