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**From:** jeffrey E. <jeevacation@gmail.com>  
**Sent:** Thursday, June 14, 2018 1:29 PM  
**To:** Richard Kahn; Paul Barrett  
**Subject:** Re: BAML Insight: NASPERS discount, XOM inflection, PCG scenarios, AMX hosted CEO, RENAULT spec-sit, ACC upgrade, GENE editing, GDPR idea, SMG short.

same advice to the butcher in columbus ohio --- silly

On Thu, Jun=14, 2018 at 9:25 AM, Richard Kahn [REDACTED]

><span> wrote:

<=iv id="m\_84748629531737629AppleMailSignature">  
Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue, 4th Floor  
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[REDACTED]

Begin forward= message:

From: "E=s, Amanda" [REDACTED]  
Date: June 14, 2018 at 9:04:20 AM =DT  
To: "Rich Kahn" [REDACTED]  
Subject: BAML Insight: NASPERS discount, XOM inflection, PCG scenarios, AMX =osted CEO,  
RENAULT spec-sit, ACC upgrade, GENE editing, GDPR idea, SMG sho=t.  
Reply-To: "Ens, Amanda" [REDACTED]

</=iv>

N=SPERS: BUY. FINALLY CLOSING THE DISCOUNT? =/p>

Holding company wit= stakes in high quality Internet properties around the world including Ten=ent, Mail.ru <<http://Mail.ru>> and Delivery=Hero. Key issue is the 45% discount NAV never seems to close (chart 1). Pa=t 3 months Naspers crystallized over \$12bn realizing impressive returns =3D 5,500x on Tencent and 3.7x on Flipkart. Zero impact on the discount for=2 reasons 1) limited visibility on use of proceeds and no buybacks 2) flow= have not been helpful as South African investors materially reduced their=ownership in Naspers. Why Buy now? 3 upcoming catalysts. 1) We think the c=mpany will change mgmt. incentive compensation at AGM August 2018 similar =o the strategy Altaba use= with a bonus multiplier. 2) With \$10b in cash mgmt can unbundle legacy pay TV business (worth \$8b) =s company is less

dependent on cash flows. 3) Buyback debate. Asset disposals have had no impact on the discount. \$5bn buyback is self-help tool that would close discount 2% a needed move in right direction. PO 4,800 ZAR based on SOTP applying 30% holdco discount. 40% upside. Catalyst AGM in August. Note.

<<http://rsch.baml.com/r?q=81DFccB5G7WH=XlzUwWEZg&e=richardkahn12%40gmail.com&h=rxyvOw>>

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EXXON: BUY. MGMT SUCCEEDING IN CHANGING DIALOGUE = VALUE & GROWTH.

In a rare event for the market, we hosted US1-rated XOM last week. We're comfortable with our street-high PO as mgmt. remain committed toward plans to double FCF by 2025 vs under investment risk by the other 'majors'. Following relative underperformance post 4Q, we believe the market's beginning to come around. Rather than buybacks & deleverage at the bottom, XOM was investing through-the-cycle, granting them the opportunity/flexibility to now high-grade their portfolio, while accelerate opportunities to rationalize non-core assets. Growth is rated, commencing in 2H18 with milestones to underpin confidence in delivery. Pace of Permian activity alone = earlier inflection? = parallel to catalyst underpinning CVX's 2016 turnaround. Note. <=u>

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AMX: HOSTED CEO. WORST IS BEHIND. MARGIN EXPANSION. =ELEVERAGING. 29% UPSIDE.

For just the 2nd time in 7 years. Key messages: worst of competition/regulation is behind them. Scope to drive margins from low-30's to low-40's. Data demand robust. Dragging business either 1) losing relevance or 2) inflecting. Consolidated revenue/EBITDA can +2/6% CAGR through 2020E, respectively... AND EBITDA is diversified. Mexico 30%. Brazil 20%. US/EUR markets 25%. Remainder spread. Despite high exposure to hard currency B/S is diversified and at 2x (with plans to go to 1.5x by 1H19). Post 23% pullback stock trading at 5.4x EBITDA and 7.3% FCF. \$20 target = 29% upside. Note <<http://rsch.baml.com/r?q=ACSc82buQ9drSKvMkF=uVQ&e=richardkahn12%40gmail.com&h=1m2spw>> .

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<span style="font-size:10.0pt;font-family:"Verdana",sans-serif">ENAUT: SPEC SITS BUY. MARKET PEGGING NEAR ZERO FOR MERGER. ASYMMETRIC RISK/REWARD.</span>

High conviction from BAML Special Sits in London. Risk-reward not asymmetric. We see downside to €75-80 if the event it's ruled out vs. €95-125 upon a merger. Catalyst = Annual meeting tomorrow. Market currently pricing in NEAR ZERO probability of merger with Nissan. WE SAY: CEO's start/stop narrative on the merger has wiped out the perceived optionality. This is posturing for the deal. Renault needs the deal to unlock its punitive HoldCo discount. Nissan needs it as well. Full write up with SoTP assumptions available. =span style="font-size:10.0pt;font-family:"Verdana",sans-serif"=lang="EN-GB">Note.

<<https://rsch.baml.com/r?q=8ZROqhUIThXRTm2d8GGmkA=amp;e=richardkahn12%40gmail.com&h=yrZA0A>> <= href="https://markets.ml.com/disclosures/ir?id=InnEl9uQaPA%3d" target="3D" \_blank">MAR.=span style="font-size:10.0pt;font-family:"Verdana",sans-serif"=lang="EN-GB">

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OTHERS: ACC upgrade. <<http://rsch.baml.com/r?q=2tTH048aI=6VynUBvTWj-Q&e=richardkahn12%40gmail.com&h=R7E0dA>> <span>SMG short (ask for write-up). <<http://rsch.baml.com/r?q=YpafeK9lqifShFl3w!Fk=A&e=richardkahn12%40gmail.com&h=xc!R4g>> =AOAG GENE-EDITING data point.

<<http://rsch.baml.com/r?q=TNwhKLpQ5XOnutOgS8gc=w&e=richardkahn12%40gmail.com&h=9Xez1Q>> GDPR update, buy CYBR. <<http://rsch.baml.com/r?q=JF0qSRBf9EJ!=hU3!NyxBg&e=richardkahn12%40gmail.com&h=SxJstQ>>

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