

DB Platinum IV Platow Fund – December 2016 Report

2016 exposed a number of obsolete certainties: It turned out that in important elections, (economic) reason does not always triumph over (emotionally charged) populism after all. At the end of a challenging year, many experts—including us—know better: The British voted for “Brexit” and in the United States Donald Trump will be the next president.

Top Ten Holdings
Bechtle
Cancom
Cenit
Fresenius
Helma Eigenheimbau
Jungheinrich Vz.
KION
Sixt Vz.
Südzucker
Washtec
30.12.2016, in alphabetical order

Counter to many forecasts, neither event caused any permanent damage to stock prices. In fact, the U.S. presidential election was followed by the „Trump rally“. Both events prove that poring over macroeconomic and political forecasts is not usually time well spent when it comes to making investment decisions. At

pfp Advisory, we have always concentrated more on analyzing individual stocks.

Nonetheless, the past year brought some bad surprises to the DB Platinum IV Platow Fund (LU1239760025 and LU1239760371) as well. After beating the benchmark index five years in a row, we did

not manage to surpass the yields in the small cap index SDAX in 2016. We concluded the year with a small loss, even though December was one of the best months since the fund’s launch. One reason for the unusual underperformance was a high weighting of technology stocks. That industry’s development was mediocre in 2016. The TecDAX index also finished in the red. The biggest losers in our portfolio were Adva Optical Networking, All for One Steeb and IVU Traffic—all of them technology companies.

Adesso, Datagroup and Mensch und Maschine, on the other hand, were among the best-performing portfolio members and also IT and software stocks. Frosta, Kuka and Washtec also performed well, partly due to a buyout offer for Kuka. Bechtle, Fresenius and Helma Eigenheimbau are big positions in our portfolio that also contributed to the yield.

Even if 2016 was not up to standard for our fund and the associated „Platow Certificate“ (DE000DB0PLA8), they still outperform the SDAX over the five and ten year periods as well as since the launch in May 2006. That’s why we intend to stay true to our tried investment strategy in 2017. There are no plans for a significant remodeling of the portfolio. We started the year 2016 with 41 companies in our portfolio, of which 25 are left at the beginning of 2017. You can find further information about our strategy at www.pfp-advisory.de.

Investment objective and strategy

The DB Platinum IV Platow Fund (LU1239760371 and LU1239760025) is a mutual fund focusing on German equity. It was launched by Deutsche Bank securities. Until August 2016, advising was carried out via the Platow Medien GmbH. pfp Advisory has taken over advising responsibilities since September 2016. An in-depth analysis of the entire German stock market is the basis for all investment processes. Important elements include a tried and tested stock-picking process developed by Christoph Frank, careful balance sheet analysis and hundreds of conversations with executives and other company insiders every year. The opportunities and risks presented by individual companies’ equity are crucial, while macroeconomic considerations and inclusion in a stock index are mostly immaterial. That is why the DB Platinum IV Platow Fund’s portfolio usually differs substantially from the composition of major stock indices.

pfp Advisory in portrait

pfp Advisory is an investment fund advisory firm located near the Frankfurt Stock Exchange that specializes in the analysis of equity and other securities. The customers are investment funds and professional investors. At the heart of the investment strategy is a systematic and extensive stock analysis that is focused on identifying the opportunities and risks of individual securities („Stock-Picking“). pfp uses a combination of key ratio analysis, knowledge of listed firms and stringent long-term investment principles. The pfp’s directors Christoph Frank and Roger Peeters each possess over 20 years of market experience and they have used their expertise to advise the DB Platinum IV Platow Fund.

Disclaimer: The information presented in this document is expressly not addressed to citizens or residents of the United States of America. The public offer and sale of securities is subject to national laws and other legal restrictions of individual countries. The availability of texts or documents in English does not imply that a license for distribution in English-speaking countries has been granted or requested. The information presented constitutes neither an offer nor a recommendation to buy, hold or sell shares in funds or certificates nor investment advice or any other kind of recommendation. It serves informational purposes only. Prospectus and other important documents are available at Deutsche Bank AG, TSS/Global Equity Services, Taunusanlage 12, 60325 Frankfurt am Main (Germany) or at systematic.deutscheam.com.