

DB Platinum IV Platow Fund – July 2017 Report

The DAX had a hard time in July: Heavyweights like Bayer, SAP and Siemens dragged down Germany’s key benchmark index. In addition, allegations of collusion against BMW, Daimler and VW left their mark. By month’s end, the DAX was well into negative territory.

All the better that DAX members accounted for less than 6% of the volume of the DB Platinum IV Platow Fund (LU1239760025, LU1239760371) by late July. Last month’s strongest DAX performer was Adidas—one of the few blue-chips in the Platow Fund’s portfolio.

A low DAX weighting is not part of the Platow Fund’s basic strategy but rather emerged from the consistent stock-picking approach. DAX or Scale, big or small, engineering or software firms—all German companies are potential investment targets for the DB Platinum IV Platow Fund and the associated „Platow Certificate“ (DE000DB0PLA8). The shares merely need to check certain boxes regarding business model, growth, valuation, financial strength and chart analysis. For several years now, it happened to be predominantly midcap (MDAX and TecDAX), small-cap (SDAX), and micro cap companies that made the cut.

Adidas shows that established blue-chips have just as much of a chance. Not only did the athletic outfitter have a great first half of the year. It also raised its outlook, which drove the stock price to an all-time high. Einhell, Kion, Koenig & Bauer, S&T, Si xt, Steico, and VTG also enjoyed record prices, which were often accompanied by solid second-quarter results and/or a raised outlook. Platow Fund heavyweight Bechtle additionally

benefited from a stock split. Software maker Cenit announced the conclusion of a large takeover, raised its outlook, and reached an 18-month high, as did Mensch und Maschine.

Deutz and Zooplus had a different experience last month. While Deutz was pummeled by the sudden exit of its major stockholder and customer Volvo, Zooplus was troubled by high expectations after its recent rally at the release of Q2 figures. Meanwhile, investors barely reacted to results from BASF, Covestro, Drägerwerk, Frosta, Helma, Hochtief, MTU, Schaeffler, Takkt, Villeroy & Boch, and Washtec.

Insiders at BASF, Einhell, and Schaeffler bought stock in directors’ dealings, while insiders at Berentzen and Indus sold stock. In other positive news, VTG rallied to an all-time high despite announcing a major takeover and capital increase.

As of the end of July, the Platow Fund’s own price also neared an all-time high. While the DAX stepped on the breaks last month, the same cannot be said for the Platow Fund, which is well ahead of DAX, MDAX, TecDax and SDAX since its launch in May 2006. You can find further information at www.pfp-advisory.de.

Top Ten Holdings

Bechtle
Cancom
Datagroup
Fresenius
Jenoptik
Kion
Mensch und Maschine
S&T
Technotrans
Zooplus

31.07.2017, in alphabetical order

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.

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