

## DWS Concept Platow – June 2023 Report

There were few business updates from listed companies in June but plenty of disclosures of insider trading within the scope of directors' dealings. One-fifth of the companies in DWS Concept Platow Fund's portfolio reported insider trading disclosures. Most of these disclosures pertained to insider buying, which was the case at Abo Wind, Bechtle, Cancom, Defama, Deutsche Post, Deutsche Telekom, Deutz, Ernst Russ, Hornbach Holding, Medios and Mensch und Maschine. Insider selling was reported by Deutsche Post (once again) and by PSI.

The significantly higher number of buying transactions suggests that insiders, at least as far as the companies in the fund's performance are concerned, are rather optimistic about the future course of business. While directors' dealings are not one of the key variables that we monitor, we don't completely ignore them either. In particular, the message that insider buying transactions send is fairly easy to interpret: An insider is likely to acquire shares in the company he (co-)manages primarily if he takes a positive view of its near-term prospects and expects the share price to rise. That message becomes even clearer when not just one, but several insiders buy shares, ideally not in tiny amounts, and when the money comes out of their own pockets, i.e., when insider buying is not attributable to automated stock ownership plans, for example.

Based on our research, the quality of the message that insider selling sends is not as good. Insiders can sell stock for a variety of reasons and such selling might not necessarily reflect expectations of a falling stock price. Senior executives or directors sometimes might have to raise some cash for big-ticket items, for example, or they

might sell to diversify their personal investment portfolios. Sometimes selling can be attributed to a departing insider, too, as was presumably the case at PSI, a company in the fund's portfolio.

Even well-informed insiders can, of course, make a wrong move, so we would never base an investment decision on insider trading alone. That said, directors' dealings have been a useful tool in the successful management of the DWS Concept Platow Fund over the past 17 years as one part of our overall stock selection process combining fundamental research, valuation multiples, technical analysis and other factors.

Besides last month's insider trading notifications, there were also some other news worth mentioning: Einhell and Hornbach Holding reported business results; Helma and Ringmetall lowered their full-year guidance; and the share prices of Gerresheimer and Talanx hit a new all-time high. The top performers in June were Aurubis, Ernst Russ and Daimler Truck. The steep drop in Helma's share price had virtually no impact on the overall portfolio performance as this position had been sharply reduced beforehand. In the end, the fund closed the month with a solid gain, albeit slightly behind the SDAX.

*Sincerely yours, Christoph Frank and Roger Peeters*

Top Ten Holdings
Munich Re
Talanx
Mercedes-Benz
Aurubis
Deutsche Post
Deutsche Telekom
Bechtle
BMW
Takkt
Einhell
30.6.2023, sorted according to weighting

### Investment objective and strategy

The DWS Concept Platow is a mutual fund focusing on German equity. It was launched by DWS Investment GmbH. pfp Advisory GmbH is the portfolio advisor, which is managed by the managing partners Christoph Frank and Roger Peeters. 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 DWS Concept 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 25 years of market experience and they have used their expertise to advise the DWS Concept Platow.

Disclaimer: The information presented in this document does not constitute investment advice or financial advice. It is for general information purposes only. This document makes no reference to the investor's investment guidelines, financial situation or specific investment objectives or risk preferences. 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. pfp Advisory GmbH disclaims any liability for damages in connection with the use of this document as well as for damages that arise either directly or as a consequence of the use of information and opinions contained in this document. It is intended solely for the use of the recipient. Persons from other jurisdictions who come into possession of it should inform themselves about and comply with the applicable legal provisions. The Prospectus, Key Investor Information Document, Articles of Incorporation and the Annual and Semi-Annual Reports of the DWS Concept Platow Fund, each in German, may be obtained free of charge in electronic or printed form from DWS Investment GmbH, Mainzer Landstraße 11-17, 60329 Frankfurt am Main or at Deutsche Asset Management S.A., Boulevard Konrad Adenauer, L-1115 or at [www.dws.de](http://www.dws.de).