db ETC Plc

Directors' report and audited financial statements

For the year ended 31 December 2018

Registered number 103781

db ETC Plc

Contents

db ETC Plc

Directors and other information

Directors	Visdirect Services Limited (Appointed on 15 July 2018) Viscom Services Limited (Appointed on 15 July 2018) Marc Harris Intertrust Corporate Director 3 Limited (Resigned on 15 July 2018) Intertrust Corporate Director 4 Limited (Resigned on 15 July 2018)	
Registered Office	*(Effective as from 15 July 2018)* St Paul's Gate 22-24 New Street St Helier Jersey JE1 4TR Channel Islands	*(Effective up to 15 July 2018)* St Paul's Gate New Street St Helier Jersey JE4 8ZB Channel Islands
Company Secretary	Vistra Secretaries Limited *(Effective as from 15 July 2018)* St Paul's Gate 22-24 New Street St Helier Jersey JE1 4TR Channel Islands	Deutsche International Corporate Services Limited *(Effective up to 15 July 2018)* St Paul's Gate New Street St Helier Jersey JE4 8ZB Channel Islands
Administrator	Vistra Funds Services Limited *(Effective as from 15 July 2018)* St Paul's Gate 22-24 New Street St Helier Jersey JE1 4TR Channel Islands	Deutsche International Corporate Services Limited *(Effective up to 15 July 2018)* St Paul's Gate New Street St Helier Jersey JE4 8ZB Channel Islands
Authorised Participant, Arranger, Issuing and Paying Agent, Programme Counterparty, Custodian and Metal Agent	Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	
Determination Agent	Apex Fund Services (Ireland) Limited *(Effective as from 16 June 2018)* Block 5 Irish Life Centre Abbey Street Lower Dublin D01 P767 Ireland	Deutsche International Corporate Services (Ireland) Limited *(Effective up to 16 June 2018)* Pinnacle 2 Eastpoint Business Park Dublin 3 Ireland
Note Trustee	Deutsche Trustee Company Limited Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	
Independent Auditor	KPMG Channel Islands Limited Chartered Accountants and Recognized Auditor 37 Esplanade St Helier Jersey JE4 8WQ Channel Islands	

Directors' report

The directors present the directors' report and audited financial statements of db ETC Plc (the "Company") for the year ended 31 December 2018.

Principal activities and business review

The Company was incorporated on 6 August 2009 as a public limited company in Jersey under the Companies (Jersey) Law 1991 with company number 103781.

The principal activity of the Company, under the secured ETC precious metal securities programme (the "Programme"), is to issue from time to time series (each a "Series") of secured precious metal linked securities (the "ETC Securities"), where recourse in respect of each Series is limited to the proceeds of enforcement of the security over each respective Series' assets.

With respect to each Series of ETC Securities, the Company's main assets are its holdings of underlying metal and its interests under the related balancing agreement (the "Balancing Agreement"). The obligations of the Company under the ETC Securities of a Series will be secured in favour of the Trustee by an assignment by way of security of all the Company's rights, title, interest and benefit present and future against the secured account custodian (the "Secured Account Custodian"), the subscription account custodian (the "Subscription Account Custodian") and any sub-custodian (the "Sub-Custodian") relating to the underlying metal in respect of this Series of ETC Securities.

The net proceeds from the issue of a Series of ETC Securities are used to purchase an amount of metal which, in accordance with the custody agreement (the "Custody Agreement") for secured accounts will, to the extent possible, be allocated to physical metal bars or other metal shapes and be held in the secured allocated account. Any remaining metal is held in the secured unallocated account. Such underlying metal is used to meet the Company's obligations under the relevant Series of ETC Securities and the relevant Balancing Agreement.

General information regarding the Company is further described in note 1 to the financial statements.

The ETC Securities are listed on various exchanges, including London, Switzerland, Milan and Frankfurt.

Key performance indicators

The Company is a special purpose vehicle (the "SPV") and its principal activity is the issue of secured precious metal linked securities. The best benchmark is the price of the relevant metal in which the proceeds of the ETC Securities are invested in. For all Series, the performance closely follows the movement in the metal linked to the Series.

The directors confirm that the key performance indicators as disclosed below, are those that are used to assess the performance of the Company.

During the year:

- the Company made a profit of EUR nil (2017: EUR nil);
- the net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty at fair value amounted to EUR 10,310,040 (2017: EUR 89,466,909) as disclosed in note 4;
- the net fair value loss from financial liabilities designated at fair value through profit or loss amounted to EUR 10,310,040 (2017: EUR 89,466,909) as disclosed in note 5;
- the names of the Series of ETC Securities in 2018 were rebranded as follows:

Series	Previous Name	Current Name
1	DB Physical Gold ETC	Xtrackers Physical Gold ETC
2	DB Physical Gold Euro Hedged ETC	Xtrackers Physical Gold EUR hedged ETC
3	DB Physical Silver ETC	Xtrackers Physical Silver ETC
4	DB Physical Silver Euro Hedged ETC	Xtrackers Physical Silver EUR Hedged ETC
5	Db Physical Platinum ETC	Xtrackers Physical Platinum ETC
6	DB Physical Platinum Euro Hedged ETC	Xtrackers physical Platinum EUR Hedged ETC
7	DB Physical Palladium ETC	Xtrackers Physical Palladium ETC
8	DB Physical Palladium Euro Hedged ETC	Xtrackers Physical Palladium EUR Hedged ETC
9	DB Physical Gold ETC (EUR)	Xtrackers Physical Gold ETC (EUR)
10	DB Physical Silver ETC (EUR)	Xtrackers Physical Silver ETC (EUR)
11	DB Physical Rhodium ETC	Xtrackers Physical Rhodium ETC
12	Db Physical Rhodium ETC (EUR)	Xtrackers Physical Rhodium ETC (EUR)
13	DB Physical Gold GBP Hedged ETC	Xtrackers Physical Gold GBP Hedged ETC

- there were new subscriptions in the following existing Series of ETC Securities:

Series 1	Xtrackers Physical Gold ETC
Series 2	Xtrackers Physical Gold EUR hedged ETC
Series 3	Xtrackers Physical Silver ETC
Series 4	Xtrackers Physical Silver EUR Hedged ETC
Series 5	Xtrackers Physical Platinum ETC

Directors' report (continued)

Key performance indicators (continued)

During the year (continued):

- there were new subscriptions in the following existing Series of ETC Securities (continued):
  - Series 6 Xtrackers physical Platinum EUR Hedged ETC
  - Series 7 Xtrackers Physical Palladium ETC
  - Series 8 Xtrackers Physical Palladium EUR Hedged ETC
  - Series 9 Xtrackers Physical Gold ETC (EUR)
  - Series 10 Xtrackers Physical Silver ETC (EUR)
  - Series 13 Xtrackers Physical Gold GBP Hedged ETC
- the following Series of ETC Securities were partially redeemed:
  - Series 1 Xtrackers Physical Gold ETC
  - Series 2 Xtrackers Physical Gold EUR hedged ETC
  - Series 3 Xtrackers Physical Silver ETC
  - Series 4 Xtrackers Physical Silver EUR Hedged ETC
  - Series 5 Xtrackers Physical Platinum ETC
  - Series 6 Xtrackers physical Platinum EUR Hedged ETC
  - Series 7 Xtrackers Physical Palladium ETC
  - Series 8 Xtrackers Physical Palladium EUR Hedged ETC
  - Series 9 Xtrackers Physical Gold ETC (EUR)
  - Series 10 Xtrackers Physical Silver ETC (EUR)
  - Series 11 Xtrackers Physical Rhodium ETC
  - Series 12 Xtrackers Physical Rhodium ETC (EUR)
  - Series 13 Xtrackers Physical Gold GBP Hedged ETC
- the structure performed in accordance with the parameters set out in the multi-issuance programme and the performance is considered satisfactory.

As at 31 December 2018:

- the Company's total ETC Securities issued had a fair value of EUR 4,945,002,267 (2017: EUR 3,022,385,745) as disclosed in note 12;
- the Company has invested in inventories with a fair value of EUR 4,925,173,487 (2017: EUR 2,874,157,220) as disclosed in note 10;
- Metal bullion with a value of EUR 19,828,780 (2017: EUR 148,228,525) was due to the Company from the Programme Counterparty under the terms of the Balancing Agreement as disclosed in note 10;
- the net assets of the Company were EUR 30,002 (2017: EUR 30,002);
- the Company had the following ETC Securities in issue:

Series	Description	Maturity date	Ccy	Nominal (in units)	Metals held
1	Xtrackers Physical Gold ETC	15-Jun-60	USD	6,008,480	Gold
2	Xtrackers Physical Gold EUR hedged ETC	15-Jun-60	EUR	18,456,500	Gold
3	Xtrackers Physical Silver ETC	15-Jun-60	USD	266,500	Silver
4	Xtrackers Physical Silver EUR Hedged ETC	15-Jun-60	EUR	1,024,500	Silver
5	Xtrackers Physical Platinum ETC	14-Jul-60	USD	383,900	Platinum
6	Xtrackers physical Platinum EUR Hedged ETC	14-Jul-60	EUR	638,100	Platinum
7	Xtrackers Physical Palladium ETC	14-Jul-60	USD	60,079	Palladium
8	Xtrackers Physical Palladium EUR Hedged ETC	14-Jul-60	EUR	158,088	Palladium
9	Xtrackers Physical Gold ETC (EUR)	27-Aug-60	EUR	20,266,500	Gold
10	Xtrackers Physical Silver ETC (EUR)	27-Aug-60	EUR	757,520	Silver
11	Xtrackers Physical Rhodium ETC	19-May-61	USD	195,470	Rhodium
12	Xtrackers Physical Rhodium ETC (EUR)	19-May-61	EUR	106,168	Rhodium
13	Xtrackers Physical Gold GBP Hedged ETC	1-Apr-61	GBP	6,633,065	Gold

Future developments

The directors expect that the present level of activity will be sustained for the foreseeable future. The board (the "Board") will continue to seek new opportunities for the Company and will continue to ensure proper management of the current portfolio of Series of the Company.

The directors continue to assess the potential impact of the proposed departure of the UK from the European Union ("Brexit") on the Company's operations. Measures are being put in place to ensure the Company's continuing ability to passport its ETC Securities into EU markets. Such measures include advanced preparations for gaining approval in an alternative home member state should a no-deal Brexit occur.

Directors' report (continued)

Going concern

The Company's financial statements for the year ended 31 December 2018 have been prepared on a going concern basis. Each Series of ETC Securities is referenced to a specific asset and any loss derived from the asset will be ultimately borne by the relevant ETC Security holders. The directors anticipate that assets are readily realisable and hence, will continue to generate enough cash flows on an ongoing basis to meet the financial liabilities as they fall due. The ETC Securities in issue as at 31 December 2018 have final maturities ranging from 2060 to 2061. Therefore, for these reasons, the directors believe that the going concern basis is appropriate. The directors do not foresee any material redemptions in the next 12 months that would trigger going concern issues.

Business risks and principal uncertainties

The Company is subject to various risks. The key risks facing the Company relate to their use of financial instruments and other risks (i.e. market risk, credit risk, liquidity risk and operational risk) arising from the inventory which are set out in note 15 to the financial statements.

Results and dividends for the year

The results for the year are set out on page 11. The directors do not recommend the payment of a dividend for the year under review (2017: nil).

Changes in directors, secretary and registered office

Deutsche International Corporate Services Limited ("DICSL") agreed to sell its corporate services business to Vistra Fund Services Limited ("VFSL") pursuant to a business transfer agreement dated 14 September 2017. As part of the sale, the rights and obligations of DICSL under the corporate services agreement entered into between the Company and DICSL were novated to VFSL pursuant to a Deed of Novation dated 15 July 2018. In connection with the novation, DICSL resigned as secretary of the Company and Vistra Secretaries Limited ("VSL") was appointed as the new secretary of the Company with effect from 15 July 2018. The registered office of the Company also changed from St Paul's Gate, New Street, St Helier, Jersey JE4 8ZB, Channel Islands to St Paul's Gate, 22-24 New Street, St Helier, Jersey JE1 4TR, Channel Islands with effect from 15 July 2018.

On 15 July 2018, Intertrust Corporate Director 3 Limited and Intertrust Corporate Director 4 Limited resigned as directors of the Company. On the same date, Visdirect Services Limited and Viscom Services Limited were appointed as directors of the Company.

There has been no other change in directors, secretary and registered office during the year.

Directors, secretary and their interests

None of the directors or the secretary who held office on 31 December 2018 held any shares or ETC Securities in the Company at that date, or during the year. There were no contracts of any significance in relation to the business of the Company in which the directors had any interest. As disclosed in note 18, Related Party Transactions, Marc Harris, a director of the Company is an employee of Vistra (Jersey) Limited, of which Vistra Fund Services Limited is a subsidiary which provides administrative services to the Company. See note 18 for full details of the relationships entered into between the Company and its related parties.

Shares and shareholders

The authorised share capital of the Company is GBP 10,000 divided into 10,000 limited shares of GBP 1 each (the "Shares") of which 2 are issued and fully paid and are directly or indirectly held by Vistra Nominees I Limited and Vistra Nominees II Limited (the "Share Trustees") under the terms of a declaration of trust (the "Declaration of Trust") under which the Share Trustees hold the benefit of the shares on trust for charitable purposes. There are no other rights that pertain to the shares and the shareholders.

Subsequent events

There were no other changes in directors, secretary and registered office during the year up to the date of approval of these financial statements as described on page 1.

Independent auditor

In accordance with the Companies (Jersey) Law 1991, KPMG Channel Islands Limited, Chartered Accountants and Recognized Auditor has been appointed to continue in office.

On behalf of the Board

Director

Date: 28 March 2019

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and applicable law.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies (Jersey) Law, 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are also required by the Transparency (Directive 2004/109/EC) (Amendment) (No. 2) Regulations 2015 (the "Regulations") to include a Directors' Report containing a fair review of the business and a description of the principal risks and uncertainties facing the Company.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the directors in respect of the Directors' Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the directors' report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Director

Date: 28 March 2019

Independent Auditor's Report to the Members of db ETC Plc

Our opinion is unmodified

We have audited the financial statements of db ETC Plc (the "Company"), which comprise the statement of financial position as at 31 December 2018, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

— give a true and fair view of the financial position of the Company as at 31 December 2018, and of the Company's financial performance and cash flows for the year then ended;

— are prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS"); and

— have been properly prepared in accordance with the requirements of the Companies (Jersey) Law, 1991.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key Audit Matters: our assessment of the risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, were as follows:

KPMG

	The risk	Our response
Valuation of inventories held at fair value less costs to sell *€ 4,925,173,487* *(2017: € 2,874,157,220)* *Refer to the accounting policy in note 3(f), and to disclosures in note 10.*	*Basis:* Inventories held at fair value less costs to sell (the "Metals") represent 99% of the Company's total assets at 31 December 2018. The Metals act as collateral for the financial liabilities designated at fair value through profit or loss (the "ETC Securities") issued by the Company. The Metals are accounted for at fair value. The Company determines fair value by revaluing the quantity of Metals held at the reporting date to the last market prices published by the sources described in note 3. *Risk:* The reported fair value of Metals held may be materially misstated.	*Our audit procedures included:* *Internal Controls:* Assessed the design and implementation of controls over the valuation of Metals. *Evaluating the work of experts engaged by the Company:* Observed an inspection, and reviewed the findings of experts engaged by the Company to periodically inspect and weigh, on a sample basis, the Company's Metals. *Independent confirmation:* Obtained independent confirmation from the custodians of the quantity of Metals held in custody at the reporting date. *Independent evaluation:* Assessed the appropriateness of the pricing sources and considered whether the market prices represent fair value in accordance with IFRS. Performed an independent recalculation of fair value based on published market prices. *Assessing disclosures:* Assessed the fair value disclosures in the financial statements for compliance with IFRS requirements.

	The risk	***Our response***
Valuation of financial liabilities designated at fair value through profit or loss ***("ETC Securities")*** *€4,945,002,267;* *(2017: €3,022,385,745)* *Refer to the accounting policy in note 3(g), and to disclosures in note 12.*	*Basis:* The issuance of ETC Securities is central to the Company's principal activity. ETC Securities allow investors to gain exposure to movements in prices of Metals without needing to take physical delivery. ETC Securities are accounted for at fair value. As described in note 3(g), the Company determines fair value in accordance with the formula set out in the prospectus to reflect the contractual price at which the ETC Securities will be issued or redeemed by the Company at the reporting date. This formula takes into account the quantity of ETC Securities in issue at the reporting date, and the price of the relevant Metals, adjusted for product fees. *Risk:* A discrepancy in the inputs or incorrect application of the formula used to determine the fair value of ETC Securities may cause the reported fair value of financial liabilities designated at fair value through profit or loss to be materially misstated.	*Our audit procedures included:* *Internal Controls:* Assessed the design and implementation of the controls over the valuation of ETC Securities. *Evaluation of fair value methodology:* Assessed the appropriateness of the methodology used to value the ETC Securities, and considered whether it represents fair value in accordance with IFRS. *Independent evaluation:* Recalculated the fair value of ETC Securities using published market data on Metals prices. Compared the recalculated values to those determined by the Company. *Assessing disclosures:* Assessed the fair value disclosures in the financial statements, for compliance with IFRS requirements.

Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at €49 million, determined with reference to a benchmark of total assets of €4,947,608,640 as at 31 December 2018, of which it represents 1% (2017: 1%).

We reported to the Board of Directors any corrected or uncorrected misstatements we identified through our audit exceeding €2.4 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

We have nothing to report on the other information in the Directors' Report

The directors are responsible for the other information presented in the Directors' Report together with the financial statements. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 5, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Hunt
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognized Auditors, Jersey

29 March 2019

db ETC Plc

Statement of comprehensive income
For the year ended 31 December 2018

	Notes	Year ended 31-Dec-18 EUR	Year ended 31-Dec-17 EUR
Net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty	4	10,310,040	89,466,909
Net fair value loss on financial liabilities designated at fair value through profit or loss	5	(10,310,040)	(89,466,909)
Operating results		-	-
Other income	6	-	-
Operating profit before taxation		-	-
Taxation	7	-	-
Profit or loss and total comprehensive income for the year		-	-

The results above relate to continuing operations.

db ETC Plc

Statement of financial position
As at 31 December 2018

	Notes	31-Dec-18 EUR	31-Dec-17 EUR
Assets			
Cash and cash equivalents	8	2	2
Other receivables	9	2,606,371	24,663,562
Inventories held at fair value less costs to sell	10	4,925,173,487	2,874,157,220
Metal bullion due from Programme Counterparty	10	19,828,780	148,228,525
Total assets		4,947,608,640	3,047,049,309
Liabilities and equity			
Liabilities			
Other payables	11	2,576,371	24,633,562
Financial liabilities designated at fair value through profit or loss	12	4,945,002,267	3,022,385,745
Total liabilities		4,947,578,638	3,047,019,307
Equity			
Share capital	13	2	2
Retained earnings		30,000	30,000
Total equity		30,002	30,002
Total liabilities and equity		4,947,608,640	3,047,049,309

The financial statements on pages 11 to 29 were approved by the Board and authorised for issue on 28 March 2019.

On behalf of the Board

Director

Date: 28 March 2019

Statement of changes in equity
For the year ended 31 December 2018

	Share capital EUR	Retained earnings EUR	Total equity EUR
Balance as at 1 January 2017	2	30,000	30,002
Total comprehensive income for the year			
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2017	2	30,000	30,002
Balance as at 1 January 2018	2	30,000	30,002
Total comprehensive income for the year			
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2018	2	30,000	30,002

db ETC Plc

Statement of cash flows
For the year ended 31 December 2018

	Notes	Year ended 31-Dec-18 EUR	Year ended 31-Dec-17 EUR
Cash flows from operating activities			
Profit before taxation		-	-
Adjustments for:			
Decrease/(Increase) in other receivables		22,057,191	(24,633,562)
(Decrease)/Increase in other payables		(22,057,191)	24,633,562
Net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty	4	(10,310,040)	(89,466,909)
Net fair value loss on financial liabilities designated at fair value through profit or loss	5	10,310,040	89,466,909
Net cash generated from operating activities		-	-
Cash flows from investing activities			
Purchase of inventories		(3,273,589,819)	(1,672,547,412)
Proceeds from disposal of inventories		1,358,706,966	880,192,379
Net cash used in investing activities		(1,914,882,853)	(792,355,033)
Cash flows from financing activities			
Proceeds from issuance of financial liabilities designated at fair value through profit or loss		3,273,589,819	1,672,547,412
Redemption of financial liabilities designated at fair value through profit or loss		(1,358,706,966)	(880,192,379)
Net cash generated from financing activities		1,914,882,853	792,355,033
Movement in cash and cash equivalents		-	-
Cash and cash equivalents at start of the year		2	2
Cash and cash equivalents at end of the year	8	2	2

1 General information

The Company was incorporated on 6 August 2009 as a public limited company in Jersey under the Companies (Jersey) Law 1991, as amended, with company number 103781.

The principal activity of the Company, under the secured ETC precious metal securities programme (the "Programme"), is to issue from time to time series (each a "Series") of secured precious metal linked securities (the "ETC Securities"), where recourse in respect of each Series is limited to the proceeds of enforcement of the security over each respective Series' assets.

The ETC Securities are listed on various exchanges, including London, Switzerland, Milan and Frankfurt.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and in accordance with the Companies (Jersey) Law 1991.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2018; the comparative information for the year ended 31 December 2017 presented in these financial statements has been prepared using the same accounting policies.

These financial statements have been prepared on a going concern basis as disclosed in the Directors' report.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the Statement of financial position:

- Metal bullion due from Programme Counterparty is measured at fair value;
- Inventories held at fair value are measured at fair value less costs to sell; and
- Financial liabilities designated at fair value through profit or loss are measured at fair value.

The method used to measure fair values are discussed further in note 3(f, g) and 16.

(c) Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the entity operates. The Company does not have an investment strategy limited to one currency, as such the currency of the assets held and Notes in issue is expected to change periodically as a result of investor demand. The directors believe that the functional and the presentation currency should be EUR, in line with prior year, as EUR is the currency that most faithfully represents the economic effects of the transactions, events and conditions of the Company's underlying operations.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Details of material judgements and estimates have been further described in accounting policy 3(f) "Inventories at fair value less costs to sell", 3(g) "Financial instruments" and note 16 "Fair Values" to the financial statements.

The following are the critical judgements and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Judgements

Determination of fair value of inventories at fair value less costs to sell

In the absence of a specific precious metals or gold bullion accounting standard under IFRS, the directors believe that the most appropriate basis for accounting for precious metals and gold bullion is under IAS 2, "Inventories" at fair value less cost to sell.

2 Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

Judgements (continued)

Determination of fair value of financial liabilities issued at fair value through profit or loss

The financial liabilities designated at fair value through profit or loss are measured using the prices calculated by Apex Fund Services (Ireland) Limited (the "Determination Agent"), and not based on the quoted price available on the recognised stock exchanges for the financial liabilities at fair value through profit and loss. In the opinion of the directors, this is the most appropriate method of estimating fair value, as the Company is contractually obliged to settle the ETC Securities at their calculated price. Please refer to note 3(g) "Financial instruments" for further details.

Product fees

The product fees are borne by investors through a daily reduction in the metal entitlement of each ETC Security. Accordingly the product fees form an integral component of the determination of the daily fair values of the ETC Securities, and are not separately accounted for as an expense of the Company. Please refer to note 3(g) "Financial instruments" for further details.

Estimates

Inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty

The directors have determined that the main estimates are in relation to the determination of the fair value of inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty using prices quoted by the London Bullion Market Association. Further details have been described in accounting policy 3(f) "Inventories at fair value less costs to sell" to the financial statements.

Financial liabilities issued at fair value through profit or loss

The directors have determined that prices calculated by the Determination Agent are used as measurement basis at 31 December 2018 and 31 December 2017 as these prices most accurately reflect the obligations of the Company under the terms of the Series issue deeds. Please refer to note 3(g) "Financial instruments" for further details.

(e) Changes in accounting standards

Standards and amendments to existing standards effective 1 January 2018

IFRS 9 - Financial Instruments

IFRS 9, the new financial instrument standard issued by the IASB on 24 July 2014, replaces IAS 39, and was endorsed for adoption in the European Union on 22 November 2016. IFRS 9 has been implemented by the Company with effect from 1 January 2018, in line with the Standard's requirements. As permitted, the Company will not restate comparative periods on initial application of IFRS 9 and will recognise any measurement difference between the previous carrying amount and the new carrying amount at the transition date, through an adjustment to opening retained earnings. Under IAS 39 ETC Securities were designated as financial liabilities at fair value through profit or loss. Cash and cash equivalents, other receivables and other payables were measured at amortised cost. On adoption of IFRS 9 there has been no changes in the classification or measurement of any financial assets or liabilities held by the Company. Other financial assets which are held for collection continues to be measured at amortised cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 did not have a material impact on the Company's financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that will have a significant impact on the Company's financial statements.

3 Significant accounting policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in the Statement of comprehensive income.

Gains and losses arising on retranslation of financial liabilities designated at fair value through profit or loss and inventories at fair value less costs to sell are included in the Statement of comprehensive income together with fair value gains and losses as noted below.

3 Significant accounting policies (continued)

(b) Net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty

Net fair value gain on inventories relates to the movement in the prices of metals and includes all realised and unrealised fair value changes and foreign exchange differences. Any gains and losses arising from changes in fair value less costs to sell of the inventories and changes in fair value of Metal bullion due from Programme Counterparty are recorded in net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty at fair value in profit or loss in the Statement of comprehensive income. Details of recognition and measurement of inventories are disclosed in the accounting policy for inventories (note 3(f)).

(c) Net fair value loss on financial liabilities designated at fair value through profit or loss

Net fair value loss on financial liabilities designated at fair value through profit or loss relates to ETC Securities issued and includes all realised and unrealised fair value changes and foreign exchange differences. Any gains and losses arising from changes in the fair value of the financial liabilities designated at fair value through profit or loss are recorded in net fair value loss on ETC Securities in the profit or loss in the Statement of comprehensive income. Details of recognition and measurement of financial liabilities are disclosed in the accounting policy of financial instruments (note 3(g)).

(d) Other income

Other income is recognised in the Statement of comprehensive income when the right to receive income is established, on an accruals basis.

(e) Other expenses

All expenses, other than product fees recorded as a reduction in metal entitlement, are paid by the Arranger, Deutsche Bank AG, London Branch and as such, are not reflected in these financial statements. Product fees are recorded as a reduction in metal entitlement in calculation of the fair value of the ETC Securities.

(f) Inventories held at fair value less cost to sell

The directors believe that the Company effectively acts as commodity trader as defined in IAS 2, Inventories for each of the ETC Security holders. Therefore, inventories are measured at fair value less costs to sell in accordance with IFRS 13 Fair value measurement.

Initial recognition

Inventories held at fair value less costs to sell are recognised initially at trade date when the Company becomes a party to its contractual provisions.

Derecognition

The Company derecognises inventories held at fair value less costs to sell when the contractual rights to the cash flows from the asset have expired, or the Company has transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership are transferred.

Valuation of inventories

The gold is recorded at fair value using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The AM fix on 31 December 2018 was used to value the gold as this was the last fix price available from the London Bullion Market Association for the year.

The silver is recorded at fair value using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The fix on 31 December 2018 was used to value the silver as this was the last fix price available from the London Bullion Market Association for the year.

The platinum is recorded at fair value using the last available price, nearest or at year-end, quoted by the London Platinum and Palladium Market. The AM fix on 31 December 2018 was used to value the platinum as this was the last available fix price available from the London Platinum and Palladium Market for the year.

The palladium is recorded at fair value using the last available price, nearest or at year-end, quoted by the London Platinum and Palladium Market. The AM fix on 31 December 2018 was used to value the palladium as this was the last available fix price available from the London Platinum and Palladium Market for the year.

The rhodium is recorded at fair value using the last available price, nearest or at year-end, quoted by Comdaq. The fix on 31 December 2018 was used to value the rhodium as this was the last fix price available from Comdaq for the year.

The metal prices derived from the above sources are then adjusted for product fees charged at 0.25% to 0.95% per annum of metal entitlement and any purchase or sale transactions between the Observation Date (as defined in the Master Balancing Terms) and the year end date. The product fees are accrued on a daily basis.

3 Significant accounting policies (continued)

(f) Inventories held at fair value less cost to sell (continued)

Valuation of inventories (continued)

The valuation of inventories held at fair value in the Statement of financial position is calculated after taking account of adjustments to the Company's metal entitlement arising from the accrual of product fees and other rebalancing adjustments, consistent with the Balancing Agreements which are in place for each Series.

Metal bullion due from Programme Counterparty represents the amount of metal entitlement of ETC Securities which is not held as physical metal inventory as at the reporting date but which is due to be received from the Programme Counterparty under the Balancing Agreement. Metal bullion due from Programme Counterparty is accounted for as a financial asset at fair value through profit and loss.

(g) Financial instruments

Initial recognition

Financial liabilities at fair value through profit or loss are recognised initially at the trade date at which the Company becomes a party to the contractual provisions of the instrument. Other financial liabilities are recognised on the date they are originated.

Classification

The Company has classified financial assets and financial liabilities into the following categories:

Financial assets at fair value through profit or loss:

- Metal bullion due from Programme Counterparty

Financial liabilities at fair value through profit or loss:

- Financial liabilities designated at fair value through profit or loss

Financial assets at amortised cost:

- Cash and cash equivalents and other receivables

Financial liabilities at amortised cost:

- Other payables

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method or any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

The Company has designated financial liabilities at fair value through profit or loss in either of the following circumstances:
- the liabilities are managed, evaluated and reported internally on a fair value basis; and
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial instruments designated at fair value through profit or loss are recognised directly in the profit or loss in the Statement of comprehensive income. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Fair value measurement principles

Financial assets designated at fair value through profit or loss are valued using the appropriate metal prices, consistent with the description in the accounting policy for inventories above.

Financial liabilities designated at fair value through profit and loss are measured using the prices calculated by Apex Fund Services (Ireland) Limited (the "Determination Agent"). Quoted prices are also available on recognised stock exchanges for the financial liabilities designated at fair value through profit or loss. However, the directors have determined that prices calculated by the Determination Agent should be used as a measurement basis at 31 December 2018 and 31 December 2017 as these prices most accurately reflect the obligations of the Company under the terms of the Series Issue Deeds.

3 Significant accounting policies (continued)

(g) Financial instruments (continued)

Fair value measurement principles (continued)

The prices are calculated using the spot price of the relevant underlying metal adjusted for product fees. The product fees range from 0.25% to 0.95% per annum and are accrued on a daily basis by reducing the metal entitlement of each ETC Security.

At each reporting date, the Company assesses whether there is objective evidence that financial assets measured at amortised cost are impaired. A financial asset is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the future cash flows of the assets that can be estimated reliably.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment is reversed through the Statement of comprehensive income.

Identification and measurement of impairment

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in profit or loss in the Statement of comprehensive income. The Company writes off financial assets carried at amortised cost when they are determined to be uncollectible.

(h) Other receivables

Other receivables are accounted for at amortised cost.

(i) Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with the cash custodian which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments.

(j) Share capital

Share capital is issued in Pound Sterling ("GBP"). Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

(k) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The directors are responsible for ensuring that the Company carries out business activities in line with the transaction documents. They may delegate some or all of the day-to-day management of the business including the decisions to purchase and sell securities to other parties both internal and external to the Company. The decision of such parties are reviewed on a regular basis to ensure compliance with the policies and legal responsibilities of directors. Therefore the directors, as chief operating decision maker, retain full responsibility as to major allocation decisions of the Company.

The Board of directors believe that each Series can be treated as a segment as the return on each Series is linked to a different metal. Furthermore, financial information reviewed by the Board of directors is split out by Series and decisions are made on the basis of this information.

The split of financial liabilities designated at fair value through profit or loss by Series is shown in note 12 to the financial statements. Financial liabilities relate to ETC Securities. Details of the fair value movement by Series and the year end unit price by Series are included in note 12 which are the key measures of performance for each Series. There were no transactions between reportable segments during the year. All the entity-wide disclosures are covered in the Statement of financial position and the Statement of comprehensive income.

4 Net fair value gain on inventories at fair value less costs to sell and Metal bullion due from Programme Counterparty

	Year ended 31-Dec-18 EUR	Year ended 31-Dec-17 EUR
Net fair value gain on inventories and Metal bullion due from Programme Counterparty	10,310,040	89,466,909
	10,310,040	89,466,909

5 Net fair value loss on financial liabilities designated at fair value through profit or loss

	Year ended 31-Dec-18 EUR	Year ended 31-Dec-17 EUR
Net fair value loss on financial liabilities designated at fair value through profit or loss	(10,310,040)	(89,466,909)
	(10,310,040)	(89,466,909)

6 Other income

Other income relates to corporate benefits which are receivable from the Arranger, Deutsche Bank AG, London Branch and represent the Company's profit as a result of entering into the Programme. No corporate benefit was received for the year ended 31 December 2018 and 31 December 2017.

7 Taxation

The Company is not a regulated financial service company from a Jersey Income Tax perspective. Therefore, the Company is liable to Jersey Income Tax at 0%.

8 Cash and cash equivalents

	31-Dec-18	31-Dec-17
	EUR	EUR
Cash and cash equivalents	2	2
	2	2

The Company's cash and cash equivalents include deposits held at call with Vistra (Jersey) Limited, as cash custodian.

9 Other receivables

	31-Dec-18	31-Dec-17
	EUR	EUR
Inventories receivable*	2,576,371	3,725,573
Corporate benefit receivable due from Arranger	30,000	30,000
ETC securities receivables**	-	20,907,989
	2,606,371	24,663,562

* As at 31 December 2018, the disposal of 2,307 ounces of Gold @ EUR 1,279.00 each for Series 2 Xtrackers Physical Gold EUR Hedged ETC due 2060 (31 December 2017: the disposal of 90,681 ounces of Silver for Series 4 db Physical Silver Euro Hedged ETC due 2060 and 174,119 ounces of Silver for Series 10 db Physical Silver ETC (EUR) due 2060 @ EUR 16.87 each) remained unsettled and was subsequently settled on 2 January 2019.

** As at 31 December 2018, there were no unsettled issuances (31 December 2017: the issuance of 225,000 ETC Securities @ EUR 92.92 each for Series 2 db Physical Gold Euro Hedged ETC due 2060).

10 Inventories held at fair value less costs to sell and Metal bullion due from Programme Counterparty

	31-Dec-18	31-Dec-17
	EUR	EUR
Inventories	4,925,173,487	2,874,157,220
Metal bullion due from Programme Counterparty	19,828,780	148,228,525
	4,945,002,267	3,022,385,745

Movement in inventories

	31-Dec-18	31-Dec-17
	EUR	EUR
At beginning of the year	3,022,385,745	2,123,381,387
Additions during the year	3,273,589,819	1,693,455,401
Disposals during the year	(1,361,283,337)	(883,917,952)
Net gain in fair value during the year	10,310,040	89,466,909
At end of the year	4,945,002,267	3,022,385,745

As described in notes 3(f) and 15, Metal bullion due from Programme Counterparty represents the amount of metal entitlement of ETC Securities which is not held as physical metal inventory as at the reporting date but which is due to be received from the Programme Counterparty under the Balancing Agreement. As at 31 December 2018, the balance of Metal bullion due from Programme Counterparty was settled through delivery of additional metal inventories to JP Morgan post year end.

11 Other payables

	31-Dec-18 EUR	31-Dec-17 EUR
ETC securities payables*	2,576,371	3,725,573
Inventories payable**	-	20,907,989
	2,576,371	24,633,562

*As at 31 December 2018, the redemption of 29,000 ETC securities @ EUR 88.84 each for Series 2 Xtrackers Physical Gold EUR Hedged ETC due 2060 (31 December 2017: the redemption of 11,000 ETC Securities @ EUR 115.98 each for Series 4 db Physical Silver Euro Hedged ETC due 2060 and the redemption of 18,000 ETC Securities @ EUR 136.10 each for Series 10 db Physical Silver ETC due 2060 (EUR)) remained unsettled and were subsequently settled on 2 January 2019.

**As at 31 December 2018, there were no unsettled acquisitions (31 December 2017: the acquisition of 19,349 ounces of Gold @ EUR 1,291 each for Series 2 db Physical Gold Euro Hedged ETC due 2060).

12 Financial liabilities designated at fair value through profit or loss

	31-Dec-18		31-Dec-17	
	Nominal units issued	Fair value Amount EUR	Nominal units issued	Fair value Amount EUR
ETC Securities issued	54,954,870	4,945,002,267	34,411,275	3,022,385,745

Movement in ETC Securities issued	31-Dec-18 EUR	31-Dec-17 EUR
At beginning of the year	3,022,385,745	2,123,381,387
Issue of ETC Securities issued during the year	3,273,589,819	1,693,455,401
Redemption of ETC Securities issued during the year	(1,361,283,337)	(883,917,952)
Net loss in fair value during the year	10,310,040	89,466,909
At end of year	4,945,002,267	3,022,385,745

The ETC Securities issued are listed on various exchanges, including London, Switzerland, Milan and Frankfurt. Refer to note 15 for a description of the key risks regarding the issue of these instruments.

The financial liabilities in issue at 31 December 2018 are as follows:

Series	Description	CCY	Maturity	Units Outstanding 31-Dec-18	NAV Per unit 31-Dec-18	Fair value EUR 31-Dec-18
1	Xtrackers Physical Gold ETC*	USD	15-Jun-60	6,008,480	125.06	655,401,010
2	Xtrackers Physical Gold EUR Hedged ETC*	EUR	15-Jun-60	18,456,500	89.01	1,642,867,932
3	Xtrackers Physical Silver ETC*	USD	15-Jun-60	266,500	148.85	34,599,461
4	Xtrackers Physical Silver EUR Hedged ETC*	EUR	15-Jun-60	1,024,500	102.32	104,824,049
5	Xtrackers Physical Platinum ETC*	USD	14-Jul-60	383,900	76.39	25,577,831
6	Xtrackers Physical Platinum EUR Hedged ETC*	EUR	14-Jul-60	638,100	52.36	33,407,931
7	Xtrackers Physical Palladium ETC*	USD	14-Jul-60	60,079	121.51	6,367,238
8	Xtrackers Physical Palladium EUR Hedged ETC*	EUR	14-Jul-60	158,088	82.31	13,011,777
9	Xtrackers Physical Gold ETC (EUR)*	EUR	27-Aug-60	20,266,500	109.38	2,216,841,316
10	Xtrackers Physical Silver ETC (EUR)*	EUR	27-Aug-60	757,520	130.10	98,556,226
11	Xtrackers Physical Rhodium ETC*	USD	19-May-61	195,470	227.18	38,731,834

12 Financial liabilities designated at fair value through profit or loss (continued)

The financial liabilities in issue at 31 December 2018 are as follows (continued):

Series	Description	CCY	Maturity	Units Outstanding 31-Dec-18	NAV Per unit 31-Dec-18	Fair value EUR 31-Dec-18
12	Xtrackers Physical Rhodium ETC (EUR)*	EUR	19-May-61	106,168	198.43	21,066,793
13	Xtrackers Physical Gold GBP Hedged ETC*	GBP	1-Apr-61	6,633,065	7.29	53,748,869
				54,954,870		4,945,002,267

*On 16 February 2018, the names of the Series of ETC Securities were rebranded.

The financial liabilities in issue at 31 December 2017 are as follows:

Series	Description	CCY	Maturity	Units outstanding 31-Dec-17	NAV Per unit 31-Dec-17	Fair value EUR 31-Dec-17
1	db Physical Gold ETC	USD	15-Jun-60	6,052,175	126.83	639,429,719
2	db Physical Gold Euro Hedged ETC	EUR	15-Jun-60	15,226,600	93.31	1,420,828,764
3	db Physical Silver ETC	USD	15-Jun-60	285,500	162.99	38,762,749
4	db Physical Silver Euro Hedged ETC	EUR	15-Jun-60	990,000	115.98	114,824,040
5	db Physical Platinum ETC	USD	14-Jul-60	337,600	89.59	25,195,821
6	db Physical Platinum Euro Hedged ETC	EUR	14-Jul-60	464,600	63.57	29,534,916
7	db Physical Palladium ETC	USD	14-Jul-60	99,800	102.06	8,484,784
8	db Physical Palladium Euro Hedged ETC	EUR	14-Jul-60	213,500	71.58	15,282,034
9	db Physical Gold ETC (EUR)	EUR	27-Aug-60	5,156,000	105.95	546,286,429
10	db Physical Silver ETC (EUR)	EUR	27-Aug-60	568,500	136.10	77,371,268
11	db Physical Rhodium ETC	USD	19-May-61	310,000	159.50	41,186,488
12	db Physical Rhodium ETC (EUR)	EUR	19-May-61	202,000	132.97	26,859,630
13	db Physical Gold GBP Hedged ETC	GBP	1-Apr-61	4,505,000	7.56	38,339,103
				34,411,275		3,022,385,745

Movement in fair values by Series for the year ended 31 December 2018

Series	Description	Opening balance EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	Closing balance EUR
1	Xtrackers Physical Gold ETC*	639,429,719	258,839,172	(264,548,673)	21,680,792	655,401,010
2	Xtrackers Physical Gold EUR Hedged ETC*	1,420,828,764	692,746,968	(410,750,959)	(59,956,841)	1,642,867,932
3	Xtrackers Physical Silver ETC*	38,762,749	10,243,619	(12,577,583)	(1,829,324)	34,599,461
4	Xtrackers Physical Silver EUR Hedged ETC*	114,824,040	194,493,964	(191,577,602)	(12,916,353)	104,824,049
5	Xtrackers Physical Platinum ETC*	25,195,821	9,624,138	(6,183,130)	(3,058,998)	25,577,831
6	Xtrackers Physical Platinum EUR Hedged ETC*	29,534,916	74,205,739	(56,224,188)	(14,108,536)	33,407,931
7	Xtrackers Physical Palladium ETC*	8,484,784	2,185,260	(5,497,217)	1,194,411	6,367,238
8	Xtrackers Physical Palladium EUR Hedged ETC*	15,282,034	5,045,662	(9,120,976)	1,805,057	13,011,777

Notes to the financial statements (continued)
For the year ended 31 December 2018

12 Financial liabilities designated at fair value through profit or loss (continued)

Movement in fair values by Series for the year ended 31 December 2018 (continued)

Series	Description	Opening balance EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	Closing balance EUR
9	Xtrackers Physical Gold ETC (EUR)*	546,286,429	1,906,045,560	(287,348,206)	51,857,533	2,216,841,316
10	Xtrackers Physical Silver ETC (EUR)*	77,371,268	73,920,278	(49,775,237)	(2,960,083)	98,556,226
11	Xtrackers Physical Rhodium ETC*	41,186,488	-	(19,508,360)	17,053,706	38,731,834
12	Xtrackers Physical Rhodium ETC (EUR)*	26,859,630	-	(15,385,671)	9,592,834	21,066,793
13	Xtrackers Physical Gold GBP Hedged ETC*	38,339,103	46,239,459	(32,785,535)	1,955,842	53,748,869
		3,022,385,745	3,273,589,819	(1,361,283,337)	10,310,040	4,945,002,267

*On 16 February 2018, the names of the Series of ETC Securities were rebranded.

Movement in fair values by Series for the year ended 31 December 2017

Series	Description	Opening balance EUR	Issuances EUR	Redemptions EUR	Net changes in fair values EUR	Closing balance EUR
1	db Physical Gold ETC	495,015,921	271,952,871	(104,799,001)	(22,740,072)	639,429,719
2	db Physical Gold Euro Hedged ETC	800,181,011	1,009,327,810	(479,796,967)	91,116,910	1,420,828,764
3	db Physical Silver ETC	39,705,896	7,771,370	(4,660,814)	(4,053,703)	38,762,749
4	db Physical Silver Euro Hedged ETC	91,083,360	54,255,824	(30,936,088)	420,944	114,824,040
5	db Physical Platinum ETC	27,206,074	8,354,758	(7,977,020)	(2,387,991)	25,195,821
6	db Physical Platinum Euro Hedged ETC	19,534,612	36,369,561	(26,117,781)	(251,476)	29,534,916
7	db Physical Palladium ETC	7,174,965	-	(1,207,018)	2,516,837	8,484,784
8	db Physical Palladium Euro Hedged ETC	9,645,087	7,272,706	(6,190,084)	4,554,325	15,282,034
9	db Physical Gold ETC (EUR)	504,236,660	209,149,259	(158,920,092)	(8,179,398)	546,286,429
10	db Physical Silver ETC (EUR)	75,452,946	31,793,740	(22,821,765)	(7,053,653)	77,371,268
11	db Physical Rhodium ETC	22,509,470	-	(2,069,682)	20,746,700	41,186,488
12	db Physical Rhodium ETC (EUR)	17,751,779	-	(6,104,702)	15,212,553	26,859,630
13	db Physical Gold GBP Hedged ETC	6,962,622	56,720,916	(24,766,101)	(578,334)	38,339,103
16	db Physical Gold CHF	6,920,984	486,586	(7,550,837)	143,267	-
		2,123,381,387	1,693,455,401	(883,917,952)	89,466,909	3,022,385,745

13 Share capital

	31-Dec-18	31-Dec-17
Authorised:	GBP	GBP
10,000 ordinary shares of GBP 1 each	10,000	10,000
Issued and fully paid:	EUR	EUR
2 ordinary shares of GBP 1 each	2	2
	2	2

13 Share capital (continued)

As at 31 December 2018, the ordinary share capital was held by the following non-beneficial nominees:

	31-Dec-18 GBP	31-Dec-17 GBP
Vistra Nominees I Limited	1	-
Vistra Nominees II Limited	1	-
Intertrust Nominees (Jersey) Limited	-	1
Intertrust Nominees 2 (Jersey) Limited	-	1
	2	2

The authorised share capital of the Company is GBP 10,000, out of which 2 ordinary shares have been issued and fully paid. The nominees have no beneficial interest in and derives no benefit from its holding of the shares. There are no other rights that pertain to the shares and the shareholders.

14 Capital risk management

The Company views the share capital as its capital. The Company is a special purpose vehicle set up to issue ETC Securities for the purpose of making investments as defined under the programme memorandum and in each of the Series memorandum agreements. Share capital of GBP 2 was issued in line with Jersey Company Law and is not used for financing the investment activities of the Company. The Company is not subject to any other externally imposed capital requirements.

The Company can issue further series of ETC Securities to meet the demand of its investors.

15 Financial risk management

Risk management framework

The Company, and ultimately the holders of the ETC Securities, have exposure to the following risks from its use of financial instruments:

(a) Market risk;
(b) Credit risk;
(c) Liquidity risk; and
(d) Operational risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing these risks.

(a) Market risk

Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The ETC Security holders are exposed to the market risk of the financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financials instruments will fluctuate as a result of a change in interest rates. The ETC Securities, the Metal bullion due from Programme Counterparty and the inventories do not bear interest. As such, the Company and ETC Security holders have limited exposure to interest rate risk.

(ii) Currency risk

Currency risk is the risk which arises where the assets and liabilities of the Company are denominated in currencies other than its functional currency. As at 31 December 2018, the Company is exposed to assets and liabilities denominated in US Dollars (USD) and Pound Sterling (GBP).

The Company is not exposed to net currency risk since the foreign exchange movements in its financial liabilities will be offset by the foreign exchange movements in its inventories. Any net foreign currency risk is borne by the ETC Security holders.

15 Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

As at the reporting date, the carrying value of the Company's assets and liabilities held in individual foreign currencies were as follows:

31-Dec-18	**USD EUR**	**GBP EUR**	**Total EUR**
Inventories held at fair value less cost to sell denominated in USD / GBP	760,677,374	53,748,869	814,426,243
Total assets	760,677,374	53,748,869	814,426,243
Financial liabilities designated at fair value through profit or loss denominated in USD / GBP	(760,677,374)	(53,748,869)	(814,426,243)
Total liabilities	(760,677,374)	(53,748,869)	(814,426,243)
Net exposure	-	-	-

31-Dec-17	**USD EUR**	**GBP EUR**	**Total EUR**
Inventories held at fair value less cost to sell denominated in USD / GBP	753,059,561	38,339,103	791,398,664
Total assets	753,059,561	38,339,103	791,398,664
Financial liabilities designated at fair value through profit or loss denominated in USD / GBP	(753,059,561)	(38,339,103)	(791,398,664)
Total liabilities	(753,059,561)	(38,339,103)	(791,398,664)
Net exposure	-	-	-

The value of Metal bullion due from Programme Counterparty represents quantity of metal bullion, accordingly it is not considered to be a currency exposure.

The following exchange rates have been applied during the year:

	Average rate - year ended		**Closing rate**	
	31-Dec-18	**31-Dec-17**	**31-Dec-18**	**31-Dec-17**
USD-EUR	0.84771	0.88659	0.87220	0.83300
GBP-EUR	1.13029	1.14150	1.11220	1.12600

The impact of changes in foreign exchange rates on the inventories less cost to sell is offset by the impact of foreign exchange rate changes on the financial liabilities. Therefore any change in the exchange rates would have no net effect on the equity or the profit or loss of the Company.

(iii) Price risk

Price risk is the risk that changes in market prices of metals will affect the Company's income, expense, inventories and financial liabilities designated at fair value through profit or loss. The Company's liabilities are exposed to the market prices of the metals. However, the risk is mitigated by the Company holding quantities of physical metal inventory equivalent to the weight of metal entitlement for each Series of ETC Securities issued.

When a shortfall of metal inventory occurs, the shortfall is made up, in accordance with the terms of the Balancing Agreement, through a balance of metal bullion being due from the Programme Counterparty. Accordingly, the ETC Security holders are exposed to the market price risk of their metal entitlement under the ETC Securities.

Any changes in the metal spot prices on the inventories held by the Company would not have any net effect on the equity or the profit or loss of the Company since changes in the fair value of inventories or in the balance of Metal bullion due from the Programme Counterparty would be offset by corresponding changes in the fair value of the ETC Securities and as such any price risk is ultimately borne by the ETC Security holders.

15 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's principal financial assets are cash and cash equivalents, other receivables, Metal bullion due from Programme Counterparty and inventories which represents the Company's maximum exposure to credit risk. All credit risks are ultimately borne by the ETC Security holders.

The Company's maximum exposure to credit risk in the event that counterparties fail to perform their obligations as at the reporting date in relation to financial assets, is the carrying amount of those assets as indicated in the Statement of financial position was:

	31-Dec-18	31-Dec-17
	EUR	EUR
Metal bullion due from Programme Counterparty	19,828,780	148,228,525
Other receivables	2,606,371	24,663,562
Cash and cash equivalents	2	2
	22,435,153	172,892,089

The Company has no net credit risk given its obligations to the ETC Security holders are limited in recourse to the amount received on the inventories for each series of ETC Securities.

As at 31 December 2018, no financial assets carried at amortised cost were past due or impaired (2017:Nil). Assets that have been pledged as collateral for financial liabilities are disclosed in note 10.

The directors have also considered the credit risk and counterparty risk with JP Morgan and Johnson Matthey as custodian and sub-custodian and Deutsche Bank AG, London Branch, as Programme Counterparty, respectively of the allocated and unallocated inventories held by the Company given the significance of the inventories to the overall financial position of the Company. As at 31 December 2018, the Company held inventories with a fair value less costs to sell of EUR 4,925,173,487 (2017: EUR 2,874,157,220) with JP Morgan and Johnson Matthey, and Metal bullion due from Programme Counterparty with a fair value of EUR 19,828,780 (2017: EUR 148,228,525) from Deutsche Bank AG, London Branch.

With an overall credit rating status of JP Morgan (2018: S&P A-) (2017: S&P A-), the directors are of opinion that counterparty risk is acceptable.

With an overall credit rating status of Deutsche Bank AG, London Branch (2018: S&P BBB+) (2017: S&P A-), the directors are of opinion that counterparty risk is acceptable.

Ultimately, all credit and counterparty risks associated with JP Morgan are borne by the ETC Security holders.

The directors believe that the counterparty risk and credit risk exposure of the Company to the sub-custodian, Johnson Matthey, is not significant given that only approximately 1% (2017: 2%) of the total value of inventories are held with this sub-custodian.

Concentration risk

At the reporting date, the Company's inventories at fair value less costs to sell were concentrated in the following asset types and geographical location:

By industry	31-Dec-18	31-Dec-17
Types of collaterals	%	%
Inventories held at fair value through profit or loss and Metal bullion due from Programme Counterparty	100	100
	100	100

By Geographical location	31-Dec-18	31-Dec-17
Country of origin	%	%
United Kingdom	100	100
	100	100

15 Financial risk management (continued)

(b) Credit risk (continued)

Other receivables

Other receivables is mainly ETC securities receivable. It also comprises corporate benefit receivable by the Company at the year end from Deutsche Bank AG, London Branch. The credit ratings of Deutsche Bank AG, London Branch are as follows:

	2018 Short term ratings	2018 Long term ratings	2017 Short term ratings	2017 Long term ratings
Moody	P-2	A3	P-2	A3
Standard & Poor's	A-2	BBB+	A-2	A-
Fitch	F2	A-	F2	A-

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company limits its exposure to liquidity risk through the purchase of inventory. All liquidity risk associated with the inventories are ultimately borne by the ETC Security holders.

The contractual maturity profile of financial liabilities as at 31 December 2018 is as follows:

	Carrying amount	Gross contractual cash flows	Less than one year
	EUR	EUR	EUR
Financial liabilities designated at fair value through profit or loss	(4,945,002,267)	(4,945,002,267)	(4,945,002,267)
Other payables	(2,576,371)	(2,576,371)	(2,576,371)
	(4,947,578,638)	(4,947,578,638)	(4,947,578,638)

The contractual maturity profile of financial liabilities as at 31 December 2017 is as follows:

	Carrying amount	Gross contractual cash flows	Less than one year
	EUR	EUR	EUR
Financial liabilities designated at fair value through profit or loss	(3,022,385,745)	(3,022,385,745)	(3,022,385,745)
Other payables	(24,633,562)	(24,633,562)	(24,633,562)
	(3,047,019,307)	(3,047,019,307)	(3,047,019,307)

Due to the fact that the ETC Security holders have the option to redeem the securities before the final scheduled maturity date, the financial liabilities designated at fair value through profit or loss have been classified as due in less than one year.

The carrying amount and the gross contractual cashflows are equal to the fair value of each liability as stated in the Statement of financial position.

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and infrastructure, and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risks arise from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All administration functions are undertaken by Vistra Fund Services Limited. Deutsche Bank AG, London Branch acts as the Company's authorised participant, arranger, issuing and paying agent, programme counterparty, custodian and metal agent.

16 Fair values

The Company's financial assets and financial liabilities at fair value through profit or loss are carried at fair value in the Statement of financial position.

The Company's accounting policy on fair value measurement for inventory is disclosed in note 3(f) to the financial statements. The Company's accounting policy on fair value measurement of financial assets designated at fair value through profit or loss and financial liabilities designated at fair value through profit or loss is disclosed in note 3(g). The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted market price in an active market for an identical instrument.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Level 2 prices use widely recognised valuation models for determining the fair value of common and more simple financial instruments that use only observable market data and require little management judgement and estimation. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

Transfers between levels are determined based on changes to the significant inputs used in their fair value measurement. The directors evaluate whether significant inputs to the valuation models are observable at the year end in making a decision to transfer a valuation from one level to another.

The Company determines the effective date of transfer at the beginning of the reporting year.

The Company does not have any financial instruments at level 1 or 3 and there has not been any transfer between levels during the year ended 31 December 2018.

At 31 December 2018 and 31 December 2017, the carrying amounts of Inventories held at fair value less costs to sell, Metal bullion due from Programme Counterparty and financial liabilities issued by the Company are as follows:

	31-Dec-18			
	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Metal bullion due from Programme Counterparty	-	19,828,780	-	19,828,780
Inventories held at fair value less costs to sell	-	4,925,173,487	-	4,925,173,487
Financial liabilities designated at fair value through profit or loss	-	(4,945,002,267)	-	(4,945,002,267)
	-	-	-	-

	31-Dec-17			
	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Metal bullion due from Programme Counterparty	-	148,228,525	-	148,228,525
Inventories held at fair value less costs to sell	-	2,874,157,220	-	2,874,157,220
Financial liabilities designated at fair value through profit or loss	-	(3,022,385,745)	-	(3,022,385,745)
	-	-	-	-

Although the directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

17 Classification of financial instruments

	Carrying value 31-Dec-18 EUR	Fair value 31-Dec-18 EUR	Carrying value 31-Dec-17 EUR	Fair value 31-Dec-17 EUR
At fair value				
Metal bullion due from Programme Counterparty	19,828,780	19,828,780	148,228,525	148,228,525
Financial liabilities designated at fair value through profit or loss	(4,945,002,267)	(4,945,002,267)	(3,022,385,745)	(3,022,385,745)
	(4,925,173,487)	(4,925,173,487)	(2,874,157,220)	(2,874,157,220)
At amortised cost				
Cash and cash equivalents	2	2	2	2
Other receivables	2,606,371	2,606,371	24,663,562	24,663,562
Other payables	(2,576,371)	(2,576,371)	(24,633,562)	(24,633,562)
	30,002	30,002	30,002	30,002

18 Related Party Transactions

Visdirect Services Limited and Viscom Services Limited (as from their date of appointment) and Intertrust Corporate Director 3 Limited and Intertrust Corporate Director 4 Limited (up to their date of resignation) act solely in the capacity as directors of Jersey companies, pursuant to the Companies (Jersey) Law 1991, as amended. Both are part of the Vistra group of companies. No fee was charged or paid to the Vistra Group during the year under review by the Company for the provision of directors. As disclosed in note 3(e), most expenses of the Company are borne by the Arranger, Deutsche Bank AG, London Branch, including fees paid to Vistra.

Product fees incurred for the year ended 31 December 2018 due to Deutsche Bank AG in its capacity as Arranger amounted to EUR 17,582,188 (2017: EUR 12,150,243). No amount was payable as at 31 December 2018 (2017: EUR Nil).

Marc Harris, acting as director for the Company is an employee of Vistra (Jersey) limited, of which Vistra Fund Services Limited is a subsidiary which provides administrative services to the Company.

As at 31 December 2018, corporate benefit fees amounting to EUR 30,000 (2017: EUR 30,000) were receivable from Deutsche Bank AG, London Branch.

Metal bullion due from Programme Counterparty amounting to EUR 19,828,780 (2017: EUR EUR 148,228,525) were outstanding as at 31 December 2018.

As at 31 December 2018, the number of ETC Securities held by Deutsche Bank AG, London Branch, as authorised participant was 223,829 units (EUR 13,154,147) (2017: 249,295 units (EUR 13,142,245)).

19 Ultimate controlling party

The directors of the Company consider Vistra Corporate Services Limited as trustee of the db ETC Charitable Trust (the beneficial owner of the issued share capital of the Company) to be the ultimate controlling party of the Company.

20 Key management personnel

The key management personnel have been identified as being the directors of the Company.

Marc Harris is an employee of Vistra (Jersey) Limited during the year ended 31 December 2018. His emoluments are paid by Vistra Fund Services Limited and other related entities and no re-charge is made to the Company. It is therefore not possible to make a reasonable apportionment of his emoluments in respect of the Company.

21 Subsequent events

There have been no significant events that requires disclosure to the financial statements since the year end and up to the date of approving the financial statements.