

db ETC Plc

**Management report and
Condensed unaudited interim financial statements**

For the half year ended 30 June 2010

db ETC Plc

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Directors and other information

Directors

Ogier Corporate Director (Jersey) 3 Limited-appointed 11 May 2010
Ogier Corporate Director (Jersey) 4 Limited-appointed 11 May 2010
Ed Fletcher-appointed 11 May 2010
Alan Booth (alternate director for ED Fletcher)-appointed 11 May 2010
Christopher Byrne-resigned 11 May 2010
Peter Gatehouse-resigned 11 May 2010

Registered office

St Paul's Gate
New Street
St Helier
Jersey
JE4 8ZB
Channel Islands

**Administrator &
Company secretary**

Deutsche International Corporate Services Limited
St Paul's Gate
New Street
St Helier
Jersey
JE4 8ZB
Channel Islands

Independent auditor

KPMG Channel Islands Limited
5 St Andrew's Place
Charing Cross
Jersey
JE4 8WQ
Channel Islands

**Arranger, Issuing & Paying agent,
Custodian**

Deutsche Bank AG
London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Trustee

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Interim management report

The directors present their interim report and the unaudited financial statements of db ETC Plc (the "Company"), for the half year ended 30 June 2010.

Principal activities and key events for the first six months

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 secured precious metal linked securities ("ETC Securities"), where recourse in respect of such transactions is limited to the proceeds of enforcement of the security over the Company's assets.

ETC Securities will be issued in Series and each Series will be secured by a charge and/or assignment of and/or other security interest over the Company's rights under the swap agreement and the credit support deed relating to the relevant series as referred to in the base prospectus. The ETC Securities will also be secured by a charge over all sums held by the issuing and paying agent to meet payments due in respect of the relevant Series of ETC Securities and by an assignment of the Company's rights under the agency agreement, the custody agreement, the authorised participant agreement and the determination agent agreement relating to such Series.

The net proceeds from the issue of ETC Securities of a Series of ETC Securities will be an amount of unallocated metal which, in accordance with 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 shall be held in the secured unallocated account. Such underlying metal shall be used to meet the Company's obligations under the relevant Series of ETC Securities and the relevant balancing agreement.

During the half year,

- the Company made a profit of GBP 4,862 (31 December 2009: GBP Nil);
- the net fair value loss on derivative financial instruments amounted to GBP 275,242 (31 December 2009: GBP Nil);
- the net fair value gain on financial liabilities designated at fair value through profit or loss amounted to GBP 275,242 (31 December 2009: GBP Nil);
- the total amount of units issued during the period was GBP 31,589,911 (31 December 2009: GBP Nil);

As at 30 June 2010,

- the Company's total units' indebtedness was GBP 31,314,669 (31 December 2009: GBP Nil);
- the net assets was GBP 4,864 (31 December 2009: GBP 2).

Future developments

The directors expect the present level of activity to be sustained for the foreseeable future.

Credit events

There was no credit event noted during the period.

Events after balance sheet date

The following series have been issued since the period end:

Series 05 - db Physical Platinum ETC Securities due 2060
Series 06 - db Physical Platinum Euro Hedged ETC Securities due 2060
Series 07 - db Physical Palladium ETC Securities due 2060
Series 08 - db Physical Palladium Euro Hedged ETC Securities due 2060

Results and dividends for the period

The results for the year are set out on page 6. No dividends are recommended by the directors for the period under review (31 December 2009: GBP Nil).

Interim management report (Continued)

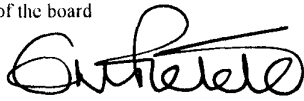
Changes in directors, secretary and registered office

Christopher Byrne and Peter Gatehouse resigned on 11 May 2010 and Ed Fletcher, Ogier Corporate Director (Jersey) 3 Limited, Ogier Corporate Director (Jersey) 4 Limited and Alan Booth (as alternate for Ed Fletcher) were appointed on the same date.

Directors, secretary and their interests

The directors who held office on 30 June 2010 did not hold any share in the Company at that date, or during the half year. There were no contracts of any significance in relation to the business of the Company in which the directors had any interest, as defined in the Companies Act 1990, at any time during the half year.

On behalf of the board

A handwritten signature in black ink, appearing to read 'Alan Booth', written over a horizontal line.

Director

Date: 19-8-10

Responsibility statement

The Company's directors are responsible for preparing the management report and the interim financial statements in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge:

- the condensed financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and results of the issuer, and
- the Interim Management Report includes a fair review of:
 - important events that have occurred during the first six months of the year;
 - the impact of those events on the condensed financial statements; and
 - a description of the principal risks and uncertainties for the remaining six months of the financial year.

The directors further indicate that such interim financial statements for the half year ended 30 June 2010 have not been audited.

On behalf of the board

A handwritten signature in black ink, appearing to read 'G. S. H. T. S.', written over a horizontal line.

Director

Date: 19-8-10

**Statement of financial position
as at 30 June 2010**

	Note	30-Jun-10 GBP	31-Dec-09 GBP
ASSETS			
Derivative financial instruments	9	31,314,669	-
Other receivables	10	4,862	-
Cash and cash equivalents	8	2	2
Total assets		<u>31,319,533</u>	<u>2</u>
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities designated at fair value through profit or loss	11	31,314,669	-
Total liabilities		<u>31,314,669</u>	<u>-</u>
Shareholder's Funds - Equity			
Share capital	12	2	2
Retained earnings		4,862	-
Total equity		<u>4,864</u>	<u>2</u>
Total liabilities and equity		<u>31,319,533</u>	<u>2</u>

On behalf of the board

Director



Date: 19-8-10

**Statement of comprehensive income
for the half year from 1 January 2010 to 30 June 2010**

	Notes	Period ended 30-Jun-10 GBP	Period ended 31-Dec-09 GBP
Net changes in fair value of derivative financial instruments	4	(275,242)	-
Net changes in fair value of financial liabilities designated at fair value through profit or loss	5	275,242	-
Other income	6	4,862	-
Operating profit before taxation		4,862	-
Tax on profit on ordinary activities	7	-	-
Profit for the period		4,862	-

The accompanying notes to the financial statements on pages 9 to 13 form an integral part of these financial statements.

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**Statement of changes in equity
for the half year ended 30 June 2010**

	Share capital GBP	Retained earnings GBP	Total Equity GBP
Issue of shares	2	-	2
<i>Comprehensive income for the period</i>			
Profit for the period	-	-	-
Total comprehensive income for the period	<u>2</u>	<u>-</u>	<u>2</u>
Balance as at 31 December 2009	<u>2</u>	<u>-</u>	<u>2</u>
<i>Comprehensive income for the period</i>			
Profit for the period	-	4,862	4,862
Total comprehensive income for the period	<u>-</u>	<u>4,862</u>	<u>4,862</u>
Balance as at 30 June 2010	<u>2</u>	<u>4,862</u>	<u>4,864</u>

The accompanying notes to the financial statements on pages 9 to 13 form an integral part of these financial statements.

Statement of cash flows
for the half year ended 30 June 2010

	Notes	Period ended 30-Jun-10 GBP	Period ended 31-Dec-09 GBP
Cash flows from operating activities			
Profit before taxation		4,862	-
<i>Adjustments for:</i>			
Increase in other receivables		(4,862)	-
Unrealised fair value movement on derivative financial instruments	9	275,242	-
Unrealised fair value movement on financial liabilities designated at fair value through profit or loss	11	(275,242)	-
Net cash generated from operating activities		<u>-</u>	<u>-</u>
Cash flows used in investing activities			
Payment to swap counterparty	9	(31,589,911)	-
Net cash used in investing activities		<u>(31,589,911)</u>	<u>-</u>
Cash flows from financing activities			
Issue of share capital		-	2
Issue of financial liabilities designated at fair value through profit or loss	11	31,589,911	-
Net cash generated from financing activities		<u>31,589,911</u>	<u>2</u>
Net increase in cash and cash equivalents		-	2
Cash and cash equivalents at start of the period		2	-
Cash and cash equivalents at end of the period	8	<u>2</u>	<u>2</u>

The accompanying notes to the financial statements on pages 9 to 13 form an integral part of these financial statements.

**Notes to the financial statements
for the half year ended 30 June 2010**

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 secured precious metal linked securities ("ETC Securities"), where recourse in respect of such transactions is limited to the proceeds of enforcement of the security over the Company's assets.

2 Basis of preparation

The condensed financial statements for the half year ended 30 June 2010 have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting'. The condensed interim financial statements should be read in conjunction with the annual financial statements for the period ended 31 December 2009.

3 Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed interim financial statements as were applied in the preparation of the Company's financial statements for the period ended 31 December 2009.

4 Net changes in fair value of derivative financial instruments

	Period ended 30-Jun-10	Period ended 31-Dec-09
	GBP	GBP
Unrealised fair value movement	(275,242)	-
	<u>(275,242)</u>	<u>-</u>

5 Net changes in fair value of financial liabilities designated at fair value through profit or loss

	Period ended 30-Jun-10	Period ended 31-Dec-09
	GBP	GBP
Unrealised fair value movement	275,242	-
	<u>275,242</u>	<u>-</u>

6 Other income

	Period ended 30-Jun-10	Period ended 31-Dec-09
	GBP	GBP
Corporate benefit	4,862	-
	<u>4,862</u>	<u>-</u>

7 Taxation

	Period ended 30-Jun-10	Period ended 31-Dec-09
	GBP	GBP
Profit on ordinary activities before tax-current tax	4,862	-
	<u>4,862</u>	<u>-</u>

Effective 1 January 2009, Jersey's tax regime has changed. Jersey registered companies are treated as resident for tax purposes and are subject to the zero or ten percent standard income tax rate. Since the Company is not a regulated financial service business, the effect of the new tax regime is limited to the change of status from exempt to liable to Jersey income tax at 0%.

8 Cash and cash equivalents

	30-Jun-10	31-Dec-09
	GBP	GBP
Ogier client account	2	2
	<u>2</u>	<u>2</u>

Notes to the financial statements (continued)
for the half year ended 30 June 2010

9 Derivative financial instruments	30-Jun-10 GBP	31-Dec-09 GBP
Total return swaps	31,314,669	-
<i>Movement during the period:</i>		
Additions during the period	31,589,911	-
Unrealised fair value movement	(275,242)	-
At end of period	31,314,669	-

The Balancing Agreement between the programme counterparty and the Company broadly seeks to account for the product fee and, in respect of FX Hedged ETC Securities, any currency hedging gains or losses by requiring deliveries of unallocated metal to be made between the Company and the programme counterparty so that, as a result of such deliveries, the amount of Underlying Metal should equal the aggregate Metal Entitlement per ETC Security in respect of all outstanding ETC Securities of the relevant series on specified observation dates.

10 Other receivables	30-Jun-10 GBP	31-Dec-09 GBP
Corporate benefit receivable	4,862	-
	4,862	-

11 Financial liabilities designated at fair value through profit or loss	30-Jun-10 GBP	31-Dec-09 GBP
Secured ETC Index Linked	31,314,669	-
<i>Movement during the period:</i>		
Issued during the period	31,589,911	-
Unrealised fair value movement	(275,242)	-
At end of period	31,314,669	-

Maturity Analysis	30-Jun-10 GBP	31-Dec-09 GBP
Less than 1 year	-	-
1-2 years	-	-
2-5 years	-	-
Over 5 years	31,314,669	-
	31,314,669	-

Series name	Description	Units Outstanding 30-Jun-10	Value per Unit 30-Jun-10 GBP	Fair value GBP
Series 1	db Physical Gold ETC Securities due 2060	85,000	82.55	7,017,116
Series 2	db Physical Gold Euro Hedged ETC Securities due 2060	100,000	81.95	8,195,402
Series 3	db Physical Silver ETC Securities due 2060	60,000	124.35	7,461,244
Series 4	db Physical Silver Euro Hedged ETC Securities due 2060	70,000	123.44	8,640,907
		315,000		31,314,669

Notes to the financial statements (continued)
for the half year ended 30 June 2010

	30-Jun-10	31-Dec-09
12 Share capital		
<i>Authorised:</i>	GBP	GBP
10,000 ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
<i>Issued and fully paid up</i>	GBP	GBP
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

13 Related party transactions

Ogier Corporate Director (Jersey) 3 Limited and Ogier Corporate Director (Jersey) 4 Limited act solely in their capacity as directors of Jersey companies, pursuant to the Companies (Jersey) Law 1991, as amended. Both are part of the Ogier group of companies. No fee was charged or paid to the Ogier Group during the period under review for the provision of directors. Ed Fletcher acting as director for the Company is an employee of Deutsche Bank International Limited. Deutsche International Corporate Services Limited, which acts as administrator to the Company, is a subsidiary of Deutsche Bank International Limited.

14 Ultimate controlling party

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

15 Financial risk management

The principal activity of the Company, under the Secured ETC Precious Metal Securities Programme (the "Programme"), is to issue from time to time secured precious metal linked securities ("ETC Securities"), where recourse in respect of such transactions is limited to the proceeds of enforcement of the security over the Company's assets.

Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- Operational risk;
- Credit risk;
- Market risk; and
- Liquidity 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 risk and the Company's management of capital.

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, personnel 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 to 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 above. All management and administration functions are outsourced to Deutsche International Corporate Services Limited.

**Notes to the financial statements (continued)
for the half year ended 30 June 2010**

15 Financial risk management (continued)

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 derivative financial instruments and other receivables which represents the Company's maximum exposure to credit risk.

Market risk

Market risk is the risk that changes in market prices will affect the Company's income or the value of its holdings of financial instruments. The securities are linked to the relevant Metal by the Company entering into Total Return Swaps with the Swap Counterparties referencing such Metals. Market risk embodies the potential for both gains and losses and price risk. The Company uses Total Return Swaps to manage its market risk.

(i) Interest rate risk

Interest rate risk is the risk that the Company does not receive enough interest from the financial assets to secure interest payments on the financial liabilities. The securities issued do not bear interest. Consequently, the Company is not exposed to any interest rate risk.

(ii) Currency risk

Currency risk is the risk which arises due to the assets and liabilities of the Company held in foreign currencies, which will be affected by fluctuations in foreign exchange rates.

The Company is exposed to currency risk on its financial liabilities which has been mitigated by entering into swap transactions, hence passed on to the swap counterparty.

The following significant exchange rates have been applied during the period:

	30-Jun-10	31-Dec-09
EUR-GBP	0.8103	0.9000
USD-GBP	0.6637	0.6279

(iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company does not consider price risk to be a significant risk to the Company as any fluctuation in the value of financial liabilities will be borne by the swap counterparties.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's obligation to the securityholders of a particular series is limited to the net proceeds upon realisation of the total return swap of that series.

Fair values

The Company's derivative financial instruments and financial liabilities issued are carried at fair value on the Statement of financial position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. The carrying amounts of all the Company's derivative financial instrument and financial liabilities at the Statement of financial position date approximated their fair values.

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.

For recognised fair values measured using significant unobservable inputs, changing one or more assumptions used to reasonably possible alternative assumptions would not have any effect on the profit or loss or on equity as any change in fair value of the financial assets will be borne by the securityholders due to the limited recourse nature of the securities issued by the Company.

The metal linked securities are exchange traded and there is trading in the securities. As such, the financial liabilities are classified as level 2 in the fair value hierarchy.

db ETC Plc

Notes to the financial statements (continued)

For the half year ended 30 June 2010

16 Operating expenses

All costs associated with the Company are paid by Deutsche Bank AG London.

17 Events after balance sheet date

The following series have been issued since the period end:

- Series 05 - db Physical Platinum ETC Securities due 2060
- Series 06 - db Physical Platinum Euro Hedged ETC Securities due 2060
- Series 07 - db Physical Palladium ETC Securities due 2060
- Series 08 - db Physical Palladium Euro Hedged ETC Securities due 2060

18 Comparatives

In line with IAS 34, the comparative information for the Statement of comprehensive income, Statement of cash flows and Statement of changes in equity are for the period ended 31 December 2009 and the comparative information for the Statement of financial position is as at 31 December 2009.

19 Approval of financial statements

The board of directors approved these financial statements on19-8-10.....

**This announcement has been issued through the Companies Announcement Service of
The London Stock Exchange.**